

each year's crop is bought in the district where it is grown and the other part is bought in the locality where the manufacturing establishments are situated. There has been, and still is, a considerable divergence of opinion amongst growers concerning the relative merits of these two systems, and there has been a desire on the part of a section of the growers to bring about the purchase of all leaf in the district where it is grown. The Board has been negotiating with the principal manufacturers concerned along these lines, and it is anticipated that as a result of the negotiations some improvement will shortly be effected in the present arrangements which it is hoped will be the means of removing the dissatisfaction and the divergence of opinion in regard to this particular question which exists in the minds of a section of the growers under present conditions.

In the 1936-37 season the area planted in tobacco was 2,132 acres and the yield was 1,514,124 lb. The number of licensed growers was 508. In the 1937-38 season the number of growers licensed was 441 and the acreage for which licenses were issued was 2,563. The crop of the 1937-38 season is exceptional, both in point of quality and quantity, and it is anticipated that the yield will be in the vicinity of 2,250,000 lb.

BOARD OF TRADE (ONION) REGULATIONS 1938.

Reference was made in last year's annual report to the passing of regulations in March, 1937, under the Board of Trade Act, 1919, to give effect to a scheme of control for the purpose of assisting and encouraging onion-growers and of developing the industry generally. These regulations were designed to cover onions of the 1936-37 season's harvest.

A meeting of representatives of the onion industry with representatives of the Departments of Agriculture and Internal Marketing was held in January, 1938, for the purpose of considering the question of the marketing of the 1937-38 crop, and it was resolved at that meeting to recommend the Government to continue the operation of the Onion Regulations with certain modifications found as a result of the administration of the scheme of control during the 1936-37 season to be desirable or necessary.

Action in this direction was accordingly taken by the Government. New regulations were prepared, submitted to growers for approval, and finally passed by the Government on the 24th February, 1938, under the title of the Board of Trade (Onion) Regulations 1938.

The regulations generally follow upon the lines of those in operation in the preceding season, providing for the grading of onions by the grower, the fixation of a minimum price at which f.a.q. onions can be sold by and bought from growers, for the fixation of merchants', auctioneers', and brokers' margins of profit, and for the making of returns of sales and purchases by growers and by merchants, auctioneers, and brokers.

Under the new regulations the place of the two advisory committees—one in the North Island and one in the South Island—set up under the previous regulations for the purpose of advising the controlling authority on matters affecting the industry is taken by one committee composed of two Government representatives, four representatives of the onion-growers, and three representatives of the wholesale onion-merchants of New Zealand, and called the New Zealand Onion Marketing Advisory Committee.

Like the 1937 regulations, the 1938 regulations are administered by the Department of Agriculture, the Board of Trade Act merely being the vehicle for the passing of the regulations.

SEA FISHERIES.

The Sea Fisheries Investigation Committee, which comprised as members Mr. Jas. Thorn, M.P., Mr. M. W. Young, Marine Department, and Mr. E. Sheed, Department of Industries and Commerce, completed its investigation towards the end of 1937, and its report was laid on the table of the House on the 15th March.

The order of reference submitted to the Committee by the Hon. the Minister of Industries and Commerce was sufficiently wide in its scope to permit of all aspects of the industry being investigated, and the report as now submitted will serve as a firm foundation upon which to build up the industry to a degree of efficiency and service consistent with its importance as a unit of our production and food-supply.

Apart from a large number of related issues, the report is broadly divided into a consideration of matters dealing with (a) production, and (b) marketing.

The findings in respect of the production side of the industry dispel to a large extent the popular contention that the waters round the New Zealand coast are teeming with marketable fish. The evidence tendered by fishermen and others, together with the Marine Department's particular knowledge of the conditions, shows that depletion of certain grounds has occurred and that there is need for conservation at many points in order to ensure the continuity of supply of a product the food-value of which has been expressed in no uncertain terms by the Committee. Upon the production side, also, particular attention is directed upon matter concerning the fishing fleet, the methods employed in fishing, harbour facilities, refrigeration, utilization of offal and waste fish, earnings of fishermen, and fisheries administration.

In regard to marketing, with which this Department is more directly concerned, the Committee directs attention to the lack of co-operation which exists amongst the various wholesale units in the trade, and stresses the need for a closer unity in all matters concerning internal distribution and export. Arising out of difficulties encountered in the past in the matter of securing profitable returns upon export to Australia, the Committee has recommended that steps be taken to co-ordinate export activities and thus eliminate the competitive element, which had often forced prices down to uneconomic levels.