1937. NEW ZEALAND.

DEPARTMENT OF AGRICULTURE.

ANNUAL REPORT FOR 1936-37.

Presented to both Houses of the General Assembly by Command of His Excellency.

Office of Minister of Agriculture, Wellington, N.Z., 19th October, 1937.

Sir,--

I have the honour to forward herewith, for Your Excellency's information, the report of the Department of Agriculture for the financial year ended 31st March, 1937.

The report provides a summary of the principal farming activities of the year and outlines the comprehensive and numerous activities of the Department in its work of maintaining and fostering the growth of the rural industries. That work has for its objective the improvement of both the quantity and the quality of the Dominion's agricultural products, and once again the report records achievements in several important directions.

In spite of somewhat adverse seasonal conditions, production has been more than maintained, and the quality of our products continues to attract an increasing number of buyers in available markets. Phenomenal prices have ruled for wool, and the various classes of meat have continued to bring a profitable return for the producer, but the butter-market is still subject to disturbing fluctuations. For the purpose of sheltering the dairy-farmer from the vicissitudes of world prices the Government has inaugurated a system of f.o.b. purchase at fixed prices, and the price for the coming season has been designed to give the farmer of reasonable efficiency a fair standard of living. As yet it is impossible to forecast either volumes or prices during the coming export season, but it will be the objective of the Department of Agriculture by research and educational and instructional work to maintain the reputation which has been won in past years for the products of the Dominion. The farmer's problems are the Department's problems, and by blending science with practice we have made steady progress.

One gratifying feature of the production-year has been the increase in the number of sheep in the Dominion. The total number of sheep in New Zealand on 30th April last was 31,305,818, as against 30,113,704 at the corresponding date last year. This is the highest number ever recorded, the previous record being 30,841,287 in 1930. Particularly significant is the further increase in the number of breeding-ewes. The total on 30th April last was 19,332,077, an advance of 663,116 on the previous year, and the Dominion record. These figures give every reason to expect an increase in the mutton and lamb exports during the coming season.