

The following extract from the official "Journal of the Conference" gives a report of the discussion on the resolutions :—

CO-ORDINATION IN RESPECT OF DAIRY-PRODUCTS.

THE PRESIDENT said that there were two proposals before the Sub-Commission : (1) The proposal of the Polish delegation (document Conf. M.E./C.E. 74) which dealt only with the butter market and (2) The proposal of the Italian delegation (document Conf. M.E./C.E. 82) which dealt with all dairy-products, and also with cereals and edible fats. The latter proposal was wider in scope, and he would open the general discussion on the larger questions.

M. PAGANI (Italy) explaining the Italian proposal, said that dairy-products could not be considered apart from other agricultural products, especially cereals. He did not think that there was any real need for the creation of a new organization. There already existed at Rome the International Institute of Agriculture, and there was also the International Dairy Federation of Brussels which dealt particularly with milk and milk products. In view of these facts, some difficulty might be experienced in connection with the appointment of a Council or any additional body. He hoped that any inquiry into existing difficulties might receive the assistance of the Economic Committee of the League of Nations.

M. ROSE (Poland) said that the Polish proposal was for the creation of an international organization of representatives of countries which exported dairy-produce with a view to the improvement of marketing conditions. The dairy-products industry was almost as important as the wheat industry, and agriculture in general was in many cases dependent upon conditions in that industry, which was, however, less well organized on an international basis than was the case with—*e.g.*, timber, wine, and sugar. The Rome Institute was not specially concerned with the improvement of marketing conditions in the butter industry, and the Brussels Federation was more particularly concerned with technical matters. He did not oppose the Italian proposal, but thought that there was a real need for an organization to reduce competition between exporters. The results of this competition were abnormal, even where no quota system existed, and, where quotas did exist, competition reduced prices without increasing exports, which was an absurd result. The proposed body would undertake the preparatory work which had already been done in the case of other products. He would suggest the appointment of a sub-committee composed of representatives of the exporting countries concerned to discuss the need for such an organization, the powers to be given to it, and the question whether it should deal only with butter or also with other products.

M. DE WOCHENFELT (Sweden) supported the Polish resolution. The immediate results might perhaps not be very great, but no methods could be disregarded which might improve the existing situation. He thought that the Brussels Federation, which had done very valuable research work, should be taken into account when considering the creation of the proposed Council, and this observation applied also to the Federation of National Dairy Councils. It was important to avoid overlapping, and the proposed new body should confine itself to the commercial side of the problem.

The present difficulties were due largely to decreased consumption and bad distribution, and he therefore proposed that Section I of Document M.E./C.E. 74 should read "of studying the means of *improving the distribution of butter throughout the world and of reducing, &c.*" and that the words "*and regulations for the marketing of butter*" should be inserted at the end of Section I (3).

He thought it would be better not to decide at present what classes of persons should be chosen as members of the proposed Council, and suggested that the words "from among the persons . . . dairy products" should be deleted from Section II.

M. BEHRENS (Denmark) considered that the most important remedy was to provide for an increase in purchasing-power. If, however, other producing countries agreed to form a Council to inquire into the possibility of improving the present position, his country would be willing to co-operate.

With regard to the Italian proposal that other products as well as dairy-products should be considered, he thought this matter would best be dealt with by the proposed sub-committee.

M. NEDERBRAGT (Netherlands) said that his country, which was a big exporter of dairy-products, supported the Polish proposal. He considered it essential that the proposed Council should contain representatives of all the large exporting countries. It was essential to avoid overlapping, and he supported the Swedish proposal on this point. It was important that the meeting place selected for the proposed Council should be at the centre of the industry. He had not had time to examine the Italian proposal, which seemed to him in general to embody views similar to those put forward in another sub-committee by the Netherlands delegation, and to that extent he was in agreement with them. The question was a very complicated one and he supported the proposal of M. Behrens that it should be inquired into by a sub-committee.

M. LAUR (Switzerland) said that, until two years ago, Switzerland had imported butter, but owing to difficulty in exporting its cheese was now unable to do so. His country would, however, be only too glad to return to the former state of affairs. Although he had no definite instructions on the point, he had no doubt that the Swiss Government would support the Polish proposal.

He thought that some modification would be necessary in the proposal of the Italian delegation. The International Dairy Federation was a federation of scientists and did not deal with the business side of the problem. He thought also that provision should be made for the representation of the International Commission of Agriculture, which had already considered the problem in conferences at Bucarest and at Antwerp.

He doubted whether it would be a good plan to apply to the Economic Committee of the League of Nations, which so far had not dealt to any great extent with dairy-products.