

The United Kingdom imports of New Zealand and Canadian cheese for the period under review are as follow :—

UNITED KINGDOM IMPORTS OF CHEESE.

	New Zealand.		Canadian.	
	1935-36.	1936-37.	1935-36.	1936-37.
November to July (inclusive)	Tons. 67,707	Tons. 68,415	Tons. 13,041	Tons. 19,487

The outstanding factors for consideration in connection with the United Kingdom cheese import position are firstly the Home production and secondly the quantity of New Zealand imports. During 1936 the United Kingdom production of cheese was approximately 55,000 tons, which represented 30 per cent. of the country's requirements. It is to be noted that in the first six months of 1937 the production of cheese in the United Kingdom was less than in the same period of 1936 by over 9,000 tons, a reduction of nearly one-third. Thus it can be taken that market prices for New Zealand cheese during the past season have been aided by the reduced Home production, notwithstanding the increase in Canadian importations.

In recent years cheese prices have not been affected by available supplies to the same extent as in the case of butter. Importations of cheese into the United Kingdom during the past years have remained almost stationary. It is certain that, notwithstanding the supply position, cheese-prices will move up or down in sympathy with the prices of butter. In a recent report Professor W. Riddet, in commenting on the factors which influence the demand for cheese, said,—

“It is difficult to explain why in recent years consumption of cheese has not responded to fall in price, as has been the case with butter. Several explanations are offered. It is stated that people prefer cheap meat to cheap cheese. It is also stated that with the falling-off in employment among the most important cheese-consuming people (miners) the demand has fallen off. Some believe that the habits of the people have changed: with an improved standard of living, cheese forms a lesser part of the diet. Others have expressed the views that, firstly, some people went off cheese when there was much poor-quality produce on the market, and, secondly, the predominance of New Zealand cheese in the market, with its milk flavour, has reduced consumption—i.e., it is not sufficiently tasty.”

The Government proposes to continue investigations with a view to ascertaining the possibilities of extending the demand for the best type of cheese that can be produced in the Dominion.

MANUFACTURE OF GHEE FOR SALE IN INDIA.

From time to time representations have been made to the Government that there are distinct possibilities in the sale of ghee to India. Ghee is a form of edible fat used throughout the East, and consists of pure clarified milk-fat. It is said to be frequently, but unlawfully, mixed with other fats. Most of the ghee sold in India is prepared from the milk of buffaloes, which produce fat that is practically colourless, and is different in chemical composition from the butterfat of the cow. Since ghee is pure fat and contains no moisture, it can be kept for long periods of time at ordinary temperature without undergoing changes.

It has been suggested that pure clarified New Zealand butterfat, which is comparatively easy to prepare from butter, would be suitable for the ghee trade, but local butterfat has certain characteristics which, while highly desirable for buttermaking, make the production of high-grade ghee difficult. Ghee made from New Zealand cow butterfat melts at a considerably lower temperature than the native buffalo ghee, and therefore softens more readily in tropical climates than the native product. Ghee made from New Zealand butterfat is too yellow in colour, and it is difficult to impart to it the required characteristic flavour.

Small experimental quantities of ghee were made at the Dairy Research Institute at the Massey Agricultural College, and were shipped to merchants in India. Four of the samples were yellow in colour, though made in different ways, and two samples were bleached. The yellow samples were declared to be unsuitable in colour. The bleached samples were correct as to colour, but not quite suitable in flavour.

At the request of the Government, Professor W. Riddet, Director of the Dairy Research Institute, went to Bombay and investigated the possibilities of development of trade in ghee of New Zealand manufacture. The following is a summary of the conclusions of Professor Riddet's report on the subject :—

- (1) Although the population of India is very great and a very large proportion of the population could consume more ghee, the purchasing-capacity of the masses is so limited that at present prices any material demand for New-Zealand-made ghee could not readily be created.
- (2) For technical reasons, New Zealand could not make cow-butterfat ghee equal in quality to the best locally made buffalo-fat ghee. It could, however, produce saleable ghee which would find an average demand once well established.