Manure Levy.—The levy of 3d. per case on oranges and bananas exported and 2d. per box ontomatoes has been collected on shipments made throughout the year. Fertilizer was procured as funds became available, and some 150 tons of manure have been distributed to growers during the course of the year.

Packing-sheds.—The packing-sheds have been kept in good order and utilized to their capacity with the various kinds of fruit in season.

Registration of Fruitgrowers.—Nine hundred and sixty-five fruitgrowers are registered on the Island of Rarotonga and 100 on the Island of Mauke.

Steps are being taken to complete the registration on the Islands of Aitutaki, Atiu, and Mangaia.

Marketing of Fruit.—During the year a thorough investigation was made into all branches of the fruit industry of the islands by a special parliamentary Committee as the outcome of petitions made to Parliament by the fruitgrowers for improved conditions in the system of marketing of fruit from the Group.

As a result thereof the Government has recently announced its intention of taking over the control of exporting and marketing the fruit produced in the Cook Islands. The change-over is likely to take place almost immediately, and will involve a considerable amount of work and responsibility.

Export of Fruit.—During the twelve months the exports to New Zealand from the whole Group have amounted to a grand total of 166,556 packages, (Rarotonga 120,903 and other islands 45,653 packages), an increase of approximately 32,000 packages on last year's figures.

Inspection has been carried out generally in a satisfactory manner. The system of changing the Inspectors from shed to shed has been continued and is operating satisfactorily as far as the qualifications of Native Inspectors will allow.

A general tightening-up of the grading and inspection work has been effected, with apparently satisfactory results.

The advent of the new motor-vessel "Matua," with refrigerated space for fruit-carrying, is proving to be advantageous, and fruit may now be shipped at a fuller stage of maturity, thereby ensuring that a better-quality fruit reaches the market. Trouble may always be expected, however, with overmature fruit, and considerable losses experienced locally, until some modern facilities for holding the fruit in cool-storage while awaiting shipment are provided. The present system of holding the fruit on the trees until vessels are available to transport it amounts to the picking of the fruit to ship's time-table instead of to its proper stage of maturity, which is entirely contrary to all the principles involved in the transport of fruit intended for export, and would not apply even to fruit intended for local and immediate use in other countries.

Experimental Farm and Nursery.—The position regarding the Experimental Farm and Nursery shows no improvement. Flood-water again completely inundated the whole section recently as the result of a heavy rainfall which took place on the 3rd March last. All the young plants being raised in the shadehouse were washed away, few of them being recovered when the water subsided.

The main drain was cleared out and deepened not long before the flood took place, but this rapidly became filled with rubble and debris washed down by the flood-water and proved quite ineffective in stopping the flooding of the whole farm area, the water being as high as 4 ft. in the main citrus area, which is decidedly detrimental to the trees growing there.

The citrus trees on the testing area were given a thorough pruning during the off-season and show a decided improvement this season. In addition, a dressing of fertilizers was applied to all the trees, from which beneficial results may also be expected.

The Ngatipa and Tutakimea sections planted under citrus during 1933 for trial purposes are making good progress, but are suffering from lack of cultivation in the same manner as the main areas. The bananas planted between the trees at Ngatipa have been thinned out, as the citrus trees now require more nutriment for their development.

Foreshore Planting.—The trees planted on the foreshore after the 1935 hurricane have been given attention from time to time and appear to be establishing themselves fairly well. A few replacements have been necessary, and these have received attention.

A quantity of ornamental plants and trees have been planted recently at the wireless-station in addition to those already there. These are all showing signs of becoming well established and should enhance the beauty of the property, as well as replacing, in course of time, the shelter which was demolished at the time of the hurricane.

Vegetation for the Northern Islands.—Supplies of young trees, plants, and seeds have been forwarded to the northern islands of the Group, as opportunity offered, by the schooners trading there. Quantities of soil were also forwarded with the plants to assist in their establishment. Reports to hand indicate that satisfactory results may be expected in course of time, although the lack of soil appears to be a great handicap in establishing plant-life on those islands.

Outer Islands.—Advantage was taken of the call of m.v. "Hauraki" to visit the Islands of Atiu and Mauke at the end of June last to observe loading operations at these two islands and some data collected regarding costs, &c., that proved useful in compiling information required regarding those matters

Later, during the visit of the parliamentary delegation in the month of August, Aitutaki, Atiu, Mauke, and Mangaia were visited, where evidence was taken by the Committee relative to conditions pertaining to the fruit industry in these islands.