

In regard to cereal crops, a larger area has been sown in wheat than in the previous year, the comparison being—1919–20, 142,000 acres; 1920–21, 213,900 acres (estimated); or an approximate increase of 71,900 acres. There has been a decrease in the area under oats, the acreage being—1919–20, 576,000 acres; and 1920–21, 468,700 acres (estimated). The yields for both crops so far have been good, the latest figures available showing 32·96 bushels per acre for wheat and 36·71 for oats.

Prices for oats and barley have shown a marked decline, on account of the considerable carry-over of both these lines from the previous season.

As regards the live-stock in the Dominion, the 1919–20 sheep returns show a decrease of 1,914,048, thus bringing our aggregate number of sheep back to the level existing in the year 1912; and the interim returns for 1920–21 show a still further decrease. One point to be borne in mind in connection with this is the increased area devoted to dairying and to cereals, which has considerably reduced the amount of grazing-country available for sheep.

A further increase in the number of cattle has taken place.

The fruit industry continues to develop in spite of the serious handicap brought about by war conditions, which, amongst other things, caused a cessation of shipments to South American ports, where a good market was being built up. It is satisfactory to note that there is every probability of shipping being again available for this trade. The principle of co-operation is extending among fruitgrowers, and, given all-round wise and businesslike management, this movement will prove of material advantage in building up this industry.

The poultry industry is making good progress, and if it continues to develop as at present it will become an increasingly valuable asset to the Dominion.

In view of present-day conditions it is obvious that our volume of exports must be kept up to the highest possible standard, both as regards quantity and quality. Farming-methods in the Dominion are good; yet there are many matters in connection with them in which the application of technical knowledge to everyday farming practice can be of material aid in increasing and improving the output.

During the year the services of the Department's expert and instructional officers have been freely availed of by the farming community. In conjunction with the technical branch of the Auckland Education Board, farm schools for teachers and farmers have been successfully held at Ruakura Farm of Instruction. The demand for vacancies as learners, and from returned soldiers for tuition in farming, is still very marked.

Including the gross returns from the State farms, but excluding the wool produced which is still held on the premises, the revenue to the Department amounted in the aggregate to £67,770, to which must be added £26,355 which has to be paid into special accounts, thus making a total of £94,125.

Details of the receipts are as follows :—

1. Sales of stock and produce from experimental farms and areas, also horticultural and poultry stations	£
2. Quarantine-stations sustenance fees, &c., for imported live-stock	38,782
3. Sale of poison for destruction of rabbits	2,452
4. Fees for semi-official testing of pure-bred dairy cows and cow-testing associations	9,164
5. Dairy-produce-grading fees	3,587
6. Sales of <i>Journal of Agriculture</i> and photographic material.. .. .	695
7. Fees for testing of seeds	3,109
8. Fees for fumigation and destruction of imported diseased fruit	533
9. Miscellaneous	323
	9,125
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	£67,770

To enable the Department to meet the shortage of winter supplies of butter by purchases for local consumption, a vote of £300,000 was taken. The total actual expenditure under this item was £331,872, while the total proceeds of sales by the Department amounted to £332,763. In addition, the undermentioned revenue, totalling £26,355, was received. These sums are not credited to the Department's