THE FARM.

The World's Wheat Situation.

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republic. It is extremely difficult to decide at this time what supplies may be expected from India and Australia. Early estimates looked for only 80,000,000 bushels, as a maximum, from the United States, and 100,000,000 from Canada; but these figures will be exceeded. The figures just given are more easily understood if considered in connection with the following table, indicating wheat requirements of the Allies for the current year:

Country	Pre-war consumption	Normal import needs 1917-18	Estimated minimum needs 1917-18
	Bushels	Bushels	Bushels
France	361,364,000	217,214,000	180,000,000
Italy	236,614,000	96,614,000	80,000,000
Great Britain	275,693,000	211,629,000	180,000,000
Greece	....	....	20,000,000
Portugal	....	....	3,000,000
Belgium	64,000,000	55,000,000	24,000,000
Malta, Egypt, Mesoptamia, Jerusalem	....	....	10,000,000
Allies	....	....	497,000,000
European Neutrals	....	....	48,000,000
Outside of Europe	....	....	50,000,000
World's requirements, 1917-18			595,000,000

There are some, if present prospects hold, who look for 151,000,000 bushels from the United States and 185,000,000 from Canada. This estimate is based upon the following figures:

	Canada Bushels	United States Bushels
Production in 1917	234,000,000	651,000,000
Carry over August 1, 1917	26,000,000	22,000,000
Total supply of wheat	260,000,000	673,000,000
Food and seed, 12 months	190,000,000	161,000,000
Exports for 9 months, May 1	147,000,000	101,000,000
Balance for export and carry over	43,000,000	60,000,000

These figures may be compared with the following estimate of stocks of wheat in Canada on March 30, 1918, and comparative dates:

Wheat in	March 31, 1916 Bushels	March 31, 1917 Bushels	March 31, 1918 Bushels
Terminal elevators	26,063,316	24,441,799	4,140,357
Winter storage in vessels	2,447,386	89,245	2,882,141
Interior terminal ele-elevators	5,716,498	5,168,242	1,098,610
Country elevators	43,996,131	30,549,209	10,459,466
Public elevators	3,326,417	2,516,461	1,935,639
Flour mills	5,277,196	4,884,825	4,802,236
Transit by rail	23,369,809	12,862,356	20,011,179
Farmers' hands	86,654,000	45,638,000	31,684,700
Total	197,050,753	126,150,137	77,023,328

The returns from the Department of Trade and Commerce, as published in its April Bulletin on agricultural statistics, place the exportable surplus of Canadian wheat at a considerably lower figure than that already given. It is stated that home requirements for the period ending August 31, 1918, may be placed at 48,000,000 bushels, consisting of 28,000,000 bushels for spring seeding and 20,000,000 bushels for food. This leaves approximately 30,000,000 bushels as a surplus available for export from April 1 to August 31, 1918. The net exports of wheat, and wheat flour expressed in terms of wheat, for the five months ended January 31, 1918, were 94,908,827 bushels. It is estimated, therefore, that the total exports of wheat for the crop year ending August 31, 1918, will be 148,000,000 bushels as compared with 170,804,000 bushels in 1916-1917, and 289,794,162 bushels in 1915-1916.

The returns from other countries, that have come to hand, indicate that the prospects in the world's wheat supply for the current year are better than in 1917. In England and Wales it is estimated that the area under wheat is 2,504,000 acres as compared with 1,725,000 acres for last year.

The Indian crop is reported as good, the acreage sown to wheat being 33,912,000, the highest on record. In France the crop conditions on March 1, 1918, were excellent. We quote the figures for the chief foodstuffs in view of the critical situation there. It should be observed that the French system of crop reporting is according to the following scale: 80, good; 60, fairly good; 50, fair.

Crop	March, 1917	February, 1918	March, 1918
Winter wheat	59	71	72
Rye	64	72	73
Winter barley	60	70	71
Winter oats	57	68	71

In the United States the crop is not as good as expected, although better than last year. The United States Department of Agriculture (April 9) reported that the average condition of winter wheat was 78.6 per cent. normal, as against 63.4 per cent. on April 1, 1917. The Department forecasts a harvest of winter wheat of about 569,000,000 bushels, in comparison with 418,070,000 bushels in 1917.

In surveying world conditions the conclusion must be drawn that prices will rule high not only for wheat, but for all food products, for a considerable time to come. The food situation for our European Allies is improved in the United Kingdom, in France and in Italy; but it must not be overlooked that a considerable part of the finest agricultural district of France has been recently lost to the enemy. While the submarine menace has been held under control, shipping facilities are still meagre for transporting wheat from the Argentine, Australia and India. A heavy burden, therefore, rests upon the farmers of this continent in supplying the Allied requirements.

It was confidently predicted by statesmen of the Central Powers, just after the downfall of Russia and the signing of the Treaty of Brest-Litovsk, that the food problem has been solved. Authentic information has come to London and Paris recently showing that Germany is bitterly disappointed with the results so far obtained. Famine, in fact, is stalking throughout European Russia; the farmers of the Ukraine have destroyed large supplies of foodstuffs and have reduced the acreage sown rather than come to the support of German autocracy; while the available supplies in Siberia have been held up owing to the military situation there. Hungary and Roumania, with the Ukraine, have been the principal granaries for wheat supplies for Germany and Austria. Nothing much is expected, as has been said, from the Ukraine; Roumania will fall far short of its normal production owing to the loss of man-power and the devastation of the country; while Hungary has placed an embargo upon further exports of food supplies for Austria. Economic pressure, therefore, no less than the resistance of our armies, still plays a large role in the winning of the war.

We may conclude that prices for wheat and other food products will remain high for a considerable time to come, not only because of depleted stocks in Europe, scarcity of shipping, ravaged territories and fearful loss of man-power, as well as depleted soils and industrial and political unrest, but much more on account of the monetary situation. This is a phase of the problem that is too often overlooked or ignored.

Economists have long since come to the conclusion that, just as important as the demand and supply of any particular commodity, is the value of the monetary medium in which prices are expressed. All the great modern commercial nations have adopted gold as the standard of value. The stock of the yellow metal in 1900 amounted, for the whole world, to not more than $14,000,000,000; and since that time gold has been poured upon the markets of the world at the rate of—in round numbers—$500,000,000 a year. Increase the supply of any commodity (other factors remaining the same) and its value is bound to fall. This is precisely what happened to gold. Its value, relatively to other commodities, was lessened, and prices fell. This was the outstanding force making for higher prices in the decade preceding the outbreak of war.

An increase in the supply of the standard money commodity, then, or in the volume of the total amount of different kinds of money in circulation, makes for higher prices. The movement is accentuated when the money used as a circulating medium is not redeemable on demand in gold. And, since the outbreak of war, all the nations involved, with the exception of the United Kingdom and the United States, have gone on a paper-money basis—that is, suspended gold payments.

The dangers involved in such action are manifest. During the American Civil War only $450,000,000 was issued in irredeemable paper money, and yet, in July, 1864—when it was plain that the South was powerless to win—it took $2.85 in paper money to buy $1.00 in gold. That is to say, prices had risen, in terms of the money in circulation, threefold.

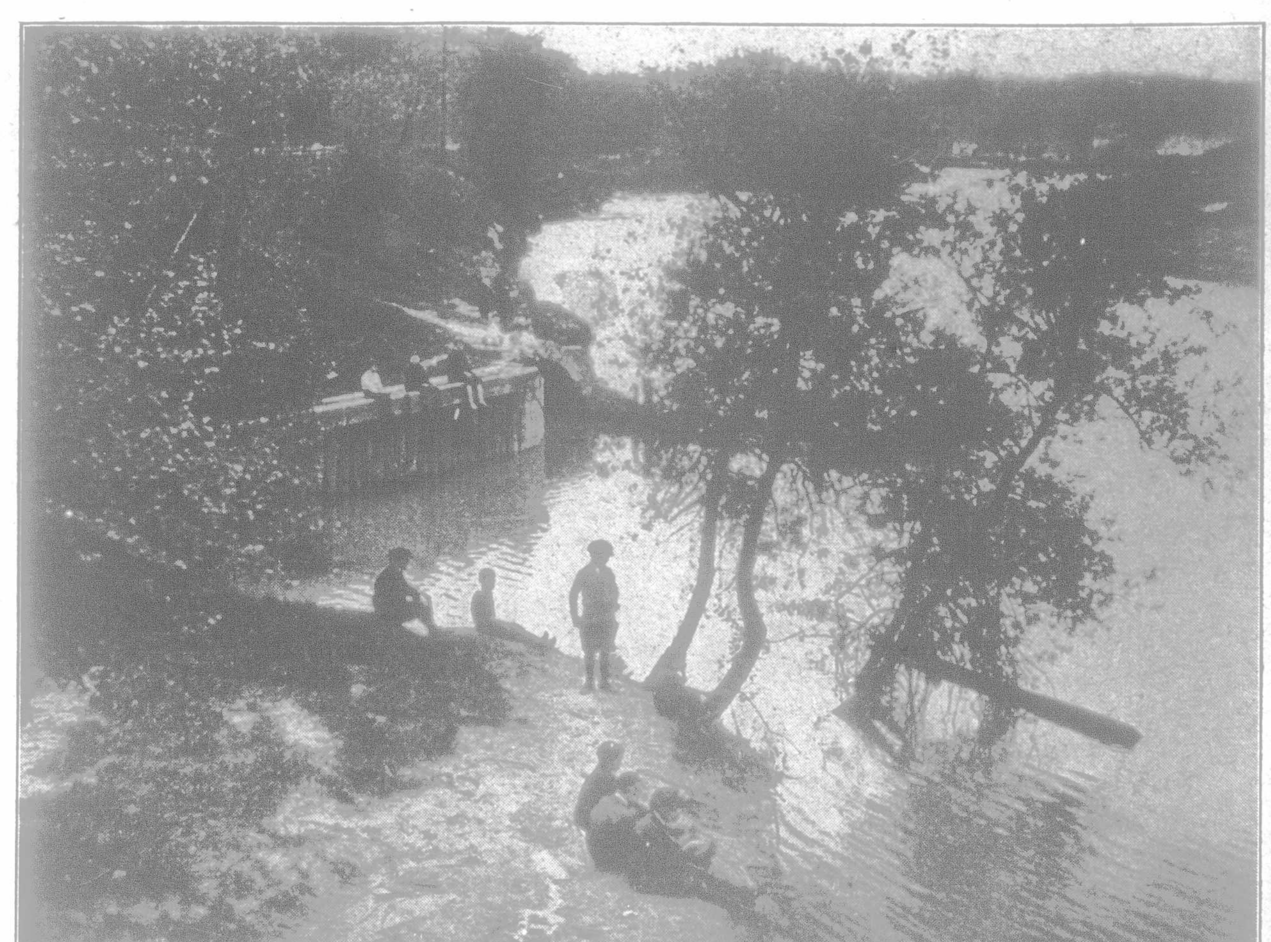
Since the outbreak of the war the Allied Powers, exclusive of the United States, have increased their paper money issues from $2,812,761,000 to $15,645,492,000 up to December, 1917, and the Central Empires from $1,124,783,000 to $6,323,480,000. It seems clear that it will take a long time to make this paper money as good as gold, and hence prices must rule high everywhere in Europe, affecting trade and commerce throughout the whole world.

But that is not all. The combined debts of the belligerents, exclusive of Japan, stood at $137,404,000,000 in December last, an increase of $111,652,000,000 since the outbreak of war. For every month that the struggle continues $5,000,000,000 must be added to the war debt of the world. This debt in itself is a potent factor in raising prices, since bonds are used to a considerable extent in effecting commercial settlements.

These facts should be borne in mind by those who, for selfish ends, accuse Canadian farmers of profiteering. Almost everything they buy costs more. Expenses of production have doubled, and seriously cut into the profits of farming; and especially of wheat, the principal cash crop. We cannot do more here than merely refer to this problem, a full discussion of which must be left for a later time. The farmers of the Dominion, and especially Western farmers, will do well to give this question of prices as full consideration as the problem of production itself.—The writer is indebted to the Agricultural Gazette and the Monthly Bulletin of Agricultural Statistics for data contained in this article.

Dr. Zavitz Looking For Seed Wheat.

For some time past Dr. C. A. Zavitz, Professor of Field Husbandry at the Ontario Agricultural College, has been inspecting the wheat crop in the Genesee Valley, in the State of New York. The purpose of this inspection is to ascertain where suitable seed may be obtained to fill the requirements in Ontario for the fall wheat planting this season. The varieties found there include Gold Coin, No. 6, and Dawson's Golden Chaff. Dr. Zavitz is of the opinion that the wheat grown in the Genesee Valley is quite suitable for Ontario conditions. The intention at first was to bring in 100,000 bushels for seed, but it is now thought that perhaps this amount will not be required. There are five or six counties in Ontario which will have a surplus out of this autumn's threshing, but fifteen counties, said Dr. Zavitz, will require seed.



A Scene on the Don River, Ontario, Where the Boys Have a Good Time.