quality wheat varieties for bread and pasta products; although, in the early 1980s, some did switch to higher yielding, medium quality wheat varieties such as HY 320.

Despite depressed prices in the 1980s, Canada has held onto traditional export markets, maintained grain production in Western Canada and increased corn production in Ontario and Quebec. The latter trend, apparent since the mid-1970s, reduced demand for Prairie barley used for livestock feed by farmers in Central and Eastern Canada.

Canadian grain producers continued to rely heavily on export markets. Approximately 90% of Prairie wheat shipments to the commercial elevator system were destined for export. Over the years 1981 to 1986, wheat exports alone ranged from 16.0 to 22.1 million metric tonnes and Canada supplied approximately 20% of the world market. Wheat exports generated \$3.0 billion to \$4.8 billion annually over the same period. All indications are that wheat, barley, canola and flaxseed exports will continue to make an important contribution to Canada's export earnings.

While production of horticultural crops has increased during the 1980-86 period, the output has been subject to wide yearly fluctuations due to weather and other factors. Between 1980 and 1981 fruit production decreased 19% but rose to slightly above the 1980 level by 1985. By contrast, vegetable production rose 10% between 1980 and 1981 and increased further over the next four years.

Production of livestock and animal products rose only 3% between 1980 and 1985. During that time, poultry and hog production rose 17% and 7%, respectively, while output for eggs and cattle and calves dropped slightly, and milk and cream production remained virtually unchanged.

In contrast to grains, where world supply and demand are very important, production of livestock and animal products is much more dependent on domestic or North American factors. Marketings of poultry, eggs and milk are controlled by supply management, and therefore the largest part of production is for domestic use. For cattle and pigs, while influenced by North American factors, the majority of animals are destined for consumption within Canada.

In Canada, apparent per-capita consumption of red meats has been relatively steady since 1982 and was at 71.3 kg in 1986. Red meat per-capita consumption trended downward until 1981, after reaching a record high of 81.6 kg in 1976. In 1986, apparent per-capita consumption of beef was at 39.2 kg, comparable to levels prevalent in the late 1960s and early 1970s, while pork consumption was at 27.6 kg per capita, down from a record high of 31.3 kg in 1980.

During the 1980-86 period, per-capita consumption of poultry — chickens, stewing hens and turkeys — increased 12%, with most of the increase occurring since 1983. Higher chicken consumption was the major factor in the increase, with factors such as health concerns, increased availability in fast-food outlets and price contributing to the rise in demand. Consumption of broiler chicken and heavy birds increased from 17.3 kg per capita in 1980 to 20.3 kg in 1986. By contrast, per-capita consumption of eggs decreased from 19.0 dozen in 1980, to 17.9 dozen in 1986.

The number of pigs on farms in Canada decreased during the early 1970s to a low of 5.5 million head at July 1, 1975, before climbing to a record high of 10.2 million in October 1981. In the 1986 Census, pig numbers on farms in Canada stood at 9.8 million head. The number of farms reporting pigs declined from 122,479 in 1971 to 36,472 in 1986. The average number of pigs per farm increased dramatically from 66 in 1971 to 268 in 1986, reflecting increased efficiencies and specialization on farms.

In 1984, exports of live pigs tripled from the levels recorded in 1982 and 1983 to reach 1.3 million head. Exports remained at a relatively high level of 1.2 million head in 1985 but dropped sharply to one-half million head in 1986 as the United States imposed a countervailing duty on Canadian live hog exports to that country in mid-1985.

Census figures indicate that cattle and calf numbers on farms have trended down over the last 10 years from 15.1 million in 1976 to 12.0 million in 1986. Although average herd size has increased, the rate of increase has been much slower than the rate of increase in pigs. The average number of cattle and calves per farm increased from 53 in 1971 to 77 in 1986.

The 1986 Census count of laying hens stood at 22.9 million birds, about 6% lower than the 1981 Census count of 24.2 million. All other chickens (excluding layers and pullets) decreased by 5% to 53.5 million.

Between 1980 and 1986, milk sold off farms rose by only 1% to 7.3 million kilolitres, of which 2.7 million kilolitres were for fluid purposes. For the same period, payments to dairy farmers for milk, including government subsidies, increased by 35% from \$2.3 billion to \$3.1 billion. Sales of low-fat types of milk rose substantially between 1980 and 1986, output of skim milk rose