

The economic savings thus created have so benefited producers that many such companies are now functioning and giving excellent service to the public. The Division has found them, generally speaking, most anxious to place the goods they produce into consumers' hands in the best possible condition.

They therefore appear permanent in most areas where they now operate and indicate a trend among primary producers to become wholesale distributors of their own products.

Wellington's distributive system was further simplified at the end of this year. Since the end of 1941 the district has been served with dairy-produce, eggs, and allied products by Combined Distributors, Ltd., a company in which the shareholdings were held by the Internal Marketing Division, together with all the merchant companies which had previously held butter and egg distributing licenses. The merchant shareholdings were sold partly to the Dominion Producers' Co-operative Agency, Ltd., and partly to the Government. A new company, known as Farm Products Co-operative (Wellington), Ltd., was then incorporated to acquire the old business and reconstitute it as a co-operative concern from which all margins made would be returned to suppliers as rebates. The Dominion Producers Co-operative Agency, Ltd., and the Government became equal shareholders with equal representation on the board of directors of the new company.

CHEESE

In the early part of the year the Division was required to make available to the American Forces large quantities of processed cheese, tinned loaf cheese, and medium cheese packed in small crates for ease in handling. Factories normally packing for export very efficiently switched to these special packs at short notice, despite staffing and supply problems. All contracts for overseas Forces were later cancelled, but special contracts with the British Navy may be resumed, particularly for tinned cheese.

Both the Division and the industry generally are hoping to expand the local market once the present rationing scheme, under which manufacturers may not make for sale in New Zealand more cheese than was sold in the 1942-43 season is ended. Cheese consumption since rationing was introduced has been kept down to the required level, and dairy companies generally have recognized that it is our duty to make every possible contribution to Britain.

The prohibition upon the tinning of medium cheese and loaf cheese for sale in New Zealand was lifted towards the end of the last cheese season, and tinned loaf cheeses are now appearing on the New Zealand market. Tinfoil-wrapped processed cheese and small tins of processed cheese and cheese spreads have also reappeared now that more tinfoil and tinplate are available to manufacturers. These packs are appreciated by the public for overseas parcels.

The local sales of cheese for the 1945-46 year are as follows :—

Local Market Sales of Cheese for Year ended 31st March, 1946

		Local Sales.	United States Forces.	Total.
	1945	lb.	lb.	lb.
April ..	..	1,024,283	879,073	1,903,356
May ..	..	942,760	778,427	1,721,187
June ..	..	835,405	311,033	1,146,438
July ..	..	641,308	15,470	656,778
August ..	..	674,948	Nil	674,948
September ..	..	744,579	218,570	963,149
October ..	..	1,018,857	549,988	1,568,845
November ..	..	898,905	British Forces. 135,246	1,034,151
December ..	..	680,325	70,077	750,402
	1946			
January ..	..	1,018,408	3,326	1,021,734
February ..	..	693,486	88,500	781,986
March ..	..	783,656	87,624	871,280
		9,956,920	3,137,334	13,094,254