

Concurrently with the discussions in London in July, 1946, in respect of butter and cheese, prices and conditions were reviewed, and prices were fixed for the two remaining years of the contracts—namely, 1946–47 and 1947–48 as under:—

Skin-milk Powder : £66 10s. sterling per ton f.o.b., subject to the supply of a minimum of 8,000 tons during 1946–47 and 7,000 tons during 1947–48.

Evaporated Milk : 24s. sterling per case f.o.b. for American standard (each case to contain 48 x 1 lb. tins), subject to the supply of a minimum of 250,000 cases during each of 1946–47 and 1947–48 seasons.

The equivalent of the above prices in New Zealand currency is paid to manufacturers less $\frac{1}{2}$ per cent. to cover the Department's administrative expenses.

The quantities and values of purchases by the Department for the twelve months ended 31st July, 1946, were:—

		Cases.	Weight. Tons.	Value. £
Skin-milk powder	.. ..	159,903	7,225	440,846
Evaporated milk	.. ..	281,388	6,030	382,799

NOTE.—Over half of the skim-milk powder was shipped to India, with lesser quantities to United Kingdom, Egypt, Ceylon, and Italy. Of the evaporated milk, a considerable proportion was shipped to Malaya, with lesser quantities to India, Egypt, and to the British naval base in Australia.

The Food and Rationing Controller's Office gives the following figures of total production of processed milk in New Zealand factories for the calendar year 1945:—

					Tons.
Whole-milk powder	.. ..	.. ..	.. ..	.. ..	3,523
Skin-milk powder	.. ..	.. ..	.. ..	.. ..	9,989
Evaporated milk (unsweetened)	.. ..	.. ..	.. ..	.. ..	6,410
Condensed milk (sweetened)	.. ..	.. ..	.. ..	.. ..	2,814
Malted milk	.. ..	.. ..	.. ..	.. ..	330

CASEIN

The exportable surplus of lactic casein for the 1945–46 season was sold under contract to the United Kingdom Ministry of Supply, and the following were the quantities and value of shipments for the twelve months ended 31st July, 1946 : 8,480 sacks, weighing 552 tons, £39,395.

Negotiations have also been concluded for the sale to the United Kingdom Board of Trade of the total exportable surplus of lactic casein available from the seasons 1946–47, 1947–48, and 1948–49. The estimated quantities to be supplied under this contract are : 1946–47 season, 1,700 tons ; 1947–48 season, 1,900 tons ; 1948–49 season, 1,900 tons ; and the sale price is £100 sterling per ton f.o.b. for each of the three years.

PAYMENTS MADE BY DAIRY-FACTORY COMPANIES FOR BUTTERFAT-SUPPLIES

The following tabulation shows the average butterfat-prices paid to suppliers of butter- and cheese-manufacturing companies.

It should be borne in mind that when making comparison of butterfat payouts of companies it is necessary to take into consideration the location of the factories and special circumstances pertaining to individual companies, as those factors reflect appreciably on manufacturing and transport costs:—