

SEVENTH ANNUAL REPORT.
SOUTH AUSTRALIAN DAIRYMEN'S ASSOCIATION (INC.)

30th June, 1941.

In a report of the Association's activities for the year ending 30th June, 1941, it should be remembered that owing to the war, the difficulty of labour on the farms and the restriction of travelling due to petrol rationing, it has not been found possible to hold as many meetings as formerly.

Contract Price:

The Association early last year negotiated for a higher price for Butter Fat, and after a number of meetings we were successful in obtaining 4d. per lb. Fat above the then ruling price.

The price arranged, was on first grade Butterfat with a basic price of 1/2 per lb., with a fluctuating bonus according to the rise or fall above or below the basic price. On account of the protraction of negotiations lasting over many weeks, when the price was finally agreed upon the increased amount was made retrospective to the 17th of August.

Fodder Assistance:

The rainfall of 1940 was not favourable to the dairying industry, and in many areas drought conditions prevailed. By September, it was realised that in most districts, particularly in hills districts, pastures were not sufficiently strong to conserve fodder for the ensuing season, and in outside areas, crops in many cases were complete failures.

Owing to this severe seasonal condition much stock was being sold for slaughter, and it was felt that the Association should take the matter in hand to prevent this as far as possible. In consequence of this a deputation waited on the Minister for Agriculture, and pointed out to him the loss to the Industry that would occur with the slaughtering of large numbers of dairy stock. The Minister was sympathetic, and said the Government would grant help. After much negotiation, it was realised that all the help that would be received from the Government was under the Drought Relief Act.

As this Act specifically states that a farmer is a "cereal grower," it debarred many dairymen receiving help from the Government.

Considerable correspondence took place over this assistance, and altogether 11,000 circulars were sent out to the dairymen scattered throughout the whole of the State. Many replies were received, and the applications for help were passed on to the Government. These were dealt with, and where possible assistance was granted.

With regard to this matter, the Association is determined during this coming session of Parliament to have a provision made to assist dairymen, who, through severe drought or otherwise may need help to save their herds. It is felt that it is a great anomaly to have legislation to assist one class of producers and debar others from receiving similar assistance.

Flood Relief:

In January of this year, the heavy rains caused severe floods, and in the Murray area some swamps were as much as 12 feet under water. Many of these dairymen were prevented from depasturing their cattle on the swamp land for quite a considerable period, and as in some instances the fodder that they had conserved and placed in stacks on their land had been swept away, they were therefore without means of feeding their cattle.

In the full knowledge of this, and foreseeing that many of these members would be hard placed to adequately feed their cattle, an approach was made (within a few days of the flood) to the Government for fodder and assistance for these settlers.

The Premier immediately set up a Flood Relief Committee, and a number of settlers received assistance under this scheme.

Metropolitan Milk Marketing Plan:

Owing to the dry seasonal conditions and the chaotic state of Adelaide's milk supply, it was felt that something should be done to control the milk coming to Adelaide for the city trade. On the 20th January, negotiations were started by the Association and were not complete until the 12th May. During this period numerous meetings had been held between the S.A. Dairymen's Association, the Co-operative Factories' Association and the Wholesale Milk Distributors' Association. After the final meeting, the Metropolitan Milk Marketing Committee was set up, consisting of four members, viz:- two Producers, one Co-operative and one Proprietary Wholesaler.

This Committee has stabilised the City milk price. The Vendors' price being raised from 11d. to 1/1 per gallon, the shops from 1/1 to 1/3 per gallon, and the delivered price stabilised at the recognised price of 3d. per pint. Of this rise of 2d. per gallon on the Wholesale trade, 1d. per gallon is retained by the Wholesaler, the other 1d is paid into a pool. From this pool each fortnight a City Milk Bonus will be declared, and the first bonus, declared on the 25th June, amounted to 1d. per lb. Fat. This amount of 1d. per lb. Fat will be paid to the producers for every lb. of Fat they have sold to their Wholesaler for that period. It must, of course, be realised that the bonus will fluctuate according to the season of the year, it will be at its highest during the lean period, and at its lowest in the flush period.

It should be mentioned that 1d. per lb. on the sale of table cream is also paid into the pool, and on the estimate of 1 lb. of cream to the gallon, the sales amount to 120,000 gallons weekly. Although as already stated, the actual bonus will fluctuate, the total amount for distribution each fortnight will be approximately the same, from the fact that the sales of milk in the metropolitan area are fairly steady throughout the year, with the exception that there is a slight increase in sales during the heat of summer.

Actually, it means that the producers will receive over and above their ordinary recognised contract price, an amount of £26,000 for the twelve months, divided up into fortnightly payments, each of approximately £1,000.

For the success of this plan, it means whole-hearted co-operation between the Wholesalers and the producer and his Wholesaler. If breakaways occur, it will be the thin end of the wedge for this plan to collapse, but with, as we hope, whole-hearted co-operation, there is every prospect of a distribution to the producers of milk within the geographical area supplying Adelaide, of the above mentioned sum of £26,000 annually.

Membership:

Notwithstanding the hard seasonal conditions during the last twelve months, and the difficulty that the dairyman has found with regard to labour on his farm, it apparently is realised that the S.A. Dairymen's Association is fighting strongly in their interests.

This is borne out by the fact that we have now over 1,000 financial members in the Association, which is considerably in excess of any previous year in the history of the Association. Although there are still certain members on our books who have not paid their

Cattle Compensation:

This Act, which was passed during our previous financial is now in operation throughout the State, and in each case when the Department has inspected and ordered cattle to be destroyed find that the Act is working admirably and harmoniously between stock owner and the Department.

We are very pleased of the part that we took in implementing this Bill through the House, and though we received opposition particularly from the members of the Upper House, it was eventually successfully passed, and is now operating to the benefit of dairymen generally.

Margarine:

With regard to Margarine, the Bill controlling the manufacture in this state is working admirably, and the Government has not increased the quota during the last twelve months. We are proud of the efforts we have taken over this matter, for until the Bill passed, there was no limit to the manufacture of this menace to the Butter trade.

Milk Bill:

Owing to the war, there is a greater restriction in the milk trade in connection with all primary interests, this applies particularly to Butter. With a greater restriction on the export of this article, and the probability of more milk being available for City requirements, it is thought desirable for a Milk Bill to be brought in to control Adelaide's milk trade.

With this end in view, a personal approach has been made to the Honorable, the Premier, and he is definitely sympathetic towards the suggestion of a Milk Bill.

It is hoped that the Association will be successful this year. It is essential that we should have legislative control over the Metropolitan milk trade as a large volume of Surplus milk is available for the City Trade.

Meetings:

With the severe petrol restrictions, it has not been possible for Headquarters to visit many country centres, and it has also entailed heavy work upon the Executive Committee who have held more meetings than usual in proportion to the Central Council Meetings.

The total number of Meetings and Conferences amounted to

In its desire to assist the Central Council, the Executive Committee has been devoted in its endeavours to improve the lot and welfare of the dairymen, and it is hoped that stronger support will come from the individual dairymen who have not yet linked up with the Association. With Dairymen wholly united much may be achieved.

BUTTER AND CHEESE REPORT

BY J. GORMLIE.

The British contract for butter and cheese has been amended and provides for an increased payment of 7/6d. per cwt. for price of butter being unaltered.

The quantity of butter contracted for is only 60 per cent of last year's purchase. This is rendered necessary by the shortage of refrigeration shipping space. All cheese available will be sold.

This new contract will have the effect of changing the price, far as possible, the manufacture of butter to that of cheese.

The increase of 7/6d. per cwt. should show a rise in the equalised cheese price for two or three months; but, as the price of exported increases in greater proportion to that consumed locally, the higher Australian rate, the price should revert to about the level being received at present.

The butter purchased by Britain will be confined to second and first grade, and, as a result, a large surplus of lower grades will be left on our hands.

Presumably, in order that higher grade butters will not be forced off the local market by these inferior grades, the Commonwealth Government will acquire butter grading below first at a very low price. It has also announced that the local sale of this butter will be prohibited - but this will probably be modified.

Of South Australian exports approximately 60 per cent is of this low grade, and a problem has been set for the industry to solve. The immediate effect has been an alteration in prices paid for the different grades of butter-fat, last Monday's prices for choice 1/3d., first 1/2d. and second 1/- per lb., showing a difference of 2d. per lb. between first and second.

This price for second grade was made temporarily untenable until the position was clarified.

Unless suppliers of low grade cream reach first grade standard they will experience a very lean time. Some - especially those carrying on dairying as a small side-line - may go out of production. As this would lower the quantity manufactured, it would tend to increase manufacturing charges. Against this is the fact that no low grade butter will be exported and the Equalisation bounty will be saved. This would mean that prices for choice and first grade cream would be at a fairly high level - probably up to approximately 1/4d. per lb.

As this report and forecast is gathered from the information at present available, subsequent events may cause some alterations.

M E M B E R S H I P

30th June, 1941.

District On Roll 1940/41. Financial 1940/41. % Financial.

Bolivar	108	101	93%
Gawler	29	29	100%
Meadows	200	183	91%
Modbury	34	25	73%
Mt. Barker	40	35	87%
Myponga	147	110	74%
Onkaparinga	163	99	60%
River Murray	233	190	81%
South Coast	76	57	75%
Two Wells	43	43	100%
Upper Torrens Valley	193	140	72%
	1266	1012	80%
Corresponding period last year.	1209	731	60%

30th June, 1941.

SOUTH AUSTRALIAN DAIRYMEN'S ASSOCIATION INC.

Administrative Personnel

General President, Mr. I.R. Elliott,
Senior Vice President, Mr. J. Gormlie,
Junior Vice President, Mr. Hy. Duell,
General Secretary, Col. A.R. Nelson,

Executive Committee

The General President,
The Two Vice Presidents,
The General Secretary
and

Messrs. K.M. Bowen, E. Wegener, J.A. Halliday and C.T. Wickham

The Central Council

The General President,
The Two Vice Presidents,
The General Secretary
and

Mr. G.W. Adams	Delegate for Bolivar
" R.H. Strickland	" " Meadows
" E.A. Davis	" " Meadows
" W. Kaiser	" " Modbury
" L.H. Giles	" " Myponga
" C.T. Wickham	" " Myponga
" O.C.W. Mueller	" " Onkaparinga
" S.R. Buckley	" " Onkaparinga
" J.A. Halliday	" " River Murray
" M.A. Kenny	" " River Murray
" G. Llewellyn	" " River Murray
" F.E. Hannaford	" " River Murray
" H.D. Secomb	" " Two Wells
" E. Wegener	" " Upper Torrens Valley
" W.A. McCormick	" " Upper Torrens Valley
" W. Harten	" " Upper Torrens valley
" K.M. Cornish	" " Upper Torrens valley
" H.M. Parsons	" " South Coast