

the lowest cut rates, and arrangements were made in connection with co-operative dairy companies which should react very favourably on the farming community. Farmers again purchased very heavily for pasture top-dressing purposes, and this practice has been introduced into the management of many farms—on hilly country in particular—which but for the trade war might not have adopted it for many years. As a matter of policy, the Government has made substantial concessions in railway-freight rates on fertilizers, the greater part of this subsidy being paid through the Agriculture Department's vote. There is no doubt that the increased volume of production of our farm-products during the last year or two can be traced largely to the increased use of fertilizers. In order to assure an ample future supply of phosphates, supplementary to the Nauru and Ocean Islands source, the New Zealand Government, in conjunction with the British and Australian Administrations, is conducting certain negotiations which it is hoped will end successfully.

A very marked advance on the scientific side of agriculture has taken place during the year, mainly as the result of organized and co-ordinated action on the part of all the bodies concerned—the Department of Agriculture, the Research Council and Department, the Cawthron Institute, the agricultural colleges, and certain University workers. Moreover, most valuable contacts have been made with various scientific institutions in Britain. Appreciative mention must also be made of various grants in aid of these activities by the Empire Marketing Board. An event of interest which took place during the year was the opening of the Massey Agricultural College at Palmerston North. This institution will have a strong research side in addition to its educational functions. The Canterbury Agricultural College is also receiving a substantial Government grant for research work. This joint effort cannot fail to exert a profound and beneficial influence on New Zealand agriculture.

During the parliamentary session of 1927 an exceptionally large and varied volume of agricultural legislation was enacted, affecting the interests of the farming community at many points. The preparation of Bills of this class is often a task of considerable magnitude, and all credit is due to the departmental officers chiefly concerned.

The reports of the Director-General of the Department and the divisional heads reveal an immense amount of useful service to the farming community. They also clearly demonstrate that the Department is maintaining its leading place in scientific investigation pertaining to New Zealand agriculture. The officers of the various branches are deserving of every credit for good work well done.

I have, &c.,

O. J. HAWKEN,

Minister of Agriculture.

His Excellency the Governor-General.

---