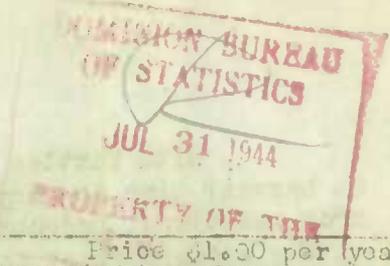


WEEKLY BULLETIN

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World Wheat Situation

Although a record reduction of approximately 600,000,000 bushels in the carry-over of old wheat in the four major exporting countries is in prospect for July 31 this year, this slump in available wheat supplies loses most of its significance in the light of current prospects for wheat production in North America in 1944.

In the United States, the wheat surplus was reduced from 620,000,000 bushels to 350,000,000 bushels in the twelve months ended July 1, 1944, but the record-breaking crop of 1,128,000,000 bushels forecast for 1944 would build supplies of wheat for the 1944-45 season up to a figure some 22,000,000 bushels greater than the supply of native wheat in the United States during the crop year 1943-44.

Canada's wheat surplus at the close of the current crop year is expected to be between 330,000,000 and 350,000,000 bushels compared with 594,000,000 bushels at the end of July, 1943, but crop prospects at the moment are such as to suggest that total wheat supplies in Canada during the next twelve months will be perhaps only 10 to 15 per cent less than they were in the crop year just coming to a close.

The position in Australia and Argentina indicates a comparatively small reduction in the wheat surplus from a year ago, although both countries are exporting wheat and flour in larger volume than at this time last year. Some increase in wheat acreage is expected in Argentina where the new crop is off to a good start. Rains are needed in sections of Australia but the general situation there appears to be more favourable than it was a year ago when drought was severe and eventually a very small crop was harvested.

There would appear now to be assurance that supplies of wheat in the surplus-producing countries of the new world are ample to meet requirements in the twelve months ahead and leave sizeable reserve stocks on hand at July 31, 1945. Some reduction in animal feed requirements appears certain in the United States where wheat has been substituting for other grains, and it is quite probable that in Canada also there will be a reduction in the amount of wheat diverted to animal feeding in the new crop year.

Canada would seem to be in a position to maintain exports of wheat in the 1944-45 crop year at a level approximating that of the 1943-44 season and still finish with substantial reserve stocks on hand at the end of July 1945. The direction of export shipments in the new season may show some change with larger amounts going overseas and less to the United States, but the current appraisal of the statistical position of Canadian wheat points to the availability of at least 350,000,000 bushels for export in 1944-45 without reducing the carry-over to an undesirable level before the 1945 wheat crop is harvested.

In the allocation of wheat supplies in the United States during the 1944-45 crop season, the War Foods Administration has provided substantially larger quantities of wheat for export or relief shipment, and has greatly reduced the allowance for animal feeding. Total requirements for the year ending June 30, 1945 are placed at 1,115,000,000 bushels and total supplies in excess of 1,500,000,000 bushels, so that no reduction from this year's carry-over is anticipated a year hence.

War developments will largely determine the volume of wheat exports during 1944-45 from the major exporting countries, but it is generally assumed that a considerable part of Europe will be freed of Nazi domination in that time and that exports overseas, either in the form of relief shipments or as sales to neutrals, will show considerable expansion over those of the past three crop seasons.

International trade in wheat and flour in the crop year just ending was the largest since the first year of the war, but this was due in large measure to the heavy purchases of Canadian wheat by the United States. There is good reason for assuming that the volume of Canadian wheat purchased by the United States during the crop year 1944-45 will be smaller but any cutback in this direction could easily be offset by larger exports to Europe.

(SEE OVERLEAF)

With battles raging from east to west and south on the European continent just at harvest time in many countries, it is difficult to appraise at this time the European crop position. Undoubtedly the Nazis have lost very considerable sources of food supply on the eastern front and at least some in the Italian and African territories retaken by the Allies, while there is still time for much of the harvest in France to be placed beyond their reach.

Crop news from most European countries continues to be of a favourable character, the exceptions being Spain, Portugal and some areas of the Balkans. The shortage of fertilizer and labour has played a part in reducing prospects in some countries and the lack of fertilizer supplies is likely to result in lower than normal yields.

India's new wheat crop has been revised downward from 387,000,000 bushels to 365,000,000 bushels. This compares with 409,000,000 bushels harvested a year previously and while the food situation is not as serious as it was last year the British Government has arranged for the inward shipment of food supplies including wheat from Australia. Some wheat from Canada, part of a gift from the Government has also reached India.

Canada's External Trade in June

Canada's external trade in June, excluding gold, was of near record proportions, the aggregate being \$498,465,000 as compared with \$529,887,000 in the previous month and \$397,899,000 in the corresponding month of last year. During the first six months of 1944 the total was \$2,633,245,000 as compared with \$2,127,785,000 in the similar period of 1943, an increase of \$505,460,000.

Domestic exports, excluding gold, were valued at \$343,158,000 in June as compared with \$368,357,000 in May and \$249,232,000 in June of last year. Merchandise exports during the first half of 1944 were valued at \$1,746,268,000 as compared with \$1,277,763,000 in the same period of last year, an increase of \$468,505,000. Foreign exports in June were valued at \$2,829,000 and in the six months ended June, \$22,448,000.

Commodity imports in June were valued at \$152,478,000 compared with \$159,038,000 in May and \$146,762,000 in June of last year. The total for the six months ended June was \$864,529,000 compared with \$839,684,000 in the like period of last year.

Duties collected in June totalled \$14,835,000 compared with \$16,279,000 in May and \$16,006,000 in June of last year, the total for the six months ended June amounting to \$90,659,000 compared with \$78,475,000 in the corresponding period of last year.

Canada's Merchandise Imports in June

Canada's merchandise imports in June were valued at \$152,478,000 as compared with \$146,762,000 in the corresponding month of last year. The aggregate for the first six months of this year was \$864,529,000 as compared with \$839,684,000 in the like period of last year. The United States was the chief source of supply, imports from that country in June amounting to \$122,240,000 compared with \$121,085,000 in June of last year and during the six months ended June \$708,968,000 compared with \$688,399,000 a year ago.

Merchandise imports from the United Kingdom in June were valued at \$9,412,000 compared with \$9,715,000 in June of last year, the value for the six months ended June amounting to \$54,462,000 compared with \$65,291,000 in the same period of last year. Imports from other leading countries, in June were as follows, totals for June 1943 being in brackets: British India, \$2,270,000 (\$1,685,000); Colombia, \$1,619,000 (\$176,000); New Zealand, \$1,441,000 (\$512,000); Brazil, \$1,384,000 (\$323,000); Jamaica, \$1,369,000 (\$351,000); Newfoundland, \$1,144,000 (\$1,042,000); Mexico, \$957,000 (\$632,000); Australia, \$834,000 (\$1,195,000); Venezuela, \$834,000 (\$305,000).

The following were amongst the leading commodities imported in June totals for June of last year being in brackets: fruits, \$6,493,000 (\$3,798,000); vegetables, \$2,016,000 (\$2,089,000); coffee and chicory, \$3,360,000 (\$494,000); cotton, \$8,155,000 (\$6,494,000); wool, \$3,587,000 (\$2,988,000); rolling mill products, \$3,701,000 (\$6,311,000); engines and boilers, \$3,808,000 (\$4,197,000); farm implements, \$3,868,000 (\$1,602,000); machinery, except agricultural, \$6,934,000 (\$13,115,000); vehicles, \$7,482,000 (\$7,700,000); electrical apparatus, \$5,465,000 (\$4,667,000); coal, \$9,587,000 (\$7,482,000); petroleum products, \$9,759,000 (\$8,073,000); chemicals, \$7,519,000 (\$6,359,000).

Grain Crop Acreage in Prairie Provinces
and Acreage Late-Sown Crops in Canada

The acreage seeded to wheat in Canada's three Prairie Provinces in 1944 was 23,052,500 acres as compared with 16,729,000 in 1943, an increase of 37.8 per cent, according to final figures based on the June survey. The acreage seeded in 1942 was 20,653,000. The increase in wheat acreage has occurred at the expense of feed grain crops, flaxseed and summerfallow.

The area sown to oats this year amounted to 10,446,900 acres compared with 11,789,300 in 1943, a reduction of 11.4 per cent. Barley acreage at 6,763,400 acres as compared with 7,896,000 in 1943, recorded a decline of 14.3 per cent, while the flaxseed acreage was 1,297,500 acres compared with 2,768,400, a decrease of 53 per cent. The acreage summerfallowed was 1,210,000 acres less than in 1943.

Preliminary figures for late-sown crops for the Dominion as a whole show moderate increases in the acreage planted to dry peas and dry beans. They also reveal increased acreages in corn for grain and in sugar beets, the increase in the latter being due largely to the new acreage in Quebec this year. Reduced acreages planted to buckwheat, turnips, hay and clover, alfalfa and fodder corn were shown.

The acreages of late-sown crops this year follow, with totals for 1943 in brackets: dry peas, 101,600 (91,700) acres; dry beans, 87,900 (85,200); buckwheat, 250,100 (285,900); corn for grain, 256,100 (230,000); turnips, 154,500 (162,600); hay and clover, 9,653,500 (9,815,600); alfalfa, 1,454,300 (1,544,000); fodder corn, 456,600 (474,800); sugar beets, 69,500 (52,500).

Crop Conditions in the Prairie Provinces

Grain crops continued to make good progress in the Prairie Provinces during the past week except in the dry areas of south-western Saskatchewan, south-eastern Alberta and parts of the Peace River country where lack of rainfall and a combination of high temperatures and drying winds caused further deterioration. The cutting of barley and wheat will commence in Manitoba this week and wheat cutting will start in southern Saskatchewan about August 10. No date has been mentioned by correspondents in Alberta.

The moisture situation over the greater part of western Canada is satisfactory and sufficient to fill crops, but around Morden in southern Manitoba and Swift Current in Saskatchewan, there is need of further rain if the present good crop prospects are to be maintained. Crops south of Calgary, particularly east of Lethbridge, have gone back the past week and a critical moisture situation prevails also in the Beaverlodge area of the Peace River Block. Good rains now would probably bring about some recovery although in the Lethbridge section many fields are reported to be a complete failure.

Hail damage occurred at a number of points in Manitoba and in sections of Alberta during the past week but insect damage appears to have been light except in southern Alberta where grasshoppers have stripped the leaves off wheat over a wide area. The sawfly infestation in this area is reported to be as severe as last year.

Flaxseed crops are doing well except in the Swift Current area while rapeseed where grown appears to be promising. Corn and other oil-bearing seeds are progressing favourably in the Red River Valley of Manitoba. Good progress has been made with haying and summerfallowing in all three provinces. The condition of live stock is good generally and pastures are excellent except in the dry sections.

Visible Supply of Canadian Wheat

Stocks of Canadian wheat in store or in transit in North America at midnight on July 20 totalled 284,678,599 bushels, a decrease of 116,420,735 bushels from last year's corresponding total of 401,099,334 bushels. Stocks this year included 267,598,355 bushels in Canadian positions and 17,080,244 in United States positions.

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Marketings of Wheat and Coarse Grains

Deliveries of wheat from farms in the three Prairie Provinces during the week ending July 20 amounted to 8,207,327 bushels as compared with 7,965,599 in the previous week. During the elapsed portion of the crop year which commenced August 1, 1943, marketings totalled 298,522,125 bushels compared with 255,209,273 in the similar period of the previous crop year.

The following quantities of course grains were also delivered from farms in western Canada during the week ending July 20, totals for the previous week being in brackets: oats, 2,644,526 (2,341,103) bushels; barley, 944,555 (846,956); rye, 19,894 (28,565); flaxseed, 19,051 (25,690).

Production of Gold in May

The production of gold in Canada in May totalled 256,837 fine ounces as compared with 244,804 in the previous month and 313,572 in May of last year. The value of this year's May output was \$9,888,000. During the five months ended May, 1,282,881 fine ounces of gold were produced as compared with 1,646,295 in the similar period of last year.

May production was as follows by provinces, totals for May of last year being in brackets: Ontario, 150,381 (175,841) fine ounces; Quebec, 68,292 (85,605); British Columbia, 18,357 (22,075); Manitoba and Saskatchewan, 16,394 (21,512); Northwest Territories, 3,056 (6,478); Nova Scotia, 326 (106); Yukon, 4 (1,955).

Production of Coal and Coke in May

Production of coal in Canada in May amounted to 1,289,723 tons as compared with 1,317,704 in the corresponding month of last year, a reduction of two per cent. During the five months ended May the output aggregated 7,152,501 tons as compared with 7,531,355 in the similar period of last year.

Coke production in May totalled 343,000 tons as compared with 338,000 in the previous month and 278,000 in May of last year. Output during the five months ended May amounted to 1,713,000 tons as compared with 1,304,000 in the like period of last year.

Coal imports in May amounted to 2,982,975 tons compared with 2,448,998 in May of last year. Imports during the five months ended May totalled 8,377,493 tons compared with 6,827,513 in the same period of last year. Exports of coal in May totalled 123,926 tons compared with 100,932 in May of last year, and in the five months ended May 432,450 tons compared with 373,870.

Production of Crude Petroleum in May

The Canadian production of crude petroleum and natural gasoline in May amounted to 858,403 barrels as compared with 843,976 in the previous month and 872,812 in the corresponding month of last year. Alberta's May output was recorded at 738,817 barrels, of which the Turner Valley Field accounted for 697,240 barrels. During the five months ending May the Dominion total was 4,211,330 barrels, a very slight reduction from last year's corresponding output of 4,211,751 barrels.

May production of Natural Gas

Production of natural gas in Canada in May amounted to 3,278,079,000 cubic feet as compared with 4,269,082,000 in the previous month and 3,115,270,000 in the corresponding month of last year. During the five months ended May the output aggregated 23,584,804,000 cubic feet as compared with 21,761,044,000 in the similar period of last year.

Sales of Gasoline in April

Sales of motor, tractor and aviation grades of gasoline in Canada in April totalled 64,214,000 gallons as compared with 72,347,000 in the previous month and 58,407,000 in the corresponding month of last year. During the four months ended April, sales aggregated 249,205,000 gallons as compared with 217,414,000 in the like period of 1943, an increase of 31,791,000 gallons.

Financing of Motor Vehicle Sales in June

Financing of new and used motor vehicles in June totalled 3,374 units with a financed value of \$1,410,151. Declines below June last year, when 4,881 vehicles were financed for \$1,772,528, amounted to 31 per cent in number and 20 per cent in dollar volume. Included in the June 1944 totals were 135 new vehicles which were financed to the extent of \$227,861.

Used vehicle financing declined 34 per cent in number and 30 per cent in dollar volume, 3,189 units having been financed for \$1,182,290 as compared with 4,811 transactions involving \$1,690,021 in June of last year. Declines were extensive in all sections of the country, although the 17 per cent decrease in Ontario was more moderate than those recorded for other provinces.

There were 1,022 new vehicles financed in the first half of 1944 compared with 358 new vehicles financed in the same period of last year. Used vehicles financed in the six month period were 17,148 as compared with 19,226 a year ago.

Department Store Sales in June

The dollar volume of department store sales in June was nine per cent higher than in the corresponding month of last year, but declined 10 per cent below sales in the previous month. Unadjusted index numbers on the base 1935-1939=100 stood at 149.6 for June this year, 166.2 for May and 136.8 for June, 1943. Sales in the first half of 1944 were nine per cent above the similar period of last year.

June Index Number of Wholesale Prices

The general index number of wholesale prices on the base 1926=100 stood at 102.5 in June, being unchanged from the previous month. In June of last year it was 99.6. Increases in the indexes for vegetable and chemical products were counterbalanced by decreases in animal products and non-metallic minerals. Other groups were unchanged. The index number of Canadian farm product prices was 102.0 compared with 101.8 in May, an increase of 0.2 points. A year ago it was 94.4.

Manufacturing Industries of Ontario

Under the continued impetus of war production, the manufacturing industries of Ontario greatly accelerated their output of manufactured products in 1942, the gross value of which aggregated \$3,817,396,000 as compared with \$3,121,757,000 in 1941, an increase of 22.3 per cent. Employment was provided for 542,958 persons as compared with 468,230 in 1941, while payments in salaries and wages totalled \$840,784,000 as compared with \$660,722,000.

Of the increase in the gross value of production amounting to \$695,640,000, 49.2 per cent was contributed by manufacturing establishments included in the iron and its products group, 12.2 per cent by the chemicals and allied products group, 10.5 per cent by the non-ferrous metal industries, and the balance by animal products, textiles, vegetable products, non-metallic mineral products, wood and paper products and miscellaneous industries.

From the standpoint of the gross value of production, the iron and steel and its products group again headed the list with an output valued at \$1,354,797,857, followed by vegetable products at \$497,832,116, non-ferrous metal products \$491,228,003, wood and paper products \$357,843,723, animal products \$329,072,541, textiles and textile products \$306,507,099 and chemicals and chemical products \$235,544,376.

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Amongst the individual industries in 1942, the automobile industry with an output valued at \$323,968,911 was by far the largest. Non-ferrous metal smelting and refining came next with \$185,715,195, followed by automobile supplies at \$182,783,322, primary iron and steel \$159,077,961, electrical apparatus and supplies \$146,126,610, slaughtering and meatpacking \$132,769,040, miscellaneous iron and steel products \$113,123,675, and pulp and paper \$103,555,421.

Manufacturing Industries of Maritime Provinces in 1942

Manufacturing production in the Maritime Provinces was at a high level in 1942, the gross value of products amounting to \$286,626,000 as compared with \$249,957,000 in 1941, an increase of 14.7 per cent. The increase over the 1939 valuation of \$152,741,000 was 87.6 per cent. Employment was furnished to 54,761 persons who received \$68,663,000 in salaries and wages in 1942, recording increases over 1941 of 20.9 per cent in the number of employees and 37.5 per cent in the salary and wage disbursements.

Pulp and paper with an output valued at \$34,740,000 was again the leading industry from the standpoint of gross value of production. The production of primary iron and steel ranked second with a value of \$31,010,000, followed by sawmills at \$22,079,000, shipbuilding and repairs \$20,681,000, fish curing and packing \$19,362,000, butter and cheese \$10,390,000, railway rolling stock \$8,785,000. Sugar and petroleum refining are also important in the Maritime Provinces.

The gross value of products manufactured in Nova Scotia in 1942 was \$155,931,000 as compared with \$133,873,000 in 1941, in New Brunswick \$123,839,000 compared with \$111,434,000, and in Prince Edward Island \$6,855,000 compared with \$4,649,000. Nova Scotia's manufacturing industries provided employment for 31,318 persons in 1942 compared with 24,577 in 1941, in New Brunswick 22,182 persons compared with 19,600, and in Prince Edward Island 1,261 compared with 1,105.

Car Loadings on Canadian Railways

Car loadings on Canadian railways during the week ended July 15 amounted to 70,691 cars as against 71,405 in the previous week and 67,580 in the corresponding week of last year. In the eastern division total loadings increased from 44,636 cars in 1943 to 45,032, and in the western division from 22,944 to 25,659 cars.

Reports Issued During the Week

1. Car Loadings on Canadian Railways (10 cents).
2. Final Grain Crop Acreage in Prairie Provinces and Preliminary Acreage Late-Sown Crops in Canada, 1944 (10 cents).
3. Gainfully Occupied by Industry, Sex, Age, Conjugal Condition, Etc. Nova Scotia, 1941 (10 cents).
4. Coal and Coke Statistics, May (10 cents).
5. Monthly Traffic Report of Railways, April (10 cents).
6. Gold Production, May (10 cents).
7. Manufacturing Industries of the Maritime Provinces, 1942 (25 cents).
8. Monthly Review of Business Statistics, June (10 cents).
9. Manufacturing Industries of Ontario, 1942 (25 cents).
10. Area, Production and Value of Field Crops, 1940, and Area, 1941, Nova Scotia (10 cents).
11. Imports by Principal Countries, June (10 cents).
12. Summary of Canada's Imports, June (10 cents).
13. Trade of Canada, June (10 cents).
14. Canadian Grain Statistics (10 cents).
15. Monthly Review of the Wheat Situation (10 cents).
16. Petroleum and Natural Gas Production, May; and Petroleum Fuels Sales, April (10 cents).
17. Preliminary Report on Department Store Sales, June (10 cents).
18. Financing of Motor Vehicle Sales, June (10 cents).
19. Prices and Price Indexes, June (10 cents).
20. Telegraphic Crop Report, Prairie Provinces (10 cents).