

SUBDIVISION II.—RESEARCH INVESTIGATIONS.

1202. We have already referred in general terms to the wide range of research carried out, **and would here mention that the Economy Committee in 1930 endorsed the opinion that the Department should concentrate on three principal items—namely, dairy, meat, and plant research.** In view of the fact that all research in connection with the meat industry is being undertaken by the Meat Board, we consider that fruit research should be substituted as the third main line of investigation. This principle has actuated us in considering the various items in this subdivision of the vote.

Item—Dairy Research.

1203. The total expenditure provided for 1931–32 was £11,965, of which the sum of £8,235 was estimated to be recoverable by way of sales of produce from the dairy factory at Massey Agricultural College and by way of subsidies from the Dairy Control Board and the Empire Marketing Board. A reduction in the departmental expenditure may involve a reduction in the grant from the Empire Marketing Board, and to this extent, therefore, any possible savings may be reduced by 50 per cent. by reason of the fact that the subsidy is at the rate of £1 for £1 of expenditure.

1204. There is a staff of eleven directly engaged by this Department on dairy research, and, in addition, research is also carried out at Massey Agricultural College and by the Department of Agriculture. **Every effort should be made to co-ordinate and concentrate the research work, preferably at Massey Agricultural College, and we believe that if this is done it should be possible to reduce the numerical strength of the staff.** We are unable to estimate what savings should result.

1205. **We are of opinion that the time has arrived when the full cost of research should be borne by the Dairy Control Board.**

1206. The remaining expenditure incidental to dairy research is dealt with in detail hereunder:—

Equipment, Apparatus, &c., £761.

1207. A reduction to £400 is recommended. The expenditure on this account seems unnecessarily high.

Savings, £361.

Expenses of Officers travelling Overseas, £320.

1208. This item should not be repeated in 1932–33. There are no officers now travelling overseas, and we recommend that expenditure of this nature should not be incurred during the next few years.

Saving, £320.

Grants, £1,500.

1209. The expenditure provided under this item is in respect of experiments carried out at laboratories at Hamilton and Hawera, a grant of £750 being made to each institution. In return for these grants, the respective laboratories carry out particular investigations at the instigation of the Department. **We are of opinion, however, that it is in the interests of the industry to carry out experiments with a view to improving the quality of Dominion produce, and that it should not be necessary to provide large Government grants to assist in research work. The grants given in the past seem to have been on a much too liberal scale, and more than compensated for the direct out-of-pocket expenses incurred at the institutions. We recommend that the item be reduced by £750.**

Saving, £750.

Library, £100.

1210. This item should be reduced to £40.

Saving, £60.

Running-expenses, £5,805.

1211. This is to provide for the running-expenses (purchase of milk, &c.) of the dairy-factory established at Massey Agricultural College. The factory is, therefore, in effect a full charge upon the State, but, of course, there is a considerable return for the produce manufactured.

In view of present prices a reduction of £605 is recommended.

Saving, £605.

Travelling-expenses, £250.

1212. This item should be reduced to £200.

Saving, £50.

Item—Flax, £650.

1213. The total expenditure herein provided is £650, of which £150 is recoverable by way of levy on hemp. It is very doubtful whether the expenditure on flax research is justifiable at present. **In any case, we consider that a greater proportion of the cost should be borne by the industry, and we recommend a reduction of the item to £300.** This will really provide a Government subsidy of £1 for £1.