

## 2. ORGANIZATION OF THE DAIRY INDUSTRY

Before dealing with what should be done in the sheep industry it is desirable to outline the organization of the dairy industry, which is a pastoral industry similar to sheep-farming. At the present time there is in the dairy industry—

- (a) A marketing authority known as the Dairy Products Marketing Commission ; and
- (b) An industry advisory body known as the Dairy Board.

### (i) THE DAIRY PRODUCTS MARKETING COMMISSION

This Commission was set up in 1947, and is constituted as follows :—

- (a) Three representatives of the Government :
- (b) Three representatives of the Dairy Board :
- (c) An independent Chairman appointed by the Government after consultation with the industry.

The functions of this Commission are set out in the empowering Act, as follows :—

#### *Section 11—*

(1) The principal functions of the Commission shall be to acquire and market butter and cheese which is manufactured in New Zealand and which is intended to be exported, to determine as hereinafter provided the prices which it is to pay therefor, and to exercise and perform such functions, powers, and duties in relation to the marketing of butter and cheese in New Zealand as are conferred or imposed on it under this Act or otherwise howsoever.

(2) It shall also be a function of the Commission to report to the Minister from time to time concerning—

- (a) Trends and prospects in overseas markets in respect of dairy produce :
- (b) Movements in costs or prices, or other factors likely to prejudice the economic stability of the dairy industry.

#### *Section 12—*

In the exercise of its functions and powers the Commission shall comply with the general trade policy of the Government of New Zealand and shall comply with any general or special directions given by the Minister to the Commission pursuant to the policy of the Government in relation thereto.

### (ii) THE DAIRY BOARD

The Dairy Board in the past has consisted of five members, four representing the producers and one the Government. This is, however, being altered, and on 1st July, 1949, the composition of the Board will be increased to eight members, these being one Government member, two producer members representing the New Zealand Co-operative Dairy Company, and five other producer members, one from each of five wards. In its system of election it is notable that the Dairy Board differs from the Meat and Wool Boards in that its members represent fixed geographical wards and the membership of the Board therefore represents a geographical coverage. On the other hand, the members of the Meat Board and of the Wool Board are elected nationally and the Boards do not necessarily have a district coverage. The dairy industry is organized on a co-operative basis, the suppliers owning the factories and electing at the annual meetings the company directors, who reflect the prevailing opinions of the suppliers. The members of the Dairy Board are elected for a ward by the dairy companies according to the tonnage output of dairy produce from each factory.