H.—29.

The woollen-mills operating in the Dominion secured a large amount of wool suitable for their purposes, and Dominion woolscourers were also operating more freely in their purchase of wool than had been the case for some time past.

The number of sheep-farmers on the 30th April, 1931, was 30,789, an increase of 767 over the previous year.

During the past year practical demonstrations on live sheep have been given to sheep-farmers, indicating to them the good points to breed for and the bad points to avoid. In addition, practical demonstrations were given in various shearing-sheds as to the way in which to prepare the wool-clip in the most attractive manner for sale. Lantern lectures, with suitable slides, have been delivered, and all lectures and demonstrations were well attended.

Microscopic examination of fleeces and wool samples: A fair amount of this class of work has been carried out during the year, and reports thereon have been sent to the farmers concerned as a guide in avoiding the use of faulty rams in their ewe flocks.

Knitting-wool: There has always been a considerable amount of this imported into the Dominion, mainly because the Dominion woollen-mills were not manufacturing it, but the last few years have seen an improvement in this direction. At present much of this wool, in attractive colours, is being made, and is meeting with a good sale.

The following table shows the number of bales of wool and the value of same exported from the Dominion to other countries during the year ended 31st March, 1932:—

	.D(estination.			Greasy.	Sliped.	Scoured.	Washed.	Total.	Value.
FT : 1 TZ:	1				Bales.	Bales.	Bales.	Bales,	Bales.	£
United Kin	gdom	• •	• •		409,364	93,359	44,912	1,280	548,915	5,009,131
France	• •	• •	• •	• • •	49,758		30		49,788	454,379
Germany			• •		34,218	22	140		34,380	322,096
Japan					24,725				24,725	240,242
Australia					14,271	2,006	628		16,905	190,511
Belgium Italy					16,241				16,241	141,928
					8,190	25			8,215	65,940
Canada					3,359	986	644		4,989	52,837
Netherland	s				2,994	٠.	25		3,019	31,404
Sweden					1,409	١	-268		1,677	16,497
United States of America				795	633	2		1,430	16,376	
Denmark					742		348		1,090	8,757
ndia					799	1	82		882	8,532
pain					445				445	3,764
outh African Union				407				407	4,204	
Danzig					208			i i	208	1,504
China						116			116	$^{1,304}_{2,062}$
Vorway					91				91	824
Totals			• •		568,016	97,148	47,079	1,280	713,523	6,570,987

The great fluctuation in the price of wool is shown by the following figures: Year 1927-28, 723,717 bales, value £16,691,386; year 1928-29, 635,689 bales, £15,580,701.

RABBIT NUISANCE.

As indicated in my report for last year, the rabbit pest showed marked indications of a tendency to increase, and it must to-day be admitted that a fairly general increase has taken place in the pest over widely separated areas in both the North and South Islands. This position is to be regretted, as, with the low price of pelts and the financial position of settlers generally, the cost entailed in rabbiting operations is a burden which many farmers find themselves unable to meet. The severe drought suffered throughout the spring and summer and into early autumn in North Otago, South Canterbury, and to a lesser extent in other districts, had also an influence in creating an increase in the pest.

Every endeavour is being made by the Department's officers to cope with the position, but the difficulties of finance, both departmentally and privately, are such that the position threatening is one of grave concern, and measures whereby assistance can be rendered to overcome the situation facing us will have to be given serious consideration. The question of finance is also affecting some Rabbit Boards, the trustees, out of consideration to the settlers within their areas, being desirous of avoiding the striking of rates, and, having insufficient funds to carry on with, the matter of the administration of the Act being passed over to the Department is a possibility confronting us. If this eventuality takes place it will be most unfortunate, as in the past Rabbit Boards have done excellent work in the suppression of the pest, and have demonstrated in a marked degree that local control can achieve very much better results than could be brought about by departmental officers, who necessarily have varied duties and very much wider areas to cover.

As an indication of the success of the Board system of control, additional Boards have been constituted during the year, and the preliminary steps necessary being taken in some other districts where rabbits have greatly increased of late, to form Boards as a means of control and safety in the future.

INDUSTRIAL RABBITS.

The fur and pelt rabbit industry (Angora and Chinchilla) has not made any very pronounced progress during the year, but with the permission granted to import additional breeds such as the Rex, Beverens, and Havanas, the promoters are looking for more favourable results.