

# “Milking” the Consumer?

## Consumer dissatisfaction and regulatory intervention in the Ontario milk industry during the Great Depression

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Article abstract

In the early 1930s, Ontario’s milk industry was crippled by a series of “price wars” that undermined the profit-making ability of both milk producers and distributors. The province responded to this untenable situation by creating the Ontario Milk Control Board (MCB), which eventually stabilized the industry through licensing, bonding, and fixed price agreements. Congruent to this stabilization was the gradual inflation of consumer milk prices—much to the angst of a consuming public that found it difficult to subsist. Communists and housewives alike protested in Ontario cities. Alternative, sometimes radical, solutions were proposed. Consumer advocates additionally sought a pure and nutritious product for their undernourished children. Debates over pasteurization, in particular, raged alongside boycotts over cost. Yet, this emerging consumer movement attracted little government support and enjoyed only marginal success. Producers and dairies successfully mobilized the MCB on their behalf, whereas consumers failed to achieve price concessions and were often constrained by the state.

# “MILKING” THE CONSUMER?

Consumer dissatisfaction and regulatory intervention in the Ontario milk industry during the Great Depression<sup>1</sup>

by Andrew Ebejer

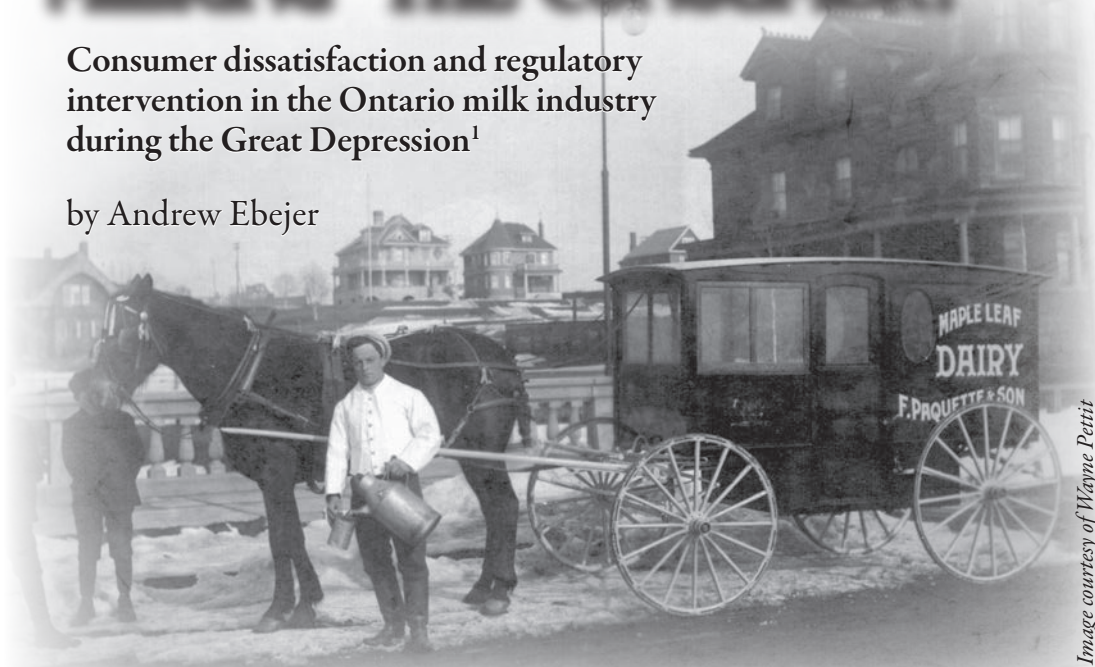


Image courtesy of Wayne Pettit

On 4 November 1936, a small crowd assembled in the pews of St. Barnabas Church for the Danforth Business Men’s Association’s weekly “Dairy Day” luncheon. Standing before these curious spectators, Dr. Gordon Bates, the general director of the Health League of Canada, approached the pulpit for his keynote address. “Milk,” he trumpeted, “is the most valuable single article of food. One quart of milk is equal

in food value to that of a pound of steak, almost four pounds of codfish, two and a half pounds of chicken, or a dollar’s worth of oysters.”<sup>2</sup> He also dismissed, as “absolutely wrong,” the prevalent belief that milk’s nutritional value was somehow diminished during pasteurization.<sup>3</sup> This small local gathering tantalisingly reveals Ontarian perceptions of fluid milk during the Great Depression. By the mid-1930s, milk was increasingly regarded as an “in-

<sup>1</sup> An earlier version of this article was completed as an independent study during my final year of undergraduate education at the University of Toronto. I would like to thank Professor Ian Radforth for his exceptional supervision of that project. His compassionate encouragement, and pointed criticism and guidance were essential to the completion of that project and its subsequent revision for publication. Any errors, inaccuracies, and inconsistencies, however, remain the sole responsibility of the author.

<sup>2</sup> City of Toronto Archives (CTA), Series 1243, File 10, Milk Drivers and Dairy Employees Union Local 647 Scrapbook (henceforth cited as *Scrapbook*), “Declares Milk Most Valuable Type of Food” Toronto *Telegram*, 5 November 1936.

<sup>3</sup> *Ibid.*

dispensable commodity,” particularly in light of the dire economic conditions that faced many of the province’s poor.<sup>4</sup> Milk was vital necessity, principally for children, much like shelter or clothing—it was not considered an extravagance or luxury good. Indeed, Dr. A.R.B. Richmond, the director of Toronto’s food control, estimated that a staggering eight hundred glasses of milk were consumed each minute by Torontonians in 1935, equalling approximately seventy-seven-thousand gallons per day.<sup>5</sup> Given this immense dependence on fluid milk, it is perhaps unsurprising that consumers spewed widespread outrage and vitriol as the product’s price skyrocketed. At the beginning of the 1930s, milk remained relatively affordable to those with even the smallest disposable incomes—largely as a result of the “cut-throat” competition that pervaded the industry. A price war, caused by over-saturation in Ontario’s dairy markets, produced a highly unstable environment for producers and distributors alike, who found

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**Résumé:** *Au début des années 30, l’industrie laitière ontarienne a souffert de plusieurs “guerres des prix” qui eurent des répercussions négatives sur les profits aussi bien des producteurs que des distributeurs de lait. La réponse de la province fut la création d’une agence de contrôle de la qualité du lait (Milk Control Board) qui s’employa à stabiliser l’industrie laitière par l’instauration de permis, et la mise en place de normes et de processus de régulation des prix. Cependant il se produisit en même temps une augmentation graduelle du prix du lait, ce qui provoqua la colère des consommateurs, et les protestations, en Ontario, aussi bien des ménagères que des communistes. De plus, les défenseurs des consommateurs firent alors campagne pour un produit à la fois plus pur et plus nutritif afin de répondre aux besoins des enfants sous-alimentés, ce qui entraîna le débat sur la pasteurisation du lait. Le mouvement de protestation des consommateurs ne fut guère soutenu par le gouvernement, et n’eut finalement qu’un succès marginal. Si les producteurs et distributeurs réussirent à mobiliser le MCB, aucune concession quant aux prix du lait ne fut accordée aux consommateurs.*

it increasingly difficult to remain both competitively priced and profitable. This untenable situation forced the province’s hand. In 1934, the Milk Control Board of Ontario (MCB) was established to “bring

<sup>4</sup> CTA, *Scrapbook*, “Citizens Protest Hostels, Milk Price” *Clarion*, 4 March 1937.

<sup>5</sup> CTA, *Scrapbook*, “Babes Fewer, But More Milk Used” *Toronto Daily Star*, 5 April 1935.

some order out of the chaos.”<sup>6</sup> Through the restriction of licenses, the supervision of fair prices agreements, and the establishment of bonding requirements, market stability was restored and prices gradually increased—much to the angst of a consuming public that found it difficult to subsist. Indeed, consumer groups emerged to lead protests and boycotts through Ontario’s streets. Alternative, sometimes radical, solutions were proposed—encompassing everything from co-operatives to the nationalization of milk. This paper will, therefore, trace the transition from the politics of price undercutting in the early 1930s, when producers and dairies fought for and achieved state aid to enhance market stability, to the politics of high prices in the late 1930s, when consumers failed to win price concessions. The evolution of provincial regulation in the Ontario dairy industry will be dissected and scrutinized within the social context of the Great Depression.

As Dr. Bates’ speech at St. Barnabas Church suggested, however, consumers were not only concerned with the price of milk—which no doubt became increasingly alarming as it rose—but also with the quality of the product that they purchased. All consumers sought a clean and nutritious substance. Unfortunately they did not always agree on what this constituted. Debates over pasteurization, in particular, raged alongside boycotts over cost. The diverse reactions and responses

to this parallel issue will necessarily also be considered.

Milk is a commodity that has not yet, however, inspired much scholarship among Canadian historians, nor have Canadian scholars produced much work on dairy regulation more broadly. Consequently, secondary sources have been used principally to inform and contextualize the archival resources that have driven this project. Foremost amongst these materials is a collection of newspaper clippings compiled by J.A. Kellythorne between 1934 and 1939. Kellythorne, as a union organizer for Milk Drivers and Dairy Employees Union, no doubt had a pro-labour agenda, although his clippings appear to offer a balanced sampling of milk related articles.<sup>7</sup> Indeed, they come from a variety of newspapers including the more mainstream *Toronto Daily Star*, *Telegram*, and *Globe and Mail*, as well as the Communist Party *Clarion*. This press material has, furthermore, been considered in relation to the annual reports of the chairman of the Milk Control Board, who offers a particularly flattering self-evaluation of his work. The comparison of these two sources often reveals a divorce between the rhetoric preached by the chairman and the actual results of his board as reported in the press. Additionally, a report produced in 1947 by the Wells Commission, which was appointed by a Conservative Ontario government, offers further contrasts to the

<sup>6</sup> Ontario Department of Agriculture. “Report of the Minister of Agriculture, Province of Ontario, for the year ending October 31, 1934” *The Legislative Assembly of Ontario Sessional Paper No. 21, 1935* (Toronto: T.E. Bowman, 1935), 105.

<sup>7</sup> CTA, *Scrapbook*.

MCB's annual accounts during the Liberal Hepburn period.<sup>8</sup> These governmental sources are enhanced by the examination of countless private letters and telegraphs sent to Premier Mitch Hepburn between 1934 and 1942, which provide a popular perspective of the challenges and interests advocated by a wide-array of Ontarians regarding milk prices and the MCB.<sup>9</sup> Revealed here are the interpenetrating and sometimes conflicting requests of producers, large and small distributors, and consumers. Individually, all of these sources have limitations and partisan objectives, but through their collaborative study, a more complete understanding can be gained of the milk industry and the role of regulation during the Great Depression.

The so-called "milk wars" that consumed the early years of the Great Depression were described by contemporaries as one of the "gravest trade debacles" ever witnessed.<sup>10</sup> Milk prices plummeted as Ontario dairies competed for the increasingly rare consumer dollar. Lower consumer prices, moreover, corresponded with a drop in the price paid to producers for raw milk, which forced farms into financial ruin. Brantford M.P., W.C. Good remarked that the Canadian

milk industry was on "the horns of a dilemma."<sup>11</sup> "Unrelenting competition," he thought, "[was] socially injurious to labor and at the same time elimination of competition by large corporations results in the exploitation of the consumer."<sup>12</sup> While the impoverished consumer masses benefited enormously from low milk prices, farmers and smaller dairies saw profits and incomes evaporate in this atmosphere of unregulated competition. A.M. Pequegant, an Ontario dairy farmer, wrote to Premier Hepburn reflecting on the ruinous situation that he and his contemporaries faced.

He [the producer] is undoubtedly placed in a most uncomfortable position between the upper and nether millstones of an aggressive distributor on one side and the consuming public, which has been educated to demand ultra service, on the other...The distributor, owing to the overhead expense entailed by keen competition, is barely able to keep out of the red, the price at which the product must be sold to meet competitors forces a price to the producer under which he labours for nothing. The fortunate consumer benefits by securing this necessity of life at less than actual cost, taking into account the service he demands.<sup>13</sup>

Studies undertaken throughout the 1930s and 1940s of the London, Ontario,

<sup>8</sup> Dalton C. Wells. *Report of the Ontario Royal Commission on Milk 1947*. (Toronto: Baptist Johnson, 1947).

<sup>9</sup> See: Archives of Ontario (AO) RG3-9 containerb 307871, RG 3-10 containerb307964, RG 3-10 containerb307987, and RG 3-10 containerb307809.

<sup>10</sup> CTA, *Scrapbook*, "Provincial Auditor Sent to Examine Milk Prices and Figure Fair Spread: Hamilton Minister Declares Big Dairies Used 'influence' and Threats Implied." Toronto *Telegram*, 24 January 1935.

<sup>11</sup> CTA, *Scrapbook*, "Good sees milk industry upon horns of a dilemma: Cut-throat competition and private monopoly, both injurious" Toronto *Daily Star*, 29 January 1935.

<sup>12</sup> *Ibid.*

<sup>13</sup> AO, RG 3-9 containerb 307871, Premier Mitchell F. Hepburn public correspondence records 1934, private letter to the premier from A.M. Pequegant dated 24 November 1934.



milk market, moreover, provide quantitative evidence supporting Pequegant's rhetorical claims. Late in 1931, the consumer price for milk hovered around eleven cents-per-quart. This was a relatively prosperous economic situation that resulted in producers being paid at a rate of \$2.12 per-hundred-pounds of fluid milk they supplied.<sup>14</sup> Early in 1932, however, the consumer price dropped nearly twenty per cent to nine cents, causing a fall in the price producers received by a disproportionate thirty-nine per cent to \$1.30.<sup>15</sup> These uneven decreases in price are explained, in part, by the various "abuses" that crept into the milk business, such as the giving away of free milk and premiums to attract a competitor's customers.<sup>16</sup> These practices, moreover, precipitated a price war that was devastating to Ontario's farmers and dairymen alike. Indeed, by year's end, a meagre one dollar was paid to farmers for every hundred pounds of milk they supplied, while consumers could enjoy a quart of this indispensable product for as little as five cents.<sup>17</sup>

The unstable conditions that pervaded London were not, however, atypical or even regionally isolated in nature. Milk control legislation was passed in twenty-six American states, in Great Britain, and nearly all the Canadian provinces between 1930 and 1940, each responding to similarly dire circumstances.<sup>18</sup> Such legislation, moreover, had a precedent within Ontario dating back to 1919, when an ad hoc system of control was established in Toronto by the local board of commerce.<sup>19</sup> After years of petitioning for a more comprehensive system of control, in conjunction with the "demoralized" conditions that the milk industry was faced with in the early 1930s, the Milk Producers' Association of Ontario<sup>20</sup> finally succeeded, in 1933, in gaining much needed support from Queen's Park.<sup>21</sup>

The government of Ontario, under the leadership of Conservative Premier George Stewart Henry, responded to this disorganized industry-wide conundrum with the Milk Control Act, which created the Milk Control Board (MCB)

<sup>14</sup> Wells, *Report*, 3.

<sup>15</sup> *Ibid.*

<sup>16</sup> *Ibid.*, 4.

<sup>17</sup> *Ibid.*

<sup>18</sup> For a brief outline of the milk regulatory policies of all the Canadian provinces see: J. Peter Nadeau, "Milk Control in Canada," *Journal of Farm Economics*, 24:1 (1942): 333-336.

<sup>19</sup> E.H. Clarke. *A History of the Toronto Milk Producers' Association, 1900 to 1966*. (Toronto: Toronto Milk Producers' Association, 1966), 57.

<sup>20</sup> The Milk Producers' Association was at this point a rather decentralized trade group that represented the interests of the over 10,000 independent dairy farms in Ontario. Source: Ontario Department of Agriculture. "Report of the Minister of Agriculture Province of Ontario for the year ending March 31, 1939" *The Legislative Assembly of Ontario Sessional Paper No. 21, 1940* (Toronto: T.E. Bowman, 1939), 118. Its counterpart was the Milk Distributors' Association, which ostensibly represented the interests of Ontario dairies, but was controlled and influenced by the "Big 4" (Borden Dairy Co., Silverwood Dairies Ltd., Dairy Corp., Eastern Dairies Ltd.).

<sup>21</sup> Wells, *Report*, 4.

on 3 April 1934. Although Harry Nixon, leader of the Progressive Party, criticized the act as a “very belated gesture brought in on the eve of a general election,” it nevertheless responded to an acute social crisis.<sup>22</sup> Vaguely written, this act gave the MCB far-reaching and largely undefined powers—reflecting the government’s philosophical and political reservations about intervening too directly in market regulation.<sup>23</sup> Indeed, the board was provided “jurisdiction and power upon its own initiative... to inquire into any matter relating to the producing, supplying, processing, handling, distributing, or sale of milk... [and] to make regulations with respect thereto...”<sup>24</sup> Philosophically, the board sought to ensure that every decision was made with the public interest in mind. Rationalizing this utterly irrational industry, thus, implied a careful balancing of the concerns of producers, distributors, and consumers. As the minister of agriculture, T.L. Kennedy, explained; “The whole thought is not one of having a constable or policeman over them, but of bringing together the three parties: the farmer, the distributor, and the consumer.”<sup>25</sup> What was desired was the establishment of an institutional struc-

ture that would allow the milk industry to organize and control itself, with minimal regulatory intervention. Indeed, hesitancy towards government involvement in the economy persisted within the hallowed halls of Queen’s Park. The MCB’s somewhat utopian vision of cooperation and mutual understanding was, moreover, not easily realized. Conflict both *between* and *within* the three major “blocs” was commonplace. Yet the board was, somewhat surprisingly, able to navigate these complex relations and successfully stabilize the milk industry through a three-pronged approach that centred on the mediation and approval of “reasonable” price agreements, licensing restrictions, and compulsory bonding.

Absent from the broadly worded powers bestowed upon the MCB was the authority to actually set milk prices, except when called to arbitrate disputes—once again reflecting the government’s willingness to only indirectly intervene in the market. As a result, the board mandated the establishment and expansion of local producer and distributor associations, through which agreements governing the prices paid to both producers and consumers were arranged.<sup>26</sup> Upon the suc-

<sup>22</sup> “Nixon Supports Milk Control Bill with Reluctance: Willing to have Dairying put on Public Utility Basis” *Newspaper Hansard*, Ontario Legislative Assembly, 6 March 1934.

<sup>23</sup> Although the board’s membership changed with some regularity, three figures dominated its seats between 1932 and 1945: J.E. Houck, one of the largest milk producers in the province; J.A. MacFeeters, a lifelong creamery owner; and J.S. Beck, the former mayor of Brampton. Source: AO, RG 3-10 containerb307964, Premier Mitchell F. Hepburn Private Correspondence 1937, Memorandum Re: Milk Producer Representation on Milk Control Board from Jack Houck for R.H. Elmhirst dated 30 September 1937.

<sup>24</sup> “Milk Control Act” in Wells, Appendix 4, 24.

<sup>25</sup> “Kennedy Explains Milk Control Bill: Every Person Handling Commodity Must Hold Board’s License.” *Newspaper Hansard*, Ontario Legislative Assembly, 3 March 1934.

<sup>26</sup> Ontario Department of Agriculture. “Report of the Minister of Agriculture Province of Ontario

cessful negotiation—or arbitration—of a reasonable agreement, the board would offer its approval and make the agreed provisions binding for the duration of one year, after which the terms could either be amended or renewed. Such agreements were meant to provide a direct affront to “chiselling” by unscrupulous distributors and producers, and simultaneously allow for the increase of milk prices for the mutual benefit of both parties.<sup>27</sup>

Only five months after its creation, the board had successfully moderated price agreements in Ontario’s largest sixty-two milk markets, and witnessed an increase in the price paid to producers of between fifteen and sixty cents-per-hundred-pounds.<sup>28</sup> This incremental upsurge in producer prices had a tremendous and immediate effect. In his first annual report, the chairman of the MCB estimated—probably with a good measure of

hyperbole—that a staggering 2.5 million dollars had been added to the incomes of Ontario milk producers.<sup>29</sup> For the first time in the 1930s, milk producers were receiving an ever-increasing proportion of each consumer dollar spent on milk. In 1933, for example, a Toronto-area producer was paid approximately 26.5 cents for every consumer dollar spent. By 1934 this figure had risen to 31.5 cents; by 1936, it had increased further to 37.07.<sup>30</sup> MCB sanctioned price agreements were materially benefiting milk producers across the province. By March 1939 ninety-one such agreements existed, governing the milk produced on over 10,000 Ontario farms.<sup>31</sup>

As the price paid to the producer gradually rose, however, so too did the prices paid by the consuming public. By 1937, for example, consumer prices had risen to between ten and thirteen cents-

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for the year ending March 31, 1936” *The Legislative Assembly of Ontario Sessional Paper No. 21, 1937*. (Toronto: T.E. Bowman, 1936), 118.

<sup>27</sup> Although price agreements were successful in preventing the “unethical” behaviour that had previously plagued the industry, disputes around “surplus milk” persisted well into the 1940s. Under agreed price arrangements, farmers were required to supply dairies with a daily quota of milk, plus an extra fifteen per cent to account for unanticipated purchases. This fifteen per cent surplus would be paid for at the standard producer price for milk, only if it was sold in its fluid form. If, however, distributors were unable to sell this excess, and instead used it in ice-cream or canned milk for example, producers were paid a much lower rate. Distributors, however, exploited this seemingly fair system by demanding that farmers exceed the fifteen per cent surplus requirement—which results in significantly more farm labour with little or no guaranteed profit. Many dairies, furthermore, would sell this extra milk in its fluid form, but claim that it was used in the production of other products, consequently padding their profits at the farmer’s expense. Sources: CTA, *Scrapbook*, “Urges 3-day strike to break ‘dairy-hold’” *Toronto Daily Star*, January 25, 1935; Ontario Department of Agriculture. “Report of the Minister of Agriculture Province of Ontario for the year ending March 31, 1937” *The Legislative Assembly of Ontario Sessional Paper No. 21, 1938*. (Toronto: T.E. Bowman, 1937), 108.

<sup>28</sup> Ontario Department of Agriculture. *Sessional Paper No. 21, 1935*, 109.

<sup>29</sup> Ontario Department of Agriculture. *Sessional Paper No. 21, 1935*, 105.

<sup>30</sup> Clarke, *A History*, 68.

<sup>31</sup> Ontario Department of Agriculture. “Report of the Minister of Agriculture Province of Ontario for the year ending March 31, 1939” *The Legislative Assembly of Ontario Sessional Paper No. 21, 1940*. (Toronto: T.E. Bowman, 1939), 118.



per-quart—a far cry from the five-cent rate paid in 1932.<sup>32</sup> Yet, curiously absent from price negotiations was consumer representatives. In part spurred by popular outrage at this exclusion, the Milk Control Act was amended in 1937 to allow for the consultation with “local municipal officers” prior to the ratification of any price agreement.<sup>33</sup> The MCB chairman subsequently declared this consultation a “valuable experience.”<sup>34</sup> Yet, the extent of consumer participation in this process seems to have been somewhat exaggerated by the chairman. No piece of evidence examined in this study has suggested that consumers possessed the ability to effect real changes in the price agreements. In contrast, a letter written by Eva A. White, a representative of the Ottawa Local Council of Women, to Premier Hepburn in 1940 vividly describes the limitations of consumer participation. The Board, according to White, “[intended] that representatives of consumers should bargain with or cajole distributors to the end that they would agree to modify their agreement [with producers.]”<sup>35</sup> Consumer participation, White

claimed, carried little force and was only given voice *after* producers and distributors had reached an amicable price agreement. Such, declared White, “[was] a travesty on administrative justice.”<sup>36</sup>

White’s testimony reveals the seemingly intentional structural barriers that prevented consumers from having any meaningful role in the ratification of price agreements. Not only were consumer hearings often unreasonably delayed until after price agreements went into effect, the MCB failed to provide consumer representatives with detailed information about the status of their milk market. No statistical data on the cost to produce or distribute milk were made openly available. Any modification sought by consumers, moreover, was dismissed by the board with the recommendation that such claims should be discussed with local distributors—who unlike consumers possessed the ability to be a concrete force in price negotiations.

Eva White’s grievance was not, however, the anomalous writings of an uncharacteristically perturbed woman. It is, rather, an illustration of a common anti-

<sup>32</sup> See Appendix A for the local breakdown of consumer prices. Source: CTA, *Scrapbook*, “York Council Calls Meeting to protest Milk Increase” *Telegram*, 6 November 1937.

<sup>33</sup> Please refer to Section 5 article 2 of “An Act to amend The Milk Control Act, 1934 assented to March 25, 1937”, which states that “The council of any municipality may appoint a representative of the milk consumers within such municipality who, upon notice to the board of such appointment shall be entitled to appear before the board or any person authorized by the board to make inquiry, before any agreement affecting milk prices to the consumers within such municipality is approved.” Source: “An Act to amend The Milk Control Act, 1934 assented to March 25, 1937” *Statutes of Ontario 1937*, Part 1 Chapter 42.

<sup>34</sup> Ontario Department of Agriculture, *Legislative Assembly of Ontario Sessional Paper No. 21 1938*, 108.

<sup>35</sup> AO, RG 3-10 containerb307809, Premier Mitchell F. Hepburn private correspondence records 1940, private letter to the premier from Eva A. White dated 20 September 1940.

<sup>36</sup> *Ibid.*

milk-board motif that emerged in both the popular press and the private correspondences of consumers throughout the 1930s. Reeve W. Marsh Magwood of York Township, for instance, made a similar point at a meeting of local ratepayers. “No order should have been passed by the board before the consumers had been given an opportunity to make representation by deputation,” he declared.<sup>37</sup> “The producers were given a chance to outline their reasons for the increase; so were the distributors. The consumer, however, was ignored.”<sup>38</sup>

Nearly every consumer representative interviewed by Dalton Wells during his 1947 investigation on milk similarly expressed this sense of being “ignored.” He noted that these representatives—who included the mayors of Toronto and Hamilton—revealed their disappointment with the board’s failure to provide them with access to facts and records relating to their individual milk markets. They were simply informed that this information was confidential and they were not privy to its viewing. As a result, these persons felt unable to reach “any intelligent conclusion” on the price structures that they were asked to consider.<sup>39</sup> They were, it would seem, unworthy of the board’s trust and confidence, and certainly not accorded a status equal to producers and distributors in the establishment of price agreements.

Liberal economic theorists have posited that consumer demands could become a powerful and sovereign force in the market—superior to both makers and sellers. Purchasers’ decisions, such theorists argue, about what to buy could influence what manufacturers would produce and retailers would sell.<sup>40</sup> This line of thinking was certainly not evident in Ontario’s milk markets, as the regulatory regime of the MCB prevented consumers from playing a meaningful role in price negotiations. As prominent Cambridge economist Joan Robinson has persuasively maintained, “consumers are the pasture on which enterprise feeds.”<sup>41</sup> Consumer sovereignty was an absurdity.

Far less controversial, and directly relevant, to consumers was the board’s other two tools for stabilizing the milk industry—licensing and bonding. Indeed, one of the first tasks undertaken by the MCB was the immediate institution of licensing requirements for every milk distributor, producer, peddler, and independent driver in Ontario. Although applications for these licenses were generally straightforward and included only a nominal fee, the board’s aversion to approving new applicants meant that few licenses were conferred after 1935. As Roy C. Barnes has acknowledged in his comparative study of English and Canadian dairy regulatory practices, the primary difficulty in the Ontario milk industry was the “low barriers

<sup>37</sup> CTA, *Scrapbook*, “Flays of Ignoring Consumers in Milk Ruling” *Telegram*, 3 November 1937.

<sup>38</sup> *Ibid.*

<sup>39</sup> Wells, *Report*, 13.

<sup>40</sup> Joy Parr, *Domestic Goods: The Material, the Moral, and the Economic in the Postwar Years*. (Toronto: University of Toronto Press, 1999), 84.

<sup>41</sup> Joan Robinson quoted in Parr, *Domestic Goods*, 84.

of entry.”<sup>42</sup> The solution to this problem, according to Barnes, was to create “corporatist institutions that regulated the number of producers and distributors.”<sup>43</sup> Licensing requirements achieved this end. The milk business became a closed industry; new dairies and farms were not welcomed. This exclusionary policy was premised on the belief that too many licenses were already in effect in most milk markets throughout the province, and that the issuance of additional licenses would only further aggravate the overlapping, duplication, and service inefficiencies that plagued the industry.<sup>44</sup> As the 1930s progressed, the board flatly refused to issue any new licenses or extend the territory covered by existing licenses unless the applicant could demonstrate that the service he planned to provide was in the “public interest.”<sup>45</sup> Thus the onus to prove social utility was placed squarely on the aspiring businessman. The board, moreover, refused to replace licenses surrendered through amalgamations or bankruptcies. As a result, the number of distribution license holders actually decreased between 1937 and 1938 from 1,761 to 1,538.<sup>46</sup> To the MCB, this was an accomplishment to celebrate. In their mind, unrestrained

*laissez faire* competition was a social ill solved only by the government’s strong regulatory hand.

With the specific intention of protecting milk producers, moreover, the board simultaneously established extensive bonding requirements for all Ontario dairies. These regulations required that all milk distributors provide proof of financial responsibility or else suffer the punishment of having their licenses voided. By 31 December 1934, over one million dollars worth of bonds had been secured in the board’s trust.<sup>47</sup> This was considered an absolutely critical component of stabilization efforts, largely because it prevented the “very considerable losses” that producers suffered each year for unpaid milk.<sup>48</sup> While few bonds were actually used to compensate a “chiselled” producer, this regulation nevertheless acted as strong deterrent against unethical behaviour.

Unsurprisingly, producers greeted and supported the board with unbounded enthusiasm. “I consider it [the Milk Control Act] the most important piece of legislation ever enacted in the interests of the farmer milk producers,” wrote A.H. Fair, a Kingston dairy farmer and lawyer.<sup>49</sup> Milk producers, moreover, expressed a great

<sup>42</sup> Roy C. Barnes, “The Rise of Corporatist Regulation in The English And Canadian Dairy Industries,” *Social Science History* 25:3 (2001), 394.

<sup>43</sup> *Ibid.*

<sup>44</sup> Ontario Department of Agriculture, *Legislative Assembly of Ontario Sessional Paper No. 21 1938*, 109.

<sup>45</sup> Ontario Department of Agriculture, *Legislative Assembly of Ontario Sessional Paper No. 21 1940*, 115.

<sup>46</sup> *Ibid.*

<sup>47</sup> Ontario Department of Agriculture, *Legislative Assembly of Ontario Sessional Paper No. 21, 1935*, 108.

<sup>48</sup> *Ibid.*

<sup>49</sup> AO, RG 3-9 containerb 307871, private letter to the premier from A.H. Fair, Esq. of Hemlock Park Farms, dated 28 November 1934.

deal of anxiety over the perceived casual interest this board was receiving from the newly elected Hepburn government in 1934. Fair continued his letter by urging the premier to consider that “half-hearted support of this act is more damning and damnable than a complete denunciation of the whole thing. In the latter case, we would at least know where we stood.”<sup>50</sup> Similar sentiments were expressed by a number of agricultural associations and interest groups.<sup>51</sup>

Dairies were, however, less uniform in their praise of the MCB and its regulatory power. While the province’s largest dairies gained a stranglehold on the closed industry created by the MCB, smaller distributors found it difficult to stay in operation. This was particularly evident in Toronto, where subsidiaries of the four largest dairies—Borden Dairy Co., Silverwood Dairies Ltd., Dairy Corp., Eastern Dairies Ltd.—controlled over fifty percent of the city’s market share and netted a combined profit of over eight million dollars in 1935.<sup>52</sup> With enormous milk-wagon fleets these four milk providers carried heavy loads throughout city, distributing far beyond the reaches of the very few wagons possessed by smaller dairies. As a result, fifty-eight highly localized inde-

pendent operators handled the other half of the city’s milk distribution.<sup>53</sup>

This discrepancy between the province’s large and small dairy operators was not, however, solely the result of the size of their wagon fleets, but was also stimulated by the MCB’s regulatory policies. There is little doubt that the establishment of fixed price agreements prevented large dairies from running amok with radical price cuts that small operators would be unable to match. Certainly, higher operating costs and smaller production capacities made milk distribution for small dairies extremely prohibitive during the 1932/33 “milk wars”. Yet, small operators, while appreciating the benefits of fixed price agreements, simultaneously resented their exclusion from the negotiation table. The Independent Milk Distributors’ Association, a conglomeration of ten suburban Toronto dairies, was particularly vocal in its protests. “The small operator has no say in the question of raising or lowering of milk prices,” complained Dr. Charles Cook, the association’s leader.<sup>54</sup> “When the last raise was made, we were informed of the decision of the Milk Board, and there was nothing we could do about it. It had all been cut and dried before we knew anything

<sup>50</sup> Ibid.

<sup>51</sup> Other particularly vocal supporters of the MCB included: Milk Producers of Kitchener and Waterloo, the Thunder Bay Milk Producers Association, Essex Milk Producers Association, Ottawa Valley Milk Producers Association, Lincoln County Milk Producers Association. All of their letters can be found in AO, RG 3-9 containerb 307871.

<sup>52</sup> CTA, *Scrapbook*, “Milk Trust Gain Thousands While Babes Go Hungry: Communist Party Bulletin Issues Exposure of Profit Lust” *Clarion*, February 26, 1937.

<sup>53</sup> CTA, *Scrapbook*, Charles Marrott, “Huge dairies Scalp \$2,900 Daily Tribute” *Clarion*, 5 May 1937.

<sup>54</sup> CTA, *Scrapbook*, “Suburban Dairies Unite For “Battle To Finish” Against Milk Price Rise: Will sell to customers for 12 cents *Quart*—oppose Big Dealers and Ontario Board” *Telegram*, 16 November 1937.

about it.”<sup>55</sup>

While these “undemocratic” and exclusionary practices were a source of irritation for many small dairies, the board’s bonding regulation was far more damaging. Small dairies had a particularly difficult time securing financing to meet bonding requirements—financers were wary about supplying funds to small businesses that could easily have their licenses revoked for the slightest transgression from board policy. “It is making business terribly difficult for the small distributor,” declared Thomas Marr of Marr’s Pure Dairy in a press statement. “We can’t get our bonds renewed in many cases, because the bond company can’t tell at what moment we may offend in some minor way and immediately have our license cancelled without any reason being offered.”<sup>56</sup> The inability to secure a bond sealed the fate of these businesses. While the board professed to seek market stability, this implicitly meant consolidation—the small distributor was irrevocably “squeezed out” of Ontario’s milk business.<sup>57</sup>

The Ontario Milk Control Board’s regulatory policies created unquestionable advantages for producers and large distributors. Market stability was eventu-

ally achieved, however, not only to the detriment of small dairies, but also at the cost of ostracising Ontario’s increasingly frustrated, aggravated, and impoverished consuming masses. Headlines flashed across the 1930s dailies declaring the MCB as an “oppressive” and “iniquitous” agency.<sup>58</sup> The board was condemned as an “autocratic” entity, armed with powers “almost as great as Mussolini.”<sup>59</sup> Consumers were angry. By artificially removing the competitive pressures that ordinarily governed prices, the board had allowed and even encouraged inflationary milk prices. This was particularly destructive for the unemployed and for families with men working on relief or in low wage factory jobs. Reeve Robert Ainsworth aptly assessed the pitiful state of his constituents when he acknowledged “there are families in Mimico with as many as seven children, which cannot purchase one pint of milk a day.”<sup>60</sup> Councillor J.O. Bolton of Smith’s Falls was more forthright in his evaluation of the MCB and its regulatory policies, suggesting that “the law of supply and demand together with the necessary health laws should be the only restrictions governing the sale of the product.”<sup>61</sup>

<sup>55</sup> *Ibid.*

<sup>56</sup> CTA, *Scrapbook*, “Want price spreads inquiry to scrutinize milk board activities” *Toronto Daily Star*, 18 January 1935.

<sup>57</sup> CTA, *Scrapbook*, “Secret group is organized to control milk industry: union formed by consumers and producers” *Telegram*, 5 February 1935.

<sup>58</sup> CTA, *Scrapbook*, “Milk board rules ‘oppressive,’ says judge” *Toronto Daily Star*, 5 February 1935 and CTA, *Scrapbook*, “Milk control plan favors big firms, M.P.P. charges: Liberals ready to fight own leaders if they back ‘iniquitous scheme’” *Toronto Daily Star*, 28 January 1935.

<sup>59</sup> CTA, *Scrapbook*, “Millions flow from Ontario’s milk cans” *Telegram*, 13 November 1937.

<sup>60</sup> CTA, *Scrapbook*, “York asks milk price rise for farmer, not consumer.” *Toronto Daily Star*, 22 January 1937.

<sup>61</sup> CTA, *Scrapbook*, “Protecting producer is charge of dairies against milk board” *Toronto Daily Star*, 19 January 1935.



Consumer dissatisfaction with the current state of affairs was not, however, expressed only through the words of elected officials, but also by the feet of angry protestors. One of the first groups to organize and encourage these shuffling feet was the Communist Party of Canada (CPC). Although Canadian communists philosophically supported government intervention in the milk industry, they disdained the MCB because it appeared to be little more than a puppet for Ontario's largest dairies. It was not seen as a body that considered the public's most pressing needs. Indeed, the unholy alliance between the "milk trusts" and the MCB was "milking" the consumer of his rightful earnings.<sup>62</sup> Price increases were vehemently protested. The CPC urged its followers, through the Communist Party *Bulletin*, to be "united against the milk trust, which is growing fat, while children go un nourished."<sup>63</sup> Milk was, of course, only one small component of the CPC's much larger social agenda, but dairy issues did feature prominently in both marches and speeches, particularly in May Day parades. A photograph of the 1934 parade in Toronto, for example, clearly depicts a young boy carrying a sign demanding

"Free Milk." A 1938 May Day speech, moreover, explicitly included "lower prices for milk" among its demands.<sup>64</sup>

Communists were not, however, the only group to protest "unwarranted" milk price increases. The rise of milk prices in Toronto to thirteen cents-per-quart on 1 November 1937 provoked city-wide outrage and compelled mothers and wives into active opposition. A non-descript meeting amongst twelve concerned women, on 2 November, led to the formation of the Toronto Housewives Association, which quickly gained citywide exposure. In only three months this movement boasted a membership of over ten thousand women.<sup>65</sup> Led by a mother of one, Mrs. Bertha Lamb, the Housewives envisioned themselves as the ideal fighters in the war for fair milk prices. Not only was milk a biologically female product, but it was also understood to be essential to child rearing. This dense white fluid was the "chief diet" for infants and, it was thought, provided all young children with the nutrients they required to grow into healthy adults.<sup>66</sup> As Lamb stated with an almost poetic simplicity, "Milk is not a luxury. It is a necessity and should be cheap."<sup>67</sup> The acquisition of milk for

<sup>62</sup> CTA, *Scrapbook*, "Milk trust gain thousands while babes go hungry: Communist Party Bulletin issues exposure of profit lust" *Clarion*, 26 February 1937.

<sup>63</sup> *Ibid.*

<sup>64</sup> Thomas Fisher Rare Book Library, University of Toronto (TF), MS 179 Box 11, Robert Kenny Collection, "Directives on May 1<sup>st</sup>, 1938" *Organization Education Department, Central Committee, Communist Part of Canada*. (Toronto: 1938), 2.

<sup>65</sup> CTA, *Scrapbook*, "Housewives oppose cut in payments to milk producers: feels dairies can carry any slash in milk price" *Telegram*, 12 February 1938.

<sup>66</sup> AO, RG 3-10 containerb307964, private letter to the premier from the South York Riding Women's Liberal Association dated 15 November 1937.

<sup>67</sup> CTA, *Scrapbook*, "Housewives fight milk price boost: women with children plan city-wide drive to keep milk cost down" *Telegram*, 3 November 1937.



*Men, women, and children marching for free milk in Toronto's 1934 May Day parade. (CTA, Fonds 1266, Item 33193)*

their children could, thus, be seen as an extension of traditional maternal femininity. These women were not challenging gender conventions, but rather asserting their roles as mothers and the primary purchasers in the household.

Many women joined the Housewives Association, however, out of sheer desperation. Depression-era Toronto was characterized by the sight of “hundreds... sleeping in parks... brick yards and the ‘benches and floors’ of rest rooms, the proliferation of door-to-door begging, and bread lines of more than a thou-

sand men lining up for hours to receive ‘wrapped lunches’...”<sup>68</sup> An economic and social catastrophe was around. With husbands earning minuscule wages—if they were lucky enough to be employed—women were unable to meet the nutritional needs of their children and sought any outlet to improve this dire situation. As one housewife told the *Telegram*; “A dollar only stretches so far. Then there comes the breaking point. I know my children need milk, but I just can’t spend any more for it so they must go without.”<sup>69</sup> Mrs. L. Farmer, a housewife and

<sup>68</sup> James Struthers. *The Limits of Affluence: Welfare in Ontario, 1920-1970*. (Toronto: University of Toronto Press), 79.

<sup>69</sup> CTA, *Scrapbook*, “Milk for children only Housewives’ new slogan fighting price increase” *Telegram*,

mother of one young child, echoed this statement and argued that, "I've had to reduce the amount of milk solely because of the increased price."<sup>70</sup>

This movement was, however, successful in expanding beyond its working-class base and integrating women from all socio-economic backgrounds. When, for example, the association endorsed a boycott of milk and encouraged its members to purchase as little as possible, many middle class women felt compelled to support their destitute counterparts. Indeed, over ten thousand Toronto women were said to have answered the call to "drink less milk."<sup>71</sup> Mrs. H. Jones, for example, conceded that although she could afford to purchase a quart each day, she was "likely going to do with less as a protest against the price raise."<sup>72</sup> Alongside the boycott was also the demand that Housewives be given representation on the MCB, as a means of preventing "unnecessary" rate increases in the future.<sup>73</sup> This appeal was never met, although on 14 May 1938, after six months of boycotting, the price of milk in the Toronto market was eventually readjusted to twelve cents-per-quart. While Bertha Lamb declared this "a victory for organized women," the *Toronto Telegram* speculated that this drop had

more to do with lower operating costs for producers and distributors during the summer season.<sup>74</sup>

An inadvertent by-product of the Housewives' milk boycott was, however, increasingly tenuous relations with organized labour. Unions had been supporters of the Housewives since its conception, yet milkmen began to feel "the pinch" as the Housewives' boycott became more extensive. One driver noted that he lost an average of three dollars in commissions each week the protest lasted.<sup>75</sup> An alternative plan pursued by the Housewives, moreover, to sell limited quantities of milk to its membership with a pedlar's licence at a decreased rate of ten-cents-per-quart, came under direct attack from union leadership. Although this scheme was quickly squashed by the MCB, J.A. Kellythorne, an organizer for the Milk Drivers and Dairy Employees Union, immediately declared the strategy "impractical" and potentially detrimental to the trade union movement.<sup>76</sup> He feared that such a plan, if ever put into operation, would either require an immediate reduction of driver wages, or promote a milk war, which would be a futile endeavour against the large dairies and might force countless small distribu-

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5 November 1937.

<sup>70</sup> *Ibid.*

<sup>71</sup> *Ibid.*

<sup>72</sup> CTA, *Scrapbook*, "Housewives fight milk price boost: women with children plan city-wide drive to keep milk cost down" *Telegram*, 3 November 1937.

<sup>73</sup> CTA, *Scrapbook*, "Wives ask for representation on Ontario Milk Board" *Telegram*, 10 December 1937.

<sup>74</sup> CTA, *Scrapbook*, "Milk price cut by cent for Toronto" *Telegram*, 14 May 1938.

<sup>75</sup> CTA, *Scrapbook*, "Milk drivers feeling pinch is admission", *Telegram*, 8 November 1937.

<sup>76</sup> CTA, *Scrapbook*, "Milk Drivers' Union Advises Housewives" *Clarion*, 9 February 1938.

tors out of business.<sup>77</sup>

Given these rather radical strategies, it is certainly not surprising that the Housewives adopted much of the CPC's vernacular. Despite leading a seemingly more mainstream organization, Bertha Lamb often spoke of defeating the "milk trusts" and fighting "money grabbing milk companies."<sup>78</sup> It is conceivable that, perhaps, the association was much more ethnically diverse and politically radical than the Anglo-Saxon surnames of its leadership suggests. In her study of the Housewives Consumer Association (HCA), which existed between 1947 and 1950, Julie Guard noted that having British women take on the association's public roles preserved an air of respectability.<sup>79</sup> Beneath this façade, however, was an ethnic and cultural montage. The perception of being an organization of ordinary Canadian women gave their radical ideas much needed legitimacy.<sup>80</sup> It is conceivable that a similar trend might have existed amongst the earlier Housewives Association.

Consumers of every background, however, undoubtedly loathed having to pay higher prices for milk and by extension abhorred the MCB. Yet, few of these consumers and advocacy groups promoted a return to the uninhibited

cut-throat competition that plagued the 1930s. Rather, a diverse array of new solutions entered the public discourse, ranging from the relatively benign establishment of co-operative dairies to the nationalization of milk. The co-operative movement was, in fact, not an entirely novel concept. As the economy began to falter in the early 1930s, consumers had become increasingly cognizant of and concerned with the considerable price spread enjoyed by distributors, leading them to promote co-ops as a means to lessen this impact. George Keen, for example, drew on examples of co-operative dairies in Waukegan, Illinois, and in Sydney, Nova Scotia to found, in October 1931, the Community Co-operative Dairy.<sup>81</sup> This Newmarket based dairy was Ontario's first co-operative milk distributor and was quickly followed by the establishment of the Hamilton Co-operative Creameries in 1932.

This latter dairy—which was initially organized by a conglomeration of Hamilton-area milk drivers, consumers, and farmers—became the focal point of the co-operative question in Ontario, in large part because of its profitability, unlike the Newmarket dairy which "quickly faltered."<sup>82</sup> Indeed, by the time of the

<sup>77</sup> *Ibid.*

<sup>78</sup> CTA, *Scrapbook*, "Housewives fight milk price boost: women with children plan city-wide drive to keep milk cost down" *Telegram*, 3 November 1937.

<sup>79</sup> Julie Guard, "Canadian Citizens or Dangerous Foreign Women? Canada's Radical Consumer Movement, 1947-1950" in Marlene Epp, Franca Iacovetta, and Frances Swyripa (Eds.) *Sisters or Strangers? Immigrant, Ethnic, and Racialized Women in Canadian History* (Toronto: University of Toronto Press, 2004), 163.

<sup>80</sup> *Ibid.*, 164.

<sup>81</sup> Ian MacPherson, *Each for All: The History of the Co-operative Movement in English Canada, 1900-1945*. (Toronto: Macmillan, 1979), 142.

<sup>82</sup> *Ibid.*, 143.

MCB's establishment in 1934, the Hamilton dairy had become the third largest in its market.<sup>83</sup> Yet, its viability was severely threatened by the board's prohibition of patronage dividends—which were seen as one of the pre-eminent tools used in the milk wars to undercut competitors' prices. As Duncan Marshall, the minister of agriculture, explained in 1935, "There is no objection to dividends being paid to consumers who have stock in the companies, but rebates will not be permitted. We regard rebates as demoralizing to the industry."<sup>84</sup> This policy was enforced with the strictest interpretation possible, and consequently disallowed profit sharing between distributors and their clients. Although the Hamilton Co-operative Creameries survived this regulation, its structure was fundamentally altered. The creamery came to resemble the private dairies with which it competed; the co-operative movement had been decidedly undermined as a workable alternative to the MCB. Thus, while large private dairies were successful in garnering state assistance, co-operative dairies and the emerging consumers' movement not only failed to mobilize the state on their behalf, but found themselves constrained by MCB regulation.

While the forced metamorphosis of the Hamilton Co-operative Creameries dismayed some consumer advocates,

many had been seeking much larger and more radical changes to the Ontario milk industry. The Co-operative Commonwealth Federation's (CCF) 1934 election platform, for example, called for the nationalization of milk, a message that resonated with surprising potency throughout consumer circles.<sup>85</sup> Its most vocal supporter, however, was Toronto Mayor James "Jimmy" Simpson, who held office for the duration of 1935. This former printer and trade unionist drew on both international precedents and domestic successes, such as Hydro-electric and the T.T.C., in advocating this rather drastic proposal. "Our idea," he confidently stated, "would be to give the producer a 'better break' and at the same time allow the consumer a lower price. The elimination of any unnecessary factors is essential for the proper administration of the industry."<sup>86</sup> He thought that by eliminating the economic "lust" of private dairies, a square deal for consumers and producers might finally be achieved. Simpson certainly did not shy away from government intervention, but remained unsatisfied with the work of the MCB.

Wellington, New Zealand was often cited as undeniable proof that making milk a public utility would work to the benefit of farmers and consumers alike. Indeed, this city had endured a pervasive milk war in 1917, which led farmers to

<sup>83</sup> CTA, *Scrapbook*, "Doubts co-operative dairy to obtain Toronto license" *Telegram*, 23 July 1935.

<sup>84</sup> Duncan Marshall quoted in "Rebates are banned in Revised Milk Act; Sam Lawrence, C.C.F. flatly opposes; Amendments advanced" *Newspaper Hansard*, Ontario Legislative Assembly, 11 April 1935.

<sup>85</sup> John T. Saywell. *"Just call me Mitch": The Life of Mitchell F. Hepburn* (Toronto: University of Toronto Press, 1991), 156.

<sup>86</sup> CTA, *Scrapbook*, "Mayor asks municipal sale of milk, bread" *Toronto Daily Star*, 9 February 1935.



insist that local authorities take control of the industry. City officials eventually yielded to this demand and established a city-owned dairy. Within four years, the consumer milk price dropped from fourteen to ten cents-a-quart without any decrease in the producers' price.<sup>87</sup> Yet, critics noted that a plethora of factors might have contributed to the drop in consumer pricing, and that Wellington was a city slightly smaller than Hamilton in population and only a fraction of the size of Toronto. As Professor W.M. Mortenson of the University of Wisconsin remarked in 1947, "milk is best handled as a public utility where the operation is not too large."<sup>88</sup> These criticisms were not overcome and, in general, the public saw nationalization as unviable.

Consumers did not only desire affordable milk, but they also demanded a safe and healthy product. What this entailed was not universally agreed upon. The Ontario medical community had been lobbying for compulsory pasteurization of milk for at least two decades. To it, the advantages of pasteurization were clear. The Canadian Public Health Association, for example, stood "unequivocally" for the pasteurization of all raw milk, as a means of safeguarding against serious infectious disease, such as bovine tuberculosis.<sup>89</sup> This message, moreover,

seemed to have reverberated quite pervasively in the public mind. Indeed, by 1937 between eighty-five and ninety per cent of all the milk sold in Ontario was pasteurized; fewer than 100,000 people consumed raw milk.<sup>90</sup> Yet, successive governments were unwilling to make this trend absolute, in part because of a particularly vocal rural lobby that defended the virtues of fresh milk with an almost religious fervour.

Thus, when in 1938 the Hepburn government took the extraordinary step of amending the Public Health Act to provide for the pasteurization of all milk sold to consumers, he was met by both widespread praise and outrage. Supporters of pasteurization heralded Hepburn's amendment as "the most progressive piece of legislation of its kind ever enacted in the world."<sup>91</sup> Yet, even though this change was initially limited to urban municipalities, many rural communities, producers, and small distributors vehemently objected. Some protestors simply did not believe the scientific evidence supporting pasteurization; their rural families and communities had consumed fresh milk for generations with no ill effect. "If raw milk is prohibited as a source of disease," wrote one farmer, "then in all fairness, meats and many other foods should also be prohibited as it has been

<sup>87</sup> CTA, *Scrapbook*, "Big-capital dairy as principal obstacle to fair spread in price: example of New Zealand city shows success of milk sale as public utility" *Toronto Daily Star*, 30 January 1935.

<sup>88</sup> Wells, *Report*, 121.

<sup>89</sup> AO, RG 3-10 container b307987, Agricultural Department – Pasteurization of Milk 1938, *A Report prepared by the Provincial Department of Health: Statements on Milk Pasteurization*, 1938.

<sup>90</sup> Saywell, *Just call me Mitch?*, 374.

<sup>91</sup> Ontario Department of Agriculture. *Sessional Paper No. 21, 1940*, 115.

proven that such are germ carriers to a very much greater degree.”<sup>92</sup> Others, meanwhile, objected to compulsory pasteurization because it was “an unwarranted invasion of personal freedom.”<sup>93</sup> Indeed, such libertarians were not quite adjusted to idea of increased social intervention by the government. For many small distributors, however, converting their operations to accommodate pasteurization was simply unaffordable. The Department of Health estimated such a conversion project would cost approximately \$675.00 for a very small dairy.<sup>94</sup> As a result of such prohibitive costs, these dairies joined rural Ontarians in promoting the merits of fresh milk.

Whether fresh or pasteurized, however, milk had to be delivered quickly or else it ran the risk of going rancid in the milkman’s unrefrigerated wagon. Consumers were, however, greatly perturbed by the excessive noise caused by drivers and their horses. As one particularly bothered consumer wrote to the editor of the *Daily Star*:

I notice on reading *The Star* that the horses driven by milkmen in the city are to be equipped with rubber shoes. This is a step in the right direction. Now if the drivers them-

selves were shod likewise and compelled to wear muzzles, and then given baskets that would not allow their bottles to rattle, we might call it a day and let the early milkmen pursue his vocation in peace.<sup>95</sup>

Daylight delivery, it was also thought, would also allow the drivers to complete their rounds in eight or nine hours, instead of ten to twelve.<sup>96</sup> Yet, this would necessitate an increase in the number of delivery vehicles in operation, and there were no guarantees that milk would be delivered before breakfast. As a result, daylight deliveries were only mandated periodically, and complaints against the “terrific” noise produced by the milkman remained unresolved.<sup>97</sup> Such was an inconvenience that consumers would have to endure!

By 1942, however, the most critical of consumer protests had largely been addressed. Price ceilings established by the Wartime Prices and Trades Board (WPTB) gave consumers a greater sense of security and predictability with regards to milk prices. Prices fluctuations and increases became infrequent occurrences and were usually favourable to the consumer.<sup>98</sup> Moreover, the wartime boom had begun to relieve the wide-

<sup>92</sup> AO, RG 3-10 container b307987, unsigned letter to the premier dated 27 February 1938.

<sup>93</sup> AO, RG 3-10 container b307987, letter to the premier from the Twin-City Trades and Labour Council dated 27 November 1938.

<sup>94</sup> AO, RG 3-10 container b307987, *A Report prepared by the Provincial Department of Health*.

<sup>95</sup> CTA, *Scrapbook*, “The Early Milkman”, *Toronto Daily Star*, November 1934.

<sup>96</sup> CTA, *Scrapbook*, “Milk delivery issue no nearer to solution: legislation committee postpones action on compulsory feature. Compromise urged.”, *Toronto Mail*, December 1934.

<sup>97</sup> CTA, *Scrapbook*, “Claims of Noise of Dairyman is ‘Terrific’” *Telegram*, 2 March 1937.

<sup>98</sup> Ontario Department of Agriculture. “Report of the Minister of Agriculture Province of Ontario for the year ending March 31, 1941” *The Legislative Assembly of Ontario Sessional Paper No. 21, 1942*. (Toronto: T.E. Bowman, 1941), 82.

spread unemployment that characterized the 1930s. Quite simply, people could afford to purchase milk once again. These same circumstances, however, created a new set of challenges for producers and distributors. Low unemployment produced labour shortages and forced dairies and farmers to pay higher wages in order to retain what employees they had. Therefore, while production and distribution costs materially increased, there was no comparable increase in the price of the product sold.<sup>99</sup> The MCB could, moreover, no longer appeal to these interests with any significant force. The board, rather, acted as a mediator between the Ontario producers and distributors, and the WPTB. On occasion the Milk Board could gain small concessions for these interest groups, but the ultimate decision-making power was no longer theirs.<sup>100</sup>

In summary, this paper has examined the interconnected, and often opposing, interests of milk consumers, producers, and distributors in Ontario during the Great Depression and additionally considered the role and effectiveness of the Milk Control Board in navigating these diverging agendas. Yet, further complicating this situation is the fact that neither consumers, nor producers, nor distributors formed wholly homogeneous entities. Internal divisions, squabbles, and conflicts were common occurrences. The MCB as a regulatory body was not always welcomed

and certainly did not always promote policies that were entirely beneficial to everyone, but succeeded in stabilizing Ontario's highly dysfunctional milk industry. The early 1930s were a time of absolute chaos for almost all those involved in the business; the so-called "milk wars" made both distributing and producing unprofitable endeavours. Through fixed price agreements, licensing regulations, and bonding requirements, the MCB was able to raise consumer and producer prices and eliminate the over-competition that had plagued the industry. Stability was accomplished, however, at the expense of increasingly impoverished consumers, who were unable to afford the growing cost of milk. This untenable situation spurred protests from housewives and communists alike. Consumer advocates, moreover, proposed alternative ways to structure the industry, including under a co-operative model and as a social utility. Consumers additionally sought a clean and healthy product, yet could not agree on what precisely this constituted. Indeed, grievances surrounding pasteurization existed alongside price protests and complaints about noisy milkmen. The most serious of these concerns, however, had been largely resolved by 1942—though the deafening noise of hoofs and bottles in the early morning persisted. This was, however, a small pittance to pay for a relatively abundant supply of affordable milk. Indeed, by 1942 it was only cows that were getting "milked."

<sup>99</sup> Wells, *Report*, 17.

<sup>100</sup> Ontario Department of Agriculture. "Report of the Minister of Agriculture Province of Ontario for the year ending March 31, 1942" The Legislative Assembly of Ontario Sessional Paper No. 21, 1943 (Toronto: T.E. Bowman, 1942), 77.