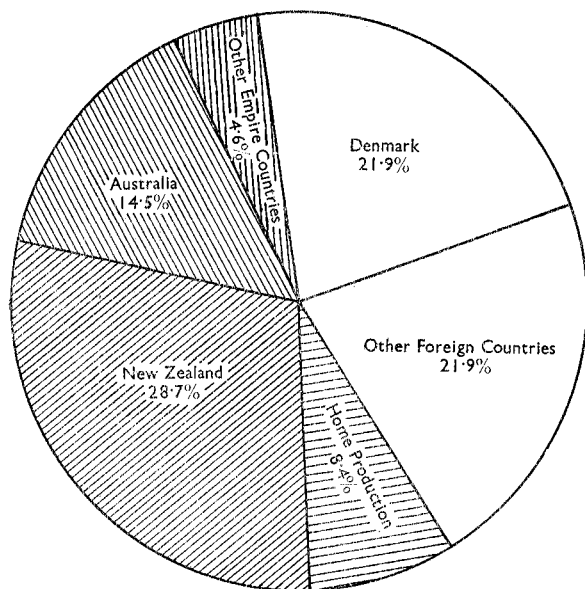


DIAGRAMS SHOWING THE SOURCES OF SUPPLY OF BUTTER AND CHEESE AVAILABLE FOR CONSUMPTION IN UNITED KINGDOM IN 1937.

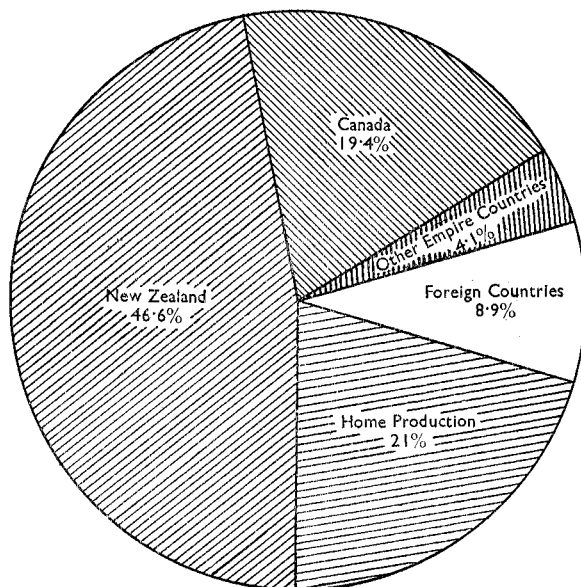
BUTTER.



BUTTER.

New Zealand	-	147,548	tons
Australia	-	74,597	"
Other Empire Countries	-	23,383	"
Denmark	-	112,825	"
Other Foreign Countries	-	112,464	"
Home Production	-	43,000	"
		<u>513,817</u>	<u>tons</u>

CHEESE.



CHEESE.

New Zealand	-	86,539	tons
Canada	-	36,114	"
Other Empire Countries	-	7,599	"
Foreign Countries	-	16,593	"
Home Production	-	39,000	"
		<u>185,845</u>	<u>tons</u>

SUPPLIES OF BUTTER AVAILABLE IN THE UNITED KINGDOM IN 1937.

The production of butter in the United Kingdom in 1937 has been estimated to be 43,000 tons, or 7,000 tons below 1936. Total imports of butter into the United Kingdom in 1937 were 3 per cent. less than the previous year's record figure and the smallest in any year since 1933.

Imports of butter from Empire countries declined in 1937 by 4 per cent. compared with imports in 1936. Imports from Empire countries in 1937 amounted to 52 per cent. of the total imports, compared with 53 per cent. in 1936.

New Zealand in 1937 supplied 31 per cent. of the total imports of butter into the United Kingdom, Denmark 24 per cent., and Australia 16 per cent.

The table shown on page 22 gives United Kingdom estimated butter-production, net imports yearly from 1930 to 1937, and consumption of butter in relation to consumption of margarine. The graph shown on page 21 gives the source of supply of butter consumed in the United Kingdom.

Imports from the *Empire countries* for the eight months ending August, 1938, the latest date for which figures are available, were just over 3,600 tons lower than in the previous year. A decrease of almost 9,000 tons in imports from New Zealand was offset by an increase of just about the same quantity from Australia, but adverse weather conditions reduced South African imports by 2,700 tons, and imports from Eire were lower by 750 tons. *Foreign supplies*, on the other hand, increased by nearly 10,000 tons, notwithstanding a complete absence of imports from Russia, from which source 10,500 tons were received in the same period of 1937. The following substantial increases were recorded: Denmark, 4,300 tons; Sweden and Finland, 5,800 tons; Latvia, Lithuania, and Estonia, 6,700 tons; Poland, 5,800 tons. As imports into Germany in the same period increased by over 7,000 tons compared with 1937, it is clear that the higher price level of the last two seasons has substantially stimulated production in the European exporting countries, and that, notwithstanding dry weather in Denmark and Northern Europe in the early spring, climatic conditions, on the whole, have been quite favourable.

For the first eight months of 1938, latest available figures indicate that the weekly consumption of butter has fallen by approximately 470 tons, compared with the first eight months of 1937, while the weekly consumption of margarine has increased by about the same amount. This may be attributed to the higher retail prices of butter, a declining tendency in purchasing power, and a very intensive national advertising and sales campaign by margarine-manufacturers.