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# CANADIAN COARSE GRAINS

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THE FEED SITUATION IN CANADA

Rationing and restriction of some desirable foods may be the lot of the people of Canada, but not so the animal population which this year finds itself swamped with all the good things to eat. There is comfort in the fact, however, that the supplies of wheat, oats, barley, etc., crowding the feed boxes on almost every farm in the country will go into the production of more food for human beings, since cattle, hogs and poultry are but the machinery for converting feed and forage into human food.

A year ago there was a serious shortage of feed supplies for animals in many parts of Canada, and it became necessary for the Dominion Government to provide freight assistance in the movement of feed from one part of the country to another, in order that wartime programs might be maintained and Canada's commitments to the United Kingdom fulfilled. In this connection, wheat from western Canada played a very important role in filling the gaps in feed supplies in the five eastern provinces and in British Columbia.

The story in 1942 is different. It is a story of record yields in major crops, abundant supplies of root and fodder crops and greater quantities of high-protein feeds in the form of linseed and soybean oil cake and meal. The latter will result from larger crops of flaxseed and soybean, produced primarily for their oil content. Under these circumstances it appears certain that there will be greater competition between various feeds in filling the demand of live stock and poultry growers since the supply per animal unit greatly exceeds the long-time average, despite the substantial increase in animal population.

Using the September and October official estimates of field crops in Canada as the basis, the production picture for 1942 indicates roughly that the wheat crop is almost twice as large as in 1941, the oats crop more than double, the barley crop about two and a half times greater and rye crops more than double, while the hay and clover crop is about 25 per cent larger than that of last year. Of the other field crops, mixed grains are about one-third greater than a year ago and alfalfa about 50 per cent larger, while corn for husking and for feed show little change from 1941.

Add to this supply of grain and forage crops a substantial quantity of linseed and soybean meal, the output of bran, shorts and middlings from Canada's flour milling industry as well as a number of other feedstuffs, and the sum total is an enormous reservoir of animal food. Despite notable increases in all types of live stock and poultry in the past year there is much more than enough feed to go round and ample room for further heavy expansion of animal numbers from the standpoint of available feed supplies.

In view of the very large wheat surplus and the part wheat played in the the 1941-42 feeding programs, there is wide interest in the outlook for wheat as a feed this year. Existing legislation will compel a large volume of wheat to remain on farms in western Canada, but the competition of other grains also available in large quantities will be much keener than it was a year ago and this makes any forecast of the probable share of the market likely to accrue to any particular grain, a rather hazardous undertaking at this time.



On subsequent pages the barley-hog situation is discussed in some detail but briefly, the picture is one of more than enough barley to meet hog feeding requirements with a generally good distribution of barley supplies, at least in the western provinces where the major part of the hog family is being raised. The enormous oats crop is more than a match for the horses and other animals usually fed this grain and on top of all this there is the big wheat surplus, a good deal of which is believed to be low in grade as the result of September frosts and wet harvest weather.

A more favourable situation for the grower of live stock and poultry would be difficult to imagine. He will have a wide field of choice and full play for preference or prejudice in his feeding operations and while price differences would ordinarily be important considerations in determining what to feed there are this year, influences at work capable of altering the normal pattern.

It is to be noted, for instance, in connection with grain crops in the Prairie Provinces, that during the first quarter of the new crop year, marketings of oats and barley were unusually large in volume. This resulted not alone from the heavy production of these grains but in some measure through the larger delivery quotas permitted farmers in the marketing of coarse grains as compared with wheat. To a very considerable degree both oats and barley assumed the role of "cash crops" and barley marketings during the three months August-October this year exceeded the deliveries through the entire crop year 1941-42.

Shipping priority was given also to oats and barley in the rail movement from country points in western Canada to the terminal markets, designed in part, no doubt, to facilitate the placing in forward positions, of sufficient quantities of these grains to meet any demand from the United States and permit their shipment to American lake ports during the open water season on the Great Lakes this year. It will be recalled that such a movement of Canadian oats and barley to the United States was foreshadowed in the recommendations of the Joint Economic Committee which were approved by the Canadian Government and President Roosevelt last April.

#### Position of Wheat

The position of wheat in the meantime, was affected chiefly in the matter of price enhancement of the lower grades. The priority given to coarse grain shipments from country points resulted in a small wheat movement and because the quantities of low grade wheat in store at terminal markets were insufficient to meet effective demand, there was a sharp rise in the prices of Nos. 5 and 6 and Feed wheat, the latter grade climbing to within 10 cents per bushel of the price of No. 1 Northern. Shipping restrictions have now been relaxed on low grade wheat and some adjustment of the abnormally narrow spreads between low and high grade wheat may be expected to follow.

It is very doubtful, however, if these developments of the past three months have had much influence so far on grain feeding programs on the farms. The heavier marketings of coarse grain crops have not yet narrowed down the farmer's choice of feeds. There are still abundant supplies of oats and barley on farms and unless and until a much larger volume of these grains is sold for cash, it will be difficult to assess the position of wheat in the feeding program for the crop year 1942-43.

The unrevised estimate of wheat feeding in Canada during the crop year 1941-42 is approximately 60 million bushels. This was wheat that did not leave the farms, but in addition to this amount approximately 10,000,000 bushels of western wheat were fed to live stock and poultry in the five eastern provinces and British Columbia, according to the records of distribution under the Freight Assistance Policy. This freight assistance is being continued into 1942-43 but the areas of deficiency last year are much more self-supporting in the present season and it is difficult to see in them a market as large as that of a year ago.

The total of rail shipments of wheat from Fort William and Port Arthur for the first three months of this year is much larger than in the corresponding period last year as the following table will show, but it must be remembered that the Freight Assistance Policy did not take effect until October 20, 1941, and that in the months that followed, the shipments ran well over one million bushels monthly, until about May when they began to decrease.

Wheat by Rail from Lakehead to Eastern Canada

|                 | <u>1942-43</u> | <u>1941-42</u> |
|-----------------|----------------|----------------|
|                 | <u>bushels</u> |                |
| August .....    | 390,264        | 90,122         |
| September ..... | 600,921        | 143,816        |
| October .....   | 644,926        | 209,376        |
| T o t a l ..... | 1,636,111      | 443,314        |

Summarizing the total supply of feed grains and showing the supply per grain-consuming animal, the following table affords an interesting comparison between the position in 1942-43 and that for each crop year back to 1918-19. It will be noted that the supply per grain-consuming animal unit this year is 1.11 tons compared with a revised figure of 0.61 tons in 1941-42, and in these calculations wheat is not included as a feed grain.

| Crop Year<br>ending<br>July 31 | Production <sup>1/</sup><br>000-Tons | Stocks <sup>2/</sup><br>000-Tons | Total<br>Supply<br>000-Tons | Grain-Consuming<br>Animal Units<br>000 | Supply per<br>Grain-Consuming<br>Animal Unit<br>Tons |
|--------------------------------|--------------------------------------|----------------------------------|-----------------------------|--|--|
| 1918-19 ....                   | 10,943                               | 297                              | 11,240                      | 14,452                                 | .78  |
| 1919-20 ....                   | 9,800                                | 420                              | 10,220                      | 14,782                                 | .69  |
| 1920-21 ....                   | 12,311                               | 214                              | 12,525                      | 14,051                                 | .89  |
| 1921-22 ....                   | 10,479                               | 819                              | 11,298                      | 14,687                                 | .77  |
| 1922-23 ....                   | 12,320                               | 352                              | 12,672                      | 14,929                                 | .85  |
| 1923-24 ....                   | 13,458                               | 499                              | 13,957                      | 15,273                                 | .91  |
| 1924-25 ....                   | 10,845                               | 969                              | 11,814                      | 16,028                                 | .74  |
| 1925-26 ....                   | 10,582                               | 700                              | 11,282                      | 15,384                                 | .73  |
| 1926-27 ....                   | 10,556                               | 1,000                            | 11,556                      | 15,532                                 | .74  |
| 1927-28 ....                   | 11,549                               | 541                              | 12,090                      | 15,581                                 | .78  |
| 1928-29 ....                   | 12,736                               | 628                              | 13,364                      | 15,528                                 | .86  |
| 1929-30 ....                   | 8,893                                | 1,150                            | 10,043                      | 15,647                                 | .64  |
| 1930-31 ....                   | 12,546                               | 1,173                            | 13,719                      | 15,415                                 | .89  |
| 1931-32 ....                   | 8,594                                | 2,189                            | 10,783                      | 16,434                                 | .66  |
| 1932-33 ....                   | 10,100                               | 832                              | 10,932                      | 16,702                                 | .65  |
| 1933-34 ....                   | 7,994                                | 1,150                            | 9,144                       | 15,877                                 | .58  |
| 1934-35 ....                   | 8,419                                | 906                              | 9,325                       | 15,850                                 | .59  |
| 1935-36 ....                   | 10,334                               | 671                              | 11,005                      | 15,558                                 | .71  |
| 1936-37 ....                   | 7,637                                | 1,010                            | 8,647                       | 16,117                                 | .54  |
| 1937-38 ....                   | 7,906                                | 426                              | 8,332                       | 15,895                                 | .52  |
| 1938-39 ....                   | 10,382                               | 514                              | 10,896                      | 15,202                                 | .72  |
| 1939-40 ....                   | 10,861                               | 1,192                            | 12,053                      | 16,119                                 | .75  |
| 1940-41 ....                   | 10,729                               | 1,125                            | 11,854                      | 17,676                                 | .67  |
| 1941-42 <sup>3/</sup> ....     | 9,754                                | 1,004                            | 10,758                      | 17,546                                 | .61  |
| 1942-43 <sup>4/</sup> ....     | 20,534                               | 804                              | 21,338                      | 19,230                                 | 1.11   |

1/ Including oats, barley, rye, corn, buckwheat, peas, mixed grains.

2/ Including oats, barley, rye.

3/ Based on preliminary 1941 Census data. Previous years subject to revision.

4/ Preliminary.



Since it is abundantly clear from the foregoing that feed grain supplies in Canada are more than ample for domestic requirements in the current crop year, it is evident that unless outside demand not now in sight develops, there will be a large carry-over of these grains at the end of July 1943. For a time it looked as though the United States would need to import on a considerable scale to meet expanding live-stock programs, but this possibility has dwindled as the result not only of a colossal harvest of native crops of all kinds but a clogging up of public facilities for grain storage.

Moderate quantities of Canadian oats and barley have gone to the United States during the first several months of the crop year and more will follow, but the volume is not impressive as yet. The only feeds for which a real deficiency is admitted in the United States are protein feeds such as skim milk but this deficiency can be met from the increased quantities of soybean and linseed meal which will be available from large crops of soybean and flaxseed produced in the United States in 1942.

#### FEED AND LIVE STOCK PRICES

With the feed supply situation reversed from one of relative scarcity last year to one of plenty this year, the index numbers of feed prices and prices of live stock and live-stock products favours the feeding of animals. A sharp drop in feed prices took place in mid-summer when the outlook became promising and pastures, etc., showed improvement and in the following table is shown the changes, month by month, with comparative figures for the previous five years.

Index Numbers of Feed Prices and Prices of Live Stock and Live-Stock Products  
by Months, 1937-1942

1926=100

| Month     | 1937 |        | 1938 |        | 1939 |        | 1940 |        | 1941 |        | 1942  |        |
|-----------|------|--------|------|--------|------|--------|------|--------|------|--------|-------|--------|
|           | Feed | Animal | Feed | Animal | Feed | Animal | Feed | Animal | Feed | Animal | Feed  | Animal |
| January   | 91.2 | 82.1   | 87.3 | 82.2   | 59.5 | 81.6   | 75.8 | 85.4   | 69.6 | 90.0   | 102.4 | 101.5  |
| February  | 91.2 | 82.6   | 89.4 | 81.1   | 59.6 | 81.3   | 76.6 | 85.0   | 70.7 | 91.6   | 105.8 | 102.1  |
| March     | 91.3 | 84.2   | 86.6 | 81.6   | 59.8 | 81.9   | 75.5 | 84.9   | 72.2 | 91.8   | 111.2 | 102.7  |
| April     | 92.4 | 86.3   | 83.8 | 81.2   | 61.5 | 81.1   | 76.9 | 84.1   | 74.3 | 92.2   | 109.4 | 103.7  |
| May       | 90.7 | 85.7   | 81.7 | 81.7   | 62.9 | 80.5   | 73.6 | 84.3   | 74.1 | 93.3   | 109.3 | 104.8  |
| June      | 89.5 | 81.4   | 79.5 | 80.4   | 61.4 | 75.9   | 68.0 | 83.5   | 75.7 | 94.3   | 107.2 | 107.0  |
| July      | 95.5 | 83.9   | 72.9 | 80.7   | 58.7 | 75.4   | 66.0 | 83.9   | 78.8 | 96.1   | 99.9  | 103.6  |
| August    | 82.5 | 85.5   | 62.9 | 79.6   | 55.2 | 75.4   | 62.2 | 83.3   | 84.7 | 97.9   | 93.8  | 102.9  |
| September | 81.7 | 88.8   | 59.2 | 81.1   | 67.5 | 81.8   | 62.9 | 85.8   | 94.8 | 99.6   | 89.8  | 112.3  |
| October   | 82.6 | 86.9   | 58.9 | 81.0   | 64.6 | 86.6   | 66.1 | 87.3   | 97.2 | 101.1  |       |        |
| November  | 81.3 | 87.4   | 57.6 | 82.1   | 65.6 | 86.8   | 68.2 | 91.0   | 95.8 | 102.0  |       |        |
| December  | 83.4 | 84.6   | 58.2 | 82.6   | 72.2 | 86.4   | 67.9 | 91.6   | 98.0 | 100.5  |       |        |

#### PASTURE CONDITIONS

| Province                   | August 31 |      | September 30 |      |
|----------------------------|-----------|------|--------------|------|
|                            | 1941      | 1942 | 1941         | 1942 |
| Prince Edward Island ..... | 106       | 93   | 104          | 96   |
| Nova Scotia .....          | 102       | 88   | 100          | 80   |
| New Brunswick .....        | 101       | 89   | 102          | 80   |
| Quebec .....               | 82        | 98   | 82           | 96   |
| Ontario .....              | 74        | 96   | 78           | 103  |
| Manitoba .....             | 93        | 104  | 104          | 101  |
| Saskatchewan .....         | 76        | 110  | 87           | 106  |
| Alberta .....              | 70        | 110  | 91           | 109  |
| British Columbia .....     | 92        | 96   | 102          | 95   |
| CANADA .....               | 83        | 97   | 85           | 97   |

PRODUCTION AND MARKETING<sup>1/</sup> IN PRAIRIE PROVINCES

| Year                 | Sown<br>Acreage | Yield<br>Per<br>Acre | Total<br>Production | Farm<br>Stocks<br>July 31 | Total<br>on Farms | Farmers'<br>Marketings <sup>2/</sup> | Per Cent<br>of Supply<br>Marketed |
|----------------------|-----------------|----------------------|---------------------|---------------------------|-------------------|--------------------------------------|-----------------------------------|
|                      | acres           | bu.                  | bu.                 | bu.                       | bu.               | bu.                                  | p.c.                              |
| <u>CATS</u>          |                 |                      |                     |                           |                   |                                      |                                   |
| 1936-40<br>(average) | 8,363,260       | 23.2                 | 194,155,000         | 15,941,600                | 210,096,600       | 31,844,086                           | 15.2                              |
| 1941 <sup>3/</sup>   | 8,137,000       | 21.9                 | 178,000,000         | 20,137,000                | 198,137,000       | 32,521,319                           | 16.4                              |
| 1942 <sup>4/</sup>   | 9,666,000       | 52.6                 | 508,000,000         | 11,952,000                | 519,952,000       | 27,979,867 <sup>5/</sup>             | 5.4                               |
| <u>BARLEY</u>        |                 |                      |                     |                           |                   |                                      |                                   |
| 1936-40<br>(average) | 3,640,460       | 19.7                 | 71,847,000          | 3,365,740                 | 75,212,740        | 22,675,019                           | 30.1                              |
| 1941 <sup>3/</sup>   | 4,735,000       | 20.0                 | 94,700,000          | 4,895,000                 | 99,595,000        | 26,266,771                           | 26.4                              |
| 1942 <sup>4/</sup>   | 6,414,000       | 39.8                 | 255,000,000         | 4,194,000                 | 259,194,000       | 29,372,211 <sup>5/</sup>             | 11.3                              |
| <u>RYE</u>           |                 |                      |                     |                           |                   |                                      |                                   |
| 1936-40<br>(average) | 796,420         | 10.7                 | 8,554,200           | 247,100                   | 8,801,300         | 3,377,773                            | 38.4                              |
| 1941 <sup>3/</sup>   | 861,000         | 11.6                 | 9,989,000           | 399,000                   | 10,388,000        | 5,091,064                            | 49.0                              |
| 1942 <sup>4/</sup>   | 1,246,000       | 19.8                 | 24,693,000          | 145,000                   | 24,838,000        | 2,460,055 <sup>5/</sup>              | 9.9                               |
| <u>FLAXSEED</u>      |                 |                      |                     |                           |                   |                                      |                                   |
| 1936-40<br>(average) | 311,180         | 5.4                  | 1,686,800           | 9,440                     | 1,696,240         | 1,419,015                            | 83.7                              |
| 1941 <sup>3/</sup>   | 982,000         | 6.5                  | 6,419,000           | 14,000                    | 6,433,000         | 4,873,622                            | 75.8                              |
| 1942 <sup>4/</sup>   | 1,466,000       | 11.4                 | 16,700,000          | 19,000                    | 16,719,000        | 8,312,090 <sup>5/</sup>              | 49.7                              |

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

<sup>2/</sup> Crop years beginning August 1. Platform loadings not included prior to 1940-41.

<sup>3/</sup> Production estimates revised to conform to 1941 Census acreage.

<sup>4/</sup> First official estimates September 10, 1942.

<sup>5/</sup> August 1 to October 30, 1942.

# DISTRIBUTION OF HOGS AND BARLEY

The distribution of hog population and the supplies of barley in western Canada is indicated in some detail on the map shown on the opposite page. The number of hogs in each province on June 1, 1942, is used as the base, but in calculating the amount of barley required to feed hogs during the crop year 1942-43 consideration has been given to the fall litters and allowance made for the increase in pig population from the spring litters in 1943, both of which will be fed out of the 1942 crops.

Within each crop district is shown the number of swine at the beginning of last June and the first estimate of barley production in 1942, and it is apparent from these figures that grain is available in sufficient quantities in all crop districts to meet the feeding requirements for hogs. On a provincial basis, bars have been inserted in the map to show the proportion of the barley crop that would be utilized under more or less maximum feeding of barley, after making due allowance for the fall and spring litters.

There is undoubtedly great variation in the amounts of barley fed to hogs by farmers in Canada but in this calculation a figure of 15 bushels of barley per hog has been used. This works out at 4-lbs. of barley to 1-lb. of gain in putting on about 180 pounds of weight. Such a feeding program would leave about three-quarters of the Manitoba barley crop available for other purposes, about two-thirds of the Saskatchewan crop, and about one-quarter of the Alberta crop. It would be expected, of course, that farmers would feed wheat, oats or other feed stuffs, as well as barley to their hogs, in which case the amounts of barley available for other purposes would be even greater.

During the first quarter of the crop year or up to October 30, farmers in Manitoba had delivered to market almost 15 million bushels or about 19 per cent of their estimated barley crop, while in Saskatchewan 11.5 millions or 8.5 per cent came to market, and in Alberta only 3.1 millions or about 4 per cent in the same period. This pattern of deliveries from farms fits in fairly well with the general situation depicted for each of the provinces this year.

## Hog-Barley Ratio

In the following table is shown the number of bushels of barley equivalent in price to 100 pounds of bacon hog at Winnipeg by months during the past five years and for the first ten months of 1942.

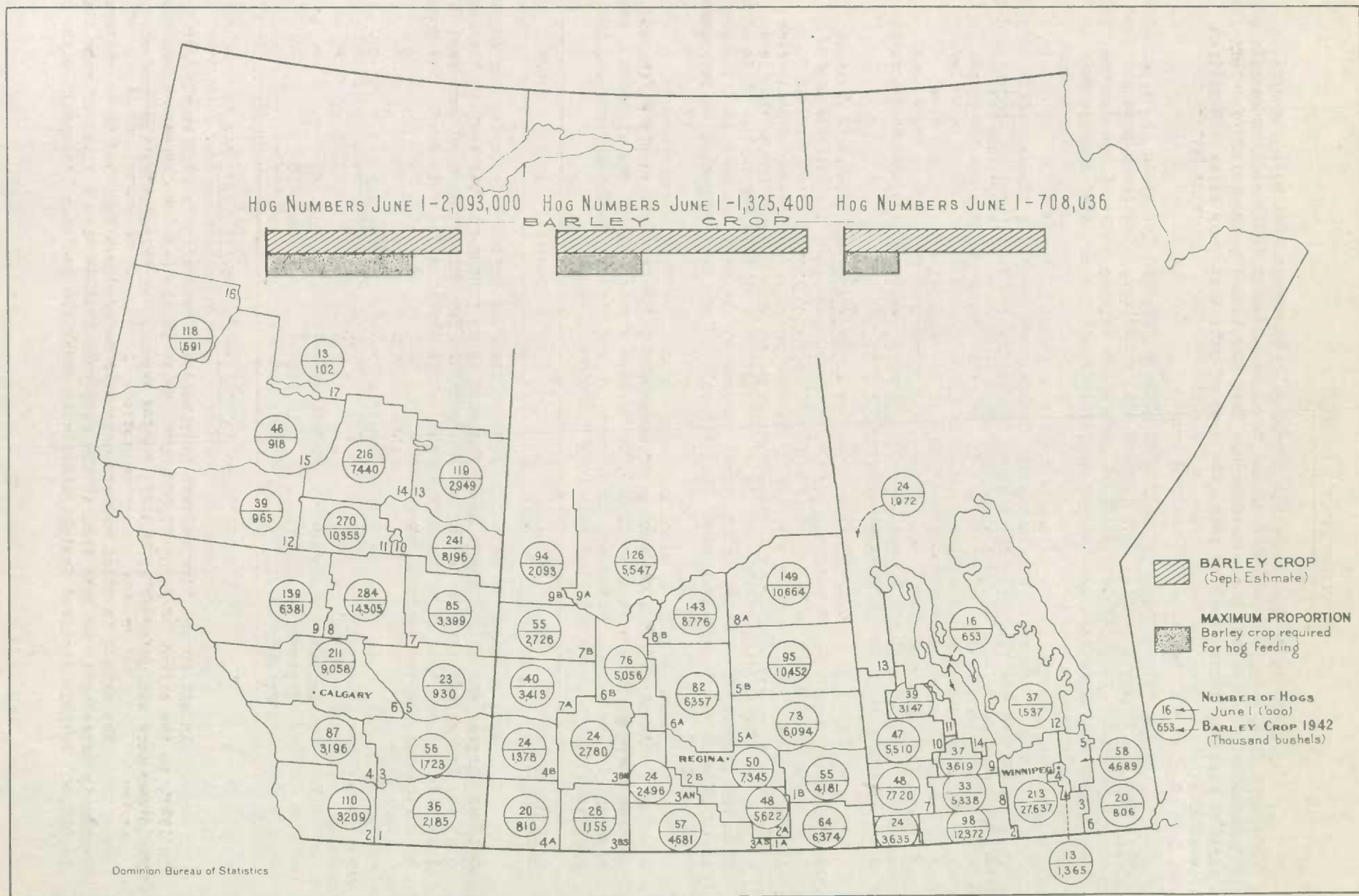
(Long-time Average = 17.2)

| Month           | 1936 | 1937 | 1938 | 1939 | 1940 | 1941 | 1942 |
|-----------------|------|------|------|------|------|------|------|
| January .....   | 28.7 | 10.0 | 15.1 | 29.4 | 20.5 | 21.4 | 20.0 |
| February .....  | 28.7 | 10.2 | 15.1 | 31.1 | 20.0 | 20.4 | 20.0 |
| March .....     | 26.5 | 10.9 | 18.6 | 31.1 | 20.5 | 17.6 | 19.7 |
| April .....     | 26.8 | 12.4 | 19.8 | 27.9 | 18.9 | 17.7 | 19.5 |
| May .....       | 27.1 | 12.6 | 20.9 | 25.2 | 24.2 | 21.0 | 18.9 |
| June .....      | 28.0 | 14.6 | 23.2 | 30.3 | 31.0 | 22.0 | 18.3 |
| July .....      | 20.3 | 14.4 | 29.6 | 34.8 | 31.7 | 23.1 | 19.4 |
| August .....    | 17.1 | 19.5 | 31.1 | 31.1 | 32.2 | 24.9 | 21.3 |
| September ..... | 15.6 | 17.9 | 34.1 | 22.3 | 31.3 | 22.1 | 21.0 |
| October .....   | 13.5 | 14.5 | 26.9 | 23.3 | 26.1 | 22.3 | 23.4 |
| November .....  | 12.7 | 15.0 | 28.9 | 23.7 | 21.0 | 22.4 |      |
| December .....  | 10.7 | 16.1 | 29.5 | 21.2 | 23.4 | 21.1 |      |

It will be noted from the above table that the hog-barley ratio has been considerably above average in recent months. This means that the price of bacon hogs has been relatively high in comparison with the price of barley. Farmers, therefore, will find it more profitable to sell their barley in the form of hogs rather than as a cash grain. Thus, we may expect a further expansion in hog production and this is borne out by the June 1 Survey of numbers of sows expected to farrow in the June to November period. In Manitoba an increase of 14 per cent in farrowings is expected in the fall of 1942 in comparison with the same period of 1941. In Saskatchewan the increase is 30 per cent and in Alberta 20 per cent.



# BARLEY PRODUCTION IN RELATION TO HOG POPULATION IN 1942-1943



### OATS

A record crop of oats was produced in Canada in 1942 with the Prairie Provinces furnishing 508 millions of the total estimate of 660.7 million bushels made on September 10, for the whole of Canada. Even the banner year of 1928 was left far behind by the performance this year, the crop of oats that year being 452 million bushels.

The actual amount of oats that will be threshed for grain is as problematical this year as in other years. Many farmers will doubtless stack their oats and feed them in the sheaf as they have been doing in past years in many parts of the country, but the one thing that is certain is that the supply is ample for all feed requirements in the current crop year.

Marketings of oats in western Canada have been on a liberal scale so far this season and the following table shows the deliveries from farms by provinces during the three months August through October.

|                    | <u>Bushels</u>    |
|--------------------|-------------------|
| Manitoba .....     | 6,565,205         |
| Saskatchewan ..... | 15,162,142        |
| Alberta .....      | 6,252,520         |
| Total .....        | <u>27,979,867</u> |

The grading of the crop is shown elsewhere in this report but it is observed from the inspection returns for the first quarter of the new crop year that the grading is quite good and it can be assumed that the bulk of the oats inspected to date came from the 1942 crop.

Almost 27,000,000 bushels of oats were in the visible supply at the end of October compared with just over 10,000,000 bushels a year earlier and although a small movement to the United States was in progress during the August-October period, the shipments to the south totalled less than 3,000,000 bushels.

### Rail Shipments

Rail movement of oats from Fort William and Port Arthur during the August-October quarter was not as heavy as in the same three months of 1941 despite the fact that the Freight Assistance Policy was in operation for only 11 days of that period last year and has been in effect during the entire three months this year. The movement by months for the two years is shown below.

|                 | <u>1942-43</u>   | <u>1941-42</u>   |
|-----------------|------------------|------------------|
|                 | bushels          |                  |
| August .....    | 571,881          | 1,004,328        |
| September ..... | 712,126          | 1,369,810        |
| October .....   | 1,221,419        | 869,317          |
| Total .....     | <u>2,505,426</u> | <u>3,243,455</u> |

In all of the five eastern provinces the oats crop in 1942 was larger than in 1941, to the extent of about 20,000,000 bushels in the case of Ontario, where the yield per acre was up about 10 bushels from a year ago on practically the same acreage.

The extent to which western oats will be required for feeding in eastern Canada is expected to be less than in the crop year 1941-42 when a total of more than 14,000,000 bushels received freight assistance under the Dominion Government plan.

BARLEY

Every province in Canada showed an increase in barley production in 1942 but it was in the Prairie Provinces that the biggest gains were made over 1941 and the crop as a whole was almost two and one half times the production a year ago. The yields in western Canada were between 39 and 40 bushels to the acre on the basis of the first estimate of production, and the three Prairie Provinces produced a crop of 255 million bushels compared with 94.7 million the year before.

Distribution of supplies fits in favourably with the location of hogs so far as western Canada is concerned, and there will be a very substantial surplus for other than hog feeding. The deliveries from farms have been on a liberal scale so far this season and the total for the three months August-October exceeds the amount of barley delivered in the west through the entire season of 1941-42. The farmers' marketings by provinces were as follows up to October 30, 1942.

|                    | <u>Bushels</u>    |
|--------------------|-------------------|
| Manitoba .....     | 14,851,008        |
| Saskatchewan ..... | 11,455,600        |
| Alberta .....      | 3,065,603         |
| Total .....        | <u>29,372,211</u> |

The amount of western barley in store or in transit at the end of October was almost twice what it was a year previous but there was a fair movement to the United States and more will go in that direction before the close of navigation. The shipments to the end of October totalled about 2.8 million bushels but permits have been granted for much larger amounts to move to the United States before the end of November.

Rail Shipments

A considerable rail movement of barley from Fort William-Port Arthur was noted during the first quarter of the new season and, while part of this was enroute to the United States, a fair portion was also intended for feeding in eastern Canada or for malting purposes. The monthly shipments from the head of the lakes this year and last are shown below.

|                 | <u>1942-43</u>   | <u>1941-42</u>   |
|-----------------|------------------|------------------|
|                 | bushels          |                  |
| August .....    | 554,284          | 426,527          |
| September ..... | 592,467          | 364,168          |
| October .....   | <u>1,025,082</u> | <u>398,489</u>   |
| Total .....     | <u>2,171,833</u> | <u>1,189,184</u> |

Since the Freight Assistance Policy went into effect on October 20, 1941, a large amount of western barley has been fed in eastern Canada either as grain or meal, etc., and a compilation on the amount of freight assistance paid on western barley up to September 30, 1942, shows about 10,000,000 bushels fed, half of this coming to Ontario and almost 4,000,000 bushels to Quebec. Shipments to British Columbia, on which freight was paid in this period of approximately eleven months, amounted to 382,170 bushels, while a similar amount went to New Brunswick and about 600,000 bushels were divided between Nova Scotia and Prince Edward Island, with the greater share going to Nova Scotia.



RYE

Records back to 1908 show that the production of rye in Canada in 1942, both spring and fall sown, was the largest with one exception, the year 1922 when acreage was at its peak and a crop of 32.4 million bushels was produced compared with 26.5 million bushels indicated in the first estimate for this year. The 1942 crop was more than twice the size of the 1941 harvest, the fall-sown crop this year producing 19.4 millions and the spring sown just over seven million bushels.

In recent years, a remarkably small proportion of the rye crop has reached commercial channels, indicating that it is used more extensively on farms than has generally been conceded. In the five years from 1936 to 1940, for instance, only some 38 per cent of the crop came out, on the average, and even when production increased in 1939 and 1940, the marketings by growers showed no appreciable change. Some increase was noted in 1941-42 when 44.4 per cent of the available supply in western Canada was marketed and it appears highly probable that in 1942-43 a substantial proportion of the rye crop will be marketed and certainly a larger volume than in the past several years, although quotas and available storage space will be factors of importance.

Only about 185,000 bushels of western rye had been shipped by rail from Fort William and Port Arthur to eastern Canada in the first three months of this season compared with 78,000 bushels in the same period last year. The stocks in elevators or in transit at the end of October this year were only slightly higher than a year previous, the amount being 4.8 million bushels.

CORN

The first official estimate of the corn crop for husking indicated only a small increase over the 1941 crop. This crop is produced chiefly in Ontario and Manitoba and the crop in Ontario was estimated at just over 12 million bushels and in Manitoba at 1.5 million bushels.

Very limited amounts of corn both eastern and western grown, have made their appearance in commercial channels and the stocks in store at the end of October showed about 57,000 bushels of western and 59,735 bushels of eastern corn in elevators. The bulk of the western corn in store was held at country points.

Very unfavourable weather at harvest time had a serious effect on the Manitoba crop and the indications are that a considerable part of the sown acreage will not be harvested. It is usually late November or December before western corn moves in any volume, and deliveries in Manitoba during the first three months of the present crop year totalled only some 27,000 bushels and 18,461 bushels of this came to market in the last week of October.

Manitoba had a bad time last year also with her corn for husking, and the bulk of the crop came to market with a very high moisture content. The acreage in 1942 was increased quite sharply, according to first estimates but abandonment has still to be disclosed.

Western grown corn is eligible for freight assistance if shipped to British Columbia and in the period since the policy went into effect in October 1941, up to and including September 30, freight claims had been paid on a total of 223,981 bushels of western corn. A little more than half of this was among the claims paid to July 3, 1942 and the balance in the next three months.

### FLAXSEED

Although produced primarily for its oil content, flaxseed earns a place in any discussion of the feed situation because linseed oil cake and meal, the by-products of the crushing process, are important elements in the feeding of live stock and will this year be available in larger supply than usual, probably to the extent of 100,000 tons.

Canadian farmers were urged in 1942 to expand their flaxseed acreage as a wartime necessity and this they did by more than 49 per cent over the acreage sown in 1941. Favourable weather aided growers and a crop of about 17,000,000 bushels was officially estimated on September 10. It was not the first time that a flaxseed crop of this size had been produced in Canada but it was the biggest in almost 30 years.

A high fixed price underwritten by the Government, and a guarantee of unrestricted marketing of the crop by growers combined with an honest desire to meet a wartime need, induced heavy expansion of acreage while nature did the rest. As a result, Canada this year has enough flaxseed to satisfy the total crushing capacity of the country and provide a substantial surplus to meet the needs of the United Nations.

With additional crushing facilities available in 1942-43, it is expected that Canadian crushers will process about 5,000,000 bushels of flaxseed for oil. The seed requirements for the 1943 crop will probably not exceed 1.5 million bushels and even allowing for a reserve of between two and three million bushels to be held in Canada, there would still be about 8,000,000 bushels available for shipment elsewhere.

Under the terms of a recent agreement reached by the Combined Food Board, the United States has been given the exclusive rights in North America, among other territories defined, to purchase all supplies of oilseeds available to the United Nations. Adherents to this agreement include Canada, Australia, New Zealand and South Africa as well as the United Kingdom and the United States. It is expected, therefore, that Canada's surplus of flaxseed will move southward in good volume during the current crop year.

As stipulated in the accepted recommendations of the Joint Economic Committee of Canada and the United States, the Dominion "shall facilitate the delivery in the United States, at the then current United States prices, of whatever quantity of flaxseed Canada may be in a position to supply". The loan rate for flaxseed in the United States is \$2.40 per bushel delivered at Minneapolis and while small amounts of Canadian flaxseed have already moved southward, the volume so far is not important.

Prices in Canada give the farmer a guaranteed fixed level of \$2.25 for No. 1 C.W. Flaxseed, basis in store Fort William-Port Arthur, but this same grade is sold to crushers at a price of \$1.64, the ceiling level established in the basic period. For western flaxseed the price basis is the head of the lakes but for flaxseed grown in eastern Canada the price to the grower of \$2.25 per bushel for top grade is basis domestic freight rates in store Montreal.

Approximately half of the estimated production of flaxseed in Canada has already been delivered by farmers in western Canada, the marketings between August 1 and October 30, 1942, amounting to 8,312,090 bushels distributed by provinces as follows:

|                    | <u>Bushels</u>   |
|--------------------|------------------|
| Manitoba .....     | 1,202,840        |
| Saskatchewan ..... | 6,054,843        |
| Alberta .....      | 1,054,407        |
| Total .....        | <u>8,312,090</u> |

This total is two and one half times the amount delivered in the first three months of last crop year and is already more than sufficient to meet the estimated capacity operations of the crushing industry for the whole of 1942-43.



### SOYBEAN

There was marked expansion in the acreage sown to soybean in Canada in 1942 and most of this took place in the province of Ontario, according to preliminary figures now available. The western provinces and Quebec also produced soybean for beans but the commercial quantities likely to be made available in those areas will be very small, the bulk of the production being retained for seed.

According to the 1941 preliminary census data, approximately 16,000 acres covered the total area devoted to soybean in Canada in that year with 11,000 acres of this located in Ontario, but in 1942 the Ontario acreage expanded to 41,490 acres and the average yield has been tentatively set at 21 bushels to the acre. This suggests a crop of 871,290 bushels in Ontario of which probably about 700,000 bushels will be sold commercially for oil and meal production purposes.

Estimates from the western provinces suggest that possibly 3,000 bushels of beans will be marketed in Manitoba but in Saskatchewan only a few plots of beans have been planted and there will be no commercial crop this year. In southern Alberta, in the Lethbridge and Brooks areas some soybean acreage is under contract but in the province as a whole probably less than 1,000 acres of soybean were planted and some of this suffered from frost so that no important commercial quantity is expected to come out this year.

In British Columbia the intentions to plant soybean in 1942 were considerable but it is reported that only about 50 per cent or less than 2,000 acres were sown, about 1,200 acres of this being in the Creston area. Apart from the shipment of a few cars to Vancouver, the bulk of the British Columbia crop of soybean will be retained for seed or local feed.

Canada has been an importer of both soybean and soybean oil cake and meal in past years but will this year be able to meet more fully the domestic requirements from the larger crop produced. Equipment is available in Ontario to handle the crushing of soybean for oil and there is a market in eastern Canada for the cake and meal although it will have competition from linseed cake and meal which will also be available in large amounts this year.

It is estimated in the United States that 1,000,000 bushels of soybean crushed for oil will produce almost 24,000 tons of cake and meal and if Canada crushes approximately 750,000 bushels it will make available some 16,000 tons of cake and meal. Prices set for United States meal work out at approximately \$48 per ton laid down in Toronto after allowing for freight, bags and exchange, etc. These are minimum prices and cover the cost of shipping say from Decatur to Toronto.

In Canada, the Canadian Wheat Board is empowered to purchase soybean from producers and to pay a price of \$1.96 per bushel for No. 1 Canada soybeans and \$1.95 for No. 2 Canada soybeans, basis domestic freight rates delivered Toronto. Other prices are as follows on the same basis:

|                       | <u>Per Bushel</u> |
|-----------------------|-------------------|
| No. 3 Canada Soybeans | \$1.92            |
| No. 4 Canada Soybeans | 1.85              |

Discounts for soybeans grading Tough, Damp, Moist or Wet are 2c, 7c, 13c and 20c per bushel under the straight grade, respectively.



### MILLFEEDS

Production of bran, shorts and middlings by the Canadian flour milling industry amounted in 1941-42 to 675,550 tons or only slightly less than the total of the previous year, reflecting a continuation of heavy grindings of wheat into flour. These by-products of the mill made a very important contribution to the general feed situation last year as will be noted in the figure of 584,993 tons representing the disappearance of supplies after taking into account both exports and imports of mill offal.

The extent of offal output in the current year will depend very largely on the amount of export business that develops for flour but should the supply fail to measure up to that of the past two seasons the effect will be felt more by the mills themselves than by the feed supply situation because of the plentiful supplies of other feeds including linseed and soybean meal, both of which will be competing for a share of the market for cattle feeds.

In the following table is shown the production and apparent domestic consumption of millfeeds during the past seven crop years after allowing for exports and imports.

|               | <u>Production</u> | <u>Apparent Consumption</u> |
|---------------|-------------------|-----------------------------|
|               | <u>Tons</u>       |                             |
| 1935-36 ..... | 544,296           | 373,676                     |
| 1936-37 ..... | 525,006           | 335,200                     |
| 1937-38 ..... | 444,586           | 402,151                     |
| 1938-39 ..... | 555,515           | 383,395                     |
| 1939-40 ..... | 656,205           | 380,712                     |
| 1940-41 ..... | 681,083           | 382,491                     |
| 1941-42 ..... | 675,550           | 584,993                     |

### HAY AND FODDER

In line with the heavy production of grain crops, the production of hay and fodder over the country as a whole was substantially above that of a year ago. The hay and clover crops were larger in every province except Prince Edward Island and Manitoba, while Alfalfa was up all round and fodder corn more productive in eastern than in western Canada but slightly larger for the Dominion than in 1941.

The table below shows production for a number of years together with hay-consuming animal units and the production per hay-consuming animal unit. It will be noted that this year there are 2.35 tons per animal unit, the largest since 1930-31.

| <u>Crop Year</u><br><u>ending July 31</u> | <u>Hay and Fodder</u><br><u>Production 1/</u> | <u>Hay-Consuming</u><br><u>Animal Units</u> | <u>Production per</u><br><u>Hay-Consuming</u><br><u>Animal Unit</u> |
|---|---|---|---|
|   | <u>000-Tons</u>                               | <u>000</u>                                  | <u>Tons</u>   |
| 1926-27 .....                             | 25,372  | 10,466                                      | 2.42  |
| 1927-28 .....                             | 26,968  | 10,197                                      | 2.64  |
| 1928-29 .....                             | 26,212  | 10,057                                      | 2.61  |
| 1929-30 .....                             | 23,089  | 10,108                                      | 2.28  |
| 1930-31 .....                             | 24,672  | 10,177                                      | 2.42  |
| 1931-32 .....                             | 22,424  | 10,372                                      | 2.16  |
| 1932-33 .....                             | 21,522  | 10,824                                      | 1.99  |
| 1933-34 .....                             | 19,166  | 11,004                                      | 1.74  |
| 1934-35 .....                             | 18,119  | 11,075                                      | 1.64  |
| 1935-36 .....                             | 22,024  | 10,981                                      | 2.01  |
| 1936-37 .....                             | 19,907  | 10,892                                      | 1.83  |
| 1937-38 .....                             | 20,832  | 10,899                                      | 1.91  |
| 1938-39 .....                             | 21,946  | 10,583                                      | 2.07  |
| 1939-40 .....                             | 21,596  | 10,552                                      | 2.05  |
| 1940-41 .....                             | 22,729  | 10,670                                      | 2.13  |
| 1941-42 .....                             | 20,930 <sup>2/</sup>                          | 10,414                                      | 2.01  |
| 1942-43 .....                             | 25,477  | 10,827                                      | 2.35  |

1/ Including Hay and Clover, Fodder Corn, Alfalfa and Grain Hay.

2/ Based on preliminary Census data.

GRADING OF COARSE GRAIN

In the first three months of the crop year 1942-43 the inspection returns of the Board of Grain Commissioners show the following grading of coarse grain crops. No separation of old and new grain has been made but in view of the comparatively small amounts of old crop held back in the country at the close of the crop season 1941-42, it can be assumed that the greater part of the grain inspected was produced in western Canada in 1942.

| <u>OATS</u> | <u>Cars</u>  | <u>BARLEY</u>    | <u>Cars</u>  |
|-------------|--------------|------------------|--------------|
| No. 2 C.W.  | 912          | 1 & 2 C.W. 6-Row | 682          |
| No. 3 C.W.  | 1,555        | No. 3 C.W. 6-Row | 3,338        |
| No. 1 Feed  | 1,240        | 1 & 2 C.W. 2-Row | 155          |
| No. 2 Feed  | 245          | No. 1 Feed       | 1,761        |
| No. 3 Feed  | 16           | No. 2 Feed       | 794          |
| Toughs      | 522          | No. 3 Feed       | 132          |
| All others  | 1,122        | Toughs           | 1,862        |
|             |              | All others       | 57           |
| Total       | <u>5,612</u> | Total            | <u>8,781</u> |

| <u>RYE</u> | <u>Cars</u> | <u>FLAXSEED</u> | <u>Cars</u>  |
|------------|-------------|-----------------|--------------|
| 1 & 2 C.W. | 108         | No. 1 C.W.      | 2,089        |
| No. 3 C.W. | 224         | No. 2 C.W.      | 135          |
| No. 4 C.W. | 5           | No. 3 C.W.      | 30           |
| Toughs     | 110         | Toughs          | 52           |
| All others | 38          | All others      | 4            |
| Total      | <u>485</u>  | Total           | <u>2,310</u> |

A feature of the above inspection returns is the high grading of the new flaxseed crop despite the effects of rust and frost. The grading of oats, barley and rye is also quite high although the percentage of tough grades is considerable in the case of barley.

The quantities involved in these inspection returns, obtained by multiplying the average bushels per car unloaded during the months of August and September, are as follows:

|               | <u>Bushels</u> |
|---------------|----------------|
| Oats .....    | 11,493,376     |
| Barley .....  | 16,121,916     |
| Rye .....     | 778,910        |
| Flaxseed .... | 3,164,700      |

In the case of barley the inspections during the three months August-October represent about 55 per cent of the amount delivered from western farms in this period, while for oats the percentage is 43 per cent, and for rye about 33 per cent. The flaxseed inspections to October 31, cover about 37 per cent of the total delivered to that date.

PRICES

Monthly Average Closing Prices, Basis in Store Fort William-Port Arthur

|                                | <u>August 1942</u>          | <u>September 1942</u> | <u>October 1942</u> |
|--------------------------------|-----------------------------|-----------------------|---------------------|
|                                | cents and eights per bushel |                       |                     |
| <u>OATS</u>                    |                             |                       |                     |
| No. 2 C.W. ....                | 46/1                        | 48/3                  | 48                  |
| No. 3 C.W. ....                | 45/1                        | 46/5                  | 44/3                |
| No. 1 Feed ....                | 42/7                        | 43/7                  | 41/7                |
| No. 2 Feed ....                | 40/6                        | 41/5                  | 39/7                |
| No. 3 Feed ....                | 38/3                        | 39/4                  | 38/6                |
| <u>BARLEY</u>                  |                             |                       |                     |
| Nos. 1 and 2 C.W. 6-Row .....  | 60/6                        | 63                    | 64/5                |
| No. 3 C.W. 6-Row .....         | 59                          | 58/7                  | 59/2                |
| Nos. 1 and 2 C.W. 2-Row .....  | 60/6                        | 63                    | 64/5                |
| No. 1 Feed .....               | 56/5                        | 56/5                  | 56/4                |
| No. 2 Feed .....               | 55                          | 55/6                  | 54/6                |
| No. 3 Feed .....               | 53/4                        | 54/6                  | 54/1                |
| <u>RYE</u>                     |                             |                       |                     |
| No. 2 C.W. ....                | 53/1                        | 57/7                  | 56/1                |
| No. 3 C.W. ....                | 48/6                        | 53/5                  | 52                  |
| No. 4 C.W. ....                | 46/2                        | 51/6                  | 49/7                |
| Ergoty .....                   | 41/2                        | 45/4                  | 43/7                |
| Rejected 2 C.W. ....           | 47/2                        | 52/2                  | 50/2                |
| <u>FLAXSEED</u>                |                             |                       |                     |
|                                |                             | <u>Fixed Prices</u>   |                     |
| No. 1 C.W. ....                | 225                         | 225                   | 225                 |
| No. 2 C.W. ....                | 221                         | 221                   | 221                 |
| No. 3 C.W. ....                | 210                         | 210                   | 210                 |
| No. 4 C.W. ....                | 205                         | 205                   | 205                 |
| <u>CORN</u>                    |                             |                       |                     |
| 3 C.W. Yellow 20% moisture ... | 80                          | 80                    | 80                  |

In the case of oats and barley, both maximum and minimum prices are prescribed by law but only a maximum price, established in the basic period (September 15 to October 11, 1941) is in effect for rye. The flaxseed price is a fixed price to the grower but the crushing industry buys its flaxseed at the ceiling price of \$1.64 for No. 1 C.W., basis in store Fort William-Port Arthur. The minimum prices for oats and barley and the fixed price for flaxseed went into effect on August 1, 1942.





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VISIBLE SUPPLY ON OCTOBER 30, 1942

|                                       | <u>OATS</u> | <u>BARLEY</u> | <u>RYE</u> | <u>FLAXSEED</u> |
|---------------------------------------|-------------|---------------|------------|-----------------|
|                                       | bushels     |               |            |                 |
| <u>WESTERN ELEVATORS</u>              |             |               |            |                 |
| Country Elevators .....               | 13,355,000  | 11,225,000    | 1,977,000  | 2,973,000       |
| Int. Priv. & Mill Elevs. ....         | 840,000     | 1,366,000     | 83,000     | 178,000         |
| Interior Terminals .....              | 25,531      | 91,209        | -          | 4,689           |
| <u>PACIFIC COAST TERMINALS</u>        |             |               |            |                 |
| Vancouver-New Westminster ....        | 15,576      | 24,156        | 1,159      | -               |
| Victoria .....                        | -           | -             | -          | -               |
| Prince Rupert .....                   | -           | -             | -          | -               |
| <u>CHURCHILL, MANITOBA</u> .....      | -           | -             | -          | -               |
| <u>FORT WILLIAM-PORT ARTHUR</u> ..... | 3,857,840   | 8,106,888     | 1,403,574  | 1,892,478       |
| <u>EASTERN ELEVATORS</u>              |             |               |            |                 |
| Lake Ports .....                      | 280,854     | 1,534,218     | 56,327     | 69,014          |
| St. Lawrence Ports .....              | 99,079      | 18,512        | 56,187     | 373             |
| Halifax-St. John .....                | -           | -             | -          | -               |
| <u>U. S. A.</u>                       |             |               |            |                 |
| Lake Ports .....                      | 716,000     | 45,000        | 203,000    | -               |
| Afloat .....                          | -           | -             | -          | -               |
| Seaboard Ports .....                  | -           | -             | 802,000    | -               |
| <u>IN TRANSIT</u>                     |             |               |            |                 |
| Great Lakes .....                     | 122,856     | 495,268       | 17,203     | -               |
| Canadian Railways .....               | 7,289,341   | 5,055,370     | 160,292    | 4,282,247       |
| U.S.A. ....                           | -           | -             | -          | -               |
| T o t a l s .....                     | 26,602,077  | 27,961,621    | 4,759,742  | 9,399,801       |
| A Year Ago .....                      | 10,305,479  | 15,287,545    | 4,409,989  | 2,918,598       |

The above totals include grain in all positions excepting stocks held on farms. It will be noted that a heavy proportion of the total for each grain is still in country elevators, but there is also a larger quantity than usual in transit by rail from points in western Canada to the terminal markets at Fort William-Port Arthur.