

19. *Orders on Milk Cheques.*—Up to last year the Board would relax its requirement that a first order on milk cheques must be given to ensure payment of principal and interest only in individual cases where prior orders were allowed for payment of rent and/or mortgage interest only and not exceeding 25 per cent. of the total cheques. The Board has now agreed that in suitable cases prior orders will be admitted where they exist for the purpose of providing for payment of essential farming-expenses, such as rent, mortgage interest, manure accounts, payments for separators, milking-machines, and other farming requirements, and where it is established that on a reasonable estimate of receipts and payments the existing and proposed orders will not exceed in total 50 per cent. of the estimated individual milk cheque for any month.

20. *Lessor's Right of Distress.*—Certain rights to distrain upon stock for rent in arrear are possessed by lessors in priority to the rights of the mortgagees of the stock under instruments by way of security. The Board has therefore adopted the view that in the absence of special circumstances protection should on the granting of loans be obtained against this right of distress. In many cases lessors are prepared to waive their rights in this respect in order to assist their lessees to obtain financial accommodation for farming operations, but where this is impossible the position is met by collecting the rent under a supplementary order on the milk cheques and paying it to the lessors. Both in the case of Crown leases and private lessors each case is considered on its merits, and such protection as appears necessary in the circumstances is provided.

21. *Supplementary Lines of Farming.*—Continued assistance has been given to the development of supplementary lines of farming, such as pig-raising. The Board has co-operated in the lecture and demonstration tour of the North Auckland, Auckland, Waikato, King-country, and Taranaki districts arranged by the Waikato Pig Recording Club, in conjunction with the Department of Agriculture and the New Zealand Meat Producers Board, and undertaken by Mr. E. E. Hale, Chairman of the Waikato Pig Recording Club. As the Board had an ample supply of funds available to assist farmers who desired to undertake or increase pig-raising activities, and who could comply with the reasonable requirements of the Board, Mr. Hale was supplied with up-to-date information regarding the system, and a number of the Board's pamphlets was provided for distribution to inquirers.

22. *Agricultural Bulletins.*—The Board has undertaken the responsibility of issuing and distributing quarterly agricultural bulletins prepared by the staff of the Massey Agricultural College, Palmerston North, for the benefit of farmers. Four bulletins have been issued, their subjects being—

- (1) September, 1934 .. "The Feeding and Management of Dairy Calves."
- (2) December, 1934 .. "Tuberculosis."
- (3) March, 1935 .. "Establishment and Maintenance of Pastures."
- (4) June, 1935 .. "Management of Grazing in Relation to Production from Pastures."

Fifteen thousand copies of Bulletin No. 1 and twenty thousand copies of each of the other three bulletins were printed, and a distribution was made to farmers with the ready assistance of dairy companies and co-operative rural intermediate credit associations. Favourable comments which have been received and the willing co-operation of dairy companies and associations in effecting distribution are evidence that the bulletins are appreciated.

CO-OPERATIVE RURAL INTERMEDIATE CREDIT ASSOCIATIONS.

23. *Number of Associations in Operation.*—Of the forty-two associations in existence at the close of the year, forty-one were transacting lending business. One has so far been unable to commence operations. A list of the associations as at the 30th June, 1935, and the directors and secretary-treasurers thereof appears as Appendix II to this report.