

Government agreed to increase the minimum content of fat in the dry matter in order to distinguish it from the article previously branded "fat 50 per cent. or over," and branded the resultant cheese as "Cheddar." Amended regulations were therefore gazetted on the 22nd December, and came into force as from the 1st January, 1931, providing for the manufacture of cheese with a minimum milk-fat content in the dry matter of 52 per cent. from 1st August to 31st December, 53 per cent. from 1st January to 15th March, and 54 per cent. from 16th March to 31st July. Up to the end of the financial year no reports had been received from Britain as to the quality of this cheese. It is evident, however, that the British public do not look with favour on cheese which has been made from other than whole milk. This question will be fully gone into at the Conference of the National Dairy Association to be held in June, and a final decision will then be arrived at as to whether or not the manufacture of full-cream cheese only should be permitted.

QUANTITIES OF BUTTER AND CHEESE FORWARDED FOR GRADING, YEARS ENDED 31ST MARCH, 1930,
AND 31ST MARCH, 1931.

Port.	1931.		1930.	
	Butter.	Cheese.	Butter.	Cheese.
	Cwt.	Cwt.	Cwt.	Cwt.
Auckland	1,298,483	354,252	1,237,739	289,232
Gisborne	29,506	260	29,590	..
Napier	34,781	3,597	43,280	4,365
New Plymouth	156,687	359,368	153,584	338,046
Patea	44,186	397,834	47,221	380,077
Castlecliff	56,394	77,684	59,402	125,024
Wellington	229,760	327,280	224,655	259,429
Lyttelton	42,731	22,543	47,391	28,242
Timaru	8,249	19,275	6,268	17,403
Dunedin	13,521	48,374	24,364	49,164
Bluff	5,337	240,088	7,586	248,259
Totals	1,919,635	1,850,555	1,881,080	1,739,241

VALUE OF EXPORTS.

Although production is in excess of last year's figures, the increase is not nearly sufficient to balance the decline in prices ruling for dairy-produce as compared with those of the previous year. The Customs figures of the declared export values of cheese, butter, dried milk, casein, condensed milk, and milk-sugar totalled £16,935,143, as compared with £18,842,994 for the previous year, a decrease of £1,907,851.

CASEIN.

The quality of casein continues to be of a uniformly high standard. Rennet casein, which amounts to approximately 10 per cent. of the total graded, commands a high market value, being exceedingly low in butterfat content and in keen demand on overseas markets. The quantity graded during the year totalled 1,395 tons, being 645 tons less than for the previous year. The grading of this produce is optional, a grading-fee of 1½d. per cwt. being charged for the service. Some 1,313 tons went forward for shipment ungraded.

TESTING BUTTER FOR MOISTURE AND CHEESE FOR FAT IN THE DRY MATTER.

During the year the number of samples of butter tested for water content was slightly less than for the preceding year, the figures being 151,142 and 156,967 respectively. Buttermakers have maintained a very even water content in their butter during the year. Only 0.4 per cent. of the churnings exceeded the legal limit of 16 per cent., and the usual practice of returning these to the factories to be reworked with drier butter was followed.

The number of vats of "standardized" and "Cheddar" cheese tested in order to prevent the export of any of these classes of cheese containing less than the legal quantity of fat in the dry matter totalled 90,190. To cover the cost involved by this service an additional grading fee of 1d. per crate is charged.

CREAM-GRADING.

The grading of cream in accordance with the regulations has been continued during the year, and the regular supervision of this by the Butter Instructors and special Inspectors has been the means of keeping the grading on a uniform basis. Criticism of an adverse nature concerning this regulation is seldom heard, and it is generally recognized that cream-grading has assisted materially in improving the quality of our creamery butter.

FARM-DAIRY INSTRUCTION.

It is regretted that owing to the lowering trend of prices of dairy-produce during the year a number of dairy companies have deemed it necessary to discontinue this service, which has in consequence reduced the number of Farm-dairy Instructors from thirty-seven to thirty-one. It has become strikingly evident that in districts where Farm-dairy Instructors are employed a far