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- (6) An examination of the farmers' liabilities demonstrates the important position which the banks occupy in the provision of rural credit.
- (7) The effect of the drought is reflected in the reduction of the farmers' equity or net worth during the year, and also in the income and expense figures given in Tables VIII and IX.
- (8) Total costs, illustrating the relative importance of fixed and variable costs, and of the farmers own labour, are given in Table X.

## PROPOSED AUSTRALIAN EGG MARKETING SCHEME.

RESOLUTIONS FROM CONFERENCE OF REPRESENTATIVES OF EGG MARKETING BOARDS AND AGRICULTURAL DEPARTMENTS OF NEW SOUTH WALES, VICTORIA AND QUEENSLAND, HELD IN MELBOURNE ON 10-11th SEPTEMBER, 1946.

The necessity for the formation of a body comprehensively empowered to do all that is necessary to maintain stabilisation in the egg industry and to dispose of the Australian surplus has been generally recognised.

As certain of the proposals on which "Egg Boards of Australia Ltd." was based have proved unacceptable, representatives of Agricultural Departments and Egg Marketing Boards of New South Wales, Victoria and Queensland, met in conference at Melbourne on 10-11th September, 1946, to consider the position. The conference unanimously adopted the following alternative proposals for establishing a new organisation and recommended the proposals for consideration by the State Boards, the State Ministers of Agriculture and the Commonwealth Government.

Conference accordingly resolved that legal advice should be sought as to the most appropriate action to be taken to render the Company, "Egg Boards of Australia Ltd.", inoperative so as to allow for the registration of the new Federal organisation "Australian Egg Equalisation Committee Ltd.", as proposed by conference.

It was further resolved as follows:—

I. A corporate body to be formed, the name of which shall be "Australian Egg Equalisation Committee Limited." The Committee shall be sufficiently comprehensive in its structure to empower it to purchase from each State Board the entire surplus over immediate local sales in shell. This means that the Committee must have ownership of all surplus eggs, including pulp and winter storage.

- 2. The Boards, therefore, should be principals, untrammelled under the vesting of their respective State Acts, in the disposal of all eggs for immediate local consumption in shell, excepting that the Boards should bind themselves to adhere to the directions of the Committee in regard to local wholesale prices of eggs in shell. These will be determined by the Committee upon an all-Australian basis.
- 3. Accordingly, in respect of the bandling of the surplus only, the Boards will act as Agents of the Committee and will receive allowance and commission for the handling and processing thereof.
- 4. It may be necessary, in order to further the powers of the Committee in negotiations with the Bank, that an estimate of local sales should be set by each Board in order that the Committee shall know at the time of any Bank negotiations, or may be in a reliable position to estimate, just what quantities of eggs will be under its control each year.
- 5. The Boards shall remit to the Committee such equalisation charge upon total production at a uniform rate as may be agreed upon by the Committee. This should place the Committee on a financial footing in furtherance of its powers of negotiation.
- 6. The Committee will determine the equalisation charge at such a rate, taking into account its knowledge of realisation from export, pulp, etc., and shall utilise the whole of the equalisation charge for purposes of equalisation and to cover its cost of administration. It shall be its objective to avoid accumulation of surplus. Any accumulated surplus, however, is to be distributed back to the Boards after making a prudent reserve. The amount to be placed into reserve in any one year shall not exceed £50,000.
- 7. The equalisation charge collected by each board and remitted to the Committee is to be additional to any levies imposed by the Board for its own purposes.
- 8. The Boards' records of receivals and disposals shall be available for inspection by the Committee. Further than this, it would be necessary that the Committee received certification as to the amount of equalisation charge, which would be based upon the entire production. The certificate of the State Audit Office should be all that is necessary here.
- 9. That Mr. A. A. Tegel be requested to consult the Commonwealth Bank for advice upon the implementation of the proposed amended structure of the Committee for report to the Boards.

10. That a new form of Agreement between "Australian Egg Equalisation Committee Limited" and the Boards be drafted in consulation with the Victorian Board's solicitors with regard to all of the resolutions of this conference.

Conference considered that by following the procedure outlined in the above resolutions, the same end result would be achieved as under the original Company scheme without creating difficulties in so far as the functions discharged by Egg Boards operating under the respective State Marketing Acts.

The essence of the new plan is that each Board will be free to act as a principal in the marketing of eggs in shell for immediate local consumption, acting only as agent for the Equalisation Committee (on which each Board will be represented) in collecting the equalisation charge and in handling surplus eggs, all of which are to be purchased by the Committee.

Doubtless a further conference on the subject will be called in the near future so that the opinions of the Commonwealth Government, State Departments and all Egg Margeting Boards might be discussed.

H.J.II.

## SELLING COMMISSION ON PIGS.

By

J. R. Williams.

Marketing Branch.

The rate of commission charged by agents in respect of sales of pigs has recently been the subject of discussion amongst pig raisers, and it is of interest in this connection to draw attention to the commission rates which apply in the case of livestock other than pigs—viz., cattle, sheep, stud and dairy stock; and to outline briefly some aspects of marketing having a bearing on the subject.

Rates of commission charged by livestock agents are not prescribed by statute or regulation. Operations of stock agents are governed by the provisions of the Auctioneers, Stock and Station and Real Estate Agents' Act, administered by the Department of Justice, but rates of commission are fixed by agreement amongst the respective associations of agents, such as the Stock and Station Agents' Association of New South Wales and the Associated Smallstock Salesmen's Association. Charges agreed upon are regarded as minimum rates and action would be taken by an association to discipline any member charging less. By practice the minimum rate has become the maximum.

The general scale of charges is: cattle and sheep at Homebush 2½ per cent.; cattle and sheep in country areas 3½ per cent., but up to 5 per cent. in parts of the Riverina; stud and dairy stock 5 per cent., and pigs 5 per cent. It is understood that, by