REPORT OF THE DIRECTOR-GENERAL.

The Hon. Minister of Agriculture. Wellington, 14th April, 1923. I BEG to submit the following report on the operations of the Department during the past official year, which has been one of steady work.

The necessity for curtailing expenditure wherever possible naturally prevented that measure of advancement in instruction and development work which the rapidly growing needs of the country demand, but a little progress has been made, and a point has now been reached when an expansion of this phase of the Department's duties, in all branches, is a matter of practical necessity in the best interests of the entire community.

I must express my appreciation of the whole-hearted manner in which the Directors of Divisions and their responsible officers, together with the Head Office staff, have co-operated in the efforts to bring about a further curtailment of expenditure, while still maintaining efficiency and adequately carrying out the definite responsibilities entrusted to the Department.

AGRICULTURAL INSTRUCTION.

This important part of the Department's activities has been carried out as thoroughly as staff conditions permitted, and it is evident that the work of the Instructors is greatly appreciated, the calls upon their services being far in excess of their physical ability to cope with them. At the present time, Instructors are stationed at the following centres—Auckland, Moumahaki, Wellington, Christchurch, and Dunedin; with assistant Instructors at Auckland, Hawera, Marton, Wellington, Christchurch, Hokitika, and Invercargill. All these officers have had a strenuous year. It is extremely desirable, in the interests of settlers and of increased production, that this instructional staff should be materially strengthened by the appointment of further Instructors of the right type, combining both scientific and practical knowledge.

One feature of the instructional work which is developing and proving of genuine value to farmers lies in the conducting of short courses of instruction at suitable centres. These classes, which usually occupy a week, are held during the winter months, and are largely attended. Officers of the various Divisions of the Department give lectures on various subjects, and these are supplemented by outdoor demonstrations. Arrangements are already in train for a considerable extension of these classes during the coming year. Another phase of instructional and development work lies in the boys and girls' agricultural clubs. The movement formed to establish these clubs is extending, and they are undoubtedly doing good work. While all have been successful, perhaps the most extensive development has been in Taranaki, where great keenness has been shown and excellent work done by the young members of the clubs.

The proposal to establish at Ruakura a permanent farm school for the training of lads in practical farming, supplemented by instruction in scientific agriculture as adapted to farm practice, has been under consideration, and it is hoped that at an early date a commencement may be made. The original object for which the Ruakura Farm was established has been attained, and if it is to continue to be an asset of practical value to the Dominion from an instructional standpoint a new departure such as is proposed in the farm school is necessary. The training of returned soldiers at Ruakura ceased at the end of December, and the farm is at the present time being conducted more on commercial lines than anything else, pending a decision as to its future. There is plenty of scope within the Dominion for the development of intelligent and practical training of youths in farm-work based upon scientific principles, and while it is undoubted that this training cannot be given without a certain amount of special expenditure, it is submitted that such expenditure is amply warranted, and would in due course give results which would be of great practical benefit to the community as a whole.

The necessity which has of late existed for exercising the utmost economy in departmental expenditure has been reflected in the Agricultural Instruction Service as in all other services of the Department, but too long a continuation of measures of drastic economy and consequent arresting of development in this particular work would really be false economy and inimical to the future interests of the Dominion. There has been great development of late years in educational work and expenditure in other directions, and the time is now overdue when the training of youths in rural pursuits should be seriously considered as an essential feature of our educational system.

THE STATE FARMS.

The operations of these farms have been carried out on more pronounced commercial lines than heretofore. As a result their financial position generally shows improvement, and though the measure of instructional work which was carried out has necessarily had an important bearing upon the expenditure involved, the earnings have been distinctly good.

At Ruakura the reduction in expenditure resulting from the decreasing number of soldier trainees during the year, and the final cessation in December of this training-work, combined with other economies, has resulted in the expenditure on this farm being reduced by £3,246 as compared with the previous year. On the other hand, the revenue increased by £652. The aggregate value of the livestock on the farm at March, 1923, was £7,625 4s., as against £7,705 18s. at the same date in 1922. In addition to soldier training, a large volume of instructional work was carried out in the form of short courses for farmers, teachers, &c. The establishment of the farm school for youths to take place during the present year (1923–24) will involve a certain amount of expenditure which will not give a direct monetary return, but which will nevertheless prove of great value to the Dominion.

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At Weraroa a good year's work has been done, and though the actual figures of expenditure and credits at first sight appear to compare unfavourably with those of the previous year, they really come out very well. The season was an abnormal one, due to the plentiful and well-distributed rainfall and the consequent heavy growth of feed. This necessitated a considerable expenditure in excess of