

CANADA

DOMINION BUREAU OF STATISTICS  
AGRICULTURAL BRANCH

Vol. 15

No. 2

A large, stylized yellow wheat stalk is positioned vertically in the center of the cover, serving as a background for the title text.

# MONTHLY REVIEW OF THE WHEAT SITUATION

OCTOBER 31, 1944

Published by Authority of the Hon. James A. MacKinnon, M.P.  
Minister of Trade and Commerce  
Ottawa

Price \$1 a year



DEPARTMENT OF TRADE AND COMMERCE  
DOMINION BUREAU OF STATISTICS - CANADA  
AGRICULTURAL BRANCH

(Issued October 1944)

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WORLD WHEAT SITUATION - SUMMARY

While stocks of wheat in all four of the major exporting countries remain substantial, the supply picture in Australia and Argentina differs from that in North America in one important respect. In Canada and the United States the new crop, which has just been harvested, has proved large enough to offset a smaller carry-over at the end of the crop year. In the two large wheat-producing countries of the Southern Hemisphere the outlook for the new crop, which has yet to be harvested, is such as to indicate a decline in total available supply.

Argentina experienced a severe drought during the planting period which reduced acreage and the continued lack of rainfall in the northern provinces has greatly lowered yield prospects. While no very accurate estimate of production can be made until late in November it is possible to say that there is no chance of a crop of record proportions and the output may well be no more than enough to cover domestic requirements which are about 110 million bushels. Even so, the present carry-over of about 177 million bushels is amply sufficient to cover probable exports during 1945 and provide for a carry-over against the possibility of a second small crop. Argentina's exports have averaged about 80 million bushels during the past three years. The current problem of this South American Republic is to find bottoms to move her grain. United States ships have not been calling at Argentine ports since October 1.

Australia's wheat supplies and prospects are much lower than those of any of the four big wheat exporting countries. On October 6, even after rains had been received, the new crop was estimated at only 50 million bushels. Australia has not had such a small crop since 1919 and the present production does not appear to be much more than sufficient to meet requirements for wheat for feed, which are estimated at 40 million bushels for 1944-45. Although exports are reported as being "well maintained" stocks of some 113 million bushels will not permit of heavy exports, cover domestic requirements of 70 to 75 million bushels and provide a carry-over. Stocks have recently been disappearing at the rate of about 20 million bushels a month. Domestic consumption is heavy because of the large military establishment in Australia.

Export Requirements

The supply position in the big exporting countries may affect export shipments during the present crop year. With the prospect of short supplies in Australia, Canada may be called upon to make shipments to India and the Middle East and to other countries accustomed to import from Australia. Although it is known that wheat requirements in liberated Europe will be substantial, no definite information is available as to the dimensions of these requirements. Italy is reported to have harvested a wheat crop of some 245 million bushels, about 120 million being in the



liberated area. Although this volume of wheat is insufficient to meet the needs of the population, the quantity which will have to be shipped in will depend largely upon the condition of the northern areas when these are liberated. Unofficial sources place import requirements in the neighbourhood of 10 million bushels.

Foodstuffs are very scarce in the Netherlands as a result of the confiscation of non-perishable foods by the Germans. In the pre-war period Holland depended upon the importation of about 25 million bushels of wheat a year and her plight is, therefore, doubly serious. Conditions in Belgium are apparently somewhat better owing to a more rapid rate of evacuation by the Germans, but flour will soon be shipped in from North America. France's food position is much more satisfactory and Canadian wheat is reported moving in via Lisbon. Greece will continue to need wheat from outside and it seems likely that shipments will be made to Southern Europe as the Nazis are driven out.

#### United Kingdom

Great Britain reports a wheat crop of 118 million bushels, or slightly less than in 1943. The 1939 crop was 61.8 million bushels. However, much of the grain from the new crop is damp and must be dried by artificial methods. The admixture of imported flour has been raised to 7 1/2 per cent and it is likely that, as wheat supplies become more readily available in the United Kingdom the minimum extraction rate will be lowered in order to secure a more palatable loaf. This factor will increase consumption of wheat in the United Kingdom. There is, as yet, no indication of whether or not acreage will be reduced in 1945. There is strong sentiment in **some** quarters in favour of keeping Britain's wheat acreage up in the post-war era as a measure of military preparedness.

#### Wheat Situation in Canada

The Department of Trade and Commerce announced on October 16 that the Combined Food Board is calling upon Canada to help supply liberated areas in Europe with a large quantity of wheat and flour to be supplied immediately. The transport control authorities are accordingly making arrangements to move an increased volume of wheat from the Prairie Provinces to the eastern seaboard before the close of navigation. Boxcars from eastern Canada are to be pressed into service to move western wheat to the Lakehead. On October 18, in order to facilitate the movement of wheat, the Canadian Wheat Board prohibited the shipment of barley from points in western Canada to Fort William and Port Arthur. An exception was made in the case of damp barley or barley in danger of going out of condition.

An item of interest to wheat producers in western Canada is the reduction of handling charges on grain, which was initiated by the three western Wheat Pools. The handling charges on wheat, oats, barley, flax and rye were lowered by two cents per bushel. The reduction on wheat sold in carlots was 1 1/2 cents per bushel. These new rates were made retroactive to August 1 so that farmers who had delivered grain to Pool Elevators in the interim will receive a refund. Pool officials emphasized the point that handling charges had been reduced below the cost of providing these services and that the Pools were really passing on to patrons earnings realized from storing grain. The line elevator companies in each province have followed the precedent established by the Pools.

## THE CANADIAN MILLING INDUSTRY

During the past crop year the production of flour in Canada broke an all-time record, a record which had only been established during the preceding year. The Canadian flour milling industry turned out a total of 24.3 million barrels in 1943-44 as compared with 23.6 in 1942-43. When converted to wheat at the rate of 4.5 bushels to a barrel the milling industry is seen to have processed about 110 million bushels of wheat into flour in each of these years. When this consumption of wheat is compared with an average Canadian production of 425 million bushels for these two years the magnitude of the industry becomes impressive.

It is obvious that we Canadians cannot consume this great output of flour. Nor do we. Domestic disappearance has been approximately 11 million barrels per annum for the past two years and the remaining 12 to 13 million barrels have gone into export channels. Glancing back to the turn of the century we note that flour exports have constituted an important, but variable, proportion of total exports of wheat and wheat flour. The growth of the industry may be conveniently pigeonholed into **five** periods. The first of these is a period of gradual development from 1900 to 1914; the second one of rapid growth from 1914 to 1918 under the stimulus of war; The third covers the period of readjustment and expansion from 1922 to 1928; the fourth the period of depression from 1929-1938 and the fifth from 1939 to the present, a period of recovery to meet the needs of World War II.

From 1900-1914 the industry developed step by step with the growth of the wheat economy on the Western Prairies and flour exports grew with the development of an export market for Canadian wheat. In 1900 Canada exported one million barrels of flour; in 1914 she exported five million barrels.

During World War I flour exports doubled as Canada strove to supply the Allied nations with food. The post-war slump in the industry was of relatively short duration and during the third period from 1922 to 1928 flour exports averaged 10.7 million barrels per year, a record which has yet to be broken. Following 1928, exports dropped back to their pre-World War I level as European importers raised their tariff walls against foreign wheat and flour in an effort to promote economic self-sufficiency. With the outbreak of the present conflict Canada's flour exports have risen from 6.8 million barrels in the crop year 1939-40 to 13.5 million barrels during the crop year which has just closed.

The United Kingdom has always been Canada's best customer for flour, although the proportion of total exports which she has taken has varied widely according to non-Empire demands. Thus, in the calendar year 1928 Britain took 27 per cent of total exports, 57 per cent in 1937 and 59 per cent in 1943, as other outlets were closed. The British West Indies and Newfoundland have also been important customers.

An important by-product is provided by the flour milling industry in the form of millfeeds which, because of their palatability and protein content, are a valuable feed for dairy cows. During 1943-44, some 795,000 tons of millfeeds were produced in Canada and practically all was retained for domestic feeding purposes owing to the shortage of high protein feeds.

At the present time Canadian mills are booked to capacity as the country is called upon to supply flour to the United Nations and liberated Europe. Since Canadian flour enjoys a high reputation abroad and the Canadian mills have an abundant source of raw materials and power, there are good prospects of maintaining a high level of exports into the post-war era.



# CHICAGO WHEAT FUTURES

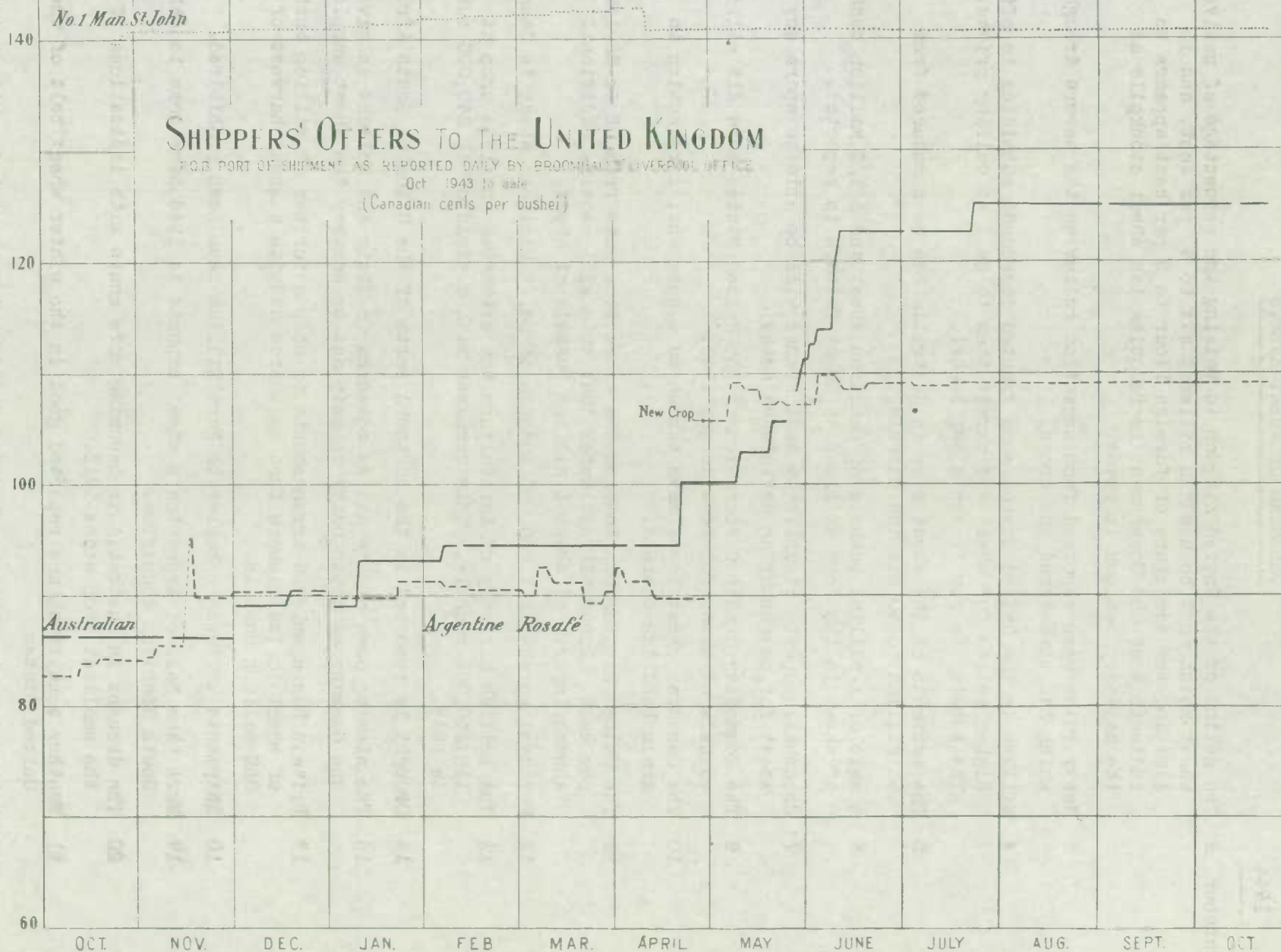
During the first part of the month Chicago December wheat moved up in anticipation of an upward revision of ceiling prices. The demand of millers was also strengthened as the subsidy payments on hard wheats were increased by 7 cents per bushel over those of last month. This higher level was not maintained, however, as excellent rains in the winter wheat belt and a more liberal selling policy by farmers in the south-west and north-west caused a decline of as much as 6 cents per bushel for cash wheat. As prices sagged country sales lagged with primary producers apparently willing to sell readily only on the sharp rallies.

During the latter part of the month the C.C.C. was discussing arrangements with the trade regarding subsidies which would permit United States wheat to move into the export market. These arrangements have not as yet been completed.

The following are the high points of closing in the wheat futures market at Chicago for the various contract months.

1944	December	May	July	September
(cents and eighths per bushel)				
September	27 161	158/6	148	-
	28 161	158/4	147/7	146/6
	29 161/7	159/4	149/1	-
	30 163/6	161/3	152/1	151/4
October	2 164/3	161/1	151/3	150/5
	3 165	161/5	151/5	150/4
	4 167/2	163/4	153/7	152/6
	5 166	162	151/5	150/3
	6 165	161	150/5	149/5
	7 165/1	161	150/6	149/3
	9 163/3	159/1	148/4	147/3
	10 163/6	159/3	148/3	147/2
	11 164/4	159/7	148/5	147/4
	12	Columbus	Day	
	13 162/7	158/2	147/1	146/1
	14 163/4	158/6	147/7	146/6
	16 163/5	158/7	147/7	146/5
	17 164/4	159/7	148/5	147/4
	18 164/6	160/5	149/3	148/2
	19 165	160/5	149/4	148/3
	20 163/6	159/1	148/6	147/5
	21 164/1	159/4	149/1	147/7
	23 163/5	159/1	148/5	147/3
	24 164/1	160/2	149	147/6

CENTS  
PER  
BUSHEL





1944

CALENDAR OF WHEAT EVENTS

- October 2 The action of the United Kingdom in raising the percentage of native wheat which must be used in millers' mix to 40 per cent, and in limiting the admixture of foreign flour to 5 per cent appears to indicate that the Government is reducing its wheat stockpile as the military outlook improves.
- 3 Heavy rains were reported from Argentina relieving the severe drought which had threatened the crops.
- 4 Millers in the United States were granted increased subsidies to offset higher prices for wheat and permit them to sell at ceiling prices. The subsidy is now 17 cents per bushel.
- 5 The estimate of the wheat crop in Australia has been reduced from 66 million to 50 million bushels.
- 6 A sale of 1 million bushels of Canadian wheat and 1 1/2 million bushels of wheat in the form of flour to Great Britain is reported.
- 7 Broomhall reports it unlikely that France will be able to spare any wheat for neighbouring deficiency areas.
- 9 The Commodity Credit Corporation in the United States sold 419 million bushels of wheat for feed during 1943.
- 10 The Canadian Wheat Pools have announced a substantial reduction in grain handling charges.
- 11 The United Kingdom has lowered the extraction rate from 85 to 82 1/2 per cent. Broomhall estimates that this will require additional annual imports of about 5 million bushels of wheat.
- 12 Portugal purchased 1,850,000 bushels of No. 2 Manitoba wheat in Canada.
- 13 The British Ministry of Agriculture has estimated the 1944 crop at 118,160,000 bushels. This compares with a yield of 61,840,000 bushels in 1939.
- 14 Drought is reported in the northern parts of the Union of South Africa.
- 16 The slowing down of the Allied advances in Italy and Holland is giving the Germans an opportunity to ship out or destroy the wheat supplies.
- 17 Britain has completed arrangements to ship a further 12 million bushels of wheat to India where food is scarce despite a wheat harvest of 362 million bushels.
- 18 Shipments of Western barley to Fort William have been prohibited.
- 19 More than half of Argentina's wheat exports in 1944 have gone to other South American countries.
- 20 The drought in Australia is becoming more acute with indications of the smallest crop since 1915.
- 21 Weather conditions are reported good in the winter wheat belt of the United States.
- 23 Turkey reports ample supplies of bread grains to meet domestic requirements in 1944-45.



## UNITED STATES

Announcements concerning two important adjustments in the pricing of American wheat and flour were made during the month. It is expected that the United States will export a considerable quantity of wheat during the current crop year, but some arrangement is necessary to price this wheat at a level which will permit it to move into export channels in competition with wheat from other exporting countries. The Commodity Credit Corporation had been prohibited by law to sell wheat, except for feed and seed, at less than parity which is about \$1.50 per bushel.

This law has recently been amended to permit the C.C.C. to sell wheat surpluses on the world market at world prices and C.C.C. funds may be employed to pay United States exporters the difference between domestic and foreign prices. The difference between the domestic and export price of wheat would be about 40 cents per bushel at current prices. The details of the plan are currently being discussed with representatives of the trade, and it is not expected that exports under the scheme will be started prior to the new year. Under the provisions of the present International Wheat Agreement for the post-war period, the United States has been allocated 15 per cent of that share of world trade going to the four principal exporting countries. If this share totals 450 million bushels the United States' share would amount to 72 million bushels.

The second price adjustment was made with respect to flour subsidies necessitated by the rise of cash wheat prices toward the ceilings. This price increase, together with anticipation of an increased subsidy, served to bring millers' purchases practically to a standstill. Effective October 11 and until October 31, a uniform subsidy rate of 17 cents per bushel was established on all types of wheat in all areas and this is being raised by one cent per bushel in November and again in December. Since mills and flour buyers had been holding off in anticipation of this increase, purchases of wheat for milling immediately expanded.

The quality of the new winter wheat crop is proving to be above average. Only 2 per cent of the receipts through September, of soft red winter wheat graded "tough" as compared with a 20 per cent average during the ten-year period 1934-43. Approximately 78 per cent of receipts graded No. 2 or better as compared with a ten-year average of 53 per cent. The quality of the hard red winter wheat crop is about average.

The estimate of production for all wheat in the United States on October 1 was placed at 1,108,881,000 bushels, which is 6 1/2 million bushels lower than the estimate which was made a month earlier. The reduction is attributable to losses of spring wheat at harvest from excessive moisture during September. This year's production still remains the largest on record and only the second crop of over a billion bushels in United States' history.

Stocks of wheat on farms in the United States at October 1 are also near record levels, being surpassed only by those of 1942. They are now estimated at 546.4 million bushels as compared with a ten-year average of 355 million. The disappearance of wheat off American farms during the first three months of their crop year totalled 640 million bushels, which is a record for any quarter. The nearest approach was a disappearance of 585 million bushels in 1938.

The Commodity Credit Corporation through October 14 had completed loans on 129 million bushels of 1944 wheat as compared with 94 million bushels for the same period a year ago.

Beginning September 28 the War Food Administration cancelled W.F.A. rationing and distribution control on all farm implements and machinery except corn pickers.

## ARGENTINE LETTER

The correspondent of the Dominion Bureau of Statistics in Buenos Aires has forwarded the following report under date of October 4, 1944.

### Crop Conditions

The long drought in Argentina has been broken. In the province of Buenos Aires, which normally produces nearly half of the total national production of grain and seed crops, the general situation is fairly good, beneficial but moderate rains having fallen in August and September.

The great bulk of the remainder of the cereal and seed crops is produced in the provinces of Cordoba, Santa Fe, Entre Rios and the Pampa territory. These areas suffered a drought for four months. In many parts total losses were incurred before relieving rains fell on September 30, and continued intermittently for several succeeding days. A precipitation of from 6 to 8 inches was fairly general.

The benefit to Buenos Aires was incalculable, putting the crops into a fully normal condition at that height of the season. In Santa Fe, Cordoba and Entre Rios the benefit to the wheat crop was enormous. But the linseed crop had deteriorated too far to benefit fully in these provinces. The extent of the recovery which can still be made remains to be seen. The effect of the long-drought was intensified by the unseasonable heat in September. The temperature registered was sometimes 10 to 15 degrees Centigrade above normal. The attacks of green fly were also unusually destructive during the drought, but the extremely heavy rainstorms which have brought relief will doubtless have washed away this pest.

### Supplies and Markets

Exports of wheat during September totalled 7,700,000 bushels, of which 7,240,000 bushels were in grain and 460,000 bushels were flour in terms of grain. The comparative total for August was 7,763,000 bushels. The current statistical position is now as follows:

Third official estimate 1943-44 crop .....	249,853,000 bushels	
Carry-over from previous crops .....	109,689,000	"
Total Supplies .....	359,542,000	"
Deduct for Seed and Domestic Requirements 102,881,000 bu.		
War Victims' Relief .....	7,349,000 bu.	110,230,000 "
Surplus Available for Export .....	249,312,000	"
Shipments to) Wheat .....	63,221,000 bu.	
September 30) Wheat as flour .....	8,780,000 bu.	72,001,000 "
Balance Still Available .....	177,311,000	"

A contract to Spain covers 33,730,000 bushels of the available balance, and 3,674,000 bushels are estimated to have been sold to sundry exporters. A further gift of 7,349,000 bushels of wheat has been offered by the Argentine Government to the liberated French Nation.



The market was very quiet throughout the month of September, with little demand from abroad. Some small parcels of Rosafe wheat were disposed of to Great Britain, and sundry sales were made to Brazil and other neighbouring South American countries. Some sales of wheat flour were also effected.

Export prices of the official Grain Regulating Board were not changed during the month, the former rates of 10.70 pesos per 100 kilos for the old crop wheat and 12.50 for new crop are still effective.

#### Seeded Areas - Second Official Estimate

A further decrease in the acreage planted to wheat and coarse grains is indicated in the second official estimate which has just been published.

The shrinkage in the area is ascribed by the Ministry of Agriculture to the continued drought prevailing in the various cereal producing zones, which prevented a normal performance of the necessary field work.

The new calculation of the plantings is reproduced below, together with the decreases from the corresponding figures for last season.

	<u>1944-45 Plantings</u>	<u>Decrease from 1943-44</u>
	- acres -	
Wheat .....	15,385,928	1,444,547
Coarse Grains .....	15,476,412	1,757,580

#### AUSTRALIAN CABLE

The following cable was received on October 18 from the Canadian Government Trade Commissioner in Melbourne:

"Australian wheat stocks at September 23 totalled 112,750,000 bushels. The rate of export of wheat and flour is being well maintained. The Australian crop is now estimated at only 50 million bushels. Approximately 40 million bushels will be required for stock food in 1944-45. The deficit will be drawn from stocks of old wheat in Australia, which are ample for the purpose.

"Condition of growing crops in Queensland is good, Western Australia moderately good, New South Wales fair to good in North, bad in South. Conditions in South Australia are poor while the drought in Victoria is one of the worst ever experienced. The mills in Victoria and New South Wales will have to reduce operations from three shifts to two shifts a day and even then wheat may have to be moved from South Australia and Western Australia to the Eastern States to keep these mills going."

**Monthly Average Winnipeg Cash Price - No. 1 Northern Wheat  
Crop Years 1937-38 to 1944-45**

(cents per bushel)

	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45
August .....	131.8	76.6	54.9	72.2	73.3	88.9	111.9	125.0
September ..	133.6	63.3	73.9	71.7	72.6	89.6	117.5	125.0
October ....	142.3	61.5	70.3	70.4	73.7	90.0	124.1	
November ...	134.6	59.0	70.5	71.8	73.2	90.5	125.0	
December ...	137.4	60.6	82.4	73.4	74.4	90.4	125.0	
January ....	149.1	59.9	82.8	74.2	77.0	90.4	125.0	
February ...	144.6	60.4	83.8	75.2	78.0	90.5	125.0	
March .....	138.4	59.5	87.0	76.2	78.0	97.1	125.0	
April .....	138.4	60.5	89.2	75.7	79.0	99.0	125.0	
May .....	115.2	65.5	79.7	75.9	79.3	99.0	125.0	
June .....	114.3	61.8	72.3	77.0	80.0	101.5	125.0	
July .....	98.4	55.3	71.4	74.7	80.8	109.3	125.0	

**Wheat Prices and the General Price Level 1/**

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 1930=100	Board of Trade United Kingdom 1930=100	Wheat No. 1 Manitoba Northern Fort William and Port Arthur basis 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
1942 .....	110.5	159.6	88.6
September 1943 .....	116.7	162.9	124.7
October .....	117.7	162.5	131.7
November .....	118.2	162.7	132.7
December .....	118.4	163.4	132.7
January 1944 .....	118.4	164.0	132.7
February .....	118.6	164.6	132.7
March .....	118.9	164.9	132.7
April .....	118.8	165.5	132.7
May .....	118.4	166.1	132.7
June .....	118.4	166.1	132.7
July .....	118.4	167.1	132.7
August .....	118.1	167.5	132.7
September .....	118.1	<u>2/</u>	132.7

1/ Prepared by the Internal Trade Branch. 2/ Not yet available.



## CANADIAN SUPPLY POSITION

Canadian wheat available for export or carry-over on October 1, 1944 amounted to 613.5 million bushels, although this total includes exports to the United States during the months of August and September, for which returns are not yet available. Exports of wheat and wheat flour, exclusive of exports to the United States, for the first two months of the crop year were 33.2 million bushels as compared with 31.9 million bushels a year ago. Flour exports for the 1944 period are only slightly below those of a year ago.

Total supplies available for export or carry-over on October 1 are about 33 million bushels lower than a year ago. The estimate of domestic requirements for 1944-45 is less than that of a year ago because of a reduction in the estimate of wheat to be fed to live stock. With a better crop of coarse grains and wheat in Ontario this year imports under the Freight Assistance Plan are likely to be reduced substantially. In the West there is a smaller pig crop to be fed through the winter. However, the presence of large quantities of low grade wheat in the northern areas may encourage its use as feed.

Canada seems to have passed the peak so far as the use of wheat for live-stock feed is concerned. In 1939-40 Canadian farmers fed an estimated 45 million bushels. This increased for succeeding years to 54 and 70 million bushels and finally in 1942-43 reached a peak of 100 million bushels. During the past crop year, despite increased shipments under freight assistance, the estimate has been reduced to about 90 million bushels, including 46.5 million fed in the Prairie Provinces. The restriction on deliveries to elevators in the west and a ceiling on the quantity of wheat which the Wheat Board would accept had a stimulating effect upon the use of wheat for feed. With higher or open quotas and no maximum as yet announced on total deliveries, the incentive to feed wheat has been reduced. The quantity of wheat fed to live stock during the present crop year might be considerably lower than last.

The following table sets out the statistical position of Canadian wheat as of October 1, showing actual totals for the 1943-44 crop year, but less exports to the United States during the current crop year.

### Canadian Wheat Supplies

	<u>1944-45</u>	<u>1943-44</u>
	bushels	
Carry-over in North America July 31 .....	355,076,183	594,626,019
New crop production .....	447,656,000 <u>1/</u>	284,803,000 <u>2/</u>
Total supply .....	802,732,183	879,429,019
Estimated domestic requirements .....	156,000,000	168,180,000
Available for export or carry-over .....	646,732,183	711,249,019
Deduct:		
Exports of wheat as grain August-September ...	24,308,662 <u>3/</u>	40,255,055
Flour exports August-September .....	8,861,153	8,979,683
Total exports wheat and flour .....	33,169,815	49,234,738
Balance on October 1 for export or carry-over ..	613,562,368	662,014,281

1/ Subject to revision.

2/ Tentatively revised on the basis of disposition data, see p. 12.

3/ Excludes exports to U.S. for home consumption and for milling in bond. For the two months, August-September 1943, these totalled 17,378,783 bushels, but will be substantially lower this year as a result of reduced imports into the U.S. for feeding purposes.

## DISPOSITION OF THE 1943 PRAIRIE WHEAT CROP

The preliminary disposition data available indicate that the 1943 wheat crop was overestimated by approximately 8.9 million bushels. The largest discrepancy occurs in Saskatchewan where production now appears to have been about 9.7 million bushels lower than estimated in January of 1944. The Saskatchewan acreage estimate, rather than the average yield per acre, appears to have been too high. The estimate for Manitoba is approximately 2 million bushels high while the Alberta crop, on the other hand, appears to be about 2.8 million bushels too low. A preliminary adjustment of the estimate for the 1943 wheat crop in the Prairie Provinces would place production at 268.1 million bushels as compared with the second estimate of 277 million bushels. The final estimate of the 1943 crop will not be made until January 1945.

Wheat fed on farms in the Prairie Provinces for the 1943-44 crop year is now estimated at 46.5 million bushels as compared with 60 million bushels in 1942-43. This reduction has taken place in Alberta and Saskatchewan while the volume of wheat used for feed in Manitoba has shown no decrease.

### Wheat Supplies and Disposition in the Prairie Provinces Crop Year 1943-44

	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>Prairie Provinces</u>
	(thousand bushels)			
Carry-over on farms, July 31, 1943 .	15,000	110,000	62,000	187,000
January estimate 1943 crop .....	41,000	156,000	80,000	277,000
<b>Total Available .....</b>	<b>56,000</b>	<b>266,000</b>	<b>142,000</b>	<b>464,000</b>
Deliveries <u>1/</u> .....	40,595	192,937	91,465	324,997
Seed .....	3,688	16,100	8,625	28,413
Feed .....	6,000	20,000	20,500	46,500
Country millings .....	717	1,084	582	2,383
Carry-over on farms, July 31, 1944 .	3,000	26,200	23,650	52,850
<b>Total Disposition .....</b>	<b>54,000</b>	<b>256,321</b>	<b>144,822</b>	<b>455,143</b>
Extent of error indicated .....	+ 2,000	+ 9,679	- 2,822	+ 8,857
Production estimates as indicated by preliminary disposition data ....	39,000	146,321	82,822	268,143

1/ Subject to revision.



## Delivery Quotas on Wheat

At the opening of the new crop year the Wheat Board announced an initial delivery quota for wheat of five bushels per "authorized" acre. Oats and barley deliveries were also placed at five bushels, while no restrictions were placed on the delivery of flax and rye. On August 14 the wheat quota was increased to ten bushels per "authorized" acre at 189 delivery points in the West as country elevator space became available. On September 13, it was found possible to declare an open delivery quota on barley and wheat, and quotas were being raised from time to time. On October 4, an open quota was issued for all damp wheat or oats, i.e., wheat or oats containing more than 17 per cent moisture.

The first open quotas on wheat deliveries were authorized on October 5 and these were extended until, by the 20th of the month, all Manitoba and British Columbia points were open and 25 and 49 per cent of all points in Saskatchewan and Alberta respectively were open.

The summary of the quota position in all the western provinces, compiled by the Canadian Wheat Board as at October 20, 1944, is shown below:

Delivery Quota	Manitoba		Saskatchewan		Alberta		British Columbia	
	Points	%	Points	%	Points	%	Points	%
5 bushels ....	-	-	63	6	8	1	-	-
10 bushels ....	-	-	375	33	211	36	-	-
15 bushels ....	-	-	407	36	82	14	-	-
Open Quota ....	368	100	282	25	292	49	4	100

Taking the western provinces as a whole the position is as follows at the close of the 12th week of the current crop year.

	Points	% of Total
5 bushels per "authorized" acre ...	72	4
10 bushels per "authorized" acre ...	586	28
15 bushels per "authorized" acre ...	489	23
Open Quota .....	945	45
T o t a l .....	2,092	100

Even by the early part of December 1943 some 84 per cent of the delivery points in the Prairie Provinces were limited to a quota of 10 bushels or less as compared with 32 per cent at October 20 of this year. The opportunity to deliver wheat and coarse grains afforded farmers this season is much more favourable than a year ago. Quotas were not opened up until May 30, 1944 for wheat and April 6 for barley and rye.

## RAIL MOVEMENT FROM FORT WILLIAM-PORT ARTHUR

The rail movement of wheat east from the head of the lakes exhibited the usual seasonal increase, but is far below the large volume shipped during the month of September a year ago. This substantial decrease is in line with the greatly reduced volume of wheat shipments under the freight assistance program.

Almost all of this month's rail shipments were consigned to Quebec with Rejected 2 Northern Mixed Heated being the principal grade.

Shipments month-by-month during the past four crop years are shown in the following table, covering the period August-July in each year.

	<u>1944-45</u>	<u>1943-44</u>	<u>1942-43</u>	<u>1941-42</u>
	- bushels -			
August .....	91,891	990,879	390,264	90,122
September .....	169,603	1,547,042	600,921	143,816
October .....		780,035	644,926	209,376
November .....		711,238	1,250,952	472,194
December .....		898,565	3,871,297	1,488,427
January .....		4,364,158	1,757,163	1,781,993
February .....		4,397,318	3,196,248	1,436,455
March .....		1,076,142	1,997,275	1,380,199
April .....		107,257	3,968,148	1,066,342
May .....		271,533	1,135,059	396,360
June .....		108,739	999,605	626,520
July .....		47,516	983,324	888,749
Total (12 Months) .....		15,300,422	20,795,182	9,980,553

Grades of wheat shipped during September 1944, and the provincial distribution of the rail movement are shown in the following table:

	<u>Ontario</u>	<u>Quebec</u>
	- bushels -	
4 Northern .....	1,500	36,000
No. 5 .....	1,953	-
Rejected 2 Nor. Mxd. Htd. ....	1,500	68,567
Rejected 3 Nor. Mxd. Htd. ....	-	8,500
Rejected 4 Nor. Mxd. Htd. ....	-	8,883
Tough Rej. 1 Nor. Mxd. Htd. ....	-	1,558
Tough Rej. 2 Nor. Mxd. Htd. ....	-	1,544
Smutty 2 Northern .....	-	18,000
Smutty 4 Northern .....	-	3,248
Smutty No. 5 .....	-	4,500
1 C.W. A.D. ....	4,500	1,500
5 C.W. A.D. ....	-	1,587
Rej. 2 C.W. A.D. Mxd. Htd. ....	-	3,139
Sample A.D. Brkn. ....	-	3,124
T o t a l .....	9,453	160,150
GRAND TOTAL .....	169,603	



# EXPORTS OF CANADIAN WHEAT AND FLOUR

Data on imports of wheat into the United States from Canada for the month of July are still unavailable. Indications are, however, that the preliminary estimate of 344 million bushels for the crop year 1943-44 will not be far out. Exports for the first eleven months of the crop year are 125 million bushels higher than for a similar period a year ago.

The most noteworthy feature of the export trade for the past crop year is the great increase in flour exports to the United States. From August 1, 1943 to June 30, 1944 the United States had imported from Canada 141 million bushels of wheat for home consumption. During the same period in 1942-43 crop year American imports were only 4.1 million bushels. This item more than accounts for the large increase in Canadian wheat exports during the past crop year.

Flour exports this year, of a wheat equivalent of 60.6 million bushels, have broken the record of 56.6 million bushels, wheat equivalent, established in 1942.

The following table sets out the monthly details of exports to all destinations for the first eleven months of the crop year with comparative figures for the four preceding years.

	<u>1943-44</u>	<u>1942-43</u> <sup>1/</sup>	<u>1941-42</u> <sup>1/</sup>	<u>1940-41</u>	<u>1939-40</u>
	- bushels -				
August 1943 .....	27,716,863 <sup>1/</sup>	15,546,739	20,391,405	11,560,065	13,198,877
September .....	22,215,055 <sup>1/</sup>	9,827,484	15,556,038	9,622,992	14,688,827
October .....	23,844,841 <sup>1/</sup>	14,169,255	14,314,814	10,810,971	9,220,393
November .....	23,188,842 <sup>1/</sup>	15,637,315	17,752,672	13,705,174	18,826,047
December .....	25,419,684 <sup>1/</sup>	8,389,775	20,259,936	8,953,630	15,480,129
January 1944 .....	30,193,480 <sup>1/</sup>	13,878,802	18,166,222	15,220,986	20,148,824
February .....	33,525,148 <sup>1/</sup>	15,650,208	15,610,033	18,110,049	16,556,686
March .....	27,905,975 <sup>1/</sup>	23,128,154	20,046,761	21,497,072	21,268,085
April .....	41,315,967	23,278,531	29,696,162	30,757,859	16,831,280
May .....	36,658,430	26,180,186	23,705,259	36,815,411	22,366,323
June .....	26,336,026	27,190,819	17,054,252	31,084,121	12,042,247
July .....		21,823,634	13,274,880	23,067,916	12,046,650
Crop Year Totals .		214,700,902	225,828,434	231,206,246	192,674,368
Total for 11 Months					
August - June	318,320,311	192,877,268	212,553,554	208,138,330	180,627,718
11 Months' Exports as % of Crop Year Total		89.84	94.12	90.02	93.75

<sup>1/</sup> Revised

# FARMERS' MARKETINGS

The following table shows primary receipts of wheat in the Prairie Provinces for the 1944-45 crop year along with comparative figures for 1943-44:

<u>Week ending</u>	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>Totals</u>	<u>Last Year</u>
- bushels -					
August 1-3	555,480	415,651	496,881	1,468,012	584,420
10	35,938	444,684	241,849	722,471	1,514,156
17	92,087	1,051,440	752,355	1,895,882	3,413,073
24	1,025,622	2,776,348	885,577	4,687,547	4,336,669
31	2,296,542	3,955,228	1,077,113	7,328,883	5,638,763
September 7	492,048	5,399,007	1,581,051	7,472,106	4,590,713
14	1,710,923	10,021,382	3,567,347	15,299,652	5,353,184
21 <u>1/</u>	931,482	10,255,922	3,357,451	14,544,855	6,155,213
28	1,980,799	9,107,342	2,326,279	13,414,420	4,948,728
October 5	2,665,704	8,245,689	1,637,966	12,549,359	3,993,189
12	2,137,984	7,313,697	2,682,451	12,134,132	3,293,058
19	2,218,364	9,421,055	5,897,008	17,536,427	3,217,196
<b>T o t a l</b>	<b>16,142,973</b>	<b>68,407,445</b>	<b>24,503,328</b>	<b>109,053,746</b>	<b>47,038,362</b>

1/ Revised.

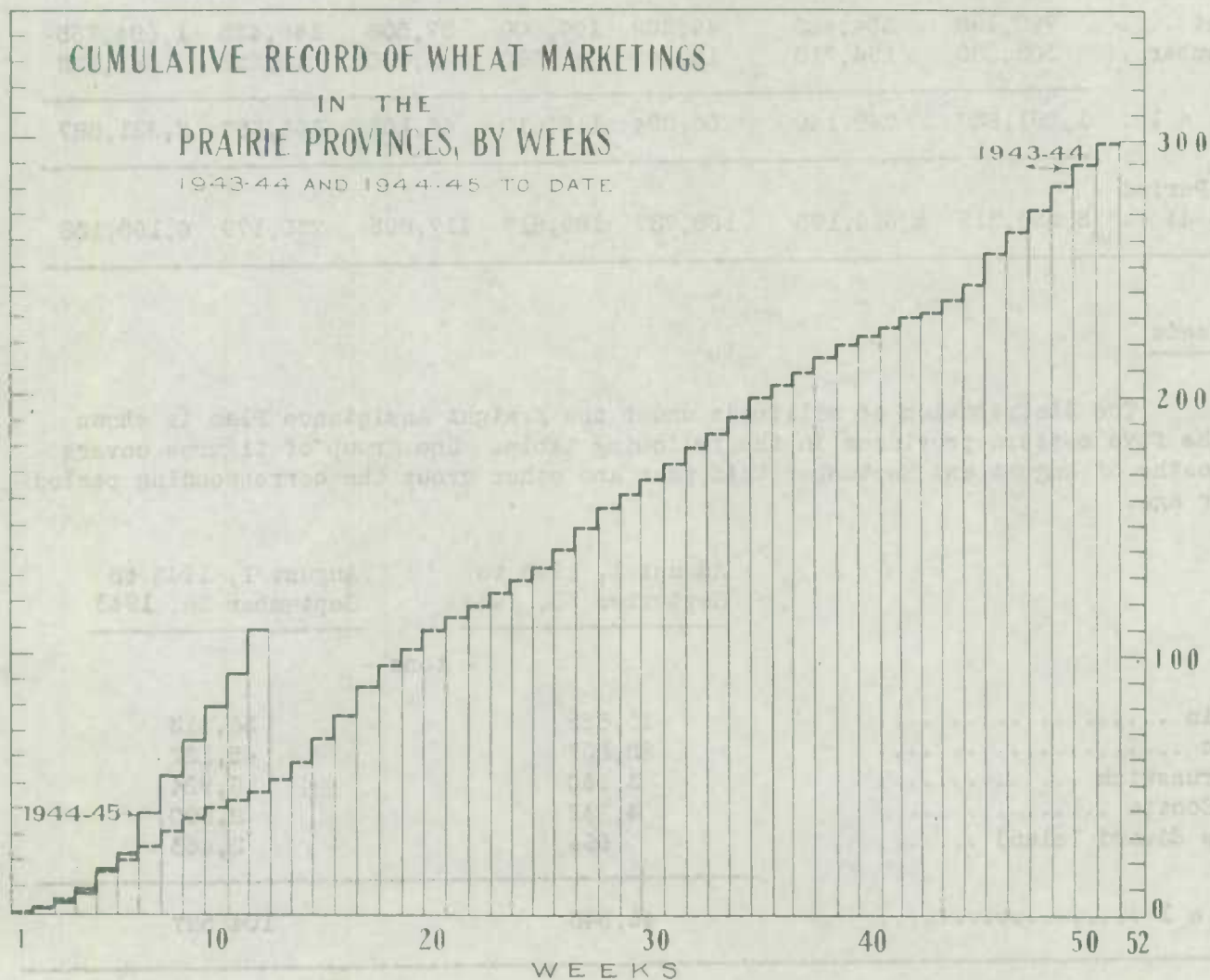
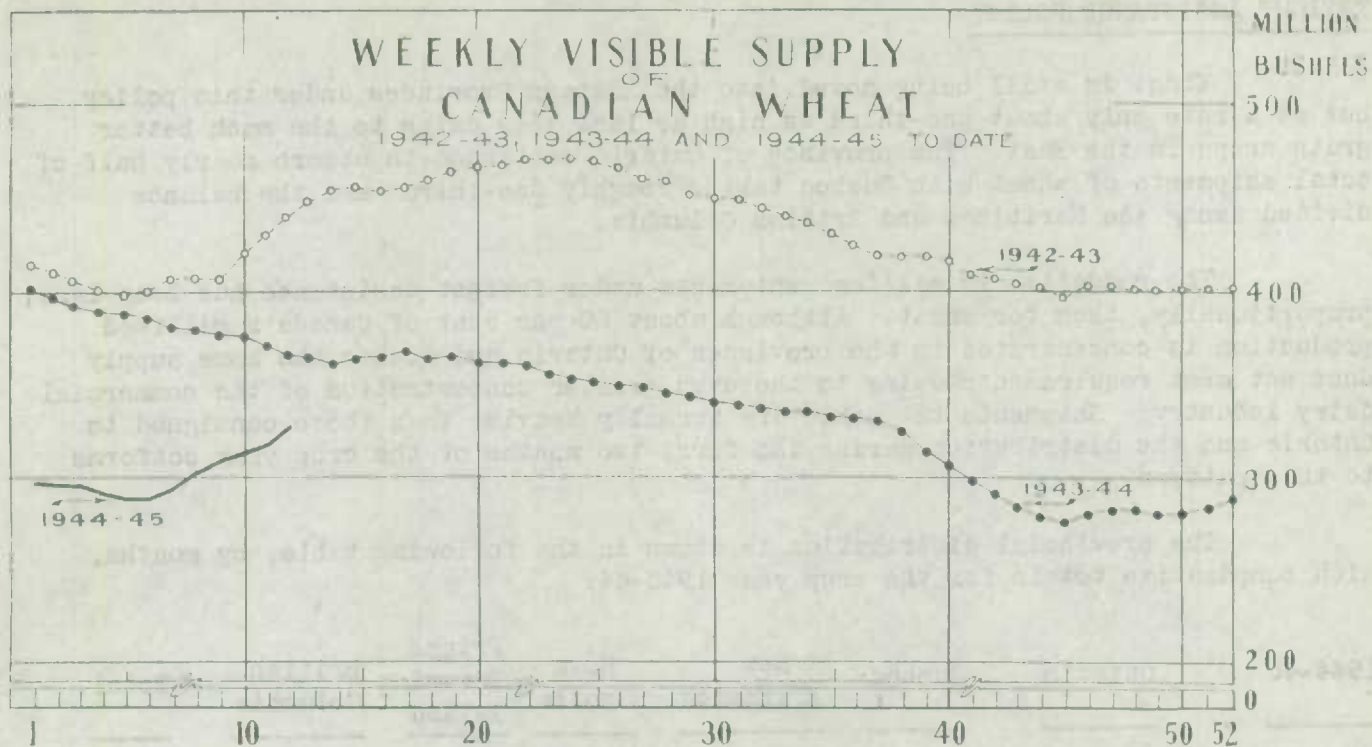
The availability of country elevator space and a large wheat crop are reflected in the much higher rate of primary marketings as compared with a year ago.

## WHEAT VISIBLE SUPPLY

The following table shows stocks of Canadian wheat in store and in transit in Canada and the United States on October 19, 1944, along with comparative figures for approximately the same date in 1943 and 1942:

	<u>1944</u>	<u>1943</u>	<u>1942</u>
	(000 bushels)		
Country Elevators - Manitoba .....	14,815	28,380	23,140
Saskatchewan .....	87,690	111,970	96,555
Alberta .....	54,715	76,565	57,320
<b>T o t a l s .....</b>	<b>157,220</b>	<b>216,915</b>	<b>177,015</b>
Interior Private and Mill Elevators .....	5,710	4,383	6,318
Interior Public and Semi-Public Terminals ..	11,219	13,668	19,257
Pacific Ports .....	17,906	19,463	19,376
Churchill .....	1,878	1,877	2,617
Fort William and Port Arthur .....	25,759	45,079	121,258
Eastern Elevators - Lake Ports .....	41,071	28,505	40,872
St. Lawrence and Seaboard Ports .....	21,834	13,221	23,755
United States Ports .....	19,576	5,787	15,607
In Transit - Lake .....	4,244	3,019	2,085
In Transit - Rail .....	15,111	6,475	5,656
In Transit - U.S.A. ....	5,919	5,483	3,702
<b>T o t a l s .....</b>	<b>327,447</b>	<b>363,875</b>	<b>437,518</b>





## FREIGHT ASSISTANCE POLICY

Wheat is still being moved into the Eastern Provinces under this policy but at a rate only about one-third as high as last year owing to the much better grain crops in the East. The province of Ontario continues to absorb nearly half of total shipments of wheat with Quebec taking roughly one-third and the balance divided among the Maritimes and British Columbia.

The reduction in millfeed shipments under freight assistance has been less, proportionally, than for wheat. Although about 60 per cent of Canada's millfeed production is concentrated in the provinces of Ontario and Quebec the home supply does not meet requirements owing to the even greater concentration of the commercial dairy industry. Shipments to Quebec are normally heavier than those consigned to Ontario and the distribution during the first two months of the crop year conforms to this pattern.

The provincial distribution is shown in the following table, by months, with comparative totals for the crop year 1943-44:

1944-45	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	British Columbia	Total
- bushels -							
August ....	799,198	554,422	49,202	107,000	37,508	148,435	1,684,765
September .	303,630	194,718	10,892	11,010	8,650	18,222	547,122
T o t a l .	1,091,828	749,140	60,094	118,010	46,158	166,657	2,231,887
Same Period 1943-44 ..	3,360,315	1,616,195	150,737	189,817	117,895	730,179	6,165,138

### Millfeeds

The distribution of millfeeds under the Freight Assistance Plan is shown for the five eastern provinces in the following table. One group of figures covers the months of August and September this year and other group the corresponding period a year ago.

	August 1, 1944 to September 30, 1944	August 1, 1943 to September 30, 1943
- tons -		
Ontario .....	15,825	38,613
Quebec .....	22,667	45,137
New Brunswick .....	3,160	8,924
Nova Scotia .....	4,232	8,390
Prince Edward Island .....	664	3,463
T o t a l .....	46,548	104,527



## SHIPMENTS TO UNITED STATES

According to data supplied by the Statistics Branch of the Board of Grain Commissioners a total of 33.8 million bushels of Canadian wheat were shipped to the United States during the period from August 1 to October 12 of this year. Buffalo, with its excellent elevator facilities and direct rail connections with the principal Atlantic ports in the United States, handled more of this grain than any other American port. Shipments to Pacific Ports in the United States continue below the level established last season. The movement by rail is only about one third as high this year as last, although total movement continues slightly higher this season.

### Shipments August 1 to October 12

<u>By Vessel</u>	<u>1944</u>	<u>1943</u>
	- bushels -	
U.S.A. Pacific Ports .....	666,666	880,864
Buffalo .....	17,669,770	9,803,302
Chicago .....	6,366,921	-
Duluth-Superior .....	3,138,123	9,269,976
Erie .....	746,190	1,004,030
Milwaukee .....	340,098	-
Oswego .....	793,600	-
Toledo .....	454,811	107,000
	30,176,179	21,065,172
<u>By Rail</u>		
Seaboard Ports .....	3,072,948	5,120,162
Other points .....	554,894	4,534,397
T o t a l .....	33,804,021	30,719,731

## LAKE MOVEMENT OF GRAIN

Shipments of Canadian grain from Fort William and Port Arthur by water continue far ahead of shipments for any similar period during the war. This increase applies not only to wheat but also to oats, rye and flaxseed. The comparative figures for the past seven years are summarized in the following table.

### Shipments between Opening of Navigation and October 14

<u>Year</u>	<u>Wheat</u>	<u>Oats</u>	<u>Barley</u>	<u>Rye</u>	<u>Flaxseed</u>	<u>Total</u>
	- bushels -					
1938 ...	82,941,778	5,092,484	13,403,168	1,315,981	323,386	103,076,797
1939 ...	128,189,504	12,081,274	13,169,347	2,964,732	104,406	156,509,263
1940 ...	126,465,862	11,464,582	6,818,883	2,336,133	643,182	147,728,642
1941 ...	172,566,340	6,768,764	7,205,822	4,796,549	996,108	192,333,583
1942 ...	133,176,726	2,553,904	4,023,777	904,911	520,522	141,179,840
1943 ...	148,924,604	32,931,250	35,567,656	1,331,875	3,406,176	222,116,140
1944 ...	226,837,990	58,168,161	36,322,713	6,140,055	5,048,809	332,517,728



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# 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.

	August 1, 1944 to October 19, 1944	August 1, 1943 to October 21, 1943
	- bushels -	
Collingwood .....	1,692,417	362,135
Midland .....	3,540,830	3,125,215
Owen Sound .....	1,443,904	741,602
Port McNicoll .....	4,104,749	1,970,688
Goderich .....	722,907	314,071
Prescott .....	-	5,900
Montreal .....	-	1,498
<b>Total .....</b>	<b>11,504,807</b>	<b>6,521,109</b>

## GRADING OF 1944 WHEAT

During August and September it was found possible to preserve the identity of new wheat coming forward for inspection by the Board of Grain Commissioners and the following table shows the grading of 1944 wheat inspected during that period.

	<u>Cars</u>	<u>Per Cent</u>
No. 1 Northern .....	1,947	30.4
No. 2 Northern .....	3,343	52.2
No. 3 Northern .....	459	7.2
No. 4 Northern .....	91	1.4
Garnet .....	5	.1
Amber Durum .....	234	3.7
Alberta Winter .....	20	.3
Toughs .....	235	3.7
All Others .....	65	1.0
<b>Total .....</b>	<b>6,399</b>	<b>100.0</b>

Although only 464 cars of wheat had been graded during August and September of last year, the distribution of grades does not differ greatly from that given above. Considerably more of the new wheat is grading No. 2 Northern rather than No. 1 Northern as a year ago, but the percentage in these two grades combined is about the same. However, the picture may change as more wheat from the northern areas is graded.