Early in the season the grading and testing of processed cheese and a quantity of buttermilk powder was undertaken, which has given the officers concerned some experience in this work in preparation for any future developments in this sphere.

The grading of these products is largely of an analytical nature, which will entail a considerable amount of extra work in the laboratory and testing-rooms and will require

additional technical staff and equipment.

Grading Standards.—The standard of grading at the various ports is on uniform lines and all Graders are performing their duties capably and conscientiously. With the number of officers employed in this work some variation in the standard must be expected, but it is thought that these differences are gradually lessening. Graders generally are becoming more appreciative of uniform standards and realize that individual tastes should be subordinated to this end.

Quality.—The quality of both butter and cheese has been satisfactory. When there is a good season for production, conditions for manufacture are sometimes a little more difficult, but even with the substantial increase in quantity the percentages of both products graded Finest have exceeded those of last season. The percentage of butter graded Finest is the highest for the past ten years and the cheese in this category shows an increase of 1·24 per cent. over last year's figure.

Though defects in colour which occurred at varying periods detracted from some of the Auckland butters, the bulk has been of good quality and there has been a small increase in the average grade over the previous year. Butter passing through the port of Wellington has shown a general improvement, one pleasing feature being less evidence of harshness in flavour.

In the South Island, Taranaki, Wanganui, Gisborne, and Hawkes Bay areas the quality of the butter has also been well maintained, with an improvement in some cases. Some brands of butter in these districts are of outstanding quality, being well made and attractive in flavour.

With the exception of Auckland, the quality of whey butter has been acceptable. The bulk of the whey butter made in Taranaki is of good Grade 1 standard, with some brands outstanding for this type of butter. Although some of the Auckland whey butters are satisfactory, there is room for considerable improvement in some brands.

Some districts show a slight falling off in the percentage of cheese graded Finest, but others have improved. In South Taranaki and to a less degree in the Wellington area cheese in the Finest class has been less in evidence, mainly because of open texture. On the other hand, there has been more cheese graded Finest at New Plymouth, and in Auckland there has been an all-round improvement, one pleasing feature being a reduction in the quantity of lower-scoring lines and also that the cheese has been more uniform in character at this port.

The body of the early-spring cheese lacked the desired smoothness, being somewhat on the sweet side with a tendency to toughness. This was more apparent in the cheese seen at Patea and the Bluff and to some extent in the cheese at Lyttelton and Timaru. Late in the season open texture of the "slitty" type developed and this defect was the cause of keeping many lines out of the Finest grade.

Under all the circumstances with which dairy companies have had to contend, directors and managers are to be congratulated on having improved the quality of their products during a season of increased production, particularly as some falling off in quality could reasonably be expected.

Examination of Stored Butter.—During the season butter was examined after storage at both Auckland and Wellington. The Wellington butters turned out very satisfactory, the points allotted at the regrading being in line with the original classification. The results at Auckland were not as pleasing and it was disappointing to see a number of