

COMPARISON OF COSTS OF MARKETING CHEESE.

Charges Items.	Costs under Old System.		Costs under Present System.	
	s. d.	s. d.	s. d.	s. d.
Sale value (per cwt. sterling)	..	68 6	..	68 6
Less—				
Port dues, &c.	1 2		1 2	
Commission	1 8.55*		1 4.5†	
Discount (2d. in the pound)	0 6.85		0 6.85	
London interest (5s. per cent.)	0 2.055		..	
Freight	6 2.327		..	
Insurance	0 1.834		..	
		9 11.616		3 1.35
		58 6.384		65 4.65
Plus—				
Exchange	..	13 9.762		15 8.316
Less—				
		72 4.146		81 0.966
Freight ‡	..	..	7 7.74	
Insurance ‡	..	..	0 2.16	
				7 9.90
				73 3.066
Interest on overdraft and cost of remittances to dairy companies	..	..		0 3
Net return, New Zealand currency	..	72 4.146		73 0.066
				72 4.146
Increase in net return, represented by savings in marketing costs	..	..	..	0 7.920

Summary of Savings in Marketing Costs under the Present System.

Gains—	Per Cwt. d.
Commission	4.05
London interest	2.055
Exchange	4.815
	10.920
Less interest on overdraft and cost of remittances to dairy companies	3.000
	7.920

* Commission, 2½ per cent.
New Zealand to London.

† Commission, 2 per cent.

‡ Rates in sterling, plus exchange on remittance,

SHIPPING.

In last year's report mention was made of the policy of the Department for ensuring greater regularity in arrivals of consignments of butter and cheese in the United Kingdom. It was pointed out that freight contracts are only made possible by co-operation between the dairy and other exporting industries, particularly the meat and fruit industries. Consideration has also to be given to the requirements of New Zealand importers, whose goods have to be discharged at ports of destination before the export loading itineraries can be finalized. It is pleasing to record that the shipping programme for the 1937–38 season, which was designed to give monthly arrivals in the United Kingdom of quantities of butter and cheese to suit market requirements, has been carried out in a satisfactory manner. The extent of the possible regulation of shipments is necessarily somewhat limited, because there are sixteen ports of loading in the Dominion for overseas vessels, five of these being roadstead ports, where the risk of delay is considerable.

During the season 111 vessels loaded dairy-produce in the Dominion for the United Kingdom. Of these, 60 discharged at London, the remaining 51 discharging at one or more of the following ports: Cardiff, Avonmouth, Liverpool, Manchester, Glasgow, Southampton, Hull, and Newcastle-on-Tyne. Many of these latter vessels also discharged dairy-produce at London.