

appreciate the size of last year's crop. It followed on a crop of 529 million in 1951. And now we are told that this year's Western wheat crop is estimated at 574 million bushels. During the past three years, at the same time as these wheat figures have been achieved, record or near-record crops of oats and barley have also been harvested. In spite of these crops, so unusually large, it was my pleasure a few weeks ago to be able to announce that new records had been set for handling and exports. In the crop year which ended on July 31, producers in the Prairie Provinces marketed through country elevators a quantity of grain which will probably total 825 or 830 million bushels when all figures are in. The crop-year 1951-1952 had set the previous record, but the new figure broke the record by about 90 million bushels. Particularly gratifying, too, was the fact that it was possible for me to announce that record production and marketings have been associated with record exports. Preliminary figures of exports of all grains, including wheat in the form of flour, indicate that 582 million bushels were exported in the crop year ending on July 31. This is an all-time record, exceeding the previous record established in 1951-52 by 77 million bushels. It may be difficult for insurance people to visualize the immensity of that number of bushels so let me put it in terms of dollars. The value of those 582 million bushels will be just over one billion dollars. The value of all Canadian exports in that twelve-month period was just over four billion dollars. One out of every four export dollars, therefore, was earned by the sale of Western grain and its products. And I know that business men of your calibre realize full well the vital importance of exports in our economy.

In spite of record handling and exports, however, you have no doubt been reading in the papers of the congested position of Western grain storage, and I am afraid that you will continue to read of farmers being unable to deliver grain and of grain stored on the farms. You will also have read of our large carry-over from last year. All these problems stem from the unusual size of the crops we have been harvesting. The exports, about which I have been telling you, total in themselves more grain than is normally harvested from a single crop. The only reason for congestion and for increased carry-overs, is that we have been producing crops which, in some cases, have been twice normal in size. Under the circumstances, I cannot regard such quantities as worrisome surpluses. Rather we must consider that we have been particularly blessed by Nature.

Exports during the early months of the new crop year which began on August 1 are expected to be a good deal lower than they were at the opening of the last crop year. It is awkward that this comparative lull in exports, particularly from the St. Lawrence ports, should coincide with the harvesting of another bumper crop. But so far as I can see, it is unavoidable. Canadian grain is being offered to our overseas customers in competition with wheat from all other exporting countries. I would go as far as to say that Canadian wheat is the best buy of any wheat in the world today.

Why then has export demand declined? The reasons are these. Many overseas countries are well stocked with wheat, a good deal of which they purchased from Canada during the past crop season. Secondly, overseas countries are now harvesting pretty good domestic crops which have a claim on storage space.