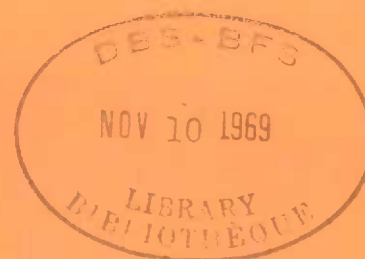


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COARSE GRAINS QUARTERLY



DOMINION BUREAU OF STATISTICS

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Agriculture Division

Crops Section

THE COARSE GRAINS

QUARTERLY

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WORLD FEED GRAIN SITUATION

The following account of the world feed situation has been taken from the World Agricultural Production and Trade, published by the United States Department of Agriculture, Foreign Agricultural Service, under date of September 30, 1969.

World Barley and Oats
Production in 1969
Forecast at Record
Level

World production of barley and oats in 1969 is estimated at a total of 165 million metric tons, 2 per cent over the 1968 record, according to the Foreign Agricultural Service. Acreages were larger and yields slightly smaller for both grains.

World barley production in 1969 is estimated at a record 113.7 million metric tons, about 3 per cent above the 1968 high, as area continued its long uptrend—to 173.1 million acres, up 5 per cent. The North American barley crop totalled 17.7 million tons, up 8 per cent, as favourable growing and harvesting conditions prevailed. Canadian production was at a record 8.3 million tons, up 17 per cent with acreage gaining 8 per cent. Yield was 8 per cent higher. The United States crop nearly equalled the 9.1 million tons of 1968, with yield at a record 44.4 bushels per acre.

The West European barley harvest is placed at 37.9 million tons, barely above the 1968 high. The European Community crop was little changed; the French crop was slightly higher and the West German showed a small decline. Production was up 6 per cent in both the United Kingdom and Spain but was off sharply in Sweden and Norway because of drought. The East European harvest is indicated 2 per cent over last year's. Crops in Bulgaria and Yugoslavia showed recovery after the 1968 drought, while the Polish harvest was down 10 per cent due to dry weather this season.

Barley acreage in the Soviet Union is estimated 12 per cent higher than last year, and with slightly reduced yield the crop is expected to be somewhat above that of 1968. African barley production was off sharply, mainly because of the decline in Morocco from an outstanding 1968 harvest. The Asian barley crop was little changed at 19.3 million tons. Outturns were higher in Turkey and South Korea but lower in India and Japan. South American barley acreage is estimated 10 per cent larger and the crop is expected to be above last year's. Australian acreage will be substantially larger and the prospect is for a good yield.

World oat production in 1969 is estimated at 51.4 million metric tons, 1 per cent over 1968, as area gained 3 per cent. The North American crop, at 19.6 million tons, was 3 per cent higher. The Canadian harvest of nearly 6 million tons was up 5 per cent, with area gaining 4 per cent and yield being at a record level. The United States crop at 13.6 million tons was up 1 per cent. Acreage was 6 per cent larger.

European oat production is indicated off 5 per cent to 16.9 million tons. The West European harvest totalled 11.9 million tons, down 6 per cent, as yield declined 4 per cent. The European Community produced 6.3 million tons, 2 per cent below 1968. A small increase in France was balanced against a small reduction in West Germany. In Sweden and Denmark dry weather cut outturns sharply. The East European oat crop is

estimated at 5.0 million tons, down 3 per cent. An 8 per cent smaller crop in Poland, because of drought, was the principal change.

The Soviet Union's oat acreage is estimated 6 per cent larger than in 1968, and with expected good yields production should also be larger. In Asia, the Turkish harvest is estimated 9 per cent above last year. The South American acreage is indicated moderately lower, while that of Australia should be somewhat larger.

World Corn Production
Forecast Nearly 5 Per
Cent Above 1968

World corn production in 1969 is estimated at 241 million metric tons--10.6 million tons larger than a year ago. The area devoted to corn is estimated to be up about 6 million acres over 1968 and average yield is expected to increase about 1 bushel per acre. The 1969 estimates are based on conditions as of early August for the Northern Hemisphere and forecasts based on expected plantings and average growing conditions for the Southern Hemisphere.

Corn production in North America is estimated at 122.1 million tons, down 2 per cent on 2 per cent less acreage. The Canadian crop is placed at about 1.8 million tons, down 13 per cent from last year's crop of 2.1 million, even though acreage increased 2 per cent. Mexican production is estimated at 8.6 million tons, down 6.5 per cent on 5 per cent less acreage.

Production in the United States is reported at 109.5 million tons, some 1.5 per cent below last year's 111.1 million-ton crop. U.S. acreage declined 2 per cent to 54.8 million acres, while yield is expected to increase slightly to 78.7 bushels per acre.

The European crop is estimated at 34.8 million tons, 8 per cent above 1968. The West European crop gained 10 per cent to 13.5 million tons. French production increased 5 per cent and Italian production, at 4.5 million tons, is up 13 per cent. The EC corn harvest should total 10.4 million tons, up 9.4 per cent on a 16 per cent gain in area, as yields are expected to be down about 4 bushels per acre. Spanish production increased for the fourth consecutive year, to a record 1.7 million tons, up 18 per cent from a year ago.

The East European crop is estimated at 21.3 million tons, 7 per cent over last year's drought-reduced levels. Yugoslavia's harvest is estimated at 7.5 million tons, up 10 per cent.

Production in the Soviet Union is currently expected to be up significantly from last year. The Asian harvest is estimated at 29.1 million tons, about 4 per cent above last year's 28.0 million-ton harvest.

While it is too early to very accurately forecast Southern Hemisphere production, the crop in Oceania is expected to be down from a year ago, while forecasts of production in Africa and South America are up.

FEED SITUATION IN CANADA

Feed Grain and Fodder Supplies in 1968-69

Total supplies of Canadian feed grains increased by 12 per cent in 1968-69, due to higher levels in production of all the feed grains, oats, barley, rye, corn, buckwheat and mixed grains, which more than offset smaller carryover stocks of oats, barley, rye and corn.

Total Supply and Disposition of Canadian Oats 1963-64-1968-69 and Estimated Supply, 1969-70 (Crop Years August 1 - July 31)

Item	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69 ^r	1969-70
million bushels							
<u>Supplies</u>							
Carryover, at beginning of crop year	150.3	179.4	130.1	127.2	109.8	77.0	128.5(1)
Production	445.9	347.0	400.0	374.7	304.2	362.5	381.2(2)
Imports, oats & products..	(3)	(3)	(3)	(3)	N.A.	N.A.	N.A.
Totals	596.2	526.4	530.1	501.8	414.0	439.5	509.7
<u>Disposition</u>							
Exports, oats & products .	18.8	15.6	15.9	4.8	3.5	2.7	
Human consumption	5.7	5.8	5.5	5.5	5.2 ^r	4.8	
Seed	22.6	21.9	20.9	19.7	20.3	20.3	
Industrial use	—	—	—	—	—	—	
Carryover, at end of crop year	179.4	130.1	127.2	109.8	77.0	128.5(1)	
Residual item(4)	369.7	353.0	360.6	362.0	308.0 ^r	283.2	
Totals	596.2	526.4	530.1	501.8	414.0	439.5	

- (1) Subject to further revision pending receipts of Board of Grain Commissioners' final data on commercial stocks at July 31, 1969.
- (2) Based on conditions as at September 15 and subject to revision as later estimates become available.
- (3) Less than 50,000 bushels.
- (4) Includes feed for livestock and waste but also reflects the effect of any estimating errors in other components of the balance sheet.
- N.A. Not available.

^r Revised figures.

Total domestic supplies of both oats and barley increased in 1968-69 with higher production more than offsetting declines in carryover stocks. Total supplies of oats, at 439.5 million bushels, were 6 per cent above the 414.0 million of 1967-68 while supplies of barley amounted to 456.3 million in 1968-69 as against 380.4 million the previous year. The 1968 outturn of mixed grains amounted to a record 85.6 million bushels, 12 per cent more than the 76.4 million produced in 1967. Grain corn production reached a new record at 81.2 million bushels and surpassed the 1967 previous high crop by 10 per cent. Imports of corn increased from 31.7 million in the 1967-68 crop year to the record of 33.7 million in 1968-69. Supplies of rye also showed a small increase from 20.3 million in 1967-68 to 20.5 million in 1968-69. The outturn of buckwheat increased from 1.3 million bushels in 1967 to 1.4 million in 1968.

Exports of Canadian oats and its products totalled 2.7 million bushels during 1968-69, 23 per cent below the 3.5 million of the previous year. The combined effect of decreased disappearance during the crop year and larger available supplies resulted in a July 31, 1969 carryover of 128.5 million bushels, 67 per cent more than the 1968 level of 77.0 million.

Supplies of barley were at a record level of 456.3 million bushels in 1968-69 and although domestic use increased, the impact of increased supplies and smaller exports was reflected in a substantial rise in carryover stocks at the end of the year. Domestic disappearance increased from 208.1 million bushels in 1967-68 to 232.2 million in 1968-69 due almost entirely to heavier use of barley for feeding purposes. Exports over the same period declined from 41.4 million bushels in 1967-68 to 26.4 million in 1968-69. Stocks at the end of the crop year rose to the unprecedented level of 197.7 million as against the July 31, 1968 figure of 130.9 million

Production of tame hay in Canada in 1968 was placed at 23.0 million tons, 9 per cent below the 1967 figure of 25.4 million. The 1968 crop of fodder corn was estimated at a record 7.9 million tons, 8 per cent more than the previous year's total of 7.3 million.

Total Supply and Disposition of Canadian Barley 1963-64-1968-69
and Estimated Supply, 1969-70
(Crop Years August 1 - July 31)

Item	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69 ^r	1969-70
million bushels							
<u>Supplies</u>							
Carryover, at beginning of crop year	89.2	118.3	88.8	97.8	131.8	130.9	197.7(1)
Production	221.2	168.5	218.3	301.2	248.7	325.4	380.5(2)
Imports, barley & products ..	(3)	(3)	0.1	0.1	N.A.	N.A.	N.A.
Totals	310.5	286.8	307.2	399.1	380.4	456.3	578.2
<u>Disposition</u>							
Exports, barley & products ..	46.9	37.0	38.0	58.5	41.4	26.4	
Human consumption	0.2	0.2	0.2	0.1	0.1	0.1	
Seed	9.2	10.1	12.3	13.3	14.5	15.6	
Industrial use (4)	14.6	16.2	16.0	18.0	17.0	17.3	
Carryover, at end of crop year	118.3	88.8	97.8	131.8	130.9 ^r	197.7(1)	
Residual item(5)	121.4	134.5	143.0	177.4	176.5 ^r	199.2	
Totals	310.5	286.8	307.2	399.1	380.4	456.3	

- (1) Subject to further revision pending receipts of Board of Grain Commissioners' final data on commercial stocks at July 31, 1969.
- (2) Based on conditions as at September 15 and subject to revision as later estimates become available.
- (3) Less than 50,000 bushels.
- (4) Adjusted for imports and exports of malt.
- (5) Includes feed for livestock and waste but also reflects the effect of any estimating errors in other components of the balance sheet.
- N.A. Not available.

^r Revised figures.

1968-69 Exports of Oats, Barley and Rye Exports of Canadian oats in bulk totalled 2.3 million bushels during 1968-69 as against 3.1 million shipped the previous year and the ten-year (1957-58 - 1966-67) average of 11.5 million. The major markets for Canadian oats in 1968-69 with 1967-68 figures in brackets were as follows in millions of bushels: United States, 0.9 (1.3); the Netherlands, 0.4 (0.5); U.A.R.-Egypt, 0.3 (nil); Ireland, 0.2 (0.2); and Switzerland, 0.2 (0.1). Customs exports of Canadian seed oats amounted to 392 thousand bushels in the 1968-69 crop year as against 318 thousand in 1967-68. In addition, exports of Canadian oatmeal and rolled oats amounted to the equivalent of 79 thousand bushels in 1968-69 compared with 95 thousand the year before.

Barley exports, at 21.2 million bushels, represented a decrease from the 1967-68 level of 36.1 million. Major importers were recorded as follows, with 1967-68 figures in brackets in millions of bushels: Britain, 10.9 (1.9); United States, 7.7 (4.4); Israel, 1.3 (3.0); and Japan, 0.8 (15.4). In addition exports of Canadian malt in terms of barley amounted to 5.2 million bushels, with Japan, United States, the Philippines and Venezuela being the major customers.

Exports of Canadian rye, at 4.2 million bushels were slightly below the 4.8 million of the previous year. The principal market for the 1968-69 crop year was Japan with that country purchasing 1.6 million bushels followed by Norway and the United States with 0.9 million each and Britain with 0.5 million bushels.

The Feed Outlook
for 1969-70

Total supplies of feed grains in 1969-70 are expected to increase over last year's level due to larger opening stocks in each of the feed grains and higher production of oats, barley, rye, buckwheat and mixed grains. On the basis of conditions at September 15, production of oats in 1969 is forecast at 381.2 million bushels, representing an increase of 5 per cent over last year's total of 362.5 million. This year's barley crop is forecast at a record 380.5 million bushels, 17 per cent above last year's 325.4 million. Realization of these outturns would result in supplies of oats for 1969-70, of 509.7 million bushels, showing an increase of 16 per cent over the 1968-69 level of 439.5 million. Supplies of barley, at 578.2 million would be 27 per cent larger than the 456.3 million of the preceding year. In addition to supplies of the major feed grains, the 1969 outturn of mixed grains is forecast at 86.8 million bushels, some 1.2 million more than the 85.6 million produced in 1968. Production of grain corn in 1969 is forecast at 70.8 million bushels, 13 per cent below the 1968 crop of 81.2 million. It is emphasized that realization of the 1969 yield and production forecasts is dependent on the existence of satisfactory weather conditions during the remainder of the harvesting season.

Canada's 1969 crop of tame hay was forecast at 25.3 million tons, 10 per cent more than last year's 23.0 million. All provinces except, Prince Edward Island, Nova Scotia, New Brunswick and British Columbia registered increases in hay yields in 1969 while production followed the same pattern except for British Columbia which was unchanged from the previous year's outturn. Production of fodder corn in 1969 is forecast at a record 8.4 million tons, 7 per cent above the 7.9 million of last year's crop.

Notes on Canadian
Grain Situation
August 1, 1969

The Honourable Jean-Luc Pepin, Minister of Industry, Trade and Commerce, and the Honourable H.C. Olson, Minister of Agriculture, issued a joint statement on the Canadian grain situation, August 1, 1969.

Review. — The Government of Canada has completed a thorough review of the grain situation and its implications for the prairie grain economy.

There has been a dramatic turn-around in the world wheat economy. For the past three seasons the world has harvested bumper crops. This is true not only for most of the countries which normally export but also for the majority of countries which normally import. Stocks have increased and there has been difficulty in selling. World trade has declined and consequently world exports are down 25 per cent from previous levels. This problem not only faces Canada but also other exporters.

Credit facilities. — The Canadian Wheat Board is actively promoting sales and seeking new outlets. The Board is determined to keep the price of Canadian grain competitive. The government is providing full support in the selling of Canadian grain.

In 1969 the government made further credit facilities available to improve the competitive position of Canadian wheat, including the provision of \$6 million for the reduction of interest rates on sales to developing countries on extended terms. This opened a new type of market for Canadian sales. The recent sale to Peru for 7.5 million bushels resulted from this government action. The government is prepared to make further funds available for such sales. This is additional to the credit facilities under which most sales of Canadian wheat to Eastern Europe and China have been made in recent years. The current Canadian Government liability on such credit sales is in excess of \$240 million.

Food aid. — The government this week has increased food aid allocation by \$20 million. This will be channeled both bilaterally and through the World Food Program.

This brings the total for the current fiscal year to \$85 million almost all of which will be used for shipments of wheat and flour. Over the last four years, shipments of wheat and flour in the form of food aid have averaged \$60 million annually, an increase of over 400 per cent on the annual average \$11 million for the previous four years.

Price guarantee. — It has not been possible for Canada, because of actions by other exporters to maintain the minimum International Grains Arrangement price in export markets. But the government has decided to guarantee producers that the price of wheat sold on markets where it has control will not fall below the minimum set under the International Grain Arrangement. This now amounts to \$1.95 1/2 per bushel basis No. 1 Northern. This means that wheat sold for most uses in Canada other than for livestock and poultry feeding will bring the appropriate International Grains Arrangement price. This move will guarantee western farmers the International Grains Arrangement minimum on an important portion of their wheat. At the same time there is no justification for an increase in the price of bread or other wheat products. The milling industry, for example has, until only very recently, been paying the International Grains Arrangement minimum price or higher.

Deferred delivery quota. — Notwithstanding the selling difficulties in the world the Canadian Wheat Board took deliveries of about 500 million bushels of grain in the crop year just ended including 400 million bushels of wheat. The Board has been able to place over 90 per cent of the delivery points on a 5 bushel quota. To accommodate producers at those points where the 5 bushel objective was not achieved the Canadian Wheat Board announced on July 31, 1969 a deferred delivery policy which will assist the equalization of delivery opportunities. A producer will be entitled to deliver the balance of his entitlement up to a maximum of one bushel per specified acre in the new crop year. As space is created and other circumstances permit, the Board will issue the necessary authority to deliver. Such deferred deliveries will not be included in the 1968-69 pool.

Temporary Wheat Reserves Act. — Off-farm stocks of wheat at the close of the crop year were about 450 million bushels. Under the Temporary Wheat Reserve Act the government again will be paying into the wheat pool to provide for storage assistance. On average these payments have covered approximately half the total operating costs of each wheat pool since its enactment. Funds to be paid for the 1969-70 crop year are estimated at \$63 million dollars.

Government liability - Initial Payments 1968-69 crop. — These stocks will be sold at prevailing prices. However, farmers have been paid for the grain on the basis of last year's initial payment of \$1.70 for No. 1 Northern. Currently, selling prices for certain grades are at levels which could result in government payments. The Canadian Government liability could amount to approximately \$4.5 million dollars for every cent that selling prices average below these levels.

Initial Payments 1969-70. — The purpose of initial payments is to provide farmers with cash for grain on delivery and before sold by the Canadian Wheat Board. In current circumstances where prices have declined, a downward adjustment of initial payments is necessary. Accordingly, the initial payments for the basic grades of wheat, oats and barley delivered to the Canadian Wheat Board in the 1969-70 crop year beginning August 1 will be:

\$1.50 a bushel for No. 1 Manitoba Northern Wheat, in store Fort William-Port Arthur or Vancouver.

\$0.60 a bushel for No. 2 Canada Western Oats, in store Fort William-Port Arthur, and

\$0.91 a bushel for No. 3 Canada Western Six Row Barley, in store Fort William-Port Arthur.

Prairie Grain Advance Payments Act. — The Prime Minister's trip west revealed that the extent to which the Prairie Grain Advance Payments Act is of assistance to grain producers is not generally realized. Last November, to help farmers meet the financial requirements of changing farm conditions, the government amended the Act to increase from \$3,000 to \$6,000 the maximum interest-free advance available to producers. These advances are in effect prepayment for grain to be delivered later. The changes for the three grains were from:

\$0.50 to \$1.00 per bushel for Wheat

\$0.20 to \$0.40 per bushel for Oats

\$0.35 to \$0.70 per bushel for Barley.

In February of this year, the government again amended the Act to enable farmers to obtain interest-free emergency cash advances—up to a maximum of \$600 per producer—for grain drying.

The government recently announced another decision with regard to the application of the Act for the 1969-70 crop year. The full entitlement will be payable to all eligible farmers in the new crop year although some may still have an unpaid balance carried over from the 1968-69 year. This decision means that producers will be entitled to advances of approximately \$65 million more than would have been the case if advances in the 1969-70 crop year were reduced by the amount outstanding from the previous crop year.

In the 1968-69 crop year, substantial use was made of the Act and approximately \$152 million was advanced to 85,000 producers. This is well over double the previous highest total of some \$64 million advanced during the 1960-61 crop year to 76,000 producers. If all eligible producers apply for advances in the 1969-70 crop year the total of new money available could go well beyond \$300 million.

Advances to producers are interest-free and the government pays the interest charges which for the 1969-70 fiscal year could reach approximately \$14 million. This compares with an average annual cost to the government of approximately \$700,000 in the period prior to the amendments of the past year.

Adjustments. — Despite the substantial reduction of wheat acreage undertaken by prairie farmers in 1969, a further adjustment may be necessary in order to achieve a better balance between production and realistic prospects for Canadian grain sales. It is probable that for some time we will have sufficient stocks onhand to take advantage—as in the past—of any opportunities for large volume sales. Production must be brought more closely into line with market demand and there is need for resource use adjustment.

The government has given most careful consideration to the international and domestic factors involved and considers that the actions it has taken will go a long way to meet the cash requirements of the prairie farmers and the prairie economy generally in the months ahead. The government is also hopeful that the measures taken will lead to sales expansion but is prepared to consider the need for further measures should sales lag.

Other measures. — Additional assistance measures have been introduced or continued during the past year. Last fall a program of accelerated depreciation for the construction of farm grain storage facilities was introduced.

A special quota was introduced for the 1968 crop for the delivery of damp grain. The Farm Credit Corporation has announced its readiness to consider applications for deferment of payment. Deferments are being granted.

Crop insurance: in the three prairie provinces \$10 million has been paid out in benefits on 1968 crop losses. The federal government pays 25 per cent of the farmer's crop insurance premium and 50 per cent of the cost of administering these insurance programs.

Parliament amended the Farm Credit Act and the Farm Improvement Loans Act to increase money available to farmers. Government spends approximately \$20 million annually on feed freight assistance which assists the marketing of western grain in Eastern Canada and British Columbia.

Farmers continued to be protected under the Prairie Farm Assistance Act against crop hazard.

Delivery Quota
1969-70 Crop Year The Canadian Wheat Board in its Instructions to the Trade re Quotas (General) No. 1 under date of July 31, 1969 announced that the Board wishes to advise that all delivery quotas in effect in the 1968-69 crop year, including open quotas, supplementary quotas, special permits, etc., will automatically expire as at the close of business July 31, 1969.

Effective on and after August 1, 1969, the Board's quota policy for the 1969-70 crop year will be as follows:

Initial Delivery Quota 1969-70 Crop Year. — Wheat (including Durum), Oats, Barley and Rye effective at all delivery points on and after August 1, 1969, the following initial quota is hereby authorized in respect of the above grains:

An initial delivery quota applicable to all permit holders regardless of the acreage shown on their 1969 permit books of the equivalent of one hundred (100) units. Each such unit shall be the equivalent of four (4) bushels of Wheat or ten (10) bushels of Oats or six (6) bushels of Barley or six (6) bushels of Rye.

As space becomes available each permit holder will be entitled to deliver at his option any of the above grains or any combination of the above grains calculated on the unit basis, but his total deliveries under the initial quota must not exceed the equivalent of one hundred (100) units.

Under the above policy a permit holder will be entitled to deliver a maximum of 400 bushels of Wheat or 1,000 bushels of Oats or 600 bushels of Barley or 600 bushels of Rye, or any combination of these grains which, when calculated on the unit basis outlined herein, does not exceed one hundred (100) units.

All deliveries to be made under the initial quota must be entered in the producer's delivery permit book at the time of delivery. Such entries are to be made on Page 1, with the quantity being entered in the appropriate column for the kind of grain delivered. The unit value of the delivery is to be determined by

dividing the bushel quantity by four (4) in the case of Wheat, or ten (10) in the case of Oats, or six (6) in the case of Barley and Rye, calculating same to one decimal point. The total units delivered, as determined above, should then be entered in the "Total Units Delivered" column; for example, a load of 151.4 bushels would be entered as 37.8 units in the case of Wheat, 15.1 units in the case of Oats or 25.2 units if it consisted of Barley or Rye.

Flaxseed. — Effective August 1, at all delivery points within the designated area a quota of five (5) bushels per acre seeded to flaxseed as shown in the individual producer's permit book or two hundred and fifty (250) bushels, whichever is the larger.

All deliveries made under this quota must be properly recorded in the producer's permit book on Page 6 and as in the previous crop year, producers may deliver flaxseed within existing quotas to any delivery point selected by them at which elevator space for flaxseed is available.

Rapeseed. — Effective August 1, at all delivery points within the designated area a quota of five (5) bushels per acre seeded to rapeseed as shown in the individual producer's permit book or two hundred and fifty (250) bushels, whichever is the larger.

All deliveries made under this quota must be properly recorded in the producer's permit book on Page 7 and as in the previous crop year, producers may deliver rapeseed within existing quotas to any delivery point selected by them at which elevator space for rapeseed is available.

Malting, Pot and Pearling Barley. — Effective August 1, 1969, the Board will consider applications on behalf of producers of malting, pot and/or pearling barley, for permission to deliver, in excess of the established quotas, one carlot of such barley provided:

- (a) a representative sample of such carlot has been submitted to and accepted by a maltster or shipper as suitable for malting, pot and/or pearling; and
- (b) a premium is to be paid to the producer for the carlot of barley so accepted.

Full details covering the foregoing provisions are outlined in Instructions to the Trade re Quotas (General) No. 2 of July 31, 1969.

General Delivery Quotas 1969-70 Crop Year. — Following the initial quota, the Board will establish general quotas at individual delivery points as elevator space becomes available, based on "specified acreage". For the purpose of this Instruction "specified acreage" means the total acreage, accepted by the Board as being accurately listed in a permit book, and shown as seeded to each of wheat, durum wheat, oats, barley and rye, plus acreage summer-fallowed or cultivated and producing eligible forage crops. Eligible forage crops are any forage crops except the following cash crops:

mustard seed	potatoes
soya beans	corn
field beans	sunflower seed
field peas	sugar beets
buckwheat	fruits and market garden crops

The total "specified acreage" for each farm unit is shown in the 1969-70 permit book as the "sub total" in the tabulation of seeded acres.

General quotas do not apply to flaxseed or rapeseed.

Comment. — Please note that the Canadian Wheat Board Act provides that:

- (a) the person delivering grain must be the actual producer of it or entitled to it as a producer;
- (b) if the grain was produced during the crop year it must be delivered by the producer of it under the permit listing the land it was produced on, or if produced by the producer during a previous crop year it may be delivered under the producer's current permit regardless of the land it was produced on.

It is expected that the past experience of producers and elevator managers will be helpful in the administration of delivery quotas during the present crop year and that the available storage space will be handled this Fall and throughout the crop year in the best interests of all concerned.

It will be appreciated if all companies will bring the 1969-70 quota policy to the attention of elevator managers and producers.

Supplementary Delivery
Quota - Barley

The Canadian Wheat Board in its instructions to the trade re quotas (general) No. 7 announced that effective immediately and until Friday, November 28, 1969, a supplementary delivery quota of three (3) bushels per acre seeded to barley as shown in the individual producer's delivery permit book, or two hundred and fifty (250) bushels, whichever quantity is the larger, is hereby authorized at all delivery points.

Movement of Grain Out
of West Coast Ports
to Continue

On October 9, 1969, the Government has directed the National Harbours Board and the Board of Grain Commissioners to take the necessary steps to secure the movement of grain out of West Coast ports pending settlement of the current waterfront dispute. This announcement was made by the Hon. Jean-Luc Pepin, Minister of Industry, Trade and Commerce, Hon. H.A. Olson, Minister of Agriculture, Hon. Don Jamieson, Minister of Transport and Hon. Otto Lang, Minister without Portfolio.

Last Friday the Government, faced with the decision of waterfront employers to withdraw from the effort to keep grain moving, indicated that it was actively exploring alternative means of resuming grain movement.

To this end the Government invited the terminal elevator operators at Vancouver, composed of private companies and farmer-owned organizations, to undertake the co-ordination and direction of the longshore labour needed for loading. The terminal operators have indicated that they are not prepared to accept this responsibility.

In these circumstances, the National Harbours Board at Vancouver and the Board of Grain Commissioners at Prince Rupert will undertake to perform these functions and co-ordinate the movement. Under the direction of the Boards, and with the continued co-operation of the longshoremen and of others concerned, the movement of grain will be resumed almost immediately.

SEPTEMBER FORECAST OF THE 1969 PRODUCTION OF CANADA'S PRINCIPAL GRAIN CROPS

By mid-September, harvesting operations were near completion over most of Saskatchewan and in the southern parts of Alberta and Manitoba. Harvesting had barely begun in northern and west-central districts of Alberta when frequent rains halted field operations with the result that much of the crop remained to be harvested at September 15. Yields and quality appear to be good in the areas where harvest conditions have been favourable but it is believed that grades will be lower than anticipated in northern and central Alberta as well as some areas in northern Manitoba due to weathering and frost damage.

Canada's 1969 wheat crop now placed at 684.8 million bushels is 5 per cent above last year's 649.8 million bushels and 22 per cent above the ten-year (1958-1967) average of 560.4 million. Production is higher than the previous year due to a 24 per cent increase in yield, which more than offset a 15 per cent decrease in seeded acreage. The average yield at 27.4 bushels per acre is 24 per cent above last year's average yield of 22.1 bushels per acre and 31 per cent above the ten-year (1958-67) average of 20.9 bushels per acre. Production of oats for grain in 1969 is forecast at 381.2 million bushels, 5 per cent above last year's 362.5 million and 2 per cent above the 1958-67 average of 373.7 million. The indicated average yield for Canada as a whole is 48.5 bushels per acre compared with 48.0 in 1968 and the ten-year average of 42.4 bushels. The 1969 barley crop is forecast at a record 380.5 million bushels, 17 per cent above last year's 325.4 million and 83 per cent above the (1958-67) average of 208.3 million. The indicated average yield for Canada as a whole is 39.9 bushels per acre compared with 36.8 bushels in 1968 and the ten-year average of 30.5 bushels per acre. The combined production of fall and spring rye is now estimated at 16.8 million bushels, some 29 per cent above the 1968 crop of 13.0 million and 42 per cent above the ten-year average of 11.8 million bushels. Average yields estimated at 18.1 bushels per acre, are 6 per cent below the 1968 average of 19.2 bushels and 2 per cent below the ten-year average of 18.4 bushels.

Canada's 1969 crop of mixed grains is estimated at a record 86.8 million bushels, up one per cent from the 85.6 million produced in 1968, and 24 per cent higher than the (1953-67) average production of 70.0 million bushels. The indicated average yield for all Canada at 49.9 bushels per acre is 3 per cent lower than the 51.4 bushels obtained in 1968 but 10 per cent above the ten-year average of 45.4 bushels per acre. Production of corn for grain in 1969 is forecast at 70.8 million bushels, 13 per cent below last year's revised crop of 81.2 million but 61 per cent above the ten-year average of 43.8 million bushels. The expected average yield of 72.3 bushels per acre is 15 per cent less than last year and 3 per cent below the ten-year average of 74.2 bushels per acre.

The 1969 flaxseed crop is now forecast at 31.3 million bushels, some 59 per cent above last year's outturn of 19.7 million and 61 per cent above the (1958-67) average of 19.5 million bushels. Acreage sown to this crop in 1969 is 60 per cent larger than that of last year and the average yield at 12.8 bushels per acre is one per cent below last year's 12.9 bushels. Rapeseed production in 1969 is forecast at a record 36.7 million bushels compared with 19.4 million bushels last year and the ten-year (1958-67) average of 13.4 million bushels. Acreage seeded to this crop was also at a record level and was 91 per cent larger than in 1968 but the average yield of 13.2 bushels per acre is one per cent lower than the 1968 outturn of 13.4 bushels. Production of soybeans is currently forecast at 7.6 million bushels, 16 per cent smaller than last year's outturn of 9.0 million bushels. The average yield per acre

is forecast at 23.6 bushels compared with 30.6 bushels last year and the ten-year (1958-67) average of 27.9 bushels per acre. The revised estimate of area sown to sunflower seed in 1969 is 51,500 acres compared with 40,000 acres planted in 1968.

September Forecast of the 1969 Production of Principal Grain Crops
Canada and Prairie Provinces, compared with 1968

Province and crop	Area		Yield per acre		Production	
	1968	1969(1)	1968	1969(1)	1968	1969(1)
	acres		bushels		bushels	
<u>CANADA</u>						
Winter wheat	355,000	360,000	42.0	40.8	14,910,000	14,688,000
Spring wheat(2) ..	29,067,500	24,607,700	21.8	27.2	634,934,000	670,131,000
All wheat	29,422,500	24,967,700	22.1	27.4	649,844,000	684,819,000
Oats for grain ...	7,555,900	7,855,000	48.0	48.5	362,516,000	381,195,000
Barley	8,836,500	9,535,100	36.8	39.9	325,373,000	380,535,000
Fall rye	590,600	821,300	19.6	18.1	11,589,000	14,826,000
Spring rye	88,000	106,000	16.6	18.5	1,460,000	1,959,000
All rye	678,600	927,300	19.2	18.1	13,049,000	16,785,000
Mixed grains	1,667,000	1,740,300	51.4	49.9	85,602,000	86,771,000
Corn for grain ...	957,500	978,500 ^r	84.8	72.3	81,168,000 ^r	70,772,000
Flaxseed	1,524,400	2,440,700	12.9	12.8	19,666,000	31,264,000
Soybeans	295,000	322,000	30.6	23.6	9,027,000	7,599,000
Rapeseed	1,052,000	2,012,000	18.4	18.2	19,400,000	36,700,000
<u>PRAIRIE PROVINCES</u>						
Spring wheat(2) ..	28,860,000	24,400,000	21.8	27.3	629,000,000	665,000,000
Oats for grain ...	5,340,000	5,830,000	46.6	48.9	249,000,000	285,000,000
Barley	8,330,000	9,000,000	36.1	39.7	301,000,000	357,000,000
Rye	619,000	859,000	18.4	17.4	11,400,000	14,959,000
Flaxseed	1,502,000	2,420,000	12.8	12.8	19,300,000	31,000,000
Rapeseed	1,052,000	2,012,000	18.4	18.2	19,400,000	36,700,000

(1) As indicated on basis of conditions on or about September 15.

(2) Includes durum wheat.

r Revised figures.

Feed Mills On August 13, 1969 the Canadian Wheat Board in its Instructions to the Trade No. 8 announced provisions whereby 1969-70 delivery permit holders will be authorized to deliver, outside delivery quota regulations, supplies of wheat, oats and barley to designated feed mills. The extension to July 31, 1970, of the feed mill policy announced by the Board on November 30, 1960, in Instructions to the Trade No. 41, has been recommended by the Board and approved by the Honourable Jean-Luc Pepin, Minister of Industry and Trade and Commerce.

The designated feed mills will be those mills which complete an application for designation as a non-quota feed mill by the Board and are so designated. The designation will be effective until July 31, 1970 and mills designated will be named in an order of the Board to be issued at an early date.

In general terms, subject to the terms of their designation, designated feed mills may receive quota-exempt wheat, oats and barley from 1969-70 permit holders in the province in which the feed mill is located, but which does not include grain subject to a lien in favor of the Board under the Prairie Grain Advance Payments Act. Quota-exempt wheat, oats and barley will be purchased by designated feed mills for their own account at prices negotiated with delivery permit holders and such purchases must be accurately recorded on page 13 or 14 in the producer's permit book. Wheat, oats and barley so acquired must be resold by contracting feed mills solely in the form of prepared or processed feedstuffs within the province in which the feed mill is situated. Feed mills participating in the arrangement will be required to post the prices being offered for quota-exempt grain. They will also be required to maintain records which are satisfactory to the Board and to submit reports of purchases as required.

Domestic Disappearance of Millfeeds Declines Production of millfeeds during the 1968-69 crop year amounted to 648,438 tons, exceeding by about one per cent the 1967-68 total of 640,278 tons. Exports during the crop year totalled 93,319 and represented a sharp increase over the 1967-68 figure of 52,485 tons. Reflecting the larger exports, which more than offset the increase in production, the amount available to the domestic market during the 1968-69 crop year, after making an allowance for changes in mill stocks, was placed at 551,314 tons, 6 per cent below the 1967-68 total of 586,220 tons.

Supply and Distribution of Millfeeds, August-July 1968-69 and 1967-68

Month	Production				Exports	Apparent domestic disappearance(1)
	Bran	Shorts	Middlings	Total		
	tons					
August 1968	19,028	34,013	3,338	56,379	10,921	46,577
September	18,711	32,231	3,112	54,054	7,671	44,540
October	21,063	37,081	3,771	61,915	3,125	57,715
November	18,061	33,040	3,638	54,739	12,719	44,771
December	16,379	30,593	2,414	49,386	8,041	41,564
January 1969 ...	21,514	34,787	3,240	59,541	6,228	51,503
February	18,256	31,645	2,757	52,658	4,680	47,278
March	17,406	31,345	3,237	51,988	9,048	42,967
April	16,143	27,973	2,505	46,621	6,026	43,130
May	19,967	33,350	3,106	56,423	7,277	48,391
June	16,858	30,057	3,187	50,102	7,191	41,882
July	18,356	33,418	2,858	54,632	10,392	40,996
Totals	221,742	389,533	37,163	648,438	93,319	551,314
Same period 1967-68 ^r	225,111	375,276	39,891	640,278	52,485	586,220

(1) Adjusted for change in mill stocks.

^r Revised figures.

STOCKS ON FARMS

Farm-held stocks of the six major grains in Canada at July 31, 1969 amounted to 611.7 million bushels, some 67 per cent above last year's total of 367.2 million due to increases in wheat, oats, barley, rye and flaxseed while rapeseed decreased. This year's stocks on farms at July 31 in millions of bushels, with last year's totals in brackets, were estimated as follows: wheat, 372.2 (236.0); oats, 94.5 (55.0); barley, 138.5 (71.3); rye, 5.0 (1.9); flaxseed, 0.8 (0.6); and rapeseed, 0.7 (2.4).

Data for farm stocks estimates were obtained from the Dominion Bureau of Statistics' annual July 31 survey as modified by available disposition information. In addition, in the Prairie Provinces, a special stocks survey was conducted in conjunction with the annual June acreage survey and the results from this survey were taken into account in establishing farm stocks at July 31. It should be emphasized that estimates of stocks of farm-held grain include not only marketable grain but also reserves for feed, seed and other purposes.

Estimated Farm Stocks of Grain in Canada, July 31, 1969 and 1968

Province	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed
thousand bushels						
Prince Edward Island	15	350	50	—	—	—
Nova Scotia	10	100	50	—	—	—
New Brunswick	10	150	25	—	—	—
Quebec	100	5,000	475	—	—	—
Ontario	1,500	8,000	3,000	—	—	—
Manitoba	40,000	25,000	20,000	1,000	200	100
Saskatchewan	245,000	26,000	48,000	3,000	400	400
Alberta	85,000	29,000	66,000	1,000	200	200
British Columbia	565	900	900	—	—	—
Totals, July 31, 1969(1)	372,200	94,500	138,500	5,000	800	700
Totals, July 31, 1968	236,000	55,000	71,300	1,900	600	2,434(2)

Since the bulk of farm stocks of grain is held in Western Canada, stocks in the Prairie Provinces have been segregated from the above table for ease in comparison with last year's totals.

Estimated Farm Stocks in the Prairie Provinces, July 31, 1969 and 1968

Province	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed
thousand bushels						
Manitoba	40,000	25,000	20,000	1,000	200	100
Saskatchewan	245,000	26,000	48,000	3,000	400	400
Alberta	85,000	29,000	66,000	1,000	200	200
Totals, July 31, 1969(1)	370,000	80,000	134,000	5,000	800	700
Totals, July 31, 1968	233,000	42,000	68,000	1,900	600	2,434(2)

(1) Subject to revision. (2) Canadian Wheat Board estimate.

CARRYOVER STOCKS OF CANADIAN GRAIN AT JULY 31, 1969

Total carryover stocks of the six major Canadian grains in all North American positions at July 31, 1969 were estimated at 1,194.0 million bushels, 33 per cent above last year's revised total of 895.4 million. Total stocks of wheat were estimated at an all-time high of 849.8 million bushels, compared with last year's revised estimate of 665.5 million. Stocks of oats in all positions were estimated at 128.5 million bushels, 67 per cent larger than last year's 77.0 million. Barley stocks, at record 197.7 million bushels, were 51 per cent higher than the 130.9 million held in 1968. Carryover stocks of rye in all positions, estimated at 8.4 million bushels, were 13 per cent above last year's 7.5 million. July-end carryover stocks of flaxseed, at 4.7 million bushels remained unchanged from the previous year. Rapeseed stocks, at 4.9 million were about half the 9.9 million of 1968.

Stocks of Canadian Grain at July 31, 1969

Position	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed
thousand bushels						
<u>In Canada</u>						
On farms	372,200	94,500	138,500	5,000	800	700
Country elevators(1)	285,401	18,137	40,808	1,674	1,169	2,317
Interior private and mill elevators(1)	5,129	335	74	34	29	281
Interior terminal elevators	11,820	10	2,347	1	1	1
Vancouver-New Westminster ..	9,894	146	1,966	268	730	922
Victoria elevator	706	—	—	—	—	—
Prince Rupert elevators	1,336	1	1	—	—	—
Churchill elevator	4,503	45	—	—	—	—
Fort William-Port Arthur elevators	52,580	11,179	6,207	847	1,192	100
In transit rail-western division(1)	28,498	870	4,255	325	546	537
In transit lake	3,263	293	1,175	6	158	—
Eastern elevators	72,259	2,241	2,322	263	33	71
Eastern mills(1)	2,063	709	—	—	—	—
Western mills(1)	169	7	4	28	—	—
Totals in Canada(1)	849,821	128,473	197,659	8,446	4,658	4,929
In United States	—	—	—	—	—	—
Totals, Canadian grain in Canada and United States July 31, 1969(1)	849,821	128,473	197,659	8,446	4,658	4,929
<u>Comparative stocks, July 31, 1968^r</u>						
In Canada	665,510	76,951	130,917	7,260	4,678	9,923(2)
In United States	—	—	—	198	—	—
Totals in Canada and United States	665,510	76,951	130,917	7,458	4,678	9,923(2)

(1) Preliminary revised — subject to further revision.

(2) Includes Canadian Wheat Board estimate for farm stocks.

^r Revised figures.

CARRYOVER OF CANADIAN OATS, BARLEY, RYE, FLAXSEED AND RAPESEED 1938-69

Total carryover stocks of Canadian oats, barley, rye, flaxseed and rapeseed in all North American positions (excluding Newfoundland for which data are not available) at July 31, 1969 were estimated at some 342.0 million bushels compared with last year's revised estimate of 229.9 million. Carryover stocks of oats at the end of the 1968-69 crop year were estimated at 126.1 million bushels, 64 per cent larger than last year's 77.0 million and barley stocks, at 198.0 million bushels were 51 per cent greater than the 130.9 million held in 1968. Stocks of rye, at 8.5 million bushels increased by 14 per cent from the 7.5 million of last year and flaxseed stocks at 4.6 million bushels were slightly lower than last year's corresponding figure of 4.7 million. Rapeseed stocks, at 4.9 million were about half the 1968 figure of 9.9 million bushels.

Carryover of Canadian Oats, Barley, Rye, Flaxseed and Rapeseed, July 31, 1938-69

Year	Oats	Barley	Rye	Flaxseed	Rapeseed(1)
thousand bushels					
1938	19,499	6,631	1,001	219	
1939	48,887	12,804	2,921	119	
1940	46,931	12,654	5,352	583	
1941	41,563	10,908	4,919	620	
1942	28,607	10,821	3,353	1,027	
1943	149,341	69,279	15,268	3,740	
1944	108,479	45,949	5,594	3,649	
1945	98,255	28,919	2,024	2,932	
1946	77,492	29,937	768	1,649	
1947	69,484	28,764	755	797	
10-year average 1938-47	68,854	25,667	4,196	1,534	
1948	47,891	31,449	904	3,371	
1949	60,507	29,669	11,918	10,692	
1950	44,905	20,355	6,431	4,468	
1951	95,177	53,496	3,299	1,204	
1952	108,358	79,504	8,774	2,906	
1953	144,409	111,667	17,541	4,301	
1954	125,769	145,910	22,235	3,490	
1955	83,967	91,488	19,935	2,587	
1956	119,106	110,948	15,763	2,997	
1957	211,215	142,779	13,160	7,581	
10-year average 1948-57	104,130	81,726	11,996	4,360	
1958	156,916	118,165	10,062	5,652	
1959	129,979	131,153	8,420	6,523	
1960	100,827	128,470	6,753	4,824	
1961	115,154	112,557	7,417	7,580	
1962	79,066	57,824	3,789	5,269	
1963	150,278	89,245	4,159	3,988	
1964	179,408	118,270	7,052	6,551	
1965	130,121	88,776	8,502	7,141	1,318
1966	127,163	97,753	10,567	11,141	3,148
1967	109,791	131,751	8,295	11,831	5,827
10-year average 1958-67	127,870	107,396	7,502	7,050	
1968 ^r	76,951	130,917	7,458	4,678	9,923
1969 ^p	126,061	197,973	8,505	4,590	4,920

(1) Up to July 31, 1968 includes Canadian Wheat Board estimate of farm stocks.

p Preliminary figures.

r Revised figures.

FARMERS' MARKETINGS OF OATS, BARLEY AND RYE

Total marketings of oats, barley and rye in the Prairie Provinces during the crop year 1968-69 amounted to 127.6 million bushels, 2 per cent more than the comparable 1967-68 crop year figure of 125.0 million but 13 per cent below the ten-year (1957-58-1966-67) average of 146.7 million bushels. Deliveries of barley, at 82.2 million accounted for 64 per cent of the crop year total; oats, at 41.5 million (33 per cent); and rye, 3.9 million bushels (3 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							
August 1, 1968 - May 21, 1969	18,091	8,630	9,161	35,882	7,588	13,465	35,517	56,570
May 28	119	26	98	243	131	291	670	1,093
June 4	96	41	119	256	135	400	927	1,462
11	127	66	309	503	219	503	1,232	1,954
18	219	92	131	441	285	602	1,349	2,236
25	238	70	147	454	280	480	1,300	2,060
July 2	135	59	132	327	188	499	1,012	1,699
9	157	59	124	340	287	369	906	1,562
16	212	84	167	464	336	595	1,555	2,487
23	212	87	215	515	424	698	1,834	2,956
31	920	354	831	2,104	1,238	1,768	5,072	8,078
Totals	20,526	9,568	11,434	41,528	11,113	19,670	51,374	82,157
1967-68 crop year ^r	15,460	7,949	7,410	30,818	13,616	22,877	50,813	87,306
10-year average 1957-58 - 1966-67	15,644	16,312	13,800	45,756	14,215	34,915	44,524	93,654

Rye				
thousand bushels				
August 1, 1968 - May 21, 1969	348	1,029	296	1,672
May 28	9	25	7	41
June 4	84	239	25	349
11	112	202	25	339
18	101	186	18	305
25	73	102	20	195
July 2	30	58	12	100
9	45	43	12	100
16	34	71	22	128
23	37	77	9	123
31	145	311	103	559
Totals	1,019	2,344	548	3,910
1967-68 crop year ^r	1,877	3,683	1,357	6,917
10-year average 1957-58 - 1966-67	1,571	3,871	1,890	7,332

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

^r Revised figures.

Visible Supply of Canadian Oats, Barley and Rye, August 20, 1969 Compared with
Approximately the Same Date, 1967 and 1968

Position	1967	1968	1969
	thousand bushels		
	<u>Oats</u>		
Country elevators — Manitoba	3,200	4,430	6,188
Saskatchewan	4,400	3,501	5,203
Alberta	8,236	2,647	6,681
Sub-totals	15,836	10,578	18,072
Interior private and mill	146	338	349
Interior terminals	10	10	9
Vancouver-New Westminster	29	206	148
Prince Rupert	6	1	1
Churchill	4	39	45
Fort William-Port Arthur	3,713	5,985	10,001
In transit rail (western division)	1,845	2,302	998
Bay, Lake and Upper St. Lawrence ports	1,637	521	1,080
Lower St. Lawrence and Maritime ports	1,600	979	1,732
In transit lake	2,257	—	20
Totals	27,083	20,959	32,455
	<u>Barley</u>		
Country elevators — Manitoba	2,883	3,450	2,265
Saskatchewan	10,918	14,157	8,593
Alberta	24,273	24,369	27,850
Sub-totals	38,074	41,976	38,708
Interior private and mill	104	94	61
Interior terminals	2,573	2,515	1,987
Vancouver-New Westminster	811	2,034	1,857
Prince Rupert	1	1	1
Fort William-Port Arthur	10,907	7,959	6,932
In transit rail (western division)	3,307	2,012	6,045
Bay, Lake and Upper St. Lawrence ports	1,882	1,094	1,338
Lower St. Lawrence and Maritime ports	2,444	674	1,995
In transit lake	2,561	144	631
Totals	62,664	58,503	59,555
	<u>Rye</u>		
Country elevators — Manitoba	563	503	350
Saskatchewan	1,469	1,404	944
Alberta	611	379	322
Sub-totals	2,643	2,286	1,616
Interior private and mill	19	13	35
Interior terminals	—	1	1
Vancouver-New Westminster	373	538	254
Fort William-Port Arthur	2,065	1,782	734
In transit rail (western division)	441	384	448
Bay, Lake and Upper St. Lawrence ports	534	307	301
Lower St. Lawrence and Maritime ports	223	105	225
In transit lake	60	—	—
United States ports	461	198	—
Totals	6,819	5,614	3,614

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 1968-69 crop year amounted to 45,131 about 17 per cent less than the 54,187 cars of these grains inspected during the 1967-68 crop year. Inspection of barley, at 32,379 cars accounted for 72 per cent of the August 1968 - July 1969 total with the remainder consisting of 10,596 cars of oats (23 per cent); and 2,156 cars of rye (5 per cent).

Percentages of the three grains falling into the higher grades (excluding "Toughs" and "Damps") during the 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, 63.1 (90.9, 90.8); barley, 1 Feed or higher, 63.4 (79.6, 75.2); and rye, 3 C.W. or higher, 73.9 (91.6, 87.1).

Gradings of Oats, Barley and Rye Inspected(1), August-July 1968-69 with Comparisons

Grain and grade	Crop year		August-July		Grain and grade	Crop year		August-July	
	Average					Average			
	1962-63	1967-68	1968-69			1962-63	1967-68	1968-69	
	—					—			
	1966-67					1966-67			
	per cent		cars	per cent		per cent		cars	per cent
<u>OATS</u>									
1 C.W.	—	(2)	—	—	1 C.W. Six-Row	—	0.1	2	(2)
2 C.W.	0.1	0.8	14	0.1	2 C.W. Six-Row	0.5	4.1	701	2.2
Ex. 3 C.W. ...	1.8	7.1	110	1.0	3 C.W. Six-Row	20.5	13.0	4,303	13.3
3 C.W.	29.8	25.9	2,322	21.9	1 C.W. Two-Row	(2)	0.1	—	—
Ex. 1 Feed ...	19.1	17.1	1,182	11.2	2 C.W. Two-Row	0.5	1.5	97	0.3
1 Feed	40.0	40.0	3,059	28.9	3 C.W. Two-Row	4.6	3.3	2,012	6.2
2 Feed	2.5	6.2	298	2.8	1 Feed	49.1	57.5	13,400	41.4
3 Feed	0.4	1.0	63	0.6	2 Feed	7.6	14.1	3,521	10.9
Mixed Feed(3)	0.2	0.1	30	0.3	3 Feed	0.8	1.7	433	1.3
Tough(3)(4) ..	5.3	0.6	3,076	29.0	Tough(3)(6) ..	15.5	3.4	5,680	17.5
Damp(3)(5) ...	0.2	0.1	405	3.8	Damp(3)(5) ...	0.6	0.4	1,919	5.9
Rejected(3) ..	0.2	0.4	27	0.3	Rejected(3) ..	0.3	0.6	288	0.9
All Others ...	0.2	0.5	10	0.1	All Others ...	0.1	0.1	23	0.1
Totals	100.0	100.0	10,596	100.0	Totals	100.0	100.0	32,379	100.0
Bushel equivalent (approximately)			30,958,000		Bushel equivalent (approximately)			72,274,000	
<u>RYE</u>									
1 C.W.						1.5	0.3	23	1.1
2 C.W.						41.3	58.6	1,027	47.6
3 C.W.						44.3	32.7	543	25.2
4 C.W.						1.5	2.5	121	5.6
Ergoty						3.3	3.0	15	0.7
Tough(3)(4) ..						5.4	2.7	401	18.6
Damp(3)(5) ..						2.5	—	18	0.8
Rejected(3) ..						(1)	0.1	5	0.2
All Others ..						(1)	0.1	3	0.1
Totals						100.0	100.0	2,156	100.0
Bushel equivalent (approximately)								4,188,000	

(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

Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to July 31, 1969 amounted to 106.2 million bushels, 9 per cent above the 97.7 million at the comparable date in 1968. In 1969 the season of navigation opened on April 11 while the 1968 season opened on April 10. Shipments of wheat, at 74.8 million bushels accounted for 70 per cent of the total while oats, at 7.2 million and barley, at 18.5 million accounted for 7 per cent and 17 per cent, respectively, of the 1969 total. The remainder of the shipments consisted of 0.9 million bushels of rye, 3.9 million of flaxseed, and 0.8 million of rapeseed.

Lake Shipments of Canadian Grain from the Opening of Navigation to July 31, 1969
and to Approximately the Same Date, 1958 to 1968

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
1958	110,066	23,114	41,252	4,221	2,706	—	181,358
1959	96,519	12,714	21,324	3,304	3,322	—	137,184
1960	97,446	10,034	23,893	2,665	3,694	—	137,732
1961	129,759	13,956	22,300	1,388	3,076	—	170,478
1962	65,652	7,163	11,305	1,176	2,942	—	88,238
1963	83,960	20,032	10,832	1,548	3,189	—	119,561
1964	180,295	12,224	15,054	2,215	4,475	—	214,262
1965	108,207	22,595	15,535	2,072	4,981	559	153,949
1966	179,606	14,118	17,705	3,994	6,645	555	222,624
1967	142,876	16,898	38,648	2,745	4,634	816	206,617
1968(1)	77,196	7,968	8,764	567	2,930	255	97,681
1969	74,820	7,240	18,507	939	3,891	760	106,158

(1) Reports indicate that no grain moved down the Great Lakes from July 18 to July 31 1968, due to the Lakehead strike.

RAIL SHIPMENTS FROM FORT WILLIAM-PORT ARTHUR

Rail movement of wheat, oats, barley, rye, flaxseed and rapeseed from the Lakehead during the 1968-69 crop year amounted to 7,277 thousand bushels, 33 per cent less than the comparable 1967-68 total of 10,856 thousand bushels.

Rail Shipments of Canadian Grain from Fort William-Port Arthur
August-July 1968-69 and 1967-68

Month	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
August 1968	—	—	—	—	—	—	—
September	23	51	42	—	—	—	117
October	57	148	130	4	—	—	339
November	102	106	175	2	—	—	385
December	44	147	136	3	49	—	380
January 1969	131	369	326	—	711	3	1,540
February	100	257	241	8	496	—	1,102
March	153	380	381	25	79	—	1,018
April	80	202	283	2	75	—	641
May	108	208	209	4	66	—	595
June	121	171	196	5	105	—	597
July	137	234	141	—	32	20	563
Totals	1,057	2,273	2,260	53	1,612	22	7,277
Same period 1967-68	1,616	5,543	3,381	40	2	275	10,856

SHIPMENTS UNDER FEED GRAIN ASSISTANCE REGULATIONS

Claims filed for payment for the 1968-69 crop year represent the movement of 77.5 million bushels of wheat, oats, barley, rye and corn to Eastern Canada and British Columbia under the Livestock Feed Assistance Act. For the 1967-68 crop year claims covered shipments of 85.6 million bushels of the five grains. This places shipments for the 1968-69 crop year at about 9 per cent below the 1967-68 figure. Final data for the 1968-69 crop year indicate reduced shipments of wheat, oats and rye while shipments of barley and corn were above the 1967-68 crop year figures.

The movement of screenings under the Livestock Feed Assistance Act amounted to 70,885 tons in the 1968-69 crop year which is a decrease of 4 per cent from the 1967-68 figure of 73,988 tons. Shipments of millfeeds amounted to 536,408 tons representing an increase of 3 per cent over the 1967-68 shipments of 522,908 tons.

The bulk of all livestock feed shipments with the exception of corn, went to destinations in Ontario and Quebec with the two provinces accounting for a combined 63 per cent of wheat, 83 per cent of oats, 75 per cent of barley, 71 per cent of rye, 83 per cent of screenings and 78 per cent of millfeeds.

Provincial Distribution of Shipments under the Feed Grain Assistance Regulations Crop Year 1968-69 and 1967-68

Province	Eastern wheat	Western wheat(1)	Oats	Barley	Rye	Corn(2)	Screen- ings	Mill- feeds
	thousand bushels					tons		
	August 1, 1968 — July 31, 1969							
Newfoundland	—	184	188	324	31	320	1,312	8,304
Prince Edward Island	—	115	83	455	14	150	421	7,988
Nova Scotia	4	802	812	1,549	63	1,398	3,168	34,969
New Brunswick ...	2	370	705	1,047	49	757	1,967	24,559
Quebec	263	4,916	14,689	18,142	257	—	16,029	250,106
Ontario	(3)	1,974	7,184	9,291	188	—	42,733	166,318
British Columbia	—	2,670	2,788	5,614	25	69	5,256	44,163
Totals	269	11,030	26,449	36,422	627	2,694	70,885	536,408
Crop year 1967-68 ^r	140	11,369	35,399	36,277	1,204	1,212	73,988	522,908

(1) Includes shipments of sample feed grains.

(2) Includes Manitoba corn shipped into British Columbia.

(3) Less than 500 bushels.

^r Revised figures.

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

Destination	May	June	July	August - July	
	1969	1969	1969	1968-69	1967-68
bushels					
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg	—	—	—	61,271	—
Netherlands	59,294	—	26,353	353,787	483,122
Sub-totals	59,294	—	26,353	415,058	483,122
<u>Other Western Europe</u>					
Britain	106,440	—	—	139,381	305,696
Ireland	—	—	96,395	230,319	221,285
Switzerland	72,471	—	—	204,236	95,002
Sub-totals	178,911	—	96,395	573,936	621,983
Totals	238,205	—	122,748	988,994	1,105,105
<u>Africa</u>					
U.A.R. - Egypt	—	—	—	335,553	—
<u>Asia</u>					
Japan	—	—	—	—	234,367
Syria	—	—	—	—	387,492
Turkey	—	—	—	—	61,921
Total	—	—	—	—	683,780
<u>Western Hemisphere</u>					
United States(2)	64,214	85,383	64,410	927,912	1,342,272
Sub-totals, all countries	302,419	85,383	187,158	2,252,459	3,131,157
Seed oats(3)	11,983	242	465	391,698	318,151
Totals, all countries	314,402	85,625	187,623	2,644,157	3,449,308

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

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

(3) Customs exports.

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

Destination	May 1969	June 1969	July 1969	August - July	
				1968-69	1967-68
bushels					
<u>Western Europe</u>					
EEC:					
Italy	-	-	-	-	9,567,134
Netherlands	-	-	-	-	35,000
Sub-total	-	-	-	-	9,602,134
<u>Other Western Europe</u>					
Britain	2,317,903	2,655,799	791,267	10,879,269	1,943,024
Ireland	-	499,875	-	499,875	-
Sub-totals	2,317,903	3,155,674	791,267	11,379,144	1,943,024
Totals	2,317,903	3,155,674	791,267	11,379,144	11,545,158
<u>Asia</u>					
Israel	-	-	-	1,266,300	2,954,047
Japan	15,157	24,080	-	771,830	15,448,226
Totals	15,157	24,080	-	2,038,130	18,402,273
<u>Oceania</u>					
Australia	-	-	-	-	1,304,630
U.S. Oceania	-	116,200	-	116,200	-
Totals	-	116,200	-	116,200	1,304,630
<u>Western Hemisphere</u>					
Colombia	-	-	-	-	459,292
United States(2)	656,998	907,237	346,365	7,676,923	4,372,116
Totals	656,998	907,237	346,365	7,676,923	4,831,408
Totals, all countries	2,990,058	4,203,191	1,137,632	21,210,397	36,083,469

(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.

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

Destination	May 1969	June 1969	July 1969	August - July	
				1968-69	1967-68
bushels					
<u>Western Europe</u>					
EEC:					
Germany, Federal Republic	-	-	-	-	40,800
Netherlands	-	-	122,335	252,335	238,520
Sub-totals	-	-	122,335	252,335	279,320
<u>Other Western Europe</u>					
Britain	-	142,800	57,637	536,824	353,534
Denmark	-	-	-	-	130,000
Norway	-	-	-	936,910	386,389
Switzerland	-	-	-	-	3,720
Sub-totals	-	142,800	57,637	1,473,734	873,643
Totals	-	142,800	179,972	1,726,069	1,152,963
<u>Africa</u>					
Republic of South Africa	-	-	-	-	57,000
<u>Asia</u>					
Japan	13,920	-	148,314	1,627,508	2,789,737
<u>Western Hemisphere</u>					
United States(2)	122,151	-	-	894,245	760,041
Totals, all countries	136,071	142,800	328,286	4,247,822	4,759,741

(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.

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

Destination	May 1969	June 1969	July 1969	August - July	
				1968-69	1967-68
bushels					
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg	197	—	—	339	470
<u>Other Western Europe</u>					
Britain	—	65	—	65	—
Totals	197	65	—	404	470
<u>Africa</u>					
Mozambique	—	—	—	49	557
<u>Western Hemisphere</u>					
Bahamas	—	—	87	1,284	—
Barbados	87	—	—	4,093	995
Bermuda	77	—	683	3,143	1,825
Bolivia	—	66	—	66	4,290
British Honduras	—	—	—	—	3,060
Chile	—	—	—	98	120
Dominican Republic	—	—	—	16,437	48,191
Ecuador	—	—	—	5,738	12,295
Guyana	—	—	—	158	197
Honduras Republic	—	—	—	1,093	2,869
Leeward and Windward Is.	2,317	328	448	7,639	7,890
Netherlands Antilles	—	—	—	—	49
Panama	—	—	—	—	1,781
Peru	—	—	—	—	5,186
Puerto Rico	—	—	—	—	3,935
St. Pierre and Miquelon	—	—	—	175	—
Trinidad and Tobago	—	98	—	393	498
Venezuela	—	—	—	36,721	—
United States	—	—	219	1,312	1,289
Totals	2,481	492	1,437	78,350	94,470
Totals, all countries	2,678	557	1,437	78,803	95,497

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

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

Destination	May 1969	June 1969	July 1969	August - July	
				1968-69	1967-68
bushels					
<u>Western Europe</u>					
Britain	-	-	-	-	409,264
<u>Africa</u>					
Ghana	-	3,056	3,056	18,334	21,416
Liberia	-	-	-	1,833	3,978
Totals	-	3,056	3,056	20,167	25,394
<u>Asia</u>					
Ceylon	-	-	-	6,222	6,222
Hong Kong	18,333	-	6,111	36,666	24,444
Japan	189,228	245,570	-	1,140,277	668,728
Philippines	48,889	24,444	27,500	719,721	626,389
Totals	256,450	270,014	33,611	1,902,886	1,325,783
<u>Western Hemisphere</u>					
Barbados	-	-	-	2,489	18,664
Brazil	30,556	12,222	21,389	259,445	229,166
Costa Rica	-	6,111	12,222	42,777	68,138
Dominican Republic	15,106	-	-	66,092	30,215
El Salvador	-	9,350	18,333	110,307	101,018
Guatemala	-	9,167	76,389	209,490	206,285
Guyana	-	-	-	-	14,042
Honduras Republic	-	417	4,906	19,990	4,442
Jamaica	52,833	-	-	230,544	162,496
Leeward and Windward Is.	-	106	-	106	1,222
Netherlands Antilles	-	-	-	-	15,888
Nicaragua	-	6,111	18,333	82,554	119,166
Panama	6,111	6,111	6,111	79,444	47,361
Peru	-	24,444	18,333	266,665	452,221
Puerto Rico	18,150	34,283	-	177,406	195,618
Venezuela	50,294	31,961	52,556	711,760	698,309
United States	178,203	102,236	117,900	1,014,245	1,197,314
Totals	351,253	242,519	346,472	3,273,314	3,561,565
Totals, all countries	607,703	515,589	383,139	5,196,367	5,322,006

(1) 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 moved upward during May, increasing from the April figure of 24.6 points to 27.2 for May. This rise was attributable to a hog price increase of \$3.15 per hundredweight, (basis Index 100 hog dressed weight at Winnipeg) from an average of \$29.80 per hundredweight for April to \$32.95 per hundredweight in May. The price of barley for the same period remained constant at 98 1/2 cents per bushel basis No. 1 Feed in store Fort William-Port Arthur. Hog prices advanced again in June to an average level of \$36.50 per hundredweight, and with the price of barley remaining at 98 1/2 cents per bushel, the hog-barley ratio increased 2.9 points to a level of 30.1 for June. Hog prices decreased by 14 cents per hundredweight in July to a level of \$36.36 per hundredweight which more than offset a 5/8 cents per bushel decline in barley prices to 97 7/8 cents per bushel, causing the hog-barley ratio to fall by 0.1 point, to a level of 30.0 for July.

For the period to December 1968 this ratio is based on the number of bushels of No. 1 Feed Barley equivalent in price to 100 lbs of Grade B hog at Winnipeg.

Commencing in January 1969 the ratio is based on the number of bushels of No. 1 Feed Barley equivalent in price to the value of 100 lbs of Index 100 hog.

Month	1964	1965	1966	1967	1968	1969
January	16.2	14.8	23.9	17.8	16.0	23.9
February	17.3	15.1	24.4	18.8	16.3	25.0
March	16.0	15.7	20.8	18.0	16.2	25.6
April	15.7	15.9	19.0	17.1	15.7	24.6
May	16.3	17.3	21.6	18.8	18.4	27.2
June	17.8	20.5	22.1	18.3	19.1	30.1
July	17.4	21.6	19.7	16.6	20.4	30.0
August	16.5	21.2	19.9	17.0	23.4	
September	16.5	21.0	19.5	17.6	23.8	
October	15.4	20.9	18.5	17.4	22.7	
November	14.9	22.0	17.6	16.4	23.4	
December	15.2	23.6	17.2	16.7	23.5	

FEED AND LIVESTOCK PRICE INDICES

The index of feed prices declined from a level of 261.2 in April to 256.3 in May due to lower prices for hay, oats and Eastern wheat. The index continued to decline in June, resulting in a level of 255.5. The June decline was due to lower prices for bran and shorts at Toronto and feed oats. In July the index dropped significantly to 248.6 from the June level of 255.5, due to lower prices for hay, bran and shorts at Toronto, feed barley, feed oats, Western rye, feed wheat and Eastern wheat.

The farm and animal products index increased 5.1 per cent to 371.7 in May from 353.7 in April reflecting higher prices for steers and hogs on both Eastern and Western markets, for lambs in the East, and for cheesemilk, calves and raw wool in the West. An increase of 2.7 per cent from 371.7 to 381.7 in June was based on higher prices for hogs, calves and raw wool on both Eastern and Western markets, for lambs in the East and steers in the West. The index declined by 2.6 per cent in July, to 371.6 which was a reflection of lower prices for lambs, calves, hogs and steers on both Eastern and Western markets, and for raw wool and butterfat in the East.

Index Numbers of Feed Prices and Prices of Farm Animals and Farm Animal Products
by Months 1966-69 (1935-39 = 100)

Month	1966		1967		1968		1969	
	Feed	Animal	Feed	Animal	Feed	Animal	Feed	Animal
January	244.0	322.8	248.5	320.7	251.9	316.3	268.9	343.0
February	252.0	331.4	250.9	322.9	253.0	315.4	269.0	345.4
March	252.9	319.2	251.0	315.1	251.9	312.9	263.6	344.8
April	261.4	316.2	251.0	319.9	252.8	313.8	261.2	353.7
May	260.0	319.4	251.9	327.8	250.8	322.2	256.3	371.7
June	258.0	324.6	256.7	330.7	251.0	330.0	255.5	381.7
July	252.6	313.2	259.4	325.0	238.8	333.1	248.6	371.6
August	248.9	318.6	260.9	329.8	234.3	340.8		
September	244.9	321.2	260.6	331.2	261.5	343.8		
October	248.5	323.7	253.2	330.9	260.8	339.0		
November	247.5	321.9	252.7	323.1	259.7	339.2		
December	249.5	325.5	256.1	326.4	266.6	345.0		

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

Grain and grade	May 1969	June 1969	July 1969
cents and eighths per bushel			
<u>Oats</u>			
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.	83	78/3	73/4
Ex. 3 C.W.	80/4	75/7	71
3 C.W.	79/4	74/7	70
Ex. 1 Feed	79/1	74/5	70
1 Feed	77/5	73/1	68/4
2 Feed	74/5	70/1	65/4
3 Feed	71/5	67/1	62/4
<u>Barley</u>			
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	122	122	120/1
2 C.W. Six-Row	122	122	120/1
3 C.W. Six-Row	120	120	118/1
1 C.W. Two-Row	120	120	118/1
2 C.W. Two-Row	120	120	118/1
3 C.W. Two-Row	117	117	115/1
1 Feed	98/4	98/4	97/7
2 Feed	96/6	96/4	95/7
3 Feed	93/6	93/4	92/7

(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	May 1969	June 1969	July 1969
cents and eighths per bushel			
<u>Oats</u>			
Domestic and export:			
2 C.W.	81	76/6	72/4
Ex. 3 C.W.	79/7	75/4	69/6
3 C.W.	78/6	74/4	69/6
Ex. 1 Feed	78/4	74/1	69/6
1 Feed	77	72/6	68
2 Feed	70	65/6	61
3 Feed	67	62/6	58
<u>Barley</u>			
Domestic and export:			
1 C.W. Six-Row	102	102	102
2 C.W. Six-Row	102	102	102
3 C.W. Six-Row	100	100	100
1 C.W. Two-Row	102	102	102
2 C.W. Two-Row	100	100	100
3 C.W. Two-Row	98/2	98/2	97/5
1 Feed	98/2	98/2	97/5
2 Feed	96/2	96	95/4
3 Feed	90	90	89/4
<u>Rye</u>			
Producers', domestic and export prices:			
2 C.W.	134	132/5	123/7
3 C.W.	128/3	128	118/7
4 C.W.	106/1	106	99/7
Ergoty	100	98	91/7
<u>Flaxseed</u>			
Producers', domestic and export prices:			
1 C.W.	329/3	327/1	343/5
2 C.W.	320/6	321	335/3
3 C.W.	295/4	295/3	288/1
<u>Rapeseed(1)</u>			
No. 1 Canada	219	215	217/6
No. 2 Canada	204	200	202/6

(1) Basis in store Vancouver.

Initial Payments
to Producers

The Honourable Jean-Luc Pépin, Minister of Industry, Trade and Commerce issued the following statement on Initial Payments of Oats and Barley:

That the Canadian Wheat Board Regulations, 1969-70 made by Order in Council P.C. 1969-1550 of the 31st day of July, 1969 extend Parts III and IV of the Canadian Wheat Board Act to oats and barley for the crop year commencing on the 1st day of August, 1969 and ending on the 31st day of July, 1970, and fix the sum certain per bushel to be paid for oats of the grade No. 2 Canada Western at sixty cents and the sum certain per bushel to be paid for barley of the grade No. 3 Canada Western Six-Row at ninety-one cents in both cases basis in store Fort William or Port Arthur;

That The Canadian Wheat Board has fixed the sums per bushel basis in store Fort William-Port Arthur set out in the schedule hereto as the sums certain to be paid to producers selling and delivering to the Board oats and barley of the grades set out in the schedule for the said crop year.

Canadian Wheat Board Price List for Specified Grades of Oats, Crop Year 1969-70
(In Carload Lots, Basis in Store Fort William-Port Arthur)
Effective August 1, 1969

Grade	Straight	Tough	Damp
	cents per bushel		
No. 1 Canada Western	60	57	52
No. 2 Canada Western	60	57	52
No. Extra 3 Canada Western	57	54	49
No. 3 Canada Western	57	54	49
Extra No. 1 Feed	57	54	49
No. 1 Feed	55	52	47
No. 2 Feed	50	47	42
No. 3 Feed	46	43	38

Canadian Wheat Board Price List for Specified Grades of Barley, Crop Year 1969-70
(In Carload Lots, Basis in Store Fort William-Port Arthur)
Effective August 1, 1969

Grade	Straight	Tough	Damp
	cents per bushel		
No. 1 Canada Western Six-Row	93	89	83
No. 2 Canada Western Six-Row	93	89	83
No. 3 Canada Western Six-Row	91	87	81
No. 1 Canada Western Two-Row	86	82	76
No. 2 Canada Western Two-Row	86	82	76
No. 3 Canada Western Two-Row	83	79	73
No. 1 Feed	81	77	71
No. 2 Feed	78	74	68
No. 3 Feed	73	69	63

FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHELS

MILLION BUSHELS

800
700
600
500
400
300
200
100
0

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

30 year average
1937-38
1966-67

10 year average
1957-58
1966-67

1963-64

1964-65

1965-66

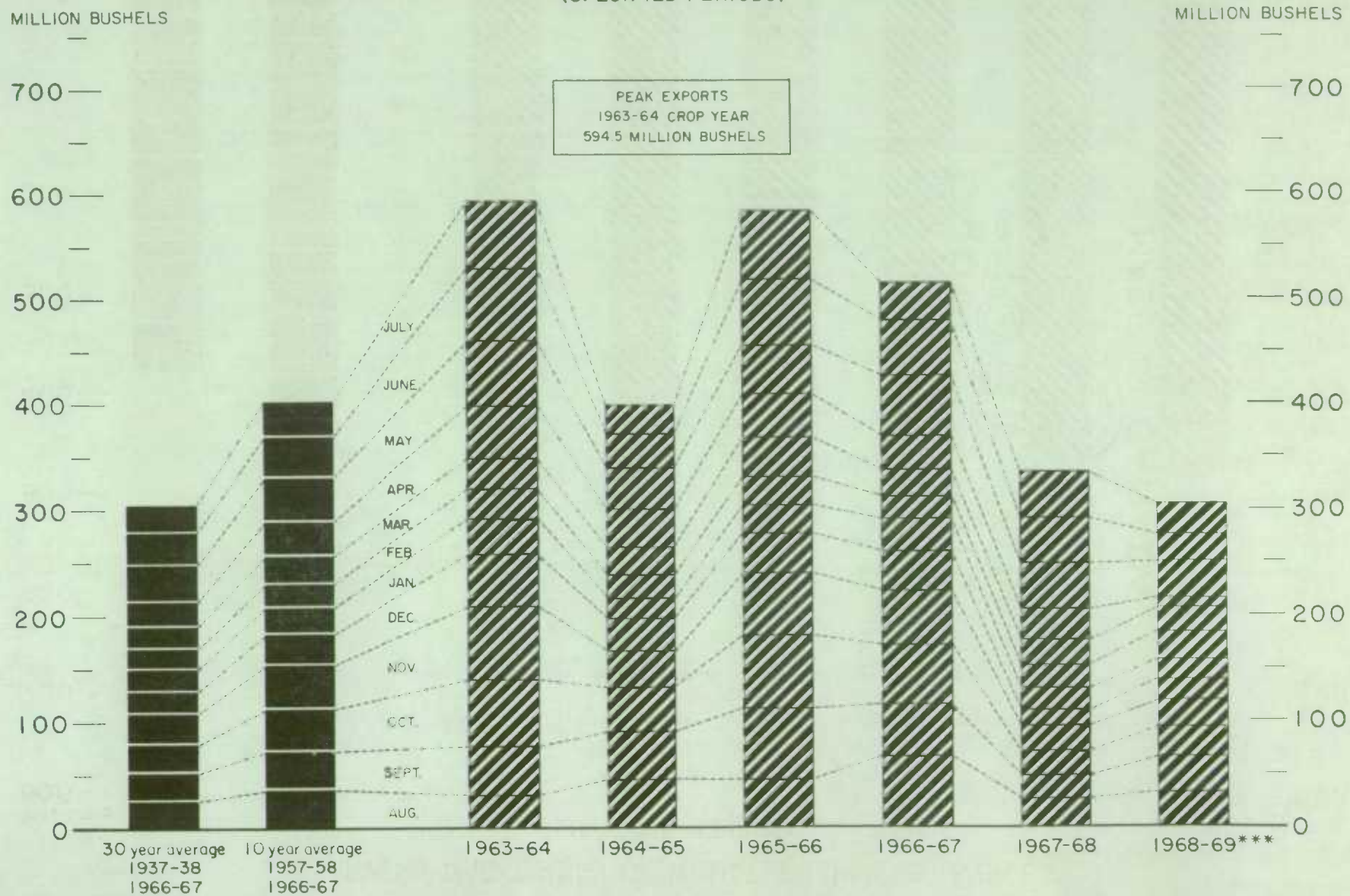
1966-67

1967-68

1968-69

EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)



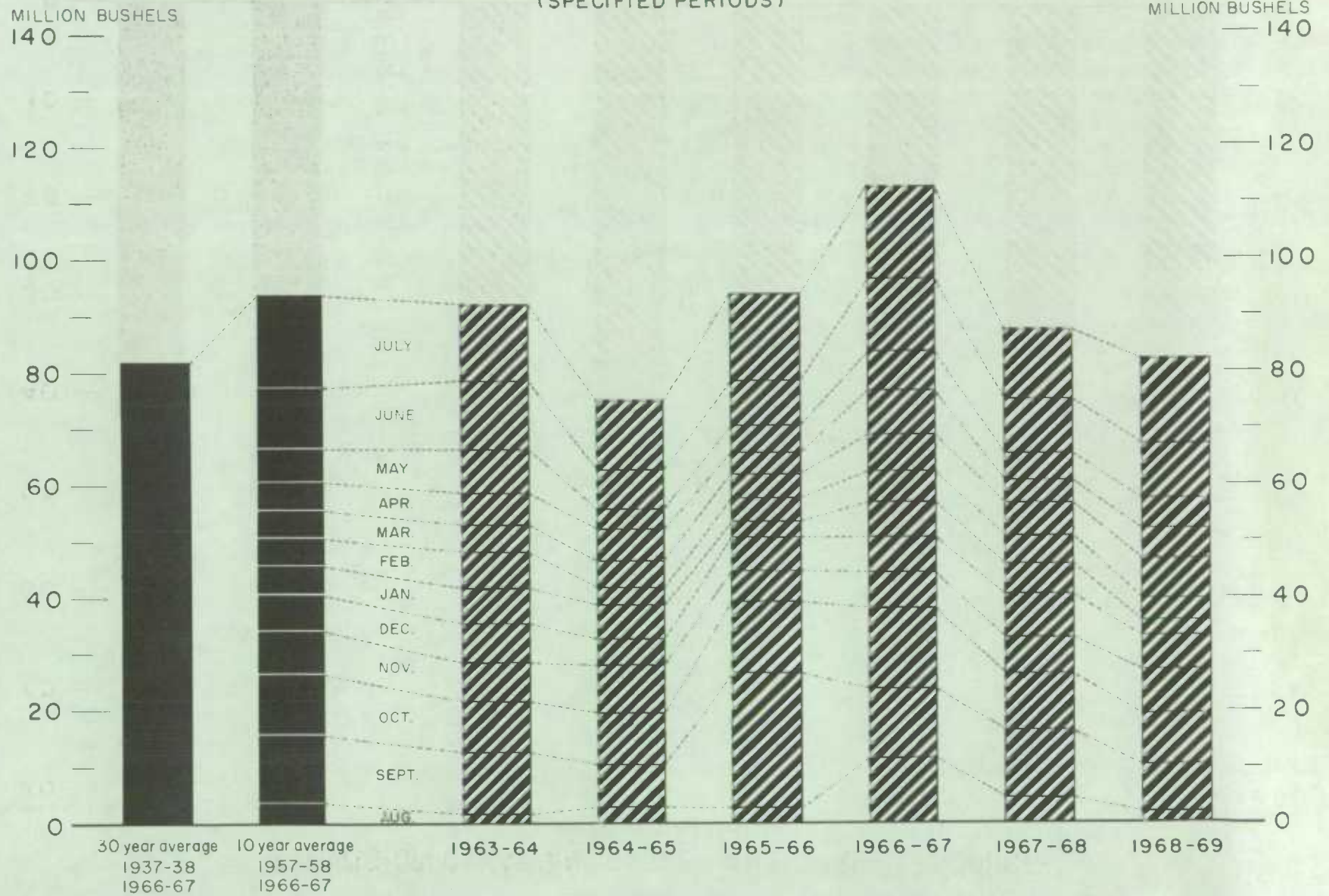
* Beginning with 1955-56 includes seed wheat.

** In terms of wheat equivalent.

*** Preliminary.

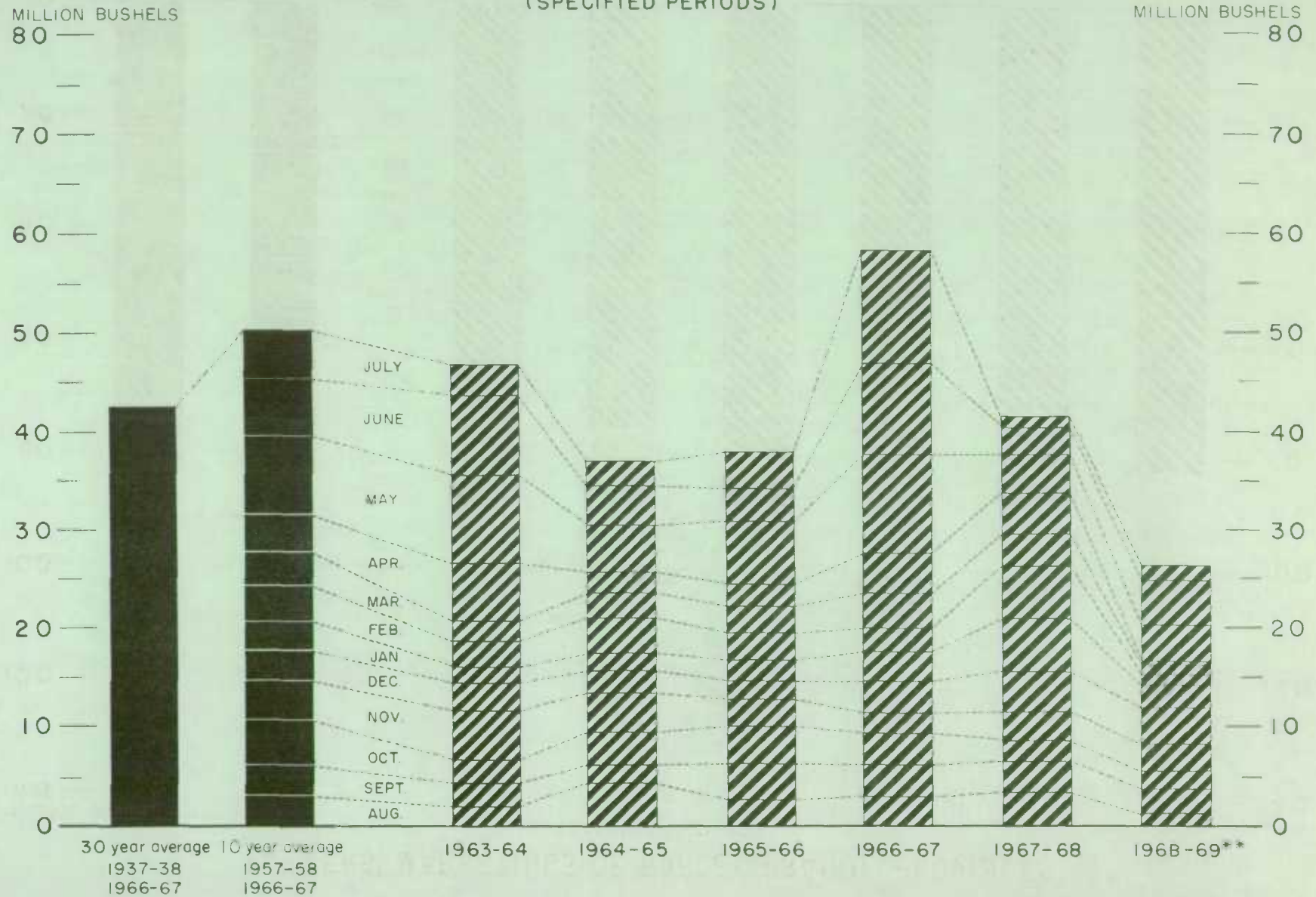
Agriculture Division D.B.S.

FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES (SPECIFIED PERIODS)

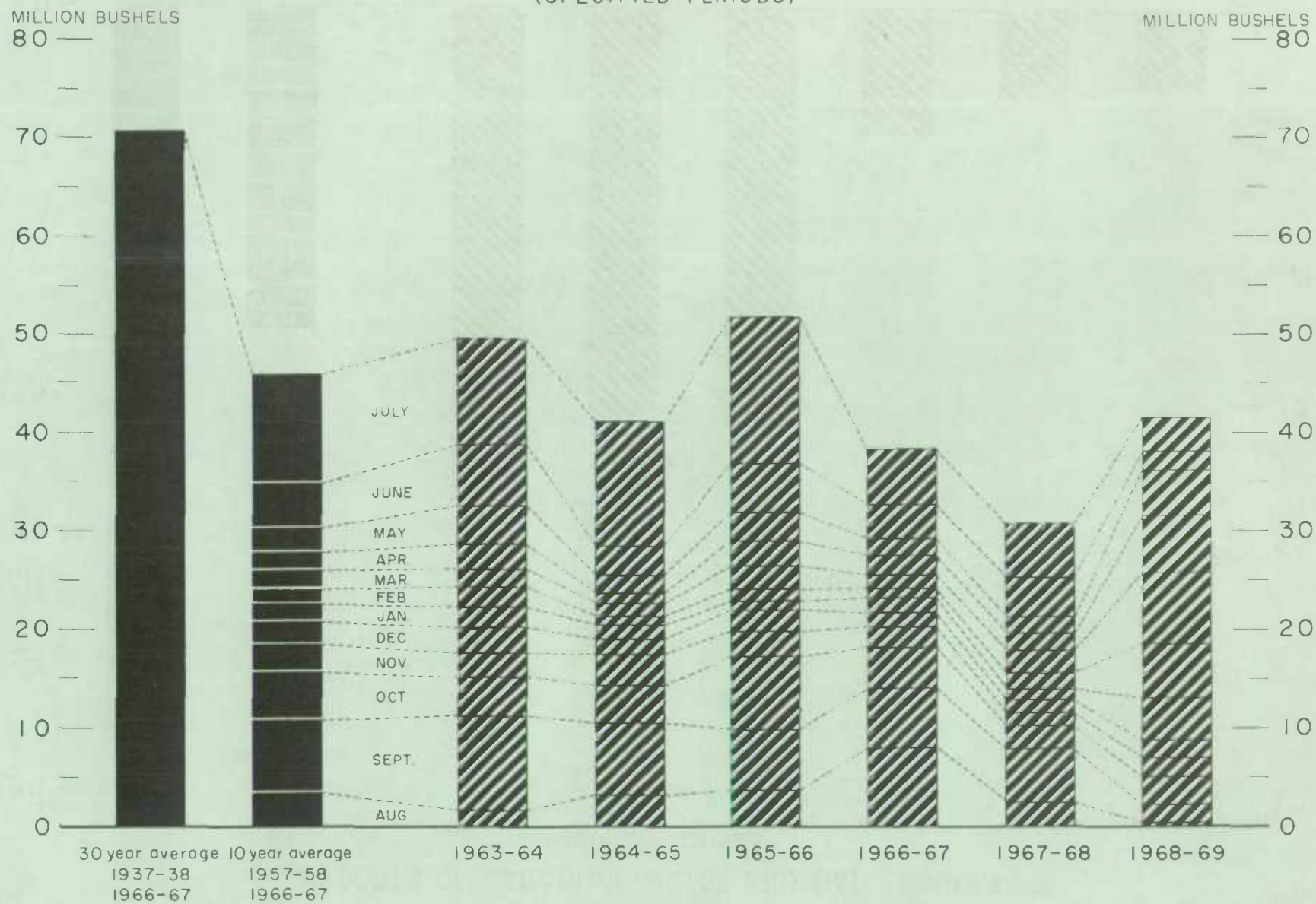


EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

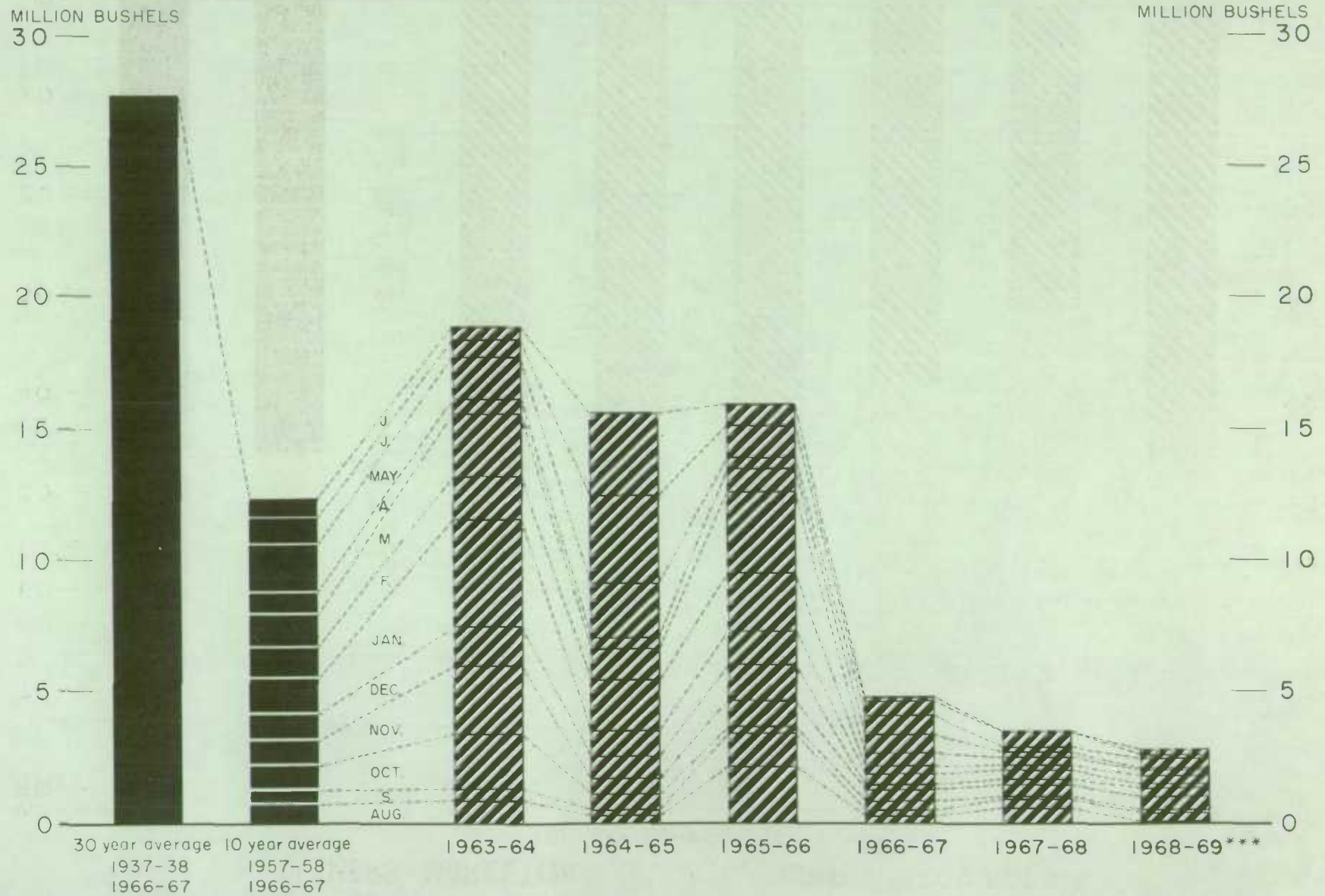
(SPECIFIED PERIODS)



FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES (SPECIFIED PERIODS)



EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS** (SPECIFIED PERIODS)



* Beginning with 1960-61 includes relatively small quantity of seed oats.

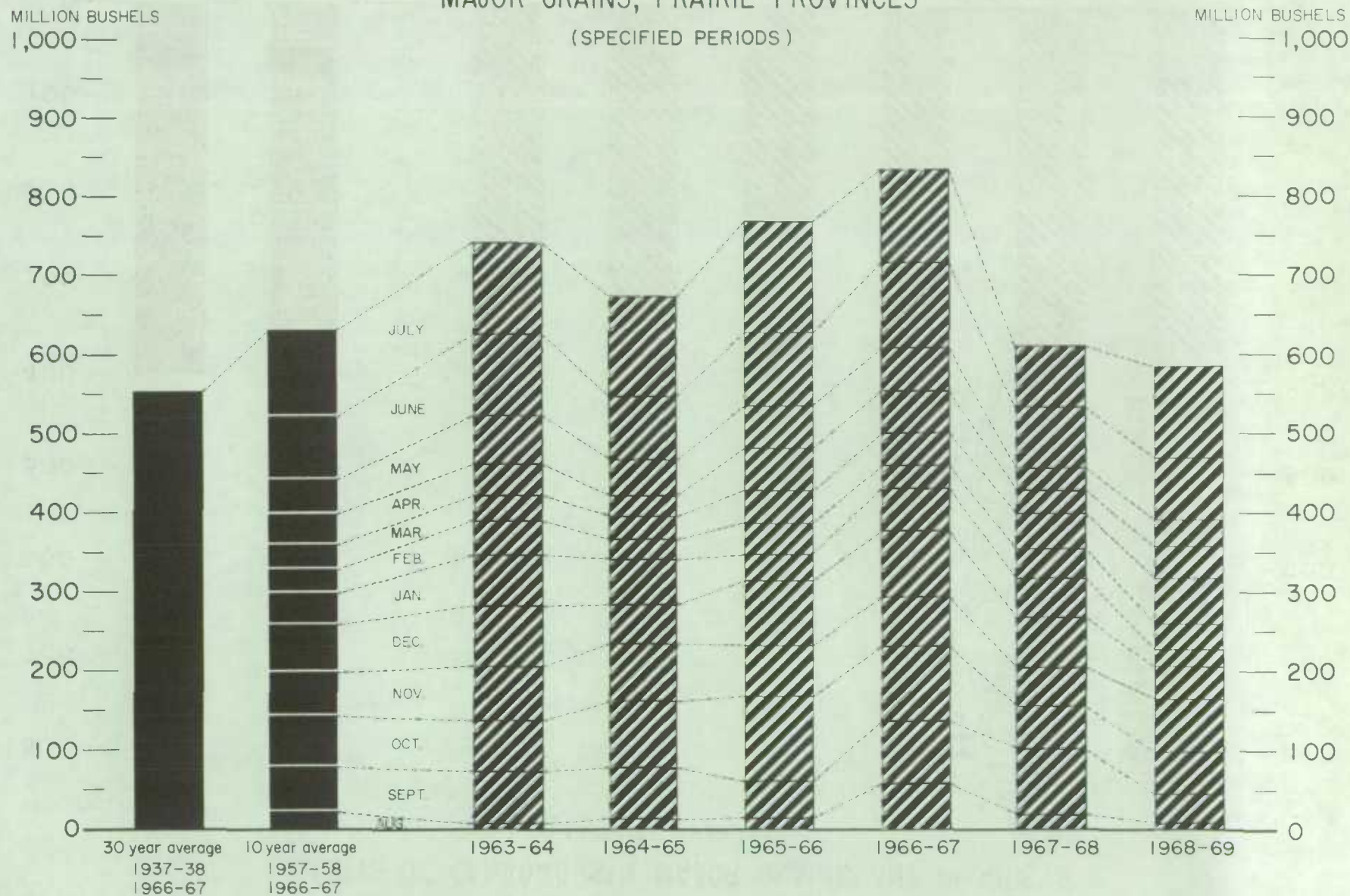
** In terms of grain equivalent.

*** Preliminary.

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF CANADA'S SIX MAJOR GRAINS,* PRAIRIE PROVINCES

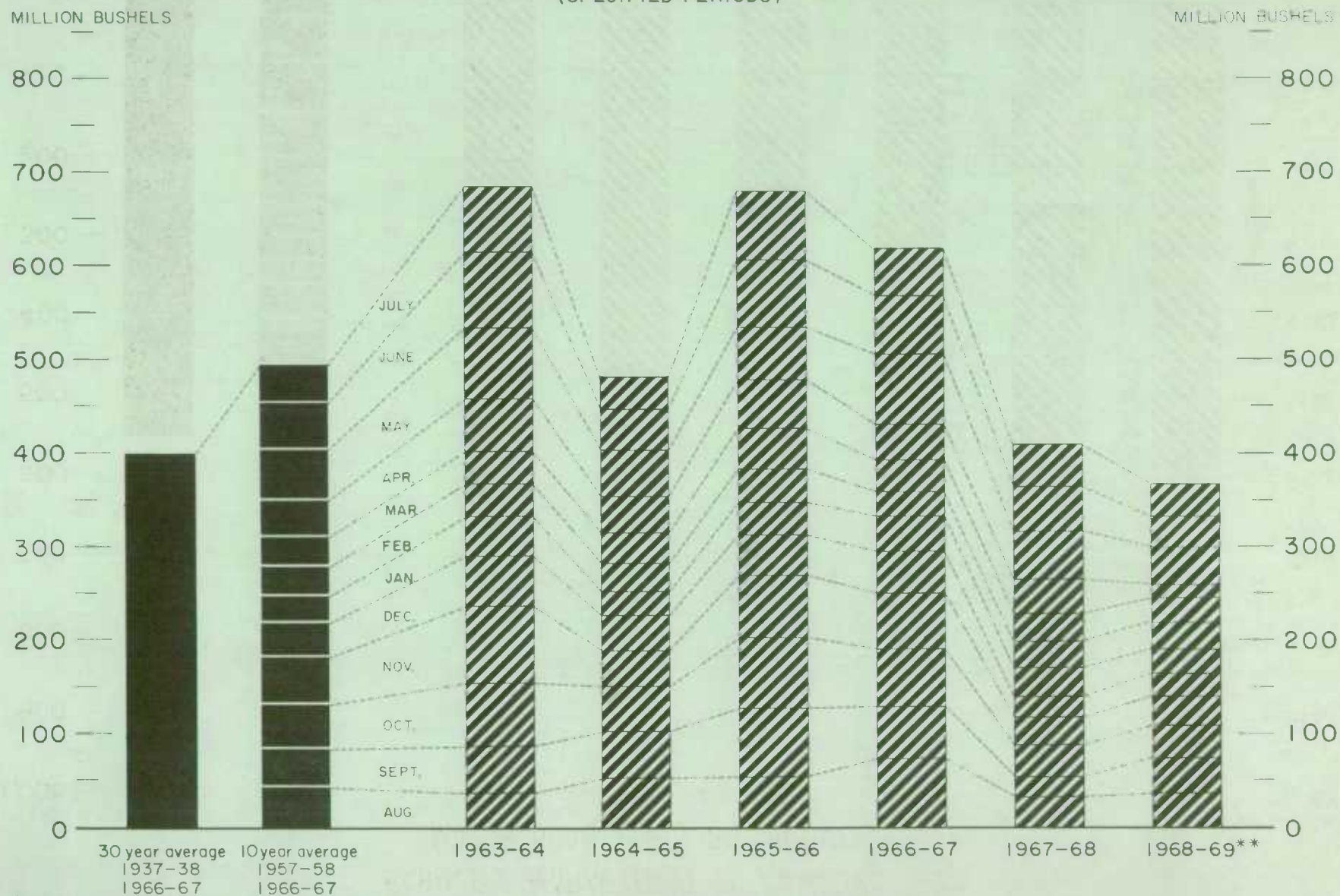
(SPECIFIED PERIODS)



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

EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)



UNITED STATES FEED SITUATION

Summary The following summary of the feed situation in the United States has been taken from the August 15, 1969 issue of The Feed Situation published by the Economic Research Service, United States Department of Agriculture.

Feed grain disappearance in 1969-70 is expected to equal and perhaps exceed the 168 million tons estimated for 1968-69. Disappearance at this level would also exceed the 1969 feed grain crop-forecast in August at 167 million tons, down a million from a year earlier. Accordingly, some reduction in carryover stocks is likely at the end of 1969-70 from the beginning volume estimated at 48 million tons.

Domestic use will likely continue heavy. It may about equal the 1968-69 record high of 151 million tons, up nearly 7 per cent from a year earlier. Grain-consuming livestock may be up by 2 or 3 per cent. But livestock-feed price ratios probably will be less favourable and this may result in some reduction in the rate of concentrate feeding from the high mark of 0.96 ton per animal unit in 1968-69. Exports may show some improvement from the low level of 1968-69, mainly due to less competition this fall and winter from other feed grain exporting countries.

Prices of all of the feed grains rose seasonally during 1968-69— led by an increase of more than 20 per cent in corn prices since last fall. Feed grain prices in July averaged 9 per cent above a year earlier. Although usual price weaknesses are to be expected at harvest time, feed grain prices probably will continue higher this fall and winter than a year earlier.

Through July, farmers had placed 17 1/2 million tons of 1968-crop feed grains under loan, about 1 1/2 million more than in the same period of 1967-68. CCC sales have been comparatively small this year, and 40 million tons were in Government stocks (under loan and owned by CCC) on July 1—10 million more than a year earlier; but "free" stocks totalled 39 million tons, 10 million less. The "free" carryover into 1969-70 is expected to be much less than the 19 million tons of a year earlier.

The 1969 corn crop is currently forecast at 4.3 billion bushels or 65 million below last year's crop. The carryover October 1 is now expected to be about 1,050 million bushels, about 10 per cent less than a year earlier. This would give a 1969-70 supply of almost 5.4 billion bushels, about 175 million below the year before. Disappearance in 1969-70 probably will exceed production, resulting in another fairly tight "free" supply situation. If production is about as indicated on August 1, prices in 1969-70 would be expected to average a little higher.

The grain sorghum supply is estimated at about 1,048 million bushels, slightly larger than in 1968-69. But the oat supply, estimated at nearly 1.3 billion bushels, is up 12 per cent and the barley supply is up 8 per cent.

Wheat feeding has increased sharply the past 5 years as wheat prices have become more competitive with feed grains. In July, wheat prices were lower than corn in many areas of the country. Wheat feeding during the current October-September feeding year is expected to total around 200 million bushels and probably will continue at a high level in 1969-70.

The high-protein feed supply in 1969-70 probably will total a little larger than for the current feeding year and prices may average a little lower. The 1968-69 supply of high-protein feeds totals 18.5 million tons, 4 per cent more than a year earlier. The rate of feeding is estimated at 231 pounds per animal unit, up about 4 pounds.

Large supplies of soybeans for crushing and the 10 per cent reduction in the support for 1969-crop soybeans probably will result in lower meal prices and increased consumption. Also, a larger cottonseed crush would boost cottonseed meal supplies for domestic use.

Barley Will Be
Included in 1970
Feed Grain Program

On September 16, 1969 the United States Department of Agriculture announced that barley will be included in the 1970 feed grain program. Decision to include barley in the program follows the September 10 crop report which indicates a record new national average yield of 44.4 bushels per acre.

Until 1960, annual barley yields since 1866 had averaged less than 30 bushels per acre. In 1960, the crop average was 30.9; in 1965, it was 35.1; in 1967, 40.6; and this year, 44.4. Although harvested acreage has been declining, the larger yields have resulted in production increases.

Currently, the 1969 crop of barley is indicated to be 416 million bushels. Carryover as of July 1 this year was 198 million bushels — up about 60 million bushels over a year earlier. The total supply would be 624 million bushels for 1969-70. Total utilization in 1968 was 368 million bushels. It appears a further increase in carryover is probable as of July 1, 1970.

Other provisions of the 1970 feed grain program will be announced in the near future.

NOTES ON FOREIGN CROPS

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 August 20, 1969 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Conversions to Canadian measures have been made for the convenience of our readers.

Weather and crops. — Weather conditions in Argentina have been very irregular during the last three months. As a result, preparation of the land for sowing and the actual sowing of winter grains has taken place in difficult circumstances, particularly in the provinces of Buenos Aires, Santa Fe and Cordoba. There has been excessive rainfall in the southern part of the grain belt, particularly in the south of Buenos Aires province. In north-eastern Cordoba and the centre and north of Santa Fe, on the other hand, there has been a serious lack of moisture.

Corn. — The Secretariat of Agriculture and Livestock has issued a second estimate of corn production for 1968-69 of 6,900,000 metric tons (271.6 million bushels) 2.8 per cent less than the first estimate of 7,100,000 metric tons (279.5 million bushels) but 5.2 per cent more than the 6,560,000 tons (258.3 million bushels) harvested last year. The 1968-69 crop is also 5.8 per cent and 23.1 per cent larger than the averages of the last five and ten-year periods, respectively.

A record area of 4,604,400 hectares (11.4 million acres) were sown to corn, but as a result of unfavourable weather conditions, 1,028,700 hectares (2.5 million acres) or 22.3 per cent of the sown area were not harvested. Yields averaged 1,930 kilos per harvested hectare (30.7 bushels per acre).

Production in 1967-68 and 1968-69, by province, is estimated to be as follows:

Corn Production

Province	1967-68	1968-69
	thousand bushels	
Buenos Aires	74,012	114,167
Santa Fe	81,492	76,767
Cordoba	69,288	29,526
Entre Rios	11,023	28,620
San Luis	9,094	7,480
Other Provinces	13,346	15,078
Totals	258,253	271,639

Significant increases in production were registered in Buenos Aires and Entre Rios but elsewhere production was lower. In the important corn producing province of Cordoba, production was less than half of what it was last year. The best customers for Argentine corn are Italy and Spain. During the first six months of 1969 these two countries purchased more than 1.8 million tons (70,862,000 bushels) or about two-thirds of total export shipments of Argentine corn. There is a high percentage of damaged grains in this year's crop and on June 6, the National Grain Board raised the maximum percentage of damaged grains which could be admitted to 4 per cent.

The demand for corn in European markets has been firm and prices at Buenos Aires strengthened from 1625 pesos per 100 kilos (\$1.27 per bushel) FOR Buenos Aires at the end of May to as high as 1755 pesos (\$1.38 per bushel) during July before settling back to 1700 pesos (\$1.33 per bushel) at the end of July. Prices at Rosario followed a similar trend, rising from 1615 pesos per 100 kilos (\$1.27 per bushel) at the end of May to 1725 pesos (\$1.35 per bushel) during July and closed at 1680 pesos (\$1.32 per bushel) at the end of the month. Sowing of the 1969-70 crop will commence in September. A new record area is expected to be sown to corn.

Grain sorghum. — On August 12, the Secretariat of Agriculture and Livestock issued the third estimate of sorghum production for 1968-69 of 2,484,000 metric tons (97.8 million bushels). This is the largest volume of sorghum production in history in Argentina and 30.9 per cent larger than last season's crop of 1,897,000 tons (74.7 million bushels) and 64.9 per cent and 99.3 per cent larger than the averages of the last five and ten-year periods, respectively. Production in 1967-68 and 1968-69, by province, was as follows:

Grain Sorghum Production

Province	1967-68	1968-69
	thousand bushels	
Cordoba	24,440	32,518
Santa Fe	21,609	21,428
Buenos Aires	9,409	14,409
Chaco	12,460	13,267
Entre Rios	3,882	9,499
Other provinces	2,882	6,653
Totals	74,681	97,774

Production fell very slightly in the province of Santa Fe but was larger in all other parts of the country. The area sown to sorghum is now estimated to have been 2,151,000 hectares (5.3 million acres), the largest area ever sown to this crop in Argentina. There was also a higher than normal percentage of damaged grains in the sorghum crop and, as a result, the National Grain Board raised the maximum admissible percentage of damaged grains to 4 per cent, effective July 7. Sorghum prices have been very firm rising steadily from 1168 pesos per 100 kilos (92 cents per bushel) FOR Rosario at the end of May to a high of 1355 pesos (\$1.06 per bushel) during July before settling back to 1260 pesos (99 cents per bushel) at the end of the month. The area planted to sorghum in 1969-70 will likely be even larger than in 1968-69. Plantings will take place during October and November.

Oats, barley and rye. — Sowings of oats, feed barley and rye for double purpose had concluded by early June. The plants have developed very well except in a few areas where excessive rains have caused floods on low fields.

In the main oat producing areas in the south of the province of Buenos Aires the sown area is estimated to be about 25 to 30 per cent less than last year. However, in the province of La Pampa and in the centre and west of Buenos Aires province the area sown to oats is at a normal level. The total area sown to oats should therefore be about 15 to 20 per cent lower than last year. Natural pastures are in very good condition and so oats have not been intensively used as forage. Barley sowings have not been yet fully completed, but a considerable area will be planted, particularly in those areas which could not be sown to bread wheat because of the excessive rainfall. The sowing of malting barley has now begun and will be underway until mid-September. The area sown to rye, mainly for forage purposes, should be about the same as last year. The plants are developing well as there are good soil moisture reserves and as insect plagues and plant diseases have not been a problem this season.

Oats, barley and rye prices at the end of July were 1040, 1070 and 1390 pesos per 100 kilos (50 cents, 72 cents and \$1.09 per bushel), respectively, all at Bahia Blanca. These prices are slightly weaker than three months ago as there has been very little interest from exporters and the outlook for the new crop is favourable.

GRAIN SITUATION IN BRITAIN

The following account of the current crop situation in Britain has been extracted from a recent report from Mr. E.L. Gray, Assistant Commercial Secretary, London, and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Weather and crop conditions. — The weather in July was warm and generally dry, although some scattered storms toward the end of the month produced above normal rainfall in South Wales and Southern England.

Most of the winter barley had been harvested by the end of July. Spring-sown barley has been patchy due to the heavy rains early in the season and there have been some fairly heavy infestations of loose smut and mildew, but the crop has improved considerably with the recent warm weather and the average yield is now expected to be marginally higher than in 1968. The oat crop has progressed well since late seeding in some areas and the average yield is expected to be approximately the same as last year.

Most areas of Scotland had the warmest July for a decade. All cereal crops grew well during the month and the wheat stands are heavy, clean and disease-free. An average or above average yield is expected. There is more variation in the barley crop with some lodging, but conditions have improved markedly in recent weeks and the yield prospects are now for at least an average harvest. The oat crop has been patchy due to delayed spring seeding but an average crop is in prospect.

Stocks of grain on farms. — Final estimates by the Ministry of Agriculture of stocks of grain on farms in Great Britain as of the end of June, 1969, totalled 100,000 long tons (3,733,000 bushels) of wheat, 210,000 long tons (9,800,000 bushels) of barley and 40,000 long tons (2,635,000 bushels) of oats, compared to 70,000 tons (2,613,000 bushels), 240,000 tons (11,200,000 bushels) and 70,000 long tons (4,612,000 bushels), respectively, at the same time last year. These figures include grain that has been sold but is still in store on farms.

Production estimates. — In an attempt to improve the accuracy of cereal production estimates in the future, the Home-Grown Cereals Authority has enlisted the co-operation of producers who have their own weighing equipment, in supplying the Authority with confidential returns of actual yields on an acreage basis. The information obtained from these returns will, it is hoped, provide an objective check on the official production estimates before they are published.

French devaluation. — Following the devaluation of the French franc, the Ministry of Agriculture announced that from Saturday, August 9, all prospective rates of country and general levy were replaced by "no quotation". This had the effect of preventing any importers from registering contracts until revised levy rates "appropriate to the new market situation" were established. Current rates of levy were left unchanged but it was pointed out that if the Ministry were advised of any low priced grain leaving the Continent for the United Kingdom, it would be able to increase the rates of current levy before any significant amount of grain entered the country at prices below the M.I.P. level.

Home-Grown Cereals Authority. — The 4th Annual Report of the Home-Grown Cereals Authority for the year ended June 30, 1969, was published in July. In addition to detailed market information and statistics the report includes a summary of the Authority's financial operations, the forward contract bonus scheme, marketing of the 1968 crop and research and development activities. Some highlights from the report follow:

Finance. — Funds raised through levies administered by the Ministry of Agriculture totalled £.97 million (\$252 million Canadian) for barley and £.73 million (\$190 million) for wheat. The rates of levy were 11d. (12 cents) per acre and 1s. 6d. (19 cents) per cwt. on sales for barley and 2s. 6d. (32 cents) on sales for wheat. Approximately 72 per cent of the barley fund came from the sales levy and the balance from the acreage levy. All levy money is either returned to the growers by way of contract bonuses or carried forward as a credit (less the net cost of administration and research by the Authority, after allowing for a contribution by the Exchequer). The credit balances carried forward on the wheat and barley accounts will reduce the amounts to be raised by levies in the 1969-70 year.

Forward Contract Bonus Scheme. — The purpose of this Scheme is to encourage growers to enter into forward contract selling in order to ensure a continuous source of supply to domestic users. The Authority considers that the Contract Bonus Scheme is beneficial to the marketing of home-grown cereals and that this form of selling must be continued in substantial quantities if British grains are to be fully competitive with foreign supplies. In the 1968-69 year, 12,600 growers made forward contracts for wheat, 18,000 growers contracted forward sales of barley and another 22,600 made contracts for either wheat or barley.

Research and development. — The Home-Grown Cereals Authority has been working toward an expanded programme of research and promotion to increase the outlets and demand for British grains through (1) production of the qualities required by the end users and (2) by finding new uses or increasing demands from existing uses. The Authority had planned to initiate research work with various organizations last year, to a value of up to £46,000 (\$120,000) but some work had to be curtailed due partly to a "freeze" on the level of contribution by the Exchequer to the Authority's administrative and research expenses.

Grain markets. — New crop English malting barley has brought up to 28s. 9d. per cwt. (\$2.02 per bushel) for the best lots and 26s. 3d. per cwt. (\$1.81 per bushel) for medium grades, delivered. Compounders have paid as low as 19s. 6d. per cwt. (\$1.39 per bushel) for feed barley for immediate delivery but forward prices were 21s. 0d. per cwt. (\$1.46 per bushel) for October and 21s. 6d. per cwt. (\$1.47 per bushel) for November and December.

Oats for milling were in steady demand in London at 20s. 6d. per cwt. (\$1.39 per bushel) for August, September and October delivery. Demand for feed oats was quiet with the occasional lot for immediate delivery going for 19s. 3d. per cwt. (\$1.32 per bushel) delivered to London.

Market conditions for overseas grains were very quiet due, in part, to the uncertainties over the forward rate for sterling following devaluation of the French franc. Business was confined to occasional purchases for prompt delivery to cover immediate needs and to some resale dealings in U.S. grain on the Liverpool market. Prices ranged from £23. 18s. 9d. to £24. 2s. 6d. per ton (\$1.56 to \$1.57 per bushel) c.i.f., for November delivery.

The Home-Grown Cereals Authority ex farm guide prices were quoted at £22. 15s. per ton (\$1.59 per bushel) for millable wheat and £20. 5s. per ton (\$1.13 per bushel) for feed barley for August and September delivery.

GRAIN SITUATION IN FEDERAL REPUBLIC OF GERMANY

The following account of the current grain situation in the Federal Republic of Germany has been extracted from a report received from Mr. R.R. Parlour, Commercial Counsellor, Canadian Embassy, Bonn, West Germany, under date of August 8, 1969 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Weather conditions. — Farmers in West Germany still expect a grain crop above the average, with generally better results in the South and West than in the North. Harvesting operations started late because, temporarily, the weather was too cold and wet during June (average precipitation throughout the Federal Republic of Germany amounted to 140 per cent of normal during June). As soon as the weather conditions improved, farmers started with the harvesting of winter barley. Ideal harvest conditions have prevailed through July and early August (55 per cent of normal precipitation for July). It is expected therefore that Germany can reckon on a good grain harvest this year, however, the record results of 1968 will probably not be reached. According to official estimates in early July, a total of 18 million metric tons of grain is expected (not including maize). This compares with 18.8 million metric tons in 1968 and 16.2 million metric tons average for 1963-68. About 8.8 (previous year 9.5) million metric tons will probably go to bread grain and 9.1 (9.2) million metric tons to feed grain. Again the cultivated area was extended this crop year by about 1 per cent to almost 5.1 million hectares (about 12.7 million acres).

Farm sales. — Farm sales of grain from July 1968 to the end of May 1969 amounted to 7,432,100 metric tons, i.e. 662,400 metric tons or 10 per cent more than the year before. The sales of wheat amount to 3,620,700 metric tons (133,036,000 bushels), 11 per cent over previous year's figure. Sales of rye were 1,275,200 metric tons (50,202,000 bushels), 9 per cent above the previous year. The sales of feed and industrial grains were 2,536,200 metric tons, or 9 per cent, larger than the year before.

Farm stocks. — According to the Federal Ministry of Agriculture, the following stocks were held on farms at the end of May 1968 and 1969, in metric tons.

	<u>May 1968</u>	<u>May 1969</u>	<u>Per cent</u>
Bread wheat	498,000	525,000	+ 5
Rye and winter mixed grains	356,000	409,000	+ 15
Barley	470,000	563,000	+ 20
Oats and mixed spring grains	599,000	746,000	+ 25
Totals	1,923,000	2,243,000	+ 17

Farm stocks of bread grains were 934,000 metric tons or 9 per cent higher than at the same time last year and 208,000 or 29 per cent higher than the six-year average.

The total grain stocks represent 12 per cent of the amount harvested in 1968. These stocks were about 320,000 metric tons or 17 per cent higher than in the last year.

Market stocks. — Due to seasonal influence market stocks of grain and grain products further decreased in May. With regard to wheat the market stocks amounted to 1,012,900 metric tons, product converted (37,217,000 bushels), i.e. about 7,000 tons (257,000 bushels), one per cent larger than last year's figures having been below previous year's level for several months. Market stocks of all bread grains, product converted, of 1,287,400 metric tons, were 30,900 tons smaller than at the end of May 1968. Stocks of rye, at 274,500 metric tons (10,806,000 bushels) increased by 10 per cent and of feed and industrial grains, at 809,700 metric tons, were about 59,400 metric tons or 6 per cent higher than the previous figure. Total market stocks of grain at the end of May 1969 amounted to 2,097,100 metric tons or 3 per cent more over the 1968 figure of 2,030,700 tons.

Import and Storage Agency. — Up to June 30, 1969, the Federal Import and Storage Agency took over the following quantities of the 1968 crop (previous year's figures in brackets).

Bread wheat	1,990,000 (736,000) metric tons
Bread rye	136,000 (127,000) " "
Other rye	224,000 (24,000) " "
Winter barley	288,000 (76,000) " "
Summer barley	194,000 (7,000) " "

The disruption of the German intervention system caused by the enormous imports of French grain into Germany has prompted the German Government to take further action to ensure German grain from this year's harvest can be taken up.

Instead of a border levy, as proposed by the Germans as compensation for exchange rate disadvantages to the trade, the so-called intervention B will be applied. The Commission has made this decision according to a former French example so that the German owners of grain do not have to bear the burden of the (likely) revaluation until next spring. Besides this the denaturing premiums for wheat will be raised in order to direct more bread grain into the feed trough.

Under intervention B every owner of wheat, rye and barley — including the farmers — can conclude a storage contract with the Import and Storage Agency before October 1, 1969. A prerequisite is that the grain (at least 100 metric tons) meets the intervention requirements and will not be taken up physically by intervention before December 1, 1969. In order that the Import and Storage Agency only have to take up small quantities, they pay the intervention price plus a monthly premium of 0.40 U.A. per metric ton (U.A. = Unit of Account = Canadian \$1.079) for bread wheat, 0.40 U.A. per metric ton for rye and 0.35 U.A. per metric ton for barley to those who participate in the contract; even if the grain is processed and exported. The storage premium is granted for grain under contract which is processed or exported in December. If processed or exported in January the owner receives double the premium. For processing and export from February to July 31, 1970, the premium is paid from August or September 1969. The premium is only payable, however, for a maximum of six months. Therefore the maximum benefits are: for bread wheat 10.80 DM per metric ton, rye 9.60 DM per metric ton and barley 8.40 per metric ton.

This regulation means that the Import and Storage Agency bears the full risk of a change in the exchange rate of the DM or revaluation of the European U.A. The additional storage grain will bring all grain to intervention from February 1970 which has not been processed or exported.

The new measures will not affect further imports of French wheat as the weakness of the futures market Franc still facilitates imports through reductions of 20 to 30 DM per metric ton. Furthermore the denaturing premiums will be raised by 8 DM per ton from August 1, 1969 onwards. This means that feed grain would be cheaper than barley.

Imports of grain. — According to reports issued by the Federal Office of Statistics, the following quantities were imported from July 1, 1968 — May 31, 1969, comparative figures of last year in brackets:

	thousand metric tons	
Wheat (products)	2,315	(1,760)
Rye (products)	68	(82)
Total bread grain	2,383	(1,842)
Barley (converted)	1,368	(1,822)
Oats (converted)	326	(472)
Corn (converted)	2,059	(2,222)

Mixed feed situation. — The production of mixed feed further increased in May. From July 1968 to May 1969 the production of mixed feeds amounted to 7.2 million metric tons or 3 per cent above previous year's level, as a result of increased production of feed for cattle and swine feeding. The grain processed to mixed feeds, 2.5 million metric tons, was 3 per cent below last year's figure.

CALENDAR OF COARSE GRAIN EVENTS

- August 20 Preliminary estimates place carryover stocks of the six major Canadian grains in all North American positions at July 31, 1969 as follows with 1968 totals and the 1958-67 averages in brackets in millions of bushels: wheat, 849.8 (665.5, 529.2); oats, 128.5 (77.0, 127.9); barley, 197.7 (130.9, 107.4); rye, 8.4 (7.5, 7.5); flaxseed, 4.7 (4.7, 7.0); and rapeseed, 4.9 (9.9, —).
- A report published by Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) Canadian Embassy, Buenos Aires, stated that in Argentina a record of 4,604,400 hectares (11.4 million acres) were sown to corn in 1968-69, but as a result of unfavourable weather conditions, 1,028,700 hectares (2.5 million acres), or 22.3 per cent of the sown area, were not harvested. A new record area is expected to be sown to corn in 1969-70.
- October 1 Based on conditions at September 15, production of Canada's principal grain crops in 1969 was estimated as follows with 1968 totals and the ten-year 1958-67 averages in brackets, in millions of bushels: all wheat, 684.8 (649.8, 560.4); oats, 381.2 (362.5, 373.7); barley, 380.5 (325.4, 208.3); all rye, 16.8 (13.0, 11.8); flaxseed, 31.3 (19.7, 19.5); rapeseed, 36.7 (19.4, 13.4); and soybeans, 7.6 (9.0, 6.9).

FATS AND OILS

World Production and Exports of Oilseeds, Fats and Oils at Last Year's Record Levels

The following extract is taken from the September 30, 1969 issue of World Agricultural Production and Trade published by the Foreign Agricultural Service, United States Department of Agriculture. World production and exports of fats and oils in calendar 1969 are not expected to show a significant change from the record levels of 1968. This is in sharp contrast to the general upward trend of the last 5 years during which time production rose at an average annual rate of 3.2 per cent, while exports advanced at an average rate of 3.9 per cent.

While a one per cent decline from last year is indicated in foreign output (compared with a 3.6 per cent average annual increase during 1964-68), a 4 per cent increase is estimated for the United States (1.8 per cent annually during 1964-68). No appreciable increase in 1969 exports is expected from either foreign suppliers or from the United States. During the previous 5 years foreign exports rose at an average annual rate of 4.7 per cent, while U.S. exports rose at 3.1 per cent.

Production estimates include edible and industrial oils produced largely from 1968 oilseed crops and palm, animal, and marine oils and fats produced in 1969. Export estimates represent actual tonnages moving in trade channels in 1969—from 1968 and 1969 supplies.

Dominating factors in the world situation this year include: (1) the record availabilities of soybeans in the United States; (2) the abundant supplies of palm oil in Malaysia; (3) the decline in export availabilities of sunflowerseed and oil in the Soviet Union, Eastern Europe and Argentina; (4) the sharply reduced availabilities of peanuts and oil in West Africa; and (5) the decline in fish oil availabilities in Peru.

Worthy of note also are the abundant new supplies of flaxseed in North America, the record production of rapeseed in Canada (but sharply lower in eastern Europe), present prospects of increased peanut production in India and West Africa, and the continuing burdensome supplies of butter in Europe and the Soviet Union.

Fats and oils production in 1969 is indicated at 41.2 million tons, about the same as last year's record high but 12 per cent above average annual production during 1962-66. Indications are that exports may approximate 12.5 million tons, also virtually the same as in 1968 but 16 per cent above the 1962-66 average.

Edible vegetable oils. — World exports of edible vegetable oils in 1969 will be down for the first time since 1963. Present indications are that they will be about 2 per cent less than last year's record but 31 per cent more than the 1962-66 average. Declines in peanut, sunflower, sesame, safflower, and corn oils are expected to exceed increases in soybean, cottonseed, rapeseed, and olive oils.

This year's exports of cottonseed and cottonseed oil combined are expected to increase sharply from the reduced levels of the last 2 years largely because of the expansion likely to occur in U.S. oil exports. Increased exports, though of lesser magnitude, probably also are forthcoming from the Soviet Union, Syria, Argentina, the Sudan, and Nigeria. The total gain, however, will be partially offset by somewhat smaller exports from Nicaragua and Mainland China.

World exports of peanuts and peanut oil in 1969 largely reflecting export availabilities from 1968 crops will fall substantially below last year's record level and may be the smallest since 1962. Exports from virtually all countries are expected to be down. Peanut production in 1969 declined 13 per cent or 2.4 million tons from the record harvest of 1968; smaller crops were harvested in most major growing areas except Nigeria and the United States. Moreover, because of the heavy exports of 1968, stocks in major supplying countries were reduced while those in important consuming countries rose sizeably. Thus, with both production and stocks in producing areas reduced, export availabilities this year have been sharply below last year's levels. As a consequence, prices of peanuts and peanut oil rose far above those of recent years at a time when prices of competing oils were declining.

While commercial purchases from Nigeria's 1968 crop were 13 per cent above purchases in the previous year, carry-in stocks by November 1, 1968, were reduced to an estimated 160,000 tons against 426,000 tons a year earlier because of record exports in 1968. As a result total supplies were about 160,000 tons less than last year's. These lower supplies plus continuing transportation problems, stemming recently from shortage of coal which has affected rail transport, will be reflected in smaller exports this year. Peanut exports during January-July were reported preliminarily at 300,000 tons, shelled basis, against 414,000 tons in the same period of 1968.

Prospects for 1969 world peanut production are still speculative, but current indications favor increased output. In the Southern Hemisphere where crops are already harvested, Argentina's output is down 73,000 tons, but South Africa's is up almost 100,000 tons. Brazil's is about the same as in 1968. However, Brazil has raised the support price for the 1970 peanut crop by 27 per cent. The United States for the eighth successive year is again harvesting a record crop up 50,000 tons from last year's peak.

Indian prospects are favourable. There apparently have been good, beneficial rains in all producing areas. In Nigeria, the announcement of higher producer prices was made in June to stimulate farmers to plant more peanuts, but even then planting had been completed in some areas. As of late July the main producing areas of the north, with the exception of Katsina Province, had had favourable weather. With continued favourable weather, commercial production could increase by possibly 100,000 tons. And, as of mid-August, rains had been slightly above normal in Senegal and the condition of the crop was good.

Soybean and soybean oil exports on a combined basis will reach a new record for the third consecutive year. The current projection of 2.35 million tons, oil basis, would represent a 5 per cent increase from last year's exports and a 30 per cent increase from the 1962-66 average. This forecast is based on indications of some gain in shipments from the major exporting countries: the United States, Mainland China, and Brazil.

U.S. exports of beans and oil, which account for nearly 95 per cent of world exports, are expected to approximate 2.2 million tons, oil basis, or slightly more than in 1968. Bean exports likely will reach a new record for the eighth consecutive year, but oil exports may fall short of last year's level. Exports during the spring months following the 2-month longshoremen's strike were heavy as buyers built up their virtually depleted stocks. Exports during July and August slackened as buyers held off in anticipation of lower prices for 1969-crop beans because of the cut in the price support rate from \$2.50 per bushel for No. 2 beans to \$2.25 for No. 1 beans. Though the export movement of new crop beans normally is heavy the first quarter of

the marketing year, purchases of beans and meal are expected to be exceptionally heavy during October, November, and December, not only because of reduced prices but also because of reduced inventories of oilseeds and oils abroad.

Soybean exports from Mainland China in 1969 may also be slightly above the 20-30 million bushels exported in each of the last 5 years. Commitments to Japan under the trade agreement are down almost 2 million bushels from last year, but the decline, as in the last 2 years, is expected to be more than offset by increased purchases by the so-called "Friendly Firms". Japan's imports from China during January-June were up one-fifth from last year's level. About two-thirds of China's exports of soybeans go to Japan.

Brazil's 1969 soybean exports are estimated at a record 12 to 13 million bushels compared with only 2 million in 1968 and 11 million in 1967. Brazil's 1969 harvest was a record high. Moreover, some improvement in Brazil's edible oil situation this year, particularly in view of the increase in cottonseed production and another good crop of peanuts, means that fewer beans probably are being crushed domestically. Consequently, more are available for export.

World production of soybeans in 1969 is expected to again set a new record. A near-record crop is being harvested in the United States—1.05 billion bushels, which together with carry-in stocks of 300 million, make for a record-large supply. Brazil's harvest early this year was up sharply to an estimated 34 million bushels against 23 million last year. Brazil's soybean production in 1970 probably will increase further as the government has raised the support price for next year's crop by 30 per cent. Also, indications are that larger crops have been produced this year both in Mainland China and the Soviet Union.

World exports of sunflowerseed and oil in 1969 are expected to decrease by 8 per cent from the record volume of 1968. The expected decline is largely based upon an anticipated substantial reduction in exports of sunflower oil from Argentina, because of reduced seed production in 1969. However, exports of seed from Bulgaria may decline, reflecting a significant drop in the 1968 harvest. Also, some decline in exports of seed and oil from the Soviet Union is expected despite the official Soviet report of a record 1968 crop. Recent Soviet offerings for export are reportedly lighter, and prices have increased substantially. The reason for this is unclear but may reflect uncertainty about the outcome of the 1969 crop, over-estimation of the 1968 crop, or some change in supply management policy following the sharp reduction in prices which followed their previous attempts to expand exports. A larger percentage of the Soviet exports could move to eastern Europe in future months, reflecting the reduced 1969 rapeseed harvest there. Partly offsetting these expected declines, exports from Yugoslavia, Hungary, and Romania may increase somewhat because of larger 1968 crop harvests.

Although expansion in sunflower exports will likely continue over the long term, this year could well mark a leveling off of the phenomenal rate of expansion that more than quadrupled the volume in the 1961-68 period. During this period the average annual increase in sunflower exports amounted to 137,500 tons or roughly 48 percentage points increase per year far exceeding the relative rate of increase of any other commodity for that period, except rapeseed. In absolute terms the expansion in volume of sunflower trade during the 1961-68 period totalled nearly 1 million tons - second only to soybeans, which expanded by about 1.1 million tons.

The world sunflowerseed crop in 1969, according to preliminary indications, may increase slightly from that of last year, approaching the record volume of 1967. The expected increase takes account of a 116,800 ton aggregate reduction in Southern Hemisphere spring harvested crops (chiefly Argentina). This decline is expected to be more than offset by larger output in Europe - primarily Yugoslavia, but also Bulgaria and France, as well as in Asia, chiefly Turkey. The expected increase assumes that Soviet output this season will be slightly larger, reflecting a slightly larger acreage. The actual results, of course, are still open to question.

The sharp upward trend in sunflower production which has taken place since 1960 is unique in so far as the major factors to which it may be attributed. First, the bulk of the increase on an oil basis reflects the development and expanded use of improved varieties of seed having oil extraction rates 80 per cent and more above those used a decade ago. Second, increased yields of seed per acre through use of improved seed and cultural practices have accounted for substantial gains. Third, increased acreage which has been the factor accounting for most of the expanded output in other oilseed crops has been only a minimal factor in the expansion of sunflower. Total harvested acreage in the major producing countries has increased by only 1.6 per cent per year during the past decade.

Following this period when unique factors were at work, which boosted sunflower production to record levels, we now approach a period when such dynamic factors may have about run their course. Thus, future production expansion is expected to be more in line with growth in planted acreage and seed yields. However, this is not to say that some further developments in higher oil yielding seed varieties will not take place, but these are not expected to be of major consequence.

World exports in 1969 of rapeseed and oil are expected to increase about 5 per cent above the record quantity shipped in 1968, when exports, in terms of oil, reached 437,000 tons. Heavier exports are anticipated from Canada and France, offsetting a possible decline in exports during the last quarter of the year from Poland, East Germany, and Sweden.

World production of rapeseed is currently estimated at 5.69 million tons, second only to the record 5.86 million produced in 1968. In terms of oil production, the decrease is calculated at approximately 60,000 tons, part of which may mean reduced export supplies in some European countries.

Production in France, although 12 per cent above the previous year, fell far short of the anticipated yield. Increased acreage in 1969 had indicated a production range 10 per cent higher than the recent official estimate of 553,000 tons before killing frosts occurred during the past winter, especially in Normandy, Alsace, and the Loire Valley.

An estimated 17 per cent of the rapeseed crop in West Germany was also damaged by the severe weather, with the greatest loss reported in the Schleswig-Holstein area. Rapeseed production is now estimated at scarcely 1 per cent above last year's level.

With the exception of France and West Germany, rapeseed production in other European countries is estimated to be below the 1968 level. Countries hardest hit by the severe frosts were Poland, Sweden, East Germany, and Denmark.

Adverse weather also caused rapeseed production to decline in Asia. Production in India fell 3 per cent below last year and in Pakistan, 22 per cent, due to lack of rain in the growing season. Neither of these countries, however, produce rapeseed for export. There are some indications that rapeseed production in Mainland China may have been reduced by excessive rains in the spring of 1969. The overall decline from 1968 in Asia is estimated to be 6 to 7 per cent.

Perhaps the most astounding increase in rapeseed production was the phenomenal rise officially reported by Canada in September. Production in 1969 was estimated at 940,000 tons, 94 per cent above last year and 46 per cent above the record 1966 crop. The Canadian increase alone will more than offset reduced export availabilities in other countries. An estimated 2.01 million acres were planted to rapeseed, compared with 1.05 million in 1968. Farmers increased oilseed acreages because of the excessive world supply and consequent low prices received for wheat. Despite some freezing weather in June, weather conditions were considered extremely favourable for rapeseed and yields per acre averaged 889 pounds compared with 762 pound per acre in 1968.

If prices for Canadian rapeseed remain competitive in world markets, increased exports from Canada may be expected in both 1969 and 1970.

Sesameseed and oil exports in 1969 are expected to decline nearly 15 per cent below the previous year. Exports from the Sudan, the major exporter of sesameseed, are expected to reflect the sharp decrease in production. Nigerian exports, however, are expected to increase, partially offsetting the decline. Slightly higher exports are also anticipated from Central American countries where sesame is grown primarily as an export crop.

World production of sesame oil in 1969 (extracted primarily from seed harvested in the preceding year) is estimated at 585,000 tons, 11 per cent below the 1968 level. The decline resulted mainly from reduced crops in the Sudan, India, China, and Burma, as well as in Colombia and Venezuela. While there were no sizeable increase in production, the commercial crops of sesameseed in Nigeria, Nicaragua, Honduras, and Guatemala showed moderate increases over the previous year.

Exports of safflowerseed and oil in 1969 may be down 25 per cent below last year's very low total of 40,000 tons, oil equivalent. Decreased production in 1968 in the United States and Mexico, the major exporters of safflowerseed, resulted in lower export availabilities during the current year. Indications are, however, that safflowerseed production in both countries may increase next year.

World production of safflower oil is estimated at 170,000 tons, 28 per cent below 1968 and the lowest production estimate since 1964. The sharp decline resulted from decreased production in the United States, Mexico, Australia and Spain.

Net exports of pressed olive oil in 1969 are expected to rise somewhat, due to increased movement from Spain and Turkey, following increased availabilities from the 1968 olive crops. Exports from Greece and Tunisia are not expected to change appreciably. The overall net increase will be mitigated by increased imports by countries within the Mediterranean basin—chiefly Italy. The sharp upturn in Italian imports reflects the substantial reduction in output from 1968 crop olives as well as the reduction in Common Market gate prices this season.

Imports into the United States, the largest olive oil importer outside the Mediterranean basin, may, however, be somewhat less in 1969 than the large volume of 1968.

Preliminary forecasts indicate that world output of pressed olive oil from 1969-crop olives (1969-70 oil production) will increase by roughly 6 per cent from the 1968-69 volume and will be 9 per cent above the 1962-63 to 1965-66 average. This will be chiefly due to expectations of increased output in Italy, Greece, and Portugal. Production in Turkey, Tunisia and Morocco will, however, register significant declines. Output in Spain may decline slightly.

It appears that the significant increase in new crop output will result in a further build-up in olive oil stocks in the producing countries, largely Spain, despite the expectation of some increase in consumption and exports. The volume of stocks is expected to be the largest since November 1, 1964, following the large olive crop harvest of 1963.

Palm oils. — Total 1969 exports of the palm oils will rise by an estimated 4 per cent from the 1968 volume. This reflects a substantial increase in exports of palm and palm kernels oil chiefly from Malaysia and some recovery in exports from Nigeria. However, Philippine exports of copra and coconut oil, oil basis, will not achieve early expectations, and consequently total exports of copra and coconut oil, oil basis, may decline slightly from the relatively small volume of 1968.

Total exports of copra and coconut oil (oil basis) are expected to decline slightly in 1969. A decrease in exports from the Philippines is expected to take place despite the increase in bearing tree numbers. The decline reflects lower than expected yields due to below average rainfall which continued through May. Philippine exports in the January-July period, oil basis, were 5 per cent below those of the comparable 7 months in 1968. The monthly rate of exports in the remaining months this year will increase but is not expected to achieve the normal seasonal upswing because of low rainfall. Therefore, total Philippine exports may fall further behind the volume exported in the comparable period last year.

World exports of palm oil in 1969 are expected to increase by over 100,000 tons, but the rate and amount of the increase will be below that of a year earlier, up 15 per cent this year compared with a 21 per cent increase in 1968 over the low volume of 1967. Most of the increase will be from expanded output in Malaysia although movement from Nigeria is expected to recover somewhat. This recovery, however, is not expected to reach the pre-1966 volume because domestic needs have grown significantly in recent years and this will tend to restrict availabilities for export unless production is significantly expanded. Exports from the Congo (Kinshasa) in 1969 are not expected to increase significantly since production will rise only slightly.

World production of palm oil in 1969 is now expected to register a 13 per cent increase from that in 1968 to a volume exceeding 1.6 million tons, or nearly 350,000 tons above the low volume of 1967. Though this estimate is 4 per cent below that previously published, it represents what seems to be the beginning of a sharp uptrend in output that is expected to double the present volume by 1975. Thus, during the 1967-75 period, the annual growth rate (compound) in world palm oil output is projected at 11.7 per cent. Virtually all of the increase will be produced in developing countries of equatorial latitude, Malaysia, the Ivory Coast, Indonesia, Dahomey, Cameroons, Colombia, and Sierra Leone. The increase will result from a sharp expansion

in harvested acreage as well as increased yields per acre from improved varieties. Interestingly, these newer improved varieties yield a smaller proportion of palm kernel oil to palm oil per tree than do the traditional African varieties, but the demand structure for palm oil is such that producers receive a much lower price per unit of this newly abundant commodity than for palm kernel oil.

Exports of palm kernel oil in 1969 are estimated about 10 per cent higher than in 1968, thus nearly paralleling this year's expansion in production. The increase will reflect larger exports by Malaysia, Nigeria, Sierra Leone, and Cameroon. Approximately one-third of the total volume exported now moves as oil, and this proportion has been increasing.

The long-term outlook for production and exports of palm kernels, as with palm oil, points to substantial expansion during the next few years. The rate of expansion will, however, be significantly lower than that for palm oil.

CANADIAN SITUATION

Marketings of Flaxseed Increase but Rapeseed Below Previous Year

Data recorded for the 1968-69 crop year, indicate that primary deliveries of flaxseed have amounted to 15.3 million bushels in contrast to the 7.9 million of the previous year but marketings of rapeseed, at 17.5 million registered a 13 per cent decrease from the corresponding 1967-68 figure of 20.0 million.

Commercial Supplies

Total visible supplies of Canadian flaxseed at August 20 this year, at 2.8 million bushels, were 23 per cent less than the comparable level of 3.6 million in 1968 and sharply below the 10.0 million in 1967. Most of the current total was accounted for by supplies in country elevators, Vancouver-New Westminster and the Lakehead. The 1.1 million bushels at country elevators remained unchanged from the previous year's figure of 1.1 million and less than half the 2.5 million of two years ago. Stocks of flaxseed in Vancouver-New Westminster, at 0.6 million were practically the same as in 1968 but decreased sharply from the 1.7 million of 1967. Lakehead stocks, at 0.5 million showed heavy declines from the 1.2 million at the same date in 1968 and the 3.9 million of two years ago. Rapeseed stocks at August 20 this year amounted to 3.9 million bushels with the bulk of this grain in country elevators (2.0 million), in Vancouver-New Westminster (0.8 million) and in transit rail, western division (0.7 million).

Domestic Market

Crushings of the major oilseeds, flaxseed, soybeans and rapeseed, in Canada during the 1968-69 crop year (August-July), have accounted for a total of 29.1 million bushels, 7 per cent above the 27.3 million of the previous crop year. Most of the current total is accounted for by crushings of some 20.1 million bushels of soybeans as compared with 19.8 million during the crop year 1967-68. Crushings of flaxseed, at 2.1 million bushels, represent a decline from the comparable 1967-68 figure of 2.3 million. Total rapeseed crushed in 1968-69 amounted to a record 6.9 million bushels, some 34 per cent more than last year's comparable total of 5.2 million. In addition, 0.8 million bushels of sunflower seed were crushed during 1968-69, unchanged from last year's total.

1968-69 Exports of Flaxseed, Rapeseed and Soybeans

Flaxseed exports during 1968-69 at 13.4 million bushels, were 6 per cent more than the 1967-68 level of 12.6 million. Major markets for this oilseed in 1968-69 were: Japan with imports of 4.9 million bushels, and Netherlands and Britain 2.2 million each. Clearances of Canadian rapeseed in the 1968-69 crop year amounted

to 14.3 million bushels also above the 12.3 million of the previous year. The major markets for this commodity were Japan with 10.9 million bushels, Taiwan with 1.8 million and Morocco with 1.1 million. Customs exports of soybeans during the crop year 1968-69, at 1.1 million bushels were less than the previous crop year total of 1.6 million. Britain with 1.0 million bushels accounted for 90 per cent of the total. The 1968-69 mustard seed exports, at 3.1 million bushels were 41 per cent above the 2.2 million of the previous year with United States, the Netherlands and Japan being the principal customers.

Outlook for The 1969 flaxseed crop is now forecast at 31.3 million bushels, some
Oilseed Crops 59 per cent above last year's outturn of 19.7 million and 61 per cent more than the (1958-67) average of 19.5 million. Acreage sown to this crop in 1969 is 60 per cent larger than that of last year and the average yield at 12.8 bushels per acre is one per cent smaller than last year's 12.9 bushels. Rapeseed production in 1969 is forecast at a record 36.7 million bushels, sharply above both the 19.4 million of last year and the ten-year (1958-67) average of 13.4 million bushels. Acreage seeded to this crop was also at a record level and was 91 per cent larger than in 1968 but the average yield of 18.2 bushels per acre is one per cent lower than the 1968 outturn of 18.4 bushels. Production of soybeans in 1969 is currently forecast at 7.6 million bushels, 16 per cent smaller than last year's outturn of 9.0 million. The average yield per acre is forecast at 23.6 bushels compared with 30.6 bushels last year and the ten-year (1958-67) average of 27.9 bushels per acre. The area sown to sunflower seed in 1969 is 51,500 acres compared with 40,000 acres planted in 1968. Production on the 48,000 acres seeded in Manitoba is estimated at 34,000,000 pounds, 42 per cent above the 1968 crop. Yield data are not yet available for Saskatchewan and Alberta.

Urgently Required Grain On October 7, 1969 The Canadian Wheat Board in its instructions to the trade No. 22 authorized, effective immediately and until further advised, the shipment, for which the elevator manager has shipping orders, of Flaxseed ex delivery points in Manitoba, Saskatchewan and Alberta to the Lakehead on an out-of-order basis under Shipping Order No. 500 as indicated in instructions to the trade No. 49 of February 24, 1969.

All outstanding shipping orders as well as subsequent orders covering the above grain should be changed to Order No. 500 and cars should be requested from the railway as this grain is urgently required at this time.

Quota on Rapeseed The Canadian Wheat Board in its instructions to the trade re
1969-70 Crop Year quotas (general) No. 9 under date of October 14, 1969, announced that effective immediately, at all delivery points within the designated area, the quota of five (5) bushels per seeded acre to rapeseed as indicated in our instructions to the trade re quotas (general) No. 1 of July 31, 1969, is hereby increased to eight (8) bushels per seeded acre, or four hundred (400) bushels, whichever is the larger.

Oilseed Crashings in Canada, Crop Years 1957-58 — 1968-69

Item	Flaxseed	Soybeans	Rapeseed	Sunflower seed
<hr/>				
<u>Quantity crushed</u>	bushels			
1957-58	3,617,201	13,794,847	464,575	225,563
1958-59	3,301,339	14,912,041	761,351	227,834
1959-60	2,606,670	17,080,212	225,632	257,415
1960-61	2,916,230	16,278,678	959,803	561,094
1961-62	2,464,829	16,916,471	1,313,750	204,463
1962-63	2,529,185	17,861,659	1,615,841	89,765
1963-64	2,752,279	18,605,840	1,574,065	488,101
1964-65	2,901,402	19,540,984	2,156,419	782,162
1965-66	2,630,729	20,653,645	3,745,507	453,514
1966-67	2,542,947	19,876,294	4,963,009	468,453
1967-68	2,266,312	19,846,112	5,159,104	813,368
1968-69	2,085,364	20,054,212	6,933,822	808,186
<u>Oil produced</u>	pounds			
1957-58	72,182,909	145,931,225	8,319,230	1,659,300
1958-59	64,447,238	154,939,082	13,822,538	1,867,530
1959-60	51,098,597	184,309,833	4,112,870	2,077,420
1960-61	57,632,697	173,836,582	16,869,068	4,777,185
1961-62	47,918,330	176,821,397	24,340,311	1,843,934
1962-63	49,104,853	183,591,681	30,800,116	797,005
1963-64	53,173,265	192,654,904	30,759,353	4,669,683
1964-65	55,742,235	201,056,959	42,430,605	7,935,255
1965-66	51,387,759	205,295,970	73,384,109	4,790,847
1966-67	50,487,408	201,522,206	99,366,504	5,561,010
1967-68	44,946,101	198,999,327	103,470,711	9,966,861
1968-69	41,044,253	204,026,576	140,543,142	9,449,015
<u>Oil meal produced</u>	tons			
1957-58	62,420	326,377	7,034	1,071
1958-59	57,248	352,912	11,388	1,047
1959-60	44,908	400,558	3,332	1,147
1960-61	50,513	380,558	14,950	2,721
1961-62	42,944	396,067	20,224	987
1962-63	43,140	418,526	24,094	458
1963-64	47,775	441,526	23,199	2,406
1964-65	50,882	464,888	31,465	4,324
1965-66	44,891	491,440	54,017	2,597
1966-67	43,677	474,365	70,838	2,697
1967-68	39,137	472,321	74,175	4,299
1968-69	35,822	476,328	98,207	4,575

Stocks of Oilseeds and Products, Canada
July 31, 1957-69

Item	Flaxseed	Soybeans	Rapeseed	Sunflower seed
<u>Raw material</u>	bushels			
1957	150,195	2,143,959	11,319	151
1958	158,004	1,732,455	—	532
1959	281,102	2,439,773	31,275	51,637
1960	116,807	2,537,957	4,806	65,301
1961	190,607	1,792,048	814	2,439
1962	102,140	1,056,132	138,324	12,642
1963	122,517	1,311,829	1,562	47
1964	238,732	1,533,096	66,090	379,731
1965	213,879	1,066,666	196,043	37,099
1966	238,227	1,867,475	217,069	48,081
1967	296,689	1,718,066	238,764	19,102
1968	90,532	1,680,862	353,431	325,689
1969	43,828	1,604,349	266,579	116,720
<u>Oil</u>	pounds			
1957	2,939,203	4,609,844	803,642	136,925
1958	2,254,340	10,690,026	969,128	184,755
1959	4,078,849	8,609,830	854,528	741,210
1960	5,282,569	7,131,786	76,875	4,800
1961	3,886,589	11,755,625	1,509,800	308,040
1962	5,412,508	9,816,644	5,944,257	532,620
1963	6,295,323	11,394,447	1,892,918	300,905
1964	4,399,326	9,838,194	1,610,553	184,230
1965	6,586,595	10,955,793	3,517,931	331,190
1966	7,615,342	13,472,862	4,354,657	321,960
1967	8,764,322	8,165,791	3,880,952	737,450
1968	6,077,512	7,851,957	2,804,467	451,100
1969	4,422,548	7,888,552	6,741,795	260,700
<u>Oil meal</u>	tons			
1957	3,333	7,633	2,951	110
1958	1,332	2,377	1,095	39
1959	1,175	5,570	840	35
1960	2,621	10,714	197	30
1961	2,738	8,286	474	1
1962	1,103	3,754	912	1
1963	997	5,434	1,050	—
1964	5,052	4,348	1,215	403
1965	247	11,489	626	255
1966	986	8,762	1,191	62
1967	3,365	768	1,270	307
1968	5,254	9,316	6,519	190
1969	3,310	12,747	732	26

FARMERS' MARKETINGS OF FLAXSEED AND RAPESEED

Marketings of flaxseed and rapeseed in the Prairie Provinces during the 1968-69 crop year were higher than the comparable deliveries of the previous year. Deliveries of flaxseed, at 15.3 million bushels, almost doubled the 1967-68 comparable total of 7.9 million but 9 per cent smaller than the 10-year average for the period of 16.8 million bushels. Rapeseed marketings, at 17.5 million bushels, were 13 per cent lower than the 20.0 million of the previous season but considerably higher than recent ten-year average for the period of 9.7 million bushels.

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

Period or week ending		Flaxseed(1)			
		Man.	Sask.	Alta.	Total
		thousand bushels			
August	1, 1968 — May 21, 1969	7,617	3,020	2,732	13,368
	28	77	39	23	139
June	4	47	59	46	152
	11	105	75	69	248
	18	119	91	52	262
	25	94	88	39	222
July	2	38	55	40	133
	9	53	69	26	148
	16	111	44	17	172
	23	51	60	31	142
	31	94	140	124	358
Totals		8,406	3,739	3,198	15,344
1967-68 crop year ^r		4,738	1,619	1,591	7,948
10-year average 1957-58-1966-67		6,505	6,183	4,152	16,840
		Rapeseed(2)			
August	1, 1968 — May 21, 1969	1,316	6,947	5,408	13,671
	28	12	99	62	173
June	4	20	142	99	261
	11	51	240	133	424
	18	53	191	151	394
	25	43	177	140	360
July	2	15	125	78	218
	9	42	69	81	192
	16	21	107	146	273
	23	48	124	98	270
	31	71	691	487	1,249
Totals		1,691	8,912	6,882	17,485
1967-68 crop year ^r		1,820	8,005	10,176	20,002
10-year average 1957-58-1966-67		740	5,282	3,715	9,737

(1) Includes receipts at country, interior private and mill, interior semi-public terminal elevators and platform loadings. (2) Includes receipts at country and mill elevators. ^r Revised figures.

Visible Supply of Canadian Flaxseed, August 20, 1969 Compared with
Approximately the Same Date 1967 and 1968

Position	1967	1968	1969
thousand bushels			
Country elevators — Manitoba	327	268	126
Saskatchewan	1,166	471	513
Alberta	1,010	312	461
Sub-totals	2,503	1,051	1,100
Interior private and mill	16	11	28
Interior terminals	—	—	1
Vancouver-New Westminster	1,733	649	643
Fort William-Port Arthur	3,894	1,193	521
In transit rail (western division)	692	204	337
Bay, Lake and Upper St. Lawrence ports	97	—	—
Lower St. Lawrence and Maritime ports	982	498	74
In transit lake	86	—	88
Totals	10,003	3,606	2,792

Visible Supply of Canadian Rapeseed, August 20, 1969 Compared with
Approximately the Same Date 1967 and 1968

Position	1967	1968	1969
thousand bushels			
Country elevators — Manitoba	139	474	125
Saskatchewan	1,333	1,937	1,160
Alberta	1,130	1,597	705
Sub-totals	2,602	4,008	1,990
Interior private and mill	167	295	217
Interior terminals	2	1	1
Vancouver-New Westminster	1,093	1,984	791
Fort William-Port Arthur	103	123	113
In transit rail (western division)	452	240	711
Lower St. Lawrence and Maritime ports	—	49	51
Totals	4,419	6,700	3,874

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 1968-69 crop year amounted to 15,710 and represented an increase of 12 per cent over the 14,052 cars of these oilseeds inspected during the 1967-68 crop year.

The 90.9 per cent of the 1968-69 crop year of rapeseed inspections which were graded 1 Canada represents a 5.7 per cent decrease from the 96.6 per cent falling into this category in 1967-68.

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

Grain and grade	Crop year		August-July	
	Average			
	1962-63 — 1966-67	1967-68	1968-69	
	per cent		cars	per cent
<u>Flaxseed</u>				
1 C.W.	85.1	93.2	4,802	57.0
2 C.W.	1.8	0.6	395	4.7
3 C.W.	0.6	1.0	92	1.1
4 C.W.	(2)	0.1	14	0.2
Tough (3) (4)	9.6	2.8	2,274	27.0
Damp (3) (5)	1.8	0.8	836	9.9
Rejected (3)	0.6	0.3	9	0.1
All Others	0.5	1.3	6	0.1
Totals	100.0	100.0	8,428	100.0
Bushel equivalent (approximately) ..			16,359,000	
<u>Rapeseed</u>				
1 Canada		96.6	6,616	90.9
2 Canada		0.4	320	4.4
3 Canada		0.3	63	0.9
Others		2.8	283	3.9
Totals		100.0	7,282	100.0
Bushel equivalent (approximately) ..			15,838,000	

(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			
	1965-66	1966-67	1967-68	1968-69
<u>Flaxseed</u>	bushels			
Stocks at beginning of crop year	7,141,165	11,141,301	11,830,585	4,678,047
Production	29,176,000	22,020,000	9,378,000	19,666,000 ^r
Imports	1,193	1,746	1,138	4,925
Exports	18,935,830	16,568,065	12,610,558	13,421,430
Domestic crushing	2,630,729	2,542,947	2,266,312	2,085,364
<u>Prices(1)</u>	cents and eighths per bushel			
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	316/1
January	299	293/5	348/5	327/7
February	303/3	295/6	348/6	330/4
March	297/7	299/6	342/4	325/4
April	296/3	301/5	332	327/6
May	292/6	396/5	354/3	329/3
June	294	304/4	350	327/1
July	295/7	335/2	354/6	343/5
Yearly average	299/3	300/2	345/5	330/5
<u>Flaxseed oil</u>	pounds			
Exports	11,279,100	10,116,500	21,986,300	10,865,400
Domestic production	51,387,759	50,487,408	44,946,101	41,044,253
<u>Flaxseed meal</u>	tons			
Exports	15,161	14,373	6,990	5,929
Domestic production	44,891	43,677	39,137	35,822

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

^r Revised figure.

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

	Crop year			
	1965-66	1966-67	1967-68	1968-69
<u>Rapeseed</u>	bushels			
Production	22,600,000	25,800,000	24,700,000	19,400,000 ^r
Exports	13,632,267	13,817,739	12,308,678	14,311,194
Domestic crushing	3,745,507	4,963,009	5,159,104	6,933,822
<u>Prices(1)</u>	cents and eighths per bushel			
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	227/2
January	295	280/7	233/1	234/7
February	287/5	284/3	231/2	244/5
March	265	294/4	224/2	231/2
April	269/2	280/5	212/6	226/6
May	270/4	273/3	213/2	219
June	284/2	269/3	210/3	215
July	282/6	271/1	201/2	217/6
Yearly average	266	278/3	226/6	222
<u>Rapeseed oil</u>	pounds			
Domestic production	73,384,109	99,366,504	103,470,711	140,543,142
<u>Rapeseed meal</u>	tons			
Exports	2,432	127	N.A.	N.A.
Domestic production	54,017	70,838	74,175	98,207

(1) Winnipeg Grain Exchange No. 1 Canada Rapeseed, basis in store Vancouver.
N.A. — Not available.

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

	Crop year			
	1965-66	1966-67	1967-68	1968-69
<u>Soybeans</u>	bushels			
Production	8,030,000	9,012,000	8,091,000	9,027,000
Imports	17,057,790	16,294,633	13,328,316	12,469,497
Exports	2,152,373	3,599,042	1,570,763	1,122,895
Domestic crushing	20,653,645	19,876,294	19,846,111	20,054,212
<u>Prices(1)</u>	cents and eighths per bushel			
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	258/1
January	298/5	296/6	273/6	260/4
February	302/7	295/1	276/5	261/2
March	321/7	300/4	276/3	260
April	297/4	298/5	272/3	264/7
May	321/7	300/4	272/1	267/2
June	346/6	304/5	269/1	264/3
July	362/1	300/2	269/5	270/3
Yearly average	301/2	306/4	278/3	261/7
<u>Soybean oil</u>	pounds			
Imports	23,676,400	20,372,400	20,941,700	25,651,900
Exports	35,347,900	34,624,000	30,291,500	32,090,600
Domestic production	205,295,970	201,522,206	198,999,327	204,026,576
<u>Soybean meal</u>	tons			
Imports	225,389	228,429	237,107	246,826
Exports	242,497	170,391	169,321	131,235
Domestic production	491,440	474,365	472,321	476,328

(1) Buying prices, carlots, f.o.b. Chatham, No. 2 and better.

Monthly Prices of Oils and Meals(1) Crop Years 1967-68 and 1968-69

Year and month	Linseed oil	Rapeseed oil	Soybean oil	Linseed meal(2)	Rapeseed meal	Soybean meal
	cents per pound			dollars per ton		
1967-68						
August	14.78	10.07	11.87	117.20	66.95	106.00
September	14.55	9.57	11.78	117.80	68.90	108.60
October	13.78	9.17	11.42	118.00	63.43	107.80
November	14.55	8.93	11.13	118.00	63.83	101.40
December	14.44	8.95	11.20	118.00	63.95	102.20
January	14.44	8.89	11.06	118.40	65.27	104.20
February	14.22	8.92	11.45	118.40	65.95	104.60
March	13.89	9.09	11.35	118.40	65.43	103.80
April	13.00	8.69	10.86	118.80	65.05	104.80
May	14.55	8.68	10.60	119.00	64.08	104.80
June	14.11	8.52	9.72	119.00	63.32	110.60
July	14.33	8.17	9.30	119.00	61.33	112.20
Yearly average ...	14.22	8.97	10.98	118.33	64.79	105.92
1968-69						
August	13.89	7.93	9.26	117.20	60.00	115.80
September	13.78	7.97	9.01	117.80	63.73	117.80
October	13.67	7.90	8.84	118.00	64.15	110.80
November	13.22	8.04	9.61	118.00	62.07	104.40
December	13.44	8.66	10.37	118.00	59.40	104.00
January	13.89	8.94	10.05	118.40	58.83	102.60
February	13.67	8.93	9.97	119.00	58.87	102.10
March	13.74	8.92	10.35	119.40	59.29	103.93
April	13.67	8.86	10.11	119.20	60.82	106.20
May	13.67	8.93	10.28	119.40	62.05	110.50
June	13.37	8.15	9.26	120.20	64.03	111.33
July	13.86	8.29	9.47	120.20	62.52	109.13
Yearly average	13.66	8.46	9.72	118.73	61.31	108.22

(1) Average wholesale prices paid to crushers by processors and manufacturers.

(2) Average retail prices to farmers.

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

Destination	May 1969	June 1969	July 1969	August -- July	
				1968-69	1967-68 ^r
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg	28,657	--	42,670	510,919	137,650
France	93,003	--	30,580	123,583	350,105
Germany, Federal					
Republic	597,611	441,804	--	1,371,177	851,247
Italy	--	--	--	114,240	35,320
Netherlands	703,919	101,600	325,351	2,224,605	2,229,315
Sub-totals	1,423,190	543,404	398,601	4,344,524	3,603,637
<u>Other Western Europe</u>					
Britain	313,502	81,539	318,778	2,212,684	2,604,987
Denmark	--	30,000 ^r	--	58,994	53,276
Finland	--	--	--	--	36,551
Greece	--	--	--	--	142,280
Norway	--	--	33,600	152,007	216,370
Portugal	--	--	--	80,400	132,000
Spain	--	276,838	--	577,338	707,943
Switzerland	--	--	--	243,645	6,081
Sub-totals	313,502	388,377	352,378	3,325,068	3,899,488
Totals	1 736,692	931,781	750,979	7,669,592	7,503,125
<u>Eastern Europe</u>					
Czechoslovakia	--	--	--	238,902	589,628
Germany, Democratic					
Republic	--	--	--	159,875	--
Totals	--	--	--	398,777	589,628
<u>Africa</u>					
Kenya	--	1,001	--	1,001	--
Morocco	--	--	--	--	143,701
Totals	--	1,001	--	1,001	143,701
<u>Asia</u>					
Israel	--	14,000	10,771	66,771	47,855
Japan	313,263	211,434	515,800	4 884,852	3 800,892
Korea, South	--	--	--	60,200	135,957
Totals	313,263	225,434	526,571	5,011,823	3,984,704
<u>Oceania</u>					
Australia	--	182,200	--	340,200	389,400
<u>Western Hemisphere</u>					
United States(2)	--	--	--	37	--
Totals, all countries	2,049,955	1,340,416	1,277,550	13,421,430	12,610,558

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

(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	May 1969	June 1969	July 1969	August — July	
				1968-69	1967-68
bushels					
<u>Western Europe</u>					
EEC:					
Germany, Federal Republic	—	54,000	—	64,126	—
Italy	—	70,560	38,102	183,702	323,701
Netherlands	—	—	—	143,001	307,068
Totals	—	124,560	38,102	390,829	630,769
<u>Africa</u>					
Morocco	564,480	—	—	1,114,848	—
<u>Asia</u>					
Japan	922,323	726,464	1,358,466	10,908,667	10,197,380
Taiwan	—	104,743	—	1,799,182	1,450,401
Totals	922,323	831,207	1,358,466	12,707,849	11,647,781
Sub-totals, all countries	1,486,803	955,767	1,396,568	14,213,526	12,278,550
<u>Western Hemisphere</u>					
United States(2)	1,592	—	3,200	97,668	30,128
Totals, all countries	1,488,395	955,767	1,399,768	14,311,194	12,308,678

(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	May 1969	June 1969	July 1969	August — July	
				1968-69	1967-68
bushels					
<u>Western Europe</u>					
EEC:					
Germany, Federal Republic	—	45,000	—	45,000	88,488
Netherlands	—	—	—	56,561	167
Sub-totals	—	45,000	—	101,561	88,655
<u>Other Western Europe</u>					
Britain	225,000	127,453	59,792	1,008,681	1,472,595
Sweden	1,473	730	—	9,927	8,733
Switzerland	1,557	—	—	2,668	758
Sub-totals	228,030	128,183	59,792	1,021,276	1,482,086
Totals	228,030	173,183	59,792	1,122,837	1,570,741
<u>Western Hemisphere</u>					
United States	—	—	—	58	22
Totals, all countries	228,030	173,183	59,792	1,122,895	1,570,763

UNITED STATES SITUATION

A report released on September 10, 1969 from the Crop Reporting Board of the United States Department of Agriculture stated that

Flaxseed. — Prospects were for a 35.1 million bushel crop as of September 1. This is 3 per cent above a month earlier and 29 per cent more than the 1968 crop. Adequate moisture and continuously moderate temperatures favored development, resulting in record high yield prospects of 13.0 bushels per acre.

Harvesting progress as of September 1 is about as far along as in previous years in the major producing North Central area. Four-fifths of the acreage was harvested in South Dakota and over one-fifth in North Dakota. The more immature fields in North Dakota are vulnerable, as usual, to frost damage. Thus, a later than normal killing frost could benefit the crop.

Soybeans. — Production of soybeans as of September 1 is forecast at 1,055 million bushels—slightly less than a month earlier, 2 per cent below 1968 but 8 per cent above 1967 production. Changes in the forecast between September 1 and final estimate have averaged 13 million bushels for the past decade—ranging from negligible to 41 million bushels.

Expected yield is 25.3 bushels per acre, compared with 26.6 bushels last year and 24.5 bushels in 1967. Yield prospects are below last year in the North Central and South Central regions.

Prospects in the North Central States continue good but below a year earlier. Following a wet July, dry August weather reduced prospects in Wisconsin, Minnesota, North Dakota, and parts of several other States. The outlook in Illinois and Indiana is favorable. Weedy and uneven fields are common, because of wet weather at planting and delayed planting. Crop development is somewhat behind average, particularly in the West North Central States. By September 1, about 15 per cent of the acreage in Minnesota and Missouri, and 50 per cent in Illinois, was turning color.

In the Atlantic Coast States, August weather was favorable for soybean development. Moisture has been ample and the crop is uniformly good throughout most of the area.

Hurricane "Camille," caused widespread damage but brought welcome rain to many South Central States. Soybean growing areas of Tennessee, Kentucky, and eastern Arkansas benefited from the needed precipitation. Soybeans in northern Louisiana, Oklahoma, and non-irrigated acreage in Texas came under increasing stress as the month advanced. Heavy insect infestations have required control measures in several areas.

ARGENTINE SITUATION

The following information relative to Argentine oilseeds is extracted from a report by Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture), Buenos Aires, under date of August 20, 1969 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Conversions to Canadian measures have been made for the convenience of our readers.

Weather and crops. — Weather conditions in Argentina have been very irregular during the last three months. As a result, preparation of the land for sowing and the actual sowing of winter grains has taken place in difficult circumstances, particularly in the provinces of Buenos Aires, Santa Fe and Cordoba. There has been excessive rainfall in the southern part of the grain belt, particularly in the south of Buenos Aires province. In north-eastern Cordoba and the centre and north of Santa Fe, on the other hand, there has been a serious lack of moisture.

Oilseeds. — The export retention taxes on oilseed cakes, expellers and pellets were reduced from 18 per cent to 12 per cent effective August 18. The purpose of this measure is to promote the development of the exports of the products of the oilseed industry in Argentina. It is also reported that a decree is being prepared to reduce the export retention taxes on edible oils to 8 per cent from 12 per cent and to eliminate the 8 per cent retention tax which now applies on sunflowerseed oil.

Flaxseed. — The final estimate of flaxseed production for 1968/69 of 510,000 metric tons (20,077,000 bushels) was issued early in August. This is 20,000 tons (787,400 bushels) less the previous estimate of 530,000 tons (20,865,000 bushels) but 125,000 tons (4,921,000 bushels) more than the 385,000 tons (15,157,000 bushels) harvested in 1967/68.

On August 7, the Secretariat of Agriculture and Livestock issued the first official estimate of the area sown to flaxseed for 1969/70 of 840,000 hectares (2.1 million acres). This is 4.4 per cent less than the area sown last year and 15.7 per cent and 27.3 per cent less than the averages of the areas sown to flaxseed in the last five- and ten-year periods, respectively.

The areas sown to flaxseed in 1969/70 and 1968/69, by province, are estimated to be as follows:

	<u>1968-69</u>	<u>1969-70</u>
	thousand acres	
Buenos Aires	970	963
Entre Rios	557	615
Santa Fe	344	321
Cordoba	282	161
Other provinces..	18	15
Totals	<u>2,170</u>	<u>2,075</u>

The principal flaxseed producing province is Buenos Aires with 46.4 per cent of the seeded area followed by Entre Rios with 29.7 per cent, Santa Fe with 15.5 per cent and all other provinces with 8.4 per cent.

In almost all of the important flaxseed zones of the country, adverse climatic conditions, ranging from excessive precipitation in some zones to a lack of adequate soil moisture in others, are causing problems. In Cordoba, seeding has been completed and work is proceeding normally in Entre Rios. In Santa Fe, because of a lack of moisture, seeding has been delayed as it has in Buenos Aires because of the excessive rains. Although flaxseed can be sown until mid-September, the decline in the area seeded to flaxseed in Cordoba and Santa Fe amounts to 58,400 hectares (144,000 acres) and this decrease will not be compensated for by the possible substitution of flaxseed for wheat in the south of Buenos Aires.

As this first estimate of seeded area has been made before plantings have been completed, it is subject to revision and later estimates may vary considerably depending on weather conditions and the condition of the soil in the next few weeks.

Flaxseed prices have been very firm during July, rising to 3,370 pesos per 100 kilos (\$2.64 per bushel) by the end of the month. At August 18, prices had dropped slightly to 3,330 pesos per 100 kilos (\$2.61 per bushel). Also at August 18, flaxseed prices on the Buenos Aires Futures Exchange were 3,085 pesos per 100 kilos (\$2.42 per bushel) for September delivery, 3,149 pesos (\$2.47 per bushel) for October and 3,193 pesos (\$2.50 per bushel) for November.

Minimum and support prices for the new crop have not yet been established.

The National Grain Board again offered several thousand tons of linseed oil for export but refused bids of up to 62.51 pesos (19 cents) per kilo. During June, the Board had sold 7,000 tons to exporters at an f.o.b. price of 61.50 pesos (19 cents) per kilo.

Very little business was done in oilcakes as crushers had only limited stocks. At the end of July, linseed expellers sold at 26,000 pesos per metric ton compared to 23,600 pesos a month earlier.

Sunflowerseed. - The Secretariat of Agriculture and Livestock has issued the third estimate of sunflowerseed production for 1968/69 of 876,000 metric tons (64,374,000 bushels). This compares with the previous estimate of 880,000 tons (64,668,000 bushels) and the 940,000 tons (69,077,000 bushels) harvested in 1967/68.

On July 15, the National Grain Board was authorized to import crude sunflowerseed oil in accordance with conditions to be established by a joint resolution of the Secretaries of Agriculture and Livestock and of Industry and Internal Commerce each time imports are required. This measure will be in effect until December 31, 1969. The purpose of authorizing sunflowerseed imports is to stabilize prices and to ensure that there are sufficient quantities on hand to meet domestic requirements.

The market for sunflowerseed has been very firm, rising from 2,000 pesos per 100 kilos (84 cents per bushel) in March to 2,360 pesos (99 cents per bushel) in April as factories in the interior absorbed all of the seed offered by farmers and it became apparent that the crop was actually much smaller than had originally been estimated. By the end of May, prices had risen to 2,860 pesos per 100 kilos (\$1.20 per bushel) and, by the end of June, to 2,900 pesos (\$1.22 per bushel). Prices reached 3,080 pesos (\$1.29 per bushel) during July, but on the publication of the decree authorizing imports of sunflowerseed oil, prices fell back to 2,900 pesos (\$1.22 per bushel).

Trading in sunflowerseed pellets has been light and prices have firmed to 18,000 pesos per metric ton by the end of July.

Peanuts. - The Secretariat of Agriculture and Livestock recently issued a second estimate of total peanut production for 1968/69 of 217,000 metric tons. This is 23 per cent lower than last year and 40 per cent and 34 per cent lower than the averages of the last five- and ten-year periods, respectively. Adverse weather conditions caused a decline in yields and in addition, the area sown to peanuts was 14 per cent smaller than in 1967/68. The province of Cordoba accounts for 98.2 per cent of total production.

Peanut prices at the end of May were higher at 4,700 pesos per 100 kilos in the face of reduced offers from farmers and a greater demand from crushers. In June, crushers were cautious buyers and the market fell to 4,500 before recovering to 4,600 pesos at the end of the month. Prices firmed to 4,700 pesos per 100 kilos by the end of July.

Peanut expellers were also firm, rising to 23,400 pesos at the end of May, 24,200 pesos at the end of June and 25,000 pesos per metric ton by the end of July. Very little business was actually transacted.

Soybeans. — The first official estimate of the 1968/69 soybean crop, issued by the Secretariat of Agriculture and Livestock on May 2, is 31,800 metric tons (1,168,000 bushels). This crop is 45 per cent larger than in 1967/68 as a result of an increase in seeded areas and very good weather conditions.

The northern provinces of Tucuman and Misiones account for more than 80 per cent of soybean production in Argentina.

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