

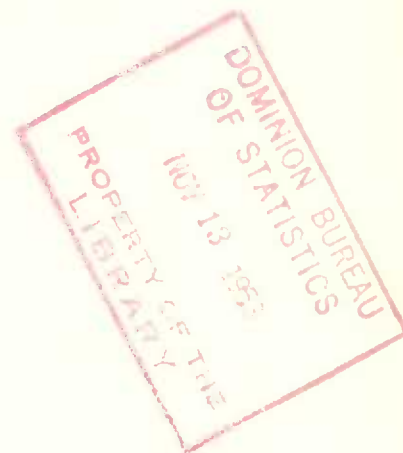
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# THE WHEAT REVIEW



OCTOBER, 1953

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1953



DOMINION BUREAU OF STATISTICS  
Department of Trade and Commerce

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THE  
WHEAT REVIEW

OCTOBER, 1953

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*Published by*  
Authority of the Rt. Hon. C. D. Howe  
Minister of Trade and Commerce

Prepared in the Crops Section, Agriculture Division  
Dominion Bureau of Statistics, Ottawa.

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## WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about October 1, 1953 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 1,861.9 million bushels, some 23 per cent greater than the 1,509.4 million available a year ago. Supplies at October 1, 1953 (in millions of bushels) were held as follows, with last year's figures in brackets: United States, 960.7 (790.1); Canada, 744.3 (686.6); Argentina, 105.4 (1.8), and Australia, 51.5 (30.9). Estimates for both years include on-farm stocks as well as those in commercial positions.

Trade and Supply Outlook for 1953-54 According to a report delivered by Mr. R. L. Gastineau to the Agricultural Outlook Conference of the United States Department of Agriculture on October 28, 1953, " ... Current indications are that total world trade in wheat and flour during the current marketing season will be lower, by about 10 per cent, than the total of approximately 925 million bushels for 1952-53. In the case of wheat, it may now be said that there has been complete recovery in levels of production (and in the supply position) of most countries as compared with the earlier postwar period. The 1953 world wheat crop is now estimated to be only 4 per cent below the record 1952 harvest of 7.3 billion bushels. The decline from a year ago is accounted for mainly by smaller crops harvested in the United States and Canada, and expected in the Southern Hemisphere, principally Australia and Argentina. The 1953 wheat crop of nearly 1.3 billion bushels in Western Europe—the main deficit area—is above a year ago, and exceeds the 1945-49 postwar average by about 325 million bushels."

Supplies of wheat available for export in the United States and Canada are at record and next-to-record levels, respectively, and Southern Hemisphere supplies are well above those of last year. Mr. Gastineau further points out that "Supplies of wheat available for export in countries other than the so-called "Big 4" are also at the highest level since before World War II. Turkey and France are in with record and near-record crops; French North Africa, the Middle East, and Sweden will have supplies for export; and the U.S.S.R. and Danube Basin countries have been contributing about 35 to 50 million bushels to the annual total of world wheat trade in recent years."

Population increases and trends toward industrialization, particularly in under-developed regions, have coincided generally with increases in world wheat production, trade and consumption since prewar. Assuming continued availability of funds to finance purchases, further increases in world wheat trade may be expected to occur in the long run. In 1953-54, however, despite fairly high import requirements in many areas, the combination of good crops and fairly substantial stocks in a number of importing countries may well result in some reduction in world wheat trade from the postwar (1945-46 to 1951-52) average of slightly over 900 million bushels.

I.W.A. Export Quantities Established A U.S.D.A. report states that quantities for individual exporting countries under the International Wheat Agreement for the I.W.A. crop year August 1, 1953 through July 31, 1954 were agreed upon at a meeting of the International Wheat Council in Madrid, Spain, October 21-23. The agreed quantities are as follows:

	<u>bushels</u>
United States .....	209,558,085
Canada .....	163,230,880
Australia .....	48,000,000
France .....	367,437
Total .....	421,156,402

Continued on  
page 6

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

Importing Countries	Guaranteed Quantities 1/	S o u r c e				Total Purchases	Remainder 4/
		Canada 2/	Australia 3/	France 3/	U.S.A. 3/		
- thousand bushels -							
Austria .....	9,186	-	-	-	-	-	9,186
Belgium .....	23,883	4,283	-	-	129	4,412	19,471
Bolivia .....	4,042	694	-	-	296	990	3,052
Brazil .....	13,228	-	-	-	-	-	13,228
Ceylon .....	10,288	-	4,459	-	-	4,459	5,829
Costa Rica .....	1,286	331	-	-	231	562	724
Cuba .....	7,422	116	-	-	659	775	6,647
Denmark .....	1,837	-	-	-	-	-	1,837
Dominican Republic ...	955	49	-	-	148	197	758
Ecuador .....	2,388	551	-	-	220	771	1,617
Egypt .....	14,697	-	-	-	1,889	1,889	12,808
El Salvador .....	735	61	-	-	107	168	567
Germany .....	55,116	5,057	672	-	1,616	7,345	47,771
Greece .....	12,860	-	-	-	-	-	12,860
Guatemala .....	1,286	74	-	-	303	377	909
Haiti .....	1,837	86	-	-	361	447	1,390
Honduras Republic ....	551	36	-	-	213	249	302
Iceland .....	404	72	-	-	20	92	312
India .....	36,744	-	-	-	-	-	36,744
Indonesia .....	6,246	-	789	-	101	890	5,356
Ireland .....	10,105	1,531	336	-	-	1,867	8,238
Israel .....	8,267	2,146	-	-	-	2,146	6,121
Italy .....	31,232	-	-	-	-	-	31,232
Japan .....	36,744	1,344	-	-	13,049	14,393	22,351
Jordan .....	2,939	-	-	-	-	-	2,939
Lebanon .....	2,756	-	-	-	-	-	2,756
Liberia .....	73	9	-	-	6	15	58
Mexico .....	14,697	-	-	-	57	57	14,640
Netherlands .....	24,802	1,750	-	-	3,389	5,139	19,663
New Zealand .....	5,879	-	1,003	-	-	1,003	4,876
Nicaragua .....	367	72	-	-	146	218	149
Norway .....	8,451	2,240	-	-	893	3,133	5,318
Panama .....	735	189	-	-	227	416	319
Peru .....	7,349	37	-	-	345	382	6,967
Philippines .....	8,672	1,063	1	-	637	1,701	6,971
Portugal .....	7,349	216	147	-	2,064	2,427	4,922
Saudi Arabia .....	2,572	-	-	-	642	642	1,930
Spain .....	9,186	-	-	-	-	-	9,186
Sweden .....	919	-	-	-	-	-	919
Switzerland .....	7,900	3,097	-	-	-	3,097	4,803
Union of South Africa.	13,228	5,600	-	-	2,053	7,653	5,575
Vatican City .....	551	-	-	-	-	-	551
Venezuela .....	6,246	719	-	-	425	1,144	5,102
Totals .....	416,010	31,423	7,407	-	30,226	69,056	

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

2/ Canadian sales through October 27th, 1953.

3/ Sales recorded by International Wheat Council through October 23rd, 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

Car Order Books Discontinued On October 19, 1953 the Transport Controller issued instructions to all railways in Western Canada to discontinue the operation of Car Order Books until December 31, 1953.

This action, taken after consultation with and the approval of the Canadian Wheat Board and the Board of Grain Commissioners, is aimed at giving preference to and confining shipments of grain to certain grades and kinds to meet requirements of the Canadian Wheat Board for both East Coast and West Coast shipments.

Canadian Wheat Board Revises Shipping Preferences on Grain Following the discontinuance of Car Order Books, as described above, the Canadian Wheat Board issued on October 22 revised instructions to the trade covering shipping preferences on Western Canadian Grain. These instructions read, in part, as follows:

" ....With the temporary discontinuance of the operations of the Car Order Books, as announced by the Transport Controller on October 19th, 1953, it has become necessary to clarify with the Railway Companies the Board's preferences in shipping so that cars can be placed to best advantage. In this regard, and for the purpose of simplification, the Railway Companies have been notified by the Board that all shipments covered by special orders issued by the Board's Winnipeg and Calgary Offices, respectively, including mill orders and orders for shipment of grain to destinations other than the Lakehead and/or Pacific Coast ports, can be considered of equal preference insofar as placement of cars is concerned. Companies are requested to advise their agents, however, that, when cars are placed at their elevators, the following order of preference should be observed in shipping the grain:

Alberta and British Columbia Stations

(including stations in Saskatchewan with an even Fort William-Vancouver freight rate)

1. Mill Orders.
2. No. 5 Wheat to Prince Rupert (C.N.R. and N.A.R.) or to Vancouver (C.P.R.) as authorized by the Board's Calgary Office.
3. Specific grades of barley to Vancouver as authorized by the Board's Calgary Office.
4. Barley selected by maltsters or shippers for which special Over Quota Permits have been issued to producers by the Board.
5. (a) Oats to the Lakehead as authorized by the Board's Calgary Office.  
(b) No. 6 Wheat to the Lakehead as authorized by the Board's Calgary Office.
6. No. 2 and No. 3 Northern Wheat to Vancouver as authorized by the Board's Calgary Office.
7. Shipment of all other grains or grades of grain subject to approval of the Board's Calgary Office.

Manitoba and Saskatchewan Stations

(excluding stations in Saskatchewan with an even Fort William-Vancouver freight rate)

1. Barley accepted by maltsters or shippers for which special Over Quota Permits have been issued to producers by the Board.
2. Nos. 1, 2, 3 and 4 C.W. Amber Durum (including toughs and damp) to the Lakehead.
3. Mill orders and orders on grain to destinations other than the Lakehead.
4. Oats to the Lakehead.
5. Specific grades of wheat and barley to the Lakehead on which the Board has issued special shipping order numbers.
6. Shipments of all other grain or grades of grain subject to the approval of the Board's Winnipeg Office. .... "

Alternative Delivery Privileges Extended to 139 Points

A Canadian Wheat Board "Instructions to the Trade", dated October 21, stated, in part, that "Effective November 1st, 1953, delivery points at which space has been provided in excess of the amount required for the 3 bushel per specified acre initial quota and the supplementary oats quota of 3 bushels per seeded acre, will be designated as alternative delivery points at which any producer, regardless of his designated shipping point, may deliver up to the balance of his initial quota and his supplementary oats quota. This arrangement will remain in effect as long as the initial quota remains at 3 bushels per specified acre.

Producers at these delivery points .... should be notified by the agents to make a point of delivering their initial quotas and the supplementary oats quota by November 1st, 1953, before the surplus space at such delivery points is made available to other producers from delivery points where space is inadequate for their initial quotas. Producers delivering grain at a delivery point designated as an alternative delivery point effective from November 1st may only deliver grain within delivery quotas in effect.

The surplus space at delivery points designated as alternative delivery points on and after November 1st will vary considerably and each elevator agent will have to determine how much grain he can accept from producers from other delivery points. ..."

The original announcement listed 118 stations designated as alternative delivery points, 66 of which were in Saskatchewan, 32 in Alberta, and 20 in Manitoba. An additional 21 points were listed on October 28, with 8 points in each of Manitoba and Saskatchewan and 5 in Alberta. As stated in the original announcement, additional alternative delivery points will be established as conditions permit.

New Method of Pricing I.W.A. and Class II Flour Sales

The Canadian Wheat Board has advised the trade that deferred pricing for flour sales is now permissible under somewhat the same procedure as that outlined for wheat in the September issue of this publication. In the case of flour, the "deferred" pricing period is five market days after the date of the



ocean bill of lading ex St. Lawrence and Atlantic shipments, and fifteen days after the date of the ocean bill of lading for Pacific shipments.

Supply Position Unusually fine weather prevailed over most of the Prairie Provinces during the first half of October and as a result harvesting of the 1953 wheat crop was virtually completed by the middle of the month. The excellent condition of new-crop grain will ease to some extent the present handling and storage problem both on and off farms. Although elevator storage space remains at a premium, the relatively small amount of out-of-condition grain permits fuller use of the space that is available, in sharp contrast to the situation prevailing after the harvest of the 1950 and 1951 crops. The quality of the new crop is also generally satisfactory, and it is anticipated that at least 80 per cent will grade No. 3 Northern or higher, with the bulk being No. 2 and No. 3. Both quantity and quality of the Durum crop, however, are low.

### Canadian Wheat Supplies

- Item	1952-53 1/	1953-54 2/
	- 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 .....	3/	3/
Total estimated supplies .....	905.1	957.0
Less estimated domestic requirements for crop year .....	156.4	160.0
Available for export and for carryover .....	748.7	797.0
Deduct:		
Overseas clearances of wheat as grain, August-September.	47.3	44.8
Exports of Canadian wheat to U.S., August-September ....	5.9	0.8
Total exports of wheat .....	53.2	45.6
Exports of wheat flour in terms of wheat, August-September	8.9 4/	7.1
Total exports of wheat and wheat flour .....	62.1	52.7
Balance on October 1 for export and for carryover .....	686.6	744.3

1/ Subject to revision. 2/ Preliminary. 3/ Less than 50,000 bushels.

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

Total Canadian wheat supplies for the 1953-54 crop year are currently estimated at 957.0 million bushels, consisting of carryover stocks of 362.7 million and the new crop estimated, on the basis of yields indicated at September 1, at a next-to-record 594.3 million bushels. Any change in the next estimate of this year's crop, scheduled for release on November 17, will, of course, be reflected in the 1953-54 statistical supply position.

Stocks of wheat in country elevators on October 14, at 178.1 million bushels, were up considerably from those of a month ago and exceeded by wide margins the stocks of 139.7 million and 96.9 million bushels in the same position in 1952 and 1951, respectively. Stocks in transit in the Western Division were 12.6 million bushels, somewhat below the 14.9 million last season and 12.9 million two years ago. Supplies in Eastern elevators were well above those of the preceding two years. Stocks in Bay, Lake, and Upper St. Lawrence ports at 42.6 million bushels were up sharply from the 23.1 million and 16.2 million in those positions in 1952 and 1951, respectively, while holdings of wheat in Lower St. Lawrence and Maritime ports were almost double those in each of the two previous seasons. Total visible supplies at October 14, 1953 amounted to some 316.6 million bushels, exceeding by 30 per cent and 58 per cent the total visible supplies of Canadian wheat at approximately the same date in 1952 and 1951, respectively.

Subject to realization of current production and utilization estimates as shown in the table on the preceding page, the balance remaining on October 1, 1953 for export and for carryover was estimated at 744.3 million bushels as against 686.6 million a year ago.

<u>September Exports</u> <u>of Wheat and</u> <u>Flour Total</u> <u>24.2 Million Bushels</u>	Total exports of Canadian wheat and wheat flour in terms of wheat during September 1953, amounted to 24.2 million bushels, and with the exception of last year, were the highest for that month since 1945. Although this year's September exports of wheat and wheat flour showed a decline from those of both August 1953 and September 1952, they were some 15 per cent greater than those for the ten-year (1943-44-1952-53) average of 21.1 million bushels.
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Exports of wheat as grain during the second month of the current crop year totalled 20.9 million bushels, representing a decrease of 16 per cent from those of August. Total exports of wheat as grain during the August-September period of the 1953-54 crop year amounted to 45.6 million bushels compared with 53.2 million for the same period a year ago. The United Kingdom received some 15.3 million bushels or 33 per cent of the total August-September shipments. Other major markets for Canadian wheat during the period, with quantities in millions of bushels, were as follows: Japan, 9.0; India, 4.3; Spain, 3.4; Belgium, 3.2; Union of South Africa, 2.2; Germany, 1.6; and Switzerland, 1.6. Preliminary Customs returns indicate that an additional 3.4 million bushels of wheat flour in terms of wheat were exported during September. This compares with the August 1953 total of 3.7 million bushels and the adjusted September 1952 total of 4.9 million bushels. Total exports of wheat flour for the August-September period of the 1953-54 crop year amounted to 7.1 million bushels as against the adjusted figure of 8.9 million for the same two months of the preceding crop year.

<u>Continued from</u> <u>page 1</u>	Under the Agreement, the member exporting countries are obligated to sell their respective guaranteed quantities at the maximum Agreement price and importing countries are obligated to buy their guaranteed quantities at the minimum price, if and when requested to do so through the Council. Aside from these provisions, transactions under the Agreement are voluntary at prices mutually agreed between the buyer and the seller, within the maximum-minimum range. The Agreement was renewed earlier this year for a period of three years ending July 31, 1956.
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Milling and Baking  
Quality of 1953  
Western Canadian Wheat\*

The new wheat crop is a little better in bushel weight, protein content, and baking quality than last year's crop, according to the Board of Grain Commissioners' Laboratory. Milling and baking tests have been completed on average samples made from a collection of over 4,000 individual samples

obtained from all districts throughout the Prairie Provinces.

A high proportion of the new wheat so far inspected is grading 3 Northern and better, and it is probable that 2 Northern will be the largest grade. There will be considerably more 3 Northern than 1 Northern, and 4 Northern—a comparatively small grade at present—will come principally from central Alberta and northern Saskatchewan. The volume of tough wheat is not expected to cause serious concern, and frost damage so far has been slight. Despite moderate to heavy infections of race 15B stem rust in parts of Manitoba and Saskatchewan, most fields were seeded early enough to escape serious damage.

Average bushel weights of samples prepared for milling are 64.8, 64.0, 63.2, and 62.2 pounds for grades 1, 2, 3, and 4 Northern, and average protein contents for these grades are 13.0, 12.9, 12.7, and 13.4 per cent. Since the 4 Northern represents considerably fewer samples and wheat which came mostly from Alberta, the present protein level is probably out of line and may drop appreciably. This drop will be accompanied by some lowering in baking strength.

There are comparatively small differences in baking strength and blending value of the four grades, and all grades improve the all-round baking quality of weak wheat very satisfactorily. Doughs handle well during baking, and absorption, which is higher this year, goes up as grade goes down from 2 to 4 Northern with almost identical levels for 1 and 3 Northern. There is very little difference in crumb texture between the grades, and crumb colour is very good and practically the same for the first three grades but darker for 4 Northern. Flour ash is the same for 1 and 2 Northern, a little higher for 3 Northern, and higher still for 4 Northern. Gassing power is much the same for the first two grades, slightly higher for 3 Northern, and much higher for 4 Northern. Levels are quite satisfactory and much the same as for last year's grades.

The durum crop suffered more damage from rust than the spring wheat crop, and current estimates indicate that less than eight million bushels will be harvested. Most of the crop will grade 3 C.W. with very little 2 C.W. and somewhat more 4 C.W. Bushel weight, semolina yield, and semolina protein for 2 and 3 C.W. are about the same as for last year's grades, but 4 C.W. is lower in all three properties. Semolina pigment is similar to that of last year for 2 and 3 C.W., and considerably higher this year for 4 C.W. Present indications are that 2 C.W. will again have excellent macaroni colour, though it will be rather close to the border line in protein content. No. 3 C.W. will probably be similar in macaroni colour to last year's grade and 4 C.W. somewhat better. But it is expected that macaroni colour for 3 and 4 C.W. will fall off considerably as more of these grades are delivered.

Some of the more important results for average samples of the Northern grades of new crop are given in the accompanying table. Crop Bulletin No. 49, "Canadian Wheat 1953", deals in detail with the qualities of different grades of spring and durum wheat and contains data for various sets of samples.

Property	No. 1 Northern	No. 2 Northern	No. 3 Northern	No. 4 Northern
Bushel Weight, lb. ....	64.8	64.0	63.2	62.2
Wheat Protein, % ....	13.0	12.9	12.7	13.4
Flour Ash, % ....	0.49	0.49	0.51	0.55
Flour Colour ....	9.6	8.9	8.8	8.0
Gassing Power, mm. ....	435	440	490	595
Absorption, % ....	61.7	61.0	61.8	63.4
Loaf Volume, cc. ....	700	690	700	735

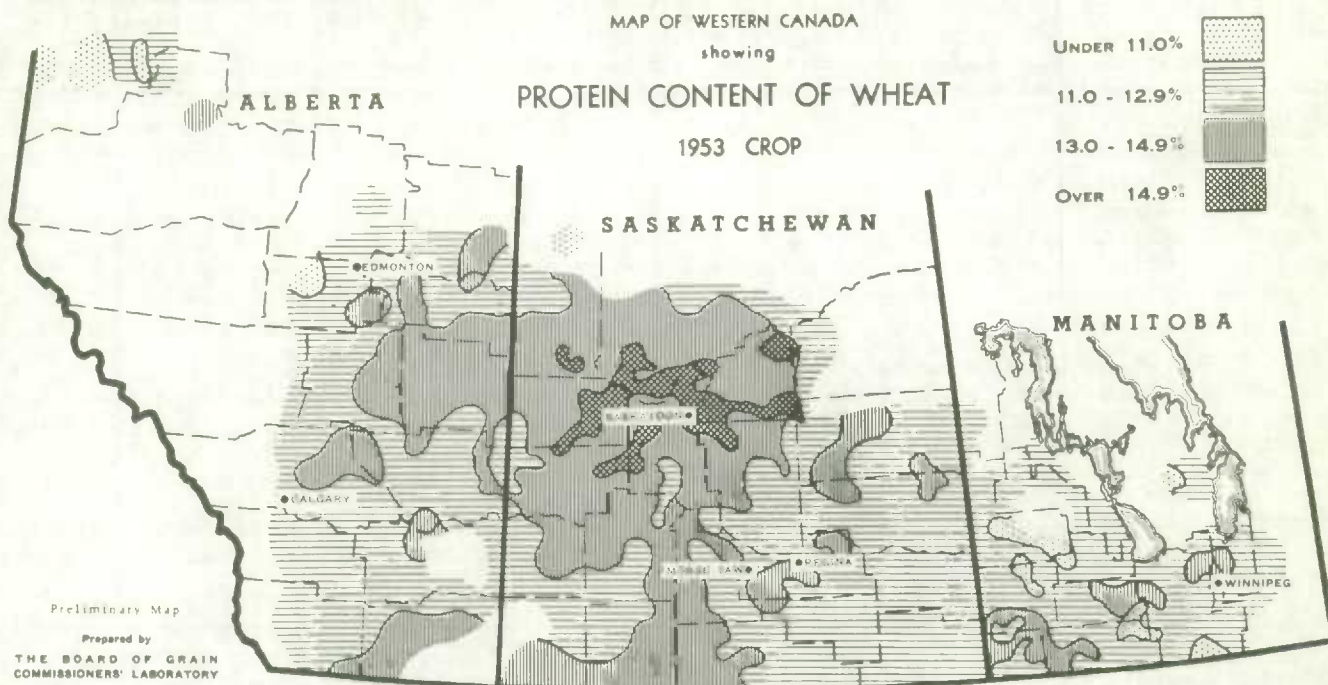
\*Press release issued on October 19, 1953, by the Grain Research Laboratory, Board of Grain Commissioners for Canada, summarizing Crop Bulletin No. 49, "Canadian Wheat, 1953".



**Protein Content of  
Western Canadian  
1953 Spring Wheat**

The interim protein map published by the Board of Grain Commissioners on October 10, 1953 shows an average of 13.0 per cent for the 1953 wheat crop. This level is 0.1 per cent higher than the final figure of 12.9 for the 1952-53 crop year and 0.6 per cent lower than the long-time average of 13.6 per cent.

Protein data given at this time are based on analysis of about 4,600 samples obtained from 1,414 individual stations in the Prairie Provinces. Provincial average protein levels are: Manitoba, 12.1 per cent; Saskatchewan, 13.3 per cent; and Alberta, 12.7 per cent. Grade levels in Western Canada are: 1 Northern, 13.3 per cent; 2 Northern, 13.0 per cent; and 3 Northern, 12.8 per cent. Data for crop districts are given in the accompanying table.



The above map shows that areas with average protein levels of over 14.9 per cent are restricted to northern Saskatchewan. Large areas of medium protein level (13.0 - 14.9) occur in Saskatchewan with smaller areas in Alberta and Manitoba. The average protein content at this time, of 13.0 per cent, is 0.3 per cent higher than last year's preliminary estimate.

Protein Content of 1953 Wheat Crop in the Prairie Provinces, by Crop Districts

Manitoba			Saskatchewan			Alberta		
C.D.	Mean	Range	C.D.	Mean	Range	C.D.	Mean	Range
- per cent -			- per cent -			- per cent -		
1 ....	13.0	10.3-15.1	1A ....	12.0	9.9-14.9	1 ....	12.9	9.7-16.9
2 ....	12.2	9.6-15.1	1B ....	12.1	10.3-14.0	2 ....	12.0	10.0-14.4
3 ....	12.2	10.0-14.7	2A ....	12.4	10.2-15.6	3 ....	12.5	8.9-15.5
4 ....	12.5	11.3-13.7	2B ....	12.6	9.7-16.0	4 ....	12.0	9.6-15.5
5 ....	12.2	11.3-13.4	3AN ...	12.8	9.4-16.5	5 ....	12.8	10.2-15.7
6 ....	11.5	9.6-13.1	3AS ...	12.7	10.0-15.9	6 ....	12.8	9.6-16.7
7 ....	12.0	9.4-16.6	3BN ...	13.5	9.3-18.6	7 ....	13.3	10.6-15.8
8 ....	12.4	9.9-15.8	3BS ...	13.1	9.9-17.1	8 ....	12.9	10.7-15.5
9 ....	11.8	10.4-13.2	4A ....	13.6	10.3-17.7	9 ....	12.5	11.1-13.7
10 ....	11.4	10.0-12.0	4B ....	12.6	9.3-16.1	10 ....	13.1	10.4-16.1
11 ....	11.9	10.0-13.7	5A ....	12.6	10.1-14.6	11 ....	12.8	9.7-14.8
12 ....	11.9	10.2-13.6	5B ....	12.4	9.6-16.9	12 ....	-	-
13 ....	12.2	11.1-14.7	6A ....	13.1	10.4-16.9	13 ....	12.7	9.6-14.6
14 ....	11.9	10.5-12.9	6B ....	14.1	10.1-18.2	14 ....	11.8	10.5-12.7
			7A ....	14.0	9.5-17.2	15 ....	11.4	9.8-13.3
			7B ....	14.4	10.8-17.9	16 ....	11.1	9.0-15.4
			8A ....	12.1	10.5-13.2			
			8B ....	14.9	11.0-17.3			
			9A ....	14.4	10.7-17.3			
			9B ....	13.9	10.4-17.4			

Farmers' Marketings Deliveries of wheat (both old and new crop) by farmers in Western Canada from August 1 to October 14 of the current crop year amounted to 108.2 million bushels, compared with 135.4 million for the corresponding period last year. Weekly marketings for the four-week period ending October 14, 1953, increased substantially over those of August and early September and continued at a relatively uniform level, varying only from a low of 12.4 million bushels to a high of 14.7 million. Farmers in Saskatchewan accounted for 60.4 per cent of the total with marketings of 65.4 million bushels, while Alberta and Manitoba farmers marketed 29.9 million and 13.0 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 .	336,520*	3,254,655*	2,819,944*	6,411,119*	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
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
Totals .....	12,975,137	65,358,889	29,893,105	108,227,131	135,383,358

\*Revised.

Wheat Shipments from Churchill Ocean shipments of wheat from Churchill during the 1953 navigation season totalled some 10.8 million bushels, setting a record for the seventh consecutive year. During the current season a total of 31 cargoes of wheat was loaded at Churchill, compared with 26 cargoes in the previous year. The season opened on July 31 and closed on October 12. Shipments from Churchill during 1953 went to the United Kingdom, Ireland, the Netherlands, Germany, Denmark, Belgium, Switzerland and Malta.

Ocean Shipments of Wheat from Churchill, Season of Navigation, 1931-1953

Year	Shipments 1/	Year	Shipments 1/
	bushels		bushels
1931 .....	545,000	1942 .....	-
1932 .....	2,736,000	1943 .....	740,000
1933 .....	2,708,000	1944 .....	-
1934 .....	4,050,000	1945 .....	-
1935 .....	2,407,000	1946 .....	2,929,000
1936 .....	4,294,000	1947 .....	4,976,000
1937 .....	604,000	1948 .....	5,314,000
1938 .....	917,000	1949 .....	5,528,000
1939 .....	1,772,000	1950 .....	6,768,000
1940 .....	-	1951 .....	7,545,000 2/
1941 .....	-	1952 .....	8,585,000 2/
		1953 .....	10,784,000

1/ To nearest thousand bushels.

2/ Revised.



Visible Supply of Canadian Wheat, October 14, 1953, Compared with  
Approximately the same Date, 1951 and 1952

Position	1951	1952	1953
- thousand bushels -			
Country elevators - Manitoba .....	10,619	11,411	17,987
Saskatchewan .....	60,255	84,419	103,140
Alberta .....	26,066	43,918	57,018
Totals .....	96,940	139,748	178,144
Interior private and mill .....	5,287	6,026	5,021
Interior terminals .....	11,257	6,753	14,044
Vancouver-New Westminster .....	3,974	10,662	9,012
Victoria .....	-	-	471
Prince Rupert .....	-	-	191
Churchill .....	1,599	995	870
Fort William-Port Arthur .....	35,349	24,492	27,599
In transit rail (Western Division) .....	12,949	14,864	12,607
Bay, Lake and Upper St. Lawrence ports .....	16,246	23,060	42,629
Lower St. Lawrence and Maritime ports .....	8,684	8,492	16,702
In transit lake .....	4,250	5,121	6,739
In transit rail (Eastern Division) .....	2,977	1,474	1,744
United States ports .....	1,492	950	860
In transit U.S.A. ....	-	265	7
Totals .....	201,006	242,902	316,642

Grading of Wheat Inspected, August—September, 1953 with Comparisons

Grade	Crop Year		August—September			
	Average 1947-48— 1951-52	1952-53	1952		1953	
	per cent	per cent	cars	per cent	cars	per cent
1 Hard .....	1/	1/	48	0.1	-	-
1 Northern .....	12.2	7.1	3,902	8.9	2,606	7.5
2 Northern .....	29.9	31.7	4,844	11.1	13,896	40.0
3 Northern .....	13.7	17.4	7,202	16.5	6,122	17.6
4 Northern .....	6.0	9.6	7,056	16.1	2,858	8.2
5 Wheat .....	5.7	10.4	9,982	22.8	3,327	9.6
6 Wheat .....	3.3	2.8	3,668	8.4	310	0.9
Feed Wheat .....	0.6	0.4	515	1.2	42	0.1
Garnet .....	0.9	0.5	48	0.1	245	0.7
Amber Durum .....	3.2	1.7	625	1.4	1,021	2.9
Alberta Winter .....	0.5	0.1	162	0.4	104	0.3
Toughs 2/ 3/ .....	18.4	16.7	4,932	11.3	3,513	10.1
Damps 2/ 4/ .....	3.8	0.1	15	1/	5	1/
Rejected 2/ .....	0.6	1.0	518	1.2	510	1.5
All Others .....	1.1	0.4	189	0.4	192	0.6
Totals .....	100.0	100.0	43,706	100.0	34,751	100.0

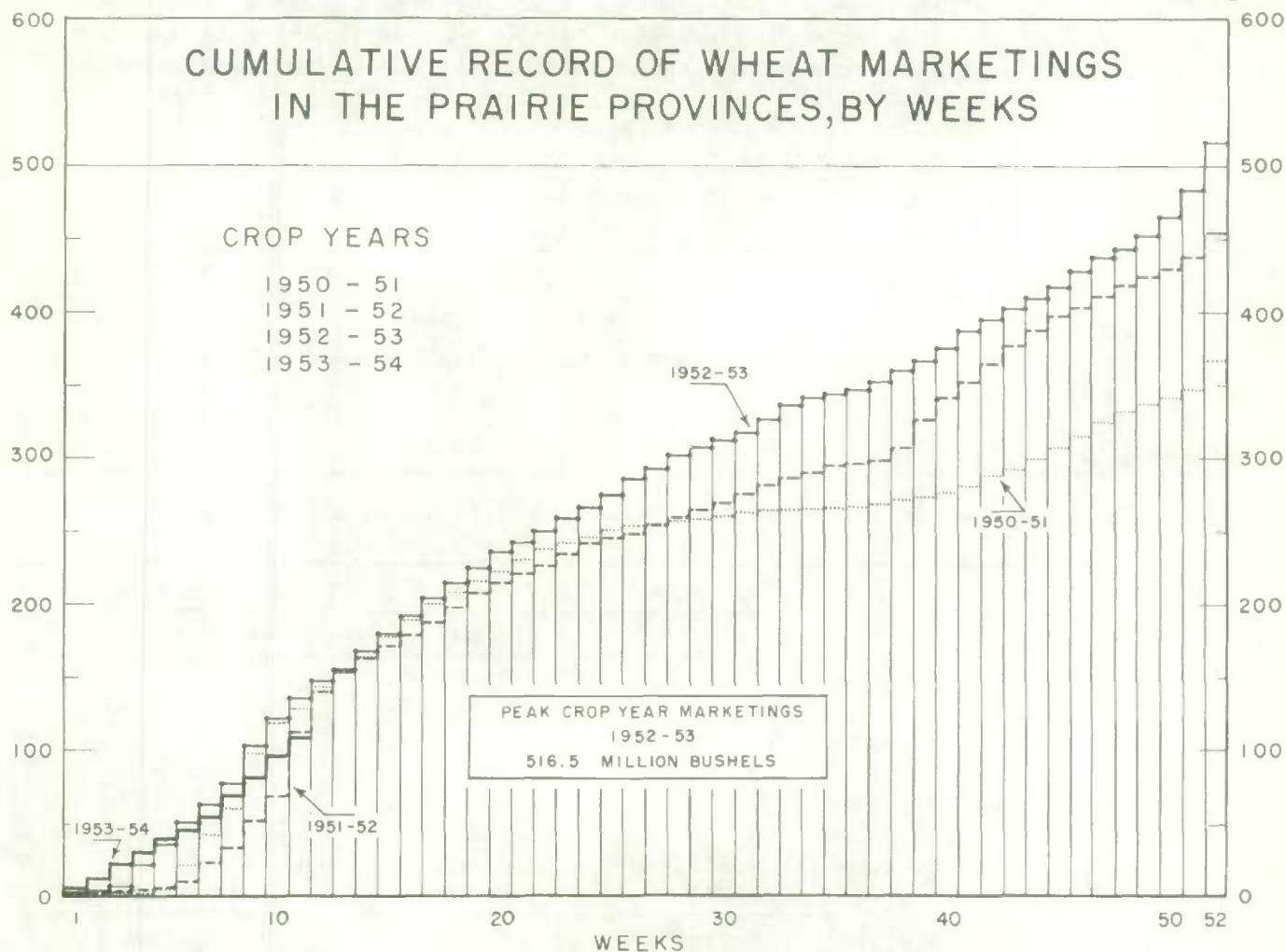
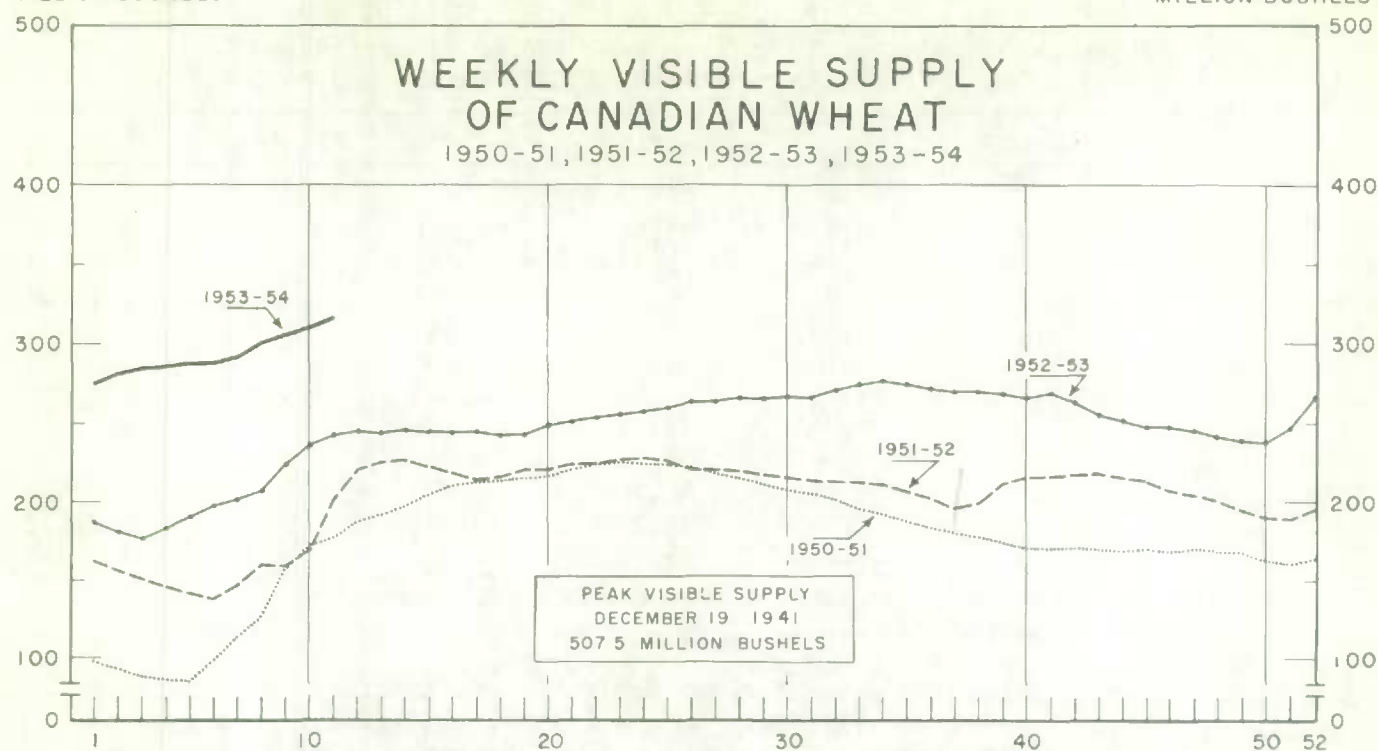
1/ Less than .05 per cent. 2/ All varieties and grades. 3/ Moisture content 14.9 to 17 per cent for durum, 14.6 to 17 per cent for all other varieties.

4/ Moisture content over 17 per cent.



MILLION BUSHELS

MILLION BUSHELS



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

Lake Shipments of Canadian Grain from the Opening of Navigation to  
October 15, 1953 and to Approximately the Same Date, 1943 to 1952\*

Year	Wheat	Oats	Barley	Rye	Flaxseed	Total
- thousand bushels -						
1943 .....	148,925	32,931	35,568	1,286	3,406	222,116
1944 .....	226,838	58,168	36,323	6,140	5,049	332,518
1945 .....	259,154	66,853	30,426	3,411	2,824	362,668
1946 .....	84,476	43,437	20,369	1,048	1,175	150,504
1947 .....	111,210	30,759	16,890	4,895	152	163,906
1948 .....	77,032	18,777	18,986	2,742	5,071	122,608
1949 .....	123,396	24,064	23,234	6,387	4,904	181,985
1950 .....	93,698	15,281	16,242	3,717	2,792	131,729
1951 .....	129,787	45,511	34,260	5,813	1,178	216,549
1952 .....	169,411	68,963	74,279	5,996	3,958	322,607
1953 .....	169,635	66,857	85,323	10,576	3,998	336,390

\*Shipments from opening of navigation to October 14, 1943 through 1947. Since 1948, shipments are to the Thursday nearest October 15.

Freight Assistance Shipments Claims filed for payment up to September 30, indicate that shipments of both wheat and millfeeds during August, 1953 moving from the Prairie Provinces to Eastern Canada and British Columbia under the freight assistance plan were considerably below those of August last year. This year's August shipments of wheat amounted to 729,000 bushels compared with the preliminary August 1952 total of 938,000 bushels. Millfeeds shipped during August 1953 totalled 13,938 tons as against the preliminary figure of 21,358 tons for the same period a year ago.

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 1/ ..	1	17	42	25	321	268	55	729
August, 1952:								
Preliminary 2/ ..	8	26	48	41	413	352	50	938
Revised 1/ .....	11	32	70	63	536	492	245	1,448

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

Province	August, 1952		August, 1953
	Preliminary 2/	Revised 1/	Preliminary 1/
- tons -			
Newfoundland .....	129	311	30
Prince Edward Island .....	382	625	438
Nova Scotia .....	1,551	2,606	1,006
New Brunswick .....	2,103	3,026	870
Quebec .....	10,769	23,233	7,591
Ontario .....	6,151	12,624	3,191
British Columbia .....	273	4,208	812
Totals .....	21,358	46,633	13,938

1/ Based on claims filed up to September 30, 1953.

2/ Based on claims filed up to September 30, 1952.

Wheat Shipments\* to the United States by Destination  
August 1 to October 14, 1953  
Compared with Approximately the Same Period 1951 and 1952

Destination	1951	1952	1953
- bushels -			
<u>By Vessel</u>			
Duluth-Superior .....	1,581,629	1,145,234	-
Milwaukee .....	120,426	-	-
Chicago .....	332,807	244,968	-
Huron .....	-	153,315	-
Erie .....	-	276,567	-
Buffalo .....	4,274,132	4,204,273	345,061
Oswego .....	514,005	1,102,391	-
Totals, Vessel .....	6,822,999	7,126,748	345,061
<u>By Rail</u>			
U.S.A. Seaboard Ports .....	1,400	-	7,348
Other U.S.A. Points .....	904,051	1,539,622	916,383
Totals, Rail .....	905,451	1,539,622	923,731
Totals, Shipments .....	7,728,450	8,666,370	1,268,792

\*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 October 14 amounted to 1,268,792 bushels, down sharply from the 8,666,370 bushels and the 7,728,450 bushels shipped during the comparable periods of 1952 and 1951, respectively. The greater part of the 916,383 bushels of wheat shown as shipped to other U.S.A. points during the period under review was moved direct from Eastern Canadian farms to Buffalo. About 73 per cent of this year's total to date was shipped by rail, with the entire vessel shipments of 345,061 bushels being unloaded at Buffalo.

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

Origin of Shipments	August 1, to September 30, 1952	August 1, to September 30, 1953
- bushels -		
Port McNicoll .....	-	150,000
Midland .....	-	267,900
Owen Sound .....	1,500	-
Walkerville .....	-	45,082
Totals .....	1,500	462,982

Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports to September 30 of the current crop year amounted to 462,982 bushels, as against only 1,500 bushels for the same period a year ago.



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	236,029
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 during September amounted to 236,029 bushels, the highest monthly total since the opening of navigation on March 27. Although somewhat greater than the August total of 191,317 bushels, this year's September rail shipments of wheat from Fort William-Port Arthur were considerably below the September shipments of 1,181,046 bushels and 435,068 bushels in 1952 and 1951, respectively.

Distribution of the September, 1953 shipments of wheat from the Lakehead, by grade and destination, is shown in the table below. The bulk of this month's shipments went to destinations in Ontario and Quebec, with relatively small quantities going to Nova Scotia and New Brunswick. Almost half of the total shipments consisted of Amber Durum, with the bulk of this variety going to various Ontario points.

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

Grade	N.S.	N.B.	Que.	Ont.
- bushels -				
1 Northern .....	-	-	-	13,350
2 Northern .....	-	-	-	32,300
4 Northern .....	-	-	3,500	3,350
5 Wheat .....	4,500	-	6,917	-
6 Wheat .....	-	-	5,417	1,500
Amber Durum .....	-	2,803	19,495	95,405
Toughs .....	-	6,066	2,833	3,000
All others .....	6,000	3,554	11,630	14,409
Totals .....	10,500	12,423	49,792	163,314

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

Year and Month	Overseas Clearances of Canadian Wheat <sup>1/</sup>	Exports of Canadian Wheat to U.S.A. for Domestic Use and Milling in Bond <sup>2/</sup>	Customs Exports of Canadian Wheat Flour <sup>3/</sup>	Total	Customs <sup>4/</sup> 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 <sup>5/</sup></u>					
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
<u>1953-54 <sup>5/</sup></u>					
August .....	24,152	569	3,724	28,445	34,113
September .....	20,672	198	3,365	24,235	22,736
Totals .....	44,824	767	7,089	52,680	56,849

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

<sup>2/</sup> 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.

<sup>3/</sup> Exports for crop year 1951-52 revised to remove effect of time lag in the returns made by Customs.

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

<sup>5/</sup> Subject to revision.

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

Destination	June	September		August—September	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
- bushels -					
<u>COMMONWEALTH COUNTRIES</u>					
United Kingdom .....	1,621,926	800,847	6,286,844	1,878,471	15,257,779
<u>Africa</u>					
Gambia .....	-	2,763	-	2,763	-
Gold Coast .....	5,054	56,484	-	82,278	-
Nigeria .....	15,098	28,409	-	44,829	-
Sierra Leone .....	4,361	10,003	-	16,659	-
Union of South Africa .....	-	-	509,538	-	2,206,400
<u>Asia</u>					
Aden .....	2,574	-	-	-	-
Hong Kong .....	22,950	96,341	-	238,797	-
India .....	-	-	2,094,738	-	4,272,138
Malaya and Singapore .....	26,775	56,083	-	86,008	-
<u>Europe</u>					
Gibraltar .....	-	10,598	-	23,886	-
Malta .....	-	-	318,267	-	716,800
<u>North America</u>					
Bahamas .....	9,814	11,133	-	46,291	-
Barbados .....	24,178	39,388	833	75,577	833
Bermuda .....	10,634	10,269	-	18,801	-
British Honduras .....	1,881	6,138	-	9,464	-
Jamaica .....	301,905	73,705	50	381,190	50
Leeward and Windward Islands .....	102,528	87,692	-	167,468	-
Trinidad and Tobago .....	155,911	118,332	-	206,384	-
<u>South America</u>					
British Guiana .....	82,993	97,974	-	233,127	-
Totals, Commonwealth Countries.	2,388,582	1,506,159	9,210,270	3,511,993	22,454,000
<u>FOREIGN COUNTRIES</u>					
<u>Africa</u>					
Azores and Madeira .....	-	1,962	-	4,306	-
Belgian Congo .....	51,026	83,385	-	132,075	-
Egypt .....	154,976	-	-	-	-
Liberia .....	459	554	-	1,184	-
Morocco .....	36,621	77,323	-	121,477	-
Portuguese Africa .....	-	-	37,333	238	37,333
<u>Asia</u>					
Arabia .....	11,992	22,756	-	83,677	-
Indonesia .....	2,295	-	-	-	-
Israel .....	513	-	-	1,544	-
Japan .....	153,936	270,819	4,486,145	304,268	9,044,812
Korea .....	459,176	467,397	-	953,046	-
Lebanon .....	355,730	2,533	-	28,098	-
Philippine Islands .....	488,722	207,292	-	736,618	-
Portuguese Asia .....	-	-	-	8,942	-
Thailand .....	14,319	20,237	-	79,826	-
<u>Europe</u>					
Belgium .....	-	-	2,113,645	-	3,158,662
Denmark .....	225	225	-	450	302,400
Germany, Federal Republic of .....	-	41,746	1,318,700	41,746	1,592,700
Greece .....	3,037	-	-	-	-
Iceland .....	1,377	48,339	-	52,191	-



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

Destination	June	September		August—September	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
- bushels -					
<u>FOREIGN COUNTRIES</u>					
<u>Europe</u>					
Ireland .....	-	-	-	-	250,021
Italy .....	3,443	40,455	-	70,790	180,133
Netherlands .....	-	-	730,573	-	904,173
Portugal .....	6,885	4,968	-	10,818	-
Spain .....	-	-	1,169,183	-	3,384,411
Switzerland .....	-	-	823,953	-	1,588,540
Yugoslavia .....	2,182	3,335	-	8,271	-
<u>North America</u>					
Alaska .....	4	-	-	-	-
Costa Rica .....	27,653	34,052	6,667	55,454	6,667
Cuba .....	6,075	7,114	162,637	26,023	374,900
Dominican Republic .....	18,729	37,332	-	59,373	-
El Salvador .....	18,306	21,704	-	45,005	-
French West Indies .....	171	603	-	1,633	-
Guatemala .....	32,355	65,628	-	102,740	-
Haiti .....	11,740	33,561	-	57,325	-
Honduras .....	-	5,620	-	6,079	-
Netherlands Antilles .....	16,232	15,453	-	25,164	-
Nicaragua .....	8,712	41,873	-	56,529	-
Panama .....	36,396	25,137	-	64,040	-
St. Pierre and Miquelon .....	1,629	1,580	-	3,222	-
United States					
Flour in terms of wheat .....	63,792	7,272	-	18,567	-
For milling in bond 4/ .....	-	-	103,382	-	387,176
For domestic use 4/ .....	-	-	94,568	-	379,739
Virgin Islands .....	-	2,295	-	2,295	-
<u>South America</u>					
Bolivia .....	36,733	1,638	215,423	3,132	371,628
Colombia .....	85,680	84,200	211,233	128,633	211,233
Ecuador .....	-	459	184,112	459	184,112
Peru .....	1,377	688	-	6,421	774,264
Surinam .....	14,832	12,100	-	26,770	-
Venezuela .....	364,293	167,040	2,240	248,558	4,480
Totals, Foreign Countries .....	2,491,623	1,858,675	11,659,794	3,576,987	23,137,384
Totals, All Countries .....	4,880,205	3,364,834	20,870,064	7,088,980	45,591,384

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 or Vancouver

Class and Grade	Week ending			
	Oct. 2	Oct. 9	Oct. 16	Oct. 23
- 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 .....	197/6	197/6	196/3	193/5
2 Northern .....	193/6	193/6	192/3	189/5
3 Northern .....	189/6	189/6	188/3	185/5
4 Northern .....	184/6	184/6	183/3	180/5
5 Wheat .....	172	170	170	168
6 Wheat .....	167	167	167	166/2
Feed Wheat .....	163	163	163	162/2
1 C.W. Garnet .....	193/6	193/6	192/3	189/5
2 C.W. Garnet .....	189/6	189/6	188/3	185/5
3 C.W. Garnet .....	185/6	185/6	184/3	181/5
1 Alberta Red Winter ...	197/6	197/6	196/3	193/5
2 Alberta Winter .....	193/6	193/6	192/3	189/5
3 Alberta Winter .....	189/6	189/6	188/3	185/5
1 C.W. Amber Durum <u>1/</u> ..	200/6	201/6	201/7	201/3
2 C.W. Amber Durum <u>1/</u> ..	198/6	199/6	199/7	199/3
3 C.W. Amber Durum <u>1/</u> ..	197/6	198/6	198/7	198/3
<u>Export - Class II</u>				
1 Northern .....	197/6	197/6	196/3	193/5
2 Northern .....	193/6	193/6	192/3	189/5
3 Northern .....	189/6	189/6	188/3	185/5
4 Northern .....	184/6	184/6	183/3	180/5
5 Wheat .....	172	170	170	167
6 Wheat .....	167	167	167	166/2
Feed Wheat .....	163	163	163	162/2
1 C.W. Amber Durum .....	293/6	294/6	294/3	294/5
2 C.W. Amber Durum .....	291/6	292/6	292/3	292/5
3 C.W. Amber Durum .....	290/6	291/6	291/3	291/5

1/ Domestic Durums 10 cents higher.



# CANADIAN FLOUR MILLING SITUATION

**Production** Wheat flour production reported by Canadian mills for September, 1953 amounted to some 1,743,000 barrels, well below the September, 1952 offtake of 2,132,000 barrels, but considerably above the August, 1953 output of 1,424,000 barrels. The ten-year (1944-1953) average production for September was 2,063,000 barrels. Mills reporting operations during September this year had a total rated capacity of 97,360 barrels and, on the basis of a 25-day working period, 71.6 per cent of this rated capacity was effective.

Wheat milled for flour during the month amounted to 7.7 million bushels as against 9.6 million for the same month last year. Almost 6.3 million bushels of the wheat milled for flour during September this year was Western Canadian spring wheat (other than Durum). Most of the balance consisted of Ontario winter wheat (1,045,000 bushels) and Durum wheat (126,000 bushels).

**Exports** According to preliminary Customs returns, exports of Canadian wheat flour during September, 1953 amounted to 747,741 barrels (3,365,000 bushels of wheat equivalent). Flour shipments during the month went to 52 countries and colonies, with the United Kingdom taking the largest amount, some 801 thousand bushels of wheat equivalent, representing 24 per cent of the total. Other major shipments in thousands of bushels of wheat equivalent, went to Korea (467); Japan (271); Philippine Islands (207); Venezuela (167); and Trinidad and Tobago (118).

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

Crop Year	Wheat Milled for Flour - bushels -	Wheat Flour	
		Production	Exports 1/
		- 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
September .....	7,692,345	1,742,629	747,741
Totals .....	14,038,304	3,166,322	1,575,329
Same period 1952-53 (revised) .....	18,411,033	4,074,473	1,982,763

1/ Based on Customs returns. Exports for the crop years 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 domestic wheat supplies in the United States for the crop year 1953-54 are currently estimated at 1,725.5 million bushels. This represents a slight reduction from last month due to a decline of 6 million bushels in the October estimate of production. The high level of domestic supplies of wheat and feed grains has been reflected in a sharp drop in imports of wheat, particularly for feeding purposes. Imports of wheat for domestic use (all purposes) during the first quarter of the current crop year amounted to only 0.5 million bushels as against 7.9 million during the corresponding period last year. With domestic requirements estimated at 700 million bushels, some 1,026.0 million bushels are available for export and for carryover during the 1953-54 crop year as compared with 863.0 million available a year ago.

United States Wheat Supplies

Item	1952-53	1953-54 <u>1/</u>
- million bushels -		
Carryover at beginning of crop year (July 1) .....	255.7	562.3 <u>2/</u>
New crop .....	1,291.4	1,163.2 <u>3/</u>
Total estimated domestic supplies .....	1,547.1	1,725.5
Imports of wheat for domestic use, July—September ..	7.9	0.5
Total estimated supplies <u>4/</u> .....	1,555.0	1,726.0
Less estimated domestic requirements for crop year <u>5/</u>	692.0	700.0
Available for export and for carryover .....	863.0	1,026.0
Deduct:		
Exports of wheat as grain, July—September .....	63.4	59.5
Exports of wheat flour and products in terms of wheat, July—September .....	9.5	5.8
Total exports of wheat, wheat flour and products	72.9	65.3
Balance on October 1 for export and for carryover ...	790.1	960.7

1/ Preliminary. 2/ Revised.

3/ Official estimate as of October 1, 1953.

4/ Excluding imports for October—June period.

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

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

Exports of wheat as grain during the first quarter of the current crop year amounted to 59.5 million bushels, somewhat below the 63.4 million exported during the same period a year ago. Exports of wheat flour and products in terms of wheat equivalent during the first three months of the 1953-54 crop year, at 5.8 million bushels, lag considerably behind the 9.5 million bushels exported during the July—September period of 1952-53. Total exports of wheat, wheat flour and

products amounted to 65.3 million bushels, some 7.6 million bushels less than the comparable total exported a year ago. The balance remaining on October 1 for export and for carryover was estimated at 960.7 million bushels as against 790.1 million at the same time last year.

Outlook for Wheat Supplies in the United States      The following account of the outlook for wheat supplies in the United States during 1953-54 and 1954-55 has been extracted from a statement on trends in wheat supplies and prices presented by Robert E. Post at the 31st Annual Agricultural Outlook Conference, Washington, D.C., on October 28, 1953:

".... Total wheat supplies\* are estimated at about 1,730 million bushels, consisting of a July 1, 1953 carryover of old wheat of about 562 million, a crop estimated as of October 1 at 1,163 million, and imports of about 5 million bushels of feeding quality wheat. This would be the largest supply on record, 8 per cent above the previous peak in 1942-43 and 10 per cent above a year earlier. Domestic disappearance for 1953-54 is estimated at about 700 million bushels, slightly more than a year earlier. If exports total about 250 million, over 775 million would be left for carryover on July 1, 1954. This would be almost a fourth above the record of 631 million in 1942 and over a third above stocks on July 1, 1953. Of the 562 million-bushel carryover on that date, the CCC owned 470 million bushels.

As already indicated, a smaller wheat acreage and production is in prospect for 1954 as a result of marketing quotas. If the acreage seeded for the 1954 crop approximates the national allotment of 62 million acres and if yields equal the 1943-1952 average, 950 million bushels would be produced next year. It should be emphasized that this is not a forecast of production in 1954. The figure is based on the assumption that yields will be average and that farmers will comply with acreage allotments. It is too early to assume other than average yields. With regard to acreage, the dry weather may hold seedings close to the 62-million acre level. Had seeding conditions for the winter crop been favourable, there would have been a tendency to slightly exceed the 62 million acres. The increase would have been supplied by small producers, who do not care about taking advantage of the support programs, bringing their seedings up to 15 acres. A crop of 950 million bushels would about meet anticipated domestic and export needs for 1954-55, and leave a carryover about as large as the 775 million bushels expected in July 1954. In short, prospects are that we may about hold our own without increasing our carryover further. If unfavourable weather reduces yields below average, a reduction in carryover could result. On the other hand, exports of less than 250 million bushels in either 1953-54 or the next year would probably increase the carryover. ...."

Minimum Support Price of \$2.20 per Bushel Announced for 1954-Crop Wheat

Mr. Post, in the statement referred to in the preceding section, made the following comments on support prices for 1954-crop wheat in the United States.

" .... The national average price support for the 1954 crop was announced on October 8 at not less than \$2.20 a bushel. This minimum support price is 90 per cent of the August 15, 1953 wheat parity price of \$2.45. Support for 1953-crop wheat, now eligible for loan and purchase agreement, is a national average of \$2.21 a bushel. If the wheat parity price as of July 1, 1954 (the

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\*For the crop year 1953-54.



beginning of the marketing year for the 1954 crop) is higher, the support level will be increased to reflect 90 per cent of the wheat parity price at that time. In no event will the support be lower than the announced \$2.20 national average. To be eligible for wheat price support in 1954, a producer must (1) be in compliance with his 1954 wheat acreage allotment and all other 1954 allotments which have been or will be established for basic commodities in which he has an interest on his farm, and (2) obtain wheat marketing cards for all farms in the country on which he has an interest in the wheat crop. In short, with regard to prices, even though supplies are very large, farmers continue to be assured of the price advantages offered by the loan and purchase agreement programs."

October 1 Wheat  
Stocks Largest  
on Record

The Bureau of Agricultural Economics, United States Department of Agriculture, reported on October 23 that stocks of 1,539 million bushels of wheat stored in all positions on October 1 were the largest for that date in the comparable series

beginning in 1935. This total was 12 per cent larger than the previous record holdings of October 1, 1942 and 14 per cent larger than the October 1, 1952 stocks. The stocks total exceeded 1953 production by 32 per cent, reflecting the large carryover of old wheat on July 1. Holdings on October 1, 1953 exceeded those of a year earlier by 194 million bushels.

Stocks of Wheat, October 1, 1953, with Comparisons

Position	October 1, 1951	October 1, 1952	July 1, 1953	October 1, 1953
- thousand bushels -				
On farms <u>1/</u> .....	474,667	510,819	72,840	562,253
Terminals <u>2/</u> .....	238,443	313,561	239,330	359,213
Commodity Credit Corporation <u>3/</u> ...	3,790	4,321	8,364	25,669
Merchant mills <u>1/ 4/</u> .....	131,963	150,243	58,408	134,477
Int. mills, elev. and whses. <u>1/ 5/</u> ..	273,021	366,477	183,328	457,631
Totals .....	1,121,884	1,345,421	562,270	1,539,243

1/ Estimates of the Crop Reporting Board.

2/ Commercial stocks reported by Grain Branch, P.M.A., 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 and stored in Canadian elevators. Other CCC-owned grain 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.

Off-farm wheat stocks of 977 million bushels were the largest of record for October 1, while the on-farm stocks of 562 million bushels were the third largest of record. Compared with a year earlier, farm stocks of wheat were 10 per cent larger and the off-farm total 17 per cent larger.

The record large off-farm total included 359 million bushels at terminals and 458 million bushels in interior mills, elevators and warehouses; each was the largest of record for the date in that position. Wheat held in merchant mills on October 1 totalled 134 million bushels, 10 per cent below holdings a year earlier, but near average for the date. The Commodity Credit Corporation had 25.7 million bushels of wheat stored in bins under CCC control and in transit to ports—



the largest quantity thus held since October 1, 1943. Other Government-owned wheat is included in the estimates by positions as shown in the accompanying table.

Wheat Industry Advisory Committee Recommends Two-Price Plan According to a press release from the office of the Secretary, United States Department of Agriculture "A two-price plan for supporting the price of wheat to growers has been recommended to Secretary of Agriculture Ezra Taft Benson by the Wheat Industry Advisory Committee, following a joint meeting of corn and wheat advisory committees in Chicago October 13 and 14.

A general Wheat Industry Conference, representing all segments of the industry from growers to millers, met in Washington last March on call of Secretary Benson. The Wheat Advisory Committee was appointed by that Conference.

Following a meeting in Washington August 14, the Wheat Advisory Committee suggested further consideration of possible two-price plans. At that time it delayed the announcement of definite recommendations until the joint meeting could be held with the Corn Industry Advisory Committee, to consider the possible effects of such a plan with regard to demand and price for feed grains.

The recommendations of the industry committee are advisory only. They have been referred to the Department of Agriculture for consideration.

The recommended two-price plan would endeavour to assure America's two million wheat growers of the full parity price for the 500 million bushels of wheat used each year for food in the United States, approximately half the nation's annual wheat production. The excess over domestic food needs would be sold at free market prices for export or for feed.

Under the plan, each grower would receive a marketing certificate for his share of the total amount of wheat used for food in the United States. The value of the certificates, per bushel, would be announced by the Secretary of Agriculture prior to the beginning of the marketing year, and would represent the difference between the estimated support level and the estimated average farm price. The farmer would sell his crop at the market price, and the value of his certificate would bring his return up to the support level for the portion of the crop used domestically for food. The government would be taken entirely out of the business of owning, storing, or merchandising wheat.

The plan would be completely self-financing. Flour millers would buy milling certificates from the Federal government for the number of bushels of wheat used to make flour for the domestic market, and the money obtained from sales of the milling certificates would be used to redeem the producers' certificates.

The Committee pointed out that this plan would make it possible for the wheat farmer to obtain the full support price for that portion of his wheat used in the United States without placing an additional burden on the taxpayer.

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
October 1, 1953 .....	220 - 240 1/2	October 1, 1953 .....	230 - 232
2 .....	218 3/4 - 233 3/4	2 .....	230 1/8 - 232 1/8
5 .....	219 1/2 - 234	5 .....	227 - 229
6 .....	218 1/2 - 234 3/4	6 .....	225 5/8 - 227 5/8
7 .....	220 3/4 - 233	7 .....	227 - 229
8 .....	221 3/4 - 229	8 .....	228 7/8 - 230 7/8
9 .....	222 1/4 - 239 3/4	9 .....	230 3/4 - 232 3/4
12 .....	Columbus Day	12 .....	Columbus Day
13 .....	222 - 233 1/4	13 .....	232 1/2 - 234 1/2
14 .....	222 - 231	14 .....	231 1/2 - 233 1/2
15 .....	223 1/2 - 232 3/4	15 .....	234 - 236
16 .....	225 - 230 1/2	16 .....	233 1/4 - 235 1/4
19 .....	226 - 233 3/4	19 .....	232 1/2 - 234 1/2
20 .....	225 - 246	20 .....	232 1/2 - 234 1/2
21 .....	226 1/2 - 237 1/4	21 .....	235 1/2 - 237 1/2
22 .....	227 - 236	22 .....	237 1/8 - 239 1/8
23 .....	227 1/2 - 237	23 .....	236 5/8 - 238 5/8
26 .....	228 1/2 - 243 1/2	26 .....	235 1/2 - 237 1/2
27 .....	228 1/2 - 241	27 .....	235 1/8
28 .....	227 3/4 - 247	28 .....	234 3/8
29 .....	228 1/4 - 247 3/4	29 .....	234
30 .....	225 1/2 - 242 1/2	30 .....	233 3/4

Chicago Wheat Futures, High Points of Closing

Date	December	March	May	July
	- cents and eighths per bushel -			
October 1, 1953 .....	193/5	196/1	195/4	190/2
2 .....	192/7	196	196/2	191/7
5 .....	190/7	194/2	194/1	189/4
6 .....	190/5	194/2	194/3	190/4
7 .....	191/5	194/7	195/2	191/6
8 .....	191/3	194/6	195/7	192/6
9 .....	192/2	196/1	197/3	194/1
12 .....		Columbus	Day	
13 .....	193/4	197/2	198/3	195/7
14 .....	192/1	196	196/6	193/1
15 .....	194/6	198/7	199/6	196/6
16 .....	194/6	198/4	200	196/3
19 .....	194/5	198/4	200/2	195/7
20 .....	194/1	198	200	196/1
21 .....	194/4	198/5	200/6	196/2
22 .....	195	198/7	200/6	196/2
23 .....	196	200	201/6	197/3
26 .....	196/5	200/5	202/5	198/5
27 .....	195/6	199/6	201/7	198
28 .....	197/6	201/6	203/4	199/6
29 .....	197/6	201/4	202/6	199
30 .....	197/4	201/4	202/5	199/2

ARGENTINE SITUATION

Supply Position Current crop-year supplies of wheat in the Argentine remain unchanged at an estimated 288.4 million bushels, consisting almost entirely of the 1952 crop. The trade, however, is still of the opinion that the official estimate of the 1952 production may be too high by some 18.4 million bushels. Exports of wheat during September amounted to some 9.3 million bushels, slightly below the August level, and brought the cumulative total for the first ten months of the 1952-53 crop year to 58.1 million bushels. The balance remaining at October 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 105.4 million bushels as against only 1.8 million a year ago.

Argentine Wheat Supplies

Item	1951-52	1952-53 <sup>1/</sup>
	- million bushels -	
Carryover at beginning of crop year (December 1) .....	18.4	1.8
New crop .....	75.3	286.6 <sup>2/</sup>
Total estimated domestic supplies .....	93.7	288.4
Imports of wheat for domestic use .....	7.9 <sup>3/</sup>	-
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 <sup>4/</sup>
Deduct:		
Exports of wheat as grain, December—September .....	3.8	58.1
Exports of wheat flour in terms of wheat, December—September .....	<sup>5/</sup>	<sup>5/</sup>
Total exports of wheat and wheat flour .....	3.8	58.1
Balance on October 1 for export and for carryover ....	1.8	105.4

<sup>1/</sup> Preliminary.

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

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

<sup>4/</sup> 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.

<sup>5/</sup> 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 October 15, 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 The three months or more of drought which had plagued most of the grain zone except southern Buenos Aires seems to have been broken by a series of rains which fell between September 19 and October 5. Although these rains were quite general they were not uniform and this adds to the difficulty of assessing their value to the crops.

There appears to be a very real possibility that in large areas of the province of Eva Peron (ex La Pampa), northwestern Córdoba and western Buenos Aires the rains have come too late to be of material benefit to the wheat crop. However, these areas do not include the zones of heaviest production. Pastures in these areas will most certainly benefit, as they will in all droughty sections, to the great advantage of the live-stock industry which is struggling to recover from the extreme droughts of recent years.

These rains, coming as they did at corn planting time, will ensure adequate germination of that crop. The moisture will undoubtedly help the development of linseed and rye, and the barley and oats in the dry sections. Because of the very dry winter these latter three crops have been much more heavily grazed than last year and hence production is expected to be decidedly lower this year from approximately the same acreages. Present indications are that the most noticeable change in seeded acreage this year will be a reduction in flax of up to 15 per cent from last year's 990,000 hectares (2.4 million acres).

Severe frosts (down to  $-6^{\circ}\text{C}$ ) followed the rains in certain areas of the country and seriously damaged vineyards and orchards. However, no damage of importance to the grain crops has yet been reported.

1953-54 Wheat Crop A personal tour through a representative portion of the northern wheat zone just prior to the beneficial rains of the past few weeks led to the following observations. - (1) In the very heart of the zone the wheat was in excellent condition. Strong stands were well developed and farmers were expecting a good crop - even comparable to last year - as long as they were not hit by a late frost. (2) In a large area surrounding the central zone the crop varied in appearance, some being quite good although a little short, more being a little thin or patchy and showing some discolouration from the drought. (3) In the extreme western and northern edges of the zone the wheat was quite backward and thin except for occasional good fields. The aspect of the country was very dry and only the excellent subsoil reserve of moisture was keeping the wheat going. In this area there were occasional cases of farmers turning cattle in to graze the wheat and there were some reports that the wheat crop was already lost. A rather limited portion of the northwestern section of the zone has suffered considerable damage from attacks of green bug but their effect on total production cannot be great. (4) There appeared to be fairly general agreement that sown acreage in the center of the zone was almost 10 per cent higher than last year.

Since that time the drought has been broken temporarily at least, but there is persistent talk that in many areas the crop was too far gone to be revived. In other areas there is concern over probable losses in harvesting due to the shortness of the grain which had already started to head out before the rain. Conditions in the southern wheat zone continue to be good according to all reports.

Working from these limited observations and unofficial information, our private estimation of the crop outturn, assuming satisfactory conditions for the remainder of the season and based on sowings of 6.4 million hectares (15.8

million acres), stands at 6.0 to 6.5 million tons (220.5 to 238.8 million bushels). As the actual effect of these recent rains becomes more apparent and when actual seeded acreage figures becomes available, this estimate may of course be subject to considerable revision. In any case, since harvesting in the earliest sector does not commence until mid-November the estimate must be considered to be extremely tentative.

New Grain Marketing Regulations      New regulations have been announced which will in future govern I.A.P.I.'s (State Trading Agency) purchases of the cereal and linseed crops. It is still too early to be positive of all the effects of these measures but a general description will be of interest.

In general, the regulations reflect the Government's intentions, so often expressed in the Five-Year Plan, and in official speeches, to promote the use of agrarian co-operatives in place of other middlemen, in this case the grain merchants and brokers. Thus, only certain authorized acopiadores (grain merchants) especially appointed by I.A.P.I. will be allowed to handle any grain. Those not so appointed will therefore be completely out of business. Even those remaining will act only as simple storers of grain, operating on a cost plus fixed small commission basis. They will have no authority to mix or handle the grain except as directed. In the past the mixing, cleaning and conditioning of the grain have been the acopiadores' greatest source of profit. The loss of such profit will put them at a serious disadvantage as compared to the co-operatives and it remains to be seen how long they will be able to survive.

Under the new regulations sales are to be made on the basis of sealed samples that are to be analysed by the National Grain and Elevators' Department. This will undoubtedly call for a great expansion in the facilities of this organization which has not yet been announced.

I.A.P.I. Export Sales      Effective October 5 a new system governing I.A.P.I. export sales procedure came into force by which that entity is authorized to fix daily prices for such products as it may deem necessary. Each exporter may take up to one complete cargo within these prices, a special application being needed for larger quantities. In the case of products not specified by I.A.P.I. exporters may present their offers to I.A.P.I., as has been the case since July 1 last and the business can be closed after I.A.P.I.'s acceptance of the quotation. Until further notice no products are being priced by the new method.

Purchase of Tractors      It has been announced that I.A.P.I. has completed negotiations for the purchase of 2,700 tractors from Czechoslovakia, together with spares. These are in addition to the 900 imported from that country in exchange for hides, reported in our June review. The purchase of the 2,700 tractors will fall within the allocation of 500 million pesos (\$100 million) for the purchase abroad, on a deferred payment basis, of agricultural machinery in 1953, in addition to which 40 million pesos (\$8 million) were allocated for importation of spare parts. It is also reported that Argentina has ordered tractors from France to the extent of 2,000 million francs.



New Argentine-Ecuadorian Trade Agreement includes Flour Under the terms of a trade agreement signed with Ecuador on August 22, Argentina undertakes to supply that country with wheat and wheat flour to the extent of 1,200,000 treaty dollars and 300,000 dollars respectively, in each of the three years the treaty is in force. This is the first of the agreements contracted by Argentina in 1953 to specify flour among the commodities and is noteworthy since Argentina has exported no flour since 1951. Actual shipments will be awaited with interest.

Recent Sales of Wheat There was little activity on sales of Argentine wheat in September. In the second half of the month 30,000 tons (1,102,000 bushels) were sold to Peru at 507.50 pesos per metric ton (\$2.76 per bushel), f.o.b. In August a sale of 124,000 tons (4,556,000 bushels) to Japan was reported at the officially announced price of U\$S 90.50 per ton (\$2.46 per bushel). It has since been learned that the actual price was U\$S 83.00 per ton (\$2.26 per bushel). A small sale for Danish Crowns was reported on October 8 at 33.50 pesos per 100 kilos, f.o.b. (U\$S 67.00 per ton, \$1.82 per bushel).

Grain Shipments Grain shipments last month at 420,891 metric tons were the lowest since May but nevertheless compare favourably with September shipments over recent years. The cumulative nine-month total thus aggregates 2,733,845 tons compared with 846,149 tons in the corresponding period of 1952 - during which period wheat was being imported to cover the deficit. Although this shows an improvement over the 1949 total of 2,556,688 tons, nevertheless it is still less than two-thirds of shipments made in the first nine months of 1948 and somewhat less than those in 1950 and 1951.

Brazil was the principal customer for Argentine grain in the first nine months of the year with 809,265 tons (of which wheat accounted for 755,418 tons, 27,757,000 bushels) followed by the United Kingdom with 503,344 tons (corn comprising 326,389 tons, 12,849,000 bushels) and Italy with an aggregate of 438,492 tons (wheat accounting for 312,934 tons, 11,498,000 bushels).

Shipments of wheat in September at 253,159 tons (9,302,000 bushels) were the lowest since May and were destined chiefly for Brazil which received 142,854 tons (5,249,000 bushels). Japan, Chile and the United Kingdom received 26,160 tons, 23,545 tons and 22,468 tons (961,000, 865,000 and 826,000 bushels), respectively followed by the Netherlands with 19,142 tons (703,000 bushels) and Peru 11,014 tons (405,000 bushels). Paraguay and Italy received 6,540 tons (240,000 bushels) and 1,436 tons (53,000 bushels).

The month's shipments of corn totalled 105,943 tons (4,171,000 bushels), the United Kingdom and the Netherlands accounting for 35,772 tons and 34,210 tons (1,408,000 and 1,347,000 bushels), respectively. Belgium and Austria followed with 15,039 tons (592,000 bushels) and 13,000 tons (512,000 bushels). Switzerland, Italy and Sweden received 4,420 tons, 1,950 tons and 1,552 tons (174,000, 77,000 and 61,000 bushels), respectively.

The Netherlands was the principal customer for feed grains during September, receiving 12,873 tons of barley (591,000 bushels), 6,246 tons of oats, (405,000 bushels) and 3,776 tons (149,000 bushels) of rye. Italy followed with 15,436 tons (608,000 bushels) of rye and 750 tons (34,000 bushels) of barley. Of the balance, the United States and Switzerland received 6,858 tons and 6,225 tons (445,000 and 404,000 bushels) of oats, respectively while Brazil, Israel and



Belgium were the destinations for 850 tons, 621 tons and 500 tons (55,000, 40,000 and 32,000 bushels). Belgium and Switzerland received 400 tons (16,000 bushels) and 200 tons (8,000 bushels) of rye and the United Kingdom, Belgium and Brazil accounted for 3,524 tons, 2,530 tons and 1,000 tons of barley (162,000, 116,000 and 46,000 bushels) in that order.

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

Argentine Grain Shipments, January—September, 1953

Destination	Wheat	Corn	Flax	Oats	Rye	Barley
- thousand bushels -						
Austria .....	-	846	-	58	-	36
Belgium .....	791	2,946	-	1,003	695	503
Bolivia .....	367	-	-	-	-	-
Brazil .....	27,757	1,951	-	213	-	46
Chile .....	1,049	-	-	-	-	-
Denmark .....	-	116	-	-	-	-
Finland .....	-	-	-	-	-	338
France .....	-	2,428	390	-	216	-
Germany .....	10	-	-	45	-	-
India .....	8,941	-	-	-	-	-
Israel .....	-	-	-	81	-	253
Italy .....	11,498	3,520	-	726	893	103
Japan .....	961	-	-	-	-	-
Korea .....	-	-	-	-	-	1,259
Netherlands .....	779	2,761	-	2,537	530	2,116
Norway .....	-	-	-	-	709	-
Paraguay .....	1,106	-	-	-	-	-
Peru .....	1,510	-	-	-	-	-
South Africa .....	309	6	-	-	-	-
Sweden .....	-	1,028	-	-	-	-
Switzerland .....	816	349	-	1,781	47	-
United Kingdom ...	1,976	12,849	-	-	-	5,657
United States ....	-	-	-	969	-	-
Totals .....	57,871	28,801	390	7,415	3,090	10,311
Same period:						
1952 .....	2,265	19,747	1,025	2,647	4,385	4,806
1951 .....	80,925	5,546	6,478	4,532	6,985	3,182
1950 .....	86,125	30,292	1,774	19,932	5,859	3,549
1949 .....	52,313	27,198	-	7,022	6,596	7,636
1948 .....	66,684	65,466	-	4,972	5,437	27,351

# AUSTRALIAN SITUATION

Supply Position On the basis of current estimates, quantities of Australian wheat available in 1952-53 for export and for carryover, at 140.1 million bushels, are 42.4 million greater than in 1951-52. This increase, resulting from larger supplies and anticipated smaller domestic requirements, has been reflected in a larger export movement of both wheat and wheat flour than in the preceding crop year.

Exports of wheat as grain up to September 26 of the current crop year amounted to 52.8 million bushels, some 15.7 million greater than the total for the corresponding period of 1951-52. In addition, some 35.8 million bushels of wheat flour in terms of wheat equivalent were exported from December 1, 1952 to September 26, 1953, compared with 29.7 million for the similar period of the preceding crop year. Total exports of wheat and wheat flour in terms of wheat equivalent, at 88.6 million bushels, exceeded by some 33 per cent the total of 66.8 million exported during the comparable period of last season. The balance remaining on September 27 for export and for carryover was estimated at 51.5 million bushels, well above the 30.9 million on hand at approximately the same date a year ago.

## Australian Wheat Supplies

Item	1951-52 1/	1952-53 2/
	- 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 September 26	37.1	52.8
Exports of wheat flour in terms of wheat, December 1 to September 26 .....	29.7	35.8
Total exports of wheat and wheat flour .....	66.8	88.6
Balance on September 27 for export and for carryover .	30.9	51.5

1/ Subject to revision. 2/ Preliminary.

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 October 19, 1953 and is reproduced with the kind permission of the Trade Commissioner Service, Department of Trade and Commerce. For the convenience of readers, currency conversions have been made at the rate of £1 equals \$2.2125 (Canadian), the quotation in effect on October 15, 1953.

Weather and Crops Conditions for growth have generally not been unfavourable throughout the wheat belt although drought has affected the crop in parts of northern New South Wales and Queensland. Recent rains in Western Australia, South Australia, Victoria and southern New South Wales have improved the prospects of the wheat crops in those areas. Victoria is expecting a wheat crop almost as good as last year's fifty million bushels, but other States, especially New South Wales, require late rains to give an average crop.

Harvesting of wheat has started in Queensland and northern New South Wales, but it is not possible yet to make an accurate forecast of the probable yield. Out of 800,000 acres prepared for wheat in Queensland, about 600,000 acres are under crop, dry weather having reduced the area sown. Queensland has the greatest potential future for wheat growing, with an estimated 16 million acres of agricultural soil still capable of development. At present, Queensland usually produces barely enough wheat to supply the domestic requirements of the State.

Acreage Sown to Wheat It is estimated that a maximum acreage of 10.5 million acres has been sown to wheat this season, but final figures may be lower than this.

Estimated Yields It is still too early to estimate the probable yield of the current season's wheat crop, but a Bureau of Agricultural Economics' report states that it may reach only 160 million bushels, compared with 193 million bushels last season.

Marketing Plan for Wheat In his second-reading speech on the Wheat Marketing Bill, the Minister for Commerce and Agriculture outlined the plan for orderly marketing and the proposals for a wheat stabilisation scheme.

The marketing plan was finally agreed to by all the States, Victoria and Queensland having held out for home consumption wheat to be sold at cost of production, estimated at 11/11d. (\$1.32) a bushel by the Bureau of Agricultural Economics, as an anti-inflationary measure. Swift complementary legislation will now be required by all States to enable the Commonwealth Government to ratify the International Wheat Agreement at the meeting of the International Wheat Council to be held in Madrid on October 20th.

The marketing plan provides for wheat for home consumption and stock-feed to be sold at the International Wheat Agreement price of 14/- (\$1.55) a bushel, whichever is the lower, the plan to cover the next three crops commencing with the present one. If the price should be less than the cost of production, the price will then be an amount equal to the cost of production. Western Australia will receive 3d. (2.76 cents) a bushel extra on the wheat exported from that State because of its overseas freight advantage due to the shorter freight haul from Western Australia to the main overseas markets.

All wheat will be settled for on a common pooling basis. Growers will receive a first advance by the Wheat Board after delivery of their wheat and will receive further payments as sales of wheat take place.

Under the provisions of this plan, the price received by growers will not be allowed to fall below the cost of production.



A special arrangement was approved to meet the problem of enabling wheat to be sold in Tasmania at the common Australian price. In the past, this has been a difficult problem because of the high cost of freight which has, at times, been up to 3/6d. (38.7 cents) a bushel. The new arrangement is that the agreed price at which wheat will be sold on behalf of growers, will be loaded by a further 1 1/2d. (1.38 cents) a bushel and this amount will be kept in a separate fund in which growers will have no equity whatever, the fund being used to meet the cost of Tasmanian freight.

Stabilisation Plan The Stabilisation Plan calls for a Commonwealth guaranteed price for exports, a stabilisation fund, and an export tax to support the stabilisation fund up to a certain point. When the stabilisation fund is exhausted, the guaranteed price must be supported from Commonwealth revenue.

The current five-year plan ends with the marketing of the 1952-53 crop.

As the stabilisation legislation involves a tax on growers' wheat and the withholding of their funds, it is necessary to hold a ballot in order to obtain approval of the growers. The Commonwealth has offered to guarantee a return of cost of production on 100 million bushels of wheat exported in each of the five years.

The Commonwealth Government is holding the tax from two wheat pools, one totalling £11 million (\$24,300,000) and the other £9 million (\$19,900,000). The Minister for Commerce and Agriculture has announced that £11 million would be paid to growers very soon. If stabilisation continued the Government would retain the £9 million as the nucleus of a new stabilisation fund.

A tax of 1/6d. (16.6 cents) a bushel on wheat exported would be added to the fund, but the collections would not be allowed to raise the fund to more than £20 million (\$44,200,000). The original £9 million (\$19,900,000) would then be repaid to growers.

Due to the protracted negotiations which ensued in the endeavour to reach unanimity on the question of the domestic selling price as part of the orderly marketing plan, and the necessity to pass legislation before October 20th, it was not possible to hold a ballot of growers and include the stabilisation plan in the legislation for the marketing plan.

The Government has set deadline for 31st March, 1954 for a ballot of growers on stabilisation and 31st May for State legislation.

Prices Australian wheat growers should receive about 15/5d. (\$1.70) a bushel f.o.r. ports basis for deliveries to the 1952-53 pool, according to estimates given by the Director of the Bureau of Agricultural Economics. The previous highest rate was 14/4d. (\$1.59) on the 1947-48 pool.

The following figures showing the basic prices for wheat and flour outside the I.W.A. in the past few weeks have been supplied by the Australian Wheat Board. The "basic" price is the highest price charged, and the Board is prepared to lower the price to some markets because of freight disadvantages on account of long distance.

WHEAT

FLOUR

(in 150 lb. jute sacks)

	<u>per bushel, bulk f.o.b.</u>	<u>per short ton</u>
From September 1st to 18th	18/3d. (\$2.02)	£41. 9. 9d. (\$91.79)
September 18th - reduced to	18/- (\$1.99)	£40.18. 3d. (\$90.52)
October 13th - reduced to	17/9d. (\$1.96)	£40. 6. 9d. (\$89.25)
October 15th - reduced to	17/7d. (\$1.94)	£39.19. 0d. (\$88.39)

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 October 20, 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 = .00282 Canadian dollars, the rate in effect on October 15, 1953.

Supplies and Disposition Threshing of the 1953 wheat crop is well advanced and deliveries are proceeding at an increasing rate, although slower than last year due to a later harvest. The average specific weight is estimated at 75 kilos per hectolitre (60 pounds per bushel) compared with 77.5 (62 pounds) last year.

With the current crop estimated at 8.6 million metric tons (316.0 million bushels), it is possible that deliveries by farmers may be more than the 5.7 million tons (209.4 million bushels) originally anticipated by the Grain Board. In a recent speech the Minister of Agriculture stated that wheat marketings would probably reach 6 million tons (220.5 million bushels) which would allow an export surplus of 600,000 tons (22,046,000 bushels). On the other hand, more wheat may be used on the farm as farmers frequently find it cheaper to use their own wheat as feed rather than sell it and buy other feeds. With the present heavy world stocks and the tendency of prices to fall, the Wheat Producers Association has recently advised farmers to use wheat as feed, at least until the situation clarifies. While it is too early to observe the trend in marketings, the following table gives a preliminary idea of the disposition of the 1953 wheat crop in France.

Disposition of the 1953 Wheat Crop

(Preliminary)

	<u>bushels</u>
Stocks on hand August 1st .....	20,944,000
Deliveries to Grain Board (ONIC)	
Wheat .....	213,114,000
Rye, breadbeans .....	1,102,000
Total Availabilities .....	235,160,000
<u>Disposition</u>	
Domestic requirements .....	183,719,000
Exports to French Union .....	11,023,000
Total .....	194,742,000
Available for export and carryover .....	40,418,000



The extent of the exports during the current crop year will be determined largely by prospects for the next crop most of which is sown in the fall. There is a suggestion that French officials prefer to keep a carryover of about two months' supply (800,000 tons or 29,395,000 bushels) on hand until the new crop is sufficiently advanced to give some idea as to the outcome.

With the export surplus increasing each year, and the declared program of raising export availabilities, the "cotisation de résorption", or tax on wheat deliveries to cover what is essentially an export subsidy, has been doubled for the current crop. In addition, wheat exported is exempted from all internal taxes. For the crop year 1952-53 this tax averaged 40 francs per quintal (3.07 cents per bushel) on a total of 3,600 francs per quintal (\$2.76 per bushel) for the quantities delivered, and the Ministry of Agriculture states that exports were covered "for the most part" by this tax.

The disposition of the 1952-53 crop, according to the Grain Board was as follows:

<u>Crop Year August 1—July 31, 1952-53</u>		<u>bushels</u>
<u>Availabilities</u>		
Stocks on hand August 1st .....		11,657,000
Collections by Grain Board:		
Wheat .....		203,438,000
Rye, breadbeans .....		1,330,000
Imports .....		1,943,000
Total Availabilities .....		218,369,000
<u>Utilization</u>		
Bakeries .....		161,663,000
Food Industries .....		9,410,000
Armed Forces .....		1,600,000
Seed .....		2,602,000
Losses .....		1,075,000
Exports to French Union .....		11,204,000
Exports to Foreign Countries .....		9,644,000
Total Utilization .....		197,198,000
Stocks on hand August 1st .....		21,170,000

Imports Imports of Durum wheat totalled 438,151 metric tons (16,099,000 bushels) of which 432,551 (15,894,000 bushels) entered domestic consumption. Durum comes principally from North Africa.

Imports of other wheat during the 1952-53 season were as follows:

<u>Type</u>	<u>Origin</u>	<u>bushels</u>
Florence-Aurore .....	Tunisia .....	554,000
- - .....	Morocco .....	72,000
Manitoba No. 5 .....	Canada .....	1,299,000
Seed .....	Various .....	19,000
Total .....		1,944,000



Exports French exports of wheat during 1952-53, by destination, were as follows:

	<u>bushels</u>		<u>bushels</u>
Germany 1/ .....	5,740,000	Netherlands 3/ .....	367,000
Italy 2/ .....	35,000	Switzerland .....	16,000
United Kingdom 2/ ....	797,000	Yugoslavia .....	1,639,000
Austria .....	639,000	Various .....	410,000
Total .....			9,644,000

1/ Exports to Germany included 28,104 metric tons (1,033,000 bushels) representing the balance of I.W.A. 1951-52 commitments, 82,102 (3,017,000 bushels) representing I.W.A. 1952-53 commitments and 46,007 (1,690,000 bushels) non-I.W.A.

2/ Shipments to the United Kingdom and Italy were for repayment of loans.

3/ Represented the only other I.W.A. sale.

New Grain Plan Before adjourning last July, the National Assembly gave the government special powers to bring about economic and financial reforms which had been under consideration for some time. On the agricultural side, decrees were issued on September 30th covering a general organization of agricultural marketing and including the new Grain Plan, and reorganisation of the Grain Board.

Last spring the Wheat Producers' Association submitted its plan for the automatic determination of each season's wheat price in accordance with production and living costs. This was designed to replace the system in force since 1947 whereby the price was determined by the government on a cost of production basis per hectare, which led to considerable dissatisfaction. The Association's proposal which has now been put into effect by government decree for the years 1954-1957, takes the current price of 3,600 francs per quintal (\$2.76 per bushel) for soft wheat weighing 75 kilos per hectolitre (60 pounds per bushel), and modifies it 60 per cent by the index of farming costs and 40 per cent by the retail price index for Paris. It will be further modified by the obligatory reduction in price in accordance with increased productivity along the following lines: 1 per cent for the 1954 crop, 2 per cent for the 1955 crop, 3 per cent for the 1956 crop, and 4 per cent for the 1957 crop. In addition, the price may be modified up or down to a maximum of 6 per cent in accordance with the size of the crop.

A further provision is that the government may decide before September 15th of any year the maximum quantities which it will buy at the official price. The above measures protect the government against being obliged to buy more than domestic requirements at above world prices, and also encourage increased productivity. It is anticipated that the overall yield for the country will rise at the rate of one quintal per hectare (1.49 bushels per acre) per year, except with adverse growing conditions.

Before July 15th of each year, the Central Committee of the Grain Board will recommend the new wheat price plus the scale of bonuses, rebates, taxes, etc., and before July 31st the Cabinet, on advice of the Ministry of Agriculture, will decree the official price. The Board is also required to ensure that stocks of wheat and flour remain at a minimum of one month's supply, and that they are adequate to cover deficit crops; if requested by the Government, they are empowered to assemble a special emergency stock.

The "cotisation de résorption" will remain in force to cover the subsidy needed to export at world prices. The basic rate will be determined each year and applied on a sliding scale increasing with the size of deliveries. Should availabilities at any time exceed 9 million metric tons (330.7 million bushels), the rate on small scale deliveries may be increased.

Other Grains Producers of grains other than wheat and rice are free to sell where they choose on the domestic market. However, warehousing entities purchasing feed grains are guaranteed by the Grain Board at what is a basic support price. The Board will also arrange for the disposal of stocks remaining at warehouses at the end of the crop year. This freeing of feed grain prices will come into effect for the 1954-55 crop year, and for the current crop year the previously announced prices apply.

However, although domestic marketings are decontrolled, the Grain Board retains monopoly of the export-import trade.

In addition to wheat, prices will also be established for rice and corn. Because of supply difficulties, rice production has been encouraged in the Delta of the Rhône river in southern France. A special committee has been organized within the Grain Board to follow the development of this crop.

Status of Grain Board Changed At the same time a decree was issued reverting the Grain Board (Office National Interprofessionnel des Céréales) to its prewar status of an interprofessional body. The Board will henceforth be governed by a Central Council of 43 members composed as follows: 22 members representing farmers, 15 representing millers and 6 representing consumers. The Council will meet at least twice a year; once between June 15th and July 15th.

The Council will, in turn choose a permanent committee of 15 persons with the same proportionate representation, to meet as often as is necessary. Administration of the Grain Board will be in the hands of a manager appointed by the Ministry of Agriculture. The Manager of the Board and representatives of other ministries have the right to participate in meetings of the Committee.

The Grain Board, through the Council, is given control over the marketing of wheat, corn, rice, oats, barley and rye (although the internal marketing of the latter three is free). The Board is responsible for the establishing of stocks, assessing domestic requirements, fixing the extraction rate, disposing of surpluses, handling all foreign trade in grains and derivatives, arranging deliveries from producers, holding and utilizing stocks to best advantage and the allocation of stocks amongst mills and by region.

The Central Council is charged with three basic operations: the determination of price to producers, the determination of taxes and bonuses thereon, and a production program so as to balance availabilities and requirements.

The Wheat Producers' Association and agricultural publications have expressed their satisfaction with these new measures. By tying the wheat price to living and farming costs, the farmer is assured of a net income not lower than that for the current season. This assured mathematical formula should dispel a good deal of the uneasiness which has prevailed heretofore up to the time of the announcement of grain prices in late July, and permit farmers to plan production rationally. As



other grain prices, and those for oilseeds, are tied in with the price of wheat, there is the same assurance of stability. The government's role is made easier in sharing with producers and the trade the responsibility for production planning in a period of uncertainty, and in exchange for price support, the government retains the right of approval of the Council's decisions.

CALENDAR OF WHEAT EVENTS, OCTOBER, 1953

- 3 - The Liverpool Corn Trade Association announced that trading in wheat "futures" will re-open at Liverpool on December 1, 1953, and that the authorized months for trading will be announced later. The Liverpool "futures" market has been closed for fourteen years.
- 6 - On the basis of crop conditions at October 1, the yield of wheat in England and Wales was expected to be 38.9 bushels per acre compared with a yield of 37.7 bushels per acre in 1952.
- 9 - The United States Department of Agriculture announced that storage payments will be made to farmers who redeem 1952 crop resealed wheat, corn and oats during the 1953-54 reseal period.
- 9 - A report on the progress of harvesting in the Prairie Provinces issued by the Dominion Bureau of Statistics, indicated that, with the exception of flaxseed, an estimated 90 per cent or more of this year's grain crops in each of the Prairie Provinces had been cut by October 3, 1953.
- 15 - A two-price plan for supporting the price of wheat to United States growers was recommended to Secretary of Agriculture Ezra Taft Benson by the Wheat Industry Advisory Committee, following a joint meeting of corn and wheat advisory committees in Chicago on October 13 and 14.
- 15 - Wheat flour production during August, 1953 in the United States was estimated by the Bureau of the Census at 18,177,000 sacks, an average of 866,000 sacks per working day, compared with working-day averages of 814,000 sacks in July, 1953 and 913,000 sacks in August, 1952.
- 19 - The Transport Controller today issued instructions to all railways in Western Canada to discontinue the operation of Car Order Books until December 31, 1953.
- 23 - Wheat stocks in the United States at October 1 totalled a record 1,539 million bushels, according to a report published by the Bureau of Agricultural Economics of the United States Department of Agriculture. Off-farm stocks of 977 million bushels were the largest on record for October 1, while the on-farm stocks of 562 million bushels were the third largest of record.







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