

(3) *Suppliers' Position for 1946-47 Season in respect of Guaranteed Prices and Farm-costs Allowances:* The following summary shows (a) the items (working and maintenance costs, capital charges, and labour reward) which, less return from pigs, comprise the butter-fat equivalent of the guaranteed price for butter; (b) the farm-costs allowances granted in 1943-44, 1944-45, 1945-46, and 1946-47 and (c) the farm-labour allowances granted in 1944-45, 1945-46 and 1946-47:—

	Per Pound of Butterfat.	
	d.	d.
Working and maintenance costs	5.34	
Farm-costs allowance, 1943-44	0.767	
Farm-costs allowance, 1944-45	0.650	
Farm-costs allowance, 1945-46	0.497	
Farm-costs allowance, 1946-47	0.761	
	2.675	
		8.015
Capital charges (interest)		3.240
Labour reward	9.45	
Farm-labour allowance, 1944-45	1.47	
Farm-labour allowance, 1945-46	0.52	
Farm-labour allowance, 1946-47	0.52	
	2.51	
		11.960
		23.215
Less return from pigs		1.540
Standard average "payout" to suppliers for butterfat for butter-manufacture*		21.675

PREMIUMS FOR QUALITY, AND QUANTITIES OF BUTTER AND CHEESE PAID FOR AT DIFFERENTIAL PRICES

Under the Dairy-produce Export Prices Order 1939 provision is made for additions to or deductions from the basic purchase-prices for butter and cheese according to quality as disclosed by the grading-points awarded to the dairy-produce. This system of price differentials provides a stimulus to the production of dairy-produce of higher quality.

The following tables show for the 1945-46 season the quantities of butter and cheese purchased for export and paid for at the respective differential prices. For comparison purposes the totals for the previous five seasons are also shown.

* In assessing the *actual* estimated average "total payout" (including farm-costs allowances) to be received by suppliers for the 1945-46 season, regard should be had to the fact that the dairy-factory-costs allowances granted in 1943-44 of 0.269d. per pound of butterfat for butter and 0.299d. per pound of butterfat for cheese were in recognition of increases in costs which had already taken place between the 1938-39 and the 1943-44 seasons. Consequently, these payments are reflected in corresponding increases in "payout" to suppliers for the 1943-44 and subsequent seasons. Allowing for this factor, it is estimated that the average total "payout" (including farm-costs allowances) to be received by suppliers for the 1946-47 season will be: for butter-manufacture, 21.8d. per pound of butterfat; and for cheese-manufacture, 23.8d. per pound of butterfat.