

was set at 25 cents for the first-grade product, 24½ cents for second-grade and 24 cents for third-grade cheese f.o.b. factory. During the last two months of the year the domestic price of first-grade cheese averaged 26½ cents at Montreal. Butter, in contrast to cheese, had the advantage of a free market up to Dec. 1, when the price regulations went into effect. The June-October average for first-grade butter at Montreal was 34½ cents compared with 23½ cents in the same period of the previous year; and for the whole of 1941 the average was 33½ cents as against 26⅔ cents in 1940. Further encouragement was given to cheese producers in the payment of 2 cents a pound by the Ontario Government for all cheese produced, and the same bonus was offered by the Quebec Government for first-grade cheese. With the addition of all bonuses, including the amount paid by the Dominion Government for the production of high-quality cheese, the average Montreal export price was estimated at about 19 cents a pound. Converted to a milk basis, creamery butter would represent a value of \$1.44 a hundred and cheese \$1.70 a hundred.

Miscellaneous Milk Products.—In response to export requirements, the production of concentrated milk products in 1941 was greatly increased. Concentrated whole milk products reached a total of 200,444,000 lb., an advance of approximately 44 million pounds over the previous year. Evaporated milk represented 167 million pounds of this total and condensed milk 25 million pounds. The former showed an increase of 23 p.c. over the preceding year and the latter an increase of 72 p.c. Concentrated milk by-products advanced to 40,452,000 lb., the greater part of this advance being represented in the increased volume of evaporated skim milk. Ice-cream production also recorded a substantial gain, the total output of 11,446,000 gallons being approximately 13.5 p.c. above that of the previous year.

Value and Income.—Farm value of milk in 1941 was estimated at \$206,543,000, an advance of \$42,000,000 over 1940. The total value of milk and manufactured products was estimated at \$301,279,742 which represented a value increase of \$60,339,310. Cash income reached a total of \$165,399,000, exceeding the income of the preceding year by well over \$38,000,000.

Domestic Disappearance.—The domestic disappearance of butter amounted to 369 million pounds. This revealed a per capita disappearance of 32.35 pounds, practically the same as that of the preceding year. Greater quantities of cheddar cheese were used in Canada, amounting in the aggregate to over 46½ million pounds in 1941 as compared with 36½ million pounds in 1940. On a per capita basis these figures showed an advance from 3.2 to 4.1 lb. With the inclusion of farm-made cheese and other varieties of the factory products, the disappearance in both years would be advanced by approximately 2 million pounds and, on a per capita basis, would show an advance of from 3.38 to 4.26 lb. The domestic consumption of milk decreased from 0.87 pint to 0.86 pint per capita. More milk was consumed by non-producers, their per capita consumption increasing from 0.73 pint to 0.76 pint but the consumption in farm homes was sharply reduced, the average per capita being 1.15 pints as against 1.26 pints in 1940.