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THE WHEAT REVIEW



AUGUST, 1955

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THE WHEAT REVIEW

AUGUST, 1955

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about August 1, 1955 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 2,022.6 million bushels, some 3 per cent below the 2,077.8 million available a year ago. Supplies at August 1, 1955 (in millions of bushels) were held as follows, with last year's figures in brackets: United States, 1,298.4 (1,269.4); Canada, 481.4 (582.7); Australia, 121.5 (120.3); and Argentina, 121.3 (105.4). Estimates for both years include on-farm stocks as well as those in commercial positions. It should be noted that the United States 1955 crop, estimated at 911 million is now included in these calculations. The supply figures for Canada represent the crop-year-end carryover only, the new crop not being taken into account until next month.

Exports Total exports of wheat and wheat flour in terms of wheat from the four major exporting countries for the period August 1954 to July 1955 (the Canadian crop year), at 757.0 million bushels, are 18 per cent above the previous season's shipments of 640.2 million bushels. Shipments from each of the four countries during the August—July period of the current and four preceding crop years are shown in the table below.

Exports of Wheat and Flour in Terms of Wheat, August—July Period
with Comparisons

August—July	United States	Canada	Argentina	Australia	Total
- million bushels -					
1950-51	375.3	241.0	94.5	127.8	838.6
1951-52	466.6	355.8	24.1	93.4	939.9
1952-53	322.6	385.5	38.9	107.0	854.0
1953-54	211.4	255.1	110.3	63.4	640.2
1954-55	276.5	251.8	134.5	94.2	757.0

1954-55 I.W.A. Wheat Sales According to the latest report available, sales made under the International Wheat Agreement by the four exporting member countries, during the 1954-55 crop year, in millions of bushels, were as follows: Canada, 109.5; Australia, 41.4; France, 0.4; and the United States, 139.8. The percentage of each country's guaranteed quantity sold was: Canada, 71.9 per cent; Australia, 92.5 per cent; France, 100 per cent; and the United States, 71.5 per cent. A final report on 1954-55 operations will be issued by the International Wheat Council later in the season.

International Wheat Agreement Sales and Purchases for Crop Year 1955-56

Importing Countries	Guaranteed Quantities	S O U R C E				Total Purchases	Remainder 3/
		Canada 1/	Australia 2/	France 2/	U.S.A. 2/		
- thousand bushels -							
Austria	9,186	369	-	-	-	369	8,817
Belgium	23,883	1,246	2	-	235	1,483	22,400
Bolivia	4,042	-	-	-	-	-	4,042
Brazil	13,228	-	-	-	-	-	13,228
Ceylon	10,288	-	2,074	-	-	2,074	8,214
Costa Rica	1,286	75	-	-	126	201	1,085
Cuba	7,422	258	-	-	302	560	6,862
Denmark	1,837	-	-	-	-	-	1,837
Dominican Republic ..	1,102	30	-	-	4	34	1,068
Ecuador	2,388	-	-	-	-	-	2,388
Egypt	14,697	-	-	-	-	-	14,697
El Salvador	735	11	-	-	133	144	591
Germany	55,116	3,430	-	-	5,588	9,018	46,098
Greece	12,860	-	-	-	-	-	12,860
Guatemala	1,286	5	-	-	-	5	1,281
Haiti	1,837	45	-	-	50	95	1,742
Honduras Republic ...	735	2	-	-	16	18	717
Iceland	404	1	-	-	2	3	401
India	36,744	-	-	-	-	-	36,744
Indonesia	6,246	-	126	-	34	160	6,086
Ireland	10,105	1,381	317	-	-	1,698	8,407
Israel	8,267	-	-	-	75	75	8,192
Italy	3,674	-	-	-	-	-	3,674
Japan	36,744	-	-	-	-	-	36,744
Jordan	2,940	-	-	-	-	-	2,940
Korea	1,470	-	-	-	-	-	1,470
Lebanon	2,756	-	-	-	90	90	2,666
Liberia	73	1	-	-	2	3	70
Mexico	14,697	-	-	-	200	200	14,497
Netherlands	24,802	328	35	-	1,138	1,501	23,301
New Zealand	5,879	-	1,008	-	-	1,008	4,871
Nicaragua	307	34	-	-	31	65	302
Norway	8,451	2,572	-	-	186	2,758	5,693
Panama	845	5	-	-	15	20	825
Peru	7,349	-	-	-	-	-	7,349
Philippines	8,672	400	3	-	628	1,031	7,641
Portugal	7,349	04	357	-	1,047	1,468	5,881
Saudi Arabia	4,409	-	-	-	-	-	4,409
Spain	9,186	-	-	-	336	336	8,850
Switzerland	7,900	203	-	-	-	203	7,697
Union of South Africa	13,228	5,040	-	-	1,045	6,085	7,143
Vatican City	551	-	-	-	-	-	551
Venezuela	6,247	059	-	-	320	979	5,268
Yugoslavia	3,674	-	-	-	-	-	3,674
Totals	394,957	16,159	3,922	-	11,603	31,684	
Guaranteed Quantities (Exporting Countries)		153,077	45,013	344	196,523	394,957	
Balance		136,918	41,091	344	184,920	363,273	

1/ Canadian Sales through August 30, 1955.

2/ Sales recorded by International Wheat Council through August 26, 1955.

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

CANADIAN SITUATION

Canadian Wheat Supplies 1955-56 Assuming realization of the August 30 forecast of production, Canadian wheat supplies for 1955-56, consisting of the July-end carryover of 481.4 million bushels and the new crop placed at 500.6 million (forecast on the basis of conditions at August 15), will amount to some 982.0 million bushels. Supplies of the size indicated would be about 11 per cent above last year's total of 881.8 million, virtually equal to the record 983.6 million bushels in 1953-54 and about 54 per cent above the ten-year (1944-45-1953-54) average of 639.5 million.

Supply and Disposition of Canadian Wheat, 1944-45 to 1954-55
and Estimated Supply 1955-56

Crop Year	Supply			Disposition		
	Carry-over at Beginning	Production	Total Supply <u>1/</u>	Exports <u>2/</u>	Domestic Disappearance <u>3/</u>	Carry-over at End
- million bushels -						
1944-45	356.5	414.9	771.8	342.9	170.8	258.1
1945-46	258.1	316.3	574.5	343.2	157.7	73.6
1946-47	73.6	411.6	485.2	239.4	159.7	86.1
1947-48	86.1	338.5	425.5	195.0	152.8	77.7
1948-49	77.7	381.4	459.4	232.3	124.7	102.4
1949-50	102.4	366.0	468.4	225.1	131.1	112.2
1950-51	112.2	466.5	578.7	241.0	148.5	189.2
1951-52	189.2	553.6	742.9	355.8	169.9	217.2
1952-53	217.2	687.9	905.1	385.5	150.4	369.2
1953-54	369.2	614.0	983.6	255.1	145.8	582.7
10-year average ..	184.2	455.1	639.5	281.5	151.1	206.8
1954-55 <u>4/</u>	582.7	298.9	881.8	251.8	148.6	481.4
1955-56 <u>4/</u>	481.4	500.6	982.0			

1/ Includes imports of wheat and flour in terms of wheat.

2/ Includes exports of flour in terms of wheat.

3/ Includes human food, animal feed, seed, industrial use and waste. Domestic disappearance estimates are residuals and, as such, reflect any errors in previous and current production and stocks estimates.

4/ Subject to revision.

It is emphasized, however, that realization of the 1955 production forecast for wheat will be dependent upon how weather and other developments affect the crop between August 15 and completion of harvesting. The second official estimate of production, to be released September 30, will give greater effect to actual harvesting conditions and outturns.

1954-55 Exports of Wheat and Flour Total 251.8 Million Bushels According to preliminary data, exports of Canadian wheat and wheat flour in terms of grain equivalent amounted to 251.8 million bushels in 1954-55, only 1 per cent below the 255.1 million bushels exported during the 1953-54 crop year. The ten-year (1944-45-1953-54) average was 281.5 million bushels, while the thirty-year average (1923-24-1952-53) amounted to 255.2 million.

Exports of wheat as grain, at 211.3 million bushels, were slightly above the 1953-54 total of 208.8 million. Wheat flour exports, in terms of grain equivalent, amounted to 40.5 million bushels, about 12 per cent below the revised 1953-54 exports of 46.2 million bushels.

The 1954-55 totals for exports of wheat as grain are compiled from overseas clearances and exports to the United States as recorded by the Statistics Branch of the Board of Grain Commissioners for Canada, while data on exports of wheat flour are obtained from Canadian Customs returns. Adjusted data on wheat flour exports for the 1954-55 crop year, removing the effect of time lag in reporting Customs returns, will be included in the November issue of this publication.

Monthly exports of wheat and wheat flour in terms of wheat during the past crop year ranged from a high of 29.5 million bushels in September to a low of 16.7 million in April. Overseas clearances of wheat as grain, the major part of the total exports of wheat and flour, ranged between levels of 26.0 million bushels in September and 12.9 million in April.

The United Kingdom, continuing in its position as the leading importer of Canadian wheat and flour, accounted for approximately 40 per cent of the combined total. Exports of Canadian wheat as grain to the United Kingdom during the past crop year were 89.2 million bushels, representing 42 per cent of all wheat exports, while exports of flour in terms of wheat equivalent totalled 12.7 million bushels. The comparable 1953-54 figures were 65.8 million and 16.2 million bushels, respectively.

In addition to the United Kingdom, eighteen other countries purchased Canadian wheat as grain in amounts exceeding one million bushels. These countries, with quantities taken in millions of bushels, were Japan, 27.5; Federal Republic of Germany, 23.6; Belgium, 15.5; Netherlands, 10.1; Switzerland, 8.2; Union of South Africa, 4.8; United States, 4.5 (of which 1.4 was for milling in bond); Ireland, 3.9; Yugoslavia, 3.6; Norway, 3.6; Austria, 2.6; Malta, 2.3; India, 2.2; Israel, 1.8; Ecuador, 1.6; Cuba, 1.3; Colombia, 1.3; and Italy, 1.2.

Exports of wheat flour during 1954-55 were distributed among 73 countries. In addition to the United Kingdom, flour exports equivalent to at least one million bushels of wheat went to the following destinations, with quantities in millions of bushels: Philippine Islands, 6.5; Venezuela, 4.3; Trinidad and Tobago, 2.0; Jamaica, 1.4; Leeward and Windward Islands, 1.1; Hong Kong, 1.0; and Japan, 1.0.

Quality of 1955
Wheat Crop High

Numerous reports from correspondents in Western Canada emphasize the good quality of the 1955 prairie wheat crop. Wheat samples are generally running from No. 1 to 3 Northern with a large proportion falling into No. 2 Northern. Protein content is also reported as very satisfactory.

Rust Development in 1955

The following extract was taken from a report issued on August 31 by the Plant Pathology Laboratory at Winnipeg.

"Since most wheat in the Prairie Provinces is now ripening or is already cut, it seems unlikely that much further information about rust damage will come to hand. An attempt is therefore made to sum up the situation in respect to rust losses for this year.

"It seems agreed by the most competent observers that a dangerous rust situation was averted by the warm dry weather that prevailed through the last half of July and most of August. In consequence, wheat matured rapidly and stem rust had little opportunity to do damage except to a few fields of durum in Manitoba. As for bread wheats, damage caused by stem rust may be considered almost negligible. Leaf rust, which in Manitoba developed rapidly on the susceptible wheats Thatcher and Redman in June and early July, caused a moderate reduction in the yield of these varieties. The extent of the damage caused to these varieties by leaf rust cannot be estimated with any degree of accuracy. Assuming, however, that these varieties constituted one eighth of the approximately 2,000,000 acres sown to wheat in Manitoba and that yield in the absence of leaf rust would have been 20 bushels per acre it is likely enough that losses will range between 10 and 20 per cent--or amount in total between 500,000 and 1 million bushels.

"In Saskatchewan, it appeared for a while as if leaf rust might build up to somewhat dangerous proportions on the large acreage of the susceptible varieties Thatcher and Rescue in the southern and eastern parts but this development was again considerably checked by the warm, dry weather and it now appears that damage is quite light in the eastern half of the province and is almost insignificant in the western half and in Alberta."

Protein Content of
Western Canadian 1955
Hard Red Spring Wheat

On September 9, 1955, the Board of Grain Commissioners Laboratory issued the following press release:

"An estimated protein content of 13.4 per cent for the 1955 wheat crop has been reported by the Board of Grain Commissioners' Grain Research Laboratory. This preliminary estimate, based on analyses of nearly 2,500 samples, indicates that the new wheat crop is 0.8 per cent higher in protein content than the 1954 crop and almost equal to the long-time average of 13.5 per cent.

"Estimated protein levels for provinces are: Manitoba, 13.6 per cent for 523 samples; Saskatchewan, 13.4 per cent for 1,831 samples; and Alberta, 12.9 per cent for 107 samples. Levels for Manitoba and Saskatchewan are not expected to change substantially, but the Alberta level may drop slightly as more samples are obtained. For the first time since 1942, Manitoba has produced wheat of a higher protein level than the other two provinces.

"The Board's Laboratory is continuing its survey to obtain more reliable information for its protein map of Western Canada, which will be released later this month, and for the protein bulletin which will be published about the end of October."

Quota Policy In its Instructions to the Trade No. 2, re Quotas, dated August 9, 1955, the Canadian Wheat Board announced that the general quota policy outlined on July 19 (For detail see Wheat Review, July, 1955, Page 4) would be carried out during the crop year subject to an adjustment made necessary by recent developments. At many delivery points in the Prairie Provinces estimates of the quantity of grain deliverable under the 8-bushel general quota--the final quota for 1954-55--have increased sharply. These increased estimates had the effect of materially increasing car requirements for this quota and widening the area from which shipments were necessary, with the result that it will be some

weeks before the necessary transportation can be supplied. Under the circumstances and for the time being, the Board is giving first preference in the new crop year to deliveries of old crop grain to the extent that individual permit holders have not completed their deliveries under the final 1954-55 general quota of 8 bushels per specified acre. Where permit holders deliver old crop grain under this provision, such deliveries will not affect the volume of grain which they will be entitled to deliver under 1955-56 quotas as outlined in Instructions to the Trade re Quotas No. 1.

It is the intent of the foregoing arrangement that only old crop grain is delivered under this provision. Therefore, producers should not offer, and elevator agents should not accept deliveries of grain under this provision which has been harvested in 1955. The provision is intended solely to facilitate the marketing of old crop grain to the extent of the balance of the 8-bushel general quota.

As soon as deliveries against the balance of the 1954-55 8-bushel quota have been completed, the Board will be prepared to authorize at individual delivery stations deliveries against the 1955-56 initial delivery quota and the Board will give consideration to requests for this initial delivery quota to become effective on requests from individual stations, signed by all the elevator agents at the station, provided such agents indicate to the Board that delivery of the balance of the 8-bushel specified acreage quota has been completed at their station.

General Quota Position.— By August 31, 1955 out of 2,079 shipping points in the Western Division, the Canadian Wheat Board had placed 1,383 on the 1955-56 Initial Unit Quota. The remaining 696 points were on the 1954-55 8-bushel quota.

Summary of Elevator Shipping Points in Each Quota as at August 31, 1955

Province	Initial Unit Quota (1955-56)	8-Bushels per Specified Acre (1954-55)	Total
Ontario	2	-	2
Manitoba	299	81	380
Saskatchewan	616	493	1,109
Alberta	464	120	584
British Columbia	2	2	4
All Provinces ..	1,383	696	2,079

Provisional Pricing System
Established for Domestic
Sales of Western Feed
Grains in Eastern Canada

On September 6, the Canadian Wheat Board announced a new pricing system for western feed grains moving into Eastern Canada. Under the new system, shippers may buy oats, barley and feed wheat at the Lakehead at a "provisional price" for sale in Eastern Canada

and make settlement with the Board (at the time the sale is booked) for the difference between the provisional price and the Board's selling price at the time of final booking.

In the case of wheat, the provisional price per bushel for No. 5 Wheat will be the Canadian Wheat Board's initial price to producers for No. 5 Wheat in store Fort William—Port Arthur. The provisional price for feeding grades of

(continued on Page 16)

August Forecast of
Production of Canada's
1955 Grain Crops

On the basis of yields indicated at August 15, production of most of Canada's principal field crops in 1955 will be substantially above last year's relatively low levels.

Present prospects point to the possibility of a 500 million bushel wheat crop and next-to-record outturns of barley and flaxseed. Indicated average yields per acre in 1955 for the eight grain crops included in the first official forecast of production either equal or exceed those of 1954 and, with the exception of mixed grains, also exceed the ten-year (1945-54) averages. Production of all except winter wheat and fall rye is expected to exceed that of 1954, while all except winter wheat and spring rye are expected to exceed the ten-year averages.

August Forecast of the 1955 Production of Principal Grain Crops,
Canada and Prairie Provinces, Compared with 1954

Crop	Area		Yield per Acre		Production	
	1954	1955	1954	1955 1/	1954	1955 1/
	acres	acres	bu.	bu.	bu.	bu.
<u>CANADA</u>						
Winter wheat	710,000	582,000	34.0	34.1	24,140,000	19,873,000
Spring wheat	23,556,800	20,922,400	11.7	23.0	274,769,000	480,714,000
All wheat	24,266,800	21,504,400	12.3	23.3	298,909,000	500,587,000
Oats	10,160,600	11,178,000	30.2	39.0	306,793,000	435,880,000
Barley	7,855,900	9,912,300	22.3	27.1	175,509,000	268,798,000
Fall rye	672,500	566,700	17.7	20.9	11,922,000	11,867,000
Spring rye	178,000	211,300	12.7	16.9	2,254,000	3,565,000
All rye	850,500	778,000	16.7	19.8	14,176,000	15,432,000
Flaxseed	1,206,000	1,988,400	9.3	11.2	11,238,000	22,253,000
Mixed grains	1,632,600	1,705,200	37.6	37.6	61,454,000	64,084,000
<u>PRAIRIE PROVINCES</u>						
Wheat	23,437,000	20,812,000	11.6	23.0	272,000,000	478,000,000
Oats	6,715,000	7,788,000	29.2	41.1	196,000,000	320,000,000
Barley	7,568,000	9,638,000	22.1	27.0	167,000,000	260,000,000
Rye	752,700	707,000	16.2	19.9	12,179,000	14,100,000
Flaxseed	1,177,000	1,959,000	9.3	11.2	10,950,000	21,900,000

1/ As indicated on basis of conditions on or about August 15.

Realization of the 1955 yield and production forecasts in the above table is dependent on the continuation of favourable weather conditions throughout the remainder of the growing and harvesting season, particularly in the Prairie Provinces. For the third successive year, seeding was unduly prolonged throughout much of Western Canada, resulting in a substantial proportion of the crop being seeded late. Although unusually favourable growing and harvesting conditions were experienced during July and August over most of the Prairies, late-seeded crops which have not yet reached maturity must be considered vulnerable to frost damage.

In sharp contrast to last year, damage by rust was not extensive in the Prairie Provinces in 1955. However, losses early in the season from flooding and, later, from prolonged heat, hail, aphids and, to a much lesser extent, sawflies, caused serious reductions in yields in local areas. Damage by aphids was particularly

severe on barley in Manitoba, throughout much of Saskatchewan and, to some extent, in Alberta. Allowance was made for losses from these causes up to August 15 but no attempt has been made to assess the effects of further possible damage from these or other sources subsequent to that date.

At mid-August, the time of the Bureau's survey, harvesting of spring grains was just getting under way in the Maritime Provinces, was in progress in all except eastern regions of Quebec, virtually completed in the earliest areas of Ontario and well advanced in other regions of the province. In Western Canada, harvesting was in full swing in Manitoba while swathing of early-seeded crops was under way in Saskatchewan, Alberta and the Peace River district of British Columbia.

In view of the variation in crop development and harvesting progress, potential loss from frost and possible unfavourable harvesting weather, current production forecasts must be interpreted in the light of conditions affecting growth and harvesting subsequent to August 15. Generally favourable harvesting conditions prevailed throughout most of the Prairie Provinces during the latter part of August. The Bureau's second estimate of production of Canada's principal field crops, based on conditions at September 15, is scheduled for release on September 30.

August Forecast of the 1955 Production of Wheat, Canada and Provinces,
Compared with 1954

Province	Area		Yield per Acre		Production	
	1954	1955	1954	1955 ^{1/}	1954	1955 ^{1/}
	acres	acres	bu.	bu.	bu.	bu.
All wheat -						
Canada	24,266,800	21,504,400	12.3	23.3	298,909,000	500,587,000
Ontario	741,000	609,000	33.4	33.5	24,769,000	20,386,000
Spring wheat -						
Canada	23,556,800	20,922,400	11.7	23.0	274,769,000	480,714,000
Prince Ed. Is. .	3,300	3,400	24.0	22.0	79,000	75,000
Nova Scotia	1,000	1,000	26.0	25.0	26,000	25,000
New Brunswick ..	3,200	2,200	23.0	22.0	74,000	48,000
Quebec	11,300	10,800	18.7	19.0	211,000	205,000
Ontario	31,000	27,000	20.3	19.0	629,000	513,000
Manitoba	2,035,000	1,950,000	12.8	21.0	26,000,000	41,000,000
Saskatchewan ...	15,540,000	13,148,000	9.7	22.8	151,000,000	300,000,000
Alberta	5,862,000	5,714,000	16.2	24.0	95,000,000	137,000,000
Br. Columbia ...	70,000	66,000	25.0	28.0	1,750,000	1,848,000
Winter wheat -						
Canada ^{2/}	710,000	582,000	34.0	34.1	24,140,000	19,873,000

^{1/} As indicated on basis of conditions on or about August 15. ^{2/} Winter wheat estimates apply to Ontario only. The western wheat crop contains a relatively small proportion of winter wheat but, due to difficulties encountered in obtaining acreage data required for a separate winter wheat estimate in the Prairie Provinces, all western wheat is currently included under spring wheat.

Canada's 1955 wheat crop, currently forecast at 500.6 million bushels will, if realized, be 67 per cent greater than last year's unusually low outturn and about 13 per cent above the ten-year (1945-54) average of 443.5 million. A crop of the size indicated would be the fourth in five years to equal or exceed 500 million bushels but would be about 28 per cent below the record 687.9 million bushels harvested in 1952. The increase over last year is entirely attributable to the prospects of greatly increased average yields per acre since the total acreage seeded to winter and spring wheat, estimated at 21.5 million acres, is 11 per cent below that of 1954.

This year's crop of spring wheat, forecast at 480.7 million bushels, is being harvested from a seeded area estimated at 20.9 million acres yielding an indicated 23.0 bushels per acre. In 1954 the spring wheat crop, severely damaged by rust and adverse harvesting conditions, was estimated at only 274.8 million bushels yielding an average of 11.7 bushels per acre. Ontario's winter wheat crop is estimated at 19.9 million bushels, a decrease of 4.3 million from the 1954 outturn as the result of an 18 per cent decrease in area from 710,000 to 582,000 acres. The average yield, at 34.1 bushels per acre, is virtually unchanged from last year's 34.0 bushels.

In the Prairie Provinces, the 1955 wheat crop is forecast at 478.0 million bushels, 206.0 million more than last year's crop of 272.0 million and 14 per cent above the ten-year average of 419.4 million. The indicated average yield per seeded acre in the Prairie Provinces, on the basis of conditions at August 15, is 23.0 bushels per acre, with Manitoba averaging 21.0, Saskatchewan 22.8, and Alberta 24.0 bushels per acre. Production in Saskatchewan, which this year accounts for 60 per cent of the total indicated wheat crop, is placed at 300.0 million bushels, almost double last year's 151.0 million. This year's wheat crop is also substantially above that of 1954 in Alberta and Manitoba where production is forecast at 137.0 million and 41.0 million bushels, respectively, compared with 95.0 million and 26.0 million last year. Relatively small quantities of winter wheat are included in the spring wheat estimates for the Prairie Provinces. Current forecasts of wheat production in the Prairies also include the Durum wheat crop for which a separate estimate will be issued in the Bureau's second estimate of production scheduled for release on September 30.

Crop and Weather
Conditions

The telegraphic crop report, published by the Dominion Bureau of Statistics on September 7 summarized crop conditions in the Prairie Provinces as follows:

Harvesting in the Prairie Provinces has progressed rapidly under almost ideal weather conditions. In Manitoba cereal harvesting is nearing completion, with flax about one-third done. About half the wheat and coarse grains and 5 per cent of the flaxseed have been threshed in Saskatchewan. While Alberta crops are somewhat later, harvesting is progressing rapidly and continued fine weather should result in early completion of fall work in that province. In all three provinces, correspondents confirm earlier yield estimates of most crops. Hail storms have caused some damage in local areas during the past three weeks.

Wheat Production in
Canada and the Prairie
Provinces, 1910—1955

The first forecast of the 1955 wheat crop in Canada, based on conditions at August 15, placed the probable outturn at 500.6 million bushels, of which the Prairie Provinces account for 478.0 million. If a crop of this size is realized, it would be the fourth in five years to equal or exceed 500 million bushels and would exceed the unusually low 1954 outturn of 298.9 million by 67 per cent and the ten-year (1945—1954) average of 443.5 million by 13 per cent. The indicated production would, however, be some 27 per cent below the record 687.9 million bushels harvested in 1952.

Wheat Production in Canada and the Prairie Provinces, 1910—1955 1/

Year	Canada	Manitoba	Saskatchewan	Alberta	Three Prairie Provinces
- thousand bushels -					
1910	132,078	34,127	66,979	9,060	110,167
1911	231,237	62,820	109,323	36,554	208,697
1912	224,159	63,017	106,960	34,303	204,280
1913	231,717	53,331	121,559	34,372	209,262
1914	161,280	38,605	73,494	28,859	140,958
1915	393,543	69,337	224,312	66,538	360,187
1916	262,781	29,667	147,559	65,088	242,314
1917	233,743	41,040	117,921	52,992	211,953
1918	189,075	48,191	92,493	23,752	164,436
1919	193,260	40,975	89,994	34,575	165,544
1920	263,189	37,542	113,135	83,461	234,138
1921	300,858	39,054	188,000	53,044	280,098
1922	399,786	60,051	250,167	64,976	375,194
1923	474,199	35,804	271,622	144,834	452,260
1924	262,097	41,464	132,918	61,312	235,694
1925	395,475	33,624	235,472	97,962	367,058
1926	407,136	47,133	219,646	113,986	380,765
1927	479,665	30,773	252,500	171,286	454,559
1928	566,726	52,383	321,215	171,000	544,598
1929	302,192	28,565	160,565	90,206	279,336
1930	420,672	43,600	206,700	147,000	397,300
1931	321,325	28,112	132,466	140,603	301,181
1932	443,061	44,041	211,551	167,355	422,947
1933	281,892	32,666	128,004	102,334	263,004
1934	275,849	37,100	114,200	112,500	263,800
1935	281,935	23,250	142,198	98,648	264,096
1936	219,218	26,000	110,000	66,000	202,000
1937	180,210	45,100	36,000	75,700	156,800
1938	360,010	50,000	137,800	148,200	336,000
1939	520,623	61,300	271,300	161,400	494,000
1940	540,190	66,400	266,700	180,700	513,800
1941	314,710	51,000	147,000	98,000	296,000
1942	556,067	53,000	305,000	171,000	529,000
1943	282,377	39,000	146,000	82,800	267,800
1944	414,859	50,300	242,100	99,300	391,700
1945	316,320	38,800	168,100	87,700	294,600
1946	411,601	58,000	208,000	127,000	393,000
1947	338,506	42,000	173,000	105,000	320,000
1948	381,413	50,000	191,000	115,000	356,000
1949	366,028	52,000	186,000	103,000	341,000
1950	466,490	50,000	272,000	117,000	439,000
1951	553,646	53,000	325,000	152,000	530,000
1952	687,922	57,000	435,000	172,000	664,000
1953	613,962	46,000	375,000	163,000	584,000
1954	298,909	26,000	151,000	95,000	272,000
1955 2/	500,587	41,000	300,000	137,000	478,000

1/ Includes revised estimates for 1941—1951, inclusive.

2/ Based on conditions on or about August 15, 1955.

Carryover Stocks
of Canadian Grain
at July 31, 1955

Total carryover stocks of the five major Canadian grains in all North American positions at July 31, 1955 were estimated at 668.8 million bushels, some 24 per cent below last year's record 876.2 million but about 86 per cent above the ten-year (1945-1954) average of 360.4 million. Stocks of Canadian wheat at the end of the 1954-55 crop year were placed at 481.4 million bushels, compared with last year's 582.7 million and the record 594.6 million in 1943. Current carryover stocks of oats, estimated at 81.1 million bushels, were well below those of the last four years and were also below the ten-year average of 87.2 million. Barley stocks, at 87.2 million bushels, were the lowest in three years but remained well above the ten-year average of 56.0 million. Rye stocks, estimated at 17.9 million bushels, were exceeded only by the 1954 record of 19.3 million. Stocks of flaxseed, amounting to 1.2 million bushels, were the lowest since 1951 and about one-third of the ten-year average of 3.4 million.

Position of Canadian Grain Stocks, July 31, 1955 1/

Position	Wheat	Oats	Barley	Rye	Flaxseed
- thousand bushels -					
In Canada					
On farms	100,855	53,400	42,310	10,180	325
Country elevators	212,230	13,770	28,912	2,542	89
Interior private and mill elevators ...	6,801	527	1,529	26	7
Interior terminal elevators	15,728	9	17	17	2
Pacific Coast terminals	8,279	232	1,257	-	2/
Churchill elevator	2,266	-	-	-	-
Fort William-Port Arthur elevators	40,332	6,804	7,916	3,229	243
Storage Afloat	177	-	-	-	-
In transit - lake	8,729	831	1,486	171	323
In transit - rail	15,906	1,888	1,327	657	58
Eastern elevators	68,317	3,414	2,377	911	177
Eastern mills (mill bins only)	2,146	218	101	4	-
Western mills (mill bins only)	185	34	7	44	-
Totals in Canada	480,952	81,127	87,238	17,781	1,225
In United States	411	-	-	91	-
Total in Canada and United States	481,363	81,127	87,238	17,871	1,225
Comparative Stocks, July 31, 1954 <u>3/</u>					
In Canada	582,568	125,769	145,910	19,285	2,578
In United States	107	-	-	-	-
Totals in Canada and United States.	582,675	125,769	145,910	19,285	2,578
Average stocks, July 31, 1945-1954	206,838	87,225	55,967	6,967	3,422

1/ Subject to revision. 2/ Less than 500 bushels. 3/ Revised.

Farm-held stocks of each of the five grains at July 31, 1955 were well below the 1954 record or near-record levels but, except for oats and flaxseed, were above the ten-year averages. Although this year's farm-held stocks of wheat were the third largest on record, they were little more than half of either last year's record 195.9 million bushels or the 190.2 million on farms in 1943.

Estimated Farm Stocks in the Prairie Provinces, July 31, 1955 and 1954

Provinces	Wheat	Oats	Barley	Rye	Flaxseed
- thousand bushels -					
Manitoba	2,000	5,000	8,000	500	100
Saskatchewan	55,000	20,000	14,000	6,000	100
Alberta	40,000	15,000	18,000	3,500	100
Totals, July 31, 1955	97,000	40,000	40,000	10,000	300
Totals, July 31, 1954 <u>1/</u>	192,000	85,000	95,000	12,700	1,000

1/ Revised.

Canadian Wheat Preliminary estimates place total stocks of Canadian wheat in North American
Carryover positions at July 31, 1955 at 481.4 million bushels, compared with 582.7 million on
1925-1955 the same date in 1954 and the record 594.6 million in 1943. An estimated 100.9
million bushels of this year's total were held on farms while 212.2 million of the
off-farm stocks were in country elevators. The next largest amounts, 68.3 million and 40.3 million
bushels, were in store in Eastern elevators and in Fort William-Port Arthur terminals, respectively.

It should be pointed out that the figures in the table below are not strictly
comparable because of certain omissions in the earlier years. For example, figures for the years
1925 to 1931 do not include wheat in transit to United States ports. Beginning with 1932, this item
is included in stocks of Canadian wheat in United States positions. It should also be noted that from
1925 to 1931 the stocks of Canadian wheat in the United States lake and seaboard ports are reported for
the week-end nearest to the close of the crop year. Stocks of Canadian wheat held in bond by United
States flour mills were omitted each year until 1940-41 when they were included for the first time.
The carryover totals now include all Canadian wheat in North American positions whether on farms, in
store or in transit.

Carryover of Canadian Wheat in Canada and the United States, July 31, 1925-1955

Year	Carryover of Wheat in Canada	Stocks of Canadian Wheat in U.S. Positions	Total Carryover of Canadian Wheat in Canada and U.S.
- thousand bushels -			
1925	27,714	3,027	30,741
1926	36,475	3,664	40,139
1927	50,786	4,835	55,622
1928	77,547	13,610	91,157
1929	104,325	22,914	127,239
1930	110,517	16,065	126,582
1931	133,060	5,538	138,598
1932	130,053	5,888	135,941
1933	209,969	7,688	217,657
1934	192,948	9,954	202,902
10-year average 1925-1934	107,339	9,318	116,658
1935	202,148	11,705	213,852
1936	108,094	19,268	127,363
1937	32,938	4,111	37,049
1938	23,553	983	24,536
1939	94,632	8,279	102,911
1940	272,928	27,546	300,473
1941	448,338	31,792	480,129
1942	404,897	18,856	423,752
1943	579,371	15,255	594,626
1944	338,138	18,394	356,531
10-year average 1935-1944	250,504	15,619	266,122
1945	238,480	19,593	258,073
1946	73,466	134	73,600
1947	86,055	87	86,141
1948	77,676	35	77,710
1949	102,343	68	102,411
1950	112,200	-	112,200
1951	187,190	2,013	189,203
1952	214,934	2,244	217,178
1953	368,546	640	369,185
1954 <u>1/</u>	582,568	107	582,675
10-year average 1945-1954	204,346	2,492	206,838
1955 <u>2/</u>	480,952	411	481,363

1/ Revised.

2/ Preliminary.

Farmers' Marketings of Wheat in the Prairie Provinces, 1954-55*

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -						
August	11, 1954	2,105	1,801	403	4,309	8,553,128
	18	-	5,138	-	5,138	9,260,410
	25	2,360	249	-	2,609	8,717,439
September	1	36,888	70,049	42,983	149,920	7,940,876
	8	87,706	130,042	74,197	291,945	6,173,123
	15	46,406	386,002	169,180	601,588	9,454,131
	22	45,889	507,923	211,592	765,404	13,734,935
	29	37,928	1,090,255	431,177	1,559,360	12,500,992
October	6	57,424	1,389,836	558,014	2,005,274	14,687,130
	13	215,283	1,582,821	832,406	2,630,510	12,415,921
	20	1,311,584	4,984,872	2,448,081	8,744,537	9,842,042
	27	901,899	6,668,350	3,208,600	10,778,849	8,166,436
November	3	679,045	5,743,816	2,843,527	9,266,388	7,510,266
	10	628,805	4,710,121	2,688,593	8,027,519	8,575,483
	17	678,648	4,491,537	1,989,126	7,159,311	10,221,685
	24	860,365	4,361,781	2,313,620	7,535,766	9,619,761
December	1	773,311	5,210,323	2,256,125	8,239,759	9,349,937
	8	1,380,370	5,868,390	2,307,724	9,556,484	7,965,526
	15	1,574,453	6,687,615	2,559,364	10,821,432	12,118,847
	22	1,522,339	6,409,341	2,758,608	10,690,288	25,522,144
	29	824,747	5,461,664	2,157,273	8,443,684	12,330,776
January	5, 1955	370,216	3,024,518	2,278,727	5,673,461	4,991,217
	12	529,174	5,468,664	2,658,378	8,656,216	5,739,776
	19	314,184	3,404,426	1,627,356	5,345,966	3,836,495
	26	271,226	2,465,802	1,515,185	4,252,213	1,018,965
February	2	159,207	1,937,823	1,719,139	3,816,169	1,445,837
	9	169,027	1,449,337	1,471,323	3,089,687	4,685,908
	16	101,914	699,110	1,003,088	1,804,112	3,789,131
	23	156,888	1,303,298	1,345,904	2,806,090	3,030,791
March	2	87,991	570,404	867,771	1,526,166	3,163,733
	9	46,263	753,727	1,089,932	1,889,922	2,248,171
	16	78,870	1,853,056	1,901,461	3,833,387	2,589,608
	23	95,205	1,268,086	1,528,664	2,891,955	2,307,908
	30	94,360	1,015,894	1,077,220	2,187,474	2,872,732
April	6	207,920	2,149,357	1,217,394	3,574,671	2,504,338
	13	282,263	1,344,957	1,159,838	2,787,058	3,687,171
	20	521,176	3,536,998	2,012,682	6,070,856	2,512,488
	27	259,861	1,808,520	1,058,947	3,127,328	3,431,950
May	4	374,772	2,251,631	940,707	3,567,110	3,844,295
	11	437,848	2,484,387	1,522,554	4,444,789	4,887,539
	18	394,443	3,698,788	1,378,141	5,471,372	4,336,494
	25	357,240	3,521,931	1,259,605	5,138,776	3,954,025
June	1	528,306	3,779,177	2,090,077	6,397,560	5,561,400
	8	683,306	6,161,007	2,321,384	9,165,697	8,393,363
	15	957,347	9,932,705	2,809,370	13,699,422	4,220,247
	22	852,384	9,990,164	2,959,718	13,802,266	11,840,852
	29	899,042	8,980,963	3,141,800	13,021,805	11,073,635
July	6	1,021,122	6,309,079	1,959,447	9,289,648	9,393,012
	13	397,131	4,953,992	2,486,865	7,837,988	10,952,281
	20	366,841	7,846,085	4,258,198	12,471,124	13,087,537
	31	1,553,662	15,790,048	8,403,339	25,747,049	26,787,549
Totals		24,236,744	185,515,860	90,914,807	300,667,411	396,849,436
Adjusted Totals**		24,306,448	186,648,584	89,712,379	300,667,411	396,960,609
Average similar period 1943-44-1952-53		41,161,535	206,036,130	100,000,233	347,197,898	

*Preliminary. **Details of adjustments not available by weeks.

Visible Supply of Canadian Wheat, August 24, 1955
Compared with Approximately the Same Date, 1953 and 1954

Position	1953	1954	1955
- thousand bushels -			
Country elevators - Manitoba	12,097	23,267	22,116
Saskatchewan	87,090	116,042	116,814
Alberta	52,582	62,447	72,412
Totals	151,770	201,757	211,342
Interior private and mill	6,086	4,693	5,603
Interior terminals	14,537	15,832	15,666
Vancouver-New Westminster	8,587	9,938	8,236
Victoria	74	269	174
Prince Rupert	246	367	258
Churchill	1,420	2,166	2,054
Fort William-Port Arthur	31,009	52,950	45,387
In transit rail (Western Division)	12,944	11,389	7,257
Bay, Lake and Upper St. Lawrence Ports.	43,950	40,752	43,459
Lower St. Lawrence and Maritime Ports .	15,991	24,404	23,997
In transit lake	3,087	5,035	9,070
In transit rail (Eastern Division)	897	373	280
United States ports	922	86	128
In transit U.S.A.	7	-	182
Totals	291,525	370,011	373,093

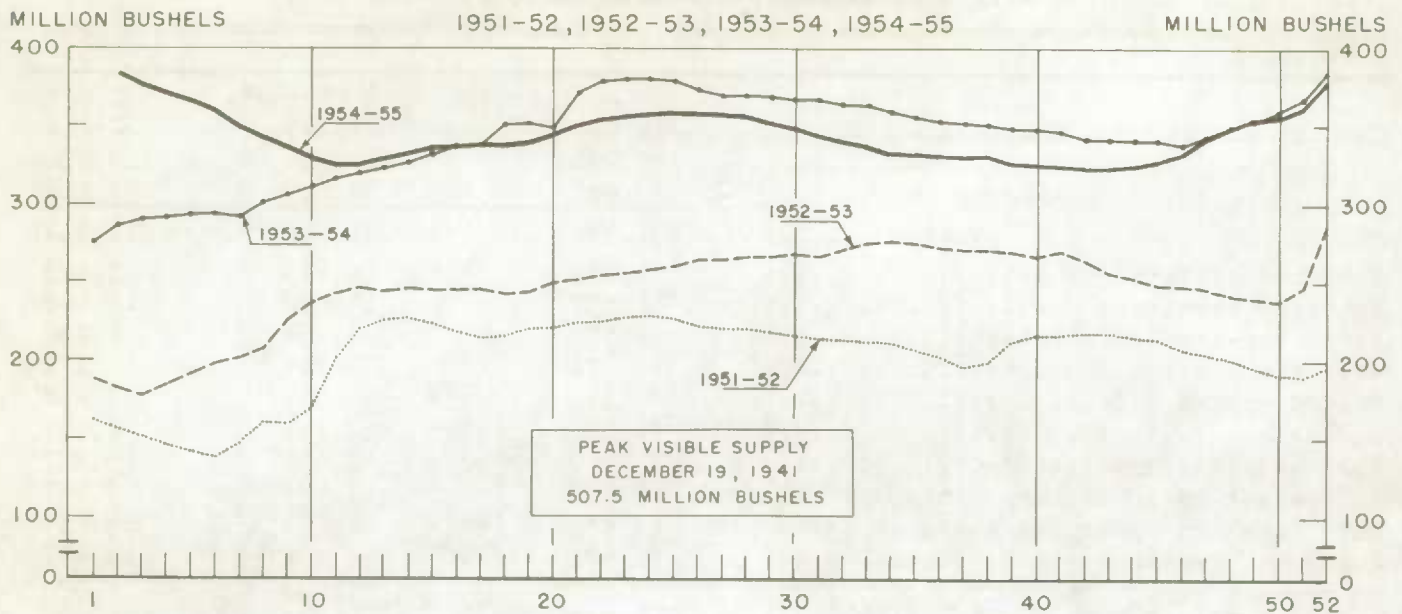
Grading of Wheat Inspected, August—July, 1954-55 with Comparisons

Grade	Crop Year		August—July			
	Average		1953-54		1954-55	
	1948-49— 1952-53	1953-54				
	per cent	per cent	cars	per cent	cars	per cent
1 Hard	1/	-	-	-	-	-
1 Man. Northern ...	12.1	8.0	15,637	8.0	7,595	4.3
2 Man. Northern ...	29.7	45.9	89,434	45.9	63,406	35.8
3 Man. Northern ...	13.9	20.4	39,822	20.4	46,818	26.4
4 Man. Northern ...	7.4	5.0	9,668	5.0	14,645	8.3
5 Wheat	7.7	4.8	9,358	4.8	7,912	4.5
6 Wheat	3.8	2.1	4,081	2.1	3,860	2.2
Feed Wheat	0.6	0.2	338	0.2	1,778	1.0
Garnet	0.9	0.5	886	0.5	1,580	0.9
Amber Durum	2.9	2.2	4,219	2.2	3,157	1.8
Alberta Winter	0.4	0.1	176	0.1	690	0.4
Toughs 2/ 3/	15.6	9.0	17,549	9.0	21,066	11.9
Damps 2/ 4/	3.6	1/	84	1/	478	0.3
Rejected 2/	0.7	1.2	2,391	1.2	3,670	2.1
All others	0.6	0.6	1,104	0.6	638	0.4
Totals	100.0	100.0	194,747	100.0	177,293	100.0

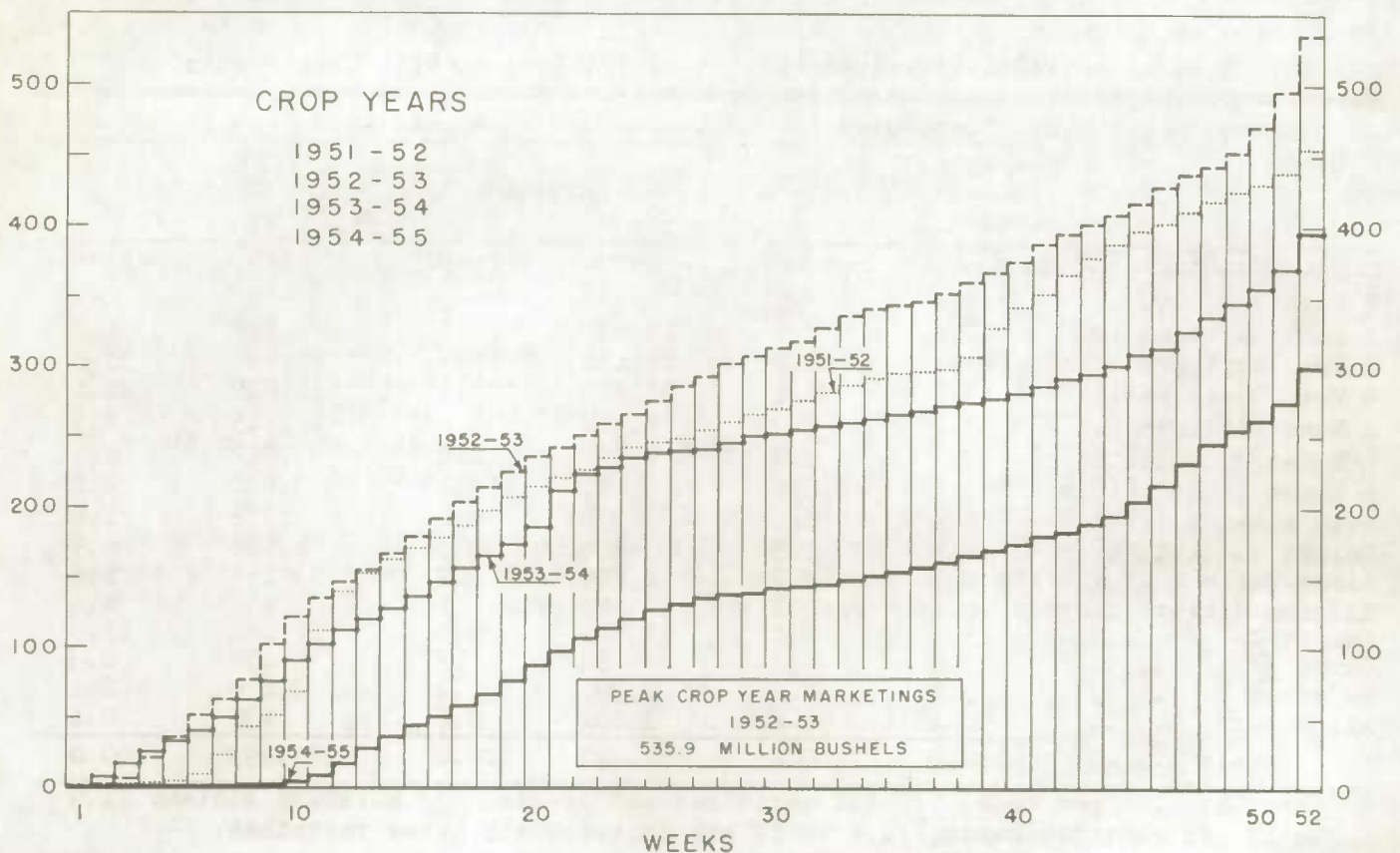
1/ Less than .05 per cent. 2/ All varieties and grades. 3/ Moisture content 14.9 to 17 per cent for Durum, 14.6 to 17 per cent for all other varieties.

4/ Moisture content over 17 per cent.

WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT



CUMULATIVE RECORD OF WHEAT MARKETINGS IN THE PRAIRIE PROVINCES, BY WEEKS



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

Lake Shipments of Canadian Grain from the Opening of Navigation to August 24, 1955
and to Approximately the Same Date, 1944 to 1954*

Year	Wheat	Oats	Barley	Rye	Flaxseed	Total
- thousand bushels -						
1944	166,211	37,804	24,187	5,412	4,027	237,640
1945	194,514	54,823	22,238	3,191	1,989	276,755
1946	52,233	31,774	10,779	696	899	96,382
1947	83,325	24,632	11,204	1,786	28	120,974
1948	55,457	11,645	11,026	438	3,920	82,486
1949	78,939	14,654	14,789	5,840	4,767	118,989
1950	77,895	11,049	13,051	3,013	1,053	106,061
1951	91,634	33,278	23,440	4,664	845	153,861
1952	138,195	56,133	50,368	4,534	2,867	252,097
1953	149,872	48,161	67,787	7,801	3,000	276,622
1954	67,867	31,827	37,802	4,255	2,125	143,875
1955	91,740	19,201	34,515	7,426	3,271	156,153

*Shipments from opening of navigation to August 21, 1944 through 1947. Shipments for subsequent years to the following dates: August 26, 1948; August 25, 1949; August 24, 1950; August 23, 1951; August 21, 1952; August 27, 1953; and August 26, 1954.

Total shipments of the five major grains out of Lakehead terminals from the opening of navigation to August 24, 1955 amounted to 156.2 million bushels, as against 143.9 million shipped during the corresponding period of 1953-54. The bulk of the increase was accounted for by a heavier movement of wheat, while shipments of oats and barley moved in smaller volume this year than last.

Continued from Page 6

wheat other than No. 5 will be based on the Board's selling spread for the grade concerned in relation to its selling price for No. 5 wheat at that time. Similarly, the provisional prices per bushel for No. 1 Feed Oats and No. 1 Feed Barley will be the Board's initial payment price to producers for these grades, basis in store Fort William—Port Arthur. The provisional price for grades of oats other than No. 1 Feed will be based on the Board's selling spread for the grade concerned in relation to its selling price for No. 1 Feed Oats at that time; the provisional price for grades of barley other than No. 1 Feed will be based on the Board's selling spread for the grade concerned in relation to its selling price for No. 1 Feed Barley at that time.

All storage, interest, insurance and forwarding charges, etc. from in store Lakehead position are to be for the shippers' account from agreed date of delivery of grain at the Lakehead.

For details of the operation of the new pricing arrangement the reader is referred to the Canadian Wheat Board's Instructions to the Trade (Shippers and Exporters) Nos. 4 and 5, dated September 6, 1955.

Wheat Shipments* to the United States by Destination, 1954-55
Compared with 1952-53 and 1953-54

Destination	1952-53	1953-54	1954-55
- bushels -			
<u>By Vessel</u>			
Duluth-Superior	2,643,223	136,603	101,619
Milwaukee	-	40,940	91,923
Chicago	383,222	68,700	113,791
Huron	320,734	68,592	80,000
Erie	276,567	153,776	-
Buffalo	15,343,040	5,540,438	3,948,361
Oswego	2,727,480	-	-
Totals, Vessel	21,694,266	6,009,049	4,335,694
<u>By Rail</u>			
U.S.A. Seaboard Ports	648,480	16,534	35,822
Other U.S.A. Points	4,723,966	1,777,303	968,028
Totals, Rail	5,372,446	1,793,837	1,003,850
Totals, Shipments	27,066,712	7,802,886	5,339,544

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

Total shipments of wheat to the United States, either for re-export or retention for domestic use, during the crop year 1954-55 amounted to 5.3 million bushels. Shipments during the 1953-54 and 1952-53 crop years totalled some 7.8 million and 27.1 million bushels, respectively. About 81 per cent of the total for the past crop year was shipped by vessel, almost all of which was unloaded at Buffalo.

Rail shipments of wheat to Maritime Ports from Bay, Lake and Upper St. Lawrence Ports during the crop year 1954-55 totalled 30.3 million bushels, almost three times as great as the 10.9 million shipped during the 1953-54 crop year.

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

Origin of Shipments	August 1, 1953 to July 31, 1954	August 1, 1954 to July 31, 1955
- bushels -		
Port McNicoll	3,469,474	8,689,290
Midland	5,058,582	11,435,402
Collingwood	797,448	2,032,709
Owen Sound	916,431	2,955,967
Goderich	240,278	1,087,464
Sarnia	286,263	3,782,365
Walkerville	145,082	348,776
Totals	10,913,558	30,331,973

Rail Shipments of Wheat from Fort William—Port Arthur, 1951-52—1954-55

Month	1951-52	1952-53	1953-54	1954-55
- bushels -				
August	283,914	191,711	191,336	61,070
September	435,068	1,181,046	236,030	50,633
October	159,667	936,757	173,043	46,053
November	465,193	651,957	138,440	81,253
December	1,387,828	464,914	347,824	179,272
January	5,839,567	6,550,958	510,486	352,109
February	3,618,007	9,566,151	368,662	318,009
March	1,564,586	6,285,944	555,518	245,958
April	107,061	189,339	378,681	169,137
May	132,496	216,046	253,606	68,878
June	196,083	136,014	37,349	43,601
July	113,827	223,687	74,020	57,619
Totals	14,303,297	26,594,524	3,264,995	1,673,591

Distribution of Rail Shipments of Wheat from Fort William—Port Arthur, July, 1955

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
- bushels -					
2 Northern	-	11,022	-	-	-
5 Wheat	-	-	-	3,283	13,667
6 Wheat	-	-	-	2,000	-
Toughs	-	-	-	1,439	2,954
Rejected	-	-	1,500	-	-
Amber Durum	-	-	-	5,500	6,770
All Others	1,466	-	-	3,000	5,018
Totals	1,466	11,022	1,500	15,222	28,409

Overseas Exports of Canadian Grain by Ports of Loading, August 1—24, 1955
with Comparisons

Ports	Wheat	Oats	Barley	Rye	Flaxseed
- bushels -					
<u>Pacific Seaboard</u>					
Vancouver-New Westminster	5,589,011	205,223	422,511	-	-
Victoria	315,467	-	-	-	-
<u>Churchill</u>	4,460,765	-	-	-	-
<u>St. Lawrence</u>					
Montreal	4,728,489	431,152	1,208,341	195,982	244,771
Sorel	589,274	-	-	-	-
Three Rivers	682,500	-	-	-	-
Quebec	416,133	-	-	-	-
<u>Maritime Ports</u>					
Halifax	1,837	-	-	-	-
Totals	16,783,476	636,375	1,630,852	195,982	244,771
August 1—25, 1954	13,691,397	233,017	3,585,694	80,000	-

Freight Assistance Shipments Claims filed for payment up to July 31, 1955 represent the movement of 12.3 million bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia under the freight assistance policy during the first eleven months of the 1954-55 crop year. This preliminary total, subject to upward revision with the filing of additional claims, is already slightly above the revised total of 12.2 million bushels shipped during the same period of 1953-54.

Provincial Distribution of Wheat Shipments under the Freight Assistance Policy
August—June, 1954-55 and 1953-54

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
- thousand bushels -								
August, 1954	5	12	77	46	468	476	265	1,348
September	8	9	65	42	538	422	261	1,345
October	8	7	74	50	528	348	233	1,246
November	12	4	68	45	514	404	295	1,341
December	6	15	80	40	458	367	213	1,178
January, 1955	5	6	63	32	405	410	219	1,140
February	7	17	70	41	343	259	131	867
March	5	13	65	34	388	335	194	1,034
April	6	17	76	36	293	315	141	884
May	3	17	67	31	454	458	128	1,157
June	2	18	64	33	319	321	14	772
Totals <u>1/</u>	68	134	768	428	4,706	4,115	2,092	12,312
Same period 1953-54:								
Preliminary <u>2/</u>	76	106	660	377	4,194	4,194	2,117	11,725
Revised <u>1/</u>	78	108	674	385	4,271	4,294	2,373	12,183

Preliminary data on millfeed shipments under the freight assistance policy indicate the movement of 463,267 tons during the August—June period of 1954-55. As with freight-assisted shipments of wheat, this total is based on claims filed up to July 31, 1955 and may be subject to considerable upward revision with the filing of additional claims. The current preliminary figure for the first 11 months of the crop year recently completed is already about 7 per cent above the revised total of 434,443 tons for the corresponding period of 1953-54.

Provincial Distribution of Millfeed Shipments under the Freight Assistance Policy
August—June, 1954-55 and 1953-54

Province	1953-54		1954-55
	Preliminary <u>2/</u>	Revised <u>1/</u>	Preliminary <u>1/</u>
- tons -			
Newfoundland	3,162	3,278	2,937
Prince Edward Island	4,346	4,411	6,499
Nova Scotia	29,459	30,531	31,114
New Brunswick	26,496	27,093	27,397
Quebec	196,267	201,528	229,126
Ontario	116,081	122,023	127,248
British Columbia	41,368	45,579	38,946
Totals	417,179	434,443	463,267

1/ Based on claims filed up to July 31, 1955.

2/ Based on claims filed up to July 31, 1954.

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

Year and Month	Overseas Clearances of Canadian Wheat <u>1/</u>	Exports of Canadian Wheat to U.S.A. for Domestic Use and Milling in Bond <u>2/</u>	Customs <u>3/</u> Exports of Canadian Wheat Flour	Total	Customs <u>3/</u> Exports of Wheat and Wheat Flour
- thousand bushels -					
<u>1952-53</u>					
August	26,089	2,559	4,031	32,679	33,773
September	21,208	3,312	4,891	29,411	29,240
October	24,106	2,950	5,474	32,530	34,579
November	34,339	3,677	5,647	43,663	41,631
December	21,777	2,883	5,146	29,806	36,769
January	17,518	1,206	3,443	22,167	21,941
February	13,135	847	3,603	17,585	17,318
March	11,220	915	4,724	16,858	17,236
April	19,019	1,341	4,508	24,867	21,681
May	40,179	1,476	6,247	47,902	43,875
June	37,390	1,617	4,880	43,887	46,309
July	40,149	115	3,906	44,170	44,092
Totals	306,129	22,897	56,501	385,527	389,045
<u>1953-54</u>					
August	24,152	569	3,983	28,704	27,321
September	20,672	198	3,670	24,540	24,574
October	22,072	258	3,653	25,984	30,838
November	18,815	1,549	3,791	24,155	23,850
December	12,857	795	4,110	17,762	20,283
January	13,416	409	3,778	17,604	17,218
February	10,273	287	3,427	13,987	15,025
March	14,079	167	3,939	18,186	17,266
April	10,708	777	4,611	16,096	16,454
May	16,987	1,228	3,888	22,103	24,353
June	19,854	1,320	4,002	25,176	23,828
July	17,271	120	3,393	20,784	19,472
Totals	201,157	7,678	46,246	255,081	260,482
<u>1954-55</u> <u>4/</u>					
August	15,666	185	3,380	19,230	20,088
September	25,744	209	3,579	29,533	22,814
October	20,046	882	3,596	24,524	21,713
November	20,160	331	3,495	23,985	30,146
December	16,201	131	3,586	19,918	23,807
January	14,792	335	2,814	17,940	17,381
February	14,102	96	2,700	16,899	14,818
March	16,719	173	3,817	20,709	22,585
April	12,705	152	3,853	16,710	17,079
May	15,041	531	3,682	19,254	20,460
June	18,510	1,048	3,824	23,382	20,203
July	17,143	386	2,185	19,715	21,973
Totals	206,829	4,458	40,513	251,800	253,067

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

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

3/ Exports for crop years 1952-53 and 1953-54 adjusted to remove effect of time lag in the returns made by Customs for both wheat and wheat flour.

4/ Subject to revision.

Exports of Canadian Wheat and Wheat Flour by Destination 1954-55

Destination	April		July		August—July	
	Wheat Flour 1/ 2/	Wheat Flour 2/	Wheat 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
<u>COMMONWEALTH COUNTRIES</u>						
United Kingdom	1,430,127	537,354	- bushels -	7,758,217	12,711,699	89,175,254
<u>Africa</u>						
British East Africa	-	-	-	-	5,972	-
Gambia	2,569	3,083	-	-	20,961	-
Gold Coast	38,363	12,789	-	-	468,788	-
Nigeria	23,094	13,072	-	-	300,465	-
Other British West Africa	-	-	-	-	25,924	-
Rhodesia	-	-	11,200	-	-	446,133
Sierra Leone	44,820	8,649	-	-	194,107	-
Union of South Africa	-	-	587,627	-	-	4,842,693
<u>Asia</u>						
Ceylon	67,154	-	-	-	505,701	-
Cyprus	-	-	-	-	-	184,800
Hong Kong	80,541	40,050	-	-	994,532	33,115
India	-	-	320	-	85	2,186,933
Malaya and Singapore	43,308	31,136	-	-	406,125	-
<u>Europe</u>						
Gibraltar	10,274	10,269	-	-	105,327	-
Malta	-	-	764,960	-	-	2,259,561
<u>North America</u>						
Bahamas	37,832	28,251	-	-	259,371	-
Barbados	39,258	27,338	-	-	356,801	833
Bermuda	11,443	6,975	-	-	112,761	-
British Honduras	3,528	229	-	-	25,384	-
Jamaica	48,258	86,026	1,400	-	1,355,850	9,667
Leeward and Windward Islands ...	120,758	83,866	-	-	1,071,900	-
Trinidad and Tobago	274,594	107,158	-	-	1,990,665	747
<u>Oceania</u>						
New Zealand	-	-	-	-	459	-
<u>South America</u>						
British Guiana	2,839	2,885	-	-	105,579	-
Totals, Commonwealth Countries.	2,278,760	999,130	9,123,724	21,018,456	99,139,736	
<u>FOREIGN COUNTRIES</u>						
<u>Africa</u>						
Azores and Madeira	3,857	2,799	-	-	52,169	-
Belgian Congo	69,930	70,457	-	-	702,054	-
Egypt	-	-	-	-	3,847	-
Ethiopia	112	-	-	-	113	-
French Africa	-	-	-	-	5,094	-
Liberia	1,417	634	-	-	9,742	-
Libya	-	-	-	-	-	224,000
Morocco	5,040	-	-	-	30,753	-
Portuguese East Africa	1,769	-	-	-	3,537	151,386
Portuguese West Africa	3,672	6,197	-	-	60,782	-
<u>Asia</u>						
Arabia	229	229	-	-	3,568	156,143
Bahrein	-	-	-	-	-	44,836
Indonesia	5,850	-	-	-	5,850	-
Iraq	-	-	369,600	-	-	369,600
Israel	-	-	-	-	-	1,849,306
Japan	151,529	76,765	3,536,564	-	951,889	27,489,330
Lebanon	-	319	-	-	103,324	-
Philippine Islands	1,158,008	104,130	-	-	6,519,731	-
Portuguese Asia	10,328	-	-	-	35,109	-
Syria	31	-	-	-	1,269	-

Exports of Canadian Wheat and Wheat Flour by Destination 1954-55

Destination	April	July		August-July	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
FOREIGN COUNTRIES - bushels -					
<u>Asia</u>					
Taiwan	-	-	-	360	-
Thailand	57,978	34,250	-	307,589	-
<u>Europe</u>					
Austria	-	-	56,000	-	2,604,841
Belgium	-	-	1,157,759	-	15,492,479
Denmark	220	-	-	1,350	-
Finland	-	-	-	-	328,067
France	-	-	-	2,020	-
Germany, Federal Republic ..	102,478	9,126	1,503,943	590,769	23,604,002
Greece	-	-	-	3,946	-
Iceland	-	4,266	-	24,570	-
Ireland	-	-	378,933	-	3,921,787
Italy	12,650	20,205	73,487	144,441	1,187,716
Netherlands	-	-	80,266	3,033	10,107,930
Norway	-	-	423,920	-	3,578,689
Portugal	-	-	-	19,098	-
Switzerland	-	-	146,533	180	8,159,162
Yugoslavia	-	-	-	9,639	3,620,007
<u>North America</u>					
Alaska	9	-	-	9	-
American Virgin Islands	3,335	1,904	-	25,425	-
Costa Rica	54,023	39,474	45,440	495,446	224,214
Cuba	111,028	66,722	226,800	920,273	1,338,600
Dominican Republic	20,826	48,339	-	312,016	6,500
El Salvador	38,250	16,591	-	348,516	-
French West Indies	706	689	-	6,764	-
Guatemala	33,242	50,972	-	467,397	-
Haiti	12,726	32,818	-	290,331	-
Honduras	-	229	-	697	-
Mexico	-	-	-	225	-
Netherlands Antilles	19,588	15,655	-	254,196	-
Nicaragua	37,318	1,121	-	299,493	-
Panama	29,736	20,682	-	274,644	-
St. Pierre and Miquelon	2,349	1,607	-	18,972	-
United States					
Flour in terms of wheat ...	76,455	48,209	-	775,337	-
For milling in bond 4/	-	-	43,124	-	1,381,969
For domestic use 4/	-	-	342,792	-	3,076,526
<u>Oceania</u>					
French Oceania	-	-	-	32,913	-
Guam	1,607	1,498	-	41,152	-
<u>South America</u>					
Chile	-	-	-	1,836	-
Colombia	63,405	27,144	-	763,380	1,321,319
Ecuador	-	-	20,212	5,161	1,641,989
Peru	6,413	4,604	-	100,571	209,440
Surinam	27,009	15,867	-	209,354	-
Venezuela	441,832	462,847	-	4,254,111	58,000
Totals, Foreign Countries.	2,564,955	1,186,349	8,405,373	19,494,045	112,147,838
Totals, All Countries	4,843,715	2,185,479	17,529,097	40,512,501	211,287,574

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 equals 1 barrel of 196 pounds of wheat flour. 3/ Overseas clearances as reported by the Statistics Branch, Board of Grain Commissioners for Canada, for all countries except the United States. Subject to revision. 4/ Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.

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

Class and Grade	Week ending			
	August 5	August 12	August 19	August 26
- cents and eighths per bushel -				
<u>Initial Payment to Producers</u>				
1 Northern	140	140	140	140
2 Northern	136	136	136	136
3 Northern	134	134	134	134
4 Northern	126	126	126	126
5 Wheat				
6 Wheat				
Feed Wheat				
1 C.W. Garnet		prices	not	established
2 C.W. Garnet				
1 Alberta Red Winter				
2 Alberta Winter				
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	176	176	176	176
2 Northern	173	173	173	173
3 Northern	171	171	171	171
4 Northern	166	166	166	166
5 Wheat	149	148/5	147	146/5
6 Wheat	146/2	143/5	142	140/6
Feed Wheat	143/2	140/5	139	137/6
1 C.W. Garnet	156	155/5	154	153/5
2 C.W. Garnet	154	153/5	152	151/5
3 C.W. Garnet	152	151/5	150	149/5
1 Alberta Red Winter	160	159/5	158	157/5
2 Alberta Winter	157	156/5	155	154/5
3 Alberta Winter	154	153/5	152	151/5
1 C.W. Amber Durum 1/	201/5	201/7	202/1	202/1
2 C.W. Amber Durum 1/	201	201	201	201
3 C.W. Amber Durum 1/	200	200	200	200
<u>Export - Class II</u>				
1 Northern	176	176	176	176
2 Northern	173	173	173	173
3 Northern	171	171	171	171
4 Northern	166	166	166	166
5 Wheat	149	148/5	147	146/5
6 Wheat	146/2	143/5	142	140/6
Feed Wheat	143/2	140/5	139	137/6
1 C.W. Garnet	156	155/5	154	153/5
2 C.W. Garnet	154	153/5	152	151/5
3 C.W. Garnet	152	151/5	150	149/5
1 C.W. Amber Durum	275	275	275	275
2 C.W. Amber Durum	271	271	271	271
3 C.W. Amber Durum	265	265	265	265

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

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

Class and Grade	Week ending			
	August 5	August 12	August 19	August 26
- cents and eighths per bushel -				
<u>Initial Payment to Producers</u>				
1 Northern	140	140	140	140
2 Northern	136	136	136	136
3 Northern	134	134	134	134
4 Northern	126	126	126	126
5 Wheat				
6 Wheat				
Feed Wheat				
1 C.W. Garnet	prices not established			
2 C.W. Garnet				
1 Alberta Red Winter				
2 Alberta Winter				
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	176	176	176	176
2 Northern	173	173	173	173
3 Northern	171	171	171	171
4 Northern	166	166	166	166
5 Wheat	149	148/5	147	146/5
6 Wheat	146/2	143/5	142	140/6
Feed Wheat	143/2	140/5	139	137/6
1 C.W. Garnet	156	155/5	154	153/5
2 C.W. Garnet	154	153/5	152	151/5
3 C.W. Garnet	152	151/5	150	149/5
1 Alberta Red Winter	160	159/5	158	157/5
2 Alberta Winter	157	156/5	155	154/5
3 Alberta Winter	154	153/5	152	151/5
<u>Export - Class II</u>				
1 Northern	176	176	176	176
2 Northern	173	173	173	173
3 Northern	171	171	171	171
4 Northern	166	166	166	166
5 Wheat	149	148/5	147	146/5
6 Wheat	146/2	143/5	142	140/6
Feed Wheat	143/2	140/5	139	137/6
1 C.W. Garnet	156	155/5	154	153/5
2 C.W. Garnet	154	153/5	152	151/5
3 C.W. Garnet	152	151/5	150	149/5
1 Alberta Red Winter	160	159/5	158	157/5
2 Alberta Winter	157	156/5	155	154/5
3 Alberta Winter	154	153/5	152	151/5

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production reported by Canadian mills for July, 1955 amounted to 1,426,000 barrels, below both the June, 1955 output of 1,639,000 barrels and the July, 1954 output of 1,595,000 barrels. The ten-year (1945-1954) average production for the month of July was 1,753,000 barrels. Mills reporting operations during July, 1955 had a total rated capacity of 90,964 barrels per 24-hour day and, on the basis of a 25-day period, 62.7 per cent of this rated capacity was effective.

Wheat milled for flour during the month amounted to 6.4 million bushels, compared with 7.4 million bushels milled during the preceding month and 7.0 million bushels milled during July, 1954. Of the wheat milled for flour during July, 1955 some 5.9 million bushels were Western Canadian spring wheat (other than Durum), with most of the remainder consisting of Ontario winter wheat (384,000 bushels) and Durum wheat (59,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during July, 1955 totalled 486,000 barrels (2,185,000 bushels of wheat equivalent), down considerably from flour exports of the preceding month. Flour shipments during the month went to forty-seven countries, with the United Kingdom accounting for 537,000 bushels of wheat equivalent or about 25 per cent of the total. Other leading export markets for Canadian wheat flour during July, with shipments in thousands of bushels of wheat equivalent, were as follows: Venezuela, 463; Trinidad and Tobago, 107; and Philippine Islands, 104.

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

Crop Year	Wheat Milled for Flour	Wheat Flour	
		Production	Exports 1/
	- bushels -	- barrels of 196 pounds -	
1935-36-1939-40 average	67,845,114	15,002,781	4,899,970
1940-41-1944-45 average	99,704,638	22,402,166	12,091,605
1945-46	118,074,774	26,435,341	14,470,177
1946-47	127,775,176	28,588,456	16,896,233
1947-48	109,822,011	24,159,696	13,661,573
1948-49	90,896,984	20,379,997	10,687,561
1949-50	90,082,917	20,259,200	10,151,090
1950-51	106,748,343	23,630,180	12,426,996
1951-52	104,494,021	22,842,441	11,356,288
1952-53	106,727,237	23,865,625	12,555,714
1953-54	91,855,269	20,800,974	10,276,951
<u>1954-55 2/</u>			
August	8,059,773	1,812,296	751,126
September	8,581,211	1,929,031	795,388
October	8,543,804	1,934,482	799,145
November	8,363,953	1,885,284	776,615
December	7,463,128	1,676,067	796,893
January	6,906,626	1,552,247	625,259
February	7,113,437	1,589,273	600,104
March	8,485,397	1,892,556	848,262
April	7,574,800	1,694,243	856,263
May	7,543,055	1,682,509	818,213
June	7,354,785	1,639,457	849,848
July	6,418,292	1,426,089	485,662
Totals	92,408,261	20,713,534	9,002,778
Same period 1953-54 (revised)	91,855,269	20,800,974	10,276,951

1/ Based on Customs returns. Exports for the crop years 1945-46-1953-54 revised to remove effect of time lag in the returns made by Customs.

2/ Subject to revision.

UNITED STATES SITUATION

Supply Position Domestic supplies of wheat in the United States for the 1955-56 crop year are estimated at a record 1,931.0 million bushels, consisting of the July 1, 1955 carryover of 1,020 million bushels and the 1955 crop estimated, as of August 1, at 911 million bushels. Domestic supplies of the size indicated would exceed by some 3 per cent the comparable 1954-55 total of 1,872.2 million bushels. In addition, current crop year supplies may be supplemented by imports of about 4 million bushels, the bulk of which would be of feeding quality. (Imports for the month of July amounted to some 0.4 million bushels).

United States Wheat Supplies

Item	1954-55	1955-56 <u>1/</u>
	- million bushels -	
Carryover at beginning of crop year (July 1)	902.4	1,020.0
New crop	969.8	911.0
Total estimated domestic supplies	1,872.2	1,931.0
Imports of wheat for domestic use, July	0.1	0.4
Total estimated supplies <u>2/</u>	1,872.3	1,931.4
Less estimated domestic requirements for crop year <u>3/</u> ...	582.2	608.0
Available for export and for carryover	1,290.1	1,323.4
Deduct:		
Exports of wheat as grain, July	17.4	21.5
Exports of wheat flour and products in terms of wheat, July	3.3	3.5
Total exports of wheat, wheat flour and products ...	20.7	25.0
Balance on August 1 for export and for carryover	1,269.4	1,298.4

1/ Preliminary. 2/ Excluding imports for August-June period.

3/ Includes allowances for shipments of United States wheat and wheat products to Alaska, Hawaii, Puerto Rico, Guam, Samoa, Virgin Islands and Wake Island. These shipments are not included in exports as set out in the table.

According to the August 19 issue of The Wheat Situation domestic disappearance for 1955-56 is estimated at 608 million bushels, somewhat above the small disappearance of 582 million bushels indicated for 1954-55. Civilian and military food use (including use by territories of the United States) is expected to be about the same as the 485 million bushels used in 1954-55. Feed use may total about 60 million bushels, compared with 35 million during 1954-55. Seed use is expected to total about the same as the 63 million used a year earlier.

Domestic disappearance of 608 million bushels would leave about 1,323 million for export and for carryover, some 33.3 million more than in 1954-55. Exports of wheat, wheat flour and other wheat products in terms of grain equivalent during July 1955 amounted to 25.0 million bushels as against the comparable total of 20.7 million during July 1954. The balance remaining on August 1, for export and for carryover was estimated at 1,298.4 million bushels as compared with 1,269.4 million on the same date a year ago.

Wheat Production
Estimate Increased

According to the August 19 issue of The Wheat Situation, production of all wheat in the United States is estimated at 911 million bushels, an increase of more than 50 million bushels from July 1 prospects. This quantity is 6 per cent smaller than the 1954 crop and 21 per cent less than the 1944-53 average. The change from a month ago reflects an increase of 26 million bushels in winter wheat, 1 million bushels more durum wheat, and increase of 23 million bushels in other spring wheat. For all wheat the indicated yield per harvested acre is 19.2 bushels compared with 18.1 bushels last year, and the 1944-53 average of 17.1 bushels. On a per-seeded acreage basis, yields averaged 15.9 bushels this year, 15.6 bushels last year, and 15.3 in the 10 years.

The 1955 winter wheat production is estimated at 689 million bushels, an increase of over 26 million bushels from last month. This is 13 per cent less than last year's production and 21 per cent below average. Final outturn was generally above earlier expectations, especially in the Northern States. Most of the northern half of the country experienced ideal maturing and harvesting conditions that pushed yields to record levels in several States. Harvest operations were getting under way in northwestern areas by the end of July, somewhat later than usual, but were practically completed elsewhere. Test weights were mostly above average though hot weather reduced weights in areas of the northwest.

The indicated yield of 20.3 bushels per harvested acre of winter wheat, the third highest yield of record, is 0.6 bushels less than the 1952 record yield and compares with 20.5 bushels in 1954 and the average of 18.0 bushels. Yields in the Southern Plains States were well below average and below last year as extensive acreage was damaged by continued hot weather and high winds during early spring months. Frequent showers aggravated harvest operations and promoted weed growth. Numerous local areas did not harvest sufficient suitable grain to meet seed requirements. Yields in Northern Corn Belt and North Atlantic States turned out exceptionally well. Nebraska, Iowa, Illinois, and Missouri received maximum benefit from spring rains resulting in yields much above earlier expectations. In Kansas, rain during May and June improved conditions in northern areas and resulted in an increase of 0.5 bushel per acre from July 1. Wheat prospects in the northwest were hurt by hot June temperatures but rain in July brought partial recovery.

Prospective production of all spring wheat increased 24 million bushels during July and is now indicated at 222 million bushels. A crop of this size would be 24 per cent larger than the 1954 production of 179 million bushels but 23 per cent smaller than average.

Production of durum wheat in Minnesota and the Dakotas is estimated at 14.3 million bushels, nearly 8 per cent more than the July 1 forecast, 2 1/2 times as large as last year but less than half the average. High temperatures during the last half of July hastened maturity of grain and greatly reduced the rust threat. Rust damage is severe in some areas but prospects are that the loss will be local rather than general. A large part of the acreage appears to have escaped serious rust damage though late fields are still subject to serious infestation.

The durum production estimate does not include durum being grown in Montana. As the result of the exception of durum wheat from acreage restrictions, the durum acreage in Montana increased sharply this year and may be as large as 250,000 acres. Conditions in Montana on August 1 give promise of a durum yield per

acre about the same as for other spring wheat. If such yields materialize, durum wheat production in Montana this year would total 5 1/4 to 5 1/2 million bushels. Durum production for Montana is included in the estimate of other spring wheat of 207 million bushels.

Other spring wheat production is estimated at 207 million bushels, 23 million bushels more than forecast on July 1. The 1955 crop is 19 per cent more than the 1954 production of 173 million bushels and is 18 per cent below average. Prospects improved during July in the Dakotas and Minnesota as high temperatures hastened maturity ahead of the rust. The crop matured about a week earlier and stem rust infestation was evident at least a week later than last year. Stem rust damage has been very limited this year and there was less rust damage than in the previous three years. Quality of the crop is good with reported test weights above 1953 and 1954. The crop in South Dakota and southern North Dakota was harvested under favourable conditions in late July and early August. Cutting was under way in early northern North Dakota fields the first week in August and was expected to start in late fields about August 10. In Montana and Idaho, conditions have been favourable for both irrigated and dryland acreage. The per acre yield for the United States at 16.7 bushels is above the 1954 yield of 12.6 and the average of 14.8 bushels.

Wheat Stocks at Stocks of more than 1,020 million bushels of old wheat stored in
Record Levels all positions on July 1, 1955 are the largest of record for that
 date and compare with the previous high of 902 million bushels
on July 1, 1954. Some uncertainty surrounds the current stocks estimate largely
because, at the time surveys were underway, quantities of unknown magnitudes under
Government price support were in the process of being moved from farms and country
elevators to Commodity Credit Corporation ownership and storages. Farm stocks at
only 38 million bushels were the smallest since 1937.

Total disappearance in the April-June quarter totalled about 197 million bushels as compared with 226 million in the same quarter last year, and an average of 274 million bushels for 1949-53. Domestic disappearance, totalling about 13 million bushels, consisted of approximately 111 million for food, 16 million for seed and 4 million for feed. Exports for the quarter totalled about 66 million bushels, compared with 65 million in the same period in 1954.

In 1954-55, 431.1 million bushels of wheat were placed under price support, of which 374.3 million were delivered to CCC. At year end, June 30, 1955, CCC stocks and loans outstanding totalled 990.0 million bushels, consisting of 975.9 million bushels owned by CCC, 11.3 million under loan from 1954 crop, and 2.8 million under loan from previous crops.

The following table shows the estimated carryover by classes compared with a year ago:

Wheat: Estimated Carryover by Classes
July 1, 1954 and 1955

Class	1954	1955	Change
- million bushels -			
Hard red winter	535	665	+ 130
Soft red winter	70	60	- 10
Hard red spring	188	160	- 28
Durum	5	3	- 2
White	104	132	+ 28
Total	902	1,020	+ 118

Reduced Production in
1956 May Result in Small
Carryover Reduction

The acreage that may be seeded for the production of grain for the 1956 crop would be about 55.5 million acres, on the basis of a 55 million-acre allotment. This acreage is arrived at by subtracting from the 57.5 million acres seeded for all purposes for harvest in 1955 an allowance for the following: (1) the acreage seeded for green manure, pasture and hay, (2) additional acreage resulting from the special summerfallow provisions for 1955, and (3) the additional acreage resulting from the release and reapportionment of allotments. These adjustments are necessary because the allotments beginning with the 1955 crop are on the basis of acres seeded for harvest instead of seeded for all purposes.

Assuming that approximately 55.5 million acres will be seeded for the 1956 crop of grain, with the allotment of 55 million acres, and assuming yields per seeded acre at 15.5 bushels per acre (approximately equal to the 10-year average), a crop of about 860 million bushels would be produced in 1956. Domestic disappearance in 1956-57 is expected to total about the same as the 608 million bushels estimated for 1955-56. Exports cannot be forecast with any degree of certainty at this time. If they total about the same as the 273 million bushels in 1954-55, total disappearance would amount to about 880 million bushels, or about 20 million bushels more than an 860 million-bushel crop. This would afford very little reduction in the carryover by July 1, 1957. If we have another generally favourable year, such as that of 1955, when production totalled 911 million bushels, a further increase in carryover July 1, 1957 probably would result.

Minimum Support for
1956 Crop \$1.81

The national average support price for the 1956 crop will be not less than \$1.81 per bushel. Full support level will be available in the 36 commercial wheat States for producers who comply with their individual farm acreage allotments. Support rates in the 12 non-commercial wheat States are set by law at levels representing 75 per cent of the rates calculated on the national average. In the non-commercial States, acreage allotments and marketing quotas will not apply. The minimum support announced will not be lowered, but it will be raised if a combination of changes in parity price and the supply situation calls for an increase on July 1, 1956.

Marketing penalties equal to 45 per cent of the wheat parity as of May 1, 1956 will be assessed against the normal yield of wheat grown on acres in excess of the wheat acreage allotment, except that no excess wheat is determined for farms on which the wheat acreage is 15 acres or less. After the penalty is paid, the producer is free to market his wheat in any way he chooses.

Payment of marketing penalties on excess wheat can be avoided or postponed by withholding the excess wheat from the market--either by storing it on the farm or in a warehouse, or by delivering it to the Secretary of Agriculture for relief use or diversion, under regulations established by the Secretary. After the producer has met any of these requirements on excess wheat, he will receive a marketing card as evidence that no penalties are due. Excess wheat which is fed on the farm is considered as having been marketed and is subject to the penalty.

<u>Undesirable Wheat</u>	A discount of 20 cents per bushel in 1956 price-support
<u>Varieties Discounted</u>	rates for 23 wheat varieties designated as undesirable
<u>Under 1956 Support Program</u>	because of inferior milling or baking qualities was
	announced on August 12. This announcement was made in
	advance of planting time for 1956-crop winter wheat to give producers ample notice
	of the new support provisions.

<u>Final Tally in</u>	Final results of the referendum held June 25 in the 36-State
<u>Wheat Referendum</u>	commercial wheat-producing area show the 77.3 per cent of the
	farmers voting favoured marketing quotas for the 1956 wheat
	crop. This differs only slightly from the preliminary referendum returns announced
	June 26, which indicated a favourable vote of 77.5 per cent. Approval by two-thirds
	of those voting is required for quotas to be put in effect.

The final tabulation shows a total vote of 347,652, compared with a preliminary total vote of 328,049, the difference being accounted for by challenged ballots and returns from a few scattered counties which had not been received at the time the preliminary returns were announced. Of the final total vote, 268,817 (77.3 per cent) favoured marketing quotas for 1956-crop wheat and 78,835 (22.7 per cent) were opposed.

The referendum for the 1956 crop marked the fifth time farmers have voted marketing quotas for wheat. They approved quotas for the 1941 crop by 81 per cent favourable vote, for the 1942 crop by 82.4 per cent, the 1954 crop by 87.2 per cent, and the 1955 crop by 73.3 per cent.

<u>Flour Production</u>	The Bureau of Census, Department of Commerce estimated wheat
	flour production in the United States in June 1955 at
	18,470,000 sacks, an average of 840,000 sacks per working day. This compares with
	a daily average of 834,000 sacks during the previous month and 820,000 sacks in
	June, 1954. Production of wheat flour in June was at 78.8 per cent of capacity,
	compared with 78.4 and 77.4 per cent, respectively for the previous month and the
	same month a year ago. Flour mills in June ground an estimated 42,944,000 bushels
	of wheat, compared with 40,691,000 bushels in May.

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
August 1, 1955	211 1/4 - 231 3/4	August 1, 1955	226 1/4 - 231 1/4
2	211 - 229 3/4	2	225 1/4 - 232 1/4
3	209 - 253 1/4	3	226 3/8 - 233 3/8
4	211 1/2	4	224 5/8 - 231 5/8
5	211 - 229 1/4	5	223 - 230
8	209 - 227 1/2	8	221 3/4 - 226 3/4
9	209 1/2 - 235 3/4	9	221 1/4 - 226 1/4
10	209 3/4 - 229	10	221 3/4 - 226 3/4
11	Not Available	11	223 1/4 - 228 1/4
12	209 - 250	12	223 1/8 - 228 1/8
15	207 1/2 - 209	15	220 5/8 - 225 5/8
16	211 1/4 - 225 1/2	16	224 3/8 - 229 3/8
17	221	17	224 1/8 - 229 1/8
18	206 1/2 - 223 3/4	18	224 - 229
19	207 - 219 1/2	19	223 1/4 - 228 1/4
22	205 1/2 - 220 1/2	22	223 1/2 - 228 1/2
23	205 - 276	23	225 1/4 - 231 1/4
24	207 1/2	24	224 1/4 - 232 1/4
25	204 1/4 - 241 1/2	25	228 1/4 - 235 1/4
26	208 1/4	26	227 3/8 - 234 3/8
29	205 - 206 1/2	29	227 1/2 - 234 1/2
30	205 - 209 1/2	30	227 7/8 - 234 7/8
31	204 - 245 1/2	31	229 3/8 - 236 3/8

Chicago Wheat Futures, High Points of Closing

Date	September	December	March	May	July
	- cents and eighths per bushel -				
August 1, 1955	197/6	201/2	200/2	196/3	181/2
2	198/4	201/7	201/3	197/4	182/5
3	199/5	203/2	202/5	198/5	185
4	197	201	200/2	196/3	183/1
5	195/4	199/4	198/5	194/4	182/2
8	198/2	197/3	197/2	193/2	181/4
9	194	197/7	198/1	194/2	182
10	193/7	197/6	198/1	194/2	182
11	195/6	199/1	199/1	195	182/5
12	194/4	198/1	198/3	194/2	181/6
15	192/4	195/7	196	192	180
16	192/7	196/1	196/2	192	179
17	190/7	194/2	194/5	190/1	175/7
18	191/4	194/7	195	190/1	176
19	192/6	196	196/2	192	177
22	192/3	195/6	196	191/7	176/7
23	193/6	197/3	197/7	193/6	179/7
24	192/5	196/2	197/1	192/7	179/3
25	193	197	197/7	194/1	180/5
26	192/3	196/3	197/4	193/4	180/4
29	190/3	194/5	196/2	192/5	179/6
30	190/7	195/3	197/2	194/1	180/3
31	192/2	196/3	198/3	194/7	181/2

ARGENTINE SITUATION

Supply Position As the result of an upward revision of some 6.2 million bushels in the 1954 crop estimate, total estimated supplies of wheat in the Argentine for the 1954-55 crop year now stand at some 342.9 million bushels. This total, consisting of the December 1, 1954 carryover of 60.3 million bushels and the 1954 crop, now placed at 282.6 million, exceeds by about 14 per cent the comparable 1953-54 total of 301.1 million bushels. After deducting anticipated domestic requirements of 132.3 million bushels, some 210.6 million are available for export and for carryover during 1954-55 as against 172.5 million available in 1953-54.

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the December—July period of the current crop year have amounted to 89.3 million bushels, about 33 per cent above the 67.1 million exported during the same months of the preceding crop year. The balance remaining on August 1, 1955 for export and for carryover was estimated at 121.3 million bushels, 15 per cent above the August 1, 1954 total of 105.4 million bushels.

Argentine Wheat Supplies

Item	1953-54	1954-55 <u>1/</u>
	- million bushels -	
Carryover at beginning of crop year (December 1)	73.3 <u>2/</u>	60.3 <u>2/</u>
New crop	227.8	282.6 <u>3/</u>
Total estimated domestic supplies	301.1	342.9
Imports of wheat for domestic use	-	-
Total estimated supplies	301.1	342.9
Less estimated domestic requirements for crop year	128.6	132.3
Available for export and for carryover	172.5	210.6
Deduct:		
Exports of wheat as grain, December—July	65.0	88.3
Exports of wheat flour in terms of wheat, Dec.—July..	2.1	1.0
Total exports of wheat and wheat flour	67.1	89.3
Balance on August 1 for export and for carryover	105.4	121.3

1/ Preliminary.

2/ Includes allowances for farm stocks.

3/ Revised official estimate.

Deterioration in Crop Conditions According to the August 29 issue of "Foreign Crops and Markets" a combination of dryness and cold weather has materially reduced agricultural prospects in certain areas during recent weeks in Argentina. Heavy storms in the center and south of Buenos Aires Province, including unusually heavy snowfalls, relieved the dryness there, but large areas of Cordoba and Santa Fé have had no rain for one to two months. The northern wheat area, which had a bumper crop last year, is quite dry and an infestation of green bugs has appeared in the San Francisco zone.

Wheat Exports Shipments of Argentine wheat into export channels continued in fairly heavy volume during July, with a total of 11.0 million bushels going to 14 different countries. Some 5.6 million bushels, accounting for over half of the July total, went to Brazil, with the next largest amounts, 1.2 million and 1.0 million bushels, going to Italy and the United Kingdom, respectively. Cumulative wheat exports for the first eight months of the current Argentine crop year, at 88.3 million bushels, are well above those for the December—July period of the preceding five crop years. However, trade reports indicate that considerable inroads have been made into unfilled export order backlogs and that some slackening in the export rate will likely take place unless sizable new sales are made.

Argentine Wheat Exports, July, 1955 and December, 1954—July, 1955

Destination	July	December- July	Destination	July	December- July
	- thousand bushels -			- thousand bushels -	
Austria	386	1,603	Japan	-	2,615
Belgium	334	3,132	Netherlands	580	5,812
Brazil	5,637	25,429	Norway	48	48
Chile	66	3,749	Paraguay	140	1,266
Czechoslovakia .	-	729	Peru	569	3,011
Denmark	-	509	Poland	290	8,563
Finland	129	1,504	Sweden	-	250
Germany	424	7,107	Switzerland	182	1,140
Italy	1,205	17,222	United Kingdom .	1,014	4,576
			Totals	11,002	88,265

Same period:

1953-54	65,008
1952-53	38,929
1951-52	3,786
1950-51	74,262
1949-50	75,889

AUSTRALIAN SITUATION

Supply Position Estimated supplies of wheat in Australia for the 1954-55 crop year amount to a total of 260.1 million bushels, consisting of the December 1, 1954 carryover of 93.5 million and the 1954 crop of 166.6 million. This total exceeds by about 11 per cent the comparable 1953-54 supplies of 234.0 million bushels. After deducting anticipated domestic requirements of 71.1 million bushels, some 189.0 million are available for export and for carryover during 1954-55, compared with 161.7 million available in 1953-54. Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1, 1954 to July 30, 1955 amounted to 67.5 million bushels, as against 41.4 million during the corresponding period of 1953-54. The balance remaining on July 31, 1955 for export and for carryover was estimated at 121.5 million bushels, virtually unchanged from the 120.3 million available a year ago.

Australian Wheat Supplies

Item	1953-54	1954-55 <u>1/</u>
- million bushels -		
Carryover, including flour as wheat, at beginning of crop year (December 1)	36.0	93.5
New crop	198.0	166.6
Total estimated supplies	234.0	260.1
Less estimated domestic requirements for crop year	72.3 <u>2/</u>	71.1 <u>2/</u>
Available for export and for carryover	161.7 <u>2/</u>	189.0 <u>2/</u>
Deduct:		
Exports of wheat as grain, December 1 to July 30	20.7	43.6
Exports of wheat flour in terms of wheat		
December 1 to July 30	20.7	23.9
Total exports of wheat and wheat flour	41.4	67.5
Balance on July 31 for export and for carryover	120.3	121.5

1/ Preliminary. 2/ Revised.

The following account of the Australian situation has been extracted from a report from Mr. R. W. Blake, Commercial Secretary for Canada, Melbourne, under date of August 9, 1955 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce.

Wheat Sales Some good sales of wheat have been made by the Australian Wheat Board to various countries in the Middle East since the middle of June, but the Chairman of the Board stated that it had been unsuccessful in an attempt to sell wheat to Communist China. The Board is continuing its policy of sending senior administrative officers to potential markets in an effort to increase sales.

Prospects for the Australian Wheat Industry The Chairman of the Australian Wheat Board said that Australia's wheat industry is facing a crisis, and urged farmers to grow more higher protein wheat to enable the Board to sell wheat on a more favourable basis than at present. The Chairman said that last year when wheat production was down (166 million bushels) the Board could only sell 152 million bushels abroad. He estimated this year's crop at up to 180 million bushels, and the overseas market at 150 million bushels, leaving a surplus nearly as big as last year (93 million bushels). There is a very definite limit to the quantity of the present quality wheat that can be sold.

The Chairman urged farmers to rotate their wheat crops with clover crops to restore soil fertility, and to enable stronger wheats to be grown.

Australian wheat farmers appear to have sown an acreage equal to that of last year and, with the prospects of a good season contributing to another large carryover, the storage problem will be acute. An effort will be made to meet the situation this year by erecting emergency storages.

Some very high quality wheats are being grown in Australia, and the amount could be greatly increased if the incentive to do so was provided by the setting up of a separate class for strong white wheat outside the f.a.q. standard, with a premium paid. At present, many farmers find it more profitable to grow big yielding, poor quality wheats.

Seasonal Conditions Seasonal conditions over Australia generally continue to be good for crops and pastoral needs, although cold weather in some parts has caused crop growth to be backward. In Western Australia, a spell of dry, frosty weather was relieved by rains which are expected to continue. Feed is sufficient in the northern pastoral areas, and is abundant in the southern districts.

Seeding of wheat has been completed in South Australia where approximately the same acreage (1.6 million acres) as last year has been sown. Present prospects are for good crops with high yield. Pastures are in excellent condition. Follow-up rains have fallen in Victoria and New South Wales and pastoral and crop conditions are good. Queensland is enjoying a good season so far, except in the very far southwest pastoral area, which is very dry. A good winter season is in prospect for the pastoral industries with an upward trend in beef cattle numbers. Stock and pastures generally are in good condition.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1 to July 30, 1954-55
and Corresponding Period 1953-54

	Wheat		Wheat Flour	
	1953-54	1954-55	1953-54	1954-55
	- thousand bushels -			
Aden and Aden I/T	-	6	661	974
Belgian Congo	-	-	1	2
Borneo	-	-	-	5
British North Borneo	-	-	64	124
British West Indies	1	3	-	129
Brunei	-	-	13	14
Burma	24	115	628	818
Ceylon	4	12	6,894	4,746
Cocos Islands	-	-	1/	-
Cyprus	514	433	-	1/
Dutch New Guinea	-	-	7	32
Egypt (a/c War Office)	-	-	589	85
Eire	602	1,323	-	-
French Somaliland	-	-	3	4
Germany	2,982	806	-	-
Greece	-	-	1/	-
Hadhramaut	-	-	-	5
Hong Kong	14	652	-	-
Hong Kong (General)	-	-	238	195
Hong Kong (a/c War Office)	-	-	42	51
India	2,963	12,348	-	-
Indonesia	-	1	3,592	3,056
Italy (a/c S/S)	-	-	-	21
Japan	246	3,149	-	-
Jordan	-	771	-	320
Korea	-	-	401	-
Kure (a/c War Office)	-	-	109	14
Lebanon	-	720	1	70
Libya	-	-	17	52
Malaya	246	430	-	-
Malaya (General)	-	-	3,638	4,573
Malaya (a/c War Office)	-	-	73	111
Malta	-	281	-	-
Mauritius	-	1	783	873
Netherlands	318	438	-	-
New Zealand	4,716	5,612	1/	1/
Nyasaland	-	-	19	69
Pacific Islands	14	19	969	1,465
Palestine	-	-	-	6
Persian Gulf	43	54	62	129
Philippines	-	-	28	74

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1 to July 30, 1954-55 and Corresponding Period 1953-54 (concluded)

	Wheat		Wheat Flour	
	1953-54	1954-55	1953-54	1954-55
- thousand bushels -				
Pondicherry	-	-	11	7
Port Said (a/c S/S)	-	-	33	36
Portuguese East Africa ...	118	302	3	1/
Portuguese India	115	27	103	52
Reunion	-	-	48	-
Rhodesia	1,301	1,726	2	-
Roumania	-	283	-	-
Sarawak	-	-	106	118
Saudi Arabia	29	59	3	75
Seychelles	-	-	17	26
Siam	3	4	321	436
Sudan	-	-	188	926
Syria	-	355	-	-
Tahiti	-	-	145	147
Timor	-	-	14	22
United Kingdom	6,471	13,624	783	3,573
Yemen	-	-	3	5
Yugoslavia	-	-	-	1/
Zanzibar	4	7	-	355
Royal Navy	13	19	7	19
Ships' Stores	-	-	84	88
Totals	20,741	43,580	20,700	23,900

1/ Less than 500 bushels.

FRENCH SITUATION

The following account of the current crop situation in France has been extracted from a report provided by Miss V. F. Wightman, Commercial Secretariat, Canadian Embassy, Paris, under date of August 19, 1955, and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Where possible, conversions from French to Canadian measures have been made and rounded for the convenience of our readers. Currency conversions have been made at the rate of one franc equals .00282 Canadian dollars, the rate in effect on August 26, 1955.

Growing Conditions According to the French Ministry of Agriculture crop report, hot weather alternating with rain during July aided plant development and hastened maturity, although some damage was inflicted by storms. Harvesting began about ten days behind normal and was often interrupted by rain although later in August the weather became more settled. According to present estimates yields of grain crops appear to be slightly lower than last season.

Wheat The official forecast at August 1 at 9,846,760 tons (361.8 million bushels) is slightly reduced from the July 1 figure of 9,907,360 (364.0 million bushels). This is attributed by the Ministry to the generally inferior growing conditions compared with last year, and particularly the winter and very dry spring, coupled latterly with rain and hail damage. Private reports indicate that threshing yields are lower than was expected and in the Brie, to the southeast of Paris, yields are reported to be 10 to 30 per cent lower than last year. Furthermore, the spring drought in the south and center of the country has reduced yields considerably and in Brittany prospects are less bright than last year. On the other hand, satisfactory yields are expected in the North which is the main wheat zone.

The August 1 forecast by the Ministry of Agriculture of yields and production is as follows:

Estimate French Grain Crops, August 1, 1955

Grain	Yield per Acre			Production		
	Average 1950-1954	1954	Aug. 1, 1955	Average 1950-1954	1954	Aug. 1, 1955
	- bushels -			- thousand bushels -		
Wheat	29	35	32	314,417	388,224	361,803
Rye	18	20	18	20,143	20,234	17,920
Barley	33	38	37	89,782	115,958	117,936
Oats	41	44	44	228,092	231,959	226,187

French Supplies of Soft Wheat at July 1, 1955
(Commercial Stocks Owned by Grain Board)

Item	1954-55
	- million bushels -
Commercial carryover, August 1, 1954	30.4
Farmers' marketings August 1, 1954-June 30, 1955	285.2
Total Commercial Supplies	315.6
Less domestic requirements for crop year	183.7
Available for export and carryover	131.8
Deduct exports of wheat and flour in wheat equivalent August-June 30	87.7*
Balance July 1, 1955 for export and carryover	44.2

*Comprising 78.9 million bushels to foreign countries and 8.8 million bushels for French Union, including exports of flour in wheat equivalent of 11.7 million bushels.

Source: Private estimate based on Grain Board figures.

Principal Markets The following countries have been the chief markets for French wheat and flour during the 1954-55 crop year to date.

Principal Markets for Wheat and Flour, August 1, 1954—June 30, 1955

Countries	Wheat and Flour	Countries	Wheat and Flour
	- thousand bushels -		- thousand bushels -
Ceylon	3,132	Poland	7,699
Denmark	7,877	Roumania	2,844
Germany	13,429	Switzerland	2,658
Hungary	13,545	United Kingdom	15,617
Netherlands	1,955		

Monthly Exports The following are wheat and flour exports by months for the 1954-55 crop year to date.

Monthly Wheat and Flour Exports, August 1, 1954—June 30, 1955

Month	Foreign Countries	French Union	Total
	- thousand bushels -		
August, 1954	2,171	1,078	3,249
September	3,108	1,066	4,174
October	4,882	1,152	6,034
November	5,163	978	6,142
December	8,095	921	9,016
January, 1955	15,194	739	15,933
February	12,603	701	13,304
March	6,898	684	7,581
April	5,985	591	6,576
May	7,471	453	7,924
June	7,322	433	7,754
Totals	78,892	8,796	87,687

Wheat Price On August 6, the French Government announced that the basic price
Remains the Same for the 1955 wheat crop would be the same as last year, 3,400 francs per quintal (\$2.61 per bushel). Prices for barley and oats are reduced slightly, new grain prices being as follows:

	1953	1954	1955
	- francs per quintal -		
Wheat	3,600	3,400	3,400
Corn	3,600	3,600	3,600
Barley	2,400	2,450	2,350
Oats	2,100	1,950	1,900
Rye	2,700	2,550	2,550

The Grain Plan which is at present in force for determining the wheat price, ties the level in with the indices for cost of living and for farm requisites. As these two indices have shown very little change over the past year, they would have a very slight bearing on the new price. In addition, the price is supposed to be reduced by 1 per cent each year to encourage efficiency and the government has the right to raise or lower the price arbitrarily by 6 per cent. However, in view of the fact that 8 per cent of the crop will not receive the guaranteed price (see below), it was considered that the actual price was already sufficiently modified, and the basic rate remains unchanged.

The prices for wheat and corn are guaranteed to the farmer by direct government purchase whereas those for barley, oats and rye represent the level at which the government will take over stocks at the end of the season. The press reports that the Wheat Producers Association urged the government not to lower the barley price since it will probably result in some switch to wheat whereas the export subsidy for barley is much lower.

While the official texts on this season's prices and regulations have not appeared, reliable trade information indicates the following:

Guaranteed Quota.— As announced last fall, the guaranteed basic price will apply to only 6.8 million tons (249.9 million bushels) of wheat delivered to the Grain Board. On the basis of the current crop estimate of 9.8 million tons (361.8 million bushels), the government has announced that 92 per cent of the wheat delivered by each farmer will be paid at the official price; for the remaining 8 per cent, farmers will receive an interim payment of 1200 francs per quintal (92 cents per bushel) on delivery and on July 1, 1956 the difference between this and the average price obtained for exports between August 16, 1955 and June 30, 1956.

<u>Levy to Cover Export Losses</u>	The system of a levy on farmers' marketings to help cover the cost of exporting wheat is being continued with the same basic charge of 196 francs per quintal (15 cents per bushel). This basic charge applies to deliveries of 76 to 100 quintals (277—367 bushels); it is halved for lower deliveries and increases progressively up to 150 per cent for deliveries over 1000 quintals (3,674 bushels). The only change this year is that deliveries under 50 quintals (184 bushels) are exempted from any charge whereas last season this applied to deliveries under 25 quintals (92 bushels).
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It is understood that a new export levy will apply to deliveries of barley and rye, at the rate of 20 francs per quintal (approximately 1 cent per bushel), to help offset any losses on their export.

<u>Quality of Grain</u>	It has not proved practical for the current season to begin the application of bonuses and rebates in accordance with the bread making quality of grain, as announced by the government last fall. However, by mid-September it is understood that there will be published a list of soft wheat varieties which will not be considered of commercial grade after August 1, 1956.
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The standard weight to which the basic price applies remains the same at 75 kilograms per hectolitre (60 pounds per bushel). Below 67 kilograms (54 pounds per bushel) wheat is no longer considered of commercial grade. The comparable weight last year was 66 kilograms (53 pounds per bushel).

Farm Reaction The Wheat Producers Association, while regretting that the Government did not accept their suggested price of 3450 francs per quintal (\$2.65 per bushel), declared themselves generally satisfied with the new season's regulations. In a recent policy statement, they stated that as yields rise, France is moving towards a regular wheat crop of from 10 to 11 million metric tons (367 to 404 million bushels), and a permanent export surplus of 2 to 3 million tons (73 to 110 million bushels). They declare that with rising yields, the acreage must be cut back in order to prevent excessive surpluses, and that the new quota on the guaranteed price should be considered a warning in that sense.

The Association is also recommending a reduction of four points in the extraction rate, which they claim would use another 200,000 tons (7.3 million bushels) of wheat on the domestic market, and provide additional millfeeds for the livestock industry and lower the overall cost of subsidizing wheat exports.

CALENDAR OF WHEAT EVENTS

- August 8 On the basis of conditions at the end of July, the 1955 wheat yield in the United Kingdom is forecast at 39.2 bushels per acre, compared with 37.7 a year ago and the five-year, 1950-54 average of 37.3 bushels.
- 9 The Canadian Wheat Board announced that individual permit holders who had not completed their deliveries under the final 1954-55 general quota of 8 bushels per specified acre, could now deliver the balance of the quota, but only through the marketing of old crop grain. For details see Instructions to the Trade re Quota, No. 2.
- 10 Based on conditions at August 1, the production of all wheat in the United States was forecast at 911 million bushels, an increase of 50 million bushels over the July 1 forecast. The prospective 1955 crop is 6 per cent smaller than the 1954 crop and 21 per cent below the 1944-53 average.
- September 7 A new pricing system designed to facilitate the movement of western feed grain (wheat, oats and barley) to Eastern Canada was inaugurated by the Canadian Wheat Board.
- 7 The 1954-55 wheat crop in Uruguay is estimated at a record 31 million bushels. The United States Foreign Agriculture Service places the quantity available for export at 23 million bushels.

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Preliminary Data on Canadian Wheat, Crop Year 1954-55, with Comparisons

Item	1952-53	1953-54 <u>1/</u>	1954-55 <u>2/</u>
	- thousand bushels -		
Production	687,922	613,962	298,909
Marketings <u>3/</u>	535,989	396,961	300,667
Inspections <u>3/</u>	470,368	337,115	301,460
Receipts, Fort William-Port Arthur.	293,614	161,142	154,235
Shipments, Fort William-Port Arthur	278,484	138,211	166,124
Exports, wheat and wheat flour	385,527	255,081	251,800
I.W.A. sales	231,079	90,895	109,536
Carryover, end of crop year	369,185	582,675	481,363

1/ Revised. 2/ Preliminary. 3/ Western Canadian wheat only.

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