IRELAND

Information Supplied in Respect of
DAIRY PRODUCTS

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A. Production: production measures and policies

A.1. Statistical data on total volume of production

<table>
<thead>
<tr>
<th>Product</th>
<th>Production ('000 metric tons)</th>
<th>Total number of milk cows in country - June ('000 head)</th>
<th>Average yield per cow (litres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk and milk products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Used in liquid consumption</td>
<td>606</td>
<td>604</td>
<td>605</td>
</tr>
<tr>
<td>Used for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farmers' butter</td>
<td>174</td>
<td>153</td>
<td>132</td>
</tr>
<tr>
<td>Creamery butter</td>
<td>1,334</td>
<td>1,418</td>
<td>1,550</td>
</tr>
<tr>
<td>Cheese</td>
<td>156</td>
<td>171</td>
<td>250</td>
</tr>
<tr>
<td>Dried milk</td>
<td>107</td>
<td>74</td>
<td>81</td>
</tr>
<tr>
<td>Chocolate crumb</td>
<td>132</td>
<td>147</td>
<td>173</td>
</tr>
<tr>
<td>Cream</td>
<td>41</td>
<td>48</td>
<td>45</td>
</tr>
<tr>
<td>Other products</td>
<td>9</td>
<td>19</td>
<td>27</td>
</tr>
<tr>
<td>Milk fed to livestock (excluding milk sucked)</td>
<td>491</td>
<td>504</td>
<td>504</td>
</tr>
<tr>
<td>Total milk production (excluding milk sucked)</td>
<td>3,050</td>
<td>3,138</td>
<td>3,367</td>
</tr>
</tbody>
</table>

Note: Average milk yield obtained by dividing the total milk production by the number of milk cows, excluding suckling calves.

A.2. Trends in production and estimates for 1970

Annual milk output from 1963 to 1966 showed a gradual increase, due largely to the increase in cow numbers. In 1967, there was a substantial increase in output mainly due to improved milk yields. The total output for 1970 is estimated at about 3.5 million metric tons.
1.3. Statistical data on carry-over stocks and stockpiles

The only carry-over stocks of dairy products are butter stocks, which are held by An Bord Bainne (The Irish Dairy Products Board). The Board's stocks have been as follows:

Butter stocks, 31 December 1965 - 11,815 metric tons
Butter stocks, 31 December 1966 - 14,263 metric tons
Butter stocks, 31 December 1967 - 19,105 metric tons

1.4. Factors which affect production

Apart from Government policies and measures, the main factors affecting milk production are:

Interrelationship of milk and beef production.

Improvements in production arising from:

(a) improved standards of land and livestock management;
(b) increased utilization of modern agricultural techniques, including increased fertilizer use;
(c) increased investment in agriculture;
(d) improvements in farm structure.

1.5. Policies and measures of governments or other bodies likely to influence production other than those listed under B

Direct factors

Government price support measures.

Indirect factors

The scheme of grants for calved heifers;
Animal disease eradication programme;
Grants for farm buildings;
Grants for land drainage and improvements; fertilizer subsidies;
Advisory services;
Credit facilities available from Agricultural Credit Corporation; a State agency and the commercial banks.
B. Protection and support measures and policies

B.I. Internal support measures and policies

B.I.1. Inventory of the instruments of support

The support measures are:

(a) Bord Bainne buys at a fixed price all butter of suitable quality offered by creameries.

In the case of cheese, whole milk powder and chocolate crumb the Board purchases the products at agreed prices from the manufacturers for export by the Board or contributes towards losses incurred by manufacturers on their exports.

(b) An exchequer milk allowance is paid to producers, through creameries, to support the price of milk.

(c) A quality bonus paid by the exchequer to producers, through creameries, on milk of high quality.

A levy is paid by creameries to Bord Bainne on all milk, the proceeds being used to meet part of the Board's export losses, as well as its administrative expenses. The balance of the export losses is met by an exchequer grant.

B.I.2. Levels of guaranteed prices or support prices

The price paid by Bord Bainne for butter in the period under review was $131 per 100 kgs. There are no guaranteed prices for other dairy products.

B.I.3. Amount of producer subsidies

<table>
<thead>
<tr>
<th></th>
<th>1965/66</th>
<th>1966/67</th>
<th>1967/68</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$29.85</td>
<td>$38.50</td>
<td>$51.44</td>
</tr>
</tbody>
</table>

B.I.4. Average returns to producers

Average price per gallon to producers for milk delivered to creameries (in US cents):

<table>
<thead>
<tr>
<th></th>
<th>1965</th>
<th>1966</th>
<th>1967</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>30.4</td>
<td>32.1</td>
<td>34.0</td>
</tr>
</tbody>
</table>
Note: Price includes skim milk retained by creameries. Approximate value of skim milk per gallon in each of the three years is as follows:

1965  4.2 cents
1966  4.4 cents
1967  4.7 cents

B.I.5. Method of determining returns for producers

Producer returns are determined by the individual manufacturing units (co-operative creameries for the most part) on the basis of the prices realized by them for their products, and taking into account their manufacturing costs. The liquid milk sector is of limited size and there is no general pooling of receipts between it and the manufacturing milk sector.

As regards price formation as between domestic and international markets, the price at which butter is bought by An Bord Bainne for export also determines the basic level of home market prices. Prices to milk producers are not affected by the final manner of disposal of the milk.

B.II. Measures at the frontier

There are quantitative restrictions on all the main dairy products. Import duties as follows also apply:

- Fresh whole milk: Duty varies from nil to 44 cents or 66 cents per hectolitre depending on origin.
- Cream: Duty varies from $8 to $12 per hectolitre depending on origin.
- Dried or powdered milk: $6.60 per 100 kgs.
- Condensed milk: $7.2 per 100 kgs. $9.6 to $14.4 per 100 kgs. depending on origin.
C. Consumption and internal prices

C.1. Statistical data on consumption


<table>
<thead>
<tr>
<th>Product</th>
<th>Total consumption ('000 metric tons)</th>
<th>Distribution ('000 metric tons)</th>
<th>Per caput consumption (kgs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Animal feed</td>
<td>Manufacture</td>
</tr>
<tr>
<td>Whole milk</td>
<td>3,004</td>
<td>459</td>
<td>1,930</td>
</tr>
<tr>
<td>Separated</td>
<td>1,570</td>
<td>1,319</td>
<td>152</td>
</tr>
<tr>
<td>Butter</td>
<td>45.3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cheese</td>
<td>5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cream</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dried milk:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whole</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Skim</td>
<td>3</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Other manufactured products</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>products (milk equivalent)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whole milk</td>
<td>31</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Separated milk</td>
<td>7</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Product</td>
<td>Total consumption ('000 metric tons)</td>
<td>Distribution ('000 metric tons)</td>
<td>Per caput consumption (kgs.)</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------------------</td>
<td>---------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Animal feed</td>
<td>Manufacture</td>
</tr>
<tr>
<td>Whole milk</td>
<td>3,142</td>
<td>507</td>
<td>2,011</td>
</tr>
<tr>
<td>Separated</td>
<td>1,597</td>
<td>1,344</td>
<td>144</td>
</tr>
<tr>
<td>Butter</td>
<td>43.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cheese</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cream</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dried milk:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whole</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skim</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other manufactured products (milk equivalent)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whole milk</td>
<td>37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Separated milk</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Consumption Statistics (cont'd)

#### 1966

<table>
<thead>
<tr>
<th>Product</th>
<th>Total consumption ('000 metric tons)</th>
<th>Distribution ('000 metric tons)</th>
<th>Per caput consumption (kgs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole milk</td>
<td>3,232</td>
<td>519</td>
<td>2,091</td>
</tr>
<tr>
<td>Separated</td>
<td>1,671</td>
<td>1,267</td>
<td>306</td>
</tr>
<tr>
<td>Butter</td>
<td>409</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cheese</td>
<td>5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cream</td>
<td>2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Dried milk:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whole</td>
<td>2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Skim</td>
<td>4</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td><strong>Other manufactured products (milk equivalent):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whole milk</td>
<td>33</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Separated milk</td>
<td>6</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
C.2. **Trends in consumption and estimates for 1970**

No significant change in consumption is expected by 1970, except in the case of cheese, consumption of which is likely to increase.

C.3. **Retail and wholesale prices on internal markets**

(a) **National average retail prices 1965/67**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh milk</td>
<td>0.19</td>
<td>0.19</td>
<td>0.19</td>
<td>0.20</td>
<td>0.20</td>
<td>0.19</td>
<td>0.20</td>
<td>0.21</td>
<td>0.20</td>
<td>0.20</td>
<td>0.20</td>
<td>0.21</td>
</tr>
<tr>
<td>(per litre)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Butter</td>
<td>1.44</td>
<td>1.44</td>
<td>1.44</td>
<td>1.44</td>
<td>1.43</td>
<td>1.51</td>
<td>1.51</td>
<td>1.51</td>
<td>1.51</td>
<td>1.51</td>
<td>1.51</td>
<td>1.51</td>
</tr>
<tr>
<td>(per kg.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cheese</td>
<td>1.05</td>
<td>1.07</td>
<td>1.08</td>
<td>1.08</td>
<td>1.08</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
</tr>
<tr>
<td>(per kg.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(b) **Wholesale prices of butter and cheese 1965/67**

<table>
<thead>
<tr>
<th>Product</th>
<th>1965</th>
<th>1966</th>
<th>1967</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butter</td>
<td>131.00</td>
<td>139.00</td>
<td>139.00</td>
</tr>
<tr>
<td>Cheese</td>
<td>87.50</td>
<td>87.50</td>
<td>87.50</td>
</tr>
</tbody>
</table>

C.4. **Factors which condition the evolution of internal consumption**

By international standards butter consumption is at a very high level; it is not possible to say how far consumption is affected by the lower prices for margarine (about 53 cents per kg.).

C.5. **Policies and measures affecting consumption**

The price of butter on the home market is in effect subsidized to the extent of 33 cents per kg. A State-sponsored promotional campaign is carried on with the objective of increasing consumption of milk and milk products. Some dairy products are used in national and international welfare schemes but the amounts involved are limited in relation to total production.
D. International trade and prices

D.1. Statistical data on the volume and value of imports and exports by source and destination

There are no significant imports of dairy products other than cheese. Details of cheese imports (all of which are commercial) for the period 1965/67 are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total imports</th>
<th>Principal sources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(metric tons)</td>
<td>United Kingdom</td>
</tr>
<tr>
<td></td>
<td>($)000</td>
<td>(metric tons) ($)000</td>
</tr>
<tr>
<td>1965</td>
<td>179</td>
<td>209</td>
</tr>
<tr>
<td>1966</td>
<td>180</td>
<td>212</td>
</tr>
<tr>
<td>1967</td>
<td>228</td>
<td>215</td>
</tr>
</tbody>
</table>
Exports of Dairy Products 1965/67

(Quantity: metric tons; Value: $'000)

<table>
<thead>
<tr>
<th></th>
<th>United Kingdom</th>
<th>Other countries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Milk</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dried or powdered</td>
<td>6,466</td>
<td>11,913</td>
</tr>
<tr>
<td></td>
<td>3,276</td>
<td>4,318</td>
</tr>
<tr>
<td>Evaporated or condensed</td>
<td>153</td>
<td>153</td>
</tr>
<tr>
<td>Other (including butter-milk and whey)</td>
<td>12,524</td>
<td>384</td>
</tr>
<tr>
<td>Cream</td>
<td>2,036</td>
<td>2,647</td>
</tr>
<tr>
<td></td>
<td>1,686</td>
<td>2,324</td>
</tr>
<tr>
<td>Butter</td>
<td>17,775</td>
<td>22,808</td>
</tr>
<tr>
<td></td>
<td>17,825</td>
<td>20,219</td>
</tr>
<tr>
<td>Cheese</td>
<td>9,010</td>
<td>8,716</td>
</tr>
<tr>
<td></td>
<td>6,269</td>
<td>12,422</td>
</tr>
</tbody>
</table>

There have been some non-commercial exports of milk powder as part of Ireland's contribution to international welfare programmes. Details of these exports for the period under review are as follows:

- 1965 - 301 metric tons
- 1966 - 221 metric tons
- 1967 - 306 metric tons
### D.2. Levels of export prices prevailing in various markets: levels of import prices

**Average Import Prices (c.i.f.) for Cheese by Principal Sources, 1965/67**

(US$ per metric ton)

<table>
<thead>
<tr>
<th>Year</th>
<th>United Kingdom</th>
<th>France</th>
<th>Denmark</th>
<th>Germany, F.R.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>1,135</td>
<td>1,086</td>
<td>1,140</td>
<td>1,090</td>
</tr>
<tr>
<td>1966</td>
<td>1,046</td>
<td>1,235</td>
<td>1,181</td>
<td>1,089</td>
</tr>
<tr>
<td>1967</td>
<td>1,059</td>
<td>1,301</td>
<td>1,141</td>
<td>1,020</td>
</tr>
</tbody>
</table>

**Average Export Prices (f.o.b.) for Milk Products by Destination, 1965/67**

(US$ per metric ton)

<table>
<thead>
<tr>
<th>Product</th>
<th>United Kingdom</th>
<th>Other countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaporated or condensed</td>
<td>348</td>
<td>293</td>
</tr>
<tr>
<td>Dried or powdered</td>
<td>507</td>
<td>362</td>
</tr>
<tr>
<td>Butter</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creamery</td>
<td>953</td>
<td>895</td>
</tr>
<tr>
<td>Cheese</td>
<td>696</td>
<td>702</td>
</tr>
<tr>
<td>Cream</td>
<td>828</td>
<td>876</td>
</tr>
<tr>
<td>Chocolate crumb</td>
<td>344</td>
<td>326</td>
</tr>
</tbody>
</table>
D.3. Export aid measures and policies

(a) An Bord Bainne, the body responsible for exports of dairy products, receives an annual grant from the exchequer to meet losses incurred by it in selling dairy products at the prices obtainable abroad. The milk producers themselves contribute a further amount (50 per cent of the exchequer grant) to the Board. The exchequer grants paid to Bord Bainne in the period under review were as follows:

1965/66\(^1\) - $10.08 million
1966/67\(^1\) - $9.66 million
1967/68\(^1\) - $8.30 million

(b) An Bord Bainne so organizes its marketing as to ensure a regular flow of supplies to regular markets over the year.

(c) The only non-commercial transactions involving exports of dairy products are exports of milk powder under international welfare programmes. These transactions do not materially affect exports.

D.4. Description of bilateral agreements affecting imports or exports

The only bilateral arrangement affecting external trade is the British butter quota arrangement.

\(^1\)Financial years ended 31 March.