1916. NEW ZEALAND.

DEPARTMENT OF AGRICULTURE, INDUSTRIES, AND COMMERCE.

ANNUAL REPORT FOR 1915-16.

Presented to both Houses of Parliament by Command of His Excellency.

Department of Agriculture, Industries, and Commerce, Wellington, 26th June, 1916.

My Lord,—

I have the honour to forward herewith, for your Excellency's information, the report of the Department of Agriculture, Industries, and Commerce of the Dominion for the financial year ended the 31st March last.

I have, &c.,

W. D. S. MACDONALD,
Minister of Agriculture.

His Excellency the Earl of Liverpool, Governor of New Zealand.

REPORT OF THE MINISTER OF AGRICULTURE.

During the whole of the year now reviewed the agriculture of New Zealand has proceeded under the stimulus of the Great War, with its huge demand for food and clothing for the Empire and Allied Forces. Another immensely enhanced record has been made in the value of our agricultural exports, while the volume of production has also substantially increased. The resulting great surplus of funds credited to the Dominion has provided the farming industry with means for development at a time when dependence on outside capital might have proved futile.

The buoyancy of the national revenue—due also mainly to the large returns received by the country from primary products—has enabled State expenditure on agricultural advancement to be well maintained. Our primary products may be legitimately regarded as munitions of war, and money spent by the State in promoting increased production is in effect helping to win the war. Nevertheless various much-required extensions of the activities of the Department of Agriculture could not be undertaken under existing conditions, and several important schemes involving additional outlay have had to be deferred.

A very favourable season in general was experienced by the larger part of the Dominion—the whole of the North Island, Southland, and South Otago in particular. Canterbury, North Otago, and to a great extent Marlborough, unfortunately suffered from prolonged droughty weather, which, following a previous dry season, was very severely felt. It is pleasing to record that towards the end of the period under review these adverse conditions were relieved by genial rains, since when the much-tried districts have made a good recovery.

While the year has been one of great prosperity to the agricultural community in general, it should not be overlooked that the high prices of commodities now ruling are not all on the primary producer's side. The farmer has had to pay largely increased prices for implements, fencing-material, fertilizers, and other requirements of his business; the great rise in freight rates on produce exports has also been against him.

Largely increased areas, as compared with the previous year, were sown in cereals, and under normal conditions a heavy total production of wheat would have resulted. Owing, however, to the persistently dry weather and other adverse conditions in Canterbury, which, as the "granary of New Zealand," dominates the position, the average per-acre yield of wheat