

divided into three-monthly periods during the period from 1937-38 to the period 1941-42 show the following :—

	August-October.		November-January.		February-April.		May-July.	
	Gallons.	Percent- age of Total.	Gallons.	Percent- age of Total.	Gallons.	Percent- age of Total.	Gallons.	Percent- age of Total.
1937-38 ..	2,385,265	26	2,692,937	30	2,082,292	23	1,830,108	20
1938-39 ..	2,253,068	27	2,750,182	33	1,831,976	22	1,544,825	18
1939-40 ..	2,270,563	24	2,884,691	30	2,404,855	25	2,028,165	20
1940-41 ..	2,978,364	27	3,200,933	30	2,457,575	23	2,203,976	20
1941-42 ..	2,944,951	30	2,993,859	30	1,778,081	19	2,018,023	20

Level Supply

A recognized method of adjusting supplies is to encourage all-round-the-year production instead of seasonal production only. It is obvious that any organization that, through price-adjustments or otherwise, could encourage an increase in the Auckland area in the percentage of production in the May-July period and a corresponding reduction in the percentage of the November-January period would tend to even the supply. Such organization adjusted for all periods with a reasonable percentage surplus in the period of lowest production would tend to reduce the amount of the surplus in the periods of peak production and best regulate the supply to ensure adequacy. In the Auckland area conditions of soil and climate should make an approximation to a level supply possible. The alternative would appear to be to extend the area of supply to districts where autumn and winter production is economical. The production of a level supply is encouraged by seasonal variation in prices. A price not much above the factory price is usually a sufficient inducement to attract town supply in the spring and summer, but an appreciable increase is usually necessary to induce an adequate autumn and winter supply. The Milk Council has adopted the seasonal variation in prices, and the dairy-farmer now is allowed 10½d. for the six months from September to February, both months inclusive, and 14½d. for March to August inclusive. These prices, while attractive to the seasonal milker, do not appear likely to attract a level supply. The seasonal producer is assured of 10½d. for six months, 14½d. for three months and a half, and 14½d. for milk fortuitously produced in the winter. One of the months of poor supply is February, and an examination of the returns suggests the desirability of three periods, providing a summer price for, say, the present summer period of six months, an autumn price for February, March, and April, and a winter price for May, June, and July, with a possible reduction in the summer price and a possible increase in the winter price.

Shortage of Supply

It will be seen from the particulars quoted in the section on organization resort has been had to suppliers to outside factories on four occasions and that the amounts drawn were 42,648 gallons, 437,435 gallons, 203,393 gallons, and 680,576 gallons for the years 1938, 1939, 1942, and the period February to May (inclusive), 1943, respectively. 1938 was the year of facial eczema. In 1939 the autumn was dry. The year 1942 followed the outbreak of war with Japan, and there were sudden large increases in demand for the Armed Forces. In 1943 the increased demand has continued, and the supply area has suffered from a prolonged dry period in the autumn. Added to this, the supply has been affected to some extent by the shortage of fertilizer and to a marked degree by the shortage of labour. Whatever could or could not have been foreseen in the past, it is now abundantly clear that provision must be made for the Armed Forces: that the effect of reduced fertilizer and severe labour shortage must be taken into account; and that a dry autumn is always a possibility in the area. Unless provision can be, and is made, for these matters further dependence upon factory supplies is inevitable. Reference to what has been stated above concerning supplies from the factories will be sufficient to justify the verdict that dependence on such supplies ought not to be tolerated.

Not only has there been a dependence on emergency supplies, but, notwithstanding that dependence, the supplies have fallen short of requirements. Cuts were made in the supplies to schools in 1942, and the following extract from a letter from the Auckland Milk Council describes the shortages this year :—

“*School Milk.*—On 8th June the supply to secondary schools was cut out. On 18th June all school milk was stopped. On 4th July the primary schools were all again supplied, and on 12th July secondary schools were resumed and a full ration to city schools.”

“*General Public.*—A 10-per-cent. cut was instituted on 25th May. This cut was imposed until 21st June, when there was a 20-per-cent. to 25-per-cent. rationing. From then on the quantities were reduced according to the quantities available up to 4th July, when the cut was completely taken off.”

“*Hospitals and Armed Forces.*—During the whole period hospitals were not cut at all. The Armed Forces took the same ration as civilian trade, but shipping, both naval and transport, was not cut. By arrangement with the naval people, barracks on shore and shore installations stood the extra cut at times to cope with shipping.”

“*Wholesale.* The rationing was cut the same as the retail public trade.”

Since the Commission concluded its sittings in Auckland advice has been received from the Auckland Metropolitan Milk Council concerning the unsatisfactory nature of recent supplies of accommodation milk. The communication from the Milk Council is quoted hereunder :—

“ You may not be aware that after the Commission left Auckland a serious deterioration took place in the bacterial quality of practically all emergency milk. This was due to alteration in cartage procedure involving a once-a-day collection and was exaggerated by the spell of humid weather. During this period Aka Aka milk was coming in in the evenings, but the deterioration was not so marked as was the case with some of the other factories. The breakdown became so serious that it was necessary to reject very substantial quantities of milk and also to temporarily suspend four factories. This resulted in an increased rationing, and in everything that was done we were in close consultation with the Medical Officer of Health. For a time it looked as though a number of factories would have to be cut out.”