cheese," or "half skims," there may be money in it for those who skim, just in the same way as there is money in it for one or two farmers watering or skimming their milk; but if all the milk patrons were watering or skimming their milk, wherein would lie the profit? Having been in attendance at the port of shipment (principally Port Chalmers and Wellington) on nine different occasions when dairy-produce was being put on board the Home steamers, and by utilising the powers conferred upon me as Dairy Inspector under section 4 of the Act in question, I was enabled to see some of the foul compounds, by the name of cheese and butter, which, but for "The Dairy Industry Act, 1892," would have gone to Great Britain without any designating mark to distinguish them from "full-cream" factory cheese or "factory" or "creamery" butter. On the nine different occasions in question, I opened and inspected 213 cases cheese, and 57

On the nine different occasions in question, I opened and inspected 213 cases cheese, and 57 packages of butter. Out of this quantity I examined some cheese of the skim type, and butter of the "grocers'" and "dairy" blended type, which was neither wholesome nor palatable, but thoroughly injurious to our dairy trade, and which could only have the effect of curtailing the consumption of the good and pure article, and disgusting the consumers with New Zealand dairy-produce. If no competent legislation existed to prevent such produce being exported without being stamped or branded, so as to distinguish its true character, what would be the result? I venture to every means the practice of making anything but "full-cream" factory cheese and "factory" or "creamery" butter. Otherwise, our dairy interests are in the greatest danger of being permanently damaged. At the risk of reiteration of valuable truths, I extract the following from my last year's annual report, as having a special bearing on the subject at issue :—

"The contest between the countries which are making a specialty of dairy-farming is every year becoming keener. In the fight for supremacy, three factors, all of which are wholly within our own jurisdiction in New Zealand, can be made to bring the best of the trade to ourselves. In the competition for cheaper foods to sustain the great masses of wage-earners in manufacturing centres, the tendency is towards lower prices for several of the principal articles of diet. Our opposite seasons give us a good hold, in that we are competitors only when prices tend to rule highest. The economy which can be carried out in the cost of production, compared with our producing and commercial rivals, and especially in the manufacture of concentrated foods, is an item of the greatest value. The third factor, which will enable us to win success and maintain our place in the foreign markets, is that of producing and exporting only the best quality of goods, and of guarding with zealous care a reputation that all our dairy-products are genuine and pure. The protecting of our dairy factories in their desire to gain a reputation for exporting honest, pure, and fine dairy-products is the only way to enable us to lay a sure foundation upon which to build up a trade of ever-increasing dimensions with a certainty of continued profits. In fact, it would seem to me to be the very essence of commercial folly to allow the colony's name to be held so cheap as it has been during the last few years through the exportation of indifferent dairy-products, by neglecting to take steps to prevent it. Especially is this so when we know that such a step would not be costly to ourselves, and certainly not injurious to the consumers.

"For the above reasons, and in view of the practices in vogue, I would suggest for your careful consideration the expediency of an enactment providing against frauds in the supplying of milk to dairy factories, and to prevent deception in the branding of dairy-products. In fact, any legislation having a tendency to stop the tampering with our dairy-products is of the utmost importance to both consumer and producer. It would have a beneficial effect in extending our export trade and in maintaining the confidence necessary to a large consumption of the products. It is acknowledged that large quantities of mixed farm-made butter have been exported under a brand representing it to be New Zealand "factory" or "creamery" butter. It is also alleged that a considerable quantity of factory cheese, made from milk from which a part of the cream is first extracted, has been shipped Home branded "New Zealand Full-cream Cheese," or without any designating mark to distinguish it other than "Full-cream Cheese." Surely such proceedings are exceedingly harmful to New Zealand dairy interests, and more especially as many of the dairy factories are only emerging from heavy pecuniary difficulties."

heavy pecuniary difficulties." The Act requires amending in the direction of making it compulsory for all cheese and butter, and packages containing the same, for export or not, to be branded before leaving the factory, creamery, dairy, or blending-house, and to prohibit proprietors of factories (whether butter or cheese) from taking in butter from the surrounding settlers for the purpose of having it blended, and packed for export or sale in the colony. Until this is done the Act is too easily evaded. I trust the point will receive due and early consideration.

The Crescent Farm Dairy of Mr. David Doull, Wyndham, Southland, has been declared a factory suitable for the manufacture of cheese under section 6 of "The Dairy Industry Act, 1892," and a certificate issued accordingly. This is a well-built and well-equipped dairy, capable of manipulating the milk of one hundred and fifty cows; and the manufacture of the cheese is intrusted to a competent maker. There were four other applications for certificates to declare certain dairies "factories," but on inspection of buildings, equipments, &c., certificates were refused.

DAIRY ASSOCIATION.

Associated dairying naturally leads to associated marketing. Again I cannot conclude this report without dwelling briefly on the importance of the formation of dairy associations, as the means of promoting our dairy interests. From what has already been done by the Middle Island Dairy Association, the good work such organizations are able to accomplish must be obvious to any careful observer. Indeed, I venture to say the binding of the factories together is one of the most important, if not the most important factor in the success of the industry. In this connection history repeats itself, for on a retrospect of the state of dairying in Denmark and Canada for fifteen or twenty years, it will at once be seen that the industry there was in much the same condition as with us a few years ago. Until dairy associations took the industry in hand, it languished—made

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