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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

SEPTEMBER 1945

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AGRICULTURAL BRANCH

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WORLD WHEAT SITUATION - SUMMARY

In the first official estimate of grain production for Canada, wheat production for 1945 is placed at 321,409,000 bushels as compared with 435,535,000 bushels in 1944. When this new crop is combined with the estimated carry-over at July 31, of some 258 million bushels of old wheat, it gives a total available supply of 580 million bushels, which is about 212 million bushels less than in 1944-45 and the smallest total supply since 1938. If exports during the current crop year were maintained at the 1944-45 high level of 350 million bushels, the year-end stocks in 1946 would be about 70 million bushels. The exports for 1944-45 were the highest since 1929 and their maintenance during 1945-46 at that level is open to conjecture.

If, however, the Canadian wheat supply is considered in addition to that of the United States, it will be seen that total North American supplies amount to some 2,013 million bushels or about 165 million bushels less than the supply a year ago. The latest estimate of 1945 wheat production in the United States places it at 1,152 million bushels which, together with an estimated carry-over of 281 million of old wheat at July 1, gives a total supply for 1945-46 of 1,433 million bushels, or 37 million bushels more than the 1944-45 stockpile. The estimated available supplies in Canada and the United States for the last four years are as follows:

<u>Crop Year</u>	<u>Canada</u>	<u>United States</u>	<u>Total</u>
- million bushels -			
1945-46	580	1,433	2,013
1944-45	792	1,396	2,188
1943-44	876	1,458	2,334
1942-43	980	1,606	2,586

The Bureau of Agricultural Economics indicates that the disappearance of wheat in the United States will continue large during 1945-46. Although it is expected that smaller quantities of wheat will be used for feed this year than last year, any reduction in the amount fed will depend upon the weather conditions and their effect upon the outturn of feed crops between now and harvest time, the quantity of wheat used for alcohol will be influenced by the quantity of alcohol made from other materials.

The greatest difference will be in exports. It is estimated that exports of wheat from the United States during the crop year ending June 30, 1945 amounted to about 145 million bushels. Exports for 1945-46 are tentatively placed at between 200 and 225 million bushels. A total disappearance now estimated at 1,142 million bushels for 1945-46 would result in a carry-over at July 1, 1946 of over 290 million bushels. In the 1944-45 season the United States accounted for about 50 million bushels of Canadian exports of wheat. This year imports of wheat into the United States are expected to be less than one-third of this amount.

Argentina's export surplus of wheat at August 15 was officially estimated at a little less than 80 million bushels. In view of the advice that most of this supply has already been sold, it is apparent that the carry-over at the end of the year will be quite insignificant. So far this year, Brazil and other South American countries have accounted for more than half of Argentina's total wheat exports, while smaller shipments have been made to Spain, Norway and United Kingdom. Since the middle of September, the Argentine Government has been forced to suspend the shipment of some 9,500,000 bushels of wheat to the United Kingdom and Brazil owing to the lack of railroad transportation for wheat coming from the interior to seaboard terminals. First official estimates place Argentine wheat acreages at 14.1 million acres, the lowest acreage figure recorded in the last six years. Assuming a normal yield, the 1946 acreage would yield a total production of less than 180 million bushels. After providing for domestic consumption and the import requirements of the other South American countries, there would be little available for European needs during 1945-46 in the event that the foregoing assumptions prevail.

Australia's position is more aggravated than that of Argentina. Cabled advices reveal that her wheat stocks at the end of August totalled only 26 million bushels as compared with about 122 million bushels in September 1944. Old crop reserves are rapidly disappearing and carry-over at the end of the season is expected to be the smallest in years. Prospects for the new crop are promising, but seeded acreages are disappointing. Under normal conditions it is anticipated that wheat production will be approximately 140 million bushels this year. After making allowances for domestic requirements, there may be 40 to 50 million bushels left for export, of which a greater part will be earmarked for the United Kingdom and the Far East.

EUROPEAN CROPS

Information coming from Europe does nothing to improve its short wheat supply position. Heavy storms have done much damage to late-crop areas in western Europe and may cause a further downward revision of estimated production with a consequent upward revision of import requirements. Wet weather in the United Kingdom is hampering the harvest of a wheat crop some 700,000 acres less than the 3,063,000 acres harvested in 1944. Threshing results in Greece and parts of the Balkans are disappointing owing to the loss from drought. The harvest of wheat in Greece is believed to be from 40 to 50 per cent below average and the food situation in that country remains critical. Italy is harvesting the worst wheat crop in twenty years, with an estimated outturn of about 155 million bushels as compared with a pre-war production of 270 million bushels and a normal consumption of approximately 300 million bushels. In the British zone of Germany there are reports of extensive damage through excessive rains, with crops rotting in the fields. Private reports have placed the French wheat crop between 148 and 164 million bushels, as compared with the previous estimate of 184 million bushels. Despite the knowledge of a surprisingly large carry-over of 72 million bushels of old wheat, the over-all supply still remains far below needs. Preliminary reports from Hungary, normally an important surplus production area, indicate a crop of about 27 million bushels, as compared with a pre-war average of 91 million bushels.

NEW WHEAT PRICE POLICY

On September 19, the Honourable James A. MacKinnon, Minister of Trade and Commerce, announced, before the House of Commons, Canada's new wheat price policy with respect to the maximum price for export and the establishment of long-term floor prices. The pertinent part of Mr. MacKinnon's statement, as recorded in Hansard September 19, follows:

"The second world war has concluded with Canadian wheat producers in a particularly strong marketing position. Not only has the general disruption and bad weather reduced production in the war areas, but the Australian and North African crop failures and a small crop in Argentina have left Canada and the United States as the only countries at present having substantial export surpluses of wheat. This has coincided with the release of pent-up demands in the liberated areas.

In these extraordinary circumstances, Canadian wheat might well command for a limited period very much higher prices in the world market. The importing countries, nearly all of them our allies in the war, are buying out of necessity and, to a large extent, on credits. They would be compelled to meet through larger credits or through sacrifice of other food and rehabilitation supplies whatever higher price is demanded for Canadian wheat.

It is in the interest of Canada and of Canadian wheat growers that the importing countries should continue to obtain Canadian wheat at prices not in excess of those prevailing at the end of hostilities. Accordingly the government, by Order in Council, has instructed the Canadian Wheat Board to offer wheat for sale for export overseas at prices not higher than the current export price of \$1.55 per bushel, basis No. 1 Northern, in store Fort William-Port Arthur or Vancouver.

In asking Canadian producers to forgo such benefits as might be realized in the short run through higher export prices, the government recognizes the paramount need for relative stability of income to wheat producers. Toward this end, the government undertakes that in the five-year period ending July 31, 1950, producers will receive not less than \$1 per bushel, basis No. 1 Northern, in store Fort William-Port Arthur or Vancouver on the authorized deliveries for each crop year. For the balance of the 1945-1946 crop year, at least, the Canadian Wheat Board initial advance will continue at \$1.25, where it was set two years ago. By providing a long-term floor price of not less than \$1.00 the government will protect producers against the consequences of any sharp reversal in the world wheat position during the next five-year period.

The government, in adopting this policy of a maximum price for overseas shipments for the present and a floor price for five years, is asking the producers, in their own interests, to forgo exceptional short-run advantages in favour of a long-run stability of income. In arriving at its decision on this policy, the government had the following fundamental considerations in mind:

Any further increase in wheat prices now would aggravate the problems of economic and political readjustment of the liberated areas to Canada's detriment in future trade with those areas. There is a moral obligation not to take advantage of our recent allies in their time of compelling need.

Higher wheat prices would encourage the importing countries in a hurried return to wheat production and pre-war wheat policies very directly to the detriment of the wheat exporting countries, particularly Canada. Moreover, production in a number of exporting countries would be unduly encouraged."

TELEGRAPHIC CROP REPORT FOR THE PRAIRIE PROVINCES, SEPTEMBER 25, 1945

The following telegraphic crop report, dealing with crop conditions in the three Prairie Provinces, the last of a series of fourteen issued by the Dominion Bureau of Statistics for the 1945 season, is reproduced in summary below.

Cold, wet weather has delayed the 1945 harvest in the Prairie Provinces. Reports from all sections indicate an appreciable postponement of the harvest owing to light and heavy rains and, in some districts, snow. Frosts have occurred in the northern parts of Manitoba, Saskatchewan and Alberta but the damage reported to date has not been extensive. Some sprouting is reported and in those areas where the harvest is late, it is expected that grades will be slightly lowered owing to bleaching.

Unless a period of good drying weather occurs within the next few days damage may be much more extensive than now expected. Late reports indicate that the wet, cool weather is continuing. Pastures have benefited and live stock are reported to be in good condition. The feed grain crop, however, is disappointing and the delay in the harvest will further aggravate this situation through deterioration in quality.

Cool, wet weather has delayed threshing of the 1945 Manitoba crops. Approximately 50 per cent of the crop is threshed to date in the eastern and southern sections of the province with less than 25 per cent in the central and northern sections. Some sprouting has occurred. Grain yields in the province appear to be lower than expected in the earlier part of the season. Some lowering of grades will occur through bleaching and sprouting, but the full extent of the damage cannot be determined until threshing has progressed further.

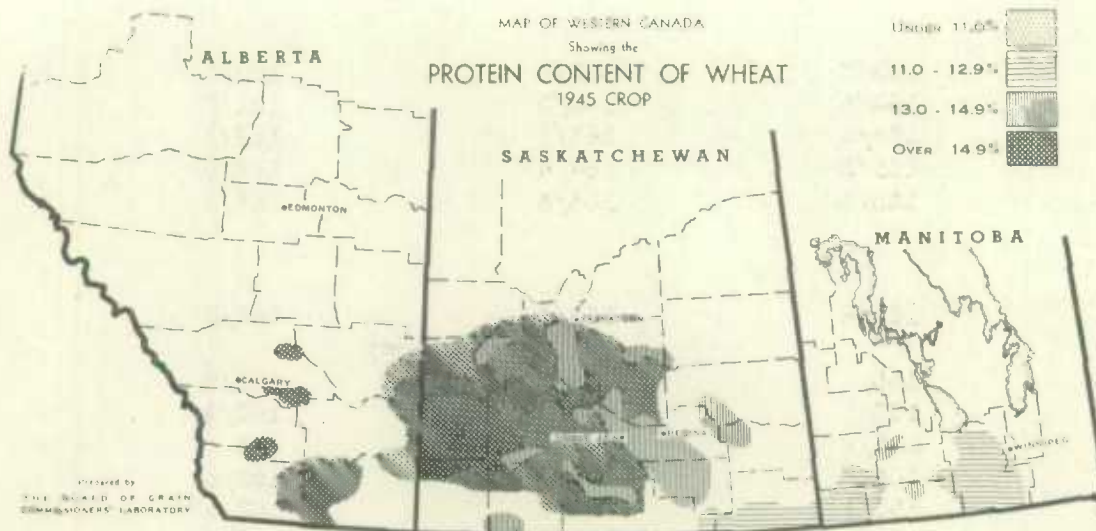
In Saskatchewan, harvesting operations during the past week were delayed over the whole of the province. Records of precipitation show that practically all areas were affected with very heavy rainfall in the southwestern part of the province. Threshing cannot be resumed generally until a period of good drying weather occurs. It is likely that wheat grades will be reduced as a result of bleaching. In the southwestern section some damage has occurred from sawfly and grasshoppers are reported to be numerous.

A combination of rain and snow over the past ten days has delayed threshing operations for at least another week in Alberta. In the Peace River District, threshing is near completion and is well advanced in the southern area. In the central areas threshing has just started. Some deterioration is expected in wheat grades. Feed grains are reported to be light in the central area and the sample poor. In the Peace River area, snow, which stopped threshing operations, was still falling on the 22nd of September. Yields of grain threshed to date have been fully up to expectations.

PROTEIN CONTENT OF CANADA'S 1945 WHEAT CROP

According to a preliminary report issued by the Board of Grain Commissioners' Laboratory, the average protein content of the 1945 wheat crop is estimated at 15.1 per cent. This average, which is based on the analysis of 818 early run samples, is the highest since 1941 and is about 1.5 per cent higher than that for 1944. By far the largest number of samples analyzed came from central and southern Saskatchewan where yields are known to be low and the volume of wheat harvested will be relatively small. The size of the sample and the average protein content for each province are as follows: Manitoba 73, 12.3 per cent; Saskatchewan 668, 15.3 per cent; Alberta 77, 16.2 per cent. These values are, with the exception of Manitoba, higher than last year which were 12.5, 13.6 and 14.9 per cent respectively. A decrease in the average protein level can be expected as more samples are received from northern areas where the volume of grain is much higher and protein content is usually much lower.

The areas of low, average and high protein content are shown in the accompanying preliminary map. It is based on the 818 early run samples and grades No. 1 Northern to No. 4 Special are represented. High-protein areas are found in the western half of central and southern Saskatchewan and in scattered parts of eastern, central and southern Alberta. Low protein areas are scattered through southern Manitoba and south-eastern Saskatchewan.



Mr. Gordon Burton

Mr. Gordon Burton, who has edited the Wheat Review and the Quarterly Review of Canadian Coarse Grains for the past year, has resigned from the Bureau to accept a teaching position with the Farm Management Department of the University of Saskatchewan in Saskatoon. After graduating with his Masters' Degree from the University of Alberta, Mr. Burton spent some time studying Farm Management and Land Utilization with the Economics Division of the Department of Agriculture. Prior to coming to the Bureau in 1943, he did two years' research work in Agricultural Economics at Iowa State College. His first year at the Bureau was devoted to Farm Income Studies, but when Mr. James McAnsh, former editor of these Reviews, left Ottawa to accept a position with UNRRA in Washington, Mr. Burton was the logical choice to succeed him. It is with deep regrets that we see Mr. Burton leave us, yet we feel that a man of his wide knowledge and experience has a very valuable contribution to make to the work of the University of Saskatchewan, and with this thought in mind we wish him every success in his new endeavour.

CHICAGO WHEAT FUTURES

Although the United States is harvesting the largest crop of wheat in its history, any bearish influence which this might have on the market is more than offset by official confirmation of the huge foreign needs coincident with smaller production in Europe this season. Consequently, September wheat prices have continued to move progressively higher. Purchases by the Commodity Credit Corporation for export, and the export goal of the United States of 30,000,000 bushels of wheat monthly have stimulated increased public participation on the buying side. At the same time, attention was directed towards a smaller Canadian wheat production and carry-over this season and reports that the Argentine surplus of old wheat was small and practically sold.

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

<u>1945</u>	<u>September</u>	<u>December</u>	<u>May</u>	<u>July</u>
(cents and eighths per bushel)				
August 27	163/5	162/6	160/7	153/7
28	164/5	163/5	161/7	155/1
29	164/5	163/6	162/2	155/4
30	165/3	164/4	162/6	156
31	165/1	164/4	162/3	154/2
September 1	165/2	164/4	162/3	154/5
3			Labour Day	
4	165	164/1	161/7	154/1
5	165	164/4	162/4	155/2
6	165/2	164/6	163	155/6
7	164/7	164/6	162/6	155/2
8	165/1	164/6	162/6	155/2
10	165/4	165/2	163/5	155/6
11	166/4	166	164/5	156/4
12	166/7	166/4	165/2	157/4
13	167/5	167/2	165/7	158
14	167/5	167/4	166	158/4
15	168/1	167/4	165/7	158/3
17	167/5	167/2	165/2	158/4
18	168/4	168/2	166/6	160
19	170	169/5	168	159/7
20	170/5	170	168/1	160
21	171/4	169/7	168	160
22	170/4	168/2	160/1	158/7
24	171/4	168/7	160/6	158/5

CENTS
PER
BUSHEL

170

160

150

140

130

120

110

100

90

SEPT.

OCT.

NOV.

DEC.

JAN.

FEB.

MAR.

APR.

MAY

JUNE

JULY

AUG.

SEPT.

No. 1 Man. St. John

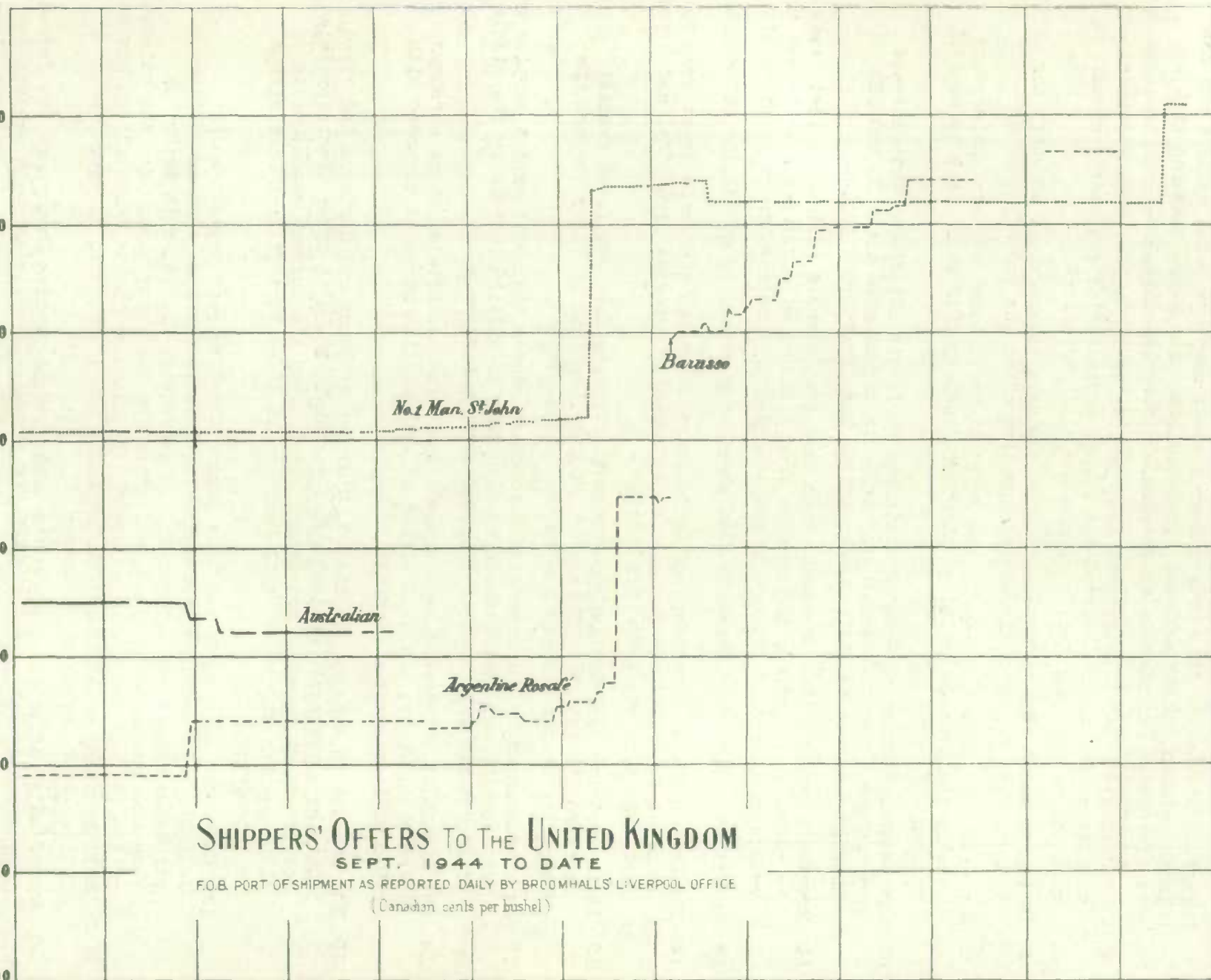
Barras

Australian

Argentine Rosale

SHIPPERS' OFFERS TO THE UNITED KINGDOM SEPT. 1944 TO DATE

F.O.B. PORT OF SHIPMENT AS REPORTED DAILY BY BROOMHALLS' LIVERPOOL OFFICE
(Canadian cents per bushel)



CALENDAR OF WHEAT EVENTS

- Sept. 1 Private estimates of this year's French wheat crop are being reduced and now **range** between 148,000,000 and 164,000,000 bushels which compares with the last official calculation of 184,000,000 bushels - Broomhall.
- 4 It is reported that timely rains in Argentina during August have provided conditions for wheat, linseed and coarse grains which are nearly normal, although subsoil moisture reserves are still deficient.
- 5 It is estimated that Australia will have barely enough wheat to carry her until the new crop comes on the market sometime after the end of November.
- 6 A preliminary report issued by the Board of Grain Commissioners' Laboratory reveals the average protein content of Canada's 1945 wheat crop to be 15.1 per cent.
- 10 Wet weather in most of Great Britain has seriously interfered with harvest operations. The 1945 wheat production is expected to total 79,000,000 bushels compared to 111,000,000 in 1944 and 129,000,000 in 1943.
- 11 Broomhall reports that European crops have been damaged in late harvest areas by recent heavy rains, and reports from a number of countries have tended to reduce estimates of production and to raise prospective import requirements.
- 12 The first estimate of Canada's 1945 wheat crop places it at 321,409,000 bushels.
- 14 The United States Department of Agriculture estimates the world wheat crop to be about 5,400,000,000 bushels, a decline of 5 per cent from 1944, and 8 per cent less than the 1935-1939 average.
- 15 It is reported that British procurement officials have completed credit arrangements for the purchase of 120,000 long tons of flour through the Commodity Credit Corporation in the United States.
- 17 An announcement by the Argentine Government states the wheat export surplus in that country had been reduced to less than 80 million bushels by the middle of August and that most of this had already been sold.
- 18 The Argentine Government has released the first estimate of wheat acreages seeded this year, which is placed at 14.1 million acres as compared with 15.4 million acres a year ago.
- 19 The Honourable James A. MacKinnon, Minister of Trade and Commerce announced that the government has instructed the Wheat Board to offer wheat for sale for export overseas at prices not higher than the current export price of \$1.55 per bushel, basis No. 1 Northern in store Fort William-Port Arthur or Vancouver.
- Mr. MacKinnon also announced that during the five-year period ending July 31, 1950 Canadian producers will receive not less than one dollar per bushel basis No. 1 Northern, in store Fort William-Port Arthur or Vancouver on the authorized deliveries for each crop year. For the balance of the 1945-46 crop year, at least, the Canadian Wheat Board initial advance will continue at \$1.25 per bushel basis No. 1 Northern, in store Fort William-Port Arthur or Vancouver.
- 20 According to Broomhall's Argentine cable, the Argentine Government was forced to suspend the shipment of 9,500,000 bushels of wheat to Great Britain and Brazil because of the lack of railroad transportation for wheat coming from the interior.
- 22 The United States Department of Agriculture places wheat production in the United States for 1945 at the all-time record of 1,152 million bushels.

UNITED STATES

The latest estimate by the Bureau of Agricultural Economics on September 10 placed the production of all wheat in the United States at an all-time record of 1,152 million bushels. This increase of 6 million bushels over the August 1 estimate is attributable to the favourable weather during August, which permitted the harvesting of the spring wheat crop with a minimum of damage and loss. This estimated production for 1945 is 7 per cent above last year's crop of 1,079 million bushels, and 46 per cent above the ten-year average 1934-43. It is comprised of 837 million bushels of winter wheat and 315 million bushels of spring wheat, including 33 million bushels of the Durum variety.

With a carry-over of old wheat on July 1 estimated at 281 million bushels, the total stockpile of wheat for the United States during 1945-46 will amount to some 1,433 million bushels. Since the cessation of hostilities, there have been some revisions in the wheat disposition estimates for the current crop year. The amount of wheat used for civilian and military food has been reduced from 560 to 530 million bushels; seed requirements will account for 82 million bushels; wheat used for alcohol is now estimated at 50 million bushels or some 35 million bushels less than a year ago. Approximately 120 million bushels of wheat will be fed on farms where grown and 360 million bushels are earmarked for export and purchased feed. Altogether, the disappearance of wheat in the United States will amount to about 1,142 million bushels during 1946 and leave a carry-over on July 1, 1946 of about 290 million bushels.

The State Secretary of Agriculture has announced that the wheat acreage goals, established by State Committees for 1946, add up to 68.9 million acres for the country as a whole, which is about equal to the acreage seeded for the 1945 crop. With average yields, this acreage would produce a crop of about 900 million bushels. When this amount is added to the estimated carry-over of a little less than 300 million bushels at July 1, 1946, there would be approximately 400 million bushels left for export and carry-over for the 1946-47 season after domestic requirements had been met.

At the present time the export demand for wheat is large enough to absorb most of the exportable surplus in the United States during the current marketing year. However, it is the opinion of the United States Department of Agriculture that if large wheat acreages are maintained for several years the United States will again face the problem of wheat surpluses. As soon as production recovers in importing and exporting countries, which were adversely affected by the war, the demand for wheat from the United States will be greatly reduced. If production is maintained while prices are supported at 90 per cent parity, the United States may begin to build up surplus stocks in 1947, unless short crops are harvested in other important producing countries.

The Agricultural Adjustment Act of 1938, as amended, provides price-support loans to co-operating farmers at 90 per cent of parity on wheat harvested before the expiration of the two-year period beginning the first of January following the official proclamation that hostilities have ceased. While it is expected that prices will be below the levels since 1943, they will be above prices in any of the eighteen years between 1925 and 1943.

ARGENTINE LETTER

It is with regret that the death of the official crop correspondent of this Bureau in Buenos Aires is announced. His death occurred since receipt of the last report, dated August 8. Until other arrangements are completed, material for the Argentine report will be derived from other sources.

Crop Conditions

During August and the forepart of September weather conditions in most parts of Argentina, except the extreme north, continued to improve until now the condition of the new wheat crop is regarded as ranging from fair to good. Timely rains during August put the soil in good condition in most sections of the country but subsoil reserves were still deficient at the beginning of September. An official report reviewing conditions during the month of August states that wheat sowing was completed except in Cordoba where moisture was insufficient. Conditions for late-sown wheat at the close of the month were satisfactory, while early-sown wheat was variable with western and southern Buenos Aires, central Santa Fe, northern and southern Cordoba, north-western Entre Rios and the Pampa showing fair promise and the remainder of the country good. Locusts are more numerous than usual this year but so far they are confined to the north.

Seeded Areas - First Official Estimate

The first official forecast of the acreage planted to wheat in Argentina for the 1945-46 season shows a substantial decrease when compared with seeded acreages of a year ago. Indicated acreages of all crops are smaller with the exception of barley, which shows a fair increase. The acreage seeded to wheat is estimated at 14,130,000 acres, which is some 1,243,000 acres below the acreage planted last year.

Prior to the release of this estimate, it had been generally expected that the acreage planted to wheat and linseed would show an increase compared with the crop year 1944-45. Prolonged drought during part of the seeding season delayed seed-bed preparation, but very extensive late planting was reported which, it was believed, would compensate for earlier delays. However, these estimates are preliminary and may be subject to change later on when more detailed information should be available.

Supplies and Markets

An announcement issued by the Argentine Government during the second week in September revealed that the export surplus of wheat at August 15 had been reduced to slightly less than 80 million bushels. This compares with an exportable surplus of some 176 million bushels a year ago. On August 14, 1943 it was estimated at 139.5 million bushels, and on August 14, 1942 it was placed at 192.2 million bushels.

The significant part of this official statement was the advice that the bulk of this surplus had already been sold. Consequently, the unsold surplus at the end of 1945 promises to be negligible. Even assuming a normal yield of 12.5 bushels per acre, the estimated acreage would provide a crop of only 177 million bushels. Allowing 100 million bushels for domestic consumption, this would leave a surplus of only 77 million bushels for 1946. Up to the middle of September, Argentina had exported about 78 million bushels since the beginning of 1945, of which over 44 million bushels were shipped to Brazil and to other South American countries. In the event that yields approximate normal and the final acreage turns out anywhere near the current calculation, Argentina seems destined to play an even less significant role in the 1946 season than during the present season.

AUSTRALIAN CABLE

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

"Australian wheat stocks at the end of August totalled 26 million bushels. The prospects for the new crop are promising in all States and a yield of 140 million bushels is expected if normal weather prevails from now until the crop is harvested.

"Until the size of harvest is more clearly defined, the Wheat Board will not enter into contracts for export of wheat in 1946. At present flour stocks are being sold chiefly to the Royal Navy, Pacific Islands and for ships' stores."

Old crop reserves are rapidly disappearing and it is estimated that by the end of the season (end of November) there will be no surplus remaining. In recent weeks some wheat has been imported from the United States to ensure adequate supplies until the new crop comes on the market.

Although weather conditions have been favourable during the past few weeks, it is expected that seeded acreages will be disappointing. Undoubtedly wheat acreages have increased from a low of 7,860,000 acres two years ago, but it is feared that they will fall short of the goal of 13,000,000 acres set for 1945. While the estimate of this year's crop is well over twice as large as the 1944 production, it is substantially below the average crop of 178,000,000 bushels for the ten-year period ending in 1940 and after domestic requirements have been met, there will remain for export 40 to 50 million bushels.

SELLING PRICES OF CANADIAN WHEAT

The price of Class 2 Canadian wheat remains unchanged at \$1.55 per bushel. Until the termination of Mutual Aid, the price of wheat to Great Britain was fixed at \$1.46 per bushel for No. 1 Northern, basis in store Fort William or Port Arthur. On September 19, the Honourable James A. MacKinnon, Minister of Trade and Commerce, announced that the government has instructed the Wheat Board to offer wheat for sale for export overseas at prices not higher than the current export price of \$1.55 per bushel, basis No. 1 Northern in store Fort William-Port Arthur or Vancouver.

The monthly averages of Class 2, or price to non-mutual aid countries, are as follows:

Canadian Wheat Board Prices

	<u>1 Northern</u>	<u>2 Northern</u>	<u>3 Northern</u>	<u>4 Northern</u>
	(cents and eighths per bushel)			
October 19-30, 1943 ...	138/2	125/2	123/2	118/2
November	132/3	129/3	127/3	122/3
December	141/2	138/2	136/2	131/2
January, 1944	145/5	142/5	140/5	135/5
February	144/7	141/7	139/7	134/7
March	146/7	143/7	141/7	136/7
April	148	145	143	138
May	148	145	143	138
June	143/3	140/3	138/3	134/2
July	138	135	133	130
August	135/2	132/2	130/2	127/4
September	136	133	131	129/7
October	143/2	140/2	138/2	137/2
November	146/2	143/2	141/2	140/2
December	146/3	143/3	141/3	140/3
January, 1945	145/6	142/6	140/6	139/6
February	150/1	147/1	145/1	144/1
March	152/3	149/3	147/3	146/3
April	153/5	150/5	148/5	147/5
May	154/4	151/4	149/4	148/4
June	155	152	150	149
July	155	152	150	149
August	155	152	150	149
September 1-September 24	155	152	150	149

FIRST ESTIMATE OF CANADA'S 1945 GRAIN CROPS

The wheat crop for all Canada in 1945 is placed at 321,409,000 bushels in the first estimate of grain production issued by the Dominion Bureau of Statistics. This crop is 114,000,000 bushels less than that of 1944, and the average yield of 13.7 bushels per seeded acre is the lowest since 1937. Although production this year falls far short of three of the large wartime crops, it nevertheless exceeds the 284,000,000 bushels produced in 1943, owing to the small acreage of that year. The 23.4 million acres seeded to wheat in 1945 represents only a small increase over the area seeded in 1944.

The comparative production figures for all Canada for wheat are as follows:

	<u>First Estimate 1945 Crop</u>	<u>Third Estimate 1944 Crop</u>
	- bushels -	
Spring Wheat	300,754,000	414,627,000
Fall Wheat	20,655,000	20,908,000
All Wheat	321,409,000	435,535,000

The output of wheat in the Prairie Provinces this year is estimated at 297,000,000 bushels as compared with 410,600,000 bushels in 1944. This year's crop includes 5,900,000 bushels of Durum wheat, of which 2,400,000 bushels were produced in the province of Manitoba and 3,500,000 bushels in Saskatchewan. These two provinces produced about 11,000,000 bushels of Durum in 1944. The average yield of all wheat in the Prairie Provinces this year is 13.2 bushels per seeded acre, the lowest for the war period.

Ontario, the only other important wheat growing area in Canada outside of the Prairie Provinces, produced 21,361,000 bushels of wheat in 1945. All but 706,000 bushels of this total was winter wheat. Although some winter wheat is also produced in Alberta, it is included with the spring wheat in this report.

The first estimate of production places the output of wheat in each of the Prairie Provinces in 1945 as follows:

<u>1945 Crop</u>	<u>Seeded Acreage</u> acres	<u>Yield Per Acre</u> bu.	<u>Production</u> bu.
Manitoba	2,132,000	21.1	45,000,000
Saskatchewan	13,610,000	12.3	167,000,000
Alberta	6,824,000	12.5	85,000,000

For purposes of comparison the seeded acreage, together with the first estimate of average yield and production for the grain crops in 1945 are set out alongside the details of the 1944 crop for Canada and the Prairie Provinces.

CANADA

	<u>Area</u>		<u>Yield Per Acre</u>		<u>Production</u>	
	1944	1945	1944	1945	1944	1945
	acres	acres	bu.	bu.	bu.	bu.
Fall wheat	668,000	675,000	31.3	30.6	20,908,000	20,655,000
Spring wheat	22,616,200	22,739,100	18.3	13.2	414,627,000	300,754,000
All wheat	23,284,200	23,414,100	18.7	13.7	435,535,000	321,409,000
Oats	14,315,000	14,393,200	34.9	27.0	499,643,000	388,289,000
Barley	7,290,700	7,350,500	26.7	21.9	194,712,000	161,135,000
Fall rye	417,850	317,500	13.5	13.9	5,628,000	4,400,000
Spring rye	230,100	169,600	12.6	12.1	2,898,000	2,052,000
All rye	647,950	487,100	13.2	13.2	8,526,000	6,452,000
Flaxseed	1,323,100	1,059,200	7.3	7.0	9,668,000	7,397,000

PRAIRIE PROVINCES

	<u>Area</u>		<u>Yield Per Acre</u>		<u>Production</u>	
	1944	1945	1944	1945	1944	1945
	acres	acres	bu.	bu.	bu.	bu.
Wheat	22,443,800	22,566,000	18.3	13.2	410,600,000	297,000,000
Oats	10,446,900	10,749,000	35.5	26.0	370,800,000	279,000,000
Barley	6,763,400	6,859,000	26.4	21.4	178,400,000	147,000,000
Rye	572,550	410,000	12.4	12.2	7,109,000	4,991,000
Flaxseed	1,297,500	1,034,000	7.2	6.9	9,405,000	7,144,000

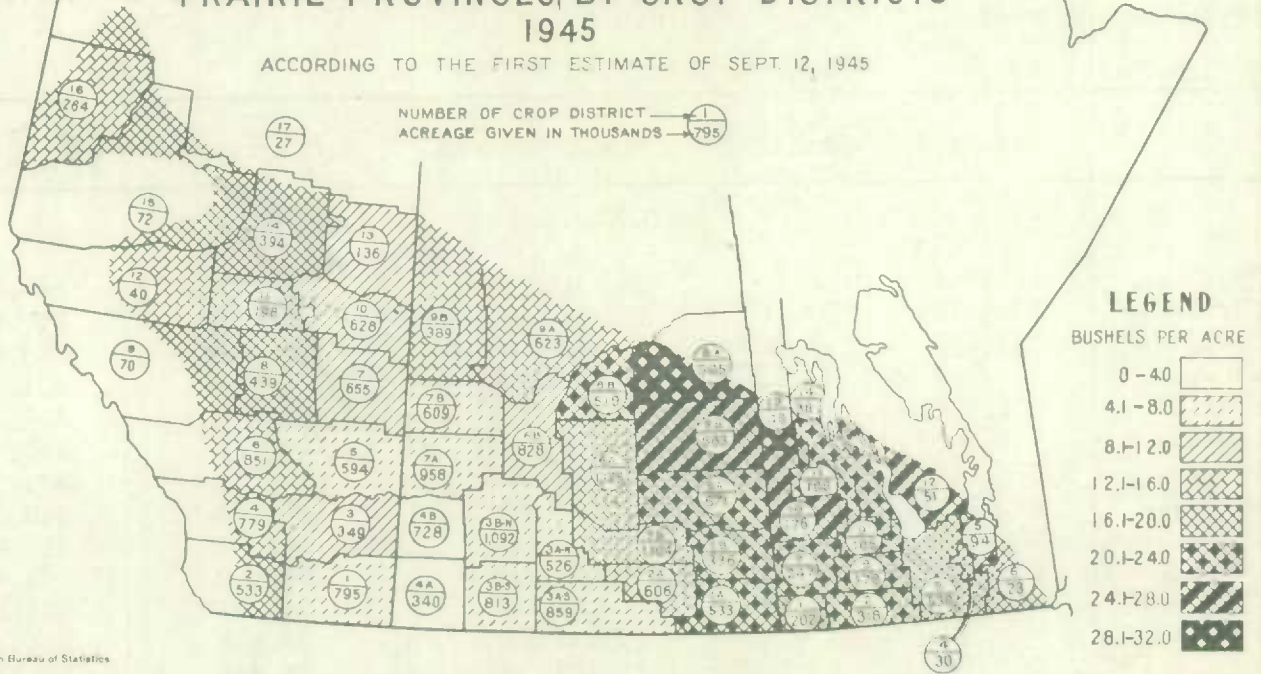
Crop District Charts

On the page opposite appear two charts showing the yield per acre of wheat within crop districts in each of the Prairie Provinces, according to the first estimate of the 1945 crop and the third estimate of the 1944 crop. These charts indicate the areas of best production and show that in the case of the 1945 crop best yields were obtained in the western half of Manitoba and the eastern half of Saskatchewan.

The poorest yields were obtained in south-western Saskatchewan and in crop districts 1 and 5 in south-eastern Alberta where more than 7 million acres of the wheat crop were located this year. Crop districts 4A and 4B in south-western Saskatchewan were particularly unfortunate with maximum yields ranging from 0-4.0 bushels per acre. Drought was the principal factor in the low yield in these areas, but insect pests and scattered hail accounted for some loss.

AVERAGE YIELDS PER ACRE OF WHEAT IN THE PRAIRIE PROVINCES, BY CROP DISTRICTS 1945

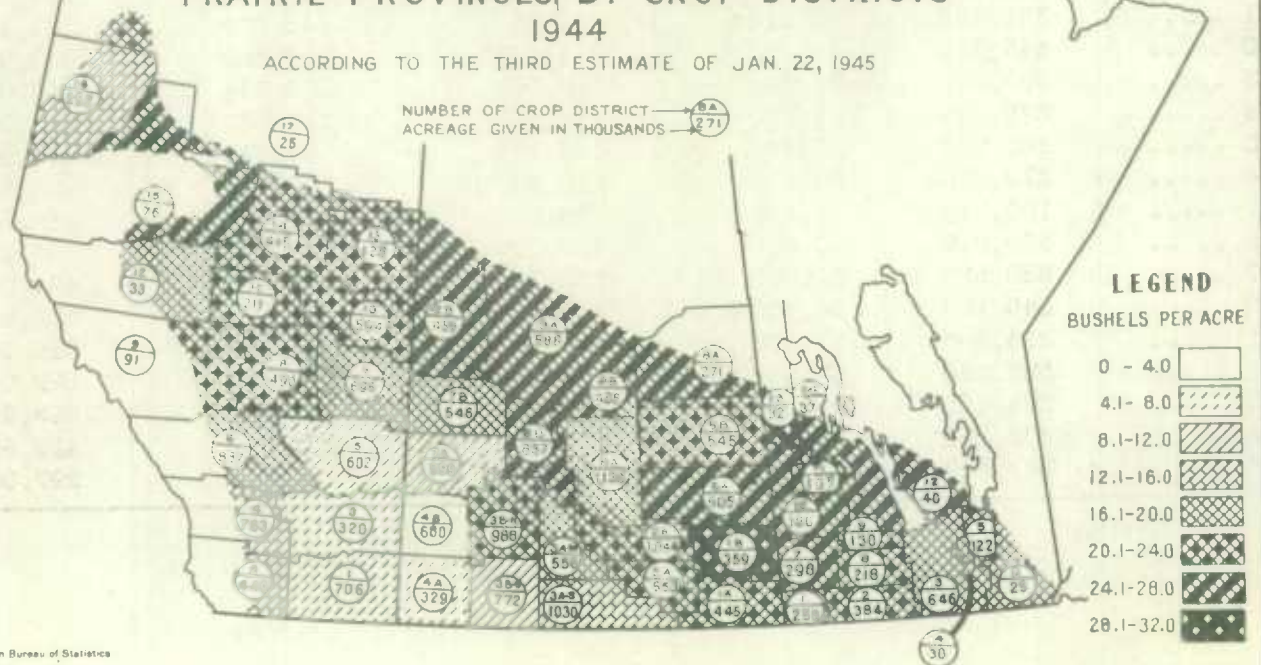
ACCORDING TO THE FIRST ESTIMATE OF SEPT. 12, 1945



Dominion Bureau of Statistics

AVERAGE YIELDS PER ACRE OF WHEAT IN THE PRAIRIE PROVINCES, BY CROP DISTRICTS 1944

ACCORDING TO THE THIRD ESTIMATE OF JAN. 22, 1945



Dominion Bureau of Statistics

WHEAT PRODUCTION IN THE PRAIRIE PROVINCES 1909-1945

Wheat production in the three Prairie Provinces together with total production in the Dominion for the period 1909 to 1945 is given below. The 1945 crop is more than 114 million bushels less than the crop harvested a year ago and the average yield of 13.7 bushels per seeded acre is the smallest since 1937. This first estimate of the 1945 crop is, however, only provisional and will not be finalized until disposition data become available.

	Canada	Manitoba	Saskatchewan	Alberta	Three Prairie Provinces
	(000 bushels)				
1909	166,744	52,706	85,197	9,579	147,482
1910	132,078	34,128	66,979	9,060	110,167
1911	231,237	62,820	109,323	36,554	208,697
1912	224,159	63,017	106,960	34,303	204,280
1913	231,717	53,331	121,559	34,372	209,262
1914	161,280	38,605	73,494	28,859	140,958
1915	393,543	69,337	224,312	66,538	360,187
1916	262,781	29,667	147,559	65,088	242,314
1917	233,743	41,049	117,921	52,992	211,953
1918	189,075	48,191	92,493	23,752	164,436
1919	193,260	40,975	89,994	34,575	165,544
1920	263,189	37,542	113,135	83,461	234,138
1921	300,858	39,054	188,000	53,044	280,098
1922	399,786	60,051	250,167	64,976	375,194
1923	474,199	35,804	271,622	144,834	452,260
1924	262,097	41,464	132,918	61,312	235,694
1925	395,475	33,624	235,472	97,962	367,058
1926	407,136	47,133	219,646	113,986	380,765
1927	479,665	30,773	252,500	171,286	454,559
1928	566,726	52,383	321,215	171,000	544,598
1929	304,520	28,565	160,565	92,534	281,664
1930	420,672	43,600	206,700	147,000	397,300
1931	321,325	28,112	132,466	140,603	301,181
1932	443,061	44,041	211,551	167,355	422,947
1933	281,892	32,666	128,004	102,334	263,004
1934	275,849	37,100	114,200	112,500	263,800
1935	281,935	23,250	142,198	98,648	264,096
1936	219,218	26,000	110,000	66,000	202,000
1937	180,210	45,100	36,000	75,700	156,800
1938	360,010	50,000	137,800	148,200	336,000
1939	520,623	61,300	271,300	161,400	494,000
1940	540,190	66,400	266,700	180,700	513,800
1941	314,825	51,000	147,000	98,000	296,000
1942	556,684	53,000	305,000	171,000	529,000
1943	284,460	39,000	146,000	82,800	267,800
1944 <u>1/</u> ..	435,535	54,900	250,000	105,700	410,600
1945 <u>2/</u> ..	321,409	45,000	167,000	85,000	297,000

1/ Third estimate

2/ First estimate of production, September 12.

RAIL MOVEMENT FROM FORT WILLIAM—PORT ARTHUR

August shipments of wheat by rail from Fort William and Port Arthur were reduced by more than 50 per cent from the July level and were almost 75 per cent less than the shipments for the corresponding period a year ago. They constitute the smallest shipments recorded in the last three years.

For the first time since March 1945, rail shipments into Ontario during the past month exceeded shipments into Quebec. No. 4 Northern comprised the largest volume of any one 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>1945-46</u>	<u>1944-45</u>	<u>1943-44</u>	<u>1942-43</u>
	- bushels -			
August	23,255	91,891	990,879	390,264
September		169,603	1,547,042	600,921
October		86,572	780,035	644,926
November		97,512	711,238	1,250,952
December		1,236,339	898,565	3,871,297
January		1,936,038	4,364,158	1,757,163
February		764,629	4,397,318	3,196,248
March		1,091,909	1,076,142	1,997,275
April		196,042	107,257	3,968,148
May		66,154	271,533	1,135,059
June		58,642	108,739	999,605
July		52,726	47,516	983,324
Total (12 months)		5,848,057	15,300,422	20,795,182

The grades of wheat shipped during August 1945 and the provincial distribution of this rail movement are shown in the following table:

	<u>Ontario</u>	<u>Quebec</u>
	- bushels -	
<u>WHEAT</u>		
4 Northern	3,500	11,000
No. 5	3,134	-
Rejected 3 Northern Mixed Heated	1,133	-
Rejected No. 6 Mixed Earth	1,371	-
1 C.W.A.D.	1,500	-
1 A.R.W.	1,617	-
 Total	 12,255	 11,000
 GRAND TOTAL	 23,255	

FARMERS' MARKETINGS

The following table shows primary receipts of wheat in the Prairie Provinces for the 1945-46 crop year along with comparative figures for 1944-45:

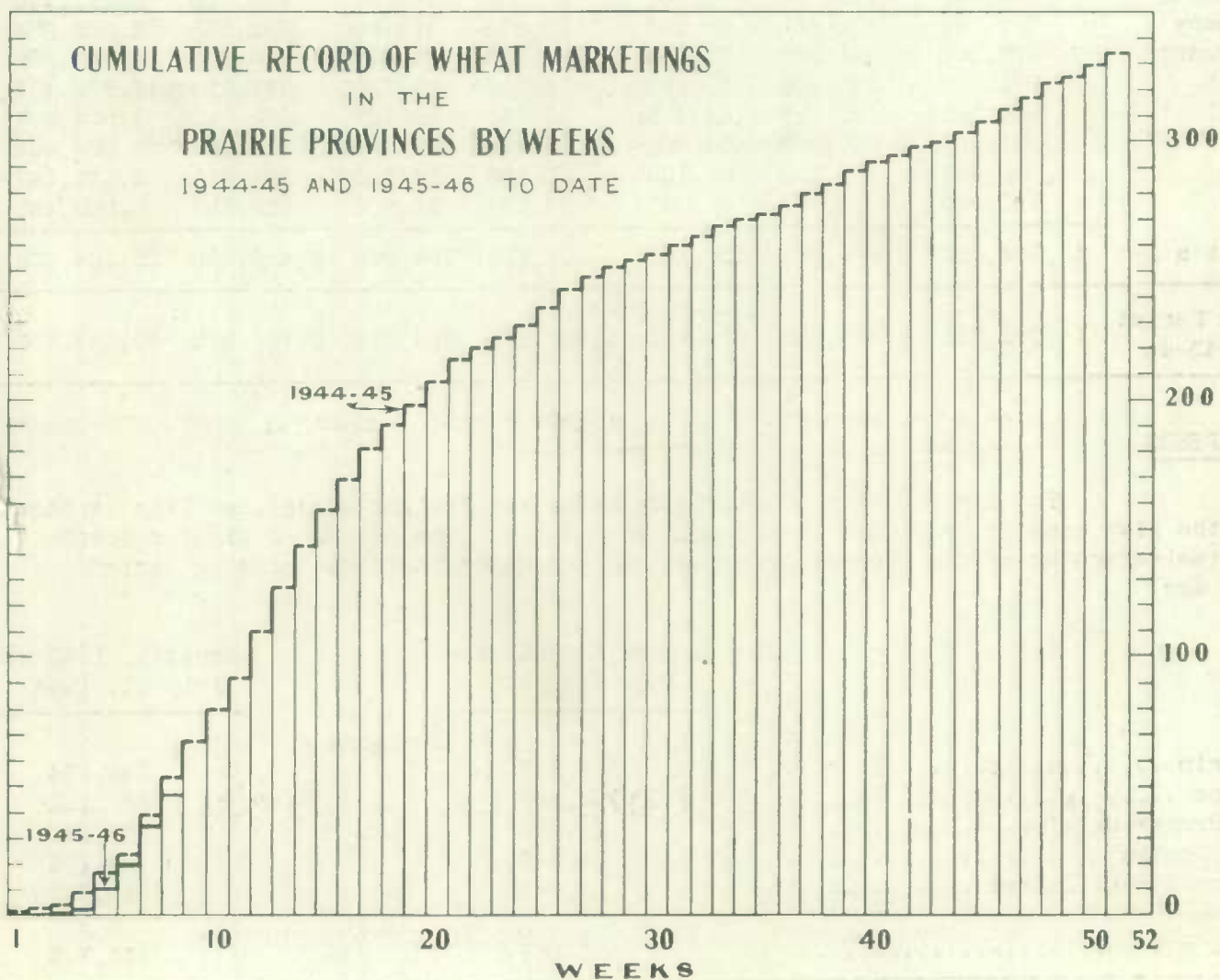
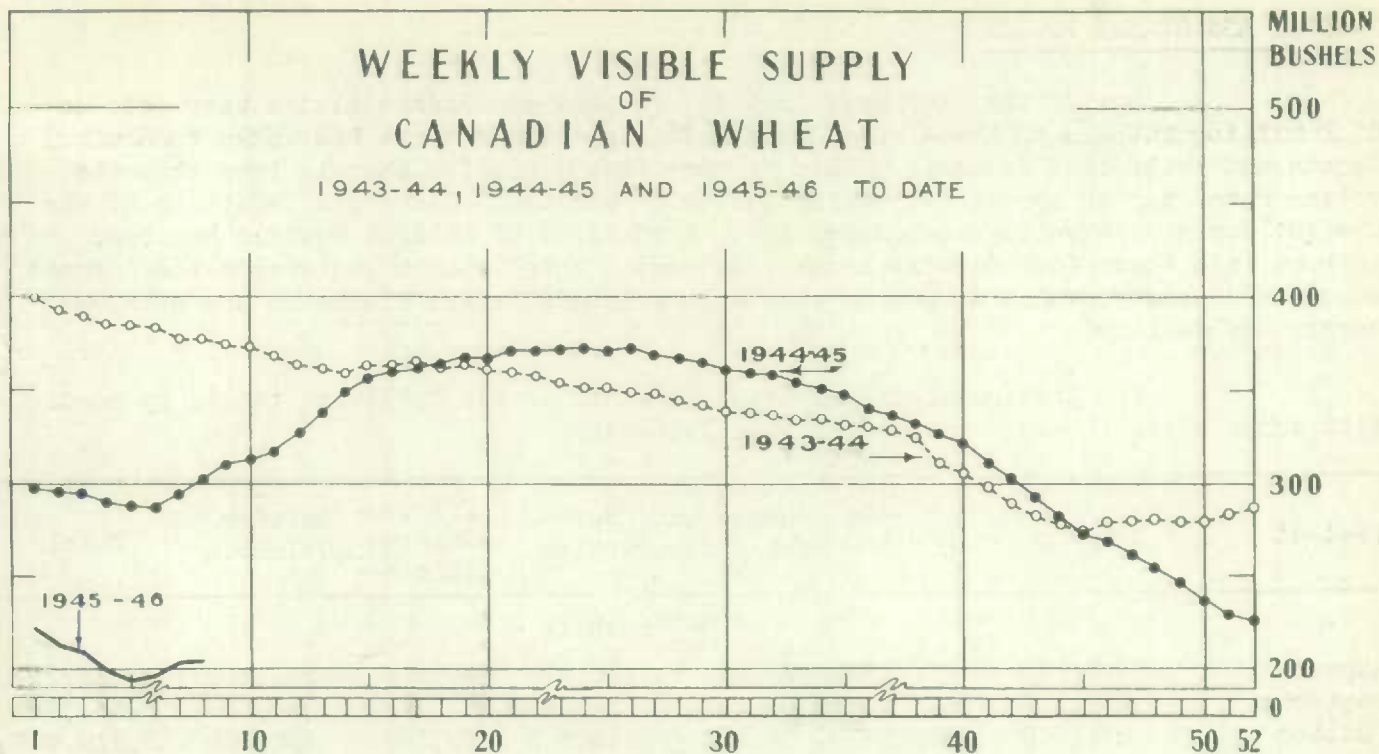
<u>Week ending</u>	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>Totals</u>	<u>Last Year</u>
	- bushels -				
August 1-2	-	-	112,355	112,355	1,468,012
9	29,396	79,152	137,853	246,401	722,471
16	8,686	123,772	249,883	382,341	1,895,882
23	96,463	755,302	921,069	1,772,834	4,687,547
30	1,271,860	4,568,677	1,685,584	7,526,121	7,328,883
September 6	2,240,434	4,665,078	2,139,568	9,045,080	7,472,016
13	2,444,009	9,681,705	3,518,952	15,644,666	15,291,695
20	840,261	6,797,923	3,750,430	11,388,614	14,544,855
T o t a l s	6,931,109	26,671,609	12,515,694	46,118,412	53,411,361

The deliveries of wheat from western farms from the beginning of the current crop year are some 7.3 million bushels less than for the corresponding period a year ago. This can be attributed partly to a reduction of nearly 30 per cent in the production of wheat in the Prairie Provinces this year as compared with 1944 and partly to a harvest which is later than usual.

WHEAT VISIBLE SUPPLY

The following table shows stocks of Canadian wheat in store and in transit in Canada and the United States on September 20, 1945, along with comparative figures for approximately the same date in 1944 and 1943:

	<u>1945</u>	<u>1944</u>	<u>1943</u>
	(000 bushels)		
Country Elevators - Manitoba	3,400	10,785	28,460
Saskatchewan	24,990	71,780	112,035
Alberta	26,850	49,620	77,110
T o t a l	55,240	132,185	217,605
Interior Private and Mill Elevators	5,664	5,809	5,316
Interior Public and Semi-Public Terminals ...	7,217	11,172	13,848
Pacific Ports	13,395	17,561	19,370
Churchill	1,878	1,878	2,043
Fort William and Port Arthur	35,692	27,188	50,651
Eastern Elevators - Lake Ports	24,133	39,160	26,677
St. Lawrence and Seaboard Ports	17,783	22,522	12,653
United States Ports	18,107	17,616	7,335
In Transit - Lake	5,119	5,084	1,975
In Transit - Rail	17,770	16,046	13,832
In Transit - U.S.A.	2,934	7,558	6,067
T o t a l	204,932	303,779	377,372



FREIGHT ASSISTANCE POLICY

During the crop year 1944-45, freight assistance claims were paid on 25.1 million bushels of wheat which were moved from the Prairie Provinces to eastern Canada and to British Columbia. This is more than 4 million bushels less than the volume moved during the corresponding period a year ago. Since the inception of the freight assistance policy in October 1941, a total of 87 million bushels has been shipped into these feed-deficit areas. Shipments into Ontario registered the largest absolute decrease, while movements into Prince Edward Island displayed the greatest percentage decline.

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	993,565	777,577	78,282	130,670	46,601	362,562	2,389,257
September	898,710	849,765	84,162	125,382	43,911	349,657	2,351,587
October	876,850	677,347	85,855	119,968	29,307	328,680	2,118,007
November	1,030,495	1,083,297	84,487	107,285	34,797	303,892	2,644,253
December	889,618	768,663	91,330	88,652	30,023	322,758	2,191,044
January	986,092	550,655	69,997	125,805	29,720	296,585	2,058,854
February	879,582	441,833	53,448	85,728	22,427	260,540	1,743,558
March	971,128	573,958	73,153	64,718	33,710	261,812	1,978,479
April	681,545	389,817	62,413	67,775	26,497	276,760	1,504,807
May	1,035,492	576,965	54,708	64,972	27,347	297,008	2,056,492
June	1,030,437	734,123	65,103	68,158	37,595	304,731	2,240,147
July	930,966	622,735	47,355	54,197	32,905	120,295	1,808,453
T o t a l	11,204,480	8,046,735	850,293	1,103,310	394,840	3,485,280	25,084,938
Same Period 1943-44	14,091,055	8,376,225	870,950	1,447,870	564,667	3,786,872	29,137,639

MILLFEEDS

The distribution of millfeeds under the Freight Assistance Plan is shown for the five eastern provinces in the following table. One column of figures covers the twelve months of the present crop year and the other the corresponding period a year ago.

	August 1, 1944 to July 31, 1945	August 1, 1943 to July 31, 1944
- tons -		
Ontario	227,466	244,654
Quebec	294,957	283,121
New Brunswick	49,555	48,132
Nova Scotia	57,725	54,174
Prince Edward Island	11,484	14,682
T o t a l	641,187	644,763

SHIPMENTS TO UNITED STATES

Shipments of Canadian Wheat to the United States during the first seven weeks of the current crop year are some 3.9 million bushels less than for the corresponding period a year ago. The movement of wheat by vessel to the United States Pacific Ports has declined by about 97 per cent. Increased shipments were made to Buffalo and Erie this year, while shipments to Chicago, Duluth-Superior and other lake ports were at a standstill.

Shipments August 1-September 20

<u>By Vessel</u>	<u>1945</u>	<u>1944</u>
	- bushels -	
U.S.A. Pacific Ports	15,000	533,333
Buffalo	17,523,498	12,905,445
Chicago	-	4,953,697
Duluth-Superior	-	1,956,858
Erie	1,694,580	445,424
Milwaukee	-	340,098
Oswego	-	715,000
Toledo	-	223,732
 <u>By Rail</u>		
Seaboard Ports	1,820,789	2,524,230
Other points	52,199	414,002
 T o t a l	21,106,066	25,011,819

LAKE MOVEMENT OF GRAIN

Shipments of Canadian grain from Fort William-Port Arthur since the opening of navigation this year have surpassed by 35.5 million bushels the wartime record, for a similar period, established in 1944. The substantially increased shipments of wheat and oats more than offset any decline recorded by barley, rye and flaxseed to bring the total shipments from the lakehead to 315.4 million bushels.

The record of shipments during the past eight years are tabulated below.

Shipments between Opening of Navigation and September 14

<u>Year</u>	<u>Wheat</u>	<u>Oats</u>	<u>Barley</u>	<u>Rye</u>	<u>Flaxseed</u>	<u>Total</u>
	- bushels -					
1938 ..	44,800,212	3,576,741	8,657,450	891,017	221,815	58,147,235
1939 ..	101,567,197	10,336,802	9,121,645	2,327,988	78,602	123,432,234
1940 ..	113,947,483	10,601,695	5,144,234	2,240,009	485,198	132,418,619
1941 ..	155,243,521	6,069,299	5,650,412	4,209,443	837,387	172,010,062
1942 ..	117,337,613	1,960,479	1,927,276	740,423	499,422	122,465,213
1943 ..	125,999,056	27,725,154	29,928,486	1,286,454	2,802,490	187,741,640
1944 ..	193,637,160	48,433,362	27,613,172	5,710,141	4,514,359	279,908,194
1945 ..	227,375,351	57,693,450	24,511,977	3,366,395	2,449,942	315,397,115

EXPORTS OF CANADIAN WHEAT AND WHEAT FLOUR

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The following tables give the Customs totals for exports of wheat and wheat flour in terms of wheat during the 1945-46 crop year with comparative figures for preceding years:

	Customs Exports of Wheat	Customs Exports of Wheat Flour in Terms of Wheat	Total
	bu.	bu.	bu.
<u>1943-44</u>			
August	18,096,303	5,047,056	23,143,359
September	17,493,193	3,932,627	21,425,820
October	19,966,656	3,824,487	23,791,143
November	24,873,447	3,859,610	28,733,057
December	38,043,139	4,979,156	43,022,295
January	17,273,726	5,062,653	22,336,379
February	20,810,606	3,844,224	24,654,830
March	15,047,694	5,518,264	20,565,958
April	33,148,691	6,942,735	40,091,426
May	32,918,450	7,090,150	40,008,600
June	25,062,531	5,998,810	31,061,341
July	25,149,757	4,489,898	29,639,655
T o t a l	287,884,193	60,589,670	348,473,863

<u>1944-45</u>			
August	16,507,925	3,390,579	19,898,504
September	26,636,695	5,470,573	32,107,268
October	28,716,410	4,907,997	33,624,407
November	23,183,749	4,417,290	27,601,039
December	27,223,863	5,590,665	32,814,528
January	5,162,967	3,781,260	8,944,227
February	7,355,743	4,642,515	11,998,258
March	10,094,307	5,570,847	15,665,154
April	15,452,088	6,153,975	21,606,063
May	29,125,165	6,306,759	35,431,924
June	43,295,055	7,256,696	50,551,751
July	38,193,791	5,168,088	43,361,879
T o t a l	270,947,758	62,657,244	333,605,002

<u>1945-46</u>			
August	43,094,943	4,979,102	48,074,045