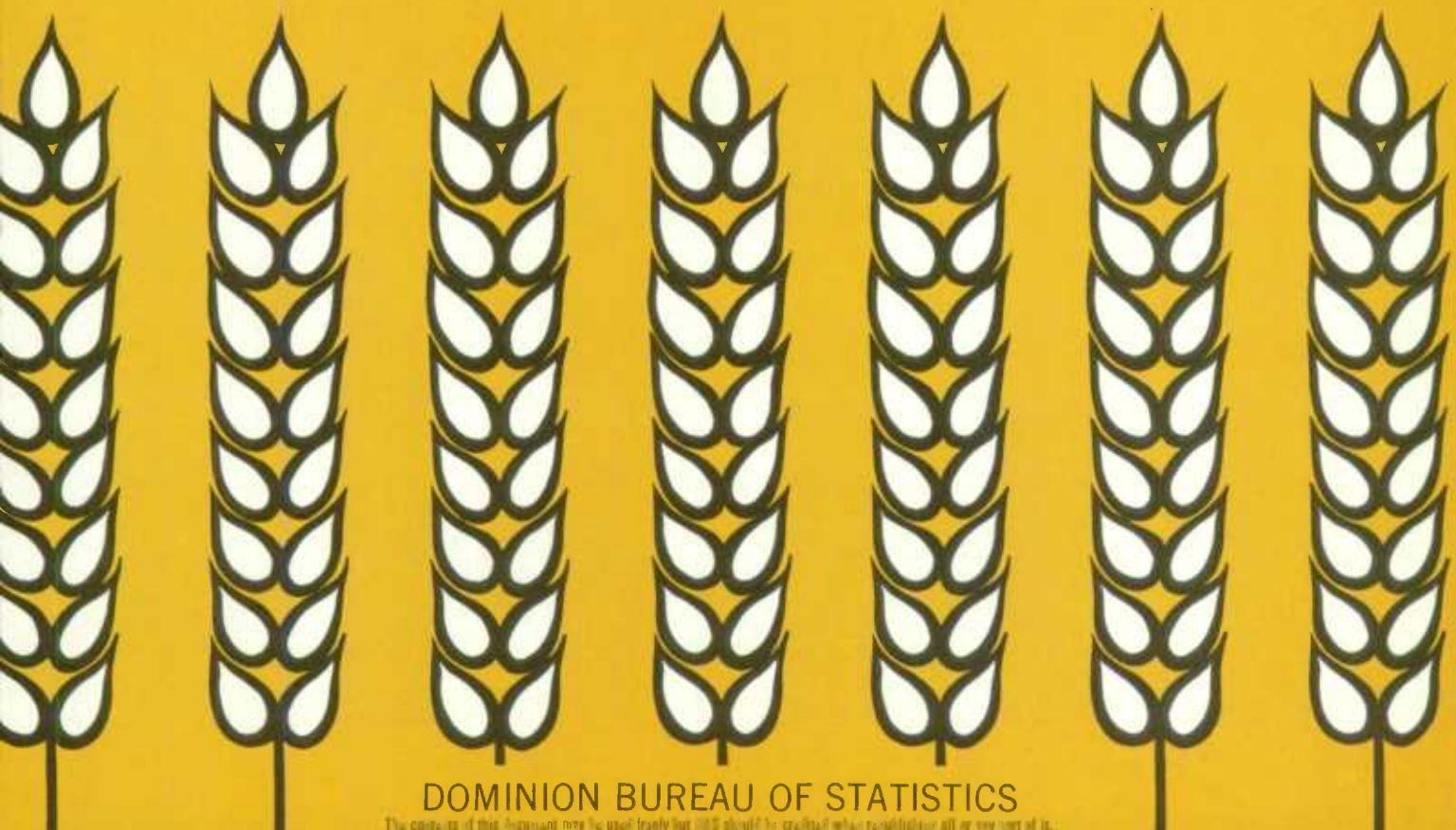


The Wheat Review

DECEMBER 1970



DOMINION BUREAU OF STATISTICS

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DOMINION BUREAU OF STATISTICS

Agriculture Division

Crops Section

THE WHEAT REVIEW

DECEMBER 1970

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WORLD WHEAT SITUATION

August-November Exports Sharply Above a Year Ago

Total exports of wheat and wheat flour in terms of grain from the four major exporting countries during the August-November period of the current Canadian crop year amounted to 580.8 million bushels, an increase of 56 per cent over the 371.4 million exported during the same four months in 1969 and 23 per cent above the ten-year (1959-68) average shipments for the same period of 470.8 million bushels. As indicated in the accompanying table, based on the Canadian crop year, shipments from each of the four major exporters, were at higher levels this year than last.

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

August-November	Canada	Australia	United States	Argentina	Total	France
million bushels						
1950	72.8	39.7	70.2	20.2	202.9	
1951	115.0	39.2	155.2	20.3	329.7	
1952	138.3	27.4	104.7	—	270.4	
1953	103.4	22.0	70.0	43.2	238.6	
1954	97.5	26.8	75.3	45.2	244.8	
1955	81.0	29.7	73.9	43.4	228.0	
1956	105.9	52.5	152.7	32.0	343.1	
1957	104.9	31.6	131.3	31.5	299.3	
1958	99.4	21.0	141.2	28.0	289.6	
1959	109.2	34.4	128.3	19.0	290.9	
1960	109.8	40.5	203.0	31.0	384.3	
1961	150.6	73.9	246.2	8.0	478.7	
1962	120.3	32.0	175.7	11.8	339.8	
1963	209.6	74.4	257.3	17.8	559.1	
1964	167.3	53.8	257.0	39.2	517.3	
1965	239.8	75.7	258.5	96.5	670.5	
1966	223.4	57.1	303.4	21.1	605.0	
1967	94.9	106.4	270.1	5.7	477.1	
1968	120.1	63.0	181.4	20.3	384.8	56.1
1969 ^r	83.5	95.9	169.3	22.7	371.4	71.4
1970 ^p	166.8	124.2	261.0	28.8	580.8	28.2(1)

(1) August-October only. ^p Preliminary figures. ^r Revised figures.

Wheat Supplies of Four Major Exporters Lower than Previous Year

Latest available estimates indicate that as at December 1, 1970 supplies of wheat remaining in Canada and the United States for export and for carryover at the end of their respective crop years plus the year-end (November 30) carryover stocks in both Australia and Argentina amounted to 2,498.7 million bushels and represented a decrease of some 12 per cent from the 2,828.8 million available a year ago. Supplies at December 1, 1970 in millions of bushels, were held as follows, with last year's comparable figures in brackets: Canada, 1,000.7 (1,274.2); Australia, 274.0 (266.7); United States, 1,186.5 (1,269.1); and Argentina, 37.5 (18.8). Estimates for both years include on-farm stocks as well as those in commercial positions.

The supply data to appear in the January issue of this publication will include the 1970-71 production estimates for wheat in Argentina and Australia.

CANADIAN SITUATION

Canadian Wheat Supplies 13 per cent Below Last Year

Reflecting a very substantial decline in production, Canadian wheat supplies for 1970-71 are placed at some 1,342.6 million bushels compared with the previous year's record level of 1,536.1 million. Although the August 1 carryover reached an all-time high of 1,011.0 million bushels, the 1970 production dropped sharply to 331.5 million bushels or less than one half of the 684.3 million harvested a year previous. 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 Increase Over the Previous Year

Exports of wheat and flour, in terms of wheat equivalent, during August-November 1970 amounted to 166.8 million bushels, almost double the 83.5 million exported during the same four months of 1969. This year's exports consisted of 157.8 million bushels of wheat in bulk, 379 thousand of seed and 8.6 million of flour in terms of wheat. During the August-November period last year these figures were 75.6 million of wheat in bulk, 251 thousand of seed and 7.6 million of flour in wheat equivalent. The balance remaining on December 1, 1970 for export and for carryover amounted to 1,000.7 million bushels, 21 per cent below the December 1, 1969 total of 1,274.2 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
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 - November (1)	75.6	157.8
Exports of seed wheat, August - November (2)	0.3	0.4
Total exports of wheat as grain	75.9	158.2
Exports of wheat flour in terms of wheat, August - November (2)	7.6	8.6
Total exports of wheat and wheat flour	83.5	166.8
Balance on December 1 for export and for carryover	1,274.2	1,000.7

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

(2) 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 December 9 of the current crop year have amounted to 100.2 million bushels compared with 68.7 million marketed during the same period of the previous year. Some 24.8 million bushels of this year's total were delivered during the four weeks November 12 to December 9. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 34.7 million bushels. As a result, the total visible supply of Canadian wheat decreased from 376.0 million at November 11 to a level of 366.5 million at December 9, 1970.

The total visible supply of Canadian wheat at December 9 this year represented a 15 per cent decrease from the 1969 comparable total of 431.3 million and was 13 per cent less than the 1968 figure of 419.2 million. Country elevator stocks, amounting to 221.9 million bushels, were also below both the 1969 comparable total of 262.5 million, and the 253.6 million of two years ago. Wheat stocks at interior terminals at December 9, 1970, totalled 10.9 million bushels slightly lower than both the 12.2 million of 1969 and the 12.4 million of two years ago. The 14.7 million bushels "in transit rail" (western division) were 42 per cent above the 1969 figure of 10.3 million but only slightly less than the 14.9 million in this position in 1968. Supplies at the Lakehead, totalling some 23.8 million bushels, registered declines from both last year's comparable level of 24.2 million and the 1968 total of 29.8 million. Stocks "in transit lake", amounting to 14.7 million bushels were 22 per cent below the 1969 level of 18.8 million but 6 per cent above the 1968 figure of 13.8 million. The 35.0 million bushels in Bay, Lake and Upper St. Lawrence ports were lower than the 35.8 million of a year ago but above the 34.3 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at December 9, 1970, at 30.5 million bushels, registered a decrease of 31 per cent from the 44.2 million of a year ago and were 20 per cent less than the 38.0 million at the same date in 1968. The 7.0 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were substantially smaller than both the 12.1 million at the comparable date of the two preceding years.

November 1970 Exports of
Wheat and Flour Total
35.8 Million Bushels

Combined exports of wheat in bulk, seed wheat and wheat flour in terms of grain equivalent during November 1970 amounted to 35.8 million bushels, 26 per cent less than the October 1970 total of 48.1 million and 11 per cent below the ten-year (1959-68) average for the month of November of 40.4 million, but 44 per cent larger than the 24.8 million exported during November 1969.

Exports of wheat in bulk during November 1970 (as reported by the Board of Grain Commissioners), amounted to 33.3 million bushels, registering a decrease of 25 per cent from the October 1970 exports of 44.6 million, 11 per cent lower than the ten-year average for the period of 37.3 million, but 46 per cent above the November 1969 figure of 22.8 million. Exports of seed wheat during November 1970, based on Canadian Customs returns, amounted to 72 thousand bushels compared with the November 1969 total (adjusted to remove time lag) of 116 thousand bushels. Customs returns also indicate that the equivalent of 2.4 million bushels of wheat was exported in the form of flour during November 1970, a decline of 29 per cent from the October 1970 figure of 3.5 million and a decrease of 15 per cent from the ten-year average of 2.9 million, but 31 per cent above the November 1969 adjusted figure of 1.9 million.

Cumulative exports of wheat in bulk during the August-November period of the current crop year amounted to 157.8 million bushels, more than double the 75.6 million shipped during the first four months of the 1969-70 crop year and 10 per cent above the average for the period of 142.8 million. Britain, the People's Republic of China and India were the leading markets for wheat in bulk during the first four months of

the current crop year with shipments amounting to 20.9 million, 17.8 million and 15.1 million bushels, respectively, and accounted for a combined 34 per cent of the August-November total compared with 40 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: Japan, 13.7 (9.9); U.A.R.-Egypt, 13.5 (nil); Federal Republic of Germany, 13.2 (6.3); Brazil, 11.1 (nil); and Syria, 6.2 (nil). Cumulative exports of seed wheat during August-November of the current crop year, based on Canadian Customs returns, amounted to 379 thousand bushels compared with last year's comparable total (adjusted to remove time lag) of 251 thousand.

Cumulative exports of wheat flour during the first four months of the 1970-71 crop year, based on Customs returns, were the equivalent of 8.2 million bushels of wheat, 8 per cent above the comparable 1969-70 figure of 7.6 million bushels (adjusted for time lag) but 26 per cent below the ten-year average for the period of 11.2 million.

Exports of wheat flour by countries for August-November 1970, based on Customs data, are not available at this time.

Canadian Wheat Board Announces
Quota Increases

Effective December 8, 1970 increases in delivery quotas for wheat, have been announced by the Canadian Wheat Board. The quota changes are

as follows:

- The general wheat quota has been raised from two to three bushels per quota acre in fifteen additional shipping blocks.

The blocks included in the latest increase in the delivery quota for wheat are: Saskatoon Main, Saskatoon South, Saskatoon West, Pr. Albert Main, Regina West, Edmonton South, Hanna South, Hanna West, Saskatoon, Wilkie, Swift Current, Outlook, Medicine Hat, Vulcan, NAR West.

As a result of the increase in the general wheat quota, the advance quota on durum of one bushel per quota acre has been discontinued in these blocks.

Further changes in producer delivery quotas for wheat, were announced by the Canadian Wheat Board on December 15, 1970. The changes went into effect on Monday, December 14, 1970. The quota changes are as follows:

- The general delivery quota of three bushels per quota acre for wheat has been extended to the remaining four shipping blocks. These are Regina North, Regina South, Assiniboia and Lethbridge.

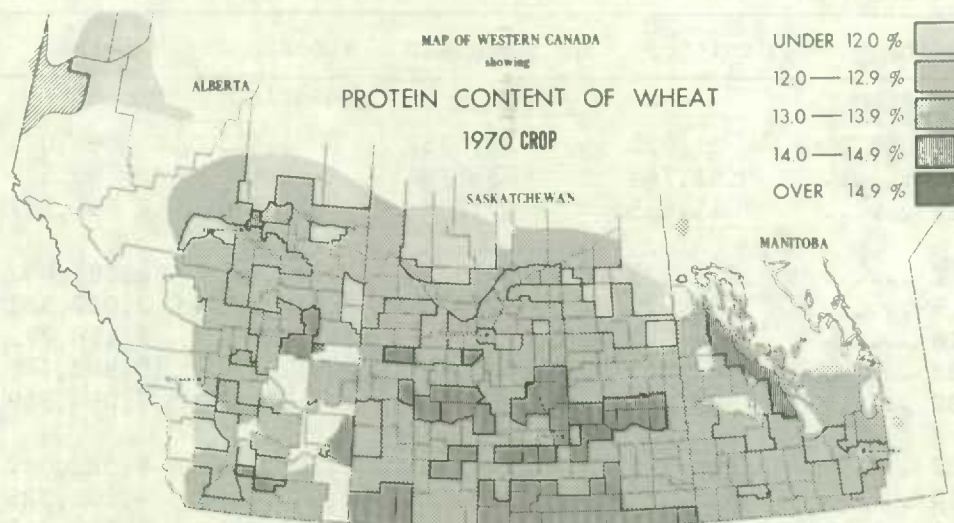
Wheat Shipments to
the United States

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 December 9, 1970.

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

Protein Survey of
Western Canada's 1970
Hard Red Spring Wheat

According to Crop Bulletin No. 109 "Canadian Wheat 1970" published by the Grain Research Laboratory, Board of Grain Commissioners for Canada, the Laboratory's survey of the protein content of the 1970 crop of Western Canadian hard red spring wheat included wheats grading No. 1 Manitoba Northern through No. 4 Manitoba Northern. The average value for protein content for the 4,719 samples of new-crop wheat is 13.2 per cent. This level is significantly lower than the average value of 13.9 per cent for the 1969 crop. It is also lower than the mean value of 13.6 per cent for all new spring wheat crops during the 20-year period, 1950-69. Saskatchewan wheat (at 13.4 per cent) is only slightly higher in protein content than Manitoba wheat (13.3 per cent), but is significantly higher in protein than Alberta wheat (12.6 per cent). For wheats from Manitoba, grading No. 2 and No. 3 Northern, the protein content is slightly higher than for the grades No. 1 and No. 4 Northern. New-crop wheat from Manitoba is 2/10 of a percentage unit lower in protein content than 1969 crop Manitoba wheat; Saskatchewan wheat is 6/10 of a unit lower this year, while Alberta wheat is one percentage unit lower this year.



The above map shows the geographic distribution of the protein content of the 1970 hard red spring wheat crop in terms of five ranges of protein. The map this year has only one small area, representing only one town out of four in an east central Alberta district, where the average protein content was greater than 14.9 per cent. Significant portions of the growing area in central and southern Saskatchewan, together with a few small areas in Alberta and one area in Manitoba, are high in protein content with the average value between 14.0 and 14.9 per cent. By far the largest proportions of the growing areas in Manitoba and Saskatchewan produced wheat with an average protein content in the range 13.0 to 13.9 per cent. Wheat with below average protein content originated from the northern areas of Saskatchewan and the northern and western areas of Alberta.

Protein Content of Grades of Hard Red Spring Wheat
1970 Values for Each Province, and 1970 and 1969 Values for Western Canada

Grade	1970 Crop			Western Canada	
	Manitoba	Saskatchewan	Alberta	1970	1969
per cent					
No. 1 Northern	13.1	13.6	12.8	13.4	13.9
No. 2 Northern	13.4	13.6	12.7	13.4	13.9
No. 3 Northern	13.4	13.4	12.6	13.2	13.8
No. 4 Northern	13.1	13.1	12.2	12.9	13.8
Weighted means	13.3	13.4	12.6	13.2	13.9

Farmers' Marketings Deliveries of wheat from farms in the Prairie Provinces up to December 9 of the current crop year amounted to 94.1 million bushels, an increase of 48 per cent over the comparable 1969 total of 63.6 million but 39 per cent less than the ten-year (1959-68) average for the period of 153.8 million bushels. Saskatchewan's share in the marketings of wheat during the current crop year amounted to 66.2 million bushels and accounted for 70 per cent of August 1 - December 9, 1970 total, while Alberta and Manitoba with 18.8 million and 9.1 million accounted for 20 per cent and 10 per cent of the total, respectively.

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
	18	1,511,618	4,441,312	1,218,417	7,171,347	3,122,840
	25	727,404	4,361,162	1,160,088	6,248,654	3,230,848
December	2	324,002	3,342,249	813,608	4,479,859	3,392,933
	9	1,027,970	4,965,668	820,526	6,814,164	3,174,066
Totals		9,082,401	66,242,755	18,775,623	94,100,779	63,604,234
Average similar						
period: 1959-68.		21,365,288	97,684,434	34,792,081	153,841,802	

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

Visible Supply of Canadian Wheat, December 9, 1970
Compared with Approximately the Same Date, 1968 and 1969

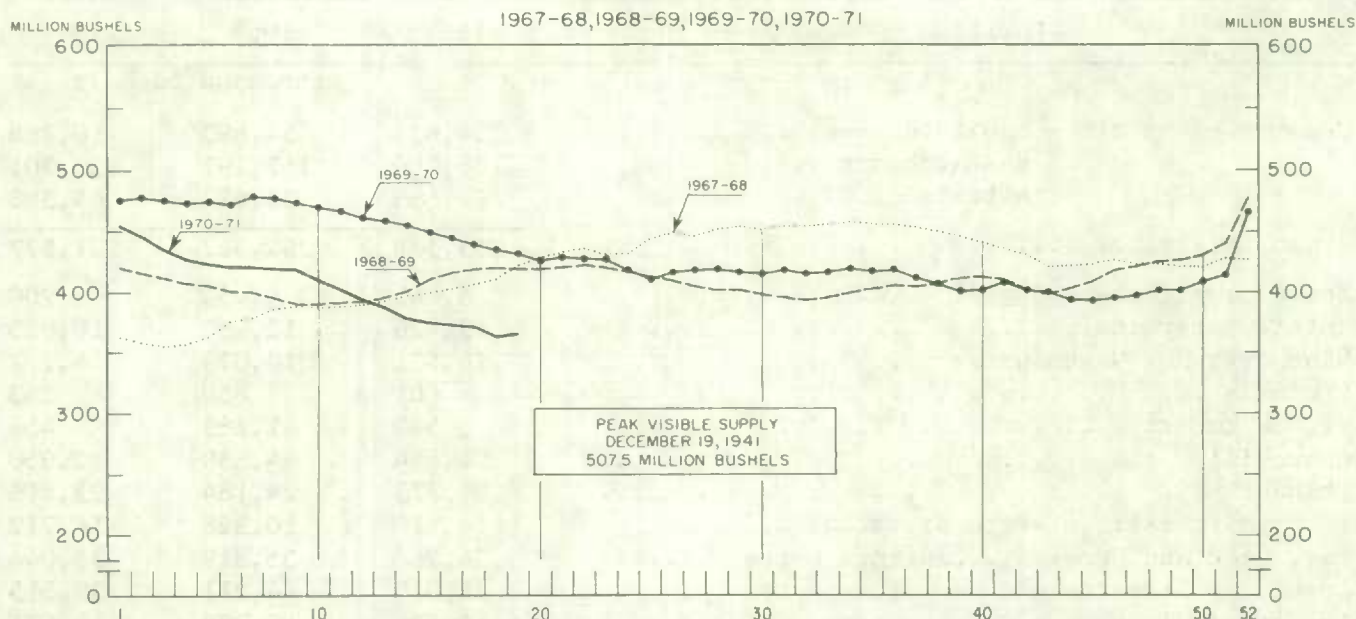
Position	1968	1969	1970
	thousand bushels		
Country elevators - Manitoba	34,877	34,693	18,788
Saskatchewan	145,996	152,197	138,701
Alberta	72,685	75,632	64,388
Sub-totals	253,558	262,522	221,877
Interior private and mill	5,041	4,454	4,200
Interior terminals	12,426	12,280	10,925
Vancouver-New Westminster	10,971	10,079	6,297
Victoria	601	880	243
Prince Rupert	542	1,183	454
Churchill	4,694	4,659	2,950
Thunder Bay	29,773	24,184	23,816
In transit rail (western division)	14,910	10,328	14,712
Bay, Lake and Upper St. Lawrence ports	34,284	35,819	35,044
Lower St. Lawrence and Maritime ports	38,010	44,211	30,515
In transit lake	13,826	18,788	14,671
In transit rail (eastern division)	515	1,910	771
Totals	419,151	431,297	366,475

Grading of Wheat Inspected, August - November 1970 with Comparisons

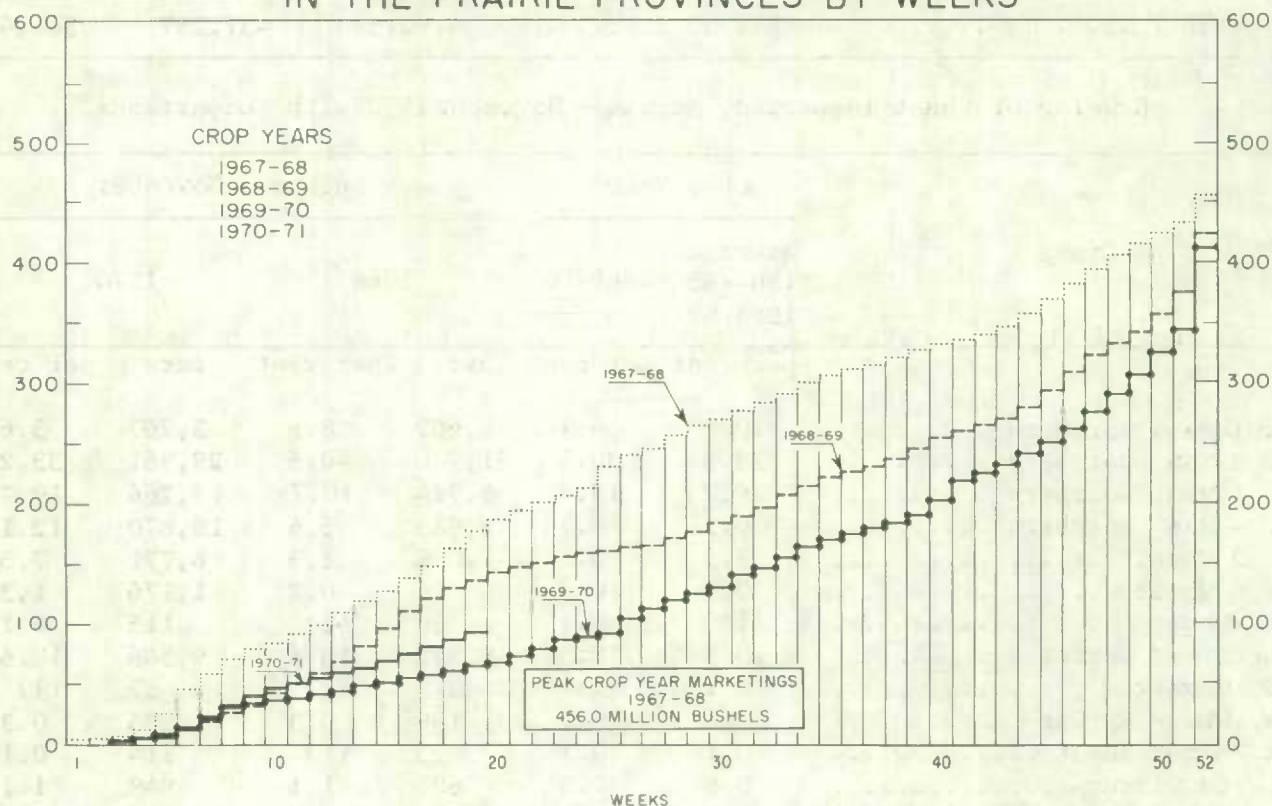
Grade	Crop Year		August - November			
	Average		1969		1970	
	1964-65 1968-69	1969-70	per cent	cars	per cent	cars
No. 1 Man. Northern	10.1	6.1	4,602	8.6	3,267	3.6
No. 2 Man. Northern	33.3	30.8	21,700	40.6	29,961	33.2
No. 3 Man. Northern	19.7	19.8	5,724	10.7	17,764	19.7
No. 4 Man. Northern	8.3	10.2	2,988	5.6	10,870	12.1
No. 5 Wheat	3.3	5.5	1,006	1.9	6,771	7.5
No. 6 Wheat	0.3	0.7	94	0.2	1,176	1.3
Feed Wheat	(1)	0.1	20	(1)	115	0.1
Others Red Spring	18.3	18.5	8,892	16.6	9,546	10.6
C.W. Garnet	0.1	(1)	2	(1)	37	(1)
C.W. White Spring	0.1	0.2	139	0.3	235	0.3
C.W. Mixed Wheat	0.1	0.1	25	(1)	114	0.1
Alberta Winter	0.8	0.8	605	1.1	949	1.1
Nos. 1-6 C.W. Amber Durum	4.6	6.4	6,886	12.9	8,819	9.8
Other C.W. Amber Durum	0.8	0.7	801	1.5	544	0.6
Totals	100.0	100.0	53,484	100.0	90,168	100.0
Gross bushels (approx.)			103,874,000		179,331,000	

(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 December 9 this year amounted to 447.1 million bushels, considerably above the comparable 1969 figure of 246.3 million and 35 per cent more than the 10-year (1959-68) average for the period of 332.1 million. In 1970 the season of navigation opened on April 8 while the 1969 season opened on April 11. Shipments of wheat, at 254.8 million were 61 per cent more than the 1969 figure of 158.2 million bushels and accounted for 57 per cent of the total six grains.

Lake Shipments of Canadian Grain from the Opening of Navigation to December 9, 1970
and to Approximately the Same Date, 1959 to 1969

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
1959	176,796	32,097	55,686	4,707	6,355	—	275,640
1960	182,434	26,921	54,281	3,645	8,421	—	275,701
1961	230,054	23,784	43,313	4,284	8,002	—	309,437
1962	182,915	22,923	29,734	6,123	7,965	—	249,660
1963	237,416	41,885	42,796	3,725	7,152	—	332,975
1964	349,300	33,559	42,711	4,922	9,348	59	439,898
1965	285,349	45,952	41,588	4,106	11,041	1,337	389,375
1966	367,526	33,104	44,639	8,512	14,170	1,250	469,200
1967	220,627	36,336	65,878	5,505	10,669	929	339,944
1968	177,666	21,095	31,164	3,061	5,718	622	239,327
1969	158,217	20,530	54,724	2,092	8,565	2,172	246,301
1970	254,786	27,959	140,916	3,542	12,162	7,753	447,118

Rail Shipments
of Wheat to
Maritime Ports

Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during August-November 1970 amounted to 2,789,000 bushels compared with the August-November 1969 figure of 666,000.

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

Origin of shipments	August 1- November 30, 1969	August 1- November 30, 1970
bushels		
Port McNicoll	—	581,492
Midland, Tiffin	533,979	1,338,929
Owen Sound	132,420	350,415
Goderich	—	517,816
Totals	666,399	2,788,652

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	178,523
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, November 1970

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
	bushels				
5 Wheat	—	8,000	2,000	1,667	3,500
Durum	—	—	—	2,000	4,000
Others	24,167	30,833	99,333	—	3,023
Totals	24,167	38,833	101,333	3,667	10,523

Overseas Exports of Canadian Grain by Ports of Loading, August 1 - December 9, 1970
with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
thousand bushels							
<u>Pacific Seaboard</u>							
Van.-New West	43,707	—	234	15,875	1,466	1,824	6,382
Victoria	1,832	—	—	—	—	—	—
Prince Rupert	3,451	—	—	—	—	—	—
Churchill	23,551	—	—	—	—	—	—
<u>Thunder Bay direct</u>	1,539	210	6,407	7,222	408	1,139	1,898
<u>St. Lawrence</u>							
Montreal	10,602	10,202	138	24,475	100	149	2
Sorel	14,396	136	—	5,843	—	—	—
Trois-Rivières	7,390	1,740	235	1,286	210	—	—
Quebec	5,277	343	138	6,790	257	2,825	1,515
Baie Comeau	14,515	2,350	—	7,865	—	832	609
Port Cartier	19,562	1,350	468	8,460	—	502	—
<u>Maritime</u>							
West Saint John	2	—	—	—	—	—	—
Halifax	279	—	—	—	—	—	—
Totals	146,105	16,333	7,619	77,815	2,441	7,271	10,405
August 1 — December 10, 1969	72,104	9,530	412	11,211	1,004	6,508	5,663

(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-November 1970, amounted to 12,416,000 bushels, an increase of 49 per cent over the 8,339,000 shipped during the comparable period of 1969. The bulk of the shipments during the current four months under review went to destinations in Quebec and Ontario with these two provinces accounting for a combined 73 per cent of the total. During August-November last year these two provinces accounted for 72 per cent of the four-month total.

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

Month	Western wheat							Eastern wheat	
	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total	Que.
	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
October	26	22	326	138	2,194	782	362	3,851	—
November	136	31	206	86	1,112	545	415	2,531	—
Totals	319	87	987	445	5,627	3,466	1,485	12,416	6
Same months 1969 .	154	33	662	340	3,193	2,837	1,120	8,339	54

Millfeed shipments under the Feed Grain Assistance Regulations indicate the movement of 154,792 tons during August-November 1970 as against the comparable 1969 total of 171,452 tons. The greater portion of the millfeed shipments during the four months under review went to destinations in Quebec and Ontario.

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

Province	August - November	
	1969	1970
	tons	
Newfoundland	918	1,832
Prince Edward Island	2,370	1,385
Nova Scotia	8,557	4,178
New Brunswick	5,077	4,367
Quebec	81,620	74,598
Ontario	58,985	56,813
British Columbia	13,925	11,619
Totals	171,452	154,792

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
November	33,307	72	33,378	2,449	35,827
Totals	157,827	379	158,206	8,610	166,816

- (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 (1) by Destination, November 1970 and 1969

Destination	Wheat (except durum)	Durum wheat	All wheat	
			November 1970	November 1969 ^r
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	696,680	78,400	775,080	954,052
France	112,224	—	112,224	903,558
Germany, Federal Republic ...	6,357,504	1,159,323	7,516,827	2,026,236
Italy	1,061,645	154,109	1,215,754	1,790,226
Netherlands	997,120	1,402,642	2,399,762	330,600
Sub-totals	9,225,173	2,794,474	12,019,647	6,004,672
<u>Other Western Europe</u>				
Britain	3,877,142	—	3,877,142	3,777,943
Ireland	881,813	16,427	898,240	29,867
Malta and Gozo	—	—	—	321,439
Portugal	52,267	—	52,267	—
Sweden	—	—	—	19,488
Switzerland	—	56,112	56,112	791,742
Sub-totals	4,811,222	72,539	4,883,761	4,940,479
Totals	14,036,395	2,867,013	16,903,408	10,945,151
<u>Africa</u>				
Algeria	1,021,440	899,505	1,920,945	—
Congo	—	—	—	122,379
Ghana	249,016	—	249,016	—
Republic of South Africa	1,900,267	—	1,900,267	—
Tunisia	—	—	—	734,867
U.A.R.-Egypt	2,170,075	—	2,170,075	—
Totals	5,340,798	899,505	6,240,303	857,246
<u>Asia</u>				
Hong Kong	41,253	—	41,253	106,027
Japan	3,601,916	—	3,601,916	2,462,979
Malaysia	92,400	—	92,400	35,728
Pakistan	729,232	—	729,232	2,262,475
People's Republic of China	3,118,566	—	3,118,566	3,864,204
Singapore	—	—	—	35,653
Syria	691,600	265,067	956,667	—
Turkey	209,450	—	209,450	—
Totals	8,484,417	265,067	8,749,484	8,767,066
<u>Western Hemisphere</u>				
Barbados	—	—	—	29
Brazil	1,210,869	—	1,210,869	—
Haiti Republic	167,349	—	167,349	—
Jamaica	—	—	—	1,196
Peru	—	—	—	907,025
St. Lucia	167	—	167	—
Venezuela	35,093	—	35,093	568,587
United States (2)	—	—	—	788,780
Totals	1,413,478	—	1,413,478	2,265,617
Sub-totals, all countries .	29,275,088	4,031,585	33,306,673	22,835,080
Seed wheat (3)	—	—	71,595	116,287
Totals, all countries ...	29,275,088	4,031,585	33,378,268	22,951,367

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

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

(3) Compiled from Canadian Customs returns. Wheat 1969 adjusted for time lag, 1970 preliminary. Revised figures.

Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August — November 1970			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg ..	4,007,701	96,773 ^r	4,104,474 ^r	3,548,428
France	355,713	—	355,713	1,499,323
Germany, Federal Republic	9,497,204 ^r	3,735,188	13,232,392 ^r	6,250,145
Italy	3,559,419	1,430,544	4,989,963	7,010,053
Netherlands	1,459,557 ^r	2,049,593 ^r	3,509,150 ^r	778,042
Sub-totals	18,879,594 ^r	7,312,098 ^r	26,191,692 ^r	19,085,991
<u>Other Western Europe</u>				
Austria	—	183,551	183,551	—
Britain	20,839,793 ^r	28,224	20,868,017 ^r	17,630,821
Denmark	22,047	—	22,047	—
Ireland	1,280,384	16,427	1,296,811	216,534
Malta and Gozo	327,712	—	327,712	321,439
Norway	2,147,400	—	2,147,400	1,460,853
Portugal	52,267	—	52,267	841,750
Sweden	22,047	—	22,047	76,264
Switzerland	768,336	917,461 ^r	1,685,797 ^r	1,897,365
Sub-totals	25,459,986 ^r	1,145,663 ^r	26,605,649 ^r	22,445,026
Totals	44,339,580	8,457,761	52,797,341	41,531,017
<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	2,490,805	1,954,321	4,445,126	—
Congo	—	—	—	122,379
Ghana	1,301,930	—	1,301,930	733,530
Mozambique	—	—	—	37,336
Nigeria	—	—	—	18,667
Republic of South Africa ..	3,528,000	—	3,528,000	—
Sudan	2,279	—	2,279	170,932
Tunisia	—	1,542,244	1,542,244	1,102,321
U.A.R.-Egypt	13,517,868 ^r	—	13,517,868 ^r	—
Totals	20,840,882 ^r	3,496,565	24,337,447 ^r	2,185,165

See footnote(s) at end of table.

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

Destination	August — November 1970			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
	bushels			
<u>Asia</u>				
Hong Kong	253,810 ^r	—	253,810 ^r	281,680
India	15,051,572	—	15,051,572	7,133,429
Iraq	—	—	—	13,228
Japan	13,674,196	—	13,674,196 ^r	9,892,583
Malaysia	153,684 ^r	—	153,684 ^r	167,701
Pakistan	4,066,847	—	4,066,847	2,262,475
People's Republic of China.	17,821,997	—	17,821,997	5,910,518
Singapore	134,586	—	134,586	138,320
Syria	3,067,728	3,107,216	6,174,944	—
Taiwan	524,533	—	524,533	—
Turkey	209,450	—	209,450	—
Totals	54,958,403	3,107,216	58,065,619	25,799,934
<u>Western Hemisphere</u>				
Barbados	—	—	—	29
Brazil	11,098,461	—	11,098,461	—
Cuba	1,965,702	80,032	2,045,734	—
Ecuador	—	—	—	158,005
Haiti Republic	679,177	—	679,177	352,800
Jamaica	278,880	—	278,880	281,831
Peru	3,581,723	—	3,581,723	2,110,979
St. Lucia	167	—	167	—
Venezuela	218,997	1,823	220,820	689,840
United States (2)	—	—	—	788,780
Totals	17,823,107	81,855	17,904,962	4,382,264
Sub-totals, all countries	142,683,180	15,143,397	157,826,577	75,634,417
Seed wheat (3)			379,047	251,114
Totals, all countries.	142,683,180	15,143,397	158,205,624	75,885,531

- (1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada, for all countries except the United States. Excluding seed wheat.
- (2) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.
- (3) Compiled from Canadian Customs returns, 1969 adjusted for time lag, 1970 preliminary.

^r Revised figures.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	August	October	August - October	
	1970(1)	1970(2)	1970(2)	1969(1)
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	7,740	8,075	24,097	29,150
Germany, Federal Republic	—	—	—	283
Italy	2,070	—	2,070	4,140
Netherlands	653	—	653	929
Sub-totals	10,463	8,075	26,820	34,502
<u>Other Western Europe</u>				
Britain	153,171	95,572	369,219	469,536
Gibraltar	—	—	—	2,576
Greece	—	—	3,192	—
Malta and Gozo	—	46	46	—
Portugal	1,380	5,290	6,670	4,726
Sub-totals	154,551	100,908	379,127	476,838
Totals	165,014	108,983	405,947	511,340
<u>Eastern Europe</u>				
U.S.S.R. (Russia)	—	—	3,236	—
<u>Africa</u>				
Angola	2,300	—	2,300	—
Congo-Kinshasa	23,920	8,993	74,987	19,550
Dahomey	—	—	5,290	10,396
Gabon	5,658	—	5,658	—
Gambia	5,750	4,600	20,010	24,440
Ghana	149,965	150,252	150,422	182,551
Guinea Republic	—	—	—	11,500
Ivory Coast	—	460	2,530	690
Liberia	4,862	18,888	73,315	76,443
Malawi	9,005	8,820	23,009	11,776
Mozambique	5,773	6,413	14,405	13,836
Nigeria	—	—	2,300	—
Portuguese Africa nes	5,785	16,259	21,549	10,704
Republic of South Africa	230	1,978	2,259	—
Sierra Leone	1,967	964	2,930	916
Sudan	—	13,745	13,745	—
Tanzania	805	—	805	3,335
Togo	460	1,495	30,199	57,188
U.A.R.-Egypt	—	127,671	127,671	—
Totals	216,480	360,538	573,384	423,325
<u>Asia</u>				
Ceylon	—	733,090	1,064,249	2,537
Cyprus	—	—	22,717	129
Hong Kong	10,258	19,838	42,668	49,576
India	—	—	—	219
Indonesia	—	1,213,696	1,213,696	—
Iran	264	428	964	334
Iraq	—	141,032	141,032	117,790
Japan	—	734	2,160	920
Jordan	—	—	—	4,853
Lebanon	225	5,152	165,174	84,674

See footnote(s) at end of table.

FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHELS

800

700

600

500

400

300

200

100

0

MILLION BUSHELS

800

700

600

500

400

300

200

100

0

PEAK MARKETINGS
1966-67 CROP YEAR
632.4 MILLION BUSHELS

JULY

JUNE

MAY

APR

MAR

FEB

JAN

DEC

NOV

OCT

SEPT

30 year average

1939-40

1968-69

10 year average

1959-60

1968-69

1965-66

1966-67

1967-68

1968-69

1969-70

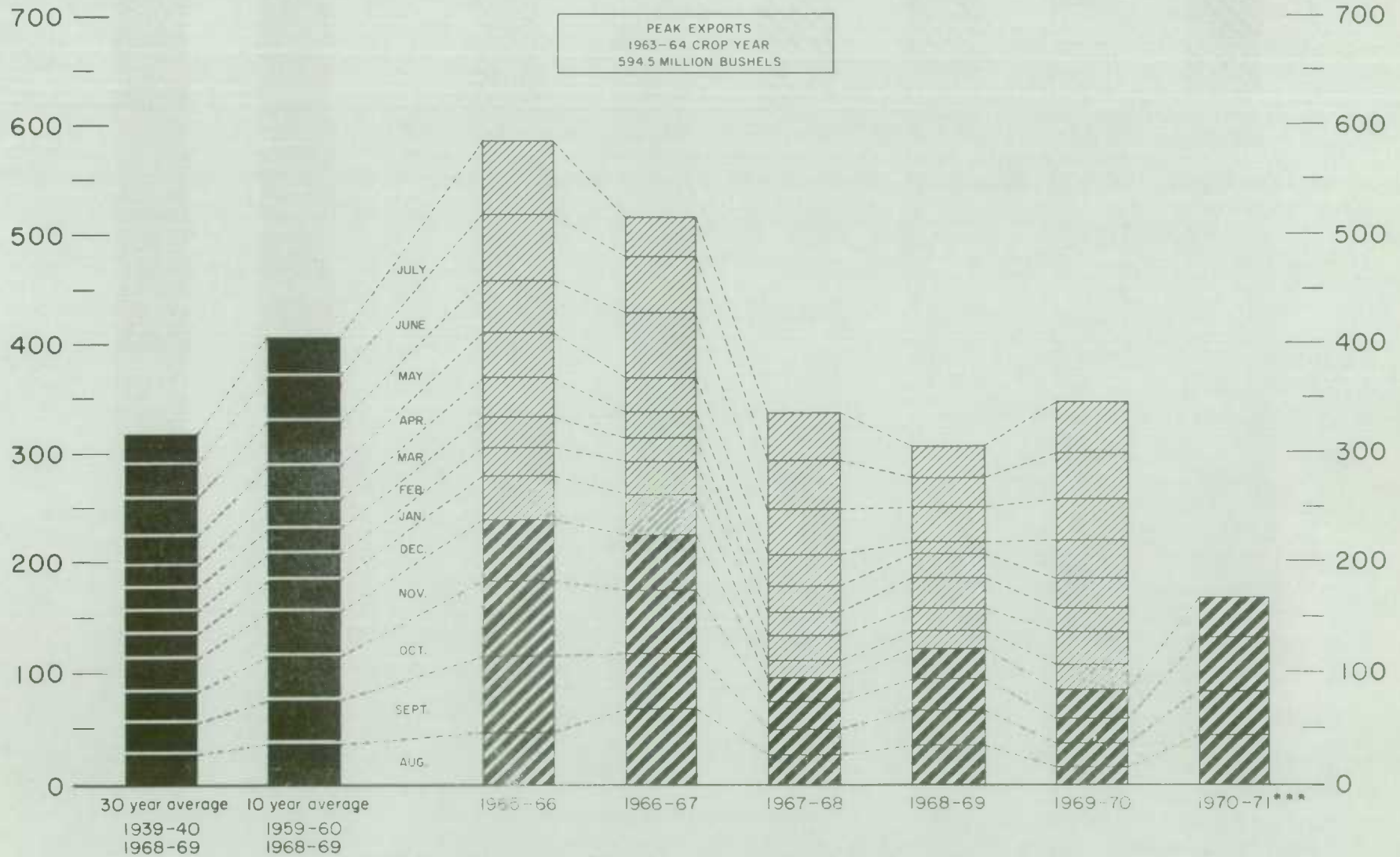
1970-71

EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)

MILLION BUSHELS

MILLION BUSHELS



*Beginning with 1955-56 includes seed wheat.

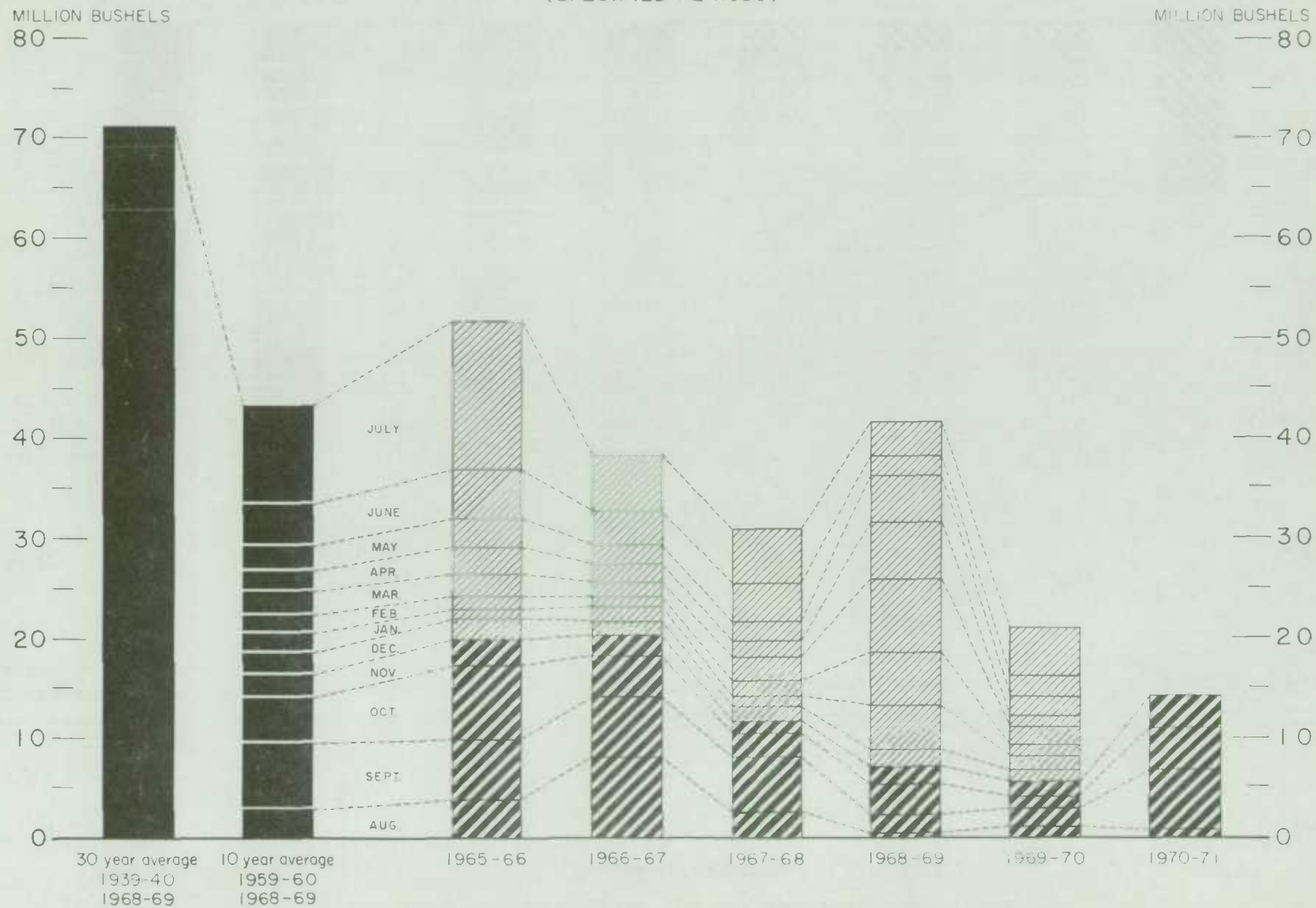
**In terms of wheat equivalent.

***Preliminary.

Agriculture Division O.B.S.

FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

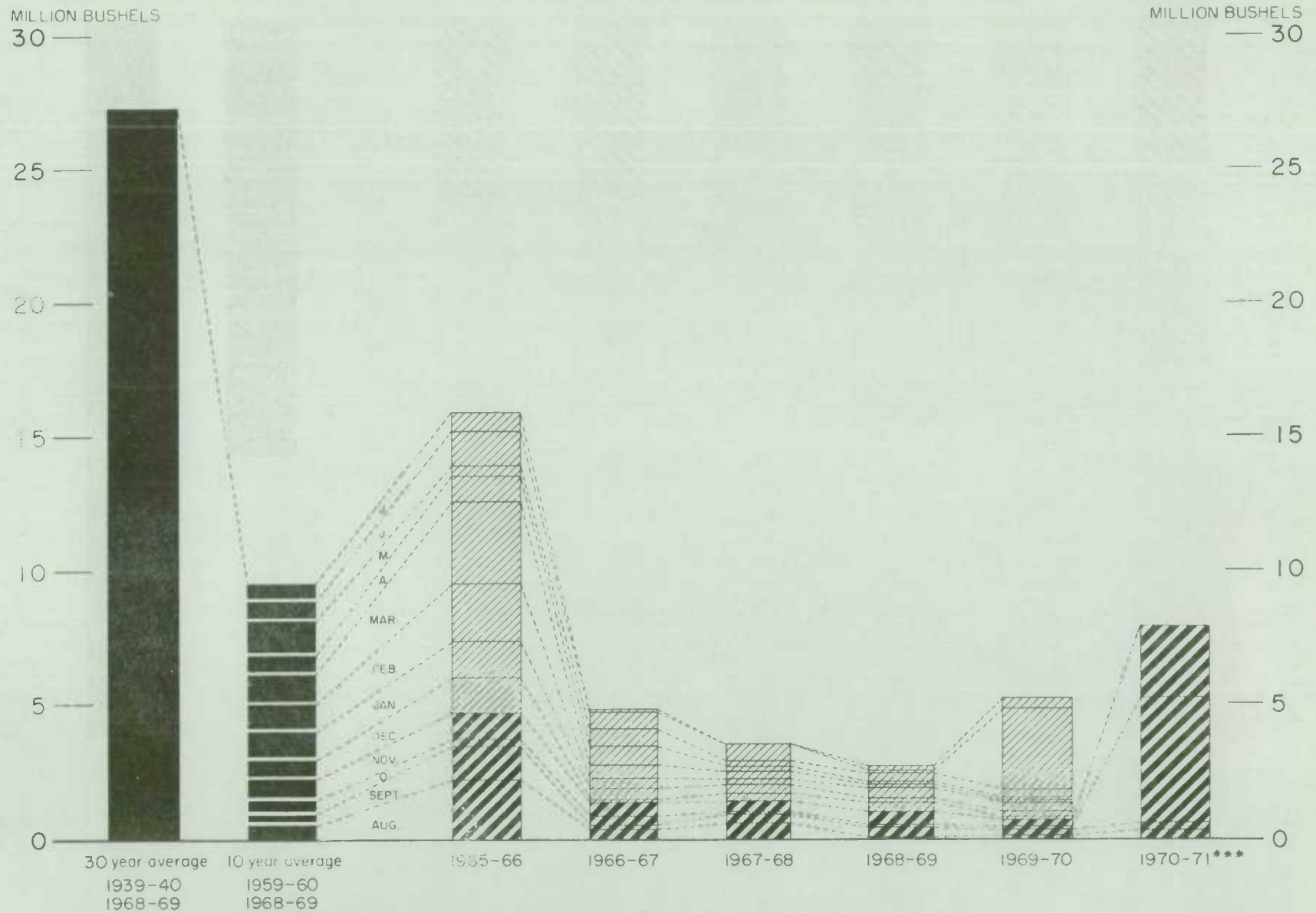
(SPECIFIED PERIODS)



IV

EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS**

(SPECIFIED PERIODS)



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

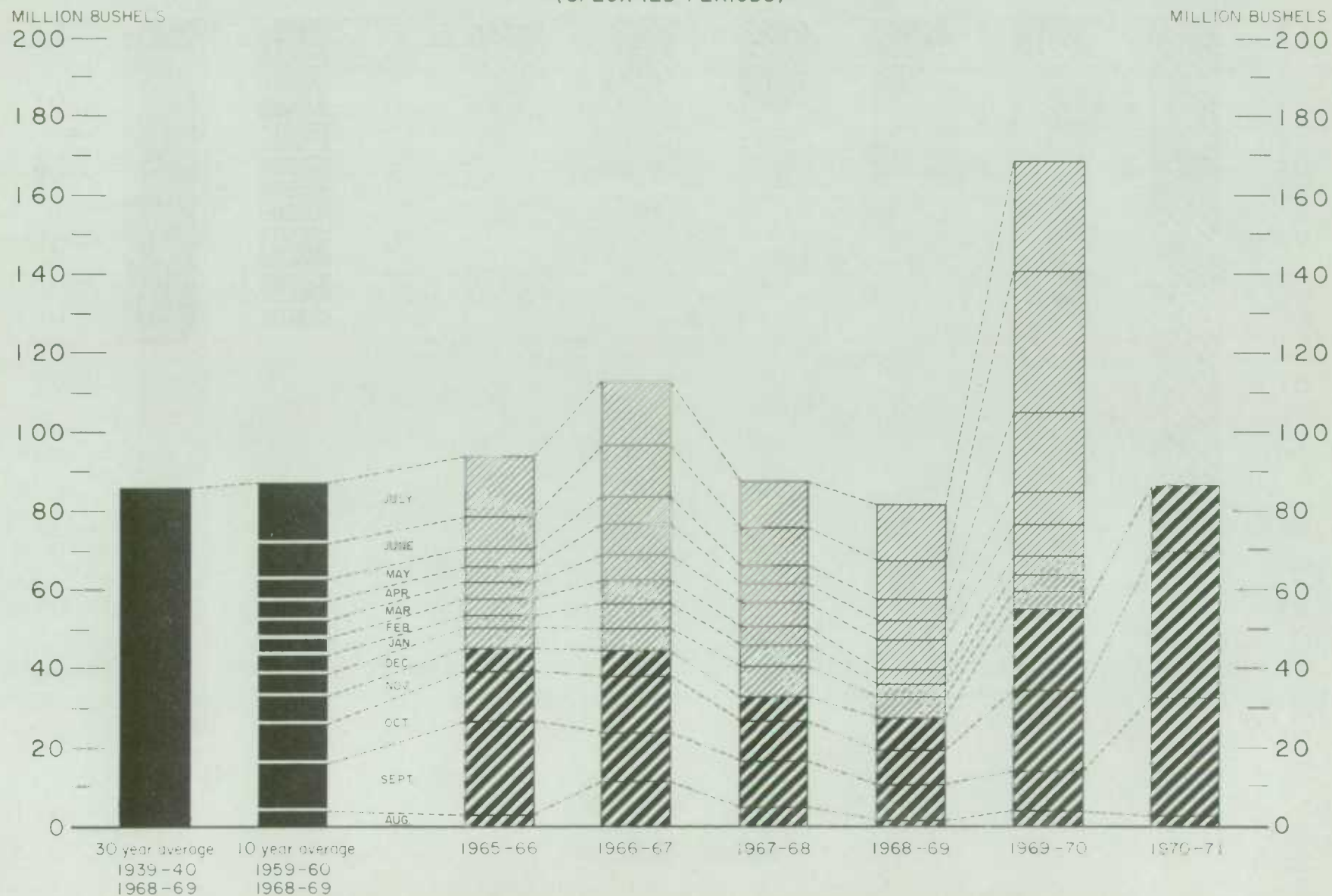
**In terms of grain equivalent

***Preliminary

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

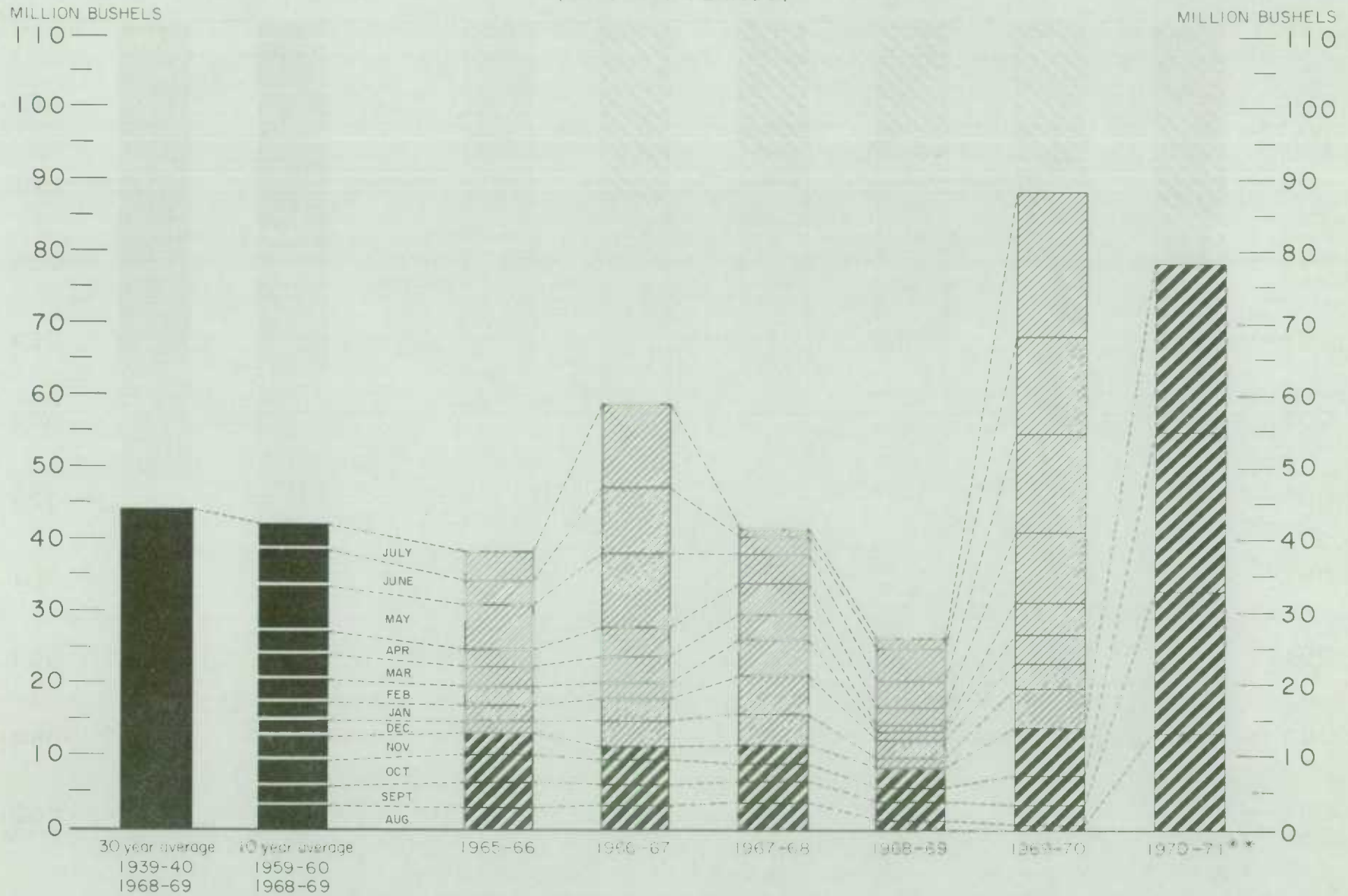
(SPECIFIED PERIODS)



Agriculture Division D.B.S.

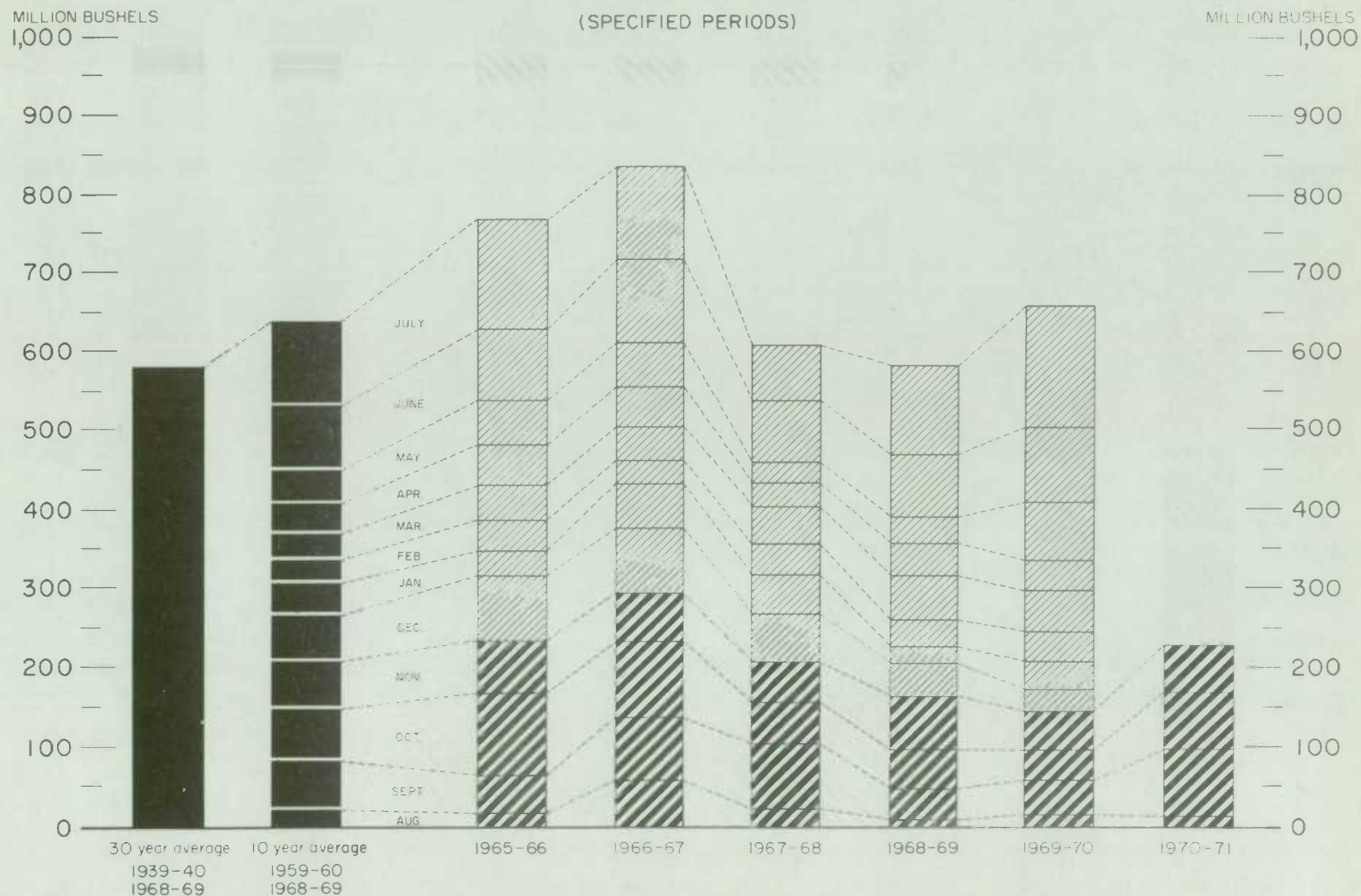
EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

(SPECIFIED PERIODS)



* In terms of grain equivalent. ** Preliminary.

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

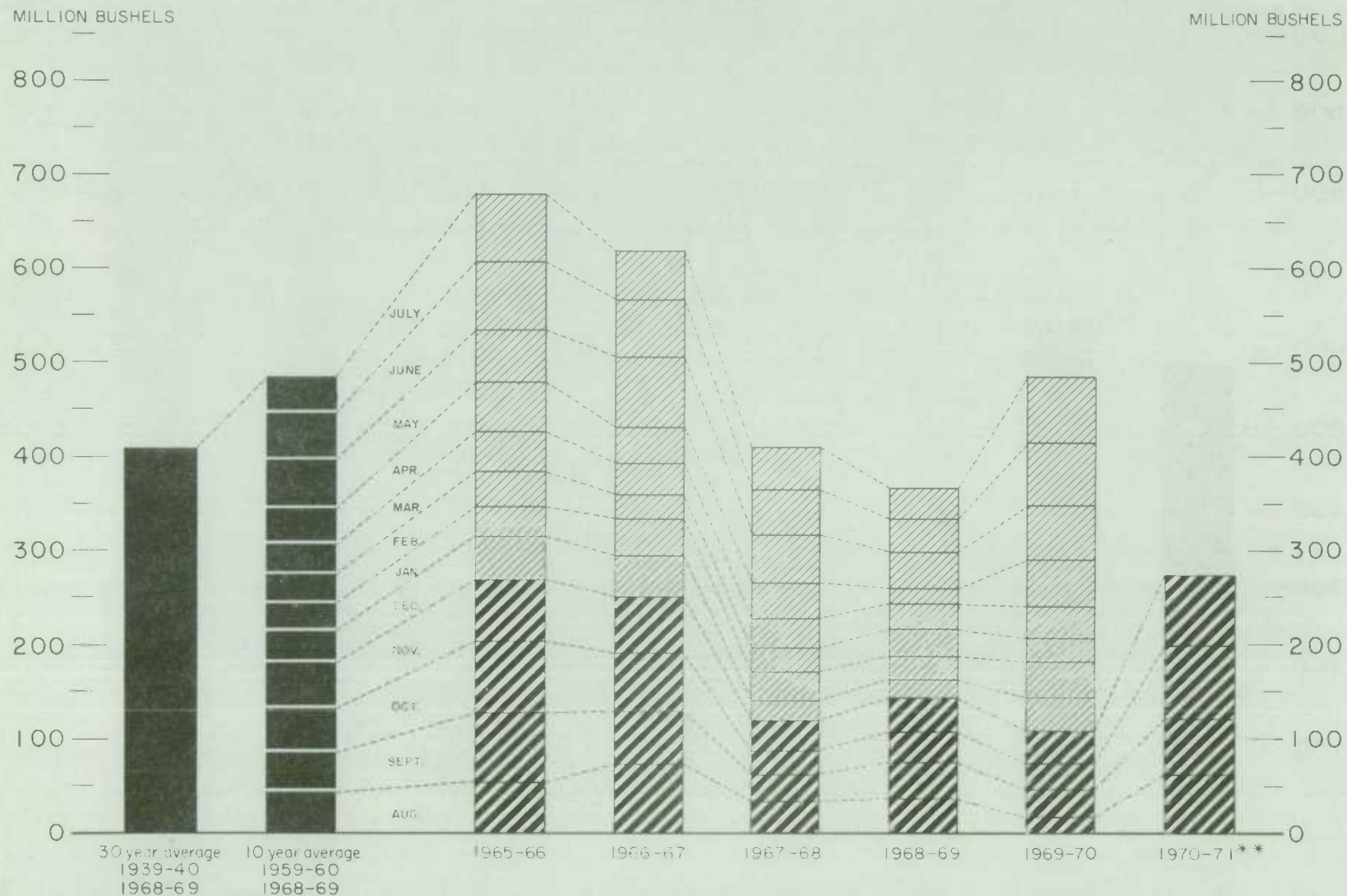


* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed.

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.

Agriculture Division D.B.S.

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

Destination	August	October	August - October	
	1970(1)	1970(2)	1970(2)	1969(1)
	bushels			
<u>Asia -- Concluded</u>				
Philippines	—	—	—	1,663
Portuguese Asia	—	1,012	1,012	1,518
Qatar	—	—	145	115
Saudi Arabia	9,430	83,329	93,334	16,530
Thailand	9,476	12,535	28,049	34,859
Trucial States	—	154	154	2,077
Totals	29,653	2,211,000	2,775,354	317,794
<u>Oceania</u>				
British Oceania nes	460	460	920	2,249
Fiji	—	460	460	1,633
United States Oceania	3,450	3,450	6,900	6,900
Totals	3,910	4,370	8,280	10,782
<u>Western Hemisphere</u>				
Bahamas	18,145	19,083	58,563	63,232
Barbados	13,924	6,792	41,948	58,887
Bermuda	11,330	18,485	41,043	32,848
British Honduras	3,908	5,502	11,351	16,077
Cuba(3)	—	537,395	1,567,689	3,663,263
Dominican Republic	35,144	11,213	35,144	—
French West Indies	—	—	—	1,966
Guyana	1,092	1,058	4,418	8,434
Haiti Republic	—	—	—	16,440
Honduras Republic	345	1,150	2,990	833
Jamaica	13,692	14,495	37,214	25,595
Leeward and Windward Is.	57,902	66,407	148,276	183,280
Netherlands Antilles	15,141	30,164	67,176	29,780
Peru	—	—	122,231	—
St. Pierre and Miquelon	1,978	3,738	4,704	5,152
Surinam	1,674	2,829	7,314	5,023
Trinidad and Tobago	36,006	33,028	114,439	303,115
Venezuela	—	—	—	255
United States	73,683	26,551	130,265	78,508
Totals	283,964	777,890	2,394,765	4,492,688
Totals, all countries	699,021	3,462,781	6,160,966	5,755,929

(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.

nes — Not elsewhere specified

Note: Data for November wheat flour exports not available.

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

Class and grade	Week ending			
	Nov. 20	Nov. 27	Dec. 4	Dec. 11
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	180/1	179/6	180/7	183/1
2 Northern	178/1	177/6	178/7	181/1
3 Northern	173/5	173/2	174/3	176/5
4 Northern	168	167/5	168/6	171
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	167/5	168/6	171
2 C.W. Garnet	167	166/5	167/6	170
3 C.W. Garnet	166	165/5	166/6	169
1 Alberta Red Winter	168	167/5	168/6	171
2 Alberta Winter	167	166/5	167/6	170
3 Alberta Winter	166	165/5	166/6	169
1 C.W. Amber Durum	181/4	181/1	181/4	181/4
2 C.W. Amber Durum	178/4	178/1	178/4	178/4
3 C.W. Amber Durum	169/5	169/2	169/5	169/5
<u>(Basis in store Vancouver)</u>				
1 Northern	182/1	181/6	182/7	185/1
2 Northern	180/7	180/6	181/7	184/1
3 Northern	177/7	177/6	178/7	181/1
4 Northern	173/2	173/1	174/2	176/4
1 C.W. Garnet	173/2	173/1	174/2	176/4
2 C.W. Garnet	172/2	172/1	173/2	175/4
3 C.W. Garnet	171/2	171/1	172/2	174/4
1 Alberta Red Winter	173/2	173/1	174/2	176/4
2 Alberta Winter	172/2	172/1	173/2	175/4
3 Alberta Winter	171/2	171/1	172/2	174/4

(1) Domestic sales only.

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during November 1970 amounted to 3,083,000 hundredweight, indicating decreases of 6 per cent from both the October 1970 output of 3,282,000 hundredweight and the November 1969 total of 3,268,000 hundredweight. That amount was also 15 per cent smaller than the ten-year (1960-69) average production for the month of November of 3,618,000 hundredweight. Mills reporting operations during November 1970 had a total rated capacity of 164,000 hundredweight per 24-hour day and on the basis of a 24-day working period 78.5 per cent of this rated capacity was effective. Wheat milled for flour during November 1970 amounted to 7,006,000 bushels, 5 per cent below the 7,398,000 bushels milled during the preceding month and 7 per cent less than the 7,549,000 bushels milled during November 1969. Of the wheat milled for flour during November 1970 some 5,877,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (637,000 bushels); Durum (366,000 bushels); and all other (127,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during October 1970 amounted to the equivalent of 3,463,000 bushels (some 1,506,000 hundredweight of flour) sharply above both the September 1970 exports of 1,864,000 bushels and the adjusted October 1969 exports of 2,231,000 bushels. Flour shipments during the month under review went to forty-six countries with leading markets for Canadian wheat flour in terms of wheat, in thousands of bushels, as follows: Indonesia, 1,214; Ceylon, 733; Cuba, 537; Ghana, 150; Iraq, 141; and U.A.R.-Egypt, 128.

NOTE: Data re exports of wheat flour for November 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	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
November	7,006,172	3,082,683	1,064,829
Totals	30,397,093	13,327,418	3,743,510
Same months 1969-70 ^r	30,782,024	13,472,905	3,312,446

(1) Based on Customs returns. Exports for the crop years 1945-46 — 1969-70 revised to remove effect of time lag in the returns made by Customs. (2) Subject to revision. ^r Revised figures.

UNITED STATES SITUATION

Supplies Lower
than 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 relatively 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 1,498.3 million remain available for export and for carryover, an increase of some one per cent over the 1,488.3 million in 1969-70.

Exports Higher than
Previous Year

Exports of wheat and wheat flour in terms of grain equivalent during the period July 1 - December 4, 1970 amounted to 311.8 million bushels, 42 per cent over the 219.2 million exported during the same months last year. The balance remaining on December 5, 1970 for export and for carryover was estimated at 1,186.5 million bushels compared with 1,269.1 million on the same date a year ago.

United States Wheat Supplies

Item	1969-70 ^r	1970-71 ^p
	million bushels	
Carryover at beginning of crop year (July 1)	818.6	882.9
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-November	1.0	0.2
Total estimated supplies(1)	2,278.4	2,243.3
Less estimated domestic requirements for crop year(2) ..	790.1	745.0
Available for export and for carryover	1,488.3	1,498.3
<u>Deduct</u>		
Exports of wheat as grain, July 1 - December 4	188.0	286.7
Exports of wheat flour in terms of wheat, July 1 - December 4	31.2	25.1
Total exports of wheat and wheat flour	219.2	311.8
Balance on December 5 for export and for carryover	1,269.1	1,186.5

(1) Excludes imports for December - June.

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

^p Preliminary figures.

^r Revised figures.

Secretary Hardin Announces
Wheat Program for 1971

The Secretary of Agriculture, Clifford M. Hardin announced on December 8, 1970 that wheat growers under the new Set-Aside Program for 1971 can plant more wheat and get larger marketing certificate payments than they could have under permanent legislation, which would have gone into effect if the Agricultural Act of 1970 had not been enacted.

In 1971 there will be no national wheat acreage allotment comparable to 1970 — only a domestic use allotment totalling 19.7 million acres. This is the acreage necessary to produce 535 million bushels of wheat on participating farms, for domestic use during 1971-72. However, the domestic wheat allotment will not limit the acreage of wheat a participant can plant, as did previous allotments. Wheat from the 1971 crop will be eligible for loans at a national average of \$1.25 per bushel.

The set-aside will be between 60 and 75 per cent of the wheat allotment. The decision on the actual percentage will be made before the program signup period. A wheat farmer who sets aside to conserving use an acreage of cropland equal to the required percentage of his domestic allotment and maintains his conserving base can plant all of the wheat he wishes — or any other non-quota crop — on his farm and receive wheat certificates. Unlike previous programs he will receive wheat certificates even if he plants no wheat at all. Quota crops for which acreage restrictions will be in effect in 1971 are peanuts, rice, tobacco, extra long staple cotton, and sugarcane.

"Most significant feature of the new program," the Secretary declared "is the concept of giving farmers more freedom of choice in seeking improved crop production and marketing goals for his entire farm after setting aside an acreage of cropland representing his share of national land use adjustment goals."

Participating wheat farmers will receive 100 per cent of parity on the production of their full domestic allotment. Face value of the certificates will be the difference between 100 per cent of parity on July 1, 1971, and the national average wheat price received by farmers during the first five months of the marketing year. Producers will get preliminary payments equal to 75 per cent of the estimated face value of the certificate soon after July 1. The remainder will be paid after December 1, 1971. No producer refund will be required if the preliminary payment proves to be higher than the full payment due the farmer.

Processors of wheat for domestic food use will continue to pay 75 cents per bushel towards the domestic certificate value. There will be no export marketing certificates issued during the 1971-72 marketing year.

Although producers are not required to plant wheat to obtain certificates, failure to plant at least 90 per cent of the farm's domestic allotment can result in a reduction in the 1972 allotment of as much as 20 per cent. If no wheat is planted for 3 consecutive years, the entire allotment can be lost. All allotments removed from farms will be reallocated to other wheat farms.

Loss of allotment due to failure to plant can be avoided, however. Acreage which is not planted due to a drought, flood, or other natural disaster or a condition beyond the control of the producer will be considered planted to wheat, and any producer who makes a set-aside but elects to receive no payment will not suffer allotment loss. In addition, the Secretary under the new legislation may consider acreage planted to feed grains or soybeans as planted to wheat to prevent loss of allotment history.

In 1971, acreage planted to soybeans will not be considered planted to wheat, unless it is later determined that this action is needed to prevent a shortage of soybeans. Acreage planted to feed grain in 1971 will be considered planted to wheat to prevent loss of allotment.

The improved substitution offered by the 1971 program enables a farmer to plant all of his acreage to wheat or feed grain without loss of history or program benefits. In addition, he can plant wheat or feed grain on acreage previously devoted to low-return crops. There is no provision regarding excess wheat production in the 1971 program. However, excess wheat stored under prior programs may be released to the extent production is less than three times the domestic allotment multiplied by the farm yield.

Another feature of the Set-Aside Program is that established summerfallow wheat farms which devote at least 55 per cent of their cropland to that use will not be required to set-aside any additional acreage in order to qualify for program benefits.

As in 1970, producers may graze set-aside acres except during the five principal months of the normal growing season, and set-aside acreage must be protected against erosion, weeds, insect damage and rodents. In 1971, sweet sorghums may be planted on the set-aside acreage and grazed, except during the five months of the growing season.

Producers who wish to qualify for program benefits must sign up to participate between March 1 and April 9, 1971. A producer may participate in the wheat program on any farm or all farms in which he has an interest, as he wishes.

The Agricultural Act of 1970 limits wheat certificate payments to any person to \$55,000. This limitation will affect a small number of wheat producers. For instance, in the 1969 wheat program, only 47 out of around 2 million wheat producers received certificate payments in excess of \$55,000 each. The limitation of payments provision does not apply to loans nor to sales of eligible wheat to Commodity Credit Corporation. Neither does it apply to lands owned by States, political subdivisions, or agencies of States or other political subdivisions so long as they are farmed primarily in the direct furtherance of a public function. However, the limitation applies to persons who lease and farm these lands.

ASCS county offices will notify wheat producers of their domestic allotments, conserving bases, program yields and set-aside requirements prior to signup.

Flour Production

According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in October 1970 amounted to 23,355,000 hundredweight, averaging 1,062,000 hundredweight per working day. This compared with an average output per working day of 1,055,000 hundredweight last month and 1,016,000 hundredweight in October 1969. Wheat flour mills during October operated at 104.8 per cent of capacity, compared with 104.2 per cent and 100.9 per cent, respectively, for the previous month and the same month a year ago. Flour mills in October 1970 ground 50,693,000 bushels of wheat compared with 49,361,000 bushels the previous month and 51,894,000 bushels in October 1969.

Winter Wheat Progress
Generally Favourable

According to December 10, 1970 issue by the Crop Reporting Board of the United States Department of Agriculture, fall-seeded small grains are entering winter in fair to excellent

condition. Precipitation in November was below normal in most of the Central and Southern Great Plains, but the crop in Nebraska, Kansas and eastern Oklahoma was in good to excellent condition from earlier soil moisture reserves. Fall-sown grains in Kansas generally developed slowly in November following a cool, cloudy October. Stands were generally good but growth uneven and considerable area exposed to possible wind injury. The crop in the western third and North Central district of Oklahoma was only fair to good. In Texas, condition of dryland small grains declined as November precipitation was less than half normal. Condition of the crop in the Northern Plains and in Colorado was good to excellent about December 1. Slightly below normal temperatures in November on the Plains limited growth somewhat but some fields were being grazed. Montana prospects were bright except in the important north central district where condition was only fair. Stands are generally good.

Prospects in the Pacific Northwest are generally good because of above normal precipitation during November in Idaho, Oregon and southern Washington. Parts of Washington need more moisture and some stands are spotty.

Winter wheat in the eastern Corn Belt was in good to excellent condition, although seeding in Illinois was completed in late November, about 3 weeks behind last year. In Missouri, seeding was only four-fifths complete and some of the intended acreage may not be seeded.

Seedings were late in the North Atlantic States but benefitted from above normal precipitation and temperatures in November. Precipitation was below normal in the South Atlantic and South Central States except in Maryland, Delaware, and Virginia, where rainfall was above normal. Temperatures were generally below normal over the Southeastern quarter of the Nation. Late harvest of soybeans and corn delayed seeding of some acreage. Seeding was continuing in the more southern part of this area on December 1.

ARGENTINE SITUATION

Wheat Supplies
Above Previous Year

Disposition of Argentine wheat for the crop years (December-November) 1968-69 and 1969-70 appears in the accompanying table. Total supplies of wheat in Argentina for the 1969-70

crop year were estimated at some 276.8 million bushels, 3 per cent more than the previous year's level of 269.6 million, including imports of 14.3 million, reflecting an increase in production which more than offset a decline in carryover stocks. The 1969 production, at 257.9 million bushels, were 22 per cent larger than the 210.9 million of the previous year, while the December 1, 1969 carryover stocks, at 18.8 million registered a decrease from the 44.4 million at the same date in 1968. After making an allowance of 150.0 million bushels for anticipated domestic requirements, an estimated 126.8 million were available for export and for carryover as against 112.9 million in 1968-69.

Exports Below
Last Year

Exports of wheat and wheat flour in terms of wheat equivalent during the 1969-70 crop year amounted to 89.3 million bushels, some 5 per cent less than the 94.1 million exported in the 1968-69

crop year. The preliminary estimate places carryover stocks at December 1, 1970 at 37.5 million bushels, almost double the December 1, 1969 figure of 18.8 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 - November	14.3	N.A.
Total estimated supplies	269.6	276.8
Less estimated domestic requirements for crop year	156.7	150.0
Available for export and for carryover	112.9	126.8
<u>Deduct</u>		
Exports of wheat as grain, December - November	90.9	84.0
Exports of wheat flour in terms of wheat, December - November	3.2	5.3
Total exports of wheat and wheat flour	94.1	89.3
Balance on December 1 for export and for carryover	18.8	37.5

(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 December 11, 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. — Although the situation is still uncertain, it would now appear that Argentina will have one of its smallest wheat crops of the century. The area sown to wheat at 4.1 million hectares (10.1 million acres) was the smallest in 68 years and weather conditions have been poor.

The planting season was exceptionally dry and although rains in October helped the situation somewhat it was again dry in the month of November, and frost and hail in late November and early December caused damage to the crop in the principal wheat growing region of southern Buenos Aires province. The extent of the frost damage has not yet been assessed but may not have caused as much loss as was originally thought. Nevertheless the consensus is still that the crop will total perhaps 4 million metric tons (147.0 million bushels) or less, which would be insufficient to meet domestic requirements, particularly when it is considered that about 400,000 to 500,000 tons (14.7 million to 18.4 million bushels) of the total crop would be made up of the Durum varieties of wheat. Traditionally, Argentina has exported one million tons (36.7 million bushels) of bread wheat to Brazil each year as well as about 500,000 tons (18.4 million bushels) to other neighbouring countries in Latin America.

Prices. — The new official support prices for wheat have now been made effective. Grade 1 hard wheat, of 80 kilos hectolitr weight (64 pounds per bushel), will be supported at 19.00 pesos per 100 kilos (\$1.32 per bushel) f.o.r. Buenos Aires, while the semi-hard varieties (which make up only about 5 per cent of the crop) will be supported at 18.50 pesos per 100 kilos (\$1.28 per bushel). Grade 2 Durums of 78 kilos hectolitr weight (62 pounds per bushel) will be supported at 19.00 pesos per 100 kilos (\$1.32 per bushel).

The index value for bread wheat of US\$53.00 per metric ton (\$1.47 per bushel) has now been increased to US\$60.00 per ton (\$1.66 per bushel). The index value for wheat is the value on which the variable export retention taxes and the fixed export taxes are based. These taxes currently total 11.3 per cent.

The Argentine authorities met with their Brazilian counterparts in Brasilia on November 14 to discuss the system of price setting under their three-year agreement to supply one million metric tons (36.7 million bushels) of wheat to Brazil each year in the 1969-71 period. This meeting ended without agreement being reached and the Argentine authorities have asked that the meeting originally scheduled for December 7 be postponed until sometime in February. Neither prices nor quantities to be shipped during the first quarter have yet been fixed.

Hard bread wheat prices f.o.r. Buenos Aires rose to a high of 20.70 pesos per 100 kilos (\$1.44 per bushel) during November before settling back to 19.80 pesos (\$1.37 per bushel) by the end of the month. At December 11, prices were steady at 19.80 pesos (\$1.37 per bushel).

At Bahia Blanca, hard bread wheat prices firmed from 17.20 to 17.80 pesos per 100 kilos (\$1.19 to \$1.24 per bushel) during November and then rose to 19.00 pesos (\$1.32 per bushel) by December 11, in line with the official support price.

Prices on the Buenos Aires Futures Exchange at December 11 were 19.83 pesos per 100 kilos (\$1.38 per bushel) for January delivery, 20.35 pesos (\$1.41 per bushel) for February and 21.03 pesos (\$1.46 per bushel) for March.

In view of the poor outlook for the crop, traders have bid strongly for Durums and prices during November rose from 15.80 to 17.40 pesos per 100 kilos (\$1.10 to \$1.21 per bushel) at Buenos Aires and from 15.60 to 17.70 pesos (\$1.08 to \$1.23 per bushel) at Bahia Blanca. By December 11, Durum prices had risen to 19.10 pesos per 100 kilos (\$1.33 per bushel) at both Buenos Aires and Bahia Blanca.

AUSTRALIAN SITUATION

Wheat Supplies at Record Level

Disposition of Australian wheat supplies during the crop years (December-November) 1968-69 and 1969-70 is set out in the accompanying table. Total supplies of wheat in Australia for the 1969-70 crop year were estimated at 664.8 million bushels, 12 per cent more than the 595.0 million in 1968-69, reflecting the effect of a substantial increase in carryover stocks, which more than offset a sharp decrease in production. The 1969 record carryover stocks, estimated at 266.7 million bushels, was sharply above the previous year's figure of 51.8 million. Production, at 398.1 million bushels, was 27 per cent less than the 543.2 million harvested in 1968. After deducting some 90.0 million bushels for anticipated domestic requirements, an estimated 574.8 million were available for export and for carryover during 1969-70, 13 per cent above the 510.4 million in 1968-69.

Exports Higher
than Previous Year

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the 1969-70 Australian crop year amounted to 300.8 million bushels, 23 per cent more than the 243.7 million exported during 1968-69. The preliminary estimate places carryover stocks at December 1, 1970 at 274.0 million bushels, compared with 266.7 million at the same date a year ago.

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-November 30..	227.5	282.2
Exports of wheat flour in terms of wheat, December 1 - November 30	16.2	18.6
Total exports of wheat and wheat flour	243.7	300.8
Balance on December 1 for export and for carryover ..	266.7	274.0

^P Preliminary figures.

^r Revised figures.

The following information relative to the Australian situation has been extracted from a report from Mr. Leon B. Stryker, Marketing Officer, Melbourne, under date of December 17, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Where possible, conversions to Canadian measures and currency have been made for the convenience of our readers.

Wheat production 1970-71. - Variable weather conditions throughout most of the major wheat-growing areas of Australia have continued to make accurate forecasting of the current harvest a difficult proposition.

The Australian Wheat Board, however, has released revised estimates for the receivals it anticipates and from these it would appear that the 1970-71 crop will be in the vicinity of 300 million bushels, an increase of about 10 million bushels over earlier forecasts.

On a State basis expected receivals by the Board, in million bushels are as follows

Queensland	3 million bushels
New South Wales	100 " "
Victoria	36 " "
South Australia	28 " "
Western Australia	96 " "
Total	263 " "

This revised production figure, which is attributable to a more optimistic forecast in New South Wales, is still some 18 million bushels below the national quota.

Although some grower organizations are anticipating an increase in wheat delivery quotas for the next 1971-72 season, it is suggested that the carryover situation will preclude any major revision of the present quotas.

State conditions. — Hailstorms during November damaged 325,000 bushels of wheat in southern Queensland, equal to 10 per cent of the anticipated crop for this year. Receivals to date totalled 1.5 million bushels, 70 per cent of which would be in a prime hard classification.

The New South Wales Minister for Agriculture, Mr. Crawford, has announced a final wheat forecast of 122 million bushels for that State. The harvested area could reach 5.8 million acres with the average yield being 21 bushels per acre. Mr. Crawford emphasized that this forecast, which is an improvement over earlier estimates, was made on the assumption that favourable weather conditions would continue. Many crops in the southern part of the State have been affected by root rots or lodging following heavy late spring rains.

Harvesting started after mid-November, about three weeks later than usual. This delay was due principally to the cooler ripening conditions experienced in the second half of spring. Late reports indicate that severe rainstorms which swept most of New South Wales in early December will have a considerable impact on wheat receivals from that region. At this stage it is not known to what extent the harvest will be affected.

Receival figures released so far indicate that the Victorian crop will be down by over 50 per cent compared with last season. Expected production in this State is around 38 million bushels, compared with 86 million bushels in 1969-70.

This large decrease can be attributed to a reduction in acreage, from 3.3 million acres to less than 2 million acres, coupled with frost damage in some areas. It is reported that up to 95 per cent loss has occurred due to frost, the hardest hit areas being Northern Wimmera and Southern Mallee. Victoria entered this current wheat year with a carryover of 17 million bushels of wheat which resulted in the lowering of acreage seeded.

Possibly the only wheat-growing State to achieve, or surpass, its quota, Western Australia is expected to produce a crop of 102 million bushels, some 20 million bushels more than its quota figure. Early estimates indicate that from a planting of 6.3 million acres, a yield of 16.2 bushels per acre will be realized.

No major changes have been reported from the wheat producing areas of South Australia. The estimated total delivery expected to be received by the Australian Wheat Board is 28 million bushels, from a harvest of 33 million bushels off 2.1 million acres.

Wheat sales. — The wheat year just ended in Australia proved to be the second best ever for sales of wheat. Export shipments of wheat flour and wheat products for the year ended November 30, 1970 totalled 301 million bushels, only 12 million short of the record export total of 313 million bushels set in the 1966-67 season.

Major destination of Australian wheat in the past year were Mainland China 31 per cent; Britain 15 per cent; Japan 11 per cent; Malaysia 3.8 per cent and the United Arab Republic 3.7 per cent. In all exports of wheat and flour were made to more than 50 different countries.

Dr. Callaghan said that a heavy shipping programme was maintained throughout the year to cope with the exports of wheat and flour. A total of 477 ships, many of which exceeded 30,000 tons, were loaded in the twelve month period. Two new ports were used — Portland in Victoria and Port Giles in South Australia — bringing the total number of wheat loading ports to 18.

The following factors were quoted by Dr. Callaghan as being responsible for the Board's improved sales during the year:

- Expansion of the world wheat market. World trade was up by 10 per cent during the 1969-70 marketing year.
- Lower wheat production on a world basis. The 1970 world wheat crop is expected to decline for the second year in succession.
- A strong market for Australian off-grade wheat from the past harvest which was sold as stockfeed overseas.
- A significantly lower corn crop in the United States that stimulated the soft wheat market for feed purposes.
- The ability of the Board to offer credit terms competitive with other wheat exporters when necessary.

Dr. Callaghan emphasized that Australian wheatgrowers should not become optimistic about the immediate future of the industry as there was still a substantial carryover of unsold wheat bearing down on the market. He concluded by saying that the Board's result for the past year was greatly handicapped by the shortage of Prime Hard and Hard grades of wheat. A market for these grades has been successfully and firmly established in recent years but because of unfavourable seasonal conditions in areas producing these grades of wheat last season very little was available.

New guaranteed price. — Changes in the guaranteed price and home consumption price were announced recently by the Minister for Primary Industry, Mr. Anthony.

The increase in home consumption price would be less than one cent and the Minister could see no reason why there should be any increase in the price of flour or bread to consumers. The guaranteed price for fair average quality (F.A.Q.) wheat of the 1970-71 Pool would be 147.5 cents per bushel bulk basis, free on board vessel at ports of export. It would be effective on 200 million bushels of exports from the Pool. This new price was 1.6 cents up from the 1969-70 level and thus 2.5 cents above the level set for 1968-69 when the fifth Wheat Industry Stabilization Plan came into effect.

Annual price adjustments under this Plan covered changes in cash costs, rail freights and handling and storage charges for wheat. An assessment of these changes had been made by the Wheat Index Committee which found that there were some increases in wages and in charges for insurance, repairs, rates and taxes, freight and handling. They were partially offset by lower prices for fertilizer.

Mr. Anthony said that the domestic price of wheat for domestic consumption was required by legislation to be changed by the same amount as changes in the guaranteed price. The domestic price was subject to further adjustment because it included a small amount to cover the cost of shipment of wheat from the mainland to Tasmania.

The Minister said it had been found possible to reduce this element slightly from 1.6 cents to 1.5 cents per bushel. He said that the net effect of the two changes is that the wholesale price of F.A.Q. wheat sold in Australia for human consumption will go up to \$1.74 per bushel as from December 1, 1970 compared with the previous price of \$1.72 1/2 per bushel. During the past year the Australian Wheat Board has been authorized to sell wheat for stockfeed and industrial purposes at prices below that fixed for human consumption but not less than the guaranteed price.

Stockfeed prices. — New prices for wheat used for stockfeed and for industrial purposes have been announced by the Wheat Board following the application of the new guaranteed price and a new home consumption price for wheat. Wheat for stockfeed will have a basic price of \$1.55 per bushel. However, any purchaser who undertakes to buy the whole of his wheat requirement for stockfeed purposes from the Board for the year ending November 30, 1970 will be able to buy supplies at \$1.45 a bushel. This lower price will also apply to wheat sold for feeding starving stock in declared drought areas and for the bran and pollard components of milled wheat.

Wheat for the manufacture of flour for industrial use will be priced at \$1.45 a bushel. All prices shown are wholesale rates for bulk F.A.Q. wheats, f.o.r. terminal ports basis and apply from December 1, 1970.

FRENCH SITUATION

Supplies Down from Previous Year

Total estimated commercial domestic supplies of soft wheat in France for the crop year (August-July) 1970-71, consisting of the August 1 carryover of 83.3 million bushels and anticipated marketings of 360.1 million amount to some 443.4 million, some 13 per cent less than the 1969-70 total of 507.2 million. After deducting 231.5 million bushels for estimated domestic use, including normal feed wheat requirements, the surplus available for export and for carryover is placed at 211.9 million bushels as against 282.9 million last year.

Exports Below Last Year

Combined exports of wheat and wheat flour in terms of grain equivalent during the first three months of the 1970-71 crop year amounted to 28.2 million bushels, sharply below the comparable August-October 1969 total of 50.8 million. The balance of commercial supplies remaining on November 1, 1970 for export and for carryover amounted to 183.8 million compared with the November 1, 1969 total of 232.0 million bushels.

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
Total estimated commercial domestic supplies	507.2	443.4
Less domestic requirements for crop year	224.3	231.5 ^r
Available for export and for carryover	282.9	211.9
<u>Deduct</u>		
Exports of wheat, August - October	46.1	22.1
Exports of wheat flour, August - October	4.7	6.0
Total exports of wheat and wheat flour	50.8	28.2
Balance on November 1 for export and for carryover	232.0	183.8

^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 December 18, 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. -- Outside of the South East area which had heavy rain in the first few days of the month, France had favourable weather during October with a lot of sun, generally low precipitation and higher than normal temperatures. Thus most of the corn, rice and sorghum crops were harvested by the end of the month. Winter barley and oats sowings for 1971 harvest are nearly finished and soil preparation work for winter wheat plantings proceeded very satisfactorily. As the favourable weather continued through most of November, first indications are that areas devoted to wheat for 1971 will be larger than this year.

The French Department of Agriculture has now published its last provisional estimate for cereals area and production in 1970. This estimate will be valid until November 1971 when the final report on 1970 will be issued. Following are the figures for soft wheat and durum wheat.

	<u>Area</u>		<u>Production</u>	
	<u>1969(1)</u>	<u>1970(2)</u>	<u>1969(1)</u>	<u>1970(2)</u>
	thousand acres		thousand bushels	
Soft wheat (winter).....	9,077	8,183	488,870	423,944
Soft wheat (spring)	576	699	29,909	34,171
Totals, soft wheat ...	9,653	8,882	518,779	458,115
Durum wheat (winter)....	138	153	4,666	5,622
Durum wheat (spring) ...	173	249	7,826	11,060
Totals, durum wheat ..	311	403	12,493	16,681

(1) Final.

(2) Provisional.

To conclude on the 1970 wheat crop, the 1.65 million tons (60.6 million bushels) reduction in soft wheat production from 1969 was due a) to the unfavourable weather last winter which forced a decrease in planting of around 310,000 hectares (766,000 acres) and b) to the lower average yield of 3.5 tons per hectare (52.1 bushels per acre) compared to 3.6 tons (53.6 bushels per acre) in 1969. The opposite is true for durum where a considerable jump in acreage and a better yield of 2.8 tons per hectare (41.7 bushels per acre) against 2.7 tons (40.2 bushels per acre) in 1969 combined to produce a new record crop of 454,000 tons (16,681,000 bushels) or 80 per cent of French domestic requirements.

Soft wheat supply-utilization. — The continuing high rate of domestic use of denatured wheat for feed purposes as well as the steady demand from millers bring us to revise upward by 150,000 tons (5,512,000 bushels) our estimate of soft wheat domestic requirements for the crop year. On the other hand, while exports to third countries were expected to be extremely low in 1970-71, it was hoped that shipments to the EEC and Africa would hold up to previous levels. However, exports to Germany and Africa are also lagging and total shipments of wheat and flour will certainly not exceed 4 million tons (147 million bushels) in the current crop year. To even attain that figure, France would have to accept to finish the year with less than 2 million tons (73.5 million bushels) in stocks and most experts here believe that stocks should remain above the 2.5 million tons (91.9 million bushels) mark.

Durum wheat situation. — Farm marketings in October were 17,500 tons (643,000 bushels) bringing 1970 crop marketings to 271,100 tons (9,961,000 bushels). Commercial stocks of French durum went from 201,600 to 178,100 tons (7,407,000 to 6,544,000 bushels) during October, the mills purchasing 35,200 tons (1,293,000 bushels) and other utilizations accounting for 5,800 tons (213,000 bushels). The semolina industry which held stocks of 78,600 tons (2,888,000 bushels) on October 1, took delivery of 31,800 tons (1,168,000 bushels) of domestic and 19,300 tons (709,000 bushels) of imported durums, processed 55,000 tons (2,021,000 bushels) to the end of October, with stocks of 74,100 tons (2,723,000 bushels).

Wheat and flour trade. — Imports in October 1970, at 44,300 tons (1,628,000 bushels), were about the same as in the comparable month last year. They consisted mainly of 22,700 tons (834,000 bushels) of hards and 12,800 tons (470,000 bushels) of durums from the United States and 8,000 tons (294,000 bushels) of Canadian mostly hards. Total imports for the first 3 months of this crop year now have reached 179,000 tons (6,577,000 bushels) of which 117,000 durums (4,299,000 bushels) against 170,000 tons (6,246,000 bushels) of which 89,000 durums (3,270,000 bushels) in the same period of 1969-70.

Belgium continues to account for 80 per cent of this year's reduced denatured wheat exports from France, and took 28,000 of the 36,000 tons (1,029,000 of the 1,323,000 bushels) exported in October. Milling wheat shipments only reached 175,000 tons (6,430,000 bushels) against 466,000 tons (17,122,000 bushels) in October 1969, bringing the 3-month total to just under 500,000 tons (18,372,000 bushels) against over 1.1 million tons (40,418,000 bushels) in the August-October 1969 period. Meanwhile flour shipments remain strong with 66,500 tons (2,443,000 bushels) leaving France in October 1970 against 53,200 tons (1,955,000 bushels) the previous October.

SITUATION IN DENMARK

The following information relative to the wheat situation in Denmark has been extracted from a report received from Mr. J.W. Harboe, Commercial Assistant, Copenhagen, under date of December 10, 1970, and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Preliminary estimates of the 1970 grain crop show a decrease from 1969 by approximately 7 per cent to 288.5 million bushels as shown in the accompanying table.

Preliminary Estimates of the 1970 Grain Crop

	<u>1969</u>	<u>1970</u>
	thousand bushels	
Winter wheat	11,831	13,926
Spring wheat	3,932	4,372
Winter rye	4,685	4,921
Spring rye	276	276
Barley	241,358	223,078
Oats	49,604	41,952
Totals	<u>311,686</u>	<u>288,525</u>

Wheat production is estimated at 498,000 metric tons (18.3 million bushels), or about 69,000 metric tons (2.5 million bushels) more than in 1969. As in previous years, the obligatory milling percentage for milling Danish wheat for human consumption in this country remains at 100 per cent. Wheat and wheat flour for human consumption may be imported only when for use in export products, and such imports are insignificant. Total wheat purchases during the preceding harvest year were limited to 3,907 metric tons (144,000 bushels), including 300 metric tons (11,000 bushels) from Canada. The principal suppliers were the Argentine with 1,850 metric tons (68,000 bushels), and Sweden with 1,424 metric tons (52,000 bushels).

Danish wheat and wheat flour exports are quite insignificant. Under the World Food Aid Programme, Denmark on December 7, 1970, granted Egypt 9,678,000 D.kr. (Approx. Cdn. \$1.3 million) for the purchase of wheat and wheat flour. As Denmark, according to the Ministry of Foreign Affairs has no wheat and wheat flour available for export, Egypt is free to effect the purchases from other member countries of the World Food Aid Programme. Wheat prices averaged 56.93 D.kr. (Cdn. \$7.75) per 100 kilos during the first three quarters of 1970.

CALENDAR OF WHEAT EVENTS

December 8 The Secretary of Agriculture Clifford M. Hardin announced the Wheat Program for 1971. For details see page 25.

11 The United States Department of Agriculture announced Reseal Loan Program for storage period beginning in 1971: Extensions of price-support loans for wheat and feed grain during the next storage period beginning in 1971. At the same time, due to favourable prospects for strong market demand, loans on soybeans will not be extended in 1971.

A report released from Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) Buenos Aires, stated that although the situation is still uncertain, it would now appear that Argentina will have one of its smallest wheat crops of the century. The area sown to wheat at 4.1 million hectares (10.1 million acres) was the smallest in 68 years and weather conditions have been poor.

17 According to a report received from Mr. Leon B. Stryker, Marketing Officer, Melbourne, variable weather conditions throughout most of the major wheat-growing areas of Australia have continued to make accurate forecasting of the current harvest a difficult proposition. The Australian Wheat Board, however, has released revised estimates for the receivals it anticipates and from these it would appear that the 1970-71 crop will be in the vicinity of 300 million bushels, an increase of about 10 million bushels over earlier forecasts.

22 The 1970 season of navigation closed at the Canadian Lakehead.

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