

cover the cost. (Parchfoil is a wrapping-material consisting of two thicknesses of parchment paper with a layer of aluminium foil between). While it is recognized that the use of Parchfoil will not prevent the development of mould on the box it is expected to prevent it from reaching the butter.

Consideration was given to the treatment of the box-timber with liquid mould-preventatives, but it was found that facilities for carrying out the work on a large scale were not available. Full supplies of Parchfoil could not be obtained during February, but supplies gradually increased, and by the end of March practically all Saranac boxes being received at the grading-stores were lined with this material.

As the result of the consistently favourable reports received from London regarding the wire-bound substandard box it has been decided to delete the unwired standard box from the list of those approved for the export of butter. This decision was influenced by the number of breakages of standard boxes compared with boxes of other types, the cost of wiring which would be required to prevent breakages, and the saving in timber.

Owing to the wide range of the varieties of timber suitable for cheese-crates, the same difficulties have not arisen in that connection.

WHEY BUTTER.

Gradings of whey butter totalled 1,484 tons, an increase of 76 tons over the previous year's figure of 1,412 tons. The quality still shows considerable room for improvement, and more skilled handling of the raw material is needed. Whey butter is disposed of similarly to second-grade creamery. It is used exclusively for cooking and process purposes and does not enter into the sphere of the higher-quality standard article.

CHEESE.

Some 89,996 tons of cheese came forward for grading, and of this total, 18,806 tons, or 20.90 per cent., were graded as finest, 68,927 tons, or 76.61 per cent., as first, and 2,233 tons, or 2.48 per cent., as under first.

Taken as a whole, cheese-quality for the period under review must be regarded as fairly satisfactory, showing a slight improvement over the previous year. The principal faults are still openness and mould. Starter troubles were less general, though still a major problem in connection with cheese-manufacture. Apart from openness and mould, adverse reports from our London officers relate chiefly to a lack of Cheddar character and an inclination to bitterness, with harsh, mealy bodies. Broadly summed up, however, London reports were encouraging and indicate that New Zealand cheese is well received in Britain and improving its reputation from year to year.

With regard to mould, an experiment was conducted at the Wellington grading-stores in April to endeavour to ascertain the effect of handling on mould-development, it being considered by some that rough handling of the cheese in the factories was a likely cause. The experiment gave inconclusive results, but served to indicate that if conditions in the curing and storage rooms were properly controlled mould was unlikely to penetrate even a cracked cheese.

Cheese made from pasteurized milk during the year totalled 88 per cent., while 57 per cent. were wax-coated, the comparative percentages for the preceding year being 87 and 60 respectively.

From early March onwards a large number of factories, especially in Taranaki, diverted from the manufacture of cheese to butter and casein. As this change-over has been made earlier in the season than usual the output of cheese for the dairying season as compared with previous seasons will probably be affected.

The position of a number of the smaller cheese-factories, particularly in the Manawatu and southern Hawke's Bay districts, has somewhat altered since last season. It was anticipated by those in control of some of these companies that the differential payment provided between butter and cheese, under the Government's purchase scheme, would help to consolidate the position of the smaller cheese companies. This, however, does not at present appear to be entirely the case, and if these smaller units are to continue it would appear that some adjustment may be necessary as the result of this first season's experience. The additional working-costs, which bear more heavily on cheese than on butter-factories, make the position of the smaller companies very difficult. In some of these cases factory buildings and plant are in a bad state of repair, and in need of immediate attention.

CASEIN.

New Zealand casein continues to be in keen demand on overseas markets, due to its uniformity and high quality. Casein prices, particularly toward the end of the financial year, have been very favourable, with the result that comparatively early in the season a large number of cheese-factories switched over to the manufacture of this product. It is probable that in the autumn of this year a larger number of factories were engaged in the precipitation of casein than at any previous period in our dairying history. Grading is not compulsory and though occasional gradings are carried out at various places in the North Island, Wanganui is the only centre where the service is conducted with continuity.

Casein graded during the year totalled 1,326 tons, as compared with 2,141 tons for the previous year, a decrease of 815 tons. According to Customs returns, however, exports for the year amounted to 1,185 tons, valued for Customs purposes at £218,433, the comparative figures for the previous year being 3,404 tons, valued at £163,235.

REGRADEING OF BUTTER AND CHEESE.

Rather more regrading than usual was carried out last season, the object being not so much to check the grading as to study the effect of storage on dairy-produce, with a view to judging its condition at time of delivery on the Home market.