H.—11B.

Pig and poultry production on a large scale means smaller farms; full utilization of dairy by-products; more work on farms; more people on the land; more work for railways, freezing-works, waterfronts, and ships; more work for secondary industries—in fact, more work and more prosperity for every one.

The capital required to start the industry and develop it is comparatively very small. The rapid breeding capabilities of both poultry and pigs mean low costs of stocking up for farmers, and the comparatively short life of these animals means a quicker turnover of expenditure than with dairying, sheep, or fruit farming.

Pigs and poultry-farming in conjunction with dairying will mean better utilization of dairy by-products and greater production per acre. It will mean more employment on a given area, and will bring about a further subdivision of land. The greater production per acre, too, will ease the burden of local rates.

We already have in the Dominion the necessary refrigerating-space to handle the industry. Our present meat-export trade only keeps our freezing-works occupied at near full capacity for about two months in the year. For the rest of the year our works are operating very much below capacity or are closed altogether. Nevertheless, we could not carry on our present meat industry with much less killing-space than we now have, as fat lambs must be killed when ready, and the lamb-fattening season is a very short one. The result is that in our freezing industry the overhead costs in proportion to output are very heavy. A large pig and poultry export trade would greatly extend the operating season at our freezing-works, which, besides extending the working season for freezing-works employees, would greatly reduce the ratio of overhead to operating expenses, and thus reduce costs all round. This reduction in costs would react to the benefit of our sheep industry by reducing the costs of handling lamb and mutton in our freezing-works.

The Committee do not wish it to be inferred that they think the removal of the duties on stock-foods would create the new industries overnight, as it were. New methods require experience, and this comes gradually. The benefits to be derived by the top-dressing of grass with fertilizers have been known for many years, but it is only in recent years that the practice has spread rapidly. The use of cheap grains for stock-foods, like the use of fertilizers, would be a gradual growth, and experience would have to be accumulated to use the new methods to the best advantage.

Duties on stock-foods in New Zealand were put on to meet conditions entirely different from those obtaining in the Dominion to-day. Conditions have changed, but the duties remain. No matter what Government has been in power, our Legislature has always maintained the principle that farmers should have all reasonable assistance. Farm-produce for sale within the Dominion for general use has been protected, but materials and produce used only by farmers have either received no tariff protection or very little.

Duties were originally put on grains used for stock-foods because years ago farmers grew grain to feed the large number of horses employed in the towns and cities. On the other hand, grass, clover, and fodder seeds were admitted duty-free, because, while they were grown by some of our farmers, they were used only by farmers. The Legislature preferred to see the many farmers who used seeds get them cheaply rather than give tariff protection to the few farmers who grew seeds.

Conditions have changed. Cities and towns no longer require stock-foods, except in the smallest quantity. For example, twenty-five years ago New Zealand's annual consumption of oats was between thirteen and fourteen million bushels. If production fell below this quantity, importation took place. To-day, with almost double the population, annual consumption is less than four million bushels, and a large proportion of this is human consumption. The large potential buyer of grains for stock-foods to-day is the farmer himself. These stock-food grains should now be treated in the same way as seeds. It is more important that the many farmers who will use cheap grains if they can get them, should have what they require, than that the few farmers who grow these grains should have protection.

Apart from this, it is quite an open question whether farmers who grow stock-food grains would not grow more grain without protection than with it. Stock-food grains are now so dear in New Zealand that farming methods are framed to do without them as far as possible, and the result is the local market is too small to be reliable and worth catering for. With stock-food grains coming in duty-free, a large local consuming market would quickly develop, and any farmer with land and experience suitable for economic grain-growing could go in for it with the knowledge that a large consuming market was always at hand.

Take seeds as an example: Seeds enter this country duty-free, and seeds have, therefore, always been cheap in New Zealand. Seeds being cheap, farmers have used them freely, and have sown and resown their land whenever they thought it would benefit by it. There has, therefore, always been a large market for seeds in this country. The result has been that those farmers with land suitable for seed-growing and with the necessary experience, seeing a large market always at hand, have increased their seed-production, until to-day the bulk of the seed used in the Dominion is grown here and considerable quantities are exported. The tendency, too, is for seed-growing to further expand, and there is every prospect that the bulk of our seed-growing industry will get on to an export basis.

Even to-day New Zealand may be said to be quite self-supporting as far as seeds are concerned,

Even to-day New Zealand may be said to be quite self-supporting as far as seeds are concerned, for, while she still imports some lines, she exports more than she imports. During the last two seasons the exports of seeds have amounted to £444,000, and the imports to £346,000. Thus, without any protection, New Zealand has developed a large seed industry, to the great advantage of the farmers of the Dominion, who are almost all users of seeds. In knowledge and experience of the work New Zealand seed-growers can hold their own with those of any country, and the seed-cleaning plants that have been erected in the Dominion to handle the locally grown seeds have no superiors and few equals in the world.