

THE PRESENT POSITION OF ORGANISATION IN THE SEED TRADE.

J. W. Hadfield, Agronomist, New Zealand  
Department of Agriculture.

\*\*\*\*\*

Perhaps one of the most important of recent developments in pasture improvement has been the realisation by scientific and educational workers of the economic value of regional strains. Our own research workers and those engaged in extension work are fully alive to the position and realise also that certain New Zealand regional strains are a potential source of wealth to this country and are taking steps to exploit these strains <sup>to 'extract</sup> and from them the greatest measure of benefit. The more progressive growers and merchants have for some time realised the value of these strains and have reaped accordingly a measure of individual profit, but, until the last three or four years, there has not been any collective or well directed attempt to explore the full national possibilities offered by these strains, or to place them on the pedestal which we feel is their rightful place.

If we are to believe the complimentary references made over seas, we must regard this country as one of the most favoured as an Empire centre for the production of herbage seeds. In addition we have ample evidence from abroad that they regard our regional strains as of considerable economic value. Hawke's Bay and Poverty Bay ryegrass, New Zealand white clover, Akarua cocksfoot, New Zealand brown top and Chewings fescue, are all strains of New Zealand origin recognised abroad and each having its own sphere of economic adaptation. Therefore, although we may not agree amongst ourselves in detail upon the exact economic utilisation of these strains, I think we are unanimous in regarding them as a great asset to New Zealand, and one from which we should extract the uttermost value.

Appreciating these facts we, in the Department, have felt that the full realisation of the benefits we should reasonably

anticipate might be impeded by two factors. In the first place the consumer had to be educated to a realisation of the significance of strain differences. This aspect is to be dealt with in more detail by Mr. Levy this evening, and I will confine myself to the remark that we entered with zest and enthusiasm into this propaganda. We distributed seed to practically every research and educational institution in the British Empire and United States of America, and, through New Zealand merchants, to their clients overseas.

Secondly we felt that we were under a moral obligation to follow our recommendations a stage further and to see that the consumer received seed of the particular strains we were recommending. In other words we had to put the merchant, in the position of being able to offer and sell these seeds under a guarantee of type, when type, it must be realised, could not be determined by an inspection of the seed, and required even expert judgment to determine it under field conditions.

Seed certification was therefore introduced as a means to this end and the Department, as an impartial judge, undertook the determination of type and the sealing and tagging of these seeds from pastures which attain to certain standards of excellence.

I am told that as a result of our publicity, ably assisted by the merchants, very few farmers in New Zealand have not heard of certification, more particularly in its relation to ryegrass. Our certification scheme has been the subject of complimentary reference from Great Britain and elsewhere even though they do not, or cannot, at this juncture purchase our certified products. It is flattering, even if somewhat alarming, to note that Tasmania, New South Wales, and other Australian States, are adopting systems similar to our own, even, in some cases, to the extent of using New Zealand Mother seed, as we use it, as a basis for further seed production. I understand Tasmania accepts New Zealand Mother seed as if it were Tasmanian, and so imbued are they with the possibilities attending the use of New Zealand certified perennial ryegrass, that the Government offers a bonus of 2/- per bushel on all certified ryegrass seed produced in that country.

I have made special reference to our Departmental activities because what we have done in the way of certification and publicity, and the facilities offered the trade by the Seed Analyst's section have been definite attempts at organization. We feel, however, that we have about reached the limit beyond which we cannot go without intruding into the affairs of the trade; yet at the same time we believe that, further organization in the trade might play an increasingly important part in its development.

The certification of herbage seeds commenced in 1929/30 and the following tabulated results show the progress that has been made in the volume of seed harvested:-

Quantities of Machine-dressed Seed Certified, 1929/30 - 1932/33.

	<u>1929/30</u>	<u>1930/31</u>	<u>1931/32</u>	<u>1932/33</u>
Perennial Ryegrass	17,052	45,982	81,186	235,825 bushels
Cocksfoot			171,720	622,765 lbs.
Brown Top	170,071	171,083	198,343	? lbs.
White Clover	79,610	67,242	6,131	32,809 lbs.
Ment. Red Clover			2,057	2,616 lbs.

Perhaps the most striking development has been the astonishing increase in the amount of perennial ryegrass seed certified. In the main this has been due to the fact that, at prices ruling during the past few years, the production of certified ryegrass seed has been one of the few silver linings in the dark clouds of depression. In fact, to many, it has been a veritable golden lining which has resulted in a rush of eager prospectors looking for similar results.

The position now is that we are a little dubious about the disposal of this seed, the circumstances being a relatively high price demanded by the producer, coincident with a low purchasing power on the part of the consumer. It is obvious that these two points must meet if trade is to result. We need, on the one hand, a decrease in our production costs, and, on the other, a better realisation by our prospective customers of the value of what we have to offer.

The difficulties that are blocking the outlet for our seeds are to be discussed in more detail by other speakers this

evening,, but one point I would like to raise now is to question how far we may proceed with certification? This is a matter which seems to me to require very careful consideration by the trade. The technical aspect may well be left in the hands of trained specialists, but in the trade aspect of our work we need guidance, and I feel sure that the offer of closer cooperation by merchants and growers would be well received.

I should like now to refer to what one might describe as a general air of dissatisfaction to be found in certain sections of our producers on account of the slow movement of our seeds. Some have likened our certification to a boomerang thrown by an unpractised hand, but of these critics it must be said that they sowed in the hope of reaping a certain price per bushel, and realised but one half of their expectations. Nevertheless such an attitude on the part of the growers is likely to result in restricted production which one feels should be countered by every possible means. Here we have New Zealand strains of undoubted merit. We are convinced that their wider use in New Zealand must increase and cheapen production.. we feel reasonably certain that the same position holds in many other countries in which we would be pleased to trade our seeds. Any tendency, therefore, to a reduction in the production of an article in which we have such faith, should surely be met by organisation and education, and the exploration of every possible avenue of expansion. The solution of these problems seems to me to call for the pooling of the best brains and experience we have in the industry.

What I believe may be traced as the direct outcome of dissatisfaction amongst producers is the establishment of seed growers' associations aimed, no doubt, at solving those problems which they feel the merchants have not, or cannot, solve for them. Whatever view we may hold regarding the establishment of such organisations, we must realise that they are in fact springing up here and there throughout New Zealand. I think in most cases their objectives are still somewhat nebulous, but they are nevertheless organising their forces, and one aim, which is perhaps more or less defined, is their desire to find an outlet for their seeds.

At the back of this movement is a force of opinion which I believe could be moulded and led into profitable activity if it could be organised not by one section only but by all those parties who are directly interested.

Failing this, are these purely seed growers' organisations to enter the field as selling agencies in a country amply supplied, numerically at least, with these facilities?

Are they going to take over from the Department the certification of their seeds? While I believe that some of the responsibility might well be laid upon such associations, yet I cannot see how they would function as efficiently, or as economically, as we can in the Department with a trained field staff to do the work.

Will they confine their attention to the advertising of their products? If so, they cannot function as individual bodies, but must do so collectively, advertising New Zealand seeds as a whole and this would surely entail the establishment of a central fund. Moreover a selling agency seems to be the obvious outcome of a campaign in advertising.

What then is the significance of this activity? It leads us surely to a recognition of a demand for organisation, and if such is to arise, I feel that it would function more efficiently by an amalgamation of the two interests, namely the producers and the distributors.

Many of us believe that the time is ripe for a more sympathetic understanding between these parties, and that a conference between a few selected farmers and a few selected merchants might go a long way toward better understanding. From such a conference one hopes there might arise some very concrete proposals aimed at the advancement of seed production and the seed trade generally, and an elimination of the parochial attitude adopted by certain sections of merchants and growers.

Early this year in England an Imperial Economic Committee conducted an investigation into all phases of Empire seed and horticultural trades. Unfortunately the evidence submitted is confidential and one cannot make use of it in approaching the

subject under discussion. Nevertheless one may say, perhaps, that the idea underlying the bulk of the evidence was that of organising the Empire's resources, more particularly in relation to the production of superior strains of grass and clover seeds. -New Zealand as a country in which large contracts might be placed was considered unsatisfactory because she had no organisation for handling such contracts, that is, no organisation such as exists in certain of the Continental countries.

I have attempted in this paper to lead up to the main theme of our discussion tonight, the organisation of the seed trade, and hope it will serve as an introduction to the papers that are to follow.

Mr. Foy, Seed Analyst, of the Department of Agriculture, is to read a paper entitled "Export Marketing of Agricultural Seeds," and following this, one by Mr. Levy, Agrostologist, on "The Extension of Overseas Markets for New Zealand Certified Seeds."

In presenting these papers we realise that the seed trade, its methods and ramifications, have been established only after years of practical business experience. We are not here as destructive critics, nor are we attempting to teach the seed trade its business, for we quite realise our limitations. As disinterested observers, however, we see a little of both sides, that of the grower and that of the merchant, and our only objective is to serve in what capacity we can a trade which we believe could have a promising future.

We realise also that Government interference in private business is anathema to the trade, and I would like to disarm at once any criticism in this direction by emphasising that what we suggest is that the producer and distributor should help themselves, while we stand by and offer what advice we can, when and if it is asked.

After Mr. Levy has concluded his paper, Mr. Mulholland is to read one on "The Organisation of the Seed Trade from the producer's Viewpoint," to be followed by Mr. Hewlett, of the Canterbury Seed Company, dealing with the same subject from the point of view of the merchant.

May I conclude by making a brief reference to the organisation of the Canadian Seed Trade which is recognised the world over as a

most practical and efficient organisation, and the type of organisation which might well be considered in relation to New Zealand conditions. The wholesale seedsmen are organised through an association named "The Canadian Seed Trade Association," with headquarters at Toronto. We have its counterpart in the New Zealand Grain Seed and Produce Merchant's Association. The recognised seed growers are incorporated under the name of "The Canadian Seed Grower's Association." Their membership consists of persons (or organisations) resident in Canada who are engaged in the planting and propagating of stock or seed grown in conformity with the by-laws and regulations of the Association, somewhat similar to our New Zealand certification regulations. The object of the Association is to secure and maintain a high standard of excellence in the yield and quality of field and garden crops through the use of superior propagating stock.

Finally, the Canadian Minister of Agriculture appoints an Advisory Board under the Seeds Act which meets from time to time as occasion warrants to consider standards that, in their opinion, should apply for the different grades of seeds and to make such recommendations to the Minister for approval. This Advisory Seed Board is composed of equal representation from the seed trade, seed growers, vegetable growers and farmers with a representative from the Agricultural Committee of the House of Commons and the Co-operative Wheat Producers, Ltd., together with the Seed Commissioner, Ottawa, as Chairman; and the chief of the Seed Division, Seed Branch, Ottawa, as Secretary.

-----

At the conclusion of the papers on the Seed trade and prior to the discussions which they evoked, Mr. Hadfield made the following statement:

"Although responsible for the organization of this evening's meeting, and for inviting the papers you have heard, yet I am at some disadvantage in not having had an earlier opportunity of reading these papers which mine was intended to introduce. My paper was intended to pave the way for those to follow, but I can see now that it has proved inadequate in this respect, and the Chairman has kindly granted me a few minutes to make certain explanations.

In the first-place, the papers you have heard are individual papers, that is, they express the views of the individual and not necessarily those of the several interests representative of the readers,

Secondly, I should like to assure you that the discussion arose from a sincere desire on the part of a few of us to clear the air of parochialism, and recharge it with a national viewpoint, to clear away misunderstandings out of which has undoubtedly arisen discontent, and to see if anyone - whether grower, research worker, instructor or merchant - has any constructive proposals to bring forward to help along the industry, more particularly with a view to the expansion of our markets for herbage seeds. I have heard several remarks that we are attempting to teach the merchants their business. I do not think that a fair criticism, nor do I think there is anything in these papers to warrant such a conclusion,

Attention has been drawn in two papers to the disadvantageous reports received from merchants abroad, showing apathy and even opposition to our certified seeds. Three or four years ago we had a parallel case in New Zealand. Most of you will remember the cry of opposition that arose in Southland regarding certified perennial ryegrass, the echoes of which are still reverberating around us today. Yet at this conference we have representatives from Southland who are in the best position to judge the value of certified perennial ryegrass in that district and who speak of it with unstinted praise.

If we accept this unfavourable verdict on our seeds, or even if we do not accept it yet make no aggressive attempt to overcome the difficulties attending export, then I feel that this meeting will not have borne the fruit for which, I hoped. But if we are to counter this defeatism attitude, then any organization or concerted policy must come from within, either from the grower or the merchant, and I still believe that a constructive policy could be framed, or an advisory committee created, by an amalgamation of both interests."

-----