REPORT OF THE DIRECTOR-GENERAL.

THE HON. THE MINISTER OF AGRICULTURE.

Wellington, 30th June, 1931.

I submit the following report concerning the work of the Department during the past official year, together with Division and Section reports, and a statement from the Phosphate Commissioner. Some details of the activities of the Plant Research Station and the Wallaceville Laboratory are included in an appendix.

THE ECONOMIC POSITION.

The downward trend of prices, which has been in evidence of late years, was again responsible for a further substantial decline in the national income.

The quantity of lamb, mutton, veal, butter, and cheese exported for the twelve months ended 31st March, 1931, was substantially greater than that of the preceding year, but the declared values for the three first-mentioned products showed an increase of only £278,064, while in the case of butter and cheese values showed a decline of £1,724,270. The total decline for the main pastoral products—viz., wool, lamb, mutton, and beef—was £5,047,550, or 25.06 per cent., while the percentage decrease in value for butter and cheese was 9.47.

The lower prices realized for all classes of produce appears to have been due principally to the adverse economic conditions operating in Great Britain. Special efforts are being made to widen the markets for New Zealand produce in Great Britain. Definite progress in this connection is being made, and, as economic conditions improve, substantial benefit should accrue.

To meet the position which has developed by reason of the low returns from farm-produce, it is increasingly important that every means should be adopted to increase production and reduce costs wherever possible. This end can best be achieved by an extension of the intelligent use of fertilizers, better grassland management, and improvement of stock.

CLIMATIC CONDITIONS AND PRODUCTION.

Weather conditions have a potent influence on either increasing or decreasing farm-production, and those of the past year tended to have a depressing effect reflected by a lightening of the wool-clip, an increase of undergrade lambs, a reduction in individual yield of cows, and a lowering of crop yield. Climatic conditions as a whole, however, have really been more unfavourable than is indicated by the actual volume of production; and the remarkable manner in which production has been maintained, and in certain cases increased, can be held to be due to the better management methods that have coincided with the increase in production over the past six or seven years.

The case of the wheat crop is an example. The conditions for wheat have been such that it was anticipated that the average yield would be well below the average, and yet the threshing returns show that the yield will be quite as high, if not higher, than last year. This can be entirely attributed to the almost universal adoption of fertilizing the wheat crop, together with the more general use of a high-yielding variety such as Solid-straw Tuscan. Had the crop not been fertilized, the 4 or 5 bushel increase that the Department has shown can be credited to the application of superphosphate would not have been realized, and the yield would have been in the vicinity of 25 bushels per acre. The expansion of butterfat-production by some 8,000,000 lb. in a year when conditions were distinctly unfavourable is clearly traceable to improved management, in which top-dressing, herd-testing, and better grassland utilization all played their part.

Animal Health and Animal Husbandry.

As will be gathered from the report of the Director of the Live-stock Division, the various stock troubles present in the Dominion have been the subject of close observation by the field staff, while a large volume of research and investigation work has been carried out at the Veterinary Laboratory at Wallaceville and by the specialist veterinary officers in the field. Details of this will be found in the appended report of the Laboratory. It is satisfactory to note that encouraging progress has been made in our knowledge regarding the causes of temporary sterility of dairy cows and the measures which may be found of value towards its prevention. Control measures in contagious abortion and mammitis of dairy cows have also been the subject of much investigation, and our knowledge regarding these is increased as a result. Constant