

There is another dairy factory about fourteen miles from Pukekohe, the result of private enterprise. Captain Gillmore, if I am correctly informed, built the factory principally for the benefit of the neighbourhood, and paid the farmers 4d. per gallon for their milk. The results of last season's make is not known. Part of the cheese has been sent to Scotland, but a large portion went to London.

Rukuhia Dairy Factory commenced operations this season. It is situated in a fine valley about four miles from Hamilton. The racecourse was purchased and the grand stand turned into the factory. This cheese appeared to be properly manufactured, and well taken care of in the curing-room. The size and quality of the cheese were proper for the colonies, but too small for London.

Katikati Dairy Factory, Tauranga, commenced operations during the last season, but closed soon. The cheese was sent to Auckland for sale, but with what results I am not informed.

There were five private factories in operation during the last season, and some of them made excellent Cheddar cheese, equal in quality to most of the best made in Somersetshire. One factory I know had 5d. per lb. bid for their Somersetshire make, but was declined. Others were enlarging their buildings, and making great preparation for the coming season.

There are nine factories now in progress; some are completed and others in a forward state. Five are intended for cheese principally, four for butter exclusively. Feilding, Palmerston, Inglewood, and one in the Waikato district are for butter.

The factory at Geraldine is an excellent stone building, and will be ready to commence operations when the milk supply can be obtained. The district skirts a fine range of mountains, with good roads for the delivery of milk. The directors have been fortunate in obtaining a manager from England who thoroughly understands his business both in the cheese and butter departments.

Woodville is a central position (in the bush) for a factory. Suitable land was obtained, the factory built, and all near completion. Some little differences in opinion relative to the value of milk has caused a ripple on the wave. A little light upon the subject will soon put all things into a proper turn for working.

Makaraka Dairy Factory, Gisborne, will occupy a prominent position in one of the finest grazing districts in New Zealand. Twenty-seven acres have been secured: there is space for a large number of pigs, and twelve cows may be milked upon the ground.

In this district it would not be difficult to procure the milk from 800 cows; then there would be a sufficiency of milk to conduct the cheese and butter operations at the same time. The idea was suggested that this factory would make an excellent training school for young people to learn the art of making cheese and butter, with the use of the cream separator.

There are a number of factories projected, the full accounts of which are not in my possession. A milk-condensing factory is to be started soon, which cannot fail to succeed if it is properly managed. Of all the factories in England connected with dairy produce those which condense milk seem to prosper most.

There are fourteen factories which have been managed by directors during the past season, and five conducted by private gentlemen. Most of the factories only made a commencement in the way of preparing for another season. Where ten tons were made in the past, fifty will be made in the future. There will be twenty-three factories at work in the coming season, exclusive of six or seven private ones. 414 tons of cheese have been made in the factories during the late season. Twenty factories with 300 cows each will produce, on the lowest calculation, 1,000 tons: that, at the average London price (that at which Ashburton and other New Zealand cheese have been sold, viz., £65 per ton) will produce £65,000. £22,900 have been expended in buildings and plant, and over £4,000 on the purchase of land where the factories are located.

There are other important points which should not be lost sight of: that is, the amount of labour and capital which dairy factories create wherever they are planted and worked successfully. In the United Kingdom 3,600,000 cows are kept, and 180,000 families are engaged in the occupation; by their industry wealth to the amount of £40,000,000 sterling is created per annum. We have no statistics before us to show the number of hands which this industry calls to its assistance. One thing is clear, that it sets in motion almost every other branch of industry. New Zealand has an area equal to that of the United Kingdom; the soil is more productive; and the climate, for dairy purposes, second to none in the world. Every factory creates labour, and pays for it with what the cow gathers from the soil. Take one factory: they have paid for milk £1,443, and produced about forty-six tons of cheese, which sold for £2,990 sterling, leaving a balance in the hands of the directors of £1,547 to meet all contingencies. If the whole balance was paid for carriage and labour it would exert a mighty influence, and make the pulsations of national life more vigorous. America, with her factories for cheese and butter alone, attracts 5,000,000 British sovereigns every year; Holland, for butter and cheese, £4,886,989; France, for butter alone, £2,826,586; Belgium, for butter, £302,993. It would be a strange thing indeed if New Zealand, with her space and productive powers, could not put in her claim for a share of British wealth. We have only to make the prime article in butter and cheese, then no power on earth can stay the flow of gold in this direction.

About one thing there can be no two opinions: England is the market for the largest quantity of New Zealand dairy produce. The first point is to ascertain what size and quality will meet the requirements of the British market, then the factories must bend all their energies in that direction. The first is Cheddar, the size from 60lb. to 100lb. weight. Then the double Gloucester; this is a thin cheese, $4\frac{1}{2}$ inches thick, 15 inches over. This class of cheese should be made at the beginning of the season; when about eight weeks' old they could be shipped off. The next is Leicester. I have cards now from three large Leicester cheese factors who would be glad of consignments. One has shown his sincerity and faith in the scheme by sending out six Leicester vats to mould and press the cheese in. These I have sent to Ashburton Factory by way of a beginning. The moulds