

**CANADA**  
**DEPARTMENT OF TRADE AND COMMERCE**  
**DOMINION BUREAU OF STATISTICS**  
**AGRICULTURAL BRANCH**

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**VOL. 4**

**No. 3**

**MONTHLY REVIEW**  
**OF THE**  
**WHEAT SITUATION**

**NOVEMBER 22, 1933**

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Published by Authority of the HON. H. H. STEVENS, M. P.,  
Minister of Trade and Commerce.

OTTAWA  
1933





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Dominion Statistician:	R. H. Coats, B.A., F.S.S. (Hon.), F.R.S.C.
Chief, Agricultural Branch:	T. W. Grindley, Ph.D.
Head Statistical Clerk:	C. B. Davidson, M.A.

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The World Wheat Situation - Summary

The supply position has undergone little change during the past month. Production estimates have been revised in many countries. Preliminary estimates of 1933 production in several European countries have been revised upward. At the present time it would appear that the total European wheat crop amounts to about 1,645 million bushels as compared with 1,480 million bushels last year. The chief increases in estimates have taken place in the Danubian countries. Estimates of production in the importing countries of Europe have not been changed to any extent. Large crops in France, Germany, Italy, Greece, The Netherlands and other importing areas are limiting the volume of world trade in wheat during the present crop year.

Harvest time is approaching in the Argentine and Australia. Several estimates have been issued covering the 1933 Australian wheat crop. These estimates range from 150 to 165 million bushels. The Commonwealth Government has officially estimated production at 165 million bushels. Last year Australia produced 210 million bushels of wheat. It is apparent that the present Australian crop is far short of the 1932 crop and the exportable surplus will be materially reduced during 1933-34.

The Argentine wheat crop has not been officially estimated. After a long dry spell early in the growing season, the Argentine received generous rains, and the condition of the crop improved greatly. At the present time the outlook is favourable for production of 200 million bushels, and if existing conditions continue the 1933 production may exceed this volume. It is likely, however, that the prolonged early-season drought will be reflected to a certain extent at harvest time.

When 1933 production in Canada and the United States is considered along with prospective production in Australia and the Argentine, it is apparent that the total outturn in the four countries is the smallest in years. It is certain that reduced production in the United States will enable that country to materially reduce year-end stocks by the end of the crop year and some reduction in the Canadian carry-over is probable.

Exceedingly large crops in importing countries are tending to restrict the demand for wheat during the present crop year. From August 1, 1933 to November 20, 1933, world shipments of wheat and wheat flour amounted to 161 million bushels as compared with shipments of 173 million bushels during the same period last year. Argentine exports have been relatively heavy since the commencement of the present cereal year, amounting to 32 million bushels compared with 12 million bushels during the same period in 1932-33. In spite of reports of a good crop in Russia, exports from this source have been on about the same scale as last year and have been of minor importance. A sharp reduction has taken place in the movement from North America this season as compared with last. Since August 1, shipments from North America have amounted to 74 million bushels as compared with 110 million bushels

during the corresponding period last year. North American shipments have consisted largely of Canadian wheat. Increased shipments from the Argentine and the Danubian countries along with a smaller demand, account for the decrease in exports from North America.

In spite of increased production this year the United Kingdom continues to import in large volume. During the three months from August to October, inclusive British imports totalled 54 million bushels as compared with 52 million bushels during the same months last year. British imports from Canada amounted to 27 million bushels during the August-October period.

#### Canadian Situation

On November 10, 1933, the Dominion Bureau of Statistics issued its provisional estimates of cereal production. The 1933 wheat production was estimated at 271,821,000 bushels compared with a preliminary estimate of 282,771,000 bushels.

Decreased production is reflected in smaller primary receipts than a year ago. From August 1, 1933 to November 10, 1933, country deliveries amounted to 138 million bushels compared with 236 million bushels during the same period last year. The peak of deliveries is now passed and well over two thirds of the marketable surplus has now left the farm....

Stocks of Canadian wheat in store in all positions on November 10, 1933, amounted to 250 million bushels as compared with 241 million bushels on the same date last year. The large carry-over on July 31, 1933 accounts for the volume of the visible supply rather than deliveries of new wheat.

During the three months from August to October, exports of Canadian wheat amounted to 59 million bushels compared with 91 million bushels for the same months last year. These figures include flour.

A substantial improvement is noted in wheat prices in Canada during the present crop year as compared with the corresponding period last year. From August 1, 1933, to November 16, 1933, the average cash price for No. 1 Northern wheat at Winnipeg was 66.7 cents per bushel. During the same period last year the average cash price for the same grade of wheat was 51.5 cents per bushel. These figures indicate that wheat prices have averaged 29.5 per cent higher than a year ago.



### The World Wheat Situation

In the month of November each year the wheat situation enters one of its most interesting phases. The supply position is more clearly defined than in earlier months of the crop year and a better indication of import requirements is available. With three and one-half months of the cereal year a matter of record, the position at the moment can be analysed with a greater degree of accuracy and confidence.

About eighty per cent of the world's wheat crops are harvested during the months of June, July and August. These crops extend over three continents and are produced in over forty different countries. Harvest times vary according to the geographical position of the countries referred to. Harvesting commences in June in the more southerly areas and commences in July and August in the more northerly countries.

Production in each country has to be estimated and the estimates for individual countries gathered into regional figures of wheat production. The first estimates are generally made before the various crops have been threshed and of necessity are of a preliminary nature. Estimates are revised at a later date when the actual outturn is known with a greater degree of certainty. It is inevitable therefore that considerable time must elapse before the extent of production is known over such wide areas as are devoted to the production of wheat. As a result of this situation estimates available in November are more reliable than estimates issued previously.

By the middle of November the wheat crops of the Argentine and Australia are nearing maturity and an approximate estimate of probable outturn is possible. Production in these two countries rounds out the supply situation for the crop year. It is true that the large wheat production of India matures at a later date but in recent years the wheat crop of this country has not had very much significance from an international standpoint. Since total production in the Argentine and Australia in excess of about 150 million bushels is available for the export market, the extent of the yield in these countries is watched closely.

Production of wheat in importing countries is one of the chief factors in determining the extent of import requirements for each cereal year. This has been especially true in recent years when restrictions on imports have tended to force a large percentage of domestic wheat crops into the manufacture of flour in importing countries. In addition during the past few years, importing countries have not deemed it advisable or necessary to carry reserves of imported wheat.

The heavy production of wheat in Europe this year precludes the possibility of large imports. At the commencement of the present crop year estimates of probable import requirements were made and these estimates indicated a limited import demand for 1933-34. The London Wheat Conference took the position that world import requirements would amount to 560 million bushels. Mr. Broomhall had previously estimated requirements at 552 million bushels. From August 1, 1933 to November 20, 1933 world shipments of wheat and flour amounted to 161 million bushels. This volume of shipments during the first sixteen weeks of the present crop year would appear to bear out the estimates of import requirements made some months ago.

## The Southern Hemisphere

The new crops in the Argentine and Australia are now nearing harvest. As usual at this time of the year, close attention is being paid to prospective yields in these two countries. The 1933 wheat crops in the Argentine and Australia both experienced early-season difficulties. Prolonged drought in the Argentine was followed by a spell of very favourable weather and the wheat crop in that country made a marked recovery. Intermittent rains were received in Australia but the crop never appeared to give promise of yields comparable with those of 1932 and 1931.

### Australia

Several estimates of the 1933 Australian wheat crop have been made recently. On November 17, 1933 the Australian Government cabled the Dominion Bureau of Statistics that the provisional estimate of 1933 production amounted to 165,000,000 bushels from an area of 14,780,000 acres. On November 16, 1933 the International Institute of Agriculture cabled that a good yield was expected in Western Australia but that conditions elsewhere were not favourable. The Institute stated "this year's yield is expected to be much less than last year's - probably 160,000,000 bushels." On November 14, 1933 the Canadian Trade Commissioner cabled that crops have deteriorated and that a yield of about 153,000,000 bushels was expected. While there is some difference between the foregoing estimates, they all indicate a much smaller crop than last year. Last year's crop was estimated at 210,000,000 bushels but it is apparent the crop was slightly under-estimated.

The Australian carry-over on July 31, 1933 amounted to 50 million bushels. On the basis of a 1933 crop of 165 million bushels, Australia has a total of 215 million bushels of wheat for disposal during 1933-34. Domestic requirements will amount to about 50 million bushels leaving a balance of 165 million bushels available for export and carry-over. Allowing for a carry-over of 50 million bushels on July 31, 1934, the exportable surplus for 1933-34 amounts to 115 million bushels. From August 1, 1933 to November 20, 1933 Australian shipments amounted to 25 million bushels, leaving a balance of 90 million bushels available for shipment before July 31, 1934. The foregoing calculation is based upon a crop estimate of 165 million bushels. Should this estimate be reduced, however, the exportable surplus will also be reduced by the same amount. Minimum estimates of the 1933 Australian wheat crop would yield an exportable surplus of about 100 million bushels. During 1931-32 and 1932-33 Australian shipments amounted to about 154 million bushels. It is apparent, therefore, that Australian exports during 1933-34 will be considerably smaller than during the two preceding cereal years.

### The Argentine

After causing considerable anxiety, the 1933 Argentine wheat crop responded to ample rainfall and a good yield is now anticipated. With a small reduction in acreage it is unlikely that the present crop will be as large as the yield of 1932. It is also likely that early season drought will affect the outturn this year.

For the purpose of evaluating the position of the Argentine during 1933-34 a tentative figure of 200 million bushels may be used to describe the growing crop. On July 31, 1933 the Argentine had a carry-over of about 80 million bushels, which with the new crop, makes total supplies of 280 million bushels for the crop year 1933-34.



Domestic consumption will amount to 95 million bushels leaving a balance of 185 million bushels for export and carry-over. Allowing for a carry-over of 80 million bushels in July 31, 1934 the Argentine has 105 million bushels available for export during the present crop year. From August 1, 1933 to November 20, 1933 Argentine shipments amounted to 32 million bushels, leaving a balance of 73 million bushels available for shipment during the balance of the crop year. Should the Argentine produce more than 200 million bushels there will be a corresponding increase in the volume of wheat available for export or other disposition.

Exports from the Southern Hemisphere

The Argentine and Australia usually play an important part in world wheat trade during the four months from January to April. During these months farmers in the two countries are delivering their wheat in large volume and lack of storage facilities makes it necessary to place a large part of the annual surplus afloat during the few months following harvest.

The winter months constitute the best time of the year to sell southern hemisphere production. In the first place, the inland waterways of Canada are closed and the outward movement of Canadian wheat is curtailed. In the second place, six months' consumption has greatly reduced supplies of domestic wheat in Europe and normally a good demand exists at the time when the new crops of the Argentine and Australia are available for export.

The following table shows shipments of wheat from the Argentine, Australia and all countries during the four months from January to April, inclusive:

	<u>Argentine</u>	<u>Australia</u>	<u>Total</u> <u>Southern Hemisphere</u>	<u>World</u>
	(million bushels)			
1928-29 .....	102	67	169	336
1929-30 .....	44	29	73	188
1930-31 .....	60	76	136	252
1931-32 .....	78	77	155	270
1932-33 .....	64	89	153	234

As shown by the above table, shipments of wheat and flour from the Argentine and Australia constitute a large proportion of total world shipments during the January-April period. In 1928-29 January-April shipments from the Argentine and Australia constituted 50.3 per cent of total world shipments during the same period; in 1929-30, 38.8 per cent; in 1930-31, 54.0 per cent; in 1931-32, 57.4 per cent and in 1932-33, 65.4 per cent. It is apparent, therefore, that as a rule shipments of wheat from the Southern Hemisphere constitute well over 50 per cent of total world shipments during the four months from January to April, inclusive.

It is interesting to note that the Argentine and Australia market a large part of their exportable surpluses during the first four months of the calendar year. From January to April, 1932-33 Australian shipments amounted to 89 million bushels while total shipments for the entire crop year amounted to 154 million bushels. During the same months the Argentine shipped 64 million bushels out of total shipments of 126 million bushels for the crop year 1932-33.

The Supply Position in 1933.

During the past month revisions have been made in crop estimates. European estimates have been revised in some cases and the estimate of European production has been increased. The Canadian estimate was revised downward in November and the Australian wheat crop has been estimated, indicating a much smaller outturn in 1933 than in 1932.

The following table shows acreage and production figures for 1933 along with comparative data for last year:

	<u>Area</u>		<u>Production</u>	
	<u>1933</u>	<u>1932</u>	<u>Preliminary</u>	<u>1932</u>
	(acres)	(acres)	1933 (bushels)	(bushels)
Germany .....	5,725,000	5,635,000	202,100,000	183,828,000
Austria .....	515,000	537,000	17,380,000	11,886,000
Belgium .....	366,000	383,000	13,617,000	15,376,000
Bulgaria .....	3,002,000	3,078,000	58,863,000	50,553,000
Spain .....	11,047,000	11,249,000	132,000,000	184,206,000
Estonia .....	163,000	128,000	2,094,000	2,085,000
Irish Free State ...	52,000	21,000	831,000/	831,000
Finland .....	65,000	59,000	1,506,000	1,483,000
France .....	13,321,000	13,256,000	338,663,000	333,524,000x
England and Wales ...	1,660,000	1,288,000	58,240,000	41,253,000
Scotland .....	78,000	52,000	2,240,000/	2,240,000
Greece .....	1,732,000	1,480,000	28,580,000	20,263,000
Hungary .....	3,936,000	3,793,000	90,058,000	64,462,000
Italy .....	12,518,000	12,251,000	272,000,000	276,127,000
Latvia .....	182,000	173,000	5,907,000	5,292,000
Lithuania .....	499,000	509,000	8,727,000	9,423,000
Luxemburg .....	33,000	31,000	335,000	719,000
Malta .....	10,000	10,000	305,000	301,000
Norway .....	31,000	28,000	660,000	735,000
Netherlands .....	332,000	297,000	14,062,000	13,694,000
Poland .....	4,083,000	4,266,000	68,343,000	49,472,000
Roumania .....	6,913,000	7,091,000	115,558,000	55,536,000
Sweden .....	752,000	703,000	27,815,000	26,500,000
Switzerland .....	185,000	181,000	6,386,000	5,402,000
Czechoslovakia .....	2,245,000	2,092,000	65,771,000	53,553,000
Yugoslavia .....	5,157,000	5,142,000	96,598,000	53,444,000
Portugal .....	1,271,000/	1,271,000	14,825,000	18,138,000
<b>TOTAL .....</b>	<b>75,879,000</b>	<b>75,004,000</b>	<b>1,643,964,000</b>	<b>1,480,376,000</b>

/ 1932 figures . x Underestimated.



North America

	<u>Area</u>		<u>Production</u>	
	<u>1933</u> (acres)	<u>1932</u> (acres)	<u>1933</u> (bushels)	<u>1932</u> (bushels)
Canada .....	25,986,600	27,182,100	271,821,000	455,000,000
United States .....	44,879,000	55,152,000	515,000,000	726,000,000
Mexico .....	1,179,000	1,104,000	11,753,000	9,658,000
TOTAL .....	72,044,600	83,438,100	798,574,000	1,190,658,000

North Africa

	<u>Area</u>		<u>Production</u>	
	<u>1933</u> (acres)	<u>1932</u> (acres)	<u>1933</u> (bushels)	<u>1932</u> (bushels)
Tunis .....	1,952,000	2,392,000	9,186,000	17,453,000
Morocco .....	3,026,000	2,713,000	25,286,000	27,970,000
Algeria .....	3,815,000	3,736,000	27,135,000	29,236,000
Egypt .....	1,426,000	1,762,000	39,951,000	52,586,000
TOTAL .....	10,219,000	10,603,000	101,558,000	127,245,000

Asia

	<u>Area</u>		<u>Production</u>	
	<u>1933</u> (acres)	<u>1932</u> (acres)	<u>1933</u> (bushels)	<u>1932</u> (bushels)
India .....	32,992,000	33,803,000	352,875,000	336,896,000
Japan .....	1,500,000	1,247,000	39,328,000	31,336,000
TOTAL .....	34,492,000	35,050,000	392,203,000	368,232,000

Southern Hemisphere

	<u>Area</u>		<u>Production</u>	
	<u>1933</u> (acres)	<u>1932</u> (acres)	<u>1933</u> (bushels)	<u>1932</u> (bushels)
Argentina .....	18,904,000	19,791,000	200,000,000/	235,376,000
Australia .....	14,780,000	15,171,000	165,000,000/	210,000,000
TOTAL .....	33,684,000	34,962,000	365,000,000	445,376,000

/ Tentative.

Revision in production estimates in Europe during the past month have increased the total of 1933 production in that area. It now appears that Europe has harvested a wheat crop of between 1,640 and 1,650 million bushels as compared with 1,480 million bushels produced in 1932. Upward revision in crop estimates have been made in the case of Austria, Bulgaria, Hungary, Latvia, Lithuania, Roumania and Yugoslavia. According to current estimates production in the Danubian countries is even larger than thought earlier in the season. The 1933 wheat harvest in Europe constitutes an all-time record.

A slight reduction in the estimate of the Canadian crop further reduces the volume of 1933 production in North America. Total production in 1933 is over 400 million bushels less than production in 1932.

Tentative estimates of 1933 production in the Argentine and Australia indicate a decrease of about 80 million bushels as compared with last year.



The United Kingdom

Imports of wheat into the United Kingdom during the month of October were slightly lower than during the preceding month and the corresponding month last year. Imports during October amounted to 18,935,583 bushels compared with 19,862,518 bushels during September and 19,632,638 bushels during October, 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 August, September and October, 1933:

<u>From -</u>	<u>August-July</u>	<u>August</u>	<u>September</u>	<u>October</u>
		(bushels)		
Canada	102,882,268	5,832,512	5,153,534	6,414,206
United States	2,191,927	-	-	-
Argentine	33,178,430	5,786,525	6,142,245	3,289,070
Australia	50,433,050	2,449,777	5,385,224	4,199,031
Russia	3,960,702	-	1,472,952	3,213,145
Others	11,729,430	1,259,500	1,708,563	1,820,132
<b>Total</b>	<b>204,375,817</b>	<b>15,328,314</b>	<b>19,862,518</b>	<b>18,935,583</b>
<b>Last Year</b>	<b>229,420,424</b>	<b>17,199,661</b>	<b>15,581,679</b>	<b>19,632,638</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 October, 1933, along with comparative figures for October, 1932:-

<u>From -</u>	<u>October, 1933</u>	<u>October, 1932</u>
	(B u s h e l s)	
Canada .....	6,414,206	11,204,593
United States .....	-	602,634
Argentine .....	3,289,070	914,077
Australia .....	4,199,031	1,141,321
Russia .....	3,213,145	3,061,965
Other .....	1,820,132	2,708,048
Total .....	18,935,583	19,632,638

It will be noted from the above table that total imports of wheat into the United Kingdom during October, 1933, were slightly lower than during October, 1932. Imports from Canada were moderate, amounting to 6,414,206 bushels compared with 11,204,593 bushels for the corresponding month last year. Imports during October, 1933, from the Argentine and Australia were sharply higher than during October, 1932. The United Kingdom imported 3,289,070 bushels from the Argentine last month compared with 914,077 bushels the same month in 1932. Imports from Australia were about 3 million bushels higher than a year ago. Imports from Russia amounted to 3,213,145 bushels compared with 3,061,965 bushels for October, 1932.

The following table shows imports of wheat into the United Kingdom during August, September and October, 1933 and 1932:

<u>From -</u>	<u>1 9 3 3</u>	<u>1 9 3 2</u>
	(B u s h e l s)	
Canada .....	17,400,252	26,549,666
United States .....	-	1,437,772
Argentine .....	15,217,840	3,705,086
Australia .....	12,034,032	9,593,522
Russia .....	4,686,097	3,611,099
Others .....	4,768,195	7,516,833
Total .....	54,126,415	52,413,978

It will be noted that total imports of wheat into the United Kingdom amounted to 54,126,415 bushels during August, September and October, 1933 as compared with 52,413,978 bushels during the same months last year. The table further shows that imports from the Argentine increased over 11 million bushels this year as compared with last. Imports from Canada decreased by about 9 million bushels in the August-October period in 1933 as compared with the same months last year.

### European Wheat Prices

The surprising change in European national policy in the past decade makes the study of wheat prices in importing countries extremely interesting and pertinent. A few years ago, it was said that Europe was concerned with obtaining cheap wheat. Summarizing its special study on "Reactions in Exporting and Importing Countries to Changes in Wheat Prices", (Wheat Studies, Vol. III, No. 9 August 1927) the Food Research Institute stated:

"The public attitude toward changes in wheat prices is very different in wheat exporting, and in wheat importing countries. The low prices prevailing in the three crop years 1921-24, contributed to the difficulties of American wheat growers. But in Europe low prices were advantageous as aiding the process of reconstruction, in the balancing of state budgets and restraining adverse balances of merchandise trade, and the plight of European wheat growers was a minor problem. With the crop of 1924 wheat prices rose sharply, and thereafter remained at a higher level. Relative prosperity replaced relative unprosperity in exporting countries, but in Europe the higher level is regarded as little less than a calamity."

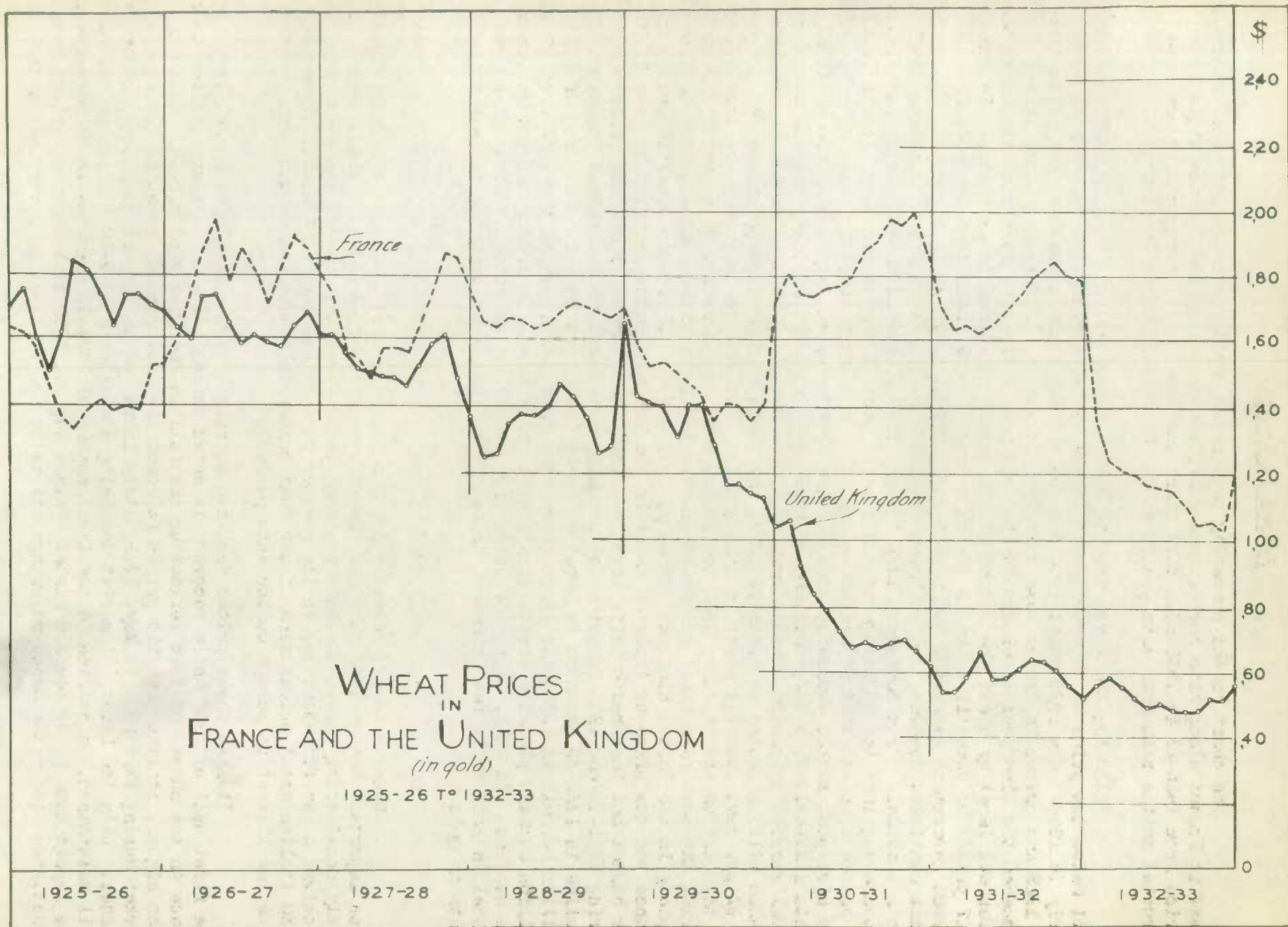
The above quotation may be considered typical of the viewpoint that was prevalent but a few years ago in Europe. Industrial countries wanted an assured food supply at the lowest possible price. In the existing order of things importing countries felt that they could purchase necessary foodstuffs and particularly wheat from exporting countries at a smaller cost than the cost at which they could produce the same supply themselves. By and large this was the basis of world trade in wheat for many years.

About 1925 a change became manifest in Europe. Under the Versailles Treaty, Germany lost control of her tariff policy until 1925. On assuming control of her fiscal policy once more, Germany introduced a new tariff which included a duty of 32 cents a bushel on imported wheat. In the same year Italy imposed a duty of 58 cents a bushel. In 1927 France increased her tariff on imported wheat from 20 to 37 1/2 cents a bushel. In June, 1926, the United States Department of Agriculture stated, "Agricultural tariffs have assumed a position of critical importance in the economic structure of post-war Europe." (Foreign Crops and Markets, Vol. 12, No. 26). By the middle of 1929, leading importing countries of continental Europe were definitely directing their economic policies along the road of increased wheat production and the maintenance of domestic wheat prices. It is therefore of interest to survey price relationships in leading markets and especially to examine the trend of prices in leading importing countries.

### Controlled Prices

Prior to 1925, the Liverpool price level established the level of wheat prices in the leading importing countries with due regard to transportation costs, small import duties and occasional domestic factors. In general, the broad swings of the Liverpool market were reflected in continental European importing countries. Since 1925, however, prices in importing countries in Europe have shown less inclination to follow the Liverpool market and in recent years entirely artificial price levels have been maintained in France, Germany and Italy. This development has been due to increased tariffs, milling quotas and other instruments of control applied in these countries in varying degree since 1925, and more particularly since 1929.





### Prices in France

The chart in the preceding page shows monthly average prices of domestic wheat in France along with corresponding British parcel prices for the eight year period from 1925-26 to 1932-33. This chart and the two following charts are constructed in the main from data published by the Food Research Institute.

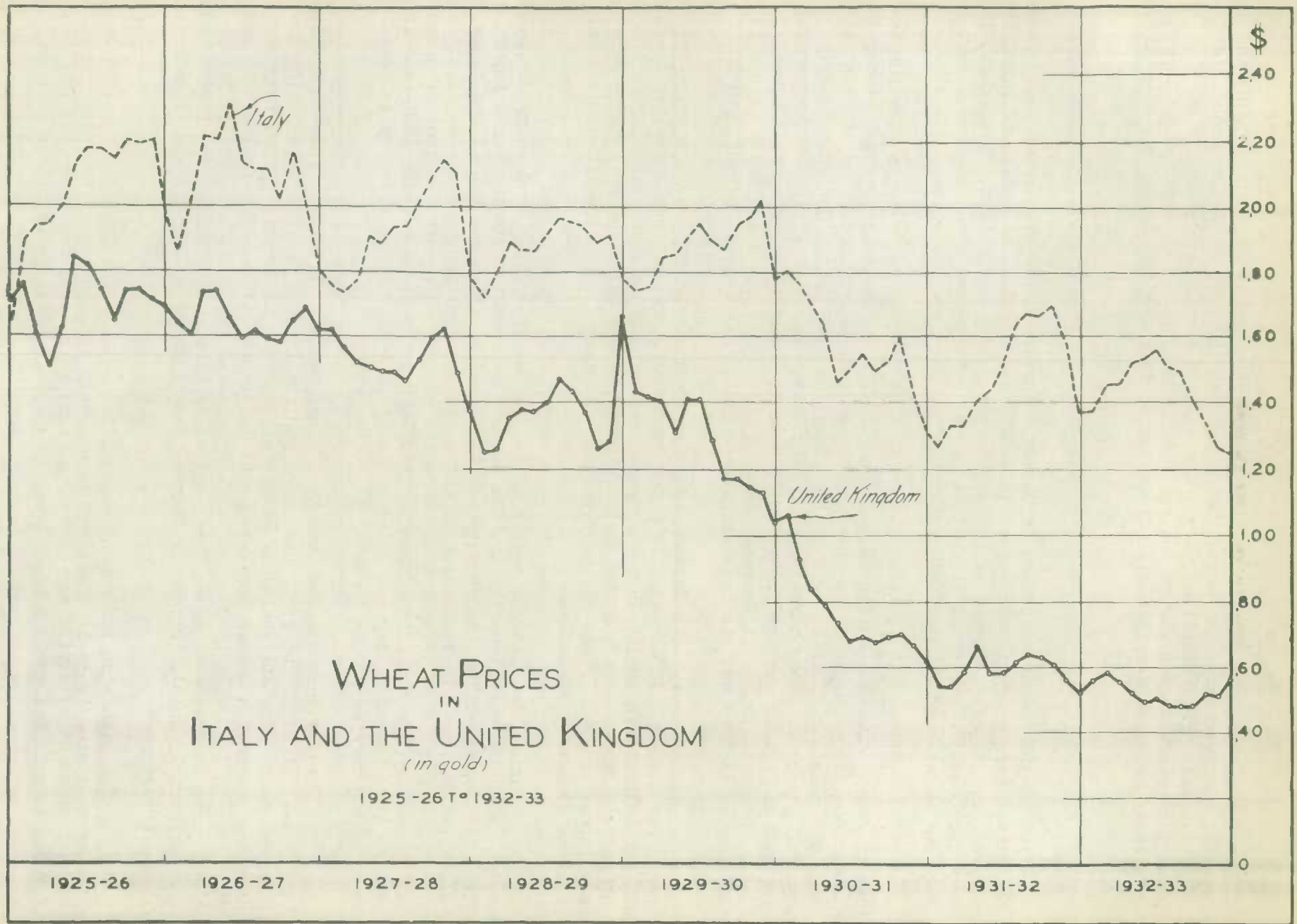
Following the large crop of 1925, prices declined sharply in France and fell below the price of imported wheat in the United Kingdom. A recovery is noted early in 1926. The 1926 wheat crop was 100 million bushels smaller than production in 1925 and prices in France rose sharply. In August, 1926 French wheat prices exceeded the Liverpool level and for the balance of the crop year remained above the Liverpool level by about the amount of the import duty then in existence. In June, 1927 prices of domestic wheat in France turned sharply downward. In September the French government increased the import duty from 20 to 27 cents a bushel. The decline still continued however, and in November, 1927 the import duty was increased to 37 1/2 cents a bushel. From November, 1927 to May, 1928 prices advanced sharply and French producers gained the advantage of the greater part of the import duty. Early in 1929, it became apparent that France was going to have a large domestic wheat crop and with the Liverpool market declining steadily the French import duty was increased to 53 cents a bushel. The large outturn of 1929 and a rapidly declining international price level carried prices in France downward. As a result of this situation France established milling quotas in December 1929, the quota at that time providing for the use of 97 per cent domestic wheat in mill grinds. The decline in prices was soon halted by this action and in June, 1930 the import duty was increased to 85 cents a bushel. During the next year wheat prices advanced steadily in France while prices declined rapidly in the United Kingdom. In July, 1931 the spread between domestic prices in France and the price of imported wheat in the United Kingdom amounted to over \$1.00 per bushel and the French price level was just three times the British price level. During 1931-32 and 1932-33 prices of domestic wheat in France declined steadily. The decline in 1932-33 amounted to about 80 cents (gold) per bushel. The crop of 330 million bushels in 1932, the large carry-over from this crop and the 1933 crop of 339 million bushels placed a severe strain upon price levels in France and brought about the decline. In July, 1933, the price of wheat in France stood at about \$1.20 per bushel in gold while the Liverpool price of imported wheat amounted to less than 60 cents in gold.

### Prices in Italy

Under a tariff revision in 1925 Italy imposed a duty of 58 cents a bushel upon imported wheat. This duty had the effect of carrying domestic wheat prices in Italy considerably above the international price level and the Italian producers received a benefit amounting to the greater part of the tariff on wheat. From 1925 to 1930 Italian wheat prices were higher than prices in France and Germany and probably were the highest in Europe during this period.

Italian wheat prices declined sharply from the \$2.20 per bushel level in the first half of 1927 but a recovery is noted during 1927-28. A sharp decline took place in the summer of 1928 reflecting the fall in the Liverpool market. Although much higher, Italian domestic prices followed the same general trend as the Liverpool market during 1928-29. In May, 1929, Italy increased her import duty to 73 cents per bushel. With the Liverpool market declining steadily in 1929-30 Italian prices were well maintained. A decline in the final months of 1929-30 resulted in an increase in the import duty to 86 cents a bushel. Since August, 1930 Italian wheat prices have fluctuated widely, the downward swings not being fully offset by upward movements.





Following the drastic decline in domestic prices in Italy in June and July, 1931, the government increased the import duty from 86 cents per bushel to \$1.07 per bushel. Prices rallied during the balance of the crop year but have followed a downward course during the past year and a half. In addition to import duties, Italy has used flexible milling quotas to increase the demand for domestic wheat.

#### Germany

In 1924-25 wheat prices in Germany ranged considerably lower than prices in the other three countries discussed in this study. Under the Treaty of Versailles, Germany did not receive control of her own tariff policy until 1925. In August, 1925 Germany introduced a tariff of 32 cents a bushel on imported wheat and since that date Germany has maintained substantial protection for her wheat producers.

In 1925-26 prices of domestic wheat in Germany improved in relation to prices in other markets. During 1926-27 and 1927-28 German prices ranged higher than the Liverpool price for imported wheat. During these years production of wheat in Germany was relatively small. During the summer of 1928 prices declined sharply along with prices in other markets. The 1928 German wheat crop was the largest for many years and prices averaged lower in 1928-29 than during any crop year since 1923-24. Domestic prices in Germany responded mildly to the speculative prices in North America in 1929 but declined slightly early in the cereal year of 1929-30.

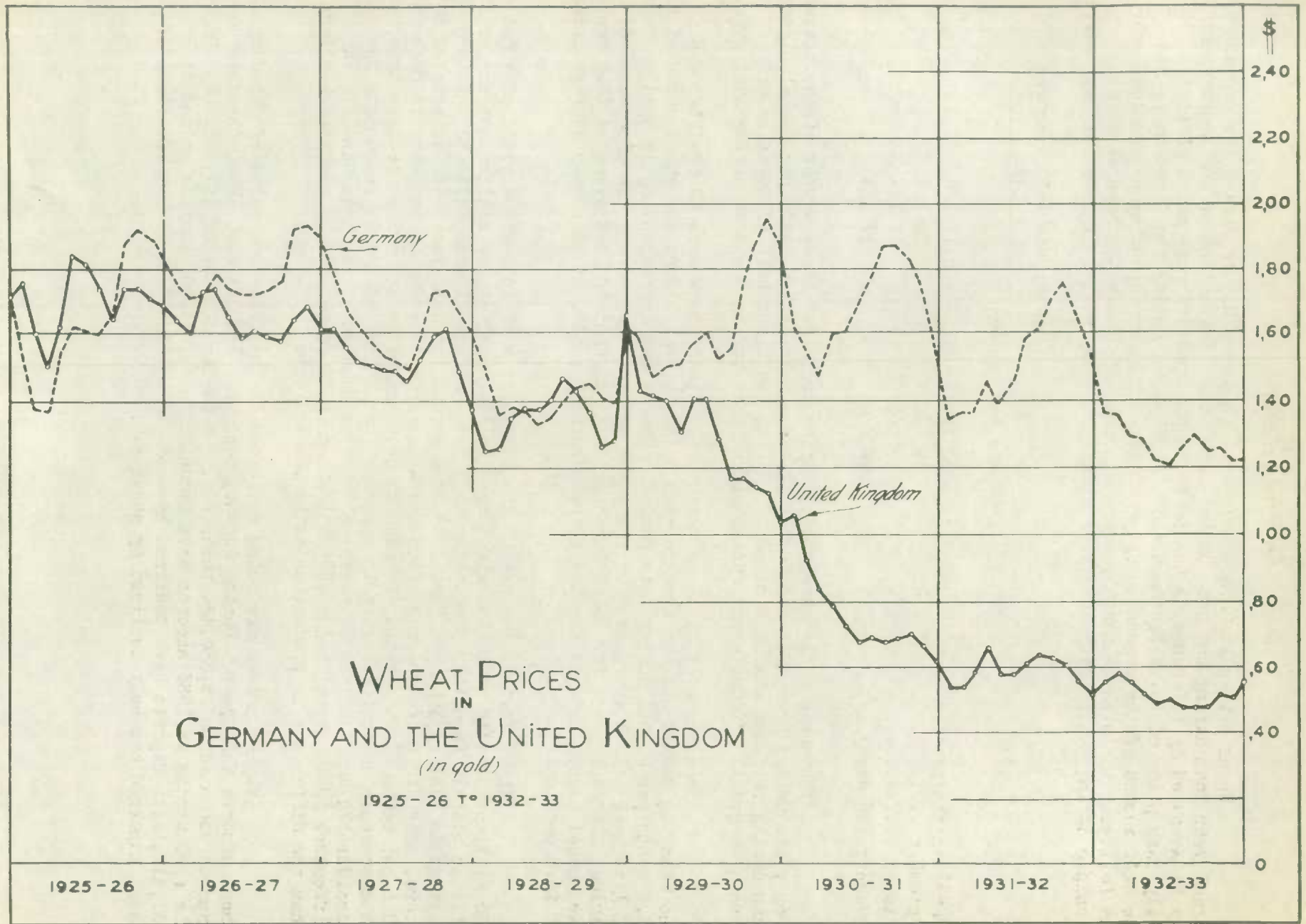
In December, 1929 Germany increased her import duty on imported wheat to 49 cents per bushel. In January, 1930 the import duty was further increased to 62 cents per bushel. In April, 1930 the German import duty on wheat was further increased to 97 cents a bushel. During the period when all these increases were being made in German import duties, prices advanced sharply in Germany, at a time when the Liverpool market was declining steadily.

During the last six months of 1930, domestic prices in Germany dropped sharply. With the market declining, the German Government again increased import duties. In September the import duty was increased to \$1.20 per bushel and later to \$1.62 per bushel. These drastic import duties in addition to a system of milling quotas imposed in 1929, brought about a marked advance in prices. Prices of domestic wheat in Germany again declined late in 1930-31 and the large crop of 1931 (the largest since the War) tended to depress prices. Early in 1932 a price recovery is noted in Germany which carried prices to about \$1.75 per bushel.

This advance was followed by a sharp decline in wheat prices in Germany in the summer of 1932. The 1932 wheat crop was the largest on record amounting to 184 million bushels. The difficulty of maintaining prices in Germany in the face of increasing production became apparent. The large crop of 1932 was followed by another record crop in 1933 when production was estimated at 202 million bushels. By the time the 1933 crop was ready to move, wheat prices in Germany had fallen to slightly over \$1.20 per bushel (gold). Prices in Germany from 1925-26 to 1932-33 are illustrated on the opposite page.

The situation in Germany exemplifies some of the problems confronting importing countries in their endeavour to maintain wheat prices. Production has increased under high tariffs and quotas and during the past two years, it has been difficult to hold prices at a high level in the face of large offerings of domestic wheat.





Prices in Canada

Wheat prices in Canada have been averaging higher during the present cereal year than during the same period last year. The extent of the improvement may be measured by reference to the table on the opposite page which shows the daily cash price of No. 1 Northern wheat at Winnipeg during the first three and one half months of the present crop year along with corresponding prices last year. The following table shows monthly average prices for No. 1 Northern wheat at Winnipeg during the present crop year along with comparative figures for last year:

	<u>1933</u>	<u>1932</u>	<u>Increase 1933 compared with 1932</u>
		(Cents per bushel)	
August .....	73 3/8	56 1/4	17 1/8
September .....	67 1/8	57 7/8	15 1/4
October .....	60 1/2	48 1/4	12 1/4
November (16 days) ...	64 1/4	46 7/8	17 1/4

The above table shows that, during the first three months of the present crop year, prices have averaged from 12 1/4 cents to 17 1/8 cents per bushel higher than during the same months last year. During the first half of November prices have averaged 17 1/4 cents per bushel higher than during the same period last year.

From August 1, 1933 to November 16, 1933 there were 89 trading days on the Winnipeg market and the average cash price for No. 1 Northern wheat amounted to 66.7 cents per bushel during this period. During the corresponding 89 trading days of last year prices averaged 51.5 cents per bushel. Thus during the aforementioned period, the cash price for No. 1 Northern wheat at Winnipeg has averaged 15.2 cents per bushel higher than during the corresponding period last year - an average increase of 29.5 per cent.

Final revised figures of the 1932 crop will indicate a yield of about 450 million bushels. The 1933 wheat crop is estimated at 272 million bushels or 178 million bushels less than production last year. These figures indicate that production in 1933 is 39.5 per cent less than production last year, and as pointed out above, this shrinkage in production has been accompanied by an increase in price of 29.5 per cent. On the basis of existing crop estimates and prices to date this year as compared with last year, it is apparent that increased prices compensate for a considerable share of the decrease in total production of wheat in Canada. The difference in the total value of the 1932 and 1933 crops will be considerably less than the difference in production estimates indicate.

Higher prices are being reflected in the increased value of Canadian wheat exports this year. During August, September and October, 1932, Canadian wheat exports amounted to 85,356,484 bushels with a declared value of \$47,360,209. During the same months in 1933 exports have amounted to 51,624,531 bushels valued at \$37,416,511. Exports have declined by about 34 million bushels but the value of wheat exported has only declined by about \$10,000,000.



Winnipeg Cash Prices for No. 1. Northern Wheat

August, September, October and November, 1933 and 1932.

Date	AUGUST		SEPTEMBER		OCTOBER		NOVEMBER	
	1933	1932	1933	1932	1933	1932	1933	1932
1	87 1/2	-	69 3/8	54 1/8	-	49 1/4	62 1/8	45 3/8
2	83 1/4	55 1/2	-	54 7/8	61 1/4	-	64 3/8	46 1/2
3	83 3/4	56	-	55 7/8	60 3/8	49 1/4	64 1/8	45 5/8
4	79 7/8	56 1/4	-	-	61 1/4	49 1/4	63 5/8	45 3/4
5	81 1/4	57 3/8	69	-	61 1/8	48 7/8	-	46 1/4
6	-	59 1/8	69	59 7/8	59 5/8	48 5/8	62 7/8	-
7	-	-	69 1/8	54 3/4	60 1/4	48 1/4	62 1/2	48
8	79 3/8	59 3/4	69 1/8	54 1/8	-	48 1/8	64 3/8	47 1/4
9	79 1/2	58 1/8	69 1/8	54 1/4	-	-	66 1/2	46 3/4
10	80	59 3/8	-	53 5/8	60 3/8	-	64 5/8	46 7/8
11	76 1/8	58 3/8	69 1/4	-	60 1/8	48 1/4	-	-
12	70 1/4	57 1/4	69 1/4	52	60 1/4	48 1/4	-	48
13	-	56 3/4	69 3/8	51 3/4	57 5/8	48 1/8	64 7/8	-
14	68 1/8	-	66 1/4	50 3/8	55 5/8	48 1/4	65 1/2	47 3/4
15	69 1/2	58	66 5/8	51 3/8	-	48 1/8	64 3/4	47 1/2
16	68 1/4	57 1/2	68 1/4	50 3/8	54 7/8	-	66 1/8	47 1/2
17	70 7/8	56 5/8	-	50 1/2	57 5/8	48 1/8	64 3/4	46 5/8
18	68 1/2	56 7/8	69 3/4	-	58	48 1/4	64	46 3/4
19	69 5/8	55 1/8	70	50 1/4	57 1/8	48 1/2	-	-
20	-	54	68 7/8	50 3/8	59 1/4	48 3/4	-	-
21	69 1/4	-	67 1/4	51 5/8	61 1/8	49	-	-
22	69 7/8	54 1/4	65 3/4	50 7/8	-	49 1/4	-	-
23	69	54 5/8	66 5/8	50 1/4	64 3/4	-	-	-
24	68 1/2	53 3/8	-	50 5/8	63 1/8	49 3/8	-	-
25	69 3/4	54 3/8	67	-	65 1/2	47 1/2	-	-
26	70 1/2	53 5/8	64 1/4	50 1/2	63 1/2	45 7/8	-	-
27	-	54 1/8	63	50	64 1/8	47 3/4	-	-
28	69 7/8	-	61 5/8	50 1/4	62 5/8	48	-	-
29	68 5/8	56 3/8	62 3/8	49 1/4	-	46 1/8	-	-
30	69 3/4	55 3/4	61 3/4	49 1/4	62	-	-	-
31	68 3/4	54 3/4	-	-	61 7/8	46 3/8	-	-
Average	73 3/8	56 1/4	67 1/8	51 7/8	60 1/2	48 1/4	-	-

International Trade

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

Week Ending	North America	Argentine	Australia	Russia	Other	Total
(Thousand Bushels)						
August 7	4,224	1,920	2,784	-	144	9,072
14	3,328	4,848	608	-	120	8,904
21	3,472	3,056	2,472	248	360	9,608
28	4,536	3,912	2,448	168	520	11,584
September 4	5,008	2,728	584	296	880	9,496
11	4,160	2,832	2,072	944	1,048	11,056
18	3,800	1,768	1,416	1,552	1,208	9,744
25	4,952	2,000	2,024	1,616	1,576	12,168
October 2	4,416	1,288	2,024	1,040	1,152	9,920
9	5,096	816	1,312	1,088	1,744	10,056
16	5,256	1,264	800	1,120	944	9,384
23	6,320	1,328	984	560	1,592	10,784
30	4,464	1,360	912	1,824	2,008	10,568
November 6	4,153	1,379	1,426	384	2,016	9,358
13	5,277	915	1,226	768	1,408	9,594
Total	68,462	31,414	23,092	11,608	16,720	151,296
<u>Comparative 1932-33</u>						
Total to date	102,656	11,488	23,488	10,832	13,728	162,192

From August 1, 1933 to November 13, 1933 world shipments of wheat and wheat flour amounted to 151 million bushels compared with 162 million bushels for the same period in 1932-33. During the past month shipments have been light and during the past three weeks have averaged between nine and ten million bushels. Total shipments to date are 11 million bushels lower than those of last year and are far below the movement during the corresponding weeks in 1931 and 1930, when shipments amounted to 248 million bushels and 241 million bushels respectively.

Shipments from Canada and the United States have been lower than during the same period in 1932-33. During the past fifteen weeks North American shipments have amounted to 68 million bushels as compared with shipments of 103 million bushels for the same weeks last year. North American shipments have largely consisted of Canadian wheat.

Argentine shipments have been well maintained during the present crop year reflecting a larger carry-over on July 31 and prospects of a fair crop in 1933. Australian shipments have been about the same during the present crop year as during the same period in 1932-33. Shipments have been moderate during the past month.

Russia continues to ship wheat on a small scale. In spite of rumours of a larger crop in 1933, Russian shipments are about on a par with last year.



Weekly Average Shipments

The following table shows weekly average shipments of wheat for the first 15 weeks of the present crop year along with comparative figures for 1932-33 and 1931-32.

	<u>North America</u>	<u>Argentine</u>	<u>Australia</u> (Million Bushels)	<u>Russia</u>	<u>Other</u>	<u>Total</u>
1931-32 .....	6.9	1.4	1.8	3.9	2.5	16.5
1932-33 .....	6.8	.8	1.6	.7	.9	10.8
1933-34 .....	4.6	2.1	1.5	.8	1.1	10.1

As shown by the above table, world shipments of wheat have averaged 10.1 million bushels per week during the first fifteen weeks of the crop year as compared with 10.8 and 16.5 million bushels per week during the corresponding period in 1932-33 and 1931-32. North American shipments have averaged 4.6 million bushels per week compared with 6.8 and 6.9 million bushels per week during the first fifteen weeks of 1932-33 and 1931-32. Argentine shipments have averaged 2.1 million bushels per week as compared with .8 million bushels during 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 November 13 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 Nov.13,1933 (15 Weeks)	Nov.13,1933 to July 31,1934 (37 Weeks)
560 million bushels	151 million bushels	409 million bushels
or	or	or
10.9 million bushels weekly	10.1 million bushels weekly	11.0 million bushels weekly

It will be seen from the above table that world shipments have averaged 10.1 million bushels for the first fifteen weeks of the present crop year. Average weekly shipments of 10.9 million bushels are required to fulfill the estimate of import requirements. A balance of 409 million bushels of wheat and flour 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 October 2 to November 17 has been prepared by the Internal Trade Branch:

Wheat prices moved gradually downward for nearly two weeks at the beginning of October, showing a loss during this interval of roughly 2 cents per bushel. The decline then accelerated, and in three days commencing October 12, prices dropped over 5 cents. An equally sharp advance lasting more than a week, subsequently raised market values approximately 10 cents, and No. 1 Manitoba Northern temporarily sold above 65 cents per bushel. In the past three weeks after a short reaction from this peak level, prices have shown steady strength.

In the first part of October, cheap offerings of continental wheat exercised a bearish influence upon importers' views. When recovery came, it appeared to have been stimulated by announcements relative to price policy in the United States. During November, sterling exchange has shown marked strength and better export interest in Manitobas has been apparent.

Cash closing prices for No. 1 Manitoba Northern wheat, basis Port Arthur and Fort William, averaged 60.5 cents per bushel in October against 67.2 cents in September.

Monthly Average Winnipeg Cash Price -- No. 1 Northern Wheat -- Crop Years 1926-27 to 1932-34  
(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	.67.2
October .....	1.43.5	1.44.1	1.23.7	1.41.4	.72.5	.59.9	.48.2	.60.5
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	1.50.5	.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 / ;

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 1926=100	Board of Trade # (United Kingdom) 1926=100	Wheat No. 1 Manitoba Northern Fort William and Port Arthur basis 1926=100
1929 .....	95.6	92.2	89.8
1930 .....	86.6	80.7	63.0
1931 .....	72.1	70.3	39.3
<u>1 9 3 2</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>1 9 3 3</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	69.2	49.1
September .....	68.9	69.5	44.9
October .....	67.9		40.5

Prepared by the Internal Trade Branch. # Transposed from the base 1913=100.

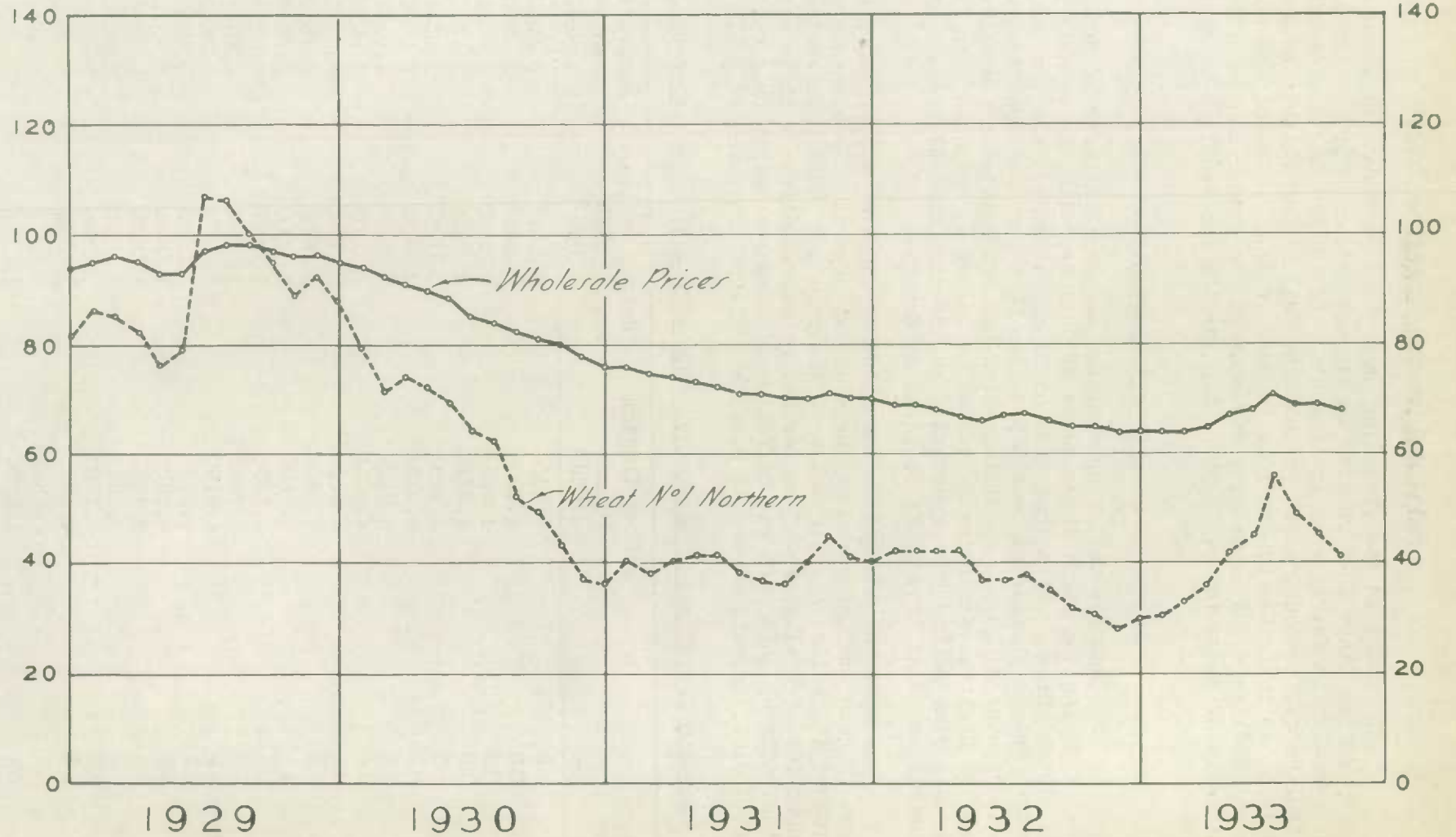
From September to October the general index of wholesale prices declined from 68.9 to 67.9. The index of No. 1 Northern wheat declined from 44.9 to 40.5.



# INDEX NUMBERS OF GENERAL WHOLESALE PRICES AND OF THE PRICE OF N°1 NORTHERN WHEAT

1926=100

1926=100



Wheat and General Commodity Prices

The chart on the preceding page shows movements of wheat and general commodity prices since 1929 related to average prices in 1926. The movement of wheat prices normally is fairly well in line with that of the wholesale price level. In the past four years, however, wheat prices have fallen much further than the average of all commodities as indicated by the 1932 indexes of 37.2 for wheat and 66.7 for all commodities at wholesale. A corrective movement in the summer months of 1933 improved the relationship of these indexes appreciably despite the reaction in wheat prices in recent months.

Exchange Fluctuations

The Canadian dollar appreciated slightly in terms of practically all currencies during the first three weeks of October, with the notable exception of the United States dollar. From that time until mid-November, exactly the reverse has been the case. From a premium of over 3 p.c. New York funds at Montreal have fallen to a discount of over 2 p.c., a condition which has not existed since September 1914. Sterling at Montreal was recently quoted at \$5.29 $\frac{1}{4}$  as compared with \$4.69 on October 21. Within this same period the Argentine peso advanced from 37.5 cents to 41.4 cents and the Australian pound from \$4.73 to \$4.23 at Montreal.

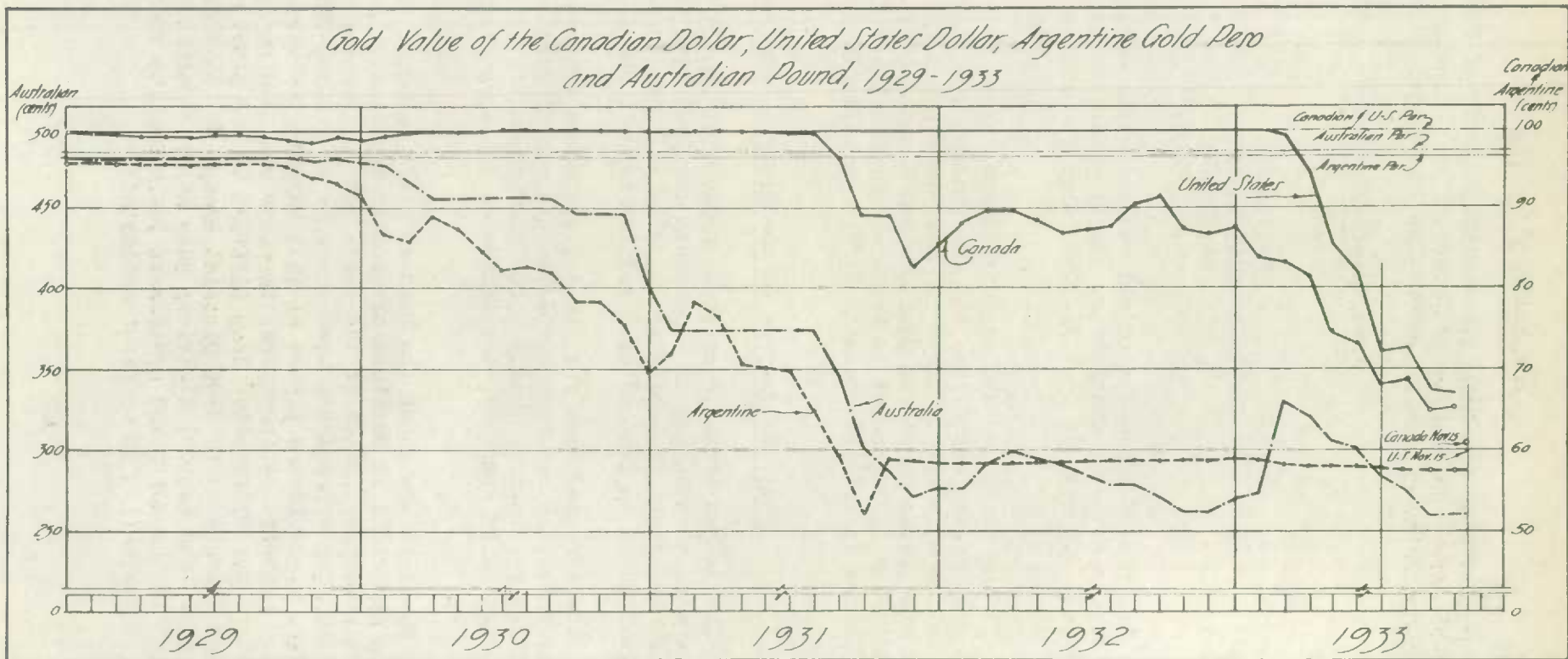
Noteworthy changes in the value of Canadian and United States dollars relative to gold are indicated by the chart on page 23. Both were worth roughly 60 cents on November 15, while the gold value of the peso and pound has remained substantially unchanged for several weeks. The percentage depreciation of these units on November 15 from their former gold pars was as follows: Canadian dollar 39 p.c., United States dollar 40 p.c., Argentine peso 41 p.c., and Australian pound 47 p.c.

Exchange Quotations at Montreal, June 5th, 1933 to November 6th, 1933.

		United Kingdom	United States	Australia	Argentine
		Pound	Dollar	Pound	Paper Peso
		4.8666	1.000	4.8666	.4244
June	5, 1933	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
	18	4.8802	1.0212	3.9041	.3880
	25	4.8645	1.0225	3.8916	.4090
October	2	4.8648	1.0175	3.8913	.3980
	10	4.7968	1.0225	3.8374	.3938
	16	4.6991	1.0325	3.7592	.3842
	23	4.7367	1.0275	3.7894	.3709
	30	4.8204	1.0175	3.8563	.3866
November	6	4.8980	1.0006	3.9184	.4002



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



### The Canadian Situation

On November 10, 1933 the Dominion Bureau of Statistics issued provisional estimates of 1933 cereal production in Canada. The following table shows preliminary and provisional estimates of cereal production in Canada:

	<u>Preliminary Estimates</u>	<u>Provisional Estimates</u>
	(Bushels)	(Bushels)
Wheat	282,771,000	271,821,000
Oats	316,966,000	311,312,000
Barley	64,291,000	63,737,000
Rye	6,418,000	4,725,000

The second estimates of all the principal cereal crops are lower than those made in September. The changes are slight except in the case of rye, which declined from 6,418,000 bushels to 4,725,000 bushels. The rye crop of 1933 is the lowest since 1917.

In the Maritimes and eastern Canada, there is a general tendency toward higher estimates of grain production, but the changes are slight. In the Prairie Provinces rye is lower; wheat is lower in Saskatchewan and Alberta and unchanged in Manitoba; oats are placed higher in Manitoba and Saskatchewan and considerably lower in Alberta; while barley is increased in Saskatchewan and lowered in the other two provinces. The second estimates in British Columbia differ very little from those made in September.

### Wheat Production in the Prairie Provinces

The second estimate of wheat production in the Prairie Provinces is 253 million bushels, a reduction of 4 per cent compared with the preliminary estimate of 264 million bushels issued on September 11. The Manitoba estimate of production is unchanged, Saskatchewan is lowered by 3 million bushels and Alberta by 8 million bushels.

The acreages used for the two estimates are identical and are based on the June survey schedules returned by 55,758 prairie farmers. The yields per acre are based on schedules returned by nearly 7,000 correspondents in the three provinces. Since threshing is practically complete, the estimates are more reliable than those made on September 11.

Manitoba now shows the highest yield per acre of the three provinces. The changes by Crop Districts in Manitoba are mostly fractional, but there is a tendency to reduce the preliminary estimates in the south and to increase them in the north. In Saskatchewan, the only appreciable upward change is in Crop District 5 (east-centre) where the average yield is now placed at 23.9 bushels per acre compared with the first estimate of 20.9 bushels. A fractional increase was also noted in Crop District 1 in the south-east corner, but every other Crop District in the province decreased between 2 and 18 per cent. In Alberta every crop District except No. 10 shows a decline in yield per acre. The southern and central districts show minor reductions, but there are considerable declines evident in the north and north-west including the Peace River district, where frost took a greater toll than at first estimated.



Position of the Estimate

In the period from August 1 to October 28, deliveries at country elevators and platform loadings were approximately 123.7 million bushels. Manitoba has marketed 20.6 million bushels, Saskatchewan 62.1 million, and Alberta 41.0 million bushels. Up to the present date (November 10) marketings have been about 135 million bushels. Out of a crop estimated at 253 million bushels, total commercial marketings should be about 218 million bushels - a figure which allows 40 million bushels for seed, feed, country millings and unmerchantable and for a reduction of 5 million bushels in the farm carry-over compared with July 31, 1933 farm holdings of slightly over 11 million bushels. This would leave 83 million bushels to come forward - an average of about 2 1/4 million bushels a week for the remaining 37 weeks of the crop season.

During the past 10 years, primary receipts during the first 15 weeks of each crop year have averaged 59 per cent of total receipts. The highest percentage of the crop delivered during the first 15 weeks of any crop year occurred in 1929-30 when 79 per cent of total deliveries for the cereal year was reported by the middle of November. The lowest percentage occurred in 1927-28 when only 43 per cent of total deliveries took place during the first 15 weeks of the crop year. During the past four crop years an average of 68 per cent of total marketings has been delivered during the first 15 weeks of the crop year.

With deliveries of 135 million bushels already made out of a prairie crop of 253 million bushels and with deliveries for the season estimated at 218 million bushels, it may be calculated that 62 per cent of the total receipts has come forward. Since threshing was retarded in Alberta and also since many farmers are hopeful regarding price recovery, the percentage marketed out of the 1933 crop appears high enough to support the crop estimate.

Primary Movement

The following table shows primary receipts of wheat in the Prairie Provinces along with comparative figures for last year.

<u>Week ending</u>	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>Total</u>	<u>Total Last Year</u>
			(Bushels)		
August 4	60,245	85,408	248,838	394,491	520,486
11	332,136	264,587	929,527	1,526,250	1,156,910
18	2,398,296	1,045,551	1,481,205	4,925,052	4,528,044
25	4,865,097	4,795,312	1,392,213	11,052,622	6,474,225
September 1	2,883,686	4,885,643	1,470,218	9,239,547	7,010,138
8	2,203,151	5,868,928	2,448,261	10,520,340	22,409,580
15	3,156,560	7,590,672	4,202,248	14,949,480	37,487,227
22	1,026,529	6,212,382	4,805,569	12,044,480	34,592,823
29	835,541	8,179,037	5,311,076	14,325,654	24,074,044
October 6	1,068,036	7,725,871	6,034,659	14,828,566	26,341,535
13	601,997	7,300,587	6,206,899	14,109,483	17,754,512
20	593,224	5,281,545	4,545,248	10,420,017	17,008,586
27	526,230	2,839,489	1,957,848	5,323,567	15,648,568
November 3	637,025	4,183,954	2,921,960	7,742,939	10,948,339
TOTAL	21,187,753	66,258,966	43,955,769	131,402,488	225,955,017

From August 1, 1933 to November 3, 1933 country deliveries amounted to 131 million bushels compared with 226 million bushels during the same period last year. The country movement has declined in recent weeks. Deliveries continue to be heaviest in Saskatchewan.

111. Stocks in Store

The following table shows stocks of Canadian wheat in store in Canada and United States on November 10, 1933 with comparative figures for last year:

	<u>1 9 3 3</u>	<u>1 9 3 2</u>
	(Bushels)	
Country Elevators - Manitoba	10,459,924	9,060,520
Saskatchewan	54,872,361	56,323,965
Alberta	39,388,713	39,702,828
TOTAL	<u>104,720,998</u>	<u>105,087,313</u>
Interior Private and Mill Elevators	5,541,766	6,566,330
Interior Public and Semi-Public Terms.	5,363,449	5,866,041
Vancouver and New Westminster	12,119,446	10,908,519
Victoria Elevator	118,580	636,142
Prince Rupert Elevator	1,092,150	162,452
Churchill	1,852,096	2,422,667
Fort William and Port Arthur Elevs.	63,347,094	57,008,746
In Transit Lakes	2,875,518	4,170,548
Eastern Elevators - Lake Ports	26,498,940	20,962,740
Eastern Elevators - Seaboard Ports	15,698,792	11,780,882
U. S. Lake Ports	8,660,894	12,754,369
U. S. Atlantic Seaboard Ports	1,901,642	3,159,229
TOTAL	<u>249,791,365</u>	<u>241,485,978</u>

Stocks of Canadian wheat in store in Canada and the United States on November 10, 1933 amounted to 250 million bushels compared with 241 million bushels on the same date last year. Stocks at Port Arthur and Fort William are heavier than a year ago and larger stocks are held in eastern positions in Canada than was the case last year. Country elevator stocks are about the same as last year.

The chart on the opposite page shows weekly visible supply figures during 1932-33 and during the present crop year to date. Reflecting the smaller crop in 1933, the visible supply has not increased as rapidly as was the case last year. It would appear that the Canadian visible supply has reached its peak for the crop year at about the same time as the peak was reached last year, namely, early in November. At their highest point--251 million bushels--stocks of Canadian wheat in store in all positions continued an all-time record.

Stocks of United States Grain in Canada

At November 10, 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 only 2,656,046 bushels compared with 7,445,481 bushels last year. Of the former amount, 1,800 bushels are held at Georgian Bay ports, 989,797 bushels at Toronto, and the remainder (1,664,449 bushels) is in export position at Montreal, Quebec and Sorel.

United States oat stocks are held entirely at Georgian Bay ports and amount to 774,613 bushels compared with 1,228,907 bushels last year. A small amount of 366 bushels of United States rye is held at Toronto. 1932 stocks at the same date were 99,158 bushels.

Stocks of United States corn in Canada amounted to 9,852,140 bushels on November 10, 1933, compared with only 3,662,156 bushels last year at the same date.



MILLION  
BUCKETS

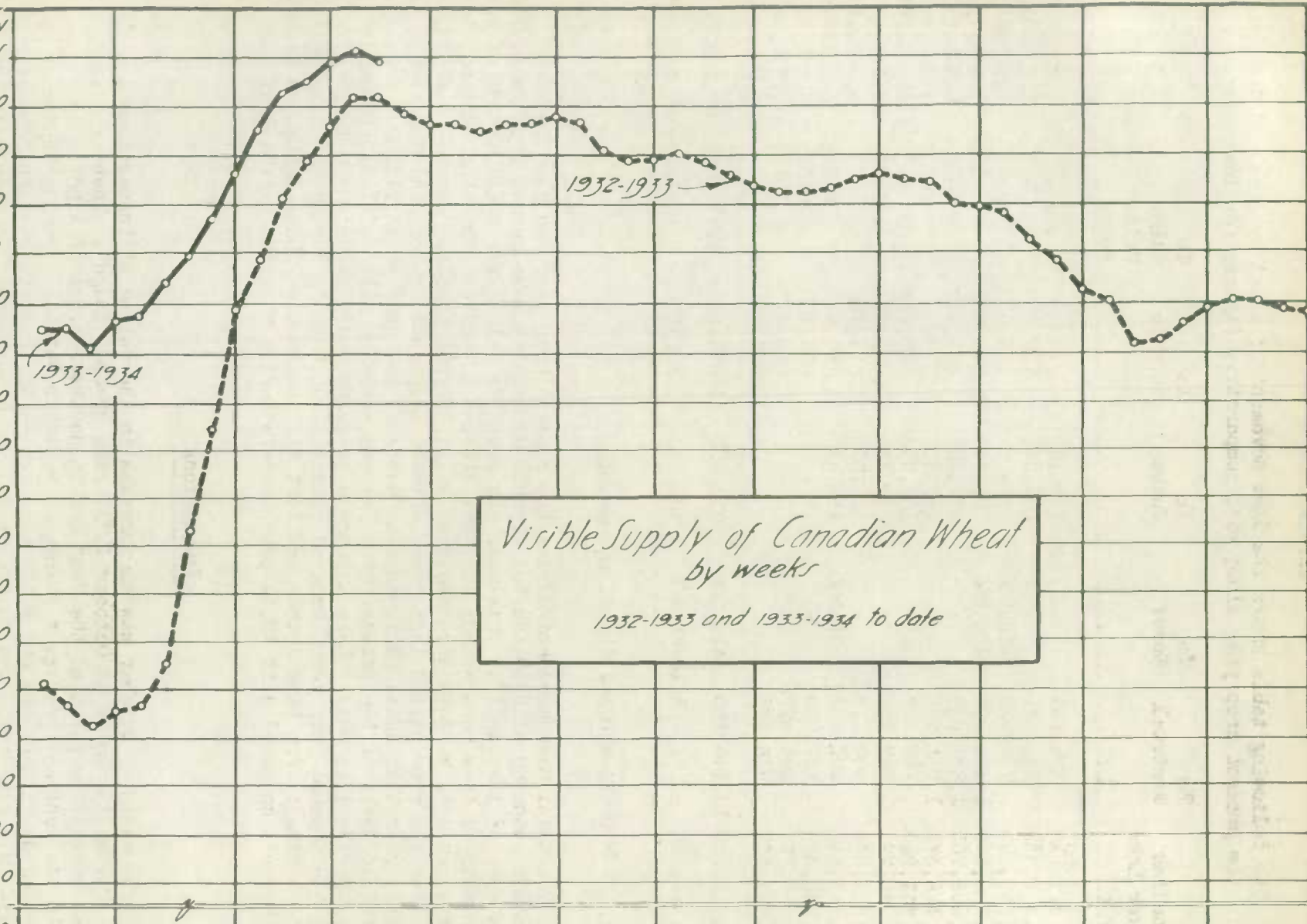
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1933-1934

1932-1933

Visible Supply of Canadian Wheat  
by weeks  
1932-1933 and 1933-1934 to date



Lake Movement

The following table shows the lake movement of wheat by ports of destination to date in the present crop year along with comparative figures for last year:

	To Canadian Lower Lake Ports	To Montreal	To Sorel	To Quebec	To Buffalo	To Other United States Ports	Total
Aug. 7	677,510	524,057	-	115,166	-	-	1,316,733
14	1,505,439	921,040	-	209,685	182,908	-	2,819,072
21	2,397,195	782,957	219,000	-	194,539	-	3,593,691
31	2,727,235	1,431,067	108,000	91,500	1,261,457	-	5,619,259
Sept. 7	2,898,705	1,853,669	-	207,405	1,881,517	-	6,841,296
14	3,129,375	1,255,936	-	217,000	-	-	4,602,311
21	3,341,280	750,952	-	106,998	896,554	-	5,095,784
31	5,845,291	1,687,154	-	324,338	2,023,431	231,000	10,111,214
Oct. 7	2,837,838	500,114	-	115,000	1,824,178	-	5,277,130
14	2,353,817	232,493	85,000	432,435	1,899,613	678,616	5,681,974
21	2,746,406	547,859	-	-	966,100	290,379	4,550,744
31	3,480,751	683,977	-	-	1,085,457	617,828	5,868,013
Nov. 7	1,471,538	976,925	-	-	2,339,641	-	4,788,104
TOTAL	35,412,380	12,148,200	412,000	1,819,527	14,555,395	1,817,823	66,165,325
Last Year	49,315,918	5,791,883	1,487,279	403,902	30,822,305	2,691,805	90,566,285 <sup>1/</sup>

1/ Includes 53,193 bushels shipped direct to Europe.

The total Lake movement during the present crop year has amounted to 66,165,325 bushels compared with 90,566,285 bushels during the same period last year. The outstanding feature of lake traffic this year has been the relatively small amount of wheat which has been shipped from Port Arthur and Fort William to Buffalo and other United States lake ports. Shipments to Buffalo have amounted to 14,555,395 bushels compared with 30,822,305 bushels during the same period last year. Direct shipments to Montreal and Quebec have been heavier this year than last. Shipments to Montreal amounted to 12,148,200 bushels during the first 13 weeks of the present crop year as compared with 5,791,883 bushels during the same period last year. Lake shipments to Quebec have amounted to 1,819,527 bushels during the present crop year compared with 403,902 bushels during the same period last year. The movement from Port Arthur and Fort William to Lower Lake ports has amounted to 35,412,380 bushels compared with 49,315,918 bushels during the same period last year.

Inspections

The month of October saw an increase in the volume of inspections in the lower grades. During the month of October 2,735 cars graded "Tough". These gradings reflect the wet harvest in parts of the West and in northern areas of Alberta in particular. In the contract grades, a change is noted in October. During September 12,197 cars graded No. 1 Northern and 6,295 cars graded No. 2 Northern. In October 7,844 cars graded No. 1 Northern and 10,074 graded No. 2 Northern. October was the first month in the present crop year in which more cars graded No. 2 than No. 1.



Export Clearances

The following table shows export clearances of wheat (excluding flour) from the various ports, by weeks, August 1 to November 9, 1933.

Week Ending	Montreal	Quebec	Sorel	Churchill	Vancouver and New Westminister	United States Ports	Total
(Bushels)							
Aug. 4	1,319,468	304,500	473,177	-	378,973	412,000	2,888,118
11	1,773,227	-	231,193	-	244,733	159,000	2,408,153
17	2,103,871	-	192,000	-	393,033	120,000	2,808,904
24	1,063,061	-	234,000	1,234,661	376,520	278,000	3,186,242
31	1,819,943	-	204,999	943,512	613,183	406,000	3,987,637
Sept. 7	1,580,304	-	-	223,708	565,716	637,000	3,025,395 /
14	1,267,161	301,481	267,000	-	861,597	498,000	3,195,239
21	1,968,394	447,927	232,099	-	748,783	490,000	3,887,203
28	1,783,364	268,650	589,370	-	654,992	517,000	3,813,376
Oct. 5	2,191,071	217,600	190,674	306,010	676,179	634,000	4,215,534
12	1,742,967	-	568,200	-	879,247	243,000	3,433,414
19	2,432,089	1,158,573	294,543	-	1,257,803	694,000	5,837,008
26,	1,090,918	1,065,700	132,415	-	1,435,460	313,000	4,037,493
Nov. 2	1,284,134	836,866	485,000	-	712,353	264,000	3,582,353
9	1,866,529	1,347,300	19,000	-	1,168,716	294,000	4,695,545
Total	25,286,501	5,948,597	4,113,670	2,707,891	10,967,288	5,959,000	55,001,614 /
Last Year	34,039,721	372,455	7,822,623	2,736,030	25,187,485	7,451,000	78,601,755 #

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

# Includes 314,628 bushels and 677,813 bushels cleared from Victoria and Prince Rupert respectively.

From August 1, 1933 to November 9, 1933 export clearances of Canadian wheat amounted to 55,001,614 bushels compared with 78,601,755 bushels during the corresponding period last year. Clearances from Montreal amounted to 25,286,501 bushels compared with 34,039,721 bushels for the same period last year. Shipments from Vancouver have been sharply lower than last year. During the first 15 weeks of the present crop year shipments of wheat from Vancouver amounted to 10,967,288 bushels as compared with 25,187,485 bushels for the same period last year. Shipments from Churchill have been about the same as last year. Decreased clearances from Sorel and United States ports and increased clearances from Quebec are noted during the present cereal year as compared with last year.

Official Exports

The following table shows official exports of wheat and wheatflour for the three months ending October, 1933 and 1932:

	<u>1 9 3 3</u>	<u>1 9 3 2</u>
	(Bushels)	
August .....	10,814,266	19,776,551
September .....	22,152,853	28,607,246
October .....	25,620,166	42,571,988
TOTAL	58,587,285	90,955,785

Exports of wheat and wheatflour have amounted to 58,587,285 bushels during the first three months of the present crop year as compared with 90,955,785 bushels for the same months last year.

Statistical Position of Canadian Wheat

The following table summarizes the statistical position of wheat in Canada at November 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 1/	271,821,000 2/
Total Supplies .....	586,844,806	483,561,188
Domestic Requirements .....	119,627,000 3/	118,000,000 3/
Available Supplies .....	467,217,806	365,561,188
Exports - August and September ....	90,955,785	58,587,285
Balance for Export and Carry-over .	376,262,021	306,973,903

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

2/ Provisional estimate.

3/ Subject to revision.

The carry-over of old wheat into the present crop year amounted to 211,740,188 bushels - or about 80 million bushels more than the carry-over in July 31, 1932. An unfavourable growing season resulted in a greatly reduced crop in 1933, production according to the provisional estimate of the Dominion Bureau of Statistics being about 183 million bushels less than production in 1932. As a result total supplies of wheat at the beginning of the present crop year amounted to 484 million bushels compared with 587 million bushels at the commencement of 1932-33.

Domestic consumption of wheat in Canada during the present crop year will be slightly less than during 1932-33. Allowing for approximate domestic requirements supplies of wheat available for export during the present crop year and for carry-over at the end of the present crop year amounted to 366 million bushels as compared with a corresponding figure of 467 million bushels for 1932-33, or a reduction of 101 million bushels in the case of 1933-34.

Reflecting the world wheat position, exports of Canadian wheat and wheat flour have been smaller during the first three months of the present crop year than during the same period last year. Exports during the three months ending October, 1933 amounted to 58,587,285 bushels as compared with exports of 90,955,785 bushels during the corresponding months last year.

At the beginning of the present month a balance of 307 million bushels was available for export during the balance of the crop year and for carry-over on July 31, 1934. On November 1, 1932, a balance of 376 million bushels remained for export and carry-over. On this basis, Canada had 69 million bushels less wheat for disposal on November 1, 1933 than on the same date a year ago.



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	18,289,832	11,909,108	17,639,228
September	19,666,351	26,874,237	14,335,637	27,817,053
October	23,305,510	40,192,415	18,925,303	29,784,275
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> .....		<u>240,136,568</u>	<u>182,803,382</u>	<u>228,536,403</u>

	<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	552,556	385,113	556,565	734,349
October	514,368	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> .....		<u>5,370,613</u>	<u>5,383,594</u>	<u>6,701,663</u>

	<u>WHEAT AND WHEATFLOUR</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	22,152,853	28,607,246	16,840,179	31,121,623
October	25,620,166	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		16,494,669	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> .....		<u>264,304,326</u>	<u>207,029,555</u>	<u>258,267,212</u>



The Canadian Trade Commissioner for Australia cabled as follows on November 15, 1933:

"Owing to prolonged dry spell crops have considerably deteriorated and expert estimate now anticipate yield wheat approximately 153 million bushels of which about 100 million bushels available for export. Surplus old crop practically all committed but may carryover 40,000 tons bulk at Sydney at end November when season closes. Commonwealth Government has taken steps implement quota and undertakings under International Wheat Agreement but should present crop estimate be correct no quota will be required for new crop. Quotations on limited balance Australian wheat from last month unchanged at about forty cents per bushel at Country Railway Stations or fifty-one cents f.o.b. Steamer. Flour quotations have firmed slightly today's export prices ton 2,000 pounds twenty-two dollars ninety-eight cents in 150 pound sacks and twenty-four dollars in calico 49 pound bags. Two cargoes totalling about eight thousand tons flour recently booked for dairen but other export movement quiet with no inquiries from England. New crop chartering in progress with 250,000 tons already committed at rates unchanged from last report."

The following cable was received from the International Institute of Agriculture, Rome, on November 16, 1933:

"Australia wheat Western Australia the weather is generally very favourable a plentiful yield is expected other states the weather was unfavourable consequent on lack of rain and hot drying winds, this year's yield is expected to be much less than last year's probably 160,000 thousand bushels."