

"We should like to be informed beforehand if arrangements being made in New Zealand look like producing more butter than we are taking at present. We should then try to give you an indication whether there was any hope of our being able to take delivery of increased amount, but we should probably be unable to give you any very clear idea, and in any case the risk of any interruption of trade occasioned by the war must remain one to be shared as may be agreed between the parties.

"It is understood further that our marketing arrangements after the war will be a matter for discussion between our two Governments, the object being to arrive by orderly steps at a satisfactory peacetime basis."

GUARANTEED PRICES, 1940-41 SEASON.

The guaranteed purchase prices for butter and cheese manufactured during the 1940-41 season and exported were: Butter (basic price), 14·89d. per pound; and cheese (basic price), 8·42d. per pound. The prices to be paid for the 1941-42 season are the same as those paid for the 1940-41 season.

The detailed prices are as follows:—

Creamery butter—

Finest Grade—

94 points and over: 15·015d. per pound.

93 points and under 94 points: 14·89d. per pound (basic price).

First Grade—

92 points and under 93 points: 14·8275d. per pound.

90 points and under 92 points: 14·64d. per pound.

Second Grade: 14·14d. per pound.

Whey butter—

First Grade: 13·89d. per pound.

Second Grade: 13·39d. per pound.

Cheese—

Finest Grade—

94 points and over: 8·57625d. per pound.

93 points and under 94 points: 8·545d. per pound.

First Grade—

92 points and under 93 points: 8·42d. per pound (basic price).

91 points and under 92 points: 8·3575d. per pound.

Second Grade: 8·17d. per pound.

GUARANTEED F.O.B. (BASIC) PURCHASE PRICES FOR BUTTER AND CHEESE.

Grade.	1936-37 Season.* Butter and Cheese manufactured on and after 1st August, 1936, and exported on or before 31st July, 1937.	1937-38 Season.† Butter and Cheese exported after 31st July, 1937, and which is manufactured on or before 31st July, 1938.	1938-39 Season. Butter and Cheese manufactured from 1st August, 1938, to 31st July, 1939, and exported.	1939-40 Season; 1940-41 Season; 1941-42 Season. Butter and Cheese manufactured from 1st August, 1939, to 31st July, 1940, and exported.
<i>Creamery Butter.</i>				
	Per Pound. d.	Per Pound. d.	Per Pound. d.	Per Pound. d.
<i>Finest Grade—</i>				
93 to 93½ points ..	12·5625‡ ‡ Basic price; equivalent to 106s. 6d. sterling per hundredweight on London market.	13·66‡ ‡ Basic price; equivalent to 115s. sterling per hundredweight on London market.	14·89‡ ‡ Basic price; equivalent to 124s. sterling per hundredweight on London market.	14·89‡ ‡ Basic price; equivalent to 124s. sterling per hundredweight on London market, on basis costs at 1st August, 1939.
<i>Whey Butter.</i>				
First Grade ..	11·5625	12·66	13·89	13·89
<i>Cheese.</i>				
<i>First Grade—</i>				
92 to 92½ points ..	7·0625‡ ‡ Basic price; equivalent to 68s. 3d. sterling per hundredweight on London market.	7·75‡ ‡ Basic price; equivalent to 68s. 3d. sterling per hundredweight on London market.	8·42‡ ‡ Basic price; equivalent to 73s. 6d. sterling per hundredweight on London market.	8·42‡ ‡ Basic price; equivalent to 73s. 6d. sterling per hundredweight on London market, on basis costs at 1st August, 1939.

* It was estimated that the purchase prices originally fixed for cheese for the 1936-37 season (basic price, 6·8125d. per pound) would enable efficient cheese-manufacturing companies to pay, on average, to the suppliers for butterfat 1½d. per pound in excess of the corresponding average payment made by butter-manufacturing companies. The differential of 1½d. per pound butterfat was not realized, and the Government made a further payment to cheese-manufacturing companies of ½d. per pound of cheese. The purchase prices for cheese for the 1936-37 season shown above include this further payment.

† The purchase prices originally fixed for butter and cheese for the 1937-38 season (butter basic price, 13·25d. per pound; cheese basic price, 7·54d. per pound) were increased by 0·41d. per pound for butter and 0·21d. per pound for cheese. The purchase prices for butter and cheese for the 1937-38 season shown above include these price increases.