The structure of the pig industry is sound and an increase in pig-production can be looked for by March, 1947.

Crop-subsidy Scheme.—This scheme was introduced in 1944 for the express purpose of encouraging farmers to provide the feed-supply necessary to carry pigs through the winter months.

Imported feed-supplies upon which the pig-producer usually depends were unprocurable, and it was hoped that the £5 per acre subsidy would provide the incentive to make producers self-sufficient in this respect. The response to the scheme cannot be considered satisfactory as, of the 40,000 farms carrying pigs, only 5.023 claims were made in 1945, representing 19,664 acres. The position for the present season shows no improvement.

The claims made under the scheme for the two years in operation are as follows:-

	Year.	**************************************	Number Area of Claims. of Crops		Subsidy paid.	
1945 1946	••		5,023 5,017	19,664 25,129	£ 98,330 125,645*	

* Estimate only.

Pig-meat Prices.—From time to time during the year representations for an increase in the price of pig-meat have been made to the Economic Stabilization Commission. Data relative to costs and returns has been prepared by the Department and the National Pig Industry Council, and representations made to the Hon. Minister of Agriculture. This matter is receiving further consideration.

Feed-supplies.—A sufficient supply of feed meal for pigs has not been available for the past two years, and this has been a contributing factor against increased production. Meal is only a small but very necessary item in the pig-feed supply. In normal times it requires some 40,000 tons to meet this need, more than half of which is imported from Australia and the Pacific islands. The absence of these stock-feeds makes it increasingly difficult to stabilize the pig industry.

Grading of Baconers.—This has been in operation for eight years. In spite of the fact that there has been an increase in the number of heavy pigs, due mainly to the raising of weights to include pigs up to 200 lb., the grading percentages show little difference by comparison with previous seasons. Approximately 450,000 baconers have been graded, and the averages for the year ending March are 82 per cent. Prime 1's, 14 per cent. Prime 2's, and 4 per cent. Second quality. A revision of grading standards to provide a premium for Special Grade is receiving consideration.

Pig-carcass Competitions.—The establishment of official standards for judging pig carcasses has been finalized during the past season and has resulted in a uniform method being adopted at all carcass competitions throughout New Zealand.

There is little doubt that the baconer competitions held at most of the main freezing-works during the past six years have, to a very large extent, been responsible for the high standard of grading returns. These competitions intensify the necessity of all marketing factors and result in the pooling of information concerning the pig industry for the benefit of all. By the attendance of over 1,000 producers on different occasions opportunity has been given to stress the importance of increased production and other factors over a very wide area. The Department's thanks are due to the organizations co-operating in these activities, who were at all times most helpful, particularly in the matter of prize moneys offered.

National Instruction Service.—The value of the instructional and advisory service given by the District Pig Councils through the National Pig Industry Council is being appreciated more each year.

In every district new layouts for piggeries are being built, bringing the conveniences and accommodation for pig-keeping up to the level of other primary industries. On many farms makeshift pig accommodation has been replaced with that of the most up-to-date conveniences, and, while there is still much to do in this field, it is gratifying to report that this important work has been continuous during the war years. In this the distribution of the Department bulletin, "Layout and Construction of Modern Piggeries," has helped considerably.

Publications and Publicity.—The results of feeding trials and articles on pig management, housing, and bacon competitions have been published in the Journal of Agriculture, other farming papers, and the public press.

Service talks prepared by District Pig Council supervisors and approved by the Department have been broadcast regularly over all main stations.

Extensions for the Coming Year.—The services established in 1937 covering "pedigree-sow recording," "carcass-quality scheme," and "pig census," and discontinued to a large extent during the war, are to be again given prominence.

The preparation of lecturettes in the form of film strips has already commenced, and when completed will be distributed to all District Pig Council supervisors.