Zealand is absolutely a grass article, and it has to compete in the English market with Danish butter which is practically made in the winter season. Though our butter may reach within a few shillings of the Danish article, that is no reason why we should not improve the standard of our produce. It has been further urged that some factories have graded so well during the season that there is no necessity for any further improvement, and, therefore, the raw material furnished the factory must be of an excellent character. I would point out in connection with this that whilst the "pointing" may be high, that is only the standard we have reached at present. It would be absurd for us to say that there is no further standard of excellence we are called upon to reach. As a matter of fact, placed as we are at such a distance from our best market—thirteen thousand miles away—we need to make a better article than the Danish, and make a cheese equat at all events in quality to the Canadian. Therefore I urge the necessity of some such regulations as we are considering to-day is a logical outcome of the Dairy Industry Act, which has been of such incalculable benefit to the industry. True, at first sight, it may appear as a whole that the regulations are very stringent, but the same complaint was practically urged against the grading regulations some years ago. And there is no dairyman to-day throughout New Zealand, nor a factory-manager, who has a word to say against the regulations which were framed under the Dairy Industry Act for the purpose of controlling the grading of our produce. It is to be hoped the application of the regulations by the Department would not be made in a punitive manner, that the farmer would not be punished; that it would be on educational lines, and therefore would be helpful as a whole to the industry. As to the regulations, I would point out in the first place be helpful as a whole to the industry. As to the regulations, I would point out in the first place that the principal points are contained in clause 6, which has reference to taxation so far as registration of dairies is concerned. Then, in paragraph (a) of clause 8, we have the construction of buildings on the farm—that is, the cowshed, stockyard, &c. Then, we have in clause 14 the care of the milk; in clause 31 the use of the farm vehicle for other purposes than the conveyance of milk; and in 33 we have disputes which may arise between the Inspector and the farmer, but certain matters which are to be relegated to the Chief Inspector of Stock. These are the cardinal points of the regulations. The others are matters of detail. In regard to clause 6, I would state at once that I think the price proposed as a registration fee is too high. In support of my contention I would point out that in the Auckland Province there are 3,322 suppliers to dairy factories or owners of dairies. Assuming 10 per cent. of these suppliers own herds of under ten cows, that will give 2,992 over and above who will pay 10s. for each registration, or a sum of £1,496. In Taranaki there are 2,875 suppliers. I am thoroughly conversant with the conditions in Taranaki, and I think 5 per cent. will represent the number with herds under ten cows. This will leave 2,735, or a total for all registration fees of £1,362. In the Wellington District there are 3,095 suppliers in all, of these 10 per cent. are in a small way, so the total receipts should amount to £1,399. Writing off 10 per cent. in Otago and Southland, the money from registrations in that district would amount to £1,420. This makes a gross total of £5,675. This calculation takes in only the five principal dairying districts. I have not taken into account the dairies which would pay 1s. or 2s. 6d. Taking these, I believe I am correct in saying that the sum of £5,765 for annual registrations is rather an excessive amount. It will be one of the things which will be resented by farmers, especially as it is an annual fee.

Mr. Okey: That is without transfers. The transfer fee is 2s. 6d.

Mr. Harkness: I have not taken that into account. In paragraph (c) of clause 8 there is absolute necessity for this work being done, but I recognise that in some districts it is utterly impossible to procure the material for concrete. Discretionary power should be given Inspectors to allow, in districts where concrete is not procurable, or too costly, the use of sawn boards. I am not a believer in blocks or bricks. The blocks cannot be worked close enough together to prevent leakage, and the bricks, unless very hard burnt, are very porous. The floors in such cases should be of sawn boards tongued and grooved, and should be worked in with tar. In regard to paragraph 8, I will say at once that the best floor is a concrete floor. We have used a concrete floor in our own shed for sixteen or eighteen years. In regard to paragraph (f) of the same clause, it has been urged that the time for the removal of the manure—two hours—is too short. The point is that if manure is allowed to remain for a long period in the cowshed it undergoes a chemical There is nothing offensive or tainting about manure when first dropped, either manure or urine, but after a certain time it undergoes certain chemical changes and tends to become very strong. If allowed to remain in the cowshed for any length of time it adheres to the floor, and is almost impossible to be removed satisfactorily. In paragraph (g) no mention is made of the necessity of covering the milk-stand on the farm. Of course, we understand the milk-house to be roofed over. It is very important, especially in wet districts, that the milk-cans should be covered on the stands. The provision that no cowshed shall be within 30 ft. of any dwellinghouse is, in my opinion, essential for this reason: that pure air is one of the essential things in connection with dairying and the manufacture of butter, and if you do not have the places sufficiently apart one from the other, you cannot get that proper and pure ventilation so essential in order to maintain things in a sanitary state. In regard to the regulation which states that a yard for the holding of the cows shall be provided, it is not always essential you should have a yard to hold the balance of your cows, though wherever there is a yard I believe that yard should be constructed on the principle laid down in the regulations. In regard to the clause referring to cooling of milk, it does not state in this that the milk is to be cooled to any particular temperature. I believe milk should be cooled down to 65° or 70°, as soon after milking as possible, and I am a strong believer in milk railed considerable distances for town supply being reduced to a very much lower temperature. In clause 16 it does not clearly define that the milk should be securely covered. As far as the butter-factory is concerned, it is very essential that cans of milk shall be covered from the influence of the sun's rays. We sometimes talk about "fishiness" in butter, the cause of which is so difficult to determine. Every one would readily realise what happened to a pound of butter