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COARSE GRAINS QUARTERLY

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THE COARSE GRAINS

QUARTERLY

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FATS AND OILS

WORLD SITUATION

The following is taken from the report on Grains and Feeds as prepared for the Federal-Provincial Agricultural Outlook Conference, November 25 and 26, 1968 ....

Feed Grains World production of feed grains (excluding Mainland China) is provisionally estimated at 470 million metric tons in 1967-68, slightly above the previous year's record. With the exception of oats, all feed grains participated in this rise. Crops were very good in most regions of the Northern Hemisphere, whereas output in major producing countries of the Southern Hemisphere was affected by drought. Developing countries produced more, but most of the increase occurred in the developed countries, especially the United States and Western Europe. In the U.S.S.R and Eastern Europe, production did not reach the exceptionally high levels achieved in 1966-67.

International trade in feed grains in 1967-68 was slightly below the record 43 million tons reached in 1966-67. In spite of excellent domestic feed grain crops in Western Europe, exports to that area increased slightly, as did exports to Japan. Exports to developing countries were down but trade to Communist countries was steady. Corn prices fell sharply in 1967-68, but other feed grain prices fell only slightly. In spite of a weaker demand for feed grains generally, the volume of international trade in corn was close to the 1966-67 level. Trade in other feed grains was smaller, reflecting changes in the feed grain price relationships favoring corn. Due to a larger supply of corn in the United States, carryover stocks of feed grains were higher at the end of the 1967-68 season.

Early indications point to a world feed grain crop in 1968-69 at least as large as last year, as a result of a larger than expected harvest of feed grains in the United States. In view of ample supplies and declining prices for corn, the United States Government restored acreage diversion incentives under the Feed Grain Program, but increased yields of all feed grain crops in the United States appear likely to offset any reduction in acreage which may have resulted from such diversions. Satisfactory production in most inporting countries will have the impact of depressing, for the second consecutive year, import demand for feed grains with resulting downward pressures on prices and slower world trade. It is expected that world prices for feed grains in 1968-69 will be as low as or lower than in 1967-68.

There are varying assessments of the demand for wheat and feed grains and the level of world trade in grains between now and 1980, but assuming continuance of present consumption and production trends, the most likely development will be re-establishment of the balance between supply and demand. Within this balance, there may be temporary surpluses in some years or depletion of stocks below normal levels, coinciding with unfavorable crop conditions in other years. Demand for wheat in Western European countries may continue to shrink, and demand for feed grains may continue to increase but at a slower rate. The U.S.S.R. and Eastern Europe are unlikely to purchase the very large quantities of wheat of recent years, and trade in feed grains with these countries will be limited. Mainland China is expected to continue to be a major importer of all grains and likewise Japanese demand for both wheat and feed grains is likely to be a sustaining force on the world markets. The overall prospects for grain exports to developing countries will continue to be largely dependent on food aid financing although some of the developing countries could increase the level of their commercial purchases. Total exports of Canadian wheat between now and 1980 may be difficult to maintain at recent high levels as a consequence of probable reduced trade with Communist countries. Canadian participation in the increasing world market for feed grains will likely continue to be limited as long as the world trading prices for higher energy grains, especially United States corn, enjoy relative price advantages over Canadian feed grains in terms of feeding value. The volume of production of Canadian feed grains will need to increase further to 1980 as livestock consumption continues to rise in Canada. While total grain production will need to increase the emphasis will need to move slowly towards feed grains.

CANADIAN FEED GRAIN SITUATION AND OUTLOOK

Canadian supplies of feed grains were down slightly in 1967-68 as increased beginning carryover stocks and imports from the United States did not quite offset a reduction in Canadian production. Domestic consumption of feed grains remained close to the 1966-67 level, but exports of both oats and barley fell slightly. Ontario corn prices fell relatively more than the prices for western feed oats and barley and therefore corn continued, in increased quantities, to replace other grains in livestock rations. In addition, oats is being replaced more rapidly than barley or mixed grains in eastern Canada, and feed barley, to a lesser degree, is replacing other feed grains in western Canada. These patterns reflect the relative price advantage of corn and barley over other grains in terms of feeding value.

Little change over the previous year is expected in the consumption of all feed grains by livestock in Canada. Larger feed grain production in Canada will be faced with low prices elsewhere, especially in the U.S., and Canadian prices can be expected to be lower in 1968-69 than in 1967-68. Corn will continue to be relatively cheaper than other feed grains and consumption of corn can be expected to increase, mainly in eastern Canada, at the expense of other feed grains, although increased consumption of barley can be expected in western Canada.

Forage Crops

Production of tame hay in Canada in 1968 is estimated at 23.0 million tons, some 9 per cent less than last year's out-turn of 25.4 million. Although hay production in 1968 was lower in all provinces except Prince Edward Island and Saskatchewan supplies should be generally adequate in most areas.

Production of fodder corn, which is mostly in Eastern Canada, is placed at a record 7.8 million tons in 1968, 7 per cent above last year's 7.3 million tons. Fall pastures were generally good in most regions and, as a result, supplementary fall feeding was not extensive this season.

Exports of Oats Barley and Rye August-October 1968

Total exports of oats, barley and rye during the first quarter of the 1968-69 crop year amounted to 7.1 million bushels, a decrease of 28 per cent from the August-October 1967 total of 9.9 million and 43 per cent less than the ten-year (1957-66) average exports for the period of 12.4 million bushels. Current crop year exports of the three grains to October 31, 1968 with figures for the corresponding period of 1967 and the ten-year August-October averages, respectively, in brackets, were as follows, in millions of bushels: oats, 0.5 (1.0, 2.1); barley, 4.4 (7.3, 9.1); and rye, 2.2 (1.5, 1.3).

During the first three months of the 1968-69 crop year the major markets for Canadian oats were the Netherlands and the United States, 0.2 million each; and Belgium and Luxemburg, 0.1 million. Exports of Canadian barley during the period under review went to three different countries with shipments as follows in millions of bushels: United States, 2.2; Britain, 1.6; and Japan, 0.7. In addition, Customs exports of Canadian malt in terms of barley during the August-October period of 1968 were equivalent to 1.0 million bushels. The leading market for the 2.2 million

Feed Concentrate Balance, Numbers of Animal Units and Feed per Unit, Canada
Crop Years, August 1 - July 31

Item	Average 1956-61	Average 1961-66	1966-67[r]	1967-68[p]	1968-69(1)
	million tons				
Supply					
Stocks beginning crop year(2) ..	5.5	4.6	4.7	5.2	4.6
Production of feed grains:					
corn	0.8	1.2	1.9	2.1	2.3
oats	6.4	6.7	6.4	5.2	6.2
barley	5.4	4.2	7.2	6.0	7.8
mixed grain and buckwheat	1.3	1.5	1.7	1.6	1.7
Totals, production	13.9	13.6	17.1	14.8	18.0
Imports of feed grains	0.4	0.7	0.6	0.9	0.9
Wheat and rye fed	2.1	1.5	1.8	2.1	2.7
By-product feeds fed	1.3	1.5	1.6	1.7	1.7
Totals, supply	23.2	21.9	25.8	24.6	27.9
Utilization					
Concentrates fed(3)					
corn	0.8	1.4	1.9	2.4	2.6
oats	5.6	5.9	6.2	5.2	5.5
barley	3.4	2.8	4.3	4.2	4.7
mixed grain and buckwheat	1.2	1.4	1.6	1.5	1.7
wheat and rye	2.2	1.5	1.8	2.1	2.7
oilseed cake and meal	0.4	0.5	0.6	0.7	0.7
animal protein feeds	0.2	0.2	0.3	0.3	0.3
other by-product feeds	0.7	0.7	0.8	0.8	0.8
Totals, concentrates fed	14.3	14.5	17.4	17.1	18.9
Feed grains for seed, human food and industry	1.6	1.7	1.8	1.9	1.9
Exports	1.9	1.1	1.5	1.1	0.9
Totals, utilization	17.7	17.3	20.6	20.1	21.7
Stocks at end of crop year(2)	5.5	4.6	5.2	4.6	6.2
Supply and utilization per animal unit					
Total supply (million tons)	23.2	21.9	25.8	24.6	27.9
Concentrates fed (million tons)	14.3	14.5	17.4	17.1	18.9
Grain-consuming animal units, June 1 (million)	15.7	16.0	16.6	17.3	16.7
Supply per animal unit (tons)	1.48	1.37	1.55	1.42	1.67
Concentrates fed per animal unit (tons)	.91	.91	1.05	.99	1.13

(1) Preliminary estimates based on production as of October 23 and forecasts of utilization and exports.
(2) Total stocks of oats and barley and commercial stocks of corn only.
(3) Total quantities fed in Canada, including domestically produced and imported grains and by-product feeds.
[p] Preliminary figures. [r] Revised figures.
Note: Due to rounding the sums of individual items may not agree exactly with the totals.

bushels of Canadian rye exported during the first three months of current crop year was Japan with 0.8 million. Other markets were United States, 0.7 million; Norway, 0.4 million; Britain 0.2 million and the Netherlands, 0.1 million.

General Quota Position By December 2, 1968 out of a total of 1,827 shipping points in the western division, the Canadian Wheat Board has placed 740 points on a delivery quota of one bushel per specified acre and 535 points on a 2-bushel quota. Of the remainder 543 points were on the Initial Unit Quota while only 9 stations were reported as "closed".

Summary of Elevator Shipping Points in the Western Division as at December 2, 1968

Province	Initial Unit Quota	General Quota in bushels per specified acre		Closed	Total
		One	Two		
Ontario	—	—	—	1	1
Manitoba	200	108	16	—	324
Saskatchewan	249	433	302	6	990
Alberta	94	199	211	2	506
British Columbia ..	—	—	6	—	6
All provinces ...	543	740	535	9	1,827

Statement re Tough and Damp Grain On November 26, 1968 W.C. McNamara, Chairman of the Grain Transportation Committee, outlined the critical problem facing Western Canadian farmers with respect to tough and damp grain, despite an all-out effort on the part of the grain handling and transportation industry.

At a meeting called with all segments of the grain industry at the Fort Garry hotel, Mr. McNamara said that over twelve million bushels of damp grain have already moved out of country elevators since harvest and Lakehead, Vancouver and interior terminal driers are coming into full operation as the damp grain moves into position.

But, he added, "Even with maximum use of terminal drying facilities the bulk of the tough and damp grain will have to be dried on farms."

He said, "A survey shows that terminal driers, operating at full capacity during the next 8 months, would be able to condition about 100 to 150 million bushels of the estimated more than 350 million bushels of tough and damp grain stored on farms. Therefore there will have to be a substantial amount dried on farms."

"The Grain Transportation Committee has taken action to assure that the handling and transportation parts of the grain industry fully meet their responsibilities in this regard," said Mr. McNamara.

A farm to terminal movement of damp grain keyed to the optimum use of terminal drying facilities is a main feature of the plan. Substantial amounts of dry grain must also continue to move for sales requirements.

"Boxcar supply is not a limiting factor," said Mr. McNamara.

"Normally at this time of year there is a large scale movement of grain until the middle of January to fill Lakehead terminals, followed by a period of two or three months of reduced movement. This year the railways have been asked to regulate the flow of boxcars to conform to the drying ability of the terminals. Therefore, there will be a levelled-out movement of grain to the Lakehead until the opening of navigation in the spring."

As far as West Coast is concerned, it is anticipated that the movement will be brisk throughout the crop year. However, since export sales are heavy a particularly well balanced program of shipping high moisture and dry grain will have to be achieved.

The Grain Transportation Committee has established a special Subcommittee of Operating Managers to meet weekly to keep close tabs on the performance in regard to all parts of the plan. The Grain Transportation Committee is composed of representatives of the Wheat Board, the Board of Grain Commissioners, the Grain Companies and the Railways. The Committee was originally established in 1965 and was successful in overcoming the serious difficulties encountered that crop year.

Mr. McNamara said, "A six-bushel quota seems to be the best producers can hope for this crop year, and terminal driers used to capacity can condition only a part of that. Thus, we want producers to be fully aware of this situation so that they will take action now to help themselves as much as possible."

Current reports from provincial departments of agriculture indicate it is possible under optimum conditions for some 50 million bushels of grain per month to be dried on farms.

While stating he "hoped farm driers can be fully utilized," Mr. McNamara advised producers "to seek the right information on how to dry grain properly." He said the Board of Grain Commissioners have such information available and he thought all the provincial departments of agriculture were also prepared to advise and assist producers in this regard.

Mr. McNamara concluded, "All phases of the agricultural industry must pull together to see that the job gets done."

<u>Supplementary Delivery Quota on Oats</u> The Canadian Wheat Board in its instructions to the trade re quotas (general) No. 21 announced in part that effective immediately and until Wednesday, April 30, 1969, a supplementary quota on oats of eight (8) bushels per acre seeded to oats, or five hundred (500) bushels, whichever is the larger, is hereby established at all delivery points.

MILLFEEDS

During the 1967-68 crop year, the production of Canadian millfeeds amounted to 640,278 tons. This was some 4 per cent less than the previous year's comparable total of 667,140 tons and 5 per cent below the ten-year (1956-57 — 1965-66) average of 675,545 tons. In 1967-68, exports, at 52,485 tons, declined sharply, from both the 1966-67 level of 101,817 tons and the ten-year average of 89,757 tons.

This decrease in exports was great enough to offset the decline in production. As a consequence, the amount of millfeeds available for domestic utilization, at 586,220 tons, was 3 per cent above the 1966-67 total but was slightly below the ten-year average of 587,909 tons after making allowance for changes in mill stocks. In 1967-68, the major countries accounting for most of the export movement of millfeeds, were as follows: United States, 33,352 tons; Japan, 18,739 tons; and Britain 235 tons. Substantially smaller shipments went to Barbados, Bermuda, Guyana, St. Pierre and Miquelon, Lebanon, and Leeward and Windward Islands.

During the first three months of the 1968-69 crop year, preliminary data indicate that production of millfeeds, at 172,348 tons, was 2 per cent more than the 169,480 tons produced during the corresponding period in 1967-68. During the August - October period of the current crop year, exports amounted to 11,892 tons in contrast to 17,826 tons exported during the same months of 1967. For the period under review, apparent domestic disappearance (excluding any allowance for imports) was 158,657 tons compared with last year's August-October level of 150,592 tons.

Production and Exports of Canadian Millfeeds, 1947-48—1967-68

Crop Year	Production	Imports	Exports	Apparent domestic disappearance(1)	Production
			tons		
1947-48	866,724	9,101	30,502	842,391	3.5
1948-49	695,346	10,486	53,968	654,400	7.8
1949-50	691,812	4,681	55,394	643,257	8.0
1950-51	852,053	4,192	235,301	623,046	27.6
1951-52	829,301	3,518	258,342	573,080	31.2
1952-53	810,480	1,571	264,950	549,391	32.7
1953-54	678,456	1,457	186,214	494,522	27.4
1954-55	696,450	4,363	129,310	568,384	18.6
1955-56	703,376	11,392	111,660	599,878	15.9
1956-57	641,885	5,855	111,943	540,289	17.4
1957-58	688,706	1,912	110,359	582,828	16.0
1958-59	663,191	3,373	52,303	611,194	7.9
1959-60	683,915	1,563	63,128	619,379	9.2
1960-61	668,201	770	59,501	614,822	8.9
1961-62	650,496	800	36,423	614,358	5.6
1962-63	574,966	1,122	58,122	519,150	10.1
1963-64	812,741	(2)	198,223	608,189	24.4
1964-65	646,928	(2)	95,143	558,715	14.7
1965-66	724,425	(2)	112,420	610,166	15.5
1966-67	667,140	(2)	101,817	567,524	15.3
1967-68	640,278	(2)	52,485	586,220	8.2

(1) Adjusted for change in mill stocks.
(2) Beginning with 1963-64 imports of millfeeds are no longer classified as a separate commodity.

Supply and Distribution of Millfeeds, August-October 1968 and 1967

Month	Production				Exports	Apparent domestic disappearance(1)
	Bran	Shorts	Middlings	Total		
				tons		
August 1968	19,028	34,013	3,338	56,379	1,092	56,406
September	18,711	32,231	3,112	54,054	7,675	44,536
October	21,063	37,081	3,771	61,915	3,125	57,715
Totals	58,802	103,325	10,221	172,348	11,892	158,657
Same period 1967[r]	60,627	97,032	11,821	169,480	17,826	150,592

(1) Adjusted for change in mill stocks.
r Revised figures.

NOVEMBER ESTIMATE OF 1968 PRODUCTION OF CANADA'S PRINCIPAL GRAIN CROPS

Canada's 1968 wheat crop now estimated at 649.8 million bushels is 10 per cent above last year's 592.9 million bushels and 20 per cent above the ten-year average of 540.4 million bushels. The increase in production compared with last year is due to a 12 per cent increase in yields which more than offset a 2 per cent decrease in seeded acreage. The average yield at 22.1 bushels per acre is 8 per cent above the ten-year (1957-66) average of 20.5 bushels per acre. This year's all Canada crop of spring wheat, including durum, is estimated at 634.9 million bushels compared with the 1967 crop of 577.4 million and the ten-year average of 523.1 million bushels. Ontario's winter wheat crop is estimated at 14.9 million bushels, a decrease of 4 per cent from last year's crop of 15.5 million.

Production of oats for grain in 1968 is estimated at 362.5 million bushels, 19 per cent above last year's 304.2 million but 3 per cent below the 1957-66 average of 374.9 million. The indicated average yield for Canada as a whole is a record 48.0 bushels per acre compared with 40.9 in 1967 and the ten-year average of 41.9 bushels. The 1968 barley crop is estimated at a record 325.4 million bushels, 31 per cent above last year's 248.7 million and 59 per cent above the 1957-66 average of 205.1 million. The indicated average yield for Canada as a whole is 36.8 bushels per acre. The combined production of fall and spring rye is now estimated at 13.0 million bushels, some 9 per cent above the 1967 crop of 12.0 million and 14 per cent above the ten-year average of 11.5 million bushels. Average yields, estimated at 19.2 bushels per acre, are 10 per cent above the 1967 average of 17.5 bushels and 8 per cent above the ten-year average of 17.8 bushels per acre. Canada's 1968 crop of mixed grains, grown principally in Eastern Canada, is estimated at a record 85.6 million bushels, up 12 per cent from the 76.4 million produced in 1967 and some 25 per cent higher than the 1957-66 average production of 68.6 million bushels. The indicated average yield for all Canada at a record 51.4 bushels per acre is 12 per cent higher than the 45.8 bushels obtained in 1967 and 14 per cent above the ten-year average of 45.2 bushels per acre. Production of corn for grain in 1968 at a record 80.7 million bushels, is 9 per cent above last year's crop of 74.1 million and 105 per cent larger than the ten-year average of 39.4 million bushels. The average yield of a record 84.8 bushels per acre is slightly above that of last year and 22 per cent above the ten-year average of 69.6 bushels.

November Estimate of the 1968 Production of Grain Crops
Canada and Prairie Provinces, Compared with 1967

Crop	Area		Yield per acre		Production	
	1967r	1968	1967r	1968(1)	1967r	1968(1)
	acres		bushels		bushels	
CANADA						
Winter wheat	400,000	355,000	38.7	42.0	15,480,000	14,910,000
Spring wheat(2) ..	29,720,800	29,067,500	19.4	21.8	577,440,000	634,934,000
All wheat	30,120,800	29,422,500	19.7	22.1	592,920,000	649,844,000
Oats for grain ...	7,436,100	7,555,900	40.9	48.0	304,178,000	362,516,000
Barley	8,115,000	8,836,500	30.6	36.8	248,662,000	325,373,000
Fall rye	601,000	590,600	18.1	19.6	10,864,000	11,589,000
Spring rye	84,300	88,000	13.3	16.6	1,117,000	1,460,000
All rye	685,300	678,600	17.5	19.2	11,981,000	13,049,000
Flaxseed	1,023,400	1,524,400	9.2	11.9	9,378,000	18,166,000
Mixed grains	1,668,200	1,667,000	45.8	51.4	76,427,000	85,602,000
Corn for grain ...	875,500	952,500	84.6	84.8	74,083,000	80,743,000
Buckwheat	75,500	81,400	17.1	16.9	1,292,000	1,376,000
Peas, dry	47,400	53,300	23.5	19.2	1,115,000	1,022,000
Beans, dry	86,000	90,900	16.7	17.8	1,435,000	1,621,000
Soybeans	290,000	295,000	27.9	30.6	8,091,000	9,027,000
Rapeseed	1,620,000	1,052,000	15.2	17.8	24,700,000	18,700,000
PRAIRIE PROVINCES						
Wheat(2)	29,570,000	28,860,000	19.4	21.8	574,000,000	629,000,000
Oats for grain ...	5,090,000	5,340,000	38.3	46.6	195,000,000	249,000,000
Barley	7,600,000	8,330,000	30.3	36.1	230,000,000	301,000,000
Rye	628,300	619,000	16.7	18.4	10,467,000	11,400,000
Flaxseed	998,000	1,502,000	9.0	11.8	9,000,000	17,800,000
Rapeseed	1,620,000	1,052,000	15.2	17.8	24,700,000	18,700,000

(1) As indicated on the basis of conditions on or about October 23. (2) Includes durum wheat and relatively small quantities of winter wheat in all provinces except Ontario.

r Revised figures.

FEED GRAIN SUPPLIES PER ANIMAL UNIT

As in previous crop years, presentation of the Canadian feed grain supply picture for the current crop year provides a comparison between total potential feed grain supplies per grain-consuming animal unit and the estimated net amounts actually available per grain-consuming animal unit. The gross supply of feed grains available for any one crop year, as shown in Table 1, includes the total production of the various feed grains (oats, barley, mixed grains, rye, corn and buckwheat) converted to tons and bulked together, plus carryover stocks of oats, barley, rye and carryover of corn in commercial positions at the beginning of the crop year. Allowance is also made for anticipated imports. In these calculations wheat is not included as a feed grain.

TABLE 1. Total Potential Feed Grain Supplies(1) Per Grain-Consuming Animal Unit

Crop year	Gross supply feed grain(2)	Grain-consuming animal units(3)	Gross supply per grain-consuming animal unit
	thousand tons	thousands	tons
1957-58	20,635	15,319	1.35
1958-59	20,145	16,210	1.24
1959-60	19,411	16,718	1.16
1960-61	19,301	15,322	1.26
1961-62	15,695	16,033	0.98
1962-63[r]	19,055	15,485	1.23
1963-64[r]	21,319	15,903	1.34
1964-65[r]	19,921	16,775	1.19
1965-66[r]	21,270	16,427	1.29
1966-67	23,205	16,633	1.40
10-year average 1957-58 — 1966-67	19,996	16,082	1.24
1967-68[r]	21,422	17,311	1.24
1968-69[p]	24,003(4)	16,709	1.44

(1) Excluding wheat.
(2) Includes production of oats, barley, rye, corn, buckwheat and mixed grains together with carryover stocks of oats, barley, rye and commercial stocks of corn and import allowances.
(3) A grain-consuming animal unit is the equivalent in consumption of grain of one average milk cow in a year, weighted as follows: horses, 0.5; milk cows, 1.0; other cattle, 0.51; hogs, 0.87; sheep, 0.04; and poultry, 0.045. Calculations of the number of grain-consuming animal units for a particular crop year are based on the estimated livestock population as at June 1 immediately preceding that crop year.
(4) Based on November estimate of production of 1968 field crops.
p Preliminary figures.
r Revised figures.

Total supplies of Canadian feed grains in the crop year 1968-69 are estimated to be some 12 per cent more than in 1967-68. This increase is due to larger crops of oats, barley, rye, corn, buckwheat and mixed grains as well as reduced opening stocks of oats, barley, rye and corn. Current crop year supplies of oats, consisting of the August 1 carryover of 77.0 million bushels and this year's production of 362.5 million, are placed at some 439.5 million bushels and represented an increase of 6 per cent over last year's total of 414.0 million. Supplies of barley, at 456.0 million bushels, consist of a carryover of 130.6 million and a crop of 325.4 million, and are 20 per cent above the 1967-68 total of 380.4 million bushels.

Supplies of rye, at 20.6 million bushels are 2 per cent more than the 1967-68 total of 20.3 million. This year's record crop of mixed grains was estimated at 85.6 million bushels, compared with the 76.4 million harvested in 1967. Production of grain corn in 1968 is estimated at an all-time high 80.7 million bushels, 9 per cent above last year's next-to-record crop of 74.1 million. Gross supplies of feed grain are estimated at 24.0 million tons compared with last year's 21.4 million, and 20 per cent above the ten-year (1957-58 — 1966-67) average of 20.0 million tons. Grain-consuming animal units decreased by 3 per cent, from 17.3 million at June 1, 1967 to 16.7 million in 1968. Reflecting the combined effect of higher feed supplies and the decline in animal units, gross supplies per grain-consuming animal unit are placed at 1.44 tons compared with 1.24 tons a year ago and the recent 10-year average of 1.24 tons.

TABLE 2. Net Supply of Feed Grain Available Per Grain-Consuming Animal Unit

Crop year	Net supply feed grain	Grain-consuming animal units	Net supply per grain-consuming animal unit
	thousand tons	thousands	tons
1957-58	16,377	15,319	1.07
1958-59	16,577	16,210	1.02
1959-60	15,984	16,718	0.96
1960-61	16,373	15,322	1.07
1961-62[r]	12,823	16,033	0.80
1962-63[r]	16,356	15,485	1.05
1963-64[r]	18,005	15,903	1.13
1964-65[r]	16,803	16,775	1.00
1965-66[r]	17,972	16,427	1.09
1966-67[r]	19,507	16,633	1.17
10-year average 1957-58 — 1966-67	16,678	16,082	1.04
1967-68[r]	18,291	17,311	1.06
1968-69[P]	21,037	16,709	1.26

P Preliminary figures.
r Revised figures.

While it is recognized that the method just outlined has value in determining the gross quantities of feed grains available for the Canadian livestock feeding program, a more realistic picture can be presented after substracting estimated amounts used for purposes other than animal feeding. In the compilations in Table 2, net supplies have been calculated by deducting exports, seed requirements and other domestic non-feed uses from gross supplies as set out in Table 1. For the 1968-69 crop year these items have been estimated in arriving at the net supply position. As in Table 1, wheat used for feeding purposes has been omitted from the calculations. Net supplies are estimated to be 21.0 million tons, 15 per cent more than the 1967-68 total of 18.3 million and 26 per cent larger than the ten-year average of 16.7 million tons. The net 1968-69 supplies per grain-consuming animal unit are estimated at 1.26 tons, above the 1967-68 level of 1.06 tons and 21 per cent above the recent ten-year average of 1.04 tons.

Grain Consumed in 1967-68 — In arriving at the actual amount of grain consumed per animal unit during a particular crop year, quantities of wheat fed are included in the calculations. The estimate of total feed grain consumption as shown in Table 3 is, therefore, the net supply set forth in Table 2 less the year-end carryover of feed grains, plus wheat fed. The amount consumed per animal unit in 1967-68 was estimated at 0.89 tons, 5 per cent below the quantity fed in 1966-67 but 7 per cent more than the ten-year average of 0.83 tons.

TABLE 3. Grain Consumed Per Grain-Consuming Animal Unit

Crop year	Amount consumed	Grain-consuming animal units	Amount consumed per grain-consuming animal unit
	thousand tons	thousands	tons
1957-58	12,711	15,319	0.83
1958-59	13,170	16,210	0.81
1959-60	12,887	16,718	0.77
1960-61	13,284	15,322	0.87
1961-62[r]	11,079	16,033	0.69
1962-63[r]	12,759	15,485	0.82
1963-64[r]	13,430	15,903	0.84
1964-65[r]	13,490	16,775	0.80
1965-66[r]	14,585	16,427	0.89
1966-67[r]	15,695	16,633	0.94
10-year average 1957-58 — 1966-67 ..	13,309	16,082	0.83
1967-68[p]	15,439	17,311	0.89

[p] Preliminary figures.
[r] Revised figures.

FARMERS' MARKETINGS OF OATS, BARLEY AND RYE

Total marketings of oats, barley and rye in the Prairie Provinces from the beginning of the current crop year to November 20 amounted to 33.2 million bushels, 26 per cent less than the comparable 1967 total of 44.9 million and 36 per cent below the ten-year (1957-66) average for this period of 52.0 million bushels. This year's August 1-November 20 total consisted of barley, 78 per cent; oats, 20 per cent; and rye, 2 per cent.

Farmers' Marketings (1) of Oats, Barley and Rye in the Prairie Provinces, 1968-69 with Comparisons

Period or week ending		Oats				Barley			
		Man.	Sask.	Alta.	Total	Man.	Sask.	Alta.	Total
		thousand bushels				thousand bushels			
August	7, 1968	8	6	13	26	1	49	14	64
	14	14	5	1	20	14	78	22	113
	21	135	15	17	167	118	189	255	563
	28	51	29	22	103	177	397	452	1,026
September	4	67	65	24	156	223	454	620	1,296
	11	46	42	36	124	194	316	692	1,202
	18	207	90	66	362	261	550	1,045	1,856
	25	311	89	55	455	279	598	1,001	1,878
October	2	559	112	89	760	310	537	1,267	2,114
	9	607	175	243	1,025	391	589	2,017	2,997
	16	504	134	212	850	247	644	1,198	2,088
	23	263	104	150	517	313	619	1,297	2,229
	30	230	130	156	517	278	563	1,129	1,969
November	6	223	178	336	736	216	421	1,739	2,376
	13	118	106	209	433	277	478	1,342	2,097
	20	142	99	147	388	253	444	1,126	1,823
Totals		3,484	1,380	1,776	6,640	3,552	6,923	15,215	25,690
Similar period 1967		5,464	2,851	2,906	11,222	4,739	8,712	18,032	31,483
10-year average similar period 1957-66		6,896	6,345	4,668	17,909	4,824	12,549	14,335	31,707

		Rye			
		Man.	Sask.	Alta.	Total
August	7, 1968	—	4	—	4
	14	1	19	6	26
	21	16	44	15	75
	28	—	66	9	75
September	4	13	41	9	63
	11	2	32	9	42
	18	55	23	10	87
	25	27	51	9	87
October	2	18	67	1	86
	9	23	30	12	65
	16	10	23	5	38
	23	16	15	8	38
	30	8	17	8	33
November	6	13	24	10	47
	13	7	11	7	25
	20	8	17	3	28
Totals		218	481	120	820
Similar period 1967		742	975	452	2,170
10-year average, similar period 1957-66		733	1,296	620	2,649

(1) Includes receipts at country, interior private and mill, interior semi-public terminal elevators and platform loadings.

Visible Supply of Canadian Oats, Barley and Rye, November 20, 1968 Compared with Approximately the Same Date, 1966 and 1967

Position	1966	1967	1968
	thousand bushels		
Oats			
Country elevators — Manitoba	8,740	2,351	2,541
Saskatchewan	10,181	2,878	2,293
Alberta	8,999	3,763	3,219
Sub-totals	27,920	8,992	8,053
Interior private and mill	232	401	313
Interior terminals	7	10	10
Vancouver-New Westminster	141	29	164
Victoria	1	—	—
Prince Rupert	2	—	1
Churchill	4	—	—
Fort William-Port Arthur	3,413	7,897	4,381
In transit rail (western division)	1,403	743	1,425
Bay, Lake and Upper St. Lawrence ports	3,847	5,198	2,740
Lower St. Lawrence and Maritime ports	4,520	3,112	2,165
In transit lake	3,105	1,629	1,452
In transit rail (eastern division)	—	6	5
Totals	44,595	28,017	20,709
Barley			
Country elevators — Manitoba	3,648	2,093	2,278
Saskatchewan	15,683	10,960	11,175
Alberta	34,823	26,406	28,721
Sub-totals	54,154	39,459	42,174
Interior private and mill	122	131	84
Interior terminals	3,074	2,890	3,230
Vancouver-New Westminster	3,137	1,269	2,049
Prince Rupert	4	1	1
Fort William-Port Arthur	10,297	10,780	5,326
In transit rail (western division)	989	4,881	3,456
Bay, Lake and Upper St. Lawrence ports	2,916	4,040	2,042
Lower St. Lawrence and Maritime ports	5,588	4,779	4,306
In transit lake	3,169	2,410	2,829
Totals	83,450	70,640	65,497
Rye			
Country elevators — Manitoba	641	226	295
Saskatchewan	2,498	916	857
Alberta	713	343	269
Sub-totals	3,852	1,485	1,421
Interior private and mill	31	10	27
Interior terminals	—	—	2
Vancouver-New Westminster	1,220	380	231
Fort William-Port Arthur	2,312	916	1,038
In transit rail (western division)	206	422	426
Bay, Lake and Upper St. Lawrence ports	1,190	1,052	308
Lower St. Lawrence and Maritime ports	723	671	295
In transit lake	86	—	—
United States ports	924	548	154
Totals	10,544	5,484	3,902

GRADING OF CROPS, 1968-69

The total number of cars of oats, barley and rye inspected by the Board of Grain Commissioners for Canada during the first quarter of the 1968-69 crop year amounted to 11,307 about 45 per cent less than the 20,568 cars of these grains inspected during the first three months of the 1967-68 crop-year. Inspection of barley, at 7,901 cars accounted for 70 per cent of the August-October 1968 total , with the remainder consisting of 2,581 cars of oats (23 per cent); and 825 cars of rye (7 per cent).

Percentages of the three grains falling into the higher grades (excluding "Toughs" and "Damps") during the first quarter of 1968-69 crop year with comparable data for the entire 1967-68 crop year and the five-year (1962-63-1966-67) averages, respectively, in brackets, were as follows: oats, 1 Feed or higher, 91.8 (90.9, 90.8); barley, 1 Feed or higher, 80.0 (79.6, 75.2); and rye, 3 C.W. or higher, 92.3 (91.6, 87.1).

Gradings of Oats, Barley and Rye Inspected(1), August-October 1968 with Comparisons

Grain and grade	Crop year: Average 1962-63 - 1966-67	Crop year: 1967-68	August-October 1968-69		Grain and grade	Crop year: Average 1962-63 - 1966-67	Crop year: 1967-68	August-October 1968-69	
	per cent	per cent	cars	per cent		per cent	per cent	cars	per cent
OATS					BARLEY				
1 C.W.	—	(2)	—	—	1 C.W. Six-Row	—	0.1	2	(2)
2 C.W.	0.1	0.8	4	0.2	2 C.W. Six-Row	0.5	4.1	389	4.9
Ex. 3 C.W.	1.8	7.1	89	3.4	3 C.W. Six-Row	20.5	13.0	1,289	16.3
3 C.W.	29.8	25.9	807	31.3	1 C.W. Two-Row	(2)	0.1	—	—
Ex. 1 Feed	19.1	17.1	415	16.1	2 C.W. Two-Row	0.5	1.5	61	0.8
1 Feed	40.0	40.0	1,054	40.8	3 C.W. Two-Row	4.6	3.3	569	7.2
2 Feed	2.5	6.2	136	5.3	1 Feed	49.1	57.5	4,017	50.8
3 Feed	0.4	1.0	13	0.5	2 Feed	7.6	14.1	957	12.1
Mixed Feed(3)	0.2	0.1	5	0.2	3 Feed	0.8	1.7	103	1.3
Tough(3)(4)	5.3	0.6	46	1.8	Tough(3)(6)	15.5	3.4	391	4.9
Damp(3)(5)	0.2	0.1	1	(2)	Damp(3)(5)	0.6	0.4	18	0.2
Rejected(3)	0.2	0.4	8	0.3	Rejected(3)	0.3	0.6	93	1.2
All Others	0.2	0.5	3	0.1	All Others	0.1	0.1	12	0.2
Totals	100.0	100.0	2,581	100.0	Totals	100.0	100.0	7,901	100.0
Bushel equivalent (approximately)			7,690,000		Bushel equivalent (approximately)			18,046,000	

Grain and grade	Crop year: Average 1962-63 - 1966-67	Crop year: 1967-68	August-October 1968-69: cars	August-October 1968-69: per cent
RYE				
1 C.W.	1.5	0.3	7	0.8
2 C.W.	41.3	58.6	537	65.1
3 C.W.	44.3	32.7	218	26.4
4 C.W.	1.5	2.5	26	3.2
Ergoty	3.3	3.0	6	0.7
Tough(3)(4)	5.4	2.7	29	3.5
Damp(3)(5)	2.5	—	—	—
Rejected(3)	(1)	0.1	1	0.1
All Others	(1)	0.1	1	0.1
Totals	100.0	100.0	825	100.0
Bushel equivalent (approximately)			1,627,000	

(1) Both old and new crop.
(2) Less than .05 per cent.
(3) All grades.
(4) Moisture content 14.1 per cent to 17.0 per cent.
(5) Moisture content over 17.1 per cent.
(6) Moisture content 14.9 per cent to 17 per cent.

LAKE SHIPMENTS FROM FORT WILLIAM-PORT ARTHUR

Lake shipments of the six major grains out of Fort William-Port Arthur from the beginning of the 1968 navigation season to November 20 amounted to 207.4 million bushels, a decrease of 35 per cent from the 317.5 million shipped during the corresponding period of 1967. In 1968 the season of navigation opened on April 10 while the 1967 season opened on April 13. Lake shipments of wheat, at 156.1 million bushels, were 24 per cent less than the 1967 comparable figure of 205.8 million and accounted for 75 per cent of the current total. Shipments of the remaining five grains were also lower than their comparable 1967 totals.

Combined lake shipments of the six major grains from August 1 to November 20 of the current crop year, amounted to 109.8 million bushels, slightly below the 1967 figure of 110.9 million. During the period under review, shipments of wheat moved in greater volume this crop year than last while decreases occurred in lake shipments of oats, barley, rye, flaxseed and rapeseed.

Lake Shipments of Canadian Grain from Fort William-Port Arthur, from the Opening of Navigation to November 20, 1968 and to Approximately the Same Date 1957-68

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
				thousand bushels			
1957	134,292	41,831	50,001	4,147	10,620	—	240,891
1958	161,762	39,780	66,459	5,242	7,991	—	281,233
1959	154,315	28,875	45,815	4,651	6,131	—	239,787
1960	164,082	25,197	48,061	3,545	8,243	—	249,128
1961	206,597	22,915	40,223	4,284	7,517	—	281,536
1962	146,110	21,251	25,714	5,308	7,522	—	205,905
1963	194,919	38,053	34,587	3,575	6,058	—	277,191
1964	309,006	30,826	36,397	4,922	8,718	59	389,930
1965	252,455	41,850	35,996	3,939	9,725	911	344,877
1966	343,758	30,469	39,959	7,886	13,485	1,099	436,656
1967	205,783	33,808	61,418	5,505	10,092	929	317,535
1968	156,077	17,573	26,185	2,414	4,872	326	207,447
				August 1 to November 20			
1967	62,907	16,910	22,770	2,761	5,458	113	110,918
1968	78,881	9,604	17,421	1,847	1,942	71	109,766

RAIL SHIPMENTS FROM FORT WILLIAM-PORT ARTHUR

Rail movement of wheat, oats, barley, rye and flaxseed from the Lakehead during the first three months of the current crop year amounted to 456 thousand bushels, considerably below the comparable 1967 total of 1.939 thousand bushels.

Rail Shipments of Canadian Grain from Fort William-Port Arthur, August-October 1968 and 1967

Month	Wheat	Oats	Barley	Rye	Flaxseed	Total
			thousand bushels			
August, 1968	—	—	—	—	—	—
September	23	51	42	—	—	117
October	57	148	130	4	—	339
Totals	81	199	172	4	—	456
Same period 1967	468	914	542	13	2	1,939

SHIPMENTS UNDER FEED GRAIN ASSISTANCE REGULATIONS

Claims filed for payment up to October 31, 1968 represent the movement of 7.9 million bushels of wheat, oats, barley, rye and corn from the Prairie Provinces to Eastern Canada and British Columbia under the Livestock Feed Assistance Act during the August-September period of the current crop year. During the same months of 1967 claims had been filed for a total of 13.9 million bushels, indicating on the assumption of approximately the same rate of submission of claims during both the current and the preceding crop years that the 1968 August-September shipments under the policy were running about 43 per cent below those of 1967. Revised data on shipments of the same five grains during the first two months of the 1967-68 crop year, based on claims submitted up to October 31, 1968 place the total at 16.7 million bushels.

Preliminary data on the movement of screenings and millfeeds under the Livestock Feed Assistance Act indicate that 8,552 tons and 65,546 tons, respectively, were shipped during the August-September period of the current crop year. As with wheat, oats, barley, rye and corn these totals are based on claims submitted up to October 31, 1968 and will likely be subject to considerable upward revision with the filing of additional claims.

Data covering the crop year 1967-68 (based on claims submitted up to October 31, 1968) indicate that total shipments of wheat, oats, barley, rye and corn moved under the Livestock Feed Assistance Act to 85.4 million bushels, some 9 per cent below the comparable 1966-67 total of 93.8 million. Shipments of screenings at 73,758 tons were 42 per cent less than the 1966-67 crop year total of 126,979 tons. Shipments of millfeeds, at 522,144 tons were one per cent more than the 1966-67 figure of 517,918 tons.

Provincial Distribution of Shipments under the Feed Grain Assistance Regulations, 1968 and 1967

Province	Eastern wheat	Western wheat	Oats	Barley	Rye	Corn	Screenings	Millfeeds
			thousand bushels				tons	
				August 1 to September 30, 1968				
Newfoundland	—	3	8	14	2	26	98	626
Prince Edward Island ...	—	25	30	93	2	22	73	1,547
Nova Scotia	—	149	106	161	7	159	295	5,203
New Brunswick	—	42	98	90	7	93	304	4,440
Quebec	65	536	2,072	2,275	40	—	1,943	37,315
Ontario	—	104	689	457	7	—	5,473	14,057
British Columbia	—	120	124	294	—	—	366	2,358
Totals(1)	65	979	3,126	3,383	66	300	8,552	65,546
Same period 1967:								
Preliminary(2)	—	1,781	6,173	5,813	125	1	17,421	63,762
Revised(1)	—	2,243	7,130	7,131	168	1	23,258	89,584
				Crop year 1967-68				
Newfoundland	—	157	178	297	35	78	1,426	7,875
Prince Edward Island ...	—	150	235	752	14	98	854	9,326
Nova Scotia	—	1,198	1,160	1,578	89	660	4,906	33,243
New Brunswick	—	277	940	966	71	309	4,922	31,523
Quebec	140	5,275	18,391	17,576	583	—	20,077	251,276
Ontario	—	1,982	11,951	10,376	362	—	35,971	155,389
British Columbia	—	2,246	2,512	4,656	50	65	5,602	33,512
Totals(1)	140	11,284	35,366	36,200	1,204	1,211	73,758	522,144
Crop year 1966-67(2) ...	—	16,969	39,915	35,776	1,103	31	126,979	517,918

(1) Based on claims filed up to October 31, 1968.
(2) Based on claims filed up to October 31, 1967.

Exports of Canadian Oats(1) 1968-69 and 1967-68

Destination	August 1968	September 1968	October 1968	August — October 1968-69	August — October 1967-68[r]
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg ...	—	61,271	—	61,271	—
Netherlands	—	202,258	—	202,258	351,357
Sub-totals	—	263,529	—	263,529	351,357
Other Western Europe					
Britain	—	—	32,941	32,941	20,424
Ireland	—	—	—	—	96,109
Switzerland	—	—	—	—	95,002
Sub-totals	—	—	32,941	32,941	211,535
Totals	—	263,529	32,941	296,470	562,892
Asia					
Japan	—	—	—	—	65,829
Syria	—	—	—	—	50,317
Total	—	—	—	—	116,146
Western Hemisphere					
United States Domestic(2) ..	32,529	75,884	85,450	193,863	342,491
Sub-totals, all countries	32,529	339,413	118,391	490,333	1,021,529
Seed oats(3)	59	59	—	118	—
Totals, all countries ..	32,588	339,472	118,391	490,451	1,021,529

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada, for all countries except the United States. Subject to revision.

(2) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.

(3) Customs exports.

r Revised figures.

Exports of Canadian Barley and Rye 1968-69 and 1967-68

Destination	August 1968	September 1968	October 1968	August-October 1968-69	August-October 1967-68[r]
			bushels		
	Barley(1)				
Western Europe					
EEC:					
Italy	—	—	—	—	111,000
Other Western Europe					
Britain	187,833	920,245	462,746	1,570,824	1,060,044
Totals	187,833	920,245	462,746	1,570,824	1,171,044
Asia					
Israel	—	—	—	—	746,760
Japan	675,159	—	—	675,159	4,313,958
Totals	675,159	—	—	675,159	5,060,718
Western Hemisphere					
United States Domestic(2)	—	1,251,743	921,586	2,173,329	1,093,942
Totals, all countries	862,992	2,171,988	1,384,332	4,419,312	7,325,704
	Rye(1)				
Western Europe					
EEC:					
Germany, Federal Republic	—	—	—	—	40,800
Netherlands	—	80,000	—	80,000	161,800
Sub-totals	—	80,000	—	80,000	202,600
Other Western Europe					
Britain	—	77,097	116,300	193,397	40,000
Norway	—	—	440,000	440,000	210,000
Sub-totals	—	77,097	556,300	633,397	250,000
Totals	—	157,097	556,300	713,397	452,600
Asia					
Japan	366,200	234,603	200,879	801,682	841,715
Western Hemisphere					
United States Domestic(2)	—	—	674,094	674,094	250,727
Totals, all countries	366,200	391,700	1,431,273	2,189,173	1,545,042

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada, for all countries except the United States. Subject to revision.

(2) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.

r Revised figures.

Customs Exports of Canadian Oatmeal and Rolled Oats and Malt 1968-69 and 1967-68

Destination	August 1968	September 1968	October 1968	August — October 1968-69	August — October 1967-68
			bushels		
			Oatmeal and Rolled Oats(1)		
Western Hemisphere					
Bahamas	—	186	169	355	—
Barbados	88	114	3,487	3,689	306
Bermuda	60	142	486	688	38
Bolivia	—	—	—	—	738
British Honduras	—	—	—	—	820
Dominican Republic	7,661	5,246	2,088	14,995	4,295
Ecuador	—	—	5,738	5,738	6,557
Guyana	98	—	60	158	98
Honduras Republic	—	1,093	—	1,093	—
Leeward and Windward Is.	831	651	786	2,268	1,110
Peru	—	—	—	—	1,366
Trinidad and Tobago	98	—	197	295	120
United States	—	—	—	—	27
Totals	8,836	7,432	13,011	29,279	15,475
Totals, all countries	8,836	7,432	13,011	29,279	15,475
			Malt(2)		
Western Europe					
Britain	—	—	—	—	275,486
Africa					
Ghana	3,056	—	6,111	9,167	6,111
Liberia	—	—	—	—	1,528
Totals	3,056	—	6,111	9,167	7,639
Asia					
Ceylon	—	—	—	—	3,111
Hong Kong	—	—	6,111	6,111	—
Japan	61,239	—	61,239	122,478	—
Philippines	30,555	88,611	42,778	161,944	161,944
Totals	91,794	88,611	110,128	290,533	165,055
Western Hemisphere					
Barbados	2,489	—	—	2,489	4,666
Brazil	12,222	—	6,111	18,333	64,166
Costa Rica	—	6,111	6,111	12,222	24,444
Dominican Republic	3,778	3,778	—	7,556	15,106
El Salvador	9,167	9,167	9,167	27,501	27,500
Guatemala	—	—	26,889	26,889	105,145
Guyana	—	—	—	—	7,508
Jamaica	14,694	27,389	27,222	69,305	38,017
Netherlands Antilles	—	—	—	—	4,889
Nicaragua	12,222	12,222	—	24,444	45,833
Panama	21,389	—	—	21,389	18,333
Peru	18,333	22,222	—	40,555	61,111
Puerto Rico	—	20,167	28,111	48,278	60,501
Venezuela	59,644	83,111	81,339	224,094	245,667
United States	96,006	68,833	56,445	221,284	258,065
Totals	249,944	253,000	241,395	744,339	980,951
Totals, all countries	344,794	341,611	357,634	1,044,039	1,429,131

(1) In terms of oats equivalent. Conversion rate: 1 bushel of oats equals 18.3 pounds of oatmeal and rolled oats.

(2) In terms of barley equivalent. Conversion rate: 1 bushel of malt (36 lb.) equals 1 bushel of barley (48 lb.).

HOG-BARLEY RATIO

The hog-barley ratio recorded an increase during August rising from the July figure of 20.4 points to a level of 23.4, due to higher average returns for hogs, basis Grade B at Winnipeg, from $29.38 per hundredweight in July to $32.78 per hundredweight in August while at the same time the price of 1 Feed barley , basis in store Fort William-Port Arthur, decreased from $1.15 per bushel in July to $1.11 1/2 per bushel in August. In September, hog prices decreased slightly to an average of $32.39 per hundredweight and the costs of feed barley recorded a further decline to an average of $1.09 1/4 per bushel and, as a result the September ratio increased only 0.4 points. However, during October, due to a decrease in the price of hogs to $30.92 per hundredweight, outweighing a decrease in the price of barley to $1.08 7/8 per bushel, the index receded to a level of 22.7 points.

Number of Bushels of No. 1 Feed Barley
Equivalent in Price to 100 Pounds of B (Live) Hog at Winnipeg by Months, 1963-68
(Long-time average 1913-49, with 1930 omitted due to extreme abnormality, is 18.3)

Month	1963	1964	1965	1966	1967	1968
January	17.1	16.2	14.8	23.9	17.8	16.0
February	17.0	17.3	15.1	24.4	18.8	16.3
March	15.9	16.0	15.7	20.8	18.0	16.2
April	14.5	15.7	15.9	19.0	17.1	15.7
May	16.0	16.3	17.3	21.6	18.8	18.4
June	18.6	17.8	20.5	22.1	18.3	19.1
July	19.3	17.4	21.6	19.7	16.6	20.4
August	20.0	16.5	21.2	19.9	17.0	23.4
September	18.9	16.5	21.0	19.5	17.6	23.8
October	16.7	15.4	20.9	18.5	17.4	22.7
November	16.6	14.9	22.0	17.6	16.4	
December	16.9	15.2	23.6	17.2	16.7	

FEED AND LIVESTOCK PRICE INDICES

After declining in August from a July average of 238.8 the index of feed prices recorded a sharp rise during September but decreased only slightly in October. Moderate decreases in the prices of hay, bran, shorts, barley, oats and rye No. 2 C.W. caused the index to decrease in August to a level of 234.3. Higher prices in September for hay, bran, shorts, Ontario corn, and No. 2 C.W. rye were reflected in the index climbing to its highest level of 261.5. During October decreases in the prices of Ontario corn and feed wheat more than offset higher prices for hay, Eastern barley, oats and wheat, and as a result, the index declined to 260.8.

The Animal Products Index advanced 2.3 per cent to 340.8 in August from 333.1 in July reflecting higher prices for eggs, hogs and steers on both Eastern and Western markets, for poultry in the East and raw wool in the West. During September the index moved 0.9 per cent to 343.8 due to higher prices for eggs and calves on both Eastern and Western markets, and for steers in the East. The Animal Products index declined 1.4 per cent to 339.0 in October as a result of lower prices for hogs and steers on both Eastern and Western markets, and for calves and eggs in the West.

Index Numbers of Feed Prices and Prices of Farm Animals and Farm Animal Products
by Months 1965-68 (1935-39 = 100)

Month	1965		1966		1967		1968	
	Feed	Animal	Feed	Animal	Feed	Animal	Feed	Animal
January	240.4	262.5	244.0	322.8	248.5	320.7	251.9	316.3
February	242.9	267.7	252.0	331.4	250.9	322.9	253.0	315.4
March	243.9	269.7	252.9	319.2	251.0	315.1	251.9	312.9
April	248.5	272.1	261.4	316.2	251.0	319.9	252.8	313.8
May	246.9	276.8	260.0	319.4	251.9	327.8	250.8	322.2
June	236.3	297.7	258.0	324.6	256.7	330.7	251.0	330.0
July	231.4	299.2	252.6	313.2	259.4	325.0	238.8	333.1
August	230.9	298.2	248.9	318.6	260.9	329.8	234.3	340.8
September	227.1	296.8	244.9	321.2	260.6	331.2	261.5	343.8
October	224.7	301.7	248.5	323.7	253.2	330.9	260.8	339.0
November	228.2	309.3	247.5	321.9	252.7	323.1		
December	237.1	320.3	249.5	325.5	256.1	326.4		

Canadian Wheat Board Monthly Average Cash Grain Prices
Basis in Store Fort William-Port Arthur

Grain and grade	August 1968	September 1968	October 1968
	cents and eighths per bushel		
Oats			
Initial payment to producers:			
2 C.W.	65	65	65
Ex. 3 C.W.	62	62	62
3 C.W.	62	62	62
Ex. 1 Feed	62	62	62
1 Feed	60	60	60
2 Feed	55	55	55
3 Feed	51	51	51
Domestic and export(1):			
2 C.W.	90/5	90/4	90/2
Ex. 3 C.W.	87/7	87/6	87/4
3 C.W.	87/5	87/4	87
Ex. 1 Feed	87/5	87/2	86/5
1 Feed	86/5	85/6	85
2 Feed	83/5	82/6	82
3 Feed	80/5	79/6	79
Barley			
Initial payment to producers:			
1 C.W. Six-Row	108	108	108
2 C.W. Six-Row	108	108	108
3 C.W. Six-Row	106	106	106
1 C.W. Two-Row	101	101	101
2 C.W. Two-Row	101	101	101
3 C.W. Two-Row	98	98	98
1 Feed	97	97	97
2 Feed	94	94	94
3 Feed	89	89	89
Domestic and export(1):			
1 C.W. Six-Row	121/2	122/1	123/2
2 C.W. Six-Row	121/2	122/1	123/2
3 C.W. Six-Row	119/2	120/1	121/2
1 C.W. Two-Row	119/2	120/1	121/2
2 C.W. Two-Row	119/2	120/1	121/2
3 C.W. Two-Row	115/2	116/7	118/2
1 Feed	111/4	109/2	108/7
2 Feed	109/6	108	107/6
3 Feed	106/6	105	104/6

(1) For local sales and for spot sales subject to confirmation.

Winnipeg Grain Exchange Monthly Average Cash Grain Prices
Basis in Store Fort William-Port Arthur

Grain and grade	August 1968	September 1968	October 1968
	cents and eighths per bushel		
Oats			
Domestic and export:			
2 C.W.	87/7	89/3	88/7
Ex. 3 C.W.	85/5	87	87
3 C.W.	85/5	86/5	86/4
Ex. 1 Feed	85/5	86/5	86/1
1 Feed	84/5	85/2	84/5
2 Feed	79/5	80/2	79/5
3 Feed	76/5	77/2	76/5
Barley			
Domestic and export:			
1 C.W. Six-Row	112	112/4	111/7
2 C.W. Six-Row	112	112/4	111/7
3 C.W. Six-Row	110	110/4	109/7
1 C.W. Two-Row	112	112/4	111/7
2 C.W. Two-Row	110	110/4	109/7
3 C.W. Two-Row	108/7	108/6	107/7
1 Feed	108/7	108/6	107/7
2 Feed	107/1	107/2	106
3 Feed	104/1	104/1	103
Rye			
Producers' Domestic and Export Prices:			
2 C.W.	115/7	120	120/3
3 C.W.	111/1	114/7	116/4
4 C.W.	103/6	106	105/7
Ergoty	91/3	96/4	96/3
Flaxseed			
Producers' Domestic and Export Prices:			
1 C.W.	346/6	339/6	332
2 C.W.	344/4	337/6	325/7
3 C.W.	319/2	310/3	299/4
Rapeseed (1)			
No. 1 Canada	209/1	214/6	208/3
No. 2 Canada	194/1	199/6	193/3

(1) Basis in store Vancouver.

UNITED STATES FEED SITUATION

The following summary of the feed situation in the United States has been taken from the November 18 issue of The Feed Situation published by the Economic Research Service, United States Department of Agriculture.

The 1968-69 feeding season promises continued ample feed supplies, with a larger beginning carryover more than making up for a 3 per cent decline in the feed grain crop from last year's record.

Prices have strengthened in recent weeks after trailing year-earlier levels during the summer and early fall. Further seasonal strength is expected later in the marketing year.

Domestic consumption this marketing year is expected to increase about 4 or 5 per cent over 1967-68 as livestock/feed price ratios generally favour liberal feeding. With large feed grain supplies again available in Europe, feed grain exports probably will continue near last year's level of 23 million tons. Total disappearance probably will be close to 1968's production of 171 million tons, and little change is expected in the 1969-70 carryover from the 48 million tons carried over this year.

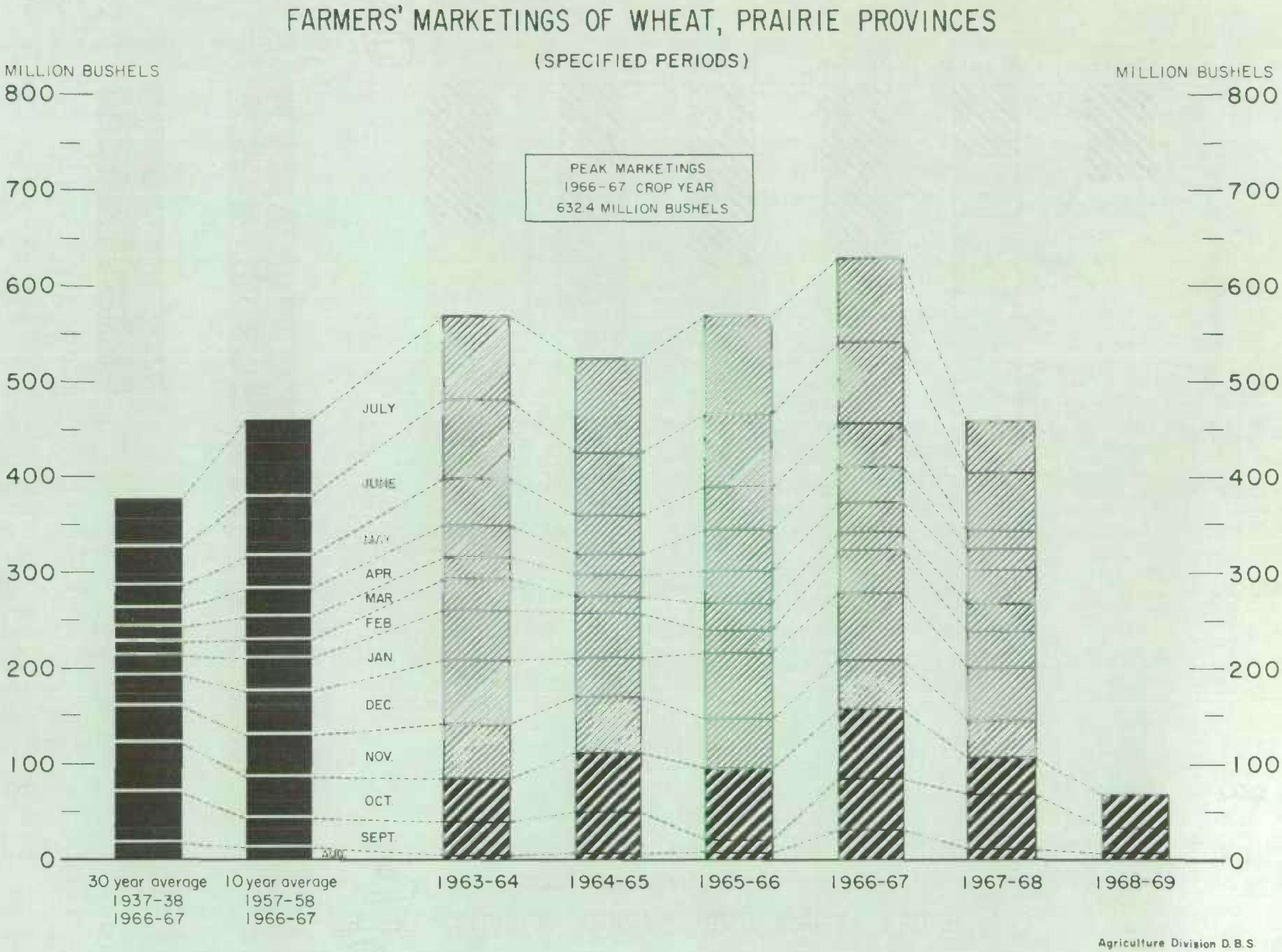
The 1968-69 feed grain supply was estimated in November at 219 million tons, 6 million above last year. This rise reflects an 11-million-ton increase in carryover from last year (to 48 million tons) and the small decline in the 1968 feed grain crop. Although Government carryover stocks at the beginning of the season were up, privately owned stocks about equalled the previous year's high level of nearly 19 million tons.

Feed grain prices were about 7 per cent lower in October (the start of the 1968-69 feeding year) than a year ago. Prices have been generally below the loan rates, and more feed grains are going under price support this year than last. Market prices of corn and sorghum grain in early November were close to last year's level. Prices of these grains are expected to rise seasonally later in the marketing year. A tighter supply situation now appears likely in the latter half of the feeding year, bringing firmer prices next spring and summer than in the same period of 1968. The 1969 Feed Grain Program (yet to be announced) and prospects for the 1969 crop will, of course, be important price factors at that time.

The supply of high-protein feeds for 1968-69 probably will be a little above the 17.8 million tons (soybean meal equivalent) fed in the 1967-68 season. Much of this increase is expected to be in cottonseed meal as a result of 1968's bigger cotton crop. Some increase also is in prospect for animal proteins and grain proteins, while soybean meal feeding may recede a little from the level of the past 2 years.

Prices of high-protein feeds are a little higher this fall than a year earlier. They may average about the same as a year ago in the first half of 1968-69. Soybean meal prices may average a little above last year's level through this winter, but cottonseed meal prices likely will average significantly below.

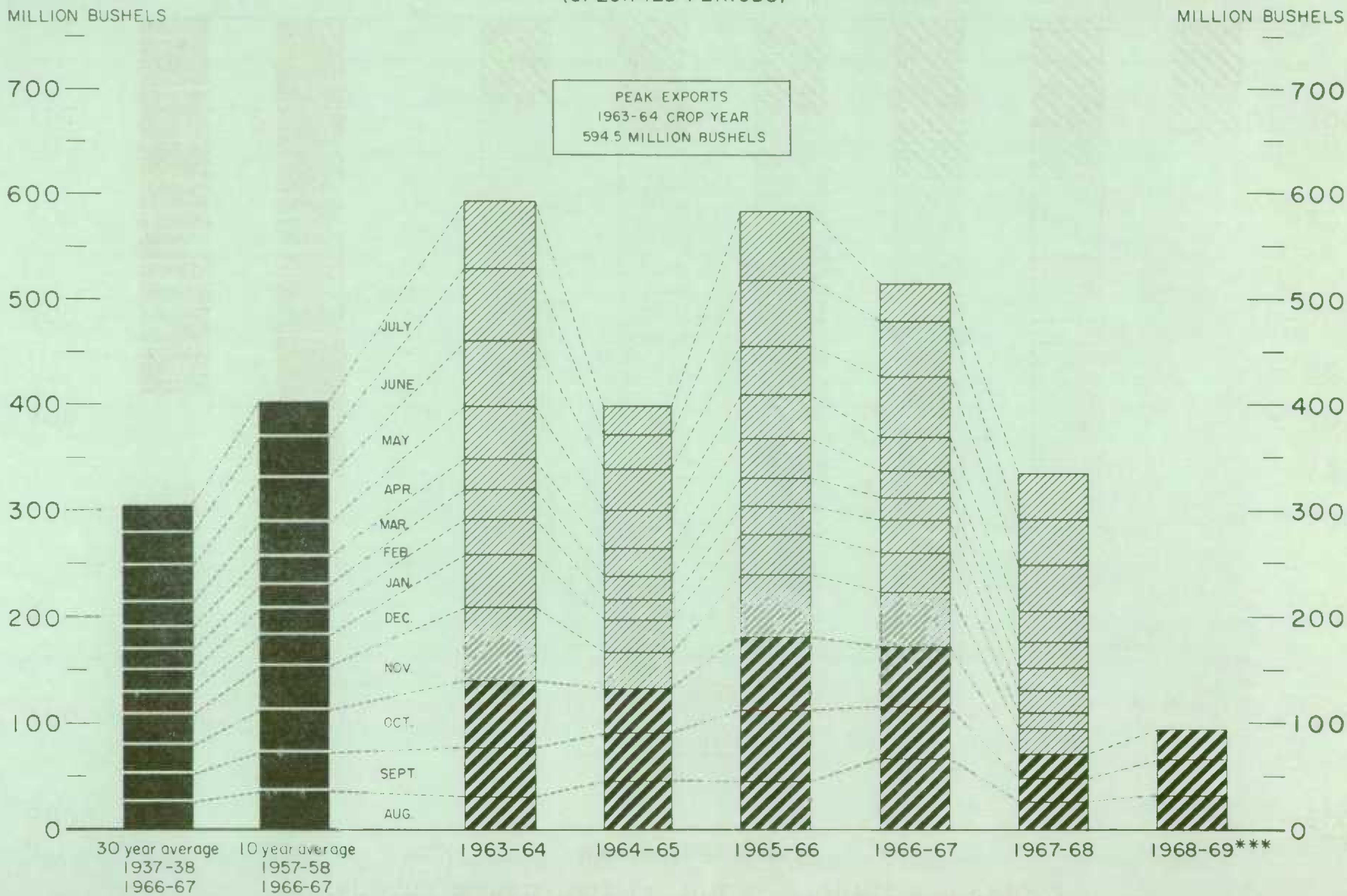
The 1968-69 hay supply is estimated at 151 million tons, 3 million more than last year and the largest of record. The 1968 crop of 126 million tons is slightly below the big crop last year but 5 million tons above average. The number of roughage-consuming livestock has been declining slightly in recent years, and the supply per animal unit is 8 per cent above the 1962-66 average. Hay prices this fall are slightly lower than a year ago.



FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES
(SPECIFIED PERIODS)
MILLION BUSHELS
MILLION BUSHELS
800
700
600
500
400
300
200
100
0
PEAK MARKETINGS
1966-67 CROP YEAR
632.4 MILLION BUSHELS
JULY
JUNE
MAY
APR.
MAR.
FEB.
JAN.
DEC.
NOV.
OCT.
SEPT.
AUG.
30 year average
1937-38
1966-67
10 year average
1957-58
1966-67
1963-64
1964-65
1965-66
1966-67
1967-68
1968-69
Agriculture Division D.B.S.

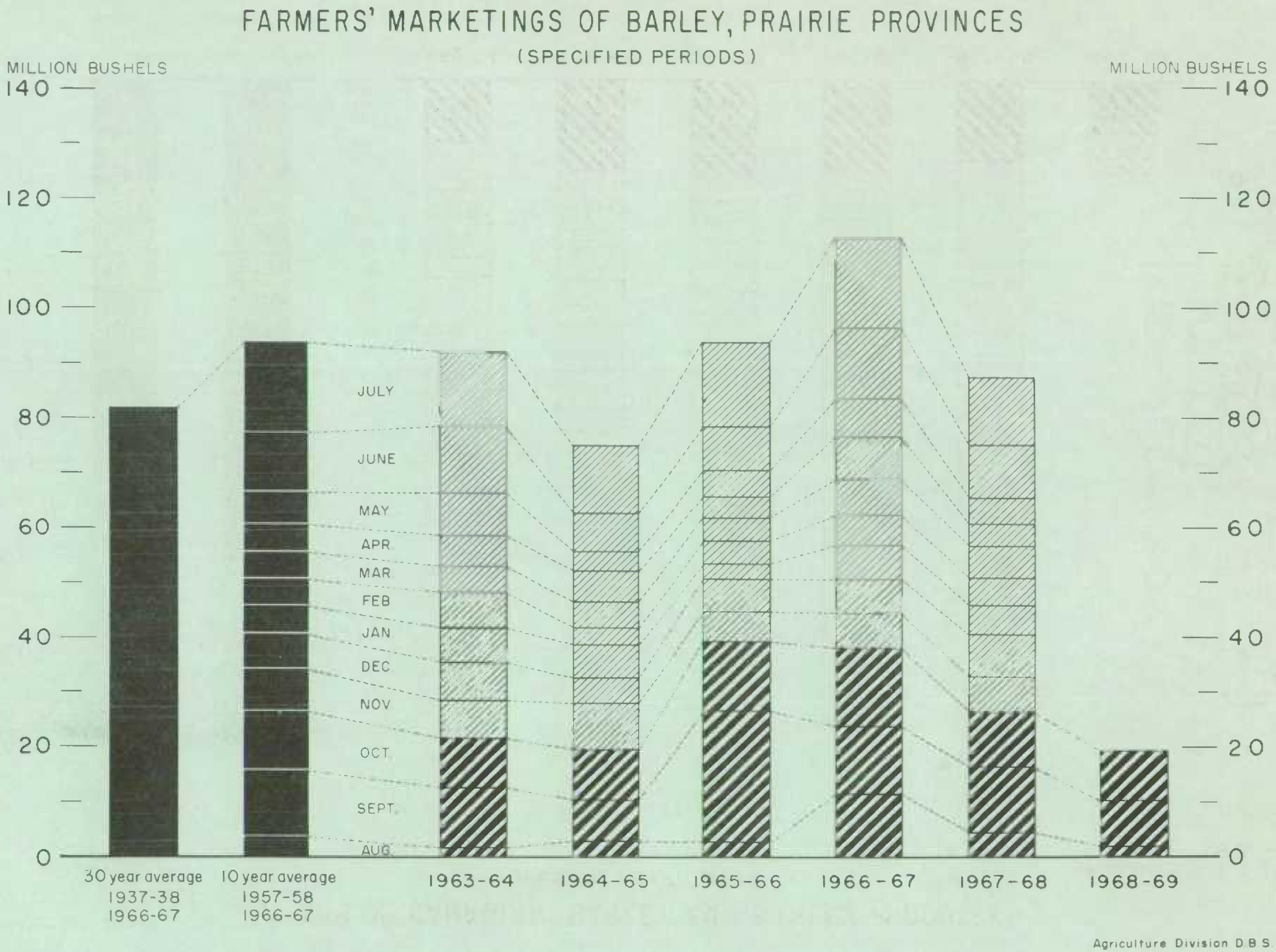
EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)



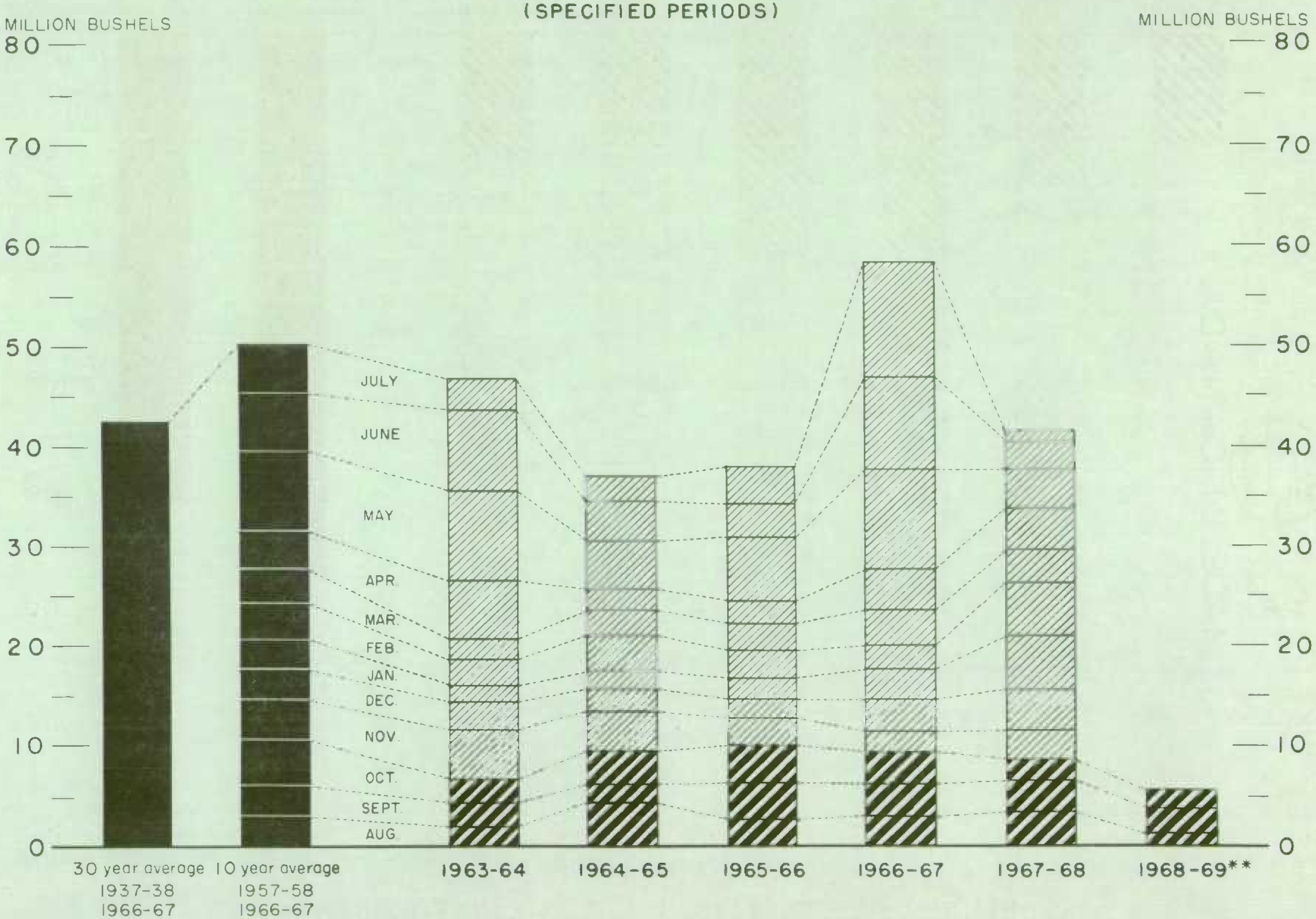
* Beginning with 1955-56 includes seed wheat. ** In terms of wheat equivalent. *** Preliminary.

Agriculture Division D.B.S.


FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES
(SPECIFIED PERIODS)
MILLION BUSHELS
MILLION BUSHELS
140
120
100
80
60
40
20
0
JULY
JUNE
MAY
APR.
MAR.
FEB.
JAN.
DEC.
NOV.
OCT.
SEPT.
AUG.
30 year average 1937-38 1966-67
10 year average 1957-58 1966-67
1963-64
1964-65
1965-66
1966-67
1967-68
1968-69
Agriculture Division D.B.S.

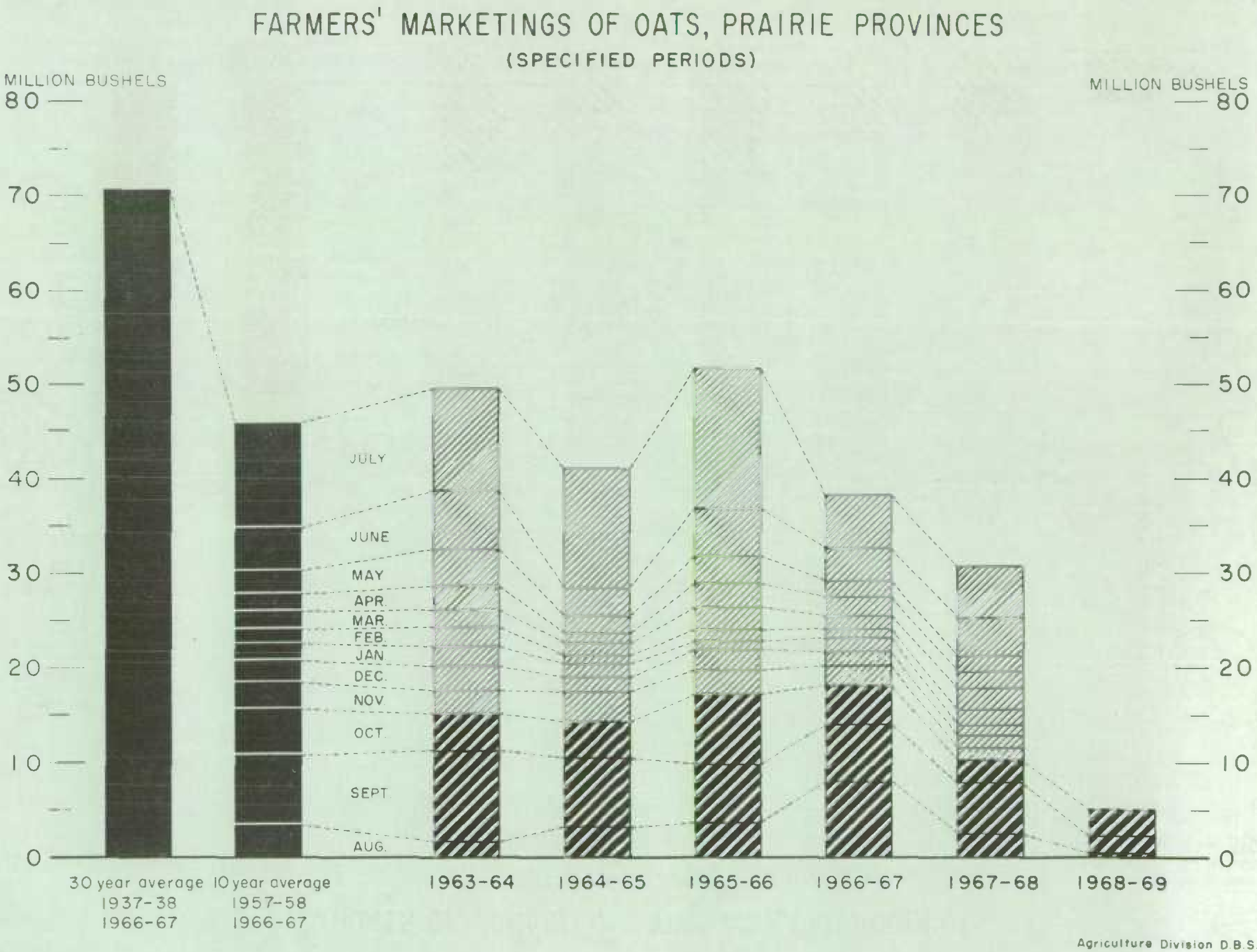
EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

(SPECIFIED PERIODS)



* In terms of grain equivalent. ** Preliminary.

Agriculture Division D.B.S.



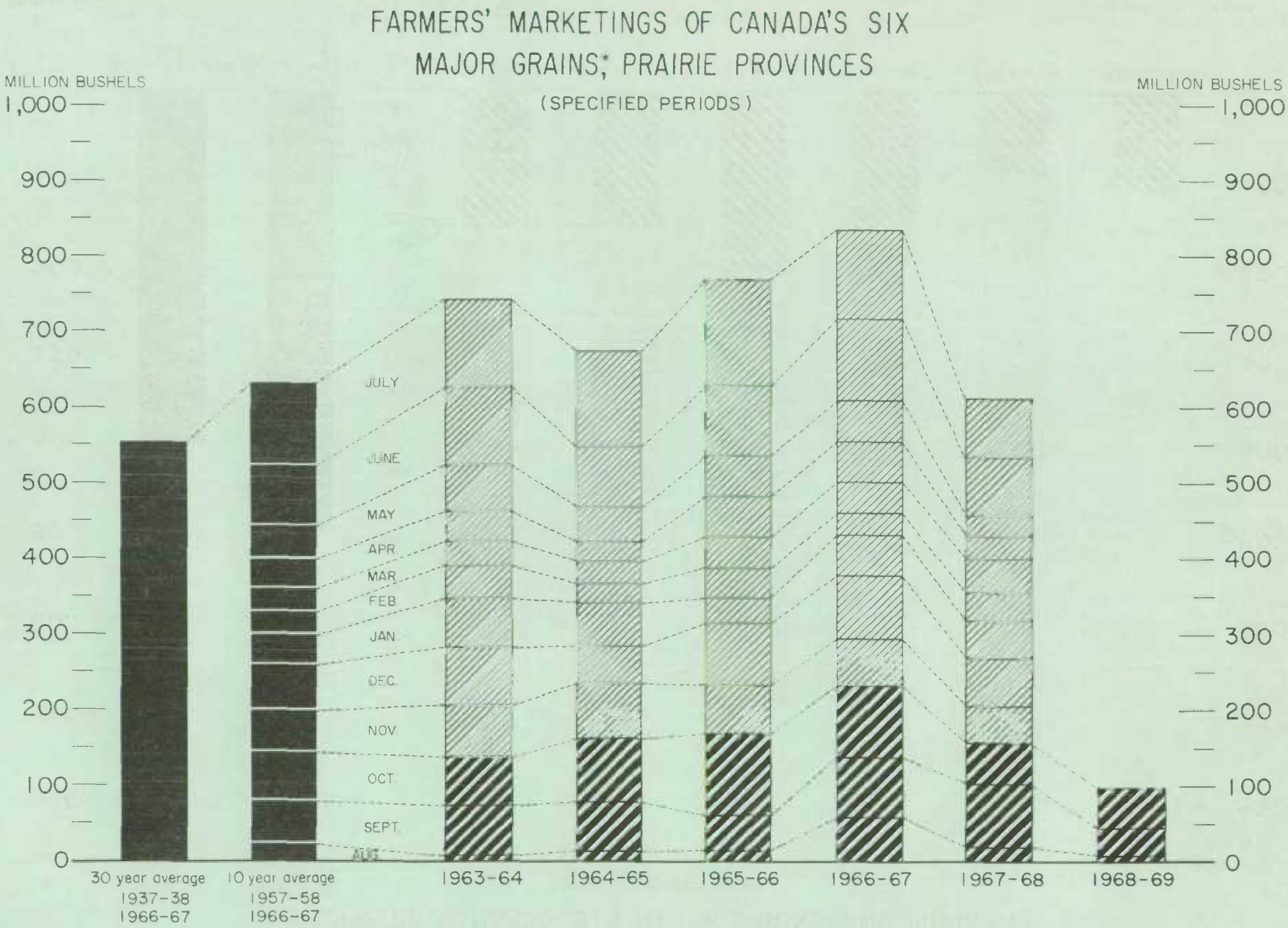
FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES
(SPECIFIED PERIODS)
MILLION BUSHELS
MILLION BUSHELS
80
70
60
50
40
30
20
10
0
JULY
JUNE
MAY
APR.
MAR.
FEB.
JAN.
DEC.
NOV.
OCT.
SEPT.
AUG.
30 year average 1937-38 1966-67
10 year average 1957-58 1966-67
1963-64
1964-65
1965-66
1966-67
1967-68
1968-69
Agriculture Division D.B.S.

EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS**

(SPECIFIED PERIODS)

* Beginning with 1960-61 includes relatively small quantity of seed oats. ** In terms of grain equivalent. ***Preliminary.

Agriculture Division D.B.S.



* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed.

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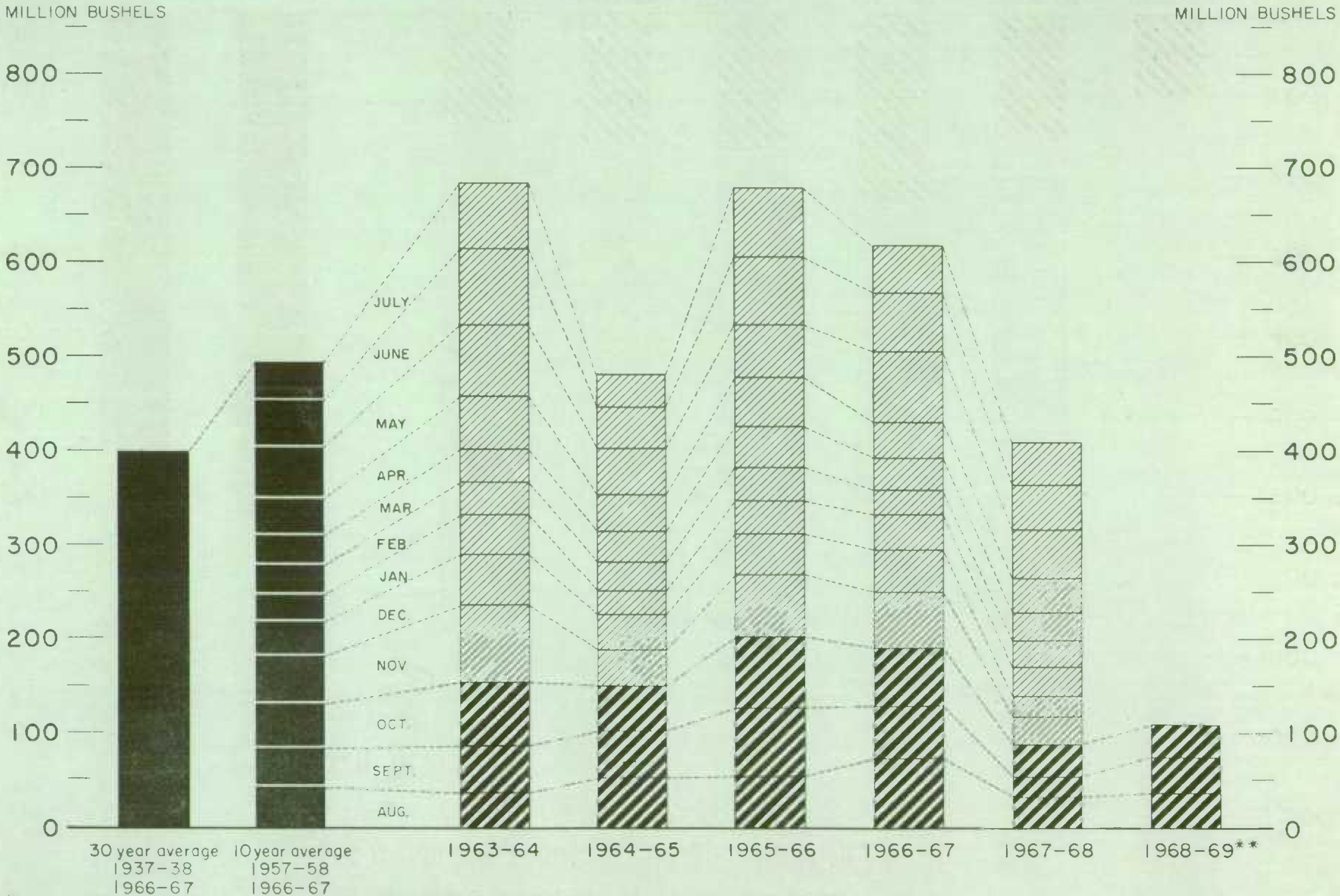
EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)



* Wheat, seed wheat, and wheat flour; oats, seed oats and oatmeal and rolled oats; barley and malt; rye and rye flour; flaxseed and from 1960-61 rapeseed

** Preliminary.

Agriculture Division D.B.S.

NOTES ON FOREIGN CROPS

Australia The following information relative to the Australian coarse grains situation has been extracted from a report from Mr. W. Boychuk, Assistant Commercial Secretary for Canada, Canberra, under date of November 15, 1968 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce.

1967-68 Season. — The latest Bureau of Agriculture Economics report confirms earlier estimates of a sharp decline in total production of coarse grains now estimated at 1.98 million tons. This is the lowest level since 1958-59 and just over one-half the record harvest of 1966-67. Generally, drought conditions severely cut the barley and oat crop in New South Wales, Victoria and South Australia. Queensland and Western Australia both received a good winter rainfall and recorded satisfactory yields. The situation for each crop is as follows:

Barley. — Total area sown remained unchanged at 2.5 million acres, but production and average yield declined by some 40 per cent to 36.3 million bushels and 14.8 bushels an acre, respectively. South Australia remained the largest barley producing State in spite of a one-half reduction in yield to 11 bushels an acre. Western Australia recorded the best yield on record and harvested 8 million bushels. Deliveries to three Barley Marketing Boards during 1967-68 were cut by one-half to 17 million bushels, with the Australian Barley Board (covering South Australia and Victoria) suffering the largest decrease to 7,925,000 bushels compared with 22,043,000 bushels received in 1966-67. Exports, reflecting reduced supply and increased demands for stock feed on the domestic market, fell by two-thirds to 5.7 million bushels. Japan remained the major market (2.9 million bushels) followed by Saudi Arabia (955,000 bushels) and Taiwan (868,000 bushels).

Oats. — At 40.3 million bushels the 1967-68 oat harvest was the smallest in 10 years. The area sown to oats declined by over 1 million acres and yields fell to 13.2 bushels per acre. While production remained steady in Western Australia all other States recorded a sharp decline. New South Wales and Victoria, the major producing States, harvested a combined total of 14 million bushels, compared with over 72 million bushels in 1966-67. Australia is a major exporter of oats. However, in 1967-68 oat exports fell sharply by over 50 per cent to 10.1 million bushels. Reduction in shipments to the E.E.C. countries accounted for the bulk of the decline.

Grain Sorghum. — A 17 per cent drop in the 1967-68 grain sorghum harvest (i.e. that crop sown in late 1966) to 9.8 million bushels was the result of reduced sowings in both Queensland and New South Wales and poor seasonal conditions in New South Wales. The reduced supplies brought exports down to 19,000 tons (748,000 bushels) Japan, which became the major market for the first time in 1966-67, took 18,400 tons (724,000 bushels) or 97 per cent of total exports.

Maize. — A small increase in acreage and an above average yield in both Queensland and New South Wales resulted in a marginal rise in 1967-68 maize production to 7.5 million bushels. Maize exports, although still a very small proportion of total production, expanded to 100,800 bushels, with New Zealand being the major market.

Outlook For Summer Crops in 1968-69. — The 1968-69 sorghum crop (i.e. the crop sown in August — December 1967 and just harvested) should reach about 13.9 million bushels according to latest reports. This would be about 2 million bushels above the record 1966-67 harvest. But for the record 1967-68 wheat sowing in both Queensland and New South Wales, the 1968-69 sorghum crop would have been much higher. This expansion in wheat, particularly in Queensland, is expected to restrain the expansion of sorghum production in the next year, according to officials in the B.A.E.

The Tippirary Land Corporation is reported to be going ahead with plans to double its sorghum acreage in the Northern Territories. Last year 12,000 acres were planted but abundant rains at harvest time ruined the crop and no exports were made.

Little change from last year can be expected in the maize crop now being harvested (1968-69 crop). The Bureau of Agricultural Economics has estimated a marginal increase from 7.5 to 7.6 million bushels. Sorghum is prefered over maize under most Australian conditions, and the present expansion of wheat acreage should have the same restraining effect on maize as on sorghum. Present depressed prices of maize on the Japanese market will no doubt also affect the acreage sown in the next crop year.

Outlook for Barley and Oats in 1968-69. — The Australian Barley Board, in a press statement issued early in October, expressed confidence in the excellent prospects for this year's barley crop: "The excellent opening to the season and continued favourable conditions, together with the increased barley acreage, makes the Board confident of receiving a greatly increased quantity of barley, thus enabling all home consumption requirements to be met and providing a considerable tonnage for export".

The Board also stated that it has made substantial progress in respect of early sales and that this will assist the storage position by reason of some early shipments. Barley growers have expressed concern that the record wheat crop expected will curtail bulk deliveries of barley at throughput silos this year.

In Queensland, the State Department of Primary Industry has estimated a crop of 13.5 million bushels from a planting of 420,000 acres. A dry September resulted in some moisture stress damage, but early October rains improved the outlook. Harvesting commenced in mid-October and first reports received by officials of the Department of Primary Industry indicate that the grain will be of high quality.

The Bureau of Agricultural Economics reported in September a substantial increase in total barley planting to 3.2 million acres this year (2.4 million acres in 1967-68) and it has estimated the overall barley crop at a record 73.0 million bushels. The Bureau has predicted that about one-third of the crop (25 million bushels) will be exported.

Estimates by the B.A.E. in September put the oat crop at 78.0 million bushels from a planting of 3.6 million acres. Although there have been no recent reports, it would appear this figure should be adjusted somewhat downward (an official in B.A.E. has now given us an estimate of the crop at about 70 million bushels) in view of the dry conditions during September which have caused a downward revision of the wheat crop figures. The B.A.E. has also estimated oat exports of 17 million bushels at a value of A.$13.6 million ($16.3 million Canadian) in 1968-69.

Grain Sorghum Warning. — According to the latest "Coarse Grains Report" published by the B.A.E., Japanese prices for sorghum have fallen from A. $55.76 a metric ton ($1.70 per bushel Canadian) in December 1967 to A.$49.51 ($1.51 per bushel) in June 1968 and it is believed they have fallen further since then. This would mean Australian farmers could expect something like A.$10 a ton (30 cent per bushel) f.o.b. less on shipments to Japan now than one year ago. According to the B.A.E. the reason was a sharp decline in the price of maize, which normally commands a premium over sorghum. This price trend in Japan is closely related to the U.S. market where maize prices have reacted to the sharp increase in production and a resultant accumulation of stocks during 1967-68. The B.A.E. has also pointed out the particular influence on the 1968-69 coarse grains trade of the E.E.C. and British wheat harvests which due to poor seasonal conditions will be available in substantial proportion for stock feed, bringing further pressure on the Japanese market. Sorghum has been suggested in the past by the Australian Commonwealth Government as the second crop for the Ord River irrigation area and as a likely major crop at Emerald in central Queensland when the new dam is constructed. However, the warning on sorghum prices contained in the latest B.A.E. report is understood by officials of the B.A.E. to have changed the economics of sorghum development drastically.

Inspection Controls on Oats and Barley Exports. — Recent press reports have indicated that exports of oats and barley from Australia are to be brought under the control of the Department of Primary Industry. This change would give the Department power to inspect ships carrying oats and barley and thereby reduce the risk of cross-infestation with wheat cargoes. This move is reported to be the result of complaints from importing nations, especially Britain, alleging a high level of insect infestation in Australian oats and barley.

Officials of the Export Inspection Division of Primary Industry have confirmed that appropriate legislation has been prepared to bring the export of oats and barley under the same legislative inspection controls as presently apply to wheat. They denied however that this action results from recent complaints from importers. There have been in the past administrative problems in bringing oats and barley exports under the same inspection controls as wheat, but apparently this action has now become possible. They emphasize that (1) the legislation has not as yet been introduced in the House and that its acceptance by Parliament is thus not yet assured, and (2) the legislative change in question is a matter of export inspection only, and not, as suggested in press reports, a change in marketing procedure. Responsibility for marketing is to remain in the hands of the three Barley Boards (for barley) and the various grain pools (for barley and oats).

Argentina — The following information relative to the Argentine coarse grains, corn, rye, sorghum and millet is taken from a report from Mr. S.E. Kidd, Assistant Commercial Secretary, (Agriculture), Canadian Embassy, Buenos Aires, under date of November 22, 1968 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Conversions to Canadian measures have been made for the convenience of our readers.

Corn. — The Secretariat of Agriculture and Livestock has issued a final estimate of corn production in 1967-68 of 6,560,000 metric tons (258.3 million bushels). This compares with the first estimate of production of 6,600,000 metric tons (259.8 million bushels) and the bumper crop of 8,510,000 tons (335.0 million bushels) harvested in 1966-67.

The planting of the 1968-69 corn crop concluded this month. Ideal weather conditions facilitated the preparation of the land for seeding and the actual seeding operations. The Secretariat of Agriculture has issued a preliminary estimate of the area sown to corn of 4,770,000 hectares (11.8 million acres), 6.6 per cent more than last year and 19.1 per cent and 32.8 per cent more than the average areas planted to corn in the last five and ten-year periods, respectively. This estimate was issued before plantings had been completed and is expected to be revised upwards shortly. The good weather conditions are continuing and the plants are developing well.

Effective October 4, the export retention tax on corn was reduced from 18 to 8 per cent. This export tax is applied on the base index value for corn of U$S45 per metric ton ($1.23 per bushel Canadian). The fixed export taxes of 4 per cent, which are also calculated on the base index value, remain unchanged. The base index value for corn was reduced from U$S47 to U$S45 ($1.28 per bushel to $1.23 per bushel) during August.

On September 10, the Government established the minimum and support prices for the 1968-69 corn crop in dollars per bushel (Canadian) f.o.r. Buenos Aires, at the following levels:

	Minimum	Support
Flint corn	0.97	1.04
Dented corn	0.93	1.01

The support prices are the prices at which the National Grain Board is committed to purchase from producers. The minimum prices are the lowest prices at which the private trade may buy but, in practice, prices rarely fall below the support price. There were wide fluctuations in the corn market during September caused by the anticipation of the reduction in the export retention tax. Prices increased to 1,340 and 1,285 pesos per 100 kilos ($1.04 and $0.99 per bushel) f.o.r. Buenos Aires and Rosario, respectively, but dropped back to 1,280 and 1,222 pesos (99 cents and 94 cents per bushel) when the tax reduction did not materialize.

As noted above, the export tax was reduced early in October and prices rose to 1,380 and 1,320 pesos per 100 kilos ($1.07 and $1.02 per bushel) at Buenos Aires and Rosario. Prices continued to strengthen during November and at the 22nd were 1,490 pesos per 100 kilos ($1.15 per bushel) f.o.r. Buenos Aires. Also at the 22nd, prices on the Buenos Aires Futures Exchange were 1,420 pesos per 100 kilos ($1.10 per bushel) for December delivery; 1,495 ($1.16 per bushel) for January; 1,400 ($1.08 per bushel) for February; 1,390 ($1.07 per bushel) for March and 1,391 ($1.08 per bushel) for April.

Oats, Barley and Rye. — The first official estimate of the area sown to oats, barley and rye was published by the Secretariat of Agriculture and Livestock during September. It is estimated that 1,150,000 hectares (2.8 million acres) has been sown to oats; 952,000 (2.4 million acres) to barley and 2,377,000 (5.9 million bushels) to rye. Plantings of oats are down 3.6 per cent while barley and rye plantings are up 3.6 per cent and 7.9 per cent, respectively, from last year.

At the end of October, the outlook for the malting barley crop was favourable. However, feed barley, oats, and rye were all heavily grazed early in the season and so it is expected that production will be lower than it was last year. Harvesting operations have commenced in the north and will be in full swing throughout the rest of the country during December.

The export retention taxes on oats, barley and rye were reduced from 18 to 8 per cent late in October. These taxes apply on the base index value for oats, barley and rye of U$S39, U$S42 and U$S47 per metric ton (65 cents, 98 cents and $1.28 per bushel), respectively.

Stocks of the old crop have been very much reduced and the market was firm throughout September and October. During October, spot prices for oats, barley and rye were 1,030; 850; and 930 pesos per 100 kilos (49, 57 and 72 cents per bushel) f.o.r. Buenos Aires. New crop grain was in demand with 1,080 pesos (51 cents per bushel) being paid for oats and 1,170 (78 cents per bushel) for barley at southern ports.

Grain Sorghum. — Sorghum is becoming an increasingly popular crop in the Argentine and the first official estimate of the sown area of 1,920,000 hectares (4.7 million acres) is well above the 1,808,000 hectares (4.5 million acres) planted in 1967-68. The sowing of sorghum was completed this month and the condition of the crop is good to excellent.

On September 10, minimum and support prices for the 1968-69 sorghum crop were established at 900 and 1,050 pesos per 100 kilos (70 cents and 81 cents per bushel) f.o.r. Buenos Aires, respectively. These prices are 120 pesos (9 cents) higher than in 1967-68. Sorghum prices have been relatively stable in the last two months, closing at 1,040 pesos per 100 kilos (80 cents per bushel) at the end of October. By November 22, however, sorghum prices had risen to 1,230 pesos (95 cents per bushel).

Millet. — The sowing of millet is now in full swing. Weather conditions and soil moisture reserves are satisfactory so the crop should get off to a good start. There has not yet been an official estimate of the area sown to millet but private trade sources are predicting an area about 6 per cent lower than the 277,000 hectares (684,000 acres) sown last year.

The minimum and support prices for the 1968-69 millet crop were established by the Government on September 10 at a level of 800 and 980 pesos per 100 kilos (56 cents and 68 cents per bushel), respectively. These prices are 100 pesos (7 cents) higher than last year's minimum and support prices. Millet prices have declined since August as a result of limited demand and at the end of October sold at 970 pesos per 100 kilos (67 cents per bushel). At November 22, millet sold at 1,100 pesos (77 cents per bushel).

Federal Republic of Germany

The following account of the current grain situation in the Federal Republic of Germany has been extracted from a report by Mr. R. Jahnen, Commercial Assistant (Agriculture) Canadian Embassy, Bad Godesberg, Germany, under date of November 13, 1968 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce.

Weather and Crops. — The outstanding feature of this year's weather during harvest time was: rain. Precipitations went up from 94 per cent of normal in July to 135 per cent in August and 198 per cent in September, and even in October, with 120 per cent, still hampered new sowings in most areas. However, particularly during the first decade of August, weather was much better in North Germany than it was in the South. As a result, the grain harvest in North Germany, where temperatures reached 29° C (approx. 84°F), went on better than anywhere else. The northern provinces took advantage of these favourable conditions; they not only harvested a better quality of grains than the southern areas, but also got their winter rape and winter barley sowings done in time.

Sowing Intentions. — The first official estimates of farmers' sowing intentions indicate that the area sown to winter wheat will be increased 3 per cent, compared with the crop year 1967-68. The area sown to winter rye will be 2 per cent smaller. Data on winter mixed grains are insufficient. Winter barley will occupy an 11 per cent larger area, and the winter rape area will be increased by approx. 30 per cent (full details not yet available, but Schleswig-Holstein with more than half the winter rape acreage announced an increase of 31 per cent, and Bavaria — another important oilseed producing province — an increase of as much as 51 per cent).

It is doubted that farmers will carry out their sowing intentions, with the exception perhaps of Schleswig-Holstein and Lower Saxony. While the area actually used for winter barley and winter rape is not likely to have reached the above targets, the area devoted to rye will have been reduced by more than 2 per cent. Sowings of winter wheat are still going on (under slightly improved weather and soil conditions). It must be remembered that a reduction in the winter wheat area if caused by bad weather can be made up by larger spring wheat sowings.

Crop Results. — The grain total of 18,782,000 metric tons is being increased by the corn crop which, according to first estimates, will reach 282,035 metric tons (11.1 million bushels). This is 44 per cent more than previous year, with an increase of the corn acreage of approx. 40 per cent. The corn harvest is still going on.

Some 19 million metric tons of potatoes have been harvested, and the oilseed crop reached 169,900 metric tons (another record crop). With 115,200 metric tons, the crop of pulses was only second to previous year's, and sugar beets with 12.5 million metric tons exceeded the long-term average.

Forage crops (fodder beets and roughage), according to preliminary estimates, remain distinctly behind previous year's results, but still are higher than the long-term average.

Summing up, it can be expected that the 1968 food production in the Federal Republic of Germany will reach the index figure 130, compared with 1952-56 equal to 100, and the domestic grain crop will contribute a great deal to both the food and the feed sector.

CALENDAR OF COARSE GRAIN EVENTS

October 31 — According to World Agricultural Production and Trade, published by the Foreign Agricultural Service, U.S.D.A., world barley production in 1968 is estimated at 107.2 million tons (4,926 million bushels), up 4 per cent from the 1967 previous record, as barley acreage gained 3 per cent. World oat production in 1968 is estimated at 50.4 million tons (3,470 million bushels), 6 per cent over 1967 and the highest since 1960. World acreage and yield are estimated higher by 4 per cent and 3 per cent, respectively.

November 15 — According to a report received from Mr. W. Boychuk, Assistant Commercial Secretary, Canberra, the Australian Bureau of Agricultural Economics confirms earlier estimates of a sharp decline in total production of coarse grains, estimated at 1.98 million tons. This is the lowest level since 1958-59 and just over one-half the record harvest of 1966-67.

November 15 Based on conditions at October 23, production of Canada's principal grain crops in 1968 was estimated as follows, in millions of bushels, with 1967 figures in brackets: all wheat, 649.8 (592.9); oats for grain, 362.5 (304.2); barley, 325.4 (248.7); mixed grains, 85.6 (76.4); corn for grain 80.7 (74.1); all rye, 13.0 (12.0); flaxseed, 18.2 (9.4); rapeseed, 18.7 (24.7); and soybeans, 9.0 (8.1).

22 According to a report received from Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) Canadian Embassy, Buenos Aires, the planting of the 1968-69 corn crop in Argentina concluded this month. Ideal weather conditions facilitated the preparation of the land for seeding and the actual seeding operations. The Secretariat of Agriculture has issued a preliminary estimate of the area sown to corn of 4,770,000 hectares, (11.8 million acres), 6.6 per cent more than last year. However, this estimate was issued before plantings had been completed and is expected to be revised upwards shortly. The good weather conditions are continuing and the plants are developing well.

29 According to World Agricultural Production and Trade, published by the Foreign Agricultural Service, U.S.D.A., world corn production in 1968 is estimated at 234 million metric tons (9,209 million bushels), 2 per cent below the 1967 record crop of 239 million tons (9,394 million bushels), on the basis of the latest information available. World corn area, at 254 million acres, was virtually unchanged.

World production of flaxseed in 1968 has recovered significantly from the extreme low level of 1967. At the tentative estimate of almost 125 million bushels, production would exceed last year's output by 27 per cent.

December 19 The last grain vessel of the 1968 season of navigation, M.V. Saguenay, finished loading at the Canadian Lakehead. The total volume of the six principal grains cleared 244.6 million bushels, was some 115 million below the 1967 season's figure

FATS AND OILS

The following is taken from the report on Grains Feeds and Oilseeds as prepared for the Federal-Provincial Agricultural Outlook Conference, November 25 and 26, 1968.......

World Oilseed Situation and Outlook

The world supply of oils and fats in 1968 is expected to establish record levels for the tenth consecutive year reaching a total of approximately 41 million short tons. Animal fat and marine oil production is expected to reach record levels in 1968. Coupled with this, there will also be a pronounced increase in production of edible vegetable oils. World production of linseed oil is likely to continue its downward trend.

The United States flaxseed crop in 1968 is 26.4 million bushels, 6.5 million more than in 1967. The Argentine crop is likely to be at least 3 per cent more than last year. Canada and the United States both have higher total supply than last year, but the Argentine total supply was down by 25 per cent in 1967 and total supply after this year's crop will likely still be at a relatively low level. However, the usage of linseed oil is still declining and unless usage increases there is a possibility of oversupply in relation to the falling demand.

World production is expected to be at or near record levels for the three oilseed crops grown in Canada. Soybean production will be up sharply, because of an anticipated 10 per cent increase in United States production, to a new high of 1,080 million bushels in 1968. Sunflower production will approximate last year's record level of 700 million bushels. Rapeseed production is likely to equal last year's output of 240 million bushels, with production increases in countries of the European Economic Community offsetting decreases in Canada and Poland. Cottonseed, peanut, and olive oil production are all likely to be higher than last year.

The current year has been marked by sharp declines in world prices of most edible oils. Prices in Rotterdam in late August 1968 for soybean oil and rapeseed oil were down 25 per cent from prices in August 1967; prices for sunflower oil were down 23 per cent, a recovery from July 1968, prices which had been 29 per cent below last August's prices. Many other vegetable oils showed decreases in prices in varying degrees. The price of linseed oil on the other hand, was about 8 per cent higher than a year ago, and soybean meal prices, with rising demand for protein feeds in many western European countries, increased by 5 per cent during the period. The competitive position for Canadian edible oilseeds at home as well as abroad is being adversely affected by general world surplus production spurred by support programs in other countries.

Technical developments in the use of vegetable oils and meal have significantly increased their interchangeability and narrowed the spread in the market value of the respective oilseeds.

CANADIAN OILSEEDS

Situation

Flaxseed exports for the crop year 1967-68 were 12.6 million bushels, almost 24 per cent less than the 1966-67 exports of 16.6 million bushels, continuing the downward trend of past years. Japan continues to be Canada's largest customer, taking nearly one third of total exports, followed by Britain and the Netherlands. Britain continued to import Canadian oilcake and meal although in lower quantities than last crop year. Conversely, sales to Britain of linseed oil in the first 7 months of 1968, at 15 million pounds, were nearly double imports from Canada in the 1967 calendar year. Crushings of flaxseed in the crop year 1967-68, amounted to 129 million pounds, a decrease of 10 per cent from 143 million pounds crushed in the previous crop year.

The average price in 1967-68 for No. 1 C.W. flaxseed, basis the Lakehead, was $3.45 per bushel, well above the average of $3.00 for the previous two years. Flaxseed stocks were down sharply at the end of the 1967-68 crop year to 4.8 million bushels from the previous year's figure of almost 12 million bushels.

Production of flaxseed in Canada was up sharply in 1968 with forecasts indicating a crop of 18.2 million bushels, almost double that of the previous year but 18 per cent less than the 1966 harvest. Yields at 11.9 bushels per acre are slightly above average, and acreage was up by nearly 49 per cent from last year. Acreage in Manitoba increased in 1968 to 820,000 acres, 24 per cent more than the 1967 acreage, although well below the acreages of 1966 or 1965. Acreage in Saskatchewan in 1968 was 397,000 compared with 193,000 in 1967. In the late 1950's, Saskatchewan's acreage averaged 1,400,000 acres and was higher than the other two provinces combined but decreased steadily in the early 1960's. Alberta's acreage in 1968 at 285,000 acres was nearly double the 1967 acreage but well below acreages of earlier years. Production in 1968 for Manitoba is forecast to be 9.5 million bushels; for Saskatchewan, 4.0 million bushels and for Alberta, 4.3 million bushels. With lower carryover than last year, total available supply will be higher by about 1.7 million bushels in 1968.

Exports of <u>rapeseed</u> in 1967-68 amounted to 12.3 million bushels, down by 11 per cent from the 1966-67 figure of 13.8 million bushels but 50 per cent higher than the average for the preceding 5 year period. Over 80 per cent of recent exports are going to Japan with almost all of the balance to Taiwan. Since July 1967, exports to Italy and other European Economic Community countries have almost ceased. Canada is still the world's largest exporter of rapeseed but in terms of production among main exporters, Canada may this year rank third to Poland and France. In previous years Canada ranked second to Poland. Domestic rapeseed crushings increased from 4.96 million bushels in the 1966-67 crop year to 5.14 million in 1967-68. Average crop year prices fell sharply from $2.78 per bushel (basis No. 1 Canada rapeseed in store Vancouver) in 1966-67 to $2.27 in 1967-68. Rapeseed crude oil prices (basis price per pound f.o.b. Western Canadian plant) fell from 10 cents per pound in August 1967 to 8.2 cents per pound in August 1968, and rapeseed meal prices fell from $68.13 per ton in August 1967 to $60.00 in August 1968.

Carryover in Canada at the beginning of this crop year was 71 per cent more than last year, at a new high of 10.0 million bushels.

The 1968 rapeseed crop is forecast at 18.7 million bushels compared with 24.7 million bushels last year. The increased yield from 15.2 to 17.8 bushels per acre offsets to some extent the effect of the decreased acreage. Acreage was down in all three provinces in 1968 compared with 1967; in Alberta, from 875,000 to 450,000 acres; in Saskatchewan, from 600,000 to 511,000; and in Manitoba, from 145,000 to 91,000 acres.

With the large carryover offset by the decrease in production the Canadian supply position for the current year is expected to be 28.7 million bushels, down only 1.8 million bushels from last year.

Imports of soybeans for the crop year 1967-68 decreased to 13.3 million bushels from 16.3 million bushels in 1966-67. Imports of soybean oil, on the other hand, increased in 1967-68 to 20.9 million pounds from 20.4 million pounds in 1966-67. Soybean meal imports rose from 228 thousand tons in 1966-67 to 237 thousand tons in 1967-68. Exports of soybeans in 1966-67 were 3.6 million bushels; in 1967-68 exports of soybeans fell to less than 1.6 million bushels. This compares with the 1961-65 average of 2.6 million bushels. Exports of soybean meal fell slightly, from about 170,000 tons to 169,000 tons. Exports of soybean oil were down from 34.6 million pounds to 30.3 million pounds. Soybean crushings were virtually unchanged this crop year at 1,189 million pounds. The price for soybeans, No. 2 or better, basis f.o.b. Chatham, Ontario, for the crop year 1967-68 was $2.78 compared to $3.06 the previous year. Prices for soybean crude oil, delivered at factory, Eastern Canada, fell from 12.38 cents per pound in August 1967 to 9.30 cents per pound in August 1968. Prices for meal (44 per cent protein) increased from $93.50 to $100.50 per ton over the same period. Canadian soybean production in the current crop year is forecast at 9.0 million bushels, grown on 295,000 acres as compared with last year's crop of 8.1 million bushels, grown on 290 thousand acres.

Sunflower seed acreage in 1968 was 40,000 acres compared with 45,800 acres in 1967. This acreage is almost completely confined to Manitoba. Production is expected to be below average although data on actual yields are not yet available. Weather problems this year have reduced the anticipated yield. About one third of the crop will be used for bird seed and confection and the rest crushed for oil. The Canadian export market for sunflower seed, almost all of which goes to the United States for bird seed, decreased from about 13.5 million pounds in 1966-67 to about 3.4 million pounds in 1967-68.

The 50 per cent increase in world sunflower production in the last 5 years originating largely in Eastern Europe and Russia, has resulted in large quantities being available for export on world markets. Prices on the world market fell to such an extent that there were imports of sunflower seed oil, originating in Eastern Europe into Canada. In the 1967 calendar year these imports amounted to over 34 million pounds; for the first 6 months of 1968 imports amounted to 18 million pounds compared with 11 million for the corresponding period in 1967.

In the United States sunflower seed production has been rising, particularly in North Dakota and Minnesota, but, as in Canada, acreage expansion in 1968 was curtailed by low prices. Experimental work is being carried out in a number of southern states including Texas.

Outlook

Flaxseed prices in September had already decreased to $3.30 per bushel, basis Lakehead, since the crop forecast of September 2 and with revised estimates of the United States crop. Prices are not likely to regain levels attained earlier this year if final production figures are in line with current forecasts, although it does not appear likely that any substantial oversupply will occur. Prices for 1968-69 at levels of $3.00 per bushel or more (Lakehead) remain a distinct possibility. However, with a declining demand for oil an increase in acreage another year might well result in over supply with consequent sharp price decreases.

Rapeseed In the past crop year Canada has not been able to market rapeseed in the E.E.C. countries because of the support prices and subsidies applied to production in the E.E.C. Unless there is a change in E.E.C. policies, Canada will not be able to re-enter this market in the foreseeable future. Exports to Japan and Taiwan have been increasing steadily and this trend should continue. Rapeseed prices have risen above the low point of mid-summer but the oversupply on the world market of fats and oils seems to preclude the possibility of any substantial increase in prices during the coming year.

On the domestic market, rapeseed crushing is moving ahead, but it appears that the domestic potential for rapeseed oil and meal is not fully exploited. In spite of the substantial world supplies of fats and oils, with resulting low prices, it is expected that the continuance of this year's production levels in Canada would not depress prices for Canadian rapeseed.

Soybeans Canadian exports of soybeans to Britain are expected to decline still further in 1968-69. One factor affecting this market is the removal, as of July 1, 1968 by Britain, of the 5 per cent tariff on soybeans imposed on countries not under British preference.

A record soybean crop of 1,080 million bushels is expected in the United States. Carryover in the United States was 36 million bushels in 1966 and 90 million bushels in 1967. Carryover in the current year is expected to rise to 155 million bushels and the possibility exists that next year a further increase to 250 million bushels may occur. With United States farmers producing more beans that can be sold, prices may well sag below the support level this fall until excess stocks are locked up under price support. These low prices would lead to low prices in Canada for a period this fall as well. Although prices in 1969 may not be much different than in 1968, there is still a large domestic market for soybean oil and meal in Canada.

Sunflower seed Low world prices for sunflower oil will likely continue for some time to come although perhaps not at the extremely low levels prevailing this spring and summer. This will depend on the export policies of some major producing countries. Low yields this year may also be a factor against acreage expansion in Canada during 1969; but the potential market for sunflower seed oil remains good.

August-October Marketings of Flaxseed and Rapeseed Below Previous Year

Data recorded for this quarter of the 1968-69 crop year, indicate that primary deliveries of flaxseed have amounted to 5.1 million bushels, below both the comparable total of 5.2 million of the previous year and the recent ten-year average for the period of 8.4 million. Marketings of rapeseed at 4.3 million bushels also registered a decline from the corresponding 1967-68 figure of 6.1 million and below the recent ten-year average of 5.7 million.

Commercial Supplies

Total commercial supplies of Canadian flaxseed at November 20 of the current crop year, at 6.0 million bushels, were below both the comparable level of 10.3 million in 1967 and the 9.4 million for the same period in 1966. Most of the decrease was accounted for by smaller totals in Vancouver-New Westminster, Fort William-Port Arthur and Lower St. Lawrence and Maritime ports. The 2.9 million bushels at the country elevators were above the total of 2.3 million at the same date in 1967 but below the 3.2 million of 1966. Stocks in transit rail (Western division) at 1.4 million bushels are above both the comparable 0.7 million of 1967 and the 0.6 million of 1966. Rapeseed supplies in commercial positions at November 20 of this year amounted to 6.7 million bushels higher than both the 6.2 million of 1967 and the 5.7 million at the corresponding period in 1966. The bulk of this grain was in country elevators (3.6 million) and in Vancouver-New Westminster (1.8 million).

Domestic Market

Crushings of the four major oilseeds, flaxseed, soybeans, rapeseed and sunflower seed, in Canada during the period August-October 1968, have accounted for a total of 391.3 million pounds compared with 404.4 million pounds for the same period of the previous year. Most of the current total is accounted for by crushings of some 278.6 million pounds of soybeans as compared with 304.3 million pounds during the comparable period of 1967. Crushings of flaxseed at 27.4 million pounds, represent a decline of 35 per cent from the comparable 1967 figure of 42.2 million pounds. The total amount of rapeseed crushed during August-October 1968, amounted to 76.8 million pounds, some 39 per cent more than last year's comparable total of 55.1 million pounds. Crushings of sunflower seed during the first three months of the current crop year amounted to 8.4 million pounds considerably more than the 2.8 million at the comparable period the previous year.

Exports of Flaxseed Rapeseed and Soybeans

During the first three months of the 1968-69 crop year exports of Canadian flaxseed amounted to 2.0 million bushels, below both the 3.1 million shipped during the comparable period of 1967 and the ten-year (1957-66) average for the period of 3.4 million. The major markets for this oilseed with figures in millions of bushels were as follows: Japan, 1.0; Britain, 0.8; and the Federal Republic of Germany, 0.2. The remainder was accounted for by relatively smaller shipments to Norway, the Netherlands and Israel.

Exports of rapeseed from August 1 to October 31, 1968, at 4.0 million bushels, were 37 per cent above the comparable 1967 figure of 2.9 million and considerably more than the recent average of 0.8 million. Japan, the major importer, at 2.9 million, accounted for 72 per cent of the three-month total while the remainder was imported by Morocco, Taiwan and United States.

Customs exports of soybeans during the first three months of the 1968-69 crop year amounted to 0.2 million bushels, unchanged from the August-October period of the previous year but lower than the ten-year average of 0.4 million.

Advance Quota Delivery Privileges for Damp Rapeseed and Flaxseed

The Canadian Wheat Board in its instruction to the trade re quotas (general) Nos. 15 and 16 under date of October 31, 1968 stated in part that effective immediately producers may deliver damp rapeseed and flaxseed in excess of the established quota provided the total quantity of rapeseed and flaxseed delivered under the seeded acreage quota plus this advance quota does not exceed a quota of eight (8) bushels per seeded acre, or four hundred (400) bushels, whichever is the larger. Proper entries must be made in the producer's permit book covering such advance quota deliveries with a notation "damp rapeseed" and "damp flaxseed".

Crushings of Vegetable Oilseeds and Production of Oil and Oil Meal, 1965-66 — 1968-69

	Crop Year			August-October	
	1965-66	1966-67	1967-68	1967	1968
	thousand pounds				
Crushings					
Flaxseed	147,321	142,405	126,913	42,173	27,403
Soybeans	1,239,219	1,192,578	1,190,767	304,335	278,648
Rapeseed	187,275	248,150	257,955	55,102	76,765
Sunflower seed	13,605	14,054	24,401	2,820	8,435
Oil Production					
Flaxseed	51,388	50,487	44,946	14,658	9,668r
Soybeans	205,296	201,522	198,999	52,593	46,830
Rapeseed	73,384	99,367	103,471	22,344	31,805
Sunflower seed	4,791	5,561	9,967	1,107	3,163
Meal Production					
Flaxseed	89,783	87,354	78,274	26,151r	17,074r
Soybeans	982,879	948,730	944,641	243,191	221,991
Rapeseed	108,033	141,675	148,349	31,450	43,209
Sunflower seed	5,194	5,394	8,599	1,060	3,020

r Revised figures.

Month-end Stocks of Oil and Meal, October 1966-68

	Oil			Meal		
	1966	1967	1968	1966	1967	1968
	thousand pounds					
Flaxseed	8,834	9,355	2,674	2,852	14,955	10,295
Soybeans	8,831	11,064	7,935	13,390	27,429	16,674
Rapeseed	3,741	6,259	2,598	2,201	2,418	6,993
Sunflower seed	299	553	77	225	176	1,345

OILSEED PRODUCTION

Based on conditions at October 23 the 1968 flaxseed crop, now estimated at 18.2 million bushels is 94 per cent above last year's outturn of 9.4 million but 11 per cent below the 1957-66 average of 20.4 million bushels. Acreage sown to this crop increased 49 per cent this year and average yields at 11.9 bushels per acre are 29 per cent above last year's 9.2 bushels. Rapeseed production in 1968 is estimated at 18.7 million bushels compared with 24.7 million last year and the ten-year average of 11.8 million bushels. Acreage seeded to this crop was some 35 per cent smaller than in 1967 but average yields of 17.8 bushels per acre are some 17 per cent higher than the 1967 outturn of 15.2 bushels. Production of soybeans currently estimated at 9.0 million bushels is 12 per cent larger than last year's 8.1 million. The average yield per acre is estimated at 30.6 bushels compared with 27.9 bushels last year and the ten-year average of 27.7 bushels per acre.

The area sown to sunflowers is placed at 40,000 acres, down from the 45,800 acres planted in 1967. The indicated yield at 619 pounds per acre is 21 per cent lower than the 1967 average of 786 pounds. Indicated total production at 24.8 million pounds, is below last year's crop of 36.0 million, and smaller than the ten-year average of 27.0 million pounds. In Manitoba 37,000 acres were grown and yields are estimated at 650 pounds per acre while in Saskatchewan, where 2,500 acres were planted, an average yield of 240 pounds per acre is reported. In Alberta where 500 acres were sown, yields are expected to average 300 pounds per acre. The area in mustard seed at a record 533,000 acres in 1968 is up 141 per cent from the revised 1967 area of 221,000 acres, and average yields at 880 pounds per acre are 30 per cent above those of last year. Total production is expected to amount to a record 469.0 million pounds, 213 per cent above the 149.9 million produced in 1967.

Acreage, Yield and Production of Oilseed Crops, by Provinces, Canada, 1967 and 1968

Crop and Province	Acreage		Yield per acre		Production	
	1967r	1968	1967r	1968(1)	1967r	1968(1)
	acres		bushels		bushels	
Flaxseed						
Quebec	17,000	15,600	14.9	16.4	253,000	256,000
Ontario	7,000	6,000	16.0	16.8	112,000	101,000
Manitoba	660,000	820,000	8.6	11.6	5,700,000	9,500,000
Saskatchewan	193,000	397,000	8.3	10.1	1,600,000	4,000,000
Alberta	145,000	285,000	11.7	15.1	1,700,000	4,300,000
British Columbia	1,400	800	9.3	11.1	13,000	9,000
Totals	1,023,400	1,524,400	9.2	11.9	9,378,000	18,166,000
Soybeans						
Ontario	290,000	295,000	27.9	30.6	8,091,000	9,027,000
Rapeseed						
Manitoba	145,000	91,000	15.9	17.6	2,300,000	1,600,000
Saskatchewan	600,000	511,000	17.0	20.2	10,200,000	10,300,000
Alberta	875,000	450,000	13.9	15.1	12,200,000	6,800,000
Totals	1,620,000	1,052,000	15.2	17.8	24,700,000	18,700,000
			pounds		pounds	
Sunflower seed						
Manitoba	44,000	37,000	800	650	35,200,000	24,000,000
Saskatchewan	1,800	2,500	450	240	810,000	600,000
Alberta	(2)	500	—	300	—	150,000
Totals	45,800	40,000	786	619	36,010,000	24,750,000
Mustard seed						
Manitoba	29,000	65,000	700	846	20,300,000	55,000,000
Saskatchewan	78,000	320,000	675	900	52,650,000	288,000,000
Alberta	114,000	148,000	675	851	76,950,000	126,000,000
Totals	221,000	533,000	678	880	149,900,000	469,000,000

(1) As indicated on basis of conditions on or about October 15.
(2) Less than 500 acres.
r Revised figures.

FARMERS' MARKETINGS OF FLAXSEED AND RAPESEED

Marketings of flaxseed and rapeseed in the Prairie Provinces from the beginning of the current crop year to November 20 were both below their comparable figures of the previous year. Deliveries of flaxseed, at 5.1 million bushels, were 3 per cent less than the 1967-68 total of 5.2 million and 40 per cent below the 10-year (1957-66) average for this period of 8.4 million bushels. Rapeseed marketings, at 4.3 million bushels, registered a decline of 29 per cent from the 6.1 million of the period August 1-November 22, 1967 and 25 per cent below the ten-year average of 5.7 million bushels.

Farmers' Marketings of Flaxseed and Rapeseed in the Prairie Provinces
1968-69 with Comparisons

Period or week ending	Man.	Sask.	Alta.	Total
	thousand bushels			
	Flaxseed(1)			
August 7, 1968	(2)	—	—	(2)
14	(2)	2	(2)	2
21	(2)	2	—	3
28	3	—	(2)	3
September 4	3	3	2	7
11	3	5	4	13
18	20	10	23	53
25	40	13	11	64
October 2	132	4	34	171
9	281	24	56	361
16	357	26	39	422
23	203	33	102	339
30	249	100	172	521
November 6	1,069	331	186	1,585
13	615	147	70	833
20	458	122	96	676
Totals	3,435	823	796	5,054
Similar period 1967	3,482	822	923	5,227
10-year average similar period 1957-66	3,843	2,795	1,800	8,437
	Rapeseed(3)			
August 7, 1968	—	—	—	—
14	—	2	(2)	3
21	7	23	1	31
28	3	61	24	88
September 4	3	64	24	91
11	20	49	44	113
18	20	319	24	364
25	138	108	33	278
October 2	35	151	146	333
9	83	331	266	680
16	81	180	125	386
23	28	133	316	477
30	15	288	208	511
November 6	24	185	178	387
13	14	139	129	282
20	15	157	94	266
Totals	487	2,189	1,613	4,289
Similar period 1967	603	2,254	3,218	6,076
10-year average similar period 1957-66	397	3,226	2,080	5,703

(1) Includes receipts at country, interior private and mill, interior semi-public terminal elevators and platform loadings. (2) Less than 500 bushels. (3) Includes receipts at country and mill elevators.

Visible Supply of Canadian Flaxseed, November 20, 1968 Compared with Approximately the Same Date 1966 and 1967

Position	1966	1967	1968
	thousand bushels		
Country elevators — Manitoba	987	428	1,397
Saskatchewan	1,252	945	985
Alberta	997	894	553
Sub-totals	3,236	2,267	2,935
Interior private and mill	110	39	112
Interior terminals	—	—	15
Vancouver-New Westminster	1,366	2,036	291
Fort William-Port Arthur	2,308	3,060	768
In transit rail (western division)	623	694	1,372
Bay, Lake and Upper St. Lawrence ports	37	227	—
Lower St. Lawrence and Maritime ports	1,097	1,397	217
In transit lake	617	607	281
Totals	9,394	10,327	5,991

Visible Supply of Canadian Rapeseed, November 20, 1968 Compared with Approximately the Same Date 1966 and 1967

Position	1966	1967	1968
	thousand bushels		
Country elevators — Manitoba	196	128	228
Saskatchewan	1,279	1,510	1,973
Alberta	1,489	1,755	1,360
Sub-totals	2,964	3,393	3,561
Interior private and mill	172	481	444
Interior terminals	1	2	1
Vancouver-New Westminster	1,455	1,488	1,767
Fort William-Port Arthur	302	148	295
In transit rail (western division)	652	716	648
Lower St. Lawrence and Maritime ports	157	—	30
Totals	5,703	6,228	6,746

GRADING OF FLAXSEED AND RAPESEED 1968-69

The total number of cars of flaxseed and rapeseed inspected by the Board of Grain Commissioners for Canada during the first quarter of the 1968-69 crop year amounted to 2,711 and represented a decrease of 43 per cent from the 4,752 cars of these oilseeds inspected during the first three months of the 1967-68 crop year.

Some 92.4 per cent of the August — October inspections of flaxseed graded No. 1 C.W. compared with 93.2 per cent during the crop year 1967-68. The 98.4 per cent of the August — October rapeseed inspections which were graded 1 Canada represents a slight increase over the 96.6 per cent falling into this category in 1967-68.

Gradings of Flaxseed and Rapeseed Inspected(1), August-October 1968-69 with Comparisons

Grain and grade	Crop year: Average 1962-63 - 1966-67	Crop year: 1967-68	August-October: 1968-69	
	per cent		cars	per cent
Flaxseed				
1 C.W.	85.1	93.2	652	92.4
2 C.W.	1.8	0.6	5	0.7
3 C.W.	0.6	1.0	4	0.6
4 C.W.	(2)	0.1	2	0.3
Tough (3) (4)	9.6	2.8	41	5.8
Damp (3) (5)	1.8	0.8	1	0.1
Rejected (3)	0.6	0.3	1	0.1
All Others	0.5	1.3	-	-
Totals	100.0	100.0	706	100.0
Bushel equivalent (approximately)			1,348,000	
Rapeseed				
1 Canada		96.6	1,973	98.4
2 Canada		0.4	5	0.2
3 Canada		0.3	2	0.1
Others		2.8	25	1.2
Totals		100.0	2,005	100.0
Bushel equivalent (approximately)			4,403,000	

(1) Both old and new crop.
(2) Less than .05 per cent.
(3) All grades.
(4) Moisture content 10.6 per cent to 13.5 per cent.
(5) Moisture content over 13.6 per cent.

Flaxseed — Selected Statistics, 1965-66 — 1968-69

	Crop Year			August-October	
	1965-66	1966-67	1967-68	1967	1968
			bushels		
Flaxseed					
Stocks at beginning of crop year	7,141,165	11,141,301	11,830,585	11,830,585	4,766,000
Production	29,176,000	22,020,000	9,378,000	9,378,000	18,166,000
Exports	18,935,830	16,568,065	12,610,557	3,127,631	1,999,791
Domestic crushing	2,630,729	2,542,947	2,266,312	753,091	489,332
			cents and eighths per bushel		
Prices(1)					
August	307/2	300/7	348/3		346/6
September	314/1	299/2	345		339/6
October	306/3	292	332/7		332
November	293/3	290/5	345		321/5
December	292/5	293/2	345/1		
January	299	293/5	348/5		
February	303/3	295/6	348/6		
March	297/7	299/6	342/4		
April	296/3	301/5	332		
May	292/6	396/5	354/3		
June	294	304/4	350		
July	295/7	335/2	354/6		
Yearly average	299/3	300/2	345/5		
			pounds		
Flaxseed oil					
Exports	11,279,100	10,116,500	21,986,300	3,294,900	4,348,100
Domestic production ..	51,387,759	50,487,408	44,946,101	14,657,976	9,733,130
			tons		
Flaxseed meal					
Exports	15,161	14,373	6,990	1,717	2,154
Domestic production ..	44,891	43,677	39,137	13,076	8,543

(1) Winnipeg Grain Exchange No. 1 C.W. Flaxseed, basis Fort William-Port Arthur.

Soybeans — Selected Statistics, 1965-66 — 1968-69

	Crop year			August — October	
	1965-66	1966-67	1967-68	1967	1968
			bushels		
Soybeans					
Production	8,030,000	9,012,000	8,091,000	8,091,000	9,027,000
Imports	17,057,790	16,294,633	13,328,316	3,689,074	2,274,428
Exports	2,152,373	3,599,042	1,570,763	173,215	202,138
Domestic crushing	20,653,645	19,876,294	19,846,111	5,072,253	4,644,133
			cents and eighths per bushel		
Prices(1)					
August	283/6	339/2	297/3		270/4
September	272/7	325/3	295		261/5
October	273/4	310/4	287/6		248/7
November	264/1	305/5	276/6		254/7
December	283/3	303	271/5		
January	298/5	296/6	273/6		
February	302/7	295/1	276/5		
March	321/7	300/4	276/3		
April	297/4	298/5	272/3		
May	321/7	300/4	272/1		
June	346/6	304/5	269/1		
July	362/1	300/2	269/5		
Yearly average ..	301/2	306/4	278/3		
			pounds		
Soybean oil					
Imports	23,676,400	20,372,400	20,941,700	6,325,600	7,566,800
Exports	35,347,900	34,624,000	30,291,500	10,325,300	3,171,000
Domestic production	205,295,970	201,522,206	198,999,327	52,593,491	46,830,413
			tons		
Soybean meal					
Imports	225,389	228,429	237,107	62,200	57,471
Exports	242,497	170,391	169,321	39,917	26,045
Domestic production	491,440	474,365	472,321	121,595	110,995

(1) Buying prices, carlots, f.o.b. Chatham.

Rapeseed — Selected Statistics, 1965-66 — 1968-69

	Crop Year			August-October	
	1965-66	1966-67	1967-68	1967	1968
			bushels		
Rapeseed					
Production	22,600,000	25,800,000	24,700,000	24,700,000	18,700,000
Exports	13,632,267	13,817,739	12,308,677	2,902,403	3,978,438
Domestic crushing ...	3,745,507	4,963,009	5,159,104	1,102,032	1,535,291
			cents and eighths per bushels		
Prices(1)					
August	232	289/5	258		209/1
September	230/3	274/6	238		214/6
October	244	265/5	231/4		208/3
November	271/2	271	232/1		215/4
December	260	285/6	235/7		
January	295	280/7	233/1		
February	287/5	284/3	231/2		
March	265	294/4	224/2		
April	269/2	280/5	212/6		
May	270/4	273/3	213/2		
June	284/2	269/3	210/3		
July	282/6	271/1	201/2		
Yearly average	266	278/3	226/6		
			pounds		
Rapeseed oil					
Domestic production ..	73,384,109	99,366,504	103,470,711	22,344,174	31,804,656
			tons		
Rapeseed meal					
Exports	2,432	127	n.a.	n.a.	n.a.
Domestic production ..	54,017	70,838	74,175	15,725	21,604

(1) Winnipeg Grain Exchange No. 1 Canada Rapeseed, basis in store Vancouver.
n.a. Not available.

Exports of Canadian Flaxseed(1) 1968-69 and 1967-68

Destination	August 1968	September 1968	October 1968	August — October 1968-69	August — October 1967-68r
			bushels		
Western Europe					
EEC:					
Germany, Federal Republic	—	—	203,716	203,716	195,478
Netherlands	—	20,000	—	20,000	507,722
Sub-totals	—	20,000	203,716	223,716	703,200
Other Western Europe					
Britain	225,746	165,100	373,000	763,846	774,677
Norway	—	—	42,000	42,000	99,090
Portugal	—	—	—	—	66,000
Spain	—	—	—	—	359,972
Sub-totals	225,746	165,100	415,000	805,846	1,299,739
Totals	225,746	185,100	618,716	1,029,562	2,002,939
Asia					
Israel	10,500	—	—	10,500	8,155
Japan	321,600	294,347	343,764	959,711	1,087,602
Korea, South	—	—	—	—	28,935
Totals	332,100	294,347	343,764	970,211	1,124,692
Western Hemisphere					
United States Domestic(2) ...	—	—	18	18	—
Totals, all countries	557,846	479,447	962,498	1,999,791	3,127,631

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada.

(2) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.

r Revised figures.

Exports of Canadian Rapeseed(1) 1968-69 and 1967-68

Destination	August 1968	September 1968	October 1968	August — October 1968-69	August — October 1967-68
			bushels		
Western Europe					
EEC:					
Netherlands	—	—	—	—	100,462
Africa					
Morocco	550,368	—	—	550,368	—
Asia					
Japan	732,909	1,103,998	1,023,868	2,860,775	2,755,473
Taiwan	46,278	195,417	248,098	489,793	44,092
Totals	779,187	1,299,415	1,271,966	3,350,568	2,799,565
Sub-totals, all countries	1,329,555	1,299,415	1,271,966	3,900,936	2,900,027
Western Hemisphere					
United States(2)	76,982	520	1,432	78,934	2,376
Totals, all countries	1,406,537	1,299,935	1,273,398	3,979,870	2,902,403

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada.
(2) Customs exports.

Customs Exports of Canadian Soybeans 1968-69 and 1967-68

Destination	August 1968	September 1968	October 1968	August — October 1968-69	August — October 1967-68
			bushels		
Other Western Europe					
Britain	108,267	—	91,483	199,750	168,560
Sweden	—	1,468	920	2,388	4,655
Totals	108,267	1,468	92,403	202,138	173,215
Totals, all countries	108,267	1,468	92,403	202,138	173,215

UNITED STATES SITUATION

The following summary of the fats and oils situation in the United States has been taken from the November 15, 1968 issue of the Fats and Oils Situation published by the Economic Research Service, United States Department of Agriculture.

Food fats and oils supplies for the marketing year started October 1, 1968, are record large and well above prospective domestic and export requirements. The increase is due to a new high in soybean supply and a sharp rise in cottonseed output. With abundant supplies of most oilseeds and peanuts, farm prices for these crops in 1968-69 will likely average near United States support levels.

The 1968-69 supply of soybeans is estimated at 1,246 million bushels, 17 per cent more than last year. Prices to farmers this harvesting season are averaging about 15 cents below the national support rate of $2.50 per bushel. Later in the marketing year they are expected to increase seasonally, similar to the year-earlier pattern. Large quantities of soybeans are being placed under CCC loan this fall. This withholding, along with the large volume from earlier crops being held off the market by CCC, will tend to bolster prices after harvest.

Soybean crushings for the marketing year that started September 1, 1968, are expected to total around last year's 576 million bushels. Demand for soybean meal during the year likely will again outpace oil demand, resulting in a sizable oil surplus above domestic requirements. Domestic use of soybean oil and meal probably will be no greater than last year, since output of competitive cottonseed oil and meal is up about 40 per cent this season. The exact level of 1968-69 crushings will depend on such factors as exports of soybean oil, the amount of cottonseed oil acquired by CCC under the support program, and foreign competition.

Despite keen foreign competition, slightly lower U.S. prices strengthen export prospects for soybeans this year. Soybeans inspected for export are running at a substantially higher rate than last year, in part reflecting foreign buying in anticipation of a longshoremen's strike after December 20 (when the Taft-Hartley injunction expires). Soybean exports in 1968-69 may rise some 10 million to 15 million bushels above the 267 million last season.

Based on these prospects for crushings and exports, a further buildup in soybean stocks will occur. Next September's carryover possibly will exceed 300 million bushels compared with 167 million on September 1, 1968. A major part of the carryover will be either CCC-owned or under loan.

Cottonseed production in 1968-69 is estimated at 4.5 million tons, 43 per cent above last year's small crop. This output assures similar increases for cottonseed oil and cottonseed meal. Cottonseed prices to farmers this fall are averaging slightly above the U.S. support rate of $48 per ton, but below a year ago. Both oil and meal prices have dropped sharply this season. Through November 14, CCC bought 24 million pounds of oil at prices averaging about 10.7 cents per pound.

Last month, USDA announced that CCC-acquired cottonseed oil under the 1968 cottonseed support price will not be resold on the domestic market before next September unless market prices reach at least 105 per cent of the average CCC acquisition price plus handling and carrying charges.

Lard output in the 1968-69 marketing year which began October 1 is expected to approximate the 2.1 billion pounds of last year. Domestic use and exports of lard are estimated at around 1.8 and 0.2 billion pounds, respectively--about the same as the 1967-68 rates. Chicago prices this marketing year may average slightly above the 6 cent level of last year--the lowest since 1940.

Butter production during the current fats and oils marketing year may total close to the 1.2 billion pounds in 1967-68. Domestic disappearance may hold near last year's level as CCC donations for domestic programs continue large. Thus, carryover stocks of butter by next October may be down somewhat from the 196 million pounds (167 million held by CCC) of a year earlier.

Peanut supplies for the 1968-69 marketing year that started August 1 are estimated at 2.8 billion pounds--about the same as last year and well in excess of prospective requirements for food and farm use. Prices received by growers probably will average near the U.S. support rate of $240.25 per ton, $13.25 higher than the 1967-68 support level.

Flaxseed supplies for the year started July 1, 1968, are placed at 34 million bushels, compared with 29 million a year ago. Prices to farmers are averaging near the $2.90 per bushel support rate, unchanged from 1967. Domestic crush is expected to total around the 16 million of last year, and the smallest in 50 years. Flaxseed exports may run a million bushels above the 5 million shipped in 1967-68. Current crush and export estimates point to a carryover next June 30 slightly above the 7 million a year earlier.

Inedible tallow and grease supply in 1968-69 is estimated about the same as the previous year's 5.2 billion pounds. Domestic use may run around 2.5 billion pounds and exports around 2.2 billion. Prices at Chicago are expected to remain fairly stable, possibly averaging near the 5 cent level of last year.

ARGENTINE SITUATION

The following information relative to Argentine oilseeds is extracted from a report provided by Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) Canadian Embassy, Buenos Aires, under date of November 22, 1968 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Conversions to Canadian measures have been made for the convenience of our readers.

Flax. — The Secretariat of Agriculture and Livestock has issued the second official estimate of the area sown to flaxseed of 860,000 hectares (2.1 million acres), well above the earlier estimate of 738,000 hectares (1.8 million acres). The first estimate had been released before sowings had been completed and when the weather conditions were uncertain. A planted area of 860,000 hectares (2.1 million acres) would be 20.9 per cent higher than in 1967-68 but below the average areas sown in the last five- and ten-year periods. Weather conditions have been very favourable and the crop is in good condition. The flaxseed market was stable during September and part of October at about 3,040 pesos per 100 kilos ($2.35 per bushel). However, publications of the higher estimate of sown area pushed prices down to 2,900 pesos ($2.24 per bushel) by the end of October. At November 22, flaxseed sold at 2,890 pesos per 100 kilos ($2.23 per bushel). On the Buenos Aires Futures Exchange, also at November 22, flaxseed was quoted at 2,823 pesos per 100 kilos ($2.18 per bushel) for December delivery; 2,787 ($2.15 per bushel) for January; 2,817 ($2.18 per bushel) for February and 2,861 ($2.21 per bushel) for March.

The support price for linseed oil for the 1968-69 crop year has been fixed by the Government at 56 pesos (17 cents) per kilo in bulk f.o.r. Buenos Aires. This is the price at which the National Grain Board is committed to purchase from linseed producers. The support price will be paid only on the linseed oil which meets the standards of quality established by the Instituto Argentino de Racionalizacion de Materiales. Only a support price has been established for linseed oil. Earlier in the year, a minimum price of 2,800 pesos per 100 kilos ($2.16 per bushel) was established for the 1968-69 crop of flaxseed. This is the lowest price at which the private trade may purchase from producers. Thus, only a minimum price has been established for flaxseed and only a support price has been established for linseed oil. Linseed oil prices at the end of October were 52.50 pesos (16 cents) per kilo. Linseed expellers were sold for export at 24,500 pesos per metric ton during October.

Sunflowerseed. — The estimate of production of sunflowerseed for 1967-68 has been reduced to 940,000 metric tons (69.1 million bushels), or about 70,000 tons (5.1 million bushels) less than the previous estimate. This revised figure is generally considered to be much more realistic and although it is 16.1 per cent less than last year's production, it is 31.2 per cent and 34.8 per cent above the averages of the last five- and ten-year periods, respectively.

Plantings of sunflowerseed were in full swing by the end of October and the Secretariat of Agriculture and Livestock issued the first official estimate of seeded area for 1968-69 of 1,250,000 hectares (3.1 million acres). This is an increase of 4.7 per cent from the area sown in 1967-68. The outlook for the new crop was not too promising early in October and crushers responded by paying as much as 2,820 pesos per 100 kilos ($1.18 per bushel). However, plentiful rains fell in late October and prices fell back to about 2,600 pesos ($1.09 per bushel). At November 22, sunflowerseed sold at 2,620 pesos ($1.09 per bushel). Expellers were quoted at 20,000 pesos per metric ton at the end of October. Sunflowerseed pellets sold at U$S75.75 c.i.f. Europe.

Peanuts. — The condition of the soil is excellent and so the planting of peanuts has started under very favourable conditions. Prices have firmed in the last three months and during October peanuts sold for 3,700 pesos per 100 kilos. At November 22, prices remained firm at 3,700 pesos. Expellers were being sold at 21,700 pesos per metric ton and subsequently sold by exporters at U$S 94 per metric ton c.i.f. Europe for November-December shipment. On September 10, the Government established the minimum and support prices for shelled peanuts at 2,700 and 3,000 pesos per 100 kilos, respectively. The support price is the level at which the National Grain Board is committed to purchase from producers.

Soybeans. — The official estimate of soybean production remains unchanged at 24,400 metric tons (897,000 bushels).