

## THE PHORMIUM (HEMP) INDUSTRY.

The past season has been a disastrous one for the phormium industry. Export prices being well below the cost of production, the majority of the mills suspended operations during the year, as is indicated by the fact that only a little over 5,000 tons of hemp was produced, in comparison with over 12,000 tons for the previous year. The award rate of wages was reduced during the year by 33 per cent., but even then, at the ruling prices for hemp, it was impossible to mill at a profit, except in those instances where little or no royalty had to be paid for the leaf.

The immediate prospects in front of the industry show no improvement, and it is unlikely that milling will be resumed on any extensive scale in the near future. The enforced cessation of cutting will in many cases be advantageous so far as the growth of flax is concerned, but, unfortunately, owing to the uncertainty of reasonable royalties being conceded, many areas are being converted into grazing land.

The possibility of making use of a considerable tonnage of New Zealand hemp for conversion into sacking for woolpacks and corn-sacks is at present being explored by private enterprise, and if it is found possible to establish a payable business in this direction, a revival of the phormium industry could quite well take place. So far as binder-twine and cordage are concerned, ample supplies of sisal and manila are still being produced, but as prices for both these fibres, as in the case of our hemp, are well below their cost of production, supplies must sooner or later fall away, with consequent tendency towards payable prices being again realized.

## PHOSPHATE SUPPLIES.

The remarkable increase in production which has been manifest during recent years is largely due to a better appreciation by farmers of the benefits accruing from the regular application of fertilizers. A definite impetus to the wider use of phosphatic fertilizers was given by the acquisition of the phosphate deposits at Nauru and Ocean Islands by the British, Australian, and New Zealand Governments after the war. In 1921 the quantity of phosphate rock imported into the Dominion from these islands amounted to only 4.69 per cent. of the output, whereas in the past three years New Zealand has absorbed approximately 25 per cent. of a greatly increased output. This rapid development has been made possible by the policy of the Commissioners in making supplies available to manufacturers as cheaply as possible, and to this end the c.i.f.e. price has been steadily reduced from £4 5s. per ton to a little over £2 per ton. Unfortunately, the demand during the past year has not reached expectations, with the result that a loss on the year's operations will probably result. Every effort is, however, being made to meet the position to the best advantage in the interests of consumers in the Dominion.

## CARRIAGE OF FERTILIZERS BY RAIL.

In pursuance of the policy of encouraging the use of fertilizers, the concessions granted in respect of the carriage of fertilizers by rail have been continued. In the case of lime, free carriage is granted up to 100 miles, while in the case of other fertilizers a reduction of 40 per cent. in the freight charge was made a few years ago. The value of the concessions thus granted for the past two years is as follows:—

	1929-30.	1930-31.
	£	£
Lime .. .. .	49,576	49,212
Fertilizers .. .. .	131,832	120,122

## CONCLUSION.

A mass of detailed information regarding the whole of the activities of the Department will be found in the Divisional and other reports which follow. Every effort has been made to maintain all services at as high a standard of efficiency and usefulness as possible, and the excellent manner in which Divisional Directors, Sectional heads, and the whole of the staff have responded to this effort is highly appreciated.

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