

To His Excellency the Governor-General of New Zealand.

MAY IT PLEASE YOUR EXCELLENCY,—

Your Excellency's Warrants of 6th August, 1947, and 27th February, 1948, directed us to inquire into all matters concerning the welfare of the sheep industry. We have given very careful consideration to these directions, though some time yet will be required to complete our investigations and frame recommendations accordingly. There are some matters, however, which in our opinion require immediate action in the interests of the industry generally, and in order that this action may be considered we present herewith an interim report covering those points only. All other considerations will be dealt with in our final report when our investigations are completed.

The sheep industry is established on land much of which is not of such natural fertility as to carry the high-producing pastures necessary to maintain and increase our present quantity and quality of production. The low natural fertility of some such land has been offset by the use of lime and fertilizers, so that manuring has become an integral and indispensable feature of agricultural production in New Zealand.

We are of the opinion that it is necessary that lime and fertilizers should always be available to the New Zealand farmer in sufficient quantity and at a relatively cheap price. We realize that the question of quantity is governed at present by restrictive circumstances arising out of the war, but we recommend :—

(1) That a special technical committee be appointed forthwith to examine in detail the possibilities of increasing the supply of manures, and, if found possible, of locating additional works throughout the country to reduce the present high costs of transport from works to farm.

(2) We suggest respectfully that such committee should comprise the Director-General of Agriculture, or his nominee, as Chairman ; two nominees of Federated Farmers, one to represent the dairy industry and one the sheep industry ; a nominee of the manure-manufacturers ; the Secretary of the Department of Industries and Commerce ; and a fully qualified and experienced agricultural economist as Secretary.

(3) We suggest, further, that such committee should be asked to submit to Government as early as possible, but not without full consideration of all the issues involved,—

- (a) A report covering the estimated requirements of fertilizers in New Zealand in the coming years ;
- (b) A statement of the present available supplies ;
- (c) A practical plan calculated to make available to farmers at the earliest opportunity all the fertilizers they will require ; and
- (d) A plan for the urgent development of aerial top-dressing of hill country.

(4) This committee should be fully directed on the importance to New Zealand of making provision for all the fertilizer required as a prime maxim of State policy, and that an increasing ration of fertilizer must be made available to farmers on marginal land who are improving their land.

As to price, the farming community has viewed with considerable alarm recent increases in price, and we share the industry's concern. We realize that these actions were taken with the very best intentions, but, nevertheless, we feel that an error of judgment was made ; that the increased price, while perhaps fully recouped to some farmers, is only partly recouped to the store-sheep breeder ; and that the change has