

PRICES FOR 1942-43 SEASON'S MEAT PURCHASED BY MARKETING DEPARTMENT FOR EXPORT

The f.o.b. New Zealand currency purchase-prices payable to freezing companies and meat exporters or the various classes and grades of frozen meat are set out in the Meat Marketing Order 1942, Amendment No. 1. The purchases made by the Department from freezing companies and exporters for the twelve months ended 31st July, 1943, total £19,303,374 (New Zealand currency). Debits to the United Kingdom Ministry of Food total £17,924,559 (New Zealand currency) for the same period. The total weight of frozen meat purchased was 293,659 tons, giving an average payout to freezing companies and meat exporters of 6·20d. per pound for all descriptions of frozen meat and edible offals.

The following table shows particulars of meat purchased during the twelve months ended 31st July, 1943, classified under main descriptions of meat purchased :

Class of Meat.	Tons.	Purchase Value (N.Z. Currency).	Average Price, per Pound (N.Z. Currency).
Frozen—		£	d.
Lamb	166,060	11,600,058	7·48
Mutton	52,719	1,525,920	3·10
Beef and veal	55,880	2,491,236	4·78
Pig-meats	8,913	682,749	8·21
Sundries	10,087	704,536	7·48
Total, frozen meat	293,659	17,004,499	6·20
Preserved—			
Corned beef and mutton	20,214	2,017,621	..
Tongues, &c.	1,228	281,254	..
Total, preserved meat	21,442	2,298,875	..
Total, frozen and preserved meat	315,101	19,303,374	..

MEAT POOL ACCOUNT

The circumstances and discussions which led up to the establishment of the Meat Pool Account at the commencement of the 1941-42 season were fully detailed in last year's annual report. These arrangements provided that the producers would receive substantially the same opening schedule prices as they did in the previous season, but they would forgo any increased prices which may have been available as the result of the increases granted by the United Kingdom Government, or by increases at that time in the value of pelts, in order to provide a fund for the main purpose of maintaining the value of ewe mutton at a reasonable level.

The Government, on its part, agreed to purchase the normal exportable kill, which at the time involved a considerable contingent liability because of possible surplus production, having regard to the arrangements made with the United Kingdom Government and the then shipping prospects.

The principal credits to the Meat Pool Account arose from the increases in prices and pelt values referred to above. The account was also credited with the increase in price obtained by the New Zealand Government from the United Kingdom Government from the sale of tallow, and with 5 per cent. of the 15 per cent. increase in the price received by the New Zealand Government for slipewool (see page 20 of this report).

The Meat Pool Account is debited with the assessed costs and liabilities incurred by the Government in respect of the purchase of export meat products—both frozen and canned—and with the capital liability on emergency cannery plant and buildings and cool stores. Against the last-named item it is expected that at the end of the emergency period these plants and buildings will have a residual value which will be credited to the Meat Pool Account.

It will be noted that provision is made in the Government's agreement with the Meat-producers Board that, if at the end of the emergency period there is a surplus remaining in the Meat Pool Account, the Government and the Board will consult to determine how any such surplus can be utilized for the benefit of the industry. Should there be a deficit in the account at the end of the emergency period such deficit will remain the responsibility of the New Zealand Government.

The Hon. the Minister of Marketing agreed (1st September, 1942) with the Meat-producers Board that the General Manager of the Board, the Primary Industries Controller, and the Director of the Export Division, Marketing Department (or their deputies), should constitute a committee for discussion of matters of policy (as distinct from matters of routine) affecting the sale of meat and meat by-products not already determined in the arrangements now existing between the Government and the Meat Board. This Committee has met on a number of occasions during the year under review.

The accounts presented with the report for the 1941-42 season showed the transactions in the Meat Pool Account to 31st July, 1942. At that date there was a surplus in the account of £794,801. On page 31 of this report will be found the financial results of the Meat Pool Account to 31st July, 1943, the surplus at that date being £1,883,547.