

For the 1941-42 season (the third year of war) the New Zealand Government has accepted contracts for canned meat of 12,000 tons corned beef and 10,500 tons corned mutton. These contracts will absorb the whole season's production of boneless cow beef and ewe mutton. All ewes of exportable quality killed since 5th May, 1941, have been boned and trimmed for canning. These ewes will be canned during the coming season.

From 1st October, 1941, no frozen tongues will be permitted shipment to the United Kingdom, and a contract is being arranged for canned tongues which will cover the exportable surplus of tongues.

The various canned-meat contracts will come under the bulk-purchase arrangements between the United Kingdom Ministry of Food and the New Zealand Government, and shipments of canned meat to private consignees are discontinued.

SHIPMENTS TO OUTSIDE MARKETS.

Owing to the changed circumstances of a restricted outlet of meat to the United Kingdom every effort has been made during the season to extend outlets in other countries, especially Canada and the United States of America. The total quantity disposed of in this way was 90,500 freight carcasses, comprising 27,000 carcasses of lamb, 11,200 carcasses mutton, 10,100 quarters of beef, and 12,700 bags of boneless beef. Shipment of lambs has been mainly to Canada. Shipments to the United States comprised mutton, quarter beef, boneless beef, boneless veal, and edible offals. There has been a good demand from the sources indicated, but the limiting factor has been the shortage of refrigerated space. All available refrigerated space has been fully utilized and orders are in excess of the space available.

GENERAL.

During the season many conferences and discussions have taken place between the New Zealand Meat-producers Board and representatives of the Departments of Agriculture and Marketing. Helpful co-operation has been extended to this Department from these sources.

The Freezing Companies Committee has given the Government the benefit of its knowledge and advice on all matters relating to meat-prices, processing, packaging, and storage, and their services have been most valuable. The season has been a difficult one, and new and complex problems have been continually arising, necessitating continuous consultation and co-operation between the interests referred to.

The Department desires to acknowledge the very effective help it has received from the High Commissioner in London and from the Official Secretary and his assistants. It is pleasing to record that the arrangements for processing, purchase, and shipment of meat have proceeded smoothly, and that the requirements of the Ministry of Food have been satisfactorily met.

ACCOUNTS.

The meat accounts covering the completed operations for the 1939-40 season, and the operations for the 1940-41 season, are shown in the accounts section at the end of this report, pages 36 and 37. The completed operations for the 1939-40 season are referred to on page 36 of this report, the final surplus being shown as £74,748.

The accounts for the 1940-41 season cover purchases of meat by the Department up to 31st July, 1941, and they comprise Purchase and Sale Account and Revenue Account. It will be observed from the accounts that the purchase and sale transactions to 31st July, 1941, show a surplus of £68,633, after allowance has been made for administration and general expenses. Against this surplus must be set an estimated loss of £300,000, which has still to come to charge, resulting from the canning and other disposal of certain classes of meat produced for export during the 1940-41 season, shipment of which in the frozen form to the United Kingdom is no longer possible.

WOOL.

BULK PURCHASE OF WOOL BY THE UNITED KINGDOM GOVERNMENT, AND PURCHASE AND SALE PROCEDURE.

The annual report of the Department for the 1939-40 season gives details of the bulk purchase and sale arrangements between the United Kingdom and the New Zealand Governments for greasy and slipe wool, and of the agreements between the New Zealand Government and the woolbrokers, woolbuyers, and woolscourers, covering services to be performed by them respectively in the preparation of wool for appraisal, the appraisement of wool, and the scouring of wool selected for that purpose.

The terms and conditions governing the purchase of wool by the New Zealand Government are set out in the Purchase of Wool Emergency Regulations 1939.

Payment for greasy wool is made to woolbrokers on behalf of woolgrowers, and for slipe wool to freezing companies and exporters. In each case payment is made fourteen days after date of appraisal. The appraisal values are calculated after allowance for actual tare, and when payment is made the retention-moneys (5 per cent. in the case of greasy wool and 10 per cent.—now reduced to 5 per cent.—in the case of slipe wool) are deducted.