

The wheat review

DECEMBER 1971



STATISTICS CANADA
Agriculture Division
Crops Section

THE WHEAT REVIEW

DECEMBER 1971

Published by Authority of
The Minister of Industry, Trade and Commerce

January 1972
5502-502

Price: 30 cents
\$3.00 a year

Vol. 42—No. 5

Statistics Canada should be credited when republishing all or any part of this document

Information Canada
Ottawa

TABLE OF CONTENTS

	<u>Page</u>
<u>World Wheat Situation</u>	
August-November Exports Less than a Year Ago	5
Wheat Supplies of Four Major Exporters Lower than Previous Year	5
<u>Canadian Situation</u>	
Supplies Below Last Year	6
Exports Increase Over the Previous Year	6
Marketings, Disappearance and Visible Supplies	7
November 1971 Exports of Wheat and Flour Total 55.0 Million Bushels	7
Wheat Board Negotiates Large Wheat Sale to China	8
Further Wheat Payment Made for 1969-70 Crop Year	8
Protein Content of 1971 Crop Red Spring Wheat	9
General Quotas 1971-72 C.N.R. and C.P.R. Blocks	10
General Quotas	12
Special Quotas	12
Farmers' Marketings	13
Visible Supply of Canadian Wheat	14
Grading of Wheat Inspected August-November 1971 with Comparisons	14
Visible Supply and Farmers' Marketings (charts)	15
Lake Shipments of Canadian Grain	16
Rail Shipments of Wheat to Maritime Ports	16
Rail Shipments of Wheat from Thunder Bay	17
Overseas Exports of Canadian Grain by Ports of Loading	17
Shipments Under Feed Grain Assistance Regulations	18
Monthly Exports of Canadian Wheat and Wheat Flour	19
Exports of Canadian Wheat by Destination	20
Customs Exports of Canadian Wheat Flour by Countries of Consignment	23
Canadian Wheat Board Weekly Average Cash Wheat Prices	25
<u>Canadian Flour Milling Situation</u>	
Production and Exports ..	26
<u>United States Situation</u>	
Supplies Above 1970-71 Level	27
Exports Below Previous Year	27
Final Set-Aside Program Payments to be Mailed to Wheat Growers	28
Flour Production	28
Crop Production	28
<u>Australian Situation</u>	29
<u>Argentine Situation</u>	34
<u>French Situation</u>	36
<u>Calendar of Wheat Events</u>	37

S Y M B O L S

The following standard symbols are used in
Statistics Canada publications:

- .. figures not available.
- nil or zero.
- p preliminary figures.
- r revised figures.

WORLD WHEAT SITUATION

August-November Exports Less than 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 525.3 million bushels, a decrease of 9 % from the 578.3 million exported during the same four months in 1970 but 10 % above the ten-year (1960-69) average shipments for the same period of 479.2 million bushels. As indicated in the accompanying table, based on the Canadian crop year, shipments from Australia, United States and Argentina were lower while Canada was the only one registering an increase.

Exports of Wheat and Flour in Terms of Wheat, August-November 1971 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	273.8 ^r	5.7	480.8 ^r	
1968	120.1	63.0	181.4	20.3	384.8	56.1
1969	83.5	95.9	169.3	22.7	371.4	70.3 ^r
1970 ^r	166.7	124.2	258.7	28.7	578.3	42.6
1971 ^P	215.7	105.3	192.9	11.4	525.3	..

Wheat Supplies of Four Major Exporters Lower than Previous Year

Latest available estimates indicate that as at December 1, 1971 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 2,365.8 million bushels and represented a decrease of some 4 % below the 2,469.0 million available a year ago. Supplies at December 1, 1971 in millions of bushels, were held as follows, with last year's comparable figures in brackets: Canada, 900.5 (1,018.0); Australia, 130.2 (265.1); United States, 1,327.9 (1,158.4); and Argentina, 7.2 (27.5). 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 1971-72 production estimates for wheat in Argentina and Australia.

CANADIAN SITUATION

Supplies Below Last Year Reflecting a very substantial decline in carryover stocks, which more than offset a sharp increase in production, total wheat supplies for the 1971-72 (August-July) crop year are placed at 1,273.2 million bushels, 5% below the previous year's total of 1,340.2 million. The 749.5 million bushels carried over at August 1, 1971 were 26% less than the 1970 stocks of 1,008.7 million while the current crop estimated at 523.7 million, increased by 58% over the 331.5 million of last year's outturn. After making an allowance of 157.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1971-72 amount to 1,116.2 million, 6% less than the 1,184.7 million in 1970-71.

Exports Increase Over the Previous Year Exports of wheat and flour, in terms of wheat equivalent, during August-November 1971 amounted to 215.7 million bushels, 29% above the 166.7 million exported during the same four months of 1970. This year's exports consisted of 205.4 million bushels of wheat in bulk, 397 thousand of seed and 10.0 million of flour in terms of wheat. During the August-November period last year these figures were 157.7 million of wheat in bulk, 379 thousand of seed and 8.7 million of flour in wheat equivalent. The balance remaining on December 1, 1971 for export and for carryover amounted to 900.5 million bushels, 12% below the December 1, 1970 total of 1,018.0 million.

Canadian Wheat Supplies

Item	1970-71 ^r	1971-72 ^p
	million bushels	
Carryover in North America at beginning of crop year (August 1)	1,008.7	749.5
Production	331.5	523.7
Total estimated supplies	1,340.2	1,273.2
Less estimated domestic requirements for crop year ...	155.5	157.0
Available for export and for carryover	1,184.7	1,116.2
<u>Deduct</u>		
Exports of wheat in bulk, August-November(1)	157.7	205.4
Exports of seed wheat, August-November(2)	0.4	0.4
Total exports of wheat as grain	158.1	205.8
Exports of wheat flour in terms of wheat, August - November(2)	8.7	10.0
Total exports of wheat and wheat flour	166.7	215.7
Balance on December 1 for export and for carryover	1,018.0	900.5

(1) As reported by the Canadian Grain Commission.

(2) Customs returns, 1970-71 adjusted for time lag.

Marketings, Disappearance
and Visible Supplies

Total primary deliveries of wheat (both east and west) up to December 8 of the current crop year have amounted to 209.9 million bushels compared with 100.1 million marketed during the same period of the previous year. Some 42.3 million bushels of this year's total were delivered during the four weeks November 11 to December 8. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 56.4 million bushels. As a result, the total visible supply of Canadian wheat decreased slightly from 309.1 million at November 11 to a level of 296.1 million at December 8, 1971.

The total visible supply of Canadian wheat at December 8 this year represented a decline of 19 % from the 1970 comparable total of 366.5 million and was 31 % below the 431.3 million of two years ago. Primary elevator stocks, amounting to 158.7 million bushels, showed a decrease of 28 % from the previous year's figure of 221.9 million and was 40 % lower than the 262.5 million of 1969. Wheat stocks at interior terminals at December 8, 1971, totalled 6.3 million bushels, lower than both the 10.9 million a year ago and the 12.3 million of two years ago. The 19.2 million bushels "in transit rail" (western division) were 31 % above the 1970 figure of 14.7 million and sharply higher than the 10.3 million in this position in 1969. Supplies at the Lakehead, totalling some 22.0 million bushels, registered decreases of 8 % from last year's comparable level of 23.8 million and 9 % from the 24.2 million of 1969. Stocks "in transit lake", amounting to 17.3 million bushels were 18 % above the previous year's level of 14.7 million but declined by 8 % from the 1969 figure of 18.8 million. The 32.8 million bushels in Bay, Lake and Upper St. Lawrence ports were down by 6 % from the 35.0 million of a year ago and 8 % less than the 35.8 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at December 8, 1971, at 27.4 million bushels, registered a decrease of 10 % from the comparable 1970 figure of 30.5 million, and declined by 38 % from the 44.2 million at the same date in 1969. The 5.2 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were 26 % below both the 7.0 million at December 9, 1970 and 57 % less than the 12.1 million at the comparable date in 1969.

November 1971 Exports of
Wheat and Flour Total
55.0 Million Bushels

Combined exports of wheat in bulk, seed wheat and wheat flour in terms of grain equivalent during November 1971 amounted to 55.0 million bushels, 12 % less than the October 1971 total of 62.3 million, but 55 % above the November 1970 figure of 35.5 million and 39 % over the ten-year (1960-69) average for the month of November of 39.6 million.

Exports of wheat in bulk during November 1971 (as reported by the Canadian Grain Commission), amounted to 52.9 million bushels, registering a decline from the October 1971 exports of 59.4 million, but represented an increase of 59 % over the November 1970 total of 33.3 million and was 45 % more than the ten-year average for the period of 36.6 million. Exports of seed wheat during November 1971 based on Canadian Customs returns, amounted to only 800 bushels compared with the November 1970 total (adjusted to remove time lag) of 71 thousand bushels. Customs returns also indicate that the equivalent of 2.0 million bushels of wheat was exported in the form of flour during November 1971, below both the 2.8 million of October 1971 and the ten-year average and slightly less than the adjusted November 1970 total of 2.1 million.

Cumulative exports of wheat in bulk during the August-November period of the current crop year amounted to 205.4 million bushels, 30 % above the 157.7 million shipped during the first four months of the 1970-71 crop year and 46 % more than the average for the period of 140.8 million. U.S.S.R. (Russia) and the People's Republic of China were the leading markets for wheat in bulk during the first four months of

the current crop year with shipments amounting to 48.4 million and 37.5 million bushels, respectively, and accounting for a combined 42 % of the August-November total and in sharp contrast to the 14 % 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 millions of bushels: India, 19.4 (15.1); Japan, 19.2 (13.7); Britain, 14.9 (20.8); Brazil, 10.3 (11.1); Italy, 8.1 (5.0); Netherlands, 7.9 (2.5); Syria, 5.8 (6.2); and Germany West, 5.1 (13.9). Cumulative exports of seed wheat during August-November of the current crop year, based on Canadian Customs returns, amounted to 397 thousand bushels compared with last year's comparable total (adjusted to remove time lag) of 379 thousand.

Cumulative exports of wheat flour during the first four months of the 1971-72 crop year, based on Customs returns, were the equivalent of 10.0 million bushels of wheat, some 15 % above the comparable 1970-71 figure of 8.7 million bushels (adjusted for time lag) but 6 % below the ten-year average for the period of 10.6 million.

Exports of wheat flour by countries for August-November 1971, based on Customs data, are not available.

Wheat Board Negotiates
Large Wheat Sale to China

On December 18, 1971 the Canadian Wheat Board announced the largest single sale of wheat ever made to the People's Republic of China for a one-year period. The sales contract, involving 3,000,000 long tons of wheat, was concluded in Peking on December 17, 1971 between representatives of the Canadian Wheat Board and the China National Cereals, Oils and Foodstuffs Import and Export Corporation.

The contract, which allows for a tolerance of five % more or less of the stated quantity, involves a maximum of 117.6 million bushels of wheat. This is equal to the last two contracts which covered shipments during 1971. The first of the 1971 contracts, negotiated in Peking in October 1970, involved a maximum of 98 million bushels and the second, negotiated in Ottawa last September, involved a maximum of 19.6 million bushels.

Shipments under the new contract will begin early in the new year and continue throughout 1972. The grades to be shipped will consist of No. 1 Canada Western Red Spring Wheat, No. 3 and No. 4 Northern and durum wheat. All shipments will be made from West Coast ports.

As in previous contracts with the People's Republic of China, the terms of the new sale call for the payment of 25 % cash when each vessel is loaded with the balance in 18 months with interest. The credit terms are made possible under a guarantee to the Canadian Wheat Board by the Federal government.

Further Wheat Payment
Made for 1969-70 Crop Year

According to the Canadian Wheat Board Prairie producers will receive an additional 10.6 cents per bushel for wheat delivered during the 1969-70 crop year, announced on October 19, 1971.

The payment is the result of funds received by the Canadian Wheat Board from the federal government under the provisions of the Temporary Wheat Reserves Act in relation to stocks of wheat in commercial storage at the beginning of the 1970-71 crop year. The funds will be applied to the expenses of the Wheat Board related to wheat for the 1969-70 and 1970-71 crop years.

The distribution to producers who delivered wheat to the Board in the 1969-70 crop year began on Wednesday, October 20. Mailing of the 237,605 cheques involved will take about 12 days to complete.

Protein Content of 1971
Crop - Red Spring Wheat

A press release from the Canadian Grain Commission, Grain Research Laboratory, on Thursday, November 25, 1971, stated that the Research Laboratory of the Canadian Grain

Commission estimates the average protein content of the 1971 crop of Western Canadian Red Spring Wheat to be 13.5 %. Spring wheat from Saskatchewan averages 13.7 % and at this level is slightly higher in protein content than Alberta wheat (13.4 %). Manitoba wheat averaging 12.8 % protein is well below the average for Western Canada. These estimates are based upon the Grain Research Laboratory's survey of the 1971 Red Spring Wheat crop which included 6,573 samples of new-crop wheat from 1,407 stations in Western Canada. Of these, 4,724 samples were from Saskatchewan, 944 samples from Manitoba, and 905 from Alberta. This information, together with the annual "protein map" showing the geographical distribution of protein content in the 1971 Red Spring Wheat crop, was released today by the Canadian Grain Commission.

Several areas in southern Saskatchewan and central Alberta have an average protein level of 15.0 % or higher. Relatively large areas in central and south-western Saskatchewan and in Alberta have an average protein level in the range 14.0-14.9 %. Rather large areas of Manitoba, together with the northern portions of the growing area in Saskatchewan and Alberta, produced wheat with a protein content well below the 13.5 % average figure for western Canada.

The protein content of the 1971 Red Spring Wheat crop is slightly higher this year than last (0.3 units of protein); Saskatchewan wheat is higher this year than last (by 0.3 from 13.4 %); Alberta wheat at 13.4 % is higher this year by 0.8 units. Manitoba wheat, on the other hand, is lower this year by 0.5 units. The protein content of the 1971 crop is almost equal to the long-term average value of 13.6 % for all Western Canadian Red Spring Wheat crops for the 20-year period 1951-70.

Weather conditions throughout the harvest period were generally good and the quality of the new-crop year is likewise good. The 1971 harvest survey indicated that about 66 % of new-crop red spring wheat qualified for the new grade No. 1 Canada Western Red Spring Wheat, about 25 % will enter the grade No. 3 Manitoba Northern, with only 9 % graded No. 4 Northern or lower grades.

The Canadian Grain Commission will in the near future publish detailed results of its studies of the milling and baking quality of the various grades of the 1971 Western Canadian Red Spring Wheat Crop.

Average Protein Content of Canadian Red Spring Wheat, 1927-1971

Year	Protein	Year	Protein	Year	Protein	Year	Protein	Year	Protein
	%		%		%		%		%
1927	11.4	1936	14.9	1945	13.8	1954	12.6	1963	14.3
1928	12.3	1937	14.2	1946	13.8	1955	13.0	1964	14.9
1929	13.3	1938	14.0	1947	14.1	1956	12.4	1965	13.5
1930	13.1	1939	14.1	1948	13.6	1957	14.0	1966	13.2
1931	13.7	1940	14.1	1949	13.4	1958	13.8	1967	13.8
1932	14.0	1941	15.1	1950	13.7	1959	14.2	1968	13.9
1933	13.9	1942	12.8	1951	13.8	1960	14.2	1969	13.9
1934	14.1	1943	13.5	1952	12.7	1961	14.2	1970	13.2
1935	13.9	1944	13.0	1953	12.9	1962	13.9	1971	13.5

General Quotas 1971-72 as at Monday, Dec. 13, 1971 Canadian National Railway Blocks

No.	Name	Wheat (All Others)				Durum		Oats		Barley		
		A	B	C	D	A	B	A	B	A	B	C
bushels per quota acre												
01	Winnipeg N.	2(1)	2	—		5	5			—		5
03	Winnipeg S.	2(1)	2	—		5	5			—		5
05	Winnipeg W.	2(1)	2	—		5	5			—		5
07	Brandon N.	2(1)	2	—		5	5			—		5
09	Brandon W.	2(1)	2	—		5	5			—		5
11	Melville	2(1)	2	2(4)		5	5			—		5
13	Dauphin	2(1)	2	—		5	5			—		5
15	Kamsack	2(1)	2	—		5	5			—		5
17	Saskatoon M. ...	2(1)	2	2(4)		5	5			—		5
19	Saskatoon S. ...	2(1)	2	2(2)		5	5			—		5
21	Saskatoon W. ...	2(1)	2	2(2)		5	5			—		5
23	Pr. Albert E. ..	2(1)	2	2(4)		5	5			—		5
25	Pr. Albert S. ..	2(1)	2	2(2)		5	5			—		5
27	Pr. Albert M. ..	2(1)	2	2(4)		5	5			—		5
29	Pr. Albert W. ..	2(1)	2	2(2)		5	5			—		5
31	Regina N.	2(1)	2	2(4)		5	5			—		5
33	Regina S.	2(1)	2	2(4)		5	5			—		5
35	Regina W.	2(1)	2	2(4)		5	5			—		5
37	Biggar N.	2(1)	2	2(2)		5	5			5(3)		5
39	Biggar W.	2(1)	2	—		5	5			5(3)		5
41	Edmonton N.	2	2	2(2)		5	5			5		5
43	Edmonton S.	2(1)	2	2(2)		5	5			5		5
45	Edmonton W.	2(1)	2	2(2)		5	5			5		5
47	Hanna S.	2	2	—		5	5			5(3)		5
49	Hanna W.	2(1)	2	2(2)		5	5			5		5
90	N.A.R. West	2	2	—		5	5			5		5
98	G.S.L.	2	2	—		5	5			5		5

- (1) On Friday, December 31, 1971 at all delivery points within the noted blocks the "A" Quota for all other wheat will be terminated.
- (2) The "C" Quota is for wheat grading No. 3 Manitoba Northern and No. 4 Manitoba Northern and No. 1 C.W. Red Spring Wheat only.
- (3) On Friday, December 31, 1971 at all delivery points within the noted blocks the "A" Quota for Barley will be terminated.
- (4) The "C" Quota is for wheat grading No. 1 C.W. Red Spring Wheat only.

General Quotas 1971-72 as at Monday, Dec. 13, 1971 Canadian Pacific Railway Blocks

No.	Name	Wheat (All Others)				Durum		Oats		Barley		
		A	B	C	D	A	B	A	B	A	B	C
bushels per quota acre												
61	Keewatin	2(1)	2	—		5	5			—		5
62	La Riviere	2(1)	2	—		5	5			—		5
63	Carberry	2(1)	2	—		5	5			—		5
64	Brandon	2(1)	2	2(5)		5	5			—		5
71	Weyburn	2(1)	2	—		5	5			—		5
72	Pasqua	2(1)	2	2(5)		5	5			—		5
73	Bulyea	2(1)	2	2(5)		5	5			—		5
74	Bredenbury	2(1)	2	2(5)		5	5			—		5
75	Saskatoon	2(1)	2	2(5)		5	5			—		5
76	Wilkie	2(1)	2	—		5	5			—		5
77	Assiniboia	2	2	—		5	5			—		5
78	Swift Current ..	2(1)	2	2(4)		5	5			—		5
79	Outlook	2(1)	2	2(4)		5	5			—		5
81	Medicine Hat ...	2	2	—		5	5			5(3)		5
82	Brooks	2	2	—		5	5			5		5
83	Lethbridge	2	2	—		5	5			5		5
84	Vulcan	2	2	—		5	5			5		5
85	Calgary	2(1)	2	2(2)		5	5			5		5
86	Red Deer	2	2	—		5	5			5		5
87	Edmonton	2	2	—		5	5			5		5
95	N.A.R. East	2(1)	2	—		5	5			5		5
	B.C. Stations ..	2	2	—		5	5			5		5

- (1) On Friday, December 31, 1971 at all delivery points within the noted blocks the "A" Quota for all other wheat will be terminated.
- (2) The "C" Quota is for wheat grading No. 3 Manitoba Northern and No. 4 Manitoba Northern and No. 1 C.W. Red Spring Wheat only.
- (3) On Friday, December 31, 1971 at all delivery points within the noted blocks the "A" Quota Barley will be terminated.
- (4) The "C" Quota is for wheat grading No. 4 Manitoba Northern and Higher only.
- (5) The "C" Quota is for wheat grading No. 1 C.W. Red Spring Wheat only.

General Quotas 1971-72 as at Monday, December 13, 1971
bushels per quota acre

	<u>A</u>	<u>B</u>	
Hercules Durum	5	5	All blocks
Soft White Springs	5(1)	5	All blocks
Alberta Red Winter	2(1)	2	All blocks
Rye	13	—	All blocks
Flaxseed	8	—	All blocks
Rapeseed	5	—	All blocks

(1) Effective Friday, December 31, 1971 at all delivery points within the designated area the "A" Quota for Soft White Spring Wheat and Alberta Red Winter Wheat will be terminated.

Special Quotas at at Monday, December 13, 1971

Selected Hercules Durum	1 carlot (60 assigned acres)	All blocks
Selected oats	50 bushels per assigned acre	All blocks
Selected barley	50 bushels per assigned acre	All blocks
Rye for distilleries	25 bushels per assigned acre	
Flaxseed for processors	15 bushels per assigned acre	
Rapeseed (low erucic acid)	10 bushels per assigned acre	All blocks
Rapeseed for crushers	20 bushels per assigned acre	

Farmers' Marketings Deliveries of wheat from farms in the Prairie Provinces up to December 8 of the current crop year amounted to 205.3 million bushels, substantially more than both the August 1 - December 9, 1970 total of 94.1 million and the ten-year (1960-69) average for the period of 149.3 million bushels.

Farmers' Marketings (1) of Wheat in the Prairie Provinces 1971-72

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last year
		bushels				
August	11, 1971 .	19,280	280,376	2,868	302,524	64,029
	18	45,222	1,364,384	7,688	1,417,294	45,524
	25	1,140,677	3,962,606	917,899	6,021,182	97,747
September	1	1,054,714	7,856,529	2,314,028	11,225,271	6,693,462
	8	1,237,858	10,812,860	2,156,484	14,207,202	7,017,382
	15	1,372,703	14,911,298	4,318,710	20,602,711	8,178,772
	22	2,698,575	10,590,451	2,984,025	16,273,051	10,982,349
	29	1,648,043	6,921,017	2,356,118	10,925,178	7,094,969
October	6	2,099,756	11,014,624	1,582,732	14,697,112	6,522,669
	13	2,052,588	9,821,569	2,141,418	14,015,575	4,105,321
	20	1,600,362	7,695,414	1,906,736	11,202,512	4,360,018
	27	1,987,212	11,150,867	1,523,677	14,661,756	4,607,693
November	3	2,457,525	11,934,610	1,313,469	15,705,604	2,872,360
	10	1,165,718	7,777,345	2,757,438	11,700,501	6,744,460
	17	1,134,445	5,503,565	4,091,090	10,729,100	7,171,347
	24	945,079	4,785,907	4,147,756	9,878,742	6,248,654
December	1	798,536	7,392,800	3,578,196	11,769,532	4,479,859
	8	712,622	5,554,395	3,650,988	9,918,005	6,814,164
Totals		24,170,915	139,330,617	41,751,320	205,252,852	94,100,779
Average similar period: 1960-69 ...		20,403,910	94,815,491	34,053,477	149,272,878	

(1) Includes receipts at primary, process and interior terminal elevators.

Visible Supply of Canadian Wheat, December 8, 1971
Compared with Approximately the Same Date, 1969 and 1970

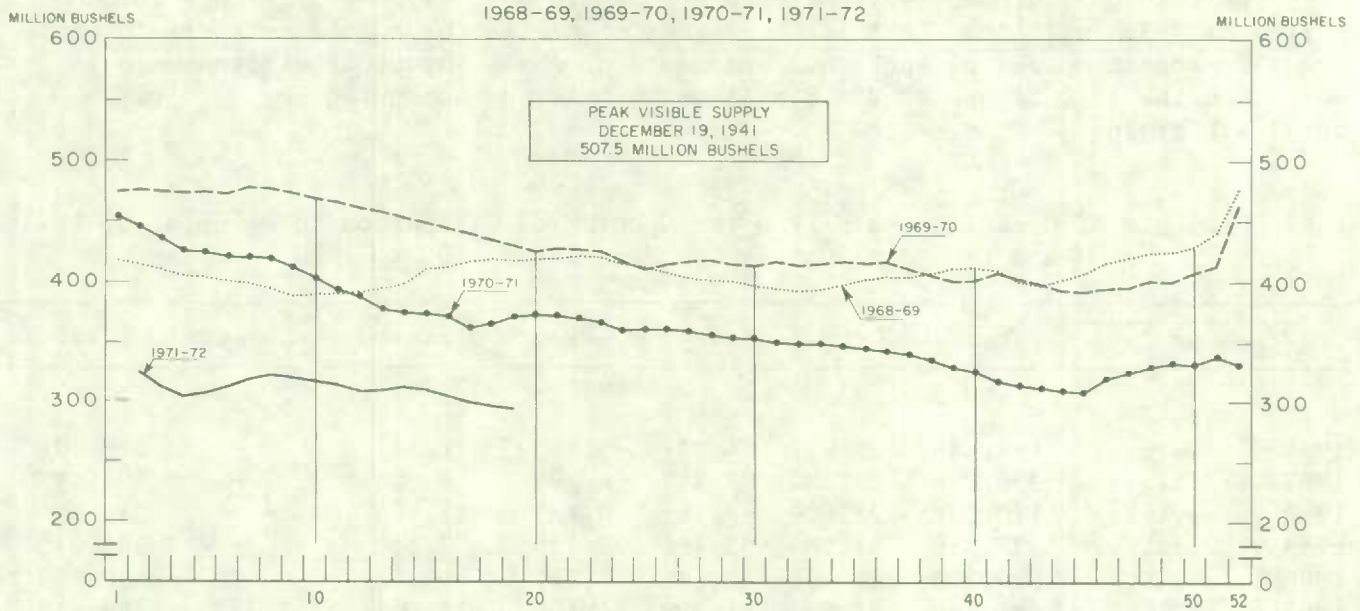
Position	1969	1970	1971
	thousand bushels		
Primary elevators — Manitoba	34,693	18,788	18,241
Saskatchewan	152,197	138,701	90,890
Alberta	75,632	64,388	49,606
Sub-totals	262,522	221,877	158,737
Process elevators	4,454	4,200	4,129
Interior terminals	12,280	10,925	6,326
Vancouver-New Westminster	10,079	6,297	4,260
Victoria	880	243	93
Prince Rupert	1,183	454	834
Churchill	4,659	2,950	1,046
Thunder Bay	24,184	23,816	22,003
In transit rail (western division)	10,328	14,712	19,236
Bay, Lake and Upper St. Lawrence ports	35,819	35,044	32,835
Lower St. Lawrence and Maritime ports	44,211	30,515	27,408
In transit lake	18,788	14,671	17,324
In transit rail (eastern division)	1,910	771	1,796
Totals	431,297	366,475	296,027

Grading of Wheat Inspected, August-November 1971 with Comparisons

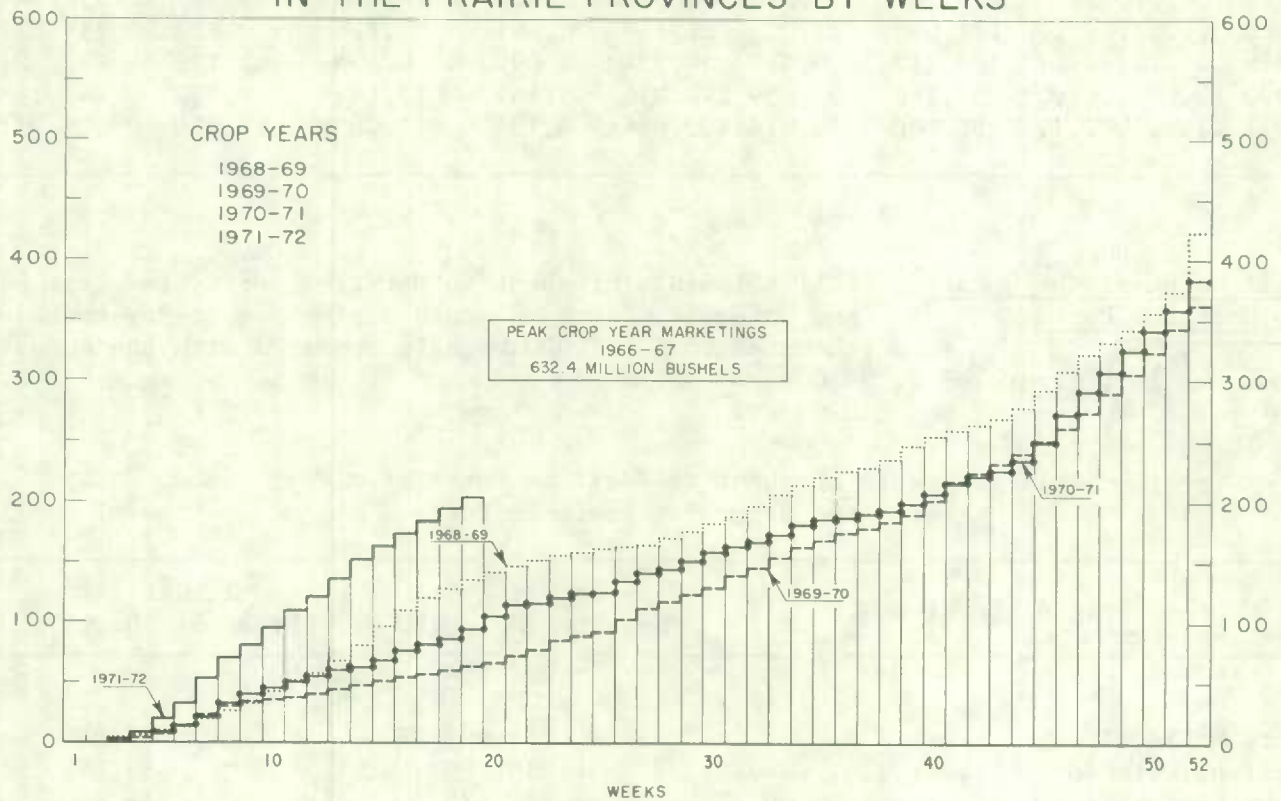
Grade	Crop year		August — November			
	Average		1970		1971	
	1965-66 1969-70	1970-71				
	per cent	per cent	cars	per cent	cars	per cent
1 C.W. Red Spring	—	—	—	—	77,572	62.1
No. 1 Man. Northern	10.9	6.5	3,267	3.6	—	—
No. 2 Man. Northern	32.7	37.2	29,961	33.2	—	—
No. 3 Man. Northern	19.3	19.8	17,764	19.7	14,330	11.5
No. 4 Man. Northern	8.6	12.0	10,870	12.1	10,396	8.3
No. 5 Wheat	3.3	4.5	6,771	7.5	2,962	2.4
No. 6 Wheat	0.4	0.7	1,176	1.3	245	0.2
Feed Wheat	0.1	0.1	115	0.1	36	(1)
Others Red Spring	18.2	6.2	9,546	10.6	4,840	3.9
C.W. Garnet	0.1	(1)	37	(1)	4	(1)
C.W. White Spring	0.1	0.3	235	0.3	407	0.3
C.W. Mixed Wheat	0.1	0.1	114	0.1	107	0.1
Alberta Winter	0.8	0.8	949	1.1	679	0.5
Nos. 1-6 C.W. Amber Durum	4.6	11.4	8,819	9.8	12,808	10.3
Other C.W. Amber Durum ...	0.9	0.5	544	0.6	463	0.4
Totals	100.0	100.0	90,168	100.0	124,849	100.0
Gross bushels (approx.) ..			179,331,000		254,342,000	

(1) Less than .05%

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 8 this year amounted to 506.8 million bushels, considerably above both the comparable 1970 figure of 447.1 million and the 10-year (1960-69) average for the period of 327.8 million. In 1971 the season of navigation opened on April 10 while the 1970 season opened on April 8. Shipments of wheat, at 290.6 million were 14 % more than the 1970 figure of 254.8 million bushels and accounted for 57 % of the total six grains.

Lake Shipments of Canadian Grain from the Opening of Navigation to December 8, 1971 and to Approximately the Same Date, 1960 to 1970

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
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	170,052	22,809	28,942	6,123	7,965	—	235,890
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
1971	290,600	26,318	152,086	4,794	17,069	15,884	506,751

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 1971 amounted to 1,937,000 bushels compared with the August-November 1970 figure of 2,789,000.

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

Origin of shipments	August 1- November 30, 1970	August 1- November 30, 1971
bushels		
Port McNicoll	581,492	769,020
Midland, Tiffin	1,338,929	634,862
Owen Sound	350,415	310,400
Goderich	517,816	222,526
Totals	2,788,652	1,936,808

Rail Shipments of Wheat from Thunder Bay 1968-69 — 1971-72

Month	1968-69	1969-70	1970-71	1971-72
		bushels		
August	—	132,953	169,566	181,419
September	23,084	134,054	244,549	195,721
October	57,458	149,076	176,450	128,383
November	101,966	126,319	178,523	158,083
December	44,136	179,384	330,120	
January	131,034	272,300	525,019	
February	99,776	403,541	552,926	
March	153,067	298,335	418,387	
April	79,899	260,918	407,206	
May	108,339	311,200	187,347	
June	120,532	221,999	156,548	
July	137,404	293,745	200,415	
Totals	1,056,695	2,783,824	3,547,056	

Distribution of Rail Shipments of Wheat from Thunder Bay, November 1971

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
		bushels			
Feed grades	10,000	43,667	84,667	9,749	4,000
Durum	—	—	—	2,000	4,000
Totals	10,000	43,667	84,667	11,749	8,000

Overseas Exports of Canadian Grain by Ports of Loading, August 1 — December 8, 1971 with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
			thousand bushels				
<u>Pacific Seaboard</u>							
Van.-New West	73,180	2,614	—	14,076	2,110	2,082	7,561
Victoria	2,335	—	—	—	—	—	150
Prince Rupert	4,578	—	—	—	—	—	—
<u>Churchill</u>	20,570	—	—	4,918	—	—	—
<u>Thunder Bay Direct</u> ...	1,377	689	3,429	1,703	1,724	7,526	6,499
<u>St. Lawrence</u>							
Montreal	19,022	16,034	—	5,462	—	141	57
Sorel	15,394	—	—	2,737	—	—	—
Trois-Rivières	10,582	—	—	718	92	—	—
Quebec	9,142	532	—	5,482	102	364	22
Baie Comeau	18,962	1,926	—	22,590	266	955	98
Port Cartier	17,288	1,099	—	20,735	—	516	—
<u>Maritime</u>							
Halifax	750	—	—	—	—	—	—
Totals ..	193,182	22,894	3,429	78,424	4,294	11,583	14,388
August 1-December 9, 1970	146,105	16,333	7,619	77,815	2,441	7,271	10,405

(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 1971 amounted to 9,122,000 bushels, sharply below the 12,416,000 shipped during the same four months of 1970. The bulk of the shipments during the current month under review went to destinations in Quebec, Ontario and British Columbia with these three provinces accounting for a combined 84% of the total. During August-November last year Quebec and Ontario accounted for 73% of the total.

Provincial Distribution of Wheat Shipments under the Feed Grain Assistance Regulations
August - November 1971 and 1970

Month	Western wheat								Eastern wheat
	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total	Que.
	thousand bushels								
August 1971 ...	49	7	218	90	1,489	359	262	2,473	—
September	65	11	176	123	1,161	250	234	2,019	—
October	67	12	237	72	912	330	378	2,008	—
November	4	20	256	65	1,558	299	419	2,622	—
Totals	185	49	886	351	5,121	1,239	1,292	9,122	—
Same months									
1970	319	87	987	445	5,627	3,466	1,485	12,416	6

Millfeed shipments under the Feed Grain Assistance Regulations indicate shipments of 140,673 tons during August-November 1971. Shipments for the four month total of the previous crop year amounted to 154,792 tons. The greater portion of the millfeed shipments during the period under review went to destinations in Quebec and Ontario.

Provincial Distribution of Millfeed Shipments
under the Feed Grain Assistance Regulations
August - November 1971 and 1970

Province	August - November	
	1970	1971
	tons	
Newfoundland	1,832	1,148
Prince Edward Island	1,385	1,154
Nova Scotia	4,178	4,191
New Brunswick	4,367	3,507
Quebec	74,598	74,690
Ontario	56,813	46,666
British Columbia	11,619	9,317
Totals	154,792	140,673

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>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</u>					
August	44,765	103	44,868	699	45,567
September	35,194	120	35,315	2,306	37,620
October	44,412	84	44,496	3,543	48,039
November	33,307	71	33,378	2,126	35,504
December	18,016	43	18,059	1,444	19,502
January	18,882	2	18,884	2,725	21,609
February	23,334	77	23,411	2,421	25,832
March	20,293	93	20,386	1,900	22,286
April	20,951	157	21,108	1,855	22,963
May	47,631	49	47,681	1,815	49,495
June	47,904	71	47,975	2,154	50,129
July	54,750	100	54,850	1,988	56,839
Totals	409,440	971	410,410	24,975	435,385
<u>1971-72(4)</u>					
August	48,530	26	48,557	1,526	50,083
September	44,520	234	44,754	3,662	48,416
October	59,356	136	59,492	2,759	62,250
November	52,948	1	52,949	2,018	54,967
Totals	205,355	397	205,752	9,965	215,717

(1) Export clearances including shipments to the United States compiled by the Economics and Statistics Division of the Canadian Grain Commission. (2) Compiled from Canadian Customs returns, 1969-70 and 1970-71 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) Subject to revision.

Exports of Canadian Wheat(1) by Destination, November 1971 and 1970^r

Destination	Wheat (except durum)	Durum wheat	All wheat	
			November 1971	November 1970 ^r
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	315,218	—	315,218	872,146
France	—	—	—	112,224
Germany, West	533,042	1,011,046	1,544,088	8,171,284
Italy	476,000	311,979	787,979	1,215,754
Netherlands	2,314,839	1,261,284	3,576,123	1,343,164
Sub-totals	3,639,099	2,584,309	6,223,408	11,714,572
Other Western Europe:				
Britain	5,898,212	125,000	6,023,212	3,932,831
Ireland	—	—	—	898,240
Switzerland	26,982	36,587	63,569	305,498
Sub-totals	5,925,194	161,587	6,086,781	5,136,569
Totals	9,564,293	2,745,896	12,310,189	16,851,141
<u>Eastern Europe</u>				
U.S.S.R. (Russia)	12,616,000	1,047,307	13,663,307	—
<u>Africa</u>				
Algeria	433,776	632,016	1,065,792	1,920,945
Ghana	808,353	—	808,353	249,016
Morocco	442,516	100,460	542,976	—
Mozambique	—	—	—	52,267
Nigeria	693,058	—	693,058	—
South Africa	—	—	—	1,900,267
U.A.R.	—	—	—	2,170,075
Totals	2,377,703	732,476	3,110,179	6,292,570
<u>Asia</u>				
Hong Kong	99,867	—	99,867	80,453
India	8,707,824	—	8,707,824	—
Japan	4,052,150	84,746	4,136,896	3,601,916
Malaysia	—	—	—	53,200
Pakistan	—	—	—	729,232
People's Republic of China	7,047,755	—	7,047,755	3,118,566
Syria	1,243,286	—	1,243,286	956,667
Turkey	—	—	—	209,450
Totals	21,150,882	84,746	21,235,628	8,749,484
<u>Western Hemisphere</u>				
Brazil	—	—	—	1,210,869
Cuba	828,550	184,304	1,012,854	—
Haiti	—	—	—	167,349
Jamaica	668	—	668	—
Peru	1,507,987	—	1,507,987	—
St. Lucia	—	—	—	167
Venezuela	107,500	—	107,500	35,093
Totals	2,444,705	184,304	2,629,009	1,413,478
Sub-totals, all countries	48,153,583	4,794,729	52,948,312	33,306,673
Seed wheat(2)			800	71,595
Totals, all countries	48,153,583	4,794,729	52,949,112	33,378,268

(1) Overseas clearances as reported by the Economics and Statistics Division of the Canadian Grain Commission, for all countries except the United States. Excluding seed wheat.

(2) Compiled from Canadian Customs returns, 1970 adjusted for time lag, 1971 preliminary.

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

F

JAN

DEC

NOV

OCT

SEPT

AUG

30 year average

1940-41
1969-70

10 year average

1960-61
1969-70

1966-67

1967-68

1968-69

1969-70

1970-71

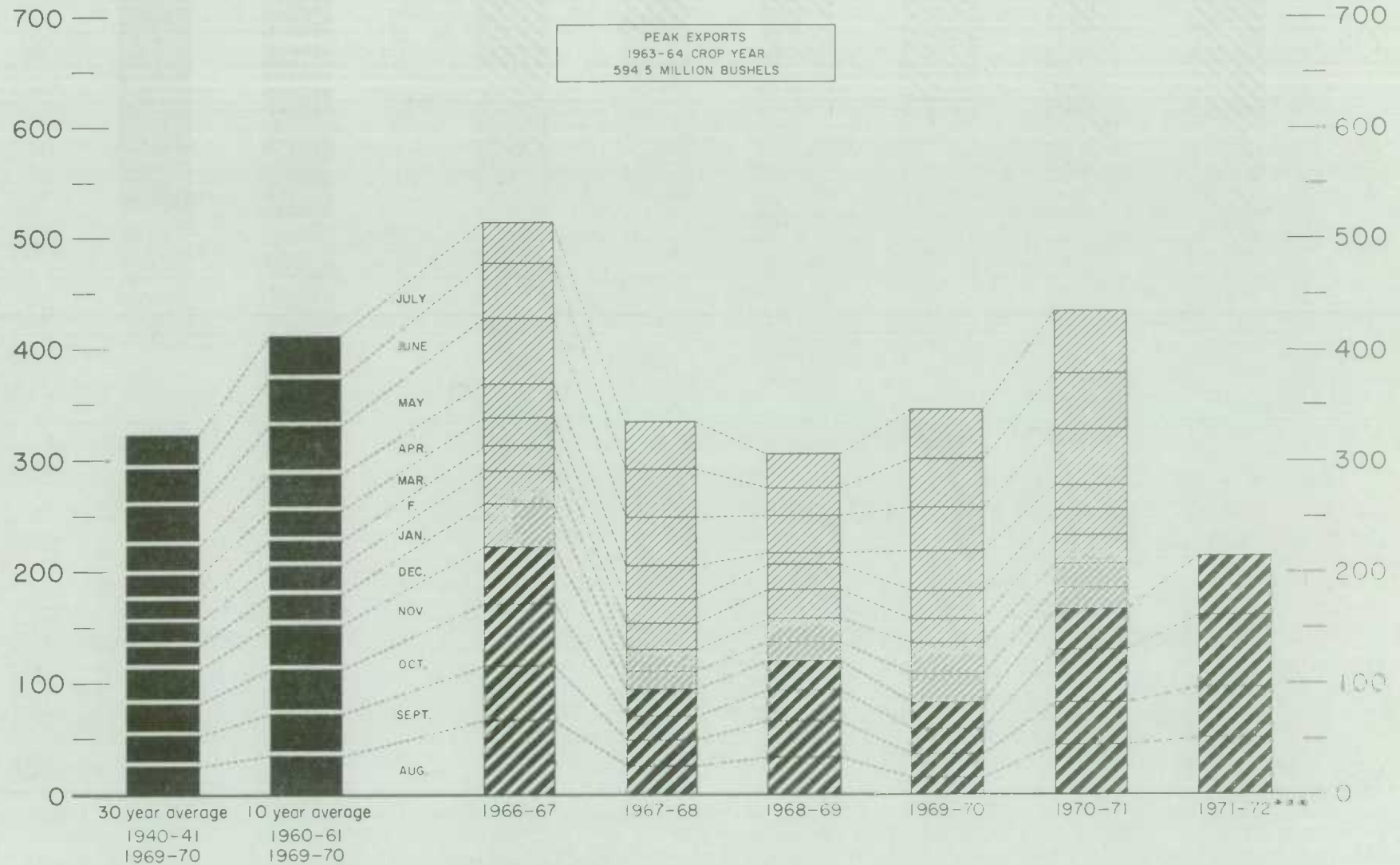
1971-72

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 Statistics Canada

FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

MILLION BUSHEL
275 —

(SPECIFIED PERIODS)

MILLION BUSHEL
275 —

250 —

250 —

225 —

225 —

200 —

200 —

175 —

175 —

150 —

150 —

125 —

125 —

100 —

100 —

75 —

75 —

50 —

50 —

25 —

25 —

0

0

30 year average

10 year average

1966-67

1967-68

1968-69

1969-70

1970-71

1971-72

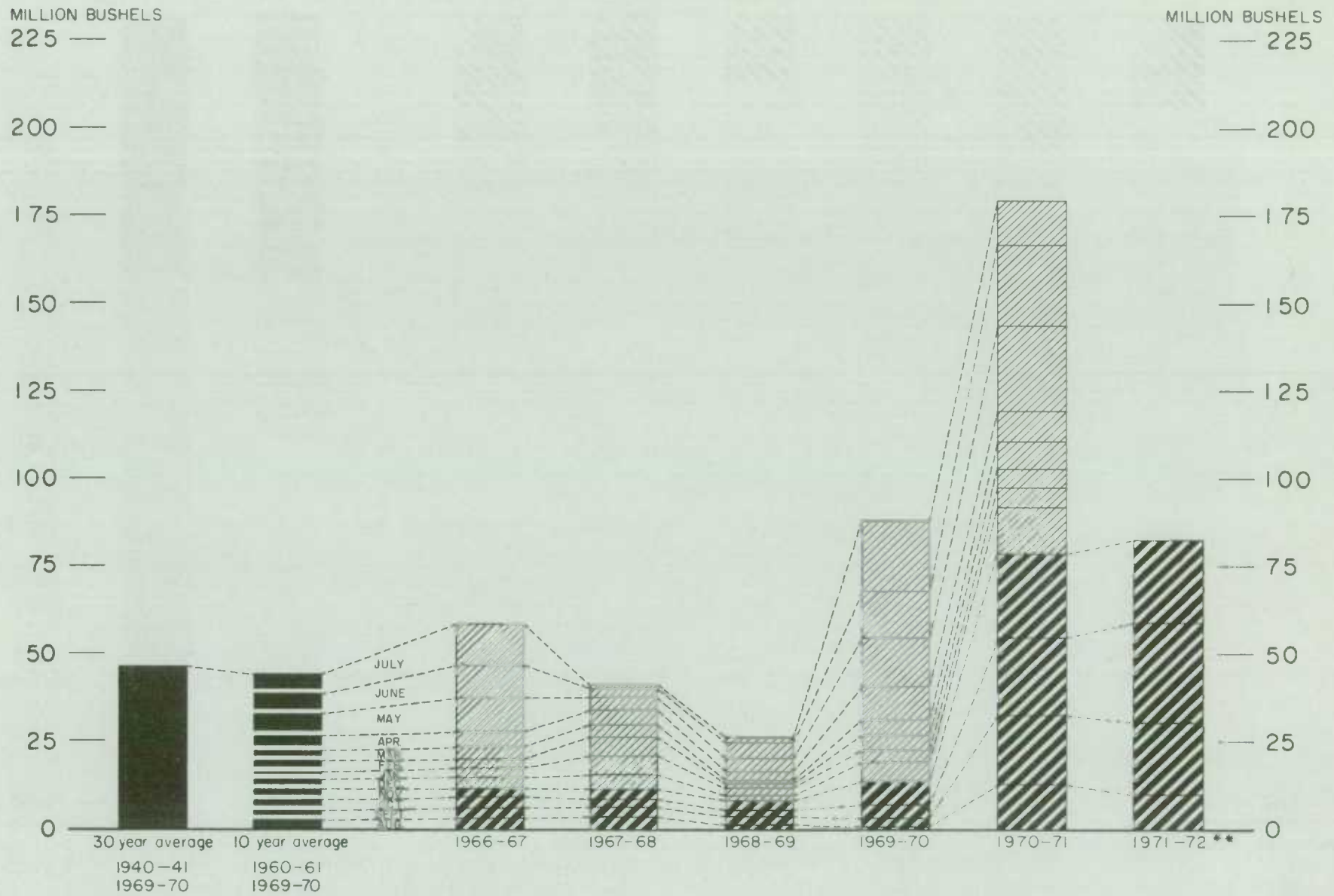
1940-41
1969-70

1960-61
1969-70

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

Agriculture Division Statistics Canada

IV
EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*
(SPECIFIED PERIODS)



* In terms of grain equivalent. ** Preliminary

Agriculture Division Statistics Canada

FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHEL

80 —

70 —

60 —

50 —

40 —

30 —

20 —

10 —

0

30 year average

1940-41
1969-70

10 year average

1960-61
1969-70

JULY

JUNE

MAY

APR.

MAR.

FEB.

JAN.

DEC.

NOV.

OCT.

SEPT.

AUG.

1966-67

1967-68

1968-69

1969-70

1970-71

1971-72

MILLION BUSHEL

80 —

70 —

60 —

50 —

40 —

30 —

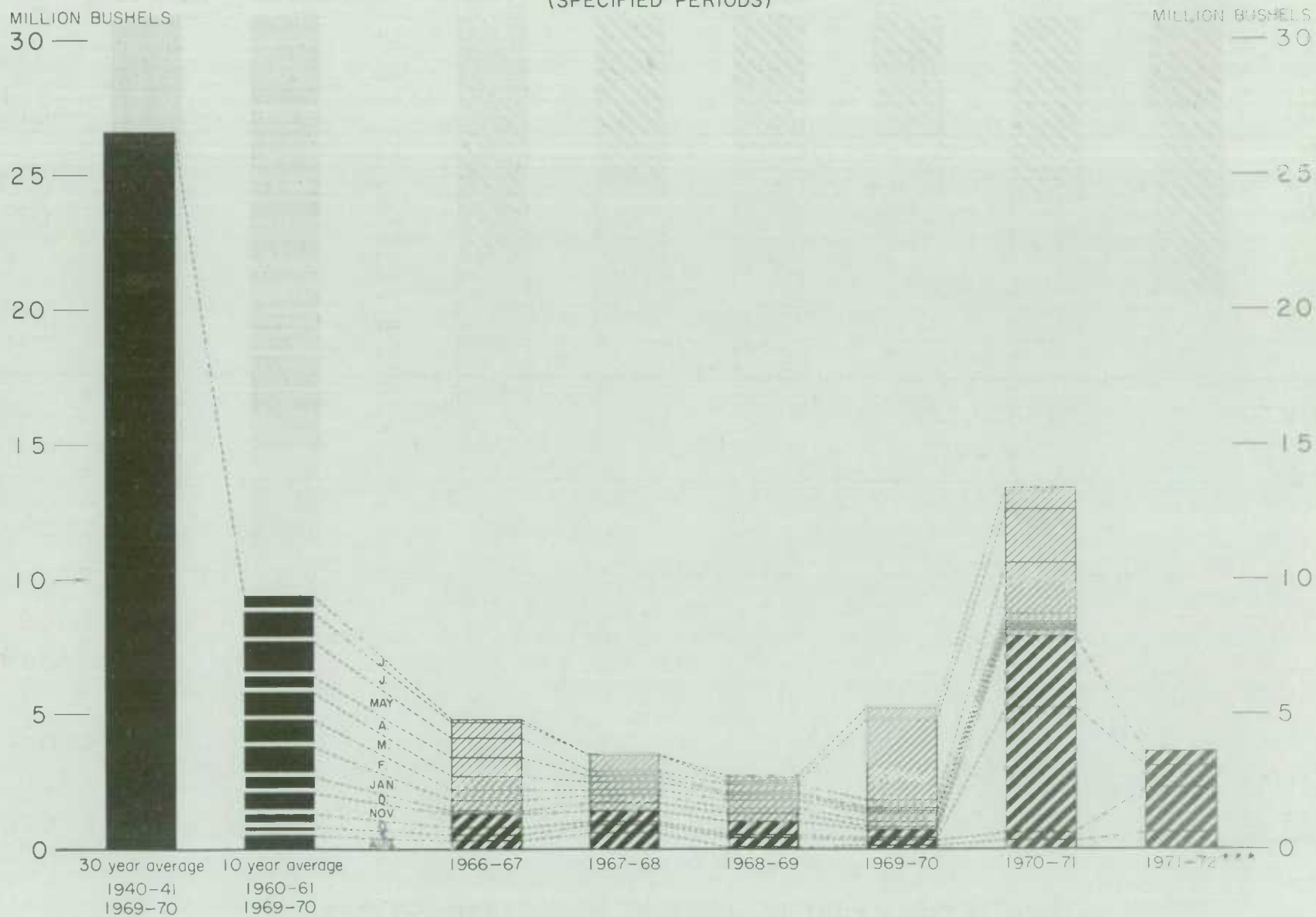
20 —

10 —

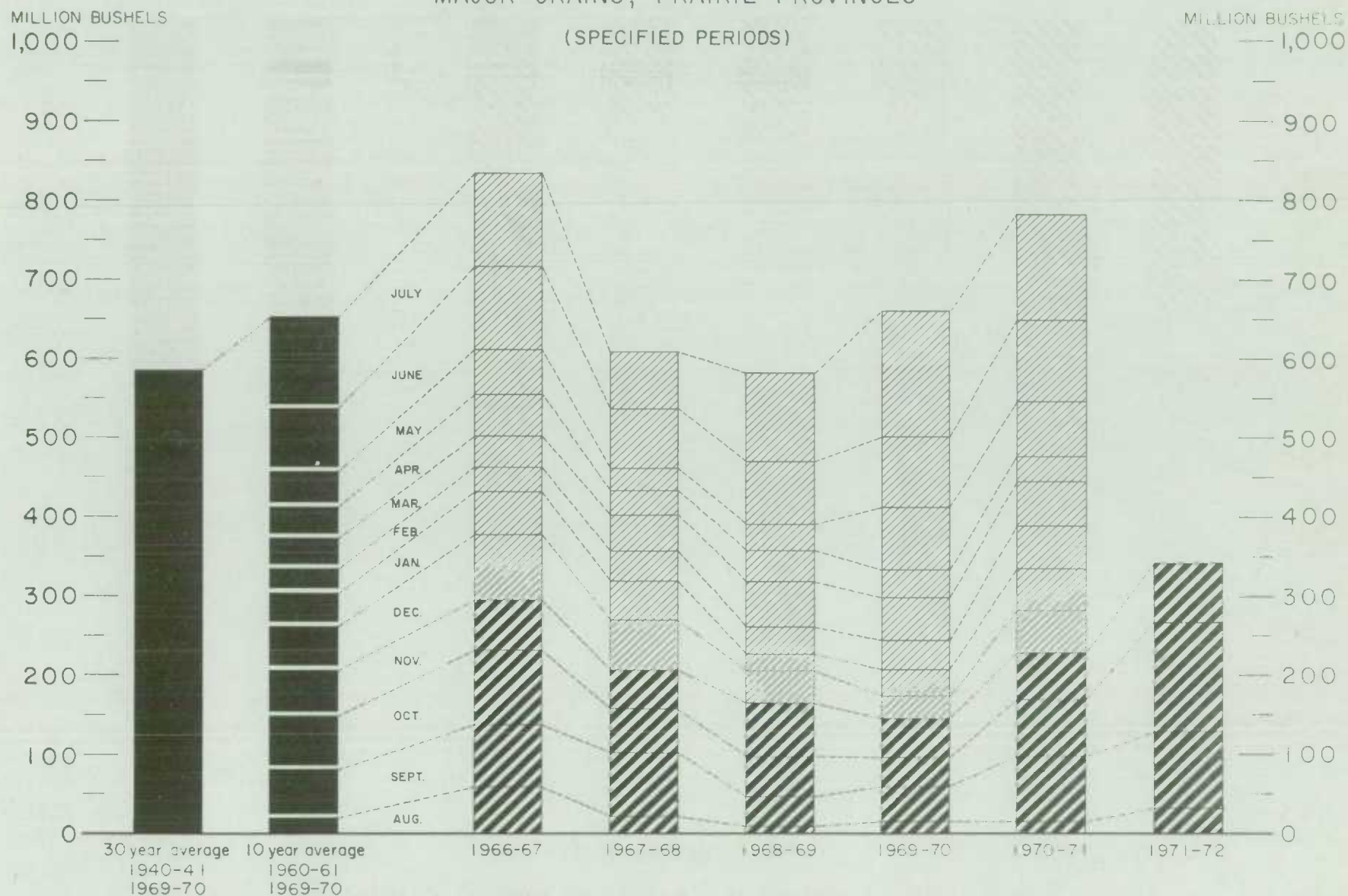
0

EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS**

(SPECIFIED PERIODS)



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

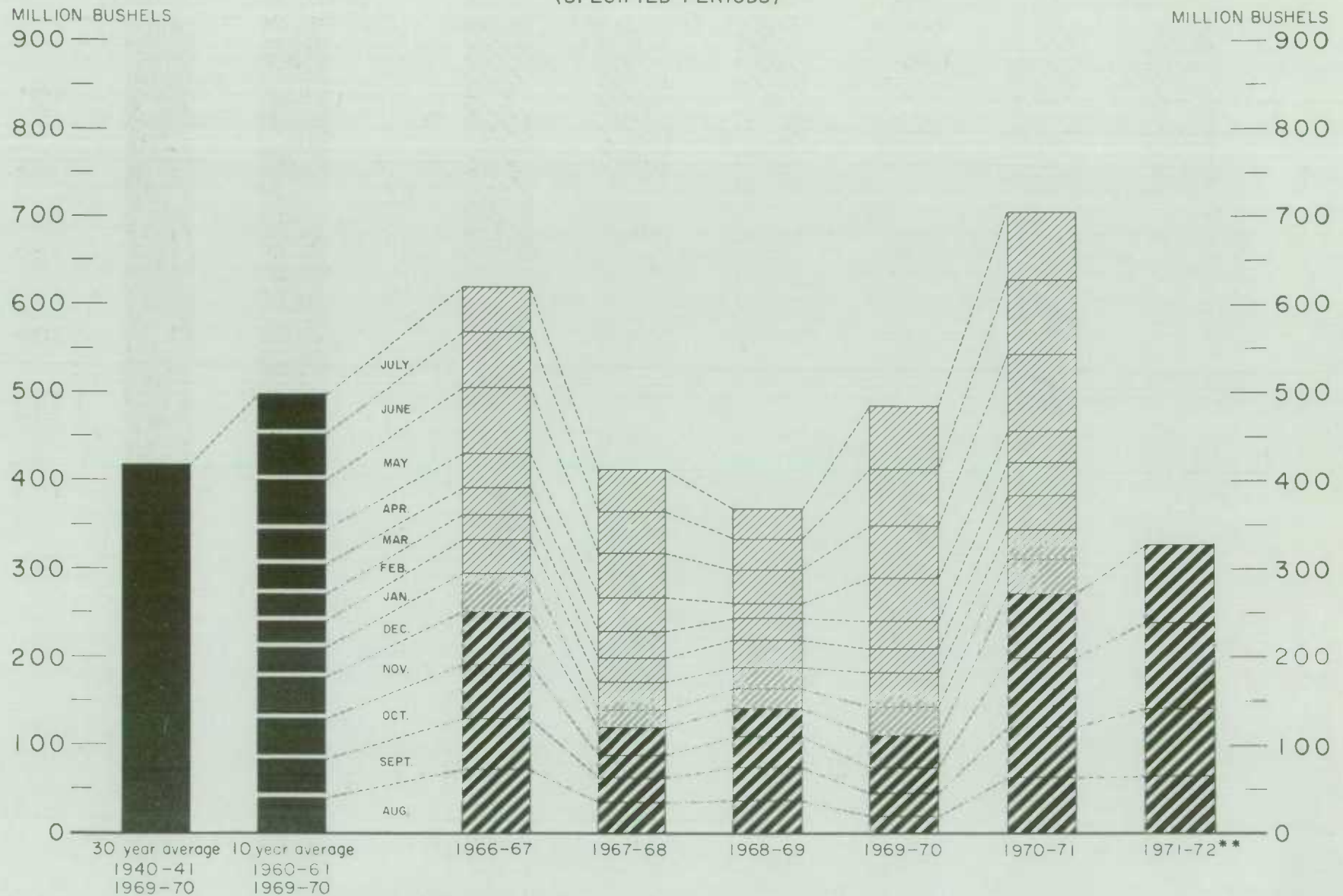


* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed.

Agriculture Division Statistics Canada

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 Statistics Canada

Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August — November 1971			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	1,954,845 ^r	74,140 ^r	2,028,985 ^r	4,201,540
France	185,539	—	185,539	355,713
Germany, West	3,101,274 ^r	2,016,103 ^r	5,117,377 ^r	13,886,849
Italy	3,483,150 ^r	4,633,330 ^r	8,116,480 ^r	4,989,963
Netherlands	4,882,852 ^r	3,010,177 ^r	7,893,029 ^r	2,452,552
Sub-totals	13,607,660 ^r	9,733,750 ^r	23,341,410 ^r	25,886,617
Other Western Europe:				
Austria	—	—	—	183,551
Britain	14,702,783	153,028 ^r	14,855,811 ^r	20,774,762
Denmark	—	—	—	22,047
Ireland	—	—	—	1,296,811
Malta and Gozo	532,000 ^r	—	532,000 ^r	327,712
Norway	780,267	—	780,267	2,147,400
Sweden	18,368	—	18,368	22,047
Switzerland	760,087 ^r	96,582 ^r	856,669 ^r	1,935,183
Sub-totals	16,793,505 ^r	249,610 ^r	17,043,115 ^r	26,709,513
Totals	30,401,165 ^r	9,983,360 ^r	40,384,525 ^r	52,596,130
<u>Eastern Europe</u>				
Albania	—	—	—	358,400
Czechoslovakia	—	584,752 ^r	584,752 ^r	—
Poland	—	878,847	878,847	—
U.S.S.R. (Russia)	44,583,840	3,782,984	48,366,824	4,362,808
Totals	44,583,840	5,246,583 ^r	49,830,423 ^r	4,721,208
<u>Africa</u>				
Algeria	433,776	3,344,263	3,778,039	4,445,126
Ghana	1,674,685 ^r	—	1,674,685 ^r	1,301,930
Guinea	—	—	—	—
Morocco	862,516	220,460	1,082,976	—
Mozambique	—	—	—	52,267
Nigeria	693,058	—	693,058	—
South Africa	—	234,746	234,746	3,528,000
Sudan	—	—	—	2,279
Tunisia	—	—	—	1,542,244
U.A.R.	—	—	—	13,517,868
Totals	3,664,035 ^r	3,799,469	7,463,504 ^r	24,389,714

See footnotes at end of table.

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

Destination	August — November 1971			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
Asia				
Afghanistan	422,211	—	422,211	—
Hong Kong	323,755	—	323,755	293,010
India	19,424,209	—	19,424,209	15,051,572
Indonesia	284,000	—	284,000	—
Japan	18,929,208	282,620	19,211,828	13,674,196
Korea, North	1,180,666	—	1,180,666	—
Malaysia	91,093	—	91,093	114,484
Pakistan	2,717,900	—	2,717,900	4,066,847
People's Republic of China ..	35,691,266	1,769,286	37,460,552	17,821,997
Philippines	2,467,361	—	2,467,361	—
Singapore	50,960	—	50,960	134,586
Syria	5,789,086	— ^r	5,789,086 ^r	6,174,944
Taiwan	1,208,853	—	1,208,853	524,533
Thailand	123,200	—	123,200	—
Turkey	—	—	—	209,450
Totals	88,703,768	2,051,906 ^r	90,755,674 ^r	58,065,619
Oceania				
U.S. Oceania	143,114	—	143,114	—
Western Hemisphere				
Brazil	10,283,242	—	10,283,242	11,098,461
Cuba	2,172,200	369,393	2,541,593	2,045,734
Haiti	575,505	—	575,505	679,177
Jamaica	524,837	—	524,837	278,880
Peru	2,480,520	—	2,480,520	3,581,723
St. Lucia	—	—	—	167
Venezuela	272,164	4,406	276,570	220,820
United States(2)	95,200	—	95,200	—
Totals	16,403,668	373,799	16,777,467	17,904,962
Sub-totals, all countries .	183,899,590	21,455,117	205,354,707	157,677,633
Seed wheat(3)			397,121	379,047
Totals, all countries	183,899,590	21,455,117	205,751,828	158,056,680

- (1) Overseas clearances as reported by the Economics and Statistics Division of the Canadian Grain Commission, 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, 1970 adjusted for time lag, 1971 preliminary.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	July 1971(1)	October 1971(2)	August - October	
			1971(2)	1970(1)
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	—	—	—	22,333
Italy	—	—	—	2,070
Netherlands	—	—	—	653
Sub-totals	—	—	—	25,056
Other Western Europe:				
Britain	138,195	153,649	457,672	497,598
Gibraltar	—	—	2,705	2,705
Greece	—	1,150	1,150	1,610
Iceland	—	—	19,805	—
Ireland	—	—	3,606	—
Malta and Gozo	—	540,960	540,960	46
Portugal	—	2,017	5,697	3,450
Sub-totals	138,195	697,776	1,031,595	505,409
Totals	138,195	697,776	1,031,595	530,465
<u>Africa</u>				
Algeria	—	26,367	561,034	—
Angola	—	—	—	6,900
Cameroon	—	53,785	66,999	—
Congo-Kinshasa	4,600	—	16,330	76,491
Dahomey	7,245	3,220	14,950	5,290
French Africa, n.e.s.	—	44,613	185,748	—
Gabon	—	—	—	5,658
Gambia	—	2,300	6,900	20,010
Ghana	—	241	616	150,202
Ivory Coast	920	5,060	5,750	3,220
Liberia	28,971	33,598	65,904	93,274
Malawi	460	2,530	6,670	21,390
Mozambique	2,861	453	3,997	14,729
Nigeria	25,852	4,784	9,945	—
Portuguese Africa n.e.s.	1,208	6,670	14,962	25,034
Sierre Leone	400	743	1,143	3,503
Somalia	—	—	22,816	6,679
South Africa	—	—	—	2,259
Sudan	—	—	—	13,745
Tanzania	—	—	1,610	2,530
Togo	7,705	16,675	40,170	29,049
U.A.R.	520,970	441,938	1,741,265	127,671
Totals	601,192	642,977	2,766,809	607,634
<u>Asia</u>				
Ceylon	—	752,576	752,576	1,498,747
Cyprus	—	—	276	—
Hong-Kong	3,220	22,310	53,234	41,287

See footnotes at end of table.

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

Destination	July 1971(1)	October 1971(2)	August — October	
			1971(2)	1970(1)
			bushels	
<u>Asia — Concluded</u>				
Indonesia	—	—	—	1,213,696
Iran	407	—	823	964
Iraq	—	—	—	141,034
Japan	—	115	2,617	2,160
Jordan	255	—	8,367	—
Lebanon	5,072	5,072	104,029	7,229
Portuguese Asia	—	—	—	2,024
Qatar	—	—	—	145
Saudi Arabia	—	11,500	89,859	92,759
Syria	—	—	67,027	—
Taiwan	1,150	—	—	—
Thailand	1,208	11,442	21,721	29,773
Trucial States	755	—	345	154
Totals	12,067	803,015	1,100,874	3,029,972
<u>Oceania</u>				
British Oceania n.e.s.	—	—	—	920
Fiji	—	—	920	460
United States Oceania	—	196	288	6,900
Totals	—	196	1,208	8,280
<u>Western Hemisphere</u>				
Bahamas	12,648	14,987	36,122	51,796
Barbados	21,677	18,214	61,031	58,167
Bermuda	12,246	11,259	27,264	31,549
Bolivia	4,057	—	—	—
British Honduras	5,051	—	5,895	18,793
Cuba(3)	1,028,935	425,907	2,567,485	1,567,689
Dominican Republic	—	—	—	35,144
French West Indies	—	322	322	—
Guyana	780	913	2,362	3,949
Honduras	—	—	228	3,335
Jamaica	6,145	39,029	49,482	29,932
Leeward and Windward Is.	86,285	50,573	168,703	231,476
Netherlands Antilles	4,156	3,611	8,349	65,154
Panama	338	338	676	—
St. Pierre and Miquelon	2,576	4,370	7,004	6,658
Surinam	800	796	2,337	9,407
Trinidad and Tobago	27,563	38,895	93,210	131,024
United States	23,575	5,529	15,893	127,027
Totals	1,236,832	614,743	3,046,363	2,371,100
Totals, all countries	1,988,286	2,758,707	7,946,849	6,547,451

(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 November wheat flour exports not available.

Canadian Wheat Board Weekly Average Cash Wheat Prices, Crop Year 1971-72
Basis in Store Thunder Bay and Vancouver

Class and grade	Week ending			
	Nov.19	Nov.26	Dec.3	Dec.10
cents and eighths per bushel				
<u>Initial payment to producers</u>				
1 C.W. Red Spring 14%	146	146	146	146
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	146	146	146	146
2 C.W. Amber Durum	142	142	142	142
3 C.W. Amber Durum	137	137	137	137
<u>Exports</u>				
<u>(Basis in store Thunder Bay)</u>				
1 C.W. Red Spring 14%	165/6	165/5	165/5	164/7
1 Northern	167/6	167/5	167/5	166/7
2 Northern	165/6	165/5	165/5	164/7
3 Northern	160/6	160/5	160/5	159/7
4 Northern	157/6	157/5	157/5	156/7
5 Wheat(1)	148/4	148/4	148/4	148/4
6 Wheat(1)	146/4	146/4	146/4	146/4
Feed Wheat(1)	141/4	141/4	141/4	141/4
1 C.W. Garnet	157/6	157/5	157/5	156/7
2 C.W. Garnet	156/6	156/5	156/5	155/7
3 C.W. Garnet	155/6	155/5	155/5	154/7
1 Alberta Red Winter	157/6	157/5	157/5	156/7
2 Alberta Winter	156/6	156/5	156/5	155/7
3 Alberta Winter	155/6	155/5	155/5	154/7
1 C.W. Amber Durum	162/5	162/4	161	153/6
2 C.W. Amber Durum	159/5	159/4	158/3	152/6
3 C.W. Amber Durum	150/5	150/4	149/3	143/6
<u>(Basis in store Vancouver)</u>				
1 C.W. Red Spring 14%	174/7	174/6	174/6	174
1 Northern	175/7	175/6	175/6	175
2 Northern	174/7	174/6	174/6	174
3 Northern	169/7	169/6	169/6	169
4 Northern	167/7	167/6	167/6	167
1 C.W. Garnet	167/7	167/6	167/6	167
2 C.W. Garnet	166/7	166/6	166/6	166
3 C.W. Garnet	165/7	165/6	165/6	165
1 Alberta Red Winter	167/7	167/6	167/6	167
2 Alberta Winter	166/7	166/6	166/6	166
3 Alberta Winter	165/7	165/6	165/6	165

(1) Domestic sales only.

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during November 1971 amounted to 3,258,000 hundredweight, 9 % below the October 1971 output of 3,588,000 hundredweight, and 8 % less than the ten-year (1961-70) average production of 3,542,000 hundredweight but 6 % above the adjusted November 1970 total of 3,083,000 hundredweight. Mills reporting operations during November 1971 had a total rated capacity of 169,000 hundredweight per 24-hour day and on the basis of a 25-day working period 77.1 % of this rated capacity was effective. Wheat milled for flour during November 1971 amounted to 7,389,000 bushels, 10 % below the 8,164,000 bushels milled during the preceding month but 5 % more than the 7,007,000 bushels milled during November 1970. Of the wheat milled for flour during November 1971 some 6,012,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (702,000 bushels); Durum (531,000 bushels); and all other (144,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during October 1971 amounted to the equivalent of 2,759,000 bushels (some 1,199,000 hundredweight of flour), 25 % less than the September 1971 exports of 3,662,000 bushels and 22 % below the adjusted October 1970 exports of 3,543,000 bushels. Flour shipments during the month under review went to forty countries with leading markets for Canadian wheat flour in terms of wheat, in thousands of bushels, were as follows: Ceylon, 753; Malta and Gozo, 541; U.A.R., 442; and Cuba, 426.

NOTE: Data re exports of wheat flour for November 1971 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 bushels	Wheat flour	
		Production	Exports(1)
		cwt.	
1935-36 — 1939-40 average	67,845,114	29,405,451	9,603,941
1940-41 — 1944-45 "	99,704,638	43,908,245	23,699,546
1945-46 — 1949-50 "	107,330,372	47,011,540	25,819,721
1950-51 — 1954-55 "	100,446,328	43,847,894	21,812,041
1955-56 — 1959-60 "	99,148,211	39,752,589	16,349,156
1960-61 — 1964-65 "	91,128,177	40,834,088	15,769,803
1965-66	97,925,995	43,531,263	16,576,117
1966-67	90,084,646	39,978,571	13,848,208
1967-68	84,769,150	37,755,841	10,734,857
1968-69	85,048,591	37,621,151	10,705,452
1969-70	90,557,332	39,640,459	11,723,205
1970-71 ^r	87,467,328	38,534,863	10,789,264
1971-72(2):			
August	7,476,891	3,298,715	663,543
September	7,962,496	3,556,947	1,592,171
October	8,164,466	3,588,290	1,199,438
November	7,389,047	3,258,470	877,404
Totals	30,992,900	13,702,422	4,332,556
Same months 1970-71 ^r	30,385,196	13,323,187	3,770,918

(1) Based on Customs returns. Exports for the crop years 1945-46 — 1970-71 revised to remove effect of time lag in the returns made by Customs. (2) Subject to revision.

UNITED STATES SITUATION

Supplies Above 1970-71 Level Reflecting an increase in production, which more than offset a decrease in carryover stocks, total domestic supplies of wheat in the United States for the 1971-72 crop year are currently placed at 2,357.8 million bushels, 4% more than the previous year's total of 2,263.1 million. The current crop, estimated at 1,627.6 million bushels, represents an increase of 18% over last year's outturn of 1,378.5 million, while the 730.2 million bushels carried over at July 1, 1971 were 17% less than the 1970 stocks of 884.7 million. Domestic disappearance during 1971-72 is estimated at about 785.0 million bushels, slightly below the 794.8 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,572.9 million remain available for export and for carryover, 7% above the 1,468.5 million in 1970-71.

Exports Below Previous Year Exports of wheat and wheat flour in terms of grain equivalent during the period July-November 1971 amounted to 245.0 million bushels, 21% less than the 310.1 million exported during the same months last year. The balance remaining on December 1, 1971 for export and for carryover was estimated at 1,327.9 million bushels compared with 1,158.4 million on approximately the same date a year ago.

United States Wheat Supplies

Item	1970-71 ^r	1971-72 ^p
	million bushels	
Carryover at beginning of crop year (July 1)	884.7	730.2
Production	1,378.5	1,627.6
Total estimated domestic supplies	2,263.1	2,357.8
Imports of wheat and wheat flour in terms of wheat for domestic use, July-November	0.2	0.2
Total estimated supplies(1)	2,263.3	2,357.9
Less estimated domestic requirements for crop year(2)	794.8	785.0
Available for export and for carryover	1,468.5	1,572.9
<u>Deduct</u>		
Exports of wheat as grain, July-November	283.6	221.8
Exports of wheat flour in terms of wheat, July-November	26.4	23.2
Total exports of wheat and wheat flour	310.1	245.0
Balance on December 1 for export and for carryover.	1,158.4	1,327.9

(1) Excluding imports for December-June.

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

Final Set-aside Program Payments to be Mailed to Wheat Growers On December 1, 1971 the United States Department of Agriculture announced cheques totalling \$231 million in final payments under the 1971 set-aside wheat program, will be mailed beginning December 1, 1971 to producers on approximately 1,012,000 participating farms. These payments are in addition to preliminary wheat payments of \$646 million made to farmers on July 1.

The final wheat payment is the difference between the final face value of the domestic certificates — determined to be \$1.63 per bushel — and the preliminary payment. The final face value of the certificates is the difference between 100% of the parity price of \$2.93 on July 1 and the national average wheat price of \$1.30 received by farmers for the 5-month period July through November.

The final payments are computed on the basis of 43 cents per bushel. Preliminary payments of \$1.20 per bushel made on July 1 were based on 75% of the \$1.60 estimated face value of domestic wheat certificates on July 1.

The Agricultural Act of 1970 provides for preliminary payments under the wheat, feed grain and cotton programs. Only in the wheat program is the preliminary payment specified as a percentage of the final payment. In the feed grain and cotton programs, the preliminary payment may be the total payment due unless market conditions warrant a final payment. This payment would then be made for cotton after January 1, 1972 and for feed grains after March 1, 1972.

Flour Production According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in October 1971 amounted to 21,697,000 hundredweight, averaging 1,033,000 hundredweight per working day. This compared with an average output per working day of 1,054,000 hundredweight last month and 1,062,000 hundredweight in October 1970. Wheat flour mills during October operating at 103.9 per cent of capacity, compared with 106.0 per cent and 104.8 per cent, respectively, for the previous month and the same month a year ago. Flour mills in October 1971 ground 48,135,000 bushels of wheat compared with 49,301,000 bushels the previous month and 51,708,000 bushels in October 1970.

Crop Production On December 22, 1971 the United States Department of Agriculture announced the highlights of winter wheat reported as of December 1, 1971. Seeding of winter wheat in the fall of 1971 for harvest in 1972, at 42.2 million acres was 9% (3.5 million) above the previous year and 10% (3.9 million) above two years earlier. Prospective 1972 winter wheat production at 1,291 million bushels is a record high and 11% (128 million) above the 1971 crop.

<u>Winter Wheat</u>	<u>1970</u>	<u>1971</u>	<u>1972(1)</u>
Acreage seeded for all purposes ('000) ..	38,350	38,698	42,239
Yield per seeded acre (bushel)	29.0	30.1	30.6
Production ('000 bushels)	1,110,290	1,163,420	1,291,428
Seedings as per cent of previous year ...	89.0	100.9	109.2
Harvest for grain (per cent)	86.8	85.4	89.4

(1) Indicated December 1, 1971.

AUSTRALIAN SITUATION

Wheat Supplies Lower than Previous Year

Disposition of Australian wheat supplies during the crop years (December-November) 1969-70 and 1970-71 is set out in the accompanying table. Total supplies of wheat in Australia for the 1970-71 crop year were estimated at 555.0 million bushels, a decrease of 15 % from the record 654.2 million in 1969-70. This decline reflected the effect of a slight decrease in carryover stocks, as well as a sharp drop in production. The 1970 carryover stocks, estimated at 265.1 million bushels, was little changed from the previous year's figure of 266.7 million. Production, at 289.9 million bushels, was 25 % less than the 387.5 million harvested in 1969. After deducting some 96.9 million bushels for anticipated domestic requirements, an estimated 458.1 million were available for export and for carryover during 1970-71, 19 % below the 565.9 million in 1969-70.

Exports Higher than Previous Year

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the 1970-71 Australian crop year amounted to 327.9 million bushels, 9 % more than the 300.8 million exported during 1969-70. The preliminary estimate places carryover stocks at November 28, 1971 at 130.2 million bushels, compared with 265.1 million at approximately the same date a year ago.

Australian Wheat Supplies

Item	1969-70 ^r	1970-71 ^p
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1)	266.7	265.1
Production	387.5	289.9 ^r
Total estimated domestic supplies	654.2	555.0
Less estimated domestic requirements for crop year	88.3	96.9 ^r
Available for export and for carryover	565.9	458.1
<u>Deduct</u>		
Exports of wheat as grain, December 1 — November 27 ...	282.2	311.4
Exports of wheat flour in terms of wheat, December 1 — November 27	18.6	16.5
Total exports of wheat and wheat flour	300.8	327.9
Balance on November 28 for export and for carryover	265.1	130.2

The following information relative to the Australian situation has been extracted from a report from Mr. R. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, under date of December 8, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Wheat Production in Australia 1971-72. — The current estimate of wheat production in Australia has increased marginally over the previous month to 305 million bushels and total estimated deliveries of wheat to the Australian Wheat Board have increased by about 9 million bushels to 281.3 million bushels. Good rains in New South Wales have led to the more optimistic production estimates. Approximately 17.8 million acres were sown to wheat for grain in the season 1971-72 which provides a national yield of 17.7 bushels per acre. The figures are shown in the following tables:

Estimated Acreage, Production and Deliveries of Wheat 1971-72

State	Quota	Acreage	Production	Deliveries	Average yield
	mill. bu.	mill. acres	mill. bu.	mill. bu.	bu. per acre
Queensland	38	1.4	26	24.3	18.6
New South Wales	128	6.0	83	70.0	13.8
Victoria	57	2.7	63	63.0	23.3
South Australia	40	2.6	48	44.0	18.5
Western Aust.	76	5.1	85	80.0	16.7
Totals	339	17.8	305	281.3	

Crop conditions. — Wheat receivals by the Queensland State Wheat Board now total 20.3 million bushels, leaving approximately 3 million bushels to be harvested. Total deliveries are predicted to be 24.3 million bushels of which approximately three quarters should be Prime Hard wheat. Although the harvest was recently disrupted by rain, favourable weather is expected for the remainder of the harvesting season.

The State quota of 38 million bushels will not be realized due to lack of moisture in the initial part of the season which hampered seeding operations.

New South Wales has experienced unfavourable weather throughout much of the 1971-72 wheat growing season. Approximately 83 million bushels are expected to be harvested and 70 million bushels delivered to the Australian Wheat Board, which falls short of the State quota of 128 million bushels due to reduced acreage, drought conditions and other deleterious crop conditions. As a result, quotas will not be imposed upon the 1971-72 production.

The lack of good sowing rains in autumn and early winter, plus excessive rains in late winter substantially reduced intended acreage in New South Wales. A difficult planting season was followed by dry conditions over late winter and spring, particularly during October, adversely affecting crop growth. In addition to such problems, hail, frost, root rot and stem rust were also encountered. Heavy November rains aided kernel development and assisted late sown crops showing signs of stress.

Approximately 10 % of the crop has been harvested and should be general throughout New South Wales within the next two weeks. Although precipitation was received in the past week, it is not expected to have an adverse affect on the wheat quality. Samples in the northern areas have been good with an expected harvest of 15 million bushels of Prime Hard wheat and 8 million bushels of northern hard wheat.

Wheat production is expected to reach 63 million bushels in Victoria, a substantial increase over the production of 37 million bushels in 1970-71. The increase has resulted from a 45 % increase in acreage as well as excellent growing conditions in the Wimmera. Deliveries of Victorian wheat should reach 59 million bushels exclusive of deliveries by New South Wales farmers to the Victorian grain handling system.

The expected average yield is 23.3 bushels per acre, almost a 20 % increase over the yield in 1970-71 and significantly better than the previous 10 year average of 21 bushels per acre. The Mallee is the major production area, however, lack of moisture in the latter part of the growing season reduced the yield potential and an average crop is expected. The Wimmera has had an excellent season and yields are expected to be a record 31.2 bushels per acre. Crops in the northern division are varied, although the November rain was beneficial and should produce better than average yields. Harvesting should be initiated in the Mallee in a few weeks, although the season will extend into January.

Harvesting has begun in the lower rainfall areas of the Eyre and York Peninsulas and in the Murray-Mallee districts of South Australia. Good crops are expected with a total production of 48 million bushels of which approximately 42 million bushels will be delivered. The average yield is estimated at 18 1/2 bushels per acre, which is slightly above average but less than earlier estimates. Rain and cool weather delayed harvesting, however, the heavy rains did not significantly affect the crop with harvesting expected to be general within the next few weeks.

The harvest in Western Australia is somewhat later than normal and general harvesting will not begin for another few weeks. The recent rains have not affected the cereal grain harvest and the apparent losses due to storm damage in south coastal areas appear to have been counteracted by crop improvements in areas further from the coast. The rains have also delayed the drying off of weeds in grain crops and this has tended to create a moisture problem in grain harvests.

An average crop is expected from the estimated 5.1 million acres yielding 16.7 bushels per acre. Total production should reach 85 million bushels with an expected delivery of 80 million bushels.

Record sales for Australian Wheat Board. — A new record level of wheat sales was set by the Australian Wheat Board for the 1970-71 crop year. Exports of wheat and wheat equivalent of flour and wheat products reached 331.7 million bushels as compared to the previous record of 313.3 million bushels set in 1966-67.

Preliminary figures indicate that exports of wheat reached 315.4 bushels, which is approximately 7 % higher than the record previously set in 1966-67, however, exports of flour and wheat products at 16.3 million bushels were slightly less in 1970-71 than in previous years. The preliminary domestic consumption figure is 61.3 million bushels giving a total disposal of 393 million bushels in 1970-71. The previous record achieved in 1966-67 was 375.4 million bushels.

The major market for Australian wheat in 1970-71 was U.A.R. which accounted for 19.6 % of total exports. Shipments to the U.K. continued at a high level taking 18.4 % of total wheat exports followed closely by Japan with 12.4 %. Other major markets for Australian wheat were Iran, Iraq, Malaysia and Singapore taking 7.6 %, 5.5 %, 3.6 % and 3.6 % of total wheat shipments respectively.

A rough breakdown of the sales on a regional basis is provided below:

Wheat Shipments

Region	1970-71 Season preliminary	1969-70 Season
	per cent	
West Europe	18.0	18.5
East Europe	3.8	0.3
Middle East	16.9	6.5
Africa	25.1	10.5
Asia/Pacific Area	31.0	61.6
Latin America	5.2	2.4

Dr. Callaghan gave the following principal reasons for the 1970-71 record export performance:

Good sales of FAQ wheat in the early months of the year as feed wheat at milling wheat prices. This was due to increased prices of coarse grains following blight damage to the U.S.A. corn crop. Good sales of off-grade wheat for feed were also made.

Very little competition from France and Argentina, due to lower crops in those countries.

Drought in the Middle East for the second year in succession.

A shipping strike on the west coast of U.S.A. for more than three months.

Re-emergence of U.S.S.R. as a market for Australian wheat.

Ability to meet market requirements by special selection of FAQ wheats at high and low protein levels.

Satisfactory relations and goodwill established with customers.

It was noted that the lack of adequate supplies of Prime Hard and Hard wheat hampered the Board's selling activities in 1970-71. Supplies are larger for the 1971-72 season but not at a satisfactory level as far as the industry is concerned.

The carryover at December 1, 1971 is estimated at 126.2 million bushels. The Australian Wheat Board's present estimate of wheat deliveries is some 281.3 million bushels giving approximately 408 million bushels to market during the 1971-72 season. Forward export sales have already been made to the value of \$A96 million (Cdn \$112 million). Dr. Callaghan stated that he did not anticipate sales performance in 1971-72 to equal that of 1970-71.

Price structure of wheat in 1971-72. — The Commonwealth Government has announced the guaranteed and home consumption price of wheat for the 1971-72 pool. The home consumption price has been increased by A4 cents (Cdn. 5 cents) per bushel bringing the price of FAQ wheat sold in Australia for human consumption to \$A1.78 (\$2.08) per bushel as from December 1, 1971.

The Wheat Stabilization Plan for the years 1968-69 to 1972-73 was enacted by the Commonwealth and States at the end of 1968. Under the plan, the Commonwealth Government undertakes to guarantee the price of a given quantity of wheat exported each year. In the first year of the plan the guaranteed price for FAQ wheat was set at \$A1.45 (\$1.69) per bushel for 200 million bushels.

Under the scheme, farmers would contribute to a stabilization fund when the returns from export sales were greater than the sum of the guaranteed price plus A5 cents (6 cents) per bushel. However, the stabilization fund has been exhausted since the Fifth plan was initiated and the annual deficiency has been covered by Commonwealth funds.

The guaranteed base price was not to be related to the cost of production but at a level consistent with world trading conditions and prospects. However, the guaranteed price is adjusted each year in accordance with changes in the prices of farmers cash costs, interest paid and costs associated with transport, handling and storage of wheat after delivery to the Australian Wheat Board. The guaranteed return has been adjusted in each of the subsequent years according to the movement in these cash crops as calculated by indices.

The home consumption price was set appreciably greater than the guaranteed price, with subsequent adjustments by the same monetary amount as the guaranteed price adjustments, exclusive of transportation costs to Tasmania. Initially the home consumption price was applicable to all domestic sales of wheat, however, amending legislation in 1969 gave the Australian Wheat Board discretionary power in the 1969-70 season to sell wheat domestically for purposes other than human consumption at prices below that of the home consumption price, but not less than the guaranteed price.

The Commonwealth Government has announced the guaranteed price and home consumption price of wheat for the 1971-72 pool. The guaranteed price applying to 200 million bushels of exports from the pool will rise A4.3 cents (5 cents) per bushel to \$A1.51 (\$1.76) per bushel for bulk FAQ wheat on a f.o.b. basis. As the domestic price for wheat is adjusted by the same amount as the guaranteed price, plus the cost of shipping wheat to Tasmania, home consumption price for FAQ wheat f.o.r. ports will be \$A1.78 (\$2.08) per bushel. Wheat for stockfeed will have a basic price of \$A1.60 (\$1.87) per bushel. However, any purchaser who undertakes to buy the whole of his wheat requirements from the Board for the year will be able to obtain supplies at \$A1.49 (\$1.74) per bushel. Wheat for the manufacture of flour for industrial use will be priced at \$A1.49 (\$1.74) per bushel, as will the bran and pollard components of milled wheats. Increases in wages, rail freight rates, fuel, parts and repairs have been responsible for the upward trend in the price.

Presumably the increase in guaranteed price will require additional funds by the Commonwealth Government to meet obligations under the stabilization plan. The increase will probably require \$A34 million — \$A44 million (\$40 million — \$51 million) from the Treasury in the 1971-72 season. Previously the Commonwealth contribution to the wheat stabilization fund ranged from \$A1.9 million (\$2.2 million) in 1963-64 to \$A42.9 million (\$50 million) in 1968-69. Contributions in the Fifth stabilization scheme were \$A29 million (\$34 million) in 1968-69 and \$A27.2 million (\$32 million) in 1969-70.

Third payment on 1968-69 Wheat Pool. — A total payment of \$A19.6 million (Cdn. \$23 million) was made to growers who delivered wheat to the 1968-69 pool in November. The payment will be at a rate of A3.725 cents (4.346 cents Cdn.) per bushel for bulk wheat except in Western Australia where the bulk wheat rate will be A3.885 cents (4.533 cents) per bushel. The higher rate in Western Australia is related to the natural freight advantage enjoyed by Western Australia due to the proximity to overseas markets for wheat.

The contribution of the third advances will increase gross payments on wheat delivered to the 1968-69 wheat pool to \$A1.23725 (\$1.4435) per bushel for bulk wheat in all States except Western Australia where it now stands at \$A1.23885 cents (\$1.44537) per bushel for bulk wheat. Total disbursements to growers for the 1968-69 pool is now \$A547.7 million (\$639 million) after deduction of rail freight.

The final price for wheat per bushel for 1965-66, 1966-67 and 1967-68 was \$A1.41, \$A1.42 and \$A1.47 (\$1.65, \$1.66 and \$1.72), respectively. The average export return in those same areas was \$A1.409, \$A1.447 and \$A1.354 (\$1.64, \$1.69 and \$1.58) per bushel. It is estimated that the average export return in 1968-69 and 1969-70 will be \$A1.254 and \$A1.30 (\$1.46 and \$1.52) per bushel, respectively.

Australian Wheat Board delegation to China. — An Australian Wheat Board delegation was invited to attend the Canton Trade Fair at the invitation of the China National Cereals, Oils and Foodstuffs Import and Export Corporation. The delegation comprising Mr. E. Fleger, Mr. T. Saint, grower representatives of Queensland and South Australia respectively and Mr. J.H. Williams, Deputy General Manager of the Board, was in China for approximately ten days. On their return it was stated that no business was concluded although both parties agreed to keep in touch with a view to negotiations at a later date. It was indicated that the delegation was unable to reach an agreement on the price of wheat.

Quotas. — The wheat quotas for the 1972-73 season will probably increase by 5-10%. A high level of export shipments in 1970-71 and poor climatic conditions in Australia, leading to a reduced harvest, will possibly decrease carryover at the end of 1972 to 100 million bushels or less. These forecasts exclude the China case market and such sales will probably not be culminated in the 1972 crop year in view of recent negotiations.

The level of the State quotas will be complicated by quota shortfalls in Queensland and New South Wales, an increased attempt to grow wheat for particular markets and a desire to bring annual carryover to a quantity in the vicinity of 200 million bushels. Although the industry has been optimistic in obtaining a quota increase, the Government statements have indicated that there is little reason for such optimism.

A significant change being introduced to the Victorian wheat system is that of negotiable quotas. Transfers will be approved by the State Wheat Quota Committee and an upper limit is likely to be imposed on the aggregation of such transfers, which may be on an annual basis.

New South Wales wheat growers have the opportunity to sell and purchase quotas on a permanent basis only. Few transactions have taken place, presumably from the lack of information and the permanence of the transaction.

Other States have been contemplating the introduction of negotiable quotas, but little progress has been made. Farmer and farm organization opposition to such a move has been strong albeit lacking in rationale. Fear of large properties amalgamating huge quotas and removing the means of small farmers to earn a living, is paramount even though it can be easily controlled. In some cases, lip service is paid to the principle of the idea but discarded in practice as the actual problems involved in creating such a market for quotas are considered insurmountable rather than examining methods by which the goal can be attained.

ARGENTINE SITUATION

Wheat Supplies
Below Previous Year

Disposition of Argentine wheat for the crop years (December-November) 1969-70 and 1970-71 appears in the accompanying table. Total supplies of wheat in Argentina for the 1970-71 crop year were estimated at some 183.7 million bushels, 33 % less than the previous year's level of 273.5 million. Reflecting a substantial decrease in production which more than offset a sharp increase in carryover stocks. The 1970 production, at 156.2 million bushels, was 39 % smaller than the 257.9 million of the previous year, while the December 1, 1970 carryover stocks, at 27.5 million registered a gain of 76 % over the 15.6 million at the same date in 1969. After making an allowance of 140.0 million bushels for anticipated domestic requirements, an estimated 43.7 million were available for export and for carryover as against 116.7 million in 1969-70.

Exports Decline
from Last Year

Exports of wheat and wheat flour in terms of wheat equivalent during the 1970-71 crop year amounted to 36.5 million bushels, some 59 % less than the 89.2 million exported in the 1969-70 crop year. The preliminary estimate places carryover stocks at December 1, 1971 at 7.2 million bushels, in sharp contrast to the December 1, 1970 figure of 27.5 million.

Argentine Wheat Supplies

Item	1969-70 ^r	1970-71 ^p
	million bushels	
Carryover at beginning of crop year (December 1) (1)	15.6	27.5
Production	257.9	156.2
Total estimated domestic supplies	273.5	183.7
Imports, December — November
Total estimated supplies	273.5	183.7
Less estimated requirements for crop year	156.8	140.0 ^r
Available for export and for carryover	116.7	43.7
<u>Deduct</u>		
Exports of wheat as grain, December — November ...	83.9	31.0
Exports of wheat flour in terms of wheat, December — November	5.3	5.4
Total exports of wheat and wheat flour	89.2	36.5
Balance on December 1 for export and for carryover	27.5	7.2

(1) Includes allowances for farm stocks.

The following account of the Argentine situation has been extracted from a report from Mr. H.G. Fairfield Assistant Commercial Secretary (Agriculture) Buenos Aires, under date of December 7, 1971 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 reader.

Exchange rate: U\$S 1.00 = 5.00 pesos (commercial market)
U\$S 1.00 = 7.50/8.00 approximately (financial market)

Weather and crops. — The official estimate of the production of wheat for the crop year 1971-72 has been delayed. Towards the end of November the south western portion of the wheat area was hit by hot dry weather. Winds up to 60 mph, with temperatures of 90°F and 9 % humidity, were reported. Prior to these weather conditions, unofficial estimates of wheat production by the trade and members of the Junta Nacional de Granos were optimistically established at 6.5 million tons (238.8 million bushels). Estimates have now dropped to around 5.5 million tons (202.1 million bushels) and it is believed that good weather will not be able to reverse the situation.

With stocks almost exhausted and a domestic disappearance of approximately 4.25 million tons (156.2 million bushels), including 150,000 tons (5.5 million bushels) milled for export, 1.25 million tons (45.9 million bushels) will be available for export. Traditional durum exports run at approximately 500,000 tons (18.4 million bushels). Therefore only 750,000 tons (27.6 million bushels) of bread wheat will be available for export.

This has been a serious blow not only to wheat producers but to the country in general. Argentina as a result of low grain and beef exports and increased imports has encountered a serious balance of payments problem this year. The prospects of a 6.5 million tons (238.8 million bushels) wheat crop would have helped considerably to alleviate this problem in the coming year.

The recent wheat agreement between Brazil and Argentina calls for the sale of a minimum of 150,000 tons (5.5 million bushels) per quarter. On December 6, it was announced that 200,000 tons (7.3 million bushels) were sold to Brazil for delivery between January and March 1972 at a price of \$64.70 U.S. per ton.

General. — Argentina has recently initiated a two level market for pesos.

Originally under the new system receipts from exports, and foreign currency for import payments still had to be changed on the commercial market, while foreign currency could be purchased on the financial market only for such things as travel. On the other side of the coin, only holders of foreign currency could legally exchange on the financial market.

However, since October 25 exporters of traditional and non-traditional products have been allowed to change 20 % and 40 %, respectively, of their export earnings on the financial market. Grain, subproducts and derivatives fall into the former category. The net result for this category has been the same as a 13 % devaluation of the peso.

On November 30 hard wheat and durum prices closed at 25.00 pesos per 100 kilos (\$1.36 U.S.) f.o.r. Buenos Aires and Bahia Blanca. On the Futures Market hard wheat was quoted at 25.40 pesos per 100 kilos (\$1.38 U.S.) f.o.r. Buenos Aires for February delivery, 24.40 (\$1.38) for February and 26.50 (\$1.44) for March.

Argentine Wheat Exports December - September 1970-71 and 1969-70

Destination	September		December - September	
	1970	1971	1969-70	1970-71
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	-	-	911	-
France	-	-	601	244
Germany, West	-	-	276	26
Italy	267	202	21,183	11,365
Netherlands	-	-	986	259
Sub-totals	267	202	23,957	11,894
Other Western Europe:				
Britain	-	-	474	-
Portugal	-	-	798	-
Spain	-	-	-	448
Sub-totals	-	-	1,272	448
Totals	267	202	25,229	12,342
<u>Africa</u>				
Algeria	-	-	537	-
Libya	-	212	580	1,121
Totals	-	212	1,117	1,121
<u>Asia</u>				
India	-	-	2,022	-
Lebanon	-	-	287	261
Syria	-	-	-	1,533
Totals	-	-	2,309	1,794
<u>Western Hemisphere</u>				
Bolivia	-	-	-	18
Brazil	5,414	-	30,866	4,354
Chile	694	-	3,581	2,730
Paraguay	414	-	1,843	142
Peru	-	-	5,475	319
Totals	6,522	-	41,767	7,563
Totals, all countries ...	6,789	414	70,417	22,818

FRENCH SITUATION

The following account of the cereals situation in France has been extracted from a report from Mr. G.W. Doucet, Agricultural Secretary, Canadian Embassy, Paris, under date of December 17, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Storage Capacity
for Cereals

In the last seven years storage capacity for cereals in France has more than doubled, now being at a level of 14 million tons compared with 7 million tons in 1964.

The number of silos has decreased by 5%, but the average capacity of these has more than doubled. Carryover facilities now stand at 2.3 million tons. Storage facilities for the milling, semolina and animal feed industries have increased slightly to 1.8 million tons.

CALENDAR OF WHEAT EVENTS

- October 19 According to a release from the Canadian Wheat Board, prairie farmers will receive an additional 10.6 cents per bushel for wheat delivered during the 1969-70 crop year.
- December 7 A report released from Mr. H.G. Fairfield, Assistant Commercial Secretary (Agriculture) Buenos Aires, stated that the official estimate of the production of wheat in Argentina for the crop year 1971-72 has been delayed. Towards the end of November the south western portion of the wheat area was hit by hot dry weather. Winds were up to 60 mph, with temperatures of 90°F and 9% humidity. Prior to these weather conditions, unofficial estimates of wheat production by the trade and members of the Junta Nacional de Granos were optimistically established at 6.5 million tons (238.8 million bushels). Estimates have now dropped to around 5.5 million tons (202.1 million bushels) and it is believed that good weather will not be able to reverse the situation.
- 8 According to a report received from Mr. R.A. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, the current estimate of wheat production in Australia for 1971-72 has increased marginally over the previous month to 305 million bushels and total estimated deliveries of wheat to the Australian Wheat Board have increased by about 9 million bushels to 281.3 million bushels. Good rains in New South Wales have led to the more optimistic production estimates. Approximately 17.8 million acres were sown to wheat for grain in the season 1971-72 which provides a national yield of 17.7 bushels per acre.
- 18 The Canadian Wheat Board announced the largest single sale of wheat ever made to the People's Republic of China for a one-year period. The sales contract, involving 3,000,000 long tons of wheat, was concluded in Peking on December 17, 1971 between representatives of the Canadian Wheat Board and the China National Cereals, Oils and Foodstuffs Import and Export Corporation.

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



1010687073