

decrease in the aggregate number of sheep, breeding-ewes were shown to have substantially increased, approximately to the high-water mark of 1914. In respect of cattle the live-stock census taken in 1916 revealed a material increase over the figures for 1911—the latest previous enumeration. This item caused special satisfaction, some anxiety having been felt as to whether the immense increase in our beef-exports during the last two or three years had not unduly depleted the cattle stocks. The gain in cattle is shown to be of an all-round nature, and not confined to dairy cows. On the other hand, horses and swine have shown decreases. Good reasons may perhaps be found for a reduction of horses, but the decrease in swine cannot be viewed with equanimity, and every effort should be made to increase the pig stocks in support of the food-supply and an industry for which the Dominion is eminently adapted.

The industries connected with our leading primary products—meat and dairy-produce—evidenced great activity during the year. Several additional meat-works were completed and commenced operations, and others are in course of construction. As regards stock slaughtered for export, another substantial increase was recorded for cattle, but sheep and lambs (especially the latter) showed heavy decreases compared with the exceptionally high numbers of the previous year. Should this prove to have been due to a greater carry-over of ewe lambs suitable for breeding, the fact will be of advantage in view of the understocked condition of many districts.

In the dairy industry the movement from the manufacture of butter to that of cheese has continued, with a corresponding effect on the outputs of the respective branches. The net result of the year's operations was a well-maintained volume of production for the industry as a whole. The manufacture of dried milk was further developed during the year. Casein, as an adjunct to the buttermaking side of the industry, has shown renewed vitality, the product being in great demand for export at tempting rates, and all facilities afforded for dairy factories to undertake the supply. The manufacturing side of the dairy industry may be fairly said to maintain a high general standard of excellence, but the raw material—milk or cream—in too many instances still constitutes a weak spot. A wide extension of instruction to dairy-farmers in the care of milk, utensils, milking-machines, &c., is a matter of the greatest importance, and a campaign for this purpose should be undertaken as soon as conditions permit. It is believed that the large majority of dairy-farmers would welcome such action, having come to realize that it is necessary to protect their industry from the dangers threatened. Another question which seems ripe for action, and which involves no expense, is the raising of the standard for first-grade butter. There has been no change in the minimum points (88) for this grade since the grading system was instituted over twenty years ago, and it is considered that the fixing of such minimum at, say, 90 points would have a stimulating effect on quality, and bring into line a very considerable proportion of the butter-output which just scrapes into first grade or slightly over. The proposal, it is hoped, will be given effect to shortly.

Further marked progress has characterized the fruitgrowing industry, both in the planting of commercial orchards and in organization of the interests centring in the newly formed Fruitgrowers' Federation. With the exception of certain districts, light crops were the rule in the past season, but as shipping difficulties precluded exportation this was not an altogether adverse factor for the growers. A feature of the year was the enactment and bringing into operation of the Orchard-tax Act, under which funds are provided for the Fruitgrowers' Federation. A registration of all orchards throughout the Dominion was also carried out, giving a basis for thorough control of diseases, &c. Another measure calculated to operate greatly to the advantage of the fruit industry was the registration of nurseries, involving a careful inspection of young trees. The organization of the Horticulture Division of the Department has been strengthened, and the horticultural stations are being improved on lines enabling them to give the most effective assistance to the fruitgrowing industry. It is hoped that in the near future further developments may be also made by the Department in the sphere of scientific horticultural research.

Although poultry keeping or farming is commonly ranked as one of the minor rural industries, it is really in the aggregate one of great extent and of no small importance in relation to the food-supply of the country. New Zealand is eminently adapted for the industry, and we are in a position to produce all the foods required for its operation. As cereals rank first for this purpose the wheat-growing rally which promises to take place this year has also a bearing on poultry-farming. The suitability of oats and lucerne-meal for feeding for egg-production have been strikingly demonstrated during the year in valuable tests conducted by