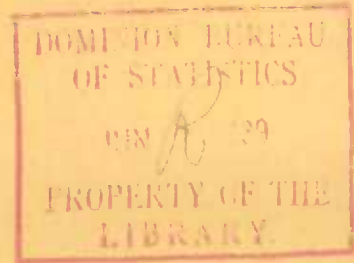


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CANADA
DOMINION BUREAU OF STATISTICS
AGRICULTURAL BRANCH

SERIES NO. VI

REPORT NO. 1

THE DAIRY SITUATION
IN
CANADA

WINTER QUARTER
DECEMBER - FEBRUARY
1938 - 1939



OTTAWA
1939

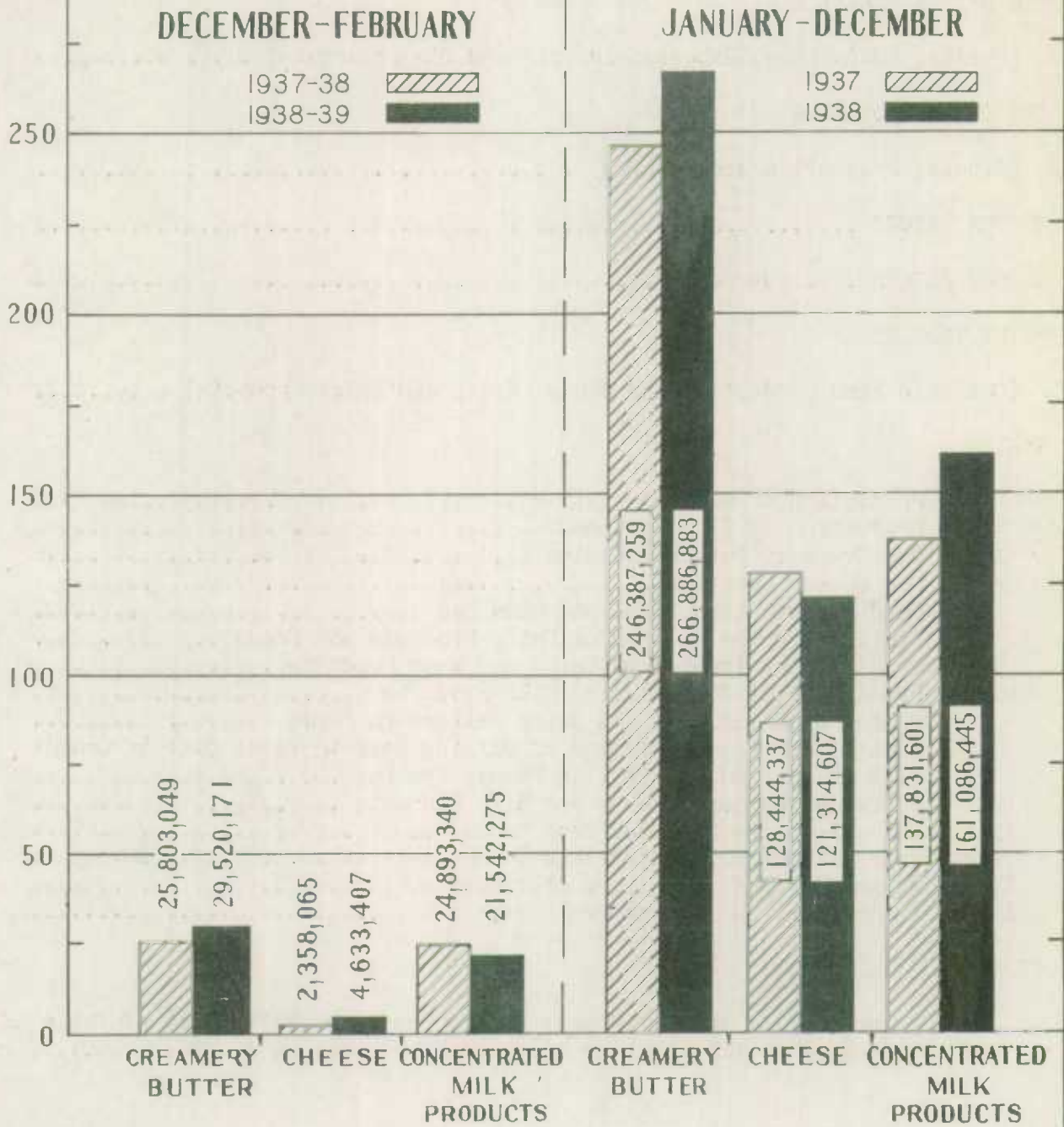
Price \$1 a year

TABLE OF CONTENTS

	<u>Page Number</u>
SUMMARY	1.
REVIEW OF THE PRODUCTION SITUATION	3.
THE BUTTER POSITION	
(Stocks, Production, Exports, Imports and Disappearance)	5.
THE CHEESE POSITION	
(Stocks, Production and Exports)	9.
BUTTER PRICES	11.
CHEESE PRICES	13.
PRICE INDEXES	
(Saleable Farm Products, Feed Costs, Meats and Dairy Products)	13.
TABLES -	
I - Production of Creamery Butter	4.
II - Production of Factory Cheese	4.
III - The Creamery Butter Position	6.
IV - The Cheese Position	10.
V - Feed Prices at Montreal and Winnipeg	10.
VI - Wholesale Price Indexes of Dairy Products and Feeds	12.
VII - Retail Price Indexes of Dairy and Meat Products	14.
VIII - Production of Concentrated Milk Products	16.
IX - Number of Milch Cows and Dairy Heifers on Farms	17.
X - Monthly Average Percentage of Milking Cows to Total Cows in Canada	18.
XI - Milk Production Per Cow, in Pounds Per Day	19.
XII - Stocks of Butter, Cheese and Milk Products	20.
XIII - Dairy Products Exported from Canada	21.
XIV - Dairy Products Imported into Canada	21.
XV-A - Weather Records - Eastern Provinces	22.
XV-B - Weather Records - Western Provinces	23.
CHARTS -	
1 - Production of Butter, Cheese and Concentrated Milk (Back of Table of Contents).	
2 - Prices of Creamery Butter and Cheese	24.

PRODUCTION OF CREAMERY BUTTER, CHEESE AND CONCENTRATED MILK PRODUCTS

MILLION
LB.



DOMINION BUREAU OF STATISTICS
AGRICULTURAL BRANCH

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SUMMARY

THE BUTTER POSITION was characterized by a 14 per cent increase in production in the December to February period of 1938-39, a 3 per cent increase in the domestic disappearance of butter (including imported stocks amounting to 1,789 pounds) and an advance of 11 per cent in the total disappearance of Canadian butter as compared with the figures reported for the same period of 1937-38. Exports included in the total disappearance for 1938-39 amounted to 3.9 million pounds. The increase in the domestic disappearance is attributed to lower prices, which averaged 22 1/4 cents for first grade solids at Montreal as compared with 32 1/8 cents in the winter period of 1937-38.

Stocks of creamery butter in storage and transit at the beginning of the period, December 1, 1938, amounted to 53.4 million pounds, an advance of 15.1 million pounds over the December 1 holdings of the previous year; while at the end of the period, March 1, 1939, storage and transit stocks amounted to 23.3 million pounds, representing an increase of only 13 million pounds over the stocks shown at March 1, 1938. The butter surplus, i.e., the total supply in excess of domestic requirements to April 30, was estimated at 14.5 million pounds at the former date, but due to the increase in the domestic demand and the heavy exports in January and February, the surplus was reduced to 13.7 million pounds at March 1. A continuation of the favourable export movement of the past two months and the same relative advance in the domestic disappearance as that reported above, would reduce the actual surplus at the end of the storage period (April 30, 1939) somewhat below the estimated figures given herein. Likewise a fall in production in the two succeeding months would have the same effect, although very little change from last year is anticipated.

THE CHEESE POSITION is difficult to evaluate on account of the large quantities of Canadian cheddar cheese used for processing, in addition to those used for direct consumption. For the three-month period, December to February, 1938-39, the total disappearance of cheddar cheese amounted to 8.2 million pounds, an increase of 2.4 million pounds over the disappearance for the corresponding period of 1937-38. Substantial increases were shown for all months, but the most significant advance was in the month of December. An unusual increase in cheese production took place during the winter months, the total output of 4.6 million pounds being almost twice as much as that produced in the winter period a year ago. This may indicate that a swing from butter to cheese production is in the offing. It is recognized, of course, that prices will be the dominating factor in the situation. For the three winter months the average price for Canadian coloured cheese at Montreal was 11 7/8 cents as against 14 5/8 cents in the winter of 1937-38. Thus, cheese prices fell only 18.1 per cent from last year, while butter prices declined 30.7 per cent. The latter was principally due to abnormal conditions a year ago when the fear of a butter shortage sent prices to unusually high levels for a time. As the season advances, therefore, cheese would not be expected to retain the price preference over butter, relative to 1938, as that indicated in the three-month period covered by this report.

CONCENTRATED MILK PRODUCTS registered a decline of 22 per cent in production in the winter period of 1938-39 as compared with the same three-month period of 1937-38. While the autumn advance in the output of whole milk products was carried into December, sharp declines in January and February placed the production for the December-February period at 15.3 million pounds, compared with 19.7 million pounds in the three-month period of the preceding year. Concentrated milk by-products, on the other hand, advanced from 5.2 million pounds in the 1937-38 period to 6.2 million pounds in 1938-39. The production of all concentrated milk products during the period covered by this report amounted to 21.5 million pounds, a decline of 3.4 million pounds or 13.5 per cent, as compared with that of a year ago.

FEED SUPPLIES were plentiful throughout the winter months, although a shortage of grain and roots was experienced in the Maritime provinces. Poor quality hay in the Maritimes and a shortage of both hay and straw was reported from British Columbia; otherwise the supplies of roughage were greater than those of the previous winter period. On account of low cash prices farmers fed home grown feeds liberally but concentrated feed stuffs were not used as extensively as they were in the winter of 1937-38 when butter-fat prices were high.

WEATHER CONDITIONS were quite satisfactory throughout December and part of January. Low temperatures prevailed in mid-winter and there were exceptionally heavy falls of snow in February, particularly in the Eastern provinces. Roads were quite impassable in some areas and farmers had difficulty in making regular deliveries to factories and local markets.

THE MILCH COW POPULATION at December 1, 1938, increased nearly 1 per cent over the estimate of December 1, 1937, and 2.3 per cent over the numbers reported at June 1, 1938. Heifers used mainly for milking purposes registered an increase of 2.5 per cent over the same date of the previous year, but declined 11.6 per cent during the previous six months. Dairy cattle exported from Canada amounted to 2,137 compared with 1,671 in the winter months of 1937-38.

The numbers of cows on farms declined as the season advanced, but there was a general increase in the percentage of cows actually milking. The average percentage of milking cows to total cows in the three-month period of 1938-39 was 66.1 per cent as compared with 64.1 per cent in the same period of 1937-38. A slight increase in freshenings is expected during the spring months.

THE PRODUCTION OF MILK ON FARMS registered continuous increases during the winter months of this year as compared with the winter months a year ago. The average for the three months was 4.4 per cent higher than that recorded in the same months of last year. This was associated with an increase in the milk production per cow which advanced from 10.7 pounds in the 1937-38 period to 11.3 pounds per cow per day in the three-month period of 1938-39. Fluid milk prices for the whole of Canada averaged about 10 to 15 cents a hundred less than a year ago.

THE PRODUCTION OF DAIRY BUTTER declined 7.7 per cent during the period under review as compared with the same period of the previous year. The consumption of milk and cream on farms increased slightly, while the milk fed to live stock showed a substantial advance over the previous winter period.

COMPARATIVE INDEXES OF WHOLESALE AND RETAIL PRICES revealed a general decline in the prices of dairy products from last year. The price of creamery butter fell 29 per cent, cheese was reduced 13 per cent and milk decreased 4.4 per cent. Farmers were aided, however, by a decline of 43 per cent in feed prices. Some competition is offered by the beef industry as a result of higher prices for live stock. Retail price indexes of dairy and meat products indicate that the former offers the consumer a price preference which promises to assist in maintaining the demand. Lard fell 14.7 per cent during the winter months of 1938-39 as compared with the three-month period of the preceding year, whereas the retail price index for creamery butter recorded a decline of 23.7 per cent.

Review of the Production Situation

Relatively mild weather and high temperatures prevailed throughout the month of December and part of January. The mean temperature for the thirty-two stations listed (see Table VIII) was 22 degrees above zero for December, 17 degrees above zero for January and 10 degrees above zero for February, as compared with 17 degrees, 15 degrees and 13 degrees, respectively, for the same months of the preceding year. The latter part of January was inclined to be cold, while the month of February was characterised by heavy falls of snow. At Cap Rouge the snowfall amounted to 69 inches, the highest ever recorded at that station. At Ottawa the total precipitation was 3.4 inches which was the highest recorded since 1908 and the second highest in 49 years. British Columbia also experienced heavy falls of snow, and in the northern interior of the province hay stacks were so imbedded that farmers had difficulty in replenishing their feed supplies. Highways in Ontario and Quebec were kept cleared but side roads were impassable in many areas, making it difficult for farmers to make regular deliveries to markets and local factories. The Prairie provinces received a good covering of snow, water supplies were quite adequate except in parts of the Peace River Area and soil moisture conditions promise to be rather better than usual.

Feed supplies were quite plentiful during the three winter months, but, as anticipated in the late fall, a shortage of grain and roots developed in the Maritime provinces early in February. There was also some shortage in British Columbia. In both Prince Edward Island and Nova Scotia milk production was adversely affected. Reports indicate that there were ample supplies of grains and roots in the Central provinces but a deficiency was indicated in the Maritime provinces. There was also a lack of good quality hay in the three provinces mentioned and supplies of both hay and straw in British Columbia were considerably below those of a year ago. Dairy cows were fed more grain and roughage during the past winter and despite the heavy snow fall and low temperatures in some areas cows milked well and will go on the grass in better shape than they did a year ago. According to Dairy Correspondents the holdings of milch cows in the Maritime provinces were above those of the previous year when the season commenced, but with the advent of colder weather cow numbers declined. This situation seemed to be general throughout Canada. The percentage of milking cows to total cows registered the opposite tendency. For the Dominion as a whole the percentage milked in the month of December was practically the same as that of a year ago, but increased in January from 62.8 per cent in 1938 to 65 per cent in 1939. In February the increase was still more significant, advancing from 59.0 to 62.8 per cent. This favourable situation may be attributed to the large quantities of grain in farmers' hands, and the low prices paid for these grains as compared with a year ago.

Due to the increased percentage of cows milking in the winter period as compared with the previous winter season the production of milk per farm showed a substantial advance in all provinces except Nova Scotia, New Brunswick and Saskatchewan. Likewise milk production per cow, based on all cows in the herds of Dairy Correspondents, reflected the increase recorded in the per farm production. For Canada as a whole there was an increase of 4.4 per cent in the milk production per farm, and an increase of 6 per cent in the milk production per cow in the winter period, December to February, 1938-39, as compared with the same three-month period in 1937-38.

The fall in butter prices would appear to have had an adverse effect on the production of dairy butter which fell 7.6 per cent in the winter months of 1938-39, as compared with the same period of the preceding year. The only two provinces to record increases were Ontario and Saskatchewan. The consumption of butter in farm homes was slightly reduced, and the sales of butter in comparison with the preceding year also suffered a heavy decline. Regardless of low butter-fat prices less milk was consumed in farm homes and greater quantities were sold off farms and fed to live stock.

The increase in milk production, as reported by Dairy Correspondents, was reflected in the factory make of butter and cheese. Creamery butter production advanced 14.5 per cent in December, 17.1 per cent in January and 11.3 per cent in

**TABLE I - PRODUCTION OF CREAMERY BUTTER IN CANADA BY PROVINCES,
DECEMBER TO FEBRUARY, 1937-1938 AND 1938-1939.**
(In Thousands of Pounds)

Province	December		January		February		December to February		Percentage Increase (+) Decrease (-)
	1937	1938	1938	1939	1938	1939	1937- 1938	1938- 1939	
Prince Edward Island	74	110	77	94	70	69	221	273	(+) 23.5
Nova Scotia	357	358	368	345	344	310	1,069	1,013	(-) 5.2
New Brunswick	83	105	83	91	79	84	245	280	(+) 14.3
Quebec	2,137	2,524	984	1,275	532	624	3,653	4,423	(+) 21.1
Ontario	4,251	4,818	3,361	4,532	3,715	4,134	11,927	13,484	(+) 13.1
Manitoba	873	949	916	1,054	938	1,018	2,727	3,021	(+) 10.8
Saskatchewan	493	660	538	683	567	636	1,598	1,979	(+) 23.8
Alberta	1,198	1,343	1,114	1,245	1,059	1,093	3,371	3,681	(+) 9.2
British Columbia	358	380	326	480	308	506	992	1,366	(+) 37.7
CANADA	9,824	11,247	8,367	9,799	7,612	8,474	25,803	29,520	(+) 14.4

**TABLE II - PRODUCTION OF FACTORY CHEESE IN CANADA, BY PROVINCES,
DECEMBER TO FEBRUARY, 1937-1938 AND 1938-1939.**
(In Thousands of Pounds)

Province	December		January		February		December to February		Percentage Increase (+) Decrease (-)
	1937	1938	1938	1939	1938	1939	1937- 1938	1938- 1939	
Quebec	162	294	118	181	72	94	352	569	(+) 61.6
Ontario	731	1,385	338	825	246	656	1,315	2,866	(+) 117.9
Manitoba	105	159	104	162	112	170	321	491	(+) 53.0
Saskatchewan	1	1	1	-	1	1	3	2	(-) 33.3
Alberta	101	180	97	172	87	146	285	498	(+) 74.7
British Columbia	21	59	26	66	35	83	82	208	(+) 153.7
CANADA	1,121	2,078	684	1,406	553	1,150	2,358	4,634	(+) 96.5

NOTE - There was no cheese made in the Maritime Provinces during the December - February period.

February, 1938-1939, as compared with the same months of 1937-1938, while cheese revealed increases of 85.4 per cent, 105.6 per cent and 107.8 per cent, respectively. During the three months 29,520,171 pounds of butter were produced compared with 25,803,049 pounds in the same months of the preceding year. The cheese output reached a total of 4,633,407 pounds. The former represented a percentage increase of 14.4 per cent, while the latter increased 96.5 per cent. It will be noticed that the percentage gains in butter production over the same months of the preceding year fluctuated up and down, while cheese production showed a greater increase each succeeding month.

A somewhat different picture was indicated in the production of Concentrated Whole Milk Products. These increased 3 per cent in December, 1938, as compared with the same month in 1937, but fell 18 per cent in January and 26 per cent in February, 1939, below the production recorded in the same months of 1938. The production of all concentrated whole milk products amounted to 15,330,172 pounds in the three winter months and represented a decline of 22 per cent from the winter period of the preceding year. Concentrated milk by-products with a total of 6,212,103 pounds revealed an increase of 18.6 per cent in the December-February period of 1938-1939 over the production recorded in the same three months of 1937-1938. When the production of butter, cheese and concentrated whole milk products are converted to a milk basis, the products made during the winter period represent the equivalent of 782,452,246 pounds of milk, registering a gain of 101,963,399 pounds or 15.0 per cent above that of the preceding year.

The prices received for dairy products sold off farms, as reported by Dairy Correspondents, were slightly reduced from last year. Dairy butter averaged $23\frac{1}{4}$ cents in December, but fell to 23 cents in January and $22\frac{1}{4}$ cents in February. The average for the three months was $6\frac{1}{8}$ cents below the 1937-1938 period. Fluid milk prices, also based on Correspondents' reports, averaged \$1.90 cwt. in December, \$1.85 cwt. in January, and \$1.92 cwt. in February, showing declines of 10, 15 and 12 cents respectively as compared with the same months in the preceding year. Fluid cream prices held steady, averaging 27 cents butter-fat for the winter months of 1938-1939, as against 35 cents butter-fat in the December-February period of 1937-1938.

THE CREAMERY BUTTER POSITION

In Table III on the next page, comparative data covering stocks, production, imports, exports, prices and disappearance are shown by months for the years 1934-35 to 1938-39. It will be observed that the disappearance of butter revealed a continuous upward trend for the five years for which data are shown. The domestic disappearance of Canadian produced butter moved from 50.8 million pounds in the December to February period of 1934-35 to 55.7 million pounds in the same period of 1938-39. This upward trend, however, was not common to all months of the period. In January the domestic disappearance fell from 17.4 million pounds in 1935 to 16.5 million pounds in the following year, and reached the low point of 15.7 million pounds in 1937. During the past two years increases were recorded, and amounted to 17.9 million pounds during January, 1939. The February disappearance reached the peak in 1937 with 17.7 million pounds, but suffered a set back in 1938 when it fell to 15.8 million pounds. The decline which occurred in February, 1938, may be attributed to the upward price movement. The disappearance of 17.4 million pounds in February, 1939, would indicate that the domestic disappearance has now returned to the normal level.

TABLE III - THE CREAMERY BUTTER POSITION IN CANADA, DECEMBER TO FEBRUARY, 1934-35 to
1938-39

		December	January	February	December to February
Stocks in storage at first of the month -	1934-35	41,514,556	31,980,087	22,655,810	-
	1935-36	40,615,898	32,081,722	24,964,113	-
	1936-37	44,388,158	35,707,463	28,874,509	-
	1937-38	38,045,409	27,769,429	18,408,031	-
	1938-39	53,047,929	43,690,158	34,241,468	-
Stocks in transit at first of the month -	1935-36	504,000	308,000	520,800	-
	1936-37	212,800	672,000	196,000	-
	1937-38	252,000	588,000	532,000	-
	1938-39	392,000	845,600	660,800	-
Production during month -	1934-35	9,094,045	8,091,716	7,259,466	24,445,227
	1935-36	10,398,899	9,420,233	8,042,092	27,861,224
	1936-37	10,789,399	8,932,907	7,615,695	27,338,001
	1937-38	9,823,479	8,367,468	7,612,102	25,803,049
	1938-39	11,247,322	9,798,640	8,474,209	29,520,171
Imports -	1934-35	12,267	5,969	6,144	24,380
	1935-36	1,058	8,965	16,607	26,630
	1936-37	6,725	7,302	12,724	26,751
	1937-38	5,835	150,408	942,472	1,098,715
	1938-39	722	472	595	1,789
Exports -	1934-35	32,800	35,800	30,000	98,600
	1935-36	54,800	25,700	30,700	111,200
	1936-37	66,400	30,500	27,100	124,000
	1937-38	82,200	84,000	27,100	193,300
	1938-39	185,600	1,362,200	2,420,000	3,967,800
Prices -	1934-35	20 3/4	22 7/8	24 7/8	22 7/8
	1935-36	20 3/4	25 1/2	23 1/4	23 1/8
	1936-37	25 7/8	26 1/8	25	25 5/8
	1937-38	30 1/8	31 3/4	34 3/8	32 1/8
	1938-39	21 1/2	22 7/8	22 3/8	22 1/4
+Total Disappearance of					
Canadian-made	1934-35	18,628,514	17,415,993	14,871,705	50,916,212
butter	1935-36	18,933,075	16,537,842	16,577,131	52,048,048
(Domestic and	1936-37	19,470,094	15,765,861	17,715,011	52,950,966
Export)	1937-38	20,099,459	17,728,866	15,797,361	53,625,686
	1938-39	20,605,093	19,247,330	19,832,855	59,685,278
+Domestic Disappearance					
of Canadian-made	1934-35	18,595,714	17,380,193	14,841,705	50,817,612
butter	1935-36	18,878,275	16,512,142	16,546,431	51,936,848
	1936-37	19,403,694	15,735,361	17,687,911	52,826,966
	1937-38	20,017,259	17,644,866	15,770,261	53,432,386
	1938-39	20,419,493	17,885,130	17,412,855	55,717,478

+Disappearance figures are calculated on the basis of storage stocks only.

The disappearance figures given in Table III do not include transit holdings. Likewise, the export figures are subject to some adjustment to place them on a strictly calendar month basis. Data covering stocks in store, transit and total stocks at March 1, 1935 to 1939, are given below. These figures are followed by a table showing the disappearance of creamery butter on an adjusted basis.

<u>Year</u>	<u>Stocks at March 1</u>	<u>Transit stocks at March 1</u>	<u>Total Stocks</u>
1935	15,043,571	476,000	15,519,571
1936	16,429,074	632,800	17,061,874
1937	18,775,193	800,800	19,575,993
1938	10,222,772	117,600	10,340,372
1939	22,882,822	464,800	23,347,622

DISAPPEARANCE OF CREAMERY BUTTER
(using transit stocks and adjusted exports)

	<u>DOMESTIC DISAPPEARANCE</u> (all butter)			<u>TOTAL DISAPPEARANCE</u> (Canadian butter)		
	<u>Canadian Butter</u>	<u>Imports</u>	<u>Total</u>	<u>Canadian Butter</u>	<u>Exports</u>	<u>Total Disappearance</u>
December						
1937	19,726,059	5,835	19,731,894	19,726,059	37,400	19,763,459
1938	20,011,793	722	20,012,515	20,011,793	139,700	20,151,493
%	(+) 1.5		(+) 1.4	(+) 1.5		(+) 2.0
January						
1938	17,700,866	150,408	17,851,274	17,700,866	84,000	17,784,866
1939	18,097,930	472	18,098,402	18,097,930	1,334,200	19,432,130
%	(+) 2.2		(+) 1.4	(+) 2.2		(+) 9.3
February						
1938	16,184,661	942,472	16,498,717+	16,184,661	27,100	16,211,761
1939	17,608,855	595	17,609,450	17,608,855	2,420,000	20,028,855
%	(+) 8.8		(+) 6.7	(+) 8.8		(+) 23.6
December to February						
1937-38	53,611,586	1,098,715	54,081,885+	53,611,586	148,500	53,760,086
1938-39	55,718,578	1,789	55,720,367	55,718,578	3,893,900	59,612,478
%	(+) 3.9		(+) 3.0	(+) 3.9		(+) 10.9

+ Imported stocks amounting to 628,416 pounds at March 1, 1938, enter into the disappearance calculation shown here.

The figures given in the three columns on the left deal with the domestic disappearance only, and reveal an increase of 1.5 per cent in the quantity of Canadian butter used in the Dominion in the month of December, an increase of 2.2 per cent in the month of January, and 8.8 per cent in February as compared with the same months of the preceding year. The disappearance of Canadian butter in the three-month period increased nearly 4 per cent, while the total domestic disappearance, which includes imported butter, increased approximately 3 per cent as compared with the same period of the preceding year. In the aggregate the total domestic disappearance amounted to 55.7 million pounds in the December to February period of 1938-39 as against 54.1 million pounds in the same period of 1937-38. In the winter of 1937-38 Canada imported considerable quantities of butter to serve as a reserve against a possible shortage in the latter part of the winter. This amounted to approximately 1.1 million pounds in the December-February period of 1937-38 as compared with 1.8 thousand pounds during the period covered by this report.

Low prices in the Old Country continued to retard the movement of butter to overseas markets, and very little was exported in December. In January, however, the exports increased to 1.3 million pounds, and in February to 2.4 million pounds, making a total of 3.9 million pounds during the three months. The inclusion of a considerable quantity of second grade butter in these export shipments was a significant feature in this development. These exports, added to the domestic disappearance, advanced the total disappearance of Canadian-produced butter from 53.8 million pounds in the December to February period of 1937-38 to 59.6 million pounds in the same period of 1938-39.

On account of the heavy production in the summer season of 1938 and in the winter of 1938-39, combined with the unprofitable export outlet, stocks of butter continued to expand. At December 1 the holdings of butter in storage and transit showed an increase of 15.1 million pounds or 39.5 per cent above those of December 1 in the previous year; at January 1 they showed an advance of 16.2 million pounds or 57.1 per cent; while at February 1 stocks of butter exceeded those shown at the same date of the previous year by 16.0 million pounds or 84.3 per cent. A contrary situation developed at March 1, when the difference was reduced to 13.0 million pounds. The total domestic disappearance, production and stocks during the period under review, as compared with the preceding months and the same months of the preceding year, are summed up in the following statement.

	TOTAL DOMESTIC DISAPPEARANCE		PRODUCTION OF CREAMERY BUTTER		TOTAL STOCKS (Storage and Transit)	
	Last month	Last year	Last month	Last year	Last month	Last year
December	- 15.7 %	+ 1.4 %	- 23.3 %	+ 14.5 %	- 14.9 %	+ 39.5 %
January	- 9.6 %	+ 1.4 %	- 12.9 %	+ 17.1 %	- 16.7 %	+ 57.1 %
February	- 2.7 %	+ 6.7 %	- 13.5 %	+ 11.3 %	- 21.6 %	+ 84.3 %
December to February	-	+ 3.0 %	-	+ 14.4 %	-	-

Although the differences in stock holdings between a given date this year with those shown at the same date of the preceding year are often taken to represent the surplus or shortage as the case may be, it is recognized that the future production and the future disappearance are factors that often disturb any calculations made on

stock basis only. A complete analysis of the surplus butter position is shown below, using last year's production figures and the same per capita consumption as that recorded in the preceding winter period.

THE SURPLUS BUTTER POSITION AS AT DECEMBER 1, AND MARCH 1, 1938 AND 1939.

	<u>Dec. 1, 1937, to April 30, 1938</u>	<u>Mar. 1, 1938, to April 30, 1938</u>
Stocks at beginning of period	38,297,409	10,340,372
Production during period	52,398,365	26,595,316
Imports during period	5,231,619	4,132,904
Apparent supply	<u>95,927,393</u>	<u>41,068,592</u>
Exports during period	242,200	48,900
Balance	<u>95,685,193</u>	<u>41,019,692</u>
Stocks at May 1, 1938	<u>5,091,358</u>	<u>5,091,358</u>
Total domestic disappearance	90,593,835	35,928,334
Population as at June 1, 1937	11,120,000	11,120,000
Disappearance per capita during the period	8.15	3.23
Population as at June 1, 1938	11,209,000	11,209,000
x Domestic Disappearance, 1938-39 (estimate)	91,353,350	36,205,070
	<u>Dec. 1, 1938, to April 30, 1939</u>	<u>Mar. 1, 1939, to April 30, 1939</u>
Stocks at beginning of period	53,439,929	23,347,622
Production during period (using last year's figures)	52,398,365	26,595,316
Apparent supply for 1938-39	<u>105,838,294</u>	<u>49,942,938</u>
Probable disappearance (on basis of last year's disappearance)	<u>91,353,350</u>	<u>36,205,070</u>
Surplus	14,484,944	13,737,868

x Based on the per capita disappearance for 1937-38 applied to the population as at June 1, 1938.

It will be seen that the estimated supplies of surplus butter at March 1, amounted to 13.7 million pounds, while at the beginning of the period, December 1, the surplus was estimated at 14.5 million pounds. Thus, the position improved during the three month period to the extent of about 3/4 of a million pounds. Compared with the September 1 surplus of 14.7 million pounds, the figures given at March 1 show a reduction of approximately 900 thousand pounds. Lower prices and increased consumption contributed to this improvement and served to offset to some extent the heavy increase in production which took place during the winter months.

It should be explained, of course, that this 13.7 million pounds of a surplus does not represent the expected amount in store at the end of the storage period (April 30), as exports between March 1 and April 30 would have to be deducted. This 13.7 million pounds is the quantity in excess of domestic requirements, as estimated at March 1.

THE CHEESE POSITION

The figures which appear in Table IV showing the total disappearance of Canadian cheddar cheese, stocks, exports, imports, production and prices, are given for a series of three years, December to February, 1936-37 to 1938-39. In making comparisons with the previous year some adjustments are necessary to cover the stocks reported by new firms added to the list. The disappearance figures are also subject to adjustment arising from changes in the stock position. Stocks, production, exports, and total disappearance for the three months, December to February, 1937-38 and 1938-39 appear on page 11, together with percentage comparisons with the same months of the preceding year.

TABLE IV-THE CHEESE POSITION IN CANADA, DECEMBER TO FEBRUARY, 1936-1937 TO 1938-1939.

		December	January	February	December to February
Stocks in storage at first of the month -	1936-37	22,771,387	24,025,899	21,866,628	-
(Not adjusted for new firms)	1937-38	27,643,125	28,559,446	26,550,622	-
	1938-39	32,294,350	31,451,957	29,831,371	-
Production during month -	1936-37	1,794,400	987,593	781,698	3,563,691
	1937-38	1,120,759	683,889	553,417	2,358,065
	1938-39	2,077,613	1,405,930	1,149,864	4,633,407
Imports -	1936-37	101,358	65,705	106,757	273,820
	1937-38	123,683	66,301	93,140	283,124
	1938-39	148,043	60,210	95,155	303,408
Exports -	1936-37	6,169,800	629,700	703,800	7,503,300
	1937-38	2,778,300	354,700	420,000	3,553,000
	1938-39	7,574,500	1,329,300	894,500	9,798,300
Prices -	1936-37	13	13 1/4	13 1/4	13 1/8
	1937-38	14 1/2	14 1/2	14 3/4	14 5/8
	1938-39	11 3/8	12 1/8	12 1/8	11 7/8
Total Disappearance of Canadian-made Cheese	1936-37	539,888	3,146,864	2,536,017	6,222,769
	1937-38	204,438	2,692,713	2,925,761	5,822,912
	1938-39	2,920,006	3,026,516	3,722,647	9,669,169

TABLE V-FEED PRICES AT MONTREAL AND WINNIPEG, MONTHS ENDED, DECEMBER, JANUARY AND FEBRUARY 1937-38 AND 1938-39.

	December 31st		January 31st		February 28th		December-February Average	
	Montreal	Winnipeg	Montreal	Winnipeg	Montreal	Winnipeg	Montreal	Winnipeg
	Price per ton	Price per ton	Price per ton	Price per ton	Price per ton	Price per ton	Price per ton	Price per ton
	\$	\$	\$	\$	\$	\$	\$	\$
Oats(No. 1 Feed)								
1937-38	31.76	26.25	32.79	26.76	31.90	26.32	32.15	26.44
1938-39	21.47	15.00	21.76	15.66	21.61	15.29	21.61	15.32
%	-32.4	-42.9	-33.6	-41.5	-32.3	-41.9	-32.8	-42.1
Barley(3 C.W.)								
1937-38	30.10	25.20	31.67	25.99	32.11	26.46	31.29	25.88
1938-39	20.63	14.84	20.31	15.05	20.07	14.90	20.34	14.93
%	-31.5	-41.1	-35.9	-42.1	-37.5	-43.7	-35.0	-42.3
Bran								
1937-38	28.25	23.00	31.25	25.00	34.25	27.00	31.25	25.00
1938-39	20.25	16.00	21.25	18.00	22.25	18.00	21.25	17.33
%	-28.3	-30.4	-32.0	-28.0	-35.0	-33.3	-32.0	-30.7
All Feeds								
1937-38	30.04	24.82	31.90	25.92	32.75	26.59	31.56	25.78
1938-39	20.78	15.28	21.11	16.24	21.31	16.06	21.07	15.86
%	-30.8	-38.4	-33.8	-37.3	-34.9	-39.6	-33.2	-38.5

THE CHEESE POSITION
WITH PERCENTAGE CHANGES FROM THE PREVIOUS YEAR, BY MONTHS, DECEMBER-FEBRUARY, 1937-38
AND 1938-39

(Based on adjusted stocks)

	Stocks at first of month †	Production	Exports	Total Disappearance 'during the month
December				
1937	27,643,125	1,120,759	2,778,300	204,438
1938	30,406,398	2,077,613	7,574,500	1,666,635
%	+ 10.0	+ 85.4	+172.6	+715.2
January				
1938	28,559,446	683,889	354,700	2,692,713
1939	30,817,376	1,405,930	1,329,300	3,003,378
%	+ 7.9	+105.6	+274.8	+ 11.5
February				
1938	26,550,622	553,417	420,000	2,925,761
1939	29,219,928	1,149,864	894,500	3,514,740
%	+ 10.1	+107.8	+113.0	+ 20.1

† Stocks at March 1, not shown in this table but used in estimating the disappearance, amounted to 26,855,052 pounds. At March 1, 1938, stocks amounted to 24,178,278 pounds.

BUTTER PRICES

The closing prices on the Canadian Commodity Exchange at Montreal for first grade butter solids are shown in the chart which appears on the last page of this report. In analysing the price movement during the December-February period the steady increase in the spread between the prices given for this year and those given for the previous year is the most significant feature of the situation. Due to an upward trend in the 1937-38 period and a downward trend between the middle of January and the end of February, 1939, the margin between the two years gradually increased from 8 3/4 cents at the beginning of December to 12 7/8 cents at the end of February.

On December 1 butter was quoted at 21 1/4 cents. Fractional changes advanced the quotation a few days later to 22 1/4 cents, but this was followed by a period of generally weaker prices which reached the low point of 20 3/4 cents on January 23. Between that date and the end of the month the market fluctuated from 21 to 21 1/8 cents. The average price for December, 1938, was 21 1/2 cents as against 30 1/8 cents in December, 1937.

The market developed a stronger tone in January, which may be attributed in some measure to short supplies in retailers' hands after the Christmas season. Prices rose to 23 cents early in the month and had moved up to 23 1/2 cents by January 13. Two days later prices broke to 23 3/8 cents and subsequently to 23 1/4 cents. This marked the beginning of a downward trend in prices which continued throughout the remainder of the month. During the last week of January prices fell from 22 5/8 cents to 22 1/4 cents on the last day of the month. The average price for the month was 22 7/8 cents whereas in the same month of the preceding year the average was 31 3/4 cents.

TABLE VI - WHOLESALE PRICE INDEXES OF THE PRINCIPAL DAIRY PRODUCTS
IN COMPARISON WITH OTHER AGRICULTURAL PRODUCTS IN CANADA,^x
DECEMBER TO FEBRUARY, 1937-38 AND 1938-39.

Base 1926 = 100.

		December	January	February	Average December to January
Fresh Milk					
	1937-38	91.6	92.0	92.1	91.9
	1938-39	87.8	87.9	88.0	87.9
	%	(-) 4.1	(-) 4.5	(-) 4.5	(-) 4.4
Butter					
	1937-38	76.8	79.7	86.6	81.0
	1938-39	56.3	58.3	57.7	57.4
	%	(-) 26.7	(-) 26.9	(-) 33.4	(-) 29.1
Cheese					
	1937-38	68.8	68.8	68.8	68.8
	1938-39	60.2	58.9	60.2	59.8
	%	(-) 12.5	(-) 14.4	(-) 12.5	(-) 13.1
Coarse Grains /					
	1937-38	91.2	101.3	103.1	98.5
	1938-39	54.7	56.5	55.5	55.6
	%	(-) 40.0	(-) 44.2	(-) 46.2	(-) 43.6
Wheat (All Grades)					
	1937-38	88.7	94.0	92.5	91.7
	1938-39	39.3	38.8	39.2	39.1
	%	(-) 55.7	(-) 58.7	(-) 57.6	(-) 57.4
Veal					
	1937-38	89.2	94.4	90.8	91.5
	1938-39	91.9	93.5	96.1	93.8
	%	(+) 3.0	(-) 1.0	(+) 5.8	(+) 2.5
Steers					
	1937-38	93.8	81.0	76.5	83.8
	1938-39	88.8	94.6	96.3	93.2
	%	(-) 5.3	(+) 16.8	(+) 25.9	(+) 11.2
Hogs					
	1937-38	64.1	66.3	69.2	66.5
	1938-39	68.5	70.2	71.5	70.1
	%	(+) 6.9	(+) 5.9	(+) 3.3	(+) 5.4
All Farm Products					
	1937-38	84.2	86.3	85.1	85.2
	1938-39	64.6	64.8	64.7	64.7
	%	(-) 23.3	(-) 24.9	(-) 24.0	(-) 24.1

^x Data supplied by the Internal Trade Branch, Dominion Bureau of Statistics.
/ Includes Oats No. 2 C.W. and Barley No. 3 C.W.

Butter was quoted on February 1 at 22 1/2 cents and this became the ruling quotation during the whole of the first week. The market showed renewed strength on the 7th, and although it declined 1/2 cent on the following day, it again rallied to an increased demand, and from that date until January 21, 22 1/4 to 22 7/8 cents was the ruling quotation. This was followed two days later by an increase of 1/4 of a cent. This price was maintained until the last day of the month when prices again reverted to the 22 cent level. The average price for February was 22 3/8 cents, compared with 34 3/8 cents in February, 1938. The average for the three months, December-February, 1938-39, was 22 1/4 cents as against 32 1/8 cents in the same period of 1937-38.

CHEESE PRICES

The cheese market held relatively steady during the December to February period, in marked contrast to the steady decline which characterized the last two months of the autumn period. Commencing with 11 3/8 cents prices fell 1/8 of a cent on the 5th, but rose again on December 13 to the former level. By the middle of the month prices had advanced to 11 1/2 cents and this position was maintained until the 30th, when another increase of 1/8 cent placed cheese prices at 11 5/8 cents. The average for the month was 11 3/8 as compared with 14 1/2 cents in December, 1937.

January opened with a quotation of 11 5/8 cents, but immediately increased to 12 cents, which became the ruling price until the 16th when the market advanced to 12 1/2 cents. Prices fell the following day to 12 1/8 cents and held at this level until the end of the month. The average for January was 12 1/8 cents as compared with 14 1/2 cents in the preceding January.

No change in prices was recorded until the middle of February when a fractional decline reduced the level to 12 cents; and this was maintained throughout the rest of the month. The average price for February, 1939, was 12 1/8 cents whereas in February, 1938, the average was 14 3/4 cents. For the entire three-month period cheese prices averaged 11 7/8 cents as compared with 14 5/8 cents in the December-February period of 1937-38.

PRICE INDEXES

The wholesale price indexes of dairy products (see Table V) show a more pronounced decline in the winter period than was recorded in the autumn months. Fresh milk registered an average decline of 4.4 per cent; butter fell 29.1 per cent and cheese was reduced 13.1 per cent from the December-February level of 1937-38.

Comparing the situation indicated above with the wholesale price indexes for other products marketed off farms it is apparent that dairying suffered to a lesser extent during the period under review than some other branches of agriculture. The 54.5 per cent decline in the wheat price index reported in the autumn period advanced to a 57.4 per cent decline in the December to February period of 1938-39, compared with the same period of 1937-38. Coarse grains, which supply so important a part of the raw material for the production of milk declined 43 per cent in the winter period of this year, compared with the same period of the preceding year. The percentage decrease recorded was somewhat higher than that shown for the autumn period. It will be seen, therefore, that feed prices are still moving in a downward direction. Some variations exist, of course, between different parts of Canada. This is shown in the feed prices for oats, barley and bran at Winnipeg and Montreal at the end of December, January and February, 1937-38 and 1938-39 (see table IV). The reduction in feed prices is a favourable aspect of the situation which has helped in some measure to compensate farmers for the marked reduction in the prices of milk and other dairy products. When the price indexes for steers are compared with those for dairy products, it is evident that a competitive factor is arising

TABLE VII - RETAIL PRICE INDEXES OF DAIRY AND MEAT PRODUCTS IN CANADA,^x
DECEMBER TO FEBRUARY, 1937-38 AND 1938-39.

Base 1926 = 100.

		December	January	February	Average December to February
Creamery Butter	1937-38	77.2	77.6	80.5	78.4
	1938-39	59.7	59.1	60.6	59.8
	%	(-) 22.7	(-) 23.8	(-) 24.7	(-) 23.7
Cheese	1937-38	72.6	73.3	73.3	73.1
	1938-39	73.3	71.7	71.1	72.0
	%	(+) 1.0	(-) 2.2	(-) 3.0	(-) 1.5
Milk (fresh)	1937-38	94.2	95.8	95.8	95.3
	1938-39	94.2	92.5	92.5	93.1
	%	-	(-) 3.4	(-) 3.4	(-) 2.3
Veal Roast	1937-38	77.6	78.6	83.9	80.0
	1938-39	80.7	83.9	87.5	84.0
	%	(+) 4.0	(+) 6.7	(+) 4.3	(+) 5.0
Beef Sirloin	1937-38	84.7	85.4	86.7	85.6
	1938-39	84.4	86.7	90.1	87.1
	%	(-) .4	(+) 1.5	(+) 3.9	(+) 1.8
Beef Chuck	1937-38	86.2	86.8	88.1	87.0
	1938-39	88.7	90.6	95.6	91.6
	%	(+) 2.9	(+) 4.4	(+) 8.5	(+) 5.3
Pork Fresh	1937-38	72.5	73.2	73.2	73.0
	1938-39	74.8	77.2	78.5	76.8
	%	(+) 3.2	(+) 5.5	(+) 7.2	(+) 5.2
Lard	1937-38	69.0	66.9	63.7	66.5
	1938-39	58.8	57.1	54.3	56.7
	%	(-) 14.8	(-) 14.6	(-) 14.8	(-) 14.7
Eggs	1937-38	95.9	81.8	68.4	82.0
	1938-39	94.0	82.3	63.2	79.8
	%	(-) 2.0	(+) .6	(-) 7.6	(-) 2.7

^x Data supplied by the Internal Trade Branch, Dominion Bureau of Statistics.

that is less favourable to dairying. In January steers advanced 16.8 per cent, and in February the index was 25.9 per cent above that of February, 1938. Owing to a decline of 5.3 per cent in February the average for the three months revealed an increase of 11.2 per cent above that of the same period in the preceding year.

Retail prices as shown in the indexes contained in Table VI reflect the general decline in wholesale prices. The creamery butter index during the December-February period averaged 23.7 per cent below the same three-month period of 1937-38, and cheese fell 1.5 per cent. The fresh milk index which showed an increase of 2.1 per cent above that of the preceding year in the autumn period, declined 2.3 per cent below the index for the preceding year in the three-month period under review. All meat products recorded advances, except lard which fell 14.7 per cent below the average three-month index for last year. The increase in meat products may offer opportunities for increasing the consumption of dairy products, providing, of course, that existing price relationships are maintained.

NOTE - Tables VIII to XV follow on succeeding pages of this report.

TABLE VIII - PRODUCTION OF CONCENTRATED MILK PRODUCTS IN CANADA,
DECEMBER TO FEBRUARY, 1937-1938 AND 1938-1939.

(In Thousands of Pounds)

Commodity	December		January		February		December to February		Percentage Increase (+) Decrease (-)
	1937	1938	1938	1939	1938	1939	1937-1938	1938-1939	

Whole Milk Products

Condensed	802	519	637	592	598	581	2,037	1,692	(-) 16.9
Evaporated	5,191	5,294	5,819	4,129	5,352	3,144	16,362	12,567	(-) 23.2
Milk Powder	421	433	389	265	443	370	1,253	1,068	(-) 14.8
Cream Powder	5	3	-	-	-	-	5	3	(-) 40.0
Total	6,419	6,249	6,845	4,986	6,393	4,095	19,657	15,330	(-) 22.0

Milk By-Products

Skim Milk:									
Condensed	304	358	300	159	314	138	918	655	(-) 28.6
Evaporated	87	33	49	29	14	33	150	95	(-) 36.7
Powder	1,069	1,421	1,080	1,416	965	1,225	3,114	4,062	(+) 30.4
Buttermilk:									
Powder	209	276	302	298	223	235	734	809	(+) 10.2
Condensed	80	43	88	195	29	67	197	305	(+) 54.8
Casein	29	58	39	90	34	109	102	257	(+) 152.0
Sugar of Milk	9	12	7	9	6	8	22	29	(+) 31.8
Total	1,787	2,201	1,865	2,196	1,585	1,815	5,237	6,212	(+) 18.6

Whole Milk and Milk By-Products, Combined

Total	8,206	8,450	8,710	7,182	7,978	5,910	24,894	21,542	(-) 13.5
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TABLE IX - NUMBERS OF MILCH COWS AND DAIRY HEIFERS ON FARMS IN CANADA,
BY PROVINCES, AS AT JUNE 1 AND DECEMBER 1, 1937 AND 1938.

Province	Year	Milch Cows, Two years and over			Heifers raised mainly for milking purposes		
		June Survey	December Survey	Percentage Increase (+) Decrease (-)	June Survey	December Survey	Percentage Increase (+) Decrease (-)
Prince Edward Island	1937	46,100	43,300	(-) 6.2	12,000	9,100	(-) 24.2
	1938	45,800 (-)0.65	44,500 (+) 2.8	(-) 2.8	11,700 (-) 2.5	9,600 (+) 5.5	(-) 17.9
Nova Scotia	1937	115,700	118,700	(+) 2.6	27,300	27,000	(-) 1.1
	1938	115,500 (-)0.17	122,000 (+) 2.8	(+) 5.6	30,300 (+)11.0	31,600 (+)17.0	(+) 4.3
New Brunswick	1937	111,400	121,900	(+) 9.4	27,600	24,600	(-) 10.9
	1938	112,600 (+)1.1	123,300 (+) 1.1	(+) 9.5	28,900 (+) 4.7	25,000 (+) 1.6	(-) 13.5
Quebec	1937	962,400	1,001,300	(+) 4.0	235,400	202,400	(-) 14.0
	1938	982,000 (+)2.0	1,026,700 (+) 2.5	(+) 4.6	242,600 (+) 3.1	200,300 (-) 1.0	(-) 17.4
Ontario	1937	1,175,900	1,223,500	(+) 4.0	241,700	240,000	(-) 0.7
	1938	1,174,400 (-)0.1	1,218,000 (-) 0.4	(+) 3.7	247,000 (+) 2.2	238,000 (-) 0.8	(-) 3.6
Manitoba	1937	390,400	363,100	(-) 7.0	89,200	78,700	(-) 11.8
	1938	383,700 (-)1.7	367,100 (+) 1.1	(-) 4.3	89,700 (+) 0.6	80,700 (+) 2.5	(-) 10.0
Saskatchewan	1937	563,700	517,300	(-) 8.3	146,500	83,000	(-) 43.4
	1938	496,600 (-)11.9	520,700 (+) 0.7	(+) 4.9	116,900 (-)20.2	96,600 (+)16.4	(-) 17.4
Alberta	1937	453,600	411,700	(-) 9.5	107,500	81,900	(-) 23.8
	1938	440,900 (-) 2.8	408,300 (-) 0.8	(-) 7.4	104,300 (-) 3.0	82,000 (+) 0.1	(-) 21.4
British Columbia	1937	121,200	129,000	(+) 6.4	27,800	27,700	(-) 0.4
	1938	122,300 (+) 0.9	130,700 (+) 1.3	(+) 6.9	25,700 (-) 7.6	29,700 (+) 7.2	(+) 15.6
CANADA	1937	3,940,400	3,929,800	(-) 0.3	915,000	774,400	(-) 15.4
	1938	3,873,800 (-) 1.7	3,961,300 (+) 0.8	(+) 2.3	897,100 (-) 2.0	793,500 (+) 2.5	(-) 11.6

TABLE X - MONTHLY AVERAGE PERCENTAGE OF MILKING COWS AND TOTAL COWS IN CANADA, BY PROVINCES, (BASED ON REPORTS OF DAIRY CORRESPONDENTS), DECEMBER TO FEBRUARY, 1937-1938 AND 1938-1939.

Province and Year		December	January	February	Average December to February
Prince Edward Island	1937-1938	75.4	51.9	51.4	59.6
	1938-1939	80.0	64.2	59.1	67.8
Nova Scotia	1937-1938	80.0	77.1	69.4	75.5
	1938-1939	80.4	77.6	75.2	77.7
New Brunswick	1937-1938	77.5	76.8	66.2	73.5
	1938-1939	70.0	70.6	73.0	71.2
Quebec	1937-1938	70.3	44.6	35.9	50.3
	1938-1939	71.2	44.8	35.0	50.3
Ontario	1937-1938	72.7	67.1	63.9	67.9
	1938-1939	72.8	67.9	67.6	69.4
Manitoba	1937-1938	59.8	56.3	57.6	57.9
	1938-1939	63.2	62.3	65.5	63.7
Saskatchewan	1937-1938	61.9	53.5	52.2	55.9
	1938-1939	58.1	55.5	53.4	55.7
Alberta	1937-1938	60.0	59.8	55.3	58.4
	1938-1939	60.4	61.9	59.3	60.5
British Columbia	1937-1938	75.8	77.7	79.0	77.5
	1938-1939	77.9	80.0	77.3	78.4
CANADA	1937-1938	70.4	62.8	59.0	64.1
	1938-1939	70.4	65.0	62.8	66.1

TABLE XI - MILK PRODUCTION PER COW IN POUNDS PER DAY, IN CANADA, BY PROVINCES,
DECEMBER TO FEBRUARY, 1937-1938 AND 1938-1939.

Province and Year		Based on all cows in herds of Dairy Correspondents			Based on cows actually milking in herds of Dairy Correspondents		
		December	January	February	December	January	February
Prince Edward Island	1937-1938	12.1	7.4	9.3	16.1	14.3	18.2
	1938-1939	12.7	9.1	10.5	16.1	14.1	17.8
Nova Scotia	1937-1938	14.0	13.0	14.8	17.5	16.8	21.4
	1938-1939	12.8	13.6	13.9	16.0	17.6	18.5
New Brunswick	1937-1938	10.5	12.3	11.5	13.6	16.0	17.5
	1938-1939	10.1	10.7	11.1	14.5	15.1	15.2
Quebec	1937-1938	8.4	6.8	5.4	12.3	15.4	14.9
	1938-1939	9.0	6.7	5.9	12.6	15.0	16.7
Ontario	1937-1938	12.9	13.4	14.1	17.8	19.9	22.1
	1938-1939	14.1	14.4	15.2	19.4	20.5	22.5
Manitoba	1937-1938	8.0	8.6	10.3	13.4	15.2	18.0
	1938-1939	9.5	10.2	11.4	12.6	16.4	17.4
Saskatchewan	1937-1938	8.3	7.5	8.0	13.5	14.1	15.3
	1938-1939	8.0	8.7	8.4	13.7	15.7	15.7
Alberta	1937-1938	9.7	9.1	9.4	16.2	15.6	17.1
	1938-1939	10.4	11.2	10.8	17.3	18.1	18.2
British Columbia	1937-1938	13.7	15.4	15.7	18.1	19.7	19.9
	1938-1939	14.9	15.9	16.7	19.2	20.0	21.6
CANADA	1937-1938	10.8	10.4	10.9	15.4	16.3	18.3
	1938-1939	11.3	11.2	11.5	15.7	16.9	17.1

TABLE XII - STOCKS OF BUTTER, ⁺CHEESE AND CONCENTRATED MILK PRODUCTS IN CANADA, BY MONTHS, DECEMBER TO MARCH, 1937-1938 AND 1938-1939.

Product	December 1	January 1	February 1	March 1
Creamery Butter				
1937-1938	38,297,409	28,357,429	18,940,031	10,340,372
1938-1939	53,439,929	44,535,758	34,902,268	23,347,622
Dairy Butter				
1937-1938	185,320	137,772	72,747	41,081
1938-1939	475,789	463,719	433,288	258,035
Cheese				
1937-1938	27,643,125	28,559,446	26,550,622	24,178,278
1938-1939	32,294,350	31,451,957	29,831,371	27,258,588
Concentrated Whole Milk Products -				
Condensed Milk				
1937-1938	555,123	521,623	469,351	344,981
1938-1939	1,130,250	1,227,394	1,020,390	772,209
Evaporated Milk				
1937-1938	10,245,232	10,534,182	8,790,643	7,453,967
1938-1939	15,375,267	15,079,004	13,431,403	8,059,973
Milk Powder				
1937-1938	485,997	455,604	416,123	301,189
1938-1939	1,478,777	1,385,431	1,258,974	982,235
Total Whole Milk Products				
1937-1938	11,287,873	11,516,053	9,680,297	8,102,250
1938-1939	17,990,516	17,699,689	15,717,991	9,821,097
Concentrated Milk By-Products -				
Condensed Skim Milk				
1937-1938	117,888	141,178	88,762	84,082
1938-1939	352,610	449,789	472,699	480,095
Evaporated Skim Milk				
1937-1938	12,784	2,936	7,876	2,076
1938-1939	8,314	8,797	7,200	8,187
Skim Milk Powder				
1937-1938	1,248,893	1,185,902	1,181,168	1,076,351
1938-1939	6,740,077	6,231,052	5,701,007	5,525,222
Total By-Products				
1937-1938	1,600,776	1,722,513	1,705,568	1,617,586
1938-1939	8,889,601	8,360,616	7,775,960	7,751,559

+ Butter stocks include transit stocks as well as stocks in storage.

TABLE XIII - DAIRY PRODUCTS EXPORTED FROM CANADA, DECEMBER TO FEBRUARY,
1937-1938 AND 1938-1939.

	Butter	Cheese	Condensed Milk	Milk Powder	Evaporated Milk	Fresh Milk	Cream
	Lb.	Lb.	Lb.	Lb.	Lb.	Gal.	Gal.
December							
1937	82,200	2,778,300	387,700	416,100	2,239,600	206	5,221
1938	185,600	7,574,500	113,200	498,700	781,500	88	2
January							
1938	84,000	354,700	306,600	478,300	1,381,500	102	4,389
1939	1,362,200	1,329,300	92,700	586,500	385,200	248	60
February							
1938	27,100	420,000	237,200	405,700	1,456,900	282	1,022
1939	2,420,000	894,500	96,900	774,800	746,500	248	215
December to February							
1937-38	193,300	3,553,000	931,500	1,300,100	5,078,000	590	10,632
1938-39	3,967,800	9,798,300	302,800	1,860,000	1,913,200	584	277

TABLE XIV - DAIRY PRODUCTS IMPORTED INTO CANADA, DECEMBER TO FEBRUARY,
1937-1938 AND 1938-1939.

	Butter	Cheese	Condensed Milk	Milk Powder	Casein	Fresh Milk and Cream
	Lb.	Lb.	Lb.	Lb.	Lb.	Gal.
December						
1937	5,835	123,683	1,164	85,711	810	1,503
1938	722	148,043	125	-	1,755	146
January						
1938	150,408	66,301	1,109	44,789	16,877	196
1939	472	60,210	329	7,472	60,100	178
February						
1938	942,472	93,140	-	174,316	4,401	364
1939	595	95,155	125	-	16,461	134
December to February						
1937-38	1,098,715	283,124	2,273	304,816	22,088	2,063
1938-39	1,789	303,408	579	7,472	78,316	458

TABLE XV - WEATHER RECORDS REPORTED FROM REPRESENTATIVE STATIONS IN CANADA,
DECEMBER TO FEBRUARY, 1938-39.
(A) Eastern Provinces.

Station and Year	Inches of Precipitation			Mean Temperature			Hours of Sunshine		
	Dec.	Jan.	Feb.	Dec.	Jan.	Feb.	Dec.	Jan.	Feb.
Charlottetown 1937-38	6.7	2.4	3.8	26	18	14	71	113	112
1938-39	4.8	2.5	2.8	28	19	17	56	91	118
Kentville 1937-38	4.5	2.9	4.5	27	21	18	64	97	81
1938-39	3.4	3.7	2.8	29	21	21	55	90	94
Nappan 1937-38	4.1	2.7	4.5	24	17	14	73	115	81
1938-39	3.3	2.3	3.6	27	18	17	70	106	97
Sydney 1937-38	8.9	2.8	3.0	31	24	17	-	-	-
1938-39	5.2	3.7	4.9	31	24	21	-	-	-
Chatham N.B. 1937-38	1.7	2.3	1.8	18	13	12	-	-	-
1938-39	3.2	1.4	2.5	22	13	11	-	-	-
Fredericton 1937-38	2.8	2.8	3.0	17	14	14	77	132	117
1938-39	4.6	1.9	3.3	23	13	13	85	113	122
Cap Rouge 1937-38	2.1	2.7	2.6	17	12	14	75	102	108
1938-39	5.4	3.2	6.9	20	12	12	53	92	80
Lennoxville 1937-38	2.9	3.1	3.0	17	11	16	82	89	93
1938-39	3.7	3.0	4.8	21	12	14	49	84	69
Quebec 1937-38	3.1	3.6	2.3	17	12	14	72	83	102
1938-39	5.4	3.0	5.8	21	11	12	58	94	76
St. Hyacinthe 1937-38	4.2	2.6	3.4	15	10	13	-	-	-
1938-39	3.7	3.6	5.3	21	12	13	-	-	-
North Bay 1937-38	1.9	2.1	2.1	15	6	13	-	-	-
1938-39	1.6	2.0	2.5	19	10	10	-	-	-
Ottawa 1937-38	2.6	1.9	2.2	15	10	14	70	97	103
1938-39	2.3	2.7	3.4	20	12	12	73	79	-
Peterboro 1937-38	1.8	1.9	3.9	23	17	22	-	-	-
1938-39	1.9	3.0	3.4	26	19	18	-	-	-
Orillia 1937-38	2.6	3.2	2.8	22	15	20	-	-	-
1938-39	2.7	1.6	1.4	25	16	17	-	-	-
Chatham Ont. 1937-38	1.9	1.6	5.7	25	24	30	48	48	70
1938-39	1.8	2.4	5.0	29	26	26	45	59	102
Woodstock Ont. 1937-38	1.1	2.2	4.8	24	19	26	70	66	85
1938-39	2.7	3.8	4.6	26	22	23	42	65	94

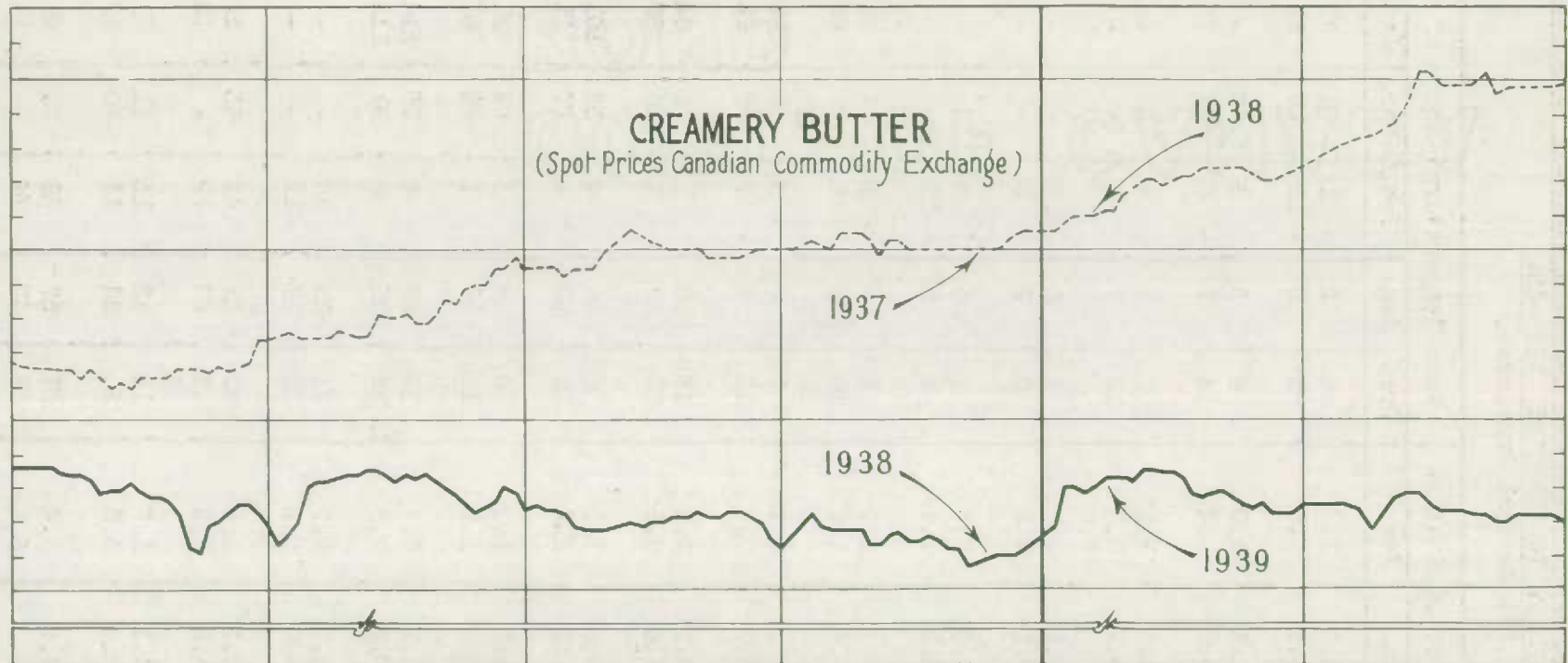
TABLE XV - WEATHER RECORDS REPORTED FROM REPRESENTATIVE STATIONS IN CANADA,
DECEMBER TO FEBRUARY, 1938-39.
(B) Western Provinces.

Station and Year		Inches of Precipitation			Mean Temperature			Hours of Sunshine		
		Dec.	Jan.	Feb.	Dec.	Jan.	Feb.	Dec.	Jan.	Feb.
Brandon	1937-38	0.6	0.6	1.7	4	- 2	- 1	78	90	95
	1938-39	1.4	0.5	0.8	9	3	- 12	78	82	151
Morden	1937-38	1.3	1.2	2.0	8	3	5	82	-	123
	1938-39	1.5	0.9	1.4	14	7	- 6	77	75	145
Dauphin	1937-38	1.9	0.7	1.1	8	1	4	-	-	-
	1938-39	0.6	0.7	0.8	13	7	- 8	-	-	-
Battleford	1937-38	0.6	0.6	0.9	- 1	6	- 3	-	-	-
	1938-39	1.0	0.6	0.5	9	9	- 9	-	-	-
Prince Albert	1937-38	0.9	1.0	0.7	1	0	0	-	-	-
	1938-39	0.6	0.8	0.5	9	6	- 10	-	-	-
Saskatoon	1937-38	0.7	1.4	1.4	3	5	- 1	84	76	131
	1938-39	1.0	0.6	1.6	10	9	- 8	97	69	119
Indian Head	1937-38	0.6	1.2	1.7	7	4	0	65	85	88
	1938-39	1.1	0.9	0.7	12	8	- 9	56	62	93
Swift Current	1937-38	0.8	0.9	1.8	13	16	5	72	64	86
	1938-39	0.5	0.6	0.5	19	17	- 1	88	58	114
Beaverlodge	1937-38	1.0	0.8	1.2	6	16	4	52	101	118
	1938-39	1.5	1.1	2.6	17	19	4	77	71	66
Edmonton	1937-38	1.0	0.7	1.0	6	15	3	64	91	124
	1938-39	1.8	0.6	1.9	14	16	1	76	85	79
Calgary	1937-38	0.3	0.1	0.7	16	23	6	95	114	139
	1938-39	0.5	0.3	0.6	22	25	5	91	111	82
Cardston	1937-38	0.4	0.7	0.7	21	25	10	-	-	-
	1938-39	0.3	0.2	0.5	25	29	12	-	-	-
Victoria	1937-38	7.9	2.5	1.8	42	41	42	63	53	93
	1938-39	6.3	4.6	3.5	42	43	39	-	50	86
Prince George	1937-38	1.1	1.1	1.7	19	22	15	41	71	88
	1938-39	3.5	2.3	3.3	20	24	13	40	37	68
Agassiz	1937-38	9.5	4.3	1.4	37	37	39	31	46	82
	1938-39	11.9	10.3	6.3	38	40	34	-	14	51
Kamloops	1937-38	1.1	0.5	1.4	28	28	27	47	46	122
	1938-39	2.3	1.8	0.2	27	31	23	51	72	136

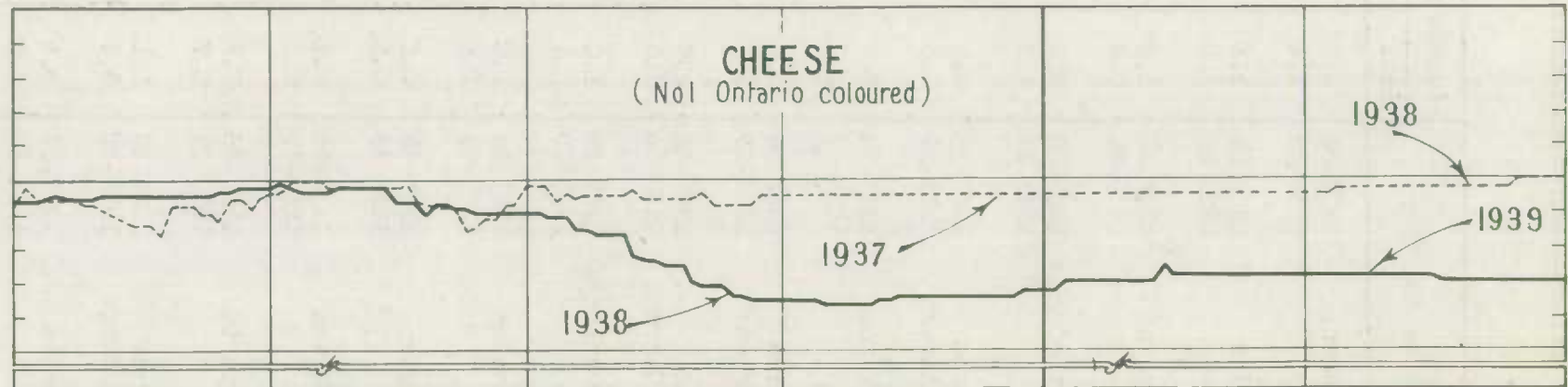
DAILY PRICES OF BUTTER AND CHEESE AT MONTREAL

SEPTEMBER - FEBRUARY, 1937-38 AND 1938-39

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