61 H.—29.

There has been no further extension during the year of passion-fruit culture in the North Auckland district. It was anticipated that some 50 tons to 60 tons of fruit would be produced, but it is doubtful if this quantity will be realized owing to the absence of proper cultural methods and neglect in the control of disease.

The asparagus trial plot of 1 acre in extent which was laid down on the Napier Lagoon reclamation

some two years ago looks very promising in spite of a record wet winter.

It is anticipated that a light cutting of asparagus will be made next spring. Arrangements have been made for a further area of approximately 12 acres to be planted, and, should the experiment prove satisfactory, it will indicate that a considerable portion of the 6,000 acres of the reclamation will probably be suited to this and other crops requiring similar conditions.

In connection with the Government subsidy on fruit sold on the local markets during the 1937–38 fruit season, the total amount paid to growers was £89,000. The subsidy applied in cases where the

average market return for fruit was below the assessed fair average return.

In August last a conference of Orchard Instructors attached to the Division was held at Auckland,

and many important matters affecting the work of the Division were discussed.

The opportunity was also taken for the holding of a refresher course in conjunction with the officers attached to the Plant Diseases Division of the Department of Scientific and Industrial Research.

EXPORT OF FRUIT.

As a result of particularly good crops of fruit in all the commercial growing districts, with the exception of Central Otago, where the apple crop was severely damaged by frost, the 1938 fruit exports compared favourably with past records, being only some 12,000 cases less than 1934 and 33,000 cases below 1932. A record export season was experienced in Hawke's Bay.

The distribution of the fruit crop (apples and pears) to overseas markets was carried out under the jurisdiction of the New Zealand Fruit-export Control Board, and the total quantity exported for the 1938 season was 1,562,720 cases (1,455,707 cases apples and 107,013 cases pears). Of these, 1,060,185 cases apples and 83,326 cases pears were consigned to Great Britain, 169,778 cases apples and 547 cases pears to the Continent, 98,176 cases apples to North America, 77,859 cases apples to South America, 40,552 cases apples and 23,140 cases pears to Sweden, and 9,157 cases apples to the

In connection with the 1938 shipments, the Government guaranteed to the grower a c.i.f. return of 11s. (New Zealand currency) per case in respect of approved varieties of apples and pears graded and packed in accordance with the requirements of the fruit-export regulations for shipment to duly approved markets.

The prices realized for the fruit on the Home markets were somewhat disappointing. While the first shipments arrived in reasonably sound condition and met a fairly good market, the favourable opportunity offering could not be fully taken advantage of in regard to the main bulk of the fruit shipments owing to the fact that the fruit failed to keep for any appreciable time after being taken out of cool storage.

In view of the large consignments arriving, it was necessary to dispose of this fruit as early as possible after landing at prices below what could have been secured for sound fruit in which some weeks of storage life still remained.

As a result of the lower prices realized the calls on the guarantee were fairly considerable.

The following are the quantities of fruit (apples and pears) exported from the Dominion during the last five years: 1934, 1,574,912 cases; 1935, 1,065,420 cases; 1936, 1,228,286 cases; 1937, 944,753 cases; 1938, 1,562,720 cases.

Owing to unfavourable weather conditions it is doubtful if the total number of cases exported during the coming season (1939) will exceed the 1,000,000 mark.

The first of the season's fruit for overseas was shipped per m.v. "Waipawa," which left New Zealand on the 13th February, and consisted of 10,816 cases of apples.

LOCAL MARKETS FOR FRUIT AND VEGETABLES.

As a result of the heavy crops harvested in 1938, it was anticipated that the local markets were likely to be over-supplied with fruit during the season, and this prediction was fully realized.

Prices obtained for pip and citrus fruits were on the average very low, and resulted in the Government paying out a considerable sum in the way of subsidy to those growers who complied with the conditions under which the subsidy was payable.

Though it cannot be said with any certainty that compulsory standardization has effected all that was desired in the first year of its operations, it can justly be claimed that a considerable improvement has been effected in the manner in which fruit has been offered for sale on the markets.

It was to be expected that after so many years of haphazard marketing there would be a considerable number of growers who would need to be educated in grading and packing, especially those who had no previous experience in this work for export. To meet the position, additional Inspectors were appointed. Where grading and packing faults occurred, Instructors visited the orchardists to help them, by demonstration and advice, to improve their pack.

The improvement in the general get-up of the fruit marketed, in branding of cases, and in the segregating of the fruit into standard grades has been the subject of much favourable comment from fruit-merchants, auctioneers, and fruit-retailers, and a desire that compulsory standardization should

be continued is generally expressed.