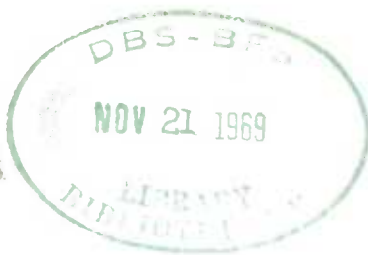


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The Wheat Review

SEPTEMBER 1969



DOMINION BUREAU OF STATISTICS

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Agriculture Division

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THE WHEAT REVIEW

SEPTEMBER 1969

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WORLD WHEAT SITUATION

World Wheat Production Second Highest on Record

On the basis of the first estimate of the Foreign Agricultural Service, United States Department of Agriculture, the 1969 world wheat crop is placed at some 10.8 billion bushels, 5 per cent below the 1968 record harvest of 11.4 billion but 21 per cent above the ten-year (1958-67) average of 8.9 billion.

August Exports Below Last Year's Level

Total exports of wheat and wheat flour in terms of wheat from the four traditional major exporters during August 1969 have amounted to 81.6 million bushels, a decrease of 25 per cent from the 108.1 million bushels exported during the same month in 1968 and 26 per cent below the ten-year (1958-67) average shipments for the same month of some 110.6 million bushels. As indicated in the accompanying table, based on the Canadian crop year, exports from United States and Canada were at lower levels this year than last while those from Argentina and Australia were higher.

Exports of Wheat and Flour in Terms of Wheat, August 1969 with Comparisons

August	United States	Canada	Argentina	Australia	Total
million bushels					
1950	14.8	15.5	7.0	11.7	49.0
1951	42.7	21.7	7.1	11.5	83.0
1952	26.1	32.7	-	2.5	61.3
1953	20.5	28.7	9.9	5.0	64.1
1954	17.8	19.2	10.7	5.8	53.5
1955	25.0	23.4	10.4	6.5	65.3
1956	42.7	29.4	9.1	16.0	97.2
1957	35.8	27.6	5.8	9.5	78.7
1958	38.1	25.8	5.6	8.2	77.7
1959	33.4	24.5	5.6	9.0	72.5
1960	41.7	26.9	12.1	8.6	89.3
1961	51.2	38.8	1.2	20.6	111.8
1962	44.2	25.0	3.6	8.3	81.1
1963	55.2	32.2	4.2	17.4	109.0
1964	54.5	46.0	8.7	11.9	121.1
1965	64.6	46.0	21.2	20.7	152.5
1966	80.8	67.1	9.5	15.0	172.4
1967	66.0	27.2	0.8	24.3	118.3
1968 ^r	52.6	33.7	5.0	16.8	108.1
1969 ^p	36.8	15.3	5.1	24.4	81.6

p Preliminary figures.

r Revised figures.

Wheat Supplies of Four Major Exporters Above a Year Ago

Total supplies of wheat remaining in United States, Canada, Argentina and Australia at September 1, 1969 for export and for carryover at the end of their respective crop years, amounted to 3,113.6 million bushels, 23 per cent above the 2,527.4 million at the same time a year ago. This increase reflected larger supplies for United States, Canada and Australia which more than offset a decrease in Argentina. Supplies on or about September 1, 1969, in millions of bushels, were held as follows, with last year's comparable figures in brackets: United States, 1,375.9 (1,248.3); Canada, 1,354.3 (1,121.9); Argentina, 47.5 (57.7); and Australia, 335.9 (99.5).

World Breadgrain Prospects
for 1969-70 Point to 5 per
cent Decline

According to the September 1969 issue of "World Agricultural Production and Trade" published by the United States Department of Agriculture, Foreign Agricultural Service, the first estimate for world production of wheat and rye in 1969-70 totals 323 million metric tons, on the basis of the latest information available to the Foreign Agricultural Service. A harvest at this level would be 5.3 per cent below the record 341 million tons for 1968-69. Estimated combined acreage of the two crops also declined from 602 million acres in 1968-69 to 583 million, or 3.2 per cent.

World wheat production is currently estimated at 293 million metric tons, 5.1 per cent below the record 309 million tons of 1968-69, but 5.9 per cent above the 277-million-ton crop of 1967-68. World wheat area in 1969-70 is estimated at 529 million acres. This compares to the 547 million for 1968-69 and 532 million for 1967-68.

Total production in the five main exporting countries—Argentina, Australia, Canada, France, and the United States—is estimated at 93 million tons as compared to 96 million in 1968-69. The 7.2 per cent decline in U.S. production and minor reductions for the French and Australian crops will almost be offset by the anticipated increase for Canada and the late August forecast for Argentina. Australian prospects are good except for drought areas in Western Australia and Queensland.

The sharp drop in U.S. production reflects the smaller acreage allotment and increased farmer participation in the acreage diversion program. However, a record yield of 30.6 bushels per acre partially offset the 14 per cent reduction in acreage. In Canada, much of the crop has made a good recovery from the June frosts and a 4.3 per cent increase is anticipated. The estimated yield of 27.4 bushels per acre is only slightly below the record yield of 27.9 for 1966-67.

Western Europe's harvest is placed at 45 million tons, a decline of 5.5 per cent. Only the Netherlands and Greek crops are estimated to be larger. Persistent rains and cold weather during the spring were the main factors causing these reductions. The Common Market countries are only 3.5 per cent lower in production with acreage down by 150 thousand.

The East European crop is estimated at 27 million tons, an increase of 7.6 per cent over last year's drought-reduced results in the Southern Danube Basin Countries. All countries anticipate increases with the exception of East Germany and Poland. This year, it was these two Northern Countries that suffered drought which was preceded by winter-kill problems, and a late and cold spring.

Wheat production in the Soviet Union is estimated at 65 million tons, about the same as the 1966-67 crop, but 17.2 per cent below last year's near-record crop of 78 million tons. The reduced prospects are attributed to a severe winter, a late spring and lack of adequate precipitation in some areas.

Asia's crop, estimated at 66 million tons, is another increase—2.4 per cent. This is due mainly to anticipated record crops in India and Pakistan for the second year in a row. Acreage for this area is down slightly, but yields are considerably higher reflecting the increased use of improved varieties and better cultural methods.

Production in Africa is down 700,000 tons as reflected mainly in the decline of Morocco's crop. Untimely and excessive rains, combined with rust reduced Moroccan production from the 1968-69 record. In contrast, weather conditions in the Republic of South Africa have been very favorable and the results point to another record crop.

World rye production in 1969-70 is estimated at 29.8 million metric tons, a decline of 7.2 per cent. Acreage is also down by 2.7 per cent, to 54 million.

Soil moisture and growing conditions have been favorable in the main producing areas of Canada and the United States. These countries show anticipated increases of about 35 per cent in both acreage and production.

Western Europe's crop is placed at 5 million tons, a decrease of about 10 per cent. Acreage is down 6.7 per cent and yields below the record of 1968-69. Adverse weather conditions and a late spring were the main factors contributing to these declines.

Production in Eastern Europe is estimated at about 11 million tons, a decline of nearly 8 per cent. The major producing areas of Poland and East Germany had problems due to the worst summer drought in years. The USSR expects a smaller crop due to substitution by spring grains and the severe winter.

Turkey's rye production is placed at 825,000 tons, an increase of 5.8 per cent.

CANADIAN SITUATION

Supplies at Total estimated supplies of wheat for the 1969-70 (August-July) crop
Record Level year are placed at a record 1,534.6 million bushels, consisting of the August 1 carryover of 849.8 million and the 1969 crop, forecast on the basis of conditions at September 15, at 684.8 million bushels. Supplies of the size indicated represent an increase of 17 per cent over the 1968-69 next-to-record total of 1,315.4 million bushels. Assuming realization of the September forecast of production and after making an allowance of 165.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1969-70 would amount to 1,369.6 million bushels, 19 per cent above the 1,155.6 million in 1968-69.

August Exports Exports of wheat and flour in terms of wheat equivalent, during
Below a Year Ago August 1969 amounted to some 15.3 million bushels, in contrast to the August 1968 figure of 33.7 million. This year's August wheat exports consisted of 13.0 million bushels of wheat in bulk, 121 thousand of seed and 2.2 million of flour in terms of wheat.

Subject to realization of current production and utilization estimates, the balance remaining on September 1, 1969 for export and for carryover, amounted to 1,354.3 million bushels, 21 per cent more than the September 1, 1968 total of 1,121.9 million.

Canadian Wheat Supplies

Item	1968-69 ^r	1969-70P
	million bushels	
Carryover in North America at beginning of crop year (August 1)	665.5	849.8
Production	649.8	684.8
Total estimated supplies	1,315.4	1,534.6
Less estimated domestic requirements for crop year	159.8	165.0
Available for export and for carryover	1,155.6	1,369.6
<u>Deduct</u>		
Exports of wheat in bulk, August(2)	31.1	13.0
Exports of seed wheat, August(3)	(4)	0.1
Total exports of wheat as grain	31.1	13.1
Exports of wheat flour in terms of wheat, August(3) ...	2.6	2.2
Total exports of wheat and wheat flour	33.7	15.3
Balance on September 1 for export and for carryover ...	1,121.9	1,354.3

(1) Based on September forecast of production. (2) As reported by the Board of Grain Commissioners. (3) Customs returns, 1968-69 adjusted for time lag. (4) Less than 50,000 bushels. P Preliminary figures. ^r Revised figures.

Visible Supplies The total visible supply of Canadian wheat at September 17 this year, at 478.1 million bushels, represented increases over both the 1968 comparable total of 399.6 million and the 1967 figure of 378.2 million. The bulk of the increase over a year ago was accounted for by larger stocks in country elevators, with visible supplies in this position amounting to 282.6 million bushels, 18 per cent more than the 1968 comparable total of 238.8 million, and 35 per cent above the 1967 figure of 209.9 million. Wheat stocks at interior terminals at September 17, 1969 totalled 12.2 million bushels below both the 13.8 million of a year ago and the 12.8 million of two years ago. The 24.1 million bushels "in transit rail" (western division) were below the 1968 total of 25.6 million but above the 1967 total of 12.8 million. Supplies at the Lakehead, totalling some 52.8 million bushels, were lower than both last year's comparable level of 58.5 million and the 1967 figure of 55.5 million. Stocks "in transit lake", amounting to 1.1 million bushels were lower than both the 1968 level of 5.1 million and the 5.7 million of two years ago. The 37.9 million bushels in Bay, Lake and Upper St. Lawrence ports were 65 per cent above the 23.0 million of a year ago and 12 per cent more than 33.8 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at September 17, 1969, at 43.1 million bushels, registered a sharp increase over the 12.9 million at September 18, 1968 and were 58 per cent more than the 27.3 million at the corresponding period in 1967. The 15.6 million bushels in West Coast ports (Vancouver-New

Westminster, Prince Rupert and Victoria) were 23 per cent and 34 per cent over the 1968 and 1967 comparable totals of 12.7 million and 11.7 million bushels, respectively. Wheat supplies at the port of Churchill amounted to 4.1 million bushels compared with the 1968 total of 3.7 million and the 2.5 million of two years ago.

August 1969 Exports of Combined exports of wheat in bulk, seed wheat and wheat
Wheat and Flour Total flour in terms of grain equivalent during August 1969
15.3 Million Bushels amounted to 15.3 million bushels, in contrast to the 29.4
million in July 1969, the 33.7 million in August 1968 and
the ten-year (1958-67) average exports for the month of August at 36.0 million
bushels.

Exports of wheat in bulk during August 1969 (as reported by the Board of Grain Commissioners), amounted to 13.0 million bushels, sharply less than the 26.5 million exported during the previous month and the August 1968 figure of 31.1 million. Exports of seed wheat during August 1969, based on Canadian Customs returns, amounted to 121 thousand bushels compared with the August 1968 total (adjusted to remove time lag) of only 76.5 bushels. Customs returns also indicate that the equivalent of 2.2 million bushels of wheat was exported in the form of flour during August 1969, lower than both the July 1969 and the ten-year average of 2.9 million and the August 1968 figure (adjusted for time lag) of 2.6 million.

Shipments of wheat in bulk to Britain amounted to 4.9 million bushels during August 1969 and accounted for 37 per cent of the export movement during the month under review, compared with 8.2 million bushels during August 1968 which accounted for 26 per cent of the total for that month. Other principal markets for Canadian wheat in bulk during August 1969 with totals for the same month of the preceding crop year in brackets, were as follows, in millions of bushels: Italy, 2.8(1.0); Belgium and Luxembourg, 1.4(1.0); Federal Republic of Germany, 1.2(0.7); and Japan 0.8(4.6). (Comparable information on exports of Canadian wheat flour may be found on pages 21-22 of this publication).

Sale of Wheat The Canadian Wheat Board announced on September 25, 1969 the sale
to China of 2.2 million long tons, 5 per cent more or less, of wheat to the
People's Republic of China. This is the equivalent of a maximum
of 86.2 million bushels.

The large percentage of this sale, approximately 84 million bushels, is for delivery ex Pacific Coast ports, the balance is for delivery ex St. Lawrence and Atlantic Coast ports.

Delivery of this wheat will commence next month and will be for spread shipment during a twelve month period.

Grades to be delivered are mainly 4 Northern and No. 5 Wheat, but there is provision in the contract for delivery of a minimum quantity of 3 Northern and some Garnets and Alberta Red Winters.

As in the previous contract with the People's Republic of China, payment terms of this sales contract are 25 per cent cash when each vessel is loaded, and the balance of 75 per cent in eighteen months with interest. The deferred payment provision is made possible by a guarantee to the Canadian Wheat Board by the Government of Canada.

Delivery Quota on
Durum Wheat

The Canadian Wheat Board in its Instructions to the Trade re Quotas (General) No. 8, under date of September 30, 1969 announced that instructions to the Trade re Quotas (General) No. 6 issued September 2nd, 1969, is hereby cancelled and replaced with the following:

Effective immediately and until Friday, November 28, 1969, a supplementary quota on high grade Durum wheat of five (5) bushels per acre seeded to Durum wheat or two hundred and fifty (250) bushels, whichever quantity is the larger, is hereby established at all delivery points.

Grades of Durum eligible for delivery under this special supplementary quota are as follows:

- 1 C.W. Amber Durum, including toughs
- 2 C.W. Amber Durum, including toughs
- 3 C.W. Amber Durum, including toughs
- Extra 4 C.W. Amber Durum, including toughs
- 4 C.W. Amber Durum, including toughs

Lower grades of Durums may only be accepted under regular quotas in effect.

The reason for this temporary supplementary quota is to meet overseas and domestic requirements for Durum wheat. However, due to congestion which exists in practically all commercial facilities, the Board is not in a position to guarantee that all producers will have the opportunity to deliver Durum within the specified period.

Canada's Trade in
Wheat with Russia

On October 3, 1969 the Honourable Otto Lang, Acting Minister of Industry, Trade and Commerce, issued the following statement after conversations which he and the Honourable Mitchell Sharp, Secretary of State for External Affairs, had with His Excellency Andrei A. Gromyko, Foreign Minister of the U.S.S.R., during the latter's visit to Ottawa on October 2nd and 3rd, 1969:

"The two sides exchanged views on the further development of trade relations between the two countries. As regards trade in wheat, the Canadian Ministers emphasized the importance of early fulfilment of the outstanding Soviet commitment to purchase wheat under the long-term wheat agreement of 1966. The Soviet Foreign Minister agreed that EXPORTKHLEB would resume discussions with the Canadian Wheat Board within the next one or two months. The discussions would cover the modalities of the fulfilment of purchases under the 1966 agreement as well as future trade in wheat and the further development of cooperation between the two countries with respect to grains. The Canadian side suggested that the talks between the Canadian Wheat Board and EXPORTKHLEB might be arranged for the end of October, the exact date to be mutually agreed. It is our expectation that EXPORTKHLEB would purchase from Canada the amounts of wheat and flour specified in that agreement; as the Soviet side had previously confirmed, there was no question of cancellation of the wheat contract".

Movement of Grain Out
of West Coast Ports
to Continue

On October 9, 1969, the Government has directed the National Harbours Board and the Board of Grain Commissioners to take the necessary steps to secure the movement of grain out of West Coast ports pending settlement of the current water-front dispute.

This announcement was made by the Hon. Jean-Luc Pépin, Minister of Industry, Trade and Commerce, Hon. H.A. Olson, Minister of Agriculture, Hon. Don Jamieson, Minister of Transport and Hon. Otto Lang, Minister without Portfolio.

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

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

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

Deferred Delivery Permits The Canadian Wheat Board in its Instructions to the Trade No. 23 under date of October 16, 1969 announced that on July 31, 1969, The Canadian Wheat Board issued Instructions to the Trade No. 6 announcing its Deferred Delivery Permit policy. Producers who wished to avail themselves of this policy were requested to submit the required application to the Board. On September 16, the Board advised that such applications would not be accepted after September 30, 1969.

The Board is now in a position to commence the issuance of these Deferred Delivery Permits and in this regard requests the co-operation of Elevator Managers as follows:

1. The Deferred Delivery Permit will be mailed directly to each producer who has applied, requesting that he has his Elevator Manager affix the Deferred Delivery Permit to the upper part of page 9 in the producer's 1969-70 permit book, and deliveries under this Deferred Delivery Permit must be entered on page 9.
2. Deliveries under Deferred Delivery Permits can consist of wheat, oats, barley or rye and will be made at the delivery point named in the producer's 1969-70 permit book. Deliveries under Deferred Delivery Permits will depend on the space available in the elevators to accommodate such deliveries and will be accepted at the discretion of Elevator Managers. Deliveries under Deferred Delivery Permits will be considered as part of the total volume of grain that the Board will be able to accept from producers in the 1969-70 crop year under the quota system.
3. The Deferred Delivery Permit becomes an integral part of the producer's 1969-70 permit book. Therefore, if the producer has an outstanding advance payment and his permit book bears an endorsement in respect thereto, all deliveries under the Deferred Delivery Permit, except deliveries of rye, will be subject to deduction as required by the Prairie Grain Advance Payments Act.

4. Since the Deferred Delivery Permit authorizes the delivery of a specific number of bushels of grain, such deliveries will not be considered as having been made under general acreage quotas. Therefore, such deliveries will not be required to be shown under Section 6, Subsection (b) in the Advance Payment Application of a producer applying for an advance payment subsequent to making deliveries under his Deferred Delivery Permit.
5. When the Producer's Certificate is issued covering the delivery of grain under a Deferred Delivery Permit, Elevator Managers are requested to indicate on the Producer's Certificate on the line of the area established for "other deductions", the letters 'D.D.P.'. The purpose of this request is to permit the Board to identify the deliveries that have been made under Deferred Delivery Permits.
6. The initial price that will apply to deliveries under Deferred Delivery Permits will be the initial price established for the 1969-70 crop year.

Production of Canada's
1969 Grain Crops

On the basis of yields indicated at September 15, production of the six major grains as well as corn, soybeans and mixed grains this year, with the 1968 totals and the ten-year 1958-67 averages, respectively, in brackets, in millions of bushels, is as follows: all wheat, 684.8 (649.8, 560.4); oats, 381.2 (362.5, 373.7); barley, 380.5 (325.4, 208.3); all rye, 16.8 (13.0, 11.8); flaxseed, 31.3 (19.7, 19.5); rapeseed, 36.7 (19.4, 13.4); corn, 70.8 (81.2, 43.8); soybeans, 7.6 (9.0, 6.9); and mixed grains, 86.8 (85.6, 70.0).

Canada's 1969 wheat crop now placed at 684.8 million bushels is 5 per cent above last year's 649.8 million bushels and 22 per cent above the ten-year (1958-1967) average of 560.4 million. Production is higher than the previous year due to a 24 per cent increase in yield, which more than offset a 15 per cent decrease in seeded acreage. The average yield at 27.4 bushels per acre is 24 per cent above last year's average yield of 22.1 bushels per acre and 31 per cent above the ten-year (1958-67) average of 20.9 bushels per acre. This year's all Canada crop of spring wheat, including durum, is forecast at 670.1 million bushels compared with the 1968 crop of 634.9 million and the ten-year (1958-67) average of 543.5 million bushels. Ontario's winter wheat crop is estimated at 14.7 million bushels a decrease of one per cent from last year's crop of 14.9 million.

In the Prairie Provinces the 1969 wheat crop is now placed at 665.0 million bushels, some 36.0 million bushels or 6 per cent above the 1968 crop. The current crop is below that of 1968 in Manitoba where production is forecast at 65.0 million bushels compared with 91.0 million last year. Production in Saskatchewan which accounts for about 67 per cent of this year's all Canada wheat crop, is estimated at 460.0 million bushels, some 24 per cent more than last year's outturn of 372.0 million. The Alberta crop, forecast at 140.0 million bushels, is down 16 per cent from last year's production of 166.0 million. The indicated average yield per seeded acre in the Prairie Provinces, on the basis of conditions at mid-September, is 27.3 bushels, with Manitoba averaging 26.0, Saskatchewan 27.7 and Alberta 26.4 bushels. The 1969 Saskatchewan yield equals the record high set in 1966. Current estimates of production in the Prairie Provinces include relatively small quantities of winter wheat principally in Alberta, and an estimated 84.0 million bushels of durum wheat.

September Forecast of the 1969 Production of Principal Grain Crops
Canada and Prairie Provinces, Compared with Latest Estimates for 1968

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

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

(2) Includes durum wheat in the Prairie Provinces where Canada's commercial production of this crop is concentrated and also relatively small quantities of winter wheat in provinces other than Ontario.

^r Revised figures.

The 1969 acreage of durum wheat in the Prairie Provinces is 33 per cent more than that seeded in 1968, and the average yield estimated at 26.6 bushels per acre is 39 per cent above the 1968 level. Mid-September indications are for a crop of 84.0 million bushels compared with the 1968 crop of 45.4 million. Estimated production by province, in millions of bushels, is as follows: Manitoba, 4.0; Saskatchewan, 69.0; and Alberta, 11.0.

September Forecast of the 1969 Production of Durum Wheat(1)
in the Prairie Provinces Compared with 1968

Province	Area		Yield per acre		Production	
	1968	1969	1968	1969(2)	1968	1969(2)
	acres				bushels	
Manitoba	130,000	170,000	22.3	23.5	2,900,000	4,000,000
Saskatchewan	2,000,000	2,600,000	17.5	26.5	35,000,000	69,000,000
Alberta	240,000	384,000	31.2	28.6	7,500,000	11,000,000
Totals	2,370,000	3,154,000	19.2	26.6	45,400,000	84,000,000

(1) Acreage and production included with spring wheat.

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

Licensed Storage Capacity
of Canadian Grain Elevators

Total licensed grain storage capacity as at August 1, 1969, according to records of the Board of Grain Commissioners for Canada, amounted to 700.0 million bushels. Storage capacity in the 4,983 public country elevators in the Western Division accounted for 396.3 million bushels and represented 57 per cent of the total. Most of the remainder was accounted for by the storage capacity of semi-public terminal elevators, 155.5 million bushels, and eastern elevators, 131.8 million.

On a regional basis, storage capacity amounting to some 428.8 million bushels and accounting for 61 per cent of the total, was located in the Prairie Provinces.

Licensed Storage Capacity (1) of Canadian Grain Elevators
as at August 1, 1969

<u>Province</u> Number and Capacity	Public Country	Private Country	Semi-Public Terminal	Private Terminal	Mill	Eastern	Total Licensed Elevators
<u>Manitoba</u>							
Number	641	—	1	2	5	—	649
Capacity	51,314,150	—	5,000,000	3,602,800	2,086,500	—	62,003,450
<u>Saskatchewan</u>							
Number	2,744	—	2	—	4	—	2,750
Capacity	210,414,700	—	11,000,000	—	3,231,500	—	224,646,200
<u>Alberta</u>							
Number	1,573	1	3	1	8	—	1,586
Capacity	131,648,400	55,000	6,100,000	1,490,000	2,875,000	—	142,168,400
<u>British Columbia</u>							
Number	23	—	8	—	1	—	32
Capacity	2,849,000	—	29,068,500	—	18,300	—	31,935,800
<u>Ontario</u>							
Number	2	—	23	2	—	16	43
Capacity	60,000	—	104,347,210	2,973,900	—	54,416,000	161,797,110
<u>Quebec</u>							
Number	—	—	—	—	—	10	10
Capacity	—	—	—	—	—	69,182,000	69,182,000
<u>Maritimes</u>							
Number	—	—	—	—	—	4	4
Capacity	—	—	—	—	—	8,229,300	8,229,300
<u>Totals</u>							
Number	4,983	1	37	5	18	30	5,074
Capacity	396,286,250	55,000	155,515,710	8,066,700	8,211,300	131,827,300	699,962,260

Source: Board of Grain Commissioners for Canada.

(1) Capacity in terms of bushels.

Lake Shipments of Canadian Grain Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to September 17 this year amounted to 137.7 million bushels, 28 per cent above the comparable 1968 figure of 107.8 million but 35 per cent less than the 10-year (1958-67) average for the period of 211.6 million. In 1969 the season of navigation opened on April 11 while the 1968 season opened on April 10. Shipments of wheat, at 95.2 million were 12 per cent more than the 1968 figure of 85.0 million bushels and accounted for 69 per cent of the total six grains.

Lake Shipments of Canadian Grain from the Opening of Navigation to September 17, 1969 and to Approximately the Same Date, 1958 to 1968

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
1958	119,475	27,082	47,629	4,817	3,765	—	202,767
1959	119,778	17,906	28,187	3,903	4,030	—	173,804
1960	121,700	13,590	30,243	3,159	4,675	—	173,368
1961	156,176	15,988	27,215	1,723	4,610	—	205,713
1962	87,287	9,318	14,647	2,686	3,699	—	117,637
1963	117,189	25,225	17,464	1,656	3,875	—	165,409
1964	250,260	19,248	23,033	3,338	5,313	—	301,192
1965	173,279	30,627	23,980	2,589	6,746	559	237,780
1966	245,900	17,490	23,126	5,076	8,176	608	300,377
1967	157,500	23,779	46,868	3,329	5,957	862	238,295
1968	84,974	8,939	10,104	567	2,930	255	107,770
1969	95,169	10,733	24,823	1,174	5,000	804	137,702

Farmers' Marketings Deliveries of wheat from farms in the Prairie Provinces up to September 17 of the current crop year amounted to 22.7 million bushels, 19 per cent above the August 1 - September 18, 1968 total of 19.0 million but 24 per cent less than the ten-year (1958-67) average for the period of 29.9 million bushels.

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

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
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	3,414,107
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
Totals	1,639,184	16,255,320	4,791,895	22,686,399	19,043,630
Average similar period: 1958-67	4,884,685	18,881,692	6,156,334	29,922,711	

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

Visible Supply of Canadian Wheat, September 17, 1969
Compared with Approximately the Same Date, 1967 and 1968

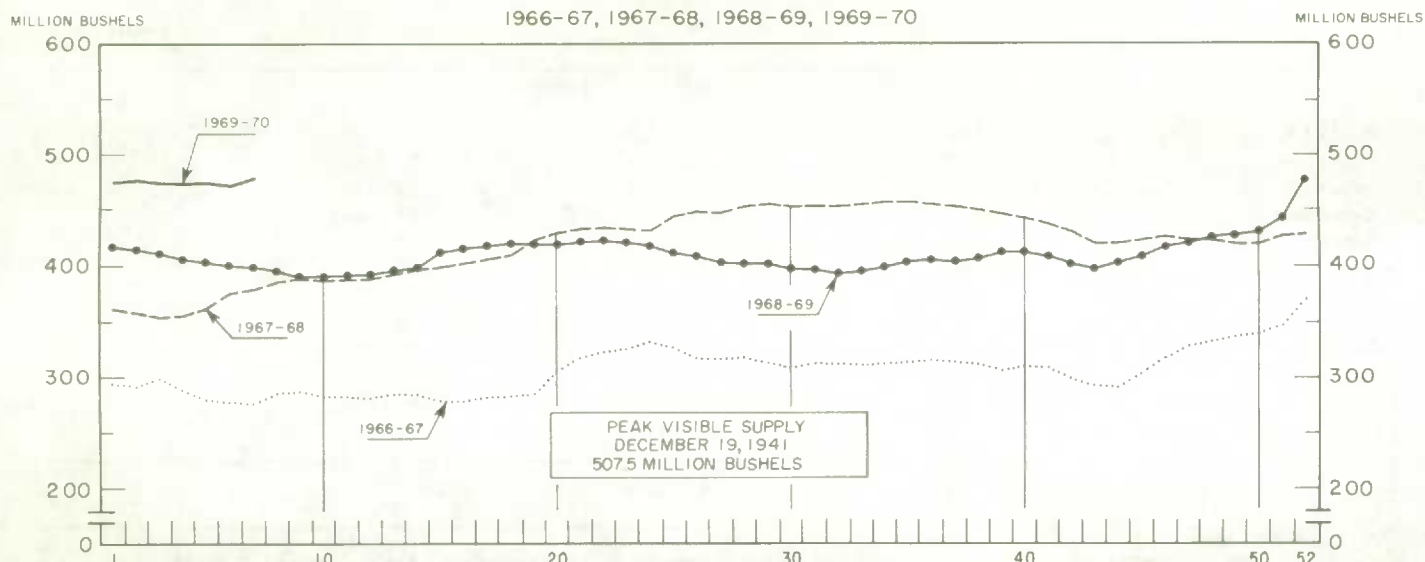
Position	1967	1968	1969
thousand bushels			
Country elevators - Manitoba	24,805	35,961	35,976
Saskatchewan	116,587	136,657	163,703
Alberta	68,545	66,158	82,961
Sub-totals	209,937	238,776	282,640
Interior private and mill	6,178	5,189	4,369
Interior terminals	12,800	13,758	12,217
Vancouver-New Westminster	10,320	11,013	13,051
Victoria	797	940	903
Prince Rupert	538	779	1,696
Churchill	2,486	3,733	4,104
Fort William-Port Arthur	55,540	58,466	52,783
In transit rail (western division)	12,791	25,602	24,066
Bay, Lake and Upper St. Lawrence ports ...	33,821	23,044	37,921
Lower St. Lawrence and Maritime ports	27,279	12,927	43,062
In transit lake	5,692	5,143	1,061
In transit rail (eastern division)	3	198	188
Totals	378,182	399,568	478,061

Grading of Wheat Inspected, August 1969 with Comparisons

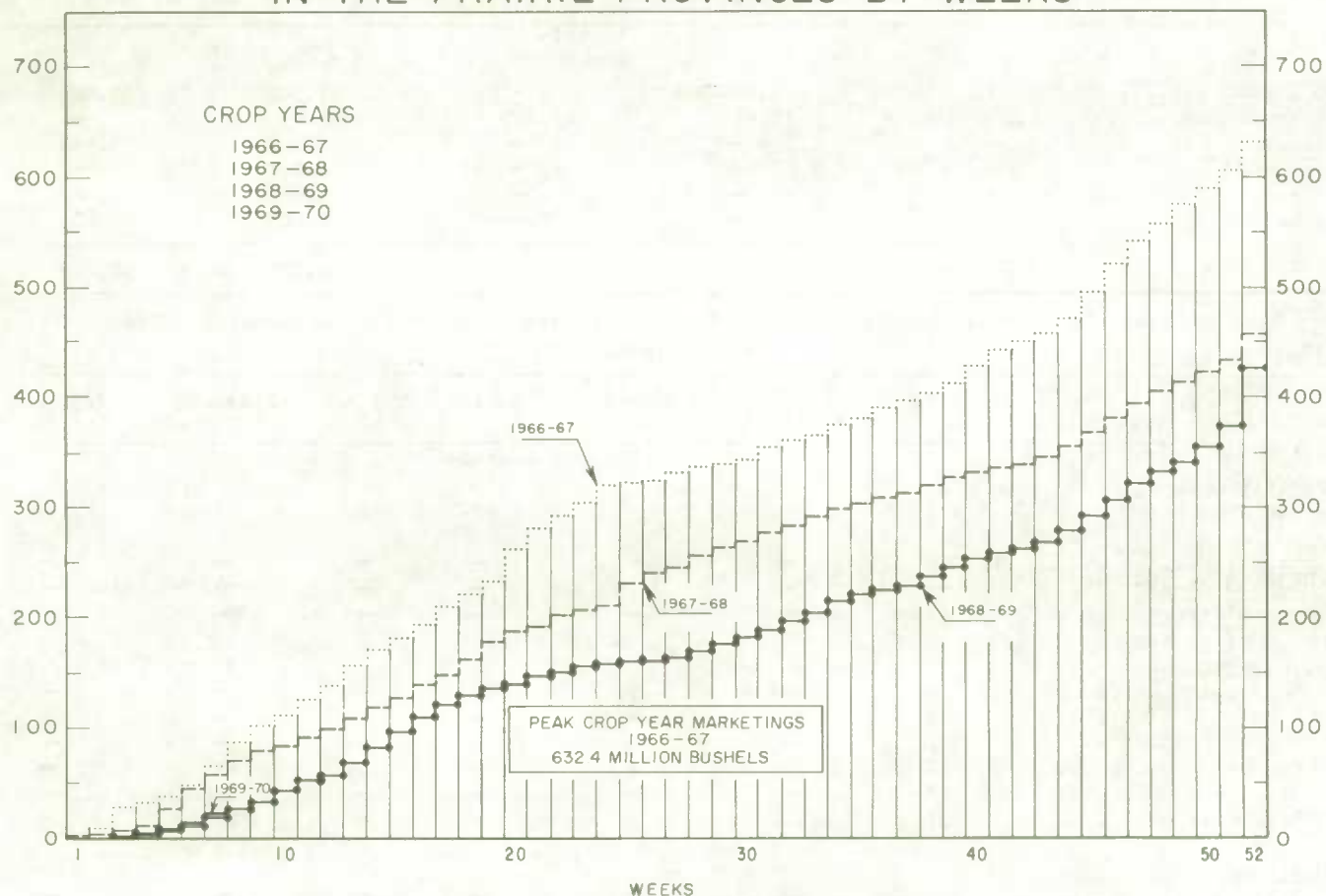
Grade	Crop Year		August			
	Average					
	1963-64 1967-68	1968-69	1968		1969	
	per cent	per cent	cars	per cent	cars	per cent
No. 1 Man. Northern	8.7	12.1	5,452	43.9	2,199	14.2
No. 2 Man. Northern	36.8	31.9	5,994	48.3	4,341	28.1
No. 3 Man. Northern	22.6	10.3	612	4.9	2,240	14.5
No. 4 Man. Northern	8.8	4.1	124	1.0	979	6.3
No. 5 Wheat	3.4	2.9	8	0.1	417	2.7
No. 6 Wheat	0.4	0.2	24	0.2	60	0.4
Feed Wheat	(1)	(1)	—	—	15	0.1
Others Red Spring	12.5	32.1	119	1.0	4,897	31.7
C.W. Garnet	0.2	0.1	12	0.1	—	—
C.W. White Spring	0.1	0.2	—	—	38	0.2
C.W. Mixed Wheat	0.1	(1)	2	(1)	6	(1)
Alberta Winter	0.9	0.4	22	0.2	7	(1)
Nos. 1-6 C.W. Amber Durum .	5.2	2.9	37	0.3	103	0.7
Other C.W. Amber Durum	0.3	2.8	1	(1)	158	1.0
Totals	100.0	100.0	12,407	100.0	15,460	100.0
Gross bushels (approx.) ...			23,700,000		30,522,000	

(1) Less than .05 per cent.

WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT



CUMULATIVE RECORD OF WHEAT MARKETINGS IN THE PRAIRIE PROVINCES BY WEEKS



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

Rail Shipments of Wheat from Fort William-Port Arthur, 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	—
October	89,384	152,009	57,458	—
November	163,332	50,475	101,966	—
December	106,833	143,833	44,136	—
January	145,889	160,214	131,034	—
February	120,334	143,884	99,776	—
March	177,393	274,690	153,067	—
April	133,699	123,167	79,899	—
May	207,038	61,460	108,339	—
June	154,139	101,950	120,532	—
July	93,094	88,500	137,404	—
Totals	1,593,441	1,615,884	1,056,695	—

Distribution of Rail Shipments of Wheat from Fort William-Port Arthur, August 1969

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
bushels					
5 Wheat	—	4,000	—	1,500	3,000
6 Wheat	3,500	19,000	84,500	—	—
Tough	—	—	—	—	3,643
Rejected	—	—	—	3,141	—
Durum	—	—	—	4,000	3,000
Others	—	—	—	2,063	1,606
Totals	3,500	23,000	84,500	10,704	11,249

Overseas Exports of Canadian Grain by Ports of Loading, August 1 — September 17, 1969
with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
thousand bushels							
<u>Pacific Seaboard</u>							
Van.-New West.	3,597	—	—	834	87	724	1,159
<u>Churchill</u>	11,738	—	—	—	—	—	—
<u>Lakehead direct</u>	—	—	19	—	—	202	—
<u>Toronto direct</u>	47	—	—	—	—	—	—
<u>St. Lawrence</u>							
Montreal	2,259	1,888	130	422	—	—	—
Sorel	511	—	—	—	—	—	—
Trois-Rivières	372	—	—	—	—	—	—
Quebec	614	224	—	—	129	412	46
Baie Comeau	95	—	—	—	—	486	—
Port Cartier	121	1,419	—	—	—	159	—
<u>Maritime</u>							
Halifax	204	—	—	—	—	—	—
Totals	19,559	3,531	149	1,256	216	1,983	1,206
August 1 — September 18, 1969.	41,136	2,767	—	1,569	500	860	1,989

(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(4)</u>					
August	31,127	1	31,128	2,270	33,398
September	30,019	45	30,064	2,437	32,500
October	25,995	(5)	25,996	2,079	28,074
November	23,338	68	23,406	2,053	25,459
December	16,061	50	16,112	1,934	18,045
January	18,843	9	18,853	1,574	20,427
February	24,149	31	24,181	2,005	26,186
March	19,857	134	19,990	2,544	22,534
April	10,278	82	10,361	1,249	11,610
May	30,350	136	30,487	1,572	32,059
June	24,016	10	24,027	2,032	26,059
July	26,506	44	26,550	2,864	29,414
Totals	280,541	612	281,153	24,611	305,764
<u>1969-70(4)</u>					
August	13,012	121	13,133	2,182	15,315

- (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 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) Less than 500 bushels.

Exports of Canadian Wheat(1) by Destination

Destination	Wheat (except durum)	Durum wheat	All wheat	
			August 1969	August 1968 ^r
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	1,368,321	36,067	1,404,388	996,393
France	20,560	—	20,560	260,050
Germany, Federal Republic	738,640	476,147	1,214,787	730,057
Italy	1,880,000	891,403	2,771,403	953,267
Netherlands	—	24,155	24,155	280,736
Sub-totals	4,007,521	1,427,772	5,435,293	3,220,503
<u>Other Western Europe</u>				
Austria	—	—	—	261,333
Britain	4,879,268	—	4,879,268	8,192,921
Ireland	—	—	—	74,667
Portugal	—	393,750	393,750	—
Sweden	—	—	—	22,400
Switzerland	281,867	27,928	309,795	621,537
Sub-totals	5,161,135	421,678	5,582,813	9,172,858
Totals	9,168,656	1,849,450	11,018,106	12,393,361
<u>Eastern Europe</u>				
Albania	343,504	—	343,504	—
Poland	—	—	—	2,119,474
U.S.S.R. (Russia)	—	—	—	884,041
Totals	343,504	—	343,504	3,003,515
<u>Africa</u>				
Algeria	—	—	—	371,108
Congo	—	—	—	36,500
Ghana	460,757	—	460,757	—
Mozambique	18,667	—	18,667	—
Nigeria	18,667	—	18,667	—
Totals	498,091	—	498,091	407,608
<u>Asia</u>				
Hong Kong	131,787	—	131,787	60,480
India	—	—	—	774,853
Iraq	—	—	—	12,860
Japan	783,983	—	783,983	4,642,121
Malaysia	78,773	—	78,773	35,467
People's Republic of China	—	—	—	8,949,954
Singapore	35,467	—	35,467	—
Turkey	—	—	—	32,518
Totals	1,030,010	—	1,030,010	14,508,253
<u>Western Hemisphere</u>				
Cuba	—	—	—	436,800
Jamaica	798	—	798	498
Venezuela	121,253	—	121,253	377,088
Totals	122,051	—	122,051	814,386
Sub-totals, all countries ...	11,162,312	1,849,450	13,011,762	31,127,123
Seed wheat(2)			121,302	765
Totals, all countries	11,162,312	1,849,450	13,133,064	31,127,888

(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 Canadian Customs returns, 1968 adjusted for time lag, 1969 preliminary.

^r Revised figures.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	May	August	
	1969(1)	1969(2)	1968(1)
	bushels		
<u>Western Europe</u>			
EEC:			
Belgium and Luxembourg	1,293	—	8,579
France	—	644	—
Germany, Federal Republic ...	—	283	—
Italy	4,140	—	—
Netherlands	451	966	58
Sub-totals	5,884	1,893	8,637
<u>Other Western Europe</u>			
Britain	139,591	274,006	195,130
Greece	8,416	—	—
Sweden	—	—	515
Portugal	5,800	10,543	3,742
Sub-totals	153,807	284,549	199,387
Totals	159,691	286,442	208,024
<u>Africa</u>			
Angola	—	690	2,300
Cameroun Republic	—	—	6,440
Congo-Kinshasa	9,200	2,300	13,800
Dahomey	1,150	1,150	1,116
Ghana	15,178	9,497	150,036
Guinea Republic	—	—	64,124
Ivory Coast	1,208	—	—
Liberia	12,595	23,520	23,244
Malawi	6,417	4,174	6,980
Mozambique	3,857	6,769	6,044
Portuguese Africa n.e.s.	2,530	8,671	7,360
Sierra Leone	798	—	2,588
Tanzania	—	2,300	—
Togo	11,673	2,817	19,113
U.A.R.-Egypt	15,214	—	—
Zambia	2,300	—	—
Totals	82,120	61,888	303,145
<u>Asia</u>			
Bahrain	34	—	—
Ceylon	2,155	—	827,871
Cyprus	—	412	—
Hong Kong	31,452	11,511	37,301
Indonesia	3,549	3,549	57,502
Iran	—	598	637
Iraq	—	—	15,720
Israel	—	—	78,046

See footnotes at end of table.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	May	August	
	1969(1)	1969(2)	1968(1)
		bushels	
<u>Asia - (concluded)</u>			
Japan	115	690	—
Lebanon	233,008	16,680	171,886
Pakistan	230	—	—
Portuguese Asia	1,150	—	1,012
Qatar	—	230	396
Saudi Arabia	7,590	—	—
Thailand	16,503	13,202	15,875
Trucial States	16	—	—
Viet-Nam	920	—	—
Totals	296,722	46,872	1,206,246
<u>Oceania</u>			
British Oceania n.e.s.	460	—	2,236
Fiji	—	437	667
United States Oceania	3,450	3,450	3,459
Totals	3,910	3,887	6,362
<u>Western Hemisphere</u>			
Bahamas	30,061	20,730	21,845
Barbados	34,613	19,651	33,580
Bermuda	9,156	5,069	13,165
British Honduras	—	4,586	5,474
Cuba(3)	541,445	1,592,410	540,374
Ecuador	—	—	345
French West Indies	—	1,966	—
Guatemala	—	805	1,150
Guyana	9,552	5,341	5,879
Haiti Republic	32,614	16,100	41,004
Honduras Republic	—	—	6,440
Jamaica	11,595	4,285	39,164
Leeward and Windward Is.	89,146	58,062	57,265
Netherlands Antilles	12,503	16,962	10,033
Panama	230	—	690
St. Pierre and Miquelon	1,380	1,007	1,104
Surinam	1,187	690	101
Trinidad and Tobago	53,866	11,286	37,159
Venezuela	230	—	—
United States	61,538	23,529	47,925
Totals	889,116	1,782,479	862,697
Totals, all countries ...	1,431,559	2,181,568	2,586,474

(1) In terms of wheat equivalent. Adjusted to remove effect of time lag in the returns made by Customs. Conversion rate: 2.3 bushels per cwt.

(2) In terms of wheat equivalent. Preliminary and unadjusted for time lag. Conversion rate: 2.3 bushels per cwt.

(3) Source — Canadian National Millers Association.

n.e.s. — Not elsewhere specified.

FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHELS

800

700

600

500

400

300

200

100

0

MILLION BUSHELS

800

700

600

500

400

300

200

100

0

PEAK MARKETINGS
1966-67 CROP YEAR
632.4 MILLION BUSHELS

JULY

JUNE

MAY

APR

MAR

FEB

JAN

DEC

NOV

OCT

SEPT

30 year average
1938-39
1967-68

10 year average
1958-59
1967-68

1964-65

1965-66

1966-67

1967-68

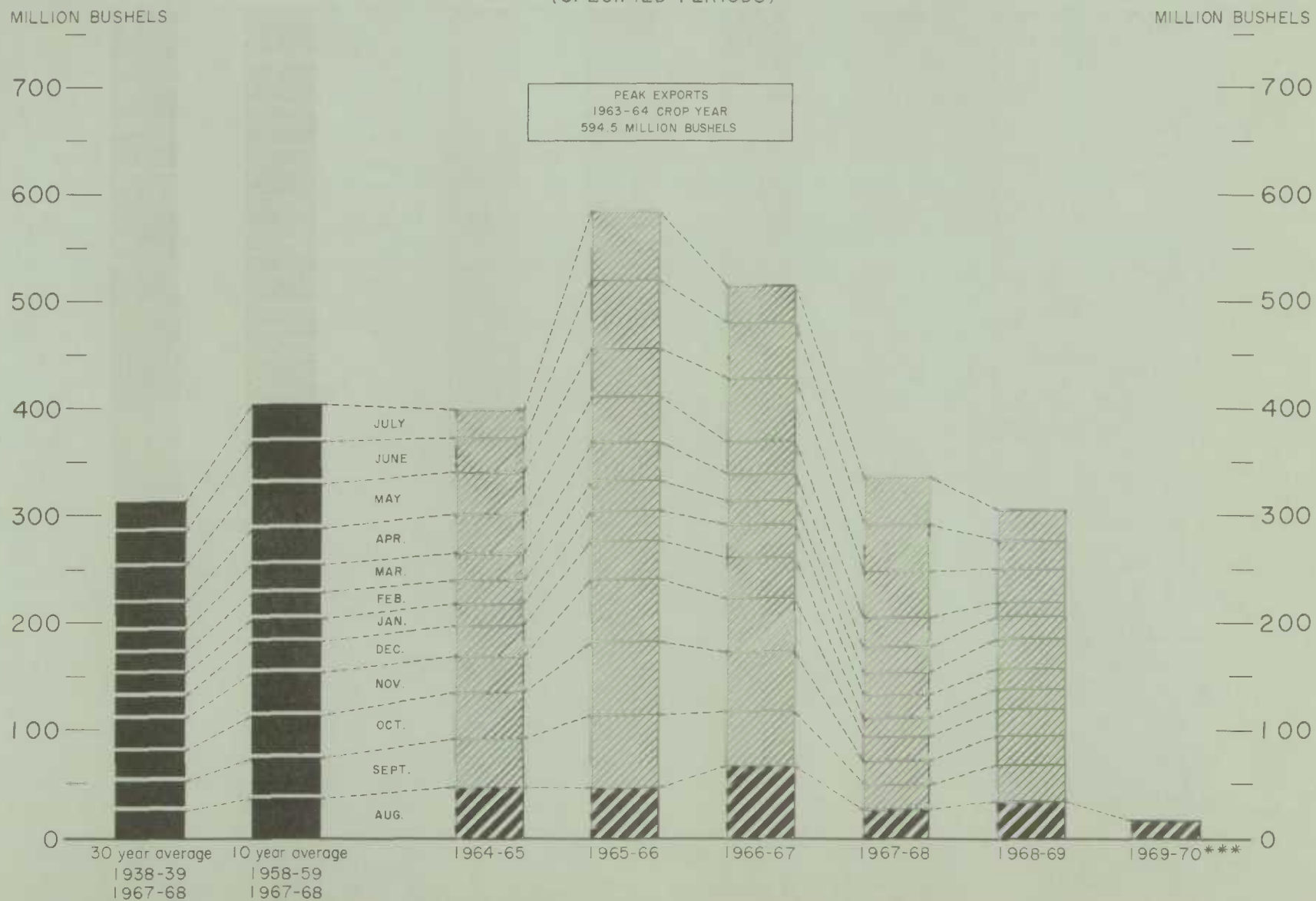
1968-69

1969-70

Agriculture Division D.B.S.

EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)



* Beginning with 1955-56 includes seed wheat.

** In terms of wheat equivalent.

*** Preliminary.

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHEL

140 —

120 —

100 —

80 —

60 —

40 —

20 —

0

MILLION BUSHEL

140 —

120 —

100 —

80 —

60 —

40 —

20 —

0

30 year average

1938-39

1967-68

10 year average

1958-59

1967-68

1964-65

1965-66

1966-67

1967-68

1968-69

1969-70

JULY

JUNE

MAY

APR.

MAR.

FEB.

JAN.

DEC.

NOV.

OCT.

SEPT.

AUG.

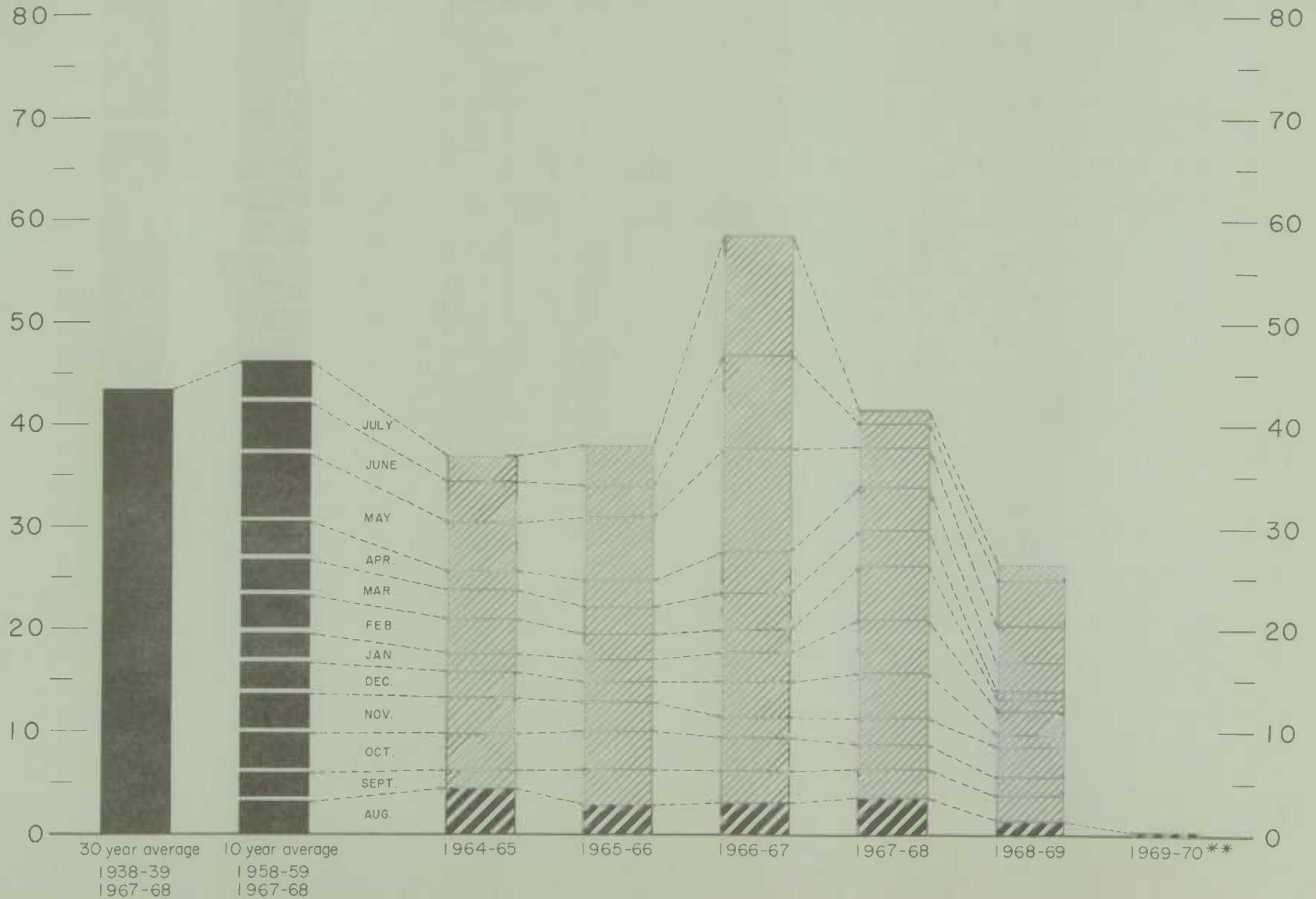
EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

(SPECIFIED PERIODS)

MILLION BUSHEL



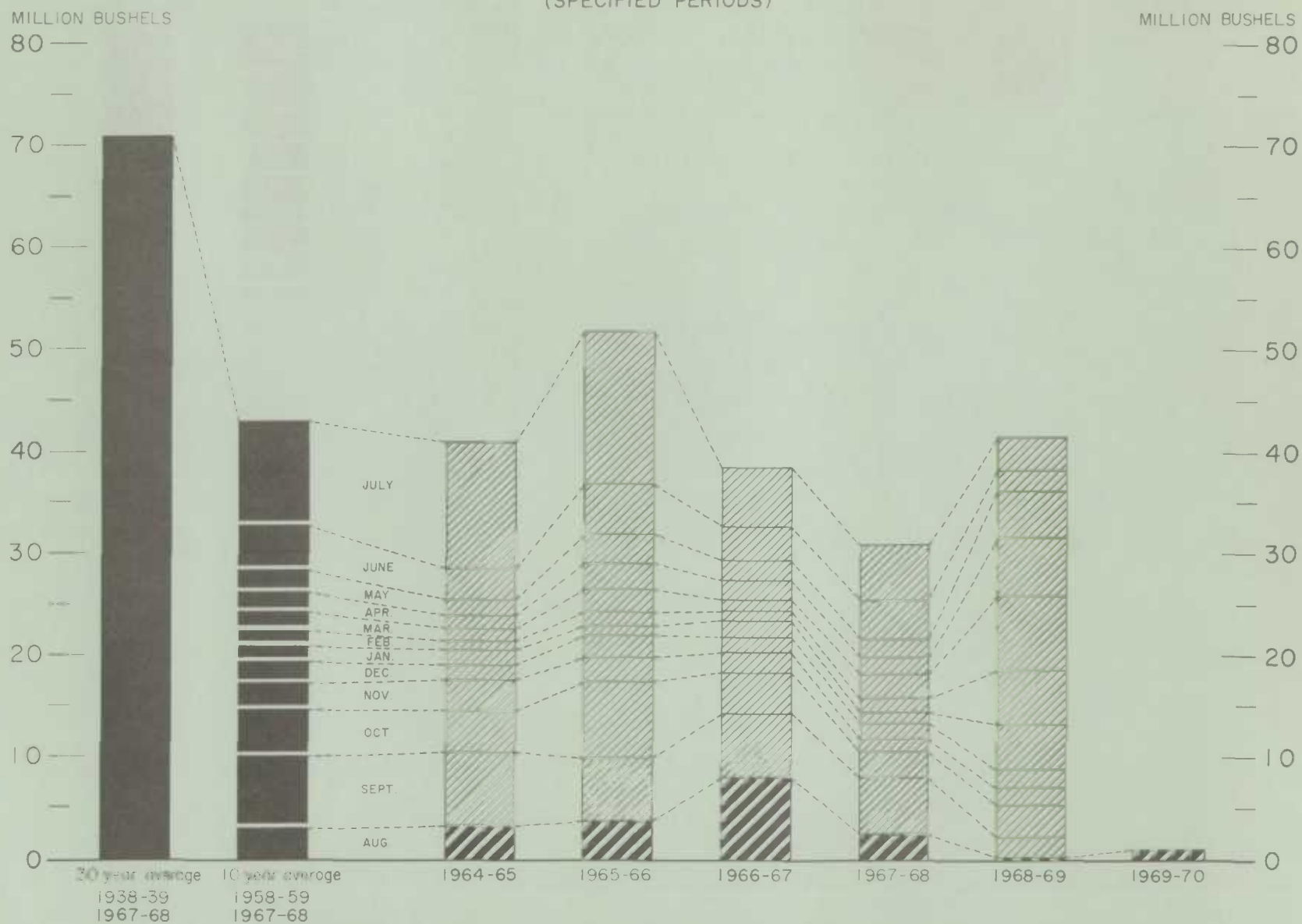
MILLION BUSHEL



* In terms of grain equivalent. ** Preliminary.

FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS**

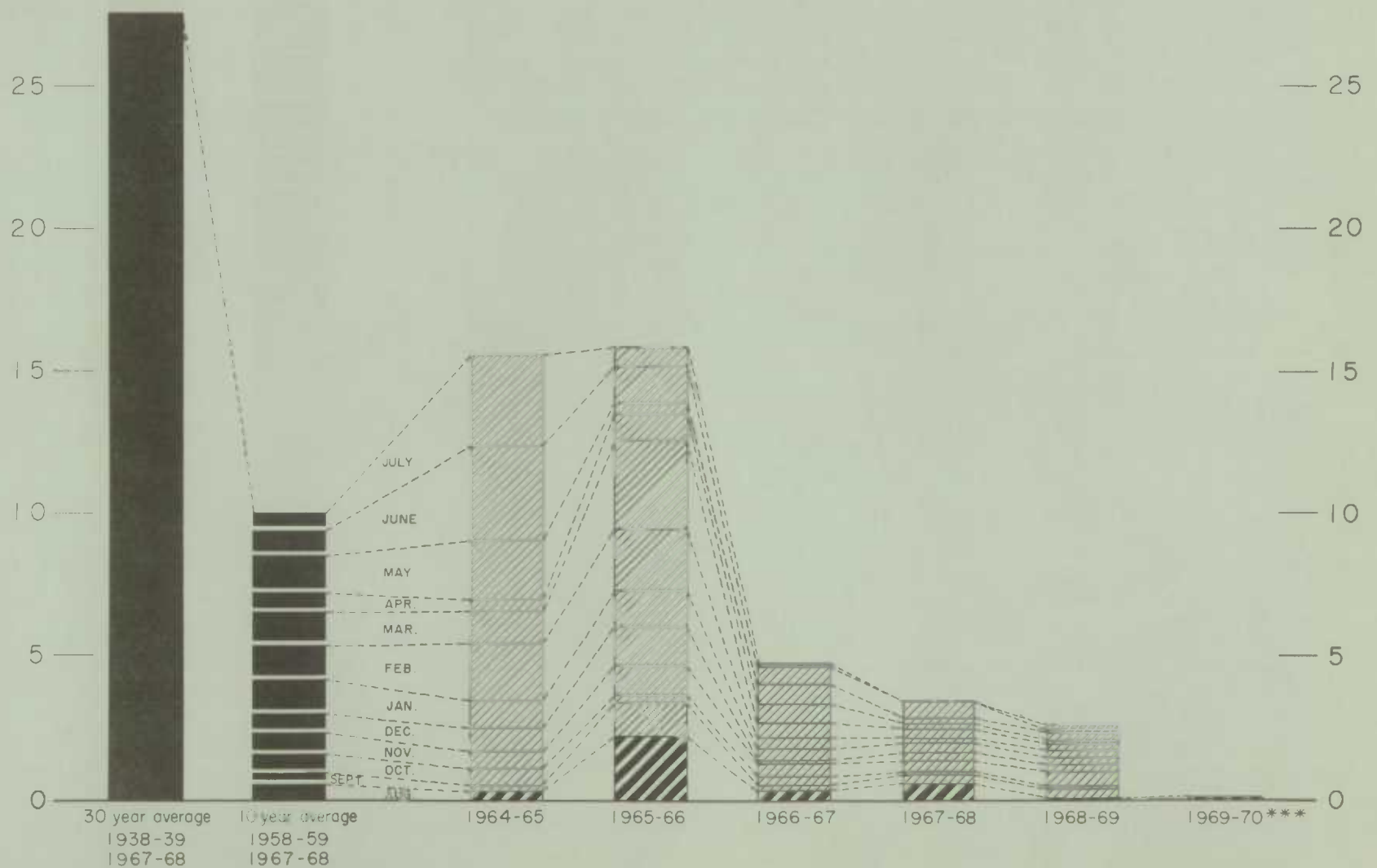
(SPECIFIED PERIODS)

MILLION BUSHEL

30 —

MILLION BUSHEL

— 30



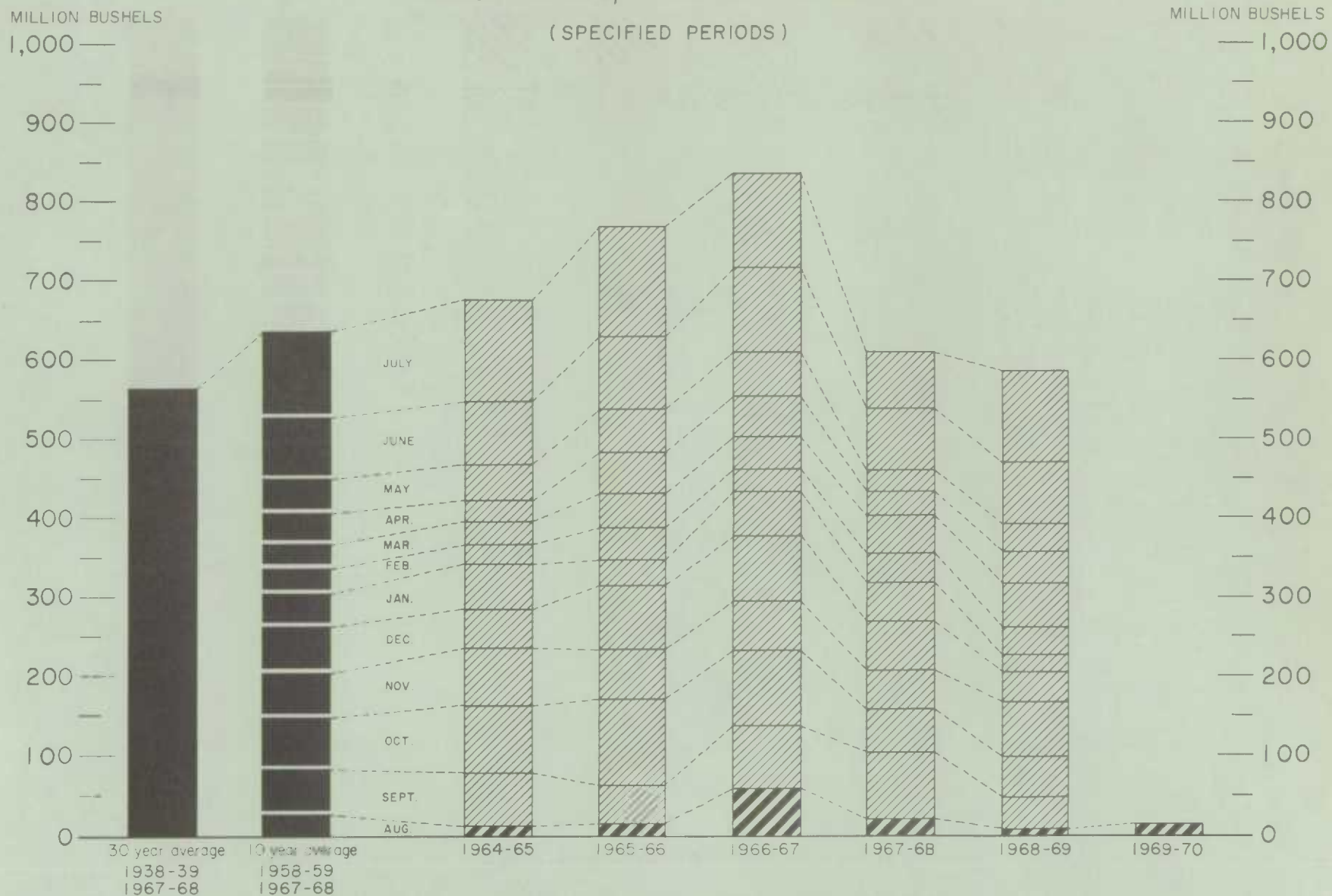
* Beginning with 1960-61 includes relatively small quantity of seed oats

** 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.

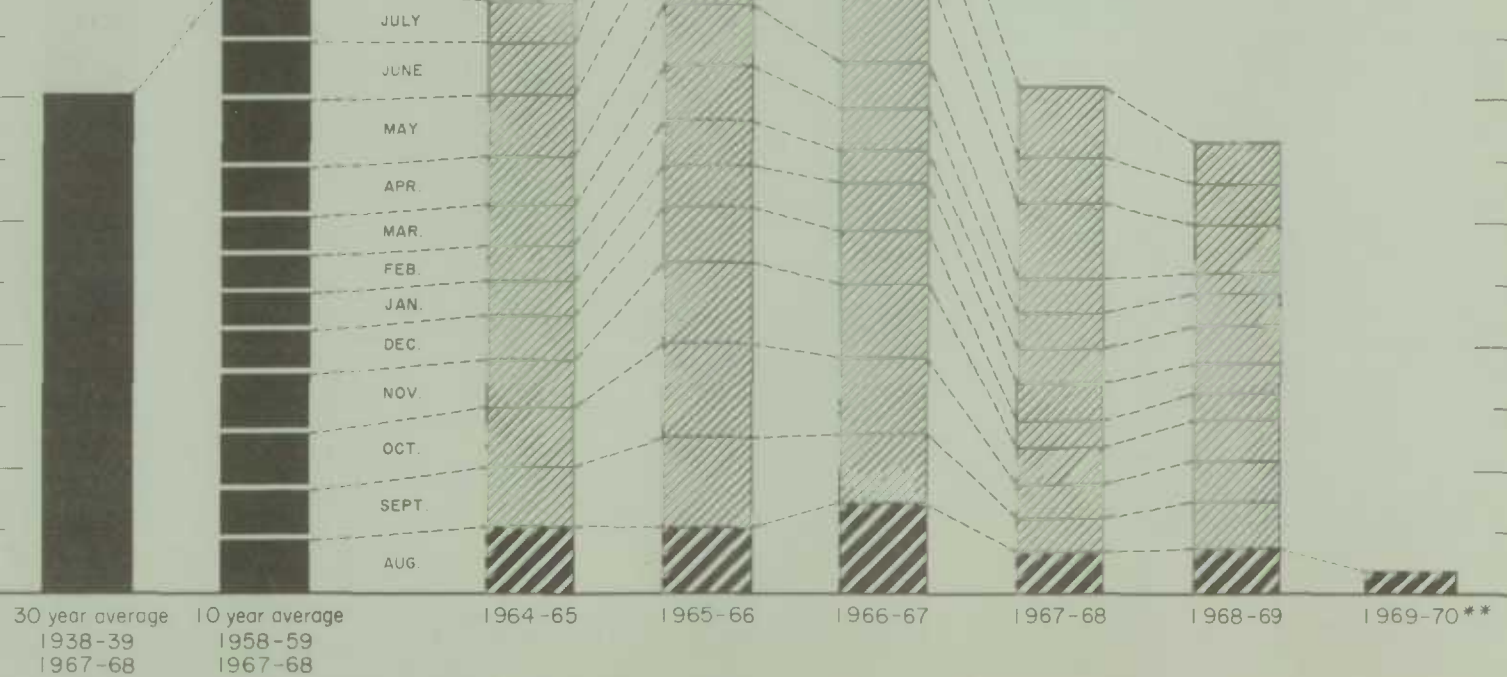
EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)

MILLION BUSHELS



MILLION BUSHELS



* 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.

Canadian Wheat Board Weekly Average Cash Wheat Prices, Crop Year 1969-70
Basis in Store Fort William-Port Arthur and Vancouver

Class and grade	Week ending				
	Sept. 5	Sept. 12	Sept. 19	Sept. 26	Oct. 3
	cents and eighths per bushel				
<u>Initial payment to producers</u>					
1 Northern	150	150	150	150	150
2 Northern	146	146	146	146	146
3 Northern	141	141	141	141	141
4 Northern	133	133	133	133	133
5 Wheat	119	119	119	119	119
6 Wheat	115	115	115	115	115
Feed Wheat	110	110	110	110	110
1 C.W. Garnet	133	133	133	133	133
2 C.W. Garnet	128	128	128	128	128
3 C.W. Garnet	123	123	123	123	123
1 Alberta Red Winter	132	132	132	132	132
2 Alberta Winter	127	127	127	127	127
3 Alberta Winter	121	121	121	121	121
1 C.W. Amber Durum	150	150	150	150	150
2 C.W. Amber Durum	146	146	146	146	146
3 C.W. Amber Durum	141	141	141	141	141
<u>International Grains Arrangement</u>					
<u>and domestic sales</u>					
<u>(Basis in store Fort William-Port Arthur)</u>					
1 Northern	183/4	183/4	183/3	183/4	183/5
2 Northern	180	180	179/7	180	180/1
3 Northern	167/4	167/4	167/3	167/4	167/5
4 Northern	150/4	150/4	150/3	150/4	150/5
5 Wheat	149/4	149/4	149/3	149/4	149/5
6 Wheat	143	144/4	144/3	144/4	144/5
Feed Wheat	139/4	139/4	139/3	139/4	139/5
1 C.W. Garnet	150/4	150/4	150/3	150/4	150/5
2 C.W. Garnet	149/4	149/4	149/3	149/4	149/5
3 C.W. Garnet	148/4	148/4	148/3	148/4	148/5
1 Alberta Red Winter	150/4	150/4	150/3	150/4	150/5
2 Alberta Winter	149/4	149/4	149/3	149/4	149/5
3 Alberta Winter	148/4	148/4	148/3	148/4	148/5
1 C.W. Amber Durum	209/4	207/4	203/3	203/4	203/5
2 C.W. Amber Durum	207/4	205/4	201/3	201/4	201/5
3 C.W. Amber Durum	196/4	194/5	190/4	190/5	190/6
<u>(Basis in store Vancouver)</u>					
1 Northern	183/4	184/4	184/3	184/2	184
2 Northern	181	181/6	181/7	181/6	181/4
3 Northern	172/4	172/4	172/3	172/4	172/5
4 Northern	166/4	166/4	166/3	166/4	166/5
5 Wheat	164/4	164/4	164/3	164/4	164/5
6 Wheat	157/4	157/4	157/3	157/4	157/5
Feed Wheat	154/4	154/4	154/3	154/4	154/5
1 C.W. Garnet	166/4	166/4	166/3	166/4	166/5
2 C.W. Garnet	165/4	165/4	165/3	165/4	165/5
3 C.W. Garnet	164/4	164/4	164/3	164/4	164/5
1 Alberta Red Winter	166/4	166/4	166/3	166/4	166/5
2 Alberta Winter	165/4	165/4	165/3	165/4	165/5
3 Alberta Winter	164/4	164/4	164/3	164/4	164/5

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during August 1969 amounted to 3,232,000 hundredweight, representing an increase of 3 per cent over the July 1969 output of 3,127,000 hundredweight, relatively unchanged from the August 1968 total of 3,245,000 hundredweight but 1 per cent less than the ten-year (1959-68) average production for the month of August of 3,273,000 hundredweight. Mills reporting operations during August 1969 had a total rated capacity of 167,000 hundredweight per 24-hour day and on the basis of a 26-day working period 74.3 per cent of this rated capacity was effective.

Wheat milled for flour during August 1969 amounted to 7,384,000 bushels, 4 per cent above the 7,085,000 bushels milled during the preceding month, but little changed from the 7,347,000 bushels milled during August 1968. Of the wheat milled for flour during August 1969 some 6,362,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (611,000 bushels); Durum (310,000 bushels); and all other (101,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during August 1969 amounted to 2,182,000 bushels (some 949,000 hundredweight of flour) 24 per cent lower than the 2,864,000 bushels exported during the previous month and 16 per cent below the adjusted August 1968 total of 2,586,000 bushels. Flour shipments during the month went to forty-one countries with exports to Cuba amounting to 1,592,000 bushels and accounted for 73 per cent of the August total. Other principal markets for Canadian wheat flour during the month, with shipments in thousands of bushels of wheat equivalent were as follows: Britain, 274; Leeward and Windward Islands, 58; United States, 24; Liberia, 24; Bahamas, 21; Barbados, 20; Netherlands Antilles, 17; and Lebanon, 17.

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(2)	85,048,591	37,621,151	10,700,520
1969-70(2)			
August.....	7,383,987	3,231,729	948,508
Same month 1968-69 ^r	7,347,211	3,244,671	1,124,554

(1) Based on Customs returns. Exports for the crop years 1945-46 — 1967-68 revised to remove effect of time lag in the returns made by Customs.

(2) Subject to revision.

^r Revised figures.

UNITED STATES SITUATION

Supplies Above
Previous Year

Total domestic supplies of wheat in the United States for the 1969-70 crop year are currently placed at 2,267.6 million bushels, 7 per cent more than the previous year's total of 2,109.8 million, reflecting a sharp increase in carryover stocks, which more than offset a slight decrease in production. The 810.6 million bushels carried over at July 1, 1969 were 50 per cent larger than the 1968 stocks, while the current crop, estimated at 1,456.9 million bushels, represents a decline of 7 per cent from last year's outturn of 1,570.4 million. In addition, current crop year domestic supplies may be supplemented by imports of about 1 million bushels. Domestic disappearance during 1969-70 is estimated at about 805.0 million bushels, 6 per cent more than the 756.2 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,462.6 million remain available for export and for carryover, an increase of 8 per cent over the 1,353.7 million in 1968-69.

Exports Decline
From a Year Ago

Exports of wheat and wheat flour in terms of grain equivalent during July-August 1969 amounted to 86.7 million bushels, 18 per cent less than the 105.3 million exported during the same two months last year. The balance remaining on September 1, 1969 for export and for carryover was estimated at 1,375.9 million bushels compared with 1,248.3 million on the same date a year ago.

United States Wheat Supplies

Item	1968-69 ^r	1969-70 ^P
	million bushels	
Carryover at beginning of crop year (July 1)	539.4	810.6
Production	1,570.4	1,456.9 ^r
Total estimated domestic supplies	2,109.8	2,267.6
Imports of wheat and wheat flour in terms of wheat for domestic use, July-August	0.1	0.1
Total estimated supplies(1)	2,109.9	2,267.6
Less estimated domestic requirements for crop year(2) ...	756.2	805.0
Available for export and for carryover	1,353.7	1,462.6
<u>Deduct</u>		
Exports of wheat as grain, July-August	94.9	75.5
Exports of wheat flour in terms of wheat, July-August(3)	10.4	11.3
Total exports of wheat and wheat flour(4)	105.3	86.7
Balance on September 1 for export and for carryover	1,248.3	1,375.9

(1) Excludes imports for September - June.

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

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

(4) Data include shipments for relief.

P Preliminary figures.

r Revised figures.

1969 Crop Forecast at
1,457 Million Bushels

In a report released on September 10, the Crop Reporting Board of the United States Department of Agriculture stated that production of all wheat is forecast at 1,457 million bushels, 7 per cent below the record large 1968 crop and 4 per cent below the 1967 output. The September 1 forecast is nearly 2 million bushels below a month earlier. A decline in the forecast for other spring wheat more than offset slight increases from August for durum and winter wheat. During the past decade, changes between the September 1 forecasts and the final estimates have averaged nearly 17 million bushels, ranging from 2 million to 42 million bushels. Yield per acre of all wheat is expected to average 30.6 bushels, a new record and well above the 1968 yield of 28.4 bushels.

Production of winter wheat is estimated at 1,150 million bushels, up slightly from August 1 but down 6 per cent from last year's record large crop. Yields in Montana, Oregon, and Idaho were unchanged from last month but improved slightly in Washington. Harvesting conditions were nearly ideal in all these States. By September 1, 85 per cent of Montana's winter wheat was harvested compared to 70 per cent a year earlier. Idaho's harvest was just past the half-way mark. Combining was virtually completed in Oregon and Washington. The winter wheat estimating period extends to September 1 in Montana, Idaho, Washington, and Oregon; for all other States estimates are carried forward from August 1.

Durum wheat production is forecast at a record 104.4 million bushels, up slightly from the August 1 forecast of 104.2 million. This year's crop is 7 per cent above the 1968 crop and 57 per cent above 1967 crop. Expected yield is a record 31.2 bushels per acre, compared with 27.4 last year and 24.1 in 1967.

Hot, dry August weather hastened maturity of North Dakota's durum and enabled combining to proceed rapidly. The crop was 62 per cent combined by September 2 compared with only 20 per cent a year earlier and the average of 69 per cent. The Montana harvest proceeded rapidly with favourable weather and was past the half-way mark on September 1. Yields in North Dakota and Montana were above the August forecast but were lower in the other producing States. The South Dakota harvest was complete by the end of the third week of August. Hot, dry weather reduced yields sharply from earlier expectations.

Production of spring wheat other than durum is indicated at 202.5 million bushels, 2 per cent below the August 1 forecast and 17 per cent below the 1968 crop. Yield per acre is at a record 26.6 bushels compared with 26.4 last year and 23.5 in 1967.

August weather favoured harvesting but the crop was later than normal in several major growing areas. North Dakota harvest proceeded rapidly under favourable weather conditions and was 77 per cent complete by September 2 compared with 39 per cent a year ago and the average of 81 per cent. South Dakota harvest was complete by the end of the third week of August. In Minnesota, combining was 90 per cent complete compared to a normal of 65 per cent. Hot, dry weather in late July and early August reduced yield prospects in both Minnesota and South Dakota. The Montana crop was 55 per cent harvested, about 10 days behind normal with yields above earlier expectations.

Winter Wheat Seeding
Behind Last Year

According to the October 10 issue by the Crop Reporting Board of the United States Department of Agriculture seeding of winter wheat for 1970 harvest accelerated toward the end of September in the Central and Southern Great Plains, but progress on October 1 was slightly behind a year earlier. Progress ranged from about two-fifths planted in

Texas to more than nine-tenths in Colorado and Nebraska. Soil moisture was generally adequate in the area except in eastern Oklahoma and much of Nebraska. Armyworm infestations, widespread from Kansas to Texas, caused severe damage in some areas.

Winter wheat seeding lagged in Montana and the Pacific Northwest because of dry soils. Light showers the last half of September provided some relief from the dryness, but additional moisture was needed to assure germination and growth. In Montana, only 35 per cent of the intended acreage had been seeded by the 29th of September. Usually about 75 per cent of the acreage is seeded by that date.

Seeding of winter wheat was progressing normally in the eastern Corn Belt but was lagging behind a year earlier in Missouri. Soil moisture supplies were generally adequate in this area. Small grain seeding was hampered some by wet soils in parts of the South Atlantic States. Conditions in the eastern South Central States were highly variable but much of the area (except Alabama, eastern Kentucky, and east Tennessee) was dry and newly seeded small grains needed moisture.

USDA Announces Sixth Supplement with India On October 13, 1969 the U.S. Acting Secretary of Agriculture announced the signing of a sixth P.L. 480 supplement to a February 20, 1967 Title I agreement with India providing for the sale of \$159.8 million worth (about 3 million metric tons or 110 million bushels of wheat and wheat flour in terms of wheat equivalent). The signing took place in New Delhi.

USDA Announces Wheat Purchase Authorizations to India On October 21, 1969, the United States Department of Agriculture announced issuance of 2 Public Law 480 purchase authorizations to India for \$21,385,000 worth of U.S. wheat. Details are as follows:

Authorizations 39-725 and 39-726 were issued under a Title I sales agreement of February 20, 1967 as supplemented October 13, 1969.

Authorization 39-725 provides for \$10,509,000 worth (about 200,000 metric tons) of hard red winter wheat of the subclasses dark hard winter, hard winter, and yellow hard winter, grade U.S. No. 2 or better, in bulk. Contracting period is October 27, 1969 through January 31, 1970. Delivery period is October 27, 1969 through February 28, 1970. Delivery will be to importer, f.o.b. vessel, U.S. Gulf, Atlantic, Great Lakes, and St. Lawrence River ports.

Authorization 39-726 provides for \$10,876,000 worth (about 200,000 metric tons) of white wheat of the subclasses hard white, soft white, white club, and western white, grade U.S. No. 2 or better, in bulk. Contracting period is October 24, 1969 through January 31, 1970. Delivery period is October 24, 1969 through February 28, 1970. Delivery will be to importer, f.o.b. vessel, U.S. Pacific ports.

Flour Production According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in August 1969 amounted to 21,678,000 hundredweight, averaging 1,032,000 hundredweight per working day. This compared with an average output per working day of 891,000 hundredweight last month and 994,000 hundredweight in August 1968. Wheat flour mills during August operated at 102.6 per cent of capacity, compared with 88.6 per cent and 98.4 per cent, respectively, for the previous month and the same month a year ago. Flour mills in August 1969 ground 48,469,000 bushels of wheat compared with 44,119,000 bushels the previous month and 48,950,000 bushels in August 1968.

Cash Wheat Prices on the Kansas City and Minneapolis Markets

No. 2 Hard Winter, Kansas City			No. 1 Northern Spring, Minneapolis		
Date		Price	Date		Price(1)
		cents per bushel			cents per bushel
September	1, 1969	Labour Day	September	1, 1969	Labour Day
	2	134 1/4 - 167		2	155 5/8 - 197 5/8
	3	148 - 149 1/2		3	154 3/4 - 196 3/4
	4	149 1/4 - 159 1/4		4	155 1/4 - 197 1/4
	5	143		5	157 1/4 - 199 1/4
	8	136 3/4 - 137 1/4		8	156 1/4 - 202 1/4
	9	137 3/4 - 171 3/4		9	155 1/2 - 207 1/2
	10	139		10	155 3/4 - 209 3/4
	11	138 - 156 1/4		11	156 1/8 - 210 1/8
	12	137 1/4 - 145 1/2		12	156 1/2 - 211 1/2
	15	142 1/4 - 156		15	156 3/4 - 212 3/4
	16	138 1/4 - 156 3/4		16	158 3/8 - 214 3/8
	17	142 3/4 - 148 3/4		17	160 1/4 - 218 1/4
	18	151 1/4 - 153 3/4		18	160 3/4 - 218 3/4
	19	146 3/4 - 170 1/4		19	159 1/2 - 217 1/2
	22	145 3/4 - 167 1/4		22	158 5/8 - 214 5/8
	23	137 1/2 - 167 1/2		23	157 1/2 - 211 1/2
	24	149 1/4 - 165		24	158 3/8 - 212 3/8
	25	142 - 149 1/2		25	159 1/4 - 213 1/4
	26	149 1/2 - 151 1/4		26	159 1/2 - 213 1/2
	29	137 3/4 - 168 3/4		29	161 1/4 - 215 1/4
	30	138 - 154 1/2		30	162 - 215

(1) 11 to 17 per cent protein.

Chicago Wheat Futures, High Points of Closing

Date		September	December	March	May	July	September
		cents and eighths per bushel					
September	1, 1969	Labour Day					
	2	128	133/2	136/2	136/2	134	
	3	128/6	133/6	136/6	136/6	134/2	
	4	129/3	133/6	136/6	136/6	133/6	
	5	131	134/3	137/3	137/2	133/5	
	8	130/4	134/1	137	137	132/7	
	9	130/6	134/4	137/4	137/5	133/6	
	10	131/2	135/1	138/2	138/3	134/2	
	11	131/6	135/4	138/4	138/5	134/5	
	12	131/5	135/5	138/4	138/6	134/6	
	15	130/6	135/1	138/1	138/1	134/3	
	16	131/5	135/3	138/2	138/4	134/3	
	17	132/2	135/5	138/6	139	135	
	18	132/3	135/7	139/1	139/3	135/2	
	19	131/4	135	138/2	138/3	134/6	
	22		133/5	136/6	137/5	134/1	
	23		133/5	137	137/5	134	
	24		135	138/2	138/6	135	
	25		134/2	137/4	138	133/7	
	26		133/6	136/7	137/3	133/2	
	29		134/6	138	138/4	134/2	136/7
	30		134/7	138/1	138/4	134	136/2

ARGENTINE SITUATION

Supplies Below Total estimated domestic supplies of wheat in Argentina for the
Previous Year 1968-69 (December-November) crop year amounted to 274.6 million
bushels, consisting of the December 1, 1968 carryover of 44.4
million and the 1968-69 crop placed at 216.8 million. In addition, imports during
the period December-August amounted to 13.4 million. Indicated total supplies for
the current Argentine crop year, are about 4 per cent less than the 1967-68 total of
286.6 million bushels. After making an allowance of 150.6 million bushels for
anticipated domestic requirements, an estimated 124.0 million are available for export
and for carryover compared with 127.5 million in 1967-68.

Exports Above Preliminary exports of wheat and wheat flour in terms of wheat
a Year Ago equivalent during December 1968 — August 1969 amounted to 76.5
million bushels, an increase of 10 per cent over the 69.8 million
exported during the same nine months in 1967-68. The balance remaining on September
1, 1969 for export and for carryover was estimated at 47.5 million bushels, a decline
of 18 per cent from the September 1, 1968 figure of 57.7 million.

Argentine Wheat Supplies

Item	1967-68 ^r	1968-69 ^P
	million bushels	
Carryover at beginning of crop year (December 1)(1)	16.4	44.4
Production	269.0	216.8
Imports, December-August	1.3	13.4
Total estimated supplies	286.6	274.6
Less estimated requirements for crop year	159.1	150.6
Available for export and for carryover	127.5	124.0
<u>Deduct</u>		
Exports of wheat as grain, December — August	68.8	74.3
Exports of wheat flour in terms of wheat, December — August	1.0	2.1
Total exports of wheat and wheat flour	69.8	76.5
Balance on September 1 for export and for carryover	57.7	47.5

(1) Includes allowances for farm stocks.

^P Preliminary figures.

^r 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, under date of September 19, 1969 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.

Weather and crops. — Very dry conditions have prevailed in the northern Argentine wheat growing provinces of Chaco, Santa Fe, Entre Rios and parts of Cordoba. In some regions, the crop is too poor to be harvested, particularly in the far north. Rains will also be required very shortly in the north of the province of Buenos Aires and throughout the province of La Pampa to ensure that the crop continues to develop normally.

Despite the failure of the early crop, the final outcome of the 1969-70 harvest will, of course, depend to a considerable extent on developments in Buenos Aires province where more than half of the crop is grown. The wheat plants are developing very well in the south of Buenos Aires province where there are good subsoil moisture reserves.

The durum crop is developing well in the south of Buenos Aires on a larger planted area.

Prices. — The failure of the early crop is one of the main reasons for the calling of a tender for 75,000 tons (2,756,000 bushels) of bread wheat by the National Grain Board on September 5. The successful offer on this tender was 40,000 tons (1,470,000 bushels) of U.S. 2 Hard Winters at an f.o.b. price of U\$54.15 per ton (\$1.59 per bushel) and 35,000 tons (1,286,000 bushels) at U\$54.29 (\$1.59 per bushel). Under the two-part tender of August 20, Argentina purchased 50,000 tons (1,837,000 bushels) of Mexican wheat at U\$48.64 per ton (\$1.43 per bushel) and 65,000 tons (2,388,000 bushels) of U.S. 2 Hard Winters at U\$55.99 (\$1.64 per bushel). Purchases to date total 365,000 metric tons (13,411,000 bushels) and additional imports may be required in view of the very poor early crop.

Argentina has now negotiated a price of U\$55.55 (\$1.63 per bushel) on the fourth quarter shipments of 250,000 tons (9,186,000 bushels) of wheat to Brazil under their three-year arrangement to supply one million tons (36,743,000 bushels) of wheat each year in the 1969-71 period.

Hard bread wheat prices firmed from 1,740 to 1,840 pesos per 100 kilos (\$1.46 to \$1.55 per bushel) f.o.r. Buenos Aires during August. Prices at Bahia Blanca were stable at 1,740 pesos per 100 kilos (\$1.46 per bushel). By September 19, prices at Buenos Aires had firmed to 1,900 pesos per 100 kilos (\$1.60 per bushel) while at Bahia Blanca, prices dropped to 1,720 pesos (\$1.44 per bushel) early in September before recovering to 1,740 pesos per 100 kilos (\$1.46 per bushel) by September 19.

Prices on the Buenos Aires Futures Exchange also firmed. At September 19, prices were 1,911 pesos per 100 kilos (\$1.61 per bushel) for October delivery; 1,860 (\$1.56 per bushel) for November; 1,720 (\$1.44 per bushel) for December and 1,690 (\$1.42 per bushel) for January.

Durum prices during August slipped from 2,170 to 2,040 pesos per 100 kilos (\$1.82 to \$1.71 per bushel) at Buenos Aires and from 2,100 to 1,980 pesos (\$1.76 to \$1.66 per bushel) at Bahia Blanca. By September 19, durum prices had recovered to 2,150 pesos per 100 kilos (\$1.81 per bushel) at Buenos Aires but had fallen to 1,900 pesos (\$1.60 per bushel) at Bahia Blanca.

Argentine Wheat Exports December - July 1968-69 and 1967-68

Destination	July		December - July	
	1968	1969	1967-68	1968-69
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium	—	—	176	1,204
France	—	—	1,148	647
Germany, Federal Republic	—	—	33	37
Italy	1,804	611	15,108	12,355
Netherlands	—	404	853	3,124
Sub-totals	1,804	1,015	17,318	17,367
<u>Other Western Europe</u>				
Britain	—	—	1,609	4,844
Denmark	—	—	16	—
Norway	—	—	37	486
Portugal	—	—	376	—
Sweden	—	—	29	—
Switzerland	—	—	7	355
Sub-totals	—	—	2,074	5,685
Totals	1,804	1,015	19,392	23,052
<u>Eastern Europe</u>				
Hungary	—	—	22	—
<u>Africa</u>				
Algeria	—	—	351	869
Mozambique	—	—	—	426
Totals	—	—	351	1,295
<u>Asia</u>				
China, Communist	—	—	370	—
Cyprus	—	—	—	472
India	—	—	—	4,364
Japan	—	—	—	527
Turkey	—	—	—	456
Viet-Nam	—	—	184	—
Totals	—	—	554	5,819
<u>Western Hemisphere</u>				
Bolivia	—	4	855	242
Brazil	5,010	3,373	17,866	25,559
Chile	338	44	2,892	2,489
Colombia	—	—	1,521	—
Paraguay	37	447	1,517	2,195
Peru	819	—	8,276	7,585
Uruguay	11	—	523	—
Totals	6,215	3,868	33,450	38,070
Totals, all countries	8,018	4,883	53,771	68,237

AUSTRALIAN SITUATION

Wheat Supplies Reflecting the effect of a sharp increase in production, which
Highest on Record more than offset a substantial decrease in carryover stocks,
 total supplies of wheat in Australia for the 1968-69 crop year
 are estimated at a record 591.4 million bushels as against 357.8 million in 1967-68.
 The 1968 production at 539.6 million bushels, exceeded by a wide margin the 277.4
 million bushels harvested in 1967-68, while carryover stocks, at December 1, 1968,
 at 51.8 million bushels, declined sharply from the 80.4 million at the same time a
 year ago. After deducting some 83.3 million bushels for anticipated domestic require-
 ments, an estimated 508.1 million are available for export and for carryover during
 1968-69, considerably above the 257.3 million in 1967-68.

Exports Above Combined exports of wheat as grain and wheat flour in terms of
Previous Year grain equivalent during the period December 1 — August 23 of the
 current Australian crop year amounted to 172.2 million bushels,
 9 per cent above the 157.8 million exported during the corresponding nine months of
 the 1967-68 crop year. The balance remaining on August 24, 1969 for export and for
 carryover, at 335.9 million bushels, was in sharp contrast to the 99.5 million at
 the same date a year ago.

Australian Wheat Supplies

Item	1967-68 ^r	1968-69 ^P
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1)	80.4	51.8
Production	277.4	539.6
Total estimated domestic supplies	357.8	591.4
Less estimated domestic requirements for crop year	100.5	83.3 ^r
Available for export and for carryover	257.3	508.1
<u>Deduct</u>		
Exports of wheat as grain, December 1 — August 23 ...	143.8	159.9
Exports of wheat flour in terms of wheat, December 1 — August 23	14.0	12.3
Total exports of wheat and wheat flour	157.8	172.2
Balance on August 24 for export and for carryover	99.5	335.9

^P Preliminary figures.

^r Revised figures.

The following information relative to the Australian situation has been extracted from a report from Mr. R. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, Victoria, under date of September 15, 1969 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

1969-1970 Crop. — The variability of crop production provides an inherent difficulty in estimating wheat production, and conflicting estimates have been made apparently with the approaching general election in mind. The last official estimate made by the Bureau of Agricultural Economics (BAE), was 495 million bushels. However, the weather in the major wheat growing states has been excellent, providing a second estimate not yet published and given to us by an official of BAE. The estimate is quite realistic, given average weather in the next month. The following table includes the estimate made several weeks ago, indicating the general upward trend in the estimates. The latter two columns provide the quota levels for each State, and the excess production over and above the quota levels.

Wheat Crop Estimates

State	Official estimate at Sept. 10	Possible production(1)	Official estimate at Aug. 22	Total quota	Excess production over quota(2)
million bushels					
N.S.W.	240	255	235	130(3)	110
Victoria	85	90	80	65	20
South Australia	74	77	70	45	29
West Australia	68	70	70	86	-18
Queensland	28	28	32	31(4)	- 3
Totals	495	520	487	357(5)	138

(1) Production levels which are possible under present conditions.

(2) Excess production per quota is based on official estimate at September 10.

(3) Includes 7 million bushels extra quota for Prime Hard wheat.

(4) Includes 6 million bushels extra quota for Prime Hard wheat.

(5) Including extra quota for Prime Hard wheat.

The estimates differ from previous reports. The acreages have not been officially announced by the BAE but an interim estimate is provided as well as the predicted average yield.

Interim Acreage Estimates and Average Yields

State	Estimated acreage	Average yield per acre
	million acres	bushels
New South Wales	9.5	25.3
Victoria	3.5	24.3
South Australia	3.5	21.1
West Australia	7.0	9.7
Queensland	1.7	16.5
Totals	25.2	96.9

New South Wales. — New South Wales has had above average rainfall in the wheat growing areas during August, as well as the preceding six months, creating excellent crop conditions. The prospect is thus for an above average yield and the possibility that yield estimates will continue to increase. As this particular State produces one-half of Australia's wheat, a significant change in total Australian production could take place with small changes in yields. The major fear has been the possibility of frost. However, the critical frost period normally of August and early September has been by-passed. The remaining threat is that of rust which could rapidly change the situation in this State.

Victoria. — Victoria faces the prospect of having the best wheat crop in years, with timely rains during August in the wheat growing regions.

South Australia. — Rainfall in South Australia was not widespread during August, and created dry conditions in the wheat region during the latter weeks. However, timely rainfall did occur in the regions during the last few days of August, and September rains have provided good yield prospects. In conjunction with these latter rains, total moisture for the last six months was above average, carrying the crop through August in good condition.

Western Australia. — Western Australia is in the midst of a drought and the wheat crop is deteriorating. The August rainfall has been much below average as well as total rainfall in the last six months. The present yield estimate is two-thirds of the average yield for the years 1963-64 to 1968-69.

Queensland. — Queensland is also experiencing a drought situation. However, late rains did occur in the wheat growing areas. These did not improve the crop situation, with the estimate yield still well below average. Nevertheless, the quality of the wheat is expected to be high and thus readily saleable, so that no storage problems should arise.

Wheat storage difficulties evident. — It is evident that there remains a great deal of grain to be stored. The expected total silo capacity will be able to handle the quota wheat in the overall situation. However, the carry-over is not evenly distributed, with northern New South Wales and Queensland having no problem. South Australia appears not to have adequate storage facilities for its quota. Victoria is juggling storage capacity to ensure storage for quota wheat. West Australia should have ample capacity. New South Wales is making quite good progress in handling the problem. Nevertheless, over quota wheat will have to be stored on the farm.

On-the-farm storage plans are readily available from the N.S.W. Department of Agriculture. The favourite temporary farm storage facility seems to be a farm-machinery-grain storage steel building. This will undoubtedly provide shade but the weevil may create a great many problems during the storage period which takes place in the hot summer months. The reaction of farmers to the storage problems has created a great deal of second guessing by several Government officials as to the future of wheat growing in Australia. Most expect next year's acreage to be severely curtailed as the serious wheat farmer is building home silos which can control nature and thus safely store grain, but indications are that few farmers are willing to make this capital investment.

Commonwealth budget 1969-70. — A. The budget that was brought down includes a few concessions and indirect subsidies to wheat farmers. The major change is an increase in the subsidy for superphosphate fertilizer of A.\$4 (\$4.79 Canadian) a ton to a total of A.\$12 (\$14.38 Canadian) a ton, and the subsidy on nitrogen fertilizer to be continued for another three years.

B. Drought bonds are to be issued although they will not benefit most of the wheat growers.

C. A change in depreciation allowances has been made to induce structural improvements for conserving water and fodder, such as tanks, silos and hay sheds - by deduction of the cost of these improvements in the taxation year incurred instead of a five year depreciation schedule.

D. Exemptions levels in estate duty have been raised by 20 per cent with additional relief in respect of land and other assets such as livestock, farm plant, and machinery. These changes would apply to estates of a net value less than A.\$250,000 (\$299,500 Canadian). Other administrative requirements pertaining to estate duty will also be relaxed.

Politics and wheat. — The next several weeks should prove to be highly interesting as Commonwealth general elections will take place on October 25. Already, the wheat growers are following the old adage: "Always ask for more than you expect to get". The crisis of the wheat industry could have a bearing on the political fortunes of the Government and especially of the Country Party, the smaller partner in the Government coalition. Most of the demands made by wheat growers would be very costly to the Federal Treasury, and although the Government would like to, and probably will, provide some pre-election inducements, it does not have an unlimited treasury. Besides asking the Government to finance sufficient storage for all of the upcoming crop, the wheat growers would also like to sell home consumption wheat at two prices - wheat for human consumption at the guaranteed price and that for non-human use to bring the price up to the guaranteed price. Mr. Anthony, Minister for Primary Industry, recommended to State Governments that the price of wheat for stock feed be reduced, although the Commonwealth Government would not make up the difference between the stock-feed price and the home consumption price. To adopt this proposal, the 1968 Wheat Stabilization Act would have to be altered in Federal Parliament and amendments accepted in State Parliaments.

There are also other demands, some of which make more economic sense than do others. Denaturing of wheat and selling it as feed has been suggested, although the scope for such sales in the international market would be limited in the view of some Government officials. Black-market selling of wheat appeals to the farmer, even though he probably realizes that it is not in his best long term interests. Such sales would not be much help to stockmen, except at very low prices, as the general fodder situation is excellent.

The atmosphere is thus full of suggestions on how to dispose of wheat, although the Government foresees inherent difficulties in all of them. In any event, they are adding interest to the political campaign, and they highlight a problem in international wheat marketing which is affecting Australia as much as it is affecting the other major wheat exporting countries.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 - August 23, 1968-69 and Corresponding Period 1967-68

Destination	Wheat		Wheat Flour	
	1967-68	1968-69	1967-68	1968-69
	thousand bushels			
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	178	—	—	—
Germany, Federal Republic	80	1,605	—	—
Netherlands	2,721	6,193	—	—
Sub-totals	2,979	7,798	—	—
<u>Other Western Europe</u>				
Britain	16,947	23,563	336	274
Ireland	1,199	642	—	—
Malta	737	739	—	—
Norway	1,356	3,611	—	—
Sweden	—	52	—	—
Others	10	248	—	—
Sub-totals	20,249	28,855	336	274
Totals	23,228	36,653	336	274
<u>Africa</u>				
Malawi	—	—	228	302
Mauritius	—	—	371	672
Mozambique	421	—	—	—
Rhodesia	2,957	1,576	—	—
Sudan	422	—	—	—
Zambia	1,527	1,697	104	—
Others	9	80	130	284
Totals	5,336	3,353	833	1,258
<u>Asia</u>				
Aden	644	533	—	—
Aden and Aden I/T	—	—	216	136
Aden and Aden I/T Atta	—	—	127	73
Afghanistan	—	367	—	—
Arabian Gulf	—	—	36	149
Arabian Gulf Atta	—	—	452	551
Ceylon	4	938	5,997	4,154
China	54,831	44,957	—	—
Hong Kong	3,537	1,666	68	26
India	7,554	1,131	—	—
Indonesia	—	—	2,562	1,800
Iraq	2,770	—	—	—
Japan	17,015	36,294	—	—
Korea South	—	369	—	—
Kuwait	1,541	1,986	—	—
Lebanon	1,763	3,685	—	—
Malaysia	8,322	6,708	—	—
Pakistan	—	868	—	—
Philippines	306	912	94	121
Sabah	—	—	15	19
Sarawak	—	—	18	14
Saudi Arabia	167	1,242	202	489

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 - August 23, 1968-69 and Corresponding Period 1967-1968

Destination	Wheat		Wheat Flour	
	1967-68	1968-69	1967-68	1968-69
	thousand bushels			
<u>Asia (Conc.)</u>				
Singapore	7,673	2,940	1	2
Taiwan	772	1,450	—	—
Thailand	1,042	1,169	177	168
Others	300	466	89	106
Totals	108,241	107,681	10,054	7,808
<u>Oceania</u>				
New Zealand	1,101	—	—	—
<u>Western Hemisphere</u>				
Argentina	—	1,000	—	—
Chile	3,355	4,146	—	—
Colombia	—	1,293	—	—
Peru	2,482	5,720	—	—
West Indies Area	—	—	414	163
Totals	5,837	12,159	414	163
<u>Pacific Area and Sundries</u>				
Pacific Islands	56	52	2,260	2,686
Ships' Stores and Sundries	—	—	101	111
Totals	56	52	2,361	2,797
Totals, all countries	143,800	159,900	14,000	12,300

GRAIN SITUATION IN FRANCE

Supplies Lower than a Year Ago Total estimated commercial domestic supplies of soft wheat in France for the crop year (August-July) 1969-70, consisting of the August 1 carryover of 103.9 million bushels and anticipated marketings of 390.4 million amount to some 494.3 million, 4 per cent less than the 1968-69 total of 516.3 million. Imports of wheat during August 1969 amounted to a little over one million bushels. After deducting 224.9 million bushels for estimated domestic use, including normal feed wheat requirements, the surplus available for export and for carryover is about 270.6 million bushels compared with 291.0 million last year.

Exports Above Last Year Combined exports of wheat and wheat flour in terms of grain equivalent during the first month of the 1969-70 crop year amounted of 13.5 million bushels, and represented an increase of 12 per cent over the comparable August 1968 figure of 12.1 million. The balance of commercial supplies remaining on September 1, 1969 for export and for carryover amounted to 257.1 million compared with the September 1, 1968 total of 278.9 million.

French Soft Wheat Supplies

Item	1968-69 ^r	1969-70 ^p
	million bushels	
Commercial carryover August 1	93.2	103.9
Anticipated deliveries to Grain Board	423.1	390.4
Total estimated commercial domestic supplies	516.3	494.3
Imports, August	1.0	1.2
Total commercial supplies	517.3	495.5
Less domestic requirements for crop year	226.2	224.9
Available for export and for carryover	291.0	270.6
<u>Deduct</u>		
Exports of wheat and flour in terms of wheat, August	12.1	13.5
Balance on September 1 for export and for carryover	278.9	257.1

p Preliminary figures.

r Revised figures.

The following account of the wheat situation in France has been extracted from a report from Mr. J.G. Beaudette, Agricultural Secretary, Canadian Embassy, Paris, under date of October 15, 1969 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Where possible, conversions to Canadian measures have been made for the convenience of our readers.

Weather and crops in August. — Except for two cool stormy periods around the 12th and the 20th of the month, August weather was generally good and dry with less than normal rainfall in all regions except the North and the Massif Central. Harvesting conditions were very favourable especially in the first two weeks.

In the Paris basin, soft wheat yields were excellent with high specific weights, but with a high percentage of small kernels. In Eastern France and in the south of the Paris basin, yields and quality were disappointing. In certain areas, high summer temperatures are estimated to have caused a 10 per cent reduction in yield. For durum wheats, average yields and quality in the South has a high percentage of cloudy kernels. In the Paris area, the durum crop is of good quality with an important percentage of small kernels.

The September 1 estimates, released late last month show a slight drop from the evaluations of August 1. At the same time, the Ministry released its final figures for 1968.

	Area			Production		
	Final	1969 Estimates		Final	1969 Estimates	
	1968	Aug 1	Sept 1	1968	Aug 1	Sept 1
	thousand acres			thousand bushels		
Winter wheat soft	9,082	9,164	9,117	499,011	484,754	482,550
" " durum	122	128	128	4,924	4,666	4,593
Spring " soft	561	510	526	28,623	26,639	26,088
" " durum	126	176	176	5,585	8,304	7,863
Totals soft wheat	9,643	9,674	9,642	527,634	511,393	508,638
" durum "	248	304	304	10,509	12,970	12,456

Thus the final 1968 soft wheat acreage and production figures are lower than estimated last November. Private agricultural experts evaluate the wheat crop still lower, as they feel that the Ministry overestimates the yield per hectare and the farm utilization, set at about 2.8 million tons (102.9 million bushels) out of the 1968 crop. On the other hand, there can be little doubt on the durum figures as nearly all of it is marketed into commercial channels.

Millers' stocks at August 1 were 464,700 tons (17,075,000 bushels) as wheat and 67,500 tons as flour in wheat equivalent. The milling industry received 310,500 tons (11,409,000 bushels) of soft wheat from domestic sources and 31,000 tons (1,139,000 bushels) of imported wheat during August, but shipped out 430,900 tons (15,833,000 bushels) of products in wheat equivalent during the month including 50,200 tons (1,845,000 bushels) for export. Industry stocks at September 1 had dropped to 327,000 tons (12,015,000 bushels) as wheat and 115,800 tons (4,255,000 bushels) as flour in wheat terms.

For durum, commercial stocks went from 96,800 tons (3,557,000 bushels) on August 1 to 158,800 tons (5,835,000 bushels) at September 1. August farm deliveries were 79,500 (2,921,000 bushels), sales to mills 11,300 (415,000 bushels) and exports 6,100 tons (224,000 bushels). Millers held 22,700 tons (834,000 bushels) on August 1, took delivery of 12,500 tons (459,000 bushels) of domestic durum and 48,400 tons (1,778,000 bushels) of imported durum, and milled 14,100 tons (518,000 bushels) during August. Milling industry-owned stocks of durum stood at 69,500 tons (2,554,000 bushels) on September 1.

At end of August, total farm deliveries of 1969 crop wheat had reached 6,632,500 tons (243.7 million bushels) of soft wheat out of an expected 10.6 million (389.5 million bushels) and 177,700 tons (6.5 million bushels) of durum out of some 330,000 (12.1 million bushels) anticipated for the crop year.

Preliminary customs statistics show that French wheat imports during August 1969 at 94,454 tons (3,471,000 bushels) were slightly higher than in the same month last year with Canada supplying larger quantities at the expense of the USA. The trade reports a recent sale of some 30,000 tons (1,102,000 bushels) of Canadian durum to one of the Paris area durum mills.

Denatured wheat exports in August 1969 reached 45,000 tons (1,653,000 bushels), these shipments still resulting from sales made earlier in 1969. Soft wheat exports in the month at 272,757 tons (10,022,000 bushels) were 35,000 tons (1,286,000 bushels) bigger than in August 1968. Wheat flour shipments only reached 30,826 tons (1,133,000 bushels) compared to 45,779 tons (1,682,000 bushels) in August 1968, the fact that no shipments were made to Egypt in August 1969 accounting for the entire difference.

French grain trade circles are alive with talks of large possible sales of French wheat, both feed and milling, and feed barley to Poland. Total quantities mentioned go over the million-ton mark, and it is said that a good share of these sales would in fact go to East Germany. However, as of this date, no confirmation of any sale to Poland has been announced.

French Wheat Imports

	August	
	1968	1969
	thousand bushels	
<u>Durum Wheat</u>		
Greece	180	—
U.S.A.	2,150	1,664
Canada	95	617
Totals	2,424	2,281
<u>Soft & Hard Wheats</u>		
Belgium and Luxembourg	—	6
U.S.S.R.	9	159
U.S.A.	819	276
Canada	157	563
Argentina	—	176
Australia	4	10
Totals	990	1,190

French Soft Wheat Exports

Country	August 1968		August 1969	
	Wheat denatured	Wheat except seed	Wheat denatured	Wheat except seed
	thousand bushels			
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	21	1,133	613	881
Holland	—	297	103	450
Germany, West	43	780	895	1,559
Italy	—	401	15	401
Sub-totals	64	2,611	1,626	3,291

French Soft Wheat Exports

Country	August 1968		August 1969	
	Wheat	Wheat	Wheat	Wheat
	denatured	except seed	denatured	except seed
	thousand bushels			
<u>Other Western Europe</u>				
Andorra	—	—	—	1
Britain	—	1,217	—	1,922
Ireland	16	22	—	44
Norway	—	144	—	175
Switzerland	15	39	5	65
Sub-totals	31	1,422	5	2,207
Totals	95	4,033	1,631	5,498
<u>Eastern Europe</u>				
Bulgaria	—	1,523	—	—
<u>Africa</u>				
Cameroun	—	110	—	28
Central African Republic	—	55	—	37
Congo (Brazza)	—	55	—	—
Egypt	—	1,905	—	2,743
Gabon	—	—	—	37
Mauritania	—	—	—	2
Senegal	—	294	—	76
Sudan	—	762	—	—
Tunisia	—	—	—	567
Totals	—	3,181	—	3,490
<u>Asia</u>				
China (Mainland)	—	—	—	607
Japan	—	—	—	10
Philippines	—	—	—	369
Singapore	—	—	—	50
Total	—	—	—	1,036
Totals, all countries	95	8,738	1,631	10,022

GRAIN SITUATION IN PAKISTAN

The following account of the current situation in Pakistan has been extracted from a report by Mr. J.E.G. Gibson, Commercial Secretary, Pakistan, under date of October 14, 1969, and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Developments in 1969. — A year ago Pakistan appeared to be within sight of its stated goal — self-sufficiency in foodgrains. The 1967-68 wheat crop at 6,375,000 metric tons (234.2 million bushels) was an all-time high and West Pakistan was in a wheat surplus position. East Pakistan which is essentially a rice consuming province remained in its traditional deficit supply position with the result that more than

one million tons (36.7 million bushels) of wheat supplied from both West Pakistan and aid imports had to be rushed in to meet immediate requirements.

Nonetheless, Pakistan's planners felt that a 10 per cent increase in wheat and rice production in 1968-69 could be sufficient to achieve self-sufficiency. The area sown to wheat this year was 14,883,000 acres down 0.6 per cent from the previous year but at the same time the area sown to Mexi-Pak (dwarf) wheat was increased from 2.3 million acres to 6 million. It was assumed that this increase in Mexi-Pak wheat which has spearheaded Pakistan's "Grain Revolution" would be the key to the achievement of self-sufficiency.

During the first half of 1969 exceptionally optimistic reports of the anticipated crop were being heard. Estimates ranged from 6.9 million to 7.5 million tons (253.5 million to 275.6 million bushels) and there was considerable official discussion about the prospect of Pakistan no longer being committed to imports particularly under PL480 arrangements. In April 1969, the Government of Pakistan took steps towards driving down retail wheat and flour prices by cutting back the Government purchase price of the 1968-69 wheat from Rupees 17 to Rupees 15 per maund — approximately 83 pounds — (\$2.78 to \$2.45 per bushel, Canadian).

By mid 1969 it was clear that the predictions were on the high side. With harvesting about two-thirds complete the crop estimate stood at 6.8 million tons (249.9 million bushels). By early October when the harvesting was in, the total was set at 6.5 million tons (238.8 million bushels), a marginal increase over the performance in 1967-68. The Government of Pakistan, on the other hand has estimated the crop at 6.3 million tons (231.5 million bushels). Based on this last figure Pakistan has entered the world market for imports ranging between 1.2 million and 1.5 million tons (44,092,000 bushels and 55,115,000 bushels) of wheat in addition to some much smaller quantities of low grade rice.

Several factors contributed to this temporary set-back and most were beyond the control of Pakistan's planners. Although Mexi-Pak wheat amounted to about two-thirds of the total wheat crop, yields from this variety were nearly 20 per cent lower than expected owing to late sowing and abnormally hot weather during the crucial growing period combined with a shortage of that important input — water. It is also suspected that the sudden rush to switch to Mexi-Pak wheat caused a substantial portion of seeds to be planted in poorly prepared soils.

It is also probable that a larger than usual percentage of wheat has not been brought to market this year by the growers. This may be explained by two prospects, firstly more wheat than usual was damaged by adverse weather conditions and secondly the Government's cut in wheat purchase prices severely cut into the narrow margin of higher cost Mexi-Pak wheat with the result that more wheat may have been retained for feed and seed purposes or marketed through other channels. In connection with the latter prospect it is significant that the Government originally raised its buying prices to promote additional crops and also to encourage growers to market directly into Government purchase agencies. The price cut for the 1968-69 crop came as a major surprise to growers.

Another contributing factor is thought to have been a shortage of fertilizers. It is known that West Pakistan has large stocks of phosphate fertilizers but the growers in this region are said to prefer nitrogenous types, particularly urea. Although more than 600,000 tons of fertilizers were spread in West Pakistan this is said to be well below the planned amount.

Apart from wheat, the major cause of Pakistan's foodgrains deficit has been a stagnancy in East Pakistan's rice production. While West Pakistan is a surplus rice producer and indeed has regular overseas exports of Basmati — a long grain fine rice, East Pakistan produces over 80 per cent of the national crop and consumes a much greater percentage. Net rice availability after seed and feed deductions from the 1968-69 crop, is estimated at 9,900,000 tons (485.0 million bushels) against which must be set East Pakistan's anticipated consumption level of 11,300,000 tons (553,599,000 bushels). This, then is Pakistan's foodgrains gap which today is not able to be plugged from domestic sources.

Imports. — Contrary to officially inspired reports earlier this year Pakistan is seeking PL480 wheat assistance from the United States. The amount which has been requested is 1,100,000 tons (40,418,000 bushels) of which this would include 100,000 tons (3,674,000 bushels) to be supplied on an outright grant basis. Negotiations are proceeding at the time of writing this article.

In addition Pakistan is to receive wheat supplies under the Food Aid Convention from a number of overseas nations. Canada has committed to provide \$4,000,000 approximately 60,000 tons, (2,205,000 bushels) of No. 3 Manitoba Northern under grant. The European Economic Community has granted 50,000 tons (1,837,000 bushels). Australia will likely provide 25,000 tons (919,000 bushels) under grant in addition to a possible sale of 50,000 tons (1,837,000 bushels) of F.A.Q. wheat. The most recent supplier committed is West Germany which is to provide 70,000 tons (2,572,000 bushels) under grant.

Should the United States be able to meet Pakistan's requests in full, it appears clear that given her other sources Pakistan should be able to satisfy the grains deficiency and maintain its reserves, in the case of wheat: 675,000 tons (24,082,000 bushels) intact.

Preparing for 1970-71. — The West Pakistan wheat is planted during late October and November and for 1970-71 the Government has targetted for a production of 7,500,000 tons (275.6 million bushels). Achievement of this will require a tremendous mobilization of resources which is currently underway.

Very large procurements of nitrogenous fertilizers have been made in recent months and it is hoped that these will be delivered in time. In addition special efforts will be made to promote the sale and use of phosphatic fertilizers. This will probably include a more favourable pricing of phosphate types. More Mexi-Pak wheat will be sown next year; latest acreage estimated for this type is 8,000,000 acres. Raising the Mexi-Pak yield will require substantial imports of fertilizer and water quite apart from the weather.

A very significant step was announced on October 2, 1969 when the government decided to restore the former purchase price to Rupees 17 per maund (\$2.78 Canadian) for the 1969-70 wheat crop. This should encourage a larger acreage of wheat sown and hopefully it will be an incentive for more wheat entering next year's market through normal distribution channels.

Other steps being taken include transferring seed distribution and plant protection operations to the private sector. At the same time special short term credit facilities have been established to enable smaller growers to purchase seeds and fertilizers. This will be funded by an allocation of Rupees 30 million (\$6.8 million Canadian) from the Agricultural Development Bank of Pakistan.

With population rising at a net rate of 3 per cent annually and foodgrains demand increasing at an even greater rate, this year's crop has come as an expensive disappointment to Pakistan's planners for it is now clear that self-sufficiency will not come as early as hoped. The results of next year's wheat crop will be more crucial than ever.

CALENDAR OF WHEAT EVENTS

September	30	According to the latest information available to the Foreign Agricultural Service, U.S.D.A., the first estimate for world production of wheat in 1969-70 is placed at 10.8 billion bushels. A harvest at this level would be 5 per cent below the record 11.4 billion bushels for 1968-69.
October	1	On the basis of conditions at September 15, Canada's 1969 wheat crop was forecast at 684.8 million bushels, 5 per cent above the 1968 harvest of 649.8 million. Production of wheat in the Prairie Provinces in 1969 was placed at 665.0 million bushels, an increase of 6 per cent over the 1968 outturn of 629.0 million.

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