

From the HIGH COMMISSIONER FOR NEW ZEALAND, London, to the Right Hon. the PRIME MINISTER, Wellington, dated London, 6th August, 1920.

Butter: With reference to your telegram of 29th July, have again approached Ministry of Food and placed before them requests of producers for free market. Food Controller reiterates impossibility of granting free and uncontrolled market before next spring, but states that Ministry of Food would contemplate payment of price for butter on parity with price now being obtained for New Zealand cheese on free market. Food Controller trusts that New Zealand Government will now invite producers to submit definite offer to Ministry on this basis.

From the SECRETARY OF STATE FOR THE COLONIES to His Excellency the ADMINISTRATOR OF THE GOVERNMENT OF NEW ZEALAND, Wellington, dated London, 18th August, 1920.

With reference to my telegram of 9th August: In view of representations of High Commissioner, and in order to encourage production of butter, Food Controller now makes following final offer for exportable surplus New Zealand butter to be delivered to store in New Zealand at the 31st January, 1921: For butter graded 88 points and over, £14 per hundredweight f.o.b.; for butter graded below 88 points, price to be reduced by 1s. 6d. per hundredweight for each point below 88.

From the HIGH COMMISSIONER FOR NEW ZEALAND, London, to the Right Hon. the PRIME MINISTER, Wellington, dated 18th August, 1920.

Butter: With reference to my telegram of the 6th August, I met Food Controller yesterday and took the opportunity of questioning him regarding his offer of fixed prices on parity with that of New Zealand cheese. Also asked whether Ministry would agree to increase fixed price if higher price were subsequently paid for other butters. Controller replied that there were difficulties in the way, but promised to communicate proposition to me. This I await; but this morning have received letter stating that almost coincident with my visit Ministry received strong intimation that New Zealand producers would accept £14 for exportable surplus still unsold, and advised that Ministry cabled New Zealand last evening as follows: "In view of High Commissioner's representations and for encouragement butter-production Imperial Government Food Controller finally offers following price for exportable surplus New Zealand butter to be delivered store in New Zealand up to 31st January, 1921: For butter graded 88 points and over, price of £14 per hundredweight f.o.b.; for butter graded below 88 points, price to be reduced by 1s. 6d. for each point below 88." Food Controller would be glad of any assistance in securing definite settlement.

From the Right Hon. the PRIME MINISTER, Wellington, to the HIGH COMMISSIONER FOR NEW ZEALAND, London, dated 26th August, 1920.

Butter: With reference to your telegram of 18th August, met Dominion Butter Committee on 25th August, and was informed that Committee will recommend New Zealand producers accept prices set out in the Imperial Government's offer, including existing terms of payment, storage, &c., provided term of contract is extended to cover butter manufactured to 31st March, 1921, and that free and unrestricted market in the United Kingdom is granted for New Zealand butter manufactured after that date. Producers also require that sales and contracts made or entered into with buyers in America and Canada prior 21st August, 1920, be allowed to be completed, estimated total quantity covered by such sales and contracts being 2,000 tons. In view of protracted nature of negotiations, Secretary of State for the Colonies has been advised that New Zealand Government would appreciate early reply, if possible within seven days.

From the SECRETARY OF STATE FOR THE COLONIES to His Excellency the ADMINISTRATOR OF THE GOVERNMENT OF NEW ZEALAND, dated 27th August, 1920.

With reference to your telegram of 26th August: His Majesty's Government agree to extend offer to cover butter delivered to stores in New Zealand up to 31st March next, and raise no objection to completion of contracts made prior to 21st August with United States and Canadian buyers. Subject to unforeseen contingencies, free market contemplated in respect of exportable surplus after 31st March.

From His Excellency the ADMINISTRATOR OF THE GOVERNMENT OF NEW ZEALAND to the SECRETARY OF STATE FOR THE COLONIES, dated 22nd September, 1920.

Your telegram of 27th August: Prime Minister met Dominion Butter Committee to-day and was informed that producers—Firstly, accept the prices set out in the offer of Imperial Government, including existing terms of payment, storage, &c., for butter manufactured up to 31st March, 1921; secondly, note that contracts made prior to 21st August with the United States of America and Canadian buyers may be completed; thirdly, request that in the event of the unforeseen circumstances mentioned arising and preventing the granting of a free market after 31st March, 1921, then the Imperial Government will give the New Zealand producers equal treatment with Irish and English producers of dairy-produce; fourthly, that the Prime Minister strongly supports this request and asks for urgent reply by telegraph. Committee would appreciate reply within one week from this date.

From the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR-GENERAL OF NEW ZEALAND, dated 27th September, 1920.

Butter: 27th September: With reference to your telegram of 22nd September, following from Food Controller: "His Majesty's Government do not at present anticipate continuance of control of imported butter will be necessary after expiration of contract now made, but if unforeseen circumstances should arise necessitating retention of control fullest possible consideration will be given to request of New Zealand producers for equal treatment with Irish and British producers."