

"*Statistics.*"—The following table shows the number of hides claimed by tanners and the number freed for export under the regulations:—

	Ox.	Cow.	Bulls.	Yearlings.	Calf-skins.
Tanners' claims ..	148,558	257,328	1,692	51,363	20,068
Hides freed for export	71,698	280,021	33,425	1,578	68,333
Totals ..	220,256	537,349	35,117	52,941	88,401

" Grand totals—		1941-42.	1942-43.
" Tanners .. ..	.. ..	414,620	479,009 hides and calf-skins.
" Exporters .. ..	.. ..	420,954	455,055 hides and calf-skins.
		835,576	934,064

"*Cost of Administration.*"—The total cost of administering the Hides Equalization Fund for the twelve months ended 31st March, 1943, is £1,048 3s. 2d., compared with £1,104 6s. 5d. for the period 31st March, 1942, and £1,106 7s. 4d. for the period ended 31st March, 1941.

"Based on the quantity of hides handled in terms of the regulations, the cost is again under one-third of a penny per hide.

"*Audit of Exporters' Books.*" The Committee at its meeting of the 15th September, 1942, agreed that an audit or inspection of exporters' documents relating to the Committee be made and that it be left with the Chairman and Mr. G. A. Duncan to discuss with the Hon. the Minister of Marketing the proposal and that this audit be made by the Government Audit Department.

"This proposal was adopted and audits were made by Government auditors at Wellington and Auckland simultaneously. The auditors were accompanied by Mr. F. Richardson and the Secretary respectively.

"Thorough inspections were made, and it was found that all the inspections with the exception of one were satisfactory. This was due to a misunderstanding, and the company concerned immediately rectified their mistake.

"*Mr. A. H. Cockayne.*" Towards the end of the year Mr. Cockayne retired and Mr. E. J. Fawcett took his place. The Committee desires me to place on record Mr. Cockayne's helpfulness at all times and trust that he will enjoy good health and happiness in his retirement.

"*General.*" I desire to again express my thanks to the members of the Committee, to the Government Departments concerned, and to all sections of the trade for their willing assistance."

LINEN FLAX

The annual report for 1941 set out the terms of sale to the United Kingdom Ministry of Supply of New Zealand's export production of linen-flax fibre, this covering the period of hostilities between the British Empire and Germany.

Shipments from 1st August, 1942, to 31st July, 1943, were as under:—

Linen-flax fibre and reiss..	.. ..	.. ..	.. ..	.. ..	.. ..	1,501 5
Tow and pluckings .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	885 18
						2,387 3

The total value f.o.b. (New Zealand currency) of these exports is £389,069.

SCHEELITE

The present agreement with the United Kingdom Government continues until 31st March, 1944, and the purchase-price payable remains at 120s. sterling per unit per ton.

The quantity and provisional value of ore purchased by the Department for sale and shipment to the United Kingdom Ministry of Supply during the past four years are shown in the following table:—

Year ended 31st July.	Weight.		Value.
	Tons	cwt.	£
1940	37	6	8,026
1941	71	1	14,663
1942	77	16	26,767
1943	86	8	43,559

MEDICINAL PLANTS

Following upon arrangements made by the Department of Scientific and Industrial Research and the Department of Agriculture for the production of medicinal plants in New Zealand for supply to the United Kingdom, the Marketing Department arranged for the sale and shipment, up to 31st July, 1943, of the following dried medicinal plants:—

Digitalis, fox-glove leaf .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	31,776
Stramonium .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	4,758
Datura .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	608
Ergot .. ..	.. ..	.. ..	.. ..	.. ..	.. ..	2,238

In respect of the above, the sum of £8,272 was received up to 31st July, 1943, the accounts showing a deficit of £127.