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THE COMMITTEE OF DIRECTION OF FRUIT MARKETING, QUEENSLAND.

B. G. O'CONNELL.

Marketing Branch.

So much attention has been focussed in recent years on the organisation of the Queensland Committee of Direction of Fruit Marketing, that it is appropriate here to review the scope and functions of this body.

The Council of Agriculture, which was formed in 1922 and which co-ordinates the work of all Commodity Boards in Queensland, was responsible for the formation of a Special Committee to investigate fruit marketing conditions in that State. An exhaustive enquiry was conducted by this Committee, and its findings were published in pamphlet form and forwarded to growers. At a meeting of delegates of local producers' agents in July, 1923, the findings of the Committee were accepted and the suggested policy adopted.

The main feature of this policy was the formation of an organisation which would place the marketing of Queensland fruits in the hands of a growers' association. The Government supported this measure by a special Act of Parliament, and on the 15th November, 1923, the Fruit Marketing Organisation Act of 1923 became law.

This Act provided for the establishment of an organisation to be known as the Committee of Direction of Fruit Marketing, as will be seen from the following extract from the Act, which provides:—

“(1) There shall be established, in manner hereinafter provided, an organisation for the marketing of Queensland fruit, having the functions, powers, authorities, duties, and responsibilities hereinafter set forth.

(2) The organisation shall consist of—

- (a) Local associations;
- (b) Sectional group committees; and
- (c) The Committee of Direction,

constituted in the manner and having the functions, powers, authorities, duties, and responsibilities hereinafter set forth, or as may be prescribed.”

The scope of the Committee of Direction's activities was widened to include the marketing of vegetables by the statement in the Act that the “Governor in Council by Order in Council may extend the provisions of this Act to include vegetables; and in such case the organisation aforesaid, with such changes therein as are declared by Order in Council made by the Governor in Council as necessary to meet the circumstances, shall undertake the marketing of vegetables, and for that purpose have the like functions, powers, authorities, duties, and responsibilities as it has under this Act with respect to fruit.”

How the Organisation Works.

The Committee of Direction is therefore an organisation working under a Fruit Marketing Act but is not connected with either the Department or Council of Agriculture.

The evidence of Mr. B. Flewell-Smith, manager of the Committee of Direction, at the Royal Commission into the Fruit Industry, held in Sydney in 1937, describes the organisation as follows:—

“The organisation of the Committee of Direction consists, first of local producers’ associations—fruitgrowing associations; secondly, the sectional group committees, comprising five in all—one for bananas, one for pineapples, one for citrus, one for deciduous fruits, and one for other fruits, comprising fruits such as tomatoes, papaws, strawberries, custard apples, passionfruit—really all fruits other than the four main fruits. Under that system we have sectionalisation of interests. The sectional group committees are limited in membership to a maximum of ten—some of them have as few as five. The whole of Queensland is divided into wards say for each group of the sectional group committees; each sectional group committee determines the number of representatives it shall have, and recommends to the Committee of Direction the size of the electorates. The growers can vote on each of the commodities with which they are concerned, e.g., a man might be a grower of an acre of bananas, pineapples, and citrus, and he would have votes on three of the sectional group committees. The sectional group committees in turn elect to the executive body, the Committee of Direction, their representatives, consisting of two from each of the sectional group committees, and one representative of the Committee of Direction,” (viz., one of the paid servants) “but it is left to the sectional groups again to determine whether they shall have one or two delegates, and several of them have only one delegate (who exercises two votes). The Committee of Direction itself is the executive body. The sectional groups determine the policy for their particular section, and the carrying out of that policy is left in the hands of the Committee of Direction, which is the executive body.”

The control of the Executive Committee, i.e., the Committee of Direction, is therefore vested in the growers, who biennially elect members to the Sectional Group Committee, which in turn determines the policies to be administered by the Committee of Direction.

At the conclusion of each five-year period, if 500 growers petition, a ballot may be held to determine whether the organisation will continue to function. At a ballot held in 1929, 87.2 per cent. of the growers favoured the continuance.

Authority to Issue Directions.

Authority is given the Committee of Direction to issue a direction for controlling the marketing of fruit by section 7 of the Fruit Marketing Organisation Act. It is imperative for the Committee of Direction to give “Notice of Intention” of what is proposed and this notice must be advertised in “at least one newspaper generally circulating throughout the State.”

The Notice of Intention must specify the proposed period of control and must appear thirty days before the date of assuming control. During this period any thirty affected growers may petition the Committee of Direction to take a poll of the growers concerned, and if 40 per cent. of these growers oppose the Direction it is not issued.

Upon publication, the Direction becomes a Regulation under the Fruit Marketing Organisation Act and subsection 6:

"Thereupon and thereafter (publication) the growers of the fruit to which the direction relates and all other persons concerned, shall be deemed to have full notice and knowledge of the issue of the direction and the terms thereof," and subsection 5:

"Any person who fails to comply with or acts in contravention of any provisions of a direction duly issued under this section shall be guilty of an offence against this Act."

The Committee of Direction is purely co-operative in its mode of operation but is not registered under the Co-operative Associations' Act, and no actual shares are issued to growers. A Queensland grower becomes a shareholder when he sells through any of the Committee of Direction floors, consigns fruit to factories through the Committee of Direction, purchases his production requisites through the Committee of Direction merchandise department, or uses any of the Committee of Direction transport systems.

Rebates to Growers.

Shareholders receive a bonus in the form of rebates. These are determined by the Committee of Direction after consulting the profit and loss account and balance sheet of the organisation for the preceding financial year. For the financial year ended June 30th, 1945, the fruit section made a rebate of 33-1/3 per cent. of commissions and the merchandising department a 4 per cent. rebate.

The Committee of Direction arranges for fast fruit trains, and by guaranteeing a minimum load the freight charged to the grower is considerably less than it would be if growers made separate consignments.

In order to ensure that fruit arrives in good condition at the markets, the Committee of Direction employs loaders who are stationed at the various despatching centres. These loaders stack the fruit and vegetables correctly and a travelling loader supervises the produce in transit.

The Committee of Direction circularises growers to find the amount of the various fruits they will sell to the factories for canning. When these figures are received the Committee of Direction enters into negotiations with the factories to determine the price at which the fruits are to be sold.

Country Distribution Scheme.

In 1935, at the request of the Minister for Agriculture, the Committee of Direction commenced a Country Fruit and Vegetable Distribution Scheme. It was designed to obtain supplies of fresh fruit and vegetables at reasonable rates for country

residents, especially when there were gluts on the main markets. The local stationmaster accepted orders from residents and forwarded them to the Committee of Direction, who despatched the required commodities. In 1939, increased costs caused a drop in railings, which decreased by 3,000 cases per year till 1942, when the scheme was abandoned, due to staff shortages. It is, however, intended to resume the scheme as soon as possible.

In addition to these activities, the Committee of Direction conducts advertising campaigns to popularise Queensland fruits. Scientific research work is subsidised and efforts made to improve the quality, transportation and marketing of fruit and vegetables.

The Committee of Direction acts like any other agent and charges the same commission rates as its competitors (Queensland, 10 per cent.; Sydney Municipal Market, 7½ per cent.). This section of its activity comes in for much criticism, but the report by the Royal Commission states:—

“It is clear to us that if the Committee of Direction did not act as an agent it would be powerless to assist growers—it would have little funds for other activities and its absence from the markets would leave the grower at the mercy of the ordinary agent . . . The allegation of unfairness of competition is absurd. The Committee of Direction is merely the directorate of a co-operative private enterprise, the co-operators being the growers who choose the Committee of Direction as managing agents. . . . In our view, the expansion of this co-operative business should be fostered.”

Recent amendments to the Fruit Marketing Organisation Acts have widened the scope and activities of the Committee of Direction. A summary of the amending Act as it affects the Committee of Direction appears in the December, 1945, issue of this publication.

MARKETING BACONER PIGS.

At a recent interstate conference between representatives of producers, officials of the Departments of Agriculture of the various States and the Meat Industry Advisory Committee, recommendations were made with a view to assuring the post-war stability of the pig-raising industry. The Government had previously decided to reduce, in the near future, the maximum weight of baconer pigs under the present Pigmear Plan from 200 lb. to 180 lb. and, among the resolutions at the Conference referred to was one recommending the inclusion of an additional weight range of 180 lb. to 200 lb., with basic values 1d. per lb. below the scale for baconers.

During the war, the average weight of baconers produced in Australia was raised considerably above the normal level, and the above decisions presumably are a move in the direction of encouraging the production of pigs more suited to pre-war export requirements. The object of the additional grade is to minimise the adverse effect of the sharp drop in values from the baconer to the chopper grade; that is, the pig which exceeds in