

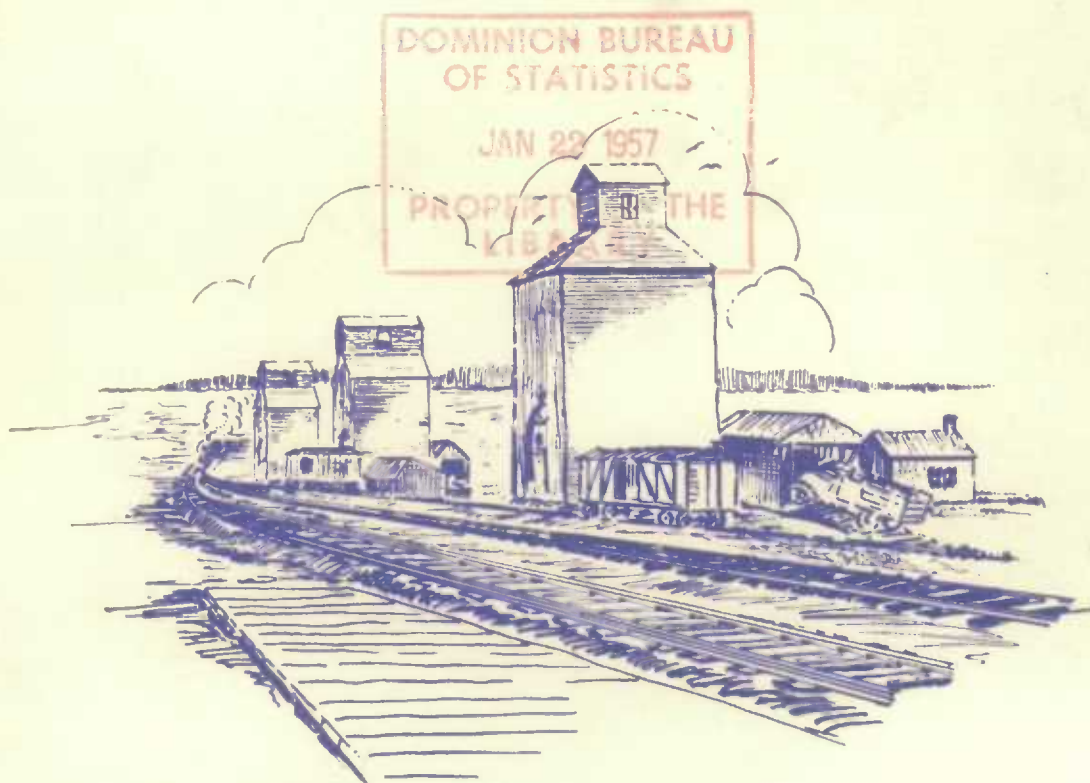
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DOMINION BUREAU OF STATISTICS
AGRICULTURE DIVISION

THE WHEAT REVIEW



DECEMBER, 1956

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about December 1, 1956 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 2,180.2 million bushels, about 1 per cent below the 2,212.6 million available a year ago. Supplies at December 1, 1956 (in millions of bushels) were held as follows, with last year's figures in brackets: United States 1,239.2 (1,267.9); Canada, 812.3 (769.9); Australia, 84.1 (91.6); and Argentina, 44.5 (83.2). 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 these new crops indicate that their combined total may amount to some 380.1 million bushels, down somewhat from the combined total of 388.5 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 339.4 million bushels were nearly 50 per cent greater than the shipments of 227.5 million reported during the comparable period of the 1955-56 crop year. Shipments from each of the four countries during August-November of the current and six preceding years are shown in the table below.

Exports of Wheat and Flour in Terms of Wheat, August-November, 1956
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	75.3	97.5	45.2	26.8	244.8
1955 <u>1/</u>	73.9	80.5	43.4	29.7	227.5
1956 <u>2/</u>	150.5	106.1	30.3	52.5	339.4

1/ Revised 2/ Preliminary.

International Group Organized to Promote Uniform Methodology for Analysis of Cereal Grains and Products

According to the January 7 issue of Foreign Crops and Markets, an international group of chemists, grain technologists, and government representatives met in Vienna, Austria,

December 5 to 8, to perfect an organization devoted to the standardization of methods of analysis associated with, or reflecting the technological properties of grains, particularly wheat. Representatives of 14 nations attended this meeting which was called under the name "International Standards Committee". The aims and objectives of the Committee were reviewed and reappraised and the Committee was renamed the "International Association of Cereal Chemists" in order to indicate more clearly the objectives and activities of the group. Reports of the various subcommittees of the earlier International Standards Committee were presented on such topics as sampling, moisture, protein, ash, physical dough tests, baking quality, diastatic activity and general quality characterization of wheat.

Dr. E. Maes of the Central Laboratory, Ministry of Economic Affairs, Brussels, Belgium presided at the meeting and was reelected president. Dr. J. A. Anderson of the Grain Research Laboratory, Winnipeg, Canada will serve as vice president. Dr. Fritz Schweitzer of Vienna was reelected secretary.

A board of directors was created, composed of Professor J. Bure, France, Dr. G. L. Bertram, the Netherlands, Dr. S. Hagberg, Sweden, Dr. K. Ritter, Germany, and Dr. John Shellenberger, United States. Dr. Shellenberger, Head of the Department of Flour and Feed Milling Industries at Kansas State College, participated in the meeting under cooperative arrangements between the Foreign Agricultural Service of the U.S. Department of Agriculture, and Kansas State College. Dr. Shellenberger continues to head the subcommittee on the determination of protein content of wheat and wheat products.

The activities of this group are expected to result in a better understanding of the testing methodologies employed in the several countries for the technical evaluation of wheat.

International Wheat
Council Meets

The International Wheat Council held its Twenty-first Session at its headquarters in Haymarket House, London, On December 4 and 5.

Thirty-three countries were represented by delegates and advisers, and the Food and Agriculture Organization was also represented by an observer.

The representative of the U.S. reported that of the 50 countries listed in the Agreement, (44 importing countries and six exporting countries), 37 importing countries and all the exporting countries had deposited the necessary instrument of acceptance or accession by the due date, December 1, 1956. The guaranteed quantities of the 37 importing countries concerned amount to 6,984,000 metric tons. The governments of four of the seven remaining importing countries have signified their intention to accept the Agreement, but for reasons of a constitutional nature have not yet been able to deposit their instrument of acceptance, and the Council approved an extension of time for that purpose. Including these four countries, which account for a total of 1,005,000 metric tons, and one other importing country which has since acceded to the Agreement, the aggregate of the guaranteed quantities of importing countries in the Agreement is 7,991,000 metric tons.

The guaranteed quantities of the six exporting countries have been reduced so as to bring their aggregate into balance with the importing countries' aggregate of 7,991,000 metric tons. Accordingly, the guaranteed quantities of the exporting countries are now as follows:

	<u>Metric tons</u>	<u>Bushels</u>
Argentina	387,725	14,246,180
Australia	798,200	29,328,260
Canada	2,714,453	99,737,150
France	436,190	16,026,930
Sweden	169,630	6,232,710
United States	3,484,802	128,042,080
	<hr/> 7,991,000	<hr/> 293,613,310

Near-Record World
Breadgrain Production
Confirmed

Early season forecasts of a near-record world breadgrain crop in 1956 are confirmed by recent reports received by the Foreign Agricultural Service of the United States Department of Agriculture. Current information indicates that the combined crop of wheat and rye will total about 265 million short tons, second only to the 1952 record of 274 million tons. The estimated world wheat crop is only nominally below the production of that record year, but rye production is estimated to be about 20 per cent below the 1952 total.

Revisions in estimates bring the world wheat production to 7,545 million bushels, a net increase of 35 million bushels over the first forecast. This is 140 million bushels above the large outturn last year. The considerably expanded wheat production in the Soviet Union is the most important factor in the increase this year. The Soviet increase more than offset a sharp reduction in Europe. World rye production this year is placed at 1,360 million bushels, about 90 million bushels less than in 1955. This would be the smallest rye crop of the past 10 years.

Unfavorable weather in Europe resulted in a significant reduction in wheat acreage and also smaller yields than in 1955. Much winter killed wheat acreage was re-seeded to spring sown coarse grain especially in France, bringing wheat acreage in Western Europe about 10 per cent below the 1955 acreage. Unfavorable weather over large areas, especially at harvest time, reduced both the quantity and quality of the harvest, which will increase wheat import needs somewhat. The current estimate of 1,195 million bushels of wheat, though about 15 per cent below the large crop last year, is still above the prewar average.

Conditions were also unfavorable over much of eastern Europe, where wheat acreage was slightly below and yields somewhat below the 1955 level for that area. The estimated total of 380 million bushels is about 10 per cent below the 1955 figure and 18 per cent less than the prewar average (1935-39).

Wheat production in the Soviet Union appears to be up sharply as a result of some further spring wheat acreage expansion in the so-called New Lands east of the Volga and the Urals and better spring wheat yields than in 1955. Weather conditions were highly variable. Winter kill was abnormally heavy but growing conditions for spring wheat were mostly very favorable east of the Volga, including the New Lands. Conditions west of the Volga were spotty and generally less favorable than in the eastern areas. A high level of production is indicated despite heavy losses both during and after harvesting. Those losses are attributed to unfavorable weather and inadequate transportation and drying and storage facilities. As a result, milling quality of much of the crop is likely to be below average. The large harvest is reflected in a much higher level of governmental procurement than in recent years.

Wheat production in Asia is estimated at 1,860 million bushels. This high level indicates an increase of about 18 per cent over the prewar average. Acreage for the area appears to have increased more proportionately than production. The greatest percentage increase is reported for Turkey, where wheat acreage has more than doubled since the prewar period. Substantial acreage increases are reported for a number of other countries, including India, Pakistan, and Syria.

In Africa the 1956 wheat harvest is estimated at 210 million bushels, compared with 193 million a year ago and the prewar average of 143 million. Increases are reported for all important producing countries.

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

Importing Countries	Guaranteed Quantities	S O U R C E				Total Purchases
		Canada	Australia	France	U.S.A.	
		- thousand bushels -				
Austria	9,186	1,008	-	-	1,107	2,115
Belgium	23,883	7,499	5	-	5,094	12,598
Bolivia	4,042	-	-	-	3,882	3,882
Brazil	13,228	-	-	-	216	216
Ceylon	10,288	-	7,259	363	-	7,622
Costa Rica	1,286	448	-	-	732	1,180
Denmark	1,837	113	-	-	1,396	1,509
Dominican Republic ..	1,102	494	-	-	602	1,096
Ecuador	2,388	960	-	-	255	1,215
Egypt	14,697	-	-	-	6,710	6,710
El Salvador	735	154	-	-	577	731
Germany	55,116	17,624	7,913	-	21,221	46,758
Greece	12,860	-	-	-	9,655	9,655
Guatemala	1,286	168	-	-	637	805
Haiti	1,837	458	-	-	1,307	1,765
Honduras Republic ...	735	30	-	-	390	420
Iceland	404	5	-	-	35	40
India	36,744	-	8,923	-	10,338	19,261
Indonesia	6,246	-	6,249	-	101	6,350
Ireland	10,105	3,150	995	-	385	4,530
Israel	8,267	724	-	-	4,226	4,950
Italy	3,674	-	-	-	2,604	2,604
Japan	36,744	15,938	6,756	-	13,637	36,331
Jordan	2,940	-	-	-	208	208
Korea	1,470	-	-	-	625	625
Lebanon	2,756	-	-	-	866	866
Liberia	73	10	-	-	38	48
Mexico	14,697	-	-	-	3,967	3,967
Netherlands	24,802	3,088	95	-	12,726	15,909
New Zealand	5,879	-	5,877	-	-	5,877
Nicaragua	367	131	-	-	229	360
Norway	8,451	4,037	-	-	3,979	8,016
Panama	845	198	-	-	476	674
Peru	7,349	-	-	-	62	62
Philippines	8,672	4,964	205	-	3,635	8,804
Cuba	7,422	814	-	-	6,580	7,394
Portugal	7,349	441	641	-	3,893	4,975
Saudi Arabia	4,409	-	-	-	892	892
Spain	9,186	-	-	-	1,907	1,907
Switzerland	7,900	5,498	-	-	-	5,498
Union of S. Africa ..	13,228	5,007	-	-	1,045	6,052
Vatican City	551	-	-	-	551	551
Venezuela	6,247	2,689	-	-	3,557	6,246
Yugoslavia	3,674	-	-	-	3,733	3,733
Totals	394,957	75,650	44,918	363	134,076	255,007
Guaranteed Quantities (Exporting Countries)		153,077	45,013	344	196,523	394,957
Balance		77,427	95	(19)	62,447	139,950

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/		
- thousand bushels -									
Austria	3,674	-	-	-	-	-	-	-	3,674
Belgium	16,535	1,005	-	4	-	-	4,380	5,389	11,146
Bolivia	4,042	-	-	-	-	-	461	461	3,581
Brazil	7,349	-	-	-	-	-	-	-	7,349
Costa Rica	1,470	311	-	-	-	-	601	912	558
Cuba	7,422	193	-	-	-	-	4,442	4,635	2,787
Denmark 4/	1,837	120	-	-	-	169	1,576	1,865	-
Dominican Republic ..	1,102	185	-	-	-	-	330	515	587
Ecuador	1,837	331	-	-	-	-	19	350	1,487
Egypt	11,023	-	-	-	-	-	-	-	11,023
El Salvador	919	104	-	-	-	-	353	457	462
Germany	55,116	13,867	-	4,007	-	3,348	20,740	41,962	13,154
Greece	11,023	-	-	-	-	-	4,369	4,369	6,654
Guatemala	1,470	132	-	-	-	-	576	708	762
Haiti	2,204	187	-	-	-	-	727	914	1,290
Honduras Republic ..	919	12	-	-	-	-	106	118	801
Iceland	73	2	-	-	-	-	18	20	53
India 4/	7,349	-	-	7,177	-	-	173	7,350	-
Indonesia	5,144	-	-	2,957	-	-	309	3,266	1,878
Ireland	5,512	1,642	-	-	-	-	881	2,523	2,989
Israel	8,267	740	-	-	-	-	2,572	3,312	4,955
Italy	3,674	-	-	-	-	-	-	-	3,674
Japan	36,744	7,774	-	-	-	-	331	8,105	28,639
Korea	2,205	-	-	-	-	-	-	-	2,205
Lebanon	2,756	-	-	-	-	-	243	243	2,513
Liberia	73	4	-	-	-	-	18	22	51
Mexico	3,674	-	-	-	-	-	-	-	3,674
Netherlands	25,721	1,128	-	28	-	-	13,184	14,340	11,381
New Zealand	5,879	-	-	4,856	-	-	-	4,856	1,023
Nicaragua	367	87	-	-	-	-	174	261	106
Norway	6,614	3,438	-	-	-	-	883	4,321	2,293
Panama	1,102	67	-	-	-	-	261	328	774
Peru	7,349	1	-	-	-	-	28	29	7,320
Philippines	6,063	2,188	-	239	-	-	2,271	4,698	1,365
Portugal	5,879	116	-	323	-	-	1,108	1,547	4,332
Saudi Arabia	3,674	-	-	-	-	-	1,085	1,085	2,589
Spain	4,593	-	-	-	-	-	-	-	4,593
Switzerland	6,981	4,446	-	-	-	-	-	4,446	2,535
Union of S. Africa ..	5,512	-	-	-	-	-	-	-	5,512
Vatican City 4/	551	-	-	-	-	-	551	551	-
Venezuela	6,246	1,655	-	-	-	-	2,973	4,628	1,618
Yugoslavia	3,674	-	-	-	-	-	-	-	3,674
Totals	293,618	39,735	-	19,591	-	3,517	65,743	128,586	

1/ Canadian Sales through December 31, 1956.

2/ Sales recorded by International Wheat Council through December 21, 1956.

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

4/ Quota filled.

CANADIAN SITUATION

Supply Position Total estimated supplies of Canadian wheat for the 1956-57 crop year, consisting of the July 31 carryover of 540.6 million bushels and the 1956 crop of 537.8 million, amount to some 1,078.4 million bushels, exceeding by 9 per cent the comparable 1955-56 figure of 993.9 million. After making an allowance of 160.0 million bushels for anticipated domestic requirements, some 918.4 million remain available for export and for carryover during 1956-57 as against 850.4 million in 1955-56.

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	540.6 <u>3/</u>
New crop	494.1	537.8
Imports of wheat, August-September	<u>4/</u>	<u>4/</u>
Total estimated supplies	993.9	1,078.4 <u>3/</u>
Less estimated domestic requirements for crop year	143.5 <u>3/</u>	160.0
Available for export and for carryover	850.4 <u>3/</u>	918.4 <u>3/</u>
Deduct:		
Overseas clearances of wheat as grain, August-November ...	65.2	91.8
Exports of Canadian wheat to U.S., August-November	1.6	1.5
Total exports of wheat	66.8	93.3
Exports of wheat flour in terms of wheat, August-November ..	13.8 <u>5/</u>	12.8
Total exports of wheat and wheat flour	80.5	106.1
Balance on December 1 for export and for carryover	769.9	812.3

1/ Subject to revision. 2/ Preliminary 3/ Revised.
4/ Less than 50,000 bushels 5/ Adjusted for time lag in 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 totalled 106.1 million bushels, surpassing by about 32 per cent the 80.5 million bushels exported during the same months of the preceding crop year. The balance remaining on December 1, 1956 for export and for carryover amounted to 812.3 million bushels as against 769.9 million at December 1, 1955.

Deliveries of wheat from farms in the Prairie Provinces during the five-week period November 15 to December 19, moved at a weekly rate varying between 5.5 million and 8.5 million bushels. Over the same period the amount of wheat entering domestic and export channels (Overseas clearances plus Canadian domestic use plus imports into the United States) varied between 5.5 million and 8.0 million bushels. As a result, the visible supply of Canadian wheat remained almost constant, moving within the narrow range of 352.1 million bushels at November 21 and 353.4 million bushels at December 19. Total visible supplies at approximately the same date

(December 19) in 1955 and 1954, stood at 364.9 million and 350.1 million bushels, respectively.

Some 218.4 million bushels of the December 19 total were held in country elevators, somewhat above both the 213.4 million in this position a year ago and 199.0 million two years ago. Lakehead stocks of wheat at December 19, 1956 amounted to 24.3 million compared with 29.7 million a year ago and 25.7 million two years ago. Stocks of 33.4 million bushels in Bay, Lake and Upper St. Lawrence Ports were also below the levels of the two previous years (40.4 million in 1955 and 36.7 million in 1954). Supplies in forward eastern export positions (Lower St. Lawrence and Maritime Ports) at 21.1 million bushels were little changed from the 22.5 million and 22.6 million in these positions at comparable dates in 1955 and 1954, respectively. Supplies in West coast ports at 6.2 million were below both the 1955 total of 7.0 million and the 1954 figure of 10.3 million. Some 12.6 million bushels were in storage afloat (Eastern Division) at December 19, 1956, down considerably from the 18.0 million held in 1955 and 20.3 million in 1954. However, stocks "in transit rail" (Western Division) at 9.9 million bushels were well above the 5.5 million reported at the same time in 1955 and also exceeded the 1954 figure of 8.7 million.

November Exports of
Wheat and Flour Total
24.6 Million Bushels

Total exports of Canadian wheat and wheat flour in terms of grain equivalent during November 1956 amounted to 24.6 million bushels, an increase of 2 per cent over the 24.3 million bushels exported during October and 19 per cent greater than the November 1955 level of 20.7 million but 13 per cent below the ten-year (1945-1954) November average exports of 28.4 million bushels. Exports of wheat as grain totalled 21.5 million bushels as against 20.9 million during the preceding month and 16.9 million during November 1955. Preliminary Customs returns indicate that the equivalent of 3.2 million bushels of wheat was exported in the form of flour during November 1956 compared with 3.4 million during October and the revised November 1955 figure of 3.8 million bushels.

Cumulative exports of wheat as grain during the first four months (August-November) of the current crop year, at 93.3 million bushels were 40 per cent greater than the comparable 1955 total of 66.8 million. The Federal Republic of Germany accounted for a substantial part of the increase, with shipments to that country amounting to some 17.9 million bushels, more than double the comparable 1955 total of 8.3 million. Other countries showing notable increases in imports of Canadian wheat as grain during the August-November period of the current crop year with figures for the same period of the preceding year in brackets, were as follows in millions of bushels: United Kingdom, 33.2 (30.1); Japan, 14.6 (10.2); Belgium, 5.5 (4.3); Netherlands, 5.0 (0.9); Switzerland, 4.7 (1.0); Norway, 2.4 (1.7); and Peru, 1.7 (nil). The United Kingdom continued well in the lead as Canada's principal customer for Canadian wheat as grain with the 33.2 million bushels imported during the period accounting for 36 per cent of the August-November total.

Cumulative exports of wheat flour during the first four months of the 1956-57 crop year based on preliminary Customs returns were the equivalent of 12.8 million bushels of wheat, about 7 per cent below the adjusted 1955 August-November total of 13.8 million bushels. As with wheat as grain, the United Kingdom was the leading market for Canadian wheat flour, accounting for shipments equivalent to 4.4 million bushels, representing 34 per cent of the entire August-November export movement. Other principal markets for Canadian wheat flour in terms of grain equivalent, with quantities in thousands of bushels, were as follows: Philippine Islands, 1,863; Venezuela, 1,118; Trinidad and Tobago, 579; United States, 526; Jamaica, 516; Japan, 343; and the Gold Coast, 305.

1956 Navigation Season
Closed December 17

According to a report from the Board of Grain Commissioners for Canada, navigation at the head of the Lakes closed officially on Monday, December 17. Last year's closing came on December 15. Final statistics on Lake grain shipments from Fort William-Port Arthur during the 1956 season of navigation place the season's shipping total at 367.8 million bushels of the five principal grains. A total of 1,305 cargoes cleared the Lakehead during the period from April 5, 1956 to December 17, 1956 carrying 206.9 million bushels of wheat, 47.5 million bushels of oats, 92.0 millions of barley, 11.1 millions of rye and 10.3 million bushels of flaxseed. The total movement was 105.3 million bushels greater than the 262.5 million carried during the 1955 season and reflected gains in the vessel loadings of all grains with the exception of rye, vessel shipments of which remained steady at the preceding year's level. The 1956 total also exceeded the 1954 movement (292.7 million bushels) but was less than the heavy lake traffic recorded for both 1953 (441.8 million bushels) and 1952 (450.8 million bushels) seasons.

Delivery Policy

Exchange of Board Wheat for Seeding Purposes 1956-57 Crop Season

The Canadian Wheat Board in its Instructions to the Trade No. 37, under date of January 7, 1957 announced in part that "The Board will allow companies to exchange Board stocks of any variety of Red Spring Wheat grading No. 1, 2 or 3 Northern, or of Amber Durum Wheat grading No. 1 C.W., No. 2 C.W., No. 3 C.W., Extra No. 4 C.W., or No. 4 C.W., for lower grade wheat, to enable bona fide producers to secure their seed requirements, up to a maximum of five hundred (500) bushels to any delivery permit holder.

The exchange will be on a bushel-for-bushel basis and cash settlement must be made for the difference in grade, basis the Board's domestic sales prices, which prices are broadcast daily (not the initial payment prices) on the date of exchange plus the usual elevator charges. In cases where the producer wishes to deliver wheat which is tough or damp in exchange for dry wheat, the initial payment tough or damp discount will be used in calculating the settlement required."

General Quota Position

By January 4, 1957 out of a total of 2,079 shipping points in the Western Division, the Canadian Wheat Board had been able to place 140 on a quota of 4 bushels per specified acre, 469 on a 3-bushel quota, 962 on a 2-bushel quota and 478 on a 1-bushel quota. Of the remainder, only 3 points were on the Initial Unit Quota while 27 stations were reported as closed.

Summary of Elevator Shipping Points in Each Quota Group
as at January 4, 1957

Province	Initial Unit Quota	General Quota in Bushels per Specified Acre				Closed Stations	Total
		One	Two	Three	Four		
Ontario	-	-	-	-	1	1	2
Manitoba	-	37	168	124	46	3	378
Saskatchewan	1	281	533	219	65	6	1,105
Alberta	2	159	260	126	26	17	590
British Columbia ...	-	1	1	-	2	-	4
All Provinces	3	478	962	469	140	27	2,079

Farmers' Marketings Total deliveries of wheat by farmers in the Prairie Provinces during the period August 1 to December 19 of the current crop year amounted to 122.5 million bushels exceeding by 46 per cent the comparable 1955 figure of 83.6 million bushels. In addition to wheat, marketings of the other principal Canadian grains, oats, barley, rye and flaxseed, have also been substantially above last year's comparable levels. Deliveries of these grains up to December 19 of the current crop year with figures for the corresponding period of 1955 in brackets, were as follows, in millions of bushels: oats, 31.7 (16.3); barley, 58.0 (43.3); rye, 2.4 (1.4); and flaxseed, 16.2 (12.6).

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	459,983*	2,813,251	676,293	3,949,527*	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	3,796,364*	1,210,781	5,760,514*	5,500,102
	26	1,772,551	4,293,970	1,522,428	7,588,949	3,018,220
October	3	1,567,401	5,400,834	1,789,234	8,757,469	3,846,628
	10	701,543	4,546,551	1,909,027	7,157,121	3,198,866
	17	918,095	5,422,458	2,288,436	8,628,989	3,963,996
	24	808,607	4,382,256	1,654,890	6,845,753	4,019,785
	31	1,159,223	5,805,260	2,920,981	9,885,464	4,057,732
November	7	936,430	5,894,263	2,542,238	9,372,931	4,782,434
	14	1,183,105	4,771,580	1,946,311	7,900,996	5,657,437
	21	1,432,780	4,609,244	2,410,512	8,452,536	5,597,423
	28	1,167,345	4,625,076	2,352,640	8,145,061	4,959,243
December	5	1,056,185	5,519,720	1,920,911	8,496,816	5,108,611
	12	485,589	3,904,761	1,102,641	5,492,991	6,497,442
	19	567,595	3,459,072	2,283,976	6,310,643	3,593,376
Totals		15,721,784	76,394,253	30,349,602	122,465,639	83,597,245

Average similar period:

1945-46-1954-55 27,529,809 116,716,152 56,966,820 201,212,780

* Revised.

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

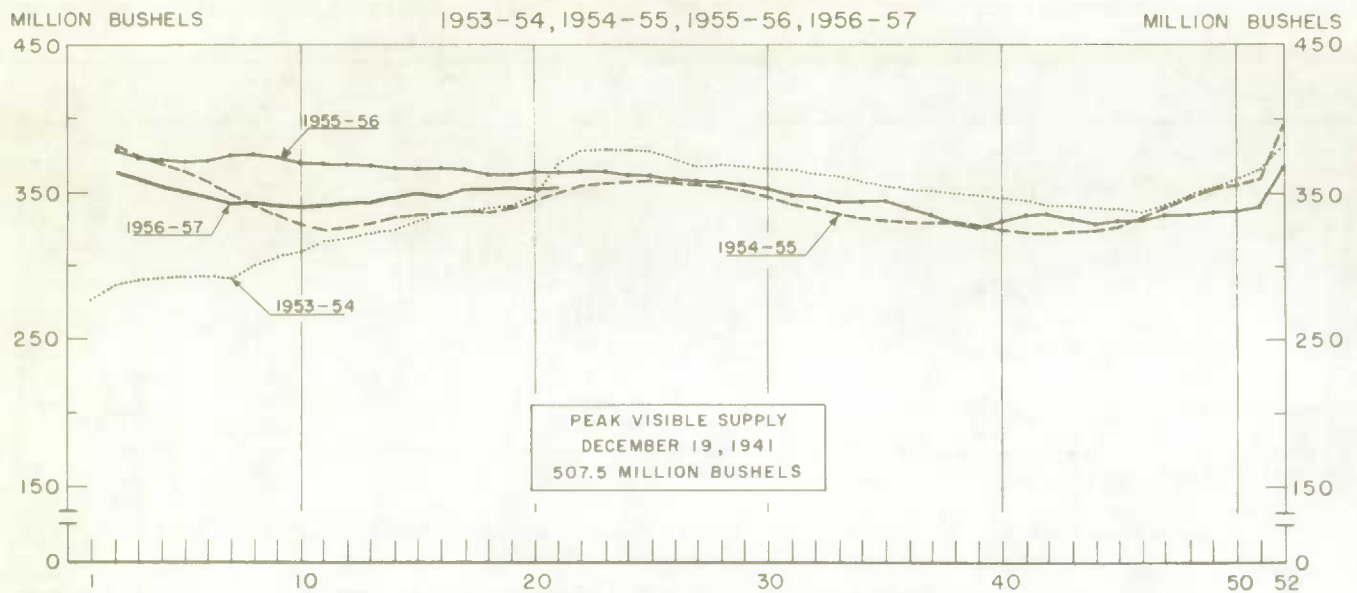
Position	1954	1955	1956
	- thousand bushels -		
Country elevators - Manitoba	23,772	23,194	22,691
Saskatchewan	113,852	117,365	123,198
Alberta	61,399	72,887	72,506
Totals	199,023	213,445	218,395
Interior private and mill	6,005	6,283	6,108
Interior terminals	14,827	15,079	13,197
Vancouver-New Westminster	9,730	6,543	6,116
Victoria	507	376	32
Prince Rupert	53	37	37
Churchill	2,400	4,308	4,801
Fort William-Port Arthur	25,677	29,659	24,306
Storage Afloat	-	177	804
In transit rail (Western Division)	8,707	5,514	9,894
Bay, Lake and Upper St. Lawrence Ports	36,665	40,389	33,369
Lower St. Lawrence and Maritime Ports	22,587	22,499	21,092
Storage Afloat	20,307	18,013	12,645
In transit rail (Eastern Division)	3,420	2,437	2,085
United States ports	236	101	423
In transit U.S.A.	-	1	81
Totals	350,144	364,862	353,387

Grading of Wheat Inspected, August-November, 1956 with Comparisons

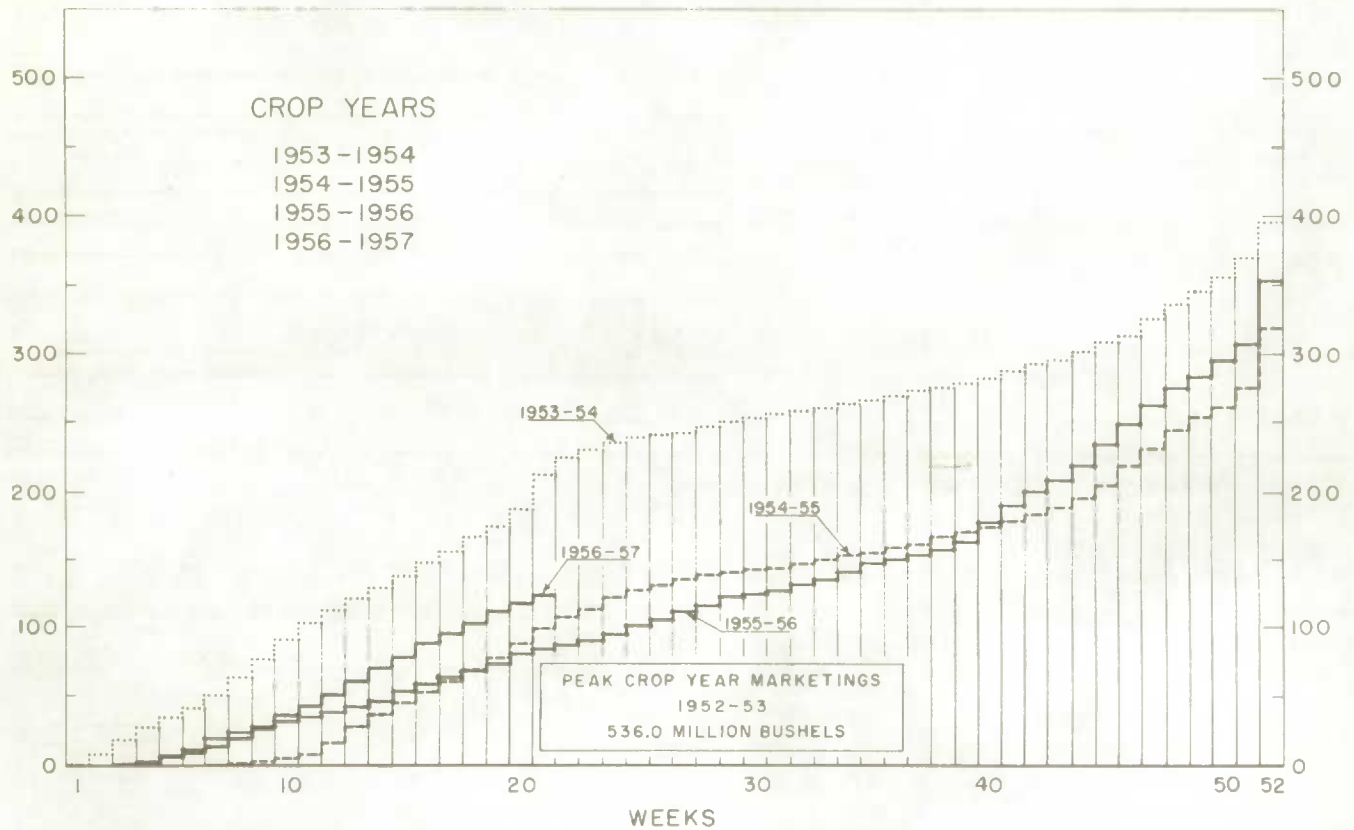
Grade	Crop Year		August - November			
	Average	1955-56	1955		1956	
	1950-51- 1954-55		cars	per cent	cars	per cent
1 Hard	1/	-	-	-	-	-
1 Man. Northern ..	4.9	3.3	1,817	3.7	1,304	1.8
2 Man. Northern ..	26.8	35.9	17,077	35.0	25,960	35.2
3 Man. Northern ..	19.1	22.4	13,956	28.6	16,881	22.9
4 Man. Northern ..	9.0	8.5	3,015	6.2	6,554	8.9
5 Wheat	8.7	9.8	1,929	4.0	9,715	13.2
6 Wheat	4.6	3.1	927	1.9	2,101	2.8
Feed Wheat	0.9	0.6	251	0.5	160	0.2
Garnet	0.6	0.4	235	0.5	127	0.2
Amber Durum	1.9	4.1	4,059	8.3	4,679	6.3
Alberta Winter ...	0.2	0.6	99	0.2	921	1.2
Toughs 2/ 3/	18.2	6.5	3,264	6.7	2,080	2.8
Damps 2/ 4/	3.6	1/	4	1/	5	1/
Rejected 2/	1.0	4.2	1,961	4.0	2,786	3.8
All others	0.5	0.6	211	0.4	469	0.6
Totals	100.0	100.0	48,805	100.0	73,742	100.0

1/ Less than .05 per cent. 2/ All varieties and grades. 3/ Moisture content 14.9 to 17 per cent for Durum, 14.6 to 17 per cent for all other varieties. 4/ Moisture content over 17 per cent.

WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT



CUMULATIVE RECORD OF WHEAT MARKETINGS IN THE PRAIRIE PROVINCES BY WEEKS



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

Lake Shipments of Canadian Grain from Fort William-Port Arthur,
Season of Navigation, 1944-1956

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
1956	206,937	47,517	91,989	11,070	10,292	367,806

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

Destination	1954	1955	1956
	- bushels -		
<u>By Vessel</u>			
Chicago	-	234,616	89,487
Duluth Superior	-	668,625	1,153,261
Milwaukee	-	52,923	27,745
Huron	40,000	-	-
Buffalo	1,683,591	613,572	834,702
Totals, Vessel	1,723,591	1,569,736	2,105,195
<u>By Rail</u>			
U. S. A. Seaboard Ports	-	1,335	-
Other U. S. A. Points	161,520	276,002	260,027
Totals, Rail	161,520	277,337	260,027
Totals, Shipments	1,885,111	1,847,073	2,365,222

* 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, 1955	August 1 to November 30, 1956
	- bushels -	
Port McNicoll	-	1,726,233
Midland, Tiffin	480,870	2,993,344
Collingwood	100,000	64,481
Owen Sound	75,000	450,779
Goderich	-	555,121
Prescott	-	1,112
Totals	655,870	5,791,070

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	70,324
October	173,043	46,053	63,975	120,535
November	138,440	81,253	148,576	240,628
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, November, 1956

Grade	Nova Scotia	New Brunswick	Quebec	Ontario	U.S.A.
- bushels -					
5 Wheat	7,500	6,000	40,583	13,333	-
6 Wheat	-	-	4,500	3,000	38,988
Feed	-	-	3,000	7,500	-
Toughs	-	-	15,000	9,164	-
Rejected	-	1,500	12,574	33,296	-
Amber Durum	-	-	2,000	11,000	-
All Others	-	3,141	6,500	22,049	-
Totals	7,500	10,641	84,157	99,342	38,988

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

Ports	Wheat	Oats	Barley	Rye	Flaxseed
- bushels -					
<u>Pacific Seaboard</u>					
Vancouver-New Westminster ..	39,247,587	30,588	6,347,610	-	289,883
Victoria	798,336	-	-	-	-
Prince Rupert	-	-	3,185,792	-	-
<u>Churchill</u>	16,250,320	-	-	-	-
<u>St. Lawrence</u>					
Montreal	31,343,744	157,679	11,743,238	130,012	5,859,877
Sorel	3,565,708	-	3,718,200	-	165,076
Three Rivers	5,352,240	-	470,853	-	-
Quebec	4,970,602	-	-	-	-
<u>Maritime</u>					
West Saint John	742,933	-	198,221	-	276,223
Halifax	397,600	-	-	-	-
<u>U.S. Atlantic Seaboard</u>	-	-	-	-	28,169
Totals	102,669,070	188,267	25,663,914	130,012	6,619,228
August 1-December 21, 1955 ...	72,178,519	1,490,682	11,251,144	1,638,440	5,842,706

Freight Assistance Shipments Claims filed for payment up to November 30, 1956 represent the movement of some 5,278 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. This preliminary total, subject to upward revision with the filing of additional claims, already surpasses by 34 per cent the revised August-October 1955 total of 3,952 thousand bushels. Shipments to Ontario and Quebec, of 2,451 thousand and 1,927 thousand bushels, respectively, accounted for 83 per cent of the total movement.

Provincial Distribution of Wheat Shipments under the Freight Assistance Policy
August-October, 1956 and 1955

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
- thousand bushels -								
August, 1956	7	44	99	52	600	1,109	199	2,109
September	6	25	82	51	720	756	105	1,745
October	2	9	81	40	608	586	99	1,424
Totals 1/	14	77	262	143	1,927	2,451	403	5,278
Same period 1955:								
Preliminary 2/	17	57	216	131	1,364	1,169	308	3,263
Revised 1/	28	62	247	158	1,525	1,326	606	3,952

Preliminary data on millfeed shipments under the freight assistance policy indicate the movement of 108,005 tons during the first three months of the current crop year, about 4 per cent greater than the comparable 1955 total of 103,436 tons. As with freight-assisted shipments of wheat, this year's total is based on claims submitted up to November 30, 1956 and may be subject to considerable upward revision with the filing of additional claims. Shipments of 56,287 tons to Quebec and 33,321 tons to Ontario accounted for some 83 per cent of the total August-October movement of freight-assisted millfeeds.

Provincial Distribution of Millfeed Shipments under the Freight Assistance Policy
August-October, 1956 and 1955

Province	1955		1956	
	Preliminary 2/	Revised 1/	Preliminary 1/	
- tons -				
Newfoundland	642	1,021	646	
Prince Edward Island	1,955	2,142	1,678	
Nova Scotia	6,432	8,168	6,970	
New Brunswick	5,927	7,439	5,527	
Quebec	53,389	67,231	56,287	
Ontario	29,489	36,319	33,321	
British Columbia	5,602	10,988	3,576	
Totals	103,436	133,308	108,005	

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

2/ Based on claims filed up to November 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 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 -					
<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>					
August	19,777	469	3,003	23,250	22,228
September	14,877	292	3,816	18,985	16,718
October	14,075	416	3,091	17,582	19,776
November	16,447	440	3,839	20,726	21,362
December	10,323	429	2,810	13,562	15,953
January	19,053	476	2,742	22,270	20,969
February	16,985	537	3,069	20,592	22,066
March	17,631	130	3,353	21,115	23,027
April	28,974	1,333	3,207	33,514	32,360
May	37,350	1,768	3,846	42,964	39,712
June	42,219	1,246	3,656	47,121	49,735
July	24,233	322	3,565	28,120	29,724
Totals	261,943	7,858	40,000	309,801	313,630
<u>1956-57 4/</u>					
August	26,107	223	3,434	29,764	27,147
September	24,477	146	2,781	27,403	26,467
October	20,683	222	3,359	24,265	27,449
November	20,577	875	3,196	24,648	25,790
Totals	91,844	1,465	12,771	106,080	106,854

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 years 1954-55 and 1955-56 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 for 1954-55 and 2.3 bushels per cwt. for 1955-56.

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

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

Destination	August	November		August-November	
	Wheat Flour 1/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
			- bushels -		
<u>COMMONWEALTH COUNTRIES</u>					
United Kingdom	1,090,665	882,825	7,563,075	4,376,866	33,196,657
<u>Africa</u>					
British East Africa	-	-	-	1,030	-
Federation of Rhodesia and Nyasaland .	-	-	41,067	1,546	78,400
Gambia	4,416	-	-	4,416	-
Gold Coast	66,958	61,479	-	304,814	-
Nigeria	12,250	17,924	-	91,673	-
Other British West Africa	-	-	-	6,440	-
Sierra Leone	23,598	-	-	58,107	-
Union of South Africa	-	-	-	-	473,872
<u>Asia</u>					
Cyprus	-	-	-	-	371,000
Hong Kong	73,220	61,987	36,400	194,701	128,800
Malaya and Singapore	28,099	38,258	-	129,179	-
Pakistan	-	-	362,133	46	975,533
<u>Europe</u>					
Gibraltar	5,152	1,944	-	19,976	-
Malta	-	-	364,000	-	741,066
<u>North America</u>					
Bahamas	18,669	22,809	-	76,243	-
Barbados	19,154	27,835	-	104,905	833
Bermuda	6,939	12,015	-	38,921	-
British Honduras	1,766	1,877	-	6,615	-
Jamaica	185,481	189,189	1,800	516,339	4,600
Leeward and Windward Islands	63,084	70,992	-	273,990	-
Trinidad and Tobago	125,640	149,224	-	578,961	-
<u>South America</u>					
British Guiana	50,566	29,072	-	179,952	-
Totals, Commonwealth Countries	1,775,657	1,567,430	8,368,475	6,964,720	35,970,761
<u>FOREIGN COUNTRIES</u>					
<u>Africa</u>					
Azores and Madeira	6,672	7,137	-	15,106	-
Belgian Congo	65,203	21,776	-	186,948	-
Liberia	1,178	460	-	4,766	-
Morocco	7,590	-	-	7,590	-
Portuguese East Africa	3,542	-	86,613	8,855	142,800
Portuguese West Africa	920	4,830	-	12,708	-
<u>Asia</u>					
Arabia	3,993	-	-	23,433	18,660
Japan	107,035	11,693	2,167,587	343,307	14,627,773
Lebanon	-	170,062	-	205,514	-
Israel	-	-	374,267	-	374,267
Okinawa	-	-	36,736	-	75,936
Philippine Islands	552,524	588,326	-	1,862,510	-
Portuguese Asia	4,600	6,118	-	26,093	-
Syria	228	-	-	428	-
Thailand	35,075	22,713	-	158,270	-
<u>Europe</u>					
Austria	-	-	-	-	377,067
Belgium	31,735	74,704	1,308,678	168,675	5,542,407
Denmark	920	-	98,112	9,120	176,512
France	-	-	-	-	736,740
Greece	1,318	-	-	2,583	-
Germany, Federal Republic	-	-	4,785,145	-	17,917,022

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

Destination	August	November		August-November	
	Wheat Flour 1/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
			- bushels -		
FOREIGN COUNTRIES					
Europe					
Ireland	-	-	586,133	-	886,667
Italy	1,150	-	348,320	2,300	1,135,836
Netherlands	483	-	1,529,549	2,737	4,963,800
Norway	-	-	452,107	-	2,366,507
Portugal	6,026	-	-	16,192	-
Switzerland	-	-	-	-	4,715,187
Yugoslavia	2,300	-	-	2,300	-
North America					
American Virgin Islands	2,035	690	-	5,669	-
Costa Rica	43,486	44,894	-	172,438	-
Cuba	1,840	32,255	-	146,795	1,000
Dominican Republic	23,230	35,834	-	127,402	-
El Salvador	23,046	16,905	-	84,456	-
French West Indies	115	1,161	-	2,277	-
Guatemala	11,247	12,308	-	54,379	48,148
Haiti	9,430	44,632	-	77,913	-
Honduras	3,717	6,900	-	18,437	-
Netherlands Antilles	11,606	10,182	-	45,634	-
Nicaragua	25,358	22,011	-	95,089	-
Panama	7,210	14,421	-	72,011	-
St. Pierre and Miquelon	1,240	1,835	-	10,660	-
United States					
Flour in terms of wheat	94,121	165,662	-	525,591	-
For Milling in bond 4/	-	-	-	-	59,490
For Domestic use 4/	-	-	874,536	-	1,405,412
Oceania					
French Oceania	-	345	-	15,555	-
Guam	1,150	1,840	-	8,970	-
South America					
Chile	-	115	-	115	-
Colombia	23,805	22,770	-	74,412	-
Ecuador	-	-	-	-	18,667
Peru	-	690	422,800	10,350	1,727,973
Surinam	1,610	19,447	-	81,158	-
Venezuela	96,993	266,234	12,767	1,117,563	20,716
Totals, Foreign Countries	1,213,731	1,628,950	13,083,350	5,806,309	57,338,587
Totals, All Countries	2,989,388	3,196,380	21,451,825	12,771,029	93,309,348

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.

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

Class and Grade	Week ending				
	November 30	December 7	December 14	December 21	December 28

- 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	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

International Wheat Agreement

and Domestic Sales

1 Northern	168/6	169/4	169/1	168/7	169
2 Northern	165/6	166/4	166/1	165/7	166
3 Northern	160/6	161/4	161/1	160/7	161
4 Northern	154/6	155/4	155/1	154/7	155
5 Wheat	143/6	144/4	144/1	144/7	144
6 Wheat	140/6	141/4	141/1	140/7	141
Feed Wheat	136/6	137/4	137/1	136/7	137
1 C.W. Garnet	152/6	153/4	153/1	152/7	153
2 C.W. Garnet	148/6	149/4	149/1	148/7	149
3 C.W. Garnet	145/6	146/4	146/1	145/7	146
1 Alberta Red Winter	157/6	158/4	158/1	157/7	158
2 Alberta Winter	154/6	155/4	155/1	154/7	155
3 Alberta Winter	152/6	153/4	153/1	152/7	153
1 C.W. Amber Durum	197/6	198/4	198/1	198/7	198
2 C.W. Amber Durum	196/6	197/4	197/1	196/7	197
3 C.W. Amber Durum	194/6	195/4	195/1	194/7	195

Export - Class II

1 Northern	168/6	169/4	169/1	168/7	169
2 Northern	165/6	166/4	166/1	165/7	166
3 Northern	160/6	161/4	161/1	160/7	161
4 Northern	154/6	155/4	155/1	154/7	155
5 Wheat	143/6	144/4	144/1	144/7	144
6 Wheat	140/6	141/4	141/1	140/7	141
Feed Wheat	136/6	137/4	137/1	136/7	137
1 C.W. Garnet	152/6	153/4	153/1	152/7	153
2 C.W. Garnet	148/6	149/4	149/1	148/7	149
3 C.W. Garnet	145/6	146/4	146/1	145/7	146
1 C.W. Amber Durum	241/6	242/4	242/1	241/7	242
2 C.W. Amber Durum	240/6	241/4	241/1	240/7	241
3 C.W. Amber Durum	238/6	239/4	239/1	238/7	239

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

Class and Grade	Week ending				
	November 30	December 7	December 14	December 21	December 28

- 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	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

International Wheat Agreement

and Domestic Sales

1 Northern	170	171/4	171/1	170/7	171
2 Northern	167	168/4	168/1	167/7	168
3 Northern	162	163/4	163/1	162/7	163
4 Northern	156	157/4	157/1	156/7	157
5 Wheat	145	146/4	146/1	145/7	146
6 Wheat	142	143/4	143/1	142/7	143
Feed Wheat	138	139/4	139/1	138/7	139
1 C.W. Garnet	154	155/4	155/1	154/7	155
2 C.W. Garnet	150	151/4	151/1	150/7	151
3 C.W. Garnet	147	148/4	148/1	147/7	148
1 Alberta Red Winter	159	160/4	160/1	159/7	160
2 Alberta Winter	156	157/4	157/1	156/7	157
3 Alberta Winter	154	155/4	155/1	154/7	155

Export - Class II

1 Northern	170	171/4	171/1	170/7	171
2 Northern	167	168/4	168/1	167/7	168
3 Northern	162	163/4	163/1	162/7	163
4 Northern	156	157/4	157/1	156/7	157
5 Wheat	145	146/4	146/1	145/7	146
6 Wheat	142	143/4	143/1	142/7	143
Feed Wheat	138	139/4	139/1	138/7	139
1 C.W. Garnet	154	155/4	155/1	154/7	155
2 C.W. Garnet	150	151/4	151/1	150/7	151
3 C.W. Garnet	147	148/4	148/1	147/7	148
1 Alberta Red Winter	159	160/4	160/1	159/7	160
2 Alberta Winter	156	157/4	157/1	156/7	157
3 Alberta Winter	154	155/4	155/1	154/7	155

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during November 1956 amounted to 3,636,000 hundredweight, exceeding by about 3 per cent the October production of 3,541,000 hundredweight and virtually unchanged from the November 1955 outturn of 3,643,000 hundredweight. Mills reporting operations during November had a total rated capacity of 179,934 hundredweight per 24-hour day and on the basis of a 26-day working period 77.7 per cent of this rated capacity was effective.

Wheat milled for flour during November amounted to some 8.3 million bushels, the same as in November 1955 but above the October 1956 figure of 8.0 million bushels. Of the wheat milled for flour during October some 7.5 million bushels were Western Canadian spring wheat (other than Durum) with the remainder consisting of Ontario winter wheat (453,000 bushels), Durum wheat (126,000 bushels) and all other (214,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during November 1956 amounted to 1,390,000 hundredweight (some 3,196,000 bushels of wheat equivalent) representing a decrease of 5 per cent from the 3,359,000 bushels exported during the preceding month and 17 per cent below the revised November 1955 figure of 3,839,000 bushels. Flour shipments during the month went to 45 countries, with exports to the United Kingdom equivalent to some 883,000 bushels accounting for 28 per cent of the entire November export movement. Other leading markets for Canadian wheat flour during the month, with shipments in thousands of bushels of wheat equivalent, were as follows: Philippine Islands, 588; Venezuela, 266; Jamaica, 189; Lebanon, 170; United States, 166; and Trinidad and Tobago, 149.

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	91,755,469	40,142,498	17,391,300
1956-57 ^{2/}			
August	7,872,881	3,448,590	1,493,103
September	7,229,802	3,192,582	1,209,186
October	8,038,284	3,540,745	1,460,602
November	8,296,852	3,635,956	1,389,730
Totals	31,437,819	13,817,873	5,552,621
Same period 1955-56 (revised) ...	31,859,931	13,906,855	5,978,427

^{1/} Based on Customs returns. Exports for the crop years 1945-46-1955-56 revised to remove effect of time lag in the returns made by Customs.

^{2/} Subject to revision.

UNITED STATES SITUATION

Supply Position Reflecting revisions in both the 1955 and 1956 production estimates, total estimated domestic supplies of wheat in the United States during the current and preceding crop years now amount to some 2,031.1 million and 1,970.9 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 1.7 million bushels compared with 2.0 million during the July-November period of 1955. After making an allowance of some 599.0 million bushels for anticipated domestic requirements, an estimated 1,433.8 million remain available for export and for carryover during 1956-57 exceeding by 5 per cent the 1,368.9 million available during 1955-56.

United States Wheat Supplies

Item	1955-56	1956-57 <u>1/</u>
	- million bushels -	
Carryover at beginning of crop year (July 1)	1,036.2	1,033.9
New crop	934.7 <u>2/</u>	997.2 <u>2/</u>
Total estimated domestic supplies	1,970.9 <u>2/</u>	2,031.1 <u>2/</u>
Imports of wheat for domestic use, July - November	2.0	1.7
Total estimated supplies <u>3/</u>	1,972.9	2,032.8
Less estimated domestic requirements for crop year <u>4/</u> ..	604.0	599.0
Available for export and for carryover	1,368.9	1,433.8
Deduct:		
Exports of wheat as grain, July - November	81.3	171.5
Exports of wheat flour and products in terms of wheat, July - November	19.6	23.0
Total exports of wheat, wheat flour and products ..	101.0	194.5
Balance on December 1 for export and for carryover	1,267.9	1,239.3

- 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 1956, at 194.5 million bushels are nearly double the 101.0 million exported during the same months of 1955. The balance remaining at December 1 this year for export and for carryover amounted to 1,239.3 million bushels, about 2 per cent below the 1,267.9 million at December 1, 1955.

1956 Wheat Crop In a report released December 17, 1956 the Crop Reporting Board
Estimated at 997 of the United States Department of Agriculture stated in part that
Million Bushels "Production of all wheat in 1956, at 997 million bushels, was nearly 7 per cent larger than the 1955 crop of 935 million bushels but 13 per cent smaller than the average of 1,148 million bushels.

Land seeded to wheat in the fall of 1955 and spring of 1956 totalled 60.7 million acres, 4 per cent more than the acreage seeded for the 1955 crop but more than 14 million acres below average. Abandonment and diversion in 1956 amounted to 18.0 per cent or 10.9 million acres compared with 18.8 per cent or 11.0 million acres in 1955. Total acreage of wheat harvested for grain in 1956 was 49.8 million acres, 5 per cent above last year but nearly a fourth below average.

Yield per harvested acre at 20.0 bushels exceeded the record high of 19.8 bushels in 1955 and was well above the average of 17.1 bushels.

Production of winter wheat this year is estimated at 735 million bushels. This is a relatively small winter wheat crop, the third smallest since 1942. Production this year was 4 per cent larger than 1955 but 16 per cent smaller than average. The smaller crop reflected the reduced acreage utilized for wheat as the result of allotment restrictions and a greater than average loss of seeded acreage. The yield per harvested acre was only slightly below the record equalling yield of the previous year but more than two bushels above the average. Production was below average in a majority of the States, the principal exceptions being Illinois, Missouri, Kentucky, Arkansas, Louisiana, Tennessee, Alabama, Mississippi, the Carolinas, and Georgia where record or near record high yields were produced. Poorest outturns were in drought-stricken areas of southern Plains States and the Pacific Northwest where a considerable part of the seeded acreage was lost.

The 262 million bushels of all spring wheat harvested in 1956 was nearly a sixth larger than the previous year but 5 per cent below average. The increased production over a year earlier was due largely to more favorable yields per acre as the acreage harvested was only 4 per cent more than last year. The acreage seeded to spring wheat in 1956 totalled 16.2 million acres compared with 14.0 million acres in 1955. Abandonment this year at 12.7 per cent was sharply above the 2.6 per cent abandoned the previous year. Yield per harvested acre estimated at 18.5 bushels compares with 16.9 bushels last year and the average of 14.2 bushels.

The 1956 durum wheat crop of 39.6 million bushels is more than twice as large as 1955 and 28 per cent above average. All producing States show sharply higher production than last year. The Montana crop was triple that of 1955 and Minnesota more than double. The Dakotas show smaller increases although both are well above 1955.

Production of spring wheat other than durum in 1956 is estimated at 222.6 million bushels, 6 per cent larger than last year but 9 per cent less than average. The 3 per cent decline in production in the North Central States was more than offset by a 20 per cent larger crop in the Western States. Sharply lower production in South Dakota and some decline in Nebraska accounted for the drop in the West North Central States. The 12 million acres harvested in 1956 is 4 per cent less than in 1955 and 30 per cent below average. All of the important producing States in the Western States and Minnesota in the West North Central group harvested acreages larger than last year. The increase was most noticeable in Washington, Oregon, and Montana where the loss of winter wheat acreage was largely reseeded to spring wheat. Larger seed supply of rust-resistant varieties revived interest in parts of the North Central region where rust damage has been especially severe. Yield per acre harvested for the U.S. was 18.9 bushels compared with 17.2 bushels in 1955 and the average of 14.4 bushels.

Acreage and Production
of Winter Wheat, 1957

The following account of the acreage seeded to winter wheat in the fall of 1956 and a preliminary forecast of production in 1957 is taken from the report on "Winter Wheat and Rye" released by the Crop Reporting Board on December 19, 1956.

Winter wheat seedings in the fall of 1956 fell to the smallest acreage seeded since 1913. Total seedings of winter wheat for all purposes this fall are estimated at 36.8 million acres, nearly a fifth less than last year and nearly a third less than average. The crop seeded in the fall of 1956 is the fourth consecutive winter wheat crop planted under acreage allotments and marketing quotas and the first wheat crop planted with knowledge of the provisions of the Soil Bank Acreage Reserve Program.

A 1957 winter wheat crop of 625 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 the 1956 crop and 28 per cent less than average.

When considering the indicated production for the 1957 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 largely influence the final outturn of the crop. The current forecast of production assumes normal weather, insect and disease conditions for the remainder of the 1957 crop season. In the last 20 years, the average change in the United States production estimate from December 1 to harvest has been 113 million bushels. The maximum change was in 1953 when final production exceeded the December estimate by 274 million bushels. The minimum change was in 1956 when the December 1 estimate exceeded final production by less than a half million bushels.

The acreage seeded to winter wheat in the fall of 1956 was influenced considerably by the Soil Bank Act, particularly in the Southern Great Plains area. The Acreage Reserve Program received a significant response in the Southern Plains States where persistent drought discouraged seedings this fall. Farmers enrolled a total of 10.7 million acres in the Reserve Program with the heaviest participation in the five-State area of Kansas, Oklahoma, Texas, Colorado and New Mexico where about 8.3 million acres were signed up. The largest participation centered around the traditional Dust Bowl Country.

The 1957 winter wheat acreage can be described as thirsty with the crop off to a poor start. Practically the entire winter wheat producing area experienced weather extremes that delayed seeding or slowed plant development. Most areas extending from the Rocky Mountain Region east through the Plains and Corn Belt States found soils quite dry at normal seeding time with growers "dusting-in" a considerable acreage. Subsequent moisture over scattered areas relieved dry surface soil conditions, germinated fields to fair stands, but fall growth has been slow. However, the major portion of the Winter Wheat Belt remains critically short of both surface and sub-soil moisture with production prospects well below normal. Germination has been quite spotted and it is reported that some sprouted grain had insufficient moisture to emerge. Fields up to stands generally show limited growth and are quite vulnerable to wind erosion during the winter months.

In Kansas, dry soil conditions at the usual planting time delayed seeding operations. Planting prior to mid-October was largely restricted to summer fallow land in the northwest though some acreage was "dusted in" throughout the State. Mid-October rains spurred seeding activity in central and eastern areas and brought early plantings up to good stands. Additional precipitation early in November over most central and eastern areas and the extreme northwest provided the

moisture needed for emergence of later plantings in these areas. Meanwhile, the west central and southwestern areas of Kansas have received no moisture of consequence since late June and the limited plantings there have failed to germinate. Because of the late seeding date and unseasonably low temperatures, plants have made little top growth and root development, and surface soils are vulnerable to wind erosion.

In Nebraska, winter wheat was seeded under generally favorable surface moisture conditions that brought fields up to good stands and promoted early growth. However, most of the acreage is over a moisture-deficient subsoil and will be in need of additional moisture at an early date. In Colorado, the east central and southeastern areas continue to need rain with the acreage seeded holding on with a minimum of surface and sub-soil moisture. North central and northeastern areas received beneficial rains with stands generally good and entered the dormant stage in a satisfactory condition. The Panhandle area of Oklahoma, High Plains of Texas and eastern New Mexico round out the drought area with seedings sharply below a year ago. Seeded acreage germinated slowly, came up to spotted stands and is now struggling for life against the continuing pressure of dry weather. Plants are not well established with the limited plant growth providing little protection from wind erosion.

In the North Atlantic States, the fall seeding period was very favorable in Pennsylvania while in New York and New Jersey, early seeding operations were slowed by rains. As of December 1, most fields in this area had a favorable start and are going into the winter in good condition. A dry fall in the East North Central States permitted seeding operations to proceed faster than usual but was unfavorable for germination and growth. Many fields were seeded in dry soil and germination was delayed until moisture was received. In some areas of these States, it was late November before needed rainfall was received. The crop generally has a poorer start than normal. In Montana and north Idaho, seeding was timely and there was adequate moisture for a good start. In south central and eastern Idaho, a shortage of soil moisture slowed germination and growth but rains during the latter part of October proved beneficial although subsequent cold weather delayed growth. Seeding of winter wheat in Washington and Oregon made slow progress until needed rains were received in early October. Seeding in these two States was mostly completed in October and the crop generally has a good start except for some late seeded fields in Oregon.

The indicated yield of 17.0 bushels per seeded acre for the United States is a half bushel more than the 1956 crop yield and more than a bushel above average. Current conditions indicate that 18.9 per cent of the national acreage seeded this fall will not be harvested for grain compared with 19.9 per cent for the 1956 crop.

Soil Bank Acreage
Reserve Regulations

Regulations covering the Acreage Reserve program of the Soil Bank for 1957 were announced December 26. Among the more important provisions of the new regulations are the following:

(1) A national allocation of 1957 Acreage Reserve funds among the commodities to be covered in the 1957 program -- wheat, corn, upland cotton, tobacco, and rice. (2) A breakdown of these commodity allocations among producing States and counties within them. (3) Establishment of maximums on the amount of acreage of a particular crop that an individual farmer can place in the Acreage Reserve, with a provision that this maximum may be exceeded if funds are still available after all farmers have had an opportunity to participate. (4) There will be no minimum acreage limitations on the amount of land that may be entered in the program except those already in effect for 1957 wheat. Deadline for signing 1957 Acreage Reserve agreements will be March 1 for cotton and tobacco and March 8 for corn, spring wheat, and rice.

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 3, 1956	232 1/2 - 234		December 3, 1956	232 3/4 - 233 3/4	
4	230 - 235 1/2		4	230 1/8 - 231 1/8	
5	232 - 234		5	231 1/4 - 232 1/4	
6	234 - 234 1/2		6	230 1/8 - 231 1/8	
7	232 - 234 3/4		7	230 1/2 - 231 1/2	
10	233 1/2 - 238		10	230 1/2 - 231 1/2	
11	233 1/2 - 233 3/4		11	231 - 232	
12	229 1/2 - 232 1/2		12	233 3/8 - 234 3/8	
13	233 1/2 - 235 1/4		13	235 3/8 - 236 3/8	
14	233 - 239		14	235 1/4 - 236 1/4	
17	230 1/2 - 241		17	233 1/8 - 234 1/8	
18	235 - 237 1/2		18	233 1/2 - 234 1/2	
19	234 - 240 1/2		19	234 1/4 - 235 1/4	
20	234 3/4 - 238 1/2		20	233 3/8 - 234 3/8	
21	234 - 235 1/2		21	233 - 234	
24	230 1/2 - 239 1/4		24	232 5/8	
25	Christmas Day		25	Christmas Day	
26	231 3/4 - 234 1/2		26	232 1/2	
27	232 1/2 - 232		27	232 5/8	
28	235 1/2 - 236 1/4		28	233 1/4	
31	234 1/2 - 239		31	232 1/2	

Chicago Wheat Futures, High Points of Closing

Date	December	March	May	July	September	December
	- cents and eighths per bushel -					
December 3, 1956	241/2	241	237	226/2	228/2	
4	236/6	237/1	233/7	224/1	226	
5	238/4	238/3	235/2	224/7	226/7	
6	238	237/6	234/5	224/5	226/4	
7	239/5	238/7	235/1	226/1	228/2	
10	240/1	238/5	234/5	226/1	228/1	
11	239/1	237/4	233/5	224/6	226/6	
12	240/6	239/5	235/4	227/3	229/3	
13	240/3	239/4	235/7	227/7	229/7	
14	240/2	239/5	236	227/6	229/5	
17	238/4	238/1	234/7	226/6	228/5	
18	238/6	238/6	235/5	228/3	230/3	
19	244	239/6	236/3	228/2	230/3	
20		240/3	236/3	226/6	228/6	
21		241	236/4	226/5	228/3	
24		241/3	237	227/1	229	
25		Christmas Day				
26		241/1	236/7	227/7	229/6	
27		240/6	236/7	228/3	230/1	233/2
28		240/7	237	228/6	230/4	232/4
31		241	237/1	228/7	230/6	233/6

ARGENTINE SITUATION

Supply Position Disposition of Argentine wheat for the crop years (December-November) 1954-55 and 1955-56 appears in the table below.

Reflecting a sharply reduced production, total estimated domestic supplies in the crop year 1955-56 at 276.1 million bushels, were 19 per cent smaller than the comparable 1954-55 level of 324.9 million. After making an allowance of 136.0 million bushels for apparent domestic disappearance some 140.1 million were available for export and for carryover during 1955-56 as against 215.9 million available in the preceding crop year. Exports of wheat and wheat flour in terms of grain equivalent during the crop year recently completed amounted to 95.6 million bushels, about 28 per cent below the 132.7 million exported during 1954-55. The preliminary estimate places carryover stocks at December 1, 1956 at 44.5 million bushels, little more than half the December 1, 1955 figure of 83.2 million.

Argentine Wheat Supplies

Item	1954-55	1955-56 1/
	- million bushels -	
Carryover at beginning of crop year (December 1) 2/	60.3	83.2
New crop 3/	282.6	192.9
Total estimated domestic supplies	342.9	276.1
Less estimated domestic requirements for crop year	127.0	136.0
Available for export and for carryover	215.9	140.1
Deduct:		
Exports of wheat as grain, December-November	130.5	90.6
Exports of wheat flour in terms of wheat, Dec.-Nov. ..	2.3	5.0
Total exports of wheat and wheat flour	132.7	95.6
Balance on December 1 for export and for carryover	83.2	44.5

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 19, 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 weather during the past month has been generally quite favourable in the cereal zone and harvesting has been proceeding apace. During the third week in November rains delayed harvesting in the northern sector but were beneficial to the summer crops - corn, peanuts, sunflower. Fairly hot dry weather has been quite widespread since that time and some concern is now being felt for the corn crop which needs rain at this time to ensure proper pollination.

Wheat Shipments of wheat and flour (in terms of wheat) during November were
1955-56 just over 212,000 tons (7,790,000 bushels) to bring the total for the
Crop crop year to 2,601,933 metric tons (95,605,000 bushels). This was considerably below the previous year's 3,612,023 (132,719,000 bushels) and also under the 1953-54 shipments. Carryover into the 1956-57 crop year is tentatively calculated at 1,115,067 tons (41 million bushels, excluding any allowance for stocks on farms) on the basis of the official production estimate and a domestic disappearance of 3,700,000 tons (136 million bushels). Based on the most recent official stock figures and subsequent exports, however, the actual carryout is estimated to be in the neighbourhood of 1.3 million tons (48 million bushels) or about 800,000 tons (29 million bushels) below the previous year's carryover. On November 29 the Grain Board stated that they had 239,998 tons (8,818,000 bushels) of old crop wheat available for export sale and 717,889 tons (26,378,000 bushels) sold but yet to be shipped, including approximately 242,000 tons (8,892,000 bushels) under the Brazilian agreement. Their figure of 4,760,027 tons (174,901,000 bushels) purchased from the 1955-56 crop suggests that production was actually somewhat higher than the official estimate.

Wheat During most of the past month the weather has favoured wheat harvesting
1956-57 in most sections of the grain zone. Harvesting is now almost completed
Crop in the northern sectors and well started even in the most southern zones. In Córdoba, Santa Fé and Entre Rios, excessive humidity during much of the season and attacks of septoria and rust are being reflected in lower outturns than originally expected and in a loss in quality and specific weight. In Buenos Aires and La Pampa on the other hand, reports of good quality and yields continue to predominate. On the basis of yields in the northern zone and present prospects in the south the Ministry of Agriculture and Livestock have set the first estimate of production at 6,900,000 metric tons (253.5 million bushels), 31.4 per cent above last year and approximately 20 per cent over the averages for the past five and ten years. Taking into account the estimated carryover and domestic disappearance Argentina should have close to 4.5 million tons (165.3 million bushels) of wheat available for export and carryover in the 1956-57 crop year. This would compare with 3.7 millions (136.6 million bushels) in 1955-56 and 5.6 millions (207.1 million bushels) in 1954-55.

Oats, During the past month the only old crop sales of these grains were
Barley 12,000 tons (472,000 bushels) of rye. Sales of new crop grain by the
and Rye private trade (see policy) were limited to a few lots of barley and oats. Exports during November for oats, barley and rye, respectively, were 21,516 (1,395,000 bushels), 65,372 (3,002,000 bushels), and 23,242 tons (915,000 bushels). These shipments brought exports for the full crop year to 242,583 (15,729,000 bushels), 638,984 (29,348,000 bushels) and 133,291 (5,247,000 bushels) tons, respectively, for a grand total of 1,014,858 metric tons. As of November 29 the Grain Board reported 21,680 (1,406,000 bushels), 31,557 (1,449,000 bushels) and 52,791 tons (2,078,000 bushels), respectively of oats, barley and rye available for export sale and 90,330 (5,857,000 bushels), 42,914 (1,971,000 bushels) and 98,064 tons (3,861,000 bushels), respectively, sold but yet to be delivered. As usual, information concerning probable production of these grains is rather sketchy but there is much optimism that especially in the case of oats and rye, outturn will exceed that of last year by a wide margin. Total supply of these grains this crop year is estimated very tentatively at 3,000,000 tons which would provide more than 1,500,000 tons for export and carryover.

Flaxseed During the past month the Ministry of Agriculture and Livestock increased their estimate of the area seeded to Flaxseed to 1,302,000 hectares (3,216,000 acres) 20.6 per cent above the first estimate, 93 per cent above the estimate for the previous crop year, and the largest area seeded to this crop since

1948-49. After a very propitious beginning, however, crop conditions in Entre Rios, Santa Fé and Córdoba deteriorated due to excessive rainfall, and attacks by insects and diseases. Early reports of yields from these areas are extremely varied. Hence, trade estimates of production have not increased at all in proportion to the increase in the estimate of seeded area, and still range around 600,000 - 700,000 tons (24 - 28 million bushels).

Policy

Free Trading Resumed in Oats, Barley, Rye and Flaxseed Acting on the authority of Decreto 20048.56 (see November Review) the private trade have begun to purchase oats, barley, rye and flaxseed of the 1956-57 crop. Effective November 27 several Grain Exchanges were given authority to quote daily prices for these grains on their blackboards.

Definite Aforos (minimum export prices) have not yet been established but in order to permit the exportation of a few lots of grain provisional Aforos of 690 pesos per ton (minimum prices plus 15 per cent) have been established for oats and barley for payment in multilateral currencies and 696.90 for Western German agreement dollars. The actual f.o.b. sales prices on these lots have been \$43.45 per ton for multilateral currencies and \$44.00 and \$44.35 per ton for Western German dollars. Definite aforos are expected to be announced fairly soon as well as the level of the export tax (retention) on these grains, the opening of futures market, and credit regulations.

Grain Sales Sales of wheat, oats, barley and rye during the past months showed a sharp decline over the previous month, totalling only 101,650 metric tons, one of the lowest figures for this year. However, millet sales showed a marked revival with 70,343 metric tons being sold mainly for multilateral and Western German currencies at the "aforo" price of 540.00 pesos and 545.00 pesos per ton, respectively. Rice came into the market again with 3,030 metric tons (148,000 bushels) sold on the free market for multilateral currencies and United States dollars. Wheat sales totalled 48,000 metric tons (1,764,000 bushels) 43,000 (1,580,000 bushels) for multilateral currencies at price ranging from 1,072.80 to 1,199.16 (\$1.62 to \$1.81 per bushel) declining to 1,080 pesos per ton (\$1.63 per bushel), and 5,000 metric tons (184,000 bushels) for Western Germany agreement dollars at 1,083.52 pesos (\$1.64 per bushel). Also sold were 3,400 metric tons (125,000 bushels) of Tangarock at 1,676.70 pesos (\$2.54 per bushel) for multilateral destinations. No corn sales were reported. Private sales of new crop oats and barley were authorized at "aforos" of 690 pesos per ton for multilateral and 696.90 pesos per ton for Western Germany currencies. These amounted to 1,350 tons (88,000 bushels) of oats and 24,000 tons (1,102,000 bushels) of barley. Reported f.o.b. prices were U\$S 43.45 to U\$S 44.35 per ton. Rye sales also declined compared with the previous month totalling 25,200 metric tons (992,000 bushels) all sold for multilateral currencies at prices starting at 866.70 (\$1.22 per bushel), advancing to 931.68 (\$1.31 per bushel) and then declining to 800.28 pesos per ton (\$1.13 per bushel).

Grain Shipments Argentine exports of the major grains during last month at 444,502 metric tons showed an increase of about 5 per cent above October, and with the exception of August last, were the highest since the beginning of the year.

Wheat exports increased to 211,751 metric tons (7,781,000 bushels), Brazil and Italy being once more the main destinations with 97,176 (3,571,000) and 28,373 (1,043,000 bushels) metric tons, respectively, followed by Chile with 19,993 metric tons (735,000 bushels) and almost equal amounts of about 17,500 tons (643,000 bushels)

for Western Germany and the United Kingdom while 15,360 tons (564,000 bushels) went to Peru and smaller shipments to Netherlands, Switzerland, Paraguay and Denmark.

Corn exports advanced to 122,641 metric tons (4,828,000 bushels) and Western Germany with 56,447 metric tons (2,222,000 bushels) was the main receiver followed by Netherlands 28,910 tons (1,138,000 bushels), Belgium 14,797 (583,000 bushels) and Italy 13,422 (528,000 bushels). Lesser amounts found their way to Switzerland, Japan and Denmark. Western Germany received 14,354 metric tons (931,000 bushels) of the 21,516 tons (1,395,000 bushels) of oats exported with smaller lots going to Italy, Netherlands, Belgium and Brazil.

Rye exports amounted to 23,242 tons (915,000 bushels), a sharp increase compared with previous months. Belgium and Finland with 8,052 (317,000) and 7,750 metric tons (305,000 bushels), respectively, were the major destinations while shipments to Denmark of 4,000 (157,000), Netherlands 2,440 (96,000) and Western Germany 1,000 (39,000) completed the total amount of this grain. Barley shipments at 65,372 metric tons (3,002,000 bushels) showed a very slight decrease from last month and practically the whole amount was for Netherlands with 30,902 tons (1,419,000 bushels) and Western Germany 30,525 (1,402,000) while the remainder went to Switzerland and Italy.

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

Destination	November	Dec.-Nov.	Destination	November	Dec.-Nov.
	- thousand bushels -			- thousand bushels -	
Africa, North	-	433	Italy	1,043	11,601
Africa, South	-	362	Japan	-	1,534
Austria	-	1,294	Netherlands	264	6,634
Belgium	-	2,407	Norway	-	795
Brazil	3,571	22,490	Paraguay	59	686
Chile	735	3,904	Peru	564	4,810
Czechoslovakia	-	1,285	Poland	-	13
Denmark	55	1,502	Switzerland	207	267
Finland	-	581	United Kingdom	650	11,223
France	-	5,183			
Germany, Western ...	634	13,476			
Germany, Eastern ...	-	149	Totals	7,781	90,630

Same Period:

1954-55	130,464
1953-54	109,249
1952-53	81,950
1951-52	3,786
1950-51	97,271

AUSTRALIAN SITUATION

Supply Position The distribution of Australian wheat supplies for the crop years (December-November) 1955-56 and 1954-55 is set out in the accompanying table. With December 1 carryover stocks showing relatively little change, the 10 per cent increase in total estimated supplies, from 262.1 million bushels in 1954-55 to 287.2 million in 1955-56 was due entirely to the larger 1955 production. Apparent domestic disappearance in the past crop year, at 72.8 million bushels was virtually the same as in 1954-55. As a result, the amount available for export and for carryover during the crop year 1955-56 totalled 214.4 million bushels, almost 26 million greater than the comparable 1954-55 figure of 188.8 million bushels. Exports of wheat and wheat flour in terms of wheat during the 1955-56 Australian crop year amounted to 130.3 million bushels exceeding by 34 per cent the 1954-55 level of 97.2 million. The preliminary estimate places carryover stocks at December 1, 1956 at 84.1 million bushels, 8 per cent below the 91.6 million on hand at the close of the 1954-55 crop year.

Australian Wheat Supplies

Item	1954-55	1955-56 <u>1/</u>
- million bushels -		
Carryover, including flour as wheat, at beginning of crop year (December 1)	93.5	91.6
New crop	168.6	195.6
Total estimated supplies	262.1	287.2
Less estimated domestic requirements for crop year .	73.3 <u>2/</u>	72.8 <u>2/</u>
Available for export and for carryover	188.8 <u>2/</u>	214.4 <u>2/</u>
Deduct:		
Exports of wheat as grain, December 1 - November 30	63.2	95.4
Exports of wheat flour in terms of wheat, December 1 - November 30	34.0	34.9
Total exports of wheat and wheat flour	97.2	130.3
Balance on December 1 for export and for carryover .	91.6	84.1

1/ Preliminary. 2/ Revised.

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 December 11, 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 \$2.1430 (Canadian), the quotation in effect on December 6, 1956.

Wheat Agreement with the United Kingdom As mentioned in the last report, under the new Australian-United Kingdom Trade Agreement, Great Britain has guaranteed that it would buy not less than 28 million bushels of wheat (including wheat as flour) annually over the next five years. The Minister for Trade, commenting on the agreement on his return from London, stated that the Australian approach was that the Australian wheat trade should be protected by the United Kingdom Government against unfair trade practices, as exemplified by foreign governments

subsidising their export wheat. There is no pre-determined price in the contract, and the question of price will be left to negotiations between the Australian Wheat Board and the United Kingdom importers.

The Wheat Board will have to quote against the bidding of alternate suppliers but, on the other hand, if the Wheat Board can sell at a price higher than United Kingdom buyers are offering, nothing in the agreements binds the Board to forego a more advantageous sale. With a wide right to reduce British preferences as against foreign buyers, the Minister said that he could foresee Australia using this right as a negotiating point to ensure the sale of greater quantities of wheat, and to better advantage, to other wheat importing countries.

If the opportunity to sell in the United Kingdom at competitive prices should be seriously prejudiced by the need to quote against really damaging export subsidies of competitive suppliers, Australia would invoke that aspect of the agreement which provides for consultation between the two governments, and consideration of protection of Australian trade by the imposition of anti-dumping or countervailing rates by the United Kingdom. Under the treaty, the United Kingdom engages to establish statute law to make such action possible.

The 28 million bushels of wheat and wheat equivalent covered by the agreement is in respect of F.A.Q. Australian wheat. Any sales of high protein wheat superior to F.A.Q. and sold at a premium to the United Kingdom for milling would be an addition. Also, any wheat sold for purposes other than milling would not count as against the 28 million bushel commitment. The Minister said that 28 million bushels of soft wheat and flour sold annually over the next five years would amount to a sale during that period of 68 million bushels greater than if the total sales during the next five years remained at the average of Australian sales during the past few years.

Freight Rates Referring to a possible increase in shipping freight rates, the Minister said that if the shippers and ship owners failed to agree on a new freight rate, and if the Commonwealth Government considered the shipowners' demands were too severe, they would appeal to the British Government to investigate the facts of the case independently.

Wheat Trade with Japan It is reported from Tokyo that the Japanese Minister of Trade said Government agencies were discussing Australia's request for an increase in imports of wheat in exchange for the easing of restrictions on imports of Japanese goods. The Ministry said the question was delicate because it was related to imports of American wheat under surplus farm products arrangements. The Japanese Government's food board said that Japan's wheat import requirements were about 2 million tons (74.7 million bushels) annually, of which about 1.3 million tons (48.5 million bushels) were soft wheat.

Last year, Japan bought 1.2 million tons (44.8 million bushels) of American wheat, including 450,000 tons (16.8 million bushels) of surplus wheat and 750,000 tons (28 million bushels) of "usual imports" which were obligatory as a condition for the purchase of surplus wheat. There was thus room for only 100,000 tons (3.7 million bushels) of Australian wheat.

The Minister of Trade said Australia was now suggesting that she might meet most of the Japanese demands for removal of import restrictions and granting of most favoured nation treatment if Japan agreed to import wheat on a competitive basis. However, Japan is interested in continuing large imports of American wheat because part of the yen proceeds from the sale of surplus wheat was

loaned back to Japan for agricultural development projects.

Trade sources said the Japanese Minister had informally told the United States Government that Japan might be able to import 450,000 tons (16.8 million bushels) of surplus food next year, but the amount of obligatory "usual import" should be reduced to 550,000 tons (20.5 million bushels).

Wheat Quality Conference The Wheat Quality Conference which met in Canberra on November 12 discussed wheat production and marketing problems, and wheat, flour and bread quality aspects. Over thirty representatives of all the major interests in Australia concerned with wheat, flour and bread industry affairs attended, and presented various points of view.

The discussions revealed the wide ramifications and complexities of the quality problem. Further research into production aspects and a closer understanding of the marketing issues will be necessary to assist the Conference to make a report or recommendations to the Australian Agricultural Council. The Conference decided to appoint a technical committee to co-ordinate the information available in the State Departments of Agriculture regarding the present wheat production pattern over the whole of Australia, including types, quality and consistency of Australian wheat, also the potential for production of increased quantities of strong and medium strong wheats and the production problems involved. The committee is to comprise the Director of the Bureau of Agricultural Economics and representatives of the five mainland Departments of Agriculture, The Commonwealth Scientific Industrial Research Organization, and the Australian Wheatgrowers' Federation.

On the marketing side, the conference agreed that representatives of the Australian Wheat Board, the State Wheat Bulk Handling authorities, the Australian Wheatgrowers' Federation, and the Federal Council of Flour Millowners of Australia should confer as a group regarding wheat and flour qualities on the Australian domestic market and overseas markets. The chairman of the Australian Wheat Board would convene the meeting. The conference further decided that when these two bodies had completed their work, the conference should meet again to prepare a report for the Australian Agricultural Council.

Grading of Australian Wheat Before leaving for London to make arrangements with British millers for the recently completed wheat pact, the general manager of the Australian Wheat Board said that he believed grading and segregation of Australian wheat for protein content would be justified if Australia had enough high protein wheat, but apart from production in Queensland and Northern New South Wales, such wheat was not available. Australian conditions do not warrant the universal operation of a grading system on the basis of protein, he said, but he agrees that every effort should be made to improve the general quality. Improvement of the F.A.Q. standard should be the aim.

Wheat Industry Stabilisation Arrangements The Minister for Primary Industry announced on November 29, 1956, that the cost of production of wheat of the 1956-57 crop had been determined at 13/8d. (\$1.46) per bushel bulk basis f.o.r. ports, and that the rate of the first advance payable to growers on delivery of a new crop wheat would be 10/- (\$1.07) per bushel bulk basis less freight. The Wheat Stabilisation Plan provides for the determination before December 1, each year of the cost of production of the coming wheat crop. The Bureau of Agricultural Economics has assessed the movements in cost of various items entering into wheat production, and the Wheat Index Committee, comprising representatives of the Australian Agricultural Council and the Australian Wheatgrowers' Federation, together with the Director of the Bureau, has reviewed the Bureau's findings.

The Commonwealth has approved of the payment to growers of a first advance of 10/- (\$1.07) per bushel on bulk wheat, and 10/4d. (\$1.11) per bushel on bagged wheat delivered to the Australian Wheat Board from the 1956-57 crop. Western Australian growers will receive 2d. (1.8 cent) per bushel above these rates because of the freight advantage they enjoy. The Commonwealth Government is guaranteeing the Commonwealth Bank in respect of the money required to finance the payment of the first advance, and the expense of running the No. 20 Pool. On the present crop estimate the amount involved will be about £68 million (\$146 million).

Home Consumption Price Under the terms of the Wheat Stabilisation Plan, the home consumption price for F.A.Q. wheat will not be less than the cost of production determined for each season. At the beginning of the Plan, the home consumption price was set at 14/- (\$1.50) per bushel bulk wheat f.o.r. ports, when this price was lower than the I.W.A. price, with the understanding that this price would vary downwards to conform with the I.W.A. price current at the commencement of each season, if the Board's export price should be at that time less than 14/- (\$1.50) per bushel f.o.r. ports. The cost of production determined for the 1956-57 season exceeds the current export price of wheat sold under the I.W.A., and the home consumption price of wheat from December 1 automatically becomes 13/8d. (\$1.46) per bushel f.o.r. ports, plus 1½d. (1.3 cent) per bushel to meet the costs of shipment of wheat to Tasmania. In 1955-56 the home consumption price was 13/4d. (\$1.49*) per bushel plus 1½d. (1.4 cent *) per bushel in respect of Tasmanian freight.

Wheat Auction Plan Rejected Growers of premium wheat in northern New South Wales have rejected a Millers' Association proposal to sell premium wheat by auction. However, wheatgrowers in this area have formed a Premium Wheat Growers' Association, the objective of which is to encourage growers to produce better quality wheat and to formulate a scheme for the orderly marketing of premium wheats. The association hopes to take over the marketing of premium wheats and to work out a system which would be acceptable to growers and millers. The Association plans to establish testing units at all sidings where premium wheats are received. Each load of wheat delivered will be tested and then stacked according to its rating. Millers will have samples made available for their own independent testing. The wheat will still be handled and stacked under the control of the Australian Wheat Board.

Estimates of Wheat Crops Reports from the various States estimate lower crop yields this season. The area sown to wheat in Victoria this year, estimated at 1,553,000 acres, is the smallest area sown during any of the last sixty years and is 30 per cent below the 1955-56 area. The latest yield estimate by the Victorian Department of Agriculture is 28 million bushels, compared with 41 million bushels last season. Wheat production in Victoria has averaged 49.3 million bushels over the past 10 years.

New South Wales estimates that it will grow only part of the wheat needed for consumption within the State this season. The remainder will be drawn from what remains of stocks in No. 17 and No. 19 Pools. The Grain Elevators Board expects to receive between 16 million and 17 million bushels of wheat. In addition, country millers would use about 1 million bushels of F.A.Q. wheat, and some 4 million bushels of high grade bread making premium wheats. Average annual consumption within the State was between 22 million and 25 million bushels for human consumption, plus 9 million bushels for stock feed. As in Victoria, excessive rains have reduced the area sown to wheat and reduced the yield.

* £1 equaled \$2.2395 (Canadian) the quotation in effect on December 9, 1955.

The West Australian wheat crop is officially estimated at 31 million bushels, a few million bushels less than earlier private forecasts. In Queensland, the harvest has begun, and the crop is estimated at 8 million bushels, or little more than half of last year's crop. Queensland's best harvest was 18 million bushels in 1952-53. South Australia expects to harvest a wheat crop of about 26 million bushels which is 3 million lower than the yield last year.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1 to November 30, 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	9	42	1,200	1,138
Belgian Congo	-	-	5	5
Borneo	-	-	6	-
British North Borneo	-	-	189	219
British West Indies	4	2	184	303
Brunei	-	-	21	30
Burma	173	143	973	837
Ceylon	12	14	6,849	7,086
Cocos Islands	-	-	1/	1
Cyprus	1,321	704	1	1
Czechoslovakia	-	356	-	-
Dutch New Guinea	-	-	51	57
Egypt	-	-	11	-
Egypt (a/c War Office)	-	-	94	5
Eire	2,003	312	-	-
France	-	1,121	-	-
Germany, East	-	336	-	-
Germany, West	1,139	10,139	-	-
Hadhranaut	-	-	5	-
Hong Kong	1,026	1,154	-	-
Hong Kong (General)	-	-	279	386
Hong Kong (a/c War Office)	-	-	77	51
India	12,348	22,570	-	-
Indo-China	-	-	-	1
Indonesia	1	-	5,454	7,684
Iran	-	802	-	-
Iraq	1,363	2,381	-	-
Italy	-	-	32	33
Japan	6,175	9,909	-	-
Jordan	771	-	322	-
Kenya	-	357	-	-
Kure (a/c War Office)	-	-	33	19
Lebanon	2,030	-	74	-
Libya	-	-	52	2
Macao	-	-	-	18
Malaya	734	670	-	-
Malaya (General)	-	-	6,448	5,984
Malaya (a/c War Office)	-	-	154	136
Malta	281	570	-	-
Mauritius	2	1	1,192	910
Middle East (a/c U.N.R.W.A.) ..	-	-	-	53

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1 to November 30, 1955-56 and Corresponding Period 1954-55

Destination	Wheat		Wheat Flour	
	1954-55	1955-56	1954-55	1955-56
	- thousand bushels -			
Netherlands	533	-	-	-
New Zealand	8,791	10,022	1	3
Nigeria	-	-	-	1
Nyasaland	-	-	104	115
Pacific Islands	29	34	2,122	2,334
Pakistan	-	3,412	-	-
Palestine	-	-	16	-
Persian Gulf	60	105	170	186
Philippine Islands	-	-	223	427
Poland	-	1,862	-	-
Pondicherry	-	-	8	-
Port Said (a/c S/S)	-	-	83	50
Portuguese East Africa	660	490	1/	-
Portuguese India (Goa)	57	35	76	39
Rhodesia	2,684	1,832	-	-
Roumania	283	1,156	-	-
Sarawak	-	-	178	210
Saudi Arabia	90	192	76	22
Seychelles Islands	-	-	35	29
Somaliland, British	-	-	1	17
Somaliland, French	-	-	4	46
Sudan	-	-	1,111	1,070
Syria	2,078	338	-	-
Tahiti	-	-	209	214
Thailand (Siam)	5	8	727	863
Timor	-	-	29	25
United Kingdom	18,463	24,300	4,524	3,848
Yemen	-	-	13	-
Yugoslavia	-	-	1/	1/
Zanzibar	15	13	417	251
Royal Navy	31	17	29	25
Ships' Stores	-	-	136	167
Totals	63,171	95,399	34,000	34,900

1/ Less than 500 bushels.

Wheat Export Year Ends Well

On December 7, 1956 the Minister for Primary Industry, commented on the results of the 1955-56 wheat marketing year which finished on November 30.

The Minister said:

"The results of the 1955-56 wheat marketing year which ended on November 30th must be regarded as very satisfactory from the point of view of the heavy quantities of wheat and flour sold overseas during the year.

"The total exports of wheat and flour exceeded 130 million bushels wheat equivalent. This included 95 million bushels sold as grain and 660,000 tons of flour (35 million bushels of wheat equivalent). These sales compare with 63 million

bushels of wheat and 657,000 tons of flour (34 million bushels of wheat equivalent) sold for export in the previous year. These high exports in 1955-56 have resulted in a noticeable reduction in the stocks of wheat carried over on the 1st December into the 1956-57 season. The new carry-over figure is 84 million bushels compared with 91 million bushels twelve months ago.

"The Australian Wheat Board estimates that the incoming crop will be very light and the Board expects that the quantity of wheat delivered to it may not exceed 116 million bushels compared with 180 million bushels last season.

"If wheat export sales in the coming year were to continue at anything like the selling rate in the last twelve months, then by the 1st December 1957 wheat stocks should be down to about the level of what was regarded as a normal carry-over in the years before the great world wheat surpluses developed. This situation relieves any anxiety as to possible wheat storage problems in the near future.

"Wheat prices overseas have been at reasonable levels in recent months but the severe increases in charter freight rates have deprived the growers of the benefit of price increases in overseas markets.

"Owing to the excessive stocks on hand in the major exporting countries, wheat marketing has been going through a difficult period and it is a tribute to the energy and efficiency of the Australian Wheat Board that the Board was able to dispose of so much Australian wheat during the past year."

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 December 18, 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 .002749 Canadian dollars, the rate in effect on December 6, 1956.

The month of November was generally favorable to final work on the 1956 crops and for the preparation of fields for the new crop, according to the latest report of the Ministry of Agriculture. Frosts were registered in the third week of November and the cold weather had delayed growth of fall sown fields.

Preliminary estimates, as of December 1, indicate a reduction of 12.7 per cent in grain sowings as compared with last year. The wheat acreage is 511,000 hectares, (1,262,000 acres) or 12.2 per cent below last year. This is attributed by the Ministry to the following reasons: a) experience of extensive frost damage last winter; b) shortage of high quality seed; c) the high yield obtained in 1956 with spring sown grain and d) this year's late harvests, particularly of corn and sugarbeet which did not free the fields in time.

Since that time, however, conditions have been excellent for sowing, which can continue up to January. The lower acreage reported officially was due primarily to the late harvests, and is not thought to reflect any trend. The trade feels that any deficit this fall will be more than made up in the spring, and that the total acreage will be back to the "normal" level of 4.3 million - 4.4 million hectares (10.6 million - 10.9 million acres) for the 1957 crop.

Fall sowings were not unduly affected by the oil shortage which developed in late November as a result of the closing of the Suez Canal. Gasoline and diesel oil are at present rationed at two-thirds of consumption during the equivalent period last year, but it is reported that the fuel is not always available even with ration tickets. This situation, however, should be remedied in time for the spring sowings. The main problem to date has been shortage of fuel for drying damp grain.

The December 1 estimate of grain sowings, as compared with last year and the last five-year average is as follows:

Grain	Average December 1, 1951-1955	December 1, 1955	December 1, 1956	Differences December 1, 1955 and 1956
	- thousand acres -			- per cent -
Wheat	9,489	10,327	9,065	- 12.2
Wheat and Rye	60	72	47	- 34.7
Rye	1,014	931	839	- 9.9
Barley	871	984	865	- 12.1
Oats	1,391	1,359	1,150	- 15.4
Mixed Grains	78	90	56	- 37.8
Totals	12,903	13,762	12,021	- 12.7

Source: French Ministry of Agriculture

Maximum Use of Damp Wheat Because of the low crop this year, the French authorities are asking cooperatives and dealers to make maximum use of damp wheat for milling, by the greater use of drying facilities. Wheat with over 20 per cent moisture content would not normally come under the price guarantee, nor be used for human consumption. However, it is suggested that producers be paid two-thirds of the basic price i.e. 2,300 francs per quintal (\$1.72 per bushel), and that the storage entity undertake drying to make the wheat millable.

Allocation for Flour Subsidy The Financial Committee of the French Parliament has recently been studying budgetary allocations for agriculture. In that connection the figure of 8.3 billion francs (\$23 million) was included to subsidize the price of bread for the coming year.

In October the flour subsidy was raised in reply to strike action by bakeries whose employees were demanding higher wages. In order to keep the bread price stable and thus have no repercussions on the cost of living index, the price of flour to bakers was reduced by 125 francs (7 cents per bushel of wheat equivalent). The new prices, which vary by department, range from 5,231.80 francs (\$2.84 per bushel of wheat equivalent) in the wheat-growing area of Aube to 5,519.40 francs (\$3.00 per bushel of wheat equivalent) in the Alpine districts, per 100 kilos.

I.W.A. Ratified By law dated November 21, the French parliament ratified participation in the 1956 International Wheat Agreement whereby France undertakes to export 450,000 tons (16,535,000 bushels) of wheat within the Agreement prices during the next three years.

Market Review At its meeting in early December, the Central Council of the Grain Board reviewed the current wheat and barley situation. Wheat deliveries have so far totalled 2.6 million tons (95.5 million bushels) out of a total estimate of at least 3.8 million tons (139.6 million bushels). On this basis,

the Council calculated the maximum import requirements at 1.6 million tons (58.8 million bushels) of which 1 million (36.7 million bushels) have now been covered. The Grain Board announced that by November 30, 840,000 tons (30,865,000 bushels) had been contracted for the current crop year. Negotiations are under way with Germany for the substitution of barley for up to half the quantity of 500,000 tons (18,372,000 bushels) of wheat committed to that country under the terms of the commercial agreement.

Recently, soft wheat has been bought from Italy against durum which is acquired abroad by French grain houses. Some 60,000 tons (2,205,000 bushels) have been bought in this manner, and another 20,000 to 30,000 tons (735,000 to 1,102,000 bushels) may be similarly acquired. This operation is advantageous, since with the recent ocean freight increases, Italian wheat is relatively cheaper and, furthermore, it can be placed directly in the deficit areas of the south of France. By December 1, 1.9 million tons (87.3 million bushels) of barley had been delivered to the Grain Board, and at the moment the export surplus is assessed at around 2 million tons, (91.9 million bushels). Almost half of this is reported sold to date, of which 882,000 tons (40,510,000 bushels) by the end of November.

French Supplies of Soft Wheat

Item	1955-56	1956-57 <u>1/</u>
	- million bushels -	
Commercial carryover, August 1	51.7	31.4
Anticipated Deliveries to Grain Board	259.9 <u>2/</u>	147.0
Imports, August-October	<u>3/</u>	19.8
Total Commercial Supplies	311.6 <u>2/</u>	198.1
Less domestic requirements for crop year	183.7	183.7
Available for export and carryover	127.9	14.4
Deduct exports of wheat and flour in wheat equivalent August - October	18.3 <u>4/</u>	2.4 <u>5/</u>
Balance November 1 for export and for carryover	72.8	12.0

1/ Preliminary. 2/ Revised 3/ Less than 50,000 bushels. All Seed Wheat.
4/ Comprising 16.1 million bushels exported to Foreign countries and 2.2 million bushels to French Union. 5/ Comprising 0.7 million bushels exported to Foreign countries and 1.7 million bushels to French Union. (Flour only, in terms of wheat equivalent).

The following have been monthly wheat and flour exports since the beginning of the year:

Monthly Wheat and Flour Exports, August - October, 1956 and the Corresponding Months in 1955

Month	Foreign Countries		French Union		Total	
	1955	1956	1955	1956	1955	1956
	- thousand bushels -					
August	5,277	439	610	497	5,887	936
September	3,104	162	667	642	3,771	804
October	7,750	119	884	545	8,635	664
Totals	16,131	719	2,161	1,685	18,293	2,404

Record Crops
in Algeria

Latest press reports confirm record grain crops in Algeria. Total grain output at 2.5 million tons is the highest ever registered and 25 per cent over the preceding year. The durum wheat crop at slightly over 1 million tons (36.7 million bushels) is 150,000 tons (5.5 million bushels) over the previous record. The output of soft wheat at 420,000 tons (15.4 million bushels) was surpassed only in 1941 and 1954, and the barley crop at 1 million tons (45.9 million bushels) is in the same position.

These results are attributed officially to a number of factors: a) good rainfall at critical periods; b) lack of late frosts on the upper plateaux; and c) no excessive heat as grain reached maturity. Special measures were taken to protect crops and harvesters from rebel action, and additional harvesting equipment was brought in to speed up operations.

CALENDAR OF WHEAT EVENTS

- December 3 According to a report from the Canadian Commercial Counsellor, Canadian Embassy, Rome, final figures concerning the 1956 wheat crop in Italy place production at some 319 million bushels (266.3 million bushels of soft wheat and 52.7 million of durum wheat).
- 10 According to "Foreign Crops and Markets" published by the United States Department of Agriculture the second survey of world breadgrain production places the wheat crop at 7,545 million bushels.
- The Bureau of the Census, United States Department of Commerce, estimated wheat flour production in the United States during October, 1956 at 21,898,000 sacks.
- 17 According to the Annual summary on Crop Production published by the United States Department of Agriculture, the estimated production of all wheat in 1956 has been increased to 997 million bushels. The revised estimate of 1955 production stands at 935 million bushels.
- The navigation season at the Lakehead was closed officially. Vessel shipments of wheat out of Fort William-Port Arthur during 1956 amounted to 207 million bushels, the highest since 1953.
- 18 According to a report received from the Commercial Secretariat, Paris, a preliminary estimate as of December 1, places the acreage of 1957 crop wheat in France at 9,065 thousand acres.
- 19 According to a report published by the Crop Reporting Board of the United States Department of Agriculture, a 1957 winter wheat crop of 625 million bushels is indicated on the basis of conditions at December 1 and other factors.
- A report from the Canadian Commercial Secretary in Buenos Aires indicates that the Ministry of Agriculture and Livestock have placed the first estimate of 1956-57 wheat production in the Argentine at some 253.5 million bushels.
- A cable received from the Commonwealth Statistician places the first estimate of the 1956-57 wheat production in Australia at 126.6 million bushels from an area of 7,789 thousand acres.

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