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DAIRY REVIEW OF CANADA
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Dominion Statistician: Herbert Marshall
Director, Agricultural Division: C. V. Parker
In Charge of Dairy Statistics: P. H. Ferguson

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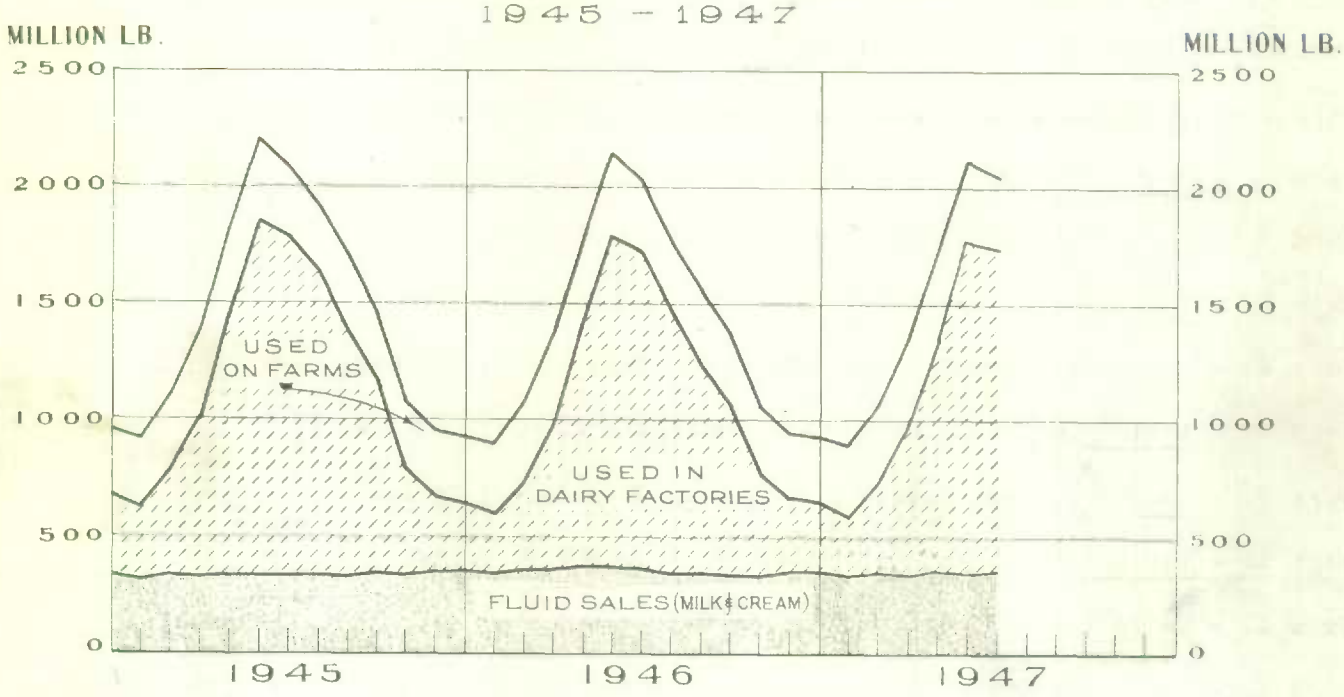
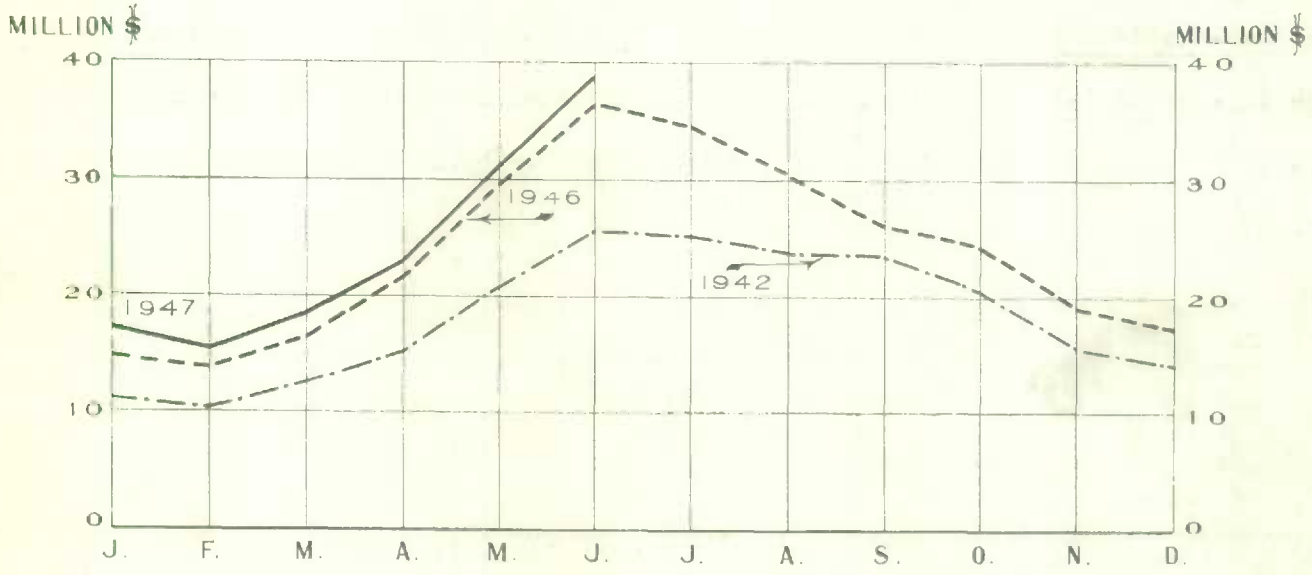
MILK PRODUCTION AND UTILIZATION
1945 - 1947



SALES INCOME FROM DAIRYING



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C O N T E N T S

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THE DAIRY POSITION IN BRIEF

Butter production was maintained at a high level in August. The creamery butter output increased 6½ per cent and dairy butter 5 per cent as compared with the same month a year ago. The August make of creamery butter amounted to 36½ million pounds, while dairy butter was estimated at approximately 4 million pounds. Whey butter, on the other hand, fell from 336 thousand pounds in August, 1946 to 256 thousand pounds in August, 1947.

Total butter supply in August was slightly more than 100 million pounds, approximately 3 million pounds more than that of August, 1946. This includes stock holdings of 59 million pounds on August 1, and total production of 41 million pounds.

Domestic disappearance of creamery butter in August amounted to 28½ million pounds as compared with 23¼ million pounds; and total butter was 32¾ million pounds in comparison with 27½ million pounds in August, 1946.

While the butter supply position has been strengthened by increased production, the supply is not keeping pace with the demand. Total butter supply in August increased 3 per cent, while domestic disappearance exceeded that of the same month last year by over 19 per cent. This was reflected in the stock position at September 1, the 67 million pounds in store and transit representing a decrease of 3 per cent from the same date of the previous year.

Wholesale butter prices at Montreal quoted by the Canadian Commodity Exchange averaged 55¼ cents per pound in August as against 40 cents in the same month of 1946. Cheese prices averaged 26 cents. In August, 1946, the average was 23 cents.

The estimated total milk production of Canada amounted to 2,041 million pounds in July, one-half of one per cent more than that produced in the same month of 1946. In the seven-month period January to July, 10,162 million pounds were produced representing a decline of 69 million pounds or three-quarters of one per cent.

Fluid sales including both milk and cream approximated 355 million pounds, 3 per cent below those of July, 1946. Sales of fluid milk declined 8 per cent, while fluid cream sales increased 25 per cent. Deliveries to dairy factories were almost equal to those of July, 1946.

Sales income from dairying in the month of June registered a gain of approximately 2½ million dollars in comparison with that of June, 1946. The total income of approximately 39 million dollars averaged $2.16 per hundred pounds of milk as against $2.01 per hundred in the same month of the previous year.

The numbers of milch cows on farms in July were 2 per cent less than those recorded twelve months ago. While labour is difficult to procure for dairy farms, the situation appears to be improving, and is less acute than in 1946.

August was an exceptionally warm month in eastern Canada with high temperatures and light rainfall. In western Canada, it was inclined to be cool. There was more than the usual amount of rain in the Prairie Provinces, but precipitation was slightly less than normal in British Columbia.

Pastures showed theeffects of inadequate moisture supplies in the lower St. Lawrence and Prince Edward Island, while in sections of Nova Scotia drought conditions prevailed. Timely rains arrested the midsummer drought in the Prairie Provinces, but in some sections the precipitation was too late to affect a recovery on grazing lands. The hay crop was about 9 per cent greater than in 1946, but the coarse grains harvest (barley and oats), declined approximately 20 per cent. There is unlikely to be any significant change from last year in the quantity of milk produced during the autumn months.

Table 1 - THE BUTTER POSITION IN CANADA

August, and January-August, 1935 to 1947.

Year	Creamery Butter		Dairy Butter 1/		Total Butter 2/	
	August	Jan.-Aug.	August	Jan.-Aug.	August	Jan.-Aug.
	PRODUCTION					
	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
1935	33,130	168,848	7,461	69,020	40,768	238,793
1936	31,484	175,001	7,324	67,530	39,009	243,581
1937	31,730	172,513	7,232	66,298	39,204	240,087
1938	35,252	187,564	7,050	64,320	42,544	253,162
1939	34,086	186,486	6,772	61,807	41,099	249,569
1940	33,854	188,072	6,502	59,564	40,624	249,054
1941	35,494	201,551	6,374	58,557	42,156	261,626
1942	36,269	196,235	6,064	55,538	42,690	253,671
1943	38,863	225,413	4,314	39,089	43,514	266,007
1944	37,004	214,460	4,098	38,467	41,501	254,729
1945	37,979	214,688	4,054	37,530	42,425	254,299
1946	34,268	199,344	3,966	38,116	38,571	239,047
1947	36,527	204,458	4,161	39,502	40,944	245,319
	DOMESTIC DISAPPEARANCE IN POUNDS PER CAPITA					
1935	1.96	13.64	.66	6.33	2.64	20.06
1936	2.01	13.85	.67	6.16	2.70	20.12
1937	2.09	14.38	.66	6.00	2.77	20.49
1938	2.14	14.22	.63	5.74	2.79	20.07
1939	2.17	14.58	.60	5.50	2.79	20.20
1940	2.22	14.93	.57	5.20	2.81	20.26
1941	2.16	14.98	.56	5.09	2.74	20.20
1942	2.42	16.23	.52	4.76	2.97	21.16
1943	2.24	14.61	.36	3.28	2.63	18.02
1944	2.19	16.12	.34	3.22	2.56	19.49
1945	2.17	15.22	.34	3.11	2.54	18.48
1946	1.89	13.36	.33	3.11	2.24	16.59
1947	2.31	14.98	.34	3.21	2.67	18.30
AUGUST MAKE, 1935 TO 1947, EXPRESSED AS INDEXES OF THE SAME MONTH IN 1939 AND 1946 3/						
	1939	1946	1939	1946	1939	1946
	%	%	%	%	%	%
1935	97.2	96.7	110.2	188.1	99.2	105.7
1936	92.4	91.9	108.2	184.7	94.9	101.1
1937	93.1	92.6	106.8	182.3	95.4	101.6
1938	103.4	102.9	104.1	177.8	103.5	110.3
1939	100.0	99.5	100.0	170.8	100.0	106.6
1940	99.3	98.8	96.0	163.9	98.8	105.3
1941	104.1	103.6	94.1	160.7	102.6	109.3
1942	106.4	105.8	89.5	152.9	103.9	110.7
1943	114.0	113.4	63.7	108.8	105.9	112.8
1944	108.6	108.0	60.5	103.3	101.0	107.6
1945	111.4	110.8	59.9	102.2	103.2	110.0
1946	100.5	100.0	58.6	100.0	93.8	100.0
1947	107.2	106.6	61.4	104.9	99.6	106.2

1/ Data for August, 1947 are preliminary; revisions for July appear on Table 7.
2/ Includes Whey Butter amounting to 336,400 pounds in August, 1946 and 255,642 pounds in August, 1947. 3/ Note the base index in each column is shown as 100.

THE DAIRY SITUATION IN CANADA

The Butter Position: Total butter supply for export and domestic use amounted to slightly more than 100 million pounds in the month of August, or approximately 3 million pounds more than that of August, 1946.(x) There has been a high level of production during the past three months. In August, the creamery butter output of 36½ million pounds represented an increase of 6½ per cent over the same month last year; and the January-August production of 204½ million pounds was 2½ per cent greater than that produced during the first eight months of the preceding year. Dairy butter also increased, the estimated output of approximately 4 million pounds in the month of August was 5 per cent greater than that of the same month a year ago. Due to the continuous decline in cheese production, less whey butter was made, the output falling from 336 thousand pounds in August, 1946 to 256 thousand pounds in August, 1947.

While the figures given above would indicate a very satisfactory situation as far as butter supply is concerned, it must be remembered that the demand for butter is moving forward at a much faster pace than production. On the first of August, the stocks of creamery butter were approximately ½ million pounds greater than those reported at the same date a year ago. On September 1, the 67 million pounds held in storage and transit represented a reduction of 1½ million pounds as compared with September 1, 1946. Domestic disappearance of creamery butter during August was 28½ million pounds as against 23¼ million pounds a year ago. Similarly, the domestic disappearance of total butter moved up to 32¾ million pounds as against 27½ million pounds in August, 1946.

The foregoing facts are significant. In comparison with the same month of the previous year, the production of total butter in the month of August (creamery, dairy and whey butter), increased 6.2 per cent, and total butter supplies, calculated by adding stocks and production, moved up 3.0 per cent. On the other hand, total butter stocks at September 1 declined 2.3 per cent and the domestic disappearance was 19.2 per cent greater than that shown in August, 1946. This tendency for disappearance to move up faster than the supply was much more pronounced in August than in the previous month and shows little indication of consumer resistance to higher prices.

Supply of Other Factory Products: Cheddar cheese production continues to decline. The August output of 18½ million pounds was down approximately 2¾ million pounds or 13 per cent as compared with the same month in 1946. Cumulative production for the January-August period was approximately 86 million pounds, a decrease of over 18½ million pounds or nearly 18 per cent less than that produced in the same period a year ago. This reduced outputmay be due in part to a slight reduction in the quantity of milk produced, but more particularly to a diversion of milk into the creamery butter and the fluid milk trade.

Supplies of concentrated milk products continued to advance. In the month of August, whole milk products increased over 5 per cent, while milk by-products were 30 per cent greater than those of the same month in the previous year. The combined production of 35½ million pounds represents more than a 10 per cent gain over a year ago. All products contributed to this increase except condensed whole milk, whole milk powder and condensed skim milk.

(x) The total supply includes production during the month, plus stocks carried over from the previous month. No butter has been imported since March.

Table 2 - THE CHEESE POSITION IN CANADA

August, and January - August, 1935 to 1947.

Year	Cheddar Cheese 1/		Other Cheese		Total Cheese 2/	
	August	Jan.-Aug.	August	Jan.-Aug.	August	Jan.-Aug.
	PRODUCTION					
	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
1935	-	-	-	-	-	-
1936	19,515	77,645	-	-	19,603	78,352
1937	22,456	90,071	-	-	22,540	90,741
1938	20,267	80,097	-	-	20,344	80,719
1939	21,056	86,199	-	-	21,127	86,769
1940	24,855	99,274	164	830	25,086	100,648
1941	24,340	101,208	221	1,118	24,627	102,858
1942	28,834	146,053	170	861	29,070	147,420
1943	26,126	108,162	175	1,101	26,364	109,769
1944	26,132	122,900	179	1,168	26,374	124,571
1945	28,897	133,995	213	1,289	29,173	135,784
1946	21,399	104,789	281	2,864	21,743	108,154
1947	18,627	86,185	237	2,079	18,926	88,763
	EXPORTS		IMPORTS		TOTAL SUPPLY	STOCKS, SEPT.1
1935	6,480	15,995	120	762	-	34,481
1936	10,107	34,869	90	601	50,393	34,032
1937	13,227	40,939	66	877	58,114	42,191
1938	10,570	34,721	69	945	59,391	45,639
1939	12,763	40,903	48	719	66,843	53,372
1940	22,805	60,374	16	873	58,498	33,147
1941	17,773	50,737	102	599	57,105	42,163
1942	17,242	76,735	100	578	96,968	71,798
1943	20,933	67,793	14	299	78,086	49,544
1944	29,053	67,018	77	465	87,585	61,504
1945	27,394	58,414	125	372	98,071	64,983
1946	34,570	50,699	49	686	74,613	45,166
1947	7,590	13,719	*	*	-	56,047
AUGUST MAKE, 1935 TO 1947, EXPRESSED AS INDEXES OF THE SAME MONTH IN 1939 AND 1946						
	1939	1946	1939	1946	1939	1946
	%	%	%	%	%	%
1935	-	-	-	-	-	-
1936	92.7	91.2	-	-	92.8	90.2
1937	106.6	104.9	-	-	106.7	105.7
1938	96.3	94.7	-	-	96.3	93.6
1939	100.0	98.4	-	-	100.0	97.2
1940	118.0	116.2	-	58.4	118.7	115.4
1941	115.6	113.7	-	78.6	116.6	113.3
1942	136.9	134.7	-	60.5	137.6	133.7
1943	124.1	122.1	-	62.3	124.8	121.3
1944	124.1	122.1	-	63.7	124.8	121.3
1945	137.2	135.0	-	75.8	138.1	134.2
1946	101.6	100.0	-	100.0	102.9	100.0
1947	88.5	87.0	-	84.3	89.6	87.0

1/ Includes other cheese produced in Quebec, 1936 to 1939. 2/ Farm-made cheese is included in data shown in this column. - Not available. * Imports not available (see Trade Report No. 101 for data).

Since the removal of restrictions on the manufacture of ice cream, there has been a steady advance in the quantity produced. The most significant gain was recorded in the month of August when $3\frac{3}{4}$ million gallons were manufactured as compared with a little more than 2 million gallons in the same month of 1946. This represents an increase of over 79 per cent. Ice cream production for the eight months ended August reached approximately $17\frac{1}{4}$ million gallons, 41 per cent more than that produced in the first eight months of 1946.

Milk Production: The estimate of total milk production for July is 2,040,929,000 pounds or one-half of one per cent more than that produced in the corresponding month of 1946. For the seven-month period, January to July, the output amounted to 10,162,-000,000 pounds or 69 million pounds less than that produced in the first seven months of 1946. The July increase was due entirely to additional quantities produced in Quebec and Ontario. Reductions occurred in all other provinces, British Columbia and Prince Edward Island both registering declines of $5\frac{1}{2}$ per cent. In Nova Scotia, the output was within one per cent of that of a year ago.

Fluid Sales: The quantity of milk, and cream in terms of milk, sold for fluid consumption in July was 355,197,000 pounds or approximately 3 per cent less than that of July, 1946. However, there was a sharp difference between milk sales and cream sales. The 288 million pounds used in the form of milk represented a reduction of 8 per cent while the 67 million pounds used for fluid cream was 24.8 per cent more than that of July, 1946. All provinces showed reductions in the sale of fluid milk. Gains in the sale of fluid cream were recorded in all provinces with the exception of Saskatchewan and British Columbia. There was practically no change from last year in the percentage relationship between fluid sales and the total milk supply.

Milk Used for Other Purposes: The delivery of milk to dairy factories in July was practically equal to that of the same month last year. Small increases occurred in Quebec and British Columbia, while quite a substantial advance was registered in Ontario. Elsewhere, less milk was used for the production of factory products. A considerable gain occurred in the manufacture of dairy butter while less milk was fed to live stock. The percentage of milk used for different purposes in July, 1947, varied only slightly from last year. Small gains were recorded in the proportion used for factory products and farm-made products. In July, 1947, 67.5 per cent was used in dairy factory production and 5.3 per cent in farm-made products.

Sales Income: The cash farm income from the sale of dairy products in June was $38,981,000. This represents an increase of approximately $2\frac{1}{2}$ million dollars or $6\frac{1}{2}$ per cent over June, 1946. The average sale price was $2.16 per hundred pounds of milk as compared with $2.01 per hundred pounds in June, 1946. The income from fluid milk sales averaged $3.34 as against $2.81 per hundred, and income from fluid cream sales showed an average of $2.01 in June, 1947, as compared with $1.73 in June, 1946. Milk used in concentration moved up to $2.25 per hundred pounds as compared with $2.04 in the same month a year ago, while butter-fat increased from 49.3 cents to 51.8 cents. Dairy butter also reacted to the higher price level of the creamery product, averaging $47\frac{1}{2}$ cents as compared with 39.8 cents in June, 1946.

Production Conditions on Farms: The month of August was extremely warm and comparatively dry in most sections of the Eastern Provinces. Dry weather injured pastures to a limited extent in the eastern and southern counties of Ontario, and in the lower St. Lawrence area. In Nova Scotia a more pronounced drought condition prevailed, and the growth of grass on pastures became seriously depleted during the last two weeks of August. This applies to a lesser extent to Prince Edward Island. In New Brunswick, forage conditions were better than those of a year ago. In western Canada, the weather was cool and frequent rains revived pastures that had suffered

Table 3 - CONCENTRATED MILK PRODUCTS AND ICE CREAM
Production and Domestic Disappearance in Canada
August, and January - August, 1935 to 1947.

Year	Whole Milk Products		Milk By-Products		Ice Cream	
	August	Jan.-Aug.	August	Jan.-Aug.	August	Jan.-Aug.
	PRODUCTION					
	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 gal.	'000 gal.
1935	7,770	56,670	2,795	19,927	-	-
1936	8,590	56,700	2,572	19,741	-	-
1937	11,035	73,971	2,930	20,804	-	-
1938	11,091	92,156	4,003	25,681	-	-
1939	13,423	87,994	3,868	25,061	1,336	7,097
1940	16,887	112,345	3,874	26,334	1,633	8,642
1941	21,120	143,668	4,053	27,450	2,097	11,087
1942	23,703	154,613	4,241	29,819	2,257	11,907
1943	24,004	161,349	4,480	28,974	2,352	13,335
1944	24,710	166,776	5,007	33,256	2,489	13,742
1945	26,029	181,901	6,050	40,490	2,304	12,882
1946	25,706	179,347	6,510	43,040	2,111	12,251
1947	27,047	185,061	8,494	53,897	3,785	17,290
	DOMESTIC DISAPPEARANCE IN POUNDS PER CAPITA					
					gal.	gal.
1935	.32	3.21	.23	1.62	-	-
1936	.48	3.69	.22	1.76	-	-
1937	.80	4.66	.24	1.75	-	-
1938	.48	4.86	.23	1.67	-	-
1939	.80	6.74	.34	2.19	.12	.63
1940	.48	6.16	.31	2.30	.14	.76
1941	.85	7.12	.44	2.48	.18	.96
1942	1.62	9.43	.39	2.44	.20	1.03
1943	1.85	10.83	.33	2.29	.20	1.13
1944	1.43	8.57	.41	2.55	.21	1.15
1945	1.07	9.91	.51	2.68	.19	1.07
1946	.70	10.16	.38	3.05	.17	1.00
1947	1.29	11.01	.40	3.20	.31	1.41
AUGUST MAKE, 1935 TO 1947, EXPRESSED AS INDEXES OF THE SAME MONTH IN 1939 AND 1946 1/						
	1939	1946	1939	1946	1939	1946
	%	%	%	%	%	%
1935	57.9	30.2	72.3	42.9	-	-
1936	64.0	33.4	66.5	39.5	-	-
1937	82.2	42.9	75.7	45.0	-	-
1938	82.6	43.1	103.5	61.5	-	-
1939	100.0	52.2	100.0	59.4	100.0	63.3
1940	125.8	65.7	100.2	59.5	122.2	77.4
1941	157.3	82.2	104.8	62.3	157.0	99.3
1942	176.6	92.2	109.6	65.1	168.9	106.9
1943	178.8	93.4	115.8	68.8	176.0	111.4
1944	184.1	96.1	129.4	76.9	186.3	117.9
1945	193.9	101.3	156.4	92.9	172.5	109.1
1946	191.5	100.0	168.3	100.0	158.0	100.0
1947	201.5	105.2	219.6	130.5	283.3	179.3

1/ Note that base index in each column is shown as 100.

from the intense midsummer heat. In some areas, however, the growth was too far gone to affect a recovery. Observers are of the opinion that crop reverses experienced by farmers in northern parts of Saskatchewan and Alberta will tend to increase interest in the production of dairy products. The satisfactory progress in harvesting grain crops in the Prairie Provinces should release fields for the use of dairy herds somewhat earlier than last year, and produce a favourable effect on dairy production during the autumn period.

The second estimate on the production of field crops would indicate a considerable fall-off in the supplies of oats and barley. Converted to common measurements, the total production would represent the equivalent of approximately 10½ million tons or about 20 per cent less than that produced a year ago. These disappointing results were partially offset, however, by a good hay crop. Combining hay and alfalfa, a total of 18¾ million tons is shown in the estimates for 1947, representing a gain of over 9 per cent. The production of fodder corn was less than last year, but this reduction may be offset by a good root crop in the Eastern Provinces. The average condition of pastures at the end of August (see Table 8), was 86 per cent of normal for the whole of Canada as compared with 75 per cent in August, 1946. Because of drought conditions in Nova Scotia, Saskatchewan and Alberta, the conditions were below the average of a year ago.

The number of cows being milked in July was 2 per cent less than for July, 1946. All provinces contributed to this reduction except Prince Edward Island and Quebec where slight increases were reported. There was very little change in freshenings.

The supply of farm labour is still deficient; although Observers report that the situation is improving and that the demand for farm workers is now within 10 per cent of current requirements. The greatest shortage appears to prevail in areas where farmers are competing with the lumbering and logging industries.

While it is difficult to make any forecast on the production of milk in future months, present indications would point to a comparatively small decline during September and October. The shortage of feed is likely to have an adverse effect on milk supplies in some areas after dairy herds are deprived of the open fields

REVIEW OF DAIRY PRODUCTION CONDITIONS BY PROVINCES

Prince Edward Island: The July milk production estimate of approximately 22 million pounds was almost 6 per cent less than that produced a year ago. Fluid milk sales showed a corresponding decline while dairy butter moved up 6 per cent from the same month a year ago. Dairy Correspondents reported an increase of 3 per cent in cow numbers, but this was offset by a corresponding decline in the percentage of cows milked. Freshenings advanced in July and more recent reports from Dairy Farm Observers indicate that a tendency to increase the size of dairy herds is beginning to appear. Extremely dry weather prevailed during the month of August. Moisture reserves were noticeably deficient by the middle of the month, and although pastures showed the effects of the midsummer drought, the average condition of 64 per cent of normal was somewhat better than last year.

Nova Scotia: Milk production during the month of July amounted to 48,700,000 pounds, only 1 per cent less than that of July, 1946. The total sold for milk and cream was reduced by 5 per cent, while the dairy butter make advanced 10 per cent. The holdings of milch cows suffered a further decline, being 4 per cent less than those reported by Dairy Correspondents a year ago. The percentage milking was well

Table 4 - CONCENTRATED WHOLE MILK PRODUCTS
Production in Canada, Exports and Imports of Principal Products
August, and January - August, 1935 to 1947.

Year	Evaporated Whole Milk		Condensed Whole Milk		Whole Milk Powder	
	August	Jan.-Aug.	August	Jan.-Aug.	August	Jan.-Aug.
	PRODUCTION					
	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
1935	6,801	48,326	673	6,195	271	1,614
1936	7,505	49,105	815	5,225	225	1,849
1937	9,672	62,105	751	7,640	575	3,572
1938	9,917	80,040	623	6,464	516	4,846
1939	12,436	77,729	461	4,513	470	4,478
1940	14,947	98,090	1,175	8,308	726	5,061
1941	17,293	122,183	2,886	15,108	904	5,789
1942	19,356	130,553	3,071	15,472	1,240	7,942
1943	19,308	132,313	3,109	17,859	1,493	10,675
1944	19,975	134,770	2,985	19,878	1,673	11,454
1945	21,618	150,005	2,852	19,741	1,466	11,020
1946	21,035	147,287	2,935	20,083	1,503	10,342
1947	23,056	153,536	2,375	18,155	1,424	11,492
	EXPORTS					
1935	2,801	12,548	166	1,523	222	2,053
1936	2,639	8,620	160	894	264	2,990
1937	2,752	13,314	307	3,057	307	1,984
1938	3,129	19,036	56	1,967	354	2,785
1939	1,027	15,384	39	776	518	3,401
1940	6,128	17,050	964	3,223	322	3,441
1941	2,879	29,811	2,244	9,667	563	3,420
1942	1,983	21,690	1,100	8,454	263	1,542
1943	2,906	16,871	602	9,586	115	1,087
1944	7,061	18,237	2,832	12,888	136	746
1945	9,308	35,325	763	12,065	471	2,110
1946	10,957	28,588	3,290	12,819	638	2,798
1947	9,180	24,907	1,441	12,873	405	2,364
	TOTAL SUPPLY	STOCKS, SEPT.1	TOTAL SUPPLY	STOCKS, SEPT.1	IMPORTS	
1935	18,615	12,903	1,489	691	(1)	17
1936	19,039	11,564	2,552	1,855	(1)	158
1937	23,455	14,996	3,617	584	107	486
1938	31,202	22,846	1,571	860	134	608
1939	17,933	8,333	1,018	654	154	195
1940	40,202	29,134	2,874	1,438	4	10
1941	49,493	37,222	3,892	1,371	1	327
1942	52,106	32,686	5,074	3,275	6	31
1943	41,584	21,238	5,820	2,345	(1)	151
1944	66,183	44,209	6,000	2,346	-	167
1945	71,325	51,907	6,044	3,413	-	19
1946	50,169	31,783	5,558	2,804	-	34
1947	52,299	21,365(3)	(2)	2,799	(2)	(2)

Note - Supply data which appear in the first and third columns includes stocks at the beginning of the month, plus production and imports during the month. (1) Less than 500 lbs. (2) Not available on date of publication. (3) Stocks in the hands of wholesalers not included in data for September 1, 1947.

maintained and freshenings increased as compared with the same month last year. Pastures suffered a severe set-back as a result of very dry weather during the month of August. In some areas, the growth was almost depleted, suffering deficiencies of 25 to 30 per cent. In the province as a whole, an average condition of 64 was revealed, 5 points less than August, 1946. There was a considerable reduction in the coarse grains harvest, but the hay crop now estimated at 767 thousand tons will be considerably greater than that produced in the previous year.

New Brunswick: It will be seen from Table 9 that the milk production estimate for the month of July represented a decline of 4½ per cent from the same month last year. Considerably more milk was used for dairy butter, the monthly make having advanced 9 per cent over July, 1946. Fluid sales declined 5 per cent, a large proportion of which was sold in the form of cream. Both fluid sales and dairy butter absorbed a greater percentage of the total supply than in the same month last year. Cow numbers suffered a further reduction, being nearly 7 per cent less than those reported a year ago. Freshenings increased considerably in July while the percentage of cows being milked fell to a slightly lower level. With abundant reserves of moisture and frequent showers, the condition of pastures was somewhat better than in other parts of the Maritime Provinces. At the end of the month, the pasture condition was 85 as against 64 in August, 1946. The latest crop estimate showed a reduction of approximately 600 thousand bushels in the production of oats and a decline of 49 thousand in the production of barley. The hay crop, estimated at 829 thousand tons, will represent an increase of 118 thousand tons over that of 1946.

Quebec: The milk production estimate of 626 million pounds in the month of July represented an increase of 1½ per cent over the same month last year. This may be attributed to the excellent pasture growth reported in the previous issue of this review. It is also of interest to observe that the fluid milk sales (including milk and cream on a milk basis), increased 1 per cent and the production of dairy butter was 8 per cent greater than that of July, 1946. Farmers appear to be holding about the same number of cows as they did last year, and the percentage of cows milked stands at the 1946 level. Freshenings were considerably reduced in July and this may have an appreciable effect on the holdings of milch cows in subsequent months. July reports show a substantial increase in the milk production per cow. Pasture growth was fairly well maintained until the middle of August when the abnormally dry weather showed its effects. Counties in the lower St. Lawrence seemed to have suffered to the greatest extent. The abundant moisture reserves was a saving factor so that the average pasture condition of 86 compares with 79 in August, 1946. The latest crop estimate indicates that the production of oats will be down 7 million bushels from last year. On the other hand, the hay crop was approximately 1½ million tons more than last year. While farmers may be short of home-grown grains, there should be ample roughage for feeding dairy cattle during the winter months.

Ontario: The quantity of milk produced on farms in the month of July was 4½ per cent greater than that of a year ago. The excellent forage conditions during the month was probably responsible for this favourable development. It is particularly significant that this increase occurred in face of a reduction in cow numbers. This was due to the increase in milk production per cow which rose from 22.6 to 24 pounds per day. Factory deliveries moved up nearly 8 per cent, while the dairy butter make increased 11 per cent. Fluid sales suffered the consequences of this diversion to dairy factories by a 5 per cent decline as compared with July, 1946. Hot weather during the month of August had a very serious effect on the farm output. The drought which frequently invades the eastern and southern counties during July came about two or three weeks later than usual and consequently, the damage to pastures was much less severe. In the province as a whole, the average condition

Table 5 - CONCENTRATED MILK BY-PRODUCTS
Production in Canada, Exports and Imports of Principal Products
August, and January - August, 1935 to 1947.

Year	Skimmilk Powder		Condensed Skimmilk		Casein	
	August	Jan.-Aug.	August	Jan.-Aug.	August	Jan.-Aug.
	PRODUCTION					
	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
1935	2,148	13,676	229	3,172	101	968
1936	1,892	13,270	291	3,154	93	922
1937	1,979	13,376	487	3,597	111	1,308
1938	2,950	17,723	436	3,463	166	1,141
1939	2,782	18,312	358	1,937	146	1,374
1940	2,903	19,353	419	2,718	93	1,133
1941	2,926	20,054	476	3,127	130	889
1942	2,848	20,069	509	3,932	348	2,348
1943	2,634	17,371	391	2,945	470	2,307
1944	3,354	21,378	208	2,777	357	2,125
1945	4,293	28,367	253	2,822	496	2,788
1946	4,666	31,221	369	2,274	534	2,824
1947	6,247	38,238	331	3,068	771	4,301
	EXPORTS		IMPORTS (1)			
1935	74	684	--	-	1	41
1936	88	997	-	-	2	82
1937	102	661	-	-	35	177
1938	148	717	-	-	28	156
1939	174	2,047	-	-	44	557
1940	9	597	-	-	110	1,522
1941	21	462	-	-	283	968
1942	23	267	-	-	611	1,823
1943	4	353	-	-	3	92
1944	-	21	-	-	1	472
1945	947	2,894	-	-	149	200
1946	407	1,424	-	-	-	88
1947	2,247	6,939	-	-	(2)	(2)
	DOMESTIC DISAPPEARANCE IN POUNDS PER CAPITA					
1935	.14	1.09	.04	.26	.02	.08
1936	.14	1.11	.04	.32	.01	.11
1937	.15	1.09	.04	.31	.02	.13
1938	.15	1.09	.04	.27	.01	.09
1939	.23	1.52	.03	.18	.02	.15
1940	.22	1.55	.04	.23	.02	.23
1941	.31	1.72	.04	.27	.04	.17
1942	.24	1.51	.04	.33	.07	.29
1943	.19	1.32	.03	.24	.03	.20
1944	.27	1.58	.02	.21	.02	.19
1945	.35	1.86	.03	.23	.03	.13
1946	.25	2.15	.03	.19	.03	.15
1947	.28	2.05	.03	.25	.01	.26

(1) Condensed skimmilk is not separately listed in import returns. Condensed milk designated as such shown in trade reports consists principally of condensed whole milk products.
(2) Not available at date of publication.

of pastures was 93 per cent of normal in comparison with 72 per cent a year ago. There was a considerable reduction in the coarse grains harvest. The oat crop suffered a decline of 30 million bushels, while barley production fell 10 million bushels as compared with 1946. Feed shortages may effect dairy production during the late fall and winter months. The hay crop, estimated at approximately 1 million tons above that of a year ago, may be a saving factor.

Manitoba: Milk production in this province suffered a slight recession, falling 2½ per cent below that of July, 1946. This was probably due to deficient forage supplies resulting from the dry hot weather which prevailed during the latter part of the month. This was reflected in the deliveries to dairy factories which fell 3½ per cent. The utilization figures shown in Table 8 reveal a 3 per cent decline in fluid sales, yet, the quantities used for dairy butter and farm home consumption increased 4 per cent and 2 per cent, respectively. Cow numbers reported by Dairy Correspondents registered a decline of approximately 3 per cent in the month of July as compared with the same month a year ago. This reduction corresponds closely with the decline in milk production, but represented a more favourable situation than that reported a month ago when cow numbers were nearly 6 per cent below those of June, 1946. August was unusually cool, and weather records at Morden showed a total precipitation of 7.24 inches of rain against 1.80 inches in the same month of the preceding year. Hence, pasture growth was exceedingly satisfactory. The average rating of 100 in the month of August was 16 points better than that reported in August, 1946.

Saskatchewan: There was a decline of 4 per cent in the estimated production of milk in the month of July as compared with that of July, 1946. This decline was somewhat greater than in June. The hot dry weather in July had a pronounced effect on the deliveries of milk to dairy factories, which fell 5½ per cent below those of the same month in 1946. Less milk was used for fluid purposes. Despite the advance in cream consumption, the sales of milk and cream combined were 2 per cent less than in July, 1946. There was also a 3 per cent reduction in the quantities used in farm homes. There appears to be a tendency on the part of farmers to restrict their purchases of creamery butter, but without any material increase in the quantities produced in farm homes, which was only 1½ per cent more than that produced in July, 1946. The numbers of milch cows on farms dropped approximately 4 per cent in July, and the average production of milk per cow reflected the inadequate forage situation reported during the last half of July. While there was a good deal of warm weather during the first part of August, timely rains which began about August 15, did much to revive pastures that had suffered from the midsummer drought. At Scott, 2.87 inches of rain was recorded as compared with 4.25 inches in 1946; and 253 hours of sunshine in August, 1947, may be compared with 278 hours in the same month of 1946. The average condition of pastures in August was 78 per cent of normal as against 81 per cent a year ago. The most recent estimates place the production of oats in Saskatchewan at 84 million bushels, a reduction of 28 per cent; while the barley crop is estimated at approximately 48 million, a decline of 4 per cent as compared with 1946.

Alberta: The quantity of milk produced in the month of July amounted to 200,702,000 pounds, a decline of approximately 3 per cent from the same month last year. Deliveries to dairy factories showed a slightly greater reduction while fluid sales fell 3 per cent below those of July, 1946. A considerable quantity of dairy butter is being made, the July returns showing an increase of 6 per cent. The reduction in milk supplies was due principally to a fall-off in the production of milk per cow. However, it is encouraging to observe that cow numbers were only 1 per cent below those of July, 1946. This represented a considerable improvement from the previous month, although it is well to bear in mind that the cows reported on

Table 6. - PRODUCTION OF MILK PER COW AND PERCENTAGES OF COWS MILKING
Reported by Dairy Correspondents, for July 1943 to 1947.

Province	Milk production per cow in pounds per day						Percentages of Cows Milking					
	1943	1944	1945	1946	1947	Av.	1943	1944	1945	1946	1947	Av.
CANADA	22.1	19.8	21.3	21.3	21.9	21.3	87.7	85.4	87.8	87.6	87.4	87.2
Prince Edward Island.	22.4	22.8	22.3	22.2	22.0	22.3	90.6	94.4	90.3	96.7	83.0	91.0
Nova Scotia	21.1	20.6	21.7	21.2	21.3	21.2	93.1	86.4	92.1	86.4	88.4	89.3
New Brunswick	22.0	20.6	21.4	22.7	18.8	21.1	91.4	90.1	91.1	90.7	82.3	89.1
Quebec	22.7	21.0	21.2	21.2	23.0	21.8	94.0	90.6	91.6	92.6	96.9	93.1
Ontario	24.3	20.3	24.1	22.6	24.0	23.1	88.9	86.7	89.1	88.6	90.2	88.7
Manitoba	18.1	17.6	17.8	18.9	20.4	18.6	80.2	80.8	83.8	82.4	84.8	82.4
Saskatchewan	20.3	18.7	20.8	19.6	18.0	19.5	81.9	79.0	86.3	84.5	80.9	82.5
Alberta	20.5	18.0	20.2	20.9	20.5	20.0	80.1	78.8	82.8	80.5	80.4	80.5
British Columbia	19.4	19.2	20.5	21.9	22.1	20.6	83.0	80.9	83.7	85.6	84.1	83.5

Table 7. - PRODUCTION OF DAIRY BUTTER AND WHEY BUTTER IN CANADA
By Provinces, July 1945, 1946 and 1947

Province	DAIRY BUTTER			WHEY BUTTER		
	1945	1946	1947	1945	1946	1947
	'000 lb.	'000 lb.	'000 lb.	lb.	lb.	lb.
CANADA	4,285	4,332	4,588	406,362	323,656	390,347
Prince Edward Island .	45	47	50	-	-	-
Nova Scotia	307	301	331	-	-	-
New Brunswick	388	398	434	-	-	-
Quebec	702	688	743	47,083	33,319	37,786
Ontario	436	423	470	354,334	283,691	342,937
Manitoba	479	491	511	3,366	3,412	6,462
Saskatchewan	1,016	1,052	1,068	-	-	-
Alberta	748	770	816	-	1,792	2,072
British Columbia	164	162	165	1,579	1,442	1,090

farms cannot always be regarded as potential milk producers. There was quite a decline in freshenings, reversing the favourable development that had been reported a month ago. At Olds, the average temperature of 55.8 degrees was the lowest in fifteen years. There was also a good deal of rain, records at the same station showing 4.69 inches as compared with 2.57 inches in 1946 and a thirty-year average of 2.64 inches. As compared with last year, the condition of pastures was about 5 per cent better in northern Alberta, but 10 per cent poorer in southern areas. For the province as a whole, the pasture rating was 87 as against 93 in the same month of the previous year. The growth of grass has recently improved, but farmers will have smaller supplies of feed grains. While the barley crop moved up 6 per cent, the oat crop, estimated at 78 million represents a decline of 25 per cent.

British Columbia: The estimated milk production of 57,387,000 pounds for the month of July as shown in Table 9 indicated a decline of 5½ per cent from the same month last year. Factory deliveries were not affected to the same extent, but the quantities used for fluid milk and farm home consumption fell 4 per cent and 6 per cent, respectively, as compared with July, 1946. Slightly more dairy butter is being made probably due to the tendency on the part of farmers to make their own rather than to purchase butter at high prices. The fall-off in farm milk supplies may be attributed largely to a reduction in the numbers of cows on farms and to a considerable decline in freshenings during the month of June. The month of August was comparatively dry, and pastures on Vancouver Island suffered particularly from the midsummer drought. In the Fraser River Valley, cool, dry weather prevailed with only .70 inches of rain at Agassiz as compared with the fifty-four-year average of 2.1 inches. The average temperature of 62.6 degrees was also below normal. Pasture growth was well maintained throughout the lower mainland, and regardless of moisture deficiencies in some sections, the average condition in the province as a whole was within 10 per cent of normal, which was exactly the same as that of August, 1946.

Table 8. - PASTURE CONDITIONS IN CANADA, BY PROVINCES
August 1943 to 1947

Province	AUGUST					
	1943	1944	1945	1946	1947	Av.
CANADA	103	81	92	75	86	87
Prince Edward Island .	108	72	70	53	64	73
Nova Scotia	104	68	89	69	64	79
New Brunswick	103	76	76	64	85	81
Quebec	107	88	99	79	86	92
Ontario	103	75	95	72	93	88
Manitoba	93	98	91	84	100	93
Saskatchewan	85	87	69	81	78	80
Alberta	87	87	74	93	87	86
British Columbia	93	80	73	90	90	85

Table 9. MILK PRODUCTION AND UTILIZATION IN CANADA, BY PROVINCES, July, 1945, 1946 and 1947.

(Section A)

		Total Milk Production	1 Factory Production Creamery Butter	2 Factory Production Factory Cheese	3 Factory Production Conc. Milk	4 Factory Production Ice Cream	5 Farm Production Dairy Butter	6 Farm Production Farm Cheese
		'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
CANADA	1945	2,086,503	995,988	345,357	67,108	38,983	100,398	709
	1946	2,028,867	960,629	285,251	72,545	39,354	101,498	708
	1947	2,040,929	989,683	251,877	80,302	55,860	107,497	708
P.E.I.	1945	26,722	18,182	2,997	-	200	1,054	1
	1946	23,669	15,956	1,983	-	157	1,101	1
	1947	22,135	14,574	1,649	-	343	1,172	1
N.S.	1945	50,987	23,196	-	1,375	2,315	7,193	28
	1946	49,290	21,766	-	1,701	1,915	7,052	28
	1947	48,736	20,173	-	1,194	3,258	7,755	28
N.B.	1945	53,949	28,608	2,618	-	1,086	9,091	4
	1946	53,431	27,999	2,117	-	1,129	9,325	4
	1947	51,024	25,140	1,348	-	1,343	10,169	4
Que.	1945	622,942	314,759	119,721	14,341	7,845	16,448	28
	1946	615,664	316,938	93,677	19,853	8,388	16,120	28
	1947	625,579	346,717	64,872	24,630	11,161	17,408	28
Ont.	1945	687,432	231,934	205,210	42,271	17,019	10,216	145
	1946	647,052	208,855	174,207	42,391	17,420	9,911	145
	1947	675,274	235,284	172,226	44,991	23,850	11,012	145
Man.	1945	153,194	98,875	7,031	-	2,329	11,223	112
	1946	151,979	96,789	6,189	-	2,515	11,504	111
	1947	148,191	92,314	5,641	-	3,701	11,973	111
Sask.	1945	228,701	147,000	1,070	-	1,958	23,805	134
	1946	220,378	136,503	1,080	-	2,043	24,648	134
	1947	211,901	129,029	992	-	2,129	25,023	134
Alta.	1945	202,743	117,548	5,908	3,738	2,444	17,526	212
	1946	206,703	120,547	5,263	3,720	2,386	18,041	212
	1947	200,702	113,448	4,570	3,725	4,459	19,119	212
B.C.	1945	59,833	15,886	802	5,383	3,787	3,842	45
	1946	60,701	15,276	735	4,880	3,401	3,796	45
	1947	57,387	13,004	579	5,762	5,616	3,866	45

Table 9. MILK PRODUCTION AND UTILIZATION IN CANADA, BY PROVINCES, July, 1945, 1946 and 1947

(Section B)

		7	8	9	10	1 - 4	5 & 6	7 - 10
		Milk Otherwise Used				Recapitulation		
		Fluid Milk	Fluid 1/ Cream	Farm-home Consumed	Fed to Livestock	Factory Production	Farm Production	Otherwise Used
		'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
CANADA	1945	286,455	49,767	143,525	58,213	1,447,436	101,107	537,960
	1946	313,255	53,759	144,510	57,358	1,357,779	102,206	568,882
	1947	288,086	67,111	143,731	56,074	1,377,722	108,205	555,002
P.E.I.	1945	1,623	305	1,908	452	21,379	1,055	4,288
	1946	1,767	354	1,889	461	18,096	1,102	4,471
	1947	1,536	458	1,946	456	16,566	1,173	4,396
N.S.	1945	10,548	1,273	4,462	597	26,886	7,221	16,880
	1946	10,825	1,114	4,328	561	25,382	7,080	16,828
	1947	9,499	1,843	4,436	550	24,625	7,783	16,328
N.B.	1945	6,071	617	5,589	265	32,312	9,095	12,542
	1946	6,109	713	5,757	278	31,245	9,329	12,857
	1947	5,509	1,381	5,849	281	27,831	10,173	13,020
Que.	1945	94,253	17,263	32,496	5,788	456,666	16,476	149,800
	1946	103,647	17,905	33,146	5,962	438,856	16,148	160,660
	1947	96,299	26,469	32,152	5,843	447,380	17,436	160,763
Ont.	1945	115,577	13,588	41,300	10,172	496,434	10,361	180,637
	1946	127,291	14,791	41,920	10,121	442,873	10,056	194,123
	1947	116,688	18,290	42,768	10,020	476,351	11,157	187,766
Man.	1945	12,513	3,685	11,746	5,680	108,235	11,335	33,624
	1946	13,950	3,544	11,981	5,396	105,493	11,615	34,871
	1947	13,154	3,815	12,221	5,261	101,656	12,084	34,451
Sask.	1945	10,629	3,179	25,967	14,959	150,028	23,939	54,734
	1946	11,721	3,882	25,707	14,660	139,626	24,782	55,970
	1947	11,690	3,601	24,936	14,367	132,150	25,157	54,594
Alta.	1945	16,584	4,097	16,910	17,776	129,638	17,738	55,367
	1946	17,750	4,792	16,572	17,420	131,916	18,253	56,534
	1947	16,343	5,523	16,406	16,897	126,202	19,331	55,169
B.C.	1945	18,657	5,760	3,147	2,824	25,858	3,887	30,088
	1946	20,195	6,664	3,210	2,499	24,292	3,841	32,568
	1947	17,368	5,731	3,017	2,399	24,961	3,911	28,515

1/ Cream expressed as milk.

Table 10.- FARM INCOME FROM DAIRYING AND AVERAGE PRICES PER HUNDRED POUNDS OF MILK By Provinces and by Products, June, 1946 and 1947.

Province	Income		Price		Income		Price	
	1946	1947	1946	1947	1946	1947	1946	1947
	TOTAL MILK				(1) FLUID SALES (MILK ONLY)			
	'000 $	'000 $	$	$	'000 $	'000 $	$	$
CANADA	36,576	38,981	2.01	2.16	8,934	9,855	2.81	3.34
P.E.I.	336	276	1.87	2.00	39	43	2.52	3.01
N.S.	852	850	2.17	2.25	330	289	3.25	3.21
N.B.	792	845	2.03	2.17	187	205	3.10	3.47
Que.	11,819	12,956	1.98	2.17	2,858	3,367	2.73	3.42
Ont.	14,104	14,982	2.17	2.29	3,585	4,072	2.75	3.34
Man.	2,181	2,282	1.83	1.93	391	381	2.84	2.95
Sask.	2,562	2,729	1.70	1.87	339	380	2.78	3.22
Alta.	2,609	2,743	1.75	1.88	515	522	2.73	3.13
B.C.	1,321	1,318	2.38	2.51	690	596	3.41	3.47
	(2) FLUID CREAM				(3) MILK FOR CONCENTRATION			
CANADA	897	1,384	1.73	2.01	1,767	2,056	2.04	2.25
P.E.I.	6	9	1.69	2.24	-	-	-	-
N.S.	14	25	1.60	1.83	45	39	2.12	2.33
N.B.	10	19	1.61	2.18	-	-	-	-
Que.	299	439	1.75	1.87	517	647	2.15	2.38
Ont.	236	405	1.68	2.05	1,022	1,167	2.02	2.22
Man.	68	107	1.89	2.40	-	-	-	-
Sask.	59	72	1.57	1.74	-	-	-	-
Alta.	74	108	1.70	1.90	72	85	1.83	2.01
B.C.	131	200	1.82	2.32	111	120	1.92	2.12
	(4) CHEESE MILK				(5) ICE CREAM			
CANADA	6,897	5,542	2.18	2.19	554	973	1.91	2.23
P.E.I.	26	23	1.77	2.09	2	2	2.22	1.94
N.S.	-	-	-	-	26	48	1.88	2.40
N.B.	37	19	1.99	2.04	15	23	1.94	2.13
Que.	1,860	1,140	1.94	2.02	128	184	1.98	2.24
Ont.	4,709	4,095	2.30	2.26	239	449	1.88	2.22
Man.	129	135	2.07	2.00	33	48	1.76	1.91
Sask.	18	18	1.91	2.15	23	45	1.75	2.02
Alta.	101	99	1.95	1.93	36	63	1.83	2.15
B.C.	17	13	1.95	1.85	52	111	2.10	2.49
	(6) CREAMERY BUTTER-FAT				(7) DAIRY BUTTER			
CANADA	17,110	18,332	49.3	51.8	417	839	39.8	47.5
P.E.I.	262	193	51.7	52.8	1	6	39.0	48.0
N.S.	416	397	50.5	53.6	21	52	40.0	50.0
N.B.	512	499	52.3	54.3	31	80	42.0	49.0
Que.	6,017	6,870	50.5	53.3	140	309	40.0	48.0
Ont.	4,256	4,621	51.6	52.8	57	173	42.0	47.8
Man.	1,547	1,567	47.6	50.0	13	44	37.0	44.0
Sask.	2,062	2,126	45.8	49.8	61	88	39.0	44.0
Alta.	1,734	1,803	45.0	47.7	77	65	38.0	48.0
B.C.	304	256	48.4	49.7	16	22	40.0	48.0

Government subsidies and bonuses are represented in Income and Price data.