

(b) First grade cream shall mean any lot of cream, clean in flavour and uniform consistency with an acidity of not more than sixty-one hundredths of one per centum (.60%) at the time of being graded.

(c) Second grade cream shall mean any lot of cream that does not meet the requirement of first grade and its acidity shall not exceed eighty one-hundredths of one per centum (.80%) at time of being graded.

(d) Off grade cream shall mean any lot of cream that has an acidity of more than eighty one-hundredths of one per centum (.80%) or cream that has a very objectionable flavour or cream in which any unsanitary or foreign substance is found and such cream shall not be used in the manufacture of creamery butter.

(e) Off grade cream received at a plant shall be coloured distinctly with a harmless colouring and returned to the patron at his expense or disposed of in some manner other than into creamery butter.

As to government subsidy on butterfat:—Effective July 6, 1942 through to December 20, 1942, a subsidy of six (6c) cents per pound butterfat was paid to producers under W.P.T.B.

From December 21, 1942 through to April 30, 1943 the subsidy was ten (10c) cents per pound butterfat under W.P.T.B.

From May 1, 1943 through to December 31, 1943 the subsidy was eight (8c) cents per pound butterfat under A.F.B. P.C. 2709, dated April 2, 1943.

From January 1, 1944 through to April 30, 1944 the subsidy was ten (10c) cents per pound butterfat under A.F.B. P.C. 2709, dated April 2, 1943.

From May 1, 1944 to April 30, 1945 the subsidy was ten (10c) cents per pound butterfat under A.F.B. P.C. 1082, dated February 24, 1944.

From May 1, 1945 through to April 30, 1946 the subsidy was ten (10c) cents per pound butterfat under A.F.B. P.C. 6-1731, dated March 14, 1945.

From May 1, 1946 through to April 30, 1947 the subsidy continued at ten (10c) cents per pound butterfat and was annuled as of May 1, 1947 and butter was decontrolled and left to find its own level on the market.

Butter Production—In Canada

The 1943 production of creamery butter increased over 1942 by some twenty-seven million pounds. In 1944 to 1946 a decline was experienced. Under government policy milk to a marked degree was diverted to cheese and concentrated products for export and to fluid milk and sweet cream to care for increased domestic demand. In June, 1947 price control was removed and production increased temporarily. The domestic market will require all the butter produced in 1948. The adjustment in production following the removal of rationing subsidies and controls will take time and until accomplished the supply will be short of the demand.

Butter Consumption in Canada

The per capita consumption in Canada for the years 1940 to 1942 was 32 pounds and for some years prior thereto was 30 pounds. Were the consumption to reach the 1940-42 level we would require fifty million pounds in excess of 1947 production. The present day consumption is estimated to be 28 pounds or more.

Maximum Butter Prices

1. From December 21, 1942, W.P.T.B. order No. 221, first grade butter maximum prices per pound, in solids, were Maritime 36c; Ontario and Quebec 35; British Columbia 34½c; Alberta and Manitoba 33c; Saskatchewan 32½c.

2. From May 1, 1945, W.P.T.B. order No. 1563, an advance of one cent (1c) per pound.