

## GUARANTEED PRICES, 1938–39 SEASON.

The guaranteed purchase prices for butter and cheese manufactured during the 1938–39 season and exported, were: Butter (basic price) 14·89d. per pound and cheese (basic price) 8·42d. per pound. The prices to be paid for the 1939–40 season are the same as those paid for the 1938–39 season.

The full range of f.o.b. purchase prices fixed for each season to date since the inception of the guaranteed-prices system is as follows:—

Grade.	1936-37 Season.* Butter and Cheese manufactured on and after 1st August, 1936, and exported on or before 31st July, 1937.	1937-38 Season.† Butter and Cheese exported after 31st July, 1937, and which is manufactured on or before 31st July, 1938.	1938-39 Season. Butter and Cheese manufactured from 1st August, 1938, to 31st July, 1939, and exported.	1939-40 Season. Butter and Cheese manufactured from 1st August, 1939, to 31st July, 1940, and exported.				
Creamery Butter.								
Finest grade— 94 points and over 93 to 93½ points ..	Per Pound. d. 12·6875 12·5625‡ (basic price) ‡Equivalent to 106s. 6d. sterling per hundredweight on London market.	Per Pound. d. 13·785 13·66‡ (basic price) ‡Equivalent to 115s. sterling per hundredweight on London market.	Per Pound. d. 15·015 14·89‡ (basic price) ‡Equivalent to 124s. sterling per hundredweight on London market.	Per Pound. d. 15·015 14·89‡ (basic price). ‡ Equivalent to 124s. sterling per hundredweight on London market, on basis costs at 1st August, 1939.				
First grade— 92 to 92½ points .. 90 to 91½ points ..	12·5 12·3125	13·5975 13·41	14·8275 14·64	14·8275 14·64				
Second grade ..	11·8125	12·91	14·14	14·14				
Whey Butter.								
First grade .. Second grade ..	11·5625 11·0625	12·66 12·16	13·89 13·39	13·89 13·39				
Cheese.								
Finest grade— 94 points and over 93 to 93½ points ..	7·21875 7·1875	7·90625 7·875	8·57625 8·545	8·57625 8·545				
First grade— 92 to 92½ points ..	7·0625‡ (basic price) ‡Equivalent to 63s. 3d. sterling per hundredweight on London market.	7·75‡ (basic price) ‡Equivalent to 68s. 8d. sterling per hundredweight on London market.	8·42‡ (basic price) ‡Equivalent to 73. 6d. sterling per hundredweight on London market.	8·42‡ (basic price) ‡Equivalent to 73s. 6d. sterling per hundredweight on London market, on basis costs at 1st August, 1939.				
91 to 91½ points .. Second grade ..	7·00 6·8125	7·6875 7·50	8·3575 8·17	8·3575 8·17				
Premiums.								
Unsalted butter .. Coloured cheese .. Deep-coloured cheese .. Waxed cheese ..	2s. 4d. per hundredweight 6d. per crate 1s. 5d. per crate 4½d. per crate	3s. 4d. per hundredweight 6d. per crate 1s. 5d. per crate 4½d. per crate	3s. 8d. per hundredweight 6d. per crate 1s. 5d. per crate 4½d. per crate	3s. 8d. per hundredweight. 6d. per crate. 1s. 5d. per crate. 4½d. per crate.				
Deductions.								
	Butter, per Box. d.	Cheese, per Crate. d.	Butter, per Box. d.	Cheese, per Crate. d.	Butter, per Box. d.	Cheese, per Crate. d.	Butter, per Box. d.	Cheese, per Crate. d.
Insurance to f.o.b. .. Dairy Board levy ..	0·68 1·12	1·07 1·63	0·69 0·56	1·085 0·815	0·565 0·56	0·935 0·815	0·60 1·12	0·96 1·63
Average Payments by Dairy Companies for Butterfat Supplies.								
	Pay-out, per Pound Butterfat. d.	Pay-out, per Pound Butterfat. d.	Pay-out, per Pound Butterfat. d.	Pay-out, per Pound Butterfat. d.	Pay-out, per Pound Butterfat. d.	Pay-out, per Pound Butterfat. d.	Pay-out, per Pound Butterfat. d.	Pay-out, per Pound Butterfat. d.
For buttermaking .. For cheesemaking (in- cluding whey butter)	13·558 15·176	14·81 16·39	16·199 18·060	15·88 (est.) 17·88 (est.)				

\* It was estimated that the purchase prices originally fixed for cheese for the 1936–37 season (basic price, 6·8125d. per pound) would enable efficient cheese-manufacturing companies to pay, on average, to the suppliers for butterfat 14d. per pound in excess of the corresponding average payment made by butter-manufacturing companies. The differential of 1½d. per pound butterfat was not realized, and the Government made a further payment to cheese-manufacturing companies of ½d. per pound of cheese. The purchase prices for cheese for the 1936–37 season shown above include this further payment.

† The purchase prices originally fixed for butter and cheese for the 1937–38 season (butter basic price, 13·25d. per pound; cheese basic price, 7·54d. per pound) were increased by 0·41 per pound for butter and 0·21d. per pound for cheese. The purchase prices for butter and cheese for the 1937–38 season shown above include these price increases.

The conversion formulæ used in the determination of the 1939–40 season prices shown above are—

*Butter.*  
Over-run .. 21·75 per cent.  
Costs of manufacture and delivery to f.o.b. } 2·25d. per pound butterfat.

*Cheese.*  
Yield .. 2·51 gross.  
2·45 net.  
Return from whey butter 0·75d. per pound butterfat.  
Costs of manufacture and delivery to f.o.b. } 3·5d. per pound butterfat.