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THE WHEAT REVIEW



MARCH, 1958

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THE
WHEAT REVIEW

MARCH, 1958

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WORLD WHEAT SITUATION

Current Supplies Latest available estimates indicate that supplies of wheat remaining on or about March 1, 1958 in the four major exporting countries for export and for carryover at the end of their respective crop years amounted to 1,954.8 million bushels, representing a decline of 12 per cent from the 2,211.1 million available a year ago. This is the first month in the current (Canadian) crop year that supplies have fallen below the 2.0 billion bushel level. Supplies at March 1, 1958, in millions of bushels, were held as follows, with last year's comparable figures in brackets: United States, 1,028.8 (1,112.0); Canada, 772.8 (832.3); Argentina, 104.0 (150.6); and Australia, 49.2 (116.2). Estimates for both years include on-farm stocks as well as those in commercial positions.

Exports Total exports of wheat and wheat flour in terms of grain equivalent from the four major exporting countries during the first seven months (August-February) of the current Canadian crop year, at 463.3 million bushels, were 22 per cent below the 592.5 million exported during the corresponding period of 1956-57. Canada continued to be the only one of the four countries showing wheat exports at a higher level than last year. On a percentage basis, shipments from the four countries during the August-February period of 1957-58 were shared as follows, with corresponding percentages for the same months of 1956-57 in brackets: United States, 45 (51); Canada, 37 (27); Argentina, 9 (8); and Australia, 9 (14). Shipments from each of the four countries during August-February of the current (Canadian) and seven preceding crop years are shown in the table below.

Exports of Wheat and Flour in Terms of Wheat, August 1957 - February 1958
with Comparisons

August-February	United States	Canada	Argentina	Australia	Total
- million bushels -					
1950-51	160.2	119.6	42.6	70.0	392.4
1951-52	280.4	177.6	23.3	56.2	538.0
1952-53	197.7	207.3	3.2	45.9	454.6
1953-54	111.0	152.7	69.2	34.7	367.6
1954-55	154.8	152.3	78.2	53.9	439.2
1955-56	145.2	137.0	72.8	48.6	403.6
1956-57 1/.....	300.7	158.9	51.0	81.9	592.5
1957-58 2/.....	208.6	170.3	41.6	42.8	463.3

1/ Revised. 2/ Preliminary.

World Wheat Trade in 1957-58 may be Second Highest on Record

According to the March 3, 1958 issue of Foreign Crops and Markets published by the Foreign Agricultural Service, United States Department of Agriculture, world exports of wheat and wheat flour in 1957-58 (based on United States July-June crop year) will decline from last season's record of 1,282 million bushels, but will probably exceed the previous record of 1,066 million set in 1951-52. Despite a record 1956 world wheat crop and a 1957 crop only slightly smaller, world demand for wheat probably will be relatively high for the second consecutive year.

Import requirements, except those of Europe, appear as high or slightly higher than a year ago. While the 1957 wheat harvest among non-European importing countries was about the same as in 1956, foreign wheat requirements are rising steadily as populations and per capita consumption of wheat foods increase.

Export availabilities were record-large at the beginning of this season. Although combined Australian and U.S. exports this year probably will be 200 million bushels less than last year's, they should be counter balanced to some extent by increased exports from France, Uruguay, Italy, Syria, and Canada; and lower prices of foreign wheat to importers, mainly due to unusually low ocean freight rates, may also stimulate international wheat trade.

Although Asia's food grain harvests this season are generally above those of a year ago, its imports are expected to equal, or even exceed, last year's imports, due to rapidly increasing food grain requirements of countries such as India and Pakistan. Africa and Latin America are also expected to import about as much as a year earlier. Their domestic production increased little if any.

The improved supply situation in much of Europe will largely offset the factors favoring increased trade this season. Yugoslavia, Greece, West Germany, Belgium, and several other European importing countries harvested much larger crops of wheat in 1957. Total imports of wheat by all European countries this season will probably be 125 to 150 million bushels below 1956-57.

Review of 1957

Breadgrain Production

According to the March 20, 1958 issue of Foreign Crops and Markets, World Summaries, Crops and Livestock, published by the Foreign Agricultural Service, United States Department of Agriculture, a near-record world breadgrain crop is still estimated for 1957-58, on the basis of the latest information available to the Foreign Agricultural Service. The combined crop of wheat and rye comes to 268 million short tons. This was exceeded slightly in 1952 and again in 1956. Moderate increases in estimates for both wheat and rye bring the combined total about a million tons above the previous estimate.

A sharp decline in rye production since 1952 accounts for the smaller figure this year. Wheat production is slightly above the 1952 total. The 1957 wheat harvest was 7605 million bushels, the rye crop 1,430 million.

Increases in estimates for wheat production in North America, Europe, and Australia bring the world total for wheat 30 million bushels above the previous estimate, despite some reductions in estimates for Asia, Africa, and South America. A like increase in the world total for rye is due to slight increases in estimates for Europe, the Soviet Union and Asia.

Wheat production in North America is now estimated at 1,364 million bushels, 255 million less than in 1956. Canada reports about 200 million bushels less than the 1956 production and the U.S. crop is down 57 million bushels. The reduction in the U.S. harvest was caused by smaller acreage. The acreage seeded to wheat for the 1957 crop was 18 per cent below the 1956 acreage. Abandonment and diversion was somewhat less than in 1956, however, and harvested acreage, as a result, was only 12 per cent less than in 1956. Yields were at an all-time high of 21.7 bushels per acre, 1.5 bushels above the previous record in 1956.

Canada's latest crop estimate places wheat production at 371 million bushels, slightly less than previously estimated. The change takes account of expected losses from weathering in crops not harvested last fall, mainly in Northern Alberta. Yields for Canada average only 17.6 bushels per acre compared with the high yields of 25.2 bushels last year. Rye production in Canada shows little change from the 1956 harvest. The rye crop in the United States was up about 5 million bushels, mainly because of higher yields.

Wheat production in Western Europe was at the record total of 1,347 million bushels. Record or near-record crops were reported for most countries. Larger acreage and high yields account for the large outturn. Wheat crops in Eastern Europe were also at a record level. Slightly above average acreage and somewhat better than average yields account for the large harvest.

Rye production in Western Europe is estimated at 275 million bushels, about the same as in 1956. Acreage was not up to the 1956 total but yields were better in a number of countries. Higher yields in the more important east European area brought rye production to a total of 455 million bushels. This is about 9 per cent above the production a year ago.

While no official figures for the Soviet Union's grain yield and production have been released, tentative unofficial estimates are available. The reduction in the 1957 wheat crop to 1.3 billion bushels from the record 1956 crop of 2.0 billion bushels took place despite a substantial increase in area seeded to wheat. The drop in the production is attributed to serious drought conditions in a number of important wheat regions. The drought reduced yields, especially in a number of the eastern regions where considerable expansion has taken place in recent years. Conditions in the rye-growing regions were more favorable than in wheat areas, and the 1957 outturn is not significantly below the 1956 crop.

Wheat production in Asia is estimated at the record figure of 1,900 million bushels, compared with 1,865 million in 1956 and the 1950-54 average of 1,760 million. Record crops were reported for a number of countries. Both increased acreage and high yields contributed to the large outturn. Rye production shows a substantial increase in Turkey, the only rye producer of importance in the area.

Africa's wheat crop is estimated at 190 million bushels, compared with the large harvest of 215 million last year. Most of the reduction was in Algeria and Morocco. Yields were down in both those countries and, in addition, a cut of a million acres was reported in Morocco. Rye is of little significance in the area. The Union of South Africa is the only rye producer of any size, and even there production is well under a million bushels.

Wheat production in South America is estimated at 315 million bushels, about 50 million bushels less than in 1956. The crop in Argentina is estimated to be down about that amount. Minor reductions in some other countries are offset by increases in others. Rye production in Argentina is estimated at 31.5 million bushels, slightly less than in 1956 but still above average. This is the only rye producer of significance in the area.

International Wheat Agreement Sales and Purchases for Crop Year 1957-58

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	947	-	2	3	-	1,207	2,159	14,376
Bolivia	4,042	-	-	-	-	-	510	510	3,532
Brazil	7,349	-	-	-	-	-	-	-	7,349
Costa Rica	1,470	399	-	-	-	-	788	1,187	283
Cuba	8,084	423	-	-	-	-	6,802	7,225	859
Denmark	1,837	192	-	-	-	-	1,109	1,301	536
Dominican Republic	1,286	462	-	-	-	-	526	988	298
Ecuador	1,837	214	-	-	-	-	431	645	1,192
Egypt	11,023	-	-	-	-	-	-	-	11,023
El Salvador	919	93	-	-	-	-	621	714	205
Germany	55,116	20,941	-	-	4,902	737	16,630	43,210	11,906
Greece	11,023	-	-	-	-	-	-	-	11,023
Guatemala	1,653	362	-	-	-	-	1,135	1,497	156
Haiti	2,204	430	-	-	-	-	1,091	1,521	683
Honduras Republic.	919	38	-	-	-	-	178	216	703
Iceland	73	2	-	-	-	-	19	21	52
India 4/	7,349	-	-	-	-	-	7,459	7,459	-
Indonesia	5,144	-	-	2,715	-	-	-	2,715	2,429
Ireland	5,512	1,211	-	480	-	-	365	2,056	3,456
Israel	8,267	1,419	-	-	-	-	2,016	3,435	4,832
Italy	3,674	-	-	-	-	-	-	-	3,674
Japan	36,744	13,011	-	3,082	-	-	20,541	36,634	110
Korea	2,205	-	-	-	-	-	204	204	2,001
Lebanon	2,756	-	-	-	-	-	-	-	2,756
Liberia	73	3	-	-	-	-	26	29	44
Mexico	3,674	-	-	-	-	-	-	-	3,674
Netherlands	25,721	9,722	-	52	-	-	7,061	16,835	8,886
New Zealand	5,879	-	-	5,876	-	-	-	5,876	3
Nicaragua 4/	367	100	-	-	-	-	249	349	-
Norway	6,614	3,329	-	-	1,404	-	1,100	5,833	781
Panama	1,102	162	-	-	-	-	472	634	468
Peru	7,349	1	-	-	-	-	565	566	6,783
Philippines 4/ ...	6,063	2,270	-	454	-	-	3,360	6,084	-
Portugal	5,879	154	-	24	1,481	-	549	2,208	3,671
Saudi Arabia	3,674	-	-	-	-	-	99	99	3,575
Spain	4,593	-	-	-	-	-	-	-	4,593
Switzerland	6,981	4,517	-	-	-	-	336	4,853	2,128
Union of S. Africa	5,512	-	-	-	-	-	-	-	5,512
Vatican City 4/ ..	551	-	-	-	-	-	561	561	-
Venezuela 4/	6,246	2,026	-	-	-	-	4,362	6,388	-
Yugoslavia	3,674	-	-	-	-	-	-	-	3,674
Totals	294,647	62,428	-	12,685	7,790	737	80,372	164,012	
Guaranteed Quantities (Exporting Countries)		100,089	14,296	29,432	16,082	6,255	128,493	294,647	
Balance		37,661	14,296	16,747	8,292	5,518	48,121	130,635	

1/ Canadian Sales through March 25, 1958.

2/ Sales recorded by International Wheat Council through March 21, 1958.

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 1957-58 crop year, consisting of the August 1 carryover of 729.5 million bushels and the 1957 production of 373.5 million, amount to 1,103.1 million bushels, a decrease of 4 per cent from the 1956-57 record total of 1,152.6 million. After making an allowance of 160.0 million bushels for anticipated domestic requirements, some 943.1 million are available for export and for carryover during 1957-58 compared with 991.2 million in 1956-57.

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the August-February period of the current crop year amounted to 170.3 million bushels, surpassing by 7 per cent the total of 158.9 million exported during the same months of the preceding crop year. The balance remaining on March 1, 1958 for export and for carryover amounted to 772.8 million bushels, about 7 per cent less than the March 1, 1957 total of 832.3 million.

Canadian Wheat Supplies

Item	1956-57 <u>1/</u>	1957-58 <u>2/</u>
	- million bushels -	
Carryover in North America at beginning of crop year (August 1)	579.6	729.5
New Crop	573.1	373.5
Imports of wheat and wheat flour in terms of wheat, August-January	<u>3/</u>	<u>3/</u>
Total estimated supplies	1,152.6	1,103.1
Less estimated domestic requirements for crop year .	161.4	160.0
Available for export and for carryover	991.2	943.1
Deduct:		
Overseas clearances of wheat as grain, August-February	135.2	145.5
Exports of Canadian wheat to U.S., August-February	2.9	3.5
Total exports of wheat	138.1	149.0
Exports of wheat flour in terms of wheat, August-February	20.8 <u>4/</u>	21.3
Total exports of wheat and wheat flour	158.9	170.3
Balance on March 1 for export and for carryover	832.3	772.8

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

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

Marketings of wheat by farmers in the three Prairie Provinces up to March 19 of the current crop year amounted to 181.5 million bushels, 10 per

cent below the 201.3 million marketed during the corresponding period of 1956-57. During the five-week period February 13 to March 19, 1958 marketings of wheat amounted to 21.3 million bushels. During the same period, some 34.4 million bushels entered domestic and export channels (overseas clearances plus imports into the United States plus Canadian Domestic use) and as a result, the total visible supply of Canadian wheat declined from 379.6 million at the week ending February 12 to 366.6 million at the week ending March 19. This year's visible supply of wheat at March 19 was relatively unchanged from the corresponding 1957 figure of 365.6 million but above the 1956 total of 344.3 million.

The 224.3 million bushels of wheat held in country elevators at March 19 accounted for the bulk of the total at that date and exceeded both the 1957 and 1956 comparable totals of 222.5 million and 199.2 million bushels, respectively. "In transit rail" (Western Division) accounted for 13.1 million bushels of the March 19, 1958 total compared with 16.3 million in 1957 and 8.8 million bushels in 1956. Stocks in Lakehead position, at 47.7 million bushels were above last year's total of 45.7 million but below the 51.7 million of two years ago. Some 19.8 million bushels were in Bay, Lake and Upper St. Lawrence ports at March 19, 1958, slightly below the 1957 total of 20.9 million but above the 1956 total of 17.3 million. "Storage Afloat" accounted for 6.9 million bushels, above the 4.2 million of a year ago but well below the 10.0 million bushels of two years ago. Supplies in Lower St. Lawrence and Maritime ports at March 19 this year amounted to 17.2 million bushels, compared with the 1957 total of 15.5 million and the 1956 figure of 16.7 million. Supplies in West Coast ports (Vancouver-New Westminster, Victoria and Prince Rupert) totalled 9.9 million bushels, below both the 1957 and 1956 comparable totals of 11.2 million and 10.9 million bushels, respectively.

February 1958 Exports of
Wheat and Flour Total
20.9 Million Bushels

Combined exports of wheat and wheat flour in terms of grain equivalent during February 1958 amounted to 20.9 million bushels, representing a decrease of 7 per cent from the January total of 22.3 million but exceeding by 41 per cent the February 1957 figure of 14.8 million and 25 per cent greater than the ten-year (1947-1956) February average of 16.6 million bushels. Exports of wheat as grain during February 1958, at 18.6 million bushels, were 1 per cent lower than the 18.8 million exported during the preceding month but 54 per cent above the February 1957 total of 12.1 million bushels. Preliminary Customs returns indicate that the equivalent of 2.3 million bushels of wheat was exported in the form of flour during February 1958 compared with 3.5 million exported during January and the adjusted February 1957 figure of 2.7 million bushels.

Cumulative exports of wheat as grain during the August-February period of the current crop year amounted to 149.0 million bushels exceeding by 8 per cent the corresponding 1956-57 total of 138.1 million. The United Kingdom, continuing in its position as Canada's leading purchaser of wheat as grain, received shipments totalling 54.7 million bushels and representing 37 per cent of the seven-month total. During the August-February period of the 1956-57 crop year shipments of wheat to the United Kingdom amounted to 51.7 million bushels and accounted for 37 per cent of the total. Other major markets for Canadian wheat as grain during the first seven months of the current crop year, with figures for the corresponding period of the preceding crop year in brackets, were as follows, in millions of bushels: Japan, 21.0 (19.2); The Federal Republic of Germany, 18.1 (28.0); Netherlands, 13.7 (5.7); India, 10.3 (nil); U.S.S.R. (Russia), 7.4 (nil); Belgium, 5.8 (8.4); and United States, 3.5 (2.9).

Cumulative exports of wheat flour during the first seven months of the 1957-58 crop year, based on preliminary Customs returns were the equivalent of 21.3 million bushels of wheat, about 2 per cent above the adjusted August-February, 1956-57 total of 20.8 million. As with wheat as grain, the United Kingdom was also the principal market for Canadian wheat flour. Shipments of wheat flour to that country during the period under review amounted to the equivalent of 7.7 million bushels of wheat and accounted for 36 per cent of the seven-month total. During the August-February period of 1956-57 shipments of Canadian wheat flour to the United Kingdom amounted to the equivalent of 6.3 million bushels and represented 30 per cent of the total. Other leading markets for Canadian wheat flour in terms of grain equivalent, with revised data for the August-February period of the preceding crop year in brackets, were as follows, in thousands of bushels: Philippine Islands, 2,943 (3,579); Venezuela, 1,968 (2,009); United States, 990 (948); Jamaica, 984 (810); Trinidad and Tobago, 970 (933); Leeward and Windward Islands, 668 (532); and Japan, 448 (498).

General Quota By March 24, 1958 out of a total of 2,070 shipping points in the Western Division the Canadian Wheat Board had been able to place 685 on a quota of 4 bushels per specified acre, 737 on a 3-bushel quota and 614 on a 2-bushel quota. Thirty-four stations were reported as "closed".

Summary of Elevator Shipping Points in Each Quota Group
as at March 24, 1958

Province	Quota in Bushels per Specified Acre			Closed Stations	Total
	Two	Three	Four		
Ontario	-	-	1	1	2
Manitoba	230	100	44	1	375
Saskatchewan	382	517	192	10	1,101
Alberta	2	120	444	22	588
British Columbia	-	-	4	-	4
All Provinces	614	737	685	34	2,070

Area Intended
for Wheat 1958 On the basis of farmers' intentions at March 1, the acreage seeded to all classes of wheat will be 20.6 million acres, a decrease of 0.4 million acres from 1957 seedings and 4.1 million acres or 16 per cent below the 1952-1956 average. The major part of the 1958 anticipated decline in all wheat acreage is in the provinces of Saskatchewan and Alberta where reductions of 2 per cent and 5 per cent respectively from 1957 seedings are indicated. In the province of Manitoba wheat acreage may increase by 8 per cent this season.

Intended Acreage of Spring Wheat in Canada, as at March 1, 1958
Compared with Acreages in 1957

Province	Acreage Seeded in 1957 <u>1/</u>	Acreage Intended to be Seeded in 1958		
		Per Cent of 1957	Area 1958 <u>1/</u>	Indicated Change
	- acres -		- acres -	- acres -
Prince Edward Island	2,900	103	3,000	+ 100
Nova Scotia	600	100	600	unchanged
New Brunswick	2,500	104	2,600	+ 100
Quebec	15,100	93	14,000	- 1,100
Ontario	15,000	96	14,400	- 600
Manitoba	2,114,000	108	2,283,000	+ 169,000
Saskatchewan	13,365,000	98	13,098,000	- 267,000
Alberta	4,881,000	95	4,625,000	- 256,000
British Columbia.....	44,700	102	45,600	+ 900
Totals	20,440,800	98	20,086,200	- 354,600

1/ For provinces other than Ontario includes relatively small acreages of winter wheat for which annual estimates are not available.

Prospective plantings of spring wheat of 20.1 million acres are 2 per cent below the 1957 acreage and 16 per cent below the 1952-56 average. Practically all the decrease is expected in the Prairie Provinces. Durum wheat is included with the spring wheat figures, but in view of the interest shown by prairie farmers in this crop intended acreage was obtained separately. The results indicate a substantial switch out of durum wheat in Alberta and Saskatchewan but in Manitoba, where new rust resistant varieties are available, farmers intend to increase the acreage seeded to this crop. Overall, a decrease in acreage of 34 per cent is anticipated. The 0.6 million acres seeded to winter wheat last fall in Ontario is the smallest since 1946.

Indicated Acreage Changes from 1957 in the Prairie Provinces

Crop	Manitoba	Saskatchewan	Alberta	Prairie Provinces
	- acres -			
Wheat	+ 169,000	- 267,000	- 256,000	- 354,000
Oats for grain	+ 54,000	unchanged	+ 28,000	+ 82,000
Barley	- 136,000	+ 379,000	+ 186,000	+ 429,000
Rye	- 300	- 23,400	- 16,200	- 39,900
Flaxseed	- 121,000	- 203,000	+ 29,000	- 295,000
Summerfallow	unchanged	unchanged	+ 142,000	+ 142,000

Farmers' Marketings of Wheat in the Prairie Provinces, 1957-58

Week Ending		Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -						
August	7, 1957	57,134	319,056	79,312	455,502	86,149
	14	51,489	1,073,769	506,259	1,631,517	827,064
	21	436,403	1,848,980	747,223	3,032,606	1,884,249
	28	497,229	3,705,358	1,247,539	5,450,126	3,949,527
September	4	334,501	3,237,345	876,295	4,448,141	3,182,696
	11	269,013	2,143,978	842,281	3,255,272	3,739,721
	18	573,078	2,315,055	900,777	3,788,910	5,760,514
	25	510,534	2,787,644	844,213	4,142,391	7,588,949
October	2	574,874	3,262,986	1,410,979	5,248,839	8,757,469
	9	499,194	4,127,394	1,537,209	6,163,797	7,157,121
	16	527,574	4,037,854	1,146,248	5,711,676	8,628,989
	23	697,465	3,168,778	1,045,896	4,912,139	6,845,753
	30	596,318	3,780,689	896,001	5,273,008	9,885,464
November	6	626,142	3,031,519	1,106,214	4,763,875	9,372,931
	13	627,457	3,567,995	1,470,042	5,665,494	7,900,996
	20	727,275	3,345,325	1,591,939	5,664,539	8,452,536
	27	738,393	4,176,486	1,911,975	6,826,854	8,145,061
December	4	1,184,123	6,388,300	2,065,265	9,637,688	8,496,816
	11	1,145,870	5,693,072	1,936,581	8,775,523	5,492,991
	18	908,845	5,583,609	2,356,077	8,848,531	6,310,643
	24	866,477	4,917,760	2,669,920	8,454,157	5,505,998
	31	633,537	4,124,623	1,599,236	6,357,396	7,553,773
January	8, 1958	525,328	3,099,047	1,906,926	5,531,301	6,000,290
	15	915,675	4,849,588	2,946,339	8,711,602	3,417,856
	22	929,855	3,866,777	3,521,061	8,317,693	5,813,059
	29	655,780	4,473,566	2,250,474	7,379,820	4,721,111
February	5	680,859	4,113,459	1,953,841	6,748,159	7,566,009
	12	479,848	2,809,109	1,653,238	4,942,195	6,730,006
	19	340,381	2,187,204	1,301,389	3,828,974	6,976,103
	26	510,116	2,212,617	1,831,113	4,553,846	3,887,400
March	5	574,995	2,880,614	1,635,944	5,091,553	6,926,902
	12	489,962	1,964,331	1,639,380	4,093,673	6,606,705
	19	401,484	1,983,163	1,396,293	3,780,940	7,090,335
Totals		19,587,208	111,077,050	50,823,479	181,487,737	201,261,186
Average similar period:						
1946-47-1955-56		29,823,681	138,646,972	73,190,879	241,661,532	

Visible Supply of Canadian Wheat, March 19, 1958
Compared with Approximately the Same Date, 1956 and 1957

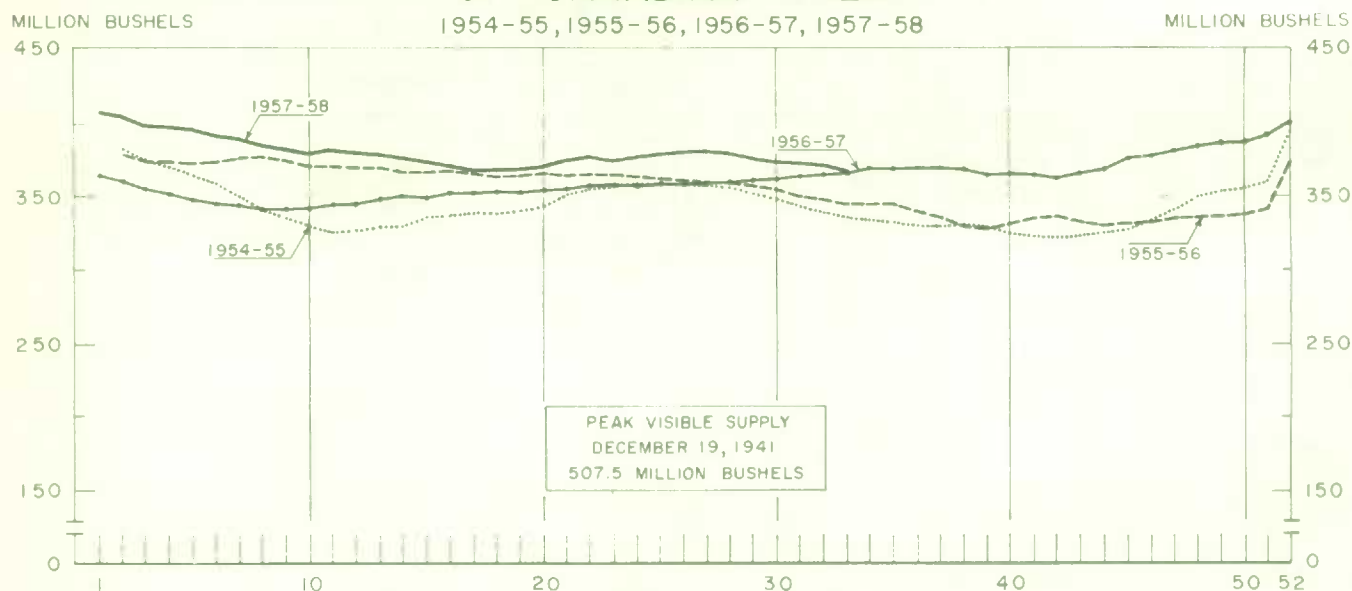
Position	1956	1957	1958
- thousand bushels -			
Country elevators - Manitoba	21,291	24,386	29,974
Saskatchewan	106,360	126,420	128,387
Alberta	71,537	71,650	65,895
Totals	199,187	222,457	224,256
Interior private and mill	6,223	8,335	8,008
Interior terminals	13,789	12,305	11,822
Vancouver-New Westminster	10,200	10,905	9,716
Victoria	657	269	138
Prince Rupert	37	-	-
Churchill	4,206	4,801	4,620
Fort William-Port Arthur	51,745	45,705	47,710
Storage Afloat	177	804	184
In transit rail (Western Division) ...	8,782	16,279	13,108
Bay, Lake and Upper St. Lawrence ports	17,330	20,895	19,811
Lower St. Lawrence and Maritime ports.	16,717	15,463	17,222
Storage Afloat	10,050	4,233	6,935
In transit rail (Eastern Division) ...	5,023	3,047	2,957
United States ports	123	99	155
Totals	344,246	365,598	366,643

Grading of Wheat Inspected, August 1957-February 1958 with Comparisons

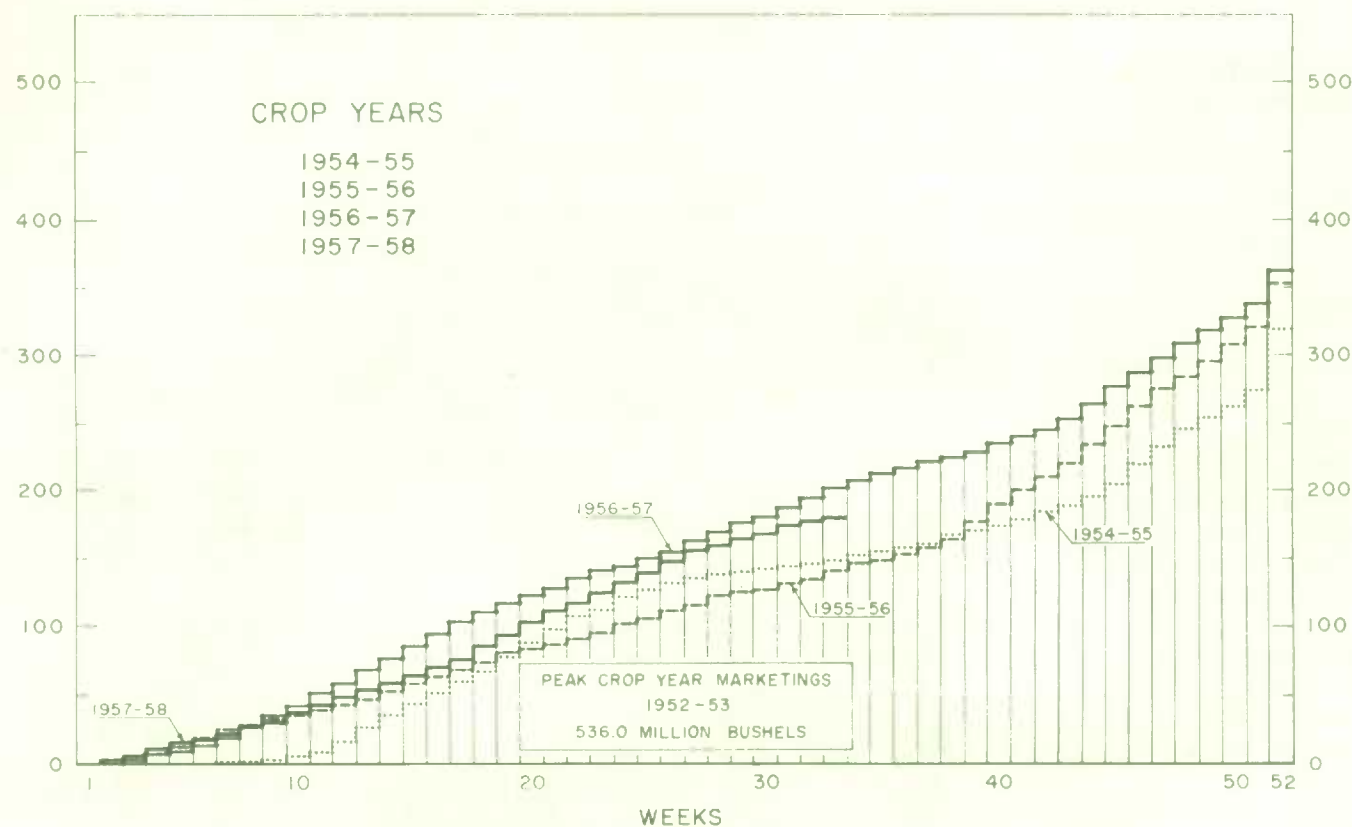
Grade	Crop Year		August-February			
	Average					
	1951-52- 1955-56	1956-57	1956-57		1957-58	
	per cent	per cent	cars	per cent	cars	per cent
1 Hard	1/	-	-	-	-	-
1 Man. Northern	4.6	1.2	1,702	1.5	423	0.4
2 Man. Northern	30.7	26.9	35,318	31.1	23,574	23.7
3 Man. Northern	20.5	27.1	28,674	25.3	28,350	28.5
4 Man. Northern	8.5	13.0	12,762	11.2	18,338	18.4
5 Wheat	8.1	14.6	15,171	13.4	11,715	11.8
6 Wheat	3.2	4.2	3,553	3.1	5,166	5.2
Feed Wheat	0.6	0.2	215	0.2	125	0.1
Garnet	0.5	0.1	172	0.2	6	1/
Amber Durum	2.2	5.5	6,316	5.6	6,079	6.1
Alberta Winter	0.3	0.6	1,189	1.0	26	1/
Toughs 2/ 3/	15.9	3.2	4,015	3.5	3,348	3.4
Damps 2/ 4/	2.7	1/	21	1/	132	0.1
Rejected 2/	1.8	2.8	3,699	3.3	1,894	1.9
All Others	0.5	0.5	670	0.6	352	0.4
Totals	100.0	100.0	113,477	100.0	99,528	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)

Wheat Shipments* to the United States by Destination
August 1, 1957 to March 19, 1958
Compared with Approximately the Same Period 1955-56 and 1956-57

Destination	1955-56	1956-57	1957-58
		- bushels -	
<u>By Vessel</u>			
Chicago	234,616	89,487	156,933
Duluth Superior	668,626	1,153,261	1,046,132
Milwaukee	52,923	27,745	-
Huron	-	-	-
Buffalo	613,571	834,702	1,904,288
Totals, Vessel	1,569,736	2,105,195	3,107,353
<u>By Rail</u>			
U.S.A. Seaboard Ports	1,333	-	-
Other U.S.A. Points	1,434,405	758,342	778,659
Totals, Rail	1,435,738	758,342	778,659
Totals, Shipments	3,005,474	2,863,537	3,886,012

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

Total shipments of wheat to the United States either for re-export or retention for domestic use, from the beginning of the current crop year to March 19, amounted to 3.9 million bushels. During the comparable periods of 1956-57 and 1955-56 shipments amounted to 2.9 million and 3.0 million bushels, respectively. Of the current season's total to date about 80 per cent has been shipped by vessel.

Rail shipments of wheat to Maritime Ports from Bay, Lake and Upper St. Lawrence Ports during the first seven months of the current crop year totalled 19.7 million bushels, compared with 18.0 million shipped during the same months of 1956-57.

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

Origin of Shipments	August 1, 1956 to February 28, 1957	August 1, 1957 to February 28, 1958
	- bushels -	
Port McNicoll	5,117,597	5,193,435
Midland, Tiffin	8,538,770	9,048,519
Collingwood	649,472	995,402
Owen Sound	1,634,593	2,143,547
Goderich	922,614	218,293
Sarnia	831,376	1,230,127
Port Colborne	-	197,658
Lakefield	287,990	626,041
Prescott	1,112	-
Toronto	-	34,000
Totals	17,983,524	19,687,022

Rail Shipments of Wheat from Fort William-Port Arthur, 1954-55--1957-58

Month	1954-55	1955-56	1956-57	1957-58
- bushels -				
August	61,070	56,951	100,667	33,297
September	50,633	64,033	70,324	42,125
October	46,053	63,975	120,535	34,937
November	81,253	148,576	240,628	67,894
December	179,272	477,622	613,482	232,252
January	352,109	2,340,921	792,000	525,238
February	318,009	1,735,097	490,778	178,204
March	245,958	1,599,503	338,534	
April	169,137	300,913	161,103	
May	68,878	91,534	73,212	
June	43,600	91,162	23,281	
July	57,619	102,560	31,432	
Totals	1,673,591	7,072,847	3,055,976	

Distribution of Rail Shipments of Wheat from Fort William-Port Arthur, February 1958

Grade	Prince Edward Island	New Brunswick	Quebec	Ontario	U.S.A.
- bushels -					
3 Northern	-	-	14,057	-	-
#5 Wheat	-	1,998	39,833	4,500	-
#6 Wheat	-	-	1,333	21,500	29,528
Tough	1,500	1,519	-	7,348	-
Rejected	-	-	-	1,421	-
Amber Durum	-	1,500	4,000	42,000	-
Others	-	-	4,500	1,667	-
Totals	1,500	5,017	63,723	78,436	29,528

Overseas Exports of Canadian Grain by Ports of Loading, August 1, 1957-March 19, 1958
with Comparisons

Ports	Wheat	Oats	Barley	Rye	Flaxseed
- bushels -					
<u>Pacific Seaboard</u>					
Vancouver-New Westminster	80,860,632	787,533	12,432,840	452,620	2,984,988
Victoria	1,267,131	-	-	-	621,104
Prince Rupert	-	-	5,285,235	-	-
<u>Churchill</u>	16,577,206	56,750	-	-	-
<u>St. Lawrence</u>					
Montreal	21,929,474	970,126	1,263,948	19,991	3,031,794
Sorel	4,608,569	-	366,566	-	246,272
Three Rivers	4,327,664	-	-	-	-
Quebec	2,996,299	-	-	-	-
<u>Maritime</u>					
Saint John	1,028,855	-	-	-	-
West Saint John	12,673,826	98,766	309,937	10,125	1,760,443
Halifax	11,607,688	-	11,640	-	20,494
Totals	157,877,344	1,913,175	19,670,166	482,736	8,665,095
August 1, 1956-March 20, 1957 ..	145,333,313	200,325	38,499,576	954,454	14,093,473 1/

Overseas Clearances - Canadian Rapeseed 2/ August 1, 1957-March 19, 1958

Canadian Pacific Seaboard	bushels
Canadian Atlantic Seaboard	3,572,499
Total, Rapeseed	1,043,790
	4,616,289

1/ Revised. 2/ In bushels of 50 pounds.

Freight Assistance Shipments Claims filed for payment up to February 28, 1958 represent the movement of some 9,592 thousand bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia under the freight assistance policy during the August-January period of the 1957-58 crop year. During the same months of the 1956-57 crop year claims had been filed for a total of 10,505 thousand bushels, indicating on the assumption of approximately the same rate of submission of claims during both the current and preceding crop years that the August-January shipments of wheat under the policy were running about 9 per cent below those of 1956-57. Revised data on the 1956-57 August-January shipments of wheat based on claims submitted up to February 28, 1958 place the six-month total at 11,265 thousand bushels. The bulk of the shipments during the current six-month period under review went to destinations in Ontario and Quebec.

Provincial Distribution of Wheat Shipments under the Freight Assistance Policy
August-January, 1957-58 and 1956-57

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
- thousand bushels -								
August, 1957	10	22	114	52	616	759	285	1,858
September	12	12	86	40	599	630	265	1,644
October	16	10	107	45	564	699	196	1,637
November	12	10	99	47	571	744	279	1,761
December	9	16	105	44	494	665	155	1,487
January, 1958	4	13	82	43	469	554	41	1,206
Totals <u>1/</u>	63	82	592	271	3,313	4,051	1,220	9,592
Same period 1956-57:								
Preliminary <u>2/</u>	56	139	564	300	3,664	4,635	1,147	10,505
Revised <u>1/</u>	61	142	589	312	3,723	4,841	1,597	11,265

Preliminary data on millfeed shipments under the freight assistance policy indicate shipments of 255,599 tons during the August-January period of the current crop year. This total, based on claims submitted up to February 28, 1958 will most likely be subject to considerable upward revision with the filing of additional claims. Some indication of the possible size of the revision is given by the fact that by February 28, 1957 claims had been filed for only 249,177 tons out of a total of 271,353 tons shipped during the first six months of the 1956-57 crop year. As with freight-assisted shipments of wheat, the greater portion of the millfeed shipments during the period under review went to destinations in Ontario and Quebec.

Provincial Distribution of Millfeed Shipments under the Freight Assistance Policy
August-January, 1957-58 and 1956-57

Province	1956-57		1957-58
	Preliminary <u>2/</u>	Revised <u>1/</u>	Preliminary <u>1/</u>
- tons -			
Newfoundland	2,242	2,503	1,861
Prince Edward Island	3,344	3,571	3,551
Nova Scotia	17,343	18,596	16,064
New Brunswick	13,736	14,656	12,579
Quebec	123,753	130,630	125,438
Ontario	74,701	81,571	79,746
British Columbia	14,058	19,826	16,360
Totals	249,177	271,353	255,599

1/ Based on claims filed up to February 28, 1958.

2/ Based on claims filed up to February 28, 1957.

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>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	1,149	3,846	42,345	39,712
June	42,219	1,246	3,656	47,121	49,735
July	24,233	322	3,565	28,120	30,044
Totals	261,943	7,238	40,000	309,181	313,950
<u>1956-57</u>					
August	26,107	223	2,989	29,319	27,149
September	24,477	146	3,144	27,767	25,579
October	20,683	222	3,084	23,989	29,253
November	20,577	875	2,920	24,372	24,410
December	17,028	834	3,403	21,266	22,042
January	14,431	487	2,515	17,433	17,393
February	11,938	115	2,741	14,794	15,334
March	13,735	168	2,909	16,812	18,671
April	12,380	296	2,542	15,218	13,238
May	19,494	1,231	2,596	23,321	25,507
June	22,043	795	2,213	25,051	23,955
July	19,490	481	2,482	22,454	24,684
Totals	222,386	5,872	33,540	261,797	267,214
<u>1957-58 ^{4/}</u>					
August	24,313	403	2,477	27,193	22,886
September	20,659	507	2,740	23,906	26,712
October	17,231	684	3,477	21,392	18,117
November	26,957	949	2,870	30,776	24,359
December	19,209	691	3,920	23,820	31,866
January	18,600	243	3,507	22,350	22,542
February	18,499	63	2,303	20,865	18,929
Totals	145,469	3,539	21,294	170,301	165,411

^{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 1955-56 and 1956-57 adjusted to remove effect of time lag in the returns made by Customs for both wheat and wheat flour. Wheat flour conversion rate: 2.3 bushels per cwt.

^{4/} Subject to revision. Unadjusted customs returns.

Exports of Canadian Wheat and Wheat Flour by Destination, 1957-58

Destination	November	February		August-February	
	Wheat Flour 1/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
			- bushels -		
<u>COMMONWEALTH COUNTRIES</u>					
United Kingdom	1,353,934	775,976	5,583,705	7,670,948	54,742,425
<u>Africa</u>					
British East Africa	-	230	-	2,185	-
Federation of Rhodesia and Nyasaland	773	-	149,333	5,039	238,933
Gambia	-	2,236	-	4,812	-
Ghana	64,816	9,200	-	330,223	-
Nigeria	-	51	-	25,300	-
Other British West Africa	-	-	-	62	-
Sierra Leone	8,361	14,950	-	103,105	-
<u>Asia</u>					
Ceylon	-	103,040	-	103,040	-
Hong Kong	55,315	30,763	-	316,446	75,600
India	-	-	4,955,260	20,355	10,309,026
Malaya and Singapore	32,665	23,407	-	242,399	-
Pakistan	-	-	-	288	1,235,672
Other British East Indies	225	322	-	1,191	-
<u>Europe</u>					
Gibraltar	-	-	-	25,528	-
Malta	-	-	-	-	740,507
<u>North America</u>					
Bahamas	13,053	18,322	-	159,728	-
Barbados	16,406	19,401	-	205,149	833
Bermuda	2,436	7,569	-	52,129	-
British Honduras	550	3,259	-	7,794	-
Jamaica	127,884	117,334	-	983,512	1,200
Leeward and Windward Islands	67,519	83,198	-	668,412	-
Trinidad and Tobago	139,161	102,977	-	973,815	-
<u>Oceania</u>					
Australia	-	-	410,667	-	410,667
Fiji	-	1,150	-	1,346	-
<u>South America</u>					
British Guiana	22,195	26,625	-	181,482	-
Totals, Commonwealth Countries ..	1,905,293	1,340,010	11,098,965	12,084,288	67,754,863

FOREIGN COUNTRIES

<u>Africa</u>					
Azores and Madeira	775	1,909	-	12,501	-
Belgian Congo	22,096	19,327	-	220,131	-
Liberia	632	602	-	3,275	-
Morocco	-	-	-	1,771	-
Portuguese East Africa	-	575	-	4,406	78,400
Portuguese West Africa	7,268	3,737	-	32,126	-
<u>Asia</u>					
Arabia	3,606	3,195	-	18,934	-
Indochina	-	-	-	460	-
Japan	26,588	57,872	2,513,778	448,012	20,973,844
Jordan	-	74	-	74	-
Lebanon	115	8,954	-	26,531	-
Okinawa	-	-	-	-	115,733
Philippine Islands	703,110	299,676	-	2,942,831	-
Portuguese Asia	3,036	4,807	-	55,835	-
Syria	-	-	-	1,362	-
Thailand	41,228	49,496	-	251,749	-

Exports of Canadian Wheat and Wheat Flour by Destination, 1957-58

Destination	November	February		August-February	
	Wheat Flour 1/	Wheat Flour 2/	Wheat 3/	Wheat Flour 2/	Wheat 3/
- bushels -					
<u>FOREIGN COUNTRIES</u>					
<u>Europe</u>					
Austria	-	-	364,933	-	1,589,514
Belgium	14,064	-	196,187	159,319	5,752,069
Denmark	-	-	38,080	920	164,826
Germany, Federal Republic	-	-	1,075,067	-	18,139,510
Greece	10,647	-	-	25,100	-
Iceland	-	-	-	12,880	-
Ireland	322	-	-	805	1,229,387
Italy	-	-	-	-	513,271
Netherlands	322	403	981,717	1,369	13,706,274
Norway	-	-	388,453	-	2,346,472
Poland	-	-	-	-	1,443,680
Portugal	2,300	2,507	-	19,242	-
Sweden	-	-	-	2,026	-
Switzerland	-	-	1,248,694	184	2,507,173
U.S.S.R. (Russia)	-	-	-	-	7,386,737
<u>North America</u>					
American Virgin Islands	-	-	-	46	-
Costa Rica	49,577	13,340	16,667	250,240	16,667
Cuba	102,507	33,856	-	324,484	1,000
Dominican Republic	38,698	68,989	-	359,732	-
El Salvador	10,005	8,855	18,666	98,785	18,666
French West Indies	345	230	-	5,002	-
Guatemala	1,559	13,980	16,667	131,558	110,060
Haiti	55,959	19,297	-	274,148	-
Honduras	3,473	1,150	-	27,324	13,333
Netherlands Antilles	16,489	16,560	-	110,218	-
Nicaragua	13,052	1,553	-	128,743	-
Panama	23,023	22,885	-	135,367	-
St. Pierre and Miquelon	1,840	3,606	-	11,918	-
United States					
Flour in terms of wheat	151,082	153,948	-	989,623	-
For Milling in bond 4/	-	-	-	-	486,911
For Domestic use 4/	-	-	63,288	-	3,051,921
<u>Oceania</u>					
French Oceania	-	-	-	24,504	-
Guam	-	-	-	1,840	-
<u>South America</u>					
Colombia	-	2,760	-	24,674	-
Ecuador	-	-	-	-	211,986
Peru	460	7,579	504,000	22,207	1,258,134
Surinam	11,617	12,783	-	78,749	-
Venezuela	86,062	128,381	37,334	1,968,287	137,238
Totals, Foreign Countries	1,401,857	962,886	7,463,531	9,209,292	81,252,806
Totals, All Countries	3,307,150	2,302,896	18,562,496	21,293,580	149,007,669

- 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			
	March 7	March 14	March 21	March 28
- cents and eighths per bushel -				
<u>Initial Payment to Producers</u>				
1 Northern	140	140	140	140
2 Northern	136	136	136	136
3 Northern	132	132	132	132
4 Northern	125	125	125	125
5 Wheat	108	108	108	108
6 Wheat	102	102	102	102
Feed Wheat	96	96	96	96
1 C.W. Garnet	122	122	122	122
2 C.W. Garnet	117	117	117	117
1 Alberta Red Winter	124	124	124	124
2 Alberta Winter	119	119	119	119
1 C.W. Amber Durum	150	150	150	150
2 C.W. Amber Durum	147	147	147	147
3 C.W. Amber Durum	140	140	140	140
<u>International Wheat Agreement</u>				
<u>and Domestic Sales</u>				
1 Northern	163/7	163/4	163/2	163/2
2 Northern	159/7	159/4	159/2	159/2
3 Northern	152/7	152/4	151/7	151/2
4 Northern	143/7	143/4	143/2	143/2
5 Wheat	128/7	127/4	127/2	128
6 Wheat	125/7	125/4	125/2	125/2
Feed Wheat	122/7	122/4	122/2	122/2
1 C.W. Garnet	157/7	157/4	157/2	157/2
2 C.W. Garnet	153/7	153/4	153/2	153/2
3 C.W. Garnet	150/7	150/4	150/2	150/2
1 Alberta Red Winter	153/7	153/4	153/2	153/2
2 Alberta Winter	149/7	149/4	149/2	149/2
3 Alberta Winter	144/7	144/4	144/2	144/2
1 C.W. Amber Durum	195/7	195/4	195/2	195/2
2 C.W. Amber Durum	194/7	194/4	194/2	194/2
3 C.W. Amber Durum	184/7	184/4	184/2	183
<u>Export - Class II</u>				
1 Northern	163/7	163/4	163/2	163/2
2 Northern	159/7	159/4	159/2	159/2
3 Northern	152/7	152/4	151/7	151/2
4 Northern	143/7	143/4	143/2	143/2
5 Wheat	128/7	127/4	127/2	128
6 Wheat	125/7	125/4	125/2	125/2
Feed Wheat	122/7	122/4	122/2	122/2
1 C.W. Garnet	157/7	157/4	157/2	157/2
2 C.W. Garnet	153/7	153/4	153/2	153/2
3 C.W. Garnet	150/7	150/4	150/2	150/2
1 C.W. Amber Durum	195/7	195/4	195/2	195/2
2 C.W. Amber Durum	194/7	194/4	194/2	194/2
3 C.W. Amber Durum	184/7	184/4	184/2	183

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

Class and Grade	Week Ending			
	March 7	March 14	March 21	March 28
- cents and eighths per bushel -				
<u>Initial Payment to Producers</u>				
1 Northern	140	140	140	140
2 Northern	136	136	136	136
3 Northern	132	132	132	132
4 Northern	125	125	125	125
5 Wheat	108	108	108	108
6 Wheat	102	102	102	102
Feed Wheat	96	96	96	96
1 C.W. Garnet	122	122	122	122
2 C.W. Garnet	117	117	117	117
1 Alberta Red Winter	124	124	124	124
2 Alberta Winter	119	119	119	119
1 C.W. Amber Durum	150	150	150	150
2 C.W. Amber Durum	147	147	147	147
3 C.W. Amber Durum	140	140	140	140
<u>International Wheat Agreement</u> <u>and Domestic Sales</u>				
1 Northern	175/7	175/4	175/2	175/2
2 Northern	171/7	171/4	171/2	171/2
3 Northern	165/7	165/4	164/7	164/2
4 Northern	156/7	156/4	156/2	156/2
5 Wheat	144/7	144/4	144/2	144/2
6 Wheat	135/7	135/4	135/2	135/2
Feed Wheat	132/7	132/4	132/2	132/2
1 C.W. Garnet	157/7	157/4	157/2	157/2
2 C.W. Garnet	153/7	153/4	153/2	153/2
3 C.W. Garnet	150/7	150/4	150/2	150/2
1 Alberta Red Winter	153/7	153/4	153/2	153/2
2 Alberta Winter	149/7	149/4	149/2	149/2
3 Alberta Winter	144/7	144/4	144/2	144/2
<u>Export - Class II</u>				
1 Northern	175/7	175/4	175/2	175/2
2 Northern	171/7	171/4	171/2	171/2
3 Northern	165/7	165/4	164/7	164/2
4 Northern	156/7	156/4	156/2	156/2
5 Wheat	144/7	144/4	144/2	144/2
6 Wheat	135/7	135/4	135/2	135/2
Feed Wheat	132/7	132/4	132/2	132/2
1 C.W. Garnet	157/7	157/4	157/2	157/2
2 C.W. Garnet	153/7	153/4	153/2	153/2
3 C.W. Garnet	150/7	150/4	150/2	150/2
1 Alberta Red Winter	153/7	153/4	153/2	153/2
2 Alberta Winter	149/7	149/4	149/2	149/2
3 Alberta Winter	144/7	144/4	144/2	144/2

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during February 1958 amounted to 3,098,000 hundredweight, exceeding by 4 per cent the February 1957 output of 2,975,000 hundredweight but 11 per cent below the January 1958 total of 3,465,000 hundredweight and 6 per cent less than the ten-year (1948-1957) average production for the month of February of 3,309,000 hundredweight. Mills reporting operations during February 1958 had a total rated capacity of 181,000 hundredweight per 24-hour day and on the basis of a 24-day working period 71.4 per cent of this rated capacity was effective.

Wheat milled for flour during February 1958 amounted to 7.0 million bushels compared with 7.8 million bushels milled during the previous month and 6.7 million bushels milled during February 1957. Of the wheat milled for flour during February 1958, some 6.4 million bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario Winter Wheat (440,000 bushels); Durum (130,000 bushels); and all other (37,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during February 1958 amounted to 1,001,000 hundredweight (some 2,303,000 bushels of wheat equivalent) representing a decrease of 34 per cent from the 3,507,000 bushels exported during January 1958 and 16 per cent below the adjusted February 1957 total of 2,741,000 bushels. Flour shipments during the month went to fifty countries, with exports to the United Kingdom amounting to 776 thousand bushels of wheat equivalent and accounting for 34 per cent of the February 1958 total. Other major markets for Canadian wheat flour during the month, with shipments in thousands of bushels of wheat equivalent were as follows: Philippine Islands, 300; United States, 154; Venezuela, 128; Jamaica, 117; Ceylon, 103; and Trinidad and Tobago, 103.

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	91,770,025	40,148,750	17,391,300
1956-57	85,149,373	37,623,446	14,582,431
1957-58 ^{2/}			
August	7,094,364	3,151,879	1,076,815
September	7,629,799	3,372,860	1,191,300
October	8,315,059	3,688,086	1,511,826
November	8,185,725	3,637,969	1,247,654
December	7,046,817	3,127,026	1,704,554
January	7,845,002	3,464,747	1,524,670
February	7,002,252	3,097,834	1,001,259
Totals	53,119,018	23,540,401	9,258,078
Same period 1956-57 (revised)	52,244,069	23,028,704	9,042,303

^{1/} Based on Customs returns. Exports for the crop years 1945-46-1956-57 revised to remove effect of time lag in the returns made by Customs. ^{2/} Subject to revision.

UNITED STATES SITUATION

Supply Position Total estimated supplies of wheat in the United States for the 1957-58 (July-June) crop year consisting of the July 1 carry-over of 908.7 million bushels and the 1957 production of 947.1 million, amount to 1,855.8 million bushels, representing a decline of 9 per cent from the 1956-57 total of 2,037.7 million. Imports of wheat and wheat flour in terms of grain equivalent from Canada for all purposes during the July-February period of the current United States crop year amounted to 4.6 million bushels. After deducting an estimated 584.0 million bushels for anticipated domestic requirements, some 1,276.4 million remain available for export and for carryover during 1957-58 compared with 1,454.3 million in 1956-57.

United States Wheat Supplies

Item	1956-57	1957-58 <u>1/</u>
	- million bushels -	
Carryover at beginning of crop year (July 1)	1,033.4	908.7 <u>2/</u>
New crop	1,004.3	947.1
Total estimated domestic supplies	2,037.7	1,855.8
Imports of wheat and wheat flour in terms of wheat for domestic use, July-February	4.1	4.6
Total estimated supplies <u>3/</u>	2,041.8	1,860.4
Less estimated domestic requirements for crop year <u>4/</u>	587.5 <u>2/</u>	584.0 <u>2/</u>
Available for export and for carryover	1,454.3	1,276.4
Deduct:		
Exports of wheat as grain, July-February	300.6	208.2
Exports of wheat flour and products in terms of wheat, July-February <u>5/</u>	41.7	39.4
Total exports of wheat, wheat flour and products <u>6/</u>	342.3	247.6
Balance on March 1 for export and for carryover	1,112.0	1,028.8

1/ Preliminary. 2/ Revised. 3/ Excluding imports for March-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. 5/ Flour exports exclude "Milled in bond." 6/ These figures do not include shipments under relief programs which are not included in the Bureau of the Census figures. Wheat and flour exports under these programs for July-February 1957-58 are estimated at 9.3 million bushels compared with 3.9 million bushels during July-February 1956-57.

Exports of wheat as grain and wheat flour and other products in terms of grain equivalent during the first eight months of the 1957-58 United States crop year amounted to 247.6 million bushels, about 28 per cent below the

342.3 million exported during the same months in 1956-57. The balance remaining on March 1, 1958 for export and for carryover was estimated at 1,028.8 million bushels as against 1,112.0 million on the same date a year ago.

According to the February 28 issue of "The Wheat Situation" published by the United States Department of Agriculture, if domestic disappearance totals about 584 million, as now estimated, and 400 million bushels are exported, a carryover on July 1, 1958 of about 880 million bushels would result, about 30 million below the carryover last July. This is the second year since 1952 when stocks began to accumulate, that the carryover has been significantly reduced. Record large exports in 1956-57 cut the carryover by 124 million bushels despite the increase in production. The reduction in stocks expected at the end of the 1957-58 year is due to the 1957 crop production being 57 million bushels less than the 1956 crop, primarily reflecting participation in the Soil Bank in 1957.

Carryover Reductions Indicated for
Hard Red Winter and White Wheat;
Increase for Durum; Small Changes
in Other Classes Expected

According to the February 28 issue of The Wheat Situation analysis of supply and distribution of wheat by classes indicates probable changes in the carryover by classes next July 1. However, much depends on export developments during the remainder

of the marketing year. The carryover of hard red winter wheat next July 1 may be down about 30 million bushels from last July. The cut reflects reduced production. However, stocks of hard red winter continue very large, constituting 70 per cent of total United States stocks. The carryover of white wheat may possibly be reduced by 12 million bushels. The 1957 crop of white wheat was slightly larger than that of 1956 but still not as large as expected domestic use and exports.

The durum crop at 40 million bushels was slightly above the 39 million in 1956. Exports will be sharply below the 11 million bushels last year, and possibly as low as 5 million. At this export level, the carryover would be increased by 10 million bushels, a significant amount since disappearance of durum is relatively small.

The prospective small reduction in the carryover of hard red spring wheat reflects a small cut in the crop. The soft red winter crop declined from 187 million bushels in 1956 to 155 million in 1957. While exports may be down from 60 million bushels to a possible 15-20 million, some increase in carryover may take place.

Prospective Plantings
of Spring Wheat

The following report on prospective plantings of spring wheat in the United States was taken from the March 18 report of the Crop Reporting Board, United States Department of Agriculture. Acreage of all spring wheat planted in 1958 will be slightly larger than in 1957, if growers carry out their planting intentions as of March 1. Intentions point to a seeding of 12.6 million acres this year, nearly 2 per cent more than last year but the second smallest acreage of record. The 10-year average is 19.4 million acres seeded to all spring wheat. The relatively small acreage to be seeded reflects grower participation in the acreage reserve program with nearly 1 million acres of spring wheat land enrolled in the Soil Bank through March 7 and an additional half million acres offered for participation.

As of March 1, durum wheat producers did not have a liberalized durum program as in 1956 and 1957 and generally reported seedings with the intention of being in compliance with their wheat allotments.

A total of 56.5 million acres of all wheat is indicated by combining the intended seeded acreage of spring wheat with the acreage of winter wheat planted as estimated last December. This is an increase of 6.6 million acres from the 49.9 million acres planted for the 1957 wheat crop.

Intended plantings of durum wheat amount to 1.2 million acres, less than one-half the previous year, and average. All producing States expect sharp declines from last year with Montana and Minnesota reporting extremely sharp reductions. Growers in the Dakotas expect to seed about two-thirds as large an acreage as last year. Growers apparently do not expect the liberalized durum allotment program in effect for the 1956 and 1957 crops and are also somewhat discouraged with the results of the 1957 crop. Wet weather at harvest time greatly delayed durum harvest with much of the final outturn grading down due to discolouration and poor quality.

The acreage of other spring wheat that farmers intend to plant is indicated at 11.4 million acres, the second smallest acreage of record. However, this would be 14 per cent larger than the acreage planted in 1957 but 5.4 million acres or 32 per cent below average. North Dakota accounts for nearly half of the total indicated acreage with Montana and South Dakota accounting for more than a third of the total. The intended acreage in these three States accounts for 84 per cent of the total other spring acreage.

If yields per planted acre this year equal the 1952-1956 average, by States, and acreage planted equals that indicated by farmers as of March 1, an all spring wheat crop of 171 million bushels would be produced. This compares with a production of 240 million bushels in 1957. It should be noted that the 1952-1956 average includes two years of unusually low yields due to extreme rust damage. Based on conditions as of December 1, 1957, a winter wheat crop of 906 million bushels was indicated for 1958. These add to a possible all wheat total of 1,077 million bushels, compared with the all wheat production of 947 million bushels in 1957.

USDA Extends Farm
Storage Facility and
Equipment Loan Programs

On March 19, 1958 the U.S. Department of Agriculture extended indefinitely the farm storage facility and mobile dryer loan programs. Previously, these programs have been authorized on a yearly basis and the current one runs through June 30, 1958.

Loans under these programs are designed to help farmers throughout the country obtain needed farm storage. Under these programs, farmers can borrow a large part of the cost of additional farm storage space and drying equipment.

Secretary of Agriculture Ezra Taft Benson recently warned that grain storage will be tight in some sections of the country this year and offered the full support of the Department of Agriculture in helping producers get the additional facilities which will be needed to handle 1958 crops. Secretary Benson also said, "Farmers themselves have the first responsibility. In order to be in position to hold their grain for orderly marketing, and to take advantage of the price-support programs, they must have adequate storage. And right on the farm is a good place for this in most cases."

Today's action in extending the farm storage loan program is one of the major aids the USDA is making available to help producers increase on-farm storage. Continuation of the program will enable producers to more readily

finance additional needed storage during the coming year. Any farm-operator, share tenant, share landlord, or producer partnership is eligible to participate in the farm storage facility and equipment programs. Application for a loan may be made at the county Agricultural Stabilization and Conservation (ASC) office. The loan may be made either directly through the county office or through a local bank. Loans may be obtained on storage for wheat, corn, oats, rye, barley, soybeans, grain sorghums, dry beans, rice, peanuts, cottonseed, and flaxseed.

Marketing Quotas Proclaimed
for 1959 Wheat Crop;
Referendum June 20

On March 21, 1958 Secretary of Agriculture Ezra Taft Benson took the following actions on 1959-crop wheat:

1. Proclaimed marketing quotas on the 1959 crop of wheat. This sixth successive proclamation of wheat marketing quotas is required by a wheat supply that is 57 per cent above the marketing quota level.
2. Proclaimed a national wheat acreage allotment of 55 million acres, the minimum permitted by law.
3. Announced State shares of the national allotment.
4. Set June 20, 1958 as the date for a referendum to determine producer approval or disapproval of quotas.
5. Announced a 38-State commercial and a 10-State noncommercial wheat procuring area for 1959.
6. Announced that the minimum national average support price for 1959 production will be determined before the wheat referendum on the basis of the latest available supply information.

If marketing quotas are approved by growers, the national average support price available to eligible producers in the commercial area will be not less than the minimum support to be announced later. Individual farm marketing quotas will be the normal production or the actual production, whichever is larger, from the farm acreage allotment.

Growers in the commercial area who stay within their allotments will be eligible for price support on their entire production. Growers who exceed their farm acreage allotments will be subject to marketing quota penalties if (1) they have more than 15 acres of wheat for harvest or (2) they have not signed applications for exemption under the feed wheat provision permitting 30 acres or less to be used exclusively for feed on the farm. There are no limitations on the amount of wheat which may be grown for use on the farm for food, feed, or seed by State, religious, or charitable institutions.

Marketing quota penalties will be at 45 per cent of the parity rate per bushel (parity as of May 1, 1959) on "excess" wheat production.

If marketing quotas are disapproved, there will be no restrictions on wheat marketings. Acreage allotments will remain in effect as a condition of eligibility for price support at the 50 per cent of parity (as of July 1, 1959) rate required by law when quotas are disapproved.

United States Exports of Wheat and Flour by Country of Destination,
July-January 1956-57 and July-January 1957-58

NOTE

These data on exports by destination cover only the first seven months of the United States crop year beginning July 1. The table on United States wheat supplies (see page 21) contains a preliminary estimate of total exports for the first eight months of the United States crop year. Neither of these tables should be confused with the United States export figure shown on page one of this publication which, for comparative purposes, is based on the Canadian crop year beginning August 1.

Destination	July-January 1956-57			July-January 1957-58		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
- 1,000 bushels, grain equivalent -						
<u>Western Hemisphere</u>						
Central America	806	2,252	3,058	756	2,783	3,539
Cuba	2,053	2,229	4,282	2,033	2,741	4,774
British West Indies	2	2,161	2,163	1	2,076	2,077
Haiti	-	808	808	156	1,009	1,165
Colombia	1,937	39	1,976	3,059	399	3,458
Venezuela	149	4,074	4,223	440	4,115	4,555
Peru	1,867	172	2,039	2,386	216	2,602
Bolivia	2,424	772	3,196	-	318	318
Chile	4,883	14	4,897	1,968	73	2,041
Brazil	4,556	1	4,557	8,571	1,406	9,977
Others	881	1,697	2,578	476	1,475	1,951
Totals	19,558	14,219	33,777	19,846	16,611	36,457
<u>Europe</u>						
Norway	1,151	482	1,633	-	564	564
Denmark	2,688	24	2,712	1,192	9	1,201
United Kingdom	23,043	784	23,827	12,410	558	12,968
Netherlands	14,683	1,860	16,543	2,098	2,228	4,326
Belgian-Luxembourg	14,097	15	14,112	1,515	11	1,526
France	26,269	2	26,271	-	6	6
Germany, West	26,072	83	26,155	12,992	32	13,024
Austria	1,853	3	1,856	755	-	755
Switzerland	5,368	6	5,374	437	-	437
Finland	2,813	-	2,813	681	-	681
Poland	-	-	-	18,479	-	18,479
Portugal	4,262	59	4,321	288	47	335
Italy	3,924	250	4,174	742	346	1,088
Yugoslavia	8,973	11	8,984	2,211	26	2,237
Greece	9,874	19	9,893	560	3	563
Others	1,864	41	1,905	2,018	356	2,374
Totals	146,934	3,639	150,573	56,378	4,186	60,564
<u>Asia</u>						
Turkey	5,638	-	5,638	1,957	-	1,957
Israel	5,881	479	6,360	5,008	7	5,015
Saudi Arabia	536	1,445	1,981	14	976	990
India	21,013	20	21,033	56,416	20	56,436
Pakistan	12,923	1	12,924	6,812	1	6,813
Viet-Nam, Laos and Cambodia	-	2,104	2,104	-	654	654
Indonesia	-	3,458	3,458	-	100	100
Philippine Republic	-	3,630	3,630	-	4,939	4,939
Korea	5,683	511	6,194	3,383	618	4,001
Formosa	3,828	-	3,828	4,311	5	4,316
Japan	28,522	1,067	29,589	26,469	1,310	27,779
Others	1,769	1,677	3,446	1,862	1,766	3,628
Totals	85,793	14,392	100,185	106,232	10,396	116,628
<u>Africa</u>						
Morocco	-	15	15	1,075	9	1,084
Tunisia	2,580	2	2,582	52	112	164
French West Africa	1,810	6	1,816	458	1	459
Ghana	-	815	815	-	996	996
Western British Africa	-	1,101	1,101	-	1,363	1,363
Others	1,692	1,424	3,116	174	1,099	1,273
Totals	6,082	3,363	9,445	1,759	3,580	5,339
<u>Oceania</u>						
Unspecified 2/	1,049	2,087	3,136	240	7,736	7,976
World Totals 2/	259,416	37,725	297,141	184,455	42,530	226,985

1/ Wholly of United States wheat. 2/ Includes exports for relief or charity which are not included with the Bureau of the Census figures.

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
March 3, 1958	220 - 222 1/2	March 3, 1958	230 3/4 - 231 3/4
4	220 1/4 - 225 3/4	4	231 5/8 - 232 5/8
5	222 3/4 -	5	231 3/4 - 232 3/4
6	222 3/4 - 225	6	232 1/8 - 233 1/8
7	222 1/2 - 223 1/2	7	233 1/2 - 234 1/2
10	223 3/4	10	233 7/8 - 234 7/8
11	223 - 228 3/4	11	233 1/2 - 234 1/2
12	224 1/4 - 253 1/2	12	234 5/8 - 235 5/8
13	230 - 241 1/2	13	236 1/2 - 237 1/2
14	227 1/2 - 227 3/4	14	233 7/8 - 234 7/8
17	228 1/2 - 229	17	232 1/4 - 233 1/4
18	229 1/4 - 234 1/2	18	232 1/2 - 233 1/2
19	234	19	231 7/8 - 232 7/8
20	227 - 227 3/4	20	230 1/2 - 231 1/2
21	226 1/4 - 238 1/2	21	229 3/4 - 230 3/4
24	225 1/4 - 227	24	229 5/8 - 230 5/8
25	226 1/4 - 230	25	230 1/2 - 231 1/2
26	227 - 230 1/4	26	229 3/4 - 230 3/4
27	227 - 235 3/4	27	230 1/4 - 231 1/4
28	227 - 253 1/2	28	230 1/2 - 231 1/2
31	229 - 234	31	230 - 231

Chicago Wheat Futures, High Points of Closing

Date	March	May	July	September	December
	- cents and eighths per bushel -				
March 3, 1958	221/1	217/6	193	196	201
4	223/3	219/3	193/6	196/6	202
5	224	220/4	196/1	199/2	204/5
6	222/6	220/1	195/6	198/7	204/1
7	223	210/4	196	199/2	204/4
10	221/5	219/3	195/2	198/5	204
11	222/1	219/7	194/6	198	203/3
12	224/7	222/4	194/4	197/7	203
13	226/2	223	193/4	196/6	202
14	224/7	221/3	192/1	195/1	200/3
17	226	222/3	192/5	195/6	200/7
18	226/4	222/6	193	196	201/1
19	224/3	220/6	191/4	194/5	199/5
20	224/4	220/2	191/5	194/5	199/6
21		218/5	191	193/7	199
24		217	190	192/7	197/5
25		218	190/2	193	198/1
26		216/6	190/1	192/7	197/7
27		217/2	191/4	194/2	199/3
28		217/3	190/7	193/6	198/7
31		216/1	188/4	191	196/3

ARGENTINE SITUATION

Supply Position Estimated supplies of wheat in the Argentine for the crop year 1957-58, consisting of the revised December 1, 1957 carryover of 59.4 million bushels and the new crop placed at 194.7 million, amount to some 254.1 million bushels. Supplies of the size indicated represent a decrease of 18 per cent from the 1956-57 total of 309.2 million bushels. After making an allowance of 139.6 million bushels for anticipated domestic requirements an estimated 114.5 million are available for export and for carryover as against 169.6 million in 1956-57. Exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1957 - February 1958 amounted to 10.5 million bushels compared with 19.0 million bushels of wheat exported during the same months of 1956-57. The balance remaining on March 1, 1958 for export and for carryover was estimated at 104.0 million bushels, about 31 per cent below the March 1, 1957 figure of 150.6 million.

Argentine Wheat Supplies

Item	1956-57	1957-58 <u>1/</u>
	- million bushels -	
Carryover at beginning of crop year (December 1) <u>2/</u>	48.3	59.4 <u>3/</u>
New Crop <u>4/</u>	260.9	194.7
Total estimated domestic supplies.....	309.2	254.1
Less estimated domestic requirements for crop year ..	139.6	139.6
Available for export and for carryover	169.6	114.5
Deduct:		
Exports of wheat as grain, December-February	19.0	10.5
Exports of wheat flour in terms of wheat, Dec.-Feb.	-	<u>5/</u>
Total exports of wheat and wheat flour	19.0	10.5
Balance on March 1 for export and for carryover	150.6	104.0

1/ Preliminary. 2/ Includes allowances for farm stocks. 3/ Revised.

4/ Official estimate. 5/ Less than 50,000 bushels.

The following account of the Argentine situation has been extracted from a report from Mr. C.S. Bissett, Commercial Counsellor, Buenos Aires, under date of March 20, 1958, 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 pesos to the United States dollar.

Weather and Crops No official report is yet available for the month of February. Nevertheless it is evident weather conditions continued to be most favourable, and corn prospects remain excellent.

Wheat The National Grain Board has announced that up to March 13 its purchases of the new crop amounted to 4,501,301 metric tons (165,394,000 bushels). However this stock is being disposed of only slowly. From February 19 onwards only 12,125 metric tons (446,000 bushels) of the new crop have been sold. It was all "Southern" wheat and the highest price obtained was pesos 1,340 (\$2.03 per bushel). Meanwhile the Board steadily continued to sell off the stocks of old crop wheat. 45,200 metric tons (1,661,000 bushels) of 1956-57 "Southern" wheat were sold at pesos 1,280 (\$1.94 per bushel), while 21,116 metric tons (776,000 bushels) of Candéal/Taganrock, also from the 1956-57 crop were sold at pesos 1,300 (\$1.97 per bushel). A small lot of 701 tons (26,000 bushels) was sold to be shipped as flour from river ports. The Board's policy in regard to sales of new crop wheat seems to be one of minimum sales until better prices can be obtained for it. However increased sales activity is probable in the coming weeks. Brazil with its own present reduced crop of about 700,000 metric tons (25.7 million bushels) must rely on foreign purchases. It is reported that sizeable ones will be made from this country. Chile is also willing to buy important amounts, and orders are expected from Poland.

Corn The heavy rains of January did not adversely affect this crop. During February weather conditions were again most favourable for it, throughout the entire growing area. The first lots have already been harvested and have arrived at the ports of Rosario and Santa Fé. They are the production of the northern regions of Santa Fé province. Yields in more than one instance have reached the outstanding total of 2,500 kilos per hectare (40 bushels per acre). Some trade circles solidly maintain their estimate of production of about 7,500,000 metric tons (295.3 million bushels). On the other hand others tend to be more conservative and expect a production of up to 6,500,000 metric tons (255.9 million bushels) of which 4,000,000 (157.5 million bushels) would be available for export. No further official estimate has been published succeeding that of late January covering acreage sown. Sales of the old crop during the past month totalled 81,119 metric tons (3,193,000 bushels) a great part of which were aforo authorizations. The Board sold also 26,500 tons (1,043,000 bushels) from river ports, at prices ranging from pesos 1,100 to 1,135.80 (\$1.55 to \$1.60 per bushel), and also some lots of the 1955-56 crop. In regard to the marketing of the new crop, fears are expressed that the new "aforos" (see February report) are still not low enough to allow exporters to pay remunerative prices to producers. At present ruling aforos, private exporters can only afford to pay to producers 102 or 103 pesos per 100 kilos (\$1.44 or \$1.45 per bushel). As the Board itself guarantees 100 pesos (\$1.41 per bushel) producers prefer to keep their grain or sell it to the Government. This is against the wishes of the Board whose main object at present is to have the bulk of the production handled by the private trade. Accordingly sales prospects for the new crop do not look at all promising. Trade circles expect a further reduced aforo would facilitate their sales, and it is believed this new reduction will soon be forthcoming.

Oats, Recovery of these grains has been indeed much better than expected.

Barley The recent favourable weather conditions were especially beneficial for the late sown areas. The second official estimates of production, released near the end of February showed noticeable increases over the first estimates. The table that follows shows estimates production for these three grains for the present crop of 1957-58, as compared to the crop year 1956-57 and the averages of the latest five and ten year periods.

Production

Grain	Averages		1956-57	1957-58
	1947-48--1956-57	1952-53--1956-57		
	- thousand bushels -			
Oats	53,703	65,016	73,919	63,026
Barley	38,607	50,482	62,666	46,297
Rye	23,956	34,014	34,644	25,353

Sales of these grains were also on the slow side during the past month. Their total of 102,294 metric tons was only a fraction of that of the previous period. Oats once again lead the way with 71,494 (4,636,000 bushels) mostly all aforo authorizations. Barley totalled about 23,000 tons (1,056,000 bushels), while rye amounted to only 8,775 tons (345,000 bushels). Trade circles believe sales of these grains are adversely affected the same way as corn is by the present aforo system.

Policy The "aforo" system As reported sales of all winter grains at the present time are decidedly on the slow side and it is feared that the same thing will happen in regard to corn sales. There is widespread concern in trade circles that the present sales policy is not working in the smooth way it should. A new reduction in aforos, especially in the case of corn, would be welcomed. A new and more flexible system under which the Grain Board would be authorized to effect its own changes would also be welcomed as it would enable it to make adjustments at very short notice, and so compensate for any unexpected development in the international market prices situation. This new procedure would be most effective in view of the foreign exchange situation and the international competition in regard to the sales of all grains.

Grain Sales Sales during the past month amounted to 262,555 metric tons, almost half of those of the previous period. Corn was in first place with 81,119 tons (3,193,000 bushels), of which 50,747 (1,998,000 bushels) were aforo authorizations, 42,112 (1,658,000 bushels) for countries under multilateral agreements, 5,635 (222,000 bushels) for Czechoslovakia and 3,000 (118,000 bushels) for payment in pounds sterling. The Board itself sold 26,500 tons (1,043,000 bushels) at prices ranging from pesos 1,100 to 1,135.80 (\$1.55 to \$1.60 per bushel). All these sales were of the 1956-57 crop, with the exception of one lot of 3,872 tons (152,000 bushels) of 1955-56 production sold at pesos 920.- (\$1.30 per bushel). Wheat followed very closely with 79,142 metric tons (2,908,000 bushels), the bulk of which was grain of the 1956-57 crop. This included 45,200 tons (1,661,000 bushels) of "Southern" type sold at pesos 1,280 (\$1.94 per bushel) and 21,116 (776,000 bushels) of "Durum" type sold at pesos 1,300 (\$1.97 per bushel). Only 12,125 tons (446,000 bushels) were sold of the new crop at prices reaching to pesos 1,340 (\$2.03 per bushel). Oats sales abruptly declined from the previous month and totalled only 71,494 tons (4,636,000 bushels). Some lots of the 1956-57 crop were sold by the Board at prices ranging from pesos 803.90 to 820.- (69 to 70 cents per bushel). In regard to the new crop the total of 62,494 tons (4,052,000 bushels) was all aforo authorizations. To multilateral countries 55,410 tons (3,593,000 bushels) were sold, 5,400 (350,000 bushels) to Czechoslovakia and 1,684 (109,000 bushels) to Brazil. Barley sales were in fourth place and at a much lower level than the three other grains. The total of 22,025 tons (1,012,000 bushels) included 20,925 tons (961,000 bushels) of aforo authorizations, and one lot of 1,100 tons (51,000 bushels) of the 1956-57 crop sold by the Board at pesos 953.60 (\$1.15 per bushel). Rye occupied last place with just 8,775 metric tons

(345,000 bushels) all of them aforo authorizations, 8,475 (334,000 bushels) to multilateral countries and 300 (12,000 bushels) to Czechoslovakia.

Grain Shipments Shipments during February totalling 288,212 metric tons showed only a slight increase over the previous month. Barley was ahead with 79,630 tons (3,657,000 bushels), the greater proportion of which, 65,261 tons (2,997,000 bushels) was exported to Western Germany. Netherlands received 8,719 (400,000 bushels) and Italy 5,650 tons (259,000 bushels). Oats was in second place with 67,746 tons (4,393,000 bushels), with Netherlands as the principal importer with 18,536 tons (1,202,000 bushels), followed by Western Germany with 15,355 (996,000 bushels). Denmark and Italy received 11,800 and 10,800 tons (765,000 and 700,000 bushels), respectively, and the remainder went to the United Kingdom and Belgium. Wheat exports totalled 52,084 tons (1,914,000 bushels), with Western Germany receiving more than half of it, 31,259 tons (1,149,000 bushels). Paraguay and Italy received approximately 6,000 tons (220,000 bushels) each and less important quantities were shipped to the United Kingdom, Netherlands, Peru and Denmark. Corn followed with 47,247 tons (1,860,000 bushels). The most important lots were received by Italy with 13,589 (535,000 bushels) and Netherlands 11,360 (447,000 bushels). Germany bought 9,524 (375,000 bushels), while other important parcels were sent to the United Kingdom, Belgium and Switzerland. Rye shipments were in last place with 41,505 tons (1,634,000 bushels). Italy received 16,570 tons (652,000 bushels), Netherlands 14,012 (552,000 bushels), Western Germany 7,069 (278,000 bushels), Norway 3,150 (124,000 bushels), Sweden 500 (20,000 bushels) and Denmark 150 (6,000 bushels).

Argentine Wheat Exports, December 1957 - February 1958 with Comparisons

Destination	Wheat	Destination	Wheat
	- thousand bushels -		- thousand bushels -
Belgium	529	Netherlands	425
Brazil	2,379	Paraguay	564
Chile	1,999	Peru	302
Denmark	113	Sweden	11
Germany, Western	2,326	Switzerland	42
Italy	943	United Kingdom	851
Norway	37		
		Total	10,521

Same Period:

1956-57	19,021
1955-56	28,253
1954-55	32,375
1953-54	25,566
1952-53	3,167

AUSTRALIAN SITUATION

Supply Position Estimated supplies of wheat in Australia for the 1957-58 crop year amount to some 136.4 million bushels, consisting of the December 1, 1957 carryover of 41.4 million bushels and the new crop placed at 95.0 million. Supplies of the size indicated, reflecting sharp declines in both carryover stocks and production, represent a 38 per cent decline from the

1956-57 total of 218.6 million bushels. After deducting 76.0 million bushels for anticipated domestic requirements, an estimated 60.4 million are available for export and for carryover during 1957-58 as against 145.6 million in 1956-57.

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1, 1957 to February 22, 1958 amounted to 11.2 million bushels, sharply below the 29.4 million exported during the corresponding period of 1956-57. The balance remaining on February 23, 1958 for export and for carryover, at 49.2 million bushels, represented a decrease of 58 per cent from the comparable 1957 figure of 116.2 million.

Australian Wheat Supplies

Item	1956-57	1957-58 ^{1/}
	- million bushels -	
Carryover, including flour as wheat, at beginning of crop year (December 1)	83.9	41.4
New Crop	134.7	95.0
Total estimated supplies	218.6	136.4 ^{2/}
Less estimated domestic requirements for crop year ..	73.0 ^{3/}	76.0
Available for export and for carryover	145.6	60.4
Deduct:		
Exports of wheat as grain, December 1-February 22 .	21.2	6.4
Exports of wheat flour in terms of wheat, December 1-February 22	8.2	4.8
Total exports of wheat and wheat flour	29.4	11.2
Balance on February 23 for export and for carryover .	116.2	49.2

^{1/} Preliminary. ^{2/} Wheat imports arriving from Canada on March 4, 1958 have not been included in this total. ^{3/} Revised.

The following information relative to the Australian situation has been extracted from a report from Mr. T.G. Major, Commercial Counsellor for Canada, Melbourne, under date of March 11, 1958 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 \$2.2070 (Canadian), the quotation in effect on March 3, 1958.

Wheat

1957-58

Crop

During the past month there has been no change in the estimates for the 1957-58 wheat crop. The overall figure remains at 95 million bushels of which deliveries to the Australian Wheat Board are expected to reach about 80 millions. The first shipment of the 1.5 million bushel order of Canadian wheat amounting to 11,000 tons (411,000 bushels), reached Sydney on March 4. Owing to quarantine restrictions flour from this imported wheat cannot be milled outside the metropolitan area. Inland mills will have to use wheat brought in from other States. Weather conditions generally in the wheat growing areas have been favourable for preparation

of the land, and early indications are for big increases in the acreage sown in New South Wales and Queensland. The wheat area expected to be sown in New South Wales could exceed the 10-year average of 3.5 million acres. Although sowing in the main areas of the state will not begin until early April there is an increasing interest in early plantings of winter wheats such as Winter Minflor for early grazing in the northern districts. In Queensland, growers' preferences for seed are for Festival, Gabo, Charter, Spica and Lawrence in that order.

Wheat and
Flour Sales

The following sales are reported by the Australian Wheat Board since our last report was sent:-

New Zealand	30,000 long tons (1,120,000 bushels)
Japan	11,300 long tons (422,000 bushels)
United Kingdom	23,500 long tons (877,000 bushels)
Eire	4,000 long tons (149,000 bushels)

Wheat
Stabilisation
Plan

The current five-year stabilisation plan expires with the marketing of the 1957-58 crop, and it was decided by the Australian Agricultural Council that negotiations between the Commonwealth and State Governments should be completed by June or July. This would enable the necessary complementary legislation to be enacted before October, 1958. The Minister for Primary Production is considering proposals submitted by the Australian Wheat Growers' Association, and after further discussions with the industry another meeting of the A.A.C. may be held in order to finalise the essential agreements with the states. Because of rising costs of production, the problem of financial support may prove to be difficult.

Standards
1957-58

The corn trade section of the Melbourne Chamber of Commerce has fixed an f.a.q. wheat standard for Victoria at 65½ pounds per bushel. A sample comprising wheat from 230 centres was used, of which the Mallee and Wimmera each contributed 40 per cent. The total crop was estimated at 32 million bushels from 1,864,000 acres, with the protein quality the best for the past decade.

In Sydney the grain trade section of the Chamber of Commerce has fixed the f.a.q. standard for the New South Wales crop of 1957-58 at 64 3/4 pounds per bushel. The Australian Wheat Board has announced that an all time record premium of 6/- (66 cents) a bushel was paid for 1750 bags of high protein content wheat from the Moree district of New South Wales.

In a press statement issued on March 5 by Sir John Teasdale, Chairman of the Australian Wheat Board it was noted that dissatisfaction has been voiced by organized farmers, wheat handling authorities and members of the Australian Wheat Board over the practice of Chambers of Commerce in fixing and declaring the f.a.q. for the season. In view of the fact that handling of wheat in bags has given place almost entirely to bulk handling by statutory authorities and that selling on behalf of growers by the Australian Wheat Board has replaced direct purchase by wheat merchants, it has been agreed that the fixing of the standard should now be the responsibility of those directly concerned in the ownership, handling and selling. The Board now has agreed that the accumulation of samples from the various points in the State, the weighing and declaration of ascertained weight shall be conducted by State Committees comprising representatives of the silo authorities, the Australian Wheat Board and the growers. In each State, the producers will be represented by the elected grower representative on the Australian Wheat Board. It is intended to ask the relative State Departments of Agriculture to appoint a member to each Committee so that another link may be forged between

the officers concerned with the production of pure seed wheat and the instrumentalities of the wheat industry. The new system will be instituted in respect to wheat grown during the 1958 season.

Wheat Grading

The public discussion of the advantages of grading as opposed to the existing f.a.q. system is continuing. At the fixing of the f.a.q. standard in Sydney, Mr. P.J. Hill, Chairman of the Grain Trade Section of the Sydney Chamber of Commerce stated that the present mixture of soft and semi-hard grains is not suited to the requirements of overseas buyers. Steps should be taken immediately to eliminate undersirable varieties and concentrate on types like Gabo, Koda and Spica. Prof. W.L. Waterhouse, a leading wheat breeder, expressed similar views; he believes that the presence of empty silos resulting from the short New South Wales crop provides an opportunity for segregation in the 1958-59 crop. At the meeting of the general council of the Farmers' and Settlers' Association, opposition was expressed to government direction of varieties to be grown. The chairman of the Grain Elevators Board, Mr. S.C. Hodgson, feels that segregation on the basis of protein quantity would be out of line with grading practice in other countries such as Canada, the U.S.A. and Argentina. Prof. L.J.H. Teakle of the University of Queensland is of the opinion that grading for baking quality is essential if present customers are to be satisfied and new markets gained. Good baking quality varieties which also yield well, and the spread of ley farming, which has improved quality as well as yield, has resulted in 20 to 30 per cent of Australian wheat falling into the strong and medium strong classes. Such wheat can command markets not open to f.a.q. wheats. On the other hand, Mr. R. Tadman, general manager of the Overseas Farmers' Co-operative Federations in London has counselled no departure from the f.a.q. system. His idea is that Australia should aim at growing a uniform wheat with a slight improvement in protein content. In a state like New South Wales where there are two types of wheat grown in distinct areas, there should be two standards. Because of its colour and low moisture content, Australian wheat has special attractions to the U.K. millers for mixing with types from other countries.

Proposed Change in Wheat Payments

Because of the extraordinary circumstance of export wheat from West Australia, Victoria and South Australia being shipped to New South Wales and Queensland, a need has arisen for variation in the normal procedure of crediting home consumption sales to the most recent pool, and export sales to the oldest unfinalised pool. The A.W.B. has recommended to the Minister that interstate movements be treated as export sales until such time as the unfinalised No. 20 Pool (1956-57 season) accumulates a credit sufficient to enable the payment of a dividend of 1/- (11 cents) per bushel, after which normal procedure would be resumed. Wheat shipped interstate must be accounted for at the home consumption price of 14/2d. (\$1.56) per bushel, whereas this would have returned upwards of 1/- (11 cents) more had it been exported, and credits established in No. 20 Pool (1956-57 season) would have been sufficient to permit an April dividend of 1/- (11 cents).

Final Payment on 1955-56 Crop

Final payments on wheat of the 1955-56 season delivered into Nos. 19, 19a and 19b Pools, involving £44,918,127 (\$10.9 million) were made on March 11. This brings total payments for the season to £110,328,123 (\$243.5 million) of which £1,035,833 (\$2.3 million) was withdrawn from the Wheat Prices Stabilisation Fund. Returns to wheatgrowers for f.a.q. wheat in the last three completed pools, calculated on a f.o.r. ports basis for bulk wheat, natural terminal points are as follows:-

No. 17 Pool - 1953-54 season - 12/0.788d.	(\$1.33) per bushel
No. 18 Pool - 1954-55 season - 11/11.75d.	(\$1.32) per bushel
No. 19 Pool - 1955-56 season - 12/-	(\$1.32) per bushel

Grain Terminal Extension Co-operative Bulk Handling Ltd. (Western Australia) expects to start the construction of new terminal grain facilities at Geraldton. Present plans call for storage in concrete vertical cells of two million bushels of grain, a new railway siding and handling facilities, together with a transfer and shipping gallery. This new construction is expected to get under way soon after the work on improvements at Fremantle begins late this year.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1, 1957-February 22, 1958 and Corresponding Period 1956-57

Destination	Wheat		Wheat Flour	
	1956-57	1957-58	1956-57	1957-58
- thousand bushels -				
Aden and Aden I/T	-	2	276	166
Aden and Aden (as Atta Flour) .	-	-	-	3
Belgian Congo	-	-	1	2
British North Borneo	-	-	73	59
British West Indies	-	-	188	1
Brunei	-	-	9	8
Burma	-	102	59	87
Ceylon	4	2	1,672	14
Czechoslovakia	315	-	-	-
Dutch New Guinea	-	-	21	17
Germany, West	2,075	-	-	-
Ghana	-	-	-	1/
Hong Kong	443	475	-	-
Hong Kong (General)	-	-	72	44
Hong Kong (a/c War Office)	-	-	12	4
India	4,414	209	-	-
Indonesia	-	-	1,632	1,147
Iran	329	-	-	-
Iraq	696	-	-	-
Japan	56	1,652	-	-
Macao	-	-	4	1
Malaya	181	186	-	-
Malaya (as Atta Flour)	-	-	-	11
Malaya (General)	-	-	1,462	1,477
Maldives Islands	-	-	-	10
Mauritius	-	-	296	181
New Zealand	2,437	2,597	1	4
Nigeria	-	-	1/	2
Nyasaland	-	-	28	47
Pacific Islands	5	6	401	527
Pakistan	1,417	-	-	-
Persian Gulf	20	31	293	31
Persian Gulf (as Atta Flour) ..	-	-	-	227
Philippine Islands	-	-	111	24
Port Said (a/c S/S)	-	-	-	1/
Portuguese East Africa	175	-	-	1/
Portuguese India (Goa)	79	-	24	-
Rhodesia	522	705	-	-
Sarawak	-	-	43	55
Saudi Arabia	2	22	-	-

Exports of Australian Wheat and Wheat Flour in Terms of Wheat, December 1, 1957-February 22, 1958 and Corresponding Period 1956-57

Destination	Wheat		Wheat Flour	
	1956-57	1957-58	1956-57	1957-58
- thousand bushels -				
Seychelles Islands	-	-	7	-
Singapore (a/c War Office)	-	-	32	13
Sudan	-	-	513	-
Thailand (Siam)	2	6	179	233
Timor	-	-	4	8
United Kingdom	8,034	363	636	295
Zanzibar	2	4	109	71
Royal Navy	17	6	5	6
Ships' Stores	-	-	35	25
Totals	21,225	6,368	8,200	4,800

1/ Less than 500 bushels.

FRENCH SITUATION

Supply Position French Supplies of Soft Wheat

Item	1956-57	1957-58 <u>1/</u>
	- million bushels -	
Commercial carryover, August 1	31.4	35.5
Anticipated deliveries to Grain Board	166.4	293.9
Total estimated commercial domestic supplies ..	197.8	329.5
Imports, August-January	27.7	-
Total commercial supplies	225.5	329.5
Less domestic requirements for crop year	187.4	187.4
Available for export and for carryover	38.1	142.1
Deduct:		
Exports of wheat as grain August-January	-	33.8
Exports of wheat flour in terms of wheat, August-January	5.7	13.6
Total exports of wheat and wheat flour	5.7	47.4
Balance on February 1 for export and for carryover.	32.4	94.6

(Private estimate based on Grain Board statistics).

1/ Preliminary.

Total estimated commercial supplies of wheat in France for the crop-year (August-July) 1957-58, consisting of the August 1 carryover of 35.5 million bushels and anticipated marketings of 293.9 million, amount to some 329.5 million bushels, exceeding by 46 per cent the 1956-57 total of 225.5 million (including August-January 1956-57 imports of 27.7 million bushels). After deducting 187.4 million bushels for anticipated domestic requirements, a total of 142.1 million are available for export and for carryover, up sharply from the unusually low 1956-57 level of 38.1 million.

Combined exports of wheat and wheat flour in terms of grain equivalent during the first six months of the current crop year amounted to 47.4 million bushels in contrast to the August-January 1956-57 total of only 5.7 million bushels, exported in the form of wheat flour. The balance of commercial supplies remaining on February 1, 1958, totalled 94.6 million bushels as against 32.4 million at February 1, 1957.

The following account of the current crop situation in France has been extracted from a report by Miss V.F. Wightman, Agricultural Attaché, Canadian Embassy, Paris, under date of March 18, 1958, 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 .002273 Canadian dollars.

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

Monthly Wheat and Wheat Flour Exports, August 1957-January 1958
and the Corresponding Months in 1956-57

Month	<u>Foreign Countries</u>		<u>French Union</u>		<u>Total</u>	
	1956-57	1957-58	1956-57	1957-58	1956-57	1957-58
- thousand bushels -						
August	439	778	497	732	936	1,510
September	162	4,899	642	556	804	5,455
October	119	7,665	545	709	664	8,375
November	235	9,412	604	783	839	10,194
December	226	11,002	745	720	971	11,722
January	721	9,085	737	1,025	1,458	10,110
Totals	1,902	42,841	3,770	4,525	5,672	47,366

French Exports
by Country

The following were the principal export markets for French wheat and wheat flour during the first six months of the new crop year:

French Wheat and Wheat Flour Exports, August 1957-January 1958

Destination	Aug. - Jan.	Destination	Aug. - Jan.
- thousand bushels -		- thousand bushels -	
Ceylon	1,775	Netherlands	2,419
Egypt	5,592	Pakistan	2,198
Germany	12,565	United Kingdom ...	12,581
Indonesia	1,373		

Crop and
Weather Conditions

The month of February, according to the latest Ministry of Agriculture crop report, was marked by unseasonably warm weather, coupled with above average rainfall, which eventually led to some flooding. However, grain fields continue to develop normally; the heavy rain led in certain areas to some yellowing, and also encouraged weed growth.

The March 1 estimate indicates sowings to wheat at 75,000 hectares (185,000 acres) or 1.7 per cent over the same period in 1957. The Ministry remarks that while this gain may not continue throughout the season, it seems probable that this year's wheat sowings will be at least equal to 1957's total of 4.6 million hectares (11.4 million acres).

The present sowings to other grains are of no great significance since three-quarters of the barley and oats is sown in the spring. Farmers' intentions indicate a new increase in sowings to barley, rice, and corn, coupled with a reduction in oats. In summary, the Ministry considers the outlook for winter grains "fairly good".

The March 1 estimate of the area sown to grain is as follows:

Area Seeded to Grain, March 1

Grain	March 1, 1957	March 1, 1958	Comparison March 1 1958 with 1957
	- thousand acres -		- per cent -
Wheat	10,810	10,992	+ 1.7
Wheat and Rye	48	47	- 2.1
Rye	914	882	- 3.5
Barley	910	968	+ 6.4
Oats	1,200	1,114	- 7.2
Mixed Grains	76	78	+ 2.6
Totals	13,959	14,081	

Source: French Ministry of Agriculture.

Official Advice
to Farmers

In their Bulletin, addressed to farmers, the French Ministry of Agriculture advises them to sow barley or corn rather than wheat in planning their spring field work. The Ministry points out that the target price of 3,300 francs per quintal (\$2.04 per bushel) for 1958 wheat will be modified by the levy on marketings and the limited quota on the guaranteed price, which with increases deliveries would result in a lower price. They remark that the current outlook is for production which, in default of a crop disaster, should reach well over 10 million tons (367.4 million bushels).

The Ministry points out that the barley price is slightly higher this year and that any export surplus should not offer any grave difficulty "either in finding markets or in financing such exports". Last year's crop was estimated to yield 800,000 tons (36,743,000 bushels) for export which, however, had to be cut off at 400,000 tons (18,372,000 bushels) due to strong demand in the country and which led eventually to small imports from North Africa.

Similarly, corn offers a sure outlet. Despite a crop of 1.4

million tons (55.1 million bushels) in 1957, additional requirements are estimated at 200,000 tons (7,874,000 bushels). The Ministry remarks that measures to assist marketing such as reduced price on resale, freight assistance, etc., are designed to increase its utilization and there is thus no danger of surpluses developing.

New Grain
Plan

On February 23, the French government published its new Grain Plan to cover the crop years 1958 to 1961. The Plan has been under discussion since last October, while a compromise was sought amongst the various conflicting interests, and particularly those of the "big" as against the "small" producers. The following are the chief features of the new Plan:

- (1) Confirmation of the guaranteed marketing quota of 7.2 million tons (264,555,000 bushels), which was already announced last fall with the target prices for 1958 to 1961, the same period as the Plan. This represents an increase over the 6.8 million tons (249,857,000 bushels) coming under the price guarantee during the 1957-58 crop year. This means that in addition to domestic requirements of around 5.1 million tons (187,393,000 bushels) another 2.1 million tons (77,162,000 bushels) for export or for subsidized feeding come under the price guarantee, the cost of which will be shared by the State and producers through the levy on deliveries. Outside this quota, farmers will receive an initial price and the rest at the end of the season, based on the international price. This quota may be increased, reportedly to 7.5 million tons (275,578,000 bushels), as and when long term agreements are concluded within the European Economic Community (Common Market).
- (2) Levy on marketings (to help offset the subsidy required to export). The basic rate is expected to decline to 130 francs (8 cents per bushel) by 1961, compared with the 1957 rate of 180 francs (11 cents per bushel). However, the decree states that the proceeds from such levies must at all times cover at least a third of the export subsidy, which means that the French Treasury is committed to covering up to two-thirds of such charges on the export surplus within the 7.2 million ton guaranteed quota (264,555,000 bushels). For a crop the size of 1957's, and at present prices, the total export subsidy would cost, according to the Wheat Producers Association, around 30 billion francs (\$68 million) of which 10 billion (\$23 million) would be provided from the levy on growers and the remainder from the Treasury.

The Producers Association anticipates that this pricing system will assure growers income from wheat of around 236 billion francs (\$536 million) per year, or close to the level of 250 billion (\$568 million) attained during the 1955-56 crop year. This is constant value since the wheat price is tied to various price indices. While revenue from wheat is stabilized, it is expected that farm income will rise from coarse grains and livestock products, in line with government policy of encouraging the latter.

- (3) Exemption for the first 50 quintals (1,837 bushels) delivered by farmers from any contribution to the export subsidy. This is understood to exempt some 600,000 growers or perhaps two-thirds of the total from any levy to cover export charges. This is primarily a form of aid to the small-scale farmer but the press has questioned whether by granting this price advantage, the marginal wheat grower would not be necessarily given any incentive towards switching to livestock output, such as desired by government planners.
- (4) Wheat for feed - during the past few years, with heavy export surpluses, ad hoc arrangements were made for growers to take back denatured wheat for feeding on their farms at a subsidized price of 2600 francs per quintal (\$1.61 per bushel) in 1957 compared with a price range of 2770-3000 francs (\$1.71 to

\$1.86 per bushel) for wheat on delivery. This feeding program is written now into the Plan, with its application decided each year on the basis of the size of the crop and export prospects.

- (5) To provide incentives to switch to other crops: i.e. durum wheat, barley or a general reduction in soft wheat and greater emphasis on livestock production, farmers are exempt from the levy on marketings when delivering:
- (a) durum wheat
 - (b) wheat with certain desired characteristics, such as hard wheat; this is to improve the competitive position of French wheat in European markets;
 - (c) increased quantities of barley and corn at the expense of wheat;
 - (d) farmers who undertake before next October 1 to reduce their deliveries of soft wheat of the crops 1959 to 1961, may be exempted in whole or in part from the levy.

This new Grain Plan should be considered in connection with the decrees of last fall (see October issue of Wheat Review) establishing the price levels for 1958 to 1961. It will be recalled that the price for soft wheat is set at 3300 francs per quintal (\$2.04 per bushel) for 1958 to decline to 3200 francs (\$1.98 per bushel) by 1961. At the same time, barley and durum prices gain slightly; 2550 and 2650 francs per quintal (\$1.26 to \$1.31 per bushel) for barley for 1958 and 1961, respectively, and 3975 and 4000 francs (\$2.46 to \$2.47 per bushel) for durum. These prices represent constant value, being tied to price indices.

At first glance, there would appear to be very little differentiation in these prices, and only with the new provisions of the Grain Plan is there an indication of the actual price for soft wheat which will result. Even so, the actual application of certain measures is left to the authorities and may vary with the size of the crop and export prospects.

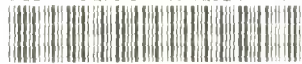
French Grain Market Farmers' wheat marketings by February 1 had reached almost 7.1 million tons (260,880,000 bushels) compared with only 6.5 million (238,834,000 bushels) at the same date in 1956, the last "normal" year. It thus appears that total deliveries from the 1957 crop will surpass the 8 million (293,950,000 bushels) originally forecast, and that larger quantities will be available for export. Wheat and flour sales by the end of the year had totalled around 1.6 million tons (58,790,000 bushels) and it is expected, now the danger of frost kill is past, that new tenders for export will be issued for up to 400,000 tons (14,697,000 bushels) in wheat or flour.

A first quota of 100,000 tons (3,674,000 bushels) was offered in mid-March. According to the trade, very few offers were accepted due to the low prices quoted in foreign markets, which would have entailed a high export subsidy.

CALENDAR OF WHEAT EVENTS

- February 23 The French government published its new Grain Plan to cover the crop years 1958 to 1961. For details see pages 38 and 39 of this publication.
- March 10 The Bureau of the Census, United States Department of Commerce estimated wheat flour production in the United States during January 1958 at 21,715,000 sacks an average of 987,000 sacks per working day.
- 18 According to a report published by the Crop Reporting Board, U.S.D.A. prospective plantings of all spring wheat in the United States for 1958 are expected to total 12.6 million acres, nearly 2 per cent more than last year but the second smallest acreage of record.
- 19 Based on farmers' intentions at March 1, the acreage seeded to all wheat in Canada in 1958 will be 20.6 million acres, a decrease of 0.4 million from 1957 seedings and 4.1 million acres or 16 per cent below the 1952-1956 average.
- The United States Department of Agriculture extended indefinitely the farm storage facility and mobile dryer loan programs.
- 20 According to a report received from Mr. C.S. Bissett, Canadian Commercial Counsellor, Buenos Aires, a recent revision in Argentine wheat stocks has caused a reduction of 10.8 million bushels in the December 1, 1957 carryover.
- 21 The United States Secretary of Agriculture, Ezra Taft Benson, proclaimed marketing quotas on the 1959 wheat crop and set June 20, 1958 as the date for a referendum to determine producer approval or disapproval of quotas.
- 30 The 1958 season of navigation opened at the Port of Montreal.

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