

system, the machinery for bringing to bear united experience and judgment upon any particular problem. As evidence of the widespread activities of the Bureau, it may be mentioned that almost a hundred different subjects or industries were considered during the past year. Many of these matters, of course, have not been finally disposed of.

Included in the subjects and industries under examination at present are the technical education of foremen and managers, and the shortage of skilled tradesmen; certain aspects of industrial research; the marking of merchandise; the manufacture of agricultural implements; the manufacture of cement; and the important subject of cheaper electric power for electro-chemical or large-scale industries.

It is apparent that there are many urgent problems to be solved if our Dominion is to expand industrially, and the Bureau is conscious of the complicated nature of these problems. The Bureau is confident, however, that if industry generally gives that full measure of co-operation which is hoped for considerable progress will be made towards the solution of many of these problems.

### WHEAT, FLOUR, AND BREAD.

During the year the wheat, flour, and bread rationalization scheme has functioned without major alteration. The scheme has worked smoothly, and has given satisfaction to growers, millers, and bakers.

Unfavourable weather in 1937 again interfered with sowing operations, and as a result the acreage sown to wheat was the lowest for eleven years. The deficiency in the crop, which was entirely due to unfavourable weather, has made it necessary to import fairly large quantities of wheat. The weather during the growing season and the harvest was favourable, and wheat of the 1938 harvest is of a high quality. There has been no reappearance of difficulties associated with high moisture content.

By agreement between the Wheat Committee and the grain-merchants, fowl-wheat prices have been fixed at a price, for good whole fowl-wheat, which is 4d. below the price of milling-wheat of Tuscan grade. There is insufficient fowl-wheat available to supply North Island requirements, and the deficiency is being met by bringing in Australian wheat of milling grade.

The wheat-price was increased by 6d. per bushel for the 1938 crop, so that when the final payment is made at the end of the season the price paid will be based on 5s. 9d. per bushel for March sales of Tuscan grade, f.o.b. South Island ports.

To enable higher wheat-prices to be paid without increasing the price of wheat products, the wheat industry was subsidized from the Consolidated Fund, the amount of subsidy required being £165,574. Had the increases been passed on in the price of bread, the lowest increase that could have been made in our currency would have been  $\frac{1}{2}$ d. per 2 lb. loaf. An increase of  $\frac{1}{2}$ d. per 2 lb. loaf over all bread sold would have amounted to £300,000, so that by the payment of the subsidy there was a substantial net saving to the consumer of bread.

The members of the Wheat Committee for the 1938 season are: Hon. D. G. Sullivan (Chairman); L. J. Schmitt, Esq. (Deputy Chairman). Members: Alan Grant, Esq., W. W. Mulholland, Esq., H. F. Nicol, Esq. (representing wheatgrowers); J. P. O'Connor, Esq., H. Worrall, Esq. (representing flourmillers); C. H. Cowan, Esq. (representing master bakers).

### TOBACCO-GROWING INDUSTRY.

The Department has continued to co-operate closely with the Tobacco Board and with both the growing and manufacturing sides of the industry in the efforts that are being made by the Board and the Government to encourage and develop the industry.

The Board of Trade (Raw Tobacco Price) Regulations 1937, which fixed a minimum price of 1s. 2d. per pound for leaf of the 1936-37 season, expired on the 31st March, 1938. On the recommendation of the Board, the minimum was again fixed at 1s. 2d. per pound for leaf of the 1937-38 crop, this being done by further regulations issued under the Board of Trade Act, 1919. These regulations are entitled the Board of Trade (Raw Tobacco Price) Regulations 1938, and they were passed on the 12th April, 1938.

Following upon representations being made to the Government and to the Board regarding prices to be paid for leaf of the 1937-38 season and regarding the measure of protection afforded to the industry, an investigation of the manufacturing side of the industry was carried out jointly by officers of the Departments of Industries and Commerce, Customs, and Labour.

Manufacturers were asked by the Board to open the 1937-38 season on the basis of an average price of 1s. 8d. per pound for flue-cured leaf. Even with prices on the same basis as in the 1936-37 season, the return to growers this season would be substantially higher than last season, due to the crop being outstanding, both in respect of quantity and quality of leaf. It is understood that the average production for flue-cured leaf will be in the neighbourhood of 1,000 lb. to the acre. An average of 1s. 8d. per pound represents an advance on last year's price, so that under the circumstances of a slightly higher price and at the same time of a better and larger crop growers of average efficiency should not be under any disability in so far as the 1937-38 crop is concerned.

Through the efforts of the Board an organization representative of all tobacco-growers in New Zealand, and called the New Zealand Tobacco Growers' Federation, was brought into being in 1937, and this is proving a useful medium through which growers can express their opinions and make representations regarding matters affecting the industry to the Board, and, if desirable or necessary, through the Board to the Government.

Representations were made to the Board during the year regarding the desirability of introducing uniformity in the methods of purchase and delivery of the leaf. At the present time part of the leaf of