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VALUE OF EXPORTS.

Prices of dairy-produce for the year have, on the whole, been satisfactory, as is indicated by the Customs statistics of the value of exports. Including butter, cheese, dried milk, casein, condensed milk, and milk-sugar, values reached a total of £18,590,866, as compared with £15,232,471 for the previous year, an increase of £3,358,395.

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CASEIN.

The quantity of casein manufactured during the year was in excess of the preceding year by 469 tons, and consisted mainly of lactic casein. Quality continues to be uniform and of a high standard. 1,771 tons lactic and 462 tons rennet, making a total of 2,233 tons, were manufactured for shipment, as compared with 1,613 tons lactic and 151 tons rennet casein for the previous year.

TESTING BUTTER FOR WATER CONTENT.

During the year, as in the past, every churning of butter intended for shipment has been tested for moisture, with satisfactory results, a very even standard being maintained. 137,265 churnings were tested, the average water content being 15·19 per cent., as against 15·15 per cent. for the previous year. A number of churnings over the legal limit of 16 per cent. were received, representing a percentage of 0·73 of the total, and the usual practice of returning these to the dairy companies to be reworked with drier butter was carried out.

Branding Datry-Produce with National Brand.

The use of the national brand on containers of "finest" and "first" grade butter and cheese has become the practice of each dairy company. Old stocks of containers not bearing this brand have become exhausted, and uniformity in the style of the various brands has now become well established. The general adoption of such an attractive brand, together with the advertising of that brand, should be of assistance in the more successful marketing of our dairy-produce.

The impressing of the national brand into the butter on the top of the 56 lb. block has been suggested, and will doubtless be given effect as from the beginning of next season. This should add to the attractiveness of the finish of the butter, and make its appearance more pleasing to the importers, wholesalers, retailers, and consumers of New Zealand butter.

CREAM-GRADING.

The compulsory grading of cream, and the payment of a differential price for "finest," "first," and "second" grade cream, has been in operation during the whole year, and the beneficial effect of this is reflected in the high quality of our creamery butter.

It is pleasing to record that the great majority of dairy companies have been whole-hearted in their endeavour to grade in accordance with the standards fixed by the Division. Some irregularities, inseparable from the introduction of any new method, have come under notice, but these have been corrected, and with few exceptions the system is now working on comparatively good lines.

FARM DAIRY INSTRUCTION.

Although this system of instruction to the suppliers to dairy companies has now been in operation for a number of years, it has not during the year shown the advance that its importance warrants. There are now thirty-one Farm Dairy Instructors employed by dairy companies, as against thirty-three for the preceding year. One new appointment was made in the South Island, and three officers were dispensed with in the North.

The combination of cream-grading and farm dairy instruction on a national basis would be of inestimable value in the improvement of milk and cream supplies, and it is urged that dairy companies give this matter their serious consideration during the coming winter.

INSPECTION OF NEW ZEALAND DAIRY-PRODUCE IN GREAT BRITAIN.

The number of inspections of dairy-produce becomes greater each year, and the work is carried out systematically and expeditiously by Messrs. Walter Wright and A. C. Ross. Numerous detailed reports on the quality of dairy companies' produce come to hand by each mail, and these are in turn forwarded to the dairy companies concerned. Many other matters coming within the scope of these two officers' work and of interest to the industry are also fully reported on.

PRESERVATIVES IN BUTTER.

The prohibition of the use of preservatives in butter consumed in the United Kingdom came into force on the 1st January, 1928. Dairy companies were notified by the Division of the Ministry of Health's requirements in ample time to enable adjustments to be made where necessary, and it is pleasing to note that no complaints have been received from Home in reference to non-compliance with this regulation.

Tests of the various butters exported have been made at intervals for preservatives, and these have shown that New Zealand dairy companies, without exception, have honoured the regulation of the United Kingdom. So much so was this expected by the Division that no attempt was made to get a regulation gazetted making the export of preservatized butter illegal.