

(4) That a co-operative dairy company shall be a company having firstly as its principal objects those now set out in section 48, and secondly having adopted Articles of Association in the form set out in the Schedule to the Act or to the like effect, subject to any subsequent variation therein authorized by the supplying members of that company.

(5) That if there should be any conflict as between the provisions of these Articles and any existing Memorandum of Association, the Articles in the form set out in Appendix III shall prevail.

(6) That no company failing to so comply with this altered definition within, say, two years of the passing of this amendment shall be entitled to be regarded as being registered under Part III of the Act.

(c) UNTRACEABLE SHAREHOLDERS

(1) That after due notice has been given companies be empowered to forfeit the share of untraceable shareholders for the benefit of the company.

CONCLUSION

100. We have endeavoured in this report to adhere to the principal phases of the matters before the Committee, and there may be therefore many matters submitted by dairy companies of which no mention is made in the report, but we wish to assure all dairy companies that every suggestion made has come under careful consideration.

The Committee was particularly struck with the keen appreciation of the problems before the industry shown by dairy-company representatives, and wishes to place on record this aspect, which augurs well for the industry. The willingness of those representatives to subordinate individual company interests to the general well-being of the industry as a whole was one of the principal factors which enabled the Committee to discuss so freely and frankly what now becomes its final recommendations. It was evident that these representatives were most anxious that justice should be done to the dry shareholders of the various companies.

It would not be out of place to say here that the recommendations we have made did receive the unanimous support on their main points at all district meetings which were held, and at which some 200 of the 262 companies operating in New Zealand were represented. The Committee did not, however, indicate to those meetings its present recommendation that it should be obligatory upon companies to adopt the model set of Articles as a prerequisite to future registration. Further consideration since those meetings has led us to believe that, for the reasons set out in our report, such a recommendation is necessary, and will be accepted, we think, by the representatives who attended those meetings as coming within the spirit of our discussions.

The Committee would like to thank all directors and officers of dairy companies, the National Dairy Federation, and the various Associations of dairy companies who so readily gave such valuable assistance to the Committee. In addition, the Committee's thanks are due to the New Zealand Dairy Board and to the Department of Agriculture, who most kindly made available their facilities for various meetings.

Finally, we wish to express our appreciation of the services of Mr. J. E. Marshall, who was made available by the Department of Agriculture. He discharged all his duties as Secretary in a very efficient manner and was most helpful to the Committee in its deliberations and in the compilation of this report.

H. A. FOY.
C. H. COURTNEY.
F. W. GROOM.
E. C. ADAMS.

31st January, 1949.