DARY -

1974 - 1976.

Argus 12.3.1974

Milk shortage is critical

Argus

THE milk shortage in Cape town is now so critical that dairies have cut their supplies to retailers by as much as 33 percent and a price increase in the near future seems inevitable.

A spokesman for a large dairy said today that while milk rationing was not envisaged at this stage the authorities were watching the situation and would take the necessary steps should the position become more serious.

Household delivery, he said, was not affected by the cut in supplies but as the shortage is likely to last for the rest of the year and might get worse even this service might have to be stopped.

'We just do not have enough milk to meet the demand. The fodder for the cows comes from Upington and most of it has been swept out to sea by the floods.

'Farmers are getting higher prices for meat than for milk so most of the cows are landing up in the abattoirs. It takes a long time to replace milk-producing cows and therefore the public can expect this shortage to last for at least this year if not longer.

'The farmers would not slaughter their cattle if they got a realistic price for their milk,' he said.

Most dairies, he said, have had a reduction of about four percent in their daily supplies of milk.

Last week the general manager of the Milk Board, Mr A. C. Visser, announced that in addition to the heavy toll caused by the floods, wage increases and costs of production and veterinary services would mean an increase in the price of milk.

Mr Visser said the Milk Board was negotiating with the Minister of Agriculture, Mr H. Schoeman, to fix new prices.

It was hoped, he said, new prices would be announced this month and would come into effect from April 1.

A simple choice for SA on milk

Argus 14/5/74

The Argus Bureau

PRETORIA.—The Minister of Agriculture, Mr Hendrik Schoeman, told South Africans today: 'The main question is: should we go without milk at a low price or should we have milk at a higher price?'

Next week Mr Schoeman will meet representatives of the Dairy Board to discuss the long-term future of the milk industry and possible ways of increasing milk production.

The special meeting will be held against a background of concern over the milk industry, over the present shortage of milk, over anticipated shortages, increasing costs, the prospect of further price increases and the possibility of more dairy farmers switching to other forms of farming.

In an interview today, Mr Schoeman said the present milk shortage was partially due to climatic and disease factors. However, these factors aggravated only the long-term trends which indicated increasing milk shortages in future.

NO BIG PROFITS

Dairy farming was not highly profitable and dairy farmers — as with other farmers — had to cope with soaring costs in almost every field. They could not be blamed for turning to more profitable forms of farming.

'I am a dairy farmer myself and last year I obtained a 4½ percent return on my capital — and I consider that I was doing damned well. At that rate I would have done better to sell my dairy operation and put my money in Argus Company shares.'

Mr Schoeman said the milk price had gone up 18 percent this year (the Dairy Board asked for 22 percent) and he was extremely reluctant to see a second price increase this year. He knew this would adversely affect the consumers, especially those in the lower-income groups.

'I do not like two price increases in one year, but the main question is: should we go without milk at a low price or should we have milk at a higher price? — it is as easy as that.'

Mr Schoeman said that, so far, only a small percentage of dairy farmers had switched to other forms of farming.

However, South Africa had a free enterprise economy and farmers (as with businessmen and industrialists) were free to switch from one form of undertaking to another they regarded as potentially more profitable.

'It is only price adjustments that can stop them from switching to other forms of farming or encourage them to increase production.'

Distributors urged to give excess milk to needy

Argus C.T. 14/5/74

A PLEA to country milk distributors not to throw away excess milk when they have a glut but to give it to the needy in near-by townships or farm schools, was made yesterday by Mr N. Freeman, organizer of the Peninsula School Feeding Association.

Mr Freeman was reacting to a statement made at the weekend by Mr G. J. Kotze, manager of a milk distributing firm in Moorreesburg, that he had an excess of milk and had thrown away 100 litres on Saturday.

"We at present supply schools in such country places as Darling, Paarl and Moorreesburg. With the new applications we will soon have to give supplementary food supplies to 100 000 children each year. Because of rising costs of milk and other vital foodstuffs there is a heavy demand on our resources," Mr Freeman said.

Mr Kotze said yesterday that Moorreesburg, unlike Cape Town, did not have a shortage of milk. When he has an excess he sent it to the milk processing factory at Robertson.

In doing so he suffered a heavy loss, as he was paid about half of what the milk had cost him. If he distributed the milk among near-by school pupils he would have to face delivery costs.

"Last week what we could not sell to the factory at Robertson became old in our refrigerators. That is why we threw the excess away."

NEW MILK PRICE 'AN INCENTIVE'

THE increase in the price of milk should be an incentive to farmers to provide enough milk to meet the demands of the Western Cape, Mr Maarten Henning, chairman of the Cape Dairymen's Association, said in Cape Town today.

Mr Henning was commenting on the price increase announced by the South African Milk Board yesterday.

He said there was still a shortage of 25 000 litres of milk a day in the Western Cape.

The dairymen's association has during the shortage very actively tried to keep the housewife well supplied with milk. We "imported" milk from Port Elizabeth and diverted Sunday deliveries into the rest of the week.

Factories and distributors are trying everything possible to cut down on the milk used for dairy products, and that is why the housewife has not experienced the full shortage.

An example of this is the fact that a large milk powder factory in Cape Town which normally handles 90 000 to 130 000 litres of fresh milk a day now only gets 7 000 litres.

However nobody could guarantee these arrangements would continue. Finally the housewife was going to find that milk was unobtainable.

The total shortage of milk in the dairy products industry was 30 percent.

The new price of delivered milk in Cape Town is 20,2 cents a litre for milk bought with a coupon. Old coupons are still acceptable.

Milk delivered for cash will now cost 21 cents a litre. The maximum price of plastic-container milk in a cafe will be 24,5 cents a litre and 12,5 cents for half a litre.

The new price means that the producer will now receive 1,44 cents a litre more for his milk.

Prices in Cape Town and Bloemfontein are now in line with those in Johannesburg.

Shortage of butter: Dairy Board takes blame

Agric.

The Argus Bureau 26/6/74

PRETORIA. — The butter shortage is the result of a complete miscalculation by the Dairy Board, Mr F. A. Peters of the Dairy Board said here.

'Nobody had the foggiest idea that the only thing stopping the housewife buying more butter was the price. We thought it was the agitation about cholesterol,' Mr Peters said.

On March 18, when the price was dropped, stocks stood at 10 000 tons, 6 000 above what the board considered necessary. Between then and May 17, 12 500 tons were sold — to the astonishment and dismay of the board. 'At least we have proved that price is the critical factor,' Mr Peters said. He said the price war between supermarkets had been the final straw: One leading chain was selling butter as a loss-leader at 25 cents for 500 grams. The result was that housewives bought butter by the sack to store in their deep freezers.

The present situation is that production is running at 420 tons a week while demand is for 900 tons. Stocks on hand throughout the country amount to 200 tons. Production will start increasing slowly but will not improve markedly before the end of September or the start of October.

WORCESTER. — Contributions to the Blindiana Museum of the Worcester School for the Blind are still being received. A small basket for beads bought from the school in 1916 has been donated to the museum by Mrs Deon Jooste of Riebeeck Kasteel.

* * *

Capital expenditure amounting to R1¼-million will be financed by the Town Council of Worcester from the Consolidated Capital Development and Loans Fund. The loan is for improvements to the town's electricity distribution system.

* * *

Pupils of the Worcester School for the Blind have done well in their latest examination. Sassie de Kock, Janie Fourie, Ansie van Dalen, Levina Delport, Hettie Moll, Manuela da Silva and Mathilda Caalse gained certificates in telephony.

OUDTSHOORN. — The shortage of slaughter stock in the country coupled with the activities of speculators from the cities is working towards the ruin of many small butchers in the Platteland.

Most Platteland butchers are working on a marginal profit — because of this quite a number are on the brink of bankruptcy.

The shortage is expected to become worse after September when the first five-year cycle of the Government's stock reduction scheme is completed and farmers will look for stock for their farms.

Some butchers have forecast a rise to R2 per kilogram for mutton — beef prices will also rise, they say.

Milk subsidy urged

5/6/74 247

Agric.

Staff Reporter

THE MILK Board said yesterday the present milk shortage would be over within four months, but urged the Government to find a way of introducing milk subsidies if prices continue to rise.

"The main causes of the shortage, including the lack of proper financial incentive for the dairy farmer, have been solved and supplies should be back to normal soon," the director of the Milk Board, Mr Awie Visser, said.

"At the moment everybody can afford to buy sufficient milk for their needs, but if the price continues to rise, we believe the present system should be changed to allow the Government to introducing subsidies."

Many areas of South Africa were outside the jurisdiction of the Milk Board and since no milk production or consumption figures could be obtained from those areas, subsidies were at present impossible.

Milk subsidy problems explained

A5-c

3/9/74

Cape Times Correspondent

JOHANNESBURG. — The Minister of Agriculture, Mr. Hendrik Schoeman, said yesterday he wished to reduce the price of milk by 5c or 6c a litre through a subsidy but there were tremendous difficulties.

Mr Schoeman said a yearly subsidy of R10 million would be required for every cent that milk was reduced in price and a reduction of 1c or 2c would not be satisfactory.

The Government was determined to keep South Africa's bread the cheapest in the world. It was already subsidized to the tune of R40 million a year.

There was an additional complicating factor in regard to a milk subsidy.

The Milk Board operated in only nine major centres and there was no machinery to subsidize milk in the rural areas. It would be useless subsidizing retailers in those places some of whom might not pass on the benefit to the consumer.

Mr Schoeman said Dr Diederichs, the Minister of Finance, decided what amounts were available for subsidies. He would try to obtain a subsidy for milk when arrangements for it could be established in the areas where the milk board did not operate.

Mr Schoeman

● It has been learned from an authoritative milling source that millers and bakers "are demanding tens of millions of rands in extra subsidies to keep bread at its present prices in view of rising costs".

STAR 26/9/74

Farming Editor

AN urgent warning that milk would become scarce as dairy farmers were leaving the industry, was issued today by several speakers at the annual general meeting of the Transvaal Fresh Milk Producers' Association in Alberton.

Mr J H Blankenberg, chairman of the Milk Board, told about 50 members that young farmers in the Western Province took the attitude that they were not prepared to make slaves of themselves by becoming dairy farmers.

"Where is the milk going to come from?" he asked.

He added that producers should be adequately compensated. Uncertainty about milk prices was driving many out of the industry.

Mr Blankenberg said production in the Western Cape had dropped by almost 4 percent in 1972-1973. This year the drop was more than double that figure.

PRIORITIES

Mr J J de Villiers, chairman of the Western Province Fresh Milk Producers, said consumers should get their priorities right. They apparently expected food to be cheap, but were prepared to spend large amounts on luxuries without complaining.

Mr G P van Wyk said the last milk price adjustment came four years too late. He said labour problems were causing many dairy farmers to stop milk production.

There were heated discussions on the quality of milk supplied to consumers in cities.

But Mr Awie Visser, general manager of the Milk Board denied that adulterated milk was being supplied. The board inspectors continually checked on the quality of milk delivered to housewives.

C.T. 27/9/74 Agri

Dairymen warn

C.T. 27.9.74

JOHANNESBURG. — A warning that milk would become scarce in South Africa, because dairy farmers were leaving the industry, was issued yesterday by several speakers at the annual meeting of the Transvaal Fresh Milk Producers Association at Alberton.

Mr J H Blankenberg, chairman of the Milk Board, told about 50 members that young farmers in the Western Province were not prepared to make slaves of themselves by becoming dairy farmers.

He said that producers should be adequately compensated. Uncertainty about milk prices was driving many out of the industry.

Mr Blankenberg said that production in the Western Cape dropped by about four percent in the year 1972/1973. This year the drop was more than double that figure.

Mr J J de Villiers, chairman of the Western Province Fresh Milk Producers, agreed with Mr Blankenberg's warning and added:

"If things continue as at present, there won't be any milk in South Africa."

HANSARD. 7. Q. column. 519-20-21.
18 March 1975.

Agric - Milk

Witwatersrand: Milk

*18. Mr. H. J. VAN ECK asked the Minister of Agriculture:†

(1) (a) Whether it is expected that there will be (i) a surplus or (ii) a shortage of (aa) fresh milk or (bb) industrial milk on the Witwatersrand in the coming year, (b) in which months in each case is the surplus or shortage expected and (c) what will it be in each case;

(2) to what is the expected surplus or shortage attributed;

(3) whether he will make a statement on the matter?

†The MINISTER OF AGRICULTURE:

(1) (a) It is expected that there will be a shortage of fresh milk during certain months and a surplus during other months on the Witwatersrand in the coming year. A shortage of industrial milk is expected.

(b) Fresh milk shortages are expected from March 1975 to September 1975. Fresh milk surpluses are expected from October 1975 to February 1976. Industrial milk shortages are expected during May 1975 to September 1975.

(c) Fresh milk

Month	Estimated average daily shortage (litre)	Estimated average daily surplus (litre)
1975		
March	25 000	—
April	50 000	—
May	60 000	—
June	45 000	—
July	15 000	—
August	10 000	—
September	5 000	—
October	—	14 000
November	—	90 000
December	—	200 000
1976		
January	—	80 000
February	—	30 000

It should be borne in mind that daily demand may vary by as much as 15%.

Industrial milk
The shortages which depend on production and consumption cannot be determined at this stage.

(2) Fresh milk
Surpluses can be attributed to the favourable climatic conditions during the months concerned and the departure of holiday-makers during December/January. Shortages can on the one hand be attributed to unfavourable climatic conditions and on the other hand to the withdrawal of producers, the reduction of production due to high production costs and serious labour problems as a result of the seven-day working week in the fresh milk industry.

Industrial milk
Production does not keep pace with the consumption due to producers switching to other enterprises.

(3) Yes. I am well aware of the rise in production costs which necessitates price adjustments for the producers. I am sympathetically inclined towards requests regarding price adjustments but a price can hardly be fixed before the maize price and new fodder prices have been determined during April/May since the effect of any price adjustment may be nullified leaving the producer in very much the same position as today. Temporary relief at this stage is out of the question since it will only create a false impression and will not contribute towards an improvement in production. Any adjustment of prices will not guarantee an immediate increase in milk production but will, however, enable producers to follow better feeding programmes which is expected to improve production.

HANSARD 9 Q. column 639-40

8 April 1975.

Agri-Milk

Increase in price of milk

*4. Mr. R. J. LORIMER asked the Minister of Agriculture:

(1) (a) How many times has the price of milk been increased since 1 March 1973 and (b) what was the (i) date and (ii) amount of each increase;

(2) whether consideration has been given to introducing a consumer subsidy on milk; if so, with what result; if not, why not.

The MINISTER OF AGRICULTURE (Reply laid upon Table with leave of House):

(1) (a) Twice in the following areas—Pretoria, Witwatersrand, Western-Transvaal and Bloemfontein.

Three times in the Cape Peninsula of which one was only an interim increase to provide for increased wages.

This does not include the four areas in which fresh milk prices are fixed by the Price Controller.

(b) Area	1/10/73	1/4/74 (Coupon)	1/4/74 (All retail average)	1/6/74 (Coupon)	1/6/74 (All retail average)	Total (Coupons)	Total (All retail average)
	Cents per Litre						
Witwatersrand	—	2,55	2,53	1,70	1,63	4.25	4,16
Pretoria	—	2,5	2,50	1,50	1,50	4,00	4,00
Western-Transvaal	—	2,5	2,50	1,50	1,50	4,00	4,00
Bloemfontein	—	2,5	2,50	2,10	2,13	4,60	4,63
Cape Peninsula	0,45	2,05*	2,04*	1,85	1,90	4,35	4,39

*The comparatively smaller increase in respect of the Cape Peninsula is attributable to an increase of 0,45c per litre granted for all categories on 1/10/73 to provide for a compulsory increase of wages.

(2) Yes It was decided not to pay a subsidy in view of the impracticability of applying price control measures in areas outside the jurisdiction area of the Milk Board. If price control measures were to be applied country-wide it would be necessary for the purpose of fixing selling prices for all categories of fresh milk as well as the margins of the individual distributors, to conduct extensive and detailed cost investigations.

As a large amount will be involved in the subsidy (about R10 million per annum for each cent per litre by which the consumer price is subsidized) paying thereof will necessitate control of fresh milk prices to the consumer, in order to prevent that—(a) the subsidy is merely absorbed by the distribution trade; and (b) the purpose of the subsidy is nullified.

Since so many selling points in the country are involved, effective control of a subsidy scheme will present serious difficulties.

HANSARD 10

Q. Column.

15/4/75

Agri - Milk

Price of milk

*24. Mr. R. J. LORIMER asked the Minister of Agriculture:

Whether an increase in the price of milk is to be authorized in the near future; if so, (a) when and (b) by what amount.

The MINISTER OF AGRICULTURE:

The Milk Board has arranged a meeting later this week for *inter alia* a revision of milk prices. Any decisions in this regard will be submitted to me via the National Marketing Council, whose comments will also be borne in mind when I consider such decision.

Question.....

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Agricultural Reporter Natal Mercury 24/4/75

NATAL dairy farmers feel that only a Government subsidy for fresh milk can save them from ruin, as they fear there is a growing consumer resistance.

3

Mr. J. E. Mansfield, president of the Natal and East Griqualand Fresh Milk Producers' Union, said yesterday that his Union will meet Government officials, and possibly the Minister of Agriculture, to discuss proposals that the Government subsidise the price of fresh milk.

Mr. Mansfield said proposals would be put forward for a permanent subsidy.

"Unless this is done, the milk industry and consumers would be in a mess, as a stable industry is essential for both producer and consumer," he said.

If a subsidy of 5c a litre was agreed upon, the subsidy would come to about R114 million, the union has calculated.

Fears are also growing that consumer resistance to another price rise could cause serious problems. The volume of milk sold dropped when the price was increased last June, and only now it is beginning to improve.

Mr. Bruce Laing, spokesman for a Durban dairy, agreed that fresh milk sales could be jeopardised by consumer resistance. If fresh milk sales dropped by 20 per cent the dairy farmer would be very hard-hit.

I was told that the Government's opposition to a milk subsidy (apart from cost) was that it presented serious administrative difficulties. But, as an industry spokesman pointed out, these could be simply overcome by adopting recognised accounting procedures.

"Whatever the administrative difficulties," he said, "these must be overcome to cushion the blow on both the consumer and producer. Both are caught between rampant inflation and it is up to the Government to help us out."

MILK PRICE F.M. 9/5/75

29c a litre? Agric - Dairy - Milk

An increase in the milk price is imminent.

However unwelcome, it is inevitable. Dairy farmers have long been the Cinderella of the agricultural industry, and recently have been quitting in their thousands to switch to more profitable beef production.

There's now a countrywide shortage (100 000 litres a day on the Witwatersrand). The only exception is the Eastern Province, where there's still a small surplus.

The Milk and Dairy Board's recommendations, now being considered at Cabinet level, are rumoured to have been in the region of a 20% price hike. But this was probably based on a maize price of R60 a ton. So, with the latter held to R56, this may be too high.

On the other hand, the Minister of Agriculture will doubtless have in mind that dairy farmers have a seven-day working week and growing labour problems. As SA Agricultural Union director, Chris Cilliers, warned recently, dairy farmers will have to be given an "incentive price" to cover this — over and above normal cost increases — if the country is not to suffer a chronic milk shortage.

There will not, apparently, be any subsidy. Though Minister Schoeman has expressed general sympathy with the idea, he's still somewhat in two minds.

He told the *FM* recently that to reduce the milk price by only 1c a litre would cost R10m — clearly, then, a meaningful subsidy would cost R50m.

Yet if this is the major consideration against a subsidy it should be put aside immediately. The cost to the country of widespread malnutrition is not R50m. It's incalculable. (And when is the rich man's butter subsidy coming off?)

More likely, though, it's the admittedly real difficulties of administering a subsidy that are still holding things up. It could be done in areas controlled by the Milk Board without too much trouble. But, to have subsidised milk in some (mostly urban) parts of the country and not others, would provoke a public outcry.

Meanwhile, there *is* a school-feeding scheme in existence. All schools in controlled areas which take milk from the Board get it at 15,9c/litre (cartons normally cost 24c-25c). But this subsidy comes off the farmers' and distributors' price, which is not satisfactory either.

The one ray of hope comes from Milk Board manager Dawie Visser. He assured the *FM* this week that the whole question of a workable, non-discriminatory subsidy is being looked at "very hard and carefully". He added: "Maybe in the near future we will come up with something".

Hopefully, too, the easier trading regulations for Blacks in the townships may improve matters there. Up to now Africans have often had to pay more than Whites for this vital food.

Milk Board to pay R250 000 for adverts

STAR 16/5/75

The Milk Board has been caught unawares by current milk shortages. n annual R250 000 advertising budget aimed at increasing fresh milk consumption will have to stand until next February.

A similar situation developed with butter last year when the Dairy Board launched a massive advertising campaign intended to increase demand for their product shortly before it was announced that a critical shortage had developed in the industry.

In explaining this latest apparent bungle, the manager of the Milk Board, Mr A C Visser, said today that his board had fully committed itself to the current campaign long before the latest shortage became apparent.

"We committed ourselves to various advertising contracts and these will have to stand until they come up for renewal next February.

Mr Visser went on to deny recent reports which linked his board with Department of Agricultural and Technical Services' attacks on dairy farmers.

"These reports indicated that we felt that production output could be doubled overnight. This of course is utter nonsense.

"While we do agree that many farmers could vastly improve their efficiency, such improvements would, of course, take time.

"At the present moment, about 50 percent of South Africa's fresh milk production is supplied by only 10 percent of the 40 000 dairy farmers in the country.

"The bigger farmers who comprise the 10 percent group are at present meeting standards of quality laid down by the health authorities and by ourselves, while many of the remaining smaller farmers who are supplying the other 50 percent do not come up to standard."

Wives' plea on meat

The Housewives League today appealed to housewives throughout the country not to buy milk next Friday as a token gesture of protest against the recent rise in the milk price.

They also appealed to housewives not to buy meat on every Tuesday and Friday for the next two months.

"We have found that in the past more and more dairy farmers are turning to beef because this is more lucrative, as a result the price of milk is soaring," said Mrs Yvonne Forshaw, the chairman of the Sandton branch.

"The whole problem has been caused by the imbalance of the price structure for meat."

"The rise in the milk price will put milk out of the reach of many householders," said Mrs Hope Hughes, the president of the league. "But if we could have the support of the housewives and consumers of South Africa in this move, we could perhaps do something about equalling out this imbalance.

"The price of meat would have to go down and perhaps more people will return to dairy farming."

"We do not call this a boycott," said Mrs Hughes. "We regard it more as an opportunity for the consumer to assert themselves."

(3) milk.

RDM 16/5/75

Milk Board attacks farmers

Staff Reporter

THE MILK BOARD yesterday joined a Government department in an attack on the efficiency of South Africa's dairy farmers — only two days after Cabinet approval for a 22 per cent rise in the price of milk.

On Tuesday milk prices were raised to 25c for a delivered litre on the Witwatersrand and to 30c a litre in cafes.

The next day, the Department of Agricultural Technical Services released a report claiming dairy farmers could double the country's milk production overnight.

Yesterday, the manager of the Milk Board, Mr Awie Visser, said milk prices and supplies in the future depended almost entirely on whether the country's dairy farmers could radically increase their efficiency.

"We are at the moment trying to advise farmers on how they can improve the quantity of milk from their herds. If they follow our advice and thus increase their profit margin, then there is hope the milk price will stabilise," Mr Visser said.

Officials at the Department of Agriculture yesterday said dairy farmers were also effectively blocking the introduction of milk subsidies.

The Milk Board operates in five main control areas.

Milk Board has a mission

RDM 17/5/75

Staff Reporter

THE MILK BOARD was doing everything it could to give the dairy farmer the best in technical advice and to coordinate the milk industry as a whole, the board's general manager said yesterday.

Mr Awie Visser said the board had recently started a programme of study groups for dairy farmers and had helped to bring out overseas experts to speak to farmers on the latest technical advances.

"Beyond that, we try to ensure orderly marketing in the dairy industry and to look after the interests of all parties concerned," Mr Visser said.

The milk industry was a complicated one and constant efforts had to be made to improve it.

"Apart from furnishing the farmer with the right advice, we strive to achieve the right relationship between consumer, distributor and producer," he said.

Dairy may stop milk deliveries

(3)

Agricultural Reporter Nat. Mercury 17/5/75

IN A SHOCK announcement made yesterday, one of Durban's biggest distributing dairies says that it may have to stop home milk deliveries.

Mr. Bruce Laing of Clover Dairies said that his company was giving serious consideration to stopping all deliveries to reduce running costs. The idea, if adopted, could set off a chain reaction.

Mr. Laing said that the share of the recent milk price increase to distributors was inadequate. "In the face of rising production costs, it is logical that we should consider ways and means of reducing costs," he said.

Distributors in Natal are known to be unhappy with the price increase granted by the Minister but this action, if taken, will come as a serious blow to consumers.

Mr. Laing said that only four other countries in the world still delivered milk to householders and in some countries where milk was delivered, it was subsidised by the State.

He claimed that South Africa was the only country that continued milk deliveries without State help.

Mr. Laing emphasised that a decision would only be taken after very serious consideration by all major dairies, but in view of the situation, it was a proposal that had to be borne in mind.

Although the price of fresh milk has been increased there will not be an automatic rise for milk-based products. The price of ice cream, cheese, butter, skim milk and skim milk powder are all based on the price of industrial milk which has not yet been increased.

Mr. I. L. Baxter, manager of a Durban ice cream factory, said

TURN TO PAGE 2

Home milk may stop

From Page 1

yesterday that if the price of skim milk powder was increased — through a rise in the price of industrial milk — then the price of ice cream would go up considerably.

The price of ice cream was not subject to price control and "serious attention was being given to raising the price of ice cream, especially if the price of industrial milk is raised."

Although butter and skim milk are the main ingredients of ice cream there are other factors besides the price of these raw materials which have to be considered, he added.

Mr. Baxter said that all other production, packaging, and distribution costs had risen very sharply and these were taken into consideration when deciding on the price.

(3)

Deliveries to go on—dairy

Mercury Reporter 19/5/75

THE CHAIRMAN of Durban's Creamline Dairies, Mr. D. H. Blackhurst, said yesterday his company would not stop home milk deliveries.

Mr. Blackhurst was commenting on last week's announcement by Clover Dairies that the company was seriously considering stopping all home milk deliveries to reduce running costs. It has also been stated that this move might well spring a chain reaction.

Last night Mr. Blackhurst said that this was certainly not the view of all the dairies in Durban.

"I can state quite emphatically that we have no intention in the foreseeable future of discontinuing home deliveries.

"We have a service to perform for the householder as well as being a producer - orientated company. As long as there is a market for home deliveries we shall continue to supply."

Mr. Blackhurst conceded that there had been a drop in demand for the service with the growth of supermarkets and other outlets but maintained that there was still a considerable demand for home deliveries.

HANSARD 15 Q. 1028

23 May 1975.

Agri - Milk + Dairy

Increase in the price of butter

*17. Dr. F. VAN Z. SLABBERT asked the Minister of Agriculture:

(1) (a) What was the latest date on which the price of butter was increased and (b) what was the increase;

(2) what was the consumption of butter per month in the six months (a) preceding and (b) after the increase in price;

(3) whether representations have been made for a further increase in the price of butter; if so, (a) to what price and (b) with what result.

The MINISTER OF AGRICULTURE (Reply laid upon Table with leave of House):

(1) (a) 1 November 1974.

(b) 10c per kg.

		Kg.
(2) (a)	May 1974	3 996
	June	1 722
	July	2 108
	August	1 954
	September	1 937
	October	2 738
(b)	November 1974	1 510
	December	1 690
	January 1975	1 836
	February	1 646
	March	1 748
	April	1 882

(3) A request for the seasonal revision of prices of dairy products has been received from the Dairy Board. The request is still under consideration and is therefore confidential.

Butter prices cut

Star 24/10/75

Agric — Milk + Dairy

The price of table and household butter is to drop by 34c a kg from today as the Dairy Board clears surplus stocks.

This will bring the price down to 50c for a 500 g pack for table butter. Household butter, sold in lesser quantities also drops by 34c a kg.

A Dairy Board spokesman said a circular had been sent to all the board's agents. It said: "In order to clear accumulated stocks of table butter the board has decided to reduce it by 34c a kg . . ."

GRADES

There are three grades of butter. The top grade is choice, not affected by the price drop. It remains as high as 70c for 500g.

The board's spokesman said there was "no question" of choice grade butter being reduced to cut stock.

The next grade is table butter, almost impossible to distinguish from choice grade. The Dairy Board sells table butter as an "excellent spreading butter." It is now slightly cheaper than yellow margarine.

Household butter is the third grade. According to the spokesman, there is not much of it in surplus stocks.

HANSARD ~~1082~~ 17

Q. 1082-3 + 1084.

3 June 1975.

Agri - Milk

Distribution of fresh milk

*6. Mr. W. T. WEBBER asked the Minister of Agriculture:

How many applications by (a) milk producers and (b) other persons or bodies for permits to distribute fresh milk in each of the controlled areas were (i) received, (ii) granted and (iii) refused by the Milk Board during the past ten years.

†The MINISTER OF AGRICULTURE (Reply laid upon Table with leave of House):

	Witwatersrand	Pretoria	Western-Transvaal	Bloemfontein	Cape Peninsula
(a)					
(i)	55	4	13	1	6
(ii)	18	2	9	0	4
(iii)	37	2	4	1	2
(b)					
(i)	30	3	1	2	5
(ii)	19	1	0	1	0
(iii)	11	2	1	1	5

HANSARD 17

Q. 1083 - 4

3 June 1975.

Agri - Milk

Licences for distribution of fresh milk

*7. Mr. W. T. WEBBER asked the Minister of Agriculture:

How many distributors are licensed to distribute fresh milk in each controlled area.

†The MINISTER OF AGRICULTURE:

	Witwatersrand	Pretoria	Western-Transvaal	Bloemfontein	Cape Peninsula
Producer-distributors	16	3	12	—	8
Distributors	26	4	3	3	8

1c milk subsidy would cost R9m

C.T. 10/6/75

(3)

HOUSE OF ASSEMBLY. — It might be possible practically to introduce a consumer subsidy on fresh milk in the urban areas, but in the rural areas, where those who needed the subsidy most lived, it was not possible to do so, the Minister of Agriculture, Mr H Schoeman, said in the Assembly yesterday.

The Minister, replying to a plea made by Mr D M Streicher, UP Newton Park, on Friday, said that the introduction of a consumer subsidy of only 1c a litre would cost R9m, so that if a subsidy of 5c were to be introduced, as stated in the plea, it would cost close on R50m. It was difficult to see where this money would come from.

It was also not possible to make a comparison between South Africa and the United Kingdom, where milk was subsidized. In view of the great distances over which fresh milk was distributed in South Africa in contrast to the small distances in the United Kingdom, the circumstances were completely different.

The Minister said it was wrong to say that because of the high prices of foodstuffs the standard of living of the people was dropping.

He agreed that pensioners and other people with fixed incomes in the lower income group were the hardest hit, but if the amounts which the public in general were spending on alcohol and tobacco were compared with that spent on foodstuffs it could not be said that the general standard of living was dropping. — Sapa

SOUTH AFRICAN DAIRYING IS FACING A CRISIS

(3) ARGUS 10/6/75

I REGRET the bitterness that has arisen over the rise in the price of milk to the consumer, and in particular the attacks on Mr Blanckenberg over his comments on the consumer boycott organised by the Housewives' League. As a dairy farmer I do not pay for my own daily milk requirements, but I do pay for every other commodity that the consumer buys so I can sympathise.

I might even join boycotts of vegetables, cars, cinemas, petrols and newspapers to mention a few! Perhaps the last of these, newspapers, which attack dairy farmers, might be selling the only product in South Africa that has risen by 100 percent in only two moves — from 5 cents to 7 cents in a preliminary canter of 40 percent, and some months later at a stretch gallop to 10 cents!

Referring to the letter from Mrs Martin (June 2), I feel Mr Blanckenberg's comments were not fully appreciated. As I read his statement, Mr Blanckenberg's reaction to the housewives' boycott of milk, was one of sheer disappointment. It was made following weeks of negotiation with the State and having been forced to accept a price rise which could at best only persuade dairy farmers to maintain the inadequate level of production. Can he be blamed for feeling that the boycott was prepared to break the dairy industry by a massive campaign to reduce sales. Mr Blanckenberg's reaction would be: 'If the housewife wants to go without milk, so be it. I couldn't care less.'

I believe your correspondent has completely misjudged the power of the Milk Board in dictating to the Government. The Milk Board represents producers and distributors AND consumers, and one of its main functions is to maintain production. Hence the need for the continual price adjustments in a world of inflation, and no power on earth seems to be able to control inflation.

Should a boycott, or any other form of organised consumer resistance to fresh milk reduce, considerably, the demand for this product in cities, then the overall price (to the consumer) is likely to go up. To explain this it is necessary to study the implications.

The marketing of milk is a highly involved undertaking and involves two boards and two 'floor' prices. The MILK Board controls fresh milk and the DAIRY Board is responsible for all processing of milk — for butter, cheese and evaporated milk.

LETTERS to the Editor

If we take the comparative producer figures for beef and fresh milk, using the 1948-1950 prices as the base index of 100, we find that in 1973 the beef index was 367 and that of fresh milk 167. Small wonder that the fresh milk producer switched to beef with its short hours and 'free' weekends. Even the comparatively large increases paid for fresh milk in 1974 and 1975 are unlikely to tempt dairy farmers who have switched to beef to return to milk production.

This then is the position, as I see it, in the city milk market; but the city dweller is equally concerned in the industrial milk market — the source of his cheese, butter and evaporated milk. Here the position is equally discouraging. Let us study the two most important manufactured products.

In 1972/73 we produced 20 888 metric tons of factory cheese and our consumption was 26 385 tons. In 1973/74 the position deteriorated still further — production dropped to 18 944 metric tons while consumption rose to 27 601 tons, indicating a shortfall (import requirement) of 8 657 tons or 8½-million kilograms! Cheese is, firstly, a health food high in protein, and secondly, an acceptable substitute for meat.

Perhaps the most serious trend in our whole dairy project is mirrored in our production and consumption of evaporated milk. Here we include condensed milk, whole milk powder and fat-free milk powder, the vital products for the nutrition of the underprivileged, in particular for the treatment of kwashiorkor, and for which no real replacement can be found. In 1972/73 our factories produced 68 006 metric tons of these products and the shortfall was 7 705 tons. But in 1973/74 the production dropped to 66 632 tons and consumption rose to 81 690 tons, leaving a shortfall (import requirement) of 15 058 metric tons. In rough figures we required an additional production of 100 000 tons of milk in that year to make our dried milk production cover our own desperate needs. A hundred million litres of industrial milk!

South African dairying is facing a crisis which is real.

D. HOUSTON
Stellenbosch

Generally speaking, fresh milk is produced close to the cities and city health authorities require higher standards of health and hygiene and milk quality. In other words, the cost of production of city milk is greater in terms of land, labour and capital — including machinery and transport. So fresh milk is more expensive to produce.

Industrial milk is normally produced by 'mixed' farmers, mainly grain farmers, sited further from the cities. The industrial milk producers' capital requirements are lower and his land values and labour costs, normally part-time, are lower. Hence processing milk is bought at a lower price.

When the demand in any city falls below the daily intake — whether from consumer boycott or oversupply — the surplus is automatically diverted by the MILK Board to the processors, at the DAIRY Board price and converted into dried milk or cheese or other products. Each producer is required to bear a proportionate share of this surplus pool and his overall income is thus reduced.

To go back to Mr Blanckenberg's statement, it should be clear from the above that any serious surplus, activated by boycott, would be a serious threat to the whole economy, and the producer would have to be paid still more for that portion of his milk still being delivered to the consumer. In other words the consumer would be faced with another 'hike'.

I must admit I have grave misgivings about the future of the dairy industry. There will always be some milk produced, but the rigorous demands of the dairy project discourage the expansion needed to cover our present national requirements. The future, with its greatly increased population and purchasing power is an even gloomier picture.

Perhaps the public is not fully informed on the trend, and the following figures might present a clearer image of the problem.

The national dairy herd in 1956 ran at about 2 114 000 cows over two years of age while the 1972 census revealed a population of only 1 091 000. A million cows down. The present figure would probably be the same as in 1972.

1+ HANSARD 18 Q. 1147

13 June 1975.

Agric - Milk

Moneys spent on publicising milk and milk products

*17. Mr. R. J. LORIMER asked the Minister of Agriculture:

Whether the Milk Board or the Dairy Industry Control Board spent any moneys during 1973, 1974 and the first five months of 1975, respectively, on publicizing milk and milk products; if so, what amounts were spent in each of these periods on publicizing (a) milk and (b) milk products

The DEPUTY MINISTER OF AGRICULTURE:

Yes.

Milk Board	(a)
1973-'74 (March/February)	R290 064
1974-'75 (March/February)	R304 406
1975-'76 (March/May)	R44 473

Dairy Board	(b)
1972-'73 (October/September)	R435 086
1973-'74 (October/September)	R431 332
1974-'75 (October/April)	R219 679

Don't milk the consumer

Dairy product prices are up again. It's time to merge the control boards and sensibly streamline policy

F.M. 13/6/75

Agric - Dairy & milk

To what extent is government to blame for the dairy industry's troubles?

With a natural reluctance to increase prices, government has perhaps reacted too slowly to the swing from surplus to shortage. Yet to bring in the fundamental changes required in such a complex industry will inevitably take more than a month or two.

There's the problem of SA's sheer size and the fact that fresh milk is a highly perishable product, difficult to transport over long distances. Hence fresh milk is produced all over the country — often in areas not really suitable for dairy farming. This tends to pull down average yields, making inefficiencies appear worse than they are.

As Secretary for Agriculture Dr Claude van der Merwe puts it: "We may not have a top-notch dairy industry, but we do have a number of top-notch dairy farmers."

In SA, production of butter-fat and industrial milk is largely a sideline to general farming. Fresh milk, however, is a full-time activity. Farmers tend to turn to industrial milk when other crops are bad, but leave it again when something more profitable turns up. This is what has been happening recently, due to the 7-day working week dairying involves and the accompanying labour problems, as well as high beef prices.

Production has thus not kept pace with rising consumption, and there's now a shortage of both fresh and industrial milk. Considerable quantities of cheese and milk powder are now having to be imported.

Then there's another major problem: "interchangeability". A lot of industrial milk cannot be used as fresh milk because it may not meet required hygiene standards, or is too far away from where it is wanted.

Part of the trouble is that the existing hygiene regulations are antiquated, and in some cases unduly stringent. Stabling requirements are being reviewed in the light of modern production methods. They will probably be simplified (not lowered). It will then be possible to make fresh and industrial milk more interchangeable. This entire exercise needs to be treated as a matter of urgency.

For the time being, however, the two sides of the industry must be [illegible] separately.

In four of the controlled areas administered by the [illegible] and the Witwatersrand [illegible] the number of producers has [illegible] between March 1972 and [illegible] Bloemfontein, [illegible] Pretoria 201 to [illegible] and Western [illegible] 11 to 10.

However, the [illegible] have to [illegible] to some extent [illegible] the decrease in numbers.

Natal and the Eastern [illegible] because they [illegible] better [illegible] for dairy farming [illegible] do not [illegible] supply shortages [illegible] have an entirely different [illegible] system [illegible] co-operatives and a few large dairies.

Except when the quota system is operating, usually [illegible] ary, fresh milk producers in controlled areas are paid from the rationalisation of an open pool system. [illegible] milk

Mail June 13 1975

ld as fresh milk receives a fixed price.

Quotas for the four months November February, when surpluses are likely to ise, are fixed on the basis of estimated arket requirements plus 20% and this nount of milk is divided between oducers on the basis of their produc- on during the seven months March Sep- mber. The pool system can also be plied in October, but production dur- g this month is not included for quota irposes.

Milk delivered in excess of the quota is verted as far as possible to uncontrolled eas, normally at the full price. The mainder goes to industrial milk ctories at a lower price.

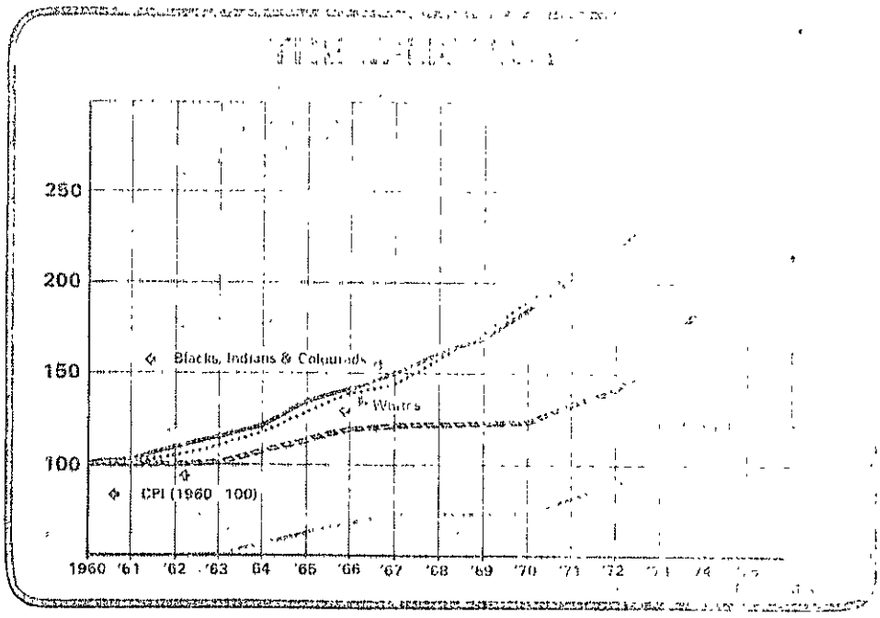
To do away with the quota system uld pull the price to producers down thout necessarily benefitting the con- mer, because a surplus would bring wn the pool price to the producer and scourage regular production, while the nsumer would still be paying the full ice.

Moreover, a dwindling pool price ght lead to complaints that the price to producer is so low the consumer price ist be increased. In any case, during recent seasons of shortages, the quota stem has hardly been operating, and istrations have been freely accepted. yone can register as a producer.

The fixed price for fresh milk was reased in March 1974 from 9,8c to ,5c a litre and again in June 1974 from ,5c to 12,7c and again recently to .7c in the Transvaal. That 3c a litre e in the Transvaal has been matched one of 2,7c in the Cape Peninsula and 2,4c in Bloemfontein.

The difference between the price the oducer receives, approximately 15c a e, and the price the consumer pays, c, may be too big. The distribution stem and costs should be thoroughly estigated.

Deliveries to uncontrolled areas have eloped into regular supplies for cer- n towns. The Minister has ruled that, her than extend control, the Milk ard should supply milk on a contract is to those uncontrolled areas which uire it, with *pro rata* supplies during



times of shortage.

Apart from this, prices in the uncontrolled areas are left to open competition. It would be impracticable, and prohibitively expensive, it is claimed, to attempt price control in every little dorp.

In 1970, the Bonsma Committee of Inquiry into the dairy industry advocated selling milk on a quality basis, according to butter-fat and protein content. This would have the dual advantage of giving producers a price incentive, and the public a choice of grades and the present pilot scheme should be extended as a matter of urgency.

The yellow margarine factor

During the mid-Sixties there were large surpluses of butter and cheese, which were difficult to dispose of. It was the fear that these might recur which led to the price of butter-fat and industrial milk being held down.

Since the introduction of yellow margarine in 1972, butter consumption has dropped sharply. To induce producers to switch from butter-fat to industrial milk, the Dairy Board introduced a price differential and increased the price of industrial milk from 463c/100kg in June 1971 to 888c in November 1974, while that for butter fat has only been increased from 107c/kg to 143c. The number of butter fat producers has dropped from 46 000 to about 31 000, while the producers of industrial milk have risen from 15 000 to 18 000.

This week the industrial milk price went up from 888c/kg to 1 010c and butter-fat from 143c to 163c/kg. To the consumer, butter and cheese have gone up 10c/kg. This means the difference per 100kg of milk equivalent was widened from 91c in June 1971 to 341c and the most recent price increase widens the gap still more.

Most officials now agree that two Control Boards are an anachronism and they should be amalgamated. This is currently being investigated by the Commission of Inquiry into the Marketing Act.

It will then be possible to simplify and streamline the mass of regulations governing hygiene and transport which at present hamper smooth distribution.

Prices will also have to be realigned to bring the price of industrial milk more into line with that of fresh milk. At the moment the full price of fresh milk is 15,7c/litre, compared to industrial's 10,1c/kg (different measures, but roughly the same quantity).

If the gap is too narrow fresh milk producers tend to switch to industrial. Ironically, though, much industrial milk is better quality than some fresh milk. As for butter-fat production, this is largely expected to fall away, as is the trend overseas.

Of course, overhauling the administrative machine, however desirable this may be, will not of itself stimulate production. A Dairy Board committee is trying to find ways and means of doing this, but only by ensuring competitive returns will sufficient farmers be kept in dairying.

WHAT'S WHAT

'Butter-fat" is an ingredient in all nilk which is particularly high in cream. It is therefore marketed in the orm of cream to make butter.

"Industrial milk" is full-cream milk ised to make cheese, condensed milk, nilk powder and various other products, such as ice-cream and yoghurt.

"Fresh milk" is intended for domestic purposes. The hygiene regulations for fresh milk producers are nore stringent than for butter-fat or industrial milk. Because of the higher capital outlay involved it is usually produced by full-time "dairy farmers".

The Dairy Board is concerned with butter-fat and industrial milk and all the products derived from them.

The Milk Board operates only in five controlled areas: Pretoria, Witwatersrand, Bloemfontein, Cape Peninsula and Western Transvaal. Its main purpose is to regulate supplies.

Suddenly there is 'too much . . .'

ARGUS 2/7/75

(3)

1 Agra
2 Prices

MANY families will greet with a sort of wry cynicism the news that suddenly, so soon after reported shortages and the drastic price rise, milk in the Western Cape is not only freely available again, but actually oversupplied to the extent that thousands of litres a day are being sent off to Pretoria, where there is a shortage. Three reasons are given for the oversupply: consumer resistance caused by the recent increase in price; a seasonal reduction in demand caused by the cold weather and the school holidays, and a seasonal, temporary increase in production.

In fact, all three reasons make good sense, and there is little in them to quarrel about. Cows are not machines and certainly they do produce more milk at different times for reasons that are inexplicable to townsmen, and there are seasonal fluctuations in demand that must, in turn, baffle and annoy the farmer. And there is no doubt that higher prices do induce consumer resistance.

But the authorities should beware the trite suggestion that has been made that the customers 'soon get used to the new price' and then go back and buy as always before. This is true to a degree, but there is a limit, and with the cost of living being what it is today, it is probable that the price of milk now is very close to that limit — or beyond it even — for many people in the Western Cape. Those people have stopped buying milk, or are buying less, not because of a whim or a seasonal fluctuation but because they simply can no longer afford it.

Yet these people, the poorest in the community, are in fact those who can afford least to be without this valuable food. Numerous other countries recognise this problem, and have introduced subsidies. For various apparently purely technical reasons, the South African Government has declared itself unable to do this. It should find a way quickly, for the sake of the health of the nation.

3 (3) Milk

Govt is blamed for milk price

Cape Times 31/7/75

MEAT, the meat industry's monthly journal, says South Africa will surpass Japan as the country with the world's highest priced milk if regulations governing milk production are not soon simplified.

The blame for this would justifiably fall on the Department of Agriculture, the leading article says.

The journal criticizes the quota system whereby the farmer who produces more is penalized and extra milk sold for industrial purposes at a lower rate.

"Milk is a basic necessity, yet it has become a luxury in many households. And when such an essential is suddenly increased 21 percent then the public — already dazed from the knocks daily received from inflation is certainly entitled to know why."

The price of milk in South Africa has doubled within five years, bringing the Republic to the point where it is second only to Japan as the world's most expensive milk producer, the article says.

The article adds that the farmer must bear some of the blame as milk yields are low.

Bureaucratic interference has forced producers to remain close to larger complexes such as the Rand where costs are high. For those further away it is not profitable to produce milk.

Warning on Milk Board

30/8/75

3 - Milk

Mercury Reporter

PIETERMARITZBURG. FARMERS and housewives were yesterday warned of the implications of extending the Milk Board's control to Natal.

Speaking to the Natal and East Griqualand Fresh Milk Producers the president, Mr. J. E. Mansfield, said a statutory Milk Board in Natal would not reduce the price of milk to the consumer.

"But the farmer might well earn less as he would be levied to pay for the cost of running the Board," he said.

He said the quality of milk in Natal was probably the richest in the country as the Natal producer supplied his own company and was held responsible for its quality.

"The concept of the entire dairy industry being administered from Pretoria is frightening to experienced economists.

"But the Board would have to battle with highly specialised problems of both fresh milk and industrial dairy products," he said.

He said a special committee had investigated the effects of blanket statutory control on producers and consumers in Natal and had noted the deterioration in quality which tended to follow the breakdown of a direct relationship between the farmer and distributor.

Cow disease loss is R38-m a year

STAR 9/9/78

Agric — Milk + Dairy

Farming Editor

The cow disease mastitis is losing dairy farmers an estimated R38-million a year.

This is about 26 percent of the total sales value of all milk produced in the country.

The disease, in cows' udders, affects milk.

Dr P. J. Meara, of the Johannesburg city health department, former director of the Newtown abattoir, told the congress of the South African Veterinary Association in Durban that about 15 percent of Johannesburg's milk supply was still contaminated by mastitis.

In 1950 the incidence of mastitis was 30 percent, he said.

Dr Meara said: "There is no doubt that a serious mastitis situation exists in the Republic and that severe losses of milk and finance are caused by mastitis.

"Approximately 227 300 to 272 760 million litres of milk yearly are lost in South Africa."

Dr Meara said a national control scheme is overdue, but due to the extensive areas and "sparse veterinary services" an embryo scheme should be instituted at first in limited areas such as the Witwatersrand and Pretoria.

(1) 246
(2) 247
(3) Agric - Milk & Dairy

STAR 12/9/75

Campaign to beat milk profiteers

The Milk Board has admitted defeat over trying to control overcharging for milk by Black dairymen in Soweto — and has now appealed to the public to join a campaign to bring the dairymen into line.

The public relations officer of the Milk Board, Miss Frances Erasmus, saidmilk distribution in Soweto had become a "big racket."

"We have been prosecuting about four people a week, but it doesn't seem to help much," she said.

"They have an option of paying an admission of guilt and are usually fined only five or R10."

The maximum fine for overcharging on a price-controlled product is R200.

Miss Erasmus added that the board was "completely helpless" to present exploitation."

She suggested that every person in Soweto should know the price of milk — 30c a litre in glass bottles, and 34c in other containers. If they were overcharged they should immediately report it to the Milk Board, or the Price Controller's office in Pretoria.

They could also telephone The Star's "I Spy a Bad Buy" service.

Get more milk from every cow —Schoeman

STAR 25/9/75 Agric – milk.

Farming Editor

The Minister of Agriculture, Mr Schoeman, today warned that fresh-milk producers would have to increase production by 50 percent from each cow in the next five years to meet expected demand.

"If something drastic is not done I foresee that we are going to run into problems," he told the annual general meeting of the Transvaal Fresh Milk Producers' Association in Alberton.

Mr Schoeman added that incentives built into the milk price earlier this year did not stimulate production as expected.

He pointed out that the producers' price of milk had increased by 105 percent in the past five years and said he was faced with problems next year when prices must be reviewed.

"I must know my story when I ask for a price increase," he said.

HOUSEWIVES

Should he again ask for an incentive price he would be asked why this year's incentive did not bring about the expected increased production. He called on farmers to push up average production.

A sifting process was in progress among farmers and there were only about 80 000 left on the land who were "men of steel."

He had a lot of sympathy with housewives over high food prices but they could do their share to keep living costs low.

They could, for instance get milk 4c a litre cheaper "by going to a little trouble" (by not having milk delivered.) The same applied to bread, by eating brown bread, which was cheaper. Despite price increase, consumption of white bread had increased by more than 70 percent.

FRUITLESS

The chairman of the association, Mr B Davidtz called on members to keep production costs as low as possible. "I will be failing in duty if I don't warn that we cannot continue to save the situation with drastic price increases. It is not prudent to price our product off the market."

Referring to the Transvaal Provincial Administration's licensing ordinance, he said that efforts to have milk farms exempted have proved fruitless.

He had seen the acting administrator and senior officials. He was now going to the Administrator, but could not hold out much hope of success.

Cheap maas

Mercury 3/12/75

Agricultural Correspondent

MAAS — a milk product similar to yoghurt — is to be reduced in price throughout Natal.

A spokesman for Clover Dairies said in Durban yesterday that as from December 4, the price of maas would be reduced by four cents a litre. He said that the decision had been taken jointly by producers and distributors as their contribution to the fight against inflation.

The spokesman said that although maas was popular with Africans, there was a growing demand for the product among other race groups.

"Maas has a protein content of 9.5 percent and thus provides a cheap source of food," he said. The spokesman said that maas would now cost the same as milk although maas contained expensive cultures.

3 - Milk

Hansard 6

WEDNESDAY, 3 MARCH 1976

† Indicates translated version.

For written reply:

Fresh/industrial milk

389. Mr. T. ARONSON asked the Minister of Agriculture:

(1) Whether it is expected that there will be (a) a surplus or (b) a shortage of (i) fresh and (ii) industrial milk in the Republic in 1976; if so,

(2) (a) in which month in each case is the surplus or shortage expected and (b) what will its extent be in each case.

The MINISTER OF AGRICULTURE:

(1) In certain areas a surplus of fresh milk is expected, while in other areas a shortage is expected. An increase in the production of industrial milk occurred recently and, should this continue, a surplus is expected.

(2) (a) and (b)

Fresh milk

Estimates with regard only to those areas controlled by the Milk Board are given. Estimates with regard to uncontrolled areas are not possible.

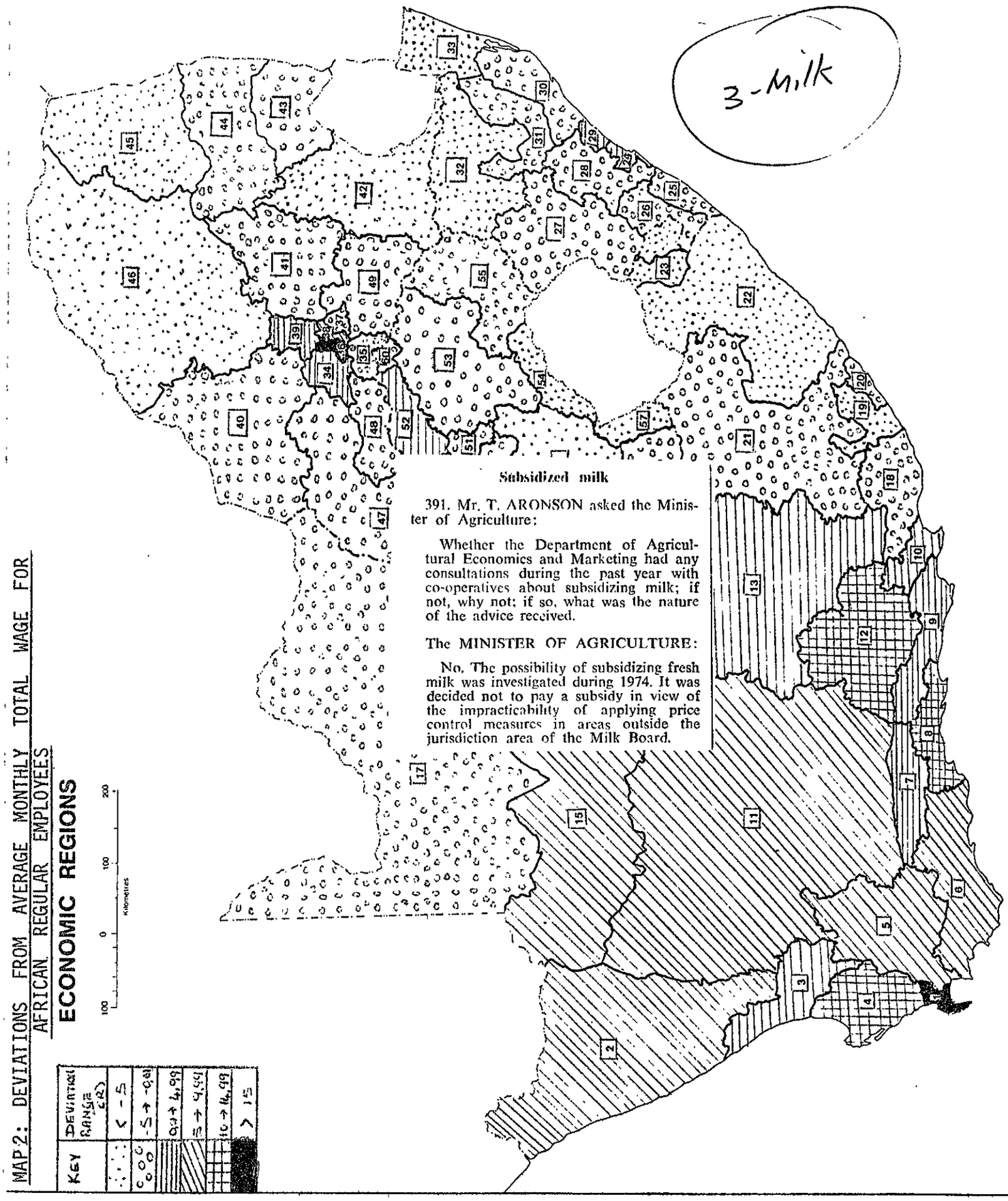
Month	Bloemfontein	Cape Peninsula	Pretoria	Western Transvaal	Witwatersrand
	Average daily shortage (−) or surplus (+) (litres)				
March	+ 9 300	+ 900	−18 200	− 3 600	− 42 500
April	+11 000	+ 3 000	−29 500	− 5 600	− 48 000
May	+ 8 700	+ 9 400	−41 500	− 5 500	− 98 000
June	+12 400	+26 500	−38 000	− 2 500	− 58 500
July	+14 500	+33 400	−32 100	− 200	− 25 000
August	+12 200	+39 300	−29 000	− 2 300	− 20 000
September	+14 600	+45 600	−17 000	− 1 500	+ 13 500
October	+14 200	+43 600	− 6 000	+ 300	+ 41 500
November	+14 300	+63 400	−14 700	+ 1 600	+ 79 500
December	+18 600	+70 500	+40 500	+12 100	+ 163 000

Industrial milk

The production of industrial milk is affected by numerous factors such as fluctuating climatic conditions and increasing costs. The supply position of industrial milk is also uncertain due to the unknown effect of measures implemented to encourage a decrease in butter production and promote the production of industrial milk. Reliable estimates of industrial milk production are therefore not possible. During recent months production of industrial milk increased substantially. Shortages have disappeared and surpluses have developed, resulting in a build up of stocks. Should this improvement in dairy production continue throughout the year, no shortages of dairy products will be experienced. Dairy products as opposed to fresh milk, are not consumed immediately after production and a balance can, therefore, be maintained in monthly surpluses or shortages during a given year.

Hansard 6 col 1681 3/3/76

3-Milk



Subsidized milk

391. Mr. T. ARONSON asked the Minister of Agriculture:

Whether the Department of Agricultural Economics and Marketing had any consultations during the past year with co-operatives about subsidizing milk; if not, why not; if so, what was the nature of the advice received.

The MINISTER OF AGRICULTURE:

No. The possibility of subsidizing fresh milk was investigated during 1974. It was decided not to pay a subsidy in view of the impracticability of applying price control measures in areas outside the jurisdiction area of the Milk Board.

Dairymen's plea in milk crisis

6/6/76. NM

(1) ~~246~~
(2) Agric - Milk.

Agricultural Correspondent

THE dairy industry is facing its worst economic crisis and the only way out, says Durban's biggest dairies, Clover and Creamline, is for consumers to demand a Government subsidy on fresh milk.

Both dairies confirmed last night that the price of milk in Durban would go up by 2,1c a litre as from next Friday.

The price of fresh milk a litre delivered to homes will be 28½c, or an increase of 7,5 percent, and for milk sold in plastic containers in cafes and supermarkets the price will be 31c, or an increase of 6,9 percent.

For half litres the new price will be 16c or an increase of 6,7 percent.

The price of eggs has also gone up by at least 2c a dozen, with another increase on the way.

Mr. Bruce Laing, managing director of Clover and Mr. Raymond Smit, managing director of Creamline, both agreed that the price increase of 0,6c a litre granted to distributors by the Minister of Agriculture in no way met spiralling costs.

Farmers have received the balance of the increase, which amounts to 1,5c a litre.

Mr. Smit said that since the last price increase of fresh milk, wages had gone up by 35 percent, packaging by 28 percent, fuel by 52 percent and vehicle maintenance by 35 percent.

The dairies say that they have taken every possible measure to cut their costs.

Branches have been closed, staff dismissed and distribution rezoned for greater efficiency.

They say that to cut their costs further would be dangerous, possibly forcing either a complete stop of home deliveries or possible closure.

"Because milk is a basic necessity, especially for lower-income groups, the price is too high, but at the same time it is too low to adequately cover production and processing costs," said Mr. Smit.

Mr. Smit said that there was only one way to solve the problem.

"We believe that the price should be kept at a level that can be afforded by all income groups.

Subsidy

"Because it is necessary to keep the dairy industry on a sound footing, we recommend that consumers should make determined representation for a Government subsidy."

Mr. Laing of Clover agreed with this statement.

However, calculations made some time ago by milk producers showed that if a subsidy of 5c a litre was agreed upon by the Government, the annual subsidy would come to about R114 million.

The general manager of the Egg Control Board in Pretoria, Mr. W. C. J. van Rensburg, said yesterday that "owing to a seasonal shortage of eggs and due to the increased maize price" producers had been forced to increase the price of eggs.

The wholesale price of eggs in Durban is not controlled and the retail price varies depending on the shop.

(3) milk

15/10/76 The Star Friday Octc

Not a drop of milk for the 'dump'

Not a drop of the large surplus of milk in the Transvaal has been "dumped."

This was said by Mr A M Diesel, vice chairman of the Rand Milk Association, when commenting on reports that rather than lower prices, dairies "are literally pouring milk down the drain.'

Said Mr Diesel: "I can state that no milk is being poured down the drain."

He said there was nothing unusual about the surplus. "Annually, there is a seasonal increase in milk production between October and January. However, it is true that this year the surplus is higher than normal, mainly because of the downturn in the economy.

"Dairies only get in as much milk from the Milk Board as they can sell," said Mr Diesel.

Commenting on a call from a supermarket chain for distributors to lower the price of milk during the surplus, Mr Diesel said distributors could not afford to do so.

He did not believe lowering the price would mean a big increase in sales.

"It will only mean consumers will go to the supermarkets for their milk for the three month duration of the surplus."

③ — Dairy

Supermarket head urges cut in milk price

Cape Times 2/11/76

Chief Reporter

Mr RAYMOND ACKERMAN, head of one of South Africa's biggest supermarket organizations, appealed yesterday to the Milk Board to reduce "drastically and immediately" the price of milk, which he said was the root cause of the Diary Board's butter and cheese-surplus fiasco.

He said the Milk Board, which worked independently of the Dairy Board, had "pitched the milk price far too high" earlier in the year, with the result that many farmers had switched to milk production.

This had led to the flooding of the market with excess milk, which then went into butter and cheese production. Now, the Dairy Board was stuck with a massive surplus of these products and the public was being called on to pay more, to help dispose of the surplus.

Mounting anger over the fact that the public is now expected to help foot the bill for the vast surpluses of butter and cheese the Dairy Board has been stuck with was reflected yesterday in the appointments book of the Minister of Agriculture, Mr Hendrik Schoeman.

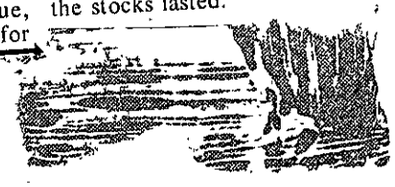
Mr Schoeman spent much of the day seeing deputations from the Co-ordinating Consumer Council and from the Housewives' League, about the price increases for butter and cheese, which became officially effective yesterday.

The increases — and public reaction to them — will probably be discussed by the Cabinet today, at its weekly meeting in Pretoria.

Meanwhile the Checkers Stores group has announced that it will not sell butter in any of its stores for the whole of next week and has urged other food distributors "to join us in this protest on behalf of the consumer".

No other major chainstore group appeared yesterday to have joined the butter boycott. Mr Raymond Ackerman, of Pick 'n Pay, said he was totally opposed to boycotts which could only aggravate, not help the situation.

He said Pick 'n Pay had bought up "enormous" quantities of butter and cheese and that these stocks, in the group's warehouses throughout the Republic, would be sold at the pre-increase prices for as long as the stocks lasted.



Co-operation

Mr Ackerman said there was "a crying need" for closer co-operation between the farmer, the Government and the marketing organizations such as his own.

"As people who are very much involved in the day-to-day marketing of their products, we have offered our services to the control boards in disposing of these huge surpluses, through marketing methods that would be to their own benefit as well as to the benefit of the public.

"But our offers have been ignored — and this chasm between the Government and the public remains unbridged.

3-dairy

5

Farmers hit by huge milk surplus

Argus 6/11/78

Weekend Argus Correspondent

JOHANNESBURG — South African dairy farmers are struggling to find uses for thousands of litres of surplus milk in an effort to prevent it from going to waste.

A South African Agricultural Union spokesman said it was possible large amounts of milk could go to waste because of a huge surplus.

Many farmers are following the advice of Milk Board general manager Mr A. C. Visser, who has said they should withhold their surplus milk from the market and feed it to livestock instead.

Farmers have been told the Dairy Board is imposing a very high levy on all surplus milk and cream produced by fresh milk producers and supplied either by the Milk Board or directly by fresh milk producers to dairy factories. This, added to other costs, makes it uneconomical for farmers to market more than their allocated quotas.

Mr Visser said he did not think it would be wise to lower the price of milk — even in the short term — to boost consumer demand. Such a step would result in milk shortages in the future, he said.

Agric. Dairy + Milk

13 factories churn it in

Agricultural Correspondent

THE DAIRY Board has announced the closure of 13 of South Africa's smaller butter factories because of the decline in butter sales and production.

Mr. P. J. H. Maree, manager of the Dairy Board, speaking from Pretoria yesterday, confirmed that because butter sales had dropped by about 60 percent, 13 of the country's smaller and less economic butter factories had been closed.

Mr. Maree said that redundant workers had been absorbed into other organisations or given suitable compensation.

He said butter production had dropped nearly 40 percent since 1970/71 because the Board had induced thousands of cream producers to switch to the supply of milk for other dairy products by raising the price of milk to more than that of cream for buttermaking.

The closed factories are the dual purpose butter sections at factories at Oudtshoorn, Cookhouse and Aliwal North, and the factories at Grahamstown, Springfontein, Standerton, Kuruman, King William's Town, Winburg, Dundee, Ladysmith, Ermelo and Pretoria.

Mr. Maree stressed that the position was not serious and the closed factories represented, in fact, only 18 percent of the total.

"The drop in butter sales is also attributed to the fact that sales of margarine have made considerable inroads into butter sales," said Mr. Maree. There was no butter shortage from the closure of these factories.

"It merely means that the industry has been rationalised," he said.

"The production of cheese is well above last year's level and with more milk being made available for this purpose, it should again be possible to meet the country's total cheese requirements from local sources," said Mr. Maree.

Mr. Bruce Laing, managing director of a large Durban dairy, said: "There is nothing exciting about the closure of these low intake factories. We closed our Ladysmith butter factory some time ago in line with the Dairy Board's policy to rationalise the industry."

① 3 Dairy Products

'Butter was off' claim denied

Mercury 19/11/75

Agricultural Correspondent

THE Dairy Board has denied allegations by Mrs. Hope Hughes, chairman of the Housewives' League in Johannesburg, that butter sold to the public was rancid.

Mrs. Hughes told the Mercury yesterday that she had written a letter of complaint to the Dairy Board following reports by housewives that much of the 500 tons of butter recently sold by the board was rancid.

Mrs. Hughes said that she believed that there is a further 4 500 tons being held by the Dairy Board, and that she has written asking for this to be released before it goes rancid as well.

Mr. P. J. H. Maree, manager of the Dairy Board in Pretoria, denied that that the butter was rancid as well.

He said that the public had been informed beforehand that the butter sold was not first grade and was for cooking purposes only.

Referring to the 4 500 tons held by the board, Mr. Maree said that amounted to the total stocks held, and there was no question of that butter being either rancid or available for immediate release.

Mr. Maree said that a decision to release some of this butter might be taken shortly, but emergency stocks had to be kept.

(1) 246

(2) Agric. (Milk + Dairy)

Butter surplus means price cut

STAR, 4/2/85

A huge butter surplus in South Africa is the reason 1-million kg of choice butter will sell at the same price as margarine from Monday.

The Dairy Board announced the cut price yesterday as a contribution to the fight against inflation.

The Department of Africulture said surplus butter will be sold at a loss inside South Africa instead of being exported at a loss.

An official indicated that the losses on the sale of butter at the reduced price will be met from the Government's annual R7-million subsidy, and from the Dairy Board's producers' levy fund.

A United Party spokesman on agriculture, Mr Warwick Webber, MP, said the production of butter had dropped only 40 percent with the introduction of margarine, while consumption had dropped 60 percent.

"I am very pleased the Government has taken our attitude by not exporting the surplus, but subsidising the local people instead," he said.

But Mr Webber said he hoped the same would not happen with the sale of reduced-price choice butter as had happened in October — with the sale of reduced-price table and household butter.

People had complained it had been rancid.

He hoped the big supermarket chains would not again be allowed to monopolise the supplies of reduced-price butter.

Smaller stores in the country areas, he said, should also be allowed an allocation.

3-Dairy

Hansard 2 col 88 4/2/76

(X) **Surplus stocks of butter**

165. Mr. W. T. WEBBER asked the Minister of Agriculture:

(1) What surplus stocks of butter were held at 30 June and 31 December in each year from 1971 to 1975;

(2) what is the (a) present stock of butter on hand and (b) estimated surplus stock of butter as at 30 June 1976 and 31 December 1976.

The MINISTER OF AGRICULTURE:

(1)

	30 June t	31 December t
1971	—	9 312
1972	8 149	1 935
1973	3 105	4 700
1974	—	—
1975	1 509	693

(2) (a) 2 217 t.

(b) 30 June 1976: 3 100 t.
31 December 1976: 4 900 t.

White/yellow margarine

166. Mr. W. T. WEBBER asked the Minister of Agriculture:

(1) How many applications for permits to produce (a) white and (b) yellow margarine were (i) granted and (ii) refused during the period 1971 to 1975;

(2) what was the total mass of the (a) quotas granted and (b) actual production of (i) white and (ii) yellow margarine in each year from 1971 to 1975.

The MINISTER OF AGRICULTURE:

	(a)		(b)	
	(i)	(ii)	(i)	(ii)
1971-'72	6	—	6	—
1972-'73	11	1	11	1
1973-'74	13	—	13	—
1974-'75	13	—	13	—

(2)

	(a)		(b)	
	(i) kg	(ii) kg	(i) kg	(ii) kg
1971-'72	11 801 000	19 900 000	11 722 035	19 898 304
1972-'73	15 600 000	43 500 000	8 552 254	33 192 581
1973-'74	17 800 000	62 500 000	7 208 182	40 607 748
1974-'75	20 300 000	79 000 000	7 310 815	59 548 562

Agric - Dairy + milk.

Big loss on dairy exports

STAR 5/5/76.

The Dairy Board exported butter and cheese at an estimated loss of R1 200 000 during the financial year ended September 30 1975.

A Government subsidy of R9-million was received but an amount of R566 078 had to be paid from the stabilisation fund to keep down the price of butter.

The controller and auditor-general, Mr F G Barrie, reports that the board paid 36c a kg to butter manufacturers in order to keep down the price of butter.

In the previous financial year the Government subsidy for this purpose was R13 975 137.

The board also paid R21 253 as a subsidy on milk powder to combat kwashiokor.

The reserve fund to pay for future losses on milk-powder imports came to R1 209 605 at the end of the year after a net surplus of R1 043 018 in respect of milk-powder imports during the year had been credited to the fund.

The board says a premium of 1c a kg on gouda cheese to encourage production of round gouda cheese. The money for this purpose is collected from farmers through an additional special levy.

Collections came to almost R94 000 and payments were almost R67 000 leaving R88 000 in the fund.

Mr Barrie said that loans to cheese factories and creameries amounted to almost R7,6-million at the end of the year.

Included in that amount was R50 276 outstanding on a loan to a creamery that closed permanently in 1972. Interest already came to R8 089.

"The board has taken legal steps to recover the outstanding loan and interest," he states.

(3) - Dairy

Dismay over dairy hikes

ARGUS 27/10/76

THE Dairy Board decision to increase the price of butter by 10c for 500 g and cheese by 8,5c for 500 g by Monday has been greeted with dismay by the retail trade.

Supermarket chiefs say it will reduce sales — already slow — and cause the build-up of an even bigger surplus.

This surplus will have to be sold off at reduced prices, they say.

The news has also dismayed producers, who will have to pay a levy to help meet promotion costs.

Mr David Watkins, general manager of Pick 'n Pay said the decision to increase the price in order to pay for increased promotion costs as 'crazy marketing.' He said: 'I simply can't understand it.

'There is so much cheddar about the Dairy Board just doesn't know what to do about it. It is the already high prices which have discouraged people from buying butter and cheese and resulted in surpluses.

CRAZY

'The thing to do when there is a surplus is to bring the price down. To put it up further is absolutely crazy.

'The decision to push up the price of cheese will put the price of prepacked cheese up to R2,18 a kg which is a psychological error. The Dairy Board should have tried at all costs to prevent it going over the R2 a kg mark.'

A spokesman for Checkers said: 'Putting up the price of cheese will mean sales will be further reduced and the cheese will go off and have to be downgraded and sold at a lower price.

'This is the sort of thing that happens when control boards interfere with free market prices.

'All they have done by putting up cheese and butter prices, especially to such an extent, is to create a bigger problem for themselves when they have to decide what to do with the bigger surplus that will build up.'

Defending the increases, a Dairy Board spokesman said although reducing prices was one way of increasing consumption it was not always practicable.

'Even if you have a lower price it does not necessarily follow that consumer demand will increase,' he said.

CHEAPEST

'It is probably for this reason the Dairy Board decided on the increases to pay for a comprehensive publicity campaign to stimulate the demand for dairy products.

A spokesman for the South African Agricultural Union said producers had been encouraged to step up their production in order to make the Republic self-sufficient in dairy products.

It was ironic they should now have to pay a levy to help meet the costs of promoting sales here and overseas.

3 - dairy.

Cape Times 28/10/76

Dairy decision 'illogical' — economists

Chief Reporter

WHILE Cape Town housewives were sending telegrams to Pretoria yesterday protesting against the Dairy Board's decision to raise the prices of butter and cheese, leading economists branded the decision as anti-social, illogical and a breach of the Government's anti-inflation manifesto.

One of them described the Dairy Board's reasons for raising the price in an effort to offset the vast surplus of dairy products that has been amassed in the Republic as "the most cockeyed approach to economics that I've ever heard of".

Dr Lawrence McCrystal, chairman of the Collective Action Movement Against Inflation, said the board's attempt to justify the proposed increased "a contorted piece of reasoning".

He added: "The credibility of our anti-inflaiton campaign is seriously undermined by this sort of thing, and we will have to discuss it at our meeting in Johannesburg tomorrow."

Dr McCrystal said he accepted that there were instances where price increases were unavoidable, but he also expected that the bodies concerned — in this case a statutory body, the Dairy Board — should act in accordance with the terms of the anti-inflation manifesto.

Mr W F Kilian, chief economist of the Bureau for Economic Research, University of Stellenbosch, said the Dairy Board's decision ran counter to all the economic and social laws he knew of, and that if Dr McCrystal's committee did not speak out strongly against it, "then the anti-inflation campaign will be shown to be completely meaningless".

Prof Z S A Gurzynski, director of the School of Economics at the University of Cape Town, said he could not understand the logic of the decision and that he saw it as a breach of a social contract, which was in effect what the anti-inflation manifesto amounted to.

(3) Dairy

Dairy Board cash crisis

28/10/76 DD

EAST LONDON — This is the story of the crazy world of Alice in Wonderland — more commonly known as the South African Dairy Board, which is searching diligently for a money tree accompanied by calls from the South African public: "Off with its head".

And for a very good reason. On September 30, 1974 it had a stabilisation fund of R7 025 457, obtained over the years through levies on producers and consumers of dairy products.

Little more than a year ago the fund had risen to R9 451 625.

During the year ended September 30, 1975 the Dairy Board also received a Government subsidy of R9 million — on condition the retail price of butter was not increased. According to Mr J. van Vuuren, chairman of the Dairy Board, the retail price of butter was increased in June 1975, but the Government subsidy of R9 million was still paid over.

During the year ended September 30, 1976 the Dairy Board received another Government subsidy, this time of R8 million — also on condition the retail price of butter was not increased.

During the 1974-75 year, the Dairy Board paid out the Government subsidy of R9 million, plus a further R566 078 of its stabilisation fund (which obviously did not even dent it as the fund still increased by about R2,5 million).

The audited accounts for the 1975-76 year are, of course, not yet available, but according to Mr E. Roux, the Dairy Board's assistant manager, on September 30, 1976 the stabilisation fund had less than R1 million to its credit.

"It has been used to keep prices of dairy products at a low level" Mr Roux told me. Therefore, the Dairy Board has spent more than R16 million in 12 months "in order to keep prices of dairy products at a low level."

Mr Roux says there is a surplus of 1 500 tons of butter which, provided good agricultural conditions are experienced (which is likely), will grow to about 8 000 tons by the end of September 1977.

The current surplus of cheddar cheese is 3 000 tons, which is likewise expected to increase — to about 8 300 tons.

The maximum storage life of butter is between 12 and 18 months, said Mr Roux, and for cheese it is little more than a year.

But the Dairy Board's answer to its problems is, increase the price of butter by 10c for 500g and the price of cheese by 17c per kg. That should send the shoppers rushing to buy it and thus "restock" the sadly depleted stabilisation fund, which will then be used once more to "keep prices of dairy products at a low level."

But the Board has come up with an even better idea than that — a real Cheshire Cat one this time.

A special promotion campaign is to be launched.

And, Mr Roux emphasises, during that campaign butter and cheese will NOT be sold at the increased prices!

So, having spent some R16 million in 12 months in order to "keep prices of dairy products low", the Dairy Board will now spend more money on a promotion campaign to sell its products at what they consider uneconomic prices.

Did I say this was the story of the crazy world of Alice in Wonderland? Surely it should be Alles in Blunderland!

—BUSINESS EDITOR

3 - dairy

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Schoeman defends dairy price increases

29/10/76 DD.

CAPE TOWN — The Minister of Agriculture, Mr Schoeman, disclosed yesterday that 13 factories producing butter had already gone out of business and that steps had to be taken to avert the collapse of the entire dairy industry in South Africa.

He was reacting to the public outcry against the Dairy Board's decision to increase the prices of butter and cheese because of a vast surplus of dairy products that has amassed in the Republic.

Leading economists have shared the public's perplexity over the Dairy Board's reasons for the increases, which have been described as "a cock-eyed approach to the economics of supply and demand."

Mr Schoeman said: "I wish to emphasise the prices have not been increased with a view to obtaining funds for promotion campaigns, as has been alleged in some circles.

"With the exception of butter, shortages of dairy products were experienced for six consecutive years until 1975, and these shortages had to be augmented, often at a financial loss, by way of imports."

Mr Schoeman said the position was that there were now surplus stocks which, because of their perishable nature, must be exported as soon as possible.

"The losses incurred on these exports, coupled with the higher inland transportation and shipping costs, will mean that not only will the Dairy Board's funds be exhausted but that the board will have to raise a further R25 million.

"In the past, the Government was able to contribute R12 million a year towards lowering the consumer price, but due to the present unfavourable economic situation this subsidy has had to be reduced to R7 million.

"Attempts to dispose of these surplus stocks locally at specially reduced prices will in the light of past experience not provide a solution. The board therefore decided to raise the approximated R25 million through contributions by producers, manufacturers and consumers.

"I trust it will be realised from this that although the dairy industry is burdened with surplus stocks, the solution does not lie in a lowering of the price to the consumer, as could normally be expected.

"The production of butter has already decreased appreciably, and 13 factories have already closed down." — DDC.

(3) — Dairy

'It's for exports' dairy critics are told

29/10/76
MM.

Mercury Correspondent

CAPE TOWN — The Minister of Agriculture, M. Hendrik Schoeman, yesterday contradicted the Dairy Board over the reasons for the rise in the cost of cheese and butter.

He said the increase was to offset the cost of exporting cheese and butter surpluses and not to support a nation-wide advertising campaign to get rid of them—as the Dairy Board had said on Tuesday.

"I wish to emphasise," he said, "that the prices have not been increased with a view to obtaining funds for promotion campaigns, as has been alleged in some circles.

"The Dairy Board's reference to the high cost of promotion was actually a reference to the sale of butter and cheese on the local market at especially reduced prices, in order to reduce surplus stocks.

"With the exception of butter, shortages of dairy products were experienced for six consecutive years until 1975, and these shortages had to be augmented, often at a financial loss, by way of imports.

"In June, 1975, an increase in the price to the producers was granted, and since then the production of dairy products has increased considerably — to such an extent that large stocks of manufactured products accumulated."

Mr. Schoeman said the position consequently was that there were now surplus stocks which, because of their perishable nature, must be exported as soon as possible.

"The losses incurred on these exports, coupled with the higher inland transportation and shipping costs, will mean that not only will the Dairy Board's funds be exhausted but that the Board will have to raise a further R25 million.

"In the past, the Government was able to contribute R12 million a year towards lowering the consumer price, but due to the present unfavourable economic situation this subsidy has had to be reduced to R7 000 000.

"Attempts to dispose of these surplus stocks locally at specially reduced prices will, in the light of past experience, not provide a solution.

"The board therefore decided to raise the R25m through contributions by producers, manufacturers and consumers.

"Where producers are concerned the Dairy Board has lowered the price of butter fat by 31 percent—a measure that will come as a great shock to the farmers concerned.

"Manufacturers will make a contribution of R1.340 000, and the consumer is asked to contribute 11 percent on the present maximum price of cheese and 14 percent on the present maximum price of butter.

"The increase in consumer prices, however inconsistent it may appear in present circumstances, will hopefully only be a temporary sacrifice for all concerned."

The country had to guard against the collapse of the dairy

● Turn to Page 3

(3) - butter.
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Cape Times 29/10/76

Minister's statement on price rises

13 butter factories out of business

Chief Reporter

THE Minister of Agriculture, Mr Hendrik Schoeman, disclosed yesterday that 13 factories producing butter had already gone out of business and that steps had to be taken to avert the collapse of the entire dairy industry in South Africa.

He was reacting, in a statement to the Cape Times, to the public outcry against the Dairy Board's decision to increase the prices of butter and cheese because of a vast surplus of dairy products that has been amassed in the Republic.

Leading economists have shared the public's perplexity over the board's reasons for the increases, which have been described as "a cockeyed approach to the economics of supply and demand".

Underlying reason

Mr Schoeman's statement yesterday makes it clear that the underlying reason for the increases is the effect on the diary industry of the current economic climate in South Africa.

"I wish to emphasize," he said, "that the prices have not been increased with a view to obtaining funds for promotion campaigns, as has been alleged in some circles. The Dairy Board's reference to the high cost of promotion was actually a reference to the sale of butter and cheese on the local market at specially reduced prices, in order to reduce surplus stocks.

"With the exception of butter, shortages of dairy products were experienced for six consecutive years until 1975, and these shortages had to be augmented, often at a financial loss, by way of imports.

Accumulated stocks

"In June 1975 an increase in the price to the producers was granted, and since then the production of dairy products has increased considerably — to such an extent that large stocks of manufactured products have accumulated.

"As in the case of other branches of agriculture, produciton of dairy produce cannot be decreased at short notice — particularly not during years when climatic conditions are favourable."

Mr Schoeman said the position consequently was that there were now surplus stocks which, because of their perishable nature, must be exported as soon as possible.

In the past

"The losses incurred on these exports, coupled with the higher inland transportation and shipping costs, will mean that not only will the Dairy Board's funds be exhausted but that the board will have to raise a further R25m.

"In the past, the Government was able to contribute R12m a year towards lowering the consumer price, but due to the present unfavourable economic situation this subsidy has had to be reduced to R7m.

"Attempts to dispose of these surplus stocks locally at specially reduced prices will in the light of past experience not provide a solution. The board therefore decided to raise the approximated R25m through contributions by producers, manufacturers and consumers.

"Where producers are concerned the Dairy Board has lowered the price of butter-fat by 31 percent — a measure that will come as a great shock to the farmers concerned. The producers' price for industrial milk has also been decreased by 12 percent.

"We must naturally guard against steps in the near future which could bring about the collapse of the dairy industry. Such a collapse would affect butter, for which there is a substitute, as well as cheese, skim-milk powder, condensed milk and so on, and could lead to the future need to import such products.

"I trust it will be realized from this that although the dairy industry is burdened with surplus stocks, the solution does not lie in a lowering of the price to the consumer, as could normally be expected.

"The production of butter has already decreased appreciably, and 13 factories have already closed down."

3 - Dairy

DAIRY

29/10/76 NM

FROM PAGE 1

industry, because it could mean having to import these products, he said.

Meanwhile, the cheese and butter boycott proposed by a railway workers' union in Natal, received strong support yesterday from local unions and the regional representative of the Trade Union Council of South Africa, Mr. Jock Espie.

"I stand right behind Mrs. Dorothy Perkins and Mr. Sidney Thorpe in their proposed boycott. I feel that this boycott has been forced on us because butter and cheese have been priced out of range of the ordinary working man's pocket," said Mr. Espie.

Mr. Thorpe is the divisional council chairman of the Railway Artisans' Staff Association.

③ — Dairy

Dairy Board looks abroad

Cape Times 30/10/76

Chief Reporter

WHILE the public is being called on to help foot the bill for the disposal of massive surpluses of dairy products, the Dairy Board is making an all-out effort to find markets for these products overseas.

A Dairy Board spokesman disclosed from Pretoria yesterday that the manager of the board, Mr P J H Marce, is at present visiting other countries, including several in Europe and also North America, to try to find such markets.

Sapa reports from Johannesburg that the SA Co-ordinating Consumer Council yesterday presented a concept proposal for the possible solution of the crisis to the Minister of Agriculture.

The council said yesterday a delegation from the council would meet the Minister on Monday to discuss the proposal.

crack of dawn

"The Dairy Board is stimulating overseas sales of SA butter by making it too expensive for South Africans to buy."

The council had requested the Minister to delay the increases for a specific period in order to give organized consumer bodies a chance to show what they, in co-operation with commerce, could do in a joint effort to nullify the surplus of dairy stocks.

● **Hellenic last night won the Benson and Hedges Cup when they beat Durban City 2—0. Report, picture back page.**

③ - Dairy

Cape Times 1/11/76

Chance of decrease 'slim'

Govt rethink on butter price

Staff Reporter

THE GOVERNMENT will this week reconsider the recent cheese and butter price increases, the Minister of Agriculture, Mr Hendrik Schoeman, said in Pretoria yesterday.

But he cautioned that chances were slim that the controversial decision to raise the prices of dairy products would be reversed.

"There is not really a big chance that the prices will be lowered again," he said. "After all, the farmers and producers are already getting 31 percent less for their product and it would be unfair on them if the consumer were to pay less."

Mr Schoeman criticized Sunday newspaper reports which he said had "raised the issue to an emotional one".

"They have taken the whole thing out of context," he said. He denied that the Dairy Board was broke.

"The board as such cannot go broke. What has happened is that they have very little money in their stabilization fund."

The fund is used to finance reductions in the price of butter and cheese.

Meanwhile in Cape Town, milk producers are up in arms over the new price increases. The vice-chairman of the Milk Board, a sister organization to the Dairy Board, Mr J J de Villiers, said he was at a loss to understand the reasons behind the price increases in butter and cheese.

He said the effect would be to make it more difficult for the Dairy Board to get rid of its products because demand would fall off.

Biggest blow

"What this means in practice is that the milk producer will find it increasingly difficult to dispose of his surplus milk. As it is, he now has to pay a large levy on surplus milk. I regard this as the biggest blow in years to the milk industry and I am extremely worried about the future."

Mr De Villiers forecast a milk shortage in four months' time.

"The dairy farmer is in for a tough time. Already milk-cows are going for a song. The big problem is what to do with the surplus milk."

Mr De Villiers could not give any details on a report that more than 30 000 litres of skimmed milk was dumped down a drain last week by the Milk Board because it could not be sold.

But he confirmed that it was usual practice when there were large surpluses of dairy products to dump skimmed milk.

"After all, the only use for this type of milk is to sell it to people who make powdered milk. But there is already a surplus of powdered milk so it is not always possible to sell the milk to the factories."

The manager of the Milk Board, Mr A C Visser, was not prepared to comment yesterday but promised to release full details to the press today.

Meanwhile there has been strong reaction by dairy farmers to a proposed country-wide boycott of cheese and butter and a decision by Checkers, one of the country's biggest chain-stores, to stop selling butter for a week.

"Ridiculous"

A small-scale dairy farmer in Constantia, Mr Ian Austin, said the boycott call was "ridiculous and irresponsible".

"Housewives should be warned that such a boycott will be counter-productive and we could find ourselves with an acute scarcity of dairy products within six months."

It was the producers who would be worst hit by a boycott, said Mr Austin.

"In some cases farmers are going to have to pay the Dairy Board for accepting surplus milk. On this basis it is just not going to pay to keep dairy cows."

Egg-smashing

Dairy farmers' quotas for delivered milk have also been cut with effect from today. This means that milk surpluses will be even larger than before and many farmers will have to find ways of cutting back on production.

While huge milk, butter and cheese surpluses have been reported, there are also unconfirmed reports that the Egg Control Board is smashing a million eggs a day at its Kraaifontein factory. The smashed eggs are reportedly being sold at a loss to Japan and Hong Kong where they are used in bakeries.

The Egg Board general manager, Mr W C J van Rensburg, was not available for comment yesterday.

(3) Dairy

No comment on cheese import claim

Cape Times 1/11/76

Own Correspondent

JOHANNESBURG. — The former assistant manager of the Dairy Board, Mr Fred Peters, declined to comment last night on a newspaper allegation that he was mainly responsible for the present dairy products fiasco.

The allegation, in the Afrikaans Sunday newspaper Rapport claimed he had ordered 500 tonnes of cheese from Holland.

The import of cheese was approved by the Dairy Board last year after a shortage was forecast.

Rapport claims that while Mr J Maree, the manager of the board, was abroad, Mr Peters closed the agreement for the importation.

However, good rains fell, production rose, and instead of a shortage a surplus developed.

The executive committee of the board found that Mr Peters on his own decision ordered another 500 tonnes of cheese, the newspaper said.

Neither the chairman of the board, Mr J J M van Vuuren, nor the acting manager of the board, Mr P E Roux, would comment last night on the report.

Mr Van Vuuren did say, however, that it was irresponsible for anyone associated with the board to discuss management affairs with the press.

"The board takes full responsibility for its actions and I refuse to discuss the matter further," he said.

● **Government rethink on butter price, page 3.**

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- Dairy

Cabinet won't lower prices

Cape Times 3/11/76

PRETORIA. — The Cabinet decided yesterday not to lower the increased prices for butter and cheese.

This is clear from a statement issued after yesterday's meeting in the Union Buildings, by the Minister of Agriculture, Mr Hendrik Schoeman.

The Minister said however, that a meeting would be held on Friday to find solutions to the problems facing the dairy industry.

Reviewing the background to the price increases, Mr Schoeman said the Dairy Board expected a considerable surplus, especially of butter and cheese, after the normal demand for dairy products had been satisfied during the coming season.

A butter and cheese price reduction aimed at disposing of the surplus locally, as well as current production, would have to be so substantial that the board's "practically depleted" funds would not be able to afford it.

The Government was not in a position to assist the dairy industry with a subsidy higher than the R7 million already voted for the coming year.

(3) Dairy

Cape Times 3/11/76

Dairy surplus—no buyers

Chief Reporter

MR P J H MAREE, manager of the Dairy Board, said yesterday after returning from an extensive trip overseas that he had been unable to secure any immediate contracts for the purchase of surplus stocks of South African dairy products.

But, he added, there appeared to be good prospects in certain countries he had visited and the Dairy Board would be following these up.

Mr Maree visited the United States and Canada to attend conferences, and called at countries in Europe on his way back to South Africa.

Speaking from his office in Pretoria he said: "The market over there is extremely competitive; the EEC countries are 'out' as far as we are concerned and there are no real shortages of dairy products in Europe or Scandinavia.

"So it has been no easy matter finding outlets for our surplus products."

Mr Maree said he did not wish to comment on the national outcry that started while he was looking for markets abroad, when it was disclosed that the Dairy Board had amassed vast surpluses of butter and cheese and that prices of these products were to be increased to help raise funds to reduce the surpluses.

He did say however that in all his years in the industry he had not experienced the combination of circumstances that had brought about the present situation.

And although a lowering of prices to the consumer was being demanded, this would have the effect of driving dairy farmers out of the industry, with the result that instead of surpluses there would soon be acute shortages of dairy products.

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CT 4/11/87

Supermarket chain to slash butter price by 12,5c/500g

FROM TODAY, a supermarket chain is to slash butter prices to 65c for a 500g block — which is 1,5c less than the old price and 12,5c below the latest price increase which has caused a nation-wide uproar.

This surprise move was announced yesterday by Mr David Watkins, a director of Pick 'n Pay, in a statement which blasted both the Government and the Dairy Board for ignoring the country's retailers and driving up prices to such a level that "in the poorer sectors of the population . . . the people find it too expensive to put their babies on to fresh milk".

He also charged the Dairy Board with ignoring "all the principal marketing laws in the book" and depriving dairy farmers of money by diverting too much milk into the "industrial" and too little into the "fresh" category.

Three positive steps could be taken, he siad. Firstly, the consumer should be helped so that he would be able to buy butter for less than he was paying before the latest price increase; secondly, the farmer should be helped to get rid of his surplus; and thirdly, the Dairy Board, should be helped to make this possible.

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Price fall for butter will come —Maree

4/11/76 Argus.

The Argus Correspondent

JOHANNESBURG. — Not all the surplus butter and cheese will be sold overseas, and as soon as the Dairy Board can afford it, the prices will be cut locally, the manager of the board, Mr P. J. H. Maree, said today.

'I cannot say when this will happen. But as soon as we have sufficient funds, we will continue with our special cut-price schemes through the supermarkets,' he said.

Mr Maree said the Dairy Board did not yet know whether consumers were buying less butter and cheese because of the increased prices.

'The supermarkets bought up a lot of the products at the old prices last week, and although they may not buy much this week, they may be selling a lot to the public,' he said.

RESISTANCE

A spokesman for the Housewives' League said today consumer resistance to the new prices was 'fairly strong' on its own without being nudged by the league's call for a boycott.

● Although housewives have so far shown no tendency to stock up with butter still being sold at supermarkets at the 'old' price of 68c or 69c for 500 g, Pick 'n Pay are expecting to sell a million packets in two weeks now that they have reduced their price to 65c.

General manager Mr David Watkins said they had reduced their price to 'give a lead to the Government' by showing there was a demand for butter if it did not cost more than the housewife was willing to pay.

Mr Watkins said this decision had been taken after it had been announced that the big retailers had not been invited to the meeting 'of interested parties' called by the Minister of Agriculture, Mr H. Schoeman, tomorrow to find solutions to the Dairy Board's problems.

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FIN. MAIL 5/11/76

BUTTER/CHEESE SURPLUS

Inevitable

The Consumer Council's belief — that if government holds down the butter price to the old 70c/500 g the public, swayed by national sentiment and an eye for a bargain, will rush to mop up the butter surplus — seems hardly credible.

"The public really prefers butter," argues the Council. That assumption is questionable. Yellow margarine has taken 60% of butter's market and consumers stay with margarine not only because of price, but out of preference. "People have got used to margarine," confirms Dairy Board manager Piet Maree moroselv.

The Board's experience is that, while cut-price promotions do move butter *at that time,* the public eventually goes back to marg. And what most people don't seem to understand is that there's a difference between the buying of butter and the eating of it. It's this difference that has cost the Board some R9m out of the now depleted stabilisation fund without effectively moving surpluses.

What happens, according to Maree, is that when cheap butter is on sale housewives buy it up and store it. In subsequent months, when butter comes back to its real price, unsubsidised by Board promotion money, they don't buy any more butter. Net results may have been to move only a third of the surplus butter target — but at three times the cost.

"Demand is inelastic," maintains Maree. Supply, on the other hand, is quite a different matter. "You can close down a factory (the Board has closed a number of creameries at an administrative cost of R1m), but you can't stop cows producing milk."

Demand for butter has dropped from 53 500t in 1970-71 to the present 22 000 tpa. But this year farmers are producing too much milk.

Butter stocks are 5 500t of which some 2 000t is surplus; there's also about 7 300t of cheddar of which half is surplus. But the Board estimates a total surplus by the end of the year of 8 000t of butter and 8 000t of cheese.

The Board's decision to try and move these surpluses by an export drive is based fundamentally on its failure to induce the SA housewife to buy and use more butter even when it cuts the price. It reckons that it needs R24m for its fighting fund and plans to raise it as follows:

- R14m from the farmers through special loaded levies which will reduce their normal profit on butter by 31% and by 12% on industrial milk used for cheese;
- R2m from consumers who will pay 80c/500g for butter instead of 70c, and R1,75 for cheese (R1,58); and
- R10m or thereabouts from butter and cheesemakers' middlemen and the R7m subsidy from government combined.

On the face of it there's little sense in accumulating such an amount to subsidise exports. If this year's production of butter was sold at 60c a pack (R1,20 kg) instead of 80c the shortfall on 28 000 t would amount to R11,2m. If butter was reduced to 40c a pack, which would bring it below the margarine price, the necessary "subsidy" would be R14m. Why spend R24m trying to offload a mere surplus of 8 000 t?

Maree admits it's possible that the Board's estimates of the surplus may be too high and that the cuts in producers' profits may force farmers again to move away from milk production, thus lowering the year's total production of butter and cheese. If this happens, he affirms, the price to the consumer may be reduced.

Butter . . . spreading it as thin as possible

This suggests what many people have suspected all along — that the price fixed for the farmers for their dairy produce was *too high in the first place* and encouraged them to produce more milk, thus throwing the Board's projections totally out of line.

Agriculture Minister Hendrik Schoeman meets representatives of various consumer groups, the Dairy and Milk Boards, farmer's bodies and organised industry and commerce today (Friday) to seek a solution to the whole greasy problem. They should all look closely at the root cause — the price the farmer gets for his produce.

It is elementary that price is the stabilising or destabilising factor depending on whether it is set too high or too low or just right. Yield to pressure from producers for too high a price and a surplus is inevitable.

Since demand, supply, and climate are not constants the controlled price needs to be adjusted continuously to changes in the marketplace and on the farm.

Since farms are not factories output responds only slowly to price changes. So in the short-run surpluses or shortages are inevitable. But surely when surpluses have to be disposed of at give-away prices SA's own people should benefit, not foreigners. If money has to be paid out in subsidies, at least let the undernourished in our own land receive the transfer of income involved.

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CT – 5/11/76

Plea to Schoeman on cheese, butter

Staff Reporter

CHECKERS has again appealed to the Minister of Agriculture, Mr Hendrik Schoeman, to reconsider his decision on the cheese and butter prices.

In a message sent to the Minister yesterday, Mr E G P Harvey, the vice-president of Checkers, urged the Minister to consider a short-term and long-term solution to the problem.

"In the short-term," he said, "the price of butter and cheese must be reduced at least to previous levels. In that event we undertake to promote the increased consumption of butter and cheese through our stores at considerable cost to ourselves."

Urgency

He said that as a long-term solution, and as a matter of critical urgency, the Dairy Board and the supermarket industry must jointly develop an effective marketing plan to eliminate existing surpluses and ensure against a repetition of the present problem.

He told the Minister that "in order to bring this to your attention, Checkers are forced to pursue their policy of actively protesting the increased price which consumers will have to pay when old stocks are exhausted."

3 - Dairy.

Board offer on surplus milk

21 - 5/11/76

BLOEMFONTEIN. — The manager of the Dairy Board, Mr A W Visser, said in an interview today that his organization would co-operate with organizations willing to process the thousands of litres of milk thrown away every day.

This would be done if such organizations were to make the processed milk available at a low price to schools and needy people.

Mr Visser emphasized that it could not be expected from farmers to carry the cost of such an operation because of an already heavy burden. He said that the farmer should not be expected to carry the costs for handling and processing milk that was given away. — Sapa

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6/11/76 Cape Times

Economists say no to butter boycott

Own Correspondent

JOHANNESBURG. — A cheese and butter boycott is not the answer to the Dairy Board's problem — it will only worsen the situation economists and consumer bodies said this week.

If consumers and organizations pursue the boycott the dairy industry would be seriously affected — producers may even be forced out of the industry — the country would be left with an even bigger surplus.

Dr Laurence McCrystal, chairman of the Government's anti-inflation campaign said: "Speaking as an economist, a businessman and the chairman of the anti-inflation campaign, I think the boycott is a very bad idea.

"From a business point of view, boycotts have never been known to have any good positive effects. Economically they exaggerate an already difficult problem and as the chairman, I think boycotts raise problems to a high level of emotionalism," he said.

Mr Mike Hawkins of the Co-Ordinating Consumer Council said: "The Council has never been in favour of any boycotts. We have yet to see one which has achieved positive results. We have made a motivated approach to the Minister of Agriculture, Mr Hennie Schoeman, on behalf of the consumers. A boycott at this stage would possibly jeopardize chances of reducing prices.

"Milk is not being boycotted at this stage so the manufacture of cheese and butter is continuing — either that or the milk will be thrown away which is a waste. A boycott would only make the problem worse in terms of the country's economy," said Mr Hawkins.

A leading economist, Dr John Cloete said: "If people pursue this illusion that boycotting is the solution to the country's economy the dairy industry will be seriously affected. Producers may even be forced out of the industry and the country would be left with a bigger surplus."

"South Africans are very price conscious at the moment and incomes are rather restricted. If the Dairy Board handed the surplus over to supermarkets, who sold it at reduced prices, they would probably sell the excess stock on the home market, whereas they are not sure even whether they will sell the surplus to overseas markets."

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Price fall possible

6/10/76

PRETORIA. — The Minister of Agriculture, Mr Hendrik Schoeman, said yesterday a meeting would be held on Monday to see whether finance for the Dairy Board could be found to enable recent butter and cheese price increases to be cancelled.

Making the announcement at the end of a three-hour discussion here between dairy producers, consumers, businessmen and economists, Mr Schoeman said the amount needed was between R4-million and R5-million.

The amount to be found, possibly by way of a loan or an increased subsidy, is only to cover the consumers' share of the approximately R21-million the Dairy Board needs to finance disposal of its present surplus.

Mr Schoeman admitted the butter and cheese price increases had been badly motivated, and that a mistake had been made, but said the money needed by the Dairy Board would have to be found somewhere. — Sapa.

(3) milk

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Butter sales up 1 600 pc

DD 6/11/76

EAST LONDON — Butter sales were up 1 600 per cent in Pick 'n Pay's East London supermarket on Thursday, following the group's nation-wide price slash to 65 cents for a 500 g pack.

Pick 'n Pay's policy as explained by their local branch manager, Mr T. Carroll, is to prove to the Dairy Board that they can move South Africa's surplus of butter if the prices are slashed rather than raised, and with butter sales up by 1 600 per cent here, 2 000 per cent in Natal, 600 per cent in the Cape and 900 per cent in Port Elizabeth, stocks are moving fast.

Mr Carroll said he expected improved sales to continue until after the weekend when present stocks would run out, and if the Dairy Board had not reconsidered its decision to hike the price by 10 cents for 500 g by then, the group would probably have to up their price to about 78 cents.

The present stocks cost the supermarket 66,7 cents for 500 g — 1,7 cents more than their current selling price — but if their attempt to convince the board of the necessity to drop prices fails, and they have to pay 76 cents for 500 g next week, Mr Carroll said they would be forced to sell either at cost or slightly above cost.

"We are hoping this won't happen and the board will change their minds before stocks run out," he said.

Any change in the price will have to come from the chain's head office, where Mr Raymond Ackerman's "To hell with talk" demonstration in cutting the price to 65c, started an attempt to move one million blocks of butter.

Other supermarket chains have not followed Pick 'n Pay's example, and Checkers have adopted a completely different approach in an attempt to change the Dairy Board's mind by introducing a weeklong nationwide boycott to start as soon as existing stocks run out.

They have kept their price constant at 67 cents for 500 g and their East London manager, Mr R. Goddard, said sales of butter had gone up by about 50 per cent during the past two weeks as people stocked up before the old stocks were sold out.

As soon as these stocks go, the boycott will start, and no butter will be bought or sold by Checkers stores for a week.

"An increase of 10 cents a pack is very steep and we are the ones who have to face the public. By introducing this protest we are trying to serve our customers in getting the board to reduce the price," Mr Goddard said.

The OK Bazaars have kept their price at 69 cents for 500 g and are also hoping the board will change their minds before existing stocks are depleted.

The local branch manager, Mr C. Harries, said they had stocks to last for two weeks to a month. "We have not received any directives from our head office about any price changes or boycott.

"I don't believe in forcing anything on the public. If they want to change to margarine they will," he said. — DDR.

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Optimism over fall in butter prices

Argus 8/1/79

The Argus Correspondent

PRETORIA. — Government members seemed confident today that money would be found to finance a drop in the price of cheese and butter.

They regard it as crucial that such a solution be found if the public's confidence in the anti-inflation campaign is to be maintained.

Dr P. J. Riekert, the Prime Minister's economic adviser, has made it clear that he has no doubts that a solution is going to be found to the cheese and butter problem.

Another meeting with the Minister of Agriculture, Mr Hendrik Schoeman, today was to be attended by Dr P. J. Riekert, the Prime Minister's economic adviser, Dr Lawrens McCrystal, chairman of the anti-inflation campaign publicity committee, representatives of the Dairy Board, and members of the Treasury.

BUTTER BAN

The Checkers supermarket chain today went ahead with its nation-wide ban on butter sales in protest over price increases on dairy products.

All butter has been removed from the shelves of its 152 stores throughout the country, and will remain in cold store for the duration of the protest due to end on Saturday.

Meanwhile, Pick 'n Pay spokesmen today assured housewives that sufficient butter stocks would be avaiable for sale at the reduced price of 65 cents for 500g for the whole of this week.

SA EXPORTS

● Meanwhile, Mr Piet Maree, general manager of the Dairy Board, said in Pretoria today that South Africa has been exporting dairy products to Black African countries in recent years.

He refused to disclose which African countries had received South African dairy produce and the value of the exports.

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Butter decision due tomorrow

DT 10/11/76

PRETORIA. — The Government's decision whether to maintain the increased butter and cheese prices will be announced tomorrow, the Minister of Agriculture, Mr Schoeman said yesterday.

His statement follows a cabinet meeting lasting into the afternoon during which the price increases that came into effect on November 1 were discussed.

Mr Schoeman met the Prime Minister's economic adviser, Dr P. J. Riekert, the Secretary for Finance, Mr G. Browne, and representatives of the Dairy Board on Monday to investigate ways to rescind the increases after strong protests from consumer, labour and business groups.

This meeting was to have submitted proposals to the cabinet yesterday, but no indication has been given whether an alternative way has been found to finance the R5 million the Dairy Board was to have gained from consumers, thus enabling butter and cheese to revert to last month's prices.

It is believed that among the solutions considered by Mr Schoeman were a loan to the Dairy Board and an increase in the board's R7 million Government subsidy. — SAPA.

Agri - Dairy. (3 dairy)

DATE OF RELEASE: 11 NOVEMBER 1976

STATEMENT BY THE HONOURABLE HENDRIK SCHOEMAN, MINISTER OF AGRICULTURE REGARDING THE RECENT ADJUSTMENTS IN THE PRICES OF DAIRY PRODUCTS

After reconsideration of the recently announced prices for dairy products, it has been decided that the increase of 20c per kg butter and 17c per kg cheese be withdrawn and that the prices be reinstated at the previous levels.

This decision has been taken as an experiment on the strength of assurances given by representatives of the S.A. Confederation of Labour, the Trade Union Council of S.A., the Co-ordinating Consumers' Council, the Womens' Agricultural Union, the Housewives' League, the National Council of Women of S.A. and the South African Consumers' Union that they will urge their members to use considerably more butter and cheese at the old prices. In addition chain store groups have undertaken to actively promote the sale of butter and cheese.

The supply position will be reviewed from time to time and if a bigger demand does not materialise, an increase in the consumer prices will be unavoidable. The lowering of the consumer prices to the previous levels is only possible because the Land Bank agreed as an interim measure to grant a loan of R6 million to the industry to finance that part of the production costs which will now not have to be borne by the consumer. The effect of this measure will be to relieve the consumer of the burden of rising costs which he would otherwise have had to bear.

ISSUED BY THE DEPARTMENT OF INFORMATION
AT THE REQUEST OF THE MINISTER OF AGRICULTURE

PRETORIA

Agric - Dairy (3 - dairy

PRESS RELEASE BY THE HONOURABLE HENDRIK SCHOEMAN, MINISTER OF AGRICULTURE REGARDING THE PRICES OF BUTTER AND CHEESE (FOR IMMEDIATE RELEASE)

I wish to make the following comments in connection with the increase in the prices of butter and cheese:

1. At the outset I wish to emphasise that the prices have not been increased with a view to obtaining funds for promotion compaigns, as is alleged in some circles. The Dairy Board's reference to the high cost of promotion was actually a reference to the sale of butter and cheese on the local market at specially reduced prices in order to reduce surplus stocks.

2. With the exception of butter, shortages of dairy products were experienced for six consecutive years until 1975 and these shortages had to be augmented, often at a financial loss, by way of imports.

3. During June 1975 an increase in the prices to the producers was granted and since then the production of dairy products increased considerably, to such an extent that large stocks of manufactured products accumulated. As in the case of other branches of the agricultural industry, production of dairy produce can not be decreased at short notice, especially not during years when favourable climatic conditions are experienced.

4. The position, consequently, is that there are now surplus stocks which, due to the perishable nature thereof, must be exported as soon as possible.

The losses incurred on these exports, coupled with the higher inland transportation and shipping costs will mean that not only will the Dairy Board's funds be exhausted, but that the Board will have to raise a further R25 million. In the past the Government was able to contribute R12 million per year towards lowering the consumer price, but due to the present unfavourable economic situation, this subsidy has had to be reduced to R7 million.

Attempts to dispose of these surplus stocks locally at specially re[illegible] not provide a solution.

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5. The Board therefor decided to raise the approximately R25 million through contributions by producers, manufacturers and consumers.

As far as producers are concerned the Dairy Board lowered the price of butterfat by 31%, a measure which will come as a great shock to the farmers concerned.

The producer's price for industrial milk has also been decreased by 12%. Manufacturers will make a contribution of R1,34 million and the consumer is asked to contribute 11% on the present maximum price of cheese and 14% on the present maximum price of butter.

6. The increase in consumer prices, however inconsistent it may appear to be under the present circumstances, will hopefully only be a temporary sacrifice for all concerned. We must naturally guard against steps in the near future which could bring about the collapse of the dairy industry. Such a collapse would affect butter, for which a substitute does exist , as well as cheese, skimmed milk powder, condensed milk etc. and could lead to the future need for the importation of such products.

7. I trust that it will be realised from the fore-going that, although the dairy industry is burdened with surplus stocks, the solution does not lie in a lowering of the price to the consumer as could normally be expected. The production of butter has already decreased appreciably and 13 factories have already closed down.

RELEASED BY THE DEPARTMENT OF INFORMATION AT THE REQUEST OF THE MINISTRY OF AGRICULTURE

PRETORIA
28 OCTOBER 1976

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11/11/76 Argus

Butter price cut today?

The Argus Correspondent

JOHANNESBURG.— While last-minute haggling over the price of butter continued today it was reliably learnt that the Minister of Agriculture, Mr H. Schoeman, will announce this evening that the price will revert to the pre-increase level of 70c for 500 g.

Sources in Pretoria said today the decision to lower the price, in the wake of nation-wide protests, had been irrevocably made, in spite of continuing negotiations.

Mr Schoeman met Dairy Board officials today as well as 'other parties involved' to inform them of his decision.

It is understood the principle of lowering the price was approved by the Cabinet on Tuesday, but the decision was left to the Minister.

The announcement, originally anticipated early this afternoon, was postponed until this evening.

CT. 12/4/76

tter down

September, when the local retail price was increased, and was now £120 (R168) and experts expected it to remain at this level for the foreseeable future.

The local price had been reduced by nearly R9 a ton in 1971 and again by R15 a ton in 1974, when world prices increased.

"These price changes clearly indicate that local market prices have to be continually adjusted vis-a-vis international market trends."

A total of R28,8 million had been withdrawn from the stabilization fund in 1975/76, leaving R65m. The deficit for

Continued on page 2

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(3) Dairy
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Sugar price up, cheese and bu

RECENT butter and cheese prices have been revoked, but from today, sugar costs an average of 34 percent more.

In Cape Town the retail price of one kilogram of sugar increased by eight cents to 28 cents, and the price of a 2,5 kg pack increased by 20c to 69c.

Before the last price increase, in September, a kilogram of sugar cost 18c.

The price rise will set off a ripple of further foodstuff price increases where sugar is a major ingredient.

Soft drinks, sweets, cakes, confectionery, biscuits, chocolates, jams, tinned fruits, ice cream, fruit juices and other products will soon rise.

The industrial sugar price is to go up by R60 a ton, or an average of 47 percent, from R126 to R186 a ton.

The retail sugar price varies according to distance from the production area.

The Minister of Economic Affairs, Mr Chris Heunis, told a press conference in Pretoria yesterday that the sugar price increase, which follows a 16,5 percent increase on September 1, was necessitated by the sharp drop in the world free market price, reports Sapa.

He emphasized, however, that South Africans would still pay less than the local production price, and that retail sugar prices in South Africa remained among the lowest in the world.

Mr Heunis said the price increase would not mean an increase in returns to the sugar industry, but would assist them to continue operating profitably when both the local and export price would have been below the production cost.

He hoped that retailers would sell old stock at the old price until these stocks had been disposed of, but said this was extremely difficult to control.

The housewife had for years bought sugar below the local production price, he said.

Retail prices were subsidized from a stabilization fund built up to R94,4 million at the end of 1974/75 when the world price rocketed to nearly £600 (about R840) a ton.

This price had dropped to £145 (R239) a ton in

CT 12/11/76

(Cont)

Sugar, butter, cheese

Continued from page 1

the 1976/77 season was estimated at R82m and, if no price increase was granted, this would result in a net deficit of R16m which would have to be found in one way or another.

"The untenable position of the industry is clear when cognizance is taken of the fact that the average allowed cost of production in 1976/77 is R197 per ton (R210 for refined sugar) compared with an average local price of R118 per ton, and an export price of R204 per ton," he said.

"For 1977/78 the allowed production cost is expected to be R222 per ton, the local price R121 per ton (if no price increases were granted) and the export price R174 per ton."

Mr Heunis said sugar industry figures showed that South Africans paid among the lowest prices in the world.

Where the price for a kilogram here is now 28c on average, the comparative price is 29c in Brazil, 36c in England, 47c in the United States, 50c in France, Germany and Switzerland, 51c in Belgium, 52c in Denmark, Holland and Canada, and 75c in Japan.

Mr Heunis said no consultations had been held in advance with consumer or labour groups due to the risk of a leak which could distort the market, but that Dr Lawrence McCrystal, chairman of the Anti-Inflation Publicity Committee, had been fully informed.

Consumers were naturally sensitive about price increases, but he hoped they would understand if the position was explained rationally to them.

The sugar industry, an important producer of food and earner of foreign exchange, provided employment for 155 000 people. It had a cost structure among the lowest in the world and had already made a tangible contribution towards the fight against inflation by absorbing an appreciable proportion of annual cost increases.

Apart from the price increase in September, this was the first time the sugar price had risen since 1967. It had, in the meantime, been lowered twice as the world price rose.

The Minister of Agriculture, Mr Hendrik Schoeman said in Pretoria last night that the decision on butter and cheese had been made possible by an interim loan of [illegible] from the Land Bank to the dairy industry.

The increases of 20c a kilogram for butter and cheese will now fall away.

The reversion to the old prices is a direct result of the widespread angry reaction to the increase which came from many sections of the community.

"This decision has been taken as an experiment on the strength of assurances given by representatives of the SA Confederation of Labour, the Trade Union Council of SA, the Co-ordinating Consumers' Council, the Women's Agricultural Union, the Housewives' League, the National Council of Women of SA and the South African Consumers' Union that they will urge their members to use considerably more butter and cheese at the old prices," said the Minister.

"In addition, chain store groups have undertaken actively to promote the sale of butter and cheese.

"The supply position will be reviewed from time to time and if a bigger demand does not materialize, an increase in the consumer prices will be unavoidable."

● World surplus of sugar till next June — page 23

(3) dairy. 248.

DOWN

Nat. Mer. 12/11/76.

Butter and cheese at old prices

Mercury Correspondent

PRETORIA — Butter and cheese are to go back to their old prices, the Minister of Agriculture, Mr. Hendrik Schoeman, announced in Pretoria last night.

This, the Minister said, had been made possible by an interim loan of R6 000 000 from the Land Bank to the dairy industry.

The increase of 20c a kg for butter and 17c for cheese will now be lopped off.

The revision to the old prices is a direct result of the widespread angry reaction to the increase which came from the trade union movement, women's and consumers' organisations.

Mr. Schoeman warned, however, that the move back to the old prices was an experiment, and if the big increase in demand promised by these organisations did not materialise the prices would go up again.

The Minister said the decision had been taken on the strength of assurances given by representatives of a number of organisations that they would urge their members to use more butter and cheese at the old prices.

These organisations were: S.A. Confederation of Labour, the Trade Union, Agricultural Union, the Housewives' League, the National Council of Women of S.A. and the South African Consumer Union.

In addition, chain store groups had also undertaken to promote butter and cheese.

"We've won" is what Mrs. Dorothy Perkins, chairman of the Natal Consumer Association, had to say about the price drop.

"Our boycott helped a little and the support of the consumer and the supermarkets contributed. Our march down West Street, planned for next week, has now been called off.

"Our protests have come to fruition. You can really do something if you get people going, but I am a bit dubious as to how long prices will be kept down."

Mrs. Margaret Cooke, vice president of the South African Housewives' League said it was an excellent thing.

"It is obvious that it was due to consumer pressure. It is the first time the Government has had to reconsider its decision.

"Hopefully, next time the retailer and consumer will be consulted and public opinion will be listened to in future."

Mrs. Cooke said that she would call on all the members of the league to support the supermarkets' campaign, proving that they could move the surplus without the Government having to export at a loss.

Now they know...you can't butter up buyers

10/11/76 Star

It was largely consumer pressure that did the trick. . . .

And the Dairy Board has been forced to back down on its highly unusual method of dealing with a mounting butter surplus.

Pushing up the price to sell more is an even zanier way to market butter than you would think when seen against the findings of an intensive study into the butter industry.

The study was carried out several years ago by Professor Georg Marais of the School of Business Leadership at the University of South Africa.

ALARMING

It found that when the price of butter went up by, for instance, 10 percent the demand for butter dropped by the same percentage, or more.

That was for the white market.

Even more alarming was the reaction of the black consumer

A 10 percent butter price hike was found to result in sales dropping by more than 20 percent.

And this study was held before the introduction of yellow margarine onto the South African market in 1971 when there was no readily available and cheaper substitute.

If a similar investigation were held now the drop in butter demand following a price increase would probably be much greater

A comment on the Marais study comes from Mr Grant Robinson, senior lecturer of the School of Business Leadership at the University of South Africa.

He says the Dairy Board's latest price-hike to sell more, far from bringing in extra cash, would have caused the total inflow of cash into the board's coffers to decrease.

He adds: "These economic concepts are the basic building blocks of any course in marketing.

FINDING

"They appear to be well understood by businessmen such as Raymond Ackerman who has demonstrated these economic facts dramatically by cutting prices and stimulating demand.

Whether the board likes it or not it cannot rewrite or control consumers' economic behaviour."

Mr Robinson says a study by a group of Master of Business Leadership students this year found there appeared to be a lot of surplus butter available internationally.

It was also found that overseas producers were being given massive government subsidies.

"This," he goes on, "makes the marketing of butter internationally a tough job under the present circumstances.

HOPING

"And the previous performance of our Dairy Board on the export market does little to inspire confidence.

"Say the board continues to dither and inc prices in the forlorn of stimulating de while neglecting the bility of a black pc tion with tremendous suming power, giver right price . . .

"Then the board end up by supplying those consumers suc hotels and restau that are forced to pr butter by law."

Mr Robinson concl "Even then, laws cha

3 Mining 28/8/252

PRICEY CHEDDAR

PRETORIA — The Dairy Board said in a statement here yesterday that it had learned with concern that some dealers had not passed on a price reduction on cheddar cheese of 10c a kg, introduced on August 23, and urged consumers to insist on the reduced price.

The board points out that the reduction on cheddar is additional and should not be confused with the general price reduction of cheese announced on November 12.

The maximum retail price of non-factory prepacked cheese is at present: Cheddar (1st grade) R1,48 a kg; Gouda (1st grade) R1,59 a kg.

"It is hoped consumers will make use of this special price as it is to their advantage," the board's statement said. — (Sapa.)

3 Dairy.
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(3) dairy.
249.

Butter: who will be milked?

18/11/76 Star

TONY VAN DER WATT, The Star's Farming Editor, looks at the changes taking place in the subsidy policy.

The restoration of the butter and cheese prices to their former levels, and the R6-million Land Bank loan to the Dairy Board to make this possible, are not the end of the story as far as the industry and the consumer body are concerned. They represent merely a holding action while the Government decides how dairying should be slotted into the economy — and some fundamental decisions are going to have to be made.

With one sociologically important dissension, the commission of inquiry into the marketing Act recommended earlier this year that subsidies on food products be reduced — but systematically so, bearing in mind that they formed part of the price structure and that rapid reduction "might" cause disruption.

In their place, with a view to expediting adjustments and improving efficiency in the dairy industry, the commission recommended the Government to make special loans available to mechanise milking and refrigeration processes, transport milk in bulk, and modernise the subsequent processing facilities.

The Government's decision to reduce the subsidy on dairy products from R12-million to R7-million, which preceded the now celebrated "butter bungle," was in line with this recommendation, though the reason given for it at the time was that it was taken because of the current economic situation.

However, the loan which has replaced the subsidy was made to the Dairy Board to tide it over its present financial problems — and not to the industry for the promotion of efficiency.

At this stage, thus, the progress made towards implementation of the commission's recommendations includes the negative one of removing the subsidy but not the positive one of stimulating production efficiency.

The way is therefore still open for the Government to reject the commission's recommendation on this point, and take another line, such as that suggested by a commission member, Mr Warwick Webber, the United Party MP for Maritzburg South.

Mr Webber's objection to removal or reduction of subsidies was that the social and economic conditions of South Africa were such that a large part of the population was underprivileged and fell into the lower-income brackets. This made retention of the subsidies on basic foods essential, even if it necessitated an increase in tax, which was paid by the higher-income groups in any event.

The principle of systematic reduction of consumer subsidies could be justified, he said, only at a stage where the economic position of those in the lower brackets had improved to such an extent that an increase in prices of staple foods would have little or no effect on their standard of living. Unfortunately this was not so at present.

He warned that the proposed policy would lay South African farmers open to unfair criticism by consumers each time prices were increased.

Mr Webber felt this was not in the best interests of either the agricultural sector or the consumers, and could only give rise to strained relations between these two groups.

The decision which the Government is going to have to take is as basic as this: either it drops the subsidies gradually and uses the money to promote efficiency in the industry, thereby helping to contain price escalation, or it retains the subsidies in the interests of the lower-income groups. And perhaps, if it can find the money, tries to promote efficiency in the milking shed and butter factory anyway.

MILK & MILK

PRODUCTS

1977

+

1978

BUTTER SURPLUS LIKELY TO STAY

3. Dairy

1.12.76

The Argus Correspondent

PRETORIA. — The bid to get rid of the surplus of butter and cheese — the cause of October's price hikes — seems doomed to fail.

Retailers are not buying enough butter or cheese to reduce the present surplus and the Dairy Board's stocks are soaring daily.

According to the Dairy Board's manager, Mr P. Maree, retailers bought too much cheese and butter before the price increases and have sufficient stocks not to dig into the surplus.

At present the productions of butter is 550 tons a week and the Dairy Board is selling only 150 tons a week.

'Retailers claim tht their butter and cheese sales went up by about 600 percent, but that was only on their old stocks and not the board's stocks,' explained Mr Maree.

The Dairy Board's present butter stock is 4 808 tons, which is not serious, according to Mr Maree, for their stock during the same period last year was 4 487 tons.

He said there was no danger of the butter or cheese stocks going off.

Mr Richard Cohen, a director of Pick 'n Pay said butter sales had more than doubled to about 50 000 units of 500 grams at 14 stores. Cheese sales had also more than doubled.

Mr Rex Glanville, director of marketing at Checkers, said butter sales had gone up about 50 percent. But Checkers was selling butter at two cents below cost, which would accelerate sales.

3 - DAIRY

Govt may act over new dairy crisis

RDM 6/1/77

Own Correspondent

CAPE TOWN. — A new debacle has developed in the South African Dairy Industry and Government action will be necessary if huge surpluses of butter and cheese cannot be reduced by the end of this month.

The general manager of the Dairy Board, Mr P. H. J. Maree, said yesterday surplus cheddar stocks were now even higher than they were last October.

The current surplus of cheddar cheese is 3 000 tons and the butter surplus is 1 500 tons.

Mr Maree said the recent 35,5c a kg reduction in the cheddar price was the last means available to the board to increase consumption.

A meeting of the board is scheduled for the end of the month. Parliament will then be in session.

Unless the Government came to the assistance of the industry with new loans or a greater subsidy, it would be impossible to continue selling cheese at the current price, Mr Maree said.

Production costs were already higher than prices obtained before the recent reduction, he said.

THE FRIDAY FARMING PAGE

3- Dairy

Cream row over new Dairy Board levy

7.1.77

Cream producers throughout the Border — probably throughout the country — are up in arms about the more than 30 per cent levy which the Dairy Board, with the approval of Minister Schoeman, has imposed on cream.

If the feelings of these farmers could be taken as a barometer on future production, and should the levy remain, it could result in a shortage of butter, and probably higher prices. Some farmers have already indicated that they "have lost all interest in cream production."

The question now is whether milk cows will become slaughter stock.

To cream producers, especially those whose only interest is cream production, the newly imposed levy of 52 cents a kilogram came as a severe blow, especially as the prices of cream had not been increased.

"As far as I am concerned this levy is a disgrace," Mr D. G. Phillips, of Shangri-la, near East London, said.

"The surplus butter was not brought about by the cream producer but mainly by the oversupply of fresh milk and industrial milk.

"When higher prices were paid for fresh milk and industrial milk a number of people climbed the bandwagon and only a certain number of us stuck to cream production. Why then, should we, who have been the backbone of the industry, be penalised?

"I have a Jersey herd. A number of heifers will come into milk shortly, but with this levy I will certainly have to review the whole situation. I am quite certain a number of producers will do the same while others will probably give up cream production.

"What is going to happen to our balance of payments if the Government has to import large quantities of butter and cheese from overseas countries?"

The despondency of another producer, Mr A. Kirsten, of Spring Valley, was quite obvious when, with tearful eyes, he said his feet had been knocked out from under him.

Mr Kirsten initially started to farm with vegetables but turned to cream production in June last year.

"Since then I have prepared 21 four-acre camps, planted kikuyu grass and acquired a fair-sized herd of Guernsey cows," Mr Kirsten said.

"I have invested a lot of money here and was aiming to build up a herd of some 100 cows and an additional 40 camps.

"Now, with this levy, it will be the same as vegetable growing — just keeping my head above water and probably not even that. How can I pay wages with such a deduction and with cream my only interest.

"It seems the Government is doing its best to kill the small farmer. We small farmers are making much more use of our ground and to acquire a dairy herd and build camps take a lot of money and hard work. Now the Dairy Board wants to break down what we have built up. "The whole situation is ridiculous. It is time our farmers' unions stand up on their own feet."

The chairman of the Gonubie Farmers' Union, Mr R. H. Kirchmann, of Bush View, said the union "can do nothing about the matter".

"All we can do is to complain to the Government. However, it must be remembered that the Board is there to protect the people," Mr Kirchmann said.

"The producers are responsible for the large surplus of butter and cheese. The levy, therefore, should be placed on the producers and not the consumer. The levy will help us to overcome this crisis period," a Board official said.

"When the price for butter was increased recently the consumer refused to buy and we had to revert to the old price. Now, we (the Board) are losing 20 cents on every kilogram of butter. All levies are paid into the stabilisation fund and will not be paid back to the producers.

"The levy, however, is only a temporary arrangement and will be reviewed by the Board at the end of this month."

The important point to note in the previous table is that while the number of Matriculants shows a strong rising trend, the number of NTC passes, particularly at the higher levels, is extremely small. The principal reason for the low numbers is that Indians encounter difficulty in becoming indentured as apprentices. Firms wishing to indenture an Indian apprentice must usually first prove to the Local Apprenticeship Committee that they are unable to find a White willing to be indentured.

Coloured people

There are five Technical Colleges (Athlone in Cape Town, L.C. Johnson in Durban, Highveld in Johannesburg, R.C. Ellicott in Kimberley and Bethelsdorp

(3) - milk

Milk shortage likely next

RDM 7/4/77

Own Correspondent

DURBAN. — Milk will probably be in short supply by March. And South Africa may have to import cheese again next year, warned Mr J. E. Mansfield, president of the Natal and East Griqualand Fresh Milk Producers' Union, this week.

But the Dairy Board still has a surplus of 6 000 tons of butter and 8 000 tons of Cheddar cheese.

Mr P. Maree, manager of the board in Pretoria, said: "We are now afraid that dairy farmers will stop producing and switch to a more profitable type of farming."

The board is to meet at the end of the month to review the situation, which had not improved in two months, Mr Maree said.

"This is because production remains at a high level and, most disappointingly, our sales are no better despite all the publicity. It is too early to say whether our recent reduction in cheese prices will have any effect," he said.

There was no possibility of further reducing prices, and the only hope of ending the surplus was for the Government to step in or find an export market — both of which seemed unlikely.

The farmers blame the situation on the board's past policies.

"If the standard quantity system had been introduced 20 years ago we wouldn't have this constant seesaw situation," said Mr Mansfield.

Under such a system the country's requirements of butter and cheese were worked out and a contract made with the producers.

The producers were guaranteed a price for that amount and anything over that was sold at whatever price could be obtained.

"My criticism of past board policy is that they have tried to adjust the entire supply by price manipulation, and this obviously means after the event."

Fresh milk producers were at present paid only 3c a litre for any surplus whereas the break even figure was 12 to 13c a litre.

There were eight per cent fewer fresh milk producers annually, but this was normally compensated for by the remaining farmers increasing their production.

"But many people are getting fed up and are cutting down, and I predict by March or April there will be a shortage."

A shortage of industrial milk would take longer to materialise but he expected a shortage of butter and cheese next year.

"I believe we should export the surplus and start from square one with a standard quantity system," said Mr Mansfield.

Mrs Dorothy Perkins, of the Natal Consumer Association, said: "I think this is all a load of nonsense.

"The simple fact is that housewives aren't buying as much because they can't afford it.

"If the price of cheese were reduced to 85c a kg the surplus would be gone in a few weeks," she said.

Supermarkets have not yet noticed a significant upswing in sales since the Dairy Board reduced the price of Cheddar by 35,5c

3 - Dairy

11/11/77 NM

Board blamed for cheese crisis

Mercury Reporter

A MAJOR row is brewing over South Africa's cheese glut, with retailers and consumers laying the blame squarely at the Dairy Board's door.

Durban housewives yesterday expressed anger that many smaller shops and tea rooms are ignoring the Dairy Board's plea to sell cheddar cheese at R1,22 a kilo — and getting away with it.

And last night a major Natal retailer hit out at the Board for not liaising with retailers and for failing to give them any incentive to help get rid of the 3 000-ton cheese surplus.

The Board's general manager, Mr. P. Maree said cheese sales had not improved and the situation was no better now than it was two months ago.

But Mr. Alan Gardiner, regional manager of Pick 'n Pay, said: "This is nonsense. We've been selling cheese cheaper for the last four months and in that time sales have gone up 250 percent."

And the Consumer Council in Pretoria also claimed the public had helped to reduce the cheese and butter surpluses by 25 percent each.

Survey

Although the big supermarkets are selling cheese for as little as R1,18 a kilo, a survey round Durban's smaller shops yesterday revealed many are charging as much as R1,49.

Mr. Maree said: "It's not illegal for a shop to charge up to the maximum price of R1,58, but when we cut our prices last week we had hoped the dealers would pass this on to the customer. But if they don't, there is nothing we can do about it."

Mrs. Dorothy Perkins, of the Natal Consumer Association, said: "I've had dozens of complaints from housewives that certain shops aren't taking any notice of the new low price, so people simply aren't buying.

"If they dropped the price still further — even to R1 — the surplus would soon be cleared."

Mrs. Margaret Cooke, of the Housewives' League, commented: "Tea rooms are giving the excuse they're using up old stock, so we cannot take any action at the moment."

Discount

Mr. Gardiner suggested an incentive scheme for retailers would solve all problems.

"I sell R250 000 worth of cheese in Natal a month, which is a huge slice of the market, but there is hardly any profit in this."

The Dairy Board, he said, "should start an incentive scheme, selling at bulk discount according to the volume sold. Then nobody would have an advantage over anyone else.

"In fact the Board should liaise with us about the marketing of all dairy products, as I've already told them. All they do is cut the price and sit back, instead of communicating with retailers."

3 - Milk
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Milk + Milk products 1977 - 1978

Government squabble as milk goes down drain

9/1/77 S.Trib

By DICK USHER

THOUSANDS of litres of surplus milk go down the drain each week while two Government departments squabble over what to do with it.

Exact details are not available but it is estimated that 30 000 litres of milk were dumped or fed back to livestock by dairy farmers last month.

The departmental confusion has followed a scheme to subsidise the price and make the milk available in bulk to black townships — said to be the brainchild of the Minister of Agriculture, Mr Hendrik Schoeman.

Vetoed

But despite Mr Schoeman's commendation the idea has been vetoed by the Department of Health, which maintains that storage facilities in the townships do not meet its own stringent health standards.

Although neither Mr Schoeman nor his top officials were available for comment, it is known they are deeply concerned with continuing large milk surpluses, of which very little reaches the market.

Milk Board general manager Mr A. C. Viccer would not comment on the scheme, except to say: "We are working on ideas, but I do not want to say anything at this stage and I do not want anything to appear in the Press."

The plan, as envisaged by Mr Schoeman, would provide for the milk to be taken to black townships, stored there and sold at subsidised rates.

It would have the dual advantage of absorbing much of the surplus while providing fresh milk to blacks at cheap rates, avoiding wastage and introducing an important and urgently needed dietary supplement.

It is understood Mr Schoeman has made several attempts to get the scheme off the ground, but has been unable to get the Department of Health's approval.

Milk production has soared since mid-1975 — when there was a severe shortage — when increases in the price paid to farmers came into effect, pushing up domestic milk prices and resulting in over-production.

The surplus of milk has played a part in the present huge stocks of 1 500 tons of butter and 3000 tons of cheese.

Unable

Farmers unable to market their surplus milk have been trying to sell it to the Dairy Board for making various dairy products.

The Dairy Board's general manager Mr Piet Maree, has predicted there will soon be milk and dairy shortages again.

Reduction in dairy prices had not affected sales but low prices were going to force dairy men into other types of farming.

"We have had three very good years, but we are sure to have drought again soon and then there will be shortages," he said.

(3) - Milk

Govt acts to avert milk shortages

20/1/77

Staff Reporter

THE Minister of Agriculture, Mr Hennie Schoeman, has moved swiftly to encourage fresh milk deliveries to places where severre shortages are threatening.

He said from Cape Town last night that he had agreed to decrease the levy on surplus milk to increase the milk flow to those areas.

He would first refer the issue to the marketing council, and it was likely the levy would be reduced from February 1.

Meanwhile in a statement last night, the manager of the Milk Board, Mr A. C. Visser, said the protracted drought and the scorching heatwave have caused lower production and a drop in supplies.

The board would abolish pool allocations to producers in the Transvaal from February 1 to attract all available milk to these markets.

Some farmers were withholding about 50 000 litres on their farms because of the big levy on surplus milk, he said and supported the Minister's view that the levy was drastic.

Mr Schoeman said last night that part of the levy had been used to lower the price of Cheddar cheese to try to reduce the cheese surplus.

He said a deputation from the Dairy Board would see him today.

3 ~~248~~ DAIRY

Surplus stays, so up go cheese and butter again

25/1/77

RDM 25/1/77

By GERALD REILLY

THE prices of butter and cheese are to go up again — because the campaign to reduce the vast surpluses has failed.

The manager of the Dairy Board, Mr P. J. H. Maree, said in Pretoria yesterday that despite undertakings by retailers and consumer organisations to support the campaign to get the public to eat more butter and cheese, the response had been "extremely disappointing."

"Sales have been nowhere near expectations," he said.

"In the last three months of 1976 the big surpluses continued to grow."

On October 1 cheddar cheese stocks were 6 830 tons; in November 7 570 tons; and rose to 8 493 tons by the end of December.

Butter stocks at the end of September were 5 241 tons; 4 020 tons in October rose again to 5 634 tons in November, and reached 6 463 tons at the end of December.

Mr Maree said the reason for the decrease in October was that the public stockpiled after warnings of a rise in price.

The price of cheddar cheese was reduced by a further 36,5 cents on January 1 in an effort to stimulate demand. Sales rose, but the increase was insignificant compared to the surplus, said Mr Maree.

"This is about as far as we can go. The board has no more funds for subsidies, and the Government will not make any available to us."

Consequently consumers will have to pay the costs of production, so prices will return to the November levels — those which caused a public outcry.

Hansard 1 col 16 27/1/77

(3) dairy products

Butter and cheese sold/surplus

131. Mr. H. E. J. VAN RENSBURG asked the Minister of Agriculture:

(1) What quantity of (a) butter and (b) cheese was sold in each month from 1 September to 31 December 1976;

(2) what was the extent of the surplus of (a) butter and (b) cheese as at 31 October 1976 and 31 December 1976, respectively.

The MINISTER OF AGRICULTURE:

(1)	(a) t.	(b) t.
September 1976	1 717	2 841
October 1976	3 361	3 445
November 1976	916	1 545
December 1976*	1 550	1 900

* Preliminary

(2)	(a) t.	(b) t.
31 October 1976	500	2 000
31 December 1976	3 000	4 000

Hansard 1 col 16 27/1/77

(3) dairy products

Butter and cheese imported

132. Mr. H. E. J. VAN RENSBURG asked the Minister of Agriculture:

Whether any (a) butter and (b) cheese was imported during 1975 and 1976, respectively; if so, what quantities in each year in each case.

The MINISTER OF AGRICULTURE:

(a) and (b) Yes.

	1975 Kg	(January-August)* 1976 Kg
Butter	376 600	14 717
Cheese	5 893 800	533 195†

* Preliminary

† Exotic kinds only

State 'murdering' dairy industry

3-Day

Own Correspondent Cape Times 31/1/77

PRETORIA. — A consumer organization, SA Consumer Interests, claimed at the weekend that it had figures to prove that the State, and particularly the Ministry of Agriculture, was "murdering" the dairy industry.

The director of Sacoin, Commandant E G Kritzinger, accused the State of using the Dairy Board, through its director, Mr P J H Maree, as its "whipping boy" in the present controversy over butter and cheese surpluses and price increases.

He said: "An incredible policy has left the Dairy Board holding the baby." A move by consumers away from butter had left vast stockpiles which could not be moved, he said.

Meanwhile the production of dairy products was decreasing all the time as farmers became disillusioned and moved into other spheres of farming.

Official figures, he said, showed that butter production had decreased since 1970 from 44-million tonnes a year to 24-million tonnes at present, thanks to the legalizing of sales of yellow margarine.

At the same time margarine production had risen from 16,5-million tonnes to 1970 to 22,7-million in 1971 — when the legalized sale of the product was allowed — to 75-million tonnes at present.

"Thus you have a drop of about 50 percent in butter production over only seven years, linked with a 300 percent increase in margarine production," he said.

At the same time cheese production had increased from 18,6-million to 24-million tonnes in 1976 — a small increase when population increases were borne in mind.

'Cheating'

"The Government is cheating farmers out of butter production — and belying its own promises to provide labour opportunities for uneducated Blacks," he said.

The policy was undermining farm labour intensivity as a whole. Dairy farming in all its facets was one of the most labour intensive forms of farming — while margarine production was highly mechanized.

At the same time margarine had steadily increased in price since 1970 till it was now double its introductory price in 971 of 14 cents for 250 grammes.

TABLE 2

Geographical Sources of African Labour Employed(1) by Mines affiliated to the

	1906		1936		1946		1960		19	
	(000s)	%	(000s)	%	(000s)	%	(000s)	%	(000s)	
South Africa	18	22,8	166	52,2	126	41,3	145	36,7	97	
Lesotho	2	2,6	46	14,5	38		51		71	
Botswana										

Butter issue: Govt 'has little control'

Political Staff

THE Government appears to have little if any control over the production and marketing of butter and cheese in South Africa, the Progressive Reform Party MP for Bryanston, Mr Horace van Rensburg, said yesterday.

Mr Van Rensburg said this after analysing the replies given him in Parliament by the Minister of Agriculture, Mr Hendrik Schoeman, last week.

These replies, he said, showed that the price increases on cheese and butter last year had resulted "in a sudden reduction in the sale of butter and cheese".

In October, 1976, the Minister disclosed, the sales of butter amounted to 3 361 tonnes but in the following month, when the price increase came into effect, sales dropped to 916 tonnes.

After the prices were again lowered, the sales in December 1976 amounted to 1 550 tonnes, which was half the sales achieved in October.

Mr Van Rensburg said a similar pattern was shown in the cheese sales, which were 3 445 tonnes in October, but dropped to 1 545 tonnes in November when the price increase came into effect and then climbed to 1 900 tonnes in December when the old price was restored.

"The Government's remedy of increasing prices to offset stock surpluses was, therefore, not only an incredible exercise in economic fantasy, but it also had a disastrous effect on the sales of these commodities.

"Whereas the surplus for butter was only 500 tonnes on October 31, 1976, it had risen to 3 000 tonnes by December 31, 1976, and in respect of cheese, the surplus increased from 2 000 tonnes on October 31, 1976, to 4 000 tonnes on December 31, 1976," Mr Van Rensburg said.

In reply to another question by Mr Van Rensburg, the Minister of Agriculture revealed that in 1975 South Africa imported 375 600 kg of butter and 5 893 kg of cheese.

"In 1976, the year in which a heavy butter surplus was experienced, the Government imported 14 717 kilograms," he said.

These statistics confirmed the impression that the Government had little, if any, control over the marketing and production of butter.

"In South Africa, the Government has decided not to allow the free-enterprise system of supply and demand in order to allow the prices of commodities to find their own levels.

"Instead, they have created a vast maze of control boards which cost the country many millions of rands each year, and which are supposed to forward-plan production to meet demand.

"In any event, these control boards have not proved to be very successful. At present there are 22 of these boards, and as far as the production of milk and dairy products is concerned, the two control boards, namely the Milk and the Dairy Board, cost the country R579 875 a year and R299 201 a year respectively," Mr Van Rensburg said.

(Report by B Streck, Press Gallery, House of Assembly.)

3 - DAIRY.

DAILY DISP 31/1/77

31/1/77

Government accused of killing dairy industry

PRETORIA — The State is killing South Africa's dairy industry — and official figures prove this charge, according to the consumer body, South African Consumer Interests (SACOIN).

The director of Sacoin, Cmdt E. Kritzinger, accused the State yesterday of using the Dairy Board, through its director, Mr P. Maree, as its "whipping boy" in the controversy over butter and cheese surpluses and price increases.

"An incredible policy has literally left the Dairy Board holding the baby — a consumerism move away from butter particularly and vast stockpiles which cannot be moved," he said.

Meanwhile, the production of dairy products was decreasing all the time as farmers became more disillusioned and moved into other spheres of farming.

Official figures, he said, showed butter production had decreased since 1970 from 44 million tonnes a year to 24 million tonnes at present, because of the legalising of the sales of yellow margarine.

Cmdt Kritzinger said: "The Government is cheating farmers out of butter production — and belying its own promises to provide labour opportunities for uneducated blacks.

"The policy was undermining farm labour intensivity. Dairy farming was one of the most labour-intensive forms of farming, while margarine production was highly mechanised.

"Behind it all is the Minister of Agriculture, Mr Schoeman, who is clearly not agriculturally programmed towards dairy products."

Margarine had increased in price since 1970 until it was now double its introductory price of 14c for 250 g in 1971.

Cmdt Kritzinger said Sacoin would also like to examine the books of margarine producers.

State policy allowed a 14 per cent profit on margarine on production before tax on historically depreciating assets.

But margarine manufacturers were shrewd and produced margarine under the same factory roof as detergents, for instance. Detergents were not controlled, and the true profit figure would be thus difficult to dig out.

The Progressive Reform Party MP for Bryanston, Mr Horace van Rensburg, said at the weekend it appeared the Government had little control over the production and marketing of butter and cheese.

"The Government's remedy of increasing prices to offset stock surpluses was an incredible exercise in economic fantasy, but it also had a disastrous effect on the sales of these commodities.

"Whereas the surplus for butter was only 500 tonnes on October 31, 1976, it had risen to 3 000 tonnes by December 31, 1976," he said. — PC-DDC.

Hansard 5 & cols 442-444 22/2/77

(3) dairy products

Dairy Board: Butter/cheese

411. Mr. S. A. PITMAN asked the Minister of Agriculture:

(1) What were the weekly supplies of (a) butter and (b) cheese held by the Dairy Board during the past year;

(2) what were (a) the producer and (b) the consumer prices per kilogram of each commodity during 1975 and 1976, respectively;

(3) (a) to which countries were (i) butter and (ii) cheese exported during 1975 and 1976, respectively, and (b) at what price per kilogram;

(4) what was the profit or loss during 1975 and 1976, respectively, on the export of (a) butter and (b) cheese;

(5) what amount was spent on salaries and travelling allowances for members of the Board during 1975 and 1976, respectively;

(6) what amount was spent on advertising and sales promotion of (a) butter and (b) cheese during 1975 and 1976, respectively, (i) in South Africa and (ii) abroad.

The MINISTER OF AGRICULTURE:

(1) Monthly supplies of butter and cheese during 1976. (Figures on a weekly basis not available.)

	Butter kg	Cheese kg
31 January	5 675 295	11 405 352
29 February	6 424 972	10 305 119
31 March	7 006 562	10 643 530
30 April	7 013 728	10 654 711
31 May	6 799 242	10 419 658
30 June	6 702 272	9 746 156
31 July	5 131 292	9 846 430
31 August	5 206 160	9 616 429
30 September	5 241 274	9 349 543
31 October	4 020 344	8 800 357
30 November	5 634 832	9 858 427
31 December	6 562 120	10 428 416

(2) (a) Primary producer's prices

	1974-'75 (pool year) c per kg	1975-'76 (pool year) c per kg
Butter	120,4	134,3 (estimate)
Cheese	105,4	112,7 (estimate)

(b) Consumer's prices

Butter	133,0	139,2 (estimate)
Cheese	153,4	157,8 (estimate)

(Pool accounts for 1975-'76 pool year have not yet been finalized)

(3) (a)

	1975-'75 (pool year)	1975-'76 (pool year)
Butter	Africa, Europe	Africa, Europe and Asia.
Cheese	Africa	Africa, Europe and America.

(b)

	1974-'75 (pool year) c per kg (average)	1975-'76 (pool year) c per kg (average)
Butter	91,5	107,8
Cheese	114,4	69,6

(4) Loss on exports

	1974-'75 (pool year)	1975-'76 (pool year)
Butter	R974 800	R 820 000 (estimate)
Cheese	R 34 400	R1 350 000 (estimate)

(Pool accounts for 1975-'76 have not yet been finalized).

(5)

	1974-'75	1975-'76
Salaries	—	—
Chairman's allowance	R 1 000	R 1 000
Travelling and subsistence allowances	R11 016	R13 037

(Members of the Board do not receive salaries).

(6) Advertising and sales promotion (including salaries of staff in marketing division).

	1974-'75	1975-'76
South Africa	R538 400	R536 400
Abroad	—	—

Domestic discount sales	1974-'75	1975-'76
Butter	—	R 860 100
Cheese	—	R1 301 600

A HIKE PLANNED ON THE MILKY WAY

Mercury Reporter

NATAL'S dairy farmers are to apply for an increase in the price of fresh milk in April.

The size of the increase will depend on the recent fuel price increase and the future price of maize.

The last milk price increase was eight months ago when a litre went up by 2c to a maximum price of 31c and a delivered price of 28½c.

Notice of the new increase application was given yesterday by Mr. J. E. Mansfield, chairman of the Natal and East Griqualand Fresh Milk Producers' Union.

The union had invited members of the Housewive's League, the Natal Consumer Association and the Women's Institute to discuss problems of milk production and marketing.

Mrs. Margaret Cooke of the Housewives' League said she felt that many agricultural problems were the fault of the food control boards.

"I would like to see whether the members of these boards are qualified to govern and promote the nation's food supply," said Mrs. Cooke.

Mrs. Dorothy Perkins of the Consumer Association said it would not be necessary to call for a milk boycott if the price were increased.

"Housewives just won't buy fresh milk," she said. "It won't be a boycott but just consumer resistance."

Mr. Mansfield said the purpose of the meeting had been to give housewives exact details on costs in the milk industry.

They had decided to investigate together, while there was inflation, any undue profiteering by manufacture or middleman.

"The producer is as concerned as the consumer over the effect of marketing, of a price increase," he said.

van die Afrikaanse taal
in die woordeskat, klánk-
word. Talle van die fyner
uur kon uit die aard van
die verskynsels wat wel
e eensklaps ontstaan het
odig om die Afrikaanse
ikkelingsproses het baie
van die woordeskat, die
nsbou bygedra. Wanneer
dat nie die een of ander
vir die wording van Afri-
frikaanse taal die produk
onder belangrik was die
ands; soos uit die oorsig
ns voortsettings van die
lek wat in Nederland self
n het. Daarnaas het die
'n rol gespeel. Ook hier
ers isoleer en vir die
elik hou. Ons kan bv.
grante die Afrikaanse
e die vereenvoudiging

de taalinvloed gedink.
veelheid direkte gege-

wens van die Kaapse taal in die Argief in Kaapstad gevind is. Kort na die stigting van die GRA het die belangstelling in die herkoms en ontstaan van Afrikaans by taalgeleerdes begin posvat en aanleiding gegee tot die ponering van verskillende teorieë oor die ontstaan van Afrikaans. Th. Hahn se *Hottentots-teorie* van 1882 was die eerste poging tot 'n verklaring van die karakter van Afrikaans. Hoewel hy vasstel dat Afrikaans „phonetically teutonic" is, d.w.s. sy Germaanse struktuur behou het, is dit volgens hom „psychologically an essential Hottentot idiom". Maar hierdie vae stelling kan hy nie bewys nie. Kort ná hom kry ons die belangstelling van Nederlandse geleerdes soos M. de Vries en J. te Winkel, wat die *Frans-teorie* voorstaan. Volgens dié teorie sou Afrikaans onder die invloed van die Franse Hugenote ontstaan het, maar D. C. Hesseling het die teorie in 1897 al weerlê. In 1885 wys Hugo Schuchardt, die beroemde Duitse geleerde en kenner van Kreoolse tale, op twee belangrike faktore wat by die wording van Afrikaans 'n rol kon gespeel het; hy dink aan die een kant aan Duitse invloed; aan die ander kant was hy die eerste wat in 1891, op grond van sy kennis van Indo-Portugees en Maleis-Portugees, op moontlike kreoliseringsfaktore in Afrikaans die aandag gevestig het. D. C. Hesseling het dié gedagtes in 1897 en 1899 verder gevoer, veral in sy beroemde werk *Het Afrikaansch* (1899) waarin hy sy *Maleis-Portugees-teorie* uiteengesit het. In teenstelling met die vorige teorieë was Hesseling s'n die eerste wat werklik wetenskaplik verantwoord was. Volgens Hesseling moes daar binne die eerste dertig jaar van die volksplanting 'n skielike botsing van tale aan die Kaap plaasgevind het, nl. 'n botsing tussen die 17de-eeuse Nederlands van die vryburgers, soldate en amptenare en die taal van die Oosterse slawe wat Maleis en 'n vorm van gebroke Portugees gepraat het, of 'n vermenging van albei („Maleis-Portugees"). In 1658 en daarna het 'n groot aantal slawe wat gebroke Portugees gepraat het, Kaap toe gekom; dit sou volgens Hesseling 'n skielike kommunikasieprobleem veroorsaak het wat tot 'n vinnige verandering van Nederlands gelei het. Die resultaat was 'n sterk vereenvoudigde taal met 'n reduksie in sy grammatika. Wanneer 'n kultuurtaal in 'n bepaalde kontaksituasie deur 'n botsing met 'n sosiaal laerstaande taal binne 'n kort tydperk 'n drastiese reduksie, struktuurverandering en vereenvoudiging ondergaan, praat 'n mens van kreolisering. Hesseling moet egter self erken dat die tipiese kenmerke van kreolisering in Afrikaans ontbreek, daarom kom hy tot die konklusie dat Afrikaans beskou moet word as Nederlands wat halfpad bly staan het om 'n Kreoolse taal te word.

Ongelukkig het Hesseling destyds nie oor die nodige direkte taalgegewens beskik nie; hy kon sy teorie feitlik net op sosio-historiese gegewens baseer wat bowendien nie volledig en korrek was nie. Daarom was ook sy teorie ontoereikend en eensydig; dit het 'n hipotese gebly wat hy nie kon bewys nie.

Hansard 7 Q col 629 11/3/77

SCHOOL OF ECONOMICS
ECONOMICS 1A

CLASS EXAMINATION :

This exam counts 10

Multiple choice que
provided. Don't f

Dairy Board: Surplus of cheese

(3) dairy products

572. Dr. E. L. FISHER asked the Minister of Agriculture:

(1) Whether the Dairy Board holds a surplus of cheese; if so, what is (a) the surplus, (b) its estimated value and (c) the estimated amount of cheese that will be sold within the next three months;

(2) whether consideration has been given to donating cheese for charitable purposes; if not, why not.

The MINISTER OF AGRICULTURE:

(1) Yes.

(a) 4 000 t.

(b) R5 820 000.

(c) 6 900 t.

(2) Consideration is being given to making cheese available to charity organizations at a reduced price. The Dairy Board cannot afford to make donations.

the end of the year.

the special sheet of paper
d number on that sheet.

1. Economics' cl ts on its

   1. Attempt t
   2. Use of ex ories.
   3. Foundatio cts.
   4. Explanati ical terms.
   5. Analytica onclusions.

2. An economic t

   1. A statement of fact as seen by an economist.
   2. An explanation of how economic forces ought to behave.
   3. An hypothesis based on assumptions of an ideal state of affairs.
   4. An explanation of economic behaviour which fits observable facts.
   5. An idea which is useful in analysis but unrelated to practice.

3. Choice is fundamental to economic behaviour because

   1. People find it difficult to choose what they want.
   2. Resources are scarce in relation to people's wants.
   3. Choosing makes people act rationally.
   4. Opportunity costs depend upon exercising choice.
   5. Prices depend on people making choices.

4. Which of the following is considered a 'free good' in Economics ?

   1. Water in a canal.
   2. Water in a reservoir.
   3. Distilled water.
   4. Water in the Atlantic Ocean.
   5. Mineral water in bottles.

5. Which of the following constitutes real investment ?

   1. Purchase of shares through the Stock Exchange.
   2. Opening an account with a bank.
   3. Buying a factory completed last year.
   4. Building a block of flats.
   5. Buying National Savings Certificates.

Milk price crisis looms

Mercury Correspondent

JOHANNESBURG — South Africans are facing a new dairy products crisis which will hit both consumers and producers if milk consumption is not increased.

Dairy farmers and marketing officials believe a replay of Dairy Board reasoning on cheese stocks — high prices to finance a surplus — is inevitable unless a massive advertising campaign planned to boost milk sales is successful.

The chairman of the Cape Dairymen's Association, Mr. Maarten Henning, yesterday appealed to the fresh milk producers to reconsider a request for an 18 percent rise in the producer price.

Consumption

He warned that the proposed increase would result in a drop in consumption which would be disastrous for the entire dairy industry.

Manufacturers were already saddled with substantial costs of surplus cheese, butter and powdered milk which resulted from surplus fresh milk production.

Mr. Henning said he appreciated that cost increases had prompted the farmers' appeal for a higher price, but the industry had also incurred these and if they also passed the increases on to the consumer the total rise would amount to 5 cents a litre.

This would meet strong consumer resistance.

It was necessary to prevent a drop in consumption at all costs, because this would mean higher unit costs to producers and the price would have to go up again.

Only increased consumption could solve the problem, he said.

milk

(3) ~~Dairy~~

Butter exports 'held back'

By JEAN LE MAY

A JOHANNESBURG export agent was told last week by the Dairy Board that no butter was available for export — despite the country's vast stocks of butter and cheese.

Mr Mick Milaris, of Livadex Exports, told the Express he went to the Dairy Board last week with an order for 59 tons of butter for a client in Zaire.

He was told none was available, and was about to ask his client if he would accept margarine instead when he read in last Sunday's Express of the 8 600-ton butter surplus.

Mr Milaris then approached an export agency on the Reef and was told by the export manager that there would be no difficulty in filling the order and that the agency would negotiate with the Dairy Board on his behalf.

This week, however, when the Express spoke to the export manager (who asked not to be named) he said that butter exports were at the moment "being held back".

The reason he had been given, he said, was that a country which had a large contract for butter from South Africa had laid down quality conditions which did not appear in the original contract and which the butter offered did not meet.

"The Government is trying to hold the country to the original contract, but if it falls through then butter will be available to other customers," he said.

Mr P J H Maree, manager of the Dairy Board, said the Express was "barking up the wrong tree" when he was asked about the jeopardised contract. He would say no more.

Last week the Express disclosed that the Department of Agriculture had withheld an article from its weekly news bulletin because in it a senior scientist of the department, Dr J C Oosthuizen, said the surplus butter and cheese would be easier to export if they were of higher quality.

3 - DAIRY

APPLICATION FORM

for

OF THE ECONOMIC SOCIETY OF SOUTH AFRICA
s the JOURNAL and all other publications of the Society)

..... block letters, indicating whether Mr., Miss, Dr., etc.)

f the Society (Membership Fees are R10 per annum, payable in advance
nal) for the year 19....., for which I enclose a Postal Order/Money Order/
.....

Journal is to be sent :

.....

the Society are requested to give the following particulars :

ny) .....

wing :

Journal

your local branch :

membership fee should be forwarded to :

The Hon. Treasurer,
P.O. Box 929,
Pretoria.
0001.

Subkategorieë van die selfstandige werkwoord

Tot dusver het ons die volgende subkategorieë van die selfstandige werkwoord bespreek.

Take up the White Man's burden—
No tawdry rule of kings,
But toil of serf and sweeper—

Minister faces criticism after dairy price increases

CAPE TIMES 14/6/77 3- DAIRY

TRADE UNION and consumer leaders condemned the increase in the price of butter and cheese announced yesterday by the Minister of Agriculture, Mr Hendrik Schoeman.

Mr John Benade, general secretary of the federal council of seven railway staff associations, said: "We have curtailed all demands for wage and salary increases because of a Government plea. Now the minister comes along and announces these increases."

Mr B G Blume, president of the Posts and Telegraphs Association said: "We cannot and will not accept any further increases in the prices of food without resistance. Consumers cannot afford to pay more because they have got the money."

Mrs J R M Hurwitz, of the National Housewives' League, said: "Instead of a price increase, the minister should be announcing a further price decrease in order to stimulate consumption."

Mr Schoeman . . . left with no alternative

A representative of the Women's Agricultural Union said her organization was in favour of the increases because it would help keep the farmer on his land.

Mr Schoeman said last night that the increases would cost roughly 20c a family a year in the case of butter and 15c a family per year in the case of cheese.

"Under no circumstances can I cut the farmers' price on these commodities and further as they are already supplying at an uneconomic price that does not even cover their basic production costs. Equally the subsidy on butter and cheese has been cut from R12-million to R7-m this year. I was therefore left with no other alternative."

Mr Schoeman said that no increase in the price of break and milk was envisaged until at least the end of November.

werkwoorde soos neem, ontvang, beara, bevat, hou, ens. neem as 't ware 'n middelpositief tussen transitiewe en intransitiewe werkwoorde in. Hul moet noodsaaklik saam met 'n naamwoordelike konstituent verskyn, maar hierdie konstituent het nie die eienskappe van 'n direkte objek nie. Dit word dikwyls deur taalkundiges 'n komplement genoem:

By all ye leave or do,
The silent, silent peoples
Shall weigh your Gods and you.

Take up the White Man's burden—
Have done with childish days—
The lightly proffered laurel,
The easy, ungrudged praise.

Comes now, to search your manhood
Through all the thankless years,
Blood-edged with dear-bought wisdom,
The judgment of your peers!

Rudyard Kipling.

Die boek [illegible]

*Die boek [illegible]

Middelwerkwoorde het verskeie sintaktiese kenmerke wat hul van

(3) ~~Sugar~~ Dairy

BUTTER IS UP, SO IS CHEESE

Mercury 14 June 77

CAPE TOWN — The price of butter and cheese will increase by 20c a kg and 15c a kg respectively from Wednesday, the Minister of Agriculture, Mr. Hendrik Schoeman, announced here yesterday.

Butter is up to R1,60 a kg.

Cheddar and gouda cheese are up to R1,73 and R1,74 a kg respectively from tomorrow.

Addressing a conference of consumer and trade union leaders, Mr. Schoeman said that the butter and cheese "mountain" had been growing without any relief in sight, and that the price increase had been decided upon because of the "total failure of consumer bodies to stimulate consumption."

In spite of a 31 percent gross reduction in revenue, there had been a constant increase in dairy produce.

According to Sapa, Mr. Schoeman said: "Already the subsidy on butter and cheese has been reduced from R12 million to R7 million because the Government requires the funds for defence and other purposes vital for survival.

"The subsidy will be further cut in the near future until it has reached zero."

Our reporter writes that Natal economist Dr. Lawrence McCrystal last night slammed the dairy industry.

Addressing the annual meeting of the Natal branch of the South African Society of Dairy Technologists in Durban, he said that consumer prices of all food products had risen by 137 percent between 1958 and 1959 and 1975 and 1976 while milk had gone up by 172,5 percent.

(The HNP was established only a year before the Commissio
the faction on which it was built had been in existence
its roots lay deep in that strand in Afrikaner populist
the interests of the "little" men of agriculture and ind

One of the arguments which the Commission developed to s
for a rationalisation in agriculture and a reduction in
land was that wide income disparities had developed.
reduction in the rural population as a solution to this
governments have long been nervous of class divisions a
political conflicts. The commission seems to have ado
what has long been a more or less "natural" consequence
market - the elimination of the weaker elements in whit
encouragement through the use of the carrot rather than
whites to migrate out of agriculture may be seen as a d
hegemony of a class of capitalist farmers. Wealth is
concentrated in this class. The 1966 report of the Se
Revenue Department revealed that only 0.5 per cent of i
tax gained in agriculture exceeded R17,999 per annum -
nearly 4 per cent of incomes from agriculture. Indivi
R7,000 per annum constituted 6.66 per cent of persons e
per cent of incomes. Just under 80 per cent of individ
under R3800 - 43.96 per cent of incomes. The bottom
and 15 per cent of all incomes. (These calculations a
i.e. after losses had been deducted from incomes. In
group, these losses amounted to R1,460,000 - 25% of gro
third of agricultural and pastoral immovable property
immovable property (30.3 per cent) were concentrated ir
compared with 16.2 per cent of urban immovable property
the size of farms and their gross sales is also close -
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Hansard 20 Q cols 1325 15/6/77

(3) dairy products

Price of butter/cheese/milk

(1105) Mr. H. E. J. VAN RENSBURG asked the Minister of Agriculture:

Whether the price of (a) butter, (b) cheese and (c) milk will be increased in the near future.

The MINISTER OF AGRICULTURE:

(a) and (b) Yes. On 15 June 1977.

(c) No.

Mercury 15-6-77

Fire Dairy Board say watchdogs

(3) Dairy

Mercury Correspondent

JOHANNESBURG—Several consumer watchdogs have called for a completely new Dairy Board because of increased butter and cheese prices which come into effect today.

The Minister of Agriculture, Mr. Hendrik Schoeman, announced on Monday that the prices were being increased — butter by 20c a kilogram and cheese by 15c — because of a lack of demand, to try to offset the butter and cheese surpluses and because of rising costs.

He had no choice as the overseas markets were already glutted.

Mr. Eugene Roelofse, Ombudsman for the South African Council of Churches, yesterday said: "The present Dairy Board is beyond redemption.

"The only solution is widespread firing."

Mrs. Joy Hurwitz, president of the Housewives' League, called for the minister to completely overhaul the Dairy Board.

"The present debacle has been caused by its system which encourages excessive production at uneconomic price levels.

"Producers and manufacturers have been overprotected at the expense of the consumers.

Mrs. Hurwitz also called for an impartial investigation into manufacturing costs to bring about a more realistic profit margin.

Mr. Warwick Webber, MP for Pietermaritzburg South, said Mr. Schoeman should fire the members of the Dairy Board and take control himself.

Mrs. Dorothy Perkins, president of the Natal Consumer Association, went one step further and said the minister should resign.

● See Editorial Opinion.

Dairy industry milked dry

15/6/77 (3) RDM Dairy

By CHRIS CAIRNCROSS
Industrial Editor

THE dilemma facing the Dairy Board of having to jack up the price of butter and cheese to meet manufacturers' rising costs when there are large surpluses shows there is something basically wrong with both the management and structure of the dairy industry

The Dairy Board's report for the year to September, 1976, provides sufficient grounds to support this view.

It shows an industry incapable of gearing production to dictates of the market; where manufacturers are confronted with rapidly rising costs that threaten to place the sector heavily in debt in the current year, but which they are unable to recover in the normal manner without depressing demand further.

Milk production is set to climb 10% this year, and aggravate the large surpluses. This accumulation of butter and cheese could add as much as R20-million to the industry's costs, according to the Dairy Board.

It is unlikely to be able to meet this burden. The Government has reduced the butter subsidy by R1-million and the industry's stabilisation fund is in a sad state. At the end of September, 1976, the balance in this account was little more than R3 500 000, and not enough to cover the costs.

As a result, the Dairy Board has been forced to borrow from the Land Bank to meet the working capital requirements of manufacturers. It is believed the loan was about R6-million.

But this was not enough, for as a result of the piling up of stocks the industry needed more capital than in the past.

The Dairy Board says the loan arrangement meant that primary producers would not only receive any compensation for increased costs, but they would have to bear the full burden of the industry's problems.

The board fears this may force producers to leave the industry, increasing the risk that South Africa will have to depend more heavily on imports.

As it is, the return manufacturers receive on capital causes one to wonder why they have stayed in the dairy industry for so long. Certainly the profits do not invite further investment.

Manufacturers' returns on butter have averaged 4% in the past two years and the projected return in the year to September is about 5%.

Earnings on cheese are a little better. Returns in the past two years average 7%. This is expected for the 1976-77 year.

The industry obviously needed the price increase announced this week. But the problem is that ultimately, the adjustment is likely to aggravate this sector's problems by causing a topping up of stocks.

2. (a) Ceteris par s)
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remaining c

(b) Inferior go s)
has negativ es - technically
e.g. demand s)
help here. graph would
s)

(c) Equilibrium
equals quan ty demanded
s)
This is a s nt unless some
exogenous fa e demand or
supply schec ablished.
s)

(d) Maximum pric prices -
normally bel s)
Result is th e alternative
method of al nd - e.g. black market, sellers
preference, (2 marks)

(e) Factors of p capital (also entrepreneurship).
(2 marks)
Brief discus ors - how they must be combined to
produce good (2 marks)

(f) Cross elasti nal effect of change in price of one
good on dema (2 marks)
Expect subst oss elasticity of demand, complements,
positive. nd ice-cream will probably have zero
cross elasti (2 marks).

10 marks all
3. nutes or so to write on this subject.
The basic ide erstand is the relationship between
economic grow city of demand for food, the high
income elasti ood' (produced in town), and the
process of ur

Other factors such as 'bright-lights' pull or population pressure push are relevant but not fundamental. No more than 2 or 3 marks should be allocated to these.

* * * * * * * * *

Probe butter and cheese — Weyers

16/6/77 R.D.M. Dairy Products

Staff Reporter

THE Consumer Council will ask the Ministers of Agriculture and Economic Affairs to investigate the butter, cheese and margarine industries.

Professor Leon Weyers, the Consumer Council chairman, wants to know about the price structuring of butter, cheese and margarine.

He wants the Minister to investigate production, processing, retail and wholesale distribution.

He also wants the results of the probe to be made available to consumers as soon as possible.

Prof Weyers said the butter and cheese industries must be recognised.

Producers' profit margins could only be restored by an increase in turnover or an improvement in efficiency. These products would have to be made more attractive to consumers and producers must provide for the needs of consumers, he said.

He said the council understood the problem the Minister of Agriculture, Mr Hendrik Schoeman, the Dairy Board and the dairy industry faced but also realised increased prices could lead to a further decrease in butter and cheese consumption.

The council worried that a reduction in the demand for butter could lead to a sharp rise in the demand for margarine and increase the price of this product.

Mrs Joy Hurwitz, the president of the Housewives League, backed Prof Weyers' call for an investigation into manufacturing costs to bring about a more realistic profit margin.

The price of butter has gone up 20c a kilogram and cheese by 15c a kilogram.

These products are available at old prices in some supermarkets.

Spokesmen for OK Bazaars, Pick 'n Pay and Checkers said they would continue selling at the old price until existing stocks ran out, as was their usual policy.

Retailers are entitled to sell at the new price even if they bought at the old wholesale price.

One spokesman said his firm would drop the price of butter to help consumers — butter previously sold at 68c for 500 g would now be sold at 65c.

Another spokesman said butter would be sold at virtually cost price in his stores. His firm would make a ½c profit only on every 500 g.

Butter and cheese go up

NEW butter and cheese price increases announced by the Minister of Agriculture Mr Hendrik Schoeman some days ago, were published in a special issue of the Government Gazette yesterday.

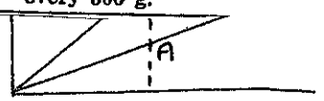
The price of all grades of butter is increased by 20c a kg and cheddar and Gouda cheese by 15c a kg.

The new prices of the three grades of butter, with old prices in brackets, are: choice 160c (140c), table 154c (134c) and household 148c (128c).

Cheddar cheese will now cost: first Grade 173c (158c), second grade 170c (155c) and third grade 166c (151c).

The new prices of gouda cheese are: first grade 174c (159c) and second grade 171c (156c). — Sapa.

4. One cannot say.
5. None of the above.



Q/t

16. A rise in the price of refrigerator components would probably lead to

1. A fall in the demand for refrigerators.
2. A rise in the supply of refrigerators.
3. A leftward shift in the supply curve of refrigerators.
4. A rightward shift in the demand curve of refrigerators.
5. A leftward shift in the demand curve of refrigerators.

17. Income elasticity of demand is defined as

1. $Y/Q \times \Delta Q/\Delta Y$
2. $\Delta Q/Y \times \Delta Y/Q$
3. $Q/\Delta Q \times Y/\Delta Y$
4. $Q/Y \times \Delta Q/\Delta Y$
5. $\Delta Q/\Delta P \times P/Q$

Hansard 20 cols 1333 - 1334 17/6/77

(3) dairy products

Surplus butter/cheese

†(1) Mr. W. T. WEBBER asked the Minister of Agriculture:

(1) Whether steps have been taken to dispose of surplus butter and cheese by export to other countries; if not, why not; if so, what quantities of butter and cheese were exported during 1977;

(2) whether there is any resistance to buying South African butter and cheese;

(3) whether he will make a statement on the matter.

†The DEPUTY MINISTER OF AGRICULTURE:

(1) Yes. 705 tons of butter and 1 040 tons of cheese during the period January to May 1977.

(2) No.

(3) No.

Hansard 20 col 1340-1341 17/6/77

Price of fresh milk

(3) dairy products

(25.) Mr. W. T. WEBBER asked the Minister of Agriculture:

(1) Whether prices paid by purveyors of fresh milk in the Western Cape are fixed or controlled; if so, (a) by whom are the prices fixed, (b) what is the maximum price at present permitted and (c) when was the last increase in each price allowed; if not,

(2) whether pasteurizers of fresh milk have recently increased the price at which they supply to certain purveyors;

(3) whether he will make a statement on the matter.

The DEPUTY MINISTER OF AGRICULTURE:

(1) No.

(2) Yes.

(3) No.

Mr. W. T. WEBBER: Mr. Speaker, arising from the reply of the hon. the Deputy Minister, can he tell us the amount of the increase in the price?

†The DEPUTY MINISTER: Mr. Speaker, I was not prepared for that question. If the hon. member would like a reply to that question, he should put it on the Order Paper. I want to add, however, that this matter is receiving attention and arrangements have been made for us to meet the people concerned in the coming week.

Mr. W. T. WEBBER: Mr. Speaker, I thank the hon. the Deputy Minister for his further reply. I should further like to ask whether he is aware of the monopolistic conditions which are apparent in the pasteurization industry in Cape Town.

Mr. SPEAKER: Order! That is a new and not a supplementary question.

TABLE NO. 5

PRIVATELY-PAIL
A PROPORTION OF

Type of School	
Farm	
Government	
Community	

Sources: Bulletin of the Depa
R.P. 45/1975

The farmer officially employs i
and it is thus the owner of the
with the owner's permission, wh
subject always to normal B.E.D.
his appointment is approved by
and can thus be regarded as a f
farmer's task to find suitable
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FIN MAIL 17/6/77

DAIRY PRICES

The Minister is right

3 - DAIRY

It was inevitable that the price increases in butter and cheese would provoke angry reactions from trade unions and consumer organisations.

Prices went up on June 15 — butter by 20c/kg to R1,60/kg, and cheddar and gouda cheese by 15c/kg to R1,73/kg and R1,74/kg respectively. It is difficult to see what else the Minister could have done, and it's a safe bet there'll be no going back on it this time. The decision to hold prices at their old level was reluctantly taken last November on the understanding that supermarkets and other consumer bodies would do their utmost to stimulate consumption. This has been a complete failure.

Butter consumption has actually fallen, and (due to exceptionally favourable weather conditions) stocks have increased. Those of cheddar have dropped (see table). Gouda cheese is in short supply, so presents no problem.

The Dairy Board must finance the whole marketing operation. The large stocks add to its problem and increase costs. At the same time the subsidy has been reduced from R12m to R7m.

Small amounts of butter are being exported regularly. Cheese exports are more sporadic. But neither has made any dent in the "mountain".

If consumption remains at present levels, the increased prices will, it is estimated, bring in an extra R4,6m pa from butter and R4,2m pa from cheese: total R8,8m pa. But from now till the end of the season (September 30) the amounts will only be: butter R1,3m and cheese R1,23m, totalling R2,6m. This will go towards defraying factory, storage and distribution costs: to make up for the decrease in the subsidy; and to repay part of the R6m Land Bank loan granted to the Dairy Board for keeping the consumer price down.

Should consumption fall — as it probably will, especially in the case of butter — government will have an even

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farmer, on the property itself. The prospect of housing numbers of teachers may act as a disincentive to expansion of schools with the attendant demand for further teachers.

PUPIL ENROLMENT

In order to attempt to evaluate the penetration of education into the rural environment comparison of enrolment over a time span is useful. This question will be dealt with more fully later but it is apparent that the proportion of children in farm schools has remained fairly constant over 13 years.

HANS 21
24/6/77
Col 1415

3 - Dairy

Supply of butter/cheese

1154. Mr. T. HICKMAN asked the Minister of Agriculture:

(1) (a) What supply of (i) cheese and (ii) butter does the Dairy Board have in stock at present and (b) what is the value of each supply;

(2) what quantity of this (a) cheese and (b) butter is estimated to be sold (i) in the Republic and (ii) abroad during the next 12 months;

(3) what is it expected will be done with the butter and cheese that are not disposed of.

The MINISTER OF AGRICULTURE:

(1) (a) (on 4 June 1977)

(i) 8 459 t.

(ii) 7 516 t.

(b) (i) R1 350 000

(ii) R1 140 000

(2) (a) (i) 7 809 t.

(ii) 650 t.

(b) (i) 6 516 t.

(ii) 1 000 t.

(3) Falls away.

ECONOMICS 1/

Milk (3)

SECTION B

marks)

1. COMMUNITY'

29/6/77 N/MERCURY (247)

Clothing A

Licence is needed for milk sales

Agricultural Correspondent

MANY rural cafe and supermarket owners are baffled by demands by a provincial licensing inspector that it is necessary for them to hold a licence to sell fresh milk.

Mr. Bill Lowson, a Hibberdene supermarket owner, said yesterday that he and other South Coast shopkeepers had been told by a Provincial licensing inspector that it was necessary for them to take out a special dairy shop licence if they wished to continue selling milk.

A spokesman for the Provincial licensing authority in Pietermaritzburg confirmed yesterday that a special licence was required and he said that there have been differences in the legal interpretation of the licensing ordinance.

He said that the ordinance had come into force in 1974 but it was only now that inspectors had got round to checking up on people selling milk.

Mr. Lowson said he and other cafe owners in rural areas were most upset about the demand. He said he might stop selling milk in his shop.

"There is no profit in handling milk anyway and with a licence costing R30 annually it won't be worthwhile to continue."

He said he already had licences to cover butter and yoghurt as well as other foods sold in his shop.

O

(a) Explain fully the slop luction possibility frontier. ks)

(b) Under what conditions a straight line ? ks)

(c) What is the significan the above diagram ? ks)

(d) Would it be true to sa preferred to operate at P, rather t ically more efficient than Q ? E ks)

(e) Could you suggest what e production possibility curve woul (d). rks)

2. Define and briefly explain (20 marks)

(a) ceteris paribus
(b) inferior goods
(c) equilibrium price lev
(d) maximum price legisla
(e) factors of production
(f) cross elasticity of demand (i.e. 4 marks ea.)

3 - DAIRY.

3. Write briefly on the causes of urbanisation.

(10 marks)

30/6/77 N/MERCURY (3)

Cut in price of cheese

(249)

PRETORIA— The manager of the Dairy Board, Mr. J. H. Maree, announced in a statement here yesterday that the board has decided to supply certain welfare organisations with cheddar cheese at R1 per kg — 73 cents lower than the normal retail price at present.

Mr. Maree said that the cheese would be available only as long as the surplus lasts.

The cheese was intended only for the inmates and staff of institutions such as old age homes, children's homes, the poor and indigent catered for by welfare organisations.

Recently a scheme whereby provincial school hostels could buy cheese at 20c per kilogram below the current wholesale price, was extended to include educational colleges and university hostels. — (Sapa.)

18. We define an inferior good as one with

    1. An inelast
    2. A negativ
    3. A positive
    4. An elastic
    5. None of t

19. Income rises b
    inelastic. (

    1. A fall in
    2. A fall in
    3. A rise in
    4. A rise in
    5. A fall in

20. If the price e
    rise in outpu
    to

    1. Make more mo
    2. Make less mo
    3. Plant differ
    4. Demand a
    5. None of t

21. Assume that t
    decrease (shi

    1. Cause the
    2. Cause far
    3. Cause far
    4. Lead to a
    5. None of t

22. Consider the t

    (A) The cobwel
    t determin

    (B) The supply curve of agricultural products is likely to be elastic in the short run.

    1. A is correct because B is correct.
    2. B is correct because A is correct.
    3. Both A and B are correct but there is no casual relationship.
    4. Neither A nor B is correct.
    5. A is correct but B is incorrect.

23. One reason why the quantity demanded of a good tends to fall as its price rises is

    1. The increase in price shifts the supply curve upwards.
    2. The increase in price shifts the demand curve downwards.
    3. At higher prices suppliers are willing to supply less.
    4. People feel poorer and cut down on their use of the good.
    5. Demand has to fall to restore equilibrium after a price rise.

30/6/77 ~~MERCURY~~

(3) MILK

MILK PRICE TO STAY CLAIM

Agricultural Correspondent

THE PRICE of milk is unlikely to go up before November this year because producers' demands for a price hike are almost certain to be refused and distributors have agreed to drop their demands for an increase.

Mr. J. E. Mansfield, chairman of the Natal and East Griqualand Fresh Milk Producers' Union, told a delegation of housewives yesterday that the Minister of Agriculture was unlikely to agree to farmers' requests for a higher milk price.

Distributors will not ask for a higher price on the assumption that they will not have to pay farmers more for milk.

Meanwhile, Clover Dairies fired 45 staff members yesterday but the dairy will carry on with home deliveries.

Those sacked were 21 Africans, 13 Asians and 11 Whites.

Managing director Mr. Bruce Laing said 18 of them became redundant with the closing of a branch.

(1) 3-milk
(2) ~~30~~
(3) ~~81~~

THE ARGUS, FRIDAY JULY 1 1977

Increase in milk price to Coloured dairies cut

Mr Lofty Adams

THE increase in the price of milk to Coloured dairies, which led to at least one dairy temporarily closing its doors, has been cut by about 4c a litre following representations to the Minister of Agriculture, Mr H. Schoeman, and the Milk Board.

The price reduction, from 24,7c to 20,5c a litre, was announced yesterday by Mr Lofty Adams, the representative of the Coloured dairies.

Mr Adams said the price reduction would ultimately benefit the consumer because the reduction would make it possible for the small dairies to continue their business, increase their efficiency, and supply the glass-bottled milk at the controlled price of 26c on a much wider scale.

That would diminish the need for the people to buy plastic-bottled milk at shops at between 28c to 32c a litre.

In order to protect the purveyors, Mr Adams said, the Milk Board had agreed to look into the possibility of giving them recognition in terms of the Milk Act and to consider the fixing of prices to the purveyor.

He said the small dairies needed the protection in order to develop their business and make their services more efficient.

Mr Adams said the Minister had acted swiftly after representations had been made to him last Monday by the CRC Executive, and he had asked the Milk Board to come from Pretoria to look into the matter.

After two sessions on Tuesday and Wednesday, the Milk Board and the major Peninsula distributors agreed to reduce the price.

In addition, he said one distributor had agreed to repay the increased prices paid by one dairy since the price hike.

(3) Milk

RDM

Minister rejects milk increase

THE Minister of Agriculture, Mr Hendrik Schoeman, last week turned down a request for an increase in the price of fresh milk in the areas under the control of the Milk Board.

This was revealed in Pretoria yesterday in a statement by the Milk Board.

The decision means the fresh milk producer will have to absorb the production cost increase of 16 to 18%, or between 1½c and 2c per litre, the statement said.

"If no relief could be brought about, the producers, especially those entirely dependent on milk production as a source of income, would find it difficult to survive," it added.

Discussions would, however, be held with the Minister of Agriculture and the National Marketing Council as soon as possible in an attempt to establish a more proportional distribution of the increased costs of production.

The general manager of the Milk Board, Mr Awie Visser, yesterday said that although a price increase was not possible other methods would have to be found to compensate for the increased costs.

Mr Visser said the producer and distributor could not be expected to bear the full burden of the increased costs. — Sapa.

PHILLIPS, H. History

The impact of [illegible] on South Africa in 1918 as part of a more ge[illegible] impact of World War 1 on South Africa.

(3- milk

PIMSTONE, B. Medicine

The metabolic a[illegible]urished child to protein and calorie deprivation by me[illegible]onal patterns and metabolic fuels. Experimental malnutr[illegible]has been used to simulate the human condition and allo[illegible]as of the metabolic state; the adoptive roles of the end[illegible]ein deprivation play a central role in survival.

POTGIETER, J. Sociology, Un[illegible]sch

Preliminary dem[illegible]ical and economic research on the Blacks in the Western [illegible]

PRETORIUS, W.S. Economics, U[illegible]sch

Labour supply i[illegible]

REES, D. Economics

Agricultural ma[illegible]trol in South Africa.

RICH, P. Comparative Afr[illegible]aw

African politic[illegible] the South African state: an examination of the relationship, over the period 1902 to 1948, between African political movements and State policy.

PUTTERILL, M. Urban Problems Research Unit

UPRU's work includes: factors affecting living environments in the Western Cape; self-help housing strategies for low-income families in the Western Cape; changes in urban African housing policy - a review of the possibilities for employer involvement; a Cape Town Chamber of Commerce housing project; a project on the provision of urban amenities; a quantitative analysis of the housing problem.

SACKS, L. Economic History

The role played by Coloured labour in the industrial development of the Western Cape.

N. Mercury 13/7/77

HIKE IN PRICE 'NEEDED'

Agricultural Correspondent

A BIG hike in the price of milk will soon be needed to rescue milk producers and the dairy industry from financial collapse.

This is the opinion of the secretary of the Natal and East Griqualand Fresh Milk Producers' Union, Mr. A. R. Muir.

He was reacting to the Minister of Agriculture's decision not to increase the price of milk to consumers.

Mr. Muir said: "Dairy farmers are unhappy with the decision and if an increase is not authorised soon to rescue the industry, the price rise when it comes will be a big one."

He said farmers were not asking for charity. "They only want to stay in business. Like industry, agriculture has had to face soaring production costs," said Mr. Muir.

However, Mr. Johann Verheem, director of the Consumer Council in Pretoria, has welcomed the decision. He said that increased costs were continually used as an excuse.

Natal Mercury 15/7/77 (3) milk

Furore over fresh milk profits

Agricultural Correspondent

A MAJOR row has broken out in Durban between Pick n' Pay boss Mr. Alan Gardiner and three of the city's biggest distributing dairies; Clover, Creamline and Rosemarie.

Mr. Gardiner has threatened to halve fresh milk sales in his stores and replace these with long-life milk. According to Mr. Gardiner fresh milk sales in his stores will be reduced from 200 000 litres to 100 000 litres because the three dairies have decided to take away from supermarkets a half cent a litre discount incentive for bulk sales of milk.

Mr. Gardiner said yesterday that as a result his stores would be "forced" to raise the price of fresh milk from 28 cents to 28½ cents (the same price as home delivered milk) because supermarkets were selling milk "at a loss."

However, the Durban Milk Association, which comprises members of distributing dairies in Durban, has a different story. The Association said yesterday that dairies had not applied for an increase in their selling price for the past 13 months and were against a price rise to the consumer.

The Association says that Natal dairies have been voluntarily giving a 1c discount which is below the gazetted price for milk. "We have reluctantly decided to reduce the supermarket discount by half a cent because of rising costs."

The dairies argue that there is no need for supermarkets to increase their price because they are already making up to 1,5c a litre pofit on every litre sold.

Mr. Russell Stephens, a director of Rosemarie Dairies in Durban, said yesterday that Mr. Gardiner's understanding of the situation was "totally distorted."

He said Mr. Gardiner had a "limited understanding" of milk marketing. Mr. Stephens said cows could not be made to turn on or off their milk like other supermarket commodiies.

According to Mr. Stephens, supermarkets were provided with millions of rands of interest-free capital by dairies. He said that while dairies had to pay cash for their milk, supermarkets only paid for it after 90 days.

And the dairies say that supermarkets receive a great ma[illegible] other benefits in form of service and to man supern[illegible] refrigerators.

DIRECT-MILK PLAN

N. Mercury 16/7/73 Mercury Reporter

THERE IS so much disenchantment among milk producers that at least one is considering packing and supplying direct to a major supermarket.

This was revealed yesterday by Mr. Alan Gardiner, Natal's Pick 'n Pay chief.

Checkers have said they will absorb the ½c increase in the price of milk. Pick 'n Pay say they are forced to add it but will depress the sales of fresh milk by 100 000 litres a month.

Already 85 percent of the space in the fresh milk display fridges had been replaced by long-life milk at 28c a litre.

3- Milk

3 - Dairy

Butter sold at a loss overseas

STAR 29/7/77

Vast quantities of butter have been sold at a loss on overseas markets by the Dairy Board recently.

One of the countries to have bought the butter is Iran.

Mr P J H Maree, manager of the Dairy Board in Pretoria, denied all knowledge of the transactions. "I am not commenting on any of these rumours," he said yesterday.

However, The Star's information was confirmed a few minutes later by a member of the board.

Asked if the board had disposed of butter surplus on overseas markets, the member replied: "Oh yes. At a meeting of the board yesterday, we were told they had successfully negotiated overseas sales which had eased the surplus situation a lot.

MARG PRICE CUT

Mercury Reporter 11/8/77

3-Dairy

ONE brand of margarine has been slashed to under 20c for 250g by two Durban supermarkets and a price war could result.

Cafes usually retail the same quantity for 31c.

Checkers stores in the Durban area have cut the price to 19c and Pick 'n Pay will start selling at 19½c from today.

Supp. D.D. 18/8/77

Milking and the right equipment

(3- Milk)

In order to understand and appreciate the complete range of rotary installations marketed by Fullwood and Bland, it is essential to grasp the basic relationships between these interrelated factors:

1. Operator work routine time.

2. Cows on-platform time (including feeding time).

3. Maximum available cups-on time (for milking out and feeding).

4 Cow throughput per hour.

5. Number of effective milking stalls or milking units.

Thus it is essential to match operator work routine time and throughput in cows per hour to correct number of milking time; and where feeding is practised, sufficient time for feeding of concentrates during milking.

Fullwood's formulae make possible to calculate the size of rotary parlour which is theoretically the most suitable for the potential user, but, of course, other considerations have to be taken into account, such as personal preference for a Tandem Herringbone or abreast type rotary. Naturally this is where one comes into the personal choice area — but whether you choose a Fullwood Rotary on facts and figures or on good plain farming hunch — one can be certain that by choosing a Fullwood Rotary you are choosing well and can be assumed of satisfaction.

Fullwood and Bland claim to be the leading manufacturers of milking parlours, bulk tanks and milking machinery in the UK.

Research over the years has shown that vacuum stablity is vital to efficient milking. So the Fullwood Lo-Jar plant achieves maximum vacuum stability — with extremely efficient milking as its natural consequence.

Milk gravitates from the udder to the jar, and as each cow has its own vacuum reservoir in the form of a separate recorder for each cluster, vacuum stability is assured. This plant can be foot or hand operated.

An added advantage is that the jars are in a protective position under the chequer plate upon which the cows stand.

Feeding can be controlled by hand or electrically.

The Fullwood Straight Race Recorder has proved a favourite over the years. It has one set of clusters per pair of cows, giving double eating time, longer milking time and high throughput per milking point — well situated to a herd which is fed a high proportion of concentrates.

Farmers who are looking for the speed of direct-to-line milking without sacrificing vacuum stability are recommended to look into the advantages of the Fullwood Straight Race Speedline.

Other systems with a full range of components to suit each system are also available. Therefore it is essential for the farmer to make thorough enquiries to ensure he buys what is best suited for his requirements.

FR. 76.95

FRANÇAIS I

COURS DE LANGUE

AIDE-MEMOIRE POUR LA TRANSPOSITION D'UN TEXTE EN DISCOURS INDIRECT

DISCOURS DIRECT	DISCOURS INDIRECT
On répète les paroles exactes de la personne qui parle.	On rapporte à une autre personne ce que quelqu'un dit ou demande.
1. CHARLES: "Marie, ouvr	onne) à Marie
2. CHARLES: "Je suis pré	nte..) qu'il
3. CHARLES: "Mon déjeune Qu'est-ce qui se passe êtes-vous en retard?	tir, etc...) Il demande pourquoi elle
Le discours direct es deux points et place La question se termin d'interrogation.	illemets est remplacé
II. Le pronom pe	self
Sont a diverse person	la 3ème pers.
III.	
Temps présent et prox	
Charles: "Ceci ne do représenter: soyez à	la de devait demanda
1. Impératif	+
2. simple déclaration	(conjugué temps)
3. question	il (out ou que, pourquoi, conjugué selon

N. Mercury 26/8/77 (3) dairy

Sacrifices of dairymen 'paying off'

HEILBRON—Although a 1 000-ton cheese surplus was expected at the end of next month, there were indications of an improving relationship between supply and demand in the dairy industry, the Minister of Agriculture, Mr. Hendrik Schoeman, said here yesterday.

He told dairy farmers the sacrifices they had been called on to make through price reductions were now showing results.

A cheese surplus of 1 000 tons over the 6 000 tons needed was expected on September 30.

But "as far as the production and consumption of butter is concerned, it appears that both, in the long term, are showing a downward tendency."

The Dairy Board had decided to discourage the production of butterfat as such.

At the end of July the butter stock was 7 000 tons but this figure was expected to be appreciably less by the end of September.

The summer production of industrial milk should be appreciably less than last year.

The condensed milk stock at the end of July was 3 400 tons lower than last year, covering only two months' consumption.

The stock of full cream milk powder at 2 480 tons was 1 200 tons less than a year previously.

Efforts were still being made to get rid of the skimmed milk powder surplus.

In spite of the 4 000 tons sold at subsidised prices to cattle fodder manufacturers, the stock in July was 700 tons above the previous year.

Relieving the surplus was more difficult, as the European Economic Community still had stocks of more than 1 000 000 tons, Mr. Schoeman said. — (Sapa.)

Southern

CO DESIA

TO T MINES :

A Study division

No. 6

Cape Town October, 1976

PRICE OF MARG TUMBLES

(3) dairy

Mercury Correspondent 27/8/77

JOHANNESBURG — Margarine prices yesterday tumbled to an all-time low as leading suppliers fueled a nation-wide war to increase sales and beat down butter.

Supermarket spokesmen in the Transvaal reported customers "buying margarine by the caseload." One said prices had dropped to pre-1972 levels and might plummet further. And in Natal the price of one brand dropped to 15 cents for 250g.

Several customers passed the suppliers' reductions — announced yesterday — on to customers immediately, while others said the new prices would be introduced today or by Monday at the latest.

South Africa's three major margarine suppliers appear to be vying for higher sales and prices, which dropped first in the Cape several weeks ago, were spreading throughout the country.

The reductions applied mainly to yellow margarine.

In Natal the latest brand to enter the price war is Sunshine which has dropped to 15 cents for 250 g throughout the outlets of a large supermarket chain. This is a pre-1972 price and wipes out five years of inflation.

Yesterday most supermarkets were selling margarine at 16 cents for 250g and 31 cents for 500g.

Checkers, OK and Pick n Pay have been selling Stork, Blossom and Rama at slashed prices and today Sunshine joins the war with Pick n Pay offering it at 15 cents.

3- Dairy

intrusion, the Mines ~~sought and~~ obtained a permit for 5 000 workers o the Union's initiative. This, now open, international saland labour reserves placed Southern Rhodesian empl They preferred a 'free flow' (so-called 'voluntary') s it a greater probability existed of more workers being rohibitive costs of protracted and/or regular migrat po. It was also openly admitted in 1939 that 'On an eq iters for the Rand mines, with their huge resources, wil hey are surely not a type of opponent to compete with o

The interpositi o abeyance the prospect of Southern Rhodesian mine and fa erious initiatives in regard to W.N.L.A. competition, wh in the North. In any event, the Compulsory Nati 6) in Southern Rhodesia secured tens of thousands of lo t-term employment, especially in low-wage primary indust

Margarine prices tumble

D.D. 27/8/77

JOHANNESBURG — Margarine prices tumbled to an all-time low yesterday as leading suppliers fuelled a nation-wide war to increase sales and beat down butter.

Transvaal supermarket spokesmen reported customers "buying margarine by the caseload." One said prices had dropped to pre-1972 levels and might plummet further.

Some brands are now selling at 15c for 250 g and 30c for 500 g bricks. Prices earlier this week were about 28c and 54c.

Mr Ralph Horwitz, marketing controller for OK Bazaars, said: "Prices have just gone crazy. This looks like the beginning of a national price war."

— DDC.

By the end of the war, however, Southern Rhodesia was facing a 'labour drain' to South Africa on two fronts in its 'traditional' labour 'catchment' area. The outflow via W.N.L.A. from Nyasaland increased and the 'clandestine labour' exodus gathered momentum from Southern Rhodesia itself.

In 1944 the Chief Native Commissioner's Annual Report recorded that there were 14 000 'clandestine migrants' inside the Union in addition to which it was believed there were 9 000 similar workers from Nyasaland and 5 000 from Portuguese East Africa and Northern Rhodesia (though these latter groups need not all have come via Southern Rhodesia).[9/] In terms of annual increases in Southern Rhodesian demand for labour, this amounted to a substantial drain of labour-power. In 1945 it was estimated that the total 'clandestine' non-indigenous migration from Southern Rhodesia to the Union was 20 000 workers.[10/] In addition, there was the 'clandestine' indigenous flow to be considered as well as the net outflow of authorised migration of local and foreign workers to the South (a minimum of 3 508 in 1945 alone).[11/] The fact that significant numbers of women accompanied men in this exodus can be taken to imply that either long-term or permanent migration was anticipated in the case of a considerable number of authorised indigenous migrants. This judgement would tend to be confirmed by the fact that the government bus, based in the Gwanda District for the purpose of bringing /'clandestine' .....

(3) dairy

MELKBOERE KAN SÓ SPAAR

DIE stygende koste van melkproduksie en die effek daarvan op die verbruiker se sak verplig melkboere om met 'n indringender blik na hul produksievlakke en voerkoste te kyk, sê dr. Van Niekerk, tegniese direkteur van Voermol, een van Suid-Afrika se grootste veevoerprodusente.

As die melkboer die toenemende finansiële druk wil oorleef wat veroorsaak is deur die stygende produksiekoste en die seisoenoorproduksie van melk, moet hy sy aandag vestig op die produksievlak per koei, produksie in droë maande en voerkoste.

Voerkoste beloop tot twee-derdes van die totale melkproduksiekoste en dit kan selfs verder styg met die onlangse drastiese styging in voer- en aflewerings-koste.

„Maar boere kan — en baie is reeds daarmee besig — toestande beveg deur hul eie voer te meng en hul koste sodoende aansienlik besnoei", sê dr. Van Niekerk.

Wanneer hy sy eie voer meng, spaar die boer op rantsoene en vervoerkoste en is hy seker van die kwaliteit van sy voer.

Volgens dr. Van Niekerk het Voermol en ander Suid-Afrikaanse veevoermaatskappye spesiale voere vir tuismengsels ontwikkel om te verseker dat elke melkboer sy eie gebalanseerde suiwelmeel kan meng wat by sy besondere behoeftes pas.

Dr. Van Niekerk het die belangrike invloed van die produksievlak op die winsgewendheid van melkproduksie beklemtoon en gesê dat 'n melkkoei in die huidige kostestruktuur minstens 10 litres melk per dag moet lewer vóór sy geld maak. Koeie wat te min lewer, moet uit die melkkudde verwyder word, maar die boer moet sorg dat sy kudde nie te klein word nie.

„Indien 'n melkboer nie sy bestuur, werkbronne en beleggings soos geboue en masjinerie ten volle benut nie, sal die oorhoofse koste per koei toeneem. So sal die winsdrempel vir melkproduksie hoër word."

Besparing op direkte voerkoste deurdat melk slegs van die veld of weilande geproduseer word, het volgens dr. Van Niekerk nie op oorhoofse koste verminder nie. Daarby het melkproduksie afgeneem.

„Die gevolg van ondervoeding is op die lang duur ernstig, want dit is uiters moeilik en duur om koeie se produksie te verhoog as hulle verwaarloos is in die vroeë stadium van melkgewing," sê hy.

(3) STAR 29/8/77 Dairy

Margarine war batters butter again

The margarine price war declared at the weekend is expected to aggravate even more a situation in which butter sales are low despite price cuts.

Mr Richard Cohen, a director of the Pick 'n Pay chain, said today that the margarine price war arose about three or four weeks ago when it was "noted by the big producers that peoples' preferences had changed." Two types of margarine which had been favourites were beginning to lose sales to two other types.

One of the manufacturers that was losing out decided to slash prices and so the price war began.

"It was purely coincidental that the price drop comes on the heels of a drop in the price of butter," Mr Cohen said.

He said sales of butter were "pathetic" and the margarine price drop would "aggravate the butter situation even more," he said.

"A 500 g brick of margarine is now under 30 cents against 55 cents for a 500 g brick of butter at its reduced price."

He said sales of choice grade butter were so poor that a "percentage of this butter has had to be downgraded and made into second and third grade butter so that it can be sold."

Caution on new milk gradings

STAR 3/9/77

dairy

Johannesburg dairies are uncertain when they will introduce the different grades of milk and cream provided for by new regulations gazetted yesterday

Mr R A Reed, marketing manager of one of the major dairies and chairman of the Rand Milk Association, said today he believed dairies would take the new system "cautiously."

It would be some time before the new grades were introduced, he said.

He said his dairy already offered two types of cream, the normal whipping cream and a low-fat coffee cream, and three grades of milk, "normal" milk, skim-milk and a low-fat long-life milk.

The dairy would certainly carefully consider the introduction of further grades.

He confirmed that there would be price differences between the different grades if they were introduced.

Other dairies approached by The Star were also uncertain if and when they would be introducing the new grades.

All seemed unsure of public demand for the new varieties.

Mr J B Fisher, secretary of the Rand Milk Association, emphasised that the regulations did not compel dairies to introduce the grades, but merely provided for the introduction of these grades.

He said the regulations provided for a minimum butter fat content for basic milk of 3,3 percent. Previously, the minimum butter fat content for basic milk was 3,0 percent.

He too was uncertain when and if dairies would introduce the new grades, but said that if they were introduced the varieties would only be packed in non-returnable containers.

Milk delivered to homes would either be the standard (3,3 percent butter fat milk) or skim milk.

Margarine prices queried

(3)

Supermarket executives have reacted with suspicition to the news that the price of margarine is to be raised by 5c from September 16.

This comes hard on the heels of complaints by supermarkets that margarine supplies have been small and difficult to get.

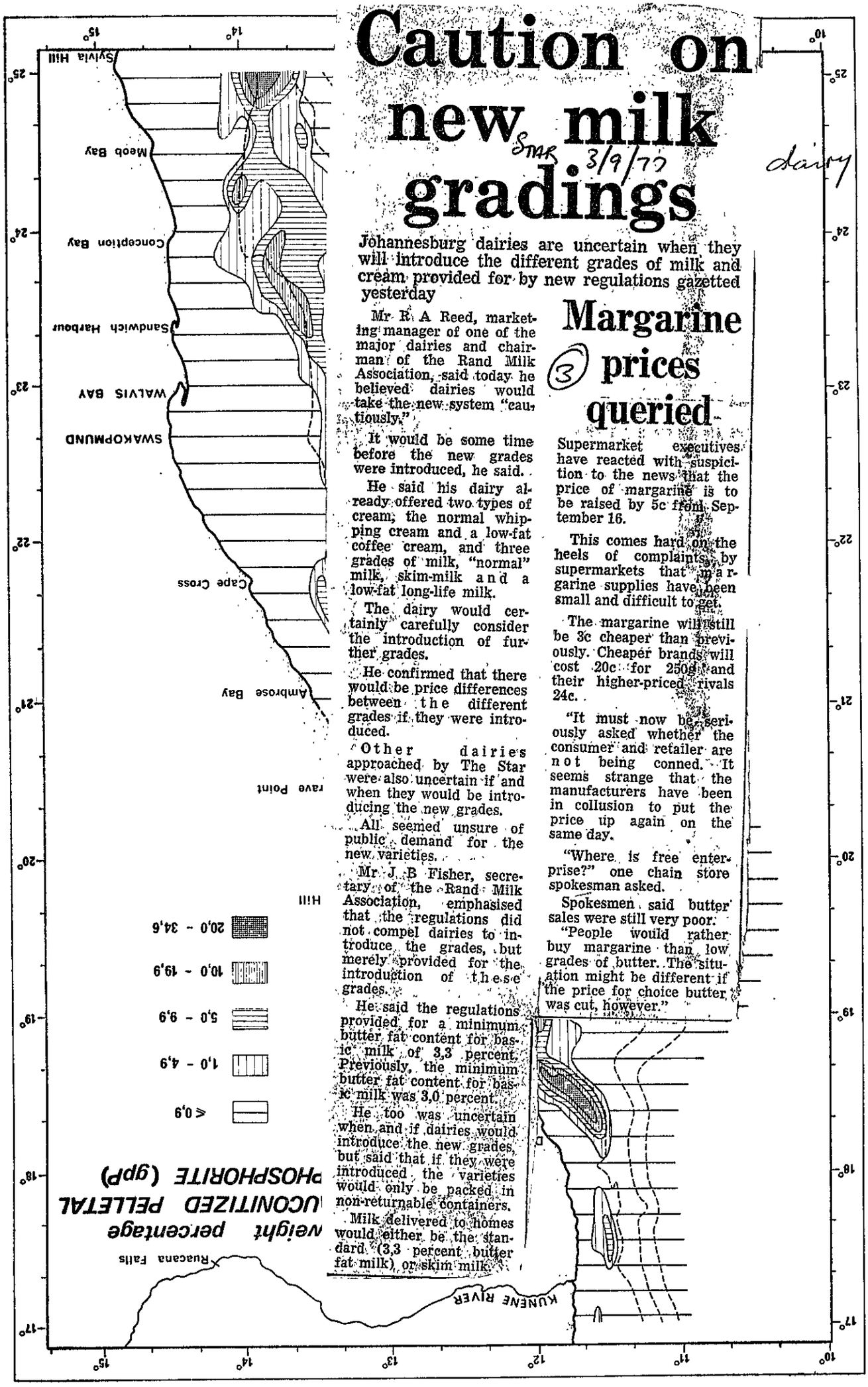
The margarine will still be 3c cheaper than previously. Cheaper brands will cost 20c for 250g and their higher-priced rivals 24c.

"It must now be seriously asked whether the consumer and retailer are not being conned. It seems strange that the manufacturers have been in collusion to put the price up again on the same day.

"Where is free enterprise?" one chain store spokesman asked.

Spokesmen said butter sales were still very poor.

"People would rather buy margarine than low grades of butter. The situation might be different if the price for choice butter was cut, however."



August, 1977.

Dear

AI ONMENTAL STUDIES
1978

We wish to giv nts equal opportunity
to apply for admis programme before finally
selecting students. This will be done at the
end of September 1

Current indica robably have to limit
student enrolment s reason we would like to
know as soon as po efinitely intend to pursue
the programme next to apply for admission
please let us know submit the necessary appli-
cation forms.

Yours sincerely

R.F.Fuggle
Shell Professo of Environmental Studies

RFF/afa

(8-Dairy)

Dairy Board at bay over butter

N. Mercury 15/9/77

Agricultural Correspondent

THE CHAIRMAN of the Dairy Board, Mr. Jan van Vuuren, yesterday defended the board's actions and said it was not to blame for the country's butter surplus.

He was replying to criticism of the Dairy Board by farmers at yesterday's Natal Agricultural Union congress.

Delegates had said the Dairy Board was going from "one panic situation to another" and had made "weird decisions which made no sense to either farmers or the public."

Mr. van Vuuren told delegates that the main reason for the butter surplus in South Africa was severe competition from yellow margarine.

He said that ever since the Government had allowed margarine to be coloured some years ago butter sales had dropped by 60 percent.

He said that over the same period milk production in South Africa had increased by some 50 percent in spite of increasing consumption of milk.

Mr. van Vuuren said the reason for the price of butter being raised in the face of a massive surplus was that the Dairy Board had merely been trying to sell butter at a price which covered its cost of production.

He said another reason for the surplus was that vast amounts of milk powder had been imported at low prices from overseas countries which were also experiencing surpluses.

He said that because of this competition the surplus milk in the country could not be syphoned off into alternative by-products.

Mr. van Vuuren said the Dairy Board had no control over these imports.

Teacher Trai

In this area ... ver shortage and uncertainty ... Coaching Sub-Committee ar

Southern Cape

A coaching t ... kend 29-31st July, with Owen Me ... onducting a coaching cou ... g Morris and Ross Thomson accom ... npiring seminar for all the parti ... ssful venture and greatly appre ... ators of the Southern Cape Sub-Union. Bo ... l hockey were played and the indoor hockey faciliti ... xcellent.

Liaison with S.A.H.U. Coaching

The Sub-Committee has maintain ... with the Chairman of the S.A.H.U. Coaching Commi ... nge of minutes and John Dickson's membership (co- ... or body.

Coaching Aids:

The availability of the various ... to the attention of all Clubs by way of an artic ... Metcalf which appeared in the May edition of ... ". The usefulness and importance of the Westminst ... been stressed and to date 3 sets have been sold a ... been requested by Clubs. Articles appearing in ... d other world hockey magazines are also repro ... tion to Clubs.

Milk price rise is not likely

(3-Milk)

N. Mercury 21/9/77

Agricultural Correspondent

FALLING sales of fresh milk are disturbing the country's milk distributors and they are unlikely to press for a price increase in the near future.

This was said by Mr. P. H. Lichman, secretary of the South African Milk Distributors' Union, which concluded its annual conference in Durban yesterday.

Mr. Lichman said the country's milk distributors were concerned about the steady drop in milk sales.

The main reason for this was the tight economic climate and "it would be inadvisable for the milk distributors to be instrumental in an increase of consumer prices of milk," he said.

Mr. Lichman said that by world standards the per capita consumption of milk and dairy products was very low in South Africa especially among the less affluent section of the population. The milk industry, however, saw potential for this market.

PLANS FOR 1978 SEASON

Like the previous section, this one is divided into two categories; the first dealing with a proposed calendar and the second with non-diarised activities. These activities have not been costed because the sub-committee views this to be confidential to the Western Province Hockey Association.

September 16-18, 1977	: S.A.H.U. Coaching ngress
February, 1978	: (i) Indoor Hockey Clinic (as for 1977) (ii) W.P.H.A. Coaching Congress (All Club Coaches or Coaching Committees) to plan detailed activities and discuss Club requirements for 1978
March	: Administrators Course (S.A.H.U)
April	: (i) Representatives again to participate in National Under 18 Coaches Course. (ii) Stellenbosch Camp for "senior" schoolboys (iii) Provincial Coaches Course - 3 days - for Club Coaches and/or coaching committees to build Club coaches - a practical course.
May	: (i) Tournament - an exhibition of coaching aids and showing of Westminster Bank slides. (ii) 19th and 20th and 26/27th - 2 two-day courses at George for South Cape Sub-Union players, coaches and umpires (iii) Open House Clinics for schoolboys

Frontispiece : Reproduction of a portion of an annotated coloured aerial photograph as used in this study.
(Explanation of abbreviations see 4.1.2)

(3) dairy

13/1/78.

THE ARGUS, FRIDAY JAN

Virus threat to city's milk supply averted

SWIFT action by farmers has averted a possible threat to Cape Town's milk supply after an outbreak of three-day-stiff-sickness (ephemeral fever) in dairy herds.

The disease, which drastically reduces milk production, has broken out in many areas in the Western Cape.

Already six cows have died but because of prompt action in vaccinating herds, milk production will not be seriously affected.

Veterinary experts have urged farmers to vaccinate herds which have not yet contracted the disease.

VIRUS

The virus disease, endemic to South Africa and South West Africa, causes stiffness in the joints and muscles of cattle with an accompanying fever. It has appeared sporadically from Durbanville to Porterville recently.

When one or two cows have contracted the disease it rapidly spreads through the entire herd and the only step left for the farmer to take is to nurse the herd through the sickness.

BED SORES'

The disease can usually be overcome in about 10 days but without careful nursing, some cows may die.

Cows suffering from the disease can contract pneumonia or suffer from serious 'bed sores' if they are not made comfortable on straw, kept in the shade and given water and food regularly.

Three - day - stiff - sickness is a virus spread by biting insects and thrives in moist, warm conditions. Conditions for the virus have not been favourable in the Western Cape for several seasons, thus reducing the natural immunity to the virus which herds normally build up.

The combination of favourable conditions for the virus to spread from the Transvaal and the increased susceptibility of herds here to the disease, has resulted in the serious outbreak.

FM 10/2/78

DAIRY PRODUCE (3)

Another price hike?

Dairy Board manager Piet Maree firmly denies there are plans afoot to increase retail prices on cheddar and gouda, pegged on June 15 1977 at R1,73/kg and R1,74/kg respectively.

Yet farmers are cheesed off. Since June 1975 their prices have not risen in line with labour and production cost increases. Since June 1976 farmers have had to pay a 12% levy on their basic

Financial Mail February 10 1978

price of 1 010c/100kg for industrial milk which effectively reduced this by 106c/100kg. This was reduced to 30c/100kg last year and an application to do away completely with the levy is before Minister of Agriculture Henk Schoeman now. As yet there's been no decision.

Maree points out there's a real danger that farmers will go out of dairying if they remain unhappy. "Production will decline and cheese stocks will run short again."

There'll be no cheese or butter surplusses sold this year at heavily subsidised prices. Stocks of cheese are back to normal. 1976/1977 stocks of 3 860 t cost the Dairy Board R4m in subsidies on local and overseas markets. Currently there's no subsidy available. A dairy Board application for a 1978 government subsidy was turned down.

Surplus is sliced in cheese, butter

(3 Dairy)

NM. 17/2/78

Parliamentary Correspondent

CAPE TOWN — The butter and cheese surplus dropped dramatically at the end of last year.

While there was a surplus of 3 200 tons of butter and 3 300 tons of cheese in January, 1977, this had dropped to 100 tons of butter and 800 tons of cheese by December in spite of a price increase on June 15, 1977.

Figures given by Minister of Agriculture Mr. Hendrik Schoeman in reply to a question tabled in the House of Assembly by Mr. Philip Myburgh (PFP, Wynberg) also showed there had been a heavy drop in butter sales after the price increase.

Butter sales dropped by from 2 346 tons in June to 1 009 tons in July. Cheese did not show a marked drop in sales.

The total butter sales were roughly the same in January, 1977, as they were in December, 1977.

Dairymen milk the box

(3-Dairy)

SUN TIMES. 19/2/78

DAIRY products were the most extensively advertised goods on television last month, according to a detailed survey conducted by J. Walter Thompson.

JWT monitored every ad shown in the first four weeks of the commercial service, and found that more than R3-million was spent.

Dairy products, with a R210 000 expenditure on 13 brands, accounted for 7 per cent of the total.

JWT estimates that the rates will go up by about 30 per cent in 1979.

24/3/78 Natal Mercury

MILK PRICE TO INCREASE SOON

3 Dairy

Mercury Correspondent

PRETORIA — A substantial increase in the price of milk is considered certain, at the latest from June 1, it was learnt here yesterday.

Producers in the Western Cape are demanding a price rise of nearly 3 cents a litre.

However, the extent of the price rise will depend on the recommendation made by the SAAU's fresh milk committee to the Dairy Board.

This is expected to happen early next month.

The board will then submit its recommendations to the Minister of Agriculture, Mr. Hendrick Schoeman.

Meanwhile the Deputy Minister of Agriculture, Mr. J. J. Malan, said in an interview yesterday that dairy farmers' profitability was being fast overtaken by rising production costs and relief would have to be given.

This is the third year fresh milk farmers have had no price adjustments.

Mr. Malan said even measuring this against the Consumer Price Index, which had risen at a rate in excess of 10 percent a year, the farmer was entitled to relief.

"Milk is an essential basic food, and we must not allow a situation to develop where farmers abandoned the industry. This would lead to permanent shortages."

Mr. Malan said because of low profitability, and the fact that dairy farming was a 24-hour operation, the number of dairy farmers was shrinking.

Mr. Malan said he had not seen details of cost increases but the farmer, like every other businessman, was entitled to an adequate return on his capital investment which, in the case of dairying, was heavy.

3-Control Board

Milk Products

Getting it together

STAR 13/4/78

THE coming merger of the Milk and Dairy Boards is welcome and long overdue. South Africa is burdened with control boards (22 at the last count) and the existence of two for such kindred products makes about as much sense as having separate Beef, Pork and Lamb Control Boards.

Now, at least, the marketing of milk and processed dairy products can be co-ordinated, as our Fair Deal team reported yesterday. If it does not bring prices down (which it should), the streamlining of administration and industrial planning must at least help to stabilise prices.

Gone, we hope, are the days when the price of butter rises in times of glut, and expensive advertising campaigns accompany shortages. Closer co-ordination of the fresh and industrial milk industries must surely benefit producer and consumer.

The consumer? The new Milk Products Board will have 13 members, of whom 12 will represent the industry and only one will watch consumer interests. It makes something of a mockery of the Government's claim to be more keenly aware than ever of consumer interests.

We urge the Minister of Agriculture, Mr Schoeman, to follow up the commendable merger of these two boards with another innovation — a control board on which the consumer has something more than token representation.

Pay up 'or milk crisis'

NM 13/4/78

3-MILK

Agricultural Correspondent

UNLESS the price of milk is increased by at least 15 percent to producers there will be a "monumental shortage" by the end of the year.

This warning was given yesterday by Mr. J. Mansfield, chairman of the East Griqualand Fresh Milk Producers' Union.

"Dairy farmers have had no price rise for their product for two years in spite of production cost increases of 35 percent," he said.

Mr. Mansfield anticipated a "monumental shortage of milk" if no relief was granted to the industry.

He said farmers' production margins had dropped from 3,29c a litre to 1,64c in the two years.

"We anticipate that profits will be down to zero at the end of the year unless we get an increase."

He said dairy farmers were now in a precarious position and many had already gone out of business.

"Eighteen months ago a good dairy cow was selling for R420 in the Transvaal. Now the price is down to R160, which is their slaughter value for meat."

Mr. Mansfield felt it was a pity that Minister of Agriculture Mr. Hendrik Schoeman had not granted producers an increase last year as requested.

"Now the increase, when it comes, will have to be double."

Disaster

He said dairy farmers sympathised with hard-pressed consumers but added that the industry faced disaster.

If producers get their increase it will add about 3c to the cost of a litre of fresh milk. Added to this could be a further 2c if distributors also ask for a rise to cover rising costs.

The milk industry is aware that each price increase brings consumer resistance and sales of milk drop off. However, the industry is now in such a serious position that lower sales no longer matter.

Their argument is that it is better to sell a small quantity of milk at a profit than larger volumes at no profit at all.

Dairy farmers also say there would be a phenomenal increase in the price of milk should they be forced to sell their herds.

NM 14/4/78

Away with milk control

3-MILK

ACCORDING to Mr. J. Mansfield, chairman of the East Griqualand Fresh Milk Producers' Union, the industry's profits will disappear by the end of the year unless the price of milk is increased by at least 15 percent.

Farmers and dealers are in business to make profits and if production costs go up then they can only compensate by increasing selling prices. But is there really any need for a controlled price?

In Natal it is anomalous that the price of milk is controlled only in Durban and Pietermaritzburg. Present prices fluctuate between 28 and 31 cents a litre depending on the supplier.

In the country where there is no control a surplus last November started a price war with milk dropping to 20 cents a litre in some stores. A fall in production in the late summer created a shortage and from April 1 prices rose to between 29 and 30 cents a litre.

Surely the lesson to be learned is that in the dairy industry too supply and demand should be allowed to determine prices.

The Star Wednesday April 26 1978

Rise in milk price is looming

(3-milk)

With a substantial increase in the price of milk looming large, farmers and distributors maintain they are not to blame.

Mr J B Fischer, marketing manager of the Clover division of National Co-Operative Dairies and former secretary of the Rand Milk Association (RMA), told Fair Deal today that whatever increase the Minister of Agriculture, Mr Schoeman, granted would be "justified in every way."

A milk price increase is expected in the next few months.

The retail price on the Reef and in Pretoria is expected to go up by about four cents a litre to about 33 cents a litre in the supermarkets.

Mr Fischer said the milk price had not been increased for almost two years and this had been achieved only as a result of "considerable sacrifices" on the part of both the producer and the distributor

He said the producer's price had increased over the period June 1966 to June 1976 (when the milk price was last adjusted) by 138,6 percent. In the same period, the cost of all farming requisites increased by 174,5 percent.

TRANSPORT COSTS

Distributors had absorbed a shortfall in their controlled margins of 0,73 cents a litre since August 1976, he said.

At a symposium in Boksburg today, the assistant general manager of National Co-operative Dairies, Dr M N Hermann, said the cost of transporting milk had risen 20-30 percent in the past two years.

Transport costs on average formed about 10 percent of the milk producer's costs.

Sharp price rises, especially in vehicle costs, over the past two years, had hit the transport industry. He said the cost of "horses" (the front, machine-part of a trailer) had increased by between 33 and 36 percent over the past two years.

The cost of spare parts had generally increased by between 60 and 100 percent. Wages had risen 25 percent and salaries between 18 and 20 percent.

Expert hits animal fat 'myth'

There was no evidence that eating animal fats shortened one's life, a leading Natal nutritionist, Dr D G Campbell, told a milk symposium in Boksburg today.

The symposium was organised by the Rand Milk Association.

In a speech on "Human Health, Dairy Products and the Animal Fat Myth," Dr Campbell said some of his most grateful patients were those he had restored to eating animal fats after coronary thrombosis, and this was certainly not affecting their life spans.

"As long as intakes of refined carbohydrate foods are drastically curtailed, there is no evidence that eating animal fats will shorten one's life," he said.

SUGAR INDUSTRY

Dr Campbell said the dairy industry the world over was facing a crisis precipitated chiefly by medical evaluation of its products. This evaluation was far less informed and far more forcefully motivated than the adverse health evaluation of sugar, for example. The sugar industry had prepared itself on a world-wide basis against attacks upon its industry.

The private sector of the Dairy Industry in South Africa, "battered as it was by price consideration and adverse publicity," should found a Dairy Public Relations Secretariat, totally divorced from the Milk Board.

RDM 28/4/78

Big milk price hike expected

3-milk

By GERALD REILLY

FROM June 1 the price of milk will rise by about 12%, according to Pretoria sources.

This would push up the retail price on the Rand and Pretoria by about 4c to a supermarket average of 33c a litre.

And when the 4% general sales tax is levied from July 1 the price of milk — like the prices of all other basic foods — will rise again.

The additional milk price rise will be at least a cent a litre.

According to agricultural authorities, the Government is disturbed at the large number of dairy farmers switching to other more profitable operations.

Dairy farmers were last granted an increase in 1976. Since then production costs have risen by more than 20%.

In Pretoria yesterday the chairman of the Milk Board, Mr B Davidtsz, said the board would soon consider the price increase recommendation of the SA Agrucultural Union.

This would then be passed on to the marketing council for its approval. It is reliably understood the increase will be approved.

Mr Davidtsz said his personal view was that farmers and distributors should get an 18% increase.

If milk production continued to decline because of farmers moving out of the milk business then he could not see how shortages could be avoided.

Cheaper butter: only for some

FAIR DEAL

(3-Dairy)

STAR 28/4/78

A row has broken out over the Dairy Board's latest move to clear stocks of low-grade butter. The board has dropped its price for table and household butter by 30 cents a kg — but to manufacturers only.

The board has emphasised to its agents that the price reduction applies to industrial consumers only (that is, any persons or organisations that use butter in a manufacturing process).

It has asked its agents to "ensure that butter sold to industrial consumers does not end up in the retail market."

The supermarket chain, Checkers, says the board's move will "discriminate against the consumer."

EVERYONE

"If the Dairy Board has to dispose of a surplus, it should make this available to everyone — both industrial users and consumers," says Mr Bob Harvey, executive vice-president of the chain.

Checkers claims that:

- The price of table butter in supermarkets could be dropped from 74 cents to 59 cents for 500 g and household butter from 70 cents to 55 cents for 500 g, if the price reductions were made available to retailers.
- The reduction has been available to manufacturers for two weeks already but no price reductions in cakes, biscuits, ice-cream or sweets have been passed on to consumers.
- There is "little difference" in quality between choice butter and table butter. Choice butter is the type most often sold to consumers. It sells at 77 cents for 500g in most supermarkets.

CONFUSION

Mr P J H Maree, general manager of the Dairy Board says the cut has been offered to industrial consumers only because, in the past, when these lower grades of butter were made available to consumers, a "considerable amount of confusion was created."

He says consumers, not understanding that they were buying lower grades than normal, complained to the board that the butter had "gone off."

He says that as yet there has been no demand for the reduced price butter and no sales have been made.

Mr Maree is adamant that the board does not have a surplus of this butter. "It's just an accumulation," he says. "But it's insignificant when compared with our stocks of choice butter."

There is usually very little demand for table or household butter.

Weekly sales of choice butter are normally about 300 tons while only about 25 tons of table butter and three tons of household butter are sold each week

CONFUSION

Mr P J H Maree, general manager of the Dairy Board says the cut has been offered to industrial consumers only because, in the past when these

Dairy products: massive price rises expected

12/5/78 RDM 3 Dairy Products

Own Correspondent

DURBAN — Massive increases in prices of dairy products can be expected during the second half of 1978: ice cream from one company will go up 11 percent from June, milk farmers are applying for a 2,8c a litre rise and butter is expected to jump 6c a kilogram.

As dairy farmers were refused a milk price increase last year, it is certain that they will be granted a substantial rise this time and talks have already taken place between farmers' representatives and officials of the Department of Agriculture.

One manufacturer has already announced that from June 5 take-home lines of ice cream and sorbet will go up about 11 percent wholesale. A spokesman blamed higher prices for dairy-based ingredients, sugar and other raw materials and higher costs like electricity and labour for the increase.

BUTTER UP

Food industry sources believe butter will be increased by about 6c a kilogram. Margarine prices will also go up. Many shops are still selling margarine at below maximum prices and a cut-price war between cooking oil brands is raging.

However, present prices for these products can also be expected to go up soon.

Oil seed price increases are normally in line with maize price rises and as maize farmers received 13½ percent, oil seed farmers are hoping for an equivalent increase.

RDM

(3) Dairy Products

Butter, milk and cheese prices soar

18/5/78

CAPE TOWN.— The price of butter, cheese and fresh milk will be increased from June 1.

Butter and cheese will cost more all over the country while milk prices will rise in the controlled areas of Pretoria, the Witwatersrand, Western Transvaal, Bloemfontein and the Cape Peninsula.

The chairman of the Dairy Board, Mr J J M Janse van Vuuren, said the maximum retail price of butter would rise by 24c kg.

The maximum prices of cheddar and gouda cheese would increase by 27c kg.

The chairman of the Milk Board, Mr Bruwer Davidtsz, said the price of fresh milk would go up 3,5c per litre.

He said 2,4c of the increase would go to the producers.

An announcement about bringing prices into line in areas controlled by the Price Controller was under consideration.

The price to the producers had last been increased on June 1, 1976, and the present increase had been inevitable because of rising costs, Mr Davitsz said.

He trusted that the present shortage of fresh milk in certain areas would be eliminated by the price adjustment.

The butter price would rise by 15 per cent from its present maximum retail price of R1,60 per kg to R1,84, and the cheese prices would increase by 15,5 per cent: Cheddar from R1,73 to R2 and Gouda from R1,74 to R2,01.

The increases had been approved by the Minister of Agriculture, Mr Hendrick Schoeman. — Sapa.

YEAR	Milk per litre
	
'73	20c
'74	23c 25c
'75	30c
'76	32c
'77	32c
'78	32c

How the milk price has risen since 1973. The latest increase to 35,5c means a 77,5pc rise in the last five years.

18/5/78 DD (3) Dairy Produce

Cheese, butter, milk up

CAPE TOWN — The price of butter, cheese and fresh milk will be increased by about 15 per cent from June 1, it was announced here yesterday.

Butter and cheese will cost more all over the country, while milk prices will rise in the controlled areas of Pretoria, the Witwatersrand, Western Transvaal, Bloemfontein and the Cape Peninsula.

Prices will rise again by four per cent on July 3 when the new general sales tax is implemented.

The public relations officer for the Model Dairy in East London, Mr Boet Rabie, said last night he was unable to comment on the rises in the milk price at this stage. "But you can rest assured we will look into it," he added.

The maximum retail price of butter will rise by 24c a kilogram, while maximum prices of cheddar and gouda cheese will increase by 27c a kilogram. The price of milk will go up 3,5c a litre.

The chairman of the Milk Board, Mr B. Davidtsz, said 2,4c of the milk price hike would go to the producers.

He said the price to the producers had last been increased in June 1976, and the present increase had been inevitable because of rising costs.

The chairman of the Dairy Board, Mr J. Janse van Vuuren, said: "The increases in the consumer prices of butter and cheese became unavoidable because of an upwards adaptation in the producer prices of butterfat and industrial milk (last increased on June 2, 1975).

"The producer price of industrial milk is being increased by R1,40 a kilogram to R11,50 a kilogram and that of butterfat by 22c a kilogram to R1,85 a kilogram. In the case of industrial milk this represents an increase of 13,9 per cent over three years and in the case of butterfat, an increase of 13,5 per cent over three years.

"Besides these increases there were also increases in the costs of production and distribution of butter and cheese.

"The surplus stocks of butter and cheese of recent times have been exhausted and the present production and consumption pattern, where we are entering the winter season, is such that shortages cannot be excluded," Mr Van Vuuren said.

● Hot on the heels of the dairy produce increases was the news last night that margarine is likely to go up 10 per cent in the near future.

This follows an announcement by the Minister of Agriculture on Tuesday that the price of oil seed is to go up 9,9 per cent.

A director of a major producer of margarine emphasised the increase had nothing to do with the rise in the price of butter, cheese or milk. — DDC-SAPA.

STAR 18/5/78

Monthly milk bill will rise by R4,50

3-MILK

The milk price increase announced yesterday will push up the food bill of an average-size family by at least R3,15 a month or nearly R40 a year.

When the new general sales tax is added to the price of milk from July 3, such a family will have to pay at least R4,50 extra a month on milk or R54 a year, according to calculations today by the Housewives' League.

Increases in the price of fresh milk, cheese and butter were announced in Cape Town yesterday.

From June 1, the retail price of milk sold in shops in controlled areas will go up by 10,9 percent or 3,5 cents a litre to 35,5 cents a litre.

Butter will go up 15 percent from its present maximum retail price of R1,60 a kg to R1,86 a kg.

Cheese prices will increase by 15,5 percent: cheddar from R1,73 to R2 a kg. Gouda from R1,74 to R2,01 a kg. This increase will make cheese considerably more expensive than cheaper cuts of meat such as stewing beef which retails at about R1,38 a kg.

The butter and cheese increases apply throughout the country. Milk prices will rise in the controlled areas of Pretoria, Witwatersrand, Western Transvaal, Bloemfontein and the Cape Peninsula.

The Minister of Agriculture, Mr Hendrik Schoeman, who approved these increases, also announced yesterday a 9,9 percent increase in the price of seed oil. This is bound to push up the price of margarine as well as cooking and salad oils and peanut butter.

The Housewives' League is going to ask, today, for

To Page 3, Col 1

STAR 18/5/78

3-MILK

Milk bill will rise by R4,50

From page 1

an urgent interview with the Minister of Agriculture to discuss agricultural products in general.

Mrs Joy Hurwitz, national president of the league, predicted the milk price increase would lead to a further drop in the consumption of fresh milk and an increase in the surplus of dairy products.

Mr Mike Hawkins, chief information officer of the Consumer Council, described the increases as "bitter blows to the already-harassed consumer."

Mr Eugene Roelofse, ombudsman of the SA Council of Churches, said the Government was turning the "year of the consumer" into a "sick joke."

There were only three solutions, he said. "Fire the Milk Board, fire the Dairy Board and fire Mr Hendrik Schoeman."

Mr Harry Schwarz, MP for Yeoville, said in Cape Town: "We are told that inflation is going to be dealt with. Yet, the major increases are in respect of administered prices. It is an ongoing process."

Mr Arthur Grobbelaar, general secretary of the Trade Union Council of South Africa, said: "Many parents will not be able to pay higher prices for these essential foodstuffs and will have to resort to inferior substitutes."

The milk bungle

RDM 19/5/78

3-MILK

NOBODY begrudges the dairy industry a fair return for its efforts in these inflationary times, but the real reason why milk has become a luxury item must be clearly stated. It is because the Government has failed to heed warnings going back 30 years that control of the industry is inefficient and wasteful.

Milk will become more expensive than petrol in "controlled areas" from June 1 because of the intolerable tangle of regulations, administered by two boards, which are effective in some areas and not in others.

Quota and levy systems which have discouraged production, varying health regulations and the complication of having two categories of milk have produced a system which has been criticised by successive experts and commissions. Yet only this year has the Government produced draft legislation for a single control board with nationwide authority.

It is a sorry tale of neglect, and as usual it is the consumer who pays the price.

MILK, NO HONEY

FM 19/5/78

(3) dairy.

This week's furore over the coming milk price increase is typical of the whole agricultural dilemma. As expected it was officially announced in midweek that the new price would be 3,5c a litre (a 13% increase). The last price increase was in 1976, so there can be no denying that both producers' and distributors' costs have risen.

Dairy farmers are believed to have demanded a 25% increase in the producers' price, but on the basis of the expected prices they will only get a 14,4% increase, while distributors (who are furious) will get 11,2%.

The reason the producers are getting so much less than they asked for is probably the fact that the new Marketing Council, with five economist members, is taking things in hand, so that the minister can no longer be pushed around by the producer majorities on control boards, as was sometimes suspected in the past.

Dairy men to discuss prices

9/5/78 DD (3) dairy

EAST LONDON — The directors of Model Dairy which supplies milk to East London will be meeting next week to discuss the price of milk in the area.

The chairman of the Milk Board, Mr B. Davidtsz, announced on Wednesday the price of milk in controlled areas would go up 3,5c a litre from June 1.

East London falls outside the controlled areas of Pretoria, the Witwatersrand, Western Transvaal, Bloemfontein and the Cape Peninsula.

"This company has not yet considered a rise in the price of milk in East London in view of the announcement by the chairman of the Milk Board," the public relations officer for the Model Dairy, Mr Boet Rabie, said yesterday.

He said, however, nothing could prevent the increase in the price of milk when sales tax was introduced on July 3.

"This is something we can't absorb," said Mr Rabie. — DDR.

Govt's case for dairy price shocks

RDM 29/5/78

3-Dairy

By GERALD REILLY
Pretoria Bureau

IN the wake of a storm of criticism, the Minister of Agriculture, Mr Hendrik Schoeman, yesterday put his case for this week's shock price hikes for butter, cheese and milk.

His reasons:

- The threat of a critical food shortage unless farmers received an "adequate" return on investment.
- The strategic importance of maintaining increased food production.

Mr Schoeman also hinted at another rise in the price of brown and wholewheat bread later this year.

He said production of butter and cheese in the past two weeks had fallen short of demand by 100 tons. This could be ascribed to the tendency for production to shrink because of low returns to producers.

Asked what he intended doing with the R20-million allocated to him in the Budget to support food subsidies, the Minister called the amount "a drop in the bucket".

He was considering alternatives, he said.

Asked if the price of brown and wholewheat bread would rise again from the beginning of October, Mr Schoeman said: "It has been suggested that the gap between brown and white bread is too wide.

"Hopefully the R45-million subsidy will last until the end of September. But with the sharp and sustained rise in the consumption of brown bread, because of the price gap, there is no certainty that it will."

Millers and bakers would also have to be compensated for higher costs.

NM 26/5/78

Milk up by 3,5c a litre

3-MILK

Agricultural Correspondent

THE price of fresh milk in Durban will increase by 3,5c a litre on June 1 and will increase by another 1c when the general sales tax comes into force on July 3.

Mr. Andrew Geils, manager of the Durban Milk Association said yesterday that the new prices would be gazetted soon. He said distributors had been awarded an increase of 1,1c a litre and producers 2,4c.

The price of fresh milk delivered to homes will go up from 28,5c a litre to 32c, and for milk bought in cafes the hike is from 31c to 34,5c. Mr. Geils warned the public to be on the look-out for cafes who "jumped the gun".

He said that when the general sales tax came into effect on July 3 the price would go up by approximately another 1c a litre. There was still some confusion as to how the tax would work and therefore no exact figure was available.

SUNDAY TRIBUNE, MAY 28, 1978

3 - Dairy

Doctor lashes dairyman for claims in Parliament

By TONY SPENCER-SMITH

THE GREAT BUTTER BATTLE

CLAIMS by the Dairy Board chairman Mr Jan van Vuuren, that there is no proof that dairy products are bad for the heart and that margarine might cause cancer, have been attacked by a heart specialist.

Dr George Watermeyer, Senior Lecturer in the Department of Medicine at the University of Cape Town Medical School called for discussions between the medical profession and the Dairy Board to get the matter straight.

He made it clear doctors will continue to call for a reduction of saturated fats — found in high concentrations in many dairy products and red meat — in the South African diet.

Mr van Vuuren's claims, which he made in Parliament as MP for Heilbron, came as the dairy industry, beset by a massive drop in butter consumption, gears itself for a major battle against margarine.

In his speech Mr van Vuuren said:

- Advertisements which imply natural products such as butter, milk, eggs and meat are harmful and cause heart disease should be forbidden by law.
- There is no proof that these natural products are harmful. But many medical people suspect excessive use of poly-unsaturated fats causes diseases like cancer and gallstones.
- The incidence of cancer in people who switch from butter to non-dairy alternatives is 30 percent higher, researchers have found.

Mr van Vuuren said consumption of butter had dropped from 54 000 tons in 1971 to 17 000 tons today and consumption of margarine had risen 400 percent.

Despite this, deaths from heart disease had risen so much that South Africa was the country with the highest incidence of the disease.

Dr Watermeyer said Mr van Vuuren's big problem seemed to be that the producers were concerned about decreases in consumption.

"Well, we can't help them. They have a problem but we have an even bigger problem — the fact that white South Africans have the highest level of coronary heart disease in the world and we are still not stemming the tide.

"This is partly the result of an affluent diet, but there are many other factors — high blood-pressure, lack of exercise, smoking and so on.

"Still, a diet rich in full cream milk, red meat, butter and eggs can turn a low risk man into a high risk one.

"By reducing people's consumption of red meat, dairy products — other than a few such as skim milk — and eggs, one can reduce the frequency of coronary heart disease.

"And as margarine has a much higher concentration of poly-unsaturated fats than butter, it is definitely better from this point of view to eat margarine."

Dr Watermeyer said there was no proof of a link between a high poly-unsaturate diet and cancer.

He said it was true that people on high poly-unsaturate diets did show an increased incidence of gallstones.

"But these gallstones are rare, and secondly, they are ironically a function of the fact that poly-unsaturated fats actually assist the body in getting rid of blood cholesterol".

Asked to comment on Dr Watermeyer's statement that there was a link between coronary heart disease and dairy products, Mr van Vuuren said this was not proven.

"Specialists differ. I could show him hundreds of doctors who would say exactly the opposite."

Holes in SA cheese supplies

DD 7/6/78 3 Holes Prodd

JOHANNESBURG — The Dairy Board is faced with having to import cheese and butter to alleviate its shortages over the next few months.

The director of the Diary Board, Mr T. E. Rox, yesterday blamed the shortages on low production, high consumption and the low prices farmers had been getting since 1975.

"Seasonal shortages in the production of gouda and cheddar cheese have agrravated the shortage," he said. "Many producers have left the industry and the low prices have meant cows have not been fed adequately. This affected production." — DDC.

NM 7/6/78

3-Dairy

New butter imports row

Mercury Correspondent

JOHANNESBURG — The Dairy Board, swamped by a butter and cheese mountain which was reduced largely by exports at a huge loss only 18 months ago, is faced with serious shortages which may have to be alleviated with imports.

Mr. T. E. Roux, the Board's director, yesterday blamed the shortages on low production, high consumption and low returns for dairy farmers.

"Seasonal shortages in the production of cheddar and gouda cheeses have aggravated the situation," he said. "Many producers have left the industry and, because of the low prices, those that remain have not been able to feed their cows adequately."

He said the recent price increases could stave off further production losses but would not dramatically increase supplies.

The butter and cheese mountain of 18 months ago had had been reduced by local consumption and exports at a loss.

Consumers have also been blamed for the shortages but yesterday Mrs. Yvonne Foreshaw of the Housewives' League rejected this as "absurd."

She said: "The Minister of Agriculture told us that shortages were due to consumers who boycotted cheese for five days 18 months ago. He said this was 'thanks to trouble-making consumers that we have to import.' The Housewives' League rejects this claim as absurd."

Mr. Eugene Roelofse, consumer ombudsman for the South African Council of Churches, said the minister and the Dairy Board should be fired.

"They have not only see-sawed prices but are now see-sawing between imports and exports. The quality of South African cheese is intolerable and there are probably huge stocks of our exported cheese waiting to be returned to us."

A spokesman for a major dairy firm said yesterday that the Dairy Board should think in the long term. If prices had been kept high 18 months ago instead of dropping in response to consumer demands there may not have been a new shortage.

Over the past nine years South Africa has experienced repeated shortages of dairy products. The first major surplus, in 1969, was followed by periods of shortage through to 1976.

The Dairy Board does not know who will supply the cheese and butter — they are still discussing the matter.

DD 8/6/78

Hard line on new sales tax

CAPE TOWN — The failure of the Milk Board to have milk exempted from the new general sales tax indicates a hard line on the part of the authorities which has dashed hopes for tax relief on basic necessities

The Secretary for Inland Revenue, Mr W. van der Walt, made it clear to the manager of the Milk Board, Mr A Visser, earlier this week, that milk could not be allowed to escape the tax. Mr Visser appealed for the exemption on the grounds that milk was a basic vital commodity

The rejection is in keeping with policy on the tax which demands that it have as wide a base as possible, but it will mean a substantial cost increase, especially at the bread line level, when the four per cent tag is introduced on July 3.

And, in addition to the tax, a large number of price increases stemming from higher rail tariffs and other increased costs have been thrust on the consumers.

Following on recent higher prices for coal, milk, butter and cheese, the wholesale price of cooking oil is to jump 30 per cent

Meanwhile, major super-market chains yesterday came out in support of consumer bodies appealing for basic foodstuffs to be excluded from the tax.

The Housewives League has also made representations to the authorities, but its president, Mrs Joy Hurwitz, said she was not optimistic any relief would be received.

The Opposition spokesman on finance, Mr Harry Schwarz, has appealed for the tax to be postponed and for concessions on basic essentials of life.

But Inland Revenue officials maintain that near universality is necessary for the proper functioning of the scheme.

● **Checkers' appeal; appliances price hike, page 6.**

3 - Milk 9/6/78

MILK SALES (3) MILK/DAIRY

No winners

FM 9/6/78

As fresh milk prices bounced up by about 13% last week, thousands of South Africans probably turned to other forms of refreshment and munched their morning cereals dry.

Milk Board GM Awie Visser says past price hikes have resulted in a 6%-7% drop in fresh milk consumption, or over 100 000 litres a day. Demand has taken 3-6 months to return to pre-increase levels.

Visser notes, however, that when prices last went up, in 1976, it was nearly a year before sales recovered. Since milk consumption has only risen by about 2% in the past year, he expects the fall-off in demand to be greater than usual this time.

Not everyone is as pessimistic. Rodney Hesketh-Maré, manager of the food division of Borden, reckons while there may be a short-term reaction against fresh milk "for a couple of months, there will be no long-term drop in demand."

Milk powders and condensed milk prices will also be going up shortly, but the industry is not too perturbed about consumer reaction. Nestlé estimates that demand for condensed milk will fall by no more than 2%-3%. Hesketh-Maré adds that while there may be a "small reaction" in the powdered skim milk market for a few months, demand is fundamentally firm. Not only is powdered milk cheaper than the fresh product, but its high protein, low fat content attracts many health-conscious buyers.

Surprisingly, it doesn't seem as if milk's (albeit temporary) loss will be anyone else's gain. David Lazarus, juice marketing manager of the Citrus Exchange, argues there is little competition between orange juice and milk. "We suspect that milk is drunk more with cereal than by the glass at breakfast time," he says. "We don't see a conflict between milk and orange juice on the breakfast table." Sales of Citruseal juice and other fruit juices (such as Liquefruit) are still spurting ahead. In the past year the volume of Citruseal sales rose by 5%-6%.

Hesketh-Maré contends that a fall-off in milk purchases doesn't benefit non-dairy creamers, such as Cremora: "They're separate products. The growth in the creamer market has nothing to do with the milk price." He points out that the amount of milk used with tea and coffee is only a tiny proportion of total sales.

Concern over rise in price of dairy foods

9/6/78

BLOEMFONTEIN. — The National Council of Women of South Africa has written to the Minister of Agriculture, Mr H Schoeman, expressing concern at recent increases in the prices of dairy products and yellow margarine.

A spokeswoman for the council said what were once considered basic foods are now, increasingly, entering the luxury class.

The council was fully aware of the need for the producer to receive an adequate return for his produce, but this should not always be at the expense of the consumer.

The spokeswoman said a plea has been made to the Minister for other means to be found to subsidise foodstuffs basic to the health and well-being of the nation.

With escalating prices and the imminent sales tax, people with limited incomes will be forced more and more into leaving nutritious foods out of their diets as they try to balance their budget.

Delegates to the recent conference of the council heard a guest speaker say the "frustration tolerance of the working class was becoming so low, that out of sheer desperation for survival anything could be expected." Hunger was an uncomfortable bedfellow. — Sapa.

Middelnederl

'n Kennis van die Middelne nde laat 'n mens besef dat dit een van die hoog derlandse letterkunde vorm. Van die grootste Neder Middeleeu ers bv. die mistieke digteres, Hadewij use maatskaplike digter, Jacob van Maerlant. tyd van die Middelnederlandse letterkunde de en begin 16de eeu, toe daar talle volksliede: In sy aanvang, 12de en 13de eeu, is die Midde rkunde egter nie volksliriek nie. Die vroegste liede: Hendrik van Veldeke (Het leven van Sint , Jan I van Brabant, suster Hadewijch, en hulle poës neliriek en kultuur- poësie wat sterk onder Franse i t. Met die opkoms van die burgery in die 14de eeu root verandering en begin die opbloei van die vo r tot in die 16de eeu wanneer die Hervorming en d ve kunsvorme inspireer.

Baie van die Middeleeuse l t 16de en 17de- eeuse dokumente aan ons bekend laar 1500 ontstaan. Dit weet ons onder andere uit d e van hulle in 15de-eeuse handskrifte as wysie om. Buitendien is dit dikwels moontlik om sulk like kenmerke te onderskei en in twee groepe te liedere en sg. kunsliedere of later rederykers

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By die latere rederykerslied e taal dikwels onsuiwer - ons vind daarin bv. ba orde. Die segging is dikwels barok, d.w.s. nsbou dikwels geforseerd. In teenstelling tot rde eenvormige strofebou van die volkslied, is di unslied gevarieerd en dikwels gekunsteld. rosticons en stokreëls wat hierdie tipe poësie maak, vind ons ook hier stereotipe woorde, re aar tog is dit weer anders as by die ou volks enaminge van die geliefde: welriekende eglenti si is min herten keyserinne; verder die fei n die geliefde nie genoem mog word nie). Veral ierings wat aan die klassieke mitologie ontleen is.

Die Middelnederlandse liriek i e gedeelte anonieme volkspoësie, maar dit bete edig as't ware kollektief deur die volk gedig is n l van die volks- liedere was daar altyd 'n enkele per 'n gewone man uit die massa - wat die lied aanvanl aar deur die mondelinge oorlewering van so 'n tek twels met verloop van tyd verander, weggelaat of byge ilik is om te se hoe die lied daar uitgesien he die eerste maal opgeteken is. Daarby moet 'n mens die populariserende rol van die melodie by hierdie poësie nie vergeet nie. In die tyd toe geskrewe of gedrukte poësie 'n seldsaamheid was, was hierdie

2/...

Dairy men: change to milk

EAST LONDON — Fears have become fact for cream producers. This is spelled out in a letter from the Dairy Board to the Eastern Agricultural Union which says there is no future for cream producers in the dairy industry.

"This policy decision was taken by the Board after taking into consideration the present number of active cream producers, the average income derived from cream by producers, the quality of farm-separated cream and the high cost involved in handling and transportation of cream by butter factories. Cream producers would be well advised to convert their supply of cream to the supply of milk wherever possible," the letter says.

The Milk Board has also resolved to liase closely with the Meat Board and Egg Control Board to counter advertisements for dairy product substitutes.

The other three control boards have expressed their support for this scheme and a steering committee is expected to be formed soon.

"On the same subject I would also like to refer you to a speech made by our chairman, who is also a Member of Parliament, in which an appeal was made to the Minister of Agriculture and his colleagues in the Cabinet, to prohibit this kind of advertising," the manager of the Dairy Board, Mr P. E. Roux, wrote.

Delegates at the congress expressed concern about the Board's decision as it would mean extra transport costs to them. They said that separated milk serves a valuable function on their farms in the feeding of labourers and animals. — DDR

Proposed Milk Board comes under fire

16/6/78 3 Dairy products

EAST LONDON — The past 12months have been extremely important for the fresh milk industry on the Border. The most important matters were the possible extension of statutory control, the establishment of a fresh milk commodity committee of the EAU and the national dairy products campaign, Mr N. W. Lloyd told the EAU congress.

"Statutory control concerns the proposed establishment of a single Milk Board to control all milk and milk products on a national scale, and combining the fresh and industrial milk sections. At present there are a number of uncontrolled areas — Border, Natal, Eastern Province, Goldfields and Kimberley — and it is the intention of the Minister to extend control to these areas."

Mr Lloyd said a study group was set up by the Minister to study and draft a scheme for the new Milk Board. The study group worked for several months on the subject, and it became apparent that the intention was to include the uncontrolled areas in the scheme. The uncontrolled areas became very concerned over this move, as the study group had not had any consultations with the uncontrolled areas, which would be the most affected by the extension of control.

After considerable pressure had been applied, the National Marketing Council, with the study group, granted a nearing to the uncontrolled areas. These areas were requested to submit memoranda on the subject, particularly on the items which were necessary to make statutory control acceptable to the uncontrolled areas. A few months after submission of the memoranda the proposed scheme was published in the Government Gazette. It was astounding to find that none of the uncontrolled areas requirements had been incorporated into the proposed scheme, except for one requirement that Border be kept separate from Eastern Province.

The uncontrolled areas had over a period of months given considerable attention and investigation to the subject at several meetings, and the basic consensus which had arisen from these meetings was that "control" had more disadvantages than advantages. Also because of the vast differences between areas it was necessary for the scheme to be greatly decentralised so as not to adversely disturb the fresh milk sector, Mr Lloyd said.

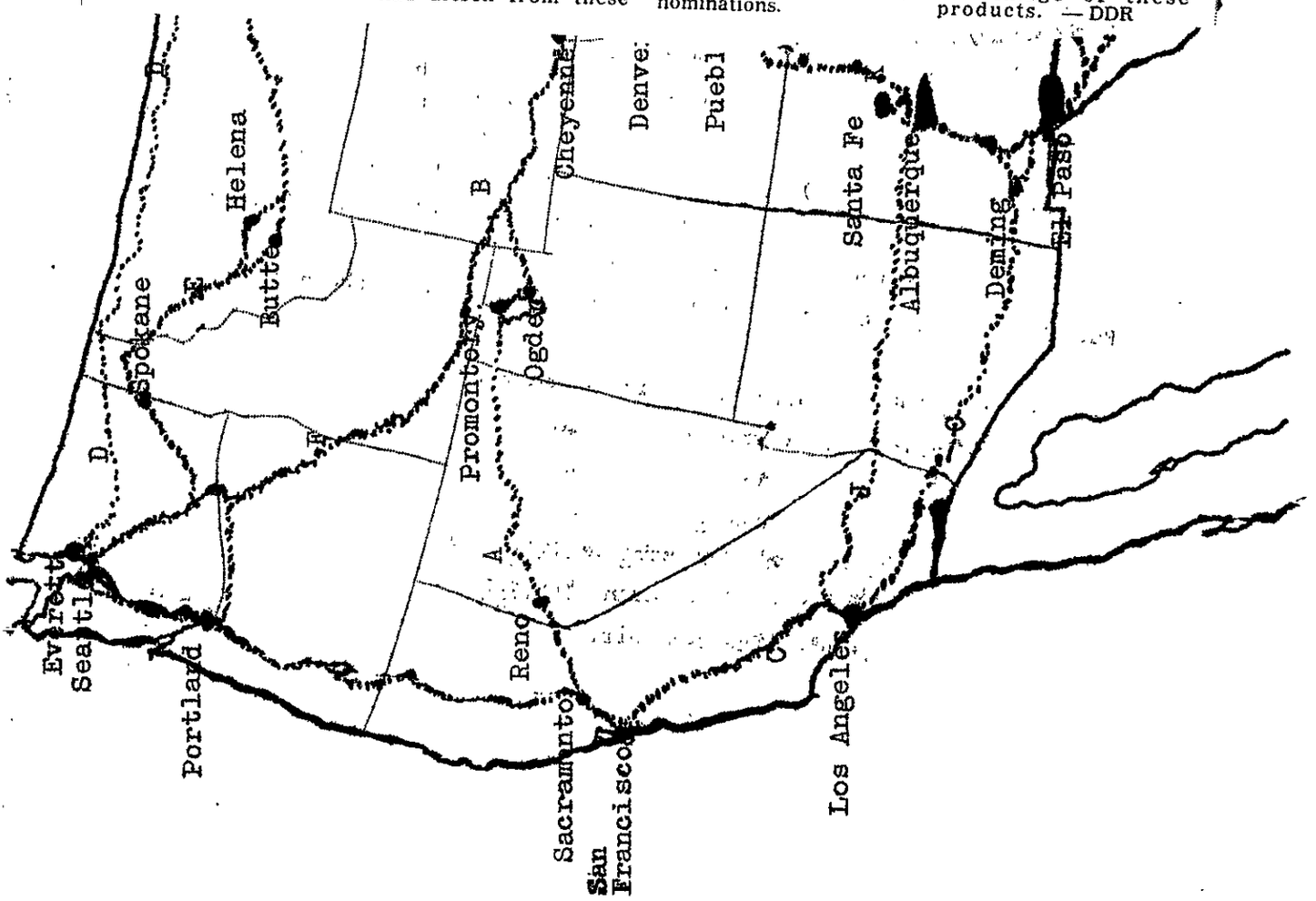
"Further representations have been made by the uncontrolled areas since the publication of the proposed scheme. The representations revolve around two basic points: Firstly that if the new Board is to be a producer board then the producers (and in this case the fresh milk producers) must have the right to elect their representatives on to the Board. Secondly, that the scheme must be flexible, so that local conitions of each area are taken into account.

"Under the Marketing Act, the Minister has the sole right to appoint members of a Control Board. It is the intention that the SAAU will nominate two persons for each vacancy on a board, and for the Minister to then chose on of the nominations.

However, there is nothing to compel the Minister to accept these nominations. Therefore it is possible that Border will have no direct representation on the new Board, and this in turn means that the fresh milk producers will have no recourse against a Board member, where the interests of Border are not put first."

Mr Lloyd said one occurrence which was sure to benefit all the fresh milk producers on the Border was the establishment of a fresh milk commodity committee of the EAU. This committee was established after the producers of the three fresh milk co-operatives met in June, 1977. The committee is due to be constituted at this congress.

"I feel it is necessary to mention the national dairy products campaign. The campaign was started early in the year by the Albany Jersey Cattle Club. The idea behind the scheme is to involve the milk producer in a campaign which will improve the image of these products. — DDR



15/7/78 R.D.M. 3/MILK

'Have faith in milk'

Staff Reporter

THE manager of the Milk Board yesterday appealed to milk drinkers to have faith in the products of the South African dairy industry, following a report published in the South African Journal of Science about contaminated milk.

Mr Awie Visser said the report, quoted in yesterday's Rand Daily Mail was misleading.

The journal's report said 50% of South Africa's milked cows had mastitis and South Africans drank at least five-million litres of pus a year in their milk.

Mr Visser said mastitis was an udder condition found in every country and possibly higher in South Africa than in some countries because of the warm climate. This called for stricter health regulations.

All milk in the major cities was purified by a clarifier and pasteurised to destroy any harmufl bacteria, Mr Visser said.

He called on the writers of the article in the journal to fully inform the public and put the matter in the right perspective.

"I would like to assure all consumers of fresh milk that everything possible is being done to ensure only the highest hygienic quality of milk is made available for consumption," Mr Visser said.

He said that one aspect of a report should not be extracted and "put in the limelight. It does not reveal good taste or judgement," Mr Visser said.

DAILY DISPATCH, SATURDAY, JULY 15 1978 — 1

East London milk safe says dairy

3-Dairy

EAST LONDON — Milk sold by the Model Dairy in East London is subject to frequent tests and is completely safe for human consumption, according to a press release from the company secretary, Mr M. Gatcke, released yesterday.

Mr Gatcke was reacting to a report in yesterday's Daily Dispatch, revealing that South Africans drink about five million litres of pus a year in cow's milk, according to an article in the latest issue of the South African Journal of Science.

Mr Gatcke said in view of this report he felt it necessary to correct any misleading impressions it might cause.

"This report may give the public the impression that milk sold in East London contains mastitis cells and is therefore unsafe to drink. "Also one may gain the impression that milk on sale in East London is not subject to stringent health regulations. Therefore it is very important for the public to be assured that all milk sold by our company in East London and elsewhere strictly complies with the municipal and state health regulations.

"The milk we receive is subject to frequent tests by both the health department and ourselves, and the results of these tests are extremely good.

"As an additional precaution our milk is filtered and then pasteurised, making it completely safe for human consumption.

"So in conclusion the original report makes some very broad generalisations, and these bear no relation to the hygienic milk available in East London," Mr Gatcke said. — DDR.

EACH YEAR 773 MILLION LITRES GO DOWN THE DRAIN

SUN. TRIB 16/7/78 (3-MILK)

THE R70-MILLION MILK DISEASE

By ALAN PEAT
Finance Editor

MASTITIS, a disease of cows' udders, costs the country's milk industry R70 million a year. According to the Veterinary Association, 773 million litres of milk are lost each year and the trouble has "reached alarming proportions".

Association director Tienie Roos says the organisation is "seriously concerned".

A national body to promote mastitis control will be proposed at a three-day symposium in Pretoria starting on August 10.

This body, says Roos, will represent dairy farming and production industries, the veterinary profession and officials involved in public health.

The main losers of the R70 million are the dairy farmers, who get a lower overall yield from a herd in which mastitis is found. The total loss, says Roos, is based on the present producers' price.

But there are other major costs. More than R13 million a year is spent on the drugs used to cure the disease.

And all major dairy companies run costly advanced testing and measuring divisions, which play their part in identification of mastitis bacteria content — or the antibiotics used to cure mastitits.

In terms of the lower cheese yield from milk which has had its protein content altered by mastitis, there is a higher cost in cheese making which pushes up the consumer price.

And the consumer also faces a higher milk price to make up for the huge loss from unusable milk.

Roos also points out that the production loss doesn't include the high cost of treatment of the disease, nor the loss from animals which may have to be culled.

He estimates this amount at a further R30 million a year, while there are also the medical facilities partially tied up in checking on public health dangers and assessing individual cases.

A Durban City Health spokesman highlighted the actual human disease-carrying problems which have to be watched.

- The staphylococcus and streptococcus bacteria which have caused dairy-herd mastitis can be transferred to humans.
- The antibiotics, particularly penicillin, can react against consumers who are allergic to the medicine. And an immunity to the effect of the antibiotics can arise from the body's build up of the medicine obtained from milk.
- There can be a mixture of the two troublesome substances if the antibiotic treatment was used on the infected cows but wasn't sufficient to kill all the bacteria.

While the danger to human health is small it can in certain cases prove fatal.

There is also a loss on meat production when heavily diseased cows have been sent to the slaughterhouse. Under these circumstances the animal has to be condemned.

But the loss is much smaller than the rest. A spokesman for the Department of Veterinary Services put the total condemned in 1977 at only 90 cows of the total of 34 407 slaughtered for meat at a Natal abattoir. The national ratio was similar.

Roos wants the proposed national body to trim down the effects of the disease on "a long-term effort" basis.

The main method of attack, he says, must be in educating individual farmers.

He says: "We will be waving the flag for farmers to use veterinary surgeons to act as anti-mastitis inspectors, and for farmers to realise they have the backing of the government diagnostic laboratories."

The Veterinary Association is looking at not just a gradual cut-back in the R70 million a year loss, but an almost total eradication of mastitis.

The National Co-operative Dairy, which produces a quarter of the country's cheese and butter, and has a cheese yield loss of more than R1,5 million a year because of the disease also backs the planned prevention campaign.

A senior field scientist said: "Production nationally could be increased by about 20 percent if mastitis was removed."

RDM 18/7/78

Experts get together on milk problem

3-Milk

By ROY DEVENISH
Pretoria Bureau

MASTITIS, a major cause of milk contamination will be the subject of a symposium at which numerous experts — including two from overseas — will deliver 35 papers on the subject.

The disease is blamed for the loss of about 733-million litres of milk each year in South Africa, and according to the director of the South African Veterinary Association, Mr M C Roos, as much as half the quarts of the average dairy herd in the country is contaminated to some extent.

The three-day symposium will be held from August 10 to 12 in the CSIR's conference centre in Pretoria.

Among the experts who will deliver papers are Dr O Klastrup from Denmark and Dr G F Morse from the United States.

The symposium will be opened by the Minister of Agriculture, Mr Hendrik Schoeman.

According to Mr Roos there was a vast lack of knowledge of the loss and effects of sub-clinical mastitis, although in general farmers were aware of the disease where it was clinical.

Mr Roos said in spite of the availability of remedies and methods of treatment, there has not been a permanent improvement.

He said it was hoped to formulate either a national or a regional plan of action to beat the disease.

Interested parties wishing to attend the symposium can contact the Veterinary Association, PO Box 26498, Arcadia, Pretoria, or telephone Pretoria 26-233.

Last week it was reported that according to the latest issue of the South African Journal of Science, South Africans drink about 5-million litres of pus a year in cow's milk as a result of mastitis.

ITALIAN

Mrs. C.A. Saxby	Lecturer (on leave 1.7.78 to 31.12.78)	22 Martyr Street, Sybrand Park, MOWBRAY. Phone: 69-1983
Mr. G. Silvestri	Assistant Lecturer	904 Atlantic House, Longmarket Street, CAPE TOWN. Phone: 43-6121
Mrs. L. Avondo	Junior Lecturer	11 Kingfisher Walk, PINELANDS. Phone: 53-4247
Mrs. H.D. van Heerden	Graduate (first Assistant term)	27 Kent Road, NEWLANDS. Phone: 65-2193
Mrs. R. Flanter		rescent, 3029
Mrs. C.J.S. Opie		Road, 855

Drive to 'rescue' dairy industry

Star 29/7/78

(3-Dairy)

Own Correspondent

DURBAN — Dairy farmers, distributors and processors throughout the country have combined outside the Government's two dairy control boards in a massive campaign to rescue the dairy industry from the state they claim it is in.

What started as a small movement in the Eastern Cape by dairy farmers who were concerned at the continual crises in the industry, has spread nationwide with support from all sections, including all major breed societies.

The public relations officer of the National Dairy Products Campaign, Mr Alec Neave, said that until an organisation of this type became effective "the fragmentation and duplication and the poor image of this industry will continue.

'Hamstrung'

"At the moment the industry is hamstrung by lack of operational expertise to move quickly and decisively in certain situations, because of the machinery to be brought into action or first to be consulted.

"What could have been a brilliant tactical victory in certain marketing or other situations has often turned into an embarrassing public relations exercise, where different authorities make conflicting statements on the same issue and damage the industry further."

Mr Neave said the immediate objectives of the campaign were:

- The formation of a national co-ordinating body representing producers, distributors and processors which would not be under statutory control and be responsible to these bodies.

Butter 'myth'

- A national workshop where the whole issue would be discussed and fulltime personnel appointed. They would be responsible for advertising, public relations, collection and processing of industry data and legal work on behalf of and for the industry.

Mr Neave said the campaign aimed to explode the "myth" that butter, cream and dairy products contributed to heart diseases, and had been promised full support by interested parties in the industry.

- The executive director of the Tongaat poultry division, Mr Cedric Savage, has predicted that the egg price war, which has sent prices in stores plummeting to below 40c a dozen in Natal and the Cape, will spread to the Transvaal in the next few weeks.

S.A. GESTIG: KERKRAADSVERGADERING 27 MEI 1978

GEWONE VERGADERING

1. Opening

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Saterdag

Kerkfees,

STAR 10/8/78

Disease warning on milk cows

(3-MILK)

Pretoria Bureau

In times when South Africa should be preparing to feed a population of 50-million by the year 2000, the number of milk cows in the country decreased by 30 percent between 1968 and 1976.

For obvious reasons, it was necessary that South Africa should be self-sufficient in food production, particularly the essential foodstuffs, of which milk and its products, formed an important part, said the Minister of Agriculture, Mr Hendrik Schoeman, in Pretoria today.

He was opening a conference on the control of mastitis, inflammation of the udder, causing the milk of infected cows to be unpalatable and unacceptable to health authorities.

Noting that the widespread incidence of mastitis in South Africa was a contributory cause in the inability of many dairy farmers to produce milk economically, Mr Schoeman said it had been estimated that a drop of only 10 percent in the occurrence of the disease would increase the world's milk supply by 38 000 million kg a year.

"In South Africa a similar drop will raise annual production by an estimated 320-million kg, which at current milk prices is worth about R48-million," he said.

Professor L W van den Heever, of the University of Pretoria warned abnormal secretions caused by mastitis were undesirable, unacceptable and potentially harmful to public health.

Harmful effects may be due to the milk containing micro-organisms capable of causing disease, toxic products of micro-organisms capable of causing food poisoning and visible objectionable inflammatory products.

IETY

The membership fe hip entitles you to attend all addresses to seminars. If you have passed Economics sion you are also eligible for membership of internation honour society in Economics. If please contact a committee member Jonathan aine 65-2339 for further information. Spe ar are:

Mr H. Schwartz on 5th April, at 5.30pm

Dr F. Wilson on T

Professor Franzse e point of sale turnover tax

Professor Sadie (mic Research at Stellenbosch)

Dr Van Zyl Slabber lousing Problem in S.A.

Dr Alex Boraine o ica

Mr B.C. Floor of re at Stellenbosch on Transport point of view

If you would like se fill in the form below and leave it in the tu outside the secretary's office)

NAME: .....

ADDRESS: ....

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TELEPHONE NUMBER: .....

YEAR OF STUDY: ..

You will then be mber who will arrange a meeting for you t e Society.

Gill Raine
Jonathan Matheson
Jonathan Brodie

RDM 30/8/78 3 MILK

Pilot scheme on cheaper milk to be launched soon

By VITA PALESTRANT
Consumer Mail

A PILOT scheme to make cheaper bulk milk available in black townships would be launched in Bloemfontein in less than two months, the general manager of the Milk Board, Mr Awie Visser, said yesterday.

Earlier this week Mr Hendrik Schoeman, Minister of Agriculture, proposed a scheme whereby fresh milk could be delivered in 1 000-litre tankers to the townships and sold at 18c a litre to residents with their own containers.

Health authorities have in the past opposed such a scheme, arguing that it could increase contamination and spread milk-borne diseases.

At present milk in cartons and plastic bottles costs 37c a litre while bottled milk costs 31,5c a litre on the Witwatersrand. Milk consumption has been dropping steadily over the years.

Commenting on the Minister's proposals, Mr Visser said the Milk Board had been working on such a scheme for some time.

"All the necessary approval has been granted for a pilot scheme in Bloemfontein. We want to make milk more freely available in the townships."

He said a milk depot had been built and would be opened in October this year.

Mr Visser said the Bloemfontein pilot scheme would show whether the scheme could be used in other townships.

The Milk Board is working on another scheme for townships which involves the door-to-door delivery of bottled milk. At present milk is mostly sold in more expensive non-returnable plastic bottles and cartons.

Mr Visser said distribution would be handled by black entrepreneurs. The Milk Board would offer help initially.

Door-to-door milk deliveries are likely to begin on the East Rand before the end of the year. And the Milk Board is now negotiating with the National African Federated Chambers of Commerce, the Soweto Community Council and milk purveyors in the area to start distribution in Soweto, said Mr Visser.

Mrs Lucy Mvubelo, general secretary of the National Union of Clothing Workers, welcomed the proposals.

"Milk is vital in the townships. Few people can afford to eat meat regularly. Cheaper bulk milk should be made available in all the townships," she said.

Mrs Yvonne Forshaw, vice-president of the Housewives League, said: "The league has for the past four years continually asked the Minister to take surplusses to the townships instead of dumping them or exporting them at a loss. We hope the pilot scheme will be a forerunner of many others and that the proposals will be extended to include other foodstuffs."

(288) RDM 4/10/78

Cafe owners apply to sell cheaper milk

3-MILK

By SHEILA STEVENS
Staff Reporter

THE price of milk sold in cafes could drop if an application by cafe owners to sell milk in bottles as well as plastic containers and cartons is successful.

Milk in plastic containers and cartons costs 37c a litre in cafes, while milk delivered in bottles costs 30c or 31c a litre.

Mr Awie Visser, manager of the Milk Board, said the sale of milk in bottles would mean a higher turnover for cafes and a lower price for consumers. "Pricewise it's a good idea, but there are difficulties regarding the control and return of bottles," said Mr Visser.

He said the Board favoured the idea and would hold discussions with milk distributors and local authorities to canvass their feelings on the matter.

He was unable to say when the board would reach a decision regarding the cafe owners' application.

Some health departments specify that cafes can only sell milk in hermetically-sealed containers.

Consumer spokesmen yesterday welcomed the possibility of cafes selling milk in bottles.

"One can only support a reduction in the price of any basic food to the consumer," said Mrs Betty Hirzel, chairman of the Consumer Union.

Mrs Toni Frere, secretary of the Housewives' League, said: "If it's going to mean cheaper milk, we welcome it."

But consumer ombudsman, Mr Eugene Roelofse, had certain reservations. "Provided that health regulations can be complied with, it would be a good thing," he said.

"However, when one looks at the track record of cafe owners, who have so often jumped the gun on price rises and are so adept at selling off old stock at new prices, this move of theirs should be looked at very carefully."

● Vitality in the townships . . . but when it comes to creating vitality through cheaper milk schemes the obstacles are now growwng bigger and less easy to skip over. **Picture by ROBERT TSHABALALA**

Hendrik's great milk dream turns sour

Sun. Exp. 31/12/78 (3-MILK)

Board drops minister's township plan

By NIC HENWOOD

THE Milk Board has decided to drop a nationwide scheme to provide cheap milk to township residents, despite it having the personal backing of the Minister of Agriculture, Mr Schoeman.

The scheme to supply milk nationwide will still go ahead — but not with lower prices.

A pilot scheme in Bloemfontein's Bochabela township, where milk started at 18c a litre and is now 25c against the cheapest normal retail price of 30,5c has been a success.

The Milk Board says a Soweto scheme will be launched next year — but the milk will not be cheaper.

Mr Schoeman, however, told the Sunday Express he will fight until cheap milk is available throughout the country — and was even extended to Whites.

The Bloemfontein scheme, mooted seven years ago, was launched by Mr Schoeman in a speech in Maritzburg in August when he suggested an 18c a litre national selling scheme for Black townships.

It was begun within two months.

All seemed to augur well for a massive scheme on the Witwatersrand. Milk Board general manager Mr Awie Visser spoke only last month of a home delivery scheme in the Rand's Black townships, boosting sales from 37 000 litres a day to 300 000 and bringing down the price from 37c to the cheapest price in White areas: 30,5c.

Mr Visser also said the board was negotiating with Black businessmen in Soweto, Mamelodi and other areas and expected the scheme to start next year.

"This scheme has been introduced in Rhodesia and has been an enormous success," he added.

But this week Mr Visser told the Sunday Express there would be no more cheap milk schemes. There were, he said, certain "social factors" to be considered and these had altered the board's approach to the implementation of a national scheme to market milk to urban Blacks. One factor was the question of acceptance of Administration Boards, which would implement the schemes.

The scheme was first thought of seven years ago, Mr Visser said, and things had changed since then. Townships were much larger and working people could not be expected to walk far to collect their milk.

"In Soweto it would be necessary to establish a number of depots," Mr Visser said, "and this would not be financially feasible."

Mr Schoeman, however, has said he will fight on until cheap milk schemes were available to Black and White throughout the country. He did not believe such schemes were not feasible.

"I am determined to get this cheap milk scheme working for the masses," he said.

The Bloemfontein pilot scheme, fully under way in October, has been financed by the Milk Board to the tune of R36 000 and faced its major obstacle in overcoming strict Department of Health regulations.

Milk from the local Administration Board-controlled depot is sold to Blacks bringing their own containers for 25c a litre — the initial price was 18c. Part by the 2c profit made by the Administration Board is used to repay the Milk Board's investment.

Strict Department of Health regulations forced the depot to introduce what some see as an unnecessary and wasteful precaution of filling litre screw top stainless steel containers with milk — so that they are sealed for purchase. These are then unscrewed and poured into the containers brought by buyers.

Milk Board chairman Mr Bruwer Dawitsz said health regulations, acceptance of Administration Boards, and opposition from local retailers and distributors made implementation of a cheap milk scheme on a national level practically impossible.

"Because of strong feelings against Administration Boards we have had to watch the situation very carefully," said Mr Dawitsz, "and our objective has been to utilise existing Black entrepreneurs."

The minister said he saw it as his duty to reduce the price difference between that paid to farmers and that paid by consumers. The farmer gets 16c to 17c and the cheapest milk — on a coupon system — is 30,5c. Most expensive is the cafe price of 37c.

Mr Visser said the Milk Board was not a profit-making organisation. Its duty was to regulate the flow of milk. The Milk Board had financed the scheme "to a certain extent" and those businessmen involved in Soweto would then repay any loans at low interest.

"It is by making use of the Black man operating a business in his own interest that we hope to establish a successful enterprise," said Mr Visser. "By stimulating the local market we can exploit the situation for the health and goodwill of all concerned."

Mr Visser said the board had been involved in negotiations over Soweto for nearly five months and expected a settlement by February.

Negotiations with Soweto businessmen had been conducted through the chairman of the Soweto Community Council, Mr David Thebehali. Mr Visser said this was a delicate area of the operation, as some opposition had been experienced from local traders selling small quantities of milk each day in cartons at up to 37c a litre.

But Soweto Trader's Association chairman Mr Veli Kraai and other Soweto buuinessmen were unaware of any attempt to establish the scheme.

"There are many organisations and individuals involved," Mr Visser said. "I can't give you anything while we are still negotiating with the various distributors and Chambers of Commerce."

Mr Visser refused to name them.

Mr Kraai said neither he nor any other association member had been approached. He said the scheme would be accepted gladly by the association since it appeared it would help residents.

"This is the only traders' association in Soweto and we would welcome negotiations for such a scheme."

Mr Psikang Simon Hlatswayo, a Soweto dairy owner, knew nothing about negotiations betwen the board and Soweto businesmen.

Soweto businessman Richard Maponya says the board did start talks with some businessmen about five months ago, before Mr Kraai became chairman of the STA, but they stopped — he didn't know why. Mr Maponya said it appeared the board was now dealing exclusively with the Soweto Community Council.

Mr Visser had not comment when asked if NAFCOC had been consulted.

Asked why the Soweto Traders' Association and so many businesmen contacted by the Sunday Express were unaware of the scheme, Mr Visser said Mr Thebelali was handling that side of the scheme.

AGRICULTURE

3- DAIRY PRODUCTS

17 JAN 1979- ~~20 JULY 1979~~
28.12.79

30/5/79 DD
3 Dairy Products

No rush for dairy products

EAST LONDON — Local shoppers have shown very little reaction to the dairy price increase announced on Monday.

The manager of a local supermarket, Mr Alan Felmore, said he had noticed very little increase in dairy sales yesterday, apart from the usual increase at the end of the month.

"But it was nothing like what happened two years ago when there was a margarine price increase," he said.

"We haven't had people buying cases of butter or things like that, but like last time we had a dairy price increase, things have not changed radically."

The manager of another supermarket, Mr V. Mitchell, said there had been a slight increase in cheese and butter sales, but this was to be expected at the end of the month.

"There has been no panic buying yet, just the usual slight increase in dairy sales," he said.

Both managers reassured shoppers that there would be no restrictions on how much they could buy.

Meanwhile, labour and political leaders yesterday urged the government to use some of its huge tax earnings from the continued high gold price to subsidise basic foods.

They see this not only as a humane way to relieve the spread of hunger in the townships, but as an investment in stability, particularly in the urban areas.

The Progressive Federal Party's financial spokesman, Mr Harry Schwarz, said only a modest part of the gold bonanza would be sufficient to hold the price of mealie meal, bread, milk and other essential foods at a reasonable level.

The President of the SA Confederation of Labour, Mr Attie Nieuwoudt, said he was appalled at the rate and degree of recent price rises in essential foods and commodities.

"Where is it all going to end? The authorities seem to have lost control of price. Virtually every day there is an announcement about a new price rise."

The general secretary of the Trade Union Council of South Africa, Mr Arthur Grobbelaar, said the only defence the poor had against rising prices was to buy less food.

This meant hunger, and hunger meant the undermining of health standards and a background favourable to unrest.

In Cape Town, a spokesman for the SA Milk Distributors' Union said consumers thinking of switching from milk to artificial substitutes because of the price increases in dairy products should make sure they know exactly what they are buying.

"Replacing milk, universally accepted as one of the most important sources of proteins and vitamins, with synthetic substitutes is not a bargain on two scores — health and price.

Buying 125 g of artificial creamer and making a liquid substitute will give the consumer less than a third of a litre, and will cost 35c.

"Compare that with a litre of milk, delivered fresh, on the consumer's doorstep, for 35c." — DDR-DDC.

Old tokens good in EL

EAST LONDON — Milk coupons bought in East London before the Friday deadline when the price of a litre goes up by 5c will still be valid after Friday.

The manager of Model Dairy here, Mr Boet Rabie, said yesterday his firm would honour the old blue coupons "as long as the Model Dairy stands."

They represented the purchase price of a litre of milk, he said, and it would not be necessary to put an extra 5c with the coupon after the price had gone up as an SABC news item indicated yesterday.

But it appears this arrangement will apply only in East London.

Yesterday the Consumer Council said consumers using old coupons will not save any money.

"They will merely be giving themselves the extra trouble of adding 5c in cash to each coupon to get their milk delivered," said Mr Johann Verheem, director of the council, in Pretoria.

The council advised consumers not to try to stock up with old coupons in order to save.

But in East London, Mr Boet Rabie of Model Dairy said he had no objection to people buying the old blue discs, which were still freely available in shops yesterday.

They should ensure, however, that they paid the correct price — R6,05 plus sales tax — and not the price at which the new red coupons would be selling — R7,05 plus sales tax. — DDR-DDC.

3 Milk + Dairy

Yellow spread banning unlikely

3 Compeb

CT. 30/4/79

Staff Reporter

YELLOW margarine is unlikely to be banned but the advertising of the product will have to change, the Minister of Agriculture, Mr Hendrik Schoeman, said yesterday.

A leading South African health authority and Professor of Community Medicine at the University of the Witwatersrand, Professor Harry Seftel, said it would be "grossly irresponsible to even think of banning yellow margarine".

Parliamentarians, he said, were representing vested interests, not health interests, and the Minister of Health "had to look over his shoulder at the Minister of Agriculture before he made pronouncements affecting the health of the nation".

The increased sales of yellow margarine at the expense of butter sales blew up in Parliament last week after the Minister of Agriculture agreed with two opposition members that dairy farmers suffered from "misleading advertising" by margarine producers.

He said he may have to ban the sale of yellow margarine if advertisers did not toe the line. Five years ago producers gave their assurance that they would not advertise in a misleading way.

Mr Schoeman said yesterday: "Not one had kept their promise".

RDM 30/1/79

NPU to settle butter ad battle

(3 – Dairy)

By ROY DEVENISH
Pretoria Bureau

THE BATTLE between the Dairy Board and margarine manufacturers will come to a head on Friday when the Newspaper Press Union will be asked to decide on the acceptability of two advertisements.

Since the introduction of yellow margarine the Dairy Board and margarine manufacturers — each with their public relations consultants — have been fighting over advertisements linking cholesterol to heart disease.

Full-scale war broke out earlier this month when the Dairy Board's advertising agents formally complained to the NPU about two such advertisements which appeared in local magazines and specialist medical journals.

At a meeting of the Consumer Union in Pretoria last week — at which the chairman of the Margarine Manufacturers' Association, Mr Willie Petersen, was the main speaker — documents relating to objections by the Dairy Board's advertising agents were distributed.

Mr Petersen argued strongly for margarine as a substitute for butter.

An NPU spokesman said yesterday the union would be meeting on Friday to discuss the objections lodged against the advertisements.

FM 16/3/76

DAIRY INDUSTRY

Two into one

(3) Dairy milk.

The March 1 amalgamation of the Dairy Board and the Milk Board was the first move to implement the 1976 Marketing Commission's recommendation that there should be fewer, and physically smaller, control boards. It is also symbolic of the intention to pull both sides of the industry together into a properly co-ordinated whole.

The old Dairy Board had 18 members, the Milk Board 17. The new Dairy Control Board has only 13: four producers of fresh milk, four producers of industrial milk, two representatives of fresh milk distributors, two representatives of dairy products distributors, and a lone consumer. The chairman is Jan van Vuuren, ex-chairman of the Dairy Board, and the vice-chairman is Tulas de Villiers, formerly vice-chairman of the Milk Board.

The key manager's post has been advertised, apparently to find someone who knows both sides of the industry. All staff of both boards have been retained on existing salary, benefits and conditions for three years. In due course they will move into the Milk Board building.

The amalgamation clears the way for a long over-due rationalisation of the industry throughout the country. At present, fresh milk is only "controlled" in Pretoria, the Witwatersrand, the Cape Peninsula, Bloemfontein, and the W Transvaal. Natal and the E Cape, which are not under control, however, have representatives on the new board. There is an understanding that if these areas are not brought under control within a year, they will withdraw.

One of the first improvements should be better co-ordination on price policy between fresh and industrial milk to regulate supplies and distribution. In fact, the old water-tight compartments by which "fresh" and "industrial" milk are kept separate should gradually disappear. (In Natal they are already falling away.) All farmers will eventually have to meet certain standards. The regulations concerning stables, etc (some of which for fresh milk are absurd) will be reviewed and uniform regulations introduced for the whole industry.

The new board's first task, however, should be to review the policy of fixed producer prices for dairy products (industrial milk and butter fat). The Marketing Commission recommended that consideration should be given to changing to fixed *minimum* prices.

This would solve the old problem of unfair competition between co-operatives and private manufacturers: the latter have to pay producers fixed prices, but co-operatives can supplement their payments with bonuses. The Commission commented: "The private company is powerless against the financial advantage that a co-operative has to offer, no matter how efficient it may be or how satisfactory its service." This, among other things, upsets the flow of supplies from producers to manufacturers.

Another probable, and very welcome, development is that fresh milk will be sold on a "quality" basis. This would benefit both producers and consumers.

NUTRITIONAL VALUES

NM 3/5/79

3-Dairy

	FAT CONTENT %	ENERGY VALUE KJ/100g	SATURATES %	POLYUNSATURATES %	CHOLESTEROL mg/100g	VITAMIN A U/g	BETA CAROTENE (PRO VITA) I.U./g	VITAMIN D I.U./g	VITAMIN E mg/kg
BUTTER	~ 82	3100 (750 Cals)	~ 60 (48 68)	2-4	200 (200-300)	10-30	3-16	0,03 1,6	15
BRICK MARGARINE	~ 82	3100 (750 Cals)	~ 20	~ 20	Negl (0-3)	20	~ 12 (10-20)	1	200 (150 500)
POLY-UNSATURATED MARGARINE	~ 82	3100 (750 Cals)	~ 20	~ 40	Negl (0-3)	20	~ 12 (10 20)	1	200 (150 500)

~ less than
more than
~ approx

THIS diagram shows that the nutritional values of butter and all the margarines are identical. All have the same fat content and equal energy value. But the margarines are far higher in polyunsaturates and contain negligible cholesterol, a medically-accepted factor in heart disease.

Buttering up margarine

I MUST admit that for some time now I've thought that the topic of cholesterol in relation to heart disease was a highly controversial one.

But according to the margarine manufacturers, I have been wrong. Controversy exists only at the layman's level, with the exception of a relative handful of doctors, although there are some famous names among them.

"The overwhelming weight of extensive worldwide scientific and medical evidence supports the fact that a high blood cholesterol level is one of the main risk factors contributing to coronary heart disease," said a spokesman for the marg manufacturers recently.

And when specifically asked about this, the National Research Institute for Nutritional Diseases went along with the manufacturers' view.

The whole subject has cropped up again because of recent statements by the Minister of Agriculture on the subject of yellow margarine. Exception has apparently been taken to some recent margarine advertising which implies that it is a healthier product to use.

"If you care for your hus-

sumption of polyunsaturated fats lowers cholesterol levels. These are found in some vegetable oils, particularly sunflower, and in those margarines marked "polyunsaturated".

IN FAVOUR

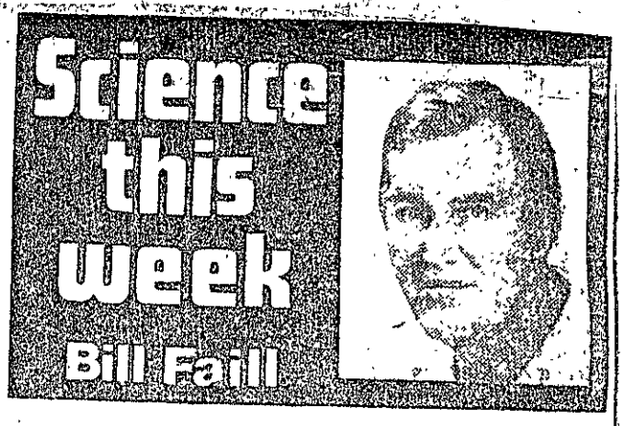
The list of professional bodies positively identifying cholesterol as a major risk factor in causing coronary heart disease, and recommending the substitution of polyunsaturated fats for saturated ones, is formidable.

famous they are, who only reflect a minority viewpoint.

NUTRITION

It should be emphasised that we are talking here specifically about fats and heart disease, not about the nutritional values of dairy products in general. The table accompanying this article shows that butter is just as good as margarine nutritionally — and vice versa.

This last fact is important when one remembers that brick margarine is



Here it is, and I don't

currently about 50 percent

Evans Mr. A.R.
Finlay Mr. W.
Ford Mr.
Fiske Mr. S.
Fortuin Mr. G.
Frean Mr. N.
Gebhardt Ms. B.
Godet Mr. R.
Gous Mr. G.
Graaff Mr. D.
Groenewald Mr
Hartig Mr. R.
Hay Mr. I.
Henderson Ms.
Hendrie Ms. E
Horner Mr. D.
Hughes Dr. K
Johnson Mr. I
Joubert Mnr.
Kahn Mr. B.
Kane Berman
Kantor Mr. B
Kassier Prof
Kenny Mr. H.
Kistner Dr.
Kingwill Mr.
Kingwill Mr.
Knight Mr. J
Koch Mr. L.
Kooy Ms. A.
Laubscher Mn
Letsie Mr. L.
Levy Mr. B.

— DDC.

3/5/79 DD 3 Dairy Prod

Dairy products may cost more

PRETORIA — The prices of dairy products and margarine are expected to rise sharply at the end of the month, according to government sources here.

The SA Margarine Association says it works on a controlled margin, and it would be impossible for producers to absorb the big hike in oil seed prices, in addition to other cost increases, which became effective from the beginning of the month.

Today and tomorrow the Dairy Board meets here to consider its price recommendations to the government.

Farmers, it is claimed, have a water-tight case for substantial increase in both fresh and industrial milk. Their production costs, it is further claimed, have risen to a point where a large percentage of dairymen "won't even break even" this year.

The Minister of Agriculture, Mr Hendrik Schoeman, has indicated that government policy is to fully compensate farmers for higher costs and to ensure that returns on capital are reasonable.

He said last month the price of fresh milk would have to be raised by two to three cents a litre.

However, producers say that two or three cents a litre would only compensate for the steep rise in animal feeds following the 22 per cent hike in the maize price.

Other big cost rises were in fertilisers, power, fuel and farm machinery.

Distributors, too, are expected to demand compensation for increased costs. Their representatives will attend this week's Dairy Board meeting. They too have a strong case for compensation.

The deputy chairman of the Dairy Board, Mr J. J. De Villiers, said prices would have to be raised at least in proportion to the rise in costs.

Without this the drift of dairy farmers into other branches of farming would continue, and crippling shortages of dairy products would be the consequence. — DDC.

BUTTER SALES

Thin spread

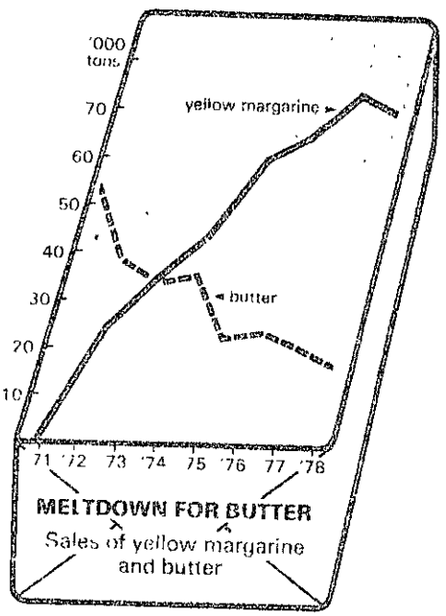
There's a fair amount of angst pervading the Dairy Control Board as it struggles to rescue the ailing butter industry. The introduction of yellow margarine in 1971 was a bad dream. Butter sales slumped from a 1971 53 519 t high to a 17 757 t low in 1978 -- down 67%.

Now, in an attempt to "make friends for butter" the board is spending close on R200 000 in a media and TV promotional campaign which started in January, handled by ad agency De Villiers & Co.

The problem is timing. The widespread drought is coinciding with the campaign causing butter production to plummet. For example, production in the first week in April was 248 t (336 t for the same period in 1978). Sales in that week totalled 311 t (380 t in 1978). Available stocks were down to 1 495 t – 4 327 t in 1978.

Dairy Control Board joint manager Eddie Roux admits the position is under review. "Because of the shortfall," he says, "we're looking at importing."

He won't disclose how much or from where butter will be imported. It is likely that 15% of 1979 consumption will be imported "at a lower price than locally produced butter." This is all part of a general scheme to overcome a drought-induced shortage of milk products, says Roux. He doesn't explain the anomaly that despite the shortfall, 20 t of butter are exported virtually every week.



MELTDOWN FOR BUTTER
Sales of yellow margarine and butter

"Making friends for butter" will prove an uphill job. Not only is there the butter associated-with cholestrol scare but the Board is currently reviewing an application for what could be a hefty butter price increase.

The board won't indicate the size of the increase asked for, but steep increases fuel and fertilizer costs have infla production costs so it could be in t region of 10%-15%.

Despite the new 15% price increase ju introduced margarine sales are expect to grow 5%-10% in 1979. Sales in 1978 f yellow and white margarine totted up healthy 80 000 t. Butter is not expected top 16 000 t in 1979.

ANALYSIS OF ERROR	BALANCING ADJUSTMENT BEFORE DISCOVERY OF ERROR	FINAL CORRECTING ERRORS
(1) T.B. not affected		
Acc. Rec. Control > list	Acc. Rec. Suspense	
	Acc. Rec. Control	
(2) T.B. not affected		
Acc. Rec. Control > list	Acc. Rec. Suspense	
	Acc. Rec. Control	
Acc. Pay. Control > list	Acc. Pay. Control	
	Acc. Pay. Suspense	
(3) (i) Incorrect postings		
T.B. : Dr. > Cr.	-	-
	General Ledger Susp	
Acc. Rec. Control > list	Acc. Rec. Suspense	
	Acc. Rec. Control	
(ii) Overcasting		
T.B. not affected		
Acc. Rec. Control < list	Acc. Rec. Control	
	Acc. Rec. Suspense	
(4) T.B. not affected		
Acc. Rec. Control < list	Acc. Rec. Control	
	Acc. Rec. Suspense	
Acc. Pay. Control > list	Acc. Pay. Control	
	Acc. Pay. Suspense	

HUNTERS ENTERPRISES

FS11

CT. 7/5/79

Making people eat butter

3. Dairy

MR HENDRIK SCHOEMAN's reassurance that housewives will not be deprived of yellow margarine is welcomed. Relief will be felt, of course, not only by householders but by all consumers fighting inflation. But Mr Schoeman is wrong in believing that the housewife "wants to eat yellow margarine". She doesn't, particularly. Most people, given the choice, would prefer butter, "unethical" advertising of margarine's alleged cholesterol-free qualities notwithstanding. Margarine's biggest selling point is simply its price. Half a kilogram of margarine costs the consumer 70c, compared with 92c for a similar amount of butter. The difference in the smaller ¼ kg pack is 35c for butter and 46 for margarine. These figures count for more than any number of extravagant claims by the manufacturers of yellow margarine, and are the real reason for its popularity. If the minister of agriculture has any doubts about this assertion, he should put it to the test by dropping the price of butter to that of margarine. That would be the quickest way to stop people paying any attention to dubious cholesterol-content warnings.

CT

Marge price rise may spark swing back to butter

(3.) ~~agriculture~~ Dairy + Milk.

Star 10/5/79.

Consumer spokesmen have reacted strongly to the increased price of yellow margarine.

The price of margarine bricks has been increased by 10 percent (from 35c to 38,5c for 250 g) and tubs of margarine have gone up by 11,8 percent, from 38c to 42,5c for 250 g, because of increases in the price of oil seeds.

Consumer Council spokesman, Mr M Hawkins, said: "The hard-pressed consumer cannot afford any more increases in foodstuffs.

"We are in the middle of a chain of reflex price increases and any manufacturer increasing his prices will have to expect a lower turnover."

Mrs Toni Frere, national secretary of the Housewives League, deplored the increase.

"It is interesting that there is now little difference between the price of yellow margarine and that of butter. People may think it worthwhile to go back to butter," she said.

A spokesman for the Margarine Manufacturers' Association said in Johannesburg that margarine sales outnumbered butter sales by three to one.

When asked to comment on the likelihood of a swingback to butter, he replied: "I can't speak for the housewife."

Subsidy to keep milk price down

CT. (3-Milk) 11/5/79

By LEON BEKKER

EFFORTS are being made by the Divisional Council to ensure that poverty-stricken mothers will not have to foot the bill for importing skimmed milk powder.

The powder is being imported to enable the council to continue its scheme to combat kwashiorkor, gastro-enteritis and malnutrition among toddlers in the Peninsula.

The Medical Officer of Health reported to a meeting of the council's health committee this week that drought conditions had caused a considerable decrease in milk production, and there was at present a country-wide shortage of skimmed milk powder.

The chairman of the committee, Mr Edward Austen, said last night the committee had given the MOH the go-ahead to accept a tender to supply the powder at R1,37 per kilo (plus 5c per kilogram sales tax).

In terms of the MOH's report, however, this would mean that the price per kilogram to the patient would go up from 50c to 72c per kilogram.

The health visitor, who supplies the powder to patients, has discretion "in exceptional circumstances" to provide the powder at a reduced price, or free of charge.

● The Department of Health has agreed to subsidize the purchase of skimmed milk powder by R19 140, a rate of 66c per kilo for 29 000 kilos.

In 1977 the department's contribution was R18 000. This amount was agreed to after the council had requested R28 000 for 500 000 kilos. After the department had originally agreed to this amount, it was cut to R18 000 because of the economic situation at that time.

All dairy products will go up: Minister

Star 15/5/79

(3) Agriculture General

Dairy + Milk

CAPE TOWN — The price of all dairy products would go up soon but by what amount had still to be determined, the Minister of Agriculture, Mr Schoeman, said today.

In Pretoria the manager of the Dairy Board, Mr P E Roux, declined to comment on reports that milk would cost 12 percent

Mr Schoeman said the National Marketing Board was studying the question of the Dairy Board, Mr P E Roux, declined to comment on reports that milk would cost 12 percent more by June.

"The price of dairy products will be increased soon, but we have yet to decide by how much," he said.

"We are in a situation in which we are already having to import powdered milk so a price increase will have to be introduced to encourage farmers to produce dairy products."

In Pretoria consumer organisations said rises in the price of dairy products were "inevitable" after the series of increases in other spheres.

The discussions between Mr Schoeman and the Egg Control Board, the newly formed National Egg Producers' Co-operative (Nepco), the SA Poultry Association, the Marketing Council and Department of Economics and Marketing concerned the proposed price increase in view of the increased production costs caused by the rise in the prices of maize, fish meal, electricity and fuel.

The problems of production surpluses and control were also discussed Mr Schoeman said.

Egg producers threatened an 8c price rise this week.

Sources said the Cabinet food committee was expected to approve substantial increases in the prices of dairy products later this week. — Own Correspondents and Sapa.

16/8/79 (D) 3 Dairy Products

Schoeman confirms dairy price rises

PRETORIA — South Africa is running into what could be the most serious shortage of dairy products in 25 years.

The Minister of Agriculture yesterday confirmed the prices of dairy products would be increased from the beginning of next month.

And farmers warn that unless the increases are adequate, South Africans will have to learn to live with recurring and worsening shortages of dairy products.

The Dairy Board refused to comment yesterday.

A senior official said the board would make a comprehensive statement on the milk shortage later this week.

The board met last month and, it is understood, recommended substantial price adjustments for fresh milk, butter, cheese and industrial milk.

Mr Schoeman is on record as saying that there is justification for a 2c to 3c a litre increase in the price of fresh milk.

Milk distributors also claim that fuel, vehicle and other cost increases have eroded their profit margins and that they, too, must be given relief.

It was reliably learnt yesterday that large quantities of butter and cheese will have to be imported until production increases next summer.

In addition, the manager of the National Co-operative Dairies, Mr J. H. Dreyer, said the milk shortage in the Transvaal and Free State means powdered milk will have to be imported from Europe — possibly until the end of the year.

Meanwhile, beef producers expect the floor price of beef to be raised next month by at least 10 per cent, according to agricultural authorities.

The Meat Board meets tomorrow and Friday to formulate its floor price recommendations.

These will be submitted to the marketing council. The final decision will be made by Mr Schoeman.

Beef farmers, it was pointed out, "desperately" need the protection of an adequate floor price.

What farmers are also certain to raise prices in October.

And, according to Government sources in Pretoria, if the price of wheat rises and the Government refuses to raise the bread subsidy, then the price of bread will go up.

This will mean that all basic foods — mealie meal, dairy products, sugar, bread and all other wheat products — will have been increased in price this year. And the floor price of meat is virtually certain to go up at the end of July. — DDC.

Dairy products shortage: butter to be imported

Star 16/5/79. (3) General agriculture Dairy + milk

Pretoria Bureau

Butter and cheese are to be imported from Europe because of severe country-wide shortages — and milk supplies in some areas are moving into a "shortfall situation."

The manager of the newly formed Dairy Control Board, Mr Eddie Roux, announced in Pretoria today that because of serious shortages in dairy products at present, available supplies were far below normal consumer demand.

The first consignment of imported butter and cheese was expected in South Africa in the next few weeks. The first consignment of about 2 500 tons of butter from Europe would arrive at the beginning of June and the first consignment in a total of about 600 tons of cheese to be imported would arrive at the end of June.

Mr Roux added that production of fresh milk in the Witwatersrand, Pretoria and Cape Peninsula regions has reached an unacceptably low level.

The Minister of Agriculture, Mr Schoeman, said in Cape Town yesterday the price of all dairy products would go up. But the amount still had to be determined.

LONG TERM

He said the National Marketing Board was studying price rises and the extent of the increases would be decided on their report.

Hannes Ferguson, The Star's farming correspondent, writes that the situation which has arisen in the dairy industry, with production no longer keeping pace with demand, stresses the need for a long-term price policy.

Since November 1967 industrial milk producers have paid a levy to cover losses on the exportation of South African dairy products on an unfavourable world market and to help the Dairy Control Board get rid of surpluses on the internal market.

Dairy imports coming

PRETORIA — Large quantities of butter, cheese and powdered milk are to be imported from Europe to counter the local production crisis, the Dairy Board announced in Pretoria yesterday.

The manager of the board, Mr Eddie Roux, however, gave the assurance that the prices of imported dairy products would be no higher than local prices.

He confirmed that serious milk shortages were being experienced throughout the country.

The first imports are expected within a few weeks.

On local producer prices, Mr Roux said, increases seemed inevitable from the beginning of June.

The first consignment of about 2 500 tons of butter is expected at the beginning of next month, and the first imports of about 600 tons of cheese at the end of June.

The expected butter shortage from now until September, Mr Roux said, was about 19 per cent of normal consumption or about 2 900 tons. The cheese shortfall amounted to 12 per cent or 3 500 tons.

The skimmed milk shortage amounted to 20 per cent, and full cream powder to 19 per cent.

The board, Mr Roux said, had issued permits for the importation of 6 000 tons of skimmed milk powder and 2 000 tons of full cream powder.

3 (Milk) 7/5/79 N.M.

Milk price is to go up

DAIRY + MILK

Agricultural Correspondent

THE Milk Board announced yesterday that more than 11 000 tons of dairy products were to be imported because of a shortage in South Africa.

The imports will be made up of 8 000 tons of powdered milk, 2 500 tons of butter and 600 tons of cheese.

The board predicted a big increase in the milk price and said the milk shortage would worsen unless farmers were encouraged to produce more.

According to the Milk Board the price of butter and cheese will not go up because of the imports.

It described the shortage as "serious".

Milk Board spokesman Mr. Eddie Roux said droughts, increases in production costs and levies paid by farmers since 1967 had so weakened the finances of milk producers that many farmers had been forced off the land or switched to other lines of farming.

Commenting on the shortage in the light of last year's surplus of dairy products Mr. J. E. Mansfield, chairman of the East Griqualand Fresh Milk Producers' Union, said the situation had arisen because of poor planning.

He said the Government had reacted too late to low producer prices which had forced dairy farmers to give up and it had failed to introduce production control by a system of milk quotas.

Mr. Mansfield said he did not foresee a milk shortage in Natal this winter because the province had not suffered from as serious a drought as the rest of the country.

He said the Minister of Agriculture would soon announce increases in the milk price.

He added both producers and distributors had applied for hikes in view of escalating production costs.

Mr. Mansfield would not speculate on the amount of the milk price increase.

GOVERNMENT NOTICES

DEPARTMENT OF AGRICULTURAL ECONOMICS AND MARKETING

No. R. 1036 18 May 1979

(3) Dairy

DAIRY CONTROL SCHEME

TIME AND MANNER OF PAYMENT OF LEVIES AND SPECIAL LEVIES ON FRESH MILK

The Minister of Agriculture has, under the powers vested in him by section 89 of the Marketing Act, 1968 (Act 59 of 1968), made the regulations set out in the Schedule hereto.

SCHEDULE

1. In this notice, unless inconsistent with the context, a word or expression to which a meaning has been assigned in the Dairy Control Scheme, published by Proclamation R. 290 of 1978, shall have a corresponding meaning and—

"month" means the period extending from the first to the last day, both days inclusive, of any of the 12 months of a year.

2. A levy and special levy imposed under section 21 or 22 of the said Scheme on fresh milk produced for sale in the Bloemfontein, Cape Peninsula, Pretoria, Western Transvaal and Witwatersrand areas as defined in section 1 of the said Scheme shall be paid to the Dairy Control Board at the times and in the manner as set out in regulation 3.

3. (1) In the case of a producer, producer-distributor or producer to whom a permit has been issued in terms of section 36 of the said Scheme, who delivers fresh milk to distributors, producer-distributors or the surplus pool mentioned in section 37 of the said Scheme, payment of such levy and special levy shall be made by means of a set-off by the Dairy Control Board against any amount of money that may be due by that Board to the person concerned.

(2) In the case of a producer-distributor or a producer to whom a permit has been issued in terms of section 36 of the said Scheme, who delivers fresh milk to persons other than distributors, producer-distributors or the surplus Pool mentioned in section 37 of the said Scheme, payment of such levy and special levy shall be made direct to the Dairy Control Board on or before the seventh day of each month following the month in which such fresh milk was sold, and which payment

GOEWERMENTSKENNISGEWINGS

DEPARTEMENT VAN LANDBOU-EKONOMIE EN -BEMARKING

No. R. 1036 18 Mei 1979

SUIWELBEHEERSKEMA

TYD EN WYSE VAN BETALING VAN HEFFINGS EN SPESIALE HEFFINGS OP VARSMELK

Die Minister van Landbou het, kragtens die bevoegdheid hom verleen by artikel 89 van die Bemarkingswet, 1968 (Wet 59 van 1968), die regulasies in die Bylae hiervan uiteengesit gemaak.

BYLAE

1. In hierdie kennisgewing, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, 'n betekenis geheg is, 'n ooreenstemmende betekenis en beteken—

"maand" die tydperk wat strek van die eerste tot die laaste dag van enigeen van die 12 maande van 'n jaar.

2. 'n Heffing en spesiale heffing opgelê ingevolge artikel 21 of 22 van genoemde Skema op varsmelk wat geproduseer is vir verkoop in die Bloemfontein-, Kaapse Skiereiland-, Pretoria-, Wes-Transvaal- en Witwatersrandgebied, soos omskryf in artikel 1 van genoemde Skema, moet aan die Suiwelbeheerraad betaal word op die tye en wyse soos uiteengesit in regulasie 3.

3. (1) In die geval van 'n produsent, produsent-distribueerder of produsent aan wie 'n permit kragtens artikel 36 van die genoemde Skema uitgereik is, wat varsmelk aan distribueerders, produsent-distribueerders of die surpluspoel genoem in artikel 37 van die genoemde Skema lewer, geskied die betaling van sodanige heffing en spesiale heffing by wyse van 'n verrekening deur die Suiwelbeheerraad teen enige bedrag geld wat deur daardie Raad aan die betrokke persoon verskuldig mag wees;

(2) In die geval van 'n produsent-distribueerder of 'n produsent aan wie 'n permit kragtens artikel 36 van die genoemde Skema uitgereik is wat varsmelk aan persone anders as distribueerders, produsent-distribueerders of die surpluspoel genoem in artikel 37 van die genoemde Skema lewer, geskied die betaling van genoemde heffing en spesiale heffing regstreeks aan die Suiwelbeheerraad voor of op die sewende dag van die maand wat volg op die maand waarin sodanige varsmelk verkoop is, en welke betaling vergesel moet gaan

GG 6449

shall be accompanied by a return which shall be furnished as prescribed by the Dairy Control Board in terms of the provisions of section 29 of the Dairy Control Scheme.

4. These regulations shall come into operation on the date of publication thereof and Government Notices R. 1654 of 23 October 1964 and R. 1033 of 1 July 1966 are repealed with effect from the same date.

van 'n opgaaf wat verstrek moet word soos voorgeskryf deur die Suiwelbeheerraad kragtens die bepalings van artikel 29 van die Suiwelbeheerskema.

3. Hierdie regulasies tree in werking op die datum van publikasie daarvan en Goewermentskennisgewings R. 1654 van 23 Oktober 1964 en R. 1033 van 1 Julie 1966 word herroep met ingang van dieselfde datum.

Rights, wrongs of dairy farming

3 (General) 18/5/79

It is of major importance for farmers to know how to produce either beef, milk or mutton from pastures, the senior pasture officer of the Fertilizer Society of South Africa, Mr P. Rudert, said when he addressed farmers at a pasture day held on the farm Silverdale, of Mr John Meyer, near Kidd's Beach.

Mr Rudert, who spoke on the principles and practices in animal management focussed attention mainly on beef and milk production. An important aspect of the meeting was how beef production can be successfully carried out with pineapple production.

"I must emphasise that ruminants are not merely garbage bins that can make do with anything," Mr Rudert said.

"As a result of the high cost of grain, we all want to get away from feeding grain and replace this with either grazing on veld, pastures, or even feeding waste products. For this reason it is of the utmost importance that farmers know the value of the type of food they are offering to their animals to their livestock in terms of growth reproduction and production.

"The price of food input, however, is not the end of the story as we are faced with the problem at the other end — marketing. In the case of beef our only guarantee is the floor price for a particular grade and as for milk we are better off as there are no auction fluctuations and we can adjust to a particular market."

Essential requirements in successful meat and milk production, Mr Rudert said, are: adequate clean water; organic matter — carbohydrates, lipids (the energy sources), proteins and vitamins; mineral elements in veld grasses, improved pastures, fodders, grains and feed mixtures — often too high or too low relative to animal needs.

"There are indications that it is not very profitable to breed young stock on pastures as the cost per cow and the return per weaned calf usually cancel each other out as a result of the low price obtained for weaner calves. Stud breeding, however, is a different matter," Mr Rudert said.

The profitability of any pasture system where animals are finished off for marketing depends on: purchase price; type of animal; age of marketing; the need for additional feed and the correct method of feeding; feed cost; fertilizer cost; and marketing and grade.

"The dairy farmer without pastures will have to be satisfied with low profits. Small dairy units without pastures are doomed to failure. It is therefore of the utmost importance to establish a dairy farm in an area where pastures can be cultivated and where high quality roughage can be produced," Mr Rudert said.

"Pastures must be an integral part of any dairy enterprise. It is also important to have the correct type of pasture, the right quantity and that there is a fodder flow continued so that if possible animals are able to obtain green fodder most of the time throughout the year."

Mr Rudert emphasised that a feeding system must be worked out and that it is essential to have a working knowledge of the quantities of roughage that can be produced and expected to be eaten by a grazing animal.

The first consideration in any dairy feeding programme, Mr Rudert said, is to determine the nutritive needs for body maintenance, growth, pregnancy, reproduction and milk production.

"Lack of energy is the most common deficiency of dairy cows. Cows cannot produce milk at peak levels if their rations are too low in energy. Most of the energy required is supplied by carbohydrates and fats in forage and grain." Mr Rudert said.

3 dairy + milk

Dairy products up from next month

(3-Dairy)

Own Correspondent

PRETORIA. — From June 1 all dairy products would cost more, the Minister of Agriculture, Mr Hendrik Schoeman, said in an interview yesterday.

He said his discussions with the National Marketing Council on the Dairy Board's recommendations for price rises were still in progress. He hoped to make an announcement next week.

However, producer sources said yesterday that they expected increases of up to 12 percent to be authorized.

Mr Schoeman said food prices in South Africa were lower than in virtually all countries in the Western world. Unless farmers were given prices which assured them of a reasonable return, acute and permanent shortages would be inevitable in South Africa.

Dairy farmers were turning to other types of agriculture, and unless this trend could be reversed, "this country will have to put up with chronic shortages of dairy products".

Last week the Dairy Board announced that because of drought and shrinking production, 11 000 tons of dairy products were to be imported. This included 8 000 tons of skimmed and full-cream powdered milk, 2 500 tons of butter and 600 tons of cheese.

3 Dairy Products

Milk rise 'could increase surplus'

Star 22/5/79

The proposed increase in the price of all dairy products from June 1 could lead to a greater milk surplus, consumer spokesmen have warned.

The Minister of Agriculture, Mr H Schoeman, has said all dairy products — including fresh and industrial milk, butter and cheese — must go up in price to protect the dairy industry.

The national secretary of the Housewives' League, Mrs Toni Frere, has warned that a rise in the price of milk will only decrease consumption, and increase the existing surplus (estimated at 15 percent at the end of last month).

"If the increase is so big as to benefit the farmer, it will only be a temporary respite — because it will kill the fresh milk industry within a year," said Mrs Frere.

"We feel sorry for the farmer, because this increase will not help him."

Asked for his comments on the forthcoming increase, Mr Eugene Roelofse, consumer ombudsman for the SA Council of Churches, said: "Why? Have they got another surplus?"

He continued "The standard justification for a price increase for food is that the producer has to contend with higher costs.

"It is noticeable that the Minister has said little about what he intends to do to reduce these costs. Has he ordered an inquiry into the prices and distribution of animal feeds? If not, why not "

DEPARTMENT OF AGRICULTURAL ECONOMICS AND MARKETING

No. R. 1089 25 May 1979

LEVIES ON CERTAIN DAIRY PRODUCTS

In terms of section 79 (a) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture, hereby make known that the Dairy Control Board, referred to in section 6 of the Dairy Control Scheme, published by Proclamation R. 290 of 1978, has, in terms of section 21 of that Scheme, with my approval imposed the levies set out in the Schedule hereto.

H. S. J. SCHOEMAN, Minister of Agriculture.

SCHEDULE

1. In this notice, unless inconsistent with the context, any word or expression to which a meaning has been assigned in the Dairy Control Scheme, published by Proclamation R. 290 of 1978, shall have a corresponding meaning.

DEPARTEMENT VAN LANDBOU-EKONOMIE EN -BEMARKING

No. R. 1089 25 Mei 1979

HEFFING OP SEKERE SUIWELPRODUKTE

Ingevolge artikel 79 (a) van die Bemarkingswet, 1968 (Wet 59 van 1968), maak ek, Hendrik Stephanus Johan Schoeman, Minister van Landbou, hierby bekend dat die Suiwelbeheerraad, genoem in artikel 6 van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, ingevolge artikel 21 van daardie Skema, met my goedkeuring die heffings in die Bylae hiervan uiteengesit, opgelê het.

H. S. J. SCHOEMAN, Minister van Landbou.

BYLAE

1. In hierdie kennisgewing, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, 'n betekenis geheg is 'n ooreenstemmende betekenis.

(3) Dairy

GG6460

2. The following levies are hereby imposed on milk powder and skim-milk powder which is imported into the Republic:

(a) Milk powder: 16c per kg;
(b) skim-milk powder: 32c per kg.

3. This notice shall come into operation on the date of publication thereof.

2. Die volgende heffing word hierby opgelê op melkpoeier en afgeroomde melkpoeier wat in die Republiek ingevoer word:

(a) Melkpoeier: 16c per kg;
(b) afgeroomde melkpoeier: 32c per kg.

3. Hierdie kennisgewing tree in werking op die datum van publikasie daarvan.

through a nek between two hills and then had to make a big detour round some dongas. We were then about five miles from N'Qutu and outspanned. It was about half past two and the oxen had been going all the time since six o'clock. We started off at four o'clock and got in about a quarter to seven. We learnt afterwards that those two niggers had put three Boers on our trail and fortunately they had taken the Nondweni road knowing the other road was impassable I expect. Some native scouts from N'Qutu had to turn back to avoid them.

·keting of dairy ducts slammed

29/5/79 N. M (3) Milk & dairy products

Mercury Reporter

THE dairy produce price hikes announced yesterday were deplored by supermarkets and described as "disastrous" by the Housewives' League of South Africa.

Mr. Alan Gardiner, Pick 'n Pay's chief in Natal was "taken aback" by the size of the increase in milk, butter and cheese and said the control of the marketing of those products "have been very badly mishandled".

Checkers' Natal regional manager, Mr. G. R. Gilzean, said: "We deplore these price increases and we feel free enterprise in the agricultural section would not allow this sort of thing. We will be selling our existing stocks at present prices as long as they last but naturally milk will have to go up immediately."

A vice-president of the Housewives' League of South Africa, Mrs. Jean Tatham, said the league was appalled by the lack of concern shown by the Government.

"The Government has allowed increases in fertiliser, maize and fuel which have pushed up the farmer's costs and now we are catapulted into an inflation spiral," she said.

Some of the "millions" from general sales tax should be used to keep basic foods at a realistic level.

"This increase has spelt the death knell of the dairy industry," said Mrs. Tatham.

Mr. Aubrey Muir, secretary of the Milk Producers' Union said the 3,5c given to the farmer would be "gratefully received" as it was considerably more than the 2,75c the minister had been asked for.

29/5/79 — 3 Milk & Dairy

S.A. stunned by dairy price hikes

JOHANNESBURG — Consumer spokesmen were shocked and horrified yesterday by the massive hike in the prices of milk, butter and cheese.

The increases were announced by the chairman of the Dairy Control Board, Mr. J. Van Vuuren, with the approval of the Minister of Agriculture, Mr. Hendrik Schoeman. They take effect from June 1.

The increases are:

Producers' prices: Butterfat 35c/kg., industrial milk 350c/100kg., fresh milk 3,5c/litre.

Consumers' prices: Butter 40c/kg., Cheddar cheese 48c/kg., Gouda cheese 52c/kg., fresh milk 5c/litre.

Uneconomical

In the statement Mr. van Vuuren says that production costs had increased to such an extent since the previous price adjustment, that the production of fresh and industrial milk had become uneconomical for producers.

Mr. Eugene Roelofse, ombudsman for the South African Council of Churches, said: "It is quite clear that the Government has abdicated in the face of strident demands by farmers who would like to have more money in the bank.

"It is equally clear that the Government doesn't give a fig for the problems of the consumer, who is expected to bear an increasing burden of higher costs."

Dr. Nthato Motlana the chairman of the Committee of Ten said he thought it a sad thing when the basic commodities that keep people healthy are being priced out of reach of those who need them most.

Stunned disbelief

The country's largest food retail companies reacted with stunned disbelief when they heard of the increases.

Comments from top management members of Checkers, Pick 'n Pay and OK Bazaars ranged from "ludicrous" and "shocking" to "unbelievable."

A director of OK Bazaars, Mr. Ralph Horwitz, said it was terribly unfortunate that the rises should have been announced at the present time.

National merchandise manager for Checkers, Mr. Harry Goldberg, described the increases as "ludicrously high" and said they were indicative of governmental and control board interference.

Mr. Raymond Ackerman, of Pick 'n Pay said he was "absolutely stunned and shocked" by the extent of the increases.

The leaders of the country's two biggest trade unions organisations, representing about 500 000 workers, claimed the Government had lost control of prices.

The president of the S. A. Confederation of Labour, Mr. Attie Nieuwoudt, said:

"Where is it all going to end? Day after day the price spiral spins faster. We are all getting poorer."

The general secretary of the Trade Union Council of South Africa, Mr. Arthur Grobbelaar, agreed it was the Whites and Blacks at the lower end of the income ladder who were suffering most.

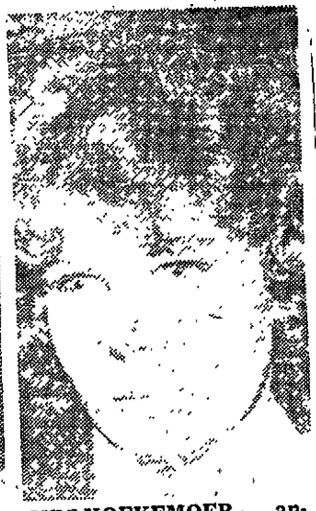
Mr. van Vuuren said in his statement that several producers had left the industry which had resulted in shortages of certain products, making it necessary to import. It was hoped that as a result of these price increases, producers would continue to produce and also increase their deliveries of fresh and industrial milk.

As was the case with producers, the cost of manufacturers and distributors of fresh milk had also increased and provision for this had to be made in the price adjustments. — (Sapa and Mercury Correspondents.)

MISS JACK . . . hard hit.

MRS COETZER . . . terrible.

MRS GAHLER . . . no end.



MRS KOEKEMOER . . . annoyed.

29/5/79 (3) Milk & dairy

Dairy price increases rock EL consumers

EAST LONDON — East London consumers pulled ugly faces when they heard about the drastic dairy increases that got the approval of the Minister of Agriculture, Mr Hendrik Schoeman, yesterday.

A snap survey by the Daily Dispatch revealed that while most consumers abhor rocketing prices of necessities they accept them as something they have no control over.

But many of the Eastern Cape's dairy farmers will welcome the increases and the president of Eastern Agricultural Union, Mr H. J. D. Matthews, was among them.

An irate Mrs Kate Koekemoer said: "What bugs me about the government is that when there is a surplus they put the price up."

She said she preferred butter to margarine. The price rise meant she would have to use more margarine, but she would continue using butter.

Miss Ethel Jack, an Mdantsane resident with four children, said she would find the increase hard-hitting as she buys two litres of milk a day and often uses cheese to feed her hungry family.

When a reporter announced the increases to Mrs Una Packery she said: "You've nearly taken my breath away. We knew the prices would go up, but not as much as that — and these are things that everybody needs."

Mrs Monica Coetzer said: "It's terrible. These are nutritious foods. It will really hit those people who are not well off."

A widow, Mrs Edna Gahler, said: "I just don't know what to say. There seems no end to it."

She said she used butter and would continue to use it but would watch how much she spent on it now that it was more than R1 for 500 g from Friday.

But Mr Matthews said the dairy price increases were enough to keep the dairy farmer afloat.

"In view of the costs involved in dairy farming an increase of some nature was inevitable. A lot of dairy farmers in this area have given up dairy farming because there is not enough in it," he said.

A dairy farmer himself, Mr Matthews said he hoped the increases would not bring about a drop in consumption.

The manager of the Model Dairy in East London, Mr Boet Rabie, said the increase in the milk price was "one hell of a wallop" to the housewife and there was sure to be consumer resistance and he expected consumption to drop.

"There have been tremendous price increases on the farms and the farmer is simply not making ends meet, so some sort of increase is essential," he said.

While there was a national shortage of milk there was only a slight shortage in this area. — DDR.

3 milk + dairy products

Shelves almost empty —and two weeks to wait

29/5/79 Star

Supermarket shelves are almost cleared of butter and there will be no more until imported supplies arrive in a fortnight.

Today some supermarkets accused suppliers of holding back after angry housewives phoned The Star and accused them of not putting butter on their shelves. But suppliers replied that they were short on supplies themselves.

Mr P E Roux, manager of the Dairy Control Board in Pretoria, said today butter was in very short supply and neither the Board nor suppliers was holding back supplies to supermarkets.

At Rand Cold Storage, one of the major suppliers of dairy products to supermarkets, there is no butter or cheese.

Mr A Sutherland, national sales manager for Sacca, another major supplier, said his company did not have large quantities of butter but had managed to continue supplying.

"A false demand has been created," he said.

Many stores are limiting butter sales.

Mr Michael Katzen, manager of Pick 'n Pay in Brixton, Johannesburg, said his store had a little butter as they had foreseen the shortage. They have not been getting their full orders of butter and cheese for the last two months, he said.

Mr C Gous, Transvaal buyer of perishable goods for Pick 'n Pay, said they had stored butter in their bulk warehouse and would hold the prices until their stocks dried up.

● The SA Milk Distributors Union has urged the public not to switch to artificial substitutes, because "it is not a bargain on two scores — health and price."

Milk, butter, cheese cost more

CAPE TOWN — The chairman of the Dairy Control Board, Mr J. van Vuuren, yesterday announced increases in the prices of dairy products.

The new prices, approved by the Minister of Agriculture, Mr Hendrik Schoeman, will be effective from Friday.

Consumer prices for butter will rise by 40c a kilogram, fresh milk by 5c a litre, cheddar cheese by 48c a kilogram and gouda cheese by 52c a kilogram.

The percentage increase for butter and milk will be 23 and 15 per cent respectively.

The prices to producers will rise by 3,5c a litre for fresh milk, 350c a 100 kg for industrial milk and 35c a kg for butterfat.

In a statement, Mr Van Vuuren said production costs had increased to such an extent since the previous price adjustment that the production of fresh and industrial milk had become uneconomical for producers.

Several producers had left the industry which had resulted in shortages of certain products, making it necessary to import. It was hoped that as a result of these price increases, producers would continue to produce and also increase their deliveries of fresh and industrial milk. — SAPA.

Milk & Dairy Products (3)

29/5/79 DS (244)

Anger at dairy price hikes

JOHANNESBURG — Reaction to the latest wave of increases in the prices of dairy products ranged from anger to disbelief.

The managing director of Pick 'n Pay, Mr Raymond Ackerman, said he was "absolutely stunned and shocked" by the extent of the increases.

A director of OK Bazaars, Mr Ralph Horwitz, said it was terribly unfortunate that the rises should have been announced at the present time.

"We knew something was imminent and that there would have to be some incentive to persuade farmers to go back into dairy. But if the market had been played fair and square there would have been no need for this."

The national merchandise manager for Checkers, Mr Harry Goldberg, described the increases as "ludicrously high" and said they were indicative of governmental and control board interference.

Mr Eugene Roelofse, ombudsman for the South African Council of Churches, said: "It is quite clear that the government had abdicated in the face of strident demands by farmers who would like to have more money in the bank.

"It is equally clear that the government doesn't give a fig for the problems of the consumer who is expected to bear an increasing burden of higher costs."

The president of the SA Confederation of Labour, Mr Attie Nieuwoudt, said: "Where is it all going to end? Day after day the price spiral spins faster. We are all getting poorer."

It was the poorer worker, Mr Nieuwoudt stressed, who was hardest hit. The decline in living standards had become critical, and the drift of thousands of families into poverty had to be stopped.

The general secretary of the Trade Union Council of South Africa, Mr Arthur Grobbelaar, agreed it was the whites and blacks at the lower end of the income ladder who were suffering most.

"In a country with so vast an unemployment problem it is dangerous to allow the prices of basic foods to escalate at the current rate."

The only defence the poorer section had was to buy less food. They had no other alternative. This, Mr Grobbelaar said, would undermine national health standards.

"The government seems powerless to stop this price rise merry-go-round," he added.

"I am furious, how dare they," said Mrs Evonne Foreshaw, the vice-president of the Housewives' League.

"I believe that the only people who can afford this increase are the farmers themselves. We can blame it on the recent 22 per cent increase in the price of maize which I was distressed and horrified to hear the Minister granted to farmers. Now, it's dairy produce, what next?"

Mr Rupert Lorimer, the Progressive Federal Party's spokesman on agriculture, described the increases as "unbelievable."

He said it was the result of "years of bungled marketing" by the Dairy Control Board.

Dr Nthato Motlana, chairman of the Soweto committee of 10, said he thought it a sad thing when the basic commodites that kept people healthy were being priced out of reach of those who needed them most. — DDC-SAPA.

East Londoners react, page 17.

Spree empties shelves of dairy products

Star 30/5/79

3 Milk & Dairy Products

The spending spree by housewives intent on stocking up dairy products has left many supermarkets with shelves empty of butter, milk and cheese — and new stocks will only become available once the increased price is in force.

Both suppliers and supermarkets have denied holding back butter at the old price.

M P E Roux, manager of the Diary Products Control Board, has explained that butter is in very short supply, and the situation will improve only once imported stocks arrive in a week to a fortnight.

Supermarkets have promised to give consumers the benefit of the old price for as long as their existing stocks last, but some spokesmen doubt whether these will hold out to Friday.

The Consumer Council has warned consumers against stocking up milk coupons in a bid to avoid paying an extra five cents a litre from Friday.

Council director Mr Johan Verheem explained the coupon is a token for a dairy to deliver a litre of milk at the ruling price.

"Consumers who get a large supply of old coupons will not save any money," he said.

A call on the Government to increase subsidies for basic foodstuffs, letting people share in the current gold bonanza, has been made by Mr Harry Schwarz, Opposition spokesman on finance.

"The hardship which is being caused to the lower-income groups by the spate of current price increases is real," said Mr Schwarz.

He said the Government did not seem to appreciate the difficulty which was being created by the increases in Government-administered prices.

● The producer will get only 3,5c of the fresh milk price rise of 5c a litre, an amount which will not cover the increase in his costs, says the South African Agricultural Union.

In the Reef area the producer price for fresh milk is 19,615c a litre and this has now been increased to 23,115c, says the SAAU.

Most consumers will be paying 36c a litre for milk delivered to their homes, and even less if they buy it from milk depots or supermarkets.

30/5/79 DD
3 Dairy Products

No rush for dairy products

EAST LONDON — Local shoppers have shown very little reaction to the dairy price increase announced on Monday.

The manager of a local supermarket, Mr Alan Felmore, said he had noticed very little increase in dairy sales yesterday, apart from the usual increase at the end of the month.

"But it was nothing like what happened two years ago when there was a margarine price increase," he said.

"We haven't had people buying cases of butter or things like that, but like last time we had a dairy price increase, things have not changed radically."

The manager of another supermarket, Mr V. Mitchell, said there had been a slight increase in cheese and butter sales, but this was to be expected at the end of the month.

"There has been no panic buying yet, just the usual slight increase in dairy sales," he said.

Both managers reassured shoppers that there would be no restrictions on how much they could buy.

Meanwhile, labour and political leaders yesterday urged the government to use some of its huge tax earnings from the continued high gold price to subsidise basic foods.

They see this not only as a humane way to relieve the spread of hunger in the townships, but as an investment in stability, particularly in the urban areas.

The Progressive Federal Party's financial spokesman, Mr Harry Schwarz, said only a modest part of the gold bonanza would be sufficient to hold the price of mealie meal, bread, milk and other essential foods at a reasonable level.

The President of the SA Confederation of Labour, Mr Attie Nieuwoudt, said he was appalled at the rate and degree of recent price rises in essential foods and commodities.

"Where is it all going to end? The authorities seem to have lost control of price. Virtually every day there is an announcement about a new price rise."

The general secretary of the Trade Union Council of South Africa, Mr Arthur Grobbelaar, said the only defence the poor had against rising prices was to buy less food.

This meant hunger, and hunger meant the undermining of health standards and a background favourable to unrest.

In Cape Town, a spokesman for the SA Milk Distributors' Union said consumers thinking of switching from milk to artificial substitutes because of the price increases in dairy products should make sure they know exactly what they are buying.

"Replacing milk, universally accepted as one of the most important sources of proteins and vitamins, with synthetic substitutes is not a bargain on two scores — health and price.

Buying 125 g of artificial creamer and making a liquid substitute will give the consumer less than a third of a litre, and will cost 35c.

"Compare that with a litre of milk, delivered fresh, on the consumer's doorstep, for 35c." — DDR-DDC.

Old tokens good in EL

EAST LONDON — Milk coupons bought in East London before the Friday deadline when the price of a litre goes up by 5c will still be valid after Friday.

The manager of Model Dairy here, Mr Boet Rabie, said yesterday his firm would honour the old blue coupons "as long as the Model Dairy stands."

They represented the purchase price of a litre of milk, he said, and it would not be necessary to put an extra 5c with the coupon after the price had gone up as an SABC news item indicated yesterday.

But it appears this arrangement will apply only in East London.

Yesterday the Consumer Council said consumers using old coupons will not save any money.

"They will merely be giving themselves the extra trouble of adding 5c in cash to each coupon to get their milk delivered," said Mr Johann Verheem, director of the council, in Pretoria.

The council advised consumers not to try to stock up with old coupons in order to save.

But in East London, Mr Boet Rabie of Model Dairy said he had no objection to people buying the old blue discs, which were still freely available in shops yesterday.

They should ensure, however, that they paid the correct price — R6,05 plus sales tax — and not the price at which the new red coupons would be selling — R7,05 plus sales tax. — DDR-DDC.

EDITORIAL OPINION

20/5/79 3 Milk & Dairy Products

Dairy Board bungling

The enormous increases in the costs of dairy products is a shocking indictment of the government's contempt for the man and woman in the street.

They are also an example of bungling bureaucracy at its worst.

For far from bringing relief to dairy farmers, which is the intention of the price hikes, it is likely to have the reverse effect.

There will be fierce consumer resistance to having to pay an extra five cents a litre for milk, an extra 40 cents a kilogram for butter, and up to 52 cents a kg for cheese, and this alone will push down the demand for these products.

But, moreover, the staggering additional costs will put them beyond the purse of the bulk of the population, the poorer sections of the community and the pensioners.

We have every sympathy with the dairy farmers who have been hard hit by the 22 per cent increase in the price of maize.

We will have just as much sympathy with them when, as a result of the government action, they may find themselves worse off than they were before.

Much of the blame for the present situation can be levelled at bungling by the Dairy Board which because of its lack of real control of the industry finds itself with a mountain of surplus butter and cheese at one stage of the year, and at the next has to resort to imports because of the acute shortage of the products.

If the board were run as a private enterprise its lack of foresight and planning would quickly put it out of business.

The Minister of Agriculture, Mr Schoeman, told Parliament recently that the 22 boards established under the Marketing Act cost the taxpayer the staggering sum of R21,8 million to maintain last year.

These range from R4,45 million for the Citrus Board down to R35 473 for the Lucerne Seed Control Board.

Six boards controlling basic essentials of life like potatoes, eggs, milk, maize, meat and dairy products cost R8,7 million to maintain.

This is creeping socialism which the country can ill-afford, and controls which the country could well do without.

MR SCHOEMAN

R9,4m milk import

3 milk-related articles
BD 30/3/79

THE ASSEMBLY — South Africa will import R9,4 million worth of powdered milk during 1979, the Minister of Agriculture, Mr Hendrik Schoeman said yesterday.

Replying to a question tabled by Mr Rupert Lorimer (PFP, Orange Grove), the Minister said approximately 8 600 tons of powdered milk would be imported this year.

The reason was that "the production of industrial milk is insufficient for the manufacture of all kinds of industrial milk products, such as cheese and milk powder. The available industrial milk is for economic reasons mainly diverted to cheese factories".

In reply to another question, tabled by Mr Nigel Wood (NRP, Berea), Mr Schoeman said 834 012 kg of cheese, valued at R1 628 011, had been imported into South Africa during 1978.

(News by Barry Streek, Press Gallery, House of Assembly, Cape Town).

Stores say they are not exploiting dairy crisis

(3) Dairy Products 30/5/79.

By LIZ McGREGOR

SUPERMARKET CHIEFS yesterday denied that they had removed cheese and butter from shelves to re-mark them under the new price on June 1.

They were reacting to widespread rumours following the shock increase in the price of dairy products announced this week. The price of butter will go up by 40c a kilogram, cheddar cheese by 48c a kilogram, sweetmilk cheese by 52c and milk by 5c a litre.

Mr Norman Leibow, the senior buyer for Pick 'n Pay, said last night that many people had been saying that they'd been holding back stocks to cash in on the new prices.

"This is not true — it's just that we have not been able to cope with the rush of people trying to buy up stocks before the price increase comes into effect."

The area merchandising manager for Checkers, Mr Mike Allen, said that his firm would sell off all old stock at the old prices.

The chairman of the Cape Town branch of the Housewives' League, Mrs Peggy Borckenhagen, said that milk was an essential food with a high proportion of protein.

"A lot of people, particularly blacks and lower-income whites, will now be deprived of this very necessary food."

She said that although the league was not calling for a boycott of these products, they advised consumers to buy only what was essential for immediate consumption.

The chairman of the Cape Fresh Milk Producers' Union, Mr Tolas de Villiers, said farmers felt that the price increases were not exhorbitant when one considered farmers had recently had to absorb, including a 22,7 percent increase in the price of maize.

The Minster of Agriculture, Mr Hendrik Schoeman, said yesterday in a written reply to a question from Progressive Reform Party member for Sandton, Mr Rupert Lorimer, that South Africa will import 8 600 tons of powdered milk this year at a cost of R9 380 000.

He said that the production of industrial milk was not sufficient for the manufacture of all kinds of milk products.

The director of the Consumer Council, Mr Johann Verheem, advised consumers not to stock up with milk coupons in an attempt to avoid paying the extra 5c a litre from June 1.

"They will merely be giving themselves the extra trouble of adding 5c in cash to each coupon to get their milk delivered because the coupon is just a token for a dairy to deliver a litre of milk at the ruling price."

Mr H Bryant of Kupugani suggested soya milk as a high protein alternative to cows' milk. He said that a 500 gram packet of soya beans, costing 24c, would produce a litre of milk when minced.

Both the Housewives League and the South African Milk Distributors' Union have warned consumers not to switch from milk to artificial substitutes in reaction to the increase in the price of milk as the artificial product has very little nutritional value.

In a statement issued yesterday, the union said artificial creamer provides 270 percent less protein and 250 percent more fat and carbohydrate. Recent research showed that the artificial product contains a higher proportion of harmful fats than does light dairy cream.

Manufacturers of the artificial creamers could not be reached for comment.

(3) agricultural NM. 30/5/79.

Butter profit rip-off

Sandi Hudson

RETAILERS stand to make massive profits when the dairy product increases come into effect next month, because there is no way of stopping them from increasing the price of old stock.

This is one of many shocks for consumers following the announcement by the chairman of the Dairy Control Board, Mr. J. van Vuuren, of the price rises to come into effect on June 1.

However, the increases in the price of fresh milk will not take effect in Natal until June 8 and not, as earlier stated, on June 1, the Durban Milk Association announced yesterday.

Spokesmen for Durban suppliers said they were "scraping the bottom of the barrel" to get butter and cheese because their coldrooms were empty.

Mr. P. J. Black, the dairy manager of Sacca, the South African Co-operative Creamery Association, said they were completely out of stock. Retailers and consumers had anticipated the price increases and stocks had been dwindling.

The manager of Federated Meats, Mr. J. O. D. Clifford, said the situation was desperate. They had no stock left and did not they know when new stocks were coming in.

Mr. A. Selinsky, manager of the Durban North Hypermarket, said they had sufficient stocks of cheese but only enough butter to last them a day. Yesterday they were having to restrict customers to only 2kg of butter each.

Mr. W. Melville of the Spar organisation said they had enough stocks to keep them going.

Commenting on the cheese increase, he said initially there would be resistance and consumers would not buy but it would tail off "and people would become immune to the new prices".

However, the Milk Distributors' Union has warned against replacing milk with synthetic substances.

"Milk is universally accepted as one of the most important sources of protein and vitamins. As far as food value related to cost goes, milk is cheap. Research has shown that artificial poducts contain a higher proportion of harmful fats than light dairy cream," said Mr. Lloyd Whitfield, a spokesman for the union.

Meanwhile, a spokesman for the Dairy Control Board in Pretoria said the consumer could expect to pay exactly the same price for imported cheese and butter as he did for local products, because price differences between local and imported products would be equalised.

No. R. 1138 1 June 1979

SPECIAL LEVIES ON CERTAIN DAIRY PRODUCTS.—AMENDMENT

In terms of section 79 (a) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture, hereby make known that the Dairy Control Board, referred to in section 6 of the Dairy Control Scheme, published by Proclamation R. 290 of 1978, has in terms of section 22 of that Scheme with my approval, further amended the special levies, published by Government Notice R. 2036 of 29 October 1976, as amended, as set out in the Schedule hereto.

H. S. J. SCHOEMAN, Minister of Agriculture.

SCHEDULE

1. The Schedule, to Government Notice R. 2036 of 29 October 1976, as amended, is hereby further amended by the substitution for clause 6 of the following clause:

"6. A special levy at the following rates is hereby imposed on the following dairy products:

(a) A special levy of 5,0c per kg on factory cheese of the Gouda type.

(b) A special levy of 4,4c per kg on factory cheese other than the Cheddar or Gouda type.

(c) A special levy of 1,8c per kg on condensed milk, including unsweetened condensed milk.

(d) A special levy of 1,4c per kg on condensed skim-milk.

(e) A special levy of 6,1c per kg on milk powder.

(f) A special levy of 4,4c per kg on skim-milk powder.".

2. This notice shall come into operation on the date of publication thereof.

No. R. 1139 1 June 1979

PRICES OF CERTAIN DAIRY PRODUCTS AND MINIMUM TRANSPORT RATES

In terms of section 79 (b) of the Marketing Act, 1968 (Act 59 of 1968), as amended, I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture, hereby make known that the Dairy Control Board, referred to in section 6 of the Dairy Control Scheme, published by Proclamation R. 290 of 1978, has, in terms of sections 34 and 35 of that Scheme, with my approval imposed

No. R. 1138 1 Junie 1979

SPESIALE HEFFING OP SEKERE SUIWEL-PRODUKTE.—WYSIGING

Ingevolge artikel 79 (a) van die Bemarkingswet, 1968 (Wet 59 van 1968), maak ek, Hendrik Stephanus Johan Schoeman, Minister van Landbou hierby bekend dat die Suiwelbeheerraad, genoem in artikel 6 van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, ingevolge artikel 22 van daardie Skema, met my goedkeuring die spesiale heffings, afgekondig by Goewermentskennisgewing R. 2036 van 29 Oktober 1976, soos gewysig, verder gewysig het soos in die Bylae hiervan uiteengesit.

H. S. J. SCHOEMAN, Minister van Landbou.

BYLAE

1. Die Bylae van Goewermentskennisgewing R. 2036 van 29 Oktober 1976, soos gewysig, word hierby verder gewysig deur klousule 6 deur die volgende klousule te vervang:

"6. 'n Spesiale heffing teen die volgende tariewe word hierby opgelê op die volgende suiwelprodukte:

(a) 'n Spesiale heffing van 5,0c per kg op fabrieks-kaas van die Goudatipe.

(b) 'n Spesiale heffing van 4,4c per kg op fabrieks-kaas van 'n ander tipe as die Cheddar- of Goudatipe.

(c) 'n Spesiale heffing van 1,8c per kg op kondens-melk, insluitende onversoete kondensmelk.

(d) 'n Spesiale heffing van 1,4c per kg op gekondenseerde afgeroomde melk.

(e) 'n Spesiale heffing van 6,1c per kg op melkpoeier.

(f) 'n Spesiale heffing van 4,4c per kg op afgeroomde-melkpoeier.".

2. Hierdie kennisgewing tree in werking op die datum van publikasie daarvan.

No. R. 1139 1 Junie 1979

PRYSE VAN SEKERE SUIWELPRODUKTE EN MINIMUM VERVOERTARIEWE

Ingevolge artikel 79 (b) van die Bemarkingswet, 1968 (Wet 59 van 1968), soos gewysig, maak ek, Hendrik Stephanus Johan Schoeman, Minister van Landbou, hierby bekend dat die Suiwelbeheerraad, genoem in artikel 6 van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, kragtens artikels 34 en 35 van daardie Skema, met my goedkeuring die verbodsbepalings in die Bylae hiervan uiteengesit, opgelê

(3) Dairy GG 6467

the prohibitions set out in the Schedule hereto, in substitution for the prohibitions published by Government Notice R. 1097 of 26 May 1978, as amended.

H. S. J. SCHOEMAN, Minister of Agriculture.

SCHEDULE

1. In this notice, unless inconsistent with the context, any word or expression to which a meaning has been assigned in the Dairy Control Scheme, published by Proclamation R. 290 of 1978, shall have a corresponding meaning, and—

"grade" means a grade prescribed by regulation under section 29 of the Dairy Industry Act, 1961 (Act 30 of 1961).

PRICES OF CREAM AND INDUSTRIAL MILK

2. (1) No butter manufacturer shall acquire cream of the grade indicated hereunder otherwise than at prices other than those specified below:

Grade	*Price per kg butterfat in the cream*
	c
First	220
Second	214
Third	208

(2) No cheese manufacturer or condensed milk manufacturer shall acquire industrial milk at a price other than 1 500c per 100 kg of such milk containing 3,5 per cent butterfat:

Provided—

(a) that such price shall be reduced or increased by 19c per 100 kg of industrial milk for every 0,1 per cent butterfat such milk contains below or above 3,5 per cent butterfat respectively; and

(b) that the prohibition under this subclause shall not apply to the sale of industrial milk to a Government controlled educational institution.

(3) The butter manufacturer, cheese manufacturer or condensed milk manufacturer acquiring cream, and industrial milk, as the case may be, shall deduct from the prices fixed in subclauses (1) and (2) the actual railage and/or road transport service charges incurred from the place where such cream or milk is produced or from the premises of the person from whom such cream or milk is acquired, as the case may be, to the said manufacturer's premises which are registered as a creamery, cheese factory, condensed milk factory, milk powder factory or skim-milk powder factory, in terms of section 3 of the Dairy Industry Act, 1961 (Act 30 of 1961), as amended, or in respect of which the said manufacturer is registered as a producer of creamery butter, factory cheese, condensed milk, condensed skim-milk, milk powder or skim-milk powder in terms of section 33 of the Dairy Control Scheme published by Proclamation R. 290 of 1978, but where such cream or milk is not transported by railway and/or road transport service, the said manufacturer shall deduct from the prices fixed in subclauses (1) and (2) the transport costs, incurred by him in connection with the transport of such cream or milk by any other method from the place where such cream or milk is produced or from the premises of the person from whom such cream or milk

het ter vervanging van die verbodsbepalings afgekondig by Goewermentskennisgewing R. 1097 van 26 Mei 1978, soos gewysig.

H. S. J. SCHOEMAN, Minister van Landbou.

BYLAE

1. In hierdie kennisgewing, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, 'n betekenis geheg is, 'n ooreenstemmende betekenis, en beteken—

"graad" 'n graad voorgeskryf by regulasie kragtens artikel 29 van die Wet op die Suiwelnywerheid, 1961 (Wet 30 van 1961).

PRYSE VAN NYWERHEIDSMELK EN ROOM

2. (1) Geen bottervervaardiger mag room van die graad aangedui, verkry nie behalwe teen die pryse hieronder vermeld:

Graad	*Prys per kg bottervet in die room*
	c
Eerste	220
Tweede	214
Derde	208

(2) Geen kaas- of kondensmelkvervaardiger mag nywerheidsmelk verkry nie teen 'n ander prys as 1 500c per 100 kg van sodanige melk wat 3,5 persent bottervet bevat:

Met dien verstande—

(a) dat sodanige prys met 19c per 100 kg nywerheidsmelk verminder of vermeerder moet word vir iedere 0,1 persent bottervet wat sodanige melk onderskeidelik minder of meer as 3,5 persent bottervet bevat; en

(b) dat die verbod ingevolge hierdie subklousule nie op die verkoop van nywerheidsmelk aan 'n staatsbeheerde opvoedkundige inrigting, van toepassing is nie.

(3) Die botter-, kaas- of kondensmelkvervaardiger wat room of nywerheidsmelk, na die geval, verkry, moet die werklike spoorvrag en/of padvervoerdienskoste vanaf die plek waar daardie room of melk geproduseer word of vanaf die persele van die persoon van wie daardie room of melk verkry is, na die geval, na die genoemde vervaardiger se persele wat kragtens artikel 3 van die Wet op die Suiwelnywerheid, 1961 (Wet 30 van 1961), soos gewysig, as 'n botterfabriek, kaasfabriek, kondensmelkfabriek, melkpoeierfabriek of afgeroomdemelkpoeierfabriek, geregistreer is, of ten opsigte waarvan die koper kragtens artikel 33 van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, as 'n produsent van fabrieksbotter, fabrieks-kaas, kondensmelk, gekondenseerde afgeroomde melk, melkpoeier of afgeroomdemelkpoeier geregistreer is, aftrek van die pryse vasgestel in subklousules (1) en (2) maar waar sodanige room of melk nie deur die spoorweg- en/of padvervoerdiens vervoer word nie, moet genoemde vervaardiger die vervoerkoste wat deur hom aangegaan word in verband met die vervoer van sodanige room of melk op enige ander wyse vanaf die plek waar sodanige room en melk geproduseer word of vanaf die persele van die persoon van wie daardie room of melk verkry is, na die geval, na die vervaardiger se persele hierbo genoem, langs die kortste roete, aftrek

is acquired, as the case may be, to the said manufacturer's premises as set out above, by the nearest route: Provided that such transport costs shall be charged at a rate not less than that fixed below for the distance indicated:

Distance	*Minimum transport rate per 100 kg*
	c
0–8 km	72
8,1–16 km	113
16,1–24 km	146
24,1–32 km	165
32,1–40 km	180
40,1–48 km	192
Over 48 km	201

BUTTER PRICES

3. No person shall sell creamery butter of the grade indicated hereunder and packed in the unit of weight concerned or portion thereof at prices above the maximum prices specified hereunder:

Grade	*Maximum selling price per kg*
	c
Choice	224
Table	218
Household	212

Provided—

(a) that creamery butter bearing the registered trade mark "Erica" and packed by the manufacturer thereof in packets containing 50 gram and 100 gram net of such butter, shall not be sold at a price above 12c and 23c per packet respectively; and

(b) that the maximum selling prices shall not apply to creamery butter packed in packages each containing not more than 25 gram net of such butter.

CHEESE PRICES

4. No person shall sell factory cheese—

(1) of the Cheddar type and the grade indicated hereunder at prices above the maximum prices fixed hereunder:

Grade	*Maximum selling price per kg*
	c
First	248
Second	238
Third	228

(2) of the Gouda type and the grade indicated at prices above the maximum prices fixed hereunder:

Grade	*Maximum selling price per kg*
	c
First	253
Second	243

5. The maximum selling prices fixed in clause 4 shall not apply to factory cheese—

(a) packed by a cheese manufacturer, process cheese manufacturer or agent of the Dairy Control Board in consumer size packets which are heat sealed and each of which bears the name and address of the packer, the grade of the cheese contained therein and a recognised brand name clearly printed on the wrapper or on a label attached to the packet;

van die pryse vasgestel in subklousules (1) en (2): Met dien verstande dat sodanige vervoerkoste gevorder moet word teen 'n tarief wat nie minder mag wees nie as dié hieronder vasgestel vir die afstande daarteenoor vermeld:

Afstand	*Minimum vervoertarief per 100 kg*
	c
0–8 km	72
8,1–16 km	113
16,1–24 km	146
24,1–32 km	165
32,1–40 km	180
40,1–48 km	192
Bo 48 km	201

BOTTERPRYSE

3. Niemand mag fabrieksbotter van die graad hieronder aangedui en verpak in die betrokke gewigseenheid of gedeelte daarvan teen hoër pryse as die maksimum pryse hieronder vermeld, verkoop nie:

Graad	*Maksimum verkoopprys per kg*
	c
Keur	224
Tafel	218
Huis	212

Met dien verstande—

(a) dat fabrieksbotter wat deur die vervaardiger daarvan onder die geregistreerde handelsmerk "Erica" verpak is in pakkies wat 50 gram en 100 gram netto van sodanige botter bevat nie teen 'n hoër prys as onderskeidelik 12c en 23c per pakkie verkoop mag word nie; en

(b) dat die maksimum verkoopprys nie van toepassing is nie op fabrieksbotter verpak in pakkies wat elk hoogstens 25 gram netto van sodanige botter bevat.

KAASPRYSE

4. Niemand mag fabriekskaas—

(1) van die Cheddartipe en die graad hieronder aangedui teen hoër pryse as die maksimum pryse hieronder vasgestel, verkoop nie:

Graad	*Maksimum verkoopprys per kg*
	c
Eerste	248
Tweede	238
Derde	228

(2) van die Goudatipe en die graad hieronder aangedui teen hoër pryse as die maksimum pryse hieronder vasgestel, verkoop nie:

Graad	*Maksimum verkoopprys per kg*
	c
Eerste	253
Tweede	243

5. Die maksimum verkoopprys vasgestel in klousule 4 is nie van toepassing nie op fabriekskaas—

(a) verpak deur 'n kaasvervaardiger, proseskaasvervaardiger, of agent van die Suiwelbeheerraad in pakkies van huishoudelike grootte wat hitteverseël is en op elk waarvan die naam en die adres van die verpakker, die graad van die kaas en 'n erkende handelsnaam—òf op die omslag van, òf op 'n etiket aangeheg aan die pakkie—duidelik aangetoon word;

(b) which is sold as whole, uncut and, in the case of Cheddar cheese, weighs not more than 5 kg and, in the case of Gouda cheese, weighs not more than 1 kg; and

(c) of the Cheddar type, graded as specially matured and covered with a red wax.

6. The prices fixed in clauses 3 and 4 apply in respect of the sale of butter or cheese delivered at the premises of the purchaser, and no charge shall be made in respect of the transport costs, except in the case of butter or cheese delivered by the transport services of the South African Railways and Harbours, when the actual cost of transporting such butter or cheese, be it by rail or road, from the creamery or cheese factory concerned or premises of an agent of the Dairy Control Board, as the case may be, to the premises of the buyer, may be added to the fixed price and may be calculated to the nearest ½c per kg greater than such cost.

7. This Notice shall come into operation on 1 June 1979 and repeals Government Notice R. 1097 of 26 May 1978, with effect from the same date.

No. R. 1140 1 June 1979

DAIRY CONTROL SCHEME

PRICES OF FRESH MILK

In terms of section 79 (b) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture, hereby make known that the Dairy Control Board, referred to in section 6 of the Dairy Control Scheme, published by Proclamation R. 290 of 1978, has in terms of section 34 of that Scheme, with my approval, fixed the prices of fresh milk as set out in the Schedule hereto in substitution of the prices published by Government Notice R. 1085 of 26 May 1978.

H. S. J. SCHOEMAN, Minister of Agriculture.

SCHEDULE

1. In this notice, unless inconsistent with the context, any word or expression to which a meaning has been assigned in the Dairy Control Scheme, published by Proclamation R. 290 of 1978, shall have a corresponding meaning.

2. No distributor or producer-distributor shall acquire fresh milk intended for sale in the controlled areas mentioned below, from a producer of fresh milk at a price other than a price in respect of the area in question, fixed hereunder:

Controlled area	*Price per litre for fresh milk*
	c
(a) Pretoria	23,215
(b) Witwatersrand	23,115
(c) Cape Peninsula	22,515
(d) Bloemfontein	22,215
(e) Western Transvaal	23,005

3. This Notice shall come into operation on 1 June 1979 and repeals Government Notice R. 1085 of 26 May 1978 with effect from the same date.

(b) wat heel ongesny verkoop word en in die geval van Cheddarkaas nie meer as 5 kg weeg en in die geval van Goudakaas nie meer as 1 kg weeg nie; en

(c) van die Cheddartipe wat as spesiaal beleë gegradeer en met 'n rooi waslaag bedek is.

6. Die prys wat in klousules 3 en 4 vasgestel word, is van toepassing op die verkoop van botter of kaas wat op die perseel van die koper afgelewer word, en geen betaling mag ten opsigte van vervoerkoste geëis word nie, uitgesonderd in die geval van botter en kaas wat deur die vervoerdienste van die Suid-Afrikaanse Spoorweë en Hawens afgelewer word wanneer die werklike koste van die vervoer, hetsy per spoor of per pad, van sodanige botter of kaas vanaf die betrokke botter- of kaasfabriek of persele van 'n agent van die Suiwelbeheerraad, al na die geval, na die perseel van die koper, bygevoeg kan word by die vasgestelde prys en dit bereken kan word tot die naaste ½c per kg bo daardie koste.

7. Hierdie Kennisgewing tree in werking op 1 Junie 1979 en herroep Goewermentskennisgewing R. 1097 van 26 Mei 1978, soos gewysig, met ingang vanaf dieselfde datum.

No. R. 1140 1 Junie 1979

SUIWELBEHEERSKEMA

PRYSE VAN VARSMELK

Kragtens artikel 79 (b) van die Bemarkingswet, 1968 (Wet 59 van 1968), maak ek, Hendrik Stephanus Johan Schoeman, Minister van Landbou, hierby bekend dat die Suiwelbeheerraad, genoem in artikel 6 van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, kragtens artikel 34 van daardie Skema, met my goedkeuring, die pryse van varsmelk in die Bylae hiervan uiteengesit, vasgestel het ter vervanging van die pryse afgekondig by Goewermentskennisgewing R. 1085 van 26 Mei 1978.

H. S. J. SCHOEMAN, Minister van Landbou.

BYLAE

1. In hierdie kennisgewing, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, 'n betekenis geheg is, 'n ooreenstemmende betekenis.

2. Geen distribueerder of produsent-distribueerder mag varsmelk wat bestem is vir verkoop in die onderstaande beheerde gebiede, van 'n produsent van varsmelk verkry nie teen 'n ander prys as 'n prys ten opsigte van die betrokke gebied soos hieronder vasgestel:

Beheerde gebied	*Prys per liter vir vars melk*
	c
(a) Pretoria	23,215
(b) Witwatersrand	23,115
(c) Kaapse Skiereiland	22,515
(d) Bloemfontein	22,215
(e) Wes-Transvaal	23,005

3. Hierdie Kennisgewing tree in werking op 1 Junie 1979 en herroep Goewermentskennisgewing R. 1085 van 26 Mei 1978 met ingang vanaf dieselfde datum.

1-6-79 3 milk.

Electric milk delivery vans for East London

DAVID DENISON Daily Dispatch Business Editor

BOET RABIE . . . "spooky watching them drive around."

EAST LONDON — Model Dairy, which delivers milk to 10 000 homes in East London daily, is to invest R225 000 in electric milk delivery vans.

Initially six vans — or electric prams as they are called in the milk trade — are being assembled in Cape Town and are scheduled for delivery to East London at the end of June.

An intensive in-house training programme to teach drivers how to handle the prams will be conducted during July and Model hopes to start electric milk deliveries from August 1.

The marketing manager of the Model Dairy in East London, "Marathon Man" Boet Rabie, the company executive behind the move to switch to electric pram deliveries, is very excited about the innovation coming to East London.

He spent a week's familiarisation visit to a leading Cape Town dairy who use the vehicles and said of them: "They are so quiet it's uncanny; so silent it's actually quite spooky watching them drive around."

Model will use identical vehicles to those used by the Cape Town company, who build their own bodies on a Toyota Toyapet chassis and are building the six prams for the Model Dairy.

The prams use one huge 72-volt battery. It weighs 1,4 metric tons (1,5 imperial tons or 3 000lbs) and has 36 cells. Each cell is 15cm sq and about 50cm (20 inches) deep.

The pram costs R8 000 and the battery R4 000 and each pram has its own battery charger. Each charger costs a further R1 000.

The prams have an 80-km, eight-hour range and must then be charged for 12 hours. Battery life expectancy is four years, but with careful maintenance that can be doubled.

The life expectancy of the prams is 15 years and upwards.

The six prams will do the same work as two of Model's present big delivery trucks and it is planned to phase out some of the costly trucks as more prams are acquired. Model presently run a fleet of 87 trucks.

The six prams will cover six areas in the northern suburbs presently divided into 25 pushcart areas. A pram staff of 15 will do the work presently done by 25 pushcart men.

Mr Rabie said the introduction of the prams would undoubtedly mean some retrenchment, though the company was loathe to lay off staff and would strive to place as many redundant pushcart staff in other areas of the factory as possible.

and buttermilk as the prams are equipped with a refrigerated box.

"All the housewife will need to do is pop a note in her milkbottle that she wants fruit juice or whatever and, hey presto, she'll get instant delivery."

Mr Rabie also revealed it was Brian Lochore's All Blacks, who started their 1972 tour of South Africa with a week's shakedown in East London, who got

The electric delivery vans Model Dairy are to introduce in East London are identical to this one, except they will be "dressed" in Model Dairy livery.

The prams can carry a maximum 100 milk crates compared with a pushcart's eight crates.

They have a maximum speed of 30km/h downhill and 20km/h in normal traffic and level road conditions.

In the words of Mr Rabie: "It can do anything a car can do."

Initially the service will be introduced in Cambridge, Vincent, Berea, Nahoon and Stirling, but later it is planned to extend the service to the whole of East London.

It was unfortunate that many of the pushcart staff were old or illiterate and not qualified to take the necessary licence to drive the prams.

He emphasised the prams would improve the quality of work and the quality of life of milk deliverymen, apart from improving Model Dairy's image through the switch from grubby handcarts to smart new prams.

He added: "The advent of the prams will also enable us to carry our full range of by-products like fruit juice, cream, yoghurt

him thinking about replacing pushcarts.

Some of the New Zealanders were amazed to find daily milk supplies to their East London hotel were still coming by pushcart.

He added, however, the familiar red and white pushcarts would not disappear entirely from the East London scene. They will still be used in Oxford St and heavy flat density areas where it is easier to park a pushcart and deliver to flats and offices than leave a R15 000 pram standing idle, a step which is uneconomical.

Mr Burnett and milk bottle opener.

... and a new way to top it off

EAST LONDON — On the premise that it's always the simplest ideas which are the best inventions, East Londoner Terry Burnett hopes to "milk" South African housewives of about 60c each.

He has designed and patented a simple, inexpensive and functional gadget that uncaps milk bottles neatly and cleanly.

No more messy, dirty thumbs stuck into milk bottle tops trying to remove the aluminium foil — or spraying milk around the kitchen.

What's more, Mr Burnett's invention, which he will market under the brand name, Milk Maid, even uncrimps the foil top when opening the bottle, allowing you to replace it and use the same top more than once.

Watching housewives, children and others struggling to remove foil tops from milk bottles gave Mr Burnett, 32, the idea of designing an opener two years ago.

In his spare time he perfected and patented his plastic Milk Maid opener.

Once he is geared for full-time production he hopes to make about 1 000 openers a day. They will be sold and packed in plastic wrappers bearing simple instructions.

Will he now be able to bathe in the milk of human riches (to coin a phrase)?

Says Mr Burnett: "Naturally I hope so, but there are numerous costs involved, including manufacturing costs, packaging and transportation."

The openers will be sold through various retail outlets around the country.

—Business Editor

3-Dairy

MILKED DRY!

"While prices were being kept artificially low, the dairy industry was slowly strangling"

PROF WILSON

THE numbing rise in the price of dairy products has again put the spotlight on the continuing South African controversy over control boards.

Once more we are left to suffer the inadequacies of an anachronistic system which was designed for the 1930s and has patently failed to keep pace with changing times and commercial practices.

Price-battered housewives reeled in shock at this week's increases and asked, quite rightly, what led to a situation where it was necessary to put up prices by such an enormous amount.

In the case of butter and cheese, Friday's increases range from a staggering 40 to 52c a kilogram.

But demands for an explanation have met with typical bureaucratic silence.

'Come back'

The Dairy Board manager, Mr P E Roux, told me:

"I don't want to discuss this matter now. Come back in a month's time."

In the absence of an official explanation, I learnt elsewhere that the reason for the big price rises is directly linked to the great butter bungle of 1976.

That was when a storm erupted over the Dairy Board's decision to raise prices while South Africa was in fact burdened with a surplus — a "butter mountain" which had to be exported at a loss.

The idea was to defray that loss — but amid public outcry the Government backed down and scrapped the increase of 20 cents a kg for butter and 17 cents for cheese.

Prices were held down until a year ago when they went up by almost the same amounts — 20c a kg for butter and 15 cents for cheese.

But — and this is the nub of the matter — it seems that while prices were being kept artificially low the dairy industry was slowly strangling.

Farmers were wrestling with rocketing production costs while the control board responsible for their welfare was doggedly steering clear of price rises.

Amid the deafening silence from the Dairy Board this week, one senior official told me:

"If we did not have to rescind the 1976 price rises, then we wouldn't be in this mess and the current price increase would not be as severe."

Now we have a carbon-copy of the 1976 situation when the Minister of Agriculture says price hikes are vital to stimulate the dairy industry which, we are led to believe, is in a parlous state.

An imbalance between production and consumption has been allowed to develop, with a growing number of farmers quitting the dairy industry because of its non-profitability.

The Dairy Board warned of this situation in 1976 and if a crisis is looming, it must take full responsibility. As a control board it has obviously failed in its prime function to keep the industry in a healthy state.

And there can be no doubt about the seriousness of the situation. The deputy director of the SA Agricultural Union, Mr Piet Swart, said bluntly:

"Farmers are turning their backs on the dairy industry, either quitting altogether, or cutting down on their involvement because they are unable to absorb rising production costs any longer.

Disastrous

"If prices were not increased, we might have found ourselves in a disastrous situation in six or eight months where the industry would have reached such a low ebb that we would have become almost permanently dependent on imports. And that would have cost the consumer a lot more."

Mr Swart emphasised that there is very little middleman rake-off in the dairy industry. Up to 80 per cent of what housewives pay for milk, butter and cheese goes back to the farmer.

"I can assure you that no one in the dairy industry makes excessive profits."

Ironically, it seems that the Dairy Board's main fault lies in its inability to effect price rises. It allowed itself to be brow-beaten by public opinion in 1976 when price rises were imperative for the welfare of the dairy industry.

Where the Board failed was obviously in the propaganda and marketing fields.

It convinced itself of the need for the price rises, but failed to persuade the public, which reacted with righteous anger. And, naturally, when the price rises were withdrawn, the result was hailed as a momentous victory for consumerism.

This should not happen in a free enterprise system. Has any big commercial manufacturer ever instituted a price rise, deemed essential for viability, then backed down because of a public outcry?

Last year South Africa's 22 agricultural control boards cost the taxpayer R27-million to operate — a lot of money for a system which cannot even ensure the smooth running of a primary agricultural industry such as dairy farming.

Agricultural economist, Professor W E Kassier of Stellenbosch University, accuses the Dairy Board of "mismanagement" for allowing a situation to develop where prices had to be put up by such a large amount.

"Understandably the public is upset. If the Dairy Board blundered, then it did so in waiting too long to put up prices. I would call this mismanagement because the result is going to be consumer resistance. The Dairy Board is cutting its own throat."

Vagaries

The answer, says Prof Kassier, would be a price adjustment every six months to accommodate the seasonal vagaries of the agricultural industry. This would not preclude the possibility of prices going down and it would ensure that the industry is linked firmly to the laws of supply and demand.

What the Dairy Board — and in fact all boards — requires is a drastic revamping which would free them from too-severe Government control and its inherent red tape.

"I do not advocate total freedom. I believe an element of Government intervention is necessary, but our boards should be more autonomous.

"They should hire professional businessmen who will make the boards more marketing-orientated and less control-orientated."

6/6/79 N.M. 3 Milk + dairy

Dairy men slam call

Agricultural Correspondent

SPOKESMEN for the dairy industry have strongly criticised yesterday's call by the Housewives' League for a week-long token boycott of fresh milk, butter and cheese.

The league said a token boycott had been called to show "our anger and frustration at the massive increases in dairy product prices."

According to the national executive of the Housewives' League a boycott was the only way to make consumer views heard.

Mr. Russell Stephens, managing director of Rosemarie Dairies, said in Durban last night the demand was "naive and counter-productive."

He said, if successful, the boycott would do irreparable harm to the milk industry. "Dairy farmers are already dropping out like flies because of rising production costs which cannot be absorbed."

The league has asked consumers to cut out or cut down on their purchases of dairy products from June 7 to June 14.

"Although the league does not ordinarily approve of boycotts, it considers the circumstances justify our action," the statement says.

The chairman of the Natal and East Griqualand Fresh Milk Producers' Union, Mr. J. E. Mansfield, said while nobody liked price increases, especially food, the price rise for milk had been long overdue.

He said a boycott would only worsen the problem because a lower volume sold would increase farmers' production costs.

A spokesman for Clover Dairies, which distribute large quantities of milk, described the proposed boycott as "an emotional call". He said dairies had received only 1,5c of the 5c milk price increase.

Trade Union Structure

With the admission of Blacks to the statutory industrial relations system, three approaches are possible:

rmitting Black unions to register as such alongside unions for
er races, resulting in a racially segregated union structure
l implying a prohibition on mixed unions;

mitting the registration only of mixed unions, resulting in
integrated union structure and implying a prohibition on unions
ch limit their membership to particular race groups; and

mitting the registration of unions irrespective of the
position of its membership in regard to race or colour (or sex).

to eligibility for trade union membership and trade union
the Commission concludes that both trade union organisations
luals should be afforded full freedom of association in that
dividuals should be free to join any appropriate union of their
d that unions should be free to admit to or bar from their
such employees, whether or not race, colour or sex is a
ion; that any trade union which meets the requirements for
n in the restructured system should, irrespective of the colour,
x of its members, be eligible for registration and full
on in the bargaining and dispute prevention and settlement
provided for in a statute common to all.

inority view in this regard was recorded).

n Management

n of eligibility for election to positions of responsibility
unions was considered by the Commission in the light of
l precept and practice and the evidence submitted to the
. The Commission does not, as a matter of principle,
regulation of eligibility for election to such positions, since
t be in harmony with the principle of maximum self-
government by employee (and employer) organisations The Commission

/ was...

Unions slam call to boycott dairy products

Pretoria Bureau

THE Transvaal Agricultural Union yesterday described the South African Housewives' League's call to boycott dairy products as a highly irresponsible development.

The union's assistant secretary, Mr Jan Human, said that instead consumers should now be buying as much dairy products such as butter, cheese and milk as their budgets would allow.

He urged consumers rather to appeal in a "responsible manner" to the Government to subsidise food products when prices rose beyond their reach.

He blamed the previous consumer boycott for the recent sharp price rise. Consumer boards had held back necessary price rises and farmers were so hard hit many of them had left the industry. South Africa was now importing butter and cheese.

He said the responsible consumer appreciated the importance of a steady food supply and was prepared to pay more for the privilege of continuing this supply.

All the signs indicated that South Africa would be experiencing a shortage of milk next year, Mr Human said, warning that consumers would have to "pay the piper" if they allowed themselves to be led by the nose by such irresponsible agitation.

The South African Milk Distributors' Union also described the boycott call as "irresponsible" yesterday, reports Sapa.

A spokesman said consumers who switched to non-dairy substitutes would pay more for nutritionally inferior products.

Mark-up on milk causes concern

8/6/79

Nam

3 milk & Dairy

Mercury Reporter

DURBAN and Pietermaritzburg cafe owners are another section of the community who are unhappy with today's 5c increase in the price of a litre of fresh milk.

Spokesmen for cafe owners said yesterday that today's increase would worsen their trading figures because the percentage profit on a litre of milk would drop from last year's 10,5 percent to 9,1 percent.

A Durban cafe owner said while cafe margins of 3,3c on a litre remained unchanged, his percentage turnover would be lower. He said escalating costs made this profit margin "too low" and he would encourage the sale of 500 ml cartons because margins on these containers were better.

Mark-up

Cafes pay 36,2c a litre for their milk and resell at 39,5c which gives them a percentage mark-up of 9,1 percent. By comparison milk delivered to households costs 37c a litre from today.

For 500 ml and 250 ml cartons which now sell for 21c and 11,5c respectively the percentage mark-ups for cafes is 13,5 percent and 13,6 percent respectively.

A Pietermaritzburg cafe owner said cafes in the capital would try selling milk at rounded off figures to prevent problems with change. His plan is to sell milk a half cent cheaper on one day and on the next add a cent so as to avoid giving half cents in change.

3 Milk Dairy 8/6/79 RDM

Buyers sour on dairy foods boycott

Staff Reporter

CONSUMERS are still buying milk, cheese and butter despite an urgent appeal by the Housewives' League to boycott dairy products for a week.

A survey done in a departmental store revealed that buyers had not taken much notice of the appeal to support the boycott.

A housewife, Mrs O N Morris, said: "I don't support the boycott, but it might work for the first few weeks."

Mr C E Enslin said he thought the idea of a boycott was good, but "nothing will work because people still need the essential commodities".

Mrs Delia Jankelow said she would continue buying dairy products because "what can you do about it? We will be cutting off our own noses to spite our faces".

Mrs A Stander, of Blue Hills, who bought four litres of milk, said: "We stay on a plot and used to get our milk from four cows. But we sold them because the price of feed was too expensive."

A store manager said dairy products were selling as usual, but there had been a decrease in the sale of bulk packages. He noticed that very few people bought butter because margarine was a good substitute.

DAIRY INDUSTRY

Holy cow!

(3) Milk. FM 8/6/79

Last summer's drought, one of the worst in 50 years, and rapidly rising production costs, are the main reasons for the recent hike in prices of dairy products. But there are deeper, long-term, problems in the industry.

Fresh milk output (see graph) has not increased in the past six years, though producer prices have more than doubled.

The dairy industry, the most unwieldy and complex branch of the whole agricultural sector, has been undergoing drastic changes in the past few years. Most fresh milk producers are full-time dairy farmers because fresh milk production calls for intensive operation. The hygiene standards required are much higher than for industrial milk.

But industrial milk and butterfat production has traditionally been regarded as a sideline by most farmers. In most cases there is little supplementary feeding, so production, dependent on natural grazing and rainfall, tends to be erratic.

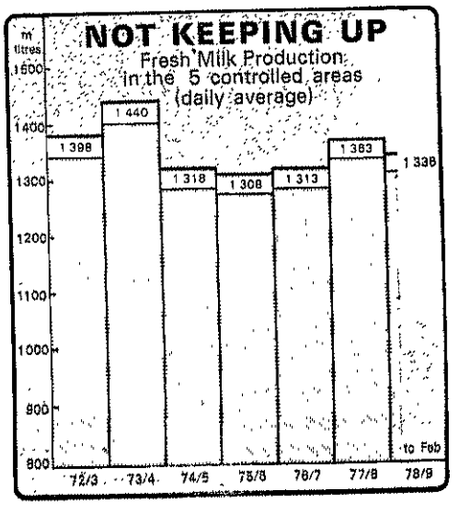
Paradoxically, it is in times of drought that producers turn to dairying because it produces a regular income, whereas in good seasons crops and beef yield better returns.

The introduction of yellow margarine in 1972 caused an upheaval in the industry as butterfat producers were persuaded (with price and levy adjustments) to switch to industrial milk (used for cheese and milk powder.)

The number of butterfat producers shrank from 45 000 in 1972 to 14 000 in 1978, while industrial milk producers increased from 15 600 to 25 000. But some 20 000 farmers left the industry, or turned to other products.

It has been plain for years that the dual control board system was doing the industry no good.

Recently, however, significant improvements have been introduced (*FM* March 16). On the recommendations of the 1976 Commission of Inquiry into the Marketing Act, the two boards, which had a total of



35 members, were amalgamated into a new Dairy Board with only 13 members. But the principle of statutory producer majorities on control boards has unfortunately been retained.

The Marketing Council has been strengthened from six to eight members. Efforts to bring in new blood from outside unfortunately failed, as men of sufficient calibre from the private sector are not attracted by government salaries.

There are now four producers and three civil servants on the Council, and one vacancy.

The control boards' powers, however, have been slightly curtailed in that the Minister is empowered to determine prices on the recommendation of the Council, without having to refer back to the boards, as previously. The Minister is no longer bound to accept nominations to the boards by representative organisations.

The way is now open for further rationalisation and modernisation of the industry. The distinction between "fresh" and industrial milk should gradually disappear, and side-line production be replaced by efficient modern methods. There must be incentives for efficient producers.

Priorities are:

- better co-ordination between prices of fresh and industrial milk
- more frequent and regular price adjustments, upwards *and* downwards.

(In times of surpluses, for instance of fresh milk, producers have been penalised by levies on surplus production — as high as 6c a litre at one stage — but these go into the Stabilisation Fund instead of being passed on to the consumer as a price reduction);

- The Marketing Commission's recommendation for changing from fixed producer prices for industrial milk and butterfat to fixed *minimum* prices must be implemented to eliminate unfair competition between co-operatives and private manufacturers.
- As soon as possible the sale of fresh milk must be put on a quality basis.

No. R. 1204 8 June 1979

DAIRY CONTROL SCHEME

MAXIMUM PRICES OF MILK IN CERTAIN CONTROLLED AREAS

In terms of section 79 (b) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture, hereby make known that the Dairy Control Board, referred to in section 6 of the Dairy Control Scheme, published by Proclamation R. 290 of 1978, has in terms of section 34 of that Scheme, with my approval, fixed the prices set out in the Schedule hereto, in substitution of the prices published by Government Notice R. 1185 of 9 June 1978.

H. S. J. SCHOEMAN, Minister of Agriculture.

No. R. 1204 8 Junie 1979

SUIWELBEHEERSKEMA

MAKSIMUM PRYSE VAN MELK IN SEKERE BEHEERDE GEBIEDE

Kragtens artikel 79 (b) van die Bemarkingswet, 1968 (Wet 59 van 1968), maak ek, Hendrik Stephanus Johan Schoeman, Minister van Landbou, hierby bekend dat die Suiwelbeheerraad, genoem in artikel 6 van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, kragtens artikel 34 van daardie Skema, met my goedkeuring die pryse in die Bylae hiervan uiteengesit, vasgestel het ter vervanging van die pryse afgekondig by Goewermentskennisgewing R. 1185 van 9 Junie 1978.

H. S. J. SCHOEMAN, Minister van Landbou.

SCHEDULE

1. In this notice, unless inconsistent with the context, any word or expression to which a meaning has been assigned in the Dairy Control Scheme, published by Proclamation R. 290 of 1978, shall have a corresponding meaning, and—

"milk" excludes industrial milk and sterilised or UHT-pasteurised milk.

2. No person shall sell milk, high fat milk, low fat milk or skimmed milk in the controlled areas mentioned below at a price higher than a price in respect of the area and category in question, as stated hereunder:

Controlled area	Category	Milk or fresh milk			High fat milk or milk with cattle breed denomination			Low fat milk or low fat fresh milk			Skimmed milk or skimmed fresh milk		
		Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ
		c	c	c	c	c	c	c	c	c	c	c	c
A. Pretoria	(a) In glass bottles and plastic sachets:												
	(i) Cash over counter	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Delivered on premises of purchaser for cash	33,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In any container other than glass bottles and plastic sachets	41,0	21,0	11,0	42,0	21,5	11,5	40,0	20,5	10,5	38,0	19,5	10,5
B. Witwatersrand	(a) In glass bottles and plastic sachets:												
	(i) Cash over counter	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Delivered on premises of purchaser for cash	35,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In any container other than glass bottles and plastic sachets	41,0	21,0	11,0	42,0	21,5	11,5	40,0	20,5	10,5	38,0	19,5	10,5
C. Western Transvaal	(a) In glass bottles and plastic sachets:												
	(i) Cash over counter	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Delivered on premises of purchaser for cash	35,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In any container other than glass bottles and plastic sachets	41,0	21,0	11,0	42,0	21,5	11,5	40,0	20,5	10,5	38,0	19,5	10,5
D. Bloemfontein	(a) In glass bottles and plastic sachets	35,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In any containers other than glass bottles and plastic sachets	40,0	21,0	11,0	41,0	21,5	11,5	39,0	20,5	10,5	37,0	19,5	10,5
E. Cape Peninsula	(a) In glass bottles and plastic sachets:												
	(i) Cash over counter	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Delivered on premises of purchaser for cash	35,0	18,0	10,0	36,0	18,5	10,5	34,0	17,5	9,5	32,0	16,5	9,5
	(b) In any container other than glass bottles and plastic sachets	40,0	21,0	11,0	41,0	21,5	11,5	39,0	20,5	10,5	37,0	19,5	10,5

BYLAE

1. In hierdie kennisgewing, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Suiwelbeheerskema afgekondig by Proklamasie R. 290 van 1978, 'n betekenis geheg is, 'n ooreenstemmende betekenis en beteken—

"melk" nie ook nywerheidsmelk en gesteriliseerde- of UHT-gepasteuriseerde melk nie.

2. Niemand mag melk, hoëvetmelk, laevetmelk of afgeroomde melk in die ondergenoemde beheerde gebiede verkoop teen 'n hoër prys nie as die prys ten opsigte van die betrokke gebied en kategorie, soos hieronder vermeld:

Beheerde gebied	Kategorie	Melk of varsmelk			Hoëvetmelk of melk met beesrasbenaming			Laevetmelk of laevetvarsmelk			Afgeroomde melk of afgeroomde varsmelk		
		Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ
		c	c	c	c	c	c	c	c	c	c	c	c
A. Pretoria	(a) In glasbottels en plastieksakkies:												
	(i) Kontant oor toonbank	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Afgelewer by perseel van koper vir kontant	35,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In houers anders as glasbottels en plastieksakkies	41,0	21,0	11,0	42,0	21,5	11,5	40,0	20,5	10,5	38,0	19,5	10,5
B. Witwatersrand	(a) In glasbottels en plastieksakkies:												
	(i) Kontant oor toonbank	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Afgelewer by perseel van koper vir kontant	35,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In houers anders as glasbottels en plastieksakkies	41,0	21,0	11,0	42,0	21,5	11,5	40,0	20,5	10,5	38,0	19,5	10,5
C. Wes-Transvaal	(a) In glasbottels en plastieksakkies:												
	(i) Kontant oor toonbank	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Afgelewer by perseel van koper vir kontant	35,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In houers anders as glasbottels en plastieksakkies	41,0	21,0	11,0	42,0	21,5	11,5	40,0	20,5	10,5	38,0	19,5	10,5
D. Bloemfontein	(a) In glasbottels en plastieksakkies	35,5	18,0	10,0	36,5	18,5	10,5	34,5	17,5	9,5	32,5	16,5	9,5
	(b) In houers anders as glasbottels en plastieksakkies	40,0	21,0	11,0	41,0	21,5	11,5	39,0	20,5	10,5	37,0	19,5	10,5
E. Kaapse Skiereiland	(a) In glasbottels en plastieksakkies:												
	(i) Kontant oor toonbank	34,5	17,5	10,0	35,5	18,0	10,5	33,5	17,0	9,5	31,5	16,0	9,5
	(ii) Afgelewer by perseel van koper vir kontant	35,0	18,0	10,0	36,0	18,5	10,5	34,0	17,5	9,5	32,0	16,5	9,5
	(b) In houers anders as glasbottels en plastieksakkies	40,0	21,0	11,0	41,0	21,5	11,5	39,0	20,5	10,5	37,0	19,5	10,5

3. Any person to whom the provisions of clause 2 apply shall display the prices fixed in that clause on a poster, prominently installed in or on the premises at which such milk is being sold.

4. This Notice shall come into operation on 8 June 1979 and repeals Government Notice R. 1185 of 9 June 1978 with effect from the same date.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

No. R. 1205 8 June 1979

MAXIMUM PRICES OF MILK.—AMENDMENT

I, Elias George de Beer, Price Controller, acting under the powers assigned to me in terms of section 4 of the Price Control Act, 1964 (Act 25 of 1964), do hereby, further amend Government Notice R. 1027 (*Government Gazette* 4715) of 23 May 1975, as amended, as follows:

1. The following clause is hereby substituted for clause 1:

"1. (1) The maximum price at which fresh milk may be sold to a distributor within the municipal area of Kimberley by a producer or may be purchased by such a distributor from a producer, is 23,115c per litre.

(2) The maximum price at which fresh milk may be sold to a distributor at Durban or Pietermaritzburg by a producer or may be purchased by such a distributor from a producer is 23,058c per litre.

(3) The maximum price at which fresh milk may be sold to a distributor in the Port Elizabeth area by a producer or may be purchased by such a distributor from a producer, is 22,295c per litre.

(4) The maximum price at which fresh milk may be sold to a distributor within the Orange Free State Goldfields by a producer or may be purchased by such a distributor from a producer, is 22,604c per litre.".

2. The following Schedule is hereby substituted for the Schedule:

E. G. DE BEER, Price Controller.

"SCHEDULE

PART A—DURBAN AND PIETERMARITZBURG

	Maximum price
1. Milk sold by licence holder of restaurant, refreshment room, tea-room or general dealers business:	
(a) In 250 ml cartons or plastic containers..	11,5c/container
(b) In 500 ml cartons or plastic containers..	21,0c/container
(c) In litre cartons or plastic containers....	39,5c/container
(d) In litre sachets.....	38,5c/litre
(e) In 2 litre cartons or plastic containers..	79,0c/container
2. Milk delivered by a dairy to persons other than persons referred to in Item 3 hereof:	
(a) In 500 ml cartons or plastic containers..	21,0c/container
(b) In litre glass bottles:	
(1) Cash.....	37,0c/bottle
(2) Credit.....	37,9c/bottle
(3) Coupon.....	37,0c/bottle
(c) In cans in quantities of 5 litres or more at any one time.....	36,0c/litre
3. Milk sold and delivered by a dairy to a licenced boarding-house keeper or licenced hotel keeper or to the holder of a licence authorising him to resell milk:	
(a) In 250 ml cartons or plastic containers..	40,5c/litre
(b) In 500 ml cartons or plastic containers..	37,0c/litre
(c) In litre cartons or plastic containers....	36,2c/litre
(d) In litre sachets.....	35,4c/litre
(e) In 2 litre carton or plastic containers....	36,2c/container
(f) In cans in quantities of 10 litres or more at any one time.....	34,1c/litre

3. Iemand op wie die bepalings van klousule 2 van toepassing is, moet die pryse in daardie klousule vasgestel, op 'n plakaat wat op 'n opsigtelike plek in of op die perseel waar sodanige melk verkoop word aangebring is, vertoon.

4. Hierdie Kennisgewing tree in werking op 8 Junie 1979 en herroep Goewermentskennisgewing R. 1185 van 9 Junie 1978 met ingang vanaf dieselfde datum.

DEPARTEMENT VAN HANDEL EN VERBRUIKERSAKE

No. R. 1205 8 Junie 1979

MAKSIMUM PRYSE VAN MELK.—WYSIGING

Ek, Elias George de Beer, Pryskontroleur, handelende kragtens die bevoegdheid my verleen by artikel 4 van die Wet op Prysbeheer, 1964 (Wet 25 van 1964), wysig hierby verder Goewermentskennisgewing R. 1072 (*Staatskoerant* 4715) van 23 Mei 1975, soos gewysig, soos volg:

1. Klousule 1 word hierby deur die volgende klousule vervang:

"1. (1) Die maksimum prys waarteen varsmelk aan 'n distribueerder binne die munisipale gebied van Kimberley deur 'n produsent verkoop mag word, of deur 'n distribueerder van 'n produsent gekoop mag word is 23,115c per liter.

(2) Die maksimum prys waarteen varsmelk in Durban of Pietermaritzburg deur 'n produsent aan 'n distribueerder verkoop mag word, of deur 'n distribueerder van 'n produsent gekoop mag word, is 23,058c per liter.

(3) Die maksimum prys waarteen varsmelk aan 'n distribueerder in die gebied Port Elizabeth deur 'n produsent verkoop mag word, of deur 'n distribueerder van 'n produsent gekoop mag word, is 22,295c per liter.

(4) Die maksimum prys waarteen varsmelk aan 'n distribueerder binne die Oranje-Vrystaatse goudvelde deur 'n produsent verkoop mag word, of deur 'n distribueerder van 'n produsent gekoop mag word, is 22,604c per liter.".

2. Die Bylae word hierby deur die volgende Bylae vervang:

"BYLAE

DEEL A.—DURBAN EN PIETERMARITZBURG

	Maksimum prys
1. Melk verkoop deur lisensiehouer van restourant, verversingskamer, teekamer of algemene handelaarsbesigheid:	
(a) In 250-ml-karton- of plastiekhouers....	11,5c/houer
(b) In 500-ml-karton- of plastiekhouers....	21,0c/houer
(c) In literkarton- of plastiekhouers.....	39,5c/houer
(d) In litersakkies.....	38,5c/liter
(e) In 2-literkarton- of plastiekhouers.....	79,0c/houer
2. Meld wat deur 'n melkery afgelewer word aan ander persone as dié genoem in item 3 hiervan:	
(a) In 500-ml-karton- of plastiekhouers....	21,0c/houer
(b) In literglasbottels:	
(1) Kontant.....	37,0c/bottel
(2) Krediet.....	37,9c/bottel
(3) Koepon.....	37,0c/bottel
(c) In kanne in hoeveelhede van 5 liter en meer op 'n keer.....	36,0c/liter
3. Melk verkoop en gelewer aan 'n gelisensieerde losieshuishouer, of gelisensieerde hotelhouer of aan 'n houer van 'n lisensie wat hom magtig om melk te herverkoop:	
(a) In 250-ml-karton- of plastiekhouers....	40,5c/liter
(b) In 500-ml-karton- of plastiekhouers....	37,0c/liter
(c) In literkarton- of plastiekhouers.....	36,2c/liter
(d) In litersakkies.....	35,4c/liter
(e) In 2-literkarton of plastiekhouers.....	36,2c/houer
(f) In kanne in hoeveelhede van 10 liter of meer op 'n keer.....	34,1c/liter

PART B—PORT ELIZABETH

	Maximum price
1. Bottled milk sold on credit and delivered to the purchaser at premises of seller, and milk sold either for cash or on credit or per coupon and delivered to the purchaser elsewhere than at premises of seller:	
(a) If the quantity thus sold and delivered in litre bottles does not exceed 10 litres:	
(i) Credit	35,8c/litre
(ii) Coupon	35,5c/litre
(iii) Cash	35,5c/litre
(b) If the quantity thus sold and delivered at any one time in litre glass bottles exceeds 10 litres	34,5c/litre
2. Milk sold for cash and delivered to purchaser at premises of seller in a container supplies by purchaser	34,0c/litre
3. All sales and deliveries other than:	
(i) Those specified in 1 and 2 above; and	
(ii) Sales and deliveries in connection with State-aided Milk and Butter Scheme:	
(a) If the quantity sold and delivered at any one time is not less than 10 litres but less than 41 litres	33,0c/litre
(b) If the quantity sold and delivered at any one time is 41 litres or more	32,5c/litre
4. Milk sold in plastic containers:	
(i) In 500 ml containers	21,0c/container
(ii) In litre containers	40,0c/container
5. Milk sold by licence holder of restaurant, refreshment room, tea-room or general dealers business:	
(a) In litre glass bottles:	
(i) Credit	35,8c/litre
(ii) Cash	35,8c/litre
(b) In carton containers	40,0c/litre.".

E. G. DE BEER, Price Controller.

DEEL B.—PORT ELIZABETH

	Maksimum prys
1. Melk in bottels, op krediet verkoop aan die koper by die perseel van die verkoper gelewer, en melk vir kontant of op krediet of per koepon verkoop aan die koper gelewer op 'n ander plek as die perseel van die verkoper:	
(a) As die hoeveelheid aldus op 'n slag verkoop en gelewer in literglasbottels hoogstens 10 liter is:	
(i) Krediet	35,8c/liter
(ii) Koepons	35,5c/liter
(iii) Kontant	35,5c/liter
(b) As die hoeveelheid aldus op 'n slag verkoop en gelewer in literglasbottels meer as 10 liter is	34,5c/liter
2. Melk vir kontant verkoop en by die perseel van die verkoper aan die koper gelewer in 'n houer deur die koper verskaf	34,0c/liter
3. Alle ander verkope en aflewerings as:	
(i) Dié vermeld in artikels 1 en 2 hierbo; en	
(ii) verkope en aflewerings in verband met Staatsondersteunde Melk- en Botterskema:	
(a) As die hoeveelheid op 'n slag verkoop en gelewer minstens 10 liter maar minder as 41 liter is	33,0c/liter
(b) As die hoeveelheid op 'n slag verkoop en gelewer 41 liter of meer is	32,5c/liter
4. Melk in plastiekhouers:	
(i) In 500-ml-houers	21,0c/houer
(ii) In literhouers	40,0c/houer
5. Melk verkoop deur lisensiehouer van restourant, ververs ingskamer, teekamer of algemene handelaarsbesigheid:	
(a) In literglasbottels:	
(i) Krediet	35,8c/liter
(ii) Kontant	35,8c/liter
(b) In kartonhouers	40,0c/liter.".

E. G. DE BEER, Pryskontroleur.

Buyers ignore dairy boycott call

DD 9/6/79 3 Milk + Dairy Products

EAST LONDON. — Housewives here have not taken much notice of a call by the Housewives' League to cut down on dairy purchases — shopkeepers reported normal sales of all dairy products yesterday.

A statement issued by the league in Johannesburg this week called on the public to "cut out or cut down" purchases of fresh milk, butter and cheese from June 7 to June 14 "to show their anger and frustration at the massive increases in dairy product prices."

The manager of a local supermarket, Mr V. Mitchell, said there had not been a drop in dairy sales and he did not think many housewives knew of the league's decision.

Another shopkeeper said business had been quiet, but there was not a marked drop in trading. He said slow trade was normal for this time of the month.

The marketing manager of Model Dairy, Mr Boet Rabie, said he would like to know why people were boycotting a healthy product such as milk and not boycotting petrol.

"The farmers have been battling with costs for years and this latest increase will not really cover their losses.

"I would welcome someone from an organisation such as the Housewives' League so I could explain all our problems in the dairy industry."

He said the dairy was delivering the usual amount of milk to stores in East London and there had not been a change in the sales pattern yet. —DDR.

19/7/79 DD 3 Milk & Dairy Products

On-off butter shortage baffles consumers

JOHANNESBURG — The shortage of butter and cheese in South Africa has come to an end because of the low consumption rate after the last price increase.

Mr E. Roux, the manager of the Dairy Board, said this week supplies were back to normal.

"The price increase on June 1 seemed to put things right again," he said. "There was a natural piling up of stocks when consumer resistance to prices began to be felt. It was also helped by the importing of cheese and butter from the European Economic Community countries".

In June this year, the government announced it had supported all farmers in their bid for higher prices. Butter went up by 40c/kg, cheddar cheese by 48c/kg and gouda cheese by 52c/kg. Butter fat went up by 35c/kg.

In May, it was announced South Africa was going to import large quantities of butter and cheese, "because of the local production crisis".

Mrs Joy Hurwitz, chairman of the Housewives' League, said she was "utterly bewildered" by the latest announcement that the shortage was over.

"I think it was absurd to import from overseas to compete with local markets, especially when, I believe, there was never a drastic shortage anyway." There had been a normal annual shortage due to winter and the tail-end of the drought and there had been no need to import tons of dairy produce from abroad and push up prices with it, she said.

"Our organisation looked into this very carefully and there did not appear to be a shortage of any great importance. I am quite sure there was consumer resistance but surely not to the extent that the shortage — so bad four weeks ago — could be suddenly totally alleviated?

"Now we are told: 'No more shortage.' Why did they have to import at all?"

Mr Eugene Roelofse, ombudsman for the South African Council of Churches, said he thought the latest development "the joke of the century".

"The Dairy Board first began importing because they said there was a shortage due to lack of production as a result of the drought, but a year ago they announced they were forced to put up their prices because there was a surplus of dairy products. They must be the laughing stock of the entire country. Nobody seems to know what is going on." — DDC.

CT, 20/7/79

Butter, cheese supplies now 'back to normal'

(3-Dairy) products

Own Correspondent

Johannesburg. — The shortage of butter and cheese in South Africa has come to an end — because of the low consumption rate after the last price increase.

Mr P. E. Roux, the manager of the Dairy Board, said this week that supplies were back to normal.

"The price increase on June 1 seemed to put things right again," he said.

There was a natural piling up of stocks when consumer resistance to price began to be felt. It was also helped by the importing of cheese and butter from the European Economic Community countries.

In June this year, the government announced that they had supported all farmers in their bid for higher prices. Butter went up by 40 cents a kilo, cheddar cheese by 48 cents a kilo and gouda cheese by 52 cents a kilo. Butter fat went up by 35 cents a kilo.

In May, it was announced they were going to import large quantities of butter and cheese because of the local production crisis.

Bewildered

Mrs Joy Hurwitz, chairman of the Housewives' League, said she was utterly bewildered by the latest announcement that the shortage was over.

"I think it was absurd to import from overseas to compete with local markets, especially when, I believe, there was never a drastic shortage anyway. All it was was a normal annual shortage due to the winter and the tail-end of the drought. There was no need to go importing tons of dairy produce from abroad and shoot up prices with it.

"Our organization looked into this very carefully and there did not appear to be a shortage of any great importance. I am quite sure there was consumer price resistance but surely not to the extent that the shortage — so bad four weeks ago — could be suddenly totally alleviated?

Joke

"Now we are told, no more shortage, so why did they have to import at all?"

Mr Eugene Roelofse, ombudsman for the South African Council of Churches, said he thought the latest development was "the joke of the century".

"The Dairy Board first began importing because they said there was a shortage due to lack of production because of the drought. But a year ago they announced they were forced to put up their prices because there was a surplus of dairy products. They must be the laughing stock of the entire country. Nobody seems to know what is going on."

98 6794

3 (Dairy)

No. R. 2872 28 December 1979

SPECIAL LEVIES ON CERTAIN DAIRY PRODUCTS.—AMENDMENT

In terms of section 79 (a) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture, hereby make known that the Dairy Control Board, referred to in section 6 of the Dairy Control Scheme, published by Proclamation R. 290 of 1978, as amended, has in terms of section 22 of that Scheme, with my approval further amended the special levies, published by Government Notice R. 2036 of 29 October 1976, as amended, as set out in the Schedule hereto.

H. S. J. SCHOEMAN, Minister of Agriculture.

SCHEDULE

1. The Schedule to Government Notice R. 2036 of 29 October 1976, as amended, is hereby further amended by the substitution for clause 6 of the following clause:

"6. A special levy at the following rates is hereby imposed on the following dairy products:

Dairy product	Rate c per kg
(a) Factory cheese:	
(01) Cheddar	8,0
(02) Gouda	13,0
(03) Any type other than (01) or (02)	4,4
(b) Condensed milk, including unsweetened condensed milk	1,3
(c) Condensed skim-milk	0,9
(d) Milk powder	4,6
(e) Skim-milk powder	3,0".

2. This Notice shall come into operation on 1 January 1980.

No. R. 2872 28 Desem

SPESIALE HEFFING OP SEKERE SUI PRODUKTE.—WYSIGING

Ingevolge artikel 79 (a) van die Bemarkings (Wet 59 van 1968), maak ek, Hendrik Stephan Schoeman, Minister van Landbou hierby be die Suiwelbeheerraad, genoem in artikel 6 Suiwelbeheerskema, afgekondig by Proklamasi van 1978, soos gewysig, ingevolge artikel 22 v die Skema, met my goedkeuring die spesiale afgekondig by Goewermentskennisgewing R. 2 29 Oktober 1976, soos gewysig, verder gewysig in die Bylae hiervan uiteengesit.

H. S. J. SCHOEMAN, Minister van Landbou.

BYLAE

1. Die Bylae van Goewermentskennisgewing van 29 Oktober 1976, soos gewysig, word hie der gewysig deur klousule 6 deur die volgende te vervang:

"6. 'n Spesiale heffing teen die volgende word hierby opgelê op die volgende suiwelprodu

Suiwelproduk	
(a) Fabriekskaas:	
(01) Cheddar	
(02) Gouda	
(03) 'n Ander tipe as (01) of (02)	
(b) Kondensmelk, insluitende onversoete kondensmelk	
(c) Gekondenseerde afgeroomde melk	
(d) Melkpoeier	
(e) Afgeroomde melkpoeier	

2. Hierdie Kennisgewing tree in werking op arie 1980.

3 (dairy)

Hansards 1980

Hansard
4(199) 26/2/80

3 dairy

Cheese

318. Mr. N B. WOOD asked the Minister of Agriculture: 3 (Dairy)

Whether the Republic imported cheese during 1979; if so, (a) what quantity and (b) at what total cost?

4(199) 26/2/80

The MINISTER OF AGRICULTURE:

Yes.

(a) Cheddar ..... 598 473 kg
Exotic kinds ..... 1 279 946 kg

(b) Cheddar R953 928
Exotic kinds: Costs unknown. Imports are effected by the Trade.

9(567). **Butter/cheese**

543. Mr. N. B. WOOD asked the Minister of Agriculture and Fisheries:

What quantity of (a) butter and (b) cheese has recently been made available for sale at reduced prices?

The MINISTER OF AGRICULTURE AND FISHERIES:

(a) 1 000 ton Choice Grade butter.

(b) 1 000 ton Grade I Cheddar cheese.

Hansard
7(403) 18/3/80 3dairy

Cheese factories: whey

7(403) 18/3/80 3(dairy)

468. Mr. P. A. MYBURGH asked the Minister of Agriculture:

(1) What quantity of whey was produced during the past year by cheese factories in the Republic;

(2) whether any of this whey was used for (a) human and (b) animal consumption; if so, what quantity;

(3) how was the rest of the production of whey disposed of;

(4) whether any cost was involved in such disposal; if so, what cost on what (a) processes and (b) methods?

The MINISTER OF AGRICULTURE:

MARCH 1980

(1) Approximately 320 000 ton in liquid form.

(2) (a) Yes, but only in the form of whey powder as an ingredient of other products. Quantity not known.

(b) Yes, in liquid form and in the form of whey powder as an ingredient of stock feeds. Quantities not known.

(3) and (4) Particulars not available. The marketing of whey or whey powder is not regulated by the Dairy Control Board.

AGRIC. - Dairy

3

1-1-80 - 31-12-80

Butter, cheddar prices to drop

Argus 20/3/80

3-Dairy Products

BUTTER and cheese will drop sharply in price until the Dairy Board has got rid of a surplus. But eggs will soon cost more because the National Egg Producers' Co-operative (Nepco) will increase prices at the end of the month.

The wholesale price of butter will come down by 27 percent and the wholesale price of cheddar by 26 percent on March 24.

Gouda is not affected because there is no surplus.

Some supermarket chains are reducing their prices immediately.

Mr John Barry, area manager of Pick 'n Pay, said butter had already been marked down in his firm's stores from R1,06 for 500 g to 77c.

Cheddar had been marked down from R2,46 a kg to R1,82 a kg.

NO DELAY

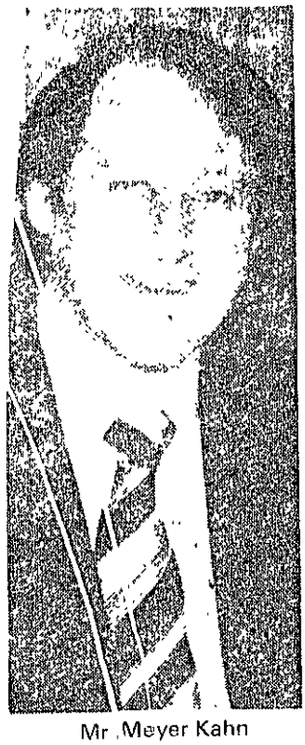
"We have decided to do this without delay, although we shall be selling at below cost, so that the consumer does not have to wait," he said.

Mr Barry said he did not think the surplus would last long and then prices would return to normal.

Checkers was selling butter at R1,12 for 500 g and cheddar for R2,48 a kg today. A spokesman said he expected the new lower price to be 78c or 79c a packet for butter and the high R1,70's or the low R1,80's a kg for cheddar.

STU13-9
14210 B.A./PERFORMERS
STUD NO SURNAME
152337J MAGODLA
152366Q POERUND
* TOTAL
DEAN

UCT



Mr Meyer Kahn

OK enters food war and slashes butter, cheese and meat prices

dairy prod

BY PAUL DOLD
Financial Editor

20/3/80 C.T.

THE supermarket price war took a dramatic turn last night when the giant OK Bazaars entered the fray announcing it is slashing butter and cheese prices as well as offering substantial discounts on meat.

General manager (sales promotion) Mr Allan Fabig says that butter prices are being cut by 28 percent from R1,09c to 78c for a 500g pack while cheddar cheese is being reduced from R2,48 to R1,82 a kg.

He said that the OK had been in touch with the Dairy Board to order substantial additional butter consignments and that prices would be maintained as long as stocks last. The campaign would help to diminish the country's butter and cheese surplus.

"The butter is being sold below cost and cheese around cost. In addition, OK are running a 14 shopping day red meat promotion offering popular cuts of meat at discounts of from 20 to 30 percent off yesterday's price. The first four cuts are boerewors, now R1,28 per kg, super half lambs at R2,28 per kg, stewing beef grade 1 R1,38 per kg and grade 1 topside beef roast at R2,48 per kg."

Prices are being slashed at all of OK's 146 stores throughout the country. The latest development is highly significant in that is underscores the new competitiveness of the OK under its new managing director, Mr Meyer Kahn. This is probably the first time that the OK has led the other supermarkets in this type of discounting.

I understand that the OK has several other promotions lined up and the group is highly confident that its new aggression in the market place will be maintained. Clearly, after some three years after vast reorganization Meyer Kahn's new style of management is coming to fruition at a time when retail sales are about to boom.

The OK is backing its promotions with vast advertising campaigns in newspapers across the country and will be using television for part of the campaign as well. The butter, cheese and meat campaign is being launched in morning newspapers.

The group is delighted with sales in the Western Cape and particularly its Kenilworth store which is producing tremendous turnovers and profits although it is close to one of Pick 'n Pay's largest supermarkets in the country.

This success has no doubt given OK added confidence that it can compete with the best chains in the country. The Kenilworth store is the first of OK's new style department stores in the Cape and negotiations are underway for further openings.

The group realizes that in this region many of its stores are old but management hopes to soon add similar stores to Kenilworth in and around Cape Town.

~~(3) Eggs~~ (3) Dairy

Eggs up, butter eases the blow

RDM 20/3/80

~~244~~

Staff Reporter

THE price of eggs is going up again on March 31 — and it's the third increase since December in the Transvaal and Free State.

But butter and cheese prices are due to drop by 20% in a Dairy Board bid to get rid of a 100 000-ton surplus.

The price of extra-large and large eggs will go up by 2c a dozen and medium-size eggs by 3c a dozen.

This means the consumer will have to pay an average 76c a dozen for extra-large eggs, 72c a dozen for large and 69c a dozen for medium-size eggs.

The National Egg Producers Co-operative has also indicated that there might be a further increase — about 5c or 6c a dozen — if the price of maize rises.

A Nepco spokesman said: "The increase has become necessary because of general cost increases and also to bring the prices in line with egg prices in the rest of the country."

THE price of maize is expected to go up at the end of April — and Government sources warn that the consumer may have to foot at least part of the bill for predicted record export losses of R180-million on yellow maize. — Page 3.

The Minister of Agriculture, Mr Hendrik Schoeman, is expected to announce the drop in butter and cheese prices on Friday.

Choice butter will drop from R1,07 for 500g to 79c — the cost price.

Cheddar cheese will be cut from R2,30 a kg to R1.32 a kg, according to leading supermarket chains.

Mr Rex Granville, managing director of the Checkers chain, appealed to the Minister of Agriculture to institute a more effective agricultural marketing system.

"We do not believe the Dairy Board is doing a professional marketing job. The price reduction is only a promotional allowance which will last a week and cause wild rushes and wild expectations.

"We have a horrid feeling that, as in the past, the consumer will pay for this.

"The authorities need to look ahead, see the projects building up and carefully control supply and de-

THE price of maize is expected to go up at the end of April — and Government sources warn that the consumer may have to foot at

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LTJDSEY JEA

RESULTS IN FACULTY ARTS   AS AT 29 02 80

YEAR : 1

FIRST NAMES	COURSE	DESCRIPTION	SYM
~~UZANNE ELIZABETH~~	~~106103~~	~~ECONOMICS IA~~	F
ALLY-ANN	107101 116120 ~~116101~~	ENGLISH I (PRE-1980) DRAMA I ~~CULTURAL HISTORY OF W.E. I~~	F 2- 3
HERYL	102101	AFRIKAANS	UP
~~ENELOPE JILL~~	~~103202~~	~~SOCIAL ANTHROPOLOGY I (PRE~~	~~1UP~~
VID	104101 110101	ARCHAEOLOGY I HISTORY I	2- 2-
NDSEY JEANNE			
		POTT.UU	
NO JACQUES ERASMUS	601101 910106	COMMER STATIS	
~~VIN-MARK READ~~	~~101103~~	~~AFR LA~~	
JLIETTA	107101	ENGLIS	
~~LLIAN DEBORAH~~	~~115101~~	~~FRENCH~~	
CHAEL BRUCE	004101	PSYCHOL	
~~ELA JUAN~~	~~104104~~ 115102 115103	~~ECONO I~~ FRENCH ITALIAN	
~~GINA~~	~~214102~~	~~PHYSICS~~	

Dairy products back up to old price

28/3/80 (Star) (3) Dm

PRICES of choice butter and cheddar cheese are back up again today.

The general manager of the Dairy Control Board, Mr P E Roux, announced in Pretoria yesterday that the price reduction promotion campaign had ended.

He said there was no longer any need to continue the campaign as it had proved more successful than was originally anticipated

This means that from today the maximum controlled price of R2,24 a kg for choice butter and R2,48 a kg for cheddar cheese will again apply instead of the special price of 170c a kg and R2 a kg for butter and cheese respectively

"Already the butter and cheese sales exceed the target figures set by the board for the promotion campaign," Mr Roux said

He pointed out these sales related only to wholesale transactions and he doubted whether consumers had managed to take up the full quantities acquired by retailers.

Mr Roux appealed to retail traders to continue selling butter and cheese at reduced prices until their stocks reached the same level as before the reduction. — Sapa.

STU13-9 EXAMINATION RESULTS IN FACULTY ARTS AS AT 29 02 80 PAGE

13030 BACHELOR OF ARTS YEAR : 3

STUD NO	SURNAME	FIRST NAMES	COURSE	DESCRIPTION	SYMBOL		
133100Z	VILJOEN	ADELE	116317	DRAMA III	2-	(63)	4
113116C	WANNENBURG	MOIRA MARIA	908307	GEOGRAPHY IIIB (HALF COURSE	UP	(51)	4
096146G	WENGROME	CAROL TESSA	110301	HISTORY III	F	(45)	5
096560G	WILLIS-SMITH	GRANT	908205	GEOGRAPHY IIB (HALF COURSE)	ABS		
103278J	WYNGAARD	GAIL ESTELLE	110301	HISTORY III	F	(43)	
114463R	ZOELLER	CHRISTOPHER HANS	102101	AFRIKAANS	ABS		5

* TOTAL NUMBER OF STUDENTS 29

DEAN REGISTRAR (ACADEMIC)

Maize price rise set to hit consumers

RDM 16/4/80 (244) (3) Maize (3) Dairy

By GERALD REILLY
Pretoria Bureau

THE consumer prices of maize products are expected to go up by between 20% and 25% from the beginning of May.

The Maize Board meets the Minister of Agriculture, Mr Hendrik Schoeman, next Monday and the Cabinet is expected to approve the new price at Tuesday's routine meeting.

The higher maize price will generate a new wave of food price rises and coming on top of last month's big bread price rise, will impose further hardships on the lower income groups.

Among the wide range of food prices which will be directly affected are meat, pork, poultry and dairy products.

A Meat Board spokesman said the higher maize price would obviously be taken into account when a new floor price for beef was fixed in June.

Maize was a major factor in production costs of beef, as well as in the pork, dairy and poultry industries.

Dairy farmers are already clamouring for higher prices because of rocketing costs and substantial increases in the prices of milk, butter and cheese are expected to be imposed from June 1.

One sorce said yesterday if dairy farmers were to be compensated for increased costs, the price rises would have to be at least 20%.

It is understood that maize farmers' net increase is likely to be about 15%.

The current crop is expected to be slightly in excess of 10 000 000 tons.

This will leave a surplus of about 3 500 000 tons for export.

Under existing overseas market conditions, taking into account the coming maize price rise, losses on each ton could exceed R35 which would involve a total loss for the season of about R140 000 000.

The Maize Board does not have the resources to meet the loss. Its stabilisation fund is already in the red to the extent of R5 000 000

A big levy is, therefore, expected to be imposed on producers, which will cut deeply into the increased price.

Economists pointed out yesterday that the big maize price rise, taken with the higher bread and wheaten product prices last month, would have a strong inflationary influence.

They pointed out too, that the increase of R10 000 000 to R50 000 000 in the maize subsidy announced by the Minister of Finance in last's months Budget would have only a marginal effect on prices.

Dairy wanted wages inquiry

3 dairy Products RDM 16/4/80

By STEVEN FRIEDMAN
Labour Reporter

THE managing director of Nel's Dairies, Mr Hans Nel, said yesterday that he had suggested "in certain circles" that an investigation be ordered into wages and work conditions in the dairy industry.

The Department of Manpower Utilisation has ordered a Wage Board investigation into the industry in Pretoria and on the Witwatersrand.

This has been done in terms of a law which allows such a probe if the department believes there is a threat of unrest in an industry. Observers have suggested that it might have been prompted by the lengthy labour dispute at Nel's Dairies. Workers struck briefly at one stage.

Mr Nel said he did not believe the investigation had been ordered because of that dispute. "Ours does not centre round wages," he said.

But he welcomed the probe, saying: "An inquiry into the labour situation is the best way for us to clear our name. I have been arguing for an independent inquiry for some time.

"I am sure all dairy employers will join me in welcoming this. We have nothing to hide."

He added that "a wage increase in the industry is due now".

The board will revise minimum wages in the industry. Mr Nel says his company pays well above these.

Though he had suggested an inquiry, he added: "I don't know whether this suggestion reached the ears of officials."

/nn
March 12, 1980

This circular therefore is an invitation to the addressees to present submissions on this subject for consideration by the Commission.

Submissions may be written and/or oral. The Commission would prefer to receive written depositions which may be followed up by the presentation of oral evidence. Those wishing to provide oral evidence are asked to submit a broad outline of their intended submission.

The first session of the Commission at which evidence will be received is to be held on Tuesday, April 1, 1980 at 7.30 p.m. In order that the necessary documents can be timeously circulated, it is asked that submissions reach the Secretary by Wednesday, March 26, 1980.

D.S. Edwards
Secretary.

Milk to cost more from next month

RDM 15/4/80. Political Staff

THE ASSEMBLY. — The milk price will be increased next month, the Minister of Agriculture, Mr Hendrik Schoeman, said yesterday.

He gave no indication of the likely price rise, but stated emphatically that there would be no Government subsidy to keep the price down.

It would cost R10-million to subsidise 1c on the price, he said, and 1c on a litre currently costing 41c would be meaningless

Mr Schoeman was replying during the second reading debate on the Budget to Opposition suggestions that the bread price should have been kept down through subsidies

The Opposition should not simply call for subsidies, but say exactly what subsidies they wanted and how they proposed to take the money from the taxpayer.

Brown bread was already subsidised by 11c a loaf and white bread by 4c. Each cent in subsidy cost the state R15-million.

○ The milk price rose by 3,5c a litre in June 1978 and 5c a litre in June last year. There has been speculation that the increase could be another 5c or 6c a litre this year if the mealie price rises substantially in May.

MARGARINE

FM 18/4/80 3(diary)

Spread it thin

Margarine prices are likely to escalate steeply before mid-year. SA Margarine Association chairman Jurgen Bols says producers have applied to the Price Controller for a hike based on an expected increase of 20% in raw material prices.

Says Bols, "If you look back at the price increases in previous years, these have been well below the rises in raw materials." Cost efficiencies in the industry are responsible for the fact that "we would anticipate the new price to be well below that of production cost increases."

Bols will not reveal what he expects this price to be. Crucial will be the increases awarded to producers of sunflower seeds in the next two weeks. The Oil Seeds Control Board will not tell what price increase kit has asked of the Price Controller.

Production costs

But, a spokesman for the Oil Seed Committee of the SA Agricultural Union tells the *FM*, producers of sunflower seed were awarded a 29% price increase last year. Production costs had, however, increased by 15%.

Without revealing what increases producers asked for this year, he said: "It could be in the region of about 30%."At the moment sunflower seed sells for R180/t. Annual 1980 production is projected at 329 000 t, up from 1979's 312 252 t.

The SA Agricultural Union points out: "Crops have been attacked by parasites. In some regions, yields are expected to be half that of original targets."

SA production "more or less balances out with demand, which grows 5% to 6% annually in real terms." However, should agricultural ethanol production be given ministerial sanction, the SAAU expects sunflower seed production to increase dramatically. In that case, price increases are likely to be substantial.

Margarine consumption is expected to be 82 000 t this year Butter production and demand is expected to trail sadly at 16 000 t. Margarine sales growth in the last couple of years has been 7% to 8%. But Bols expects this to drop to 5% this year

"I believe white consumption (roughly 70% of total sales), will remain stable. Sales to whites are close to saturation point already" He expects sales to remain fairly constant "unless eating habits change substantially and whites decide to eat less meat and more bread."

Should better pay and more job opportunities arise for blacks, "growth of margarine sales to blacks could increase 8% to 10%, but obviously from a lower base than whites," he reckons.

Currently, margarine bricks sell from 64c to 72c/500g in supermarkets. Soft margarine in plastic tubs sells at "about 10c higher." Butter sells at just over R1.

In an attempt to reduce a "temporary seasonal butter surplus," the Dairy Control Board recently (March 21 to 27) sold off in excess of 1 500 t each of butter and cheese at sharply reduced prices.

Dairy Control Board GM, Edu Roux says the price was cut 54c per kilo — roughly 24%. Yet he does not expect the promotion to have achieved a permanent upturn in sales. What tends to happen is that wholesalers and consumers stockpile during the promotion, and a fall-off in sales follows

Roux certainly does not expect butter sales to pick up to 1973 levels of 40 000 t the year yellow margarine was first introduced, let alone the 1971 high, when butter sales reached 54 000 t.

Following "a re-orientation p gramme, butter production has more less stabilised down to meet demand w slight seasonal fluctuations. Sales are creasing very modestly at an annual 1% 2%. We don't foresee any real change this."

He says he's "pretty happy about t situation." Nevertheless, Roux expres some misgivings about the coming su mer butter production. It could be in equate because of drought and inadequ maize production.

Projections for butter production n season will only be possible in Octob the "watershed" month. Should there b demand shortfall, present stocks are likely to carry consumers through the le period.

18/4/80 DD

Milk to go up soon

Milk & Dairy products

THE ASSEMBLY — An increase in the milk price is to be announced in May, the Minister of Agriculture, Mr Hendrik Schoeman, said yesterday.

Mr Schoeman gave no indication of the likely price rise, but stated emphatically that there would be no government subsidy to keep the price down

It would cost R10 million to subsidise one cent on the price, and a cent on a litre currently costing 41 cents would be meaningless, he said.

The milk price rose by 3,5 cents a litre in June 1978 and by a further 5 cents a litre in June last year. There has been speculation that the increase could be another 5c or 6c a litre this year if the mealie price rises substantially in May.

There is no milk subsidy in the budget. The butter price subsidy has dropped from R4 million last year to R2,5 million this year, while a further R1 000 is allocated for an import and export losses subsidy. — DDC.

In so likely to farmers ed value land th effects of future events.

sell the crop, but they cannot sell or borrow against the land. (If they could borrow against the land, they could borrow and then default, letting the lender take the land—circumventing the ban on sale of the land.) They have only *usufruct* rights. These restricted rights to resources do not permit as much discretionary risk-sharing and reallocation. Furthermore, the incentive to improve or invest in the farmland is weakened, since the prospects of value increases cannot be transferred to those most optimistic or willing to bear them. These *ejidos* invest in more children as a source of future income—not a surprising substitute!

Attitudes toward property rights and their exchangeability by contracts are, in part, based on how the rights and contracts permit *distribution* of risky consequences—profits and losses. Since profits and losses occur regardless of the form of property rights, the issue is whether one is for or against a given system of: (a) distributing the risks of profits and losses (and the profits and losses themselves) over various people, and of (b) stimulating the uses of resources that increase their value. The bearing of profits and losses could be assigned by the political system, in which case the assignments will depend on one's political power. Because socialism is a political allocation of profit-and-loss risk-bearing, part of the issue between the private-property and socialist property systems is over the desirability of their respective risk-distribution institutions. In a private-property system, those who de-

Risk Allocation by Contracts within a Firm: Wage and Employment Security

The so-called owners of the firm borrow or hire resources as well as use their own. They buy equipment; they lease it; they hire (rent) labor. In each contract the risk-bearing depends on differences in attitudes toward risks, beliefs about the prospects of success, and the ability to usefully direct and to monitor performance of the resources.

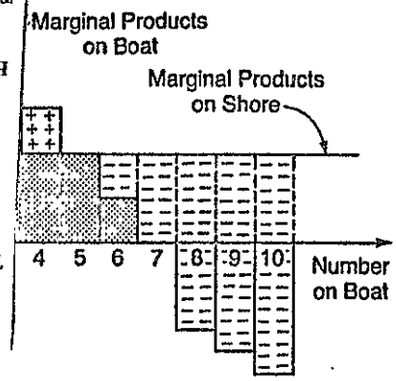
For example, some employees make longer-term contracts (formal or tacit) at agreed wages. Most resources (and people are resources) face fluctuating demands for their services. Transient, imperfectly predictable fluctuations in demand will create either (1) instant changes in wage rates if employment is not changed, or (2) instant changes in employment if the wage rate is not changed. Neither alternative is necessarily as acceptable as (3) a steadier job at a lower, but more assured, wage. In the first two arrangements, employed inputs bear more of the risks of varying incomes over the future; like stockholders, they bear the risks of the market value changes of their own resources. The third arrangement, however, indicates that some employees act more like moneylenders who are promised a fixed interest rate (though lower than the average on riskier common stocks) regard-

Alchian & Allen: Exchange and Production

Joint, Team Production

We examined specialization in the prece chapter; now we examine another source of hanced output, teamwork. People work with o people or with other people's resources to jo produce something. Two of us, navigator pilot, operate an airplane. Two of us opera steel mill, I as crane operator, you as rolling controller. Three of us operate a fishing boa helmsman, as engineer, and handler of the Four people perform surgery on a patier surgeon, anaesthetist, surgical aide, and att ing nurse. Five lawyers work together on a case jointly creating their strategy. The mag increased output from joint physical or m effort is taken as a fact that need not be plained here. (We need not explain, for exa why two people pushing a car can push it fa than one person could push it for twice as Instead we examine how people are guid teamwork, on a team that is known as a *bus firm.* We also inquire into what influences those firms are organized and internally trolled, and how each member's reward (p determined. We first examine a few control niques; we assume temporarily that all po participants are identical in ability.

In exploring these basic issues, we can features such as whether the enterprise small or large, unionized or nonunionized glomerate or single-product, local or m tional, new or old, retailing or manufac corporation or proprietorship. We pass ov ministrative problems like how to select nel; to plan production schedules; to arra



al Products on Boat

represent the marginal product (in fish) . The horizontal line at 4 fish is the mar- nits of fish) on the shore. The areas occu- s denote the gain by having fishermen on e areas marked with minus signs are the oo many people fish on the boat.

rage, keeping tax and accounting ersuade politicians on proposed egulation; and an incredible array s that occupies a businessman's

ssentials, assume that 1000 similar mmunity do nothing but fish from n always catching four fish daily no any people fish. A boat is found; fish out on the ocean. Everyone is y in how many fish are caught; hore or a boat is equally pleasant able 9–1 summarizes the details. r and sole user of the boat catches

Milk price goes up next month

Political Correspondent

HOUSE OF ASSEMBLY. — An increase in the price of milk is to be announced next month, the Minister of Agriculture, Mr Hendrik Schoeman, said yesterday.

Mr Schoeman gave no indication of the extent of the rise, but said that there would be no Government subsidy to keep it down.

It would cost R10 million to subsidize one cent on the price, and a cent on a litre currently costing 41c would be meaningless, he said.

Mr Schoeman was replying during the second reading debate on the budget to opposition suggestions that the bread price should have been kept down through subsidies.

The opposition should not simply call for subsidies, but say exactly what subsidies they wanted and how they proposed to take the money from the taxpayer, he said.

Rugby tours

Brown bread was already subsidized by 11c a loaf and white bread by four cents.

The milk price rose by 3,5c a litre in June 1978 and by a further 5c a litre in June last year. There has been speculation that the increase could be another 5c or 6c a litre this year.

○ A Dairy Board spokesman commented last night that the R65 000 Dairy Board sponsorship of the South African Rugby Board for the rugby tours of the South American Jaguars and the British Lions had "nothing to do with the coming increase in the price of milk."

The public relations officer of the South African Dairy Foundation, Mr N M Kritzinger, said the sponsorship money was drawn from the Dairy Board's R2 million advertising budget.

Now anyone can board the boat, just as he can use streets, parks, and the beach. People will crowd onto the boat as long as the *average* catch (which each gets) exceeds that on shore. In our example, eight people would be on board with four fish each to take home. But now *no one* is better off than before the boat was found. What happened to the extra 14 fish? They aren't caught, because there is too much congestion on board (instead of the catch-maximizing amount of congestion).

It is easy to see what happened if you examine the data in Table 9–1. With each person on board sharing equally in the total catch (the average of the total catch for whatever number are on board) people crowd on until the *average* catch no longer exceeds their individual catch on shore (where the marginal and average are the same: four fish). So a sixth, seventh and eighth person will go on board; the sixth, because with six people the average catch is six fish; the seventh because the average is 5.14, and with eight people, the average is four. Every person's catch (the average) is reduced as more crowd on board, but each newcomer ignores the harmful effect on other people so long as he gets more than four fish, until with eight persons on board no one else would gain by joining the crew. Allowing a sixth person on board causes a social sacrifice of two fish (his marginal product on board, two, *minus* his sac[illegible] marginal product on shore, four). A sever[illegible] margin[illegible] ficed m[illegible] the eig[illegible] of eigh[illegible] (= 2 + [illegible]

14 fish when the crew size is four (or five) people. Thus the potential gain (formerly obtained and received as profits by the owners) is entirely dissipated by overcrowding the boat.

Overcongestion can be shown graphically in Figure 9–1. The social gain is indicated by the plus-marked area, representing the "marginal products on board" in excess of the "marginal products sacrificed on shore," maximized (at 14 fish) with five people on board. With more people, the marginal product on board will not match that on shore. That potential loss is represented by the shaded area below the marginal product on shore and above the "marginal product on board." Unrestricted communal access is common for highways, beaches, sidewalks, parks, air, rivers, lakes, oceans. The reason for the overcongestion should be obvious—inappropriate property rights. With communal or public property, no one has adequate incentive to heed those overcongestion effects. They are left "external" to each person's interests, and are called "externalities." As long as everyone is entitled to, or gets, the average catch—on a share alike basis—everyone will respond to the *average*, not the total (or the marginal).

If, somehow, on board fishing could be limited to five people, all could share in the potential gain of 14 fish, formerly collected by the boat owners. So, in the absence of private-property rights, a government agent is appointed to con- [illegible] fishermen [illegible] overnment agent from renting the

C.T. 21/4/80

Milk and maize go up

3-Mlk

CONSUMERS, hammered on all sides by rising living costs and mounting inflation, can hardly be expected to view with equanimity the new maize price and the coming increase for milk to be announced next month by the minister of agriculture. Neither does anything to allay cost-of-living anxieties. Medical consumers will be hit almost immediately and there will be a ripple effect among a wide range of basic consumer goods. Coming so soon after the bread-price hike which took the gilt off the budget gingerbread, the new cost of milk, whatever it may be, and that of maize will hurt those most dependent on the basic necessities of life.

Neither can consumers be expected to cheer the recent announcement that the Dairy Board has contributed R65 000 to rugby tours of the Republic. That the finance comes from an advertising budget and has nothing to do with the milk price cannot excuse a hamhanded essay in public relations. On a broader front it is simply not good enough for the minister of agriculture, Mr Schoeman, to talk in globular terms of the impossible cost of providing government subsidies. What is required is a close examination of the cost of basic foodstuffs, the role of control boards, and the efficiency of the industries on which the public welfare depends. If the public is to pay through the nose it must be assured that there is efficiency. There is [illegible] evidence that this is the case.

STAR 23/6/80 (3 DAIRY)

The dairy industry riddle

South Africa is heading for a crisis in the dairy industry — farmers are giving up this form of agriculture and demand is going to outstrip supply.

The question plaguing economists is whether the fault lies with low prices to the producer or are farmers inefficient and over protected?

The Jacobs Commission into agriculture showed that 20 percent of farmers were producing 80 percent of total farming output.

Justifiable

It's generally accepted that agricultural products in South Africa are lower priced than in most other major countries, but then again wealth distribution is not well balanced here.

Until the government finds a way of restoring equanimity, consumers will justifiably complain they are paying too much and farmers will often be justified in their complaints of being paid too little.

The situation in the dairy industry is particularly alarming.

It costs farmers 17c to 20c to produce one litre of milk. He is paid 23c a litre (consumers pay 37c a litre for milk delivered to their doorstep), of which 3c goes into a stabilisation fund.

The average monthly number of fresh milk producers in 1974/75 was 1 843. They each produced 715 litres of milk a day on average.

By 1978/79 there were 157 more of these farmers, each producing 50 litres less milk on average.

Butter fat farmers have decreased alarmingly — by two thirds since 1973.

However, production of butter fat has only decreased by one-third, to an average of 20 litres per producer a day.

Mr J Willemse, economist for the South African Agricultural Union, said the decrease in numbers of these farmers could wholly be attributed to poor prices.

"These farmers are also normally far from the cities, in strategically important areas. They have problems transporting their goods to the main centres.

"Their strategic importance is vital, and we shouldn't allow farmers to be forced to abandon their farms in these areas," Mr Willemse said.

Even though the numbers of producers have increased in certain dairy sectors, production has still dropped and although cheese milk producers have increased by almost a third in the past five years, production has dropped from an average of 73 litres per producer daily to 67 litres.

Condemned

Similarly, condensed milk producers have increased from 11 403 five years ago, to 13 051 — but they are producing six litres less condensed milk per producer daily.

A serious situation has been averted only because consumption has slowly been dropping during the past six years.

From 1970 to 1974, it rose a steady five percent each year. But last year it dropped almost three percent. Overall, consumption has increased marginally in the past decade.

South Africans consumed 10 697 000 litres of milk in 1969/70. A decade later consumption rose to 11 656 000 litres.

A serious shortage in the cheese, condensed milk and milk powder environs is looming closer. The first people to be hit will be the lower income groups who without electricity and refrigeration, rely heavily on milk powder and condensed milk.

A shortage is sure to force prices up sharply.

An indication of how bad the situation is, is reflected in import/export figures. From 1974/75 to 1977/78 as an example, farmers earned R8 225 962 from butter exports. But the benefit of this was almost erased last year when we had to import 2 500 tons of butter.

The lack of butter fat farmers makes a shortage situation an ever present black cloud.

Exports

Calls for subsidies are short sighted. The money gleaned for subsidies is creamed off income tax — obviously the situation of the farmer and the lower income groups has to be improved.

Already butter is subsidised to the tune of R4-million and a R750 000 subsidy on skim milk powder is being used to combat nutrition deficiency diseases, in particular kwashiorkor.

The Dairy Board is trying to have the skim milk powder subsidy raised.

At present clinics have 27,7c a kilogram lopped off the price of skim milk powder.

The Dairy Board would like to assist the clinics further by paying more for the skim milk powder.

Kwashiorkor has a devastating effect on South Africa's children, "by helping the farmers, we'll help protect the future of children and the dairy industry," an agricultural spokesman said.

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tion of Joint Production 211

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Milk price to rise — probably 20%

(3) Dairy RDM 2/5/80

By GERALD REILLY
Pretoria Bureau

THE milk price will rise by about 20% at the end of the month, according to agricultural authorities in Pretoria.

The South African Agricultural Union submitted its price recommendation to the marketing council this week, based on an estimate that dairy farmers' costs had risen by between 25% and 30% during the past 12 months.

If the Cabinet Food Committee does authorise a 20% increase, the price of a litre of home-delivered milk will rise to about 42c with GST added.

The price in cafes would rise to about 51c a litre.

The spokesman for the SAAU said that official Department of Agriculture figures showed that farmers' real incomes had shrunk by 7% a year over the past five years.

This means they are absorbing part of their production costs and that their operations are becoming progressively less comfortable.

However, when the price was fixed, the demand and the ability of the consumer to pay were factors which had to be taken into account.

The Minister of Agriculture has stated it would be impossible to subsidise milk.

● The retail price of sugar will rise about 10% today, South African Sugar Association chairman, Ian Smeaton, said this week.

Margarine price up by 15%

(244) (3) Dairy

RDM 31/5/80

Pretoria Bureau

MARGARINE prices have been increased by more than 15%, according to a notice in yesterdays Government Gazette.

The price controller, Mr Duggie De Beer, said the increases were caused mainly by the steep rise in the price of oil seeds, an increase in wages and the cost of packaging materials.

The price of 250g of margarine in a tub goes up by 6,5c or 15,3%, and in other packs by 5,5c or 14,3%, bringing the maximum retail tub price for 250g up to 49c, and other packs of 250g to 44c.

The manager of the Dairy Control Board, Mr P E Leroux, said the price rise in dairy products, including milk, would be in the vicinity of 15%.

If the price on all dairy products goes up by 15%, the price of a litre of milk in a plastic pack would rise from 43c to just under 50c.

A rise in the price of butter would take the maximum price for choice grade from R2,24 a kg to R2,58. A kilogram of cheese could cost R2,85

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(3) DAIRY

4. Whenever the Board has imposed a prohibition under section 44 of the said Scheme, he may recover the amount of any levy or special levy due to him, by deducting it from any amount payable to the butter manufacturer or cheese manufacturer concerned under section 45 (5) or 47 (5) of the said Scheme.

5. These regulations shall come into operation on the date of publication thereof and repeals Government Notice R. 2003 of 29 October 1976 with effect from the same date.

4. Wanneer die Raad 'n verbod ingevolge artikel 44 van genoemde Skema opgelê het, kan hy die bedrag van enige heffing op spesiale heffing aan hom verskuldig verhaal deur dit af te trek van enige bedrag wat ingevolge artikel 45 (5) of 47 (5) van daardie Skema aan 'n botter- of kaasvervaardiger betaalbaar mag wees.

5. Hierdie regulasies tree in werking op die datum van publikasie daarvan en herroep Goewermentskennisgewing R. 2003 van 29 Oktober 1976 met ingang vanaf dieselfde datum.

No. R. 1181 9 June 1980

MAXIMUM PRICES OF MILK IN CERTAIN CONTROLLED AREAS

In terms of section 79 (b) of the Marketing Act, 1968 (Act 59 of 1968), I, Hendrik Stephanus Johan Schoeman, Minister of Agriculture and Fisheries, hereby make known that the Dairy Control Board, referred to in section 6 of the Dairy Control Scheme, published by Proclamation R. 290 of 1978, as amended, has in terms of section 34 of that Scheme, with my approval, fixed the prices set out in the Schedule hereto, in substitution of the prices published by Government Notice R. 1204 of 8 June 1979.

H. S. J. SCHOEMAN, Minister of Agriculture and Fisheries.

No. R. 1181 9 Junie 1980

MAKSIMUM PRYSE VAN MELK IN SEKERE BEHEERDE GEBIEDE

Kragtens artikel 79 (b) van die Bemarkingswet, 1968 (Wet 59 van 1968), maak ek, Hendrik Stephanus Johan Schoeman, Minister van Landbou en Visserye, hierby bekend dat die Suiwelbeheerraad, genoem in artikel 6 van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, soos gewysig, kragtens artikel 34 van daardie Skema, met my goedkeuring die pryse in die Bylae hiervan uiteengesit, vasgestel het ter vervanging van die pryse afgekondig by Goewermentskennisgewing R. 1204 van 8 Junie 1979.

H. S. J. SCHOEMAN, Minister van Landbou en Visserye.

SCHEDULE

1. In this notice, unless inconsistent with the context, any word or expression to which a meaning has been assigned in the Dairy Control Scheme, published by Proclamation R. 290 of 1978, as amended, shall have a corresponding meaning, and—

"Durban Area" means the area within a radius of 25 km from the City Hall, Durban, including Amanzimtoti, Hillcrest and Verulam;

"milk" excludes industrial milk and sterilised or UHT-pasteurised milk;

"Pietermaritzburg Area" means the area within the Borough of Pietermaritzburg

2. No person shall sell milk, high fat milk, low fat milk or skimmed milk in the controlled areas mentioned below at a price higher than a price in respect of the area and category in question, as stated hereunder:

Controlled area	Category	Milk or fresh milk			High fat milk or milk with cattle breed denomination			Low fat milk or low fat fresh milk			Skimmed milk or skimmed fresh milk		
		Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ
		c	c	c	c	c	c	c	c	c	c	c	c
(a) Pretoria.....	(i) In glass bottles and plastic sachets:												
	(aa) Cash over counter.	39,5	20,0	12,0	40,5	20,5	12,5	38,5	19,5	11,5	36,5	18,5	11,5
	(bb) Delivered on premises of purchaser for cash..	40,5	20,5	12,0	41,5	21,0	12,5	39,5	20,0	11,5	37,5	19,0	11,5
	(ii) In any container other than glass bottles and plastic sachets.....	47,0	24,0	13,0	48,0	24,5	13,5	46,0	23,5	12,5	44,0	22,5	12,5
(b) Witwatersrand	(i) In glass bottles and plastic sachets.												
	(aa) Cash over counter.	39,5	20,0	12,0	40,5	20,5	12,5	38,5	19,5	11,5	36,5	18,5	11,5
	(bb) Delivered on premises of purchaser for cash.	40,5	20,5	12,0	41,5	21,0	12,5	39,5	20,0	11,5	37,5	19,0	11,5
	(ii) In any container other than glass bottles and plastic sachets. .	47,0	24,0	13,0	48,0	24,5	13,5	46,0	23,5	12,5	44,0	22,5	12,5
(c) Western Transvaal	(i) In glass bottles and plastic sachets:												
	(aa) Cash over counter	39,5	20,0	12,0	40,5	20,5	12,5	38,5	19,5	11,5	36,5	18,5	11,5
	(bb) Delivered on premises of purchaser for cash .	40,5	20,5	12,0	41,5	21,0	12,5	39,5	20,0	11,5	37,5	19,0	11,5
	(ii) In any container other than glass bottles and plastic sachets	47,0	24,0	13,0	48,0	24,5	13,5	46,0	23,5	12,5	44,0	22,5	12,5

Controlled area	Category	Milk or fresh milk			High fat milk or milk with cattle breed denomination			Low fat milk or low fat fresh milk			Skimmed milk or skimmed fresh milk		
		Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ
		c	c	c	c	c	c	c	c	c	c	c	c
(d) Bloemfontein	(i) In glass bottles and plastic sachets.....	40,5	20,5	12,0	41,5	21,0	12,5	39,5	20,0	11,5	37,5	19,0	11,5
	(ii) In any container other than glass bottles and plastic sachets.....	46,0	24,0	13,0	47,0	24,5	13,5	45,0	23,5	12,5	43,0	22,5	12,5
(e) Cape Peninsula	(i) In glass bottles and plastic sachets: (aa) Cash over counter.....	38,0	19,5	12,0	39,0	20,0	12,5	37,0	19,0	11,5	36,5	18,0	11,5
	(bb) Delivered on premises of purchaser for cash..	39,0	20,0	12,0	40,0	20,5	12,5	38,0	19,5	11,5	37,0	18,5	11,5
	(ii) In any container other than glass bottles and plastic sachets.....	46,0	24,0	13,0	47,0	24,5	13,5	45,0	23,5	12,5	43,0	22,5	12,5

3. The prices specified hereunder are the maximum prices at which fresh milk may be sold in the "Durban Area" and "Pietermaritzburg Area" by any person to any other person:

(a) Milk sold by licence holder of restaurant, refreshment room, tea-room or general dealers business: *Maximum price*

(i) In 250 mℓ cartons or plastic containers ..... 15,0 c/container.
(ii) In 500 mℓ cartons or plastic containers ..... 23,5 c/container.
(iii) In litre cartons or plastic containers..... 45,0 c/container.
(iv) In litre sachets..... 44,0 c/litre.
(v) In 2 litre cartons or plastic containers..... 90,0 c/container.

(b) Milk delivered by a dairy to persons other than persons referred to in paragraph (c) hereof.

(i) In 500 mℓ cartons or plastic containers..... 23,5 c/container.
(ii) In litre glass bottles:
(aa) Cash..... 42,0 c/bottle.
(bb) Credit..... 42,9 c/bottle.
(cc) Coupon..... 42,0 c/bottle.
(iii) In cans in quantities of 5 litres or more at any one time..... 41,0 c/litre.

(c) Milk sold and delivered by a dairy to a licenced boarding-house keeper or licenced hotel keeper or to the holder of a licence authorising him to resell milk.

(i) In 250 mℓ cartons or plastic containers..... 45,5 c/litre.
(ii) In 500 mℓ cartons or plastic containers..... 42,0 c/litre
(iii) In litre cartons or plastic containers..... 41,2 c/litre.
(iv) In litre sachets..... 40,4 c/litre
(v) In 2 litre carton or plastic containers..... 41,2 c/litre.
(vi) In cans in quantities of 10 litres or more at any one time..... 39,1 c/litre.

4. Any person to whom the provisions of clause 2 apply shall display the prices fixed in that clause on a poster, prominently installed in or on the premises at which such milk is being sold.

5. This notice shall come into operation on 9 June 1980 and repeals Government Notice R. 1204 of 8 June 1979 with effect from the same date.

BYLAE

1. In hierdie kennisgewing, tensy uit die samehang anders blyk, het 'n woord of uitdrukking waaraan in die Suiwelbeheerskema afgekondig by Proklamasie R. 290 van 1978, soos gewysig, 'n betekenis geheg is 'n ooreenstemmende betekenis en beteken —

"Durbangebied" die gebied binne 'n straal van 25 km van die Durbanse stadsaal af, wat ook Amanzimtoti, Hillcrest en Verulam insluit;

"melk" nie ook nywerheidsmelk en gesteriliseerde- of UHT-gepasteuriseerde melk nie;

"Pietermaritzburggebied" die gebied wat binne die munisipale gebied van Pietermaritzburg val.

2. Niemand mag melk, hoevetmelk, laevetmelk of afgeroomde melk in die ondergenoemde beheerde gebiede verkoop teen 'n hoër prys nie as die prys ten opsigte van die betrokke gebied en kategorie, soos hieronder vermeld:

Beheerde gebied	Kategorie	Melk of varsmelk			Hoëvetmelk of melk met beesrasbenaming			Laevetmelk of laevetvarsmelk			Afgeroomde melk of afgeroomde varsmelk		
		Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ	Per ℓ	Per 500 mℓ	Per 250 mℓ
		c	c	c	c	c	c	c	c	c	c	c	c
(a) Pretoria.....	(i) In glasbottels en plasticksakkies: (aa) Kontant oor toonbank.....	39,5	20,0	12,0	40,5	20,5	12,5	38,5	19,5	11,5	36,5	18,5	11,5
	(bb) Afgelewer by perseel van koper vir kontant.....	40,5	20,5	12,0	41,5	21,0	12,5	39,5	20,0	11,5	37,5	19,0	11,5
	(ii) In houers anders as glasbottels en plasticksakkies.....	47,0	24,0	13,0	48,0	24,5	13,5	46,0	23,5	12,5	44,0	22,5	12,5

CONTINUED

3/6/80 ARGUS

Wide concern at dairy price rise

(3) milk

PRETORIA. — Rising food prices are a source of major concern and deserve the urgent attention of top Government leaders.

The public relations officer for the Consumer Council, Mr Mike Hawkins, said price increases which come into effect on dairy goods next week were a 'tremendous cause for concern.'

If surpluses now arose because of reduced demand for products, the Dairy Board would have to bear full responsibility, he said.

Mr Hawkins said the increases were expected. They were a direct result of increases in the price of maize and other production costs earlier this year.

EFFECT

'The full effect of the maize price increase has not yet been felt,' he warned. 'Food manufacturers have still to feel the impact.'

Milk, butter and cheese will go up in price by 15 percent on Monday.

The chairman of the Dairy Board, Mr J J M J van Vuuren, announced in Cape Town that the maximum retail price of milk would increase by six cents a litre and delivered milk by five cents a litre except in the Peninsula where it would rise by 4,5 cents a litre.

INCREASED

A 500 g pack of butter would cost 17 cents more while cheddar and Gouda cheese would go up by 38 cents a kilogram.

The real cost increases for the producer and secondary processors of dairy products had actually increased by between 20 and 22 percent. After consultations with the Minister of Agriculture, however, it had been decided not to pass on the full rise in production costs. — Argus Correspondent, Sapa.

(3) MILK

REPUBLIC OF SOUTH AFRICA

GOVERNMENT GAZETTE

STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

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PROCLAMATION

by the State President of the Republic of South Africa

No. R. 96, 1980

DAIRY CONTROL SCHEME.—AMENDMENT

Whereas the Minister of Agriculture and Fisheries has, in terms of section 9 (2) (c), read with section 15 (3) of the Marketing Act, 1968 (Act 59 of 1968), accepted the proposed amendment as set out in the Schedule hereto, to the Dairy Control Scheme published by Proclamation R. 290 of 1978, as amended, and has, under section 12 (1) (b) of the said Act, recommended the approval of the proposed amendment;

Now, therefore, under the powers vested in me by section 14 (1) (a) read with section 15 (3) of the said Act, I hereby declare that the said amendment shall come into operation on the date of publication hereof.

Given under my Hand and the Seal of the Republic of South Africa at Warmbaths on this Sixteenth day of May, One thousand Nine hundred and Eighty.

M. VILJOEN, State President.

By Order of the State President-in-Council:

H. S. J. SCHOEMAN.

SCHEDULE

The Dairy Control Scheme published by Proclamation R. 290 of 1978, as amended, is hereby further amended—

(a) by the substitution for section 21 of the following section:

"21. (1) The Board may, subject to the provisions of section 43 of the Act, with the approval of the Minister and on such basis as the Board may determine, impose a levy on a dairy product or on a dairy product of a particular class, grade or standard of quality which—

(a) in the case of fresh milk—

(i) is sold by producers or producer-distributors through the Board;

(ii) is sold by producers or producer-distributors otherwise than through the Board;

PROKLAMASIE

van die Staatspresident van die Republiek van Suid-Afrika

No. R. 96, 1980

SUIWELBEHEERSKEMA.—WYSIGING

Nademaal die Minister van Landbou en Visserye kragtens artikel 9 (2) (c), saamgelees met artikel 15 (3) van die Bemarkingswet, 1968 (Wet 59 van 1968), die voorgestelde wysiging in die Bylae hiervan uiteengesit, van die Suiwelbeheerskema, afgekondig by Proklamasie R. 290 van 1978, soos gewysig, aangeneem het, en kragtens artikel 12 (1) (b) van genoemde Wet goedkeuring van die voorgestelde wysiging aanbeveel het;

So is dit dat ek, kragtens die bevoegdheid my verleen by artikel 14 (1) (a), gelees met genoemde artikel 15 (3) van genoemde Wet, hierby verklaar dat genoemde wysiging op die datum van publikasie hiervan in werking tree.

Gegee onder my Hand en die Seël van die Republiek van Suid-Afrika te Warmbad, op hede die Sestiende dag van Mei Eenduisend Negehonderd-en-tagtig.

M. VILJOEN, Staatspresident.

Op las van die Staatspresident-in-rade:

H. S. J. SCHOEMAN.

BYLAE

Die Suiwelbeheerskema afgekondig by Proklamasie R. 290 van 1978, soos gewysig, word hierby verder gewysig—

(a) deur artikel 21 deur die volgende artikel te vervang:

"21. (1) Die Raad kan, behoudens die bepalings van artikel 43 van die Wet, met die goedkeuring van die Minister en op 'n grondslag wat die Raad bepaal, 'n heffing oplê op 'n suiwelproduk of op 'n suiwelproduk van 'n bepaalde klas, graad of kwaliteitstandaard wat—

(a) in die geval van varsmelk—

(i) deur produsente of produsent-distribueerders deur bemiddeling van die Raad verkoop word;

(ii) deur produsente of produsent-distribueerders anders as deur bemiddeling van die Raad verkoop word;

(3) dairy

MILK PRODUCTION FM 8/8/80

Rationing rumours

Doorstep level rumours that milk might soon have to be rationed in Natal and the Transvaal are premature. But it is true, however, that drought and inflation are causing concern at all levels in the industry, from the cow to the carton.

The drought is most severe in Natal and the Eastern Cape, where most of the farmers who keep dairy cows have them as their main line of business. They cannot afford to cut back production, especially during the "quota earning" months of early winter, which are used by the Dairy Board to establish how many litres a day each farmer may sell at the full price during the subsequent summer.

Therefore, instead of selling cows to make their home-grown feed stocks last longer, they are forced to buy-in hay and grain-based concentrates. Thus, milk deliveries are maintained at the expense of farm balance sheets. For a while, indeed, there is even a tendency for many of these farmers to expand production.

As long as credit is available to purchase more cows and extra concentrates, the family dairy farmer will struggle to maintain his income from less profitable litres by producing more of them. This helps to explain why the volume of milk received by Natal dairies was actually higher in June this year than it was last. But it leaves dairymen apprehensive about the supply position later on.

Now that the quota earning period is over, there is a strong temptation for overstretched farmers to change tack and conserve what roughages they still have by culling low producing cows. A Friesland yielding 22ℓ a day can justify a concentrate based "complete feed" because she brings in R35 a week. But her less efficient sister, giving only 10ℓ, will earn her keep only if she can forage for it in a field or be fed on cheap conserved roughages like silage or hay.

But even hay is no longer cheap. Largely as a result of the drought, the price of eragrostis hay has doubled in the last 12 months to approximately R120 t. Meanwhile, good veld hay, which would have been difficult to sell at 80c a bale a year ago, is currently fetching R2. There are about 40 to 50 bales in a ton. Farmers paying those prices and running up debts with their feed companies, will feel the financial pinch only next summer when they want to plant their forage crops for the ensuing winter. Cash generally flows inwards on a dairy farm from May to October (as winter feed is turned to milk) and out again from November until April (as fodder banks are replenished.)

Faced with the prospect of a huge increase in their overdrafts before next autumn, a lot of the smaller and less efficient dairy farmers are likely to call it a day — or perhaps be forced to by their bank managers. The favourite time for selling up in is March or April. As the summer grazing comes to an end and quota-hungry competitors bid for the down-calving heifers and freshly calved cows, they need to establish a record of high winter production. At this year's dispersal sales, Frieslands in milk were fetching anything between R500 and R900 each. Next year they could be higher.

A side effect of the drought has been to upset fertility and breeding patterns. So a lot of cows and heifers that ought to be calving next autumn are likely to come into milk too late to meet the March to June deadline. Early spring rain could still save the day in Natal and the Eastern Cape, where planted ryegrass and clover pastures would be quick to respond.

So too could the situation in the Transvaal. There the position is different but in many ways more critical. A higher percentage of the Witwatersrand's fresh milk comes from mixed farms and large intensive units where the cows are fed a lot of concentrates. After three years, during which the price fixers have been more sympathetic to grain producers than they have to dairymen, there is a real risk of a fresh milk shortage because too many dairy farmers have already given up.

The Dairy Board can avert disaster in the short term by diverting industrial milk (normally used for cheese, condensed milk and so on) to long-life milk plants, and by forcing yoghurt makers to use reconstituted powder milk. This would release the fresh milk they use at the moment for liquid consumption.

But that is not a long-term solution. When prices have to be fixed next winter, the Transvaal dairy farmers will be looking for a percentage increase greater than that awarded to the maize producers on whom they rely for feed.

Milk rise unlikely before June

Consumer Reporter

MILK is unlikely to go up in price again before June, in spite of statements by farmers that an increase is necessary, says the chairman of the Cape Dairymen's Association, Mr M Henning.

But he expects a rise next June when the price of maize usually goes up.

Mr Henning said the results of a questionnaire issued by the Housewives' League of South Africa, which disclosed that a quarter of the respondents had cut down on fresh milk since the last two price rises, were misleading.

POWDERED MILK

According to the results of the survey, published in the current issue of the league's newsletter, many people have switched to buying powdered milk for economy.

Mr Henning said figures issued by the Dairy Board showed that fresh milk consumption in the Cape had increased by 2,3 percent since last year.

'In other centres milk consumption is also up. The increase varies from 1,8 percent to 3 percent,' he said.

'And the results of our surveys show that powdered milk is bought mainly for convenience by people who cannot take advantage of home deliveries — such as couples who are both out at work and have no servant — and who do not want to pay a higher price for a non-returnable bottle from a corner cafe.

'In view of this the results of the Housewives' League questionnaire are surprising. I can only think it is not based on a true cross-sample of the population.'

Mr Henning said the dairies were not in favour of a price increase at the present time. 'But the farmers are entitled to a reasonable profit,' he went on.

'We hope it will not be necessary for them to ask for an increase in price until the next increase in the price of maize.'

Mr Henning said that, although in theory an increase could be avoided if fresh milk consumption went up to such an extent that farmers could sell more, he doubted whether this could work in practice.

Milk up soon but potatoes cheaper

NM

BLOEMFONTEIN—South African consumers could expect a 'drastic increase' in the price of fresh milk soon, Dr Louis Theron, chairman of the milk committee of the South African Agricultural Union, said here yesterday.

Dr Theron said farmers were slaughtering dairy cattle and getting up to R800 a head which was much more lucrative than dairy farming, Sapa reported.

He said feed for dairy cows was so expensive that in some cases the farmer made only 1 c profit on a litre of fresh milk.

The last increase in the price of milk was in June when consumers were asked to fork out an extra 5 c a litre.

'The next increase will have to be drastic to lure farmers back to the dairy industry,' Dr Theron said.

On the brighter side of the consumer's life, it was discovered yesterday that cheaper potatoes were being sold throughout the country following an over-supply on all markets.

Current prices were the lowest this year.

A good season for growers in Northern Transvaal, where this year's crop is estimated at 6 000 000 pockets compared with last year's 4 800 000, was the reason for the lower prices, the manager of the board, Mr D van Rensburg, said yesterday.

'Farmers cannot hold back supplies any longer as the heat is forcing them to lift their potatoes as soon as they are ready,' he said.

The average price for grade 1 medium potatoes had dropped from R3,96 a 15 kg pocket in October to R2,07 this week as a result of more than 100 percent increase in supply — from 61 000 pockets on October 11 to 130 000 on November 17 at the Johannesburg market.

The biggest price plunge had been experienced in Cape Town with the average price hav in October to R1,90 this we

Pretoria's prices for the about R3,90 to R2,20 and D

Commenting on the lowe is not possible to say how we expect them to rise in th the Transvaal crop and 60 p the Clanwilliam area have

Milk industry fights 3-year stagnation

4/2/80 STAR

3(dairy)

Hannes Ferguson

Farming

Meet another business giant, the South African Dairy Industry, Incorporated.

Stagnation befell the dairy scene when butter pricing caused a publicity storm three years ago.

Since then, events have moved quietly but significantly.

The divided control of the dairy industry by a Dairy Board and Milk Board was put to an end. After careful preparation by the former Minister of Agriculture, Mr Hendrik Schoeman, the two bodies were merged, followed by steps to also merge the relevant committees of the Transvaal and South African Agricultural Unions.

In the face of well-planned, long term campaigning against dairy products by margarine and other interests, ranks had to be closed.

- The image of the dairy industry and its products in the eye of the consumer, had to be urgently improved.
- More liaison between the producer, manufacturer, fresh milk distributor, consumer and the new, unified Dairy Control Board had to be provided. All important decisions affecting the industry were to be shared.
- To make this effective, all bodies involved in joint decision-making were to have the benefit of efficient management services.

Cost accounting services, market research and other economic services, co-ordinated secretarial services for smaller representative bodies in the industry and above all co-ordinated public relations work, had to be provided.

Progress

This would in turn lead to overall planning and integrated management for the whole industry.

In the end, the SA Agricultural Union, the Control Board under its new manager, Mr P E Roux, and the Private and Co-operative Manufacturer Associations set up the Dairy Foundation, registered in July 1979.

Characteristically, after more than a year of consistent progress, the Foundation and its sponsors did not ruminate on their achievements. Moving in all directions, they are full of new plans, new projects and the use of new-found strength.

Cost accounting aid to producers and manufacturers alike aims to bring about a general system of standard costing. Doing away with the old approach by the Department of Agriculture to make periodic farm costing surveys which are outdated before they are published, the Foundation is building on the "production model" pioneered by Dr Louis Theron four years ago.

Efficiency standards for inter-farm and inter-factory comparison of financial results will be important tools for progress. They will also provide solid facts for price proposals to the national marketing council and the Minister.

Market research, the basis for industry-wide planning, is another main concern of the Dairy Foundation.

The industry must know the structure and pattern of its market, otherwise sales figure have no meaning.

Trends in respect of primary production, manufacturing and consumption must be identified. Supply and demand, market shifts and growth should be identified in time.

In the public relations field, useful co-ordination and a much better communication with the media have already been achieved.

Six regional committees, adequately funded, direct local efforts to improve the image of dairy products. Overall advertising is done by the Dairy Control Board.

Recent market surveys have revealed that the milk and dairy products market still has a large growth potential.

Meat prices are soaring. Not everything that goes up will come down, and meat is sure to go into orbit. Milk and cheese may have to substitute for meat as sources of protein.

The milk market among blacks has the most obvious growth potential, especially in Johannesburg.

Organised efforts have already been made to increase black milk consumption.

Promising results are expected from the electrification of Soweto, where electric fridges will increase the consumption of perishable products. House to house deliveries will then be practical.

Prohibit

Negotiations with various Community Councils are in progress. The trend of thought is to establish joint milk distribution companies which are in time to pass into black hands.

On the road the dairy industry has now taken, other control boards may well follow.

By concentrating on marketing and less on control, they may lose much of their bureaucratic ways.

Where the marketing act, as it stands today, prohibits control boards from acting as business organisations, the obvious solution would be to create a wider foundation on which to function together with the private sector, creating a community of interests with the whole industry which controls.

Under totally different circumstances, the maize industry may move into the same direction as the dairy industry with the creation by the SA Maize Producers' Organisation of its "brain trust" for information and planning.

One day we might even wake up to find the Meat Board functioning as a part of the meat industry, incorporated. Wouldn't that be a day to roll out the pork barrel?

Three years ago the Dairy Industry put up the price of butter and became embroiled in a public storm. The result was stagnation but during the period a number of important structural changes have taken place.

AGRICULTURE - OTHERS.

MILK + DAIRY PRODUCTS.

13/1/81 — 20/11/81

FINE ART & ARCHITECTURE

ARCHITECTURE

Cape Provincial Institute
of Architects' Prize
For the best student in :-

Sixth Year

P F Dunckley

H[illegible] l Prize

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No boost yet for skim milk subsidy

By Charlene Bellrame

It seems unlikely that the Government will withdraw the R4-million butter subsidy and use it to boost the R750 000 kwashiorkor subsidy on skim milk.

The butter subsidy is being slowly phased out.

Although the Dairy Board has not suggested the cut in the kwashiorkor subsidy.

A spokesman said the subsidy had been 37,5c a kilogram to clinics treating children with "protein energy malnutrition.

"As the price of milk products has risen, the subsidy has been cut and in spite of fears of increasing malnutrition, the subsidy is down to 20,75c a kilogram.

The subsidy, distributed to local authorities by the Department of Health, is for children up to the age of five years old suffering from kwashiorkor.

CONCERN

Although about 100 000 children benefited from last year's scheme in 1979, authorities have expressed concern that homeland areas — often the worst districts for malnutrition — are not included in the scheme.

A spokesman for the Department of Health said kwashiorkor was not only a problem in rural areas but in cities as well, where mothers went back to work soon after birth of their babies and could not breastfeed them.

It was also not necessarily a symptom of poverty, but of ignorance about infant feeding.

No change of tempo in price rise tango

STAR 17.1.81

3 (dairy)

By Charlene Beltramo

Consumer Spotlight

The depressing part of consumerism is that you often know what's coming as sure as does a driver hurtling toward a wall after his brakes have failed.

So strap in, sit back, let's take the brakes off and roll!

These are some of the things consumers can expect — and hopefully take preventive action against — this year.

At the end of next week the milk committee of the SA Agricultural Union meets to discuss the first of two proposed milk price increases this year.

It will probably signal the highest milk price increases in years. Farmers are hoping for at least 30 percent.

Others have threatened that if the increases don't match up, they will follow former Agriculture Minister Hendrik Schoeman's almost symbolic example and sell their dairy herds.

Alternatively, the cows will be led to the abattoirs instead of the milking sheds.

The end of this month brings with it dog and car licence fee demands.

Randburg residents in particular must remember to display the metal registration discs on their pets' collars.

Universities open again in February and booksellers have suggested that students attend lectures first and then buy only the most vital books for their courses.

Oil prices — although apparently not petrol — are set to rise at the end of next month.

Wise consumers will ensure their vehicles are properly tuned and will brush up on fuel conservation measures to cut down on those bills.

Consider using recycled oil — the Automobile Association uses nothing else in its cars.

It is much cheaper than new lubricants.

In December, poultry farmers complained they were culling laying stocks to meet the increased demand for chicken, which was selling at slashed prices.

Cynical industry watchers predict that February will probably signal the first of the New Year's egg price increases.

March is when maize prices will probably go up. Stock up beforehand.

The bread price, it is confidently predicted by agricultural officials among others, will probably rise at least 2,5c a loaf in the Budget.

In April the price of paraffin usually goes up — or down as it did last year.

An increase in steel prices is usually announced at this time, which inevitably leads to increases in building costs and home appliances by June.

The coal price usually goes up in May and by June reports are already being written about coal and anthracite shortages — so place your orders now . . .

The meat floor price usually goes up in June and although consumers will probably be told meat prices won't rise as a result, you can bet your pork chop they will have started moving up by July.

Price of milk still in balance

(B-Dairy) 22/1/81

Mercury Reporter

MILK prices in Natal will not necessarily follow proposed increases in the Transvaal, according to the secretary of the Natal Fresh Milk Producers' Union, Mr A Muir.

Mr Muir said last night the plight of the dairy industry in Natal still had to be examined.

'Delegates from the South African Fresh Milk Producers' Union are meeting in Pretoria today to discuss all matters relating to the dairy industry. Recommendations will then be submitted to the South African Agricultural Union,' he said.

Mr Muir said any decision taken by the SAAU would go before the Dairy Control Board and from there to the Marketing Board and finally the Minister of Agriculture would decide on whether there would be a blanket increase or whether each province would have its own increase.

Support for the proposed price hike has come from an unexpected quarter.

Mrs Marcia Watkins, chairman of the Natal branch of the Housewives' League, said last night consumers showed little discretion when buying.

'When you consider that consumers of all races readily pay 51 c for a litre of totally non-nutritious fizzy drink, then to pay a few cents more for a litre of wholesome milk, is surely not asking too much?'

Last year the chairman of the Fresh Milk Producers' Association, Mr Denis Thompson, warned that there would be a price increase in April this year instead of June as usual. Speculation is now rife that a large increase will come sooner.

The warning was echoed by Dr Louis Theron, chairman of the milk committee of the South African Agricultural Union.

He said that because of the high beef prices farmers were slaughtering dairy cattle. Dr Theron said that some dairy farmers were earning as little as 1c a litre on fresh milk.

The last price increase was last June when consumers had to pay an extra 5 c a litre.

3-milk

24/1/81

Price of milk may go up by 8c a litre in April

By GERALD REILLY
Pretoria Bureau

A BIG increase in the price of milk — possibly as high as 8c a litre — is considered certain towards the end of April.

Yesterday the fresh milk committee of the South African Agricultural Union met in Pretoria to discuss price recommendations.

These will be forwarded to the Dairy Board, which will submit recommendations to the Marketing Council.

The Cabinet is expected to approve of a price rise during March.

Yesterday the chairman of the fresh milk committee, Dr Louis Theron, declined to say what the recommendation was. However, other authorities believed a reasonable price rise would be between six and eight cents a litre

Dr Theron did say, however, that by April, milk farmers' production costs would have increased by 22% in the previous 12 months.

This included an expected rise of 15% in milk transport charges.

Yesterday the Dairy Board said a shortage of fresh milk had developed mainly because of drought conditions in the major producing areas. Milk production was shrinking because of lack of profitability.

Farmers claim the public and Press have become 'too emotional' about the milk price.

Their view is that the milk price rise should be compared with the extent of price rises in other sectors of the farming industry, as well as in the manufacturing and retail industries.

ARCHITECTURE

(Continued)

Mrs. Thornton White Prize
For the best work in first year.

Miss M F J Sandilands

S A Brick Association Prize
For the student who has made best use of bricks in his design work.

J G Kirkman

R Stubbs Award
For the best project in structure and design.

M R I Ness

National Development Fund
for the Building Industry
Book Prizes
For the best student in each year of study of the degree course.

First Year

J A L Chapman

Second Year

C S Jones

Third Year

B de Jong

Fourth Year

R W Kohne

George Strachan Prize
For the best final year student of the degree course.

R W Kohne

LTA Prize
For the best student obtainin a first class pass for a dissertation in Building Management.

S F Richardson

Anger at predicted milk price increase

RDM 26/1/81 (3 milk)

Staff Reporter

A MILK price rise of 8c a litre, predicted for April, has met with a stormy response from consumer organisations

Mr Louis Theron, chairman of the fresh milk committee of the South African Agricultural Union, has declined to say what recommendations were made at a meeting of the committee in Pretoria on Friday, but authorities suggested a reasonable price rise would be between 6c and 8c a litre.

Mrs Joy Hurwitz, president of the Housewives League, said her organisation would definitely object to such a high increase.

"Milk is a basic protein food and with the high meat, fish and chicken prices and the egg shortage, every effort must be made to keep the price reasonable," she said.

She condemned the slaughtering of dairy stock by farmers to take advantage of the meat prices, and said this would "inevitably lead to soaring costs for the consumer".

"It is a deplorable situation — dairy farmers owe some allegiance to consumers who are already having to pay ridiculously high prices."

Mrs Hurwitz said any increase in the price of a basic food should be carefully investigated, with consideration for the effect it could have on the health of the consumer.

Mr Eugene Roelofse, consumer ombudsman for the South African Council of Churches, said if such an increase were to take place it could be blamed on the Government's attempts to maintain the support of farmers for the forthcoming election.

"We have a Government of farmers who are reliant on the votes of farmers — and they will always put their needs first," he said.

"I have yet to see one act by the Government which demonstrates concern for the consumer."

Mrs Betty Hirzel, chairman of the Consumer Union, said "I am going to take a very strong line at the discussion with the Dairy Board, but I doubt if there is anything we can do — this price rise is inevitable."

Mrs Sheena Duncan of Black Sash said such a price rise would be appalling, as the prices of most foodstuffs were already beyond the means of the poor.

She said that with the rapid rise in food prices the poor experienced inflation to a greater degree because a bigger proportion of their incomes was spent on food.

• The milk price rose 15% on June 9 last year to 49c a litre for milk sold in cafes on the Witwatersrand. The predicted increase would raise the price to 57c a litre

FINE ART & ARCHITECTURE

ARCHITECTURE

Cape Provincial Institute of Architects' Prize
For the best student in :-

Sixth Year

P F Dunckley

Helen Gardner Travel Prize
For a student who has satisfactorily completed 1st, 2nd and 3rd major courses.

P A Rapppoport

Molly Gohl Memorial Prize
For the best woman student in third year.

Miss C Tredgold

David Haddon Prize
For the best student of Architecture (or Quantity Surveying) in the subject of Professional Practice.

D H Pryce Lewis

Now dairy goods go into price spiral

3 Dairy 21/2/81

The price of dairy products could rise by up to 20 percent soon if a request for a new price increase is approved.

Sapa quotes the chairman of the Western Cape Dairy Producers Union, Mr J Nel, as saying yesterday that such an increase was essential to keep the dairy industry viable. The requested increase was not excessive as dairy farmers were faced with a 20 percent increase in production costs.

A country-wide shortage of dairy products was threatening and farmers should be encouraged to increase production. If a worthwhile increase in dairy prices was not approved, many farmers would turn to meat production.

Official figures released in Pretoria yesterday show that food prices on the Witwatersrand have rocketed by more than 32 percent in the past year.

The biggest single countrywide shock was the meat price, which rose by 50,9 percent in January compared with January last year, according to the Consumer Price Index.

The Department of Statistics has reported a 28,4 percent hike in food prices throughout the country during the past 12 months.

Above average

The Witwatersrand recorded an above-average figure of 32,46 percent; Pretoria registered 20 percent.

The lower income groups once again suffered most by having to pay 19,7 percent more for food in January this year, compared with January last year.

The middle income group saw an increase of 16,4 percent, while the higher income groups now have to pay 13,8 percent more for food

In the past 12 months there has been a 17,3 percent increase in all items, including housing, on the Witwatersrand. The figure for Pretoria is 13,45 percent.

At the beginning of this month beer prices were increased by an average of 9,5 percent. The price of spirits went up by about 10 percent recently.

On top of this, a 10 percent wine increase has been approved and will come into affect within the next two months.

⊙ It was reported from Cape Town yesterday that South Africa is to import 4,5-million cases of canned pilchards this year from Chile and Peru.

Blacks, whites slam Indian area

(3 dairy)

RDM 18/3/81

By JOUBERT MALHERBE
Pretoria Bureau

BLACKS and whites in Pretoria have criticised the Government's decision to proclaim the dairy farm area west of Pretoria an Indian Group Area.

Only the Laudium Management Committee supported Friday's announcement in the Government Gazette, while spokesmen for the Pretoria City Council, the Atteridgeville management committee and the Administration Board for the central Transvaal said they were opposed to the move.

Yesterday Mr U Ahmed, the vice-chairman of the Laudium management committee, said he welcomed the proclamation, which would help to ease the housing shortage.

"About 1 500 families are currently on the housing waiting list. The proclamation of Claudius as an Indian Group Area as well as town development at the dairy farms will greatly contribute to solving the housing crisis," he said.

It is envisaged that the township will provide economic housing, while provision will also be made for stands on which owners could build their own houses.

Concerning the antagonism expressed by residents in Atteridgeville, Mr Ahmed said blacks had to realise that they and the Indian community were at the mercy of the Government.

Mr S Rammala, secretary of the Atteridgeville Community Council said yesterday that his community was "very unhappy" about the proclamation.

They had requested an interview with Dr P Koornhof, Minister of Co-operation and Development, about the matter but had received no reply from his office.

"We will be sandwiched between two Indian Group Areas. We also believe that because indian traders are more advanced than black traders, it could mean the death knell for commercial development in Atteridgeville."

The community council had circulated a petition to oppose the proclamation and about 5 000 residents had already signed it, Mr Rammala said.

Mr Phillip Nel, chairman of the management committe of the Pretoria City Council, said that they were forced to accept the decision. They objected to the proclamation because the dairy farm area was the logical place for the proclamation of another white group area .

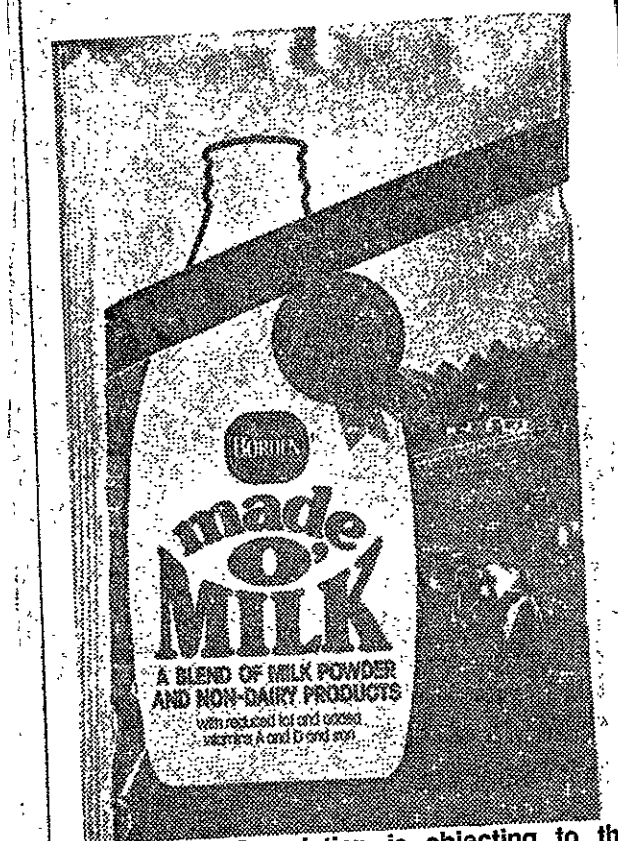
(3-Dairy) 22/3/81

S. Tribune 22/3/81

ADVERTS AND PACKAGING ARE MISLEADING, SAYS DAIRY FOUNDATION

Milk powder row on the boil

(186) (3 dairy)



The Dairy Foundation is objecting to the milk bottle depicted on this packet

By TICKS CHETTY

THE South African dairy industry has accused some milk-substitute manufacturers of misleading the public by giving the impression their products are as good as fresh milk.

The Dairy Foundation, which represents dairies throughout the country, charged that some products are packaged and advertised as if they rave the same nutritional value and chemical composition as fresh milk.

The foundation also said exhaustive tests have shown that some milk-substitute products probably contain a percentage of coconut-oil.

Coconut-oil, according to the foundation, contains a high percentage of fatty acids, which are harmful, especially to those who have heart ailments.

The foundation backed its claims with the conclusions of the nutrition division of the National Research Institute for Nutritional Diseases of the Medical Research Council — that non-dairy products are potentially a greater threat to coronary heart disease sufferers than dairy products are:-

While most milk-substitute manufacturers refused to comment on the claims, those who did denied they misled the public.

One manufacturer said they did not advertise their product in question and did not say it was as good as fresh milk. Another said their product "contained the necessary goodness of fresh milk".

Marius Kritzinger, managing director of the Dairy Foundation, said: "We are not against people manufacturing these products. What we are concerned about is the manner in which some of these manufacturers advertise their products."

"We have appealed to the Department of Health, the Newspaper Press Union and the Advertising Standards Authority to protect the consumer against misrepresentation

Mr Kritzinger claimed that tests carried out on such products as Made O'Milk, Kremel and Carnation Blend had indicated they probably contained coconut-oil.

He said there were also other products on the market which appeared to have a coconut-oil content.

The manufacturers of Made O'Milk denied this claim. The Marketers of Kremel refused to comment. John Vincent, of Carnation in Durban, did not respond to three messages left for him to contact the **Sunday Tribune** to comment on the claim.

Mr Kritzinger also accused Borden Foods in the Transvaal — the marketers of Made O'Milk — of misleading the public by depicting a milk bottle on the Made O' Milk packet.

"Milk is advertised as a product. And by having a drawing of a milk bottle on the packet these people could give consumers the impression that it's equivalent to fresh milk," he said.

It was pointed out to us this week that while the Made O' Milk packet does have a large drawing of a milk bottle on it, it is clearly stated on the packet the product is a blend of milk powder and non-dairy products.

Answering the claims by the Dairy Foundation, Borden Foods said in a statement that like milk, Made O' Milk, contained saturated fats, since it was made from skimmed milk and non-dairy products.

"However, it has only half the saturated fat content of full cream milk. This is possible because Made O' Milk contains more than 70 percent skimmed milk powder. It retains more than 70 percent of the protein of fresh milk," the statement read.

Jan Kruger, of Kremel, said they did not advertise their product.

He also said the packet containing Kremel did not indicate that it was equivalent to fresh milk.

Carnation Blend, which is described as a blend of skimmed milk powder and non-dairy products, is marketed in a packet without drawings on it.

These and other products have come in for criticism from the Dairy Foundation

Dairy farms issue: CC to meet Government

By MONK NKOMO

A MEETING between the Atteridgeville/Saulsville Community Council and the Government is in the pipeline following the Government's final declaration to issue the "dairy farms" to Indians.

The notification appeared in the Government Gazette last Friday.

Mr Joe Tshabalala, chairman of the Atteridgeville/Saulsville Community Council, told SOWETAN that he was most disturbed at the decision.

"We have tried to come to a logical conclusion with the Government. But our pleas were ignored," he said.

He said that a special council meeting would be held on Friday to discuss the issue.

"I have never felt so awfully bad in my life before," Mr Tshabalala said.

The Community Council had on numerous occasions, protested against the allocation of the "dairy farms" to the Indians. According to Mr Tshabalala, a meeting with the Laudium management committee would be held "as soon as possible and before it could meet with the Cabinet."

3 (dairy farms)

SOWETAN 15/3/85

NEW 'MILK' BOSSES TURN SOUR ON BOARD

3dairy

S. Tribune 29/3/81

By Ticks Chetty

CONTROLLERS of the multi-million rand milk-substitute manufacturing industry came out fighting this week against the Dairy Control Board and the Dairy Foundation in defence of their products.

And as the dispute over claims that some milk-substitute manufacturers are misleading the public by giving the impression their products are as good as fresh milk hotted up, the board and the foundation were accused of inefficiency and of lacking in marketing expertise.

Milk-substitute manufacturers said their products probably received adverse publicity because they were cheaper than those marketed by the boards.

Mr Bill Stewart and Mr John Vincent, directors of the American-based Carnation Company said: "It is painfully obvious that certain products are being highlighted by the board and the foundation because of the threat they pose to the products marketed by their organisation."

The row over milk-substitute products erupted last week when the Dairy Foundation charged that some milk-substitute products are packaged and advertised as if they have the same nutritional value and chemical composition as fresh milk.

The foundation said tests had shown that some milk-substitute products probably contain a percentage of coconut-oil, which is harmful, especially to those who have heart ailments.

Explaining why their products were being criticised, the Carnation Company men said: "When yellow margarine was first introduced to South Africa, the dairy industry controlled the amount of margarine the manufacturers could market for fear of hitting the butter market. And at that stage a number of adverse articles appeared on the health aspect of margarine as against butter.

"The next problem was the introduction of non-dairy creamers and the continual unfavourable articles about these products by the dairy industry.

"And now we have the all-out war against milk-substitute products that are appearing on the market now."

Mr Stewart and Mr Vincent said it was important to note that all these products had been accepted and passed by health authorities in South Africa and in other countries.

The Carnation men denied they used coconut oil in their milk-substitute products.

Mr Eddie Roux, manager of the board, bluntly told the milk-substitute manufacturers that if they persisted in giving the public the impression their products were as good as fresh milk "we will fight you with everything we have."

"Refrain from using dairy terms such as cream, creamer, dairy, milk as well as milk bottles, cream or milk cans in the packaging and advertising of your products and the dairy industry and the control board will let you be on your merry way," Mr Roux said.

Dairy men say rise in milk price is essential

Own Correspondent

EAST LONDON: Unless the government takes drastic measures to help dairy farmers and increases the price of milk, rationing could become a reality in East London and the surrounding area.

The chief executive of Model Dairies, Mr M Gatcke, said this earlier this week shortly before leaving for Pretoria to attend a national meeting of the South African Agricultural Union Fresh Milk Commodity Committee.

The committee intends asking for an increase of about 20 percent in the milk price.

Mr Gatcke added that this area was not a controlled one, so the milk price could be increased without government permission. He said Model Dairies had not done this because they wanted to "keep in line with the rest of the country's dairy producers and distributors".

He said the "critical" condition of the dairy economy had caused the recent increase in the price of milk by-products such as yoghurt, buttermilk, maas and cottage cheese.

"These by-products form a small percentage of our total sales, but we thought it would relieve the pressure on the dairy farmers and ourselves if we increased by-products in the interim and not milk. "It was an emergency measure, to keep dairy farmers and ourselves in business."

Mr Gatcke said the govenment was meant to announce the annual milk increase on April 1, but this had not been done, so the committee was meeting to make demands.

At present Model Dairies imports between 25 and 30 percent of its milk from Port Elizabeth and Queenstown. Mr Gatcke said the whole country, except for the Alexandria belt and Port Elizabeth, was in bad way. United Dairies was supplying not only East London, but also cities further north.

The drop in the number of dairy farmers because of the recent drought and army worm, the increased production costs, the non-viability of dairy farming as opposed to beef farming, and the increase in labour wages were cited as reasons for the crisis.

"Over the past 18 months our number of suppliers dropped from 105 to 73 and of those 73 quite a few want to get out of dairy farming."

The drought experienced in the Border region, followed by the heavy rains and army worm, the droppings of which are toxic to cows, have caused this disillusionement with dairy farming.

Mr Gatcke mentioned the case of one farmer who had lost 19 of his milk cows, valued at a minimum of R800 each, in one day due to army worm. Replacing dairy cows was not easy today, as good dairy cows were practically impossible to get and were extremely expensive. Therefore a lot of farmers had decided to switch from dairy farming, even though they found it difficult to sell their equipment.

Mr E W Kruuse, a director of Model Dairies, and himself a farmer, said farmers were unhappy, as production costs had risen by 22 percent and farmers were unable to meet this. Mr Gatcke said the recent 16 percent increase in workers' wages had also caused problems.

Mr Gatcke said there would be "some very strong talking" at the meeting this week, where the government was to reply to suggested price increases put forward by the committee in February.

XVI SYMPTOMS AND ILL-DEFINED CONDITIONS XI

	W		A		C		B	
	M	F	M	F	M	F	M	F
0-1	0,51	0,54	2,10	1,24	7,00	6,86	19,69	19,83
1-4	0,04	0,04	0,21	0,35	0,75	0,77	2,58	2,48
5-24	0,01	0,01	0,09	0,06	0,08	0,03	0,21	0,23
25-44	0,05	0,05	0,28	0,17	0,42	0,31	0,72	0,78
45-64	0,44	0						
65+	1,84	1						
ALL	0,22	0						
NO.	463							

on request): R16,oo (plus primary fee applicable to taxpayers).

The fees for semi-private and private wards at own request are fixed tariffs.

TABLE 11

THE PRIMARY FEES PAYABLE FOR IN-PATIENTS ARE THE FOLLOWING:

Single persons without dependents		Married persons and single persons with dependents.		Monthly income
R	R	R	R	R
2	2	2	2	0-R50,oo
6	9	4	6	R50 - R100
8	11	6	9	above R100
10	12	10	12	Taxpayers

Teaching hospitals include: Groote Schuur hospital, Tygerberg hospital, Mowbray Maternity hospital, Red Cross Childrens hospital, Peninsula Maternity hospital, Karl Bremer hospital (partly).

Persons whose nett assessed tax per year is less than R240.00 are entitled to a rebate on the maximum daily fee. This is granted on submission of the relevant tax assessment form (I.T.34). The % rebate ranges from 95% if the total assessed tax is between R0,01 to R15,oo (Daily tariff will then be : teaching hospitals: 70c, at a non-teaching hospital : 60c) to 5% in respect of the total assessed tax being between R255,oo and R240,oo per year (Daily tariff will be: teaching hospitals: R13,30 and non-teaching hospitals: R11,40.)

This way of calculating a rebate takes into account the income of a person as well as the number of dependents he/she has. This is because tax payment decreases with the number of dependents a person has. We therefore see that the less tax the person pays that is the lower his/her income or the greater number of dependents he/she has, the greater the rebate. This rebate will be calculated in the following manner: for e.g. Single with one dependent: Monthly income R230,oo; Annual tax (P.A.Y.E.) R16,10 x 12 = R193,20; percentage rebate 20%.

In-patients are either classified as hospital patients' or as 'private patients'. This is according to the gross monthly income of the family. If a family's income is less than the income ceilings below, the person is classified as a 'hospital patient'.

Monthly income

R60,oo	single:
R100,oo	Married, single with 1 dependent
R140,oo	Married with 1 dependent; single with 2 dependents.
R185,oo	Married with 2 dependents; single with 3 dependents.
R235,oo	Married with 3 dependents; single with 4 dependents.

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Milk price hike is on the way

By TONY STIRLING

SOUTH African consumers beware — another price shock in the form of a milk price hike is on the way.

The recommended price increases to the Dairy Control Board, from the organised industry, represented by the SA Agricultural Union dairy committee and the milk distributors, are in the hands of the Minister of Agriculture, Mr P du Plessis.

He has at this moment the data necessary to make a decision at any time. According to industry sources the producers are asking for about 16% but are unlikely to get this as they calculated the maize price increase at 15% — which has been announced at 9% above last year's levels.

It has been confirmed to the Mail that the increases being asked for are within current Cabinet food committee criteria — that is within the inflation rate of 16.2% on average.

Members of the SA Agricultural Union milk committee yesterday had their latest price proposals, at this stage a secret, at a meeting of the committee in Pretoria yesterday.

In terms of the SAAU milk committee's policy, this is unlikely to be their final bid for an increase this year. They are still negotiating with the authorities about introducing a system whereby two or more increases will become normal in one year.

SAAU representatives said that in making their submissions for a price hike, production cost was not always the final determining factor. "Our proposals are generally a compromise and we do take the consumer into account," Dr Louis Theron said last night.

A straight 16% increase on the price of carton milk would push up the price to about 55c a litre in cafes, where it now sells for 48-49c a litre. Delivered milk would most probably rise by 6c — from 42c to 48c in Johannesburg.

X-r

State services	Teaching & non-teaching hospitals
Pathological examinations	R5, per examination.
X-ray examination.	R2 per plate.

Ambulance fees: equal to 1 days stay at the net daily rate. (i.e. Between R14 and R19 for teaching hospitals and between R12 and R16 for non-teaching hospitals, if not rebate is given.

Dental clinics: exist at Hope Street, and Tygerberg: fees 40c - extraction; R2,oo - filling; 50c extraction of tooth for children; full set of dentures: R40,oo.

Optical clinic : at Heideveld, Bishop Lavis and Epping. Testing for spectacles.

No date yet for milk price hike

DD 25/4/81

3-milk

EAST LONDON — The country's milk producers and distributors are all "in the dark" as to when the Minister of Agriculture will announce the milk price increase.

Model Dairy's chief executive, Mr M. Gatcke, said this yesterday when summing up the results of the meeting of the South African Agricultural Union's fresh milk commodity committee held in Pretoria on Thursday.

Mr Gatcke said the committee had tried to get an appointment with the minister, Mr P. T. du Plessis, but his secretary had said the minister was fully booked for a while. The minister had all the details recommendations and demands of the dairy industry, so now it was up to him.

"We had hoped he would announce the milk increase at the same time as the maize price, but nothing has come of that. Now the dairy farmer will have to pay more for his maize feed, which worsens the existing situation," said Mr Gatcke.

The maize increase meant an increase in production costs for the farmers, many of whom were deciding whether or not to pull out of the dairy industry.

"Some farmers have put their farms up for sale, and are just waiting for the announcement of the increase to see whether they'll stay or pull out."

Asked whether the Eastern Cape and Border, which are uncontrolled areas and not under the Dairy Control Board, would go ahead with their own increase if they felt the government's one was inadequate, Mr Gatcke said: "That's the million dollar question.

"However, this is a small area and if we put up the price on our own, there would be a lot of ill-feeling among the public.

"We will wait and see what the government grants and the reaction of the rest of the dairy industry before we take any action."

Mr Gatcke said rationing of milk in East London would be a drastic measure, and obviously every other alternative would be tried before Model Dairy introduced such a scheme. He said the major problem was that the industry here relied on dairy farmers and not the Dairy Control Board, so it depended on the conditions of the farmers, although more milk could be imported from Port Elizabeth and Queenstown if needed.

The chief executive of the Kokstad Milk Depot, Mr Roy Pringle, said yesterday in the event of Model Dairy being forced to ration milk, the Kokstad Depot would be able to increase their supply to the area.

Mr Pringle said he did not know the amount of the Model Dairy daily supplies, and therefore could not say how far supplies from Kokstad could go to ease the shortage. He estimated they would be able to supply a third of the Model Dairy output, but did not think the situation would "lead to milk being rationed".

Mr Gatcke said he did not feel the Kokstad Depot had the "back-up at this stage, although they could probably supply the milk after a while". — DDR

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Publications

Faculty members published the following material:

Professor J Simpson: "A Preliminary Report on Research into Attitudes of Literate Urbanised Blacks towards Socio-Economic Political Systems".

Associate-Professor Everingham: "More on Asset Revaluation", Businessman's Law, Volume 9, number 8, 1980, pp 237-238.

G J Elliot: "The Funds Statement", Businessman's Law, Volume 9. Number 8, 1980, pp 247-249.

Richard Jooste: "Disclosure of Directors' Emoluments", Businessman's Law, Volume 9, Number 4, 1980, pp 93-94.

RAND DAILY MAIL, Monday, April 27, 1981

Milk could cost average family more than R30 a month

3MILK RDM 27/4/81

By TONY STIRLING
Chief Reporter

Scientists and experts blame poor herd feeding and inefficient management for the state of the dairy industry in South Africa — but producers disagree and say the country's record is better than that of many Western countries, including the United States, Israel and West Germany.

SOUTH Africans, reeling under a spate of rocketing food prices, now face another: milk.

Milk producers have asked for a 16% rise, and if it is granted a litre of milk will cost about 55c in a cafe and 48c if delivered to your home.

In 1975, South African milk was the second most expensive in the world. Since then it has risen by 60%, and at present prices a family of five drinking the Department of Health's recommended two litres a day would pay R29,40 a month.

For a family living on the Poverty Datum Line — R200 a month — the cost of the milk would represent nearly 15% of income.

What is wrong with the South African milk industry?

Dating back to 1947, when a leading veterinary authority, Dr E J Pullinger, made proposals for improvements in the local industry, the milk boffins have agreed on one thing — that South African dairy cows are among the meanest producers of milk in any comparable country in the world.

Basically, the scientists say, the failure of South African cows to produce more milk can be blamed on inadequate feeding and poor management in the dairy industry.

On this point, the scientists, including experts of the Council for Scientific and Industrial Research (CSIR) Milk Institute, and the producers, represented by organised agriculture through the Milk Committee of the South African Agricultural Union (SAAU) remain at loggerheads.

An expert from the Department of Agricultural Technical Services believes that, as claimed in a 1975 report by the department, milk production in South Africa could be increased dramatically through proper feeding and better management.

This, in turn, could lead to price cuts.

Among the more startling claims by the expert was that the milk production of 30% to 50% of farmers could be increased by 50% to 70% *without* better feeding if more efficient methods of herd management were used.

He said higher yields could be obtained from herds through the introduction of better feeding, but he saw, as the main problem, inefficient herd management.

"It won't pay to feed a cow better if mastitis control is not taken care of. From 30% to 50% of farmers don't exercise proper mastitis control," he said.

Contributing to inefficiency in the dairy industry was the fact that in many areas — such as the "maize triangle", which holds about 35% of the country's dairy animals — mixed farming was the order of the day, and dairy herds tended to be neglected, building up mismanagement problems.

One of the great anomalies of the dairy industry was that farmers whose expenses were highest were often those who made the greatest profit.

These were the farmers whose land was near the cities, where the prices of land, making it prohibitively costly for the dairymen to produce their own feeds.

Conversely, in areas where costs could be reduced by farmers producing silage and feed on their own comparatively cheap land, dairy farming was often inefficient and yields poor.

The expert felt greater efficiency could only be achieved by the use of more dairy extension officers in the field to educate farmers on the benefits of greater efficiency.

This would almost certainly force the less efficient farmer out of business, and there is some feeling that the price of milk is geared not to the production of the best farmers, but to that of the worst.

The claim is that one of the main reasons for this policy is to keep farmers on the land.

Dr Louis Theron, head of the Milk Committee, his panel, and several farmers whom the Rand Daily Mail spoke to disagreed strongly with the expert.

The SAAU team said that claims that milk production could be doubled were purely theoretical.

According to Dr Theron and his panel, the traditional pattern of milk production — by specialist dairy farmers in certain areas, and mixed farmers in others — could not simply be changed overnight.

They said the department's 1975 criticism of poor management and low production had been based on samples which did not reflect the proper position. Included in the sample, they alleged, had been black producers, and considering the poor production from them at the time, their inclusion in the sample was unfair.

Dr Theron said unit production could be looked at from various points, including the number of years a cow produced milk. Here, South Africa's record was far better than that of the United States and Israel, and even "ultra-efficient" West Germany.

And in the US and Europe milk surpluses were paid for through taxation. In South Africa there was no subsidy. Neither was there any milk surplus — powdered milk is imported to make up shortages.

Among the reasons for the high price of milk is the cost of feed. Foremost among these is maize, which overall, according to the SAAU, represents nearly 29% of total operating costs. Oil feed cake and roughage, such as lucerne, go to make up the rest.

The SAAU team also said the department's views on mastitis (a disease of the udder producing pus cells in milk) was almost certainly based on random general examples rather than on any comprehensive scientific study, of which there had only been one in South Africa several years ago.

Another milk industry denial is that the price is geared to keep the less efficient farmer's head above water.

According to the Milk Committee, its representations on prices are based only on data from producers belonging to the organisation's milk recording scheme. This scheme surveyed about 25% of the country's producers, all of them at the top end of efficiency scales in the industry.

Thus, according to Dr Theron, there is no question of supporting a price based on the less efficient non-members of the scheme.

The representations go to the Dairy Control Board, then to the Marketing Council, and finally to the Minister of Agriculture who decides on price increases.

The farmers get an average of just over 24c a litre for fresh milk, from which a 2,5c levy is deducted for transport charges.

Whoever is right, one thing is certain: annual milk price rises are inevitable at each fixing of the maize price, and commodities such as sunflower seed used in oil seed cake.

And in the end it's the consumer who's paying for inefficiency, whether it's in the milk industry, or allied products on which dairy farmers rely.

Milk price to rise? — Views on causes vary

3 Milk CT 28/4/81

Own Correspondent

JOHANNESBURG. — South Africans, reeling under a spate of rocketing food price increases, now face another — that of milk.

Milk producers have asked for a 16 percent price rise and if it is granted, a carton of milk will cost about 55c in a café and about 48c delivered to your door.

In 1975 South African milk was the second most expensive in the world. Since then it has risen by 60 percent and at present prices a family of five drinking the Department of Health's recommended 2 litres a day would be paying R29,40 a month for its milk.

For such a family living at the poverty datum level of R200 a month, purchases of milk alone would represent nearly 15 percent of their income.

What is wrong with the South African milk industry?

Dating back to 1947, when a leading veterinary authority, Dr E J Pullinger, made proposals for improvements in the local industry, the milk boffins have agreed on one thing — that South African dairy cows are amongst the meanest producers of milk in any comparable country in the world.

Feed, management

Basically, the scientists allege, the failure of South African cows to produce more milk can be blamed on inadequate feeding and poor management in the dairy industry.

On this point, the scientists, including experts at the Council for Scientific and Industrial Research's (CSIR) Milk Institute, and the producers, represented by organized agriculture through the Milk Committee of the SA Agricultural Union, remain at loggerheads.

An expert from the Department of Agricultural Technical Services believes that as claimed in a 1975 report of the department, milk production in South Africa could be increased dramatically through proper feeding and better management.

This, in turn, could lead to a price cut.

Among the more startling claims by the expert was that the milk production of 30 to 50 percent of farmers could be increased by 50 to 70 percent, without better feeding, if more efficient methods of herd management were used.

He said higher yields could be obtained from herds through the introduction of better feeding, but he saw as the main problem inefficient herd management.

Mastitis

"It won't pay to feed a cow better if mastitis control is not taken care of. From 30 to 50 percent of farmers don't exercise proper mastitis control and 20 to 30 percent don't dry up the cows in time before calving. This affects production," he said.

"Resting dairy cows at the right time and the proper rearing of heifers, important in herd selection and replacement, is also crucial," he said.

Contributing to inefficiency in the dairy industry was the fact that in many areas — such as the maize triangle, which contains some 35 percent of the country's dairy animals — mixed farming was the order of the day, and dairy herds tended to be neglected, building up mismanagement problems.

One of the great anomalies of the dairy industry was that farmers whose expenses were highest were often those who made the greatest profit.

These were the farmers whose land was near the cities, where the prices of land were high, making it prohibitively costly for these dairymen to produce their own feeds.

Most profitable

"These farmers have to buy expensive feedstuffs such as a maize, protein and roughage mix, and pay high prices for their land. The only factor in their favour is that in comparison to farming in the outlying areas, is that they may pay less for transport. Yet through greater efficiency and because they specialize in dairy farming, these operations are among the most profitable," he said.

Conversely, in areas where costs could be reduced by farmers producing silage and feed on their own comparatively cheap land, dairy farming was often inefficient, yields were poor, and unit production costs consequently high.

What would happen if the ideal was achieved and milk production was doubled? "That would depend on how many farmers achieved this," the expert said. "If it applied in general, there would probably be a surplus of milk and the price would have to be reduced."

The expert felt greater efficiency could be achieved only by the use of more dairy extension officers in the field to educate farmers on the benefits of greater efficiency.

This would almost certainly force the less-efficient farmer out of business and there is some feeling that the price of milk is geared not to the production of the best farmers but to that of the worst.

Disagreement

The claim is that one of the main reasons for this policy is to keep farmers on the land.

Dr Louis Theron, head of the Milk Committee, his panel and several of the farmers interviewed disagree strongly with the expert.

The South African Agricultural Union team said claims that milk production could be doubled were purely theoretical.

According to Dr Theron and his panel, the traditional pattern of milk production — by specialist dairy farmers in certain areas and mixed farmers in others — could not simply be changed overnight.

They said the department's 1975 criticism of poor management and low production had been based on samples which did not reflect the proper position. Included in the sample, they alleged, had been black producers and considering the poor production from them at the time, inclusion of these farmers in the sample was unfair.

Dr Theron said unit production could be looked at from various points of view, including the number of years a cow produced milk. In this regard South Africa's record was far better than that of the United States and Israel and even "ultra-efficient" West Germany.

And, he said, in the US and Europe all milk surpluses were paid for through taxation. In South Africa, however, there was no subsidy. Neither was there any milk surplus — powdered milk was imported to make up for shortages.

Among the reasons for the high price of milk is the cost of feed. Foremost among these is maize, which overall, according to the SAAU, represented nearly 29 percent of total operating costs. Oil feed cake and roughage, such as lucerne, go to make up the rest.

The SAAU team also says the department's views on mastitis (a disease of the udder producing pus cells in milk) was almost certainly based on random general examples rather than on any comprehensive scientific study, of which there had been only one in South Africa, several years ago. They said the findings of this study indicated levels of mastitis almost identical to those occurring in Britain.

Another milk industry denial is that the price is geared to keep the less efficient farmer's head above water.

Top producers

According to the Milk Committee, its representations on prices are based only on data from producers belonging to the organization's milk-recording scheme. This scheme surveyed about 25 percent of the country's producers, all of them at the top end of efficiency scales in the industry.

Thus, according to Dr Theron, there is no question of supporting a price based on the less efficient non-members of the scheme.

These representations go to the Dairy Control Board, then go to the Marketing Council and finally to the Minister of Agriculture, who makes the decision on the price increases.

The farmers receive an average of just above 24c a litre for fresh milk, from which a 2,5c levy is deducted for transport charges.

Whoever is right, one thing is certain — annual milk price rises are inevitable at each fixing of the maize price and commodities such as sunflower seed, used in oil seed cake.

In the case of the maize industry, there is evidence that the price is determined not in terms of the costs of the efficient 20 percent who produce 80 percent of the harvest — but on the 80 percent who do not.

And in the end it's the consumer who's paying for inefficiency, whether it's in the milk industry or allied products on which dairy farmers rely.

Argus 5/5/81

3 milk

Milk price set to rise

Argus Correspondent

PRETORIA. — An increase of 15 to 20 percent in the price of fresh milk is imminent.

The increase is likely to be between 6c and 8c a litre.

This could increase the current home delivery price and cafe price — respectively 35c and 41c a litre — to as much as 41c and 49c a litre.

Industry sources said today the Cabinet's food committee would deal with the matter soon. However, an announcement was not expected before June 1.

At the same time the price of industrial milk is also expected to rise, but experts would not speculate on the amount as too many factors were involved.

PRODUCTS

Nevertheless, price increases in both commodities would also result in increases in products such as yoghurt, butter, cheese and powdered milk.

In the main, the higher fresh milk price is aimed at alleviating dairy farmers' increased production costs. It does not make provision for an increase in distributors' costs.

Farmers received a 3,5c a litre increase on June 9 last year. Current prices a litre of fresh milk are: Pretoria 26,715c; the Witwatersrand 26,615c; Bloemfontein 25,715c; Cape Peninsula 26,015c; Natal 26,558c; Western Transvaal 26,505c.

Dairy Board levies of 0,497c a litre are deducted from these prices.

RDM 9/5/81 (3 milk)

Powder's taking over from cows

Pretoria Bureau

COWS are not producing enough — so large South African dairies are importing powdered milk.

And prices of fresh milk, butter and cheese may rise soon. The Minister of Agriculture, Mr P. du Plessis, is due to make a statement next week.

There is a general shortage of dairy products. It is not limited to milk and the shortage is expected to last throughout the winter.

Earlier this year, producers sought higher prices, but were unsuccessful.

The manager of National Co-operative Dairies, Dr M. Herman, said there were three main reasons for the shortage.

These were:

- An increase in consumption during the past year of about 10%;
- Farmers switching from milk to beef farming; and
- Drought, which had seriously cut production in certain areas.

Like other authorities, Dr Herman believes it imperative the industry be made more profitable to stop the drift of established dairy farmers into other branches of farming.

The Dairy Board declined to comment on proposed increases.

However, speculation is that the current home-delivered price on the Rand of 41,5c a litre could rise to 47c, and the cafe price of 49c to 56c.

But dairy farmers fear the Government might only agree to marginal increases.

If this happened, they warned, South Africa was in for a prolonged and increasingly serious shortage of fresh milk and other milk products.

S Times 10/5/81

Now milk to go up — 'by 5 or 6 cents a litre'

3 Milk

By GHERHARD PIETERSE

AN increase in the retail price of milk of "between 5c and 6c a litre" was likely, the Minister of Agriculture, Mr Pietie du Plessis, said yesterday.

He said significant increases in the production costs of milk over the past year, coupled with a shortage of dairy products, had made a higher milk price "unavoidable".

"There is a tremendous shortage of milk, and we don't like importing dairy products from overseas.

"As a result it has become necessary to stimulate the industry through a price increase."

The increase, expected towards the end of the month, will push the retail price of milk to around 52c a litre for home deliveries and close on 55c a litre for milk bought at cafes.

The South African milk price — in 1975 the second-highest in the world — has soared by more than 60 percent since then and will now be among the most expensive in the world with this further 13 percent increase.

Mr du Plessis said: "We have looked at the whole situation very carefully, and I believe that an increase of between 5c and 6c a litre in the retail price would be realistic."

Mrs Joy Hurwitz, national

president of the Housewives' League, deplored the increase.

"It is going to affect the poor people with fixed incomes, pensioners and children, who must have milk for proper growth."

While expressing her appreciation that the planned increase was not as high as in previous years, she criticised the fact that it was above the 10 percent maximum pleaded for by the league.

Mrs Hurwitz urged dairies to return to glass bottles to bring down the price.

"A decrease of between 6c and 7c a litre can be achieved if glass is used rather than plastic containers, which are becoming increasingly popular."

The PFP spokesman on social welfare and pensions, Mr Alf Widman (MP Hillbrow), slammed the increase.

"Our pensioners are already having a hard time making ends meet on their meagre pensions of R109 a month.

"I believe the time has come for the Government seriously to consider subsidising milk, as it is one of the basic staple foods."

Mr du Plessis said much soul-searching had been done and he had taken advice from a wide range of people and bodies in determining the new price.

"It is normal to adjust the milk price at this time of the year along with the price of maize and oil seed."

It was important to ensure a continuous and adequate supply of milk to the consumer, Mr du Plessis said.

This could be done only by ensuring that farmers received

a fair price for their commodity.

"We were careful not to over-stimulate the industry by putting the price too high.

"This could have the result of an oversupply, with corresponding losses to the farmer

Milk price rise is likely

RDM 11/5/81

By GERALD REILLY
Pretoria Bureau

THE Minister of Agriculture is expected to announce an increase in the price of milk later this week, according to Pretoria sources.

This will be a particularly serious blow to the country's low income group workers who have had to absorb the shock earlier this month of a 12.5% increase in the consumer price of maize.

Already their cost of living, according to the latest consumer price index, has risen during the past 12 months by more than 20%.

And yet another shock lies just ahead.

The Minister of Finance, Mr Horwood is expected to announce in the budget in August that the bread subsidy cannot be increased to the extent necessary to avoid a bread price hike.

In the mini-budget debate in the Assembly in February, the Minister said if the price of bread was not raised soon the Government's food subsidy bill would rise above R300-million.

It is calculated that the price of white bread could rise to 37c a loaf from the current level of 31c a loaf and the more heavily subsidised brown and wholewheat by at least the same amount.

Meanwhile the general manager of the National Co-operative Dairies, Dr M N Herman, said the current milk shortage amounted to between 10 and 15%.

Powdered milk would have to be imported in large quantities, said Dr Herman.

The home delivered price on the Rand could rise to 47c a litre from the present price of 41.5c, and the cafe price from 49c to 56c.

1 000 tons of butter may be imported

Argus 12/5/81 (3 dairy)

Consumer Reporter

RESERVES of butter were running low and up to 1 000 tons may have to be imported within the next two or three months, Mr Jaap de Bruyn, chief public relations officer of the Dairy Board, said today.

Supermarket spokesmen report that they have had difficulty at times in obtaining supplies of cheddar cheese.

And Mr M Henning, head of Royal Dairy and former chairman of the Cape Dairymen's Association, said there was a shortage of fresh milk in the Western Cape.

Mr Henning said dairies were able to maintain supplies of milk but they sometimes had difficulty at weekends.

Mr de Bruyn said the shortage of milk and some dairy products was because farmers found the production of milk — particularly for manufacturing purposes — unprofitable and were turning to other kinds of farming.

At the same time milk consumption had risen by 10 percent in the past year.

He said he expected the price of fresh milk to rise between 15 percent and 17 percent soon. Butter would probably go up by about 15 percent.

'The farmers have asked for a 20 percent increase in the price of milk,' he said.

(5 dairy) 12/5/81

Costs, low profits force dairy farmers to sell herds

By Charlene Beltramo

Dairy farmers are said to be selling up to 30 herds a week, disillusioned with the scant 3c to 5c a litre profit they make on milk. Consumption of dairy products, on the other hand is rapidly rising while production is dropping.

The recent economic boom significantly boosted consumption of dairy products, putting a strain on already low dairy production levels.

Mr Vic Allen, director of the Rural Trust, and the South African Agricultural Union have warned that the situation — which has been evolving over several years — is rapidly deteriorating.

Mr Allen blamed the high cost of maize, which forms 50 percent of the dairy farmers' input costs, for farmers' difficulties.

He called on the Maize Board to help by allowing dairy farmers to buy direct from maize producers. This would mean a dairy farmer would pay about R120 for a ton of maize instead of the R289 a ton he pays for crushed maize from agricultural co-operatives.

"If dairy farmers keep giving up production at this rate, it will pave the way for giants to gain control of the industry as with maize and meat," Mr Allen said.

ERODED

"There are only about 4 000 producers of any size and in the last four months, instead of sales of one or two herds a week, as many as 30 have gone under the hammer.

"Even the former Minister of Agriculture, Mr Hendrik Schoeman, sold his dairy herds last year. While consumers are paying about 48c a litre for milk, farmers are getting 22,5c a litre after levies and transport costs have been deducted."

Mr Allen gave examples of how the farmers' profitability was eroded.

"A cow gives milk for 300 days, with her peak productivity at 30 to 40 days after calving. A good Jersey cow will give 14 litres of milk a day and eat five kilograms of dairy meal.

"A Fresian will give 28 litres a day and eat 12 kg of meal. The average cost of the meal is 20c a kilogram. In its productive span, a Fresian will eat R516 worth of meal and give 6 000 litres of milk. The income to the farmer from a Fresian, will be 22,5c a litre or R1 350. The farmer's total cost would be R1 044.

"A Jersey cow will give about 3 000 litres of milk and eat R210 worth of meal. Because milk from this cow is usually sold as industrial milk, the farmer receives only 17,8c a litre. Total cost for the Jersey cow will be R409.

"The profit while the cow is lactating amounts to R306 or 5,1c a litre for the Fresian cow and R105 or 3,5c a litre for the Jersey cow," Mr Allen explained.

"This is profit before tax, or the repayment of any bank loans.

"The difference between what the farmer gets and what the consumer pays is more than 100 percent. In urban areas, the milk is standardised, so consumers drink milky water. Bottlers say this is because the milk will be whiter, which is what they say consumers want.

"If the maize price is put up by millers to 15 percent more, dairy farmers' profits will be cut by 25 percent. Agricultural land in South Africa isn't really suitable for grazing, so farmers have to create pastures at a cost of R200 to R300 and supplement with meal to increase milk production.

"If farmers mix their own dairy meal, and are allowed to buy maize direct from farmers, they will save up to 50 percent on feed costs."

Mr Johan Willemse, agricultural economist for the SAAU, said that in the average food basket, dairy farmers received only 46 percent of the price consumers paid.

IMPORTS

He pointed to the average 50 to 60 percent increases in profits of milling and food companies and supermarkets — "and yet everyone is screaming at the farmer," Mr Willemse said.

Production in every sphere but one of dairy farming has dropped during the last year while consumption has risen, due mainly to the increased spending power of blacks and high income elasticity for protein foods.

Fresh milk production has dropped 1,2 percent while consumption has increased eight percent and the number of farmers has declined by 3.6 percent.

Imports of butter and cheese had to be made last year to meet a surprise increase in demand. Production of butter dropped nearly 12 percent while consumption increased 15 percent — 1 178 metric tons had to be imported.

Storm of protest at Dairy Board donation

15/5/87

3 (milk)

STAR

By Charlene Beltramo

Dairy Board plans to contribute R23 000 toward expenses of rugby tests played by the Springboks against the Irish and the New Zealand teams have raised a storm of protest.

Last year the board was attacked after the two Bok tests by consumer groups and welfare organisations for donating R65 000 toward cocktail parties and T-shirts.

It was pointed out then that the money could have bought 250 000 litres of fresh milk for starving children — at retail prices.

MALNUTRITION

At producer prices the figures double. If the money were added to the meagre R750 000 Government subsidy on skimmed milk to combat kwashiorkor, considerably more children would be assisted than the 930 white and 38 000 black malnourished children who benefited last year.

Milk is particularly effective in combating pellagra, a malnutrition related disease. In 1979/80 there were an estimated 100 000 cases of pellagra, according to the Department of Health.

It is for these reasons that the Institute of Race Relations, the Black Housewives League and the Housewives League have condemned the Dairy Board plans.

Mrs Ina Perlman, of the Institute's Operation Hunger project, pointed out that Edendale hospital in Maritzburg has estimated that at least 40 children in the area die each month from malnutrition.

Mrs S Motlana, of the Black Housewives League and an executive member of the SA Council of Churches, said: "If the money was given to combat rural and urban malnutrition at least we could point to one thin line of goodness from the Government."

Mrs Y Foreshaw of the Housewives' League said she was staggered and disgusted by the Dairy Board plans.

"It would create far more goodwill if they sponsored clinics and could say that children are alive because of their sponsorship."

Milk donations slammed

S/W Argus 15/5/81

CONSUMER and race relations groups have again attacked the Dairy Board which plans to repeat its policy of devoting almost its entire advertising budget to promoting rugby tests.

The Dairy Board met yesterday to discuss the amount it intends donating.

Last year it was pointed out that the money spent then — R65 000 — could have bought 250 000 litres of fresh milk for starving children at retail prices.

Last winter the Hunger Concern Programme estimated 50 000 children would die of hunger. 3(dairy)

At producer prices the figure would have doubled for the amount of milk donated and children benefitting. Added to the meagre R75 000 Government kwashiokor subsidy, which sponsors powder milk to baby clinics, the money would have stretched further.

The Institute of Race Relations, the Housewives League and the Black Housewives league have united in strongly condemning the Dairy Board plans.

"Milk is a basic, daily necessity, there should be no need to advertise it. It's prices not advertising that increase consumption." Mrs Yvonne Foreshaw of the Housewives League said.

A Dairy Board spokesman said the money would be spent on promoting the Irish rugby tour and a donation to the New Zealand Rugby Board.

Mrs I Perlman of the Institute of Race relations' Operation Hunger said the figures were: "Particularly apalling coupled with widespread malnutrition and rural poverty."

Mrs S Motlana, president of the Black Housewives League and an executive member of the SA Council of Churches said: "If the money was given to combat urban and rural malnutrition among children, at least we could point to one thin line of goodness from the Government."

COMMENT

The Dairy Board gets sour

THE Dairy Board plans to spend a whopping R23 000 on the mighty tests between the Springbok and the Irish, and also the New Zealanders.

As far as the board is concerned, it is a simple marketing idea. But for our people, it is yet another example of how money can simply be thrown down the drain when there are thousands who go hungry.

When the Dairy Board spent R65 000 on a similar exercise last year, it was pointed out to them that more good could have come out of spending the money on buying at least 250 000 litres of milk for starving children.

It is indeed strange that money for little exercises like these is always available, yet when money has to be found for genuine cases of need, we are told there just is not enough money going around.

In fact, today the Cabinet will discuss the possibility of an increase in the price of milk. Dairy farmers have reportedly demanded an increase, and it is almost a foregone conclusion that the price of milk will go up.

Can people then be blamed for feeling cheated when thousands of rands are spent on cocktail parties and T-shirt gimmicks, and at the same time be told to fork out more for their litre of milk?

The Department of Health has estimated that there are 100 000 cases of pellagra in this country. Milk is effective in combating this disease. Can the rugby players live with their consciences by drinking (not milk) to each other's health while people are starving?

It is a serious indictment on our society that we let this

Reaction to controversy over rugby test donation

Dairy Board says it may subsidise milk

STAR 19/5/81

3 Milk

By Charlene Beltramo

The Dairy Board "might look at the matter of subsidising skim milk on a kilogram-for-kilogram basis to clinics for malnourished children later this year," according to a statement.

The board has said this in the wake of controversy over a R23 000 donation to the SA Rugby Board for the Springbok tests against the Irish and the New Zealanders.

Last year the board was the centre of attacks from consumer and welfare groups when it donated R65 000 toward rugby tests.

It was pointed out last year that the milk could have bought 500 000 litres of fresh milk for starving children at producer prices. The Hunger Concern programme estimated, after a study of all hospitals and clincis, that 50 000 children would die of hunger that year. The board has a R750 000 subsidy on skim milk to combat kwashikor, but it has admitted the money is not sufficient to ensure maximum distribution. It has also been eroded from 57c a kg to 20c a kg by inflation.

SUBSIDY

The board has approached the Government "on more than one occasion" to remove the R4-million subsidy from butter, which is no longer considered a basic food but a luxury, to the kwashiorkor subsidy — without success.

Last year the board donated five tons of skimmed milk powder to be used to combat starvation in the severely drought-stricken areas of kwaZulu. But Chief Gatsha Buthelezi has predicted drought and starvation will be worse this year.

The Ciskei health department has issued similarly alarming reports. It has said more than 50 percent of two and three-year-old children in the homeland were malnourished and more than one in 10 had kwashiorkor or marasmus.

Professor A Moosa said 45 percent of the paediatric admissions to the King Edward Hospital in Durban in the past 16 years had stemmed from nutritional deficiencies in children.

DIED

Twenty-four percent of these children later died of chronic malnutrition.

The Dairy Board spokesman said the donation "apparently" had the sanction of dairy farmers, from whose pockets the money came.

He said the money had come from their R2-million advertising budget to promote milk consumption among young men as a health drink. He could not say if consumption had increased because of promotion last year.

When criticised by the Press last year for giving the money to Springboks — the money sponsors Bok cocktail parties, accommodation and T-shirts worn during practices — the Dairy Board said it doubted it would repeat the exercise this year.

3 Milk 19/5/81

Welfare groups want rugby grant given to ease hunger

Welfare organisations have attacked the Dairy Board for being "insensitive" in giving R23 000 for rugby test promotions "when children are dying of hunger and child welfare organisations are battling to make ends meet."

Mr F Freeman, organisational secretary of the Peninsula School Feeding Association in the Cape asked whether "the Dairy Board needs that sort of advertising while poor children in townships do not have enough clothes and there is hardly a bone in their bodies properly covered with flesh."

Mr Freeman said the school feeding programme had been forced to stop using skim milk because "it was priced out of the market."

He said skim milk was high in protein and with the fats removed it was an excellent antidote for children with debilitated stomachs from kwashiorkor and malnutrition.

Mr H Ferreira of Child Welfare in Johannesburg said: "At this moment we have a high incidence of children being malnourished, particularly in rural areas."

Mr Ferreira said they were currently operating with a R100 000 deficit.

Mrs Joyce Harris, national president of the Black Sash said: "I cannot understand what the Board has to do with rugby."

A litre of milk a day

The money the Dairy Board has donated to the Rugby Board could have bought 370 undernourished children a litre of skim milk each day for a year.

This is according to SA Agricultural Union figures wich show that farmers get paid 17c a litre for industrial milk, from which skim milk is made.

At producer prices, the R23 000 donation for Springbok functions, such as cocktail parties, would have bought fresh milk for 274 children each day for a year.

The SAAU said according to latest available figures, whites spent about R320-million, or 80 percent of total dairy sales of an annual R458-million.

White people represent only 17 percent of the total population. Black people who reppercent of fresh milk the population, on the other hand, spent only 15 percent of the overall dairy expenditure.

The expenditure break down is as follows: Whites bought 73 percent offres h milk sold, blacks bought 15 percent. Whites bought 55 percent of butter and blacks 21 percent.

Milk powder because of its low cost and ability to store without refrigeration constituted 36 percent of sales to blacks and 58 percent to whites.

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PLEASE CIRCLE ITEMS REQUIRED

Milk price rise will hit township blacks hardest

By VITA PALESTRANT
Consumer Mail Editor

THE monthly cost of milk from a cafe for a family of five will increase from R24.90 to R33.

Home-delivered milk will rise from R29.40 to R33.

This is the effect of the new 6c or 14.5% increase in the consumer price of milk announced yesterday.

Butter and cheese also increased, by 11.5% and 21% respectively.

This means 500g of choice butter goes up from R1.29 to R1.44; 1kg of cheddar cheese from R2.86 to R3.46 and 1kg of gouda from R2.91 to R3.52 — all excluding GST.

The producers' price of milk has increased by between 15% to 16% and distribution has risen by about 10%.

The more expensive cafe prices apply to blacks in the townships — where home deliveries do not apply — is where the increase will be hardest felt

The cafe price of milk has risen from 49c a litre to 55c and delivered milk has increased from 41.5c to 55c a litre (both including GST)

The Johannesburg Chamber of Commerce Minimum Living Level for a Soweto family of five, (latest figures: November 1980) is R223.33 — and food accounts for R128.52

Milk accounts for as much as 25% of the food bill — or 15% of the MLL.

South African milk prices are among the highest in the world.

Since 1975 the price of milk has increased by about 75%

Yesterday's increase has been blamed on milk shortages and the reduction in the number of dairy producers

Earlier this month, the Housewives' League appealed to the Minister of Agriculture, Mr P T du Plessis, to keep the milk price increase to a minimum

By the end of this year it is likely South African workers will be paying 85c for the two most basic foods — brown bread and milk

Predictions are that brown bread will rise from 2½c a loaf to 30c at the start of the new wheat season in October.

Mr J G ... director of the South African Co-ordinating Consumer Council, expressed regret that the 16% increase in the price of milk had not been fixed below the inflation rate.

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FM 5/6/81

DAIRY PRODUCTS

Now import permits

(3) dairy

The price of dairy products went up this week. And government has taken further steps to meet demand by granting import permits for butter and milk to the value of R8m-10m (R13m on the retail market).

Dairy Board GM, Eddie Roux, says private companies have been granted these permits by the board for the import of 500 300 t of milk powder, both skim and full cream.

The board itself will handle butter imports. And Roux says there will probably be a need to step up the import of both products later this year as demand is rising steadily. He estimates the demand for imported milk powder at another 500 t-600 t and for butter up to 700 t.

The Dairy Board and private firms are shopping in European countries where prices are currently cheaper than in SA but where there is also a shortage.

Notes Roux: "At the moment it's pretty difficult abroad because stocks are very much on the downward trend."

He says that only products of similar or better quality to those produced locally are considered for import. However in spite of relatively cheap imports from the EEC countries, SA consumers will pay the "normal price" for butter and milk powder.

The difference will go into the Dairy Board's stabilisation fund, says Roux, adding that when imports are more expensive they are subsidised by this fund (which obviously doesn't have full coffers now).

Roux says the board foresaw the pending shortage of dairy products, "but it's very easy to say 'I told you so'."

As for the future, Roux predicts the shortage will continue next year and possibly become even worse than it is now.

So what, one wonders, is the level of price incentive needed to stimulate production? SA consumers will, no doubt, be finding this out in the next year.

SA cow . . . her output is in demand

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face to face

(3) dairy FM 12/6/81

PIETER DU PLESSIS

Who's milking whom?

Last week the *FM* spoke to Minister of Agriculture and Fisheries, Pieter du Plessis, on a wide range of issues including the recent rise in the price of dairy products.

***FM:* Why is the price of dairy products being raised?**

Du Plessis: We are experiencing a rather serious shortage of fresh milk and have to re-allocate industrial milk to supplement fresh milk supplies. I've granted import permits for powdered milk and I'm on the point of granting import permits for butter. Because of this shortage, we are not meeting demand and in order to stimulate increased production, it is absolutely imperative to increase the price

Secondly, the farmers' costs are rising, particularly labour, machinery and transport costs. Dairy work is a killing job, a 365-day-a-year job and I don't think people realise the influence of transport costs on milk production. I think, in the light of all this, we did tremendously well in limiting the increase.

Is the 15%-16% increase in line with the increased costs of production?

The increase in the price of milk has not kept pace with general inflation rate since 1975 The inflation rate since then is 95%. The price of other foodstuffs has risen 115%. Dairy and dairy products has risen 73%. In the shorter term, the inflation rate in the year from April to April was 16.2%, with lucerne meal up by 18%. In addition machinery and transport were subject to regular price increases. I think we can be very glad.

Why did this milk shortage develop and what does the department intend doing to ensure this situation is resolved?

With beef farming becoming more profitable, farmers have tended to switch from dairy farming. The temptation has been too great. However, we can't afford a shortage of milk in this country, dairy and dairy products are such a basic commodity. It is important that SA is self-sufficient and, as I've said, the only way to increase production is by price incentives. Also, my department is doing its level best to increase the efficiency of production to avoid the need for imports. Sometimes it is cheaper to import, especially from the subsidised EEC countries But no country can build a future on imported food.

How can consumers be protected from the shortages and accompanying price increases, especially when so many depend on dairy products as sources of protein?

One way is to deny farmers' increases. However, this would result in eventual shortages. The other answer is to subsidise the industry. This year, government subsidies will run to R300m. Bread is subsidised and the dairy industry is supported to the extent of R4m. The difficulty in providing subsidies is that they apply to the richest as well as to the poorest, when the poor need it most.

Therefore, subsidies alone are not the answer. If we adopt a policy where the poorest can have plenty, we're in for such a socialist system that it's not true. We'll have to subsidise with money that might have been used for real economic development which eventually leads to real economic growth. Subsidising is a very artificial means of helping people And I don't think a very sound way. If we did adopt this policy of cheap food for everyone, our subsidies might run into thousands of millions. I don't think the country can afford this. If our export commodities suddenly decreased, if the gold price crashed, anything could happen. Then what would the State do?

It has been said that the escalating food costs will be the forerunner of widespread political dissent in SA — a "food revolution." And the recent outcry against Lapa Munnik's R20-a-month statement shows that white and black are united on this issue. How do you view this?

I don't think this is a very valid point. We must not lose sight of the fact that salaries are increasing and the percentage increase in the low income groups is very high. In real terms, the highest gains have been for blacks and coloureds. If you look at the staple diet of people in SA, for blacks it is undisputedly maize and, for Coloureds, mainly bread. Take, for example, the price of an 80 kg bag of maize. Where would you find it cheaper?

What about the white pensioners?

A social pension is not the obligation of the State. In my own case, I pay R700 a month towards retirement annuity. I started paying towards a pension in my lean years, when I started farming, and sometimes I was not even in a position to write out a cheque

What then is the solution, if one considers, as you say, that any decision you take will be unpopular, either to farmer or consumer?

Real economic growth is still the answer to bring prosperity to all the people. Free enterprise, in the end, will prove the best for all the people in this country. In a way we are socialist, but, I think, in a good way

What is SA's aim in terms of its agricultural policy?

First SA must be self-sufficient as far as food production is concerned About 28m people are dependent on our system. However, I think we must not only be self-sufficient, but we must be in a position to export food We are at the borders of one of the world's biggest potential markets — Africa.

What, in general terms, are the biggest problems facing agriculture and what are SA's biggest contributions to combat them?

One of the biggest problem areas is the increase in production costs. Inflation is not only the public's enemy. It is also the farmers' enemy. With inflation, input costs are so much higher. In a factory, one can increase the output to reduce unit costs, there is a very high risk factor involved in agricultural production The trouble with agriculture is that you can't regulate and you can't control production. If we can't keep inflation under control, SA will price itself out of the agricultural export market, as we currently export about 20% of our total production. It's very important that the food price does not get out of hand. A very big achievement, however, is in the field of research. It is the result of advanced research that SA is one of the seven net exporters of food in the world.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University

C T 15/6/81 (3 dairy)

Irish butter for SA

Own Correspondent

DURBAN. — Two hundred tons of butter destined for the South African market was shipped from Ireland yesterday, according to Dairy Board officals.

This is the first consignment of 1 000 tons of Irish butter which the Dairy Board has bought in anticipation of a national shortage.

The butter — worth more than R2- million — will be sold in South African shops at the same price as local butter and should be on the shelves towards the end of the month.

The public relations officer of the Dairy Board, Mr Jan de Bruyn, said from Pretoria that this was the first time South Africa had imported butter since 1974.

"We are anticipating a shortage and so have bought the butter now rather than waiting for the shortage to hit us unprepared," Mr De Bruyn said.

He said the shortage was the result of dairy farmers quitting because they were not making enough money on milk.

"Many have turned to beef and some have left farming altogther. The drought in many parts of the country is also a contributing factor."

He said the board had bought from Ireland because their prices were best. Now was the best time to buy because Europe had a glut of dairy products at this time of year.

2. cont.....

(1) Plot this dem s possible, preferably using graph paper.

(2) Now suppose t successive years the annual "crop" amount 70, 40, 50, 80, 60, 50, 40, and 70 millic Calculate and tabulate the gross value c ese years, if the demand curve scheduled ab of each of the ten years.

(3) Calculate th lue of the crop over the ten years, and t would yield this value.

(4) Construct a ce would have to be received for each of schedule in order to make the gross value of the crop in each year equal to the average annual gross value. Plot this schedule on the same paper as the demand curve. (It will be a curve of unit elasticity).

(5) From the demand curve find the total amount which must be offered on the market in order to fetch the prices discovered in part (4). From these amounts make a schedule showing how much the government would have to buy or sell for each total output.

(6) Draw up a schedule showing how much the government would have to buy or sell in each of the ten successive years of part (2). Would the government have to sell a total greater than the amount it would have to buy over the ten years? Does the answer mean that stabilization of the gross value of a crop is impossible?

* * * * * * * * *

Star. 18/6/81

SA imports Irish butter

Consumer Reporter

Irish butter will be on supermarket shelves at the end of the month.

The Dairy Control Board has imported 200 tons of choice butter from Ireland and, depending on consumption, may import a further 800 tons. The price will be the same as for local butter.

Mr J de Bruyn, public relations officer for the board, said imports were needed because high demand and low production had reduced the board's reserve of dairy products.

Butter to be imported to ease new shortage

Consumer Mail

THE present butter shortage has led the Dairy Board to import 1 000 tons of butter, costing between R2,5-million to R3-million, said Mr P E Roux, general manager of the board yesterday.

A drop in milk production is responsible for the shortage. The board is having to import 5 300 tons of skim milk powder.

Over the past few years the Dairy Board has been faced with a series of shortages and surpluses and has been accused of incompetence.

Last month the price of butter rose by 11,5% or 30c a kilogram and milk rose by 6c a litre. At the time there was an outcry from consumer organisations which said the increases were excessive.

The price of South African milk is among the highest in the world.

But Mr Roux said the 14,5% increase in the price of milk was unlikely to stimulate production: "We are going to have more shortages, particularly at the end of the year and during the winter of 1982."

Producers claim the increase was too small to make dairy farming viable and many were moving into other farming activities like beef farming, which were more profitable.

In addition milk consumption had gone up during some months by 10%.

The imported butter at R2,55 to R2,50 a kilogram is cheaper than local butter which sells at R2,88 (choice) and R2,82 (table).

Taking the cost of importing into account, Irish butter will come to more or less the cost of local butter.

"We may even make a little on this deal. This will go into the board's stabilisation fund, which is used for the benefit of consumers and manufacturers," he said.

Mr Roux said it took relatively short notice to get the imported butter and the board would be watching the situation carefully over the next few months.

Argus 6/7/81 (3 dairy)

Thousands of litres of milk destroyed

THOUSANDS of litres of milk went down the drain in the Peninsula at the weekend — and all for nothing.

It was a 'flavour problem', a spokesman for the dairy which distributed the milk explained today.

'Dreadful anaesthetic-tasting' milk made residents of Constantia, Meadowridge, Diep River and Durbanville worried that the milk was contaminated and many refused to drink it.

There was no harm in drinking it, the financial director of Van Riebeeck Dairy, Mr S Maxwell, said today.

Samples of the milk had been sent to the Health Department and tests showed the milk was not contaminated and did not present any health hazard.

Apparently the strange taste was caused by chemicals which had been used to wash a tanker. It affected all the milk in one of the silos which amounts to about 30 000 bottles of milk.

The strange taste was discovered on Friday and the contents of about 20 000 bottles were destroyed before they were sent out.

For some people the taste was 'very faint' others said it was 'too ghastly for words.'

The dairy has undertaken to replace all the affected milk.

QUANTITY SURVEYING

(Continued)

Bell-John Prize
For the best all-round student in any year of study.

P C Key

The Committee of the Western Cape Chapter of Quantity Surveyors' Prize
For the student obtaining the highest marks in Professional Practice.

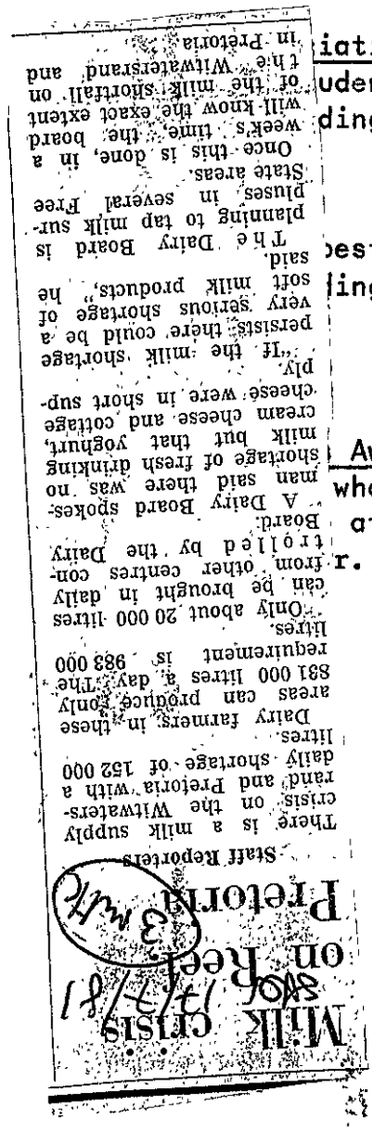
P R Swift

LTA Prizes
For the best student in each of the courses of Building Economics I, II and III in the third, fourth & fifth years respectively.

I : N D G Sessions

II : A R Low Keen

III: No award



Milk crisis on Rand, Pretoria

Staff Reporters

There is a milk supply crisis on the Witwatersrand and Pretoria with a daily shortage of 152 000 litres.

Dairy farmers in these areas can produce only 831 000 litres a day. The requirement is 983 000 litres.

Only about 20 000 litres can be brought in daily from other centres controlled by the Dairy Board.

A Dairy Board spokesman said there was no shortage of fresh drinking milk but that yoghurt, cream cheese and cottage cheese were in short supply.

"If the milk shortage persists there could be a very serious shortage of soft milk products," he said.

The Dairy Board is planning to tap milk surpluses in several Free State areas.

Once this is done, in a week's time, the board will know the exact extent of the milk shortfall on the Witwatersrand and in Pretoria.

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URBAN & REGIONAL PLANNING

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NOT MUCH CREAM FOR DAIRY FARMERS

Dairy farmers are finding it increasingly difficult to make ends meet

3 dairy

S. Tribune 30/8/81

DAIRY farming is constantly in the news these days. "Price of Milk to rise once again," "More farmers giving up!" and so on.

The farmers complain they do not get a fair return on their money. The public means that the price of milk is exorbitantly high.

To find out what the actual score is we visited one of the leading consultants in the dairy field, Derek Broom of Ixopo and what he said made a lot of sense.

The average farmer has a dairy herd of 100 to 120 cows of which he will milk at least 80 percent. To do this he must have a farm of roughly 100 hectares, for each cow requires about two acres.

The price of land per hectare in the Ixopo-Donnybrook area is about R500 a hectare and thus the farmer's expenditure on land alone is R50 000. Over and above that there is the stock, the implements and all the other things that go to make a farm. The cost of a good cow can be approximately R1 000.

Mr Broom estimated

Derek Broome
... Dairy Consultant.

that a farmer starting from scratch would need a capital investment of close on a quarter of a million rand. In fact he calculated that this worked out at plus minus R2 000 a cow, allowing for replacements when the cow goes out of milk.

The main dairy areas dairy cows now in Natal is Frieslands with Jerseys coming a poor second and the rest, such as Ayrshires almost nowhere. Farmers today — unless they are stud farmers — do not use bulls as they cost so much. The Taurus Bloom, near Richmond, provides the best artificial insemination that can be found. Mr Broom is 100 percent in favour of artificial insemination.

Them ain dairy areas lie in the disputed areas of Ixopo, Donnybrook and Underberg and also the Upper Midlands.

Feeding is the important thing to maintain a good milk supply. Maize is the principal feed, mixed with high protein concentrates, and this must be fed with roughage which is generally grown on the farm.

The cost of feed is very high and the maize mixture alone is estimated to cost about seven cents per litre of milk produced. The cost of the roughage works out at about another 3½ cents. Thus the cost of feed per litre can come to about 12 cents.

During the year 1980 to 1981 the farmer averaged 24,5 cents a litre from the dairy. Add to this the costs of running the farm, maintenance, vets fees, levies, cost of management, depreciation and all the other costs that go into a profit and loss account and the profit comes to roughly two percent a litre.

The actual percentage on capital was about 4/5 percent and many farmers say that they would be better leaving their money in the building societies.

Over and above this dairy farmers work the longest hours of the farming industry. It is said they put in an average of 30 percent overtime for which they receive no pay.

Why then, do they do this?

Many of them just love farming, but the majority hope for capital gains. They make money when they cull their cattle and some go so far as to reduce their dairy stock considerably and to all intents and purposes become beef farmers.

Mr Broom says a great number of his clients have reduced their herds by fifty cows and more. This has increased the shortage of milk.

There is not a real shortage in Natal to any extent, but in the Transvaal there is a dire shortage, for there many farmers have given up dairy farming. Milk is sent from Natal to the Transvaal.

Mr Broom says that the Press is correct when it describes the situation as extremely worrying.

With the Milk Board in control, there is too much control over the marketing of the product.

Mr Broom says controls should be relaxed considerably and perhaps then the farmer can once again find himself in a viable position.

viii Population policy and measures become more viable when communities take prime responsibility for their health, when land is expressed as an asset in which individuals enjoy but a share, when some part of the direct costs of services are borne by users, when specialist roles are provided in greater number and when economic security is underwritten by the state and enhanced by membership of community organisations (the EGS and CLC in particular).

ix Each 'society of actors' provides a valuable laboratory for research and for evaluation as it represents a managed body with specified goals and known means.

x Problems of maintenance, a dichotomy with centralised capital and current budgeting, are resolved in the household nature of community management.

Some of the above are depicted in Figure 11. It illustrates a valley, the families of which have formed a CLC and made progress on the demarcation and arrangements of land use. Individual residential plots; an allotment garden scheme; arable, intensive (dairy) pasturing and extensive grazing; woodlots and a communal forest; conjunctive canal, well and lift irrigation; rural electrification; and the beginnings of villagisation are shown.

FOOTNOTES TO CHAPTER 16

1. Dennis Rondelli, 'Rethinking National Development', Journal of the American Institute of Planners, 44, No.1, January 1978, p.84.

2. See J.E. Meade, The Theory of Indicative Planning, Manchester University Press, 1970.

3. See, for instance, Charles E. Lindblom,'The Sociology of Planning : Thought and Social Interaction', in Economic Planning, East and West, edited by Morris Bornstein, Ballinger, Cambridge, Mass., 1975, pp.23-60.

4. Hyden Goran, op.cit.

5. This accords with the call for greater local participation and decentralisation, particularly in the third world. See, for instance, Ann Seidman, Planning for Developmentin Sub-Saharan Africa, New York, Praeger, 1974.

6. In some countries strong groups opposed to any reform of the planning system have arisen simply to defend interests that have arisen, see Andrzej Korbonski,'Bureaucracy and Interest Groups in Communist Societies: The Case of Czechoslovakia', in Studies of Comparative Communism, 4,1, January 1971, pp.57-79.

TABLE OF CONTENTS

PART I

'Crisis in the dairy industry'

Argus 15/9/87

3 dairy

THE Government's overreaction to a butter glut had resulted in a crisis which was worsening to a point where the country could no longer provide for its dairy needs, Mr D J N Malcomess (PFP, Port Elizabeth Central) said yesterday.

He said the Government was responsible for the alarming decline in the farming population. Production costs had gone out of control because of fuel prices hikes 'and a greedy Government' which taxed excessively.

The butter glut example was typical. The Government reacted with a 40 percent levy on cream production. 'This overreaction created a situation where South Africa can today no longer supply its own population with dairy products,' he said.

'Dairy herds have disappeared and continue to disappear as a result of this situation,' he said.

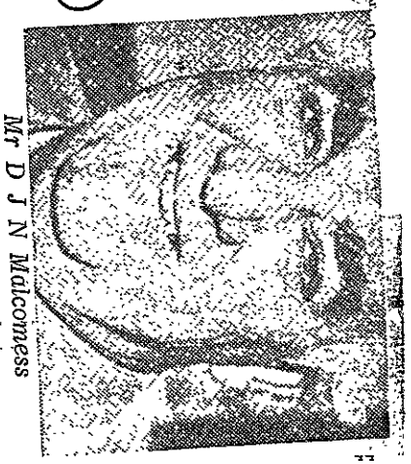
The Government had granted import permits valued at between R8-million and R10-million for the import of skimmed and full cream powdered milk while the general manager of the Dairy Board predicted that shortages would get worse. Permits had also been approved for the import of 200 tons of butter.

'The boom has passed the dairy farmer by,' Mr Malcomess said.

Production prices had got out of control because of what the Government had done.

'If they don't have us by the diesels, they've got us by the electrics,' he said. It would be interesting to know what share of the diesel price landed directly in the State coffers and how much of the high price of maize was due to the diesel price.

'We export great quantities of maize at low cost while dairy farmers have to pay high prices for cattle feed. Why can't the dairy farmer pay the low export price for maize feeds?' Mr Malcomess asked. — Sapa.



Mr D J N Malcomess

Dairymen declare war on milk powder

NM 24/9/81 (Milk)

Agricultural Reporter

A WAR of words broke out last night between dairy producers and manufacturers of artificial milk and cream substitutes.

The manufacturers were misleading the public into believing their substances were healthier and cheaper than natural milk, the executive director of the South African Dairy Foundation, Mr Marius Kritzinger, said in Durban yesterday.

Not so, said Mr W P Stewart, manager of Carnation Foods, last night. Dairy producers were attacking manufacturers to cover their own inefficiency, he claimed.

Speaking at a Durban Milk Association seminar attended by doctors, members of women's organisations and representatives of the dairy industry, Mr Kritzinger said that not only were people who relied on artificial milk and cream substitutes being misled by manufacturers, they were also depriving their families of nutrition.

'The man in the street has the right to buy, eat and drink whatever he wants, but as far as essential food such as milk and other dairy products are concerned, it is important that he is not misled by manufacturers of competitive products,' Mr Kritzinger said.

He accused companies behind dairy substitutes of using terms such as 'non-dairy' and 'contains no animal fat' to imply that the vegetable fat in their products was nutritionally superior to butterfat.

He said the deception continued with labels and advertising slogans that emphasised that these substitutes were 'good for you' and should be used 'instead of milk or cream'.

Pink cards

He also pointed out that comparative advertising was not allowed in South Africa and although the Dairy Foundation had complained to the Advertising Standards Authority since 1979, they had received only small pink cards saying 'the matter is receiving our attention'.

Mr Kritzinger warned consumers to read the ingredients listed on products. The milk substitutes were often not recommended for infants, he said.

He said many people were using artificial substitutes for pure dairy products in the mistaken belief that this would reduce their saturated fat intake, but in fact the opposite was true.

Mr Kritzinger said that because so many of the artificial milk manufacturers used a cow to advertise their products it had become a matter of urgency to create a logo which would indicate natural milk.

This was particularly important to protect rural blacks who associated a picture of a cow with pure milk.

Mr J P Thompson, chairman of the Natal and East Griqualand Fresh Milk Producers' Association, said that about four years ago the Department of Agriculture had forbidden the dairy industry to advertise and this had

This was particularly important to protect rural blacks who associated a picture of a cow with pure milk.

Mr J P Thompson, chairman of the Natal and East Griqualand Fresh Milk Producers' Association, said that about four years ago the Department of Agriculture had forbidden the dairy industry to advertise and this had been the cue for the artificial milk manufacturers to gain unfair advantage over natural milk.

For this reason alone it had become vital now to the industry to launch an extensive campaign to promote milk.

About R3 000 000 was to be spent on promoting natural milk this year, he said.

Mr Stewart said: 'In no way do we try to mislead the public. All our products have been passed by the Department of Health and in no way can they be said to be harmful.

'Our products are made up of skimmed milk and agricultural products so they cannot be termed artificial.'

Mr Stewart said the Dairy Board and the Dairy Foundation were trying to denigrate milk substitutes to cover their own ineffiency.

He said substitutes had been accepted in almost every country in the world but because members of the dairy industry was not prepared to market their product properly they wanted protection from the Government.

'There is no place for boards in a free enterprise society and the sooner South Africa gets rid of them the better it will be for the country,' he said.

Milk producers to ask for early price increases

Star 25/9/81 (244) 3 milk

By Caroline Braun, Consumer Reporter

The Transvaal Fresh Milk Producers' Association will send a telegram to the Minister of Agriculture, Mr P T C du Plessis today urging him to revise the milk price as soon as possible.

At the association's annual general meeting in Alberton yesterday, milk producers said the 6c a litre increase in June was unsatisfactory, and that a critical milk shortage could result next year unless drastic steps were taken to raise the price.

If South Africa had insufficient milk supplies, milk would have to be imported — and the consumer would pay dearly.

In his annual report, the chairman, Dr Louis Theron, said the June increase had already been swallowed up by mounting costs. Any increase took 18 months to have a positive effect on the producers' pocket, so it was in the government's interest to act as soon as possible, before more milk producers left the industry.

Dr Theron said the annual milk price increase should be granted earlier in the year — say February.

Dr Theron said much harm had been done to the dairy industry during the past year by consumer organisations which had made unnecessary and inaccurate statements to the media about the dairy industry and the price of milk.

Many farmers had left the industry.

He called on milk producers to reorganise themselves into a united and responsible body which could counter these unjustified attacks on the dairy industry, and put the record straight.

MILK ③ dairy.

Turning sour

FM 25/9/81

The fresh milk industry is being squeezed. The controlled areas (which make up around 90% of total output) are showing a production decline of around 10%. If present trends continue, things could get worse.

The reason? The average number of fresh milk producers is decreasing. Figures record a drop from an average of 1 947 producers in the period January-June 1980 to an average of 1 868 for the same period in 1981. In the month of June 1981, the fall-off was even more significant — from 1 958 (in June 1980) to 1 825.

Average daily sales through the Dairy Board were 1 193 876*l* for the six month period, January-June 1980, compared to 1 252 831*l* for the same period in 1981.

Producers leaving the industry tend not to return. Farmers either leave the land or diversify into more profitable areas. On the Highveld — which accounts for 45% of national consumption — producers are moving into more mechanised and, therefore, profitable fields.

Maize is one of the favoured alternatives, but whereas maize and dairy farming were previously complementary, they are now competing for investment.

The SA Dairy Foundation's economic consultant, Chris Jordan, explains: "Farmers are moving into enterprises that do not make the same claims on management. The dairy business is seven-days-a-week. Labour is scarce and profit margins tight.

"Consequently, farms are falling into the hands of the larger producer. Economies of scale are possible and, because of increased effiencies, the larger farmer can survive on the low margin. In any case, although these newcomers are able to meet demands better than smaller concerns, many are also diversifying away from milk."

Against this backdrop of shortage, fresh milk consumption is increasing at around 1% a year. This growth figure is not likely to slacken if the request for a 4c increase, now being presented by the SA Agricultural Union to the Marketing Council, is approved.

Latest estimates (1977) put total household expenditure on milk at around R400m. Jordan estimates an annual growth of around 10%, allowing for both an increase in consumption and price.

The situation will tighten further as the number of producers continue to drop. Increases in production, in Jordan's view, will come only with a rise in production per producer. More capital investment will consequently be necessary.

Milk supplies . . . facing short deliveries

Dairy farmers churn out their grievances

(244) Sdaily Star 26/9/81

By Caroline Braun
Consumer Reporter

Consumer Spotlight

The Housewives' League was given a resounding rap on the knuckles by Transvaal dairy farmers this week.

At the annual meeting of the Transvaal Fresh Milk Producers' Association on Thursday milk producers repeatedly slammed the Housewives' League for making "emotional, sensational and unjustified statements" about the milk price.

Also in the line of attack were the media, especially the Press, which carried these statements.

"Consumers have no idea how milk is produced. "They know nothing about production costs or the risks of producing a perishable product.

"They seem oblivious of the fact that we are also affected by inflation," a dairy farmer said.

"Consumer organisations run to the Press with unfounded and inaccurate statements and the Press seems only too keen to co-operate in this agitation against a higher milk price," said another.

DETRIMENTAL

Association chairman Dr Louis Theron said the bad publicity engendered by these statements had had a detrimental effect on the industry.

"A disturbingly higher number of dairy farmers have left the industry because they have lost confidence in it as a result of these sensational and emotional statements," he said.

The milk producers agreed that it would be in their interests to use the media to counter the attacks against the industry and to inform the public of the dilemma in which dairy farmers found themselves.

Reacting to the accusations Housewives' League president, Mrs Joy Hurwitz said the league had every right to complain about price increases of basic foods.

"The consumer finds herself in an ever-worsening predicament as the price of product after product escalates.

"Eventually she cannot bear the load and has to cut down on consumption to meet her budget.

"It has been proved that consumption of bread and milk has dropped since the hefty price increases.

"The dairy farmers should be pleased that we are so concerned about the matter.

"If milk consumption drops the dairy farmers are the ones who suffer most," Mrs Hurwitz said.

Court stops book by milk union

NM 6/10/81

3-milk

JOHANNESBURG—A Rand Supreme Court judge has interdicted the South African Milk Distributors' Union from distributing a 20-page booklet comparing powdered milk with natural milk.

The order was sought by Mr Tony Ball, a general manager of Borden Foods (Pty) Ltd which distributes food products — mainly milk powder.

The booklet entitled *What are you feeding your family* is published by the South African Milk Distributors' Union.

Mr Ball said that the booklet made a comparison between the ingredients of artificial milk substitutes and the ingredients of pure milk.

Suggestion

He said that Borden Foods and other manufacturers of similar products were in competition with the dairy industry.

The dairy industry had attempted to suggest that milk powders were unhealthy in comparison with dairy products.

'Borden Foods does not contend that its products and similar products have any health advantages over milk.

'Borden Foods submits that the distribution of this booklet has caused it, and will continue to cause it, the gravest commercial harm in a highly competitive market and that it will tend to have an adverse effect on the sale of its products.'

The union had been asked to desist but an undertaking had not been given.

Mr Acting Justice Slomowitz interdicted and restrained the union, or its agents or servants from disseminating or distributing or in any way circulating the booklet.

The Court ordered the union to pay the costs of the application for the interim interdict. The return date of the rule nisi is October 27. — (Sapa)

Govt blamed for delay on milk price

3 Milk

By GERALD REILLY

MILK producers claim the Minister of Agriculture is stalling on a decision on the higher milk price demanded by the South African Agricultural Union (SAAU) two-and-a-half months ago.

The Dairy Board considered a 5c a litre claim and sent its recommendation to the Marketing Council weeks ago.

Producers warned that South Africa would run into a serious and permanent milk shortage unless their demand was met.

The current shortage was an early warning of what would soon deteriorate into a crisis, they said. The milk price was raised by 6c a litre in June but the producer got only 4,5c a litre of this.

Switching

A SAAU economist, Mr G V White, said the demand for a 5c a litre increase was supported by a whole range of cost increases since June including fuel, steel, building materials, interest rates, wages and cattle feeds.

Statistics supported the claim that large numbers of farmers were abandoning fresh milk farming and switching to other branches of agriculture.

Between June 1980 and June 1981 the number of registered dairy farmers had decreased from 1 958 to 1 825. Production had also dropped significantly It had fallen by 59 000 litres when the first six months of 1980 were compared with the same period this year.

Escalate

"The indications are that the number of farmers leaving the industry will escalate until a price is paid that gives them a fair reward for their huge capital investment and compensates them adequately for their seven-day-a-week operation," Mr White said.

The SAAU estimated it would cost at least R170 000, excluding the price of land, to start an average-size dairy farming business. "If he put that in a building society, he would earn R20 000 a year with no risk and no 12-hours-a-day seven-days-a-week", Mr White said.

Milk price decision likely soon

(3) MILK

ARGUS 20.10.81

Argus Correspondent

PRETORIA.—The Cabinet is expected to decide on an increase in the milk price soon.

Dr Louis Theron, chairman of the fresh milk committee of the South African Agricultural Union, said today it was expected that the Minister of Agriculture, Mr Pietie du Plessis, would 'give attention' to the matter this week.

'The increase was requested because the producer does not find the industry rewarding,' he added.

Blends 'short on nutrition'

Consumer Reporter

Claims by milk blend manufacturers that their products were superior to fresh milk were false, Mr Marius Kritzinger, executive director of the South African Dairy Foundation, said in Johannesburg yesterday.

Mr Kritzinger told a meeting of consumer organisations that the nutritional value of milk blends fell far short of milk, which provided 19 percent of one's daily protein requirement, 51 percent of the calcium requirement, and 11 percent of daily energy requirements.

Mr Kritzinger quoted a report by the Medical Research Council which said the vegetable fats in milk substitutes could harm the health of consumers who were hypertensive, overweight, who smoked, or who had high cholesterol levels.

He said the dairy industry planned to introduce a stamp, similar to the Citruseal, to identify dairy products.

Milk is underpriced, warns industry chief

Star 21/10/81 (3 dairy)

By Caroline Braun, Consumer Reporter

Milk in South Africa is underpriced, claims Mr John Fisher, vice-chairman of the Rand Milk Association.

He reached this assessment after analysing production and processing costs, world milk prices and food value.

Mr Fisher, who was addressing consumer organisations at the Johannesburg Country Club yesterday, said: "If consumers are to continue receiving the quality and variety of dairy products, they must accept that the price of milk will have to rise.

"In the case of the milk producer, production costs such as fertiliser maize and fuel have increased alarmingly. There is nothing he can do except absorb the costs until he is granted an increase in the price of milk.

"Early this year, the producer calculated that he needed an additional 6,5c a litre to cover his increased costs. The distributor, with his higher packaging and transport costs needed an extra 3c a litre.

"The Government, however, only granted the producer 4,5c and the distributor 1,5c a litre. This caused much dissatisfaction and disillusionment, and resulted in a certain number of milk producers leaving the industry," he said.

Referring to world prices, Mr Fisher said the South African milk price was sixth lowest of 25 countries. "Our butter and cheese are both third cheapest."

Turning to food value, he said milk was still one of the cheapest sources of protein, calcium, lactose, animal fat and essential vitamins.

Over the past 10 years, the price of milk has increased about 200 percent, while the national average wage of a labourer in commerce and industry has increased 326 percent.

Deposits on bottles are the problem

Consumer Reporter

It is not possible to sell milk in glass bottles through retail outlets because of difficulties with deposits on bottles and crates, said Mr Fanie Lombard, chairman of the Rand Milk Association.

He told a meeting of consumer organisations yesterday that supermarkets were not prepared to pay a deposit on milk crates, although they happily paid a deposit on cold drink crates.

"The dairy industry losse nearly R1-million a year on crates that circulate through the depots. The industry could not bear the additional loss of mislaid crates at supermarkets," Mr Lombard said.

Govt is likely to raise price of milk

Mail Reporter

THE LAST in a long series of Government-administered food price rises this year — another hike in the milk price — is expected to be announced after the first meeting of the Cabinet in November.

Farmers have accused the Minister of Agriculture of deliberately delaying a decision on what they claim is an "open and shut case" for a price rise.

The South African Agricultural Union had demanded a 5,3c a litre increase.

Shortage

The Cabinet is likely to approve a 3c to 4c hike, it is learnt.

Fresh milk producers warn that a chronic milk shortage is unavoidable unless farmers are granted regular increases on a scale which would compensate for the big capital investment involved in a seven-day-a-week dairy farm operation.

The SAAU has pointed out that in the past 18 months more than 150 dairy farmers have abandoned dairy farming as unprofitable.

Prices of milk, cheese, butter may rise

RDM 31/10/81

(3 milk)

By GERALD REILLY

CONSUMERS will be paying at least another 3c a litre for their milk from the end of next week, according to Pretoria sources

And it's not only milk — the prices of butter and cheese are also certain to be adjusted in relation to the milk price hike

The Dairy Board's recommendation to the Marketing Council included a hike in milk, and cheese price rises, it was learnt yesterday.

Milk was raised by 6c a litre in June. At the same time butter was increased from R2,58 to R2,88/kg — a rise of 11,6%.

Cheddar

Cheddar was increased from R2,86/kg to R3,48 — a rise of 21,7% — and gouda cheese rose from R2,91/kg to R3,53 — a hike of 21,3%.

The expected increases will complete a "full house" of Government-administered food prices this year.

Industrial milk prices will also rise next week and this is expected to mean an adjustment of condensed milk and powdered milk prices.

And according to agricultural authorities in Pretoria the food price merry-go-round will continue next year.

Demands

Early in the new year, the commodity committees of the South African Agricultural Union meet to assess production cost rises for the past 12 months, and to formulate demands for compensation.

This has happened with regularity over the past 25 years, and agricultural authorities say they cannot remember when last a year passed without basic food prices being increased.

The Economic Research Bureau at the University of Stellenbosch this week warned of falling standards of living next year across a broad front.

This supports the view of economists that wage and salary

Argus 6/11/81

Bigger milk price increase sought

(3 dairy)

Consumer Reporter

CAPE TOWN dairies want another cent added to the imminent increase in the price of milk to cover the higher cost of plastic bottles.

If they do not get it, they may stop the sale of milk in non-returnable containers, and sell only through their own delivery men or from their depots and not through supermarkets, cafes and other shops.

This was said by the chairman of the Western Cape branch of the SA Milk Distributors' Union, Mr M Henning, in an interview today.

Mr Henning said a 12 percent increase in the price of plastic bottles a few days ago would cost Cape Town dairies R45 000 a month and that the industry could not afford this.

MEETING

The average family buys only one and a half litres a day so the extra cost to the housewife would be negligible, he said.

He said a meeting had been arranged between the milk distributors and the Dairy Board to discuss their demand for the extra cent.

The Minister of Agriculture, Mr P T C du Plessis, agreed this week to a higher milk price which will come into operation in a few days but the amount of the increase will not be made public until next week.

Mr Henning told The Argus yesterday that he had been informed that the whole of this increase would go to the farmers, who were dissatisfied with their share of a 6c a litre increase given last June, and none to the dairies.

BUTTER

The farmers asked for an increase of 5c a litre but it is believed that the Minister has given less. According to informed sources the increase he has so far agreed to is 3c a litre.

This will push up the price of butter, cheese and other dairy products and manufactured foods containing milk or butter.

Mr Henning said today that about 45 percent of milk sales in the Cape Town area were in plastic bottles.

He was confident the dairies would not lose these sales if they stopped supplying milk through retail outlets.

"The dairy industry is so tightly controlled and profit margins are so small that we cannot afford to subsidise the consumer to the extent of R45 000 a month," he said.

"There is no cheaper alternative to plastic bottles as a non-returnable container. Cardboard would be even more expensive and there would also be a considerable capital outlay on new packaging equipment."

MILK FM 20/11/81

Mooing for more

This week's increase in dairy prices is the second this year. As such it is against the Department of Agriculture's policy of allowing only one hike a year, but, hopefully, the move will arrest the defection of farmers from the ailing dairy industry.

The incentive, although small, came by way of a 4% increase in the price of fresh milk, 5,9% on cheddar and gouda cheese and 9,1% on the price of butter.

The new benefits will go to dairy producers alone. With the two increases of this year, farmers will be receiving an additional 6c/*l*, for which they asked in April. In June they got another 4,5c/*l*, and distributors took 1,5c/*l*.

Distributors had vainly asked for a 3c share of the latest increase.

However, they and consumers believe it was justified. Betty Hirzel, chairman of the South African National Consumers Union and also a member of the Dairy Board, supports the latest 2c concession on fresh milk — on condition that it all goes to producers.

John Fisher, vice-chairman of the Rand Milk Association, says it will hopefully curb the disillusionment among dairy farmers. Consumption of liquid milk in SA over the past 12 months, he notes, increased 7%-8%. Conclusion: South Africans can afford milk and it is underpriced.

Industry insiders say the recent defection of dairy farmers to beef and maize farming has been overwhelming. They maintain that the high price of beef affords more incentive than milk.

Joy Hurwitz, national president of the Housewives League, says dairy farmers can leave the dairy market and create a void.

She believes the Dairy Board should supplement distribution of fresh milk. "It cannot be the consumer that always bears the increases of production costs," she says.

"Rising prices of fresh milk are forcing many consumers, especially blacks, to buy powdered milk which does not have the same nutritional value."

The idea of a quality purchase scheme — a system of tiered prices for different grades of fresh milk — is being deliberated. Yet even if it were implemented, it may still offer little incentive to dairy farmers.

In the long run, they are bound to win the day. As one says: "The way to the consumer's pocket is through his stomach."