

*Thames.*

Thames Fisheries, Ltd.: Established in 1918 and absorbed the old Co-operative Fisheries. Paid-up capital reduced from £15,150 in 1935 to £7,307. In 1929 a number of suppliers left to link up with the Co-operative Fisheries (N.Z.), Ltd., and it became impossible to operate profitably. This company has a depot at Mercury Bay and buys from the fishermen there.

Taylor Bros.: Established in 1902, and now owned and directed by Mr. C. W. Taylor. Supplies mainly on local market with small quantities for export.

Shortland Fish Co., Ltd.: Established 1923 by taking over Sanford's branch. Supplies are drawn from six vessels belonging to shareholders. Exports indirectly by handing surplus supplies over to Thames Fisheries, Ltd., at an agreed-upon advance on boat prices.

Co-operative Fisheries (N.Z.), Ltd.: Established 1927 as a co-operative concern, this being an outcome of dissatisfied suppliers breaking away from Thames Fisheries, Ltd. The company owns no boats.

At the outset it is evident that the number of units engaged is not conducive to the highest degree of economical operation. We have units here of varying magnitude competing with each other upon a basis of varying costs of handling, processing, and production generally, whereas (to take an extreme case) one unit in Auckland and one in Thames could with proper facilities handle the whole of the landings with the maximum efficiency. Apart from the question of the number of markets operating, it was realized by the wholesalers concerned, all of whom were party to the arrangements entered into for not only the settlement of the fishermen's strike, but their own difficulties and differences as well, that in common fairness each should retain its *status quo* in the matter of source of supply. Consequently, it was agreed that there should be no alteration whatever in the size nor in the numerical strength of the boats which were fishing for their respective markets at the time (November, 1936). Moreover, it was also realized, and in our opinion rightly, that the building and commissioning of any additional boats would not only add to the marketing problems then looming up, but would tend to lead to the competitive building of such boats with greater catching-power, to rendering the existing small boats unprofitable to operate, to certain markets securing an advantage to themselves which they did not have in November, 1936, and to hastening what would no doubt eventuate—*i.e.*, the ultimate depletion of supply from the fishing-grounds. Incidentally, it may be mentioned here that, strange as it might seem, it took a fishermen's strike to bring the affairs of the merchants into at least some semblance of unification and organization in marketing.

Despite the fact that the Auckland Fish Export Committee, which, as its name implies, deals only with export and related problems, has smoothed out many difficulties, the position remains far from satisfactory. Some of the handicaps and unavoidable difficulties which still face the industry in Auckland and in Thames might be summarized as below. Certain of these have been difficult to separate owing to their close association with both export and local supply problems:—

- (1) There are obviously too many markets in each place, and consequently the overhead expenditure upon limited turnovers is adding unduly to costs of production. The combined existing markets are capable of handling a greater quantity of fish than is at present landed.
- (2) Even now several of the units state that they cannot operate to the full economic operating-capacity of their plants, which have been built to handle greater quantities than their present fishing-vessels can bring in. They wish to acquire more vessels either by allocation from other companies or by building new ones.
- (3) With the existing number of markets and the varying sizes of vessels fishing for them, combined with the limited number of vessels, there is an irregularity in supply, making shed-handling costs an indeterminate factor.
- (4) There is an irregularity in dealer or retailer demand at each market, the retailers changing round from market to market at will and often, it is alleged, seeking and sometimes securing some small concession in the matter of weights or discounts. (NOTE.—Wholesale prices are held at agreed-upon levels since November, 1936.)
- (5) Acting on the assumption that unlimited surplus supplies would be available for export, although other exporters were fishing and competing for the trade, several of the markets developed and increased their fishing-fleets unwarrantably.
- (6) Many of the plants cannot be looked upon as efficient for modern demands in handling and storing fish.
- (7) The condition of fish arriving into the sheds has not infrequently left much to be desired. Boats might remain out too long, there might not be sufficient ice aboard, spent or sick fish are sometimes brought in. (It should be made clear, however, that all fish unfit for consumption is rejected and dumped.)
- (8) The quality of fish packed for export by some of the sheds has not been up to the high standard now required (further reference is made to this point under "Export, Auckland").
- (9) The difficulties encountered at times in regulating supply to demand—particularly to export demand—with the result that stocks may accumulate beyond immediate requirements, which entails the marketing of old stocks over lengthy periods.
- (10) The allegations made that the export market is denuding to some extent the supply for local consumption.
- (11) The problem of marketing tarakihi against snapper.
- (12) The sacrifice of much rough fish, which could well be utilized locally, by the crews of fishing-vessels in order to make room for the prime varieties. (Questions of price are naturally involved in this.)