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# The wheat review

FEBRUARY 1973

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## THE WHEAT REVIEW

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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

## Exports Remain at an All-time High

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 a record 1,026.2 million bushels, 41 per cent greater than the previous year's total of 727.5 million exported during the same six months in 1971-72 and 42 per cent above the ten-year (1961-62 - 1970-71) August-January average of 721.1 million. Based on the Canadian crop year, Canada, United States and Argentina registered increases while Australia declined from last year's levels.

Shipments from the four traditional major wheat exporters during August 1972-January 1973, with comparisons, appear in the accompanying table.

## Exports of Wheat and Flour in Terms of Wheat, August 1972 - January 1973 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	15.1	698.5	
1968-69 .....	157.9	92.4	265.4	47.8	563.5	84.1
1969-70 .....	137.2	132.5	282.8	32.8	585.3	120.3
1970-71 .....	207.8	173.3	390.4	37.5	809.0	60.6
1971-72 <sup>r</sup> .....	272.7	150.1	284.6	20.1	727.5	109.7
1972-73 <sup>p</sup> .....	312.1	114.7	553.2	46.2	1,026.2	..

## Supplies Below Last Year's Level

Supplies of wheat held by the four traditional major exporters at February 1, 1973 for export and for carryover at the end of their respective crop years amounted to 1,924.8 million bushels, a decrease of some 18 per cent from the 2,353.5 million at the same date a year ago. This decrease reflected lower supplies in Canada, Australia and United States which more than offset an increase in Argentina. Supplies at February 1, 1973, in millions of bushels, were held as follows, with last year's comparable figures in brackets: Canada, 650.9 (820.8); Australia, 134.2 (293.5); United States, 974.2 (1,159.9); and Argentina, 165.5 (79.3).

Exports of Wheat and Flour in Terms of Wheat, August 1972 — January 1973  
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 .....	5,655	4,717	10,625	1,021	22,018	1,649
1971-72 <sup>r</sup> .....	7,422	4,085	7,746	547	19,800	2,986
1972-73 <sup>p</sup> .....	8,494	3,122	15,056	1,257	27,929	..

World Wheat and Rye  
Production Decline  
in 1972

A report released on January 31, 1973 by the Foreign Agricultural Service, United States Department of Agriculture stated that: World wheat production in 1972 is estimated at 304 million metric tons, 6 per cent below the 1971 record and only 1 per cent below the previous high of 1968. World wheat area at 207 million hectares was 1 per cent below that of 1971.

The Soviet Union, the world's largest wheat producer, was the principal factor in the decline. Their crop is estimated at 62.3 million tons, 19.6 million tons below 1971, while the world decline was only 18.3 million. Among the principal wheat exporters Canada produced 14.5 million tons, just over that of the previous year. The U.S. crop was off 2 million tons, at 42 million, on about the same area. Australia's production dropped some 2.8 million tons to 5.9 million because of critical moisture shortage. However, the Argentine harvest gained an estimated 2.6 million tons to 8 million. Total production in these four exporting countries and in the USSR declined by 21.7 million tons. For the remainder of the world, which consists primarily of importing areas, production rose by 3.5 million tons.

In Brazil, late-season rains reduced a potential 2 million ton harvest by half, creating an unusual import requirement.

In Western Europe, the French wheat crop gained 2.2 million tons to a record 17.6 million. The West German and Italian crops each dropped 7 per cent so that the total harvest for the European Community was only 3 per cent higher. The Spanish crop was about a million tons lower and the U.K. production held at 4.8 million. The West European total was 1 per cent lower for the year at 50.5 million tons.

The East European outturn was up 3 per cent. Five countries there had record crops, but Yugoslavia's was off 14 per cent.

India's wheat production was up 2.6 million tons at a record 26.5 million. Crops were especially good in the southern and western parts of the Asian continent, except for Turkey where production dropped 1.1 million tons to their second highest at 9.5 million tons.

Wheat crops were good in all parts of Africa.

World rye production in 1972 is estimated at 26.3 million tons, 3 million tons, or 10 per cent, below that of 1971. World rye area at 17.2 million hectares was off 9 per cent.

Rye production in the Soviet Union is estimated at 8.3 million tons, down 2.3 million tons for the principal decline. The West European crop at 5.2 million tons was off 3 per cent - 139,000 tons. The West German harvest was down 4 per cent, at 3 million tons.

Eastern Europe produced 10.7 million tons of rye, up 2 per cent. Poland at 8 million tons, and East Germany at 1.9 million tons provided the principal increases there.

In North America, the U.S. crop was off 40 per cent at 750,000 tons and the Canadian off 38 per cent at 344,000.

#### CANADIAN SITUATION

Supplies Decrease Reflecting a decline in carryover stocks which more than offset an increase in production, total estimated supplies of wheat for the 1972-73 (August-July) crop year are placed at 1,123.0 million bushels consisting of the August 1 carryover of 589.8 million and the 1972 crop, estimated at 533.3 million bushels. Supplies of the size indicated represent a decrease of 11 per cent from the 1971-72 total of 1,263.7 million. After making an allowance of 160.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1972-73 amount to 963.0 million bushels, 12 per cent less than the 1,093.5 million in 1971-72.

Exports Above Previous Year Exports of wheat and flour in terms of wheat equivalent amounted to 312.1 million bushels during the first half of the current crop year, 14 per cent above the previous year's corresponding total of 272.7 million and 48 per cent more than the ten-year (1961-62 - 1970-71) average for the period of 210.2 million bushels. This year's exports consisted of 299.5 million bushels of wheat in bulk, 218 thousand of seed and 12.4 million of flour in terms of wheat. During the comparable period last year these figures were 259.0 million of wheat in bulk, 555 thousand of seed and 13.1 million of flour in wheat equivalent. The balance remaining on February 1, 1973 for export and for carryover amounted to 650.9 million bushels, 21 per cent below the February 1, 1972 total of 820.8 million.

# Canadian Wheat Supplies

Item	1971-72 <sup>r</sup>	1972-73 <sup>p</sup>
	million bushels	
Carryover in North America at beginning of crop year (August 1) .....	734.2	589.7 <sup>r</sup>
Production .....	529.6	533.3
Total estimated supplies .....	1,263.7	1,123.0
Less estimated domestic requirements for crop year .....	170.2	160.0
Available for export and for carryover .....	1,093.5	963.0
<u>Deduct</u>		
Exports of wheat in bulk, August-January(1) .....	259.0	299.5
Exports of seed wheat, August-January(2) .....	0.6	0.2
Total exports of wheat as grain .....	259.6	299.7
Exports of wheat flour in terms of wheat, August - January (2) .....	13.1	12.4
Total exports of wheat and wheat flour .....	272.7	312.1
Balance on February 1 for export and for carryover .....	820.8	650.9

(1) As reported by the Canadian Grain Commission.

(2) Customs returns, 1971-72 adjusted for time lag.

## Marketings, Disappearance and Visible Supplies

Total primary deliveries of wheat (both east and west) up to February 7 of the current crop year have amounted to 369.8 million bushels in contrast to 275.4 million marketed during the same period of the previous year. Some 28.9 million bushels of this year's total were delivered during the four weeks January 11 to February 7, 1973. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 36.4 million bushels. As a result, the total visible supply of Canadian wheat decreased from 292.8 million at January 10, 1973 to a level of 285.7 million at February 7.

The total visible supply of Canadian wheat at February 7 this year represented a decrease of 6 per cent from the 1972 comparable total of 302.9 million and was 21 per cent less than the 1971 figure of 359.7 million. Country elevator stocks, amounting to 153.3 million bushels, were 12 per cent below the 1972 comparable total of 173.9 million and 25 per cent down from the 205.7 million of two years ago. Wheat stocks at interior terminals at February 7, 1973, totalled 2.8 million bushels, sharply below both the 6.2 million of a year ago and the 8.6 million of two years ago. The 20.9 million bushels "in transit rail" (western division) were 5 per cent more than the 1972 figure of 20.0 million and 2 per cent above the 20.4 million of 1971. Supplies at the Lakehead, totalling some 39.5 million bushels were 39 per cent above the 28.5 million a year ago but 12 per cent lower than the 44.7 million at February 10, 1971. The 14.9 million bushels "in storage afloat" were lower than both the 15.8 million in this position in 1972 and the 18.5 million at the same date in 1971.

The 21.0 million bushels in Bay, Lake and Upper St. Lawrence ports were below both the 21.8 million of a year ago and the 24.1 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at February 7, 1973 at 15.2 million bushels, registered a decline of 39 per cent from the comparable 1972 figure of 24.8 million and decreased by 29 per cent from the 21.5 million of 1971. The 9.4 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were sharply above both the 3.4 million at February 9, 1972 and the 5.6 million at February 10, 1971.

January 1973 Exports  
of Wheat and Flour Total  
28.9 Million Bushels

Combined exports of wheat in bulk, seed wheat and wheat flour in terms of grain equivalent, during January 1973 amounted to 28.9 million bushels, 19 per cent below the 35.5 million of the previous month but 25 per cent more

than the January 1972 total of 23.1 and 16 per cent above the ten-year (1962-71) average for the month of January of 24.9 million bushels. Exports of wheat in bulk (as reported by the Canadian Grain Commission) during January 1973 totalled 26.9 million bushels, 19 per cent less than the December 1972 total of 33.3 million but exceeded by 24 per cent and 22 per cent, respectively, the January 1972 figure of 21.6 million and the ten-year average of 22.0 million. It is estimated that the equivalent of 2.0 million bushels of wheat was exported in the form of flour during January 1973, some 4 per cent below the previous month's figure of 2.1 million and 25 per cent less than the ten-year average of 2.7 million but 48 per cent higher than the adjusted January 1972 exports of 1.4 million.

Cumulative exports of wheat in bulk during the August-January period of the current crop year amounted to an all-time high of 299.5 million bushels, 16 per cent and 55 per cent, respectively, above the 259.0 million exported during the first six months of 1971-72 and the ten-year average for the period of 193.7 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 91.8 million, in contrast to 65.4 million the previous year. The People's Republic of China was the second largest importer with 79.3 million as against 46.7 million during the comparable period of 1971-72. 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, 24.5 (26.4); Britain, 23.8 (22.6); Italy, 10.9 (8.2); Brazil, 8.3 (10.3); Germany West, 6.3 (6.5); Pakistan, 5.6 (2.7); Netherlands, 4.8 (7.7); and Belgium and Luxembourg, 4.1 (2.2). Cumulative exports of seed wheat during August-January of the current crop year, based on Canadian Customs returns, amounted to 218 thousand bushels compared with last year's August-January total (adjusted to remove time lag) of 555 thousand.

Cumulative exports of wheat flour during the first half of the 1972-73 crop year, based on Customs returns, were the equivalent of 12.4 million bushels of wheat, 6 per cent below the adjusted August-January 1971-72 total of 13.1 million and 21 per cent lower than the ten-year average for the period of 15.8 million.

Exports of wheat flour by countries for August-January 1972-73 based on Customs data, are not available at this time.

Final Payments on 1971-72  
Wheat and Oats Announced

On February 13, 1973 the Honourable Otto Lang, Minister Responsible for the Canadian Wheat Board announced the mailing of final payment cheques to 215,632 wheat

producers and 27,672 oats producers by the Canadian Wheat Board will begin this week following closing of the pools on these two grains.

"The wheat producers will receive, on the average, 12.3 cents per bushel to a total of \$62.6 million while the average payment for oats will be 7.9 cents per bushel to a total of \$2.2 million," Mr. Lang said. "Wheat payments are based on deliveries of 510.9 million bushels and the oats payments are based on deliveries of 28.4 million bushels."

These payments represent the difference between the initial payment to producers at the time of delivery and the net proceeds eventually received by the Wheat Board from the sale of the grains after costs have been deducted, the Minister said.

Under terms of the Temporary Wheat Reserves Act, the Government contributed \$25.8 million to defray part of the storage costs in the 1971-72 wheat pool account.

"The Government will also reimburse the barley pool account by \$3.8 million to cover a deficit which resulted from world barley prices being at a level where returns would not cover the initial payments and the Canadian Wheat Board's marketing costs," Mr. Lang said.

Following is a breakdown of final payments by province:

	<u>Wheat</u>	<u>Oats</u>
Manitoba .....	\$ 7,233,609.31	\$989,880.36
Saskatchewan .....	41,892,213.08	918,928.86
Alberta .....	13,482,395.12	329,976.30

The payment for each producer depends on the quantity, grade and quality of the grain delivered during the crop year. The rates of payment for the main grades of red spring wheat are:

	cents per bushel
No. 1 Canada Western .....	13.643
No. 3 Manitoba Northern .....	12.482
No. 4 Manitoba Northern .....	15.894
No. 5 Wheat .....	16.414
No. 6 Wheat .....	18.414
Feed Wheat .....	18.414

The rates of payment for the main grades of amber durum are:

No. 1 CW Amber Durum .....	4.536
No. 2 CW Amber Durum .....	6.257
No. 3 CW Amber Durum .....	3.117
Extra No. 4 CW Amber Durum .....	4.585
No. 4 CW Amber Durum .....	5.802
No. 5 CW Amber Durum .....	9.261

The rates of payment for the main grades of oats are:

No. 2 CW .....	7.828
No. 3 CW .....	7.467
Extra No. 3 CW .....	8.323
Extra No. 1 Feed .....	7.328
No. 1 Feed .....	8.336
No. 2 Feed .....	10.143
No. 3 Feed .....	11.231

Re Quotas - Rye to Distillers      On February 19, 1973 the Canadian Wheat Board in its Instructions to the Trade Re Quotas - Rye to Distillers No. 1 announced that in order to maintain a continuous flow of bulk rye to domestic distillers and/or process elevators to permit normal distilling operations required for domestic and export sales, the Board wishes to advise that effective immediately at all shipping blocks within the designated area, the rye to distillers quota as indicated in our Instructions to the Trade re Quotas (General) No. 1 issued July 20, 1972, is hereby increased to forty (40) bushels per quota acre of rye as shown in the individual producer's permit book, at facilities designated in and under the terms set out in Instructions to the Trade No. 23 issued September 12, 1972.

This authorization shall expire on the 31st day of July, 1973.

Advances Issued Under the Prairie Grain Advance Payments Act      Requests are received concerning the level of cash advances issued and outstanding. This information from the Canadian Wheat Board will be carried in the Wheat Review as a regular feature.

Advances issued August 1, 1972 to February 16, 1973:

8,944 advances totalling ..... \$20,588,543

Outstanding advances on February 16, 1973:

Issued in 1972-73 .....	5,612,401
Issued in 1971-72 .....	1,360,551
Issued in 1970-71 and prior .....	5,314,432
Total outstanding advances .....	<u>\$12,287,384</u>

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 16,317,000 bushels compared with the 15,849,000 bushels during the first six months of 1971-72.

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

Origin of shipments	August 1, 1971 - January 31, 1972	August 1, 1972 - January 31, 1973
	bushels	
Port McNicoll .....	3,989,948	5,518,973
Midland, Tiffin .....	5,470,215	6,811,512
Collingwood .....	-	137,500
Owen Sound .....	2,028,737	874,506
Goderich .....	1,063,101	882,722
Sarnia .....	1,730,557	2,091,396
Port Colborne .....	155,007	-
Prescott .....	579,762	-
Kingston .....	832,153	-
Totals .....	15,849,480	16,316,609

General Quotas 1972-73 as at Monday, Feb. 12, 1973 Canadian National Railway Blocks

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

(1) For wheat grading No. 1 CW and No. 2 CW Red Spring only.

General Quotas 1972-73 as at Monday, Feb. 12, 1973 Canadian Pacific Railway Blocks

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

(1) For wheat grading No. 1 CW and No. 2 CW Red Spring only.

General Quotas 1972-73 as at Monday, February 12, 1973

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	
	bushels per quota acre				
Alberta Red Winter	5	2	2	2	All blocks
Soft White Spring	5	5			All blocks
Rye	25				All blocks
Flaxseed	25				All blocks
Rapeseed (low erucic acid)	10				All blocks
Rapeseed (other)	10(1)				All blocks

Special Quotas 1972-73 as at Monday, February 12, 1973

Selected Soft White Spring wheat	Rail — 1 carlot (40 assigned acres) Truck — 50 bushels per assigned acre	All blocks
Selected Pitic 62	1 carlot (50 assigned acres)	All blocks
Selected oats(2)	Rail — Second carlot (60 assigned acres) Truck — 50 bushels per assigned acre	All blocks
Rye for distilleries	25 bushels per assigned quota acre	
Flaxseed for processors	25 bushels per assigned quota acre	
Rapeseed for crushers	25 bushels per assigned quota acre	All blocks

Selected Barley

Two — Row barley	Extended to any additional carlot	All blocks
Six — Row barley (all varieties)	Extended to second carlot	All blocks
Six — Row barley (Galt variety)	Extended to any additional carlots	All blocks

- 
- (1) Effective January 24 the regular rapeseed quota was increased to 25 bushels per quota acre for truck deliveries to western crushers for domestic crushing only.  
 (2) For oats grading No. 1 Feed and higher only.

Farmers' Marketings Deliveries of wheat from farms in the Prairie Provinces up to February 7 of the current crop year amounted to 362.6 million bushels, 30 per cent more than the August 1, 1971 - February 9, 1972 total of 279.0 million and sharply above the ten-year (1961-62 - 1970-71) average for the period of 291.3 million bushels.

Farmers' Marketings(1) of Wheat in the Prairie Provinces 1972-73

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last year <sup>F</sup>
		bushels				
August	9, 1972 ..	42,377	4,417,684	565,087	5,025,148	326,897
	16 .....	65,502	3,240,124	720,057	4,025,683	1,417,294
	23 .....	2,312,276	12,854,269	2,027,265	17,193,810	6,021,182
	30 .....	2,144,810	12,057,959	2,491,864	16,694,633	11,225,271
September	6 .....	3,771,234	12,655,807	3,861,109	20,288,150	14,207,202
	13 .....	2,477,887	13,750,919	2,443,335	18,672,141	20,602,711
	20 .....	2,250,234	14,585,168	2,953,055	19,788,457	16,273,398
	27 .....	2,505,119	7,931,203	676,102	11,112,424	11,005,033
October	4 .....	1,453,277	5,702,012	988,696	8,143,985	14,697,112
	11 .....	3,317,158	12,158,066	4,525,485	20,000,709	14,015,558
	18 .....	2,718,563	16,029,444	8,283,174	27,031,181	11,202,592
	25 .....	3,516,807	17,401,959	5,388,919	26,307,685	14,661,756
November	1 .....	1,994,979	11,104,724	3,283,589	16,383,292	15,705,604
	8 .....	2,624,750	11,681,742	3,700,069	18,006,561	11,700,501
	15 .....	2,090,495	9,543,908	4,228,717	15,863,120	10,704,380
	22 .....	2,437,171	15,055,689	4,671,135	22,163,995	9,878,742
	29 .....	1,656,074	9,854,879	4,011,232	15,522,185	11,753,638
December	6 .....	954,278	6,619,715	2,580,398	10,154,391	9,918,005
	13 .....	413,530	2,543,779	1,594,746	4,552,055	5,462,190
	20 .....	847,236	6,067,670	1,823,961	8,738,867	18,280,948
January	3, 1973 ..	1,242,106	12,202,021	4,530,064	17,974,191	20,912,942
	10 .....	507,591	7,613,613	1,648,207	9,769,411	12,835,935
	17 .....	166,841	2,196,108	1,831,152	4,194,101	5,120,984
	24 .....	448,949	6,143,828	2,243,952	8,836,729	2,439,799
	31 .....	472,916	4,274,492	2,580,133	7,327,541	1,659,185
February	7 .....	340,956	5,937,465	2,514,071	8,792,492	6,926,040
Totals .....		42,773,116	243,624,247	76,165,574	362,562,937	278,954,899
Average similar period:						
1961-62 - 1970-71 ..		28,480,236	137,643,932	53,186,001	219,310,169	

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

Visible Supply of Canadian Wheat, February 7, 1973  
Compared with Approximately the Same Date, 1971 and 1972

Position	1971	1972	1973
	thousand bushels		
Primary elevators — Manitoba .....	17,701	18,154	11,958
Saskatchewan .....	125,142	106,131	97,674
Alberta .....	62,849	49,589	43,696
Sub-totals .....	205,692	173,874	153,328
Process elevators .....	4,285	4,135	4,009
Interior terminals .....	8,581	6,249	2,794
Vancouver-New Westminster .....	4,667	2,625	7,321
Victoria .....	316	298	499
Prince Rupert .....	634	445	1,611
Churchill .....	2,950	1,046	1,831
Thunder Bay .....	44,672	28,522	39,513
In transit rail (western division) .....	20,437	19,983	20,945
Bay, Lake and Upper St. Lawrence ports ...	24,123	21,750	21,040
Lower St. Lawrence and Maritime ports ....	21,495	24,845	15,236
Storage afloat .....	18,457	15,792	14,871
In transit rail (eastern division) .....	3,418	3,302	2,676
Totals .....	359,727	302,866	285,674

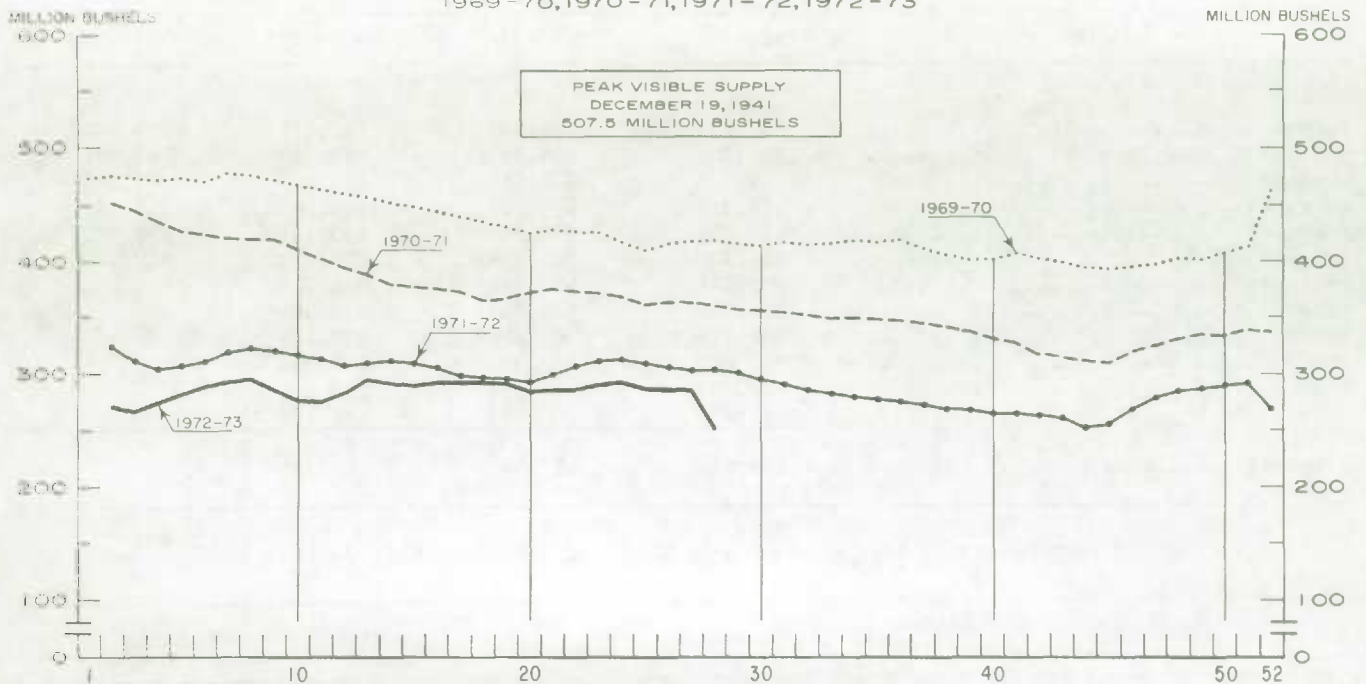
Grading of Wheat Inspected, August 1972-January 1973 with Comparisons

Grade	Crop year		August — January			
	Average		1971-72		1972-73	
	1966-67- 1970-71	1971-72				
	per cent	per cent	cars	per cent	cars	per cent
1 C.W. Red Spring .....	47.7	60.1	99,799	62.0	99,545	58.8
2 C.W. Red Spring .....	25.9	19.8	32,065	19.9	29,798	17.6
3 C.W. Red Spring .....	3.3	1.8	3,646	2.3	9,097	5.4
1 Canada Utility .....	—	—	—	—	26	(1)
2 Canada Utility .....	—	—	—	—	11	(1)
3 Canada Utility .....	0.6	0.2	356	0.2	908	0.5
Others Red Spring .....	14.6	4.4	6,136	3.8	11,510	6.8
C.W. White Spring .....	0.2	0.3	504	0.3	387	0.2
C.W. Mixed Wheat .....	0.1	0.1	158	0.1	87	0.1
Alberta Winter .....	0.9	0.7	766	0.5	722	0.4
Nos. 1-6 C.W. Amber Durum.	5.9	12.3	17,016	10.6	16,925	10.0
Other C.W. Amber Durum ...	0.9	0.3	513	0.3	319	0.2
Totals .....	100.0	100.0	160,959	100.0	169,335	100.0
Gross bushels (approx.) ..			317,899,000		352,528,000	

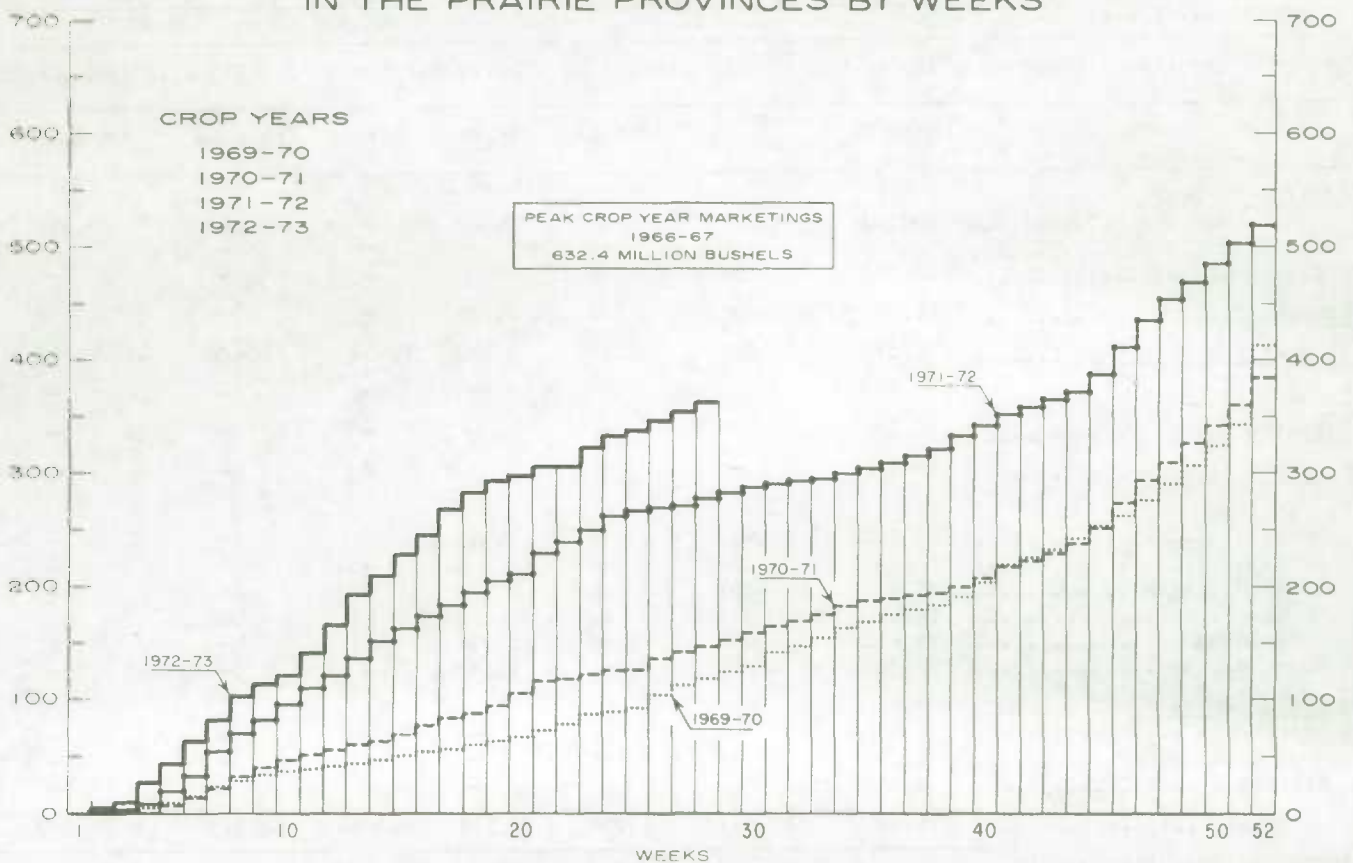
(1) Less than .05 per cent.

# WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT

1969-70, 1970-71, 1971-72, 1972-73



## CUMULATIVE RECORD OF WHEAT MARKETINGS IN THE PRAIRIE PROVINCES BY WEEKS



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

Rail Shipments of Wheat from Thunder Bay 1969-70 — 1972-73

Month	1969-70	1970-71	1971-72	1972-73
bushels				
August .....	132,953	169,566	181,419	208,597
September .....	134,054	244,549	195,721	193,397
October .....	149,076	176,450	128,382	97,166
November .....	126,319	178,523	158,083	313,262
December .....	179,384	330,120	193,204	339,487
January .....	272,300	525,019	1,420,522	625,164
February .....	403,541	552,926	2,392,713	
March .....	298,335	418,387	1,728,504	
April .....	260,918	407,206	260,435	
May .....	311,200	187,347	189,234	
June .....	221,999	156,548	223,019	
July .....	293,745	200,415	141,665	
Totals .....	2,783,824	3,547,056	7,212,901	

Distribution of Rail Shipments of Wheat from Thunder Bay, January 1973

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
bushels					
C.W. Red Spring .....	4,000	64,000	54,000	235,567	122,243
Others .....	—	66,000	26,000	18,354	33,000
Durum .....	—	—	—	2,000	—
Totals .....	4,000	130,000	80,000	255,921	155,243

Overseas Exports of Canadian Grain by Ports of Loading, August 1, 1972-February 7, 1973 with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
thousand bushels							
<u>Pacific Seaboard</u>							
Van. - New West .....	90,987	9,007	65	21,532	3,479	4,030	15,679
Victoria .....	5,668	—	—	—	—	—	—
Prince Rupert .....	12,848	—	—	—	—	—	—
<u>Churchill</u> .....	16,281	—	137	8,855	—	—	—
<u>Thunder Bay Direct</u> .....	2,810	701	1,529	1,703	1,452	6,626	7,902
<u>Sarnia Direct</u> .....	173	—	—	—	—	—	—
<u>Kingston Direct</u> .....	552	—	—	—	—	—	—
<u>Prescott Direct</u> .....	560	—	—	—	—	—	—
<u>St. Lawrence</u>							
Montreal .....	25,717	10,983	—	6,593	—	—	—
Sorel .....	14,445	1,574	—	3,669	—	—	—
Trois-Rivières .....	17,937	657	—	2,636	—	—	—
Quebec .....	14,634	349	—	7,097	68	106	821
Baie Comeau .....	25,675	4,485	—	10,920	88	—	1,957
Port Cartier .....	27,388	6,044	—	9,357	—	—	—
<u>Maritime Ports</u>							
Saint John .....	1,466	—	—	—	—	—	—
West Saint John .....	8,296	98	—	—	—	—	—
Halifax .....	6,253	—	—	—	—	—	—
Totals .....	271,689	33,896	1,731	72,361	5,088	10,762	26,359
August 1, 1971-February 10, 1972 .....	232,453	27,535	3,652	87,743	5,590	14,451	19,693

(1) Excluding seed.

Supply and Disposition of Wheat and Rye, Canada, Crop Year 1971-72

Item	Wheat	Rye
	thousand bushels	
Stocks at commencement of crop year —		
On farms .....	394,820 <sup>r</sup>	5,200
Pacific coast elevators .....	8,799	612
Western country elevators .....	212,181	3,705
Thunder Bay .....	21,525	1,733
Eastern elevators .....	40,413	220
In transit rail .....	24,844	991
In transit lake .....	13,163	92
Other Canadian positions .....	18,409	48
U.S.A. positions .....	—	142
Totals, in store July 31, 1971 .....	734,154 <sup>r</sup>	12,743
1971 Production .....	529,552	21,915
Imports .....	—	—
Totals, supplies .....	1,263,706	34,658
Exports —		
Wheat(1) .....	479,043	
Wheat flour (in terms of wheat) .....	24,701	
Totals, exports .....	503,744	10,757
Consumed in Canada —		
Human food (2) .....	65,209	509
Seed requirements .....	28,598	725
Industrial use (3) .....	500	2,800
Loss in handling (4) .....	665	71
Animal feed, waste and dockage (5) .....	75,233	4,000
Totals, domestic use .....	170,205	8,105
Stocks at end of crop year —		
On farms .....	317,500	5,500
Pacific coast elevators .....	8,118	602
Western country elevators .....	130,257	7,216
Thunder Bay .....	31,585	1,316
Eastern elevators .....	48,293	380
In transit rail .....	28,328	696
In transit lake .....	10,833	—
Other Canadian positions .....	14,843	86
U.S.A. positions .....	—	—
Totals, in store July 31, 1972 .....	589,757	15,796
Totals, disposition .....	1,263,706	34,658

(1) Exports data for wheat includes seed wheat. (2) Food uses estimated as follows:

Wheat — wheat flour and breakfast foods; rye — breakfast foods. (3) Estimated.

(4) Includes drying loss, outturn loss (lake and rail), fire loss, storage loss, etc.

(5) Residual after estimating for other uses.

Shipments Under  
Feed Grain  
Assistance Regulations

Freight assistance shipments of wheat from the Prairie Provinces to Eastern Canada and British Columbia during August 1972-January 1973, amounted to 16,114,000 bushels, 22 per cent above the 13,219,000 shipped during the comparable period of 1971-72. The bulk of the shipments during the current six months under review went to destination in Quebec with that province accounting for 55 per cent of the total compared with 54 per cent the previous year.

Provincial Distribution of Wheat Shipments under the Feed Grain Assistance Regulations  
August-January 1972-73 and 1971-72

Month	Western wheat							Total
	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	
	thousand bushels							
August 1972 .....	3	31	252	120	1,515	280	385	2,586
September .....	3	13	132	62	1,397	341	465	2,414
October .....	197	16	261	128	1,579	413	265	2,860
November .....	35	18	465	89	1,770	415	386	3,178
December .....	166	32	122	121	1,314	391	284	2,430
January 1973 .....	60	9	229	157	1,261	479	452	2,646
Totals .....	464	119	1,461	677	8,836	2,320	2,237	16,114
Same months								
1971-72 .....	429	91	1,160	503	7,097	1,952	1,987	13,219

Millfeed shipments under the Feed Grain Assistance Regulations indicate the movement of 187,771 tons during August-January 1972-73. Data on the August 1971-January 1972 shipments of millfeeds place the six-month total at 211,005 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 1972-73 and 1971-72

Province	August - January	
	1971-72	1972-73
	tons	
Newfoundland .....	2,531	597
Prince Edward Island .....	1,503	1,354
Nova Scotia .....	6,201	4,832
New Brunswick .....	4,899	3,092
Quebec .....	108,472	91,575
Ontario .....	72,256	69,720
British Columbia .....	15,143	16,601
Totals .....	211,005	187,771

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					
1970-71					
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	1,811	49,491
June.....	47,904	71	47,975	1,986	49,961
July.....	54,750	100	54,850	1,988	56,839
Totals.....	409,440	971	410,410	24,803	435,213
1971-72					
August.....	48,530	2	48,533	1,983	50,516
September.....	44,520	336	44,856	3,085	47,941
October.....	59,356	34	59,389	2,104	61,493
November.....	52,948	7	52,956	1,899	54,855
December.....	32,041	104	32,144	2,708	34,852
January.....	21,627	73	21,700	1,350	23,050
February.....	23,420	45	23,466	1,424	24,890
March.....	22,108	179	22,287	2,297	24,584
April.....	33,798	46	33,844	1,840	35,684
May.....	39,255	17	39,273	1,916	41,188
June.....	45,540	43	45,583	2,724	48,307
July.....	54,940	73	55,013	1,370	56,383
Totals.....	478,084	960	479,043	24,701	503,744
1972-73(4)					
August.....	40,353	3	40,357	2,661	43,018
September.....	64,576	37	64,613	2,237	66,850
October.....	68,856	13	68,869	1,701	70,571
November.....	65,571	3	65,574	1,713	67,288
December.....	33,280	111	33,391	2,081	35,472
January.....	26,858	50	26,908	2,000	28,908
Totals.....	299,494	218	299,713	12,394	312,106

- (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, 1970-71 and 1971-72 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 1973 and 1972

Destination	Wheat (except durum)	Durum wheat	All wheat	
			January 1973	January 1972 <sup>r</sup>
bushels				
<u>Western Europe</u>				
EEC:				
Britain(2) .....	3,616,407	—	3,616,407	—
Germany, West .....	300,210	149,642	449,852	—
Netherlands .....	—	—	—	278,133
Sub-totals .....	3,916,617	149,642	4,066,259	278,133
Other Western Europe:				
Britain(2) .....	—	—	—	3,444,604
Sub-total .....	—	—	—	3,444,604
Totals .....	3,916,617	149,642	4,066,259	3,722,737
<u>Eastern Europe</u>				
Albania .....	—	—	—	408,688
U.S.S.R. (Russia) .....	3,206,299	724,850	3,931,149	5,026,613
Totals .....	3,206,299	724,850	3,931,149	5,435,301
<u>Africa</u>				
Algeria .....	—	—	—	1,649,200
Ivory Coast .....	36,743	—	36,743	—
Nigeria .....	627,200	—	627,200	—
Totals .....	663,943	—	663,943	1,649,200
<u>Asia</u>				
Hong Kong .....	—	—	—	79,408
India .....	3,665,651	—	3,665,651	—
Indonesia .....	400,502	—	400,502	—
Japan .....	5,327,322	—	5,327,322	3,987,128
People's Republic of China ...	5,462,491	945,392	6,407,883	4,621,297
Philippines .....	744,800	—	744,800	847,467
Thailand .....	—	—	—	77,161
Totals .....	15,600,766	945,392	16,546,158	9,612,461
<u>Western Hemisphere</u>				
Cuba .....	1,162,373	137,200	1,299,573	409,366
Haiti .....	350,933	—	350,933	—
Jamaica .....	—	—	—	288,316
Peru .....	—	—	—	509,973
Totals .....	1,513,306	137,200	1,650,506	1,207,655
Sub-totals, all countries. 24,900,931 1,957,084 26,858,015 21,627,354				
Seed wheat(3) .....			50,000	72,761
Totals, all countries .... 24,900,931 1,957,084 26,908,015 21,700,115				

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

(2) Commencing January 1, 1973 Britain became a member of the European Economic Community.

(3) Compiled from Canadian Customs returns, 1972 adjusted for time lag, 1973 preliminary.

Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August - January 1972-73			Total same period last year <sup>r</sup>
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg ..	3,424,186 <sup>r</sup>	634,033 <sup>r</sup>	4,058,219 <sup>r</sup>	2,232,783
Britain(2) .....	3,616,407	—	3,616,407	—
France .....	303,517	—	303,517	195,827
Germany, West .....	2,564,256	3,757,322 <sup>r</sup>	6,321,578 <sup>r</sup>	6,501,255
Italy .....	7,837,762	3,076,879 <sup>r</sup>	10,914,641 <sup>r</sup>	8,155,488
Netherlands .....	3,020,581 <sup>r</sup>	1,734,464 <sup>r</sup>	4,755,045 <sup>r</sup>	7,716,929
Sub-totals .....	20,766,709 <sup>r</sup>	9,202,698 <sup>r</sup>	29,969,407 <sup>r</sup>	24,802,282
Other Western Europe:				
Austria .....	—	84,515	84,515	—
Britain(2) .....	19,598,693 <sup>r</sup>	560,194 <sup>r</sup>	20,158,887 <sup>r</sup>	22,605,223
Finland .....	146,982	—	146,982	—
Ireland .....	1,283,389 <sup>r</sup>	588,000	1,871,389 <sup>r</sup>	232,742
Malta and Gozo .....	326,811	—	326,811	613,200
Norway .....	—	—	—	780,267
Portugal .....	—	492,800	492,800	—
Sweden .....	—	44,095	44,095	33,026
Switzerland .....	815,769 <sup>r</sup>	1,078,862 <sup>r</sup>	1,894,631 <sup>r</sup>	1,340,594
Sub-totals .....	22,171,644 <sup>r</sup>	2,848,466 <sup>r</sup>	25,020,110 <sup>r</sup>	25,605,052
Totals .....	42,938,353 <sup>r</sup>	12,051,164 <sup>r</sup>	54,989,517 <sup>r</sup>	50,407,334
<u>Eastern Europe</u>				
Albania .....	519,120	—	519,120	408,688
Czechoslovakia .....	—	—	—	584,752
Poland .....	—	1,875,999 <sup>r</sup>	1,875,999 <sup>r</sup>	878,847
U.S.S.R. (Russia) .....	85,727,985	6,059,745	91,787,730	65,412,060
Totals .....	86,247,105	7,935,744 <sup>r</sup>	94,182,849 <sup>r</sup>	67,284,347
<u>Africa</u>				
Algeria .....	—	2,870,242	2,870,242	5,949,943
Dahomey .....	41,961	—	41,961	—
Ghana .....	1,152,413 <sup>r</sup>	—	1,152,413 <sup>r</sup>	1,674,685
Ivory Coast .....	36,743	—	36,743	—
Morocco .....	767,876	—	767,876	1,082,976
Nigeria .....	1,894,463 <sup>r</sup>	—	1,894,463 <sup>r</sup>	693,058
South Africa .....	—	—	—	234,746
Tunisia .....	—	1,194,550	1,194,550	523,502
Totals .....	3,893,456	4,064,792	7,958,248	10,158,910

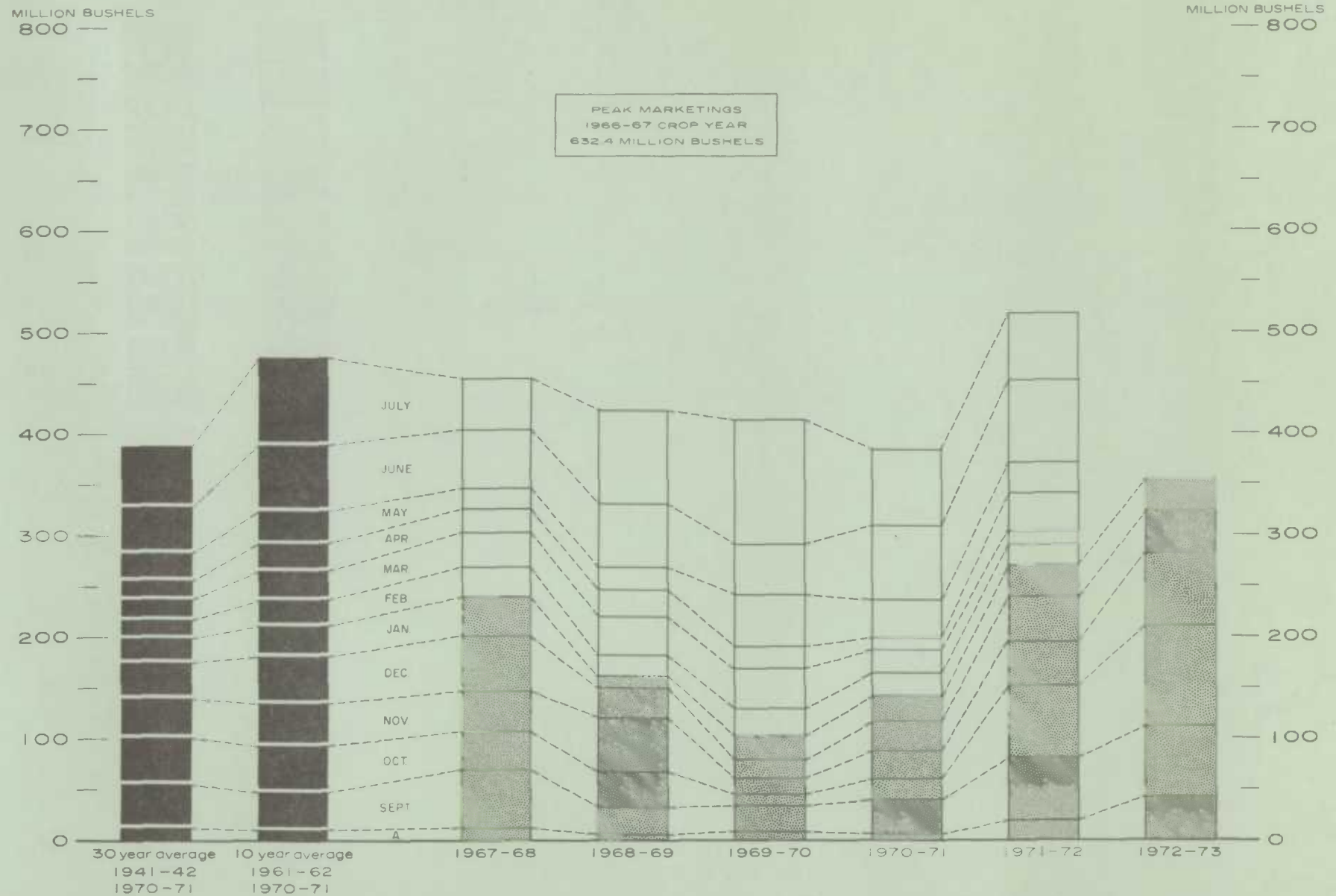
See footnotes at end of table.

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

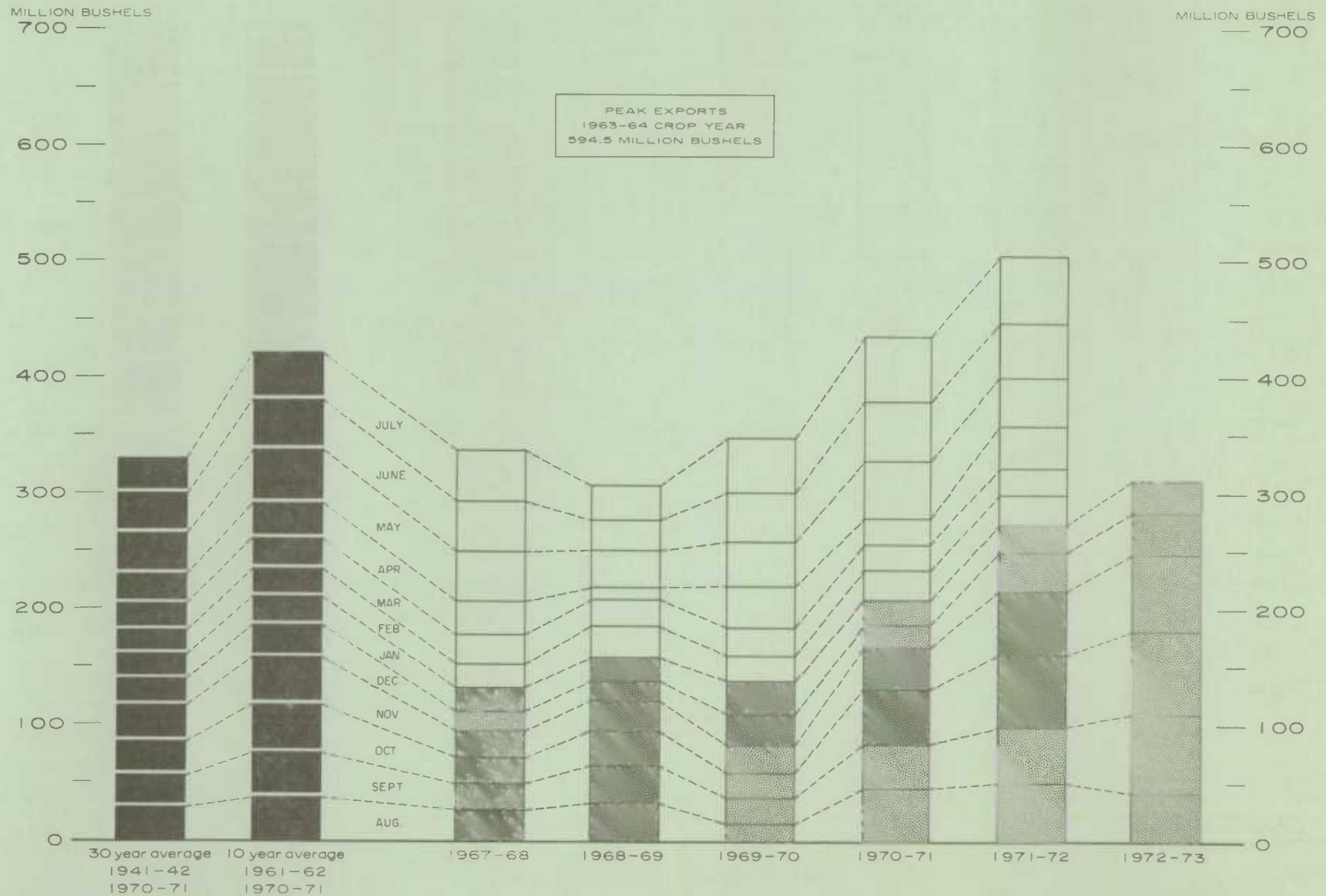
Destination	August — January 1972-73			Total same period last year <sup>r</sup>
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Asia</u>				
Afghanistan .....	472,292	—	472,292	422,211
Bangladesh .....	2,607,547	—	2,607,547	—
Burma .....	643,008	—	643,008	—
Hong Kong .....	308,000	—	308,000	403,163
India .....	3,665,651	98,593	3,764,244	22,925,889
Indonesia .....	1,810,395	—	1,810,395	284,000
Japan .....	24,524,797	—	24,524,797	26,411,715
Korea, North .....	—	—	—	1,180,666
Lebanon .....	37,334	1,837,170	1,874,504	—
Malaysia .....	331,520	—	331,520	168,186
Pakistan .....	5,378,616	260,660	5,639,276	2,717,900
People's Republic of China.	72,659,699	6,677,925	79,337,624	46,652,973
Philippines .....	2,926,600	—	2,926,600	3,703,095
Singapore .....	385,654	—	385,654	50,960
Syria .....	846,655	—	846,655	5,789,086
Taiwan .....	—	—	—	1,263,733
Thailand .....	—	—	—	200,361
Totals .....	116,597,768	8,874,348	125,472,116	112,173,938
<u>Oceania</u>				
United States Oceania .....	—	—	—	143,114
<u>Western Hemisphere</u>				
Barbados .....	30	—	30	30
Brazil .....	8,270,040	—	8,270,040	10,283,242
Cuba .....	3,461,252	229,185	3,690,437	3,370,859
Dominican Republic .....	—	—	—	308,661
Guatemala .....	—	37,333	37,333	—
Haiti .....	1,022,933	—	1,022,933	716,961
Jamaica .....	416,244	—	416,244	813,153
Peru .....	3,181,911	—	3,181,911	2,990,493
St. Lucia .....	167	—	167	—
Venezuela .....	272,614	—	272,614	276,570
United States(3) .....	—	—	—	95,200
Totals .....	16,625,191	266,518	16,891,709	18,885,169
Sub-totals, all countries	266,301,873	33,192,566	299,494,439	259,022,812
Seed wheat(4) .....			218,139	555,310
Totals, all countries .	266,301,873	33,192,566	299,712,578	259,578,122

(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) Commencing January 1, 1973 Britain became a member of the European Economic Community. (3) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents. (4) Compiled from Canadian Customs returns, 1971-72 adjusted for time lag, 1972-73 preliminary.

# FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES (SPECIFIED PERIODS)



# EXPORTS OF CANADIAN WHEAT\* AND WHEAT FLOUR\*\* (SPECIFIED PERIODS)

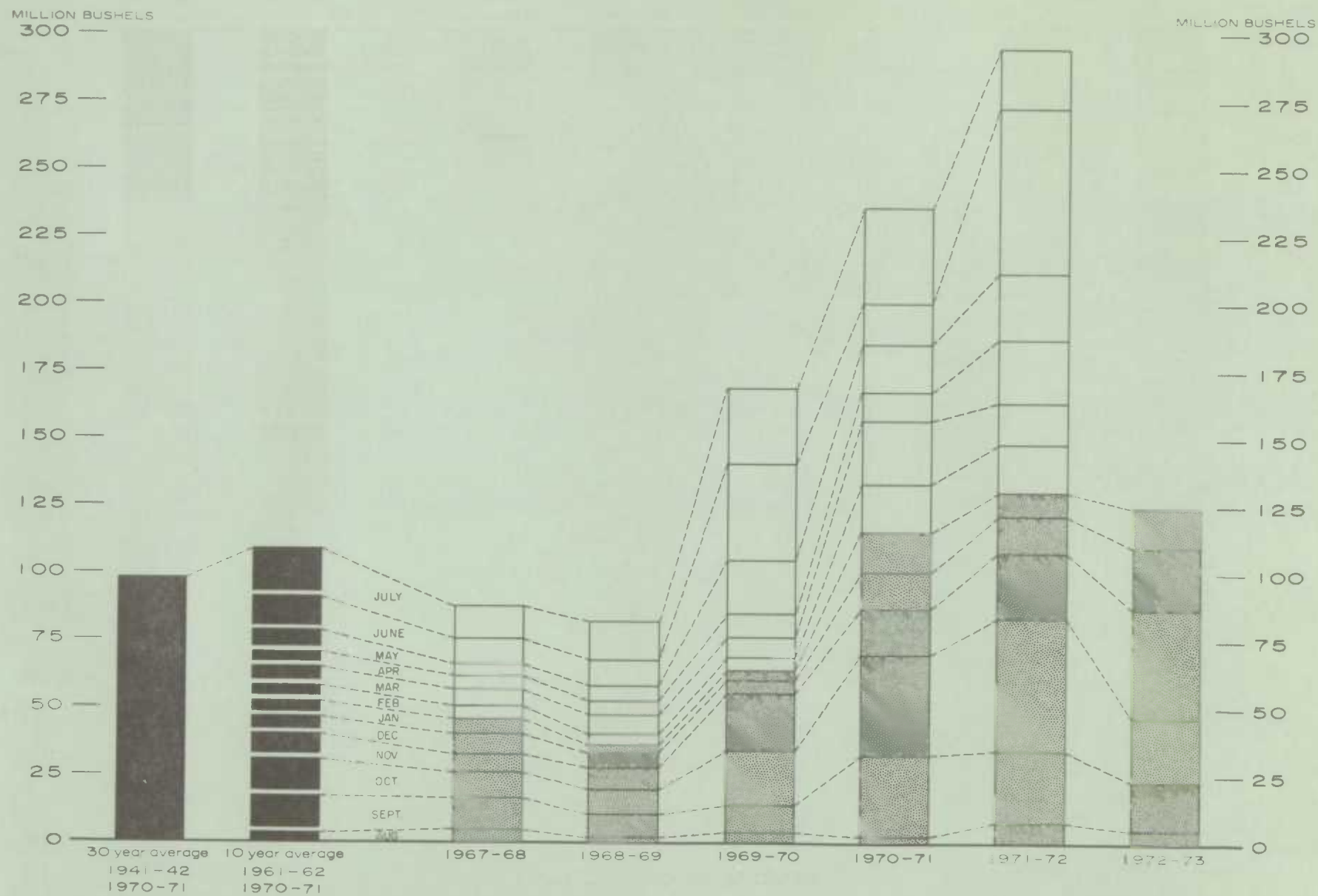


\*Beginning with 1955-56 includes seed wheat.

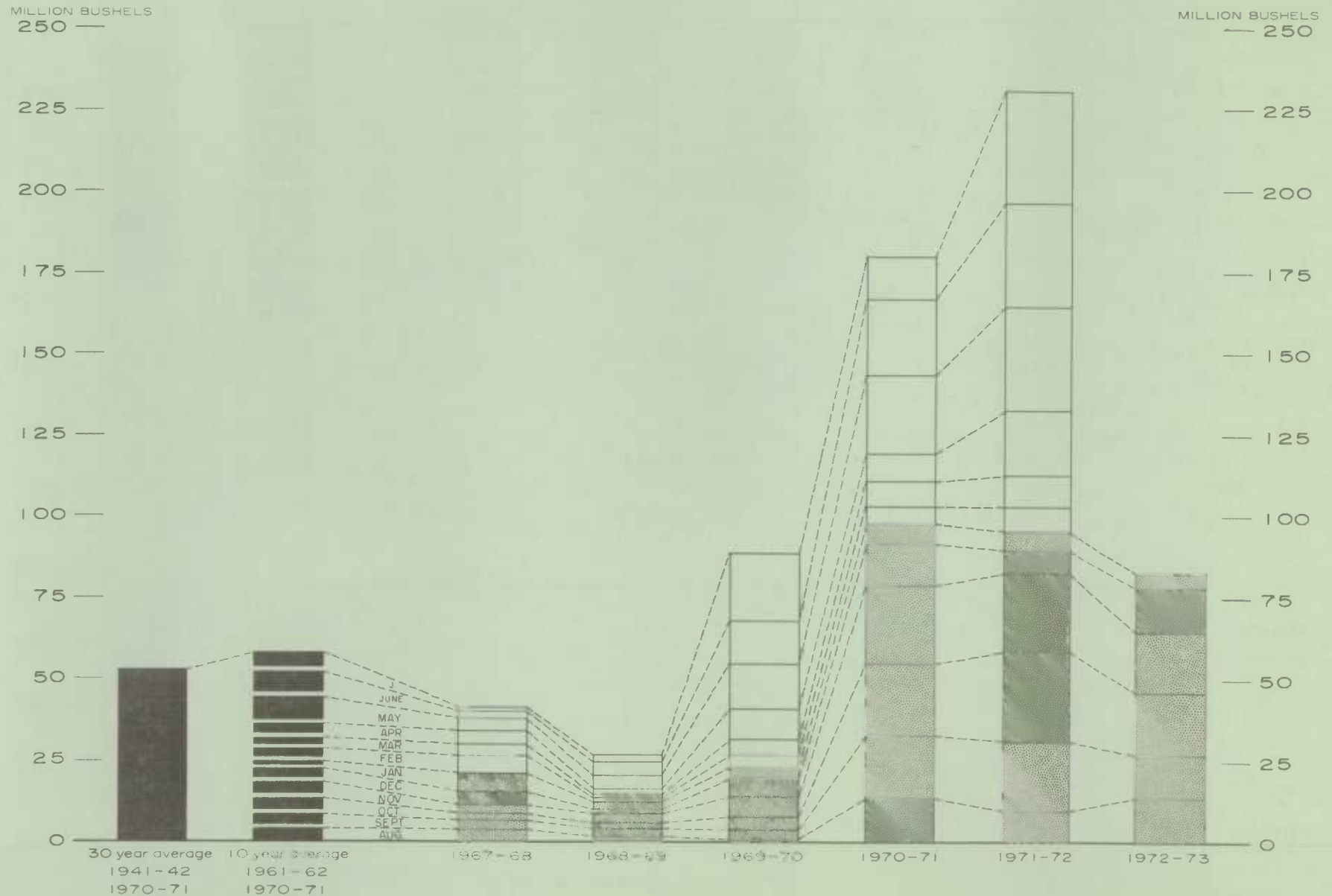
\*\*In terms of wheat equivalent.

Agriculture Division, Statistics Canada

# FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES (SPECIFIED PERIODS)

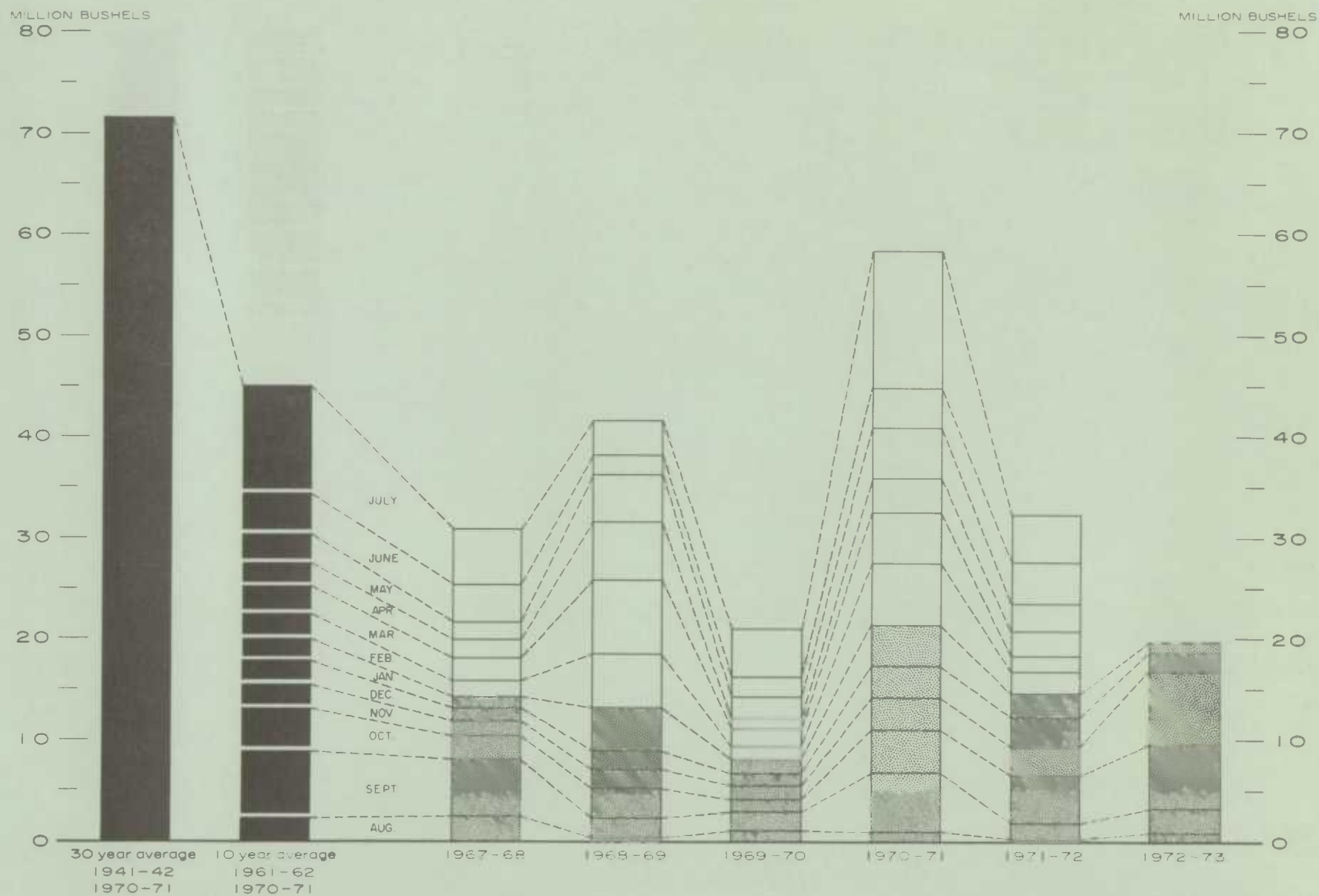


# EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS\* (SPECIFIED PERIODS)



\*In terms of grain equivalent.

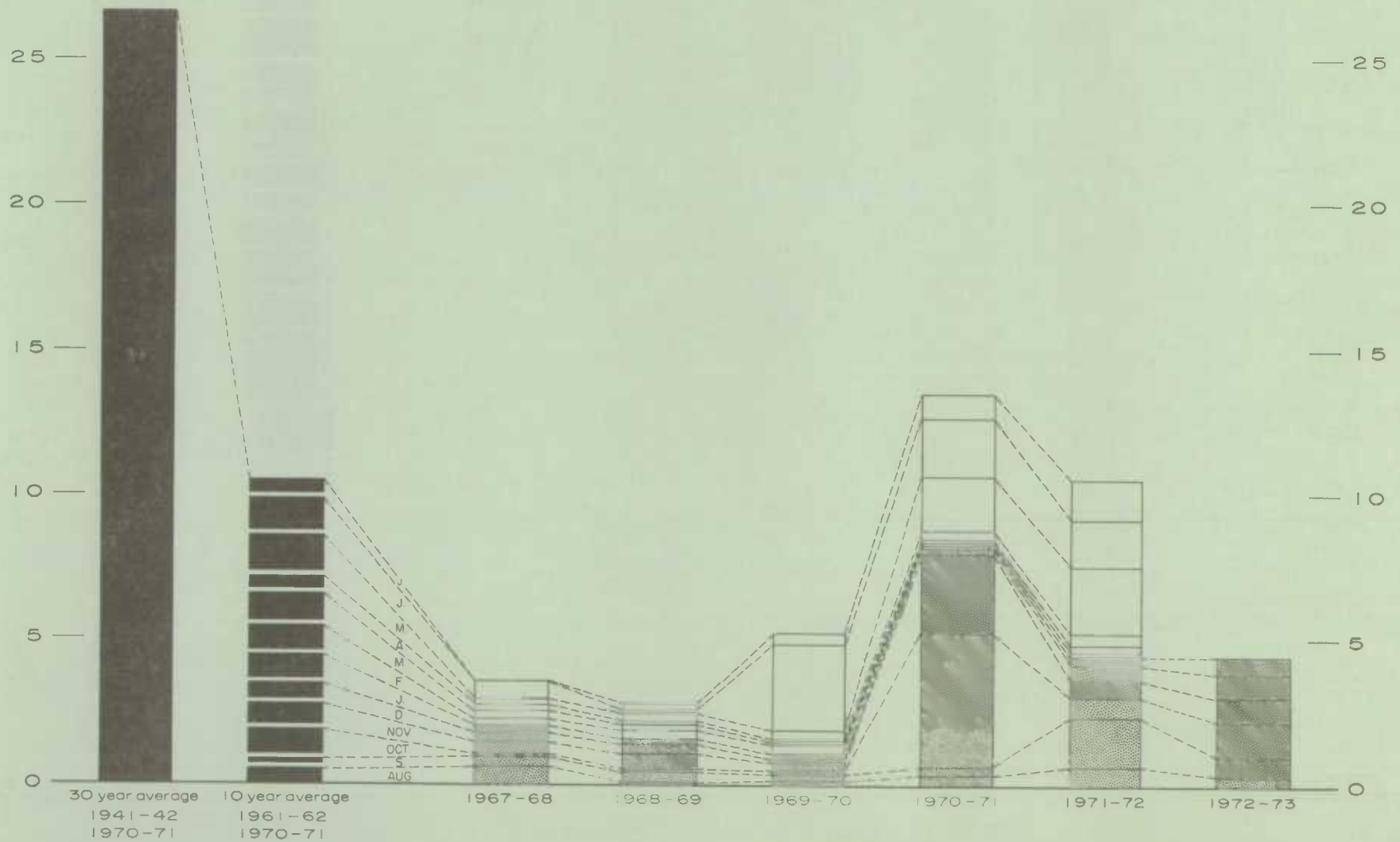
# FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES (SPECIFIED PERIODS)



# EXPORTS OF CANADIAN OATS\* AND OAT PRODUCTS\*\* (SPECIFIED PERIODS)

MILLION BUSHELS  
30 —

MILLION BUSHELS  
— 30

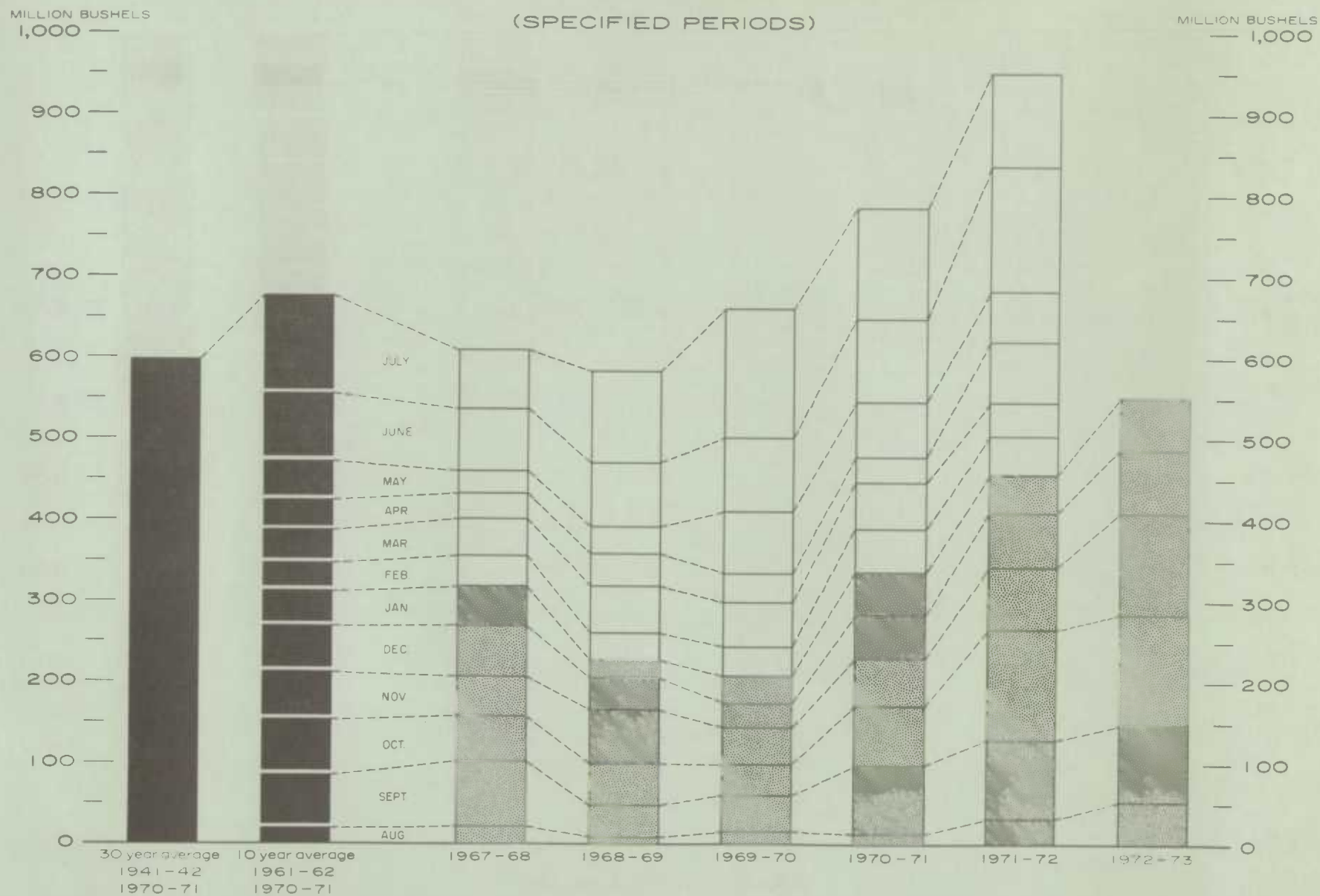


\*Beginning with 1960-61 includes relatively small quantity of seed oats.

\*\*In terms of grain equivalent.

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

(SPECIFIED PERIODS)



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

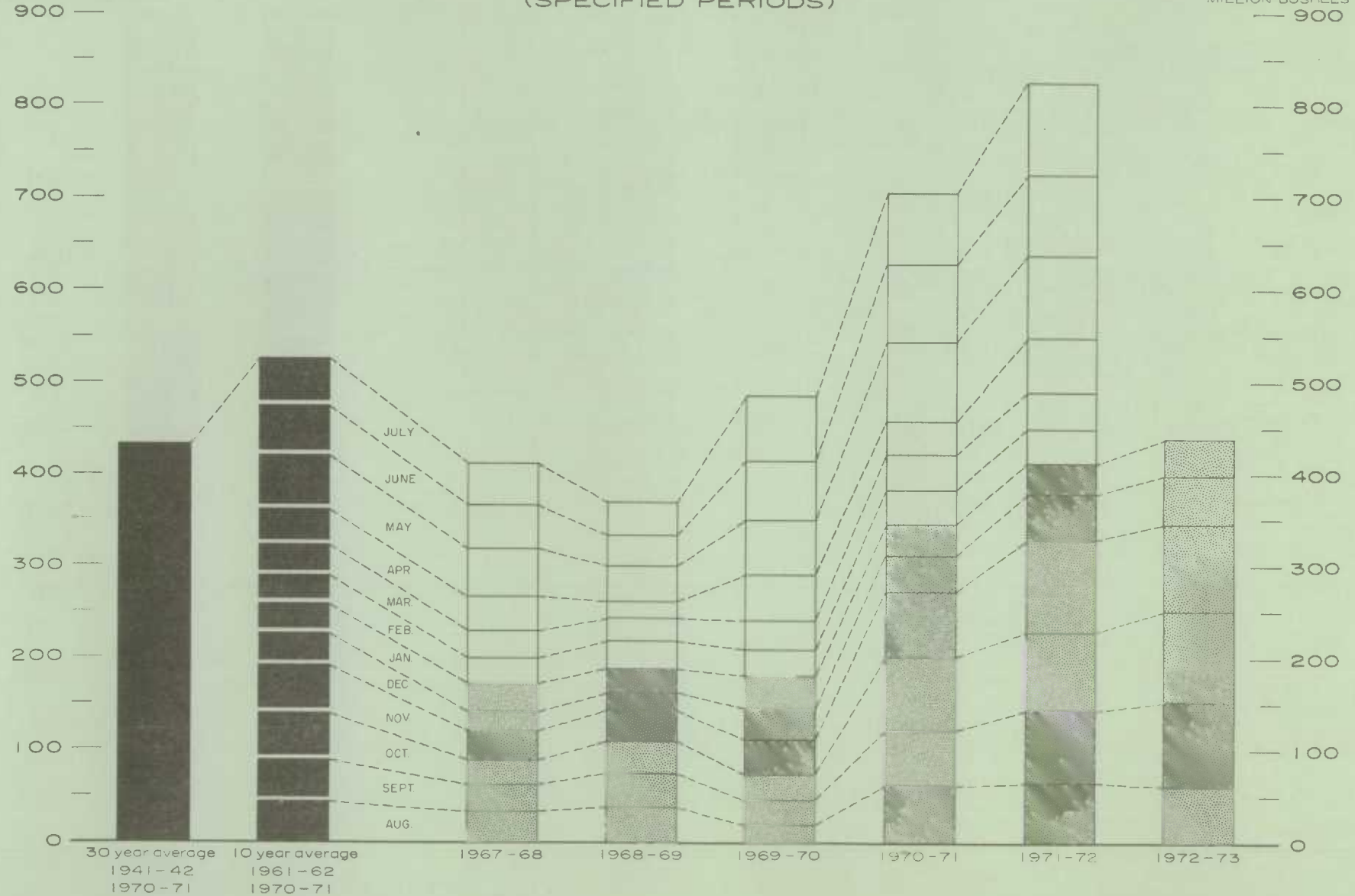
Agriculture Division, Statistics Canada

# EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS\*

(SPECIFIED PERIODS)

MILLION BUSHEL  
900 —

MILLION BUSHEL  
900 —



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

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	September	December	August - December	
	1972(1)	1972(2)	1972(2)	1971(1)
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg .....	—	265	265	28
Germany, West .....	—	—	2,479	1,548
Sub-total .....	—	265	2,744	1,576
Other Western Europe:				
Britain .....	145,337	147,136	776,883	685,055
Denmark .....	253	—	253	—
Gibraltar .....	—	—	3,461	2,705
Greece .....	15,973	—	26,075	39,312
Iceland .....	—	—	7,220	34,663
Ireland .....	—	—	1,803	3,606
Norway .....	230	—	230	115
Portugal .....	2,760	1,840	15,525	17,634
Sub-totals.....	164,553	148,976	831,450	783,090
Totals .....	164,553	149,241	834,194	784,666
<u>Africa</u>				
Algeria .....	—	—	—	561,034
Cameroon .....	—	—	—	117,921
Dahomey .....	—	—	12,783	24,840
French Africa nes .....	—	—	—	185,748
Gambia, The .....	—	—	9,257	18,400
Ghana .....	—	—	—	846
Guinea .....	—	—	110	33,359
Ivory Coast .....	—	1,380	7,705	10,350
Liberia .....	1,677	8,975	99,579	135,730
Malawi .....	1,953	—	3,563	20,252
Mozambique .....	472	—	5,764	7,477
Nigeria .....	—	—	—	9,945
Portuguese Africa nes .....	20,780	7,930	63,116	54,674
Sierra Leone .....	446	1,601	5,916	2,788
Somalia .....	—	—	97,957	22,816
Sudan .....	—	—	202,823	—
Tanzania .....	460	—	460	1,610
Togo .....	1,725	4,543	97,647	73,059
U.A.R. ....	441,066	—	1,119,691	1,542,033
Zaire .....	9,810	2,300	15,675	23,230
Totals .....	478,389	26,729	1,742,046	2,846,112
<u>Asia</u>				
Afghanistan .....	966	—	966	—
Burma .....	5,704	—	344,726	—
Ceylon .....	—	1,186,602	1,262,661	1,506,590

For footnotes see end of table.

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

Destination	September	December	August - December	
	1972(1)	1972(2)	1972(2)	1971(1)
	bushels			
<u>Asia - Concluded</u>				
Cyprus .....	681	—	1,111	23,977
Hong Kong .....	11,371	5,405	61,840	95,473
Iran .....	278	559	1,398	1,844
Japan .....	—	345	5,274	4,775
Jordan .....	644	—	57,070	—
Lebanon .....	4,285	—	10,718	100,471
Philippines .....	3,450	2,760	7,351	—
Qatar .....	—	110	278	469
Saudi Arabia .....	—	—	113,227	163,459
Singapore .....	—	—	3,450	2,300
Syria .....	—	—	—	57,027
Taiwan .....	—	—	63	—
Thailand .....	12,305	7,360	47,093	41,846
Trucial States .....	—	—	3,648	3,317
Totals .....	39,684	1,203,141	1,920,874	2,011,548
<u>Oceania</u>				
Australia .....	—	—	1,803	—
British Oceania nes .....	—	460	1,380	—
Fiji .....	—	460	920	920
United States Oceania .....	—	—	230	748
Totals .....	—	920	4,333	1,668
<u>Western Hemisphere</u>				
Bahamas .....	18,618	14,143	82,563	69,768
Barbados .....	40,064	52,960	181,815	143,720
Bermuda .....	14,968	14,440	49,232	45,137
British Honduras .....	2,298	1,812	14,430	21,263
Cuba(3) .....	1,063,070	382,076	4,778,153	5,171,159
Dominican Republic .....	—	—	—	2,300
French West Indies .....	—	—	826	966
Guyana .....	598	2,702	6,394	7,468
Haiti .....	—	41,400	45,963	—
Honduras .....	2,185	—	3,105	918
Jamaica .....	4,954	7,590	43,003	72,482
Leeward and Windward Is. ....	99,303	105,574	348,696	302,685
Netherlands Antilles .....	573	299	10,706	22,009
Panama .....	—	—	—	338
St. Pierre and Miquelon .....	1,596	—	8,650	11,219
Surinam .....	4,604	924	12,001	6,385
Trinidad and Tobago .....	73,952	77,006	270,843	242,376
Venezuela .....	—	—	368	235
United States .....	184	—	35,475	14,812
Totals .....	1,326,967	700,926	5,892,223	6,135,240
Totals, all countries .....	2,009,593	2,080,957	10,393,670	11,779,234

(1) In terms of wheat equivalent. Adjusted to remove effect of time lag in the returns made by Customs. Conversion rate: 2.3 bushels per cwt. (2) In terms of wheat equivalent. Preliminary and unadjusted for time lag. Conversion rate: 2.3 bushels per cwt. (3) Source - Canadian National Millers Association. nes - Not elsewhere specified. Note: Data for January wheat flour exports not available.

Canadian Wheat Board Weekly Average Cash Wheat Prices, Crop Year 1972-73  
Basis in Store Thunder Bay and Vancouver

Class and grade	Week ending			
	January 26	February 2	February 9	February 16
cents and eighths per bushel				
<u>Initial payment to producers</u>				
1 C.W. Red Spring .....	176	176	176	176
2 C.W. Red Spring .....	169	169	169	169
3 C.W. Red Spring .....	160	160	160	160
No. 1 Canada Utility .....	147	147	147	147
No. 2 Canada Utility .....	147	147	147	147
No. 3 Canada Utility .....	147	147	147	147
1 Alberta Red Winter .....	162	162	162	162
2 Alberta Winter .....	157	157	157	157
3 Alberta Winter .....	151	151	151	151
1 C.W. Amber Durum .....	176	176	176	176
2 C.W. Amber Durum .....	172	172	172	172
3 C.W. Amber Durum .....	167	167	167	167
<u>Exports</u>				
<u>(Basis in store Thunder Bay)</u>				
1 C.W. Red Spring 14% .....	268/6	268/7	269/1	267
2 C.W. Red Spring 14% .....	264/6	264/7	265/1	263
3 C.W. Red Spring .....	252/6	252/7	253/1	251
No. 1 Canada Utility .....	208/6	211/1	212/1	211/4
No. 2 Canada Utility .....	206/6	209/1	210/1	209/4
No. 3 Canada Utility .....	210/6	213/1	214/1	213/4
1 Alberta Red Winter .....	260/6	260/7	261/1	259
2 Alberta Winter .....	259/6	259/7	260/1	258
3 Alberta Winter .....	258/6	258/7	259/1	257
1 C.W. Amber Durum .....	282/3	282/4	282/6	280/5
2 C.W. Amber Durum .....	281/3	281/4	281/6	279/5
3 C.W. Amber Durum .....	272/3	272/4	272/6	270/5
<u>(Basis in store Vancouver)</u>				
1 C.W. Red Spring 14% .....	302	302/1	302/3	300/2
2 C.W. Red Spring .....	292	292/1	292/3	290/2
3 C.W. Red Spring .....	288	288/1	288/3	286/2
1 Alberta Red Winter .....	299	299/1	299/3	297/2
2 Alberta Winter .....	298	298/1	298/3	296/2
3 Alberta Winter .....	297	297/1	297/3	295/2

# CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during January 1973 amounted to 3,252,000 hundredweight, indicating an increase of 26 per cent over the 2,577,000 hundredweight produced in December 1972, 6 per cent more than the January 1972 total of 3,082,000 hundredweight, but 4 per cent less than the ten-year (1962-71) average production for the month of January of 3,383,000 hundredweight. Mills reporting operations during January 1973 had a total rated capacity of 164,000 hundredweight per 24-hour day and on the basis of a 26-day working period 76.4 per cent of this rated capacity was effective.

Wheat milled for flour during January 1973 amounted to 7,414,000 bushels 27 per cent higher than the 5,854,000 bushels milled during the preceding month and 7 per cent above the 6,940,000 bushels milled during January 1972. Of the wheat milled for flour during January 1973 some 5,973,000 bushels were Western Canadian red spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (638,000 bushels); Durum (524,000 bushels); and all other (279,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during December 1972 amounted to the equivalent of 2,081,000 bushels (some 905,000 hundredweight of flour) 21 per cent more than the November 1972 exports of 1,713,000 bushels but 23 per cent less than the adjusted December 1971 exports of 2,708,000 bushels. Flour shipments during December 1972 went to thirty countries with exports to Ceylon amounting to 1,187,000 bushels or 57 per cent of the December total. Other leading markets for Canadian wheat flour in terms of wheat during the month with shipments in thousands of bushels were as follows: Cuba, 382; Britain, 147; Leeward and Windward Islands, 106; Trinidad and Tobago, 77; Barbados, 53; and Haiti, 41.

Note: Data re exports of wheat flour for January 1973 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	10,783,801
1971-72 .....	88,123,761	39,071,806	10,739,460
1972-73(2)			
August .....	7,516,123	3,306,195	1,156,942
September .....	7,590,423	3,316,484	972,566
October .....	8,231,621	3,631,037	739,735
November .....	7,497,161	3,293,927	744,980
December .....	5,853,556	2,577,403	904,764 <sup>r</sup>
January .....	7,414,125	3,252,034	869,565
Totals .....	44,103,009	19,377,080	5,388,552
Same months 1971-72 <sup>r</sup> .....	44,798,110	19,809,599	5,708,457

(1) Based on Customs returns. Exports for the crop year 1945-46 - 1971-72 revised to remove effect of time lag in the returns by Customs.

(2) Subject to revision.

# UNITED STATES SITUATION

## Supplies Highest in Last Decade

Wheat supplies for the crop year 1972-73 are placed at 2,409.6 million bushels, the largest since 1962-63 and 3 per cent above the 1971-72 total of 2,348.0 million. Supplies of this magnitude reflect an increase in carryover stocks, which more than offset a decrease in production. Carryover stocks estimated at 864.8 million bushels are 18 per cent larger than the 730.2 million at July 1, 1971, while the 1972 production, at 1,544.8 million is the third largest crop on record but 5 per cent lower than the 1971 record harvest of 1,617.8 million. Domestic disappearance during 1972-73 is estimated at about 818.0 million bushels, 4 per cent less than the 851.6 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,591.7 million remain available for export and for carryover, 6 per cent more than the 1,496.5 million in 1971-72.

## Exports at Record Level

Exports of wheat and wheat flour in terms of grain equivalent during the period July 1972-January 1973 amounted to an all-time high of 617.5 million bushels, 83 per cent larger than the 336.6 million exported during the same months last year. The balance remaining on February 1, 1973 for export and for carryover was estimated at 974.2 million bushels compared with 1,159.9 million on approximately the same date a year ago.

## United States Wheat Supplies

Item	1971-72 <sup>r</sup>	1972-73 <sup>p</sup>
	million bushels	
Carryover at beginning of crop year (July 1) .....	730.2	864.8
Production .....	1,617.8	1,544.8
Total estimated domestic supplies .....	2,348.0	2,409.6
Imports of wheat and wheat flour in terms of wheat for domestic use, July-January .....	0.1	0.1
Total estimated supplies(1) .....	2,348.2	2,409.7
Less estimated domestic requirements for crop year(2) .	851.6	818.0 <sup>r</sup>
Available for export and for carryover .....	1,496.5	1,591.7
<u>Deduct</u>		
Exports of wheat as grain, July-January .....	305.3	584.9
Exports of wheat flour and products in terms of wheat, July-January .....	31.4	32.6
Total exports of wheat and wheat flour .....	336.6	617.5
Balance on February 1 for export and for carryover ....	1,159.9	974.2

(1) Excludes imports for February-June.

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

Stocks of Wheat  
in All Positions  
January 1, 1973

On January 24, 1973 the Crop Reporting Board of the United States Department of Agriculture stated that all wheat in storage on January 1, 1973 totalled 1,393 million bushels, 10 per cent below a year earlier and 1 per cent below the January 1, 1971 total. Off farm stocks at 886 million bushels were 4 per cent above a year earlier but farm holdings of 507 million were down 27 per cent. Disappearance from all storage positions from October through December is indicated at 473 million bushels, compared with 326 million a year earlier. The Commodity Credit Corporation owned 267 million bushels and had loans outstanding on 305 million.

Durum wheat stocks in all positions on January 1, 1973 totalled 98.8 million bushels, 17 per cent less than a year earlier but 5 per cent above 2 years ago. Farm holdings at 72.2 million bushels were 24 per cent below last year but off-farm stocks were up 7 per cent. Disappearance during the October-December quarter is indicated at 15.4 million bushels, compared with 13.5 million for the same quarter a year earlier.

United States Wheat Stocks by Positions, January 1, 1973 with Comparisons

Grain and positions	January 1, 1971	January 1, 1972	January 1, 1973
	thousand bushels		
<u>All wheat</u>			
On farms(1) .....	526,092	694,191	507,332
Commodity Credit Corp.(2) .....	1,932	2,023	1,827
Mills, elev. & whses.(1,3) .....	881,946	851,077	883,895
Totals .....	1,409,970	1,547,291	1,393,054
<u>Durum wheat(4)</u>			
On farms(1) .....	69,660	94,340	72,169
Commodity Credit Corp.(2) .....	567	604	579
Mills, elev. & whses.(1,3) .....	24,236	24,324	26,038
Totals .....	94,463	119,268	98,786

(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.

Summary of the  
Wheat Situation

A summary report released on January 30, 1973 by the United States Department of Agriculture stated that prospects for record exports continue to dominate the 1972-73 wheat scene. At 1,150 million bushels they will total a third over the old record of 1965-66. July-December exports flowed at a record 503 million bushels. However, shipments for the rest of the season will have to exceed this pace by a third to reach the projected total for 1972-73.

With total disappearance forecast at a record 1,968 million bushels, the carry-over this summer will drop to around 440 million, the least since 1967. Most of this will be in private hands, in contrast to recent years of heavy volumes under loan or owned by CCC.

Developments in the world wheat economy continue to have a bullish effect on the market. The winter wheat crop in the USSR has not progressed as well as hoped. The Australian crop has turned out poorer than expected. Adverse weather in Asia, particularly in India, has expanded food import requirements sharply. Thus, world demand may continue very strong well into the 1973-74 marketing year.

USDA recently announced that loans for all wheat will not be renewed or extended. Thus, around 375 million bushels of wheat, mostly HRS and HRW, could move to market by May 31, 1973. Loan entries for 1972 wheat have remained light as prices at the farm have risen 80 per cent from their harvest time lows. The \$2.38 per bushel in January was the highest for that month since 1947.

USDA announced on January 11 the elimination of the 86 per cent mandatory set-aside requirement except for farmers who elect to participate in the voluntary set-aside program.

The 1973 winter wheat crop, based on December indications, will total a record 1,278 million bushels. Planted acreage at 42.8 million was up 1 per cent, while yields were indicated to rise 6 per cent to almost 30 bushels per seeded acre. The percentage of the crop to be harvested for grain was up to 88 per cent from 83 per cent the year before.

Production of winter wheat might be greater than indicated. The elimination of required set-aside on wheat acreage for 1973 came after both the winter wheat growers and the spring wheat growers were surveyed. In the March prospective plantings report, intentions for spring wheat seedings may show a further increase over the January indications for a 15 per cent rise to 14.6 million acres.

Hard Red Winter: HRW exports continue to move at a record pace. Yet, the pace must quicken if 710 million bushels are to be shipped by June 30. By this summer, carryover will be more than halved and will total less than 200 million bushels, the smallest amount since 1952. Large supplies currently under loan and in CCC hands are poised to enter the market. This, along with a potential record 1973 HRW crop, could result in some weakening in prices. Farmers last fall seeded around 3 per cent more HRW.

Hard Red Spring: HRS demand continues strong. Record exports of 180 million bushels still appear likely and domestic use will surge to 190 million bushels as higher prices of competing wheats have buoyed mill demand for HRS. Prices, continuing strong in the face of fairly large supplies, may weaken as the large stocks of wheat currently under loan move into the market. The elimination of required set-aside should result in a fairly large increase in HRS seedings.

Soft Red Winter: SRW disappearance also continues heavy. Good export movement during July-December and the usual mill demand point to relatively tight supplies for the rest of the year. Exports have been stimulated by PL 480 shipments. The carryover this summer is estimated at a low level of less than 10 million bushels. Wet weather at planting time reduced SRW acreage and the 1973 crop may fall 10 to 15 per cent from the 1972 level. Heavy July-December demand resulted in white wheat prices soaring 75 per cent since harvest. Export demand continues strong. Year-ending stocks are expected to fall to around 15 million bushels, with most areas carrying only pipeline stocks. Acreage seeded to winter White wheat rose only 4 per cent. With lower yields anticipated, production may approximate last year's level.

Durum supplies, mostly in private hands, continue well in excess of demand. Durum exports have been moving well and should reach the 50 million bushel estimate for the year. Farmers' intentions in early January indicated an increase in durum acreage for 1973.

Fall Seeded Grains  
Progressing  
Satisfactorily

In a report released on February 9, 1973, the Crop Reporting Board of the United States Department of Agriculture stated that winter wheat greened the latter part of January as far north as South Dakota due to above normal temperatures and adequate soil moisture. Snow cover melted rapidly in the last two weeks of January and by early February, the most important winter wheat growing areas were without a protective cover. The chief exceptions were western portions of Colorado and Montana where the crop was still under snow. However, the October-January precipitation in Montana and the Pacific Northwest was below normal.

Soil moisture supplies in the Great Plains were adequate to surplus around February 1. Ground cover was only fair in many areas. The crop has wintered well to date but is still vulnerable to wind damage this spring if top soils become dry and high winds come before spring growth can provide more adequate cover. Kansas wheat showed some greening in January but made little growth. Late sown wheat in west central and southwestern Oklahoma has also attained little growth. Fall seeded grains in Texas were set back in early and mid-January by freezing weather but recovered some later in the month. The Colorado crop remained mostly dormant as little or no growth has occurred since early November.

In Montana and the Pacific Northwest, unusually cold temperatures in early January gave way to well above normal temperatures later in the month. Most of the eastern half of Montana averaged 15 or more degrees above normal the latter part of January and the first few days of February. Some winter wheat fields in Washington were reseeded during January.

Soil moisture in the eastern half of the Nation remained in adequate to surplus supply and fall seeded grains were in fair to good condition in early February. The crops got off to a late start last fall but winter weather to date has been favourable. However, top dressing of fertilizer has been limited by wet fields.

Flour Production

According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in December 1972 amounted to 20,799,000 hundredweight, averaging 1,040,000 hundredweight per working day. This compared with an average output per working day of 1,005,000 hundredweight last month and 911,000 hundredweight in December 1971. Wheat flour mills during December operated at 102.7 per cent of capacity, compared with 98.8 per cent and 93.3 per cent, respectively, for the previous month and the same month a year ago. Flour mills in December 1972 ground 46,380,000 bushels of wheat compared with 46,822,000 bushels the previous month and 46,265,000 bushels in December 1971.

# AUSTRALIAN SITUATION

Wheat Supplies Total estimated supplies of wheat in Australia for the 1972-73  
Sharply Below (December-November) crop year are placed at 287.6 million bushels,  
Year Ago 34 per cent less than the 433.4 million in 1971-72, reflecting the  
 effect of a decrease in both carryover and production. Carryover  
 stocks at December 1, 1972, were placed at 53.2 million bushels as against the 127.2  
 million at the same date a year ago, while the 1972 production, at 234.4 million, was  
 23 per cent below the comparable figure in 1971. After deducting some 120.8 million  
 bushels for anticipated domestic requirements, an estimated 166.8 million are avail-  
 able for export and for carryover during 1972-73, in sharp contrast to the 338.3  
 million in 1971-72.

Exports Down from Combined exports of wheat as grain and wheat flour in terms of  
Previous Year grain equivalent during the period December 1 - January 20 of  
 the current Australian crop year amounted to 32.6 million bushels,  
 a decrease of 27 per cent from the 44.8 million exported during the corresponding  
 period of the 1971-72 crop year. The balance remaining on January 21, 1973 for  
 export and for carryover, at 134.2 million bushels, was 54 per cent below the 293.5  
 million at the same date a year ago and the lowest since 1957-58.

## Australian Wheat Supplies

Item	1971-72 <sup>r</sup>	1972-73 <sup>p</sup>
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1) .....	127.2	53.2
Production .....	306.2	234.4
Total estimated domestic supplies .....	433.4	287.6
Less estimated domestic requirements for crop year ...	95.1	120.8 <sup>r</sup>
Available for export and for carryover .....	338.3	166.8
<u>Deduct</u>		
Exports of wheat as grain, December 1 - January 20 .	42.9	31.7
Exports of wheat flour in terms of wheat, December 1 - January 20 .....	1.9	0.9
Total exports of wheat and wheat flour .....	44.8	32.6
Balance on January 21 for export and for carryover ...	293.5	134.2

The following information relative to the Australian situation has been  
 extracted from a report from Mr. C.V. Hiltz, Third Secretary (Agriculture) for Canada,  
 Canberra, under date of February 7, 1973 and is reproduced with the permission of the  
 Trade Commissioner Service, Department of Industry, Trade and Commerce.

Australian wheat production 1972-73. — Widespread drought over the entire Australian wheat belt has taken a heavy toll of the 1972-73 wheat crop. To add to the difficulties of growers and the Wheat Board, ripe crops in Queensland and northern New South Wales were severely damaged by heavy rains and flooding in October which caused downgrading of substantial quantities of wheat that otherwise would have been of Prime Hard quality.

Growers planned for a big 1972-73 wheat crop aimed at filling the national quota of 407 million bushels. But dry weather in all States at sowing time put achievement of this target in doubt from the start, and on many farms sowing intentions were not fulfilled. Details of the area actually sown to wheat in Australia for the 1972-73 crop together with a forecast made last June of likely sowings are given in the following table. The totals indicate a deficiency of more than three million acres between intentions to sow and the acreage actually planted.

Australian Wheat Acreage 1972-73

<u>State</u>	<u>Intended planting as at June, 1972</u> million acres	<u>Actual seeded acreage</u>
Queensland .....	1.8	0.9
New South Wales .....	8.0	6.3
Victoria .....	2.8	2.7
South Australia .....	3.0	2.4
Western Australia .....	6.0	6.1
Totals .....	21.6	18.4

Dry conditions continued in most parts of the wheat belt after planting and right through to harvest. The Wheat Board is now estimating that deliveries from the crop will only reach 193.7 million bushels from the estimated total production of 234.4 million bushels. This will be the smallest delivery since 1959-60. Details and quota figures for each State are shown in the following table:

Australian Wheat Board Receivals 1972-73

<u>State</u>	<u>Estimated receivals</u>	<u>Production(1) million bushels</u>	<u>Quota</u>
Queensland .....	12.0	13.5	38.0
New South Wales .....	53.0	72.7	157.0
Victoria .....	44.2	37.8(2)	67.0
South Australia .....	23.0	27.2	50.0
Western Australia .....	61.5	82.9	95.0
Totals .....	193.7	234.4(3)	407.0

(1) Estimated by Commonwealth Bureau of Census and Statistics.

(2) This estimate is obviously wrong in that it is less than the quantity already received by the Board.

(3) Includes Tasmania and the A.C.T.

Taking the carryover of 53.2 million bushels from the 1971-72 season and adding the estimated delivery of 193.7 million bushels, the Board's wheat stocks for the 1972-73 selling year will be 246.9 million bushels. This is the lowest availability for over ten years and is in strong contrast to the supply situation of the last four years. Obviously the Board will not have enough wheat to sell to all overseas markets.

In the past week good rains fell over most of Australia and although they haven't ended the drought conditions completely, they have eased the situation somewhat and further rains are expected. If received, other sources of feed will become available and together with harvests from summer crops the need to hold stocks of wheat on farms will become less of a necessity for livestock feed. This could mean that the Wheat Board will receive more than 193.7 million bushels. How much more the Board could receive is anyone's guess but any additional supplies received will help the Board's position.

1973-74 Australian wheat quotas. — In the December meeting of the Australian Wheat Growers Federation, they reaffirmed their policy of wheat production quotas for the 1973-74 crop year and recommended to the Federal Government that next year's quota be 514.4 million bushels. The Federal Government has had time to study the recommendation and will be discussing it at this month's meeting of the Australian Agricultural Council. At that time the decision will be made whether or not to accept the recommendation.

There seems to be opposition coming from some of the States accepting the quota recommendations as well as from some members of the Federal Department of Primary Industry who feel that quotas should be dropped altogether. The argument is that the industry cannot get new blood while quotas continue and that every industry needs new entrants. In addition, the return to profitability of wool together with the shortage of coarse grains and the boom in the meat industry must all react against any huge increase in wheat production in the near future.

On the other hand, the Australian Wheatgrowers' Federation is definitely in favour of retaining quotas although they too see the need for new blood in the industry and are very much aware of the need to get back to an adequate supply position quickly. However, they are also afraid that by dropping quotas controls the industry could go back to huge surpluses and there would be no means to control production later if needed.

The likelihood is that the quota recommendation of 514.4 million bushels will be accepted in that it is large enough to actually be an open go on wheat production. In addition the Australian Wheatgrowers' Federation is accepted as the voice of the wheat growers in all States and so their recommendations carry much weight and most State ministers will go along with the Federation.

Australian Wheat Pool payments. — The total return that the Australian wheat grower can expect for his 1971-72 crop is estimated to be 137.059 cents per bushel which is better than the last few years but less than he received in the mid-1960's. The price realized for the 1965-66 pool was 141 cents per bushel, for 1966-67, 141.654 cents; for 1967-68, 147.162 cents; 1968-69, 123.725 cents. The estimated return for 1969-70 is 121.966 cents; for 1970-71, 131.154 cents

The second advance for the 1969-70 pool is expected this August and the final payment in August next year. The second payment for 1970-71 is expected this November and the final payment in May 1975. For the 1971-72 pool the second advance is expected in November and the final payment in January 1976.

The following table shows the estimated growers' equity in the three pools 1969-70, 1970-71, and 1971-72:

<u>Pool</u>	<u>Paid to date</u>	<u>Balance</u>	<u>Estimated next payment</u>	<u>Estimated total realization</u>
			cents per bushel	
1969-70 .....	110	11.966	6 July 1973	121.966
1970-71 .....	110	21.154	8 Nov. 1973	131.154
1971-72 .....	110	27.059	8 Nov. 1973	137.059

Exports of Australian Wheat and Wheat Flour in Terms of Wheat  
December 1 - January 20, 1972-73 and Corresponding Period 1971-72

Destination	Wheat		Wheat flour	
	1971-72	1972-73	1971-72	1972-73
thousand bushels				
<u>Other Western Europe</u>				
Britain .....	2,312	4,529	31	17
Ireland .....	169	89	—	—
Malta .....	190	—	—	—
Norway .....	2,289	—	—	—
Totals .....	4,960	4,618	31	17
<u>Eastern Europe</u>				
Germany, East .....	—	2,081	—	—
U.S.S.R. (Russia) .....	4,515	5,899	—	—
Totals .....	4,515	7,980	—	—
<u>Africa</u>				
Kenya .....	616	—	—	—
Malawi .....	—	—	110	32
Mauritius — Comm. ....	—	—	186	91
Mozambique .....	525	—	—	—
Rhodesia .....	683	—	—	—
Sudan .....	1,431	—	—	—
Egypt A R. . ....	12,406	2,388	—	—
Zambia .....	465	440	—	—
Others .....	(1)	(1)	(1)	21
Totals .....	16,126	2,828	296	144
<u>Asia</u>				
Aden .....	62	—	—	—
Aden and Aden Atta .....	—	—	9	—
Afghanistan — F. Aid .....	411	—	—	—
Arabian Gulf .....	99	20	52	33
Arabian Gulf Atta .....	—	—	319	146

See footnotes at end of table.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat  
December 1 - January 20, 1972-73 and Corresponding Period 1971-72 - Concluded

Destination	Wheat		Wheat flour	
	1971-72	1972-73	1971-72	1972-73
thousand bushels				
<u>Asia - concluded</u>				
China .....	—	879	—	—
Hong Kong .....	176	453	4	—
India - F. Aid .....	1,467	—	—	—
Indonesia .....	—	—	1	—
— F. Aid .....	232	—	—	—
Iraq .....	923	—	—	—
Japan .....	6,473	4,102	—	—
Korea, South .....	523	—	—	—
Kuwait .....	807	812	—	—
Malaysia .....	1,324	1,861	—	—
Pakistan - Comm. ....	(1)	—	—	—
SRI Lanka .....	103	645	—	—
SRI Lanka - Comm. ....	—	—	39	5
SRI Lanka - F. Aid .....	—	—	612	—
Philippines .....	—	—	54	29
— F. Aid .....	—	128	—	—
Sabah .....	—	—	1	—
Saudi Arabia .....	672	457	3	48
Singapore .....	463	719	—	(1)
Taiwan .....	1,014	2,797	—	—
Thailand .....	111	814	30	8
Yemen .....	559	—	—	—
Others .....	—	—	22	13
Totals .....	15,419	13,687	1,146	282
<u>Oceania</u>				
New Zealand .....	551	—	—	—
<u>Western Hemisphere</u>				
Bolivia .....	—	—	—	—
Chile .....	717	2,112	—	—
Peru .....	604	467	—	—
West Indies Area .....	—	—	7	1
Totals .....	1,321	2,579	7	1
<u>Pacific Area and Sundries</u>				
Pacific Islands .....	8	7	403	444
Ships' Stores and Sundries ....	—	—	16	12
Totals .....	8	7	419	456
Totals, all countries .....	42,900	31,700	1,900	900

(1) Less than 500 bushels.

# GRAIN SITUATION IN FEDERAL REPUBLIC OF GERMANY

The following account of the current grain situation in the Federal Republic of Germany has been extracted from a report received from Mr. K. Schmitz, Commercial Officer, Agriculture, Canadian Embassy, Bonn, West Germany, under date of February 13, 1973 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Growing conditions. — West German farmers may expect another above-average grain crop this year if the present state of fall cultivations is taken as a guide. The later-sown crops are also in generally very good condition, although rainfall this year was again too low at only 30 per cent of the long-term average in December and 47 per cent in January. The soil moisture deficit will give rise to concern if these lower levels of precipitation continue until vegetation begins.

Prevailing warm and dry weather conditions in fall favoured the sowing of winter crops. Seeding of winter barley and winter rye began a little earlier than normal in mid-September, and was completed in most parts of Germany at the beginning of October. Winter barley began the stage of germination process in extremely favourable areas at that time. Except in coastal areas, sowing of winter wheat could be completed till mid-October.

## Summary of the Wheat Situation

	<u>Grain crop year</u>	<u>August-October</u>	
	1971-72	1971	1972
		thousand bushels	
Available production .....	254,558	254,558	235,525
Change in stocks(1) .....	+ 34,024	+ 192,094	+ 170,526
Exports .....	35,421	5,989	6,651
Imports(2) .....	89,029	22,193	24,067
Domestic utilization .....	274,142	78,667	82,415
Seed .....	10,509	5,695	5,916
Feed .....	126,875	36,964	38,727
Loss .....	1,286	331	367
Industrial consumption .....	4,225	772	625
Food consumption(3) .....	131,247	34,906	36,780

(1) On key day August 1, only old crop wheat was considered.

(2) Imports from GDR included.

(3) In grain value.

Farmers' marketing of wheat during the August-November period of 1972 amounted to a total of 3,091,523 metric tons (113,593,000 bushels) compared with 3,264,371 tons (119,944,000 bushels) the year before. Not included are sales to small mills at an annual milling capacity of less than 500 tons (18,000 bushels).

The following stocks of wheat were held by processors, traders and co-operatives on December 1 (small mills not included):

	<u>1971</u>	<u>1972</u>
	thousand metric tons	
Wheat .....	2,010.2	2,140.3
Wheat flour .....	105.5	95.0
Wheat semolina and superf. flour .....	9.0	9.6
Pasta products .....	11.8	9.6
Wheat starch .....	2.9	1.8
 Total wheat in grain value(1) .....	 2,177.0	 2,289.0

(1) Conversion key: wheat flour and semolina .....	125 per cent
pasta products .....	145 per cent
wheat starch .....	225 per cent

West Germany's total milling of wheat has decreased slightly by about 6 per cent during the first months of the current crop year and this tendency continues. This results from a smaller wheat flour export, while at the same time, milling for domestic consumption has increased. The share of domestic grown soft wheat went up from 70.3 to 70.7 per cent, and wheat from EEC member countries from 15.6 to 16.4 per cent. Thus, the use of wheat from third countries represented only 12.9 per cent of the total, compared with 14.1 per cent in 1971. The milling of soft wheat for flour exports indicates a similar tendency: domestic wheat increased from 65.8 to 66.8 per cent, while the share of EEC- and third countries' wheat went down. This development, however, is not uniform in the whole of Germany and depends upon regional availabilities and shipping condition. In Northrhine-Westphalia for example, 45 per cent of all milled wheat is of EEC-origin, on the other hand, mills in Northern Germany have enlarged the share of third country wheat used in milling.

	August-November	
	<u>1971</u>	<u>1972</u>
	thousand metric tons	
Milling of wheat .....	1,430.9	1,367.6
Extraction rate in per cent .....	78.2	78.0
Production of wheat flour .....	1,045.1	991.2
Production of semolina .....	43.7	47.2
Production of superfine flour .....	30.4	28.1

Disappearance chart for wheat flour, including semolina and superfine flour are as follows:

	August - October	
	<u>1971</u>	<u>1972</u>
	thousand metric tons	
Opening stocks(1) .....	92.8	136.2
Production .....	862.6	807.6
Import(2) .....	24.2	25.9
Export(3) .....	104.1	83.0
Closing stocks(1) .....	137.1	113.2
Outlet .....	738.4	773.5

(1) Stocks in small mills estimated.

(2) Excluding foreign trade in bakery products.

Although the 1972 West German wheat crop was of a higher quality than in previous years and the total domestic production of 6.6 million metric tons (242,506,000 bushels) was half a million tons (18,372,000 bushels) below the 1971 wheat crop, the utilization of wheat in mixed feed production is far above last year's.

	August-November	
	1971	1972
	thousand metric tons	
August .....	70.7	64.7
September .....	66.7	88.4
October .....	85.3	101.8
November .....	82.3	100.0
Totals .....	305.0	354.9

This may be one result of the worldwide protein, grain and feedstuff shortage.

German wheat continued steady into the new year, although is becoming slightly more responsive to the markets. Supplies remain tight due to the milling industry's increased interest in addition to the regular offtake by denaturization plants. Changes are unlikely for the time being. Preliminary reports indicate that the denaturization of soft wheat is far above last year's figures. By December 31, 1972 the total was 721,951 metric tons (26,527,000 bushels), compared with 569,458 tons (20,924,000 bushels) the year before. The Hamburg association of grain traders forecasts the grand total for the current crop year to 1.2 - 1.4 million tons (44,091,000 to 51,441,000 bushels) in West Germany only. They also propose that the Government pay more attention to wheat exports, which require less subsidies and because of the high world market price level. Wheat denaturization would be used only to correct and compensate effects of incorrect market and price policy.

Shutdown of German mills. - Until the end of December 1972, 288 mills with an annual milling capacity of 372,000 metric tons fine flour and 13,686 metric tons baking groats have been closed under the re-organization plan for mills. Premiums of DM 46.8 million (\$14.6 million Cdn.) have been granted to these enterprises. Additional DM 33.8 million (\$10.5 million Cdn.) will have to be paid for a further 486 mills having a total capacity of 246,230 metric tons fine flour and 11,276 metric tons baking groats per year. Thus an increase in annual milling of more than 640,000 metric tons will be to the benefit of other mills. This re-organization program, based on the "law for structure of mills" dated December 22, 1971 has nearly reached its end and ought to improve the efficiency of the industry. The compensation granted for shutdowns is financed by a contribution of DM 6 (\$1.87 Cdn.) per ton of processed grain, limited till the end of 1977.

German Imports of Wheat and Wheat Products

	August - October	
	1971	1972
	thousand bushels	
Belgium and Luxembourg .....	130	293
France .....	10,140	10,125
Italy .....	332	301
Netherlands .....	1,425	1,505
Totals, EEC .....	12,028	12,225
Denmark .....	—	5
Sweden .....	—	—
Greece .....	6	9
USSR (Russia) .....	929	223
United States .....	2,347	5,699
Canada .....	5,938	5,516
Others .....	18	27
Totals to third countries .....	9,238	11,478
Totals, all countries .....	21,265	23,703

ARGENTINE SITUATION

Supplies Above Year Ago Reflecting an increase in both carryover stocks and production, total estimated domestic supplies of wheat in Argentina for the 1972-73 (December-November) crop year are placed at some 322.8 million bushels, 44 per cent more than the previous year's total of 224.7 million. The 1972 production estimated at 297.6 million bushels exceeded by 49 per cent the 199.9 million produced in 1971 while the December 1, 1972 carryover stocks, at 25.2 million, are 2 per cent above the 24.8 million at the same date a year ago. After making an allowance of 132.3 million bushels for anticipated domestic requirements, an estimated 190.5 million are available for export and for carryover in 1972-73 in contrast to the 89.0 million of the previous year.

Exports Sharply Above Year Ago Preliminary exports of wheat and wheat flour in terms of wheat equivalent during December 1972-January 1973 amounted to 25.1 million bushels, in sharp contrast to the 9.7 million exported during the same two months in 1971-72. The balance remaining on February 1, 1973 for export and for carryover was estimated at 165.5 million bushels, as against the February 1, 1972 total of 79.3 million.

# Argentine Wheat Supplies

Item	1971-72 <sup>r</sup>	1972-73 <sup>P</sup>
	million bushels	
Carryover at beginning of crop year (December 1)(1) ...	24.8	25.2
Production .....	199.9	297.6 <sup>r</sup>
Total estimated domestic supplies .....	224.7	322.8
Less estimated requirements for crop year .....	135.7	132.3
Available for export and for carryover .....	89.0	190.5
Deduct		
Exports of wheat as grain, December-January .....	8.2	21.4
Exports of wheat flour in terms of wheat, December - January .....	1.5	3.6
Total exports of wheat and wheat flour .....	9.7	25.1
Balance on February 1 for export and for carryover ....	79.3	165.5

(1) Includes allowances for farm stocks.

The following account of the Argentine situation has been extracted from a report from Mr. H.G. Fairfield, Assistant Commercial Secretary (Agriculture) Buenos Aires, under date of February 13, 1973 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Where possible conversions to Canadian measures and currency have been made for the convenience of our readers.

The production of wheat for 1972-73, according to the second estimate by the Ministry of Agriculture, will be 8.1 million tons (297.6 million bushels), including 660,000 tons (24.3 million bushels) of Durums. This is an increase of 0.5 million tons (18.4 million bushels) over the first estimate. The second estimate represents a 49 per cent increase over last year's production of 5.44 million tons (199.9 million bushels). The figure is also 32 per cent and 17.6 per cent higher than the averages for the last five- and ten-year periods, respectively. Last year the area planted was 4.98 million hectares (12.3 million acres), compared with this year's 5.62 million (13.9 million acres), indicating that the increased production is primarily due to excellent yields per hectare.

Production by province for 1972-73 compared with 1971-72 is as follows:

	1971-72	1972-73
	thousand bushels	
Buenos Aires .....	128,602	194,739
Santa Fe .....	35,641	46,664
La Pampa .....	9,138	24,802
Cordoba .....	14,697	22,413
Entre Rios .....	8,084	6,430
Others .....	3,722	2,572
Totals .....	199,884	297,621

In our latest Wheat Review we reported the visit of a paraguayan mission to discuss the purchase of 20,000 tons (735,000 bushels) of wheat. No agreement was reached as the Paraguayan delegation considered the price requested by Argentina of U.S. \$105.00 per ton (U.S. \$2.86 per bushel) was beyond their possibilities. Instead, both governments agreed on the purchase by Paraguay of 25,000 tons of Argentine wheat flour. No prices were disclosed. We also reported in our latest Wheat Review that further exports have been banned as the total wheat crop has already been committed. Since then the authorities have found that conditions were such that exporters could circumvent the ban on wheat exports by exporting flour. If this was allowed to continue a short supply situation could have resulted in the local market. Consequently a ban was placed on the export of flour. On the other hand, the Government passed a resolution yesterday whereby the export of Durums has been authorized. The ban on bread wheat exports still stands.

The National Grain Board has been authorized to purchase from producers up to 1,500,000 tons (55,115,000 bushels) of hard wheat, grade 1, basis 80 kilos per hectolitic weight (64 pounds per bushel), at 54 pesos per 100 kilos (2.93 per bushel Cdn.) f.o.r. Buenos Aires. On February 13, hard wheat was quoted at 56.50 pesos per 100 kilos (\$3.07 per bushel) f.o.r. Buenos Aires; semi-hard at 56.00 pesos (\$3.04 per bushel) and Durums at 53.00 pesos (\$2.88 per bushel). At Bahia Blanca they were quoted at 54.50, 54.00 and 53.00 pesos (\$2.96, \$2.93 and \$2.88 per bushel), respectively. On the Futures Market hard wheat was quoted at 58.20 pesos (\$3.16 per bushel) for March delivery; 59.65 pesos (\$3.24 per bushel) for April; 62.20 pesos (\$3.38 per bushel) for May; and 64.02 (\$3.48 per bushel) for June.

#### 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 16, 1973 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

General conditions. — Exceptionally dry weather prevailed in October, resulting in favourable conditions for field work but November was unsettled with some rain storms and although there was more sunshine than usual temperatures were below normal. Stormy conditions were experienced in December with heavy rain and flooding in some areas but it was generally mild. The month of January was exceptionally mild with little frost, below average rainfall and little sunshine. In general field work, cultivations and winter sowings were well advanced and autumn sown crops well established.

Production and yields. — Yield and production estimates relating to the 1972 harvest have now been issued by the Government Authorities responsible for England and Wales, Scotland and Northern Ireland. These indicate an increased yield for Scotland but reduced yields for England and Wales and Northern Ireland. For the United Kingdom as a whole wheat production is provisionally estimated at 4,686,000 long tons (174,944,000 bushels), compared with 4,739,000 long tons (176,923,000 bushels) in the previous crop year.

Production of Wheat

	1971-72 Final			1972-73 Provisional		
	Acreage	Yield	Production	Acreage	Yield	Production
	thousand acres	per acre bushels	million bushels	thousand acres	per acre bushels	million bushels
England and Wales .	2,619	65.1	171.0	2,702	62.5	169.0
Scotland .....	88	63.1	5.6	82	68.4	5.6
Northern Ireland ..	3	65.3	0.15	3	61.9	0.11
United Kingdom ..	2,710	65.1	176.8	2,786	62.5	174.8

Winter wheat plantings. — The acreage of winter wheat sown by December 4, 1972 was 2,406,000 acres compared with 2,352,000 acres as at December 1971. This new record figure indicates that the run of high wheat crops since the 1971 harvest will continue.

Consumption and supplies. — Revised estimates of consumption and supplies of home grown and imported wheat in 1972-73 issued by the Home Grown Cereals Authority and giving the position as at the end of December show an increase of 150,000 long tons (5,600,000 bushels) in the forecast figure of wheat for animal feed to 3.65 million long tons (136,267,000 bushels).

Total consumption is provisionally estimated at 9.1 million long tons (339,733,000 bushels) as against 8.58 million long tons (320,320,000 bushels) for 1971-72; this includes wheat for human consumption, animal feed, exports, seed and other uses. Intake by millers continued to show an increase on the previous year but there was a reduced intake of wheat by compounders.

Consumption and Supplies — Wheat and Wheat Flour as Wheat

Crop Year July-June

	<u>1971-72 Final</u>	<u>1972-73 Provisional</u> <u>as at December 31, 1972</u>
	million bushels	
<u>Estimated consumption</u>		
Human consumption(1) .....	193.9	192.1
Animal feed .....	115.0	136.1
Exports, seed and other uses .....	11.2	11.2
Totals(2) .....	320.1	339.4
<u>Estimated supplies</u>		
Home production .....	176.8	175.3
Imports(3) .....	140.5	166.0
Totals(2) .....	317.3	341.3

(1) Includes imported flour expressed as wheat equivalent at 72 per cent extraction rate. Also includes between 48.5 million and 52.3 million bushels of wheat offals available for animal feed. (2) Difference in totals obtained by withdrawals from and additions to stocks. (3) The totals include approximately 44.8 million bushels of animal feed in 1972-73 compared with about 23.1 million bushels in 1971-72.

Imports. — Import requirements are assessed at 4,450,000 long tons (166,133,000 bushels) compared with 3,768,000 long tons (140,672,000 bushels) for 1971-72; a substantial increase of 18 per cent. Imports of wheat between July and December 1972 amounted to 2,350,000 long tons (87,733,000 bushels) compared to 1,915,000 long tons (71,493,000 bushels) during the same period of the previous year, an increase of 23 per cent. Much of this increase was in extra denatured wheat imports. Forward commitments are notified as 1,250,000 long tons (46,667,000 bushels), an increase of 9 per cent or 99,000 long tons (3,696,000 bushels). The balance of import requirements is estimated at 850,000 long tons (31,733,000 bushels) compared with 702,000 long tons (26,208,000 bushels) as at the end of December 1971.

Stocks of wheat on farms. — Stocks of wheat on farms as at the end of December 1972 were 2.79 million long tons (104,160,000 bushels) compared with 2.58 million long tons (96,320,000 bushels) as at the end of December 1971. Total stocks as a percentage of total production were 60 per cent and 54 per cent for 1972 and 1971, respectively.

Cereals deficiency payments. — The Ministry of Agriculture has announced that in the light of the latest estimates of average market prices obtained by all growers in the United Kingdom advance payments of wheat are unlikely to be justified this year.

Transitional arrangements in the common agricultural policy of the EEC compensatory amounts. — Since compensatory amounts for the U.K. were originally set in July 1972 at levels which bridged the gap between the U.K. minimum import prices and EEC threshold prices, world cereal prices have increased considerably. If an attempt has been made under current market circumstances to implement the common agricultural policy using the original compensatory amounts problems would have arisen. Grain from original member states which receive the compensatory amount as an export refund would have been able to undercut U.K. grain prices while U.K. grain exported to the Six, which has to pay the compensatory amount as a levy, would have been considerably dearer than continental grain. There would, therefore, have been an incentive to import third country grain into the U.K. by routing it via the original Six rather than directly into the U.K. To obviate such a situation, compensatory amounts (cas), abated from the levels originally decided, and calculated with reference to the full rate of levy currently in force, have therefore been agreed using the reference rate of exchange of 2.1644 Units of Account (ua) = £1 sterling.

As levy rates can change daily, frequent changes in compensatory amounts will be avoided by allowing the compensatory amount for each grain to move in steps of four u.a. For example, if the Community levy on a grain is 23 u.a. a metric ton = £10.80 a long ton, i.e. within the band 24.00 to 20.01 u.a., the c.a. will be 22.00 u.a. = £10.33. It will stay at 22.00 u.a. until either the levy rises to within the next band on the scale (28.00 to 24.01 u.a.), in which case the c.a. will move by 4 u.a. to 26 u.a. = £12.20; or until in the opposite direction it falls to within the band 20.00 to 16.01 u.a., when the c.a. will be pegged at 18.00 u.a. = £8.45. This system will operate until the full Community levy is above the level of any compensatory amount fixed last July.

British imports from third countries will be subject to the full Community levy less the abated c.a., e.g. if the Community levy is 23 u.a. = £10.80, the charge on such grain imported into the United Kingdom will be 23 u.a. — 22 u.a. a metric ton, i.e. 1 u.a. per metric ton or 47p a long ton. If, however the Community levy is still within the band 24.00 to 20.01 u.a., but less than 22 u.a., say 21 u.a. a metric ton, there will be no import charge.

Similarly, with regard to British exports to third countries, the compensatory amount will be deducted from the full Community export restitution.

In the case of British imports from the original Community the c.a. will determine the export refund to the Community exporter(1).

The same principles will apply to the British trade with the two other new member states, Denmark and Ireland but in this situation the c.a. on any grain traded between the U.K. and Denmark or Ireland is equal to the U.K. c.a. with the Six less that of Denmark or Ireland, respectively.

Processed products. - The compensatory amounts on these products will be derived from those for the whole grain and, therefore, will vary with variations in the cas on the whole grains.

Intervention centres. - Secondary intervention centres and prices for the new member states have been announced by the Commission of the European Economic Community.

EEC intervention arrangements - denaturing of wheat by incorporation using fixed equipment. - With the entry of the U.K. into the EEC a subsidy on denatured wheat is payable under EEC regulations. This rate has been fixed at one unit of account below that for the figure in the original six member countries.

Grain markets. - Grain markets remained indecisive with fluctuations in trading prices. Considerably cheaper imports of French milling wheat were reported.

(1) The c.a. will similarly determine the levy to charged on British exports to the rest of the Community.

#### CALENDAR OF WHEAT EVENTS

- |          |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| January  | 31 | According to the January 1973 issue of "World Agricultural Production and Trade" published by the United States Department of Agriculture, Foreign Agricultural Service, world wheat production in 1972 is estimated at 304 million metric tons, 6 per cent below the 1971 record and only one per cent below the previous high of 1968. World wheat area, at 207 million hectares, was one per cent below that of 1971.                                                                                          |
| February | 7  | A report received from Mr. C.V. Hiltz, Third Secretary (Agriculture) for Canada, Canberra, stated that widespread drought over the entire Australian wheat belt has taken a heavy toll of the 1972-73 wheat crop. To add to the difficulties of growers and the Wheat Board, ripe crops in Queensland and northern New South Wales were severely damaged by heavy rains and flooding in October which caused downgrading of substantial quantities of wheat that otherwise would have been of Prime Hard quality. |
|          | 13 | The Honourable Otto Lang, Minister Responsible for the Canadian Wheat Board announced the final payments on the 1971-72 wheat and oats pool accounts. The wheat producers will receive, on the average 12.3 cents per bushel to a total of \$62.6 million, while the average payment for oats will be 7.9 cents per bushel to a total of \$2.2 million. Wheat payments are based on deliveries of 510.9 million bushels and the oats payments are based on deliveries of 28.4 million bushels.                    |







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