



# The Wheat Review

JULY 1970



DOMINION BUREAU OF STATISTICS

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Agriculture Division

Crops Section

# THE WHEAT REVIEW

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# WORLD WHEAT SITUATION

## World Wheat Exports Higher than Previous Year

Total exports of wheat and wheat flour in terms of wheat from the four traditional major exporters during the August-June period of the current crop year have amounted to 1,174.9 million bushels, 13 per cent above the 1,042.9 million bushels

exported during the same eleven months in 1968-69, but 9 per cent below the ten-year (1958-59 - 1967-68) average shipments for the period of some 1,298.8 million bushels. As indicated in the accompanying table, based on the Canadian crop year, exports from Canada, Australia and United States were at higher levels this year than last while those from Argentina were lower.

## Exports of Wheat and Flour in Terms of Wheat, August 1969-June 1970 with Comparisons

August - June	Canada	Australia	United States	Argentina	Total
million bushels					
1950-51 .....	209.1	119.7	346.4	87.5	762.7
1951-52 .....	312.9	86.4	446.1	24.1	869.5
1952-53 .....	341.4	94.8	296.7	29.3	762.2
1953-54 .....	234.3	57.0	190.7	101.2	583.2
1954-55 .....	231.9	88.6	253.2	123.0	696.7
1955-56 .....	284.1	96.3	317.8	103.3	801.5
1956-57 .....	241.9	115.6	507.2	93.2	957.9
1957-58 .....	294.6	57.2	370.0	70.2	792.0
1958-59 .....	274.7	71.5	416.3	95.7	858.2
1959-60 .....	259.7	103.9	470.1	67.5	901.2
1960-61 .....	324.4	170.2	618.4	60.7	1,173.7
1961-62 .....	336.2	206.2	659.2	85.2	1,286.8
1962-63 .....	308.6	163.6	593.6	56.9	1,122.7
1963-64 .....	529.2	259.8	794.4	99.4	1,682.8
1964-65 .....	372.3	225.2	665.5	150.7	1,413.7
1965-66 .....	519.5	179.8	798.0	265.4	1,762.7
1966-67 .....	479.3	243.5	672.6	98.9	1,494.3
1967-68 .....	292.1	233.9	703.2	62.3	1,291.5
1968-69 <sup>r</sup> .....	276.1	189.4	491.5	85.9	1,042.9
1969-70 <sup>p</sup> .....	300.6(1)	248.1	554.7	71.5	1,174.9

(1) Partly estimated.

<sup>p</sup> Preliminary figures.

<sup>r</sup> Revised figures.

## World Wheat Supplies Above a Year Ago

Reflecting increased supplies in each of the four major exporting countries, latest available estimates indicate that total supplies of wheat remaining on or about July 1, 1970

in these same countries, for export and for carryover, at the end of their respective crop years amounted to 2,471.3 million bushels, 17 per cent above the 2,117.1 million available a year ago and the highest on record for that date. Supplies at July 1, 1970, in millions of bushels, were held as follows, with last year's comparable figures in brackets: Canada, 1,070.5 (881.6); Australia, 427.6 (384.0); United States, 895.4 (818.6); and Argentina, 77.8 (32.9).



CANADIAN SITUATION

Supplies Highest on Record      With increases occurring in both carryover stocks and production, total domestic supplies of wheat for the 1969-70 (August-July) crop year are placed at an all-time high of 1,536.1 million bushels consisting of the August 1 carryover of 851.8 million and the 1969 crop, estimated at 684.3 million bushels. Supplies of the size indicated represent an increase of 17 per cent over the 1,315.4 million of 1968-69. After making an allowance of 165.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1969-70 amount to 1,371.1 million bushels, 18 per cent more than the 1,157.7 million in 1968-69.

August-June Exports Higher than Year Ago      Exports of wheat and flour in terms of wheat equivalent amounted to 300.6 million bushels during August-June of the current crop year, slightly above the previous year's corresponding total of 276.1 million but below the ten-year (1958-59 - 1967-68) average for the period of 369.6 million bushels. This year's exports consisted of 273.7 million bushels of wheat in bulk, 1,905 thousand of seed and 25.0 million of flour in terms of wheat. During the comparable period last year these figures were 254.0 million of wheat in bulk, 568 thousand of seed and 21.5 million of flour in wheat equivalent. The balance remaining on July 1, 1970 for export and for carryover amounted to 1,070.5 million bushels, 21 per cent above the July 1, 1969 total of 881.6 million.

Canadian Wheat Supplies

Item	1968-69 <sup>r</sup>	1969-70 <sup>p</sup>
	million bushels	
Carryover in North America at beginning of crop year (August 1) .....	665.5	851.8
Production .....	649.8	684.3
Total estimated supplies .....	1,315.4	1,536.1
Less estimated domestic requirements for crop year .....	157.7	165.0
Available for export and for carryover .....	1,157.7	1,371.1
<u>Deduct</u>		
Exports of wheat in bulk, August - June (1) .....	254.0	273.7
Exports of seed wheat, August - June (2) .....	0.6	1.9
Total exports of wheat as grain .....	254.6	275.6
Exports of wheat flour in terms of wheat, August - June (2) .....	21.5	25.0
Total exports of wheat and wheat flour .....	276.1	300.6
Balance on July 1 for export and for carryover .....	881.6	1,070.5

(1) As reported by the Board of Grain Commissioners.

(2) Customs returns, 1968-69 adjusted for time lag.

<sup>p</sup> Preliminary figures

<sup>r</sup> Revised figures.



Marketings, Disappearance  
and Visible Supplies

Total primary deliveries of wheat (both east and west) up to July 15 of the current crop year have amounted to 329.6 million bushels in contrast to the 361.7 million marketed during the same period of the previous year. Some 72.1 million bushels of this year's total were delivered during the five weeks June 10 to July 15, 1970. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 58.6 million bushels. As a result, the total visible supply of Canadian wheat increased from 393.9 million at June 10 to a level of 407.8 million at July 15, 1970.

The total visible supply of Canadian wheat at July 15 this year represented decreases of 5 per cent and 3 per cent, respectively, from their comparable levels of 430.2 million bushels in 1969 and the 419.7 million in 1968. Country elevator stocks, amounting to 262.8 million bushels, were slightly more than the 1969 comparable total of 260.8 million and 8 per cent above the 1968 figure of 243.9 million. Wheat stocks at interior terminals, at July 15, 1970 totalled 13.0 million bushels, 33 per cent more than the 9.8 million of the previous year but 6 per cent less than the 13.7 million of 1968. Wheat stocks "in transit rail" (western division) amounted to 41.4 million bushels, considerably higher than both the 18.3 million of a year ago and the 15.3 million of two years ago. Supplies at the Canadian Lakehead, totalling some 9.7 million bushels, were sharply below both the 45.8 million at July 16, 1969 and the 62.3 million at July 17, 1968. The 8.5 million bushels "in transit lake" at July 15, 1970 more than doubled the comparable 3.8 million of 1969 but were 35 per cent below the 13.1 million of 1968. The 25.3 million bushels in Bay, Lake and Upper St. Lawrence ports, were lower than both the 32.3 million of the previous year and the 28.1 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports this year, at 26.5 million bushels, registered a decrease from the 37.1 million of 1969 but were above the 23.4 million of 1968. The 10.7 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were below the 12.1 million of the previous year but above the 9.6 million in this position two years ago.

June 1970 Exports  
of Wheat and Flour Total  
43.1 Million Bushels

Combined exports of wheat in bulk, seed wheat and wheat flour in terms of grain equivalent, during June 1970 amounted to 43.1 million bushels, 43 per cent above the 30.1 million of the previous month, 67 per cent higher than the 25.9 million of June 1969 and 7 per cent more than the ten-year (1959-68) average for the month of June of 40.5 million. Exports of wheat in bulk (as reported by the Board of Grain Commissioners) during June 1970 totalled 39.9 million bushels, registering increases over the May 1970 total of 36.0 million, the 24.0 million of the same month in 1969 and the ten-year average of 37.7 million. Based on Canadian Customs returns, the equivalent of an estimated 3.0 million bushels of wheat was exported in the form of flour during June 1970. This total was higher than the previous month's figure of 1.9 million, the ten-year average of 2.8 and the June 1969 adjusted figure of 1.8 million bushels.

Cumulative exports of wheat in bulk during the August-June period of the current crop year amounted to 273.7 million bushels, some 8 per cent more than the 254.0 million shipped during the first eleven months of 1968-69 but 18 per cent below the ten-year average for the period of 334.1 million. The People's Republic of China was the leading market for Canadian wheat in bulk during the August-June period of the current crop year with shipments amounting to 56.0 million bushels and accounting for 20 per cent of the eleven month total. During the comparable period of 1968-69 the People's Republic of China received shipment of 70.7 million bushels and accounted for 28 per cent of the total. Three other major markets, Britain, USSR (Russia) and

Japan imported 45.4 million, 40.6 million and 36.0 million and accounted for 17 per cent, 15 per cent and 14 per cent, respectively, of the August-June 1969-70 total. During the same period of 1968-69 these same countries accounted for 21 per cent, one per cent and 16 per cent, respectively of the eleven-month total. Other principal importers of Canadian wheat for the first eleven months of the current crop year with figures for the same period of the preceding crop year in brackets were as follows, in millions of bushels: India, 11.4 (15.3); Italy, 10.5 (11.0); Federal Republic of Germany, 8.4 (11.9); Belgium and Luxembourg, 8.1 (6.4); Netherlands, 6.9 (5.4); Peru, 5.8 (nil); and Cuba, 4.4 (1.7).

Exports of wheat flour for June 1970, based on Customs data, are not available.

Grain Situation  
and Outlook

On June 23, 1970 the Honourable Otto E. Lang, Minister Responsible for the Canadian Wheat Board announced that initial payments for wheat, oats and barley for the 1970-71 crop year are expected to be made known in the near future.

In an address to a special meeting of Saskatchewan Wheat Pool delegates in Regina, the Minister also spoke on delivery of grain under the four bushel quota. "I also want to say that in the event that some producers with grain on hand cannot deliver their four bushel quota despite their own best efforts, provision should be made in the new crop year to enable their grain to be delivered".

Mr. Lang reviewed the problems facing Canadian agriculture and pointed out that export marketing of Canadian grains has improved substantially with wheat shipments expected to be more than 100-million bushels higher than last year. This rate of shipment should bring wheat exports near the predicted 375 million bushels this year.

"During the last six months Canada has also sold about 150 million bushels of barley, 75 million of which are scheduled for delivery this crop year and 75 million for the next," the Minister said. Further, the whole of the 1969-70 rapeseed crop has already been marketed and world wheat prices have stabilised over the last eight months.

Work is proceeding on a new quota system which "will be designed to provide a method by which farmers can accurately judge their own marketing opportunities."

A grains and oilseeds production policy for the medium and long term is also being worked out and the problem of handling, storage and transportation is being studied. It is the intention of the study to determine how total costs of handling, storage and transportation can be minimized, with the emphasis on giving a bigger share of the returns to the producer.

Another Wheat  
Sale to Syria

On June 26, 1970 a second sale of wheat to Syria was announced by the Canadian Wheat Board.

The contract, involving 100,000 metric tons (approximately 3,700,000 bushels) of durum wheat, brings sales to Syria this year to a total of 10,100,000 bushels.

The new sale was made possible by the federal government's expanded credit program. Nearly 90,000,000 bushels of wheat have been sold to developing countries under this program so far.

Delivery of the durum wheat to Syria begins immediately and will continue until October.



Preliminary Estimates  
of Specified Crop and  
Summerfallow Acreages  
Prairie Provinces 1970

Preliminary estimates derived from the regular June 1 survey of the Dominion Bureau of Statistics reveal sharp changes in land use patterns in the Prairie Provinces in 1970. Farmers have reduced the acreage sown to all wheat from 24.4 million acres in 1969 to 12.0 million acres this

year. This is somewhat less than half of the 1969 acreage, far below the record of 29.6 million seeded in 1967 and is the smallest seeded acreage since 1914 when 9.3 million acres were sown.

Of the 12.4 million acres removed from wheat in 1970, 8.1 million were summer-fallowed bringing the total acreage in summerfallow this year to a record high of 36.9 million acres compared with the previous 1969 record of 28.8 million. A further three million acres removed from wheat were sown to flaxseed and rapeseed. Flaxseed acreage will be an all time high of 3.5 million acres in 1970 compared with 2.4 million last year while rapeseed almost doubled to a record 4.0 million acres seeded this year from just over two million last year.

There was also a small increase in barley acreage bringing the figure to 9.5 million acres, slightly below the record of 9.6 million in 1955 and compares with the 1969 estimate of 9.0 million acres. Prairie farmers seeded some 6.5 million acres of oats this year moderately below the 1969 estimate of 6.8 million acres. The all rye acreage at 944,000 in 1970 was ten per cent above last year and represents the largest area in rye since the 1953-54 crop year.

Preliminary Estimates of Crop and Summerfallow Acreages, 1970  
with Comparisons - Prairie Provinces

Crop	1969	1970	1970 as % of 1969
	acres		per cent
Spring wheat (including durum) ..	24,400,000	12,000,000	49
Oats (including oats for hay) ...	6,800,000	6,500,000	96
Barley .....	9,000,000	9,500,000	106
Fall rye .....	753,000	805,000	107
Spring rye .....	106,000	139,000	131
All rye .....	859,000	944,000	110
Flaxseed .....	2,420,000	3,500,000	145
Rapeseed .....	2,012,000	3,950,000	196
Summerfallow .....	28,800,000	36,900,000	128

Preliminary estimates of durum wheat acreage in the Prairie Provinces at 3.1 million acres indicate a 3 per cent decrease in acreage this year compared with the 1969 acreage of 3.2 million acres.

Preliminary Estimate of Durum Wheat Acreages, 1970  
with Comparisons - Prairie Provinces

Province	1969	1970	1970 as % of 1969
	acres		per cent
Manitoba .....	170,000	115,000	68
Saskatchewan .....	2,600,000	2,500,000	96
Alberta .....	384,000	450,000	117
Prairie Provinces .....	3,154,000	3,065,000	97



General Quota Position By July 13, 1970 out of a total of 1,801 shipping points in the western division, the Canadian Wheat Board had placed 882 points on a delivery quota of four bushels per specified acre and 853 points on a three-bushel quota. Of the remainder 43 points were on a two-bushel quota while 23 stations were reported as "closed".

Summary of Elevator Shipping Points in the Western Division  
as at July 13, 1970

Province	General quota in bushels per specified acre			Closed	Total
	Two	Three	Four		
Manitoba .....	—	135	187	1	323
Saskatchewan .....	32	610	311	15	968
Alberta .....	11	108	377	7	503
British Columbia .....	—	—	7	—	7
All provinces .....	43	853	882	23	1,801

Lake Shipments of Canadian Grain Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to June 15 this year amounted to 172.0 million bushels, 83 per cent above the 94.1 million shipped during the same period in 1969. In 1970 the season of navigation opened on April 8 while the 1969 season opened on April 11. Shipments of wheat, at 103.5 million were 52 per cent above the 1969 figure of 67.9 million bushels and accounted for 60 per cent of the total.

Lake Shipments of Canadian Grain from the Opening of Navigation to July 15, 1970  
and to Approximately the Same Date 1959 to 1969

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
1959 .....	79,758	10,467	19,800	2,066	2,206	—	114,296
1960 .....	86,524	8,610	21,820	2,278	2,816	—	122,049
1961 .....	118,317	11,608	18,823	1,388	2,665	—	152,801
1962 .....	61,052	6,586	10,705	1,031	2,367	—	81,743
1963 .....	75,481	18,328	9,571	1,312	2,715	—	107,407
1964 .....	158,050	10,546	14,037	2,029	4,239	—	188,900
1965 .....	94,888	17,560	13,248	1,948	3,872	559	132,075
1966 .....	155,576	13,352	16,015	3,774	5,569	555	194,841
1967 .....	130,129	14,207	32,394	2,207	4,152	530	183,619
1968 .....	77,196	7,968	8,764	567	2,930	255	97,681
1969 .....	67,877	5,485	15,552	697	3,733	760	94,104
1970 .....	103,500	11,100	46,700	1,700	5,900	3,000	172,000

Farmers' Marketings (1) of Wheat in the Prairie Provinces 1969-70

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last year <sup>r</sup>
		bushels				
August	6, 1969 .....	—	64,196	—	64,196	356,687
	13 .....	18,143	194,594	8,459	221,196	506,692
	20 .....	57,997	466,356	552,473	1,076,826	2,054,527
	27 .....	440,791	1,693,171	657,276	2,791,238	2,740,850
September	3 .....	379,366	2,728,975	1,085,227	4,193,568	3,414,108
	10 .....	304,101	4,374,050	1,188,274	5,866,425	2,494,299
	17 .....	438,786	6,733,978	1,300,186	8,472,950	7,476,468
	24 .....	412,387	5,845,630	899,106	7,157,123	7,019,249
October	1 .....	280,465	2,801,798	718,730	3,800,993	5,898,564
	8 .....	283,252	1,439,062	830,719	2,553,033	11,215,951
	15 .....	273,007	1,055,557	783,999	2,112,563	7,769,426
	22 .....	112,287	1,906,251	592,955	2,611,493	6,756,032
	29 .....	143,049	2,682,424	730,696	3,556,169	10,078,137
November	5 .....	205,791	2,209,205	732,405	3,147,401	13,342,187
	12 .....	156,692	2,068,665	833,016	3,058,373	15,682,790
	19 .....	273,042	1,986,452	863,346	3,122,840	13,243,981
	26 .....	457,162	2,052,724	720,962	3,230,848	9,915,500
December	3 .....	389,757	2,127,178	875,998	3,392,933	9,242,640
	10 .....	404,960	1,805,857	963,249	3,174,066	6,544,784
	17 .....	491,749	1,881,209	935,918	3,308,876	5,773,106
	22 .....	703,608	4,128,964	1,202,402	6,034,974	5,892,350
	29 .....	492,693	3,750,992	1,099,484	5,343,169	3,229,059
January	7, 1970 .....	675,907	6,194,908	1,260,193	8,131,008	4,682,742
	14 .....	1,019,434	405,299	949,753	2,374,486	2,827,944
	21 .....	790,651	1,284,634	1,351,650	3,426,935	2,727,042
	28 .....	1,263,267	5,460,421	4,019,093	10,742,781	1,682,468
February	4 .....	1,038,008	4,170,545	3,341,895	8,550,448	1,424,056
	11 .....	626,515	3,376,214	2,185,069	6,187,798	5,897,474
	18 .....	798,024	3,245,078	2,222,884	6,265,986	6,082,116
	25 .....	827,134	2,997,246	1,194,830	5,019,210	6,917,310
March	4 .....	1,741,488	7,322,076	2,262,679	11,326,243	5,848,923
	11 .....	798,639	3,221,531	1,596,188	5,616,358	8,596,035
	18 .....	1,062,813	4,854,702	1,920,555	7,838,070	8,242,536
	25 .....	1,289,480	5,399,480	2,370,046	9,059,006	8,659,049
April	1 .....	898,597	3,247,402	1,433,292	5,579,291	6,587,108
	8 .....	802,100	3,123,004	1,917,156	5,842,260	4,825,896
	15 .....	891,584	2,028,856	1,465,696	4,386,136	4,006,041
	22 .....	615,632	2,624,670	1,411,563	4,651,865	7,123,508
	29 .....	591,559	3,638,959	2,661,250	6,891,768	9,722,588
May	6 .....	790,473	7,447,543	3,637,718	11,875,734	7,582,633
	13 .....	2,149,658	10,035,962	3,350,602	15,536,222	5,235,397
	20 .....	643,931	3,994,221	1,839,916	6,478,068	4,576,351
	27 .....	1,611,094	4,747,390	966,053	7,324,537	4,765,853
June	3 .....	1,441,001	6,582,499	1,488,900	9,512,400	10,326,322
	10 .....	726,797	7,364,700	2,143,374	10,234,871	13,741,399
	17 .....	1,412,797	6,150,779	3,485,426	11,049,002	15,160,290
	24 .....	2,369,292	7,531,618	3,139,198	13,040,108	13,891,012
	30 .....	2,026,415	9,600,763	3,637,649	15,264,827	10,209,841
July	8 .....	2,668,508	8,604,250	4,460,578	15,733,336	9,899,666
	15 .....	2,238,690	10,178,753	4,880,732	17,298,175	13,639,866
Totals .....		40,528,573	198,830,791	84,168,818	323,528,182	355,528,853
Average similar period:						
1958-59 - 1967-68 .....		50,364,972	263,742,369	100,539,168	414,646,508	

(1) Includes receipts at country, interior private and mill elevators, interior semi-public terminals and platform loadings. <sup>r</sup> Revised figures.

Visible Supply of Canadian Wheat, July 15, 1970  
Compared with Approximately the Same Date, 1968 and 1969

Position	1968	1969	1970
thousand bushels			
Country elevators — Manitoba .....	33,877	30,424	30,927
Saskatchewan .....	141,442	153,442	154,812
Alberta .....	68,544	76,966	77,020
Sub-totals .....	243,863	260,832	262,759
Interior private and mill .....	5,366	5,172	4,496
Interior terminals .....	13,736	9,762	12,961
Vancouver-New Westminster .....	8,606	10,292	8,981
Victoria .....	707	852	743
Prince Rupert .....	315	949	999
Churchill .....	4,593	4,694	4,659
Thunder Bay .....	62,320	45,771	9,686
In transit rail (western division) .....	15,286	18,292	41,399
Bay, Lake and Upper St. Lawrence ports ..	28,129	32,312	25,341
Lower St. Lawrence and Maritime ports ...	23,440	37,114	26,466
In transit lake .....	13,053	3,768	8,531
In transit rail (eastern division) .....	247	434	763
Totals .....	419,661	430,244	407,784

Grading of Wheat Inspected, August 1969-June 1970 with Comparisons

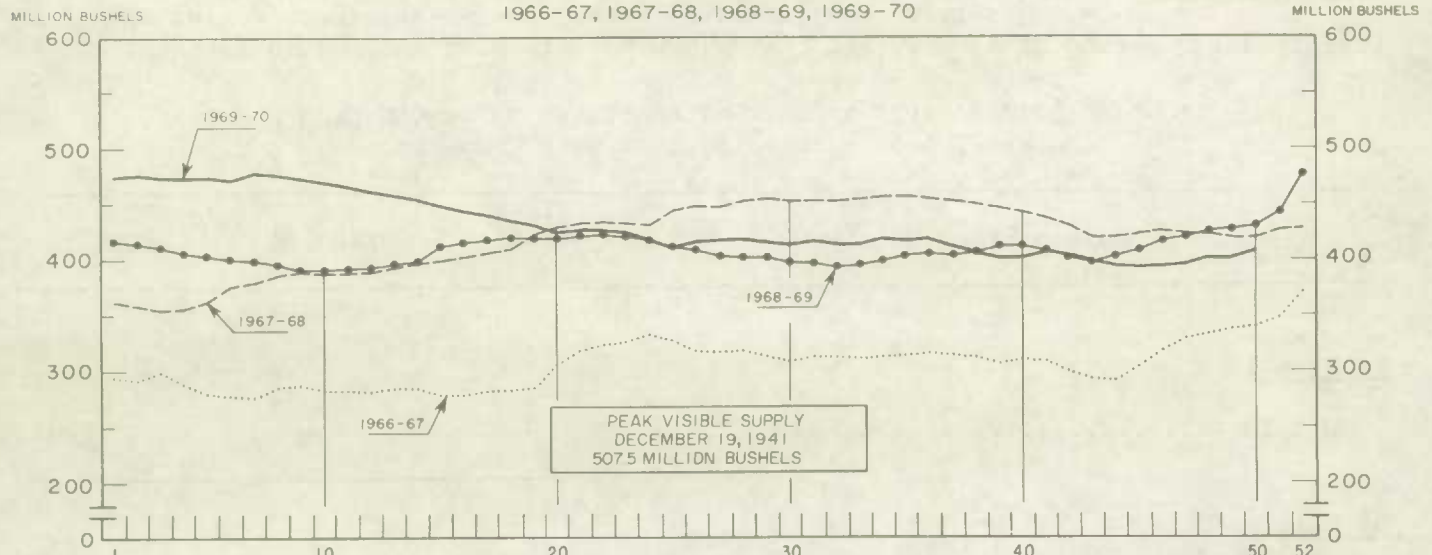
Grade	Crop year		August — June			
	Average	1968-69				
	1963-64					
	—					
	1967-68		1968-69		1969-70	
	per cent	per cent	cars	per cent	cars	per cent
No. 1 Man. Northern .....	8.7	12.1	23,821	12.9	10,632	5.9
No. 2 Man. Northern .....	36.8	31.9	62,535	33.8	56,583	31.5
No. 3 Man. Northern .....	22.6	10.3	18,413	9.9	36,118	20.1
No. 4 Man. Northern .....	8.8	4.1	6,014	3.2	17,873	10.0
No. 5 Wheat .....	3.4	2.9	4,516	2.4	8,300	4.6
No. 6 Wheat .....	0.4	0.2	288	0.2	980	0.5
Feed Wheat .....	(1)	(1)	38	(1)	165	0.1
Others Red Spring .....	12.5	32.1	56,641	30.6	32,856	18.3
C.W. Garnet .....	0.2	0.1	124	0.1	4	(1)
C.W. White Spring .....	0.1	0.2	271	0.1	403	0.2
C.W. Mixed Wheat .....	0.1	(1)	93	0.1	111	0.1
Alberta Winter .....	0.9	0.4	862	0.5	1,512	0.8
Nos. 1-6 C.W. Amber Durum.	5.2	2.9	5,923	3.2	12,457	7.0
Others C.W. Amber Durum ..	0.3	2.8	5,589	3.0	1,354	0.8
Totals .....	100.0	100.0	185,128	100.0	179,348	100.0
Gross bushels (approx.) ..			354,067,000		348,204,000	

(1) Less than .05 per cent.

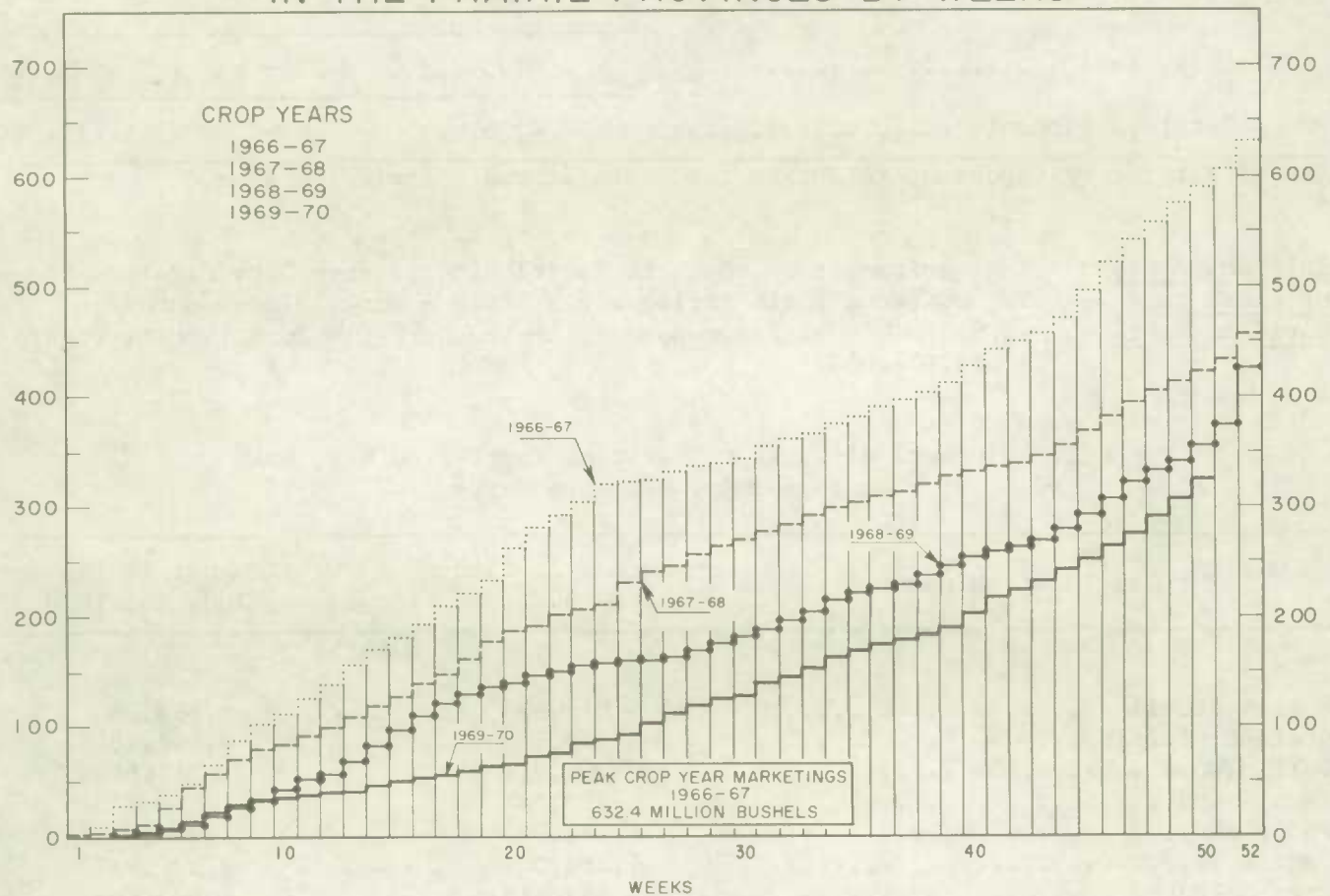


# WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT

1966-67, 1967-68, 1968-69, 1969-70



## CUMULATIVE RECORD OF WHEAT MARKETINGS IN THE PRAIRIE PROVINCES BY WEEKS



(Data in both charts for crop years beginning August 1)

Wheat Shipments to  
The United States  
by Destination

Total vessel and rail shipments of wheat to the United States, either for re-export or retention for domestic use, from the beginning of the current crop year to July 15, 1970 amounted to 1,173,000 bushels. There were no shipments during the corresponding period of 1968-69 and only 4,000 bushels were shipped in 1967-68.

Wheat Shipments(1) to the United States by Destination  
August 1, 1969 - July 15, 1970 with Comparisons

Destination	1967-68	1968-69	1969-70
		bushels	
<u>By Vessel</u>			
Buffalo .....	—	—	942,994
<u>By Rail</u>			
U.S.A. domestic points .....	—	—	180,000
Buffalo .....	4,357	—	50,000
Totals, rail .....	4,357	—	230,000
Totals, shipments .....	4,357	—	1,172,994

(1) Either for re-export or retention for domestic use. Excluding seed.

Rail Shipments  
of Wheat to  
Maritime Ports

Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during August 1969 - June 1970 amounted to 25,600,000 bushels compared with the August - June 1968-69 figure of 16,901,000.

Rail Shipments of Wheat to Maritime Ports from Bay, Lake  
and Upper St. Lawrence Ports

Origin of shipments	August 1, 1968 - June 30, 1969	August 1, 1969 - June 30, 1970
	bushels	
Port McNicoll .....	4,816,974	8,694,984
Midland, Tiffin .....	4,813,309	9,147,781
Collingwood .....	63,817	111,660
Owen Sound .....	2,315,547	1,878,710
Goderich .....	1,782,903	1,262,768
Sarnia .....	1,265,504	2,898,937
Port Colborne .....	1,843,418	1,605,642
Totals .....	16,901,472	25,600,482

Rail Shipments of Wheat from Thunder Bay 1966-67 - 1969-70

Month	1966-67	1967-68	1968-69	1969-70
	bushels			
August .....	118,973	133,651	—	132,953
September .....	83,333	182,051	23,084	134,053
October .....	89,384	152,009	57,458	149,076
November .....	163,332	50,475	101,966	126,319
December .....	106,833	143,833	44,136	179,384
January .....	145,889	160,214	131,034	272,300
February .....	120,334	143,884	99,776	403,541
March .....	177,393	274,690	153,067	298,335
April .....	133,699	123,167	79,899	260,918
May .....	207,038	61,460	108,339	311,200
June .....	154,139	101,950	120,532	221,999
July .....	93,094	88,500	137,404	
Totals .....	1,593,441	1,615,884	1,056,695	

Distribution of Rail Shipments of Wheat from Thunder Bay, June 1970

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
	bushels				
5 Wheat .....	—	28,833	3,500	—	2,500
Durum .....	—	—	—	4,000	6,000
Others .....	3,333	57,000	115,333	—	1,500
Totals .....	3,333	85,833	118,833	4,000	10,000

Overseas Exports of Canadian Grain by Ports of Loading, August 1, 1969 - July 15, 1970  
with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
	thousand bushels						
<u>Pacific Seaboard</u>							
Van.-New West .....	113,003	379	—	31,495	1,974	7,339	16,023
Victoria .....	5,122	—	—	—	—	—	—
Prince Rupert .....	8,840	—	—	—	—	—	—
<u>Churchill</u> .....	20,904	—	—	—	—	—	—
<u>Thunder Bay direct</u> ..	1,168	175	2,730	3,317	255	1,701	1,246
<u>Toronto direct</u> .....	304	—	—	—	—	—	—
<u>St. Lawrence</u>							
Montreal .....	19,433	7,912	164	12,835	160	592	218
Sorel .....	18,542	227	—	—	112	—	—
Trois Rivières ....	12,984	680	413	—	—	242	—
Quebec .....	6,223	269	521	—	229	3,560	2,061
Baie Comeau .....	11,213	443	—	4,686	—	2,224	789
Port Cartier .....	30,378	4,439	—	6,924	92	1,381	—
<u>Maritime</u>							
Saint John .....	485	—	—	—	—	—	—
West Saint John ...	13,857	2,459	50	—	—	305	—
Halifax .....	13,917	—	—	1,293	—	215	167
Totals .....	276,374	16,984	3,877	60,552	2,822	17,558	20,505
August 1, 1968 — July 16, 1969 .....	250,371	18,181	1,326	12,922	3,232	13,255	13,992

(1) Excluding seed.



Monthly Exports of Canadian Wheat and Wheat Flour

Year and month	Wheat in bulk(1)	Seed wheat(2)	Total wheat	Wheat flour(2,3)	Total wheat and wheat flour(3)
thousand bushels					
<u>1967-68</u>					
August .....	24,424	52	24,477	2,773	27,249
September .....	20,211	60	20,272	2,037	22,309
October .....	19,851	67	19,917	1,581	21,498
November .....	21,967	99	22,066	1,811	23,877
December .....	12,920	56	12,976	2,355	15,332
January .....	19,259	56	19,315	1,737	21,052
February .....	18,903	62	18,965	2,394	21,359
March .....	21,388	169	21,557	2,621	24,178
April .....	26,661	5	26,666	2,036	28,702
May .....	42,311	7	42,317	2,061	44,378
June .....	40,798	1	40,799	1,349	42,148
July .....	41,975	18	41,993	1,937	43,930
Totals .....	310,669	651	311,320	24,690	336,010
<u>1968-69</u>					
August .....	31,127	1	31,128	2,586	33,714
September .....	30,019	45	30,064	2,134	32,198
October .....	25,995	50	26,045	2,445	28,490
November .....	23,338	23	23,361	2,305	25,666
December .....	16,061	46	16,107	1,662	17,770
January .....	18,843	12	18,856	1,224	20,079
February .....	24,149	45	24,194	2,077	26,271
March .....	19,857	148	20,005	2,760	22,764
April .....	10,278	138	10,416	1,044	11,460
May .....	30,350	51	30,401	1,432	31,833
June .....	24,016	10	24,026	1,835	25,861
July .....	26,506	107	26,612	3,119	29,731
Totals .....	280,541	674	281,216	24,623	305,838
<u>1969-70(4)</u>					
August .....	13,012	121	13,133	2,182	15,315
September .....	20,949	74	21,024	1,252	22,276
October .....	18,838	—	18,838	2,237	21,075
November .....	22,835	108	22,943	1,059	24,002
December .....	22,294	54	22,348	2,592	24,940
January .....	26,351	73	26,424	3,351	29,774
February .....	18,597	201	18,799	1,929	20,728
March .....	21,958	505	22,463	2,041	24,504
April .....	32,913	399	33,313	3,480	36,792
May .....	36,047	168	36,215	1,926 <sup>r</sup>	38,141 <sup>r</sup>
June .....	39,898	200(5)	40,098	3,000(5)	43,098
Totals .....	273,693	1,905	275,598	25,048	300,645

(1) Export clearances including shipments to the United States compiled by the Statistics Division, Board of Grain Commissioners for Canada. (2) Compiled from Canadian Customs returns, 1967-68 and 1968-69 adjusted to remove effect of time lag in reporting. (3) In terms of wheat equivalent. Wheat flour conversion rate: 2.3 bushels per cwt. (4) Preliminary, subject to revision. (5) Estimated. r Revised figures.

Exports of Canadian Wheat(1) by Destination, June 1970 and 1969

Destination	Wheat (except durum)	Durum wheat	All wheat	
			June 1970	June 1969 <sup>r</sup>
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg .....	1,016,065	220,267	1,236,332	223,615
France .....	—	—	—	9,186
Germany, Federal Republic .....	316,043	289,741	605,784	1,390,687
Italy .....	144,107	—	144,107	590,067
Netherlands .....	422,929	—	422,929	244,533
Sub-totals .....	1,899,144	510,008	2,409,152	2,458,088
<u>Other Western Europe</u>				
Austria .....	—	121,260	121,260	289,370
Britain .....	3,584,843	—	3,584,843	3,837,790
Ireland .....	—	—	—	56,000
Malta and Gozo .....	374,080	—	374,080	—
Norway .....	708,624	—	708,624	—
Switzerland .....	—	—	—	282,212
Sub-totals .....	4,667,547	121,260	4,788,807	4,465,372
Totals .....	6,566,691	631,268	7,197,959	6,923,460
<u>Eastern Europe</u>				
Bulgaria .....	1,269,634	—	1,269,634	—
U.S.S.R. (Russia) .....	8,220,264	—	8,220,264	—
Totals .....	9,489,898	—	9,489,898	—
<u>Africa</u>				
Ghana .....	137,795	—	137,795	94,600
Morocco .....	830,508	—	830,508	—
U.A.R. Egypt .....	1,528,001	—	1,528,001	—
Totals .....	2,496,304	—	2,496,304	94,600
<u>Asia</u>				
Afghanistan .....	—	—	—	5,144
Hong Kong .....	82,787	—	82,787	—
India .....	4,140,894	—	4,140,894	—
Japan .....	3,460,718	—	3,460,718	5,703,096
Malaysia .....	62,440	—	62,440	19,600
People's Republic of China .....	9,571,099	—	9,571,099	10,955,950
Singapore .....	53,573	—	53,573	39,200
Syria .....	560,000	541,408	1,101,408	—
Totals .....	17,931,511	541,408	18,472,919	16,722,990
<u>Western Hemisphere</u>				
Cuba .....	711,677	226,547	938,224	—
Barbados .....	—	—	—	40
Haiti Republic .....	266,784	—	266,784	—
Jamaica .....	599	—	599	275,198
Peru .....	548,800	—	548,800	—
Venezuela .....	102,667	—	102,667	—
United States .....	384,214	—	384,214	—
Totals .....	2,014,741	226,547	2,241,288	275,238
Sub-totals, all countries ...	38,499,145	1,399,223	39,898,368	24,016,288
Seed wheat(2) .....	—	—	200,000	9,920
Totals, all countries .....	38,499,145	1,399,223	40,098,368	24,026,208

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada, excluding seed. (2) Compiled from Canadian Customs returns, 1969 adjusted for time lag, 1970 estimated. <sup>r</sup> Revised figures.

Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August 1969 — June 1970			Total same period last year <sup>r</sup>
	Wheat (except durum)	Durum wheat	Total wheat	
	bushels			
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg .....	7,463,179	599,549 <sup>r</sup>	8,062,728 <sup>r</sup>	6,399,076
France .....	592,099 <sup>r</sup>	1,824,321	2,416,420 <sup>r</sup>	4,257,896
Germany, Federal Republic ..	4,675,274 <sup>r</sup>	3,712,245 <sup>r</sup>	8,387,519 <sup>r</sup>	11,862,968
Italy .....	7,998,816	2,473,014	10,471,830	11,035,064
Netherlands .....	6,031,428 <sup>r</sup>	821,899 <sup>r</sup>	6,853,327 <sup>r</sup>	5,393,216
Sub-totals .....	26,760,796	9,431,028 <sup>r</sup>	36,191,824 <sup>r</sup>	38,948,220
<u>Other Western Europe</u>				
Austria .....	—	361,507	361,507	768,438
Britain .....	45,274,673	112,000	45,386,673	52,429,527
Denmark .....	48,160	—	48,160	22,027
Finland .....	—	—	—	638,500
Ireland .....	795,195	—	795,195	806,400
Malta and Gozo .....	676,853	18,666	695,519	588,592
Norway .....	2,877,541	—	2,877,541	588,000
Portugal .....	—	841,750	841,750	—
Sweden .....	56,776	19,488	76,264	80,304
Switzerland .....	1,611,368	1,859,015 <sup>r</sup>	3,470,383 <sup>r</sup>	5,229,105
Sub-totals .....	51,340,566	3,212,426 <sup>r</sup>	54,552,992 <sup>r</sup>	61,150,893
Totals .....	78,101,362	12,643,454	90,744,816	100,099,113
<u>Eastern Europe</u>				
Albania .....	2,009,728	—	2,009,728	1,090,245
Bulgaria .....	1,929,134	—	1,929,134	—
Hungary .....	—	—	—	2,939,633
Poland .....	2,624,533	—	2,624,533	3,414,941
U.S.S.R. (Russia) .....	40,606,014	—	40,606,014	1,734,881
Totals .....	47,169,409	—	47,169,409	9,179,700
<u>Africa</u>				
Algeria .....	—	1,543,221	1,543,221	1,796,005
Congo .....	122,379	—	122,379	36,500
Ghana .....	1,910,732	—	1,910,732	1,605,777
Mauritania .....	56,694	—	56,694	1,212
Mozambique .....	37,336	—	37,336	—
Morocco .....	830,508	—	830,508	—
Niger .....	—	—	—	687,344
Nigeria .....	18,667	—	18,667	—
Sierra Leone .....	—	—	—	141,866
Sudan .....	187,469	—	187,469	—
Tanzania .....	54,133	—	54,133	110,235
Tunisia .....	1,028,834	734,867	1,763,701	692,139
U.A.R.-Egypt .....	1,528,001	—	1,528,001	—
Totals .....	5,774,753	2,278,088	8,052,841	5,071,078

See footnote(s) at end of table.



Cumulative Exports of Canadian Wheat(1) by Destination — Con.

Destination	August 1969 — June 1970			Total
	Wheat (except durum)	Durum wheat	Total wheat	same period last year <sup>r</sup>
bushels				
Asia				
Afghanistan .....	—	—	—	6,154
Hong Kong .....	767,293	—	767,293	779,857
India .....	11,376,408	—	11,376,408	15,306,956
Indonesia .....	—	—	—	29,394
Iraq .....	553,628	—	553,628	12,860
Israel .....	—	—	—	522,000
Japan .....	36,002,170	—	36,002,170	40,036,088
Korea, South .....	970,330	379,142	1,349,472	—
Malaysia .....	452,462	—	452,462	385,695
Pakistan .....	2,262,475	—	2,262,475	2,753,926
People's Republic of China ...	55,994,865	—	55,994,865	70,726,115
Singapore .....	345,707	—	345,707	160,767
Syria .....	2,356,914	541,408	2,898,322	2,020,883
Taiwan .....	520,837	—	520,837	520,837
Turkey .....	—	—	—	32,518
Totals .....	111,603,089	920,550	112,523,639	133,294,050
Western Hemisphere				
Bahamas .....	—	—	—	40
Barbados .....	89	—	89	139
Cuba .....	3,980,792	397,522	4,378,314	1,712,200
Ecuador .....	158,005	—	158,005	412,150
Guatemala .....	—	—	—	16,667
Haiti Republic .....	1,168,467	—	1,168,467	328,533
Jamaica .....	1,190,578	—	1,190,578	1,180,731
Paraguay .....	—	—	—	1,727
Peru .....	5,790,180	—	5,790,180	—
St. Lucia .....	167	—	167	187
Trinidad and Tobago .....	—	—	—	220,133
Venezuela .....	1,343,022	—	1,343,022	2,519,014
United States (2) .....	1,172,994	—	1,172,994	—
Totals .....	14,804,294	397,522	15,201,816	6,391,521
Sub-totals, all countries.	257,452,907	16,239,614	273,692,521	254,035,462
Seed wheat (3) .....			1,905,062	567,815
Totals, all countries ..	257,452,907	16,239,614	275,597,583	254,603,277

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

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

(3) Compiled from Canadian Customs returns, 1968-69 adjusted for time lag, 1969-70 partly estimated.

r Revised figures.

Canadian Wheat Board Weekly Average Cash Wheat Prices, Crop Year 1969-70  
Basis in Store Thunder Bay and Vancouver

Class and grade	Week ending			
	June 26	July 3	July 10	July 17
cents and eighths per bushel				
<u>Initial payment to producers</u>				
1 Northern .....	150	150	150	150
2 Northern .....	146	146	146	146
3 Northern .....	141	141	141	141
4 Northern .....	133	133	133	133
5 Wheat .....	119	119	119	119
6 Wheat .....	115	115	115	115
Feed Wheat .....	110	110	110	110
1 C.W. Garnet .....	133	133	133	133
2 C.W. Garnet .....	128	128	128	128
3 C.W. Garnet .....	123	123	123	123
1 Alberta Red Winter .....	132	132	132	132
2 Alberta Winter .....	127	127	127	127
3 Alberta Winter .....	121	121	121	121
1 C.W. Amber Durum .....	150	150	150	150
2 C.W. Amber Durum .....	146	146	146	146
3 C.W. Amber Durum .....	141	141	141	141

International Grains Arrangement  
(Basis in store Thunder Bay)

1 Northern .....	174/2	173/2	173/4	173/3
2 Northern .....	171/2	170/2	170/4	170/3
3 Northern .....	162/6	161/6	162	161/7
4 Northern .....	152/1	151/1	151/3	151/2
5 Wheat(1) .....	151/5	151/5	151/5	151/5
6 Wheat(1) .....	146/5	146/5	146/5	146/5
Feed Wheat(1) .....	141/5	141/5	141/5	141/5
1 C.W. Garnet .....	152/1	151/1	151/3	151/2
2 C.W. Garnet .....	151/1	150/1	150/3	150/2
3 C.W. Garnet .....	150/1	149/1	149/3	149/2
1 Alberta Red Winter .....	152/1	151/1	151/3	151/2
2 Alberta Winter .....	151/1	150/1	150/3	150/2
3 Alberta Winter .....	150/1	149/1	149/3	149/2
1 C.W. Amber Durum .....	174/6	173/6	172/1	170/6
2 C.W. Amber Durum .....	171/6	170/6	169/1	167/6
3 C.W. Amber Durum .....	161/7	160/7	159/2	157/7

(Basis in store Vancouver)

1 Northern .....	173/2	172/2	172/4	172/3
2 Northern .....	170/6	169/6	170	169/7
3 Northern .....	165/6	164/6	165	164/7
4 Northern .....	160/1	159/1	159/3	159/2
1 C.W. Garnet .....	160/1	159/1	159/3	159/2
2 C.W. Garnet .....	159/1	158/1	158/3	158/2
3 C.W. Garnet .....	158/1	157/1	157/3	157/2
1 Alberta Red Winter .....	160/1	159/1	159/3	159/2
2 Alberta Winter .....	159/1	158/1	158/3	158/2
3 Alberta Winter .....	158/1	157/1	157/3	157/2

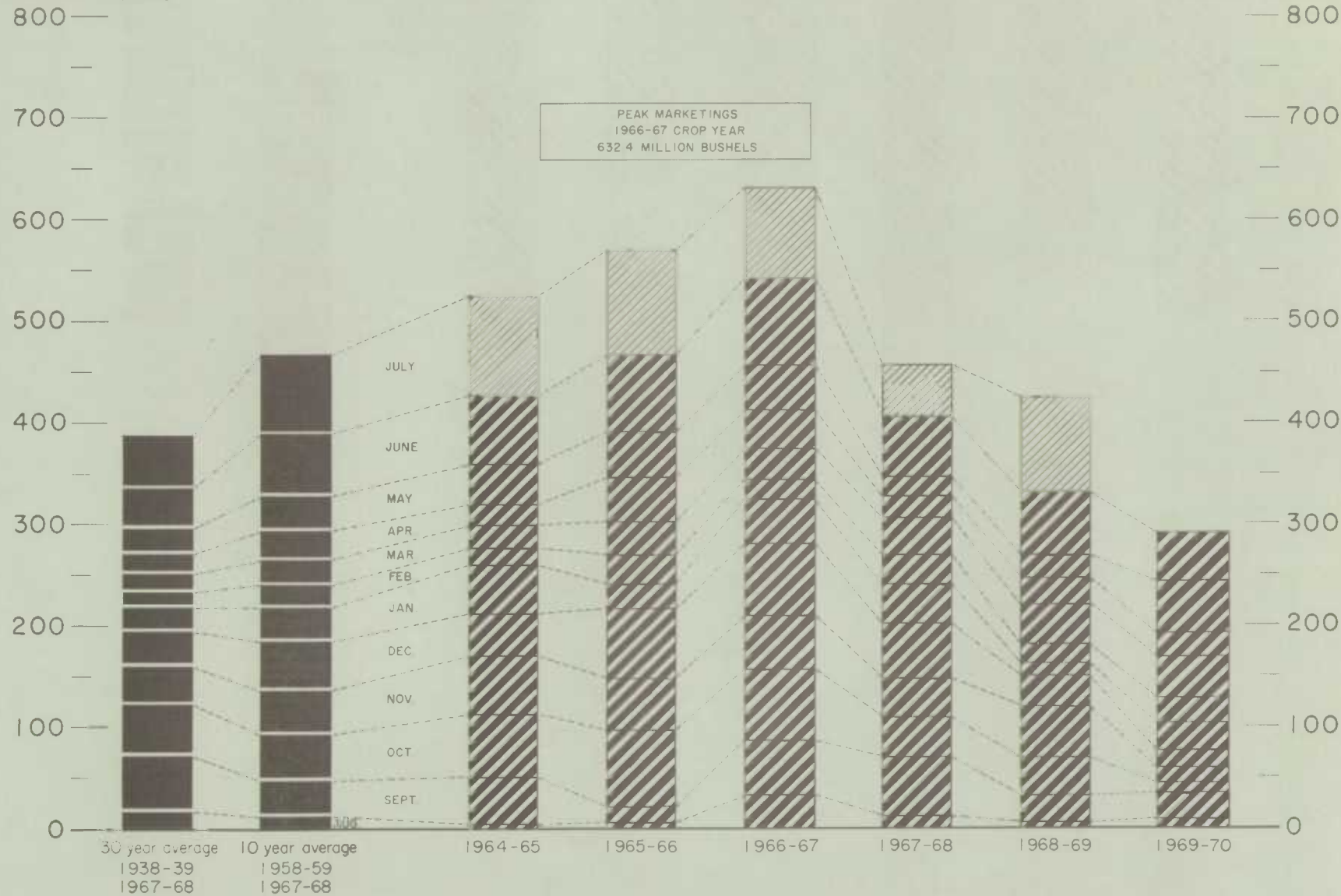
(1) Domestic sales only.

# FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHELS

MILLION BUSHELS



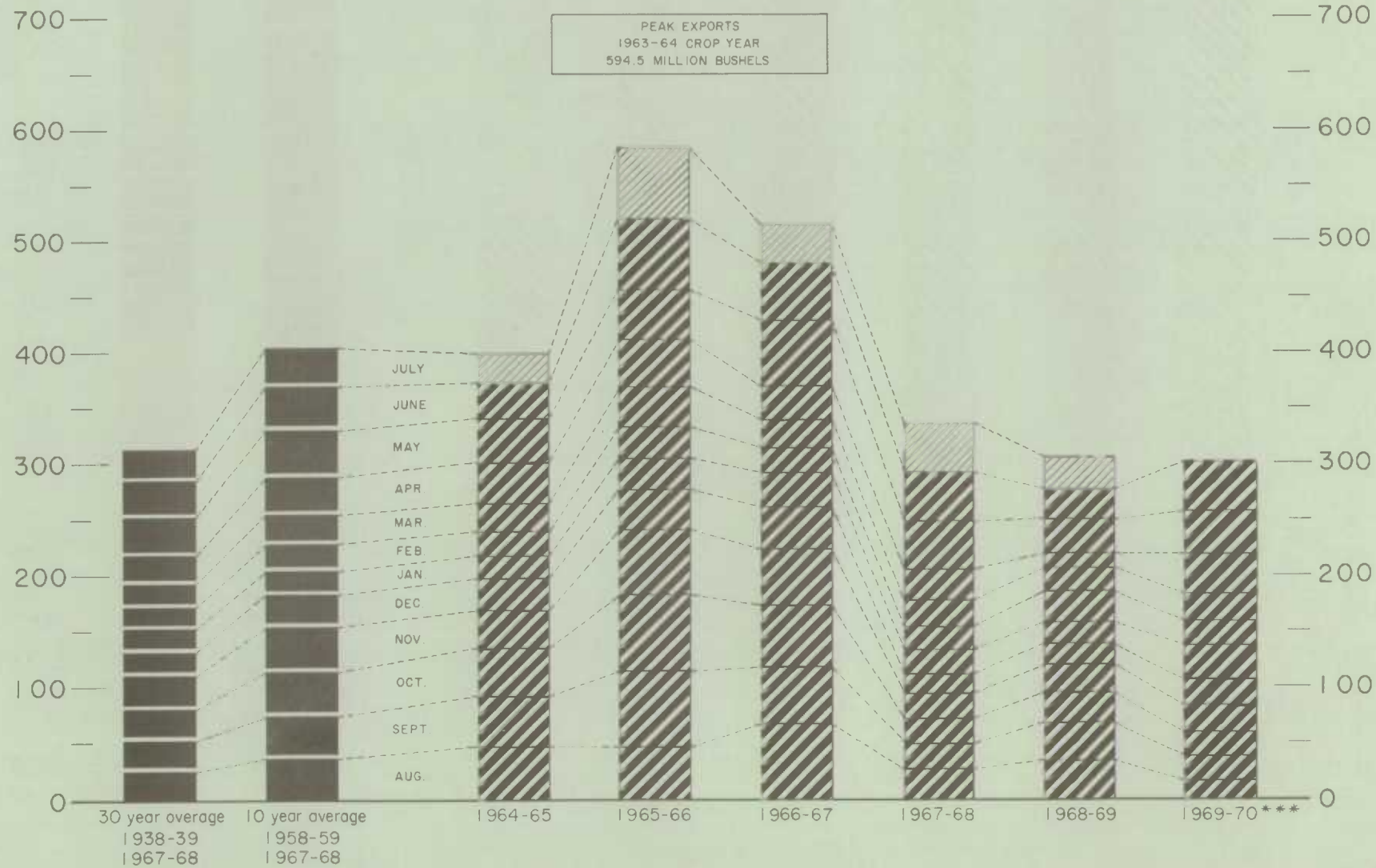


## EXPORTS OF CANADIAN WHEAT\* AND WHEAT FLOUR\*\*

(SPECIFIED PERIODS)

MILLION BUSHELS

MILLION BUSHELS



\*Beginning with 1955-56 includes seed wheat.

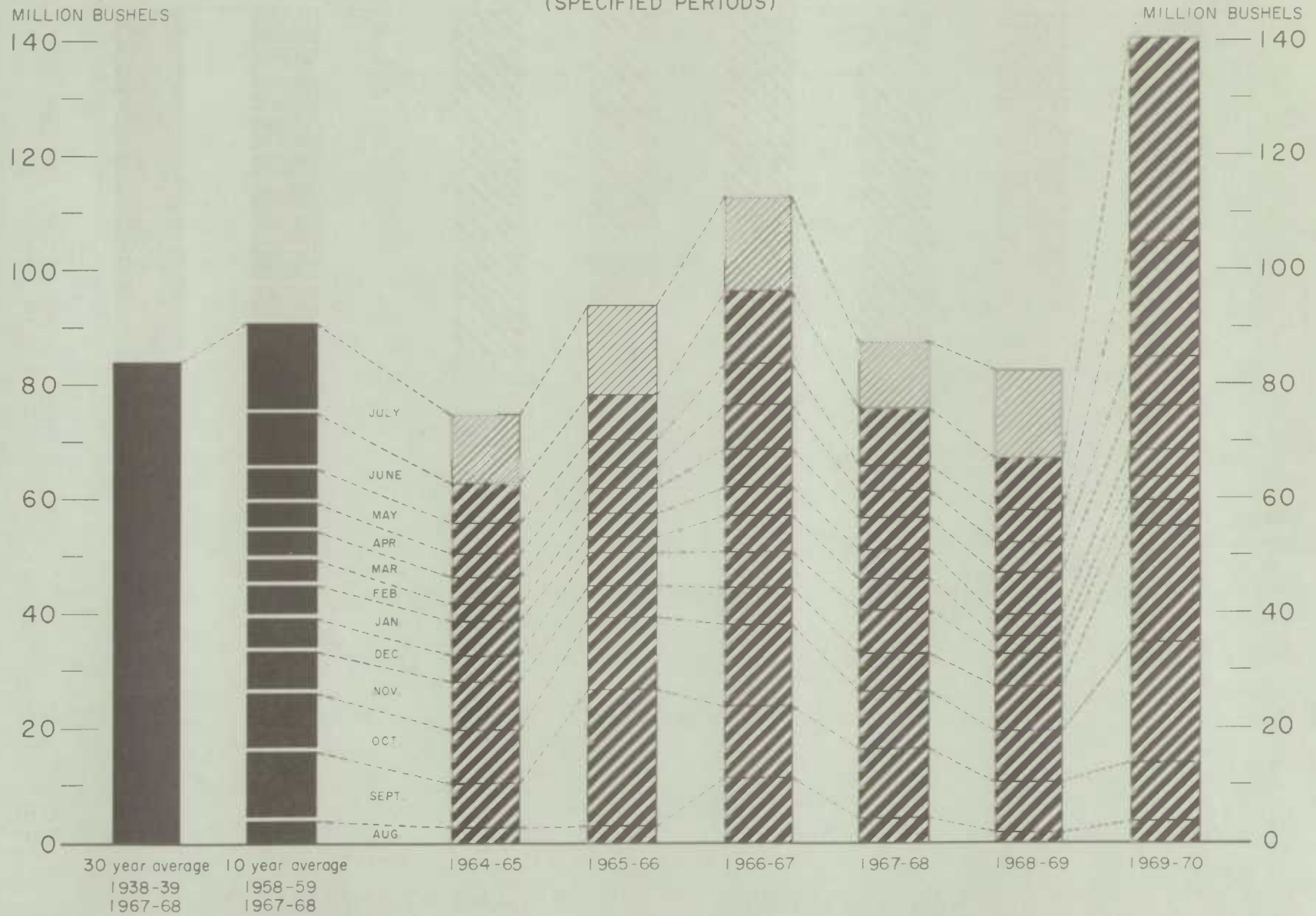
\*\*In terms of wheat equivalent.

\*\*\*Preliminary.

Agriculture Division D.B.S.

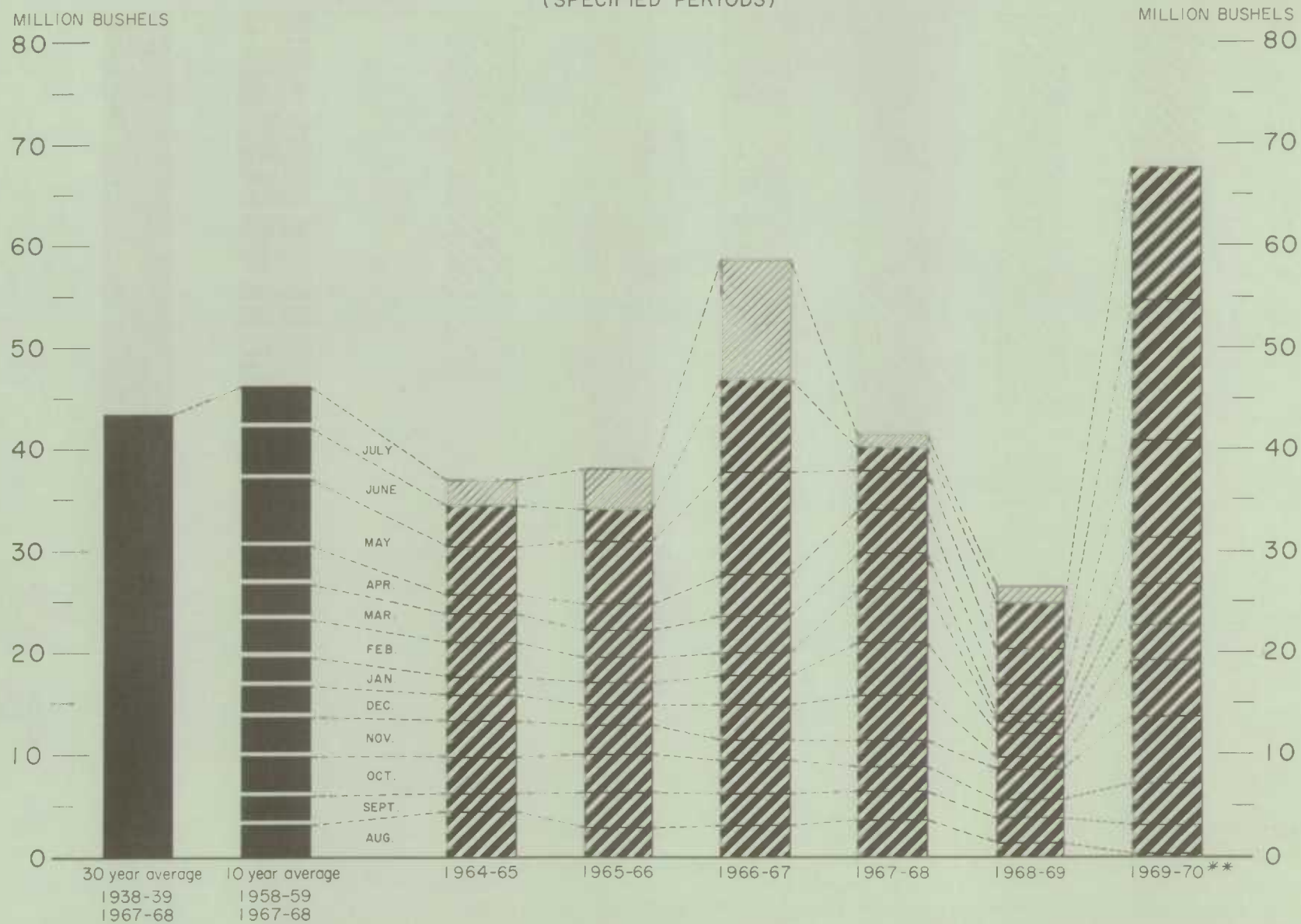
# FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



## EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS\*

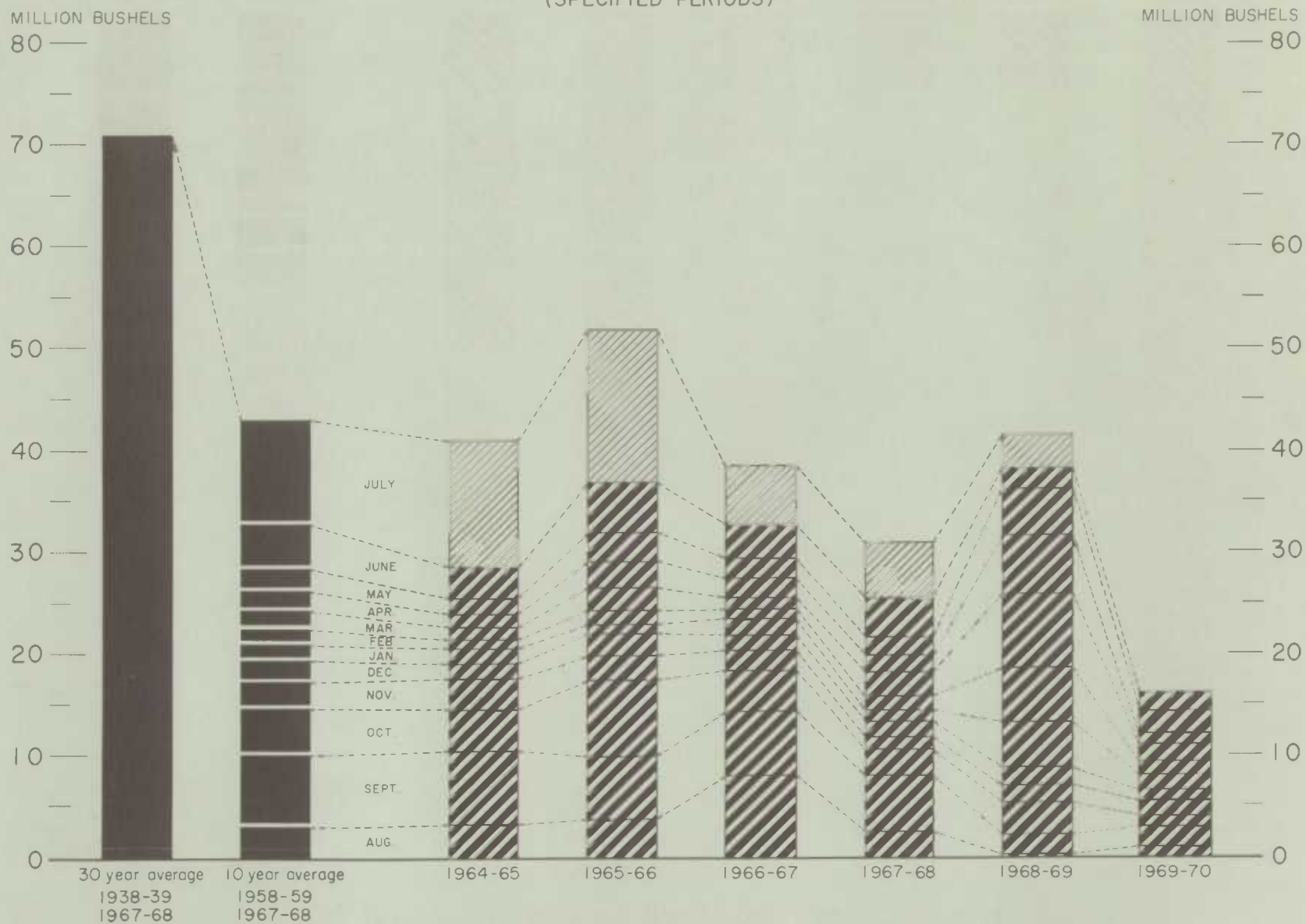
(SPECIFIED PERIODS)





# FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



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

(SPECIFIED PERIODS)

MILLION BUSHELS

30 —

MILLION BUSHELS

30 —

25 —

25 —

20 —

20 —

15 —

15 —

10 —

10 —

5 —

5 —

0

0

30 year average

10 year average

1964-65

1965-66

1966-67

1967-68

1968-69

1969-70 \*\*\*

1938-39

1958-59

1967-68

1967-68

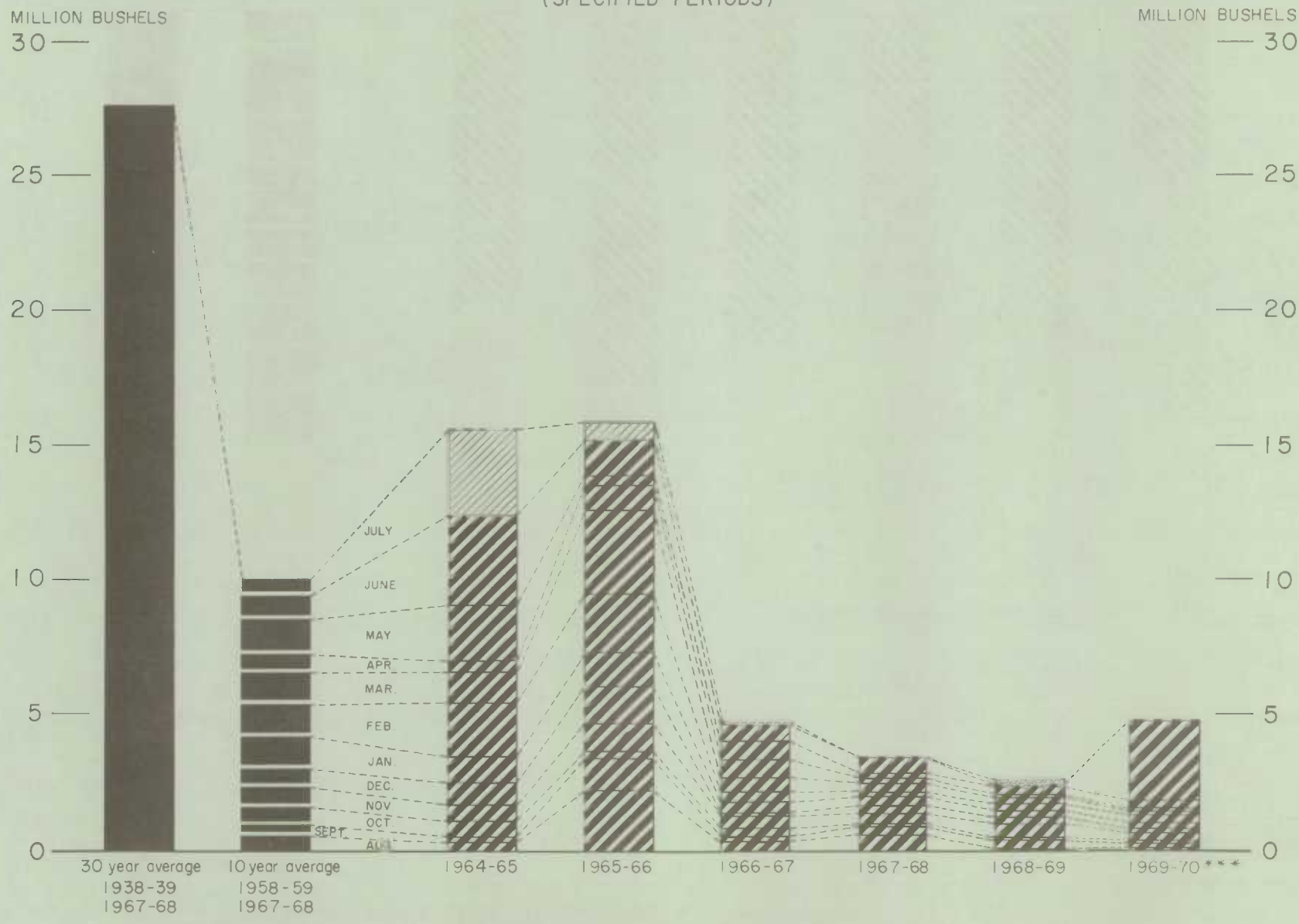
JULY  
JUNE  
MAY  
APR  
MAR  
FEB  
JAN  
DEC  
NOV  
OCT  
SEPT  
AUG

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

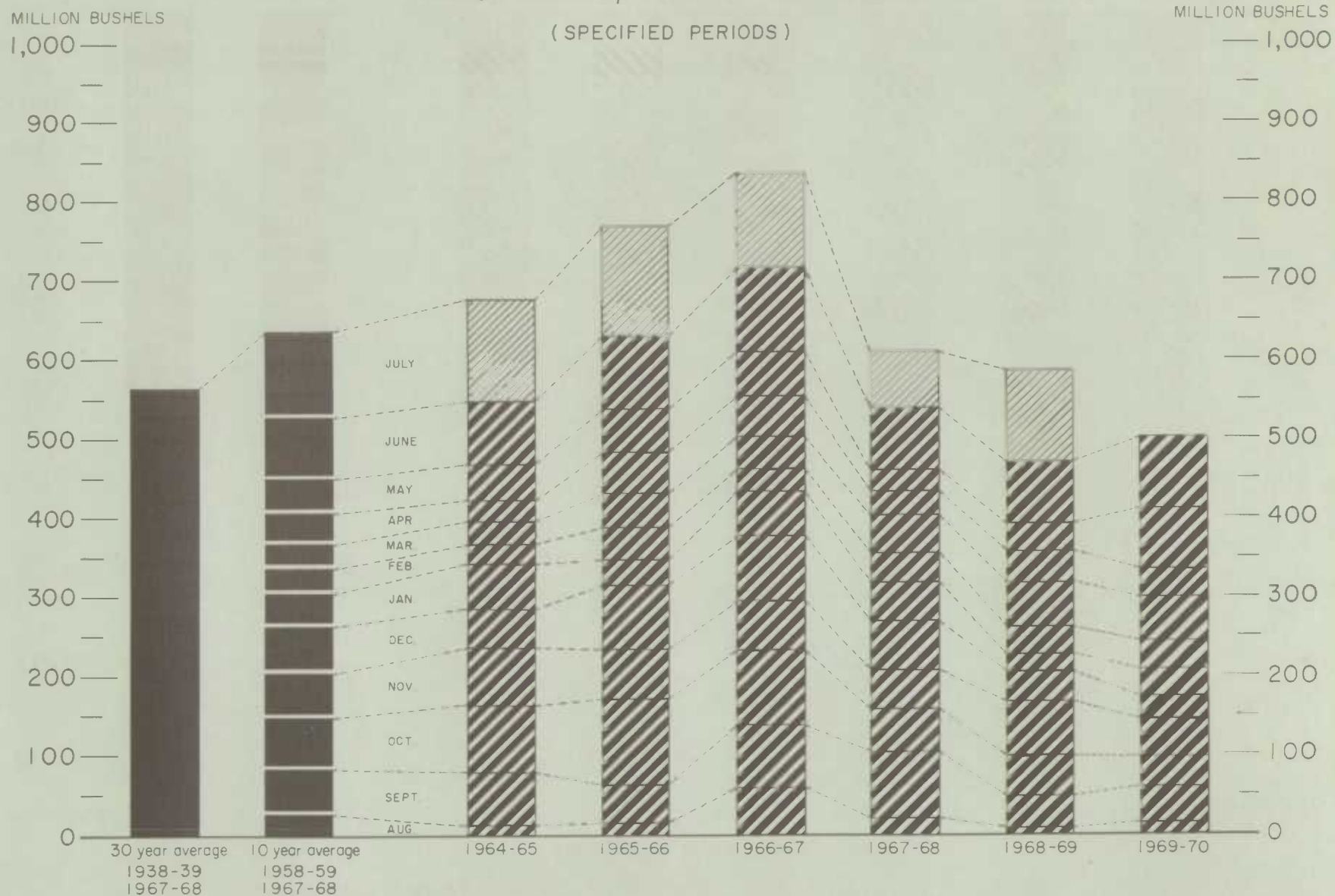
\*\* In terms of grain equivalent

\*\*\* Preliminary

Agriculture Division D B S



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



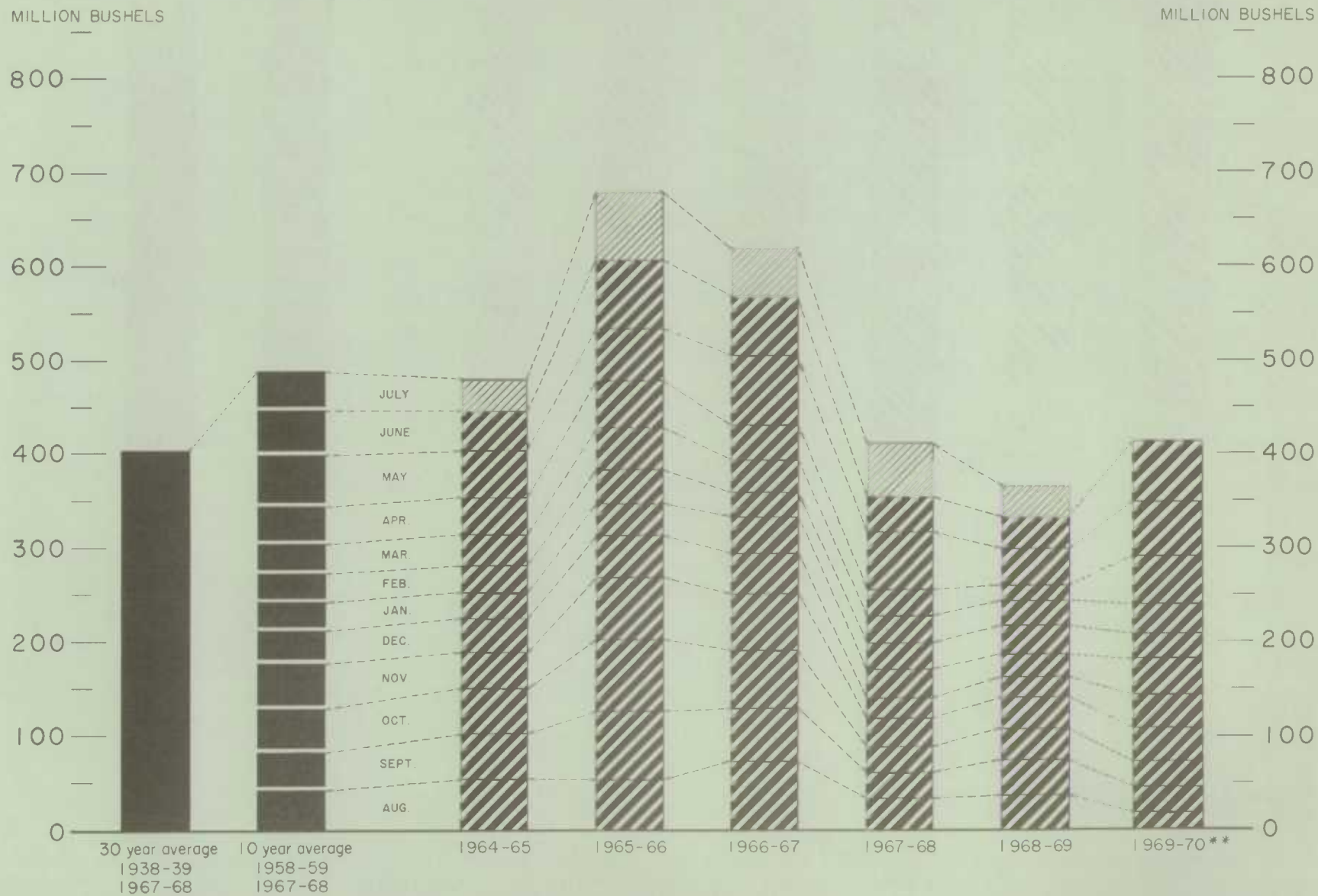
\* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed

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.

Agriculture Division D.B.S.

# CANADIAN FLOUR MILLING SITUATION

**Production** Wheat flour production by Canadian mills during June 1970 amounted to 3,268,000 hundredweight representing a decrease of 6 per cent from the May 1970 total of 3,480,000 hundredweight and slightly below the ten-year (1960-69) average production for the month of June of 3,277,000 hundredweight but 13 per cent more than the June 1969 total of 2,902,000 hundredweight. Mills reporting operations during June 1970 had a total rated capacity of 168,000 hundredweight per 24-hour day and on the basis of a 26-day working period 74.8 per cent of this rated capacity was effective.

Wheat milled for flour during June 1970 amounted to 7,480,000 bushels, 6 per cent lower than the 7,921,000 bushels milled during the preceding month but 14 per cent above the 6,561,000 bushels milled during June 1969. Of the wheat milled for flour during June 1970 some 6,326,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (628,000 bushels); Durum (394,000 bushels); and all other (133,000 bushels).

**NOTE:** Official wheat flour export data for June 1970 were not available at the time of preparation of this report. The flour export figure for June included in this report represents an unofficial estimate.

## Wheat Milled for Flour, and Production and Exports of Wheat Flour, Canada

Crop year	Wheat milled for flour bushels	Wheat flour	
		Production	Exports(1)
		cwt.	
1935-36 - 1939-40 average .....	67,845,114	29,405,451	9,603,941
1940-41 - 1944-45 " .....	99,704,638	43,908,245	23,699,546
1945-46 - 1949-50 " .....	107,330,372	47,011,540	25,819,721
1950-51 - 1954-55 " .....	100,446,328	43,847,894	21,812,041
1955-56 - 1959-60 " .....	99,148,211	39,752,589	16,349,156
1960-61 - 1964-65 " .....	91,128,177	40,834,088	15,769,803
1965-66 .....	97,925,995	43,531,263	16,576,117
1966-67 .....	90,084,646	39,978,571	13,848,208
1967-68 .....	84,769,150	37,755,841	10,734,857
1968-69 .....	85,048,591	37,621,151	10,705,452
1969-70(2)			
August .....	7,383,987	3,231,729	948,508
September .....	7,736,641	3,411,564	544,562
October .....	8,112,737	3,562,014	972,463
November .....	7,548,659	3,267,598	460,275
December .....	7,323,425	3,219,994	1,127,164
January .....	8,053,192	3,529,240	1,456,776
February .....	6,931,583	3,029,985	838,881
March .....	7,402,364	3,233,355	887,315
April .....	7,280,331	3,194,214	1,512,865
May .....	7,920,718	3,479,538	831,930
June .....	7,480,417	3,268,451	1,304,000(3)
Totals .....	83,174,054	36,427,682	10,884,739
Same months 1968-69 <sup>r</sup> .....	77,963,795	34,494,446	9,349,516

(1) Based on Customs returns. Exports for the crop year 1945-46 - 1968-69 revised to remove effect of time lag in the returns made by Customs.

(2) Subject to revision.

(3) Estimated.

<sup>r</sup> Revised figures.

UNITED STATES SITUATION

Disappearance of  
United States Wheat

During the crop year (July - June) 1969-70, total disappearance (exports plus domestic use) of United States wheat amounted to 1,385 million bushels, up about 87 million bushels over the previous year's total of 1,298 million. A swelling in feed demand and an upsurge in exports accounted for most of the increase. Preliminary data show that the 1969-70 exports of wheat, wheat flour and products in terms of grain equivalent amounted to 604.6 million bushels, some 11 per cent more than the 544.3 million exported in 1968-69. Domestic requirements increased from an estimated 754.1 million bushels in 1968-69 to 780.0 million in 1969-70, the highest total since 1945-46.

With the 1969 production surpassing total disappearance into domestic and export channels in 1969-70 by 5 per cent, year-end stocks increased from 818.2 million at June 30, 1969, to 895.4 million bushels at the same date in 1970.

United States Wheat Supplies

Item	1968-69 <sup>r</sup>	1969-70 <sup>P</sup>
	million bushels	
Carryover at begining of crop year (July 1).....	539.4	818.6
Production .....	1,576.3	1,458.9
Total estimated domestic supplies .....	2,115.6	2,277.4
Imports of wheat and wheat flour in terms of wheat for domestic use, July - June .....	0.9	2.6
Total estimated supplies(1) .....	2,166.5	2,280.0
Less estimated domestic requirements for crop year(1)	754.1	780.0
Available for export and for carryover .....	1,362.4	1,500.0
<u>Deduct</u>		
Exports of wheat as grain, July - June .....	471.7	529.7
Exports of wheat flour and products in terms of wheat, July - June(2) .....	72.5	74.9
Total exports of wheat and wheat flour(3) .....	544.3	604.6
Balance on July 1 for export and for carryover .....	818.2	895.4

(1) Includes shipments to United States Territories and wheat for military food use at home and abroad.

(2) Flour exports exclude "Milled in bond".

(3) Data include shipments for relief.

P Preliminary figures.

r Revised figures.



1970 Wheat Crop  
Forecast at 1,349  
Million Bushels

In a report released on July 10, 1970 the Crop Reporting Board of the United States Department of Agriculture stated that production of all wheat is forecast at 1,349 million bushels, 8 per cent less than the 1969 crop and 14 per cent less than the record large 1968 crop of 1,576 million bushels. Changes in estimates between the July 1 forecast and the final estimates have averaged 35.1 million bushels during the past decade -- from 8 million to 74 million bushels. The indicated yield of 31.0 bushels per harvested acre is a new record and 0.3 bushels above last year. Acreage of all wheat for harvest as grain is 43.6 million bushels, 8 per cent below last year and the lowest since 1934. The 1970 all wheat allotment at 45.5 million acres is nearly 12 per cent below a year earlier.

A winter wheat crop of 1,094 million bushels is now forecast, 5 per cent below last year's crop and nearly 2 per cent above a month earlier. Acreage for harvest as grain at 33.0 million acres is 10 per cent below last year and 22 per cent below the 1968 acreage. Acreage for harvest was lower than earlier estimated levels which partly offset an increase in yield per acre in many States including all the Plains and Pacific Northwest States. The U.S. yield per acre is indicated at a record 33.2 bushels compared with 31.3 last year and 29.1 two years ago.

Kansas harvest started on June 7, about the normal time, along the southern border of the State. Combining progressed northward over the State with some delays from intermittent rain. On June 27 more than half the crop was combined -- somewhat ahead of usual progress. Preliminary reports on quality are above average for test weight, and above last year but below average for protein content.

Yield prospects in the Southern Plains were above earlier expectations. Oklahoma harvest was virtually completed by July 1, about a week ahead of last year. Protein content is above a year ago but test weight is slightly lower. The Texas harvest was 77 per cent complete by June 26. Almost all dryland wheat and much irrigated wheat had been harvested. Some High Plains wheat was hail-damaged in early June.

Nebraska wheat developed rapidly because of above normal temperatures. About one-fourth of the crop was harvested by July 1, much ahead of normal. Colorado prospects improved during June. Harvesting was well along in the southeastern counties by the end of June and beginning in the east central area.

Production prospects improved in the Pacific Northwest. Washington wheat is in good to excellent condition except in the far northern areas where earlier moisture shortages and a frost in early May reduced prospects. Cool temperatures and moderate precipitation during mid-June were beneficial to wheat in both Washington and Oregon but high temperatures in late June caused stress. Idaho winter wheat is in generally good condition and heading in all but higher elevation fields. Moisture was generally adequate. Prospects were maintained in Montana with only half the crop headed compared to a normal of 80 per cent.

The production forecast in Missouri and the eastern Corn Belt was below a month earlier. The Missouri wheat harvest was two-thirds complete by July 1. One-fifth of the Illinois crop was harvested by June 29 with most of the activity in southern counties.

Spring wheat production, other than durum, is forecast at 204.3 million bushels, down slightly from last year and 15 per cent less than 1968. Production prospects are down from last year in North Dakota, but up in Minnesota and South Dakota. Increases

in Montana and Colorado about offset decreases in other Mountain and Pacific Northwest States.

Wet fields caused late seeding of spring wheat in major growing areas. Some fields were seeded in late June in Minnesota and North Dakota. Rainfall in mid-June helped establish heavy stands. Following the rain, warm temperatures late in June, coupled with high winds, dried soils rapidly. Crop conditions by the end of the month were generally good, but moisture shortages were becoming evident. Yield per acre is forecast at 23.9 bushels, compared with 27.2 last year and 26.1 in 1968.

Harvested acreage is expected to total nearly 8.6 million acres for spring wheat, other than durum, compared with 7.5 million last year and 9.3 million in 1968. Planted acreage is estimated at 8.8 million acres compared with 7.8 million last year and 9.5 million in 1968.

Production of durum wheat is forecast at 50.0 million bushels, less than half the 1969 record production and the lowest since 1961. A wet spring delayed planting and some intended acreage in the Red River Valley was not seeded. Below normal precipitation during June and hot winds in late June dried soils rapidly and turned a surplus soil moisture condition into a shortage in many important growing areas.

Acreage for harvest is estimated at just over 2 million acres, down 40 per cent from last year. Reduced allotments, low durum prices coupled with large stocks and the late spring have contributed to the lower acreage. All major durum States show sharp decreases in acreage. Yield is forecast at 25.0 bushels per acre, compared with 31.9 last year and 27.9 in 1968.

1971-Crop Wheat Quota  
Referendum Proclaimed  
for July 27-31

On July 1, 1970 Secretary of Agriculture Clifford M. Hardin proclaimed July 27-31 as the dates for a mail referendum on 1971-crop wheat marketing quotas. By law, in the absence of new legislation, the 1971 wheat crop comes under the provisions of the Agricultural Adjustment Act of 1938, as amended. This Act requires that a marketing quota referendum applicable to the 1971 crop be conducted on or before August 1, 1970.

The Agricultural Act of 1965, as amended, extended its voluntary wheat program through the 1970-crop year, and specifically suspended marketing quotas for wheat producers only for the duration of the Act.

1970-Crop Wheat Marketing  
Certificate Value to be  
\$1.57 Per Bushel

On July 1, 1970 the United States Department of Agriculture announced that domestic marketing certificates for eligible 1970-crop wheat will be worth \$1.57 per bushel, 5 cents per bushel more than for the 1969-crop certificate value. The certificates are based on wheat parity price as of July 1, 1970.

Payments totalling about \$830 million will be made, mostly between July 5 and July 20, to approximately 949,000 farmers participating in the 1970-wheat program.

The certificate value is based on the difference between July 1, 1970, wheat parity price of \$2.82 per bushel and the 1970-crop national average loan rate of \$1.25 per bushel. Certificate payments to farmers are based on projected production on 48 per cent of 1970 wheat acreage allotments. For 1969-crop wheat, certificates worth \$1.52 per bushel were issued on 43 per cent of the projected production of the allotted acres.



Loan Rates, Other Program  
Details Announced for 1971-  
Crop Wheat Referendum

On July 9, 1970 Secretary of Agriculture Clifford M. Hardin announced the 1971-crop wheat price-support loan levels and other program details necessary for producer participation in a July 27-31 mail referendum on marketing quotas proclaimed earlier. The referendum is mandatory under current law in the absence of new legislation for the 1971 wheat crop.

All persons who have a legal interest in the approximately 1.6 million wheat allotments of record will be eligible to participate in the referendum.

If two-thirds or more of the producers voting in the referendum indicate "Yes" to marketing quotas (based on a national quota of 1,210 million bushels resulting in a national allotment of 43.5 million acres), the national average price-support loan rate will be \$1.15 per bushel and the domestic marketing certificates will have a value of \$1.39 per bushel making the total price support on that portion of the crop \$2.54 per bushel or 90 per cent of parity as of July 1, 1970. Domestic certificates will be issued on about 535 million bushels. Production in excess of quotas will be subject to penalty.

Flour Production

According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in May 1970 amounted to 19,801,000 hundredweight, averaging 943,000 hundredweight per working day, unchanged from the previous month but below the average output of 1,010,000 hundredweight in May 1969. Wheat flour mills during May operated at 94.0 per cent of capacity, compared with 94.1 per cent and 100.7 per cent, respectively, for the previous month and the same month a year ago.

ARGENTINE SITUATION

1969-70 Wheat  
Supplies Higher  
Than Previous Year

Total estimated supplies of wheat in Argentina for the 1969-70 (December-November) crop year amounted to 276.8 million bushels, consisting of the December 1, 1969 carryover of 18.8 million bushels and the crop placed at 257.9 million.

Indicated supplies for the current Argentine crop year, reflecting an increase in production which more than offset a sharp decline in carryover stocks, are about 8 per cent above the 1968-69 total of 255.3 million bushels. After making an allowance of 150.0 million bushels for anticipated domestic requirements, an estimated 126.8 million are available for export and for carryover compared with 98.6 million in 1968-69.

Exports Below  
Previous Year

Preliminary exports of wheat and wheat flour in terms of wheat equivalent during December 1969 - June 1970 amounted to 48.9 million bushels, 26 per cent less than the 65.7 million exported during the same months in 1968-69. The balance remaining on July 1, 1970 for export and for carryover was estimated at 77.8 million bushels, in sharp contrast to the July 1, 1969 total of 32.9 million.



# Argentine Wheat Supplies

Item	1968-69 <sup>r</sup>	1969-70 <sup>P</sup>
	million bushels	
Carryover at beginning of crop year (December 1) (1) ....	44.4	18.8
Production .....	210.9	257.9 <sup>r</sup>
Total estimated domestic supplies .....	255.3	276.8
Less estimated domestic requirements for crop year .....	156.7	150.0
Available for export and for carryover .....	98.6	126.8
<u>Deduct</u>		
Exports of wheat as grain, December - June .....	63.7	46.5
Exports of wheat flour in terms of wheat, December - June .....	2.0	2.5
Total exports of wheat and wheat flour .....	65.7	48.9
Balance on July 1 for export and for carryover .....	32.9	77.8

(1) Includes allowances for farm stocks.

<sup>P</sup> Preliminary figures.

<sup>r</sup> Revised figures.

The following account of the Argentine Situation has been extracted from a report from Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) Buenos Aires, and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Rate of exchange: U\$S 1.00 = 3.50 pesos  
Cdn 1.00 = 3.26 pesos

The Secretariat of Agriculture and Livestock has issued the fourth official estimate of wheat production for 1969-70 of 7,020,000 metric tons (257.9 million bushels) including 760,000 tons (27.9 million bushels) of Durums. This compares with the previous estimate for 1969-70 of 6,800,000 tons (249.9 million bushels) including 740,000 tons (27.2 million bushels) of Durums and the final estimate of production for 1968-69 of 5,740,000 tons (210.9 million bushels).

The 1969-70 crop is now estimated to be 4 per cent smaller than the average of the last five years but 5 per cent larger than the ten-year average.

The increase in production can be attributed mainly to the excellent yields in the province of Buenos Aires where a crop of 4,882,600 tons (179.4 million bushels) was harvested, an increase of 41.9 per cent from production in 1968-69. Almost all of the Durum crop is produced in southern Buenos Aires. Cordoba was the next largest wheat producer with 638,500 tons (23.5 million bushels), followed by La Pampa with 599,700 tons (22.0 million bushels), Santa Fe with 598,600 tons (22.0 million bushels), Entre Rios with 219,600 tons (8.1 million bushels) and other provinces with 81,000 tons (3.0 million bushels). Yields were very poor in the northern provinces as a result of the very dry conditions early in the growing season.

The area planted to wheat was estimated to have been 6,238,700 hectares (15.4 million acres) of which 5,191,300 hectares (12.8 million acres) were harvested. Yields

per harvested hectare were therefore 1,352 kilograms (20.1 bushels per acre).

In 1968-69, the planted area was 6,679,500 hectares (16.5 million acres) of which 5,837,200 hectares (14.4 million acres) were harvested, giving a yield of only 983 kilograms per hectare (14.6 bushels per acre).

The government has established the official prices for the 1970-71 grains and oilseeds crops. For some time, there have been both minimum and support prices established each year. The higher support price was the level at which the National Grain Board was committed to purchase supplies offered by producers (usually through private country buyers or co-operatives) and the lower minimum price was the lowest price at which the private trade could purchase. The minimum price seldom served a meaningful function in view of the Board's commitment to purchase at the higher support price as well as the fact that the Board would not acquire supplies through the country buyers unless they had also purchased from the producer at the support price. 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 balance in not more than 90 days with interest. Thus the farmer is not forced to sell at the minimum price when he is in need of immediate payment as he has done in some years. For these reasons, only support prices have been established for the 1970-71 crop year.

Another important change is that a sliding scale of support prices have been established for wheat (and grain 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 the terminal positions as much of the wheat and other grain crops are marketed immediately following the harvest. A common sight on the Buenos Aires waterfront, particularly at this time of year, is long lines of trucks waiting to unload grains at the terminal elevators. At times, a truck may wait for a period of weeks to unload.

The support prices for each 100 kilos of hard wheat, semi-hard wheat and Durums, f.o.r. Buenos Aires, compared with support prices for 1969-70 are as follows:

	<u>1969-70</u>	<u>1970-71</u>
	dollars	
<u>Hard Wheat</u>		
Grade 1, basis 64 pounds per bushel		
Up to February 28, 1971 .....		(1.47
March 1 to 31, 1971 .....		(1.51
April 1 to 30, 1971 .....	1.47	(1.55
May 1 to September 30, 1971 .....		(1.57
After October 1, 1971 .....		(1.47
<u>Semi-Hard Wheat</u>		
Grade 1, basis 64 pounds per bushel		
Up to February 28, 1971 .....		(1.42
March 1 to 31, 1971 .....		(1.47
April 1 to 30, 1971 .....	1.42	(1.50
May 1 to September 30, 1971 .....		(1.53
After October 1, 1971 .....		(1.42
<u>Candeal or Taganrock (Durums)</u>		
Up to February 28, 1971 .....		(1.47
March 1 to 31, 1971 .....		(1.51
April 1 to 30, 1971 .....	1.47	(1.55
May 1 to September 30, 1971 .....		(1.57
After October 1, 1971 .....		(1.47

Semi-hard varieties of wheat now account for only about 5 per cent of total bread wheat production in Argentina.

The relative prices for grain received elsewhere than at Buenos Aires will be established by the National Grain Board. The "administration" costs (the Board's marketing costs, in effect) will again be deducted from the support prices. These costs generally amount to less than 1.00 peso per 100 kilos (8 cents per bushel). However, the support price, less these "administration" costs, is the lowest price at which either the National Grain Board or the private trade may purchase.

Argentina is presently negotiating the price on its third quarter shipments of 250,000 metric tons (9,186,000 bushels) of bread wheat to Brazil. Prices on shipments in the current quarter are only US\$ 50.00 (\$1.46 per bushel Canadian) and it is hoped that some increase from this level can be negotiated.

Hard wheat prices during May firmed from 16.80 to 17.40 pesos per 100 kilos (\$1.40 to \$1.45 per bushel), f.o.r. Buenos Aires, and were relatively stable at Bahia Blanca, rising only 10 centavos (one cent per bushel) to 15.60 pesos (\$1.30 per bushel).

However, by June 16, prices had strengthened to 18.10 and 16.20 pesos per 100 kilos (\$1.51 and \$1.35 per bushel) at Buenos Aires and Bahia Blanca, respectively.

The Buenos Aires Futures Exchange has been closed for some days as a result of the prohibition of foreign exchange dealings following the ouster of President Ongania. However, a new president was named a few days ago and the Futures Market is therefore expected to recommence its operations shortly.

The demand for Durums has been strong and prices during May rose from 16.00 to 17.40 pesos per 100 kilos (\$1.34 to \$1.45 per bushel) f.o.r. Buenos Aires and from 16.00 to 16.30 pesos (\$1.34 to \$1.36 per bushel) at Bahia Blanca.

By June 16, Durum prices had slipped to 16.80 and 16.10 pesos per 100 kilos (\$1.40 and \$1.34 per bushel) at Buenos Aires and Bahia Blanca, respectively.

Under date of July 13, 1970 Mr. Kidd reported that the Secretariat of Agriculture and Livestock has issued a preliminary estimate of the area sown or to be sown to wheat in 1970-71 of 5,440,000 hectares (13.4 million acres), compared with 6,238,700 hectares (15.4 million acres) planted in 1969-70. Thus, the area sown to wheat is 12.8 per cent less than last year and 13.8 per cent and 6.8 per cent less than the averages of the last five- and ten-year periods, respectively.

The lower area sown to wheat can be attributed not only to unfavourable weather conditions but also to the fact that the farmers are tending to increase the area planted to more remunerative cereal and oilseed crops, particularly corn and grain sorghum. However, at the moment, only early sowings and double purpose sowings have taken place and this preliminary figure could therefore be revised considerably. The first official estimate is scheduled to be released on July 28, the second on September 15 and the third on October 28.

Nevertheless, it now appears that sowings will be lower than last year in every major wheat producing province. The areas planted in 1970-71 compared with 1969-70 are estimated to be as follows:



	<u>1969-70</u>	<u>1970-71</u>
	thousand acres	
Buenos Aires .....	8,519	7,731
La Pampa .....	2,020	1,680
Cordoba .....	2,095	1,581
Santa Fe .....	1,554	1,383
Entre Rios .....	892	753
Others .....	330	309
Totals .....	15,410	13,437

Buenos Aires is estimated to account for 57.5 per cent of the sown area, followed in order of importance by La Pampa with 12.5 per cent, Cordoba with 11.8 per cent, Santa Fe with 10.3 per cent, Entre Rios with 5.6 per cent and all other provinces with 2.3 per cent.

In Buenos Aires province seeding has been delayed by a lack of rainfall in the centre, west and extreme south. However, in the main growing areas in the south and southeast of the province, which normally account for more than 25 per cent of the total area planted to wheat in Argentina, sowings are about equal to those of last year, with an increase in bread wheat plantings and a decrease in the Durum area.

Rains are required before mid-July in the province of La Pampa if the sowing intentions are to be realized. It is also very dry in some zones of Cordoba and sowings will be even less than indicated unless conditions improve. In addition, there has been a marked trend to the planting of corn and sorghum in Cordoba, at the expense of wheat, and this will almost certainly be true again this season. In Santa Fe, the lower planted area is also attributed to the substitution of corn and sorghum for wheat. Entre Rios is the one province where seedings have been delayed by excessively moist conditions. If weather conditions do not improve shortly, much of the area destined to wheat will be sown to flaxseed.

Rate of exchange:    U\$S 1.00 = 4.00 pesos  
                              Cdn 1.00 = 3.88 pesos

Argentina has negotiated an f.o.b. price of U\$S 51.00 per metric ton (\$1.43 per bushel Canadian) on its third quarter shipments of 250,000 metric tons (9,186,000 bushels) of bread wheat to Brazil. This is a slight increase from the price on second quarter shipments of U\$S 50.00 per metric ton (\$1.40 per bushel). Hard bread wheat prices firmed during June, rising from 17.40 pesos to 18.00 pesos per 100 kilos (\$1.22 to \$1.26 per bushel) f.o.r. Buenos Aires and from 15.60 to 16.30 pesos per 100 kilos (\$1.09 to \$1.14 per bushel) at Bahia Blanca. At July 8, prices had slipped back to 17.40 pesos and 16.10 pesos (\$1.22 and \$1.13 per bushel) at Buenos Aires and Bahia Blanca, respectively. Prices on the Buenos Aires Futures Exchange at July 8 were 17.60 pesos per 100 kilos (\$1.23 per bushel) for August, 17.85 (\$1.25 per bushel) for September and 18.00 (\$1.26 per bushel) for October delivery.

Durum prices dropped from 17.40 pesos to 17.00 pesos per 100 kilos (\$1.22 to \$1.19 per bushel) at Buenos Aires during June, but were relatively stable at Bahia Blanca, rising from 16.30 to 16.40 pesos (\$1.14 to \$1.15 per bushel).

At July 8, Durum prices had strengthened to 16.80 pesos and 16.70 pesos per 100 kilos (\$1.18 and \$1.17 per bushel) at Buenos Aires and Bahia Blanca, respectively.

The devaluation of the Argentine peso from 3.50 to 4.00 pesos relative to the U.S. dollar on June 18 has had almost no effect on the international prices of Argentine wheat or other grains or oilseeds. The export taxes on grains were immediately increased 12 1/2 per cent in line with the devaluation. The new level of retention or fixed export taxes on wheat therefore rose from 6 per cent to 18 1/2 per cent. The variable export taxes totalling 5.3 per cent were not changed. These taxes are levied on the index value for bread wheat of U\$S 53.00 per metric ton (\$1.49 per bushel Canadian) and for Durums of U\$S 57.00 per ton (\$1.60 per bushel Canadian).

Early in July, the retention or fixed export taxes on wheat were adjusted downward from 12 1/2 per cent to 11 per cent. The total export tax levies now total 22.3 per cent compared with 23.8 per cent immediately following devaluation and 11.3 per cent before devaluation.

Argentine Wheat Exports December-April 1969-70 and 1968-69

Destination	April		December-April	
	1969	1970	1968-69	1969-70
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium .....	—	—	1,204	723
France .....	—	—	647	601
Germany, Federal Republic .....	—	—	37	239
Italy .....	271	611	11,055	11,658
Netherlands .....	103	—	2,596	574
Sub-totals .....	374	611	15,539	13,795
<u>Other Western Europe</u>				
Britain .....	602	—	3,981	398
Norway .....	—	—	486	—
Portugal .....	—	201	—	798
Switzerland .....	53	—	355	—
Sub-totals .....	655	201	4,822	1,196
Totals .....	1,029	812	20,361	14,991
<u>Africa</u>				
Algeria .....	—	—	869	537
Mozambique .....	—	—	426	—
Totals .....	—	—	1,295	537
<u>Asia</u>				
Cyprus .....	—	—	472	—
India .....	—	—	4,364	—
Japan .....	9	—	527	—
Lebanon .....	—	—	—	147
Totals .....	9	—	5,363	147
<u>Western Hemisphere</u>				
Bolivia .....	—	—	123	—
Brazil .....	3,289	3,281	16,116	13,865
Chile .....	37	309	2,408	2,403
Paraguay .....	118	379	1,321	379
Peru .....	2,172	—	6,297	1,510
Totals .....	5,616	3,969	26,265	18,157
Totals, all countries .....	6,653	4,781	53,285	33,830

# AUSTRALIAN SITUATION

Wheat Supplies at Peak Level Total estimated supplies of wheat in Australia for the 1969-70 (December-November) crop year are placed at an all-time high of 664.8 million bushels, compared with 595.0 million in 1968-69, with a sharp increase in carryover stocks more than offsetting a large decrease in production. The 1969 carryover, at 266.7 million bushels, exceeded by a wide margin the 51.8 million at December 1, 1968 while wheat production at 398.1 million bushels, declined sharply from the high level of 543.2 million at the same time a year ago. After deducting some 85.0 million bushels for anticipated domestic requirements, an estimated 579.8 million are available for export and for carryover during 1969-70, 14 per cent above the 510.4 million in 1968-69.

Exports Higher than Year Ago Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1 - June 27 of the current Australian crop year amounted to 152.2 million bushels, an increase of 20 per cent over the 126.4 million exported during the corresponding seven months of the 1968-69 crop year. The balance remaining on June 28, 1970 for export and for carryover was estimated at 427.6 million bushels compared with 384.0 million at the same date a year ago.

## Australian Wheat Supplies

Item	1968-69 <sup>r</sup>	1969-70 <sup>p</sup>
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1) .....	51.8	266.7 <sup>r</sup>
Production .....	543.2	398.1 <sup>r</sup>
Total estimated domestic supplies .....	595.0	664.8
Less estimated domestic requirements for crop year .....	84.6	85.0
Available for export and for carryover .....	510.4	579.8
<u>Deduct</u>		
Exports of wheat as grain, December 1 - June 27 .....	116.1	140.8
Exports of wheat flour in terms of wheat December 1 - June 27 .....	10.3	11.4
Total exports of wheat and wheat flour .....	126.4	152.2
Balance on June 28 for export and for carryover .....	384.0	427.6

<sup>p</sup> Preliminary figures.

<sup>r</sup> Revised figures.

The following information relative to the Australian situation has been extracted from a report from Mr. R.A. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, under date of July 15, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Where possible, conversions to Canadian measures and currency have been made for the convenience of our readers.



Seasonal conditions. — 1970-71. — The seasonal conditions have been slightly above average in Victoria, Western Australia and south and central New South Wales. Conditions in South Australia have been below average with patchy rain. Northern New South Wales and Queensland are extremely dry and conditions are deteriorating. Crop prospects are fading in Queensland and it is unlikely that sufficient rainfall will occur before the end of the planting season — the end of August.

Western Australia. — The wheat growing areas in Western Australia received above average rainfall during June this year. The total precipitation for the four months ending in June, 1970 has been average to above average, providing expectations for an excellent crop this season. Although soil moisture reserves are not high, the expectations of an historic pattern of rainfall will provide adequate moisture to carry a crop through the season. Sowing has been completed in this State.

South Australia. — Using historical mean values, rainfall in June was generally below average in the majority of the State. Precipitation has been patchy and crop conditions vary a great deal through South Australia. Generally, crop reports indicate below average conditions for the season. Approximately 85 per cent of the intended acreage has been sown.

Victoria. — Victoria is experiencing a crop year well above normal. Rainfall was average in June providing excellent conditions to date. At this stage a very good crop can be expected. Sowing is almost finished with approximately 95 per cent of the intended acreage complete and the remainder to be sown shortly.

New South Wales. — Generally, rainfall has been quite light throughout New South Wales, especially in northern areas. The central area was somewhat better off, receiving below average rainfall although cumulative precipitation in the past few months has been satisfactory, resulting in average crop conditions. The southern area also received lower rainfall than normal however, crop conditions are good with expectations for an average to above average wheat crop.

The northern area, producing high protein wheat, is quite dry and conditions are deteriorating rapidly. Prospects are not favourable at present and the probability of receiving adequate rainfall in the season is not high. Production of high protein wheat in the area may be quite minimal under the circumstances. Intended sowings are only 35 - 40 per cent completed at this stage with most farmers waiting for planting rains.

Central and Southern New South Wales are in the final stages of planting and 95 per cent of the intended acreage has been sown.

Queensland had a very dry June and most districts received little or no rain. The wheat growing areas have received much below average rainfall in the past four months, providing a bleak future for wheat this season. Planting of wheat can be done till the end of August but it is not likely that adequate moisture will be received. Crop conditions are described as the worst for the last ten years and only 15 per cent of intended acreage has been sown to date with little indication of further seeding to take place in the near future.

The Australian Wheat Industry 1969-70 — 1970-71. — The Australian Wheat Industry expanded rapidly during the 1960's with production reaching a record of 544 million bushels in 1968-69. The 1969-70 crop is provisionally estimated at 398.1 million bushels, the third largest wheat harvest to be reaped in Australia. The lower

production in 1969-70 reflected reduced acreages plus a lower average yield due to drought in Queensland and Western Australia and severe frosts in northern New South Wales and southern Queensland. The figures are indicative of the profitability of wheat in the 1960's and Australia's capacity to produce wheat.

Deliveries to the Australian Wheat Board during 1969-70 are expected to be 351 million bushels, including 45 million bushels of over-quota wheat. Receipts by State are as follows in million of bushels: New South Wales 147; Victoria 78; South Australia 55; Western Australia 58; and Queensland 12. The States of Western Australia and Queensland had shortfalls on their quota allotments by 28 million and 19 million bushels respectively, whereas, Victoria, New South Wales and South Australia exceeded delivery quotas by 13, 24 and 10 million bushels respectively.

The Australian Wheat Growers' Federation recommended a reduction of 11 per cent in delivery quotas for 1970-71 from 1969-70 with a potential total of 318 million bushels to be delivered. In addition to the basic quota of 318 million bushels, New South Wales has been allotted an extra 7 million bushels of prime hard wheat and 7 million bushels northern premium wheat with Queensland receiving an allocation of 6 million bushels of prime hard wheat. A further 10 million bushels of prime hard wheat was allocated to Queensland and New South Wales (5 million bushels each) to enable a stock of prime hard wheat to be built up. These extra quotas are only applicable if the respective grades of wheat are available.

The principle of allocating the State quotas to individual farmers in 1970-71 remains the same as previously — i.e. each farmer is allocated to deliver a stated quantity of wheat, eligible for first payment. The wheat deliveries are basically made at the time of harvest. Thus, the farmer is able to deliver the pre-determined quantity (called a quota) of wheat immediately and receive a first advance. Wheat above these pre-determined levels becomes over-quota wheat — ineligible for payment in the given crop year.

The carryover in December, 1969 was 266.7 million bushels — nearly three times the previous peace-time record of 95 million bushels in 1955.

The first advance payment of \$A1.10 (\$1.32 Canadian) per bushel for f.a.q. wheat f.o.r. ports was paid on an estimated 309 million bushels from the 1969-70 crop. The first advance payment was guaranteed on 357 million bushels but the drought in Queensland and Western Australia reduced production below these State's quotas. The payment of an estimated \$A286 million (\$344 million Canadian) net of freight was paid as the first advance. The quota wheat for the 1970-71 season could involve a first advance payment of \$A349.8 million (\$421.2 million) before deduction of freight on the Australian quota of 318 million bushels.

The guaranteed export price for 1969-70 is \$A1.459 (\$1.76 Canadian) per bushel f.o.b. main terminals for f.a.q. bulk wheat, applying to a maximum of 200 million bushels of exports. The home consumption price in 1969-70 f.o.r. ports is \$A1.725 (\$2.08) per bushel f.a.q. bulk wheat and applies only to wheat sold domestically for human consumption. Wheat sold as stockfeed commands \$A1.50 (\$1.81) per bushel. If, however, a purchaser undertakes to buy the whole of his wheat requirements for stock-feed purposes from the Board during the year ending November 30, 1970, the price would be \$A1.435 (\$1.73) per bushel.

Wheat is not to be sold outside the Board but there has been trading of wheat privately for stockfeed etc. in this way. As the wheat cannot be legally sold privately within a State, the trading has been done across State borders. The Board



has difficulty in preventing across-the-border trading as the Commonwealth Constitution permits free trade between States and takes precedence over the Australian Wheat Board legislation. Steps are being taken to prevent such trading but, as yet, no legislation has been passed to call a halt to it.

Victoria may close silos to over-quota wheat. — Victorian wheat-growers have been told that over-quota wheat from next harvest might not be accepted at delivery silos. The President of the Victorian Farmers' Union stated recently that in view of current problems in selling Victorian wheat, growers cannot expect to deliver more than the set quotas into the delivery system.

Over-quota wheat does not attract the first advance wheat payment unless it is readily saleable, that is, purchased and fully paid for within the year. Prime hard wheats from Northern New South Wales and Queensland fall within the category, although special demands from buyers might allow some particular variety or segregated wheat to fall under the category.

The Farmers' Union has fired the salvo at the Commonwealth Government to keep the initial advance at \$A1.10 (\$1.32 Canadian) for 1971-72 wheat. There has been no hint that the Government is considering a reduction but the farmers are making their demands known. The leverage is a Senate Election which will possibly be held this Spring.

The farmers throughout Australia probably believe that the Government is to blame for the current wheat situation and it is a good rallying point for the file and rank members of farm unions. It seems that anyone can blame the Government rather than critically examine the situation as the wheat growers themselves have brought about over-production and their own farm organizations have negotiated the industry policies.

Wheat sale to the United Arab Republic. — A sale of 500,000 metric tons of wheat to the United Arab Republic has been made by the Australian Wheat Board, representing about 18 million bushels. The final quantity can be increased or decreased by 10 per cent. The sale included different grades of wheat and was on credit terms at current market prices for shipment from September, 1970 to January, 1971. The shipping period implies that of the 18 million bushels, 11 million bushels may be shipped before the end of the crop year on November 30, 1970. The last sale of Australian wheat to the United Arab Republic was in 1965.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat  
December 1 — June 27, 1969-70 and Corresponding Period 1968-69

Destination	Wheat		Wheat flour	
	1968-69	1969-70	1968-69	1969-70
	thousand bushels			
<u>Western Europe</u>				
EEC:				
Germany, Federal Republic ....	1,429	30	—	—
Netherlands and I/T .....	4,851	1,424	—	—
Sub-totals .....	6,280	1,454	—	—
<u>Other Western Europe</u>				
Britain .....	17,851	22,496	231	218
Ireland .....	404	1,077	—	—
Malta .....	561	351	—	—

See footnote(s) at end of table.



Exports of Australian Wheat and Wheat Flour in Terms of Wheat  
December 1 — June 27, 1969-70 and Corresponding Period 1968-69 — Con.

Destination	Wheat		Wheat flour	
	1968-69	1969-70	1968-69	1969-70
	thousand bushels			
<u>Other Western Europe (Concluded)</u>				
Norway .....	3,648	870	—	—
Sweden .....	15	94	—	—
Switzerland .....	107	119	—	—
Sub-totals .....	22,586	25,007	231	218
Totals .....	28,866	26,461	231	218
<u>Africa</u>				
Ethiopia .....	—	606	—	—
Malawi .....	—	—	216	256
Mauritius .....	—	—	499	420
Mozambique .....	—	2,171	—	—
Rhodesia .....	1,575	1,566	—	—
Sudan .....	—	3,279	—	—
Zambia .....	1,028	1,572	—	—
Others .....	8	114	262	368
Totals .....	2,611	9,308	977	1,044
<u>Asia</u>				
Aden .....	386	941	—	—
Aden and Aden I/T .....	—	—	124	84
Aden and Aden I/T Atta .....	—	—	48	51
Afghanistan .....	367	—	—	—
Arabian Gulf .....	—	—	86	117
Arabian Gulf Atta .....	—	—	381	643
Ceylon .....	938	1,517	3,976	4,479
China .....	27,452	49,713	—	—
Hong Kong .....	1,376	1,039	20	18
India .....	1,130	2,912	—	—
Indonesia .....	—	—	1,345	2,041
Iraq .....	—	2,046	—	—
Japan .....	29,847	18,623	—	—
Korea, South .....	369	—	—	—
Korea, North .....	—	3,558	—	—
Kuwait .....	1,506	1,579	—	—
Lebanon .....	2,264	845	—	—
Malaysia .....	3,708	5,608	—	—
Okinawa .....	—	131	—	—
Pakistan .....	868	4,490	—	—
Philippines .....	655	—	94	98
Sabah .....	—	—	17	4
Sarawak .....	—	—	10	4
Saudi Arabia .....	1,041	1,234	485	200
Singapore .....	1,903	4,427	1	1
Taiwan .....	1,450	1,654	—	—
Thailand .....	995	879	115	130
Others .....	445	496	79	141
Totals .....	76,700	101,692	6,781	8,011

See footnote(s) at end of table.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat  
December 1 - June 27, 1969-70 and Corresponding Period 1968-69 - Con.

Destination	Wheat		Wheat flour	
	1968-69	1969-70	1968-69	1969-70
thousand bushels				
<u>Oceania</u>				
New Zealand .....	—	734	—	—
<u>Western Hemisphere</u>				
Chile .....	2,442	1,508	—	—
Colombia .....	1,293	—	—	—
Peru .....	4,150	1,052	—	—
West Indies Area .....	—	—	135	29
Totals .....	7,885	2,560	135	29
<u>Pacific Area and Sundries</u>				
Pacific Islands .....	36	43	2,086	2,018
Ships' Stores and Sundries .....	—	—	90	78
Totals .....	36	43	2,176	2,096
Totals, all countries .....	116,100	140,800	10,300	11,400

GRAIN SITUATION IN ITALY

The following account of the current grain situation in Italy has been extracted from a report received from Mr. U. Boschetti, Commercial Officer, Canadian Embassy, Milan, Italy, 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.

### GRAIN SITUATION IN BRITAIN

The following account of the current crop situation in Britain has been extracted from a report by Mr. G.D. Cooper, Commercial Assistant, London, under date of June 21, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

General conditions. — Mild weather conditions in early February deteriorated with periods of snow and frost, high winds and wide variations in temperature. Field work was almost brought to a standstill and spring sowings were badly delayed. March was also windy and very cold with severe frosts, heavy falls of snow and strong winds and throughout April conditions were cold and unsettled with considerable rain. Conditions for field work were generally unfavourable and constantly interrupted by the wet weather.

Autumn sown crops are generally in satisfactory condition but growth has been retarded by the cold wet weather. There is some localized patchiness due to water-logging and pest damage.

Spring sowing has been spasmodic and is some three weeks behind schedule with a considerable acreage of heavy land still to be drilled. Seed beds on lighter soils are reasonably satisfactory, but emergence has been slow.

Cereal acreage forecasts. — The results of the March 1970 agricultural census for England and Wales indicate that compared with March 1969, the total cereals area (including rye) is expected to be almost unchanged while the forecast for barley is down by 448,000 acres (8.8 per cent) to 4,634,000 acres. That for wheat is up by 428,000 acres (22 per cent) to 2,420,000 acres. The forecast for oats is down by 23,000 acres (3.8 per cent) to 579,000 acres, but mixed grain is up by 39,000 acres (32 per cent) to 160,000 acres.

It should be noted that the difference between March forecasts and acreages returned at the June census are liable to fluctuate from year to year as farmers' intentions are affected by varying factors, particularly the weather.

Requirements and supplies. — Principal changes during the first quarter of 1969-70 in the estimates of requirements and supplies for 1969-70 include an increase in the estimate of wheat for human consumption of 150,000 long tons (5,600,000 bushels) to 5,300,000 long tons (197,866,000 bushels), with imports to date and committed sufficiently high to warrant an increase in the estimate of imports of 200,000 long tons (7,467,000 bushels). The estimate of barley for human consumption has been raised by 50,000 long tons (2,333,000 bushels) to 1,500,000 long tons (7,000,000 bushels) due to the continued high rate of intake by maltsters. Requirements of coarse grains for human consumption have been raised by 50,000 long tons to 1,400,000. The estimate of coarse grains for animal feed has been increased by 100,000 long tons to 10,650,000, but requirements for exports, seed and other uses have been reduced by 50,000 long tons to 500,000 long tons. The estimate of imports of coarse grains has been raised by 350,000 long tons to 4,200,000 which in part, reflects the current trend in maize imports and forward commitments.

The estimate for domestic production of barley has been reduced by 100,000 long tons (4,667,000 bushels) to 8,550,000 long tons (399,000,000 bushels), but no change has been made to the estimate for domestic wheat production which still stands at 3,300,000 long tons (123,200,000 bushels).



The figures for processors' intake show the same characteristics as in previous months with the intake of wheat by flour millers and of barley by maltsters continuing to run at high levels. Other processors (mainly compounders) have now taken slightly more barley during the current season than they did in 1968-69. Because of the comparatively low level of wheat stocks it is not going to be possible for flour millers and other processors to maintain their rate of intake during May and June.

Stocks of grain on farms. — Total stocks of wheat on farms at the end of March at 720,000 long tons (26,880,000 bushels) were 220,000 long tons (8,213,000 bushels) less than for the comparable period in the previous year, but stocks of barley at 1,900,000 long tons (88,667,000 bushels) and other coarse grains at 350,000 long tons showed increases of 310 and 110,000 long tons respectively.

Subsidy arrangements — 1970-71. — To encourage orderly marketing of wheat and barley, a system of storage incentives will operate during the 1970-71 cereal year as in previous years.

The guarantee arrangements for wheat for which the guaranteed price is 30s 3d per long cwt (\$2.11 per bushel) will again be subject to a rising seasonal scale spread over nine accounting periods.

The deficiency payment to wheat growers collectively will be the difference between the guaranteed price and the average market price for the year or the indicator target price, whichever is the higher. The target indicator price for wheat for 1970-71 is 21s 3d per long cwt (\$1.48 per bushel). Total payments to growers will be such that the average total returns per long cwt in each accounting period increase as nearly as possible in accordance with the steps in the seasonal scale to safeguard the storage incentive. As all the factors necessary for the calculation of the deficiency payment cannot be made known until the end of the cereal year, an exact calculation of the amount due to growers cannot be made at the end of each accounting period. Consequently, advance payments of as large an amount as practicable will be made within approximately two months of the end of each of the first eight accounting periods. A final payment for each of these periods and the total payment for the ninth period will be made after the end of the season.

Grain markets. — Very little interest has been shown in domestic grains and .... offers have been limited. As usual trade which has taken place to date in the 1970-71 crop has been entirely speculative.

The price of old crop wheat has shown little change but the value of old crop domestic barley has fallen sharply. New crop barley values are holding relatively steady.

Enquiries for imported wheats have been mainly for near transshipments of Canadian and United States hard milling types.

Home grown cereals followed ex-farm guide prices for millable wheat and feeding barley are quoted at £25 10s 0d per long ton (\$1.78 per bushel) and £21 15s 0d per long ton (\$1.21 per bushel), respectively, for May-June delivery.

CALENDAR OF WHEAT EVENTS

- July 10 According to a report published by the Crop Reporting Board, United States Department of Agriculture, all wheat production in the United States in 1970 is forecast at 1,349 million bushels, 8 per cent below the 1969 crop and 14 per cent less than the record large 1968 crop of 1,576 million bushels.
- 13 A report received from Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) for Canada, Buenos Aires, stated in part that the Secretariat of Agriculture and Livestock has issued a preliminary estimate of the area sown or to be sown to wheat in Argentina in 1970-71 of 5,440,000 hectares (13.4 million acres) compared with 6,238,700 hectares (15.4 million acres) planted in 1969-70. Thus, the area sown to wheat is 12.8 per cent less than last year and 13.8 per cent and 6.8 per cent below the averages of the last five- and ten-year periods, respectively.
- 14 Following the devaluation of the Argentine pesos from 3.50 pesos to 4.00 pesos to the U.S. dollar (3.26 pesos to 3.88 pesos to the Canadian 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.
- 15 In a report received from Mr. R.A. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, total wheat acreage in Australia for the crop year 1970-71 is estimated to be 18 million acres, which could decrease if conditions do not improve in the hard prime wheat belt. Overall reduction in acreage for 1970-71 is approximately 23 per cent less than in 1969-70.
- 16 According to a report published by the Dominion Bureau of Statistics, total wheat acreage in the Prairie Provinces in 1970 is estimated at 12.0 million acres. This is somewhat less than half of the 1969 acreage of 24.4 million acres.
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