shipping companies had, of their own volition, decided to carry pedigree stock freight-free. This very generous concession on the part of the shipping companies was greatly appreciated by the breeders' associations and the Board, and will, it is hoped, result in the introduction of high-class breeding-stock which will speedily enable New Zealand to take a foremost place in the world as a stock-breeding country. Unfortunately, there is considerable difficulty in importing stock other than the expense, on account of the prevalence of foot-and-mouth disease in the United Kingdom, which makes it necessary to take every precaution before allowing stock to leave England. The danger of importing worm-nests, also the disease which is carried by the tick, has rendered it necessary to prohibit cattle from being imported from Australia. Although the tick is in New Zealand we have no tick-fever, and at all hazards this must be kept from our shores.

FREIGHT RATES ON PUREBRED STOCK EXPORTED FROM NEW ZEALAND.

The development of pedigree-stock breeding in the Dominion depends not only upon the ability of breeders to secure from abroad stock of a high quality for the purpose of strengthening their flocks and herds, but also upon their ability to establish and maintain a substantial export trade. It was represented to the Board that the freight charges upon stock exported were proving an encumbrance to the development of the export business, consequently the Board, after going carefully into the matter, requested the Department to make suitable representations on the subject to the shipping companies with a view to securing a reduction in the freight charges then in force, and the deletion, if possible, of the condition requiring a minimum freight of £200, especially in so far as it applied to stock consigned to South America. To these representations the Chairman of the New Zealand Overseas Shipowners' Committee replied as under:—

"I have to acknowledge your letter regarding the reduced freight rates on live-stock to Monte Video. The question has been discussed by the Liners' Committee, but we regret we cannot see our way to further reduce the rates of freight, and the condition in regard to the minimum freight of £200 was fixed to warrant the payment of port charges which accrue if a ship lands cargo. On occasions when other cargo is offering to Monte Video to the extent to permit deletion of the minimum-freight condition we will promptly advise you so that you can communicate same to the stock-breeders, but so far this season there has been practically no cargo offering to Monte Video. We would aim to give you time to negotiate sale, but of course this depends on the length of time when the fixture for other cargo has been made."

It is pleasing to be able to record that the shipping companies have carried out their promise, and that during the past twelve months 418 stud sheep have been exported to South America. Provided that a suitable steamer service can be maintained there appears to be no reason why the South American market should not prove a lucrative one to New Zealand breeders.

It is to be hoped that next year's Exhibition in London will give an opportunity to the different breed associations to make arrangements to exhibit some of our animals, especially sheep, as the standard reached in New Zealand is a very high one, and would be a good advertisement for New Zealand.

PRINCIPLES OF LIVE-STOCK BREEDING.

During the year the Board has been giving a good deal of attention to this most important subject, as a result of a communication received from the Franklin Agricultural and Pastoral Association. Several members of the Board, and the Department of Agriculture at the request of the Board, have collected a great amount of useful information. The papers prepared by the members of the Board, and also a most valuable one read at a meeting of the Board by Mr. W. D. Hunt, giving the results of his experience, have already been forwarded to the Franklin Association, and are now being printed for circulation to the members of the Council of Agriculture. At a later date, when additional reports on the subject which the Board is securing from abroad come to hand, it is the intention to prepare and publish a digest of all the papers for circulation to breeders in the Dominion. This will enable those interested in breeding in the Dominion to compare their practice with what obtains elsewhere and ensure that sound principles are followed. This subject is more particularly interesting to stud-stock breeders, but nevertheless all farmers who are raising stock should have some knowledge of the principles of breeding, and the publication of this data should be of considerable benefit to them.

THE CULL COW AND SCRUB BULL.

This matter has also come under review, and it is to be regretted that there are so many farmers who do not realize the great importance of using only the very best sire available, and, when securing cows for their herds, of taking steps to safeguard themselves against the purchase of inferior animals that have been discarded by others. In these directions they show a lamentable want of regard for their own interests. It has been demonstrated beyond all question that the only satisfactory manner of determining a cow's milking-qualities is by test. If buyers would exercise greater care when purchasing animals and secure information as to their milking-qualities the cull-cow problem would be less acute. After reviewing the matter most exhaustively, the Board arrived at the conclusion that the time is not yet opportune to make compulsory the licensing of bulls, or the branding or speying of unprofitable cows, but recommended that active propaganda, in which agricultural and pastoral associations, herd-testing and breeding societies, and dairy companies should be asked to assist, be undertaken against the use of inferior animals as sires, and the sale of cows as milkers when they have been proved to be unprofitable.

I may add that the Board is giving further consideration to this important subject.

ECONOMIC TREATMENT OF SANDY GRAZING AND AGRICULTURAL LANDS.

As the outcome of correspondence received from Mr. K. W. Dalrymple, of Bull's, the Board discussed with the Director-General the question of the economic treatment of sandy grazing and