world economy based on freer trade would probably be greater than the Dominion could meet in the near future. As has already been stated, the Dominion target should be to increase the dairy herds to 1,800,000 cows in milk by the 1949–50 season. A further increase to 2,000,000 cows could be reached by 1954–55 and to 3,000,000 by 1975. Such an increase in dairy production would not necessarily retard steady expansion in the meat industry, for in effect it would represent an intensification of farming practices on the better and more suitable land of the Dominion.

The maximum use of the soil and stock of the Dominion requires an extensive developmental programme. This programme must include—

(a) Rapid improvement in the developed lands of the Dominion.

- (b) Development of ploughable scrub lands in the North Auckland and Auckland Land Districts.
- (c) Development of irrigation in the South Island.

(d) Swamp reclamation.

- (e) Control of erosion and reversion on hill country.
- (f) Improvement, erection, and repair of farm homes, buildings, and fences.

(g) Diversification of production.

Both ploughed and surface-sown grasslands in the North Island are capable of increased production through the wider use of lime and fertilizers, improved strains of grasses and clovers, subdivision, and more adequate feeding of live-stock. Every endeavour must be made to obtain raw materials and to modernize manufacture and distribution of fertilizers and lime with the objective of at least 1,000,000 tons annually of each commodity being available to farmers within the next few years. Maximum production cannot be achieved until both fertilizers and lime are so freely available that farmers can obtain them on their farms when and in what quantities they require.

The settlement of returned servicemen will be an important factor in securing increased production from the developed lands of the Dominion as well as bringing into production considerable areas which are at present indifferently used. At least 50 per cent. of the servicemen settlers will be dairy-farmers, and, apart from those taking over established dairy-farms, new establishments will probably require at least 100,000 cows to be added to the Dominion's dairy herd.

As soon as fertilizers are freely available, the development of the better-class pumice lands in the Rotorua-Taupo area can be recommenced. This district offers the largest area of available land for new settlement and in the primary stages provides an excellent opportunity to increase beef-production, which might otherwise suffer by the change over from fattening-farms to dairying. North Auckland also contains considerable areas of scrub land suitable for development if properly watered, cultivated, limed, and fertilized.

Irrigation in the South Island will provide scope for closer settlement. At present completed irrigation schemes cover 89,000 acres, schemes not yet completed 170,000 acres, and projected schemes 272,000 acres, making a grand total of 531,000 acres. When all the works are in operation they will provide improved pasture land capable of adding at least a million ewes to our breeding-flocks for the production of fat lambs and will thus compensate the sheep industry for land lost to dairying and for hill country withdrawn from grazing owing to erosion and deterioration.

A proper use of fertilizers and high-quality seeds is essential in good pasture management. Extensive areas of land carrying grass are not, however, in a physical condition calculated to give maximum returns, due to inefficient drainage. This also applies to many swamp areas which have been reclaimed through comprehensive drainage schemes. The scope for land improvement through proper control of the water-level is tremendous and justifies large-scale capital expenditure in the future. Similarly, certain swamp areas not previously exploited offer scope for additional settlement. For instance, the projected drainage and land-development scheme for Lake Wairarapa will provide for the settlement of an additional 200 families as dairy-farmers, but many more families may be established if the better land is used for vegetable-production to meet the growing demands of the Wellington market.