

MINUTE-SHEET.
H.

The Acting Director-General,-

Your minute of the 7th instant on a memorandum of the 2nd idem from the Secretary to the Treasury relative to the utilisation of the profits expected to be derived by the Honey Control Board from the 100 tons of Australian honey forwarded by the Board to its agents in London for sale on its behalf.

Whatever stipulations were made at the time this transaction was under discussion as to the utilisation of the profits arising from this trade, the matter is not worth pursuing further, as I understand there were no profits.

I was advised when in Auckland at the time the new Board was installed that of the 100 tons of Australian honey previously shipped to London by the Board 70 odd tons still remained unsold, and as this honey could not be satisfactorily blended with New Zealand honey for any purpose, it would in all probability have to be disposed of in bulk. The value placed upon the honey by Morton's was £1 per cwt, and that a sale at this price would result in a loss.

I took this matter up with Mr. Innes, of the Internal Marketing Department, on Friday last, and he confirmed the matter; but added that since that time the agents assessed the value of this Australian honey at only 15/- per cwt., but that something better than this may be had a little later.

In view of this position I think it is pretty safe to say there will be no profit derived from the transaction.

W. Campbell
Director of the Horticulture
Division.
20/6/38.

Acty J. G.

It would be better if the Honey Control Board submitted a statement giving full particulars of the transactions and position to date so that there may be no misunderstanding of the position as it stands at present.

Colby
24/6