TRADE IN AGRICULTURAL PRODUCTS

FEDERATION OF RHODESIA AND NYASALAND

Synopsis of Non-tariff Measures for the Protection of Agriculture or in Support of Incomes of Agricultural Producers furnished by the Government of the Federation of Rhodesia and Nyasaland

I.

NATIONAL AGRICULTURAL POLICIES

A. General Objectives of Policy

Any attempt to set out clearly the general objectives of agricultural policy in the Federation of Rhodesia and Nyasaland must be preceded by some reference to the constitutional, social and other problems which beset it in our particular circumstances.

Constitutionally the Federal Government has only partial control over agriculture. Part I of the Second Schedule to the Constitution sets out the matters with respect to which the Federal Legislature has, and the Legislatures of the Territories have not, power to make laws.

Item 24 of this reads:

"In relation to Southern Rhodesia, agriculture, that is to say

(a) agriculture in general, including animal husbandry, dairies and dairy-farming, horticulture, poultry-farming, bee-keeping, fish-farming, pounds and agricultural colleges;

(b) agricultural research, including pasture, tobacco, veterinary and tsetse research;

(c) the provision and use of specialist services in connection with agriculture and agricultural products, including veterinary services and services dealing with chemistry, entomology and plant pathology; and

(d) conservation

but not including forestry, irrigation or such agriculture as the Governor-General and the Governor of Southern Rhodesia acting jointly shall by order have designated as African agriculture."
The Government of Southern Rhodesia in its African Agriculture Designation Order has provided:

"IT is hereby notified that His Excellency the Governor-General and His Excellency the Officer Administering the Government of Southern Rhodesia acting jointly, have been pleased, in terms of item 24 of part I of the Second Schedule to the Constitution of the Federation of Rhodesia and Nyasaland, 1953, to make the following order designating African agriculture:

1. This order may be cited as the African Agriculture Designation Order, 1954.

2. In this order:

'African areas' means the native reserves as described in the Southern Rhodesia Constitution Letters Patent, 1923, as amended or substituted, and the native areas described in the Land Apportionment Act, 1941, of Southern Rhodesia or in any law amending or substituted for such law;

'African' means:

(a) any member of the aboriginal tribes or races of Africa and the islands adjacent thereto including Madagascar and Zanzibar; or

(b) any person who has the blood of such tribes or races and who lives as a member of an aboriginal African community.

3. The following matters are hereby designated as African agriculture:

(a) agriculture in general in the African areas, including animal husbandry, dairies and dairy farming, horticulture, poultry farming, bee-keeping and fish-farming;

(b) conservation carried out in the African areas;

(c) agricultural training centres established for Africans either within or outside the African areas other than agricultural colleges or institutions falling within item 31 of part I of the Second Schedule to the Constitution;

(d) advice, demonstrations and experimental work given or carried on in the African areas in connexion with agriculture as defined in paragraph (a);

(e) the establishment, administration, control and maintenance of funds for the development of agriculture as designated in paragraphs (a), (b), (c) and (d) and for the marketing of anything derived from such agriculture and for any matter incidental thereto, and the making or imposition of contributions, deductions, fees, or levies for the purposes of any such fund in regard to anything produced derived from such agriculture which is carried on by Africans anywhere in the Colony whether within or outside the African areas:
Provided that the registration and licensing of dairies or other premises where dairy produce is processed and the grading and quality of dairy produce and matters relating to public health in connexion with dairies and dairying shall not be included within the above designation."

Another section of the Constitution - Section 31 - confers powers upon the Territorial Legislatures to add certain responsibilities to the Federal Legislative List, and the Northern Rhodesia Government has conferred rights upon the Federal Government in respect of what is called "non-African agriculture".

Thus, in Nyasaland all agriculture and in Northern and Southern Rhodesia all African agriculture are beyond the direct control of the Federal authorities.

At the same time three items of the Federal Legislative List give the Federal Government the powers to exercise a considerable amount of indirect control. These are items:

"8. Control of imports into and exports from the Federation; exchange control."

"9. Promotion of exports from the Federation."

"10. The distribution, disposal, purchase and sale of such manufactured and unmanufactured commodities and such animals and poultry as the Governor-General may by order specify, the control of the wholesale and retail price of any commodities, animals or poultry so specified, and the payment by the Federation of subsidies in respect of any commodities, animals or poultry so specified, so, however, that a law of the Federal Legislature relating to animals or poultry made by virtue of this item shall not have effect in relation to any Territory unless and until the Governor of that Territory has declared by notice in the official Gazette of the Territory that it shall so have effect."

Because of the unusual constitutional problem and the need for the co-ordinated development of the economy, extensive use has been made of these powers.

In the social field there are also problems of major significance.

"8. In Southern Rhodesia, the economy is fairly broadly based, and agriculture, though still the largest single contributor to the national income, is followed closely by secondary industry and mining. There has been a vigorous development of European agriculture producing a wide variety of crops and with an expanding and important livestock industry. Tobacco and maize predominate from a cash-crop point of view, and beef, dairy cattle and pigs form the principal types of livestock production. In the African sector of the community agriculture has been making great strides away from the old entirely subsistence type of farming towards one based primarily on self-sufficiency, but with an important commercial aspect in respect of both crops and livestock. So, too, under the stimulus of the Native Purchase Area Scheme and of the Native Land Husbandry Act, systems of farming are advancing from a communal organization to individual forms of tenure. Generally speaking, both sectors of agriculture are more advanced than in the two Northern territories."
9. In Northern Rhodesia, the number of European farmers is smaller and the farming less developed and more localized, being concentrated, in the main, along the line of rail. Here again, tobacco and maize are the main cash crops, dairying and beef production the main livestock enterprises, and diversified or intensive forms of agriculture are less well developed. African agriculture, although advancing rapidly and producing some important cash crops, is still largely conducted on a subsistence basis. The output of agriculture is dwarfed by that of the mining industry.

10. Nyasaland is almost entirely an agricultural country. It has very little European farming as it is known in the two other territories, but there are a number of large estates under European ownership or management, producing plantation crops, namely tea and tung. The European farmers produce little in the way of annual cash crops other than tobacco, and the livestock population is thin. African agriculture is clearly predominant in this territory. Despite the high density of African population, the systems of African cultivators are, in many cases, directed as much to commercial cash-crop production as to subsistence farming. Cotton, tobacco, maize, rice and groundnuts are the most important cash crops. Here again livestock population is small and plays little part in farming practice.

11. Taking the Federation as a whole, the greater proportion of Africans still live in a small-scale peasant economy with only a minor though increasing proportion of their output coming forward to the market. The value of agricultural output within their subsistence economy has never been calculated, but is certainly greatly in excess of the contribution to the market economy which totalled £11,000,000 in 1954. In relation to their numbers and the acreage of land covered, both these values are low. Crop yields per acre generally are deplorably low, and the standard of livestock husbandry is poor. With improved farming (including the use of fertilisers) there is no physical reason why the output of African agriculture should not double within a decade, but the practical difficulties - of which lack of capital and the innate conservatism of peasants everywhere are two of the biggest - are severe. In Southern Rhodesia, the Native Land Husbandry Act, by granting individual farming rights in respect of the arable land and by conferring security of tenure, is helping to improve the position; under this scheme some £6,500,000 is being spent over a five-year period on agricultural development. Nyasaland, particularly the Southern Province, is the most densely populated territory. The land is inherently more fertile, and of necessity more intensively farmed. Northern Rhodesia is sparsely populated and suffers from long lines of communications, factors which make more difficult the introduction and dissemination of improved farming methods.

12. The total area of the Federation is 486,973 square miles. While the whole falls within the tropics (between latitudes 8° and 23°) the mean annual temperatures, owing to the relatively high altitudes, fall, for the greater part, between the 67°F and 70°F isotherms. The mean rainfall for Northern Rhodesia as a whole is 40.3 inches, and for Nyasaland and Southern Rhodesia 41.7 inches and 26.1 inches respectively. The soils in all three territories are predominantly sandy, and where the average rainfall exceeds about 35 inches, they are frequently heavily leached and of low chemical fertility. Generally, however, their physical properties are good.
"13. The total population of the Federation in 1956 was estimated at 7.26 million. This gives an average of one person to approximately 43 acres, and making generous provision for forests, waste land, areas of low rainfall, poor soils, etc., it is clear that the country is not as a whole over-populated. In fact, much of the European farm area is characterized by under-development of its land resources. In the African areas there is a good deal of local overcrowding particularly in Nyasaland but the extreme pressure on land, such as found in parts of Asia, is not a feature of the Federation."

In the face of all these problems the Federal Government has proceeded first and foremost in accordance with the principle put forward by the United Nations Conference on Food and Agriculture 1943 "that a secure, adequate and suitable supply of food should be the cardinal aim in every country". Its agricultural policy has been directed towards supplying the full requirements of the internal market in such major agricultural commodities as the country is best equipped to produce and which can be grown on a reasonably economic basis. It seeks to develop, maintain and increase staple food supplies up to the full requirement of the internal market, and to produce for export such commodities as are able to meet competition in world markets without artificial support. At the present time, and except for a comparatively small trade with neighbouring territories, our export of agricultural produce other than tea and tobacco is not significant. On the other hand we remain substantial importers of a great variety of foodstuffs.

B. Special Measures for the Implementation of these General Objectives of Policy

As has been demonstrated agriculture in the Federation is confronted with special difficulties arising not only from widely variable and unpredictable climatic conditions, the distinction between European and African agriculture and between cash and subsistence farming, but also from the problems surrounding an industry only now emerging from the exploratory and experimental phase, an industry which still requires much research, scientific investigation and other assistance.

Farmers are guaranteed prices and market facilities for all pigs, cattle, milk, maize, kaffir corn, munga, rupoko, wheat and barley, rice, potatoes, cotton and groundnuts destined for the local market, either through statutory marketing organizations or through the operation of import controls and tariffs. In most cases the guarantees are tied to the landed cost of imported supplies. All surpluses for export are marketed for the account of the producers.

Construction programmes involving Governments in large capital sums have been undertaken to provide the necessary handling and storage facilities for the implementation of the above programme.

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In all three territories of the Federation various credit and loan facilities and land settlement concessions have been provided by the government to the farming community. These include the facilities of the Land Bank, legislation covering the co-operative movement, livestock improvement and bonus schemes and subsidies on various items concerned with farm development.

II.

SUBSIDIES, INCLUDING ALL FORMS OF THE INCOME AND PRICE SUPPORT

A. Production Subsidies

Cheese Subsidy

A subsidy of 6d. per lb. is payable in respect of manufactures of cheddar and gouda cheese to manufacturers in Southern Rhodesia other than the Dairy Marketing Board. The two benefactors from this subsidy are one farm cheese maker and one small cheese factory situated in a remote area of the territory. Producers of whole milk in this area are dependent on the cheese factory for the disposal of their milk supplies and the factory is a valuable asset to the economy of the area. Total cost £5,000 per annum.

Livestock Improvement Scheme

With a view to improving our beef and dairy herds grants are paid to approved farmers who purchase approved livestock. Before any grant is authorized an inspection is carried out to determine whether the applicant is maintaining a sufficiently high standard of management of his livestock. Total cost £9,000.

Conservation and Irrigation Subsidies

Subsidies on water conservation measures are paid at the following percentage rates of the subsidizable value, which value is limited to a maximum of £4,000 in respect of any one work.

50 per cent of subsidizable value of works constructed in areas having an annual rainfall of 25 inches or less.

33 1/3 per cent of subsidizable value of works constructed in other areas.

Total cost £95,000.

Good Cattle Production Bounty

This scheme, which was introduced by the Northern Rhodesia Government prior to Federation, is designed to encourage farmers to improve their herds and stock management methods. Subject to certain conditions bona fide cattle breeders in Northern Rhodesia are paid a bounty in respect of each approved yearling in good condition at the rate of £2 per head for the first hundred
approved yearlings, £1,10s.0d. per head for the second hundred approved yearlings and £1 per head for the approved yearlings in excess of two hundred. Total cost £30,000.

Guaranteed Loan Repayments: Land and Agricultural Bank of Northern Rhodesia

There is an area of the Federation situated in the North-Eastern corner of Northern Rhodesia so badly served with communications and so far from markets that tobacco is the only crop which at present gives a reasonable return. The area is, however, heavily populated and some development on market economy lines is of vital necessity. With very few exceptions farmers there are persons with little capital who have grown tobacco crops on loans. If tobacco fails, all else fails and it has been the practice over the last few years for seasonal loans to be advanced to farmers of approved standing operating on sound cultural practices. These loans have been advanced under government guarantee in respect of payment. If loans are not recovered in one year the Federal Government meets the bill and the cost is recovered over subsequent long-term periods. Total commitment £30,000.

Maize Subsidy

The Grain Marketing Act provides for control of all transactions in maize within the Southern and Northern Rhodesian areas. Under this legislation the Board is required to determine its selling price by adding its handling costs to the guaranteed producer price it is required to pay for the grain it takes in. As a measure to control the cost of living the Federal Government has fixed the consumer price both in Northern and Southern Rhodesia at a level lower than the Board would have to fix in the terms of its normal legislation and pays a consumer subsidy of 5/8d. per bag on this, resulting in a total cost to the government of £984,000 per annum.

Milk Subsidy and Dairying Bonus Scheme

The government guarantees a price in respect of milk consumed locally on the internal market as fresh milk together with a safety margin of one million gallons (approximately 10 per cent of consumption). Milk produced and consumed as liquid milk in Southern Rhodesia results in a net contribution to government revenue, but 750,000 gallons of the safety margin in this territory are subsidized at an annual cost of £80,000 per annum. Milk consumed as liquid milk in Northern Rhodesia is subsidized at the rate of 10d. per gallon, resulting in a total cost of £83,500 and the other 250,000 gallons of the safety margin are subsidized at the rate of 21.5d. per gallon, resulting in a total cost of £22,500.

Quality premium payments are also made out of government subsidy. These quality premiums are paid on approximately 16,200,000 gallons of milk at the rate of 1d. per gallon, and resulting in a total cost to the government of £67,500. There is also a dairy bonus scheme in Southern Rhodesia costing £15,000 per annum payable at the rate of 1/- per lb. on butterfat to producers who observe the following conditions:

(a) satisfactory feeding and management of the dairy herd;

(b) registration of dairy premises;
(c) recording of the producers dairy herd;

(d) 25 per cent of the cows recorded to produce a minimum quantity of butterfat in 300 days or less. This quantity is 150 lbs. in the first year; 175 lbs. in years 2 and 3 and 200 lbs. thereafter.

North-Eastern Rhodesia Flue-cured Tobacco Subsidy

The position of the producer in the North-Eastern Province of Northern Rhodesia has already been referred to. Briefly this subsidy scheme is to ensure that as far as is practicable the grower of tobacco does not receive less for his crop than he might have expected to receive if it had been tobacco of the types produced in the other areas of the Federation. The Southern and Northern Rhodesian tobacco crops (excluding that from the Eastern Province) are graded and the prices obtained for each grade are compared with the prices obtained for North-Eastern tobacco. Where the latter is lower than the former the difference is made up by the government. Total commitment £17,000 per annum.

Tobacco Fertiliser Transport Subsidy

The position of the producers in the North-Eastern area of Northern Rhodesia has already been referred to. The cost of transporting fertilisers used for the production of tobacco in this remote area of Northern Rhodesia is subsidized at the rate of £5 per ton (approximately 50 per cent), the total cost to the government, £3,000.

Regional Planning Subsidy

Regional planning is a scheme designed to protect the natural resources of Northern Rhodesia initiated by the Northern Rhodesia Government and inherited by the Federal Government when it assumed responsibility for non-African agriculture in that territory with effect from 1 January 1956. Very broadly regional planning consists of putting in conservation measures on a regional basis rather than on an individual farm basis. Certain works of a communal nature qualify for up to 100 per cent subsidy. Farm works within the overall plan with direct benefit to the landowner are subsidized to the extent of 50 per cent. Annual cost to the government, £40,000.

B. Other Forms of Income Support

The government operates statutory marketing machinery and price guarantees in respect of maize, kaffir corn, munga, rupoko and groundnuts, cattle and pigs, milk and butterfat. Long-term agreements exist in respect of the determination of maize, cattle and milk prices and copies of these are attached as an appendix.
C. Export Subsidies

Losses on Disposal of Surplus Maize

Over the last three years the losses on surplus maize have amounted to £2,648 million. Until 1956 the government purchased on a guaranteed price basis all maize produced in the Southern and Northern Rhodesian areas of the Federation. The basis of pricing policy has now been changed to restrict the government's commitment to local requirements only and maize surplus to this is now marketed without subsidy on behalf of the producer. The current year's financial estimates carry an amount of £424,000 which is the last contribution within the overall sum of £2,648 million previously referred to.

D. Financing of Losses on Exports

With the exception of the maize subsidy quoted under C above the Federal Government maintains no aids under this head.

E. Indirect Aids to Exports

Except insofar as any of the production subsidies quoted under A may be regarded as indirect aids under this head, the Government does not maintain indirect aids to exports.

F. Aids to Exports Involving the use of Resources obtained from "Compensation" or "Price Equalization" Operations

The government does not maintain any schemes of this nature.

G. Other Forms of Aid

Nil.

III.

COST OF PROGRAMMES AND FARM NET INCOMES

A. Total Cost of Government Support Programmes for each of the last Three Years for which Statistics are available

This information is summarized in Table I below. A description of the major items is given in Section II, A to D, of the memorandum.
## TABLE I - COST OF GOVERNMENT AGRICULTURAL SUPPORT PROGRAMMES

<table>
<thead>
<tr>
<th>(1)</th>
<th>1958/59</th>
<th>1957/58</th>
<th>1956/57</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) Livestock improvements schemes</td>
<td>£10,000</td>
<td>£13,000</td>
<td>£16,000</td>
</tr>
<tr>
<td>(3) Cheese subsidy</td>
<td>£6,000</td>
<td>£5,000</td>
<td>£4,000</td>
</tr>
<tr>
<td>(4) Loss on egg pulp</td>
<td>£100</td>
<td>£3,000</td>
<td>£5,000</td>
</tr>
<tr>
<td>(5) Conservation and irrigation subsidies</td>
<td>£150,000</td>
<td>£70,000</td>
<td>£80,000</td>
</tr>
<tr>
<td>(6) Good cattle production bounty</td>
<td>£40,000</td>
<td>£40,000</td>
<td>£35,000</td>
</tr>
<tr>
<td>(7) Guaranteed loan repayments: Land and Agricultural Bank of Northern Rhodesia</td>
<td>£30,147</td>
<td>£50,101</td>
<td>£49,000</td>
</tr>
<tr>
<td>(8) Losses on disposal of surplus maize</td>
<td>£300,000</td>
<td>£1,500,000</td>
<td>£750,000</td>
</tr>
<tr>
<td>(9) Maize subsidy</td>
<td>£2,925,000</td>
<td>£1,988,000</td>
<td>£1,782,500</td>
</tr>
<tr>
<td>Loss on disposal of damaged maize</td>
<td>£40,000</td>
<td>£457,000</td>
<td>£106,000</td>
</tr>
<tr>
<td>Milk subsidy and dairy bonus scheme</td>
<td>£481,000</td>
<td>£434,000</td>
<td>£393,000</td>
</tr>
<tr>
<td>(10) North-Eastern Rhodesia flue-cured tobacco subsidy</td>
<td>£22,500</td>
<td>£ -</td>
<td>£ -</td>
</tr>
<tr>
<td>(11) Northern Rhodesia conservation working account subsidy</td>
<td>£20,000</td>
<td>£30,000</td>
<td>£ -</td>
</tr>
<tr>
<td>(12) Regional planning subsidy</td>
<td>£40,000</td>
<td>£120,000</td>
<td>£50,000</td>
</tr>
<tr>
<td>(13) Tobacco fertiliser transport subsidy</td>
<td>£4,000</td>
<td>£6,000</td>
<td>£6,000</td>
</tr>
<tr>
<td>(14) Farm labour subsidy</td>
<td>£ -</td>
<td>£16,700</td>
<td>£16,700</td>
</tr>
<tr>
<td>(15) Small grains subsidy</td>
<td>£ -</td>
<td>£32,000</td>
<td>£49,000</td>
</tr>
<tr>
<td>(15) Wheat subsidy</td>
<td>£ -</td>
<td>£ -</td>
<td>£3,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£2,028,747</td>
<td>£4,764,801</td>
<td>£3,345,200</td>
</tr>
</tbody>
</table>

(1) Revised estimates.
(2) Grants to farmers for the purchase of approved livestock.
(3) Payable at the rate of 6d., per lb., on Cheddar and Gouda cheese to manufacturers in Southern Rhodesia other than the Dairy Marketing Board.
(4) Payable to the Cold Storage Commission as a result of a scheme for a minimum guaranteed price for eggs, which no longer operates.
(5) Payable at the rate of 33 1/3 per cent of the cost of the work in the above 25-inch rainfall area and 50 per cent of the cost of the work in the under 25-inch rainfall area, provided that no subsidy is payable on such part of the costs as exceeds £4,000. Applicable in Southern Rhodesia only.
(6) Payable in Northern Rhodesia in respect of approved yearlings bred by applicant, subject to compliance with certain conditions.
(7) Provision for the repayment of seasonal loans granted by the bank under Federal Government guarantee to tobacco farmers in the Eastern Province of Northern Rhodesia.
(8) The 1958/59 figure is a reimbursement to Loan Account of a portion of the losses amounting to approximately £900,000 which were met from Loan Vote during 1957/58.
(9) Payable in respect of maize sold for local consumption.
(10) To make good the price differential, grade for grade, between North-Eastern Rhodesia flue-cured tobacco and Southern and North-Western Rhodesia flue-cured tobacco.
(11) Subsidy required to make good losses resulting from the hire of mechanical units at sub-economic rates.
(12) Applicable in Northern Rhodesia only.
(13) Paid to farmers in the Eastern Province of Northern Rhodesia only, at the rate of £5 per ton.
(14) Payable to food producers in Southern Rhodesia in respect of the capitation fee charged by the Rhodesia Native Labour Supply Commission.
(15) Payable in respect of sales for local consumption.

B. Farm Net Income for the same Years as in (a) above

Information on farm net incomes is only available for Southern Rhodesia, which is given in Table II for the latest two years available. In Table III a specially prepared table gives the value of sales from European and African agriculture for the whole Federation for the year ended September 1958.

TABLE II - THE INPUT-OUTPUT ACCOUNT OF EUROPEAN AGRICULTURE IN SOUTHERN RHODESIA

Production Season, 1 October to 30 September

<table>
<thead>
<tr>
<th></th>
<th>1957</th>
<th>1958</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Provisional estimate</td>
<td>Preliminary estimate</td>
<td></td>
</tr>
</tbody>
</table>

**INPUT:**

- European wages (cash and kind): 3,600
- African wages (cash and kind): 10,300
- Fertilisers: 3,200
- Purchased feed: 2,300
- Purchased seed: 126
- Purchased cattle: 100
- Bags, hessian, twine, etc.: 932
- Purchased fuel (not for vehicles): 477
- Purchased fuel for vehicles: 2,100
- Repairs, servicing and spares for vehicles: 1,600
- Other vehicle expenses: 204
- Repairs and renewals, buildings, plant and implements: 604
- Other expenses: 1,100
- Interest paid: 601
- Rents paid: 200
- Depreciation: 2,207

**Total operating expenditure:**

- 1957: £29,651
- 1958: £32,854

**Realized income of farm operators:**

- 1957: £12,163
- 1958: £8,952

**Total:**

- 1957: £41,814
- 1958: £41,806
<table>
<thead>
<tr>
<th>Output (Final Products):</th>
<th>1957</th>
<th>1958</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Crops and Orchards:</td>
<td>22,729</td>
<td>22,202</td>
</tr>
<tr>
<td>Tobacco</td>
<td>7,000</td>
<td>6,500</td>
</tr>
<tr>
<td>Maize</td>
<td>393</td>
<td>400</td>
</tr>
<tr>
<td>Potatoes</td>
<td>185</td>
<td>200</td>
</tr>
<tr>
<td>Citrus</td>
<td>226</td>
<td>272</td>
</tr>
<tr>
<td>Tea</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Cotton</td>
<td>329</td>
<td>350</td>
</tr>
<tr>
<td>Other crops</td>
<td>577</td>
<td>600</td>
</tr>
<tr>
<td>Total Livestock Products:</td>
<td>31,447</td>
<td>30,532</td>
</tr>
<tr>
<td>Cattle sold for slaughter</td>
<td>3,163</td>
<td>3,459</td>
</tr>
<tr>
<td>Cattle slaughtered on farms</td>
<td>398</td>
<td>400</td>
</tr>
<tr>
<td>Net receipts from graziers</td>
<td>290</td>
<td>261</td>
</tr>
<tr>
<td>Dairy produce sold</td>
<td>2,006</td>
<td>2,200</td>
</tr>
<tr>
<td>Other livestock produce</td>
<td>1,468</td>
<td>1,700</td>
</tr>
<tr>
<td>Change in herds</td>
<td>+1,300</td>
<td>+1,500</td>
</tr>
<tr>
<td>Other Output, n.e.i.:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value of housing supplied to Africans</td>
<td>1,068</td>
<td>1,072</td>
</tr>
<tr>
<td>Income in kind of European employees</td>
<td>429</td>
<td>432</td>
</tr>
<tr>
<td>Value of produce consumed in households of employers, n.e.i.</td>
<td>245</td>
<td>250</td>
</tr>
<tr>
<td>Total:</td>
<td>41,814</td>
<td>41,806</td>
</tr>
</tbody>
</table>
TABLE III - VALUE OF SALES FROM EUROPEAN AGRICULTURE
PLUS THE VALUE OF MARKETED OUTPUT FROM AFRICAN
AGRICULTURE: SEASON ENDED SEPTEMBER 1956

<table>
<thead>
<tr>
<th>Produce</th>
<th>Southern Rhodesia</th>
<th>Northern Rhodesia</th>
<th>Nyasaland</th>
<th>Federation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy produce</td>
<td>Lm. 2.14</td>
<td>Lm. 0.46</td>
<td>Lm. 0.02</td>
<td>Lm. 2.62</td>
</tr>
<tr>
<td>Cattle sold for slaughter</td>
<td>Lm. 5.78</td>
<td>Lm. 0.95</td>
<td>Lm. 0.52</td>
<td>Lm. 7.25</td>
</tr>
<tr>
<td>Net receipts from graziers</td>
<td>Lm. 0.26</td>
<td>-</td>
<td>-</td>
<td>Lm. 0.26</td>
</tr>
<tr>
<td>Sheep slaughtered</td>
<td>Lm. 0.13</td>
<td>Lm. 0.02</td>
<td>Lm. 0.05</td>
<td>Lm. 0.22</td>
</tr>
<tr>
<td>Goats slaughtered</td>
<td>Lm. 0.02</td>
<td>Lm. 0.19</td>
<td>Lm. 0.04</td>
<td>Lm. 1.38</td>
</tr>
<tr>
<td>Pigs slaughtered</td>
<td>Lm. 1.15</td>
<td>Lm. 0.19</td>
<td>Lm. 0.04</td>
<td>Lm. 1.38</td>
</tr>
<tr>
<td>Eggs sold</td>
<td>Lm. 0.13</td>
<td>Lm. 0.23</td>
<td>-</td>
<td>Lm. 0.66</td>
</tr>
<tr>
<td>Table birds</td>
<td>Lm. 0.19</td>
<td>Lm. 0.06</td>
<td>-</td>
<td>Lm. 0.25</td>
</tr>
<tr>
<td>Maize</td>
<td>Lm. 6.01</td>
<td>Lm. 1.14</td>
<td>Lm. 0.07</td>
<td>Lm. 7.22</td>
</tr>
<tr>
<td>Tobacco</td>
<td>Lm. 22.00</td>
<td>Lm. 1.14</td>
<td>Lm. 2.78</td>
<td>Lm. 26.23</td>
</tr>
<tr>
<td>Potatoes</td>
<td>Lm. 0.53</td>
<td>Lm. 0.07</td>
<td>Lm. 0.03</td>
<td>Lm. 0.63</td>
</tr>
<tr>
<td>Wheat</td>
<td>Lm. 0.04</td>
<td>Lm. 0.01</td>
<td>Lm. 0.01</td>
<td>Lm. 0.06</td>
</tr>
<tr>
<td>Groundnuts</td>
<td>Lm. 0.36</td>
<td>Lm. 0.11</td>
<td>Lm. 0.13</td>
<td>Lm. 0.90</td>
</tr>
<tr>
<td>Cotton</td>
<td>Lm. 0.03</td>
<td>-</td>
<td>Lm. 0.27</td>
<td>Lm. 0.30</td>
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<tr>
<td>Citrus</td>
<td>Lm. 0.16</td>
<td>Lm. 0.03</td>
<td>-</td>
<td>Lm. 0.19</td>
</tr>
<tr>
<td>Tea</td>
<td>Lm. 0.20</td>
<td>Lm. 2.95</td>
<td>Lm. 3.15</td>
<td></td>
</tr>
<tr>
<td>Other crops</td>
<td>Lm. 1.00</td>
<td>Lm. 0.05</td>
<td>Lm. 0.27</td>
<td>Lm. 1.32</td>
</tr>
<tr>
<td>Tung</td>
<td>-</td>
<td>-</td>
<td>Lm. 0.06</td>
<td>Lm. 0.06</td>
</tr>
</tbody>
</table>

TOTAL: Lm. 40.43 4.77 7.50 52.70


IV. MIXING REGULATIONS

No mixing regulations are exercised by the Federal Government.

V. STATE-TRADING OPERATIONS

A full note on the operations of state-trading enterprises covering all the points raised in this questionnaire has already been submitted to the GATT in connexion with another exercise.

VI. IMPORT RESTRICTIONS

In pursuance of its agricultural policy the Federal Government exercises import restrictions in respect of a wide range of commodities. These are as follows:
1. Barley and Barley Malt

(a) Stockfeed barley

Very little of this commodity is produced in the Federation and generally speaking the only economic source of supply is the Union of South Africa. The quantities available are limited, being quoted to us by the South African authority roughly once a year, and the only purpose of the import control is to ensure equitable distribution of such supplies as are available.

(b) Malting barley and barley malt

In order to induce the Rhodesian breweries to erect malting capacity in the Federation and to cater for the whole of their brewing requirements, the Federal Government has undertaken to ensure that no supplies of malting barley or barley malt are admitted except to the extent represented by the shortfall between local production and local demand. As soon as the new malting plant is in operation and it is possible to establish operating costs and thereby the amount of protection, if any, necessary to this industry, the import control on barley malt will be replaced by a tariff.

2. Beans, excluding (a) seed beans in quantities of less than 200 lbs; and

(b) beans which are tinned, bottled or otherwise prepared.

Beans are mainly produced by the African community and are one of the important cash crops giving some measure of income to these people. Supplies are generally far short of demand and are decontrolled subject to free market conditions. An attempt is made to restrict importations to the shortfall between local production and local requirement.

3. Bean Meal

This is consequential on the control of beans - in fact permits are issued without restriction. No permits have had to be called for for the last two or three years.

4. Bones and Bone Meal

As a general rule local industries are able to meet all requirements of bone meal at competitive prices without need for import control. The only basis of the control is to ensure that importations are sterilised and otherwise disease-free.

5. (a) Butter

In Southern Rhodesia sole import rights have been conferred on the Dairy Marketing Board and in Northern Rhodesia sole import rights have been conferred on the Northern Rhodesia Co-operative Creameries Ltd. The quantities imported by these importers and the sources from which they have to obtain their butter are not subject to government control. Kosha butter and tinned butter are admitted freely. There are no canalisation arrangements in relation to Nyasaland.
(b) **Cheese**

The Federal Government has a substantial surplus of cheddar and gouda cheese production and is a net exporter. The maintenance of an effective outlet for cheeses on the internal market is essential to government policy in respect to milk production, and permits for these types are refused in all conditions other than those of shortage. Permits are required for all other types of cheeses, but for statistical purposes only.

(c) **Ghee**

Certain remote areas of Nyasaland are well suited to dairying. The African inhabitants there have no source of income other than dairy-produce sales. Because of the remoteness from markets and the primitive conditions of production at the present time, the only satisfactorily marketable commodity they can produce is ghee, and accordingly it is government policy not to admit imports of this product except when shortages occur. In the case of ghee and all the products mentioned heretofore, the basis of allocation of import permits is pro-rata to purchases of the local product.

6. **Cattle, Beef, Veal and Edible Products Manufactured from the Carcasses of Cattle but Excluding Meat Extracts, Meat Pastes, Meat Powder, Potted Meats, Tinned Meats**

Generally speaking the Federation has all its own requirements of beef and beef cattle produced internally and the importation of cattle and carcasses is done under strict quantitative and veterinary controls. There are no restrictions upon the importation of beef in cans.

7. **Compound Animal Feeding Stuffs**

This item includes all flours, meals and residues whether straight or combined of a kind suitable for use as animal feeding stuffs. This is a protective control given to the local expressors in return for undertakings that they will absorb all locally produced groundnuts at a price roughly related to world prices but normally less than the local producer could obtain by the export of these products to the world market.

8. **Eggs and Poultry**

This is a protective control. Import permits are only allowed when eggs reach specified prices, the price for the last three years having been 6/- a dozen.

9. **Fish Meal**

This commodity is retained under permit control to ensure that all incoming supplies are sterilised.

10. **Goats and Carcasses of Goats**

In certain areas of the country the widespread introduction of goats and goat meat for sale as mutton or lamb has necessitated import control to obviate abuse. As a general rule permits are only granted where goats are required
for ceremonial religious purposes or on account of religious prejudices.

11. Gram and Dahl

This is a protective control applied on the basis of the shortfall between local production and local consumption.

12. Groundnuts

This is a commodity under the control of the grain marketing authority and import permits are required merely to ensure that the mandatory statutory marketing controls are not abused or got around.

13. Ice-cream

The importation of frozen ice-cream and ice-cream mixes in quantities in excess of 2 lbs. is prohibited. This measure has been imposed in order to encourage leading large-scale manufacturers of ice-cream to establish plants within the Federation in preference to supplying it from outside.

14. Kaffir, Kaffir Corn Meal, Kaffir Corn Malt

These are commodities under the control of the Grain Marketing Board and the remarks under groundnuts accordingly apply.

15. Maize, Maize Meal and Derivatives

The position here is the same as for items 12 and 14.

16. Meat Meal, Blood Meal, Carcass Meal

These controls are imposed solely to ensure that the commodities come in disease free and sterilised.

17. Munga and Munga Meal

The explanation is the same as for items 12, 14 and 15.

18. Oilseed, Oilcake and Oil Meal

The same considerations apply as set out under item 7.

19. Pigs and Edible Pig Products Manufactured Therefrom

As elsewhere, the pig population in the Federation is a rapidly fluctuating one. At the present time the pig supply position is in overall balance with demand, with surpluses available for export from time to time. A local national co-operative is under obligation to buy all pigs required for the local market at guaranteed prices but is allowed to pay realisation value in respect of surpluses exported. No permits are issued in respect of hams or certain other specified pig products except when there are local shortages. The sole exception to this is made in the case of Nyassaland where certain small-scale importations are allowed on a non-discriminatory basis.
20. **Potatoes**

There are no marketing or price controls in respect of potatoes. Because of the seasonal nature and the perishable nature of the local crop, seasonal import controls are applied.

21. **Poultry**

Generally speaking, poultry production here is based on high-cost maize, and protective measures are applied. Because of the seasonal nature of production and its generally fluctuating nature, the tariff is not an effective instrument, and at the present time permits are issued in accordance with quarterly assessments of the local demand and supply position.

22. **Rice in the Grain**

A remote area of Nyasaland produces practically the whole of the Federal Government's requirements of rice. Supplies fluctuate from year to year, however, and it is occasionally necessary to import. In these circumstances import permits are issued to the extent of the difference between local consumption and local production on the basis of pro-rata allocations to offtakes of the local crop.

23. **Rupoko and Rupoko Meal**

The explanation is the same as for item 14.

24. **Sheep, mutton, Lamb and Edible Products Manufactured from the Carcasses of Sheep**

Permits are issued at the present time up to the limit of local demand. The import control is principally to ensure that only quality mutton and lamb are imported. The basis of imports is established in relation to the New Zealand export standards.

25. **Tomatoes**

These are subject to total ban as far as imports are concerned, on disease grounds.

26. **Vegetable Oils**

Shutout permit controls apply in respect of cottonseed oil, soya bean oil, sunflower oil and maize oil, these bans being in return for undertakings given by local oil expressors to absorb the entire Federal groundnut crop.

27. **Wheaten Bran, Wheaten Pollard**

Local supplies are generally short and substitute imports are difficult to obtain. Import controls are to ensure equitable distribution only.
28. Sugar

The importation of sugar is subject to licence issued by the Ministry of Commerce and Industry. For historical reasons part of the Federation, the Rhodesias, obtains its supplies of raw sugar from the Union of South Africa under a special Agreement with that country and the United Kingdom, at a price related to the Commonwealth Sugar Agreement price. On the other hand, Nyasaland unlike the Rhodesias has no refinery and draws its sugar supplies from Mozambique in the form of 'milled white'. The existence of these two separate marketing arrangements within the Federation necessitates the maintenance of the control.