

DAIRY DIVISION.

REPORT OF W. M. SINGLETON, DIRECTOR.

THE SEASON.

Climatically, the winter of 1936 was a fairly good one, with the result that cows started the new season in good condition. This was fortunate, for the reason that 1936-37 proved to be one of the coldest and wettest for many years, with a minimum of sunshine. Feed, however, was plentiful, there being an excellent growth of grass, and cows should be well prepared for the coming winter. On the other hand, a lack of sunshine kept the grass soft, thereby affecting the character of the milk and complicating the process of manufacture in the dairy factories. In districts such as North Auckland, Hawke's Bay, Nelson, Marlborough, and Canterbury, where the summers are usually a little too dry from a dairying point of view, the past season was almost ideal, production being up and dairy stock in good condition. The districts which suffered most were Westland and the far South, where extremely wet and cold weather was experienced almost without intermission. In some districts dairy-farmers found difficulty in haymaking, owing to the unsettled weather, and many crops rotted in the paddocks. Fortunately, the rapid growth experienced enabled a second cut to be made, and on the whole there should be ample hay and ensilage for winter use. In Otago and Southland where root crops failed in many cases the outlook is not so favourable.

PRODUCTION.

For the year ended 31st March, 1937, 151,436 tons creamery butter and 89,966 tons cheese came forward for grading, as compared with 145,990 tons butter and 86,250 tons cheese for the previous year, an increase of 5,446 tons butter (3.73 per cent.) and 3,716 tons cheese (4.31 per cent.). Reduced to a butterfat equivalent the increase represents 5,968 tons, equal to 3.85 per cent. It is expected that figures for the dairying year (ending 31st July) will evidence a greater increase owing to the sunnier and more favourable weather conditions experienced from March to May.

EXPORT VALUES.

Taking the Customs figures as a basis of export values, and including all dairy-produce—that is to say, butter, cheese, cascin, dried milk, condensed milk and cream, and milk sugar—there is an increase of £3,139,210, the total values for the two years 1936-37 and 1935-36 being £21,784,928 and £18,645,718 respectively. Due allowance, however, should be made for the fact that there was an increase in exports of 13,760 tons of butter and 3,086 tons of cheese, as well as increased quantities and improved prices for the various by-products. The 147,085 tons of butter exported during the financial year ending 31st March, 1937, were valued for Customs purposes at £15,967,343, and the 84,887 tons of cheese at £5,253,692.

GUARANTEED PRICES.

The Government's guaranteed-prices scheme, with price differentials according to grade, has caused a greater responsibility to be thrown on officers of the Division, as the prices have been paid on a grading split up into five classes for both butter and cheese instead of three as hitherto. The new system necessarily slows up the work of the dairy-produce graders as well as adding to the labour of recording and general compilation of returns.

ZONING.

The work of the Executive Commission of Agriculture (commenced last year) in connection with the zoning of supplies of cream to creameries has made considerable progress, and as the result of negotiations already completed, or at present under consideration, seven creameries in the North Island and five in the South Island, chiefly proprietary concerns, will close during the coming winter, while one additional concern in each Island is likely to close.

The zoning of supplies to some of the remaining creameries has in a number of instances been taken in hand, and adjustments by exchange or purchase have been made between companies whose collecting vehicles have overlapped one another. It is anticipated that these arrangements will result in a considerable saving in collection-costs and an improvement in the quality of the cream received at the creameries.

No work of this nature has yet been done in connection with the supply of milk to cheese-factories, and it is anticipated that a number of the smaller ones will close down at the end of the season.

CREAMERY BUTTER.

The Auckland Province continues to maintain its lead in the production of creamery butter, and of the 151,436 tons sent forward for grading, 105,287 tons were graded at the Auckland port, 119,114 tons, or 78.65 per cent., being classed as finest, 30,800 tons, or 20.34 per cent., as first, and 1,522 tons, or 1 per cent., as under first grade. The arrangement whereby all butter of lower quality than first grade is disposed of through a channel which prevents its coming into competition with the higher grades has been continued. On the whole, quality has shown a slight improvement, the average grade for the year being 93.266, as compared with 93.158 for the previous twelve-month.