

1946
NEW ZEALAND

INTERNAL MARKETING DIVISION

ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 1946, AND STATEMENT OF
ACCOUNTS FOR SIX MONTHS ENDED 30TH SEPTEMBER, 1945

*Presented to both Houses of the General Assembly pursuant to the Provisions of the
Marketing Act, 1936*

INTRODUCTORY

THE outstanding event since the last report is, of course, the cessation of the European and Japanese Wars. This, like their declaration, had an immediate and major effect on the Division. However, the transition period between war and peace is fraught with problems which cannot be treated as temporary like many war ones, since the form and manner of their solution will determine marketing and production procedures for many years.

The effects of these new conditions on the various activities of the Division will be described in the sectional reports which follow. Here it is pertinent to review briefly the original intentions and methods of the Division prior to its diversion for war purposes and the general nature of the present situation.

The Division was established in 1937 with the broad charter of so organizing marketing as to limit to a minimum the price gap between producers and consumers and to avoid the drastic fluctuations in supplies and prices which were typical of New Zealand primary production.

The general method adopted between 1937-39 was to organize industries which approached the Government for assistance in marketing—*e.g.*, honey, lemons, eggs, butter, and maize. Thus gradually and in differing degrees the Division made contacts and connections with Dominion producers' organizations. This process was, in many instances, accelerated by war to a close co-operation between these bodies and the Division, notably with pip-fruit, eggs, lemons, and vegetables.

Thus the first phase of organizing is nearing completion, in that industries once nearing bankruptcy are now relatively prosperous and seeking a continuation of control though it be with a strong desire towards exercising it themselves.

Through these years consumers have hardly existed as an organized articulate group, and the Division has had to take their part when dealing with strongly organized bodies of producers.

Recently, however, widespread interest has been aroused in consumer groups by such organizations as Food Value Leagues, Progressive Associations, and Housewives' Unions, and has come to be centred most particularly in the consumer co-operatives which are being established in various parts of New Zealand.

The Government has expressed its interest in and support for such groups wherever a majority of residents desire to serve themselves co-operatively. Should it prove that the trend of organized marketing is passing from producer organizations only to consumer organizations, the future task of the Division is made fairly clear—to assist in every way all co-operative efforts both by producers and by consumers, and to reconcile and combine their interest to such a point that co-operation will not cease when the greatest benefit to any one group is achieved, but will spread to the entire community.

Should this become the Division's task it is a worthy, though difficult, one, as history and modern experience combine to tell. New Zealand has pioneered many social and