Some while ago representations were made that Hokianga Harbour should be leased for the purpose of oyster-cultivation, as a result of which a special investigation was made by the Marine Biologist. This investigation showed that while sand-drift, poaching, and natural pests were responsible partly for the condition in which the beds were found, the main reason is that most of the rocks on which oysters have occurred are of a certain sandstone formation which results in thin flat oysters. The hopeless state of such beds as remain are here again largely due to adverse natural conditions. It was also found that there was no great abundance of mangrove oysters as compared with similar areas elsewhere.

It may be generally accepted that no amount of work or expenditure will produce even marketable, let alone profitable, oyster-beds in localities where natural conditions are not favourable.

As to the contention that artificial cultivation in such areas should be permitted by license, this appears to be largely based on the fact that artificial cultivation is extensively carried on in New South Wales; but clearly these contentions are not based on a knowledge of the conditions and costs in New South Wales.

In 1929 the Marine Biologist was sent across to New South Wales to investigate oyster-cultivation. It must be understood that water-temperatures and other conditions there are much more favourable than in New Zealand; and, further, that there is practically a twelve months' selling season during which oysters are in good condition as against generally four months in New Zealand. Nevertheless, in 1929 the poor class of oysters in New South Wales were selling at £3 5s. per sack and first quality at £4 12s. 6d.

In New Zealand natural-grown oysters are sold at £1 4s. a sack, containing about ninety dozen. This price returns the Department a reasonable profit. What, then, becomes of the contention so frequently put forward that the Department is making excessive profits, or that private enterprise could artificially cultivate oysters in localities where they do not prosper naturally and sell at a lower cost to the public than the Department can?

The Department is quite well aware that oyster-sellers, in Auckland in particular, resent our selling oysters in retail parcels at 1s. 6d. for approximately five dozen. The definite object of this is to keep the retail price to the public at a reasonable level.

Generally speaking, it seems that to grant licenses for oyster-cultivation in the areas spoken of is merely inviting people with no real knowledge of the subject to waste their time and money with no benefit to the public or any one else.

Experiments are being conducted by the Department in tray and stake cultivation. In the latter experiment lack of suitable timber is a big handicap, and it may be mentioned that this handicap is now being felt in Australia.

With regard to tray cultivation, it has already been proved that adverse climatic conditions affect the oyster-fattening on trays even more than the same conditions affect oyster-growing naturally on the rocks in the same locality.

As to the supply from beds operated by the Department, it is true that the supply, particularly in the very early part of the season, does not meet the demand; but this is being remedied as far as possible by the creation of further beds in suitable localities, by moving high-water-mark oysters to a lower level where they can secure more nourishment, and by destruction of the borer pest, which not only destroys the oyster, but leaves one part of the shell adherent to the rock, and on which oyster spat will fix, but the young oyster is lost before it reaches marketable size. This is caused by the dead shell rotting off the rock and allowing the young oyster to become loose.

## WHALING IN ROSS SEA DEPENDENCY.

During the past year or two there has been quite a deal of public discussion on the question of what is termed unrestricted slaughter of whales, and the threatened extinction of the species.

At first the discussion was based on purely theoretical grounds, because no one was in a position to state what the existing stocks of whales amounted to; what the rate of reproduction was, and what rate of killing annually might be permitted without unduly depleting stocks. All the discussion arose in connection with whaling operations in the Ross Sea Dependency, which is now under the governance of New Zealand. Whaling in these waters is, of course, only a small part of the whaling operations carried out all over the world.

An aspect of the matter which has more recently been disclosed is that whale-oil has now become a serious competitor with tallow, and this is adversely affecting New Zealand producers.

I have contended, in previous reports, from the point of view of protection of whale-stocks, that overproduction would result in reduced prices, and reduced prices would result in forcing out of commission the older and less economic class of whaling factory and in reducing the activities even of the more up-to-date factories. This is just what has happened.

Tremendous quantities of oil caught last season are still unsold, and, so far as we can gather, none of the whaling factories will visit the Ross Sea Dependency this season; in fact, it would appear that on account of the huge quantities of unsold oil, a considerable proportion of the world's whaling fleet will not operate this season.

It is known that steps have already been taken by the industry itself to restrict production of whale-oil, in order to bring the selling-price back to an economic result.

I referred in a previous report to the effort of the League of Nations to regulate whaling. The League could not, of course, approach the commercial aspect of the matter; but did so from the point of view of preventing undue depletion of the whaling-stocks. Some further progress has been made, and New Zealand has actually signed the Convention. As the question is an international one, progress can be made only by international agreement. The present financial position of the industry should do much to clear the way for making the Convention itself more effective as an instrument to eventually regulate catching-power, which is the whole crux of the question so far as preservation of whaling-stocks is concerned.