

Recoveries have been good, the amount received up to the 31st March, 1923, being £1,260,545, or 65 per cent. of the total advanced. At that date 5,661 loans had been entirely repaid.

To the end of the financial year 1922-23 losses had been made in 240 cases, the average loss being £70.

#### AGRICULTURE.

The improvement in the prices obtained for agricultural products has been well maintained, and mutton, butter, and cheese prices show a decided increase up to the end of the financial year.

The total value of produce exported was £42,248,751, or 93 per cent. of the value of all exports, which totalled £45,548,700.

Mutton and lamb are in good demand on the Home market, but the prices offered for beef are still unsatisfactory.

There has been a substantial increase of 706,605 in the total number of sheep in the Dominion, from 22,222,259 to 22,928,864, the principal increase being in the North Island.

The output of dairy-produce has this season shown a greater increase than during any previous year. Sixty thousand tons of butter and 63,000 tons of cheese were exported, a record which establishes this Dominion as the greatest exporter of butterfat in the world. Despite the unstable markets, prices were fortunately higher at the time when our heaviest shipments were arriving than in the same period of the preceding year. Indications point to an extension of the industry during the present year if prices remain profitable, especially in some districts not hitherto associated with dairying. The values of dairy-products exported are—Butter, £10,324,569; cheese, £5,484,417; dried milk, £264,085; condensed milk, £27,555; sugar of milk, £10,639: totalling £16,111,265.

The total fruit area in commercial orchards throughout the Dominion is approximately 30,000 acres. Some 108,314 cases have been exported this season under a Government guarantee of 11s. per case, which covers expenses, and arrangements have been made for the shipment of a further 25,000 cases before the export season closes. The following figures show the quantities of fruit exported during the last three years :—

Export Season.				Number of Cases.	
1920	..	..	..	..	34,585
1921	..	..	..	..	52,024
1922	..	..	..	..	120,493

The beekeeping industry is steadily extending. The honey-export figures for the last three years are as follows :—

				Cwt.	Value. £
1921	..	..	..	7,633	30,962
1922	..	..	..	8,542	31,943
1923	..	..	..	10,605	43,032

The estimated area sown in wheat in 1922-23 is 285,000 acres, and in oats 385,000 acres, a decrease in both cases when compared with the previous year. The estimated yield per acre of wheat is 30·48 bushels, and of oats 39·50.

The net expenditure under the Department was £208,197, being £66,979 less than in 1921-22.

#### NAURU AND OCEAN ISLAND PHOSPHATE.

An important increase in the demand for phosphate fertilizers has taken place, the importations of Nauru and Ocean Islands phosphate rock for 1922-23 totalling 51,430 tons, an increase of 16,337 tons over 1921-22. The more extensive use of phosphates will, of course, mean a resultant increase in production.

A large plant for the crushing of phosphate rock and the manufacture of phosphate manures was recently completed in the South Island, making five large works in operation, three being located in Auckland, one near Christchurch, and one close to Dunedin.