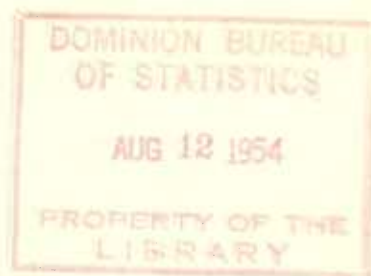


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THE WHEAT REVIEW



JULY, 1954

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THE
WHEAT REVIEW

JULY, 1954

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Minister of Trade and Commerce

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about July 1 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 1,711.5 million bushels, about 48 per cent greater than the 1,158.5 million a year ago. Supplies on or about July 1, 1954 (in millions of bushels) were held as follows, with last year's figures in brackets: United States, 902.9 (562.5); Canada, 589.3 (413.3); Australia, 126.6 (71.2) and Argentina 92.7 (111.5). Estimates for both years include on-farm stocks as well as those in commercial positions.

Exports Total exports of wheat and wheat flour in terms of wheat from the four major exporting countries for the first eleven months (August—June) of the current Canadian crop year, at 583.5 million bushels, are down 23.5 per cent from last season's shipments of 762.4 million for the same period. Shipments from each of the four countries during the August—June period of the current and preceding crop year are shown in the table below.

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

August—June Period	United States	Canada	Argentina	Australia	Total
- million bushels -					
1952-53	296.8	341.4	29.3	94.8	762.4
1953-54	191.2	233.9	101.2	57.2	583.5

From the above table it may be observed that while Canadian exports have declined about 31 per cent from the level for the same period a year ago, exports from the United States and Australia have dropped by some 36 per cent and 40 per cent, respectively. Reduced shipments from these three countries have been only partially offset by the sharp increase (245 per cent) in Argentine exports from the extremely low level of shipments from that country in August—June, 1952-53.

Canada's share of the total exports from the four countries has decreased slightly between the two periods, shipments during the first eleven months of the 1952-53 crop year having accounted for 44.8 per cent of the total and for the same period in 1953-54, 40.1 per cent. The United States' share of the total dropped from 38.9 per cent to 32.8 per cent between the same two periods while Australia's share declined from 12.4 per cent to 9.8 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—June, 1953-54 amounted to 17.3 per cent as against 3.8 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 (e.g. Turkey and Sweden) other than the four principal exporters have exceeded those of a year ago.

New Crops Based on conditions at July 1, the United States' wheat crop is officially estimated at 988 million bushels, 15 per cent smaller than the 1953 crop of 1,169 million and 12 per cent smaller than the 1943-1952 average of 1,122 million. The wheat crop in western Canada is late but has been making favourable progress in recent weeks. Potential losses from rust, early frosts and hail must, however, be taken into consideration. The official preliminary acreage estimate placed the 1954 wheat area in Canada at 24.3 million acres, well over a million acres down from the 1953 level. The first official forecast of production is scheduled for release on August 13th.

In the Argentine seeding of the new crop continues under favourable moisture conditions and although temperatures have been below normal, germination is reported to be good in the northern zone where a high percentage of the acreage has already been planted. No firm indication of the probable acreage is available as yet. It is expected that the area sown to wheat in Australia this season will be about the same as last year or perhaps slightly higher. With some exceptions in New South Wales, weather conditions in the several States of Australia appear to have favoured seeding and germination of the new wheat crop.

Recent trade reports indicate that rainfall has been excessive in some western and central European areas. However, warmer weather has been experienced in some sections which has helped to stimulate backward crops. Frequent rains have fallen in the United Kingdom accompanied by gales in some sections. Despite these adverse conditions, reports still indicate the probability of fairly good crops although damage has occurred in some localities. Harvest will be late.

Weather conditions have improved in France. The official July 1 production estimate placed the 1954 wheat crop at 327.1 million bushels as compared with the 1953 level of 330 million. France is expected to have upwards of 44 million bushels of wheat available for export to foreign countries during the coming crop year. In Western Germany the weather has been persistently cool and wet. Crop development is retarded and there has been considerable lodging. Similar conditions apparently prevail in Belgium, Holland and Switzerland.

Weather conditions during the latter part of June were unfavourable to the ripening wheat crop in Italy. As of July 19, the harvest, which was about three weeks later than usual, was nearly completed and experienced crop observers had lowered their estimates of the wheat crop to 275 million bushels, a reduction of 19 million from the figure current at mid-June. Even with this reduction, however, Italy should be able to meet her requirements in the new crop year from domestic production and the carryover at the end of June. The wheat crop in Yugoslavia is now estimated at 70 million bushels, down appreciably from last year's 100 million bushel harvest. Increased import requirements in the new crop year are accordingly indicated. The wheat crop in Greece is estimated at 47.5 million bushels in comparison with the 1953 record production of 51 million.

Climatic conditions in Turkey were less favourable in 1953-54 than in the preceding three years and unofficial forecasts now place the wheat crop at about 215 million bushels as against last year's record outturn of about 295 million. A wheat crop of the size specified would still provide a surplus above the country's normal requirements, though not the sizable surplus of last season.

A report from Pakistan on the wheat crop harvested about two months ago indicates an outturn of some 124.4 million bushels as against 96.2 million last year. The Egyptian wheat crop forecast at 60 million bushels would be the largest since 1912.

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	12,852	-	-	1,932	14,784	9,099
Bolivia	4,042	695	-	-	570	1,265	2,777
Brazil	13,228	3,873	-	-	-	3,873	9,355
Ceylon 4/	10,288	763	9,525	-	-	10,288	-
Costa Rica 4/	1,286	568	-	-	757	1,325	-
Cuba	7,422	1,721	-	-	4,088	5,809	1,613
Denmark	1,837	-	-	-	-	-	1,837
Dominican Republic ...	955	422	-	-	428	850	105
Ecuador 4/	2,388	1,857	-	-	545	2,402	-
Egypt 4/	14,697	-	-	-	1,888	1,888	12,809
El Salvador 4/.....	735	215	-	-	516	731	-
Germany	55,116	16,962	3,962	-	16,542	37,466	17,650
Greece	12,860	-	-	-	4,862	4,862	7,998
Guatemala	1,286	202	-	-	861	1,063	223
Haiti	1,837	597	-	-	994	1,591	246
Honduras Republic	735	90	-	-	427	517	218
Iceland	404	183	-	-	119	302	102
India	36,744	-	2,647	-	-	2,647	34,097
Indonesia	6,246	5	3,728	-	618	4,351	1,895
Ireland	10,105	1,701	951	-	-	2,652	7,453
Israel	8,267	4,450	-	-	1,434	5,884	2,383
Japan 4/	36,744	12,043	-	-	24,903	36,946	-
Jordan	2,940	-	-	-	-	-	2,940
Korea	1,470	-	-	-	1,071	1,071	399
Lebanon	2,756	-	-	-	34	34	2,722
Liberia	73	29	-	-	17	46	27
Mexico	14,697	-	-	-	2,946	2,946	11,751
Netherlands	24,802	5,762	319	-	11,134	17,215	7,587
New Zealand	5,879	-	5,853	-	-	5,853	26
Nicaragua 4/	367	133	-	-	235	368	-
Norway	8,451	3,184	-	-	3,634	6,818	1,633
Panama	735	376	-	-	304	680	55
Peru	7,349	110	-	-	579	689	6,660
Philippines	8,672	4,792	21	-	3,533	8,346	326
Portugal	7,349	751	439	367	2,400	3,957	3,392
Saudi Arabia	2,572	-	-	-	1,511	1,511	1,061
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 4/	6,247	3,686	-	-	2,562	6,248	-
Yugoslavia	3,674	-	-	-	2,338	2,338	1,336
Totals	389,189	90,588	27,445	367	105,702	224,102	
Guaranteed Quantities (Exporting Countries)		150,842	44,356	338	193,653	389,189	
Balance		60,254	16,911	(29)	87,951	165,087	

1/ Canadian sales through July 20, 1954.

2/ Sales recorded by International Wheat Council through July 16, 1954.

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

4/ Quota filled.

CANADIAN SITUATION

Initial Payments

for Wheat, Oats, and
Barley, 1954-55

The Right Hon. C. D. Howe, Minister of Trade and Commerce, announced on July 16 that there will be no change in the level of initial prices to be paid western producers by the Canadian Wheat Board for basic grades of wheat, oats and barley during the crop year commencing on August 1st, 1954. Initial prices for western wheat, oats and barley, as approved by the Government under authority of the Canadian Wheat Board Act and effective for the crop year 1954-55, are as follows:

Wheat	(No. 1 Northern Wheat basis in store Fort William-Port Arthur or Vancouver)....	\$1.40 per bushel
Oats	(No. 2 Canada Western oats basis in store Fort William-Port Arthur)	65 cents per bushel
Barley	(No. 3 C.W. 6-Row barley basis in store Fort William-Port Arthur)	96 cents per bushel

Initial payments for other grades of wheat, oats and barley will be announced by the Canadian Wheat Board after the start of the new crop year. It should be noted that the foregoing prices are initial prices only and, as in past crop years, producers will share in surpluses resulting from Wheat Board operations with respect to each grain.

Delivery Quotas, 1954-55

On July 29, the Canadian Wheat Board announced its delivery quota regulations for the 1954-55 crop year. The relevant 'Instructions to the Trade' reads in part as follows:

"Pending the effective date of the establishment of its initial quota policy for the crop year 1954-55, the Board hereby authorizes producers, who are in a position to do so, to deliver on and after August 1st, 1954, up to 1,000 bushels of oats or up to 1,000 bushels of barley, or a combination of both these grains not to exceed 1,000 bushels. This action is being taken to ensure immediate delivery of sufficient quantities of these grains to meet market requirements.

It is understood that the above authorization will be subject to cancellation by the Board at the effective date of its initial quota policy, particulars of which are given herein, and that there is no obligation on the part of the Board to continue the authorization in the event of a producer being unable to avail himself of the opportunity of making such deliveries within the time limit indicated due to lack of space or to other circumstances.

All deliveries under the above authorization must be made at the delivery point specified in the producer's 1954 Permit Book Such deliveries are apart from and will not apply against any future quotas subsequently authorized.

Durum Wheat and Flaxseed

Deliveries of these grains are not subject to quota control in 1954-55. Such deliveries may be made on and after August 1st, 1954.

Malting, Pot and Pearling Barley

As in former years, the Board will be prepared to give consideration to applications on behalf of producers of malting, pot and/or pearling barley, for permission to deliver, in excess of the established quotas, one carlot of barley, a representative sample of which has been submitted to and accepted by a maltster or shipper as suitable for malting, pot or pearling on a premium basis.

Initial 1954-55 Delivery Quota for

Wheat (other than Durum), Oats, Barley and Rye

Effective at a date to be announced later, the following will be the Board's initial quota policy in respect of the above grains:

The initial delivery quota for these grains to be established at stations from a date or dates to be announced and applicable to all producers regardless of the acreage shown on their 1954 Permit Books will be the equivalent of one hundred (100) units. Each such unit shall be the equivalent of three (3) bushels of Wheat or eight (8) bushels of Oats or five (5) bushels of Barley or five (5) bushels of Rye.

As space becomes available each producer, when authorized, will be entitled to deliver at his option any of the above grains or any combination of the above grains calculated on the unit basis, but his total deliveries under the initial quota until further advised must not exceed the equivalent of one hundred (100) units.

Under the above policy a producer will be entitled to deliver a maximum of 300 bushels of Wheat or 800 bushels of Oats or 500 bushels of Barley or 500 bushels of Rye, or any combination of these grains which, when calculated on the unit basis outlined above, does not exceed one hundred (100) units.

It will be noted that the above is a change in policy from the previous year and takes into consideration the monetary relationship between the various grains in the quantities of each kind of grain which may be delivered against the initial quota. Also, that each producer, regardless of his acreage, is given the same quota to assure him approximately the same cash return as other producers and, particularly, an equal opportunity of obtaining a share of the limited space which will be available at most delivery points pending further outward shipments.

As previously indicated, the Board is desirous of obtaining adequate supplies of oats and barley to meet market requirements. As the unit values of these two grains are established at somewhat higher levels than for wheat, of which ample supplies are available in all positions, it is hoped that producers who are in a position to do so will preference the delivery of their oats and barley in place of wheat.

All deliveries to be made under the initial quota must be entered in the producer's delivery Permit Book at the time of delivery. The unit value of the delivery is to be determined by dividing the bushel quantity by three (3) in the case of Wheat, or eight (8) in the case of Oats, or five (5) in the case of Barley and Rye, calculating same to one decimal point. The total units delivered, as determined above, should then be entered in the "Total Delivery" column. For example, a load of 151.4 bushels would be entered as 50.4 units in the case of Wheat, 18.9 units in the case of Oats or 30.2 units if it consisted of Barley or Rye.

The initial quota outlined above, when authorized, will become part of the minimum quota which the Board intends to establish for all producers as space permits. The balance of the intended minimum delivery quota for the season will be handled along similar lines to the above, after which the Board proposes to institute quotas based on specified acreage similar to those of Season 1953-54.

It will be appreciated if all Companies will bring the above to the attention of elevator agents and producers, stressing particularly that the initial quota policy referred to above is not to become effective until such time as authorized by the Board. In the case of stations where no oats or barley are available for delivery at the present time and where space is available to take delivery of all or a portion of the initial quota in other grain, the Board will be prepared to consider applications, signed by all elevator agents at the point, for the establishment of the initial quota policy at an earlier date than is generally proposed. Such applications should be submitted by letter or telegram after due consultation between all agents."

Trade Specialists From
Grain Importing Countries
to Visit Canada

The Right Honourable C. D. Howe, Minister of Trade and Commerce, announced on July 26 that the Canadian Wheat Board, in the promotion of the overseas sale of Canadian grain, is making arrangements to bring trade visitors from grain importing countries to Canada so that they may make first-hand studies of the production, grading, milling, storage and merchandising of Canadian wheat and other grains.

The small groups which are to be brought to Canada, in turn from a number of countries, will include men engaged in the technical side of the wheat and flour business as well as those actually interested in purchasing and merchandising. By gaining first-hand experience of Canadian grading methods, the visitors will be able to assure themselves of the high quality of our export grains. They will take their new knowledge back to their own countries.

Arrangements are going forward to invite small numbers from those countries which are present and prospective markets for Canadian grain whether they are in Europe, the Far East or Latin America.

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, 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.

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—May	<u>2/</u>	<u>2/</u>
Total estimated supplies	905.1	983.2
Less estimated domestic requirements for crop year ..	150.4	160.0
Available for export and for carryover	754.7	823.2
Deduct:		
Overseas clearances of wheat as grain, August—June.	266.0	183.9
Exports of Canadian wheat to U.S., August—June.....	22.8	7.6
Total exports of wheat	288.8	191.4
Exports of wheat flour in terms of wheat, August—June	52.6 <u>3/</u>	42.4
Total exports of wheat and wheat flour	341.4	233.9
Balance on July 1 for export and for carryover	413.3	589.3

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

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

Total exports of wheat as grain and wheat flour in terms of wheat equivalent during the August—June period of the current crop year amounted to 233.9 million bushels as against 341.4 million bushels exported during the same period of the preceding crop year. The balance available at July 1, 1954 for export and for carryover at the end of the crop year amounted to an estimated 589.3 million bushels, some 43 per cent greater than the July 1, 1953 total of 413.3 million bushels.

Weekly marketings of wheat by farmers in the Prairie Provinces during the five-week period ending July 21 were considerably greater than those of any week since December 30, 1953, ranging between a low of 9.4 million bushels and a high of 13.1 million. Although wheat exports during June showed an increase for the second successive month, this increase was more than offset by the higher level of deliveries from farms. As a result, the visible supply of Canadian wheat increased by some 29.4 million bushels to 366.9 million bushels during the five-week period preceding July 21. Total visible supplies at approximately this same date in 1953 and 1952 were 247.0 million and 190.0 million bushels, respectively.

Stocks in country elevators on July 21, 1954, at 201.9 million bushels, were well in excess of the comparable stocks of 115.5 million in 1953 and 95.0 million in 1952. Lakehead stocks at July 21 of the current crop year amounted to 49.2 million bushels, sharply above the 26.5 million at approximately the same date a year ago and 10.9 million two years ago. Supplies in Bay, Lake

and Upper St. Lawrence ports were also relatively large, totalling 41.9 million bushels, compared with 29.8 million in 1953 and 31.9 million in 1952. In eastern export positions (Lower St. Lawrence and Maritime ports) stocks amounted to 23.9 million bushels, well above the 15.1 million and 4.9 million bushels in the same position at approximately the same date in 1953 and 1952, respectively. Supplies available at Vancouver-New Westminster amounted to 7.8 million bushels compared with 8.2 million at July 23 last year and 7.2 million bushels two years ago. Stocks in the port of Churchill, at 2.5 million bushels, showed little change from the corresponding 1953 and 1952 totals. A heavy shipping season from Churchill is anticipated and is expected to commence about the end of July.

Total exports of wheat as grain and wheat flour in terms of wheat equivalent during June 1954 amounted to 25.2 million bushels. Although this year's June exports were below both the June 1953 total of 43.9 million and the ten-year (1943-44-1952-53) average of 31.0 million bushels, they were the largest for any month since August 1953, and exceeded by some 12 per cent the May 1954 total of 22.5 million. Exports of wheat as grain during June, at 21.2 million bushels, were 16 per cent greater than the 18.2 million exported during the preceding month. Total exports of wheat as grain during the August-June period of the 1953-54 crop year amounted to 191.4 million bushels compared with 288.8 million for the same period of 1952-53.

The United Kingdom continued as the leading market for Canadian wheat, having received 57.6 million bushels, or 30 per cent of the total export shipments of wheat as grain during the eleven-month period ending June 30, 1954. Other major markets for Canadian wheat during the period, with quantities in millions of bushels, were as follows: Japan, 35.7; Federal Republic of Germany, 20.3; Belgium, 11.7; Switzerland, 9.3; Brazil, 7.7; United States, 7.6 (of which 2.2 million were for milling in bond); South Africa, 7.3; Netherlands, 6.5; India, 4.3; Israel, 3.7; Spain, 3.4; Norway, 2.7; Ireland, 2.0; Malta, 1.7; Peru, 1.6; Ecuador, 1.6 and Cuba, 1.1.

Preliminary Customs returns indicate that the equivalent of an additional 4.0 million bushels of wheat were exported in the form of wheat flour during June, 1954, slightly below the total of 4.3 million bushels exported during May. The adjusted June, 1953 total amounts to 4.9 million bushels. Cumulative exports of flour in terms of wheat during the August-June period of 1953-54 amounted to 42.4 million bushels as against the adjusted figure of 52.6 million bushels for the same period of 1952-53.

Wheat Acreage
Estimate - 1954

The area seeded to spring wheat in Canada this year is currently estimated at 23.6 million acres, a decrease of about five per cent from the 1953 area of 24.3 million. Most of the decrease from last year occurred in the Prairie Provinces although acreages seeded in British Columbia and Ontario were also lower than in 1953. In the Prairie Provinces the decreases from 1953 ranged in size from 3.5 per cent in Saskatchewan to about 8 per cent in both Manitoba and Alberta. The Saskatchewan wheat acreage is estimated at 15.5 million acres as against 16.1 million in 1953 while in Alberta and Manitoba the acreages are placed at 5.9 million and 2.0 million, respectively, compared with 6.3 million and 2.2 million in 1953. The area of winter wheat in Ontario, the principal producing area for that crop, is estimated at 710,000 acres, down slightly from last year's 732,000 acres.

Preliminary Estimates of Principal Grain and Summerfallow Acreages,
Canada and Prairie Provinces, 1954, Compared with 1951 - 1953

Province and Crop	1951	1952	1953	1954	1954 as Per Cent of 1953
	acres	acres	acres	acres	per cent
<u>CANADA</u>					
Winter wheat	703,000	650,000	732,000	710,000	97
Spring wheat 1/	24,551,400	25,345,000	24,780,600	23,556,800	95
All wheat	25,254,400	25,995,000	25,512,600	24,266,800	95
Oats for grain	11,896,600	11,062,400	9,830,000	10,160,600	103
Barley	7,839,800	8,477,400	8,911,100	7,855,900	88
Fall rye 2/	711,600	772,400	1,031,200	672,500	65
Spring rye	415,000	501,200	463,000	178,000	38
All rye	1,126,600	1,273,600	1,494,200	850,500	57
Flaxseed	1,158,500	1,129,500	972,000	1,206,200	124
Summerfallow 3/	21,569,000	21,245,000	22,764,000	25,253,000	111
<u>MANITOBA</u>					
Spring wheat	2,326,000	2,368,000	2,208,000	2,035,000	92
Oats for grain	1,643,000	1,611,000	1,412,000	1,510,000	107
Barley	2,040,000	2,165,000	2,365,000	2,202,000	93
Fall rye	41,800	58,800	120,000	78,700	66
Spring rye	11,000	12,200	15,000	5,700	38
All rye	52,800	71,000	135,000	84,400	63
Flaxseed	655,000	500,000	420,000	444,200	106
Summerfallow	2,519,000	2,669,000	2,845,000	3,100,000	109
<u>SASKATCHEWAN</u>					
Spring wheat	15,635,000	16,432,000	16,100,000	15,540,000	97
Oats for grain	3,815,000	3,362,000	2,721,000	2,851,000	105
Barley	2,449,000	2,644,000	2,745,000	2,313,000	84
Fall rye	404,000	379,000	500,000	315,000	63
Spring rye	306,000	363,000	316,000	138,000	44
All rye	710,000	742,000	816,000	453,000	56
Flaxseed	296,000	380,000	342,000	518,000	151
Summerfallow	12,855,000	12,430,000	13,544,000	14,679,000	108
<u>ALBERTA</u>					
Spring wheat	6,424,000	6,404,000	6,340,000	5,862,000	92
Oats for grain	2,854,000	2,587,000	2,357,000	2,354,000	100
Barley	3,041,000	3,336,000	3,489,000	3,053,000	88
Fall rye	186,000	254,000	328,000	181,000	55
Spring rye	98,000	126,000	132,000	34,300	26
All rye	284,000	380,000	460,000	215,300	47
Flaxseed	135,000	167,000	164,000	215,000	131
Summerfallow	6,195,000	6,146,000	6,375,000	7,474,000	117

1/ Includes relatively small acreages of winter wheat in all provinces other than Ontario. 2/ Includes small acreages of spring rye in Quebec, Ontario and British Columbia. 3/ Prairie Provinces only.

Lake Shipments of Canadian Grain from the Opening of Navigation to July 31, 1954
and to Approximately the Same Date, 1944 to 1953*

Year	Wheat	Oats	Barley	Rye	Flaxseed	Total
- thousand bushels -						
1944	142,503	31,784	21,725	5,262	3,625	204,899
1945	162,672	51,016	20,942	2,770	1,921	239,322
1946	49,247	28,414	9,731	696	872	88,960
1947	77,890	22,376	10,216	1,662	28	112,172
1948	44,022	9,853	8,620	302	3,372	66,170
1949	71,626	12,406	13,056	5,814	4,767	107,670
1950	73,456	9,804	11,519	2,918	558	98,255
1951	78,059	27,694	19,734	4,595	686	130,767
1952	128,743	51,324	44,344	4,534	2,564	231,508
1953	134,458	39,752	56,577	6,123	2,550	239,459
1954	60,039	28,521	30,263	4,186	1,765	124,774

*Shipments from opening of navigation to July 31, 1944 through 1947. Shipments for subsequent years to the following dates: July 29, 1948; July 31, 1949; August 3, 1950; August 2, 1951; July 31, 1952; and July 31, 1953.

Total shipments of the five major grains out of Lakehead terminals from the opening of navigation to July 31, amounted to 124.8 million bushels as against the comparable 1953 total of 239.5 million bushels. Shipments of wheat at 60.0 million bushels accounted for 48 per cent of the total, while oats shipments at 28.5 million bushels and barley at 30.3 million accounted for 23 per cent and 24 per cent, respectively. The remainder of the shipments consisted of rye and flaxseed.

Crop Situation - The Telegraphic Crop Report issued by the Dominion Bureau of Western Canada Statistics on August 4 summarizes the crop situation in the Prairie Provinces as follows:

Drier weather over the past two weeks has brought crops along rapidly in most parts of the Prairie Provinces although some deterioration due to lack of moisture has occurred, particularly in southern Alberta and southwestern Saskatchewan. Rain will also be needed in some other regions to bring large areas of late-seeded crops to maturity. Hay and pastures have been generally good throughout the Prairies. Swathing of fall rye is getting under way in southern districts. Rust constitutes a serious threat, particularly west of the Red River Valley in Manitoba, and in southeastern, central and northwestern Saskatchewan. Potential threat of rust damage also exists in other regions of the Prairies. Hail damage has been light in Manitoba, light to medium in Saskatchewan, but quite heavy in Alberta. Due to late seeding in many areas, early frosts could cause damage to a large proportion of the crop.

Rust Report A report on rust development, issued by the Plant Pathology Laboratory at Winnipeg on August 3, reads as follows:

"The warm weather of the first three weeks in July did much to advance maturity of all cereal crops. This is a great advantage from the standpoint of rust because our chief hope of escaping very severe rust damage this

year lay in rapid crop development that would shorten the period of exposure to attack by stem rust. It should not be assumed, however, that rust damage will be light. In fact, leaf rust is so widely distributed that it will cause more damage than in most years—perhaps more than in any previous year.

Wheat Stem Rust and Leaf Rust - In the area extending north from Morris, Manitoba, through Winnipeg and the interlake region there is less stem rust, in relation to the stage of crop development, than in the two preceding years, and it seems unlikely that yields of wheat will be seriously affected except in durum wheat and perhaps also in late-sown bread wheat. Durum, except perhaps the odd early sown field, is likely to suffer severe yield reduction from stem rust infection. South and west of Morris both leaf rust and stem rust increase considerably. There is much heavier infection around Morden and farther west with much defoliation by leaf rust. Leaf rust continues heavy west as far as Moose Jaw and north to Battleford. Stem rust, generally, has developed more slowly than was anticipated, though, locally, there are areas of fairly heavy infection as from Girvin, Saskatchewan south to Moose Jaw where, on July 29, stem rust infection ranged from 5 per cent to 25 per cent on all plants of bread wheat and up to 75 per cent on durum. From Moose Jaw to Regina infection on bread wheat ranged from 5 to 10 per cent and southwards from Regina there was a decrease in stem rust to 1-2 per cent or even trace on all plants. Similar light stem rust and heavy leaf rust infection occurred throughout the southeastern part of the province and northwards from Weyburn to Whitewood. Leaf rust infection was rather uniformly heavy through all this area. Around Saskatoon, there was much defoliation of wheat by leaf rust (July 29) along with about 5 per cent infection of stem rust on the stems. Stem rust there was much more severe on durum—about 30 per cent even on the upper sheaths. North and east of Saskatoon traces of stem rust have been found on Thatcher wheat at Birch Hills and Kinistino.

In Alberta, trace or light infection of stem rust occurred in the Lethbridge-Pincher Creek area on July 28. Leaf rust was found also but only in trace quantities. Traces of stem rust on wheat have been reported from Edmonton.

Stem Rust on Barley - There appears to be enough stem rust on barley to affect the yields somewhat in some southern Manitoba areas. Generally, however, barley will probably escape with little loss from rust.

Stem Rust on Oats - Oat stem rust occurs as far west as Saskatoon but except for a few places in southern Manitoba there is little evidence of heavy infection.

Crown Rust on Oats - Crown rust also has been found west to Saskatoon and is reported to be rather plentiful in certain parts of eastern Saskatchewan, as in the Carlyle-Whitewood area.

General Remarks - It is too early to give any general estimate of rust losses. The most striking feature of the present rust situation is the widespread and heavy infection by leaf rust. For this reason, Lee wheat, which is resistant to leaf rust, should have an advantage over Redman and Thatcher. Though stem rust has developed rather more slowly than was anticipated there is still time for it to do severe damage to bread wheat in regions where wheat is very late, as for instance in the Carlyle-Whitewood area of eastern Saskatchewan where many fields were only in the flowering stage on July 29 or in the Dauphin-Swan River region where crops are late and stem rust is now developing. Wheat stem rust thus far identified as to race continues to be almost exclusively race 15B.

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
	23	1,051,539	8,629,674	2,159,639	11,840,852	8,724,940
	30	1,147,770	8,121,176	1,804,689	11,073,635	5,524,349
July	7	807,587	6,412,954	2,172,471	9,393,012	9,507,823
	14	1,027,250	7,868,249	2,056,782	10,952,281	18,171,184
	21	1,068,110	10,141,378	1,878,049	13,087,537	25,599,299
Totals		33,434,051	229,644,275	106,983,561	370,061,887	496,472,526

Visible Supply of Canadian Wheat, July 21, 1954,
Compared with Approximately the Same Date, 1952 and 1953

Position	1952	1953	1954
- thousand bushels -			
Country elevators - Manitoba	3,828	7,407	22,569
Saskatchewan	57,722	62,479	117,893
Alberta	33,470	45,602	61,440
Totals	95,019	115,489	201,902
Interior private and mill	4,671	5,704	6,375
Interior terminals	5,484	14,636	15,728
Vancouver-New Westminster	7,202	8,206	7,849
Victoria	-	24	446
Prince Rupert	6	356	306
Churchill	2,492	2,126	2,516
Fort William-Port Arthur	10,925	26,528	49,188
In transit rail (Western Division)	15,537	20,408	11,511
Bay, Lake and Upper St. Lawrence ports	31,946	29,846	41,890
Lower St. Lawrence and Maritime ports	4,942	15,141	23,933
In transit lake	4,965	4,631	4,406
In transit rail (Eastern Division)	2,922	3,591	681
United States ports	3,921	364	208
In transit U.S.A.	-	-	2
Totals	190,032	247,049	366,943

Grading of Wheat Inspected, August-June, 1953-54 with Comparisons

Grade	Crop Year		August-June			
	Average 1947-48- 1951-52	1952-53	1952-53		1953-54	
	per cent	per cent	cars	per cent	cars	per cent
1 Hard	1/	1/	49	1/	-	-
1 Northern	12.2	7.1	17,837	7.2	14,334	8.3
2 Northern	29.9	31.7	76,098	30.6	75,659	43.9
3 Northern	13.7	17.4	43,243	17.4	35,345	20.5
4 Northern	6.0	9.6	24,130	9.7	9,242	5.4
5 Wheat	5.7	10.4	25,968	10.5	9,257	5.4
6 Wheat	3.3	2.8	7,267	2.9	4,048	2.3
Feed Wheat	0.6	0.4	1,176	0.5	333	0.2
Garnet	0.9	0.5	1,283	0.5	831	0.5
Amber Durum	3.2	1.7	4,260	1.7	4,074	2.4
Alberta Winter	0.5	0.1	246	0.1	173	0.1
Toughs 2/ 3/	18.4	16.7	42,931	17.3	16,117	9.3
Damps 2/ 4/	3.8	0.1	363	0.1	84	1/
Rejected 2/	0.6	1.0	2,466	1.0	2,022	1.2
All Others	1.1	0.4	1,049	0.4	1,012	0.6
Totals	100.0	100.0	248,366	100.0	172,531	100.0

1/ Less than .05 per cent.

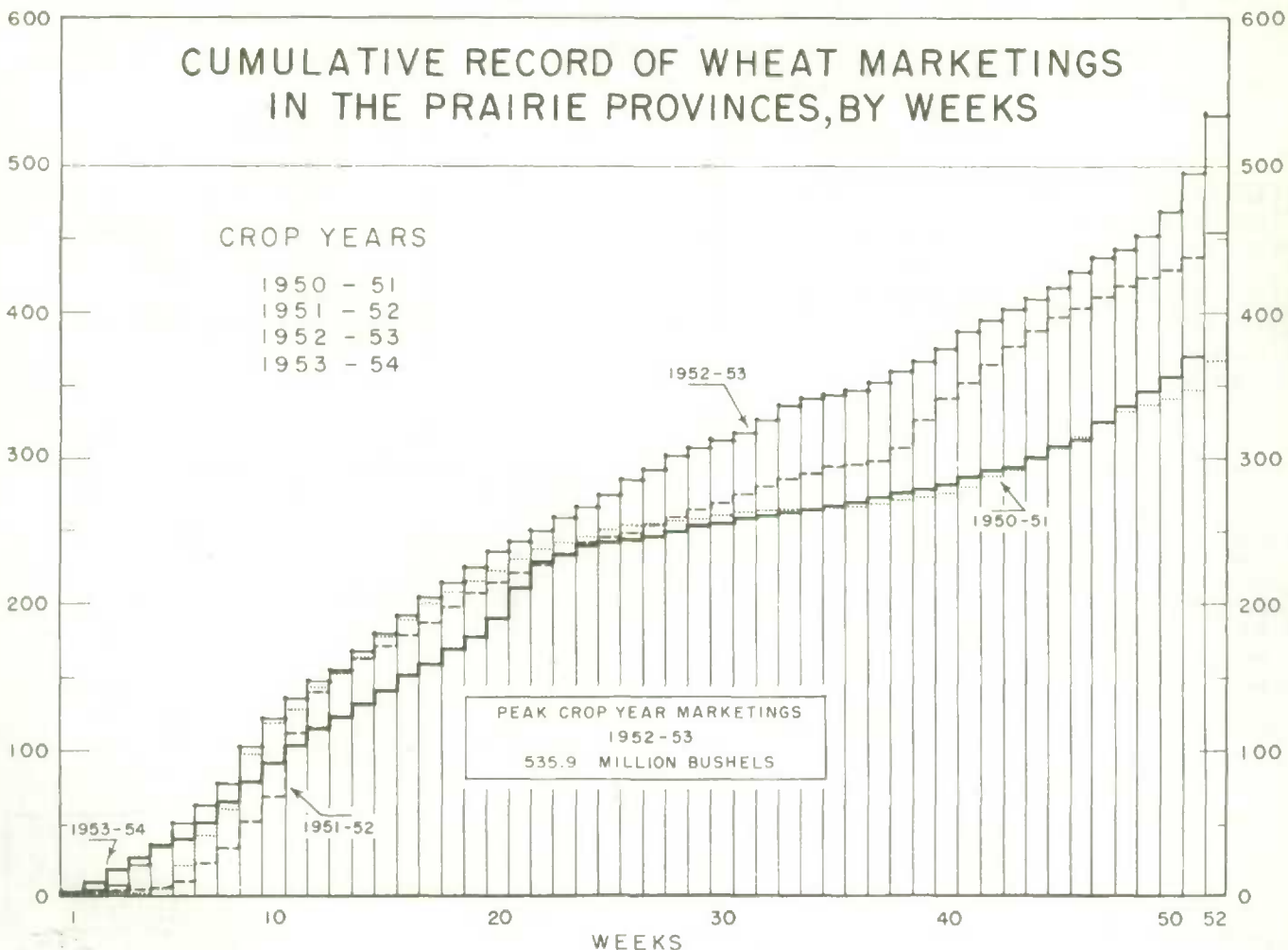
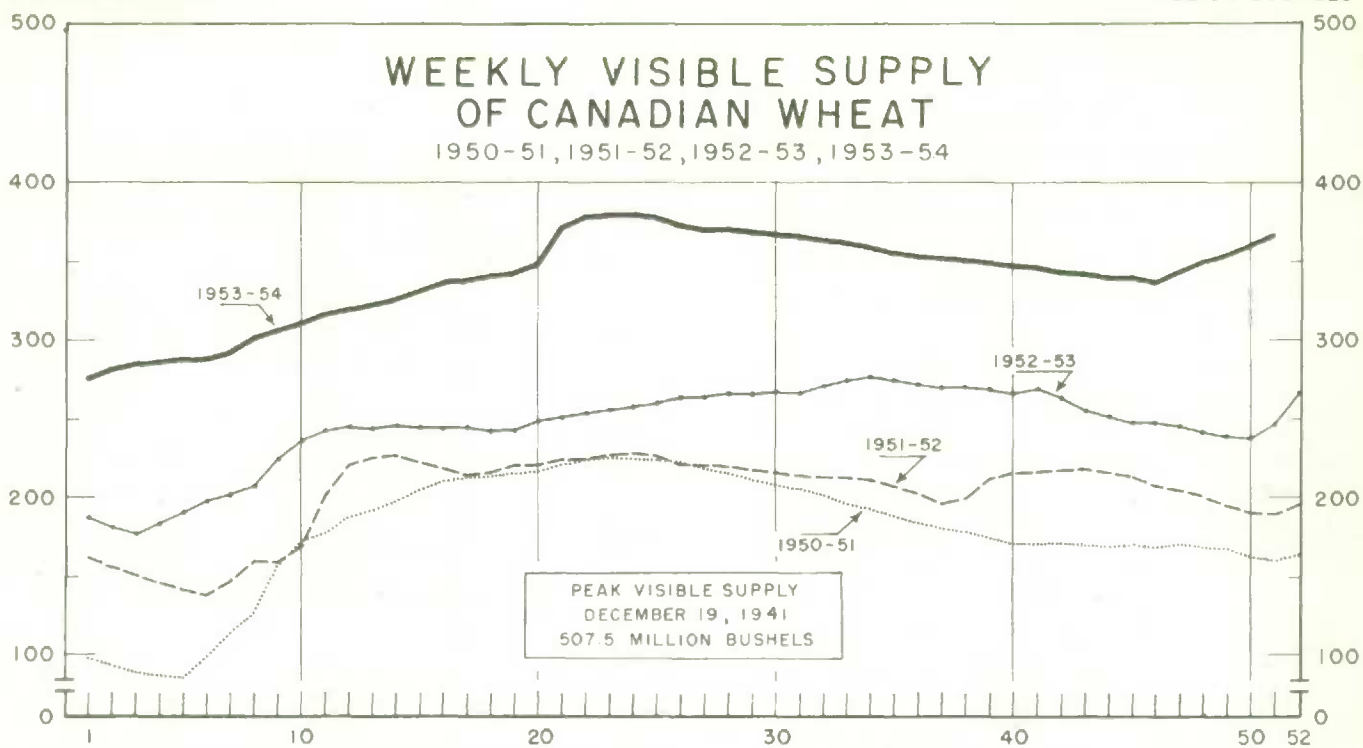
2/ All varieties and grades.

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)

Wheat Shipments* to the United States by Destination
August 1, 1953 to July 21, 1954
Compared with Approximately the Same Period 1951-52 and 1952-53

Destination	1951-52	1952-53	1953-54
- bushels -			
By Vessel			
Duluth-Superior	6,075,393	2,643,223	136,603
Milwaukee	353,016	-	40,940
Chicago	1,378,340	383,222	68,700
Huron	159,884	320,734	68,592
Erie	93,107	276,567	153,776
Buffalo	23,919,085	15,238,554	5,540,438
Oswego	514,005	2,727,480	-
Detroit	62,930	-	-
Totals, Vessel	32,555,760	21,589,780	6,009,049
By Rail			
U.S.A. Seaboard Ports	1,903,416	648,480	16,534
Other U.S.A. Points	6,056,018	4,553,019	1,773,303
Totals, Rail	7,959,434	5,201,499	1,789,837
Totals, Shipments	40,515,194	26,791,279	7,798,886

*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 crop year to July 21, amounted to 7.8 million bushels as against shipments of 26.8 million and 40.5 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-June period of the current crop year totalled 10.2 million bushels compared with 15.3 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 June 30, 1953	August 1, 1953 to June 30, 1954
- bushels -		
Port McNicoll	5,474,960	3,469,474
Midland	6,488,752	4,355,341
Collingwood	851,463	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	15,267,002	10,210,317

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	37,349
July	199,603	113,827	223,687	
Totals	15,359,217	14,303,297	26,594,524	

In keeping with the usual seasonal trend during the lake shipping season, rail shipments of wheat continued to decline during June. The 37,349 bushels shipped were well below the comparable June shipments of 136,014 bushels, 196,083 bushels and 356,443 bushels in 1953, 1952 and 1951, respectively. Cumulative rail shipments from the Lakehead during the August-June period of the current crop year amounted to 3.2 million bushels as against shipments of 26.4 million during the same period of the preceding crop year.

Distribution of the June 1954 rail shipments of wheat from the Lakehead by grade and destination is shown in the table below. The bulk of the shipments, 25,352 bushels, went to destinations in Ontario, while Quebec accounted for an additional 9,331 bushels. Relatively small shipments went to destinations in New Brunswick and Nova Scotia.

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

Grade	N.S.	N.B.	Que.	Ont.
- bushels -				
5 Wheat	-	-	1,500	5,500
Amber Durum	-	-	2,000	-
Tough	-	-	-	6,333
All Others	1,333	1,333	5,831	13,519
Totals	1,333	1,333	9,331	25,352

Freight Assistance Shipments Claims filed for payment up to June 30, 1954 represent shipments of some 10.6 million bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia during the first ten months of the 1953-54 crop year. During the same period of the 1952-53 crop year claims had been filed for some 11.8 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-May wheat shipments under the plan were running somewhat below those in 1952-53. Revised data on shipments during the first ten months of 1952-53 based on claims submitted up to June 30, 1954 place the total at 12.3 million bushels. The bulk of the current crop year's August-May 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	205	1,092
December	5	8	67	27	366	395	217	1,086
January, 1954	12	11	66	43	340	373	212	1,059
February	6	13	48	27	331	302	167	894
March	4	7	74	32	400	381	203	1,100
April	7	6	59	35	282	398	157	944
May	4	10	56	29	444	384	49	975
Totals <u>1/</u>	73	98	607	351	3,813	3,779	1,889	10,610
Same period 1952-53:								
Preliminary <u>2/</u>	73	179	675	422	4,130	4,445	1,858	11,783
Revised <u>1/</u>	78	183	693	433	4,199	4,633	2,105	12,323

Preliminary data on millfeed shipments under the freight assistance plan indicate shipments of 380,126 tons during the August-May period of 1953-54. This total based on claims submitted up to June 30, 1954 is some 12 per cent below the preliminary total for the comparable period of 1952-53. Revised figures for the August-May period of 1952-53 show a total of 453,816 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-May		
	1952-53		1953-54
	Preliminary <u>2/</u>	Revised <u>1/</u>	Preliminary <u>1/</u>
- tons -			
Newfoundland	2,717	2,865	2,995
Prince Edward Island .	6,110	6,290	3,929
Nova Scotia	32,402	33,161	27,617
New Brunswick	28,371	28,988	24,918
Quebec	205,839	212,981	178,758
Ontario	121,663	128,078	104,176
British Columbia	35,802	41,453	37,733
Totals	432,904	453,816	380,126

1/ Based on claims filed up to June 30, 1954.

2/ Based on claims filed up to June 30, 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
June	19,854	1,320	4,022	25,196	22,183
Totals	183,886	7,559	42,421	233,865	246,365

^{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	March	June		August—June	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
COMMONWEALTH COUNTRIES - bushels -					
United Kingdom	1,654,992	1,634,620	5,600,195	14,743,755	57,612,415
<u>Africa</u>					
Gambia	2,295	-	-	19,805	-
Gold Coast	33,597	79,898	-	830,340	-
Nigeria	22,545	75,056	-	485,933	-
Other British West Africa	-	6,426	-	6,426	-
Sierra Leone	9,693	18,238	-	99,319	-
Union of South Africa	-	-	1,323,220	-	7,273,594
<u>Asia</u>					
Ceylon	-	-	-	242,829	-
Hong Kong	44,298	60,138	168,560	995,148	168,560
India	-	76	-	76	4,272,438
Malaya and Singapore	29,849	40,419	-	340,376	-
<u>Europe</u>					
Gibraltar	13,883	12,838	-	127,714	-
Malta	-	-	190,400	-	1,683,173
<u>North America</u>					
Bahamas	15,817	28,930	-	243,472	-
Barbados	24,845	27,797	-	406,080	1,508
Bermuda	9,369	14,036	-	109,656	-
British Honduras	4,567	8,717	-	53,438	-
Jamaica	112,068	2,682	-	1,651,851	3,490
Leeward and Windward Islands .	71,748	106,052	-	911,205	-
Trinidad and Tobago	287,559	194,922	-	2,111,121	-
<u>South America</u>					
British Guiana	19,449	16,488	-	970,218	-
Totals, Commonwealth Countries	2,356,574	2,327,333	7,282,375	24,348,762	71,015,178
<u>FOREIGN COUNTRIES</u>					
<u>Africa</u>					
Azores and Madeira	7,947	3,244	-	55,296	-
Belgian Congo	26,154	51,246	-	593,771	9,186
Canary Islands	-	-	-	918	-
Egypt	-	-	-	4,599	-
French Africa	-	-	-	7,843	-
Liberia	652	1,440	-	7,033	-
Libya	-	-	-	-	451,734
Morocco	-	4,950	-	289,391	-
Portuguese East Africa	-	-	-	10,674	398,346
Portuguese West Africa	7,785	5,508	-	39,591	-
Spanish Africa	-	-	-	14,148	-
<u>Asia</u>					
Arabia	1,283	337	-	99,094	-
Indonesia	-	-	-	72,041	-
Israel	-	-	753,800	3,060	3,735,264
Japan	96,782	23,981	3,634,492	993,303	35,719,182
Korea	-	101,227	-	1,054,273	-
Lebanon	279	-	-	126,441	-
Philippine Islands	468,851	406,143	-	4,823,348	-
Portuguese Asia	2,295	2,295	-	18,122	-
Syria	54	-	-	135	-
Taiwan (Formosa)	-	-	-	-	79,707
Thailand	20,412	24,430	-	290,142	-

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

Destination	March	June		August—June	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 2/	Wheat Flour 2/	Wheat 2/
- bushels -					
<u>Europe</u>					
Austria	-	-	-	-	350,000
Belgium	-	-	714,985	-	11,708,300
Denmark	-	-	-	1,125	878,700
Finland	-	-	161,680	-	161,680
France	4,041	3,033	-	13,131	709,334
Germany, Federal Republic of	58,509	82,512	4,611,134	593,442	20,298,022
Iceland	6,467	-	-	172,755	-
Ireland	-	-	149,333	-	1,950,554
Italy	12,645	1,607	-	164,750	382,922
Netherlands	-	1,404	753,946	17,451	6,459,269
Norway	-	-	356,219	-	2,699,136
Portugal	1,265	459	-	55,098	354,667
Spain	-	-	-	-	3,424,966
Switzerland	-	180	393,867	180	9,262,558
Yugoslavia	1,606	347	-	18,261	-
<u>North America</u>					
Alaska	-	5	-	9	-
Costa Rica	35,356	38,943	-	399,758	40,000
Cuba	59,661	98,190	870	761,607	1,149,217
Dominican Republic	28,413	62,950	-	467,892	-
El Salvador	24,732	12,051	-	269,343	-
French West Indies	-	477	-	5,953	-
Guatemala	21,424	13,820	-	394,943	-
Haiti	44,739	30,078	-	567,945	-
Honduras	918	1,836	-	21,901	6,667
Mexico	-	-	-	549	-
Netherlands Antilles	18,459	26,919	-	229,770	-
Nicaragua	40,837	13,878	-	284,072	-
Panama	19,129	27,288	-	322,034	-
St. Pierre and Miquelon	913	3,465	-	18,972	-
United States					
Flour in terms of wheat	25,722	131,099	-	251,343	-
For milling in bond 4/	-	-	136,807	-	2,160,739
For domestic use 4/	-	-	1,183,548	-	5,397,793
Virgin Islands	2,295	2,254	-	11,776	-
<u>Oceania</u>					
Guam	-	585	-	1,732	-
<u>South America</u>					
Bolivia	4,842	-	-	17,626	846,120
Brazil	-	-	795,293	1,440	7,705,841
Colombia	35,631	88,362	70,968	619,173	946,528
Ecuador	-	-	172,692	42,178	1,563,965
Peru	7,110	6,102	-	39,514	1,567,351
Surinam	1,647	19,188	-	186,642	-
Venezuela	493,232	402,655	2,000	3,616,551	11,480
Totals, Foreign Countries ...	1,582,087	1,694,488	13,891,634	18,072,139	120,429,228
Totals, All Countries	3,938,661	4,021,821	21,174,009	42,420,901	191,444,406

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				
	July 2	July 9	July 16	July 23	July 30
- 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	171/6	171/2	170/5	170/5	170/3
2 Northern	165/6	165/2	164/5	164/5	164/3
3 Northern	163/6	163/2	162/5	162/5	162/3
4 Northern	159/6	159/2	158/5	158/5	158/3
5 Wheat	157/6	157/2	156/5	156/5	156/3
6 Wheat	154/6	154/2	153/5	151/5	151/3
Feed Wheat	151/6	151/2	150/5	148/5	148/3
1 C.W. Garnet	159/6	159/2	158/5	158/5	158/3
2 C.W. Garnet	158/6	158/2	157/5	157/5	157/3
3 C.W. Garnet	157/6	157/2	156/5	156/5	156/3
1 Alberta Red Winter	163/6	163/2	162/5	159/2	158/3
2 Alberta Winter	161/6	161/2	160/5	157/2	156/3
3 Alberta Winter	159/6	159/2	158/5	155/2	154/3
1 C.W. Amber Durum 1/	200/6	200/2	199/5	199/5	199/3
2 C.W. Amber Durum 1/	198/6	198/2	197/5	197/5	197/3
3 C.W. Amber Durum 1/	197/6	197/2	196/5	196/5	196/3
<u>Export - Class II</u>					
1 Northern	171/6	171/2	170/5	170/5	170/3
2 Northern	165/6	165/2	164/5	164/5	164/3
3 Northern	163/6	163/2	162/5	162/5	162/3
4 Northern	159/6	159/2	158/5	158/5	158/3
5 Wheat	157/6	157/2	156/5	156/5	156/3
6 Wheat	154/6	154/2	153/5	151/5	151/3
Feed Wheat	151/6	151/2	150/5	148/5	148/3
1 C.W. Garnet	159/6	159/2	158/5	158/5	158/3
2 C.W. Garnet	158/6	158/2	157/5	157/5	157/3
3 C.W. Garnet	157/6	157/2	156/5	156/5	156/3
1 C.W. Amber Durum	274	271/2	270	270	270
2 C.W. Amber Durum	272	269/2	268	268	268
3 C.W. Amber Durum	271	268/2	267	267	267

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				
	July 2	July 9	July 16	July 23	July 30

- cents and eighths per bushel -

Initial Payment to Producers

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

International Wheat Agreement
and Domestic Sales

1 Northern	177/6	177/2	176/5	176/5	176/3
2 Northern	171/6	171/2	170/5	170/5	170/3
3 Northern	169/6	169/2	168/5	168/5	168/3
4 Northern	165/6	165/2	164/5	164/5	164/3
5 Wheat	157/6	157/2	156/5	156/5	156/3
6 Wheat	154/6	154/2	153/5	151/5	151/3
Feed Wheat	151/6	151/2	150/5	148/5	148/3
1 C.W. Garnet	159/6	159/2	158/5	158/5	158/3
2 C.W. Garnet	158/6	158/2	157/5	157/5	157/3
3 C.W. Garnet	157/6	157/2	156/5	156/5	156/3
1 Alberta Red Winter	169/6	169/2	168/5	163/7	162/3
2 Alberta Winter	167/6	167/2	166/5	161/7	160/3
3 Alberta Winter	165/6	165/2	164/5	159/7	158/3

Export - Class II

1 Northern	177/6	177/2	176/5	176/5	176/3
2 Northern	171/6	171/2	170/5	170/5	170/3
3 Northern	169/6	169/2	168/5	168/5	168/3
4 Northern	165/6	165/2	164/5	164/5	164/3
5 Wheat	157/6	157/2	156/5	156/5	156/3
6 Wheat	154/6	154/2	153/5	151/5	151/3
Feed Wheat	151/6	151/2	150/5	148/5	148/3
1 C.W. Garnet	159/6	159/2	158/5	158/5	158/3
2 C.W. Garnet	158/6	158/2	157/5	157/5	157/3
3 C.W. Garnet	157/6	157/2	156/5	156/5	156/3
1 Alberta Red Winter	169/6	169/2	168/5	163/7	162/3
2 Alberta Winter	167/6	167/2	166/5	161/7	160/3
3 Alberta Winter	165/6	165/2	164/5	159/7	158/3

CANADIAN FLOUR MILLING SITUATION

Production The production of wheat flour reported by Canadian mills for June, 1954 amounted to 1,771,000 barrels, slightly above the May, 1954 output of 1,707,000 barrels but below the June, 1953 outturn of 1,990,000 barrels. The ten-year (1943-44-1952-53) average for June production was 2,007,000 barrels. Mills reporting operations during June, 1954 had a total rated capacity of 96,724 barrels per 24-hour day, and on the basis of a 26-day working period, 70.4 per cent of this rated capacity was effective.

Wheat milled for flour during the month amounted to 7.8 million bushels, as against 7.5 million bushels milled during the preceding month and 8.9 million bushels milled during June last year. Of the wheat milled for flour during June, 1954 some 7.1 million bushels were Western Canadian Spring wheat (other than Durum). Most of the balance consisted of Ontario Winter wheat (497,000 bushels) and Durum wheat (91,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during June, 1954 amounted to 893,738 barrels (4,022,000 bushels of wheat equivalent), representing a decrease of some 6 per cent from flour exports of the preceding month. Flour shipments during the month went to 55 countries and colonies, with the United Kingdom accounting for 1.6 million bushels of wheat equivalent, or 41 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 (406); Venezuela (403); Trinidad and Tobago (195); United States (131); Leeward and Windward Islands (106); and Korea (101).

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
June	7,814,178	1,770,904	893,738
Total	84,859,067	19,207,958	9,426,867
Same period 1952-53 (revised)	98,398,926	21,993,288	11,687,607

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

Disappearance of
United States Wheat
Smallest since 1941-42

Total disappearance (exports and domestic use) of United States wheat during the crop year ending June 30, 1954 amounted to some 834 million bushels, the smallest since 1941-42. Sharply reduced exports in 1953-54 accounted for most of the drop of 171 million bushels from the 1952-53 total, but domestic use, at an indicated 616 million bushels, was also down substantially from the previous year's level of 688 million. Preliminary data indicate that 1953-54 exports of wheat, wheat flour and other wheat products in terms of grain equivalent amounted to 217.3 million bushels, approximately 100 million less than in 1952-53. Exports of wheat as grain dropped from 276.4 million bushels in 1952-53 to 184.1 million in 1953-54 while exports of flour and other wheat products dropped from 40.7 million to 33.3 million bushels of wheat equivalent. As a result of record wheat supplies of 1.7 billion bushels and reduced disappearance, the carryover at July 1, 1954 reached a record 903 million bushels, 340 million higher than in 1953 and 272 million greater than the previous record of 631 million at July 1, 1942.

United States Wheat Supplies

Item	1952-53	1953-54 <u>1/</u>
- 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-June	20.4	5.5
Total estimated supplies	1,567.5	1,736.5
Less estimated domestic requirements for crop year <u>2/</u> .	687.9 <u>2/</u>	616.3 <u>2/</u>
Available for export and for carryover	879.6	1,120.2
Deduct:		
Exports of wheat as grain, July-June	276.4	184.1
Exports of wheat flour and products in terms of		
wheat, July-June	40.7	33.3
Total exports of wheat, wheat flour and products .	317.1	217.3
Carryover at end of crop year (June 30)	562.5	902.9

1/ Preliminary.

2/ 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.

3/ Revised.

Prospective Wheat
Supplies for 1954-55
Largest on Record

The record carryover of 903 million bushels, together with the new crop currently estimated at 988 million gives the United States prospective total domestic wheat supplies of 1,891 million bushels for the 1954-55 crop year.

Supplies of the size indicated would be 160 million bushels greater than the 1953-54 domestic supplies of 1,731 million bushels, the previous record. Average supplies for the ten-year (1943-44-1952-53) period amounted to 1,420 million bushels. Domestic disappearance for 1954-55 is tentatively set at 660 million bushels, according to the June 30 issue of the "Wheat Situation". Assuming supplies and domestic disappearance as indicated, at least 1,230 million bushels of United States wheat will be available for export and carryover in 1954-55.

Wheat Carryover
at a Record
903 Million Bushels

Stocks of United States old-crop wheat in all positions amounted to a record 903 million bushels on July 1, 1954, according to a report released by the United States Department of Agriculture. Current carryover stocks are

272 million greater than the previous record on July 1, 1942 and 340 million greater than in 1953. Stocks on farms, at 103 million bushels, were the largest since 1944 and about 30 million greater than on July 1, 1953. Stocks in merchant mills amounted to almost 64 million bushels and, with the exception of 1951, were also the largest since 1944. Terminal stocks, at 297 million bushels, and stocks in interior mills, elevators and warehouses, at 308 million bushels, were the largest on record. The Commodity Credit Corporation had about 132 million bushels in its own storage facilities. Although accurate data on CCC ownership of other wheat at July 1 are not available the agency either owned or controlled a substantial share of the total carryover. Details of stocks by positions are given in the table below.

Stocks of United States Wheat by Position,
July 1, 1954 with comparisons

Position	July 1 1952	July 1 1953	April 1 1954	July 1 1954
- thousand bushels -				
On farms 1/	63,079	73,105	297,873	102,997
Terminals 2/	93,924	239,330	315,984	296,715
Commodity Credit Corporation 3/	1,144	8,364	30,433	131,738
Merchant mills 1/ 4/	39,568	58,408	104,778	63,829
Interior mills, elevators and warehouses 1/ 5/	57,955	183,279	379,630	307,575
Totals	255,670	562,486	1,128,698	902,854

1/ Estimates of the Crop Reporting Board.

2/ Commercial stocks reported by Grain Division, AMS, at 44 terminal cities.

3/ Owned by CCC and stored in bins or other storages owned or controlled by CCC, also CCC-owned grain in transit to ports; other CCC-owned grains is included in the estimates by positions.

4/ Mills reporting to the Bureau of the Census on millings and stocks of flour.

5/ All off-farm storages not otherwise designated for each grain.

1954 Wheat Crop
Forecast at 988
Million Bushels

In a report issued on July 9, 1954 the Crop Reporting Board of the United States Department of Agriculture stated that an appraisal of crop conditions on July 1 indicated ".... Production of all wheat is expected to total 988 million bushels, 11 million bushels below the June 1 forecast. The prospective 1954 crop is 15 per cent smaller than the 1953 crop of 1,169 million bushels and 12 per cent smaller than the average of 1,122 million bushels. Improvement occurred during June in production prospects for winter wheat, but rust infestation has lowered prospective spring wheat production, especially in the Dakotas. June weather was favourable for maturing and harvesting winter wheat. For all wheat the indicated yield per harvested acre is 18.4 bushels compared with 17.3 bushels last year and the 10-year average of 17.0 bushels per acre.

Total acreage of all wheat harvested for grain in 1954 is expected to be the smallest since 1943. The indicated 53.7 million acres for harvest is 14 million, or 21 per cent, less than the acreage harvested in 1953 and 12.3 million, or 19 per cent less than average. The 62.6 million acres of wheat seeded in the fall of 1953 and the spring of 1954 is about one-fifth less than the 78.7 million acres seeded a year earlier and one-seventh less than the 10-year average. Abandonment of winter wheat has been moderately heavy this year with losses of acreage in the southern Great Plains making up most of the total. In this area, abandonment was mostly caused by below normal winter precipitation and several late winter dust storms of damaging proportions. Current indications point to an all wheat abandonment and diversion of 8.9 million acres—14.2 per cent of the total acreage planted. This compares with 14.1 per cent, or 11.1 million acres not harvested for grain last year and the average of 9.6 per cent and 7.1 million acres.

A winter wheat crop of over 758 million bushels is in prospect for 1954, about 19 million bushels more than last month. This would be 14 per cent less than the 878 million bushels produced last year and compares with the average of 833 million bushels. June weather was generally favourable for maturing and harvesting the crop, and test weights have been running unusually high, although high temperatures near the close of the month resulted in some shriveling of late wheat. The indicated yield of 19.9 bushels per harvested acre is the second highest of record and compares with 18.8 bushels in 1953 and the average of 17.7 bushels.

A spring wheat crop of 230 million bushels is in prospect, a decrease of 30 million bushels from the June forecast. A crop of this size would be about one-fifth less than the 1953 production of 291 million bushels and the average of 289 million bushels. Soil moisture supplies in the main spring wheat during June were generally favourable for growth and development of the crop. However, black stem rust is widespread in the Dakotas and Minnesota and is a serious threat. The prospective yield per harvested acre, at 14.7 bushels, compares with 13.9 bushels last year and the average of 15.0 bushels.

The estimated 16.2 million acres planted to durum and other spring wheat is about one-fourth less than the acreage planted in 1953 and about one-fifth below average. The crop was planted at about the usual time, except for delays in northern counties of North Dakota, Minnesota and Montana. An estimated abandonment of 3.5 per cent of the planted acreage leaves 15.6 million

acres to be harvested for grain, 25 per cent less than in 1953 and 19 per cent less than average. Last year abandonment was 4.5 per cent and the average is 3.6 per cent.

A durum wheat crop (included in spring wheat above) of 18,654,000 bushels is forecast for 1954. This is 44 per cent more than last year's crop of 12,967,000 bushels and compares with average production of 35,486,000 bushels. Although durum wheat grew and developed well with adequate moisture during June, it is again seriously threatened by stem rust. By July 1, rust was found on durum wheat throughout the major producing areas of the Dakotas and Minnesota. Development of rust and its ultimate damage to this vulnerable crop depends largely on weather conditions during July."

Flour Production The Bureau of the Census, Department of Commerce, estimates wheat flour production in the United States in May 1954 at 16,685,000 sacks, an average of 795,000 sacks per working day. This compares with a daily average of 783,000 sacks during the previous month, and 844,000 sacks in May, 1953. Production of wheat flour in May was at 74.9 per cent of capacity compared with 73.5 and 78.9 per cent, respectively, for the previous month and the same month a year ago.

Flour mills in May ground 38,582,000 bushels of wheat, compared with 39,874,000 bushels ground in April. Wheat offal output in May amounted to 327,804 tons. These figures represent the production of all commercial mills in the United States. About 97 per cent of the total is reported by the 375 largest mills and the balance estimated. The estimated position is based on a survey of the smaller mills in 1950.

Farmers Approve Marketing Quotas for 1955 Wheat Crop Farmers have voted to make marketing quotas effective on 1955-crop wheat. Preliminary returns from the national referendum of wheat growers held July 23, show 73.3 per cent of the farmers voting in favour of marketing quotas on next year's crop and 26.7 per cent opposed. These preliminary, unofficial returns show 195,801 votes were recorded as favouring marketing quotas and 71,303 votes were recorded as against quotas. The final official tabulation is not expected to show any significant change from the percentages for and against. Since the marketing quotas for wheat are effective on approval by two-thirds or more of the farmers voting, marketing quotas will be in effect on wheat during the marketing year beginning July 1, 1955.

U.S.D.A. Increases Emergency Storage With the addition of 100 million bushels of storage under a recent purchase by the U.S.D.A. and the 100 million bushels of capacity purchased earlier this year for storing wheat acquired by CCC under the 1953 support operation, CCC will have approximately 837 million bushels of emergency bin storage capacity. This emergency storage will be used to relieve commercial facilities of the burden of storing CCC-owned grains in the storage short areas of the U.S. In addition, the U.S.D.A. has arranged for the use of ships in the mothball fleet for storing approximately 70 million bushels of CCC-owned grains.

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
July 1, 1954	208 1/4 - 227 1/2	July 1, 1954	230 5/8 - 232 5/8
2	209 1/4 - 211	2	233 7/8 - 235 7/8
5	Independence Day	5	Independence Day
6	213 1/2 - 253	6	235 3/8 - 237 3/8
7	218 1/2 - 225	7	237 5/8 - 239 5/8
8	217 3/4 - 246	8	236 1/4 - 238 1/4
9	216 1/4 - 243 3/4	9	234 1/2 - 235 1/2
12	215 1/4 - 244 1/2	12	234 1/8
13	220 - 246 1/2	13	231 5/8 - 232 5/8
14	219 - 237	14	233 - 234
15	223 - 243 1/2	15	235 - 236
16	223 3/4 - 239 1/4	16	233 7/8 - 234 7/8
19	223 3/4 - 269 1/2	19	235 1/2 - 236 1/2
20	221 1/2 - 265 1/2	20	234 7/8
21	226 - 259 1/2	21	233 1/8
22	228 1/2 - 255	22	233 7/8
23	223 - 240	23	235
26	225 - 260 3/4	26	236 7/8
27	222 1/4 - 249	27	234 1/2
28	221 1/2 - 251	28	234 1/8
29	223 1/4 - 248 1/2	29	234
30	225 - 241 1/2	30	234

Chicago Wheat Futures, High Points of Closing

Date	July	September	December	March	May
	- cents and eighths per bushel -				
July 1, 1954	194/1	197/3	201	203/3	202/1
2	196/3	199/6	203/7	205/4	203
5			Independence Day		
6	199/6	203/4	207/3	210	207/6
7	204/2	207/4	210/6	212/6	210/6
8	203/5	206/6	209/6	211/4	209/2
9	202/6	205/5	208/5	210/4	207/6
12	204	207/3	210/3	212/3	209/7
13	202/7	205/7	209/1	211/1	209/4
14	203/3	206	209/3	211/2	208/7
15	209/2	211/1	214/3	216	213/4
16	208/2	210/7	214/2	214/2	212/2
19	209/2	211/5	215/1	215/2	211/6
20	208/1	211/1	214/1	214/1	211/2
21	206/4	208/7	212/1	212/4	209
22		209/7	213/3	214/1	210/1
23		210/6	213/6	214/3	210/5
26		211/6	215/4	216/6	214/2
27		208/4	212/4	213/7	211/7
28		206/1	209/6	211/2	209/3
29		207/5	211/4	213/4	211/2
30		206/7	210/4	212	209

ARGENTINE SITUATION

Supply Position Total estimated supplies of wheat in the Argentine for the crop year 1953-54, at 279.3 million bushels, consisting of a carry-over of 58.8 million and the 1953 crop of 220.5 million bushels, remain unchanged from a month ago. With anticipated domestic requirements placed 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 equivalent during the December-June period of the current crop year totalled 58.0 million bushels as against exports of 29.3 million bushels during the comparable period of 1952-53. The balance on July 1, 1954 for export and for carryover at the end of the crop year amounted to 92.7 million bushels compared with 111.5 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/</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	128.6
Available for export and for carryover	140.8 <u>2/</u>	150.7 <u>2/</u>
Deduct:		
Exports of wheat as grain, December-June	29.3	55.9
Exports of wheat flour in terms of wheat, December-June	<u>3/</u>	<u>2.1</u>
Total exports of wheat and wheat flour	29.3	58.0
Balance on July 1 for export and for carryover	111.5	92.7

1/ Preliminary. 2/ 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. 3/ 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 July 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 The weather during the second half of June and the first week in July continued cool, cloudy and wet. During the second week in July the weather cleared somewhat. Under these conditions pasture and the sown grain crops progressed very well and their condition must be considered good to excellent. Seeding of oats, barley and rye is about completed in the northern zone while that of wheat and flaxseed is well advanced. Grass is plentiful although not of the best quality for fattening.

The long wet spell seriously hindered the harvesting and especially the drying of the corn crop. Recent drier weather has partially remedied the situation but the corn is still not coming forward in adequate quantities to meet all commitments.

1953-54 Wheat Crop During the past month several interesting developments occurred relating to the last wheat crop. On June 25 the Argentine-Brazilian trade agreement was signed which calls for shipment of 750,000 metric tons (27,558,000 bushels) of wheat and approximately 26,500 tons (298,000 barrels) of flour to Brazil during the present calendar year. This represents an additional increment of more than 500,000 tons (18,372,000 bushels) above sales already consummated at provisional prices. During the first two days of the following week 423,000 tons (15,543,000 bushels) of wheat were sold to local exporters and then I.A.P.I. (on June 30) withdrew from the market until further notice.

Argentina has more or less binding agreements with Paraguay, Peru, Chile, Italy, Japan and several other countries all of which call for quantities of wheat which have not yet been shipped or sold. Since these latest sales reduce Argentina's wheat stocks available for carryover and sale to approximately 1,250,000 tons (45,900,000 bushels) including her underground reserve, it seems unlikely that further substantial sales from last year's crop will be made outside these agreements.

1954-55 Wheat Crop The new crop has continued to be sown under favourable moisture conditions and although temperatures have been below normal, germination has reportedly been good in the northern zone where a high percentage of the acreage has already been planted. The official campaign to increase acreage continues but lacks last year's vigour, possibly because higher producer prices have been announced for the competing flaxseed crop.

Producer Prices for 1954-55 After announcing in April that producer prices for flaxseed would remain the same as for last year it was officially published on July 2 that they would be increased from 65 pesos to 75 pesos per 100 kilos (\$3.30 to \$3.81 per bushel). At the same time it was announced that producers would receive 60 pesos per 100 kilos (\$1.31 per bushel) for next year's sunflowerseed instead of the 48 pesos (\$1.05 per bushel) received this year. Producer prices for the grain crops including corn are to remain the same. The Minister of Agriculture has in fact called on farmers to increase flaxseed acreage at the expense if necessary of late-sown wheat.

I.A.P.I. Withdraws
from Market

During the last week in June I.A.P.I. withdrew from the export market, first for corn, oats, barley, rye, bran and middlings and oilseed by-products, and a few days later for wheat as well. Supplies of barley and rye have been low or exhausted for some time. Recent wheat sales have also narrowed the margin on that commodity. However, it seems probable that after having an opportunity to assess their position more accurately I.A.P.I. may again be offering corn, by-products of wheat and oilseeds and possibly oats and wheat.

Sales

On June 30 I.A.P.I. advised exporters that it had withdrawn from the wheat market. This followed the announcement five days earlier that I.A.P.I. was not receiving offers for corn, oats, barley, rye, bran and pollards and oilseed by-products.

Immediately prior to withdrawing from the market I.A.P.I. sold 423,000 metric tons (15,543,000 bushels) of wheat at 280 pesos per ton (\$1.52 per bushel) for payment in United States dollars and 285.60 pesos per ton (\$1.55 per bushel) for payment in sterling and Western German treaty dollars. As was explained last month, these currencies no longer indicate final destination. On June 25 the new Brazilian-Argentine trade agreement was signed. This calls for shipment by Argentina in 1954 of 750,000 tons (27,558,000 bushels) of wheat at 81 treaty dollars per ton (\$2.20 per bushel) and 26,500 tons (298,000 barrels) of flour at 113.50 treaty dollars per ton (\$10.00 per barrel). As 250,000 tons (9,186,000 bushels) of wheat have already been sold to Brazil this year at a tentative price of 95 dollars (\$2.59 per bushel), this announcement represents a new sale of approximately 535,000 tons (19,658,000 bushels) of wheat.

Grain Shipments

Augmented by the first large scale corn shipments of the year grain shipments in June at 634,580 metric tons were the highest for the year to date. The cumulative total for all grains in the first half of the calendar year thus aggregates 3,471,943 tons compared with 1,410,880 tons in the corresponding period of 1953. The high six-month total for 1954 reflects the large scale purchases of oats, barley and rye made in late 1953 and early 1954. As stocks of these grains are now very low compared with a year ago annual shipments for 1954 will probably not retain the lead obtained during the first six months.

The Netherlands was the principal customer in the first six months of the year receiving 589,572 tons which comprised 163,211 (10,583,000 bushels) oats, 140,557 (6,456,000 bushels) barley, 110,785 (4,361,000 bushels) rye, 95,142 (3,746,000 bushels) corn and 79,877 (2,935,000 bushels) wheat. Germany came second with 563,603 tons, wheat and barley being the main components with 259,098 tons (9,520,000 bushels) and 133,594 tons (6,136,000 bushels), respectively. Belgium occupied third place with 378,859 tons of which rye accounted for 114,935 tons (4,525,000 bushels). The United Kingdom and Poland followed with 298,404 tons and 265,420 tons, the former partly comprised by 123,121 tons (4,524,000 bushels) of wheat and 122,638 tons (4,828,000 bushels) of corn whereas Poland's total was made up chiefly of rye 214,681 tons (8,452,000 bushels). Brazil occupied sixth place with 244,355 tons of which wheat accounted for 243,615 tons (8,951,000 bushels). Details of shipments by destination are given in the following table. These figures must be taken as provisional, being compiled from trade statistics which are subject to amendment.

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

Destination	Wheat	Corn	Flax	Oats	Rye	Barley
- thousand bushels -						
Austria	38	407	-	1,670	-	644
Belgium	2,481	2,467	-	4,090	4,525	3,245
Brazil	8,951	-	-	48	-	-
British Africa	333	-	-	-	-	-
Canary Islands	-	217	-	-	-	-
Chile	2,327	-	-	-	-	-
Denmark	1,324	301	-	5,361	2,121	1,277
Finland	-	315	-	-	623	-
France	96	3,801	436	-	-	53
French Africa	-	50	-	-	-	-
Germany	9,520	3,710	-	2,233	1,662	6,136
Hungary	344	-	-	143	1,233	595
India	333	-	-	-	-	-
Israel	-	-	-	-	404	-
Italy	37	1,090	-	1,027	4,620	177
Japan	5,041	262	-	-	12	-
Malta	187	-	-	-	-	-
Netherlands	2,935	3,746	-	10,583	4,361	6,456
Norway	-	591	-	-	394	-
Paraguay	890	-	-	-	-	-
Peru	2,800	-	-	-	-	-
Poland	1,864	-	-	-	8,452	-
Sweden	-	-	-	267	-	-
Switzerland	1,229	563	-	2,677	126	1,037
United Kingdom	4,524	4,828	-	-	227	2,154
United States	-	-	-	1,539	-	-
Totals	45,253	22,345	436	29,637	28,760	21,773
Same period:						
1953	29,061	13,050	390	3,778	1,191	8,728
1952	2,265	13,357	942	2,368	4,385	4,806
1951	62,336	1,073	5,715	2,100	6,824	321
1950	59,759	27,554	961	11,191	4,830	3,099
1949	39,997	19,568	-	4,430	2,510	5,407

Shipments in June included 178,833 tons (6,571,000 bushels) of wheat for which the chief customer was Brazil 82,218 tons (3,021,000 bushels). The United Kingdom and Peru followed with 20,046 tons (737,000 bushels) and 19,610 tons (721,000 bushels), respectively, while 16,601 tons (610,000 bushels) were destined to Chile.

Corn shipments were up to 203,586 tons (8,015,000 bushels) the main outlets being the United Kingdom 64,548 tons (2,541,000 bushels) and Netherlands 50,734 tons (1,997,000 bushels). France and Italy followed with 16,657 tons (656,000 bushels) and 16,475 tons (649,000 bushels), respectively, while Belgium

received 15,825 tons (623,000 bushels).

Barley shipments totalled 100,041 tons (4,595,000 bushels) of which Germany took 80,577 tons (3,701,000 bushels).

Rye shipments aggregated 79,344 tons (3,124,000 bushels), Poland accounting for 46,996 tons (1,850,000 bushels), Netherlands and Italy following with 8,711 tons (343,000 bushels) and 7,437 tons (293,000 bushels), respectively.

Oats shipments in June totalled 70,884 tons (4,596,000 bushels) Netherlands taking 25,709 (1,667,000 bushels) and Belgium 13,285 tons (861,000 bushels). Denmark and Switzerland followed with 8,390 tons (544,000 bushels) and 8,311 tons (539,000 bushels).

France was the only customer for Flaxseed, receiving 1,892 tons (74,000 bushels).

AUSTRALIAN SITUATION

Supply Position Total estimated supplies of wheat in Australia for the 1953-54 crop year amount to 234.8 million bushels, consisting of a carryover of 35.8 million bushels and the 1953 crop of 199.0 million. With anticipated domestic requirements now placed at 73.1 million bushels, some 161.7 million were available for export and for carryover during 1953-54 compared with 138.6 million available during 1952-53. Exports of wheat as grain and wheat flour in terms of wheat equivalent during the period December 1, 1953 to July 3, 1954 totalled 35.1 million bushels, down sharply from the 67.4 million exported during the comparable period of the preceding crop year. The balance on July 4, 1954, for export and for carryover at the end of the crop year amounted to 126.6 million bushels compared with 71.2 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	35.8 <u>2/</u>
New crop	195.2	199.0
Total estimated supplies	213.2	234.8
Less estimated domestic requirements for crop year.	74.6 <u>2/</u>	73.1 <u>2/</u>
Available for export and for carryover	138.6	161.7
Deduct:		
Exports of wheat as grain, December 1 to July 3 ..	42.1	16.9
Exports of wheat flour in terms of wheat, December 1 to July 3	25.3	18.2
Total exports of wheat and wheat flour	67.4	35.1
Balance on July 4 for export and for carryover	71.2	126.6

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 July 15, 1954 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Currency conversions have been made at the rate of £1 equals \$2.2100 (Canadian), the quotation in effect on June 25, 1954.

Pastoral Conditions
and Wheat Crop Prospects

It is expected that the area sown to wheat in Australia this season will be about the same as last year, perhaps slightly higher.

Victoria. Prospects for cereal crops in Victoria continue to be good, and pastures, especially in Western Victoria, are excellent. Timely rain, which will help to ensure good wheat crops, was received in the Mallee early in July.

South Australia. Average rainfall was received in this State during June, and conditions have been good for seeding, germination and the early growth of wheat crops. July rains are looked for to create a reserve to carry crops to maturity.

About one and a half million acres have been seeded to wheat in South Australia, and another heavy wheat yield is expected if the present favourable conditions prevail for the rest of the season.

Pastures generally are providing good feed, despite the rather severe attacks of insect and grub pests in some districts. It is estimated that a normal increase in new pasture areas of 75,000 to 100,000 acres has taken place.

New South Wales. Sowing of wheat was completed in June except in limited areas in the north, and dry to moderately dry conditions mark most of the main wheat-growing districts.

In many areas of New South Wales, including some eastern Riverina districts, heavy egg laying by grasshoppers has been reported.

The widespread rains of early June came too late to avert a grim pastoral winter in New South Wales. With the exception of isolated parts of the north-west and central far-west, where there has been some response in herbage, pastoral conditions in this State have shown little improvement, and in some areas have deteriorated, owing to the rain damage to dry feed. Up to July 1st, 17 districts in New South Wales had been proclaimed as drought areas by the State Government.

The far north coast of New South Wales has been visited by a second major flood within six months. As a result of a rainfall of up to 10 inches, large areas are inundated and many acres of winter fodder crops have been ruined.

Queensland. Central and north-west Queensland is experiencing a good winter. Central Queensland farmers fallowed a record area for wheat for grain, but planting is not yet completed. A cut in Queensland wheat acreage this season is not considered likely.

Two hundred miles of the Queensland coast, from Bundaberg southwards, has been battered by cyclonic rains this week and the coastal belt faces its worst flood threat for fifty years. The heavy rain belt extended as far west as Charleville, 483 miles west of Brisbane.

Western Australia. West Australian farmers probably achieved a time-record in the sowing of wheat crops, after the late start, and conditions continue favourable for crops.

Widespread rains were received in the last week of June, bringing relief to outback pastoral runs that had received no appreciable falls for two years.

It is estimated that the area sown to wheat will be equal to the 2.8 million acres of the 1953-54 season.

Wheat Stabilisation Scheme State Premiers and Ministers for Agriculture will hold a special meeting on July 26th with the Commonwealth Government, in a last-minute attempt to reach agreement on a new five-year wheat stabilisation scheme. This will be the 13th meeting in the past four and a half years in an effort to settle the question of wheat stabilisation.

Calling of the special meeting resulted from the continued stand by the Victorian Premier for adoption of a stabilisation scheme based on a home consumption price equivalent to cost of production. This contrasted with a majority view of the Commonwealth and the other States for a home consumption price of 14s. (\$1.55) a bushel.

The Victorian Premier agreed that the ruling home consumption price of 14s. (\$1.55) a bushel should be continued for three years. At the end of that period and in the last two years of the stabilisation plan, he said, the home consumption price should be equivalent to cost of production. He also suggested a special subsidy of 2s. (22 cents) a bushel for stock feed for the poultry industry, over the next three years.

The Commonwealth Minister for Commerce said that if Victoria could be persuaded to accept the home consumption price of 14s. (\$1.55) for the next five years, the Commonwealth would honour its obligations in regard to export wheat. If the States could agree, the Commonwealth would guarantee for five years an export return to wheat growers of not less than cost of production, provided:

1. A ballot of wheat growers was held to seek approval.
2. The States, subject to reaching agreement on home consumption price, passed the necessary legislation to give effect to that price.

Payment on No. 16 Wheat Pool The Australian Wheat Board states that payments of 1/6d. (17 cents) a bushel on bulk wheat, and 1/9d. (19 cents) a bushel on bagged wheat for No. 16 Pool, will be distributed on July 20th.

These payments which involve a total of about £14,186,000 (\$31,400,000) will bring total payments for No. 16 Pool to 14/6d. (\$1.60) a bushel, less freight, for bulk wheat, and 15/6d. (\$1.71) a bushel, less freight, for bagged wheat.

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 July 15, 1954, 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 .00278 Canadian dollars, the rate in effect on July 15, 1954.

Growing Conditions The Ministry of Agriculture crop report for June stresses the beneficial rains which broke the dry weather prevailing all spring and greatly improved the outlook for grain crops. Forecasts for yields have consequently been revised upwards. Temperatures have, however, remained unseasonably low and harvesting is delayed.

Wheat In the principal growing regions of the north, the recent rainfall has greatly improved the outlook, and the July 1st production estimate of 8.9 million metric tons (327.0 million bushels) is half a million tons higher than that forecast a month ago; this would give a crop equal to last year. While there are 220,000 hectares (543,000 acres) more planted to wheat this season, it is not expected that the national yield will reach the record of 21.3 quintals per hectare (31.6 bushels per acre) of last year, and the current outlook is for a yield of around 20 quintals (29.7 bushels). Growth has advanced rapidly with the improved weather conditions, and the fields are in satisfactory condition save for isolated attacks of rust.

For other grain crops the situation has likewise improved although it remains variable. A better than average rye crop is expected, but both barley and oats will be down from last year.

The July 1st estimate of the area seeded and the prospective yields and output are given below:

Estimate French Grain Crops, July 1, 1954

Grain	Area Seeded			Yield Per Acre			Production		
	Average 1948-52	1953	July 1 1954	Average 1948-52	1953	July 1 1954	Average 1948-52	1953	July 1 1954
	- thousand acres -			- bushels -			- thousand bushels -		
Wheat ...	10,532	10,422	11,037	27	32	30	286,263	329,999	327,056
Rye	1,226	1,008	1,014	18	18	20	22,554	18,385	20,152
Barley ..	2,357	2,972	3,041	30	35	32	70,451	102,831	96,934
Oats	5,817	5,606	5,378	38	42	39	219,851	237,494	209,482

Source: Ministry of Agriculture, Paris.

The above official statistics vary slightly from those compiled by the Wheat Producers Association for its recent annual meeting, and which are as follows:

Wheat		1953	1954
Area seeded	(acres)	10,315,000	10,908,000
Yield	(bushel per acre)	30	31
Production	(bushels)	327,019,000	330,693,000
Farmers' marketings	(bushels)	235,160,000	238,834,000

Annual Meeting of Wheat Producers Association From June 25th to 28th, the Wheat Producers Association held its annual meeting at Châtelailon. Along with a review of the current situation, the two main subjects under discussion were the price to be paid farmers for the 1954 crop and the disposal of the growing export surplus.

On the question of price, the Association members indicated that they would accept up to 5 per cent reduction in price, including the obligatory 1 per cent in line with the increased productivity, and reductions in farming and living costs shown in the official indices. However, they pointed out that the recent 15 per cent subsidy on agricultural equipment would not enter into this season's production costs, and they rejected any use of the arbitrary 6 per cent adjustment permitted the government in accordance with the size of the crop.

The delegates debated the growing problem of financing the export surplus in view of the falling international price and the increasing French production, at the same time recommending the principle of disposing of surpluses from each year's crop. It is anticipated that for the coming season over 20 billion francs (\$55.6 million) will be needed to subsidize exports compared with 15 billions (\$41.7 million) this past year. Wheat producers feel that they are entitled to government aid in this connection, the same as other industries enjoying tax rebates and other export incentives. However, they accept the principle that growers support half these charges, which would reduce the government's share from an estimated 66 per cent assistance for the 1953-54 season.

The system employed in France for raising funds to subsidize exports is a levy on farmers deliveries which, for the 1953-54 season was exempt for the first 50 quintals (184 bushels) and thereafter graduated upwards with the size of deliveries (see September 1953 issue of 'The Wheat Review'). The Wheat Producers' meeting recommended that the free base be removed, although charging only 25 per cent of the basic rate to small scale producers; thereafter a graduated levy would still apply but in no case exceed 10 per cent of the basic price to farmers (3,600 francs per quintal (\$2.75 per bushel) for the 1953-54 season). The Association estimates that this would yield 11 billion francs (\$30.6 million) or about half the sum required to subsidize wheat exports.

Recommendations of Grain Board Council It is reported that a recent meeting of the Central Council of the Grain Board gave favourable consideration to the above recommendations. The Council concluded that with a crop of 9 million metric tons (330.7 million bushels) and an average carryover, even after exports to Overseas Territories and the greater use of wheat as feed, there would still be 1.2 million metric tons (44.1 million bushels) of wheat available for export to foreign countries.

The Council therefore supported the cancellation of any exoneration of farmers' levy and suggested a standard levy of 160 francs per quintal (12 cents per bushel) modified by a reduction of 75 per cent on deliveries under 50 quintals (184 bushels) and 50 per cent on deliveries of 50 to 75 quintals (184 to 276 bushels). The Council accepted a reduction in the price to farmers of around 3 per cent in accordance with lower indices of farming and living costs, and of the one per cent productivity reduction, but refused to consider any arbitrary change on the part of the government.

Since this Council consists half of wheat producers, it is understandable that their recommendations should follow closely those of the Wheat Producers' Association. The government must now decide by the end of July just where the price should stand.

Delivery Quotas for the New Crop In view of the imminence of the 1954 harvest, the Grain Board has established delivery quotas based on quantities marketed last season; the graduated scale permits a farmer to deliver up to the end of August, 50 quintals (184 bushels) plus one-eighth of his 1953 crop deliveries; thereafter, the quota is increased by one-eighth each month. Theoretically, for a producer who delivered 1,000 quintals (3,674 bushels) last season, the situation is therefore the following:

Previous to September 1,	184 bushels plus 459	= 643 bushels
in September		459
October		459
November		459
December		459
January		459
February		459
Total, End of February		3,397

After March 1st, he is free to market all the remainder of his crop.

Initial Payments for Grain Crops Until such time as the new prices for the 1954 crops are announced, farmers will receive an initial payment amounting to two-thirds of the official price of last year, as follows:

Grain	1953 Price	Initial Payments 1954
- dollars per bushel -		
Wheat	2.72	1.82*
Rye	1.91	1.27
Barley	1.45	0.97
Oats	0.90	0.60

*See page 39 for a more recent report on prices for the new wheat crop.

Suggested Support Price
for Coarse Grains

In accordance with the Grain Plan last September, the prices of rye, oats and barley were to be free within the country beginning with the 1954 crop. However, the Central Council of the Grain Board recommends that a support price be established in order to keep a balance between the area planted to feed grains and that of wheat. They suggest the Board's guarantee to buy any unmarketable surplus from cooperatives or dealers at the following rate: rye 2,500 per quintal (\$1.77 per bushel), barley 2,500 (\$1.51 per bushel) and oats 2,000 francs per quintal (86 cents per bushel). They also suggest a 20 franc (6 cents) levy to cover any subsidy that might be required to facilitate the placing of surpluses.

Foreign Trade
in Wheat

French Statistical Office figures on movement of wheat since the beginning of the crop year last August 1st to the end of April (the latest available), indicate the following:

Month	Foreign Countries		French Union	
	Imports	Exports	Imports	Exports
- thousand bushels -				
August	-	1,666	892	1/
September	92	545	888	1/
October	424	290	637	1/
November	63	47	387	1
December	4	747	534	1/
January	-	2,364	409	399
February	2	6,365	974	27
March	5	4,005	852	194
April	28	3,688	1,291	167
Total	618	19,718	6,863	788

1/ Less than 500 bushels. Source: French Statistical Office.

Price for
1954-Crop Wheat

A more recent report, dated July 19, states that the French Government has established the price for the 1954 wheat crop at 3,400 francs per quintal (\$2.57 per bushel) which is 200 francs (15 cents per bushel) below last season. This is understood to take into account the increase in yields and the reduction in farming costs.

The levy on farmers' marketings to offset the export subsidy has been increased to an average of 196 francs per quintal (14.8 cents per bushel) compared with 100 francs (8 cents) last season, according to press reports. Deliveries up to 25 quintals (92 bushels) are exonerated and the subsequent rate is on a graduated basis up to 400 francs per quintal (30 cents per bushel) for large scale deliveries.

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 Weather conditions in the last half of June were unfavourable to the ripening wheat crop. Heavy rains in central and northern Italy were interspersed with some exceptionally hot weather and rust caught some of the grain just in the ripening stage. The harvest which was about three weeks later than usual is now just about completed and experienced crop observers have lowered their estimates of the wheat crop to 275 million bushels, a reduction of 19 millions from the figure current at mid-June. Even with this reduction, however, Italy should be able to meet her requirements in the new crop year from domestic production and the carryover on hand at the end of June.

Yugoslavia Weather conditions in Yugoslavia during the past month favoured the maturing of the wheat crop, and harvesting has now begun in the main producing areas. Rains continued into the summer period longer than usual and the crop was not subjected to reduction from the usual hot, dry weather during its critical ripening period. In consequence, the wheat crop, including small quantities of rye, is estimated at 70 million bushels. This is an appreciable reduction, however, from last year's favourable harvest of 100 million bushels and it indicates an increase in import requirements for the new crop year.

Greece Now that the harvest is almost completed, estimates of the Greek wheat crop are slightly more optimistic than they were at mid-June, and the crop is placed at 47.5 million bushels in comparison with last year's record production of 51 million bushels.

PAKISTAN WHEAT CROP ESTIMATE

The Canadian Commercial Secretary in Karachi reports that the Government of Pakistan recently released the third forecast of the wheat crop for the year 1953-54. This is the 'rabi' crop sown in November 1953 and harvested approximately two months ago.

The acreage under wheat is estimated as 10,283,000 acres compared with 9,536,000 acres reported in the third forecast of the previous year. This is an increase of 7.8 per cent. The yield is estimated at 3,331,000 tons (124.4 million bushels) compared with 2,576,000 tons (96.2 million bushels) reported in the third forecast of the previous year. This represents an increase of 29.3 per cent.

The major increase in acreage and crop occurred in the Punjab and Bahawalpur State and is generally attributed to good rains, adequate supply of canal water and the application of ammonium sulphate.

TURKEY REPORTS REDUCED GRAIN CROPS

According to Foreign Crops and Markets grain crops in Turkey are forecast at a somewhat lower level than the record harvest in 1953, on the basis of recent reports received from the American Embassy, Ankara. Climatic conditions during the winter and spring of 1953-54 were, in general, much less favourable than in the preceding 3-year period; especially throughout the important producing Anatolian Plateau regions. Rains normally falling in September and October were light last fall over the Plateau and inadequate for proper seed bed preparation and germination of fall-sown grains.

The sudden advent of unusually severe weather in late November impeded winter growth, with the severe cold and heavy snows continuing unbroken until March 1. The melting snows and early spring rains provided sufficient moisture to give plant growth a fair start and raised hopes that continued favourable weather during May and June would largely counteract earlier unfavourable conditions. Except for occasional scattered local showers, however, the Central Plateau area received no rain of consequence during May and June, and the current outlook there is very poor in comparison with that of the past three years. This region accounts for approximately a half of the total small grain area.

The coastal regions of the Marmara, Aegean and Mediterranean Seas have had more favourable conditions, and good grain yields are reported. Harvesting was almost completed in this area in mid-July, in contrast with the late season in the Central region, where the bulk of the grain this season will not be ready for harvest until after the middle of July.

No significant change from the 1953 total grain acreage is estimated. A small reduction may have occurred in foodgrains but offset by slightly larger feedgrains. On the basis of the present outlook, unofficial forecasts place the wheat crop at about 215 million bushels, compared with last year's record outturn of about 295 million. Though sharply below that record, the current forecast compares favourably with the long range average prior to 1951.

Producers are assured a market at relatively good prices for all their grains, through Government support programs. Support prices to producers of wheat were recently announced at the same rates as in 1953. However, increases in prices are authorized for highest quality Anatolia white wheat, durum, barley, rye and oats, designed to encourage improvement in quality and increased production of durum and feedgrains, for which good export demand is anticipated.

The maximum-minimum range of producer prices for grain in dollar-per-bushel equivalent, at the official rate of exchange is as follows: Durum \$2.52 to \$3.21; Anatolia premium white wheat \$2.32 to \$3.01; ordinary white wheat \$2.06 to \$2.92; rye \$1.59 to \$2.27; barley \$1.36 to \$1.79 and oats \$0.91 to \$1.19.

A wheat crop of the size specified would still provide a surplus above the country's normal requirement, though not the sizable surplus of the past season.

CALENDAR OF WHEAT EVENTS

- July 9 Based on conditions at July 1, the production of all wheat in the United States was forecast at 988 million bushels, a reduction of 11 million bushels from the June 1 forecast. The prospective 1954 crop is 15 per cent smaller than the 1953 crop and 12 per cent smaller than the 1943-1952 average.
- 16 The Right Hon. C.D. Howe, Minister of Trade and Commerce, announced that there would be no change in the level of initial prices to be paid Western producers by the Canadian Wheat Board for basic grades of wheat, oats and barley during the crop year commencing on August 1, 1954. In the case of No. 1 Northern Wheat, the initial payment will be \$1.40 per bushel, basis in store Fort William-Port Arthur.
- 21 The Canadian Wheat Board in an 'Instruction to the Trade' stated that on July 19, the basic delivery quota of 7 bushels per acre became effective at all shipping points in Western Canada. The announcement also stated that there would be no further increases in quotas authorized by the Board during the balance of the crop year expiring on July 31, 1954.
- 23 According to a report published by the Agricultural Marketing Service, United States Department of Agriculture, wheat stocks in all positions on July 1, 1954 totalled 903 million bushels. This is 272 million above the previous record on July 1, 1942 and 340 million above stocks at the same date a year ago. Farm stocks at 103 million bushels were the largest since 1944 and compared with 73 million a year earlier.
- United States' wheat growers voted 73.3 per cent in favour of marketing quotas effective on the 1955 crop.
- 28 The Dominion Bureau of Statistics estimates Canada's 1954 wheat acreage at 23.6 million acres, a decrease of about 5 per cent from the 1953 area of 24.8 million acres.
- 29 The Canadian Wheat Board, in its Instructions to the Trade announced its delivery quota regulations for the 1954-55 crop year. For details see page 4 of this publication.
- August 2 According to Foreign Crops and Markets, unofficial forecasts place the 1954 wheat crop in Turkey at about 215 million bushels, compared with the 1953 record outturn of about 295 million.

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