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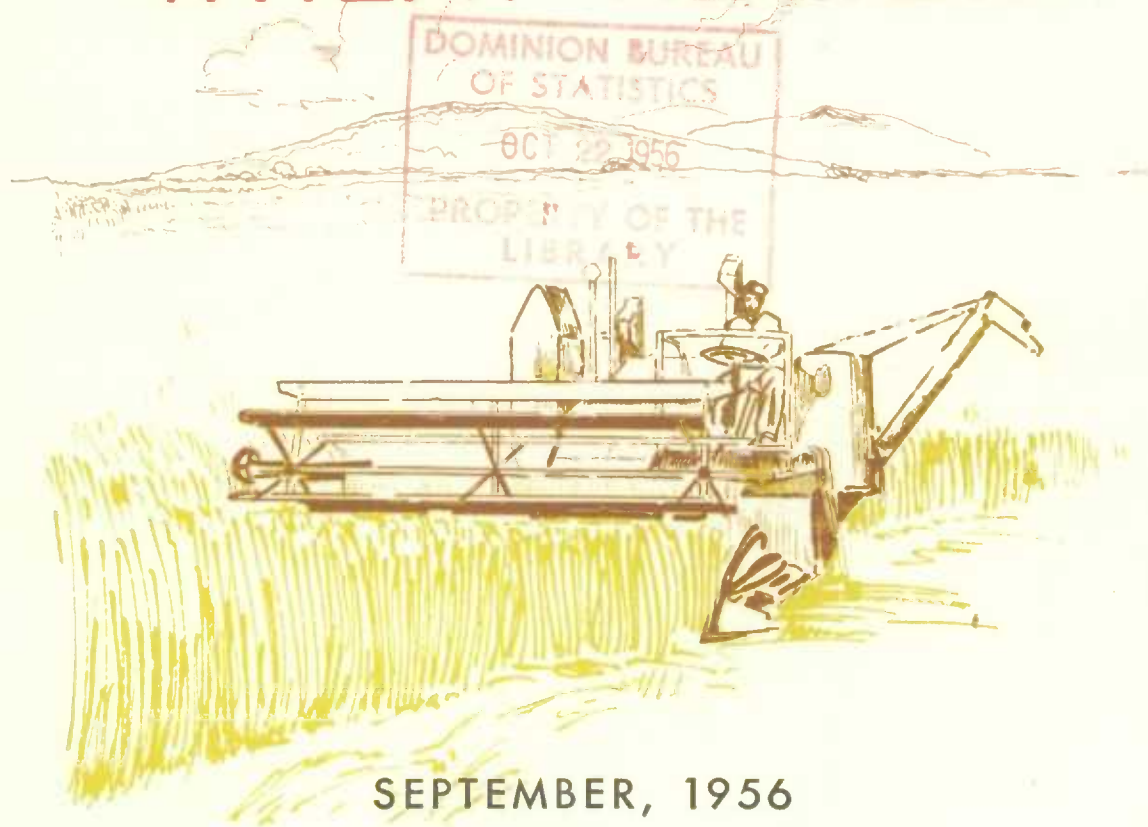
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CANADA

DOMINION BUREAU OF STATISTICS
AGRICULTURE DIVISION

THE WHEAT REVIEW



SEPTEMBER, 1956

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THE
WHEAT REVIEW

SEPTEMBER, 1956

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about September 1, 1956 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 2,354.8 million bushels, virtually unchanged from the 2,359.7 million available a year ago. Supplies at September 1, 1956 (in millions of bushels) were held as follows, with last year's figures in brackets: United States 1,301.9 (1,311.1); Canada 859.0 (822.7); Australia 128.2 (115.0); and Argentina 65.7 (110.9). Estimates for both years include on-farm stocks as well as those in commercial positions. The 1956 Canadian crop, forecast at 511.6 million bushels on the basis of conditions at September 15 is now taken into account in these calculations.

Exports Total exports of wheat and flour in terms of wheat from the four major exporting countries for the month of August, 1956, at 90.0 million bushels, are 38 per cent above the shipments of 65.1 million during August of 1955. All four countries, with the exception of Argentina shared in this increase. Shipments from each of the four countries during August of the current and six preceding years are shown in the table below.

Exports of Wheat and Flour in Terms of Wheat, August, 1956 with Comparisons

August	United States	Canada	Argentina	Australia	Total
- million bushels -					
1950	14.8	15.5	7.0	11.7	49.0
1951	42.7	21.7	7.1	11.5	83.0
1952	26.1	32.7	-	2.5	61.3
1953	20.5	28.7	9.9	5.0	64.1
1954	17.8	19.2	10.7	5.8	53.5
1955 1/	25.0	23.2	10.4	6.5	65.1
1956 2/	40.6	29.8	9.1	10.5	90.0

1/ Revised. 2/ Preliminary.

World Breadgrain Production World production of breadgrains in 1956 will be the same as the large 1955 outturn, according to preliminary estimates released on September 24 by the Foreign Agricultural Service of the United States Department of Agriculture. The total for wheat and rye, estimated at 263 million short tons, equals the large 1955 total, with a substantial increase in wheat offset by a reduction in rye. The preliminary estimate of 7,510 million bushels for wheat is at a record level. Rye production of 1,355 million bushels, in contrast, is the smallest outturn since 1945. Present forecasts are necessarily of a tentative nature since seeding of these crops in Southern Hemisphere countries has only recently been completed, and growing conditions up to December 1 will play a large part in determining the outturn in those areas. Reliable information is also lacking for some important producing countries of the Northern Hemisphere.

Wheat production in Western Europe is tentatively estimated at about 13 per cent less than the 1955 total. Estimates for Europe are less firm than usual at this time of year, since the season is late and unfavorable weather has held up harvesting. Undoubtedly, quality of the grain will be lowered in a number of countries. The bulk of the reduction from the 1955 level is in France, where winter damage was the heaviest of the European countries. Production is also somewhat lower in Italy,

Continued on page 7

International Wheat Agreement Sales and Purchases for Crop Year 1956-57

Importing Countries	Guaranteed Quantities	S O U R C E						Total Purchases	Remainder
		Canada	Argentina	Australia	France	Sweden	U.S.A.		
		1/	2/	2/	2/	2/	2/		2/
- thousand bushels -									
Austria	3,674	-	-	-	-	-	-	-	3,674
Belgium	16,535	554	-	4	-	-	4,035	4,593	11,942
Bolivia	4,042	-	-	-	-	-	-	-	4,042
Brazil	7,349	-	-	-	-	-	-	-	7,349
Costa Rica	1,470	222	-	-	-	-	457	679	791
Cuba	7,422	88	-	-	-	-	2,089	2,177	5,245
Denmark	1,837	65	-	-	-	64	1,132	1,261	576
Dominican Republic ..	1,102	64	-	-	-	-	126	190	912
Ecuador	1,837	219	-	-	-	-	19	238	1,599
Egypt	11,023	-	-	-	-	-	-	-	11,023
El Salvador	919	36	-	-	-	-	100	136	783
Germany	55,116	5,548	-	827	-	-	8,292	14,667	40,449
Greece	11,023	-	-	-	-	-	2,128	2,128	8,895
Guatemala	1,470	60	-	-	-	-	216	276	1,194
Haiti 4/	2,204	61	-	-	-	-	194	255	1,949
Honduras Republic ..	919	2	-	-	-	-	23	25	894
Iceland	73	-	-	-	-	-	1	1	72
India 5/	7,349	-	-	7,177	-	-	172	7,349	-
Indonesia	5,144	-	-	742	-	-	-	742	4,402
Ireland 4/	5,512	299	-	-	-	-	-	299	5,213
Israel	8,267	-	-	-	-	-	1,475	1,475	6,792
Italy	3,674	-	-	-	-	-	-	-	3,674
Japan	36,744	-	-	-	-	-	-	-	36,744
Korea	2,205	-	-	-	-	-	-	-	2,205
Lebanon	2,756	-	-	-	-	-	221	221	2,535
Liberia	73	2	-	-	-	-	9	11	62
Mexico	3,674	-	-	-	-	-	-	-	3,674
Netherlands	25,721	800	-	-	-	-	6,100	6,900	18,821
New Zealand 4/	5,879	-	-	1,848	-	-	-	1,848	4,031
Nicaragua	367	22	-	-	-	-	57	79	288
Norway	6,614	3,184	-	-	-	-	328	3,512	3,102
Panama	1,102	25	-	-	-	-	94	119	983
Peru	7,349	-	-	-	-	-	-	-	7,349
Philippines	6,063	433	-	29	-	-	417	879	5,184
Portugal	5,879	35	-	7	-	-	503	545	5,334
Saudi Arabia	3,674	-	-	-	-	-	38	38	3,636
Spain	4,593	-	-	-	-	-	-	-	4,593
Switzerland	6,981	3,102	-	-	-	-	-	3,102	3,879
Union of S. Africa ..	5,512	-	-	-	-	-	-	-	5,512
Vatican City	551	-	-	-	-	-	-	-	551
Venezuela	6,246	960	-	-	-	-	1,400	2,360	3,886
Yugoslavia	3,674	-	-	-	-	-	-	-	3,674
Total	293,618	15,781	-	10,634	-	64	29,626	56,105	

1/ Canadian Sales through October 2, 1956.

2/ Sales recorded by International Wheat Council through September 28, 1956.

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

4/ Quantity as inscribed in the 1956 Wheat Agreement - Clarification of country's membership is pending.

5/ Quota filled.

CANADIAN SITUATION

Supply Position Total estimated supplies of Canadian Wheat, for the 1956-57 crop year now amount to some 1048.8 million bushels, consisting of the revised August 1 carryover of 537.2 million bushels and the 1956 crop, forecast on the basis of conditions at September 15, at 511.6 million. Supplies of the size indicated would be the largest on record and would exceed by 6 per cent, the 1955-56 total of 993.9 million bushels. Assuming realization of the September forecast of production and after making an allowance of 160 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1956-57 would amount to 888.8 million bushels compared with 845.9 million available in 1955-56.

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during August 1956 amounted to 29.8 million bushels as against 23.2 million exported during the same month a year ago. Subject to realization of current production and utilization estimates, the balance remaining on September 1, 1956 for export and for carryover, amounted to 859.0 million bushels, some 4 per cent above the September 1, 1955 total of 822.7 million.

Canadian Wheat Supplies

Item	1955-56 <u>1/</u>	1956-57 <u>2/</u>
	- million bushels -	
Carryover in North America at beginning of crop year (August 1)	499.7	537.2 <u>3/</u>
New crop	494.1	511.6
Imports of wheat, August	<u>4/</u>	<u>5/</u>
Total estimated supplies	993.9	1048.8
Less estimated domestic requirements for crop year	148.0 <u>3/</u>	160.0
Available for export and for carryover	845.9	888.8
Deduct:		
Overseas clearances of wheat as grain, August	19.8	26.1
Exports of Canadian wheat to U.S., August	0.5	0.2
Total exports of wheat	20.2	26.3
Exports of wheat flour in terms of wheat, August	3.0 <u>6/</u>	3.4
Total exports of wheat and wheat flour	23.2	29.8
Balance on September 1 for export and for carryover	822.7	859.0

1/ Subject to revision. 2/ Preliminary. 3/ Revised.
4/ Less than 50,000 bushels. 5/ Not available. 6/ Adjusted to remove effect of
time lag in the returns made by Customs.

August 1956 Exports of
Wheat and Flour Total
29.8 Million Bushels

Total exports of Canadian wheat and wheat flour in terms of grain equivalent during August 1956 amounted to 29.8 million bushels, exceeding by 6 per cent and 28 per cent, respectively, the July 1956 total of 28.2 million and the August 1955 export movement of 23.2 million bushels. In addition, the current August total surpassed by a wide margin the ten-year (1945-1954) average exports for the month, of 22.2 million bushels. Exports of wheat as grain, at 26.3 million bushels were 7 per cent above the 24.6 million exported during the preceding month and 30 per cent greater than the comparable August 1955 figure of 20.2 million bushels. Preliminary Customs returns indicate that the equivalent of 3.4 million bushels of wheat was exported in the form of flour during August 1956 compared with 3.6 million exported in July this year and the revised August 1955 figure of 3.0 million bushels.

The United Kingdom was the leading purchaser of Canadian wheat as grain during August receiving shipments amounting to some 8.0 million bushels, or 30 per cent of the entire August movement of wheat as grain. Other principal markets for Canadian wheat as grain during the month, with quantities received in millions of bushels, were as follows: Japan, 6.8; Federal Republic of Germany, 4.1; Switzerland, 2.4; Netherlands, 1.2; and Belgium, 1.0. (Comparable information on exports of Canadian wheat as flour may be found on page 19 of this publication).

Production of
Canada's 1956
Grain Crops

On the basis of yields indicated at September 15, production of most of Canada's principal grain crops in 1956 will be higher than last year's levels. Present prospects point to the possibility of a 511.6 million bushel wheat crop, a 512.9 million bushel oat crop, a 275.5 million bushel barley crop, a record flax crop of 34.1 million bushels and a relatively small rye crop of 8.6 million bushels. With the exception of spring wheat, yields of all these crops declined slightly from the August 15 forecast. Although frost and wet weather undoubtedly lowered the quality of the crop, yields were well maintained. This was due in part to higher than earlier anticipated yields in many southern and central districts in the Prairies which compensated largely for reduced yields in northern districts.

In contrast to a year earlier, harvesting was delayed throughout most of Canada and although a large proportion of the cereal crops had been cut, only a small percentage had been threshed at the time of the Bureau's survey at mid-September. By the end of September good progress had been made with threshing cereal crops in most southern and central districts in the Prairie Provinces but generally cool, damp weather delayed operations in more northerly districts. The progress of the flaxseed harvest was much slower in all three provinces. In general, a large proportion of the harvest has now been completed and if favourable weather prevails through the first week to ten days in October the Bureau will not conduct a survey on 'Progress of Harvesting in the Prairie Provinces' this year. In its place, information on harvesting progress will be included in the Bureau's November estimate of production. Wet weather has repeatedly delayed harvesting in Central Canada but in the Maritimes and British Columbia, except for the Peace River Block, progress has been more favourable.

September Forecast of the 1956 Production of Principal Grain Crops,
Canada and Prairie Provinces, Compared with Latest Estimates for 1955

Crop	Area		Yield per Acre		Production	
	1955	1956	1955	1956 1/	1955	1956 1/
	- acres -		- bushels -		- bushels -	
<u>CANADA</u>						
Winter wheat ...	582,000	620,000	34.3	31.4	19,963,000	19,468,000
Spring wheat 2/	20,923,800	20,720,400	22.7	23.8	474,153,000	492,146,000
All wheat	21,505,800	21,340,400	23.0	24.0	494,116,000	511,614,000
Oats for Grain .	11,178,000	11,972,500	36.1	42.8	403,835,000	512,874,000
Barley	9,932,500	8,722,300	25.4	31.6	252,225,000	275,511,000
Fall rye	568,900	395,100	19.9	15.2	11,334,000	6,018,000
Spring rye	211,300	161,900	16.1	15.7	3,410,000	2,543,000
All rye	780,200	557,000	18.9	15.4	14,744,000	8,561,000
Flaxseed.....	1,838,400	3,141,000	10.7	10.8	19,748,000	34,057,000
Mixed grains ...	1,705,200	1,634,700	38.3	39.8	65,353,000	65,118,000
<u>PRAIRIE PROVINCES</u>						
Spring wheat 2/.	20,812,000	20,630,000	22.7	23.8	472,000,000	490,000,000
Oats for grain .	7,788,000	8,605,000	37.2	44.7	290,000,000	385,000,000
Barley	9,638,000	8,462,000	25.3	31.6	244,000,000	267,000,000
Rye	707,000	477,300	18.9	14.3	13,350,000	6,843,000
Flaxseed	1,809,000	3,097,000	10.8	10.8	19,450,000	33,500,000

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

2/ Includes Durum wheat in the Prairie Provinces where Canada's commercial production of this crop is concentrated and also relatively small quantities of Winter wheat in provinces other than Ontario.

Canada's 1956 wheat crop now forecast at 511.6 million bushels is 4 per cent above last year's estimate of 494.1 million and 10 per cent above the ten-year average of 463.7 million. A crop of this size, however, would be 27 per cent below the record 701.9 million bushels harvested in 1952. The increase in production over last year is due entirely to increased yields per acre since the total acreage seeded to spring and winter wheat was slightly lower than in 1955. Average yield at 24.0 bushels per acre is somewhat above last year's level of 23.0 bushels and well above the ten-year (1946-1955) average of 18.6 bushels per acre. This year's all-Canada crop of spring wheat, including durum, is forecast at 492.1 million bushels compared with the 1955 crop of 474.2 million and the ten-year average of 442.9 million. Ontario's winter wheat crop is estimated at 19.5 million bushels, a decrease of 0.5 million from last year's crop.

In the Prairie Provinces the 1956 wheat crop is now placed at 490.0 million bushels, unchanged from the August forecast but 18 million bushels larger than that produced in 1955. Production in Saskatchewan, which accounts for about 60 per cent of this year's indicated wheat crop, is estimated at 309 million bushels, 4 per cent above last year's 298 million. The current crop is well above that of 1955 in Manitoba where production is forecast at 51.0 million compared with 41.0 million last year. The Alberta crop, forecast at 130.0 million bushels, is down 2 per cent from last year due entirely to a decrease in acreage. The indicated average yield per seeded acre in the Prairie Provinces, on the basis of conditions at mid-September, is 23.8 bushels, with Manitoba averaging 24.6, Saskatchewan 23.0, and Alberta 25.3 bushels per acre. Current estimates of production in the Prairies include relatively small quantities of winter wheat, principally in Alberta, and an estimated 41.3 million bushels of durum wheat.

September Forecast of the 1956 Production of Durum Wheat 1/
in the Prairie Provinces Compared with 1955

Province	Area		Yield per Acre		Production	
	1955	1956	1955	1956 <u>2/</u>	1955	1956 <u>2/</u>
	- acres -		- bushels -		- bushels -	
Manitoba	13,000	15,000	15.0	20.0	195,000	300,000
Saskatchewan	475,000	1,100,000	23.8	23.6	11,300,000	26,000,000
Alberta	206,000	535,000	28.0	28.0	5,800,000	15,000,000
Totals	694,000	1,650,000	24.9	25.0	17,295,000	41,300,000

1/ Acreage and production included with spring wheat.

2/ As indicated on the basis of conditions on or about September 15.

After registering a decrease in 1955, a sharp increase in acreage seeded to this crop occurred this year, especially in Saskatchewan and Alberta. For the Prairies the acreage is estimated at 1,650,000 acres, compared with 694,000 in 1955. Average yields at 25.0 bushels are only slightly above last year's 24.9 bushels per acre. However, due to the sharp increase in acreage, production is forecast at 41.3 million bushels compared with 17.3 million bushels a year ago. It is expected that 0.3 million bushels will be produced in Manitoba, 26.0 million in Saskatchewan, and 15.0 million in Alberta. Estimated yields are as follows: Manitoba, 20.0; Saskatchewan, 23.6; and Alberta, 28.0 bushels per acre.

General Quota Position By September 28, 1956, out of a total of 2,080 shipping points in the Western Division, the Canadian Wheat Board had placed 74 on a quota of 2 bushels per specified acre while an additional 448 were on a 1-bushel quota. Of the remainder, 1,538 were on the Initial Unit Quota. Twenty stations were reported as closed.

Summary of Elevator Shipping Points in Each Quota Group
as at September 28, 1956

Province	General Quota in Bushels per Specified Acre		Initial Unit Quota	Closed Stations	Total
	One	Two			
Ontario	-	1	-	1	2
Manitoba	101	21	254	2	378
Saskatchewan	292	40	771	3	1,106
Alberta	55	10	511	14	590
British Columbia	-	2	2	-	4
All Provinces	448	74	1,538	20	2,080

Farmers' Marketings of Wheat in the Prairie Provinces, 1956-57

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -					
August 8, 1956	826	70,774	14,549	86,149	-
15	18,055	742,851	66,158	827,064	184,387
22	142,030	1,413,145	329,074	1,884,249	2,360,263
29	300,488	2,813,251	676,293	3,790,032	3,506,512
September 5	279,055	2,240,920	662,721	3,182,696	6,666,139
12	312,017	2,681,903	745,801	3,739,721	7,078,649
19	753,369	4,717,176	1,210,781	6,681,326	5,500,102
Totals	1,805,840	14,680,020	3,705,377	20,191,237	25,296,052
Average similar period:					
1945-46-1954-55	12,644,902	37,365,858	15,218,104	65,228,864	

Continued from page 1

Yugoslavia, Switzerland, and the Low Countries. In Spain, Portugal, Greece, the United Kingdom, and Sweden the outturns are reported larger than in 1955. In most areas of Eastern Europe conditions were less favorable than in 1955 and the total for wheat is estimated to be 5 per cent less than in 1955 despite a slight increase in acreage.

A large breadgrain crop in the Soviet Union is being harvested under difficulties, which may reduce the total outturn. Despite that handicap, the Soviet wheat crop is expected to be well above the large 1955 crop. A substantial increase reported in spring wheat acreage was partly offset by heavy winter-kill in the winter wheat area, leaving a net increase of around 5 million acres. Yields on harvested acreage appear around average in the winter wheat belt, and are very good in the spring wheat belt beyond the Volga and the Urals. In those areas, where a large expansion of wheat acreage has taken place on the so-called new lands during the past 2 years, a severe drought reduced yields last year. Delays in harvesting in many of these regions have resulted in considerable losses of ripe grain still in the fields. Inadequate storage facilities add to the harvesting difficulties.

Wheat production in Asia is estimated to be about the same as in 1955. Significant changes within the area are noted, with reductions in Turkey, India and Japan offset by substantial increases in Pakistan, Syria, and Iraq where crops were small last year. Turkey's crop, though smaller than the large 1955 harvest, is still well above average. Turkey is the only rye producer of importance in the area. Preliminary estimates place this year's outturn slightly above the 1955 production because of increased acreage.

In Africa wheat production is estimated to be larger than in 1955. Increases in Algeria, Egypt, French Morocco and Tunisia account for most of the gain. Acreage was larger and yields better in most of the countries. Rye is of no significance in the area.

The outlook for the wheat crop in Australia is relatively unfavorable. Seeding of the current crop was seriously delayed because of extremely wet conditions. Total wheat acreage, as a consequence, is some 20 per cent less than in 1955. Conditions have been least favorable in New South Wales and Victoria and best in

Continued on page 34

Protein Content of
Western Canadian
1956 Spring Wheat

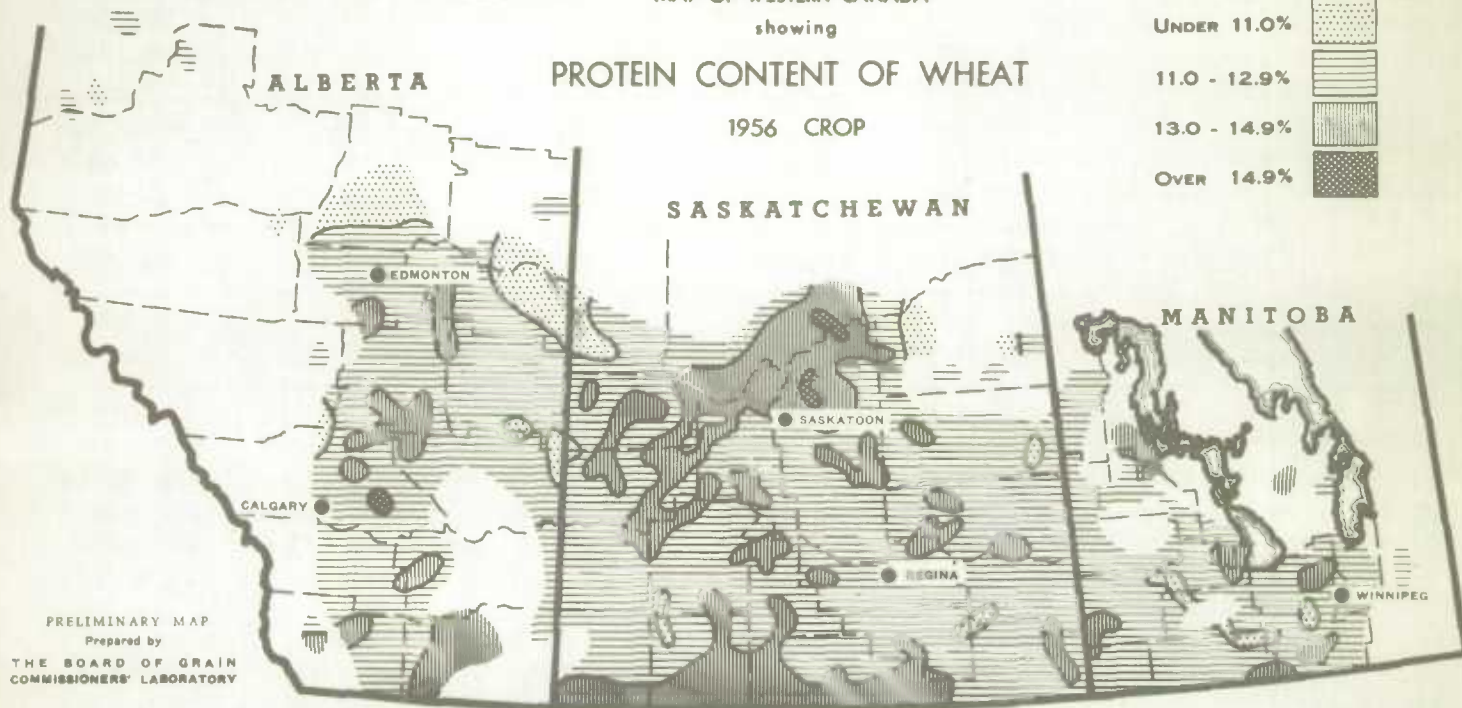
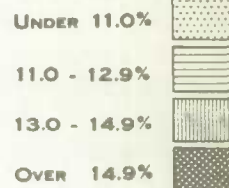
The preliminary protein map published by the Board of Grain Commissioners Laboratory on October 5 shows an average of 12.5% for the 1956 wheat crop. This preliminary estimate, based on an analysis of 4,678 samples obtained from 1,260 individual stations, may drop somewhat as more samples from Alberta are included in the survey. Provincial averages with the number of stations shown in brackets are: Manitoba, 12.3% (208); Saskatchewan, 12.6% (822); and Alberta, 12.1% (230). Detailed data for crop districts are given in the table accompanying the map.

MAP OF WESTERN CANADA

showing

PROTEIN CONTENT OF WHEAT

1956 CROP



PRELIMINARY MAP
Prepared by
THE BOARD OF GRAIN
COMMISSIONERS' LABORATORY

The above map shows the geographical distribution of wheats of different protein levels. About 75% of the western grain belt ranges between 11.0 and 12.9% protein. Areas of above-average protein level (13.0-14.9%) occur mainly in the southern and northern sections of Saskatchewan, with a few smaller areas scattered throughout the three provinces.

Protein Content of 1956 Wheat Crop in the Prairie Provinces, by Crop Districts

Manitoba			Saskatchewan			Alberta		
C.D.	Mean	Range	C.D.	Mean	Range	C.D.	Mean	Range
- per cent -			- per cent -			- per cent -		
1	12.4	10.4-15.7	1A	12.1	9.9-16.9	1	13.0	10.3-17.3
2	12.2	9.6-14.6	1B	11.9	10.1-14.0	2	12.4	9.9-15.0
3	12.2	10.0-15.1	2A	12.0	10.0-14.7	3	12.6	10.4-15.2
4	12.5	11.2-14.2	2B	12.1	9.7-15.2	4	12.0	9.1-14.5
5	12.7	10.9-15.0	3AN	12.4	9.6-14.6	5	12.1	10.2-14.8
6	12.7	11.4-14.9	3AS	12.7	9.8-17.9	6	12.3	10.2-15.5
7	12.4	10.6-14.9	3BN	12.6	10.0-16.4	7	12.1	10.2-15.0
8	12.1	10.4-15.3	3BS	12.6	9.8-15.9	8	12.3	10.0-14.5
9	12.0	10.2-13.9	4A	12.8	9.7-16.3	9	11.3	10.8-11.8
10	12.0	10.5-12.9	4B	12.2	9.9-15.7	10	12.1	9.5-14.3
11	12.2	10.3-13.9	5A	12.5	9.4-15.8	11	11.8	9.4-14.6
12	12.8	10.6-14.7	5B	12.2	10.2-16.2	12	10.1	-
13	12.1	11.2-14.3	6A	12.3	9.9-15.6	13	11.3	10.1-14.1
14	12.3	12.2-13.3	6B	13.1	10.6-16.4	14	10.7	8.0-13.7
			7A	12.7	9.7-16.4	15	11.8	-
			7B	13.2	10.8-15.6	16	11.3	9.8-14.6
			8A	11.8	9.5-15.6			
			8B	13.8	10.4-16.4			
			9A	13.1	10.0-15.3			
			9B	12.2	10.5-14.3			

Visible Supply of Canadian Wheat, September 19, 1956
Compared with Approximately the Same Date, 1954 and 1955

Position	1954	1955	1956
- thousand bushels -			
Country elevators - Manitoba	23,155	23,445	18,758
Saskatchewan	105,172	118,326	108,335
Alberta	57,139	73,929	73,146
Totals	185,467	215,700	200,239
Interior private and mill	5,226	6,009	5,961
Interior terminals	15,868	15,833	13,584
Vancouver-New Westminster	10,572	10,516	10,777
Victoria	443	227	592
Prince Rupert	220	344	37
Churchill	1,289	2,089	2,420
Fort William-Port Arthur	41,569	44,936	33,021
Storage Afloat	-	177	-
In transit rail (Western Division)	7,415	6,120	11,838
Bay, Lake and Upper St. Lawrence Ports	41,029	41,579	37,935
Lower St. Lawrence and Maritime Ports	20,891	24,451	21,760
In transit lake	10,861	8,694	3,583
In transit rail (Eastern Division)	1,018	223	1,595
United States ports	106	128	64
In transit U.S.A.	-	-	81
Totals	341,974	377,025	343,488

Grading of Wheat Inspected, August, 1956 with Comparisons

Grade	Crop Year		AUGUST			
	Average		1955		1956	
	1950-51- 1954-55	1955-56				
	per cent	per cent	cars	per cent	cars	per cent
1 Hard	1/	-	-	-	-	-
1 Man. Northern	4.9	3.3	299	2.0	601	2.7
2 Man. Northern	26.8	35.9	4,775	31.3	11,272	50.1
3 Man. Northern	19.1	22.4	4,788	31.4	5,195	23.1
4 Man. Northern	9.0	8.5	1,588	10.4	1,468	6.5
5 Wheat	8.7	9.8	1,103	7.2	1,500	6.7
6 Wheat	4.6	3.1	307	2.0	246	1.1
Feed Wheat	0.9	0.6	88	0.6	38	0.2
Garnet	0.6	0.4	92	0.6	19	0.1
Amber Durum	1.9	4.1	76	0.5	229	1.0
Alberta Winter	0.2	0.6	68	0.4	326	1.4
Toughs 2/ 3/	18.2	6.5	1,311	8.6	383	1.7
Damps 2/ 4/	3.6	1/	1	1/	-	-
Rejected 2/	1.0	4.2	708	4.6	1,122	5.0
All others	0.5	0.6	43	0.3	96	0.4
Totals	100.0	100.0	15,247	100.0	22,495	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.

Lake Shipments of Canadian Grain from the Opening of Navigation to September 19, 1956
and to Approximately the Same Date, 1946 to 1955*

Year	Wheat	Oats	Barley	Rye	Flaxseed	Total
			- thousand bushels -			
1946	65,439	39,750	14,265	1,048	1,004	121,506
1947	96,215	28,024	14,116	2,391	46	140,791
1948	60,873	12,941	12,555	1,204	4,305	91,877
1949	101,395	19,396	19,434	6,094	4,767	151,086
1950	87,792	13,943	13,962	3,507	1,877	121,080
1951	113,359	40,599	28,910	4,849	959	188,677
1952	150,251	61,368	62,785	4,983	3,286	282,672
1953	156,884	55,496	73,533	8,977	3,181	298,071
1954	85,221	35,480	45,592	5,149	2,413	173,855
1955	98,704	21,243	37,703	8,412	3,448	169,510
1956	154,232	25,692	56,241	9,878	3,696	249,740

* Shipments from opening of navigation to September 21, 1946 and 1947. Shipments subsequent years to the following dates: September 16, 1948; September 22, 1949; September 21, 1950; September 20, 1951; September 18, 1952; September 17, 1953; September 22, 1954; and September 21, 1955.

Wheat Shipments* to the United States by Destination, August 1 to September 19, 1956
Compared with Approximately the Same Period 1954 and 1955

Destination	1954	1955	1956
		- bushels -	
<u>By Vessel</u>			
Duluth-Superior	-	216,754	108,092
Milwaukee	-	26,275	-
Chicago	-	-	-
Huron	-	-	-
Erie	-	-	-
Buffalo	315,346	119,415	123,789
Oswego	-	-	-
Totals, Vessel	315,346	362,444	231,881
<u>By Rail</u>			
U.S.A. Seaboard Ports	-	-	-
Other U.S.A. Points	17,498	143,142	66,429
Totals, Rail	17,498	143,142	66,429
Totals, Shipments	332,844	505,586	298,310

* 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 1955	August 1956
	- bushels -	
Midland-Tiffin	nil	1,373,347
Owen Sound	nil	129,758
Port McNicoll	nil	602,064
Goderich	nil	420,321
Total	nil	2,525,490

Rail Shipments of Wheat from Fort William-Port Arthur, 1953-54-1956-57

Month	1953-54	1954-55	1955-56	1956-57
- bushels -				
August	191,336	61,070	56,951	100,667
September	236,030	50,633	64,033	-
October	173,043	46,053	63,975	-
November	138,440	31,253	148,576	-
December	347,824	179,272	477,622	-
January	510,486	352,109	2,340,921	-
February	368,662	318,009	1,735,097	-
March	555,518	245,958	1,599,503	-
April	378,681	169,137	300,913	-
May	253,606	68,878	91,534	-
June	37,349	43,600	91,162	-
July	74,020	57,619	102,560	-
Totals	3,264,995	1,673,591	7,072,847	

Distribution of Rail Shipments of Wheat from Fort William-Port Arthur, August, 1956

Grade	Quebec	Ontario
- bushels -		
5 Wheat	1,500	6,000
6 Wheat	-	1,500
Toughs	1,408	7,470
Rejected	4,572	17,682
Amber Durum	7,000	10,000
All Others	7,167	36,368
Totals	21,647	79,020

Overseas Exports of Canadian Grain by Ports of Loading, August 1 - September 19, 1956, with Comparisons

Ports	Wheat	Oats	Barley	Rye	Flaxseed
- bushels -					
<u>Pacific Seaboard</u>					
Vancouver-New Westminster	13,641,216	6,444	1,358,628	-	-
Victoria	36,400	-	-	-	-
Prince Rupert	-	-	455,466	-	-
<u>Churchill</u>	11,326,699	-	-	-	-
<u>St. Lawrence</u>					
Montreal	10,044,012	108,236	4,433,963	30,175	719,412
Sorel	687,307	-	2,208,900	-	63,376
Three Rivers	1,778,786	-	470,853	-	-
Quebec	2,526,168	-	-	-	-
Totals	40,040,588	114,680	8,927,810	30,175	782,788
August 1 - September 21, 1955	28,751,497	887,667	2,326,865	658,305	364,139

Freight Assistance Shipments Claims filed for payment up to August 31, 1956 represent the movement of some 18.2 million bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia under the freight assistance policy during the crop year 1955-56. This preliminary total, subject to upward revision with the filing of additional claims already surpasses by 29 per cent the 1954-55 revised figure of 14.2 million bushels. The bulk of the 1955-56 shipments went to destinations in Ontario and Quebec, with these provinces accounting for 7.3 million and 6.8 million bushels, respectively. Shipments to British Columbia accounted for an additional 2.4 million bushels while relatively small amounts went to Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland.

Provincial Distribution of Wheat Shipments under the Freight Assistance Policy
August—July, 1955-56 and 1954-55

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
- thousand bushels -								
August, 1955	7	26	76	58	487	441	234	1,329
September	10	21	114	52	495	439	195	1,325
October	11	15	57	48	543	446	177	1,298
November	12	22	90	58	588	544	272	1,586
December	6	12	85	47	623	542	194	1,510
January, 1956	5	21	65	56	592	556	227	1,522
February	6	26	77	38	458	549	191	1,347
March	6	19	79	40	561	596	232	1,533
April	4	26	70	32	574	710	192	1,608
May	8	27	92	46	750	942	174	2,039
June	3	20	76	33	532	868	219	1,751
July	4	30	48	20	566	686	47	1,400
Totals 1/	83	267	930	528	6,769	7,319	2,354	18,249
Same period 1954-55:								
Preliminary 2/	76	167	838	485	5,100	4,579	2,402	13,648
Revised 1/	81	171	849	492	5,184	4,704	2,719	14,200

Preliminary data on millfeed shipments under the freight assistance policy indicate the movement of 516,705 tons during the 1955-56 crop year. As with freight-assisted shipments of wheat, this total is based on claims filed up to August 31, 1956 and may be subject to considerable upward revision with the filing of additional claims. The current preliminary total is already virtually equal to the revised total of 523,887 tons moved under the policy during the 1954-55 crop year.

Provincial Distribution of Millfeed Shipments under the Freight Assistance Policy
August—July, 1955-56 and 1954-55

Province	1954-55		1955-56
	Preliminary 2/	Revised 1/	Preliminary 1/
- tons -			
Newfoundland	3,235	3,399	3,468
Prince Edward Island	7,015	7,263	7,239
Nova Scotia	33,355	34,046	33,066
New Brunswick	29,481	29,940	27,777
Quebec	244,393	257,095	256,857
Ontario	137,445	143,283	149,028
British Columbia	44,795	48,861	39,270
Totals	499,719	523,887	516,705

1/ Based on claims filed up to August 31, 1956.

2/ Based on claims filed up to August 31, 1955.

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

Year and Month	Overseas Clearances of Canadian Wheat <u>1/</u>	Exports of Canadian Wheat to U.S.A. for Domestic Use and Milling in Bond <u>2/</u>	Customs <u>3/</u> Exports of Canadian Wheat Flour	Total	Customs <u>3/</u> Exports of Wheat and Wheat Flour
- thousand bushels -					
<u>1954-55</u>					
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
<u>1955-56</u> <u>4/</u>					
August	19,777	469	2,673	22,920	20,830
September	14,877	292	3,462	18,631	18,138
October	14,075	416	3,559	18,049	18,141
November	16,447	440	3,085	19,972	19,382
December	10,323	429	3,076	13,828	17,708
January	19,053	476	2,792	22,320	19,057
February	16,985	537	3,445	20,967	23,764
March	17,631	130	3,181	20,942	20,789
April	28,974	1,333	3,276	33,583	29,405
May	37,350	1,768	3,645	42,763	37,565
June	42,219	1,246	3,037	46,502	42,273
July	24,233	322	3,636	28,191	38,498
Totals	261,943	7,858	38,867	308,667	305,549
<u>1956-57</u> <u>4/</u>					
August	26,107	223	3,434	29,764	27,147

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/ In terms of wheat equivalent. Exports for crop year 1954-55 adjusted to remove effect of time lag in the returns made by Customs for both wheat and wheat flour. Wheat flour conversion rate: 4.5 bushels per barrel of 196 pounds.

4/ Subject to revision. Wheat flour conversion rate: 2.3 bushels per cwt.

Exports of Canadian Wheat and Wheat Flour by Destination, 1956-57

Destination	M A Y		A U G U S T	
	Wheat	Flour 1/ 2/	Wheat	Flour 2/ Wheat 3/
- bushels -				
<u>COMMONWEALTH COUNTRIES</u>				
United Kingdom	1,086,437		1,175,358	8,020,318
<u>Africa</u>				
British East Africa	575		-	-
Federation of Rhodesia and Nyasaland ...	-		-	14,933
Gambia	575		4,416	-
Gold Coast	49,390		95,850	-
Nigeria	41,000		21,707	-
Sierra Leone	46,368		28,198	-
Union of South Africa	-		-	128,539
<u>Asia</u>				
Ceylon	368,690		-	-
Hong Kong	63,214		77,245	18,667
India	87		-	-
Malaya and Singapore	33,201		29,642	-
Pakistan	-		46	-
<u>Europe</u>				
Gibraltar	1,700		-	-
<u>North America</u>				
Bahamas	21,282		22,319	-
Barbados	23,598		29,560	-
Bermuda	9,496		6,270	-
British Honduras	2,125		442	-
Jamaica	55,964		81,110	1,400
Leeward and Windward Islands	122,700		83,400	-
Trinidad and Tobago	195,999		150,770	-
<u>South America</u>				
British Guiana	48,063		48,546	-
<hr/>				
Totals, Commonwealth Countries	2,170,464		1,854,879	8,183,857
<hr/>				
<u>FOREIGN COUNTRIES</u>				
<u>Africa</u>				
Azores and Madeira	2,015		6,672	-
Belgian Congo	56,803		37,246	-
Liberia	745		2,006	-
Portuguese East Africa	3,542		1,771	-
Portuguese West Africa	1,403		920	-
<u>Asia</u>				
Arabia	773		9,743	18,660
Japan	46,561		115,890	6,841,146
Lebanon	256		1,679	-
Okinawa	-		-	39,200
Philippine Islands	518,100		752,450	-
Portuguese Asia	69,722		9,669	-
Syria	-		428	-
Thailand	38,295		59,697	-

Exports of Canadian Wheat and Wheat Flour by Destination 1956-57

Destination	M A Y		A U G U S T	
	Wheat	Flour <u>1/</u> <u>2/</u>	Wheat	Flour <u>2/</u> <u>3/</u>
- bushels -				
<u>FOREIGN COUNTRIES</u>				
<u>Europe</u>				
Belgium	45,646		31,735	954,321
Denmark	460		460	-
France	-		-	736,740
Greece	1,150		1,265	-
Germany, Federal Republic	-		-	4,133,043
Iceland	1,610		-	-
Ireland	-		-	300,534
Italy	8,756		-	230,129
Netherlands	13,460		1,610	1,161,277
Norway	-		-	778,907
Portugal	5,635		6,026	-
Switzerland	184		-	2,366,753
Yugoslavia	460		2,300	-
<u>North America</u>				
American Virgin Islands	3,876		2,035	-
Costa Rica	53,144		43,716	-
Cuba	39,799		47,495	-
Dominican Republic	27,855		24,725	-
El Salvador	20,769		19,596	-
French West Indies	748		575	-
Guatemala	19,764		12,730	18,739
Haiti	13,455		11,040	-
Honduras	5,796		3,717	-
Netherlands Antilles	6,354		10,125	-
Nicaragua	14,094		24,667	-
Panama	10,104		18,616	-
Puerto Rico	3,029		-	-
St. Pierre and Miquelon	1,838		4,915	-
United States				
Flour in terms of wheat	214,547		96,140	-
For domestic use <u>4/</u>	-		-	222,657
<u>Oceania</u>				
French Oceania	15,212		-	-
Guam	1,207		1,725	-
<u>South America</u>				
Colombia	10,849		11,040	-
Ecuador	1,380		-	-
Peru	4,830		-	343,840
Surinam	14,110		37,067	-
Venezuela	377,152		167,767	-
Totals, Foreign Countries	1,675,488		1,579,258	18,145,946
Totals, All Countries	3,845,952		3,434,137	26,329,803

1/ In terms of wheat equivalent. Adjusted to remove effect of time lag in the returns made by Customs. Conversion rate 2.3 bushels per cwt. 2/ In terms of wheat equivalent. Unadjusted Canadian Customs returns. Conversion rate: 2.3 bushels per cwt. 3/ Overseas clearances as reported by the Statistics Branch, Board of Grain Commissioners for Canada, for all countries except the United States. Subject to revision. 4/ Compiled from returns of Canadian elevator licensees and shippers and advice from American Grain correspondents.

Initial Payment
to Producers

The Canadian Wheat Board released on September 13 its Price List No. 1 covering fixed minimum carlot prices for wheat, established in accordance with the provisions of the Canadian Wheat Board Act as amended. The Board states that the price of No. 1 Northern Wheat was fixed "by the provisions of Order-in-Council P.C. 1956-884, dated June 7, 1956 and the remaining prices have been fixed by the Board in their proper relation to the price for the No. 1 Northern grade". In addition to the categories of "tough and damp" as shown in the table below, Price List No. 1 includes ten other off-grades carrying discounts from the straight grades.

Canadian Wheat Board Price List for Specified Grades of Wheat, Crop Year 1956-57
(In Carload Lots, Basis in Store Fort William-Port Arthur or Vancouver)

Grade	Straight	Tough 1/	Damp 2/
No. 1 Hard	\$1.40	\$1.36	\$ -
No. 1 Northern	1.40	1.36	1.24
No. 2 Northern	1.36	1.32	1.20
No. 3 Northern	1.32	1.28	1.16
No. 4 Northern	1.25	1.21	1.09
No. 5 Wheat	1.08	1.04	.92
No. 6 Wheat	1.02	.98	.88
Feed Wheat96	.92	.82
No. 4 Special	1.22	1.18	1.06
No. 5 Special	1.05	1.01	.89
No. 6 Special99	.95	.85
No. 1 C.W. Amber Durum	1.50	1.46	1.34
No. 2 C.W. Amber Durum	1.47	1.43	1.31
No. 3 C.W. Amber Durum	1.40	1.36	1.24
No. 4 C.W. Amber Durum	1.31	1.27	1.15
No. 5 C.W. Amber Durum	1.13	1.09	.97
No. 6 C.W. Amber Durum	1.07	1.03	.93
No. 1 C.W. Garnet	1.22	1.18	1.06
No. 2 C.W. Garnet	1.17	1.13	1.01
No. 3 C.W. Garnet	1.10	1.06	.94
No. 4 C.W. Garnet	1.04	1.00	.88
No. 1 Alberta Red Winter	1.24	1.20	1.08
No. 2 Alberta Winter	1.19	1.15	1.03
No. 3 Alberta Winter	1.13	1.09	.97
No. 4 Alberta Winter	1.07	1.03	.91
No. 1 Soft White Spring	1.25	1.21	1.09
No. 2 Soft White Spring	1.22	1.18	1.06
No. 3 Soft White Spring	1.18	1.14	1.02
No. 4 Soft White Spring	1.15	1.11	.99
No. 1 Mixed Wheat	1.08	1.04	.94
No. 2 Mixed Wheat	1.03	.99	.89
No. 3 Mixed Wheat	1.03	.99	.89
No. 4 Mixed Wheat98	.94	.84
No. 5 Mixed Wheat	1.08	1.04	.94
No. 6 Mixed Wheat	1.03	.99	.89
No. 1 C.W. Mixed Grain88	.84	.74

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

2/ Moisture content over 17 per cent.

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

Class and Grade	Week Ending				
	August 31	September 7	September 14	September 21	September 28
- cents and eighths per bushel -					
<u>Initial Payment to Producers</u>					
1 Northern	140	140	140	140	140
2 Northern	136	136	136	136	136
3 Northern	132	132	132	132	132
4 Northern	125	125	125	125	125
5 Wheat	108	108	108	108	108
6 Wheat	102	102	102	102	102
Feed Wheat	96	96	96	96	96
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
<u>International Wheat Agreement</u>					
<u>and Domestic Sales</u>					
1 Northern	173/2	173	172/4	172/2	172/4
2 Northern	170/2	170	169/4	169/2	169/4
3 Northern	161/2	161	160/4	160/2	160/4
4 Northern	156/2	156	155/4	155/2	155/4
5 Wheat	146/2	146	145/4	145/2	145/4
6 Wheat	142/2	142	141/4	141/2	141/4
Feed Wheat	138/2	138	137/4	137/2	137/4
1 C.W. Garnet	154/2	154	153/4	153/2	153/4
2 C.W. Garnet	150/2	150	149/4	149/2	149/4
3 C.W. Garnet	147/2	147	146/4	146/2	146/4
1 Alberta Red Winter	154/2	156/4	158/4	158/2	158/4
2 Alberta Winter	150/2	153	155/4	155/2	155/4
3 Alberta Winter	147/2	150	152/4	152/2	152/4
1 C.W. Amber Durum	196/2	199	201/4	201/2	201/4
2 C.W. Amber Durum	195/2	198	200/4	200/2	200/4
3 C.W. Amber Durum	194/2	196/4	198/4	198/2	198/4
<u>Export - Class II</u>					
1 Northern	173/2	173	172/4	172/2	172/4
2 Northern	170/2	170	169/4	169/2	169/4
3 Northern	161/2	161	160/4	160/2	160/4
4 Northern	156/2	156	155/4	155/2	155/4
5 Wheat	146/2	146	145/4	145/2	145/4
6 Wheat	142/2	142	141/4	141/2	141/4
Feed Wheat	138/2	138	137/4	137/2	137/4
1 C.W. Garnet	154/2	154	153/4	153/2	153/4
2 C.W. Garnet	150/2	150	149/4	149/2	149/4
3 C.W. Garnet	147/2	147	146/4	146/2	146/4
1 C.W. Amber Durum	267/2	267	266/4	262/6	250/4
2 C.W. Amber Durum	265/2	265	264/4	261/2	249/4
3 C.W. Amber Durum	263/2	263	262/4	259/2	247/4

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

Class and Grade	Week ending				
	August 31	September 7	September 14	September 21	September 28
- cents and eighths per bushel -					
<u>Initial Payment to Producers</u>					
1 Northern	140	140	140	140	140
2 Northern	136	136	136	136	136
3 Northern	132	132	132	132	132
4 Northern	125	125	125	125	125
5 Wheat	108	108	108	108	108
6 Wheat	102	102	102	102	102
Feed Wheat	96	96	96	96	96
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
<u>International Wheat Agreement</u>					
<u>and Domestic Sales</u>					
1 Northern	173/2	173	172/4	172/2	172/4
2 Northern	170/2	170	169/4	169/2	169/4
3 Northern	161/2	161	160/4	160/2	160/4
4 Northern	156/2	156	155/4	155/2	155/4
5 Wheat	146/2	146	145/4	145/2	145/4
6 Wheat	142/2	142	141/4	141/2	141/4
Feed Wheat	138/2	138	137/4	137/2	137/4
1 C.W. Garnet	154/2	154	153/4	153/2	153/4
2 C.W. Garnet	150/2	150	149/4	149/2	149/4
3 C.W. Garnet	147/2	147	146/4	146/2	146/4
1 Alberta Red Winter	154/2	156/4	158/4	158/2	158/4
2 Alberta Winter	150/2	153	155/4	155/2	155/4
3 Alberta Winter	147/2	150	152/4	152/2	152/4
<u>Export - Class II</u>					
1 Northern	173/2	173	172/4	172/2	172/4
2 Northern	170/2	170	169/4	169/2	169/4
3 Northern	161/2	161	160/4	160/2	160/4
4 Northern	156/2	156	155/4	155/2	155/4
5 Wheat	146/2	146	145/4	145/2	145/4
6 Wheat	142/2	142	141/4	141/2	141/4
Feed Wheat	138/2	138	137/4	137/2	137/4
1 C.W. Garnet	154/2	154	153/4	153/2	153/4
2 C.W. Garnet	150/2	150	149/4	149/2	149/4
3 C.W. Garnet	147/2	147	146/4	146/2	146/4
1 Alberta Red Winter	154/2	156/4	158/4	158/2	158/4
2 Alberta Winter	150/2	153	155/4	155/2	155/4
3 Alberta Winter	147/2	150	152/4	152/2	152/4

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during August 1956 amounted to 3,449,000 hundredweight, exceeding by 5 per cent the revised August 1955 total of 3,282,000 hundredweight, but 1 per cent below the July 1956 production of 3,498,000 hundredweight and 3 per cent below the ten-year (1946-55) August average of 3,545,000 hundredweight. Mills reporting operations in August had a total rated capacity of 178,149 hundredweight per 24-hour day and on the basis of a 27-day working period 71.7 per cent of this rated capacity was effective.

Wheat milled for flour during August amounted to some 7.9 million bushels, the same as in the preceding month, and above the 7.6 million bushels milled during August 1955. Of the wheat milled for flour during August, some 7.1 million bushels were Western Canadian Spring Wheat (other than Durum) with most of the remainder consisting of Ontario Winter wheat (469,000 bushels) and Durum wheat (121,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during August 1956 amounted to 1,493,000 hundredweight (some 3,434,000 bushels of wheat equivalent) representing a decrease of 6 per cent from the 3.6 million bushels exported during the preceding month but 14 per cent above the revised August 1955 figure of 3.0 million bushels. Flour shipments during the month went to 52 countries, with the United Kingdom accounting for shipments equivalent to 1.2 million bushels, or 34 per cent of the total August export movement of wheat flour. Other principal markets for Canadian wheat flour during the month, with shipments in thousands of bushels of wheat equivalent, were as follows: Philippine Islands, 752; Venezuela, 168; Trinidad and Tobago, 151; and Japan, 116.

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

Crop Year	Wheat Milled for Flour	Wheat Flour	
		Production	Exports 1/
	- bushels -	- cwt. -	
1935-36-1939-40 average	67,845,114	29,405,451	9,603,941
1940-41-1944-45 average	99,704,638	43,908,245	23,699,546
1945-46	118,074,774	52,018,498	28,361,546
1946-47	127,775,176	56,033,374	33,116,617
1947-48	109,822,011	47,353,004	26,776,683
1948-49	90,896,984	39,944,794	20,947,620
1949-50	90,082,917	39,708,032	19,896,137
1950-51	106,748,343	46,315,153	24,356,912
1951-52	104,494,021	44,771,184	22,258,324
1952-53	106,727,237	46,776,625	24,609,199
1953-54	91,855,269	40,769,909	20,142,824
1954-55	92,406,768	40,606,599	17,692,945
1955-56 2/	91,755,469	40,142,498	16,898,583
1956-57 2/			
August	7,872,881	3,448,590	1,493,103
Same month 1955-56 (revised)	7,550,023	3,282,375	1,305,856

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.

UNITED STATES SITUATION

Supply Position Domestic supplies of wheat in the United States for the 1956-57 crop year are placed at a record 1,997.0 million bushels, consisting of the July 1, 1956 carryover of 1,030.4 million bushels, and the 1956 crop estimated, as of September 1, at 966.6 million bushels. Domestic supplies of the size indicated represent an increase of about 2 per cent from the comparable 1955-56 total of 1,962.4 million bushels. Imports of wheat from Canada for all purposes during the July-August period of the current United States crop year amounted to 0.5 million bushels. After deducting an estimated 611.0 million bushels for anticipated domestic requirements, some 1,386.5 million remain available for export and for carryover during 1956-57 compared with 1,363.2 million bushels in 1955-56.

United States Wheat Supplies

Item	1955-56	1956-57 ^{1/}
	- million bushels -	
Carryover at beginning of crop year (July 1).....	1,025.6	1,030.4
New crop.....	936.8	966.6
Total estimated domestic supplies.....	1,962.4	1,997.0
Imports of wheat for domestic use, July-August.....	0.8	0.5
Total estimated supplies ^{2/}	1,963.2	1,997.5
Less estimated domestic requirements for crop year ^{3/} ..	600.0	611.0
Available for export and for carryover.....	1,363.2	1,386.5
Deduct:		
Exports of wheat as grain, July-August.....	44.6	77.1
Exports of wheat flour and products in terms of wheat, July-August.....	7.5	7.4
Total exports of wheat, wheat flour and products..	52.1	84.6
Balance on September 1 for export and for carryover....	1,311.1	1,301.9

^{1/} Preliminary.

^{2/} Excluding imports for September-June period.

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

Exports of wheat, wheat flour and products in terms of grain equivalent during the first two months (July-August) of the 1956-57 United States crop year amounted to 84.6 million bushels, some 62 per cent above the 52.1 million exported during the same months in 1955. The balance remaining on September 1, for export and for carryover was estimated at 1,301.9 million bushels relatively unchanged from the 1,311.1 million on the same date a year ago.

1956 Wheat Crop
Forecast at 967
Million Bushels

In a report released on September 11, the Crop Reporting Board of the United States Department of Agriculture states that, based on conditions at September 1, production of all wheat is estimated at 967 million bushels. This is an increase of nearly 28 million bushels from the August 1 forecast, an increase of 3 per cent over the 1955 production but 16 per cent less than the 1945-54 average. The change from a month ago reflects an increase of more than 24 million bushels in other spring wheat and an increase of more than 3 million bushels of durum. As usual, the August 1 estimate of winter wheat is carried forward to September 1. Prospective yield per harvested acre is 19.2 bushels and compares with 19.8 bushels in 1955 and the average of 17.1 bushels.

Production of all spring wheat increased nearly 28 million bushels during August and is now indicated at 245 million bushels. A crop of this size would be 5 per cent larger than the 1955 production of 234 million bushels but 11 per cent below average. Indicated yield per harvested acre at 16.2 bushels compares with 17.2 bushels in 1955 and the average of 14.2 bushels.

Production of durum wheat in the Dakotas, Minnesota and Montana is estimated at 38 million bushels, nearly double the previous year's crop and nearly a fourth larger than average. All producing States showed an increase over last month as weather conditions during August were favorable for filling and maturing of the grain. Rust infestation was scattered. The main durum growing area had very little rust and almost no damage. Losses occurred in North Dakota due to a severe hail storm but more than offsetting hail and rust losses were ideal filling conditions. The area most severely damaged by hail contained a large acreage planted to new rust resistant varieties so that loss of rust resistant varieties will be felt keenly. Harvesting operations were generally delayed by rains in late August but by September 1 harvest was complete in South Dakota, nearly complete in Minnesota, and more than half complete in North Dakota and Montana.

Other spring wheat production is estimated at 207 million bushels, more than 24 million bushels above the August 1 forecast. The 1956 crop is 3 per cent less than the 1955 crop and 15 per cent below average. The yield per acre for the United States at 16.4 bushels is below the 1955 yield of 17.4 bushels but above the average of 14.4 bushels.

Yields in all producing States except Nebraska, New Mexico and Utah were above earlier expectations as weather conditions during August were favorable for maturing grain. Bread wheats experienced only light rust infestation and practically no damage this year. The greatly expanded use of rust resistant, higher yielding varieties reduced rust losses and generally raised the level of yields. Harvesting operations progressed rapidly during August until delayed by rains near the end of the month. Harvest generally is later than last year with only a small per cent completed in Northern areas. Quality of the crop is reported to be good to excellent though the acreage remaining for harvest may suffer some discoloration from rains.

Flour Production

The Bureau of the Census, Department of Commerce, estimated wheat flour production in the United States in July 1956 at 17,697,000 sacks, an average of 843,000 sacks per working day. This compared with a daily average of 840,000 sacks during the previous month and 881,000 sacks in July 1955. Production of wheat flour in July this year was at 78.6 per cent of capacity, compared with 78.4 and 82.6 per cent, respectively, for the previous month and the same month a year ago. Flour mills in July ground an estimated 41,266,000 bushels of wheat compared with 40,563,000 bushels in June.

Cash Wheat Prices on the Kansas City and Minneapolis Markets

No. 2 Hard Winter, Kansas City		No. 1 Northern Spring, Minneapolis	
Date	Price	Date	Price
	cents per bushel		cents per bushel
September 3	Labour Day	September 3	Labour Day
4	227 1/2 - 230 1/2	4	227 3/8
5	222 1/2 - 229 1/2	5	239 1/2 - 230 1/2
6	224 - 228 1/2	6	229 1/8
7	226 - 229 1/4	7	229
10	222 - 234 1/2	10	226 1/4
11	225 1/4 - 230	11	226 5/8
12	224 1/2	12	226 1/2
13	224 1/2	13	227
14	225 3/4 - 231 1/4	14	227 3/8
17	226 - 230	17	227 3/8
18	230 - 232 1/2	18	227
19	229 3/4	19	228 1/2
20	226 1/2 - 231 1/4	20	229 1/4
21	Not Available	21	230 - 231
24	230 3/4	24	229 7/8 - 230 7/8
25	233 1/4	25	228 7/8 - 229 7/8
26	225 3/4 - 237 1/2	26	228 3/8 - 229 3/8
27	231 1/4 - 232 3/4	27	227 3/8
28	228	28	225 - 226

Chicago Wheat Futures, High Points of Closing

Date	September	December	March	May	July
	- cents and eighths per bushel -				
September 3			Labour Day		
4	220/6	226/4	231/1	230/2	226/1
5	219/5	225/3	229/7	229/2	224/7
6	221/4	237	231/2	230/5	224/6
7	223/1	228/1	232/1	231/3	225/4
10	223/1	227/7	231/6	230/5	225/2
11	225	229/3	233/2	232/1	226/4
12	224/4	228/4	231/7	230/4	224/7
13	225	229/5	233/2	231/5	225
14	226	230/5	233/5	231/6	225/3
17	226/1	230/5	234	232/4	227
18	225/6	230	233/6	233	227/6
19	226/4	230	233/5	232/5	227/6
20		228/6	232/5	231/3	226/6
21		230/2	234/1	233/4	228/4
24		231	234/7	234/6	228/4
25		230/5	234/7	234/2	227/6
26		230	234/2	233/7	228/2
27		229/6	234/3	234/3	228/1
28		229/6	234/2	234/6	227/7

ARGENTINE SITUATION

Supply Position Total estimated supplies of wheat in the Argentine for the 1955-56 crop year amount to some 276.1 million bushels, consisting of the December 1, 1955 carryover of 83.2 million bushels and the 1955 crop estimated officially at 192.9 million bushels. Supplies of this size are about 19 per cent below the 1954-55 figure of 342.9 million bushels. After making an allowance of some 136.0 million bushels to cover anticipated domestic requirements during the current Argentine crop year, an estimated 140.1 million bushels are available for export and for carryover during 1955-56 as against 210.6 million in 1954-55. Total exports of wheat as grain and wheat flour in terms of grain equivalent during the first three quarters (December 1955-August 1956) of the current crop year amounted to 74.4 million bushels, down from the level of 99.7 million exported during the same months of 1954-55. The balance remaining on September 1, 1956 for export and for carryover totalled some 65.7 million bushels representing a decline of 41 per cent from the 110.9 million remaining at September 1 a year ago.

Argentine Wheat Supplies

Item	1954-55	1955-56 <u>1/</u>
	- million bushels -	
Carryover at beginning of crop year (December 1) <u>2/</u>	60.3	83.2
New crop.....	282.6	192.9
Total estimated domestic supplies.....	342.9	276.1
Less estimated domestic requirements for crop year	132.3	136.0
Available for export and for carryover.....	210.6	140.1
Deduct:		
Exports of wheat as grain, December-August.....	98.2	73.1
Exports of wheat flour in terms of wheat, Dec.-Aug. ..	1.5	1.3
Total exports of wheat and wheat flour.....	99.7	74.4
Balance on September 1 for export and for carryover....	110.9	65.7

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 September 18, 1956, 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 18.00 pesos to the United States dollar.

Weather and Crops The favourable agricultural situation was firmly consolidated in August according to the latest crop report of the Ministry of Agriculture and Livestock. Beneficial weather conditions prevailed in almost the whole cereal region and rainfalls of varying intensity towards the end of the month and during early September complemented earlier precipitation and permitted the normal preparation and seeding work to be accomplished. In early August and again in early September temperatures were lower than the normal and the heavy top growth checked with consequent

benefit to root development. Only in the South and West of Cordoba and in some sections of La Pampa, have cereal conditions deteriorated slightly. In these areas very strong drying winds and cold weather more than offset the beneficial effects of the few light scattered rains.

Estimated Seeded Area During the past month official estimates of seeded area have been announced for wheat and flaxseed at 13.4 per cent and 60.1 per cent above last year. The actual figures with comparative data are given in the accompanying table. Although no individual estimate has been given for other crops the Minister of Agriculture in a speech in August indicated that they were anticipating increases in the areas seeded to oats, barley and rye ranging from 8 per cent to 12 per cent above last year. For reference purposes acreage and production figures for 1954-55 and 1955-56 are also given for these crops.

Seeded Area and Production

Grain	1954-55 Area	1955-56 Area	1956-57 Area	1954-55 Production	1955-56 Production
	- thousand bushels -			- thousand bushels -	
Wheat	14,664	12,869	14,598	282,559	192,904
Flaxseed	1,825	1,665	2,668	16,298	9,370
Oats	3,398	3,586	-	57,709	46,880
Barley	2,691	3,076	-	51,073	43,683
Rye	6,157	6,369	-	33,230	25,743

Wheat - 1955-56 Crop I.N.G.E. was in the market with small quantities of wheat during the past month during which time sales of more than 20,000 metric tons (735,000 bushels) were announced at the following prices: 1,130.58 and 1,131.16 pesos per ton (\$1.71 per bushel) under multilateral agreements and 1,138 (\$1.72 per bushel) for Western Germany. I.N.G.E. also admitted the full 800,000 metric tons (29,395,000 bushels) commitment to Brazil by indicating that as of September 9, some 525,004 tons (19,291,000 bushels) remained to be shipped under the Brazilian contract. For the same date 376,398 tons (13,830,000 bushels) were available for export sale; a total of 987,143 tons (36,271,000 bushels) were yet to be shipped having been sold; and 374,675 tons (13,767,000 bushels) were were available in ports. Wheat exports during August at almost 248,000 tons (9,111,000 bushels) were 100,000 tons (3,674,000 bushels) above July shipments and were the largest since April. More than the full increase was accounted for by increased shipments to Brazil. Shipments to Italy continued at about 50,000 tons (1,837,000 bushels).

Wheat - 1956-57 Crop The outlook for the new wheat crop is considered to be most promising at this stage. The somewhat accelerated top growth, brought on by the above normal temperatures of mid-winter has apparently been checked by colder weather in early August and September. Soil moisture has been maintained in almost the whole zone and good spring rains occurred in the latter part of August. Argentina seems definitely to be experiencing an early Spring and hence there may be a greater than usual danger from late frosts. However, at the end of August the condition of the crop ranged from 100 to 120 per cent in all the important producing areas, and only dropped below 90 per cent on the western fringes. Thus, with the estimated 13 per cent greater area, there is much optimism that with normal weather a substantial increase in production will be obtained over last year's 5,250,000 tons (192.9 million bushels).

Policy

Private Trade Awaits Governing Regulations When changes were announced for producer prices in grain last year it was stated that for future crops the government prices would be guaranteed minimum prices at which I.N.G.E. would be prepared to purchase should producers not wish to sell to the private trade. Since that time grain merchants have been awaiting clarification of exactly how business would be handled. The artificially low price of bread and flour in Argentina and the consequent consumers subsidies make necessary either detailed regulations of how these subsidies will be paid or their removal before the commercialization of wheat at least can be returned to private hands. No decision appears to have taken yet with respect to the subsidies or the necessary regulations. Since the establishment of buying organizations throughout the production zone by the grain houses is not a simple matter and since harvesting will commence in approximately two months there is a strong impression in many circles that the 1956-57 wheat crop may not in fact be returned to private trade.

Grain Sales Revived corn sales were the outstanding feature of the Argentine export grain market during the past month followed by rye, wheat, millet and rice. Corn sales totalled 79,800 metric tons (3,141,000 bushels) including 35,500 metric tons (1,398,000 bushels) sold under multilateral agreements at prices falling from 1,080.90 to 1,030.50 pesos per ton (\$1.53 to \$1.45 per bushel); 23,200 tons (913,000 bushels) were sold to Western Germany, 10,000 tons (394,000 bushels) to Finland and 5,000 tons (197,000 bushels) to Japan at comparable prices. Rye sales decreased compared to last month's total to 30,000 tons (1,181,000 bushels) sold under multilateral, Western Germany and Finnish agreements at 865, 872 and 1,011 pesos per ton (\$1.22, \$1.23 and \$1.43 per bushel), respectively.

Wheat sales totalled 21,600 tons (794,000 bushels), 17,300 tons (636,000 bushels) under multilateral agreements mostly at prices between 1,130.58 and 1,136.16 pesos per ton (\$1.71 per bushel). Some 4,300 tons (158,000 bushels) were sold to Western Germany at approximately 1,138 pesos (\$1.72 per bushel). Millet sales amounted to 4,700 metric tons at the "aforo" prices of 545 and 540 pesos per ton and included a small sale under Czechoslovakian agreement at 565 pesos while rice sales totalled 4,216 tons.

Grain Shipments Due to heavy shipments of both wheat and corn, Argentine exports of the major grains during August at 496,021 tons were 57 per cent higher than the previous month and reached the highest monthly figure since January 1955 when the total was 508,000 tons.

Wheat shipments at 247,954 tons (9,111,000 bushels) were more than 100,000 tons (3,674,000 bushels) above July and went mainly to Brazil: 169,108 tons (6,214,000 bushels) and Italy: 50,050 tons (1,839,000 bushels). Small shipments also went to Peru, France, Chile and Paraguay. Corn Exports at 236,280 tons (9,302,000 bushels) were almost 90,000 tons (3,543,000 bushels) above those of July and were the largest since December 1954. The major destinations were U.K. 64,141 (2,525,000 bushels), France 59,138 (2,328,000 bushels), Netherlands 43,039 (1,694,000 bushels), Belgium 30,939 (1,218,000 bushels) and Japan 21,051 (829,000 bushels). Shipments of oats, barley and rye were only 6,402 (415,000 bushels), 2,035 (93,000 bushels) and 3,350 tons (132,000 bushels), respectively.

Argentine Wheat Exports, August, 1956 and December, 1955—August, 1956
with Comparisons

Destination	August	Dec.-August	Destination	August	Dec.-August
	- thousand	bushels -		- thousand	bushels -
Africa, North	-	434	Italy	1,839	7,564
Africa, South	-	362	Japan	-	1,534
Austria	-	1,294	Netherlands	-	5,754
Belgium	-	2,407	Norway	-	795
Brazil	6,214	10,900	Paraguay	147	480
Chile	190	1,620	Peru	390	3,938
Czechoslovakia	-	1,285	Poland	-	14
Denmark	-	1,447	Switzerland	-	60
Finland	-	581	United Kingdom	-	10,340
France	331	4,987			
Germany, Western ...	-	11,833			
Germany, Eastern ...	-	149	Totals	9,111	67,778
Same Period:					
1954-55					98,182
1953-54					75,663
1952-53					48,788
1951-52					3,786
1950-51					81,401

AUSTRALIA SITUATION

Supply Position

Australian Wheat Supplies

Item	1954-55	1955-56 ^{1/}
	- million bushels -	
Carryover, including flour as wheat, at beginning of crop year (December 1)	93.5	91.6
New crop	166.6	195.6
Total estimated supplies	260.1	287.2
Less estimated domestic requirements for crop year ..	71.1	70.7
Available for export and for carryover	189.0	216.5
Deduct:		
Exports of wheat as grain, December 1—August 25 ..	47.7	64.4
Exports of wheat flour in terms of wheat, December 1—August 25	26.3	23.9
Total exports of wheat and wheat flour	74.0	88.3
Balance on August 26 for export and for carryover ...	115.0	128.2

^{1/} Preliminary.

Total estimated supplies of wheat in Australia for the 1955-56 crop year amount to some 287.2 million bushels, consisting of the December 1, 1955 carryover of 91.6 million bushels and the 1955 production of 195.6 million. Supplies of this size are about 10 per cent larger than the comparable 1954-55 figure of 260.1 million. After deducting an estimated 70.7 million bushels for anticipated domestic requirements, a total of 216.5 million remain available for export and for carryover during 1955-56 as against 189.0 million available during the preceding crop year.

Total exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1, 1955 to August 25, 1956 amounted to 88.3 million bushels, some 19 per cent greater than the 74.0 million bushels exported during the corresponding period of 1954-55. The balance remaining at August 26 this year, for export and for carryover, at 128.2 million bushels, surpassed by 11 per cent the 115.0 million available at approximately the same date in 1955.

The following information relative to the Australian situation has been extracted from a report from Mr. R. W. Blake, Commercial Secretary for Canada, Melbourne, under date of September 7, 1956 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 \$2.1740 (Canadian), the quotation in effect on September 13, 1956.

The Crop Situation There is little change from the last report. Many areas in the Eastern States are still too wet and there is threat of rust damage. Although the situation in Western Australia is still favourable, rain is needed in some of the south eastern areas of the wheat belt. Appreciable losses in some crops in Victoria may be caused by a severe outbreak of the fungus disease Septoria, developed as a result of the unusually wet weather. As mentioned in earlier reports, the wheat acreage this season will be down in all States, except Western Australia. Some of the acreage intended for wheat in South Australia and Victoria will now likely be put into barley, while in Queensland, more linseed, sorghum, canary seed and barley will be sown.

Sales The "Fortnightly Wheat Notes" published by the Trustees of the Wheat Pool of Western Australia, dated August 21, state that "there is good demand in Britain for Australian f.a.q. wheat at about 18/1d. A.C. (\$1.97) per bushel, for loading in the next few months. Business, however, is held up by the reluctance of shipowners to fix vessels for loading until the Suez Canal crisis is over. Also, any vessels becoming available in the Indian Ocean or Australian waters can obtain cargoes for India, hence can defer the time when they will need to sail to Europe. Recent severe floods in Pakistan increased that country's need for imported wheat, and it is now interested in further purchases of Australian wheat, which, if made, will increase the employment available for ships in the Indian Ocean area."

A survey by the Commonwealth Statistician shows that Japanese purchases appear to be easing Australia's wheat marketing problem. In the year ended June 30, Japan increased her purchases of Australian cereals to more than five times the amount purchased in the previous year. The Japanese bought 301,683 tons (11,262,000 bushels) of wheat valued at £27,834,000 (\$17 million).

Commonwealth trade officials believe that the new Japanese wheat market is a permanent one that will grow steadily.

Japan also bought about half of the barley exported from Australia during the year, purchasing 223,572 tons (10,434,000 bushels), compared with 121,699 tons (5,680,000 bushels) the previous year.

Another significant development is a sharp rise in the sale of cereals to Germany. Exports of wheat to Germany last year totalled 324,554 tons (12,116,000 bushels), compared with 136,190 tons (5,084,000 bushels) the previous year.

International Wheat Agreement The Minister of Trade has announced that under the new I.W.A. the Australian quota was 30 million bushels, out of a total of 303 million bushels. There may be some reduction in this figure if some of the importing countries fail to ratify the agreement, but the extent of the reduction will not be known until the position of these countries is clarified.

The adjustment of individual exporters' quotas will be made at the next International Wheat Council meeting in December.

Australian Agricultural Council Meeting At a recent Agricultural Council meeting, the Council studies a report on the possibilities of controlling Noogoora Burr weed and skeleton weed by biological methods. These two weeds are taking a serious toll of the pastoral and wheat industries respectively.

The Council also considered plans for a levy on wheatgrowers to finance wheat research. The council decided to recommend to the Australian Wheatgrowers' Federation that:-

1. State Agricultural authorities, in consultation with the Federation's affiliated associations, should decide the constitution of advisory committees on research in each State.
2. Money collected by levy should be rebated to each State, according to its contribution, for a programme of expanded research and extension in the State.
3. State contributions should be devoted to projects approved by the State Advisory Committee.
4. Each State Advisory Committee should inform the Central Advisory Committee of its programme and, if desirable, should make a financial contribution to the Central Committee's programme.
5. Commonwealth Government contributions should be paid to the Central Advisory Committee to assist research programmes of the Commonwealth Scientific and Industrial Research Organization, the State Departments of Agriculture and the Universities.

The Central Advisory Committee should be responsible to the Minister for Primary Industry.

The Agricultural Council also decided that the Central Committee should comprise 10 members. Two would represent the Australian Wheatgrowers' Federation, each of the five wheatgrowing States would have a representative; one would represent the Universities, and C.S.I.R.O. and the Primary Industry Department would have a representative each.

Australian Conference on Wheat Quality The Commonwealth Primary Industry Department will call a conference to consider differentiating quality grades in the marketing of Australian wheat. Representatives of the wheat industry, State Departments of Agriculture, and the Australian Wheat Board will attend the conference.

The Agricultural Council agreed that the following aspects of the question of wheat grading should be studied:-

- a. The need for a more accurate measurement for strong wheat production in Australia.
- b. Trends in production of strong or medium-strong wheat.
- c. The consistency of quality which might be expected from year to year.
- d. Costs and other factors involved in establishing a wheat grading system in Australia.
- e. The needs of the local market for strong wheat.

The Minister for Primary Industry told the Council that "while we must be prepared to examine this vexed problem in an impartial manner, considerable thought must be devoted to it before we undertake any departure from the existing f.a.q. system."

New South Wales Move on Wheat Quality The Tamworth District Council of the Farmers and Settlers' Association passed a resolution that the N.S.W. Department of Agriculture be asked to take steps to eliminate poor quality wheats from varieties recommended for sowing in New South Wales. It was also suggested that wheat of similar types and gradings should be grown and stored in zones of the wheat belt to get away from the present f.a.q. system. Only wheats of similar types and character should be grown in each zone. Plant breeders should produce a type of wheat equal in yield to the types now being grown, but with higher protein quality.

Payments to Wheat Growers Payments have been approved on wheat delivered to Nos. 18 and 18A Wheat Pools (1954-55 crop) and No. 17 Pool (1953-54 crop). The payments in respect of Nos. 18 and 18A Pool, which will be in the nature of a second advance, will be 1/- (11 cents) per bushel on both bulk and bagged wheat. The first advance to growers on these Pools was based on 10/4d. (\$1.12) a bushel less freight for bulk wheat, and this second advance will bring the payments to 11/4d (\$1.23) per bushel less freight. It is expected that a final payment will be available for growers when these Pools are being wound up.

The payment in respect of No. 17 Pool will be in the nature of a final advance, and represents the distribution of the amount remaining in that Pool before it is wound up. The amount of the final payment will be .788d. (less than one cent) per bushel on bulk wheat in States other than Western Australia, and 1.424d. (1 cent) per bushel on W.A. bulk wheat. The payment on all bagged wheat will be 2.689d (2 cents) per bushel. With this final payment, the total rate of advances, less freight, will be 12s. 0.788d. (\$1.31) per bushel on bulk wheat in States except Western Australia, where it will be 12s. 3.424d (\$1.34) per bushel on bulk wheat - and 12s. 8.689d (\$1.38) per bushel on all bagged wheat.

Premium on Queensland Wheat

Distribution of a little over £A150,000 (\$326,000) has been made to Queensland wheat growers as a premium payment on deliveries to No.18 Pool. This represents a payment of 6d. (5 cents) a bushel for Q.1. wheat and 3d. (3 cents) a bushel for Q.2. The payment was made possible by the sale overseas of considerable quantities of Queensland high protein wheat.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1 to
August 25, 1955-56 and Corresponding Period 1954-55

Destination	Wheat		Wheat Flour	
	1954-55	1955-56	1954-55	1955-56
- thousand bushels -				
Aden and Aden I/T	6	38	986	826
Belgian Congo	-	-	2	3
Borneo	-	-	6	-
British North Borneo	-	-	136	178
British Somaliland	-	-	-	8
British West Indies	3	1	129	105
Brunei	-	-	15	25
Burma	115	90	875	375
Ceylon	12	6	5,107	4,074
Cocos Islands	-	-	-	1/
Cyprus	433	704	1/	1
Dutch New Guinea	-	-	36	45
Egypt (a/c War Office)	-	-	86	5
Eire	1,323	312	-	-
France	-	1,121	-	-
French Somaliland	-	-	4	27
Germany, East	-	336	-	-
Germany, West	806	7,758	-	-
Hadhramaut	-	-	5	-
Hong Kong	652	754	-	-
Hong Kong (General)	-	-	201	254
Hong Kong (a/c War Office) ...	-	-	57	33
India	12,348	10,122	-	-
Indonesia	1	-	3,754	6,245
Iran	-	588	-	-
Iraq	111	1,203	-	-
Italy	-	-	22	19
Japan	4,216	8,488	-	-
Jordan	771	-	320	-
Kenya	-	357	-	-
Kure (a/c War Office)	-	-	21	19
Lebanon	1,034	-	71	-
Libya	-	-	52	2
Macao	-	-	-	16
Malaya	574	537	-	-
Malaya (General)	-	-	4,916	4,610
Malaya (a/c War Office)	-	-	111	94
Malta	281	195	-	-
Mauritius	1	-	1,029	393
Netherlands.....	473	-	-	-
New Zealand	6,169	6,632	1/	1
Nigeria	-	-	-	1
Nyasaland	-	-	70	69
Pacific Islands	22	20	1,627	1,538
Pakistan	-	1,493	-	-
Palestine	-	-	6	-
Persian Gulf	54	64	135	117
Philippine Islands	-	-	77	240
Poland	-	1,862	-	-

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1 to August 25, 1955-56 and Corresponding Period 1954-55

Destination	Wheat		Wheat Flour	
	1954-55	1955-56	1954-55	1955-56
	- thousand bushels -			
Pondicherry	-	-	8	-
Port Said (a/c S/S)	-	-	55	49
Portuguese East Africa	302	333	1/	-
Portuguese India (Goa)	57	10	76	30
Rhodesia	2,025	1,313	-	-
Roumania	283	1,156	-	-
Sarawak	-	-	129	173
Saudi Arabia	90	192 2/	76	20
Seychelles Islands	-	-	29	21
Sudan	-	-	998	735
Syria	712	338	-	-
Tahiti	-	-	172	168
Thailand (Siam)	5	5	500	630
Timor	-	-	24	16
United Kingdom	14,848	18,368	3,892	2,412
Yemen	-	-	5	-
Yugoslavia	-	-	1/	1/
Zanzibar	10	3	361	177
Royal Navy	31	12	22	17
Ships' Stores	-	-	96	129
Totals	47,768	64,411	26,300	23,900

1/ Less than 500 bushels. 2/ Revised.

FRENCH SITUATION

The following account of the current crop situation in France has been extracted from a report provided by Miss V. J. Wightman, Commercial Secretariat, Canadian Embassy, Paris, under date of September 20, 1956, 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 .002791 Canadian dollars, the rate in effect on September 29, 1956.

In the absence of any further estimate from the Ministry of Agriculture, the trade considers the current wheat crop to be upwards of 6 million metric tons (220.5 million bushels). The last official estimate, dating from August 1, placed the crop at 4.8 million tons (176.4 million bushels), but even at that time this figure was considered conservative. It is therefore likely that between 6 and 6.5 million tons (220.5 and 238.8 million bushels) is closer to the true situation.

This represents a sharp drop from the 10.3 million tons (378.5 million bushels) produced last summer but may be considered very satisfactory in that the total estimated area sown was only three-fifths of the 1955 level. It would appear also that the overall yield will not be much inferior to last year's despite the fact that a good part of the fall-sown wheat had to be replaced in the spring.

With the close of the crop year on July 31, the following statement has been drawn up privately from Grain Board figures, indicating availabilities and utilization during the past two crop years.

French Supplies of Soft Wheat

Item	1954-55	1955-56 <u>1/</u>
	- million bushels -	
Commercial carryover, August 1	36.2	47.2 <u>2/</u>
Anticipated Deliveries to Grain Board	291.8	259.9
Imports, August-July	<u>3/</u>	20.2
Total Commercial Supplies	328.0	327.3
Less domestic requirements for crop year	183.7	183.7
Available for export and carryover	144.3	143.6
Deduct exports of wheat and flour in wheat equivalent August-July	97.1	91.2 <u>3/</u>
Balance August 1 for export and for carryover	47.2	52.4

1/ Preliminary

2/ In addition 1.5 million bushels of 1956 crop wheat were delivered to the Grain Board by August 1; this may be compared with 12.2 million bushels by August 1, 1955 and reflects the poor harvesting conditions this year.

3/ Comprising 82.2 million bushels in 1955-56 (88.0 million in 1954-55) for Foreign countries and 9.0 million bushels (9.1 million bushels in 1954-55) for French Union - including exports of flour in wheat equivalent of 20.5 million bushels. (13.1 million in 1954-55). Source: private estimate based on French Grain Board figures.

The harvest is well behind normal this year due to the cold, wet weather prevailing in August and early September. By September there were fears that some of the crop might be lost in the fields as much of the grain had not yet been cut in the north, and in other areas it was too wet to thresh. However, the weather improved in mid-September and the harvest is expected to be completed in most area by the 21st or 22nd of the month. The grain has a high moisture content this year and some will grade only as feed.

Principal Markets The following countries have been the chief markets for French wheat and flour during the 1955-56 and 1954-55 crop years to date.

Principal Markets for Wheat and Flour, August 1, 1955-July 31, 1956 and 1954-55

Countries	1954-55	1955-56	Countries	1954-55	1955-56
	- thousand bushels -			- thousand bushels -	
Ceylon	3,584	3,130	Netherlands	3,224	4,993
Denmark	9,165	3,047	Poland	7,705	11,937
Germany	13,636	16,913	Switzerland	4,097	3,756
Hungary	15,223	5,508	United Kingdom	17,661	17,702

The United Kingdom remained the best customer for French Wheat and flour taking almost exactly the same quantity as in the previous season. Germany increased its purchases, in keeping with the Franco-German contract for 500,000 tons (18,372,000 bushels) per year; this contract would normally have been filled as it is understood that some wheat was delivered from North Africa.

Wheat and Flour Exports by Month The following were the wheat and flour exports for the crop year ended August 1, as compared with the previous season.

Monthly Wheat and Flour Exports, August 1--July 31, 1955-56
and the Corresponding Period in 1954-55

Month	Foreign Countries		French Union		Total	
	1954-55	1955-56	1954-55	1955-56	1954-55	1955-56
- thousand bushels -						
August	2,171	5,277	1,078	610	3,249	5,887
September	3,108	3,104	1,066	667	4,174	3,771
October	4,882	7,750	1,152	884	6,034	8,635
November	5,163	9,281	978	588	6,142	9,869
December	8,095	8,409	921	1,209	9,016	9,618
January	15,194	16,086	739	943	15,933	17,029
February	12,603	11,229	701	803	13,304	12,032
March	6,898	8,129	684	854	7,581	8,983
April	5,985	5,336	590	913	6,576	6,249
May	7,471	5,224	453	629	7,923	5,852
June	7,322	1,314	433	475	7,754	1,788
July	9,097	1,034	300	445	9,397	1,479
Totals	87,988	82,173	9,095	9,022	97,084	91,195

Supply Position, 1956-57 Crop Year It is as yet premature to draw any conclusions on the new supply situation, but an indication may be obtained from the apparent position at the moment. Last year, with a crop of 10.3 million tons (378.5 million bushels), farmers held back 3.3 million (121.3 million bushels) on the farm, in part a result of the programme to use lower grades of wheat as feed. This year, with a higher wheat price and plentiful supply of coarse grains, it is probable that a considerably smaller quantity will be retained on the farm, say 2.5 million tons (91.9 million bushels), although this will depend on the condition of the crop resulting from the heavy rain in August. It is probable that some 4 million tons (147.0 million bushels) will be delivered to the Grain Board; this, along with the 1 million tons (36.7 million bushels) of soft wheat bought to date would cover the 5 million tons (183.7 million bushels) required for domestic consumption. Obviously, the carryover at August 1, should be included but inasmuch as a similar stock is required at the end of the crop year, the two figures cancel one another in calculating the commercial supplies available during the crop year.

With domestic requirements covered, the French authorities need only consider to what extent they should continue their export programme and how far this will be complemented with foreign imports. There seems no question but that the contract with Germany for half a million tons (18,472,000 bushels) will be honoured, and France is anxious to keep its flour markets in the Far and Middle East. It would therefore appear that France might still need to import some 700,000 to 800,000 tons (25,700,000

to 29,400,000 bushels) of wheat in order that the equivalent amount of French wheat and flour may be exported during the 1956-57 crop year.

Durum Seed Wheat Subsidized In order to encourage the production of durum wheat in France, Algerian seed will be sold to French farmers for fall sowing at the subsidized price of 3000 francs per quintal (\$2.28 per bushel) for certified seed or 2000 francs (\$1.52 per bushel) for selected wheat with guaranteed germination of 85 per cent. These prices may be compared with the official purchase price by the Grain Board of 3,967 francs per quintal (\$3.01 per bushel). It is understood that the South of the country is considered well suited to durum and that the crop would be encouraged in the areas around Bordeaux, Lyon, Toulouse and Marseilles.

Deliveries of French durum wheat to the Grain Board totalled only 16,279 tons (598,000 bushels) in the 1955-56 season, which, however, was 30 per cent higher than the previous year. The rest of French requirements, amounting to around 400,000 (14,697,000 bushels), are brought in from North Africa.

In a recent policy statement in this regard, the Ministry of Agriculture remarks that the new Modernization and Equipment Plan for 1956-1961 calls for the retention of 4 million hectares (9,880,000 acres) in soft wheat as against 4.5 million (11,115,000 acres) in 1954-55, the last normal season. They therefore propose durum wheat as an alternative crop, particularly in view of the higher price prevailing in world markets.

Continued from page 7

Western Australia, where seeding was normal and conditions generally favorable.

Wheat production in North America is higher than in 1955, with larger crops reported in each of the three producing countries, viz. the United States, Canada and Mexico.

CALENDAR OF WHEAT EVENTS

- September 11 Based on conditions at September 1, the 1956 production of all wheat in the United States was estimated at 967 million bushels.
- 24 The Bureau of the Census, United States Department of Commerce, reported that total commercial production of wheat flour in 1955 amounted to 225.6 million sacks about 4 million sacks greater than the 1954 output.
- On the basis of preliminary reports available to the Foreign Agricultural Service, United States Department of Agriculture, world production of breadgrains in 1956, at 263 million short tons, will be the same as the large 1955 outturn.
- October 3 On the basis of conditions at September 15, Canada's 1956 wheat crop was forecast at 511.6 million bushels.
- 7 According to a press report another record shipping season closed at the Port of Churchill. A total of forty-eight ships moved some 16.2 million bushels of Canadian wheat to Europe.
- 8 According to Broomhall, the 1956 wheat crop in France has been officially placed at 5.5 million metric tons, about 202 million bushels.

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