

CHEESE

United Kingdom

099516

Imports into United Kingdom:

|                                 | 1930 (Cal. Year)        |                          |
|---------------------------------|-------------------------|--------------------------|
|                                 | <u>Cwt. 112 lbs.</u>    | <u>£</u>                 |
| From New Zealand                | 1,960,901               | 7,821,834                |
| Netherlands                     | 193,076                 | 673,741                  |
| Italy                           | 144,650                 | 692,022                  |
| Australia                       | 47,685                  | 174,439                  |
| Canada                          | 678,294                 | 2,699,918                |
| <b>Total from all countries</b> | <b><u>3,112,316</u></b> | <b><u>12,602,974</u></b> |

Exports from Canada to United Kingdom:

74,269,700 lbs. \$12,101,593

Canadian Production:

119,105,203 lbs. \$13,089,670

British Tariff:

Free - 10%

Remarks: Canada supplies 24.5% of the United Kingdom market. Chief competition is New Zealand, which supplies 60.03% of that market.

Our cheese of excellent quality and usually commands a premium in price. In 1931 the average of the official weekly London quotations for Canadian cheese exceeded those of the New Zealand product by 2.3 cents per lb.

A preference in the United Kingdom on butter and dairy products, other than cheese, would tend to divert milk in non-Empire countries from the manufacture of cheese to the manufacture of butter and other dairy products.

A preference on other dairy products and not on cheese would increase competition on cheese from non-Empire countries and tend to throw the cheese business to them.

Recommendations:

Present preference of 10% with B.P. rate free in United Kingdom is sufficient and should be retained. Since about 85% of the cheese used in the United Kingdom is imported free of duty from Empire countries, the retention of this preference would not increase the cost to the British consumer.

This is based on the opinion of the National Dairy Council and the Dominion Department of Agriculture.