$\begin{array}{c} 1938. \\ \text{NEW ZEALAND}. \end{array}$

DEPARTMENT OF AGRICULTURE.

ANNUAL REPORT FOR 1937-38.

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

Office of Minister of Agriculture, Wellington, New Zealand, 16th July, 1938.

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, 1938.

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 quality of the Dominion's agricultural products, and once again the report shows that progress has been made in several important directions.

It has been my policy since assuming office to build up the advisory services of the Department rather than promote fresh regulations and increase the inspectorial work. I realize that regulatory action is often necessary, but guidance and instruction are more potent forces in the furtherance of agricultural and pastoral efficiency. Wherever possible I have also promoted the establishment of farmers' advisory committees to work in conjunction with departmental officers in different projects. I regard this procedure as a fixed policy of the Department.

During last autumn a disastrous outbreak of facial eczema in cattle and sheep occurred in a number of districts of the North Island, being particularly severe in the Waikato. Warnings of a possibility of an outbreak were published in the Journal of Agriculture in February last, and during the currency of the epidemic control advice was made available to farmers by personal contact, the radio, and the press. In the work of alleviating the position the departmental officers received invaluable aid from a strong committee of Waikato farmers, who are now represented on the Committee of Management which has been set up to direct a long-term programme of research and experiment. The investigations will be carried out at Ruakura Farm and out-stations in the Waikato, the Chemistry Laboratory of the Department of Agriculture, Wellington, the Wallaceville Veterinary Laboratory, and the Plant Research Station at Palmerston North. Studies will also be made