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# COARSE GRAINS QUARTERLY



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Agriculture Division

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THE COARSE GRAINS

QUARTERLY

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### WORLD CORN PRODUCTION

The following account of the world corn production has been taken from the World Agricultural Production and Trade, published by the United States Department of Agriculture, Foreign Agricultural Service, under date of July 31, 1970.

#### World Corn Production Sets Record in 1969

The world corn harvest in 1969 totalled 248 million metric tons, 8 per cent above the 1968 crop and 3 per cent over the previous record of 1967, according to information available to the Foreign Agricultural Service. World corn area was 104 million hectares up 2 per cent for the year and just over the 1967 high. Larger corn harvests occurred in all areas of the world. The United States produced 116.2 million tons, 4 per cent more than in 1968 but still 4 per cent below the 1967 record. Area was down 2 per cent but yield was 7 per cent over the record set in 1967. Although the crop ripened late, near ideal fall weather provided generally good conditions for harvesting. The Mexican crop, by contrast, suffered from serious drought and is estimated at 6.5 million tons, down 24 per cent.

Argentina produced their largest corn crop in recent years, at 9.4 million tons, which compares with 6.9 million tons a year ago and 8.5 million tons in 1966. Argentine area continued the uptrend started in 1957. This, along with good weather, made the large crop. The Brazilian corn crop is estimated at a record 14 million tons, up about one-fourth for the year, and 12 per cent over the 1967 previous record. Expanded area and excellent weather contributed to the large outturn.

West European corn production at 13.8 million tons gained 11 per cent, France and Italy providing the principal increases. The East European crop was up 16 per cent, at 23.1 million tons, with improvement in all countries. The Soviet Union harvested an estimated 9.9 million tons, up sharply from a poor 1968 season.

The African corn crop is placed at 19.3 million tons, up 17 per cent. South Africa produced 7.0 million tons, a second of record crop resulting from above average weather conditions.

Corn production in Asia in 1969 is estimated at 28.5 million tons, up 3 per cent. India, Indonesia and Thailand made substantial improvement. The Australian crop at 231,000 tons reached a new high.

### FEED SITUATION IN CANADA

#### Feed Grain and Fodder Supplies in 1969-70

Total supplies of Canadian feed grains increased by 16 per cent in 1969-70, due to higher levels in carryover stocks of all the feed grains, oats, barley, rye, corn, buckwheat and mixed grains, combined with larger production of oats, barley, rye, buckwheat and mixed grains.

Total domestic supplies of both oats and barley increased in 1969-70 due to the combined effect of larger carryover stocks combined with higher production. Total supplies of oats, at 500.0 million bushels were some 14 per cent above the 439.5 million in 1968-69 while supplies of barley amounted to a record 577.8 million and exceeded the previous year's figure of 456.3 million by 27 per cent. The 1969 outturn of mixed grains also set a new record and surpassed the 1968 crop of 85.6 million by 2 per cent. Grain corn production, at 73.4 million bushels, represented a decline of 10 per cent from the 1968 peak level of 81.2 million. Imports of corn were also down in 1969-70, totalling about 30.0 million bushels compared with 33.7 million the previous year. Supplies of rye increased by 23 per cent, from 20.5



million bushels in 1968-69 to 25.2 million in 1969-70. The outturn of buckwheat also increased from 1.4 million bushels in 1968 to 1.7 million in 1969.

Total Supply and Disposition of Canadian Oats 1965-66 — 1969-70  
and Estimated Supply, 1970-71  
(Crop Years August 1 - July 31)

Item	1965-66	1966-67	1967-68	1968-69 <sup>r</sup>	1969-70 <sup>r</sup>	1970-71
million bushels						
<u>Supplies</u>						
Carryover, at beginning of crop year .....	130.1	127.2	109.8	77.0	128.7	142.3(1)
Production .....	400.0	374.7	304.2	362.5	371.4	375.8(2)
Imports, oats & products	(3)	(3)	N.A.	N.A.	N.A.	N.A.
Totals .....	530.1	501.8	414.0	439.5	500.0	518.1
<u>Disposition</u>						
Exports, oats & products	15.9	4.8	3.5	2.7	5.2	
Human consumption .....	5.5	5.5	5.2	4.6	4.9	
Seed .....	20.9	19.7	20.3	20.3	18.6	
Industrial use .....	—	—	—	—	—	
Carryover, at end of crop year .....	127.2	109.8	77.0	128.7	142.3	
Residual item(4) .....	360.6	362.0	308.0	283.2	329.0	
Totals .....	530.1	501.8	414.0	439.5	500.0	

(1) Subject to further revision pending receipts of Board of Grain Commissioners' final data on commercial stocks at July 31, 1970.

(2) Based on conditions as at August 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.

Domestic disappearance of oats increased from 439.5 million bushels in 1968-69 to 500.0 million in 1969-70, with all of the increase accounted for by a larger volume of oats for feeding. At the same time, exports of Canadian oats increased over the low totals of the past three seasons and reached a level of 5.2 million bushels. However, the effect of substantially larger supplies more than offset the increased disappearance through both export and domestic channels and, as a result, carryover stocks of oats at July 31, 1970, at 142.3 million bushels exceeded, by a wide margin, the comparable 1969 figure of 128.7 million.

Both supplies and disappearance of Canadian barley reached record proportions in 1969-70. Reflecting substantial increases in both carryover stocks and production, total supplies climbed to an all-time high of 577.8 million bushels, while total disappearance (exports plus domestic use) amounted to some 376.0 million. Exports, at 88.3 million bushels, were at the third highest level on record, while domestic disappearance, primarily due to a substantial increase in barley used for feeding purposes, amounted to a record 287.7 million.



However, the effect of larger supplies month than offset the increased disappearance into domestic and export channels and, as a result, year-end stocks increased from 199.4 million bushels in 1969 to 201.8 million at July 31, 1970

Production of tame hay in Canada in 1969 was placed at 25.6 million tons, 11 per cent above the 1968 figure of 23.0 million. The 1969 crop of fodder corn was estimated at a record 8.5 million tons, 7 per cent more than the previous year's total of 7.9 million.

Total Supply and Disposition of Canadian Barley 1965-66 — 1969-70  
and Estimated Supply, 1970-71  
(Crop Years August 1 — July 31)

Item	1965-66	1966-67	1967-68	1968-69 <sup>r</sup>	1969-70 <sup>r</sup>	1970-71
million bushels						
<u>Supplies</u>						
Carryover, at beginning of crop year .....	88.8	97.8	131.8	130.9	199.4	201.8(1)
Production .....	218.3	301.2	248.7	325.4	378.4	424.0(2)
Imports, barley & products .....	0.1	0.1	N.A.	N.A.	N.A.	N.A.
Totals .....	307.2	399.1	380.4	456.3	577.8	625.8
<u>Disposition</u>						
Exports, barley & products .....	38.0	58.5	41.4	26.4	88.3	
Human consumption .....	0.2	0.1	0.1	0.2	0.2	
Seed .....	12.3	13.3	14.5	15.6	16.1	
Industrial use(3) .....	16.0	18.0	16.9	17.3	18.4	
Carryover, at end of crop year .....	97.8	131.8	130.9	199.4	201.8	
Residual item(4) .....	143.0	177.4	176.5	197.4	253.0	
Totals .....	307.2	399.1	380.4	456.3	577.8	

(1) Subject to further revision pending receipts of Board of Grain Commissioners' final data on commercial stocks at July 31, 1970.

(2) Based on conditions as at August 15 and subject to revision as later estimates become available.

(3) Adjusted for imports and exports of malt.

(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.

1969-70 Exports  
of Oats, Barley  
and Rye

Exports of Canadian oats in bulk totalled 4.8 million bushels during 1969-70 as against 2.3 million shipped the previous year and the ten-year (1958-59 — 1967-68) average of 9.2 million. The major markets for Canadian oats in 1969-70 with 1968-69 figures in brackets were as follows in millions of bushels: Federal Republic of Germany, 2.6 (nil); United States, 1.0 (0.9); Netherlands, 0.5 (0.4); and Britain, 0.4 (0.1). Customs exports of Canadian seed oats amounted to 266 thousand bushels in the 1969-70 crop year as against 392 thousand in 1968-69. In addition, exports of Canadian oat-meal and rolled oats amounted to the equivalent of 61 thousand bushels in 1969-70 compared with 79 thousand the year before.

Barley exports, at 82.7 million bushels, were at their highest level since the 1953-54 crop year figure of 90.0 million and represented the third largest clearances on record. Britain remained Canada's number one market for this grain with imports of 19.5 million bushels as against only 10.9 million the year previous. Other major importers were recorded as follows, with 1968-69 figures in brackets, in millions of bushels: Japan, 16.9 (0.8); Italy, 12.6 (nil); Federal Republic of Germany, 6.3 (nil); Israel, 5.3 (1.3); Colombia, 1.8 (nil); New Zealand, 1.2 (nil); and the Netherlands, 1.0 (nil). In addition exports of Canadian malt in terms of barley amounted to 5.6 million bushels, with Japan, United States, Venezuela and the Philippines being the major customers.

Exports of Canadian rye, at 3.8 million bushels were the lowest level since 1960-61 when 2.6 million bushels were exported. The principal destination for the 1969-70 crop year was Japan with that country purchasing 2.0 million bushels followed by the United States with 0.8 million and Britain with 0.5 million bushels.

The Feed Outlook  
for 1970-71

Total supplies of feed grains in 1970-71 are expected to increase over last year's level due to larger opening stocks of oats, barley and rye and higher production of each of the feed grains. On the basis of conditions at August 15, production of oats in 1970 is forecast at 375.8 million bushels, representing an increase of one per cent over last year's total of 371.4 million. This year's barley crop is forecast at a record 424.0 million bushels, 12 per cent above last year's 378.4 million. Realization of these outturns would result in supplies of oats for 1970-71, of 518.1 million bushels, showing an increase of 4 per cent over the 1969-70 level of 500.0 million. Supplies of barley, at 625.8 million would be 8 per cent larger than the 577.8 million of the preceding year. In addition to supplies of the major feed grains, the 1970 outturn of mixed grains is forecast at 101.0 million bushels, some 14 million more than the 87.3 million produced in 1969. It is emphasized that realization of the 1970 yield and production forecasts is dependent on the existence of satisfactory weather conditions during the remainder of the harvesting season.

Canada's 1970 crop of tame hay was forecast at a record 27.5 million tons, 8 per cent more than last year's 25.6 million. All provinces, except Prince Edward Island, Quebec, Ontario and British Columbia registered increases in hay yields in 1970 while production followed the same pattern except for British Columbia which increased over the previous year's outturn.

Domestic Disappearance  
of Millfeeds Declines

Production of millfeeds during the 1969-70 crop year amounted to 703,951 tons, exceeding by about 9 per cent the 1968-69 total of 648,505 tons. Exports during the crop year totalled 213,579 tons and represented a sharp increase over the 1968-69 figure of 93,319 tons. Reflecting the larger exports, which more than offset the increase in production, the amount available to the domestic market during the 1969-70 crop year, after making an allowance for changes in mill stocks, was placed at 495,265 tons, 10 per cent below the 1968-69 total of 551,381 tons.



Supply and Distribution of Millfeeds, August-July 1969-70 and 1968-69

Month	Production				Exports	Apparent domestic disappearance(1)
	Bran	Shorts	Middlings	Total		
				tons		
August 1969 ...	18,867	35,005	2,782	56,654	12,714	47,333
September .....	19,869	36,889	3,153	59,911	10,306	48,808
October .....	19,347	41,579	2,703	63,629	15,353	46,555
November .....	18,090	37,632	2,431	58,153	16,428	43,088
December .....	19,291	35,688	2,551	57,530	25,591	32,278
January 1970 ..	19,723	39,963	2,891	62,577	12,237	49,855
February .....	18,874	33,373	2,371	54,618	17,054	39,113
March .....	21,123	33,419	2,362	56,904	23,301	32,811
April .....	20,044	33,601	2,466	56,111	23,827	33,905
May .....	21,503	37,524	2,498	61,525	16,671	42,720
June .....	19,095	36,120	3,163	58,378	20,832	40,684
July .....	19,076	36,362	2,523	57,961	19,265	38,115
Totals .....	234,902	437,155	31,894	703,951	213,579	495,265
Same period 1968-69 <sup>r</sup> ....	221,838	389,524	37,143	648,505	93,319	551,381

(1) Adjusted for change in mill stocks.

r Revised figures.

Initial Payment Prices  
Wheat, Oats and Barley  
1970-71 Crop Year

The Canadian Wheat Board in its Instructions to the Trade No. 8 under date of July 29, 1970 stated that the Canadian Wheat Board Regulations, 1970-71, provide for the following initial payments effective from August 1,

1970 to July 31, 1971:

Wheat - One dollar and fifty cents (\$1.50) per bushel basis the grade No. One Northern in store Thunder Bay or Vancouver.

Oats - Sixty cents (60¢) per bushel basis the grade No. 2 Canada Western in store Thunder Bay.

Barley - Ninety-one cents (91¢) per bushel basis the grade No. 3 Canada Western Six-Row in store Thunder Bay.

Delivery Quotas

The Canadian Wheat Board in its Instructions to the Trade re Quotas (General) No. 1 under date of July 29, 1970 stated that the Board wishes to advise that all delivery quotas in effect in the 1969-70 crop year, including open quotas, supplementary quotas, special permits, etc., will automatically expire as at the close of business July 31, 1970. As indicated in Instructions to the Trade No. 38 issued May 1, 1970, there will not be a unit quota nor will there be a general specified acreage quota during the 1970-71 crop year as in previous years.

Effective on and after August 1, 1970, the Board's quota policy for the 1970-71 crop year will be as follows:

Separate quotas, providing for the delivery of the kinds and grades of grain needed to meet market requirements will be established by the Board for Wheat (other than Soft White Spring), Oats, Barley, Rye, Flaxseed, Rapeseed, and Soft White Spring Wheat, and will be based on the producer's quota acres as shown in his 1970-71 delivery permit book.

Wheat (other than Soft White Spring Wheat). — Quotas will be established for wheat (other than Soft White Spring) as wheat is needed to meet market requirements and as soon as the grain handling and transportation system has returned to a more fluid position.

Oats. — Quotas will be established for oats as oats are needed to meet market requirements and as soon as the grain handling and transportation system has returned to a more fluid position.

Due to the limited quantity of old crop quality oats and pending the new crop, effective August 1 through to September 15, 1970, the Board will consider applications on behalf of producers of selected oats suitable for milling or other purposes for permission to deliver, in excess of the established quota, one carlot or a maximum of 3,000 bushels of Extra No. 1 Feed or higher grades of oats, with a maximum dockage of 2 per cent, provided:

- (a) a representative sample of such carlot has been submitted to and accepted by a mill or plant located in the designated area, suitable for their purpose; and
- (b) a premium is to be paid to the producer for the carlot of oats so accepted.

Full details covering the foregoing provisions are outlined in Instructions to the Trade re Quotas (General) No. 2 of July 29, 1970.

Barley. — Quotas will be established for barley as barley is needed to meet market requirements and as soon as the grain handling and transportation system has returned to a more fluid position.

Malting, Pot and Pearling Barley Effective August 1, 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 quota, one carlot (maximum 2,500 bushels) 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. 3 of July 29, 1970.

Soft White Spring wheat. — Effective August 1, at all delivery points within the designated area a quota of five (5) bushels per quota acre of Soft White Spring wheat as shown in the individual producer's permit book.



All deliveries made under this quota must be properly recorded in the producer's permit book on Page 9, and delivery must be confined to the producer's primary or alternate delivery point indicated therein.

Rye. — Effective August 1, at all delivery points within the designated area a quota of five (5) bushels per quota acre of rye as shown in the individual producer's permit book.

All deliveries made under this quota must be properly recorded in the producer's permit book on Page 8, and delivery must be confined to the producer's primary or alternate delivery point indicated therein.

Flaxseed. — Effective August 1, at all delivery points within the designated area a quota of three (3) bushels per quota acre of flaxseed as shown in the individual producer's permit book.

All deliveries made under this quota must be properly recorded in the producer's permit book on Page 10 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 three (3) bushels per quota acre of rapeseed as shown in the individual producer's permit book.

All deliveries made under this quota must be properly recorded in the producer's permit book on Page 11 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.

Selected Oats Grading  
Extra No. 1 Feed or  
Higher

The Canadian Wheat Board in its Instructions to the Trade re Quotas (General) No. 2 under date of July 29, 1970 stated in part that effective August 1 through to September 15, 1970, the Board will consider applications from agents of the Board, on behalf of producers, to deliver selected oats, suitable for milling or other purposes, in excess of the established quota. Under this policy over the quota delivery permits will apply only to high quality oats for which a sample has been submitted to and accepted by a mill or by a plant located in the designated area and which is equipped for cleaning grain, and will be subject to a number of regulations. For details of these regulations see the already-mentioned Instruction re Quotas No. 2.

Opening Quotas Announced  
for Wheat, Oats and Barley

On August 18, 1970 the Canadian Wheat Board announced the first delivery quotas on wheat, oats and barley for the 1970-71 crop year.

As announced last month in Ottawa by W.C. McNamara, Chief Commissioner of the Wheat Board, the quotas, established under the new quota policies in effect this crop year, will encourage producers to deliver the kind of grain needed to meet sales commitments.

Unlike previous years when quotas were announced for specific delivery stations, delivery quotas this crop year will generally be based on the Blocks established under the new shipping system for Prairie grain. A total of 48 blocks have been set up under this system and quotas for all points will be established on a block basis.

The new quotas, effective on Monday, August 24, 1970, are as follows:

Wheat — An advance quota of two bushels per "quota acre" on wheat grading No. 4 Northern or lower, including Garnets and Alberta Red Winter, in 42 of the 48 blocks. The exceptions are the La Riviere, Pasqua, Bulyea, Saskatoon CPR, Saskatoon South, and Assiniboia blocks in Manitoba and Saskatchewan where space is not available. Shipping priority is being given to these blocks at the present time.

Oats — A delivery quota of five bushels per quota acre at points within the following blocks: Winnipeg North, Winnipeg South, Winnipeg West, Brandon North, Melville, Dauphin, Saskatoon West, Regina North, Regina South, Regina West, Keewatin, Carberry, Brandon, Weyburn, Bredenbury and Wilkie.

Barley — A delivery quota of three bushels per quota acre for all blocks in the province of Alberta.

The advance quota for lower grades of wheat is being established at this time to encourage delivery of the low-grade wheat urgently needed to meet early sales commitments. As an advance, deliveries by producers under this quota will be applied against regular wheat quotas as these are announced later.

All delivery quotas on wheat in the present crop year will be based on acreage assigned by producers to delivery of wheat in their 1970-71 permit books as provided for under the federal government's Wheat Inventory Reduction Program and the Wheat Board 1970-71 quota policies.

Delivery quotas on barley are being confined to Alberta at this time. Alberta was not included in the supplementary quota on barley which was in effect during the final 10 weeks of the 1969-70 crop year and the new quota will give producers in that province an early opportunity to deliver additional quantities of barley.

Changes in Prairie  
Grain Cash Advance  
Program Outlined

Changes in the federal government's cash advance program for Prairie grain producers were outlined on August 7, 1970 by Mr. Gordon Earl, Executive Director of the Canadian Wheat Board, following a meeting with representatives of country

elevator companies.

The program, administered by the Canadian Wheat Board, enables Prairie producers to obtain interest-free cash advances on farm-stored grain through local country elevator managers.

The advances are repaid by producers when delivering grain to country elevators. One half of the payment received by a producer when delivering grain is deducted from his cash ticket and applied against an outstanding advance.

The objective of the federal program is to make cash available in advance of grain deliveries by producers during a crop year, Mr. Earl said. Farmers with advances which were not fully repaid on July 31 will be required to repay one half of the outstanding amount before obtaining a new cash advance. This repayment can be made with a deduction from a new advance.



The total amount a producer can have outstanding under the cash advance program will be limited to \$6,000 in the 1970-71 crop year. This maximum includes any amount still outstanding from previous advances and limits the amount of any additional advance a producer may wish to obtain.

Cash advances will again be issued only for the three Board grains; wheat, oats and barley.

The Canadian Wheat Board's 1970-71 quota policies, amended to conform with the provisions of the federal government's Wheat Inventory Reduction Program, have resulted in other changes in the cash advance program. As outlined by Mr. Earl, these are as follows:

Advances on wheat will be based on those acres qualifying for quotas under the 1970-71 regulations. These quotas will be based largely on a producer's summerfallow acreage plus 25 per cent of any land summerfallowed in 1969.

Advances on oats and barley will be based on the acreage seeded to these crops plus any portion of his assignable acreage a producer has allocated to these crops for quota purposes.

As stated in the Prairie Grain Advance Payments Act, advances are set at one dollar per bushel on wheat, 40 cents per bushel on oats and 70 cents per bushel on barley with a maximum, for all grains, of six bushels per acre.

Plans for Record  
Grain Movement  
Reviewed by Grain  
Transportation Committee

The following press release was issued by the Grain Transportation Committee under date of September 2, 1970.

A record movement in excess of 400,000,000 bushels of Prairie grain, needed to meet current sales commitments, will be shipped from country elevators during the five-month period from August 1 to December 31, 1970.

Plans for the exceptional movement, which compares with 188,900,000 bushels shipped from country elevators during the same period last year, were outlined today at a meeting of the Grain Transportation Committee in Winnipeg.

W.C. McNamara, chairman of the Committee and Chief Commissioner of the Canadian Wheat Board, said the shipping program presented to the meeting was based mainly on firm export commitments for wheat, barley and oats, and estimates of sales for other grains.

"The shipping program reviewed by the Committee represents the minimum quantities of grain we expect to move from country elevators during the balance of this calendar year," Mr. McNamara said. "However, with the success of the Block Shipping System and the continuing co-operation of every segment of the grain handling industry, I am confident that we will be able to meet all of our domestic and export commitments."

Continued on page 45.

AUGUST FORECAST OF THE 1970 PRODUCTION OF CANADA'S PRINCIPAL GRAIN CROPS

At August 15, the date on which this forecast is based, swathing was becoming general and the fall rye harvest was well under way. Although the maturity of crops was delayed in some areas, the hot weather during August brought these crops to a more uniform stage of ripening and maturity is now nearly normal for this time of year. This has lessened the danger of serious damage from early frosts.

Canada's 1970 wheat crop, currently forecast at 338.3 million bushels is 51 per cent smaller than last year's 684.3 million, and 42 per cent below the ten-year (1959-68) average of 585.6 million. The lower production results mainly from a 51 per cent reduction in this year's seeded acreage in the Prairie Provinces. The average yield decreased slightly from 27.4 bushels in 1969 to 27.1 bushels per acre this year, but is well above the 1959-68 average of 21.2 bushels per acre.

Production of oats in 1970 forecast at 375.8 million bushels, represents an increase of one per cent from last year's total of 371.4 million and a slight increase from the ten-year (1959-68) average of 375.4 million. The average yield for the 1970 Canada oat crop is estimated at a record 51.6 bushels per acre compared with last year's 48.5 bushels. The 1970 barley crop is forecast at a record 424.0 million bushels, some 12 per cent higher than last year's 378.4 million and 95 per cent above the ten-year average of 217.1 million bushels. The average yield for the 1970 barley crop is estimated at a record 42.2 bushels per acre compared with 39.7 bushels in 1969.

Production of rye, forecast at 23.4 million bushels is 42 per cent above last year's outturn of 16.5 and well above the ten-year (1959-68) average of 12.4 million bushels. Some 20.6 million bushels of this year's crop is fall rye which averaged 23.5 bushels per acre, while the spring rye crop is forecast at 2.9 million bushels, averaging a record 20.7 bushels per acre. Canada's 1970 crop of mixed grains is forecast at a record 101.0 million bushels compared with last year's 87.3 million and the ten-year (1959-68) average of 72.1 million bushels. Average yields increased from 50.2 bushels in 1969 to a record 52.1 bushels per acre in 1970.

This year's flaxseed crop currently forecast at a record 47.1 million bushels will be some 71 per cent higher than last year's revised outturn of 27.5 million. The increase in production results from the combined effect of an increase of 44 per cent in seeded acreage and a 19 per cent increase in average yield. Production of rapeseed is placed at a record 79.5 million bushels in 1970, as compared with the revised 33.4 million bushels produced in 1969. Acreage seeded this year increased 96 per cent from the 1969 level and average yields at a record 20.1 bushels per acre are some 21 per cent above last year's revised average of 16.6 bushels. The 1970 preliminary acreage estimate of mustard seed is 180,000 acres, 33 per cent below the 1969 figure of 267,000 acres.



August Forecast of the 1970 Production of Principal Grain Crops  
Canada and Prairie Provinces, compared with 1969

Province and crop	Area		Yield per acre		Production	
	1969	1970(1)	1969	1970(1)	1969	1970(1)
	acres				bushels	
<u>CANADA</u>						
Winter wheat ..	360,000	355,000	39.8	45.0	14,328,000	15,975,000
Spring wheat(2)	24,607,700	12,129,000	27.2	26.6	669,948,000	322,365,000
All wheat ....	24,967,700	12,484,000	27.4	27.1	684,276,000	338,340,000
Oats for grain	7,655,000	7,279,000	48.5	51.6	371,387,000	375,796,000
Barley .....	9,535,100	10,042,900	39.7	42.2	378,383,000	424,021,000
Fall rye .....	821,300	875,700	17.7	23.5	14,535,000	20,573,000
Spring rye ....	106,000	139,000	18.5	20.7	1,958,000	2,872,000
All rye .....	927,300	1,014,700	17.8	23.1	16,493,000	23,445,000
Mixed grains ..	1,740,300	1,939,800	50.2	52.1	87,346,000	101,025,000
Flaxseed .....	2,340,700 <sup>r</sup>	3,368,300 <sup>r</sup>	11.8 <sup>r</sup>	14.0	27,548,000 <sup>r</sup>	47,077,000
Rapeseed .....	2,012,000	3,950,000	16.6 <sup>r</sup>	20.1	33,400,000 <sup>r</sup>	79,500,000
<u>PRAIRIE PROVINCES</u>						
Wheat(2) .....	24,400,000	12,000,000	27.3	26.6	665,000,000	318,800,000
Oats .....	5,630,000	5,390,000	49.4	52.7	278,000,000	284,000,000
Barley .....	9,000,000	9,500,000	39.4	41.9	355,000,000	398,000,000
Rye .....	859,000	944,000	17.1	22.5	14,658,000	21,247,000
Flaxseed .....	2,320,000 <sup>r</sup>	3,350,000	11.8 <sup>r</sup>	14.0	27,300,000 <sup>r</sup>	46,800,000
Rapeseed .....	2,012,000	3,950,000	16.6 <sup>r</sup>	20.1	33,400,000 <sup>r</sup>	79,500,000

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

(2) Includes durum wheat. <sup>r</sup> Revised figures.

Feed Mills

On August 5, 1970 the Canadian Wheat Board Instructions to the Trade No. 14 stated that the Board hereby announces provisions whereby 1970-71 delivery permit holders will be authorized to deliver, outside delivery quota regulations, supplies of wheat, oats and barley to designated feed mills. The feed mill policy has been recommended by the Board and approved by the Honourable Otto E. Lang, Minister without Portfolio.

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. 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 1970-71 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 17 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.

# STOCKS ON FARMS

Farm-held stocks of the six major grains in Canada at July 31, 1970 amounted to 793.2 million bushels, some 30 per cent above last year's total of 611.7 million due to sharp increases in wheat and oats which more than offset decreases in barley, rye, flaxseed and rapeseed. 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, 542.7 (372.2); oats, 123.0 (94.5); barley, 122.0 (138.5); rye, 4.7 (5.0); flaxseed, 0.6 (0.8); and rapeseed, 0.2 (0.7).

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, 1970 and 1969

Province	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed
thousand bushels						
Prince Edward Island .....	15	400	300	—	—	—
Nova Scotia .....	15	200	100	—	—	—
New Brunswick .....	20	300	100	—	—	—
Quebec .....	310	7,100	1,000	—	—	—
Ontario .....	2,000	8,200	4,000	—	—	—
Manitoba .....	40,000	30,000	9,000	700	150	25
Saskatchewan .....	400,000	40,000	32,000	3,200	300	75
Alberta .....	100,000	36,000	74,000	800	150	50
British Columbia .....	340	800	1,500	—	—	—
Totals, July 31, 1970(1) .....	542,700	123,000	122,000	4,700	600	150
Totals, July 31, 1969 .....	372,200	94,500	138,500	5,000	800	700

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, 1970 and 1969

Province	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed
thousand bushels						
Manitoba .....	40,000	30,000	9,000	700	150	25
Saskatchewan .....	400,000	40,000	32,000	3,200	300	75
Alberta .....	100,000	36,000	74,000	800	150	50
Totals, July 31, 1970(1) .....	540,000	106,000	115,000	4,700	600	150
Totals, July 31, 1969 .....	370,000	80,000	134,000	5,000	800	700

(1) Subject to revision.



CARRYOVER STOCKS OF CANADIAN GRAIN AT JULY 31, 1970

Total carryover stocks of the six major Canadian grains in all North American positions at July 31, 1970 were estimated at 1,375.1 million bushels, 15 per cent above last year's revised total 1,198.5 million. With the exception of rapeseed each of the other five grains registered increases over the previous year.

Total stocks of wheat were estimated at 1,011.0 million bushels, 19 per cent above last year's revised estimate of 851.8 million. Stocks of oats in all positions estimated at 142.3 million bushels, were 11 per cent larger than last year's 128.7 million. Barley stocks, at 201.8 million bushels, increased by one per cent over the 199.4 million held in 1969. Carryover stocks of rye in all positions, estimated at 10.7 million bushels, were also above last year's 8.7 million. July-end carryover stocks of flaxseed at 5.8 million bushels were 18 per cent more than the previous year's 4.9 million but rapeseed, at 3.7 million decreased by 28 per cent from last year's figure of 5.1 million.

Stocks of Canadian Grain at July 31, 1970

Position	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed
thousand bushels						
<u>In Canada</u>						
On farms .....	542,700	123,000	122,000	4,700	600	150
Country elevators(1) .....	289,152	9,554	39,030	2,229	2,719	1,149
Interior private and mill elevators(1) .....	4,717	601	85	25	29	134
Interior terminal elevators	12,958	8	2,569	2	—	14
Vancouver-New Westminster ..	11,004	—	2,629	394	456	1,506
Victoria elevator .....	400	—	—	—	—	—
Prince Rupert elevators ....	1,399	1	1	—	—	—
Churchill elevator .....	4,120	35	—	—	—	—
Thunder Bay elevators .....	43,118	2,811	14,635	2,037	992	270
In transit rail:						
Western division(1) .....	37,155	3,318	11,318	518	521	435
Eastern division .....	832	—	—	—	—	—
In transit lake .....	7,471	855	4,668	—	84	—
Eastern elevators .....	53,136	1,962	4,856	482	412	2
Eastern mills(1) .....	2,630	186	—	—	—	—
Western mills(1) .....	250	8	5	18	—	—
Totals in Canada(1) .....	1,011,042	142,339	201,796	10,405	5,813	3,660
In United States .....	—	—	—	315	—	—
Totals, Canadian grain in Canada and United States, July 31, 1970(1)	1,011,042	142,339	201,796	10,720	5,813	3,660
<u>Comparative stocks,</u>						
<u>July 31, 1969<sup>r</sup></u>						
In Canada .....	851,828	128,657	199,383	8,673	4,909	5,069
In United States .....	—	—	—	—	—	—
Totals in Canada and United States .....	851,828	128,657	199,383	8,673	4,909	5,069

(1) Preliminary revised — subject to further revision.

<sup>r</sup> Revised figures.

CARRYOVER OF CANADIAN OATS, BARLEY, RYE, FLAXSEED AND RAPESEED 1939-70

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, 1970 were estimated at some 364.3 million bushels compared with last year's revised estimate of 346.7 million. Carryover stocks of oats at the end of the 1969-70 crop year were estimated at 142.3 million bushels, 11 per cent larger than last year's 128.7 million and barley stocks, at 201.8 million bushels were one per cent above the 199.4 million held in 1969. Stocks of rye, at 10.7 million bushels increased by 24 per cent over the 8.7 million of last year and flaxseed stocks at 5.8 million bushels were 18 per cent more than last year's corresponding figure of 4.9 million. Rapeseed stocks, at 3.7 million were 28 per cent less than the 1969 figure of 5.1 million bushels.

Carryover of Canadian Oats, Barley, Rye, Flaxseed and Rapeseed, July 31, 1939-70

Year	Oats	Barley	Rye	Flaxseed	Rapeseed(1)
thousand bushels					
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	
1948 .....	47,891	31,449	904	3,371	
10-year average 1939-48 .....	71,693	28,148	4,186	1,849	
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	
1958 .....	156,916	118,165	10,062	5,652	
10-year average 1949-58 .....	115,033	90,398	12,912	4,588	
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
1968 .....	76,951	130,917	7,458	4,678	9,923
10-year average 1959-68 .....	119,874	108,672	7,241	6,953	
1969 <sup>r</sup> .....	128,657	199,383	8,673	4,909	5,069
1970 <sup>p</sup> .....	142,339	201,796	10,720	5,813	3,660

(1) Up to July 31, 1968 includes Canadian Wheat Board estimate of farm stocks and from 1969 D.B.S. estimate.

<sup>p</sup> Preliminary figures.

<sup>r</sup> Revised figures.



FARMERS' MARKETINGS OF OATS, BARLEY AND RYE

Total marketing's of oats, barley and rye in the Prairie Provinces during the crop year 1969-70 amounted to 197.0 million bushels, 55 per cent more than the comparable 1968-69 crop year figure of 127.2 million and 40 per cent above the ten-year (1958-59-1967-68) average of 141.0 million bushels. Deliveries of barley, at 168.4 million accounted for 86 per cent of the crop year total; oats, at 21.0 million (11 per cent); and rye, 7.6 million bushels (4 per cent).

Farmers' Marketings(1) of Oats, Barley and Rye in the Prairie Provinces, 1969-70 with Comparisons

Period or week ending		Oats				Barley			
		Man.	Sask.	Alta.	Total	Man.	Sask.	Alta.	Total
thousand bushels									
August 1, 1969 — May 20, 1970		6,279	2,848	4,153	13,280	14,387	29,216	53,828	97,432
May 27 .....		226	145	65	435	411	617	1,032	2,060
June 3 .....		174	100	121	395	1,099	2,703	1,426	5,228
10 .....		79	133	141	354	1,361	8,589	1,582	11,532
17 .....		140	52	207	399	1,714	5,609	2,339	9,663
24 .....		227	81	216	524	1,864	4,660	2,137	8,661
30 .....		286	93	216	595	1,161	2,731	1,929	5,821
July 8 .....		318	100	225	642	1,358	1,563	2,724	5,646
15 .....		289	138	251	678	818	1,500	2,374	4,692
22 .....		312	191	305	808	923	1,456	2,386	4,765
31 .....		1,422	469	994	2,885	1,835	4,205	6,819	12,858
Totals .....		9,750	4,350	6,895	20,996	26,933	62,851	78,576	168,359
1968-69 crop year <sup>r</sup> .....		20,506	9,493	11,575	41,574	11,111	19,647	51,009	81,766
10-year average 1958-59 — 1967-68 .....		15,253	14,715	13,042	43,010	13,615	32,052	45,031	90,698

		Rye			
		thousand bushels			
August 1, 1969 — May 20, 1970 .....		1,265	2,810	766	4,841
May 27 .....		26	87	20	132
June 3 .....		69	149	31	250
10 .....		22	145	38	205
17 .....		55	122	49	225
24 .....		85	195	48	328
30 .....		80	288	61	429
July 8 .....		130	377	83	590
15 .....		40	49	30	118
22 .....		32	34	22	88
31 .....		105	207	87	400
Totals .....		1,909	4,462	1,233	7,604
1968-69 crop year <sup>r</sup> .....		988	2,322	528	3,838
10-year average 1958-59 — 1967-68 .....		1,659	3,833	1,792	7,284

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

<sup>r</sup> Revised figures.

Visible Supply of Canadian Oats, Barley and Rye, August 26, 1970 Compared with  
Approximately the Same Date, 1968 and 1969

Position	1968	1969	1970
	thousand bushels		
	<u>Oats</u>		
Country elevators — Manitoba .....	4,400	6,386	2,337
Saskatchewan .....	3,518	5,255	1,239
Alberta .....	2,588	6,678	4,748
Sub-totals .....	10,506	18,319	8,324
Interior private and mill .....	341	280	496
Interior terminals .....	10	9	1
Vancouver-New Westminster .....	195	150	1
Prince Rupert .....	1	1	1
Churchill .....	—	45	35
Thunder Bay .....	5,985	9,337	3,483
In transit rail (western division) .....	2,227	1,027	1,981
Bay, Lake and Upper St. Lawrence ports .....	436	1,036	762
Lower St. Lawrence and Maritime ports .....	763	1,735	1,428
In transit lake .....	—	325	75
Totals .....	20,464	32,264	16,587
	<u>Barley</u>		
Country elevators — Manitoba .....	3,557	1,986	2,013
Saskatchewan .....	14,403	8,447	7,055
Alberta .....	24,428	27,729	23,831
Sub-totals .....	42,388	38,162	32,899
Interior private and mill .....	94	60	75
Interior terminals .....	2,416	1,994	2,052
Vancouver-New Westminster .....	1,605	1,860	3,119
Prince Rupert .....	1	1	1
Thunder Bay .....	7,974	7,343	10,515
In transit rail (western division) .....	2,142	5,847	6,597
Bay, Lake and Upper St. Lawrence ports .....	1,167	1,285	1,306
Lower St. Lawrence and Maritime ports .....	497	1,738	7,176
In transit lake .....	—	785	3,775
Totals .....	58,284	59,075	67,515
	<u>Rye</u>		
Country elevators — Manitoba .....	500	359	362
Saskatchewan .....	1,390	999	1,510
Alberta .....	326	326	515
Sub-totals .....	2,216	1,684	2,387
Interior private and mill .....	13	35	21
Interior terminals .....	1	1	2
Vancouver-New Westminster .....	635	266	486
Thunder Bay .....	1,782	803	2,276
In transit rail (western division) .....	419	481	238
Bay, Lake and Upper St. Lawrence ports .....	321	299	312
Lower St. Lawrence and Maritime ports .....	92	171	222
In transit lake .....	—	—	100
United States ports .....	198	—	315
Totals .....	5,677	3,740	6,359



GRADING OF CROPS, 1969-70

The total number of cars of oats, barley and rye inspected by the Board of Grain Commissioners for Canada during the 1969-70 crop year amounted to 83,275 cars sharply above the 45,131 cars of these grains inspected during the 1968-69 crop year. Inspection of barley, at 71,399 cars accounted for 86 per cent of the August 1969-July 1970 total, with the remainder consisting of 8,377 cars of oats (10 per cent); and 3,499 cars of rye (4 per cent).

Percentages of the three grains falling into the higher grades (excluding "Toughs" and "Damps") during the 1969-70 crop year with comparable data for the entire 1968-69 crop year and the five-year August-July (1963-64-1967-68) averages, respectively, in brackets, were as follows: oats, 1 Feed or higher, 77.6 (63.1, 91.7); barley, 1 Feed or higher, 71.0 (63.4, 75.7); and rye, 3 C.W. or higher, 82.7 (73.9, 86.1).

Gradings of Oats, Barley and Rye Inspected(1),  
August-July 1969-70 with Comparisons

Grain and grade	Crop year		August — July		
	Average 1963-64 — 1967-68	1968-69	1969-70	1969-70	1969-70
	per cent	cars	per cent	cars	per cent
<u>OATS</u>					
2 C.W. ....	0.2	14	0.1	38	0.4
Ex. 3 C.W. ....	2.2	110	1.0	256	3.1
3 C.W. ....	29.1	2,322	21.9	897	10.7
Ex. 1 Feed ....	18.5	1,182	11.2	825	9.8
1 Feed ....	41.7	3,059	28.9	4,492	53.6
2 Feed ....	3.4	298	2.8	460	5.5
3 Feed ....	0.6	63	0.6	150	1.8
Mixed Feed(3) ....	0.2	30	0.3	67	0.8
Tough(3)(4) ....	3.3	3,076	29.0	884	10.6
Damp(3)(5) ....	(2)	405	3.8	3	(2)
Rejected(3) ....	0.3	27	0.3	137	1.6
All Others ....	0.3	10	0.1	168	2.0
Totals ....	100.0	10,596	100.0	8,377	100.0
Bushel equivalent (approximately) .....		30,958,000		24,698,000	

See footnote(s) at end of table.

Gradings of Oats, Barley and Rye Inspected(1), August-July  
1969-70 with Comparisons - Concluded

Grain and grade	Crop year	August - July			
	Average 1963-64	1968-69		1969-70	
	1967-68				
	per cent	cars	per cent	cars	per cent
<u>BARLEY</u>					
1 C.W. Six-Row .....	(2)	2	(2)	24	(2)
2 C.W. Six-Row .....	1.2	701	2.2	586	0.8
3 C.W. Six-Row .....	18.0	4,303	13.3	7,630	10.7
1 C.W. Two-Row .....	(2)	—	—	7	(2)
2 C.W. Two-Row .....	0.6	97	0.3	838	1.2
3 C.W. Two-Row .....	4.6	2,012	6.2	3,555	5.0
1 Feed .....	51.3	13,400	41.4	38,058	53.3
2 Feed .....	9.1	3,521	10.9	11,110	15.6
3 Feed .....	1.0	433	1.3	910	1.3
Tough(3)(6) .....	13.4	5,680	17.5	7,922	11.1
Damp(3)(5) .....	0.5	1,919	5.9	402	0.6
Rejected(3) .....	0.3	288	0.9	260	0.4
All Others .....	0.1	23	0.1	97	0.1
Totals .....	100.0	32,379	100.0	71,399	100.0
Bushel equivalent (approximately) ....		72,274,000		163,751,000	
<u>RYE</u>					
1 C.W. ....	1.1	23	1.1	7	0.2
2 C.W. ....	42.5	1,027	47.6	1,687	48.2
3 C.W. ....	42.5	543	25.2	1,200	34.3
4 C.W. ....	1.8	121	5.6	148	4.2
Ergoty .....	3.7	15	0.7	24	0.7
Tough(3)(4) .....	5.8	401	18.6	420	12.0
Damp(3)(5) .....	2.5	18	0.8	3	0.1
Rejected(3) .....	0.1	5	0.2	6	0.2
All Others .....	(2)	3	0.1	4	0.1
Totals .....	100.0	2,156	100.0	3,499	100.0
Bushel equivalent (approximately) ....		4,188,000		6,943,000	

(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 THUNDER BAY

Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to July 31, 1970 amounted to 200.3 million bushels, 89 per cent above the 106.2 million at the comparable date in 1969. In 1970 the season of navigation opened on April 8 while the 1969 season opened on April 11. Shipments of wheat, at 121.1 million bushels accounted for 60 per cent of the total while oats, at 12.3 million and barley, at 55.6 million accounted for 6 per cent and 28 per cent, respectively, of the 1970 total. The remainder of the shipments consisted of 1.8 million bushels of rye, 6.5 million of flaxseed, and 3.0 million of rapeseed.

Lake Shipments of Canadian Grain from the Opening of Navigation to July 31, 1970  
and to Approximately the Same Date, 1959-69

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
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
1970 .....	121,118	12,306	55,571	1,820	6,465	2,987	200,267

(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 THUNDER BAY

Rail movement of wheat, oats, barley, rye, flaxseed and rapeseed from the Lakehead during the 1969-70 crop year amounted to 13.2 million bushels, considerably above the comparable 1968-69 total of 7.3 million bushels.

Rail Shipments of Canadian Grain from Thunder Bay  
August-July 1969-70 and 1968-69

Month	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
August 1969 .....	133	223	183	4	87	—	629
September .....	134	223	182	4	61	13	617
October .....	149	242	200	8	16	18	632
November .....	126	276	170	10	100	34	716
December .....	179	264	216	—	434	18	1,112
January 1970 .....	272	369	353	4	334	188	1,520
February .....	404	412	538	4	264	—	1,622
March .....	298	625	748	2	71	—	1,745
April .....	261	453	479	4	118	31	1,346
May .....	311	344	321	2	114	40	1,132
June .....	222	213	229	8	53	40	765
July .....	294	353	600	6	118	18	1,389
Totals .....	2,784	3,996	4,219	56	1,769	399	13,223
Same period 1968-69 .....	1,057	2,273	2,260	53	1,612	22	7,277

# SHIPMENTS UNDER FEED GRAIN ASSISTANCE REGULATIONS

Claims filed for payment for the 1969-70 crop year represent the movement of some 103.7 million bushels of wheat, oats, barley, rye and corn to Eastern Canada and British Columbia under the Livestock Feed Assistance Act. This total represents an increase of 33 per cent over the 1968-69 shipments of 78.0 million bushels of the five grains. Although shipments of barley, at 48.0 million bushels, were some 31 per cent greater than in 1968-69, the largest proportionate increase occurred in shipments of wheat. Shipments of western wheat under the terms of the Act amounted to 26.0 million bushels, considerably more than double the previous year's total of 11.1 million. Shipments of oats, at 28.8 million bushels, were also above the 1968-69 level of 26.6 million.

The movement of screenings under the Livestock Feed Assistance Act amounted to 71,898 tons in the 1969-70 crop year which is a slight decrease from the 1968-69 figure of 72,807 tons. Shipments of millfeeds, at 486,183 tons were 12 per cent below the 1968-69 shipments of 550,443 tons.

The bulk of all livestock feed shipments with the exception of rye and corn, went to destinations in Ontario and Quebec with the two provinces accounting for a combined 70 per cent of wheat, 82 per cent of oats, 79 per cent of barley, 87 per cent of screenings and 83 per cent of millfeeds.

## Provincial Distribution of Shipments under the Feed Grain Assistance Regulations Crop Year 1969-70 and 1968-69

Province	Western						Eastern	
	Wheat(1)	Oats	Barley	Rye	Screen-ings	Mill-feeds	Wheat	Corn(2)
	thousand bushels				tons		thousand bushels	
Newfoundland .....	583	237	438	3	111	2,625	—	12
Prince Edward Island	213	128	531	3	110	5,494	—	53
Nova Scotia .....	2,322	1,205	2,137	13	516	18,669	—	393
New Brunswick .....	1,100	859	1,525	2	75	14,979	2	222
Quebec .....	9,841	14,215	21,360	3	12,987	229,492	61	—
Ontario .....	8,333	9,419	16,386	45	49,554	177,359	—	—
British Columbia ...	3,649	2,725	5,667	13	8,545	37,565	—	50
Totals .....	26,043	28,788	48,043	81	71,898	486,183	63	731
Same period 1968-69 <sup>r</sup>	11,072	26,605	36,694	675	72,807	550,443	269	2,684

(1) Includes shipments of sample feed grains.

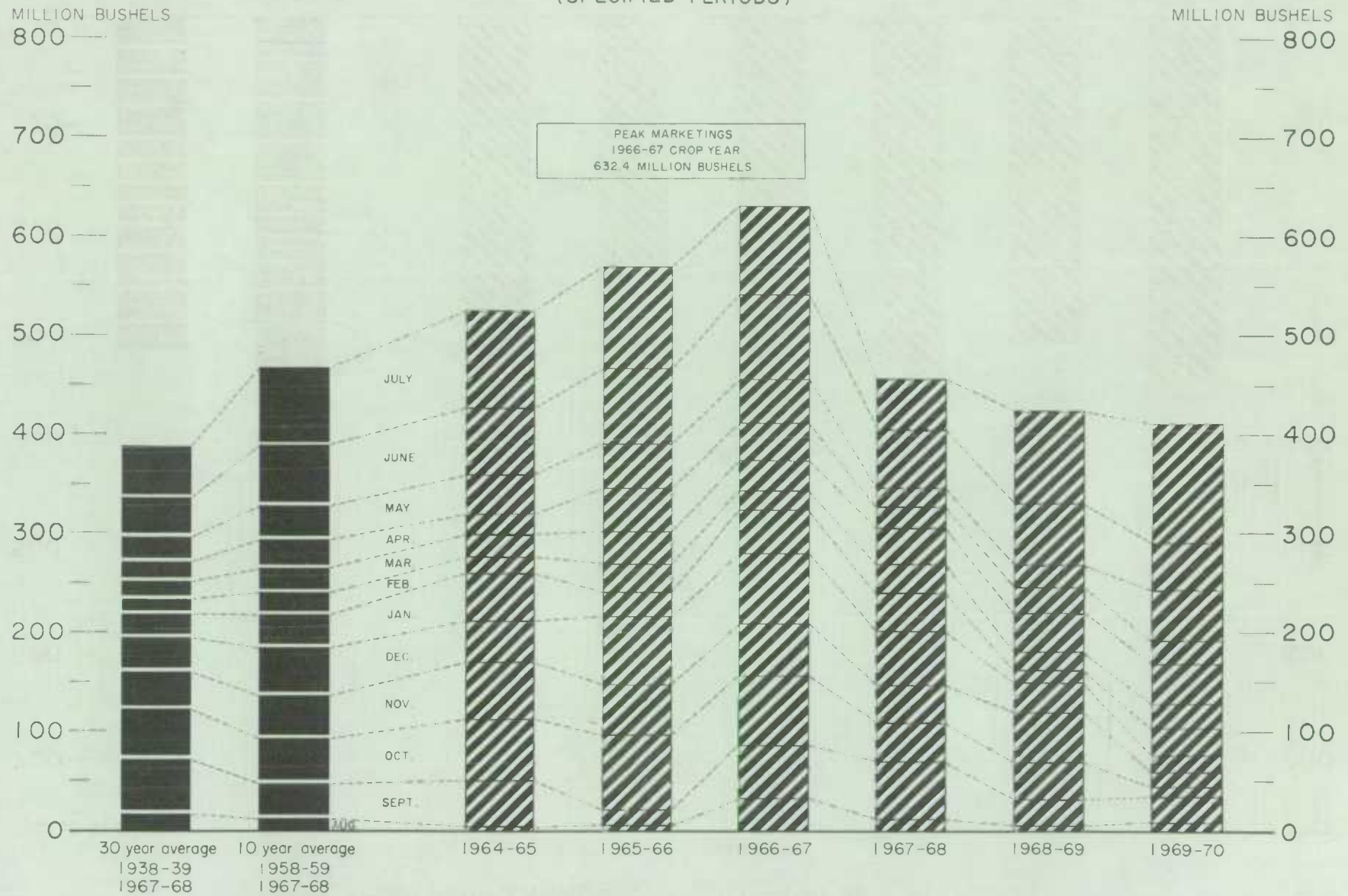
(2) Includes Manitoba corn shipped into British Columbia.

r Revised figures.



# FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

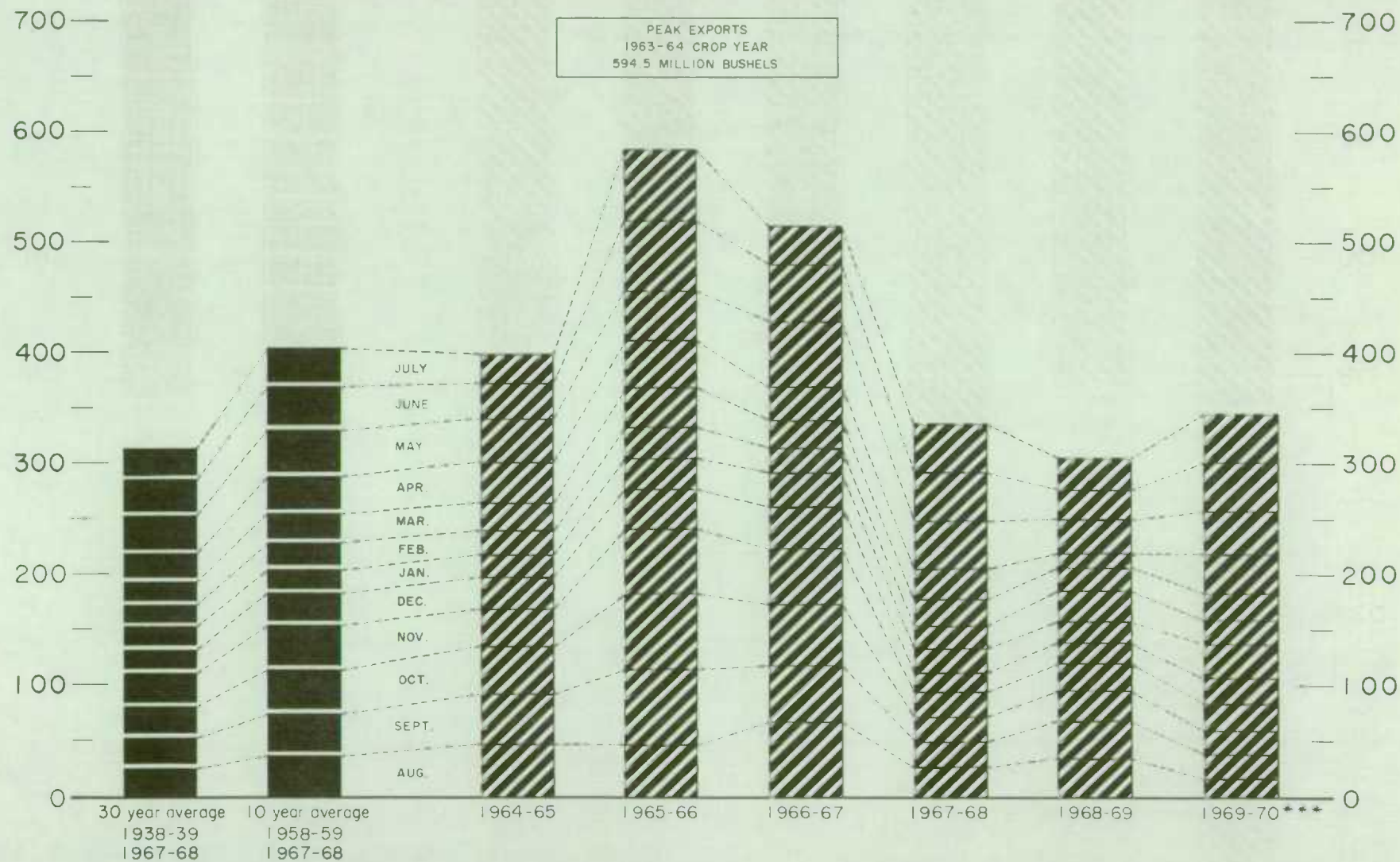


## EXPORTS OF CANADIAN WHEAT\* AND WHEAT FLOUR\*\*

(SPECIFIED PERIODS)

MILLION BUSHELS

MILLION BUSHELS



\* Beginning with 1955-56 includes seed wheat.

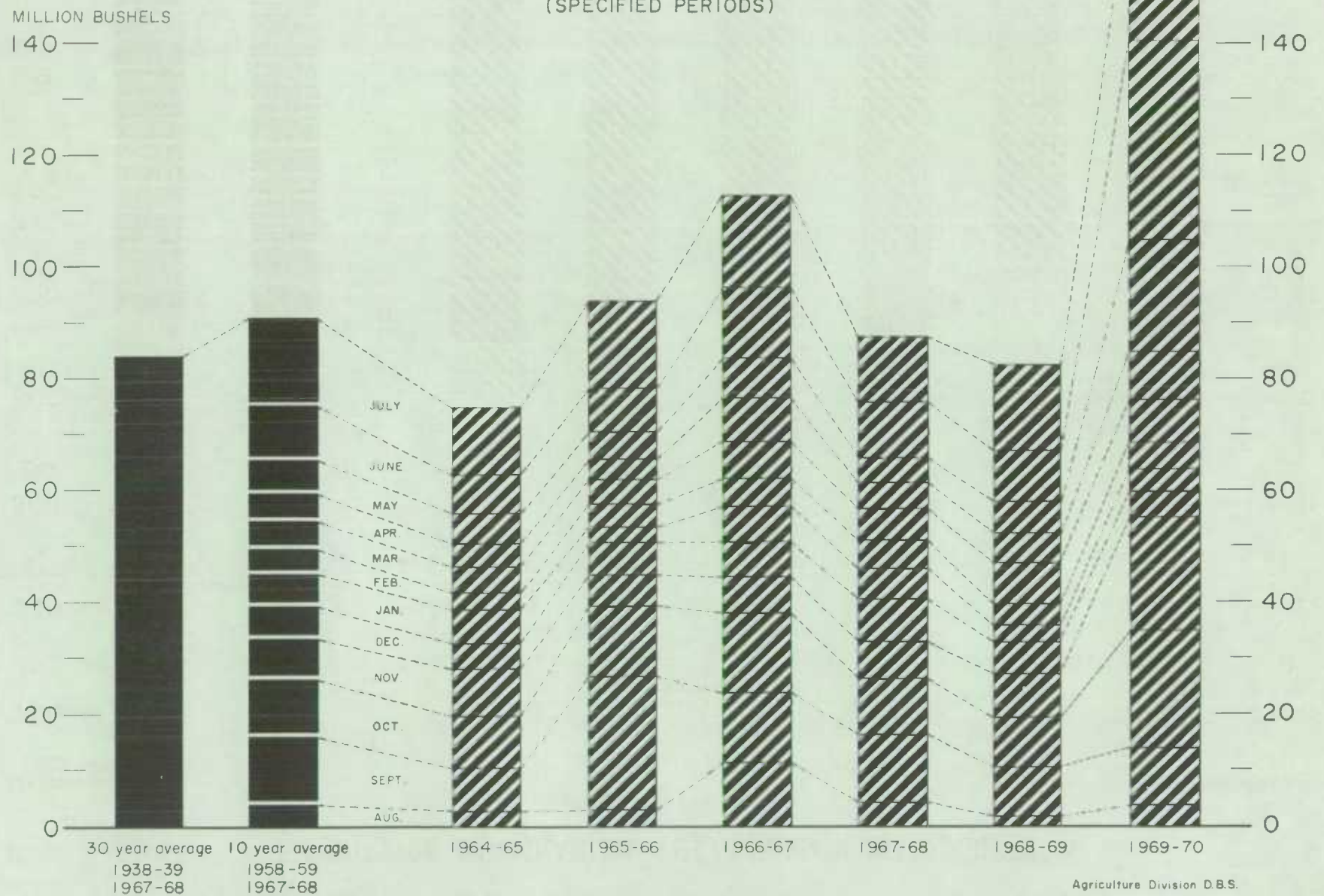
\*\* In terms of wheat equivalent

\*\*\* Preliminary.

Agriculture Division D.B.S.

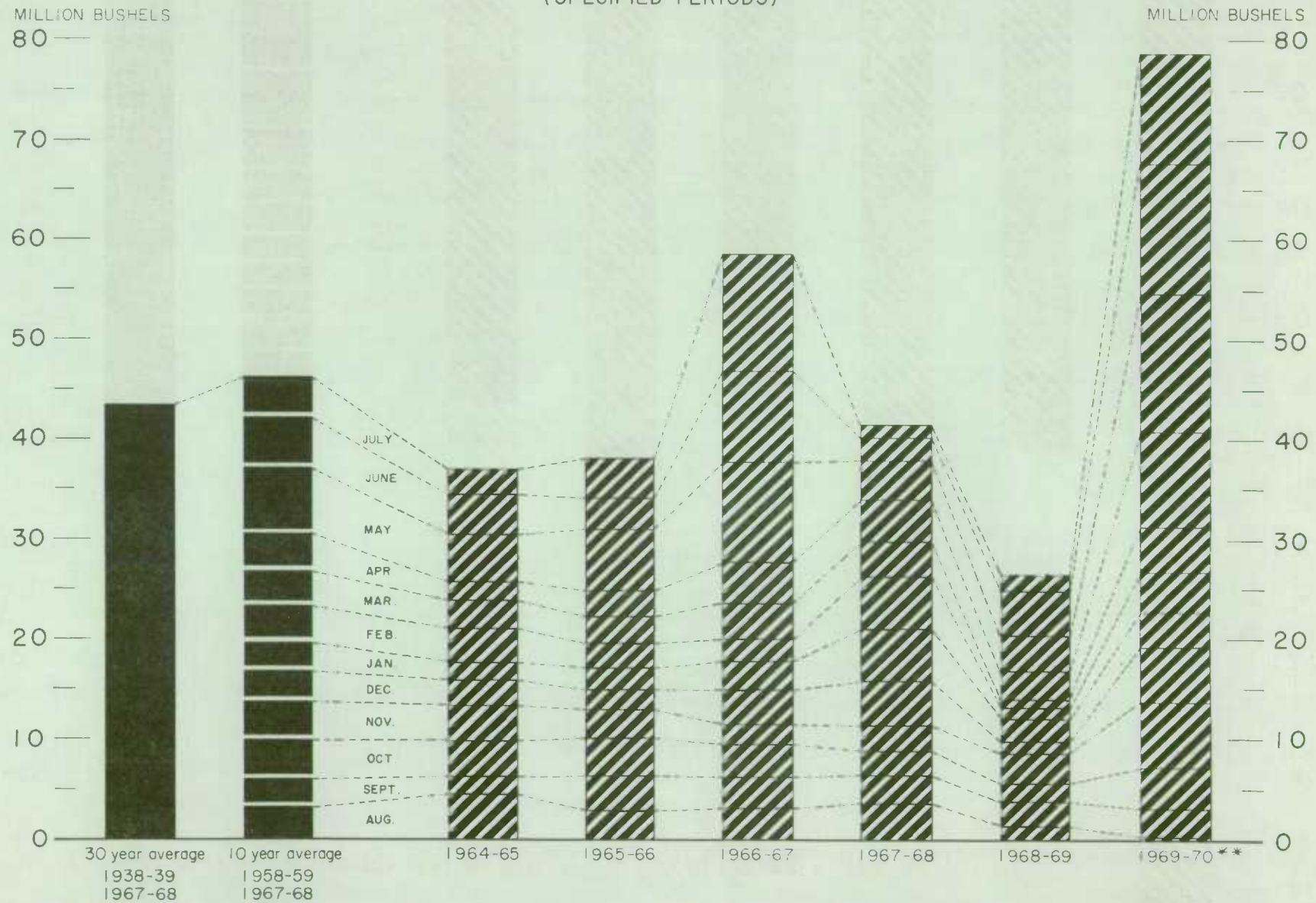


# FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES (SPECIFIED PERIODS)



## EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS\*

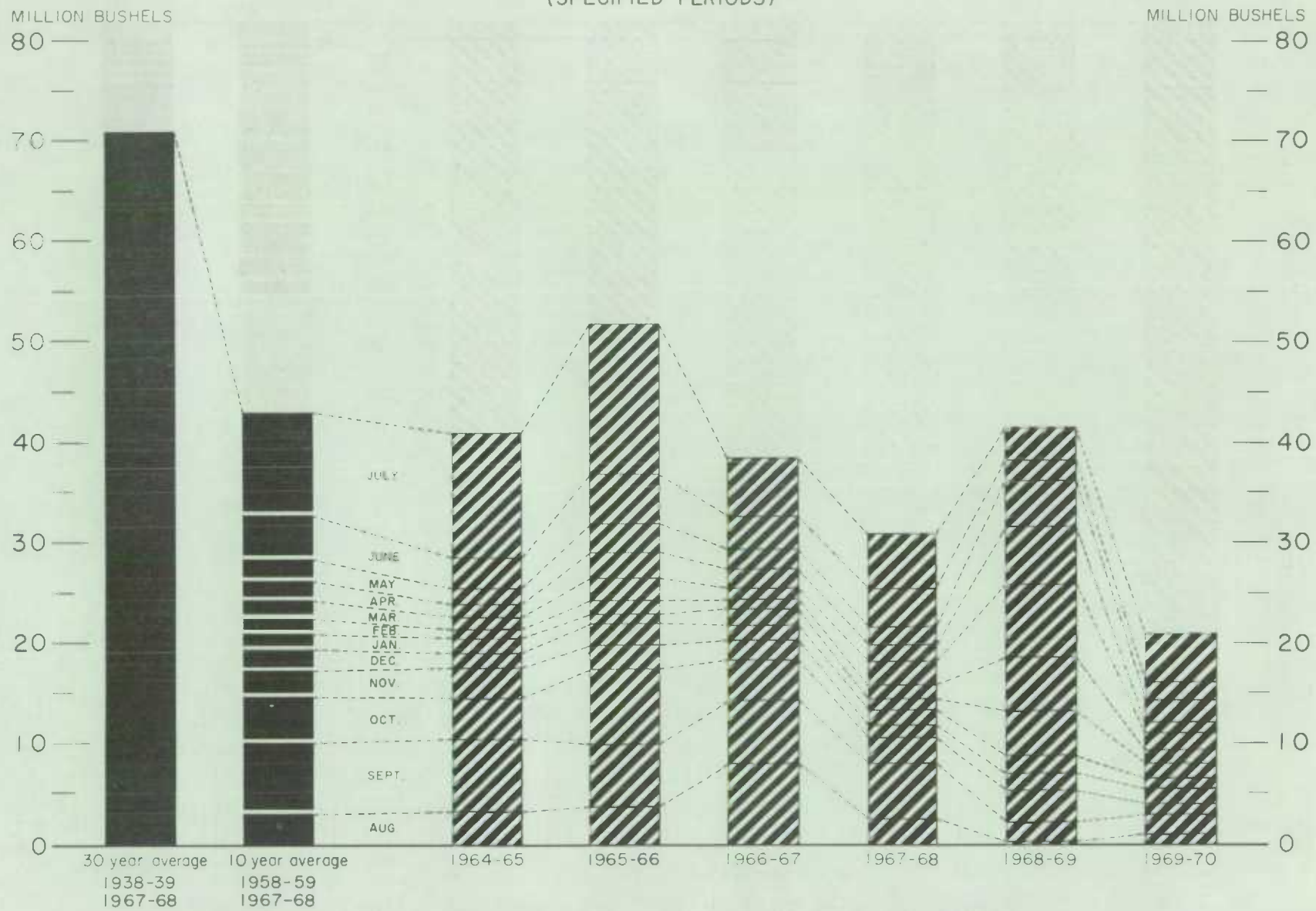
(SPECIFIED PERIODS)





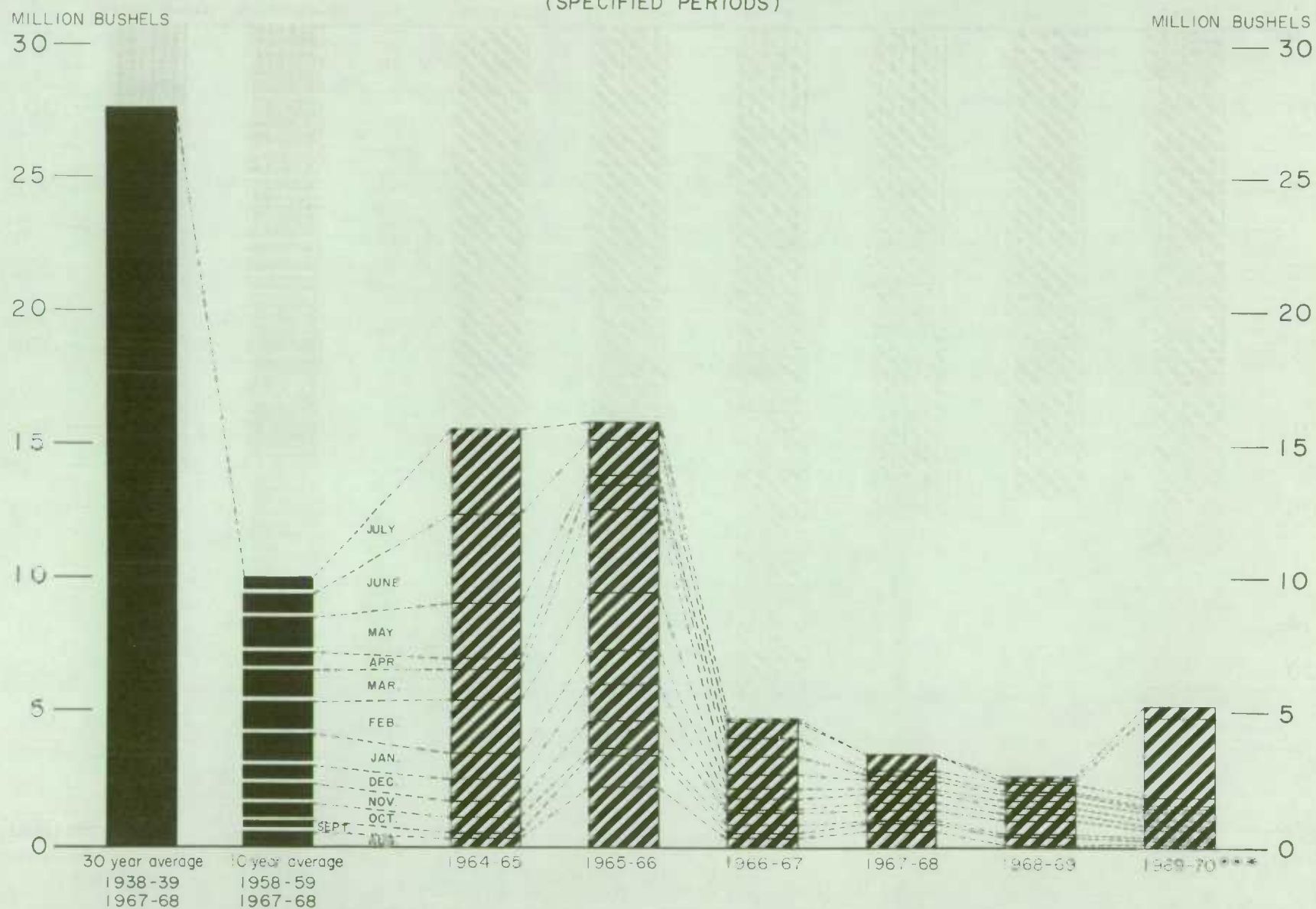
# FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



## EXPORTS OF CANADIAN OATS\* AND OAT PRODUCTS\*\*

(SPECIFIED PERIODS)



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

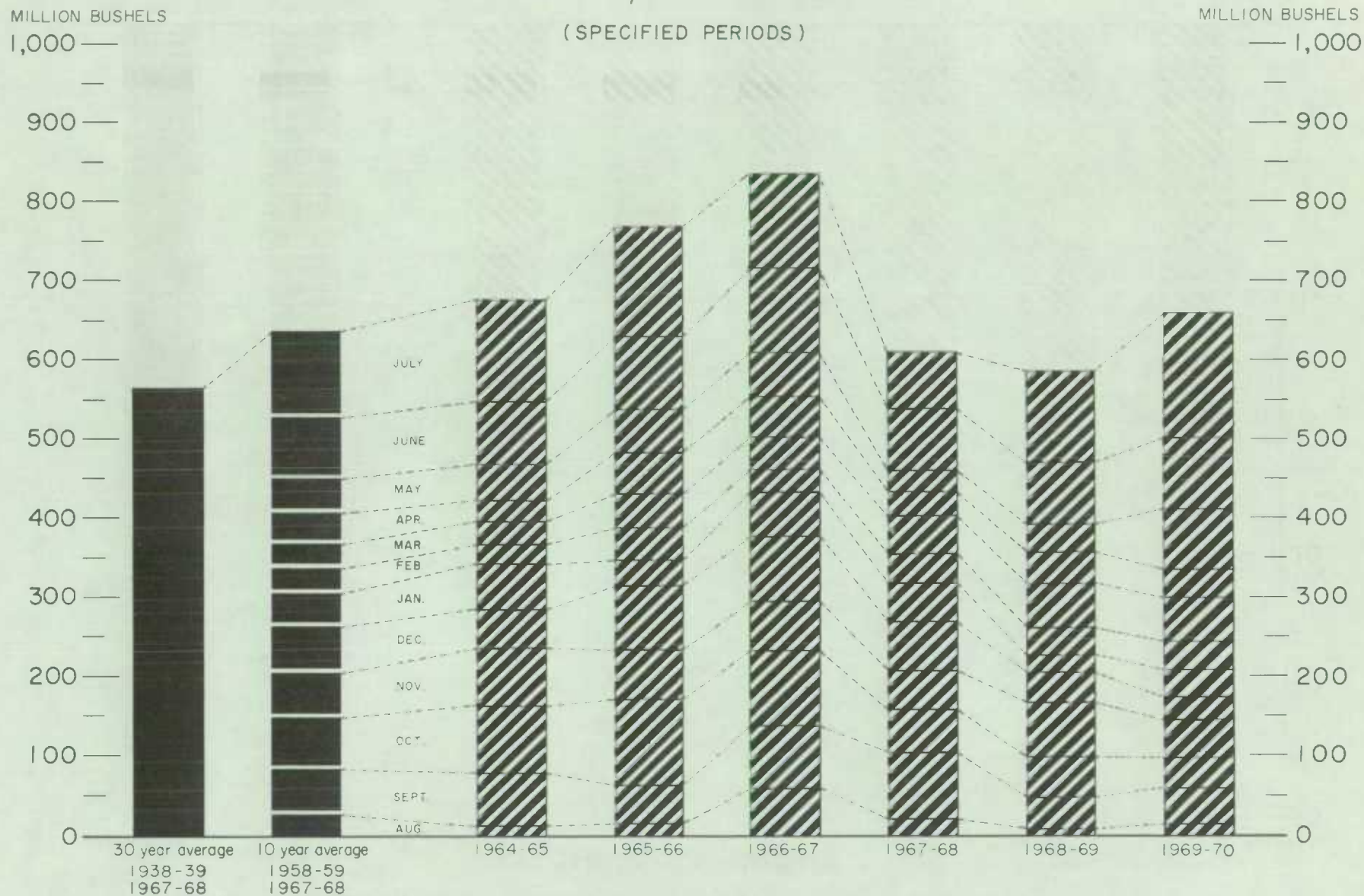
\*\*In terms of grain equivalent.

\*\*\* Preliminary

Agriculture Division D.B.S.



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

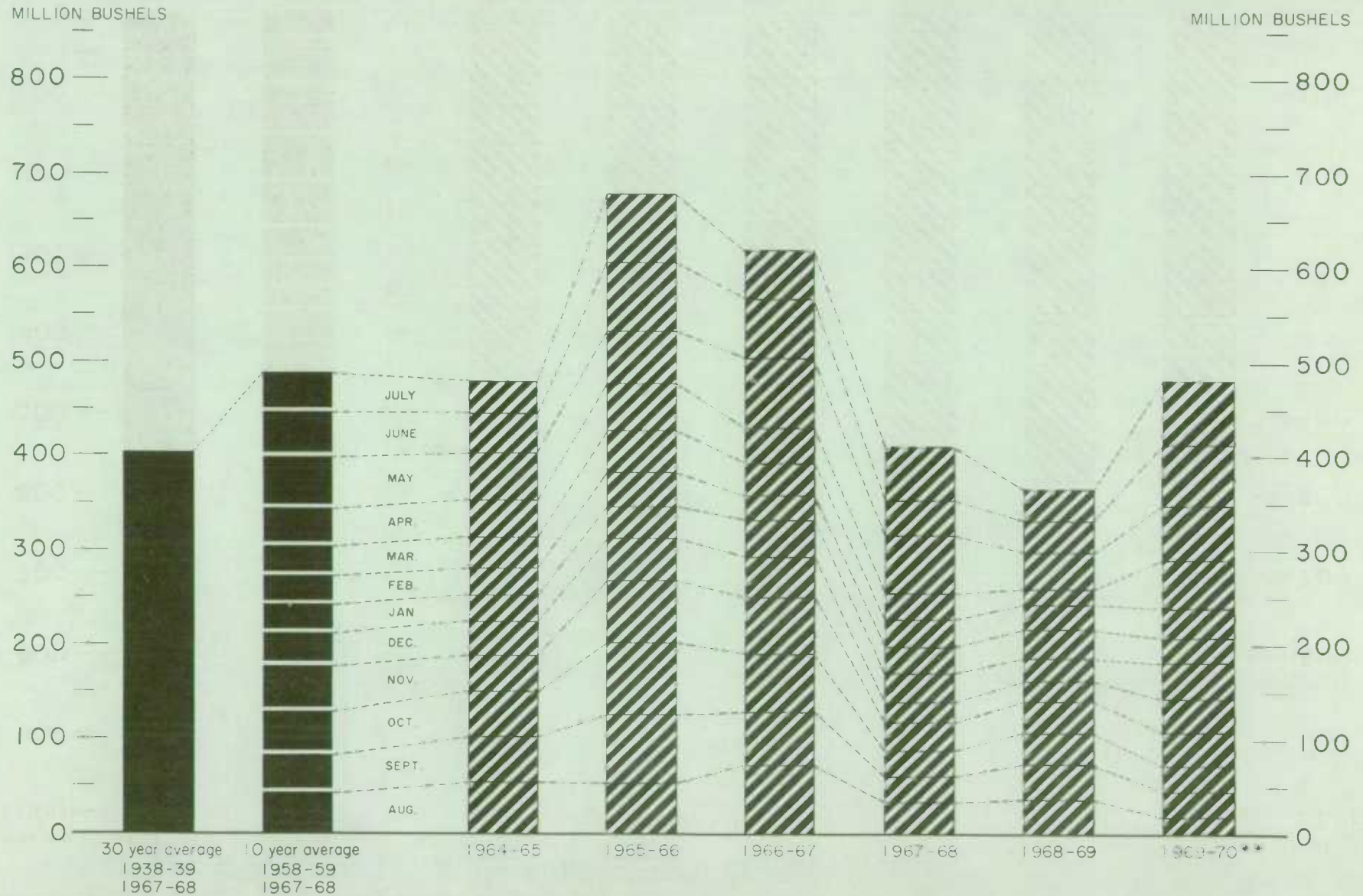


\* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed

Agriculture Division D.B.S.

# EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS\*

(SPECIFIED PERIODS)



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



Exports of Canadian Oats(1) 1969-70 and 1968-69

Destination	May 1970	June 1970	July 1970	August — July	
				1969-70	1968-69
bushels					
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg .....	—	—	—	162,016	61,271
Germany, Federal Republic ....	—	2,581,656	—	2,581,656	—
Netherlands .....	—	132,000	312,670	546,183	353,787
Sub-totals .....	—	2,713,656	312,670	3,289,855	415,058
<u>Other Western Europe</u>					
Britain .....	34,037	250,643	—	353,254	139,381
Ireland .....	—	—	—	—	230,319
Switzerland .....	105,180	—	—	105,180	204,236
Sub-totals .....	139,217	250,643	—	458,434	573,936
Totals .....	139,217	2,964,299	312,670	3,748,289	988,994
<u>Africa</u>					
U.A.R. - Egypt .....	—	—	—	—	335,553
<u>Asia</u>					
Syria .....	—	—	—	129,682	—
<u>Western Hemisphere</u>					
United States(2) .....	78,251	65,749	46,357	960,313	927,912
Sub-totals, all countries ....	217,468	3,030,048	359,027	4,838,284	2,252,459
Seed oats(3) .....	12,724	938	—	266,029	391,698
Totals, all countries .....	230,192	3,030,986	359,027	5,104,313	2,644,157

(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) 1969-70 and 1968-69

Destination	May 1970	June 1970	July 1970	August — July	
				1969-70	1968-69
bushels					
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg .....	68,305	—	—	68,305	—
Germany, Federal Republic .....	1,400,227	1,392,600	3,009,081	6,319,581 <sup>r</sup>	—
Italy .....	2,735,833	3,319,526	3,275,965	12,615,611	—
Netherlands .....	135,520	—	892,220	1,027,740	—
Sub-totals .....	4,339,885	4,712,126	7,177,266	20,031,237 <sup>r</sup>	—
<u>Other Western Europe</u>					
Britain .....	4,676,258	3,317,047	3,050,289	19,522,641	10,879,269
Ireland .....	86,333	—	511,786	598,119	499,875
Denmark .....	—	—	432,833	432,833	—
Sub-totals .....	4,762,591	3,317,047	3,994,908	20,553,593	11,379,144
Totals .....	9,102,476	8,029,173	11,172,174	40,584,830 <sup>r</sup>	11,379,144
<u>Eastern Europe</u>					
Germany, East .....	—	—	—	<sup>r</sup>	—
Poland .....	1,245,804	651,930	—	4,791,435	—
<u>Africa</u>					
Tunisia .....	—	—	—	948,245	—
<u>Asia</u>					
Israel .....	1,306,510	—	1,381,333	5,255,023	1,266,300
Japan .....	166,054	2,185,274	4,044,626	16,938,690	771,830
Taiwan .....	—	—	652,260	652,260	—
Totals .....	1,472,564	2,185,274	6,078,219	22,845,973	2,038,130
<u>Oceania</u>					
New Zealand .....	101,433	514,567	535,733	1,151,733	—
U.S. Oceania .....	—	—	—	—	116,200
Totals .....	101,433	514,567	535,733	1,151,733	116,200
<u>Western Hemisphere</u>					
Colombia .....	—	619,033	—	1,789,216	—
Peru .....	—	—	—	271,133	—
United States(2) .....	1,644,213	907,166	1,551,678	10,322,102	7,676,923
Totals .....	1,644,213	1,526,199	1,551,678	12,382,451	7,676,923
Totals, all countries .....	13,566,490	12,907,143	19,337,804	82,704,667	21,210,397

(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.

<sup>r</sup> Revised figures.



Exports of Canadian Rye(1) 1969-70 and 1968-69

Destination	May 1970	June 1970	July 1970	August - July	
				1969-70	1968-69
bushels					
<u>Western Europe</u>					
EEC:					
Germany, Federal Republic .	—	—	—	20,906	—
Netherlands .....	—	—	23,081	359,783	252,335
Sub-totals .....	—	—	23,081	380,689	252,335
<u>Other Western Europe</u>					
Britain .....	129,663	111,914	92,000	491,953	536,824
Denmark .....	—	—	—	157,500	—
Norway .....	—	—	—	—	936,910
Sub-totals .....	129,663	111,914	92,000	649,453	1,473,734
Totals .....	129,663	111,914	115,081	1,030,142	1,726,069
<u>Asia</u>					
Japan .....	138,456	169,071	253,188	1,991,849	1,627,510
<u>Western Hemisphere</u>					
United States(2) .....	262,107	232,557	121,000	806,776	894,245
Totals, all countries .....	530,226	513,542	489,269	3,828,767	4,247,824

(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) 1969-70 and 1968-69

Destination	May 1970	June 1970	July 1970	August — July	
				1969-70	1968-69
bushels					
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg .....	—	—	—	689	339
<u>Other Western Europe</u>					
Britain .....	—	—	—	—	65
Totals .....	—	—	—	689	404
<u>Africa</u>					
Ethiopia .....	—	—	—	71	—
Liberia .....	—	—	—	1,913	—
Mozambique .....	—	—	—	—	49
Totals .....	—	—	—	1,984	49
<u>Asia</u>					
Malaysia .....	—	—	38	38	—
<u>Western Hemisphere</u>					
Bahamas .....	—	—	180	18,322	1,284
Barbados .....	55	—	240	3,639	4,093
Bermuda .....	437	—	—	1,989	3,143
Bolivia .....	—	—	—	109	66
Chile .....	—	—	—	197	98
Dominican Republic .....	—	—	—	9,869	16,437
Ecuador .....	—	—	—	—	5,738
Guyana .....	—	—	—	—	158
Honduras Republic .....	—	820	—	4,099	1,093
Leeward and Windward Is. ....	—	1,240	1,400	12,104	7,639
Netherlands Antilles .....	—	—	—	994	—
Peru .....	—	546	—	2,732	—
St. Pierre and Miquelon .....	—	22	—	213	175
Trinidad and Tobago .....	—	—	33	448	393
Venezuela .....	—	—	—	—	36,721
United States .....	—	—	—	3,443	1,312
Totals .....	492	2,628	1,853	58,158	78,350
Totals, all countries .....	492	2,628	1,891	60,869	78,803

(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) 1969-70 and 1968-69

Destination	May 1970	June 1970	July 1970	August — July	
				1969-70	1968-69
bushels					
<u>Western Europe</u>					
Britain .....	—	—	—	71,545	—
<u>Africa</u>					
Ghana .....	—	—	3,056	12,223	18,334
Liberia .....	—	—	—	—	1,833
Totals .....	—	—	3,056	12,223	20,167
<u>Asia</u>					
Ceylon .....	—	—	—	6,222	6,222
Hong Kong .....	6,111	—	—	30,555	36,666
Japan .....	—	237,092	353,008	1,416,047	1,140,277
Korea, South .....	—	20,416	6,125	26,541	—
Philippines .....	36,667	21,389	30,319	492,783	719,721
Totals .....	42,778	278,897	389,452	1,972,148	1,902,886
<u>Western Hemisphere</u>					
Barbados .....	—	2,222	—	7,200	2,489
Brazil .....	—	—	48,889	326,946	259,445
Costa Rica .....	—	6,417	19,861	86,808	42,777
Dominican Republic .....	15,106	—	—	94,413	66,092
El Salvador .....	—	12,222	12,406	159,039	110,307
Guatemala .....	3,056	—	36,667	91,667	209,490
Honduras Republic .....	—	4,889	7,333	46,467	19,990
Jamaica .....	37,583	40,833	12,528	335,476	230,544
Leeward and Windward Is. ....	—	—	—	25	106
Nicaragua .....	—	—	12,222	71,666	82,554
Panama .....	—	—	—	48,888	79,444
Peru .....	—	—	—	250,556	266,665
Puerto Rico .....	—	8,067	24,200	191,584	177,406
Venezuela .....	23,833	—	21,389	568,818	711,760
United States .....	91,222	106,839	367,153	1,272,437	1,014,245
Totals .....	170,800	181,489	562,648	3,551,990	3,273,314
Totals, all countries .....	213,578	460,386	955,156	5,607,906	5,196,367

(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 downward slightly in May to 23.7 points from the April figure of 23.8. The decline was attributable to an increase of 1 3/8 cents per bushel for No. 1 Feed barley (basis in store Thunder Bay) which more than offset an increase of 18 cents per hundredweight from \$30.72 during April to \$30.90 in May for hog prices (basis Index 100 hog dressed weight at Winnipeg). The ratio declined a full point to a level of 22.7 in June, reflecting a 96 cent. per hundredweight drop in the hog price to \$29.94, combined with a 3/4 cent per bushel increase in the barley price to \$1.05 3/4 cents per bushel. The June pattern was repeated in July as the hog-barley ratio fell 1.3 points to 21.4 as a result of a \$1.35 per hundredweight decline in the hog price plus a 1 3/8 cent per bushel increase in the barley price. The July price level stood at \$28.59 per hundredweight for Index 100 hogs and \$1.07 1/8 per bushel for No. 1 Feed barley at the Lakehead.

## Hog Barley Ratio (1) 1965-70 by Months

Month	1965	1966	1967	1968	1969	1970
January .....	14.8	23.9	17.8	16.0	23.9	29.8
February .....	15.1	24.4	18.8	16.3	25.0	29.8
March .....	15.7	20.8	18.0	16.2	25.6	26.7
April .....	15.9	19.0	17.1	15.7	24.6	23.8
May .....	17.3	21.6	18.8	18.4	27.2	23.7
June .....	20.5	22.1	18.3	19.1	30.1	22.7
July .....	21.6	19.7	16.6	20.4	30.0	21.4
August .....	21.2	19.9	17.0	23.4	30.7	
September .....	21.0	19.5	17.6	23.8	31.8	
October .....	20.9	18.5	17.4	22.7	30.1	
November .....	22.0	17.6	16.4	23.4	29.1	
December .....	23.6	17.2	16.7	23.5	30.0	

(1) 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.

## FEED AND LIVESTOCK PRICE INDICES

The index of feed prices declined from a level of 224.0 in April to 218.7 in May due to lower prices for hay, feed barley, rye and eastern wheat. The decline continued in June, falling to 215.6 as a result of lower prices for hay, bran and shorts at Toronto and western rye. The index fell by 1.7 points in July to a level of 213.9 due to lower prices for shorts at Toronto, Ontario corn, Ontario oats and eastern wheat.

The animal products index advanced 2.8 points to 363.1 from 360.3 on higher prices for hogs on both Eastern and Western markets, for cheesemilk and eggs in the East, and for lambs, calves and steers in the West. The index declined to 352.6 in June reflecting lower prices for eggs, hogs and steers on both Eastern and Western markets and for lambs, raw wool and butterfat in the West. In July the index fell to 348.8 as a result of lower prices for calves, lambs and hogs on Eastern and Western markets, for raw wool and poultry in the East and for butterfat in the West.

## Index Numbers of Feed Prices and Prices of Farm Animals and Farm Animal Products by Months 1967-70 (1935-39 = 100)

Month	1967		1968		1969		1970	
	Feed	Animal	Feed	Animal	Feed	Animal	Feed	Animal
January .....	248.5	320.7	251.9	316.3	268.9	343.0	220.1	364.9
February .....	250.9	322.9	253.0	315.4	269.0	345.5	225.7	374.5
March .....	251.0	315.1	251.9	312.9	263.6	344.8	224.8	371.2
April .....	251.0	319.9	252.8	313.8	261.2	352.8	224.0	360.3
May .....	251.9	327.8	250.8	322.2	256.3	371.7	218.7	363.1
June .....	256.7	330.7	251.0	330.0	255.5	381.7	215.6	352.6
July .....	259.4	325.0	238.8	333.1	248.6	371.6	213.9	348.8
August .....	260.9	329.8	234.3	340.8	214.7	361.7		
September .....	260.6	331.2	261.5	343.8	213.1	360.2		
October .....	253.2	330.9	260.8	339.0	212.6	352.3		
November .....	252.7	323.1	259.7	339.2	213.8	352.1		
December .....	256.1	326.4	266.6	345.0	216.5	357.9		



Inspection of Corn The following data, based on Board of Grain Commissioners' inspection of Eastern corn, indicate that some 60.7 per cent of the August 1969-July 1970 inspections have been recorded in the grades No. 1 to No. 3 C.E. compared with 62.1 per cent in the preceding crop year. Extra Dry grades accounted for some 24.7 per cent of the total inspections, as against the comparable 1968-69 figure of 25.0 per cent. The categories Tough, Damp, Moist and Wet amounted to 8.7 per cent of the current inspection of Eastern corn, as against last year's comparable total of 12.0 per cent.

Grading of Yellow Corn Inspected in the Eastern Division  
Crop Year 1968-69 and 1969-70

Grade	August - July		August - July	
	1968-69		1969-70	
	bushels	per cent	bushels	per cent
No. 1 C.E. ....	3,471,556	33.2	961,676	15.7
No. 2 C.E. ....	2,638,894	25.2	1,917,824	31.3
No. 3 C.E. ....	392,000	3.7	837,691	13.7
No. 4 C.E. ....	70,000	0.7	78,000	1.3
No. 5 C.E. ....	12,000	0.1	280,552	4.6
Ex. Dry(1) ....	2,617,946	25.0	1,510,500	24.7
Tough(1) ....	575,800	5.5	230,000	3.8
Damp(1) ....	462,000	4.4	172,000	2.8
Moist(1) ....	215,700	2.1	124,000	2.0
Wet(1) ....	2,000	(2)	4,000	0.1
Sample C.E. ....	900	(2)	2,000	(2)
Sample C.E. Yellow				
A/C Heated ....	—	—	2,000	(2)
Totals .....	10,458,796	100.0	6,120,243	100.0

(1) All varieties and grades.

(2) Less than .05 per cent.

In addition, a total of 23 cars of corn were inspected in the Western Division compared with 50 cars last year. The breakdown by individual grades is unavailable.

Monthly and Yearly Average Corn Prices 1967-68 - 1969-70

Month	Corn No. 2 Yellow(1), Chatham			Corn No. 3 Yellow(2), Chicago		
	1967-68	1968-69	1969-70	1967-68	1968-69	1969-70
dollars per bushel						
August .....	1.49	1.31	1.54	1.19	1.05	1.26
September ....	1.49	1.29	1.43	1.16	1.06	1.21
October .....	1.33	1.09	1.25	1.14	1.05	1.18
November .....	1.25	1.14	1.30	1.07	1.12	1.15
December .....	1.26	1.22	1.30	1.11	1.13	1.16
January .....	1.28	1.27	1.32	1.09	1.17	1.23
February .....	1.30	1.26	1.34	1.11	1.15	1.23
March .....	1.27	1.25	1.35	1.14	1.14	1.21
April .....	1.26	1.27	1.33	1.13	1.20	1.25
May .....	1.24	1.42	1.40	1.15	1.29	1.29
June .....	1.26	1.55	1.42	1.12	1.28	1.34
July .....	1.30	1.56	1.42	1.09	1.26	1.35
Yearly av. .	1.31	1.30	1.37	1.12	1.16	1.24

(1) Buying prices, carlots, f.o.b. Chatham, 15 per cent moisture (natural or kiln dried). (2) Closing cash market prices, basis f.o.b. truck Chicago; U.S. dollars.

Canadian Wheat Board Monthly Average Cash Grain Prices, Crop Year 1969-70  
Basis in Store Thunder Bay

Grain and grade	May 1970	June 1970	July 1970
cents and eighths per bushel			
<u>Oats</u>			
Initial payment to producers:			
2 C.W. ....	60	60	60
Ex. 3 C.W. ....	57	57	57
3 C.W. ....	57	57	57
Ex. 1 Feed ....	57	57	57
1 Feed ....	55	55	55
2 Feed ....	50	50	50
3 Feed ....	46	46	46
Domestic and export(1):			
2 C.W. ....	75/6	76/2	76/6
Ex. 3 C.W. ....	73/2	73/6	74/2
3 C.W. ....	72/6	73/2	73/3
Ex. 1 Feed ....	71/6	72/2	72/6
1 Feed ....	70/2	70/6	71/2
2 Feed ....	67/2	67/6	68/2
3 Feed ....	64/2	64/6	65/2
<u>Barley</u>			
Initial payment to producers:			
1 C.W. Six-Row ....	93	93	93
2 C.W. Six-Row ....	93	93	93
3 C.W. Six-Row ....	91	91	91
1 C.W. Two-Row ....	86	86	86
2 C.W. Two-Row ....	86	86	86
3 C.W. Two-Row ....	83	83	83
1 Feed ....	81	81	81
2 Feed ....	78	78	78
3 Feed ....	73	73	73
Domestic and export(1):			
1 C.W. Six-Row ....	115/6	116/4	121
2 C.W. Six-Row ....	115/6	116/4	121
3 C.W. Six-Row ....	113/6	114/4	119
1 C.W. Two-Row ....	110/6	111/4	116/6
2 C.W. Two-Row ....	110/6	111/4	116/6
3 C.W. Two-Row ....	107/6	108/4	113/6
1 Feed ....	105	105/6	107/1
2 Feed ....	103	103/6	105/1
3 Feed ....	100	100/6	102/1

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



Winnipeg Grain Exchange Monthly Average Cash Grain Prices, Crop Year 1969-70  
Basis in Store Thunder Bay

Grain and grade	May 1970	June 1970	July 1970
cents and eighths per bushel			
<u>Oats</u>			
Domestic and export:			
2 C.W. ....	75/4	75/7	75/6
Ex. 3 C.W. ....	72/5	73	73/4
3 C.W. ....	72/2	72/4	72/7
Ex. 1 Feed ....	71/5	72	72/5
1 Feed ....	69/6	70/4	70/7
2 Feed ....	66/6	67/4	67/7
3 Feed ....	63/6	64/4	64/7
<u>Barley</u>			
Domestic and export:			
1 C.W. Six-Row ....	108/3	109/2	110/6
2 C.W. Six-Row ....	108/3	109/2	110/6
3 C.W. Six-Row ....	106/3	107	108/6
1 C.W. Two-Row ....	108/3	109/2	110/6
2 C.W. Two-Row ....	106/3	107	108/6
3 C.W. Two-Row ....	104/5	105/4	106/7
1 Feed ....	104/5	105/4	106/7
2 Feed ....	102/6	103/4	104/5
3 Feed ....	98/5	99/4	100/5
<u>Rye</u>			
Producers', domestic and export prices:			
2 C.W. ....	101/5	99	96/5
3 C.W. ....	96/5	94	91/4
4 C.W. ....	71/5	77/3	76/3
Ergoty ....	66/5	68/4	66/3
<u>Flaxseed</u>			
Producers', domestic and export prices:			
1 C.W. ....	278	281/7	280
2 C.W. ....	273	275/5	274/6
3 C.W. ....	247/1	251/1	248/7
<u>Rapeseed(1)</u>			
No. 1 Canada ....	291/3	303/5	283/5
No. 2 Canada ....	276/3	288/5	268/5

(1) Basis in store Vancouver.

Initial Payments  
to Producers

Mr. C.W. McNamara, Chief Commissioner for the Canadian Wheat Board issued the following statement on Initial Payments of Oats and Barley:

That the Canadian Wheat Board Regulations, 1970-71 made by Order-in-Council P.C. 1970-278 of the 15th day of July, 1970 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, 1970 and ending on the 31st day of July, 1971, 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 Thunder Bay;

That The Canadian Wheat Board has fixed the sums per bushel basis in store Thunder Bay 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 1970-71  
(In Carload Lots, Basis in Store Thunder Bay)  
Effective August 1, 1970

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 1970-71  
(In Carload Lots, Basis in Store Thunder Bay)  
Effective August 1, 1970

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



## UNITED STATES FEED SITUATION

Summary The following summary of the feed situation in the United States has been taken from the August 21, 1970 issue of The Feed Situation published by the Economic Research Service, United States Department of Agriculture.

The 1970-71 feed grain supply will total about 222 million tons, based on the August 1 Crop Report, a little below last year's big supply, but 16 per cent above the 1964-68 average. Hot, dry weather in the Central Plains reduced the August forecast to only slightly above 1969, and the 1969-70 ending stocks will likely be down moderately.

Expanding use in 1970-71 likely will exceed 1970 production, bringing further reduction in carryover at the close of the season. A prospective 4 per cent increase in the number of grain-consuming livestock points to a rise in domestic feed use, although livestock-feed price ratios are expected to be less favourable. Based on August 1 indications, exports may continue near this year's level. Europe, a good customer, is expected to have less grain for feeding — but export competition from Southern Hemisphere countries will remain keen.

Both domestic use and exports of feed grains are up this year, bringing estimated use in 1969-70 to 178 million tons, 10 million more than in 1968-69. This would cut the prospective carryover to around 47 million tons.

Feed grain prices through July 1969-70 averaged 3 per cent above 1968-69. Higher corn and grain sorghum prices more than offset lower oat and barley prices. Continued strong demand (especially by hog and poultry producers) will hold prices above a year earlier this fall and winter.

Farmers placed 16 million tons of 1969-crop feed grains under loan, about 1 1/2 million less than last year. CCC sales through mid-August (marketing year basis) totalled almost 4 million tons, up nearly 3 million from last year. About 2.3 million tons were sold for export and 1.6 million domestic.

The 1970-71 corn supply was estimated on August 1 at slightly below last season. The August crop report indicated a 115-million-bushel larger crop this year, but a drop in old-crop carryover on October 1 is expected to be a little more offsetting. Disappearance in 1970-71 likely will exceed the crop, resulting in a further reduction in carryover at the close of the season. Prices will continue above a year earlier this fall but will be sensitive to changes in the crop and demand forces.

The prospective grain sorghum supply is off 10 per cent from last season. But the oat supply is up 5 per cent and the barley supply 4 per cent; both grains are 20 per cent to 25 per cent above the 1964-68 average.

The 1969-70 high-protein feed supply is estimated at 20 million tons, 9 per cent larger than in 1968-69 as more protein feed is required to balance increased usage of grain concentrates. Practically all of the increase is in soybean meal. Supplies of most other proteins are either down or little changed from last year.

Wheat feeding likely will remain relatively heavy this summer as wheat prices are near or below feed grain prices in many areas. Feeding in the current (October-September) feeding year is estimated at close to 200 million bushels, continuing the high levels of recent years.

The 1970 hay crop is forecast at 126 million tons, slightly below last year's record. Production is indicated at near or above last year in all areas except the North Central and South Atlantic Regions where it was curtailed by inadequate moisture during July.

Corn Production In a report released on August 11, 1970 the Crop Reporting Board of the United States Department of Agriculture stated that production of corn for grain is forecast at 4,693 million bushels, 3 per cent less than forecast July 1, but 3 per cent above last year. Current prospects indicate a yield per acre of 80.9 bushels compared with last year's record yield of 83.9 bushels. The acreage for grain harvest is up 6 per cent from 1969. Changes in production forecasts between August 1 and the final estimate have averaged 172 million bushels since 1961, ranging from 12 to 401 million bushels.

Prospects in August varied widely over the Corn Belt. Warm weather the latter part of June and the first half of July, along with a lack of precipitation, caused considerable damage in most of the western Corn Belt States. Showers were received about mid-July but soils were still dry in much of the area on August 1. The hot, dry weather caused some firing, especially in Missouri, Kansas, and Nebraska. Prospects remained good to excellent in Minnesota and eastern two-thirds of Iowa.

In the eastern Corn Belt, near to above normal precipitation in Ohio, Indiana, and Michigan during July favoured growth and development. Despite dry soils in parts of Wisconsin, prospects were very good on August 1. Much of central and southern Illinois was also dry during July. Corn is later than usual in Illinois and showed a wide range of development on August 1.

Southern Leaf Blight has been observed in about 60 Illinois counties.

Prospects improved during July in most Atlantic States. As of August 1 the outlook was generally very good from Virginia to Pennsylvania and New York. North Carolina corn made a remarkable recovery from the effects of the June drought. Prospects in South Carolina, though above a month earlier, were poor. Southern Leaf Blight was causing some damage in Georgia and the Gulf Coast States. Yield prospects declined in Georgia, Florida, Tennessee and Alabama.

Prospects were generally good in most western States. Irrigation water supplies were mostly satisfactory.

#### NOTES ON FOREIGN CROPS

Italy The following account of the current coarse grain and rye situation in Italy has been extracted from a report by Mr. U. Boschetti, Senior Commercial Assistant, Canadian Embassy, Milan, under date of July 15, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

General. — According to ISTAT (Italian Bureau of Statistics) estimates, the 1970 crop of wheat is expected to reach 9.7 million metric tons (356.4 million bushels) split as follows: 7.0 million metric tons (257.2 million bushels) of soft wheat and 2.7 million metric tons (99.2 million bushels) of "durum".

Should final results confirm the above figures, the results would show a slight



increase of both varieties as compared to last year's crop. But the most important fact is that the acreage utilized this year for both soft wheat and "durum" wheat is lower by 2 per cent than that of 1969 and the estimated yield will be 2.61 metric tons per hectare (39 bushels per acre) for the soft wheat and 1.75 metric tons per hectare (26 bushels per acre) for the "durum" quality. Last year's yields were 2.56 and 1.73 metric tons per hectare (38 and 26 bushels per acre), respectively.

As far as corn is concerned, it is too early to predict the 1970 crop; however prospects are favourable. The cold temperatures which occurred in Italy during the last weeks of Spring have delayed the sowing of corn in some areas.

However, the utilized acreage will be increased also in consideration of the fact that the EEC Authorities are still worried about the surplus in production of soft wheat. Italy has now in stock about 800,000 metric tons (29,395,000 bushels) of soft wheat of the 1969 crop.

For this reason and owing to the rapid expansion of the feed grade grains requirements, the EEC Authorities suggested to utilize larger acreage for corn production. This recommendation has been favourably accepted by the Italian farmers who will benefit by a higher price. In fact, as reported previously, the EEC Authorities have increased the indicative price in Italy for corn by 1 US \$ so that the present price is Lit. 59,962, per metric ton (about Cdn. \$103.40).

No substantial changes are foreseen for minor grains - oats production will be around 500,000 metric tons (32,421,000 bushels) and barley's 300,000 metric tons (13,779,000 bushels). The production of rye, on the contrary, will be less than that of last year, about 68,000 metric tons (2,677,000 bushels). As reported before, the Italian farmers are not induced to produce rye as this grain is rarely used in Italy for feeding purposes and scarcely used for human consumption. On the other hand imports of rye are practically negative owing to the existing high levies which raises the final price equal to that of wheat, that is to say absolutely uneconomical.

Three months situation, May 1 to July 15, 1970 - Corn. - The domestic product, which was scarcely offered on the market during May and June, has disappeared completely in July being same almost exhausted. Imports of foreign corn have increased remarkably; this was mainly due to the necessity to cover requirements of the local market until the new local crop is completed. The usual larger suppliers were Argentina and South Africa for the vitreous qualities and USA, Brazil and Eastern Countries for the soft qualities.

Import certificates released from August 1, 1969 to April 30, 1970 amounted to about 3,500,000 metric tons (137,788,000 bushels) that is to say about 500,000 metric tons (19,684,000 bushels) more than the quantity contracted during the same period one year before.

Imports from France during the above period were negligible; they amount to 12,000 metric tons (472,000 bushels) as opposed to 60,000 metric tons (2,362,000 bushels) during the same period one year before.

Prices for the usual imported qualities, at the end of June, were the following (landed goods Milan, in bulk - local taxes and other expenses not included):

Plate corn .....	\$103.57 per metric ton
US Yellow Corn .....	\$ 93.66 " " "
Brazilian .....	\$ 93.50 " " "

Previous quotations, together with those of the local produce, explain the reasons why other exporting countries, especially France, concluded few contracts with Italy.

Barley and oats. — The new crop for both products has not been offered to the market as yet and consequently there were no transactions in the domestic production.

Imports of barley during the period May 1 — July 15 were made mainly from Argentina, USA, Canada, Australia and France but as compared to the same period one year before we can say that they have declined. In fact during the period August 1, 1969 — March 31, 1970 about 580,000 metric tons (26,639,000 bushels) of import certificates were released as opposed to 690,000 metric tons (31,691,000 bushels) same period last year. As to oats, the transactions on the local produce were nil. There was a better interest in foreign oats, particularly from Argentina and Australia. Also for oats the import certificates released from August 1, 1969 to March 31, 1970 showed a decline as compared to the same period one year before — 118,000 metric tons (7,651,000 bushels) this year — 230,000 metric tons (14,913,000 bushels) last year.

Rye. — The general market situation for this grain is unchanged. The local production was sufficient for local needs. Domestic stocks are small and supplies on the market are almost exclusively for seeding and feeding purposes. Imports were practically nil because of the high levy which is always at a prohibitive level to protect bread production from illegal mixing of rye with wheat flour.

Summary. — In summary, the following are what we consider to be the prospects for each product for the next quarter of 1970:

Corn. — In spite of early estimates which foresee a good crop which certainly will surpass the 1969 crop figures, Italy required larger quantities of corn, feed grade, for its developing feed industries. Fairly good quantities of foreign corn will be imported from the traditional supplying countries such as Argentina, USA, Brazil and France. Larger quantities of import certificates will be released especially for the vitreous quality; imports of soft quality will decrease because the use of corn for human consumption continues to decline.

Barley and oats. — The ever increasing needs of the feed industry in Italy will cause an increase in imports of barley. There are therefore good prospects for the Canadian producers of feed-grade barley also in consideration of the fact that the 1970 local crop estimates will not cover the needs of the Italian industry. The local production will partly cover the immediate needs on the spot. As to oats, no marked changes are expected.

Rye. — The situation remains unchanged. Imports will be practically nil.

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 dates of August 6 and 26, 1970 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.

Rate of exchange: Canadian \$1.00 = 3.88 pesos



Production and prices. — Argentina's grain harvest for 1969-70 increased by 4,600,000 metric tons to a total of 21,179,000 tons according to the latest estimates of the Secretariat of Agriculture and Livestock. Of the grains included in this estimate (wheat, corn, sorghum, oats, barley, rye and birdseed) all crops were larger with the exception of oats. The very large corn and sorghum crops were the main factors in making the 1969-70 grains harvest the best in the last quarter century.

Following the devaluation of the Argentine peso from 3.50 to 4.00 pesos to the U.S. dollar on June 18, the export retention (variable) taxes on all grains and oilseeds were immediately increased 12 1/2 per cent in order to ensure that there would not be a change in the international prices of Argentine grains. On July 8, the retention taxes were adjusted downward, generally by only 1 1/2 per cent. The export retention taxes, fixed export taxes and index values on which these taxes are levied are now as follows:

	<u>Index value</u>	<u>Variable export</u>	<u>Total fixed</u>	<u>Total variable</u>
		<u>retention taxes</u>	<u>export taxes</u>	<u>and fixed</u>
	\$ Can.		per cent	<u>export taxes</u>
	per metric ton			
Oats .....	43	18	5.3	23.3
Barley ... f.o.b. value		11	5.3	16.3
Rye .....	43	18	5.3	23.3
Corn .....	49	19	4.0	23.0
Sorghum ..	40	19	4.0	23.0
Millet ...	34	19	4.0	23.0
Birdseed .	123	19	5.3	24.3

The government has established the official prices for the 1970-71 grains and oilseeds crops. For some time, there have been both support and minimum prices established each year. The support price was the price at which the National Grain Board would purchase from producers (usually through private country buyers and co-operatives) while the lower minimum price was the lowest price at which the private trade could purchase. The minimum price seldom served a meaningful function as the Board was committed to purchase at the higher support price and would not acquire supplies through the country buyers and co-operatives unless they had, in turn, purchased from the producer at the support level. In addition, since 1969-70, the National Grain Board has paid 90 per cent of the support price to the farmer within ten days of purchase and the remainder in not more than 90 days. This will also be the case in 1970-71. Thus the farmer is not forced to wait for payment as has had to do in some years. For 1970-71, therefore, only support prices have been established.

A sliding scale of prices has been established for wheat and sorghum. The purpose of this measure is to have prices reflect storage costs in order to ensure a more even delivery throughout the crop year. There have been chronic problems of receiving grain at terminal positions as much of the wheat and sorghum crops are marketed immediately following the harvests. It is not an uncommon sight in Buenos Aires to see long lines of trucks parked along the waterfront waiting to unload. At times, the wait is for a period of weeks. One price will apply to the other coarse grains and oilseeds throughout the crop year.

The support prices of grain, f.o.r. Buenos Aires, compared with support prices for the 1969-70 crop, are as follows:

	<u>1969-70</u>	<u>1970-71</u>
	cents per bushel	
<u>Grain Sorghum</u>		
Official type, for export, natural or dried		
Up to April 30, 1971 .....	(	72
May 1 to 31, 1971 .....	(	74
June 1 to 30, 1971 .....	(69	76
July 1 to 31, 1971 .....	(	77
August 1 to December 31, 1971 .....	(	77
After January 1, 1972 .....	(	72
<u>Yellow Oats</u>		
Grade 2, 38 pounds per bushel .....	40	40
<u>White Oats</u>		
Grade 2, 39 pounds per bushel .....	41	42
<u>Malting Barley</u>		
Grade 2, 52 pounds per bushel .....	70	70
<u>Feed Barley</u>		
Grade 2, 47 pounds per bushel .....	65	59
<u>Rye</u>		
Grade 2, 58 pounds per bushel .....	69	69
<u>Corn</u>		
Hard yellow or red, for export, natural or dried .....	88	92
Dent yellow and/or red, for export, natural or dried .....	85	88

The relative prices for grains and oilseeds received elsewhere than at Buenos Aires will be established by the National Grain Board. The cost of "administration" (the Board's marketing costs, in effect) will be deducted from the support prices. Last year, these costs were also deducted from the official prices although in some years they have been absorbed by the National Grain Board. These costs generally amount to less than 1.00 peso. The private trade must also pay at least the support price although both the trade and the National Grain Board may also pay higher prices.

Corn. -- The third official estimate of the production of corn in 1969-70 is 9,360,000 metric tons (368.5 million bushels), 80,000 tons (3.1 million bushels) less than the estimate of May 21, but 34 per cent larger than last year and 37 per cent and 61 per cent larger than the averages of the last five- and ten-year periods, respectively.

The harvesting of corn has been completed and production reached the levels which had been hoped for, especially in the sub-marginal zones of the province of Entre Rios; central, central-western and south-western Buenos Aires; as well as in Santa Fe and central, south-eastern and southern Cordoba, where yields were larger



than normal. This fact is attributed in large part to the increased use of hybrids as well as to improved technological practices.

The area sown to corn is estimated to have been 4,665,600 hectares (11.5 million acres) of which 4,017,330 hectares (9.9 million acres) were harvested. Yields per harvested hectare were therefore 2,330 kilograms (37.1 bushels per acre). These yields are the second highest on record.

The following table shows the area sown and the production of corn by province in 1969-70:

	<u>Area sown</u> thousand acres	<u>Production</u> thousand bushels
Buenos Aires .....	3,310	146,842
Santa Fe .....	2,482	108,655
Cordoba .....	2,112	51,966
Entre Rios .....	1,401	31,888
Other Provinces .....	2,219	29,132
	<hr/> 11,524	<hr/> 368,484

Sorghum. — The production of grain sorghum rose to a record figure of 3,820,000 metric tons (150.4 million bushels) according to the third official estimate of the Secretariat of Agriculture and Livestock. This is slightly less than the second estimate of 3,860,000 metric tons (152.0 million bushels), but far larger than production in 1968-69 of 2,484,000 tons (97.8 million bushels). It is also 118 per cent and 169 per cent larger than the averages of the last five- and ten-year periods, respectively.

This increase is attributed to the larger area sown to sorghum as well as to the exceptionally favourable weather conditions from the time of sowing until the crop was harvested.

The area sown to sorghum rose to 2,567,500 hectares (6.3 million acres), of which 1,872,300 hectares (4.6 million acres) were harvested. Average yields per harvested hectare were therefore 2,040 kilos (32.5 bushels per acre).

The principal producing province was Cordoba with 1,100,000 metric tons (43.3 million bushels), followed by Buenos Aires with 880,000 tons (34.6 million bushels); Santa Fe, 868,000 (34.2 million bushels); Entre Rios, 335,000 (13.2 million bushels); Chaco, 275,000 (10.8 million bushels); La Pampa, 233,000 (9.2 million bushels); and other provinces, 129,000 tons (5.1 million bushels).

Despite the fact that Cordoba had the larger production, yields were the lowest of any province. However, a large proportion of the crop was harvested. The greatest average yields of grain sorghum were in Buenos Aires with 2,916 kilos per harvested hectare (46.5 bushels per acre) while yields in Santa Fe averaged 2,298 kilos (36.6 bushels per acre).

Federal Republic  
of Germany

The following account of the current grain situation in the Federal Republic of Germany has been extracted from a report supplied by Mr. R.B. Rossing, Commercial Officer (Agriculture), Canadian Embassy, Bonn, West Germany, under date of August 11, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Weather conditions. — Even after the rainfalls in the past weeks, farmers in West Germany are expecting a smaller grain crop than last year. The summer drought which set in very early at the beginning of June, in conjunction with the belated sprouting, have led to a shortening of the vegetative developing period, above all in the north of the country and mainly affecting spring grain.

Crop prospects. — Judging the prospects of this year's grain crop, one has to take into consideration the changes in acreage of the various cereals. According to reports issued by the Federal Ministry of Agriculture, the acreage of wheat and rye has remained much the same, whereas winter barley increased by 9 per cent and spring barley by 6 per cent. Here the smaller yield expected will be compensated entirely by the larger area under crop. The oats output will be down this season not only because of a lower yield per unit but also because of a 3 per cent reduction of acreage. The development of winter wheat is generally regarded as good to very good with slight reservations as to the northern districts, so that the 6 million metric ton crop of last year might be reached once more. The maize acreage was increased by 24 per cent. All in all, we will have to reckon with a crop result which will be at least 7 per cent lower than the very good outcome of last year (18.5 million tons). Thus we can expect a total grain crop of 17.3 million metric tons with bread grains being 8.6 million tons (9 million tons in 1969) and feed grains 8.7 (9.5 million tons in 1969).

Farm sales. — Farm sales of grain from July 1969 to June 1970 amounted to 7.4 million metric tons, i.e. 200,000 tons lower than for 1968-69. The sales amounted to:

	<u>1968-69</u>	<u>1969-70</u>
	thousand bushels	
Wheat .....	134,480	131,908
Rye .....	50,785	45,273
Barley .....	95,992	97,370
Oats .....	31,772	28,530
Corn .....	2,362	3,937

Mixed feed situation. — Total production of mixed feeds from July 1969 to May 1970 amounted to 8.1 million metric tons, i.e. 0.9 million tons or 12.3 per cent above previous year's level. The highest increase was shown in pig feed (+ 22.8 per cent). The volume of grain processed into mixed feed reached 2.9 million metric tons, i.e. 0.4 million tons or 16.4 per cent above last year's figure of 2.5 million tons. The use of wheat in mixed feed increased from 280,400 tons (10.3 million bushels) in 1968-69 to 806,600 tons (29.6 million bushels) in 1969-70, which means that the share of wheat in mixed feeds now amounts to 27.7 per cent as compared to previous year's 11.3 per cent. In contrast the use of corn and milocorn decreased from 1,352,100 tons to 1,204,900 tons (53.2 million to 47.4 million bushels) by 11 per cent.



# Production of Mixed Feeds

	July-June 1968-69	July-May 1968-69	July-May 1969-70	Change
	'000 metric tons			per cent
For:				
horses .....	16.3	14.2	16.6	+ 16.9
cattle .....	1,850.4	1,760.1	1,942.3	+ 10.3
calf .....	296.2	270.1	291.5	+ 7.9
hog .....	2,388.1	2,143.5	2,632.2	+ 22.8
poultry .....	3,152.5	2,850.6	3,057.1	+ 7.2
Totals, mixed feeds (1) .....	7,871.9	7,192.6	8,080.3	+ 12.3

(1) Including other mixed feeds.

Grain policy. — German farmers again are dissatisfied with the EEC agriculture policy that didn't give them a raise in farm prices for the crop year 1970-71.

After the first price reduction following the introduction of the common grain policy in 1967 by 11 per cent and the losses in prices due to the revaluation of the Deutschmark in January 1970 one should also consider the continued inflation. Accordingly, the grain price in West Germany decreased by approximately 30 per cent during the last years.

The Federal Ministry of Agriculture intends to improve pricing of domestic-grown quality wheat. The new price regulation, which will be discussed with experts of the German agriculture, traders and co-operatives in the coming fall, should act as test regulation on a national basis before being extended to all EEC countries. The intention is to improve pricing through a better grading system which encourages the use of high-quality seed. The graded price scale consists of four different groups for the quality of wheat: 5, 1, 2 and 3; group 3 corresponds to the actual standard quality, whereas a premium should be paid for the other groups: 5, 1, and 2. According to the German Farmers' Union the new grading system could ensure that German demand for wheat can be met through home-grown quality wheat after a necessary adjustment period. The knowledge in plant breeding, at least, should have created some of the most important conditions towards the achievement of this goal.

With regard to the coming grain harvest German grain traders have proposed to apply for intervention B. This would allow the trade to storage the grain in an orderly way and would prevent the intervention system from taking up unnecessary high quantities of grain. Under the intervention B scheme the only persons eligible for payments are owners of stocks who concluded a storage contract with the Import and Storage Agency. For holding the grain on stock they are paid a premium. The trade is arguing that the normal monthly storage premiums (so-called "reports") would not be sufficient during the 1970-71 season due to the high interest level in Germany and above all through the reduction by 8.5 per cent they had to suffer from the revaluation of the Deutschmark. There would exist a gap between the EEC fixed storage premium of Cdn \$1. — per metric ton and the actual storage cost of Cdn \$1.63 or \$1.71 per metric ton. This unbalance could lead to unnecessary offers of grain to the intervention system which would have to sell these large quantities again due

to continued demand of the processors. The whole system would be disrupted and this would cause additional high expenditure to the government.

During their discussions on this development, millers and the mixed feeding industry have agreed to take up considerable quantities of grain at the beginning of the harvest. This quantity would correspond to supplies for a period of time of 4 months. It would calm the processors who are in fear of possible shortage of grain at the beginning of the crop.

The Ministry of Agriculture will carefully observe the future situation on the grain market. If the situation should deteriorate an application in Brussels for an additional premium shall be made.

Another complaint is heard from the milling industry which was in trouble last spring to receive sufficient quantities of wheat for milling due to the high volume of wheat converted to feed wheat. Due to this shortage the Import and Storage Agency has published some tenders exclusively determined for processing into wheat flour. These 120,000 metric tons, however, have not been sold out yet as demand from the millers is low. Through the reduction of the denaturing premium by US \$3. - per metric ton, less wheat will be denatured to feed wheat in future.

West German Imports of Feed and Industrial Grains(1)

Country of production	July - June		July - June	
	1968-69		1969-70	
	'000 metric tons	per cent	'000 metric tons	per cent
Canada .....	1	—	81	2
U.S.A. ....	1,402	32	1,327	33
Argentina .....	167	4	191	5
Australia .....	86	2	118	3
EEC .....	1,821	42	1,718	43
<u>Thereof:</u>				
France .....	1,561	36	1,416	36
Netherlands .....	160	4	206	5
BLEU .....	97	2	91	2
Denmark .....	183	4	275	7
U.K. ....	76	2	28	1
Sweden .....	275	6	60	2
South Africa .....	131	3	11	—
Others .....	220	5	168	4
Totals .....	4,362	100	3,977	100

(1) Includes: barley, oats, corn, millet, meals from feed grains, cereals and corn starch and malt.



France The following information relative to the French grain production has been extracted from a report from Mr. F.G. Beaudette, Agricultural Secretary, Canadian Embassy, Paris, under date of August 27, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Cereal production in 1970. — The August 1, 1970 official crop estimate indicates a lower production than in 1969 in all cereals except durum wheat and corn. The soft wheat output is expected to reach 12.5 million tons (459.3 million bushels) as against 14.2 million (521.8 million bushels) last year, of which less than 10 million tons (367.4 million bushels) will be marketed compared with 11.1 million tons (407.9 million bushels) in 1969. The corn crop should total around 6.5 million tons (255.9 million bushels). Other crops are evaluated as follows, in thousands of bushels, with the 1969 output in brackets: durum wheat 15,248 (12,456); barley 385,346 (429,300); oats 134,545 (152,312); rye 12,007 (12,558); and mixed grains 24,741 (26,602).

Continued from page 13.

The shipping program reviewed by the Committee called for a movement of over 245,000,000 bushels of grain to Thunder Bay terminals from August 1 to December 18, 1970. With the heavy movement that began this spring, shipments from the Lakehead will total nearly 450,000,000 bushels during the eight-month navigation season.

The program for West Coast ports, covering the period from August 1 to December 31, calls for a movement of over 120,000,000 bushels while exports through Churchill, Manitoba, will require country shipments of approximately 25,000,000 bushels during the present shipping season.

It was pointed out that quotas, established under the new quota policies in effect this crop year, will encourage producers to deliver the kind of grain needed to meet sales commitments. As a result, early quota policy and shipments from the country will be concentrated on those grains required in forward positions for shipment in the fall.

The heavy shipping program involves the carrying capacity of nearly 195,000 railway box cars. It was pointed out during the meeting that if the shipping requirements are to be met, grain terminals at Thunder Bay, the West Coast and Churchill will have to continue operating at close to their maximum handling capacity.

After reviewing the current shipping program, Mr. McNamara said that sales prospects for the balance of the crop year are very promising. "The present indications are that the heavy movement planned for the balance of this year will continue until next July."

CALENDAR OF COARSE GRAIN EVENTS

- |           |    |   |
|-----------|----|---|
| July      | 29 | The Canadian Wheat Board in its Instructions to the Trade No. 9 announced the Initial Payment Prices for wheat, oats and barley during the 1970-71 crop year.   |
| August    | 19 | Preliminary estimates place carryover stocks of the six major Canadian grains in all North American positions at July 31, 1970 as follows with 1969 totals and the 1960-69 averages in brackets in millions of bushels: wheat, 1,011.0 (851.8, 557.3); oats, 142.3 (128.7, 119.7); barley, 201.8 (199.4, 115.5); rye, 10.7 (8.7, 7.3); flaxseed, 5.8 (4.9, 6.8); and rapeseed, 3.7 (5.1, - ). |
| August    | 25 | According to a report published by Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) for Canada, Buenos Aires, the third official estimate of the 1969-70 corn production in Argentina places the crop at 9,360,000 metric tons (368.5 million bushels), 34 per cent larger than last year's outturn.   |
| September | 4  | Based on conditions at August 15, production of Canada's principal grain crops in 1970 was estimated as follows with 1969 totals and the ten-year 1959-68 averages in brackets, in millions of bushels: all wheat, 338.3 (684.3, 585.6); oats, 375.8 (371.4, 375.4); barley, 424.0 (378.4, 217.1); all rye, 23.4 (16.5, 12.4); flaxseed, 47.1 (27.5, 19.2); and rapeseed, 79.5 (33.4, 14.6).  |
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