

SEA FISHERIES INDUSTRY.

The report of the Sea Fisheries Investigation Committee, which comprised as personnel Messrs. Jas. Thorn, M.P., Chairman, E. Sheed, Department of Industries and Commerce, and M. W. Young, Marine Department, was laid on the table of the House in March, 1938. Arising out of the Committee's findings and recommendations and out of the conditions which were existing in the industry, particularly in regard to export problems, it was decided in the first instance that an attempt should be made to implement those recommendations which had as their objective the better organization of the export trade. Consequently, a conference was called in August, 1938, of all exporters, together with fishermen's representatives, but at the outset it became clearly evident that the problems of export and internal distribution were so inextricably bound up together that no separate plan for the export trade could be introduced as such without consideration being given at the same time to local marketing also.

Following upon this meeting there were eventually set up three provincial advisory committees of the industry which were representative of wholesalers, exporters, retailers, and fishermen, and also a Central Advisory Committee representative in turn of these committees and of the Industries and Commerce and Marine Departments. Based upon certain recommendations and resolutions which came forward from the industry a plan was prepared under the provisions of the Industrial Efficiency Act, and by the 28th March, 1939, its material provisions were finally approved by the Central Advisory Committee for submission to the Bureau of Industry. The provisions of this plan would give an industrial committee appointed by the Hon. the Minister of Industries and Commerce power to arrange distribution through wholesalers in cases where this does not now apply, to examine the system of sale by auction, and vary or modify this where deemed necessary; to co-ordinate the activities of wholesalers, retailers, and exporters; to encourage consumer demand; to arrange for wider distribution to country districts; to co-ordinate the export trade, appoint overseas agents, and fix f.o.b. prices, prices to fishermen, and wholesale prices; to arrange improvements in packing, handling, processing, transporting, storing, and preservation by cool storage, freezing, or canning; to examine the prospects for developing the fish-canning industry; to arrange amalgamations where redundant units exist; to arrange for commercial processing and utilization of offal and waste fish products; to issue publicity material; to survey the public service being given by wholesalers, retailers, and exporters; to call for accounts and statements; to conduct inspections of premises; to co-operate with the Marine Department upon matters affecting the productive side of the industry; and to recommend to the Bureau that certain units of the industry might be exempted from the plan either wholly or in part. The plan also envisages licensing under the Industrial Efficiency Act of wholesalers and retailers and the retention of the existing licensing of exporters and persons operating fishing-vessels and using Danish seine, trawl, and other power-drawn nets.

WOOLPACKS.

The Government has again maintained its interest in the activities of the Foxton company engaged in the manufacture of woolpacks from *Phormium tenax* fibre and has afforded practical assistance to the company to ensure its continued operation.

In addition to providing direct employment to an average of one hundred and seventy operators and consequential employment to approximately one hundred men in the flax areas and flax-mills, the capacity of the industry to absorb New Zealand phormium fibre as a raw material makes the continuance of the company's operations a matter of national interest and one upon which the rehabilitation of our native flax industry can be established on a firm basis.

As a result of the almost complete failure of overseas markets for New Zealand hemp, a considerable number of flax-mills were obliged to close down during the year, and thus no supplies of tow were available. Raw materials for woolpacks have in the past comprised equal quantities of tow and line fibre, and the use of line fibre only, although making a superior pack, resulted in a considerable increase in the cost of raw materials. This was offset, however, by certain savings. The new machinery has more than justified the claims that were made for it and increased output has resulted from its use, while the improvement in the quality of the product has been maintained.

Further consideration has been given to the possibility of extending operations by a diversification of products, but access to raw materials will remain a determining feature in this respect.

Towards the end of the year the price of jute woolpacks steadily increased as a result of large orders of sandbags for defence purposes and the adjustment of labour conditions in the Indian factories.

The Department has in previous years co-operated with a committee of stock and station agents in regard to the distribution of woolpacks. It was not considered necessary to adopt this procedure on this occasion, as the system developed in previous years was followed in principle. The scheme in operation is as follows:—

- (a) Importation of woolpacks into New Zealand is prohibited except under license, and is limited to the quantity which the New Zealand industry is unable to supply.
- (b) All importers of jute packs this year are required to purchase flax woolpacks in the proportion of three flax packs to each five jute packs imported.
- (c) Prices of both imported jute packs and New Zealand flax packs are fixed by Order in Council under the pooling arrangement with stock and station agents.