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DOMINION BUREAU OF STATISTICS  
AGRICULTURAL BRANCH

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No. 3

# MONTHLY REVIEW OF THE WHEAT SITUATION

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AGRICULTURAL BRANCH

(Issued November 1942)

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THE WORLD WHEAT SITUATION - SUMMARY

As a new harvest develops in Australia and Argentina, adding more wheat to the grist, the story continues to be one of mounting wheat supplies. Unofficial estimates of the southern hemisphere crop promise to swell 1942 wheat production in Canada, the United States, Argentina and Australia to a total approaching two billion bushels.

Huge as this total may seem, it is not a high-water mark in wheat production by the "Big Four". They did even better in 1928, but there was then no important accumulation of old wheat and international trade was at its peak. The picture in 1942 is very different. Big crops have come on top of record stocks of old wheat and world trade during the crop year 1942-43 may be the smallest in almost half a century, assuming that the war continues.

An acute storage problem faces all four countries and farmers will probably be compelled by circumstances to store surplus wheat back on farms on a scale not hitherto experienced. The shipping situation will doubtless continue to operate against ocean movement of wheat, and Argentina and Australia may be expected to suffer to a greater extent than Canada and the United States because of the greater distances between them and prospective markets.

Canada and the United States have confirmed in recent official estimates supported by threshing returns, a combined 1942 wheat crop totalling 1,592 million bushels, while Australia's new crop is estimated semi-officially at 145 millions and Argentina's at 198 million bushels by the trade there. This makes total production of 1,935 million bushels in the four countries compared with the 1,990 million bushels which they produced in 1928, but the picture changes sharply when the stocks of old wheat this year and in 1928 are introduced, and international trade in wheat is compared.

In the following table, which is of historical rather than immediate interest, the position of each country and the group as a whole, is set out for comparison between 1928 and the present year, using the current estimates for 1942.

	Carry-over August 1		New Harvest	
	1942	1928	1942	1928
	million bushels			
Canada .....	424.0	91.2	607.7	566.7
United States .....	633.0	114.9	984.0	914.4
Argentina .....	184.6	95.0	198.0	349.1
Australia .....	122.0	36.0	145.0	159.7
T o t a l .....	1,363.6	337.1	1,934.7	1,989.9

It will be noted that the carry-over stocks held by the "Big Four" in 1942 were more than four times greater than they were fourteen years ago, while crop production this year was only about 55 million bushels smaller than in 1928. It would not be a fair comparison to contrast world wheat trade in 1928-29 with prospective world trade in 1942-43, but it might be mentioned in passing that world shipments of wheat and wheat flour 14 years ago reached the record total of 946 million bushels of which 891 millions were contributed by the "Big Four", while estimates made for 1942-43 are less than one-third of this total, exclusive of what might be shipped to Russia in the event that shipping is available.



The position in other parts of the world shows little change from a month ago. Reliable data on European crops are difficult to obtain and current reports deal largely with the seeding of fall wheat and rye. It is believed that seeding is backward in the Balkans due to weather conditions and labour scarcity, while objectives in other sections of the continent have not yet been reached. Efforts are being made to increase wheat acreage by about 600,000 acres in the United Kingdom, or between 20 and 25 per cent over the area harvested in 1942, but while seeding is still proceeding the goal has not yet been reached.

Entry of the United Nations into the French North African colonies has some significance in the wheat situation. The wheat crop of Tunisia, Algeria and Morocco in 1939 was estimated at 100 million bushels and the average crop in the three war years has exceeded 80 million bushels. A large part of this crop has been shipped to France each year and may also have benefited the Axis powers, but any surplus produced in 1943 should augment supplies for the Allied troops and make shipping space available for other supplies. The crop is now being seeded, unless war operations are interfering, and the harvest will take place between May and July next year.

#### Wheat Situation in Canada

In Canada the volume of wheat moving from farms to elevators is increasing and up to November 20, a total of 108.7 million bushels of western wheat had been marketed compared with 117.7 millions in the corresponding period last year. Delivery quotas have been increased at a large number of points and are running as high as 12 and 14 bushels per "authorized" acre.

An item of note in the situation for 1943 is the sharp reduction in acreage sown to fall wheat. A decrease of 213,000 acres or 27 per cent compared with the area sown in the fall of 1941 is indicated in the first estimate of acreage, and the condition of the crop at the end of October was considerably lower than at the same date a year ago.

The second estimate of the Canadian wheat crop confirms a record yield in 1942 and production is now placed at 607.7 million bushels to show a reduction of only 7.5 million bushels from the first estimate made in September. The western crop now stands at 580 million bushels distributed by provinces as follows:

	<u>Bushels</u>
Manitoba .....	52,000,000
Saskatchewan .....	345,000,000
Alberta .....	183,000,000
T o t a l .....	<u>580,000,000</u>

Marketings of western wheat up to November 20, amounted to less than 19 per cent of the total production, but were almost 39 per cent of the total amount which western farmers can deliver of their 1942 wheat crop under existing legislation which limits deliveries to 280 million bushels.

Movement of wheat down the Great Lakes during the 1942 season of navigation up to and including November 14, shows a drop of about 42 million bushels compared with shipments in the corresponding period in 1941. Clearances from Fort William and Port Arthur have been fairly good in recent weeks, but the season of navigation is drawing rapidly to a close. Insurance rates normally rise on December 1.

### QUALITY OF THE 1942 WHEAT CROP

The quality of the 1942 wheat crop in western Canada is dealt with in a report of the Research Laboratory of the Board of Grain Commissioners, from which the following extracts have been made.

"The (1942) growing season was cool and wet, the crop was late, threshing weather was none too good and conditions were aggravated by a labour shortage. Grades will be disappointing in many areas and it is estimated that not more than 50% of the crop will grade 1 and 2 Northern. Country elevators still hold 133 million bushels of old wheat, mainly 1 and 2 Northern, and much of this will come forward for inspection with part of the 280 million bushels of new wheat which farmers may deliver. An additional 119 million bushels of old 1 Northern and 65 million bushels of old 2 Northern are in store in Fort William and Port Arthur and in Eastern Canada. Large quantities of high grade wheat are thus available for export.

"Data on the quality characteristics of average samples and export standard samples of grades 1, 2, 3 and 4 Northern of the new crop are given in this report. There is no No. 1 Hard, and it has not yet been possible to obtain representative average samples of Nos. 5 and 6 wheat, of which appreciable quantities will probably be marketed. The 1942 crop is characterized by low protein content (12.8%), and the chief degrading factors are starchiness, immaturity, bleach, sprouts and frost. Bushel weights are high for all grades. Absorption is lower this year, but gluten quality and dough handling properties are good and baking strength is not as low as might be expected. Differences in baking quality between grades are comparatively small. Gassing power increases with decreasing grade, but this trend is not so apparent for diastatic activities. Levels for these two characteristics are not widely different from those of the preceding crop, but higher levels in the lower grades are expected as the year advances.

"AMBER DURUM WHEAT. The 1942 crop of Western Canadian amber durum wheat is estimated at 9.7 million bushels, more than twice the production for 1941. Grades are lower this year and, as with spring wheat, low protein content is the outstanding characteristic of the crop. By comparison with the 1941 crop, protein content, absorption, gassing power and diastatic activity are lower this year, but carotene content is appreciably higher. As a result of low protein content, the macaroni-making quality of the new crop is inferior to that of crops of the past several years.

### GRADING

"The late harvest, and the effect of rains and early frost on grade, coupled with the slow movement of the new crop through inspection points, make it extremely difficult to obtain information on grading. By September 30 only 1,142 cars of 1942 wheat had been inspected at Winnipeg, about one tenth the number inspected during the corresponding period of the previous year. About 79% of these cars graded 2 Northern or better, but these early returns are in no way representative of the crop as a whole. On the basis of information published in various crop reports and with the aid of subsidiary data collected by the laboratory, an attempt has been made to forecast the way in which the whole crop will grade. It should be remembered that during the past crop year considerable quantities of 1940 wheat, which had been stored on the prairies, came forward with the 1941 crop. Our tentative forecast is that the 1942 crop will consist of 10% of 1 Northern, 35% of 2 Northern, 25% of 3 Northern and 30% of other grades. From August 1 to October 14, 7.6% of the wheat inspected in the Western Division graded tough, and one car graded damp."



# PRICES

Wheat futures prices moved within a narrow range in the Winnipeg market during the past month. The October future went off the board at 90 cents asked, but December traded between 90 5/8 and 90 1/4 cents during the first three weeks of November, while No. 1 Northern after climbing to the December future price moved up to show a premium of 1/4 cent per bushel on November 21, when it was quoted at 90 1/2 cents, basis in store Fort William-Port Arthur.

The lower grades of wheat maintained a firm tone but the Durum top grades lost some of the premium recorded about the middle of the month although on November 21 the closing prices of Nos. 1 and 2 amber durum wheat were still 5 cents per bushel above the December price of 90 1/4 cents on that day.

## Weekly Average of Daily Closing Prices

<u>Week ending</u>	<u>No. 1 Northern</u>	<u>No. 1 Amber Durum</u>	<u>No. 1 Garnet</u>	<u>No. 1 A.R. Winter</u>
	(cents and eighths per bushel)			
October 29 ....	90/1	95/5	86/5	90/5
November 5 ....	90/3	96/1	86/5	90/5
" 12 ....	90/3	96/1	86/4	90/4
19 ....	90/4	96/4	86/2	90/3

Price trend at Chicago has been mainly upward during November with the deferred months showing most of the strength. Considerable quantities of the 1942 wheat crop continue to go under loan to the Commodity Credit Corporation and up to November 7, a total of 279 million bushels had gone into the loan compared with 303 millions from the 1941 crop on the same date a year ago. The visible supply of United States wheat in store at domestic markets is also smaller than it was a year ago despite the larger crop in 1942. On November 17, the stocks totalled 264 million bushels compared with 280 millions a year earlier.

The price of December wheat at Chicago on November 21, closed at \$1.25 3/8 in United States funds or \$1.38 1/2 in Canadian funds while the May and July futures were \$1.42 7/8 and \$1.43 3/8 respectively in Canadian funds.

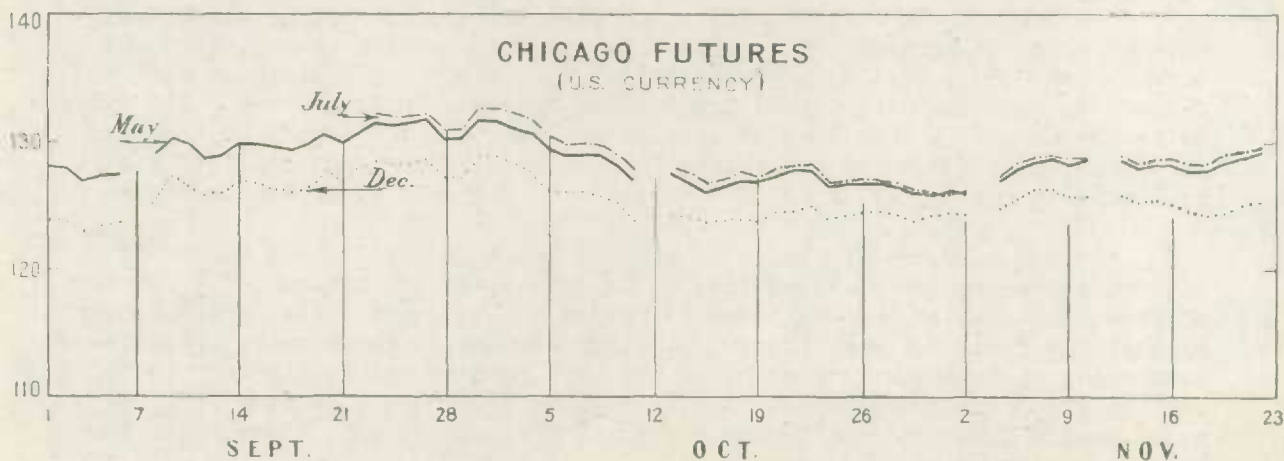
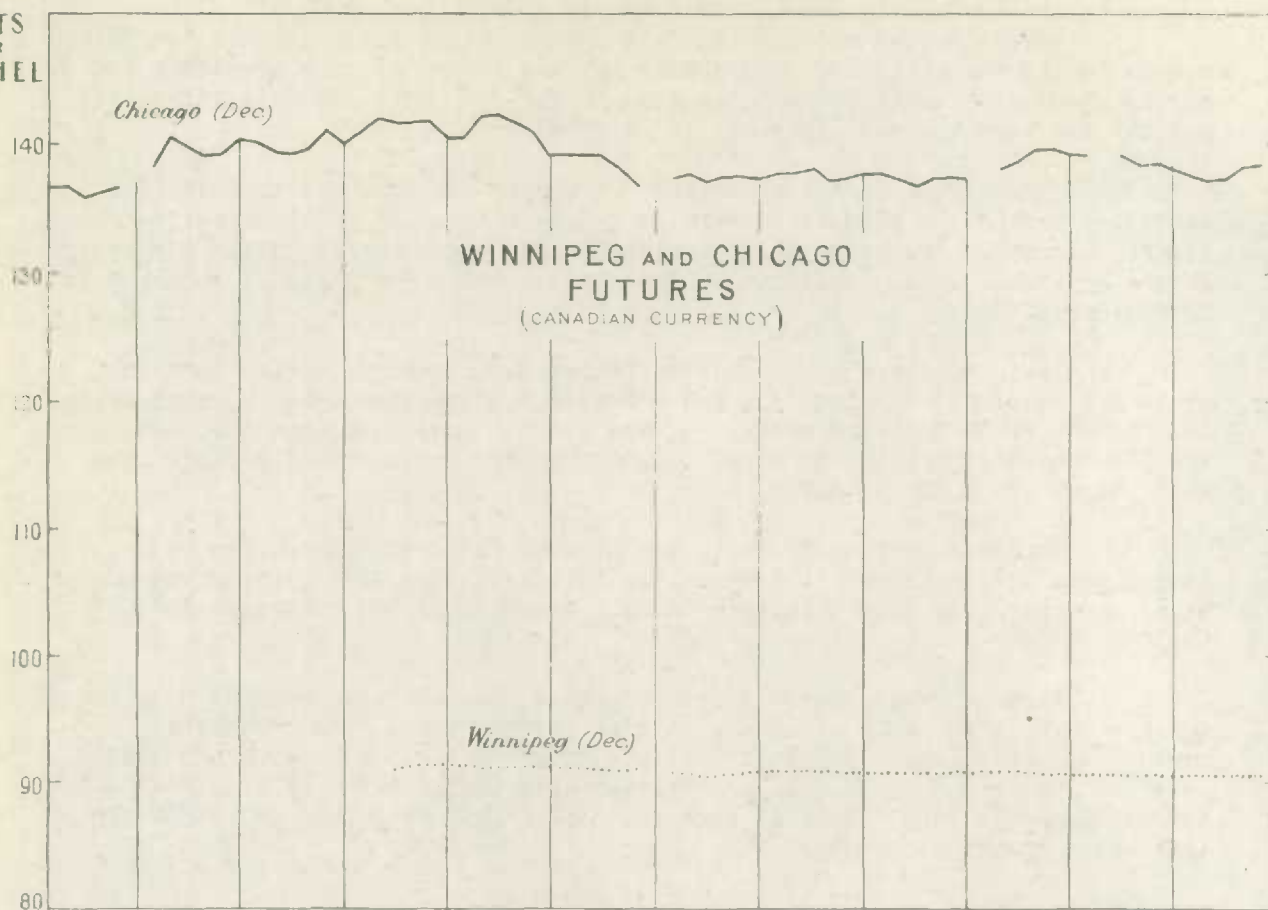
## AUSTRALIAN CABLE

The following cable was received on November 17 from the Canadian Government Trade Commissioner in Melbourne:

"Estimated maximum production of new wheat crop is 145,000,000 bushels compared with 170,000,000 a year ago. Official quotations for millers' requirements on basis of 70 cents per bushel, bulk, on trucks at terminals. For stock food f.a.q. wheat is 62 cents per bushel and inferior wheat 44 cents per bushel bagged for 1,800 bushel lots. Shortage of shipping still prevents flour shipments except on Government account. Shipments to Middle East on basis of \$33.04 and to Mauritius and Ceylon on basis of \$39.38 per short ton f.o.b."

# DAILY CLOSING WHEAT FUTURES QUOTATIONS IN LEADING MARKETS

CENTS  
PER  
BUSHEL



UNITED STATES

No change was made in the estimates of wheat production in the United States in the report issued on November 10, and the total crop of winter and spring wheat remains at 984 million bushels compared with 946 millions in 1941 and the ten-year average (1930-39) of 747.5 million bushels.

The general condition of the new winter wheat crop sown this fall continues favourable with few exceptions where abnormally cold weather has retarded growth. The crop is furnishing abundant pasture for cattle and sheep in the southern Plains, while in western Kansas volunteer wheat is reported to be unusually fine.

It is reported by the United States Department of Agriculture that up to September 30, the last day for acceptance of applications, approximately 341,500 contracts had been written by the Federal Crop Insurance Corporation on the 1943 wheat crop covering about 450,000 farms. Spring wheat growers have until March 15, 1943, to apply.

Compared with 1942 crops, the sign up for 1943 is expected to be larger when the spring wheat farmers are included. The total spring and winter wheat contracts for crop insurance in 1942 covered 394,000 contracts and 504,000 farms.

Farmers taking part in the insurance program this year are required, for the first time, to sign up for a three-year period. This means that growers who have taken 1943 insurance are under contract to insure also their 1944 and 1945 wheat crops. It is reported also that a total of 67,076 indemnities totalling 7,357,086 bushels of wheat had been paid out under the 1942 wheat insurance program.

Flour Ceiling

A recent joint announcement of the Price Administrator and the Department of Agriculture outlined the program to prevent increases in the price of bread and flour to the United States consumer. Bread prices have been fixed at the March levels since May 1942, and flour was recently frozen at the levels prevailing between September 28 and October 2.

The program as initially announced provides for making wheat available to flour millers at prices approximating levels which prevailed in the base period. This will be accomplished by the release of loan wheat back to farmers by the Commodity Credit Corporation for sale in the market. The release price per bushel on such loan wheat will be less than the amount of the loan per bushel plus accumulated carrying charges by a sufficient amount to enable producers to sell wheat at prices in line with the ceiling prices on flour.

For example, if the price of cash wheat in a principal market is several cents per bushel below the C.C.C. loan price and because of a shortage of free wheat in the market, there is danger the price will rise and "squeeze" against the flour ceiling, the C.C.C. would release to the farmers, supplies of loan wheat at "release prices" below the loan rate to enable the farmers to sell in the market without loss. This selling price would be at a level which would enable flour millers to buy wheat and produce and sell flour under the Price Administration's ceiling level.



ARGENTINE LETTER

The correspondent of the Dominion Bureau of Statistics in Buenos Aires has forwarded the following report under date of November 3, 1942.

A third estimate of wheat acreage in 1942 places the area at 16,308,600 acres compared with 16,061,500 acres previously estimated.

Crop Conditions

Rains fell frequently in moderate quantities over the greater part of the central cereal zone of the Republic during the month of October, which was exactly what was needed to promote the growth of the grain and seed crops, harvesting of which should commence in another month. Unfortunately, the Pampa Territory and the south-western sections of the provinces of Buenos Aires and Cordoba, although receiving precipitation, did not fare so well as the remainder of the country, and it is now unlikely that a full production will be possible in those districts. Elsewhere the prospects are considered to be from good to very good for the wheat crop, and very good for the linseed.

The monthly official report on crop conditions, which made its appearance on the last day of October, reads as follows:

Weather conditions during the month were in general favourable for the crops in the zones with the greatest cultivated areas, the rainfall having been sufficient. From this must be excepted the greater part of the south and west of Cordoba and the Territory of The Pampa, where the rainfall was scanty. This is prejudicial to the crop prospects there, the fields having already been damaged by green fly.

Generally the condition of the wheat fields is quite good. Nevertheless, there may be set down as definitely lost, especially in the west of the cereal zone, an area approximating something over 1 1/2 million acres, or say 9.7 per cent of the total area seeded this year (16,309,000 acres).

In Entre Rios, Santa Fe and the east of Cordoba the vegetative condition of the wheat fields is very satisfactory.

In the central zone the condition is from fair to poor on account of the drought and strong winds during winter and the damage caused by green fly, which in some districts of southern Cordoba and the southern Pampa brought about losses of up to 80 per cent of the seeded area.

In Santiago del Estero the condition of the fields is from fair to good, lack of rain having caused damage. The first threshings have begun in this province, producing a heavy sample. Cutting will begin shortly in the north of Santa Fe. In parts of Buenos Aires there are slight attacks of rust, which have not done much damage.

Supplies and Markets

Wheat exports fell off a little as compared with the preceding month, only 6,269,000 bushels being shipped (6,038,000 bushels of grain and 232,000 bushels of flour in terms of grain), whereas in September 7,406,000 bushels left the country (7,224,000 bushels of wheat and 182,000 bushels of flour in terms of wheat).

The statistical position is now as follows:

Third official estimate 1941-42 crop .....	224,133,000 bushels	
Carry-over from 1940-41 crop .....	<u>119,765,000</u>	"
Total supplies .....	343,898,000	"
Deduction for seed and domestic needs .....	<u>110,229,000</u>	"
Surplus available for export .....	233,669,000	"
Shipments to) Wheat .....	66,189,000 bushels	
October 31 ) Wheat as flour .	<u>2,049,000</u>	"
	66,238,000	"
Balance still available .....	<u>165,431,000</u>	"

There has been no appreciable modification of the conditions prevailing in the wheat market. Export trading continues to be very scant, with business confined to Great Britain and the South American countries, and not much doing with them.

The progress of the new crop is the chief topic of interest in grain circles. About 10 per cent of the reduced acreage in wheat is regarded as already practically lost, due to the damage suffered through the recent drought. Opportune rains have so benefited the remainder of the crop that a good yield per acre is in prospect provided that there is no set-back during the critical period now beginning, when rust, frost and hot winds may levy toll. Any attempt to forecast the volume of the crop at this stage is little better than guess-work, but it can be said that experienced grain men look for a total of about 5 1/2 million tons (202,087,000 bushels) as compared with 6,100,000 tons (224,133,000 bushels) last season. When this is added to something over 4 million tons (146,972,000 bushels) which will be carried over from current stocks, there will be a volume of wheat on hand for which it will be very difficult to find storage space.

Even more urgent than the problem of storage space is that of bags for the grain. Both the handling and storage of grain are based on the use of bags, and bags in adequate quantity are not to be had. Counting both new and used bags, not more than half the number required for the coming harvest is in sight. Recent official figures show that of the 5 1/2 million tons (202,087,000 bushels) of wheat constituting current commercial stocks, 85.5 per cent are stored in bags, which are naturally now required for the new crop. The Grain and Elevator Board is at present advertising an invitation for bids for the construction at various central points of huge cement-lined pits for the storage of grain, presumably with the intention of dumping into them the contents of the bags of old crop wheat in order to release the bags for use in handling the coming crop. New bags are unattainable for the reason that India, where the jute canvas is produced, is cut off by war conditions, and nowhere else can the material be secured.

Distribution of grain bags is strictly under official control, and all stocks have been expropriated by the Argentine Government, with the purpose of making a fair and impartial apportionment amongst the farmers according to their needs. Preference is to be given to the smaller growers, as being presumably less able to provide themselves with granaries or field bins requiring financial outlay. An initial distribution of 450 bags each is to be made, commencing with the northern districts, where the crops mature first. Already there is grumbling about the inadequacy of 450 bags for the handling of a crop of wheat.

If the crop can be successfully handled and housed, not much worry is being shown about its ultimate disposal. It is felt that a hungry world will have to be fed once the war is over, and there will be an ample outlet for Argentine wheat as soon as transportation can be made available.

Brazil is the best customer for Argentine wheat, and it was with great interest that news was received recently that the present compulsory use of such substitutes as maize and mandioca for wheat in the millers' mixtures is to be immediately abolished and wheat only will be permitted in the composition of Brazilian bread in future.



CALENDAR OF WHEAT EVENTS

1942

- Oct. 24 Wheat loans have been made on 241.5 million bushels of the 1942 crop in the United States.
- 26 More rain is needed in western and southern areas of Argentina to promote growth of new wheat crop.
- 27 Early arrival of wintry weather may have reduced prospective wheat sowings in the Balkan areas.
- 28 Seeding of new wheat crop in the United Kingdom is making progress on a larger acreage.
- 30 Wheat production in Victoria and Western Australia is expected to show a decrease of 28 and 27 per cent respectively, compared with last year.
- Nov. 2 The feeding of wheat to animals in France has been forbidden by decree.
- 4 The world wheat surplus is estimated by Broomhall at 1,926,000,000 bushels or 1,600 millions more than prospective world demand for 1942-43.
- 5 Seeding of new crops in south-eastern Europe still backward due to weather and labour conditions.
- 7 More than 2,000,000 bushels of Argentine wheat went to Brazil the past week.
- 9 A further increase in wheat acreage in the United Kingdom for the 1943 harvest is expected to bring the total area about 25 per cent above the 1942 level.
- 10 Wheat harvesting has commenced in some early districts of Australia.
- 12 Argentina's new wheat crop is maturing fairly satisfactorily despite dryness in some sections of the country.
- 13 Canada's 1942 wheat crop is placed at 607.7 million bushels in the second official estimate compared with 615.2 millions estimated on Sept. 10.
- 14 Argentina's wheat exports in the calendar year 1942 to date total 70 million bushels compared with 78.3 in the corresponding period of 1941.
- 17 Australia's new wheat harvest is making progress and early returns indicate good yields. The crop is estimated at 145 million bushels.
- 18 Wheat acreage in Roumania and Bulgaria is expected to fall below the program set for winter wheat.
- 19 Trade estimates of the new Argentine wheat crop place production at 198 millions compared with 224 millions harvested a year ago.
- 20 Weather is favourable for the harvesting of wheat in the early sections of Argentina.
- 21 Broomhall reports that export demand for Canadian wheat is comparatively quiet.
- 23 The visible supply of Canadian wheat now stands at 453 million bushels compared with 503 millions a year ago.



Monthly Average Winnipeg Cash Price - No. 1 Northern Wheat,  
Crop Years 1935-36 to 1942-43

	(cents per bushels)							
	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43
August .....	84.5	102.2	131.8	76.6	54.9	72.2	73.3	88.9
September ..	90.3	103.9	133.6	63.3	73.9	71.7	72.6	89.6
October .....	90.8	110.9	142.3	61.5	70.3	70.4	73.7	90.0
November ...	85.7	108.4	134.6	59.0	70.5	71.8	73.2	
December ...	84.7	120.2	137.4	60.6	82.4	73.4	74.4	
January .....	84.8	124.7	149.1	59.9	82.8	74.2	77.0	
February ...	82.1	127.0	144.6	60.4	83.8	75.2	78.0	
March .....	82.1	135.7	138.4	59.5	87.0	76.2	78.0	
April .....	80.5	138.9	138.4	60.5	89.2	75.7	79.0	
May .....	76.8	130.6	115.2	65.5	79.7	75.9	79.3	
June .....	79.5	124.2	114.3	61.8	72.3	77.0	80.0	
July .....	93.4	145.6	98.4	55.3	71.4	74.7	80.8	

Wheat Prices and the General Price Level <sup>1/</sup>

The following table shows the general index numbers of wholesale prices in Canada and Great Britain and of No. 1 Northern Wheat (Winnipeg Cash Price, basis in store Fort William and Port Arthur)

	General Index Canada	Board of Trade United Kingdom	Wheat No. 1 Manitoba Northern Fort William and Port Arthur basis
	1930=100	1930=100	1930=100
1930 .....	100.0	100.0	100.0
1931 .....	83.3	87.8	62.4
1932 .....	77.0	85.6	59.0
1933 .....	77.5	85.7	64.8
1934 .....	82.7	88.1	79.4
1935 .....	83.3	89.0	89.6
1936 .....	86.1	94.4	99.5
1937 .....	97.7	108.8	142.3
1938 .....	90.8	101.4	107.7
1939 .....	87.1	102.8	68.5
1940 .....	95.7	136.6	82.0
1941 .....	103.9	152.6	79.3
October, 1941 .....	108.4	154.6	78.2
November .....	108.5	155.2	77.7
December .....	108.1	155.9	79.0
January, 1942 .....	108.9	156.4	81.7
February .....	109.2	158.5	82.8
March .....	109.8	158.8	82.8
April .....	109.7	159.6	83.9
May .....	109.9	160.7	84.2
June .....	110.6	159.8	84.9
July .....	111.0	161.1 <sup>2/</sup>	85.8
August .....	110.4	159.9 <sup>2/</sup>	94.4
September .....	110.9	159.7	95.1
October .....	111.8	<sup>3/</sup>	95.5

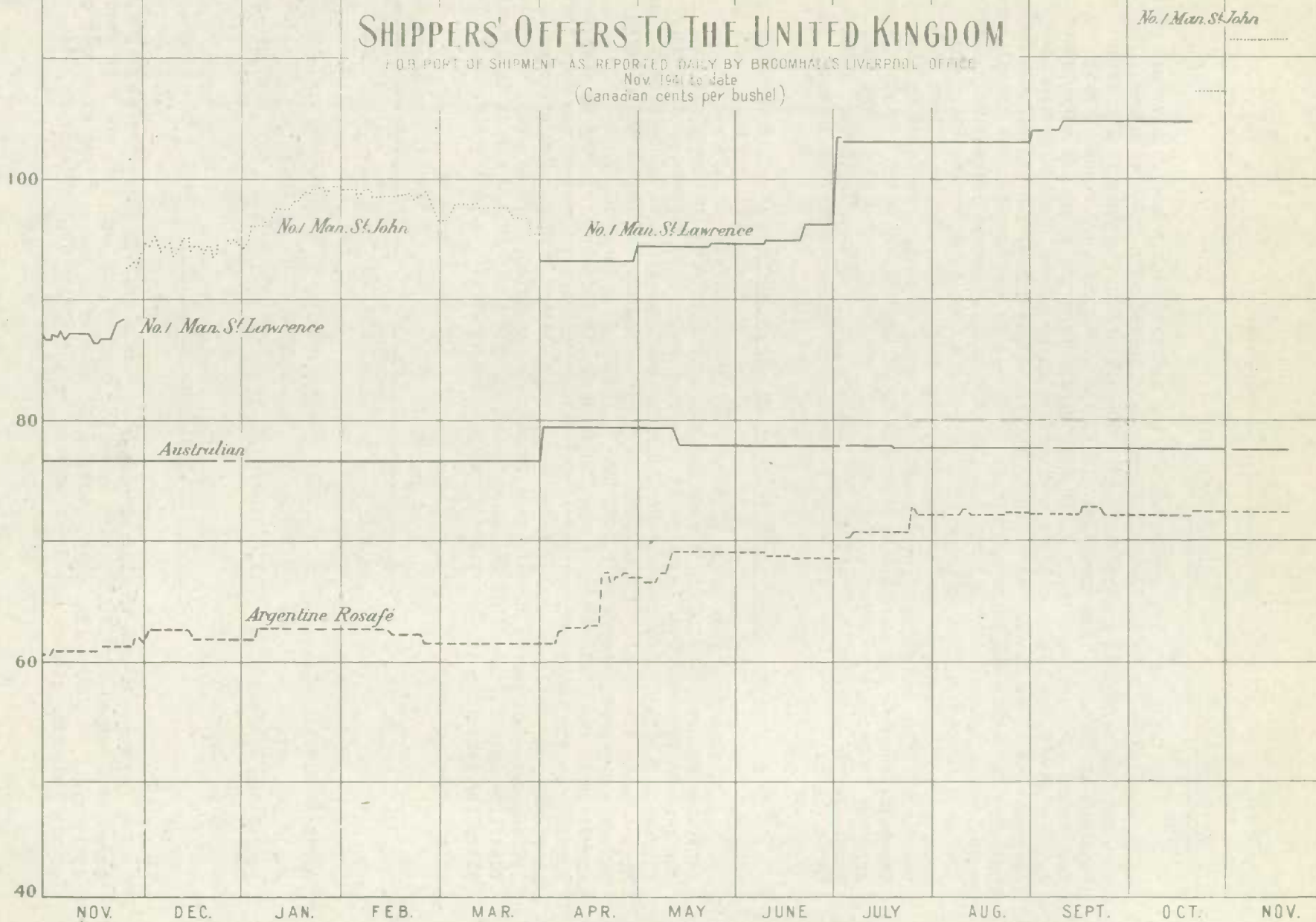
<sup>1/</sup> Prepared by the Internal Trade Branch. <sup>2/</sup> Revised since last issue of this Review.  
<sup>3/</sup> Not yet available.

CENTS  
PER  
BUSHEL

## SHIPPERS' OFFERS TO THE UNITED KINGDOM

FOR PORT OF SHIPMENT AS REPORTED DAILY BY BROOMHALL'S LIVERPOOL OFFICE

Nov. 1941 to date  
(Canadian cents per bushel)



# THE CANADIAN SITUATION

## I. SECOND ESTIMATE OF 1942 PRODUCTION

Relatively minor reductions in the estimates of Canada's principal grain crops are indicated by harvesting returns as compared with the pre-harvest expectations reflected in the first estimates issued in September. The second estimate of Canada's 1942 wheat crop is placed at 607,688,000 bushels, which represents a reduction of only 7,555,000 bushels from the first estimate issued in September. The 1942 total production remains by a considerable margin the largest wheat crop Canada has produced and is almost double the 311,825,000 bushels produced in 1941. The principal changes occurred in the Saskatchewan and Alberta crops, which now stand at 345 million and 183 million bushels respectively. With the Manitoba crop unchanged at 52 million bushels, the total estimate for the Prairie Provinces stands at 580 million, which is 7 million bushels lower than the first estimate issued in September. The Durum wheat crop included in the foregoing figures remains unchanged at 9,700,000 bushels, of which 7 million were produced in Saskatchewan and 2,700,000 bushels produced in Manitoba. The fall wheat crop in Ontario is placed 606,000 bushels lower than in September, with minor changes occurring in the wheat estimates of the remaining provinces.

## PRODUCTION IN THE PRAIRIE PROVINCES

Relatively very minor adjustments from the first estimates issued in September are required in the second estimates issued herewith to conform with the reports from correspondents based largely on threshing returns at the end of October. The second estimate in Manitoba is unchanged at 52,000,000 bushels. In Saskatchewan the figure is 5,000,000 lower at 345,000,000 bushels. The Alberta estimate has been reduced by 2,000,000 to 183,000,000 bushels. There were surprisingly few differences in the district yields per acre reported by correspondents at the end of August and at the end of October, in view of the fact that there were virtually no threshing returns at the end of August. The principal differences occurred in north-eastern Saskatchewan and northern Alberta, including Districts 5A, 5B, 8A and 8B in Saskatchewan and Districts 12, 13 and 14 in Alberta where the threshing results did not fully bear out earlier expectations.

	Canada		Prairie Provinces	
	<u>1942</u>	<u>1941</u>	<u>1942</u>	<u>1941</u>
Acres seeded .....	21,586,500	21,882,200	20,653,000	21,140,000
Yield per acre - bushels	28.2	14.3	28.1	13.9
Production - bushels ...	311,825,000	607,688,000	580,000,000	293,000,000

## AREA AND CONDITION OF FALL WHEAT

The area sown to fall wheat in the autumn of 1942 is estimated at 576,000 acres, a decrease of 213,000 acres or 27 per cent as compared with the area sown in 1941, viz., 789,000 acres. The condition at October 31 was reported at 94 per cent of the long-time average yield per acre as compared with 103 per cent in 1941.



## II. GRADING OF WHEAT 1942-43

In the following table the record of wheat inspections in the Western Division in the first three and one-half months of the current crop year is shown by principal grades. It should be pointed out, however, that in view of the large carry-over of old wheat in country elevators at the commencement of the season, there is a considerable quantity of 1941 wheat in the returns, so that the grading of the 1942 crop cannot be measured by this tabulation.

### Cars Inspected August 1 to November 14, 1942

<u>Grade</u>	<u>Cars</u>	<u>Grade</u>	<u>Cars</u>
No. 1 Hard .....	-	1 C.W. Garnet .....	3
No. 1 Northern .....	6,322	2 C.W. Garnet .....	15
No. 2 Northern .....	10,263	3 C.W. Garnet .....	16
No. 3 Northern .....	2,414	Tough Garnet .....	25
No. 4 Northern .....	255	Other Garnet .....	2
No. 5 Wheat .....	208	Total .....	61
No. 6 Wheat .....	25		
Feed Wheat .....	5	1 Amber Durum .....	4
Tough Spring .....	1,504	2 Amber Durum .....	233
Other Spring .....	135	3 Amber Durum .....	172
Total .....	21,131	Tough .....	57
		Other Durum .....	89
		Total .....	555
1 A.R.W. ....	144		
2 A.W. ....	42	3 White Spring .....	2
3 A.W. ....	20	1 Mixed Wheat .....	7
Tough A.W. ....	1	3 Mixed Wheat .....	1
Other A.W. ....	15	5 Mixed Wheat .....	2
Total .....	222	Other Mixed Wheat .....	3
		Total .....	15

A total of 21,984 cars of all grades of wheat was inspected in this 15-week period and these cars represented about 38 million bushels of wheat. In this same period, farmers in the Prairie Provinces had marketed 102 million bushels of 1942 wheat.

In the report of the Grain Research Laboratory of the Board of Grain Commissioners, prepared for the meeting of the Western Committee on Grain Standards, a tentative estimate of the grading of the 1942 wheat crop is made. This forecast places the probable proportion of No. 1 Northern at 10%, No. 2 Northern at 35%, No. 3 Northern at 25% and all other grades at 30%.

It will be seen from the inspection returns that just over 7% of the cars dealt with up to November 14, graded "Tough" which in the case of Red Spring wheat means that the moisture content was between 14.6 and 17.0 per cent inclusive, and in the case of Amber Durum wheat between 14.9 and 17.0 per cent. Practically no damp wheat had been inspected up to this time, namely wheat containing more than 17% of moisture.

### III. PRIMARY MOVEMENT

The following table shows primary receipts of wheat in the Prairie Provinces for the 1942-43 crop year along with comparative figures for 1941-42:

Week ending 8 a.m.	Manitoba	Saskatchewan	Alberta	Totals	Last Year
Bushels					
August 1-7	345	140	nil	485	894,869
14	8,677	1,906	nil	10,583	3,625,532
21	37,951	29,112	285,460	352,523	6,266,831
28	478,909	441,273	689,590	1,609,772	8,272,557
September 4	333,967	576,080	748,947	1,658,994	6,437,295
11	1,500,458	2,561,064	785,846	4,847,368	5,745,447
18	2,329,382	6,935,017	1,420,730	10,685,129	8,176,398
25	780,180	2,549,235	870,308	4,199,723	7,590,185
October 2	569,812	1,888,075	972,064	3,429,951	6,100,344
9	2,110,722	9,331,126	4,169,342	15,611,190	6,785,419
16	1,453,893 <sup>1/</sup>	10,302,484 <sup>1/</sup>	5,228,887 <sup>1/</sup>	16,985,264 <sup>1/</sup>	8,955,586
23	1,362,178	7,015,246	4,626,223	13,003,647	13,205,315
30	1,727,213	6,461,391	3,679,654	11,868,258	11,680,720
November 6	1,359,157	5,898,751	3,262,855	10,520,763	8,430,399
13	686,801	3,881,337	2,910,961	7,479,099	7,934,272
20	1,382,255	2,792,239	2,274,621	6,449,115	7,569,401
T o t a l s	16,121,900	60,664,476	31,925,488	108,711,864	117,671,070

<sup>1/</sup> Revised since last issue of this Review.

### IV. LAKE MOVEMENT

The following table summarizes the movement of wheat down the lakes from the opening of navigation in 1942 with comparative figures for 1941.

From opening of navigation to -	To Canadian Lower Lake Ports	To St. Lawrence Ports	To Buffalo	To Other United States Ports	TOTALS
Bushels					
Nov. 14, 1942	117,758,756	2,819,701	27,264,692	2,709,407	150,552,556
Nov. 14, 1941	150,097,756	6,067,393	32,710,342	3,849,555	192,725,046

CUMULATIVE RECORD OF WHEAT MARKETINGS  
IN THE  
PRAIRIE PROVINCES, BY WEEKS  
1941-42 AND 1942-43 TO DATE

MILLIONS  
OF  
BUSHELS

500

400

300

200

100

0

1941-42

1942-43

1

10

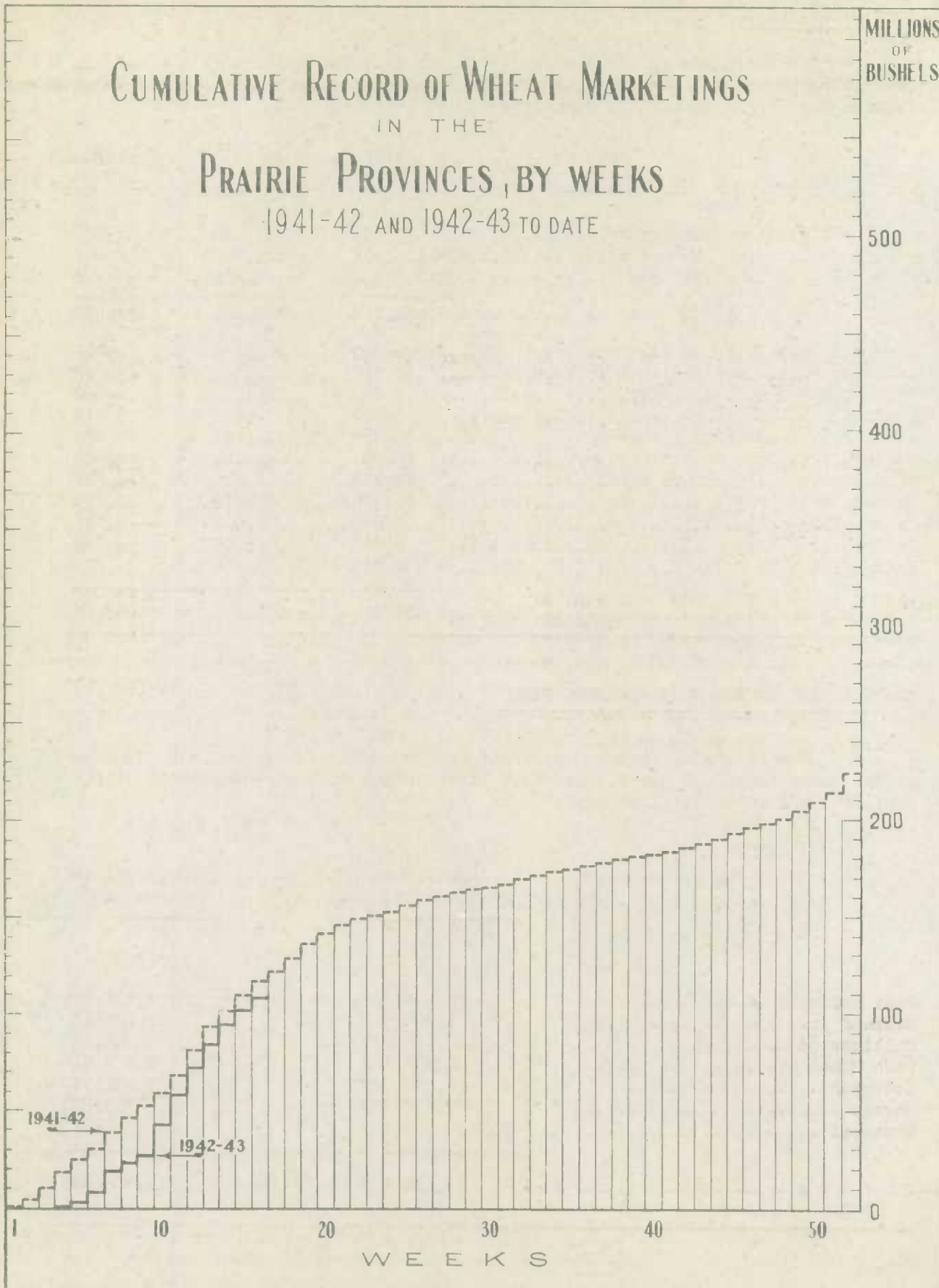
20

30

40

50

WEEKS





# V. VISIBLE SUPPLY

The following table shows stocks of Canadian wheat in store and in transit in Canada and the United States on November 19, 1942 along with comparative figures for approximately the same date in 1941 and 1940.

	<u>1942</u>	<u>1941</u>	<u>1940</u>
	(000 bushels)		
Country Elevators - Manitoba .....	27,460	30,330	26,950
Saskatchewan .....	110,915	121,715	118,815
Alberta .....	66,980	77,225	65,915
T o t a l s .....	205,355	229,270	211,680
Interior Private and Mill Elevators .....	5,730	8,486	6,529
Interior Public and Semi-Public Terminals ..	18,597	17,745	16,647
Pacific Ports .....	19,363	20,281	18,302
Churchill .....	2,617	2,617	2,617
Port William and Port Arthur .....	104,238	108,623	78,350
Eastern Elevators - Lake Ports .....	40,801	42,567	42,810
St. Lawrence and Seaboard Ports .....	24,865	29,310	19,719
United States Ports .....	15,970	20,838	40,795
In Transit - Lake .....	3,671	3,031	5,717
In Transit - Rail .....	8,860	16,796	10,578
In Transit - U. S. A. ....	2,834	3,758	4,564
T o t a l s .....	452,901	503,322	458,307

# VI. MOVEMENT OF WHEAT TO MARITIME PORTS

The following figures represent the movement of wheat by RAIL from ports on the Great Lakes and the St. Lawrence River during the current season, with comparative figures for last year.

	<u>August 1 to November 19, 1942</u>	<u>August 1 to November 20, 1941</u>
	bushels	
Port McNicoll .....	5,678,147	4,151,009
Midland .....	5,788,826	7,605,130
Collingwood .....	1,045,977	938,788
Owen Sound .....	1,813,833	1,514,216
Goderich .....	1,049,887	3,171,573
Sarnia .....	1,654,039	384,807
Montreal .....	6,113	-
T o t a l s .....	17,036,822	17,765,523

MILLION  
BUSHELS

600

500

400

300

200

100

0

1

10

20

30

40

50

52

WEEKS

1940-41

1942-43

1941-42

WEEKLY VISIBLE SUPPLY  
OF  
CANADIAN WHEAT

1940-41, 1941-42 AND 1942-43 TO DATE

VII. RAIL MOVEMENT FROM FORT WILLIAM-PORT ARTHUR

The following quantities and grades of wheat were shipped all-rail from the lakehead ports during October and distributed in the five eastern provinces.

OCTOBER 1942

	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island
	bushels				
1 Northern .....	-	-	-	-	1,333
2 Northern .....	16,667	1,500	-	-	-
3 Northern .....	14,783	30,000	9,334	-	2,667
4 Northern .....	13,725	57,999	2,333	4,166	1,333
Smutty 1 Northern.....	58,023	5,359	-	-	-
Smutty 2 Northern .....	10,074	3,828	-	-	-
Smutty 3 Northern .....	-	1,940	-	-	-
Smutty Rej. 2 Nor. Mxd. Htd. ....	-	1,505	-	-	-
Tough 2 Northern .....	-	16,500	-	-	-
Tough 3 Northern .....	26,500	111,951	9,833	-	5,334
Tough 4 Northern .....	-	6,109	-	-	-
Tough No. 5 .....	-	3,000	-	-	-
Tough Rej. 3 Northern .....	-	1,624	-	-	-
Tough Rej. 3 Northern Sptd. ....	-	42	-	-	-
Tough Rej. 1 Nor. Mxd. Htd. ....	2,024	1,554	-	-	-
Tough Rej. 2 Nor. Mxd. Htd. ....	-	6,608	-	-	-
Tough Rej. 4 Nor. Mxd. Htd. ....	-	1,925	-	-	-
Tough Smutty 2 Nor. ....	1,505	-	-	-	-
Tough Smutty 3 Nor. ....	-	2,000	-	-	-
Tough Sample Htd. ....	-	3,061	-	-	-
Rej. 1 Nor. ....	-	2,667	-	-	-
Rej. 2 Nor. ....	3,006	500	-	-	-
Rej. 3 Nor. Sptd. ....	-	447	-	-	-
Rej. 1 Nor. Mxd. Htd. ....	-	19,096	-	-	-
Rej. 2 Nor. Mxd. Htd. ....	5,941	-	-	-	-
Rej. No. 5 Mxd. Htd. ....	-	1,333	-	-	-
Rej. No. 5 Rej. Mxd. Htd. ....	667	8,667	-	-	-
Rej. 1 Nor. Mxd. Rotten Kernels .....	-	3,114	-	-	-
Rej. 2 Nor. Mxd. Rotten Kernels .....	-	3,161	-	-	-
Rej. 1 Nor. Sour Mxd. Rotten Kernels .....	-	1,609	-	-	-
Rej. 1 Nor. Mxd. Fireburnt .....	11,400	1,500	-	-	-
Sample Fireburnt .....	1,333	1,500	-	-	-
Sample C.W. Mxd. ....	-	3,000	-	-	-
Sample C.W. Mxd. Htd. ....	-	2,833	-	-	-
1 C.W. Garnet .....	2,000	-	-	-	-
2 C.W. Garnet .....	3,000	36,420	-	-	-
3 C.W. Garnet .....	1,333	7,482	1,487	-	-
Smutty 2 C.W. Garnet .....	-	657	-	-	-
Tough 2 C.W. Garnet .....	-	2,794	-	-	-
Tough 3 C.W. Garnet .....	-	10,172	-	-	-
1 C.W. Amber Durum .....	5,005	-	-	-	-
2 C.W. Amber Durum .....	14,334	-	-	-	-
3 C.W. Amber Durum .....	39,188	-	-	-	-
4 C.W. Amber Durum .....	1,382	2,364	-	-	-
Tough 3 C.W. Amber Durum .....	1,492	-	-	-	-
Tough 4 C.W. Amber Durum .....	-	1,001	-	-	-
Tough Rej. 3 C.W. Amber Durum .....	-2,000	-	-	-	-
Tough Rej. 2 C.W. Amber Durum Sptd. ....	809	-	-	-	-
Tough Rej. 3 C.W. Amber Durum Sptd. ....	2,000	-	-	-	-
Tf.Rej. 6 C.W. Mxd.Amber Durum Mxd. Htd. .	-	1,600	-	-	-
Rej. 3 C.W. Amber Durum .....	-	1,607	-	-	-
Rej. 3 C.W. Amber Durum Sptd. ....	1,333	-	-	-	-
Rej. 3 C.W. Amber Durum Mxd. Htd. ....	-	1,553	-	-	-
T o t a l .....	235,524	371,582	22,987	4,166	10,667
GRAND TOTAL .....	-	644,926	-	-	-



CANADIAN WHEAT BOARD

Instructions to the Trade issued by the Canadian Wheat Board this month include a number which are of general interest and these are summarized in the pages that follow:-

Damp Grain

It has been brought to the attention of the Board, that some producers are faced with a very serious situation, in that their grain that has been threshed, or is being threshed, contains a very high percentage of moisture and is grading Damp.

Appreciating the position of these growers, the Board is prepared to facilitate the placing of cars for the shipment of Damp grain to the Lakehead. The procedure to be followed in this connection is as follows:

- (1) The delivery of Damp grain will still be confined to delivery within the established quotas.
- (2) On application supported by an affidavit completed by the agent of the elevator company to which the Damp grain has been delivered, approved by an official of the company, the Board is prepared to authorize the railway companies to place cars for the shipment of Damp grain as covered by the affidavit, such cars to be placed in preference over all other shipments. The affidavit submitted must show the bushels, estimated grade and moisture content of the grain.
- (3) Only grain containing sufficient moisture to be graded "Damp" by the Inspection Department will be authorized for shipment on these special authorizations. Grain containing in excess of the following moisture content is graded "Damp"; Wheat, Oats, Barley, Rye 17%, Flaxseed 13.5%
- (4) All specially authorized Damp shipments will be closely checked by the Board and if it is found that any shipments when unloaded do not grade Damp, the Board may in its discretion penalize the shipping company by reducing their subsequent allotments of shipments to the Lakehead or Mills.
- (5) It will be appreciated that while every effort should be made to provide relief to as many growers as possible, shipments to the Lakehead of this Damp grain will have to be confined to shipments from companies in a position to unload and dry the grain on arrival.

### Durum Wheat

Until further advised, producers who have Durum wheat may deliver such wheat until the wheat deliveries in their permit books show a total of fourteen (14) bushels per acre on the authorized acreage shown in the book. If a producer uses this privilege and delivers Durum wheat up to fourteen (14) bushels per authorized acre, no further deliveries of any kind of wheat can be made as long as the wheat quota at his delivery point is fourteen (14) bushels per authorized acre or less.

If this delivery constitutes a delivery over and above the established quota, at the producer's delivery point, the entry in the permit book must clearly show that the delivery covered Durum wheat, and opposite this delivery will appear the notation "Circular No. 84".

For example, if a producer has an authorized wheat acreage for delivery purposes of 100 acres and if he has delivered 600 bushels of Durum and/or ordinary spring wheat on an established local quota of 6 bushels per authorized acre, he may now deliver up to 800 bushels of Durum wheat only under the provisions of this Circular.

It is not permissible to deliver any ordinary spring wheat above the established quota at the point.

### Seed Requirements

Another instruction says that the Board will allow companies to exchange Board stocks of any variety of Red Spring wheat grading One Hard, One Northern or Two Northern, for other wheat, to enable bona fide Producers to secure their seed requirements. All exchanges must be on a bushel-for-bushel basis with cash settlement being made for differences in grades, basis fixed Board street spreads. Producer's Certificates must not be issued covering wheat received in exchange for seed.

### Millers

Millers experiencing difficulty in carrying on their normal gristing business because 1942 wheat delivered to them is not of millable quality can make application to the Canadian Wheat Board for an exchange of such wheat for Board stocks of milling quality wheat which may be available at local country elevators. The exchange will be on a bushel-for-bushel basis with cash settlement to be made for difference in grades, basis fixed Board Street spreads.





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