

Concentrated Milk Products.—Total production of all concentrated milk products combined in 1946 amounted to approximately 302,005,000 lb. as compared with an output of 299,265,000 lb. in the preceding year. In recent years there has been a greater demand for evaporated milk, condensed milk and whole-milk powder for export markets and larger quantities of these products are now being manufactured. Comparing the 1946 figures with those of 1939, evaporated milk moved from 116,885,000 lb., to 192,188,000 lb.; condensed milk from 7,571,000 to 31,257,000 lb., and whole-milk powder from approximately 6,584,000 lb. to 15,934,000 lb. Of the concentrated milk by-products, skim-milk powder is, of course, the most important item. The output of this product advanced from approximately 25,339,000 lb. to 42,246,000 lb. The remainder of the products increased approximately 84 p.c. in production as compared with 1939.

Ice Cream Production.—The output of ice cream was 15,783,000 gal. in 1946 as compared with 16,352,000 gal. in 1945. This decrease was due to the continuation of restrictions on the quantity manufactured for civilian use, which had been ordered during the war years to provide more cream for other purposes, and to the closing of military establishments during the past year.

Domestic Disappearance of Dairy Products.—Milk consumption statistics reveal the increasing popularity of this product as an article of food. Per capita consumption (including cream expressed as milk) has increased steadily from 0.87 pint per capita in 1939 to 1.01 pints in 1946.

The domestic disappearance of all butter, which was estimated at 33.12 lb. per capita in 1942, showed a reduction of nearly 5 lb. per capita in the following year as the result of butter rationing. In 1946 the estimated disappearance was 25.64 lb. per capita. Cheese, on the other hand, showed an almost continual increase from 1942 to 1945. In the latter year the per capita disappearance reached 5.06 lb., but in 1946 it fell to 4.15 lb., the lowest point in four years. During the past six years the disappearance of concentrated whole-milk products advanced from less than 11 lb. per capita to over 13 lb. in 1946.

Sales Income.—Farmers have been receiving large incomes from the sale of dairy products during the war years as a result of the subsidies and bonuses now paid by the Government. In 1945, the income from dairying amounted to \$270,000,000 as compared with \$148,000,000 at the commencement of the War in 1939. The relationship of dairy sales income to that of total farm income was only 12 p.c. in 1926; during the course of the next four years it moved up to 24 p.c., and reached the high point of 33 p.c. in 1931. As other lines of farming became more profitable, declines began to develop. In 1936 this relationship fell to 24 p.c. and, regardless of important advances in dairy production and prices, the 1946 income represented only 16 p.c. of the total farm income of Canada.

During the past twenty-six years, the trend in sales income from dairy products has been in two directions. In 1920 it stood at \$153,000,000; sharp declines occurred in the two subsequent years and in 1922 it amounted to only \$105,000,000. This was followed by several increases, and in 1928 it registered the highest point since