

The Wheat Review

SEPTEMBER 1970



DOMINION BUREAU OF STATISTICS

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DOMINION BUREAU OF STATISTICS

Agriculture Division

Crops Section

THE WHEAT REVIEW

SEPTEMBER 1970

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WORLD WHEAT SITUATION

August Exports Sharply Above Last Year's Level

Total exports of wheat and wheat flour in terms of wheat from the four traditional major exporters during August 1970 have amounted to 125.2 million bushels, an increase of 53 per cent over the 82.0 million bushels exported during the same month in 1969 and 10 per cent more than the ten-year (1959-68) average shipments for the same month of some 113.6 million bushels. As indicated in the accompanying table based on the Canadian crop year, exports from Canada, United States and Argentina were at higher levels this year than last while those from Australia were lower.

Exports of Wheat and Flour in Terms of Wheat, August 1970 with Comparisons

August	Canada	Australia	United States	Argentina	Total	France
million bushels						
1950	15.5	11.7	14.8	7.0	49.0	
1951	21.7	11.5	42.7	7.1	83.0	
1952	32.7	2.5	26.1	-	61.3	
1953	28.7	5.0	20.5	9.9	64.1	
1954	19.2	5.8	17.8	10.7	53.5	
1955	23.4	6.5	25.0	10.4	65.3	
1956	29.4	16.0	42.7	9.1	97.2	
1957	27.6	9.5	35.8	5.8	78.7	
1958	25.8	8.2	38.1	5.6	77.7	
1959	24.5	9.0	33.4	5.6	72.5	
1960	26.9	8.6	41.7	12.1	89.3	
1961	38.8	20.6	51.2	1.2	111.8	
1962	25.0	8.3	44.2	3.6	81.1	
1963	32.2	17.4	55.2	4.2	109.0	
1964	46.0	11.9	54.5	8.7	121.1	
1965	46.0	20.7	64.6	21.2	152.5	
1966	67.1	15.0	80.8	9.5	172.4	
1967	27.2	24.3	66.0	0.8	118.3	
1968	33.7	16.8	52.6	5.0	108.1	12.1
1969 ^r	15.4	24.4	37.1	5.1	82.0	13.5
1970 ^p	45.7	21.8	51.3	6.4	125.2	N.A.

p Preliminary figures.

r Revised figures.

N.A. Not available.

Wheat Supplies of Four Major Exporters Below a Year Ago

Total supplies of wheat remaining in Canada, Australia, United States and Argentina at September 1, 1970 for export and for carryover at the end of their respective crop years, amounted to 2,958.3 million bushels, 5 per cent less than the 3,100.5 million at the same time a year ago. This decrease reflected smaller supplies for Canada and United States which more than offset increases in Australia and Argentina. Supplies on or about September 1, 1970, in millions of bushels, were held as follows, with last year's comparable figures in brackets: Canada, 1,128.7 (1,342.3); Australia, 376.4 (338.2); United States, 1,393.3 (1,397.9); and Argentina, 59.9 (22.1).

CANADIAN SITUATION

Supplies Second Highest on Record

Total estimated supplies of wheat for the 1970-71 (August-July) crop year are placed at a next-to-record 1,349.4 million bushels, consisting of an all-time high August 1 carryover of 1,011.0 million and the 1970 crop, forecast on the basis of conditions at August 15, at 338.3 million bushels. Supplies of the size indicated represent a decrease of 12 per cent from the 1969-70 record total of 1,536.1 million bushels. Assuming realization of the August forecast of production and after making an allowance of 175.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1970-71 would amount to 1,174.4 million bushels, 14 per cent below the 1,357.7 million in 1969-70.

August Exports Above Previous Year

Exports of wheat and flour in terms of wheat equivalent, during August 1970 amounted to some 45.7 million bushels, in contrast to the August 1969 figure of 15.4 million. This year's August wheat exports consisted of 44.8 million bushels of wheat in bulk, 103 thousand of seed and 0.8 million of flour in terms of wheat.

Subject to realization of current production and utilization estimates, the balance remaining on September 1, 1970 for export and for carryover, amounted to 1,128.7 million bushels, 16 per cent less than the September 1, 1969 total of 1,342.3 million.

Canadian Wheat Supplies

Item	1969-70 ^r	1970-71 ^p
	million bushels	
Carryover in North America at beginning of crop year (August 1)	851.8	1,011.0
Production	684.3	338.3
Total estimated supplies	1,536.1	1,349.4
Less estimated domestic requirements for crop year	178.4	175.0
Available for export and for carryover	1,357.7	1,174.4
<u>Deduct</u>		
Exports of wheat in bulk, August(2)	13.0	44.8
Exports of seed wheat, August(3)	0.1	0.1
Total exports of wheat as grain	13.1	44.9
Exports of wheat flour in terms of wheat, August(3)	2.3	0.8
Total exports of wheat and wheat flour	15.4	45.7
Balance on September 1 for export and for carryover	1,342.3	1,128.7

(1) Based on August forecast of production. (2) As reported by the Board of Grain Commissioners. (3) Customs returns, 1969-70 adjusted for time lag. (4) Less than 50,000 bushels. P Preliminary figures. ^r Revised figures.

August Forecast of
Production of Canada's
1970 Grain Crops

With the exception of spring wheat, production of each of the major Canadian grains will be above last year's levels on the basis of yields indicated at August 15. Realization of the 1970 yield and production forecasts in the accompanying table is dependent on the existence of satisfactory weather conditions throughout the remainder of the growing and harvesting season. Prairie farmers are making good progress with the harvest of this year's cereal and oilseed crops under generally good weather conditions. Hot, dry weather during August hastened the maturity of cereals but brought some adverse effects due to high temperatures and drought, particularly in late maturing cereals. Good yields and bushel weights are being obtained from crops harvested to date. Swathing of crops is well advanced in many districts with ideal curing of swaths permitting rapid follow through of threshing in the south. Given continued good weather, combining is expected to be general before mid-September.

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

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

Province and crop	Area		Yield per acre		Production	
	1969	1970(1)	1969	1970(1)	1969	1970(1)
	acres		bushels			
CANADA						
Winter wheat	360,000	355,000	39.8	45.0	14,328,000	15,975,000
Spring wheat(2) ..	24,607,700	12,129,000	27.2	26.6	669,948,000	322,365,000
All wheat	24,967,700	12,484,000	27.4	27.1	684,276,000	338,340,000
Oats for grain ..	7,655,000	7,279,000	48.5	51.6	371,387,000	375,796,000
Barley	9,535,100	10,042,900	39.7	42.2	378,383,000	424,021,000
Fall rye	821,300	875,700	17.7	23.5	14,535,000	20,573,000
Spring rye	106,000	139,000	18.5	20.7	1,958,000	2,872,000
All rye	927,300	1,014,700	17.8	23.1	16,493,000	23,445,000
Mixed grains	1,740,300	1,939,800	50.2	52.1	87,346,000	101,025,000
Flaxseed	2,340,700 ^r	3,368,300 ^r	11.8 ^r	14.0	27,548,000 ^r	47,077,000
Rapeseed	2,012,000	3,950,000	16.6 ^r	20.1	33,400,000 ^r	79,500,000
Mustard seed	267,000	180,000	19.3	N.A.	5,160,000	N.A.
PRAIRIE PROVINCES						
Wheat(2)	24,400,000	12,000,000	27.3	26.6	665,000,000	318,800,000
Oats	5,630,000	5,390,000	49.4	52.7	278,000,000	284,000,000
Barley	9,000,000	9,500,000	39.4	41.9	355,000,000	398,000,000
Rye	859,000	944,000	17.1	22.5	14,658,000 ^r	21,247,000
Flaxseed	2,320,000 ^r	3,350,000	11.8 ^r	14.0	27,300,000 ^r	46,800,000
Rapeseed	2,012,000	3,950,000	16.6 ^r	20.1	33,400,000 ^r	79,500,000

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

(2) Includes durum wheat.

^r Revised figures.

N.A. Not available.

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

The 1970 crop of spring wheat, forecast at 322.4 million bushels is being harvested from a seeded area of 12.1 million acres and yielding an indicated 26.6 bushels per acre. The 1969 spring wheat crop of 669.9 million bushels was produced on 24.6 million acres and yielded an average of 27.2 bushels per acre. The 1970 yield for Ontario's winter wheat crop is placed at 45.0 bushels per acre as compared with 39.8 bushels in 1969. In spite of a one per cent decrease in acreage this year's production at 16.0 million bushels is above the 14.3 million in 1969.

August Forecast of the 1970 Production of Wheat, Canada and Provinces
Compared with 1969

Province	Area		Yield per acre		Production	
	1969	1970	1969 ^r	1970(1)	1969 ^r	1970(1)
<u>All wheat</u>	acres		bushels			
Canada	24,967,700	12,484,000	27.4	27.1	684,276,000	338,340,000
Ontario	369,300	364,000	39.5	44.6	14,570,000	16,245,000
<u>Spring wheat</u>						
Canada(2)	24,607,700	12,129,000	27.2	26.6	669,948,000	322,365,000
Prince Edward Island.	2,500	3,600	37.0	39.8	92,000	143,000
Nova Scotia	3,200	4,000	43.1	47.1	138,000	188,000
New Brunswick	3,700	3,100	33.0	37.7	122,000	117,000
Quebec	29,000	29,300	26.0	25.5	754,000	747,000
Ontario	360,000	355,000	39.8	45.0	14,328,000	15,975,000
Manitoba(2)	2,500,000	1,400,000	25.6	24.1	64,000,000	33,800,000
Saskatchewan(2)	16,600,000	8,000,000	27.8	26.5	461,000,000	212,000,000
Alberta(2)	5,300,000	2,600,000	26.4	28.1	140,000,000	73,000,000
Br. Columbia	160,000	80,000	22.5	26.2	3,600,000	2,100,000
<u>Winter wheat</u>						
Canada(3)	360,000	355,000	39.8	45.0	14,328,000	15,975,000

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

(2) Includes durum wheat.

(3) Winter wheat estimates apply to Ontario only. The western wheat crop contains a relatively small proportion of winter wheat but, due to difficulties encountered in obtaining acreage data required for a separate winter wheat estimate in the Prairie Provinces, all western wheat is currently included under spring wheat.

^r Revised figures.

In the Prairie Provinces, the 1970 wheat crop is forecast at 318.8 million bushels some 52 per cent below last year's crop of 665.0 million and 44 per cent below the ten-year (1959-68) average of 565.7 million. The forecasted average yield per seeded acre in the Prairie Provinces, on the basis of conditions at August 15, is 26.6 bushels per acre, with the Manitoba average 24.1 Saskatchewan 26.5 and Alberta 28.1 bushels per acre. Production in each of these provinces in millions of bushels, with last year's estimate in brackets, is as follows: Manitoba, 33.8 (64.0) Saskatchewan, 212.0 (461.0) and Alberta, 73.0 (140.0). Relatively small amounts of winter wheat are included in these forecasts for the Prairie Provinces.

The indicated production of durum wheat, which is included in the above forecast of spring wheat is 79.5 million bushels compared with last year's estimate of 83.0 million. Forecasts of 1970 production in each of the Prairie Provinces in millions of bushels, with last year's estimates in brackets are: Manitoba 2.5 (4.0) Saskatchewan, 65.0 (68.0) and Alberta, 12.0 (11.0). The acreage seeded to this crop was 3 per cent smaller than in 1969. Yields per acre in 1970 with 1969 figures in brackets are: Manitoba, 21.7 (23.5) Saskatchewan, 26.0 (26.2) Alberta, 26.7 (28.6) and the Prairie Provinces, 25.9 (26.3).

Visible Supplies The total visible supply of Canadian wheat at September 16 this year, at 421.4 million bushels, represented a decrease of 12 per cent from the 1969 comparable total of 478.1 million but was 5 per cent more than the 399.6 million of 1968. The bulk of the supplies were in country elevators, with visible supplies in this position amounting to 256.2 million bushels, 9 per cent less than the 1969 comparable total of 282.6 million, but 7 per cent above the 1968 figure of 238.8 million. Wheat stocks at interior terminals at September 16, 1970 totalled 11.8 million bushels below both the 12.2 million of a year ago and the 13.8 million of two years ago. The 20.4 million bushels "in transit rail" (western division) were below both the 1969 total of 24.1 million and the 1968 total of 25.6 million. Supplies at the Lakehead, totalling some 35.9 million bushels, were also lower than both last year's comparable level of 52.8 million and the 1968 figure of 58.5 million. Stocks "in transit lake", amounting to 7.0 million bushels were sharply above the 1969 level of 1.1 million and 35 per cent more than the 5.1 million of two years ago. The 34.7 million bushels in Bay, Lake and Upper St. Lawrence ports were 9 per cent below the 37.9 million of a year ago but increased by 50 per cent over the 23.0 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at September 16, 1970, at 38.9 million bushels, registered a decrease from the 43.1 million at September 17, 1969 but were considerably higher than the 12.9 million at the corresponding period in 1968. The 8.0 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were sharply below the 1969 and 1968 comparable totals of 15.7 million and 12.7 million bushels, respectively. Wheat supplies at the port of Churchill amounted to 3.9 million bushels compared with the 1969 total of 4.1 million and the 3.7 million of two years ago.

August 1970 Exports of Combined exports of wheat in bulk, seed wheat and wheat
Wheat and Flour Total flour in terms of grain equivalent during August 1970
45.7 Million Bushels amounted to 45.7 million bushels, only one per cent below
the ten-year (1959-68) average exports for the month of August at 36.7 million and in sharp contrast to the 15.4 million of August 1969.

Exports of wheat in bulk during August 1970 (as reported by the Board of Grain Commissioners), amounted to 44.8 million bushels, registering increases over the 44.0 million of July 1970, the 13.0 million of August 1969 and the ten-year average for the month of August of 33.7 million. Exports of seed wheat during August 1970, based on Canadian Customs returns, amounted to 103 thousand bushels compared with the August 1969 total (adjusted to remove time lag) of 60 thousand bushels. Customs returns also indicate that the equivalent of 0.8 million bushels of wheat was exported in the form of flour during August 1970, considerably below the July 1970 figure of 2.1 million, the August 1969 total (adjusted for time lag) of 2.3 million and the ten-year average of 2.9 million.

India and the People's Republic of China with no imports of wheat in bulk during August 1969, were the major markets for this grain in August 1970 with shipments of 9.0

million bushels (20 per cent of total) and 7.3 million (16 per cent of total), respectively. Britain followed with shipments amounting to 4.6 million this year as compared with 4.9 million in August 1969. Other markets for Canadian wheat in bulk during August 1970 with totals for the same month of the preceding crop year in brackets, were as follows, in millions of bushels: U.A.R.-Egypt, 4.1 (nil); U.S.S.R. Russia, 3.3 (nil); Japan, 3.3 (0.8); and Syria, 2.6 (nil).

Plans for Record

Grain Movement

Reviewed by Grain

Transportation Committee

The following press release was issued by the Grain Transportation Committee under date of September 2, 1970. A record movement in excess of 400,000,000 bushels of Prairie grain, needed to meet current sales commitments, will be shipped from country elevators during the five-month period from August 1 to December 31, 1970.

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

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

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

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

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

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

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

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

Grain Exports Likely
to Set New Record
in 1970-71

On September 23, 1970 the Honourable Otto E. Lang, Minister Responsible for the Canadian Wheat Board announced that there has been an exceptionally strong demand for Canadian grain in recent months and there is a very good prospect for the volume of exports reaching 700 million bushels, surpassing the previous record of 685 million bushels exported during the 1963-64 crop year. Last year 474 million bushels were exported.

The demand for feed barley has been particularly strong and the Canadian Wheat Board has taken full advantage of the market conditions. Export commitments have been entered into by the Board for barley which will ensure exports in excess of the previous record of 122 million bushels.

Forward sales for shipment during the 1970-71 crop year for wheat are also at high levels for this time of the crop year. Demand from both regular customers and new customers, as a result of the Government's expanded credit program, will result in a high level of wheat exports.

Demand for Canadian grain has been exceptionally heavy in recent months because of lower production in Australia, Argentina and Western Europe and the blight damage to the U.S. corn crop.

"Representatives of every segment of the grain handling and transportation have given their assurance that everything possible will be done to increase grain shipments" Mr. Lang said.

"To ensure that we can meet all our sales commitments it is extremely important that producers step up deliveries of the kind of grain, particularly barley, that is needed at the present time".

Country elevator stocks of the required grains — barley, durum wheat, oats and the lower grades of hard wheat — have fallen off sharply as producer deliveries have not kept pace with shipments to terminals. Mr. Lang pointed out, however, that the situation is most critical on barley and urged producers to take advantage of the delivery quota.

"The maximum effort of everyone in the industry will be required to ensure the smooth movement of these large quantities of grain," Mr. Lang said. On September 22, the Canadian Wheat Board and I met with the Presidents of the Canadian National and the Canadian Pacific to outline the heavy export program to them. The railroads have assured me of their fullest co-operation in moving the required grain to meet the export and domestic demand.

"I am very pleased with the manner in which all segments of the industry have been working together. The Grain Transportation Committee which was established in 1965 deserves a great deal of credit for this improvement. I am confident that the industry will meet this new challenge. "Grain exports could be exceptional this crop year" Mr. Lang said, "but if the Canadian Wheat Board is to take advantage of every sales opportunity that presents itself, it must have the full co-operation of everyone in the grain industry. That includes the producer himself".

Wheat Production in
Canada and the Prairie
Provinces 1919-70

The first forecast of the 1970 wheat crop in Canada, based on conditions at August 15, placed the probable outturn at 338.3 million bushels, of which the Prairie Provinces accounted for 318.8 million. The decline in production reflects the combined effect of a 51 per cent reduction in seeded acreage and a decrease in yields from 27.3 bushels per acre in 1969 to 26.6 bushels in 1970.

Wheat Production in Canada and the Prairie Provinces, 1919-70

Year	Canada	Manitoba	Saskatchewan	Alberta	Three Prairie Provinces
			thousand bushels		
1919	193,260	40,975	89,994	34,575	165,544
1920	263,189	37,542	113,135	83,461	234,138
1921	300,858	39,054	188,000	53,044	280,098
1922	399,786	60,051	250,167	64,976	375,194
1923	474,199	35,804	271,622	144,834	452,260
1924	262,097	41,464	132,918	61,312	235,694
1925	395,475	33,624	235,472	97,962	367,058
1926	407,136	47,133	219,646	113,986	380,765
1927	479,665	30,773	252,500	171,286	454,559
1928	566,726	52,383	321,215	171,000	544,598
1929	302,192	28,565	160,565	90,206	279,336
1930	420,672	43,600	206,700	147,000	397,300
1931	321,325	28,112	132,466	140,603	301,181
1932	443,061	44,041	211,551	167,355	422,947
1933	281,892	32,666	128,004	102,334	263,004
1934	275,849	37,100	114,200	112,500	263,800
1935	281,935	23,250	142,198	98,648	264,096
1936	219,218	26,000	110,000	66,000	202,000
1937	180,210	45,100	36,000	75,700	156,800
1938	360,010	50,000	137,800	148,200	336,000
1939	520,623	61,300	271,300	161,400	494,000
1940	540,190	66,400	266,700	180,700	513,800
1941	314,710	51,000	147,000	98,000	296,000
1942	556,067	53,000	305,000	171,000	529,000
1943	282,377	39,000	146,000	82,800	267,800
1944	414,859	50,300	242,100	99,300	391,700
1945	316,320	38,800	168,100	87,700	294,600
1946	411,601	58,000	208,000	127,000	393,000
1947	338,506	42,000	173,000	105,000	320,000
1948	381,413	50,000	191,000	115,000	356,000
1949	366,028	52,000	186,000	103,000	341,000
1950	466,490	50,000	272,000	117,000	439,000
1951	553,678	53,000	325,000	152,000	530,000
1952	701,973	57,000	449,000	172,000	678,000
1953	634,040	48,000	391,000	165,000	604,000
1954	331,981	29,000	169,000	107,000	305,000
1955	519,178	42,000	320,000	135,000	497,000
1956	573,040	56,000	355,000	140,000	551,000
1957	392,719	49,000	229,000	93,000	371,000
1958	398,077	61,000	213,000	98,000	372,000
1959	445,077	62,000	253,000	115,000	430,000
1960	518,379	66,000	327,000	105,000	498,000
1961	283,394	34,000	137,000	89,000	260,000
1962	565,554	80,000	354,000	112,000	546,000
1963	723,442	61,000	493,000	149,000	703,000
1964	600,424	85,000	348,000	145,000	578,000
1965	648,917	79,000	400,000	153,000	632,000
1966	827,338	79,000	537,000	191,000	807,000
1967	592,920	90,000	339,000	145,000	574,000
1968	649,844	91,000	372,000	166,000	629,000
1969 ^r	684,276	64,000	461,000	140,000	665,000
1970(1)	338,340	33,800	212,000	73,000	318,800

(1) Based on conditions on or about August 15, 1970.
r Revised figures.

Lake Shipments of Canadian Grain Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to September 16 this year amounted to 276.0 million bushels, more than double the comparable 1969 figure of 137.7 million and 37 per cent above the 10-year (1959-68) average for the period of 201.4 million. In 1970 the season of navigation opened on April 8 while the 1969 season opened on April 11.

Lake Shipments of Canadian Grain from the Opening of Navigation to September 16, 1970 and to Approximately the Same Date, 1959 to 1969

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
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	152,158	15,988	26,948	1,723	4,523	—	201,340
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	155,696	23,552	46,651	2,851	5,428	816	234,994
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
1970	173,029	14,413	75,366	2,060	7,956	3,192	276,015

Farmers' Marketings Deliveries of wheat from farms in the Prairie Provinces up to September 16 of the current crop year amounted to 22.1 million bushels, 3 per cent below the August 1 - September 17, 1969 total of 22.7 million and 21 per cent less than the ten-year (1959-68) average for the period of 27.9 million bushels.

Farmers' Marketings (1) of Wheat in the Prairie Provinces 1970-71

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
bushels					
August 12, 1970	21,021	37,095	5,913	64,029	285,392
19	41,744	3,178	602	45,524	1,076,826
26	15,655	49,779	32,313	97,747	2,791,238
September 2	555,805	4,550,427	1,587,230	6,693,462	4,193,568
9	468,696	5,212,410	1,336,276	7,017,382	5,866,425
16	416,045	6,027,734	1,734,993	8,178,772	8,472,950
Totals	1,518,966	15,880,623	4,697,327	22,096,916	22,686,399
Average similar period: 1959-68	4,547,186	17,947,354	5,417,589	27,912,128	

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

Visible Supply of Canadian Wheat, September 16, 1970
Compared with Approximately the Same Date, 1968 and 1969

Position	1968	1969	1970
thousand bushels			
Country elevators — Manitoba	35,961	35,976	30,611
Saskatchewan	136,657	163,703	152,412
Alberta	66,158	82,961	73,133
Sub-totals	238,776	282,640	256,156
Interior private and mill	5,189	4,369	3,856
Interior terminals	13,758	12,217	11,817
Vancouver-New Westminster	11,013	13,051	7,002
Victoria	940	903	447
Prince Rupert	779	1,696	545
Churchill	3,733	4,104	3,929
Thunder Bay	58,466	52,783	35,943
In transit rail (western division)	25,602	24,066	20,366
Bay, Lake and Upper St. Lawrence ports ..	23,044	37,921	34,678
Lower St. Lawrence and Maritime ports ...	12,927	43,062	38,901
In transit lake	5,143	1,061	6,965
In transit rail (eastern division)	198	188	758
Totals	399,568	478,061	421,363

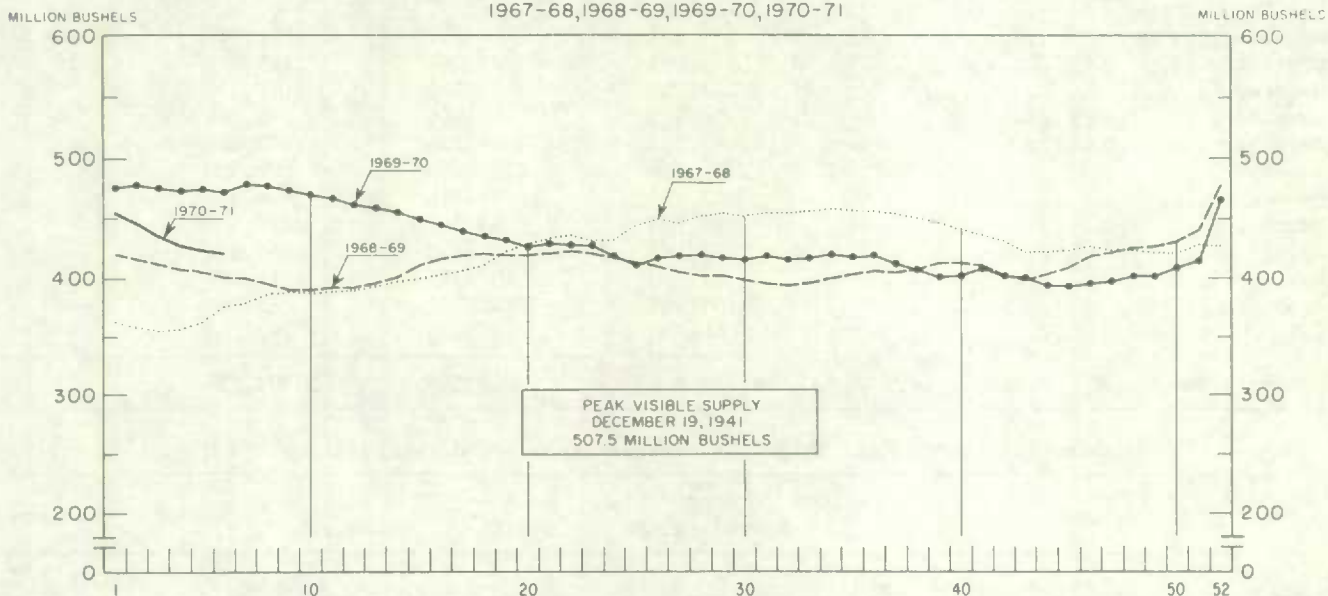
Grading of Wheat Inspected, August 1970 with Comparisons

Grade	Crop year		August			
	Average		1969		1970	
	1964-65	1969-70				
	1968-69					
	per cent	per cent	cars	per cent	cars	per cent
No. 1 Man. Northern	10.1	6.1	2,199	14.2	1,373	5.0
No. 2 Man. Northern	33.3	30.8	4,341	28.1	9,401	33.9
No. 3 Man. Northern	19.7	19.8	2,240	14.5	5,268	19.0
No. 4 Man. Northern	8.3	10.2	979	6.3	3,461	12.5
No. 5 Wheat	3.3	5.5	417	2.7	1,888	6.8
No. 6 Wheat	0.3	0.7	60	0.4	431	1.6
Feed Wheat	(1)	0.1	15	0.1	37	0.1
Others Red Spring	18.3	18.5	4,897	31.7	4,011	14.5
C.W. Garnet	0.1	(1)	—	—	11	(1)
C.W. White Spring	0.1	0.2	38	0.2	88	0.3
C.W. Mixed Wheat	0.1	0.1	6	(1)	29	0.1
Alberta Winter	0.8	0.8	7	(1)	223	0.8
Nos. 1-6 C.W. Amber Durum .	4.6	6.4	103	0.7	1,382	5.0
Other C.W. Amber Durum	0.8	0.7	158	1.0	88	0.3
Totals	100.0	100.0	15,460	100.0	27,691	100.0
Gross bushels (approx.) ...			30,522,000		55,992,000	

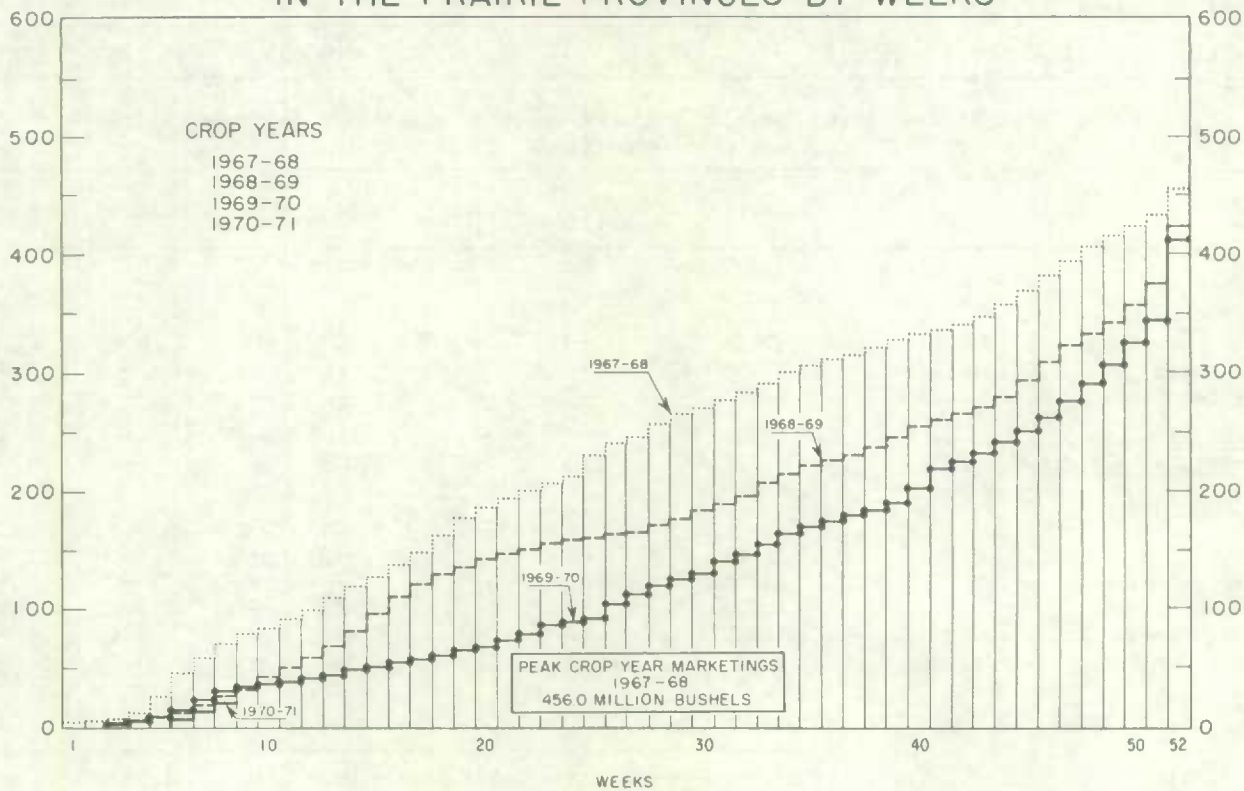
(1) Less than .05 per cent.

WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT

1967-68, 1968-69, 1969-70, 1970-71



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 Thunder Bay 1967-68 — 1970-71

Month	1967-68	1968-69	1969-70	1970-71
	bushels			
August	133,651	—	132,953	169,566
September	182,051	23,084	134,054	
October	152,009	57,458	149,076	
November	50,475	101,966	126,319	
December	143,833	44,136	179,384	
January	160,214	131,034	272,300	
February	143,884	99,776	403,541	
March	274,690	153,067	298,335	
April	123,167	79,899	260,918	
May	61,460	108,339	311,200	
June	101,950	120,532	221,999	
July	88,500	137,404	293,745	
Totals	1,615,884	1,056,695	2,783,824	

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

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
	bushels				
5 Wheat	—	4,667	2,000	1,500	—
Durum	—	—	—	4,000	7,500
Others	3,333	31,500	102,833	10,733	1,500
Totals	3,333	36,167	104,833	16,233	9,000

Overseas Exports of Canadian Grain by Ports of Loading, August 1 - September 16, 1970
with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
	thousand bushels						
<u>Pacific Seaboard</u>							
Van.-New West	19,766	—	—	4,287	410	328	1,086
Victoria	1,052	—	—	—	—	—	—
Prince Rupert	1,987	—	—	—	—	—	—
<u>Churchill</u>	11,977	—	—	—	—	—	—
<u>Thunder Bay direct</u>	127	210	—	1,073	—	—	—
<u>St. Lawrence</u>							
Montreal	3,451	3,034	—	7,349	100	—	2
Sorel	5,017	80	—	943	—	—	—
Trois Rivières	1,748	194	—	—	—	—	—
Quebec	1,779	151	—	2,411	—	574	203
Baie Comeau	5,340	52	—	1,628	—	365	—
Port Cartier	5,589	538	324	2,268	—	319	—
<u>Maritime</u>							
West Saint John	2	—	—	—	—	—	—
Totals	57,836	4,258	324	19,958	510	1,587	1,291
August 1 — September 17, 1969	19,559	3,531	149	1,256	216	1,983	1,206

(1) Excluding seed.

Shipments Under Feed Grain Assistance Regulations Freight assistance shipments of wheat from the Prairie Provinces to Eastern Canada and British Columbia during the 1969-70 crop year amounted to 26,043,000 bushels, sharply above the 10,054,000 shipped during the same twelve months of 1968-69. The bulk of the 1969-70 shipments went to destinations in Quebec and Ontario with these two provinces accounting for a combined 70 per cent of the total.

Provincial Distribution of Wheat Shipments under the Feed Grain Assistance Regulations
August - July 1969-70 and 1968-69

Month	Western wheat								Eastern wheat		
	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total	N.S.	N.B.	Que.
thousand bushels											
August 1969 ...	1	5	141	79	659	548	207	1,639	—	—	19
September	25	8	175	80	753	761	306	2,108	—	—	28
October	94	5	173	93	729	783	266	2,142	—	—	7
November	35	15	173	88	1,052	746	342	2,450	—	—	—
December	104	19	201	65	961	803	326	2,477	—	—	—
January 1970 ..	7	27	176	74	814	604	366	2,067	—	—	—
February	6	15	184	94	721	694	285	2,000	—	—	—
March	48	37	338	156	1,100	962	699	3,342	—	—	—
April	—	—	48	16	92	197	4	358	—	—	3
May	100	15	184	86	829	534	318	2,066	—	—	1
June	73	21	245	103	985	696	290	2,413	—	2	2
July	91	46	285	167	1,146	1,006	241	2,982	—	—	1
Totals	583	213	2,322	1,100	9,841	8,333	3,649	26,043	—	2	61
Crop year 1968-69 ^r	189	120	820	382	4,939	1,974	2,670	11,094	4	2	263

^r Revised figures.

Millfeed shipments under the Feed Grain Assistance Regulations indicate the movement of 486,183 tons during the 1969-70 crop year. Data on the August 1968-July 1969 shipments of millfeeds place the crop year total at 471,009 tons. The greater portion of the millfeed shipments during the twelve months under review went to destinations in Quebec and Ontario.

Provincial Distribution of Millfeed Shipments under the Feed Grain Assistance Regulations August - July 1969-70 and 1968-69

Province	August - July	
	1968-69	1969-70
tons		
Newfoundland	7,073	2,625
Prince Edward Island	7,226	5,494
Nova Scotia	31,689	18,669
New Brunswick	23,470	14,979
Quebec	219,904	229,492
Ontario	142,852	177,359
British Columbia	38,795	37,565
Totals	471,009	486,183

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>1968-69</u>					
August.....	31,127	1	31,128	2,586	33,714
September.....	30,019	45	30,064	2,134	32,198
October.....	25,995	50	26,045	2,445	28,490
November.....	23,338	23	23,361	2,305	25,666
December.....	16,061	46	16,107	1,662	17,770
January.....	18,843	12	18,856	1,224	20,079
February.....	24,149	45	24,194	2,077	26,271
March.....	19,857	148	20,005	2,760	22,764
April.....	10,278	138	10,416	1,044	11,460
May.....	30,350	51	30,401	1,432	31,833
June.....	24,016	10	24,026	1,835	25,861
July.....	26,506	107	26,612	3,119	29,731
Totals.....	280,541	674	281,216	24,623	305,838
<u>1969-70(4)</u>					
August.....	13,012	121	13,133	2,182	15,315
September.....	20,949	74	21,024	1,252	22,276
October.....	18,838	—	18,838	2,237	21,075
November.....	22,835	108	22,943	1,059	24,002
December.....	22,294	54	22,348	2,592	24,940
January.....	26,351	73	26,424	3,351	29,774
February.....	18,597	201	18,799	1,929	20,728
March.....	21,958	505	22,463	2,041	24,504
April.....	32,913	399	33,313	3,480	36,792
May.....	36,047	168	36,215	1,926	38,141
June.....	39,898	130	40,028	2,900	42,928
July.....	44,010	59	44,070	2,086 ^r	46,155
Totals.....	317,703	1,894	319,597	27,033	346,630
<u>1970-71(4)</u>					
August.....	44,765	103	44,868	834	45,702

- (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, 1968-69 adjusted to remove effect of time lag in reporting.
- (3) In terms of wheat equivalent. Wheat flour conversion rate: 2.3 bushels per cwt.
- (4) Preliminary, subject to revision.
- ^r Revised figures.

Exports of Canadian Wheat(1) by Destination

Destination	Wheat (except durum)	Durum wheat	All wheat	
			August 1970	August 1969
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	1,360,497	93,333	1,453,830	1,404,388
France	—	—	—	20,560
Germany, Federal Republic	—	1,384,120	1,384,120	1,214,787
Italy	—	1,823	1,823	2,771,403
Netherlands	1,336,078	414,399	1,750,477	24,155
Sub-totals	2,696,575	1,893,675	4,590,250	5,435,293
<u>Other Western Europe</u>				
Austria	—	94,627	94,627	—
Britain	4,561,037	—	4,561,037	4,879,268
Ireland	287,467	—	287,467	—
Norway	1,436,200	—	1,436,200	—
Portugal	—	—	—	393,750
Switzerland	—	—	—	309,795
Sub-totals	6,284,704	94,627	6,379,331	5,582,813
Totals	8,981,279	1,988,302	10,969,581	11,018,106
<u>Eastern Europe</u>				
Albania	—	—	—	343,504
U.S.S.R. (Russia)	3,304,675	—	3,304,675	—
Totals	3,304,675	—	3,304,675	343,504
<u>Africa</u>				
Ghana	343,145	—	343,145	460,757
Mozambique	—	—	—	18,667
Nigeria	—	—	—	18,667
U.A.R.-Egypt	4,072,967	—	4,072,967	—
Totals	4,416,112	—	4,416,112	498,091
<u>Asia</u>				
Hong Kong	125,627	—	125,627	131,787
India	8,968,932	—	8,968,932	—
Japan	3,272,267	—	3,272,267	783,983
Malaysia	—	—	—	78,773
People's Republic of China	7,268,034	—	7,268,034	—
Saudi Arabia	2,279	—	2,279	—
Singapore	39,200	—	39,200	35,467
Syria	1,094,848	1,508,304	2,603,152	—
Totals	20,771,187	1,508,304	22,279,491	1,030,010
<u>Western Hemisphere</u>				
Brazil	1,529,733	—	1,529,733	—
Cuba	979,803	80,032	1,059,835	—
Haiti Republic	341,787	—	341,787	—
Jamaica	—	—	—	798
Peru	863,483	—	863,483	—
Venezuela	—	—	—	121,253
Totals	3,714,806	80,032	3,794,838	122,051
Sub-totals, all countries	41,188,059	3,576,638	44,764,697	13,011,762
Seed wheat(2)	—	—	103,027	121,302
Totals, all countries	41,188,059	3,576,638	44,867,724	13,133,064

(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, 1969 adjusted for time lag, 1970 preliminary.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	April 1970(1)	July 1970(2)	August - July	
			1969-70(2)	1968-69(1)
			bushels	
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	9,789	—	68,273	109,117
France	—	—	644	644
Germany, Federal Republic	—	—	283	—
Italy	—	2,070	20,700	18,630
Netherlands	—	—	4,195	4,736
Sub-totals	9,789	2,070	94,095	133,127
<u>Other Western Europe</u>				
Britain	126,486	189,302	2,282,373	2,510,917
Denmark	—	—	—	460
Gibraltar	258	2,705	8,114	5,152
Greece	3,193	16,519	73,400	73,846
Iceland	—	—	—	3,386
Ireland	—	—	—	2,962
Norway	—	—	—	230
Portugal	9,780	1,840	65,317	50,213
Spain	—	—	9,246	—
Sweden	—	—	515	1,030
Sub-totals	139,717	210,366	2,438,965	2,648,196
Totals	149,506	212,436	2,533,060	2,781,323
<u>Africa</u>				
Algeria	—	—	12,678	65,870
Angola	—	—	9,890	20,944
Cameroun Republic	2,300	—	9,315	27,830
Congo-Kinshasa	1,610	10,336	49,431	56,005
Dahomey	—	—	35,885	41,915
Ethiopia	—	—	400	—
French Africa n.e.s.	—	—	—	8,285
Gambia	913	166	61,877	57,424
Ghana	6,394	289,117	508,767	1,317,445
Guinea Republic	—	—	74,683	101,587
Ivory Coast	—	690	7,160	5,865
Liberia	12,245	25,182	259,966	201,448
Malawi	506	6,624	51,037	52,008
Mauritania	—	—	7,910	—
Morocco	—	—	4,705	—
Mozambique	665	7,611	59,347	59,713
Nigeria	—	—	—	230
Portuguese Africa n.e.s.	2,990	21,091	110,246	78,827
Sierra Leone	874	—	7,406	6,705
Sudan	—	—	146,740	—
Tanzania	6,670	1,610	25,288	8,050
Togo	1,725	7,245	143,831	150,160
U.A.R. - Egypt	19,928	12,678	578,337	767,413
Zambia	—	—	—	4,600
Totals	56,820	382,350	2,164,899	3,032,324

See footnote(s) at end of table.

Customs Exports of Canadian Wheat Flour by Countries of Consignment — con.

Destination	April 1970(1)	July 1970(2)	August — July	
			1969-70(2)	1968-69(1)
bushels				
Asia				
Afghanistan	—	690	1,898	621
Bahrain	—	—	166	34
Burma	—	—	1,199,064	—
Ceylon	—	—	1,285,806	857,902
Cyprus	—	55	15,822	522
Hong Kong	17,135	18,573	224,089	342,173
India	230	230	902	453
Indonesia	—	—	674,726	640,039
Iran	352	255	3,848	5,584
Iraq	—	—	485,627	46,522
Israel	—	—	—	228,390
Japan	345	2,128	16,008	8,821
Jordan	—	—	7,767	122
Korea, South	—	—	—	7,815
Lebanon	20,420	32,782	564,583	465,448
Malaysia	—	—	138	—
Pakistan	—	—	—	230
Philippines	—	—	1,663	2,852
Portuguese Asia	—	1,012	8,855	17,514
Qatar	172	—	1,210	1,028
Saudia Arabia	—	8,107	490,164	42,718
Syria	—	—	—	9,432
Thailand	5,520	5,750	133,894	180,513
Trucial States	—	—	2,779	2,946
Viet-Nam	—	—	—	920
Totals	44,174	69,582	5,119,009	2,862,599
Oceania				
British Oceania n.e.s.	—	460	4,550	7,416
Fiji	—	460	5,474	6,543
New Zealand	—	—	—	460
United States Oceania	3,622	3,450	28,003	31,519
Totals	3,622	4,370	38,027	45,938
Western Hemisphere				
Bahamas	31,383	15,891	238,901	299,460
Barbados	35,307	34,277	306,208	278,100
Bermuda	9,358	1,838	110,945	114,813
Bolivia	—	—	—	18,257
British Honduras	3,903	4,145	54,073	47,737
Chile	—	—	24,856	—

See footnote(s) at end of table.

Customs Exports of Canadian Wheat Flour by Countries of Consignment — con.

Destination	April 1970(1)	July 1970(2)	August — July	
			1969-70(2)	1968-69(1)
bushels				
Western Hemisphere — Concluded				
Cuba(3).....	1,877,377	1,102,404	13,841,216	12,510,931
Dominican Republic	455	—	1,217	2,139
Ecuador	—	—	—	345
El Salvador	—	—	228	487
French West Indies	—	—	1,966	3,224
Guatemala	—	—	805	7,935
Guyana	1,615	4,583	28,416	79,700
Haiti Republic	—	—	16,440	281,065
Honduras Republic	5,373	6,601	16,468	15,125
Jamaica	8,565	3,820	132,735	156,129
Leeward and Windward Is. ...	64,878	80,079	790,793	799,605
Netherlands Antilles	28,596	24,232	226,299	178,482
Panama	338	—	1,095	1,882
Paraguay	—	—	—	2,383
Peru	—	—	—	10,410
St. Pierre and Miquelon	1,047	805	22,789	23,533
Surinam	1,035	1,707	20,392	12,036
Trinidad and Tobago	86,740	116,552	973,521	576,146
Venezuela	—	—	499	718
United States Virgin Is. ...	—	—	329	670
United States	29,569	20,083	367,993	479,044
Totals	2,185,539	1,417,017	17,178,184	15,900,356
Totals, all countries ..	2,439,661	2,085,755	27,033,179	24,622,540

(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.

Note: Data for August wheat flour exports not available.

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
1939-40
1968-69

10 year average
1959-60
1968-69

1965-66

1966-67

1967-68

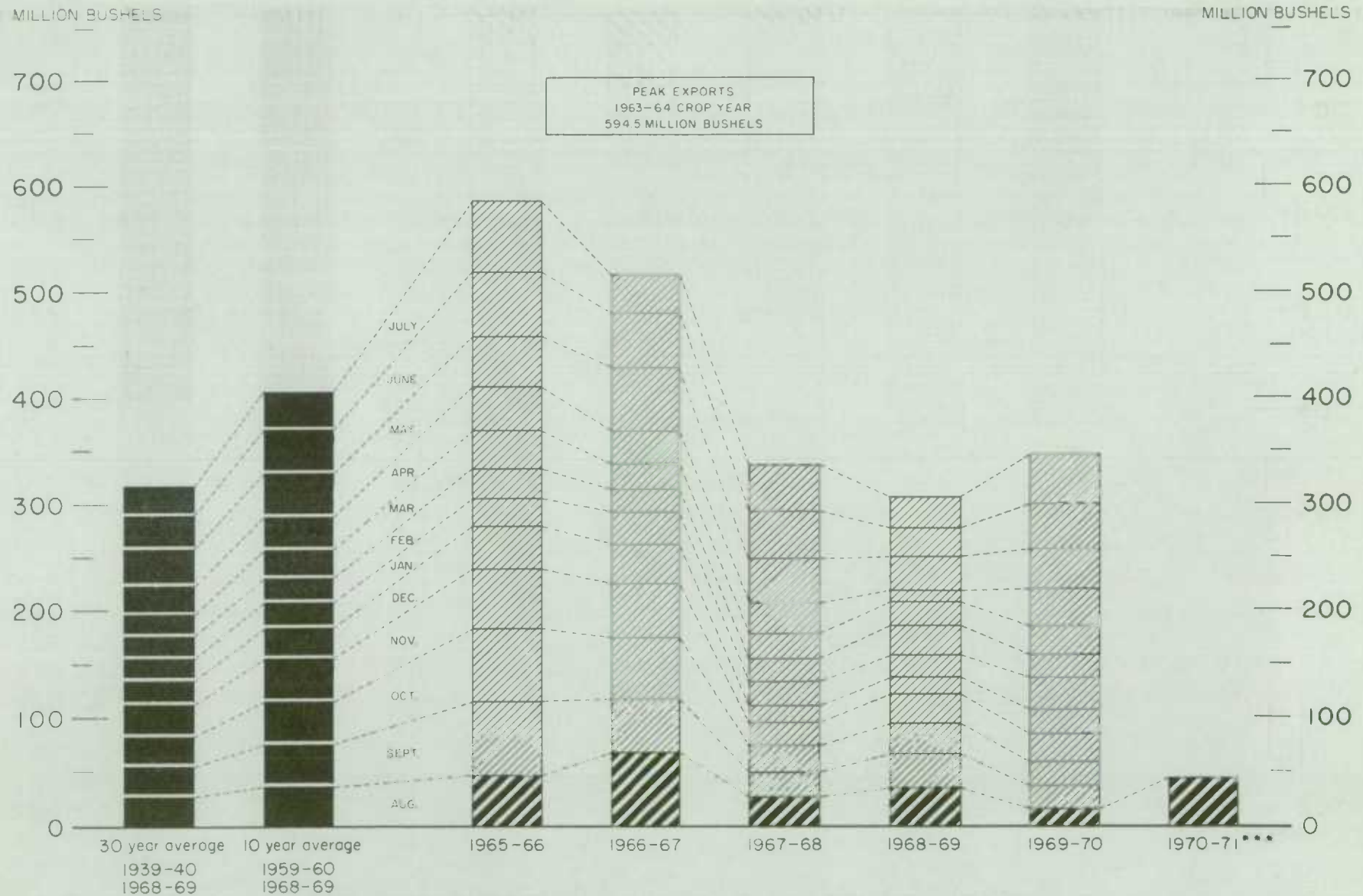
1968-69

1969-70

1970-71

EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)



*Beginning with 1955-56 includes seed wheat.

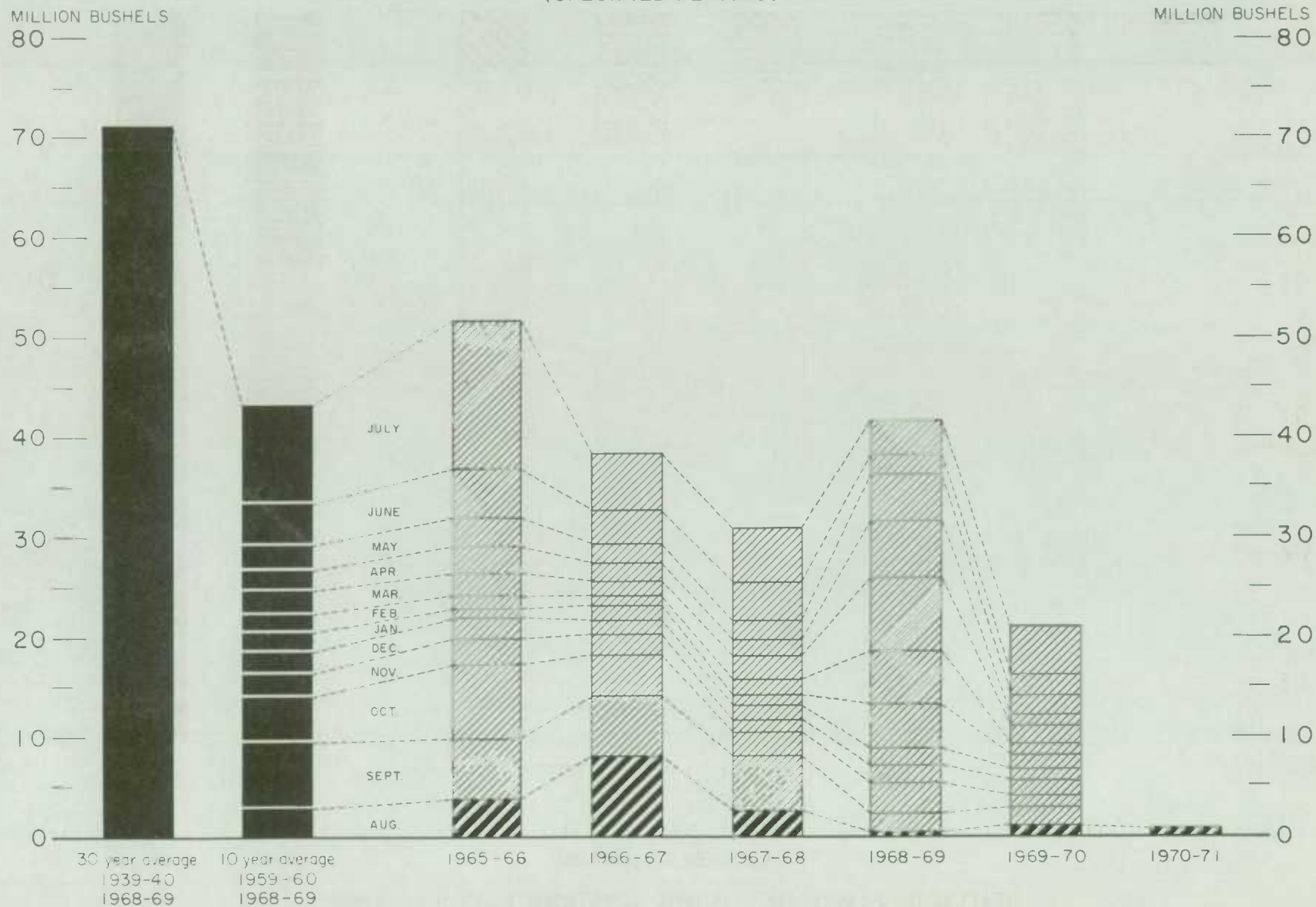
**In terms of wheat equivalent.

***Preliminary.

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



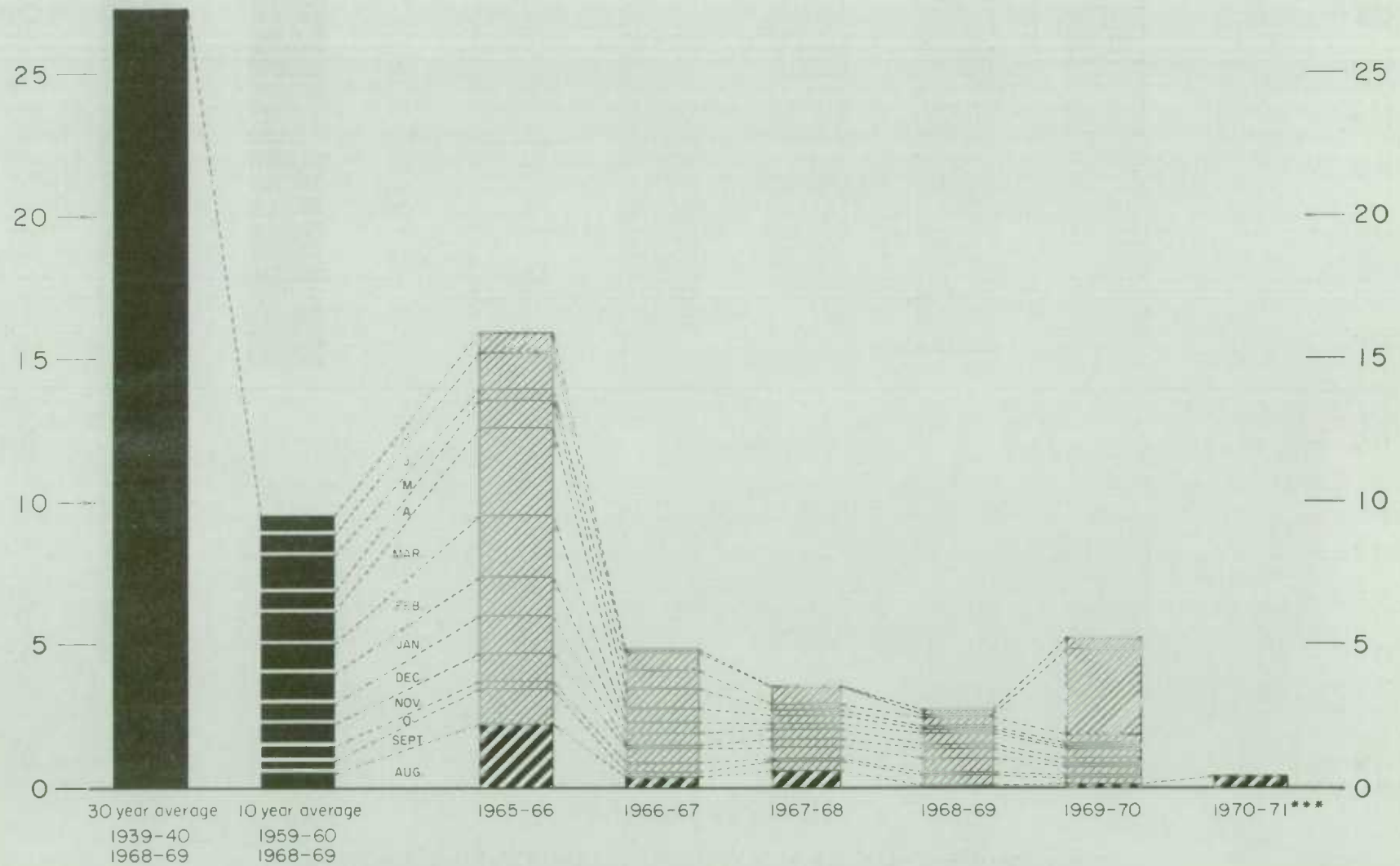
IV

EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS**

(SPECIFIED PERIODS)

MILLION BUSHELS
30 —

MILLION BUSHELS
30 —



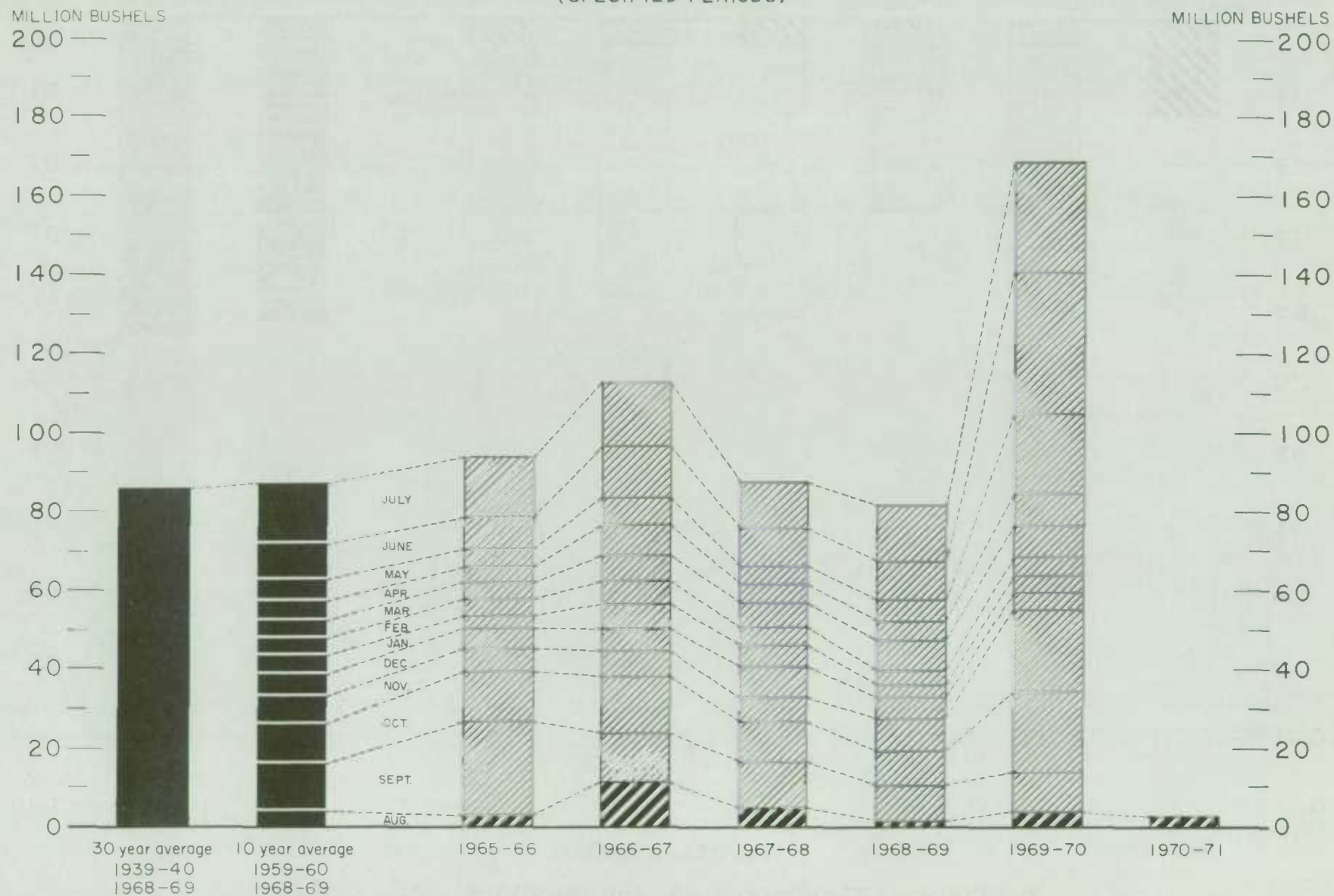
*Beginning with 1960-61 includes relatively small quantity of seed oats.

**In terms of grain equivalent.

***Preliminary.

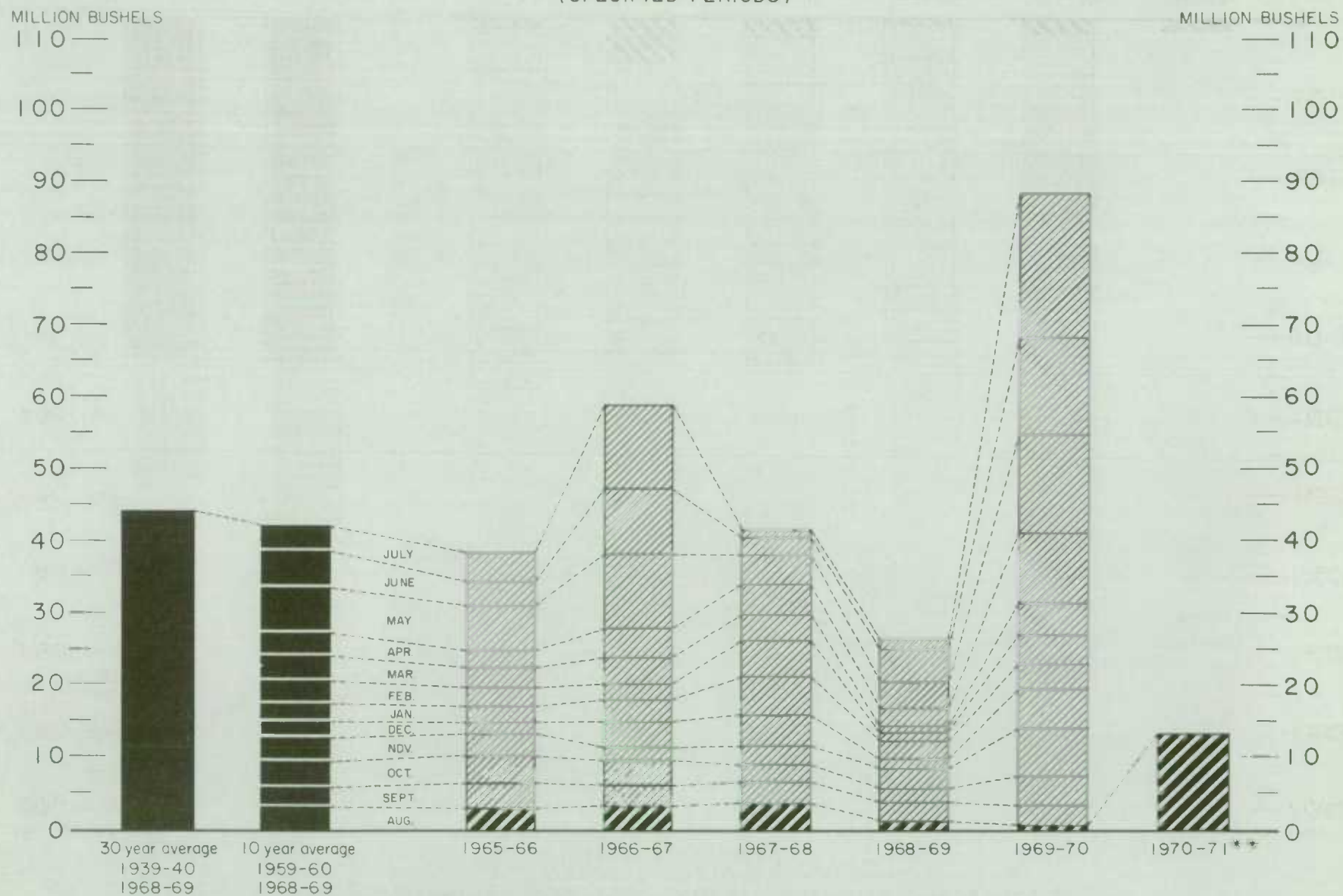
FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

(SPECIFIED PERIODS)

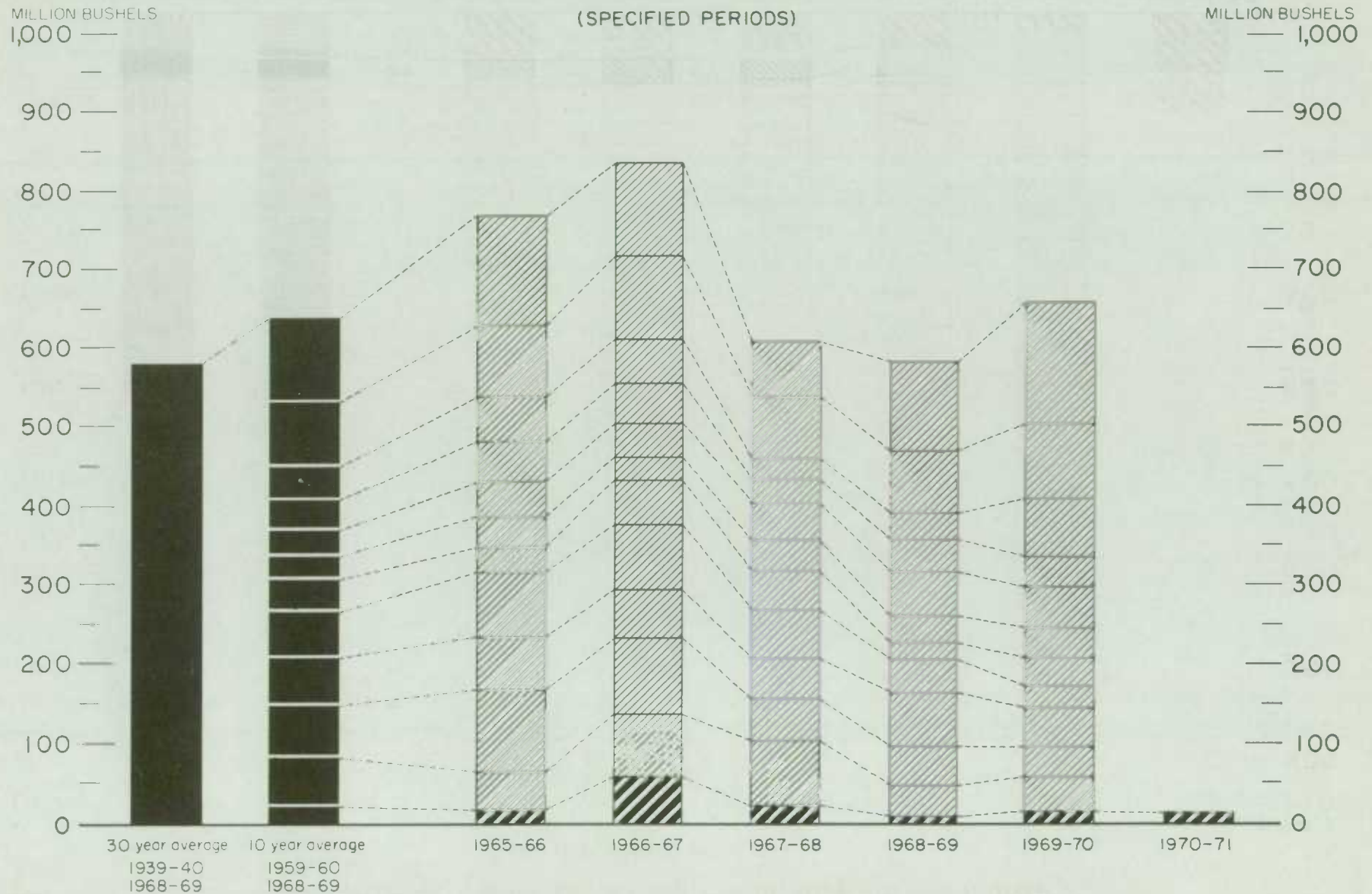


*In terms of grain equivalent.

**Preliminary.

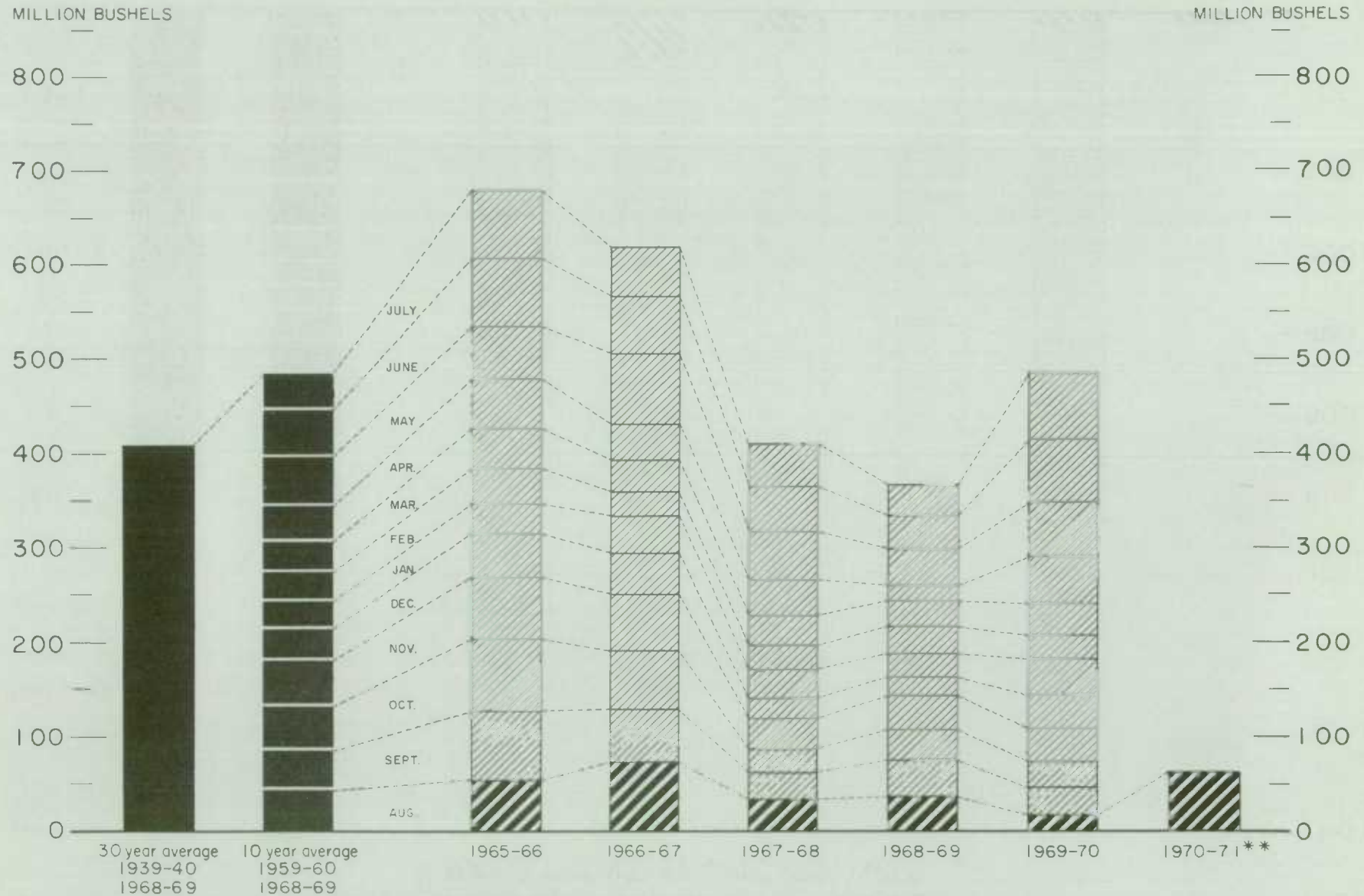
Agriculture Division D.B.S.

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



EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)



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

** Preliminary.

Agriculture Division D.B.S.

Canadian Wheat Board Weekly Average Cash Wheat Prices, Crop Year 1970-71
Basis in Store Thunder Bay and Vancouver

Class and grade	Week ending				
	Aug. 21	Aug. 28	Sept. 4	Sept. 11	Sept. 18
	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 Thunder Bay)</u>					
1 Northern	173/4	173/7	173/6	173/2	175/2
2 Northern	170/4	170/7	170/6	170/2	172/6
3 Northern	162	162/3	162/5	163/2	166/7
4 Northern	154/2	155/6	156/3	157/6	161/2
5 Wheat(1)	154/7	156/1	156/7	158/5	162/4
6 Wheat(1)	150/7	154/1	154/7	156/5	160/4
Feed Wheat(1)	145/7	149/1	149/7	151/5	155/4
1 C.W. Garnet	153/5	155/6	156/3	157/6	161/2
2 C.W. Garnet	152/5	154/6	155/3	156/6	160/2
3 C.W. Garnet	151/5	153/6	154/3	155/6	159/2
1 Alberta Red Winter	153/5	155/6	156/3	157/6	161/2
2 Alberta Winter	152/5	154/6	155/3	156/6	160/2
3 Alberta Winter	151/5	153/6	154/3	155/6	159/2
1 C.W. Amber Durum	166/7	167/2	167/1	166/6	173/3
2 C.W. Amber Durum	163/7	164/2	164/1	163/6	170/3
3 C.W. Amber Durum	154	154/3	154/2	153/6	160/4
<u>(Basis in store Vancouver)</u>					
1 Northern	172/4	172/7	172/6	172/2	172/6
2 Northern	170	170/3	170/2	169/6	170/4
3 Northern	165	165/3	165/2	165/2	166/4
4 Northern	160/3	160/6	160/5	160/6	161/7
1 C.W. Garnet	160/3	160/6	160/5	160/6	161/7
2 C.W. Garnet	159/3	159/6	159/5	159/6	160/7
3 C.W. Garnet	158/3	158/6	158/5	158/6	159/7
1 Alberta Red Winter	160/3	160/6	160/5	160/6	161/7
2 Alberta Winter	159/3	159/6	159/5	159/6	160/7
3 Alberta Winter	158/3	158/6	158/5	158/6	159/7

(1) Domestic sales only.

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during August 1970 amounted to 3,376,000 hundredweight, representing an increase of 5 per cent over the July 1970 output of 3,212,000 hundredweight, 4 per cent above the August 1969 total of 3,232,000 hundredweight and 3 per cent more than the ten-year (1960-69) average production for the month of August of 3,265,000 hundredweight. Mills reporting operations during August 1970 had a total rated capacity of 163,000 hundredweight per 24-hour day and on the basis of a 26-day working period 79.8 per cent of this rated capacity was effective.

Wheat milled for flour during August 1970 amounted to 7,790,000 bushels, 6 per cent above both the 7,381,000 bushels milled during the preceding month and the 7,384,000 bushels milled during August 1969. Of the wheat milled for flour during August 1970 some 6,272,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (968,000 bushels); Durum (409,000 bushels); and all other (141,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during July 1970 amounted to the equivalent of 2,086,000 bushels (some 907,000 hundredweight of flour) 28 per cent less than the June 1970 exports of 2,900,000 bushels and 33 per cent lower than the adjusted July 1969 exports of 3,119,000 bushels. Flour shipments during the month went to forty-three countries with exports to Cuba amounting to 1,102,000 bushels or 53 per cent of the July total. Other leading markets for Canadian wheat flour in terms of wheat during the month with shipments in thousands of bushels were as follows: Ghana, 289; Britain, 189; Trinidad and Tobago, 117; and Leeward and Windward Islands, 80.

NOTE: Data re exports of wheat flour for August 1970 by country of destination are not available at this time and will be included in the next issue.

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

Crop year	Wheat milled for flour	Wheat flour	
		Production	Exports(1)
	bushels	cwt.	
1935-36 - 1939-40 average	67,845,114	29,405,451	9,603,941
1940-41 - 1944-45 "	99,704,638	43,908,245	23,699,546
1945-46 - 1949-50 "	107,330,372	47,011,540	25,819,721
1950-51 - 1954-55 "	100,446,328	43,847,894	21,812,041
1955-56 - 1959-60 "	99,148,211	39,752,589	16,349,156
1960-61 - 1964-65 "	91,128,177	40,834,088	15,769,803
1965-66	97,925,995	43,531,263	16,576,117
1966-67	90,084,646	39,978,571	13,848,208
1967-68	84,769,150	37,755,841	10,734,857
1968-69	85,048,591	37,621,151	10,705,452
1969-70(2)	90,555,180	39,639,524	11,753,556
1970-71(2)			
Augustr.....	7,790,462	3,375,524	362,601
Same month 1969-70	7,383,987	3,231,729	1,002,767

(1) Based on Customs returns. Exports for the crop years 1945-46 - 1968-69 revised to remove effect of time lag in the returns made by Customs. (2) Subject to revision. r Revised figures.

UNITED STATES SITUATION

Supplies Below Previous Year Total domestic supplies of wheat in the United States for the 1969-70 crop year are currently placed at 2,240.3 million bushels, 2 per cent less than the previous year's total of 2,277.4 million, reflecting an increase in carryover stocks, which more than offset a 7 per cent decrease in production. The 880.4 million bushels carried over at July 1, 1970 were 8 per cent above the 1969 stocks, while the current crop, estimated at 1,359.9 million bushels, represents a decline from last year's outturn of 1,458.9 million. In addition, current crop year domestic supplies may be supplemented by imports of about 1 million bushels. Domestic disappearance during 1970-71 is estimated at about 745.0 million bushels, 6 per cent below the 792.6 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,495.3 million remain available for export and for carryover, slightly above the 1,484.9 million in 1969-70.

Exports Increase Over a Year Ago Exports of wheat and wheat flour in terms of grain equivalent during July-August 1970 amounted to 102.1 million bushels, 17 per cent more than the 87.0 million exported during the same two months last year. The balance remaining on August 29, 1970 for export and for carryover was estimated at 1,393.3 million bushels compared with 1,397.9 million on the same date a year ago.

United States Wheat Supplies

Item	1969-70 ^r	1970-71 ^p
	million bushels	
Carryover at beginning of crop year (July 1)	818.6	880.4
Production	1,458.9	1,359.9 ^r
Total estimated domestic supplies	2,277.4	2,240.3
Imports of wheat and wheat flour in terms of wheat for domestic use, July - August	0.1	0.1
Total estimated supplies(1)	2,277.5	2,240.3
Less estimated domestic requirements for crop year(2)	792.6	745.0
Available for export and for carryover	1,484.9	1,495.3
<u>Deduct</u>		
Exports of wheat as grain, July 1 - August 28	75.7	94.3
Exports of wheat flour in terms of wheat, July 1 - August 28	11.3	7.7
Total exports of wheat and wheat flour	87.0	102.1
Balance on August 29 for export and for carryover	1,397.9	1,393.3

(1) Excluding imports for September - June.

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

p Preliminary figures.

r Revised figures.

United States Wheat
and Flour Exports

Wheat exports at 541 million bushels were 62 million higher than during July 1969-June 1970. The major increases in million bushels were to Japan, +20; Pakistan, +18; Turkey, +12; and the U.K., +7. Smaller increases to Argentina (special need), Morocco, Portugal and Nigeria were basically offset by decreased exports to EC, the Republic of Korea, Chile and the Philippines.

Total exports of wheat flour gained by about 4 million bushels to nearly 65 million grain equivalent. The major increase was to Indonesia followed by minor gains to Bolivia, South Vietnam, and Jordan. The major decline was in exports to Ceylon. All of these are basically PL 480 markets.

United States Exports of Wheat and Flour(1) by Country of Destination,
July-June 1968-69 and 1969-70

Country of destination	July-June 1968-69			July-June 1969-70		
	Wheat	Flour(2)	Total	Wheat	Flour(2)	Total
thousand bushels						
<u>Western Hemisphere</u>						
Canada	(3)	29	29	(3)	24	24
Mexico	94	7	101	125	10	135
Costa Rica	2,570	42	2,612	1,921	62	1,983
El Salvador	2,461	63	2,524	2,405	79	2,484
Guatemala	2,011	173	2,184	2,618	108	2,726
Other Central America	3,546	421	3,967	4,034	275	4,309
Dominican Republic	2,865	168	3,033	3,227	138	3,365
Haiti	—	974	974	—	41	41
Jamaica	496	621	1,117	937	530	1,467
Trinidad and Tobago	2,396	3	2,399	2,078	5	2,083
Other Bermuda and Caribbean	63	681	744	—	658	658
Argentina	—	—	—	4,798	—	4,798
Bolivia	493	2,450	2,943	268	4,393	4,661
Brazil	28,723	956	29,679	33,288	1,185	34,473
Chile	3,416	684	4,100	436	321	757
Colombia	7,873	534	8,407	9,032	738	9,770
Ecuador	2,180	127	2,307	1,960	121	2,081
Guyana	310	814	1,124	1,390	8	1,398
Peru	3,778	356	4,134	5,802	308	6,110
Surinam	337	269	606	279	225	504
Uruguay	3,698	7	3,705	—	14	14
Venezuela	24,140	15	24,155	25,145	18	25,163
Other South America	1	56	57	1,116	67	1,183
Totals	91,451	9,450	100,901	100,859	9,328	110,187
<u>Western Europe</u>						
EEC:						
Belgium and Luxembourg ..	7,390	4	7,394	7,256	5	7,261
France	12,008	—	12,008	5,059	—	5,059
Germany, West	11,878	5	11,883	6,343	14	6,357
Italy	16,513	14	16,527	9,228	1	9,229
Netherlands	22,332	505	22,837	25,306	488	25,794
Totals	70,121	528	70,649	53,192	508	53,700

See footnote(s) at end of table.

United States Exports of Wheat and Flour(1) by Country of Destination,
July-June 1968-69 and 1969-70

Country of destination	July-June 1968-69			July-June 1969-70		
	Wheat	Flour(2)	Total	Wheat	Flour(2)	Total
thousand bushels						
<u>Other Western Europe</u>						
Cyprus	—	65	65	1,045	30	1,075
Iceland	9	373	382	8	291	299
Norway	645	7	652	2,258	4	2,262
Portugal	426	234	660	4,888	116	5,004
Switzerland	5,498	—	5,498	7,105	—	7,105
United Kingdom	4,485	41	4,526	11,821	15	11,836
Others	700	96	796	908	87	995
Totals	11,763	816	12,579	28,033	543	28,576
<u>Eastern Europe</u>						
Poland	—	518	518	—	372	372
Yugoslavia	—	2	2	—	2	2
Totals	—	520	520	—	374	374
Totals, Europe	81,884	1,864	83,748	81,225	1,425	82,650
<u>Asia</u>						
Ceylon	—	10,988	10,988	—	6,212	6,212
Hong Kong	967	206	1,173	1,794	161	1,955
India	85,099	21	85,120	85,042	36	85,078
Indonesia	71	7,393	7,464	362	15,280	15,642
Israel	10,211	2,538	12,749	12,247	3,366	15,613
Japan	67,365	209	67,574	87,517	4	87,521
Jordan	1,436	2,079	3,515	20	3,439	3,459
Korea, Republic of	48,145	7,188	55,333	35,776	4,578	40,354
Lebanon	1,383	1,647	3,030	2,283	667	2,950
Nansei and Nanpo Islands ..	1,263	344	1,607	1,357	500	1,857
Pakistan	18,555	14	18,569	36,283	3	36,286
Philippines	18,355	502	18,857	16,646	280	16,926
Saudi Arabia	28	3,720	3,748	22	4,146	4,168
Republic of China (Taiwan)	13,619	—	13,619	14,422	—	14,422
Turkey	12,179	626	12,805	24,446	623	25,069
Vietnam, South	—	6,097	6,097	1,828	7,602	9,430
Others	1,189	676	1,865	2,873	516	3,389
Totals	279,865	44,248	324,113	322,918	47,413	370,331
<u>Africa</u>						
Algeria	9,627	203	9,830	8,322	597	8,919
Congo (Kinshasa)	—	1,560	1,560	—	817	817
Ghana	—	42	42	910	—	910
Guinea	—	339	339	—	452	452
Morocco	2,526	1,735	4,261	6,915	2,583	9,498
Nigeria	5,324	197	5,521	8,737	86	8,823
Southern Africa, n.e.c. ...	—	21	21	—	469	469
Sierra Leone	509	7	516	970	15	985
Tunisia	7,531	458	7,989	8,320	948	9,268
Others	629	376	1,005	1,539	617	2,156
Totals	26,146	4,938	31,084	35,713	6,584	42,297

See footnote(s) at end of table.

United States Exports of Wheat and Flour(1) by Country of Destination,
July-June 1968-69 and 1969-70

Country of destination	July-June 1968-69			July-June 1969-70		
	Wheat	Flour(2)	Total	Wheat	Flour(2)	Total
	thousand bushels					
Oceania	—	100	100	—	87	87
World totals	479,346	60,600	539,946	540,715	64,837	605,552
Other products	11,956	—	11,956	11,014	—	11,014
Totals, all countries	491,302	60,600	551,902	551,729	64,837	616,566

(1) Data includes shipments for relief.

(2) Grain equivalent.

(3) Transshipments through Canada have been included in data for countries of ultimate destination.

1970 Wheat Crop
Estimated at 1,360
Million Bushels

In a report released on September 11, 1970 the Crop Reporting Board of the United States Department of Agriculture stated that production of all wheat is forecast at 1,360 million bushels, 2.4 million bushels more than a month earlier, but 7 per cent less than in 1969 and 14 per cent below the 1968 record large crop of 1,576 million bushels. In August, durum and other spring wheat increased slightly, but were nearly offset by a decline in winter wheat. During the past decade, changes between the September 1 forecast and the final estimate have averaged nearly 16 million bushels, ranging from 2 million to 42 million bushels. Yield per acre of all wheat is expected to average 31.2 bushels, a new record and 0.5 bushel above 1969, the previous high.

Production of winter wheat is forecast at 1,109 million bushels, down slightly from the August 1 forecast of 1,112 million. The forecast is 3 per cent below last year's crop of 1,148 million bushels and the smallest since 1966. Yields in Idaho, Oregon and Washington were unchanged from last month but lower in Montana. August weather favoured rapid harvest in these States. Harvest in Montana was nearly complete by September 1, slightly ahead of last year. Harvest in Idaho was in the cleanup stage except in the eastern districts. Combining in Washington and Oregon was also virtually completed during the month. 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 49.9 million bushels, up nearly 4 per cent from a month earlier, but sharply below the 106.3 million bushels in 1969. Expected yield at 24.9 bushels is well below the record high 1969 yield of 31.9. Yields in North Dakota were above a month earlier but unchanged in other major producing States. North Dakota harvest was 40 per cent complete by September 1, compared with about 60 per cent for both last year and average. Harvest in South Dakota was virtually complete by the third week of August. Combining was in full swing in Montana on September 1.

Production of spring wheat other than durum is indicated at 201.0 million bushels, 2 per cent above the August forecast but 2 per cent below the 1969 output. Yield per acre at 23.5 bushels is 3.7 bushels below the record high 1969 yield and 2.6 bushels below two years ago. Combining in North Dakota was two-thirds complete by September 1 compared to the normal of four-fifths done. South Dakota harvest was completed shortly after mid-August. Harvest was still active in Montana on September 1.

ARGENTINE SITUATION

Supplies Above Total estimated domestic supplies of wheat in Argentina for the
Previous Year 1969-70 (December-November) crop year amounted to 276.8 million
bushels, consisting of the December 1, 1969 carryover of 18.8
million and the 1969-70 crop placed at 257.9 million. Indicated total supplies for
the current Argentine crop year, are about 8 per cent more than the 1968-69 total
of 255.3 million bushels. After making an allowance of 150.0 million bushels for
anticipated domestic requirements, an estimated 126.8 million are available for
export and for carryover compared with 98.6 million in 1968-69.

Exports Below Preliminary exports of wheat and wheat flour in terms of wheat
A Year Ago equivalent during December 1969 - August 1970 amounted to 66.9
million bushels, a decrease of 13 per cent below the 76.5 million
exported during the same nine months in 1968-69. The balance remaining on September
1, 1970 for export and for carryover was estimated at 59.9 million bushels, consi-
derably above the September 1, 1969 figure of 22.1 million.

Argentine Wheat Supplies

Item	1968-69 ^r	1969-70 ^p
	million bushels	
Carryover at beginning of crop year (December 1) (1)	44.4	18.8
Production	210.9	257.9
Total estimated domestic supplies	255.3	276.8
Less estimated domestic requirements for crop year	156.7	150.0
Available for export and for carryover	98.6	126.8
<u>Deduct</u>		
Exports of wheat as grain, December - August	74.3	64.0
Exports of wheat flour in terms of wheat, December - August	2.1	2.9
Total exports of wheat and wheat flour	76.5	66.9
Balance on September 1 for export and for carryover	22.1	59.9

(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 9, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Where possible conversions to Canadian measures and currency have been made for the convenience of our readers.

Weather and crops. — The outlook for the wheat crop is very poor in view of the sharp reduction in the area sown and the continuing drought.

The first official estimate of the area sown to wheat of 4,740,000 hectares (11.7 million acres) is 24 per cent less than the 6,238,700 hectares (15.4 million acres) sown in 1969-70 and 25 per cent and 19 per cent less than the average sowings of the last five — and ten-year periods, respectively. The second estimate of sown area scheduled to be released on September 15, may well be lower still, especially since many areas have been abandoned and planted to maize and sorghum, particularly in Santa Fe and Cordoba. The private trade is estimating a sown area of only about 4.4 million hectares (10.9 million acres) of wheat. It is now too late to sow even if spring rains were to fall.

Conditions are particularly poor in La Pampa and Cordoba provinces where the rainfall has been negligible in the last three months. In the principal wheat producing province of Buenos Aires, weather conditions are fair in the southeast but a good rain is necessary. The southeastern zone accounts for the bulk of Durum production in Argentina. Sowings of Durums are estimated to be 20 per cent lower than last season when a very large area was planted. In southwestern Buenos Aires province sowings were very small because of drought. However, barley does well in this area and could be planted if there are rains within the next fortnight.

Although it is very early in the season, in view of the very poor conditions at present, it is not expected that production will reach 5 million metric tons (183.7 million bushels), which would barely cover domestic consumption, when it is considered that 400,000 to 500,000 tons (14.7 million to 18.4 million bushels) of Durums are included in this figure. Yields will have to be exceptional if this level of production is to be exceeded.

Negotiations on the fourth quarter shipments of 250,000 metric tons (9.2-million bushels) of wheat to Brazil are about to begin and it is reported that Argentina will press for an f.o.b. price of US\$ 55.50 per metric ton (\$1.54 per bushel). Prices in the current quarter are only US\$ 51.00 per metric ton (\$1.42 per bushel). It is also reported that Brazil is seeking an additional 200,000 metric tons (7.3 million bushels) of wheat for delivery before the end of 1970 but it is extremely doubtful that the Argentine authorities would be willing to enter into an additional commitment to supply Brazil in view of the lack of supplies. It is now estimated that the carryover of bread wheat at the end of the crop year will be only about 150,000 to 200,000 metric tons (5.5 million to 7.3 million bushels).

During August, hard bread wheat prices firmed from 17.60 to 18.10 pesos per 100 kilos (\$1.22 to \$1.26 per bushel) f.o.r. Buenos Aires and rose from 16.50 to 16.70 pesos per 100 kilos (\$1.15 to \$1.16 per bushel) at Bahia Blanca before settling back to 16.50 pesos (\$1.15 per bushel) at the end of the month. The only export sale of note was of 24,000 metric tons (882,000 bushels) of bread wheat by the United Kingdom at a price of US\$ 52.90 per metric ton (\$1.47 per bushel) f.o.r. Bahia Blanca. This wheat is to be shipped to India during September under the United Kingdom's Food Aid Convention commitments.

At September 8, bread wheat was quoted at 18.20 pesos and 16.30 pesos per 100 kilos (\$1.26 and \$1.13 per bushel) at Buenos Aires and Bahia Blanca, respectively.

Prices on the Buenos Aires Futures Exchange on September 8 were 18.40 pesos per 100 kilos (\$1.28 per bushel) for October delivery and 18.50 pesos (\$1.28 per bushel) for January.

Durum prices at Buenos Aires rose from 16.30 to 17.00 pesos per 100 kilos (\$1.13 to \$1.18 per bushel) during August while at Bahia Blanca the increase was from 16.10 to 16.50 pesos per 100 kilos (\$1.12 to \$1.15 per bushel).

Argentine Wheat Exports December — July 1969-70 and 1968-69

Destination	July		December — July	
	1969	1970	1968-69	1969-70
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium	—	187	1,204	911
France	—	—	647	601
Germany, Federal Republic	—	35	37	310
Italy	611	5,807	12,355	18,901
Netherlands	404	28	3,124	986
Sub-totals	1,015	6,057	17,367	21,709
<u>Other Western Europe</u>				
Britain	—	36	4,844	437
Norway	—	—	486	—
Portugal	—	—	—	798
Switzerland	—	—	355	—
Sub-totals	—	36	5,685	1,235
Totals	1,015	6,093	23,052	22,944
<u>Africa</u>				
Algeria	—	—	869	537
Libya	—	418	—	418
Mozambique	—	—	426	—
Totals	—	418	1,295	955
<u>Asia</u>				
Cyprus	—	—	472	—
India	—	—	4,364	2,022
Japan	—	—	527	—
Lebanon	—	—	—	287
Turkey	—	—	456	—
Totals	—	—	5,819	2,309
<u>Western Hemisphere</u>				
Bolivia	4	—	242	—
Brazil	3,373	3,510	25,559	23,019
Chile	44	59	2,489	2,529
Paraguay	447	152	2,195	1,173
Peru	—	485	7,585	4,262
Totals	3,868	4,206	38,070	30,983
Totals, all countries	4,883	10,717	68,237	57,191

AUSTRALIAN SITUATION

Wheat Supplies
Highest on Record Reflecting the effect of a sharp increase in carryover stocks, which more than offset a substantial decrease in production, total supplies of wheat in Australia for the 1969-70 crop year are estimated at a record 664.8 million bushels as against 595.0 million in 1968-69. Carryover stocks, at December 1, 1969 at 266.7 million bushels, exceeded by a wide margin the 51.8 million at the same date a year ago, while the 1969 production at 398.1 million bushels declined sharply from the 543.2 million harvested in 1968. After deducting some 90.0 million bushels for anticipated domestic requirements, an estimated 574.8 million are available for export and for carryover during 1969-70, some 13 per cent above the 510.4 million in 1968-69.

Exports Above
a Year Ago Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1 — August 22 of the current Australian crop year amounted to 198.4 million bushels, an increase of 15 per cent over the 172.2 million exported during the corresponding nine months of the 1968-69 crop year. The balance remaining on August 23, 1970 for export and for carryover, at 376.4 million bushels, was 11 per cent more than the comparable 1969 total of 338.2 million.

Australian Wheat Supplies

Item	1968-69 ^r	1969-70 ^p
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1)	51.8	266.7
Production	543.2	398.1
Total estimated domestic supplies	595.0	664.8
Less estimated domestic requirements for crop year	84.6	90.0
Available for export and for carryover	510.4	574.8
<u>Deduct</u>		
Exports of wheat as grain, December 1 — August 22	159.9	184.5
Exports of wheat flour in terms of wheat December 1 — August 22	12.3	13.9
Total exports of wheat and wheat flour	172.2	198.4
Balance on August 23 for export and for carryover	338.2	376.4

p Preliminary figures.

r Revised figures.

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

Wheat production 1970-71. — Estimated Australian wheat production for 1970-71 is approximately 250 million bushels, broken down by State in the following table:

Estimated Acreage and Production of Wheat 1970-71(1)

State	Estimated Production				Quota(2)
	1969-70	1970-71	1969-70	1970-71	
	'000 acres		'000 bushels		
Queensland	1.3	.4	16	2	36
New South Wales	8.5	6.0	167	90	111
Victoria	3.4	1.8	85	36	52
South Australia	3.3	2.4	63	25	36
West Australia	6.9	6.2	67	95	83
Totals	23.4	16.8	398	248	318

(1) Preliminary.

(2) Including supplementary quotas of 30 million bushels.

Receivals by the Australian Wheat Board will probably be in the vicinity of 225 million bushels — substantially lower than in 1969-70 when 351 million bushels were delivered.

The lower production in 1970-71 as compared to 1969-70 (when production reached 398 million bushels) can be attributed to an overall reduction in crop acreage plus dry conditions adversely affecting crops in Queensland and New South Wales. The regions in which the high protein wheat is grown have experienced a severe drought and a limited amount of hard wheat will be produced.

The present estimate is 15 million bushels, given immediate rainfall but conditions are not improving with continuing high temperatures and little prospect of rain.

Conditions by state. — Plantings of wheat in Queensland have fallen sharply from the intended acreage at the beginning of the season. No more than 500,000 acres have been planted and the actual acreage seeded will probably be less. Drought conditions have been experienced for the past two years with only intermittent relief. All areas are affected - Central Queensland has been hit the hardest. The Darling Downs will probably produce light crops, but they will be substantially below that of recent years. Rains in late August have marginally helped prospects in the Darling Downs but have not broken the drought. The general strategy in Queensland seems to be to plant sorghum in October - November and hope for substantial rainfall.

Rain in the latter part of August has improved crop prospects in New South Wales, especially in the Central Western Plains and the Southern Division. The rains, if followed by average precipitation and associated seasonal conditions for the remainder of the season, could provide better than average crops in some of the regions. The northern half of the State received variable rainfall in August - too light to materially alter the serious situation. Precipitation was sufficient for some farmers to make late sowings but it is highly improbable that seasonal conditions will improve enough to provide an average crop from the area. Good rains

are required in September to maintain prospects in the Northern and Western areas and to sustain the fair to good prospects for crops in Central and Southern areas. Rainfall has been above average in the Southern Division, providing excellent prospects for a good wheat crop in the region. The drought conditions have increased sales of wheat for stockfeed with farmers taking re-delivery of unpaid over-quota wheat.

Victoria received above average rains in August throughout the wheat growing areas, giving prospects for an average crop. Light precipitation in September has consolidated the position although rains will be needed throughout the Spring to "bring off" the crop. The Mallee region is the driest and needs subsequent moisture with most areas of the Wimmera looking quite favourable.

Conditions in South Australia are variable, with sufficient rainfall to maintain growing crops. Soaking rains are still needed to provide subsoil moisture and to boost growth. The best falls were recorded in the lower Eyre Peninsula and lower south-east. Crops north of Goyder's line are below average and require moisture if an average crop is to be harvested.

Rainfall in Western Australia during August was generally below average with only Esperance receiving near normal rains. Many areas received only one-half of expected precipitation. Light rainfall occurred in early September but further precipitation will be required to fulfil expectations of average crop prospects. A few areas have been hard hit by extremely dry conditions but the major wheat growing areas are experiencing reasonable growing conditions and most crops look good.

Credit terms for wheat to the United Arab Republic. — The Minister for Primary Industry, Mr. Anthony, recently disclosed in Parliament details of credit terms for the wheat sale to the U.A.R. The initial sale of 750,000 long tons (28,000,000 bushels) made in the current year was ten per cent at time of shipping and the balance in three equal yearly instalments. The three year agreement for one million long tons (37,000,000 bushels) per year provided for annual negotiations of prices and terms, with no prior commitment as to credit or other matters.

Final payment for wheat Pools. — The Australian Wheat Board has finalized payment arrangements on outstanding wheat pools up to and including the 1967-68 Pool. Payments to wheat growers, involving the distribution of more than \$A12 million (\$13.6 million Canadian) in September have been approved by the Minister for Primary Industry, Mr. J.D. Anthony.

The payments would complete Pool 30 (1966-67) and Pool 1967-68. A small payment was available for the 1965-66 Pool which was lumped into Pool 30 for distribution.

Terminal opens at Port Giles. — The opening of the Port Giles terminal in South Australia brings the number of bulk grain loading ports in this State to seven and the total in Australia to 17. The new terminal will be able to load ships up to 40,000 tons capacity with official maximum draft being 36 feet. The terminal operated by the South Australian Co-operative Bulk Handling Ltd. provides a storage capacity of approximately three million bushels. The outloading capacity is 800 tons per hour with an intake capacity of 800 tons per hour from farm trucks.

Improved sales of Australian wheat. — In the two week period from August 8, the Australian Wheat Board sold over 24 million bushels of wheat. Of the total, 21.2 million bushels were export sales of wheat and 482,000 bushels (wheat equivalent) of flour. Flour sales had been made to 17 different countries with major

buyers being Indonesia, Thailand, Malawi and the Arabian Gulf. Wheat sales were made to 20 countries - major purchases made by the U.K., Eastern Europe, Sudan, Switzerland, Peru, Japan and Kuwait.

Many of the sales made in the period will be serviced in the 1970-71 season with an expected carryover of 250 million bushels of f.a.q. wheat and 20 million bushels of other types. Total deliveries of some 225 million bushels would provide an estimated 500 million bushels of wheat in the 1970-71 season.

In this period, the price of Australian wheat increased by \$A3.75 per ton (11 cents per bushel Canadian) from £28/0/0 sterling to £29/15/0 (\$1.96 to \$1.84 per bushel). This has been attributed to unfavourable weather in parts of Europe and the Middle East, corn blight in the U.S., supply management in exporting countries and dry conditions in Australia.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 - August 22, 1969-70 and Corresponding Period 1968-69

Destination	Wheat		Wheat flour	
	1968-69	1969-70	1968-69	1969-70
thousand bushels				
<u>Western Europe</u>				
EEC:				
Netherlands and I/T	6,193	1,904	—	—
<u>Other Western Europe</u>				
Britain	23,563	29,126	274	277
Ireland	642	1,164	—	—
Malta	739	529	—	—
Norway	3,611	1,864	—	—
Sweden	52	94	—	—
Switzerland	238	137	—	—
Others	1,615	30	—	—
Sub-totals	30,460	32,944	274	277
Totals	36,653	34,848	274	277
<u>Africa</u>				
Ethiopia	—	607	—	—
Malawi	—	—	302	360
Mauritius	—	—	672	616
Mozambique	—	2,171	—	—
Rhodesia	1,576	2,103	—	—
Sudan	—	5,266	—	—
Zambia	1,697	1,988	—	—
Others	80	162	284	638
Totals	3,353	12,297	1,258	1,614
<u>Asia</u>				
Aden	533	1,113	—	—
Aden and Aden I/T	—	—	136	89
Aden and Aden I/T Atta	—	—	73	66
Afghanistan	367	—	—	—
Arabian Gulf	—	—	149	164
Arabian Gulf Atta	—	—	551	960
Ceylon	938	2,054	4,154	4,743
China	44,957	68,266	—	—
Hong Kong	1,666	1,353	26	24
India	1,131	2,913	—	—

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 - August 22, 1969-70 and Corresponding Period 1968-69

Destination	Wheat		Wheat flour	
	1968-69	1969-70	1968-69	1969-70
	thousand bushels			
<u>Asia Conc.</u>				
Indonesia	—	—	1,800	2,337
Iraq	—	2,046	—	—
Japan	36,294	22,784	—	—
Korea South	369	—	—	—
Korea North	—	3,559	—	—
Kuwait	1,986	2,026	—	—
Lebanon	3,685	1,703	—	—
Okinawa	—	131	—	—
Malaysia	6,708	7,499	—	—
Pakistan	868	4,491	—	—
Philippines	912	—	121	137
Sabah	—	—	19	5
Sarawak	—	—	14	5
Saudi Arabia	1,242	2,250	489	228
Singapore	2,940	5,581	2	1
Taiwan	1,450	1,981	—	—
Thailand	1,169	1,265	168	188
U.A.R. — Egypt	—	358	—	—
Others	466	993	106	183
Totals	107,681	132,366	7,808	9,130
<u>Oceania</u>				
New Zealand	—	1,288	—	—
<u>Western Hemisphere</u>				
Argentina	1,000	—	—	—
Bolivia	—	503	—	—
Chile	4,146	2,054	—	—
Colombia	1,293	—	—	—
Peru	5,720	1,053	—	26
West Indies Area	—	—	163	41
Totals	12,159	3,610	163	67
<u>Pacific Area and Sundries</u>				
Pacific Islands	52	63	2,686	2,732
Ships' Stores and Sundries	—	—	111	110
Totals	52	63	2,797	2,842
Totals, all countries	159,900	184,472	12,300	13,929

GRAIN SITUATION IN BRITAIN

The following information relative to grain situation in Britain has been extracted from a recent report by Mr. G.D. Cooper, Assistant Commercial Officer (Agriculture), London, under date of August 24, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

General conditions. — Mainly dry weather in May enabled farmers to catch up on arrears of field work caused by the cold wet conditions in April; but this rather prolonged dry period which continued into June also gave some concern. The second half of June and July brought unsettled weather with thunder storms and extremes of temperature and the rain was of only limited benefit to spring sown cereal crops suffering from the effects of the dry spell in May and early June. These crops were thin and in places severely affected by mildew and brown rust. Autumn sown cereals are, generally speaking, in good condition and winter wheat is regarded as the best of the cereal crops. The harvesting of winter barley was under way by the end of July, and the main cereals harvest is now in progress although recent heavy rain and flooding has retarded work in some areas.

Production and yields. — The provisional results of the June 1970 agricultural census for the United Kingdom indicate that compared with the previous year, the area under the main cereals, i.e. wheat, barley and oats has increased by 64,000 acres or 7 per cent to 9,031,000. Wheat shows an increase of 468,000 acres, 23 per cent, to 2,527,000 but barley is down by 401,000 acres, 7 per cent to 5,561,000 and oats also show a reduction of 3,000 acres to 943,000. Notwithstanding the adverse effects of the dry spring and disease on late sown crops, preliminary estimates indicate that the average yield of wheat is likely to be higher than in 1969. The yields of barley and oats, however, are expected to be lower than the previous year.

These latest assessments of acreages and general indication of yields enable broad preliminary forecasts to be made of production and the Home-grown Cereals Authority estimates that the wheat crop could be up by about 800,000 long tons (25%) to over 4 million long tons and barley could be lower by some 850,000 long tons (10%) at around 7.5 million long tons. These estimates are necessarily tentative as the weather in particular could have a significant effect on crops during the course of the harvest.

Requirements and supplies. — The Home-grown Cereals Authority in their last regular statement of Cereals Market Information for the 1969-70 crop year, indicate that the only changes in annual estimates for 1969-70 since the return at the end of March 1970 have been a reduction in the estimate of wheat imports by 50,000 long tons (1,867,000 bushels) for the full year, from 4,950,000 tons (184,800,000 bushels) to 4,900,000 long tons (182,933,000 bushels) and an increase in the estimate of coarse grain imports by 100,000 long tons to 4,300,000. Processors' intake of home-grown grain has continued along the pattern of previous months. Flour millers continued to take more wheat than last year, but other processors, mainly compounders, have fallen behind the previous year. The intake of barley by Malsters/ Distillers and of other processors, mainly compounders, is also up on last year.

GRAIN SITUATION IN FEDERAL REPUBLIC OF GERMANY

The following account of the current grain situation in the Federal Republic of Germany has been extracted from a report received from Mr. R.B. Rossing, Commercial Officer, Canadian Embassy, Bonn, West Germany, under date of August 4, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

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

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

Trade notes. — Business in home-grown bread grain for the past grain year 1969-70, is concluded. With regard to new-crop domestic wheat, the differing price ideas of buyers and sellers could not yet be bridged. Discussions being continued on the possibility of introducing a new system of the Intervention B, in conjunction with the "non-covering-storage-costs" reports resulted in an additional uncertainty as to the market prospects.

Mills are well supplied with high-protein wheat until end of August. Part of the requirements for September will yet have to be purchased. Dark Hardwinter wheat with 13.5 per cent protein continues to be quite interesting as long as the reduction of 24.00 DM (Cdn. \$ 6.86) per metric tons as against Manitoba wheat No. 2, can be maintained. French milling wheat for September/December shipments, cif Duisburg, was traded at 16.00 to 18.00 DM (Cdn \$4.57 and \$5.14) per metric ton over the intervention price.

The reduction in the bonus paid for denaturing by 3 units of account (= US-Dollar), which came to effect on August 1, has resulted in price increases for all varieties of denatured wheat. In spite of the reduced bonus, denatured wheat should remain very attractive for the compounding industry, being one of the cheapest components.

FRENCH SITUATION

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 406.3 million amount to some 510.3 million, slightly less than the 1968-69 total of 516.3 million. Imports of wheat during August-July 1969-70 amounted to 6.5 million bushels a decrease of 31 per cent from the 1968-69 total of 9.4 million. After deducting 217.8 million bushels for estimated domestic use, including normal feed wheat requirements, the surplus available for export and for carryover is placed at 298.9 million bushels compared with 325.4 million last year.

Exports Below Last Year

Combined exports of wheat and wheat flour in terms of grain equivalent during the 1969-70 crop year amounted to 206.0 million bushels, and represented a decrease of 7 per cent from the comparable August 1968-July 1969 total of 221.5 million. The balance of commercial supplies remaining on August 1, 1970 for export and for carryover amounted to 92.9 million compared with the August 1, 1969 total of 103.9 million bushels.

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	406.3
Total estimated commercial domestic supplies	516.3	510.3
Imports, August-July	9.4	6.5
Total commercial supplies	525.6	516.7
Less domestic requirements for crop year	200.3	217.8 ^r
Available for export and for carryover	325.4	298.9
<u>Deduct</u>		
Exports of wheat, August-July	192.2	171.7
Exports of wheat flour, August-July	29.3	34.3
Total exports of wheat and wheat flour	221.5	206.0
Balance on August 1 for export and for carryover	103.9	92.9

p Preliminary figures.

r Revised figures.

The following account of the wheat situation in France has been extracted from a report from Mr. F.G. Beaudette, Agricultural Secretary, Canadian Embassy, Paris, under date of September 17, 1970 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. — South of the Loire River, July climatic conditions can be described as warm and sunny in the first 10 days, stormy and cooler in the middle third, and hot from the 20th on to the end of the month. Weather in the Northern half of the country was normal for July though temperatures were somewhat cooler than usual.

Winter-sown cereals in the Northern half have benefited from the favourable weather conditions in June and July, but in the South the heat sometimes brought damage by advancing maturity. Spring cereals, except corn, generally suffered from the heat. The harvest begun on winter barleys in late June, proceeded to spring barleys and soft wheats in the South during July, and in the North in August. For both soft and durum wheats, the yields are average or lower.

Production of cereals as officially estimated by the authorities, and based on the situation at August 1, is as follows: —

	Area		Production	
	1969	1970	1969	1970
	thousand acres		thousand bushels	
Soft wheat	9,687	8,917	521,608	460,062
Durum wheat	309	366	12,456	15,248
Rye	390	370	12,558	12,007
Barley	7,032	7,025	429,300	385,346
Oats	2,146	1,983	152,312	134,545
Sorghum	136	109	7,795	5,078
Corn	2,910	3,643(1)	221,996	275,575(1)
Mixed grains	474	482	26,651	24,789

(1) Not official.

Soft wheat supply utilization. — Deliveries of 1969 crop wheat in June and July were 64,000 metric tons (2,352,000 bushels) bringing the total of 1969 crop wheat delivered to 11.06 million tons (406,381,000 bushels). In addition, 1.8 million tons (66,138,000 bushels) of 1970 crop wheat was marketed in July bringing the total deliveries in the August 1969 - July 1970 period to 10,976,200 tons (403,302,000 bushels). Denaturation of soft wheat for domestic use continued strong in June and July at 257,300 tons (9,454,000 bushels) bringing the total for 1969-70 to 1,477,500 tons (54,288,000 bushels) compared to 797,800 tons (29,314,000 bushels) in 1968-69. Sales to millers in the crop year 1969-70 reached 5.1 million tons (187,391,000 bushels) down 45,000 tons (1,653,000 bushels) from 1968-69 crop year. Exports of soft wheat (milling and denatured) were relatively low in June and July some 392,000 tons (14,403,000 bushels) bringing the 1969-70 total to 4,674,000 tons (171,138,000 bushels), down from 5,230,000 (192,167,000 bushels) in 1968-69. All commercial stocks at August 1, 1970 totalled 2,268,000 tons (83,334,000 bushels) compared with 2,828,000 tons (103,910,000 bushels) a year earlier.

Considering that the 1969 soft wheat crop was estimated to have yielded 14.2 million tons (521,755,000 bushels), we must assume that on-farm utilization (probably all for animal feed) in 1969-70 reached 3.14 million tons (115,374,000 bushels) against the 3.17 million tons (116,476,000 bushels) in 1968-69.

Durum wheat situation. — The remaining 1969 durum crop delivered in May, June and July 1970 only came to 1,900 tons (69,800 bushels), bringing the total 1969 crop marketings to 315,400 tons (11,589,000 bushels) out of an estimated crop of 339,000 tons (12,456,000 bushels). However, due to heavy marketings of 1970 durum in July at 130,000 tons (4,777,000 bushels), the August-July 1969-70 total comes to 347,000 tons (12,750,000 bushels). Sales to durum millers in the last 3 months of the crop year totalled 64,200 tons (2,359,000 bushels) and exports only amounted to 1,400 tons (51,000 bushels), leaving commercial stocks of 126,600 (4,652,000 bushels) at August 1, 1970.

During 1969-70 (August-July), French durum millers used 272,000 tons (9,994,000 bushels) of domestic durums and 296,400 tons (10,891,000 bushels) of imported durums for a total of 568,400 (20,885,000 bushels). By way of comparison, 1968-69 usage of 547,500 tons (20,117,000 bushels) included 197,100 tons (7,242,000 bushels) of domestic and 350,400 tons (12,875,000 bushels) of imported durums.

International trade. — French wheat imports in the 1969-70 crop year ending July 31 were 464,000 metric tons (17,049,000 bushels) of which 287,000 tons (10,545,000 bushels) were durum. These totals compared with 593,000 (21,789,000 bushels) in 1968-69 of which 338,000 (12,419,000 bushels) were durum. Despite a drop in their share of the market, the USA still remained the largest supplier in 1969-70 with 288,000 tons (10,582,000 bushels) as against 406,000 (14,918,000 bushels) last year, followed by Canada with 123,000 (4,519,000 bushels) 104,000 (3,821,000 bushels) last year, Argentina 33,000 (1,213,000 bushels), 59,000 (2,168,000 bushels) last year and the USSR 15,000 (551,000 bushels) 24,000 (882,000 bushels) last year. Canada's share of the French wheat import market thus increased from 17.5 per cent in 1968-69 to 26.5 per cent in 1969-70.

July imports of less than 1,500 tons (55,000 bushels) were nearly all in US wheat. July exports of denatured wheat came to 16,000 tons (588,000 bushels) of milling wheat to 110,000 tons (4,042,000 bushels) and of wheat flour to 57,000 tons.

The 1969-70 crop year totals showed a decrease in durum and soft milling wheat exports, but an increase in denatured wheat and wheat flour shipments compared to 1968-69. The following comments will summarize the situation in thousand bushels and comparable figures for 1968-69 in brackets. Denatured wheat exports of 21,679 (17,710) went chiefly to EEC partners: Belgium 12,566 (4,446), Germany 5,769 (7,349) and Holland 2,719 (4,960). Durum wheat shipments only reached 992 (2,756) with Italy again the main outlet with 625 (1,874). Soft milling wheat exports decreased to 149,288 (174,604) with China the leading customer at 26,308 (2,058), followed by West Germany 23,369 (38,103), the United Kingdom 19,511 (22,818), Holland 17,012 (20,576), Egypt 15,653 (30,240), Belgium-Luxemburg 13,117 (8,929), Senegal 6,798 (6,283), Switzerland 5,952 (1,653), Italy 3,932 (3,968) and Tunisia 3,638 (2,168).

Wheat flour exports, during 1969-70 with the previous crop year in brackets, in thousands of metric tons, increased to 619 (533), with major gains in Former French Black Africa and in Asia. Main recipient countries for French flour were Egypt 130 (118), Ceylon 36 (38), Germany 35 (28), Yemen 33 (15), Mauritines 27 (24), Madagascar 27 (1), Indonesia 25 (2), Martinique 24 (23), Congo (Brazza) 21 (7), Guadeloupe 19 (20), South Yemen 17 (15), Upper Volta 17 (14), North Korea 17 (35), and Cambodia 16 (11).

Wheat Prices and contracts. — At their annual congress in late June, French cereal producers had requested the government to catch up on the 12 1/2 per cent "devaluation" intervention price differential with their EEC colleagues by the following percentages: 6 per cent for wheat and 8 per cent for barley (the difference to 12 1/2 per cent being compensated by a drop in EEC prices) and 12 1/2 per cent for corn. These demands were rejected outright by the French Minister of Agriculture who told producers to get the guaranteed minimum "through the market". Shortly afterwards it was learned that the French Government had proposed to Brussels an increase in French intervention prices of 3 per cent for wheat, 4 per cent for barley and 4 1/2 per cent for corn. On July 13 this recommendation was approved in Brussels, effective August 1, 1970.

As expected, the cereal growers strongly reacted to this limited rise and even appealed to the Prime Minister (to no avail). In early August, the producers, taking the Minister up on his suggestion, signed an agreement with the French National Millers' Association and the domestic grain marketing organizations (coops and private traders). The key of the agreement is a "contract price" between millers and marketing people acting for the producers, the price for wheat being set between a

minimum 3 per cent above or a maximum 5 per cent above the new intervention price set for standard French wheat. In fact, this policy is exactly what the French Minister of Agriculture has been advocating, i.e. contracts between producers and processors of agricultural products.

In early September, only some 400,000 tons (14,697,000 bushels) of soft wheat had been included in contractual arrangements, or less than 10 per cent of the millers' annual requirements. Several factors joined to contribute to this very modest success of the plan, and we can mention the relatively short wheat crop in 1970, the low carryover into the new crop year and the strong demand from EEC partners for French wheat. Market prices seem to remain above the intervention price + 5 per cent maximum of the agreement, and producers appear somewhat reticent to deliver wheat under those conditions. Therefore, it is too early to say whether the contract policy will be successful enough in 1970-71 to be continued in subsequent years.

Bread price increase. — Following the wheat price increase, the millers' association, while being involved in contract negotiations with wheat traders and producers, was granted a 4 per cent increase in flour prices. The immediate direct consequence was a rise in bread prices of about 5 per cent (depending on bread sizes) effective August 15, as agreed between the French authorities and the National Bakers' Confederation. The famous stick bread (baguette) now sells for 10.74 cents instead of 10.18 cents.

Prospects for 1970-71. — At its last meeting (end of August), the French Cereals Office (ONIC) indicated that, due to great variations in yields in different parts of the country, its evaluation of farm marketings of 1970 crop soft wheat had to remain at between 9.8 million and 10.2 million tons (360,084,000 bushels and 374,782,000 bushels). Durum wheat marketings of 1970 crop will come close to 400,000 tons (14,697,000 bushels).

Taking into account that: -

- (a) Commercial carryover at August 1, 1970 is 2.27 million tons (83,407,000 bushels) compared with 2.83 million tons (103,984,000 bushels) last August.
- (b) Farm marketings will be approximately one million tons (36,743,000 bushels) lower than in 1969-70.
- (c) Barley production is also down by one million tons (45,929,000 bushels).
- (d) Export rebates (subsidies) as presently set by Brussels do not permit French wheat to compete with others in world markets outside the EEC.

For a 1970-71 commercial soft wheat supply of around 12.5 million tons (459,291,000 bushels) including 2.3 million tons (84,510,000 bushels) of stocks, 10.0 million (367,433,000 bushels) of farm marketings and 0.2 million (7,349,000 bushels) of imports, one could arrive at the following rough estimate of utilizations, in thousands of bushels in 1970-71: sales to millers 183,716, denatured and feed 44,092 to 55,115, seed and losses 11,023, exports to EEC 91,858, exports to 3rd countries 44,092 to 55,115, and year-end stocks 73,487.

The big unknowns in the above evaluation are (a) the quantities denatured both for domestic use and export, this factor depending on the level of denaturation premiums given, the relatively small barley crop and the large corn crop. (b) exports to 3rd countries. The EEC Commission in Brussels has presently set export

subsidies low enough to discourage exports to 3rd countries. However France would like to safeguard some markets such as Egypt (France has a commitment there of around 150,000 tons). Senegal (175,000) the U.K. (though that country's own large crop will undoubtedly limit demand for similar quality wheat from France), and Switzerland. A Chinese trade mission is now spending some time in France, but it is doubtful that wheat sales will be negotiated. Finally, France (and the EEC generally) is also committed to a certain amount of aid in wheat to developing countries.

Market prices. — Starting at just under 50 francs per 100 kilos (\$2.51 per bushel Cdn.) at country points in early July, prices for soft wheat slowly increased to 51.25 francs (\$2.58 per bushel), from 51 francs (\$2.56 per bushel) by early September. On same basis, denatured wheat is now trading at 45 to 46 francs (\$2.26 to \$2.31 per bushel); quality (Rex variety) wheat at 59 to 60 francs (\$2.97 to \$3.02 per bushel) and durum wheat at 58 to 60 francs (\$2.92 and \$3.02 per bushel). Nominal offers of soft wheat in export position at Rouen call for 52.25 francs (\$2.63 per bushel).

So far in this crop year, the market is solely influenced by domestic and EEC demand, as exports to 3rd countries are only a trickle due to the low EEC export rebates.

CALENDAR OF WHEAT EVENTS

- August 27 According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in July 1970 amounted to 20,023,000 hundredweight, averaging 871,000 hundredweight per working day. This compared with an average output per working day of 908,000 hundredweight last month and 891,000 hundredweight in July 1969. Wheat flour mills during July 1970 operated at 86.6 per cent of capacity, compared with 90.4 per cent and 88.6 per cent, respectively, for the previous month and the same month a year ago. Flour mills in July 1970 ground 44,788,000 bushels of wheat compared with 44,126,000 bushels the previous month and 44,119,000 bushels in July 1969.
- September 9 According to a report published by Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) for Canada, Buenos Aires, the first official estimate of the area sown to wheat in Argentina of 4,740,000 hectares (11.7 million acres) is 24 per cent less than the 6,238,700 hectares (15.4 million acres) sown in 1969-70 and 25 per cent and 19 per cent less than the average sowings of the last five — and ten-year periods, respectively. The second estimate of sown area scheduled to be released on September 15, may well be lower still, especially since many areas have been abandoned and planted to maize and sorghum, particularly in Santa Fe and Cordoba.
- 15 A report received from Mr. R.A. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, stated that receivals by the Australian Wheat Board will probably be in the vicinity of 225 million bushels — substantially lower than in 1969-70 when 351 million bushels were delivered.
- 23 The Honourable Otto E. Lang, Minister Responsible for the Canadian Wheat Board announced that there has been an exceptionally strong demand for Canadian grain in recent months and there is a very good prospect for the volume of exports reaching 700 million bushels, surpassing the previous record of 685 million bushels exported during the 1963-64 crop year. Last year 474 million bushels were exported. For details see page 9 of this publication.

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