

The Select Committee concluded its inquiry after having met seventeen times, having heard the evidence of forty-nine witnesses. A copy of the report of the Committee, which was drawn up and circulated, was forwarded to the colony. A Bill dealing with the subject of butter-adulteration has been introduced to the House of Commons by the Government, and passed the first and second readings. While all that could be desired from a colonial point of view was not supported by the Committee, the recommendations that have been made and embodied in the Bill now before Parliament will go a long way towards helping to put the trade in butter in this country on a better footing, and stopping the extensive adulteration that has been so prevalent.

The principal recommendations included the registration and inspection of all factories where butter is made or treated in any way. This will tend to prevent adulteration, especially where it is followed up by the further recommendation that "no fat other than butter-fat and no substance capable of being used as an adulterant shall be permitted in a butter-factory." No suggestion was made, however, that butter-blending should be stopped. The Committee considered that this is legitimate. They believed, however, that if registration and inspection were adopted the practice of selling colonial butter mixed with English butter as "English" would decrease. While the Bill specifies 16 per cent. as the standard of moisture permissible in butter, it is not intended that the manufacture and sale of so-called milk-blended butter shall be prevented. It is proposed, however, that 24 per cent. shall be the maximum moisture permitted in it, and that it shall be sold under a special name, as margarine now is, that will prevent its confusion with butter. While I am disappointed that the sale of this mixture is not prohibited, I am hopeful that the removal of the name "butter" from association with it may be of considerable benefit to the sale of genuine butter.

A return was issued during the year, compiled by the Board of Agriculture, giving a list of factories in England and Scotland in which butter is blended, reworked, or treated by any process, as distinguished from creameries or dairies in which butter is churned from milk or cream. From this it was learned that there are eighty-eight of these blending-factories in England and four in Scotland. There are in England twenty-one margarine factories, and in Scotland twelve. The bulk of the blending-factories are in south-western counties. There are thirteen in London. The four in Scotland are situated in Aberdeenshire.

DAIRY SHOW.

During October the annual show of the British Dairy-farmers' Association was held at the Agricultural Hall, Islington, when, amongst other butters in the colonial classes, entries were made of the following New Zealand brands: "Rangitikei," by Messrs. S. Page and Son; "Pakeha" and "Defiance," by Messrs. J. Nathan and Co.; "Opotiki," by Messrs. W. Weddel and Co. None of these butters, however, neither salt nor unsalted, were of sufficiently fine quality for exhibition, and they should not have been entered. Naturally, they did not receive an award.

Recognising that, with the prospect of early legislation dealing with the handling of butter on the British market, the time was opportune for an energetic effort to be made to bring the merits of New Zealand butter prominently under the notice of the consuming public in this country, I had been considering in what way this could best be done. Fortunately, I was brought into touch with a Mr. W. R. Burwell, of New Cross Gate, S.E., an artist in butter, who was able to show me specimens of fancy work he had been doing. The designs he showed me were so attractive, and appealed to me as something so novel in the way of advertisement, that I determined, if possible, on enlisting his aid in securing the object I had in view. Having received your sanction, I arranged with Mr. Burwell to have a trophy of New Zealand butter designed and built. The work was carried out most satisfactorily, and was exhibited at the Dairy Show and also at the Grocery Exhibition, where it attracted great attention and favourable comment from the large gathering of interested visitors to the hall.

CHEESE.

The past year has been the best experienced in the history of the New Zealand cheese trade. At the commencement the price was 63s. per hundredweight, and ever since any New Zealand cheese that has been offered on the market has been readily purchased at from 60s. to 66s. per hundredweight. The average price throughout the twelvemonth has been 63s., and present indications point to high rates ruling until the last of the New Zealand shipments for the present season are landed.

The quality of the cheese coming forward from the colony has been satisfactory. The temperatures at which the cheese-chambers on board ships are now kept—45° to 50°—are suitable, much better than those formerly maintained, and the cheese arrives in finer condition. During the year, unfortunately, one lot of cheese came under my notice the condition of which necessitated complaint. The quality of it was such that I felt doubtful of it being full-cream cheese, and this opinion was shared by those in the trade who were handling it. As, however, each case bore the stamp "Full Cream Cheese," and was graded correctly second quality, I considered it advisable to ascertain definitely concerning it. I therefore obtained your sanction to get an analysis of it made, and placed a sample in the hands of Professor Lloyd for this purpose, and for his report on it. I am pleased to say that the analysis proved undoubtedly that, though the quality was unusually bad, the cheese was made from whole milk, and not from half skim-milk as anticipated. One or two other small complaints have been made, but none of any serious import have to be recorded.

MUTTON.

During the past official year the average price ruling for New Zealand mutton has been almost identical with that of the previous twelvemonth. Canterbury mutton realised on an average 4½d. per pound, while that from the North Island realised 3½d. Unlike the latter part of 1905, when