The wartime planning of agricultural production is no easy task, and grateful appreciation is expressed for the valuable assistance rendered by the National Council of Primary Production, the District Councils, and all producer organizations. The work of these bodies, and of individual members, has done much towards assisting the farmer in his problems and the Government in carrying out its production programme. Particularly has the services of these various organizations proved invaluable in the important matter of farm labour and the apportioning of available farm equipment and supplies.

War conditions have raised difficulties in the supply of fertilizers, necessitating the introduction of rationing, and this system has worked remarkably well. However, prevailing conditions may enforce more stringent rationing in the future.

The policy of the Government is to fulfil, as near as possible, the war requirements of the Allied nations, and the aim of the Department of Agriculture is to assist farmers by every possible means to achieve this object. To this end all the resources of the Department and the services of its officers will be fully extended.

The annual reports of the various Divisions indicate the extensive activities of the Department. Officers have willingly accepted additional duties, recognizing that no effort is too great in this time of national emergency.

A. H. Cockayne, Director-General.

ACCOUNTS DIVISION.

REPORT OF L. C. SCOTT, ACCOUNTANT.

Net expenditure for 1941–42 was estimated to require £2,071,122, an increase of £413,948 on the 1940–41 estimated requirement. This was due mainly to the subsidy provision for raw materials to be used in superphosphate-manufacture. The year has been cleared with a net expenditure of £1,880,432, a saving of £190,690. Briefly, this saving is due to delivery of some supplies on order being delayed, conservative usage of available supplies, and a continuation of the preceding year's satisfactory buoyancy in credits. The receipts, from fees based on butterfat output and from sales of farm and station production, are a gratifying indication of the inherent productive capacity of the Dominion.

Undiminished demands for essential advisory aids to agricultural industry have been met, particularly in directions such as seed, cheese, and linen-flax production. Inspectional services to control quality in produce for sale and to ensure healthy conditions in crop and animal life have been maintained to the fullest practical extent. Advisory and inspectional services have also absorbed much of the intangible expense arising not only from conservation in the usage of available essential supplies (particularly fertilizers), but also from expansion in productions (such as cheese, certain seeds, and commodities of medicinal value derived from plants and seeds).

A summary of the vote, with 1940-41 figures in parentheses for comparative purposes, is given below:—

	Expenditure appropriated.	Paid out.	Revenue appropriated.	Received.
	£	£	£	£
Administrative services	550,132 (534,553)	513,960 (523,887)	126,635 (116,510)	148,690 (138,163)
Payments under statute	108,500 - (105,500)	103,131 (102,916)	750 (2,500)	1.284 (1.437)
Miscellaneous advances, &c.	1,562,185 (1,155,641)	1,435,406 (1,148,640)	22,310 (19,510)	22,091 (23,859)
Totals	2,220,817 (1,795,694)	2,052,497 (1,775,443)	149,695 (138,520)	172,065 (163,459)
Less credits-in-aid	149,695	172,065		E
Net totals	2,071,122	$\overline{1,880,432}$		

Other financial transactions which have received the direct attention of the Department have involved payments and receipts totalling over £500,000. The payments have related to matters such as cool storage, meat-canning, change-over to cheese, medicinal plants, and ergot. The receipts have been in respect to various Acts and deposits. Indirectly there has been association with considerable expenditure for cool-storage and cheese-production purposes directly attended to by other Departments.

LIVE-STOCK DIVISION.

REPORT OF W. C. BARRY, DIRECTOR.

The past year has not been particularly favourable from a production point of view. Although normal conditions prevailed at lambing and calving time, the spring and early summer months were rather cold and wet for maximum dairy production. The undue amount of wet and dull weather in many parts of the Wellington district also retarded production, although there is abundance of feed for the coming winter. In the South Island some heavy snow was experienced last winter, and losses of ewes were unavoidable in Canterbury. Lambs have done well again this season in Canterbury, and there is an abundance of feed with good root crops. Losses of stock from disease or parasitic trouble have not been serious.