

(1) *Internal Consumption Requirements.*—Problems under this heading are concerned mainly with the production of commodities needed for domestic consumption which in the past have been imported and with the general policy of improved distribution of all types of food requirements. These problems are being studied in association with representatives of producer and distributor organizations concerned, and attention is being given to the possibilities of absorbing ex-servicemen in these channels.

(2) *World Trade.*—The progressive development of our export trade in meat, wool, and dairy-produce will depend largely on international policies relative to finance and trade and to the realization of the policy of full employment. Data are being collected for the purpose of forecasting potential production of meat, dairy-produce, and other commodities to cater for established and potential markets. Particular attention is being devoted to possibilities of expansion in exports of grass, clover, and other seeds.

(3) *Provision of Production Goods and Services.*—Under this heading problems associated with labour, with the supply and distribution of lime and fertilizers, with improved mechanization of farming operations, and with the supply of goods and services generally are all being studied. The supply and proper employment of seasonal labour is of particular importance, and overseas experience in the operation of co-operative labour and machinery pools is being studied.

In addition to the foregoing, the Dominion is facing many difficulties associated with land utilization, soil conservation and erosion, and the reclamation of hill country which has gradually deteriorated under constant stock management. It is essential in the interests of economy and increased production that the regressive trends which are so obvious on hill country should be arrested, as such country is the main reservoir of breeding and fattening stock.

The structure of our primary industries is sound. Continuance of stability in prices, assured markets, and equitable costs of goods and services will facilitate an upward trend in production.

During the year the utmost co-operation has been given the Hon. the Minister and his Department by members of the National Council of Primary Production and District Councils and Committees. Advisory bodies representing commercial and producer organizations have also rendered valuable assistance. The co-operation of all those concerned has been greatly appreciated.

E. J. FAWCETT, Director-General.

## ACCOUNTS DIVISION

### REPORT OF L. C. SCOTT, ACCOUNTANT

Net expenditure for 1944-45 was estimated to require £1,150,621, an increase of £160,533 on the 1943-44 estimated requirement. A major feature of departmental aim is aid to production. Where the aid is tangible in form—*i.e.*, direct monetary aid—definite control of each proposal involving expenditure applies where such administrative action is practical, but where either varying rates per acre or flat rates per ton are the measures of control, considerable fluctuations in expenditure are seldom avoidable. Where the aid is intangible—*i.e.*, advisory aid, research, &c.—the cost can be, and is, controlled administratively. There is a point, however, at which cost control must give way to demand. That demand may be for personal service by way of interviews, lectures, demonstrations, and so on, or for literature in bulletin form or by means of the Department's official publication, *the Journal of Agriculture*.

The year 1944-45 closed with a net expenditure of £1,130,315, being £20,306 below the total of £1,150,621 appropriated. The usual grants and subsidies were met; inspectional services to control quality in produce for sale, to restrict diseases and pests, and to ensure healthy conditions in crop and animal life were maintained; research activities were pursued to the fullest extent possible within available man-power and equipment resources; and the increasing keen and continuous demands for advisory aid were accorded support on the most liberal lines that financial resources, man-power, and equipment could yield.

Examination in respect to gross expenditure and revenue respectively indicates that administrative services were under the gross amount voted by £3,125. This, with a buoyancy in revenue of £21,281 above expectations, brought the actual net expenditure out £24,406 under the net amount voted. The main sales and fees sources that contributed to revenue buoyancy were wine, butterfat, seed certification, and seed production.

Payments under statutes exceeded the voted position mainly by way of an increased amount paid to Rabbit Boards (£6,678); the Boards are paid subsidy in accordance with rates collected. Under "Miscellaneous grants," &c., there were some fluctuations. A heavy output of lime and a comparatively satisfactory availability of fertilizer resulted in the voted figures being exceeded by £15,738 for lime railage and £11,153 for fertilizer railage contributions. Lack of man-power and sodium chlorate shortage led to a saving of £5,265 on the figures voted for noxious weeds.