

DAIRY DIVISION.

REPORT OF W. M. SINGLETON, DIRECTOR.

THE SEASON.

It is seldom that New Zealand experiences two unfavourable dairying seasons in succession, but in most dairying districts throughout the Dominion both 1938-39 and 1939-40 were climatically unfavourable to production. In the North Island the very serious shortage of feed for dairy cattle which resulted from the dry weather in the closing months of the 1938-39 season brought about a considerable reduction in the output at that period. As a consequence the amount of winter feed saved was considerably reduced, and such small stocks as could be saved had to be used in the autumn months, so that many dairy-farmers found themselves with insufficient reserves to carry stock over the winter. As a result there was a heavy mortality among dairy cows in the North Auckland - Bay of Plenty and Poverty Bay districts, and to a lesser extent in other areas also.

In some areas a prolific growth of clover in the spring also added to the number of deaths of dairy cows, up to 10 per cent. of the cows being lost in some herds. As a consequence of these losses production was affected over the whole season.

It was not until about December that weather conditions were favourable, and until January output showed a reduction in comparison with the corresponding period of the previous season. The good rainfall experienced in most dairying districts in December, 1939, however, resulted in an exceptionally heavy growth of grass, and it is many years since such favourable conditions for production have been experienced during the late months of the financial year.

QUANTITIES GRADED FOR EXPORT.

In terms of butterfat the quantity of butter and cheese graded for export during the year ended 31st March, 1940, showed a decrease of 4,176 tons, or 2.98 per cent., over the total butterfat represented in butter and cheese graded during the preceding financial year.

Creamery butter received for grading during the year under review amounted to 123,277 tons, and cheese 86,486 tons, as compared with 129,277 tons butter and 84,236 tons cheese for 1938-39, a decrease of 6,050 tons butter (4.67 per cent.) and an increase of 2,250 tons cheese (2.67 per cent.). The increased production of cheese may be accounted for by the diversion of five factories from the manufacture of butter and casein to the manufacture of cheese. This change was prompted by the poor demand for casein and the low prices offering.

Of the total amount of butter received for grading, 92,131 tons was produced in the Auckland Province, as against 92,501 tons during the previous year, a decrease of 370 tons.

EXPORT VALUES.

Including all dairy-produce—butter, cheese, casein, dried milk, sugar-of-milk, condensed milk, and cream—and basing export values on Customs figures, there was an increase of £451,748 in the value of this year's dairy-produce, the total values for the two financial years 1939-40 and 1938-39 being £22,907,700 and £22,455,952 respectively. Customs values are based on realization values.

The increase in total value in the face of a decrease in total quantity exported was due solely to the influence of the war. Until the end of August, 1939, prices on the Home market for both butter and cheese were lower than for the corresponding period of the previous financial year. The war, however, brought a change in the tone of the market, while the British Government's purchase price for both butter and cheese was at a level considerably higher than the level of prices ruling for the past two or three years. The net result was an increased average realization value for the twelve months in comparison with the 1938-39 financial year.

CREAMERY BUTTER.

The principal faults connected with butter quality may be traced to feed conditions, and, while feed flavour was very prevalent in the Auckland Province and to a certain extent in other districts during the early months of the season, it is probable that the quality for the later months has never been on a higher average level. Nevertheless, the improvement came too late to quite correct the falling-off in average grade in the early part of the season, with the result that the average grade for the financial year barely maintained that of the previous twelve months. The average grade of butter graded for export during the year ended 31st March, 1940, was 93.361 points, compared with 93.373 points for 1938-39. Of the 123,349 tons of butter received for grading, 100,175 tons, or 81.21 per cent., was classed as finest, 22,521 tons, or 18.25 per cent., as first grade, and 653 tons, or 0.53 per cent., under first grade.