

1947; and concentrated milk by-products moved from 3.54 lb. to 4.56 lb. All dairy products expressed in terms of milk, showed a decrease of 83 lb. per capita between 1942 and 1947.

Sales Income.—Farmers received large incomes from the sale of dairy products during the war years partly as a result of the subsidies and bonuses 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 in dairy sales began to develop. In 1936 this relationship fell to 24 p.c. and regardless of important advances in dairy production and prices, the 1947 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 1920, when farmers realized \$121,000,000 from their dairy products. In 1930 it moved up to \$150,000,000 but, owing to exceptionally low prices in the depression period which followed, it was reduced in 1932 to a figure comparable with that of 1928. From 1933 there has been a continuous increase in income, reaching the sum of \$324,000,000 in 1947.

Value of Dairy Production.—The farm value of milk, and the total value of dairy products followed much the same pattern as that of income. The former advanced from \$222,000,000 in 1920 to \$402,000,000 in 1947; while the total value of dairy products moved up from \$289,000,000 to \$536,000,000. From 1946 to 1947 the former advanced \$48,000,000 and the latter \$112,000,000. Farm value figures shown in Tables 27 and 28, p. 380, which include sales income and income in kind, reflect the extensions that have taken place in dairy farm undertakings.

Prices of Dairy Products.*—Butter prices at the factory, which had averaged approximately 23 cents and 25 cents per lb. in 1939 and 1940, advanced to nearly 33 cents in 1941 and 53 cents in 1947. The former prices were comparable with those paid during the early stages of the First World War, but were considerably lower than those paid in 1919 and 1920 when the average was 54 cents and 57 cents, respectively. Factory cheese prices moved up from 12 and 14 cents per lb. in 1939 and 1940 to 31 cents in 1947. In 1947, the average sales income per 100 lb. of milk was \$2.37 as compared with \$2.14 in 1946, and \$1.27 in 1939. These averages were lower than those of 1920, the average for that year being \$2.17, with the exception of 1947 which was the highest on record. Plant cost of milk in 1947 was \$2.44 per 100 lb. while the farm value of milk was \$2.33 per 100 lb. and the total value of dairy production averaged \$3.11 per 100 lb. In 1939 the same items averaged \$1.14, \$0.92 and \$1.37, respectively.

* For a fuller treatment of prices and price regulations as they affect dairy production, see the report "Dairy Situation in Canada, 1946".