Arrangement Concerning Certain Dairy Products

MANAGEMENT COMMITTEE

Minutes of the Twenty-First Meeting
Held on 16 September 1974

Introduction
1. The Management Committee held its twentieth meeting on 16 September 1974.

Adoption of agenda
2. The Committee adopted the following agenda:
   1. Adoption of agenda
   2. Adoption of the minutes of the twentieth meeting (MCDP/21)
   3. Information required by the Committee under Article IV or other Articles of the Arrangement
   4. Review of the market situation
   5. Other business

Adoption of the minutes of the twentieth meeting
3. The Committee adopted the minutes MCDP/21.

Information required by the Committee under Article IV or other Articles of the Arrangement
4. The representatives of Australia, Canada, the EEC, Japan and South Africa informed the Committee that data concerning the second quarter of 1974 would be supplied shortly.
Review of the market situation

5. The representative of the EEC said that the market for skimmed milk powder was very firm. Taking into account the restitution of 4 u.a. per 100 kgs. and the internal market price, present export prices were between $97 and $100 per 100 kgs. The Commission had proposed to the Council to increase the target price of milk by 4 per cent. If accepted by the Council, this increase would bring the intervention price for skimmed milk powder of 79 u.a. to approximately 82 u.a. per 100 kgs. The internal market price tended already to stabilize around 82 u.a. per 100 kgs. Manufacturers of skimmed milk powder were at the moment somewhat reluctant to sell their product as the new intervention price of 82 u.a. per 100 kgs. had not yet been accepted by the Council. Presently, only small quantities of skimmed milk powder were exported. However, taking into account the restitution of 12 u.a. per 100 kgs. prefixed in January some 220,000 tons of skimmed milk powder had been exported with this restitution by the end of August 1974. Public stocks of skimmed milk powder at 31 August 1974 amounted to 322,000 tons.

6. The representative of Australia said that the market for skimmed milk powder remained firm and that 70 per cent of the 1974/75 production was already committed. The current export prices were around A$ 67 or US$ 99.8 per 100 kgs. f.o.b. Although these prices were reasonably accepted it was not possible to increase them because of competition at that price level. It was expected that production in the 1974/75 season would amount to 150,000 tons with export availability at around 125,000 tons.

7. The representative of New Zealand said that the market for skimmed milk powder continued to be firm. It was anticipated that production in the current 1974/75 season would increase by 6 per cent; taking into account the last three bad production seasons, production of the current season would just reach the levels of 1972/73 season, but would still be below the level of 1970/71.

Other business

8. The Committee agreed to hold its next regular meeting on 10 December 1974, subject to confirmation by the secretariat.
List of Representatives - Liste des Représentants

Acting Chairman: Mr. J.-M. Lucq
Président par interim: Mr. J.-M. Lucq

- AUSTRALIA
  Mr. McGregor
- BELGIUM
  Mr. Panier
- CANADA
  Mr. I.W. McLean
- DENMARK
  Mr. E. Olsen
- FRANCE
  M. Colombel
  M. Roguet
- GERMANY, FED. REP. OF
  Miss G. Hammers
- JAPAN
  Mr. T. Manabe
- NETHERLANDS
  Mr. M. Hoogesterger
- NEW ZEALAND
  Mr. W. Falconer
- SUISSE
  M. E. Constabile
  Mr. E. Grundig
- SOUTH AFRICA
- UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
  Mr. V. Redfern
- COMMUNAUTES EUROPEENNES COMMISSION
  M. A. Barsuglia
  Mme Laurent
  M. A. Franzo-Comas

OBSERVERS/OBSERVATEURS

- AUSTRIA
  Mr. V. Segalla
- HUNGARY
  M. A. Hadi
  Mme G. Gal
- UNITED STATES OF AMERICA
  Mr. J.E. Spruce