

Complete

**CANADA**

**DEPARTMENT OF TRADE AND COMMERCE**

**DOMINION BUREAU OF STATISTICS**

**AGRICULTURAL BRANCH**

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DOMINION BUREAU OF STATISTICS - CANADA  
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The World Wheat Situation - Summary.

The extent of wheat production in 1933 is now fairly well defined in the important wheat areas of the northern hemisphere. The volume and distribution of 1933 production and stocks of old wheat along with the general world economic situation form the basis of the wheat position for the present crop year. In the Monthly Review of the Wheat Situation for September, 1932, a series of pertinent factors were enumerated as bearing upon the wheat situation in 1932-33. For purposes of comparison some of these points are re-stated along with comparative data applicable to the present situation.

September, 1932.

1. Unusually small stocks of wheat in the Argentine and Australia at July 31, 1932.
2. Large carry-overs in Canada and the United States.
3. Reduced 1932 production in the United States - current official estimates placing the crop at 179 million bushels less than last year's production.
4. Preliminary estimates indicate an average crop for Canada in 1932 and production of about 130 million bushels more wheat than in 1931.
5. Reduced production in the Danube Basin and the possibility of a very small surplus in this region.
6. Reduced production in Russia this year compared with last year.
7. The certainty of a more orderly distribution of surplus stocks in the present crop year.
8. Large crops in France and Germany which will tend to restrict the European demand for wheat during the present crop year.
9. A concentration of stocks in North America with the Danubian countries and Russia practically out of the market.
10. An improved international sentiment compared with conditions existing one year ago.

September, 1933.

1. Stocks in the Argentine probably slightly higher than a year ago. Very small stocks in Australia.
2. Total North American carry-over somewhat larger than a year ago.
3. Greatly reduced production in the United States, 1933 production being estimated at 219 million bushels less than last year.
4. Canadian production estimated at about 172 million bushels below last year's, with one of the lowest yields per acre on record.
5. Increased production in the Danubian countries - about 100 million bushels more wheat than last year.
6. Indications of a better crop in Russia than a year ago.
7. The Wheat Agreement provides for a close relationship between exports and import requirements.
8. Large crops throughout Europe, which indicate a smaller European demand for imported wheat than during the past crop year.
9. Wider distribution of surplus wheat in exporting countries with a surplus in the Danubian countries and the possibility of Russian exports.
10. Evidence of increased industrial activity and employment in many countries.

The foregoing points indicate some of the main factors which are influencing the wheat position at the present time. At the moment, however, three factors stand out clearly:

1. Recognition that Europe has harvested a substantial wheat crop this year and that import requirements in 1933-34 will be relatively small.
2. Short crops in Canada and the United States have greatly reduced the volume of wheat available in North America as compared with a year ago.
3. The existence of an international agreement requiring exporting countries to relate their exports to probable import requirements, during the present crop year.

With 1933 production in northern hemisphere countries subject to preliminary estimates, attention is now turning to wheat crops growing in the Argentine and Australia. In Australia, seeding came in the middle of a prolonged drought and loss of acreage resulted. The 1933 crop did not receive a good start. In recent weeks good rains have been received but early season drought has left its mark upon the crop. Additional rainfall will be necessary during the crucial month of October.

The Argentine wheat crop was sown under reasonably favourable conditions but during the past month a long spell of dry weather was experienced. Extreme anxiety was being felt in regard to the 1933 crop when rainfall brought temporary relief during the past week. Further rainfall will be required before long however to carry the crop along.

World trade in wheat continues on a small scale. During the first seven weeks of the present crop year, world shipments amounted to 69 million bushels as compared with shipments of 57 million bushels for the corresponding weeks of last year.

The preliminary estimate of the 1933 wheat crop of Canada issued on September 11 showed a total of 282,771,000 bushels, with 264,000,000 bushels in the Prairie Provinces. The quality of the crop is not as high as in 1932 and the grades are reflecting frost and other weather damage. The movement of the western crop began early and up to the week ending September 2, cumulative marketings were above those of the same period of 1932. In the week ending September 9 the position was reversed as the persisting wet harvest weather slackened deliveries. In the first six weeks of this season (i.e. up to September 9) marketings of wheat were 37,658,300 bushels compared with 42,099,383 bushels in the same period last year. Export demand has been almost sufficient to absorb hedging sales. When the pegged prices set on August 15 were removed on September 14, there was a moderate decline. The resultant encouragement of export sales has been a factor in the partial recovery of this loss. Export shipments remain below those of last year but the lake movement has been active and the immediate future appears bright.

While the 1933 crop is about 172 million bushels less than the approximate crop of 1932, the carry-over this year was about 80 million bushels higher. Allowing for a slightly lower domestic consumption in the present season, the 1933-34 supplies for export and carry-over were about 91 million bushels less than in the previous year. Some of this advantage was lost by lower August exports and at September 1, supplies for export and carry-over were about 82 million bushels less than at the same date in 1932.

### The World Wheat Situation.

It has long been recognized that economic changes are constantly taking place that there is nothing static about the existing order of things. Perhaps the realization of the fact of change has become accentuated during the past four years when varying factors in the financial and economic situation have successively occupied the centre of the stage. Day by day, changes have taken place which have brought new factors into review, and which have focussed attention upon new developments. In 1929 the crash of financial and commodity markets--a phenomenon of complex origin--became a matter of serious moment. This was followed by consideration of the statistical positions of basic and primary commodities which were becoming aggravated by sudden and continuous efforts throughout the world to meet the effects of the first stages of growing depression. During the latter part of 1929 and during 1930 the flow of raw materials was increasingly disturbed by efforts of importing countries to preserve internal price levels and to protect trade balances. In 1931 the world was startled by the German financial crisis and a few months later by the crisis in the United Kingdom which forced that country to abandon the gold standard. This development was quickly followed by similar action on the part of other countries which were in close economic or financial relationship with Great Britain or countries which found their gold reserves in danger. In succeeding months currency fluctuations became important factors in trade and a new series of associated problems came to the fore. Early in 1933 the United States abandoned the gold standard and almost overnight a new order of international financial relationships was created. These developments illustrate the magnitude and the frequency of changes which have occurred in the international field during the past four years.

All these factors have had effects upon the wheat situation and have progressively complicated the outlook. Normally the wheat situation changes with a high degree of rapidity depending upon the fortunes of growing crops in all parts of the world and the composite factors which make up effective demand. In addition to the factors which normally dominate the wheat situation there have been added the cumulative effects of major financial and economic changes in the world at large which have complicated the day-to-day position of wheat and other basic commodities.

It is instinctive in a nation as well as in an individual to attempt to seek a solution of immediate problems. The desire to find a way out of encompassing difficulties has been world-wide in recent years and nowhere has this desire been more clearly demonstrated than in the case of wheat. Wheat, being a matter of interest to practically every highly developed country in the world through production or trade, became the subject of corrective efforts early in 1929 and increasingly so in ensuing years. Importing countries, and especially those which produce wheat on a large scale themselves, have consistently endeavoured to protect their domestic economy from the effects of falling international price levels. The instruments used--tariffs, quotas, milling restrictions or controlled purchasing--have become general throughout Europe. Likewise exporting countries sought relief from the effects of falling prices in so far as the situation was capable of control within any one exporting area.

From 1929 to the early part of 1933 importing countries and, to a lesser extent, exporting countries, endeavoured to protect themselves from the immediate effects of low wheat prices and the persistence of a world surplus of wheat. It is important to note however that up to the early months of 1933, it cannot be said that actions taken by importing countries or by exporting countries implied a solution of the wheat problem itself. In fact, action taken by importing countries to restrict imports of wheat and to promote domestic production constituted a policy that could be of no direct assistance in solving the problem of a world wheat surplus. During these

four years the hope of reducing the world surplus of wheat in exporting countries lay in increased consumption through feeding, in the possibility of decreased yields over a wide area, in the possibility of a trade revival or the opening of new markets for wheat. In spite of reduced crops on several occasions in Canada, the United States and the Danube area, and in spite of a larger market in the Orient during the past two years, year-end stocks of wheat in exporting countries were considerably larger in 1933 than in 1930.

Early in 1933 the viewpoint was advanced that if corrective action on the part of various countries interested in wheat was the hope of a solution, that action should be applied in such a manner as to make for a solution of the basic difficulties in the wheat situation. This viewpoint was crystallized during the World Economic Conference and was placed before a conference of countries interested in wheat which met in London late in August. As a result of this conference an international wheat agreement was signed by twenty-two countries committing the contracting countries to take action in respect to wheat.

Under this agreement, importing countries have agreed to take no further steps to increase domestic production of wheat and to commence to reduce restrictions against imports when the international price of wheat has reached a stated level. Importing countries further agree to promote the consumption of wheat in their respective countries.

The obligations of exporting countries are several. They agree in the first instance to limit the total volume of exports during 1933-34 in keeping with estimated import requirements. In other words, exporting countries agree not to ship more wheat than importing countries will need.

The four large exporters further agree that they will limit exports during 1934-35 to an amount equal to the average yield on the average acreage sown in the three years from 1931 to 1933, less 15 percent, less normal domestic requirements.

In essence, the wheat agreement provides the machinery and terms by which exporting and importing countries may work along constructive lines in removing the basic weaknesses in the existing wheat situation. It prescribes adjustment on the part of both importing and exporting countries with a view to restoring normal markets for wheat.

#### The Agreement and the Present Crop Year.

It is apparent that the London wheat conference weighed the European situation with utmost care. It is known that crops developed well throughout Europe during the 1933 growing season with the result that a record harvest has been or will be harvested. The obvious deduction from this situation is that import requirements will be relatively small during 1933-34. The chief increase in production as compared with last year lies in the Danubian area. These countries experienced a partial crop failure in 1932 but production recovered in 1933. The four Danubian states will harvest over 100 million bushels more wheat than last year and will have a surplus of about 50 million bushels for export during 1933-34. In addition to the increased production in the Danubian countries, France, Germany and Italy have all harvested good crops. France estimates 1933 production at 339 million bushels as compared with 330 million bushels produced last year. Germany's wheat crop is estimated at 192 million bushels as compared with 184 million bushels harvested last year. It might be mentioned that some authorities think the 1933 German crop is too highly rated. The Italian crop has not been officially estimated but private reports indicate a substantial production of good quality wheat. The United Kingdom reports a wheat crop estimated at 57 million bushels compared with 45 million bushels harvested in 1932. With satisfactory crops in other countries, European production in 1933 has reached a very high level. Since Europe is still the market for a large percentage of

the surplus wheat of the world, this situation becomes of primary importance in evaluating market prospects for the present crop year. It was this situation that faced the world wheat conference in London and caused serious thought on the part of both exporting and importing countries. Importing countries, and especially France, were concerned with the problem of maintaining price levels in the face of heavy production while exporting countries could not look forward to prospective demand with any marked degree of enthusiasm. Mr. Broomhall had estimated world import requirements at 552 million bushels, a relatively small figure compared with actual shipments in preceding years.

It was apparent that any attempt of exporting countries to enter into strenuous competition for a limited market during the present crop year would not be helpful to the price structure. For this reason, along with others, the world wheat conference agreed that exporting countries would not ship more wheat than importing countries could be expected to absorb under existing conditions. It was agreed that exporting countries would respect a total estimated world demand for wheat of 560 million bushels and that exporting countries would allocate the prospective market among themselves for the present crop year.

The allocation of quotas and the mere existence of a limit on total exports may be expected to lend strength to price levels during the present crop year. During the last four years, wheat prices in the United Kingdom and other importing markets have been weakened on many occasions by the shipment of more wheat than these markets could currently consume. It is assumed that the fixing of the total amount of wheat which may be shipped by exporting countries will largely remove this factor from the international market during the coming months. This point is stressed by Mr. Broomhall in an article published in the Northwestern Miller of September 13, 1933. Mr. Broomhall states:

"I estimate that importing countries this season will need to buy approximately 69,000,000 quarters wheat and flour. In article 1 of the London agreement, exporters agree to limit their shipments to 70,000,000 quarters wheat. There is, therefore, little margin between prospective supply and demand for the current season. This, in itself, is constructive, since importers will be relieved of the ever present fear of heavy dumping of wheat at low prices by one or another of the big exporters."

#### The Wheat Situation in North America -- The United States.

While Europe has apparently harvested a large wheat crop in 1933, unfavourable climatic conditions have greatly reduced production in Canada and the United States. The factors causing decreased production over the great wheat belts of North America were many and varied. Drought, excessive heat, insects, plant disease, frost and hail each played a part in reducing the production of cereals to a point greatly below average expectations. The net result is that North American production in 1933 constitutes a major factor in the world wheat situation as well as in the domestic situation in both countries.

On September 10, 1933, the United States Department of Agriculture issued its monthly report dealing with agricultural production in that country. The estimates of cereal production contained in the September report did not materially alter the figures published in the preceding month. It is true that estimates of production of leading cereals were revised upward but the slight increases in estimated yield did not alter the general picture that had been described in reports issued earlier in the growing season. The difficulties experienced by the 1933 wheat crop in the United States commenced with the conditions under which the winter wheat crop was sown in the fall of 1932. Drought and unseasonable weather caused the 1933 crop to get away to a poor start and about 30 per cent of the winter wheat acreage was abandoned. Unfavourable conditions

harassed the remaining crop with the result that winter wheat production in the United States was abnormally low. The spring wheat crop met with adversity in the form of drought, excessive heat and insect plague and the yield was greatly reduced in the northwestern wheat areas of the country.

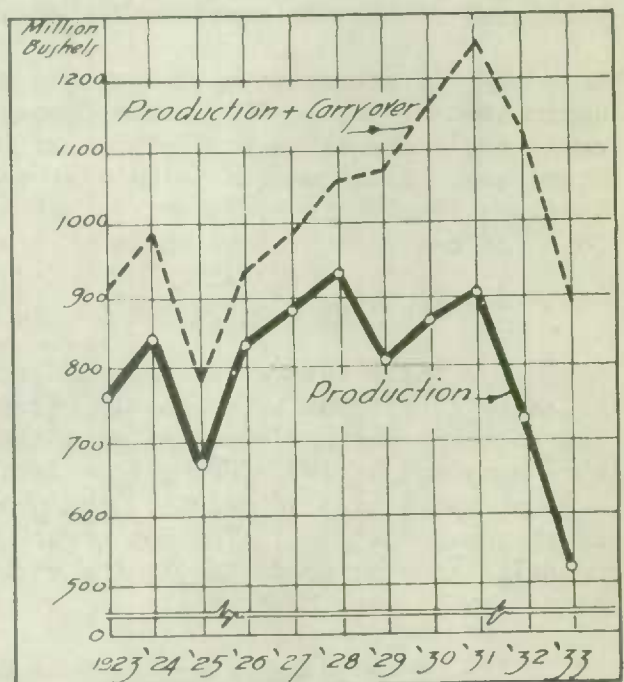
The following table shows average production of cereals in the United States from 1926 to 1930, production in 1932 and preliminary estimates of 1933 production:

	<u>Average 1926-1930</u>	<u>1932</u>	<u>1933</u>
	(million bushels)		
Wheat	861	726	507
Corn	2,512	2,876	2,285
Oats	1,190	1,238	688
Barley	264	300	159
Rye	42	40	23
<b>Total</b>	<b>4,869</b>	<b>5,180</b>	<b>3,662</b>

The foregoing table shows that 1933 wheat production in the United States is estimated at 507 million bushels compared with 726 million bushels harvested in 1932 and average production of 861 million bushels from 1926 to 1930. This means that 1933 wheat production in the United States is estimated to be 354 million bushels less than the five-year average production from 1926 to 1930 and 219 million bushels less than the outturn in 1932.

The table also reveals the fact that production of other cereals is considerably smaller than in 1932 and smaller than the average production from 1926 to 1930. It will be noted that the production of oats in 1933 is decidedly less than last year and average production from 1926 to 1930. Taking all grains into consideration, it will be noted that 1933 production is estimated at 3,662,000,000 bushels compared with 5,180,000,000 bushels produced in 1932 and an average of 4,869,000,000 bushels produced during the five years from 1926 to 1930. These figures show the extent to which unfavourable climatic conditions have affected cereal production in the United States during the present year and show the extent of the deficiency in production this year as compared with preceding years. The table shows that the production of all cereals in the United States in 1933 is estimated to be 1,528,000,000 bushels less than last year. The large part of this deficit occurs in feed grains and indicates a prospective tightness in this market.

The sharp contraction in wheat production in the United States during the past two years is shown in the accompanying chart. The chart further shows that decreased production in 1932 and 1933 more than offset increased carry-overs with the result that total supplies (new crop plus carry-overs) have declined sharply at the commencement of the past two crop years. The chart brings out the fact that total supplies of wheat in the United States on July 1, 1933 were over 350 million bushels less than on the same date in 1930. In fact it is





apparent that the United States commenced the present crop year with less wheat than at the commencement of any cereal year since 1926. With short crops of all cereals and reduced hay crops, the problem of finding substitute feeds is rendered difficult. There is a possibility that the quantity of wheat finding its way into the United States feeding industry may be somewhat larger than now anticipated.

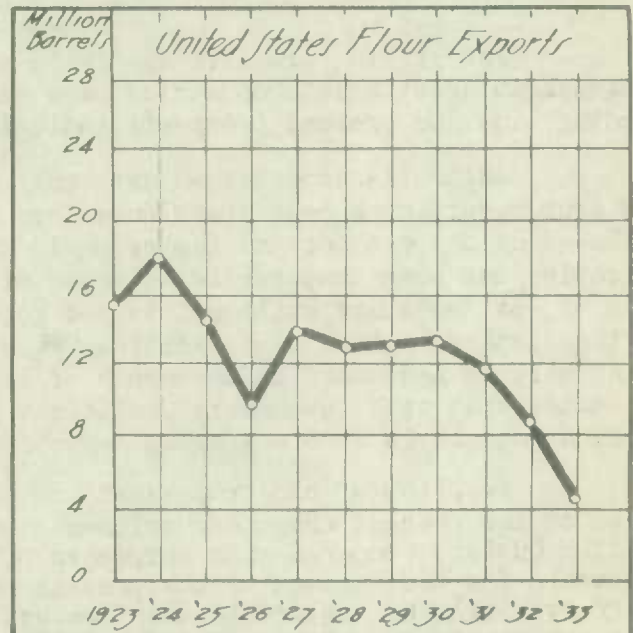


The charts on this page show the course of exports of wheat and flour from the United States in recent years. The charts show exports by crop years ending June 30. It will be noted that during the years prior to 1927, exports of wheat were very erratic. Large exports are noted in the crop years ending June 30, 1923, 1925 and 1927 while small exports were made during the intervening years.

From 1927 to 1933 a marked change is noticed in the course of United States wheat exports. During the past seven crop years the trend of United States wheat exports has been downward with only one minor increase shown during the period, namely in 1926-27. The decline of the United States as an exporter of wheat has had an important effect upon the wheat situation generally.

In the first place, the withholding of United States wheat from the world market has undoubtedly assisted other exporting countries in moving their surpluses during the last few years. A second result has been the building up of large stocks of surplus wheat in the United States which, since 1929, have acted as a depressing effect upon the world market. During the past cereal year United States exports of wheat amounted to only 21 million bushels while the carry-over on July 1, 1933 amounted to 386 million bushels. The short wheat crop in the United States this year will require that a portion of the accumulated carry-over be used for domestic purposes.

The same general trend in flour exports is noted as in the case of wheat. Flour exports have remained steadier than wheat exports and the downward trend is more noticeable in the last three years. Exports of flour during the past cereal year were the lowest for many years and amounted to only 4,324,000 barrels. The relative strength of United States wheat prices during the past three years has rendered it difficult for United States flour to compete in overseas markets. During the cereal year just ended, Canadian flour exports exceed those of the United States by a substantial margin. During the crop year ending July 31, 1933 Canadian exports of flour amounted to 5,370,613 barrels and during the preceding cereal year exports amounted to 5,383,594 barrels. Exports of flour from both Canada and the United States have reflected the decreased demand for this product from abroad.



CANADA

On September 11, 1933 the Dominion Bureau of Statistics issued its preliminary estimates of Canadian cereal production in 1933. The following table shows average production from 1926 to 1930, production in 1932 (subject to final revision) and preliminary estimates for 1933:

	<u>Average 1926-1930</u>	<u>1932</u>	<u>1933</u>
	(million bushels)		
Wheat	435	455	283
Oats	396	392	317
Barley	114	81	64
Rye	15	9	6
Total	<u>960</u>	<u>937</u>	<u>670</u>

Cereal production in 1933 amounts to 267 million bushels less than last year and to 290 million bushels less than the average from 1926 to 1930.

NORTH AMERICAN SUMMARY, 1933

	<u>Wheat</u>	<u>Oats</u>	<u>Barley</u>	<u>Rye</u>	<u>Corn</u>	<u>Total</u>
	(million bushels)					
Canada	283	317	64	6	-	670
United States	<u>507</u>	<u>688</u>	<u>159</u>	<u>23</u>	<u>2,285</u>	<u>3,662</u>
Total	790	1,005	223	29	2,285	4,332
Total 1932	<u>1,181</u>	<u>1,630</u>	<u>381</u>	<u>49</u>	<u>2,876</u>	<u>6,117</u>

The total production of all grains in Canada and the United States is estimated to be 1,785,000,000 bushels below the total produced last year. Wheat production is 391 million bushels lower, oats production 625 million bushels lower, rye production 20 million bushels lower, and corn production 591 million bushels lower.

THE SOUTHERN HEMISPHERE

The growing crops in Australia and the Argentine are now the subject of international interest. Both countries have experienced adverse climatic conditions since seeding time and present prospects indicate lower production in 1933 than last year.

Australia experienced extremely dry weather at seeding time and in addition to the crop receiving a poor start some loss of acreage is reported as a result. Seeding was followed by dry weather and the crop did not receive its usual fall start. The drought situation has been temporarily relieved with good rains over the wheat belt. However, a lack of soil moisture still exists and good rains will have to be received to prevent further deterioration. The Canadian Trade Commissioner for Australia reports that ample rains will be necessary in the month of October to carry the crop along. This authority estimates that with favourable conditions from now on, Australia will harvest about 160 million bushels in 1933 - a sharp reduction from the volume of preceding crops.

Supplies of old crop wheat are limited in Australia. During the first seven weeks of the present crop year shipments of wheat from Australia have amounted to 12 million bushels compared with shipments of 8 million bushels for the same period last year. Shipments for the balance of the present calendar year will be light and the Australian carry-over will be negligible when the new crop is harvested in December.

The Argentine crop was sown under favourable conditions but during the last month a decidedly serious drought situation developed which will no doubt affect the outturn of the crop. The early development of the 1933 crop in the Argentine is described in a report prepared by the correspondent of the Dominion Bureau of Statistics in Buenos Aires under date of September 1, 1933.

This authority states:

"Growing anxiety is being felt with regard to the prospects for the new crop of wheat. As reported a month ago, the crop got off to a good start, but now the prolonged absence of rain is beginning to change the picture. In the province of Santa Fé and in most of the province of Cordoba there has been no precipitation for over three months.

"A report made public by the Statistical Department of the Ministry of Agriculture on the 20th of the month, gave a description of the crop condition which is briefly summed up as follows in respect to wheat: - In the province of Buenos Aires, conditions in the east are good, but in the south and south-west, especially around Bahia Blanca, absence of rain for two months has made matters critical; this is made worse where the soil is loose and sandy by drifting. In the west the condition is fair, with a tendency for the wheat to be yellow and rickety as the Pampa boundary is approached. In the north of the province the wheat is still in good condition.

"In the province of Santa Fé, the wheat condition was still not too bad, there being some humidity remaining in the soil, but some damage from locusts was indicated. In Cordoba serious and growing damage was reported. In Entre Rios and the Pampa the condition of the wheat was described as relatively good, but rain urgently required.

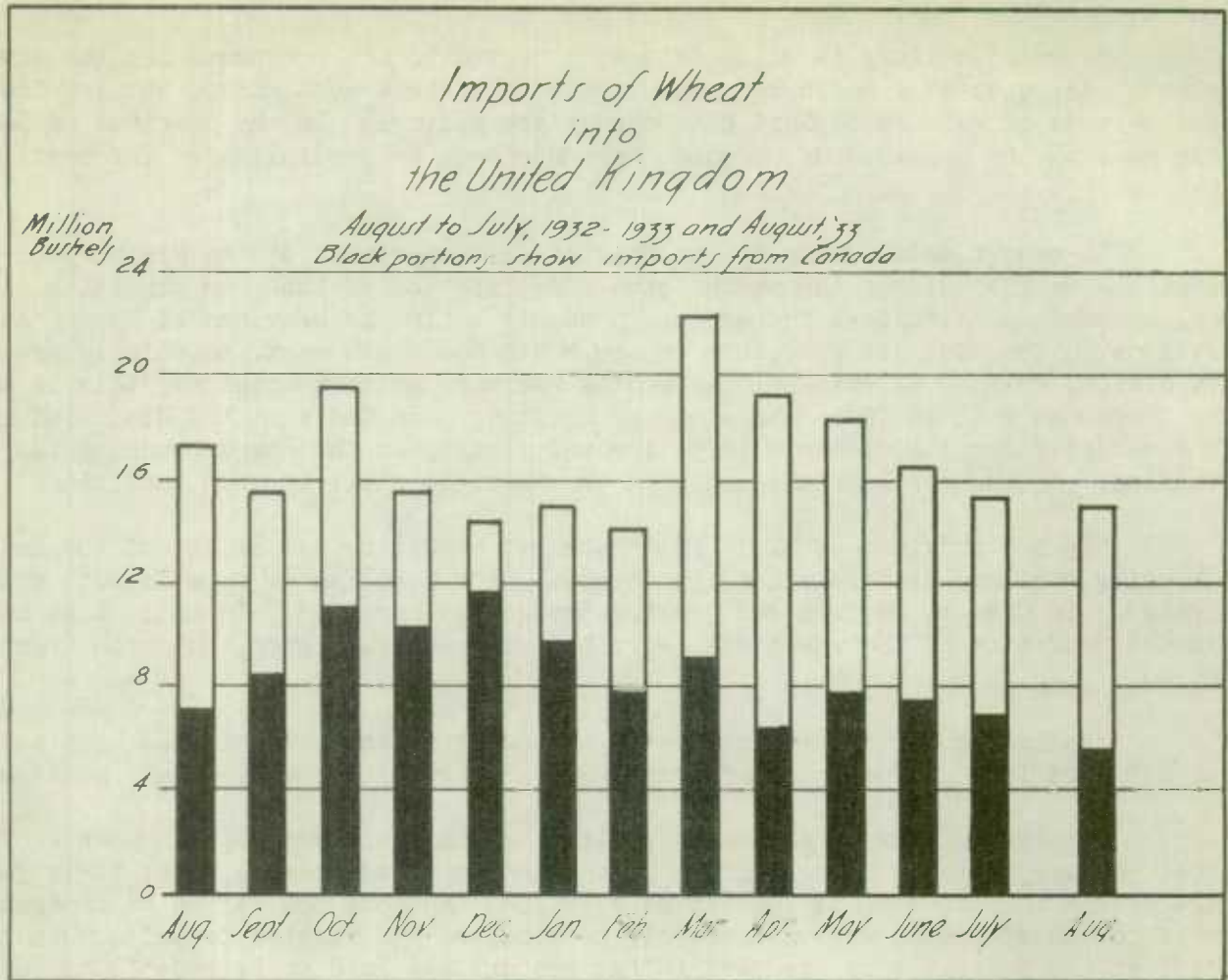
"Estimates of the present damage vary considerably, running as high as 20 per cent, but from 10 to 15 per cent of the seeded acreage is probably a fair average.

"It is, of course, a fact that winter wheat, well rooted, is capable of making a great recovery after a drought, given a good and repeated soaking. But it is felt that to the extent indicated above the damage sustained has gone too far to be reparable and many of the wheat fields will undoubtedly be ploughed and planted to maize when the rain comes. At the present time the land is far too dry and hard to be capable of cultivation.

"Some locust damage to the crop is almost a certainty. The insects are present in unusual numbers, there being even more reported than last year, which was the worst for very many seasons. They are not yet in the stage when damage results, this being reached usually about the month of November, when the next crop of insects is in the hopper stage of development.

On September 18, the representative of the Bureau cabled that during the past week good rains had been received over the wheat belt, precipitation averaging about  $2\frac{1}{2}$  inches. This timely rainfall will temporarily relieve the drought and conditions described in the earlier report from the Argentine. However, after a drought of such a prolonged nature and with the land in an extremely dry condition, good rains will be essential during October to prevent further damage to the crop.

Argentine shipments since August 1, 1933, have amounted to 21 million bushels as compared with 5 million bushels during the same period in 1932. The condition of the new crop will likely tend to make holders of Argentine wheat less reluctant to sell unless price inducements are offered.



The United Kingdom

Imports of wheat into the United Kingdom during the month of August were slightly lower than during the preceding month and the corresponding month last year. Imports during August amounted to 15,328,314 bushels compared with 15,773,286 bushels during July and 17,199,661 bushels during August, 1932. The following table shows imports of wheat into the United Kingdom for the twelve-month period from August, 1932 to July, 1933 and for the months of June, July and August, 1933:

<u>From -</u>	<u>August-July</u>	<u>June</u>	<u>July</u>	<u>August</u>
		(bushels)		
Canada	102,882,268	7,224,818	6,834,794	5,832,512
United States	2,191,927	37	-	-
Argentine	33,178,430	5,039,637	3,819,276	5,786,525
Australia	50,433,050	4,093,548	4,667,154	2,449,777
Russia	3,960,702	-	-	-
Others	11,729,430	135,533	452,062	1,259,500
<b>Total</b>	<b>204,375,817</b>	<b>16,493,593</b>	<b>15,773,286</b>	<b>15,328,314</b>
<b>Last Year</b>	<b>229,420,424</b>	<b>18,054,675</b>	<b>18,647,255</b>	<b>17,199,661</b>

As shown by the foregoing table, imports of wheat into the United Kingdom during the twelve months from August, 1932, to July, 1933, amounted to 204 million bushels compared with 227 million bushels for the same months in 1931-32. Out of total imports of 204 million bushels, Canada supplied 103 million bushels or 50.5 per cent; Australia supplied 50 million bushels or 24.5 per cent; the Argentine supplied 33 million bushels or 16.2 per cent.

The following table shows imports of wheat into the United Kingdom during August, 1933, (the first month of the new crop year), along with comparative figures for August, 1932: --

<u>From</u>	<u>August, 1933</u>	<u>August, 1932</u>
	(B u s h e l s)	
Canada .....	5,832,512	7,147,027
United States .....	-	466,167
Argentine .....	5,786,525	2,069,282
Australia .....	2,449,777	6,444,507
Russia .....	-	-
Other .....	1,259,500	1,072,679
Total .....	15,328,314	17,199,661

It will be noted from the above table that total imports of wheat into the United Kingdom during August, 1933, were about two million bushels lower than during August, 1932. Imports from Canada were large, but about 1,300,000 bushels less than during August, 1932. It is interesting to note the changes in imports from Australia and the Argentine in August of each year. In August, 1933, the United Kingdom imported 5,786,525 bushels from the Argentine as compared with 2,069,282 bushels in August, 1932. As compared with the same month last year, imports from Australia fell from 6,444,507 bushels to 2,449,777 bushels. Neither Russia nor the United States figured in the British market during August, 1933.

#### Wheat Act Administration.

The Journal of the Ministry of Agriculture (United Kingdom) under date of September, 1933, refers to the British Wheat Act as follows: --

"Wheat Act, 1932: New Quota Payments Order. -- The Minister on the recommendation of the Wheat Commission, has made Orders under the Wheat Act, 1932, varying the amount of the quota payment that every miller and every importer of flour is liable to make to the Wheat Commission in respect of each hundredweight of his output of flour, and giving the estimates upon which the new rate is based.

"The first of these Orders -- the Wheat (Anticipated Supply) No. 1 Order, 1933 -- prescribes, at 27,000,000 cwt. (6,000,000 qrs. of 504 lb.), the quantity of home-grown millable wheat of their own growing which the Minister anticipates will be sold by registered growers during the cereal year 1933-34. In the second Order -- the Wheat (Quota Payments) No. 1 Order, 1933 -- it is stated that the Minister estimates that the average price obtainable by registered growers throughout the United Kingdom for home-grown millable wheat sold and to be sold by them in the cereal year 1933-34, will be 5s. 8d. per cwt. (equivalent to 25s. 6d. per qr.) at farm and that the price-deficit per cwt. of such wheat will be 4s. 4d. This Order also prescribes 83,600,000 cwt. as the Minister's estimate of the supply of flour for the period August 1, 1933, to July 31, 1934, and provides that the quota payment which every miller and every importer of flour shall be liable to make to the Wheat Commission in respect of each

of each hundredweight of his output of flour on and from August 2, 1933, shall be 16.8 pence (equivalent to 3s. 6d. per sack of 280 lb.).

"There are two main reasons for the increase in the amount of the quota payment: -

"(1) The area under wheat in the United Kingdom in 1933 has increased from 1,343,160 acres to 1,743,950 acres--an increase of 30 per cent; there is also an expected increase in the yield per acre; hence the quantity of home-grown millable wheat likely to qualify for deficiency payments is very substantially higher than it was in the first year of the operation of the Act. The "anticipated supply" of wheat has, in fact, reached in one bound the figure laid down in Section 2 of the Act as the maximum quantity upon which "deficiency payments" may be made at the full rate.

"(2) The income of the Wheat Fund from which the "deficiency payments" are made will this year be derived from quota payments in respect of only twelve months' deliveries of flour, as against deliveries for 58 weeks in the first accounting period.

"Ascertained Average Price of Home-grown Millable Wheat. -- After consultation with the Wheat Commission, the Minister has made the Wheat (Ascertained Average Price) Order, 1933, certifying and prescribing that, during the cereal year 1932-33, registered wheat growers sold 20,400,000 cwt. of millable wheat of their own growing at an average price of 5s. 4.4<sup>6d.</sup> per cwt."

International Trade.

The following table shows world shipments of wheat and wheat flour for the first seven weeks of the present crop year. (Broomhall's figures).

Week Ending	North America	Argentina	Australia	Russia	Other	Total
(Thousand Bushels)						
August 7	4,204	1,916	2,782	--	80	8,982
14	3,276	4,860	624	--	128	8,888
21	3,486	3,047	2,481	248	360	9,622
28	4,475	3,920	2,439	168	520	11,522
September 4	4,933	2,727	580	296	800	9,336
11	4,175	2,824	2,070	944	1,048	11,061
18	3,771	1,763	1,431	1,552	815	9,333
Total .....	28,320	21,057	12,407	3,208	3,752	68,744
<u>Comparative 1932-33</u>						
Total to date .....	35,200	5,064	8,080	3,432	5,256	57,032

From August 1, 1933, to September 18, 1933, world shipments of wheat and wheat flour amounted to 69 million bushels compared with 57 million bushels for the corresponding period last year. While an improvement in the volume of world trade in wheat is noted this year as compared with last year, the total is far behind the figure for the corresponding weeks in 1931 and 1930 when shipments amounted to 129 and 123 million bushels respectively.

North American shipments have been running lower than during the same period last year. For the first seven weeks of the present crop year, shipments from this

source have amounted to 28 million bushels compared with 35 million bushels during the same weeks last year. North American shipments have consisted largely of Canadian wheat.

A feature of the present crop year has been the movement from the Argentine and Australia. During the first seven weeks of the present crop year, the Argentine has shipped 21 million bushels as compared with 5 million bushels during the same weeks last year. Australia has cleared 12 million bushels compared with 8 million bushels during the same period in 1932.

Shipments from other sources remain at about last year's levels. Russian clearances to date have amounted to 3,208,000 bushels compared with 3,432,000 bushels for the same period last year.

#### The Position of Import Requirement Estimate.

The London Wheat Conference accepted the estimate of 560 million bushels for world import requirements for 1933-34. This figure is only slightly higher than Mr. Broomhall's estimate of 552 million bushels. The position of this estimate on September 18 was as follows: -

<u>Import Requirements</u>	<u>Actual Shipments</u>	<u>Balance to be Shipped</u>
Aug. 1, 1933 to July 31, 1934 (52 Weeks)	Aug. 1, 1933 to Sept. 18, 1933 (7 Weeks)	Sept. 18, 1933 to July 31, 1934 (45 Weeks)
560 million bushels	69 million bushels	491 million bushels
or	or	or
10.9 million bushels weekly	9.9 million bushels weekly	10.9 million bushels weekly

It will be seen from the above table that world shipments have averaged 99 million bushels for the first seven weeks of the present crop year. Average weekly shipments of 10.9 million bushels are required to fulfil the estimate of import requirements. A balance of 491 million bushels of wheat and grain remain to be shipped during the balance of the present crop year.

#### The Course of Wheat Prices.

The following summary of wheat price movements from August 1 to September 19 has been prepared by the Internal Trade Branch. After rising 9 cents on August 1 to close at 89 cents per bushel, the October futures at Winnipeg dropped back in the next two weeks to 70 1/8 cents. The market was pegged at this level from August 15 to September 14, and in the intervening period prices were at all times within 2 cents of the minimum, while during the final week they remained stationary "on the peg". Following an initial decline of roughly 3 cents after prices were allowed to resume an unrestricted course, the market stiffened until this loss had been recovered. Interest in Canadian wheat at early August price levels was very limited, but exports revived considerably with No. 1 Manitoba Northern cash wheat back in the neighbourhood of 70 cents per bushel. Recent strength in sterling exchange, advancing prices at Chicago, with continued buying from overseas have given a strong tone to the Winnipeg market in the past week.

Cash closing prices for No. 1 Manitoba Northern wheat, basis Port Arthur and Fort William, averaged 73.4 cents per bushel in August as compared with 83.4 cents in July.

Monthly Average Winnipeg Cash Price -- No.1 Northern Wheat -- Crop Years 1926-27 to 1932-33.  
(Dollars per Bushel)

	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34
August .....	1.51.0	1.59.9	1.18.8	1.58.0	.92.5	.55.1	.56.3	.73.4
September .....	1.43.8	1.45.1	1.17.0	1.49.5	.78.1	.53.6	.51.9	
October .....	1.43.5	1.44.1	1.23.7	1.41.4	.72.5	.59.9	.48.2	
November .....	1.41.0	1.45.1	1.20.9	1.33.0	.64.4	.67.3	.46.7	
December .....	1.33.4	1.40.6	1.17.1	1.37.8	.55.4	.60.6	.42.4	
January .....	1.35.7	1.42.8	1.20.9	1.30.5	.53.9	.60.0	.44.2	
February .....	1.39.7	1.42.6	1.27.9	1.17.4	.59.3	.63.2	.45.8	
March .....	1.42.7	1.48.1	1.27.0	1.06.2	.56.7	.63.1	.49.1	
April .....	1.45.1	1.56.3	1.22.8	1.09.8	.59.7	.62.6	.53.6	
May .....	1.53.8	1.57.2	1.12.3	1.07.9	.60.6	.62.9	.63.3	
June .....	1.61.1	1.42.6	1.18.3	1.03.2	.60.8	.55.1	.66.8	
July .....	1.62.1	1.30.9	1.59.9	.95.1	.57.3	.54.7	.83.4	

Wheat Prices and the General Price Level<sup>1/</sup>

The following table shows the general Index Number of Wholesale Prices in Canada and Great Britain and of No. 1 Northern Wheat (Winnipeg Cash Price, basis in store Port Arthur and Fort William).

	General Index Canada	Board of Trade <sup>2/</sup> (United Kingdom)	Wheat No. 1 Manitoba Northern Fort William and Port Arthur basis
	1926=100	1926=100	1926=100
1929 .....	95.6	92.2	89.8
1930 .....	86.6	80.7	63.0
1931 .....	72.1	70.3	39.3
<u>1932</u>			
January .....	69.4	71.4	40.1
February .....	69.2	71.1	42.3
March .....	69.1	70.6	42.2
April .....	68.4	69.1	41.9
May .....	67.7	68.0	42.1
June .....	66.6	66.2	36.9
July .....	66.6	66.0	36.6
August .....	66.8	67.2	37.7
September .....	66.9	68.9	34.7
October .....	65.0	68.3	32.2
November .....	64.8	68.3	31.2
December .....	64.0	68.3	28.3
<u>1933</u>			
January .....	63.9	67.7	29.6
February .....	63.6	66.8	30.6
March .....	64.4	65.9	32.8
April .....	65.4	65.6	35.9
May .....	66.9	67.0	42.3
June .....	67.6	68.7	44.7
July .....	70.5	69.1	55.8
August .....	69.4		49.1

1/ Prepared by the Internal Trade Branch.

2/ Transposed from the base 1913=100.

From July to August the general index of wholesale prices declined from 70.5 to 69.4. The index of No. 1 Northern wheat declined from 55.8 to 49.1.



Sterling Fluctuations.

Movements in exchange during the past six weeks have been erratic. Sterling at Montreal for example dropped from \$4.82 on August 1 to \$4.68½ on August 15, and then rose rather uncertainly to \$4.88 on September 16. The Australian pound as usual followed sterling, while the Argentine peso's course also has been irregularly upward.

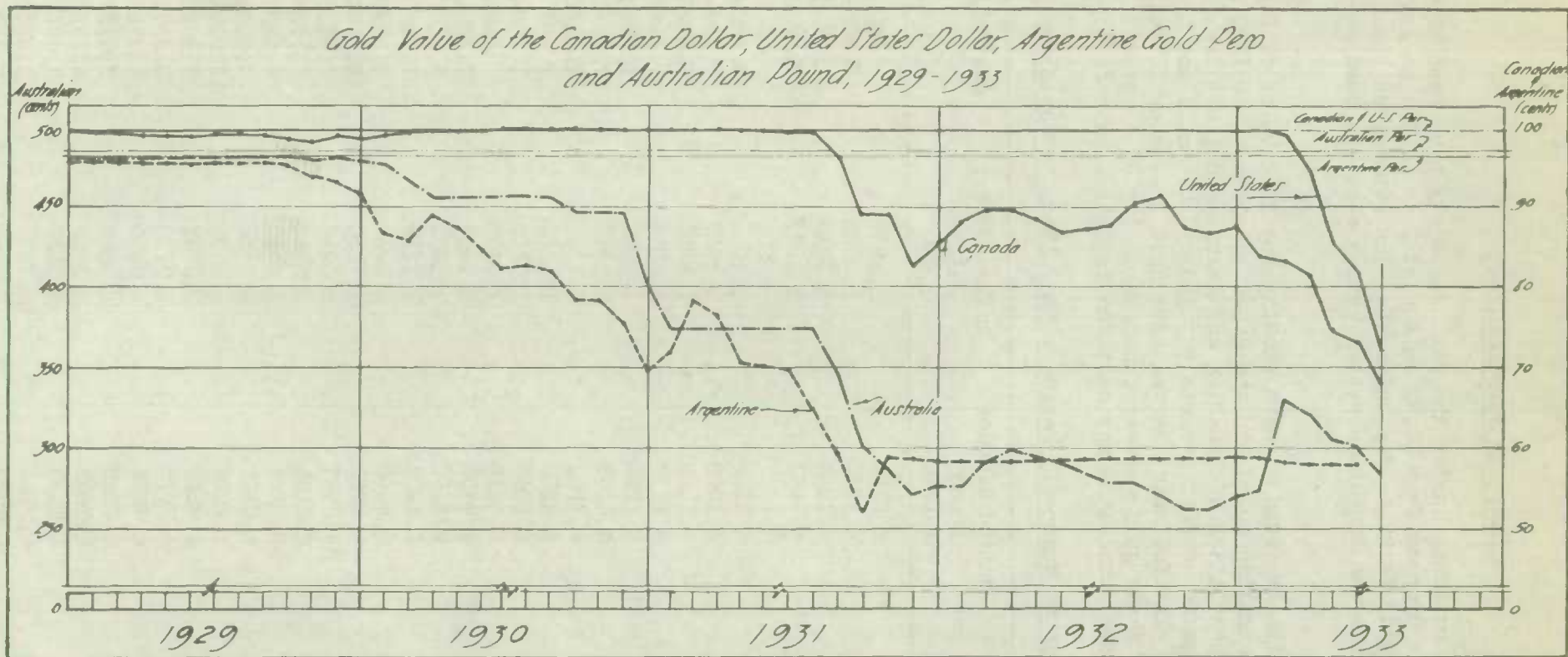
On page 16 will be found a chart showing the gold value of Canadian and United States dollars, the Australian pound and the Argentine peso, from 1929 to date. It will be seen that recent depreciation of Canadian and American dollars has reduced very materially the advantage in export markets enjoyed by Australia and the Argentine since the beginning of 1930. The following percentages show September 16 values for these currencies related to their gold values; Canadian dollar 64.6 per cent, American dollar 66.9 per cent, Australian pound 48.6 per cent and Argentine peso 54.4 per cent.

Exchange Quotations at Montreal, February 6th, 1933, to September 16th, 1933.

		United Kingdom Pound 4.8666	United States Dollar 1.000	Australia Pound 4.8666	Argentine Paper Peso .4244
February	6, 1933	4.0790	1.1875	3.2632	.3072
	13	4.1358	1.2025	3.3086	.3111
	20	4.1403	1.2025	3.3121	.3111
	27	4.1041	1.1987	3.2832	.3116
March	7 /	-	-	-	-
	14	4.1343	1.1975	3.3074	.2098
	20	4.1006	1.1925	3.2804	.3085
	27	4.1109	1.2025	3.2887	.3108
April	3	4.1178	1.2018	3.2942	.3100
	10	4.1230	1.2062	3.2983	.3112
	18	4.1379	1.1925	3.3103	.3085
	24	4.3981	1.1350	3.5185	.3285
May	1	4.4250	1.1350	3.540	.3189
	8	4.5043	1.1425	3.6034	.3210
	15	4.5215	1.1425	3.5988	.3483
	22	4.4700	1.1487	3.5760	.3227
	29	4.5100	1.1275	3.6080	.3374
June	5	4.4934	1.1212	3.5947	.3363
	12	4.6050	1.1050	3.6840	.3431
	19	4.6258	1.1150	3.7006	.3456
	26	4.6767	1.1056	3.7413	.3482
July	3	4.8189	1.0762	3.8551	.3524
	10	5.0133	1.0450	4.0107	.3762
	17	5.0202	1.0456	4.0161	.3816
	24	4.9024	1.0506	3.9219	.3834
	31	4.8282	1.0762	3.8625	.3766
August	7	4.7975	1.0700	3.8380	.3718
	14	4.7209	1.0600	3.7766	.3683
	21	4.7696	1.0587	3.8157	.3679
	28	4.7463	1.0512	3.7933	.3889
September	5	4.8190	1.0478	3.8552	.3880
	11	4,7761	1,0500	3.8208	.3885
	16	4.8800	1.0363	3.8900	.3808

/ No quotations available

Gold Value of the Canadian Dollar, United States Dollar, Argentine Gold Peso and Australian Pound, 1929-1933



### The Canadian Situation.

Production. - The preliminary estimate of September 11 placed the total Canadian wheat crop at 282,771,000 bushels, consisting of 268,628,000 bushels of spring wheat and 14,143,000 bushels of fall wheat. 264,000,000 bushels of the spring wheat production are in the three Prairie Provinces. The Canadian and Prairie crops are the lowest since 1924, but the season and the harvest bear a close resemblance to 1931.

The report of September 11 included the following paragraphs with reference to the wheat yields of the Prairie Provinces, after drawing attention to the chart of wheat yields per acre by crop districts, which is reprinted in this Review:

"The distribution of the Manitoba crop is very similar to that of the short crop of 1931, but the provincial average is higher. In Saskatchewan, the average yield is only slightly below that of 1931 and the drought area is further west and north. Crop District 5 in the east-centre of Saskatchewan has practically double the yield per acre of 1931 while Crop District 7 in the west-centre has less than half the yield of 1931. In Alberta, the average yield is 4.6 bushels lower than in 1931, principally because the drought area extends further west in the southern part of the province and further north in the eastern part.

"The early expectations of prairie farmers were almost continuously lowered as the season progressed. The spring moisture supply was fairly ample for germination and first growth. In some northern districts, the wet fields caused delay in land preparation and seeding, while in other districts previously visited by drought, there were misgivings as to the sufficiency of sub-soil moisture and a realization that summer rains must be heavy and well-distributed. These latter conditions did not materialize, except in some northern districts. A disastrous period of hot, dry weather began in the second week of June, centering at first in south-western Saskatchewan but rapidly spreading so that it eventually covered most of the specialized wheat-growing areas. Great damage was also caused by grasshoppers, with minor outbreaks of cutworms, wireworms and sawflies as the season advanced. Hail and plant disease were less evident than usual, but frosts caused loss of grade and yield in Saskatchewan and Alberta. Most of the early frost damage was centered in the foothill district south of Calgary and the September frost, accompanied by snow, caused general and serious damage to both the yield and grade of uncut crops in the Peace River district. Frosts were recorded quite commonly across the northern areas of Saskatchewan and Alberta while crops were standing and the extent of loss will become known as threshing proceeds. In the past fortnight, rainy weather has retarded harvest operations, but previous progress had been rapid, except in some northern districts, and little concern is felt as yet. The ripening of the late and heavy northern crops during August, even allowing for some loss in yield and grade, has been a principal factor in the improvement of western wheat prospects.

"Marketings to date have been slightly above those of the same period last year. The grades are high, although the limited amounts becoming visible do not give a representative sample of the whole crop. The recent cold and rainy weather may cause loss of grade in the grain still to be cut or threshed.

"Estimation of the wheat crop is more hazardous than usual because of the combination of drought, insect and frost damage and the limited number of threshing returns in the districts where crops are late and heavy. Judgments of the different classes of correspondents on yields at individual points vary rather widely."

August 31 Yield Estimates Compared with July 31 Condition.

In the period of about three months when the Prairie wheat crop is developing, the progress of the crop is rather difficult to follow in any precise fashion. Qualitative reports are available and these can be made very timely by telegraphic advices. But observers and traders wish to have judgments on the crop expressed quantitatively as soon as possible. Thus the interest drawn by the early production estimates of private authorities has a logical basis. Even though these estimates are made long before threshing, and with distinct possibilities of error, they indicate the promise of the crop. Throughout the summer--at the dates May 31, June 30 and July 31--the Dominion Bureau of Statistics follows the practice of issuing numerical condition reports. The correspondents making these estimates base them on the long-time average yield per acre. Although the condition figures have this precise basis, they are not commonly understood, and in some quarters, regarded as of questionable value. With these points in mind and as a matter of interest, the provincial and district condition figures for spring wheat at July 31 have been converted into bushels from the long-time average and compared with the preliminary yield estimates, which are based on conditions at the end of August.

	<u>Average Yield Indicated by July 31 Condition</u>	<u>Preliminary Estimate</u>
	Bushels	Bushels
Manitoba .....	11.6	12.9
Saskatchewan .....	8.5	8.7
Alberta .....	10.9	13.1

In each province, the July 31 condition shows a lower yield prospect than the first estimate, but the difference in the case of Saskatchewan is negligible. Between the dates of the two reports, that is in the month of August, yield prospects undoubtedly improved and mainly through the ripening of the late-sown crops. This positive factor more than offset the further negative effects of drought in the drought-stricken areas. These facts are well illustrated by reference to the following table which lists the two series by Crop Districts. The Saskatchewan and Alberta districts reveal very clearly the effects of drought in certain districts and of improved prospects due to ripening of late-sown crops during August in other districts. In this connection, attention is directed to Crop Districts 1, 2, 3, 4, 6 and 7 of Saskatchewan and to Crop Districts 1 and 5 of Alberta, where the continued drought operated to reduce crop promise. On the contrary, there were many central and northern districts of the three provinces where, with harvests assured as safe due to warm weather, the estimates were raised during the month. This is particularly true in northern Alberta.

<u>Crop District</u>	<u>Manitoba</u>		<u>Saskatchewan</u>		<u>Alberta</u>	
	Yield Indicated by July 31 Condition	Preliminary Estimate	Yield Indicated by July 31 Condition	Preliminary Estimate	Yield Indicated by July 31 Condition	Preliminary Estimate
	(Bushels per Acre)					
1	5.4	4.6	9.0	8.9	12.4	11.2
2	10.9	12.0	12.7	12.6	7.0	9.5
3	11.8	13.0	5.2	4.4	8.1	8.4
4	12.1	12.0	7.2	4.7	9.3	9.5
5	13.3	17.5	16.1	20.9	4.1	3.4
6	14.8	16.0	7.0	5.4	10.7	13.2
7	12.3	13.3	4.7	4.6	10.0	10.8
8	12.8	13.2	12.7	16.4	12.4	16.1

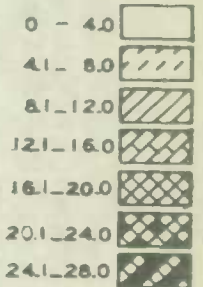
# AVERAGE YIELDS PER ACRE OF WHEAT IN THE PRAIRIE PROVINCES, 1933

ACCORDING TO THE PRELIMINARY ESTIMATE OF SEPT. 11 '33

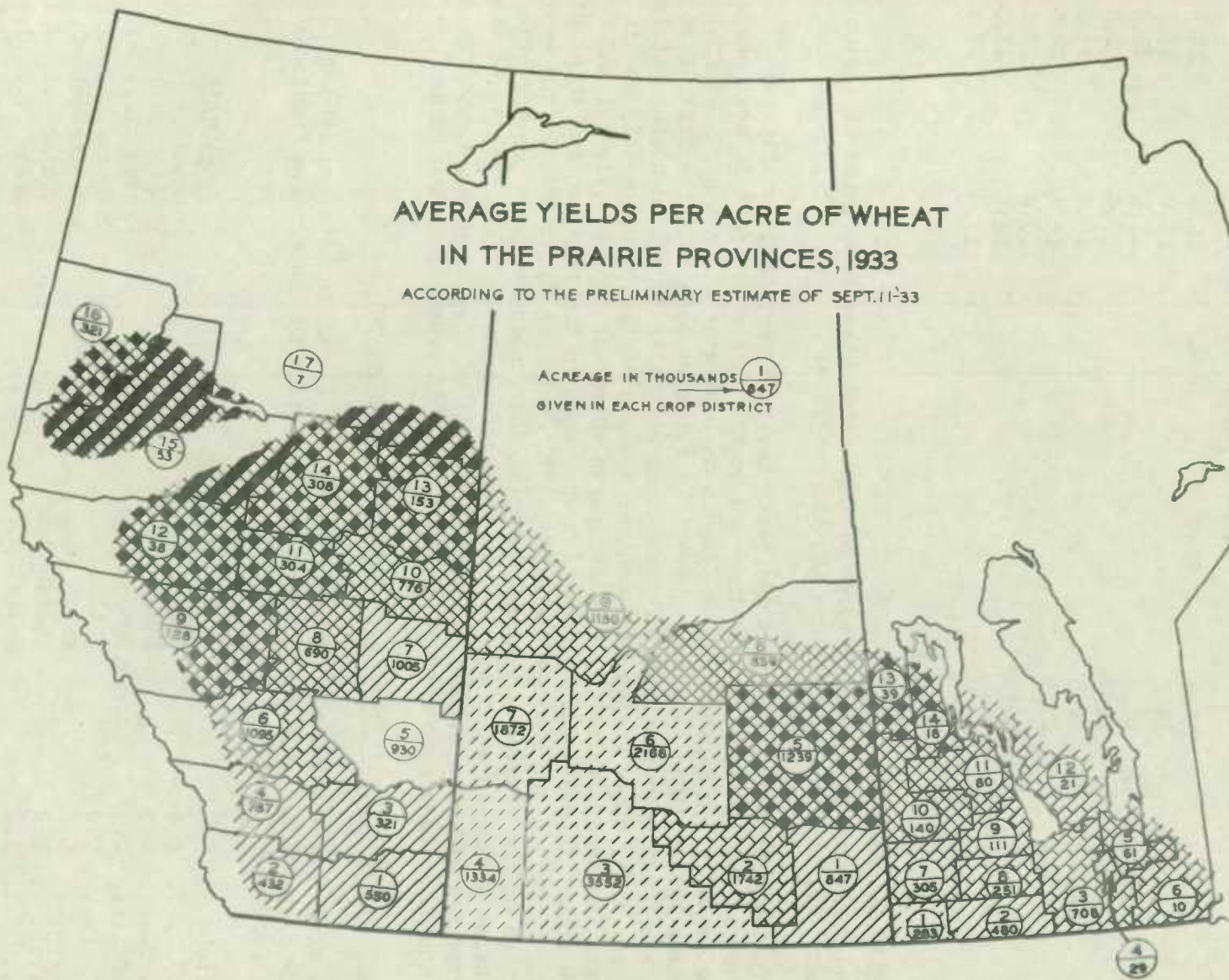
ACREAGE IN THOUSANDS  $\frac{1}{847}$   
GIVEN IN EACH CROP DISTRICT

## LEGEND

BUSHELS PER ACRE



Agricultural Branch,  
Dominion Bureau of Statistics.



(Concluded)

Crop District	Manitoba		Saskatchewan		Alberta	
	Yield Indicated by July 31 Condition	Preliminary Estimate	Yield Indicated by July 31 Condition	Preliminary Estimate	Yield Indicated by July 31 Condition	Preliminary Estimate
	(Bushels per Acre)					
9	13.9	15.8	11.7	14.8	15.9	23.6
10	14.1	18.2			14.9	17.2
11	15.6	18.7			15.8	21.3
12	12.8	15.7			15.4	20.8
13	16.8	22.8			16.3	23.5
14	16.8	21.9			14.5	22.5
15					17.0	25.1
16					16.5	23.0
17					17.0	27.5

Recent Progress of Harvest.

The following telegraphic report of the Saskatchewan Department of Agriculture, dated September 18, describes conditions in that province:

"The weather during the past two weeks has been very unfavourable for harvesting operations. Poor drying weather and heavy rains which fell in most parts of the province centering on September 10 and again on September 15 have kept the grain damp and taking the province as a whole, possibly not more than fifty to fifty-five per cent of the wheat has been threshed. The northern districts report an average of less than thirty per cent, while in the east-central section of the province only about forty per cent has been completed. In other parts where the crop was lighter and earlier, the amount threshed ranges from sixty per cent in the west-central to about eighty-five per cent in the south-eastern district. Some grain, chiefly in the west-central section of the province, is still awaiting the combine while a considerable amount of coarse grains is still standing in the northern areas. The quality of the crop has been adversely affected in some places as a result of bleaching and sprouting, and correspondents anticipate some loss in grade of grain threshed since the rains."

Precipitation in the Prairie Provinces, Week Ending September 18.

A wire from the Dominion Meteorological Service at Toronto received on September 19 contains the following data on precipitation in the Prairie Provinces in the week ending September 18 at 7 a.m. (in inches):

Manitoba	Saskatchewan	Alberta
Dauphin .....	Consul .....	Foremost ...
Brandon .....	Elbow .....	Macleod ...
Portage la Prairie	Shaunavon .....	Brooks .....
Swan River .....	Outlook .....	Calgary ...
Winnipeg .....	Moose Jaw .....	Medicine Hat
Pierson .....	Indian Head ...	Cardston ...
Emerson .....	Saskatoon .....	Empress ...
Minnedosa .....	Prince Albert .	Beaverlodge.
Morden .....	Estevan .....	Drumheller..
Russell .....	Assiniboia ....	Lloydminster
Boissevain .....	Kindersley ....	Coronation .
Cypress River ....	Humboldt+ .....	Red Deer ...

(Concluded)

Manitoba

Saskatchewan

Alberta

Swift Current ...	0.3	Stettler .....	0.9
Battleford .....	0.3	Vegreville ....	0.9
Qu'Appelle .....	0.3	Jasper .....	1.2
Regina .....	0.4	Edmonton .....	1.3
Melfort .....	0.5	Fairview .....	1.6
Broadview .....	0.6	-	-
Moosomin .....	0.6	-	-
Yellow Grass ....	0.7	-	-
Macklin .....	0.8	-	-
Kamsack .....	0.9	-	-
Yorkton .....	0.9	-	-

Coupled with the rains of the previous two weeks, the precipitation listed above will result in further delay in harvest operations. Resumption of activity will be prolonged in Manitoba, in the eastern part of Saskatchewan and in central and northern Alberta and the Peace River country. Forecasts for the two western provinces are fair and cool, with further showers promised in Manitoba.

Country Deliveries of Wheat.

The combined deliveries at country elevators and platform loadings in the Prairie Provinces for the week ending August 7 to the week ending September 9, 1933, are given in the following table with comparative totals for 1932:

<u>Week ending</u>	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u> (Bushels)	<u>Total</u>	<u>Total Last Year</u>
August 5 ...	60,245	85,408	248,838	394,491	520,486
12 ...	332,136	264,587	929,527	1,526,250	1,156,910
19 ...	2,398,296	1,045,551	1,481,205	4,925,052	4,528,044
26 ...	4,865,097	4,795,312	1,392,213	11,052,622	6,474,225
September 2 ...	2,883,686	4,885,643	1,470,218	9,239,547	7,010,138
9 ...	2,203,151	5,868,928	2,448,261	10,520,340	22,409,580
<b>Total .....</b>	<b>12,742,611</b>	<b>16,945,429</b>	<b>7,970,262</b>	<b>37,658,302</b>	
<b>Total last year.</b>	<b>12,130,812</b>	<b>19,000,842</b>	<b>10,967,729</b>		<b>42,099,383</b>

An exceptionally early harvest in southern districts of Manitoba and Saskatchewan resulted in rapid marketings during the latter half of August, even exceeding the deliveries from the early and much heavier crop of 1932. Recently, threshing has been frequently and generally interrupted by rains and the forward movement has slackened just at the time when the exceptionally heavy deliveries of the 1932 crop began. Between September 9 and 30, 1932, over 96 million bushels of western wheat were marketed; it is not likely that the 1933 movement will approach such figures.

Stocks in Store.

In the following table are shown the stocks of Canadian wheat in store in Canada and the United States for the week ending September 15, 1933, with comparative figures for 1932:

	<u>September 15, 1933</u>	<u>September 16, 1932</u>
	(Bushels)	
Western Country Elevators .....	80,086,697 <sup>1</sup>	50,498,528
Interior Private and Mill Elevators .	6,248,022 <sup>1</sup>	6,153,166
Interior Public and Semi-Public Terminals	2,370,725	659,753
Vancouver and New Westminster Elevators	9,309,348	10,053,129
Victoria Elevators .....	782	271,200
Prince Rupert Elevator .....	63,233	840,299
Churchill Elevator .....	35,020	1,336,968
Fort William and Port Arthur Elevators	63,581,138	42,405,283
In Transit - Lakes .....	5,846,340	7,520,453
Eastern Elevators - Lake Ports .....	21,016,904	13,809,163
Eastern Elevators - Seaboard Ports ..	16,015,987	12,826,600
U. S. Lake Ports .....	4,657,053	6,324,372
U. S. Atlantic Seaboard Ports .....	207,530	1,060,261
T o t a l .....	209,438,779	153,759,175

<sup>1</sup>Partly estimated.

About this time last year, the visible supply began a rapid increase due to the heavy marketings. Stocks in store amounted to 153,759,175 bushels in the week ending September 16 and in the week ending October 14, they had reached 223,267,357 bushels and were still rising. Between early September and early November the visible supply practically doubled and reached its peak for the season on November 4 at 242,302,950 bushels. Considering the smaller crop of 1933, offset to some extent as yet by a lower movement overseas, it is likely that the increase in visible will not be nearly as steep as in 1932, but total stocks will remain above those of a comparable date of 1932 for some time yet.

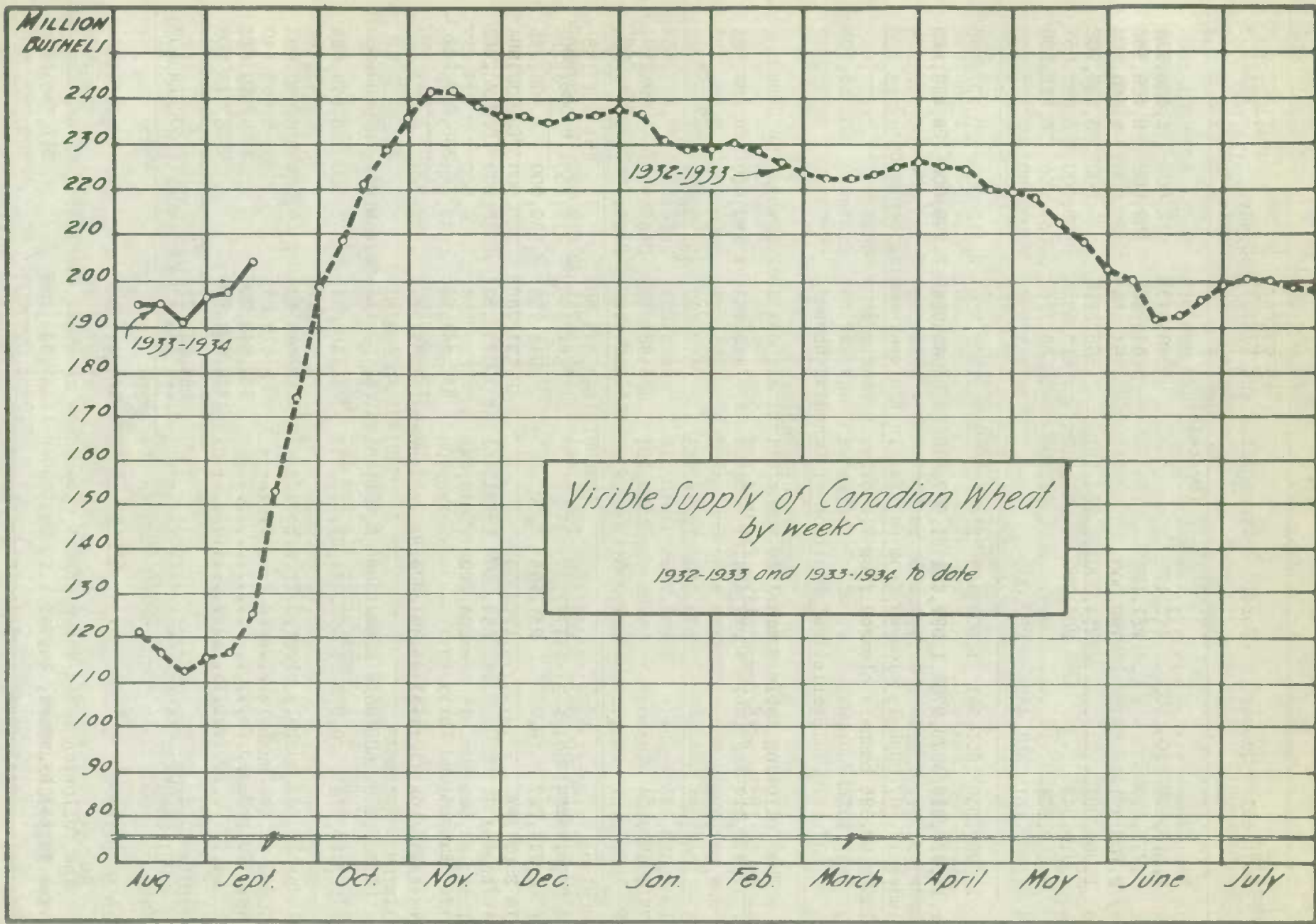
A feature of the storage stocks this year is the large amount held in export position in Canada. This is largely a result of low lake rates. On the contrary, stocks at Churchill and on the United States seaboard are much less than at the same date last year. The storage positions indicate that Montreal and Vancouver will share most of the export trade of the near future.

The chart accompanying this section of the report depicts the trend in visible supplies last season and in the past seven weeks of this crop year.

Lake Movement.

The following table shows water shipments from the Head of the Lakes from August 1 to September 14, 1933, with comparative figures for the previous season. Although lower than in 1932, these clearances do not yet reflect the much reduced crop of this year, mainly because of the large quantities of the 1932 crop carried over in country elevators.





<u>Period Ending</u>		<u>1 9 3 3</u>	<u>1 9 3 2</u>
		(Bushels)	
August	7 .....	1,316,733	3,949,534
	14 .....	2,819,072	6,045,516
	21 .....	3,593,691	3,460,694
	31 .....	5,619,259	5,469,140
September	7 .....	6,841,296	5,749,413
	14 .....	4,602,314	6,045,208
TOTALS .....		24,792,362	30,719,505

Export Clearances.

The following table shows export clearances of wheat (excluding flour) from the various ports, by weeks, August 1 to September 14, 1933.

<u>Week Ending</u>	<u>Montreal</u>	<u>Quebec</u>	<u>Sorel</u>	<u>Churchill</u>	<u>Vancouver and New Westminister</u>	<u>United States Ports</u>	<u>Total</u>
(Bushels)							
Aug.	4	1,319,468	304,500	473,177	-	378,973	2,888,118
	11	1,773,227	-	231,193	-	244,733	2,408,153
	17	2,103,871	-	192,000	-	393,033	2,808,904
	24	1,063,061	-	234,000	1,234,661	376,520	3,186,242
	31	1,819,943	-	204,999	943,512	613,183	3,987,637
Sept.	7	1,580,304	-	-	223,708	565,716	3,025,395 <sup>1/</sup>
	14	1,267,161	301,481	267,000	-	861,597	3,195,239
TOTAL	..	10,927,035	605,981	1,602,369	2,401,881	3,433,755	20,499,688 <sup>1/</sup>
Last year		12,832,614	79,970	1,977,444	1,367,713	5,845,084 <sup>2/</sup>	24,877,825

1/ Includes 18,667 bushels cleared from Halifax in the week ending September 7.

2/ Includes 62,695 bushels cleared from Victoria.

Statistical Position of Canadian Wheat.

The following table summarizes the statistical position of wheat in Canada at September 1, 1933, with comparative figures for 1932:

	<u>1932-33</u>	<u>1933-34</u>
(Bushels)		
Carry-over, July 31 .....	131,844,806	211,740,188
New Crop .....	455,000,000 <sup>1/</sup>	282,771,000 <sup>2/</sup>
Total Supplies .....	586,844,806	494,511,188
Domestic Requirements .....	119,627,000 <sup>3/</sup>	118,000,000 <sup>3/</sup>
Available Supplies .....	467,217,806	376,511,188
Exports - August .....	19,776,551	10,814,266
Balance for Export and Carry-over .....	447,441,255	365,696,922

1/ Approximate, until final revision made in January, 1934.

2/ Preliminary estimate.

3/ Subject to revision.

The carry-over of old wheat into the present crop year was about 80 million bushels more than at July 31, 1932. The 1933 crop, however, was about 172 million bushels less than the approximate total used for 1932 production. Domestic consumption in the present season will also be slightly less than in the crop year 1932-33. At August 1, the 1933-34 supplies for export and carry-over were calculated to be 376 $\frac{1}{2}$  million bushels -- or about 91 million bushels less than at the same date of 1932. Some of this advantage was lost by the lower August exports this year and at September 1, supplies for export and carry-over were about 82 million bushels less than in 1932-33.

Stocks of United States Grain in Canada.

At September 15, 1933, the stocks of United States wheat, oats and rye in Canada were much smaller than at the same date last year, while corn stocks were much higher.

United States wheat in Canada amounted to 3,699,096 bushels compared with 9,592,190 bushels last year. Of the former amount, 623,569 bushels are held at Lower Lake ports, 989,797 bushels at Toronto, and the remainder (2,085,730 bushels) is in export position at Montreal, Quebec and Sorel.

United States oat stocks are held entirely at Lower Lake ports and amount to 869,688 bushels compared with 1,514,369 bushels last year.

A small amount of 366 bushels of United States rye is held at Toronto. 1932 stocks at the same date were 120,828 bushels.

The large stocks of United States corn, some of which are in transit, result from a light crop in Canada and lack of export supplies from South Africa. United States corn in Canada amounted to 6,917,045 bushels on September 15, 1933, compared with only 2,151,213 bushels last year at the same date. Most of the United States corn is in elevators at the Lower Lake ports, but stocks are also held at Toronto and Montreal.



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Exports of Canadian Wheat.

The following tables show exports of wheat and flour during 1933-34 with comparative figures for preceding years:-

	<u>W H E A T</u>			
	<u>1933-34</u>	<u>1932-33</u>	<u>1931-32</u>	<u>1930-31</u>
	(Bushels)			
August	8,652,970	13,289,832	11,909,108	17,659,228
September		26,874,237	14,335,637	27,817,053
October		40,192,415	18,925,303	29,734,275
November		27,301,976	27,452,063	31,217,924
December		27,735,999	22,355,975	22,230,397
January		14,706,801	9,472,346	9,608,852
February		10,922,337	9,898,363	10,296,603
March		14,815,705	9,920,634	12,895,567
April		4,460,214	7,513,289	4,680,769
May		21,464,848	15,543,013	29,521,699
June		16,998,672	15,857,427	20,783,219
July		16,373,532	19,620,224	12,060,817
<b>T O T A L . . . . .</b>	-	240,136,568	182,803,382	228,536,403

	<u>F L O U R</u>			
	<u>1933-34</u>	<u>1932-33</u>	<u>1931-32</u>	<u>1930-31</u>
	(Barrels)			
August	480,288	330,382	522,178	627,233
September		385,113	556,565	734,349
October		528,794	558,459	813,691
November		576,864	476,487	792,271
December		492,033	451,310	601,894
January		397,304	331,806	392,256
February		333,114	337,513	414,773
March		490,270	414,779	560,553
April		234,387	255,390	326,117
May		565,080	461,867	481,265
June		544,507	570,861	490,294
July		492,765	446,379	466,967
<b>T O T A L . . . . .</b>	-	5,370,613	5,383,594	6,701,663

	<u>W H E A T A N D W H E A T F L O U R</u>			
	<u>1933-34</u>	<u>1932-33</u>	<u>1931-32</u>	<u>1930-31</u>
	(Bushels)			
August	10,814,266	19,776,551	14,258,909	20,461,776
September		28,607,246	16,840,179	31,121,623
October		42,571,988	21,438,369	33,445,884
November		29,897,864	29,596,254	34,783,143
December		29,950,148	24,386,870	24,938,920
January		18,494,669	10,965,473	11,374,004
February		12,421,350	11,417,172	12,163,082
March		17,021,920	11,787,139	15,418,056
April		5,514,956	8,662,544	6,148,296
May		24,007,708	17,621,415	31,687,392
June		19,448,954	18,426,301	22,989,542
July		18,590,974	21,628,930	14,106,169
<b>T O T A L . . . . .</b>	-	264,304,326	207,029,555	258,267,212