



Dominion Statistician: R. H. Coats, LL.D., F.R.S.C., F.S.S. (Hon.)  
Chief, Agricultural Statistics: T. W. Grindley, Ph.D.  
In Charge, Dairy and Cold Storage Statistics: P. H. Ferguson, M.Sc.

### Montreal Stock Inspection Report

The Dominion Bureau of Statistics issues to-day a statement showing the corrected holdings of creamery butter and cheese in the City of Montreal, based on an audit made by the Bureau in co-operation with the reporting firms. The results of the stock inspection reveal that creamery butter holdings were under-reported by reporting firms to the extent of 99,385 pounds at April 1, and 6,283 pounds at May 1, 1937. Cheese stocks were over-reported 412,115 pounds on April 1 and 719 pounds on May 1, 1937.

The inspection work was started during the last week of April and was completed before the middle of May. Three inspections were made in April and twenty-nine in May. Owing to inadequate records, however, it was found that stock reconciliations could only be made in the case of twenty-eight of the thirty-two firms visited. A physical count was made of the creamery butter and cheese stocks held by twenty-five firms and in all cases the amounts shown in the inventories were reconciled with the quantities reported by these firms at the first of the previous month, the stocks held by the three firms inspected in April being adjusted to April 1 and the stock holdings of the twenty-two firms inspected in May being adjusted to May 1. In only two instances were the differences of sufficient magnitude to warrant checking the figures to obtain the corrected stock holdings for previous months. The variations shown, therefore, between the returns made and the figures revealed in the auditor's report, (See Tables I and II) were based on the differences established in reconciling the inventories of these two firms with the quantities reported by them at the first of the months, January to March inclusive. The stocks of creamery butter and cheese, by months, as originally reported and as shown in the revised audited statement, appear in the two tables below, together with the differences due to under-reporting, and over-reporting:

Table I. Stocks of Creamery Butter in Montreal  
By Months, January 1 to May 1, 1937.

1937	Reported to Ottawa in monthly returns	Shown in audited statement	Difference (under-reported)
January	975,744 lb.	1,149,625 lb.	173,881 lb.
February	631,344 "	811,385 "	180,041 "
March	329,560 "	514,977 "	185,417 "
April	529,797 "	629,182 "	99,385 "
May	662,057 "	668,340 "	6,283 "

Table II. Stocks of Cheddar Cheese in Montreal  
By Months, January 1 to May 1, 1937

1937	Reported to Ottawa in monthly returns	Shown in audited statement	Difference (over-reported)
January	670,015 lb.	88,085 lb.	581,930 lb.
February	667,025 "	116,500 "	550,525 "
March	1,064,200 "	647,620 "	416,580 "
April	1,050,325 "	638,210 "	412,115 "
May	6,651,732 "	6,651,013 "	719 "

All firms visited by the Bureau Inspector expressed approval of making periodic inspections of goods in storage, not only to verify the records for their own purpose, but to assure the public that the stocks being reported are reasonably accurate. In making the audit it was revealed that the main discrepancies were the result of faulty book-keeping of which the proprietors had no knowledge. In a few cases it was found



1010652153