

Under a new Agreement with the British Government 50,000 long tons (and any additional quantities available within the limit of British requirements) of Canadian cheese will be shipped to the United Kingdom during the twelve months ending Mar. 31, 1942. Prices were set at 14·4 cents per lb. f.o.b. ship or railway car at Montreal for No. 1 Grade, 13·9 cents for No. 2 Grade and 13·4 cents for No. 3 Grade.

During the twelve months previous to the outbreak of war, Canada's exports of butter to the United Kingdom were greater than usual owing to heavy stocks in Canada and a favourable market in the United Kingdom. When war was declared, exports from Canada to that market ceased because of decreased demand and of a controlled price in the United Kingdom lower than the domestic price in Canada.

*Evaporated Milk.*—Another dairy product being exported to the United Kingdom under Agreement is evaporated milk. Largely on the basis of past exports to that market, an Agreement was entered into for the export of 300,000 cases at \$3·75 per case, f.o.b. steamer, Canadian ports, for the season ended Dec. 31, 1940; this was later increased by an additional 150,000 cases. Inquiries were subsequently made concerning the availability of additional quantities for shipment up to Mar. 31, 1941. Canada has been able to meet the United Kingdom's requirements for evaporated milk without neglecting other established markets in Empire and non-Empire countries.

### Eggs and Poultry

Immediately following the outbreak of war, the tendency of the United Kingdom was to increase the purchases of eggs from European countries adjacent to enemy countries, and it was not until these sources of supply had been cut off that purchases in Canada were sharply increased. Exports of eggs to the United Kingdom during the first ten months of 1940 amounted to over 320,000 cases, as compared with some 30,000 to 40,000 cases in the previous year. At present there is no indication of the volume of eggs that will be required by the United Kingdom in 1941, but it seems reasonable to expect some increase over 1940.

The placing of poultry on the semi-luxury list by the Government of the United Kingdom has resulted in decreased shipments from Canada. In the shipping season ended May, 1940, the quota allowed was one-half the quantity of chickens that had been shipped during the previous year, and no turkeys. There is no indication that imports of chickens will be permitted in the 1941 shipping season; however, increased domestic consumption and exports to the United States are likely to take care of surplus Canadian poultry.

### Live Stock and Poultry Feeds

It appears likely that feed supplies of coarse grains for the winter of 1940-41 will be adequate and those of hay and fodder well above the average for the country as a whole. Special action was taken to have supplies of Western coarse grains moved to storage points in the East before the close of inland navigation, with a view to reducing transportation costs and ensuring feed supplies in feed-deficiency areas. The cutting off, by war developments, of normal supplies of British and Norwegian cod-liver oil used widely by Canadian poultrymen led to measures designed to promote increased production of feeding oils in Canada, and to provisions