

1932.
NEW ZEALAND.

DEPARTMENT OF AGRICULTURE.

ANNUAL REPORT FOR 1931-32.

Presented to both Houses of the General Assembly by Command of His Excellency.

Wellington, 27th September, 1932.

SIR,—

I have the honour to forward herewith, for your Excellency's information, the report of the Department of Agriculture for the financial year ended 31st March, 1932.

Perusal of the report reveals a great volume of effective work for the betterment of the various agricultural industries, although handicapped by rigid economies necessitated by the continued financial stringency. The policy of the Department in closely linking the advisory field services with its current scientific research work must be largely credited for the satisfactory results recorded.

The maintenance of primary production at a high level generally, in face of abnormally difficult weather conditions which prevailed over large parts of the country during the season, is worthy of special note, bespeaking as it does the qualities of hard work, skill, and tenacity among the great body of our farmers. These results were achieved, moreover, under the naturally depressing influence of low prices and declining returns. In too many cases the farmer's best efforts have been unable to bridge the gap between costs and receipts.

Those sections of our pastoral industry represented by meat and wool are bearing the brunt of the price fall, and this is largely responsible for a disquieting feature of the present position. I refer to the marked shrinkage in the country's sheep stocks during the past two years. The extremely low price of wool, in particular, has obviously led to heavy overselling of sheep and lambs for the meat trade by farmers compelled to realize in the effort to meet their financial commitments. The dairy industry, fortunately, has been hit less hard, and at present constitutes a particularly valuable factor in the export trade, which forms such an essential part of the Dominion's financial structure.

The fruitgrowing industry continues to steadily expand its commercial production, and the results generally, aided by the support accorded by the Government guarantee on exports of apples and pears, are most encouraging. Measures were taken this year to further safeguard the Government's liability under the guarantee, at the same time strengthening the self-dependence of the industry, and it is proposed to carry this policy a step further during the coming season.

The Government is fully alive to the vital necessity of maintaining primary production and keeping farmers effectively on the land, and is employing all available resources for this purpose. Among special measures taken may be mentioned subsidies on fertilizer manufacture and railage, and extended rural credit facilities, together with legislation for mortgagors' relief and rent and interest reduction. The recently launched Small-farm Plan is also largely designed for a similar end, and it is thus fitting that the Department of Agriculture should have been entrusted with the task of obtaining land and settling men under this scheme.

The outlook is not without encouraging features. The reactions of the Imperial Economic Conference at Ottawa may be expected to manifest themselves appreciably before long, and there is hope that further developments on wider lines towards price-level restoration may follow. The generally improved tone in the Mother-country is another favourable sign, and New Zealand agriculture will more than welcome any definite betterment in its great consuming market.

I have, &c.,

CHAS. E. MACMILLAN,
Minister of Agriculture.

His Excellency the Governor-General.