

up a clear high-level record in production. The official grading figures for export butter and cheese indicate an increase in butterfat-production of $10\frac{1}{2}$ per cent. as compared with the preceding year, and of $4\frac{3}{4}$ per cent. above the previous peak year of 1924-25. Having regard to the steadily increasing population of the Dominion, it is safe to say that domestic consumption absorbed a correspondingly larger amount of dairy-produce during the year, and this must also be taken into the calculation of total output. Grading statistics also demonstrate that quality accompanied quantity, both butter and cheese sharing in this feature. During the year consolidated and extended regulations under the Dairy Industry Act, dealing mainly with the manufacture and export of dairy-produce, were issued and brought into operation. Perhaps the most far-reaching provision of the regulations was that instituting compulsory grading of cream, together with differential payments according to quality. The introduction of a "finest" grade of butter and cheese, and of a national brand, were also noteworthy features. Owing to several adverse factors affecting the British market, prices for both butter and cheese averaged lower than those of the preceding year.

Touching on arable farming, all cereals showed increases in area cropped compared with the season of 1925-26, especially as regards wheat. The feature of this section was the bountiful wheat harvest, the average per-acre yield constituting a new record for the Dominion. It is satisfactory to note in consequence that very little, if any, importation of this essential grain will be necessary before next harvest. At current prices this year's wheat crop adds over two and a quarter millions sterling to the gross revenue of our primary producers, or about one million more than the wheat returns for 1925-26. Wheat-production forms one of the major items of agricultural income pertaining almost entirely to our internal trade, and as such not appearing in statistics of exportation. The season's oats and barley yields showed increases, and maize advanced in total production. Potatoes remained practically stationary in area, but the yield was somewhat reduced. Turnips and mangolds both showed some shrinkage in area. Linseed fell away heavily in area, but a much higher per-acre yield almost made up this deficiency. A decreased total yield of rye-grass and an increase in cocksfoot were recorded.

Commercial fruitgrowing in the Dominion has received a great stimulus this year owing to the very successful export trade in apples and pears; and, although the apple crop did not equal that of 1926 in quantity, the monetary returns were very much higher. The Government guarantee was renewed for the past season's shipments in a somewhat modified form, designed to give the growers and shippers an incentive to keep packing, transport, and marketing costs down to the lowest possible level. During the year further progress was made in fruit cool storage methods and system, this resulting in the local market being better supplied, with apples in particular, during a longer period of the year.

Poultry-keeping, beekeeping, and market-gardening (including in the latter the growing of such lines as tomatoes and small-fruits) were carried on steadily, with reasonable profit to the increasing number of those engaged in these lesser branches of rural production. The aggregate value of the output of these industries is much greater than is often realized, and their importance to the community warrants every encouragement.

The hemp industry may be described as being in a fairly healthy condition generally, although some shrinkage in the year's output occurred, due to heavy floods in certain of the milling areas last spring. The grading statistics show an appreciable improvement in quality compared with the figures for 1925-26. Considerable development took place during the year in regard to the growing of phormium as a regular cultivated crop, several new companies having been formed for that purpose. There can be no doubt that the potentialities are very great—given, of course, proper conditions of land, situation, and management—and every wish for success must be accorded to all such sound enterprises.

Much interest centred round the artificial fertilizer trade during the year. Importations of raw phosphate and phosphatic manures increased heavily, and the local manufacture of superphosphate was also greatly expanded. Considerable upheaval took place in the latter branch of the industry, certain industrial