

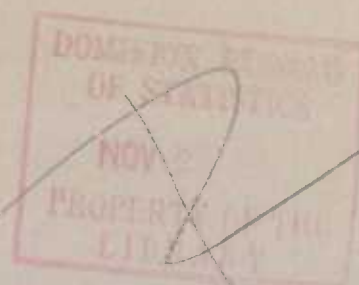
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CANADA

DOMINION BUREAU OF STATISTICS  
AGRICULTURAL BRANCH



Vol. 1

No. 1

# CANADIAN COARSE GRAINS

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## QUARTERLY REVIEW

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COARSE GRAIN CROPS IN CANADA

The need for a comprehensive publication dealing with coarse grain crops in Canada as a companion to the Monthly Wheat Review has been felt for some time and, in view of wartime demands for greater production of live stock and dairy products in which coarse grain crops play so important a part, it has been decided to launch such a publication at this time. This issue is the first of a series of reviews which will be released quarterly.

Because wheat has for so long been the main cash crop of Canadian farmers and has been a major item in Canada's export trade, emphasis has generally been placed on wheat in various statistical analyses dealing with the Dominion's production and marketing of grain. As a consequence, there is available much more detailed information on wheat than exists for any of the other grain crops, though oats, barley and rye between them produce in a normal year a much greater bushel yield than wheat.

At times these grains are exported in fair volume but generally speaking they have a greater domestic importance and this is particularly so in the case of oats and barley. It is in the domestic disposition of these crops that detailed information is chiefly lacking and this is especially true of the grains grown in eastern Canada, although there are gaps also in the farm utilization of coarse grain crops in the Prairie Provinces.

Some preliminary work on the collection of data covering disposition of commercial stocks of western Canadian coarse grains was begun more than a year ago by the Statistics Branch of the Board of Grain Commissioners for Canada and the results for the crop year 1940-41 form part of this first review. So little of the eastern Canadian crop is handled through the facilities licensed by the Board of Grain Commissioners that similar information for Ontario and Quebec is too small a sample to be of much value. It is the intention, however, to examine more closely the disposition of crops produced in eastern Canada in the hope that in subsequent reviews it will be possible to submit a more complete picture for Canada as a whole.

A table showing the production of coarse grains in Canada by provinces has been prepared and from this it will be noted that the production of oats and barley is very substantial in both Ontario and Quebec. It is generally assumed that most of this grain goes into local consumption either as live-stock feed or for local manufacture, but there is at the moment, no adequate record of its disposition. The need for such information apart from the filling of gaps in the statistical record is emphasized by the wartime production programmes which have necessitated the shipment from western to eastern Canada of substantial amounts of feed grains in the past year or so. In the present crop year it is expected that something in the neighbourhood of 50 million bushels of feeding-stuffs will be moved eastward from Fort William--Port Arthur at the Government's expense.

As a background for appraisal of the coarse grain situation in the current season, various tables, charts and analytical comment will be found on subsequent pages. It is true that many new factors of a war-time character have been injected into the scene and the pattern in 1941-42 may differ materially in some respects from that of previous years, but the last five years including two war years provide, nevertheless, a yardstick for this season.

Production figures for 1941 compared with the average of the five preceding years are tabulated below together with the grain marketings by growers in the Prairie Provinces.

Grain	Years <u>1/</u>	Production in Canada	Production Prairie Provinces	Marketings Prairie Provinces
bushels				
<u>OATS</u>	1941	353,000,000	211,000,000	17,726,512 <u>2/</u>
	1936-40	335,307,000	194,155,000	31,844,000
<u>BARLEY</u>	1941	117,619,000	99,000,000	18,197,272 <u>2/</u>
	1936-40	92,938,000	71,847,000	22,675,000
<u>RYE</u>	1941	13,167,000	11,700,000	4,072,617 <u>2/</u>
	1936-40	10,068,000	8,554,000	3,378,000
<u>FLAXSEED</u>	1941	6,473,000	6,300,000	3,543,977 <u>2/</u>
	1936-40	1,784,000	1,687,000	1,419,000

1/ Calendar years for production and crop years for marketings.

2/ August 1 to November 21, 1941.

Although these figures show better than average production of all four grains in the Prairie Provinces this year it is, nevertheless, a fact that the distribution of hogs and of barley supplies is very uneven in certain areas. To meet this situation it is fully expected that wheat will take the place of barley in deficiency areas and that areas of surplus barley production will ship out their surplus for the benefit of eastern farmers. This would prove more economical than the back-hauling of barley supplies especially since there is on hand a good supply of wheat in western Canada available to all sections of the Prairies.

#### Eastern Canada

The situation as it affects eastern Canada is one of short crops of oats, barley and wheat in Ontario compared with a year ago, but larger coarse grain crops in Quebec. These provinces have a considerable part in the war production programme of hogs and dairy products and Ontario is probably in a more difficult position in respect to feed than any of the other provinces in eastern Canada. Her combined production of wheat, oats and barley compared with 1940 shows a shrinkage of more than 18,000,000 bushels. The crop of mixed grains is also down 2.2 million bushels but this is offset by a similar increase in the production of corn. In Prince Edward Island too, the production of all field crops is lower than in 1940 but the other two Maritime provinces show little change on the whole.

On the assumption that most of the eastern Canadian production of coarse grains is consumed on farms the need for additional supplies is apparent and, in the case of Ontario where a considerable part of the provincial wheat crop is fed, wheat as well as other grains will doubtless be shipped from western Canada to meet this need. Already there is evidence that the Government-sponsored plan for shipping western products to the deficiency areas is underway. The following figures reveal the rail shipments from Fort William—Port Arthur in the first quarter of this season with comparable figures for last year.

<u>Year</u>	<u>Wheat</u>	<u>Oats</u>	<u>Barley</u>	<u>Rye</u>
bushels				
August—October 1941 .....	477,160	3,520,438	1,237,921	87,836
August—October 1940 .....	115,663	1,453,240	375,978	8,415

The Flour and Feed Controller will authorize the payment of freight charges by the Dominion Government on such shipments made after October 19, as are shown to have been distributed for feeding purposes in eastern Canada.

TABLE I. PRODUCTION BY PROVINCES

Province	5-year Average 1934-38	1939	1940	1941 <sup>1/</sup>	Percentage of 1941 Production
<u>OATS</u>	bu.	bu.	bu.	bu.	%
British Columbia .....	5,142,000	6,111,000	5,912,000	5,614,000	1.6
Alberta .....	78,241,000	85,000,000	103,000,000	73,000,000	20.7
Saskatchewan .....	74,808,000	112,000,000	93,000,000	85,000,000	24.0
Manitoba .....	32,385,000	34,500,000	33,000,000	53,000,000	15.0
Ontario .....	77,979,000	86,639,000	86,554,000	76,032,000	21.5
Quebec .....	42,989,000	45,293,000	44,290,000	47,516,000	13.4
New Brunswick .....	6,188,000	6,671,000	6,507,000	6,000,000	1.7
Nova Scotia .....	2,921,000	3,325,000	3,265,000	3,458,000	1.0
Prince Edward Island .....	4,760,000	4,868,000	4,998,000	3,726,000	1.1
Total - All Canada ....	325,413,000	384,407,000	380,526,000	353,346,000	100.0
% in Prairie Provinces .....	57.0	60.2	60.2	59.7	
<u>BARLEY</u>					
British Columbia .....	425,000	484,000	580,000	556,000	0.5
Alberta .....	19,943,000	27,000,000	32,000,000	27,000,000	23.0
Saskatchewan .....	15,539,000	26,000,000	23,500,000	28,000,000	23.8
Manitoba .....	25,038,000	28,000,000	27,500,000	44,000,000	37.4
Ontario .....	15,651,000	16,600,000	15,519,000	13,202,000	11.2
Quebec .....	3,723,000	4,055,000	3,888,000	3,708,000	3.2
New Brunswick .....	326,000	459,000	521,000	500,000	0.4
Nova Scotia .....	223,000	297,000	351,000	365,000	0.3
Prince Edward Island .....	133,000	252,000	397,000	288,000	0.2
Total - All Canada ....	81,001,000	103,147,000	104,256,000	117,619,000	100.0
% in Prairie Provinces .....	74.7	78.5	79.6	84.2	
<u>RYE</u>					
British Columbia .....	89,000	118,000	84,000	97,000	0.7
Alberta .....	1,491,000	2,400,000	3,000,000	2,000,000	15.2
Saskatchewan .....	2,362,000	9,300,000	7,000,000	6,300,000	47.9
Manitoba .....	1,920,000	2,000,000	2,250,000	3,400,000	25.8
Ontario .....	1,107,000	1,378,000	1,557,000	1,224,000	9.3
Quebec .....	102,000	111,000	103,000	146,000	1.1
Total - All Canada ....	7,071,000	15,307,000	13,994,000	13,167,000	100.0
% in Prairie Provinces .....	81.6	89.5	87.5	88.9	
<u>FLAXSEED <sup>2/</sup></u>					
British Columbia .....	3,000	4,000	4,000	10,000	0.2
Alberta .....	124,000	275,000	425,000	1,100,000	17.0
Saskatchewan .....	791,000	1,250,000	1,650,000	3,600,000	55.6
Manitoba .....	285,000	425,000	800,000	1,600,000	24.7
Ontario .....	52,000	58,000	170,000	163,000	2.5
Quebec .....	26,000	32,000	-	-	-
Total - All Canada ....	1,281,000	2,044,000	3,049,000	6,473,000	100.0
% in Prairie Provinces .....	93.7	95.4	94.3	97.3	

<sup>1/</sup> Second official estimate November 12, 1941.

<sup>2/</sup> For oil-crushing purposes.

### MAIN AREAS OF PRODUCTION

From the foregoing table it will be seen that most of the rye and flaxseed are produced in the Prairie Provinces and that the West also lays claim to more than 75 per cent of the barley production, but when it comes to oats the story is different. Here we find approximately 60 per cent produced in the Prairie Provinces and most of the remaining 40 per cent in Ontario and Quebec. Figures on marketings and utilization in these two provinces are not at the moment very definite and must be the subject of further investigation before becoming part of any general disposition table.

So far as western Canada is concerned, there is available in considerable detail, statistical information on the use of coarse grains which move into commercial channels but figures on farm utilization require further study. In order to determine the extent to which coarse grain crops grown in the Prairie Provinces are marketed by growers, a table has been prepared to show crop year deliveries from stocks consisting of the carry-over on farms at the end of July each year plus the new crops then maturing. The marketings are then shown as a percentage of the total supply on farms.

### Acreage Changes

In Table II also are to be found acreage figures for the five years 1936-40 and the yield per acre. In the case of oats, the trend of acreage was downward in this period but in 1941 an increase of 1.5 million acres over the 1940 figures was noted. Similarly, barley acreage tended to go down but the area sown in 1941 was 1.3 million acres greater than the 1940 acreage. Much of this increased acreage in oats and barley can be attributed to the restrictions imposed on wheat growers in western Canada who were prevailed upon to cut their wheat acreage by about 35 per cent and were to be permitted to deliver only 223 million bushels of wheat in crop year 1941-42. They were encouraged further by a bonus of \$2.00 per acre on acreage taken out of wheat and sown to coarse grains.

Rye acreage also showed an increase in 1941 over the 1940 figures but the total was less than the acreage sown in 1939 when a sharp rise took place, chiefly in Saskatchewan. It was left to flaxseed, however, to show the most spectacular change in acreage. New construction across the country had placed heavy demands on the paint industry and this together with a pre-war campaign for greater production of flaxseed in the prairie regions which had some results in 1939 and 1940, saw the acreage in flaxseed expand in 1941 to more than 2 1/2 times the 1940 area, and production reach about 220 per cent of the 1940 yield. Although flaxseed is produced largely for oil-crushing, it has been included as part of this study of coarse grains since its by-products in the form of oil-cake and oil-cake meal go into the feeding of live stock.

The figures for the Prairie Provinces in Table II show that in the five years reviewed, western farmers marketed only one-fifth to one-eighth of their supply of oats and anywhere from one-quarter to two-fifths of their barley. In the case of rye, however, the marketings are a substantially larger part of the farm supplies and flaxseed would appear to come to market in the volume produced with little more than seed requirements withheld.

### EXPORTS OF COARSE GRAINS

While Tables I and II set forth the production of coarse grain crops in each province and the marketings by growers in the Prairie Provinces, Table III which follows deals with the exports of the various grains grouped according to principal destinations of the shipments, except for crop year 1940-41 when the publication of such information was suspended.

TABLE II. PRODUCTION AND MARKETINGS <sup>1/</sup> IN PRAIRIE PROVINCES

Year	Sown Acreage	Yield Per Acre	Total Production	Carry-over on Farms <sup>2/</sup>	Total on Farms	Farmers' Marketings <sup>3/</sup>	Per Cent of Supply Marketed
	acres	bu.	bu.	bu.	bu.	bu.	p.c.
<u>OATS</u>							
1936 .....	8,674,300	15.7	135,862,000	17,189,000	153,051,000	29,329,201	19.2
1937 .....	8,579,000	16.6	142,413,000	4,734,000	147,147,000	29,404,653	20.0
1938 .....	8,518,000	27.2	232,000,000	7,331,000	239,331,000	32,649,088	13.6
1939 .....	8,227,000	28.1	231,500,000	26,751,000	258,251,000	35,562,880	13.8
1940 <sup>4/</sup> .....	7,818,000	29.3	229,000,000	23,703,000	252,703,000	32,274,610	12.8
5-year average.	8,363,260	23.2	194,155,000	15,941,600	210,096,600	31,844,086	15.2
<u>BARLEY</u>							
1936 .....	3,724,000	14.1	52,617,000	2,631,100	55,248,100	21,914,239	39.7
1937 .....	3,562,300	17.5	62,418,000	759,500	63,177,500	23,903,948	37.8
1938 .....	3,687,000	21.8	80,200,000	2,238,000	82,438,000	24,567,700	29.8
1939 .....	3,607,000	22.5	81,000,000	5,830,100	86,830,100	22,008,867	25.3
1940 <sup>4/</sup> .....	3,622,000	22.9	83,000,000	5,370,000	88,370,000	20,980,344	23.7
5-year average.	3,640,460	19.7	71,847,000	3,365,740	75,212,740	22,675,019	30.1
<u>RYE</u>							
1936 .....	561,800	5.7	3,201,000	225,900	3,426,900	1,635,307	47.7
1937 .....	808,200	5.3	4,280,000	68,600	4,348,600	1,493,422	34.3
1938 .....	655,000	14.3	9,340,000	44,000	9,384,000	3,440,843	36.7
1939 .....	1,014,100	13.5	13,700,000	347,000	14,047,000	5,228,230	37.2
1940 <sup>4/</sup> .....	943,000	13.0	12,250,000	550,000	12,800,000	5,091,064	39.8
5-year average.	796,420	10.7	8,554,200	247,100	8,801,300	3,377,773	38.4
<u>FLAXSEED</u>							
1936 .....	468,700	3.7	1,730,000	5,200	1,735,200	1,428,779	82.3
1937 .....	233,300	3.0	694,000	9,500	703,500	498,631	70.9
1938 .....	201,700	5.9	1,185,000	1,000	1,186,000	855,838	72.2
1939 .....	288,500	6.8	1,950,000	4,800	1,954,800	1,723,980	88.2
1940 <sup>4/</sup> .....	363,700	7.9	2,875,000	26,700	2,901,700	2,587,846	89.2
5-year average.	311,180	5.4	1,686,800	9,440	1,696,240	1,419,015	83.7

<sup>1/</sup> Includes Peace River block in British Columbia.

<sup>2/</sup> Stocks at end of July.

<sup>3/</sup> August 1 to July 31, 1936-37 to 1940-41. Excludes minor quantities loaded over platforms except in 1940-41.

<sup>4/</sup> Subject to revision.

This compilation reveals a larger volume of oats exported in each of the war years than in any of the three years preceding, with the United States replacing markets lost in Europe. The barley exports, on the other hand, show a steady decline in the five years reviewed and were very small in crop year 1940-41. Rye exports followed an erratic trend but it will be noted that a substantial business was done to Continental Europe in the first year of the war. These exports were directed chiefly to Norway, Denmark and Belgium and arrived several months prior to the German invasion of the Scandinavian countries.

The exports of flaxseed have not been tabulated because they were very small and consisted of minor shipments to the Orient and a small quantity to the United States. Production in the five years through 1940-41 was short of domestic requirements and had to be augmented by imports from abroad, but in 1941 the heavy increase in sowings produced a yield much larger than the home market is likely to consume and sizeable exports are very probable during the crop year 1941-42. It is noted, however, that the exportation of flaxseed of the oil variety can only be made by permit as this commodity as well as linseed oil are on the list of items subject to export control.

When the export figures in Table III are compared with the production totals in Table I it is clearly seen that exports of Canadian coarse grains constitute a very small part of the production, this being especially so in the case of oats. Even if the exports of rolled oats and oatmeal expressed in terms of oats are added to the shipments of oats as grain, the total is not impressive. The average exports of these by-products over the 5-year period was equal to about 4.7 million bushels of oats annually, and the best year of the five was 1939-40 when the combined exports of oats and its by-products totalled just over 22 million bushels out of a total of 384.4 million bushels of oats produced in Canada in 1939.

TABLE III. DESTINATIONS OF EXPORTS <sup>1/</sup>

Destination	1936-37	1937-38	1938-39	1939-40	1940-41 <sup>2/</sup>
<u>OATS</u> <sup>3/</sup> bushels					
United Kingdom .....	4,512,564	3,775,217	6,202,621	3,117,947	
Continental Europe ..	361,006	532,653	751,320	847,542	
United States .....	62,620	1,759	1,222,087	9,489,546	
China and Japan .....	47,898	48,047	2,671	853	
Other Countries .....	82,613	73,621	136,270	589,696	
T o t a l .....	5,066,701	4,431,297	8,314,969	14,045,584	10,250,182
<u>BARLEY</u>					
United Kingdom .....	1,260,932	13,577,471	11,028,532	4,778,595	
Continental Europe ..	204,674	722,851	3,289,960	5,291,205	
United States .....	15,877,408	1,053,057	493,159	603,028	
China and Japan .....	3,646	5,208	-	-	
Other Countries .....	6,031	140,173	8,710	4,808	
T o t a l .....	17,352,691	15,498,760	14,820,361	10,677,636	2,721,886
<u>RYE</u>					
United Kingdom .....	145,739	70,937	60,001	151,359	
Continental Europe ..	1,545,992	495,037	726,795	2,591,806	
United States .....	2,255,557	-	5	120	
Australia .....	1,175	-	-	-	
T o t a l .....	3,948,463	565,974	786,801	2,743,285	1,957,846

<sup>1/</sup> Export clearances plus United States imports.

<sup>2/</sup> Publication of destination data suspended.

<sup>3/</sup> Does not include exports of rolled oats and oatmeal.

# DISPOSITION OF COMMERCIAL STOCKS

As already pointed out, the only information in detail available on the disposition of coarse grains reaching commercial channels is that for grains grown in western Canada, and the only sample is for the crop year 1940-41 which ended July 31, 1941. The figures are still subject to final check but changes that may be made would not materially affect the story these provisional figures tell. It is true that only a fraction of the production is represented by the details that follow but it is the beginning of a pattern which it is hoped may be enlarged to embrace commercial marketings in eastern Canada and bit by bit to piece together the farm utilization of coarse grain crops throughout the Dominion.

## OATS

Statistics already set forth and those covering more extended periods clearly establish the fact that oats are largely consumed close to the areas in which they are produced. They are standard feed for horses and find their way also into feed for cattle, sheep, hogs, etc. Human consumption of oats in the form of rolled oats and oatmeal is relatively small, yet is an important part of the utilization of supplies reaching the commercial market as grain.

### Prairie Provinces

Looking back over the records we find that in acres sown to oats in the Prairie Provinces the peak was reached in 1921 when 10.8 million acres were under this grain, but the highest production in bushels was 391.8 million bushels in 1923 from just over nine million acres. In 1940 the acreage was 7.8 million acres and the production 229 million bushels, while in 1941 with the acreage up to 9.3 million acres the crop yielded only 211 million bushels.

It will be noted from Table II that of the 1940 crop plus the carry-over on farms, the growers in western Canada delivered to the market only 32,274,610 bushels or 12.8 per cent of their available supply. Adding this to the total carry-over of oats in all positions, the available supply in commercial channels was 38,347,911 bushels and this was disposed of as follows:

	<u>bushels</u>
Carry-over of commercial stocks on July 31, 1940 .....	6,073,301 <u>1/</u>
Marketed in Prairie Provinces August 1, 1940 to July 31, 1941 ...	32,274,610
Total commercial stocks .....	38,347,911

### Disposition

Exported overseas .....	176,475	
To Canadian feed mills, etc. ....	13,996,304	
To Canadian flour mills .....	9,846,470	
Imported into the United States .....	10,073,707 <u>2/</u>	
Loss in handling, etc. ....	56,552	34,149,508
Commercial carry-over on July 31, 1941 .....		<u>4,198,403</u>

1/ All of western origin.

2/ Includes 1,490,822 bushels of oats scalplings.

From the table of disposition of commercial stocks of western grown oats in crop year 1940-41 it will be noted that approximately 41 per cent went to feed mills, etc., which includes scattered domestic sales in carlots and less, while 29 per cent went to flour mills to be used largely in the manufacture of rolled oats and oatmeal. The remaining 30 per cent was imported by the United States except for one small cargo exported overseas.

It has already been pointed out that the marketings by prairie growers in the season 1940-41 represented less than 13 per cent of their available supplies and in order to show more graphically the relationship between production, marketings and exports, a chart appears on the page opposite. On this chart are to be found, first, the production in the Prairie Provinces relative to the total production in Canada and secondly, the marketings by prairie farmers in relation to the crop they harvested in each of the five years from 1936 to 1940. A fourth symbol denotes exports in the form of grain only and should be related to the total production for Canada since these exports may on occasion include grain grown outside of the Prairie Provinces.

The first striking fact revealed by this chart is that western Canadian farmers, in the last five years at least, marketed very similar quantities of oats each year irrespective of the size of crop harvested. From an estimated crop of 135.9 million bushels in 1935 they marketed 29.3 million bushels while their largest crop year marketings in this five-year period were 35.6 million bushels from a crop of 231.5 million bushels harvested in 1939. In other words, the extra yield of some 95 million bushels brought to market a paltry six million bushels more oats, notwithstanding that the estimate of farm carry-over was substantially larger as the result of a reasonably good crop in 1938.

Part of the explanation of this is probably to be found in the market price of oats. The larger crop in 1938 appears to have had a very weakening effect on prices as the following table of market quotations will show, and growers apparently decided to market their oats in some form other than grain or to hold them in reserve in the hope of better prices. In the five years under review the following prices prevailed for No. 2 Canada Western Oats:

Yearly Average Price

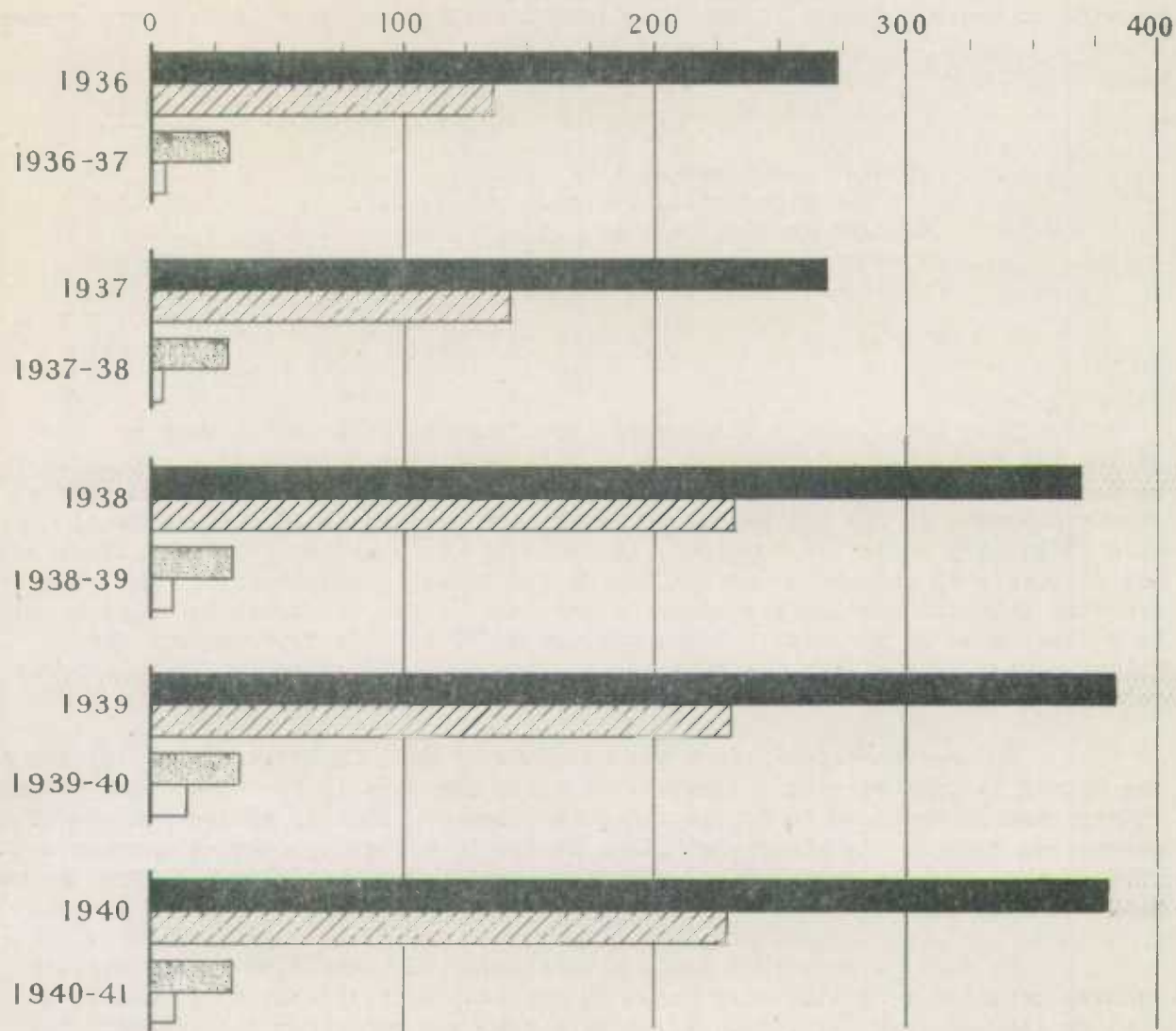
<u>Crop Year</u>	<u>cents per bushel</u>
1936-37 .....	53
1937-38 .....	50 3/8
1938-39 .....	29
1939-40 .....	35 5/8
1940-41 .....	34 3/4


The monthly price records show that weakness in the market began to develop in June 1938 and the average price for August in that year was 31 1/4 cents per bushel compared with an average of 49 cents for May, only four months previous. Some improvement in price was noted in the first two years of the war and contributing factors in this period were a larger export trade in oats and a greater demand for feed for live stock. The extent to which oats might have been in competition with other grains as a feed for live stock is difficult to determine as the crops of barley and rye in western Canada were substantially larger in the last three years of the five-year period and there was also a considerable enlargement in the feeding of wheat to animals. It is very probable, however, that the greatly expanding hog population quite apart from increased numbers of other live stock has materially enlarged the domestic market for oats. It is a fact also that in the past year a fair quantity had to be shipped to eastern Canada to augment short supplies in this territory.

## O A T S

## RELATIONSHIP BETWEEN PRODUCTION, MARKETINGS AND EXPORTS

MILLIONS OF BUSHELS



PRODUCTION SHOWN FOR YEAR OF HARVEST.....		PRODUCTION-ALL CANADA
		" PRAIRIE PROVINCES
MARKETINGS AND EXPORTS FOR CROP YEAR.....		MARKETINGS- " "
Aug 1 to July 31		TOTAL EXPORTS

BARLEY

Just as oats are standard feed for horses so is barley a recognized feed for hogs although it has many other farm uses and is used quite extensively as an industrial product. Alone or mixed with other grains its uses extend to the feeding and finishing of beef cattle, the fattening of lambs and other meat producing animals. In industry it is used in considerable volume by millers and maltsters in the preparation of breakfast foods, barley flour and malt products, the latter having many and varied uses in the industrial world.

As a measure of the general use made of barley which is delivered by growers in western Canada, figures collected during crop year 1940-41 are presented below:

	<u>bushels</u>
Canadian feed plants, etc. ....	9,091,563
Canadian flour mills .....	7,302,710
Canadian malting plants .....	2,340,898
Exported overseas .....	1,566,789
Imported by the United States .....	1,155,097
 T o t a l .....	 <u>21,457,057</u>

This total is 476,713 bushels more than farmers in the west marketed during the season, the difference being furnished from carry-over stocks. It will be seen that feed plants absorbed more than 42 per cent of the total commercial stocks disposed of but the shipments under this heading would include small sales made at country elevators for seed, local feed, etc., and would also include carlot shipments to points in eastern Canada for domestic consumption. The quantity received into flour mills was about 34 per cent of the total, while malting houses took just under 11 per cent. Total exports which include imports into the United States account for the balance, or just over 12 per cent. These exports refer only to barley shipped as grain.

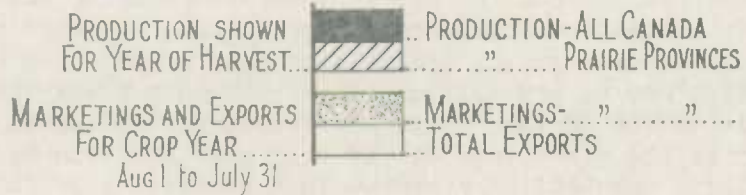
In the two years before the outbreak of war, Canadian barley exports to the United Kingdom were on a substantial scale and even in the first year of war an appreciable movement to Europe was noted, but the 1940-41 season was one of the poorest on record. At times the United States is a big importer as in season 1936-37 when she imported 15,877,408 bushels of Canadian barley but this has not been equalled since.

It will be seen from Table II that over the last five years, western growers marketed as grain, only about 30 per cent of their barley supplies, and that in 1940-41 they delivered approximately 25 per cent from the largest crop harvested in this period. It is evident, therefore, that the hog-feeding programme in the West is not only taking up the shrinkage in export shipments but is reducing commercial marketings of barley in the form of grain.

The increase of 16,000,000 bushels in barley production in the Prairies in 1941 plus the improvement in prices is likely to result in larger commercial marketings of barley as grain in the current season quite apart from the effect of uneven distribution of barley supplies in relation to hog population referred to earlier. Deliveries from western farms since August 1, 1941, are already very close to total marketings for the entire crop year of 1940-41.

## RELATIONSHIP BETWEEN PRODUCTION, MARKETINGS AND EXPORTS

MILLIONS OF BUSHELS



RYE

Rye like wheat is a bread grain but as such it is not extensively used in the Canadian milling and baking trade. Less than 40 per cent of the rye produced in the Prairie Provinces in the five years 1936-40 was marketed, thus indicating that substantial use is made of this grain on farms. It is believed that it is now being used more liberally as a filler for animal feed although no definite figures on this are available. There is also a belief that in areas where central Europeans are located in large groups a quite considerable amount of rye is retained for human consumption, being gristed or crushed either on the farm or at local mills for the table use of these people who have been accustomed to eating rye bread or biscuits.

So far as commercial supplies are concerned, they find themselves moving in several directions but chiefly to mills, feed plants and distilleries. The distribution of supplies marketed in the Prairie Provinces during the crop year 1940-41 is shown below:

	<u>bushels</u>
Canadian feed plants, etc. ....	694,019
Canadian distilleries ....	504,077
Canadian flour mills ....	388,482
Exported overseas ....	523,308
Imported by United States ....	3,057,743 <u>1/</u>
<u>T o t a l</u> .....	<u>5,167,629</u>

1/ This total includes 1,623,205 bushels taken out of bond in July but not included until August in Customs import returns.

Farmers' marketings during the season totalled 5,091,064 bushels so that a small part of the carry-over stock from the previous year disappeared also. It will be noted that the United States was by far the best single outlet for Canadian rye moving in commercial channels and it is noteworthy that this trend is continuing in season 1941-42. Overseas exports and United States imports between them accounted for more than 69 per cent of the total disposition, while mills took about 7.5 per cent and distilleries 9.7 per cent. The remaining 13 1/2 per cent went into feed mills or was sold in carlots or less for domestic use.

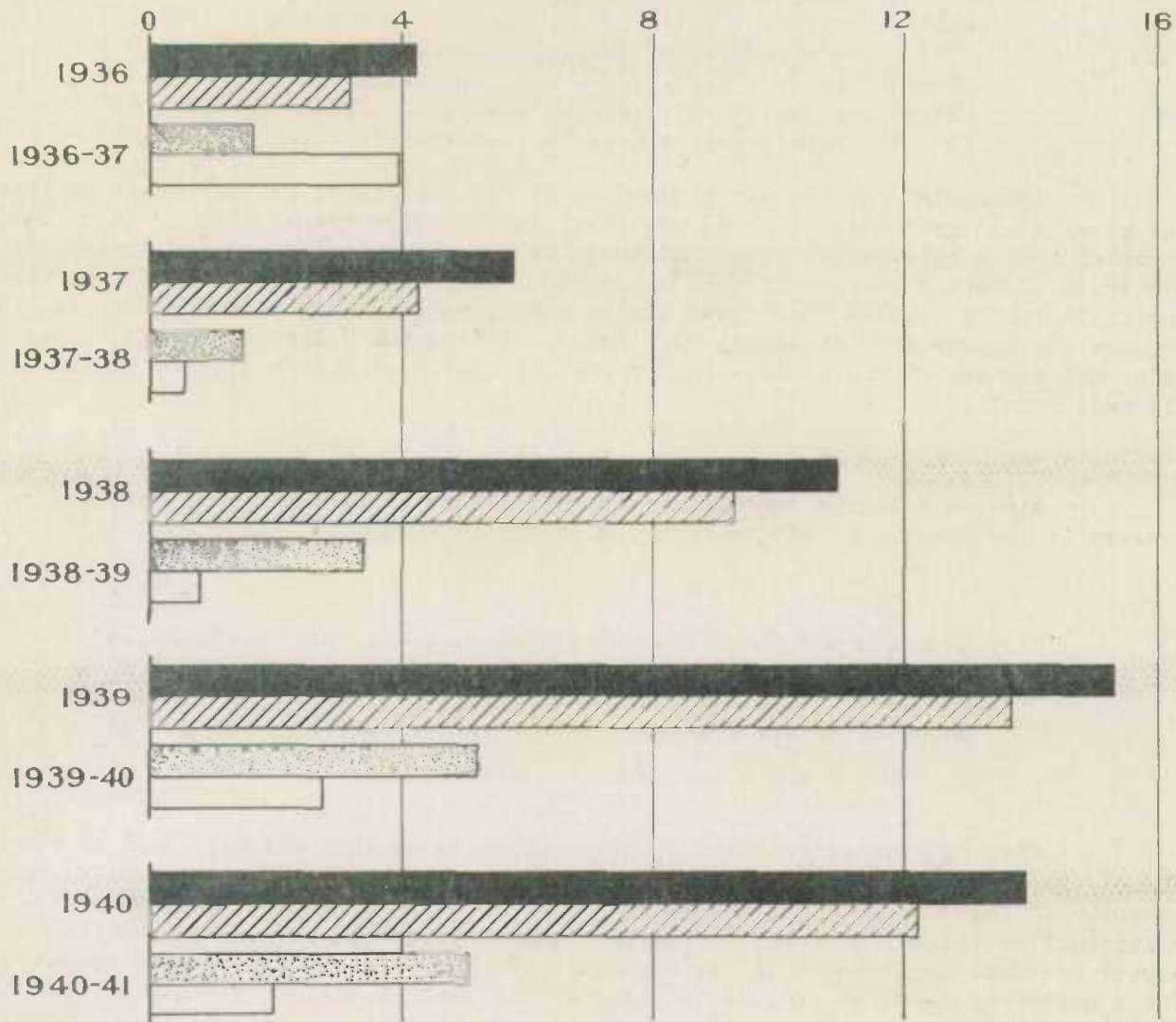
Acreage Erratic

Both production and acreage in rye have shown wide swings in western Canada over a period of years. Records covering thirty years show that maximum acreage and production in the Prairies was reached in 1922 when nearly 2,000,000 acres produced 29.4 million bushels. Two years later the acreage was down to 743,039 acres and production just over 11,000,000 bushels. It was not until 1929 that the area sown to rye began to increase again and in 1930 some 20.6 million bushels were harvested from 1.1 million acres. This trend was short-lived also and for the next eight years the rye crop was very moderate in size and acreage showed no material change but in 1939 the sown area bounced up over the one million acre mark again and for the next two years held fairly close to one million acres. It is not easy to explain the ups and downs in the cultivation of this crop. Prices do not appear to have been a very important factor as the percentage of the crop sold for cash has not been large, and there was actually a substantial increase in acreage in 1939 following a year of very low rye prices. The average price of No. 2 C.W. rye at Fort William for 1938-39 was only 40 5/8 cents per bushel while for the year previous it was 72 3/8 cents.

## R Y E

## RELATIONSHIP BETWEEN PRODUCTION, MARKETINGS AND EXPORTS

MILLIONS OF BUSHELS



PRODUCTION SHOWN  
FOR YEAR OF HARVEST.

MARKETINGS AND EXPORTS  
FOR CROP YEAR .....

Aug 1 to July 31

PRODUCTION-ALL CANADA  
" PRAIRIE PROVINCES

MARKETINGS " "

TOTAL EXPORTS

FLAXSEED

Most of the flaxseed grown in Canada is produced for oil-crushing purposes but because oil-cake and oil-cake meal are products of linseed and are included in live-stock rations, flaxseed has been given a place in this review of feeding stuffs. Western Canada grows most of the Dominion's supply of flaxseed but in recent years the production has not been equal to the domestic requirements and importation from abroad has been necessary as will be seen from the following customs returns showing imports during the last five crop years:

<u>Imports</u>	
<u>Crop Year</u>	<u>bushels</u>
1936-37 .....	991,007
1937-38 .....	1,116,374
1938-39 .....	878,115
1939-40 .....	1,391,667
1940-41 .....	176,464

A campaign for greater production of flaxseed began to bear fruit in 1940 and acreage and production in 1941 were the highest in seventeen years. It is fully expected that a substantial export business will be done in 1941-42 thus reversing the trend of recent years. In this connection, it is interesting to note that the new trade treaty between the United States and Argentina, effective November 15, 1941, reduces the import duty on Argentine linseed entering the United States by 50 per cent, and because of the application of the most-favoured-nation clause, Canada enjoys the same benefit.

Disposition

Figures covering the disposition of commercial marketings of flaxseed by farmers in the Prairie Provinces show the following result in season 1940-41:

	<u>bushels</u>
Crushers and Paint Manufacturers .....	2,505,543
Local Sales at Elevators .....	14,001
Exported to U.S.A. Crushers .....	55,130
Exported to the Orient .....	237
T o t a l .....	<u>2,574,911</u>

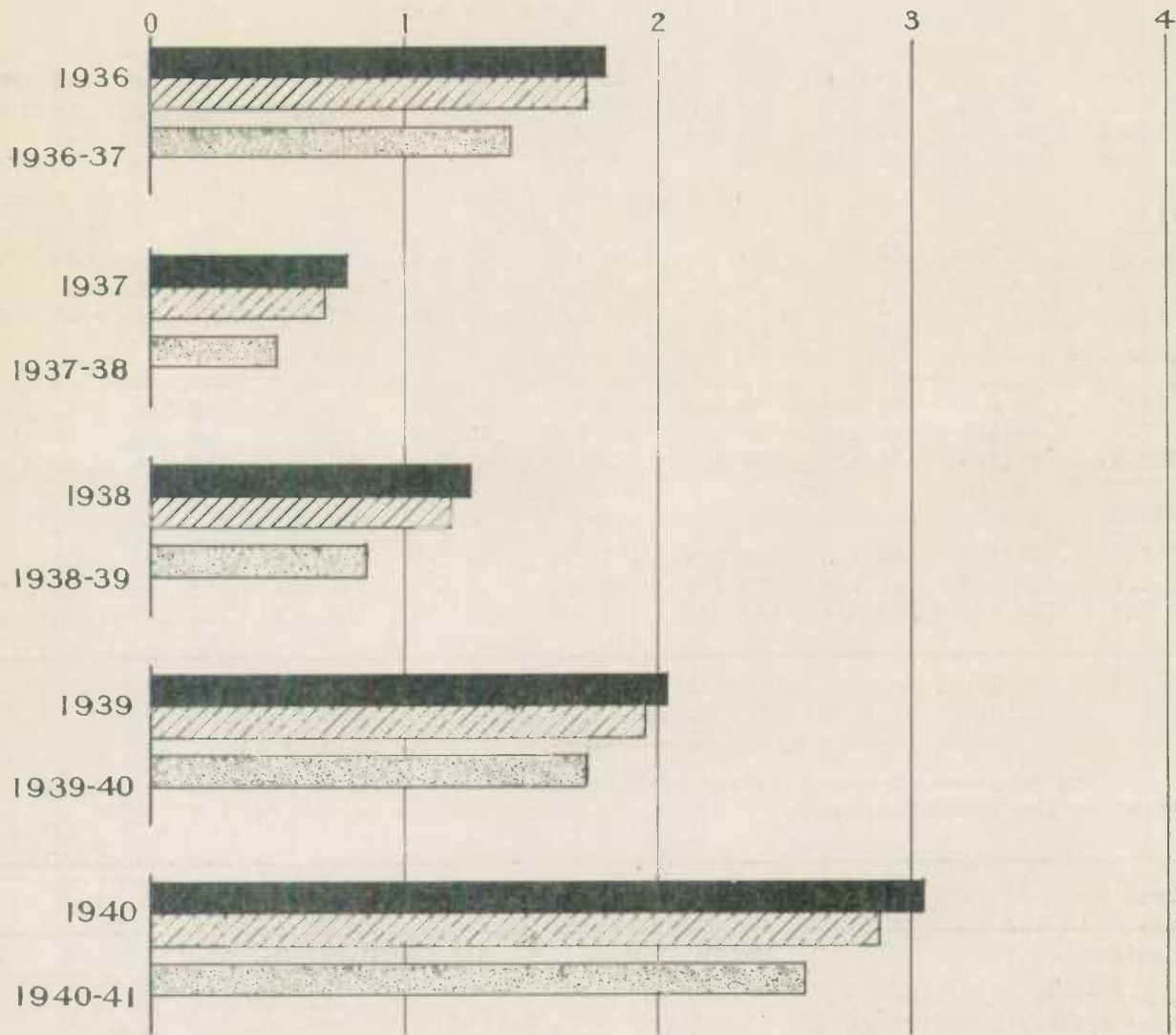
Farm deliveries totalled 2,587,846 bushels so that all but about 13,000 bushels were disposed of during the crop year almost entirely in the domestic market. In the current year, the deliveries from western farms already exceed by a substantial amount the total marketings in crop year 1940-41, but so far the export movement has been of little account. The export permit system now operating for a number of Canadian products applies to flaxseed of the oil variety as well as to linseed oil.

Most of the flax exported from Canada in past years has gone to the United States but a rising tariff had the effect of cutting down this movement. In 1921 the duty against Canadian flaxseed was 20 cents per bushel, but the Fordney-McCumber tariff increased this to 56 cents and in 1930 the Hawley-Smoot tariff boosted the rate to 65 cents per bushel where it remains. With the new trade treaty with Argentina now effective, however, this duty will be lowered to 32.5 cents per bushel for Canadian flaxseed and United States importers will enjoy also the benefit of the exchange between American and Canadian dollars.

# FLAX SEED

## RELATIONSHIP BETWEEN PRODUCTION AND MARKETINGS

MILLIONS OF BUSHELS



PRODUCTION SHOWN FOR YEAR OF HARVEST.....  
MARKETINGS FOR CROP YEAR Aug 1 to July 31.....  
PRODUCTION-ALL CANADA.....  
" PRAIRIE PROVINCES.....  
MARKETINGS-.....

# COARSE GRAIN PRICES

The following prices represent the value of western grades of Canadian coarse grains, in store Fort William or Port Arthur.

## Yearly and Monthly Averages

Grade	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42		
						August	September	October
cents per bushel								
<u>OATS</u>								
No. 2 C.W.	53	50 3/8	29	35 5/8	34 3/4	45 1/4	49 1/4	47 3/8
No. 3 C.W.	50 1/2	46 5/8	26 1/2	33 1/8	32 3/4	43 1/8	47 1/2	43 5/8
No. 1 Feed	49 1/4	44 1/2	25 3/4	31 7/8	31 3/4	40 5/8	44 1/8	41 3/4
No. 2 Feed	46 7/8	41 1/2	24	29 5/8	30 1/8	39 3/8	42 5/8	39 1/2
<u>BARLEY</u>								
No. 3 C.W.	70 3/4	57 5/8	36	43 1/2	44 1/4	49	54 1/4	54 3/4
No. 1 Feed	-	-	-	42 1/2	44	48 1/8	52 5/8	52 7/8
No. 2 Feed	-	-	-	41 1/4	42 7/8	47 5/8	52 1/4	51 3/4
<u>RYE</u>								
No. 2 C.W.	98 5/8	72 3/8	40 5/8	59 7/8	49 3/4	54 5/8	62 1/8	56 3/4
No. 3 C.W.	94 1/2	69 1/4	37	55 3/8	45 1/2	50	58 3/4	51 3/4
No. 4 C.W.	87 1/4	64 5/8	32 1/2	51 1/2	43 3/4	49	57 3/4	50 3/4
<u>FLAXSEED</u>								
No. 1 C.W.	171 3/8	164 1/4	143 3/4	172 3/8	144 3/8	145 3/8	154 3/4	151
No. 2 C.W.	167 1/8	160 1/4	139 1/2	168 5/8	140 5/8	140 3/8	150 1/2	146 3/4
No. 3 C.W.	154 1/2	142 3/4	126 3/4	155 1/4	130 1/8	124 3/8	134 1/2	130 3/4

## VISIBLE SUPPLY

The supplies of coarse grains visible on November 21, 1941, and their location are shown in the following table:

Location	Oats	Barley	Rye	Flaxseed
bushels				
Western Country Elevators .....	2,960,000	2,115,000	766,000	865,000
Interior Private & Mill Elev. .	1,063,000	1,686,000	145,000	153,000
Interior Terminals .....	54,664	7,102	-	2,395
Pacific Coast Elevators .....	77,633	38,310	643	-
Fort William—Port Arthur .....	3,747,064	6,312,937	1,672,747	1,434,374
Eastern Lake Ports .....	570,997	3,391,496	139,167	129,626
Eastern Seaboard .....	53,355	336,700	128,502	94,734
United States Elevators .....	278,000	294,956	1,204,000	-
In Transit Lake and Rail .....	1,093,662	901,248	129,552	358,111
T o t a l .....	9,898,375	15,083,749	4,185,611	3,037,240



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