



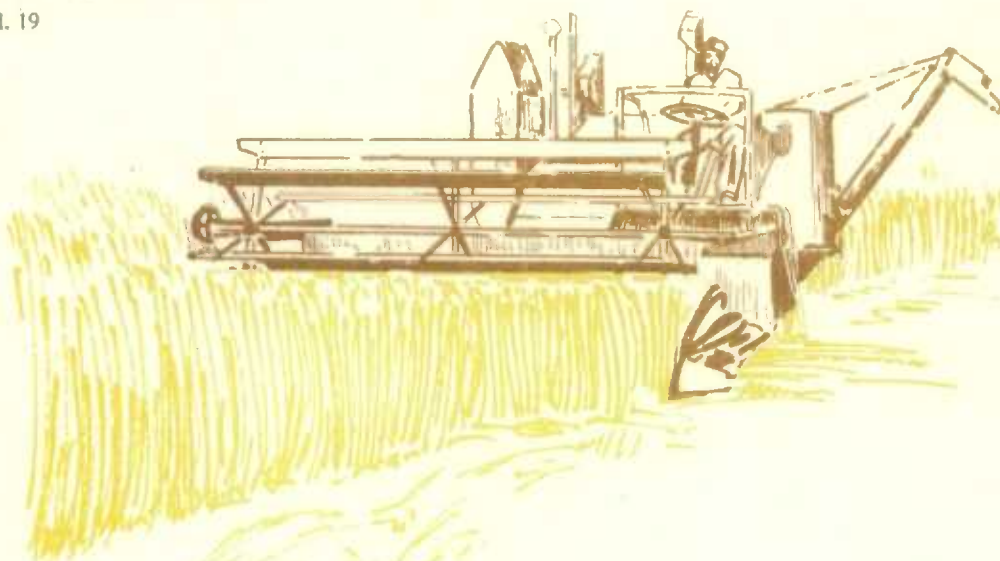
CANADA

DOMINION BUREAU OF STATISTICS
AGRICULTURAL DIVISION

MONTHLY REVIEW OF THE WHEAT SITUATION

Vol. 19

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Minister of Trade and Commerce

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WORLD WHEAT SITUATION

World 1948 Bread Grain Crop - Prospects for the world wheat crop in 1948 indicate that the production may be around 6,250 million bushels, some four per cent above the 1935-39 average and seven per cent above the 1947 level. World rye production in 1948, estimated at 1,605 million bushels, is seven per cent below the prewar average but is eight per cent greater than the outturn in 1947.

Bread Grain: Estimated World Production ^{1/} by Continents,
1948 with Comparisons

Country	Average 1935-39	1946	1947	1948	1948 as per cent of average	1948 as per cent of 1947
- million bushels -						
- per cent -						
<u>Wheat</u>						
North America ...	1,086	1,580	1,722	1,695	156	98
Europe	1,593	1,310	1,020	1,435	90	141
U.S.S.R.	1,240	780	875	890	72	102
Asia	1,490	1,583	1,515	1,660	112	110
Africa	144	143	130	150	104	115
South America ...	280	265	325	245	88	75
Oceania	177	123	232	175	99	75
T o t a l	6,010	5,785	5,820	6,250	104	107
<u>Rye</u>						
North America ...	54	28	39	53	98	136
Europe	765	510	495	640	84	129
U.S.S.R.	885	860	920	877	99	95
Asia	14	18	15	16	114	107
Africa	1	2	2	2	200	100
South America ...	11	23	20	17	155	85
T o t a l	1,730	1,441	1,491	1,605	93	108

^{1/} Based on estimates of the Office of Foreign Agricultural Relations, United States Department of Agriculture.

Of at least equal significance to the increase over 1947 production is the favourable distribution of the 1948 crop. Production in the usual deficit areas of Europe and Asia will be well over 1946 and 1947 levels and should be sufficient to alleviate materially the chronic shortage situation which has prevailed in most importing areas since the end of the war. Despite increased production in these areas, it is anticipated that import requirements will remain high. Bread is still rationed in many countries and greater bread-grain

supplies will be required if rationing is to be lifted and the quality of the bread improved. There is a desire, too, on the part of those countries where bread grain has been in short supply to build up their almost non-existent reserve stocks. In Asia, requirements for food grains will remain large, not only to meet normal bread grain needs, but also to supplement a continued shortage of rice in deficit areas. To meet import demands for wheat during the crop year, it is estimated that world exports may approach the 930 million bushels shipped in 1947-48. Of this amount it is probable that the four major wheat exporting countries--United States, Canada, Australia and Argentina--will be in a position to supply at least 850 million bushels.

World Grain Exports 1947-48 - According to a report issued by the Office of Foreign Agricultural Relations of the United States Department of Agriculture, world exports of grain and grain products, exclusive of rice, during the year ended June 30, 1948, amounted to 34,612,000 long tons, nearly all of it earmarked for direct human consumption. This compares with 28,489,000 tons exported in 1946-47 and with the prewar (1934-1938) average of 28,248,000 tons. The all-time record was 40,600,000 tons in 1928-29, when exports consisted of 27,400,000 tons of bread grains and 13,200,000 tons of coarse grains.

Although world grain exports during 1947-48 were substantially higher than in either 1946-47 or 1945-46, the demand during the past season was much greater than during any of the preceding postwar years. In fact, in no year for which records are available was there a greater total grain deficit than in the season just ended. World import requirements for 1947-48, as stated to or estimated by the Committee on Cereals, International Emergency Food Committee, amounted to 52 million long tons, exclusive of rice. Actual world exports fell short of meeting those requirements by almost 34 per cent.

It was obvious early in the crop year that the stated import requirements of 52 million tons could not be met. Consequently importing countries had to continue and, in some cases, reduce bread rations. Many countries also were forced to carry on with extremely low working stocks of grain, with continued high flour extraction rates, with the continued use of coarse grains and potato flour in the bread mix, and to postpone their plans for rehabilitating live stock.

Origin and Destination of 1947-48 World Grain Exports - The Office of Foreign Agricultural Relations report mentioned above states that "Approximately 76 per cent of the world's grain exports in 1947-48 consisted of bread grains, namely, wheat, including wheat flour and rye. World exports of these amounted to 26,151,000 tons compared with 20,666,000 tons in 1946-47 and with the prewar average of 15,625,000 tons. Shipments from the United States accounted for 49.5 per cent of the total. Canada supplied 21.6 per cent, Argentina 11.8 per cent, Australia 10.6 per cent, and all other exporting countries 6.5 per cent.

As in the two preceding postwar years, the actual destination of the world's grain exports during 1947-48 reflects the areas where the food situation was most critical. Supplies were moved to areas of the greatest need in accordance with the programming operations of the International Emergency Food Committee and its Committee on Cereals. The cooperation of the various nations participating in the activities of that Committee during the past three years was an important factor in preventing serious famine in a number of countries. Of the world's total exports of 34,612,000 tons during 1947-48, European countries received 73.7 per cent, Asiatic and Pacific areas 15.5 per cent, Caribbean, Central and other Latin-American countries 5.4 per cent, African countries 2.7 per cent, and miscellaneous or other areas not specifically identified 2.7 per cent.

THE CANADIAN SITUATION

Second Estimate of the 1948 Wheat Crop - According to the "September Estimate of the Production of Field Crops" released by the Dominion Bureau of Statistics on September 14, Canada's 1948 wheat production is placed at 391 million bushels. The production is being obtained from an estimated seeded acreage of 24.1 million acres yielding an estimated 16.2 bushels per acre. The second estimate of wheat production represents an increase of 19 million bushels over the first estimate issued on August 17 and is 50 million bushels more than the 1947 outturn. Improved production prospects are largely the result of exceptionally good maturing and harvesting weather which prevailed quite generally throughout August. Indicated yields of both fall and spring wheat have increased since the first estimate, the yields per acre now being placed at 33.0 and 15.6 bushels, respectively.

Second Estimate of Wheat Production, Canada, 1948 Compared with 1947

	Area		Production	
	1947	1948	1947	1948
	acres	acres	bu.	bu.
Fall Wheat	712,300	858,500	17,736,000	28,331,000
Spring Wheat 1/ ..	23,548,100	23,247,400	323,022,000	362,661,000
All Wheat	24,260,400	24,105,900	340,758,000	390,992,000

1/ Includes relatively small quantities of ^{fall}all wheat grown in western Canada.

The wheat crop in the Prairie Provinces is now expected to reach 358 million bushels as compared with 319 million in 1947 and 383 million for the ten-year (1938-47) average. The anticipated average yield of wheat in the Prairie Provinces this year is 15.5 bushels per seeded acre, with Manitoba averaging 23.8, Saskatchewan 12.8 and Alberta 18.7 bushels per acre. Yields per acre in all three provinces are expected to be higher than last year, with the greatest increase being registered in Manitoba.

Second Estimate of Wheat Production, Prairie Provinces, 1948

	Area	Yield Per Acre	Production
	acres	bu.	bu.
Manitoba	2,397,000	23.8	57,000,000
Saskatchewan	14,389,000	12.8	184,000,000
Alberta	6,259,000	18.7	117,000,000
T o t a l	23,045,000	15.5	358,000,000

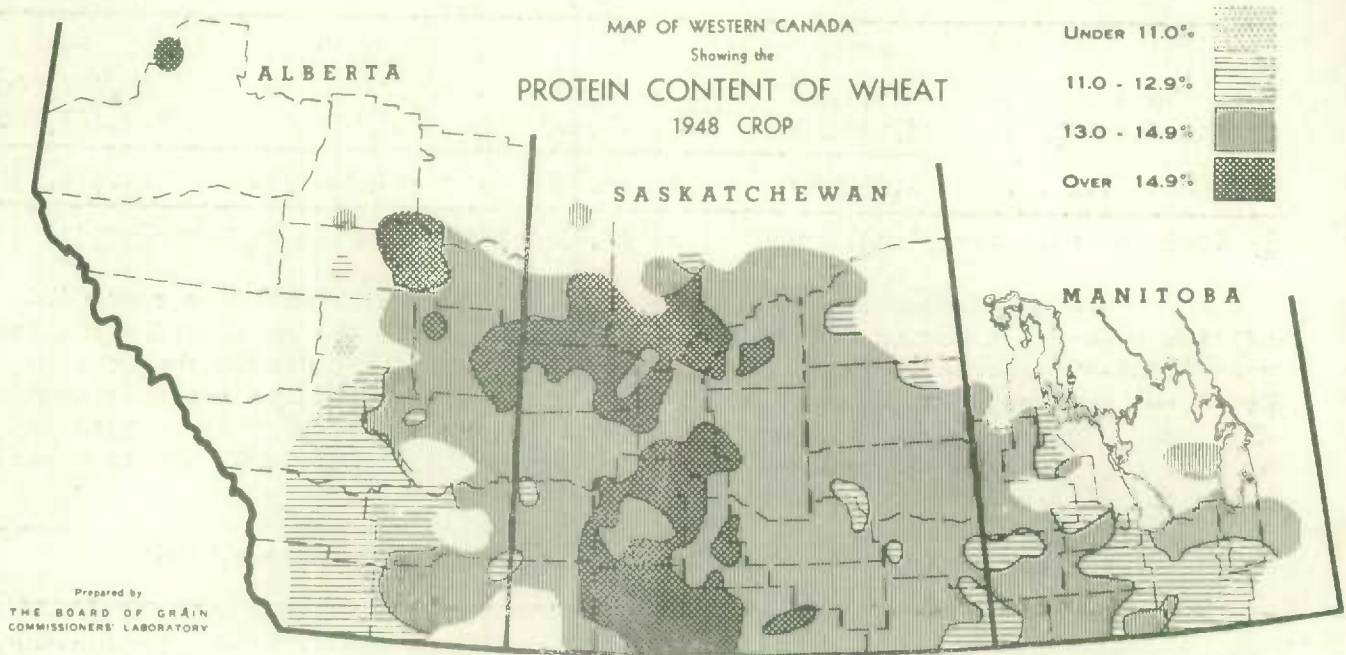
A relatively small quantity of fall wheat is grown in Western Canada chiefly in Alberta and Saskatchewan. For the purposes of the current estimate this grain has been included under the spring wheat classification. The estimated production of all wheat in the remaining provinces of Canada is 33 million bushels of which Ontario accounts for 29.5 million. Ontario's fall wheat crop, placed at 28.3 million bushels, represents increases of 10 million bushels over last year's production and 8.3 million over the ten-year (1938-47) average.

Protein Content of Canada's 1948 Wheat Crop - The average protein content of the 1948 crop of Western Canadian hard red spring wheat is tentatively 13.9 per cent according to a survey made by the Board of Grain Commissioners' Laboratory. This value is 0.5 per cent points below last year's level at approximately the same time, but is higher by 0.3 per cent points than the average of 13.6 per cent for the past 20 years.

The survey is based on analyses of 2,563 samples, drawn from different areas, which were tested up to September 22. It is expected that the value of 13.9 per cent will decrease by two or three tenths of a per cent when more wheat from lower protein areas comes forward. Another 2,500 samples are required to complete the survey in such a way that different areas are represented in accordance with production.

Saskatchewan shows the highest protein (14.4 per cent) while Alberta is second (13.3 per cent) and Manitoba is lowest (13.0 per cent). All grades are similar in protein but will likely change as more samples are analysed.

The accompanying map shows zones of different protein levels. High protein areas are considerably smaller this year than last. They occur in western Saskatchewan and in parts of north-eastern Alberta.



Below are given the protein values for each province, together with last year's values and the number of samples tested.

1948 Crop As At September 22

	Number of Samples	Protein Content	Protein Content September 1947
		p.c.	p.c.
Manitoba	467	13.0	13.5
Saskatchewan	1,605	14.4	15.0
Alberta	491	13.3	13.6
Western Canada	2,563	13.9	14.4

Marketing Quotas - On July 21 the Canadian Wheat Board announced that delivery quotas on wheat, oats and barley would be left "open" after July 31, until new crop deliveries and shipments should reach such a volume as to make necessary the establishment of local delivery quotas. At the same time it was announced that no quotas would be established for rye and flaxseed. On August 27 the Board stated that, effective August 30, the delivery quota on wheat, oats and barley would be 10 bushels per seeded acre except at certain specified points. Deliveries of these grains by producers between August 1, 1948 and August 28, 1948 were not applied against the 10 bushels quota. The quotas were applied generally in eastern Saskatchewan and Alberta. All points in Manitoba were left on an "open" quota basis. The official announcement on quotas reads in part - "The Board desires to give the railways the opportunity of moving as much grain as possible in the next month or six weeks and this can be accomplished by imposing as few restrictions as possible in the areas tributary to the Lakehead."

It is necessary to secure an early, large-scale movement of grain to the Lakehead and to seaboard positions in order to meet market commitments and in order to supply Canadian mills with sufficient wheat. In the next few weeks it is the desire of the Board to completely supply Canadian mills with wheat and at the same time to place supplies of western wheat in export positions at the earliest possible date. For this reason the Board has had to consider not only the producers' position in respect to deliveries of grain to country points, but its own responsibility, and the producers' interest, of taking advantage of immediately available markets."

Quotas have already been increased at numerous delivery points and by September 20th nearly three-quarters of all delivery points were on "open" quotas for wheat. The restriction on oats and barley had also been eased, but to a somewhat less extent.

Wheat Delivery Quota Position - Western Provinces
as at September 20, 1948

	Manitoba	Saskatchewan	Alberta	British Columbia	Total
10 bu. per seeded acre	-	209	136	-	345
15 bu. per seeded acre	-	77	78	1	156
20 bu. per seeded acre	-	21	39	-	60
"Open" quota	375	808	319	3	1,505
T o t a l	375	1,115	592	4	2,086

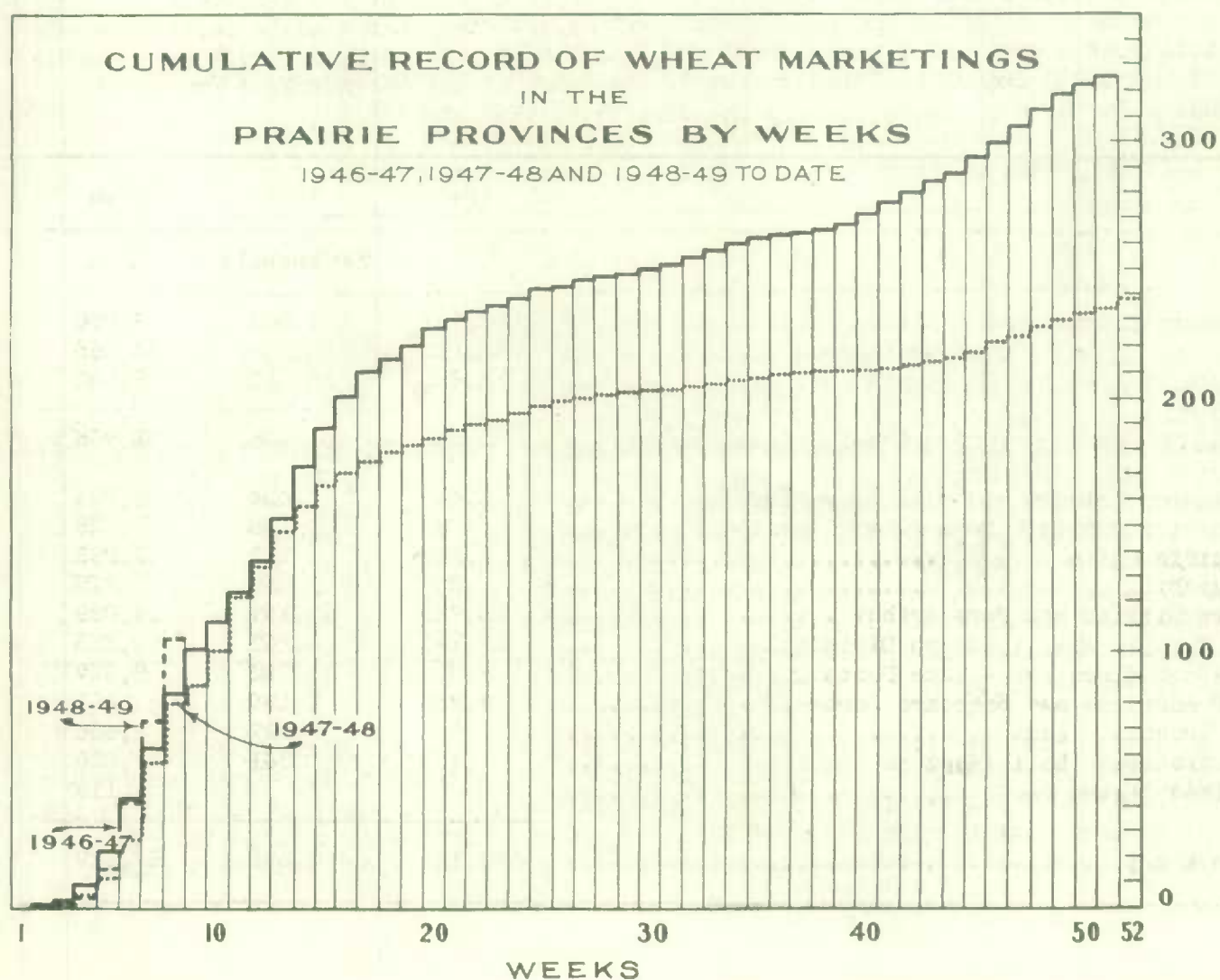
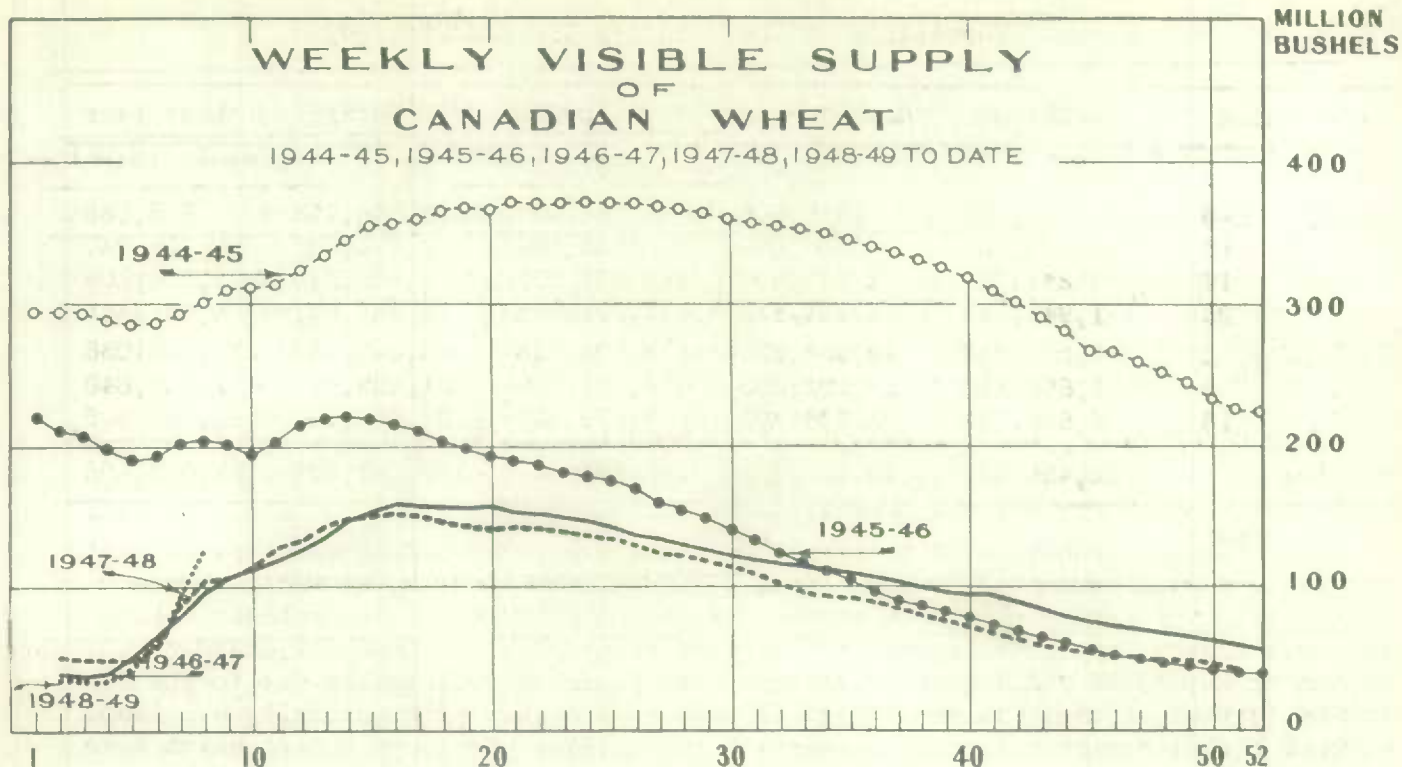
Farmers' Marketings of Wheat in the Prairie Provinces

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -					
August 1-5	51,716	410,600	584,457	1,046,773	805,165
12	132,832	707,579	556,582	1,396,993	1,708,040
19	245,027	1,517,800	357,533	2,120,360	3,859,109
26	1,945,212	6,126,122	2,371,473	10,442,807	6,431,461
September 2	6,536,917	15,904,916	3,604,565	26,046,398	13,939,036
9	7,878,137	17,182,853	6,427,530	31,488,520	31,429,840
16	5,695,795	21,704,886	7,079,407	34,480,088	22,920,805
T o t a l	22,485,636	63,554,756	20,981,547	107,021,939	81,093,456

Primary receipts of wheat in the Prairie Provinces from the beginning of the 1948-49 crop year to September 16 were 107 million bushels, 26 million more than during the same period last year. Deliveries of 34.5 million bushels during the week ending September 16 were the highest recorded since the week ending September 27, 1940. Increased deliveries this year are principally due to the larger outturn of wheat in the Prairie Provinces combined with generally excellent weather conditions facilitating harvesting operations. Delivery quotas which were imposed by the Canadian Wheat Board on August 30 at many points are being eased as rapidly as storage conditions permit.

Visible Supply of Canadian Wheat, September 16, 1948 Compared With Approximately the Same Date, 1947 and 1946

	1948	1947	1946
- 000 bushels -			
Country Elevators - Manitoba	12,797	7,309	7,850
Saskatchewan	48,205	36,282	34,265
Alberta	18,825	18,015	9,850
T o t a l	79,827	61,606	51,965
Interior Private and Mill Elevators	3,408	3,454	3,984
Interior Public & Semi-Public Terminals	33	68	26
Pacific Ports	1,359	592	1,296
Churchill	1,053	656	575
Fort William and Port Arthur	15,921	12,197	14,029
In Transit Rail (Western Division)	12,143	8,803	12,183
Eastern Elevators - Lake Ports	7,003	11,923	8,927
St. Lawrence and Seaboard Ports	3,232	1,139	261
In Transit - Lake	1,654	2,897	2,638
In Transit - Rail (Eastern Division)	453	361	1,226
United States Ports	35	-	119
T o t a l	126,121	103,696	97,229



Grading of Wheat Inspected, August 1948 and 1947

	Inspections			
	August 1948		August 1947	
	Cars	Per Cent	Cars	Per Cent
1 Northern	962	10.7	1,493	16.4
2 Northern	4,831	53.5	3,891	42.7
3 Northern	1,275	14.1	1,721	18.9
4 Northern	147	1.6	323	3.5
Garnet	9	0.1	36	0.4
Amber Durum	319	3.5	286	3.1
Alberta Winter	234	2.6	184	2.0
Toughs - All varieties and grades ..	893	9.9	679	7.4
All Others	358	4.0	510	5.6
T o t a l	9,028	100.0	9,123	100.0

Of the 9,028 carloads of wheat inspected during August 1948, 78.3 per cent graded No. 3 Northern or better (excluding toughs in these grades) compared with 78.0 per cent in the same grades during August 1947. Inspections during the first month of both crop years, however, included substantial amounts of old wheat so that comparisons regarding the relative quality of the two crops can not be made solely on the basis of August inspections. Large scale deliveries of this year's crop did not commence until the latter part of August but 80 per cent of the 2,912 carloads of new wheat inspected during the month graded No. 1 and No. 2 Northern.

Lake Shipments of Canadian Grain from the Opening of Navigation to September 14

	Wheat	Oats	Barley	Rye	Flaxseed	TOTAL
	- bushels -					
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	125,928,056	27,725,154	30,029,486	1,286,454	2,802,490	187,771,640
1944	193,637,160	48,433,362	27,613,172	5,710,141	4,514,359	279,908,194
1945	227,375,400	57,693,458	24,511,984	3,366,395	2,449,943	315,397,180
1946	61,347,097	37,079,096	13,364,398	1,047,746	1,003,791	113,842,128
1947	91,114,829	26,976,204	13,319,123	2,168,556	27,709	133,606,421
1948 1/..	60,872,609	12,941,098	12,554,928	1,203,525	4,304,933	91,877,093

1/ Shipments to September 16 for 1948.

Lake shipments of Canadian grain from the opening of navigation to September 16, 1948 were 41.7 million bushels below shipments during the comparable period in 1947 and reached a record low point for the ten-year period under review. All grains, with the exception of flaxseed, have contributed to these reduced shipments, wheat shipments alone being 30 million bushels less than last year.

Rail Movement from Fort William-Port Arthur -

Details of monthly rail shipments of wheat from the Lakehead for the past three crop years and the distribution of the August 1948 shipments are set forth in the tables below.

Monthly Rail Shipments of Wheat from the Lakehead, 1945-46 to 1948-49

	1948-49	1947-48	1946-47	1945-46
- bushels -				
August	51,283	90,574	187,825	23,255
September		91,366	175,773	57,533
October		131,290	255,754	73,776
November		100,563	256,249	99,197
December		691,223	1,601,883	2,280,636
January		3,149,421	2,462,002	4,533,707
February		1,851,773	1,816,087	1,127,764
March		3,423,684	1,711,013	2,233,266
April		371,950	566,006	1,015,730
May		154,551	361,386	536,462
June		81,133	241,475	920,233
July		231,414	123,145	130,276
T o t a l (12 months)		10,368,942	9,758,598	13,021,835

Distribution of Rail Shipments of Wheat from the Lakehead,
by Provinces and Grades, August 1948

	Ontario	Quebec
- bushels -		
4 Northern	-	766
No. 5	1,133	4,700
No. 6	-	2,267
Tough No. 5	6,000	8,100
Tough No. 6	-	2,267
Ref. 4 C.W. Mixed Heated	-	1,133
Tough 4 C.W. Mixed	2,267	7,983
1 C.W.A.D.	3,000	-
2 C.W.A.D.	6,000	-
3 C.W.A.D.	-	5,667
T o t a l	18,400	32,883
GRAND TOTAL	51,283	

Freight Assistance Shipments - Preliminary claims filed for payment under the freight assistance plan during the crop year ending July 31, 1948 indicate that shipments of wheat into Eastern Canada and British Columbia were down almost 4.6 million bushels from the 1946-47 shipments. All provinces receiving the freight-assisted wheat shipments have shared in this decrease but it is expected that filing of late claims will necessitate an upward revision of the 1947-48 figures. The movement of freight-assisted wheat was heaviest during September and October, accounting for 27 per cent of the total for the 1947-48 crop year.

Provincial Distribution of Freight-Assisted Wheat Shipments,
1947-48 and 1946-47

1947-48	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	British Columbia	Total
- bushels -							
August	630,495	520,857	59,503	51,185	26,023	320,732	1,608,795
September .	1,559,955	865,398	84,987	89,493	22,472	366,280	2,989,095
October ...	950,643	1,077,265	92,247	114,385	31,588	396,360	2,662,488
November ..	640,918	476,960	54,367	77,000	25,065	323,393	1,597,703
December ..	658,880	435,588	67,255	54,160	16,580	312,393	1,544,856
January ...	701,153	496,858	50,140	53,173	28,454	316,632	1,646,410
February ..	477,697	597,762	66,130	55,734	41,372	264,438	1,503,133
March	565,568	499,077	59,267	67,097	39,888	317,385	1,548,282
April	474,327	324,378	50,125	57,942	26,150	347,872	1,280,794
May	924,617	500,119	43,805	67,633	26,992	317,343	1,880,509
June	632,627	378,217	47,636	61,315	30,803	234,457	1,385,055
July	700,302	414,438	41,526	50,775	33,423	28,400	1,268,864
T o t a l	8,917,182	6,587,417	716,988	799,892	348,810	3,545,685	20,915,974
Same Period							
1946-47 ..	10,556,360	7,989,953	847,370	981,602	456,786	4,638,335	25,470,406

Based on preliminary data, freight-assisted shipments of millfeeds to Eastern Canada and British Columbia during the 1947-48 crop year amounted to 701,035 tons, a decrease of approximately 20 per cent from the 1946-47 total. The filing of late claims for payment, as with wheat shipments, is expected to increase the 1947-48 total. Ontario and Quebec received slightly over 75 per cent of the freight assisted millfeed shipments in both 1947-48 and 1946-47.

Provincial Distribution of Freight Assisted Millfeed Shipments,
1947-48 and 1946-47

	August 1, 1947 to July 31, 1948	August 1, 1946 to July 31, 1947
- tons -		
Ontario	247,865	311,827
Quebec	281,867	342,797
New Brunswick	47,784	61,219
Nova Scotia	50,087	60,862
Prince Edward Island	13,352	17,169
British Columbia	60,080	77,882
T o t a l	701,035	871,756

Monthly Export Clearances, Etc., in Comparison with the Customs Exports of
Wheat and Wheat Flour

	Overseas Clearances of Canadian Wheat	U.S. Imports ^{1/} of Canadian Wheat for Consumption and Milling in Bond	Customs ^{2/} Exports of Canadian Wheat Flour	Total	Customs Exports of Wheat and Wheat Flour
1945-46	- 000 bushels -				
August	35,358	1,114	4,265	40,737	48,074
September	26,645	1,143	3,253	31,041	34,428
October	37,551	1,265	5,235	44,051	36,139
November	29,679	2,139	5,062	36,880	42,817
December	20,163	1,582	2,980	24,725	42,443
January	19,984	1,988	7,100	29,072	20,373
February	19,592	351	3,528	23,471	14,959
March	22,780	587	7,257	30,624	20,075
April	16,220	559	6,750	23,529	20,095
May	15,131	465	7,850	23,446	23,003
June	16,161	754	5,913	22,828	14,718
July	6,471	386	5,922	12,779	18,910
T o t a l	265,735	12,333	65,115	343,183	336,034
1946-47					
August	5,982	227	6,306	12,515	17,339
September	10,131	241	4,080	14,452	11,338
October	12,481	437	5,771	18,689	23,653
November	20,494	441	5,748	26,683	23,008
December	11,044	124	3,604	14,772	17,488
January	14,333	77	6,247	20,657	20,406
February	10,439	75	5,601	16,115	13,639
March	8,121	31	6,211	14,363	14,085
April	10,286	4	7,113	17,403	12,152
May	17,859	1	10,623	28,483	28,701
June	22,192	5	7,301	29,498	31,594
July	18,354	9	7,428	25,791	26,404
T o t a l	161,716	1,672	76,033	239,421	239,807
1947-48 ^{3/}					
August	9,601	2	7,048	16,651	18,140
September	9,362	12	5,864	15,238	15,990
October	9,680	35	7,001	16,716	17,204
November	12,006	1	5,796	17,803	22,763
December	7,480	2	3,829	11,311	20,717
January	15,175	3	4,064	19,242	15,961
February	11,296	71	4,970	16,337	10,743
March	10,323	2	4,082	14,407	15,058
April	10,081	3	5,783	15,867	9,965
May	12,955	1	5,086	18,042	19,924
June	12,464	1	4,687	17,152	15,881
July	12,949	^{4/}	2,975	15,924	17,129
T o t a l	133,372	133	61,185	194,690	199,475
1948-49 ^{3/}					
August	9,112	^{4/}	4,200	13,312	13,829

^{1/} U.S.A. official figures.

^{2/} Exports for months of August 1945 to May 1948 revised to remove effect of time-lag in the returns made by Customs. Subsequent months to be revised as data become available.

^{3/} Subject to revision.

^{4/} U.S.A. imports for July and August not available.

Overseas Clearances of Canadian Wheat and Wheat Flour (including United States Imports) August 1947 to July 1948 and August 1948 - The following statistics on monthly overseas clearances have been compiled by the Statistics Branch of the Board of Grain Commissioners.

	August 1947-July 1948		August 1948	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/
- bushels -				
<u>BRITISH EMPIRE</u>				
United Kingdom	38,486,457	122,102,306	3,291,984	8,743,306
Eire	1,095,367	-	-	-
<u>Africa</u>				
Br. E. Africa	7,537	-	-	-
Br. S. Africa	64,252	-	-	-
<u>Br. W. Africa</u>				
Gambia	4,707	-	-	-
Gold Coast	66,920	-	28,462	-
Nigeria	10,480	-	-	-
Sierra Leone	80,743	-	-	-
<u>Asia</u>				
Aden	450	-	-	-
Hong Kong	37,530	-	-	-
India	4,174,561	-	-	-
Palestine	9,162	777,785	-	-
<u>Europe</u>				
Gibraltar	1,233	-	-	-
Malta	-	2,602,313	-	-
<u>North America</u>				
Bahamas	247,148	-	13,702	-
Barbados	501,471	1,534	44,708	-
Jamaica	1,690,614	29,192	149,256	4,616
Leeward-Windward Is. ..	681,332	-	59,324	-
St. Vincent	-	18	-	-
Trinidad-Tobago	2,166,193	83	117,346	-
Bermuda	119,151	-	5,890	-
Br. Honduras	34,605	-	8,325	-
Newfoundland	1,735,551	-	51,422	-
<u>South America</u>				
Br. Guiana	900,859	-	80,307	-
TOTAL BRITISH EMPIRE	52,116,323	125,513,231	3,850,726	8,747,922
<u>FOREIGN COUNTRIES</u>				
<u>Africa</u>				
Azores & Madeira	49,487	-	-	-
Belgian Congo	28,076	-	2,295	-
Egypt	143,496	1,716,131	-	-
French Africa	5,706	-	18,288	-
Liberia	12,114	-	230	-
Morocco	5,513	-	15,822	-
Portuguese Africa	57,709	-	-	-
Spanish Africa	-	-	3,672	-
<u>Asia</u>				
China	159,440	-	-	-
Iraq-Iran	-	339,000	-	-
Nether. E. Indies	29,911	-	-	-
Philippine Is.	608,692	-	22,725	-
Portuguese Asia	18,797	-	-	-
Syria	325,476	-	119,322	-
Austria	29,074	-	-	-
Belgium	348,282	3,295,972	-	-
Denmark	16,596	-	-	-

Overseas Clearances of Canadian Wheat and Wheat Flour - concluded

	August 1947-July 1948		August 1948	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/
FOREIGN COUNTRIES	- bushels -			
<u>Europe</u>				
France	672,062	-	-	-
Germany	581,152	-	9,828	-
Greece	19,134	-	-	-
Iceland	165,101	-	-	-
Italy	1,884,141	11,904	-	363,615
Netherlands	249,075	2,495,466	-	-
Norway	1,425,077	-	-	-
Portugal	73,706	-	26,132	-
Switzerland	264,614	-	11,934	-
<u>North America</u>				
Costa Rica	112,136	-	-	-
Cuba	418,478	-	-	-
Fr. W. Indies	196,142	-	-	-
Guatemala	69,539	-	-	-
Haiti	103,895	-	3,295	-
Honduras	17,667	-	918	-
Nether. W. Indies	184,428	-	12,762	-
Nicaragua	21,190	-	-	-
Panama	87,349	-	-	-
Puerto Rica	-	-	-	-
Salvador	16,708	-	1,606	-
San Domingo	130,812	-	5,508	-
St. Pierre-Miquelon ...	15,974	-	3,200	-
<u>United States</u>				
For grinding in bond ..	-	10,731	-	3/
For human				
consumption 4/	841	5,495	-	3/
Unfit for human				
consumption 4/	-	117,064	-	3/
Alaska	508	-	-	-
Virgin Islands	5,661	-	54	-
<u>South America</u>				
Brazil	794,322	-	35,689	-
Colombia	213,992	-	-	-
Ecuador	50,899	-	3,901	-
French Guiana	28,403	-	-	-
Netherlands Guiana	103,343	-	-	-
Peru	9,733	-	-	-
Venezuela	706,739	-	52,605	-
TOTAL FOREIGN COUNTRIES .	10,461,190	7,991,763	348,786	363,615
GRAND TOTAL EXPORTED	62,577,513	133,504,994	4,199,512	9,111,537

1/ Canadian Customs Returns - conversion rate 4 1/2 wheat bushels equal 1 barrel.

2/ Subject to revision.

3/ United States imports for July and August not available.

4/ Source - United States Department of Commerce, Bureau of the Census.

Current Wheat Prices - Prices of Canadian wheat for domestic use and for export to the United Kingdom which were increased at the beginning of the 1948-49 crop year remained unchanged during the four-week period ending September 18. The price of Class II 'Commercial' (wheat for export to countries other than the United Kingdom) declined slightly during the period, the average price for the week ending September 18 being 237 7/8 cents per bushel for No. 1 Northern compared with 241 4/8 for the week ending August 28.

Weekly Average Prices of Canadian Wheat,
Basis in Store Fort William-Port Arthur and Vancouver
(Source: Statistics Branch, Board of Grain Commissioners, Fort William)

	Weeks Ending -			
	August 28	Sept. 4	Sept. 11	Sept. 18
(1) Class I Domestic	- cents and eighths per bushel -			
(A) Domestic Use				
1 Hard	205	205	205	205
1 Northern	205	205	205	205
2 Northern	202	202	202	202
3 Northern	200	200	200	200
4 Northern	197	197	197	197
Number 5	192	192	192	192
Number 6	188	188	188	188
Feed	186	186	186	186
1 C. W. Garnet	200	200	200	200
2 C. W. Garnet	198	198	198	198
3 C. W. Garnet	196	196	196	196
1 Alberta Red Winter	205	205	205	205
2 Alberta Winter	204	204	204	204
3 Alberta Winter	201	201	201	201
1 C. W. Amber Durum	205	205	205	205
2 C. W. Amber Durum	202	202	202	202
3 C. W. Amber Durum	200	200	200	200
(B) Initial Price to Producers	50 cents per bushel under Schedule (A).			
(2) Class II Export				
(A) United Kingdom				
1 Hard	203/4	203/4	203/4	203/4
1 Northern	203/4	203/4	203/4	203/4
2 Northern	200/4	200/4	200/4	200/4
3 Northern	198/4	198/4	198/4	198/4
(B) Commercial				
1 Hard	241/4	238/4	236/2	237/7
1 Northern	241/4	238/4	236/2	237/7
2 Northern	238/4	235/4	233/2	234/7
3 Northern	236/4	233/4	231/2	232/7
1 C. W. Amber Durum	251/4	248/4	246/2	246/1
2 C. W. Amber Durum	248/4	245/4	243/2	243/1
3 C. W. Amber Durum	246/4	243/4	241/2	241/1

Note:- Prices quoted for domestic use and for sale to the United Kingdom include carrying charges of 5 cents and 3 1/2 cents per bushel respectively.

Telegraphic Crop Report - The following extract is taken from the last of the 1948 series of telegraphic reports covering crop conditions in Canada, published on September 21 by the Dominion Bureau of Statistics.

Manitoba - Aided by exceptionally fine harvest weather during the past month the harvest in Manitoba is nearly completed. About 20 per cent of the cereal crops remain to be harvested in the west-central and northern areas with practically all cereals under cover in the remainder of the province. Flax harvesting is about two-thirds completed in the Red River Valley and nearly half finished in the south-western and central areas. A smaller percentage of this crop was harvested in the north. The absence of frost has been exceptionally favourable to the corn crop which will soon be ready to pick. Sunflowers are still promising although some rust and insect damage has occurred. Beets will be a satisfactory crop but drought has reduced volume. Ample fodder supplies have been stored and a considerable area of land in the southern districts is already surface cultivated. Rain would be welcome now to aid pastures and to increase next season's moisture reserve.

In the south-eastern section of the province threshing of cereal crops has been completed under ideal weather conditions. About 25 per cent of the flax crop still remains for harvesting. Some 20 per cent of the crops, particularly buckwheat, was lost in this area due to spring and summer flooding. Average crop yields here are: wheat 18 to 20 bushels per acre, oats 35, barley 18, rye 12 and flax 9 bushels per acre. Farmers in this district will have surplus feed.

In the area east of Winnipeg all grains except flax have been harvested with yields mostly higher than anticipated. Flax is about one-quarter completed with good yields. Potato harvesting is started and the crop is yielding well although some damage has occurred from late blight and water rot. The second cutting of alfalfa and hay has turned out well. Sugar beets are making good progress and no frost has been reported as yet. Fall work is well advanced.

In the south-western corner of the province practically all wheat and coarse grain crops have been threshed with 75 per cent of the flax under cover. Average yields for wheat have been 15 bushels, oats 30, barley 22, rye 18, and flax 10. Pastures here are poor and the soil has been too dry for fall ploughing. Further east, in the Pilot Mound area, harvesting of all crops except flax is nearly completed. Wheat here has averaged about 25 bushels per acre and grading No. 2 and 3 Northern. Barley has turned out about 30 bushels per acre, oats 45 and flax 12. Pastures are drying up although summerfallows are in generally good condition with the exception of a few weedy fields.

In the Portage area, west of Winnipeg, harvesting of wheat, oats and barley is completed with yields slightly above earlier estimates. Peas are 50 per cent harvested and yields are reported at 15 to 25 bushels per acre. Flax yields here have not been as high as expected due to rust and pasmo. The Dakota and Rocket varieties have turned out better than Royal with several yields reported up to 25 bushels. The average flax yield in this area will be about 12 bushels per acre. Potatoes have suffered from blight. The fodder corn crop is mostly cut and beet lifting should start next week with a bumper crop anticipated. Fall work is well advanced although rain is needed to start weed growth and to facilitate fall ploughing and disking. Further west at Brandon wheat, oats and barley threshing is nearly finished with about 40 per cent of the flax harvest completed. Yield and quality of the three main crops are well above average as is the yield of corn and potato crops. Around Neepawa harvesting is nearing completion with coarse grains approximately

90 per cent threshed. About 10 per cent of a good flax crop has been harvested with the average yield running around 14 bushels. At Minnedosa very little of the flax has been harvested. Rust and pasmo have affected the Royal, Red Wing and Victory varieties although the extent of the damage has not yet been determined.

In the Dauphin area, in the north-western section of the province, threshing of grains is 80 per cent completed with wheat yields somewhat lower than anticipated. Wheat is turning out about 22 bushels per acre with barley at 34 and oats from 35 to 40 bushels per acre. Flax fields show pasmo infestation but yields are running around 12 bushels. Tomatoes and potatoes have been badly hit with blight. The hay crop here was poorly cured due to excess rain. Slight hail damage occurred in this district during the season.

The Entomological Laboratory at Brandon reports that the grasshopper egg survey is now almost completed. A general increase in grasshopper population is indicated with prospects of a serious infestation for 1949 in the areas between Carman, St. Agathe and Morris; from Macgregor to Plumas and in the Wawanese, Treesbank district. Somewhat lighter infestations are looked for in the Maskada, Goodlands, Carberry, Neepawa, Hartney and Souris areas and east of the Red River from Emerson to Saint Pierre. Some damage will occur in other districts, particularly through the Red River Valley and in the south-west if the spring is warm and dry.

Average precipitation for the province since April 1 has been 8 per cent above normal as compared with 20 per cent above normal four weeks ago. Mean temperature for the week ending September 20 was 7.6 degrees above normal.

Saskatchewan - Continued dry weather during the past five weeks has permitted exceptional progress of harvesting operations in all districts of Saskatchewan. Wheat is almost 90 per cent and coarse grains over 70 per cent threshed. Quality of grain is high, top grades being reported for deliveries in most districts. About 45 per cent of the flax crop is now cut and about 30 per cent threshed. Some early fall sown summerfallowed fields are being heavily damaged by grasshoppers but fall seeding is being delayed in most areas due to lack of moisture.

At Manor in the south-east wheat is 75 per cent threshed. Yields are good except for parts of the area that were damaged by hail. The flax crop here is late and uneven and rust is reducing yields. The feed situation is very good. Average yields at Fillmore are reported at 18 for wheat, oats 25, barley 20, rye 10 and flax 15. Wheat and flax yields especially are exceeding earlier expectations. Whereas shortage of labour has delayed threshing the dry weather has made stooking unnecessary on many farms. Harvest operations are almost completed at Indian Head. Yields have been very satisfactory with wheat averaging 25 to 27 bushels per acre and grading No. 1.

Exceptionally good harvesting progress has been made in north-eastern districts. The Willowbrook area has not had one wet day to delay operations and only three or four days are now required to complete the job. Wheat in this area is averaging nearly 18 bushels, oats 25-30 and barley about 20. All crops are harvested at Hanley. Oats were a total failure. Average yields reported are: wheat 5, barley 2 and flax 4 bushels per acre. Over central districts as a whole, however, average wheat yields range from 8 to 12 bushels per acre.

The Dominion Experimental Station at Swift Current reports that good filling conditions have resulted in higher yields than expected and exceptional high quality in sample. All bread wheat is grading No. 1 with Durums going at

2 and 3. Average yields in the surrounding area are now estimated at 16 bushels for wheat, oats 25, barley 20, rye 12 and flax 6. Similar conditions and slightly higher yields are reported at Rosetown while a report from the Experimental Station at Scott, summarizing conditions for west-central areas places the range of yield estimates for wheat from 7 to 11 bushels per acre with coarse grains in proportion and flax 4. The proportion of acreage seeded in these districts which will not be harvested due to drought and grasshopper damage amounts to about 5 per cent for wheat, 10 per cent for barley, 20 per cent for oats and 25 per cent for flax.

Harvesting is almost completed in the north-west. Average yields reported from Prince are: wheat 12, oats 20, barley 10, rye 8, flax 5. Feed supplies in this area are good and gardens fair. North-central areas too have had an exceptionally dry harvest period, practically frost free. Yields at Melfort are exceeding expectations with wheat averaging about 23 bushels per acre.

The Dominion Laboratory of Plant Pathology, summarizing damage from plant diseases for the season, reports that common root disease was responsible for some reduction in yields of cereal grains, especially in barley except in south-eastern district. In these areas rust caused damage in a few fields of susceptible wheat and leaf rust on Thatcher wheat also caused slight injury. Smut diseases were not serious this season. Mildew was injurious to some barley fields in the north-east district. Injury to flax crops by rust and to a lesser extent by pasmo and stem canker occurred in the south-east. Potato late blight caused heavy damage in many fields throughout south-east and eastern districts and subsequent rotting of tubers will result in further losses. This is the first report of serious damage by late blight for Saskatchewan. Diseases causing leaf drop resulted in some reduction in alfalfa forage.

Exceptionally dry conditions prevail throughout the province. Moisture reserves are at a low ebb in all districts. Fall seedings are being delayed and rains are required before normal fall cultivation can proceed. Average precipitation for the province since April 1 has been 23.8 per cent below normal, as compared with 13.3 per cent below normal four weeks ago. Mean temperature for the week ending September 20 was 8.4 degrees above normal.

Alberta - Cutting and threshing are again getting under way in northern districts following recent rains and will be general again this week. Harvesting in other areas is proceeding rapidly with wheat cutting in most districts well advanced. Practically all cutting should be completed by the end of September. About 35 per cent of the wheat crop has been threshed or combined and with good weather all grain will be under cover within the next three weeks. Wheat is grading from No. 1 Northern to Feed and oats and barley 2 C.W. to No. 3 Feed. Reports of 5 to 50 per cent frost damage have been received from the Peace River area and slight to considerable scattered damage has occurred in other districts. Good crops of forage seed are being harvested. Hay yields are satisfactory and grazing is good.

In the Manyberries area in the south-eastern part of the province harvesting is almost completed. Spring wheat graded No. 1 with an average of about 10 bushels per acre. Winter wheat averaged only 3 to 4 bushels, oats and barley turned out about 10 bushels per acre. Range conditions are fairly good although the weather is dry.

Harvesting around Medicine Hat is 90 per cent complete. Wheat has yielded from 3 to 40 bushels per acre and may average about 15. Oats averaged 20 bushels, barley 20, flax 5 and rye 7 bushels per acre. Live stock is in good condition but pastures are drying. Excellent harvest weather has prevailed in

the irrigation areas around Brooks. Threshing of all grains here is 60 per cent complete. Considerable loss due to rust has occurred in the yields of soft spring wheat. The second cutting of the hay crop has been good and potatoes have turned out well. Live stock and pastures are holding up in this area. Favourable weather in the Cardston area is maturing late crops. Harvesting of winter wheat and rye is about completed with yields of 25 to 30 bushels per acre. Spring crops are 80 per cent cut but only 10 per cent threshed. Yields are good although quality has been lowered by recent frosts. In the Vulcan area spring wheat is 60 per cent threshed and is yielding an average of 28 bushels per acre grading No. 1 to 5 Northern. Threshing of oats and barley is completed with yields averaging 50 and 40 bushels per acre respectively. No flax has been threshed here as yet.

South of Calgary around Claresholm where the crop was very late, harvesting is now general with rye completed. Thirty-five per cent of the wheat is harvested in this area but work on oats, barley and flax is not yet under way. Expected yields of wheat are 28 bushels, oats 50, barley 40, rye 15 and flax 13 bushels per acre. Frosts have affected grades but will not appreciably affect yields. It is expected that wheat will grade 20 per cent No. 1, 30 per cent No. 2, 20 per cent No. 3 and 30 per cent No. 4 Northern.

In the east-central section of the province around Hanna harvesting is 75 per cent completed with wheat averaging about 10 bushels per acre. Pastures and live stock are in good condition and feed is in good supply. In the Stettler-Donalda area in central Alberta haying is about three-quarters completed. Light frosts in low spots will cause some lowering of grades. Some grain is still quite green and three weeks of good weather will be required to complete harvesting. Wheat is expected to average about 18 to 20 bushels, barley 18 to 20, oats 30 to 35 and rye 15 to 18 bushels per acre.

In the Calgary district harvesting is now in full swing with cutting of all grains 95 per cent completed. Forty per cent of the wheat crop has been threshed with 20 per cent of the oats, 30 per cent of the barley and 10 per cent of the flax also under cover. With continued good weather threshing could be completed by the end of next week. Good hay crops have been harvested and pastures are in good shape. Farther north at Olds grain crops are all good with threshing well under way. Wheat is grading very well with a high proportion No. 2 Northern. At Red Deer cutting and swathing is 75 per cent complete although only 10 per cent of the crops has been threshed or combined. A labour shortage is reported in this area. Crop yields are fair to good with late recovering hailed crops showing considerable frost injury. Otherwise, grain is all good quality. Around Edmonton wet weather has delayed harvesting operations although 80 per cent of the wheat and barley crops has been cut. Little threshing has been accomplished to date. In the Vermilion-Lloydminster area in eastern Alberta crops have been yielding better than expected and wheat is averaging 15, oats 35 and barley 18 bushels per acre, all of good quality.

In the north-eastern part of the province, around Bonnyville, harvesting operations are 70 per cent completed. The weather has been very dry and moisture reserves are low. Wheat is averaging 7 bushels, barley and oats 12 and flax and rye 8 bushels per acre. Alfalfa and clover seed have yielded only 100 pounds per acre. Considerable frost damage has occurred to grain crops but the quality of forage seed is very good. In the Athabaska district north of Edmonton, threshing will be general in the next couple of days. Grain is tough from last week's rain. The heavy August frosts will make the bulk of grains grade No. 3 and lower. Wheat will average about 8 bushels. Coarse grains are poor in this area although the feed situation is reported to be good as are the forage crops. At Beaverlodge in the Peace River district cutting

and swathing is 80 per cent completed with 15 per cent threshed or combined. Rain last week has further delayed harvesting and three weeks of fine weather will be required to complete fall work.

The Dominion Laboratory of Plant Pathology at Edmonton reports some rust damage in only a few late-maturing fields of soft wheat. Flax rust is rather severe in some fields, but in general the crops are fairly free of disease. The Entomological Laboratory at Lethbridge reports some late flax suffering loss by grasshoppers but a relatively small acreage is involved. An aphid outbreak in the Stavely-Claresholm district completely destroyed many thousands of acres of late-seeded cover crop which farmers had expected to use for the finishing of live stock. Sawfly losses have been held to a minimum by early swathing. The Alberta Hail Insurance Board reports some hail at Innisfail and in a strip from Elnora to Scollard. The hail loss for the year has been unusually light with scattered small storms at various places but with only two districts suffering to any extent, one being Penhold through Red Deer, Lacombe, Chigwell and ending east of Morningside; and the other from Crossfield to east of Didsbury and then east through Allingham, Sunnyslope and Three Hills.

Average precipitation since April 1 has been 1 per cent above normal as compared with 12 per cent above normal four weeks ago. Mean temperature for the week ending September 20 was 5.7 degrees above normal.

Flour Milling Situation - Production of flour by Canadian mills during August amounted to 1.6 million barrels. Mills reporting operations for the month had a total rated milling capacity of 99,275 barrels per 24-hour working day and, on the basis of a 26-day working period, 62.8 per cent of the rated capacity was effective.

Production and Exports ^{1/} of Wheat Flour, 1937-38 to 1947-48

Crop Year	Production	Exports
- barrels of 196 pounds -		
1937-38	12,867,728	3,609,656
1938-39	15,197,297	4,604,245
1939-40	17,778,311	6,781,367
1940-41	19,575,833	10,288,827
1941-42	19,905,741	10,205,778
1942-43	23,590,516	12,575,215
1943-44	24,303,833	13,464,371
1944-45	24,634,905	13,923,832
1945-46	26,435,341	14,470,177 ^{2/}
1946-47	28,588,456	16,896,233 ^{2/}
1947-48	24,243,711 ^{3/}	13,596,677 ^{2/}
<u>1948-49</u>		
August	1,619,752	933,225

^{1/} Based on Customs returns.

^{2/} Exports for months of August 1945 to May 1948 revised to remove effect of time-lag in the returns made by Customs. Subsequent months to be revised as data become available.

^{3/} Unrevised.

THE UNITED STATES SITUATION

Reduction in Wheat Acreage Recommended for 1949 - The following extract is taken from the August issue of The Wheat Situation published by the Bureau of Agricultural Economics, United States Department of Agriculture:

"The recommended wheat goal for 1949 is 71.5 million acres, which is 3.6 million less than the 1948 goal and 6.2 million less than the 1948 seeded acreage. A considerably smaller wheat acreage in 1949 should meet domestic and foreign requirements in view of the increased carry-over this year, the second largest crop in our history and the marked improvement in crop prospects in many importing countries. In the announcement of the recommended goal, it was pointed out that while it is desirable to build up reserves for any possible future emergency adjustment of our wheat acreage to the best long-time use of soil resources should be started. Adjustments can be made in areas of low productivity without materially affecting total production. A better balance between soil-conserving and soil-depleting crops will actually assure higher productivity over a long period of years. Provision should be made for sufficient summer fallow to continue wheat production on the drier lands in succeeding years. It was further pointed out that in marginal areas, farmers should be encouraged to begin reseed-ing to grass any land not suited for crop production over a long period.

The recommended acreage goal of 71.5 million acres with 1938-47 average yields of 15.0 bushels would produce about 1,075 million bushels or a quantity which would be just sufficient to meet estimated disappearance of 510 million for food, 90 million for seed and industrial use, 150 million for feed, and exports of about 325 million.

In spite of unfavourable drought conditions in the south-west, farmers seeded 77.7 million acres of winter and spring wheat for the 1948 crop. If farmers should seed this acreage for the 1949 crop and average yields were obtained, a crop of 1,165 million bushels would be produced. A crop of this size with the same distribution as above, would increase the carry-over by July 1, 1950 by about 90 million bushels. Under these conditions, prices again would be depressed to below loan levels in the heavy marketing season and average lower relative to the loan than in 1948-49. However, there still would be no marketing quotas for 1950-51 declared by July 1, 1949 under the Agricultural Act of 1948 if yields were only about average. On the other hand, if growing conditions are again favourable enough to result in yields 2 bushels above the acreage for the 1949 crop, marketing quotas could be proclaimed even on the goal's acreage."

Lower United States Wheat Exports Expected in 1949-50 - In the same publication the editors have the following comments on the estimated United States wheat exports in 1949-50:

"The tentative range for United States exports in 1949-50 is 300-350 million bushels. Much will depend upon the way the crops turn out in both the exporting countries and importing countries. It is assumed that in 1949-50 there will be further recovery in agricultural output in Europe and Asia and more normal production in exporting countries, and that about 75 million bushels will be exported from the U.S.S.R. and Eastern Europe, chiefly to ERP countries. In addition to crop outturn, the financial and political role played by the United States in international affairs will continue to be very important in determining the quantity of United States exports.

Large scale exports began in late 1944. Until the present year, the world import needs for wheat have exceeded the supply available for export in

surplus producing countries. This year, with continued good crops around the world, supplies may be large enough to about take care of expected demand at current prices and may thereby mark a turning point at which supplies will begin to allow for the rebuilding of stocks.

Since the end of the war, exports of wheat and flour from North America have been very large in relation to exports from Argentina and Australia. This was made possible by record crops in the United States at a time when production in Argentina and Australia was below average. With prewar yields per acre, crops would have been smaller in the United States and larger in Argentina and Australia, and the proportion of United States exports sharply smaller."

All-time Record Crop Production Indicated - The Crop Reporting Board of the Bureau of Agricultural Economics, in its general crop report as of September 1, 1948 states that:

"The all-time record outturn of crops in prospect earlier this season gained in quantity and drew closer to realization during August. The heat wave over most of the country in the final third of August caused some deterioration of crops where soil moisture was inadequate, but else where the benefits of the sunshine and warmth outweighed such damage. Harvest is practically completed for small grains, and most of the late-growing crops are virtually "made".

Corn prospects improved nearly 1 per cent during August to a production estimate of 3,529 million bushels, by far the largest volume in history. Spring wheat production improved slightly also, to 304 million bushels, as harvest passed its peak. Adding nearly a billion bushels of winter wheat, virtually all harvested, an all wheat total of 1,285 million bushels is estimated. Of other crops nearly all harvested, larger outturns than forecast a month ago are now estimated for oats, barley, flaxseed and most kinds of hay. For later-growing crops, improvement is noted for cotton, sorghum grain, soybeans, beans, potatoes and tobacco, but prospects for buckwheat, rice, peas, peanuts and sugar beets declined. In nearly all cases, the changes were relatively small from August 1 forecasts, the most significant probably being the 2 per cent increases for potatoes and oats.

Totaling the estimated production of all crops, the aggregate obtained is 9 index points above the record set in 1946. The current total is 135 per cent of the 1923-32 base. Contributing heavily to this outstanding volume are record outturns of corn, soybeans, peanuts and pecans, with near-record crops of wheat, oats, flaxseed, rice, sorghum grain, dry beans and citrus fruits. Such crops as cotton, barley, all hay, potatoes, tobacco, sugar cane, sugar beets, hops, peaches, grapes, cherries and apricots are larger than average. Only rye, buckwheat, peas, sweet potatoes, broom corn, apples and pears, among major crops, are below average in production."

Probable Disposition of United States Wheat Supplies, 1948-49 - The United States Department of Agriculture estimates that domestic disappearance in 1948-49 may total about 750 million bushels, including 510 million bushels for food, 150 million for feed, and 90 million for seed and alcohol. This estimate of domestic disappearance is above the prewar average of 678 million bushels, about the same as in the past two years, but much less than other recent years when large quantities were used for feeding live stock. Out of a total supply of 1,480 million bushels a disappearance of this size would leave about 730 million bushels for export and carry-over.

Chicago and Minneapolis Cash Wheat - Although cash wheat continued to sell under the Government loan level for practically all of the period August 25 to September 21, prices remained relatively firm in both Chicago and Minneapolis markets. Contributing to the firmer tone in cash wheat prices were the announcement of the export allocation of 107,581,000 bushels of wheat and flour for the fourth quarter of the calendar year and the continued buying of wheat by the Commodity Credit Corporation. The firmness of cash corn prices and indications that the movement of spring wheat may have reached its peak also lent support to cash wheat prices.

Mill demand in Minneapolis remained active despite a strike of mill workers, processors apparently wishing to secure adequate supplies of wheat while offerings of various grades and proteins were available. Although receipts of wheat at Minneapolis continued fairly strong, much of it was destined for storage, imparting further strength to the cash market.

Daily Cash Wheat Prices on the Chicago and Minneapolis Markets

1948	Chicago			Minneapolis		
	Grade	Price		Grade	Price	
August	25 2 Red	224		1 Heavy Dark Nor.	220 1/4 - 224 1/4	
	26 2 Red	226		1 Heavy Dark Nor.	221 3/8 - 225 3/8	
	27 3 Red	226		1 Heavy Dark Nor.	221 1/4 - 225 1/4	
	28 2 Red	224		1 Heavy Dark Nor.	220 1/2 - 224 1/2	
	30 2 Hard	224 1/2 - 224 3/4		1 Heavy Dark Nor.	220 3/4 - 224 3/4	
	31 2 Hard	224 - 224 1/2		1 Heavy Dark Nor.	219 1/2 - 223 1/2	
September	1 2 Hard	224 1/2		1 Heavy Dark Nor.	221 1/4 - 226 1/4	
	2 2 Hard	223		1 Heavy Dark Nor.	218 - 223	
	3 2 Hard	223		1 Heavy Dark Nor.	222 1/4 - 227 1/4	
	4 None			1 Heavy Dark Nor.	220 - 225	
	6		Labour Day			
	7 1 Hard	222		1 Heavy Dark Nor.	220 1/4 - 225 1/4	
	8 None			1 Heavy Dark Nor.	221 - 226	
	9 3 Red	223 1/2		1 Heavy Dark Nor.	220 1/4 - 225 1/4	
	10 2 Red Tough	222		1 Heavy Dark Nor.	222 - 226	
	11 3 Mixed	222 1/4		1 Heavy Dark Nor.	223 5/8 - 227 5/8	
	13 1 Hard	225 1/2		1 Heavy Dark Nor.	223 7/8 - 228 7/8	
	14 2 Red	225 1/2		1 Heavy Dark Nor.	225 3/8 - 230 3/8	
	15 1 Hard	226		1 Heavy Dark Nor.	225 1/4 - 230 1/4	
	16 2 Red	226		1 Heavy Dark Nor.	225 1/4 - 229 1/4	
	17 2 Hard	226 3/4		1 Heavy Dark Nor.	225 3/8 - 229 3/8	
	18 3 Red	226 3/4		1 Heavy Dark Nor.	224 1/8 - 229 1/8	
	20 4 Red	224 3/4		1 Heavy Dark Nor.	222 1/4 - 227 1/4	
	21 2 Hard	225 1/2		1 Heavy Dark Nor.	223 1/8 - 228 1/8	

Chicago Wheat Futures -

Trading in near-by wheat futures on the Chicago market during the period August 30 to September 25 saw September futures generally somewhat below, and December futures slightly above cash wheat prices. Deferred wheat futures were under pressure due to favourable reports from the south-west where moisture and soil conditions were conducive to seeding large acreages of fall wheat. Active seeding on a wide scale, particularly in western Kansas gave indications of the possibility of another large wheat crop in 1949. This situation, combined with the fact that much wheat will be coming out of storage next spring, exerted a considerable bearish influence on the more distant futures.

Chicago Wheat Futures, High Points of Closing

1948	September	December	May 1949	July 1949
- cents and eighths per bushel -				
August 30	224/3	227/1	219/2	196/7
31	222/3	226/2	217/3	195/2
September 1	223	226/3	217/6	196
2	221	224/2	214/3	193
3	221/7	225/4	215/5	194/3
4	220/6	223/7	213/3	192/1
6		Labour	Day	
7	221/4	224/3	215/2	192/7
8	222/5	225/2	216/4	193/4
9	221/4	224/4	214/6	192/6
10	222/2	225/2	215	193/6
11	223	225/7	216/4	195/7
13	224	225	215	195
14	224/3	225/7	215	193/6
15	224/4	225/7	215	194/4
16	224/2	226	216/1	196/6
17	225/4	227	217/6	198/4
18	226	227	218/1	199/7
20	225/4	226/4	217/1	199/4
21	224/1	225/5	216/5	199
22	224/7	226	216/7	199/6
23		225/6	216/7	201
24		225	216/3	199/5
25		223/1	214/4	197/3

THE ARGENTINE SITUATION

This review of the wheat situation in the Argentine is extracted from a report forwarded on September 20, 1948 by Mr. W. B. McCullough, Commercial Secretary (Agriculture) at Buenos Aires and is reproduced herewith by kind permission of the Trade Commissioner Service.

Note: Where possible, conversions of Argentine to Canadian measures have been made by the editors for the convenience of Canadian readers.

Weather and Crops - During the first week of September there were rains of varying intensity in all zones. This moisture was too late for the grain crops in northern Cordoba and north-eastern Santa Fe where the wheat crop is now considered virtually lost. Rain came in good time, however, to benefit grain crops in the other zones. Crop prospects in the Bahia Blanca area continue to be excellent. Moisture conditions in the corn zone are good and the seeding of this crop will commence at the normal time, the last half of September.

Pastures throughout the country are short and, owing to the dry weather, green pastures (oats, barley, etc.) have not provided adequate grazing and live-stock men have been forced to resort to their reserves of stacked hay and underground silage.

No official estimate has been published on the acreage seeded to grain for the current crop year. Private estimates put the wheat acreage at about five to seven per cent above last year. This is somewhat lower than earlier forecasts as a result of drought conditions in the northern zones where farmers did not sow the intended acreage.

In its survey for the month of August, the Ministry of Agriculture states that growing conditions were, on the whole, unfavourable but recent rains have helped the situation somewhat. In northern Cordoba and north-eastern Santa Fe crop prospectives are poor due to drought conditions, coupled with attacks of the green fly in the former province and the locust in the latter. Frosts in August varied in intensity, causing most damage in the driest zones.

Wheat sowings have finished except for a few scattered sections of southern Buenos Aires and La Pampa where lack of rain has delayed operations. The situation improved with the rain in early September. Due to dry weather late wheat sowings were not carried out in southern Cordoba. Frosts were widespread, retarding growth of plants but strengthening root development.

State Trading in Argentina - The Instituto Argentino de Promoción del Intercambio (IAPI), the official entity which has the monopoly of marketing grains and many other primary products, recently published its 1947 Annual Report. From a profit of \$368,600,000, \$184,600,000 are to be allocated to a fund entitled "Reserve for the Defence of Production" which is described as "the initial basis of an enormous fund designed principally to place agricultural producers under the protection of a solid wall which will enable them to face the future with all calm, by ensuring remunerative prices and markets of increasing importance."

"The Review of the River Plate" offers the following comment on IAPI's profit on the sale of wheat in 1947 "During the year 1947, according to the official "Sintesis Estadistica" 83,900,000 bushels of wheat were exported, for a value of \$309,300,000; this exportable surplus came from the 206,300,000 bushels harvested in the 1946-47 agricultural years, so that the balance supposedly remained in the country. Deducting 18,400,000 bushels for seed and consumption

on the farm, there is a remainder of 104,000,000 bushels which should represent the domestic industrial consumption. For the 1946-47 wheat harvest the Government fixed a price of \$1.38 per bushel for the first 11,000 bushels delivered by each producer, and \$1.22 for subsequent amounts. Sales for domestic consumption were made by the Government at 81 cents per bushel. On the basis of these details the following calculation may be made to show the profit obtained by I.A.P.I. from the marketing of the wheat harvest.

Income: Sales abroad (exports)	\$ 309,300,000
Domestic sales	84,300,000
Total	393,600,000
Expenses: Purchase of 1946-47 harvest	243,600,000
Gross Profit	150,000,000

This calculation is based on the assumption that the balance of the harvest, after deduction of exports, was consumed domestically; some part of it might in fact have been exported in 1948 in which case the eventual profit would be larger.

In short, with the marketing of wheat alone, I.A.P.I. must have made a gross profit of at least \$150,000,000; and, even supposing an extremely costly administration, it can hardly be imagined that this would absorb more than 10 per cent of the profits, so that the net profits will not be very much less."

Shipments - Grain clearances from Argentine ports have been on a lower level during the winter months. Shipments during August consisted of 3,237,000 bushels of wheat, 6,763,000 bushels of corn and 2,331,000 bushels of barley; no other grain left the country. It is reported that stocks at the ports are unusually high. A breakdown of shipments by destination during the months January to July, 1948, is as follows:

Argentine Exports, January to July, 1948

	Wheat	Corn	Oats	Barley	Wheat Flour ^{1/}
	- thousands of bushels -				bbl.
United Kingdom	1,725	21,427	-	9,891	-
France	305	4,099	281	1,382	-
Belgium	3,453	4,196	13	519	-
Italy	23,933	2,171	176	2,925	34
Germany NETHERLANDS	388	4,951	30	3,276	-
Sweden	154	-	-	-	-
Spain	10,438	1,526	39	1,234	720
Switzerland	5,702	23	3,857	802	-
Rest of Europe	1,468	7,532	-	-	56
Brazil	7,066	-	555	34	4,409
Other S.A. Republics	4,474	106	90	-	-
Other countries	3,072	9,473	-	5,423	19,392
	62,178	55,504	5,041	25,486	24,611
7 Months 1947	48,030	25,928	3,490	6,807	90,040
7 Months 1946	36,123	45,700	11,440	19,379	290,637

^{1/} For convenience of Canadian readers export shipments of flour have been converted from metric tons to barrels of 196 pounds.

THE AUSTRALIAN SITUATION

Australian Cable - The following cable, dated September 15 was received from the Canadian Trade Commissioner in Melbourne:

"Australian wheat stocks at September 4th totalled 63,285,000 bushels. Exports of wheat from August 8th to September 4th totalled 4,257,000 bushels, principally to United Kingdom, New Zealand and India, and flour 83,467 long tons of which 35,530 went to United Kingdom and 18,396 to Ceylon, with smaller quantities to Egypt and Malaya. Exports of wheat and flour from Australia this year have been the largest in the history of the Wheat Board, total shipments of wheat from December 1st 1947 to September 4th 1948 being 72,988,000 bushels, and flour 676,871 long tons. It was reported during August that Australia has agreed to sell India another 3,750,000 bushels of wheat from the 1947-48 harvest at 18/6d a bushel. This is additional to the 25 million bushels from the same crop which Australia agreed to sell to India last December. The Wheat Board stated that the 1947-48 season Wheat Pool after payment of wheat tax will realize between 12/3d and 12/6d a bushel less freight to growers for bulk, with an additional 8d for bagged wheat."

New South Wales Wheat Growers Voting on Stabilization Plan - The Government of New South Wales is conducting a ballot among wheat growers on the wheat stabilization plan proposed by the Federal Government on July 12, 1948. The main features of this plan were outlined in the July issue of the Monthly Review of the Wheat Situation and among them was the decision to submit the plan to individual states for legislation. It is in line with this decision that the Government of New South Wales is obtaining the wheat growers' opinions on the proposed plan. Since the functioning of the wheat stabilization plan is dependent on its acceptance by the individual states, the result of the ballot in New South Wales, the most important wheat growing area in the Commonwealth, will probably have considerable influence on its fate in other parts of Australia.

UNITED KINGDOM SITUATION

Weather Conditions - The monthly agricultural report issued by the Ministry of Agriculture and Fisheries on September 10, 1948 states that:

"The fine warm spell of late July ended on 2nd August and during the next 3 weeks the weather was unsettled with very heavy rain storms over most of the country. Thunderstorms and high winds which reached gale force in places, were experienced. Conditions improved towards the end of the month and the last few days were fine and sunny throughout the country. Generally, rainfall was well above normal and sunshine and temperatures were much below.

The wet and stormy weather was detrimental to corn crops and harvesting was delayed; reports as to progress are variable but apart from some northern districts good headway has been made, particularly during the last few days of the month."

Wheat Harvest - According to the same report, wheat withstood the stormy weather better than barley and oats but a good deal has been laid and some loss of grain from shedding and sprouting has occurred. With the exception of a few northern districts, where crops were not ripe, good progress has been made with cutting under unfavourable conditions. Bad weather has delayed work but in most areas a considerable proportion has been combined or stacked. Wheat is generally of fair to good quality but some reports indicate that the moisture content of grain is rather high. "Take all" is reported from many districts.

The yield of wheat is forecast at 19.4 cwt. (36.2 bushels) per acre as compared with a ten-year average of 18.7 cwt. (34.9 bushels) and a yield of 15.2 cwt. (28.4 bushels) in 1947.

CALENDAR OF WHEAT EVENTS

August 25 A trade paper reports that the export price of Argentine wheat has been reduced from \$4.85 to \$3.65 per bushel. The same source estimates that no more than 12 million bushels of old wheat crop remains for export.

Sept. 10 The Crop Reporting Board of the United States Department of Agriculture estimated the 1948 production of all wheat at 1,285 million bushels, an increase of one million over the August 10 estimate. Total production of all crops in 1948 is expected to reach an all-time record.

The Ministry of Agriculture and Fisheries estimated the 1948 average yield of wheat in Great Britain at 36.2 bushels per acre compared with a ten-year average of 34.9 bushels and a yield of 28.4 bushels in 1947.

14 The Dominion Bureau of Statistics, in its second estimate of production of 1948 Canadian grain production, placed the outturn of all wheat at 391 million bushels. Average yield of fall and spring wheat was estimated at 33.0 and 15.6 bushels per acre, respectively. Favourable maturing and harvesting conditions contributed to the substantial increase over the first estimate on August 17.

Broomhall reports that wheat production for 1948-49 in Australia is expected to be approximately 152,000,000 bushels unless climatic conditions are better than usual.

16 Wheat marketings by western Canadian farmers for the week ending September 16 were 34,480,088 bushels, the highest recorded for any week since September 27, 1940.

17 An official Argentine crop report covering conditions up to September 9 confirms former private accounts of unfavourable crop conditions in that country. Recent rains have only partially offset the serious effects of the previous drought. Although no official statement has been made on acreages, trade sources indicate a reduction in the area sown to wheat.

21 The latest revised official estimate of 1948 wheat production in France, as reported by Broomhall, is 273 million bushels. Although this forecast is an increase of 15 million over the preliminary estimate, it still is much below private estimates of the 1948 French wheat crop.

23 Stocks of Canadian wheat in store and in transit in North America at midnight September 16, 1948 amounted to 126,121,323 bushels, an increase of 32,628,053 bushels over the total on September 9, 1948 and more than 20 per cent greater than stocks on September 18, 1947.

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