The weather has been abnormal throughout the year and affected all farming operations. The summer of 1944-45 was wet and thus favourable for dairying, but not so good for sheep-farming. As a result, we had a record dairy season for the year ended on 31st July, 1945, but the season's wool clip was not as good as the previous year.

The winter of 1945 was a wet one, but not particularly severe, though there were one or two frosts of more than 20 degrees. Wet and cold conditions persisted through the spring and retarded pasture growth. The summer was characterized by cold winds and low rainfall, so pastures did not have a chance to thrive at any stage. However, we received a 50-percent. increase in our superphosphate allocation that made some difference, though, in my opinion, the allocation is still far too meagre to obtain really good results. Dairy production cannot hope to reach the record levels attained last season, but it is hoped that the wool clip will show some increase both in quantity and quality.

The Milk-in-schools Scheme has been extended during the year and we are now supplying nine schools in the Te Awamutu district and as far south as Te Kuiti and have increased our output from 1,000 to 2,400 bottles per day. The pasteurizing and bottling plant are situated at No. 1 dairy, which supplies the bulk of the milk as well as that for Auckland Prison and the Air Force station at Te Awamutu. During the greater part of the season the production of milk from this dairy is ample for these purposes, but at times it is necessary to draw supplies from No. 3 dairy. The Health Department desires us to extend the scheme to supply schools between Te Awamutu and Cambridge, but it will not be possible to consider that until more commodious premises are erected to carry on the processing work. Plans have been drawn up for a new building with modern plant capable of handling the extended scheme efficiently and hygienically.

The other two dairies are supplied by Jersey herds and they provide milk for the institution and staff, but the bulk of their produce is separated, the skim-milk going to the piggeries.

Dairy-produce has always been our most important source of revenue, which varies from year to year with weather conditions; a close correlation can be observed between rainfall and revenue. With the wartime upward tendency of prices, revenue has been bouyant and new records have been attained, but these conditions will not be likely to continue indefinitely. No other industry has any prospects of supplanting dairying in importance.

All live-stock came through the winter with fairly light losses, but the early spring saw an outbreak of grass staggers amongst the herd at No. 1 dairy; this caused some losses of good cows, but fortunately the epidemic was soon put under control.

The lambing percentage was a record, at 106—a very satisfactory result. I consider, however, that that figure can be improved upon. We are carrying larger flocks of sheep this year than last year and more lambs are being carried over for fattening.

The orchard has continued to progress satisfactorily. During the year, more ground has been cleared, and that around the trees has been continually cultivated and kept very clean. Last season's crop totalled neary 3,700 cases of fruit, which was almost a record. This season seems to be a good one for peaches, but the apples do not appear to be as clean as they were last year. Prices continue to be high and the demand is keen. We have many regular customers amongst neighbouring farmers and people in Te Awamutu. Apples are supplied to some thirty schools in the district in the season. In addition, much fruit is sent to other institutions and to defaulters' detention camps, &c.