

development and prosperity. With the exception of the early years of the depression and until 1937, Canadian breeders enjoyed increased prices from all markets as a result of the prevailing higher prices in the United States.

London, with its world-wide connection, was providing a marketing outlet for enormous quantities of pelts.

As time went on, increasing quantities of Canadian pelts were marketed. There was no way to regulate the production of any type of fox except through the willingness of the farmer himself to co-operate, his determination and his sincerity in producing a first-class product. Previously, fine silver-fox pelts enjoyed a justifiable popularity, but within a few years that popularity waned somewhat, because some fur farmers placed emphasis on quantity instead of quality and large quantities of ordinary- and low-grade skins competed on the same market with the high-class pelts. The low-quality skins decreased the demand for the finer ones and lowered the price of the better pelts to a level not far above that of the poorer grades. This resulted in a tremendous loss to the producers.

The impact of the War adversely affected the fur-farming industry. The London market, which in normal times took about 80 p.c. of the total production of Canadian fox furs, was lost. With the loss of this market, other outlets had to be explored. The United States, fearing their market would become flooded with pelts from Canada and other countries imposed a quota in 1939, limiting imports from all countries to only 100,000 units annually. Canada's portion of this quota was 58,300 units for the year, not more than 25 p.c. of which could be allowed entry in any one month. Under the original quota arrangement each piece, or tail, or finished article was considered a unit for quota purposes. In the 1940-41 season qualitative restrictions were placed on the export of standard silver- and black-fox pelts to the United States, and only pelts of the better grades were allowed to be exported to that country. In the autumn of 1940 quota arrangements were amended; Canada's portion was increased to 70,000 pelts and a separate quota was established for pieces and tails.

The quantities and average prices realized during the seasons 1928-29 to 1940-41 for silver- and black-fox pelts produced in Canada were as follows:—

Season	Quantity of Pelts	Average Value per Pelt	Season	Quantity of Pelts	Average Value per Pelt
	No.	\$		No.	\$
1928-29.....	26,259	104.28	1935-36.....	185,259	32.97
1929-30.....	33,555	80.95	1936-37.....	230,030	29.46
1930-31.....	71,816	46.48	1937-38.....	275,451	22.44
1931-32.....	107,496	28.74	1938-39.....	319,693	17.71
1932-33.....	102,706	30.53	1939-40.....	280,000	15.40
1933-34.....	103,589	35.83	1940-41.....	170,000	23.50
1934-35.....	120,465	36.06			

The average prices of the different grades of fox pelts for the season 1940-41 are given in Statement I.