

Zealand. It is interesting to note here that since our Government commenced guaranteeing a price to farmers for New Zealand wheat the New Zealand Government has taken care to protect this wheat by prohibiting the importation of Australian flour. Statements have been made as to the low cost of producing wheat in Australia. The following is a statement made by the Victorian Farmers' Union on the cost of production, in evidence given before the Inter-State Food Commission: John J. Hall, general secretary of the Victorian Farmers' Union, said, "In connection with the price of wheat, farmers cannot afford any reduction in the price of 4s. 9d. per bushel and carry on the industry. It has to be remembered that that payment of 4s. 9d. really amounts to 4s. 2d. net to the farmers. The president of our union (Mr. W. C. Hill) worked out the cost of production on a farm at Colbinabbin as follows: Rental value, 10s. per acre; ploughing, 11s.; cultivation, 6s.; drilling, 3s.; harrowing, 3s.; seed, 3s. 6d.; manure, 3s.; harvesting, 6s.; bags, 6s.; bag-sewing, 1s.; carting, 3s. 6d.; pickling seed, 3d. The total cost per acre was £2 16s. 3d. The average crop for the last two years was 16 bushels per acre, which at 4s. 2d. per bushel net gave £3 6s. 8d. as the value of the crop per acre. The cost of production on the area actually cropped was 3s. 6d. per bushel, showing a surplus of 8d. per bushel. Berrigan farmers have made a calculation which shows the cost to be 3s. 10d. per bushel. Farming implements have increased in price, and although to-day's prices are war-time prices they are the prices under which wheat is being produced. In 1913 the plant for a 300-acre farm cost £490; to-day the same articles cost £559. In the Mallee the average return per acre over a period of ten years has been 7·11 bushels, and the average price for eleven years has been 3s. 9d. per bushel. Excluding 1915, when wheat was 7s. 0½d. per bushel, the average price for ten years has been 3s. 4d. During ten years the Mallee farmer has been working at a loss of £44 per year." Witness continuing said, "No other general figures regarding the cost of production have been collected. The area under crop in Victoria is decreasing. The most successful wheat-farmers have been those with large families of sons. As the sons grow up and leave the farm there is a tendency to allow the land to go into sheep." Arnold E. V. Richardson, Superintendent of Agriculture to the State of Victoria, said, "The price paid to the farmer for his wheat was not extravagant, and it was only reasonable that the community should be willing to pay to sustain a great national industry. The present price of wheat on the farm was not sufficient to encourage production, and in spite of all efforts in the various States there had been an actual reduction in the acreage under crop in New South Wales and Victoria." With wheat at 4s. 9d. at the seaboard the Victorian farmer makes a profit of 10s. 8d. per acre. Allowing that Australia is prepared to sell at cost price, this wheat cannot be landed in New Zealand under 5s. 6½d. ex ship, and 5s. 8d. at the mills without duty. On the above figures we do not appear to gain at all by depending on Australia. Can the people of New Zealand afford to lose such an important industry, producing annually £2,000,000? A large portion of this sum is being circulated in the form of wages. Wheat-growing is the small farmer's stand-by, and it greatly assists in the rotation of crops. To-day we are not growing sufficient wheat to feed ourselves. In order to encourage the industry we suggest the following alternatives: (1) A duty of £2 10s. per ton on flour and wheat, with a guarantee of a minimum price to the farmer over a term of years; (2) payment of a bonus to the farmer on every bushel of wheat grown; (3) the present system of Government control of wheat, flour, bran, and pollard, eliminating speculation, and guaranteeing the farmer a fixed price for wheat. A great deal could also be done by a Government experimental farm in the wheat districts selecting and producing types suitable to the district. The Velvet wheat is a wheat that is in strong favour with the miller for mixing purposes; it is a strong wheat. We urge that a higher price should be given to the farmer to grow this variety. In our district the Dreadnought wheat is taking the place of Velvet. Dreadnought returns from 40 to 60 bushels to the acre practically as against 30 bushels of Velvet. You cannot take that as an exact comparison; on some farms Velvet suits the land and gives a better return than the Dreadnought. Our idea is that by means of experimental farms the most suitable varieties of wheat for the land can be ascertained. I think that in this district there is the largest growing of Velvet wheat in New Zealand. It should be the duty of the Government to maintain seeds of a high standard. If the Dreadnought can produce good yields, why should not the Government experiment with it and try and improve it; and, better still, find a variety between the Velvet and the Dreadnought that would suit the millers best. I have a quotation here from an American newspaper showing the treatment of soil under various headings, and giving the results of the treatment of the soil with different manures, and the yields of wheat under different treatment.

*To Mr. Craigie:* The difference in the price of flour with wheat at 6s. and 7s. a bushel—the difference in the price of a ton of flour would be about £2 10s. As to what difference that would make in the price of a 4 lb. loaf, I cannot say what the exact figure comes to, but previous to the last rise the costing was going up. On the basis they were working at about twelve months ago it would be ½d. on the 4 lb. loaf for every 25s. rise per ton of flour. I could not say what the difference in the price of the material to the baker would be to produce the 4 lb. loaf. If we imported all our wheat, at to-day's value it would amount to two millions sterling; it would amount in quantity to 7,000,000 bushels. It would be the means of putting many men out of employment, and would reduce the circulation of money; and if wheat-growing dropped it would have a severe effect on this town.

*To Mr. Hudson:* I believe in the policy of an import duty being put upon wheat to protect us against the advantage of the Australian miller—the advantage which he has in connection with the offal. I could not say whether it would increase the cost of flour materially or whether sufficient wheat would be grown locally at a reasonable price; a good deal depends on what the farmer is getting for his sheep. If the farmer can make a profit on growing sheep without having