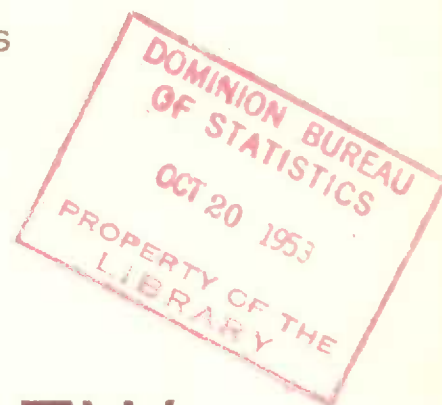


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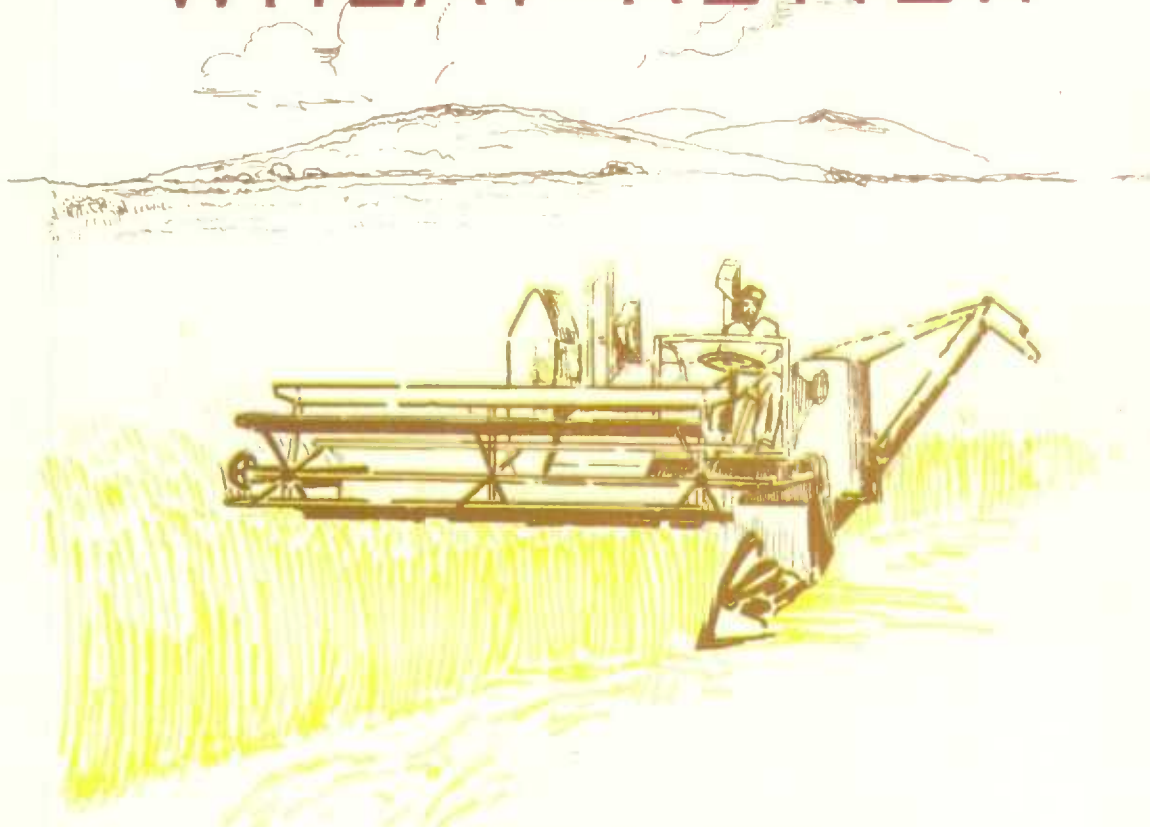
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THE WHEAT REVIEW



SEPTEMBER, 1953

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SEPTEMBER, 1953

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about September 1, 1953 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 1,920.5 million bushels, some 22 per cent greater than the 1,572.4 million available a year ago. Supplies at September 1, 1953 (in millions of bushels) were held as follows, with last year's figures in brackets: United States, 981.7 (813.6); Canada, 768.6 (716.0); Argentina, 114.7 (1.8), and Australia, 55.5 (41.0). Estimates for both years include on-farm stocks as well as those in commercial positions. It should be noted that the 1953 Canadian crop, currently estimated at 594.3 million bushels, is now taken into account in these calculations.

Near Record World Breadgrain Crop in Prospect According to the September 28 issue of 'Foreign Crops and Markets' published by the United States Department of Agriculture, world breadgrain production in 1953-54 is forecast at about 255 million short tons of wheat and rye, compared with the record outturn of about 264 million tons of these grains last year. This forecast is made on the basis of preliminary reports available to the Foreign Agricultural Service of the U.S.D.A.

All of the principal exporting countries are expected to have smaller harvests than the good 1952 outturns, while moderately larger totals are estimated for Europe and Africa. It is noted that the first forecast is usually based on actual harvest returns for most Northern Hemisphere countries, whereas allowances for Southern Hemisphere countries this early in the growing season represent only reasonable expectations, based on information on acreage and growing conditions to date.

The decline from the 1952 breadgrain total is principally in wheat, though a small decrease is also estimated for rye. The present forecast of 7,025 million bushels of wheat is 265 million bushels, or 4 per cent, below the record figure of 7,290 million bushels last year. The bulk of the reduction is in North America, where both the United States and Canada report wheat harvests less than the large 1952 production. The present outlook does not justify expectation of the high 1952 production in the principal exporting countries of the Southern Hemisphere, Argentina and Australia. The current world wheat forecast, although somewhat below that of last year, is a billion bushels above the prewar average (1935-1939). A sharp increase from the prewar level of production in North America accounts for a large part of that increase. The gain in North America is mainly attributed to increased yields though a 12 per cent increase in acreage also contributed to the large production gain.

Rye production, now forecast at about 1,570 million bushels, is slightly less than in 1952 and 9 per cent below the prewar average. The principal change from the 1952 harvest is expected in South America, where Argentina's unprecedented crop last year brought that Continent's total to a new high.

The wheat forecast of 1,785 million bushels for North America is 214 million bushels less than the 1952 harvest. The total supply for the current season, however, is larger than it was for last season, with larger carryover stocks in both the United States and Canada more than offsetting indicated crop reductions for these countries.

Rye production in North America is estimated at 47 million bushels compared with 41 million in 1952 and the prewar average of 54 million. This reflects a sharp reduction in rye acreage, which dropped from 4.5 million acres during the prewar period to 2.8 million in 1953. A sharp acreage reduction in the United States is only partially offset by increased acreage in Canada.

Wheat production in Europe appears about 45 million bushels larger than in 1952. Record or near-record harvests in a number of Western European countries account for the bulk of the increase. Spain, the Netherlands, and Denmark were exceptions to the general increases, with substantial crop reductions due to unfavourable conditions in those countries. Countries establishing new records include Italy, Sweden, Greece and Austria. A near-record outturn was reported for Portugal and France's harvest was the largest of recent years. Production in Eastern Europe appears only slightly larger than in 1952.

Rye production in Europe is estimated to be near the 1952 level. Eastern Europe, the most important producing area for rye, appears to have about the same total as in 1952. Yields are indicated to be about the same and acreage very slightly smaller.

In the Soviet Union a sizable extension of wheat acreage was reported, probably at the expense of rye, but the yields per acre apparently were not up to those of last year in most areas. Harvesting weather was favourable in early August but less favourable later in the month when there were extensive rains. In some regions harvesting was delayed, with increased crop losses probable.

The wheat outturn in Asia is estimated to total about the same as last year's harvest. Conditions varied widely within the area with many increases offsetting reductions in other countries of that Continent. New record outturns are reported especially for Turkey where the current estimate of 275 million bushels tops the previous record of 239 million reported last year. Definite information is not available for China, the ranking wheat producer of the area, but reports indicate a smaller harvest than last year despite an acreage increase. Slightly better growing conditions in India, together with an acreage increase brought production moderately above the 1952 harvest though it is still well below average. Pakistan, in contrast, reports a smaller crop, attributed to smaller acreage and lower yields. Rye production is of minor importance in Asia, and little change from the good 1952 crop is estimated.

World Trade in Wheat in
1953-54 Expected to be
Similar to Last Year

According to the Outlook Issue of "The Wheat Situation" published by the U.S.D.A. world trade in wheat, including products, in 1952-53 (U.S. crop year, July-June) is estimated at about 900 million bushels. World trade was below the 1,040 million bushel record of a year earlier, but above the 1946-1950 average of 856 million.

'The Wheat Situation' considers that according to preliminary estimates world wheat trade in 1953-54 may be about the same as in the past year. The supply situation in most importing countries, with the notable exception of Pakistan, is generally satisfactory while stocks are above a year ago in each of the four major exporting countries.

Final Report,
International Wheat Agreement Sales and Purchases for Crop Year 1952-53

Importing Countries	Guaranteed Quantities	Source				Total Purchases
		Canada	Australia	France	U.S.A.	
- thousand bushels -						
Austria	11,023	2,520	-	-	7,975	10,495
Belgium	20,209	13,719	-	-	6,503	20,222
Bolivia	2,756	2,436	-	-	366	2,802
Brazil	13,228	3,685	-	-	9,543	13,228
Ceylon	6,614	-	6,131	-	483	6,614
Costa Rica	1,213	457	-	-	750	1,207
Cuba	7,422	1,760	-	-	5,636	7,396
Denmark	1,617	812	-	-	809	1,621
Dominican Republic ..	876	212	-	-	659	871
Ecuador	1,286	599	-	-	682	1,281
Egypt	14,697	7,330	-	-	7,514	14,844
El Salvador	404	113	-	-	288	401
Germany	66,139	12,564	3,204	3,013	47,555	66,336
Greece	15,726	14	-	-	13,527	13,541
Guatemala	919	279	-	-	641	920
Haiti	1,029	110	-	-	920	1,030
Honduras Republic ...	367	68	-	-	303	371
Iceland	404	47	-	-	291	338
India	55,116	13,067	18,800	-	23,219	55,086
Indonesia	3,674	54	2,360	-	1,126	3,540
Ireland	10,104	6,414	2,653	-	1,166	10,233
Israel	5,879	2,163	-	-	3,731	5,894
Italy	40,418	11,606	2,813	-	20,163	34,582
Japan	18,372	3,726	2,519	-	12,291	18,536
Lebanon	2,388	372	-	-	2,033	2,405
Liberia	37	18	-	-	16	34
Mexico	12,860	-	-	-	12,659	12,659
Netherlands	24,802	7,986	1,931	367	14,499	24,783
New Zealand	4,593	-	4,593	-	-	4,593
Nicaragua	331	149	-	-	178	327
Norway	7,716	3,023	621	-	4,112	7,756
Panama	625	464	-	-	183	647
Peru	5,512	2,344	-	-	3,278	5,622
Philippines	7,202	3,925	1	-	3,278	7,204
Portugal	5,626	709	18	-	4,881	5,608
Saudi Arabia	1,837	15	103	-	1,689	1,807
Spain	4,373	-	-	-	4,483	4,483
Sweden	2,756	-	1,092	-	1,659	2,751
Switzerland	6,430	4,709	-	-	1,761	6,470
Union of S. Africa ..	11,023	7,882	-	-	2,737	10,619
United Kingdom	177,068	112,464	39,835	-	24,772	177,071
Venezuela	6,246	3,264	-	-	2,777	6,041
Totals	580,917	231,079	86,674	3,380	251,136	572,269
Guaranteed Quantities (Exporting Countries)		235,000	88,700	4,089	253,128	580,917

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

Importing Countries	Guaranteed Quantities 1/	Source				Total Purchases	Remainder 4/
		Canada 2/	Australia 3/	France 3/	U.S.A. 3/		
- thousand bushels -							
Austria	9,186	-	-	-	-	-	9,186
Belgium	23,883	3,263	-	-	43	3,306	20,577
Bolivia	4,042	355	-	-	97	452	3,590
Brazil	13,228	-	-	-	-	-	13,228
Ceylon	10,288	-	3,422	-	-	3,422	6,866
Costa Rica	1,286	317	-	-	176	493	793
Cuba	7,422	7	-	-	106	113	7,309
Denmark	1,837	-	-	-	-	-	1,837
Dominican Republic.	955	28	-	-	85	113	842
Ecuador	2,388	441	-	-	110	551	1,837
Egypt	14,697	-	-	-	1,847	1,847	12,850
El Salvador	735	55	-	-	58	113	622
Germany	55,116	3,733	672	-	276	4,681	50,435
Greece	12,860	-	-	-	-	-	12,860
Guatemala	1,286	58	-	-	253	311	975
Haiti	1,837	81	-	-	264	345	1,492
Honduras Republic .	551	23	-	-	143	166	385
Iceland	404	60	-	-	15	75	329
India	36,744	-	-	-	-	-	36,744
Indonesia	6,246	-	682	-	3	685	5,561
Ireland	10,105	597	336	-	-	933	9,172
Israel	8,267	1,419	-	-	-	1,419	6,848
Italy	31,232	-	-	-	-	-	31,232
Japan	36,744	-	-	-	11,647	11,647	25,097
Lebanon	2,756	-	-	-	-	-	2,756
Liberia	73	2	-	-	6	8	65
Mexico	14,697	-	-	-	-	-	14,697
Netherlands	24,802	1,216	-	-	3,055	4,271	20,531
New Zealand	5,879	-	1,003	-	-	1,003	4,876
Nicaragua	367	40	-	-	2	42	325
Norway	8,451	-	-	-	469	469	7,982
Panama	735	174	-	-	206	380	355
Peru	7,349	37	-	-	247	284	7,065
Philippines	8,672	757	-	-	356	1,113	7,559
Portugal	7,349	135	118	-	1,406	1,659	5,690
Saudi Arabia	2,572	-	-	-	205	205	2,367
Spain	9,186	-	-	-	-	-	9,186
Sweden	919	-	-	-	-	-	919
Switzerland	7,900	1,064	-	-	-	1,064	6,836
Union of S. Africa.	13,228	5,600	-	-	2,053	7,653	5,575
Venezuela	6,246	228	-	-	67	295	5,951
Totals	412,520	19,690	6,233	-	23,195	49,118	

1/ Purchases must not exceed 90 per cent of the guaranteed quantity before February 28th, 1954.

2/ Canadian Sales through September 22nd, 1953.

3/ Sales recorded by International Wheat Council through September 18th, 1953.

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

Purchases and sales against these balances are restricted in accordance with Note 1/

CANADIAN SITUATION

Payments Announced
on 1952-53 Western
Canadian Grain Pools

On September 11 the Right Hon. C.D. Howe, Minister of Trade and Commerce, announced that The Canadian Wheat Board will distribute \$100,000,000 this fall in the form of an interim payment on the 1952-53 wheat pool and final payments on the 1952-53 oats and barley pools. The payments will commence on October 1, and will be completed before the end of the year.

This decision followed discussions in Ottawa between the Minister and members of The Canadian Wheat Board, during which consideration was given to the impact of the harvesting of the third successive bumper grain crop in the Prairie Provinces and producers' delivery problems resulting from current country elevator congestion.

Referring to wheat, Mr. Howe stated that producers had delivered an all time record of 533 million bushels of wheat to the Board during the crop year 1952-53. In spite of very large sales and exports, the Board had a substantial carryover of old crop wheat on July 31, 1953. It was felt that, until these stocks of old crop wheat were considerably reduced, the 1952-53 wheat pool should not be closed out. On the other hand, the Board had a substantial cash surplus arising from its 1952-53 operations and it was therefore decided that an interim wheat payment would be made immediately. The interim payment will be 12 cents per bushel on all grades of wheat delivered to the Board by producers between August 1, 1952 and July 31, 1953. This interim payment will involve the distribution of about \$64,000,000 to Western producers.

It is expected that the 1952-53 wheat pool can be closed early in 1954 and a final wheat payment will be made at that time.

The Canadian Wheat Board reported that the selling of oats and barley received by the Board during the crop year 1952-53 was well advanced and that the Board would be in a position to close these pools in the near future. A final payment on oats will therefore follow the interim wheat payment which, in turn, will be followed by a final payment on the 1952-53 barley pool. Until the final accounting is completed, the per bushel final payments on oats and barley cannot be established but the final payments on oats and barley will involve the distribution of about \$36,000,000. Thus, the combined distribution from the three pools will aggregate \$100,000,000.

Mr. Howe expressed the view that these payments would materially assist in financing producers during the difficult fall months when producers' deliveries of grain would of necessity be smaller than during the preceding fall. As a result of a study of available storage space and marketing possibilities during the fall months, it was estimated that producers in the Prairie Provinces would be able to deliver about 275 million bushels of grain between August 1, and December 31, 1953; the actual figure depending upon domestic and export demand for grain in the next few months. With a large crop being harvested, it was inevitable that producers would have to carry unusually large stocks of grain on farms until adequate storage space was cleared. In this connection, it was revealed that producers in the Prairie Provinces had marketed very large quantities of grain in the first eight months of 1953, and returns from these deliveries would be helpful to producers during the present period of elevator congestion.

In discussing the delivery of 1953 grain crops, Mr. Howe stressed the importance of producers threshing only dry grain. With country elevators and

terminals carrying heavy stocks of grain, it would be impossible to handle tough and damp grain in any volume. Producers who do thresh tough and damp grain will have to arrange to store such grain on their farms.

New Method of
Pricing I.W.A. and
Class II Wheat Sales
(Other Than Durum)

The editors of "The Wheat Review" are indebted to Mr. G.N. Vogel, Chief, Grain Division, Department of Trade and Commerce for the following summary dealing with the new pricing method:

"An important change has been announced by The Canadian Wheat Board with respect to the pricing of export wheat sales, either I.W.A. or Class II.

Sales may now be effected basis either of the following arrangements with the Board:-

(a) Firm Price at Time of Booking

Price of the wheat is basis the price prevailing the day the sale is booked with the Board. The price is firm and final. This, of course, is the method that has been followed for some years and you are of course familiar with this arrangement.

(b) Deferred Price

In addition to the firm price system, the Board has instituted a system whereby the pricing is deferred. The new system may apply to either I.W.A. or Class II sales and, in essence, would work as follows:-

An export agent of the Board may now book wheat with the Board (September 17, for example) for shipment first half November (as an example). Instead of the September 17th price (as would be the case in a firm-price booking) the price is left in abeyance although the booking is a firm contract in every other respect. The exporter, at any time subsequent to booking, can nominate the day on which he wishes his wheat to be priced, and the Board's announced price for that day will prevail. If, however, the exporter has not nominated his chosen day by time the vessel arrives, then, when the vessel is ready (say on November 10) and the exporter "calls" the Board for his wheat, the exporter pays the Board its I.W.A. or Class II price (as applicable) for that date. This then becomes known as the Accounting Price and ensures that the wheat will not leave the country without the Board's receiving a substantial portion of the purchase price. Then, any time within seven days after the "call" date for shipment from East coast, or fifteen days after completing loading of vessel for shipment from the West coast, the exporter has the option of naming the day on which he wishes his wheat to be finally priced. The regular Board price prevailing on that date will then become the firm and final selling price and the Board will owe the exporter, or the exporter will owe the Board, depending upon the relationship of the final price to the accounting price. If the exporter fails to nominate his chosen day within the permitted period, (seven or fifteen days as appropriate) the price prevailing on the final day of the period will automatically prevail.

The chief reason for establishing this procedure for "deferred pricing" is to meet the wishes of buyers and sellers who complained of the risks involved when no hedging facilities existed. The risk of loss by a sharp drop in prices is reduced considerably by permitting the price to be established at a date which will be, in effect, just prior to arrival at most countries of final destination. ...

... It is likely that somewhat similar arrangements will be made for wheat sold to the Canadian mills for export flour shipments."

Domestic Price of Durum Wheat Increased Effective September 25, Canadian Wheat Board regulations (1953-54) were amended to provide that the Board shall sell Amber Durum wheat to purchasers for domestic requirements in Canada at prices which are ten cents per bushel in excess of the prices at which the Board sells the same grade of Amber Durum wheat to persons purchasing such wheat under the International Wheat Agreement.

The increased price for Durum wheat reflects both the relatively low Durum carryover and the small 1953 Durum crop. Stem rust caused sharp reductions in Durum wheat yields in both Canada and the United States this season.

Supply Position With carryover stocks of 362.7 million bushels and the potential new crop forecast at 594.3 million bushels, based on conditions at September 1, Canada's total wheat supply for 1953-54 would amount to 957.0 million bushels. Supplies of the size indicated would be 51.9 million bushels greater than in 1952-53 and would be exceeded only by the record total supplies of 980.4 million bushels in 1942-43, when carryover stocks alone totalled 423.8 million bushels, larger than an average Canadian wheat crop. Assuming realization of the current forecast of production, and estimated domestic requirements of 160 million bushels, supplies available for export and for carryover during 1953-54 will amount to 797.0 million bushels, some 6 per cent greater than the comparable figure of 748.7 million available in 1952-53.

Canadian Wheat Supplies

Item	1952-53 <u>1/</u>	1953-54 <u>2/</u>
- million bushels -		
Carryover in North America at beginning of crop year (August 1)	217.2	362.7
New crop	687.9	594.3
Imports of wheat, August	<u>3/</u>	<u>3/</u>
Total estimated supplies	905.1	957.0
Less estimated domestic requirements for crop year ..	156.4 <u>4/</u>	160.0
Available for export and for carryover	748.7	797.0
Deduct:		
Overseas clearances of wheat as grain, August	26.1	24.2
Exports of Canadian wheat to U.S., August	<u>2.6</u>	<u>0.6</u>
Total exports of wheat	28.6	24.7
Exports of wheat flour in terms of wheat, August	4.0 <u>5/</u>	3.7
Total exports of wheat and wheat flour	32.7	28.4
Balance on September 1 for export and for carryover .	716.0	768.6

1/ Subject to revision. 2/ Preliminary. 3/ Less than 50,000 bushels. 4/ Revised.
5/ Adjusted for time lag in returns made by Customs.

According to a report issued by the Board of Grain Commissioners on September 15, Canada's 1953 wheat crop, in addition to being the second largest on record, has a slightly higher protein content this year than last, but less than the ten-year average. The Board also reported that, to date, the crop was predominately of high grade.

Harvesting commenced somewhat later than usual but generally steady progress has been made, although rains in late September interrupted threshing, particularly in northern districts. Weekly marketings of wheat by Prairie farmers under the Board's new delivery quota policy during the first seven weeks of the current crop year were relatively uniform, varying only from a low of 6.2 million to a high of 9.7 million bushels. Deliveries during the first part of September did not attain their usual seasonal volume, which may be attributed in part to delayed harvesting but is largely due to lack of available storage space at many marketing points.

Wheat stocks in country elevators at September 17, 1953 totalled 150.7 million bushels, as compared with 99.4 million and 51.7 million at approximately the same date in 1952 and 1951, respectively. Stocks in interior terminals, at 14.2 million bushels, were greater by some 9.0 million and 3.5 million, respectively, than those of each of the two preceding crop years. Lakehead stocks, at 29.1 million bushels, showed little change from the corresponding totals for 1952 and 1951. The 42.5 million bushels in store in Bay, Lake and Upper St. Lawrence ports were virtually double those of a year ago and considerably more than twice as great as those at approximately the same date two years ago. Stocks of 28.4 million bushels in forward positions (Vancouver-New Westminster, Victoria, Prince Rupert, Churchill, Lower St. Lawrence and Maritime ports) exceeded stocks in the same positions in 1952 and 1951, by 8.1 million and 13.0 million, respectively. Total visible supply of Canadian wheat as of September 17, 1953 amounted to 291.6 million bushels, compared with 201.6 million in 1952 and 147.1 million in 1951.

Subject to realization of current production and utilization estimates the balance remaining on September 1 for export and for carryover was estimated at 768.6 million bushels, some 52.6 million greater than at the same time last year.

August 1953 Exports
of Wheat and Flour
Below Last Year but
Well Above Average

Total exports of Canadian wheat and wheat flour in terms of wheat during August 1953 amounted to 28.4 million bushels, down from the high levels of July, 1953 and August 1952 but 25 per cent higher than the average August exports for the preceding ten-year period. With the exception of last year

when August wheat and flour exports totalled 32.7 million bushels, this year's August exports were the highest since 1945.

This year's August exports of wheat as grain, at 24.7 million bushels, were some 38 per cent below those of July 1953 and 14 per cent below the August 1952 total of 28.6 million bushels. Some 9.0 million bushels of the August 1953 exports, representing 36 per cent of the total, went to the United Kingdom. Other major markets for Canadian wheat during the month, with quantities in millions of bushels, were as follows: Japan, 4.6; Spain, 2.2; India, 2.2; British South Africa, 1.7, and Belgium, 1.0. In addition, preliminary Customs

returns indicate that exports of wheat flour, in terms of wheat equivalent, during August amounted to 3.7 million bushels as against 5.2 million in the previous month and the adjusted total of 4.0 million in August, 1952.

Second Forecast of
Production of Canada's
1953 Grain Crops

In general, the second forecast of production of Canada's major grain crops, released on September 15, showed relatively little change from the first estimate published on August 14. On the basis of conditions at September 1,

Canadian farmers are expected to harvest the second largest crops of wheat, barley, and rye, and the largest crop of soybeans on record. Average yields of winter wheat, oats for grain, spring rye, and mixed grains are somewhat above the levels indicated at August 1, while those of spring wheat, barley, fall rye and flaxseed are slightly lower. Although generally satisfactory progress had been made with harvesting in Manitoba and Saskatchewan by September 1, very little of Alberta's crops had been harvested by that date. Wet, cool weather in the Prairie Provinces during the early part of September further delayed ripening of late-seeded crops and interfered with harvesting operations, particularly in Alberta, and an extended period of dry, frost-free weather was required to ensure full realization of the official estimates.

September Forecast of the 1953 Production of Principal Grain Crops,
Canada and Prairie Provinces, Compared with 1952

Crop	Area		Yield Per Acre		Production	
	1952	1953	1952	1953 <u>1/</u>	1952	1953 <u>1/</u>
	- acres -		- bushels -		- bushels -	
<u>CANADA</u>						
Winter wheat	650,000	732,000	32.0	36.4	20,800,000	26,645,000
Spring wheat	25,345,000	24,780,600	26.3	22.9	667,122,000	567,623,000
All wheat	25,995,000	25,512,600	26.5	23.3	687,922,000	594,268,000
Oats	11,062,400	9,830,000	42.2	41.2	466,805,000	404,901,000
Barley	8,477,400	8,911,100	34.4	30.6	291,379,000	273,005,000
Fall rye	757,700	1,001,200	19.5	21.2	14,783,000	21,256,000
Spring rye	499,600	462,200	19.6	17.4	9,774,000	8,030,000
All rye	1,257,300	1,463,400	19.5	20.0	24,557,000	29,286,000
Flaxseed	1,206,500	1,036,000	10.7	10.4	12,961,000	10,787,000
Mixed grains	1,570,100	1,445,400	40.3	43.1	63,205,000	62,256,000
<u>PRAIRIE PROVINCES</u>						
Wheat	25,204,000	24,648,000	26.3	22.9	664,000,000	564,000,000
Oats	7,560,000	6,490,000	45.8	42.1	346,000,000	273,000,000
Barley	8,145,000	8,599,000	34.5	30.5	281,000,000	262,000,000
Rye	1,176,700	1,380,200	19.5	19.8	22,924,000	27,330,000
Flaxseed	1,124,000	990,000	10.7	10.3	12,000,000	10,200,000

1/ As indicated on basis of conditions at September 1.

Wheat

Canada's 1953 wheat crop, now forecast at 594.3 million bushels, is second only to last year's record 687.9 million and some 40 per cent above the ten-year (1943-1952) average of 423.5 million. The reduction of 9.5 million bushels from the August forecast is almost entirely attributable to lower indicated outturns in Manitoba and Alberta. Realization of current production forecasts, however, would mean that Canada will harvest for the first time on record three consecutive wheat crops in excess of 500 million bushels.

This year's crop of spring wheat, now placed at 567.6 million bushels, is being harvested from a seeded area estimated at 24.8 million acres yielding an indicated 22.9 bushels per acre. In 1952 the spring wheat crop was estimated at a record 667.1 million bushels, yielding a record average of 26.3 bushels per acre on a seeded area of 25.3 million acres. Actual harvesting returns confirm the record yields indicated for this year's Ontario winter wheat crop, now placed at an average of 36.4 bushels per acre. Production of the Ontario winter wheat crop is currently estimated at 26.6 million bushels, compared with the 1952 total of 20.8 million.

In the Prairie Provinces the wheat crop is forecast at 564 million bushels as against last year's record of 664 million. The expected average yield per seeded acre in the Prairie Provinces is 22.9 bushels, with Manitoba averaging 20.8; Saskatchewan, 22.7; and Alberta, 24.1 bushels per acre. The indicated production in Saskatchewan remains unchanged from the August forecast of 365 million bushels, 70 million less than last year's record. Production in Alberta is now placed at 153 million bushels, a decrease of 6 million from earlier indications, and 19 million below the 1952 crop. Indicated outturns in Manitoba are also below those of the August forecast, largely as a result of rust damage, and the wheat crop in that province is now estimated at 46 million bushels, compared with last year's 57 million. Relatively small quantities of winter wheat are included in the spring wheat estimates for the Prairie Provinces.

Farmers' Marketings Deliveries of wheat (both old and new crop) by farmers in Western Canada from August 1 to September 17 of the current crop year amounted to 58.0 million bushels, somewhat below the 63.3 million bushels marketed in the comparable period of 1952-53. Weekly marketings have been maintained at a fairly uniform level during the first seven weeks of the current crop year, ranging between 6.2 million and 9.7 million bushels. Farmers in Saskatchewan accounted for some 61 per cent of the total with marketings of 35.3 million bushels, while Alberta and Manitoba farmers marketed 13.9 million and 8.8 million bushels, respectively.

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

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -						
August	6, 1953	508,466	5,294,428	3,755,094	9,557,988	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	6,361,789	2,446,556	9,654,131	12,496,130
Totals		8,788,290	35,309,524	13,937,208	58,035,022	63,279,289

Visible Supply of Canadian Wheat, September 17, 1953, Compared with
Approximately the same Date, 1951 and 1952

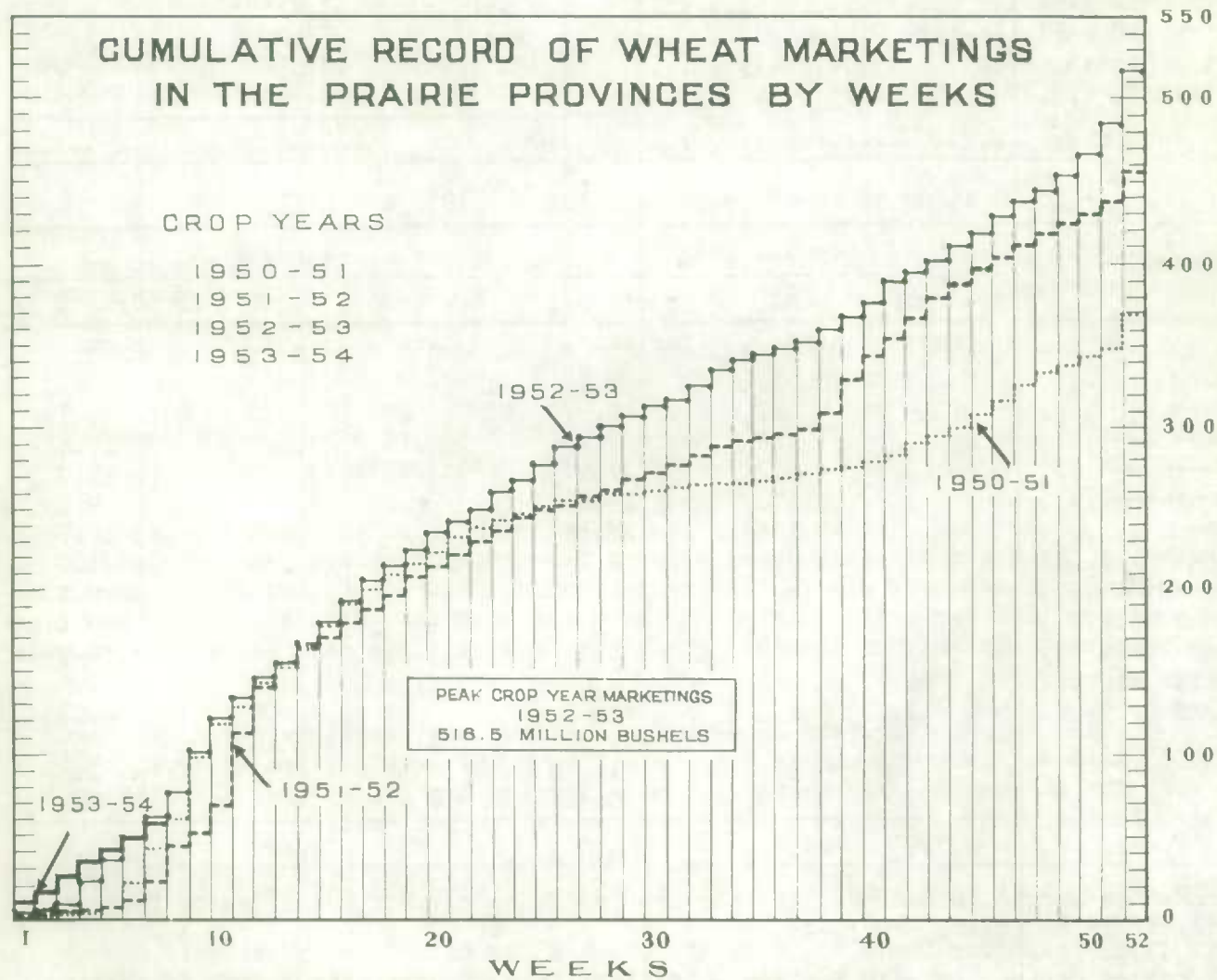
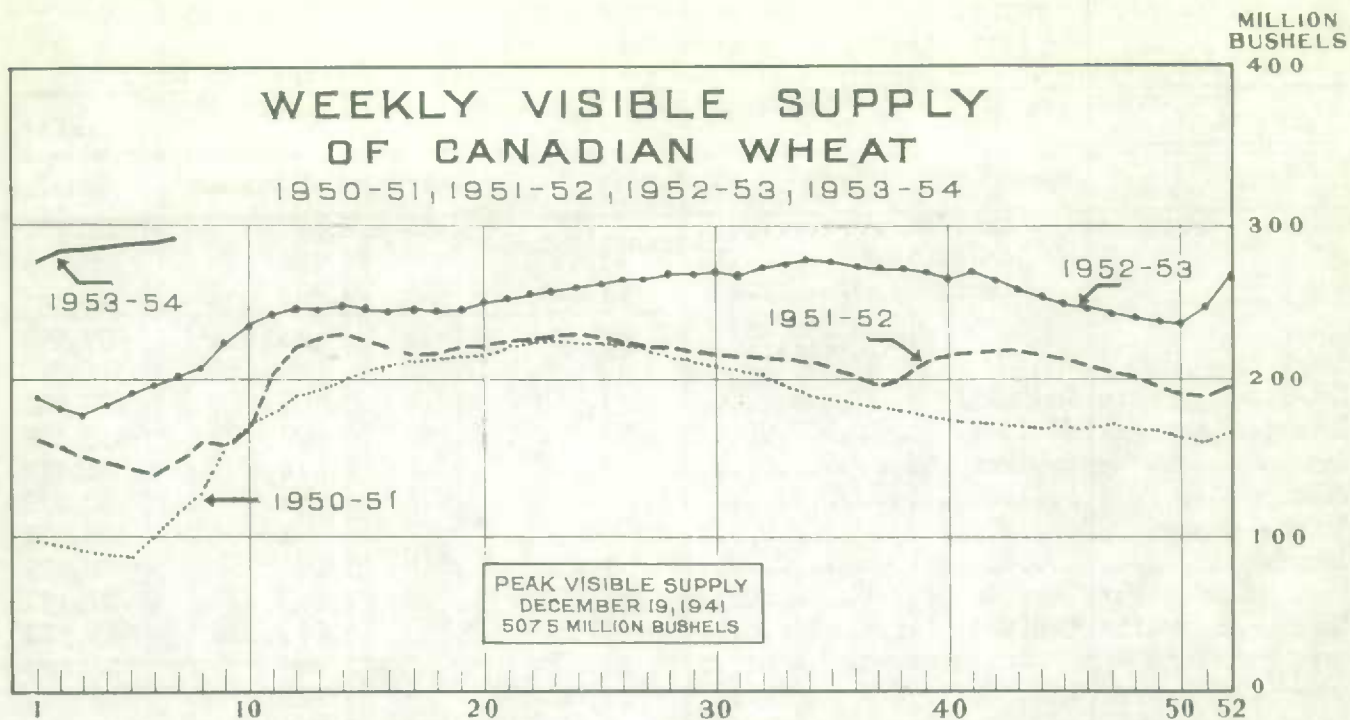
Position	1951	1952	1953
- thousand bushels -			
Country elevators - Manitoba	3,775	7,607	14,981
Saskatchewan	33,467	61,918	86,935
Alberta	14,446	29,833	48,792
Totals	51,688	99,358	150,708
Interior private and mill	3,157	5,725	5,592
Interior terminals	10,702	5,207	14,218
Vancouver-New Westminster	3,598	9,098	8,819
Victoria	-	-	292
Prince Rupert	-	6	290
Churchill	1,414	1,106	1,875
Fort William-Port Arthur	30,606	29,653	29,132
In transit rail (Western Division)	8,316	15,994	13,327
Bay, Lake and Upper St. Lawrence ports ..	18,475	21,340	42,480
Lower St. Lawrence and Maritime ports ...	10,441	10,121	17,143
In transit lake	4,378	2,955	4,989
In transit rail (Eastern Division)	1,756	404	1,750
United States ports	2,540	655	936
In transit U.S.A.	-	-	7
Totals	147,071	201,623	291,557

Grading of Wheat Inspected, August, 1953 and 1952

Grade	August, 1952			August, 1953		
	New Crop	Total	Proportion 1/	New Crop	Total	Proportion 1/
	cars	cars	per cent	cars	cars	per cent
1 Hard	13	15	0.1	-	-	-
1 Northern	549	649	2.9	48	1,327	7.1
2 Northern	1,012	1,788	7.9	114	7,547	40.4
3 Northern	44	4,902	21.7	36	3,212	17.2
4 Northern	1	4,470	19.8	2	1,692	9.0
5 Wheat	-	5,106	22.6	-	1,996	10.7
6 Wheat	-	1,958	8.7	-	186	1.0
Feed Wheat	-	302	1.3	-	24	0.1
Garnet	1	11	5/	-	110	0.6
Amber Durum ...	51	367	1.6	15	161	0.9
Alberta Winter..	64	94	0.4	54	69	0.4
Toughs 2/ 3/ ..	11	2,483	11.0	2	2,006	10.7
Damps 2/ 4/	-	6	5/	-	3	5/
Rejected 2/ ...	1	311	1.4	5	283	1.5
All Others	2	103	0.5	-	83	0.4
Totals ...	1,749	22,565	100.0	276	18,699	100.0

1/ Proportion that each grade or group of grades of both old and new crop wheat is of the total inspections. 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. 5/ Less than .05 per cent.



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

Lake Shipments of Canadian Grain from the Opening of Navigation to September 17, 1953 and to Approximately the Same Date, 1943 to 1952*

Year	Wheat	Oats	Barley	Rye	Flaxseed	Total
- thousand bushels -						
1943	125,928	27,725	30,029	1,286	2,802	187,772
1944	193,637	48,433	27,613	5,710	4,514	279,908
1945	227,375	57,693	24,512	3,366	2,450	315,397
1946	61,347	37,079	13,364	1,048	1,004	113,842
1947	91,115	26,976	13,319	2,169	28	133,606
1948	60,873	12,941	12,555	1,204	4,305	91,877
1949	95,481	17,863	17,526	5,894	4,767	141,531
1950	84,639	12,922	13,673	3,357	1,496	116,088
1951	113,359	40,599	28,910	4,849	959	188,677
1952 1/ ...	150,251	61,368	62,785	4,983	3,286	282,672
1953	156,884	55,496	73,533	8,977	3,181	298,071

*Shipments from opening of navigation to September 14, 1943 through 1947. Since 1948, shipments are to the Thursday nearest to September 17. 1/ Revised.

Total shipments of the five major grains from the Lakehead terminals from the opening of navigation to September 17, 1953, amounted to 298.1 million bushels, exceeded only by the 315.4 million moved during the comparable period of 1945. Wheat shipments at 156.9 million bushels, accounted for some 53 per cent of this year's total.

Barley shipments, at 73.5 million bushels, set a new record for the period while shipments of oats, at 55.5 million bushels, were the third largest on record. Shipments of rye, at 9.0 million bushels, were well above the comparable figure of 5.0 million bushels in 1951-52 while flaxseed shipments at 3.2 million bushels were slightly below those of last year for the period under review.

Protein Content of
Western Canadian 1953
Hard Red Spring Wheat

On September 15, 1953, the Board of Grain Commissioners' Laboratory issued the following press release:

"An average protein content of 13.0 per cent has been obtained by the Board of Grain Commissioners Laboratory from analyses of almost 2,000 samples of new-crop wheat. The corresponding figure obtained at the same time last year was 12.8 per cent. The preliminary estimate thus showed that the new crop is 0.2 per cent higher than the 1952 crop, but about 0.5 per cent below the ten-year average of 13.5 per cent.

Protein levels for provinces are: Manitoba, 12.1 per cent for 408 samples; Saskatchewan, 13.2 per cent for 1,457 samples; and Alberta, 13.0 per cent for 86 samples. Preliminary levels for the top grades are: 1 Northern, 13.3; 2 Northern, 13.0 per cent; and 3 Northern, 12.8 per cent.

To date the crop is predominantly of high grade. Bushel weights are about the same as last year in Saskatchewan, but are slightly lower than last year in Manitoba.

The Board's Laboratory is continuing its survey to obtain more reliable estimates for publication of its Preliminary Protein Map. This is generally released early in October."

Wheat Shipments* to the United States by Destination
August 1 to September 17, 1953
Compared with Approximately the Same Period 1951 and 1952

Destination	1951	1952	1953
- bushels -			
<u>By Vessel</u>			
Duluth-Superior	979,929	363,094	-
Milwaukee	120,426	-	-
Chicago	332,807	163,918	-
Toledo	-	-	-
Detroit	-	-	-
Huron	-	85,101	-
Erie	-	276,567	-
Buffalo	2,733,259	3,201,328	179,937
Oswego	514,005	-	-
Totals, Vessel	4,680,426	4,090,008	179,937
<u>By Rail</u>			
U.S.A. Seaboard Ports	-	-	7,348
Other U.S.A. Points	529,384	1,072,284	855,235
Totals, Rail	529,384	1,072,284	862,583
Totals, Shipments	5,209,810	5,162,292	1,042,520

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

Total shipments of Canadian wheat to the United States, either for re-export or retention for domestic use, from the beginning of the current crop year to September 17, amounted to 1,042,520 bushels, well below both the 5,162,292 bushels and the 5,209,810 bushels shipped during the comparable period of both 1952 and 1951, respectively. About 83 per cent of this year's total to date was shipped by rail, with the entire vessel shipments of 179,937 bushels being unloaded at Buffalo.

Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during August 1953 amounted to 362,982 bushels, of which some 88 per cent originated at Midland and Port McNicoll.

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

Origin of Shipments	August, 1952	August, 1953
- bushels -		
Midland	-	167,900
Port McNicoll	-	150,000
Walkerville	-	45,082
Total	-	362,982

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	191,317
September	123,256	435,068	1,181,046	
October	73,543	159,667	936,757	
November	133,847	465,193	651,957	
December	1,517,624	1,387,828	464,914	
January	4,394,047	5,839,567	6,550,958	
February	3,303,248	3,618,007	9,566,151	
March	3,476,161	1,564,586	6,285,944	
April	1,196,236	107,061	189,339	
May	462,676	132,496	216,046	
June	356,443	196,083	136,014	
July	199,603	113,827	223,687	
Totals	15,359,216	14,303,297	26,594,524	

Rail shipments of wheat from the Lakehead continued in relatively low volume during August when shipments again were below the 200,000 bushel level. Although this year's August shipments were about equal to those for the corresponding month in 1952 they were some 93,000 bushels less than in August, 1951.

Distribution of the August, 1953 shipments of wheat from the Lakehead, by grade and destination is shown in the table below. The bulk of the month's shipments went to destinations in Ontario and Quebec and consisted largely of Amber Durum.

Distribution of Rail Shipments of Wheat from Fort William-Port Arthur
August, 1953

Grade	P.E.I.	N.S.	N.B.	Que.	Ont.
- bushels -					
5 Wheat	-	1,500	-	167	-
6 Wheat	-	-	250	7,450	4,500
Amber Durum	-	-	5,902	33,698	73,771
All Others	250	4,000	11,600	11,912	36,317
Totals	250	5,500	17,752	53,227	114,588

Freight Assistance Shipments Claims filed for payment up to August 31, 1953 represent shipments of some 14.2 million bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia under the freight assistance plan during the 1952-53 crop year. The comparable preliminary figure for the preceding crop year was 16.5 million bushels, indicating that shipments may be somewhat below those of 1951-52. Revised data on claims submitted up to August 31, 1953 placed the 1951-52 total at 17.3 million bushels.

Provincial Distribution of Freight-Assisted Wheat Shipments,
August—July, 1952-53 and 1951-52

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
- thousand bushels -								
August, 1952	11	32	70	63	536	492	245	1,448
September	12	21	68	48	534	474	263	1,419
October	11	12	72	50	519	482	236	1,383
November	5	20	70	39	541	542	187	1,405
December	11	18	71	42	443	538	231	1,354
January, 1953	4	18	83	44	365	425	210	1,148
February	6	13	56	36	294	334	165	904
March	7	14	60	37	319	365	156	958
April	4	18	72	39	288	494	224	1,139
May	6	17	71	35	358	481	188	1,157
June	3	21	58	41	312	367	228	1,029
July	1	20	58	24	467	262	67	898
Totals 1/	82	224	809	497	4,976	5,254	2,400	14,242
Same period 1951-52:								
Preliminary 2/	64	254	817	567	6,081	6,331	2,393	16,505
Revised 1/	70	263	844	586	6,177	6,536	2,829	17,305

Preliminary data on millfeeds moving under the freight assistance plan represent shipments of 507,641 tons during the 1952-53 crop year. This total, based on claims up to August 31, 1953 is slightly below the comparable preliminary total for 1951-52. Revised figures for the preceding crop year show a total of 548,552 tons shipped under the plan. As with wheat, data on freight-assisted millfeeds are subject to upward revision as additional claims are filed.

Provincial Distribution of Freight-Assisted Millfeed Shipments,
August—July, 1951-52 and 1952-53

Province	1951-52		1952-53
	Preliminary 2/	Revised 1/	Preliminary 1/
- tons -			
Newfoundland	2,874	3,121	2,995
Prince Edward Island	7,494	7,750	7,301
Nova Scotia	38,225	39,540	36,397
New Brunswick	33,620	34,957	32,467
Quebec	242,609	254,933	242,303
Ontario	147,141	156,378	139,906
British Columbia	45,113	51,873	46,272
Totals	517,076	548,552	507,641

1/ Based on claims filed up to August 31, 1953.

2/ Based on claims filed up to August 31, 1952.

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
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- thousand bushels -

1951-52

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

1952-53 5/

August	26,089	2,559	3,364	32,011	38,946
September	21,208	3,312	4,960	29,480	27,326
October	24,106	2,950	6,277	33,332	35,611
November	34,339	3,677	5,052	43,068	36,052
December	21,777	2,883	5,693	30,354	44,468
January	17,518	1,206	3,718	22,442	23,562
February	13,135	847	2,969	16,951	18,220
March	11,220	915	4,303	16,437	15,466
April	19,019	1,341	4,683	25,043	20,061
May	40,179	1,476	4,790	46,446	35,963
June	37,390	1,617	5,900	44,907	51,752
July	40,149	115	5,170	45,434	41,498
Totals	306,129	22,897	56,879	385,905	388,926

1953-54 5/

August	24,152	569	3,724	28,445	34,113
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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 year 1951-52 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	May	August	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/
	- bushels -		
<u>COMMONWEALTH COUNTRIES</u>			
United Kingdom	3,363,417	1,077,624	8,970,935
<u>Africa</u>			
British South Africa	-	-	1,696,862
Gold Coast	16,115	25,794	-
Nigeria	12,424	16,420	-
Sierra Leone	6,988	6,656	-
<u>Asia</u>			
Hong Kong	162,310	142,456	-
India	-	-	2,177,400
Malaya and Singapore	21,578	29,925	-
<u>Europe</u>			
Gibraltar	16,236	13,288	-
Malta	-	-	398,533
<u>North America</u>			
Bahamas	21,672	35,158	-
Barbados	37,314	36,189	-
Bermuda	8,451	8,532	-
British Honduras	6,773	3,326	-
Jamaica	67,972	307,485	-
Leeward and Windward Islands	114,268	79,776	-
Trinidad and Tobago	174,987	88,052	-
<u>South America</u>			
British Guiana	93,398	135,153	-
Totals, Commonwealth Countries	4,123,903	2,005,834	13,243,730

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

Destination	May	August	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/
- bushels -			
<u>FOREIGN COUNTRIES</u>			
<u>Africa</u>			
Azores and Madeira	5,499	2,344	-
Belgian Congo	23,085	48,690	-
Egypt	116,267	-	-
Liberia	459	630	-
Morocco	44,172	44,154	-
Portuguese Africa	-	238	-
<u>Asia</u>			
Arabia	5,108	60,921	-
Israel	-	1,544	-
Japan	118,579	33,449	4,558,667
Korea	478,404	485,649	-
Lebanon	119,268	25,565	-
Philippine Islands	469,602	529,326	-
Portuguese Asia	4,626	8,942	-
Thailand	12,393	59,589	-
<u>Europe</u>			
Belgium	-	-	1,045,017
Denmark	225	225	302,400
Germany, Federal Republic of	-	-	274,000
Iceland	5,049	3,852	-
Ireland	-	-	250,021
Italy	10,480	30,335	180,133
Netherlands	-	-	173,600
Portugal	6,656	5,850	-
Spain	-	-	2,215,228
Switzerland	-	-	764,587
Yugoslavia	13,311	4,936	-
<u>North America</u>			
Costa Rica	24,903	21,402	-
Cuba	-	18,909	212,263
Dominican Republic	14,364	22,041	-
El Salvador	13,014	23,301	-
French West Indies	230	1,030	-
Guatemala	34,249	37,112	-

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

Destination	May	August	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/
- bushels -			
<u>FOREIGN COUNTRIES</u>			
<u>North America</u>			
Haiti	9,783	23,764	-
Honduras	459	459	-
Netherlands Antilles	14,467	9,711	-
Nicaragua	12,838	14,656	-
Panama	27,716	38,903	-
St. Pierre and Miquelon	1,719	1,642	-
United States			
Flour in terms of wheat	86,837	11,295	-
For milling in bond 4/	-	-	283,794
For domestic use 4/	-	-	285,171
Virgin Islands	2,295	-	-
<u>Oceania</u>			
French Oceania	25,308	-	-
<u>South America</u>			
Bolivia	2,754	1,494	156,205
Colombia	64,175	44,433	-
Ecuador	1,372	-	-
Peru	-	5,733	774,264
Surinam	12,024	14,670	-
Venezuela	341,307	81,518	2,240
Totals, Foreign Countries	2,122,997	1,718,312	11,477,590
Totals, All Countries	6,246,900	3,724,146	24,721,320

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.

Initial Payment
to Producers

The Canadian Wheat Board released on September 22 its Price List No. 1 covering fixed minimum carlot prices for wheat, established in accordance with the provisions of the Canadian Wheat Board Act as amended. The Board states that the price of No. 1 Northern wheat was fixed "by the provisions of Order in Council P.C. 1953-1045 dated July 2, 1953, and the remaining prices have been fixed by the Board in their proper relation to the price for the No. 1 Northern grade". In addition to the categories of 'tough and damp' as shown in the table below, Price List No. 1 includes ten other off-grades carrying discounts from the straight grades.

Canadian Wheat Board Price List for Specified Grades of Wheat, 1953-54
(In Carload Lots, Basis in Store Fort William-Port Arthur or Vancouver)

Grade	Straight	Tough 1/	Damp 2/
No. 1 Hard	\$1.40	\$1.36	\$ -
No. 1 Northern	1.40	1.36	1.24
No. 2 Northern	1.37	1.33	1.21
No. 3 Northern	1.34	1.30	1.18
No. 4 Northern	1.26	1.22	1.10
No. 5 Wheat	1.12	1.08	.96
No. 6 Wheat	1.06	1.02	.92
Feed Wheat	1.00	.96	.86
No. 4 Special	1.26	1.22	1.10
No. 5 Special	1.12	1.08	.96
No. 6 Special	1.06	1.02	.92
No. 1 C.W. Amber Durum	1.50	1.46	1.34
No. 2 C.W. Amber Durum	1.47	1.43	1.31
No. 3 C.W. Amber Durum	1.40	1.36	1.24
No. 4 C.W. Amber Durum	1.36	1.32	1.20
No. 5 C.W. Amber Durum	1.22	1.18	1.06
No. 6 C.W. Amber Durum	1.16	1.12	1.02
No. 1 C.W. Garnet	1.34	1.30	1.18
No. 2 C.W. Garnet	1.31	1.27	1.15
No. 3 C.W. Garnet	1.28	1.24	1.12
No. 1 Alberta Red Winter	1.37	1.33	1.21
No. 2 Alberta Winter	1.34	1.30	1.18
No. 3 Alberta Winter	1.30	1.26	1.14
No. 4 Alberta Winter	1.26	1.22	1.10
No. 1 Soft White Spring	1.35	1.31	1.19
No. 2 Soft White Spring	1.32	1.28	1.16
No. 3 Soft White Spring	1.28	1.24	1.12
No. 4 Soft White Spring	1.25	1.21	1.09
No. 1 Mixed Wheat	1.12	1.08	.98
No. 2 Mixed Wheat	1.07	1.03	.93
No. 3 Mixed Wheat	1.05	1.01	.91
No. 4 Mixed Wheat	1.02	.98	.88
No. 5 Mixed Wheat	1.12	1.08	.98
No. 6 Mixed Wheat	1.07	1.03	.93
No. 1 C.W. Mixed Grain95	.91	.81

1/ Moisture content for wheat other than Durum, 14.6 per cent to 17 per cent inclusive; for Durum wheat, 14.9 per cent to 17 per cent inclusive.

2/ Moisture content over 17 per cent.

Canadian Wheat Board Weekly Average Cash Wheat Prices
Basis in Store Fort William—Port Arthur or Vancouver

Class and Grade	Week ending			
	Sept. 4	Sept. 11	Sept. 18	Sept. 25
- cents and eighths per bushel -				
<u>Initial Payment to Producers</u>				
1 Northern	140	140	140	140
2 Northern	137	137	137	137
3 Northern	134	134	134	134
4 Northern	126	126	126	126
5 Wheat	112	112	112	112
6 Wheat	106	106	106	106
Feed Wheat	100	100	100	100
1 C.W. Garnet	134	134	134	134
2 C.W. Garnet	131	131	131	131
1 Alberta Red Winter ...	137	137	137	137
2 Alberta Winter	134	134	134	134
1 C.W. Amber Durum	150	150	150	150
2 C.W. Amber Durum	147	147	147	147
3 C.W. Amber Durum	140	140	140	140
<u>International Wheat Agreement</u> <u>and Domestic Sales</u>				
1 Northern	202/3	202/2	200/7	197/2
2 Northern	199/3	199/2	197/2	193/2
3 Northern	196/3	196/2	193/5	189/2
4 Northern	191/2	190/2	187/5	184/2
5 Wheat	175	175	173/2	172
6 Wheat	168/2	167	166/3	166/2
Feed Wheat	164/3	164	163/3	163
1 C.W. Garnet	199/6	199/2	197/2	193/2
2 C.W. Garnet	197/2	196/2	193/5	189/2
3 C.W. Garnet	193/2	192/2	189/5	185/2
1 Alberta Red Winter ...	202/3	202/2	200/7	197/2
2 Alberta Winter	199/3	199/2	197/2	193/2
3 Alberta Winter	196/3	196/2	193/5	189/2
1 C.W. Amber Durum	202/3	202/2	201/7	201/2
2 C.W. Amber Durum	200/3	200/2	199/7	199/2
3 C.W. Amber Durum	199/3	199/2	198/7	198/2
<u>Export - Class II</u>				
1 Northern	202/6	202/2	200/7	197/2
2 Northern	199/6	199/2	197/2	193/2
3 Northern	196/6	196/2	193/5	189/2
4 Northern	191/5	190/2	187/5	184/2
5 Wheat	175	175	173/2	172
6 Wheat	168/2	167	166/3	166/2
Feed Wheat	164/3	164	163/3	163
1 C.W. Amber Durum	269/6	269/2	269/1	270/5
2 C.W. Amber Durum	266/6	266/2	266/1	267/5
3 C.W. Amber Durum	265/6	265/2	265/1	266/5

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production reported by Canadian mills for August, 1953, at 1,423,693 barrels, was well below both the July offtake of 1,884,388 and the August, 1952 output of 1,941,977. The ten-year (1943-1952) average production for August was 1,910,890 barrels. Mills reporting operations during August this year had a total rated capacity of 97,500 barrels, and on the basis of a 26-day working period, 56.2 per cent of this rated capacity was effective.

Wheat milled for flour during August 1953 amounted to 6.3 million bushels as against 8.8 million for the same month last year. Almost 5.2 million bushels of the wheat milled for flour during August this year was Western Canadian spring wheat (other than Durum). Most of the balance consisted of Ontario winter wheat (900,300 bushels) and Durum wheat (103,200 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during August, 1953 amounted to some 827,588 barrels (3,724,000 bushels of wheat equivalent). Flour shipments during the month went to 36 countries and colonies, with the United Kingdom taking the largest amount, some 1.1 million bushels of wheat equivalent. Other major shipments in thousands of bushels of wheat equivalent, went to the Philippine Islands (529); Korea (486); Jamaica (307); Hong Kong (142); and British Guiana (135).

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 ^{2/}	106,785,642	23,871,020	12,639,857
1953-54 ^{2/}			
August	6,345,959	1,423,693	827,588

^{1/} Based on Customs returns. Exports for the crop year 1945-46—1951-52 revised to remove effect of time lag in the returns made by Customs.

^{2/} All items subject to revision from August 1952.

UNITED STATES SITUATION

Supply Position Total estimated domestic wheat supplies in the United States for the 1953-54 crop year at 1,728.6 million bushels were down somewhat from a month ago, due entirely to a decline of 33.5 million bushels in the estimated production of all wheat. After deducting domestic requirements of 700.0 million bushels some 1,029.0 million remain available for export and for carryover during the 1953-54 crop year as against the comparable figure of 860.2 million available in 1952-53.

Exports of wheat as grain during the July-August period of the current crop year amounted to 42.5 million bushels, somewhat above last season's total of 40.6 million for the corresponding period. Exports of wheat flour and products in terms of wheat equivalent during the first two months of the 1953-54 crop year declined to 4.8 million bushels from last year's level of 6.0 million. Total exports of wheat, wheat flour and products at 47.3 million bushels, were slightly above the 46.6 million bushels exported during the first two months of 1952-53. The balance on September 1 for export and for carryover was estimated at 981.7 million bushels as against 813.6 million at the same time last year.

United States Wheat Supplies

Item	1952-53	1953-54 <u>1/</u>
- million bushels -		
Carryover at beginning of crop year (July 1)	255.7	559.3
New crop	1,291.4	1,169.3 <u>2/</u>
Total estimated domestic supplies	1,547.1	1,728.6
Imports of wheat for domestic use, July-August	5.1	0.4
Total estimated supplies <u>3/</u>	1,552.2	1,729.0
Less estimated domestic requirements for crop year <u>4/</u> ..	692.0 <u>5/</u>	700.0
Available for export and for carryover	860.2	1,029.0
Deduct:		
Exports of wheat as grain, July-August	40.6	42.5
Exports of wheat flour and products in terms of wheat, July-August	6.0	4.8
Total exports of wheat, wheat flour and products .	46.6	47.3
Balance on September 1 for export and for carryover ...	813.6	981.7

1/ Preliminary.

2/ Official estimate as of September 1, 1953.

3/ Excluding imports for September-June period.

4/ 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.

5/ Revised.

1953 Wheat Crop
Forecast at 1,169
Million Bushels

In a report issued on September 10, the Crop Reporting Board of the United States Department of Agriculture stated that according to an appraisal of crop conditions on September 1

"Production of all wheat is estimated at 1,169 million bushels, a decline of 33.5 million bushels from the August 1 estimate. The current crop is 9 per cent smaller than the 1952 crop of 1,291 million bushels, but 7 per cent larger than the average production of 1,089 million bushels. The change in the all wheat estimate from a month earlier is due to a reduction in spring wheat production. A winter wheat crop of 878 million bushels, for which the last estimate was made as of August 1, is included in the all wheat production estimate. The indicated national yield per acre for all wheat of 17.4 bushels is 0.9 bushels below last year, but 0.3 bushels above the 10-year average yield.

All spring wheat prospective production is estimated at 291 million bushels, a decline of 33.5 million bushels or 10 per cent from the August 1 forecast. Loss of production occurred mainly in Minnesota and the Dakotas, with earlier prospects maintained or slightly improved in Montana, Washington and Oregon. The indicated yield per harvested acre at 13.8 bushels is 2.0 bushels above the 1952 yield, but 2.0 bushels below average.

Production of durum wheat, now estimated at 14,314,000 bushels, is two-thirds of last year's small crop of 21,363,000 bushels, and only three-eighths of the average production of 37,360,000 bushels. Production this year is the third lowest since estimates were started in 1919—only the drought years of 1934 and 1936 have been lower. The current estimate is below the August 1 estimate by about 5½ million bushels or 28 per cent. Rust was the principal cause of lower production, with the extent of damage becoming more apparent as harvest progressed. Loss from rust has been the heaviest since 1935. Dry weather during August was also a factor in much of North Dakota since the crop had a shallow root system. Very little durum wheat had been harvested by August 1. By September 1, however, two-thirds of the crop had been harvested in North Dakota, while in South Dakota and Minnesota harvest was nearly complete.

Production of other spring wheat is now estimated at 277 million bushels, 28 million bushels below the August 1 forecast, but 59 million bushels larger than the 1952 crop and 23 million bushels above average. The yield per acre is estimated at 14.5 bushels compared with 12.0 bushels in 1952 and the average of 16.0 bushels.

Prospective production is below August 1 in North Dakota, South Dakota, Minnesota and Idaho, but the same or improved in Montana, Washington and Oregon. Reduced prospects in Minnesota and the Dakotas resulted from widespread stem rust damage, unfavourably wet weather during harvest time in southern Minnesota and South Dakota, and lack of topsoil moisture during the latter part of the growing season in North Dakota. Lack of rainfall reduced prospects in Idaho. In North Dakota, less than 10 per cent of the hard wheat acreage—largely in northern and western sections—was still standing on September 1. In Montana, about 65 per cent of the spring wheat was harvested by September 1, harvest being considerably later than in 1952. There was some damage by stem rust in late fields in northeastern Montana, but yields for the State as a whole continue to hold up to earlier expectations. Wheat harvest in South Dakota and southern Minnesota was practically completed by September 1, with harvest in northern Minnesota nearing completion. For Washington and Oregon, prospective production is slightly higher than on August 1. More than the usual amount of wheat remains to be harvested in these two States."

Daily 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
September 1, 1953	219 - 227 3/4	September 1, 1953	220 3/8 - 221 3/8
2	218 1/2 - 229	2	222 1/2 - 223 1/2
3	215 1/2 - 221 1/4	3	225 1/2 - 227 1/2
4	215 1/2 - 247 1/2	4	221 1/8 - 223 1/8
7	Labour Day	7	Labour Day
8	218 1/2 - 228 3/4	8	228 1/4 - 230 1/4
9	214 1/2 - 238	9	229 1/4 - 231 1/4
10	226 1/2 - 231	10	229 3/8 - 231 3/8
11	219 3/4 - 221	11	230 3/4 - 232 3/4
14	220 - 235 1/2	14	233 1/4 - 234 1/4
15	216 - 228	15	232 1/4 - 233 1/4
16	211 - 222 1/2	16	232
17	212 3/4 - 213 1/4	17	231 3/8
18	210 - 217	18	232 5/8
21	218 1/2 - 224 3/4	21	232 - 234
22	210 1/2 - 221 1/4	22	231 1/4 - 233 1/4
23	212 1/2	23	228 5/8 - 230 5/8
24	214 1/2 - 227 1/4	24	230 1/4 - 232 1/4
25	217 1/2 - 221	25	232 - 234
28	220 1/2 - 222 1/4	28	232 - 234
29	225 1/2 - 237	29	230 3/4 - 232 3/4
30	223 - 245 1/2	30	229 7/8 - 231 7/8

Chicago Wheat Futures, High Points of Closing

Date	September	December	March	May	July
	- cents and eighths per bushel -				
September 1, 1953	190	195	198	196/6	192/2
2	190/4	196	198/6	197/2	192/4
3	189/5	195	198	195/6	189/6
4	190/5	196	198	196/2	189/6
7			Labour Day		
8	193/4	199	200/6	198/7	191/6
9	193/3	197/7	199/7	198/2	190/2
10	191/2	196	198/4	197/5	189/4
11	191/2	194/7	198	196/7	190
14	187/6	191/7	194/6	193/4	187/1
15	185/6	189/6	192/2	191/2	184/4
16	189/4	192/6	195/3	194/2	187/2
17	186/6	189/2	191/6	190/6	185
18	186/2	190/6	193/2	192/3	186/4
21	187	190/1	192/6	191/6	186
22		190/2	192/5	191/5	185/4
23		189/4	191/5	190/4	184/6
24		192/2	194/3	193/2	186/6
25		193/4	195/5	194/1	187/4
28		195/1	196/7	195/7	189/6
29		194/4	196/3	195/2	190/3
30		193/4	195/4	194/2	189/2

ARGENTINE SITUATION

Supply Position Total estimated supplies of wheat for the 1952-53 crop year, consisting almost entirely of the 1952 crop, remain unchanged at 288.4 million bushels. Although there has been no change in the official estimate of production of 286.6 million bushels, issued last February, the trade is of the opinion that this level may be some 500,000 tons (18.4 million bushels) too high. Exports of wheat during August amounted to some 9.9 million bushels, slightly above the July level, and brought the cumulative total for the first three quarters of the current Argentine crop year to 48.8 million bushels. The balance remaining at September 1 for export and for carryover at the end of the crop year (subject to a possible downward revision in the crop estimate as indicated above) was estimated at 114.7 million bushels as against only 1.8 million a year ago.

Argentine Wheat Supplies

Item	1951-52	1952-53 <u>1/</u>
	- million bushels -	
Carryover at beginning of crop year (December 1)	18.4	1.8
New crop	75.3	286.6 <u>2/</u>
Total estimated domestic supplies	93.7	288.4
Imports of wheat for domestic use	7.9 <u>3/</u>	-
Total estimated supplies	101.6	288.4
Less estimated domestic requirements for crop year	96.0	124.9
Available for export and for carryover	5.6	163.5 <u>4/</u>
Deduct:		
Exports of wheat as grain, December—August	3.8	48.8
Exports of wheat flour in terms of wheat, December—August	<u>5/</u>	<u>5/</u>
Total exports of wheat and wheat flour	3.8	48.8
Balance on September 1 for export and for carryover ...	1.8	114.7

1/ Preliminary.

2/ Second official estimate. It is noted that trade sources consider this may be too high by some 500,000 tons (18.4 million bushels).

3/ Imported under barter arrangement in exchange for Argentine corn.

4/ It has been officially announced that 400,000 metric tons (14.7 million bushels) of wheat are to be stored from the 1952-53 crop to constitute a reserve.

5/ 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 September 14, 1953, and is reproduced with the kind permission of the Trade Commissioner Service, Department of Trade and Commerce. Where practicable, 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 Although beneficial rainfalls were recorded in much of the grain zone during the second half of August and early September, certain sections of Northwestern Buenos Aires, Eva Perón and Southern Córdoba are reported to be in serious need of moisture. However, in general crop conditions must be considered good to excellent. Grazing conditions are at the moment only fair but should improve rapidly given a few days of warm sunshine.

1953-54 Wheat Crop Sowing was completed in August and a slight increase in total acreage over last year is generally predicted. Possibly 6.5 million hectares (16.1 million acres) will approximate the final estimate. The crop suffered in some sectors from July's frost while in others the cold weather served only to stimulate root development. A plague of greenfly has done considerable damage in central Córdoba but this has not affected the main production zones. Sections of the provinces of Córdoba, Western Buenos Aires and Eva Perón are extremely dry. There have been unconfirmed reports that the crop in Eva Perón must already be considered a failure. Nevertheless, beneficial rains fell in much of the grain zone during August and the first week in September and the condition of the crop in general must be regarded as good to excellent.

I.A.P.I.'s Purchase Procedure for 1953-54 Grain Crops It is understood from the trade that the purchase procedure for the 1953-54 grain crop has been modified and that sales to I.A.P.I. will be made only through the local banks on the basis of certificates issued by brokers or co-operatives and not, as heretofore, in Buenos Aires through intermediaries or representatives of co-operative societies. Details are not yet available.

Recent Sales of Wheat and Rye The sale of 124,500 metric tons (4,575,000 bushels) of wheat to Japan has been announced. This sale falls within the framework of the Argentine-Japan agreement which provides for the shipment of 27 million dollars worth of wheat to Japan in the twelve-month period ending April 30, 1954. Some 1,251,000 bushels of wheat have been bartered for jute outside the Indian agreement.

Rye sales during August totalled 106,175 tons (4,180,000 bushels), prices ranging between 24.70 pesos per 100 kilos (\$1.25 per bushel) on 50 tons (2,000 bushels) sold for Italian clearing dollars and 21.20 pesos (\$1.08 per bushel) for Belgian francs and Dutch Guilders. In the first week of September I.A.P.I. accepted offers at 20.80 pesos per 100 kilos (\$1.06 per bushel) for sales totalling 31,500 tons (1,240,000 bushels).

Grain Shipments Grain shipments during August totalled 472,714 metric tons, the highest for any month of the year. Wheat at 268,323 tons (9,859,000 bushels), slightly greater than last month, accounted for over half the total and corn for 173,848 tons (6,844,000 bushels). The cumulative total of all grains shipped from Argentina in the first eight months of 1953 at 2,312,954 tons were over three times shipments effected in the corresponding period of 1952, but still fall short of the 1951 total of 2,603,909 tons and 3,375,296 tons in 1950.

Over half the month's shipments of wheat were destined for Brazil, who received 154,901 tons (5,692,000 bushels). This brings the total shipped to that country to date to 612,564 tons (22,508,000 bushels) out of Argentina's commitment to ship 1.1 million tons (40.4 million bushels). The United Kingdom, Italy and Switzerland were the destinations for 31,315 tons (1,151,000 bushels), 24,100 tons (886,000 bushels) and 22,017 tons (809,000 bushels), respectively followed by Bolivia and Peru with 10,000 tons (367,000 bushels) and

9,560 tons (351,000 bushels). 8,420 tons (309,000 bushels) of wheat were shipped to Africa, 5,010 (184,000 bushels) to Chile and 2,069 tons (76,000 bushels) to Holland. Belgium, Germany and Paraguay received 500 tons (18,000 bushels), 281 tons (10,000 bushels) and 150 tons (6,000 bushels) in that order.

The United Kingdom was the principal destination for corn during August, receiving 108,600 tons (4,275,000 bushels) - nearly two thirds of the total. Holland received 35,558 tons (1,400,000 bushels) of this grain. Belgium, Sweden and Austria followed with 9,240 tons (364,000 bushels), 8,748 tons (344,000 bushels) and 7,000 tons (276,000 bushels), respectively. 2,670 tons (105,000 bushels) and 2,032 tons (80,000 bushels) of corn were shipped to Italy and Denmark.

Shipments of rye showed a slight improvement over the previous month, Italy and Norway receiving 7,250 tons (285,000 bushels) and 7,000 tons (276,000 bushels), respectively out of a total of 25,873 tons (1,019,000 bushels). However, shipments of this grain still fall some 50,000 tons (1,968,000 bushels) short of those effected in the corresponding period of 1952. On the other hand, shipments of oats and barley show a marked improvement over the first eight months of 1952, as can be seen from the following table. However, in the month under review oats shipments were limited to 2,638 tons (171,000 bushels) to Holland and 2,032 tons (132,000 bushels) to the United States and no barley left the country in August. Flax shipments were also at a standstill, the Government at present not permitting the export of unprocessed seed.

The following table shows shipments of all grains in the first eight months of 1953 with comparative data for recent years:

Argentine Grain Shipments, January--August, 1953

Destination	Wheat	Corn	Flax	Oats	Rye	Barley
- thousand bushels -						
Austria	-	335	-	58	-	36
Belgium	791	2,354	-	971	679	387
Bolivia	367	-	-	-	-	-
Brazil	22,508	1,951	-	158	-	-
Chile	184	-	-	-	-	-
Denmark	-	116	-	-	-	-
Finland	-	-	-	-	-	338
France	-	2,428	390	-	216	-
Germany	10	-	-	45	-	-
India	8,941	-	-	-	-	-
Israel	-	-	-	41	-	253
Italy	11,446	3,444	-	726	285	69
Korea	-	-	-	-	-	1,259
Netherlands	76	1,415	-	2,132	381	1,524
Norway	-	-	-	-	709	-
Paraguay	865	-	-	-	-	-
Peru	1,105	-	-	-	-	-
South Africa	309	6	-	-	-	-
Sweden	-	967	-	-	-	-
Switzerland	816	175	-	1,378	39	-
United Kingdom	1,151	11,441	-	-	-	5,495
United States	-	-	-	524	-	-
Totals	48,569	24,631	390	6,034	2,310	9,361
Same period:						
1952	2,265	16,189	983	2,647	4,385	4,806
1951	76,449	3,539	6,400	3,900	6,981	1,534
1950	77,909	29,531	1,195	16,711	5,491	3,549
1949	48,103	24,690	-	5,325	5,658	6,332

AUSTRALIAN SITUATION

Supply Position Total estimated domestic supplies in Australia at 211.0 million bushels, were unchanged from a month ago. With estimated domestic requirements remaining at 70.9 million bushels some 140.1 million were available for export and for carryover at the end of the crop year.

Exports of wheat as grain during the first three quarters of the 1952-53 crop year totalled 51.1 million bushels, substantially greater than the 31.2 million exported during the corresponding period of the 1951-52 crop year. Some 33.5 million bushels of wheat flour in terms of wheat were exported from December 1 to August 29 of the current crop year compared with 25.5 million for the same period of the preceding crop year. Total exports of wheat and wheat flour in terms of wheat equivalent at 84.6 million bushels exceeded by some 49 per cent the total of 56.7 million exported during the comparable period of last season. The balance remaining on August 30 for export and for carryover at 55.5 million bushels was well above the 41.0 million on hand on approximately the same date a year ago.

Australian Wheat Supplies

Item	1951-52 <u>1/</u>	1952-53 <u>2/</u>
- million bushels -		
Carryover, including flour as wheat, at beginning of crop year (December 1)	19.4	18.0
New crop	159.7	193.0
Total estimated supplies	179.1	211.0
Less estimated domestic requirements for crop year	81.4	70.9
Available for export and for carryover	97.7	140.1
Deduct:		
Exports of wheat as grain, December 1 to August 29 ..	31.2	51.1
Exports of wheat flour in terms of wheat, December 1 to August 29	25.5	33.5
Total exports of wheat and wheat flour	56.7	84.6
Balance on August 30 for export and for carryover	41.0	55.5

1/ Subject to revision. 2/ Preliminary.

Wheat Market-
ing Plans The following report was received under date of September 15 from the Agricultural Secretary for Canada in Melbourne:

"An emergency meeting between the Commonwealth Minister for Commerce and Agriculture and the State Ministers for Agriculture held in Canberra on September 14, failed to reach agreement on a wheat marketing plan.

The original proposal was that the home consumption price for wheat should be 15/- per bushel. If costs of production should rise above 15/- the local price would rise to this level. If export parity fell below 15/- the local price would fall to export parity but would not fall below the cost of production.

Early in the meeting a proposal was made that the home consumption price should be 13/10 per bushel but this was rejected by the two dissenting States. Victoria, the more important wheat growing State of the two, maintains that the proposed price would be inflationary and it would be better to retain the cost of production for home consumption wheat plus 2/- per bushel for stock feed wheat formula.

It was stated in Canberra after the meeting that the Commonwealth Government would now have to review Australia's participation in the International Wheat Agreement, which depended on an orderly marketing scheme in Australia.

The Australian Wheat Board would continue to handle the "carryover" wheat but would have no authority to handle the coming harvest.

Failure to agree on a marketing scheme means that the States will fix their own wheat prices and trafficking in wheat between the exporting and importing States may take place."

However, on October 3 a Reuters' despatch from Canberra states that, according to Commerce Minister John McEwan, Australia now has settled an internal dispute over wheat stabilization and is able to ratify the International Wheat Agreement signed last April. According to this report Mr. McEwan said all states have agreed to legislate in support of the Federal Government to maintain the Australian Wheat Board as the sole selling authority.

Weather and
Crop Conditions

According to a trade report dated September 29, further rains have been received which have benefited the growing of wheat.

Considerable improvement in the overall outlook has occurred in recent weeks but reports from some sections, especially New South Wales and South Australia, continue to stress adverse effects of previous dryness and the probability that yields there will be well below last year.

FRENCH SITUATION

The following account of the current crop situation in France has been provided by Miss V. F. Wightman, Office of the Commercial Counsellor for Canada, Paris, under date of September 18 and is reproduced with the kind permission of the Trade Commissioner Service, Department of Trade and Commerce. Wherever possible conversions from French to Canadian measures have been made and rounded for the convenience of our readers. Currency conversions were made at the rate of 1 franc = .00281 Canadian dollars, the rate in effect on September 26, 1953.

New Crop
Production

The Ministry of Agriculture report of September 1st indicates a record wheat crop this season of 8.6 million metric tons (316 million bushels). Earlier reports placed production at 8.2 million tons (301 million bushels), under the 8.4 million tons (309 million bushels) in 1952; however, with the conclusion of the harvest in mid-August, later figures revised the estimate upwards.

Harvesting scheduled for the latter half of July was delayed by persistent rain, but fine weather during the first part of August allowed rapid progress. Subsequent threshing has since revised the estimated national yield to 20.7 quintals per hectare (30.8 bushels per acre), the highest achieved to date; it may be contrasted with the average of 15.4 (22.9 bushels per acre) for 1930-39 and of 18.2 (27.1 bushels per acre) for 1948-1952. Output was unusually high in the region of the Garonne river in the southwest of France.

Other grain crops, likewise, show yields above last year. There is a record barley crop of 2.2 million metric tons (101.0 million bushels), and the yield of 18.2 quintals per hectare (33.8 bushels per acre) is well above any achieved to date. Due to a high yield, oats production at 3.5 million tons (226.9 million bushels) is above 1952. Corn production also sets a record at an estimated 750,000 metric tons (29.5 million bushels). The level of coarse grain output is extremely important to the French foreign exchange position as a good part of the deficit has to be purchased in dollar countries.

September 1 Estimate of Production of Principal French Grain Crops

Grain	Area		Yield Per Acre		Production	
	1952	1953	1952	1953	1952	1953
	- thousand acres -		- bushels -		- thousand bushels -	
Wheat	10,612	10,258	29.2	30.8	309,421	316,554
Rye	1,063	1,018	17.8	17.9	18,956	18,261
Barley	2,655	2,956	29.9	33.9	79,418	100,116
Oats	5,620	5,565	38.7	41.7	217,532	232,177
Corn	862	936	22.1	31.7	19,089	29,648

As a result of high yields, the government felt justified this season in keeping grain prices the same as last year. Thus, the basic price for wheat remains 3,600 francs per quintal (\$2.75 per bushel); that and the support prices for feed grains are as follows:

Grain	1952	1953	1952	1953
	- francs per quintal -		- \$ per bushel -	
Wheat	3,600	3,600	2.75	2.75
Rye	2,700	2,700	1.93	1.93
Oats	2,300	2,100	1.00	0.91
Barley	2,400	2,400	1.47	1.47

Earlier in the season the Wheat Growers' Association asked for a price of 4,000 francs per quintal (\$3.06 per bushel), based on the increase in farming costs over the past two years; however, retaining last year's price is important to the stability of the economy as oilseed prices are expressed as an index of the wheat price, and feeds are also tied in.

The corn price is kept at the same level as wheat in order to encourage production and reduce imports, most of which are bought with dollars.

The conditions governing the purchase of the current wheat crop remain the same, except for minor modifications. The "cotisation de résorption", a tax on wheat delivered to the Grain Board to cover the difference between the price to the producer and the lower export price, has been doubled. The wheat price is therefore as follows, after taxes:

Quantities Delivered	Basic Price	To Be Deducted				Net Price to Producer
		Statistical Tax (a)	Tax F.N.P.A.(b)	Cotisation de Résorption	Total Taxes	
bushels			-	\$ per bushel -		
1- 184	2.75	.021	.002	-	.023	2.73
185- 276	2.75	.021	.006	.038	.065	2.69
277- 367	2.75	.021	.006	.076	.103	2.65
368- 735	2.75	.021	.006	.096	.122	2.63
736-1,470	2.75	.021	.006	.115	.141	2.61
1,471-2,205	2.75	.021	.006	.134	.161	2.59
2,206-2,939	2.75	.021	.006	.153	.180	2.57
2,940-3,674	2.75	.021	.006	.172	.199	2.55
over 3,674	2.75	.021	.006	.191	.218	2.54

(a) Statistical tax.

(b) Tax for the National Fund for Agriculture Progress.

In this way, large-scale producers receive a lower net price, and wheat production is encouraged on marginal land; the net price on deliveries under 50 quintals (184 bushels) is the same as last year, whereas for deliveries over 1,000 quintals (3,674 bushels) it is reduced from 3,445 (\$2.63 per bushel) to 3,315 francs (\$2.54 per bushel). Likewise, the floor price for feed grains is modified by taxes, and margin of profit taken by the warehousing entities.

The above prices are, of course, modified in accordance with weight, impurities, etc.

As of September 1st, the milling extraction rate was reduced three points which should provide an additional 180,000 tons of bran as feed. This has been advocated by the Wheat Producers' Association in order that more wheat be consumed within France, and thus limit dependence on the export market and, by producing a whiter bread, help to offset the fall in consumption.

The prohibition on the use of wheat as feed has now been lifted. This regulation, in force since the war, has never been strictly applied and farmers claim that it is often more economic to use their own wheat as feed than to sell the wheat and buy feed grain which, after taxes and profits to intermediaries, becomes more expensive.

Deliveries to the Grain Board Because of the amount of wheat used as feed and seed, and the system in less developed areas of exchanging wheat for flour and bread, the national production figure is less a guide to availabilities than what is known as "collections" i.e. purchases by cooperatives or dealers on behalf of the Grain Board.

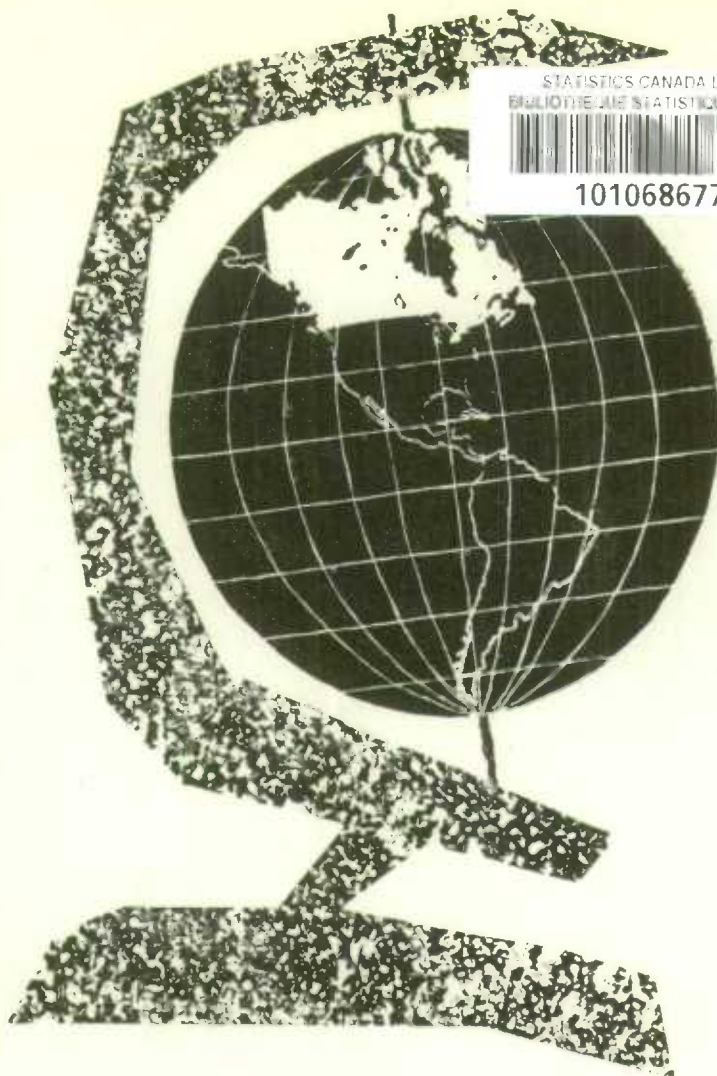
Purchases for the crop year ended August 1st compared with last season, are as follows:

Grain	1951-52	1952-53
- thousand bushels -		
Wheat	180,684	203,438
Rye	3,001	1,936
Barley	17,395	19,490
Oats	15,708	16,394

It is anticipated that collections from the 1953 wheat crop will be at least 200,000 tons (7.3 million bushels) higher than last season giving a figure in the neighbourhood of 5.7 million metric tons (209.4 million bushels). This is primarily because the relative advantage lay with the larger commercial farms to the north who deliver almost all their wheat to the Grain Board. Consequently, France should have an export surplus of around 400,000 metric tons (14.7 million bushels), after covering the requirements of around 300,000 (11.0 million bushels) for the French Union, and their I.W.A. commitment of 10,000 tons (367,000 bushels). This will be sold mainly to countries of the European Payments Union; the French deficit with the E.P.U. has to be covered in either gold or dollars, so any sales to this area represent hard currency transactions.

CALENDAR OF WHEAT EVENTS

- September 10 - Based on conditions at September 1, the 1953 production of all wheat in the United States was estimated at 1,169 million bushels. Winter wheat production was placed at 878 million bushels while the outturn of Durum and other Spring wheat was estimated at 14 million and 277 million bushels, respectively.
- 11 - The Right Hon. C. D. Howe, Minister of Trade and Commerce announced that the Canadian Wheat Board will distribute an interim payment of 12 cents per bushel on all grades of wheat delivered to the Board by producers between August 1, 1952 and July 31, 1953. This will involve the distribution of about \$64,000,000 to Western producers.
- 15 - On the basis of conditions at September 1, Canada's 1953 wheat crop was forecast at 594.3 million bushels, second only to last year's record 687.9 million. Production in the Prairie Provinces in millions of bushels, was forecast as follows: Manitoba, 46; Saskatchewan, 365, and Alberta, 153.
- 16 - Wheat flour production during July 1953, in the United States was estimated by the Bureau of the Census at 18,720,000 sacks, an average of 814,000 sacks per working day, compared with working-day averages of 820,000 sacks in June 1953, and 858,000 sacks in July, 1952.
- October 3 - A Reuters' despatch from Canberra states that according to Commerce Minister John McEwan, Australia has settled an internal dispute over wheat stabilization and is now in a position to ratify the International Wheat Agreement.



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