

of farm practice on both affected and unaffected areas. The Government has voted over £10,000 for this work, which is the largest single investigation ever undertaken by the Department of Agriculture, and further amounts may be necessary for some years to come. Loans are being made under certain conditions to farmers who require fresh stock to replace losses incurred during the outbreak.

Following on the report of Dr. G. J. Hucker, of the New York State Agricultural Experiment Station, on mastitis among dairy cows, the Department is collaborating with the Dairy Board and the Herd-testing Federation on a system of control, and arrangements have been made for the Dairy Board and the Government to contribute £4,000 each to cover the cost of the work in the forthcoming season. Extensive testing for mastitis will be carried out each month by the Herd-testing Federation on every herd under its control, and testing sets are also being made available to farmers who wish to apply the tests themselves. It is hoped that the records collected will form the basis of farm and herd management in connection with this disease.

As indicated in the report of the Acting Director-General, increased attention is being paid to the problems of animal husbandry. Extensions costing over £15,000 are being made to the Wallaceville Veterinary Laboratory, and additional research and field officers are being appointed to the Live-stock Division of the Department. Research and administrative facilities are also provided at Ruakura. One of the obstacles encountered in the proposals for strengthening this division is the difficulty of securing trained men, and the question of establishing a veterinary school in New Zealand may have to be considered by the Government. At present a number of students are being trained in Australia under a bursary system, and their services will soon be available to the Department.

During the year the Department, in co-operation with the county authorities, instituted a campaign against ragwort in the affected districts of the North Island. The cost included £74,000 in wages and material and £13,000 in subsidies on sodium chlorate. The continuance of the scheme for the coming year is under consideration. Ragwort research is also being carried out at Ruakura.

The Government has been able to ensure adequate supplies of superphosphates for top-dressing whilst maintaining the price at £3 16s. per ton retail, and has met the persistent and warranted request that farmers' organizations and dairy companies be placed on the merchants' lists. This means a rebate of 4s. 6d. per ton. For the year 1937-38 the Government has subsidized the carriage of fertilizers to the extent of £189,626, and the subsidy on farm-produce freights has amounted to £58,329 during the same period.

Plans have been completed for the inauguration of a system of farm-dairy instruction on a national basis. Up to the present thirty-eight farm-dairy instructors have been employed by the Department and paid proportionately by the dairy companies and the Government. The Government's costs have been approximately £9,000 per annum. Under the national scheme the total cost will be between £46,000 and £47,000. The industry will bear 60 per cent. of this amount and the Government will find 40 per cent. The scheme provides for the appointment of seventy-seven officers, thirty-five of whom will be new appointees.

In May of this year, accompanied by the Director-General of Agriculture (Mr. A. H. Cockayne), I attended the seventh meeting of the Australian Agricultural Council at Canberra. This Council is composed of the Ministers of Agriculture of the different States, under the chairmanship of the Federal Minister of Commerce. I wish to record my high appreciation of the courtesy of the Commonwealth Government in inviting the New Zealand Minister to participate in these deliberations, which afforded a unique opportunity of obtaining an understanding of the problems exercising the minds of the State and Federal authorities. My admiration of the manner in which Ministers and departmental officers sought harmoniously to solve these problems was unbounded. Many of the matters discussed affected New Zealand either directly or indirectly, and Mr. Cockayne and I offered the fullest co-operation in all measures likely to promote the common welfare.