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BUTTER

United Kingdom

Imports into United Kingdom:	1930 (Cal. Year)	
	<u>Cwt. 112 lbs.</u>	<u>£</u>
From Denmark	2,318,525	17,102,544
New Zealand	1,564,436	10,785,724
Australia	950,582	6,017,014
Irish Free State	521,965	3,275,412
Argentina	414,050	2,574,220
Canada	210	1,466
Total from all countries:	<u>6,821,620</u>	<u>46,869,697</u>

Exports from Canada to United Kingdom: 1930 (Cal. Year)
117 cwt. \$ 3,266

1931 (Cal. Year)
86,569 cwt. \$1,815,801

Canadian Production 271,485,574 lbs. \$77,759,849

British Tariff Free - 10%

Remarks: Canada's chief competition in U.K. market is Denmark, which supplies 30.56% of the imports. New Zealand supplies 23.96%; Australia 19.51%; and Canada 0.96%.

On balance, Canada is an exporter of dairy products; the volume available for export of any one dairy product in a given year depends on its price relation to the other dairy products. If the price of cheese is relatively higher than that of butter, as it now is, milk will be diverted from the making of butter to that of cheese.

Canada should be able, on relatively short notice, to produce 50% more butter than at present.

Recommendation:

It is very desirable, from the long range point of view, that a substantial preference be granted, with B.P. rate free. It is essential that the cheese and butter tariffs be comparable.