

Stocks of wheat were built up in all flour-mills sufficient to carry the country to the middle of April, 1940, without touching the 1940 crop. In addition, provision was made for fowl-wheat supplies, and emergency storage arrangements in the North Island enabled 8,000 tons of wheat for feed purposes to be stored there, ensuring supplies until the new South Island crop would be available.

Steps were also taken to ensure that flour-millers had full supplies of essential materials to maintain their mills in good running order for a lengthy period.

Large stocks of calico for flour-bags were also provided.

Arrangements were made with merchants to bring down as many cornsacks as possible from Calcutta in the July/August, 1939, steamer instead of waiting for the November/December loading as was usual. The Wheat Committee also imported and stored for emergency a large quantity of new cornsacks. These are still held in reserve, and further purchases for the same purpose have been made.

Early supplies of cornsacks have again been arranged for next harvest.

Cornsack prices in Calcutta rose very sharply after the outbreak of war, but the internal price in New Zealand was stabilized on an average cost and prices fixed by the Price Tribunal. These fixed prices extended to once-used grain-sacks and flour-sacks and were designed to enable the due share of the increased cost to be borne by each user of the sack and at the same time to ensure that bakers were able to recover the full measure of increase in the value of the flour-sack.

Upon the outbreak of war an appeal by me was made to wheatgrowers to increase their areas. The time was late for planting wheat, but, although the growers knew this and knew they were running a great risk, they responded splendidly by increasing the area very considerably. Unfortunately, a dry season ruined many of these late-sown crops, and the country did not reap the full benefit of the wheatgrowers' patriotic action.

The area sown to wheat for harvest in 1941 is expected to be greater than that harvested this year, but, as in all agricultural operations, results depend upon the weather, both for the area sown and the resultant yield of the crop.

Experiments are now being undertaken to find and record for reference certain formulae for making bread from an admixture of other grains and substances in the event of a shortage of wheat at a time when supplies could not be imported. This information may never be required, but will be on record if wanted.

Wheat stocks in New Zealand flour-mills are at present much greater than normal for this time of the year, but importations to the North Island are still being made.

All points where emergency measures might have to be taken in the wheat, flour, and bread industries are being carefully watched, and action will be taken wherever necessary. Wheatgrowers, flour-millers, grain-brokers, and bakers have set up special committees to advise and assist the Wheat and Flour Controller in an emergency.

Under this control wheat, flour, and bread prices have been stabilized and there have not been any increases.

#### DEPARTMENT OF INDUSTRIES AND COMMERCE.

Apart from the special war measures, all phases of the work of the Department of Industries and Commerce have been adapted to the efforts of the Dominion in bringing the war to a successful conclusion.

##### STANDARDS.

Towards the latter part of the war of 1914-18 the importance of standards was recognized, and here in New Zealand industry is being assisted to obtain maximum results, to eliminate waste, by the activities of the Standards Section in promulgating codes for simplification of production in industry. The total number of standards in operation in the Dominion is 280, and these cover civil engineering, mechanical engineering, electrical engineering, chemical engineering, the paints industry, the building industry, and sections of the dairy industry.

The Standards Section is a unit of the Empire Standardizing Bodies, and thus in the exchange of services and ideas can and does materially expand its usefulness.

##### BUREAU OF INDUSTRY.

The Industrial Efficiency Act, 1936, provides for the rationalization of industry, and the fact that in recent months some fifteen industries have been licensed, including such important ones as footwear, soap, radio, and rope and twine, gives some indication of the usefulness of such an enactment in time of war. Wasteful competition in manufacture can be overcome, and so a not inconsiderable saving in man power effected.

Future developments can be planned with some degree of certainty by manufacturers, and the protection of the interests of consumers is assured.

##### IMPORT CONTROL.

On the 5th December, 1938, measures were taken by the Government to control imports, and it became impossible for importers to obtain any supplies of goods or materials from overseas without permission. On the outbreak of war the fact that practically twelve months' experience had been obtained in the administration of this control of imports was invaluable. It was possible to adapt this system immediately to the war needs, and as time has gone on the control has been exercised more and more towards the necessary saving of foreign exchange, so essential in the purchase by the Allies of munitions and equipment, for the service of the armed forces.

Another factor has been the encouragement given to manufacturers to expand their local plants, and in many cases to set up new units for the manufacture of articles previously imported, many of them from foreign sources.