57 H.—29.

GOVERNMENT OFFICIAL HERD-TESTING.

The number of cows tested under O.H.T. for the year ending 30th September, 1935, totalled 2,058, these being in the herds of 195 C.O.R. testing breeders, the corresponding figures for the preceding season being 2,185 cows and 184 breeders, a decrease of 127 cows, but an increase of eleven breeders. Classified on the basis of all cows in milk 180 days or more, the average yield for 1934-35 works out at 310 04 lb. butterfat from 6,348 2 lb. milk, some 1,876 cows qualifying for inclusion.

ORDINARY DAIRY-HERD TESTING.

The returns for 1934-35, on the basis of all cows tested twice or more, show a total of 256,944 cows tested in the Dominion, as compared with 297,647 for the preceding season, a decrease of 31,703 cows. Classified on the basis of all cows in milk one hundred days or over, the average production per cow was 252-01 lb. butterfat, 256,931 cows being eligible for inclusion. Of the last season's total, 247,150 cows were tested under the group system, 17,544 cows under the association own-sample system, and the balance of 1,250 by dairy companies on behalf of their suppliers.

REORGANIZATION OF GROUP HERD-RECORDING.

On the 27th February, 1936, an Order in Council was gazetted bringing the future control of the group-herd-testing movement under the New Zealand Dairy Board, provision being made for the new organization to function as from the 1st April, 1936.

Prior to this new arrangement the only control of the work was that provided by the restricted powers of the Dominion Group Herd-testing Federation, essentially a voluntary organization and without statutory power.

Under the new arrangement the Dairy Board has power to regulate and control the group-herd-testing system and the calf-marking schemes associated therewith. It will be compulsory for all group organizations to register with the Board and to abide by rules laid down by the Board, and no organization will be permitted to operate without the sanction of the Board. It is also expected that the new control will include a certain amount of association own-sample testing.

The actual supervisory work will be done by a Committee of the Board. The Herd-testing Central Executive will be replaced by what is to be known as a Herd-recording Council. The Dominion Group Herd-testing Federation will cease to function except from the point of view of periodic meetings and the selection of representatives for appointment to the Herd-recording Council. Mr. C. M. Hume, previously Federation Supervisor of Herd-testing, is to be the officer in charge of the work.

So far as finance is concerned, the Government has agreed to make certain annual grants until 1941, at which time the matter is to come up for review in the expectation that the Dairy Board will therefrom provide the whole of the necessary finance.

GOVERNMENT SUBSIDY.

During the financial year 1935–36 the sum of £4,000 was expended by way of Government subsidy to herd-testing.

Unemployment Boards Scheme B 2: Subsidies on Dairy Buildings and Equipment.

In connection with the above scheme for the payment of a subsidy on building work, water-supply, and equipment of New Zealand manufacture carried out at manufacturing and supplying dairies which came into force in June, 1935, it was arranged, at the request of the Unemployment Board, that the Division should, through its field officers, approve and pass all work carried out under this scheme. The Butter and Cheese Instructors were therefore instructed to handle the position in so far as it related to manufacturing dairies, and with supplying dairies in districts where no Farm Dairy Instructors were operating and elsewhere the Farm Dairy Instructors dealt with supplying dairies.

Although the scheme came into operation in June, 1935, it was made retrospective to include all subsidizable building work and installations put in hand as from the 1st April, and has since embraced all similar work up to the 30th April, 1936, which had been recommended by the inspecting officers by that date.

In order to deal expeditiously with applications, divisional officers travelled, up to the end of March, 1936, approximately 152,000 miles, which necessarily considerably curtailed their ordinary routine duties, but it is considered that the many permanent improvements effected has fully justified the course taken.

Figures furnished by the Department of Labour, which subsequent to the commencement of the scheme absorbed the Unemployment Board, indicate that up to the first week in June, 1936, 8,556 applications were dealt with, of which 538 were declined, the estimated value of the building work amounting to £348,981, equipment to £328,044, and the amount distributed in subsidy to the Dairy industry £59,681.

No effort has been spared by the Labour Department in dealing successfully with the many problems which arose during the period under which the scheme has been in operation.

STAFF.

Owing to the additional duties entailed through the operations of the subsidy scheme and to the increased volume of dairy-produce handled, the staff have had an exceptionally busy year, and I desire to thank one and all for their loyal and enthusiastic co-operation.

Thanks are also extended to co-operating organizations for their assistance during the year.

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