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THE WHEAT REVIEW

DECEMBER, 1955

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Department of Trade and Commerce

THE WHEAT REVIEW

DECEMBER, 1955

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Minister of Trade and Commerce

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about December 1, 1955 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 2,157.4 million bushels, some 8 per cent greater than the 1,997.9 million available a year ago. Supplies at December 1, 1955 (in millions of bushels) were held as follows, with last year's figures in brackets: United States, 1,239.6 (1,196.1); Canada, 748.3 (648.0); Australia, 91.6 (93.5); and the Argentine, 77.9 (60.3). Estimates for both years include on-farm stocks as well as those in commercial positions.

Supplies shown for December 1 in the two Southern Hemisphere countries consisted only of the carryover at the end of their crop years. The supply data to appear in the January issue of this publication will include the new Argentine and Australian crops. Preliminary estimates of the new crops indicate that their combined total may amount to some 355.8 million bushels, down sharply from the combined total of 449.2 million for the previous year's crops.

Exports Total exports of wheat and flour in terms of wheat from the four major exporting countries for the first four months of the current Canadian crop year, at 223.9 million bushels were down about 9 per cent from the shipments of 244.8 million during the comparable period of the 1954-55 crop year. Shipments from each of the four countries during August-November of the current and five preceding years are shown in the table below.

Exports of Wheat and Flour in Terms of Wheat, August—November, 1955 with Comparisons

August—November	United States	Canada	Argentina	Australia	Total
			- million bushels -		
1950	70.2	72.8	20.2	39.7	202.9
1951	155.2	115.0	20.3	39.2	329.7
1952	104.7	138.3	-	27.4	270.4
1953	70.0	103.4	43.2	22.0	238.6
1954 1/	75.3	97.5	45.2	26.8	244.8
1955 2/	71.3	79.5	43.4	29.7	223.9

1/ Revised.
2/ Preliminary.

Wheat Trade Prospects According to the United States Department of Agriculture world wheat exports, including flour in terms of wheat, in 1954-55 (July-June) totalled about 950 million bushels, an increase of some 7 per cent from 1953-54. This source considers that exports in 1955-56 may be close to those of the preceding marketing season despite the large 1955 crop and high-level supplies in many importing countries. The four major exporting countries have ample quantities available for export. France and Sweden may export more than a year ago, and Turkey will also be a net exporter in 1955-56. Syria and Iraq, however, have smaller quantities available than in 1954-55.

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

Importing Countries	Guaranteed Quantities	SOURCE				Total Purchases	Remainder 3/
		Canada 1/	Australia 2/	France 2/	U.S.A. 2/		
		- thousand bushels -					
Austria	9,186	934	-	-	-	934	8,252
Belgium	23,883	3,306	2	-	717	4,025	19,858
Bolivia	4,042	-	-	-	1,534	1,534	2,508
Brazil	13,228	-	-	-	216	216	13,012
Ceylon	10,288	-	4,667	363	-	5,030	5,258
Costa Rica	1,286	283	-	-	326	609	677
Cuba	7,422	527	-	-	2,628	3,155	4,267
Denmark	1,837	-	-	-	-	-	1,837
Dominican Republic .	1,102	215	-	-	221	436	666
Ecuador	2,388	440	-	-	73	513	1,875
Egypt	14,697	-	-	-	-	-	14,697
El Salvador	735	118	-	-	389	507	228
Germany	55,116	10,425	1,992	-	6,541	18,958	36,158
Greece	12,860	-	-	-	4,275	4,275	8,585
Guatemala	1,286	31	-	-	108	139	1,147
Haiti	1,837	311	-	-	679	990	847
Honduras Republic ..	735	16	-	-	156	172	563
Iceland	404	3	-	-	12	15	389
India	36,744	-	-	-	336	336	36,408
Indonesia	6,246	-	3,262	-	42	3,304	2,942
Ireland	10,105	1,615	683	-	-	2,298	7,807
Israel	8,267	724	-	-	169	893	7,374
Italy	3,674	-	-	-	2,604	2,604	1,070
Japan	36,744	7,629	4,656	-	4,216	16,501	20,243
Jordan	2,940	-	-	-	3	3	2,937
Korea	1,470	-	-	-	-	-	1,470
Lebanon	2,756	-	-	-	310	310	2,446
Liberia	73	4	-	-	14	18	55
Mexico	14,697	-	-	-	2,353	2,353	12,344
Netherlands	24,802	1,389	95	-	3,004	4,488	20,314
New Zealand	5,879	-	3,329	-	-	3,329	2,550
Nicaragua	367	125	-	-	214	339	28
Norway	8,451	2,924	-	-	1,401	4,325	4,126
Panama	845	87	-	-	235	322	523
Peru	7,349	-	-	-	6	6	7,343
Philippines	8,672	2,674	159	-	1,883	4,716	3,956
Portugal	7,349	210	359	-	1,361	1,930	5,419
Saudi Arabia	4,409	-	-	-	108	108	4,301
Spain	9,186	-	-	-	993	993	8,193
Switzerland	7,900	1,625	-	-	-	1,625	6,275
Union of S. Africa .	13,228	5,040	-	-	1,045	6,085	7,143
Vatican City	551	-	-	-	321	321	230
Venezuela	6,247	1,872	-	-	2,109	3,981	2,266
Yugoslavia	3,674	-	-	-	-	-	3,674
Totals	394,957	42,527	19,204	363	40,602	102,696	
Guaranteed Quantities (Exporting Countries)		153,077	45,013	344	196,523	394,957	
Balance		110,550	25,809	(19)	155,921	292,261	

1/ Canadian sales through December 30, 1955.

2/ Sales recorded by International Wheat Council through December 23, 1955.

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

CANADIAN SITUATION

Provision for Payment of Carrying Costs of Temporary Excess Reserves Speaking in the House of Commons on January 12, 1956 the Right Hon. C. D. Howe, Minister of Trade and Commerce, moved that the house go into committee at the next sitting to consider the following resolution, which had been recommended to the house by His Excellency:

"That it is expedient to introduce a measure for the payment of carrying costs of temporary wheat reserves owned by the Canadian wheat board in respect of board stocks of wheat in excess of one hundred and seventy-eight million bushels at the commencement of a crop year, such payment to be made to the board by the Minister of Finance out of the consolidated revenue fund."

Supply Position Estimated supplies of wheat in Canada for the 1955-56 crop year, consisting of the August 1 carryover of 493.7 million bushels and the 1955 crop of 494.1 million, amount to some 987.8 million. Supplies of this size are about 8 per cent greater than the comparable 1954-55 total of 910.7 million bushels. After deducting anticipated domestic requirements of 160.0 million bushels, some 827.8 million remain available for export and for carryover during 1955-56 as against 745.5 million available in 1954-55.

Canadian Wheat Supplies

Item	1954-55 1/	1955-56 2/
	- million bushels -	
Carryover in North America at beginning of crop year (August 1)	601.7	493.7
New crop	308.9	494.1
Imports of wheat, August-October	0.1	3/
Total estimated supplies	910.7	987.8
Less estimated domestic requirements for crop year	165.2	160.0
Available for export and for carryover	745.5	827.8
Deduct:		
Overseas clearances of wheat as grain, August-November	81.6	65.2
Exports of Canadian wheat to U.S., August-November	1.6	1.6
Total exports of wheat	83.2	66.8
Exports of wheat flour in terms of wheat, August-November	14.2 4/	12.8
Total exports of wheat and wheat flour	97.5	79.5
Balance on December 1 for export and for carryover	648.0	748.3

1/ Subject to revision.
2/ Preliminary.
3/ Less than 50,000 bushels.
4/ Adjusted to remove effect of time lag in the returns made by Customs.

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the August-November period of the current crop year amounted to 79.5 million bushels compared with 97.5 million exported during the same months of the preceding crop year. The balance remaining on December 1, 1955 for export and for carryover was estimated at 748.3 million bushels, 15 per cent above the December 1, 1954 total of 648.0 million.

Primary marketings of wheat by farmers in the Prairie Provinces up to December 21, 1955 have amounted to 83.6 million bushels, about 15 per cent below the comparable 1954 total of 98.8 million. Although lack of space in country elevators has been a limiting factor in some areas, severe weather conditions and snow-blocked roads during the latter part of December and early January hindered deliveries in many localities. With weekly marketings generally approximating weekly disappearance figures (overseas clearances plus the amount moving into Canadian domestic channels plus exports to the United States) visible supplies of Canadian wheat have accordingly been subject to only minor fluctuations during the past several weeks. During the period from October 5 to December 21, the weekly visible supply of Canadian wheat has varied only from a high of 371.0 million bushels for the week ending October 5 to a low of 363.1 million for the week ending December 7. Total visible supplies at December 21 (as shown on page 8 of this issue) stood at some 364.9 million bushels compared with 350.1 million at approximately the same date in 1954 and 371.1 million in 1953.

Some 213.4 million bushels of the December 21 total were held in country elevators, slightly above both the 199.0 million in this position a year ago and 200.9 million two years ago. Lakehead stocks of wheat at December 21, 1955 amounted to 29.7 million bushels slightly above the corresponding 1954 total of 25.7 million but down from the 1953 figure of 38.9 million bushels. Stocks of 40.4 million bushels in Bay Lake and Upper St. Lawrence ports exceeded by small margins the comparable totals of 36.7 million and 39.8 million bushels in 1954 and 1953, respectively. Supplies in forward eastern export positions (Lower St. Lawrence and Maritime ports) totalled 22.5 million bushels compared with 22.6 million a year ago and 18.4 million bushels two years ago. Supplies in West Coast ports at 7.0 million bushels were below both the 1954 total of 10.3 million and the 1953 figure of 10.4 million bushels. Some 18.0 million bushels of wheat were in "Storage Afloat" (Eastern Division) at December 21, 1955 as against 20.3 million in 1954 and 18.5 million in 1953.

<u>November Exports of Wheat and Flour Total 20.0 Million Bushels</u>

Total exports of Canadian wheat and wheat flour in terms of grain equivalent during November, 1955 amounted to a total of 20.0 million bushels representing an 11 per cent increase over the October level of 18.0 million but 16 per cent below the November, 1954 total of 23.6 million bushels. The ten-year 1944-1953 average for the month of October was 28.4 million bushels. Exports of wheat as grain totalled 16.9 million bushels as against 14.5 million during the preceding month and 20.5 million during November, 1954. Preliminary Customs returns indicate that the equivalent of 3.1 million bushels of wheat was exported in the form of flour during November, 1955 compared with 3.6 million during October and the adjusted November, 1954 figure which also amounted to some 3.1 million bushels.

Cumulative exports of wheat as grain during the August-November period of the current crop year amounted to 66.8 million bushels approximately one-fifth below the comparable 1954-55 total of 83.2 million. The United Kingdom as the principal market for Canadian wheat as grain has received shipments amounting to 30.1 million bushels, representing 45 per cent of the August-November total. Other

leading markets for Canadian wheat as grain during the four-month period, with quantities in millions of bushels, were as follows: Japan, 10.2; Federal Republic of Germany, 8.3; Belgium, 4.3; Poland, 1.9; Norway, 1.7; United States, 1.6; Italy, 1.5; Austria, 1.4; and Ireland, 1.3.

Cumulative exports of wheat flour up to December 1 of the current crop year, based on preliminary Customs returns, were the equivalent of 12.8 million bushels of wheat. This year's total is about 10 per cent below the adjusted 1954 August-November total. As with wheat as grain the United Kingdom was the major market for Canadian wheat flour, taking the equivalent of 3.6 million bushels, or 28 per cent of the 1955 August-November shipments. Other principal markets for Canadian wheat flour in terms of grain equivalent, with quantities in millions of bushels, were as follows: Philippine Islands, 2.0; Venezuela, 1.2; Trinidad and Tobago, 0.8; Jamaica, 0.4; and 0.3 million to each of Leeward and Windward Islands, Gold Coast, Belgian Congo and United States.

1955 Navigation Season Closed December 15

According to a report from the Board of Grain Commissioners for Canada, the final grain cargo of the 1955 season cleared the Lakehead on the Sir Thomas Shaughnessy on Thursday, December 15. A total of 999 grain boats loaded 262.5 million bushels of the five principal grains at Fort William—Port Arthur terminal during the season which opened officially on April 20. The 1955 shipments were heavier for rye and flaxseed, lower for oats and barley and fractionally higher for wheat than the volumes of these grains carried in the 1,104 cargoes which cleared during the 1954 season. Totals for each of the grains shipped by water out the Lakehead during 1955, with 1954 data in brackets, were as follows, in millions of bushels: wheat, 141.6 (140.7); oats, 31.9 (58.5); barley, 67.9 (80.7); rye, 11.1 (8.5); and flaxseed, 10.0 (4.4). At the close of navigation, Lakehead terminal stocks of all grains amounted to 36.6 million bushels about 10 million bushels below the comparable 1954 figure of 46.5 million. Also at the close of navigation some 83 vessels tied up as winter storage cargoes at Canadian ports with a total load of 21.2 million bushels.

New Bulletin Issued by the Board of Grain Commissioners

The first issue of a new quarterly bulletin entitled Canadian Wheat Cargoes, 1955-56 has been released by the Board of Grain Commissioners. The publication will deal with the quality of Canadian wheat exported in each quarter of the crop year.

Canadian Wheat Board To Use Cwt. Units for Flour in Place of "Barrel"

The barrel as a unit of measuring flour has been discontinued by the Canadian Wheat Board. The Board will use the decimal system in units of 100 lb. of flour which will be referred to hereafter by the Board as cwt. In its Instructions to the Trade, Mills No. 7, under date of December 16, 1955 the Board announced that on and after January 1, 1956 all flour booked with the Board will be on the basis of 2.3 bushels per cwt. for patent flour and 1.7 bushels per cwt. for whole wheat flour.

Delivery Quotas

Purchase of Registered or Certified Seed Wheat, Oats or Barley by Producers

In its Instructions to the Trade, re Quotas, No. 48, under date of January 4, 1956, the Canadian Wheat Board announced the following arrangements which may be utilized by producers in acquiring Registered or Certified seed wheat, oats or barley for seeding purposes.

Effective immediately, a producer desiring to purchase up to One Hundred and Fifty (150) bushels of Registered or Certified seed wheat or oats or barley (or any combination of these grains up to 150 bushels) through the Crop Improvement Associations, the Crop Testing Plan, from a bona fide dealer in registered and certified seed, or from a registered seed grower, to be used for seeding purposes on his farm, may deliver and sell to an elevator company, in payment or in part payment for such seed, a quantity not exceeding Four Hundred (400) bushels of any kind of commercial grain in excess of present or future delivery quotas in effect at the delivery point designated in the producer's permit book, provided that:-

The proceeds of the commercial grain delivered by the producer do not exceed the cost to the producer of the registered or certified seed purchased.

On or before delivery of the commercial grain the producer either signs an order with the elevator agent for the seed required on forms provided for this purpose, or submits certified copy of invoice covering the purchase of registered or certified seed with instructions to the elevator agent to issue a cash ticket in favor of the seller for the value of the grain delivered over the quota in accordance with this instruction.

In all cases proper entries covering the grain delivered by the producer must be made in the producer's delivery permit book in the space provided for supplementary quotas with the notation "Seed Grain Purchase".

This instruction expires on June 30, 1956.

Supplementary Rye Quota — In its Instructions to the Trade re Quotas No. 52 under date of January 11, 1956 the Canadian Wheat Board announced in part that "Effective immediately producers whose 1955-56 delivery permits indicate an acreage seeded to rye may deliver a supplementary rye quota of three (3) bushels per acre seeded to rye, or a minimum of one hundred (100) bushels."

General Quota Position — By January 11, 1956 out of 2,080 shipping points in the Western Division, the Canadian Wheat Board had been able to place 1,014 on a general quota of 1 bushel per specified, 394 on a 2-bushel quota and, 108 on a 3-bushel quota. Of the remaining points, 551 were still on the initial unit quota, (1955-56). Thirteen stations were reported as "closed".

Summary of Elevator Shipping Points in Each Quota Group as at January 13, 1956

Province	General Quota in Bushels per Specified Acre			Initial Unit Quota 1955-56	Closed Stations	Total
	One	Two	Three			
Ontario	-	-	-	1	1	2
Manitoba	173	116	67	21	1	378
Saskatchewan	550	174	25	356	2	1,107
Alberta	291	102	16	171	9	589
British Columbia ...	-	2	-	2	-	4
All Provinces .	1,014	394	108	551	13	2,080

Farmers' Marketings Total deliveries of wheat by farmers in the Prairie Provinces during the August 1—December 21 period of 1955 amounted to 83.6 million bushels as against 98.8 million during the comparable period of 1954. During the period under review flaxseed was the only grain marketed in greater volume in the crop year 1955-56 compared with 1954-55. Current deliveries of the other grains with figures for the corresponding period of the preceding crop year in brackets were as follows, in millions of bushels, oats, 16.3 (43.1); barley, 43.3 (63.9); rye, 1.4 (6.4); and flaxseed, 12.5 (7.3).

Farmers' Marketings of Wheat in the Prairie Provinces, 1955-56

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
			- bushels -		
August 10, 1955 .	-	-	-	-	4,309
17	31,456	109,355	43,576	184,387	5,138
24	437,746	1,472,425	450,092	2,360,263	2,609
31	656,780	2,174,213	675,519	3,506,512	149,920
September 7	697,862	4,984,565	983,712	6,666,139	291,945
14	667,123	4,667,118	1,744,408	7,078,649	601,588
21	475,731	3,309,906	1,714,465	5,500,102	765,404
28	316,008	1,776,279	925,933	3,018,220	1,559,360
October 5	429,775	2,345,989	1,070,864	3,846,628	2,005,274
12	401,022	1,781,424	1,016,420	3,198,866	2,630,510
19	504,323	2,111,378	1,348,295	3,963,996	8,744,537
26	560,576	2,187,426	1,271,783	4,019,785	10,783,508
November 2	733,638	2,202,273	1,121,821	4,057,732	9,266,388
9	745,002	3,061,854	975,578	4,782,434	8,027,519
16	769,387	3,834,898	1,053,152	5,657,437	7,159,311
23	654,412	3,815,850	1,127,161	5,597,423	7,535,766
30	439,614	3,466,772	1,052,857	4,959,243	8,239,759
December 7	516,879	3,550,977	1,040,755	5,108,611	9,556,484
14	678,774	4,298,529	1,520,139	6,497,442	10,821,432
21	418,894	1,997,236	1,177,246	3,593,376	10,690,288
Totals	10,135,002	53,148,467	20,313,776	83,597,245	98,841,049
Average similar period 1944-45—1953-54	29,593,582	125,957,735	60,137,059	215,688,376	

Visible Supply of Canadian Wheat, December 21, 1955
Compared with Approximately the Same Date, 1953 and 1954

Position	1953	1954	1955
		- thousand bushels -	
Country elevators - Manitoba	20,283	23,772	23,194
Saskatchewan	114,943	113,852	117,365
Alberta	65,683	61,399	72,887
Totals	200,909	199,023	213,445
Interior private and mill	6,171	6,005	6,283
Interior terminals	13,412	14,827	15,079
Vancouver-New Westminster	9,670	9,730	6,543
Victoria	418	507	376
Prince Rupert	313	53	37
Churchill	2,516	2,400	4,308
Fort William-Port Arthur	38,854	25,677	29,659
Storage Afloat	195	-	177
In transit rail (Western Division)	17,332	8,707	5,514
Bay, Lake and Upper St. Lawrence Ports ..	39,765	36,665	40,389
Lower St. Lawrence and Maritime Ports ...	18,397	22,587	22,499
Storage Afloat	18,491	20,307	18,013
In transit rail (Eastern Division)	3,459	3,420	2,437
United States ports	1,161	236	101
In transit U.S.A.	-	-	1
Totals	371,064	350,144	364,862

Grading of Wheat Inspected, August—November, 1955 with Comparisons

Grade	Crop Year		August—November			
	Average 1949-50—1953-54	1954-55	1954-55		1955-56	
	per cent	per cent	cars	per cent	cars	per cent
1 Hard	1/	-	-	-	-	-
1 Man. Northern	7.6	4.3	3,446	6.3	1,817	3.7
2 Man. Northern	30.8	35.8	26,810	49.0	17,077	35.0
3 Man. Northern	16.1	26.4	11,770	21.5	13,956	28.6
4 Man. Northern	8.0	8.3	2,586	4.7	3,015	6.2
5 Wheat	8.2	4.5	964	1.8	1,929	4.0
6 Wheat	4.2	2.2	404	0.7	927	1.9
Feed Wheat	0.7	1.0	99	0.2	251	0.5
Garnet	0.8	0.9	740	1.4	235	0.5
Amber Durum	2.3	1.8	1,519	2.8	4,059	8.3
Alberta Winter	0.3	0.4	322	0.6	99	0.2
Toughs 2/ 3/	16.2	11.9	[illegible],027	9.2	3,264	6.7
Damps 2/ 4/	3.6	0.3	85	0.2	4	0.1
Rejected 2/	0.7	2.1	667	1.2	1,961	4.0
All others	0.5	0.4	269	0.5	211	0.4
Totals	100.0	100.0	54,708	100.0	48,805	100.0

1/ Less than .05 per cent.

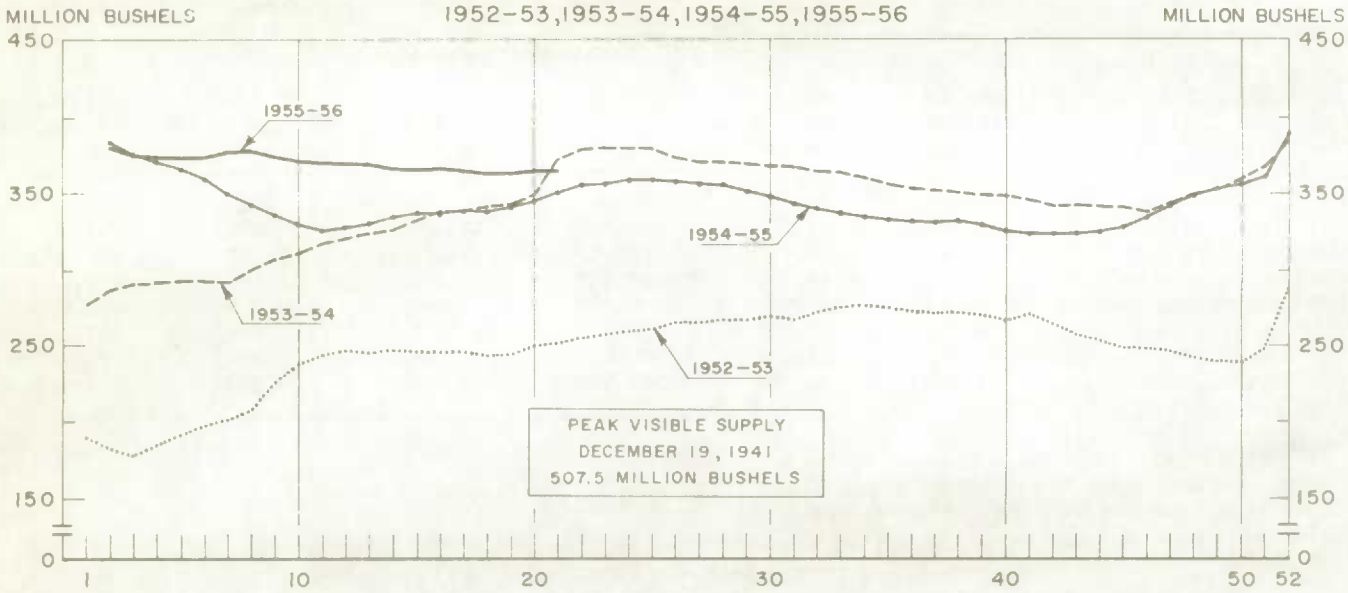
2/ All varieties and grades.

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

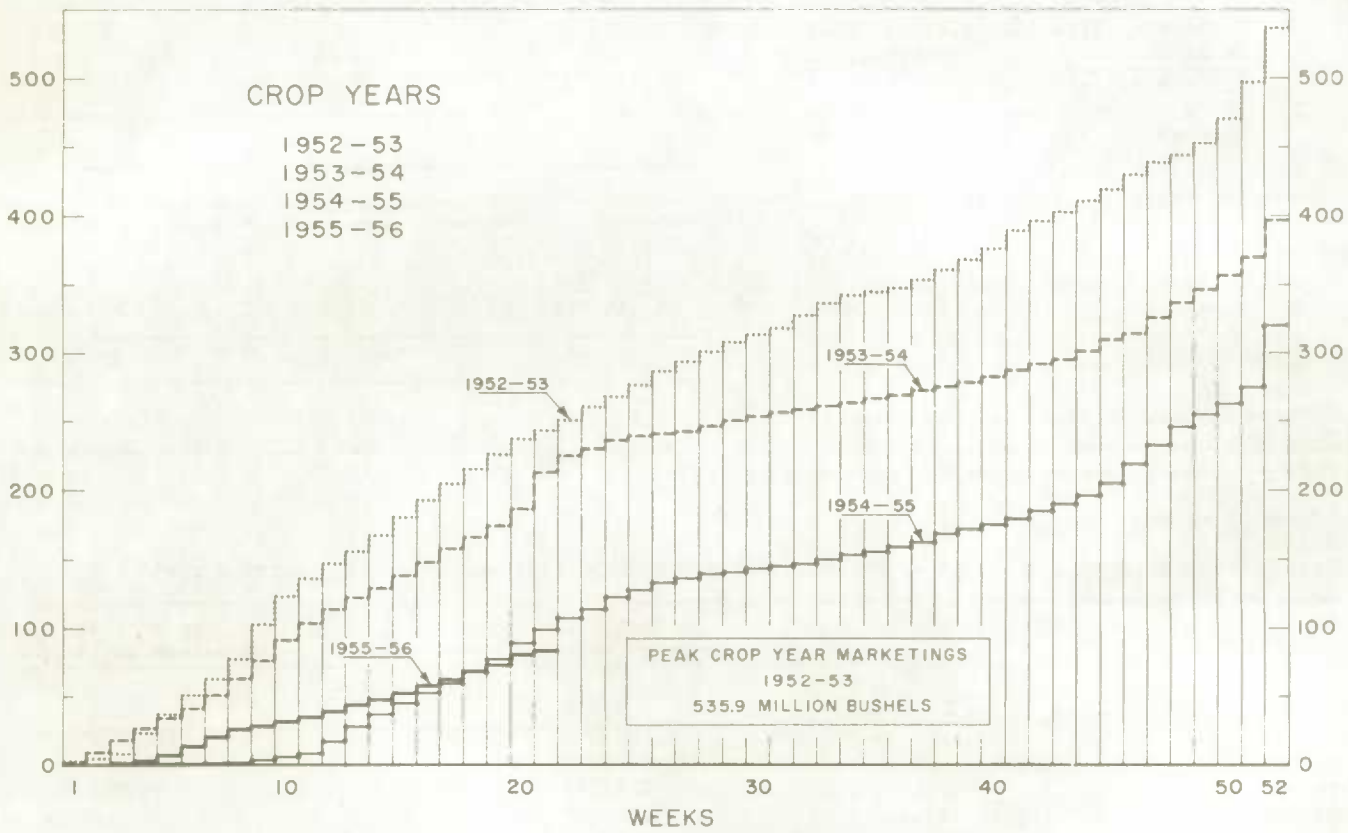
4/ Moisture content over 17 per cent.

WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT

1952-53, 1953-54, 1954-55, 1955-56



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 Fort William-Port Arthur,
Season of Navigation, 1944--1955

Year	Wheat	Oats	Barley	Rye	Flaxseed	Total
			- thousand bushels -			
1944	304,249	80,011	56,344	8,156	7,205	455,964
1945	344,406	84,928	45,187	4,828	4,384	483,732
1946	147,431	56,006	30,777	3,771	2,184	240,170
1947	167,334	46,860	29,827	9,909	2,465	256,395
1948	133,422	37,611	33,564	6,808	8,353	219,759
1949	164,195	44,074	35,635	12,583	8,490	264,976
1950	137,048	27,358	26,762	7,219	3,502	201,889
1951	201,424	58,325	48,332	7,014	2,194	317,289
1952	246,093	92,704	96,863	9,089	6,058	450,808
1953	209,118	98,202	110,472	17,677	6,283	441,752
1954	140,705	58,473	80,672*	8,480	4,372	292,702*
1955	141,600	31,902	67,905	11,085	9,970	262,460

*Revised.

Wheat Shipments* to the United States by Destination August 1 to December 21, 1955
Compared with Approximately the Same Period 1953 and 1954

Destination	1953	1954	1955
		- bushels -	
By Vessel			
Duluth Superior	26,541	-	668,625
Milwaukee	-	-	52,923
Huron	-	40,000	-
Buffalo	2,700,131	1,683,591	-
Oswego	-	-	613,572
Chicago	-	-	234,616
Totals, Vessel	2,726,672	1,723,591	1,569,736
By Rail			
U. S. A. Seaboard Ports	7,348	-	1,335
Other U. S. A. Points	1,116,904	161,520	276,002
Totals, Rail	1,124,252	161,520	277,337
Totals, Shipments	3,850,924	1,885,111	1,847,073

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

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

Origin of Shipments	August 1 to November 30, 1954	August 1 to November 30, 1955
	- bushels -	
Port McNicoll	317,818	-
Midland	1,354,070	480,870
Collingwood	209,922	100,000
Owen Sound	223,728	75,000
Goderich	78,098	-
Totals	2,183,636	655,870

Rail Shipments of Wheat from Fort William--Port Arthur, 1952-53--1955-56

Month	1952-53	1953-54	1954-55	1955-56
		- bushels -		
August	191,711	191,336	61,070	56,951
September	1,181,046	236,030	50,633	64,033
October	936,757	173,043	46,053	63,975
November	651,957	138,440	81,253	148,576
December	464,914	347,824	179,272	
January	6,550,958	510,486	352,109	
February	9,566,151	368,662	318,009	
March	6,285,944	555,518	245,958	
April	189,339	378,681	169,137	
May	216,046	253,606	68,878	
June	136,014	37,349	43,601	
July	223,687	74,020	57,619	
Totals	26,594,524	3,264,995	1,673,591	

Distribution of Rail Shipments of Wheat from Fort William--Port Arthur, November, 1955

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	U.S.A.
			- bushels -			
5 Wheat	-	333	-	12,150	2,667	-
6 Wheat	-	-	-	4,500	13,500	5,072
Feed	-	-	-	9,000	-	-
Toughs	1,434	1,500	1,500	6,000	2,977	-
Rejected	-	-	1,334	-	3,314	-
Amber Durum	-	-	-	9,000	7,386	-
All Others	1,500	1,594	4,500	2,817	56,500	-
Totals	2,934	3,427	7,334	43,467	86,342	5,072

Overseas Exports of Canadian Grain by Ports of Loading, August 1 to December 21, 1955, with Comparisons

Ports	Wheat	Oats	Barley	Rye	Flaxseed
			- bushels -		
Pacific Seaboard					
Vancouver-New Westminster	26,525,728	250,234	3,142,382	-	184,585
Victoria	545,110	-	-	-	-
Prince Rupert	354,667	-	867,067	-	-
Churchill	12,818,845	-	-	-	-
St. Lawrence					
Montreal	21,298,537	1,240,448	6,480,518	1,638,440	5,249,095
Sorel	3,090,149	-	341,177	-	155,769
Three Rivers	2,708,228	-	420,000	-	-
Quebec	3,616,700	-	-	-	-
Maritime Ports					
West Saint John	632,985	-	-	-	233,964
Halifax	406,570	-	-	-	19,293
U.S. Atlantic Seaboard	181,000	-	-	-	-
Totals	72,178,519	1,490,682	11,251,144	1,638,440	5,842,706
August 1—December 22, 1954	93,957,144	2,367,754	22,783,441	1,772,053	1,097,647

Freight Assistance Shipments Claims filed for payments up to November 30, 1955 represent the movement of some 3,263 thousand bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia under the freight assistance policy during the August-October period of the current crop year. During the corresponding period in 1954 claims had been filed for 3,365 thousand bushels, indicating on the assumption of approximately the same rate of submission of claims during both this year and last, that the 1955 August—October wheat movements under the policy were slightly below those of 1954. Revised data on the 1954 August—October shipments, based on all claims submitted up to November 30, 1955, place the three-month total at 3,939 thousand bushels. About 78 per cent of the shipments during the period under review went to destinations in Ontario and Quebec.

Provincial Distribution of Wheat Shipments under the Freight Assistance Policy
August—October, 1955 and 1954

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
				- thousand bushels -				
August, 1955	7	26	76	58	487	441	193	1,288
September	9	20	100	45	483	427	99	1,183
October	1	12	39	28	394	301	15	792
Totals 1/	17	57	216	131	1,364	1,169	308	3,263
Same period 1954:								
Preliminary 2/	14	26	190	126	1,461	1,122	425	3,365
Revised 1/	22	27	216	137	1,533	1,245	758	3,939

Preliminary data on millfeed shipments under the freight assistance policy indicate shipments of 103,436 tons during the August—October period of the current crop year. This total based on claims filed up to November 30, 1955 will most likely be subject to considerable upward revision with the filing of additional claims. By November 30, 1954 claims had been filed for 112,850 tons out of a total of 134,200 tons shipped during the first quarter of the 1954-55 crop year. As with freight-assisted wheat shipments, the bulk of the millfeed shipments during the period under review went to destinations in Ontario and Quebec.

Provincial Distribution of Millfeed Shipments under the Freight Assistance Policy
August—October, 1955 and 1954

Province	1954		1955
	Preliminary 2/	Revised 1/	Preliminary 1/
		- tons -	
Newfoundland	497	761	642
Prince Edward Island	1,458	1,646	1,955
Nova Scotia	6,290	7,586	6,432
New Brunswick	6,509	7,620	5,927
Quebec	59,958	68,501	53,389
Ontario	30,648	35,840	29,489
British Columbia	7,490	12,246	5,602
Totals	112,850	134,200	103,436

1/ Based on claims filed up to November 30, 1955.

2/ Based on claims filed up to November 30, 1954.

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

Year and Month	Overseas Clearances of Canadian Wheat 1/	Exports of Canadian Wheat to U.S.A. for Domestic Use and Milling in Bond 2/	Customs 3/ Exports of Canadian Wheat Flour	Total	Customs 3/ Exports of Wheat and Wheat Flour
	- thousand bushels -				
1953-54					
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
1954-55					
August	15,666	185	3,326	19,177	18,481
September	25,744	209	3,699	29,653	28,460
October	20,046	882	4,063	24,990	28,269
November	20,160	331	3,145	23,636	21,526
December	16,201	131	3,132	19,465	22,001
January	14,792	335	2,850	17,976	17,184
February	14,102	96	3,181	17,379	17,706
March	16,719	173	3,564	20,456	17,603
April	12,705	152	4,844	17,701	20,080
May	15,041	531	3,649	19,221	20,175
June	18,510	1,048	2,710	22,268	21,992
July	17,143	386	2,458	19,987	19,491
Totals	206,829	4,458	40,622	251,909	252,968
1955-56 4/					
August	19,777	469	2,669	22,915	20,826
September	14,877	292	3,456	18,625	18,132
October	14,075	416	3,552	18,043	18,134
November	16,447	440	3,080	19,966	19,376
Totals	65,176	1,616	12,756	79,549	76,468

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 1953-54 and 1954-55 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 1955-56

Destination	August	November		August—November	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
			- bushels -		
COMMONWEALTH COUNTRIES					
United Kingdom	1,127,704	837,090	7,054,387	3,579,197	30,068,520
Africa					
British East Africa	1,836	-	-	5,508	-
Gambia	5,674	918	-	13,909	-
Gold Coast	24,368	47,196	-	334,476	-
Nigeria	14,895	8,878	-	128,173	-
Other British West Africa	-	-	-	6,710	-
Rhodesia	-	-	93,050	-	175,183
Sierra Leone	9,360	20,363	-	102,285	-
Union of South Africa	-	-	-	-	707,467
Asia					
Hong Kong	58,383	24,651	102,667	190,512	241,827
Malaya and Singapore	38,106	19,008	-	113,764	-
Europe					
Gibraltar	-	-	-	31,365	-
Malta	-	-	24,267	-	48,534
North America					
Bahamas	16,538	16,672	-	81,283	-
Barbados	36,468	36,864	-	121,869	833
Bermuda	6,754	8,892	-	32,130	-
British Honduras	1,471	2,903	-	16,146	-
Jamaica	83,412	113,233	1,600	439,425	7,400
Leeward and Windward Islands	123,332	89,235	-	342,878	-
Trinidad and Tobago	199,242	271,382	-	840,983	1,877
South America					
British Guiana	2,709	2,754	-	10,345	-
Totals, Commonwealth Countries	1,750,252	1,500,039	7,275,971	6,390,958	31,251,641
FOREIGN COUNTRIES					
Africa					
Azores and Madeira	9,837	4,203	-	19,400	-
Belgian Congo	79,736	64,355	-	312,881	-
Liberia	2,632	283	-	5,278	-
Morocco	-	-	-	18,095	-
Portuguese East Africa	1,768	-	56,000	3,996	56,000
Portuguese West Africa	5,818	8,933	-	24,602	-
Asia					
Arabia	513	2,376	-	7,726	20,209
Israel	-	-	574,760	-	683,774
Japan	26,946	160,137	3,307,360	237,848	10,201,564
Korea	-	-		50,616	-
Lebanon	-	12,177	-	57,766	-
Philippine Islands	253,229	544,613	-	2,031,827	-
Portuguese Asia	31,491	1,517	-	43,335	-
Syria	-	94	-	373	-
Thailand	22,941	8,262	-	78,777	-
Europe					
Austria	-	-	112,000	-	1,419,434
Belgium	-	25,060	273,591	25,060	4,326,121
Denmark	225	225	-	900	-
Finland	-	-	-	-	218,773

Exports of Canadian Wheat and Wheat Flour by Destination, 1955-56

Destination	August	November		August—November	
	Wheat Flour 1/2/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
			- bushels -		
FOREIGN COUNTRIES					
Europe					
Germany, Federal Republic	50,234	75,847	2,495,730	198,117	8,298,774
Greece	-	16,033	-	24,484	-
Iceland	5,234	-	-	5,233	-
Ireland	-	-	298,667	-	1,297,334
Italy	45,490	15,151	200,480	94,095	1,508,653
Netherlands	-	-	92,201	-	908,198
Norway	-	-	592,122	-	1,650,547
Poland	-	-	354,667	-	1,896,907
Portugal	-	-	-	2,515	-
Switzerland	-	-	620,047	-	978,507
Yugoslavia	-	-	-	6,885	-
North America					
American Virgin Islands	5,980	1,503	-	10,300	-
Costa Rica	53,118	52,416	-	207,972	-
Cuba	11,475	53,469	-	195,656	1,000
Dominican Republic	27,126	28,210	-	132,534	2,500
El Salvador	25,817	30,735	-	113,760	-
French West Indies	342	-	-	1,143	-
Guatemala	47,565	36,189	-	162,648	3,333
Haiti	34,790	89,118	-	218,349	-
Honduras	6,646	5,054	-	30,083	-
Netherlands Antilles	14,576	12,515	-	71,420	-
Nicaragua	60,413	25,533	-	147,006	-
Panama	17,154	23,261	-	100,409	-
St. Pierre and Miquelon	1,948	2,552	-	6,669	-
United States					
Flour in terms of wheat	64,107	61,942	-	277,947	-
For domestic use 4/	-	-	439,512	-	1,615,996
Oceania					
French Oceania	10,116	14,877	-	40,167	-
Guam	6,124	8,001	-	21,690	-
South America					
Bolivia	-	-	-	3,447	-
Chile	-	-	-	2,065	-
Colombia	29,187	28,683	735	108,090	735
Ecuador	-	-	191,929	-	447,541
Peru	112	5,162	-	18,927	-
Surinam	1,260	15,619	-	46,800	-
Venezuela	293,936	145,503	663	1,198,535	4,758
Totals, Foreign Countries	1,247,886	1,579,608	9,610,464	6,365,426	35,540,658
Totals, All Countries	2,998,138	3,079,647	16,886,435	12,756,384	66,792,299

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				
	Nov. 25	Dec. 2	Dec. 9	Dec. 16	Dec. 23
	- cents and eighths per bushel -				
Initial Payment to Producers					
1 Northern	140	140	140	140	140
2 Northern	136	136	136	136	136
3 Northern	134	134	134	134	134
4 Northern	126	126	126	126	126
5 Wheat	110	110	110	110	110
6 Wheat	104	104	104	104	104
Feed Wheat	98	98	98	98	98
1 C.W. Garnet	122	122	122	122	122
2 C.W. Garnet	117	117	117	117	117
1 Alberta Red Winter	124	124	124	124	124
2 Alberta Winter	119	119	119	119	119
1 C.W. Amber Durum	150	150	150	150	150
2 C.W. Amber Durum	147	147	147	147	147
3 C.W. Amber Durum	140	140	140	140	140
International Wheat Agreement and Domestic Sales					
1 Northern	173	173	172/7	171/3	171/2
2 Northern	169	169	168/7	167/3	167/2
3 Northern	164	164	163/7	162	161/2
4 Northern	157	157	156/7	155	154/2
5 Wheat	128	124/6	123	123	123
6 Wheat	121	119/2	118	118	118
Feed Wheat	114	114	114	114	114
1 C.W. Garnet	147	147	146/7	146/7	146/7
2 C.W. Garnet	143	143	142/7	142/7	142/7
3 C.W. Garnet	140	140	139/7	139/7	139/7
1 Alberta Red Winter	144	144	143/7	143/7	143/7
2 Alberta Winter	140	140	139/7	139/7	139/7
3 Alberta Winter	136	136	135/7	135/7	135/7
1 C.W. Amber Durum	205	205	204/7	204/7	204/7
2 C.W. Amber Durum	203	203	202/7	202/7	202/7
3 C.W. Amber Durum	202	202	201/7	201/7	201/7
Exports - Class II					
1 Northern	173	173	172/7	171/3	171/2
2 Northern	169	169	[illegible]/7	167/3	167/2
3 Northern	164	164	163/7	162	161/2
4 Northern	157	157	156/7	155	154/2
5 Wheat	128	124/6	123	123	123
6 Wheat	121	119/2	118	118	118
Feed Wheat	114	114	114	114	114
1 C.W. Garnet	147	147	146/7	146/7	146/7
2 C.W. Garnet	143	143	142/7	142/7	142/7
3 C.W. Garnet	140	140	139/7	139/7	139/7
1 C.W. Amber Durum	260	260	259/7	259/7	256/7
2 C.W. Amber Durum	256	256	255/7	255/7	252/7
3 C.W. Amber Durum	250	250	249/7	249/7	246/7

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

Class and Grade	Week ending				
	Nov. 25	Dec. 2	Dec. 9	Dec. 16	Dec. 23
	- cents and eighths per bushel -				
Initial Payment to Producers					
1 Northern	140	140	140	140	140
2 Northern	136	136	136	136	136
3 Northern	134	134	134	134	134
4 Northern	126	126	216	216	126
5 Wheat	110	110	110	110	110
6 Wheat	104	104	104	104	104
Feed Wheat	98	98	98	98	98
1 C.W. Garnet	122	122	122	122	122
2 C.W. Garnet	117	117	117	117	117
1 Alberta Red Winter	124	124	124	124	124
2 Alberta Winter	119	119	119	119	119
1 C.W. Amber Durum	150	150	150	150	150
2 C.W. Amber Durum	147	147	147	147	147
3 C.W. Amber Durum	140	140	140	140	140
International Wheat Agreement and Domestic Sales					
1 Northern	173	173	172/7	173	172/7
2 Northern	169	169	168/7	169	168/7
3 Northern	164	164	163/7	164	163/7
4 Northern	157	157	156/7	157	156/7
5 Wheat	128	124/6	123	124	124
6 Wheat	121	119/2	118	119	119
Feed Wheat	114	114	114	115	115
1 C.W. Garnet	147	147	146/7	146/7	146/7
2 C.W. Garnet	143	143	142/7	142/7	142/7
3 C.W. Garnet	140	140	139/7	139/7	139/7
1 Alberta Red Winter	144	144	143/7	143/7	143/7
2 Alberta Winter	140	140	139/7	139/7	139/7
3 Alberta Winter	136	136	135/7	135/7	135/7
Export - Class II					
1 Northern	173	173	172/7	173	172/7
2 Northern	169	169	168/7	169	168/7
3 Northern	164	164	163/7	164	163/7
4 Northern	157	157	156/7	157	156/7
5 Wheat	128	124/6	123	124	124
6 Wheat	121	119/2	118	119	119
Feed Wheat	114	114	114	115	115
1 C.W. Garnet	147	147	146/7	146/7	146/7
2 C.W. Garnet	143	143	142/7	142/7	142/7
3 C.W. Garnet	140	140	139/7	139/7	139/7
1 Alberta Red Winter	144	144	143/7	143/7	143/7
2 Alberta Winter	140	140	139/7	139/7	139/7
3 Alberta Winter	136	136	135/7	135/7	135/7

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during November, 1955 amounted to 1,857,000 barrels, representing an increase of about 5 per cent from the October, 1955 output of 1,771,000 barrels but virtually unchanged from the November, 1954 total of 1,881,000 barrels. The ten-year (1945-1954) average production for the month of November was 2,090,000 barrels. Mills reporting operations during November, 1955 had a total rated capacity of 91,809 barrels per 24-hour day and, on the basis of a 25-day period 80.9 per cent of this rated capacity was effective.

Wheat milled for flour during November amounted to 8.3 million bushels, compared with about 8.0 million bushels milled during the preceding month and 8.3 million bushels milled during November, 1954. Of the wheat milled for flour during November, 1955 some 7.6 million bushels were Western Canadian spring wheat (other than Durum), with most of the remainder consisting of Ontario Winter wheat (482,000 bushels) and Durum wheat (104,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during November, 1955 totalled 684,366 barrels (3,080,000 bushels of wheat equivalent), representing a decrease of 13 per cent from flour exports of the preceding month. Flour shipments during the month went to fifty countries with the United Kingdom taking some 837 thousand bushels of wheat equivalent or about 27 per cent of the total. Other leading markets for Canadian wheat flour during November, with shipments in thousands of bushels of wheat equivalent, were as follows: Philippine Islands, 545; Trinidad and Tobago, 271; Japan, 160; Venezuela, 146; and Jamaica, 113.

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
1954-55 2/	92,420,565	20,716,539	9,027,013
1955-56 2/			
August	7,580,542	1,681,178	593,034
September	8,039,098	1,792,384	767,952
October	7,964,143	1,771,223	789,400
November	8,307,997	1,857,437	684,366
Totals	31,891,780	7,102,222	2,834,752
Same period 1954-55 3/	33,578,207	7,567,923	3,163,027

1/ Based on Customs returns. Exports for the crop years 1945-46—1954-55 revised to remove effect of time lag in the returns made by Customs.
2/ Subject to revision.
3/ Revised.

UNITED STATES SITUATION

Supply Position As a result of upward revisions in both the 1954 and 1955 production estimates, total estimated domestic supplies of wheat in the United States during the current and preceding crop years now amount to some 1,958.9 million and 1,887.2 million bushels, respectively. Imports of wheat from Canada for all purposes during the first five months of the current United States crop year amounted to 2.0 million bushels compared with 0.6 million during the July-November period of 1954. After deducting anticipated domestic requirements of 625.0 million bushels, some 1,335.9 million remain available for export and for carryover during 1955-56 as against 1,292.1 million available during 1954-55.

United States Wheat Supplies

Item	1954-55	1955-56 1/
	- million bushels -	
Carryover at beginning of crop year (July 1)	902.4	1,020.7
New crop	984.8 2/	938.2 2/
Total estimated domestic supplies	1,887.2 2/	1,958.9 2/
Imports of wheat for domestic use, July—November	0.6	2.0
Total estimated supplies 3/	1,887.8	1,960.9
Less estimated domestic requirements for crop year 4/.	595.7 2/	625.0
Available for export and for carryover	1,292.1 2/	1,335.9
Deduct:		
Exports of wheat as grain, July—November	79.4	78.0
Exports of wheat flour and products in terms of wheat, July—November	16.6	18.2
Total exports of wheat, wheat flour and products.	96.0	96.3
Balance on December 1 for export and for carryover ...	1,196.1	1,239.6

1/ Preliminary.
2/ Revised.
3/ Excluding imports for December—June period.
4/ Includes allowances for shipments of United States wheat and wheat products to Alaska, Hawaii, Puerto Rico, Guam, Samoa, Virgin Islands and Wake Island. These shipments are not included in exports as set out in the table.

Exports of wheat, wheat flour and products in terms of grain equivalent during the July—November period of 1955 amounted to 96.3 million bushels, virtually unchanged from the 96.0 million exported during the same months of 1954. The balance remaining for export and for carryover at December 1 this year amounted to 1,239.6 million bushels about 4 per cent above the 1,196.1 on hand at December 1, 1954.

1955 Wheat Crop Estimated at 938 Million Bushels

In a report released December 19, 1955 the Crop Reporting Board of the United States Department of Agriculture stated in part that "Production of all wheat in 1955 at 938 million bushels is the smallest crop since 1943. This year's crop, grown under acreage allotments and marketing quotas, is 5 per cent smaller than the 1954 crop of 985 million bushels and 19 per cent smaller than the average of 1,154 million bushels.

Land seeded to wheat in the fall of 1954 and spring of 1955 totalled about 58 million acres, 4 million acres less than the acreage seeded for the 1954 crop and 17 million acres below average. Abandonment and diversion in 1955 amounted to 19.0 per cent or 11.1 million acres compared with 13.2 per cent or 8.3 million acres in 1954. Total acreage of wheat harvested for grain in 1955 was 47.2 million acres, 13 per cent below last year and nearly a third below average.

Yield per harvested acre at 19.9 bushels reached a new record high and compares with 18.1 bushels last year and the average of 17.1 bushels.

Production of winter wheat this year is estimated at 705,372,000 bushels. This is a small winter wheat crop compared with production in recent years, being about 99 million bushels or 12 per cent less than last year's production and 19 per cent below the 1944-53 average. The smaller crop is the result of allotment restrictions and greater than average loss of seeded acreage. The yield per harvested acre equals the record high set in 1952. Production was below average in most States, the principal exceptions being Illinois, Missouri, Nebraska and Montana where record or near record high yields for each State were produced. Poorest outturns were in drought-stricken areas of southern Plains States.

The 233 million bushels of all spring wheat harvested in 1955 is more than a fourth larger than the previous year but is the second smallest crop produced since 1940 and nearly a fifth below average. The increased production over a year earlier was due entirely to more favorable yields per acre as the acreage harvested was a tenth less than last year. The acreage seeded to spring wheat in 1955 totalled 13.9 million acres compared with 15.9 million acres in 1954. Abandonment this year at 2.5 per cent was only about half the proportion abandoned the previous year. Yield per harvested acre is estimated at 17.2 bushels compared with 11.9 bushels last year and the average of 14.6 bushels.

Production of durum wheat in 1955 of more than 20 million bushels is four times as large as the record low production of 1954. However, the 1955 production was still relatively low, being more than a third less than the 10-year average.

Production of spring wheat other than durum in 1955 is estimated at 212 million bushels, a fifth larger than a year ago but 16 per cent less than average. The 12 million acres harvested in 1955 is more than a tenth less than in 1954 and 29 per cent less than average. The largest acreage decline from last year occurred in Montana where a considerable acreage usually in red spring wheat was diverted to the production of durum wheat. Other States with relatively large acreage reductions from last year were North Dakota, South Dakota, Idaho and Washington. Yield per harvested acre for the U.S. was 17.4 bushels compared with 12.7 bushels in 1954 and the average of 14.8 bushels. The two leading States in production of spring wheat other than durum—North Dakota and Montana—accounted for 70 per cent of the U.S. total."

Acreage and Production of Winter Wheat 1956 The following account of the acreage seeded to winter wheat in the fall of 1955 and a preliminary forecast of production in 1956 is taken from the report on "Winter Wheat and Rye" released by the Crop Reporting Board on December 21, 1955.

Winter wheat seedings in the fall of 1955 are nearly 2 per cent more than a year earlier but about a fifth less than the 10-year average. The crop seeded in the fall of 1955 is the third consecutive winter wheat crop planted under acreage allotments and marketing quotas. Total seedings of winter wheat for all purposes this fall are estimated at 45.2 million acres, 0.8 million acres more than in the fall of 1954 and 9.7 million acres less than average.

A 1956 winter wheat crop of 735 million bushels is indicated, based on conditions as of December 1 and other factors. A crop of this size would be 15 per cent less than average but 4 per cent more than the 1955 crop.

When considering the indicated production for the 1956 winter wheat crop, it should be made clear that weather conditions between December 1 and harvest time as well as damage from insects and disease greatly influence the final outturn of the crop. The current forecast of production assumes normal weather, insect and disease conditions for the remainder of the crop season. In the last 20 years, the average change in the United States production estimate from December 1 to harvest has been 114 million bushels. The maximum change was in 1953 when final production exceeded the December estimate by 270 million bushels. The minimum change was in 1936 when the harvest was 6 million bushels less than the December 1 estimate. For the 1955 crop, production exceeded the December 1, 1954 forecast by about 26 million bushels.

The entire winter wheat producing area experienced one of the most favorable fall seasons of recent years for the seeding of wheat. Although excessive moisture at seeding time delayed operations in some areas, favorable moisture and temperatures during late October and November enabled growers to seed their full intended acreage. The combination of favorable moisture and temperature resulted in good to excellent stands in nearly all areas. However, the major portion of the main winter wheat belt has received little or no beneficial moisture since seeding with surface moisture critically low by December 1. Surface soils are generally quite dry, leaving plants with limited root development and soils vulnerable to wind erosion during the winter months.

In Kansas, seedings got off to a slow start. They were delayed first by dry soil conditions that existed until late September and then by a general rainfall that slowed seeding operations. The late September moisture brought "dusted in" fields up to good stands and provided adequate moisture for excellent germination of subsequent seedings. Practically all fields are up with excellent stands and the best prospects since the fall of 1951. The absence of additional moisture since seeding has slowed plant growth and limited full root development in some fields. The lack of surface moisture has prevented many fields from being pastured and the surface soils are now quite loose and vulnerable to wind erosion. In Nebraska, winter wheat was seeded under favorable moisture conditions that promoted quick germination and gave plants an excellent early growth. Most of the acreage entered the dormant stage in excellent condition and under a blanket of snow. In Colorado, planting conditions were the best in a number of years except in counties bordering on Kansas. With the exception of these counties, most fields show good to excellent stands and entered the dormant stage in a satisfactory condition. More than a third of the total U.S. acreage seeded is located in Kansas,

Nebraska and Colorado.

Production prospects are not as favorable in Oklahoma and Texas. Late September and early October precipitation brought fields up to good stands but plant development and growth has been slow due to lack of surface soil moisture. Roots are not well established with the limited plant growth providing little protection from wind erosion in the powdery, dry fields. Oklahoma and Texas account for more than a fifth of the total acreage seeded to winter wheat.

In the North Atlantic States, plantings progressed under favorable conditions and by December 1 plants were showing a rank, succulent growth. Seedings in some areas were delayed by heavy October rainfall but late seedings have made more growth than usual and plants have sufficient size to winter well. In the East North Central States, above normal rainfall in many areas delayed planting but growers were eventually able to seed the full intended acreage. Fall growth has been satisfactory and plants entered the dormant stage in good condition. In Montana and Idaho, timely showers during the late summer and fall provided adequate moisture to bring the crop up to a good stand. Washington and Oregon experienced relatively dry conditions during September followed by a wet, cool October but most growers were able to complete seedings before the onset of cold winter temperature. Unusually cold weather during early November punished wheat plants rather severely and may have caused serious losses among the less hardy varieties.

The indicated yield of 16.3 bushels per seeded acre for the United States is 0.4 bushel more than the 1955 crop yield and half a bushel above average. Current conditions indicate that 18 per cent of the acreage seeded this fall will not be harvested for grain. Of the acreage seeded for the 1955 winter wheat crop, 24.1 per cent was not harvested for grain.

The Proposed Soil Bank Program — Mr. Ezra Benson, Secretary of Agriculture, in a speech on January 10 outlined in some detail the program proposed in the President's special message to Congress on agriculture. Only that part of the program dealing with the "Soil Bank" is touched upon here.

The Secretary stated that "mountainous surpluses" are the biggest difficulty faced in U.S. farm problems. Wartime incentives were too long continued. He further indicated that the effect of the surpluses is felt by every crop and all livestock — not merely the items on which surplus accumulations are large. He re-emphasized the basic soundness of the principles established in the Agricultural Act of 1954, but stated that the Act is handicapped by the pressure of surplus accumulations resulting from the wartime incentives.

In discussing the Soil Bank Program recommended by the President the Secretary pointed out that the Soil Bank is composed of two Points: an Acreage Reserve, designed to pull down surplus stocks to normal levels within three to four years; and a Conservation Reserve designed to bring about better land use and to deal with the problem of diverted acres.

The Acreage Reserve would be voluntary and temporary. It calls for a temporary cut in production of the crops now in greatest surplus. Through temporarily reduced production it would provide opportunity to work down accumulated surpluses to more normal levels. It is also recommended that Congress consider a voluntary additional reduction in the acreage of certain crops which today are in serious surplus — wheat, cotton, corn, and rice.

The essence of the recommendation is that farmers will voluntarily reduce plantings below their acreage allotments. In return they will receive certificates equal to a specified percentage of their normal yield on the acres they withhold. The certificates will be negotiable so farmers can convert them to cash. They will be redeemable by the Commodity Credit Corporation either in cash or in actual commodity at a specified rate.

This rate will be set at an incentive level high enough to assure the success of the program. Because his income will be protected in this manner, the farmer will contract neither to graze nor to harvest any other crop from acres he puts into this Reserve.

For an individual farm the program would work this way: A farmer with an allotment of 100 acres of wheat might choose to plant only 80 acres and to put the other 20 acres into the Acreage Reserve. His base acreage allotment would not be affected by participation in the program. He would agree not to graze or to harvest any other crop from the 20 acres. Suppose this particular 20 acres would normally have produced 400 bushels of wheat. In return for withholding it temporarily from production, the farmer who voluntarily participates would receive a certificate, the value of which will be set at an incentive level sufficiently high to assure success of the program. He will, in effect, have net income insurance on the 20 acres he does not plant. He will be assured income from these reserve acres even in a year of complete crop failure. With production reduced by the amount that otherwise would have been harvested from the acres withheld — on this farm and all others — the Commodity Credit Corporation can then use part of its accumulated stocks to supply market needs. And it can do this without depressing prices for wheat farmers will be selling.

To quote directly from the Secretary's speech -- "We would use the surplus to use up the surplus. The voluntary reduction in plantings would be continued for perhaps 3 or 4 years. In the case of wheat we look for a cut below allotments of about 12 million acres — and in the case of cotton about 3 million acres.

This is indeed a bold plan that strikes directly at the problem. It will permit the sound agricultural program started under the Agricultural Act of 1954 to begin to function as it should.

It will remove the crushing burden of surpluses that is our most serious farm problem.

It will prevent a further diversion of acres out of surplus crops and onto other producers.

It will ease apprehension among our friends abroad over our surplus disposal program.

It will protect farm income and promote economic security.

It will reduce by many millions of dollars the storage costs on government stockpiles. If through this program we could work off 200 million bushels of wheat and 2 million bales of cotton each year for the next 3 years, the savings in carrying costs alone on Commodity Credit Corporation inventory would be about $400 million.

This is not a device to empty government warehouses so they may be filled again. In future years we must avoid, as we would a plague, farm programs that would encourage a build up of new price-depressing surpluses."

The Conservation Reserve part of the Soil Bank proposal is pointed both toward achieving needed adjustments in land use and overcoming some of the problems created by acres already diverted out of surplus crops.

Under the pressure of wartime incentives, large acreages have come into cultivation which sound conservation would have reserved in forage, trees, and water. We do not need these acres today in harvested crops. The wiser use of the land, particularly where it may blow or erode, is to return it to soil-conserving cover. The Conservation Reserve is proposed both for these lands and for alleviating the diverted acres problem.

This also is recommended as a voluntary program. Farmers will be asked to contract with the government to shift land out of cultivated crops and into forage or trees and where feasible to ponds and reservoirs. Any farmer will be eligible to participate, regardless of the crop he grows or where his farm is located. He will be paid a fair share of the cost of establishing the forage or tree cover -- up to a specified maximum amount per acre that will vary for different regions. Further, as the farmer reorganizes his farm along these soil conserving lines, we recommend that the government provide certain annual payments for a period of years related to the length of time needed to establish the new use of the land. Here, as in the Acreage Reserve Program, we would not let the farmer's cooperation impair his historic acreage allotments.

In return the farmer will agree that any acres he puts into the Conservation Reserve (part two of the Soil Bank) will represent a net reduction in his cultivated acres, and will be in addition to any land he may have in the Acreage Reserve (part one of the Soil Bank). He will agree to refrain from reverting these acres to cultivated crop production -- and will further agree not to graze them for a specified period of years. The grazing restriction is specifically for the protection of livestock producers, particularly cattlemen and dairymen, at this time when their production is large and their prices are depressed.

The President has expressed the hope that about 25 million acres may come into the Conservation Reserve Program -- with as much of this as possible being brought in this year. In summarizing the benefits of the "Conservation Reserve" the Secretary said, "Just as the first part of the President's Soil Bank proposal will bring large rewards, so likewise will this second part.

It will result in improved soil and water conservation for the benefit of both this and future generations not yet born.

It could increase our supply of timber resources on the farms and the other benefits of expanded tree cover.

It will provide immediate protection for crop producers who have been burdened by diverted acres thrust upon them.

It will alleviate the stimulus to over-rapid increases in livestock resulting from feed grain production on diverted acres.

In combination with part one of the Soil Bank it will help, during the

next several years, to achieve a temporary reduction in total agricultural production. I wish particularly to emphasize the temporary nature of any such reduction. In the not-so-distant future we will need much greater output of farm products than we have today. But until the surplus accumulations can be worked down, until a better balance can be reestablished between different products, some moderate drop in total output will help materially to improve prices and increase agricultural prosperity. Meantime we are storing fertility in the soil....."

In closing, the Secretary quoted from the President's message to Congress -- "..... I urge upon the Congress the need for swift legislative action on these recommendations, in the interest of our farm people, in the interest of every American citizen ....."

Benson Announces Expanded Food Distribution Plan — Secretary Benson announced on December 14 that wheat, corn, rice and dry beans will be made available immediately to U.S. charitable agencies for foreign relief purposes and also to eligible domestic outlets. The Secretary made the announcement at USDA, where the Department is now presenting a public exhibit on wheat. Church and private relief organization representatives witnessed the announcement. Secretary Benson said, "I am happy that we have been able to complete the lengthy arrangements leading to this announcement during this period between Thanksgiving and Christmas. These donations will continue in a manner to be of maximum assistance to the hungry people of the world, to persons who need them and would not otherwise get them or get enough of them. The distribution will continue to be made through U.S. welfare agencies, 18 of which are currently distributing food in 67 countries abroad. The foods will be identified as gifts of the people of the United States." The Commodity Credit Corporation will pay for packaging, transportation to shipside, handling and other charges.

Flour Production — The Bureau of the Census, Department of Commerce, estimated wheat flour production in the United States in October, 1955 at 21,000,000 sacks, an average of 1,000,000 sacks per working day. This compares with a daily average of 913,000 sacks during the previous month and 938,000 sacks in October, 1954. Production of wheat flour in October was at 93.8 per cent of capacity, compared with 85.7 and 88.0 per cent, respectively, for the previous month and the same month in 1954. Flour mills in October ground an estimated 48,369,000 bushels of wheat, compared with 44,301,000 bushels in September.

U.S. Sells Wheat for Egyptian Funds — The Department of Agriculture has announced an agreement between the U.S. and Egypt providing for the sale of $5.6 million worth (including certain ocean transportation costs) of U.S. wheat (about 2,847,000 bushels) for Egyptian pounds under the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480). Sales under this program will be made by U.S. private traders.

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
December 1, 1955	210 3/4 - 250	December 1, 1955	233 3/8 - 236 3/8
2	213 3/4 - 222 1/2	2	234 3/4 - 237 3/4
5	226 3/4 - 244 1/2	5	234 7/8 - 236 7/8
6	213 - 250 3/4	6	235 - 237
7	215 1/2	7	235 7/8 - 237 7/8
8	214 3/4 - 252 1/2	8	234 1/2 - 235 1/2
9	216 - 232 3/4	9	233 7/8 - 234 7/8
12	215 3/4 - 236 1/4	12	233 - 234
13	216 - 252	13	231 7/8 - 232 7/8
14	216 1/2	14	230 1/8 - 231 1/8
15	215 - 250 1/4	15	228 - 229
16	215 1/2 - 219	16	229 3/4 - 230 3/4
19	215 1/2 - 222 1/2	19	233 3/4 - 234 3/4
20	224 1/2	20	233 3/8 - 234 3/8
21	215 1/2 - 234 1/2	21	233 1/4 - 234 1/4
22	223 1/2 - 228 1/2	22	232 1/8 - 233 1/8
23	215 1/2	23	231 3/8 - 232 3/8
26	Holiday	26	Holiday
27	215 1/4 - 226 3/4	27	231 1/4 - 232 1/4
28	216 1/4 - 242 1/4	28	231 1/8 - 232 1/8
29	227	29	230 3/4 - 231 3/4
30	216 1/4 - 243	30	230 3/4 - 231 3/4

Chicago Wheat Futures, High Points of Closing

Date	December	March	May	July	September
		- cents and eighths per bushel -			
December 1, 1955	203/6	204/7	202/2	192/3	194/4
2	203/7	205/1	202	191/4	193/4
5	205/3	205/7	202/5	191/5	193/4
6	206/7	206/3	203/1	192/2	194/3
7	209/4	208/4	204/5	195/2	197/2
8	209	208/2	204/4	194/5	196/5
9	208/3	208/2	204/3	195/2	197/2
12	210	209/4	205/2	196/3	198/2
13	211/4	210/1	205/5	196/2	198/3
14	211/2	209/6	205/1	195/5	197/5
15	209/3	208/2	203/7	194/2	196/2
16	209/6	208/4	204/2	194/5	196/5
19	211/3	209/2	205	195/1	197
20	208	208	203/6	194/1	196
21		208/6	205	195/6	197/5
22		208/1	204	194	195/6
23		204/3	208/4	194/1	196
26			Holiday		
27		209	204/7	194/6	196/3
28		208/7	204/3	194/2	196/2
29		209/4	204/5	195	196/7
30		210/1	206	196/4	198/4

ARGENTINE SITUATION

Supply Position Disposition of Argentine wheat for the crop years 1953-54 and 1954-55 appears in the table below. The combined effect of a smaller December 1 carryover coupled with a slight increase in apparent domestic disappearance was more than offset by substantially increased production in the crop year 1954-55 as compared to 1953-54. Reflecting this situation, the amount available for export and for carryover during the crop year recently completed, at 210.6 million bushels, exceeded by some 22 per cent the 172.5 million available during the preceding crop year. Exports of wheat and wheat flour in terms of grain during 1954-55 totalled 132.7 million bushels exceeding by a considerable margin the 112.3 million exported during 1953-54. The preliminary estimate places carryover stocks at December 1, 1955 at 77.9 million bushels, some 17.6 million above the comparable total a year ago.

Argentine Wheat Supplies

Item	1953-54	1954-55 1/
	- million bushels -	
Carryover at beginning of crop year (December 1)	73.3 2/	60.3 2/
New crop	227.8	282.6 3/
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-November	109.2	130.5
Exports of wheat flour in terms of wheat, December-November	3.1	2.3
Total exports of wheat and wheat flour	112.3	132.7
Balance on December 1 for export and for carryover	60.3	77.9

1/ Preliminary.
2/ Includes allowances for farm stocks.
3/ Official estimate.

The following account of the Argentine situation has been extracted from a report from Mr. W. F. Hillhouse, Agricultural Secretary, Canadian Embassy, Buenos Aires, under date of December 16, and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Where possible, conversions from Argentine to Canadian measures have been made for the convenience of our readers. Currency conversions have been made at the rate of 16.20 pesos to the United States dollar. (18.00 pesos per U.S. dollar less 10 per cent export tax.)

Weather and Crops Following an excessively wet spring in the southern grain zone and a prolonged dry spell in most of the northwestern sector, the weather during the past two months has been satisfactory in most important areas of the cereal zone. Good rains were general in October and November but came too late to revive large acreages of wheat in the northwestern zone which had suffered severely from drought and green fly. Much of this abandoned wheat acreage has, however, been seeded to sunflower. An unseasonably hot week at the end of November probably rushed the ripening process of some grains; and the corn crop, which has been developing well, will soon need good rain to prevent deterioration. Late frosts caused some damage especially in the coarse grains and corn but replanting was possible in the case of the latter.

Wheat: 1954-55 Crop Shipments of wheat have continued at a steady rate throughout the year and for the full crop year exceeded 3.5 million tons (130.5 million bushels); the highest figure reached in recent years. Based on official estimates of carryin and production there was an apparent carryover on December 1, 1955 for export and reserve of about 2 million tons (74.4 million bushels), i.e. 400,000 tons (17.6 million bushels) more than the comparable figure for December 1, 1954. However, trade sources are very skeptical that such large stocks actually exist.

Wheat: 1955-56 Crop Unfavourable weather at seeding time caused a reduction, (officially estimated at 11.8 percent below last year) in the area seeded to wheat. Excessive moisture in the south, an extended dry spell in the northwest, heavy attacks of green bug and some frost combined to hinder the normal development of the crop during the winter and spring except in certain limited areas. October rains broke the drought but not before very extensive acreages had been abandoned. Hence, the first official estimate of production has been set at 4,550,000 metric tons (167.2 million bushels) which represents a decline of 40 per cent from the official estimate for last year of 7,690,000 tons (282.6 million bushels), and is lower by one fifth than the average production of the last ten years. However, since the basic data for the estimate were assembled, harvesting has become widespread and reports of quality and yields are such that there is a widespread optimism in trade and other unofficial circles that actual production will exceed 5,000,000 tons (183.7 million bushels).

Rye, Barley and Oats Seeded areas for 1955 for rye, barley and oats have been officially estimated as 2,578,600, 1,245,200 and 1,452,800 hectares (6,369,000, 3,076,000 and 3,588,000 acres) respectively, in all cases an increase over 1954. These crops were in many areas subjected to the same adverse weather conditions described for wheat. In addition, because of the effects of that weather on pasture growth, grazing of these crops has reportedly been very heavy this year. Under these circumstances there seems to be little basis for optimism that total production of these grains will even reach last year's official estimate of more than 2.8 million tons. Trade estimates as usual vary widely but at this time average approximately 2 1/2 million tons.

Corn The announcement of new higher prices came too late to effect any great increase in the area seeded to this crop. However, some abandoned wheat acreage may have been reseeded to corn. There is official optimism weakly supported by trade opinion that seeded area will exceed last year's very modest 3,001,500 hectares (7,414,000 acres). Thanks to the rains in October and November the development of the crop has been quite satisfactory. However, rains are needed now and during the coming month to insure a good yield.

Policy The recently installed government of Argentina has taken several steps of real interest and importance to the agricultural producers of this country.

New Exchange Rate.- Effective October 27, 1955 the official export exchange rate on grains and most other important commodities was raised to 18 pesos per U.S. dollar. A major effect of this move was to eliminate the subsidy on grain exports which had been occasioned by the previous very unrealistic exchange rate of 5 pesos per U.S. dollar. At the same time the government has established an export tax of ten per cent on grains so that for the exporter the effective exchange rate is really 16.2 pesos per U.S. dollar. The proceeds from this tax go to swell the National Rehabilitation Fund which, as the name implies, will be used to help the country recover from the effects of the policies of the deposed regime.

Higher Producer Prices.- Following the establishment of the new exchange rate and in order to encourage greater production for domestic use and export, substantial increases were announced in producer prices in terms of pesos for 1955-56.

Producer Prices

Commodity	1954-55	1955-56
	- pesos per 100 kilos -	
Wheat	50.00	70.00
Oats	38.00	55.00
Barley	43.00	55.00
Rye	42.00	50.00
Linseed	75.00	140.00
Corn	50.00 1/	65.00
Sunflower	70.00 2/	130.00

1/ Includes 5 peso delivery bonus.
2/ Includes 10 peso bonus.

Except in the case of sunflower and to some extent corn, these new prices were not announced early enough to influence seeding. They will, however, improve the producers financial position and encourage a real expansion of production next year.

Originally the producer was to be given only 88 per cent of these prices, the remainder to be held for him for six months before becoming available. The government has relaxed this regulation to the extent that the 12 per cent retention may now be used for the repayment of bank loans.

Gradual Return to Private Trade.- The government has announced that beginning with the crop year 1956-57 the grain business will be returned to private hands. For future crop years, therefore, the producer prices will be in the form of minimum or floor prices at which the State will buy the crops if better prices are unobtainable privately.

An indication of the government's good faith in this regard has already been given in that they have authorized grain brokers and second degree cooperatives to buy directly from the producers this year and have authorized the banks to provide credit to make this possible. This change will permit the immediate payment to producers of the proceeds of their crops and at the same time assist one important segment of the private grain trade to become reestablished in its historic role.

Sales Only wheat has experienced any real sales activity during the past six months, during which time sales of this grain have been announced to the extent of about 1.5 million tons (55,116,000 bushels). Almost 340,000 tons (12,493,000 bushels) of this has come in the first half of this month (December) when numerous sales have been made for payment in pounds and West German agreement dollars at 957.42 pesos per metric ton ($1.61 per bushel) for southern wheat and 865.42 pesos ($1.45 per bushel) for river wheat and at 4 per cent more for payment in Norwegian Crowns and Dutch, Austrian and Czechoslovakian agreement dollars.

Since July 1, 1955 sales of only 317,000 tons of other grains have been announced, 70 per cent of which has been barley. Sales of this grain since November 1 have totalled 104,000 tons (4,777,000 bushels). 94,000 tons (4,317,000 bushels) sold in November for pounds at 810.00 pesos per ton and the remainder on December 14 for West German agreement dollars at 854.55 pesos per ton ($1.09 per bushel). Sales of corn, oats and rye during the past six months have totalled only 26,000, 38,000 and 32,000 tons (1,024,000, 2,464,000 and 1,260,000 bushels) respectively.

The most recent prices were corn U$S 68.47 per ton ($1.74 per bushel) for payment in French Francs in August; oats U$S 50.50 ($0.78 per bushel) for payment in pounds in November; and rye U$S 40.00 ($1.02 per bushel) for payment in pounds and various agreement dollars in October.

Shipments Wheat and flour shipments during the crop year December 1, 1954 - November 30, 1955 at over 3.6 million tons (132.7 million bushels) were the highest in recent years and prevented total grain exports from sagging to the disastrously low levels of 1951-52. Brazil with over one and a quarter million tons (46,464,000 bushels) was by far the best wheat customer and also led in total grain imports. Italy with 565,000 tons (20,764,000 bushels) took second place as a wheat buyer and was a substantial buyer of other grains, particularly corn and rye during the first eleven months of 1955. Germany, Poland, Holland and the United Kingdom took more than 200,000 tons (7,349,000 bushels) each of Argentine wheat and Chile, Peru, Belgium, Finland, Austria and Japan imported quantities ranging from 167,000 to 71,000 tons (6,138,000 to 2,615,000 bushels) during the year.

Exports of grains other than wheat during the first eleven months of 1955 were however far below comparable figures for the previous year. Corn exports dropped to 369,000 tons (14,527,000 bushels) from almost 1.9 million (74,799,000 bushels); oats to 94,000 (6,095,000) from 662,000 (42,925,000); rye to 303,000 (11,928,000) from 807,000 (31,770,000); and barley to 401,000 (18,418,000) from 639,000 (29,349,000). The more important destinations for these crops have been for corn: Italy, Belgium, France, U.K. and Germany; for oats Germany, Finland, Italy and Switzerland; for rye Italy, Poland, Holland and Finland, and for barley predominantly Germany, followed by Holland, Czechoslovakia, Italy and Belgium.

November exports, 443,000 tons in all, comprised mainly - wheat 343,784 tons (12,632,000 bushels), of which 136,000 (5,017,000) went to Brazil, 46,000 (1,707,000) to Chile, 38,000 (1,394,000) to the United Kingdom and smaller quantities to ten other countries; barley, 57,831 tons (2,656,000 bushels), of which 24,000 (1,102,000) were shipped to Germany and 16,000 (735,000) to Czechoslovakia. Shipments of other grains were in small lots and totalled only 23,000 (905,000) for rye, 13,000 (512,000) for corn and 5,000 (324,000) for oats.

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

Destination	November	December-November	Destination	November	December-November
	- thousand bushels -			- thousand bushels -	
Austria	404	2,722	Lebanon	-	62
Belgium	158	4,362	Netherlands	9	7,448
Brazil	5,017	46,464	Norway	-	419
Chile	1,707	6,138	Paraguay	85	1,601
Czechoslovakia ..	-	1,139	Peru	549	5,411
Denmark	717	1,641	Poland	-	8,563
Finland	262	3,511	Sweden	-	308
France	48	48	Switzerland	-	1,156
Germany	1,096	8,648	United Kingdom ..	1,394	7,444
Italy	1,189	20,764			
Japan	-	2,615	Totals	12,632	130,464

Same period:	
1953-54	109,249
1952-53	81,950
1951-52	3,786
1950-51	97,271
1949-50	102,799

AUSTRALIAN SITUATION

Supply Position The distribution of Australian wheat supplies during the crop years 1954-55 and 1953-54 is set out in the following table. A sharp increase in carryover stocks at December 1, 1954 as against those of 1953 was sufficient to more than offset the smaller 1954-55 production. With apparent domestic disappearance about the same for both years, the amount available for export and for carryover during the crop year just ended, at 188.8 million bushels was almost 27 million greater than the 161.7 million available during the preceding year. Exports of wheat and wheat flour in terms of grain during 1954-55 totalled 97.2 million bushels, some 43 per cent above the 1953-54 level of 68.2 million. The preliminary estimate places carryover stocks at December 1, 1955 at 91.6 million bushels, relatively unchanged from the 93.5 million on hand at the close of the 1953-54 crop year.

Australian Wheat Supplies

Item	1953-54	1954-55 1/
	- 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	71.3 2/
Available for export and for carryover	161.7	188.8
Deduct:		
Exports of wheat as grain, December to November	40.5	63.2
Exports of wheat flour in terms of wheat, December to November	27.7	34.0
Total exports of wheat and wheat flour	68.2	97.2
Balance on December 1 for export and for carryover	93.5	91.6

1/ Preliminary. 2/ Revised.

The following account of the Australian situation has been extracted from a report from Mr. R. W. Blake, Commercial Secretary for Canada, Melbourne, under date of December 9, 1955 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Currency conversions have been made at the rate of £1 equals $2.2395 (Canadian), the quotations in effect on December 9, 1955.

Increase in Guaranteed Price of Wheat

The guaranteed price of up to 100 million bushels of wheat under the Wheat Stabilisation Plan, for the 1955-56 season, will be 13s.1d. ($1.47)a bushel, a rise of 6d. (6 cents) a bushel over last year. The annual adjustment to the guaranteed price is based on an assessment of the movements in costs of various items involved in production that affect the cost per bushel of wheat delivered at railway sidings, together with estimated changes in freight, storage and handling expenses. The necessary detailed data is collected by the Bureau of Agricultural Economics and is reviewed by the Wheat Index Committee. The Committee found that the main items of increase were storage and handling, and machinery costs.

When the Wheat Stabilisation Plan came into effect it was agreed that the home consumption price for wheat each year would be 14s.0d. ($1.57) a bushel f.o.r. ports, provided that the I.W.A. price, or in the absence of an I.W.A. price then the ruling export price, was not below this level. In any case, the domestic price would not be less than the cost of production in each season. This price was to vary downwards to conform with the I.W.A. price current at the commencement of each season if the I.W.A. price was below 14/- ($1.57) a bushel.

The prevailing export price for sales of wheat by the Australian Wheat Board under the I.W.A. is equivalent to 13s.4d. ($1.49) a bushel f.o.r. ports. Consequently, the local price fixed under State legislation will be 13s.4d. ($1.49)

arranged with the Commonwealth Bank when the need for the emergency storages became evident last year and the Act replaces that temporary arrangement with long-term finance. The estimated cost of the storages is approximately £3 1/2 million ($7.8 million), and it was agreed that they be depreciated over a term of twenty years, whilst at the same time the States were given an option to purchase the new storages at their depreciated value at the time of sale. The Australian Loan Council resolved that provision be made in this year's loan programme for an amount of £3 1/2 million ($7.8 million) to be included as a Commonwealth borrowing for long-term finance for the storages. The Act gives effect to that resolution and as a necessary adjunct it also empowers the Board to borrow from the Commonwealth for such purpose. Advances drawn by the Board from the Commonwealth will be used to repay the money already borrowed from the Commonwealth Bank, and to meet as they fall due further costs of erecting the emergency storages.

Wheat Yield 1955-56 The estimated total wheat yield, which earlier forecasts had indicated might be over 200 million bushels, is likely to be reduced to just over 190 million bushels, as a result of damage occurring in some States. (Editor's Note: A cable received from the Commonwealth Statistician under date of December 15, 1955 indicated that according to the first estimate of wheat production the crop is placed at 188.6 million bushels from an area of 10,083 thousand acres.)

A yield of approximately 60 million bushels is forecast in New South Wales, representing an average of 20.7 bushels per acre. This is 22.7 million bushels more than last season, but less than expected earlier in the season. Heavy rain has caused lodging of crops and some damage was caused by stem rust and root rot.

The Victorian crop for 1955-56 is estimated at 45 million bushels, or 3 1/2 million bushels lower than last season, from 215,000 acres less. Earlier prospects of record yields in the Mallee wheat growing district have been reduced by hail damage, rust and root diseases, but the average yield should be a little higher than last season. The estimated average yield is 20.6 bushels per acre, compared with 20.3 bushels last season and a 10-year average of 17.2 bushels per acre.

The 1955-56 Queensland wheat crop is estimated at 15 million bushels compared with about 16.5 million bushels last season. The acreage is about 57,000 acres less than last year, but the average yield is expected to be higher.

In South Australia, early wheat crops are being harvested, and yields are variable, but mostly good. The sample was affected by dryish finishing conditions. Takeall and rust are present in most parts of the State, but do not appear likely to reduce the overall harvest below the anticipated 30 million bushels previously expected.

Good rains in Western Australia have advanced all crops, and the latest official estimate places the harvest at 45 1/4 million bushels, which is almost 11 million bushels greater than last season. The average yield is expected to be 15.6 bushels per acre, almost 5 bushels higher than last season.

Grasshopper Plague A plague of grasshoppers occurred in the northern parts of South Australia and Victoria and central New South Wales. The plague was prevented from assuming serious proportions by prompt control measures, including aerial spraying of crops.

a bushel, to which is added a loading of 1 1/2d. (1.4 cent) a bushel to meet the costs of shipment of wheat to Tasmania from the mainland.

Wheat Storage Committee — The Australian Wheat Board and the Department of Commerce and Agriculture have approved a plan for forming a joint Federal-State Advisory Committee on wheat handling and storage. It is hoped that the establishment of such a committee would help overcome the difficulties of divided controls by State and Federal wheat handling organizations.

First Advance on No. 19 Pool — The Minister for Commerce and Agriculture announced on November 16 that a first advance of 9s.6d. ($1.06) a bushel, less individual growers' freight for bulk wheat, with an additional 4d. (4 cents) a bushel for bagged wheat, had been approved for wheat from the 1955-56 season's crop delivered to No. 19 Wheat Pool. The first advance will include an amount of 2d. (2 cents) a bushel representing a premium on West Australian wheat to the pool, which will be additional to the rates of advances paid in the other States. The Minister said that because of the high stocks position of wheat in the producing countries, there will no doubt be considerable delay in finalising the accounts of this new pool.

This year, the crop is estimated to yield an average of around 18 1/2 bushels per acre. As the cost of production is calculated on an average of 13 1/2 bushels per acre, the advance represents an amount substantially in excess of the actual cash outlay by growers in producing an average crop.

Third Advance on No. 17 Pool — Payment of a third advance of 1s.0d. (11 cents) per bushel on bulk and bagged wheat delivered to No. 17 Pool (season 1953-54) was made on December 6, 1955. After payment of the third advance, calculated on an f.o.r. ports basis, growers will have been paid 12s.0d. ($1.34) per bushel on bulk wheat in the Eastern States, 12s.2d. ($1.36) a bushel in Western Australia, and 12s.6d. ($1.40) per bushel on bagged wheat. It is anticipated that a further small payment will be disbursed when the accounts for the season are finalised. The first advance in No. 17 Pool was 10s.0d. ($1.12) a bushel, less freight.

Sales and Exports — Sales of wheat by the Australian Wheat Board have been good during the past two weeks. The United Kingdom has stepped up purchases and bought 50,000 tons (1,867,000 bushels) last week. The Wheat Board reports that between 26,000 and 27,000 tons (971,000 and 1,008,000 bushels) of wheat will be shipped to Japan during November-December, and 8,200 tons of flour (424,000 bushels of wheat equivalent) has been loaded for Colombo. Another 5,000 tons (258,000 bushels of wheat equivalent) was shipped on December 10. Nearly 2 million bushels of wheat were exported to West Germany in November. Australia has sold 50,000 tons (1,867,000 bushels) of wheat to Poland under a time-payment plan. The purchase price has not been disclosed.

The Chairman of the Australian Wheat Board, in announcing the sale, said that Poland would establish credits to pay the cost of ocean freight, but would be given credit for the wheat by the Board itself with interest charges payable half yearly.

Loan (Emergency Wheat Storage) Act, 1955 — The above-named Commonwealth Act came into operation on September 26, 1955. Its purpose is to enable long-term finance to be made available to the Board to meet expenditure on emergency wheat storages. Short-term finance was temporarily

Pastoral Conditions The pastoral outlook is generally good all over Australia, and production of meat, milk and wool is running at record figures. It is expected that meat exports to the United Kingdom will total 177,000 tons by December 1, the largest quantity exported since 1941 when 208,000 tons were shipped.

A revised estimate of the 1955-56 total wool clip is placed at 1,414 million pounds compared with 1,288 million pounds last season.

Separate Pools for Undergrade Wheat The following press report regarding separate pools for the receival of undergrade wheat was received from Mr. Blake under date of December 13.

"In view of the large quantities of undergrade wheat expected to be received from the 1955-56 harvest in some States and which will have to be marketed separately from f.a.q. wheat, the chairman of the Australian Wheat Board (Sir John Teasdale) announced yesterday that the Board has decided to create separate pools for the receival of such wheat, as distinct from the No. 19 or f.a.q. pool.

The separate pools will be known as No. 19A, embracing undergrade wheat weighing not less than 54 lb. a bushel, and No. 19B for wheat weighing less than 54 lb. and down to 46 lb. a bushel. All wheat received into Nos. 19A and 19B pools will be docked in accordance with the standard scale of dockages approved by the Board, and the rate of the first advance to growers will be the same as for No. 19 pool subject to the appropriate dockages.

The ultimate payments to growers who deliver undergrade wheat will equal the realization of the f.a.q. wheat, less the average discounts allowed to buyers on day to day sales, after taking into account the dockages levied on delivery. This procedure ensures that wheat in the undergrade pools participates in the Stabilization Scheme."

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

Destination	Wheat		Wheat Flour	
	1953-54	1954-55	1953-54	1954-55
	- thousand bushels -			
Aden and Aden I/T	-	9	789	1,200
Belgian Congo	-	-	1	5
Borneo	-	-	1	6
British North Borneo	-	-	107	189
British Somaliland	-	-	-	1
British West Indies	2	4	1/	184
Brunei	-	-	20	21
Burma	36	173	1,106	973
Ceylon	6	12	7,604	6,849
Cocos Islands	-	-	1/	1/
Cyprus	1,044	1,321	-	1
Dutch New Guinea	-	-	24	51
Egypt	-	-	-	11
Egypt (a/c War Office)	-	-	791	94
Eire	937	2,003	-	-
French Somaliland	-	-	6	4

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

Destination	Wheat		Wheat Flour	
	1953-54	1954-55	1953-54	1954-55
	- thousand bushels -			
Germany	7,655	1,139	-	-
Greece	-	-	1/	-
Hadhramaut	-	-	-	5
Hong Kong	21	1,026	-	-
Hong Kong (General)	-	-	307	279
Hong Kong (a/c War Office)	-	-	84	77
India	7,366	12,348	-	-
Indonesia	1	1	4,532	5,454
Iraq	-	1,363	-	-
Italy	-	-	10	32
Japan	959	6,175	-	-
Jordan	-	771	-	322
Korea	-	-	403	-
Kure (a/c War Office)	-	-	166	33
Lebanon	-	2,030	1	74
Libya	-	-	18	52
Malaya	434	734	-	-
Malaya (General)	-	-	5,941	6,448
Malaya (a/c War Office)	-	-	118	154
Malta	-	281	-	-
Mauritius	-	2	941	1,192
Netherlands	624	533	-	-
New Zealand	7,557	8,791	1/	1
Nyasaland	-	-	61	104
Pacific Islands	23	29	1,609	2,122
Pakistan	-	-	1/	-
Palestine	-	-	2	16
Persian Gulf	64	60	91	170
Philippines	-	-	44	223
Pondicherry	1	-	16	8
Port Said (a/c S/S)	2	-	68	83
Portuguese East Africa	197	660	3	1/
Portuguese India	115	57	103	76
Portuguese West Africa	-	-	1/	-
Reunion	-	-	48	-
Rhodesia	1,969	2,684	2	-
Roumania	-	283	-	-
Sarawak	-	-	148	178
Saudi Arabia	30	90	3	76
Seychelles	-	-	28	35
Siam	6	5	511	727
Sudan	-	-	369	1,111
Syria	-	2,078	-	-
Tahiti	-	-	242	209
Timor	-	-	18	29
United Kingdom	11,477	18,463	1,200	4,524

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

Destination	Wheat		Wheat Flour	
	1953-54	1954-55	1953-54	1954-55
	- thousand bushels -			
Yemen	-	-	3	13
Yugoslavia	-	-	-	1/
Zanzibar	7	15	14	417
Royal Navy	14	31	23	29
Ships' Stores	-	-	125	135
Totals	40,547	63,171	27,700	34,000

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 December 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 .00285 and one £ equals 2.7994 Canadian dollars, the rates in effect on December 9, 1955.

Crop and Weather Conditions — The French Ministry of Agriculture crop report of December 1 states that the below normal rainfall throughout the fall has in many instances retarded field work and also vegetation. Except for the northeast of the country, pastures are depleted and milk output on a lower level than last fall.

Despite these unfavorable conditions, seeding of grain crops has progressed well; while there is at this date little change to report in the area seeded to coarse grain, that for wheat shows an increase over last year.

Wheat - Acreage and Conditions — The area seeded to wheat at December 1 is estimated at 4,180,900 hectares (10,327,000 acres) which is 3.5 per cent above December, 1954 and 12.2 per cent above the 1950—1954 average at that date. It still remains below the final 1954-55 crop acreage of 4,490,000 hectares (11,090,000 acres) but this includes spring seeding, and the Ministry states that the area to wheat will be substantially above that of last year.

The early fields have suffered from the dry soils, but the occasional rain along with generally mild weather allowed making up for lost time, although growth is considerably behind normal. As a result, the young plants are not very strong, and the Ministry has indicated an index of 71 for the condition of the fields, as compared with 75 this time last year.

The December 1 estimate of area seeded is as follows:

Grain	Average December 1, 1950-54	December 1, 1954	December 1, 1955
		- thousand acres -	
Wheat	9,200	9,981	10,327
Wheat and Rye	59	54	72
Rye	1,066	982	931
Barley	802	981	984
Oats	1,402	1,402	1,359
Mixed Grains	78	68	90
Totals	12,607	13,469	13,762

Source: French Ministry of Agriculture.

<u>French Supplies of Soft Wheat</u> The following is a preliminary estimate of French supplies of soft wheat for the 1955-56 crop year.

French Wheat Supplies

Item	1955-56 1/
	- million bushels -
Commercial carryover, August 1	51.7
Anticipated Deliveries to Grain Board	282.9 2/
Total Commercial Supplies	334.6
Less domestic requirements for crop year	183.7
Available for export and carryover	150.9
Deduct exports of wheat and flour in wheat equivalent August—October	18.3 3/
Balance November 1 for export and carryover	132.6

1/ Preliminary.
2/ Of which 187.4 million bushels had been delivered by farmers by November 1.
3/ Comprising 16.1 million bushels for Foreign countries and 2.2 million bushels for French Union - including exports of flour in wheat equivalent of 3.3 million bushels.
Source: Private table based on Grain Board Statistics.

<u>Principal Markets</u> While it is yet early to determine the pattern of French wheat exports during the current crop year, the following countries have to date (August 1 to October 31, 1955) been the principal customers:

Wheat Exports by Destination

Destination	August-October, 1955	Destination	August-October, 1955
	- thousand bushels -		- thousand bushels -
Denmark	1,254	Poland	740
Germany	2,451	United Kingdom ..	3,771
Lebanon	748	Switzerland	942
Netherlands	2,479		

Wheat and Flour Exports by Months

As will be noted below, wheat and flour exports for the first three months of the crop year are a good deal higher to foreign countries but somewhat lower to countries of the French Union.

Monthly Wheat and Flour Exports, August--October

Month	Foreign Countries		French Union	
	1954	1955	1954	1955
		- thousand bushels -		
August	2,171	5,277	1,078	610
September	3,108	3,104	1,066	667
October	4,882	7,750	1,152	884
Totals	10,161	16,131	3,296	2,161

French Market Situation

The trade reports that France has sold around 1.4 million tons (51,441,000 bushels) of wheat since the beginning of the new crop year on August 1. Apart from the commitment from Germany to take half a million tons (18,372,000 bushels) under which individual importers are buying regularly, the French Grain Board has made another large sale in the form of around 200,000 tons (7,349,000 bushels) of wheat and 100,000 tons of flour (5,062,000 bushels of wheat equivalent) to Poland. Recent purchases have been at $71.25 per ton ($1.94 per bushel) c.i.f. with a year's credit. Sales to the United Kingdom continue on a regular basis at prices of £22-23 ($1.68-$1.75 per bushel) c.i.f.

At the beginning of December, the Grain Board authorized the import of 5,000 tons (230,000 bushels) of barley from Morocco. This is despite the record barley crop of 2.6 million tons (119,416,000 bushels) which was 3 per cent above last year's crop which allowed the export of 70,000 tons (3,215,000 bushels). However, the market situation is considerably different this year for a number of reasons. In the first place, yields were very uneven and particularly low in the south which is normally not self-sufficient. Secondly, the drought conditions of the last summer and fall reduced forage output and increased demand for other feeds. Thirdly, the quality of the 1955 wheat crop is much higher than last year when a substantial portion could be used only as feed.

As a result, the domestic price for barley was forced up to an average of 2,770 francs per quintal ($1.72 per bushel) during November, compared with the support price of 2,350 francs ($1.46 per bushel). The Moroccan barley is

to be brought in at 2,650 francs per quintal ($1.64 per bushel) c.i.f. French port, and it is hoped that this first import lot will have a psychological effect on the market.

Position of Wheat in French Agriculture — In a recent study, the French Statistical Institute has estimated farm cash income for the crop year 1954-55 at 2,205 billion francs ($6,284 million) compared with 2,155 billion ($6,142 million) in 1953-54 and 2,100 ($5,985 million) in 1952-53. While the basic price for the 1954 crop was 3,400 francs per quintal ($2.64 per bushel), this was modified on deliveries of over 25 quintals (92 bushels) by the levy to offset export losses, and the Institute calculates that the 7.7 million tons (282.9 million bushels) delivered to the Grain Board were paid at average price of 3,160 francs per quintal ($2.45 per bushel). The total income from wheat was, therefore, in the neighbourhood of 245 billion francs ($698 million), in addition to which 4.9 billion francs ($14 million), or an average of 65 francs per quintal (5 cents per bushel) was paid for carrying charges on the farm.

Apart from sales to the Grain Board, French farmers may deliver their wheat direct to local mills in return for flour; such operations are believed to be more or less on the same level as in the past and are evaluated at 15 billion francs ($43 million). Quantities exchanged privately are estimated at around 20 billion francs ($57 million). The total of these sales to the Grain Board and private transactions is estimated to come to 280 billion francs ($798 million).

As a percentage of total farm income, wheat has shown a tendency to rise slightly; from 11 per cent in 1952-53, it has moved up to 12 per cent in 1953-54 and to 12.5 per cent in 1954-55; however, its position is considerably lower than the 17 per cent prewar.

URUGUAYAN GRAIN ESTIMATES

The following information on the acreage and production of grain crops in Uruguay was received from Mr. Blair Birkett, Commercial Counsellor, Montevideo, Uruguay, under date of January 5, 1956.

The Ministry of Agriculture, in its first estimate of area sown, places acreage of the various grain crops sown for the 1955-56 crop year, as compared with 1954-55, as follows:

First Estimate of Areas Sown to the 1955-56 Crops

Grain	Area Sown 1954-55	Area Sown 1955-56
	- thousand acres -	
Wheat	1,906	1,910
Flaxseed	240	250
Oats	110	114
Barley	28	29
Beer Barley	92	77

Sowing was carried out under excellent conditions, and as shown in the table, all areas increased slightly with the exception of beer barley. Although it is too early in the season to provide a firm estimate of production, a good crop is anticipated. A recent newspaper forecast indicated that the ideal growing conditions which prevailed throughout December would result in a harvest of well over 31 million bushels. A later report from South America indicates that the Uruguayan wheat crop may total 33.1 million bushels of which 18.4 million will be available for export.

Final Estimates 1954-55 Crops

Grain	1950-51	1951-52	1952-53	1953-54	1954-55
			- thousand bushels -		
Wheat	15,974	17,548	16,995	30,079	31,363
Flaxseed	3,543	5,575	4,275	2,540	2,479
Oats	2,215	2,446	2,494	3,873	2,130
Barley	479	316	307	601	493
Beer barley	653	506	711	1,251	1,405

Wheat production during the 1954-55 crop year is the highest on record with regard to both acreage and yield. Flaxseed showed a considerable decline, due to the fact that the acreage sown was only half that of the 1952-53 or 1951-52 seasons.

CALENDAR OF WHEAT EVENTS

December 14 A cable received from the Commonwealth Statistician places the first estimate of 1955-56 wheat production in Australia at 188.6 million bushels.

15 The navigation season at the Lakehead closed with the clearing of the Sir Thomas Shaughnessy.

16 A report received from the Commercial Secretary in Buenos Aires indicates that the first official estimate of 1955-56 wheat production in the Argentine has been placed at 167.2 million bushels.

19 According to the annual summary on Crop Production published by the United States Department of Agriculture, production of all wheat in 1955 has been increased to 938 million bushels. The revised estimate of 1954 production stands at 985 million bushels.

21 According to a report published by the Crop Reporting Board of the United States Department of Agriculture a 1956 winter wheat crop of 735 million bushels is indicated on the basis of conditions at December 1 and other factors.

January 9 The President of the United States, in a special message on agriculture, recommended to Congress a 9-point program designed to reduce agricultural surpluses and to strengthen other weak points in the U.S. agricultural economy. Conservation policies are an integral part of the proposals.

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