

stability of this industry and the marvellous recuperative capabilities of our flocks the following figures may be of interest :—

Year.	Number of Sheep.	Number of Breeding-ewes.	Percentage of Breeding-ewes.	Exported and locally consumed.	Percentage withdrawn from Flocks.
1907 ..	20,983,772	10,736,846	51.12	6,156,471	29.33
1908 ..	22,449,053	11,244,041	50.08	6,011,587	26.33
1909 ..	23,480,707	12,370,346	52.68	5,913,515	25.18
1910 ..	24,269,620	12,515,380	51.07	6,544,171	26.90
1911 ..	23,996,126	12,324,463	51.35	7,447,704	31.03
1912 ..	23,750,153	12,277,029	51.69	6,307,398	26.55

It will thus be seen that the average number of sheep withdrawn from our flocks annually for export and local consumption is about 27½ per cent., and, after making a reasonable allowance for deaths from all causes, it will be seen that the total number of sheep in the Dominion is absorbed and replenished every three years.

It may be argued that the above figures reveal stagnation. As a matter of fact, some pessimistic critics in the Home-country, evidently without full knowledge of the conditions or capacity of the Dominion, and even some within its borders with possibly less knowledge of the subject, have recently been ventilating erroneous statements, concluding that the sheep industry of New Zealand had reached its maximum. To those who are conversant with the subject such assertions scarcely require refutation, but to those interested, and who may be less familiar with the possibilities of the country for the expansion of the industry, a brief review of the prospects and conditions favourable to its further development may be of interest. The rapid progress of the dairy industry during the last few years has to some extent retarded the increase of the flocks. In a young country, notwithstanding the wonderful facility of its inhabitants to meet altered conditions, some little time is required for readjustment, and no doubt this is to some extent accountable for the seeming present lack of buoyancy in the exports of sheep-products or the number of sheep. Nevertheless, when it is remembered that out of the 40,238,000 acres shown by statistics as being under occupation (a large portion of which is only now commencing to recover from the ravages of the rabbit pest) only about 16,266,000 acres are nominally under cultivation (but a small portion, however, being under close cultivation), of which area about 14,000,000 acres are in grass, and, further, that of the whole area under cultivation less than 1,000,000 acres are in green crops and a much smaller portion still under anything approaching regular intensive cultivation, the marvel is that the carrying-capacity is what it has been. It should be apparent to any one who has studied