

responsible for the movement. The operation of supply and demand might be expected to adjust the matter as between stock for fattening and breeding-stock, but in the meantime our flocks and herds are being unduly depleted, and it is becoming increasingly difficult to secure suitable stock for newly cleared country. This latter fact is, indeed, the gravest side of the matter, owing to its far-reaching effects in the economy of settlement and on the country's future production of meat, wool, &c. Definite action appears to be necessary in the general interest to check the practice referred to, and an opportunity may perhaps be found in the present controlled state of the meat-export trade.

The principal dairying districts were favoured in general by an excellent season. A further marked expansion took place in the cheese industry, with a corresponding increase in the output of cheese. The butter exports showed a slight decrease, but, on the other hand, a larger quantity than last year was held in cold store at the end of the period, while the local market naturally absorbs greater supplies year by year. The good season, combined with the exceedingly high prices received for both butter and cheese, have brought a year of great prosperity to the dairy industry as a whole. Unfortunately the position is not without its adverse features. Part of the butter output is not maintaining the high standard so long associated with the New Zealand creamery article. Faulty methods in the home-separation system are largely responsible for this, but conditions on a large proportion of the farms as regards the cleanly care of milking-machines, separators, and other apparatus are also much at fault. A large increase of instructional inspection on the farms is a pressing need, and an effort will be made to supply this service with as little delay as possible. The quality of cheese showed some falling-off as compared with last year, due in many cases to faulty manufacture. The unusually hot weather which set in after the new year also told very adversely on much of the cheese-output, throwing up weak points in the industry such as deficiency in cool storage at the factories, in coastal transit, and at some of the ports of shipment. Steps are now being taken, notably at Wellington, the principal cheese-shipping centre, to supply the necessary port cool storage. It is only fair to state that the cheese industry has been much hampered during the season by war conditions, involving a shortage of shipping facilities and a deficiency of skilled labour, besides the other factors referred to.

A noteworthy feature of the dairying year was the requisitioning on Imperial account, at a fixed price, of one-third of the output of the cheese-factories, an operation covering approximately 15,000 tons at an outlay of one million sterling.

The herd-testing association movement has shown some expansion during the year in the North Island, but the South Island still lags behind as regards this useful adjunct of dairying progress. A good year's operations have been carried out under the system of semi-official or certificate-of-record testing of purebred dairy cows. This State service continues to exert a highly beneficial effect on the breeding side of the dairy industry.

The fruitgrowing industry continues to develop steadily. A substantially increased area was planted during the 1915 planting season, and the aggregate area of commercial orchards in the Dominion is now approximating 50,000 acres. Considerable work tending to the advancement of the industry has been carried out during the year. The central organization of the fruitgrowers has been reconstructed on effectively-drawn lines, in connection with which certain legislation is now in hand. A conference of representatives of the fruitgrowers, the nurserymen, and the Department dealt with a great weakness of the industry—namely, the undue multiplication of varieties of fruit-trees—and drew up much-reduced lists of the most suitable varieties for commercial growing for various markets. Much benefit should accrue from this action. The movement for central fruit-packing depots and cool stores is progressing by the erection of several of such establishments. The apple-export trade which had been built up with South American markets continued in the 1915 shipping season, but was cut short this year by the diversion of the Home steamers from the Cape Horn track to other routes. The local market, however, has shown its capacity to absorb the season's production at prices satisfactory to the growers. The "apple-fair" system of promoting local consumption was initiated recently in this country by a successful fair held at Wellington. A surplus production of fruit is bound to take place in the near future, however, and active steps are proposed to be taken to secure markets in the Northern Hemisphere.

The production of honey has varied very much according to climatic conditions in the several districts, but, speaking generally, the beekeeping industry has progressed in a satisfactory manner, and improved marketing organization has resulted in better prices for the apiarist. The official system of grading honey for export is now in full working, and will doubtless prove of great benefit to the trade.