H.—29.

Mr. Brown, during the short period since he joined the Service, has more than fulfilled the expectations formed as to his suitability as Mr. Clifton's successor, and it is evident that under his able direction the Fields Division is entering upon a new period of useful service. It has been decided upon his recommendation to amalgamate the positions of the Fields Supervisors and the Fields Instructors, the dual position to be known in future as "Fields Supervisor." The Dominion will be divided into nine districts, with a Supervisor in charge of each. Each Supervisor will, under Mr. Brown's directions, superintend the whole of the experimental and instructional work in his district, and will be in close touch with the work at the Department's instructional farms. The Supervisors will also oversee the operations of the Fields Inspectors in regard to rabbits and noxious weeds. In this way it is expected that the farmers will, through the Supervisors and Fields Inspectors, be brought into more direct touch with the Department's experimental and instructional work in connection with field cropping, pastures, &c.

The number of learners at the instructional farms has been slightly increased, but it is obvious that no considerable number can be accommodated at the few institutions available, and that other means will have to be found for providing instruction for lads who wish to become expert in the ordinary farming operations. It is felt that better use would be made of the few positions that can be made available at the Department's own farms by reserving them for well-educated lads whose intention is to later on enter the service of the Department as Instructors.

A very gratifying feature of the year's operations has been the continued success of the Department's campaign for the general use of lucerne. There are in many parts of the Dominion fair-sized fields of this invaluable plant, and in most instances the growing of this crop has originated in a co-operative experimental acre. It is now beyond all doubt that in most parts of the Dominion lucerne is a conspicuous success, provided the necessary trouble is taken in preparing the fields and nursing the crop in the early stages. I earnestly counsel those farmers who have not yet put this matter to the test to lose no time in communicating with the Fields Supervisor of their district.

It is noticeable that a large quantity of comparatively low-grade hemp (phormium) is being produced. It is customary to attribute some blame to the millers in regard to this, and no doubt there is much to be said in favour of at all times maintaining their output of the highest possible quality. It must, however, be recognized that millers cannot be expected to produce any grade but the one that pays them best in their individual circumstances. I hope that the relative prices of the higher grades will soon return to a level that will induce millers to do their very best work. In this connection the Department's investigation of the pests that are deteriorating the phormium-leaves should be of great assistance to millers if it results in the discovery of a practicable remedy. The preliminary work of the investigation is now completed, and definite experiments are about to commence. In addition some work in connection with the cultivation of phormium-plants will shortly be initiated at Weraroa Experimental Farm.

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It is hoped that proposed regulations in regard to the compulsory grading—i.e., classification of lines—of fruit for export will be in operation next session, but the general establishment of central packing-sheds would greatly facilitate the making of the regulations on workable lines. I commend this matter earnestly to the fruitgrowers' associations. The loans now obtainable from the Government under the Fruit-preserving Industry Act are being taken advantage of to some extent, but I trust that more applications for help in this direction will be forthcoming in the near future. The export of fruit for last season was checked by the lack of sufficient shipping, but this may yet prove a blessing in disguise by demonstrating to the fruitgrowers the need of local cool stores, and by emphasizing the fact that there is an enormous local market for fruit of good quality, well graded, and stored to avoid the seasonable glut.

The new regulations for the compulsory Government grading of honey for export will, I am sure, soon establish confidence in our honey on the London market. Its reputation there is already high, and when Home buyers find that they can rely on the Government grade-notes in the same way as those for other products marketing will be greatly facilitated. Taking into account the splendid climate, the protection afforded by our excellent Apiaries Act, the advantages available in the way of Government instruction, and the benefits that will flow from the new grading-system, New Zealand bids fair to become a great honey-producing country before many years are past.

It has again been made abundantly manifest that there is room for a very large development of the poultry industry in the Dominion in the production of both eggs and table poultry. There is every reason why a great many of our farms should produce large quantities of these excellent foods, and I am hopeful that the appointment of two additional Instructors (making a total of three) will ere long result in the market being much more adequately supplied at reasonable prices. If farmers are started in the business on proper lines as the result of the work of these Instructors, it should soon become a matter of impossibility for the inhabitants of New Zealand to be practically unable to obtain the eggs and poultry they need.

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The question of book-keeping by farmers has received more attention lately owing to the difficulties experienced in giving the information required by the Commissioner of Taxes, and I am still of opinion that it would be a good thing if the Department undertook the work of opening suitable books for farmers and balancing them annually. With such assistance a large number of settlers could without any special training keep satisfactory books. In previous annual reports I have expressed my willingness to recommend the undertaking of such work by the Department if a sufficient number of farmers notified me of their desire for such help. Branches of the Farmers' Union and similar bodies might well take this matter into consideration.

A good deal of work was thrown on the Department in connection with the free railage of live-stock and fodder to relieve drought-stricken settlers in the North Otago and South Canterbury districts. The railage charges are being borne by this Department, which is thus helping a number of struggling settlers out of an acute difficulty. It is a matter for regret that some well-to-do farmers seem unable to recognize the reasonableness of the Department in granting assistance to those whose financial position warrants it, and at the same time refusing similar concessions to people who are quite well off, and to whom the difficulty is merely temporary.