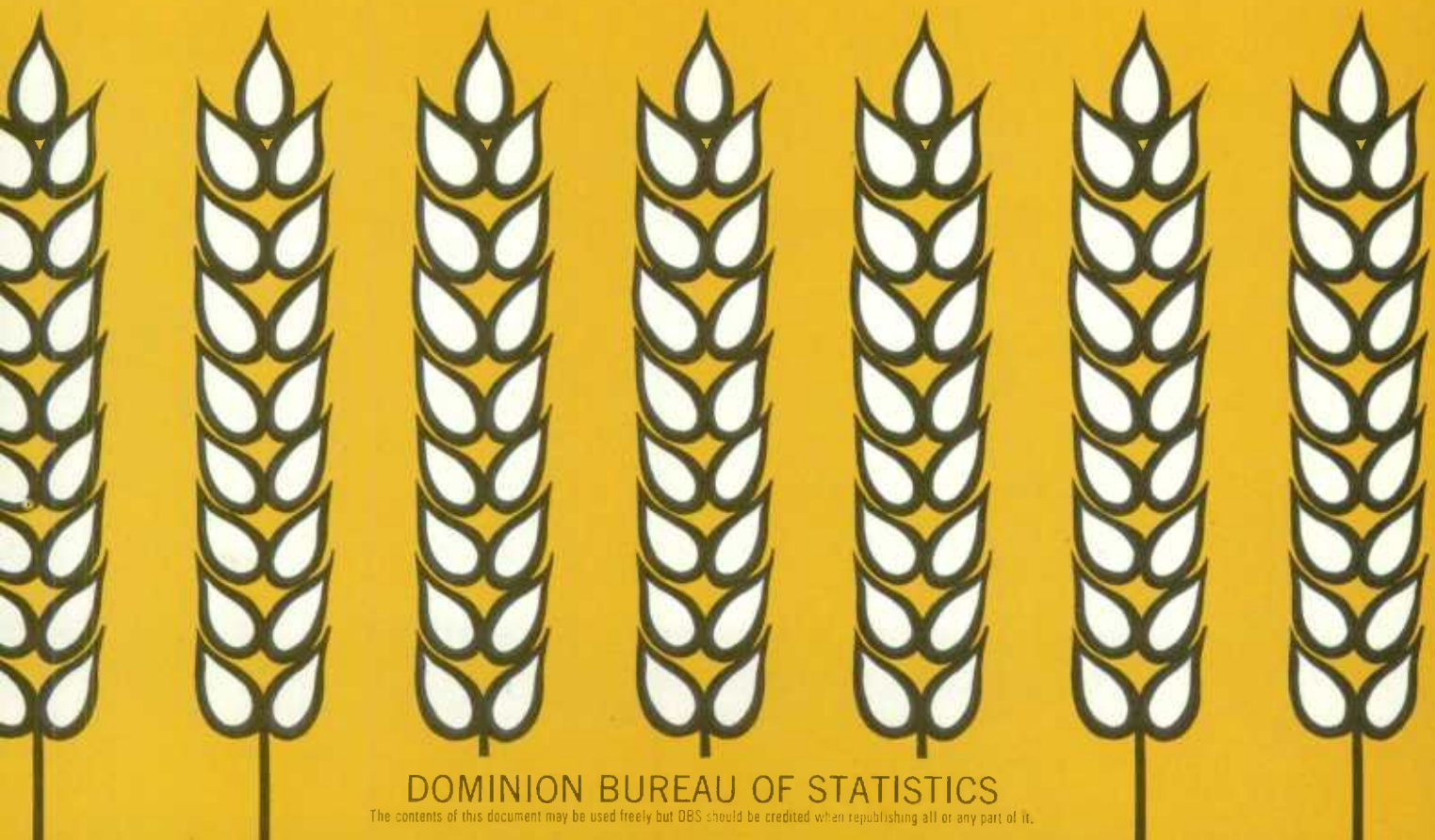


The Wheat Review

NOVEMBER 1970



DOMINION BUREAU OF STATISTICS

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DOMINION BUREAU OF STATISTICS

Agriculture Division

Crops Section

THE WHEAT REVIEW

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WORLD WHEAT SITUATION

August-October Exports Increase Over Year Ago

Total exports of wheat and wheat flour in terms of wheat from the four major exporting countries during the August-October period of the current Canadian crop year amounted to 429.1 million bushels, 56 per cent above the 275.4 million exported during the same three months in 1969 and 23 per cent more than the ten-year (1959-68) average shipments for the first quarter of the crop year, of some 349.5 million bushels. As indicated in the accompanying table, based on the Canadian crop year, each of the four major exporters, were at higher levels this year than last.

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

August — October	Canada	Australia	United States	Argentina	Total	France
million bushels						
1950	49.3	30.9	51.4	17.2	148.8	
1951	75.4	30.5	116.0	17.9	239.8	
1952	94.6	23.0	85.1	—	202.7	
1953	79.2	16.6	54.8	32.5	183.1	
1954	73.8	21.5	53.8	33.7	182.8	
1955	60.1	23.2	54.4	30.2	167.9	
1956	81.4	40.9	118.8	24.2	265.3	
1957	73.5	24.9	100.7	21.8	220.9	
1958	73.8	16.2	108.2	21.4	219.6	
1959	76.3	20.4	100.3	15.1	212.1	
1960	81.8	27.7	150.8	25.5	285.8	
1961	106.2	55.9	180.0	6.1	348.2	
1962	84.7	23.2	140.2	8.7	256.8	
1963	139.6	47.3	192.1	12.7	391.7	
1964	133.8	37.4	185.5	26.6	383.3	
1965	181.5	56.2	203.4	70.5	511.6	
1966	172.0	41.3	243.1	19.4	475.8	
1967	71.1	74.3	197.2	5.3	347.9	
1968	94.4	52.0	128.6	17.2 ^r	292.2 ^r	43.7
1969 ^r	58.7	75.7	124.1	16.9	275.4	52.1
1970 ^p	131.0	91.1	185.1	21.9	429.1	17.9(1)

(1) August — September only.

p Preliminary figures.

r Revised figures.

Wheat Supplies of Four Major Exporters Above a Year Ago

Latest available estimates indicate that supplies of wheat remaining on or about November 1, 1970 in the four major exporting countries, for export and for carryover at the end of their respective crop years, amounted to 3,122.2

million bushels, an increase of 7 per cent over the 2,923.1 million available a year ago. This increase reflected larger supplies in Australia, United States and Argentina which more than offset a decrease in Canada. Supplies on or about November 1, 1970, in million of bushels, were held as follows, with last year's comparable figures in brackets: Canada, 1,036.6 (1,299.0); Australia, 307.1 (286.9); United States, 1,734.1 (1,313.5); and Argentina, 44.4 (23.7).

World Wheat
Situation

The following report on the world wheat situation is taken from the "Situation" 70" report released in October 1970 by the Economics Branch of the Canada Department of Agriculture.

Situation 1969-70. — World wheat production (excluding China) in 1969-70 was estimated at 10.5 billion bushels, 8 per cent below the 1968-69 record production of 11.3 billion bushels. Production in the five main exporting countries as a group (Australia, Argentina, Canada, France and the United States) decreased about 6 per cent. The largest decrease was in the Soviet Union where, as a result of winter damage and some poor growing conditions, production was down by more than 15 per cent from the high level of 2.9 billion bushels of the previous year. Production in India advanced by about 13 per cent, and in Pakistan, was also slightly higher. Other countries with increased production included South Africa, Brazil, Argentina, Yugoslavia and Hungary.

Carryover stocks of wheat in the hands of the five main exporters, the United States, Canada, France, Australia and Argentina, which had dropped to their lowest point in a decade at the end of 1965-66, rose sharply in each subsequent season. The 12 per cent increase (800 million bushels) in stocks for the year ending June 1969 was followed by an increase at the end of June 1970 estimated at 200 to 300 million bushels, bringing total stocks in the hands of the five main wheat exporters to about 2.25 billion bushels. The first increase in wheat exports in the last 4 years occurred in 1969-70 when exports increased by 11 per cent from about 1,620 million bushels in 1968-69 to 1,800 million bushels in 1969-70. Main increases in exports included 88 million bushels to East Europe and the U.S.S.R.; 62 million bushels to Communist Asia; 30 million bushels to India and Pakistan; and 62 million bushels to all other countries. Part of the increase in wheat exports is attributed to the increase of more than 100 million bushels of wheat exported for feed; and part to an increase of 60 million bushels in world concessional sales. Exports from each of the main exporting countries increased, although exports by the U.S.S.R. were lower than the previous year. Canada, Australia and the United States provided 64 per cent of total exports in 1969-70 compared with 65 per cent the previous year.

United States' wheat supplies in 1969-70 amounted to 2,280 million bushels including production of 1,459 million bushels and carryover of 819 million bushels. U.S. exports in 1969-70, in contrast with the sharp decline in 1968-69 to 544 million bushels increased to 610 million bushels. The main markets for the increased exports were India and Japan. Wheat used for feed increased by more than 20 per cent from 1968-69 to 210 million bushels in 1969-70, compared with only 57 million bushels two years ago. In spite of increases in exports and feed use, there were 880 million bushels of carryover stocks at the end of July 1970, some 60 million bushels more than 12 months previously.

In Australia, total wheat supplies available for 1969-70 amounted to a record 660 million bushels, compared with less than 600 million bushels the previous year. Wheat production fell by 150 million bushels to 394 million bushels in 1969-70, but this reduction was offset by a 215 million bushels increase in stocks — from 52 million bushels at the end of 1968-69 to 267 million bushels at the end of this crop year. Australian exports, at about 280 million bushels, were up 19 per cent. Almost all of the increase was sold to Communist China and parts of non-Communist Asia.

In Argentina, production in 1969 recovered to 250 million bushels, 18 per cent above the 210 million bushels produced in 1968. Total supplies, however, amounted to only 268 million bushels. For the first 10 months of 1969-70, Argentina's exports,

at 64 million bushels, were less than 1968-69 exports by 17 million bushels. In early months of the crop year, there were some decreases in exports to traditional markets of Brazil and Peru. Stocks at the end of June 1970 are estimated to be higher than last year, amounting to about 35 to 40 million bushels.

In the European Economic Community, wheat production in 1969 was 1,157 million bushels, down slightly from 1968 but the second largest crop on record. Beginning stocks were 334 million bushels, making a total available supply of almost 1.5 billion bushels. Exports increased in 1969-70 by more than 70 million bushels, with a large increase in trade between France and China. Large quantities of wheat were used as feed; in the EEC some 146 million bushels were denatured for sale as feed and a similar amount of wheat was fed which was not denatured. The increased exports and feed use has resulted in some stock reduction in the EEC.

With continued heavy supplies available in all main exporting countries, pressure on world prices continued throughout crop year 1969-70. Prices in January 1970 for many types of wheat were quoted at about 20 cents a bushel less than a year earlier, but prices became more stable, particularly as export trade increased in early months of 1970. Prices for different grades and varieties tended to vary. The price of durum wheat was much less in 1970 than in 1969, although by June 1970, the price gap was narrowing.

Production in a number of countries was presumably lower in 1969 than hoped for with the Middle East, North Africa and the U.S.S.R. at lower levels than in the previous year due largely to poor yield. Such variations in production are likely to sustain the irregularity in export trade from year to year, although the trend toward self sufficiency in many countries still continues. The trend toward lower per capita consumption of wheat continues in most developed countries, although the rate of decrease in certain countries, such as France, has been greater than in most other countries in the past few years. Keen competition for available markets has been evident in recent years including 1969-70, although in the latter year a move started in some major countries to lower production levels.

World Wheat Outlook The following report on the world outlook situation is taken from the "Outlook '71" report released on October 28, 1970 by the Economics Branch of the Canada Department of Agriculture.

Outlook 1970-71. — At the beginning of the 1970-71 year, stocks of wheat in the five main exporting countries are estimated at 2,293 million bushels (62 million metric tons), the highest level of stocks since 1961 and 11 per cent more than one year ago. Estimated carryovers had their most pronounced increase in Canada but were also up in the United States, Australia and Argentina. In France, the carryover was slightly reduced. The composition of the stocks was United States 39 per cent, Canada 44 per cent, and Australia 13 per cent.

World wheat production in 1970-71 is expected to decrease by 4.5 per cent to 10.1 billion bushels (275 million metric tons). Poor weather conditions and national plans to decrease production have been responsible. Except in Britain, where a 24 per cent increase in production occurred, production in most Western European countries was lower. The EEC, with poor fall sowing conditions, had a total reduction in soft wheat production of about 72 million bushels (almost two million metric tons). In Eastern Europe, serious flooding affected plans for planting in several countries, and production will be lower by from 5 to 10 per cent. In the Soviet Union, fall plantings were down from the previous year, but spring plantings were increased.

Difficulties occurred in some spring wheat areas but good yields from fall plantings indicate that the crop will be larger than last year. Mainland China's wheat production has been increasing slowly and this year's crop appears likely to be higher than last year. Some parts of the Middle East have suffered from drought, but some North African countries will have improved crops this year. With lower acreage and unfavorable weather, smaller crops are expected in the southern hemisphere.

In spite of the decrease in production, world supplies for the crop year 1970-71 are near the record high level of 1961. Three of the main exporters, Canada, the United States, and Australia, took measures to reduce acreage for the 1970 harvest, and in Argentina, there has been a continuing trend away from wheat to other grains. With Canada's reduction from last year leading the way at 353 million bushels (9.6 million metric tons) the total reduction in production from 1969-70 to 1970-71 by the five main exporters is estimated to be 735 million bushels (20 million metric tons), or 23 per cent.

Acreage for harvest of all wheat in the United States was 43.6 million acres in 1970 compared with 47.6 million acres actually harvested in 1969. Spring wheat acreage was up by one million acres but winter wheat acreage was down by 3.7 million acres. Durum wheat acreage decreased by 1.3 million acres to a relatively low area of two million acres. Yield of all wheat however, was up again this year to a very high average level of 31.2 bushels an acre. Total production is estimated at 1,360 million bushels (37 million metric tons), about 100 million bushels (2.7 million metric tons) less than last year. Durum production at 50 million bushels (1.4 million metric tons) is less than half of last year's crop.

With acreage in France at 9.3 million acres, down some seven per cent from 1969 as a result of difficult fall weather conditions, production in 1970 is estimated at about 430 million bushels (12 million metric tons), compared with 480 million bushels (13 million metric tons) in 1969.

In Australia, drought conditions (which have been serious in Queensland and New South Wales), coupled with pressure on farmers to reduce wheat acreages through the newly-introduced delivery quotas, appear likely to result in an acreage reduction of about 28 per cent, from 23.3 million acres in 1969 to about 16.8 million acres in 1970. There had been a rise from about 10 million acres in the 1950's to a high of 26.6 million acres in 1968-69. The reduced acreage this year, coupled with dry growing conditions, indicates a crop of 250 million bushels (6.8 million metric tons) compared with last year's crop which was just less than 400 million bushels (11 million metric tons).

Argentina's first estimate of acreage for the forthcoming crop shows a reduction of 35 per cent from a year ago and the smallest area sown to wheat in more than 50 years, because at seeding time, there was drought in some areas and heavy rains in others. The result could be a crop of much less than 200 million bushels (5.4 million metric tons) compared with more than 250 million bushels (6.8 million metric tons) last year. Argentina for another year will not be a major wheat exporter.

In Canada, the government program in 1970 led to an acreage reduction of 12.5 million acres. Acreage in the Prairie Provinces was 12 million acres compared with 24.4 million acres in 1969. Acreage in Manitoba was down from 2.5 million to 1.4 million acres; in Saskatchewan, from 16.6 million to 8 million acres; and in Alberta, from 5.3 million to 2.6 million acres. Spring wheat yield, although still well above average, was down from 27.2 bushels an acre in 1969 to 25.9 bushels an acre in 1970.

Production of all wheat is estimated at 332 million bushels (9 million metric tons), less than half the 1969 production of 685 million bushels (18.6 million metric tons), and the recent five-year average of about 680 million bushels (18.5 million metric tons). In the three Prairie Provinces, production was down from 665 million bushels (18 million metric tons) to 312 million bushels (8.5 million metric tons). With the record carryover of about one billion bushels (27 million metric tons), at July 31, 1970, the supplies for 1970-71 are estimated at 1.35 billion bushels (37 million metric tons), a reduction of less than 200 million bushels from a year earlier. Durum production on 3.1 million acres amounted to 81 million bushels (2.20 million metric tons) compared with 83 million bushels (2.26 million metric tons) from 3.2 million acres in 1969. Ontario winter wheat production on 355,000 acres amounted to 16 million bushels (435,000 metric tons), up 1.3 million bushels from the previous year as a result of a yield increase from 40 bushels an acre in 1969 to 44 bushels an acre in 1970.

World wheat trade declined from about 2.25 billion bushels (61 million metric tons) in the mid-sixties to 1.6 billion bushels (44.5 million metric tons) in 1968-69. In 1969-70, it rose to 1.8 billion bushels (50 million metric tons) and a further rise is expected in 1970-71, to about 1.9 billion bushels (53.5 million metric tons). This includes increased requirements in Eastern and Western Europe, Turkey and other parts of the Near East and Asia. Trade in wheat for feed was at a higher level in 1969-70 than in 1968-69, and although it depends on the future supply and price of feed grains, this trade is likely to increase further in 1970-71. Of significance in international trade is the fact that export supplies will be higher, particularly in Canada, Australia and the United States. However, with the expected increase in total trade, world stocks (at the end of 1970-71) are likely to decline for the first time since 1965-66. There does not seem to be a reason to expect that the current increase represents any immediate renewal of the trend back to the high level of exports such as occurred in 1965-66 when exports totaled almost 2.3 billion bushels (62.6 million metric tons). In the medium term, the trend toward self-sufficiency in wheat in many importing countries will continue although there may be set-backs from time to time.

Although world stocks will remain very large throughout 1970-71, the anticipated increase in exports and the reduction in stocks will likely lead to some further recovery of prices on world markets. However, this will probably have little effect on prices to consumers in many countries because of the domestic support arrangements.

CANADIAN SITUATION

Supplies Decline
from Year Ago Total estimated supplies of wheat for the 1970-71 (August-July) crop year are placed at next-to-record 1,342.6 million bushels consisting of the August 1 record carryover of 1,011.0 million and the 1970 crop, now estimated on the basis of conditions at October 22, at 331.5 million bushels. Supplies of the size indicated represent a decrease of 13 per cent from the record 1,536.1 million bushels of 1969-70. After making an allowance of 175.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1970-71 amount to 1,167.6 million, 14 per cent less than the 1,357.7 million in 1969-70.

Exports Higher
than Previous Year Exports of wheat and flour, in terms of wheat equivalent, during August-October 1970 amounted to 131.0 million bushels, more than double the 58.7 million exported during the same three months of 1969. This year's exports consisted of 124.5 million bushels of wheat in bulk, 307 thousand of seed and 6.2 million of flour in terms of wheat.

During the August-October period last year these figures were 52.8 million of wheat in bulk, 135 thousand of seed and 5.8 million of flour in wheat equivalent. The balance remaining on November 1, 1970 for export and for carryover amounted to 1,036.6 million bushels, 20 per cent below the November 1, 1969 total of 1,299.0 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	331.5(1)
Total estimated supplies	1,536.1	1,342.6
Less estimated domestic requirements for crop year	178.4	175.0
Available for export and for carryover	1,357.7	1,167.6
<u>Deduct</u>		
Exports of wheat in bulk, August-October(2)	52.8	124.5
Exports of seed wheat, August-October(3)	0.1	0.3
Total exports of wheat as grain	52.9	124.8
Exports of wheat flour in terms of wheat, August - October(3)	5.8	6.2
Total exports of wheat and wheat flour	58.7	131.0
Balance on November 1 for export and for carryover ...	1,299.0	1,036.6

(1) Based on November forecast of production.

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

(3) Customs returns, 1969-70 adjusted for time lag.

p Preliminary figures.

r Revised figures.

Marketings, Disappearance and Visible Supplies

Total primary deliveries of wheat (both east and west) up to November 11 of the current crop year have amounted to 75.4 million bushels compared with 55.7 million marketed during the same period of the previous year. Some 18.6 million bushels of this year's total were delivered during the four weeks October 15 to November 11. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 45.5 million bushels. As a result, the total visible supply of Canadian wheat decreased from 403.1 million at October 14 to a level of 376.0 million at November 11, 1970.

The total visible supply of Canadian wheat at November 11 this year represented a 16 per cent decrease from the 1969 comparable total of 449.1 million and was 9 per cent less than the 1968 figure of 411.5 million. Country elevator stocks, amounting to 240.7 million bushels, were also below both the 1969 comparable total of 275.2 million, and the 250.6 million of two years ago. Wheat stocks at interior terminals at November 11, 1970, totalled 10.9 million bushels slightly lower than both the 12.2 million of the two preceding years. The 14.5 million bushels "in transit rail" (western division) were 19 per cent above the 1969 figure of 12.2 million and 10 per cent more than the 13.2 million in this position in 1968. Supplies at the Lakehead, totalling some 23.1 million bushels, registered declines from both last year's comparable level of 40.9 million and the 36.5 million of 1968. Stocks "in transit lake", amounting to 6.2 million bushels were 15 per cent below the 1969 level of 7.3 million and 21 per cent less than the 1968 figure of 7.9 million. The 37.6 million bushels in Bay, Lake and Upper St. Lawrence ports were lower than the 39.2 million of a year ago but above the 30.9 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at November 11, 1970, at 29.0 million bushels, registered a decrease of 31 per cent from the 42.3 million of a year ago and were 21 per cent less than the 36.8 million at the same date in 1968. The 5.8 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were substantially smaller than both the 11.0 million at November 12, 1969 and the 13.4 million at the comparable date in 1968.

October 1970 Exports of
Wheat and Flour Total
48.1 Million Bushels

Combined exports of wheat in bulk, seed wheat and wheat flour in terms of grain equivalent during October 1970 amounted to 48.1 million bushels, 29 per cent more than the September 1970 total of 37.2 million, considerably above the October 1969 figure of 21.1 million and a 21 per cent increase over the ten-year (1959-68) average for the month of October of 39.7 million.

Exports of wheat in bulk during October 1970 (as reported by the Board of Grain Commissioners), amounted to 44.6 million bushels, registering increases over the September 1970 exports of 35.2 million, the October 1969 total of 18.8 million and the ten-year average for the period of 36.7 million. Exports of seed wheat during October 1970, based on Canadian Customs returns, amounted to 84 thousand bushels compared with the October 1969 total (adjusted to remove time lag) of only 2 thousand bushels. Customs returns also indicate that the equivalent of 3.5 million bushels of wheat was exported in the form of flour during October 1970, sharply above both the September 1970 figure of 1.9 million, and the October 1969 total (adjusted for time lag) of 2.2 million and 18 per cent more than the ten-year average of 2.9 million.

Cumulative exports of wheat in bulk during the August-October period of the current crop year amounted to 124.5 million bushels, more than double the 52.8 million shipped during the first three months of the 1969-70 crop year and 18 per cent more than the average for the period of 105.5 million. Britain, India and the People's Republic of China were the leading markets for wheat in bulk during the first three months of the current crop year with shipments amounting to 16.7 million, 15.1 million and 14.7 million bushels, respectively, and accounted for a combined 37 per cent of the August-October total compared with 39 per cent of the previous year's total. Other principal markets for Canadian wheat during the period under review with last year's corresponding figures in brackets, were as follows, in million of bushels: U.A.R. - Egypt, 11.6 (nil); Japan, 10.1 (7.4); Federal Republic of Germany, 5.5 (4.2); Syria, 5.2 (nil); and U.S.S.R. (Russia), 4.4 (nil). Cumulative exports of seed wheat during August-October of the current crop year, based on Canadian Customs

returns, amounted to 307 thousand bushels compared with last year's comparable total (adjusted to remove time lag) of 135 thousand.

Cumulative exports of wheat flour during the first three months of the 1970-71 crop year, based on Customs returns, were the equivalent of 6.2 million bushels of wheat, 7 per cent above the comparable 1969-70 figure of 5.8 million bushels (adjusted for time lag) but 25 per cent below the ten-year average for the period of 8.3 million.

Exports of wheat flour by countries for August-October 1970, based on Customs data, are not available.

Canadian Wheat Board
Negotiates Sale to
Algeria

with Algeria.

On November 17, 1970 the Canadian Wheat Board negotiated a four-year agreement, involving the sale of 850,000 to 1,000,000 metric tons of Canadian wheat to Algeria. It is the first time that a long-term agreement has been signed

The agreement extends from August 1, 1971 to July 31, 1975, although some shipments may be made before the end of the present crop year. At the maximum, the sale amounts to about 37,000,000 bushels, valued at approximately \$70,000,000.

The terms of the agreement call for the payment of 10 per cent cash when each vessel is loaded with the balance in three years, with interest. The credit terms are made possible under a guarantee to the Canadian Wheat Board by the federal government.

Sale of Wheat to
People's Republic of China

Minister Responsible for the Canadian Wheat Board.

On October 27, 1970 the sale of 2.5 million long tons of wheat to the People's Republic of China was announced in the House of Commons by The Honourable Otto E. Lang,

"Within the tolerances permitted in the contract, this sale by the Canadian Wheat Board could amount to a maximum of 98 million bushels, valued at more than \$160 million," Mr. Lang said. Shipment will be over a 12-month period and all shipments will be made from west coast ports.

"This is the largest sale ever made for a one-year period and compares with the 86 million bushels shipped to China under the contract signed last September," Mr. Lang said. Final shipments under the present contract will be made later this month and deliveries under the new contract will start within the next few weeks.

The grades to be shipped will be largely No. 2, No. 3 and No. 4 Northern wheat, durum wheat and small quantities of Alberta Red Winters.

Terms of payment are similar to the previous contract, with 25 per cent to be paid in cash when each vessel is loaded and the balance in 18 months with interest. These credit terms are made possible through the Federal Government's guarantee to the Canadian Wheat Board.

Canadian Wheat
Situation

The following report on the Canadian wheat situation is taken from the "Situation '70" report released in October 1970 by the Economics Branch of the Department of Agriculture.

Situation 1969-70. — Stocks of wheat in Canada at the beginning of the 1969-70 crop year totalled 852 million bushels, an increase for the third consecutive year and some 185 million bushels more than the stocks 12 months earlier. The wheat crop harvested in 1969 was 684 million bushels, 35 million bushels more than in the previous year. Acreage in 1969 was less than 25 million acres compared with 29.4 million in 1968, but the near record yield of 27.4 bushels to the acre accounted for the higher production. Most of the crop was harvested under good conditions except for central and northern parts of Alberta and other northern parts of the Prairies where some harvesting occurred in the spring. Problems of drying related to the 1969 crop were much less significant than in the previous year. Total wheat supplies for the year 1969-70 were 1,536 million bushels, the largest supply on record and 220 million bushels more than 1968-69 supplies.

Farmers' marketings of wheat amounted to 421 million bushels in 1969-70, a 2 per cent reduction from the 430 million bushels in 1968-69 and the third consecutive year of decline. Domestic use of wheat in Canada in 1969-70 was estimated to be little changed from the previous year, since the decrease in seed use of more than 15 million bushels was offset by the additional quantities of feed wheat moved under the Livestock Feed Board program. Under this program, feed wheat shipments increased from about 10 million to 26 million bushels. Wheat for human consumption was estimated to be changed little from the previous year.

Wheat and wheat flour exports from Canada amounted to 347 million bushels in 1969-70 of which 18 million was durum. This was a 13 per cent increase from the 306 million bushels exported in 1968-69 and slightly more than the figure of 336 million bushels for 1967-68. Exports in the August-July period of the 1969-70 crop year were lower for Western Europe but higher for the U.S.S.R. For Africa, exports were higher with major increases in U.A.R. Egypt, Morocco and Tunisia. Exports to Asia were down by 15 million bushels with sharply reduced quantities to China and slightly lower shipments to Japan. In the western hemisphere, new sales were made to Peru and the United States and increased quantities were sold to Cuba, Jamaica and Haiti. In May, the sale of 33 million bushels to Brazil was announced. At the end of the crop year, stocks of wheat in Canada amounted to 1,011 million bushels.

In order to remain competitive, Canadian Wheat Board asking prices for wheat were reduced gradually throughout the year. The price for No. 1 Northern averaged \$1.95 per bushel (in store Thunder Bay) for crop year 1968-69, but at August 1, 1969 the daily price figure was \$1.89. The price fell to about \$1.82 by the end of September, but was fairly stable for the next six months. At the first of June 1970, following the increase in the value of the Canadian dollar, the asking price of No. 1 Northern was reduced from about \$1.80 to \$1.74. By the first week in August, the price was \$1.72. Prices of the top four grades were reduced by June, but for grades No. 5, 6 and Feed wheat, prices were not changed at that time and in fact were slightly higher than in the early spring. Initial prices to producers were lowered to \$1.50 per bushel for No. 1 Northern wheat, basis in store Lakehead and Vancouver, from \$1.70 for 1968-69. During the year, it was announced that no final payments would be made for any wheat from the 1968-69 pools except for durum.

Durum production in Canada increased in 1969 to 83 million bushels from 45.5 million in 1968, the main increase being in Saskatchewan where production climbed from 35 million to 68 million bushels. Total world exports of durum by all countries

in recent years have been between 70 and 80 million bushels. In the 1969 calendar year, Canada exported about 17 million bushels, and domestic utilization was from 8 to 10 million bushels. Prices of durum fell steadily throughout the crop year from \$2.09 per bushel in August 1969 to \$1.71 in July 1970.

Saskatchewan's spring wheat crop from 16.6 million acres in 1969 reached 461 million bushels compared with 372 million bushels from 19 million acres in 1968. Saskatchewan's largest crop was 537 million bushels from 19.4 million acres in 1966-67. The crops in Alberta and Manitoba were each lower in 1969 with Alberta down 16 per cent to 140 million bushels and Manitoba was down almost 30 per cent to 64 million bushels. Spring wheat is not a principal crop elsewhere, with 1969 production in British Columbia at 3.6 million bushels; in the three Maritime provinces at 350 thousand bushels, Ontario at 240 thousand bushels; and Quebec at 750 thousand bushels. In Ontario, the 1969 winter wheat production of 14.9 million bushels was slightly below last year's production, and well below the peak crop of 26.2 million in 1953-54. Millings of Ontario winter wheat have been running about 8 million bushels. Almost three million bushels of winter wheat were estimated to have been exported in 1969-70.

Acreage of all wheat planted in Canada for harvest in 1970 amounted to 12,484,000 acres, approximately one half of the acreage in 1969. Saskatchewan planted 8 million acres in 1970 compared with 16.6 in 1969; Alberta at 2.6 million compared with 5.3 million; Manitoba at 1.4 million compared with 2.5 million. Durum wheat acreage at 3.1 million acres was a little below last year but the third highest year on record. Ontario winter wheat was slightly down to 355,000 acres.

Production from all wheat harvested in Canada in 1970 is estimated at 331.5 million bushels of which 16 million bushels was winter wheat and 80.9 million is durum.

Canadian Wheat
Outlook

The following report on the Canadian outlook situation is taken from the "Outlook '71" report released on October 28, 1970 by the Economics Branch of the Canada Department of Agriculture.

Outlook 1970-71. — There are several factors which are influencing the export sales position of Canadian wheat in 1970-71. Sales opportunities are better this year with a somewhat larger world demand and with some normal suppliers in relatively short supply themselves. In addition, Canadian wheat is competing strongly on world markets and the government's expanded credit program has been facilitating larger sales to developing countries. It is estimated that exports will approach 500 million bushels (13 million metric tons) in the 1970-71 crop year compared with 347 million bushels (9.4 million metric tons) last year. Substantial forward sales have been made by this fall. Disposition on domestic markets in 1970-71 should be at least as high as the record 178 million bushels (5 million metric tons), used last year when the amount of wheat used for human food reached 63 million bushels (1.7 million metric tons), and that used for animal feed, seed, etc. was 114 million bushels (3 million metric tons). The amount used for livestock will depend on the change in the supply situation which is likely to develop in feed grains in 1970-71. Total disposition of wheat could range from 675 million to 700 million bushels (18 million to 19 million metric tons).

The Canadian carryover of wheat which was close to one billion bushels (27 million metric tons) in mid-year should thus decrease by July 31, 1971 to little more than 650 million bushels (17.7 million metric tons) which would be the lowest level in the last three years, but still more than adequate as a regular carryover.

The initial payment for the 1970-71 crop year remained at \$1.50 a bushel basis No. 1 Northern, in store at Thunder Bay or Vancouver. Asking prices for July 1970 were \$1.73 a bushel, but have improved several cents since that time and could increase further during the crop year. The change in the value of the Canadian dollar has partially offset the recent increase in prices in world markets which have therefore not been fully reflected in producer returns. Prices for wheat for human domestic consumption are fixed at the minimum of \$1.95 1/2 a bushel, basis No. 1 Northern in store at Thunder Bay.

Although quantities available and supplies required will vary from year to year, sometimes substantially as has been the case this year, the general world picture is one where the combined resources of wheat producers can readily meet or exceed a foreseeable level of import requirements, and where import requirements are not likely to increase on a regular basis because countries are producing more of their own requirements. In most importing countries, policies will continue to foster and favor domestic production. Foreign exchange to buy imported foods is also a major problem in developing countries. It is difficult to foresee the possibility of any general expansion in world markets, and subsequent years may see a return to lower world demand and more competition to meet it. If continuing policies in various exporting countries prevent the level of stocks from becoming as unmanageable as in the last few years, world prices for the next year or two could strengthen. With the continuation of Canada's more competitive sales policy, it should be possible to export at least 350 million to 400 million bushels (9.5 million to 11 million metric tons) in each of the next two years. Total Canadian wheat disposal could average 550 million bushels (15 million metric tons) a year in 1971-72 and 1972-73.

The high proportion of land held in summerfallow in 1970 provides an unusually large acreage for seeding to grain and the chance of high yields in 1971. However, on the basis of the above expectations for wheat disposal in the next two years, if acreage in 1971 exceeds 20 million acres, there will be an undesirable increase in the projected carryover of 650 million bushels. Unless new circumstances arise in 1971, acreage in 1972 should remain about the same level of 20 million acres.

For 1971, some increase is expected in plantings of Ontario winter wheat, because of favourable fall planting conditions and prospects for relatively high prices next year.

With durum wheat, however, the relatively large stocks, along with the relatively unchanged demand situation, indicate that no increase in durum acreage is warranted.

Wheat is Still the
Most Popular Food

Man may not live by bread alone but in one way or another, wheat is an important part of the daily diet for more than a billion people in the world today. According to the Food and

Agriculture Organization of the United Nations, wheat "... makes a larger contribution to the calories and protein available to man than any other food." Bread, breakfast cereals, cakes, cookies, biscuits and semolina products (spaghetti, etc.) are the common forms in which wheat is consumed in industrialized countries. But in the developing nations of Asia, Africa, Central and South America wheat is consumed in the forms dictated by custom, available utensils and fuel, taste and local conditions.

Canada's 1970 Wheat Crop
Estimated at 331.5
Million Bushels

Based on conditions at October 22, Canada's 1970 wheat crop now estimated at 331.5 million bushels is 52 per cent below last year's 684.3 million bushels and 43 per cent below the ten-year average of 585.6 million bushels.

The decrease in production compared with last year is due to a 3 per cent decrease in yields and a 50 per cent decrease in seeded acreage. The average yield at 26.6 bushels per acre is 25 per cent above the ten-year (1959-68) average of 21.2 bushels per acre. This year's all Canada crop of spring wheat, including durum, is estimated at 315.9 million bushels compared with the 1969 crop of 669.9 million and the ten-year average of 569.6 million bushels. Ontario's winter wheat crop is estimated at 15.6 million bushels, an increase of 9 per cent from last year's crop of 14.3 million.

In the Prairie Provinces the 1970 wheat crop is now placed at 312.5 million bushels, some 352.5 million bushels or 53 per cent below the 1969 crop of 665.0 million bushels. Production in Saskatchewan, accounts for 63 per cent of this year's all Canada wheat crop and is estimated at 210.0 million bushels, some 54 per cent less than last year's 461.0 million bushels. The Alberta crop, estimated at 72.0 million bushels, is down 49 per cent from last year's production of 140.0 million while the Manitoba crop of 30.5 million is 52 per cent smaller than the 1969 outturn. The indicated average yield per seeded acre in the Prairie Provinces is 26.0 bushels, with Manitoba averaging 21.8, Saskatchewan, 26.2 and Alberta, 27.7 bushels per acre. Current estimates of production in the Prairie Provinces include relatively small quantities of winter wheat principally in Alberta, and an estimated 80.9 million bushels of durum wheat.

November Estimate of the 1970 Production of Spring and Winter Wheat in Canada
Compared with 1969

Crop	Area		Yield per acre		Production	
	1969	1970	1969	1970(1)	1969	1970(1)
	acres		bushels		bushels	
CANADA						
Spring wheat(2)	24,607,700	12,129,000	27.2	26.0	669,948,000	315,935,000
Winter wheat	360,000	355,000	39.8	43.9	14,328,000	15,584,000
All wheat	24,967,700	12,484,000	27.4	26.6	684,276,000	331,519,000
PRAIRIE PROVINCES						
Manitoba	2,500,000	1,400,000	25.6	21.8	64,000,000	30,500,000
Saskatchewan	16,600,000	8,000,000	27.8	26.2	461,000,000	210,000,000
Alberta	5,300,000	2,600,000	26.4	27.7	140,000,000	72,000,000
Totals(2)	24,400,000	12,000,000	27.3	26.0	665,000,000	312,500,000

(1) As indicated on basis of conditions on or about October 22.

(2) Includes durum wheat and relatively small quantities of winter wheat in all provinces except Ontario.

Durum Wheat. — The acreage in durum wheat in the Prairie Provinces in 1970 was 3 per cent smaller than that seeded in 1969, and average yields estimated at 26.4 bushels per acre, are slightly above the 1969 figure of 26.3 bushels. The October estimate is 80.9 million bushels, compared with the 1969 crop of 83.0 million. Estimated production by provinces, in millions of bushels, is as follows: Manitoba, 2.4 Saskatchewan, 66.0 and Alberta 12.5.

November Estimate of the 1970 Production of Durum Wheat(1)
in the Prairie Provinces Compared with 1969

Province	Area		Yield per acre		Production	
	1969	1970	1969	1970(2)	1969	1970(2)
	acres		bushels		bushels	
Manitoba	170,000	115,000	23.5	20.9	4,000,000	2,400,000
Saskatchewan	2,600,000	2,500,000	26.2	26.4	68,000,000	66,000,000
Alberta	384,000	450,000	28.6	27.8	11,000,000	12,500,000
Totals	3,154,000	3,065,000	26.3	26.4	83,000,000	80,900,000

(1) Acreage and production included with spring wheat.

(2) As indicated on the basis of conditions on or about October 22.

Note: All estimates are field-run basis.

Wheat Shipments from
Churchill During
1970 Season

Shipments of wheat from the port of Churchill during the 1970 season of navigation amounted to 24.6 million bushels compared with last year's figure of 21.9 million and ten-year 1959-68 average of 21.6 million.

Ocean Shipments of Wheat from Churchill Season of Navigation, 1933-70

Year	Wheat	Year	Wheat
	thousand bushels		thousand bushels
1933	2,708	1952	8,585
1934	4,050	1953	10,784
1935	2,407	1954	12,485
1936	4,294	1955	13,078
1937	604	1956	16,250
1938	917	1957	16,577
1939	1,772	1958	19,599
1940	—	1959	21,787
1941	—	1960	19,582
1942	—	1961	19,353
1943	740	1962	21,525
1944	—	1963	22,864
1945	—	1964	21,645
1946	2,929	1965	24,707
1947	4,976	1966	21,817
1948	5,314	1967	20,639
1949	5,528	1968	22,516
1950	6,768	1969	21,873
1951	7,278	1970	24,600

Wheat Shipments to
the United States

There were no vessel shipments of wheat to the United States, either for re-export or retention for domestic use, from the beginning of the current crop year to November 11, 1970.

During the comparable period of 1969 shipments amounted to 559,000 bushels.

Wheat Shipments(1) to the United States by Destination
August 1 - November 11, 1970 with Comparisons

Destination	1968	1969	1970
		bushels	
By Vessel			
Buffalo	—	558,780	—

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

Farmers'
Marketings

Deliveries of wheat from farms in the Prairie Provinces up to November 11 of the current crop year amounted to 69.4 million bushels, 37 per cent more than the comparable 1969 total of 50.7 million but 37 per cent below the ten-year (1959-68) average for the period of 111.0 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
23	502,951	7,768,175	2,711,223	10,982,349	7,157,123
30	338,229	5,298,647	1,458,093	7,094,969	3,800,993
October 7	901,914	4,364,729	1,256,026	6,522,669	2,553,033
14	422,585	2,637,239	1,045,497	4,105,321	2,112,563
21	317,073	3,235,120	807,825	4,360,018	2,611,493
28	271,956	3,488,774	846,963	4,607,693	3,556,169
November 4	234,455	1,986,155	651,750	2,872,360	3,147,401
11	983,278	4,472,902	1,288,280	6,744,460	3,058,373
Totals	5,491,407	49,132,364	14,762,984	69,386,755	50,683,547
Average similar period: 1959-68	15,275,371	70,047,855	25,685,238	111,008,464	

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

Visible Supply of Canadian Wheat, November 11, 1970
Compared with Approximately the Same Date, 1968 and 1969

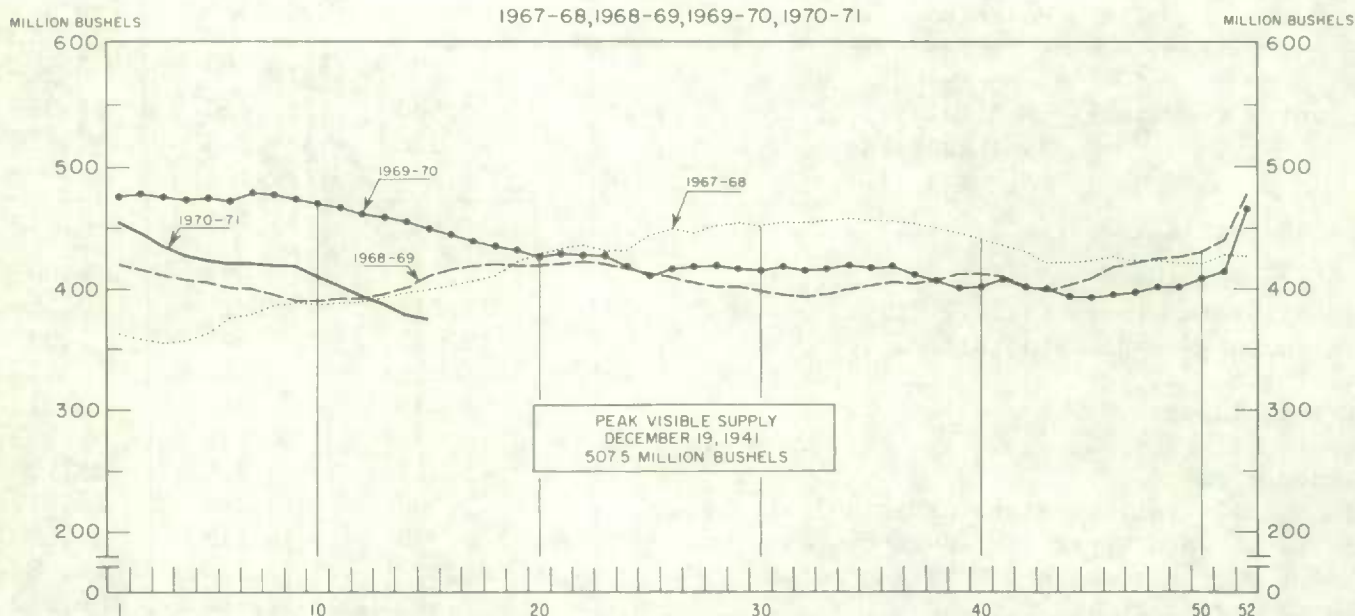
Position	1968	1969	1970
	thousand bushels		
Country elevators - Manitoba	34,980	35,820	24,999
Saskatchewan	143,328	159,845	148,236
Alberta	72,337	79,501	67,475
Sub-totals	250,645	275,166	240,710
Interior private and mill	4,936	4,495	4,003
Interior terminals	12,219	12,217	10,926
Vancouver-New Westminster	12,065	9,509	5,050
Victoria	858	560	464
Prince Rupert	495	947	315
Churchill	4,639	4,151	2,933
Thunder Bay	36,461	40,926	23,120
In transit rail (western division)	13,200	12,230	14,512
Bay, Lake and Upper St. Lawrence ports	30,889	39,176	37,560
Lower St. Lawrence and Maritime ports	36,827	42,300	28,987
In transit lake	7,923	7,332	6,230
In transit rail (eastern division)	313	52	1,225
Totals	411,470	449,061	376,035

Grading of Wheat Inspected, August - October 1970 with Comparisons

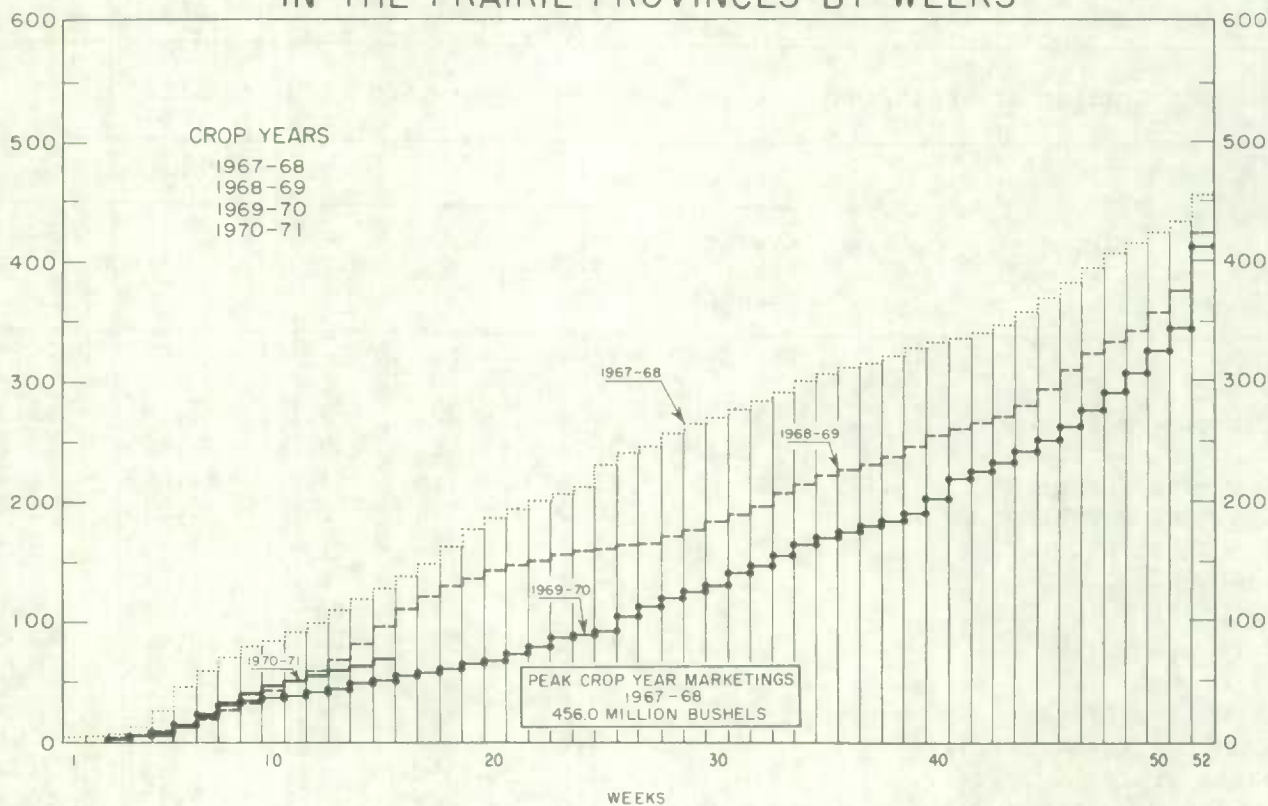
Grade	Crop Year		August - October			
	Average 1964-65 1968-69	1969-70	1969		1970	
			cars	per cent	cars	per cent
No. 1 Man. Northern	10.1	6.1	4,203	9.9	2,287	3.3
No. 2 Man. Northern	33.3	30.8	17,152	40.5	20,226	29.5
No. 3 Man. Northern	19.7	19.8	4,716	11.1	12,642	18.4
No. 4 Man. Northern	8.3	10.2	2,316	5.5	9,213	13.4
No. 5 Wheat	3.3	5.5	720	1.7	5,745	8.4
No. 6 Wheat	0.3	0.7	88	0.2	1,026	1.5
Feed Wheat	(1)	0.1	17	(1)	99	0.1
Others Red Spring	18.3	18.5	7,596	18.0	8,606	12.6
C.W. Garnet	0.1	(1)	1	(1)	35	0.1
C.W. White Spring	0.1	0.2	126	0.3	172	0.3
C.W. Mixed Wheat	0.1	0.1	21	(1)	93	0.1
Alberta Winter	0.8	0.8	530	1.3	831	1.2
Nos. 1-6 C.W. Amber Durum	4.6	6.4	4,161	9.8	7,130	10.4
Other C.W. Amber Durum	0.8	0.7	652	1.5	452	0.7
Totals	100.0	100.0	42,299	100.0	68,557	100.0
Gross bushels (approx.)			82,294,000		136,302,000	

(1) Less than .05 per cent.

WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT



CUMULATIVE RECORD OF WHEAT MARKETINGS IN THE PRAIRIE PROVINCES BY WEEKS



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

Lake Shipments of Canadian Grain Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to November 11 this year amounted to 384.1 million bushels, considerably above the comparable 1969 figure of 198.7 million and 14 per cent more than the 10-year (1959-68) average for the period of 279.0 million. In 1970 the season of navigation opened on April 8 while the 1969 season opened on April 11. Shipments of wheat, at 222.6 million were 72 per cent more than the 1969 figure of 129.0 million bushels and accounted for 58 per cent of the total six grains.

Lake Shipments of Canadian Grain from the Opening of Navigation to November 11, 1970 and to Approximately the Same Date, 1959 to 1969

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
1959	152,225	27,628	43,953	4,651	5,808	—	234,264
1960	154,989	22,209	42,057	3,405	7,391	—	230,051
1961	188,741	20,463	36,704	3,841	6,319	—	256,069
1962	136,172	19,762	23,972	5,084	6,980	—	191,971
1963	184,293	37,346	31,571	3,091	5,441	—	261,743
1964	302,907	30,029	35,813	4,902	8,166	59	381,876
1965	242,399	41,099	35,380	3,939	8,799	810	332,426
1966	325,848	25,763	35,685	7,406	11,192	811	406,704
1967	190,485	31,609	57,742	5,265	8,478	862	294,439
1968	150,977	16,375	25,709	2,414	4,636	326	200,437
1969	128,998	16,759	42,621	1,877	7,259	1,178	198,691
1970	222,591	23,550	120,418	2,506	9,979	5,016	384,060

Rail Shipments of Wheat to Maritime Ports Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during August-October 1970 amounted to 2,119,000 bushels in contrast to the August-October 1969 figure of 188,000.

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

Origin of shipments	August 1 - October 31, 1969	August 1 - October 31, 1970
bushels		
Port McNicoll	—	481,492
Midland, Tiffin	90,129	769,025
Owen Sound	98,314	350,415
Goderich	—	517,816
Totals	188,443	2,118,748

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	244,549
October	152,009	57,458	149,076	176,450
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, October 1970

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
bushels					
5 Wheat	—	9,000	2,000	—	1,333
Durum	—	—	—	4,000	—
Others	14,500	31,000	108,403	1,700	4,514
Totals	14,500	40,000	110,403	5,700	5,847

Overseas Exports of Canadian Grain by Ports of Loading, August 1 - November 11, 1970
with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
thousand bushels							
<u>Pacific Seaboard</u>							
Van.-New West	36,972	—	234	13,008	1,145	1,281	4,334
Victoria	1,481	—	—	—	—	—	—
Prince Rupert	3,451	—	—	—	—	—	—
<u>Churchill</u>	23,551	—	—	—	—	—	—
<u>Thunder Bay direct</u>	1,413	210	5,302	4,648	—	309	632
<u>St. Lawrence</u>							
Montreal	6,412	8,276	—	18,167	100	83	2
Sorel	10,670	80	—	2,999	—	—	—
Trois-Rivières	5,149	800	235	1,286	100	—	—
Quebec	4,555	151	138	5,880	84	1,406	746
Baie Comeau	13,760	1,564	—	4,602	—	832	26
Port Cartier	17,095	1,118	468	5,594	—	319	—
<u>Maritime</u>							
West Saint John	2	—	—	—	—	—	—
Halifax	279	—	—	—	—	—	—
Totals	124,791	12,199	6,376	56,183	1,429	4,231	5,740
August 1 - November 12, 1969	53,651	6,487	217	5,789	621	3,873	3,698

(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 August-September 1970, amounted to 6,034,000 bushels, sharply above the 3,746,000 shipped during the comparable period of 1969. The bulk of the shipments during the current two months under review went to destinations in Quebec and Ontario with these two provinces accounting for a combined 74 per cent of the total. During August-September last year Quebec and Ontario accounted for 73 per cent of the total.

Provincial Distribution of Wheat Shipments under the Feed Grain Assistance Regulations
August - September 1970 and 1969

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total	Eastern wheat to Quebec
thousand bushels									
August 1970.....	70	19	235	104	981	916	396	2,720	—
September	87	15	219	116	1,340	1,223	312	3,314	6
Totals	157	34	454	221	2,321	2,139	708	6,034	6
Same months 1969.	26	13	316	159	1,412	1,308	513	3,746	47

Millfeed shipments under the Feed Grain Assistance Regulations indicate the movement of 75,641 tons during August-September 1970, 10 per cent less than the 83,872 tons shipped during the comparable period of 1969. The greater portion of the millfeed shipments during the two months under review went to destinations in Quebec and Ontario.

Provincial Distribution of Millfeed Shipments under the Feed Grain Assistance
Regulations August-September 1970 and 1969

Province	August - September	
	1969	1970
tons		
Newfoundland	667	22
Prince Edward Island	1,245	580
Nova Scotia	4,539	1,893
New Brunswick	1,752	2,027
Quebec	37,804	36,250
Ontario	30,927	30,133
British Columbia	6,938	4,736
Totals	83,872	75,641

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</u>					
August	13,012	60	13,071	2,306	15,378
September	20,949	74	21,023	1,219	22,242
October	18,838	2	18,840	2,231	21,071
November	22,835	116	22,951	1,863	24,814
December	22,294	52	22,346	2,434	24,779
January	26,351	87	26,438	2,524	28,962
February	18,597	290	18,887	2,077	20,964
March	21,958	499	22,457	2,600	25,057
April	32,913	334	33,247	2,440	35,687
May	36,047	157	36,204	2,443	38,648
June	39,898	103	40,001	3,103	43,104
July	44,010	59	44,070	1,725	45,794
Totals	317,703	1,832	319,535	26,963	346,498
<u>1970-71(4)</u>					
August	44,765	103	44,868	834	45,702
September	35,194	120	35,314	1,864	37,179
October	44,561	84	44,645	3,463	48,108
Totals	124,520	307	124,827	6,161	130,988

- (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 and 1969-70 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.

Exports of Canadian Wheat and Wheat Flour by Destination, Crop Years 1969-70 and 1968-69

Destination	Wheat (1)	Durum wheat (1)	Wheat flour (2)	Total wheat (1) and wheat flour (2)	Total same period last year
	bushels				
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg	8,422,658	559,975	76,555	9,059,188	7,559,273
France	1,062,790	1,824,321	—	2,887,111	4,382,939
Germany, Federal Republic	5,432,210	4,250,931	283	9,683,424	12,804,842
Italy	9,670,631	2,473,014	20,700	12,164,345	15,215,689
Netherlands	6,434,567	1,030,141	3,229	7,467,937	5,795,660
Sub-totals	31,022,856	10,138,382	100,767	41,262,005	45,758,403
<u>Other Western Europe</u>					
Austria	—	403,147	—	403,147	768,438
Britain	52,126,136	247,520	2,018,505	54,392,161	58,222,588
Denmark	48,160	—	—	48,160	22,487
Finland	—	—	—	—	638,500
Gibraltar	—	—	8,115	8,115	5,152
Greece	—	—	60,621	60,621	73,846
Iceland	—	—	—	—	3,386
Ireland	900,848	—	—	900,848	986,695
Malta and Gozo	676,853	18,666	—	695,519	588,592
Norway	3,593,445	—	—	3,593,445	588,230
Portugal	—	841,750	53,625	895,375	50,213
Spain	—	—	9,246	9,246	—
Sweden	56,776	19,488	—	76,264	81,334
Switzerland	1,740,418	2,377,883	—	4,118,301	5,683,343
Sub-totals	59,142,636	3,908,454	2,150,112	65,201,202	67,712,804
Totals	90,165,492	14,046,836	2,250,879	106,463,207	113,471,207
<u>Eastern Europe</u>					
Albania	2,433,760	—	—	2,433,760	1,090,245
Bulgaria	1,929,134	—	—	1,929,134	—
Hungary	—	—	—	—	2,939,633
Poland	3,782,013	—	—	3,782,013	3,414,941
U.S.S.R. (Russia)	47,257,337	—	3,236	47,260,573	1,734,881
Totals	55,402,244	—	3,236	55,405,480	9,179,700
<u>Africa</u>					
Algeria	—	1,543,221	12,678	1,555,899	1,861,875
Angola	—	—	9,200	9,200	20,944
Cameroun Republic	—	—	9,315	9,315	27,830
Congo	122,379	—	—	122,379	36,500
Congo-Kinshasa	—	—	63,567	63,567	56,005
Dahomey	—	—	33,585	33,585	41,915
Ethiopia	—	—	400	400	—
French Africa, nes	—	—	—	—	8,285
Gambia	—	—	62,624	62,624	57,424
Ghana	1,910,732	—	490,388	2,401,120	3,096,560
Guinea Republic	—	—	75,143	75,143	101,587
Ivory Coast	—	—	6,700	6,700	5,865
Liberia	—	—	235,476	235,476	201,448
Malawi	—	—	56,152	56,152	52,008
Mauritania	56,694	—	7,910	64,604	1,212
Morocco	1,058,899	—	4,706	1,063,605	—
Mozambique	37,336	—	54,747	92,083	59,713
Niger	—	—	—	—	687,344

See footnote(s) at end of table.

Exports of Canadian Wheat and Wheat Flour by Destination, Crop Years 1969-70 and 1968-69 — Continued

Destination	Wheat(1)	Durum wheat(1)	Wheat flour(2)	Total wheat(1) and wheat flour(2)	Total same period last year
bushels					
Africa (concluded)					
Nigeria	18,667	—	2,300	20,967	230
Portuguese Oceania, nes	—	—	106,405	106,405	78,827
Sierra Leone	—	—	7,406	7,406	148,571
Sudan	187,469	—	146,740	334,209	—
Tanzania	54,133	—	22,988	77,121	118,285
Togo	—	—	140,553	140,553	150,160
Tunisia	1,028,834	734,867	—	1,763,701	692,139
U.A.R. — Egypt	3,188,700	—	578,338	3,767,038	767,413
Zambia	—	—	—	—	4,600
Totals	7,663,843	2,278,088	2,127,321	12,069,252	8,276,740
Asia					
Afghanistan	37,552	—	1,897	39,449	6,775
Bahrain	—	—	166	166	34
Burma	—	—	1,199,064	1,199,064	—
Ceylon	—	—	1,285,806	1,285,806	857,902
Cyprus	—	—	38,127	38,127	522
Hong Kong	767,293	—	221,844	989,137	1,178,217
India	16,487,796	—	902	16,488,698	15,307,409
Indonesia	—	—	653,435	653,435	669,433
Iran	—	—	3,431	3,431	5,584
Iraq	553,628	—	485,627	1,039,255	59,382
Israel	—	—	—	—	750,390
Japan	39,028,756	—	16,008	39,044,764	43,277,847
Jordan	—	—	7,767	7,767	122
Korea, South	970,330	379,142	—	1,349,472	7,815
Lebanon	—	—	711,146	711,146	465,448
Malaysia	452,462	—	138	452,600	456,628
Pakistan	2,262,475	—	—	2,262,475	2,754,156
People's Republic of China	65,114,439	—	—	65,114,439	81,971,526
Philippines	—	—	1,663	1,663	2,852
Portuguese Asia	—	—	8,855	8,855	17,514
Qatar	—	—	980	980	1,028
Saudi Arabia	—	—	490,463	490,463	42,718
Singapore	345,707	—	—	345,707	160,767
Syria	3,403,330	834,027	—	4,237,357	2,030,315
Taiwan	520,837	—	—	520,837	1,026,058
Thailand	—	—	132,745	132,745	180,513
Trucial States	—	—	2,677	2,677	2,946
Turkey	—	—	—	—	32,518
Viet-Nam	—	—	—	—	920
Totals	129,944,605	1,213,169	5,262,741	136,420,515	151,267,339
Oceania					
British Oceania, nes	—	—	4,549	4,549	7,416
Fiji	—	—	5,474	5,474	6,543
New Zealand	—	—	—	—	460
United States Oceania	—	—	28,002	28,002	31,519
Totals	—	—	38,025	38,025	45,938

See footnote(s) at end of table.

Exports of Canadian Wheat and Wheat Flour by Destination, Crop Years 1969-70 and 1968-69 — Concluded

Destination	Wheat(1)	Durum wheat(1)	Wheat flour(2)	Total wheat(1) and wheat flour(2)	Total same period last year
			bushels		
<u>Western Hemisphere</u>					
Bahamas	—	—	233,791	233,791	299,500
Barbados	89	—	307,020	307,109	278,239
Bermuda	—	—	121,086	121,086	114,813
Bolivia	—	—	—	—	18,257
British Honduras	—	—	56,796	56,796	47,737
Chile	—	—	24,856	24,856	—
Cuba	4,722,504	447,522	13,841,216(3)	19,011,242	14,223,131
Dominican Republic	—	—	1,216	1,216	2,139
Ecuador	158,005	—	—	158,005	528,788
El Salvador	—	—	228	228	487
French West Indies	—	—	1,966	1,966	3,224
Guatemala	—	—	—	—	24,602
Guyana	—	—	22,218	22,218	79,700
Haiti Republic	1,168,467	—	16,440	1,184,907	609,598
Honduras Republic	—	—	16,468	16,468	15,125
Jamaica	1,190,977	—	139,412	1,330,389	1,338,056
Leeward and Windward Islands ..	—	—	780,335	780,335	799,605
Netherlands Antilles	—	—	217,872	217,872	178,482
Panama	—	—	1,095	1,095	1,882
Paraguay	—	—	—	—	4,110
Peru	6,240,420	—	122,231	6,362,651	10,410
St. Lucia	167	—	—	167	187
St. Pierre and Miquelon	—	—	21,781	21,781	23,533
Surinam	—	—	17,494	17,494	12,036
Trinidad and Tobago	—	—	963,889	963,889	796,279
United States Virgin Islands ..	—	—	329	329	670
Venezuela	1,887,342	—	359	1,887,701	3,033,014
United States(4)	1,172,994	—	373,072	1,546,066	479,044
Totals	16,540,965	447,522	17,281,170	34,269,657	22,922,648
Sub-totals,					
all countries	299,717,149	17,985,615	26,963,372	344,666,136	305,163,572
Seed wheat(5)				1,831,845	674,499
Totals, all countries	299,717,149	17,985,615	26,963,372	346,497,981	305,838,071

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

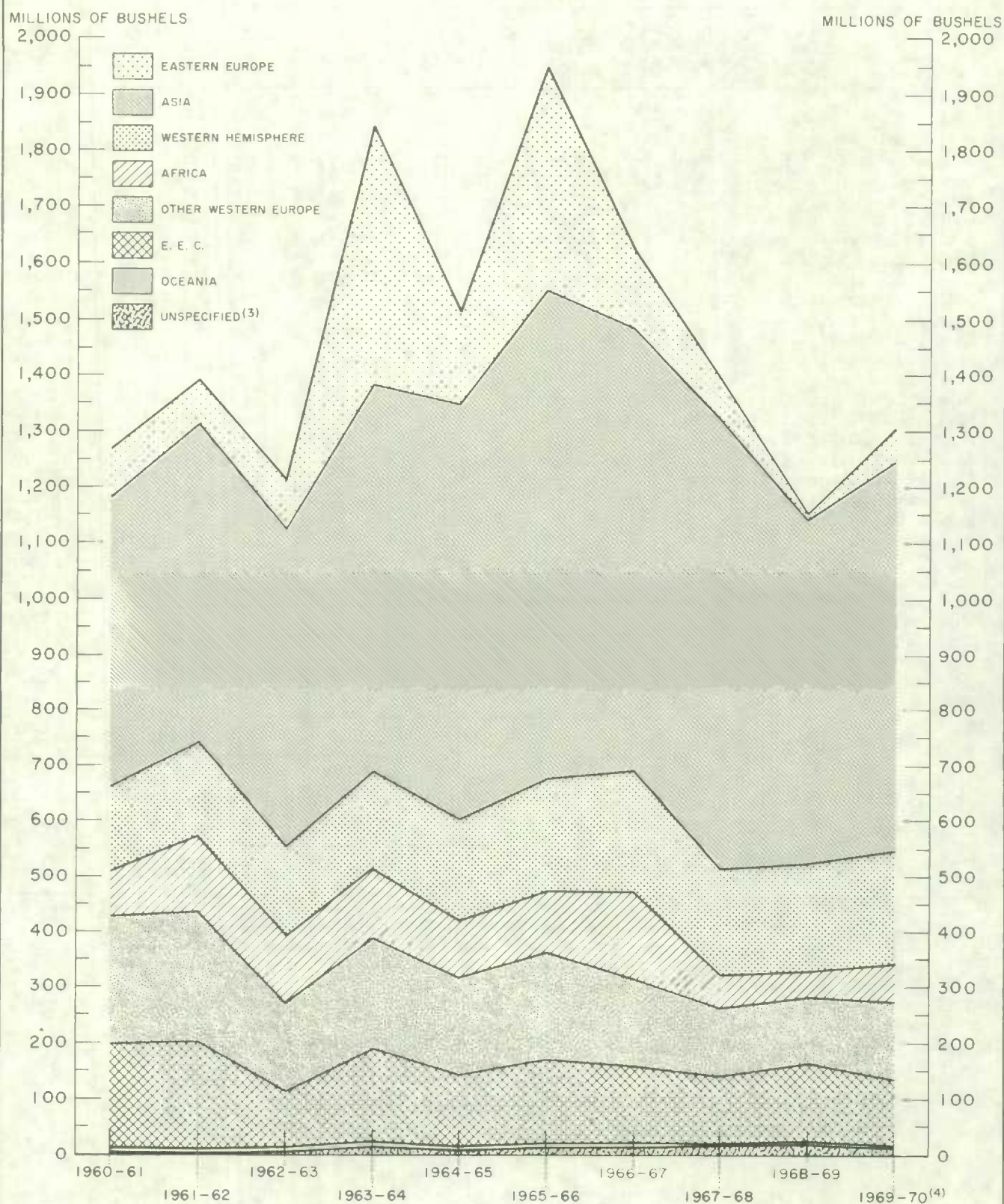
(3) Source — Canadian National Millers Association.

(4) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents and Canadian Customs returns of wheat flour.

(5) Adjusted to remove effect of time lag in the returns made by Customs.

nes — not elsewhere specified.

WHEAT⁽¹⁾ SHIPMENTS FROM FOUR MAJOR EXPORTERS⁽²⁾ BY REGIONS 1960-61 TO 1969-70



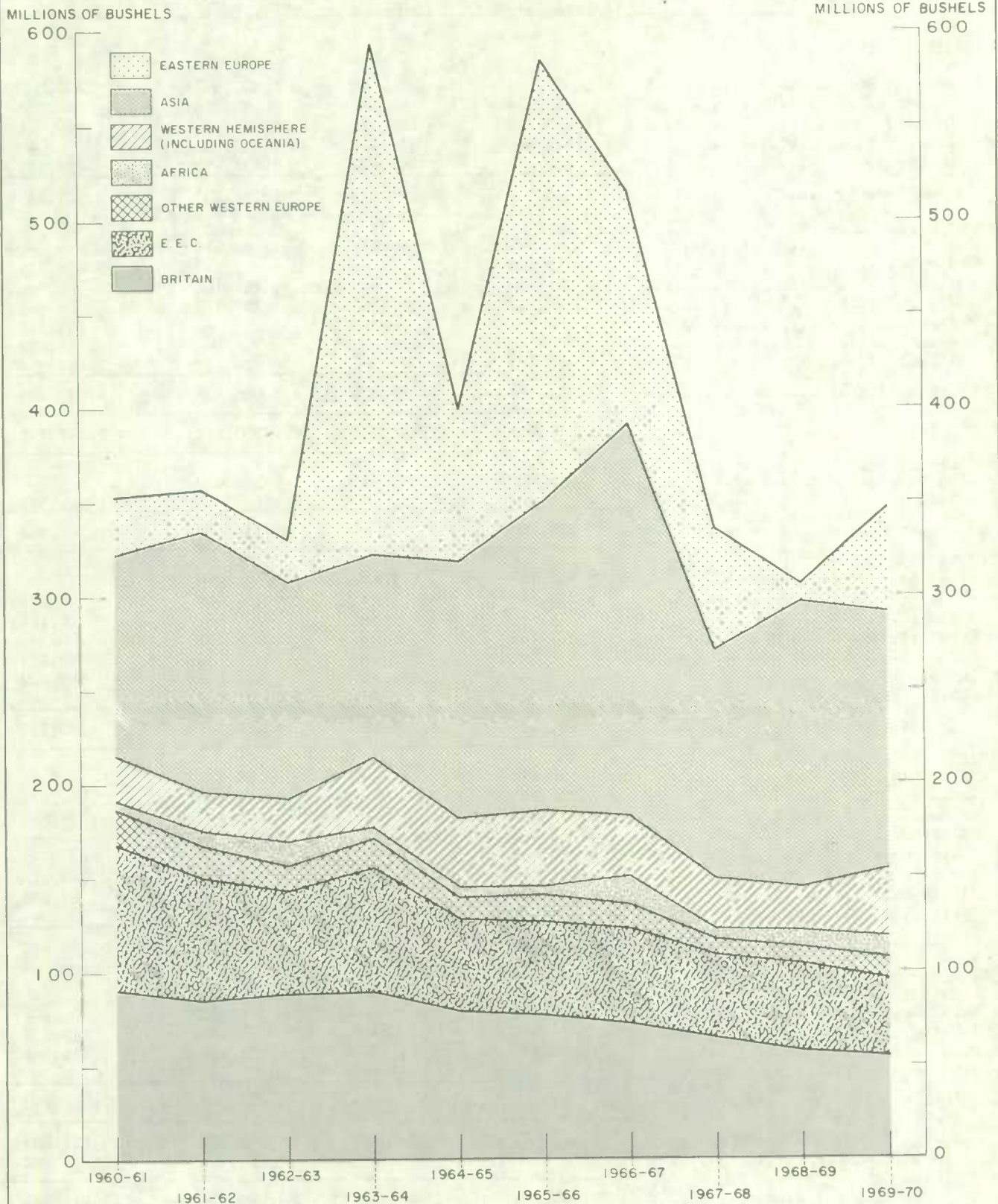
(1) INCLUDES FLOUR AS WHEAT EQUIVALENT.

(3) INCLUDES SHIPMENTS UNDER RELIEF PROGRAMMES.

(2) UNITED STATES, CANADA, ARGENTINA AND AUSTRALIA.

(4) PRELIMINARY.

CANADIAN WHEAT AND FLOUR EXPORTS BY REGIONS 1960-61 TO 1969-70



Exports of Canadian Wheat (1) by Destination

Destination	Wheat (except durum)	Durum wheat bushels	All wheat	
			October 1970	October 1969 ^r
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	1,302,448	—	1,302,448	630,054
France	17,794	—	17,794	91,955
Germany, Federal Republic	1,415,778	607,077	2,022,855	2,164,141
Italy	1,379,907	951,635	2,331,542	—
Netherlands	557,115	494,877	1,051,992	423,287
Sub-totals	4,673,042	2,053,589	6,726,631	3,309,437
<u>Other Western Europe</u>				
Austria	—	88,924	88,924	—
Britain	6,811,243	—	6,811,243	4,456,821
Ireland	111,104	—	111,104	—
Malta and Gozo	327,712	—	327,712	—
Norway	—	—	—	852,320
Sweden	—	—	—	56,776
Switzerland	74,667	—	74,667	666,356
Sub-totals	7,324,726	88,924	7,413,650	6,032,273
Totals	11,997,768	2,142,513	14,140,281	9,341,710
<u>Eastern Europe</u>				
Albania	358,400	—	358,400	—
Poland	—	—	—	1,392,533
Totals	358,400	—	358,400	1,392,533
<u>Africa</u>				
Algeria	921,797	773,883	1,695,680	—
Ghana	275,648	—	275,648	62,174
Mozambique	—	—	—	18,669
Republic of South Africa	1,627,733	—	1,627,733	—
Sudan	—	—	—	89,759
Tunisia	—	1,542,244	1,542,244	169,620
U.A.R.- Egypt	4,126,736	—	4,126,736	—
Totals	6,951,914	2,316,127	9,268,041	340,222
<u>Asia</u>				
Hong Kong	89,870	—	89,870	—
India	3,266,928	—	3,266,928	446,475
Japan	4,117,240	—	4,117,240	3,720,636
Malaysia	58,344	—	58,344	—
Pakistan	3,310,548	—	3,310,548	—
People's Republic of China	2,201,169	—	2,201,169	2,046,314
Singapore	57,493	—	57,493	67,200
Syria	539,728	543,200	1,082,928	—
Totals	13,641,320	543,200	14,184,520	6,280,625
<u>Western Hemisphere</u>				
Brazil	5,000,405	—	5,000,405	—
Haiti Republic	170,041	—	170,041	—
Jamaica	—	—	—	279,039
Peru	1,361,920	—	1,361,920	1,203,954
Venezuela	77,280	—	77,280	—
Totals	6,609,646	—	6,609,646	1,482,993
Sub-totals, all countries	39,559,048	5,001,840	44,560,888	18,838,083
Seed wheat(2)	—	—	84,438	1,602
Totals, all countries	39,559,048	5,001,840	44,645,326	18,839,685

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

(2) Compiled from Canadian Customs returns, 1969 adjusted for time lag.

r Revised figures.

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

30 year average
1939-40
1968-69

10 year average
1959-60
1968-69

JULY

JUNE

MAY

APR.

MAR.

FEB.

JAN.

DEC.

NOV.

OCT.

SEPT.

1965-66

1966-67

1967-68

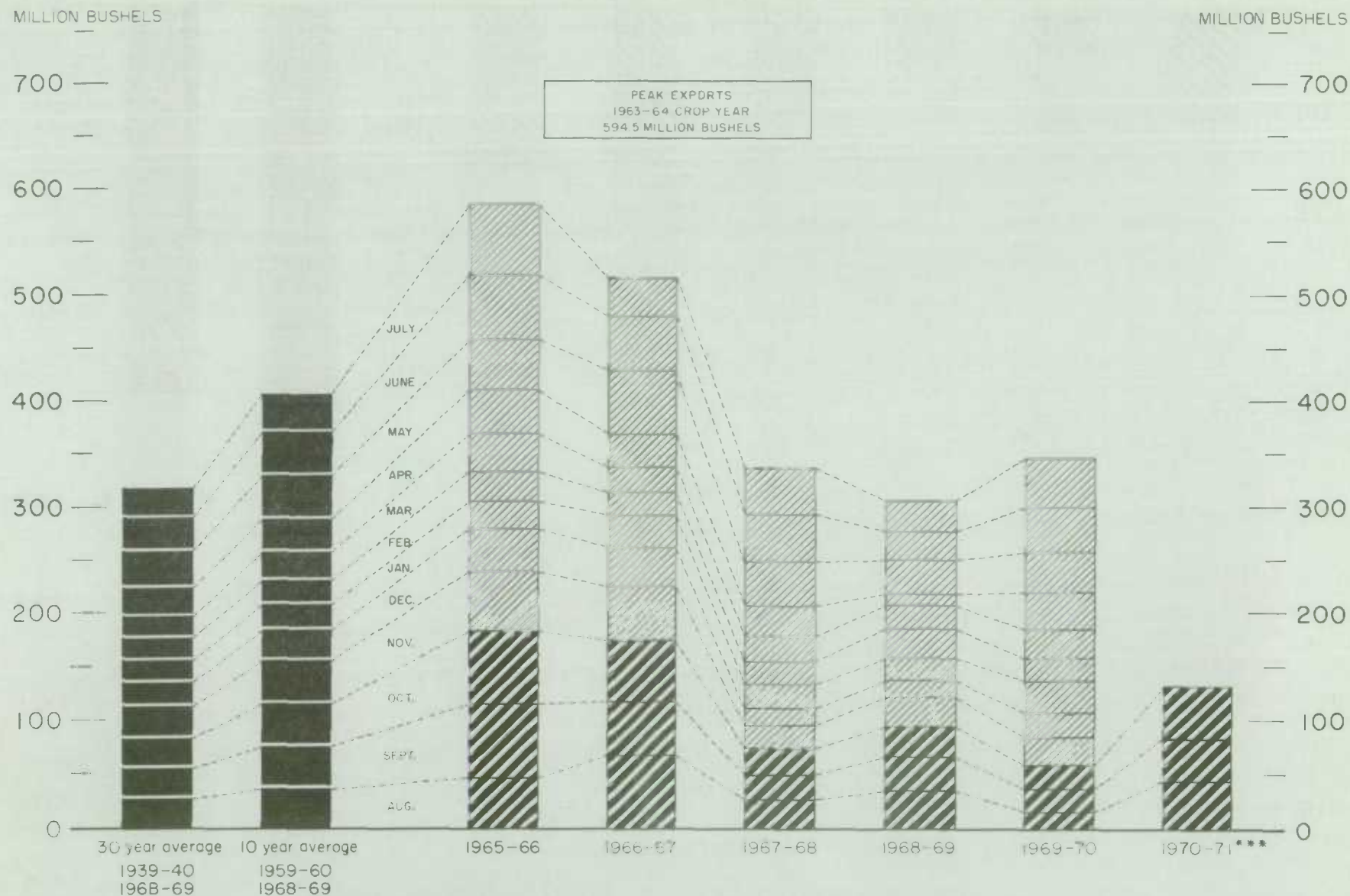
1968-69

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.

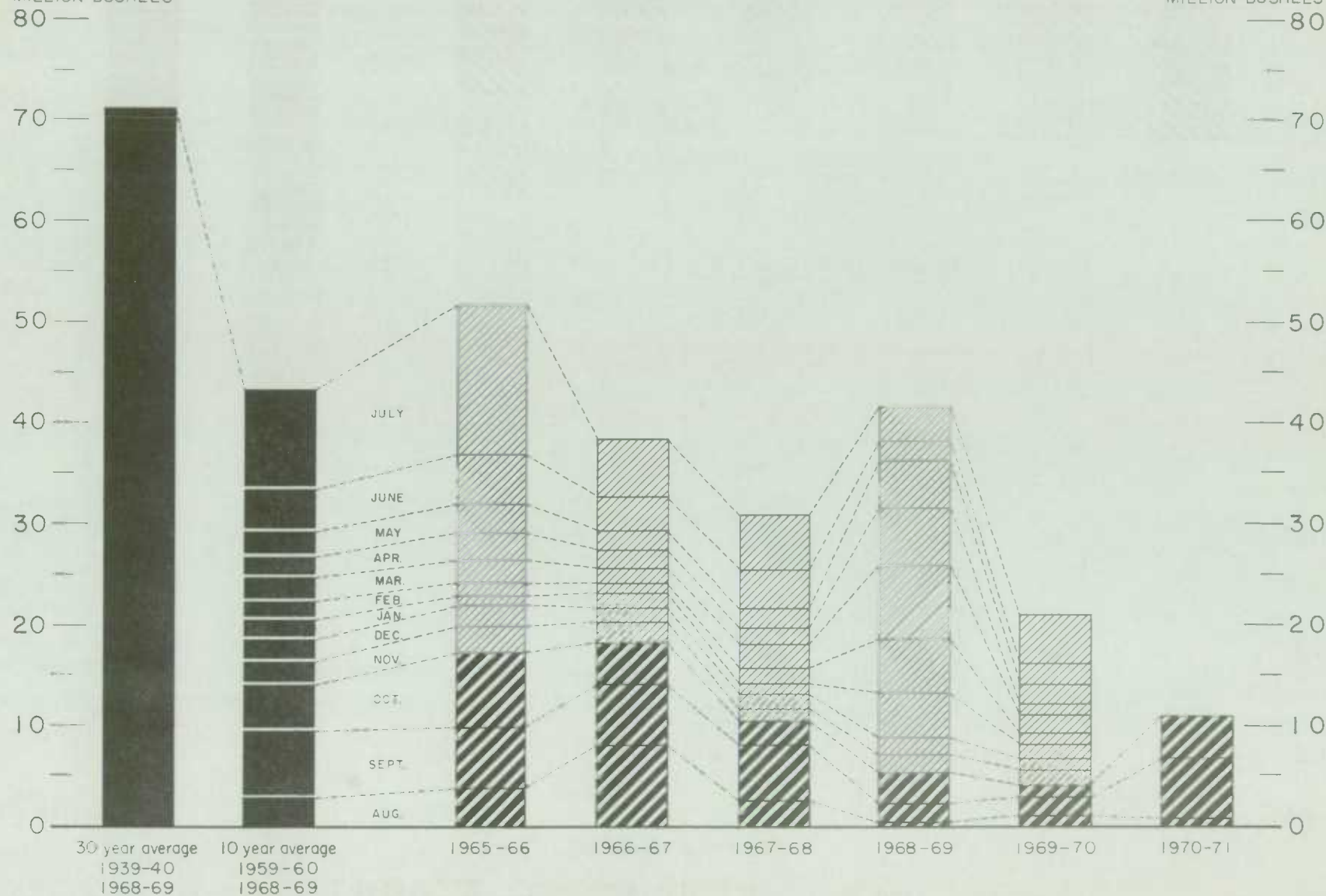
Agriculture Division D.B.S.

FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

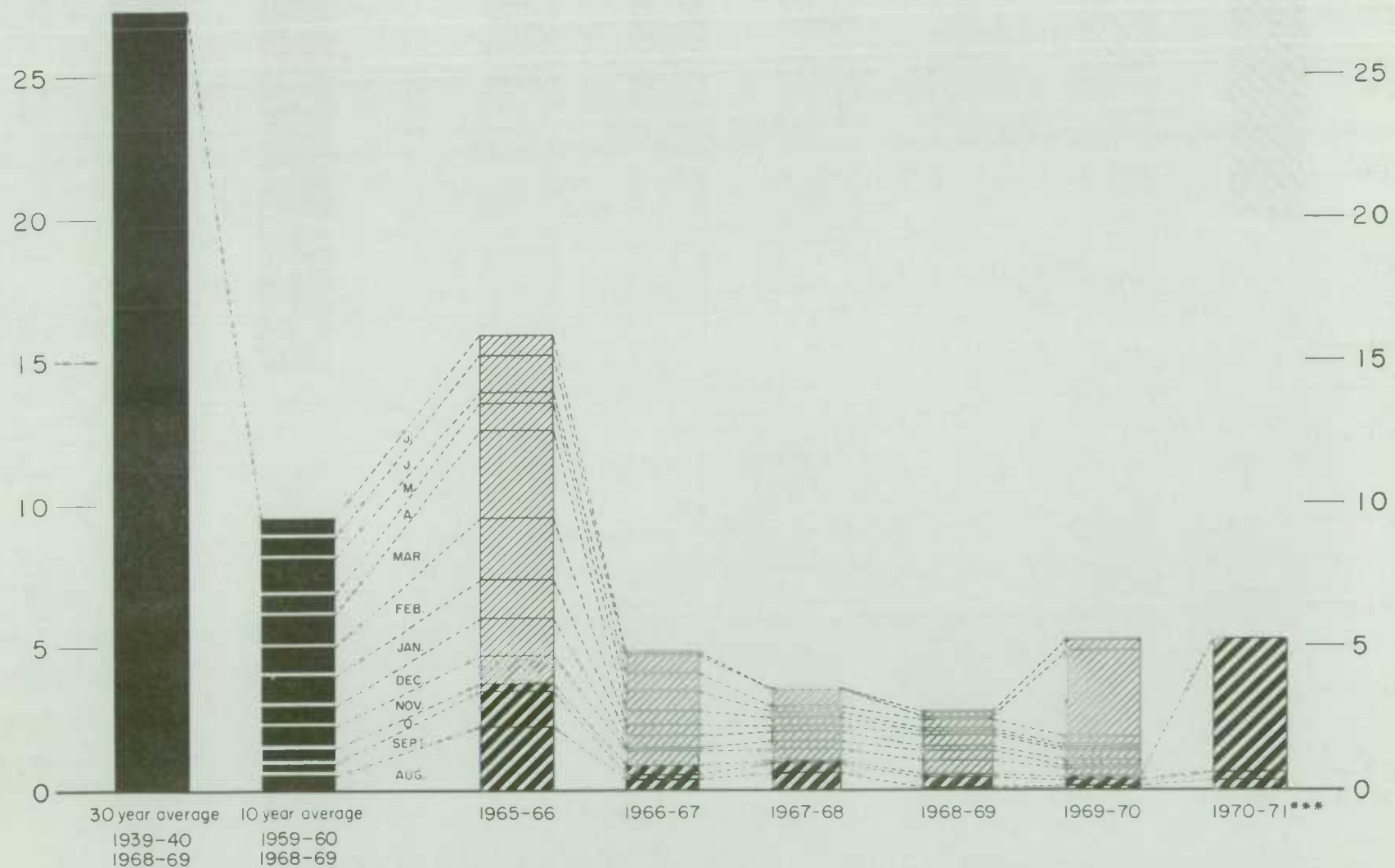
MILLION BUSHELS

MILLION BUSHELS



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.

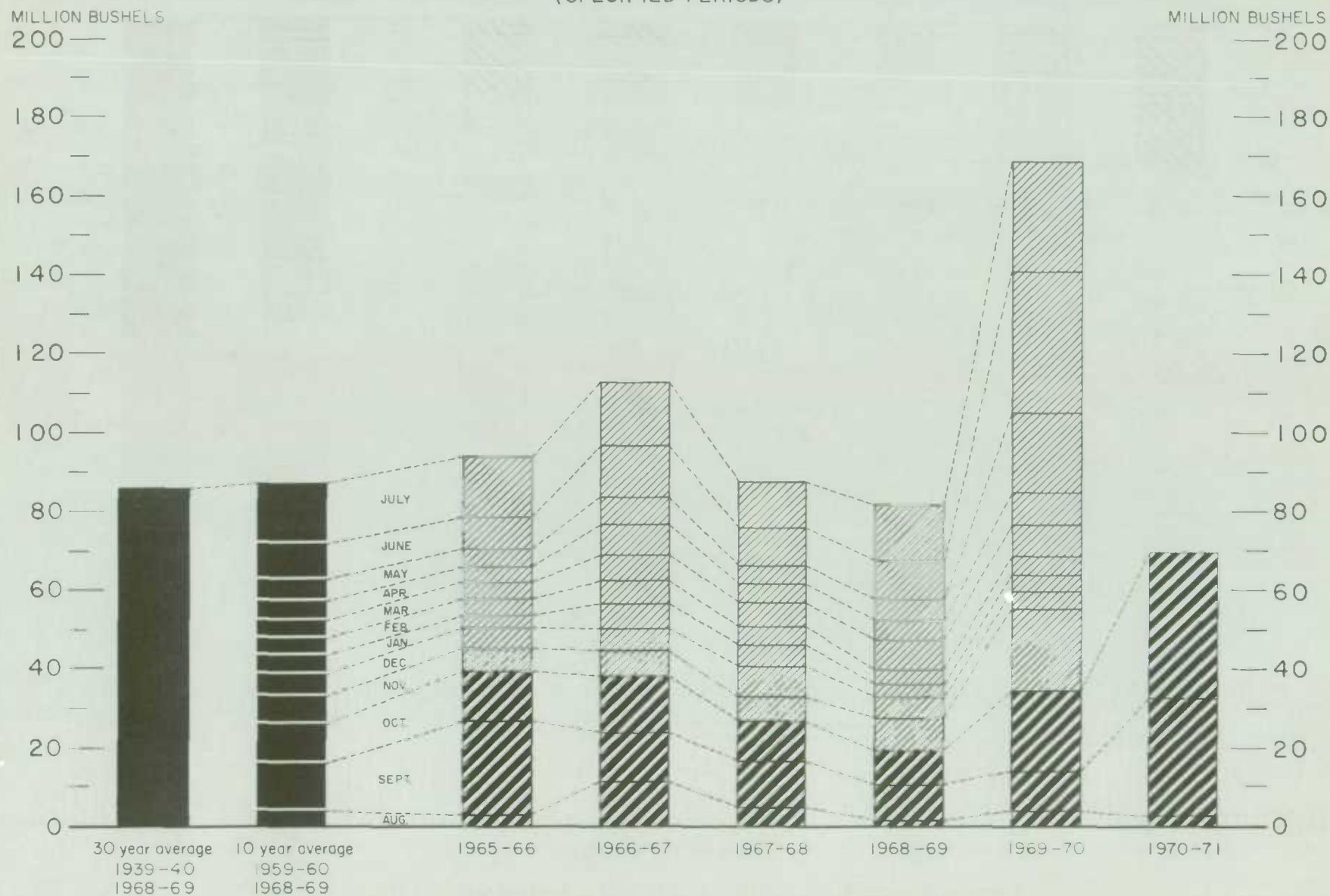
**In terms of grain equivalent.

***Preliminary.

Agriculture Division D.B.S.

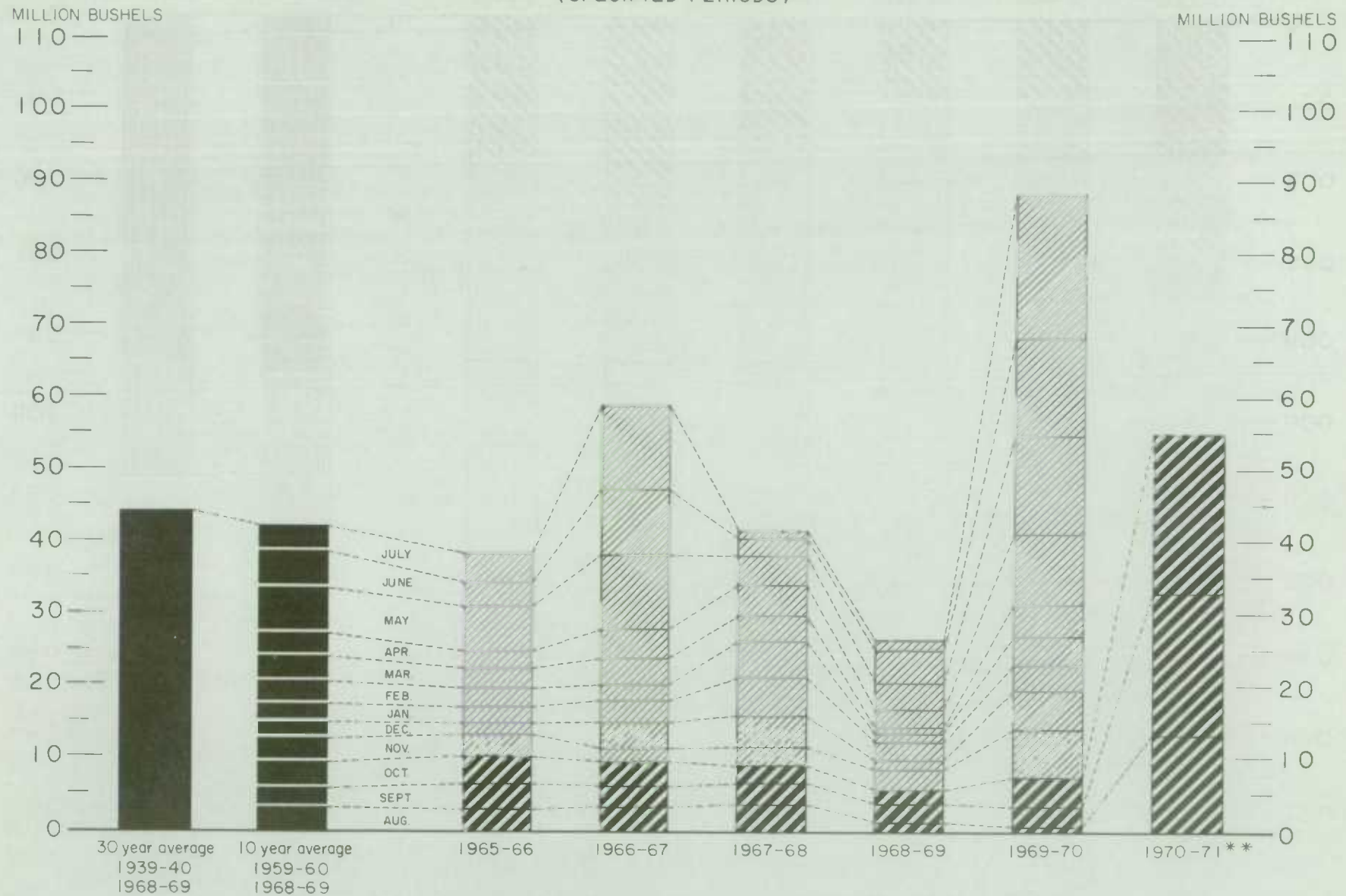
FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

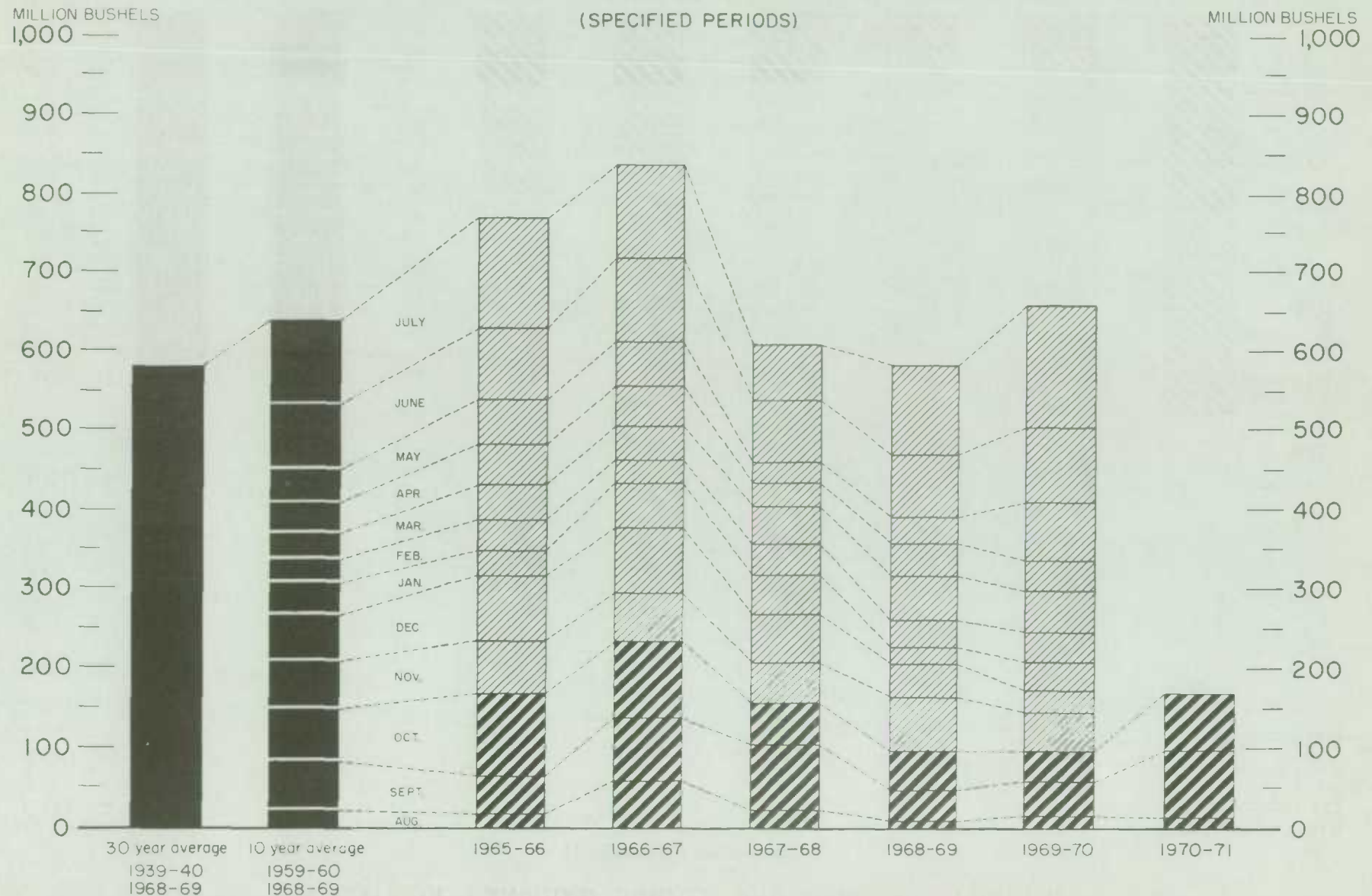
(SPECIFIED PERIODS)



*In terms of grain equivalent.

**Preliminary.

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

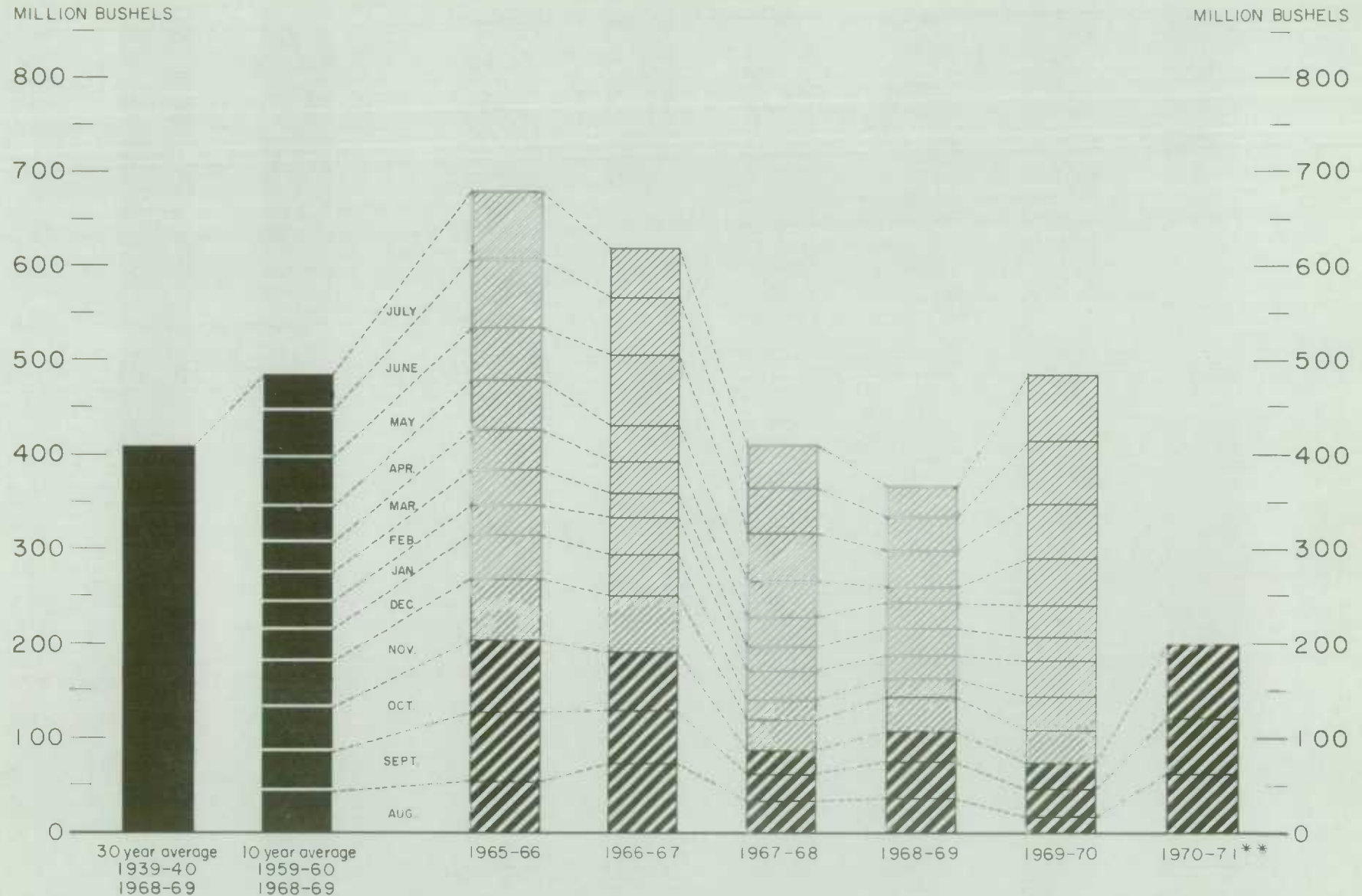


* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed.

Agriculture Division D.B.S.

EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)



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

Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August — October 1970			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg ..	3,311,021 ^r	—	3,311,021 ^r	2,594,376
France	243,489 ^r	—	243,489 ^r	595,765
Germany, Federal Republic	2,906,002 ^r	2,575,865 ^r	5,481,867 ^r	4,223,909
Italy	2,497,774 ^r	1,276,435 ^r	3,774,209 ^r	5,219,827
Netherlands	732,581 ^r	1,175,557 ^r	1,908,138 ^r	447,442
Sub-totals	9,690,867 ^r	5,027,857 ^r	14,718,724 ^r	13,081,319
<u>Other Western Europe</u>				
Austria	—	183,551	183,551	—
Britain	16,692,507 ^r	28,224	16,720,731 ^r	13,852,878
Denmark	22,047 ^r	—	22,047 ^r	—
Ireland	398,571	—	398,571	186,667
Malta and Gozo	327,712	—	327,712	—
Norway	2,147,400	—	2,147,400	1,460,853
Portugal	—	—	—	841,750
Sweden	22,047	—	22,047	56,776
Switzerland	768,336 ^r	351,116 ^r	1,119,452 ^r	1,105,623
Sub-totals	20,378,620 ^r	562,891 ^r	20,941,511 ^r	17,504,547
Totals	30,069,487	5,590,748	35,660,235	30,585,866
<u>Eastern Europe</u>				
Albania	358,400	—	358,400	343,504
Poland	—	—	—	1,392,533
U.S.S.R. (Russia)	4,362,808	—	4,362,808	—
Totals	4,721,208	—	4,721,208	1,736,037
<u>Africa</u>				
Algeria	1,469,365	1,054,816	2,524,181	—
Ghana	1,052,914	—	1,052,914	733,530
Mozambique	—	—	—	37,336
Nigeria	—	—	—	18,667
Republic of South Africa ..	1,627,733	—	1,627,733	—
Sudan	2,279	—	2,279	170,932
Tunisia	—	1,542,244	1,542,244	367,454
U.A.R.-Egypt	11,581,491	—	11,581,491	—
Totals	15,733,782	2,597,060	18,330,842	1,327,919

See footnote(s) at end of table.

Cumulative Exports of Canadian Wheat(1) by Destination — Concluded

Destination	August — October 1970			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Asia</u>				
Hong Kong	215,497	—	215,497	175,653
India	15,051,572	—	15,051,572	7,133,429
Iraq	—	—	—	13,228
Japan	10,072,280	—	10,072,280	7,429,604
Malaysia	58,344	—	58,344	131,973
Pakistan	3,337,615	—	3,337,615	—
People's Republic of China ..	14,703,431	—	14,703,431	2,046,314
Singapore	134,586	—	134,586	102,667
Syria	2,376,128	2,842,149	5,218,277	—
Taiwan	524,533	—	524,533	—
Totals	46,473,986	2,842,149	49,316,135	17,032,868
<u>Western Hemisphere</u>				
Brazil	9,887,592	—	9,887,592	—
Cuba	1,965,702	80,032	2,045,734	—
Ecuador	—	—	—	158,005
Haiti Republic	511,828	—	511,828	352,800
Jamaica	278,880	—	278,880	280,635
Peru	3,581,723	—	3,581,723	1,203,954
Venezuela	183,904	1,823	185,727	121,253
Totals	16,409,629	81,855	16,491,484	2,116,647
Sub-totals, all countries	113,408,092	11,111,812	124,519,904	52,799,337
Seed wheat(2)			307,453	134,827
Totals, all countries	113,408,092	11,111,812	124,827,357	52,934,164

(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.

r Revised figures.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	June 1970(1)	July 1970(1)	September 1970(2)	August - September	
				1970(2)	1969(1)
bushels					
<u>Western Europe</u>					
EEC:					
Belgium and Luxembourg	8,282	—	7,740	16,022	16,716
Germany, Federal Republic	—	—	—	—	283
Italy	2,070	2,070	2,070	2,070	4,140
Netherlands	—	—	—	653	929
Sub-totals	10,352	2,070	9,810	18,745	22,068
<u>Other Western Europe</u>					
Britain	155,436	129,182	142,558	273,647	284,068
Gibraltar	2,705	—	—	—	2,576
Greece	4,802	—	—	3,192	—
Portugal	1,840	3,680	—	1,380	2,760
Sub-totals	164,783	132,862	142,558	278,219	289,404
Totals	175,135	134,932	152,368	296,964	311,472
<u>Eastern Europe</u>					
U.S.S.R. (Russia)	—	3,236	3,236	3,236	—
<u>Africa</u>					
Angola	2,300	—	—	2,300	—
Congo-Kinshasa	4,600	22,172	41,614	65,994	11,500
Dahomey	—	—	5,290	5,290	2,937
Ethiopia	225	—	—	—	—
Gabon	—	—	—	5,658	—
Gambia	460	—	9,660	15,410	18,494
Ghana	282,486	695	—	170	174,671
Guinea Republic	—	—	—	—	11,500
Ivory Coast	1,840	—	2,070	2,070	690
Liberia	12,075	29,038	42,122	54,427	53,215
Malawi	6,624	9,289	5,405	14,189	7,498
Mozambique	6,728	2,390	5,658	7,992	8,981
Nigeria	—	—	—	2,300	—
Portuguese Africa n.e.s.	19,205	3,496	2,300	5,290	8,404
Republic of South Africa	—	—	281	281	—
Sierra Leone	—	—	1,966	1,966	916
Tanzania	920	1,610	—	805	1,035
Togo	1,725	13,915	22,609	28,704	27,389
U.A.R.-Egypt	12,678	—	—	—	—
Totals	351,866	82,605	138,975	212,846	327,230
<u>Asia</u>					
Afghanistan	—	690	—	—	—
Bahrain	166	—	—	—	—
Burma	395,347	—	—	—	—
Ceylon	—	—	331,159	331,159	—
Cyprus	55	22,717	—	22,717	129
Hong Kong	20,527	8,050	15,700	22,830	33,780
India	230	—	—	—	219
Iran	—	255	271	536	334
Japan	—	2,127	1,426	1,426	920
Jordan	202	—	—	—	4,853
Lebanon	12,363	8,811	—	160,022	72,682

See Footnote(s) at end of table.

Customs Exports of Canadian Wheat Flour by Countries of Consignment — Concluded

Destination	June 1970(1)	July 1970(1)	September 1970(2)	August — September	
				1970(2)	1969(1)
bushels					
Asia — Concluded					
Philippines	—	—	—	—	1,663
Portuguese Asia	—	1,012	—	—	1,518
Qatar	233	—	145	145	115
Saudi Arabia	2,760	7,072	—	10,005	—
Thailand	2,300	4,600	6,038	15,514	27,975
Trucial States	395	—	—	—	1,387
Totals	434,578	55,334	354,739	564,354	145,575
Oceania					
British Oceania nes	460	—	—	460	460
Fiji	460	—	—	—	1,633
United States Oceania	3,450	3,450	3,450	3,450	6,900
Totals	4,370	3,450	3,450	3,910	8,993
Western Hemisphere					
Bahamas	17,016	23,734	15,732	39,480	40,947
Barbados	29,095	24,143	16,250	35,156	38,373
Bermuda	9,060	11,829	2,159	22,558	20,440
British Honduras	4,478	4,423	2,668	5,849	8,671
Cuba(3)	1,870,454	1,102,404	1,030,294	1,030,294	2,155,268
Dominican Republic	—	—	13,800	23,931	—
French West Indies	—	—	—	—	1,966
Guyana	3,270	3,020	1,587	3,360	5,311
Haiti Republic	—	—	—	—	16,100
Honduras Republic	345	3,413	1,495	1,840	718
Jamaica	6,523	8,643	7,081	22,719	18,230
Leeward and Windward Is.	50,066	48,843	32,460	81,869	126,762
Netherlands Antilles	23,890	16,586	19,150	37,012	22,945
Peru	—	122,231	—	122,231	—
St. Pierre and Miquelon	2,058	805	—	966	3,393
Surinam	3,779	768	2,811	4,485	3,661
Trinidad and Tobago	69,281	51,042	27,761	81,411	209,337
United States Virgin Islands	214	—	—	—	—
Venezuela	—	—	—	—	255
United States	47,139	23,313	38,187	103,714	59,326
Totals	2,136,668	1,445,197	1,211,435	1,616,875	2,731,703
Totals, all countries ...	3,102,617	1,724,754	1,864,203	2,698,185	3,524,973

- (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 October wheat flour exports not available.

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

Class and grade	Week ending			
	October 23	October 30	November 6	November 13
	cents and eighths per bushel			
<u>Initial payment to producers</u>				
1 Northern	150	150	150	150
2 Northern	146	146	146	146
3 Northern	141	141	141	141
4 Northern	133	133	133	133
5 Wheat	119	119	119	119
6 Wheat	115	115	115	115
Feed Wheat	110	110	110	110
1 C.W. Garnet	133	133	133	133
2 C.W. Garnet	128	128	128	128
3 C.W. Garnet	123	123	123	123
1 Alberta Red Winter	132	132	132	132
2 Alberta Winter	127	127	127	127
3 Alberta Winter	121	121	121	121
1 C.W. Amber Durum	150	150	150	150
2 C.W. Amber Durum	146	146	146	146
3 C.W. Amber Durum	141	141	141	141
<u>International Grains Arrangement</u>				
<u>(Basis in store Thunder Bay)</u>				
1 Northern	180/3	180	180/1	180/2
2 Northern	178/3	178	178/1	178/2
3 Northern	173/7	173/4	173/5	173/6
4 Northern	168/2	167/7	168	168/1
5 Wheat(1)	164/1	164/1	164/1	164/1
6 Wheat(1)	162/1	162/1	162/1	162/1
Feed Wheat(1)	157/1	157/1	157/1	157/1
1 C.W. Garnet	168/2	167/7	168	168/1
2 C.W. Garnet	167/2	166/7	167	167/1
3 C.W. Garnet	166/2	165/7	166	166/1
1 Alberta Red Winter	168/2	167/7	168	168/1
2 Alberta Winter	167/2	166/7	167	167/1
3 Alberta Winter	166/2	165/7	166	166/1
1 C.W. Amber Durum	181/6	181/3	181/4	181/5
2 C.W. Amber Durum	178/6	178/3	178/4	178/5
3 C.W. Amber Durum	169/7	169/4	169/5	169/6
<u>(Basis in store Vancouver)</u>				
1 Northern	182	182	182/1	182/2
2 Northern	180	180	180/1	180/2
3 Northern	177	177	177/1	177/2
4 Northern	172/3	172/3	172/4	172/5
1 C.W. Garnet	172/3	172/3	172/4	172/5
2 C.W. Garnet	171/3	171/3	171/4	171/5
3 C.W. Garnet	170/3	170/3	170/4	170/5
1 Alberta Red Winter	172/3	172/3	172/4	172/5
2 Alberta Winter	171/3	171/3	171/4	171/5
3 Alberta Winter	170/3	170/3	170/4	170/5

(1) Domestic sales only.

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during October 1970 amounted to 3,282,000 hundredweight, indicating a decrease of 9 per cent from the September 1970 output of 3,587,000 hundredweight, 8 per cent below the October 1969 total of 3,562,000 hundredweight and 11 per cent smaller than the ten-year (1960-69) average production for the month of October of 3,682,000 hundredweight. Mills reporting operations during October 1970 had a total rated capacity of 164,000 hundredweight per 24-hour day and on the basis of a 26-day working period 77.1 per cent of this rated capacity was effective. Wheat milled for flour during October 1970 amounted to 7,398,000 bushels, 10 per cent below the 8,202,000 bushels milled during the preceding month and 9 per cent less than the 8,113,000 bushels milled during October 1969. Of the wheat milled for flour during October 1970 some 6,182,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (715,000 bushels); Durum (358,000 bushels); and all other (144,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during September 1970 amounted to the equivalent of 1,864,000 bushels (some 811,000 hundredweight of flour) sharply above both the August 1970 exports of 834,000 bushels and the adjusted September 1969 exports of 1,219,000 bushels. Flour shipments during the month under review went to thirty-six countries with leading markets for Canadian wheat flour in terms of wheat, in thousands of bushels, as follows: Cuba, 1,030; Ceylon, 331; Britain, 143; Liberia and Congo Kinshasa, 42 each.

NOTE: Data re exports of wheat flour for October 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)			
August	7,790,462	3,375,524	362,601
September	8,201,977	3,587,144	810,523
October	7,398,482	3,282,067	1,505,557
Totals	23,390,921	10,244,735	2,678,681
Same months 1969-70 ^r	23,233,365	10,205,307	2,502,578

(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

Supply Declines from a Year Ago Total domestic supplies of wheat in the United States for the 1970-71 crop year are currently placed at 2,243.1 million bushels, 2 per cent below the previous year's total of 2,277.4 million reflecting an increase in carryover stocks which more than offset a slight decrease in production. The 882.9 million bushels carried over at July 1, 1970 were 8 per cent above the 1969 stocks of 818.6 million while the current crop estimated at 1,360.2 million, declined by 7 per cent from the 1,458.9 million of last year's outturn. Domestic disappearance during 1970-71 is estimated at about 745.0 million bushels, 6 per cent less than the 790.1 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,498.2 million remain available for export and for carryover, an increase of some one per cent over the 1,487.6 million in 1969-70.

July-October 1970 Exports Increase Exports of wheat and wheat flour in terms of grain equivalent during the period July-October 1970 amounted to 235.9 million bushels, 36 per cent over the 174.0 million exported during the same months last year. The balance remaining on November 1, 1970 for export and for carryover was estimated at 1,734.1 million bushels compared with 1,313.5 million on the same date a year ago.

United States Wheat Supplies

	1969-70 ^r	1970-71 ^P
	million bushels	
Carryover at beginning of crop year (July 1)	818.6	882.9 ^r
Production	1,458.9	1,360.2
Total estimated domestic supplies	2,277.4	2,243.1
Imports of wheat and wheat flour in terms of wheat for domestic use, July-October	0.1	0.2
Total estimated supplies(1)	2,277.6	2,243.2
Less estimated domestic requirements for crop year(2)	790.1	745.0
Available for export and for carryover	1,487.6	1,498.2
<u>Deduct</u>		
Exports of wheat as grain, July-October	150.2	218.1
Exports of wheat flour in terms of wheat, July-October	23.8	17.8
Total exports of wheat and wheat flour	174.0	235.9
Balance on November 1 for export and for carryover	1,313.5	1,734.1

(1) Excludes imports for November - June.

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

^P Preliminary figures.

^r Revised figures.

Stocks of Wheat
in All Positions
October 1, 1970

On October 22, 1970 the United States Department of Agriculture stated in a release that stocks of all wheat were 5 per cent less than a year earlier. Durum stocks were down 19 per cent.

All wheat in storage October 1 totalled 1,782 million bushels, 5 per cent less than a year earlier but 6 per cent above the October 1, 1968 stocks. Off-farm stocks of 1,129 million bushels were 1 per cent more than a year earlier, but farm holdings at 653 million were 13 per cent below the record large total a year earlier. Disappearance from all storage positions July through September is indicated at 461 million bushels, compared with 407 million a year earlier. The Commodity Credit Corporation owned 297 million bushels of the total wheat stocks, and had loans outstanding on 534 million.

Durum wheat stocks in all positions on October 1 totalled 104 million bushels, 19 per cent less than a year earlier and 5 per cent below two years earlier. Farm holdings of 78 million were 26 per cent below last year but off-farm stocks of 26 million bushels were up 12 per cent. Disappearance during July-September is indicated at 23.3 million bushels, compared with 18.3 million a year earlier.

Stocks of United States Wheat by Positions, October 1, 1970 with comparisons

Grain and position	October 1, 1968	October 1, 1969	July 1, 1970	October 1, 1970
thousand bushels				
<u>All wheat</u>				
On farms(1)	733,402	751,745	305,109	653,059
Commodity Credit Corp.(2)	756	913	1,219	1,878
Mills, elev. & whses.(1)(3) ..	950,789	1,117,821	576,561	1,126,807
Totals	1,684,947	1,870,479	882,889	1,781,744
<u>Durum wheat(4)</u>				
On farms(1)	90,798	106,031	59,742	77,957
Commodity Credit Corp.(2)	169	172	161	324
Mills, elev. & whses.(1)(3) ..	18,282	23,015	17,423	25,742
Totals	109,249	129,218	77,326	104,023

(1) Estimates of the Crop Reporting Board.

(2) C.C.C.-owned grain at bin sites.

(3) All off-farm storages not otherwise designated, including terminals and processing plants. Includes C.C.C.-owned grain in these storages.

(4) Included in all wheat.

Winter Wheat
in Generally
Good Condition

According to the November 10, 1970 issue by the Crop Reporting Board of the United States Department of Agriculture, seeding of winter wheat was nearly complete by November 1. Soil moisture was generally adequate and condition of the crop was good to excellent.

Precipitation during October was near to above average in most major growing areas, except in the Texas Plains, western Oklahoma, southcentral and southwestern Kansas, Montana and the Pacific Coast States. However, these areas except for Montana and the Southern Plains had adequate moisture reserves going into October. Temperatures during October, ranging from 3 to 6 degrees below normal west of a line from Alabama to Minnesota, limited growth.

Seeding of Texas wheat was 91 per cent complete by November 1, slightly ahead of last year. Only a few fields remained to be planted in Oklahoma and four-fifths of the acreage was up to stand. The crop was generally in good condition, although fair in the Panhandle. Wet October weather hampered completion of seeding in Kansas. However, by the end of the month, 96 per cent of the acreage was seeded, somewhat later than average. Most fields have good stands, but some reseeding was necessary. Moisture supplies in wheat fields at mid-October were the best in 11 years. The Nebraska crop was improving and topsoil moisture was adequate in most areas. However, parts of the West and Southwest need additional moisture.

Seeding in Montana was completed in late October, somewhat later than normal. The crop is in good to excellent condition and stands are even in most areas. Washington growers were nearly finished planting by November 1. Most early planted grain is doing well although some stands are spotty. Some farmers are reseeding. In the Corn Belt, some acreage remained to be seeded in Missouri where 60 per cent of the crop was in the ground. Emerged fields were in good or better condition, except in Illinois where early stands varied from poor to good. Soil moisture conditions in the last half of October generally favored seeding in South Atlantic areas previously hampered by dryness. Seeding also was continuing under plentiful moisture conditions in the South Central States.

Flour Production

According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in September 1970 amounted to 22,282,000 hundredweight, averaging 1,013,000 hundredweight per working day. This compared with an average output per working day of 1,011,000 hundredweight last month and 1,057,000 hundredweight in September 1969. Wheat flour mills during September operated at 100.0 per cent of capacity, compared with 100.6 per cent and 105.0 per cent, respectively, for the previous month and the same month a year ago. Flour mills in September 1970 ground 49,461,000 bushels of wheat compared with 47,440,000 bushels the previous month and 49,519,000 bushels in September 1969.

USDA Plans Special
Survey of Planting
Intentions

On November 13, 1970 the United States Department of Agriculture stated that Secretary of Agriculture Clifford M. Hardin announced plans for a special survey to determine farmers' 1971 planting intentions.

The Secretary said the survey will be conducted by the U.S. Department of Agriculture's Statistical Reporting Service at the direction of the Agricultural Stabilization and Conservation Service. Mail questionnaires will be sent to producers in 35 States the last week of December and will reflect farmers' plans as of about January 1, 1971. The State acreage estimates for corn, spring wheat, oats, barley, sorghum, soybeans and cotton will be issued at 3.00 p.m. EST January 25, 1971.

ARGENTINE SITUATION

Wheat supplies
Above Year Ago Total estimated supplies of wheat in Argentina for the 1969-70 (December-November) crop year are placed at some 276.8 million bushels some 3 per cent above the previous season's total of 268.7 million, including imports of 13.4 million during the period of December-October. Current crop year supplies consist of the December 1 carryover of 18.8 million as against 44.4 million the year before, while the 1969 production, at 257.9 million, registered an increase over the 210.9 million harvested in 1968. After making an allowance of 150.0 million for anticipated domestic requirements, an estimated 126.8 million are available for export and for carryover in 1969-70, some 13 per cent more than the 112.0 million the previous year.

Exports Below
Previous Year Preliminary exports of wheat and wheat flour in terms of wheat equivalent during December 1969 - October 1970 amounted to 82.4 million bushels, some 7 per cent less than the 88.3 million exported during the same eleven months in 1968-69. The balance remaining on November 1, 1970 for export and for carryover was estimated at 44.4 million bushels, in contrast to the November 1, 1969 total of 23.7 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
Imports, December-October	13.4	N.A.
Total estimated supplies	268.7	276.8
Less estimated requirements for crop year	156.7	150.0
Available for export and for carryover	112.0	126.8
<u>Deduct</u>		
Exports of wheat as grain, December - October	85.9	77.7
Exports of wheat flour in terms of wheat, December - October	2.4	4.7
Total exports of wheat and wheat flour	88.3	82.4
Balance on November 1 for export and for carryover	23.7	44.4

(1) Includes allowances for farm stocks.

p Preliminary figures.

r Revised figures.

N.A. Not available.

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 November 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 third official estimate of the area sown to wheat in 1970-71 of 4,105,000 hectares (10,139,000 acres) was issued by the Secretariat of Agriculture and Livestock on October 30. Although this estimate is slightly higher than the second estimate of 4,073,000 hectares (10,060,000 acres) issued on September 16, it is 34.2 per cent less than the area planted in 1969-70 and 34.9 per cent and 29.7 per cent less than the average areas of the last five-and ten-year periods, respectively. In addition, it is the smallest area planted to wheat in Argentina since the 1902-03 crop year, when 3,695,343 hectares (9,127,000 acres) were sown.

Of the total area sown, it is unofficially estimated that 500,000 hectares (1,235,000 acres) have been planted to Candeal or Taganrog (Durum) varieties of wheat.

The slightly larger third estimate of sown area is a result of the improvement in climatic conditions which permitted the late sowing of rapidly maturing varieties of wheat in some zones of the province of Buenos Aires. In the province of Entre Rios, on the other hand, farmers were unable to plant as large an area to wheat as they had originally planned.

In the province of Buenos Aires, which accounts for 63 per cent of the total wheat plantings in Argentina, the area planted is down 24 per cent. There has also been a very sharp drop in the area planted in Cordoba and La Pampa provinces.

The area planted to wheat, by province, in 1970-71, compared with 1969-70, is now estimated to be as follows:

	<u>1969-70</u>	<u>1970-71</u>
	thousand acres	
Buenos Aires	8,519	6,422
Santa Fe	1,554	1,246
Cordoba	2,095	904
Entre Rios	892	704
La Pampa	2,020	551
Others	330	312
Totals	<u>15,410</u>	<u>10,139</u>

The present condition of the wheat crop is good, as a result of the rains which fell in varying intensity over almost all of the country during October. The rains were particularly welcome in the Pampa region which had suffered very dry conditions during the southern hemisphere autumn and winter. In the province of Cordoba, however, rains have been insufficient and more rainfall would be welcome. Also, hail in the southeast of Buenos Aires province has caused some damage which could adversely affect the quality of the wheat crop in this region.

Although conditions have improved, it is still very unlikely that Argentina will be able to meet its domestic and export commitments for bread wheat without again resorting to importations. The Argentine millers are concerned that they will not have sufficient supplies for the coming milling season and representatives of the industry therefore met on November 5 with the Secretary of Agriculture to request that measures be taken to ensure that their requirements would be met.

The harvesting of wheat began in late October in the northern province of El Chaco. Yields are about 1,250 kilos per hectare (18.6 bushels per acre) and production is expected to be about 50,000 metric tons (1,837,000 bushels).

Representatives of Argentina and Brazil are now meeting in Brasilia to negotiate prices on the first quarter wheat shipments under their long-term agreement to ship one million tons (36.7 million bushels) annually in the 1969-71 period. The system set up to establish the level of prices each quarter has been unfavourable to Argentina and a new price setting system may also be discussed. In addition, Argentina will be hard pressed to meet its commitments to Brazil during 1971 and may wish to discuss the possibility of Brazil accepting a smaller quantity of wheat.

The demand from local millers has pushed prices upward. Hard bread wheat prices rose from 18.70 pesos to 19.60 pesos per 100 kilos (\$1.30 to \$1.36 Canadian per bushel) f.o.r. Buenos Aires, during October. By November 9, there had been a further increase to 20.70 pesos (\$1.44 per bushel). At Bahia Blanca, bread wheat prices rose from 16.50 to 16.90 pesos per 100 kilos (\$1.15 to \$1.17 per bushel) during October and to 17.90 pesos (\$1.24 per bushel) by November 9. On November 4, the National Grain Board sold 300 tons (11,000 bushels) of wheat of U.S. origin to millers at 21.56 pesos per 100 kilos (\$1.50 per bushel) and 480 tons (18,000 bushels) of imported wheats of mixed origin at 19.20 pesos (\$1.33 per bushel).

Prices on the Buenos Aires Futures Exchange at November 9 were 20.00 pesos per 100 kilos (\$1.39 per bushel) for December delivery, 19.90 (\$1.38 per bushel) for January and 20.20 (\$1.40 per bushel) for February.

Candeal and Taganrog (Durum) prices, on the other hand, fell from 17.30 pesos to 15.80 pesos per 100 kilos (\$1.20 to \$1.10 per bushel) at Buenos Aires and from 17.60 to 15.60 pesos per 100 kilos (\$1.22 to 1.08 per bushel) at Bahia Blanca. By November 9, Durum prices had firmed slightly to 16.00 pesos (\$1.11 per bushel) at these ports.

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

Destination	September		December — September	
	1969	1970	1968-69	1969-70
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium	—	—	1,204	911
France	—	—	647	601
Germany, Federal Republic	—	—	37	310
Italy	804	267	13,159	21,183
Netherlands	—	—	3,124	986
Sub-totals	804	267	18,171	23,991
<u>Other Western Europe</u>				
Britain	—	—	4,844	474
Norway	—	—	486	—
Portugal	—	—	—	798
Switzerland	—	—	355	—
Sub-totals	—	—	5,685	1,272
Totals	804	267	23,856	25,263

Argentine Wheat Exports December — September 1969-70 and 1968-69 — Concluded

Destination	September		December — September	
	1969	1970	1968-69	1969-70
thousand bushels				
<u>Africa</u>				
Algeria	948	—	1,817	537
Libya	—	—	—	580
Mozambique	—	—	426	—
Totals	948	—	2,243	1,117
<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	—	—	242	—
Brazil	3,207	5,414	31,300	30,866
Chile	397	694	3,309	3,581
Paraguay	48	414	2,475	1,843
Peru	184	—	9,410	5,475
Totals	3,836	6,522	46,736	41,765
Totals, all countries	5,587	6,789	78,655	70,452

AUSTRALIAN SITUATION

Wheat Supplies Total supplies of wheat in Australia for the 1969-70 crop year are
Higher than estimated at a record 664.8 million bushels compared with 595.0
Previous Year million in 1968-69, reflecting the effect of a sharp increase in
 carryover stocks which more than offset a substantial decrease in
 production. The current harvest, estimated at 398.1 million bushels, is 27 per cent
 below the 543.2 million bushels harvested in 1968-69. Carryover stocks, at 266.7
 million bushels, registered a sharp increase over the 51.8 million at December 1,
 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 Increase Combined exports of wheat as grain and wheat flour in terms of
over Year Ago grain equivalent during the period December 1 — October 31 of
 the current Australian crop year amounted to 267.7 million
 bushels, 20 per cent more than the 223.5 million exported during the corresponding
 eleven months of the 1968-69 crop year. The balance remaining on November 1, 1970
 for export and for carryover was estimated at 307.1 million compared with the 1969
 total of 286.9 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 - October 31	208.1	251.0
Exports of wheat flour in terms of wheat, December 1 - October 31	15.4	16.7
Total exports of wheat and wheat flour	223.5	267.7
Balance on November 1 for export and for carryover	286.9	307.1

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, Victoria, under date of November 16, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Wheat Production 1970-71. - Estimates for the 1970-71 wheat harvest have been exceedingly difficult to make and even with the harvest in its initial stages, firm predictions are not forthcoming. Problems of drought in New South Wales occurred in the early part of the season but extremely favourable rains and conditions have partially changed the situation although problems can still occur. Queensland, however, experienced drought conditions throughout the wheat growing season with rains being too late to materially affect the crop. Late frosts in Victoria have caused considerable damage but, as yet, the extent of this cannot be readily determined. South Australia and Western Australia are experiencing a good season although some precipitation to finish the crops is desirable in the former State. A rough guide to expected production and deliveries is provided below, however it may be somewhat conservative:

	Expected production 1970-71	Preliminary production 1969-70	Expected deliveries	Quotas
	million bushels			
Queensland	3	16	2	36
New South Wales	115	167	90	111
Victoria	40	85	38	52
South Australia	30	63	28	36
Western Australia	102	67	96	83
Totals	290	398	254	318

The estimated wheat acreage of 17.2 million acres is substantially down from 23.3 million acres reportedly planted in 1969-70 and from the record acreage of 1968-69 when 26.8 million acres were sown. The quota provisions have made a major impact upon production which was also reduced by drought in Queensland and northern New South Wales. The average national yield in 1969-70 was 17.0 bushels per acre with the 1970-71 yield expected to be of similar magnitude.

State conditions. - Conditions have improved somewhat in Queensland with better than normal precipitation in September followed by worthwhile rains in October although only in localized areas. Nevertheless, the rainfall was not sufficient to fully break the drought for wheat production. Select areas have been fortunate due to patchy rainfall and have good prospects, such as the southern area of the Darling Downs which has had favourable conditions in the past two months.

The wheat crop has been revived in the select areas but, in general, rains were too late to substantially change the outlook. About 3 million - 4 million bushels are expected to be harvested, the lowest production figure since 1946-47. Inter-State shipments of high quality wheat will be necessary for domestic consumption with a probable 6 million - 7 million bushels being required. Only selected receival points will be in operation in order to reduce overall handling costs for this season. Late reports indicate heavy rains falling in early November will cause damage to the remaining wheat crop with a possibility of large quantities of wheat being weather damaged.

Excellent rains in September consolidated the New South Wales wheat crop with extremely favourable conditions occurring in the northern wheat growing area. The near perfect conditions have kindled optimism concerning the crop in northern areas which had earlier been considered a failure. The prospects for the northern area, although it received excellent precipitation in October, are generally considered fair. The reason is that plantings were made in three periods, i.e. early July as well as before and after the September rains.

Consequently, the areas seeded early are expected to produce a fair crop, but those seeded in August and after the September rains require ideal conditions to ensure more than a light crop. Rains in early November have clouded the situation with some damage expected to the wheat crop due to sprouting, etc. This, coupled with a light September frost makes it impossible to determine the extent of the Prime Hard wheat crop. Harvesting should begin in the northern area this month with the earlier crop to be harvested in November and the late planted crop to be harvested in December.

The central division has improved in the last month due to favourable spring conditions. The general crop condition has been good, with an average yield expected from the area.

The southern division has had excellent growing conditions throughout the year with yields expected to be above average. Diseases and pests at this stage are not expected to affect yields to any great extent.

The overall harvest is expected to be 5.8 million acres with an average yield of 20 bushels per acre. The reduction in acreage from 1969-70 is almost 3 million acres although the expected yield is nearly the same for the two seasons prior where 19.6 and 21.6 bushels per acre were harvested in 1969-70 and 1968-69, respectively.

Crop conditions in Victoria have generally been good throughout the season although the rainfall pattern was not optimal. In particular, the Mallee required early rain to ensure an average crop and present expectations are for a lower than average yield. Good rains in most areas in September carried the crops through October which received less than half of normal rainfall. However, a widespread frost was recorded in Victoria with severe damage reported in various localities. The heavy frosts in the Mallee and Wimmera regions caused damage to wheat crops which were in or nearing the heading stage. Crops in the northern and north-eastern districts appeared to have escaped serious damage. The estimated extent of the damage varied from 20 to 80 per cent but will not be fully known until the crops are harvested.

The conditions in South Australia have not been perfect this season with many areas experiencing drought. However, the main cereal growing areas have received close to average rainfall over the growing season although the yield will not be as good as last year's but only slightly below the long term average. Heavy rains in October have helped the wheat crop with the marginal areas receiving the greatest benefit. Frost did occur in South Australia but early reports indicate that the damage was not as severe as that in Victoria. The hardest hit by the frost seems to be barley but the areas are not the same as major wheat producing regions.

The current crop expectations vary from 27 million to 33 million bushels from approximately 2 million acres. The average yield is consequently expected to be in the vicinity of 16 bushels per acre which is approximately 20 per cent below that of the previous two seasons.

Conditions in Western Australia during the season have been favourable with excellent prospects for the harvest. September rains improved the outlook and even though conditions were dry in October, crops are finishing well. No problems are envisaged for harvesting in this State with the harvest due to start this month.

The current outlook for wheat production is 102 million bushels - a considerable improvement over 1969-70 when 66.7 million bushels were harvested. The increase in yield over last season is almost 65 per cent with an average of 16.2 bushels per acre predicted. The quota has reduced the acreage by 7.2 per cent over the previous year and at 6.3 million acres, is one million acres less than in 1968-69.

Changes varietal recommendations. - In Victoria Insignia and Heron have been removed from the Victorian 1971 list of recommended wheat varieties in all districts except the Mallee. The change was recommended by the Department of Agriculture and endorsed by the Victorian Wheat Advisory Committee.

The Mallee area recommendations continue to be Insignia and Heron with Emblem suggested for a small area. The recommended varieties for the Wimmera are Olympic, Summit and Pinnacle whereas the northern district recommendations include Olympic for the mid-northern areas and Olympic plus Sherpa for the east-northern region. The southern district suggestions are the same as those for the Wimmera, that is, Olympic, Summit and Pinnacle. The change has been made as Olympic, Summit and Pinnacle have better flour extraction and other milling qualities vital in the present marketing situation, than Insignia and Heron. Of the three, Olympic is particularly recommended in all areas except the Mallee due to good milling characteristics. Insignia and Heron continue to be recommended for the Mallee because of their outstanding performance but efforts are being made to find suitable replacements.

The Committee has decided to segregate into the Victorian Soft Wheat Class as much low protein Pinnacle and Summit from the southern Wimmera as possible. Segregation of Victorian Hard, comprising high protein Emblem wheat, will continue in a selected area of the Mallee.

The wheat varietal recommendations in New South Wales for 1971-72 are similar for the northern and the north-western agricultural regions with Winglen and Windebri suggested for early sowing. Festiguay is suggested for mid-season sowing with Olympic being recommended in a small area of the north-western region. Tingalen, Gamut, Gatcher and Spica are recommended in both regions for late sowing with Falcon, A.R. Falcon 28A and Gamenya suggested for localized areas in the latter region.

Farmers in the western and mid-western agriculture regions are recommended to grow Olympic and Summit in both areas plus Festiguay in the western region for early to mid-season growing. Robin, Falcon, Gamenya and Eagle are suggested varieties to sow in the latter part of the season. Tingalen, Gatcher, Gamut and Spica are also recommended for the western region.

A recommendation of the variety Olympic for the south and south-western areas has been made for early to mid-season planting with Summit also suggested for the southern area. Falcon, Robin, Gamenya and Eagle are recommended for later plantings.

The varieties Gatcher, Gamut, Mendos, Spica, Tingalen, Winglen and Windebri have been nominated as eligible for acceptance into the Northern Prime Hard Pool from the 1971-72 harvest, subject to quality assessment at nominated receival points. Festiguay is eligible as are the varieties for Northern Prime Hard wheat for segregation into Northern Hard wheat - Northern Prime is subject to similar regulations.

Falcon and Eagle with 12 per cent or more protein content are eligible for Southern Hard wheat at designated receival points in 1971-72, depending upon the results of a similar segregation to be carried out in this harvest.

Pinnacle, with less than 9.5 per cent protein is the only variety recommended for soft biscuit wheat for 1971-72. Dural and Duramba are suggested for sowing on the north-western slopes and the plains for durum wheat production.

Queensland Prime Hard wheat varieties for 1970-71. - The Queensland Wheat Variety Committee has approved the following Prime Hard varieties under the State Wheat Board's classification system for the 1971-72 season: Tingalen, Mendos, Gamut, Spica, Gatcher, Gala, Festiguay and Windebri. The Committee is considering removing Gala and Festiguay from the approved Prime Hard varietal list for the 1972-73 season.

The Committee has announced the approved Prime Hard varieties well in advance of the planting period in order to provide ample time for farmers to consider varieties to be planted in the next season.

59,000 tons of flour in Food Aid Plan. - Australia's contributions under the Food Aid Convention of the I.G.A. have totalled a wheat equivalent of 59,662.6 metric tons (2,192,000 bushels) in the six months to June 30, 1970.

Shipments have been made to two countries during this period, all as flour. A total of 12,669 metric tons (466,000 bushels) wheat equivalent, of flour have been shipped to Ceylon while 46,963.6 metric tons (1,726,000 bushels) wheat equivalent, have gone to Indonesia.

Under the Convention, the Australian Government has a commitment annually to provide 225,000 metric tons of grain.

Premium Wheat Pool. — The Premium Wheatgrowers' Association and the Grain Elevators Board are co-operating to segregate premium wheat in the 1970-71 season. The co-operation by both organizations with the Australian Wheat Board makes it possible for the wheat to be segregated and sold separately. If a premium can be obtained for the wheat, a special account within the annual pool is formed in order that the premium can be distributed to the farmers.

The varieties are specified as Gala, Gatcher, Gamut, Mendos, Spica, Timgalen, Windebri and Winglen and will be segregated only at selected receival points.

The wheat must satisfy the following specifications: -

- (1) be of uniform vitreous appearance and individual deliveries must not contain more than 10 per cent of bleached, mottled or soft looking grains;
- (2) not contain more than 5 per cent unmilled material and otherwise be at least equal to the F.A.Q. in respect to bushel weight, percentage of foreign material, weed seeds, moisture content, and contain not more than 10 per cent of tipped or black pointed grain;
- (3) have a minimum protein content to be determined by the Premium Wheat Growers Association of 13 per cent;
- (4) be of the varieties as outlined above.

A second segregation may be made for wheat with a minimum protein content of 14 1/2 per cent at selected receival points.

The wheat received under the arrangement is subject to the quota provisions of 1970-71.

Queensland to obtain off-grade from N.S.W. for stockfeed. — The Queensland State Wheat Board has obtained permission to sell weather damaged off-grade wheat from New South Wales to stockfeeders, stockfeed manufacturers and merchants. Buyers of the concessional wheat must undertake to purchase all wheat requirements from the Board until November 30, 1970. Farmers requiring wheat to feed sheep and cattle in drought areas could obtain the off-grade wheat without the conditional obligations.

The concessional prices for the wheat, in bulk lots of more than 6 tons, range from \$A1.03 per bushel to \$A1.28 per bushel (\$1.17 to \$1.45 Cdn. per bushel), depending upon the depot selected.

Extra rail trucks leased to New South Wales. — The New South Wales Government has leased rail trucks from South Australia to move wheat from country centres to Sydney and Newcastle terminals. There had been difficulties in the rail shipping programme, creating delays in export shipments of wheat. The problems arose due to a sudden increase in shipments after a period of comparatively quiet movement, according to railroad spokesmen. The additional trucks have helped to alleviate the shipping difficulties.

Victorian rail system. — The Victorian Railways has been called upon to meet large wheat movements in the current year, somewhat brightening the financial prospects of the Government owned railroad. Every available rail truck is being used to move the target quantities required as well as to shift grain from country areas to the seaboard before the harvest gathers full momentum. Additional rail trucks were, and will be required for the movement of coarse grains from the interior to export positions but the situation is thought to be well in hand.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 — October 31, 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	7,616	2,559	—	—
<u>Other Western Europe</u>				
Britain	30,504	38,756	349	361
Ireland	1,069	1,282	—	—
Malta	742	698	—	—
Norway	3,539	3,015	—	—
Sweden	52	94	—	—
Switzerland	292	137	—	—
Others	1,923	30	—	—
Sub-totals	38,121	44,012	349	361
Totals	45,737	46,571	349	361
<u>Africa</u>				
Ethiopia	—	1,597	—	—
Malawi	—	—	382	480
Mauritius	—	—	938	805
Mozambique	—	2,730	—	—
Rhodesia	2,104	3,207	—	—
Sudan	—	7,019	—	—
Zambia	1,915	2,677	—	—
Others	99	168	403	844
Totals	4,118	17,398	1,723	2,129
<u>Asia</u>				
Aden	788	1,763	—	—
Aden and Aden I/T	—	—	144	87
Aden and Aden I/T Atta	—	—	92	76
Afghanistan	367	—	—	—
Arabian Gulf	—	—	177	210
Arabian Gulf Atta	—	—	810	1,248
Ceylon	1,512	2,054	4,287	4,688

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 — October 31, 1969-70 and Corresponding Period 1968-69 — Concluded

Destination	Wheat		Wheat flour	
	1968-69	1969-70	1968-69	1969-70
thousand bushels				
<u>Asia — concluded</u>				
China	63,755	86,101	—	—
Hong Kong	2,533	1,645	33	31
India	1,131	2,914	—	—
Indonesia	—	—	2,211	3,261
Iraq	—	3,977	—	—
Japan	44,835	30,265	—	—
Korea North	—	3,560	—	—
Korea South	369	—	—	—
Kuwait	2,470	2,997	—	—
Lebanon	3,685	2,625	—	—
Okinawa	—	131	—	—
Malaysia	8,124	10,164	—	—
Pakistan	868	6,319	—	—
Philippines	1,676	—	157	175
Sabah	—	—	24	5
Sarawak	—	—	21	5
Saudi Arabia	1,681	3,564	521	303
Singapore	4,343	7,667	2	1
Taiwan	1,450	2,593	—	—
Thailand	1,656	1,442	191	229
U.A.R. Egypt	—	8,260	—	—
Others	635	1,604	710	218
Totals	141,878	179,645	9,380	10,537
<u>Oceania</u>				
New Zealand	—	2,022	—	—
<u>Western Hemisphere</u>				
Argentina	1,947	—	—	—
Bolivia	—	503	—	—
Chile	4,147	3,084	—	—
Colombia	1,293	—	—	—
Peru	8,906	1,701	—	25
West Indies Area	—	—	237	53
Totals	16,293	5,288	237	78
<u>Pacific Area and Sundries</u>				
Pacific Islands	71	79	3,572	3,459
Ships' Stores and Sundries	—	—	139	136
Totals	71	79	3,711	3,595
Totals, all countries	208,100	251,000	15,400	16,700

FRENCH SITUATION

Supplies Lower Than a Year Ago Commercial carryover stocks of soft wheat in France at July 31, 1970 were placed at 83.3 million bushels, almost 21 million less than a year previous while anticipated deliveries from farms during the current crop year are estimated at some 360.1 million bushels or 43 million less than in 1969-70. As a result, total estimated domestic commercial supplies of soft wheat for the 1970-71 crop year are placed at 443.4 million bushels, some 13 per cent below the 1969-70 total of 507.2 million. Total imports during the August-September period of the current crop year, including durum wheat and both hard and soft wheat have amounted to 5.0 million bushels compared with 4.6 million during the same months of last year. Anticipated domestic requirements are expected to be relatively little changed from the level of 1969-70. After deducting 226.0 million bushels for estimated domestic use, including normal feed wheat requirements, the surplus available for export and for carryover is about 217.4 million bushels compared with 282.9 million last year.

Exports Decline from Previous Year Combined exports of wheat and wheat flour in terms of grain equivalent during the first two months of the 1970-71 crop year amounted to 17.9 million bushels, sharply lower than the comparable August-September 1969 figure of 29.9 million. The balance of commercial supplies remaining on October 1, 1970 for export and for carryover amounted to 199.6 million compared with the October 1, 1969 total of 253.0 million.

French Soft Wheat Supplies

Item	1969-70 ^r	1970-71 ^p
	million bushels	
Commercial carryover, August 1	103.9	83.3
Anticipated deliveries to Grain Board	403.3	360.1 ^r
Total estimated commercial domestic supplies	507.2	443.4
Less domestic requirements for crop year	224.3	226.0 ^r
Available for export and for carryover	282.9	217.4
<u>Deduct</u>		
Exports of wheat, August-September	27.1	14.3
Exports of wheat flour, August-September	2.8	3.6
Total exports of wheat and wheat flour	29.9	17.9
Balance on October 1 for export and for carryover	253.0	199.6

^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 November 6, 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. — The first half of September had unstable weather with alternating warm sunny days and cooler wet periods except in the Southern half of the country which continued to suffer from drought. From the middle of the month on, temperatures were above average in daytime but with very cool nights and no precipitation. Seasonal work proceeded satisfactorily though plowing was delayed in some areas by soil hardness. The wheat, oats, barley and rye harvests were finished and production estimates have not changed much since last month. The soft wheat crop is evaluated at 12.27 million tons (450.8 million bushels), down 80,000 tons (2.9 million bushels) from September 1 estimates, and durum wheat output estimate is up 16,000 tons (588,000 bushels) to 446,000 tons (16.4 million bushels). A recent survey confirms that the big production areas of north-central France including the Paris basin had relatively low yields and that the coastal areas of the North and the west-center had much better yields than last year.

Soft wheat supply-utilization. — At its latest meeting in late October, ONIC lowered its estimate of wheat deliveries by growers from 9.8 million — 10.2 million tons (360.1 million — 374.8 million bushels) to 9.7 million — 9.9 million tons (356.4 million — 363.8 million bushels). At the same time it pointed out that wheat continued to be denatured in larger quantities for domestic use, and our estimate of total domestic requirements in 1970-71 has been increased by 100,000 tons (3.7 million bushels) compared to last month. The lower availabilities also mean lower exports. ONIC would apparently like to finish the present crop year with a carryover of 2.8 million tons (102.9 million bushels), but to obtain this figure, exports would have to be limited to the EEC and Africa (including both wheat and flour).

Durum wheat situation. — Durum deliveries in September were 32,700 tons (1,202,000 bushels) bringing the 1970 crop marketings to 253,600 tons (9,318,000 bushels) so far. Commercial stocks of French durum went from 202,400 to 199,900 tons (7,437,000 to 7,345,000 bushels) during September, the mills purchasing 30,400 tons (1,117,000 bushels) and exports, seed returned, etc., reaching 4,800 tons (176,000 bushels). The semolina industry which held stocks of 49,200 tons (1,808,000 bushels) on September 1, took delivery of 31,500 tons (1,157,000 bushels) of domestic and 53,300 tons (1,958,000 bushels) of imported durums, processed 55,400 tons (2,036,000 bushels) to end September with stocks of 78,600 tons (2,888,000 bushels).

Wheat and flour trade. — French millers imported over 77,000 tons (2,329,000 bushels) of wheat in September of which nearly 67,000 tons (2,462,000 bushels) were U.S. durums. This brings total imports in the first two months of 1970-71 to 135,000 tons (4,960,000 bushels) compared with 125,000 tons (4,593,000 bushels) in August-September of 1969.

Denatured wheat exports in September came to 49,300 tons (1,811,000 bushels) but Belgium was the only large buyer. Similarly for durum, Belgium took 3,100 tons (114,000 bushels) out of 3,300 tons (121,000 bushels) exported in the month. In soft milling wheat, shipments in September confirmed that French exports this year will be limited mainly to the EEC, some small quantities to the U.K. and Switzerland plus regular aid shipments to Africa. September exports totalled 198,000 tons (7,275,000 bushels) of which nearly 165,000 tons (6,063,000 bushels) to EEC partners bringing the August-September 1970 shipments to 317,000 tons (11,648,000 bushels) compared to 639,000 tons (23,479,000 bushels) in the same period last year. Flour exports also show a swing in destinations with France concentrating on its aid shipments to Egypt, other Africa, Yemen and some regular markets (overseas territories, Jamaica, Mauritania, etc.). Shipments of 54,000 tons (1,984,000 bushels) of flour in September brought this crop year's total to 98,000 tons (3,600,000 bushels) against 75,000 tons (2,800,000 bushels) in August-September 1969.

The French press had reported earlier this week signature of an agreement with Egypt for the sale of \$25 million worth of French wheat plus 90,000 tons (3,307,000 bushels) of flour under food aid. However ONIC indicates that the \$25 million is a credit which remains under the Spring 1969 agreement with Egypt, and even if Egypt would like to buy French wheat with it, France is simply unable to supply this year.

Bread prices. — Another increase in bread prices took place on November 1. The standard stick bread (baguette) which had sold for 10.18 cents up to August 15 then 10.74 cents now costs 11.22 cents, which means a 10 per cent increase since early summer.

French Wheat Exports August — September 1969 and 1970

Destination	Denatured wheat		Soft milling wheat		Durum wheat	
	1969	1970	1969	1970	1969	1970
thousand bushels						
<u>Western Europe</u>						
EEC:						
Belgium	1,561	2,184	2,074	2,776	76	115
Holland	298	37	1,884	2,912	—	—
Germany	1,746	411	5,999	2,214	29	—
Italy	—	—	795	755	204	7
Others	8	—	—	—	—	—
Sub-totals	3,613	2,632	10,752	8,657	309	122
<u>Other Western Europe</u>						
Andorra	—	—	2	2	—	—
Britain	15	—	3,299	1,400	59	—
Ireland	—	—	106	—	—	—
Norway	—	—	245	—	—	—
Switzerland	5	—	436	354	12	—
Sub-totals	20	—	4,088	1,756	71	—
Totals	3,633	2,632	14,840	10,413	380	122
<u>Eastern Europe</u>						
Poland	—	—	182	—	—	—
<u>Africa</u>						
Cameroun	—	—	110	222	—	—
Central African Rep.	—	—	37	46	—	—
Congo (Brazza)	—	—	—	4	—	—
Egypt	—	—	3,310	—	9	—
Gabon	—	—	83	55	—	—
Guyana	—	8	—	—	—	—
Madagascar	—	—	—	—	(1)	(1)
Mauritania	—	—	2	—	—	—
Senegal	—	—	1,006	367	—	—
Tunisia	—	—	830	415	—	—
Totals	—	8	5,378	1,109	9	(1)

French Wheat Exports August — September 1969 and 1970 — Concluded

Destination	Denatured wheat		Soft milling wheat		Durum wheat	
	1969	1970	1969	1970	1969	1970
thousand bushels						
<u>Asia</u>						
China	—	—	1,679	136	—	—
Hong Kong	—	—	184	—	—	—
Japan	—	—	140	—	—	—
Philippines	—	(1)	376	—	—	—
Singapore	—	—	173	—	—	—
Taiwan	—	—	540	—	—	—
Totals	—	(1)	3,092	136	—	—
Totals, all countries	3,633	2,640	23,491	11,658	389	122

(1) Less than 500 bushels.

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. Rossing, Commercial Officer (Agriculture), Canadian Embassy, Bonn, West Germany, under date of November 10, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Grain crop 1970. — The final 1970 estimate, which about corresponds with the preliminary one mentioned in the August Grain Report, gives West Germany a cereal crop of 16.8 million metric tons (not including maize). This result is about 9 per cent or 1.7 million metric tons below the very good crop of 1969, but still 1 per cent above the average of the last 5 years. The grain maize crop can be assumed to be around 480,000 metric tons (18.9 million bushels) compared with the 1969 figure of 400,000 tons (15.7 million bushels) on a 24 per cent larger acreage.

According to tests performed by the Federal Research Institute for Grain again an improvement in the quality of the German crop was stated. Average protein contents are 12.1 per cent and the sedimentation values 26.

	<u>Protein</u> <u>contents</u>	<u>Sedimentation</u> <u>ratings</u>	<u>Wet gluten</u> <u>contents</u>
1970	12.1	26	24.7
1969	11.8	25	22.5
1968	10.8	18	19.6

The figures for spring wheat are 13.5 per cent and 44, respectively.

This year the German wheat crop amounts only to 5.66 million metric tons (208.0 million bushels) thus being 5.6 per cent reduced compared with 1969. The decrease mainly results from a fall in crop yields from 4.02 metric tons per hectare (59.8

bushels per acre) to 3.79 metric tons per hectare (56.4 bushels per acre).

Planting intentions for 1971. — The first surveys lead us to expect again increased acreages of winter cereals for 1971, i.e. 4 per cent for winter wheat, 3 per cent for rye, 12 per cent for barley, and 13 per cent for rapeseed.

Farm sales. — Sales from farmers during July-September 1970 were slightly down as compared with 1969:

	<u>July-September 1969</u>	<u>July-September 1970</u>
	thousand bushels	
Wheat	83,775	77,528
Oats	15,562	9,726
Barley	70,272	58,330
Rye	31,494	27,558

Market stocks. — According to reports of the Federal Ministry of Agriculture, the following stocks were held by processors, co-operatives, and grain traders on September 1, 1969 and 1968 in thousands of bushels:

	<u>September 1, 1968</u>	<u>September 1, 1969</u>
Wheat and wheat products	68,057	69,151
Rye and rye products	29,290	26,337
Barley	49,144	56,401
Oats	15,303	6,808
Corn	5,708	7,755

Grain policy. — The present price level for domestic wheat is 30 to 35 Deutschmarks (Cdn. \$8.42 to \$9.83) per metric ton over the November intervention price level of DM 371.86 (\$104.42) per metric ton. This situation results from a smaller wheat harvest, lower stocks at the end of the crop year and is also caused by relatively high denaturing premiums. Also, as in 1969 France did not undercut the German price level through low-priced offers of wheat.

Although the level of producers' cash receipts for wheat is relatively high due to the decreased wheat harvest, farmers cannot expect sufficient quality premiums for the high-quality wheat crop 1970. According to experts of the German Farmers' Union only in a few cases quality premiums were paid by millers and traders but these did not provide a coverage of additional expenses necessary for the production of quality wheat. Thus no real incentive exists for German farmers to switch to quality wheat because this would mean higher expenses for seed and fertilizer. Offers of German wheat are not plentiful. The demand on part of the denaturing plants was not as pressing when rumours had been heard that a decrease in denaturing premiums within the current crop year would be unlikely.

As the demand for rye sharply increased in Southern Germany large quantities of rye were shipped from Northern Germany southwards. The Import and Storage Agency will bear part of the transport cost of this large grain moving action. Also, the Import and Storage Agency will ease the market situation on the market for rye by selling 75,000 metric tons (2,953,000 bushels) of rye to grain traders and millers of the Southern deficit area.

Effective October 23, 1970, South German millers increased the prices for 100 kilos of wheat flour by DM 1 (28 cents) up to DM 62.50 (\$17.55) in Bavaria and to DM 62 (\$17.41) in Baden-Wurttemberg. As a reason for this increase in the price of wheat flour, higher wheat prices, and higher processing cost were stated. Meanwhile, also mills in West and North Germany raised their wholesale prices for the basic types of wheat flour. West German millers increased their price per 100 kilos of wheat by DM 0.50 (14 cents), whereas millers in Northern Germany lifted the price by DM 1 (28 cents Cdn.)

The high domestic demand for wheat has also affected West Germany's food aid policy. The Import and Storage Agency is at stake to fulfill all obligations as to shipments into underdeveloped countries. Negotiations will be held as to whether West Germany can meet these obligations with wheat of EEC origin or wheat from Third Countries.

The denaturing of wheat for use as feed grains continued to rise. The number of denaturing plants increased from 242 in fall 1969 to 760 in 1970. Applications for the denaturing of wheat amounted to 625,000 metric tons (22,965,000 bushels) from July to October 1970 as compared to 185,000 metric tons (6,798,000 bushels) within the three months of the previous year.

The intervention of the Import and Storage Agency for Grain was considerably reduced at the beginning of the crop year 1970-71 as compared to 1969-70. Thus West Germany's intervention system took up the following quantities, with the previous year's figures in brackets, in thousands of bushels:

Wheat	—	(4,777)
Rye	1,811	(3,307)
Barley	3,031	(11,115)

The following quantities of Canadian wheat were purchased by the Import and Storage Agency from July to November 1970 in thousands of bushels:

Closing date of tender:		
July, 21	1,286	durum
September, 25	5,107	wheat: federal reserve
October, 5	551	wheat: Berlin reserve
November, 5	1,837	wheat: federal reserve
Total	8,781	

Wheat Imports by Source

<u>Country of production</u>	<u>July-September 1969</u>		<u>July-September 1970</u>	
	thousand bushels	per cent	thousand bushels	per cent
Canada	4,262	22	5,989	32
United States	2,976	15	5,879	31
Australia	367	2	37	—
U.S.S.R. (Russia)	1,323	7	1,066	6
Others	37	—	514	3
EEC				
France	9,039	46	3,674	20
Netherlands	1,433	7	1,543	8
Others	37	—	111	1
Totals	19,474	100	18,813	100

GRAIN SITUATION IN SPAIN

The following account of the grain situation in Spain has been extracted from a report received from Mr. H.E. Lemieux, Commercial Counsellor, Madrid, under date of November 5, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Domestic production. — Drought conditions in many parts of Spain this season have produced considerably lower yields than those registered in 1969. Wheat production is the lowest recorded in nine years. Latest estimates from the Ministry of Agriculture are as follows:

	<u>Production</u>		<u>Yield per acre</u>	
	<u>Actual 1969</u> thousand bushels	<u>Estimated 1970</u> bushels	<u>1969</u> bushels	<u>1970</u> bushels
Wheat	172,694	134,848	18.3	16.1
Barley	176,827	142,381	34.0	25.1
Oats	35,014	27,882	48.6	23.4
Maize	56,690	72,831	43.8	49.7
Rye	14,172	9,055	27.4	11.6

It is interesting to note that unofficial estimates for 1970 by a reputable grains publication differ considerably; 3.36 million metric tons (123,457,000 bushels) for wheat, and 3.89 million metric tons (178,665,000 bushels) for barley.

Spanish exports. — In recent years, cereals production has increased through improved farming methods, use of fertilizers, and improved seed varieties to a point where Spain is a net exporter of wheat, wheat flour, and all of the feed grains, except maize. Maize is the principal component of Spanish livestock feeds. Uneconomic production necessitates that grain exports be subsidized. Spain has been supplying both hard and soft wheats to a limited number of regular buyers.

Leading buyers of hard wheat are as follows:

	<u>January — December</u>	<u>January — June</u>
	<u>1969</u> thousand bushels	<u>1970</u>
Portugal	1,621	719
United Kingdom	3,250	1,748
Egypt (by special agreement)	5,085	—
Others	2,462	—
Totals	12,418	2,468

Major buyers of soft wheat are as follows:

	<u>January — December</u>	<u>January — June</u>
	<u>1969</u>	<u>1970</u>
	thousand bushels	
Greece	1,087	229
Portugal	2,980	777
United Kingdom	4,602	243
Egypt	2,348	322
Others	1,615	173
Totals	12,633	1,744

Grain surpluses. — In a normal crop year, Spain could anticipate sizeable surpluses of wheat and barley. This year, however, lower production, due to the drought conditions, could have some influence on export levels in the ensuing months.

It is interesting to note that the Government's efforts to regulate production and pricing are beginning to be felt. This year wheat acreage declined by 3 per cent to 3,690,000 hectares (9,114,000 acres) compared with 3,819,000 hectares (9,433,000 acres) in 1968-69 and 4,167,000 hectares (10,292,000 acres) in 1967-68. This is the third year to register a decline.

The success of the acreage reduction program can be attributed to FORPPA (Fondo de Ordenacion y Regulacion de Productos y Precios Agrarios), established by the Government in 1968, with the mandate to control farm prices as a means of guiding production.

Cereals prices. — Fixed purchase prices from farmers for cereals in 1970-71, announced by the Spanish National Grain Service (Servicio Nacional de Cereales), are virtually unchanged from last year. Maize has been raised from 555 Ptas. to 570 Ptas. per metric quintal (\$2.22 to \$2.28 Cdn. per bushel); all others remain the same. The following prices are for cereals that are "whole, healthy, clean, dry and without unusual odor":

	<u>Purchase Price</u>
	Cdn. dollars per bushel(1)
Wheat: according to quality and variety	2.39 to 2.89
Rye	2.00
"Tranquillon" (mixed grain)	1.60 to 1.78
Barley	1.69
Oats	1.17
Maize	2.13
Sorghum	1.96
Millet	1.72

(1) One Canadian \$ = 68.1 pts. apx.

Though farmers are guaranteed the above-listed purchase prices for all that they produce, farmers are not overly pleased with price levels. At the last session of the other National Grains Group, primary position was given to the demand that grain prices should be raised to E.E.C. levels. The Group also recommended to the Government that the expansion of the national grain elevator network should start immediately, and that the Government should define its grain policy more clearly.

Note, however, resale prices for wheat will increase this year. In the opinion of the Ministry of Agriculture, the price changes are not increases but rather reflect better classification according to varieties and necessities. The resale price for barley and oats is down slightly.

<u>Resale Prices</u>		
	<u>1969-70</u>	<u>1970-71</u>
	Cdn. dollars per bushel(1)	
Wheat (according to variety)	2.66 to 2.79	2.68 to 2.90
Rye	2.18	2.18
Barley (2 varieties in 1970-71)	1.79	1.68 and 1.74
Oats (2 categories in 1970-71)	1.23	1.14 and 1.17

(1) One Canadian \$ = 68.1 pts. apx.

Drought conditions throughout Spain have resulted in the lowest production of wheat in nine years. Of the cereal crops, only maize registers a gain in production. The reduced domestic production could have some effect on Spain's export volume.

CALENDAR OF WHEAT EVENTS

- October 22 The 1970 season of navigation closed at the port of Churchill with the Orion being the last vessel.
- Wheat stocks in all positions in the United States on October 1, 1970 were estimated at 1,782 million bushels, 3 per cent less than a year earlier but 6 per cent above the October 1, 1968 total.
- November 9 According to a report from Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) for Canada, Buenos Aires, the third official estimate of the area sown to wheat in Argentina in 1970-71 of 4,105,000 hectares (10.1 million acres) was issued by the Secretariat of Agriculture and Livestock on October 30.
- November 18 Based on conditions at October 22 Canada 1970 wheat crop was estimated at 331.5 million bushels, 52 per cent below last year's 684.3 million and 43 per cent below the ten-year average of 585.6 million.

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