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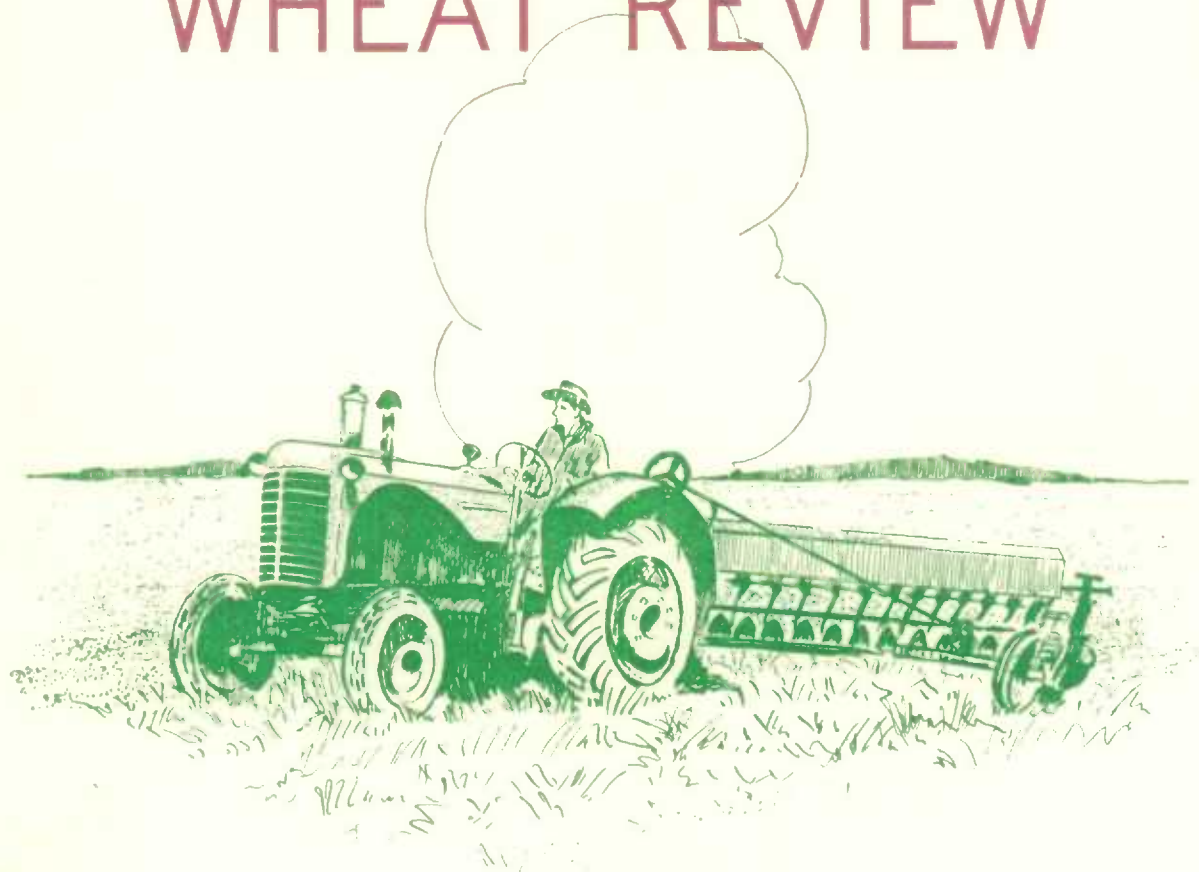
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DOMINION BUREAU OF STATISTICS
AGRICULTURE DIVISION

THE WHEAT REVIEW



JUNE, 1954

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THE
WHEAT REVIEW

JUNE, 1954

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about June 1 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 1,725.1 million bushels, some 40 per cent greater than the 1,232.1 million a year ago. Supplies on or about June 1, 1954 (in millions of bushels) were held as follows, with last year's figures in brackets: United States, 878.3 (574.3); Canada, 614.5 (457.2); Australia, 132.5 (79.0), and the Argentine, 99.8 (121.6). Estimates for both years include on-farm stocks as well as those in commercial positions.

Exports Total exports of wheat and wheat flour from the four major exporting countries for the first ten months (August—May) of the current Canadian crop year, at 525.0 million bushels, are down 23 per cent from last season's shipments of 681.5 million for the same period. Shipments from each of the four countries during the August—May period of the current and preceding crop years are shown in the table below.

Exports of Wheat and Flour in Terms of Wheat, August—May Period

August—May Period	United States	Canada	Argentina	Australia	Total
- million bushels -					
1952-53	279.9	297.5	19.2	84.3	681.5
1953-54	169.9	208.7	94.1	52.3	525.0

It is noted that while Canadian exports have declined about 30 per cent from the level for the same period a year ago, exports from the United States and Australia have dropped by some 39 per cent and 38 per cent, respectively. Reduced shipments from these three countries have been only partially offset by the sharp increase (390 per cent) in Argentine exports from the extremely low level of shipments from that country in August—May, 1952-53.

Canada's share of the total exports from the four countries has remained relatively constant between the two periods, shipments during the first ten months of the 1952-53 crop year having accounted for 43.7 per cent of the total and for the same period in 1953-54, 39.8 per cent. The United States' share of the total dropped from 41.1 per cent to 32.4 per cent between the same two periods while Australia's share declined from 12.4 per cent to 10.0 per cent. Following a near-crop failure in 1951-52 the Argentine harvested larger crops in 1952-53 and 1953-54. Reflecting the improved supply position, Argentina's share of the four countries' exports during August—May, 1953-54 amounted to 17.9 per cent as against 2.8 per cent in the comparable period of 1952-53.

The four countries considered above account for the bulk of the world's wheat exports. However, preliminary and incomplete data indicate that total exports during the current season from countries other than the four principal exporters are remaining ahead of a year ago.

International Wheat Council Meets The International Wheat Council issued the following press release on June 21, 1954:

The International Wheat Council, which has been meeting in London since 16th June, concluded its Fifteenth Session on Monday, 21st June. Thirty-nine countries were represented by delegates and advisers.

While the Session was the second of two statutory sessions which are held in each crop year to deal with routine administrative matters in connection with the operation of the International Wheat Agreement, the Council took the opportunity to study and discuss the current world wheat situation and to review the operation of the Wheat Agreement under the conditions which have prevailed in the 1953-54 crop year. After a full discussion the Council directed the Executive Committee to keep the situation under review and adopted the following statement as reflecting the views of the Council on the present situation.

"The Members of the Council are agreed that even in the abnormal conditions that have been present during the 1953-54 crop year, the International Wheat Agreement has functioned in accordance with its provisions. The lower volume of transactions registered under the Agreement in the crop year reflects the general reduction in import demand that has occurred during the year, due in large measure to increased production in importing countries and to the reduction of reserve stocks in certain major importing countries. Under the provisions of the Agreement exporting countries' obligation to sell is only at the maximum price and importing countries' obligation to purchase is only at the minimum price. As prices both within and outside the I.W.A. have moved during the crop year within the range of the Agreement maximum and minimum prices, neither exporting nor importing countries have had any obligation to transact business within the Agreement.

The International Wheat Council fully recognises the many problems and difficulties that exist at present and that lie ahead in the international trade in wheat. It also recognises that in the present circumstances, where substantial supplies of wheat are available for export in excess of current levels of demand by importing countries, the possibility exists that unless an orderly adjustment to more normal levels of supply and import demand can be assured and maintained, the conditions of international trade in wheat could deteriorate to an extent that would have serious implications to international trade in general and to the economies of both wheat exporting and importing countries.

The Members of the Council are unanimous in their conviction that the co-operation on an international basis of all wheat importing and exporting countries is essential to prevent such a situation developing and in their endorsement of the International Wheat Agreement as the instrument for such international co-operation. Believing in the principles and objectives of the International Wheat Agreement, they are further determined to fully support the Agreement in order that it may play its full part in assuring 'supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices .

The Council recognises that the Agreement would be more effective in this respect with the co-operation of important importing and exporting countries not now in the Agreement."

The Council considered and approved a report by the Executive Committee on its activities since the last Session of the Council and also received a report from the Secretary on administrative matters. An application from the Dominion Republic for an increase in her guaranteed quantity from 26,000 to 28,000 metric tons to become effective on 1st August, 1954, was approved. The Council also approved its budget for the next crop year and also the establishment of a Provident Fund scheme for the benefit of its employees.

Mr. F. Sheed Anderson was unanimously re-elected Chairman of the Council and its Executive Committee. Mr. E. McCarthy was also unanimously re-elected as Vice-Chairman of the Council and its Executive Committee.

The Council appointed the following Governments to serve on its Executive Committee for the next crop year:

Importing Countries

Benelux
Brazil
Egypt
Germany
India
Indonesia
New Zealand
South Africa

Exporting Countries

Australia
Canada
United States

The following Governments were appointed to serve on the Advisory Committee for Price Equivalents:

Importing Countries

Benelux
Brazil
India

Exporting Countries

Australia
Canada
United States

It was agreed that the next session of the Council would be held in London in October, 1954.

World Wheat
Prospects for 1954

According to 'Foreign Crops and Markets' prospects for the 1954 wheat crop indicate that world production will probably be somewhat smaller than the near-record outturn of 7.15 billion bushels in 1953. Conditions in both exporting and importing countries are in general, less favourable than at this time last year, though exceptions are noted in some of the principal producing countries of Europe.

According to the United States Department of Agriculture the outturn in Sweden this year is expected to be about 37 million bushels. This is about the same as the 1953 production when the country was on a net export basis.

Conditions have been less favourable in Turkey, where an exceptionally dry fall delayed operations and prevented seeding the full winter wheat acreage intended. However, conditions in the early spring favoured grain seeding, and increased spring-sown acreage may have largely offset the decline in fall-sown acreage. Development of the fall-sown crop was retarded by the dryness, and unless the remainder of the growing season is exceptionally favourable, the crop is expected to be 10 to 15 per cent less than the record 1953 harvest. Growing conditions have been unusually favourable in Iran and wheat there has made very good growth. Prospects point to a wheat crop at least 20 per cent above the 1953 outturn. So far as is known, Iran has not yet disposed of any of the estimated surplus of 3.7 million bushels from the 1953 crop. The wheat crop in Syria is also reported to be good, with significant quantities available for export.

The outlook is generally promising in the principal importing countries of Europe. Throughout Spain prospects are excellent, with preliminary forecasts placing the crop at about 165 million bushels. This would be the largest harvest since Spain's civil war and sharply above the 1953 outturn of about 125 million bushels. Larger acreage, good subsoil moisture supplies and improved cultural practices account for the gain. Spain represented an important market for the United States wheat in 1953-54. If present crop prospects materialize, however, Spain will be close to self-sufficient in 1954-55. The outlook for the wheat harvest in Portugal was excellent at latest report, and a crop at least as large as in 1953 was expected.

The wheat crop in Western Germany is expected to be somewhat below the good 1953 harvest, despite an increased acreage. The severe winter caused considerable damage to fall-sown crops, and about 18 per cent of the winter wheat acreage had to be re-seeded, according to official estimates. Dry weather during the winter and spring months also reduced prospects. The 1954-55 wheat import requirement is roughly forecast at about 2.5 million tons. It is expected that non-dollar sources will continue to supply an important part of the Federal Republic's import requirement. Spring seeding in Austria is 3 to 4 weeks later than normal. Wheat acreage for that country is estimated to be about 588,000 acres, which is well above the total acreage harvested in 1953. Winter wheat acreage is well developed, and frost damage was estimated to affect about 10 per cent of that acreage. The 1954-55 wheat import requirement is currently estimated at 210,000 to 260,000 tons.

Larger seedings of wheat in the Low Countries, Belgium and Netherlands, offset unfavourable growing conditions in those countries. Dry conditions retarded growth and considerable damage was sustained from heavy frosts of late January and early February. Acreage in Belgium was tentatively set at 504,000 acres, compared with 411,000 acres harvested in 1953. Present acreage of 222,000 acres in the Netherlands compares with 161,000 acres harvested last year. Production in the latter country is forecast at about 11 million bushels compared with 9.5 million in 1953.

The outlook for wheat in Mexico is good and unofficial forecasts place the crop at about 27.5 million bushels, compared with 23.9 million in 1953. On the basis of current prospects, the 1954-55 wheat import requirement is expected to be sharply lower than the 350,000 to 450,000 ton level of imports in earlier postwar years (1950-51 to 1952-53). The United States has been the traditional source of supply for the Mexican market. (Continued on page 42)

International Wheat Agreement Sales and Purchases for Crop Year 1953-54

Importing Countries	Guaranteed Quantities	Source				Total Purchases	Remainder 3/
		Canada 1/	Australia 2/	France 2/	U.S.A. 2/		
- thousand bushels -							
Austria	9,186	-	-	-	-	-	9,186
Belgium	23,883	11,338	-	-	1,730	13,068	10,815
Bolivia	4,042	695	-	-	569	1,264	2,778
Brazil	13,228	3,872	-	-	-	3,872	9,356
Ceylon 4/	10,288	763	9,525	-	-	10,288	-
Costa Rica 4/	1,286	568	-	-	757	1,325	-
Cuba	7,422	1,683	-	-	3,847	5,530	1,892
Denmark	1,837	-	-	-	-	-	1,837
Dominican Republic ..	955	407	-	-	401	808	147
Ecuador	2,388	1,857	-	-	514	2,371	17
Egypt	14,697	-	-	-	1,888	1,888	12,809
El Salvador 4/	735	215	-	-	516	731	-
Germany	55,116	16,827	3,962	-	16,553	37,342	17,774
Greece	12,860	-	-	-	4,857	4,857	8,003
Guatemala	1,286	196	-	-	849	1,045	241
Haiti	1,837	552	-	-	959	1,511	326
Honduras Republic ...	735	84	-	-	420	504	231
Iceland	404	183	-	-	101	284	120
India	36,744	-	2,591	-	-	2,591	34,153
Indonesia	6,246	5	3,626	-	613	4,244	2,002
Ireland	10,105	1,701	951	-	-	2,652	7,453
Israel	8,267	4,414	-	-	1,064	5,478	2,789
Japan 4/	36,744	12,033	-	-	24,903	36,936	-
Jordan	2,940	-	-	-	-	-	2,940
Korea	1,470	-	-	-	524	524	946
Lebanon	2,756	-	-	-	34	34	2,722
Liberia	73	28	-	-	13	41	32
Mexico	14,697	-	-	-	2,946	2,946	11,751
Netherlands	24,802	5,746	319	-	11,095	17,160	7,642
New Zealand	5,879	-	5,563	-	-	5,563	316
Nicaragua	367	131	-	-	230	361	6
Norway	8,451	2,806	-	-	3,420	6,226	2,225
Panama	735	359	-	-	290	649	86
Peru	7,349	110	-	-	579	689	6,660
Philippines	8,672	4,390	19	-	3,143	7,552	1,120
Portugal	7,349	746	437	367	2,397	3,947	3,402
Saudi Arabia	2,572	-	-	-	1,512	1,512	1,060
Spain 4/	9,186	-	-	-	9,316	9,316	-
Switzerland	7,900	6,966	-	-	-	6,966	934
Union of South Africa	13,228	5,600	-	-	2,053	7,653	5,575
Vatican City 4/.....	551	-	-	-	551	551	-
Venezuela	6,247	3,618	-	-	2,411	6,029	218
Yugoslavia	3,674	-	-	-	2,338	2,338	1,336
Totals		87,893	26,993	367	103,393	218,646	
Guaranteed Quantities (Exporting Countries)		163,231	48,000	367	209,558	421,156	
Balance		75,338	21,007	-	106,165	202,510	

1/ Canadian sales through June 22, 1954.

2/ Sales recorded by International Wheat Council through June 18, 1954.

3/ The quantities are the unfulfilled balances of the total guaranteed quantities for the year.

4/ Quota filled.

CANADIAN SITUATION

Changes in Canadian Wheat Board Selling Prices

bushel.

The Canadian Wheat Board reduced the selling prices for wheat on Monday, June 7. No. 1 Northern was reduced 10 1/8 cents a bushel at both Fort William-Port Arthur and Vancouver. Other grades were reduced 6 1/8 cents to 10 1/8 cents a

The lowering of Canadian wheat prices followed the announcement on Friday by the United States Department of Agriculture that the U.S. export wheat subsidy would be increased, thus reducing the cost of U.S. wheat to importers by approximately 10 cents a bushel. Prices in effect at June 14 were as follows:

I.W.A., Class II and Domestic Basis in Store

Grades	Fort William- Port Arthur	Vancouver	Churchill
No. 1 Northern	1.72 1/4	1.78 1/4	1.81 1/4
No. 2 Northern	1.66 1/4	1.72 1/4	1.75 1/4
No. 3 Northern	1.64 1/4	1.70 1/4	1.73 1/4
No. 4 Northern	1.60 1/4	1.66 1/4	1.69 1/4
No. 5	1.58 1/4	1.58 1/4	
No. 6	1.57 1/4	1.57 1/4	
Feed	1.54 1/4	1.54 1/4	
No. 1 Garnet	1.60 1/4	1.60 1/4	
No. 2 Garnet	1.59 1/4	1.59 1/4	
No. 3 Garnet	1.58 1/4	1.58 1/4	

Canadian Grain and Flour Mission to Far East

During January and February a Canadian Grain and Flour Mission toured eight countries in the Far East and South East Asia to study markets for Canadian grain and flour in that area.

Members of the mission were William Riddel, Commissioner of the Canadian Wheat Board, G. N. Vogel, Chief of the Grain Division of the Department of Trade and Commerce, and Dr. J. A. Anderson, Chief Chemist of the Board of Grain Commissioners. The countries visited were Japan, Hong Kong, Philippines, Singapore, Malaya, Indonesia, Ceylon, Pakistan and India.

Purposes of the Mission were:

- To promote goodwill between Canada and the various countries.
- To make personal contacts with government officials, importers, flour millers, processors and bakers.
- To discuss mutual problems.
- To give information on the handling, grading and sale of Canadian grain and on its qualities in relation to other grain or flour.
- To study the markets and to encourage their retention and expansion.

The main findings of the Mission were summarized in the June 12 issue of "Foreign Trade", published fortnightly by the Department of Trade and Commerce.

Supply Position Total estimated supplies of wheat in Canada for 1953-54 amount to 983.2 million bushels consisting of a carryover of 369.2 million and the 1953 crop of 614.0 million. In 1952-53 total estimated supplies were 905.1 million bushels. After deducting anticipated domestic requirements of 160.0 million bushels, some 823.2 million were available for export and for carryover during the 1953-54 crop year, compared with 754.7 million available during 1952-53.

Total exports of both wheat as grain and wheat flour in terms of wheat equivalent during the August-May period of the current crop year amounted to 208.7 million as against 297.5 million bushels exported during the same period of the preceding crop year. The balance available at June 1 for export and for carryover during 1953-54, at 614.5 million bushels exceeded by 34 per cent the total of 457.2 million at June 1, 1953.

Marketings of wheat by farmers in Western Canada during the four week period ending June 16, amounted to 22.1 million bushels as against marketings of 33.9 million during the corresponding four weeks of 1952-53. The visible supply of Canadian wheat continued the downward trend which began during the week of February 17, 1954, declining by some 4.1 million bushels during the period May 19 to June 16. Of the total visible supply at June 16, some 188.6 million bushels, or 56 per cent were in country elevators compared with 112.7 million (45 per cent) and 105.9 million (51 per cent) in the same position at approximately the same date in 1953 and 1952, respectively. Stocks of 10.3 million bushels at Vancouver-New Westminster were somewhat larger than the comparable stocks of 8.1 million bushels a year ago and 8.9 million two years ago.

Canadian Wheat Supplies

Item	1952-53	1953-54 <u>1/</u>
- million bushels -		
Carryover in North America at beginning of crop year (August 1)	217.2	369.2
New crop	687.9	614.0
Imports of wheat, August-April	<u>2/</u>	<u>2/</u>
Total estimated supplies	905.1	983.2
Less estimated domestic requirements for crop year	<u>150.4</u>	<u>160.0</u>
Available for export and for carryover	754.7	823.2
Deduct:		
Overseas clearances of wheat as grain, August-May	228.6	164.0
Exports of Canadian wheat to U.S., August-May	<u>21.2</u>	<u>6.2</u>
Total exports of wheat	249.8	170.3
Exports of wheat flour in terms of wheat, August-May ...	<u>47.7 <u>3/</u></u>	<u>38.4</u>
Total exports of wheat and wheat flour	<u>297.5</u>	<u>208.7</u>
Balance on June 1 for export and for carryover	457.2	614.5

1/ Preliminary. 2/ Less than 50,000 bushels.

3/ Adjusted for time lag in returns made by Customs.

Lake shipments of wheat during the period May 17 to June 14 amounted to 28.0 million bushels, virtually on a par with the 28.3 million bushels moved during the comparable period of last season. Lakehead wheat stocks at 41.2 million bushels dropped almost fifteen million bushels during the four week period from May 19 to June 16. The comparable Lakehead stocks on June 18, 1953 amounted to 32.5 million bushels and on June 19, 1952, 23.4 million bushels. Supplies of 34.7 million bushels in Bay, Lake and Upper St. Lawrence ports were well above the comparable 1953 and 1952 stocks of 28.0 million and 19.3 million bushels, respectively. Wheat stocks in Lower St. Lawrence and Maritime ports at 22.8 million bushels, also exceeded by wide margins stocks of 13.5 million in the same position a year ago and 9.4 million two years ago. The total visible supply of Canadian wheat at June 16, 1954 amounted to 337.5 million bushels as against supplies of 247.8 million and 207.5 million at approximately the same date in 1953 and 1952, respectively.

Combined exports of wheat as grain and wheat flour in terms of wheat equivalent during May 1954, at 22.5 million bushels, reached their highest level since November 1953 and exceed by some 47 per cent the April 1954 total of 15.3 million bushels. Although this year's May exports were slightly less than half those for the same month a year ago, it must be noted that at that time shipments were being made against overdue contracts following the termination of a fourteen weeks strike at the Vancouver terminals. Exports of wheat as grain during May, 1954 at 18.2 million bushels were some 59 per cent greater than the 11.5 million exported during the preceding month. Total exports of wheat as grain during the August-May period of the 1953-54 crop year amounted to 170.3 million bushels as against 249.8 million for the same period of 1952-53.

The United Kingdom, as the leading market for Canadian wheat received some 52.0 million bushels, representing almost 31 per cent of the total export shipments of wheat as grain during the first ten months of the current crop year. Other principal markets for Canadian wheat during the period, with quantities in millions of bushels, were as follows: Japan, 32.1; Federal Republic of Germany, 15.7; Belgium, 11.0; Switzerland, 8.9; Brazil, 6.9; United States, 6.2 (of which 2.0 million were for milling in bond); South Africa, 6.0; Netherlands, 5.7; India, 4.3; Spain, 3.4; Israel, 3.0; Norway, 2.3; Ireland, 1.8; Peru, 1.6; Malta, 1.5; Ecuador, 1.4 and Cuba, 1.1.

Preliminary Customs returns indicate that the equivalent of an additional 4.3 million bushels of wheat were exported in the form of wheat flour during May, 1954, an increase of almost 12 per cent over the 3.8 million bushels of wheat equivalent exported during April. The adjusted May, 1953 total stands at 6.2 million bushels and for May, 1952 at 5.7 million bushels. Cumulative exports of flour in terms of wheat during the August-May period of the current crop year amounted to 38.4 million bushels compared with the adjusted figure of 47.7 million bushels for the corresponding period of the preceding crop year.

Report on Rust Development

The following report was issued by the Plant Pathology Laboratory, Winnipeg, Manitoba, under date of June 30, 1954.

It has been stated in previous reports that south winds distributed rust spores widely in Manitoba and Saskatchewan during June 6 - 8. The extent of the leaf and stem rust development that has occurred in consequence of these spore showers is gradually becoming clearer. Rust Report No. 4 (issued June 24) stated

that stem rust had been found as far north as Dauphin, Manitoba and Saskatoon, Saskatchewan. More recent information indicates that stem rust and leaf rust appeared on wheat simultaneously over a very large area. On June 26, Dr. B. J. Sallans found stem rust at Scott, Saskatchewan about 100 miles west of Saskatoon. In this area it could be found only after considerable search. At North Battleford, nearly 100 miles northwest of Saskatoon, stem rust was found, at the same time, on 20 per cent of the plants. At Ruddell, about 20 miles southeast of North Battleford, about 40 per cent of the plants showed rust pustules. From this and other survey trips, it is evident that both stem and leaf rust are generally present over a large area surrounding Saskatoon, though the distribution is heavier in some localities than in others. Leaf rust was generally more abundant than stem rust and could be found in some places on up to 80 per cent of the plants.

A survey in the southeastern part of Saskatchewan by Mr. R. E. McKenzie showed that stem and leaf rust were present also in that part of the province though in a lower concentration. In the Estevan—Weyburn area only a few stem rust pustules could be found and then only after an intensive search.

In the Winnipeg, Manitoba, area, the rust situation appears to have changed little in the last few days. In most of the wheat fields examined on June 29 it took a search of about 5 minutes to find a single stem rust infection. Leaf rust was more abundant than stem rust except in fields of Lee wheat where it was hard to find.

As far as can be judged from the information available at present, it would seem that there is less stem rust infection in eastern Manitoba than in the western parts of the province and in central and northwestern Saskatchewan. This is possibly due to the pattern of spore deposition by the strong southeast winds of about June 7 which must have deposited a great number of spores along the line from Brandon, Manitoba, to North Battleford, Saskatchewan.

Information from the United States indicates heavy rust infection in central Kansas and this is spreading north through adjacent Nebraska. It is probably this infection that has been the main supply of rust spores from the south in recent weeks.

Stem and crown rust has not been found on oats in western Canada, in 1954.

A few leaf and stem rust spores were caught on practically every slide exposed in Manitoba and eastern Saskatchewan during the week ending June 26. The number of leaf and stem rust spores appearing on the slides during this period corresponds very closely to the number caught on the slides exposed in this area during the corresponding period in 1953.

Farmers' Marketings of Wheat in the Prairie Provinces, 1953-54

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -						
August	6, 1953	137,958	939,846	744,269	1,822,073	2,939,427
	13	82,359	4,495,064	2,153,632	6,731,055	1,148,732
	20	640,737	6,490,324	2,129,349	9,260,410	3,265,571
	27	3,048,079	4,727,218	942,142	8,717,439	14,893,230
September	3	2,627,036	4,252,468	1,061,372	7,940,876	14,263,191
	10	1,035,827	3,688,233	1,449,063	6,173,123	14,273,008
	17	845,786	6,161,789	2,446,556	9,454,131	12,496,130
	24	1,055,854	8,743,712	3,935,369	13,734,935	14,104,065
	30	1,149,984	7,782,544	3,568,464	12,500,992	25,013,654
October	7	1,299,454	8,630,744	4,756,932	14,687,130	19,656,526
	14	853,501	6,932,138	4,630,282	12,415,921	13,329,824
	21	765,769	5,808,367	3,267,906	9,842,042	11,759,199
	28	812,735	4,992,187	2,361,514	8,166,436	8,631,950
November	4	836,330	4,377,068	2,296,868	7,510,266	11,675,236
	11	826,645	4,844,511	2,904,327	8,575,483	12,445,961
	18	955,562	6,521,873	2,744,250	10,221,685	12,310,246
	25	701,283	6,785,799	2,132,679	9,619,761	12,444,752
December	2	580,429	6,454,635	2,314,873	9,349,937	9,940,496
	9	482,876	5,846,150	1,636,500	7,965,526	11,000,530
	16	1,980,889	6,824,131	3,313,827	12,118,847	10,993,712
	23	2,531,916	16,102,080	6,888,148	25,522,144	5,788,433
	30	1,038,834	7,734,987	3,556,955	12,330,776	8,172,762
January	6, 1954	379,564	3,075,407	1,536,246	4,991,217	9,524,672
	13	243,394	2,671,407	2,824,975	5,739,776	7,167,790
	20	151,702	1,925,780	1,759,013	3,836,495	8,669,485
	27	41,894	494,946	482,125	1,018,965	10,512,807
February	3	86,511	609,783	749,543	1,445,837	6,842,855
	10	193,500	2,413,218	2,079,190	4,685,908	8,416,097
	17	104,839	1,876,285	1,808,007	3,789,131	6,205,872
	24	110,274	1,596,550	1,323,967	3,030,791	5,159,110
March	3	124,972	1,398,223	1,640,538	3,163,733	4,324,128
	10	65,984	915,951	1,266,236	2,248,171	9,612,414
	17	105,847	1,223,254	1,260,507	2,589,608	9,303,390
	24	164,969	1,152,269	990,670	2,307,908	5,392,904
	31	196,322	1,274,338	1,402,072	2,872,732	2,690,094
April	7	154,978	1,370,386	978,974	2,504,338	2,849,847
	14	213,172	2,066,101	1,407,898	3,687,171	5,671,584
	21	139,539	1,462,649	910,300	2,512,488	7,982,562
	28	119,843	2,337,070	975,037	3,431,950	6,663,832
May	5	83,502	2,462,753	1,298,040	3,844,295	8,224,961
	12	162,156	2,758,296	1,967,087	4,887,539	12,551,968
	19	146,153	2,503,663	1,686,678	4,336,494	6,708,773
	26	149,391	2,510,178	1,294,456	3,954,025	6,976,190
June	2	288,199	3,133,362	2,139,839	5,561,400	7,918,166
	9	357,789	5,892,191	2,143,383	8,393,363	7,671,340
	16	257,458	2,210,916	1,751,873	4,220,247	11,357,455
Totals		28,331,795	188,470,844	96,911,931	313,714,570	428,944,931

Visible Supply of Canadian Wheat, June 16, 1954, Compared with
Approximately the same Date, 1952 and 1953

Position	1952	1953	1954
- thousand bushels -			
Country elevators - Manitoba	4,618	4,789	23,110
Saskatchewan	63,064	62,825	109,247
Alberta	38,253	45,057	56,263
Totals	105,936	112,672	188,620
Interior private and mill	4,670	5,748	7,013
Interior terminals	5,724	14,995	15,225
Vancouver-New Westminster	8,908	8,089	10,306
Victoria	-	149	805
Prince Rupert	6	182	53
Churchill	2,328	2,094	2,516
Fort William-Port Arthur	23,370	32,497	41,165
In transit rail (Western Division)	11,732	18,727	6,734
Bay, Lake and Upper St. Lawrence ports	19,333	28,037	34,737
Lower St. Lawrence and Maritime ports	9,375	13,456	22,774
In transit lake	7,448	5,064	6,840
In transit rail (Eastern Division)	2,770	4,778	76
United States ports	5,870	1,077	647
In transit U.S.A.	-	251	-
Totals	207,468	247,817	337,512

Grading of Wheat Inspected, August—May, 1953-54 with Comparisons

Grade	Crop Year		August—May			
	Average	1952-53	1952-53		1953-54	
	1947-48— 1951-52					
	per cent	per cent	cars	per cent	cars	per cent
1 Hard	1/	1/	49	1/	-	-
1 Northern	12.2	7.1	15,813	7.2	13,115	8.5
2 Northern	29.9	31.7	65,299	29.7	65,555	42.5
3 Northern	13.7	17.4	38,515	17.5	31,968	20.7
4 Northern	6.0	9.6	22,001	10.0	8,764	5.7
5 Wheat	5.7	10.4	23,254	10.6	8,604	5.6
6 Wheat	3.3	2.8	6,868	3.1	3,807	2.5
Feed Wheat	0.6	0.4	1,076	0.5	312	0.2
Garnet	0.9	0.5	1,096	0.5	770	0.5
Amber Durum	3.2	1.7	4,086	1.9	3,965	2.6
Alberta Winter	0.5	0.1	238	0.1	165	0.1
Toughs 2/ 3/	18.4	16.7	38,397	17.4	14,672	9.5
Damps 2/ 4/	3.8	0.1	354	0.2	82	0.1
Rejected 2/	0.6	1.0	2,189	1.0	1,718	1.1
All Others	1.1	0.4	940	0.4	842	0.5
Totals	100.0	100.0	220,175	100.0	154,339	100.0

1/ Less than .05 per cent.

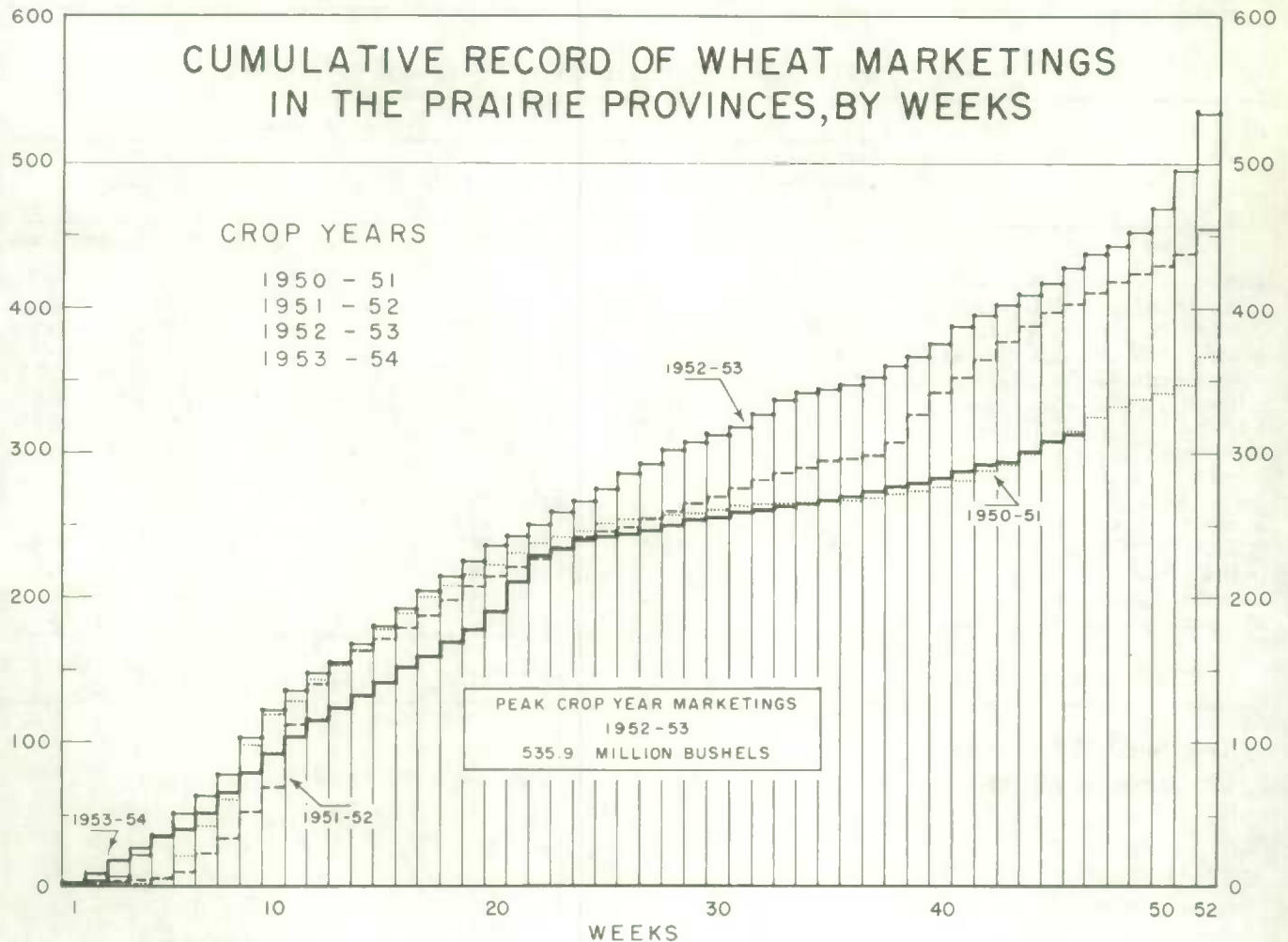
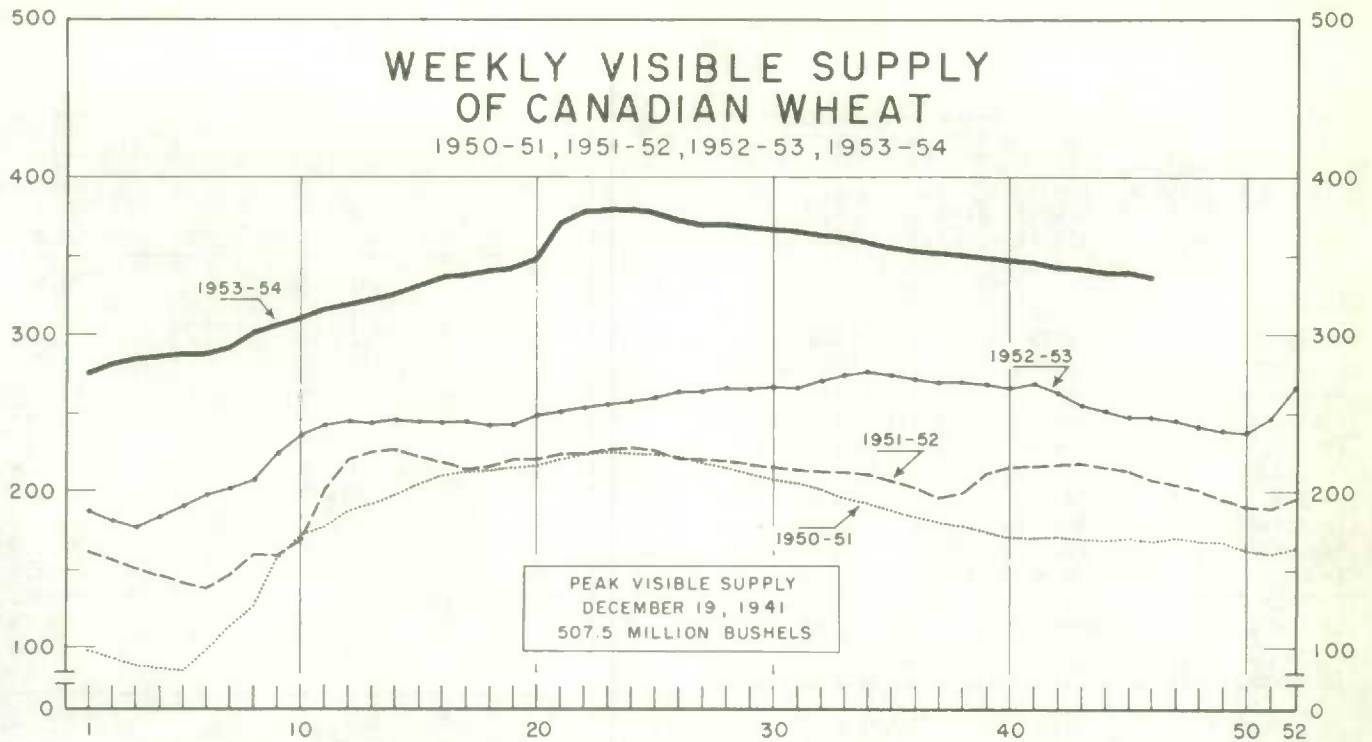
2/ All varieties and grades.

3/ Moisture content 14.9 to 17 per cent for Durum, 14.6 to 17 per cent for all other varieties.

4/ Moisture content over 17 per cent.

MILLION BUSHEL

MILLION BUSHEL



(Data in both charts for crop years beginning August 1)

Lake Shipments of Canadian Grain from the Opening of Navigation to June 14, 1954
and to Approximately the Same Date, 1944 to 1953*

Year	Wheat	Oats	Barley	Rye	Flaxseed	Total
- thousand bushels -						
1944	85,204	26,812	15,107	4,787	3,583	135,493
1945	95,235	30,937	16,480	2,226	1,464	146,343
1946 <u>1/</u>	32,976	21,420	6,804	518	418	62,136
1947	45,593	13,592	6,256	1,527	-	66,968
1948	29,081	5,172	5,366	302	2,511	42,432
1949	61,207	7,290	8,663	4,501	3,923	85,582
1950	51,636	5,127	7,306	1,320	140	65,529
1951	44,002	15,684	11,881	2,762	405	74,734
1952	74,775	28,652	24,198	2,944	1,701	132,270
1953	88,255	24,387	35,992	4,278	1,453	154,365
1954	33,013	19,067	17,896	2,709	1,456	74,140

*Shipments from opening of navigation to June 14, 1944 through 1947. Shipments for subsequent years to the following dates: June 17, 1948; June 16, 1949; June 15, 1950; June 14, 1951; June 12, 1952; June 11, 1953.

1/ Opening of navigation to June 7, 1946, on account of boat strike.

Total shipments of the five major grains out of Lakehead terminals from the opening of navigation to June 14, amounted to 74.1 million bushels as against 154.4 million bushels for the comparable period of 1953 when navigation opened virtually three weeks earlier than in 1954. Shipments of wheat at 33 million bushels accounted for 45 per cent of the total, with oats shipments at 19.1 million bushels and barley at 17.9 million accounting for 26 per cent and 24 per cent, respectively. The remainder consisted of rye shipments, 4 per cent and flaxseed 2 per cent.

<u>Crop and</u>	The telegraphic crop report, published by the Dominion Bureau of
<u>Weather</u>	Statistics on June 30, summarized crop conditions in the Prairie
<u>Conditions</u>	Provinces as follows:

Warmer weather during the past week has greatly aided crop development in the Prairie Provinces. However, excessive moisture, with flooding in some areas has reduced seedings and damaged crops particularly in low-lying areas of Manitoba, northeastern Saskatchewan and parts of Alberta. Some seeding of barley and green feed is still being carried on in late areas of all three provinces. Crops generally are late and weedy and will have to face more than usual hazards from rust and early frosts. Moisture supplies, almost without exception, are adequate for present requirements. Pasture and hay crops are generally good to excellent.

Wheat Shipments* to the United States by Destination
August 1, 1953 to June 16, 1954
Compared with Approximately the Same Period 1951-52 and 1952-53

Destination	1951-52	1952-53	1953-54
- bushels -			
<u>By Vessel</u>			
Duluth-Superior	4,784,760	2,643,223	136,603
Milwaukee	353,016	-	40,940
Chicago	1,161,571	383,222	68,700
Huron	-	320,734	68,592
Erie	93,107	276,567	153,776
Buffalo	21,426,145	14,968,273	5,443,495
Oswego	514,005	2,403,097	-
Totals, Vessel	28,332,604	20,995,116	5,912,106
<u>By Rail</u>			
U.S.A. Seaboard Ports	1,903,416	648,480	16,534
Other U.S.A. Points	5,487,220	4,406,353	1,747,419
Totals, Rail	7,390,636	5,054,833	1,763,953
Totals, Shipments	35,723,240	26,049,949	7,676,059

*Either for re-export or retention for domestic use.

Total shipments of wheat to the United States either for re-export or retention for domestic use from the beginning of the current crop year to June 16, amounted to 7.7 million bushels as against shipments of 26.0 million and 35.7 million for the comparable periods of 1952-53 and 1951-52, respectively.

Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during the August-May period of the current crop year amounted to 9.7 million bushels compared with 14.6 million shipped during the same period of 1952-53.

Rail Shipments of Wheat to Maritime Ports from Bay, Lake
and Upper St. Lawrence Ports

Ports	August 1, 1952 to May 31, 1953	August 1, 1953 to May 31, 1954
- bushels -		
Port McNicoll	5,224,814	3,469,474
Midland	6,157,939	3,872,981
Collingwood	779,026	797,448
Owen Sound	1,091,355	916,431
Goderich	99,760	240,278
Sarnia	630,857	286,263
Walkerville	-	145,082
Humberstone	30,000	-
Toronto	567,557	-
Prescott	32,298	-
Totals	14,613,606	9,727,957

Rail Shipments of Wheat from Fort William-Port Arthur, 1950-51-1953-54

Month	1950-51	1951-52	1952-53	1953-54
- bushels -				
August	122,532	283,914	191,711	191,336
September	123,256	435,068	1,181,046	236,030
October	73,543	159,667	936,757	173,043
November	133,848	465,193	651,957	138,440
December	1,517,624	1,387,828	464,914	347,824
January	4,394,047	5,839,567	6,550,958	510,486
February	3,303,248	3,618,007	9,566,151	368,662
March	3,476,161	1,564,586	6,285,944	555,518
April	1,196,236	107,061	189,339	378,681
May	462,676	132,496	216,046	253,607
June	356,443	196,083	136,014	
July	199,603	113,827	223,687	
Totals	15,359,217	14,303,297	26,594,524	

In keeping with the usual seasonal trend, rail shipments of wheat from the Lakehead have continued to decline following the opening of navigation. Shipments during May amounted to 253,607 bushels, somewhat above the shipments of 216,046 bushels and 132,496 bushels in the same month in 1953 and 1952, respectively. Cumulative rail shipments from the Lakehead during the August-May period of the current crop year amounted to 3.2 million bushels as against shipments of 26.2 million bushels during the same period of the preceding crop year.

Distribution of the May 1954 rail shipments of wheat from the Lakehead by grade and destination is shown in the table below. All shipments during May went to Ontario and Quebec points with the former province receiving 223,030 bushels and the latter, 30,577 bushels.

Distribution of Rail Shipments of Wheat from Fort William-Port Arthur
May, 1954

Grade	Quebec	Ontario
- bushels -		
3 Northern	2,000	-
4 Northern	4,000	126,500
5 Wheat	4,334	11,166
Amber Durum	20,243	12,500
All Others	-	72,864
Totals	30,577	223,030

Freight Assistance Shipments Claims filed for payment up to May 31, 1954 represent shipments of some 9.2 million bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia during the first three quarters of the 1953-54 crop year. During the same period of the 1952-53 crop year claims had been filed for some 10.6 million bushels indicating, on the assumption of approximately the same rate of submission of claims during both the current and preceding crop years that the 1953-54 August-April wheat shipments under the plan were running somewhat below those in 1952-53. Revised data on shipments during the first nine months of 1952-53 based on claims submitted up to May 31, 1954 place the total at 11.2 million bushels. The bulk of the current crop year's August-April shipments went to destinations in Ontario and Quebec, with British Columbia accounting for most of the remainder.

Provincial Distribution of Freight-Assisted Wheat Shipments,
1953-54 and 1952-53

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
- thousand bushels -								
August, 1953	6	21	61	41	393	408	237	1,166
September	8	10	64	43	474	294	217	1,110
October	10	7	59	38	379	463	226	1,183
November	13	3	52	34	405	381	203	1,090
December	5	8	67	27	366	395	217	1,086
January, 1954	12	11	66	43	340	373	212	1,058
February	6	13	48	27	331	295	165	886
March	3	7	74	32	388	364	147	1,014
April	2	5	42	26	218	272	38	604
Totals <u>1/</u>	65	87	533	312	3,294	3,245	1,662	9,198
Same period 1952-53:								
Preliminary <u>2/</u>	69	161	609	388	3,765	3,976	1,646	10,614
Revised <u>1/</u>	72	167	622	398	3,840	4,147	1,916	11,162

Preliminary data on millfeed shipments under the freight assistance plan indicate shipments of 327,622 tons during the August-April period of 1953-54. This total based on claims submitted up to May 31, 1954 is about 15 per cent below the preliminary total for the comparable period of 1952-53. Revised figures for the August-April period of 1952-53 show a total of 412,097 tons shipped under the plan. As with wheat, data on freight-assisted millfeed shipments are subject to upward revision with the filing of additional claims.

Provincial Distribution of Freight-Assisted Millfeed Shipments,
1953-54 and 1952-53

Province	August-April		
	1952-53		1953-54
	Preliminary <u>2/</u>	Revised <u>1/</u>	Preliminary <u>1/</u>
- tons -			
Newfoundland	2,546	2,675	2,615
Prince Edward Island ..	5,639	5,875	3,429
Nova Scotia	28,749	30,063	24,096
New Brunswick	25,699	26,578	21,742
Quebec	185,729	194,507	154,421
Ontario	109,105	115,027	88,263
British Columbia	30,163	37,372	33,056
Totals	387,630	412,097	327,622

1/ Based on claims filed up to May 31, 1954.

2/ Based on claims filed up to May 31, 1953.

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

Year and Month	Overseas Clearances of Canadian Wheat 1/	Exports of Canadian Wheat to U.S.A. for Domestic Use and Milling in Bond 2/	Customs Exports of Canadian Wheat Flour 3/	Total	Customs 4/ Exports of Wheat and Wheat Flour
- thousand bushels -					
<u>1951-52</u>					
August	16,921	2,240	2,581	21,742	27,182
September	16,726	2,376	3,151	22,253	22,161
October	23,764	3,830	3,851	31,445	24,212
November	29,830	5,687	4,033	39,550	34,671
December	12,075	4,701	3,683	20,459	37,347
January	14,382	1,620	3,407	19,409	18,523
February	16,010	2,574	4,180	22,764	18,472
March	15,876	1,215	5,354	22,445	21,904
April	16,657	3,342	4,389	24,387	30,516
May	35,550	2,725	5,735	44,010	38,138
June	33,770	4,554	6,101	44,425	40,894
July	34,478	3,818	4,639	42,935	44,782
Totals	266,039	38,683	51,103	355,825	358,803
<u>1952-53</u>					
August	26,089	2,559	4,031	32,679	38,946
September	21,208	3,312	4,891	29,411	27,326
October	24,106	2,950	5,474	32,530	35,611
November	34,339	3,677	5,647	43,663	36,052
December	21,777	2,883	5,146	29,806	44,468
January	17,518	1,206	3,443	22,167	23,562
February	13,135	847	3,603	17,585	18,220
March	11,220	915	4,724	16,858	15,466
April	19,019	1,341	4,508	24,867	20,061
May	40,179	1,476	6,247	47,902	35,963
June	37,390	1,617	4,880	43,887	51,752
July	40,149	115	3,906	44,170	41,498
Totals	306,129	22,897	56,501	385,527	388,926
<u>1953-54 5/</u>					
August	24,152	569	3,724	28,445	34,113
September	20,672	198	3,365	24,235	22,736
October	22,072	258	3,371	25,701	29,731
November	18,815	1,549	4,052	24,417	23,696
December	12,857	795	4,103	17,755	23,423
January	13,416	409	3,962	17,788	17,352
February	10,273	287	3,126	13,686	17,134
March	14,079	167	4,634	18,881	15,618
April	10,708	777	3,807	15,291	18,646
May	16,987	1,228	4,255	22,470	21,734
Totals	164,032	6,238	38,399	208,669	224,182

1/ Compiled by the Statistics Branch, Board of Grain Commissioners for Canada.

2/ Compiled by the Statistics Branch, Board of Grain Commissioners for Canada, from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.

3/ Exports for crop years 1951-52 and 1952-53 revised to remove effect of time lag in the returns made by Customs.

4/ Unadjusted, as published by the International Trade Division, D.B.S.

5/ Subject to revision.

Exports of Canadian Wheat and Wheat Flour by Destination, 1953-54

Destination	February	May		August—May	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
- bushels -					
COMMONWEALTH COUNTRIES					
United Kingdom	939,371	2,011,275	4,148,448	13,109,135	52,012,220
Africa					
Gambia	1,377	-	-	19,805	-
Gold Coast	42,413	68,611	-	750,442	-
Nigeria	35,618	40,955	-	410,877	-
Sierra Leone	4,473	10,836	-	81,081	-
Union of South Africa	-	-	741,067	-	5,950,374
Asia					
Ceylon	242,829	-	-	242,829	-
Hong Kong	52,133	58,581	-	935,010	-
India	-	-	-	-	4,272,438
Malaya and Singapore	35,545	22,194	-	299,957	-
Europe					
Gibraltar	-	12,852	-	114,876	-
Malta	-	-	28,000	-	1,492,773
North America					
Bahamas	17,280	17,253	-	214,542	-
Barbados	27,972	25,888	525	378,283	1,508
Bermuda	8,316	9,985	-	95,620	-
British Honduras	6,511	2,079	-	44,721	-
Jamaica	139,581	140,774	-	1,649,169	3,490
Leeward and Windward Islands	94,882	81,760	-	805,153	-
Trinidad and Tobago	286,771	291,659	-	1,916,199	-
South America					
British Guiana	186,633	49,824	-	953,730	-
Totals, Commonwealth Countries ..	2,121,705	2,844,526	4,918,040	22,021,429	63,732,803
FOREIGN COUNTRIES					
Africa					
Azores and Madeira	9,400	11,084	-	52,052	-
Belgian Congo	33,831	45,837	-	542,525	9,186
Canary Islands	-	-	-	918	-
Egypt	-	-	-	4,599	-
French Africa	-	-	-	7,843	-
Liberia	-	769	-	5,593	-
Libya	-	-	38,734	-	451,734
Morocco	5,053	10,346	-	284,441	-
Portuguese East Africa	3,537	342	-	10,674	398,346
Portuguese West Africa	4,163	1,805	-	34,083	-
Spanish Africa	-	-	-	14,148	-
Asia					
Arabia	90	1,283	-	98,757	-
Indonesia	5,049	-	-	72,041	-
Israel	-	-	-	3,060	2,981,464
Japan	1,615	72,418	3,231,513	969,322	32,084,690
Korea	-	-	-	953,046	-
Lebanon	10,206	18,054	-	126,441	-
Philippine Islands	302,742	507,488	-	4,417,205	-
Portuguese Asia	-	-	-	15,827	-
Syria	-	-	-	135	-
Taiwan (Formosa)	-	-	-	-	79,707
Thailand	18,743	29,525	-	265,712	-

Exports of Canadian Wheat and Wheat Flour by Destination, 1953-54

Destination	February	May		August—May	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
	- bushels -				
<u>Europe</u>					
Austria	-	-	-	-	350,000
Belgium	-	-	451,510	-	10,993,315
Denmark	-	-	-	1,125	878,700
France	-	5,553	-	10,098	709,334
Germany, Federal Republic of	48,402	99,747	4,014,947	510,930	15,686,888
Iceland	36,558	12,861	-	172,755	-
Ireland	-	-	-	-	1,801,221
Italy	-	-	-	163,143	382,922
Netherlands	31,234	-	152,320	16,047	5,705,323
Norway	-	-	230,160	-	2,342,917
Portugal	4,977	3,902	-	54,639	354,667
Spain	-	-	-	-	3,424,966
Switzerland	-	-	372,400	-	8,868,691
Yugoslavia	576	346	-	17,914	-
<u>North America</u>					
Alaska	-	-	-	4	-
Costa Rica	36,027	49,946	16,666	360,815	40,000
Cuba	111,344	35,379	-	663,417	1,148,347
Dominican Republic	51,750	60,417	-	404,942	-
El Salvador	20,007	30,631	-	257,292	-
French West Indies	-	936	-	5,476	-
Guatemala	13,406	46,062	-	381,123	-
Haiti	34,326	35,158	-	537,867	-
Honduras	-	1,836	-	20,065	6,667
Mexico	-	-	-	549	-
Netherlands Antilles	-	29,529	-	202,851	-
Nicaragua	8,478	23,040	-	270,194	-
Panama	28,512	33,804	-	294,746	-
St. Pierre and Miquelon	3,357	338	-	15,507	-
United States					
Flour in terms of wheat	2,754	35,572	-	120,244	-
For milling in bond 4/	-	-	621,688	-	2,023,932
For domestic use 4/	-	-	606,442	-	4,214,245
Virgin Islands	-	342	-	9,522	-
<u>Oceania</u>					
Guam	-	-	-	1,147	-
<u>South America</u>					
Bolivia	-	-	-	17,626	846,120
Brazil	-	-	2,987,605	1,440	6,910,548
Colombia	46,940	41,103	134,449	530,811	875,560
Ecuador	13,986	1,147	383,218	42,178	1,391,273
Peru	459	9,328	53,200	33,412	1,567,351
Surinam	31,995	21,114	-	167,454	-
Venezuela	386,086	133,119	2,000	3,213,896	9,480
Totals, Foreign Countries	1,305,603	1,410,161	13,296,852	16,377,651	106,537,594
Totals, All Countries	3,427,308	4,254,687	18,214,892	38,399,080	170,270,397

1/ Adjusted to remove effect of time lag in the returns made by Customs.

2/ In terms of wheat equivalent. Source: Canadian Customs returns.

Conversion rate: 4 1/2 bushels of wheat equal 1 barrel of 196 pounds of wheat flour.

3/ Overseas clearances as reported by the Statistics Branch, Board of Grain Commissioners for Canada, for all countries except the United States. Subject to revision.

4/ Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.

Canadian Wheat Board Weekly Average Cash Wheat Prices
Basis in Store Fort William-Port Arthur

Class and Grade	Week ending				
	May 28	June 4	June 11	June 18	June 25
- cents and eighths per bushel -					
<u>Initial Payment to Producers</u>					
1 Northern	140	140	140	140	140
2 Northern	137	137	137	137	137
3 Northern	134	134	134	134	134
4 Northern	126	126	126	126	126
5 Wheat	112	112	112	112	112
6 Wheat	106	106	106	106	106
Feed Wheat	100	100	100	100	100
1 C.W. Garnet	134	134	134	134	134
2 C.W. Garnet	131	131	131	131	131
1 Alberta Red Winter	137	137	137	137	137
2 Alberta Winter	134	134	134	134	134
1 C.W. Amber Durum	150	150	150	150	150
2 C.W. Amber Durum	147	147	147	147	147
3 C.W. Amber Durum	140	140	140	140	140
<u>International Wheat Agreement and Domestic Sales</u>					
1 Northern	182/4	182/4	172/3	172/1	172
2 Northern	176/4	176/4	166/3	166/1	166
3 Northern	174/4	174/4	164/3	164/1	164
4 Northern	168/4	168/4	160/3	160/1	160
5 Wheat	165/4	165/4	158/3	158/1	158
6 Wheat	164/4	164/4	157/3	157/1	155/7
Feed Wheat	160/4	160/4	154/3	154/1	152/7
1 C.W. Garnet	172/4	172/4	160/3	160/1	160
2 C.W. Garnet	169/4	169/4	159/3	159/1	159
3 C.W. Garnet	165/4	165/4	158/3	158/1	158
1 Alberta Red Winter	176/4	176/4	164/3	164/1	164
2 Alberta Winter	174/4	174/4	162/3	162/1	162
3 Alberta Winter	170/4	170/4	160/3	160/1	160
1 C.W. Amber Durum ^{1/}	201/4	201/4	201/3	201/1	201
2 C.W. Amber Durum ^{1/}	199/4	199/4	199/3	199/1	199
3 C.W. Amber Durum ^{1/}	198/4	198/4	198/3	198/1	198
<u>Export - Class II</u>					
1 Northern	182/4	182/4	172/3	172/1	172
2 Northern	176/4	176/4	166/3	166/1	166
3 Northern	174/4	174/4	164/3	164/1	164
4 Northern	168/4	168/4	160/3	160/1	160
5 Wheat	165/4	165/4	158/3	158/1	158
6 Wheat	164/4	164/4	157/3	157/1	155/7
Feed Wheat	160/4	160/4	154/3	154/1	152/7
1 C.W. Garnet	172/4	172/4	160/3	160/1	160
2 C.W. Garnet	169/4	169/4	159/3	159/1	159
3 C.W. Garnet	165/4	165/4	158/3	158/1	158
1 C.W. Amber Durum	278	278	278	278	277/5
2 C.W. Amber Durum	276	276	276	276	275/5
3 C.W. Amber Durum	275	275	275	275	274/5

^{1/} Prices of Durums sold for domestic use are ten cents per bushel higher than indicated in the table.

Canadian Wheat Board Weekly Average Cash Wheat Prices
Basis in Store Vancouver

Class and Grade	Week ending				
	May 28	June 4	June 11	June 18	June 25
- cents and eighths per bushel -					
<u>Initial Payment to Producers</u>					
1 Northern	140	140	140	140	140
2 Northern	137	137	137	137	137
3 Northern	134	134	134	134	134
4 Northern	126	126	126	126	126
5 Wheat	112	112	112	112	112
6 Wheat	106	106	106	106	106
Feed Wheat	100	100	100	100	100
1 C.W. Garnet	134	134	134	134	134
2 C.W. Garnet	131	131	131	131	131
1 Alberta Red Winter	137	137	137	137	137
2 Alberta Winter	134	134	134	134	134
1 C.W. Amber Durum	150	150	150	150	150
2 C.W. Amber Durum	147	147	147	147	147
3 C.W. Amber Durum	140	140	140	140	140
<u>International Wheat Agreement</u>					
<u>and Domestic Sales</u>					
1 Northern	189/4	188/6	178/3	178/1	178
2 Northern	183/4	182/6	172/3	172/1	172
3 Northern	180/4	179/6	170/3	170/1	170
4 Northern	174/4	173/6	166/3	166/1	166
5 Wheat	165/4	165/4	158/3	158/1	158
6 Wheat	164/4	164/4	157/3	157/1	155/7
Feed Wheat	160/4	160/4	154/3	154/1	152/7
1 C.W. Garnet	172/4	172/4	160/3	160/1	160
2 C.W. Garnet	169/4	169/4	159/3	159/1	159
3 C.W. Garnet	165/4	165/4	158/3	158/1	158
1 Alberta Red Winter	183/4	183/4	170/3	170/1	170
2 Alberta Winter	181/4	181/4	168/3	168/1	168
3 Alberta Winter	177/4	177/4	166/3	166/1	166
<u>Export - Class II</u>					
1 Northern	189/4	188/6	178/3	178/1	178
2 Northern	183/4	182/6	172/3	172/1	172
3 Northern	180/4	179/6	170/3	170/1	170
4 Northern	174/4	173/6	166/3	166/1	166
5 Wheat	165/4	165/4	158/3	158/1	158
6 Wheat	164/4	164/4	157/3	157/1	155/7
Feed Wheat	160/4	160/4	154/3	154/1	152/7
1 C.W. Garnet	172/4	172/4	160/3	160/1	160
2 C.W. Garnet	169/4	169/4	159/3	159/1	159
3 C.W. Garnet	165/4	165/4	158/3	158/1	158
1 Alberta Red Winter	183/4	183/4	170/3	170/1	170
2 Alberta Winter	181/4	181/4	168/3	168/1	168
3 Alberta Winter	177/4	177/4	166/3	166/1	166

CANADIAN FLOUR MILLING SITUATION

Production The production of Canadian wheat flour reported by Canadian mills for May, 1954 amounted to 1,707,000 barrels, only slightly below the April, 1954 output of 1,763,000 barrels, but well below the May, 1953 outturn of 2,158,000 barrels. The ten-year (1943-44-1952-53) average for May production was 2,041,000 barrels. Mills reporting operations during May, 1954 had a total rated capacity of 97,484 barrels per 24-hour day, and on the basis of a 25-day working period, 70.0 per cent of this rated capacity was effective.

Wheat milled for flour during the month amounted to 7.5 million bushels, as against 7.8 million bushels milled during the preceding month and 9.6 million bushels milled during May last year. Of the wheat milled for flour during May, 1954 some 6.8 million bushels were Western Canadian Spring wheat (other than Durum). Most of the balance consisted of Ontario Winter wheat (505,000 bushels) and Durum wheat (87,000 bushels).

Exports According to preliminary customs returns, exports of Canadian wheat flour during May, 1954 amounted to 945,486 barrels (4,255,000 bushels of wheat equivalent), representing an increase of some 12 per cent from flour exports of the preceding month. Flour shipments during the month went to fifty countries and colonies, with the United Kingdom accounting for 2.0 million bushels of wheat equivalent, representing 47 per cent of the total. Other countries receiving shipments in excess of one hundred thousand bushels were as follows, in thousands of bushels: Philippine Islands (507); Trinidad and Tobago (292); Jamaica (141); Venezuela (133); and Federal Republic of Germany (100).

Wheat Milled for Flour, and Production and Exports of Wheat Flour, Canada

Crop Year	Wheat Milled for Flour	Wheat Flour	
		Production	Exports ^{1/}
	- bushels -	- barrels of 196 pounds -	
1935-36-1939-40 average	67,845,114	15,002,781	4,899,970
1940-41-1944-45 average	99,704,638	22,402,166	12,091,605
1945-46	118,074,774	26,435,341	14,470,177
1946-47	127,775,176	28,588,456	16,896,233
1947-48	109,822,011	24,159,696	13,661,573
1948-49	90,896,984	20,379,997	10,687,561
1949-50	90,082,917	20,259,200	10,151,090
1950-51	106,748,343	23,630,180	12,426,996
1951-52	104,494,021	22,842,441	11,356,288
1952-53	106,727,237	23,865,625	12,555,714
1953-54 ^{2/}			
August	6,345,959	1,423,693	827,588
September	7,692,345	1,742,629	747,741
October	8,420,739	1,909,488	749,098
November	8,216,541	1,866,563	900,514
December	8,018,819	1,815,315	911,726
January	7,350,931	1,661,799	880,532
February	7,567,133	1,717,646	694,768
March	8,099,356	1,829,768	1,029,780
April	7,792,667	1,763,146	845,896
May	7,540,399	1,707,007	945,486
Totals	77,044,889	17,437,054	8,533,129
Same period 1952-53 (revised) ..	89,466,992	19,988,511	10,603,117

^{1/} Based on Customs returns. Exports for the crop years 1945-46-1952-53 revised to remove effect of time lag in the returns made by Customs.

^{2/} Subject to revision.

UNITED STATES SITUATION

Supply Position Total estimated supplies of wheat in the United States for 1953-54 amount to 1,735.3 million bushels, consisting of a carry-over of 562.5 million, the 1953 crop of 1,168.5 million and July-May imports of 4.3 million bushels of Canadian wheat. With anticipated domestic requirements amounting to 661 million bushels, some 1,074.3 million bushels remain available for export and for carryover during 1953-54 compared with 874.6 million available during 1952-53.

United States Wheat Supplies

Item	1952-53	1953-54 ^{1/}
	- million bushels -	
Carryover at beginning of crop year (July 1)	255.7	562.5
New crop	1,291.4	1,168.5
Total estimated domestic supplies	1,547.1	1,731.0
Imports of wheat for domestic use, July-May	19.5	4.3
Total estimated supplies ^{2/}	1,566.6	1,735.3
Less estimated domestic requirements for crop year ^{3/} .	692.0	661.0
Available for export and for carryover	874.6	1,074.3
Deduct:		
Exports of wheat as grain, July-May	263.1	165.2
Exports of wheat flour and products in terms of wheat, July-May	37.2	30.7
Total exports of wheat, wheat flour and products .	300.3	196.0
Balance on June 1 for export and for carryover	574.3	878.3

^{1/} Preliminary.

^{2/} Excluding imports for June.

^{3/} Includes allowances for shipments of United States wheat and wheat products to Alaska, Hawaii, Puerto Rico, Guam, Samoa, Virgin Islands and Wake Island.

These shipments are not included in exports as set out in the table.

Exports of wheat, wheat flour and products, July 1953 through May 1954 amounted to 196 million bushels as against exports of 300.3 million during the same months of 1952-53. The balance remaining on June 1, 1954 for export and for carryover was estimated at 878.3 million bushels, some 304.0 million greater than the amount available at the same date in 1953.

Should shipments continue at this rate, exports for 1953-54 are expected to total about 215 million bushels. In 1952-53 exports were 317 million bushels, but only 25 million bushels of this were financed through aid programs. During 1953-54 about one-third is moving under various foreign aid programs, including Section 550, the Pakistan Wheat Loan, the so-called Famine Relief Bill

(P.L. 216), the Defence Base program in Spain, and other programs. Exports of wheat including flour, sold under the International Wheat Agreement, June 2, 1953 to June 15, 1954 totalled only 104 million bushels. This is only about one-half of the United States quota of 210 million bushels. A part of this represented exports under the various foreign aid programs.

Carryover July 1, 1954
May Total About 900
Million Bushels

On the basis of April 1 stocks and estimated domestic disappearance and exports in April-June, the July 1, 1954 carryover is expected to be about 900 million bushels.

The official estimate of stocks of old crop wheat in all positions on July 1 will be released July 23. It is expected that almost all of the carryover will be in CCC loan or owned stocks.

Wheat Production
14 Per Cent Below
1953; Acreage Down
About 20 Per Cent

The prospective 1954 wheat crop of 1,000 million bushels, based on conditions as of June 1, consists of the following, in million bushels (1953 figures in parentheses): Winter wheat 740 (878), durum 19 (13), and other spring wheat 241 (278). Total wheat production would be 14 per cent smaller

than the 1953 crop of 1,169 million bushels, 26 per cent smaller than the record crop of 1,359 million bushels in 1947, and 11 per cent below the 1943-52 average of 1,122 million bushels.

A winter wheat crop of 740 million bushels would be about 16 per cent smaller than the 878 million bushels produced in 1953, and 11 per cent smaller than the 1943-52 average of 833 million. The June indication was 33 million bushels above that of a month earlier. May weather was beneficial for winter wheat in practically all States in the eastern half of the country, and especially favourable in the major wheat States of the southern Great Plains. Crop prospects also improved during May in Nebraska; but in Washington and Oregon, lack of moisture and some unseasonably cold weather lowered production prospects. The yield per harvested acre for the United States was estimated at 19.6 bushels, which would be the second highest of record. This compares with 18.8 bushels last year and the 1943-52 average of 17.7 bushels. Winter wheat acreage for harvest was down 19 per cent compared with a year earlier, in response to acreage allotments and marketing quotas.

A spring wheat crop (including durum) of nearly 260 million bushels was forecast, based on condition as of June 1. This is 11 per cent less than last year's crop and 10 per cent below the 10-year average. Indicated above-average yields reflected beneficial rains the last 10 days of May. Intended plantings of 16.7 million acres (based on March intentions) compare with 21.9 million acres a year ago (down 24 per cent), and with the 10-year average of 20.0 million acres.

The durum wheat crop was forecast at 19 million bushels, compared with 13 million bushels produced last year, and with the average of 35½ million bushels. In March, farmers reported their intentions to seed a much smaller acreage of durum wheat than in 1953, when yields were low because of rust and dry weather. To date, little information has become available that would indicate any significant shift from March intentions. A crop of 19 million bushels is better than the 13 million bushels produced last year but still less than the average quantity milled in the last 5 years. Durum is used in the manufacture of macaroni, noodles, and related products.

Production of spring wheat other than durum was forecast at 241 million bushels, 37 million bushels less than last year, and 12 million bushels below average.

Cash Wheat Cash wheat prices, in general, have declined sharply since early
Prices Decline May. The price of No. 2 Hard winter at Kansas City declined from \$2.45 on May 5 to \$2.02 on June 21. Cash prices, especially of winter wheat, usually start a decline sometime in May (in a seasonal downward adjustment to new crop conditions), and usually reach a low for the season in June, July, or August. The 1953-54 marketing year and the year previous were the only two years since the support programs were started in 1938 that prices for all classes and grades of wheat did not average above loan rates at some time during the season. High-protein spring wheat and durum were the only classes for which market prices in 1953-54 were above loan levels. Large supplies of soft red winter wheat—for which the market is limited—and prospects of record supplies of all wheat were important factors in the price situation in both of the last two years.

CCC Wheat Sales Plans The 1954-55 marketing year plans for the sale of CCC-owned
for 1954 Crop Similar wheat acquired under price support were announced on
to Those Now in Effect May 27. These, in general, are the same as operations now being carried out for the sale of CCC-owned wheat for milling and other domestic food use and for export; and for the sale of low grade wheat for use for feed in the United States.

All wheat sold for domestic milling and food purposes will be priced at not less than statutory minimum prices, with no price reduction for stocks of old crop milling wheat. Sales of CCC-owned wheat for export will be at the domestic market price less a subsidy or export allowance. Some low grade and low quality wheat will be sold at highest bids for domestic use as feed only.

In continuing the present policy of pricing CCC-owned wheat sold for domestic milling and other food uses, the USDA will set prices at not less than 105 per cent of the current wheat support prices plus reasonable handling charges, as provided by law. All milling quality wheat, regardless of crop year, will continue to be offered for domestic use at the market price, but not less than these minimum prices. The USDA does not contemplate a sales program on old crop wheat for domestic commercial use similar to that now in effect for 1948 and 1949 crop corn.

Export sales of CCC-owned wheat (including flour)---so long as they are continued---will be at prices which are determined on the basis of the domestic market, less the export allowance in effect as of the date of sale. The export allowance is in the same amount as the International Wheat Agreement subsidy, and is announced each market day for the day following. Sales under this program (which was begun in December 1953) through June 11 totalled about 48 million bushels.

In addition, limited quantities of off-grade CCC wheat not suitable for storage or for milling will be sold domestically for feed purposes only. Sales will be on the open market at the best price obtainable with certificates required to prevent the use of wheat for other than feed. This operation will be similar to those now in effect for low-quality soft red winter wheat and "garlicky" winter wheat. All price support deliveries of soft red winter wheat, grading below

No. 3 from the southeastern States are being sold for feed purposes at this time. "Garlicky" wheat of all grades in the South and East is being sold for feed; milling quality "garlicky" wheat also is being offered for sale for export.

Light-weight wheat below grade No. 3 now being taken over in the Minneapolis area under the 1953 special price support program for this wheat will be disposed of for domestic feed and for export. All grades below No. 5 will be sold for domestic feed use and No. 4 and No. 5 grades will be made available for export.

In following these general plans for wheat sales, USDA operations will be carried out in such a way as to minimize any possible effect on foreign and domestic markets, and at the same time reduce the large CCC stocks of wheat.

Marketing Quota Proclaimed;
Acreage Allotment and Cross-
compliance Announced for 1955 Crop

Preliminary steps in the administration of the 1955 wheat program and also cross-compliance provisions to influence the use of land diverted by wheat and other acreage allotments,

were announced by the Secretary of Agriculture on June 21. The Secretary:

1. Proclaimed a national marketing quota for the 1955 wheat crop, in accordance with legislative provisions.
2. Announced a national wheat acreage allotment of 55 million acres for 1955—the level specified in the controlling legislation under conditions of excessive supply.
3. Set July 23 as the date for a national referendum among wheat growers on acceptance of the proposed marketing quota.
4. Announced that in 1955 wheat growers and others would have to comply with all acreage allotments established for a farm, and that bigger producers—with larger totals of diverted acres—would also have to comply with a "total acreage allotment," in order to be eligible for price support on any crop produced on the farm.

Marketing Quota.— Two thirds of the eligible wheat producers who vote in the July 23 referendum must approve marketing quotas before they can be put into effect. If they are approved, producers who stay within the wheat acreage allotted for their farms—and also comply with any other established allotments—will be eligible for the full price support which is in effect. Farmers who are not within their allotments are not eligible for price support and are subject to the marketing quota penalties on excess wheat.

If quotas are not approved by wheat growers in the July 23 referendum, the law provides for a wheat price support level at 50 per cent of parity for farmers who stay within their allotments. In the referendum last summer for the 1954 crop, producers approved marketing quotas by a vote of 390,221 to 57,536.

Acreage Allotment.- The controlling legislation includes a formula for determining the size of the national acreage allotment each year. As supplies go up beyond certain levels, the size of the acreage allotment comes down. However, the legislation includes a 55-million acre "floor" below which the national acreage allotment cannot fall. Present supplies are so excessive that the national allotment would be only about 19 million acres if it were not for the minimum provision.

In connection with acreage allotment administration, Secretary Benson also announced that farmers who seed between 90 and 100 per cent of their 1955 farm wheat acreage allotments will not be penalized for such under-seeding in the establishment of any future wheat allotments. This same provision was included in the 1954 wheat allotment program. Past acreage history is one of the major factors in distributing acreage allotments to farms. The provision which is being continued for another year will make it unnecessary for a producer to plant "right up to his allotment" in order to protect his acreage history. If he does not underseed by more than 10 per cent, the farm will be considered as having the full allotment planted in 1955 for purposes of future allotment determination.

Diverted Acre Program.- In an effort to prevent the "shifting of surpluses," a producer will be required to comply with all acreage allotments established for his farm in 1955 in order to be eligible for price support on any crop produced on the farm that year.

In addition to the cross-compliance among allotment crops, there will be a further requirement for farms where acreage allotments will call for diversion of more than 10 acres from the production of allotment crops in 1955. In these cases, a "total acreage allotment" will be established for the farm. The total acreage allotment will include all crop acreage allotments established for the farm and the 1953 acreages (or adjusted acreages) of all other crops on the farm except hay, cover crops, green manure crops, pasture, idle cropland, and summerfallow.

Producers must keep within the total acreage allotment, when one is established for their farms, in order to be eligible for price support on any crop. This requirement, of course, does not apply on the smaller farms where not more than 10 acres are to be diverted from allotment crops.

The cross-compliance and total-acreage compliance requirements are aimed directly at the problem of controlling or influencing the use of acres taken out of allotment crops under production adjustment programs. Past experience has shown conclusively that, without some provisions to guide the use of acres which are diverted under acreage allotment programs, these acres are likely to be planted to other crops which need—or would soon need—adjustments themselves.

The compliance program will lessen the impact of acreage shifts on nonbasic crops, many of which do not have price support. It will encourage an increase in soil-conserving types of crops, especially on those larger farms for which total acreage allotments are established. It will mean a minimum of restrictive controls on the smaller, family-size farms. Compliance provisions are being announced early in the year in order to permit full understanding among producers well before planting time for fall-seeded crops, and before additional referenda are held on marketing quota and allotment programs.

Further details relative to the above programs may be found in the June 30 issue of 'The Wheat Situation' published by the Agricultural Marketing Service of the United States Department of Agriculture. (Continued on page 41)

Cash Wheat Prices on the Kansas City and Minneapolis Markets

No. 2 Hard Winter, Kansas City			No. 1 Northern Spring, Minneapolis		
Date	Price		Date	Price	
	cents per bushel			cents per bushel	
June 1, 1954	223	- 227 1/4	June 1, 1954	226 3/4	- 228 3/4
2	222 1/2	- 226 1/2	2	226 1/8	- 228 1/8
3	228 1/2	- 229	3	227 7/8	- 229 7/8
4	234		4	228 7/8	- 230 7/8
7	230	- 252 1/2	7	228 1/2	- 230 1/2
8	220 1/2	- 265 1/2	8	228 5/8	- 230 5/8
9	225 3/4	- 226 1/4	9	229	- 231
10	224 3/4	- 227 1/2	10	229 1/2	- 231 1/2
11	210	- 264 1/2	11	229	- 231
14	206 1/2	- 264 1/4	14	227 3/4	- 229 3/4
15	206 1/4	- 221	15	224 1/2	- 226 1/2
16	207 1/4	- 262 1/2	16	222	- 223
17	204 1/2	- 262 1/2	17	222 3/4	- 223 3/4
18	201 3/4	- 261 1/2	18	223	- 224
21	201	- 220	21	223 1/2	
22	203 1/2	- 211	22	224 5/8	
23	207 3/4	- 241 1/2	23	226 3/8	
24	207 3/4	- 223	24	227 1/4	
25	211 1/2	- 225	25	227	
28	201 1/4	- 207 3/4	28	227 5/8	
29	207 1/2		29	232	
30	209 1/2	- 270	30	233 3/4	- 235 3/4

Chicago Wheat Futures, High Points of Closing

Date	July	September	December	March
- cents and eighths per bushel -				
June 1, 1954	191/4	194/3	199/5	202/4
2	191	194/2	199/1	201/6
3	192	195/2	200/2	203/1
4	194/3	197/5	202/4	205
7	194/2	196/5	201/2	203/4
8	194/5	197/2	201/3	203/3
9	195/5	197/6	201/2	202/3
10	195/3	197/1	200/7	201/7
11	195	197/2	201/4	202/7
14	193/6	196/4	200/7	202/4
15	191/7	194/3	198/5	200/4
16	190/5	193/4	197/6	199/6
17	189/7	192/5	196/3	198/5
18	190/3	193/2	197	199
21	191/6	195	198/6	200/6
22	192/2	195/4	199/1	201/2
23	193/7	197/3	200/7	203
24	193/2	196/5	200/2	203
25	190/4	194/2	198/1	200/7
28	190	194	197/7	201
29	193/4	197	200/7	203/6
30	194/5	198/1	202	204/2

ARGENTINE SITUATION

Supply Position Due to a downward revision of some 14.0 million bushels in the December 1, 1953 carryover, total estimated supplies of wheat in the Argentine for the 1953-54 crop year now stand at 279.3 million bushels. With anticipated domestic requirements unchanged at 128.6 million bushels, some 150.7 million are available for export and for carryover during 1953-54 compared with 140.8 million available during 1952-53. Exports of wheat as grain and wheat flour in terms of wheat during the December—May period of the current crop year totalled 50.9 million bushels as against the comparable 1952-53 total of 19.2 million. The balance on June 1 for export and for carryover at the end of the crop year amounted to 99.8 million bushels compared with 121.6 million available at the same date a year ago.

Argentine Wheat Supplies

Item	1952-53	1953-54 <u>1/</u>
- million bushels -		
Carryover at beginning of crop year (December 1) ...	1.8	58.8 <u>2/3/</u>
New crop	280.5	220.5
Total estimated domestic supplies	282.3	279.3
Imports of wheat for domestic use	-	-
Total estimated supplies	282.3	279.3
Less estimated domestic requirements for crop year .	141.5 <u>2/</u>	128.6
Available for export and for carryover	140.8 <u>3/</u>	150.7 <u>3/</u>
Deduct:		
Exports of wheat as grain, December—May	19.2	49.3
Exports of wheat flour in terms of wheat, December—May	<u>4/</u>	1.6
Total exports of wheat and wheat flour	19.2	50.9
Balance on June 1 for export and for carryover	121.6	99.8

1/ Preliminary. 2/ Revised. 3/ Includes 400,000 metric tons (14.7 million bushels) of wheat stored to constitute a reserve; also included is a small allowance for farm-held stocks. 4/ Less than 50,000 bushels.

The following account of the Argentine situation has been extracted from a report from Mr. W. F. Hillhouse, Agricultural Secretary, Canadian Embassy, Buenos Aires, under date of June 15, 1954, and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Where possible, conversions from Argentine to Canadian measures have been made for the convenience of our readers. Currency conversions have been made at the rate of 5 pesos to the United States dollar.

Weather and Crops Medium to heavy rainfall in the latter half of May and continuing light precipitation in June in most sections of the grain zone provided adequate moisture for the growth of pastures, winter feed grains and early-sown wheat. However, a long series of unseasonally early frosts in May had a depressive effect, especially on the grains. The damp weather has hindered corn harvesting and drying operations. Although a little later than normal, cultivation and seeding for the 1954 fine and coarse grain crops are now proceeding under good conditions in most sectors.

1953-54 Wheat Crop Only one sale of wheat was announced by I.A.P.I. during the past four weeks - 50,000 tons (1,837,000 bushels) for payment in U.S. dollars. Under the new selling procedure (see Policy), however, even this small amount may not yet be matched by foreign purchases. Although no agreement has yet been reached with Brazil, Argentina is still hopeful that substantial quantities will be sold to that country.

The official policy of promoting the expansion of seeded area of wheat and other grains has not been affected by increasing world stocks and reduced prices. Prices to producers are being maintained and the official "Sow More Wheat" campaign is once more in full swing led recently by the Governor of the Province of Buenos Aires. Limited evidence from the northern zone suggests that sowings will at least equal those of last year. Cultivation and seeding are progressing satisfactorily under good moisture conditions after being delayed by dry weather in February and March.

New I.A.P.I. Selling Regulations Although official confirmation is lacking, trade sources indicate that some slight modifications have recently been authorized by I.A.P.I. which give a little more freedom of operation to at least some of the Argentine exporters and thus make them slightly more competitive. Formerly, exporters, within ten days of having purchased from I.A.P.I., had to supply full information as to destination, price and currency and provide the foreign currency for the full quantity sold by I.A.P.I., even if for some reason or another total shipment was not actually made. The time stipulation has now been removed and sales nominally in one currency may be switched to another. For this purpose there exists a series of discounts which at present are:

<u>Currency sold for</u>	<u>Discount</u>
Free dollars	Nil
Sterling, Belgian francs, florins, German agreement dollars	2%
All other acceptable* destinations	4%

*Hungary is not eligible because of her large blocked balances.

Discount for Wheat Smut I.A.P.I. has announced that it will reserve the right to refuse to purchase wheat of the 1954-55 crop if affected by "smut" or "carries". Furthermore, discounts will be increased on grain found to be affected at time of negotiation. It is hoped that as a result of this measure producers will take necessary steps to disinfect wheat destined for seed and thus help to eradicate one of the principal causes of damage to the commercial value of the crop.

Bonus for Durum I.A.P.I. has announced that it will pay a bonus of 5 pesos per
Type Wheats - 100 kilos (27 cents per bushel) for "Candeal" and "Taganrock"
1954-55 wheat of the 1954-55 crop. Thus the official producer price for
these varieties, used in the manufacture of alimentary pastes,
is 55 pesos per 100 kilos (\$2.99 per bushel). At the same time it is announced that
the Ministry of Agriculture will make registered seed of these types available at
50 pesos per 100 kilos (\$2.72 per bushel).

Sales Details of the new selling procedures adopted by I.A.P.I. are out-
lined under the preceding sections. The following is a resumé of
sales activities which have shown a marked lull in the past four weeks.

Wheat: Sales of wheat in the last four weeks were confined to
50,000 metric tons (1,837,000 bushels) sold on June 2 at 285 pesos per metric ton
(\$1.55 per bushel) f.o.b. for payment in U.S. dollars. This is 3 per cent lower
than the last dollar sale effected mid-April.

Corn: In the past four weeks 153,000 tons (6,023,000 bushels) of
corn were sold. This includes 40,000 tons (1,575,000 bushels) of hybrid dent corn
sold on June 11 at 25.50 pesos per 100 kilos (\$1.30 per bushel) f.o.b. for July
shipment and at 25.25 pesos (\$1.28 per bushel) for the two subsequent months, both
prices for payment in U.S. dollars. All other corn sales were for payment in U.S.
dollars at prices ranging from 26.00 pesos to 26.20 pesos (\$1.32 to \$1.33 per
bushel) with the exception of 48,000 tons (1,890,000 bushels) sold for payment in
sterling on May 17 at 26.50 pesos.

Oats, Barley and Rye: No sales have been reported during the past
month. Trade information indicates that at least 165,000 tons (6,496,000 bushels)
of rye sales have been cancelled by I.A.P.I.

Bran and Middlings: Some 230,000 tons of bran and middlings have
been sold since the beginning of the year, the price for recent sales being 172
pesos per metric ton, f.o.b. for U.S. dollars.

Grain Shipments Grain shipments in May totalled 492,062 metric tons bringing the
total for the first six months of the crop year to 3,493,093 tons.
This is three times the tonnage shipped in the corresponding period of 1952-53.
However, this relationship should not be extrapolated for the remainder of the year
because I.A.P.I. export prices underwent a definite change after mid-1953 and
exports increased accordingly.

The Netherlands was the principal destination for Argentine grains
in the first half of the crop year receiving 157,464 tons (10,210,000 bushels) of
oats, 145,305 tons (6,674,000 bushels) of barley and 121,555 tons (4,785,000
bushels) of rye in addition to 70,197 tons (2,764,000 bushels) of corn and 85,505
tons (3,142,000 bushels) of wheat. Germany occupied second place with 562,132
tons, 288,031 tons (10,583,000 bushels) of which were wheat, followed by Belgium
with 403,182 tons of which rye accounted for 129,981 (5,117,000 bushels). Brazil
and the United Kingdom received 297,023 tons and 269,987 tons, respectively, the
totals containing 295,653 tons (10,863,000 bushels) and 118,673 tons (4,360,000
bushels) of wheat, respectively.

The following table gives grain shipments in the first six months of the 1953-54 crop year with comparative data for recent years:

Argentine Grain Shipments, December 1, 1953—May 31, 1954

Crop Year	Wheat	Corn 1/	Flax	Oats	Rye	Barley
- thousand bushels -						
1953-54	49,266	20,226	362	28,258	29,041	20,937
1952-53	19,195	12,185	390	3,041	917	7,876
1951-52	3,786	13,896	1,477	3,839	4,871	5,406
1950-51	55,600	1,179	5,867	2,900	5,210	509

1/ Corn crop year commences April 1.

Grain shipments in May included 181,009 tons (6,651,000 bushels) of wheat for which the principal destinations were Chile 38,421 tons (1,412,000 bushels) and Japan 28,978 tons (1,065,000 bushels). The United Kingdom, Brazil and Peru received 21,783 tons (800,000 bushels), 20,837 tons (766,000 bushels) and 18,066 tons (664,000 bushels) in that order.

Corn shipments in May aggregated 93,295 tons (3,673,000 bushels) reflecting larger scale deliveries from the current harvest. The principal destinations were the United Kingdom and France with 31,858 tons (1,254,000 bushels) and 25,738 tons (1,013,000 bushels), respectively, followed by the Netherlands with 21,742 tons (856,000 bushels).

Barley shipments for the month amounted to 77,634 tons (3,566,000 bushels), of which 41,985 tons (1,928,000 bushels) went to Germany.

Rye shipments totalled 74,878 tons (2,948,000 bushels). Shipments to Poland declined to 37,325 tons (1,469,000 bushels) with only little more than half Argentina's total commitment to that country fulfilled. Italy and the Netherlands received 10,891 tons (429,000 bushels) and 9,820 tons (387,000 bushels), respectively, while other customers included Belgium, Norway and Denmark.

Oats shipments in May totalled 59,166 tons (3,836,000 bushels), of which 20,490 tons (1,329,000 bushels) were destined for Denmark and 18,937 tons (1,228,000 bushels) for the Netherlands.

Flax shipments comprised 6,080 tons (239,000 bushels) to France, the shipment of 11,000 tons (433,000 bushels) purchased in March thus nearing completion.

The following table gives shipments of all grains from Argentina in the first five months of 1954 by destination. These figures must be taken as provisional, being compiled from trade statistics which are subject to amendment:

Argentine Grain Shipments, January—May, 1954, with Comparisons

Destination	Wheat	Corn	Flax	Oats	Rye	Barley
- thousand bushels -						
Austria	38	23	-	1,362	-	644
Belgium	2,395	1,844	-	3,229	4,354	3,107
Brazil	5,930	-	-	9	-	-
Chile	1,717	-	-	-	-	-
Denmark	1,312	39	-	4,817	1,960	986
Finland	-	197	-	-	394	-
France	96	3,145	362	-	-	53
French Africa	-	50	-	-	-	-
Germany	9,520	3,694	-	1,862	1,662	2,435
Hungary	344	-	-	143	1,167	595
India	333	-	-	-	-	-
Israel	-	-	-	-	404	-
Italy	18	441	-	1,027	4,328	163
Japan	4,522	-	-	-	-	-
Netherlands	2,783	1,748	-	8,916	4,018	6,129
Norway	-	591	-	-	394	-
Paraguay	638	-	-	-	-	-
Peru	2,079	-	-	-	-	-
Poland	1,864	-	-	-	6,601	-
South Africa	223	-	-	-	-	-
Switzerland	1,082	272	-	2,138	126	913
United Kingdom	3,787	2,287	-	-	227	2,154
United States	-	-	-	1,539	-	-
Totals	38,682	14,330	362	25,041	25,636	17,179
Same period:						
1953	18,976	8,867	390	3,041	917	7,569
1952	2,265	12,185	942	2,368	4,196	4,806
1951	50,648	1,034	4,994	1,770	5,210	321
1950	50,904	23,828	706	7,086	4,434	2,918
1949	33,277	17,626	-	3,184	1,669	4,375

URUGUAYAN GRAIN ESTIMATES REVISED

According to trade sources the Ministry of Agriculture has published its third estimate of sowing and second of production for the 1953-54 grain crops. These are as follows:

Uruguayan Grain Production

Grain	Area Sown		Average Yield		Production	
	1952-53	1953-54	1952-53	1953-54	1952-53	1953-54
- thousand acres - - bushels - - thousand bushels -						
Wheat	1,270	1,687	13	16	17,012	27,154
Flax	573	254	7	11	4,291	2,795
Oats	153	195	16	18	2,464	3,566
Barley	67	106	15	17	1,010	1,837

AUSTRALIAN SITUATION

Supply Position Total estimated supplies of wheat in Australia for the 1953-54 crop year at 234.9 million bushels, consisting of a carryover of 35.9 million and the 1953 crop of 199.0 million, remain unchanged from a month ago. With local requirements for stock feed reduced from earlier estimates domestic requirements for the current crop year are now placed at 72.2 million bushels, leaving some 162.7 million bushels available for export and for carryover during 1953-54 compared with 136.4 million available during 1952-53. Exports of wheat as grain and wheat flour in terms of wheat during the period December 1, 1953 to June 5, 1954 totalled 30.2 million bushels as against 57.4 million exported during the comparable period of the preceding crop year. The balance on June 6, 1954 for export and for carryover at the end of the crop year amounted to 132.5 million bushels compared with 79.0 million available at the same time a year ago.

Australian Wheat Supplies

Item	1952-53	1953-54 <u>1/</u>
- million bushels -		
Carryover, including flour as wheat, at beginning of crop year (December 1)	18.0	35.9
New crop	195.2	199.0
Total estimated supplies	213.2	234.9
Less estimated domestic requirements for crop year ..	76.8	72.2 <u>2/</u>
Available for export and for carryover	136.4	162.7
Deduct:		
Exports of wheat as grain, December 1 to June 5	35.6	14.3
Exports of wheat flour in terms of wheat, December 1 to June 5	21.8	15.9
Total exports of wheat and wheat flour	57.4	30.2
Balance on June 6 for export and for carryover	79.0	132.5

1/ Preliminary. 2/ Revised.

The following account of the Australian situation has been extracted from a report from Mr. R. W. Blake, Commercial Secretary for Canada, Melbourne, under date of June 15, 1954 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce.

Weather and Crops Recent rains have improved prospects for cereal crops sown early, and have enabled further sowings to be made in areas of the Commonwealth where many weeks of dry weather had held up seeding. The northwestern pastoral areas of Queensland are reported to be in good condition and heavy rains have relieved the drought in the southern coastal regions of this State, and the northern coastal areas of New South Wales. It is expected that about the same acreage will be sown to wheat as last year.

There are still some dry areas in central New South Wales, and only about 50 per cent of the intended wheat acreage has been sown in that State, compared with 95 per cent that is usually sown by this time. Good rains by the end of June would still be in time to enable seeding to be completed, but it is likely that much of the area intended for wheat will be put into oats.

Conditions are excellent in Victoria and South Australia for all cereal crops, and pastures are very good.

Western Australia had moderate to heavy falls of rain over most of the wheat belt and agricultural areas, which enabled seeding to start at full speed in order to make up for a late start, and early conditions for wheat are now good.

Wheat Prices
and Sales

The news received early this month that Canada and the United States had cut the price of wheat by 10 cents caused some consternation, but the Minister for Commerce and Agriculture said that this had been expected and there was no need to panic. He stated that the Australian Government had been informed of the move, which was designed to help dispose of the large stocks of wheat on hand in the two major exporting countries. He said that consultation was being maintained with other exporting countries, and the Chairman of the Australian Wheat Board would be present at the meeting of the International Wheat Council this month for discussion on the wheat situation.

The Chairman of the Australian Wheat Board said that Australian wheat prices were tied more to Argentine and European prices and they must follow them. The prices of Australian and Argentine wheat had been falling and would continue to follow each other.

Australia's quota under the I.W.A. is 48 million bushels, but only about 30 million of this has been taken up as yet.

During the nine months to March, 1954, the United Kingdom took little more than half of its purchases of wheat and flour, as compared with the same period in 1952-53. Flour milling operations in Australia have been cut back because of lack of sales, some mills having closed down and others operating on part time.

Trade advices indicate that as from June 15, the Australian Wheat Board will assess its own asking price for exports of flour. It will no longer be tied to the wheat equivalent price of Canadian No. 3 Northern Manitoba wheat. The Board will make firm offers on a price to be fixed on a basis of 30 days after sailing, or 15 days before arrival, whichever is the latest.

It was also reported that the Australian Wheat Board had been granted the power to offer limited credit terms to reputable overseas buyers, as a result of a special arrangement between the Commonwealth Treasury and the Commonwealth Bank. The Department of Commerce and Agriculture are studying this matter further. Present concessions allowed terms of up to 12 months for payment.

The grand total of wheat sales from May 8 to June 1 was 3,838,000 bushels. The biggest purchasers of export flour in this period were Malaya, 225,000 bushels; Indonesia, 163,000 bushels; and Pacific Island, 118,000 bushels.

Wheat exports included 318,000 bushels to the United Kingdom, 187,000 bushels to India, and 131,000 bushels to New Zealand. The local flour trade took 1,458,000 bushels and the local produce trade 801,000 bushels.

Barley Sales It is reported that from an export surplus in South Australia and Victoria of 611,000 tons (28,515,000 bushels), the Barley Board has sold over 540,000 tons (25,202,000 bushels), and because of this progress and the further demand that exists, it is reasonable to anticipate that the balance of the crop will be sold before November.

The Queensland Barley Marketing Board has announced that the whole of Queensland's 1953-54 barley crop, totalling 600,000 bushels, has been sold. A surplus of 7,000 tons (327,000 bushels) of grain held by the Board had been sold last month. Four thousand tons (187,000 bushels) had been shipped to the United Kingdom, and the balance had been sold on the local feed market.

In the past few years, the Board has succeeded in increasing the local market for malting barley from 40,000 bushels to approximately 200,000 bushels.

<u>Australian Commonwealth Government to Ensure Additional Wheat Storage</u>	According to official sources in Ottawa, the Australian Minister for Commerce and Agriculture recently made the following announcement, "The Commonwealth Government has approved steps necessary to ensure that sufficient storage will exist in Australia to take care of the 1954-55 wheat harvest. The cost of providing this storage will be up to £3,500,000.
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"The urgent need for additional storages had called for quick decisions if the new storages were to be constructed in time for the next harvestIn view of the fact that the State Governments are either unwilling or unable to provide the necessary additional storage, the Commonwealth Government has worked out the most practical method of meeting the situation. The arrangement decided upon is that the Australian Wheat Board should be enabled to obtain the necessary capital funds to bear the cost of erecting the storages.

"However, there is no intention of establishing the Australian Wheat Board as a duplicate wheat-handling authority. The Wheat Board will arrange with the State bulk handling authorities to design storages which, by agreement, would fit in with their existing storage facilities, and the Wheat Board would ask the State bulk handling authorities to arrange and supervise the construction of storages.

"The State bulk handling authorities, through their respective governments, will be given an option to purchase these storages. For its part the Commonwealth will not expect any more for the storages than their depreciated value at the time of sale.

FRENCH SITUATION

The following account of the current crop situation in France has been extracted from a report provided by Miss V. F. Wightman, Commercial Secretariat, Canadian Embassy, Paris, under date of June 21, and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Where possible, conversions from French to Canadian measures have been made and rounded for the convenience of our readers. Currency conversions have been made at the rate of one franc equals .00281 Canadian dollars, the rate in effect on June 11, 1954.

Crop Conditions and Estimates While the June 1 crop report of the Ministry of Agriculture indicates that the dry weather prevailing all spring had slowed up growth and retarded pastures, widespread rains since then have considerably improved the situation. The dry soil and low temperatures up to the end of May had reduced yield prospects for all grain crops except rye, and in particular had delayed the germination and development of the spring grain.

The condition of the fields remains good and recent rains have improved the outlook; fields of winter wheat in the vicinity of Paris have all headed and are maturing satisfactorily. However, spring wheat has been retarded by the dry weather and the late sown fields lack even growth. The June 1 estimate of the area sown to wheat, at 4,448,000 hectares (10,987,000 acres), is around 200,000 (494,000 acres) above last year but the Ministry anticipates lower yields and their first estimate of the 1954 wheat crop is placed at 8.4 million metric tons (308.6 million bushels), compared with the final figure of 8.98 million (330.0 million bushels) for 1953.

The position on barley is similar in that it is principally a spring grain and has consequently suffered from the dry weather; while the area sown is 15,000 hectares (37,000 acres) higher than last year, 1954 production is at present estimated at over 200,000 metric tons (9.2 million bushels) less. The oat crop which suffered most from frost last winter is expected to be reduced even more. Rye, in contrast, with the same acreage as last year, will produce a slightly higher crop.

The first official estimate of the 1954 grain crops is as follows:

First Crop Estimate, June 1, 1954

Grain	Average 1948-52	1953 Crop	June 1, 1954 Estimate
		- thousand bushels -	
Wheat	286,265	330,000	309,179
Rye	22,557	18,385	19,069
Barley	70,454	102,831	89,400
Oats	219,851	237,494	202,827

Source of Information: Ministry of Agriculture.

Acreage, June 1, 1954 Estimate

	Average 1948-52	June 1, 1954
	- thousand acres -	
Wheat	10,532	10,987
Wheat and rye	81	58
Rye	1,226	1,024
Barley	2,357	3,009
Oats	5,817	5,430
Mixed grains	302	270

(The June 1 estimate of acreages is just slightly above May 1.)

Source of Information: Ministry of Agriculture.

Farmers' Marketings Marketings of the 1953 grain crops by farmers as of June 1 are well in advance of the previous year. With only two months to go to the end of the crop year, these figures are indicative of what the final results will be.

Farmers' Marketings August 1 - June 1

Grain	To June 1, 1953	To June 1, 1954
	- thousand bushels -	
Wheat	202,812	231,562
Hard wheat	137	336
Rye	1,923	2,048
Barley	19,285	28,249
Oats	15,639	16,216

Outlook for 1954 In view of the current speculation in agricultural circles on the price to farmers for 1954 wheat, the Ministry of Agriculture issued an assurance that the price will be established by the end of July in accordance with the terms of the official Wheat-Plan which entered into effect last September, and which guarantees a net return in terms of purchasing power not lower than the 3,600 francs per quintal (\$2.75 per bushel) prevailing last year. However, this basic price may be modified 60 per cent by the index of farming requisites and 40 per cent by the retail price index for Paris. The former shows no great change over the past year (March 1953 index of 139.6 against March 1954 index of 138.4). The retail price index shows a small decline (March 1953 index 145.2, March 1954 index 143.6). The former index will be further affected by the recent 15 per cent subsidy on agricultural machinery (see below) and a reduced price for phosphatic fertilizers. On the basis of the two indices, it would appear that the price could be shaded somewhat below last year, to which would be added a 1 per cent reduction to encourage productivity and a voluntary modification either up or down to a maximum of 6 per cent depending upon the size of the crop.

The French press, both agricultural and general, has shown considerable preoccupation with what they call "the wheat problem", pointing out, on one side, the large overseas surpluses and the recent decline in the dollar wheat price

and, on the other, the 200,000 hectares (494,000 acres) increase in French acreage and the present cost of subsidizing exports.

The Wheat Producers' Association has made a careful analysis of the financing of an exportable surplus arising from the 1954 crop which, under present legislation, is covered by two provisions: a) the levy on farmers' marketings to offset export losses, and b) a quota on the quantity which the government might buy at the support price.

a) The levy on deliveries applies at the moment only to those totalling over 100 quintals but could, under present law, be extended to lesser quantities, should availabilities exceed 9 million metric tons (330.7 million bushels). Furthermore, the rate of the levy on higher deliveries may be increased upon decision of the Central Council of the Grain Board. The Association estimates that during the current crop year this levy will yield around 5 billion francs (\$14 million) which would cover less than half the cost of export subsidies; the National Treasury has made up the difference this year but is considered unlikely to bear such burden for the future. A decision will therefore have to be taken as to what extent this levy can be increased to offset export losses.

b) A possible quota system was covered in last September's decree, to the effect that it must be announced by September 15 for the following year's crop. This system would extend the present price guarantee to only a limited portion of the crop, and payment of the remainder would be on the basis of proceeds realized on sales. The chief problem is that of administering a quota which would begin on a national level and then extend down into départements, counties and producers.

The Association is clearly concerned that the increase in wheat acreage this year may continue at the same pace in future and thus present a problem not only of financing the crop but which would jeopardize the position of wheat farmers.

Subsidy of 15
Per Cent on
Agricultural
Equipment

Further information is now available on the 15 per cent reduction in the cost of agricultural equipment which came into effect with the Finance Bill of April 10. A 15 per cent subsidy has been granted on agricultural equipment, payable in the form of rebates, to farmers, cooperatives and harvesting groups. This subsidy covers both French and imported equipment and may be applied to purchases dating from November 1 of last year so as not to penalize farmers who placed orders in advance of the growing season. This equipment must be kept for one year before re-sale.

Foreign Trade
in Grains

Statistics covering the first three months of this year reflect France's improved grain position resulting from the record crops last summer.

Trade with Foreign Countries

		January—March, 1953		January—March, 1954	
		Quantity	Value	Quantity	Value
		'000 bu.	\$	'000 bu.	\$
Wheat	- Imports	173	589,000	7	24,000
	Exports	384	1,160,000	12,735	22,565,000
		metric tons		metric tons	
Coarse Grains - Imports		157,750	15,718,000	76,772	5,506,000
	Exports	590	75,000	2,706	282,000

Trade with French Union

		January—March, 1953		January—March, 1954	
		Quantity	Value	Quantity	Value
		'000 bu.	\$	'000 bu.	\$
Wheat	- Imports	2,140	8,242,000	2,235	8,425,000
	Exports	5	21,000	620	1,900,000
		metric tons		metric tons	
Coarse Grains - Imports		111,809	9,709,000	50,825	4,077,000
	Exports	159	23,000	49	10,000

Source of Information: National Statistical Office.

OUTLOOK FOR WHEAT PRODUCTION AND SUPPLIES—ITALY, YUGOSLAVIA AND GREECE

This report on the wheat situation in Italy, Yugoslavia and Greece was prepared by Dr. C. F. Wilson, Agricultural Counsellor, Canadian Embassy, Rome, Italy and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce.

Italy As of mid-June, harvesting of the Italian wheat crop is becoming general. Although considerable quantities of rain fell during May, recently it has been warm and dry, making for ideal harvesting conditions. In general, there was an abundance of rain throughout the spring, which, together with the recent warm weather, should make for high yields. The wheat crop has been tentatively estimated at 294 million bushels, there being a reluctance to put the figure as high as last year's record yield of 331 million bushels. At this time last year, however, the 1953 crop was forecast at 286 million bushels, and there may be a tendency again this year to estimate the crop conservatively at this stage.

Even if this year's crop does prove to be slightly below that of last year, the carryover from the old crop at the end of June is expected to amount to 73 million bushels, almost double the figure of a year ago. The carryover and the new crop will bring the total domestic supplies on hand for the 1954-55 crop year up to, or above, the level of the domestic supplies available for the crop year just ending.

Yugoslavia During the past month, frequent and heavy rains which have fallen benefited the very uncertain crop reported upon a month ago. Nevertheless, the wheat crop in the main producing area is still very late and is just coming into head. Although moisture reserves have been improved, the total production is still expected to fall appreciably short of last year's crop of 99 million bushels, with a consequent increase in Yugoslavia's import requirements over those in the year just ending.

Greece This year's wheat crop is forecast at 46 million bushels, and it may fall very little short of last year's record production of 51 million bushels. In the Macedonian plains and in Thessaly, the crops have had good sub-soil moisture reserves from the heavy rains which fell last autumn and during the current growing season. In the northern plains the wheat crop is just at the ripening stage. Along the Gulf of Corinth and in the coastal plains of the Peloponessus, harvesting of the wheat crop is near completion.

The acreage sown in wheat in Greece is slightly below the area planted for the previous crop and some flood damage occurred in the early spring. These factors are responsible for the tendency among crop observers to estimate the crop conservatively at this stage. On the other hand, moisture conditions and harvesting weather have been favourable again this season so that the yield per acre should come close to last year's record level.

Although import requirements for wheat were substantially reduced this last season, because of the record production in 1953, import requirements for the coming season in Greece are presently estimated to be about 11.2 million bushels.

(Continued from page 27)

USDA Announces "Distress" Loans for 1954-Crop Wheat Limited price support recourse loans for a temporary period will be made to U.S. wheat farmers where regular storage facilities are not available, and where it is feasible to store wheat on the ground or in temporary structures during the summer months. Reports from some plains-area States indicate that there will likely be a shortage of available storage space, and that farmers may not be able to put their wheat under the regular price support loan program. As a result, they may be forced to leave their wheat in the open or to market it prematurely with an adverse effect on market prices. The special distress loan program is designed to aid these producers, making it possible for them to market in a more orderly way and to take advantage of price supports.

1954 Wheat Support Rate The 1954 wheat support rate was fixed at a national average of \$2.24 per bushel which is 90 per cent of the June 15 parity price. This is 4 cents above the previous minimum rates announced last October and the terminal rates announced in May. The 1953 average loan rate was \$2.21 per bushel.

World Wheat Situation

(Cont'd. from p. 4)

Preliminary reports place the wheat crop in Japan at about 48 million bushels. This is about 5 per cent below the 1953 harvest and is also below average, with the reduction attributed to reduced acreage. The foreign exchange budget for April 1954-March 1955 includes provision for about 1,750,000 tons of wheat, compared with 2 million tons imported in 1953-54.

Production of all foodgrains in India during the 1953-54 agricultural year is tentatively estimated at 55.3 million long tons. This total is significantly higher than the preceding year's good production of 46.9 million tons.

CALENDAR OF WHEAT EVENTS

- June 7 The Canadian Wheat Board reduced the selling prices for No. 1 Northern wheat by 10 1/8 cents a bushel at both Fort William-Port Arthur and Vancouver. Other grades were reduced 6 1/8 cents to 10 1/8 cents a bushel.
- 10 The production of all wheat in the United States, based on conditions at June 1, was forecast at one billion bushels. This compares with 1,169 million bushels produced in 1953 and the 1943-1952 average production of 1,122 million bushels.
- 10 The Bureau of the Census, United States Department of Commerce, estimated April wheat flour production in the United States at 17,217,000 sacks. The average output per working day amounted to 783,000 sacks, somewhat below both the March 1954 production of 820,000 sacks and the April 1953 production of 790,000 sacks per working day.
- 18 The Australian Government has approved steps necessary to ensure that sufficient storage will exist to take care of the 1954-55 wheat harvest.
- 21 The United States Secretary of Agriculture proclaimed a national wheat acreage allotment of 55 million acres and a national marketing quota for the 1955 wheat crop, in accordance with legislative provisions.
- 21 The first official estimate of 1954 wheat production in France places the crop at 309.2 million bushels, compared with the 1953 harvest of 330.0 million and the 1948-1952 average of 286.3 million bushels.
- 29 According to Broomhall the weather has been cool and crop growth slow in the United Kingdom. General appearance of grain crops was satisfactory but hot weather was needed to stimulate growth.
- 29 According to Broomhall the overall crop situation on the European continent has continued to improve and the tendency is to revise upward the estimates of prospective production in some countries.
- July 2 The 1954 wheat support rate in the United States was fixed at a national average of \$2.24 per bushel, 90 per cent of the June 15 parity price.



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