The organization of the honey industry, particularly in regard to marketing both locally and overseas, has been the subject of adverse criticism, and possible improvement in this respect is receiving both private and official consideration.

The wet and unsettled weather conditions during the summer and the exceptional storms in February militated against the optimum results. As far as possible with the funds available close attention has been give to inspection of apiaries in respect to disease, relative to which much valuable assistance has been received from those beekeepers who act as honorary apiary inspectors.

TOBACCO.

In comparison with the previous year the number of persons afforded employment from tobacco-growing has increased; 2,651 acres of tobacco was grown in 1935–36 in comparison with approximately 1,800 acres in the previous year. A prospective record crop in the Motueka district, where 2,300 acres were planted, was severely damaged by hail. A trial consignment of Nelson-grown leaf sent to London under the supervision of the Department's Tobacco Instructor arrived in good condition and realized a satisfactory price. Consideration is being given to the further exploring of the market.

Diseases which have developed in the crop have been investigated and useful information has resulted. Use of the experimental area near Auckland is being made in the production of seed of the Virginian type.

HEMP.

For the year ended 31st March, 1936, 26,162 bales of hemp were graded, an increase of 7,348 bales in comparison with the previous year. The corresponding figures for tow were 4,848 and 3,510 bales. A comprehensive examination of the whole hemp-industry position was made by the Department during the year, and it is considered that some steps to improve the milling of the fibre seem possible. At present too high a proportion is of low grade, which hampers the export trade.

SEED-GROWING.

In the year under review, the official certification of seed was extended to include *Phalaris tuberosa*. Irrespective of the area devoted to brown-top, which is not available, there has been a substantial increase in the area inspected in respect to the production of certified seed. The production of certified pedigree seed is an innovation of the year, and the limited supply of this seed was sold readily through trade channels. Contracts for future production of pedigree seed have been made. Further information about the year's results in respect to the official system of seed certification is given in the appended report of the Certification Officer.

For the year ended December, 1935, 15,309 samples of seed were received for testing by the Seed-testing Laboratory of the Department. As formerly, much the greater portion of the work was for the seed-trade. About two hundred samples were examined for the private information of farmers, and the remaining samples related to departmental activities, mainly investigational.

A possible result of official work relative to seed-growing is the replacement of certain seeds now imported by locally-grown seeds of superior characteristics. The appended report of the Seed Analyst contains information about valuable investigational work, including studies of the germination of Algerian oats, the causes of the low germination of perennial rye-grass under certain circumstances, and the laboratory determination of strain characters in white clover.

The Use of Artificial Fertilizers and Lime.

The artificial fertilizers carried by rail for the twelve months ended 31st March, 1936, were 38,309 tons more than in the previous twelve months. The Dominion figures in tons for the years specified are: 1929–30, 691,604; 1930–31, 568,491; 1931–32, 570,144; 1932–33, 613,450; 1933–34, 552,223; 1934–35, 626,021; 1935–36, 664,330.

The figures for the North and South Islands in recent years are—

	North Island. Tons.	South Island. Tons.
1931–32	435,237	134,907
1932–33	463,603	149,847
1933–34	394,156	158,077
1934–35	471,876	154,145
1935–36	493,222	171,108