

The capital is divided into 36 shares of £1 each, and is allocated as follows :—

Queensland	..	..	..	..	..	..	8 "A."
New South Wales	..	..	..	..	..	..	8 "B."
Victoria	..	..	..	..	..	..	8 "C."
Tasmania	..	..	..	..	..	..	4 "D."
South Australia	..	..	..	..	..	..	4 "E."
West Australia	..	..	..	..	..	..	4 "F."

The articles of association provide for not less than nine and not more than eighteen directors, who must be members of the Dairy-products Boards in their respective States. Pending the setting-up of these Boards in some of the States, however, special arrangements are made for representation. The first directors of the company are set out in clause 38 of the articles. They are twelve in number, and consist of four directors each for the "A," "B," and "C" groups. Under the heading of "Occupation," they are classified as follows : four dairy-farmers, one freeholder, one President of the Primary Producers' Union, two manufacturers, two company-managers, one secretary, and one solicitor. No member may hold more than one share.

To participate in the benefits of the scheme, each dairy company is required to enter into an agreement with the Equalization Committee, and the agreements do not become effective until they have been signed by companies representing 50 per cent. of the total quantity of dairy-produce manufactured in the Commonwealth for the year ended 30th June, 1933.

The agreement gives the Committee power to make a levy on the dairy companies for (i) administrative purposes, (ii) the establishment of a reserve fund, and (iii) the establishment of a Commonwealth fund for equalization purposes. For the first two objects, the levy cannot exceed in either case 2d. per hundredweight of butter and 1d. per hundredweight of cheese.

The Committee is given power to make payments to or reclamations from dairy companies to ensure "equal returns in respect of the dairy-produce consigned overseas and/or sold on any market in each month." Each dairy company is allotted a quota for the local market. Where this quota is exceeded, the surplus of the higher price is paid into the Commonwealth Equalization Fund, and this fund is utilized to make up the payments of dairy companies who have not reached their local market quota.

The dairy companies undertake to furnish, not later than the 10th day of each month, a highly detailed statement under twelve headings showing how the previous month's make has been disposed of. The Committee has power to appoint an officer to inspect the books of any contracting dairy company.

The basis used by the Committee in the process of equalizing payments to dairy companies is as follows :—

- (a) For intra-State and inter-State sales—At the price fixed by the Committee :
- (b) For Great Britain—The Committee first takes the average of the prices ruling in London for Australian shipments between the 7th and 14th day following the arrival of each shipment. With this as a basis, the Committee determines the general average price for all shipments of dairy-produce from each State during the month.

There are also special provisions relating to butter held in store for local trade, cheese reserved for maturing, sales under the heading of ships' stores, &c.

The agreement continues in force for three years, and each party covenants "that it shall not do, or permit or suffer to be done, any act, deed, or thing inconsistent or at variance with" the agreement.

CANADA.

The seriousness of the national and industrial problems confronting the dairying industry led in March, 1934, to the formation in Canada of the Canadian Dairy-farmers' Federation. The purpose of the federation is to effect joint action on the part of dairy-farmers in the solving of their pressing problems, to establish contact with similar organizations in other Dominions, such as Australia and New Zealand, and to co-operate with the Provincial and Federal Governments in Canada in promoting the development of the industry on sound lines. This federation is urging that legislation be enacted to provide for the setting-up of a Dairy Produce Board similar to the Boards that are in operation in New Zealand and Australia.

SOUTHERN RHODESIA.

The Dairy Industry Control Act, 1931, provided for the establishment of a Board, to be known as the Dairy Industry Control Board, with power, *inter alia*, to make regulations governing the export of butter and cheese from the colony, and to function in the co-ordination of the production, manufacture, and marketing of dairy-produce.

UNION OF SOUTH AFRICA.

Legislative authority is provided in the Union of South Africa for the establishment of a Board with similar powers and functions.