

The wheat review

FEBRUARY 1972



STATISTICS CANADA

Agriculture Division

Crops Section

THE WHEAT REVIEW

FEBRUARY 1972

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

March 1972
5502-502

Price: 30 cents
\$3.00 a year

Vol. 42—No. 7

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Information Canada
Ottawa

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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.

Due to rounding, the sums of individual items
may not agree exactly with the totals.

WORLD WHEAT SITUATION

Total Exports Down from Previous Year

At the halfway mark of the current Canadian crop year shipments of wheat (including flour in terms of wheat) from the four traditional major exporters amounted to 741.9 million bushels, 8 per cent below the previous year's total of 809.0 million exported during the same six months in 1970-71 but 6 per cent above the ten-year (1960-61 - 1969-70) August-January average of 697.0 million. Based on the Canadian crop year, Canada and Australia registered increases while United States and Argentina declined from last year's levels.

Shipments from the four traditional major wheat exporters during August 1971-January 1972, with comparisons, appear in the accompanying table.

Exports of Wheat and Flour in Terms of Wheat, August 1971 - January 1972 with Comparisons

August - January	Canada	Australia	United States	Argentina	Total	France
			million bushels			
1950-51	104.7	61.5	121.5	33.7	321.4	
1951-52	154.9	50.1	234.1	23.1	462.2	
1952-53	190.3	40.8	168.7	1.1	400.9	
1953-54	138.7	30.2	94.8	60.8	324.5	
1954-55	134.9	45.4	126.2	66.4	372.9	
1955-56	117.8	42.5	119.5	63.3	343.1	
1956-57	145.4	74.5	252.7	45.9	518.5	
1957-58	151.3	39.7	196.1	40.2	427.3	
1958-59	144.2	33.3	220.6	45.0	443.1	
1959-60	150.1	57.8	207.5	25.2	440.6	
1960-61	153.5	66.5	306.9	41.3	568.2	
1961-62	193.9	110.4	357.1	21.8	683.2	
1962-63	167.6	58.5	250.0	28.9	505.0	
1963-64	292.8	128.0	402.0	34.8	857.6	
1964-65	217.8	86.5	354.2	67.6	726.1	
1965-66	304.3	103.5	380.6	139.2	927.6	
1966-67	291.6	107.2	414.2	42.1	855.1	
1967-68	131.3	150.9	401.2 ^r	15.1	698.5 ^r	
1968-69	157.9	92.4	265.4	47.8	563.5	84.1
1969-70 ^r	137.2	132.5	282.8	32.8	585.3	120.3
1970-71 ^r	207.8	173.3	390.4	37.5	809.0	60.6
1971-72 ^p	273.2	174.6	276.1	18.0	741.9	76.5(1)

(1) August - November only.

Supplies Below Last Year's Level

Supplies of wheat held by the four traditional major exporters at February 1, 1972 for export and for carryover at the end of their respective crop years amounted to 2,395.0 million bushels, a decrease of some 2 per cent from the 2,439.3 million at the same date a year ago. This decrease reflected lower supplies in Canada and Australia which more than offset increases in United States and Argentina. Supplies at February 1, 1972, in millions of bushels, were held as follows, with last year's comparable figures in brackets: Canada, 834.7 (968.6); Australia, 291.9 (409.0); United States, 1,216.7 (1,026.8); and Argentina, 51.7 (34.9).

Exports of Wheat and Flour in Terms of Wheat, August 1971 — January 1972
with Comparisons

August-January	Canada	Australia	United States	Argentina	Total	France
thousand metric tons						
1950-51	2,849	1,674	3,307	917	8,747	
1951-52	4,216	1,364	6,371	629	12,579	
1952-53	5,179	1,110	4,591	30	10,911	
1953-54	3,775	882	2,580	1,655	8,832	
1954-55	3,671	1,236	3,435	1,807	10,149	
1955-56	3,206	1,157	3,252	1,723	9,338	
1956-57	3,957	2,028	6,877	1,249	14,111	
1957-58	4,118	1,080	5,337	1,094	11,629	
1958-59	3,925	906	6,004	1,225	12,059	
1959-60	4,085	1,573	5,647	686	11,991	
1960-61	4,178	1,810	8,353	1,124	15,464	
1961-62	5,277	3,005	9,719	593	18,594	
1962-63	4,561	1,592	6,804	787	13,744	
1963-64	7,969	3,484	10,941	947	23,340	
1964-65	5,928	2,354	9,640	1,840	19,761	
1965-66	8,282	2,817	10,358	3,788	25,245	
1966-67	7,936	2,918	11,273	1,146	23,272	
1967-68	3,573	4,107	10,919	411	19,010	
1968-69	4,297	2,515	7,223	1,301	15,336	2,289
1969-70	3,734	3,606	7,697	893	15,929	3,274
1970-71 ^r	5,655	4,717	10,625	1,021	22,018	1,649
1971-72 ^p	7,435	4,752	7,514	490	20,191	2,082(1)

(1) August — November only.

World Production of
Wheat a Record,
Rye Gains Sharply,
in 1971

According to the January 1972 issue of "World Agricultural Production and Trade" published by the United States Department of Agriculture, Foreign Agricultural Service, world wheat production in 1971 is estimated at a record 313 million metric tons, 9 per cent above the 1970 harvest, on the basis of information available to the Foreign Agricultural Service. The current estimate is 2 per cent above the previous record of 1968. World wheat area gained 3 per cent in 1971 while yield rose 6 per cent.

North American wheat production totalled 60.9 million tons, for a 25 per cent gain. Canadian production at 14.3 million tons was 58 per cent above 1970, a year in which area was halved under special government programs. The United States harvested a record 44.6 million tons of wheat in 1971, up 20 per cent for the year and 4 per cent above the previous high in 1968. Harvested area was up 10 per cent and yield 9 per cent. Mexican wheat production at 1.95 million tons was down 11 per cent on reduced area. The South American wheat crop is estimated at a near-average 9.0 million tons, 13 per cent above 1970. The Argentine harvest is estimated at 5.2 million tons, 22 per cent above the previous poor crop, but still below average. The Brazilian crop is estimated 15 per cent higher at 2.0 million tons.

West European wheat production, totalling 50.7 million tons, was 16 per cent above the 1970 outturn. The EC harvest at 34.2 million tons was also 16 per cent higher. France, Italy, West Germany, and the United Kingdom all had record crops with exceptional yields. The East European wheat crop is estimated at 29.1 million tons, up 27 per cent. Most countries of the region showed good recovery from poor performance in 1970. East Germany and Czechoslovakia were exceptions with slightly smaller harvests.

The 1971 wheat crop in the Soviet Union is estimated at 75 million tons, down from 80 million, with small reductions in area and yield. The African wheat harvest is estimated at 7.8 million tons, up 7 per cent. Good crops in Morocco and South Africa provided the principal change. Asian wheat production is estimated at 71.8 million tons, 4 per cent above the 1970 crop. India and Turkey had record harvests. On the other hand, crops in the intermediate countries of Iraq, Iran, Afghanistan and Pakistan were reduced by drought. Australia's 1971 wheat crop is estimated at 8.3 million tons, up 6 per cent, on somewhat larger area.

World production of rye in 1971 is estimated at 30.5 million tons, 19 per cent above 1970 and the largest crop since 1968. Improved yields accounted for most of the increase.

North American rye production, at 1.9 million tons, was 24 per cent above that of the previous year. The Canadian crop was 10 per cent higher at 629,000 tons. The United States produced 1.3 million tons of rye in 1971, 31 per cent above 1970 and the largest crop since 1942.

Western Europe harvested 5.2 million tons of rye in 1971, up 13 per cent for the year but equal to the 1965-69 average. The West German crop, at 3.0 million tons, gained 14 per cent on good yield. East European rye production is estimated at 11.2 million tons, 46 per cent above the poor outturn in 1970. The Polish crop is estimated at 8.7 million tons, up 60 per cent under much improved growing conditions.

The Soviet rye crop is estimated at 11 million tons, the same level as in 1970. Turkish production is estimated at 900,000 tons, up from 680,000 in 1970.

CANADIAN SITUATION

Supplies Decrease Reflecting a decline in carryover stocks which more than offset a sharp increase in production, total estimated supplies of wheat for the 1971-72 (August-July) crop year are placed at 1,264.9 million bushels consisting of the August 1 carryover of 741.2 million and the 1971 crop, estimated at 523.7 million bushels. Supplies of the size indicated represent a decrease of 6 per cent from the 1970-71 total of 1,340.2 million. 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 1,107.9 million bushels, 6 per cent less than the 1,176.4 million in 1970-71.

Exports Above Previous Year Exports of wheat and flour in terms of wheat equivalent amounted to 273.2 million bushels during the first half of the current crop year sharply above the previous year's corresponding total of 207.8 million and the ten-year (1960-61-1969-70) average for the period of 204.8 million bushels. This year's exports consisted of 259.0 million bushels of wheat in bulk,

573 thousand of seed and 13.6 million of flour in terms of wheat. During the comparable period last year these figures were 194.6 million of wheat in bulk, 424 thousand of seed and 12.8 million of flour in wheat equivalent. The balance remaining on February 1, 1972 for export and for carryover amounted to 834.7 million bushels, 14 per cent below the February 1, 1971 total of 968.6 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	741.2
Production	331.5	523.7
Total estimated supplies	1,340.2	1,264.9
Less estimated domestic requirements for crop year	163.8	157.0
Available for export and for carryover	1,176.4	1,107.9
<u>Deduct</u>		
Exports of wheat in bulk, August-January(1)	194.6	259.0
Exports of seed wheat, August-January(2)	0.4	0.6
Total exports of wheat as grain	195.0	259.6
Exports of wheat flour in terms of wheat, August - January(2)	12.8	13.6
Total exports of wheat and wheat flour	207.8	273.2
Balance on February 1 for export and for carryover	968.6	834.7

(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 February 9 of the current crop year have amounted to 282.3 million bushels in contrast to 150.9

million marketed during the same period of the previous year. Some 15.0 million bushels of this year's total were delivered during the four weeks January 13 to February 9, 1972. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 25.9 million bushels. As a result, the total visible supply of Canadian wheat decreased from 313.1 million at January 12, 1972 to a level of 302.9 million at February 9, 1972.

The total visible supply of Canadian wheat at February 9 this year represented a decrease of 16 per cent from the 1971 comparable total of 359.7 million and was 28 per cent less than the 1970 figure of 418.8 million. Country elevator stocks, amounting to 173.9 million bushels, were 15 per cent below the 1971 comparable total of 205.7 million and 31 per cent down from the 253.6 million of two years ago. Wheat stocks at interior terminals at February 9, 1972, totalled 6.2 million bushels, slightly lower than the 8.6 million of a year ago and nearly half the 12.3 million of two years ago. The 20.0 million bushels "in transit rail" (western division)

were little changed from the 1971 figure of 20.4 million but 12 per cent above the 17.8 million of 1970. Supplies at the Lakehead, totalling some 28.5 million bushels, were 36 per cent and 15 per cent less than the 44.7 million at February 10, 1971 and the 33.7 million at February 11, 1970. The 15.8 million bushels "in storage afloat" were also lower than both the 18.5 million in this position in 1971 and the 17.9 million at the same date in 1970. The 21.8 million bushels in Bay, Lake and Upper St. Lawrence ports were below both the 24.1 million of a year ago and the 29.2 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at February 9, 1972 at 24.8 million bushels, registered an increase of 16 per cent over the comparable 1971 figure of 21.5 million but decreased by 23 per cent from the 32.1 million of 1970. The 3.4 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were smaller than the 5.6 million at February 10, 1971 and sharply less than the 11.7 million at February 11, 1970.

January 1972 Exports
of Wheat and Flour Total
23.1 Million Bushels

Combined exports of wheat in bulk, seed wheat and wheat flour in terms of grain equivalent, during January 1972 amounted to 23.1 million bushels, 34 per cent below the 35.0 million of the previous month and 6 per cent lower than the 10-year (1961-70) average for the month of January of 24.6 million but 7 per cent above the January 1971 figure of 21.6 million bushels. Exports of wheat in bulk (as reported by the Canadian Grain Commission) during January 1972 totalled 21.6 million bushels, 33 per cent less than the December 1971 total of 32.0 million and little changed from the 10-year average of 21.8 million but registered an increase of 15 per cent over the January 1971 total of 18.9 million. It is estimated that the equivalent of 1.4 million bushels of wheat was exported in the form of flour during January 1972, some 51 per cent below the previous month's figure of 2.9 million, 48 per cent less than the adjusted total of 2.7 million of January 1971 and 46 per cent smaller than the 10-year average of 2.6 million bushels.

Cumulative exports of wheat in bulk during the August-January period of the current crop year amounted to 259.0 million bushels, 33 per cent and 38 per cent, respectively, above both the 194.6 million exported during the first six months of 1970-71 and the 10-year average for the period of 187.5 million. U.S.S.R. (Russia) was the leading market for wheat in bulk during the first half of the current crop year with shipments to that country amounting to 65.4 million, in sharp contrast to only 4.4 million the previous year. The People's Republic of China was the second largest importer with 46.7 million as against 26.3 million during the comparable period of 1970-71. Other leading markets for Canadian wheat during the first six months of the current crop year with figures for the same period of the preceding crop year in brackets, were as follows, in millions of bushels: Japan, 26.7 (18.4); India, 22.9 (17.1); Britain, 22.6 (28.3); Brazil, 10.3 (11.1); Italy, 8.2 (5.7); the Netherlands, 7.4 (3.0); Germany West, 6.5 (15.6); Algeria, 5.9 (6.8); and Syria, 5.8 (7.2). Cumulative exports of seed wheat during August-January of the current crop year, based on Canadian Customs returns, amounted to 573 thousand bushels compared with last year's August-January total (adjusted to remove time lag) of 424 thousand.

Cumulative exports of wheat flour during the first half of the 1971-72 crop year, based on Customs returns, were the equivalent of 13.6 million bushels of wheat, 6 per cent above the adjusted August-January 1970-71 total of 12.8 million but 17 per cent lower than the 10-year average for the period of 16.4 million.

Exports of wheat flour by countries for August-January 1971-72 based on Customs data, are not available at this time.

Final Payment
on 1970-71 Wheat
Announced

The Canadian Wheat Board announced on February 11, 1972 that a final payment involving the distribution of \$74.4 million will be made on wheat delivered by producers during the 1970-71 crop year.

The payment, averaging 19.64 cents per bushel, is in addition to the initial price received by producers when delivering wheat to country elevators. The total payment represents the net proceeds from the sale of wheat by the Wheat Board in Canadian and overseas markets after funds received under the Temporary Wheat Reserves Act have been taken into account.

G.N. Vogel, Chief Commissioner of the Canadian Wheat Board, said the final payment for the 1970-71 crop year reflected the temporary upsurge in international wheat prices which occurred primarily as a result of the serious blight infection in the 1970 U.S. corn crop.

"Producers should be aware, however, that international wheat prices have undergone a serious decline in recent months and export prices at present are well below the levels obtained in the last crop year," Mr. Vogel said.

The present wheat payment will be based on a total of 379 million bushels of wheat delivered by producers in the 1970-71 crop year. Mailing of the 213,777 cheques to producers receiving the payment will begin next week.

The total payment each producer receives depends on the quantity and grade of wheat he delivered during the crop year. The rate of payment for the main grades together with the initial payment, basis Thunder Bay, is shown in the following table. The Wheat Board also announced that it will not be possible to make a final payment on 1970-71 barley deliveries. The 1970-71 pool account for barley showed a deficit of \$10.9 million.

<u>Grade</u>	<u>Initial</u> <u>payment</u> dollar return per bushel	<u>Final</u> <u>payment</u> cents	<u>Producer price in store at</u> <u>Thunder Bay or Vancouver</u> dollars
Red Spring Wheat Grades:			
No. 1 Manitoba Northern	1.50	17.055	1.67055
No. 2 Manitoba Northern	1.46	19.055	1.65055
No. 3 Manitoba Northern	1.41	19.055	1.60055
No. 4 Manitoba Northern	1.33	24.055	1.57055
No. 5 Wheat	1.19	28.901	1.47901
No. 6 Wheat	1.15	30.901	1.45901
Feed Wheat	1.10	30.901	1.40901
Amber Durum Grades:			
No. 1 C.W. Amber Durum	1.50	15.055	1.65055
No. 2 C.W. Amber Durum	1.46	16.055	1.62055
No. 3 C.W. Amber Durum	1.41	12.055	1.53055
Extra No. 4 C.W. Amber Durum .	1.41	14.055	1.55055
No. 4 C.W. Amber Durum	1.33	16.055	1.49055
No. 5 C.W. Amber Durum	1.19	26.901	1.45901
No. 6 C.W. Amber Durum	1.15	25.901	1.40901

Advances Issued Under the Prairie
Grain Advance Payments Act

Advances issued August 1, 1971 to February 25, 1972	
33,706 advances totalling	\$67,684,042
Outstanding advances on February 25, 1972	
Issued in 1971-72	21,610,233
Issued in 1970-71 and prior	<u>12,147,216</u>
Total outstanding advances	\$33,757,449

General Quotas 1971-72 as at Monday, February 7, 1972

	bushels per quota acre			
	<u>A</u>	<u>B</u>	<u>C</u>	
Hercules Durum	5	5	—	All blocks
Soft White Springs	—	5	5	All blocks
Alberta Red Winter	—	2	—	All blocks
Rye	20	—	—	All blocks
Flaxseed	10	—	—	All blocks
Rapeseed	15(1)	—	—	All blocks
(1) 7 bushels per quota acre — Leading quota to rapeseed crushers only in all blocks.				

Special Quotas as at Monday, February 7, 1972

Pitic 62	1 carlot (50 assigned acres)	All blocks
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	40 bushels per assigned acre	
Flaxseed for processors	25 bushels per assigned acre	
Rapeseed (low erucic acid)	15 bushels per assigned acre	All blocks
Rapeseed for crushers	20 bushels per assigned acre	
Two-row barley and six-row barley (Olli variety)	Extended to a third carlot per assigned acre	All blocks

General Quotas 1971-72 as at Monday, Feb. 7, 1972 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	—		5	5	3		—	5	5
03	Winnipeg S.	—	2	—		5	5	3		—	5	5
05	Winnipeg W.....	—	2	—		5	5	3		—	5	5
07	Brandon N.	—	2	—		5	5	3		—	5	5
09	Brandon W.	—	2	—		5	5	3		—	5	5
11	Melville	—	2	2(2)		5	5	3		—	5	5
13	Dauphin	—	2	—		5	5	3		—	5	5
15	Kamsack	—	2	—		5	5	3		—	5	5
17	Saskatoon M. ...	—	2	2(2)		5	5	3		—	5	—
19	Saskatoon S. ...	—	2	2(1)		5	5	3		—	5	—
21	Saskatoon W. ...	—	2	2(1)		5	5	3		—	5	—
23	Pr. Albert E. ..	—	2	2(2)		5	5	3		—	5	5
25	Pr. Albert S. ..	—	2	2(1)		5	5	3		—	5	5
27	Pr. Albert M. ..	—	2	2(1)		5	5	3		—	5	5
29	Pr. Albert W. ..	—	2	2(1)		5	5	3		—	5	5
31	Regina N.	—	2	2(2)		5	5	3		—	5	5
33	Regina S.	—	2	2(2)		5	5	3		—	5	5
35	Regina W.	—	2	2(2)		5	5	3		—	5	5
37	Biggar N.	—	2	2(1)		5	5	3		—	5	5
39	Biggar W.	—	2	2(1)		5	5	3		—	5	—
41	Edmonton N.	2	2	2(1)		5	5	3		5	5	5
43	Edmonton S.	—	2	2(1)		5	5	3		5	5	5
45	Edmonton W.	—	2	2(1)		5	5	3		5	5	5
47	Hanna S.	2	2	2(1)		5	5	3		—	5	—
49	Hanna W.	—	2	2(1)		5	5	3		5	5	5
90	N.A.R. West	2	2	—		5	5	3		5	5	—
98	G.S.L.	2	2	—		5	5	3		5	5	—

(1) The "C" Quota is for wheat grading No. 4 Manitoba Northern & Higher.

(2) The "C" Quota is for wheat grading No. 1 C.W. Red Spring Wheat only.

General Quotas 1971-72 as at Monday, Feb. 7, 1972, 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	—		5	5	3		—	5	5
62	La Riviere	—	2	—		5	5	3		—	5	5
63	Carberry	—	2	—		5	5	3		—	5	5
64	Brandon	—	2	2(2)		5	5	3		—	5	5
71	Weyburn	—	2	—		5	5	3		—	5	5
72	Pasqua	—	2	2(2)		5	5	3		—	5	5
73	Bulyea	—	2	2(2)		5	5	3		—	5	—
74	Bredenbury	—	2	2(2)		5	5	3		—	5	5
75	Saskatoon	—	2	2(2)		5	5	3		—	5	5
76	Wilkie	—	2	2(1)		5	5	3		—	5	5
77	Assiniboia	2	2	2(1)		5	5	3		—	5	—
78	Swift Current .	—	2	2(1)		5	5	3		—	5	—
79	Outlook	—	2	2(1)		5	5	3		—	5	—
81	Medicine Hat ..	2	2	—		5	5	3		—	5	—
82	Brooks	2	2	2(1)		5	5	3		5	5	5
83	Lethbridge	2	2	2(1)		5	5	3		5	5	5
84	Vulcan	2	2	2(1)		5	5	3		5	5	5
85	Calgary	—	2	2(1)		5	5	3		5	5	5
86	Red Deer	2	2	2(1)		5	5	3		5	5	5
87	Edmonton	2	2	2(1)		5	5	3		5	5	5
95	N.A.R. East ...	—	2	2(1)		5	5	3		5	5	5
	B.C. Stations .	2	2	2(1)		5	5	3		5	5	5

(1) The "C" Quota is for wheat grading No. 4 Manitoba Northern & Higher.

(2) The "C" Quota is for wheat grading No. 1 C.W. Red Spring Wheat only.

Farmers Deliveries of wheat from farms in the Prairie Provinces up to February
Marketings 9 of the current crop year amounted to 277.7 million bushels, sharply
above the comparable 1970-71 total of 144.8 million and 25 per cent
more than the ten-year (1960-61 - 1969-70) average for the period of 222.9 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	713,988	5,554,395	3,650,988	9,919,371	6,814,164
	15	476,084	3,215,397	1,770,709	5,462,190	11,066,471
	22	679,819	15,663,213	1,937,916	18,280,948	9,657,540
	29	515,326	7,926,173	1,709,492	10,150,991	1,826,815
January	5, 1972 ..	436,773	7,997,663	2,327,515	10,761,951	3,704,583
	12	318,239	8,288,134	3,093,729	11,700,102	3,318,704
	19	138,763	3,143,539	1,838,682	5,120,984	1,077,133
	26	68,455	1,344,349	937,449	2,350,253	9,762,409
February	2	46,625	918,372	694,188	1,659,185	6,246,201
	9	134,958	4,038,073	2,753,009	6,926,040	4,051,116
Totals		26,987,323	191,865,530	58,814,009	277,666,862	144,811,751
Average similar						
period: 1960-61 -						
1969-70		28,883,177	139,100,948	54,922,929	222,907,054	

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

Visible Supply of Canadian Wheat, February 9, 1972
Compared with Approximately the Same Date, 1970 and 1971

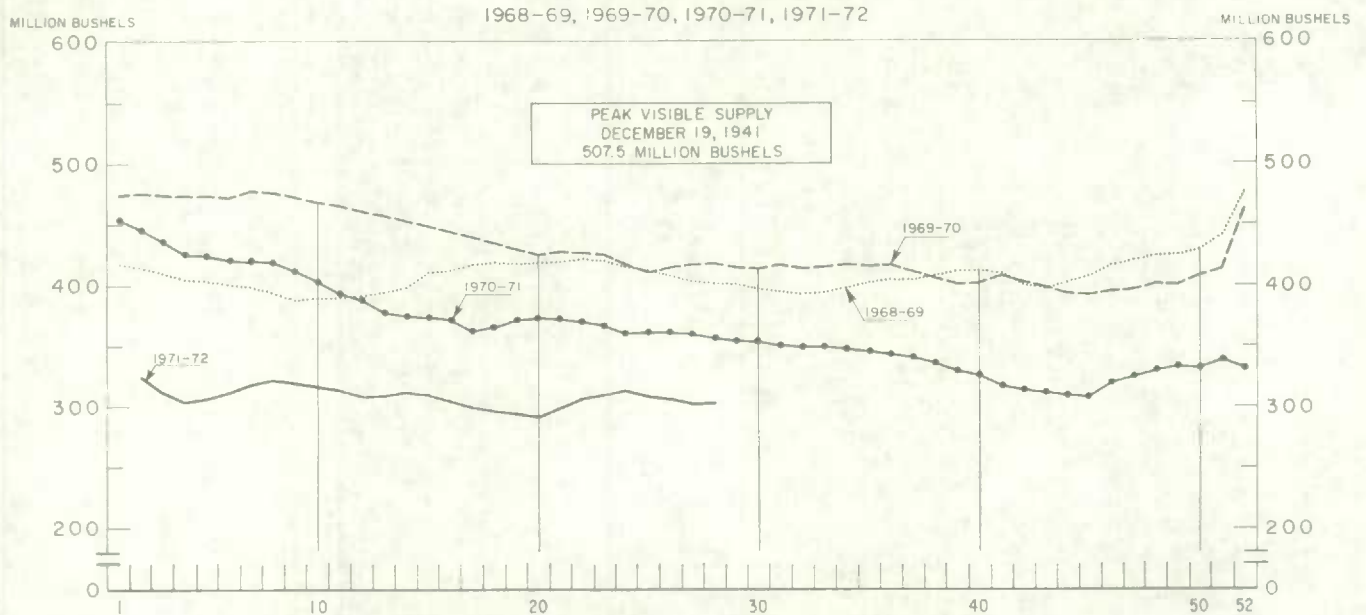
Position	1970	1971	1972
	thousand bushels		
Primary elevators — Manitoba	32,927	17,701	18,154
Saskatchewan	148,862	125,142	106,131
Alberta	71,844	62,849	49,589
Sub-totals	253,633	205,692	173,874
Process elevators	3,936	4,285	4,135
Interior terminals	12,290	8,581	6,249
Vancouver-New Westminster	9,612	4,667	2,625
Victoria	680	316	298
Prince Rupert	1,444	634	445
Churchill	4,659	2,950	1,046
Thunder Bay	33,722	44,672	28,522
In transit rail (western division)	17,771	20,437	19,983
Bay, Lake and Upper St. Lawrence ports	29,160	24,123	21,750
Lower St. Lawrence and Maritime ports	32,117	21,495	24,845
Storage afloat	17,883	18,457	15,792
In transit rail (eastern division)	1,934	3,418	3,302
Totals	418,841	359,727	302,866

Grading of Wheat Inspected, August 1971-January 1972 with Comparisons

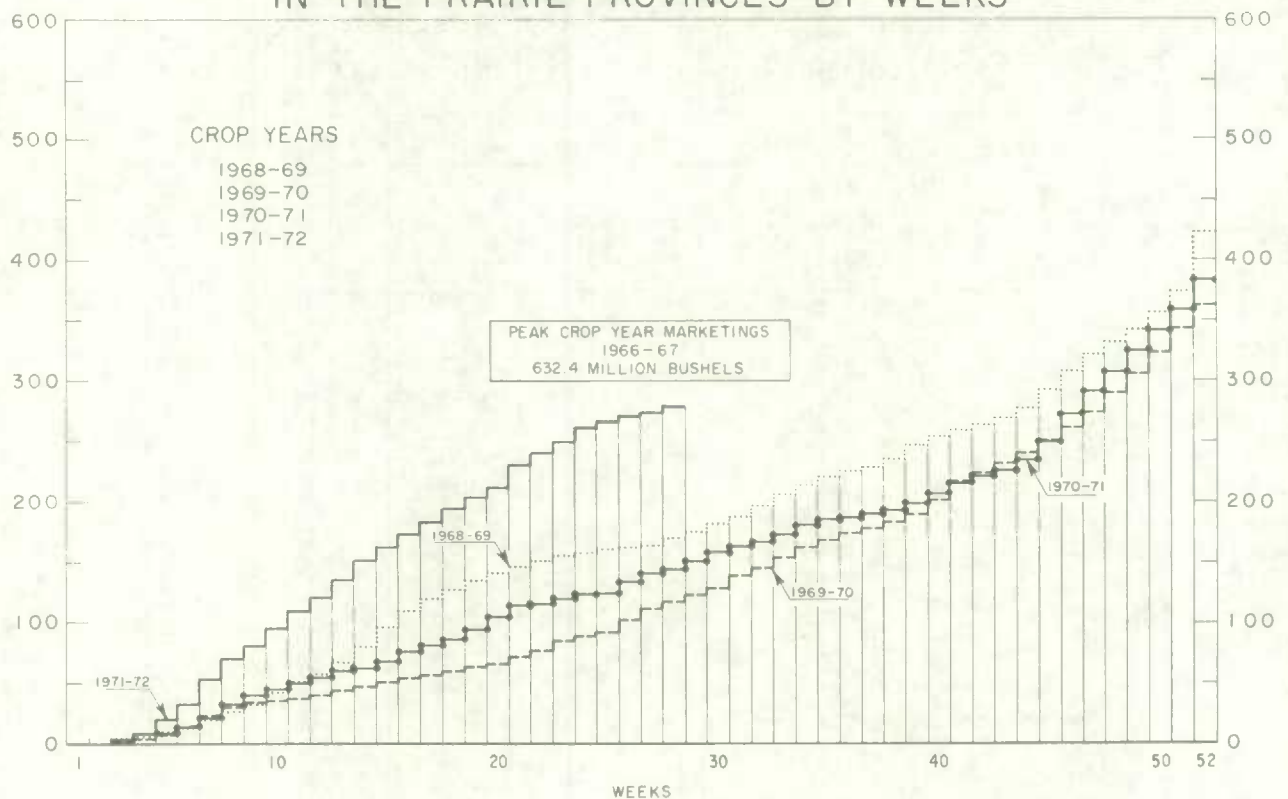
Grade	Crop year		August — January			
	Average	1970-71	1970-71		1971-72	
	1965-66 1969-70		cars		cars	
	per cent	per cent		per cent		per cent
1 C.W. Red Spring	—	—	—	—	99,799	62.0
No. 1 Man. Northern	10.9	6.5	5,723	4.5	—	—
No. 2 Man. Northern	32.7	37.2	45,141	35.8	—	—
No. 3 Man. Northern	19.3	19.8	25,372	20.1	20,003	12.4
No. 4 Man. Northern	8.6	12.0	14,924	11.8	12,062	7.5
No. 5 Wheat	3.3	4.5	7,791	6.2	3,642	2.3
No. 6 Wheat	0.4	0.7	1,276	1.0	296	0.2
Feed Wheat	0.1	0.1	128	0.1	60	(1)
Others Red Spring	18.2	6.2	10,593	8.4	6,136	3.8
C.W. Garnet	0.1	(1)	38	(1)	4	(1)
C.W. White Spring	0.1	0.3	302	0.2	504	0.3
C.W. Mixed Wheat	0.1	0.1	140	0.1	158	0.1
Alberta Winter	0.8	0.8	1,138	0.9	766	0.5
Nos. 1-6 C.W. Amber Durum	4.6	11.4	12,812	10.2	17,016	10.6
Other C.W. Amber Durum ...	0.9	0.5	625	0.5	513	0.3
Totals	100.0	100.0	126,003	100.0	160,959	100.0
Gross bushels (approx.) ..			250,383,000		320,483,000	

(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)

Wheat Shipments to
the United States

Total vessel and rail 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 February 9, 1972

amounted to 95,000 bushels. There were no shipments during the corresponding period of 1970-71 but 789,000 bushels were shipped in 1969-70.

Wheat Shipments(1) to the United States by Destination
August 1, 1971 - February 9, 1972 with Comparisons

Destination	1969-70	1970-71	1971-72
	bushels		
<u>By Vessel</u>			
Buffalo	558,780	—	—
Hawaii	—	—	95,200
Totals, vessel	558,780	—	95,200
<u>By Rail</u>			
U.S.A. domestic points	180,000	—	—
Buffalo	50,000	—	—
Total, rail	230,000	—	—
Totals, shipments	788,780	—	95,200

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

Rail Shipments of
Wheat to Maritime
Ports

Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during August-January of the current crop year amounted to 15,849,000 bushels compared with the 12,641,000 bushels during the first six months of 1970-71.

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

Origin of shipments	August 1, 1970 - January 31, 1971	August 1, 1971 - January 31, 1972
	bushels	
Port McNicoll	3,189,683	3,989,948
Midland, Tiffin	4,414,359	5,470,215
Owen Sound	1,584,774	2,028,737
Goderich	1,176,650	1,063,101
Sarnia	1,311,114	1,730,557
Port Colborne	426,136	155,007
Prescott	284,326	579,762
Kingston	254,108	832,153
Totals	12,641,150	15,849,480

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	193,204
January	131,034	272,300	525,019	1,420,522
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, January 1972

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
	bushels				
1 C.W. Red Spring ...	—	—	—	1,005,755	—
Northern grades	—	—	—	38,000	—
Feed grades	14,667	34,333	74,667	18,267	6,333
Durum	—	—	—	226,500	2,000
Totals	14,667	34,333	74,667	1,288,522	8,333

Overseas Exports of Canadian Grain by Ports of Loading, August 1, 1971-February 9, 1972 with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
	thousand bushels						
<u>Pacific Seaboard</u>							
Van.-New West	94,344	3,288	60	21,934	3,412	4,875	12,226
Victoria	2,861	—	—	—	—	—	903
Prince Rupert	6,459	—	—	—	—	—	—
<u>Churchill</u>	20,570	—	—	4,918	—	—	—
<u>Thunder Bay Direct</u> ...	1,377	689	3,592	1,703	1,724	7,638	6,499
<u>St. Lawrence</u>							
Montreal	21,188	19,025	—	5,462	—	141	99
Sorel	16,124	—	—	3,242	—	—	—
Trois-Rivières	11,595	881	—	1,850	92	—	—
Quebec	9,177	532	—	5,482	102	413	51
Baie Comeau	19,003	1,926	—	23,514	266	955	98
Port Cartier	19,304	1,099	—	20,949	—	516	—
<u>Maritime</u>							
Saint John	424	—	—	—	—	—	—
West Saint John	6,557	94	—	—	—	—	—
Halifax	8,581	—	—	—	—	—	—
Totals	237,563	27,535	3,652	89,054	5,596	14,538	19,876
August 1, 1970 —							
February 10, 1971 ..	181,233	20,209	7,718	92,047	4,297	9,691	19,106

(1) Excluding seed.

Shipments Under Freight assistance shipments of wheat from the Prairie
Feed Grain Provinces to Eastern Canada and British Columbia during
Assistance Regulations August 1971-January 1972, amounted to 13,219,000 bushels,
 27 per cent below the 18,007,000 shipped during the
 comparable period of 1970-71. The bulk of the shipments during the current six
 months under review went to destination in Quebec with that province accounting for
 54 per cent of the total compared with 47 per cent the previous year.

Provincial Distribution of Wheat Shipments under the Feed Grain Assistance Regulations
 August - January 1971-72 and 1970-71

Month	Western wheat								Eastern wheat
	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total	Quebec
	thousand bushels								
August 1971 ..	49	7	218	90	1,489	359	262	2,473	—
September	65	10	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	—
December	241	14	128	73	982	369	325	2,132	—
January 1972 ..	3	28	146	80	994	344	370	1,965	—
Totals	429	91	1,160	503	7,097	1,952	1,987	13,219	—
Same months									
1970-71	357	165	1,500	706	8,432	4,636	2,211	18,007	9

Millfeed shipments under the Feed Grain Assistance Regulations indicate the movement of 211,005 tons during August-January 1971-72. Data on the August 1970-January 1971 shipments of millfeeds place the six-month total at 228,854 tons. The greater portion of the millfeed shipments during the six months under review went to destinations in Quebec and Ontario.

Provincial Distribution of Millfeed Shipments under the Feed Grain Assistance
 Regulations August - January 1971-72 and 1970-71

Province	August - January	
	1970-71	1971-72
	tons	
Newfoundland	1,897	2,531
Prince Edward Island	2,070	1,503
Nova Scotia	6,944	6,201
New Brunswick	7,078	4,899
Quebec	111,497	108,472
Ontario	81,432	72,256
British Columbia	17,936	15,143
Totals	228,854	211,005

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	2,218	61,709
November	52,948	1	52,949	1,889	54,838
December	32,041	110	32,151	2,868	35,019
January	21,627	66	21,693	1,412	23,105
Totals	259,023	573	259,596	13,575	273,171

(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, January 1972 and 1971

Destination	Wheat (except durum)	Durum wheat	All wheat	
			January 1972	January 1971 ^F
bushels				
<u>Western Europe</u>				
EEC:				
Germany, West	—	—	—	17,023
Netherlands	275,333	—	275,333	290,827
Sub-totals	275,333	—	275,333	307,850
Other Western Europe:				
Britain	3,444,604	—	3,444,604	3,925,249
Denmark	—	—	—	36,736
Switzerland	—	—	—	188,346
Sub-totals	3,444,604	—	3,444,604	4,150,331
Totals	3,719,937	—	3,719,937	4,458,181
<u>Eastern Europe</u>				
Albania	408,688	—	408,688	—
U.S.S.R. (Russia)	4,200,873	825,740	5,026,613	—
Totals	4,609,561	825,740	5,435,301	—
<u>Africa</u>				
Algeria	1,015,728	633,472	1,649,200	338,240
Mozambique	—	—	—	52,267
South Africa	—	—	—	411,600
Tanzania	—	—	—	7,976
Totals	1,015,728	633,472	1,649,200	810,083
<u>Asia</u>				
Hong Kong	43,941	—	43,941	89,973
India	—	—	—	2,046,800
Japan	4,025,395	—	4,025,395	1,615,951
People's Republic of China	4,621,297	—	4,621,297	6,667,267
Philippines	847,467	—	847,467	895,477
Thailand	77,161	—	77,161	—
Turkey	—	—	—	1,617,988
Totals	9,615,261	—	9,615,261	12,933,456
<u>Western Hemisphere</u>				
Cuba	409,366	—	409,366	—
Haiti	—	—	—	231,400
Jamaica	288,316	—	288,316	—
Peru	509,973	—	509,973	448,747
Totals	1,207,655	—	1,207,655	680,147
Sub-totals, all countries				
	20,168,142	1,459,212	21,627,354	18,881,867
Seed wheat(2)			66,068	1,642
Totals, all countries				
	20,168,142	1,459,212	21,693,422	18,883,509

(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, 1971 adjusted for time lag, 1972 preliminary.

Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August 1971 — January 1972			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	2,186,643 ^r	46,140	2,232,783 ^r	4,441,967
France	195,827 ^r	—	195,827 ^r	355,713
Germany, West	4,287,850 ^r	2,213,405	6,501,255 ^r	15,550,177
Italy	3,483,150	4,672,338	8,155,488	5,667,190
Netherlands	4,193,029 ^r	3,237,367 ^r	7,430,396 ^r	2,987,156
Sub-totals	14,346,499 ^r	10,169,250 ^r	24,515,749 ^r	29,002,203
Other Western Europe:				
Austria	—	—	—	244,181
Britain	22,290,230 ^r	314,993	22,605,223 ^r	28,285,672
Denmark	—	—	—	58,783
Ireland	232,742	—	232,742	1,314,265
Malta and Gozo	613,200	—	613,200	327,712
Norway	780,267	—	780,267	2,195,187
Sweden	33,026 ^r	—	33,026 ^r	58,820
Switzerland	880,572	460,022 ^r	1,340,594 ^r	2,225,550
Sub-totals	24,830,037 ^r	775,015 ^r	25,605,052 ^r	34,710,170
Totals	39,176,536	10,944,265	50,120,801	63,712,373
<u>Eastern Europe</u>				
Albania	408,688	—	408,688	358,400
Czechoslovakia	—	584,752	584,752	—
Poland	—	878,847	878,847	—
U.S.S R. (Russia)	58,268,796	7,143,264	65,412,060	4,362,808
Totals	58,677,484	8,606,863	67,284,347	4,721,208
<u>Africa</u>				
Algeria	1,449,504	4,500,439	5,949,943	6,753,811
Ghana	1,674,685	—	1,674,685	1,301,930
Morocco	862,516	220,460	1,082,976	—
Mozambique	—	—	—	104,534
Nigeria	693,058	—	693,058	—
South Africa	—	234,746	234,746	3,939,600
Sudan	—	—	—	2,279
Tanzania	—	—	—	7,976
Tunisia	—	523,502	523,502	1,542,244
U.A.R.	—	—	—	13,517,868
Totals	4,679,763	5,479,147	10,158,910	27,170,242

For footnotes see end of table.

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

Destination	August 1971 — January 1972			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Asia</u>				
Afghanistan	422,211	—	422,211	352,599
Hong Kong	367,696	—	367,696	382,983
India	22,925,889	—	22,925,889	17,098,372
Indonesia	284,000	—	284,000	—
Japan	26,451,095	282,620	26,733,715	18,380,666
Korea, North	1,180,666	—	1,180,666	—
Malaysia	168,186	—	168,186	114,484
Pakistan	2,717,900	—	2,717,900	4,066,847
People's Republic of China	44,883,687	1,769,286	46,652,973	26,251,211
Philippines	3,703,095	—	3,703,095	895,477
Singapore	50,960	—	50,960	134,586
Syria	5,789,086	—	5,789,086	7,231,029
Taiwan	1,263,733	—	1,263,733	524,533
Thailand	200,361	—	200,361	—
Turkey	—	—	—	2,458,238
Totals	110,408,565	2,051,906	112,460,471	77,891,025
<u>Oceania</u>				
United States Oceania	143,114	—	143,114	—
<u>Western Hemisphere</u>				
Barbados	30 ^r	—	30 ^r	—
Brazil	10,283,242	—	10,283,242	11,098,461
Cuba	3,001,466	369,393	3,370,859	3,248,293
Dominican Republic	231,496	77,165	308,661	—
Haiti	716,961	—	716,961	910,577
Jamaica	813,153 ^r	—	813,153 ^r	555,280
Peru	2,990,493	—	2,990,493	5,047,057
St. Lucia	—	—	—	167
Venezuela	272,164	4,406	276,570	220,820
United States(2)	95,200	—	95,200	—
Totals	18,404,205	450,964	18,855,169	21,080,655
Sub-totals, all countries ..	231,489,667	27,533,145	259,022,812	194,575,503
Seed wheat(3)			573,417	423,502
Totals, all countries	231,489,667	27,533,145	259,596,229	194,999,005

(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, 1971 adjusted for time lag, 1972 preliminary.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	September 1971(1)	December 1971(2)	August-December	
			1971(2)	1970(1)
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	—	—	28	32,092
Germany, West	626	—	626	69
Italy	—	—	—	4,140
Netherlands	—	—	—	653
Sub-totals	626	—	654	36,954
Other Western Europe:				
Britain	136,086	176,739	717,216	972,084
Gibraltar.....	—	—	2,705	5,410
Greece	—	9,810	10,960	1,610
Iceland	6,695	—	25,222	—
Ireland	—	—	3,606	—
Malta and Gozo	—	—	—	46
Portugal	3,857	5,663	13,200	5,290
Sub-totals	146,638	192,212	772,909	984,440
Totals	147,264	192,212	773,563	1,021,394
<u>Africa</u>				
Algeria	548,865	—	561,034	163,357
Angola	—	—	—	9,890
Cameroon	—	—	117,921	1,610
Congo-Kinshasa	—	5,750	26,680	96,501
Dahomey	—	10,350	25,300	7,360
French Africa, n.e.s.	185,748	—	185,748	—
Gabon	—	—	—	5,658
Gambia	—	11,500	18,400	44,335
Ghana	—	115	731	164,280
Guinea	—	33,359	33,359	—
Ivory Coast	—	4,600	10,350	5,290
Liberia	—	62,369	128,383	160,181
Malagasy	—	—	—	14,219
Malawi	7,372	—	15,927	26,503
Mozambique	453	—	6,861	16,238
Nigeria	—	—	9,945	—
Portuguese Africa n.e.s.	7,820	3,066	53,351	51,354
Sierre Leone	—	1,265	2,408	6,429
Somalia	—	—	22,816	11,840
South Africa	—	—	—	2,259
Sudan	—	—	—	13,745
Tanzania	—	—	1,610	4,140
Togo	—	29,325	69,495	62,261
U.A.R.	164,459	—	1,893,065	294,398
Totals	914,717	161,699	3,183,384	1,161,848
<u>Asia</u>				
Afghanistan	—	—	—	1,104
Bahrain	—	—	—	198
Ceylon	—	—	1,506,590	1,525,620
Cyprus	22,818	111	23,978	—
Hong-Kong	17,365	24,253	96,623	86,197

See footnotes at end of table.

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

Destination	September	December	August-December	
	1971(1)	1971(2)	1971(2)	1970(1)
	bushels			
<u>Asia — Concluded</u>				
Indonesia.....	—	—	—	1,213,696
Iran	414	497	1,320	1,511
Iraq	—	—	—	141,034
Japan	964	—	4,041	4,156
Jordan	—	—	8,367	—
Lebanon	79,856	84,928	188,957	8,590
Portuguese Asia	—	—	—	6,210
Qatar	—	—	—	145
Saudi Arabia	87,559	—	105,959	93,005
Singapore	—	2,300	2,300	—
Syria	—	—	67,027	—
Thailand	12,521	9,890	42,996	48,403
Trucial States	—	1,900	2,245	154
Totals	221,497	123,879	2,050,403	3,130,023
<u>Oceania</u>				
British Oceania n.e.s.	—	—	—	1,610
Fiji	920	—	920	460
United States Oceania	288	460	748	13,800
Totals	1,208	460	1,668	15,870
<u>Western Hemisphere</u>				
Bahamas	17,126	9,859	70,950 ^r	94,339
Barbados	18,313	28,221	124,789	118,436
Bermuda	14,005	6,169	46,076	58,303
British Honduras	—	9,934	21,436	29,562
Cuba(3)	1,618,544	2,212,161	5,320,574	3,474,828
Dominican Republic	—	2,300	2,300	35,144
French West Indies	322	—	851	—
Guyana	1,260	2,643	7,355	6,896
Honduras	—	690	918	5,023
Jamaica	10,003	7,544	70,433	50,184
Leeward and Windward Is.	77,733	67,213	272,265	359,064
Netherlands Antilles	4,347	5,754	18,289 ^r	104,657
Panama	338	—	676	338
Peru	—	—	—	172
St. Pierre and Miquelon	2,962	2,817	11,380	11,659
Surinam	—	4,048	6,385	14,071
Trinidad and Tobago	29,005	30,790	165,025	235,564
Venezuela	—	—	—	380
United States	6,679	92	14,812 ^r	188,860
Totals	1,800,637	2,390,235	6,154,514	4,787,480
Totals, all countries	3,085,323	2,868,485	12,163,532	10,116,615

- (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 January 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			
	Jan. 21	Jan. 28	Feb. 4	Feb. 11
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%	166/2	166	166/1	166/1
1 Northern	168/2	168	168/1	168/1
2 Northern	166/2	166	166/1	166/1
3 Northern	161/2	161	161/1	161/1
4 Northern	158/2	158	158/1	158/1
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	158/2	158	158/1	158/1
2 C.W. Garnet	157/2	157	157/1	157/1
3 C.W. Garnet	156/2	156	156/1	156/1
1 Alberta Red Winter	158/2	158	158/1	158/1
2 Alberta Winter	157/2	157	157/1	157/1
3 Alberta Winter	156/2	156	156/1	156/1
1 C.W. Amber Durum	155/1	154/7	155	155
2 C.W. Amber Durum	154/1	153/7	154	154
3 C.W. Amber Durum	145/1	144/7	145	145
<u>(Basis in store Vancouver)</u>				
1 C.W. Red Spring 14%	176/1	175/7	176	176
1 Northern	177/1	176/7	177	177
2 Northern	176/1	175/7	176	176
3 Northern	171/1	170/7	171	171
4 Northern	169/1	168/7	169	169
1 C.W. Garnet	169/1	168/7	169	169
2 C.W. Garnet	168/1	167/7	168	168
3 C.W. Garnet	167/1	166/7	167	167
1 Alberta Red Winter	169/1	168/7	169	169
2 Alberta Winter	168/1	167/7	168	168
3 Alberta Winter	167/1	166/7	167	167

(1) Domestic sales only.

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during January 1972 amounted to 3,079,000 hundredweight, representing increases of 2 per cent over the December 1971 output of 3,026,000 hundredweight and 4 per cent above the January 1971, total of 3,219,000 hundredweight. That amount was 9 per cent smaller than the 10-year (1961-70) average production for the month of January of 3,389,000 hundredweight. Mills reporting operations during January 1972 had a total rated capacity of 169,000 hundredweight per 24-hour day and on the basis of a 25-day working period 72.7 per cent of this rated capacity was effective. Wheat milled for flour during January 1972 amounted to 6,933,000 bushels, 1 per cent above the 6,865,000 hushels milled during the preceding month but 5 per cent less than the 7,277,000 bushels milled during January 1971. Of the wheat milled for flour during January 1972 some 5,709,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (624,000 bushels); Durum (479,000 bushels); and all other (122,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during December 1971 amounted to the equivalent of 2,868,000 bushels (some 1,247,000 hundredweight of flour) sharply above both the November 1971 exports of 1,889,000 bushels and the adjusted December 1970 exports of 1,444,000 bushels. Flour shipments during the month under review went to thirty-six countries with leading markets for Canadian wheat flour in terms of wheat, in thousands of bushels, were as follows: Cuba, 2,212; Britain, 177; Lebanon, 85; Leeward and Windward Islands, 67; Liberia, 62; Guiana, 33; and Trinidad and Tobago, 31.

Note: Data re exports of wheat flour for January 1972 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	87,467,328	38,534,863	10,789,264
1971-72(2):			10,783,801
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	964,238
November	7,389,047	3,258,470	821,373
December	6,864,695	3,026,145	1,247,167
January	6,933,208	3,079,219	613,744
Totals	44,790,803	19,807,786	5,902,236
Same months 1970-71 ^r	45,408,055	19,967,708	5,583,490

(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 Higher
than a Year Ago

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 2,369.7 million bushels, 5 per cent more than the previous year's total of 2,254.9 million. The current crop, estimated at a record 1,639.5 million bushels, represents an increase of 20 per cent over last year's outturn of 1,370.2 million, while the 730.2 million bushels carried over at July 1, 1971 were 17 per cent less than the 1970 stocks of 884.7 million. Domestic disappearance during 1971-72 is estimated at about 825.0 million bushels, 5 per cent above the 786 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,544.8 million remain available for export and for carryover, 5 per cent more than the 1,468.5 million in 1970-71.

Exports Down from
Previous Year

Exports of wheat and wheat flour in terms of grain equivalent during the period July 1971-January 1972 amounted to 328.1 million bushels, 26 per cent below the 441.7 million exported during the same months last year. The balance remaining on February 1, 1972 for export and for carryover was estimated at 1,216.7 million bushels compared with 1,026.8 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	1,370.2	1,639.5
Total estimated domestic supplies	2,254.9	2,369.7
Imports of wheat and wheat flour in terms of wheat for domestic use, July-January	0.3	0.2
Total estimated supplies(1)	2,255.1	2,369.8
Less estimated domestic requirements for crop year(2)	786.6	825.0 ^r
Available for export and for carryover	1,468.5	1,544.8
<u>Deduct</u>		
Exports of wheat as grain, July-January	405.4	297.2
Exports of wheat flour in terms of wheat, July-January	36.3	31.0
Total exports of wheat and wheat flour	441.7	328.1
Balance on February 1 for export and for carryover.	1,026.8	1,216.7

(1) Excluding imports for February-June.

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

Summary of the
Wheat Situation

A summary report released on January 28, 1972 by the United States Department of Agriculture stated that the record 1971 wheat crop, which has pushed supplies to the highest level since 1962-63, and lagging disappearance because of reduced exports suggest a sizeable increase in carryover next summer.

Disappearance for 1971-72 may total 8 per cent below last season. Exports, faced with expanded supplies abroad and plagued by shipping problems, are estimated to fall more than a fifth. A continued West Coast dock strike would further reduce exports.

Farmers' prices, which have trended up seasonally since September, will likely average close to the \$1.33 per bushel of last season. Early season price strength in the winter wheat areas largely explains the small change.

The record production, valued at \$2,168 million plus certificate payments of \$877 million, lifts gross farm value to \$3,045 million, up 15 per cent from last season.

Hard red winter wheat (HRW) exports for July-December were down 20 per cent from a year earlier. Because farm prices have been relatively firm, loan activity has been unusually light for HRW.

Soft red winter (SRW) was the only class registering a gain in exports during the first half of the 1971-72 marketing year. However, lower SRW shipments are likely the remainder of the season because of current high cash prices.

A record 1971 hard red spring (HRS) harvest and reduced export activity have resulted in substantially lower farm prices and heavy loan activity in the HRS States of the Northern Plains.

The adverse effect of the dock strikes on white wheat exports weakened farm prices and led to heavy use of the loan program. At the end of December about a third of the wheat crop produced in the Pacific Northwest had been placed under loan.

Loan activity for the 1971 wheat crop through December totalled 359 million bushels, 59 per cent higher than a year earlier.

Winter wheat producers seeded 42.2 million acres during the fall of 1971, or 9 per cent above a year earlier. With mostly good to excellent crop conditions, a record harvest was in prospect in December. As of January 1, farmers planned to seed 14.8 million acres to spring wheat, down 7 per cent from last year. This, added to the increased winter plantings, would give a total 1972 acreage of 57.1 million acres, up 4 per cent from 1971.

To stem excessive production in 1972, USDA announced a voluntary set-aside provision for the 1972 wheat program on January 10. This is in addition to the set-aside requirements announced last July. Growers have the option to set aside 75 per cent of their farm domestic allotment. They will be paid 94 cents per bushel times their farm yield times the acreage set aside. The voluntary set-aside target is 5 to 6 million acres.

Stocks of Wheat
in All Positions
January 1, 1972

On January 24, 1972 the United States Department of Agriculture reported that all wheat in storage on January 1, 1972 totalled 1,553 million bushels, 10 per cent more than a year earlier and the largest January 1 stocks since 1964. Off-farm stocks, at 853 million bushels, were 3 per cent below a year earlier but farm holdings, at 700 million, were record high and 32 per cent above a year ago. Disappearance from all storage positions from October through December is indicated at 328 million bushels compared with 380 million a year earlier. The Commodity Credit Corporation owned 372 million bushels, and had loans outstanding on an additional 486 million.

Durum wheat stocks in all positions on January 1, 1972 totalled 115.4 million bushels, 26 per cent more than a year earlier and 4 per cent above 2 years earlier. Farm holdings of 90.4 million bushels were 35 per cent above last year and off-farm stocks were up 1 per cent. Disappearance during the October-December quarter is indicated at 13.0 million bushels, compared with 14.4 million a year earlier.

United States Wheat Stocks by Position, January 1, 1972, with Comparisons

Grain and positions	January 1, 1970	January 1, 1971	October 1, 1971	January 1, 1972
thousand bushels				
<u>All wheat</u>				
On farms(1)	611,116	531,190	834,292	700,479
Commodity Credit Corp.(2)	941	1,932	1,886	2,023
Mills, elev. & whses.(1,3)	922,434	881,946	1,045,046	850,920
Totals	1,534,491	1,415,068	1,881,224	1,553,422
<u>Durum wheat(4)</u>				
On farms(1)	90,619	66,774	101,322	90,386
Commodity Credit Corp.(2)	156	567	581	604
Mills, elev. & Whses.(1,3)	20,129	24,236	26,489	24,446
Totals	110,904	91,577	128,392	115,436

(1) Estimates of the Crop Reporting Board.

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

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

(4) Included in all wheat.

FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHELS
800 —

MILLION BUSHELS
800 —

700 —

700 —

600 —

600 —

500 —

500 —

400 —

400 —

300 —

300 —

200 —

200 —

100 —

100 —

0

0

PEAK MARKETINGS
1966-67 CROP YEAR
632.4 MILLION BUSHELS

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

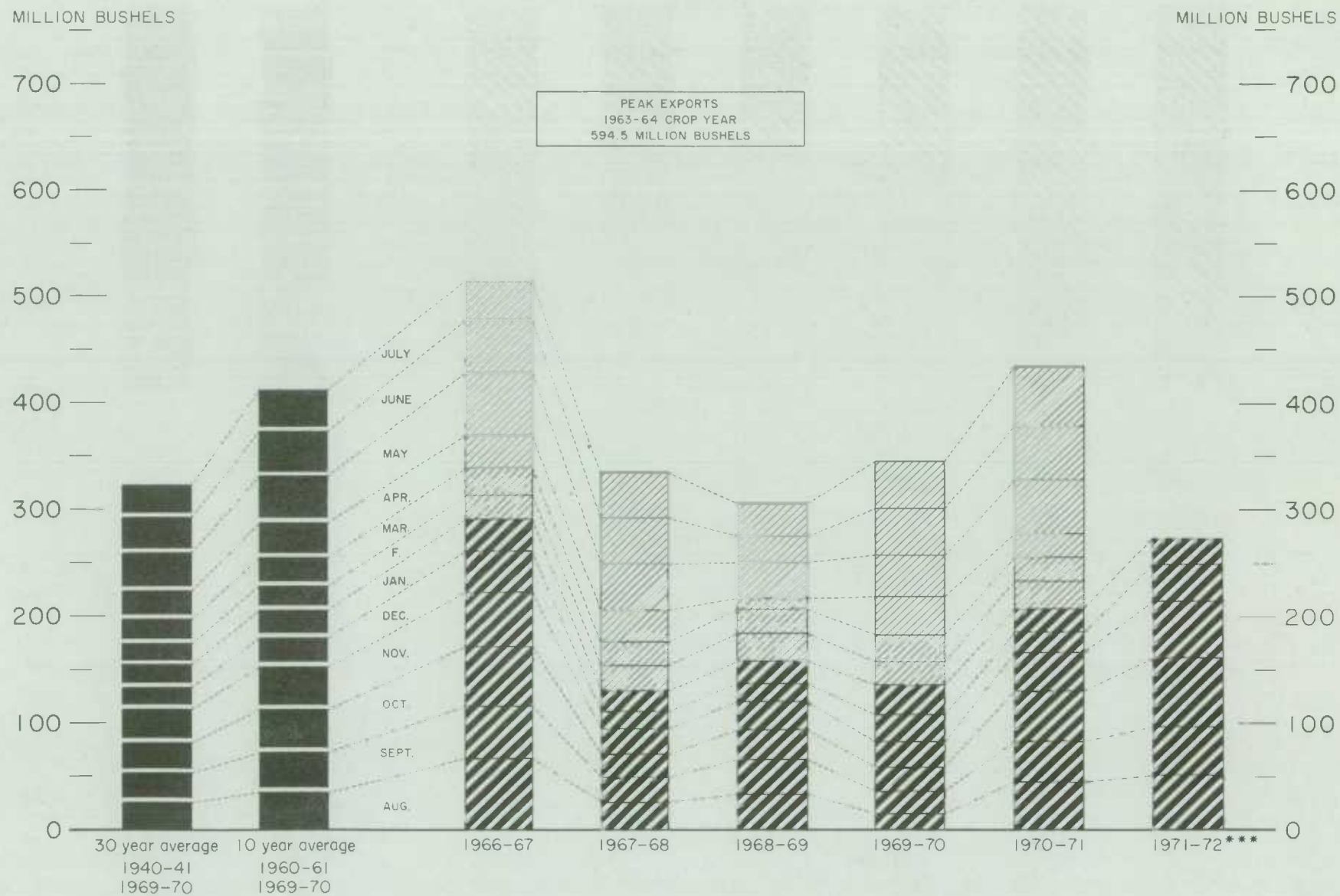
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EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)



*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

(SPECIFIED PERIODS)

MILLION BUSHEL

275 —

— 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

1960-61

1969-70

1969-70

JULY

JUNE

MAY

APR

MAR

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JAN

DEC

NOV

OCT

SEPT

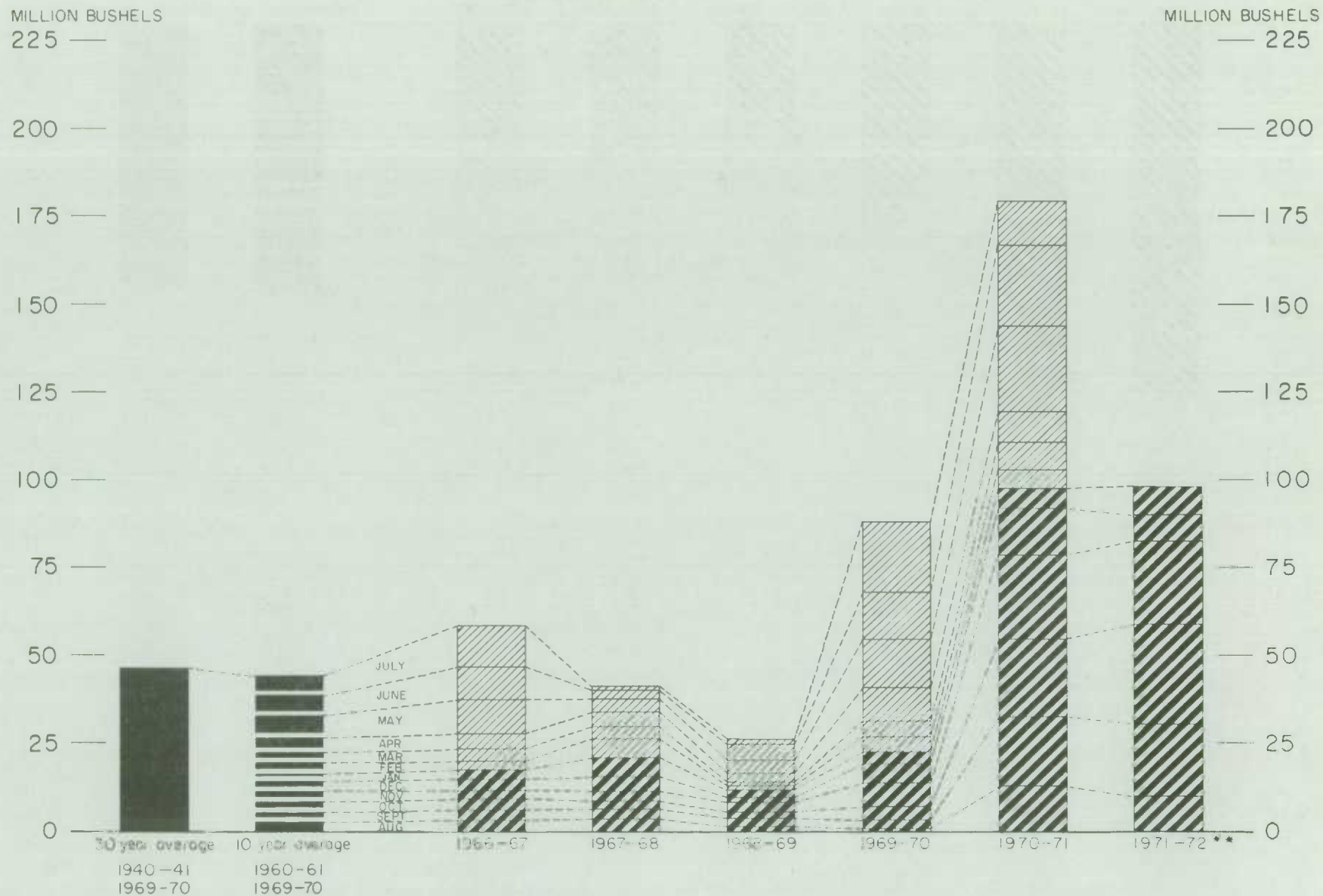
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Agriculture Division Statistics Canada

IV

EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

(SPECIFIED PERIODS)

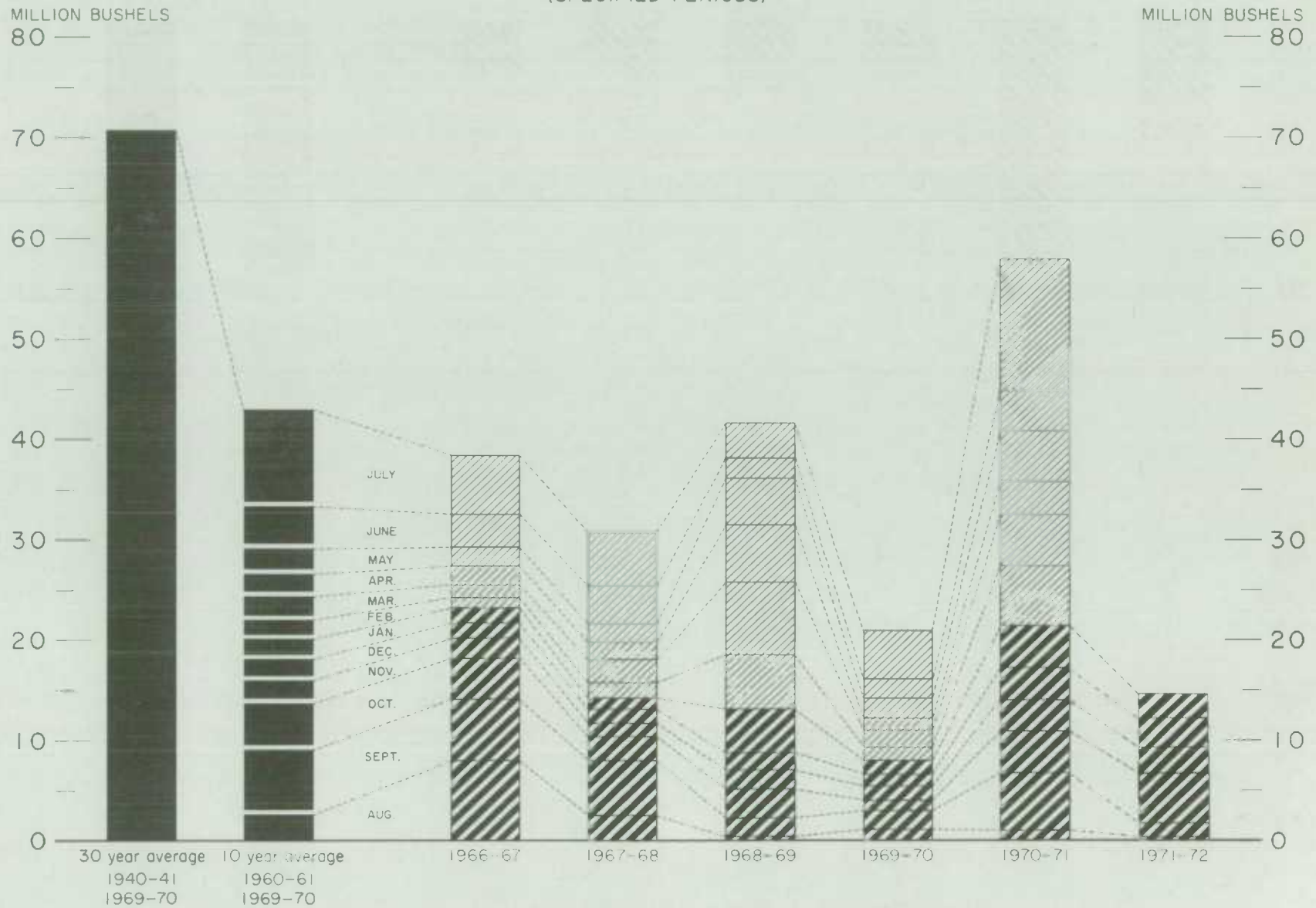


* In terms of grain equivalent. * * Preliminary.

Agriculture Division Statistics Canada

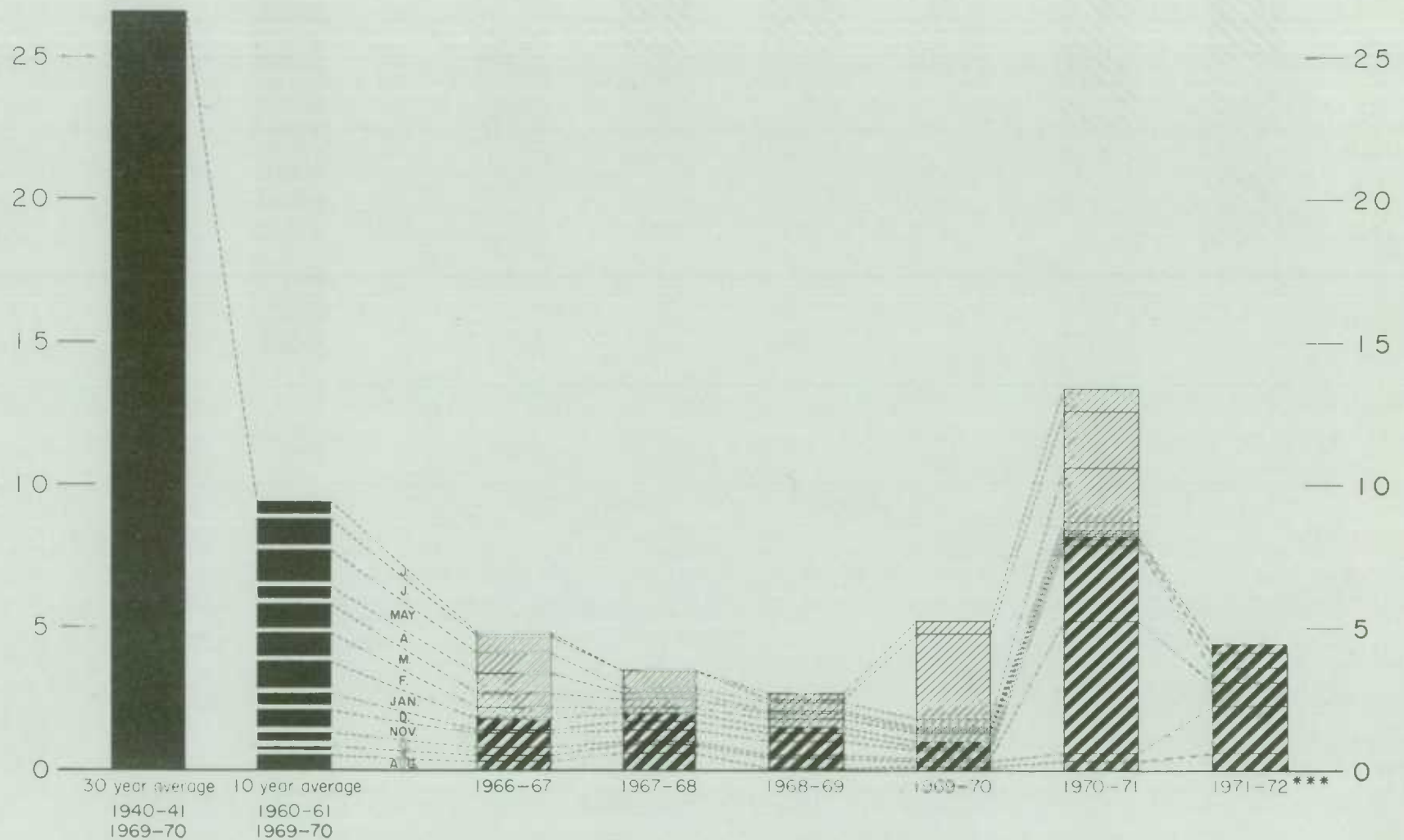
FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

(SPECIFIED PERIODS)



EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS**

(SPECIFIED PERIODS)

MILLION BUSHEL
30 —MILLION BUSHEL
— 30

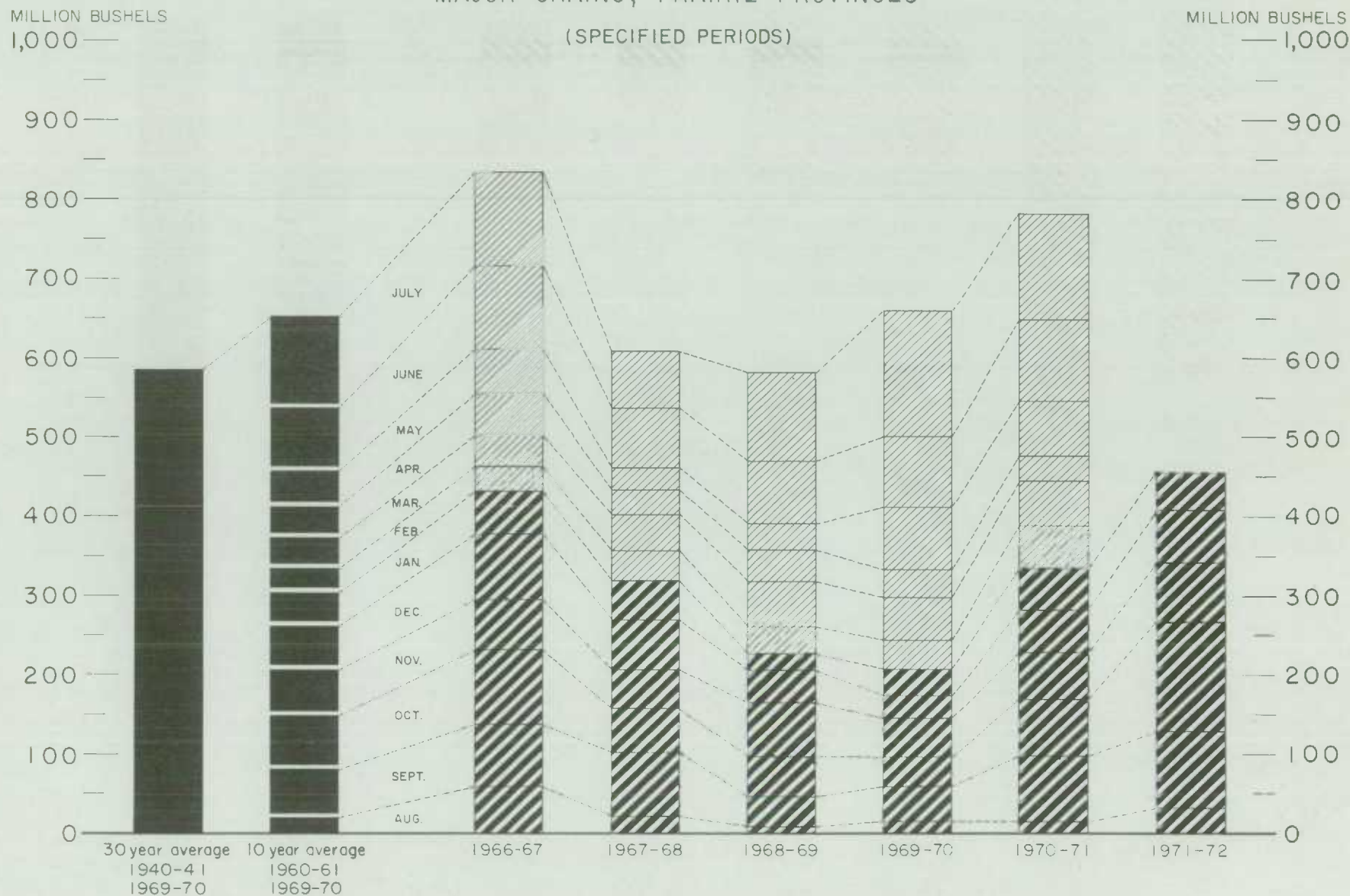
*Beginning with 1960-61 includes relatively small quantity of seed oats.

**In terms of grain equivalent.

***Preliminary.

Agriculture Division Statistics Canada

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

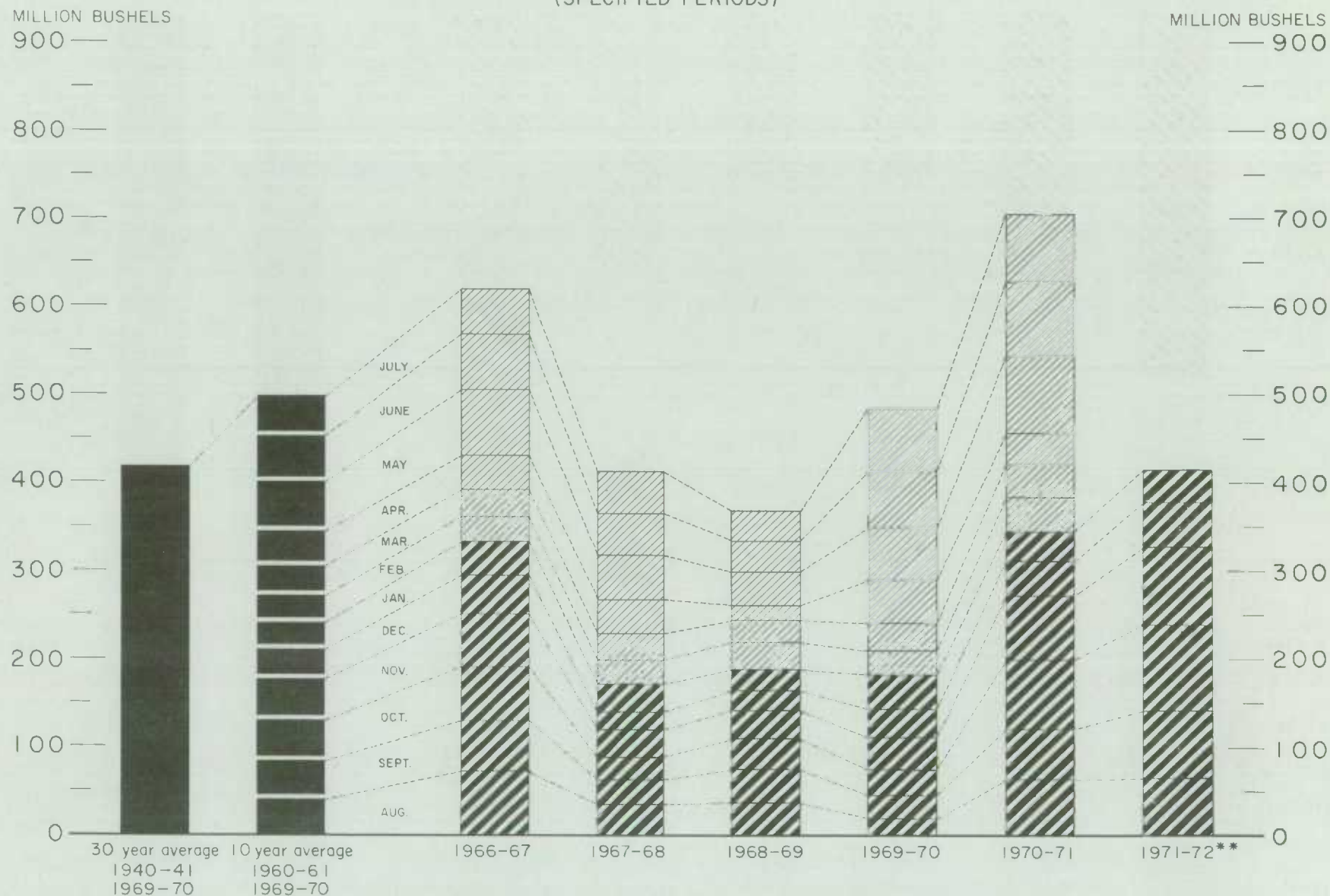


* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed.

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.

Final Payments Made
on 1971 Set-Aside
Program

The Wheat Situation of January 28, 1972 also reported that in early December, payments totalling \$231 million were made to just over 1 million participating farms as the final installment for the 1971 domestic certificates. An earlier payment totalled \$646 million. The 1971 domestic wheat certificates have a value of \$1.63 per bushel. This is the difference between \$2.93, the July parity price of wheat and \$1.30, the national average farm price during the first 5 months of the marketing year (July-November).

Early payments, valued at \$1.20 per bushel, were based on 75 per cent of the estimated face value of the domestic certificates on July 1. Subtracting this from \$1.63 leaves the final payment value at 43 cents per bushel.

Prospective Plantings
for 1972

A report released on January 27, 1972 by the Crop Reporting Board of the United States Department of Agriculture stated that the prospective planted acreage of durum wheat in the 5 major States totals 2,743,000 acres, down 3 per cent from 1971 but 31 per cent above 1970. Intended acreage in North Dakota, the dominant durum State, is unchanged from 1971. Growers in South Dakota expect to seed 12 per cent less acreage and those in Montana plan a 32 per cent cut.

Seedings of spring wheat other than durum are expected to total 12,028,000 acres in the 9 States included in this report. This is 8 per cent less than the 1971 total for the same States but 34 per cent above 1970. The survey included all the major spring wheat States and all but three of the minor ones -- Wyoming, Utah, and Nevada. Smaller acreages are in prospect in each of the 9 States. North Dakota, with more than half of the 9-State total, shows a 6 per cent decline from 1971 while growers in Montana and South Dakota intend decreases of 8 and 7 per cent, respectively. Minnesota growers expect a 4-per cent decline in acreage.

Plantings of all wheat for harvest in 1972 would total 57,078,000 acres based on the December 1, 1971 estimate of winter wheat and the January 1 prospective plantings for all spring wheat. This includes an allowance of 68,000 acres of spring wheat in the 3 minor States not included in the current survey, the acreage planted in these States in 1971. If realized, this will be 4 per cent more than the seedings for the 1971 crop and 15 per cent more than 1970.

On January 10, USDA announced to wheat producers an additional option to voluntarily set aside wheat cropland in 1972. However, the great majority of growers reported their intentions to seed durum and other spring wheat prior to the announcement.

Flour Production

According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in December 1971 amounted to 20,961,000 hundredweight, averaging 977,000 hundredweight per working day. This compared with an average output per working day of 994,000 hundredweight last month and 988,000 hundredweight in December 1970. Wheat flour mills during December operated at 93.3 per cent of capacity, compared with 96.3 per cent and 95.5 per cent, respectively, for the previous month and the same month a year ago. Flour mills in December 1971 ground 46,265,000 bushels of wheat compared with 44,492,000 bushels the previous month and 46,147,000 bushels in December 1970.

FRENCH SITUATION

Supplies Higher
than Previous Year

Reflecting increases in both carryover stocks and anticipated deliveries, total estimated commercial domestic supplies of soft wheat in France for the crop year (August-July) 1971-72, consisting of the August 1 carryover of 97.8 million bushels and anticipated marketings of 433.6 million amount to some 531.4 million, 21 per cent above the 1970-71 total of 437.9 million. Imports during the August-November period of the current crop year, including durum and both hard and soft wheat have amounted to 2.3 million bushels sharply below the 7.3 million imported during the same months last year. After deducting 226.3 million bushels for estimated domestic use, including normal feed wheat requirements, the surplus available for export and for carryover is about 307.3 million bushels in contrast to 215.6 million the previous year.

Exports Sharply
Above Last Year

Combined exports of wheat and wheat flour in terms of grain equivalent during the first four months of the 1971-72 crop year amounted to 76.5 million bushels, and represented an increase of 79 per cent over the comparable August-November 1970 total of 42.6 million. The balance of commercial supplies remaining on December 1, 1971 for export and for carryover amounted to 230.9 million compared with the December 1, 1970 total of 173.0 million bushels.

French Soft Wheat Supplies

Item	1970-71 ^r	1971-72 ^p
	million bushels	
Commercial carryover, August 1	83.3	97.8
Anticipated deliveries to Grain Board	354.6	433.6
Total estimated commercial domestic supplies	437.9	531.4
Imports(1), August-November	7.3	2.3
Total commercial supplies	445.2	533.7
Less domestic requirements for crop year	229.7	226.3
Available for export and for carryover	215.6	307.3
<u>Deduct</u>		
Exports of wheat, (2) August-November	29.8	62.0
Exports of wheat flour, August-November	12.8	14.5
Total exports of wheat and wheat flour	42.6	76.5
Balance on December 1 for export and for carryover	173.0	230.9

(1) Includes durum, hard and soft wheat.

(2) Includes denatured, durum and soft wheat.

The following account of the wheat situation in France has been extracted from a report from Mr. G.W. Doucet, Agricultural Secretary, Canadian Embassy, Paris, under date of January 18, 1972 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.

Crops and farm deliveries. — For soft wheat, we note that total farm deliveries at December 1, 1971 had reached about 60 per cent of the year's production, this compared with about 56 per cent in the previous crop year. For durum wheat, they had reached about 72 per cent, compared with 63 per cent in the same period last year. The particularly high level in cereals production observed this year, and therefore, the difficulties for farm stocking by wheat growers might explain this situation.

Supply-disposition. — We note a slight reduction in farm deliveries of soft wheat during November. Domestic utilizations continue strong: sales to millers remain on a better level than for October; after winter sowings, seeds find again the same level as for September. Exports declined from 416,900 metric tons (15,318,000 bushels) last month to 400,200 tons (14,705,000 bushels) in November. During November the 50,000 tons (1,837,000 bushels) reduction for the EEC exports seems to have been somewhat compensated by the 33,000 tons (1,213,000 bushels) increase in the third countries exports.

A slight increase is to be noted in durum wheat during November for farm deliveries. Elsewhere, it appears there was no perceptible difference for utilization between October and November, except a slight reduction of sales to semolina millers.

International trade. — Total French wheat imports registered an important reduction, falling from 20,583 metric tons (756,000 bushels) in November 1970 to 6,607 tons (243,000 bushels) in November 1971, which is a larger reduction than last month. There were no durum wheat imports in November 1971. The August-November total imports now reach 62,013 tons (2,279,000 bushels) compared with 199,808 tons (7,342,000 bushels) in the same period of 1970, i.e. more than 2/3 reduction. The total reduction today reaches 137,795 tons (5,063,000 bushels) of which 109,455 tons (4,022,000 bushels) is for durum wheat.

French Wheat Imports, August-November

Destination	Durum wheat		Hard and soft wheats	
	1970	1971	1970	1971
	thousand bushels			
Belgium	—	—	3	1
Germany	—	—	—	9
Italy	—	—	1	1
U.S.S.R.	—	—	—	42
United States	4,643	789	1,365	723
Canada	166	—	1,047	713
Argentina	2	—	116	—
Totals	4,811	789	2,530	1,489

Total wheat exports in November 1971 were 403,701 metric tons (14,833,000 bushels) against 204,089 tons (7,499,000 bushels) in November 1970, i.e. almost twice as high. Denatured wheat exports increased slightly, while they increased significantly for durum, three times more and soft wheat twice more.

Thus, for the first four months of this commercial crop year, total wheat exports at 1,686,633 tons (61,972,000 bushels) more than doubled the 810,960 tons

(29,797,000 bushels) of last year. Total wheat exports to the EEC for these first four months which account for about 70 per cent of total exports, increased from 645,972 tons (23,735,000 bushels) last year to 1,120,486 tons (41,170,000 bushels) this year, i.e. just under a 100 per cent increase. Increased exports to third countries are essentially to the United Kingdom (209,501/43,221) and Switzerland (83,031/11,730).

For the first four months, total wheat flour exports increased from 225,195 metric tons in 1970 to 262,801 tons in 1971. Flour shipments remained strong in November with 68,024 tons compared to 60,899 tons in November 1970, especially towards Africa and Asia.

French Wheat Exports, August-November

Destination	Milling soft wheat		Durum		Denatured durum and soft wheat	
	1970	1971	1970	1971	1970	1971
thousand bushels						
Belgium	5,768	6,414	146	185	4,315	5,109
Holland	5,893	7,749	9	—	73	709
Germany	4,821	11,555	—	133	823	1,497
Italy	1,841	7,611	45	206	1	3
U.K.	1,697	7,654	—	16	—	28
Switzerland	770	3,039	1	4	6	8
Ireland	29	720	—	—	—	—
Spanish Canaries	—	—	—	—	—	1
Portugal	1	294	—	—	—	—
Andorra	5	8	—	—	—	—
Czechoslovakia	—	57	—	—	—	—
U.S.S.R.	—	73	—	—	—	—
Poland	—	3,061	—	—	—	—
Spanish N. Africa	10	—	—	—	—	—
Tunisia	635	134	—	—	—	—
Angola	—	863	—	—	—	—
Morocco	—	169	—	—	—	—
Kenya	—	478	—	—	—	—
Uganda	—	1	—	—	—	—
Reunion	—	—	—	77	13	—
Martinique	—	—	—	—	—	(1)
Madagascar	—	—	(1)	(1)	—	—
Mauritania	8	2	—	—	—	—
Upper Volta	—	266	—	—	—	—
Senegal	834	1,173	—	—	—	—
Ivory Coast	608	1,435	—	—	—	—
Cameroon	287	331	—	—	—	4
Central African Rep.	103	92	—	—	—	—
Gabon	110	239	—	—	—	—
Congo-Brazza	4	—	—	—	—	—
Ecuador	—	4	—	—	—	—
Yemen	—	—	—	—	—	10

For footnote see end of table.

French Wheat Exports, August-November — concluded

Destination	Milling soft wheat		Durum		Denatured durum and soft wheat	
	1970	1971	1970	1971	1970	1971
thousand bushels						
Pakistan	551	551	—	—	—	—
Philippines	—	—	—	—	(1)	—
China	136	—	—	—	—	—
U.S.A.	—	9	—	—	—	—
Chile	—	—	—	—	1	—
Others	251	(1)	4	—	—	—
Totals	24,361	53,982	204	621	5,232	7,369

(1) Less than 500 bushels.

Market prices. — French market remained inactive during the last few days of 1971. Market prices for soft wheat are stable since December at 1.15 to 1.75 francs (21 to 32 cents CDN.) or even sometimes 2.00 francs (36 cents) above the intervention price. The average price observed by ONIC in Eure-et-Loir was for December: 56.09 francs per 100 kilos (\$ 2.78 per bushel) and for the last year: 54.58 francs (\$ 2.70 per bushel), with specific weight of 75.5 kilos per hectolitre (60 pounds per bushel). FOB prices remain around 55.25 to 55.50 francs (\$ 2.73 to \$ 2.75 per bushel). Domestic demand and exports are slightly weaker, except to Switzerland.

There is a good demand for durum wheat by semolina millers. Good quality wheat is priced at intervention price levels, if not, beneath.

The brisk exports of wheat flour in December slackened off at the beginning of January and just now have ceased over the short term. French exporters are concerned because of several factors: the increase in the wheat cost price, competition on export markets, and reduced domestic demand.

The situation in general does not seem to offer good prospects and French exporters expect difficulties in marketing their cereal crops during the early months of 1972.

Acreage. — The estimates of the Agriculture Board are as follows at December 1, 1971 for cereals:

Cereals	Average 1967-70	December 1		1971 as per cent of 1970
		1970	1971	
		thousand acres		%
Soft wheat	8,068	8,248	7,760	— 5.9
Durum wheat	112	149	112	— 24.7
Rye	384	336	288	— 14.3
Barley	654	784	1,017	+ 29.7
Oats	351	307	327	+ 6.6
Mixed grain	103	111	118	+ 6.2
Totals	9,671	9,935	9,624	— 3.1

It appears that total cereal sowings would be reduced for the next crop, with however, increased areas for grains, as we noted in our previous wheat report.

Unlike, the dry weather of October, we had precipitation in November which resulted in the improving vegetation of soft winter wheat. Rye and winter barley and oat fields are in good shape.

AUSTRALIAN SITUATION

Wheat Supplies
Below Year Ago Total estimated supplies of wheat in Australia for the 1971-72 (December-November) crop year are placed at 424.2 million bushels, 24 per cent less than the 555.0 million in 1970-71, reflecting the effect of a decrease in carryover stocks which more than offset a 3 per cent increase in production. Carryover stocks at December 1, 1971, at 126.2 million bushels were sharply below the 265.1 million at the same date a year ago, and the 1971 production, at 298.0 million was slightly more than the comparable figure in 1970. After deducting some 87.5 million bushels for anticipated domestic requirements, an estimated 336.7 million are available for export and for carryover during 1971-72, a decline of 27 per cent from the 458.1 million in 1970-71.

Exports Down from
Previous Year Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1 - January 22 of the current Australian crop year amounted to 44.8 million bushels, a decrease of 9 per cent from the 49.1 million exported during the corresponding period of the 1970-71 crop year. The balance remaining on January 23, 1972 for export and for carryover, at 291.9 million bushels, was 29 per cent below the 409.0 million at the same date a year ago.

Australian Wheat Supplies

Item	1970-71 ^r	1971-72 ^p
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1)	265.1	126.2
Production	289.9	298.0 ^r
Total estimated domestic supplies	555.0	424.2
Less estimated domestic requirements for crop year	96.9	87.5 ^r
Available for export and for carryover	458.1	336.7
<u>Deduct</u>		
Exports of wheat as grain, December 1 - January 22	47.4	42.9
Exports of wheat flour in terms of wheat, December 1 - January 22	1.7	1.9
Total exports of wheat and wheat flour	49.1	44.8
Balance on January 23 for export and for carryover	409.0	291.9

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 February 2, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Wheat production in Australia 1971/72. — Much of Australia has experienced adverse weather conditions over the 1971/72 wheat growing season and poor weather conditions continue to plague the harvest. The estimate of total production is 298 million bushels with total deliveries to the Australian Wheat Board of 270.5 million bushels.

For the second successive season, overall production is considerably less than the season's national quotas. South Australia and Victoria will produce sufficient wheat to meet the State quota with Queensland, New South Wales and Western Australia experiencing a short fall, although the season's shortfall in Western Australia is relatively small. The production, estimated deliveries and quotas are given in the following table:

Expected Australian Wheat Production and Deliveries 1971-72

State	Acreage	Average yield	Total production	Estimated deliveries	Quota 1971/72
	million acres	bushels per acre		million bushels	
Queensland	1.4	19.3	27.0	24.5	38
New South Wales	6.0	14.2	85.0	70.0	128
Victoria	2.7	22.2	60.0	60.0	57
South Australia	2.6	19.2	50.0	46.0	40
Western Australia	5.1	14.9	76.0	70.0	76
Totals	17.8		298.0	270.5	339

The overall average yield is currently estimated to be 16.7 bushels per acre, significantly lower than the 5-year average of 17.9 bushels per acre in 1966/67 to 1970/71. The reduction has been primarily in New South Wales where current yield estimates are 14.2 bushels per acre, compared to the past 5-year average of nearly 20 bushels per acre. Although harvesting conditions have been poor in Victoria, the overall crop is expected to yield 22.2 bushels per acre which is a marked increase over the 5-year average of 19.9 bushels per acre. Also in South Australia yields are up by 2.2 bushels per acre over the 5-year average of 17 bushels per acre. Although most farmers in Western Australia do not regard the past season as being average, the average yield of wheat is nearly identical to the past 5-year average of 15 bushels per acre.

Total acreage in 1971/72 increased by almost 2 million acres over the previous season, but it is still substantially lower than in the years 1966/67 to 1969/70. The current acreage is similar in magnitude to the acreage sown in 1965/66 when 17.5 million acres were sown. A major expansion occurred from that time with acreage reaching 26.8 million acres in 1968/69. Quotas and poor weather conditions are responsible in the main for the reduction in acres over the past two seasons.

Wheat varietal recommendations for South Australia. — Wheat varietal recommendations were made on a different basis in the 1971/72 season with areas and varieties designated to improve the quality and saleability of the wheat crop. The new system was considered a success albeit a few difficulties were encountered. The basic system will apply in the 1972/73 season with minor changes.

Recommendations will be based on a combination of quality and yielding ability whereas approved wheat varieties will be dependent on being equivalent in quality to that of recommended varieties. The recommended varieties are the same as in 1971 and are as follows for 1972:

<u>Recommended</u>	<u>Approved</u>
Glaive	Dirk types
Gabo	Falcon
Timgalen	Eagle
Raven	Gamut
Halberd	Mendos
Pinnacle	Festiguay
Summit	

As in the 1971/72 season there are seven geographical zones that have been differentiated by historic data on the protein content of wheat deliveries. These areas are considered as three major categories differentiated by areas having greater than 11 per cent protein, 10-11 per cent protein and less than 10 per cent protein. The wheat varieties designated for high protein are Glaive, Gabo, Timgalen and Raven. Halberd is recommended for areas normally producing 10-11 per cent protein, while Pinnacle and Summit are recommended varieties for areas producing wheat of less than 10 per cent protein content. It is expected that acreages of Pinnacle will increase in order to produce quantities of a soft wheat variety suitable for the trade, although Summit is acceptable for the 1972/73 season.

Wheat sales to Taiwan. — The Australian Wheat Board has reached agreement with Taiwan for the purchase of 150,000 long tons (5,600,000 bushels) of wheat. The wheat is mainly f.a.q. from Western Australia with some Prime Hard wheat from northern New South Wales. An option has been included on a further 50,000 tons (1,867,000 bushels).

The sale follows a purchase by Taiwan of 100,000 tons (3,733,000 bushels) in 1971. During the visit by the Taiwan delegation to Australia they indicated that total wheat imports and Australia's share were likely to increase over the years due to changes in dietary habits.

Devaluation. — As a result of the changes in the Australian currency vis a vis other international currencies, the 6.3 per cent revaluation against the U.S. dollar has resulted in various farm organizations considering devaluation compensation. During the currency crises in Australia, the Prime Minister indicated that the Federal Government would examine and consider the position of rural industries seriously affected by the change in currency rates. The Australian Wheat Board is expected to seek compensation from the Federal Government for losses incurred by such monetary changes, although the Chairman of the Board, Mr. J.P. Cass, stated that a submission had not, as yet, been made to the Government nor had value been determined.

A Wheat Board grower member did, however, estimate a loss of \$A8.6 million (\$10.3 million Cdn.). Contracts with the U.A.R. obviously account for an important proportion of the total. There has not, as yet, been any major move to provide funds for devaluation compensation by the Government.

Recent Developments in the Australian Wheat Industry:

Production. — Over the last three seasons there has been a significant contraction in Australian wheat plantings and production. This has been primarily the result of the introduction of quotas, but other factors such as adverse seasonal conditions in several wheatgrowing areas and the relatively favourable coarse grain prices, have also been important. The decline in production over recent years is in contrast with the unprecedented expansion in the Australian wheat industry in the decade ending 1968/69.

Disposal. — As in most other high income countries, the per capita consumption of wheat for food in Australia has witnessed a gradual decline in recent years. However, the increase in population has tended to more or less offset this decline, leaving total wheat consumption for food at a relatively stable level of about 47 million bushels. The quantity of wheat used for feeding purposes in Australia is also fairly small and the industry is heavily dependent on export outlets.

The volume of Australian wheat available for export is usually at least two-thirds of total domestic production. As a result, shifts in the world wheat supply/demand position have an important impact on the Australian industry. Furthermore, significant changes in the world coarse grain economy also affect the Australian wheat industry. For example, the sharp fall in the United States maize crop in 1970/71 led to an increased demand for feed wheat on world markets and this contributed to Australia's record wheat exports in 1970/71.

In the fiscal year 1970/71, total Australian exports were a record 348 million bushels, almost three and a half times the level of 15 years ago. This volume also represents an increase of almost 30 per cent over shipments in 1969/70. The high level of exports was primarily due to the buoyant international grain market, which in turn was largely the result of the relatively poor grain harvests in Europe and also the expanding wheat requirements in the Middle East, South-East Asia and South America.

Particular factors contributing to Australia's record wheat exports in 1970/71 were (1) the emergence of the U.A.R. as a major outlet for Australian wheat. As part of a three-year agreement signed in August 1970, the U.A.R. imported 45.9 million bushels of wheat from Australia during the fiscal year. (2) Record shipments of 64 million bushels to the United Kingdom compared with 37.6 million bushels in 1969/70. (3) A substantial increase in shipments to several destinations in the Middle East, South-East Asia and South America. These factors more than offset a 48 per cent decline in exports to Mainland China following the completion of deliveries under a contract signed in October 1970, and a moderate fall in shipments to Japan. An important development during the year was the signing of an agreement with the U.S.S.R. under which Australia will export to that country some 19 million bushels of wheat in 1971/72. This is the first sale to Russia since 1965/66.

Stocks. — At the end of November 1971 Australian carryover stocks had practically halved from the previous year's level and were estimated at 126 million bushels. This was due both to the relatively poor 1970/71 crop and the high level of exports during the 1970/71 selling season. Although stocks at the end of 1971 were much lower than the 268 million bushels recorded at the end of both 1969 and 1970, they are nevertheless the third highest on record.

Growers return. — The generally low world prices for wheat prevailing in 1969 and part of 1970 and the accumulation of a large volume of unsold stocks adversely affected the returns received by growers. The return from the 1967/68 crop was comparatively high at \$A1.47 (Cdn. \$1.76) per bushel f.o.r. ports, while the average

return from the 1968/69 pool was only \$A1.24 (\$1.49) per bushel and returns from the the 1969/70 pool are expected to be similar. However, growers returns from the 1970/71 and 1971/72 pools should be higher. This is because under the export price guarantee provisions of the Wheat Stabilisation Scheme only a minimum volume of export wheat from these crops will be ineligible for the export guarantee, which applies to a maximum of 200 million bushels of export wheat. Thus growers are likely to receive a higher return than they might otherwise have obtained. On the other hand, selling on extended credit terms, while enabling the disposal of larger quantities of wheat than would otherwise be possible, does involve a cost to the industry, and delays payments to growers.

In the financial year 1970/71 Australian wheatgrowers received an estimated \$A279 million (Cdn. \$335 million) compared with the unusually high figure of \$A260 million (\$312 million) in 1968/69 and \$A307 million (\$368 million) in 1969/70. The major share of wheatgrowers' income each year comes from the first advance payment of \$A1.10 (\$1.32) per bushel on the crop in that particular year. Thus the lower receipts in 1970/71 were largely a result of the much lower production in that year compared with that in 1968/69.

Outlook. — For Australia, the level of wheat exports in 1971/72 are expected to be smaller and it seems that prices will be lower. Shipments to the United Kingdom are likely to decline following a larger U.K. harvest and a reduced demand for feed wheat while Mainland China, which was Australia's major wheat market throughout most of the 1960's, has not imported any Australian wheat since the end of 1970. Our shipments to most other major markets such as the U.A.R., Japan and the Middle East in 1971/72 are expected to be similar to those in the previous year while, in contrast with recent years, Australia will again be exporting wheat to the U.S.S.R.

Overall exports will decline in 1971/72 but, nevertheless will be among the highest on record. Deliveries to the Board will once again be below quota level and are not expected to exceed 270 million bushels. Hence, carryover stocks at the end of 1972 should for the first time in three years be below 100 million bushels.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 — January 22, 1971-72 and Corresponding Period 1970-71

Destination	Wheat		Wheat flour	
	1970-71	1971-72	1970-71	1971-72
	thousand bushels			
<u>Other Western Europe</u>				
Britain	10,386	2,311	58	31
Ireland	40	169	—	—
Malta	—	190	—	—
Norway	—	2,289	—	—
Switzerland	568	—	—	—
Totals	10,994	4,959	58	31
<u>Eastern Europe</u>				
U.S.S.R. (Russia)	—	4,515	—	—

See footnote at end of table.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 — January 22, 1971-72 and Corresponding Period 1970-71 — Continued

Destination	Wheat		Wheat flour	
	1970-71	1971-72	1970-71	1971-72
	thousand bushels			
<u>Africa</u>				
Kenya	—	616	—	—
Malawi	—	—	98	110
Mauritius — Comm.	—	—	187	186
Mozambique	550	525	—	—
Rhodesia	501	683	—	—
South Africa	850	—	—	—
Sudan	—	1,431	—	—
U.A.R. Egypt	10,664	12,406	—	—
Zambia	418	465	—	—
Others	(1)	(1)	(1)	(1)
Totals	12,983	16,126	285	296
<u>Asia</u>				
Aden	—	62	—	—
Aden and Aden Atta	—	—	—	9
Afghanistan	—	411	—	—
Arabian Gulf	17	99	24	52
Arabian Gulf Atta	—	—	169	319
Ceylon	441	103	—	—
Ceylon — Comm.	—	—	12	40
— F. Aid	—	—	387	612
China	3,039	—	—	—
Hong Kong	927	176	3	4
India — F. Aid	1,445	1,467	—	—
Indonesia — F. Aid	—	232	81	—
— Comm.	—	—	—	1
Iran	691	—	—	—
Iraq	2,997	923	—	—
Japan	4,571	6,473	—	—
Korea South	—	522	—	—
Kuwait	1,101	807	—	—
Malaysia	1,677	1,324	—	—
Pakistan — Comm.	444	(1)	—	—
— F. Aid	234	—	—	—
Philippines	—	—	25	54
Sabah	—	—	1	1
Sarawak	—	—	(1)	—
Saudi Arabia	—	672	—	3
Singapore	885	463	(1)	—
Taiwan	2,965	1,014	—	—
Thailand	184	111	40	30
Yemen	—	559	—	—
Others	17	—	24	22
Totals	21,635	15,418	766	1,147

See footnote at end of table.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 - January 22, 1971-72 and Corresponding Period 1970-71 - Concluded

Destination	Wheat		Wheat flour	
	1970-71	1971-72	1970-71	1971-72
	thousand bushels			
<u>Oceania</u>				
New Zealand	365	551	-	-
<u>Western Hemisphere</u>				
Bolivia	561	-	-	-
Chile	336	717	-	-
Peru	519	604	-	-
West Indies Area	-	-	-	7
Totals	1,416	1,321		7
<u>Pacific Area and Sundries</u>				
Pacific Islands	5	8	568	403
Ships' Stores and Sundries	-	-	22	16
Totals	5	8	590	419
Totals, all countries	47,400	42,900	1,700	1,900

(1) Less than 500 bushels.

WHEAT SITUATION IN BRITAIN

The following account of the wheat situation in Britain has been extracted from a report received from Mr. G.D. Cooper, Commercial Officer, (Agriculture) for Canada, London under date of February 14, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

General conditions. - There was generally mild, dry and sunny weather during October and consequently conditions were favourable for field work. Somewhat extreme conditions prevailed in November with particularly extended periods of sunshine but also gales and outbreaks of snow and sleet. Cultivations and sowings proceeded rapidly and virtually all land intended for winter cereals had been drilled by the end of the month. December conditions were also reasonably temperate although a colder spell developed at the month end. Dull, cold weather at the beginning of January was followed by changeable conditions with rain and showers but some sunny spells. Generally mild conditions have prevailed since, interspersed with short cold spells. Autumn sown crops are well forward with germination slow at first but recent emergence unusually rapid. There were some reports of slug damage on wheat.

Production 1971-72. - Yield estimates relating to the 1971 harvest have now been issued by the Government authorities responsible for England and Wales, Scotland

and Northern Ireland. For the United Kingdom as a whole, wheat production is provisionally estimated at 4,752,000 long tons (177.2 million bushels) compared with 4,169,000 long tons (155.5 million bushels) in the previous crop year.

Production of wheat 1970-71 and 1971-72

	Acreage		Yield		Production	
	1970-71 thousand acres	1971-72(1)	1970-71 bushels per acre	1971-72(1)	1970-71 thousand bushels	1971-72(1)
England and Wales	2,394	2,619	61.9	65.3	148,600	171,400
Scotland	98	88	68.4	64.0	6,700	5,700
Northern Ireland	3	2	64.2	65.3	190	150
Totals, United Kingdom	2,495	2,709	62.1	65.1	155,490	177,250

(1) Provisional.

Winter wheat plantings. — Plantings of winter wheat in 1971 were even greater than 1970 when the acreage was the highest since 1943.

The acreage of wheat sown by December 3, 1971 was 2,352,000 acres compared with 2,267,000 at December, 1970. The further increase in sowings reflects the excellent autumn weather conditions and possibly the prospects of improved prices on Britain's entry into the Common Market. Some of the wheat sown will inevitably be marketed when the United Kingdom is into the E.E.C. after January, 1973.

Consumption and supplies. — Revised estimates of consumption and supplies of home grown and imported wheat in 1971-72 issued by the Home Grown Cereals Authority and giving the position as at the end of November show no major changes in the wheat consumption and supply pattern. Total consumption is provisionally estimated at 8,750,000 long tons (326.4 million bushels) compared with 9,353,000 long tons (348.9 million bushels) in 1970-71 against estimated supplies of 8,750,000 long tons (326.4 million bushels) for 1971-72 and 9,436,000 long tons (352.0 million bushels) for 1970-71.

Usage of wheat by flour millers. — British flour millers have now set a target usage of 1,700,000 long tons (63,400,000 bushels) of home grown wheat for the current cereal year.

Imports. — Imports of wheat as at the end of November, 1971 amounted to 1,650,000 long tons (61,545,000 bushels) compared with 2,171,000 long tons (80,978,000 bushels) for the same period of the previous year. This decrease has to be seen in the context of increased United Kingdom production.

Stocks of wheat on farms. — Stocks of wheat on farms as at the end of December, 1971 were 1,610,000 long tons (60,053,000 bushels) compared with 1,090,000 long tons (40,657,000 bushels) at the end of December, 1970. Total stocks as a percentage of total production were 34 per cent for 1971 and 26 per cent for 1970. This increase emphasises the extent to which farmers have been withholding grain from the market because of low prices.

Cereals deficiency payments. — The Ministry of Agriculture has announced that the advances on the deficiency payments for wheat will be made at the rate of £9.29 (Cdn. \$24.25) per acre. These will be subject to deductions of £0.29 (\$0.76) per acre to meet the levy payable to the Home Grown Cereals Authority. The deficiency payments are calculated by converting to an acreage basis the difference between the guaranteed price per long cwt. for the year and the average market price. The guaranteed price for the cereal year 1971-72 for wheat was £1.63 per long cwt. (\$2.29 per bushel). The deficiency payment cannot be finally calculated until the average market price for the year ended June 30, 1972, can be established.

Intervention agency — accession to the E.E.C. — The cereals support system within the Common Market requires each country to have an intervention agency which must buy soft wheat, durum wheat, barley, rye and corn at pre-determined prices as long as the grain meets certain minimum quantity and quality requirements. Similarly subsidies, which currently run at around £5-£6.00 (\$13.05 to \$15.66) per long ton, are available for denaturing wheat or rye providing various quality requirements are met.

The British Government therefore announced that an intervention agency was to be established under the control of the Agricultural Ministers to take general responsibility for the various intervention arrangements which will be applied under the Common Agricultural Policy of the E.E.C. Subsequently the setting up of an Intervention Board to cover all agricultural products has been announced as one of the main provisions of the recently published European Communities Bill(1). This Bill is the basis of the new legislation programme necessary for British entry into the E.E.C. The Board will make use of the Home Grown Cereals Authority for administration of intervention and other functions. Concern is, however, growing in the United Kingdom grain and compounding trades that marketing arrangements for cereals will not be complete by the beginning of January, 1972 when Britain begins the three year transition period of E.E.C. entry. If marketing and intervention arrangements are not established by that date they may not be able to claim from FEOGA, the E.E.C. Guidance and Guarantee Fund, to which Britain will be contributing from the beginning of 1973. The arrangements which are affected by FEOGA payments are intervention buying, denaturing payments on wheat or rye and export restitutions.

Centralized grain storage. — The potential advantages of centralized grain storage have gained emphasis with Britain's accession to the E.E.C. The marketing of grain in the Common Market countries has for a long time been geared to centralized bulk storage and this method has facilitated the operation of E.E.C. intervention buying. The shortage of suitable off-farm grain storage for storing intervention stocks of grain could present a particular problem for the U.K.

The Home Grown Cereals Authority considered that the economic, technical and commercial aspects of centralized storage deserved detailed investigation are therefore in collaboration with other interested organizations, i.e. East Kent Cereal Growers Ltd., Eastern Counties Farmers Ltd. and the British Association of Grain, Seed, Feed and Agricultural Merchants, it commissioned three feasibility studies. Two are related to a particular area, namely Kent and East Anglia and the third deals with the broader implications on a United Kingdom basis.

Substantial grant aid was provided by the Central Council for Agricultural and Horticultural Co-operation for the first two studies and by the Agricultural

(1) European Communities Bill — No. SBN 10 306872 4

Market Development Executive Committee for the third. The reports of the Kent and East Anglian studies has already been published and the report on the United Kingdom issue is expected in the near future.

Grain markets. — The domestic grain market is tending to become firmer with developing interest in forward delivery of the 1971 crop.

Milling wheat for February delivery was valued up to £26.25 per long ton (\$1.84 per bushel) and for April-June delivery at up to £27.75 per long ton (\$1.94 per bushel) with feed wheat at £26.50 per long ton (\$1.85 per bushel) for April delivery. The import market for cereals has remained quiet with little change in price levels.

The Home Grown Cereals Authority's ex-farm guide price for millable wheat is announced at £25.50 per long ton (\$1.78 per bushel) for February delivery and £25.75 per long ton (\$1.80 per bushel) for March delivery.

ARGENTINE SITUATION

Supplies Above Year Ago Reflecting an increase in production which more than offset a decrease in carryover stocks, total estimated domestic supplies of wheat in Argentina for the 1971-72 (December-November) crop year are placed at some 198.3 million bushels, 8 per cent more than the previous year's total of 183.3 million. The 1971 production estimated at 191.1 million bushels exceeded by 23 per cent the 155.7 million produced in 1970 while the December 1, 1971 carryover stocks, at 7.2 million, are sharply below the 27.5 million at the same date a year ago. After making an allowance of 140.0 million bushels for anticipated domestic requirements, an estimated 58.3 million are available for export and for carryover in 1971-72, some 33 per cent above the 43.7 million the previous year.

Argentine Wheat Supplies

Item	1970-71 ^r	1971-72 ^P
million bushels		
Carryover at beginning of crop year (December 1) (1) ..	27.5	7.2 ^r
Production	155.7	191.1 ^r
Total estimated domestic supplies	183.3	198.3
Less estimated requirements for crop year	139.6	140.0
Available for export and for carryover	43.7	58.3
<u>Deduct</u>		
Exports of wheat as grain, December — January	8.2	5.5 ^r
Exports of wheat flour in terms of wheat, December — January	0.7	1.1 ^r
Total exports of wheat and wheat flour	8.8	6.6 ^r
Balance on February 1 for export and for carryover	34.9	51.7

(1) Includes allowances for farm stocks.

^r Revised but subject to further revision.

Exports Decline
from Year Ago

Preliminary exports of wheat and wheat flour in terms of wheat equivalent during December 1971-January 1972 amounted to 6.6 million bushels, 25 per cent less than the 8.8 million exported during the same two months in 1970-71. The balance remaining on February 1, 1972 for export and for carryover was estimated at only 51.7 million bushels, as against the February 1, 1971 total of 34.9 million.

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 February 9, 1972 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 .

The wheat supply situation in Argentina is somewhat obscure at the moment. The estimate of carryover stocks in official positions is not yet available and the picture is further clouded by the first estimate of production for the 1971-72 crop year of 5.2 million tons (191.1 million bushels) including Durums. There seems to be some doubt among the trade as to the accuracy of this figure. Some say it is more like 5.0 million tons (183.7 million bushels) while others give a figure up to 5.5 million tons (202.1 million bushels).

As a result, the question has arisen "will there be enough to supply Brazil with 1.0 million tons (36.7 million bushels)". One newspaper recently reported that 700,000 tons (25.7 million bushels) was the maximum that could be supplied. Two days later the Government rebutted this argument saying 1.0 million tons (36.7 million bushels) could be made available. February 15 is the deadline for the two governments to fix the quantity to be supplied in the calendar year 1972. It will be very interesting to see what the figure will be. If it turns out to be 1.0 million tons (36.7 million bushels) or close to it only the end of the year will tell if the contract can be fulfilled.

The export tax on wheat including Durums has been increased from 17 per cent to 24 per cent. However, a 0.45 peso tax per dollar has been removed. In addition exporters are allowed to change 30 per cent of their foreign currency receipts on the financial market which is now at approximately 9.50 pesos to the U.S. dollar. The net result is that the exporter is receiving now more pesos to the dollar.

At the beginning of 1971 when there was only one exchange market - 4.00 pesos = US\$1.00 - the index price for wheat was US\$60.00 per ton (Cdn. \$1.64 per bushel), the export tax 17 per cent, other taxes 5.3 per cent. The exporters return after taxes was 186.48 pesos per ton. Now the index price is still US\$60.00 (\$1.64 per bushel), the export tax is 24 per cent, other taxes 5.3 per cent and the composite exchange rate (30 per cent at 9.50 pesos, 70 per cent at 5.00 pesos) is 6.35. The return after taxes to the exporter is 269.37 pesos, an increase of almost 45 per cent. In other words they are just keeping pace with inflation.

The Minister of Agriculture announced the constitution of the new Board of Directors of the National Grain Board. The President of the Board will be the Under-Secretary of Agriculture, Ing. Agr. Julio E. Basta, and the board will be formed by two representatives from each of the following departments: Agriculture, Commerce, Finance, Public Works and Services; two representatives from the grain industry, two from the grain trade, two from co-operatives and two from farmers organizations.

On February 9, hard wheat was quoted at 26.00 pesos per 100 kilos (Cdn. \$1.43 per bushel, commercial market) f.o.r. Buenos Aires, semi-hard wheat at 25.40 pesos (\$1.39 per bushel) and Durums at 26.00 pesos (\$1.43 per bushel). At Bahia Blanca, hard wheat was quoted at 25.20 pesos (\$1.38 per bushel) semi-hard at 24.60 pesos (\$1.35 per bushel) and Durums at 25.60 pesos per 100 kilos (\$1.40 per bushel).

On the Futures Exchange, hard wheat was quoted at 26.85 pesos per 100 kilos (\$1.47 per bushel) f.o.r. Buenos Aires for March delivery, 28.00 pesos (\$1.54 per bushel) for April, 28.80 pesos (\$1.58 per bushel) for May and 29.65 pesos (\$1.63 per bushel) for June.

Argentine Wheat Exports December — November 1970-71 and 1969-70

Destination	November		December - November	
	1970	1971	1969-70	1970-71
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium	—	—	911	—
France	460	429	1,061	673
Germany, West	—	—	276	26
Italy	1,219	349	23,139	13,599
Netherlands	—	—	1,026	259
Sub-totals	1,679	778	26,413	14,557
Other Western Europe:				
Britain	—	—	474	—
Portugal	—	—	798	—
Spain	—	—	—	448
Sub-totals	—	—	1,272	448
Totals	1,679	778	27,685	15,005
<u>Africa</u>				
Algeria	—	—	537	—
Jordan	—	261	—	372
Libya	—	—	580	1,121
Sudan	481	—	481	—
Totals	481	261	1,598	1,493
<u>Asia</u>				
India	—	—	2,607	—
Lebanon	—	—	287	261
Syria	—	—	386	1,533
Totals	—	—	3,280	1,794
<u>Western Hemisphere</u>				
Bolivia	—	—	—	18
Brazil	2,634	3,500	36,108	8,267
Chile	891	886	4,890	3,734
Paraguay	40	—	1,947	142
Peru	—	—	6,861	318
Totals	3,565	4,386	49,806	12,479
Totals, all countries	5,724	5,424	82,365	30,770

GRAIN SITUATION IN INDIA

The following account of the current grain situation in India has been extracted from a report received from Mr. T.V. Subramanian, Commercial Officer, Canadian High Commission, New Delhi, India, under date of February 7, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Introduction. — One thing that clearly emerges from the present state of Indian agriculture is that this country has ceased to be a major market for cereals. Riding the crest of a successful Green Revolution, India is producing wheat and rice in substantial quantities and so, dependence on imports has ceased; as for coarse grains, India rarely, if ever, imported these.

General background. — India is evidently poised to reap another very good crop. Indications are that the current crop year (ending June 1972) would result in an all time high harvest of over 110 million tons of foodgrains. This is better than the 107.8 million tons in 1970-71 — in itself a record and 8.5 per cent higher than the 99.5 million tons a year before.

Evidently, the agricultural revolution is keeping up its momentum and the output has surpassed all expectations. For instance, when the Fourth Five Year Plan (which ends on March 31, 1974) was formulated, the planners had envisaged a 5 per cent annual growth rate for agriculture. However, the Planning Commission in a "mid-term Plan Appraisal" on December 23, 1971 has noted with satisfaction that, contrary to this projection, the farm output index rose by as much as 7 per cent in 1969-70 and kept about the same growth rate for 1970-71 as well.

The surge in farm output has, in no small measure, been helped by monsoons which have been good for the sixth successive year. Officials have described this winter's rains as "widespread and timely" and forecasters feel that this favourable factor in itself should result in a rabi (spring) harvest of not less than 44 million tons. The earlier khariff (fall/winter) crops have already yielded an estimated 69 million tons.

India is therefore not talking of food shortages any more. Instead, the reference these days is to the "problems of plenty" as the outturn from farms is so much that the present national storage capacity of 6.4 million tons has proven far too inadequate, and the Planning Commission has urged raising the capacity to a level of 9 to 12 million tons expeditiously. The Food Corporation of India, which had so far been straining to accumulate the targetted 5 million tons of grains (mostly wheat) for "buffer stock" operation has now so much of wheat at its disposal that it is obliged to frantically offload it on the market at a rate which has already begun to depress prices. To help function effectively in its new role as a seller, the Corporation is setting up a chain of 300 sales depots which is sure to depress prices further to a level of \$11.48 per quintal as against the present \$14.00.

In the light of the above, it is not surprising that India is now regarding itself "self-sufficient" in foodgrains production and does not have to depend on imports any more. Already, as of January 1, 1972 India has stopped "concessional" imports of grains. At the same time, it is getting ready to export 150,000 tons to neighbouring Bengla Desh as a part of its aid in rehabilitating that new country.

Wheat. — Wheat has slowly emerged as an important element in India's crops. Over the past few years, newer and improved "high yielding varieties" of both hybrid and exotic wheat seeds have been given to the farmers, and these seeds, by responding admirably to the various measures to raise productivity, have acted as the major catalyst for the Green Revolution which India is passing through these days.

The 1971-72 wheat crop is expected to be of the order of 25 million metric tons (918.6 million bushels) — a figure India was aiming at only two years hence, i.e., at the conclusion of the Fourth Plan. It already reaped 23.2 million tons (852.4 million bushels) in 1970-71 and, given the current momentum, is likely to surpass the Plan goal.

Acreage, Yield and Production of Wheat 1968-69 — 1971-72

	<u>Acreage</u> thousand acres	<u>Yield</u> bushels per acre	<u>Production</u> thousand bushels
1968-69	39,416	17.4	685,299
1969-70	41,066	18.0	738,283
1970-71	44,193	19.3	854,171
1971-72(1)	N.A.	N.A.	918,582

(1) Estimated.

This situation naturally has its reflection in prices and as if in its anticipation the Agricultural Prices Commission recommended as early as March 25, 1971 a reduction by Rs.2 to 4 a quintal (Cdn. 7 cents to 14 cents per bushel) in the "procurement prices" for wheat paid to the farmers.

For some strange reasons, however, the wholesale prices did not come down and even spurted in the immediate past. The Food Corporation's selling operations have however tended to push the prices downwards.

General policy of development and subsidies. — India is not subsidizing the production of grains although it does so the sale of cereals to the consumers. One important incentive for production, however, is the complete exemption from income tax of farm incomes.

Another measure by which India supports the farmers is by extending guaranteed prices. These are of two types: (1) "support prices" (at which the government guarantees to buy all grains offered to it for sale by farmers) and (2) "procurement prices" (which are higher than the support prices but unlike them do not imply an undertaking to buy all grains offered). Wheat, sorghum, spiked millet, finger millet (ragi) and corn are among the eleven products which come under the purview of the support schemes. The prices for these products are announced from time to time and the attached table gives the current prices.

In September 1970, Indian Government established a National Commission on Agriculture to make a comprehensive review of agriculture and recommend programmes and policies to accelerate the growth of Indian agriculture. Some reports have already been received by the Government, but the final report will be ready only in about two years. The Commission's conclusions and recommendations should provide guidelines for consolidating Indian agriculture development during the current decade. Till then, India will merely carry on with the existing developmental programmes such as High Yielding Varieties of Seeds Programme (HYP); the Multiple Cropping Schemes and supplying the various inputs and establishing infrastructure.

Bilateral arrangements, barter, etc. — In the context of what is happening these days, India is not keen on any special arrangements to import wheat. At best all the wheat that is likely to come in during the financial year 1971-72 will reflect only the imports against existing commitments. These commitments incidentally are not likely to exceed 2 million tons (73,487,000 bushels).

WHEAT SITUATION IN FEDERAL REPUBLIC OF GERMANY

The following account of the current wheat situation in the Federal Republic of Germany has been extracted from a report received from Dr. R.B. Rossing, Commercial Officer, Canadian Embassy, Bonn, West Germany, under date of February 14, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Weather conditions. — West German farmers' autumn-sown crops continued to do well under relatively favourable weather conditions. The state of the crops in early December was officially rated as very good and better than last year. The sub-soil water level is, however, still quite low and continues to give rise to grave concern. The January (December) rainfalls were also only 30 (85) per cent of the norm in the north and as little as 35 (50) per cent in the south. The last time the monthly precipitation average was exceeded was in June 1971.

Summary of the Wheat Situation

	<u>August — October</u>	
	<u>1970</u>	<u>1971</u>
	thousand bushels	
Production	201,794	254,558
Change in stocks	+ 148,590	+ 192,094
Exports	7,606	5,989
Imports(1)	23,736	22,193
Domestic utilization	69,335	78,667
Seed	4,960	5,695
Feed	28,550	36,890
Loss	331	331
Industrial consumption	661	772
Food consumption	34,833	34,980

(1) Including semolina and pasta products and imports from East Germany.

Farmers' marketings of wheat from August to December 1971 totalled 3,440,000 metric tons (126,397,000 bushels) and were 680,000 tons (24,985,000 bushels) or 25 per cent higher than during the corresponding period of the previous year.

At the end of November 1971, stocks of wheat on farms amounted to 2,675,000 tons (98.3 million bushels) or 389,000 tons (14.3 million bushels) more than the previous year's figure.

	<u>1970</u> thousand bushels	<u>1971</u> bushels	<u>Change</u> per cent
Stocks (December 1)	83,995	98,288	+ 17
Crop	208,041	262,421	+ 26
Per cent of crop	40	38	

The following stocks of wheat were held by processors, co-operatives, and grain traders on December 1, 1971:

	<u>1970</u> thousand bushels	<u>1971</u> bushels
Wheat	68,185	76,187
Wheat flour	3,524	3,876
Other wheat products	2,293	2,249
Total wheat (grain value)	74,001	82,312

West Germany's milling of wheat showed the following changes:

	<u>August - November</u>	
	<u>1970</u>	<u>1971</u>
	thousand metric tons	
Milling of wheat(1)	1,367.4	1,430.9
Production of wheat flour	999.5	1,045.1
Extraction rate in per cent	78.3	78.2
Production of pasta prod.	64.5	65.8

(1) Excluding mills below 500 metric tons of wheat milling capacity per year.

The production of pasta in 1971 exceeded 200,000 tons for the first time (1970: 196,000 tons). Imports of pasta products from January to November 1971 amounted to 16,100 tons (1970: 15,400) while exports were about 4,000 tons (1970: 2,900).

Disappearance Chart for Flour (including semolina)

<u>August-July</u>	<u>Opening</u> <u>stocks</u>	<u>Production</u>	<u>Imports</u>	<u>Exports</u>	<u>Closing</u> <u>stocks</u>
	thousand metric tons				
1970 ...	91.0	820.5	25.1	78.5	125.4
1971 ...	92.8	861.8	24.2	104.1	137.1

The production of wheat flour from August to October 1971 was slightly higher (5.1 per cent) as compared to 1970. While exports increased by 25,600 metric tons or 33 per cent stocks in mills were higher by 11,700 tons. The share of domestic sales of wheat flour in total sales amounted to 77.4 per cent (1970: 76.8) corresponding to 737,600 tons (1970: 732,700 tons).

During the first four months of the 1971-72 crop year the share of foreign quality wheat for domestic consumption declined substantially to 13.8 per cent as compared to 21.7 per cent in 1970-71. The share of wheat from third countries in millings for export decreased to 6.2 per cent as against 16.0 per cent in 1970-71. The share of EEC wheat in millings for consumption in Germany almost doubled from 8.5 per cent to 15.2 per cent, whereas it increased in millings for export from 15.3 per cent to 31.1 per cent. In Schleswig-Holstein due to the high wheat/quality only 10 per cent of wheat processed to wheat flour originates from Third Countries.

The utilization of wheat in mixed feeds from August to November 1971 as compared to the corresponding period of the previous year continued to decline both in absolute figures 57,000 metric tons (2,094,000 bushels) and in relation to other feed grains (from 28.7 per cent down to 24.8 per cent). In total 305,000 tons (11,207,000 bushels) of wheat were used in mixed feed as against 362,000 tons (13,301,000 bushels) from August to November 1970. From August 1, 1971 to mid January 1972 approximately 860,000 tons (31,599,000 bushels) were denatured to feed wheat.

Prices and interventions. — The pressure on wheat prices following the bumper crop of 1971 was relieved by the extraordinary up-take of wheat by the intervention agency. The increase of EEC intervention prices enabled the Import and Storage Agency Fortgrains and Feedstuffs in Frankfurt to take up more than 750,000 metric tons (27,557,000 bushels) from August to December 1971, (1970: nil). Accordingly prices remained fairly stable as can be seen from the following breakdown:

Market Prices (Commodities Exchange) for
Home-Grown Wheat of Standard Quality

	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
	dollars per bushel				
1970-71	3.14	3.22	3.27	3.30	3.36
% of intervention price	102.6	104.1	104.9	104.7	105.6
1971-72	3.12	3.15	3.20	3.26	3.29
% of intervention price	100.0	99.9	100.3	101.3	101.1

Imports and exports of wheat. — In spite of the record 1971 wheat crop (+ 26 per cent) West Germany's import volume from August-November declined only slightly by 75,600 tons (2,778,000 bushels) or 8.8 per cent. Imports of bread wheat decreased by only 4.9 per cent or 33,400 tons (1,227,000 bushels) while imports of durum wheat sharply dropped by 42,200 tons (1,543,000 bushels) or 23.8 per cent. Shipments of wheat from the U.S.A. significantly reduced from 343,000 tons (12,603,000 bushels) to 96,000 tons (3,527,000 bushels). Imports of wheat from EEC member countries were up 170,000 tons (6,246,000 bushels) so that the EEC share of the market is now 50 per cent.

Exports of wheat and wheat products from August — November 1971 were 242,000 metric tons as compared to 261,000 for the corresponding period of the previous year.

Government measures. — West Germany's commitments for delivery of grain as food aid for developing countries — i.e. 320,000 metric tons — were fulfilled almost entirely from intervention stocks during the 1970-71 crop year. Deliveries under the national food aid programme amounted to 214,000 tons, whereas German contributions to the EEC programme were 106,000 tons. Of the national food aid 66,000 tons were donated as wheat flour principal recipients were 15,000 tons to Egypt, 10,000 tons to Jordan, 20,000 tons to Indonesia, and 4,000 tons to South Korea.

The new Mills Structure Law which became effective January 1, 1972 aims at improving the efficiency of the West German milling industry by reducing its excess capacity by 5,000 metric tons of the total daily capacity of about 35,000 tons (or 750,000 tons of the total annual milling capacity of 5 million metric tons). This means that the average plant utilization will be higher than the previous average of 53.5 per cent. Compensation⁽¹⁾ will be paid for capacity reductions and will be financed by a levy of 6.-DM per metric ton (5 cents per bushel) on grain processed by the surviving part of the milling industry. In total DM.-100 million (\$31.3 million) will be provided for this nationalization programme so that reductions in the capacity of small, medium-sized, and industrial mills can be carried out separately.

(1) Of from DM 100 to DM 140 per metric ton (85 cents to \$1.19 per bushel Canadian).

Germany — Wheat (incl. Durum) Imports by Source

	<u>August — November</u>			
	1970		1971	
	thousand bushels	per cent	thousand bushels	per cent
Canada	10,068	32	8,745	31
U.S.A.	12,603	40	3,527	12
Australia	—	—	551	2
USSR	—	—	955	3
Others	661	2	478	2
EEC	8,084	26	14,367	50
Thereof				
France	5,511	18	12,456	44
Netherlands	2,425	8	1,690	6
Others	146	1	220	1
Totals, all countries.	31,416	100	28,623	100

WHEAT SITUATION IN LEBANON, SYRIA, JORDAN, IRAQ AND THE ARABIAN PENINSULA

The accompanying information relative to the wheat situation in the following countries has been extracted from a report by Mr. F. Ian Wood, Commercial Counsellor, Canadian Embassy, Beirut, Lebanon, under date of February 10, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Lebanon Production 1971. — The Ministry of Agriculture recently disclosed that the wheat harvest in 1971 reached almost record proportions at 65,000 tons (2,388,000 bushels) or twice the 1970 crop. A favourable rainy season was particularly kind to new acreage planted with Mexican Dwarf wheat ("Mexipak"). This variety yielded an average of 1.6 metric tons (58.8 bushels) per acre and in one particular area as high as 2 metric tons (73.5 bushels) against 0.3 to 1 metric ton (11.0 to 36.7 bushels) from the traditional hard wheat strains "Senator Capelli" and "Florence Aurore" usually planted here. Total acreage planted to wheat remained more or less stable at above 100,000 acres.

Acreage 1972. — The 1972 acreage planted to wheat is said to be about 170,000 acres with high hopes that the crop will increase proportionately. Much depends on adequate rainfall particularly in the months of January-February. With half this period over, forecasters are optimistic.

Government purchases, 1971. — (a) Domestic — In the past year, the Lebanese government bought 27,000 metric tons (992,000 bushels) from farmers, against 12,000 tons (441,000 bushels) in 1970 at an increased support price of 6 cents per pound (5 cents per pound in 1970).

(b) Imports — As Lebanon is far from self-sufficient in wheat production, this commodity constitutes one of the most important items on her import account. Imports by country of origin in 1970 were as follows in thousand bushels:

from Argentina	78
Italy	497
Iraq	38
Greece	166
Belgium	44
Germany	142
Rumania	123
Bulgaria	950
Hungary	1,932
Australia	3,475
U.S.A.	5,331
Total	<u>12,776</u>

Shipments received in the January-December period of 1971, as recorded by the Beirut Port Authority, totalled 280,000 metric tons (10,288,000 bushels). Of this quantity, 106,000 tons (3,895,000 bushels) was supplied from the U.S.A., 75,000 tons (2,756,000 bushels) from Australia, 25,000 tons (919,000 bushels) from the U.S.S.R., and 13,000 tons (478,000 bushels) from Italy.

Renewal of PL480 Agreement. — Lebanon in 1971 renewed its agreement with the United States which permits the purchase of \$7 million worth of PL480 commodities on a long term basis on favourable terms and conditions. About 70,000 metric tons (2,572,000 bushels) of wheat was made available of which only half was delivered in 1971.

Syria Production 1971. — Early in 1971 heavy rains and snowfall prompted publication of wheat production estimates of more than 1 million tons (36,743,000 bushels) from some 3 million acres sown to wheat. However, figures released in September 1971 disclosed a crop of only 600,000 metric tons (22,046,000 bushels).

Acreage 1972. — Wheat acreage estimates for 1972 range from 3.0 million to 3.5 million acres but possibly a 3 million acre figure is more realistic.

Government purchases — Syria's wheat import figures look as follows in thousand bushels:

1970 — Sweden	715
Rumania	3,061
Finland	139
U.S.A.	161
Argentina	922
Canada	10,575
	<hr/>
Total	15,573

1971 (January-September)

- Canada: 7,072
- Other sources
 not specified.

Jordan Production 1970-71. — Central Bank Statistics of October 1971, show a 1970 wheat crop of 145,000 metric tons (5,328,000 bushels) or half of what might have been expected in a normal year before the occupation of the West Bank in 1967. No data is given on the 1971 crop but the appearance of abundant precipitation last winter suggests a better crop than harvested during the previous year. An estimate given by the Ministry of Economy was conservatively put at 150,000 tons (5,511,000 bushels).

Acreage 1972. — The area under wheat for the 1971-72 season is estimated at 375,000 to 400,000 acres.

Government purchases - Imports. — Consumption is double production and half Jordan's wheat requirements have to be imported. Imports in 1971 for the first

three quarters by origin is as follows in thousand bushels:

USA(PL 480)	1,157 (Hard Red Winter 11 per cent)
Bulgaria/Rumania ..	367 (Commercial basis)
WFP/West Germany and Italy	1,837 (donations)
Total	3,362

Jordanian imports of wheat and flour represent by value 35/40 per cent of the countries export earnings.

Agricultural development plans. — Cultivable land being extremely limited, the overwhelming majority of farmers follow the hard life of subsistence agriculture. However with the financial assistance of many donor countries planned developments include:

- (a) More Government support to local farm co-operatives;
- (b) Intensification of efforts to increase production in semi-arid areas;
- (c) Erosion control measures;
- (d) Agriculture research on the farm education programs;
- (e) A co-ordinated national soil and water conservation program.

Iraq Production 1971. — The Iraq Grain Board placed the 1971 wheat harvest at 821,000 metric tons (30,166,000 bushels), barley 432,000 metric tons (19,841,000 bushels), well below requirements but nonetheless an improvement over 1970 when all production of crops dropped considerably from the 1969 level.

Acreage and production 1972. — Good rainfall was reported in January and the first week of February. This augers well for the 1972 crop which, if favourable climatic conditions continue, could reach as high as 1 to 1.2 million metric tons (36,743,000 to 44,092,000 bushels), almost sufficient to meet Iraq's requirements. Last year the Grain Board purchased 75,000 metric tons (2,756,000 bushels) of Mexipak seed for planting.

Prices. — Domestic prices of wheat, flour, barley and other crops during the first nine months of 1971 rose sharply due to shortfalls in production. This situation obliged the Board to establish ceilings for both domestic and imported wheat and other agricultural crops. Prices of selected items at the beginning of 1972, as reported by the Baghdad Chamber of Commerce, were as follows:

Wheat, local, best kind	US\$ 96.25 per metric ton
Wheat, Australian	100.00 " " "
Wheat, Canadian
Barley, local	81.25 per metric ton
Wheat flour (No. 0)	12.00 per 88 kg bag

Government purchases 1971. — During 1971, 366,000 metric tons (13,448,000 bushels) of Canadian wheat and 208,500 tons (9,576,000 bushels) of Canadian barley were purchased and received by Iraq. Imports in 1970, the most recent year for

which detailed import statistics are available, totalled 89,799 tons and were supplied by:

Australia	74,131	metric tons
Canada	15,068	" "
Pakistan	600	" "

Arabian Peninsula Production 1971. — Wheat production in these countries is relatively insignificant. In a good year, a three-country harvest of 60,000 metric tons (2,205,000 bushels) is considered an achievement.

- (a) Yemen Arab Republic — The Yemen Arab Republic with 30,000 metric tons (1,102,000 bushels) per year is the leading producer in the Arab Peninsula. Mechanization is just beginning to improve production in the high terraced mountain regions paralleling the Red Sea.
- (b) Saudi Arabia — Saudi Arabia's agricultural land is almost entirely irrigated and is sown to cash crops rather than wheat. About 20,000 metric tons (735,000 bushels) is grown in the SW Asir mountain regions.
- (c) People's Democratic Republic of Yemen — The People Democratic Republic of Yemen produces about 10,000 metric tons (367,000 bushels) in desert wadis (flood beds) and in the Hadramut region.

Imports 1971. —

- (a) Yemen Arab Republic — The Yemen Arab Republic offshore purchases may have reached between 40,000 and 60,000 metric tons (1,470,000 and 2,205,000 bushels).
- (b) Saudi Arabia — Saudi Arabia imports last year totalled between 60,000 to 80,000 metric tons (2,205,000 to 2,939,000 bushels). Unfortunately, no reliable statistics are available.
- (c) People's Democratic Republic of Yemen — The People's Democratic Republic of Yemen estimates imports at 30,000 to 40,000 metric tons (1,102,000 to 1,470,000 bushels) per year. All imports are effected on a bagged basis via the ports of Hodeida, Jeddah and Aden, respectively.

The Red Sea area has been a market for Canadian seed wheat for many years. However, closure of the Suez Canal has made shipment of bagged seed wheat from Canada more expensive and Australian suppliers have been able to increase their sales. It should be noted that the bulk of the seed wheat imported into this area is used for human consumption.

In the Yemen Arab Republic and to some degree in the People's Democratic Republic of Yemen, the United Nations WFP and other bilateral aid shipments have accounted for a considerable percentage of wheat imports.

Developments. — Plans to construct storage silos and flour mills in Jeddah, Dammam and Aden are probably three or more years from implementation.

CALENDAR OF WHEAT EVENTS

- January 31 The Canadian Wheat Board in its Instructions to the Trade re Quotas, No. 4 announced in part that effective immediately, at all delivery points within the designated area a "C" quota for Soft White Spring Wheat is hereby authorized at a level of five (5) bushels per quota acre assigned to Soft White Spring Wheat as shown in the individual producer's permit book.
- The Board also wishes to announce that samples of Hercules Durum forwarded to the Canadian Grain Commission under the policy outlined in our Instructions to the Trade re Quotas — Hercules Durum No. 1 issued September 24, 1971, will not be accepted after May 31, 1972.
- According to the January 1972 issue of "World Agricultural Production and Trade" published by the United States Department of Agriculture, Foreign Agricultural Service, world wheat production in 1971 is estimated at a record 313 million metric tons, 9 per cent above the 1970 harvest, on the basis of information available to the Foreign Agricultural Service. The current estimate is 2 per cent above the previous record of 1968. World wheat area gained 3 per cent in 1971 while yield rose 6 per cent.
- February 2 A report received from Mr. R.A. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, stated that much of Australia has experienced adverse weather conditions over the 1971-72 wheat growing season and poor weather conditions continue to plague the harvest. The estimate of total production is 298 million bushels with total deliveries to the Australian Wheat Board expected to be some 270.5 million.
- 9 According to Mr. H.G. Fairfield, Assistant Commercial Secretary (Agriculture) Buenos Aires, the export tax on wheat including Durums in Argentina has been increased from 17 per cent to 24 per cent. However, a 0.45 peso tax per dollar has been removed. In addition exporters are allowed to change 30 per cent of their foreign currency receipts on the financial market which is now at approximately 9.50 pesos to the U.S. dollar. The net result is that the exporter is receiving now more pesos to the dollar.
- 11 The Canadian Wheat Board announced that a final payment involving the distribution of \$74.4 million will be made on wheat delivered by producers during the 1970-71 crop year. The average final payment was 19.64 cents per bushel. For details see page 10 of this publication.
- 14 In a report received from Mr. G.D. Cooper, Commercial Officer (Agriculture) United Kingdom, yield estimates relating to the 1971 harvest have now been issued by the Government authorities responsible for England and Wales, Scotland and Northern Ireland. For the United Kingdom as a whole, wheat production is provisionally estimated at 4,752,000 long tons (177.2 million bushels) compared with 4,169,000 long tons (155.5 million bushels) in the previous crop year.

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