

The fund of 2,000,000 kr. so created has been placed at the disposal of a committee who are authorized to buy in any week that portion of the output which is considered to be surplus to the normal requirements of the British market, and to dispose of this butter, either by storing for future requirements or by distribution locally to the unemployed and other needy people in Denmark.

Early in July the committee declared their intention to buy butter which could not be marketed through the ordinary channels at 62s. or more per hundredweight f.o.b. No butter, however, was actually purchased then by the committee, as the whole output was sold at not less than the minimum price.

One further measure deserves mention, although it has only an indirect bearing on dairy-produce. In view of a material restriction of Denmark's export markets for cattle and beef, a scheme has been in force since 1932 for the destruction of cattle at fixed prices and a considerable proportion of the number so slaughtered has consisted of old dairy cows. Approximately 130,000 animals were slaughtered under the scheme in 1933 and some 74,000 in the first six months of 1934.

Present rate of exchange	..	22.40 kroner to £1 sterling ; 100 ore equal 1 kroner.
Par of exchange	..	18.159 kroner to £1 sterling.

ESTONIA.

Measures to offset the low prices to which Estonian butter had fallen were contained in a law passed in January, 1934. Under this law the price of butter was fixed at 1.50 kr. per kilogram, and in order to maintain this price a fund was created financed by moneys transferred from various special funds and from general state revenues.

It was provided that if the price of butter fell below 1.50 kr. the difference between the market price and the fixed minimum price of 1.50 kr. would be computed each month by a Commission consisting of representatives of the Ministry of Agriculture, the Ministry of Finance, and the State Audit Department. This sum would be paid to producers of butter every month, the creameries being obliged to pass on this payment to them.

In order to secure and maintain foreign markets the Minister for Agriculture was empowered to fix the amounts which exporters must sell on each separate market. The Government can withhold export bounties from butter-exporters who do not comply with these conditions.

From the 16th May, 1934, the guaranteed price was lowered to 1.20 Est. kr. per kilogram, and on the 16th July to 1.10 kr., the latter price to rule until the 15th October, 1934.

Present rate of exchange	..	..	..	18.75 kroner to £1 sterling.
Par of exchange	..	..	..	18.16 kroner to £1 sterling.

FINLAND.

Under the law of 21st December, 1932, a price stabilization bounty of 3 marks per kilogram was paid if the wholesale price of butter did not exceed 20 marks per kilogram. If the price of butter exceeded 20 marks but was below 23 marks per kilogram, the bounty paid was to equal the amount by which the wholesale price fell short of 23 marks.

In order to obtain this bounty exporters must present to the Export Customs House certificates of export issued by the State Butter Control Board, containing information regarding the origin of the butter, its suitability for export, net weight, number of packages, and the amount of the bounty. The bounty is not paid until the Customs House has certified that the goods entered on the certificate have been exported.

The amount of the bounty is determined by the Board of Agriculture, which fixes each week a wholesale price for butter calculated on the Copenhagen quotation, and adjusted according to the scale of prices in Finland.

In January, 1934, the bounty was raised from 3 to 5 marks per kilogram, and in February it was again raised to 6.50 marks per kilogram.

Imports of butter into Finland were prohibited on 28th February, 1934, as were also imports of margarine, lard, and fat. In order further to stimulate the domestic consumption of butter it was proposed to close the State margarine factory and to reduce the amount of margarine produced by private concerns, with the aim of reducing the total production of margarine from 6,000 to 3,000 metric tons per annum. In addition, a tax on margarine was proposed as a means of obtaining the funds necessary for the export bounties on butter.

A law of 14th April, 1934, gave power to the State Council to increase the duties on certain articles up to four times the basic rate. The commodities affected included butter, margarine, raw fat, and lard. In pursuance of this law the import duty on butter was raised from 5 to 12 marks per kilogram. Further assistance for the Finnish dairy industry was expected from the operation of the trade agreement with Germany which was approved in April and was believed to contain stipulations referring to export facilities for Finnish dairy-produce.

Present rate of exchange	..	..	..	..	226 marks to £1 sterling.
Par of exchange	..	..	..	..	193.23 marks to £1 sterling.

LATVIA.

By a decree issued in August, 1930, a sum of money was set aside for the payment of bounties to butter-producers. Under this plan the Ministry of Agriculture were to award bounties to producers for milk delivered to dairies making butter for export.

A further law affecting the butter industry was passed in June, 1932, under which the State guaranteed to butter-producers a fixed price of Ls.2.50 per kilogram for first-grade butter and