

*Mr. McCombs.*] Is there no variation?—Oh, yes. There are different species of flour. One firm might sell flour at one price and another at another price, and the current domestic value and the duty would be different in those cases.

Some of the wheat-growers are of opinion that, in some way or other, flour is imported at a lower price than at the correct value on the other side.—It is possible, of course.

You have no evidence as to that?—No.

Mr. A. H. COCKAYNE, Assistant Director-General, Department of Agriculture, examined. (No. 4.)

*Dr. Reakes :* Mr. Cockayne, the Assistant Director-General of Agriculture, will give the main evidence for the Department of Agriculture. He is much more intimate with the question of the wheat-production side than I am myself.

*The Chairman* (to Mr. Cockayne).] You represent the Department of Agriculture?—Yes.

What evidence do you propose to give?—Well, I do not quite know what evidence is required.

*Dr. Reakes :* I think the idea is that the Department of Agriculture should deal mainly with the production side, and, in addition, give the Committee any further information they would like. The procedure, generally speaking, has been that the Department of Industries and Commerce has handled what I may term the commercial side of it—everything in connection with milling, and baking, and distribution. Of course, we will give evidence in whatever direction the Committee may require.

*The Chairman* (to Mr. Cockayne).] We would like to get the details in regard to production, the yields and the costs, if possible. Have you gone into the question of costs?—Yes. Of course, the costs of production are extremely variable from farm to farm. The Committee must recognize that. But there are one or two points that I would like to bring forward. To commence with, dealing from the wheat-growers' standpoint, at one time in New Zealand wheat was grown to a quite considerable extent in areas quite apart from what we now look upon as the main wheat centre of New Zealand—namely, the east coast of the South Island, covering the level plain of Canterbury and a portion of North Otago. Gradually, however, the production of wheat over those areas apart from Canterbury and North Otago and a portion of South Otago came to be very restricted, and at the present time one can say that the whole of the wheat-production is localized in those portions of the South Island I have mentioned. One of the main reasons apparently why wheat became an unpopular crop was due to the fact that, although there were a number of soils on farms where a good wheat crop could be produced, the ground could quite well be used for other purposes which, in the opinion of the farmer, were far more payable, and far more profitable, and more easily utilized than for the growing of wheat. Now, in Canterbury, in connection with this farming question and the growing of wheat in the rest of New Zealand, there is a very essential difference, and that is that over a great portion of Canterbury—that is, over the comparatively level parts of Canterbury and Otago—it is impossible, even on good soils, at the present time for the farmer to secure permanent pastures which are suitable for the production of young stock. In other parts of New Zealand, on the contrary, there are ewes on land top-dressed, particularly with phosphate manures, and with expert management it is possible on many soils to secure permanent pastures which are suitable for the production of milk, or the production of young stock, both in the case of the dairy cow and the ewe. Canterbury, apart from wheat and apart from ordinary cropping, requires a greater proportion of the farmer's annual wealth that is derived from live-stock, particularly live-stock of the ewe type, and it is essential for the success of that portion of the farmer's business to have young grass, and plenty of young grass. If you cannot produce young grass permanently from permanent pastures it is necessary to renew that grass, and over the majority of Canterbury and over the majority of the area at present cropped by wheat it is essential that the young pastures should be renewed by resowing and ploughing. And so soon as a district has to rely upon the periodical renewing of its grassland it is necessary that the farm team or the farm tractor should become an important part of the farming operations; and where you have a farm team or a farm tractor it is essential, in order that you bring down the cost of crop-production, that that team or tractor should work to full efficiency and be fully occupied, and it can only be fully occupied when there is a sufficiency of annual crops that the farmer can grow. Now, over the wheat area, the only annual crop which, through an increase in population in New Zealand, would indicate that it is a secure crop to grow is wheat. It is the only one that will enable a real economical and efficient utilization of farm team or tractor over the types of soil in Canterbury and North Otago, where permanent pastures and high production cannot be maintained by top-dressing. The Department of Agriculture is rather keen, in a way, to place that fairly definite fact before this Committee—that in order to produce a sufficiency of young grass in Canterbury and North Otago it is necessary to crop. The elimination of the wheat crop out of the Canterbury farmer's programme would reduce the acreage dealt with by the farm teams, and it would increase enormously the cost of production of those other special crops that come in the farmer's programme and which are essentially concerned in the fattening of lambs and suchlike. Therefore it can be fairly well stated that, irrespective of any other consideration, fiscal or otherwise, it is essential that the Canterbury farmers should grow wheat. Whether it is essential for them to grow wheat in sufficient quantities for New Zealand requirements is another matter. That is one of the main points, from the Department's standpoint, that we wish to bring before this Committee. That is what I may term the farming significance of wheat-growing in the South Island.

Is that all you have to say?—I think that is about all. The Department, of course, will do its very best for this Committee in the elucidation of any queries that it may like to set before it.