

1922.

NEW ZEALAND.

BUTTER.

TELEGRAMS EXCHANGED WITH LONDON IN CONNECTION WITH THE DISPOSAL OF THE
BUTTER-OUTPUT DURING THE 1920-21 SEASON.

Laid on the Table of the House of Representatives by Leave.

From the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR-GENERAL OF
NEW ZEALAND, dated 29th January, 1920.

My telegram of 23rd January: Food Controller inquires what prices New Zealand producers will be prepared to accept for next season's exportable surplus butter and cheese in the event of His Majesty's Government deciding continue control these commodities after expiration of present contract. Please telegraph reply with the least possible delay.

From His Excellency the GOVERNOR-GENERAL OF NEW ZEALAND to the SECRETARY OF STATE FOR
THE COLONIES, dated 9th February, 1920.

Confidential: With reference to your telegram of 29th January, Prime Minister met representatives of producing interests on 6th February, when following resolution passed: "The Butter and Cheese Committees, having considered the telegram from Imperial Government regarding dairy-produce, wish to inform Prime Minister that in view of the unanimously expressed desire of dairy producers for free markets the Committees are unable to quote prices and reaffirm the decision of the industry to revert at the termination of the contracts to pre-war conditions of disposal of purchase." Prime Minister states that the Committees define a free market as one subject to no restrictions, or, if restrictions are imposed by Imperial Government, one which is in other respects free to the vendors. In view of foregoing, Prime Minister would be glad to learn as early as possibly—Firstly, whether an unrestricted free market will meet with views of His Majesty's Government; secondly, nature of any restrictions likely to be imposed; thirdly, in the event of a free market not being permissible, whether Imperial Government would be prepared to offer to purchase next season's exportable surplus of butter and cheese, and, if so, on what terms.

From the HIGH COMMISSIONER FOR NEW ZEALAND, London, to the Right Hon. the PRIME MINISTER,
Wellington, dated 30th March, 1920.

Butter: With reference to your telegram of the 10th February: On 17th March received letter from Ministry of Food to the effect that they desired to negotiate for exportable surplus New Zealand butter between 1st September, 1920, and 31st August, 1921, and requesting me ascertain price at which producers would be prepared to sell. In view of your telegram of the 10th February, and telegram to Colonial Office, 9th February, I requested official reply from Ministry of Food on the three points raised in both telegrams. They replied to the effect that: Firstly, unrestricted free market will not meet view of Imperial Government; secondly, existing restrictions on imports will be continued—namely, that imports on private account will not be authorized, and that distribution down to retailers at fixed price will be continued; thirdly, Ministry asks for terms on which producers are willing to sell.

From the Right Hon. the PRIME MINISTER, Wellington, to the HIGH COMMISSIONER FOR NEW ZEALAND,
London, dated 17th April, 1920.

Butter: With reference to your cable of 30th March, Dominion Butter Committee discussed views Ministry of Food with me to-day, and after full consideration of these request that producers should be allowed to ship their produce through the usual channels, even if only benefit of fixed price to consumers can be obtained. As an alternative, Committee requests that Ministry of Food accept the produce, and allow full fixed retail price subject to the usual charges for distribution, provided this is not less than highest price paid for butter purchased elsewhere by Ministry of Food.

From the HIGH COMMISSIONER FOR NEW ZEALAND, London, to the Right Hon. the PRIME MINISTER,
Wellington, dated 28th April, 1920.

Butter: With reference to your telegram 19th April, I have now received reply from Ministry of Food to the effect that while it has been decided in interest of consumers in this country to continue purchase and control of imported butter as long as shortage in supply continues, it is not contemplated offer New Zealand producers lower prices for their summer makes of butter than will be offered to Danish and Dutch producers for their summer production. Ministry states that no contract has been made yet with either Denmark or Holland for the summer months, but it is expected that price paid to those countries by the Ministry will approximate very closely to the maximum retail price, less charges for freight, storage, distribution, &c. Present maximum price of Government controlled butter 3s. per pound retail.