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THE BRITISH CRISIS.

NOTES OF INTEREST.

Danish Dairy Produce.

Negotiations between the British Government and Denmark have broken down on prices asked by the Danish Government. The increases requested were as follows:—

Butter, from 242s. to 341s. 6d. per cwt.
 Bacon, from 161s. to 235s. per cwt.
 Eggs, from 17s. 6d. to 26s. per 120 eggs.

The Danish Government has reluctantly indicated that it must now turn to countries who are willing to pay these costs of production, and a trade treaty is already announced with Czechoslovakia, whereby Denmark is to send butter, lard, eggs and cattle in exchange for machinery and milk products, and it is suggested that arrangements are under way with Poland for dairy produce in exchange for coal, with Switzerland for machine tools, with Belgium for coal and steel, and with Finland for timber. Denmark has also turned to Russia to obtain an export market for Danish butter and an agreement has been concluded under which Denmark supplies Russia with 6,000 tons of butter at 3s. 4d. per lb. (373s. 4d. per cwt.). In return, Russia has undertaken to supply 6,000 tons of rye and 40,000 tons of barley to Denmark. Further arrangements with respect to bacon exports are expected to be announced shortly. These prices are very materially higher than those indicated by New Zealand, Australia and Canada for future supplies of these commodities.

It is understood that the Ministry of Food's offer was as follows:—

Butter	..	..	..	..	..	252s. per cwt.
Bacon	..	..	..	..	..	172s. per cwt.
Eggs	..	..	..	..	..	22s. 6d. per 120

In addition to these prices for two years, the Ministry offered to guarantee to support prices for a third year for quantities to be agreed.

Consumption of Liquid Milk in the United Kingdom.

The marked expansion in the use of liquid milk appears to be continuing, and in this regard recent statistics issued by the Milk Marketing Board have more than passing interest. In comparison with 1938-39, a typical pre-war year, when the liquid milk consumption was 767 million gallons, the figures of the last five years show the following comparisons:—

Sales of Milk for Liquid Consumption.

Year Ending September.						Million gallons.
1943	..	..	..	..	..	1,017
1944	..	..	..	..	..	1,048
1945	..	..	..	..	..	1,071
1946	..	..	..	..	..	1,132
1947	..	..	..	..	..	1,157

Prior to the war, the consumption was estimated at 0.43 pints daily, but has now reached 0.67 pints, an increase of more than 50 per cent. Part of this growth in milk consumption has been due to expanded sales of cheap milk under the milk in schools scheme and National Milk Scheme. In 1938-1939 milk supplied under these schemes only amounted to about 25 million gallons, whereas in the year just closing it will exceed 200 million gallons.

Holland.

Holland is making appreciable progress in the shipment of food-stuffs to the United Kingdom, although a rather dry season has been associated with the generally good summer. Under the present agreement, she is shipping to the United Kingdom by the end of the year:—

4,000 Metric tons of cheese.
3,000 Tons of condensed milk.
650 tons of milk powder.
900 Tons of bacon.
90 Million eggs.

Although these quantities are significant, they represent only a modest proportion of the corresponding pre-war figures.

Food Subsidies.

In answer to an enquiry in Parliament as to how the anticipated total to be spent on food subsidies during the current financial year will be distributed amongst commodities, the Minister of Food announced that up to April, 1948, it is estimated that subsidies will total £392,000,000 to be applied as follows:—

	£ Millions.
Bread and flour	77.2
Eggs, fresh, frozen and dried	21.7
Meat and livestock	53.0
Milk	28.0
Potatoes	26.5
Sugar	24.3
Cheese	23.4
Butter	26.0
Margarine, cooking fats and oils	3.1
Bacon and ham	16.7
Tea	3.1
National Milk and Milk-in-Schools' Schemes	33.4
Other Welfare Schemes	3.6
Animal feeding stuffs	42.7
Fertilisers	8.2
Contribution to cost of New Zealand Government Stabilisation Policy in respect of food production	4.0
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	394.9
Sundry commodities showing surpluses	2.9
	<hr/>
	392.0