

hoped that their labours will help to bring about a better organization of the whole of the industries of the country. Questions of storage, shipping, and production are also receiving the close attention of the Government in conjunction with other expert advisers.

The year was marked by a great extension of the system of purchase of our leading staple products by the Imperial authorities through the New Zealand Government. The arrangement regarding meat was renewed, with a moderate increase in prices dating from the 20th October, 1915, the agreement to hold good for the period of the war and for at least three months thereafter. The Imperial Government has since assumed the ownership of all meat in store instead of f.o.b., an arrangement which is advantageous to the producers in several respects. Purchase of the wool-clip was the first new transaction. After conferences with producers' representatives, &c., at which terms were discussed, the wool was requisitioned by Proclamation dated the 21st December, 1916, on a basis of 1913-14 values, plus 55 per cent., with payment in fourteen days. Sheep-skins were purchased at fixed rates under a notification dated 1st February, 1917, and similar arrangements in regard to hides and calf-skins were gazetted on 14th March, 1917. After somewhat protracted negotiations with the producers the cheese-output was taken at a price of 9½d. per pound f.o.b., the arrangement being set forth in a *Gazette* notice dated 16th January, 1917.

The wool requisition may be described as the record commercial transaction in the history of the Dominion, the aggregate value of the season's clip being some twelve and a half millions sterling. After the inception of the arrangement for purchasing the wool (and subsequently sheep-skins and hides) it was necessary to make provision for the organization and direction of the necessary working details, and for this purpose a committee, termed the Requisitions Committee, consisting of Mr. W. G. Foster, Mr. W. D. Stewart, and Dr. C. J. Reakes (Director of the Live-stock Division of the Department), was set up. Both Mr. Foster and Mr. Stewart are gentlemen with large and responsible business interests, but they unreservedly gave their services gratuitously to the Government, and have devoted a great deal of their necessarily valuable time to the work. The magnitude of the interests involved and the very large volume of business to be dealt with have called for close attention throughout, and I desire to express my appreciation of the great value of the service rendered, and of the assistance received by me as Minister in charge, in all matters which have been dealt with by the committee. Taking everything into consideration, it can be claimed that the arrangements made for taking over wool, sheep-skins, and hides have proved satisfactory in working, and though, as might have been expected, difficulties have arisen from time to time, they have in every case been overcome successfully. In this it is realized that producers, brokers, wool buyers and valuers, fellmongers, scourers, tanners, and all concerned have almost without exception exhibited an evident desire to co-operate with the Government in assisting to attain the results achieved.

I may also here record the fact that, although handsome prices have been secured to the producers under the Government purchases as compared with pre-war values, such prices have in every case been substantially lower than those ruling in the open market for goods of the same classes as those requisitioned. No one industry alone has made "sacrifices," however. The meat-producers, for instance, have ceded just as much or more than the cheese-producers, and, moreover, have agreed to continue their present arrangement until after the end of the war. It may be noted that butter is now our only staple of first magnitude that has not come under the Government-purchase system. There are some indications that it, too, may be included in impending transactions affecting the new season's dairy-produce.

The foregoing observations do not claim to be anything approaching a complete review, however brief, of the agricultural year and interests, but merely touch on the more salient features. Mention might be made of many other subjects, but more than ever these are times for action rather than for discussion. Moreover, until a victorious termination of the war sets free the men and the money, a large number of activities awaiting attention cannot be further discussed to much useful purpose. Much information and suggestive matter will, however, be found in the reports of the Secretary and heads of Divisions and Sections which follow. My concluding word must be one of appreciation of the work carried out by the staff of the Department in all its branches, often under heavy handicaps due to war conditions. I also extend appreciative greetings to those many members of the Department whom duty has called to army service, and add my homage to the memory of those of them who have made the supreme sacrifice.

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