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COARSE GRAINS QUARTERLY

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THE COARSE GRAINS

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COARSE GRAINS

FATS AND OILS

WORLD FEED GRAIN SITUATION

World Production of Barley and Oats at Record Level in 1969

The following account of the world feed situation has been taken from the World Agricultural Production and Trade, published by the United States Department of Agriculture, Foreign Agricultural Service, under date of March 31, 1970.

World barley and oats production in 1969 totalled 164.4 million metric tons, just over the 1968 record of 164.0 million tons, according to the latest information available to the Foreign Agricultural Service.

World barley production is placed at 113.8 million tons, up 1 per cent for the year, as world area gained 3 per cent to 171.9 million acres.

North America produced 17.5 million tons of barley in 1969, 6 per cent above the 1968 crop. The Canadian crop was a record 8.2 million tons, up 16 per cent with area and yield contributing equally to the increase. The United States harvested 9.1 million tons of barley, down from 9.2 million, although yields set a new high. European barley production totalled a record 47.9 million tons, 4 per cent over 1968. Per acre yields were generally at the same level as the previous year. The West European barley harvest was 38.9 million tons, up 3 per cent. The EC produced 15.8 million tons, 2 per cent higher for the year. The French crop of 9.3 million tons was up 2 per cent, and the West German up 3 per cent to a record 5.1 million tons. Denmark and Spain had record crops of 5.3 and 3.9 million tons respectively, both on larger acreage. The United Kingdom output of 8.8 million tons was up 6 per cent on increased yield. The East European barley crop was up 6 per cent at 9.0 million tons. Czechoslavakia and Poland had record harvests, up 18 per cent and 16 per cent respectively, on significantly larger areas. The East German crop was down 10 per cent, a result of adverse weather throughout the season.

Barley production in the Soviet Union is estimated at 24.3 million tons, about the same as in 1968, even though area was larger by 12 per cent. The African barley crop dropped sharply as Morocco returned to a more normal production of 1.3 million tons, well below the remarkable outturn of the previous season. The Asian harvest estimated at 18.4 million tons was off 6 per cent, mainly due to sharp drops in the Indian and Japanese crops. Australia had a 1.9-million-ton barley crop, 14 per cent over the previous year's record, as acreage was sharply increased.

World oat production in 1969 is estimated at 50.6 million tons, barely below the 1968 harvest. The per acre yield was also little changed. The North American oat crop at 19.5 million tons was only slightly higher. Canada produced 5.7 million tons, up 2 per cent, and the United States 13.8 million tons, up 1 per cent. The South American outturn is estimated 19 per cent lower at 532,000 tons, mainly reflecting reduced performance in Argentina. West European oat production totalled 12.2 million tons, down 4 per cent. The EC crop was little changed with West Germany producing a record 3.0 million tons, up 3 per cent, and France 2.3 million tons, down 7 per cent. Finland had a record 1.1-million-ton harvest, but the Swedish crop, because of drought, was 28 per cent below the 1968 high. The East European oat crop at 5.1 million tons was about the same as a year earlier. A 100,000-ton improvement in the Czechoslovak outturn was countered by a decline of a similar size in East Germany.

The Australian crop at 1.7 million tons was down 2 per cent for the year and 3 per cent below the 1966 record.

FEED SITUATION IN CANADA

Commercial Supplies Data recorded up to May 20, 1970 indicate that deliveries of oats have amounted to 13.3 million bushels 63 per cent less than the 35.9 million at the same period a year ago while marketings of barley, at 97.4 million bushels, were 72 per cent above the comparable 1968-69 figure of 56.6 million. In addition to oats and barley, farmers in the Prairie Provinces marketed 4.8 million bushels of rye up to May 20 this year, compared with the 1.7 million delivered at the same time a year ago.

Total supplies of oats in commercial positions at May 20, 1970 amounted to 21.6 million bushels and represented a decrease of 36 per cent from the 33.4 million of the previous year but were 12 per cent more than the 19.2 million of two years ago. Some 11.5 million bushels, were in country elevator positions and this volume was below the comparable stocks of 15.7 million at May 21, 1969 but sharply higher than the 6.0 million at the same time in 1968. Lakehead stocks accounted for 4.8 million bushels, less than both the 12.9 million the year before and the 7.8 million of two years ago, while supplies in Eastern elevators amounted to some 2.0 million bushels compared with 2.9 million the previous year. Oats stocks "in transit rail" (western division) amounted to 1.9 million bushels sharply above the previous year's comparable total of 0.9 million. Total commercial supplies of barley at May 20 this year amounted to 60.8 million bushels, 6 per cent above the 57.6 million of a year ago and 24 per cent more than the 49.1 million of two years ago. Country elevator stocks, at 35.2 million bushels were lower than the 37.6 million at the corresponding date in 1968 but above the 30.4 million in 1968. Stocks of barley at the Canadian Lakehead, totalling some 8.1 million bushels were smaller than both the 8.4 million of the previous year and the 10.2 million of two years ago. The 4.9 million bushels in Eastern elevators represented increases over both the 3.1 million of 1969 and the 2.6 million of 1968. Supplies of rye in commercial positions at May 20, 1970 amounted to 4.6 million bushels, more than double the 2.2 million of a year ago but slightly below the 4.7 million of two years ago. Stocks at country elevators, at 1.4 million bushels were above the corresponding 1969 level but below the 1.6 of 1968. Canadian Lakehead stocks at 2.0 million bushels registered increases over the two preceding years.

Domestic Market Shipments of oats, barley and rye to domestic markets up to May 20 this year are placed at some 81.4 million bushels, 26 per cent above last year's comparable total of 64.8 million. Increases were recorded for the movement of oats and barley while those of rye were unchanged. These figures represent shipments to domestic channels from the licensed elevator system and include grains entering the milling and malting industries for subsequent export as processed products.

Exports Total exports of oats as grain, barley and rye during the first three - quarters of the 1969-70 crop year, at 40.7 million bushels, represented a substantial increase over the 18.6 million exported during the same period of 1968-69 and was 10 per cent more than the ten-year (1958-59 — 1967-68) August-April average of 37.1 million bushels. Current crop year exports of the three commodities to April 30, 1970 with figures for the corresponding period of 1968-69 and the ten-year August-April averages, respectively, in brackets, were as follows in million bushels: oats, 1.5 (2.1, 6.9); barley, 36.9 (12.9, 26.4); and rye, 2.3 (3.6, 3.8). It will be noted that exports of barley were higher than a year ago while those of oats and rye decreased.

The 1.5 million bushels of Canadian oats as grain exported during the first nine months of the 1969-70 crop year were below the 1968-69 August-April total of 2.1 million. Most of the current total was accounted for by shipments to United States, 0.8 million bushels, followed by Belgium and Luxembourg, 0.2 million bushels. Smaller shipments went to Syria, Netherlands and Britain. Exports of Canadian barley, at 36.9 million bushels, were about three times greater than the previous year's total of 12.9 million. This year's August-April leading markets were as follows, in millions of bushels: Japan, 10.5; Britain, 8.5; United States, 6.2; Italy, 3.3; Poland, 2.9; Israel, 2.6; Colombia, 1.2; Tunisia, 0.9; Germany, East, 0.5; and Peru, 0.3. In addition, Customs data indicate that the equivalent of some 4.0 million bushels of barley was exported in the form of malt during the first three-quarters of the current crop year. Of the 2.3 million bushels of rye exported during August-April 1969-70 Japan was the principal market with 1.4 million bushels followed by the Netherlands, 0.3 million; United States, Britain and Denmark 0.2 million bushels each.

Supplementary Quota on Barley

The Canadian Wheat Board in its Instructions to the Trade re Quotas (General) No. 32 under date of April 17, 1970 stated that effective immediately at all delivery points within the designated area the supplementary quota of three (3) bushels per acre seeded to barley, as indicated in our Instructions to the Trade re Quotas (General) No. 7 issued September 30, 1969, is hereby increased to six (6) bushels per acre seeded to barley.

The decision to utilize supplementary barley quotas as a means to increase producer deliveries this year comes mainly as a result of the increase in exports to European markets where root crops, used for livestock feeding, suffered extensive damage last summer.

Major Increase in Barley Quotas Announced

On May 27, 1970 The Canadian Wheat Board announced major increases in supplementary delivery quotas for barley in Manitoba and Saskatchewan. The special quotas are the result of the unusually large barley sales made recently for delivery later this summer.

The new quotas, which become effective immediately, enable barley producers in Manitoba and Saskatchewan to deliver an additional 10 bushels per seeded acre or a minimum of 1,000 bushels, whichever is the greater.

W.C. McNamara, Chief Commissioner of the Wheat Board, said the additional quotas will encourage farmers in Manitoba and Saskatchewan to deliver the large quantities of barley needed to meet export shipments from Thunder Bay and St. Lawrence ports in June and July.

"Our forward sales of barley have been exceptionally large for the summer and fall and a substantial increase in producer deliveries is needed to meet these market commitments. I urge producers to take advantage of this additional marketing opportunity as quickly as possible," Mr. McNamara said.

At present, barley shipments from country elevator points in Manitoba and Saskatchewan are limited by the quantities being delivered by producers under existing quotas.

No specific time limit has been placed on the new barley quota. Mr. McNamara said, however, producer deliveries would be kept under constant review and consideration would be given to suspending the additional quota if producer marketings exceeded the Board's immediate requirements.

In order to speed up barley shipments, the new quota is being confined to Saskatchewan and Manitoba at this time. With the shorter hauling distance involved, it will be possible to move large quantities of barley to Thunder Bay in a minimum period of time.

Barley quotas for Alberta points will be adjusted in accordance with a continuing shipping program already underway. Large forward sales of barley have been made from both coasts and shipments will extend well into the 1970-71 crop year. As a result, Alberta producers can expect to continue to receive substantial quotas and delivery opportunities for barley.

Quota on Rye The Canadian Wheat Board in its Instructions to the Trade re Quotas (General) No. 34 under date of May 15, 1970 announced that effective immediately, at all delivery points within the designated area, the quota of eight(8) bushels per seeded acre to rye as indicated in our Instructions to the Trade re Quotas (General) No. 22 of February 4th, 1970, is hereby increased to thirteen (13) bushels per seeded acre to rye.

This quota will expire on June 30th, 1970, and thereafter all rye deliveries will have to be made under the specified acreage quota.

1970-71 Delivery Quotas The Canadian Wheat Board in its Instructions to the Trade No. 38 under date of May 1, 1970 stated that the Government of Canada has announced its Wheat Inventory Reduction Program referred to as Operation LIFT. In order to conform with the provisions and intent of the program, The Canadian Wheat Board will be required to revise its quota policies for the 1970-71 crop year.

In that crop year, therefore, deliveries of all grains by producers will be established on the basis of the following:

1 — There will be no unit quotas.

2 — There will be no general specified acreage quotas as in previous years.

3 — Acreage seeded to wheat in 1970-71, except soft white spring wheat, will not qualify for delivery quotas.

4 — A producer's assignable acreage will consist of:

(a) acreage in summerfallow in 1970-71, plus
(b) Acreage seeded in 1970-71 to other eligible crops, plus
(c) 25 per cent of new breaking in the 1969-70 crop year, plus
(d) 25 per cent of the acreage in summerfallow in 1969-70, plus or minus
(e) Any increase or decrease in perennial forage in 1970-71 as compared to 1969-70.

5 — Wheat can only be delivered on the basis of the acres assigned by a producer for the delivery of wheat from his total assignable acreage.

6 — Deliveries of other grains — oats, barley, rye, soft white spring wheat, rapeseed and flaxseed — will be based on the quota acres which will be the acres seeded to these grains plus any acres assigned to these grains by the producer from his total assignable acreage.

7 — For wheat quota purposes other eligible crops consist of all crops except cereals (including all wheat, oats, barley, rye), oilseeds (including rapeseed, flaxseed, mustard, safflower and sunflower) and forages.

8 — If the demand for durum or specific grades of wheat requires additional deliveries by producers, special quotas would be provided based on the acreage assigned by a producer for the delivery of wheat.

9 — Should special quotas be required for soft white spring wheat and other grains subject to quota, these will be based on the total quota acres established by each producer for the particular grain involved.

10 — In 1970-71 producers may arrange for a maximum of 50 bushels of wheat to be gristed at a grist mill in the designated area for flour for family use. This wheat will not be delivered for Board account nor apply against delivery quotas.

11 — Delivery privileges for selected malting barley in 1970-71 will remain the same as in the current crop year. Under this privilege, selected malting barley may be delivered in carlot quantities on an over-quota basis.

12 — Permit holders will again be authorized to deliver grain to defray the cost of purchasing pedigreed seed for planting.

13 — In the 1970-71 crop year producers may select one alternate delivery point providing such point is located in the same province as the primary delivery point.

14 — Producers will be required to apply for 1970-71 delivery permit books not later than July 15, 1970.

Feed Freight Assistance Rates Maintained

On April 20, 1970 Agriculture Minister H.A. (Bud) Olson announced that rates of assistance under the Feed Freight Assistance program will be maintained at present levels for the fiscal year ending March 31, 1971.

In making the announcement at this time, the Minister said he wished to remove any fear that the continuing heavy demand for feed grains would mean a reduction in assistance rates. He also wished to assure livestock feeders of a continuation of the present rates to assist them in making their production plans for the year ahead. The present rates which were established in November 1969 provide a generally equalized transportation cost to feeding areas in eastern Canada and in British Columbia.

The Minister pointed out that it was extremely difficult to accurately forecast feed grain needs in eastern Canada and British Columbia because of the many variable factors involved. Any changes in local feed grain production, market relationships, or in feeder intentions could appreciably alter present demand projections.

Shipments under the program in the fiscal year ending March 31, 1970 exceeded 3 million tons, and could range between 3.0 and 3.6 million tons in the 1970-71 fiscal year. Estimates of both hog and poultry production are up appreciably over a year ago.

<u>General Quota Position</u> By May 19, 1970 out of a total of 1,800 shipping points in the western division, the Canadian Wheat Board had placed 470 points on a delivery quota of 3 bushels per specified acre and the bulk consisting of 1,058 points on a 2-bushel quota. Of the remainder 251 points were on a one-bushel quota per specified acre while only 21 stations were reported as "closed".

Summary of Elevator Shipping Points in the Western Division as at May 19, 1970

Province	General quota in bushels per specified acre			Closed	Total
	One	Two	Three		
Manitoba	43	212	67	1	323
Saskatchewan	180	589	185	14	968
Alberta	28	257	212	6	503
British Columbia	—	—	6	—	6
All provinces	251	1,058	470	21	1,800

<u>Millfeed Production and Exports Up from Previous Year</u> Production of millfeeds, during the first three-quarters of the 1969-70 crop year, amounted to 526,087 tons, some 8 per cent above the previous year's comparable total of 487,363 tons and 4 per cent above the ten-year average (1958-59 — 1967-68) of 507,660 tons. Exports of millfeeds, at 156,811 tons, were sharply above both the 1968-69 August — April total of 68,459 tons and the ten-year average of 66,408 tons. Reflecting the combined effect of a slight increase in production which was more than offset by an increase in exports, and after making an allowance for changes in mill stocks, the amount available to the domestic market during the first nine months of the current crop year amounted to some 373,746 tons compared with 420,127 tons a year ago.

Supply and Distribution of Millfeeds, August-April 1969-70 and 1968-69

Month	Production				Exports	Apparent domestic disappearance (1)
	Bran	Shorts	Middlings	Total		
	tons					
August 1969 ...	18,867	35,005	2,782	56,654	12,714	47,333
September	19,869	36,889	3,153	59,911	10,306	48,808
October	19,347	41,579	2,703	63,629	15,353	46,555
November	18,090	37,632	2,431	58,153	16,428	43,088
December	19,291	35,688	2,551	57,530	25,591	32,278
January 1970 ..	19,723	39,963	2,891	62,577	12,237	49,855
February	18,874	33,373	2,371	54,618	17,054	39,113
March	21,123	33,419	2,362	56,904	23,301	32,811
April	20,044	33,601	2,466	56,111	23,827	33,905
Totals	175,228	327,149	23,710	526,087	156,811	373,746
Same period 1968-69[r]	166,664	292,706	27,993	487,363	68,459	420,127

(1) Adjusted for change in mill stocks.

r Revised figures.

FARM STOCKS AT MARCH 31, 1970

Stocks of the principal grains held on farms in Canada (excluding Newfoundland) at March 31, 1970 were estimated at a record 1,987.3 million bushels compared with 1,548.5 million in 1969 according to a survey conducted by the Dominion Bureau of Statistics. Average farm stocks for the 1960-69 period were 1,232.8 million bushels. This year's March 31 farm stocks of grains in millions of bushels, with last year's totals and the ten-year averages, respectively, in brackets, are estimated as follows: wheat, 1,227.6 (1,024.5, 780.8); oats, 307.0 (198.5, 228.0); barley, 417.4 (301.0, 198.8); rye, 16.1 (12.6, 11.3); and flaxseed, 19.1 (11.9, 13.8). The highest level of farm stocks at March 31, in millions of bushels, with the year of the record in brackets, was as follows: wheat, 806.9 (1970); oats, 362.1 (1943); barley, 352.5 (1970); rye, 19.5 (1954); and flaxseed, 10.9 (1967).

The Prairie Provinces, Canada's major grain producing area, accounted for the bulk of this year's March 31 farm stocks ranging from 85 per cent of the oats to 94 per cent or more of the other four grains. Farm stocks in these provinces, in millions of bushels, and as percentages of total Canadian farm stocks, respectively, were wheat, 800.0 (99 p.c.); oats, 240.0 (85 p.c.); barley, 331.0 (94 p.c.); rye, 10.5 (97 p.c.); and flaxseed, 10.4 (100 p.c.).

It should be noted that farm-held grain stocks at the end of March include amounts to be used as seed for the 1970 crop as well as quantities required for livestock and poultry feed during the remaining four months of the crop year, leaving the balance to be divided between deliveries and July 31 carryover stocks.

Stocks of Principal Grains on Farms in the Prairie Provinces
March 31, 1970 with Comparisons

Year	Wheat	Oats	Barley	Rye	Flaxseed
			thousand bushels		
Average 1935-39	45,955	61,266	13,999	1,145	168
Average 1940-44	177,650	152,527	58,696	5,274	1,663
Average 1946-49	122,740	118,920	50,520	2,285	2,063
Average 1950-54	249,800	173,940	111,500	8,626	2,252
Average 1955-59	412,500	179,600	139,400	11,860	6,276
1960	382,000	135,000	146,000	6,600	8,900
1961	417,000	147,000	131,000	7,900	6,000
1962	229,000	81,000	65,000	4,000	5,000
1963	275,000	171,000	91,000	3,000	4,300
1964	426,000	200,000	133,000	6,300	6,400
Average 1960-64	345,800	146,800	113,200	5,560	6,120
1965	376,000	143,000	114,000	6,500	5,200
1966	445,000	160,000	117,000	8,200	8,700
1967	527,000	150,000	170,000	7,700	10,800
1968	445,000	106,000	160,000	5,600	3,700
1969	613,000	127,000	231,000	9,800	5,200
Average 1965-69	481,200	137,200	158,400	7,560	6,720
1970	800,000	240,000	331,000	10,500	10,400

FARMERS' MARKETINGS OF OATS, BARLEY AND RYE

Total marketings of oats, barley and rye in the Prairie Provinces from the beginning of the current crop year to May 20 amounted to 115.6 million bushels, 23 per cent more than the comparable 1968-69 total of 94.2 million and 21 per cent above the ten-year (1958-59-1967-68) average for this period of 95.8 million bushels. This year's August 1, 1969 — May 20, 1970 total consisted of barley, 84 per cent; oats, 12 per cent; and rye, 4 per cent.

Farmers' Marketings(1) of Oats, Barley and Rye in the Prairie Provinces, 1969-70 with Comparisons

Period or week ending	Oats				Barley			
	Man.	Sask.	Alta.	Total	Man.	Sask.	Alta.	Total
	thousand bushels							
August 1, 1969 — February 18, 1970	4,561	1,845	2,617	9,023	10,733	21,850	34,677	67,260
25	126	29	139	294	192	159	764	1,115
March 4	240	50	129	419	288	247	997	1,531
11	88	86	123	297	182	271	1,003	1,455
18	178	114	118	410	273	309	1,232	1,814
25	164	66	108	338	259	270	1,106	1,635
April 1	63	67	42	172	211	273	912	1,396
8	172	100	62	334	308	279	613	1,201
15	153	120	199	471	208	403	927	1,538
22	34	27	82	143	82	316	883	1,281
29	28	66	112	206	289	994	3,138	4,420
May 6	119	96	175	389	323	1,366	3,256	4,945
13	245	85	149	479	749	1,599	2,601	4,948
20	108	98	99	306	291	882	1,719	2,892
Totals	6,279	2,848	4,153	13,280	14,387	29,216	53,828	97,431
Similar period 1968-69r	18,091	8,630	9,161	35,882	7,588	13,465	35,534	56,588
10-year average similar period 1958-59 — 1967-68	9,968	8,737	8,865	27,570	8,728	21,115	33,441	63,285

Period or week ending	Rye			
	Man.	Sask.	Alta.	Total
	thousand bushels			
August 1, 1969 — February 18, 1970	824	1,930	520	3,274
25	85	124	41	249
March 4	91	155	37	283
11	39	52	25	116
18	22	65	13	99
25	67	99	19	185
April 1	25	56	8	89
8	29	47	7	83
15	20	35	11	67
22	3	9	3	15
29	8	34	17	59
May 6	14	80	28	122
13	28	81	29	138
20	8	43	9	60
Totals	1,265	2,810	766	4,841
Similar period 1968-69r	360	1,076	298	1,734
10-year average similar period 1958-59-1967-68	1,222	2,516	1,172	4,911

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

r Revised figures.

Visible Supply of Canadian Oats, Barley and Rye, May 20, 1970 Compared with Approximately the Same Date, 1968 and 1969

Position	1968	1969	1970
	thousand bushels		
		Oats	
Country elevators — Manitoba	1,840	4,977	2,765
Saskatchewan	2,083	5,129	2,710
Alberta	2,084	5,610	6,010
Sub-totals	6,007	15,716	11,485
Interior private and mill	354	493	408
Interior terminals	10	12	11
Vancouver-New Westminster	19	142	20
Prince Rupert	—	1	1
Churchill	—	45	35
Thunder Bay	7,803	12,883	4,816
In transit rail (western division)	1,711	868	1,866
Bay, Lake and Upper St. Lawrence ports	1,570	1,292	1,186
Lower St. Lawrence and Maritime ports	1,228	1,633	837
In transit lake	476	299	898
In transit rail (eastern division)	27	55	—
Totals	19,205	33,439	21,563
		Barley	
Country elevators — Manitoba	2,159	1,829	1,742
Saskatchewan	10,432	8,525	6,344
Alberta	17,854	27,245	27,098
Sub-totals	30,445	37,599	35,184
Interior private and mill	77	97	73
Interior terminals	2,266	2,417	2,293
Vancouver-New Westminster	1,582	966	3,584
Prince Rupert	1	1	1
Thunder Bay	10,195	8,366	8,054
In transit rail (western division)	1,564	4,332	4,243
Bay, Lake and Upper St. Lawrence ports	1,175	786	1,219
Lower St. Lawrence and Maritime ports	1,404	2,360	3,666
In transit lake	362	604	2,529
In transit rail (eastern division)	2	39	—
Totals	49,073	57,567	60,846
		Rye	
Country elevators — Manitoba	311	225	255
Saskatchewan	964	762	792
Alberta	283	227	364
Sub-totals	1,558	1,214	1,411
Interior private and mill	34	31	37
Interior terminals	—	—	1
Vancouver-New Westminster	337	174	254
Thunder Bay	1,367	269	1,962
In transit rail (western division)	475	163	83
Bay, Lake and Upper St. Lawrence ports	444	128	254
Lower St. Lawrence and Maritime ports	199	227	280
In transit lake	—	—	45
United States ports	240	—	226
Totals	4,654	2,206	4,553

GRADING OF CROPS, 1969-70

The total number of cars of oats, barley and rye inspected by the Board of Grain Commissioners for Canada during the first three-quarters of the 1969-70 crop year amounted to 49,606 cars about 62 per cent more than the 30,682 cars of these grains inspected during the first nine months of the 1968-69 crop year. Inspection of barley, at 41,380 cars accounted for 84 per cent of the August-April 1969-70 total, with the remainder consisting of 5,623 cars of oats (11 per cent); and 2,603 cars of rye (5 per cent).

Percentages of the three grains falling into the higher grades (excluding "Toughs" and "Damps") during the August-April period of the 1969-70 crop year with comparable data for 1968-69 and the five-year August-July (1963-64-1967-68) averages, respectively, in brackets, were as follows: oats, 1 Feed or higher, 76.3 (65.1, 91.7); barley, 1 Feed or higher, 69.9 (66.5, 75.7); and rye, 3 C.W. or higher, 81.5 (84.7, 86.1).

Gradings of Oats, Barley and Rye Inspected(1), August-April 1969-70 with Comparisons

Grain and grade	Crop year		August — April			
	Average 1963-64 — 1967-68	1968-69	1968-69		1969-70	
	per cent	per cent	cars	per cent	cars	per cent
OATS						
2 C.W.	0.2	0.1	12	0.2	15	0.3
Ex. 3 C.W.	2.2	1.0	107	1.3	100	1.8
3 C.W.	29.1	21.9	1,855	23.4	591	10.5
Ex. 1 Feed	18.5	11.2	858	10.8	620	11.0
1 Feed	41.7	28.9	2,330	29.4	2,965	52.7
2 Feed	3.4	2.8	241	3.0	264	4.7
3 Feed	0.6	0.6	54	0.7	87	1.5
Mixed Feed(3) ...	0.2	0.3	18	0.2	54	1.0
Tough(3)(4)	3.3	29.0	2,065	26.0	727	12.9
Damp(3)(5)	(2)	3.8	369	4.7	3	0.1
Rejected(3)	0.3	0.3	16	0.2	96	1.7
All Others	0.3	0.1	8	0.1	101	1.8
Totals	100.0	100.0	7,933	100.0	5,623	100.0
Bushel equivalent (approximately) .			23,134,000		16,652,000	

See footnote(s) at end of table.

Gradings of Oats, Barley and Rye Inspected(1), August-April
1969-70 with Comparisons — Concluded

Grain and grade	Crop year: Average 1963-64 — 1967-68	Crop year: 1968-69	August — April: 1968-69		August — April: 1969-70	
	per cent		cars	per cent	cars	per cent
BARLEY						
1 C.W. Six-Row	(2)	(2)	2	(2)	2	(2)
2 C.W. Six-Row	1.2	2.2	639	3.0	500	1.2
3 C.W. Six-Row	18.0	13.3	3,240	15.2	5,524	13.3
1 C.W. Two-Row	(2)	—	—	—	5	(2)
2 C.W. Two-Row	0.6	0.3	90	0.4	638	1.5
3 C.W. Two-Row	4.6	6.2	1,700	8.0	1,928	4.7
1 Feed	51.3	41.4	8,518	39.9	20,354	49.2
2 Feed	9.1	10.9	2,145	10.0	5,679	13.7
3 Feed	1.0	1.3	253	1.2	433	1.1
Tough(3)(6)	13.4	17.5	2,797	13.1	5,760	13.9
Damp(3)(5)	0.5	5.9	1,758	8.2	349	0.8
Rejected(3)	0.3	0.9	207	1.0	168	0.4
All Others	0.1	0.1	19	0.1	40	0.1
Totals	100.0	100.0	21,368	100.0	41,380	100.0
Bushel equivalent (approximately)			47,956,000		94,015,000	
RYE						
1 C.W.	1.1	1.1	10	0.7	3	0.1
2 C.W.	42.5	47.6	785	56.8	1,183	45.4
3 C.W.	42.5	25.2	376	27.2	937	36.0
4 C.W.	1.8	5.6	73	5.3	119	4.6
Ergoty	3.7	0.7	12	0.9	16	0.6
Tough(3)(4)	5.8	18.6	104	7.5	335	12.9
Damp(3)(5)	2.5	0.8	15	1.1	3	0.1
Rejected(3)	0.1	0.2	5	0.4	5	0.2
All Others	(2)	0.1	1	0.1	2	0.1
Totals	100.0	100.0	1,381	100.0	2,603	100.0
Bushel equivalent (approximately)			2,685,000		5,145,000	

(1) Both old and new crop.
(2) Less than .05 per cent.
(3) All grades.
(4) Moisture content 14.1 per cent to 17.0 per cent.
(5) Moisture content over 17.1 per cent.
(6) Moisture content 14.9 per cent to 17 per cent.

LAKE SHIPMENTS FROM THUNDER BAY

Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to May 20 this year amounted to 68.3 million bushels, 47 per cent more than the corresponding 1969 figure of 46.5 million. In 1970, the season of navigation opened on April 8 while the 1969 season opened on April 11. Shipments of wheat, at 40.0 million bushels, were 20 per cent more than the previous year's comparable figure of 33.3 million and accounted for 59 per cent of the current total as compared to 72 per cent of the total six grains at the same date a year ago.

Lake Shipments of Canadian Grain from the Opening of Navigation to May 20, 1970
and to Approximately the Same Date 1959 to 1969

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
				thousand bushels			
1959	27,425	4,130	8,819	663	677	—	41,714
1960	42,619	3,265	9,788	458	750	—	56,880
1961	52,896	5,284	8,133	689	1,049	—	68,051
1962	30,156	3,171	5,533	81	623	—	39,564
1963	28,490	10,857	4,491	516	1,441	—	45,795
1964	60,724	6,028	6,869	996	1,663	—	76,280
1965	37,702	6,918	5,639	603	1,850	383	53,094
1966	76,867	6,135	7,253	2,761	2,616	472	96,104
1967	50,868	7,188	12,404	1,250	2,006	463	74,178
1968	41,723	3,070	3,183	344	1,945	174	50,439
1969	33,341	3,404	7,305	415	1,402	635	46,501
1970	39,981	4,383	17,241	1,127	3,302	2,283	68,318

RAIL SHIPMENTS FROM THUNDER BAY

Rail movement of wheat, oats, barley, rye, flaxseed and rapeseed from the Lakehead during the August-April period of the current crop year amounted to 9,938,000 bushels, sharply above the comparable 1968-69 total of 5,522,000 bushels.

Rail Shipments of Canadian Grain from Thunder Bay
August-April 1969-70 and 1968-69

Month	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
				thousand bushels			
August 1969	133	223	183	4	87	—	629
September	134	223	182	4	61	13	617
October	149	242	200	8	16	18	632
November	126	276	170	10	100	34	716
December	179	264	216	—	434	18	1,112
January 1970	272	369	353	4	334	188	1,520
February	404	412	538	4	264	—	1,622
March	298	625	748	2	71	—	1,745
April	261	453	479	4	118	31	1,346
Totals	1,957	3,086	3,068	40	1,484	302	9,938
Same period 1968-69	690	1,660	1,715	45	1,410	3	5,522

SHIPMENTS UNDER FEED GRAIN ASSISTANCE REGULATIONS

Claims filed for payment up to March 31, 1970 represent the movement of 75.1 million bushels of wheat, oats, barley, rye and corn from the Prairie Provinces and Eastern Canada under the Livestock Feed Assistance Act during the August-March period of the current crop year. These shipments were about 64 per cent above the 45.8 million at the comparable period a year ago.

Data on the movement of screenings and millfeeds under the Livestock Feed Assistance Act indicate that 48,018 tons and 367,976 tons, respectively, were shipped during the August-March period of the current crop year. Data on these shipments during the first eight months of 1968-69 place shipments of screenings at 41,939 tons and millfeeds at 345,867 tons.

The bulk of all livestock feed shipments with the exception of western rye and eastern corn, went to destinations in Ontario and Quebec with the two provinces accounting for a combined 70 per cent of wheat, 82 per cent of oats, 78 per cent of barley, 87 per cent of screenings and 83 per cent of millfeeds.

Provincial Distribution of Shipments under the
Feed Grain Assistance Regulations, 1969-70 and 1968-69

Province	Western						Eastern	
	Wheat(1)	Oats	Barley	Rye	Screenings	Millfeeds	Wheat	Corn
	thousand bushels				tons		thousand bushels	
			August 1, 1969 - March 31, 1970					
Newfoundland	319	139	243	3	111	1,559	—	4
Prince Edward Island	130	75	249	3	110	4,307	—	31
Nova Scotia	1,557	859	1,646	13	516	15,252	—	278
New Brunswick	728	597	1,165	2	75	11,128	—	152
Quebec	6,753	10,203	16,019	1	10,939	168,303	54	—
Ontario	5,886	6,459	12,128	6	30,834	138,300	—	—
British Columbia ...	2,746	2,071	4,543	13	5,433	29,127	—	48(2)
Totals	18,119	20,403	35,994	40	48,018	367,976	54	513
Same period 1968-69	5,668	15,766	21,577	450	41,939	345,867	186	2,119

(1) Includes shipments of sample feed grains.
(2) Includes Manitoba corn shipped into British Columbia.

Exports of Canadian Oats(1) 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August — April 1969-70	August — April 1968-69
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg	—	—	—	162,016	61,271
Netherlands	—	—	—	101,513	268,140
Sub-totals	—	—	—	263,529	329,411
Other Western Europe					
Britain	49,703	—	—	68,574	32,941
Ireland	—	—	—	—	133,924
Switzerland	—	—	—	—	131,765
Sub-totals	49,703	—	—	68,574	298,630
Totals	49,703	—	—	332,103	628,041
Africa					
U.A.R. - Egypt	—	—	—	—	335,553
Asia					
Syria	—	—	—	129,682	—
Western Hemisphere					
United States(2)	150,866	90,992	41,773	769,956	713,905
Sub-totals, all countries .	200,569	90,992	41,773	1,231,741	1,677,499
Seed oats(3)	17,400	72,394	53,479	252,367	379,008
Totals, all countries	217,969	163,386	95,252	1,484,108	2,056,507

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

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

(3) Customs exports.

Exports of Canadian Barley(1) 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August-April 1969-70	August-April 1968-69
			bushels		
Western Europe					
EEC:					
Italy	794,666	359,754	2,129,867	3,284,287	—
Other Western Europe					
Britain	—	—	616,187	8,479,047	5,114,300
Totals	794,666	359,754	2,746,054	11,763,334	5,114,300
Eastern Europe					
Germany, East	—	—	517,673	517,673	—
Poland	—	1,981,000	912,701	2,893,701	—
Totals	—	1,981,000	1,430,374	3,411,374	—
Africa					
Tunisia	—	—	—	948,245	—
Asia					
Israel	648,480	—	644,700	2,567,180	1,266,300
Japan	2,052,918	1,281,727	2,166,956	10,542,736	732,593
Totals	2,701,398	1,281,727	2,811,656	13,109,916	1,998,893
Western Hemisphere					
Colombia	—	—	619,033	1,170,183	—
Peru	—	124,133	—	271,133	—
United States(2)	125,767	—	1,589,384	6,219,045	5,766,323
Totals	125,767	124,133	2,208,417	7,660,361	5,766,323
Totals, all countries	3,621,831	3,746,614	9,196,501	36,893,230	12,879,516

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

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

Exports of Canadian Rye(1) 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August-April 1969-70	August-April 1968-69
			bushels		
Western Europe					
EEC:					
Germany, Federal Republic	—	—	—	20,906	—
Netherlands	—	—	—	336,702	130,000
Sub-totals	—	—	—	357,608	130,000
Other Western Europe					
Britain	—	—	—	158,376	336,387
Denmark	—	—	—	157,500	—
Norway	—	—	—	—	936,910
Sub-totals	—	—	—	315,876	1,273,297
Totals	—	—	—	673,484	1,403,297
Asia					
Japan	124,400	186,860	385,400	1,431,134	1,465,274
Western Hemisphere					
United States(2)	—	—	—	191,112	772,094
Totals, all countries ...	124,400	186,860	385,400	2,295,730	3,640,665

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

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

Customs Exports of Canadian Oatmeal and Rolled Oats(1) 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August-April 1969-70	August-April 1968-69
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg	—	—	—	689	142
Africa					
Ethiopia	—	—	—	71	—
Liberia	—	—	—	1,913	—
Mozambique	—	—	—	—	49
Totals	—	—	—	1,984	49
Western Hemisphere					
Bahamas	17,437	257	33	18,142	1,197
Barbados	76	191	—	3,344	4,006
Bermuda	377	240	60	1,552	2,383
Bolivia	—	—	—	109	—
Chile	—	—	99	197	98
Dominican Republic	—	3,771	—	9,869	16,437
Ecuador	—	—	—	—	5,738
Guyana	—	—	—	—	158
Honduras Republic	820	—	820	3,279	1,093
Leeward and Windward Is.	290	1,814	1,136	9,464	4,546
Netherlands Antilles	—	—	60	994	—
Peru	—	—	546	2,186	—
St. Pierre and Miquelon	—	44	—	191	175
Trinidad and Tobago	27	197	—	415	295
Venezuela	—	—	—	—	36,721
United States	—	820	—	3,443	1,093
Totals	19,027	7,334	2,754	53,185	73,940
Totals, all countries	19,027	7,334	2,754	55,858	74,131

(1) In terms of oats equivalent. Conversion rate: 1 bushel of oats equals 18.3 pounds of oatmeal and rolled oats.

Customs Exports of Canadian Malt(1) 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August — April 1969-70	August — April 1968-69
			bushels		
Western Europe					
Britain	—	—	—	71,545	—
Africa					
Ghana	—	—	6,111	9,167	12,222
Liberia	—	—	—	—	1,833
Totals	—	—	6,111	9,167	14,055
Asia					
Ceylon	—	—	—	6,222	6,222
Hong Kong	6,111	—	—	24,444	12,222
Japan	169,764	221,022	53,278	825,947	705,479
Philippines	42,778	61,111	45,833	404,408	618,888
Totals	218,653	282,133	99,111	1,261,021	1,342,811
Western Hemisphere					
Barbados	—	—	—	4,978	2,489
Brazil	30,556	24,445	73,333	278,057	195,278
Costa Rica	11,642	6,111	6,111	60,530	24,444
Dominican Republic	—	28,325	—	79,307	50,986
El Salvador	244	24,444	24,445	134,411	82,624
Guatemala	12,222	9,167	—	51,944	123,934
Honduras Republic	12,222	4,889	7,356	34,245	14,667
Jamaica	25,056	50,114	—	244,532	177,711
Leeward and Windward Is.	—	25	—	25	—
Nicaragua	—	6,111	6,111	59,444	58,110
Panama	—	—	—	48,888	61,111
Peru	55,000	12,222	—	250,556	223,888
Puerto Rico	917	16,133	24,200	159,317	124,973
Venezuela	62,944	105,111	24,450	523,596	576,949
United States	73,389	120,556	141,783	708,612	615,906
Totals	284,192	407,653	307,789	2,638,442	2,333,070
Totals, all countries	502,845	689,786	413,011	3,980,175	3,689,936

(1) In terms of barley equivalent. Conversion rate: 1 bushel of malt (36 lb.) equals 1 bushel of barley (48 lb.).

HOG-BARLEY RATIO

Reflecting lower returns for hogs accompanied by generally higher costs for feed barley, the hog-barley ratio declined during the February-April period of 1970. Average returns from hogs, basis index 100, at Winnipeg, decreased from $37.73 per hundredweight in February to $33.85 per hundredweight in March and $30.72 per hundredweight in April. Over the same months the cost of a bushel of barley, No. 1 Feed, basis in store Thunder Bay, declined only from $1.01 3/4 per bushel in February to $1.01 5/8 in March but reached $1.03 5/8 in April. As a result, of offsetting increases in the prices of hogs and barley the February index of 29.8 was unchanged from the level of the preceding month. In March the index declined to 26.7 due to a sharp reduction in hog prices. In April the index went down again and, at 23.8, reached its lowest level since December 1968 with returns from hogs lower and the cost of barley increasing.

For the period to December 1968 this ratio is based on the number of bushels of No. 1 Feed Barley equivalent in price to 100 lbs of Grade B hog at Winnipeg. Commencing in January 1969 the ratio is based on the number of bushels of No. 1 Feed Barley equivalent in price to the value of 100 lbs of Index 100 hog.

Month	1965	1966	1967	1968	1969	1970
January	14.8	23.9	17.8	16.0	23.9	29.8
February	15.1	24.4	18.8	16.3	25.0	29.8
March	15.7	20.8	18.0	16.2	25.6	26.7
April	15.9	19.0	17.1	15.7	24.6	23.8
May	17.3	21.6	18.8	18.4	27.2	
June	20.5	22.1	18.3	19.1	30.1	
July	21.6	19.7	16.6	20.4	30.0	
August	21.2	19.9	17.0	23.4	30.7	
September	21.0	19.5	17.6	23.8	31.8	
October	20.9	18.5	17.4	22.7	30.1	
November	22.0	17.6	16.4	23.4	29.1	
December	23.6	17.2	16.7	23.5	30.0	

FEED AND LIVESTOCK PRICE INDICES

The index of feed prices increased moderately from the January level of 220.1 points to 225.7 in February primarily due to higher prices for feed grains. In March and April the index remained relatively stable at 224.8 points and 224.0 points, respectively. Average prices for hay and Western oats increased in March while prices for millfeeds, barley and Western rye declined. In April, prices increases occurred for hay, millfeeds, barley and Western oats, while declines were recorded for Ontario oats as well as Eastern and Western rye.

The Animal Products index increased from a level of 364.9 points in January to 374.5 points in February reflecting higher prices for steers and hogs on both Eastern and Western markets. In March the index declined to 371.2 points due to lower prices for eggs and hogs on both Eastern and Western markets, for raw wool in the East and calves in the West. The April index of 360.3 points reflected much the same situation with lower prices for eggs and hogs on both markets as well as for lambs in the East and raw wool and calves in the West.

Index Numbers of Feed Prices and Prices of Farm Animals and Farm Animal Products by Months 1967-70 (1935-39 = 100)

Month	1967		1968		1969		1970	
	Feed	Animal	Feed	Animal	Feed	Animal	Feed	Animal
January	248.5	320.7	251.9	316.3	268.9	343.0	220.1	364.9
February	250.9	322.9	253.0	315.4	269.0	345.5	225.7	374.5
March	251.0	315.1	251.9	312.9	263.6	344.8	224.8	371.2
April	251.0	319.9	252.8	313.8	261.2	352.8	224.0	360.3
May	251.9	327.8	250.8	322.2	256.3	371.7		
June	256.7	330.7	251.0	330.0	255.5	381.7		
July	259.4	325.0	238.8	333.1	248.6	371.6		
August	260.9	329.8	234.3	340.8	214.7	361.7		
September	260.6	331.2	261.5	343.8	213.1	360.2		
October	253.2	330.9	260.8	339.0	212.6	352.3		
November	252.7	323.1	259.7	339.2	213.8	352.1		
December	256.1	326.4	266.6	345.0	216.5	357.9		

Canadian Wheat Board Monthly Average Cash Grain Prices
Basis in Store Thunder Bay

Grain and grade	February 1970	March 1970	April 1970
	cents and eighths per bushel		
Oats			
Initial payment to producers:			
2 C.W.	60	60	60
Ex. 3 C.W.	57	57	57
3 C.W.	57	57	57
Ex. 1 Feed	57	57	57
1 Feed	55	55	55
2 Feed	50	50	50
3 Feed	46	46	46
Domestic and export(1):			
2 C.W.	73/6	74	75/3
Ex. 3 C.W.	71/2	71/4	72/7
3 C.W.	70/2	70/4	72
Ex. 1 Feed	70/2	70/3	71/3
1 Feed	69	69/1	70/2
2 Feed	66	66/1	67/2
3 Feed	63	63/1	64/2
Barley			
Initial payment to producers:			
1 C.W. Six-Row	93	93	93
2 C.W. Six-Row	93	93	93
3 C.W. Six-Row	91	91	91
1 C.W. Two-Row	86	86	86
2 C.W. Two-Row	86	86	86
3 C.W. Two-Row	83	83	83
1 Feed	81	81	81
2 Feed	78	78	78
3 Feed	73	73	73
Domestic and export(1):			
1 C.W. Six-Row	114/2	113	114/2
2 C.W. Six-Row	114/2	113	114/2
3 C.W. Six-Row	112/2	111	112/2
1 C.W. Two-Row	111/2	110	109/2
2 C.W. Two-Row	111/2	110	109/2
3 C.W. Two-Row	108/2	107	106/2
1 Feed	101/6	101/5	103/5
2 Feed	99/6	99/5	101/5
3 Feed	96/6	96/5	98/5

(1) For local sales and for spot sales subject to confirmation.

Winnipeg Grain Exchange Monthly Average Cash Grain Prices
Basis in Store Thunder Bay

Grain and grade	February 1970	March 1970	April 1970
	cents and eighths per bushel		
Oats			
Domestic and export:			
2 C.W.	73/4	73/6	75/1
Ex. 3 C.W.	71	71/2	72/5
3 C.W.	69/6	70/1	71/7
Ex. 1 Feed	69/6	70	71/1
1 Feed	68/2	68/1	69/3
2 Feed	64/2	64/7	66/3
3 Feed	61/2	61/7	63/3
Barley			
Domestic and export:			
1 C.W. Six-Row	104/2	103/4	106/3
2 C.W. Six-Row	104/2	103/4	106/3
3 C.W. Six-Row	102/2	101/4	104/3
1 C.W. Two-Row	104/2	103/4	106/3
2 C.W. Two-Row	102/2	101/4	104/3
3 C.W. Two-Row	101/4	101/1	103/2
1 Feed	101/4	101/1	103/2
2 Feed	99/4	99/1	101/2
3 Feed	95/4	95/1	97/2
Rye			
Producers' Domestic and Export Prices:			
2 C.W.	110/6	107	103/7
3 C.W.	105/1	100/7	98/4
4 C.W.	81/3	75/3	72/7
Ergoty	79/3	73/3	69/3
Flaxseed			
Producers' Domestic and Export Prices:			
1 C.W.	284	277/6	276/4
2 C.W.	278	272/2	271/2
3 C.W.	250/1	241/5	245/3
Rapeseed (1)			
No. 1 Canada	313/6	271/5	279/1
No. 2 Canada	298/6	256/5	264/1

(1) Basis in store Vancouver.

UNITED STATES FEED SITUATION

Summary The April 13, 1970 issue of The Feed Situation published by the United States Department of Agriculture stated that prospective feed grain acreages, based on March 1 intentions, could produce a 1970 feed grain crop of around 185 million tons, 11 million more than the big 1969 crop. With an estimated 50-million-ton carryover, the supply for 1970-71 would reach a record 235 million tons, 11 million above the current season and 25 million above the 1963-67 average. Even allowing for a further moderate increase in utilization next year, a supply of this size probably would leave a little larger carryover at the end of 1970-71.

Farmers this spring plan a 5-million-acre increase in feed grains over 1969 plantings, up to 120 million acres. Prospective acreages of corn and oats are up 4 per cent, sorghums 6 per cent, and barley 5 per cent. While many things could bring a net change in this intended acreage, feed grain producers do not often vary their plans much. For example, in 4 of the last 5 years they have planted within 2 per cent of the planned acreage of feed grains and within 1 per cent of their intended corn acreage.

The 1970 Feed Grain Program signup is running below the record signup last year. Through April 3 (preliminary total), farmers had signed to divert 39 million acres from feed grains, about 2 million less than last year's total signup of 41 million.

A slightly higher indicated 1970 hay acreage, along with a normal growing season, should produce a slightly larger crop than in 1969. Larger hay acreages are in prospect for most of the Great Plains and Western States, more than offsetting smaller acreages for the Eastern Corn Belt and Atlantic Coast States.

Feed grain prices have been relatively stable in recent months, following a rise from the seasonal lows of last summer and fall. Corn and grain sorghum prices have averaged above those of a year earlier, but oat and barley prices have been lower. Even though corn prices are above the loan rate, corn price support activity is running about the same as last year. Farmers have placed a record quantity of oats under loan, but have reduced grain sorghum and barley placements from last year's pace.

This year's strong demand for feed will tend to maintain corn prices this spring, but prices probably will turn downward seasonally after midsummer, expecially if the crop turns out as large as the prospective plantings indicate.

Favourable livestock-feed price ratios are encouraging liberal feeding of the larger number of livestock and poultry on farms. Domestic feed grain use this year is expected to reach a record high.

After holding up quite well in October-March of the current season, feed grain exports in April-September probably will drop off sharply as competition from Southern Hemisphere countries intensifies. Exports in 1969-70 now are expected to be about the same as last year's 18 million tons.

Strong demand this year is pushing the use of high-protein feed toward a record 19 1/2 million tons, 5 per cent over 1968-69. The increase is coming from larger soybean meal production, because other protein feed supplies are reduced or little changed. Soybean meal feeding probably will hit 13 million tons in 1969-70, a whopping 13 per cent above 1968-69. Prices of soybean meal and most other protein feeds rose sharply this past fall and winter, but have dropped abruptly in recent weeks as increasing supplies are catching up with demand.

Final Report on 1970 Feed Grain Program Signup

On April 27, 1970 the United States Department of Agriculture issued the following release: with the exception of 1969's record-breaking signup, enrollment results for the 1970 feed grain program exceed those for previous years, according to a final compilation of all county reports issued today by the U.S. Department of Agriculture. Total intended diversion of cropland from production of corn, sorghum and barley is 39,482,512 acres, planned by 1,613,961 producers. These farms have feed grain bases totalling 92,527,549 acres.

The number of farms signed up total 3 per cent below last year's record number of 1,661,770. Total intended diversion for 1970 is 4 per cent below last year's record 41.3 million acres. Base acreage on signed farms this year is virtually the same as last year's record totals for sorghum and barley, but the corn base is about 2 per cent below that represented in the 1969 signup.

The report shows an increase of 21,533 farms plus an additional 632,017 acres in planned diversion compared to the last report issued April 8. This final report is a complete tally of results from all 2,999 counties where feed grains are produced.

Intended diversion of 39,482,512 acres for 1970 is composed of 21,296,441 acres representing voluntary added diversion for payment and 18,186,071 acres representing qualifying minimum diversion without payment. For 1969, the extra voluntary diversion totalled 22,941,903 acres and qualifying diversion totalled 18,400,537 acres.

Total feed grain base of 92,527,549 acres on signed farms in this final report is made up of 13,200,911 acres of barley, 19,439,036 acres of sorghum and 59,887,602 acres of corn cropland. Last year at the end of the 1969 program signup, there were 13,176,056 acres of barley, 19,536,329 acres of sorghum and 61,293,181 acres of corn base acreage or a grand total of 94,005,566 acres of feed grain base represented on signed farms.

Under the 1970 program, farms with corn-sorghum-barley bases totalling 25 acres or less can divert up to their entire base and get payments for converting their cropland to conserving use. Farms with 26 to 125 acres of corn-sorghum-barley base likewise can divert 25 acres for payment, provided they agree not to plant any of these grains on the remaining base acreage. The reduction of base acreage on farms reducing bases to 25 acres this year totals 1,597,171 acres. For 1969, this total was 2,002,887 acres in the final report of signups.

NOTES ON FOREIGN CROPS

Italy

The following account of the current coarse grain and rye situation in Italy has been extracted from a report by Mr. U. Boschetti, Commercial Officer, Canadian Embassy, Milan, under date of May 1, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

General. — The most notable event which occurred in the past quarter of 1970 was the discussion held in Brussels by the EEC Authorities with regard to a possible modification in the prices of feed grains and in particular of corn.

A proposal to reduce the official price of wheat by 2 US \$ per metric ton (6 cents per bushel Canadian) and to increase the price of corn by one US \$ per metric ton (3 cents per bushel) was made.

As far as Italy is concerned, the market situation for these grains, as already stated in our previous reports, is a peculiar one; in fact, when the EEC Authorities fixed the price levels for the various grains the first time, Italy obtained a special treatment because this country is a major importer of forage grains and because of the necessity of developing cattle production here.

This special treatment consists in establishing the official prices of the forage grains at a lower level than that of the rest of the community by 10 US \$ (\$11 Canadian) per metric ton — 7.5 US \$ (\$8 Canadian) per ton in recognition of transportation and unloading expenses — and 2.5 US \$ (\$3 Canadian) per ton as an aid for cattle production. The concessions will expire on July 31, 1972 and on July 31, 1970, respectively.

In short, by this decision, the EEC allowed the Italian breeders to buy forage grains at a cheaper price than that paid by the other members of the community. It is to be noted that the Italian breeders were buying their grain requirements on the international market (at a lower rate) and consequently a sudden increase in price would have caused an automatic increase in the meat prices and an unexpected unbalancing of the traditional equilibrium of the Italian agricultural policy.

In fact, the pre and post-war policy of Italian agriculture identified wheat as the basic crop for the farm production, without duly considering the suitability of the areas given to wheat plantings. As matters stand, the price of corn could increase by one dollar per metric ton (3 cents per bushel Canadian) if the proposal of the EEC Authorities is accepted and by another 2.5 US \$ per ton (7 cents per bushel) due to the forfeiture of the present concession, so that the Italian breeders, at the starting of the next season will pay 3.5 US \$ more per metric ton (10 cents per bushel) for corn. It is worth noting that this new official price of feed corn will be higher than the price of wheat.

This obviously troubles the Italian breeders even if it is admitted that a large number of farmers, especially those of the Po valley and of Central Italy, would benefit by a higher price, since corn is grown there in large amounts.

However, corn-growers should fear a rising competition from the ever increasing use of the manioc-root which appears to have nutritional characteristics as good as those of corn and is sold here at a very low price. The first users in Europe of this feed were the Germans, followed by the Italians, who, after the increase of the price of corn, barley and other feed grains, started to buy the manioc-root on the international market in order to keep costs of feed within reasonable limits.

In view of the foregoing, both the grain trade and the feed industry judge the EEC proposal to be untimely and it is their hope that the decision may be postponed at least until 1971.

<u>Situation, February-April 1970 — corn</u>. — Despite the good domestic crop, offers were scarce and prices increased to US \$ 92.80 per metric ton (\$2.53 per bushel Canadian) in February and March and reached a high of US \$ 95.50 per ton (\$2.60 per bushel) in April. Some decline in prices was seen during April in vitreous varieties.

Import prices of the Plata, Brazil, USA Yellow corn and Danubian origin maize remained steady and the amount of transactions was slightly below normal in comparison to the previous year. In fact the import certificates released during the period August 1, 1969 — March 15, 1970 were above 3,000,000 metric tons (118,104,000 bushels) as compared with 3,250,000 tons (127,946,000 bushels) for the same period, last year.

In conclusion, during this quarter, against smaller arrivals from the traditional supplying countries, i.e. Argentina and U.S.A., imports of corn were intensified from Rumania, Bulgaria, Yugoslavia, (the so-called Danubian countries) Brazil, South Africa and France.

Barley and oats. — The domestic production for both products were scarcely offered on the market, as it is consumed almost entirely by the producers and breeders. Imported products of barley arrived in the main from France, USSR, Spain, Syria, Morocco and Argentina.

The quantity of barley which arrived in the Italian ports from August 1, 1969 to March 31, 1970, was 270,000 metric tons (12,401,000 bushels) as opposed to 380,000 metric tons (17,453,000 bushels) of the same period last year. Reasons for the reduced imports are not yet clear.

As to oats, fairly good transactions were concluded for imports from Spain, Sweden and Argentina.

The quantity of oats which arrived in the Italian ports from August 1, 1969 to March 15, 1970 amounted to 100,000 metric tons (6,484,000 bushels) as opposed to about 300,000 tons (19,452,000 bushels) of the same period one year ago. This remarkable decrease in imports was due to the increase of prices as a result of the EEC regulations, which have limited the demand for oats.

Rye. — The general market situation for this grain is unchanged. The local production was practically nil at 70,000 metric tons (2,756,000 bushels), as opposed to 75,000 tons (2,953,000 bushels) a year ago. Domestic stocks are small and supplies on the market are almost exclusively for seeding and feeding purposes. The levy, as shown hereunder, remains at a prohibitive level and hinders any transactions with foreign countries.

Federal Republic of Germany

The following account of the current grain situation in the Federal Republic of Germany has been extracted from a report supplied by Mr. R.B. Rossing, Commercial Officer (Agriculture), Canadian Embassy, Bonn, Germany, under date of May 7, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Weather conditions. — In large parts of West Germany, particularly in areas with heavy soils farmers could not yet begin with the sowing of spring grain due to the cold and wet weather of the last weeks. As against co-called normal years this has led to a delay of about four weeks. Farmers in the South and Southwest of Germany have made fairly good progress having tilled about 80 per cent of the soil, whereas in the northern parts only 40 per cent to 50 per cent could be cultivated. Winter grain, particularly wheat, has withstood the long winter months without suffering extensive damage. Seeds are altogether looking good. With regard to winter barley the loss might be more serious.

Farm sales. — Farm sales of grain from July 1969 to the end of February 1970 amounted to 6,905,700 metric tons, some 23,600 tons less than the year before. The sales of wheat amounted to 3,353,600 tons (123,222,000 bushels) compared with 3,351,100 tons (123,130,000 bushels) in 1968-69. Sales of rye during July-February 1969-70, at 1,082,300 metric tons (42,608,000 bushels) were 103,900 tons (4,090,000 bushels) or 10 per cent below the 1,186,200 tons (46,698,000 bushels) at the comparable date in 1968-69. The sales of feed and industrial grains were 2,469,800 metric tons or nearly 3 per cent larger than the 2,408,000 tons the previous year.

Stocks on farms. — According to the Federal Ministry of Agriculture, the following stocks were held on farms at the end of February 1970:

	Wheat			Rye & Wint. M.G.		
	1969	1970	Per cent change	1969	1970	Per cent change
	'000 metric tons			'000 metric tons		
Stocks	1,432	1,243	—13	1,031	772	—25
Crop	6,198	6,000	— 3	3,347	3,019	—10
Per cent of crop ..	23	21		31	26	

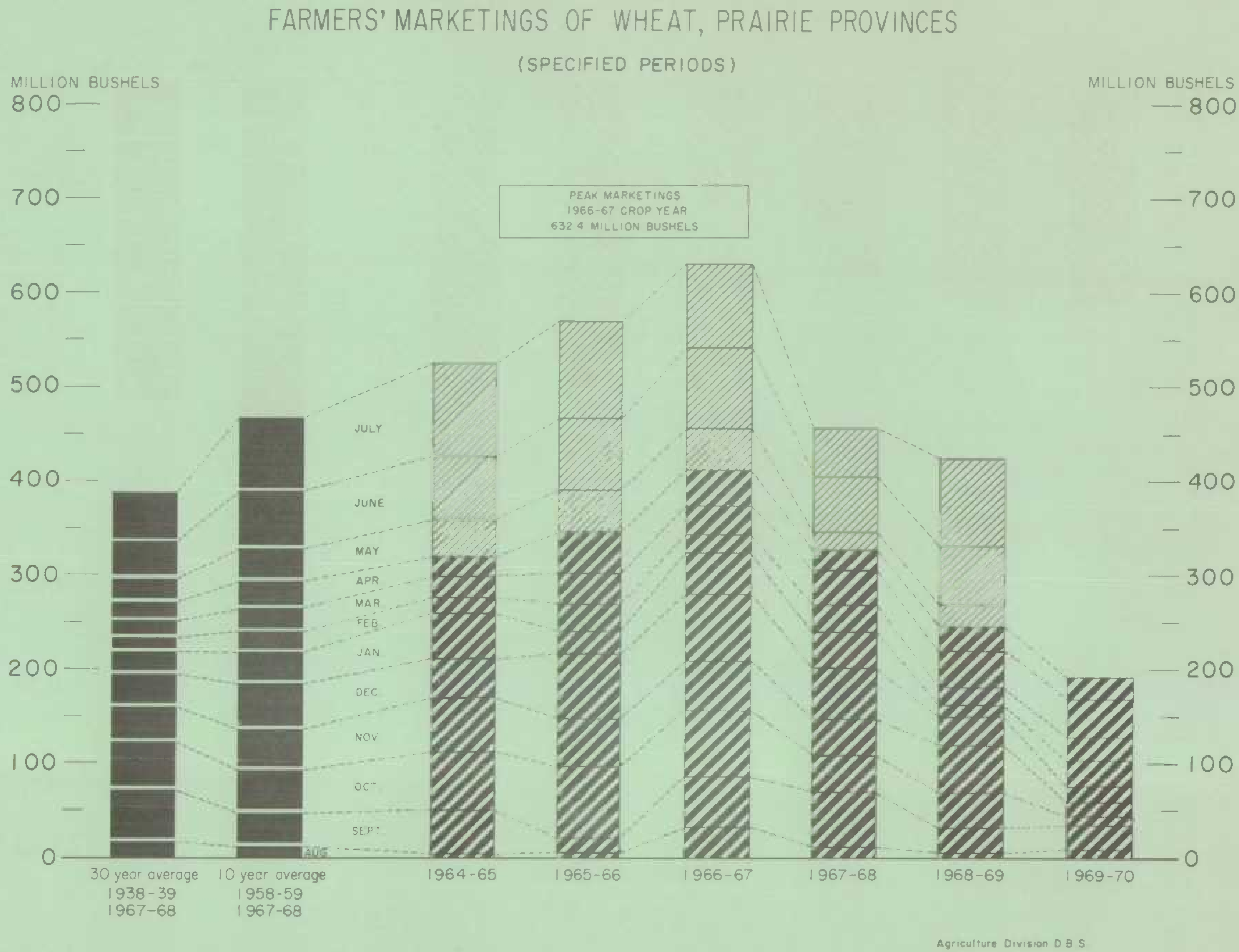
	Barley			Oats & Mixed Sum. G.		
	1969	1970	Per cent change	1969	1970	Per cent change
	'000 metric tons			'000 metric tons		
Stocks	1,430	1,425	unchanged	1,919	1,849	— 4
Crop	4,974	5,134	+ 3	4,263	4,382	+ 3
Per cent of crop ..	29	28		45	42	

Mixed feed situation. — The production of mixed feed further increased in January and February 1970. From July 1969 to February 1970 total mixed feed production amounted to 5.5 million metric tons, i.e. 0.58 million metric tons or 11.7 per cent above previous year's level. Processing of grain into mixed feed from July to February reached 2.0 million tons, i.e. 0.25 million tons or 14 per cent above last year's figure. The use of wheat in mixed feed during the period under review increased from 170,600 metric tons (6,268,000 bushels) in 1968-69 to 500,800 tons (18,372,000 bushels) in 1969-70, i.e. the share of wheat in mixed feeds now amounts to 25 per cent as compared to previous year's 10 per cent. In contrast the processing of corn and milocorn decreased from 971,500 metric tons (38,246,000 bushels) to 871,200 tons (34,297,000 bushels.

Trade notes. — At continuing good demand the firm price tendency on the West German wheat market could be maintained. Wheat prices are expected to remain relatively high for some time at least. The demand for denatured (and therefore subsidized) feed wheat resulted in an increase of prices for bread wheat also. The premium granted for admixture respective to denaturing of wheat was so attractive that the wheat price was fixed by the mixed feed industry rather than by the mills.

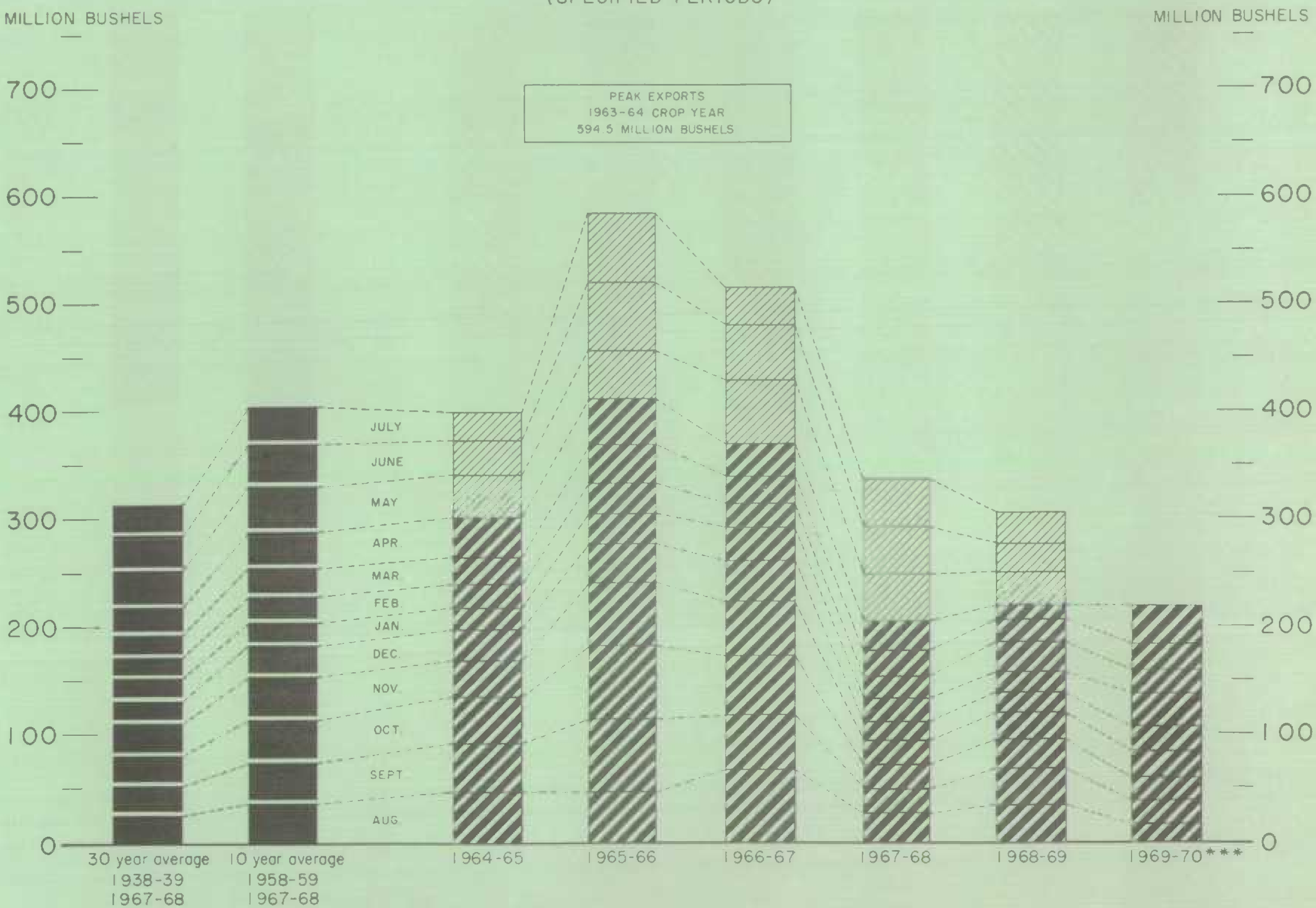
Trade in imported high protein wheat has not yet reached last year's volume. Unsold arrivals caused temporary price reductions in the past weeks.

Grain Policy. — The Federal Ministry of Agriculture has announced its latest (revised) estimates regarding supply and disposition of wheat (August-July basis). Accordingly 400,000 — 500,000 metric tons (14,697,000 to 18,372,000 bushels) of wheat are required for milling and 600,000 tons (22,046,000 bushels) for the mixed feed industry until August 31, 1970.


FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES
(SPECIFIED PERIODS)
MILLION BUSHELS
MILLION BUSHELS
800
700
600
500
400
300
200
100
0
PEAK MARKETINGS
1966-67 CROP YEAR
632.4 MILLION BUSHELS
JULY
JUNE
MAY
APR
MAR
FEB
JAN
DEC
NOV
OCT
SEPT
AUG
30 year average
1938-39
1967-68
10 year average
1958-59
1967-68
1964-65
1965-66
1966-67
1967-68
1968-69
1969-70
Agriculture Division D.B.S.

EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)



* Beginning with 1955-56 includes seed wheat.

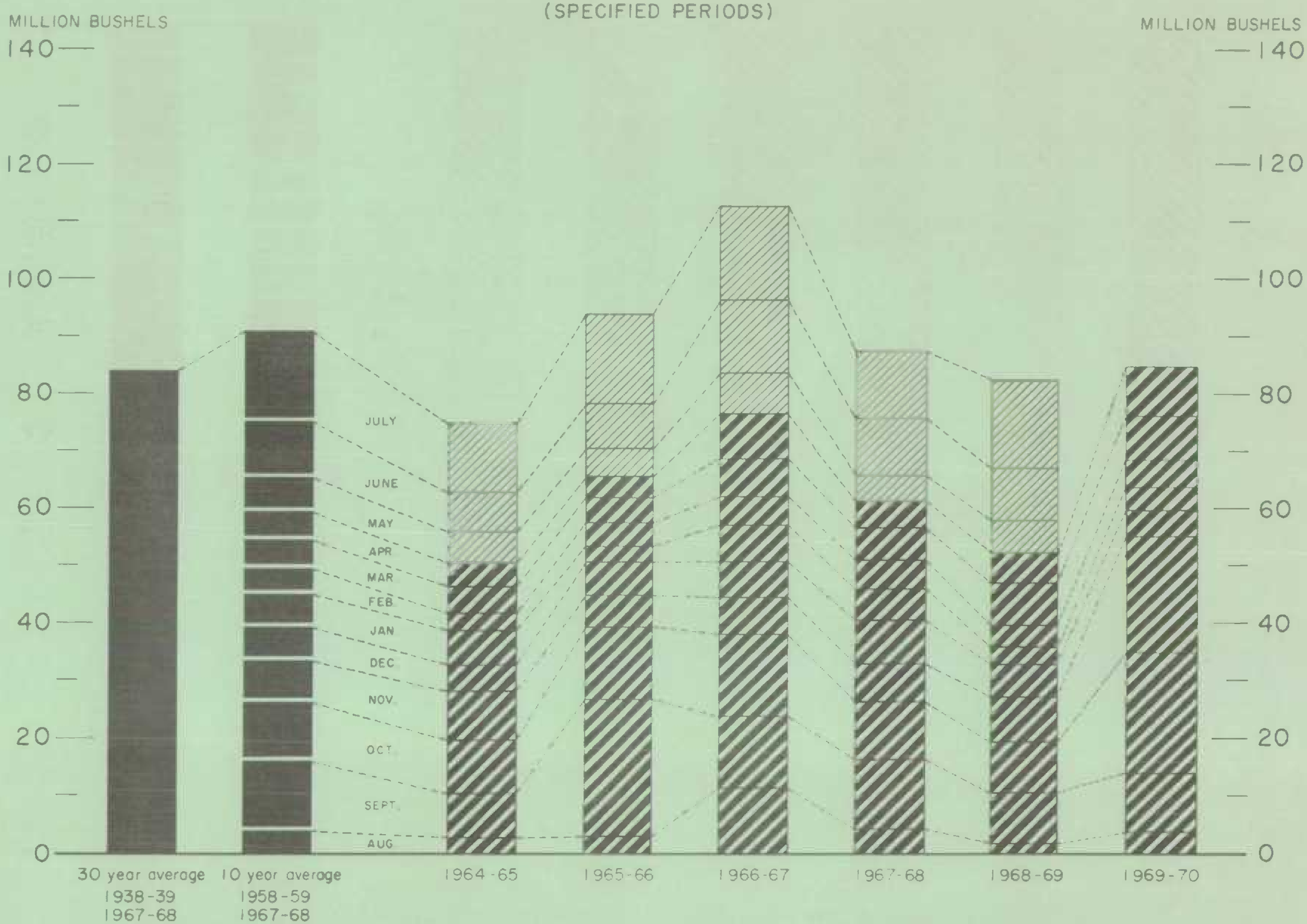
** In terms of wheat equivalent.

*** Preliminary.

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

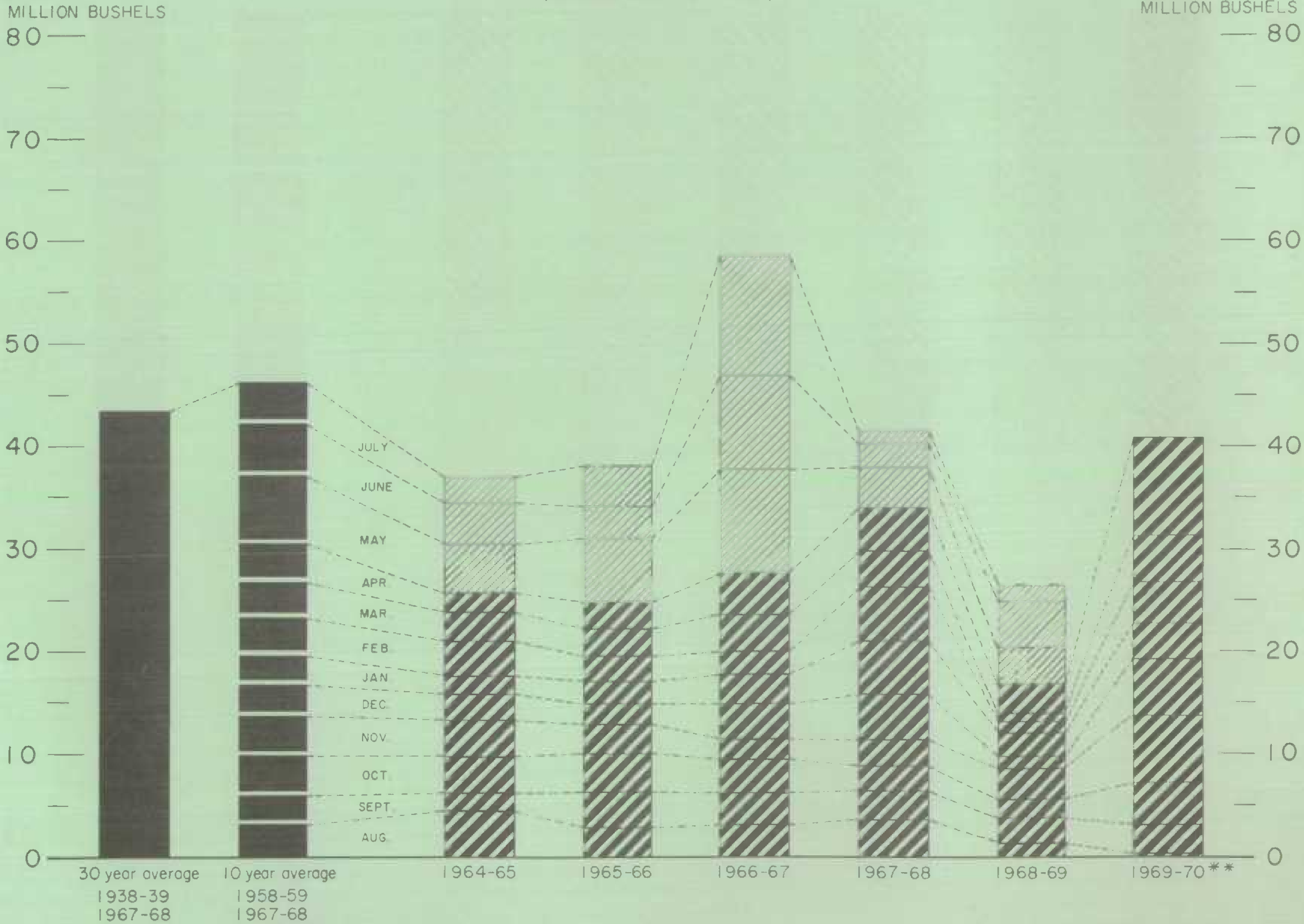
(SPECIFIED PERIODS)



Agriculture Division D.B.S.

EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

(SPECIFIED PERIODS)

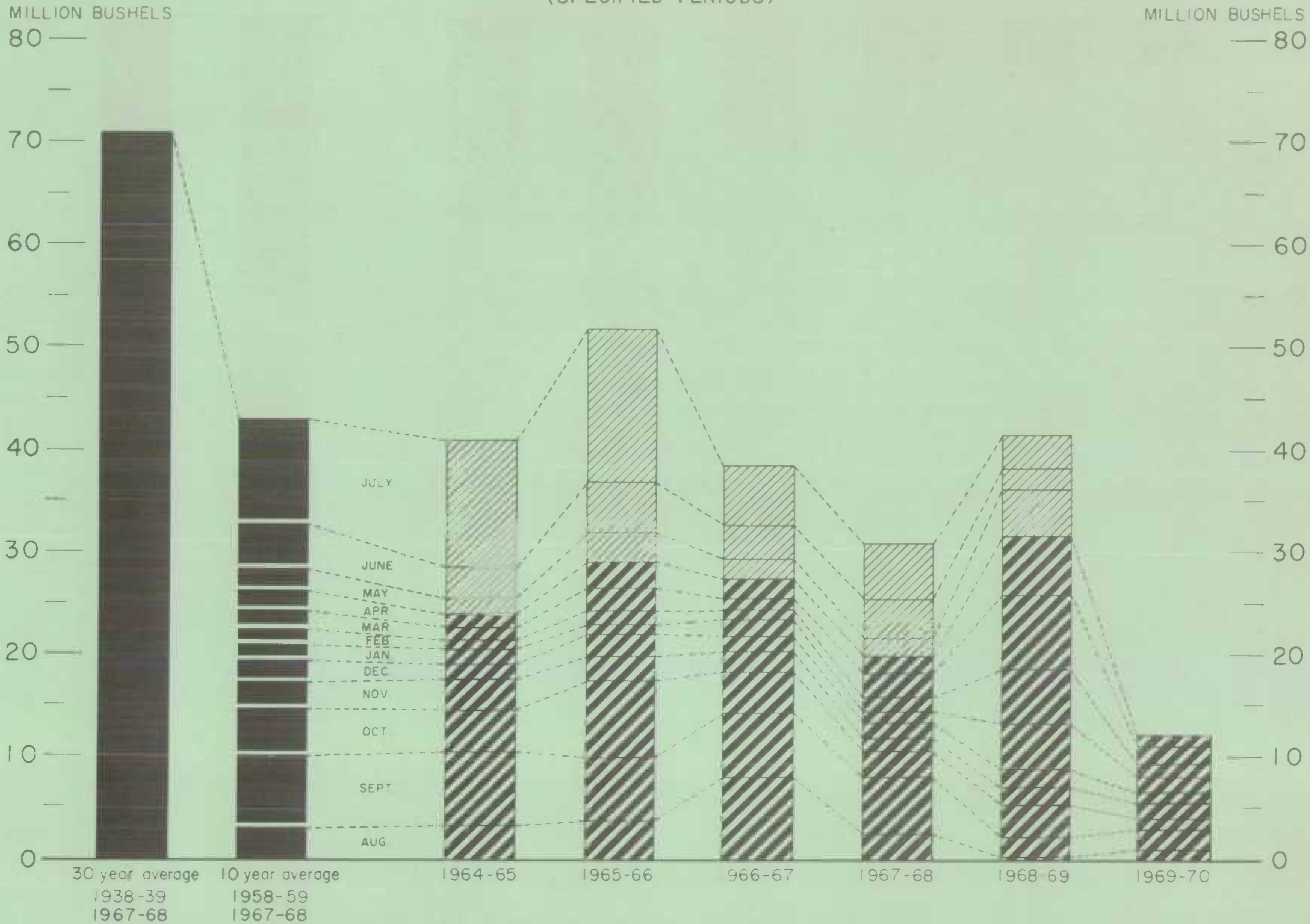


*In terms of grain equivalent. **Preliminary

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES

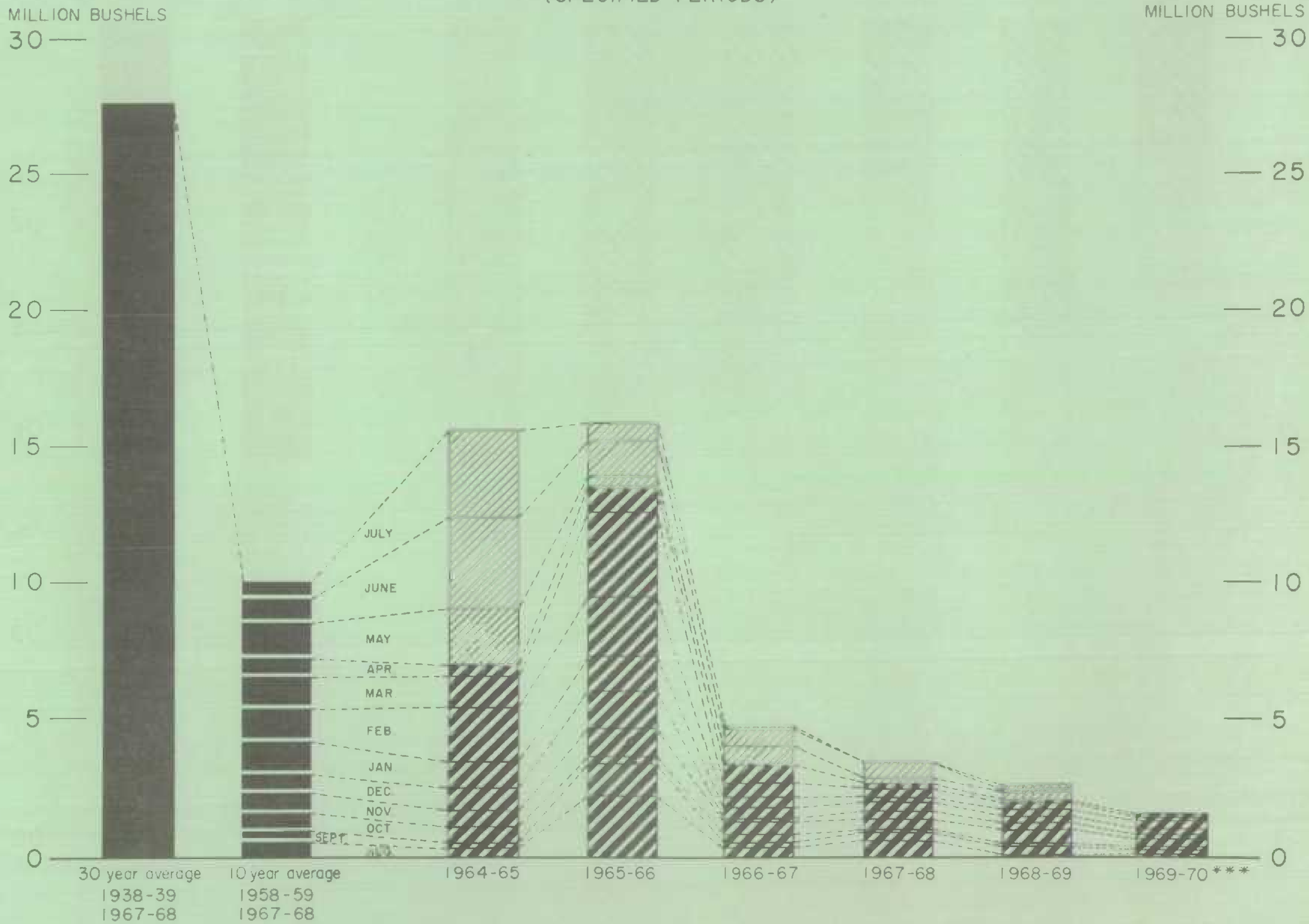
(SPECIFIED PERIODS)



Agriculture Division D.B.S.

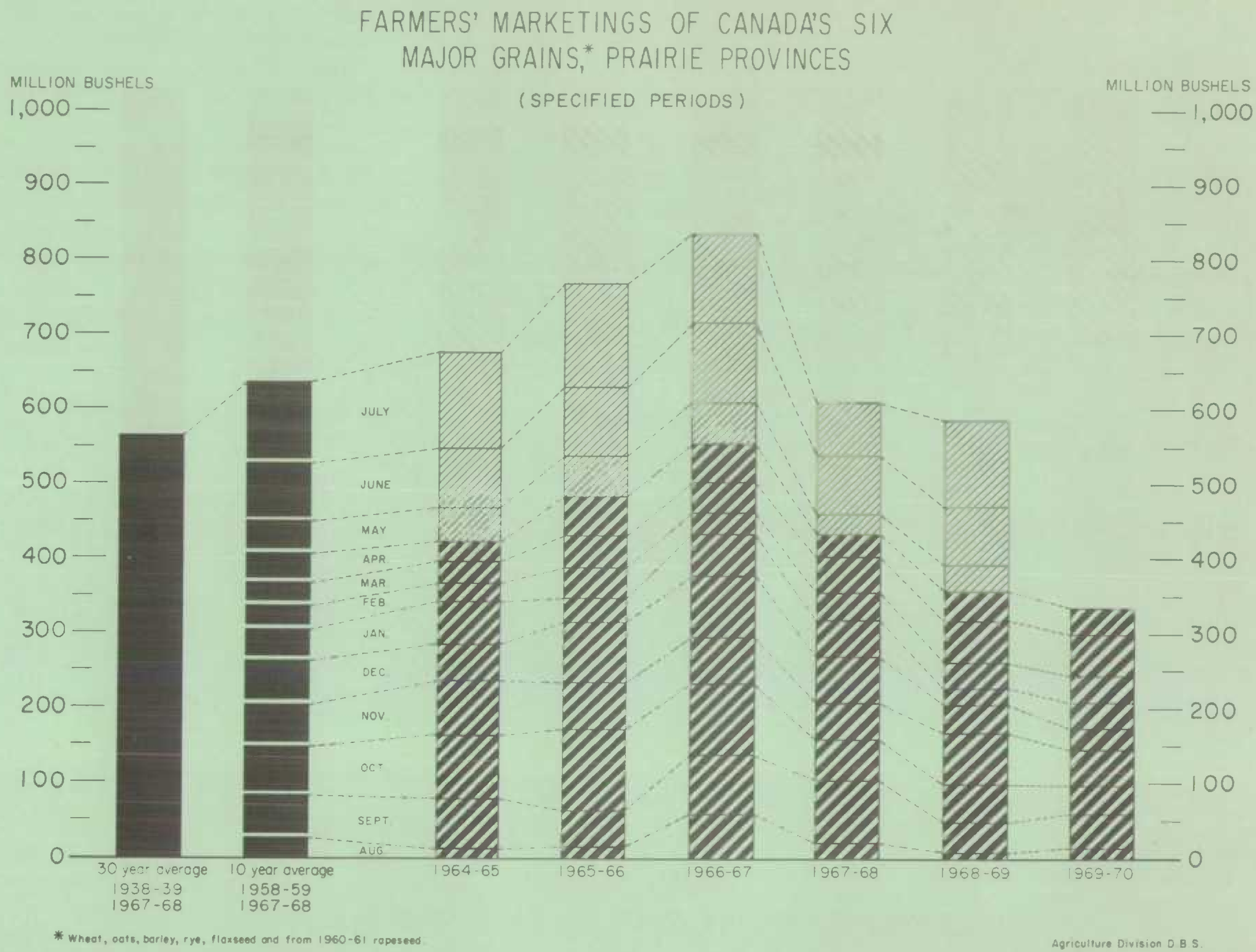
EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS**

(SPECIFIED PERIODS)



* Beginning with 1960-61 includes relatively small quantity of seed oats ** In terms of grain equivalent *** Preliminary

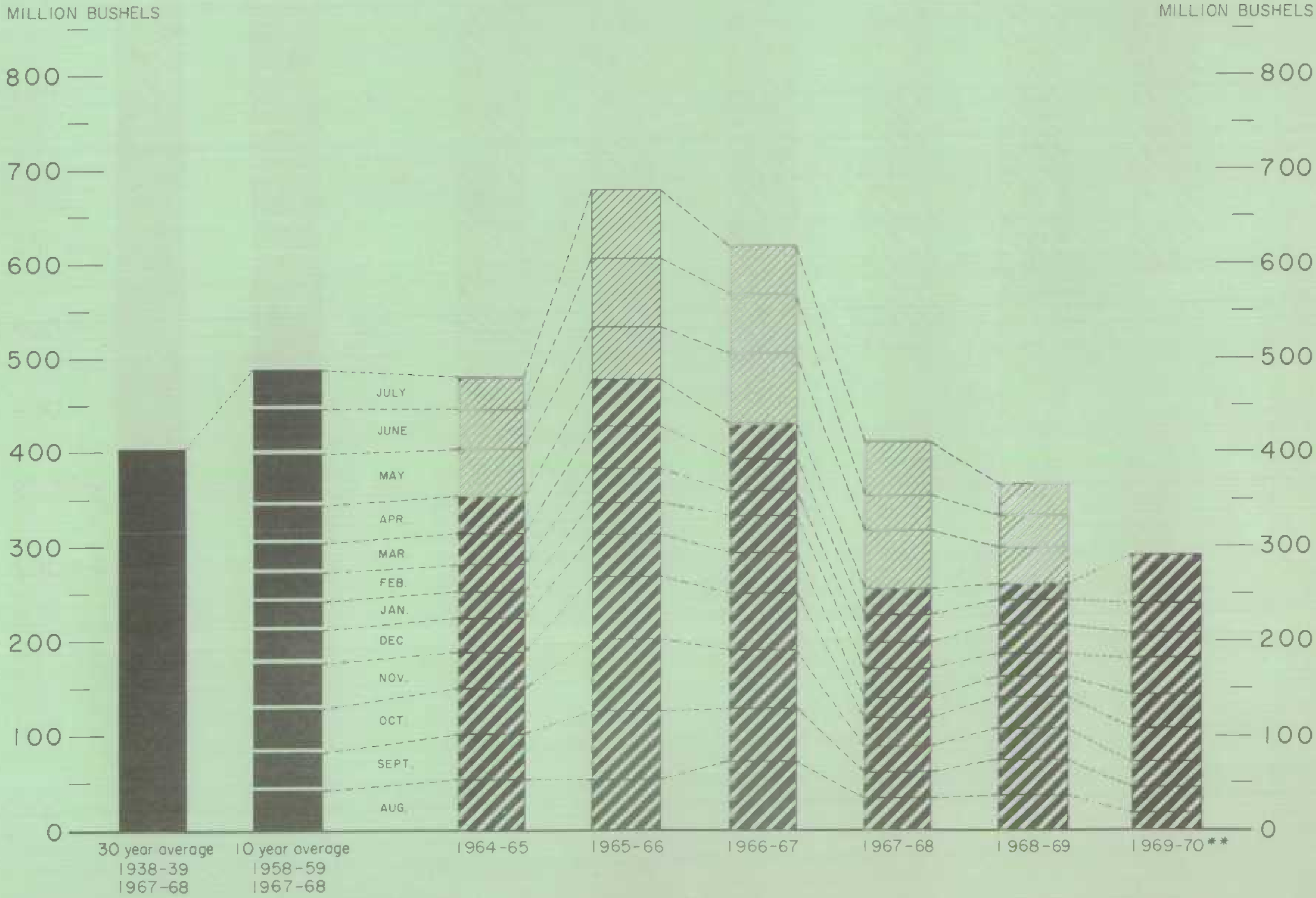
Agriculture Division D.B.S.



FARMERS' MARKETINGS OF CANADA'S SIX MAJOR GRAINS,* PRAIRIE PROVINCES
(SPECIFIED PERIODS)
MILLION BUSHELS
1,000
900
800
700
600
500
400
300
200
100
0
JULY
JUNE
MAY
APR
MAR
FEB
JAN
DEC
NOV
OCT
SEPT
AUG
30 year average 1938-39 1967-68
10 year average 1958-59 1967-68
1964-65
1965-66
1966-67
1967-68
1968-69
1969-70
* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed
Agriculture Division D.B.S.

EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)



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

Agriculture Division D.B.S.

West German Imports of Feed and Industrial Grains*
July — March 1968-69 and 1969-70

Country of production	1968-69 July — March thousand metric tons	1968-69 July — March per cent	1969-70 July — March thousand metric tons	1969-70 July — March per cent
Canada	1	—	—	—
USA	1,164	35	1,031	38
Argentina	134	4	48	2
Australia	68	2	73	3
EEC	1,205	37	1,149	42
thereof:				
France	993	30	914	33
Netherlands	132	4	164	6
BLEU	78	2	66	2
Denmark	136	4	244	9
U.K.	73	2	19	—
Sweden	177	5	60	2
South Africa	131	4	—	—
Other countries	204	6	105	4
Totals, all countries	3,293	100	2,729	100

* Includes: barley, oats, corn, millet, meals from feed grains, cereals and corn starch and malt.

Argentina The following information relative to the Argentine coarse grains, corn, rye, sorghum and millet is taken from a report from Mr. S.E. Kidd, Assistant Commercial Secretary, Buenos Aires, under date of May 11, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Conversions to Canadian measures have been made for the convenience of our readers.

Corn. — The Secretariat of Agriculture and Livestock has issued the first estimate of the area sown to corn in 1969-70 crop year of 9.4 million metric tons (370.1 million bushels).

In the traditional corn growing areas of the country, the development of the crop was satisfactory with very good yields reported in most areas. However, in the province of Cordoba and in some areas of Santa Fe a lack of rainfall and high temperatures in the month of February caused decreases in yields of late sown maize, as well as in the quality of the harvest.

The estimated production of corn in the 1969-70 crop year is the largest since 1940-41 when 10,238,000 tons (403.0 million bushels) were harvested. It is interesting to note that the estimated yield this crop year is a near record 2,279 kilos per harvested hectare (36.2 bushels per acre).

Of the 4,677,900 hectares (11.6 million acres) sown to corn, it is estimated that 4,125,500 hectares (10.2 million acres) will be harvested. Thus only 11.8 per cent of the area sown to corn, one of the smallest proportions in recent years, will not be harvested.

The 1969-70 estimate of corn production is 37 per cent or 2,540,000 metric tons (100.0 million bushels) larger than 1968-69 and 37.8 per cent and 62.1 per cent larger than the averages of the last five- and ten-year periods, respectively.

The largest corn producing province is Buenos Aires with 37.7 per cent of the total production followed by Santa Fe with 29.4 per cent, Cordoba with 16.7 per cent, Entre Rios with 9.2 per cent and all other provinces with 7.0 per cent.

Corn production in Argentina has been increasing steadily and further growth can be expected. Production in 1969-70 is more than double that of ten years ago. To a great extent, the growing of corn and sorghum is replacing wheat production in Argentina and this trend can be expected to continue.

Corn prices fell sharply as the very large crop came onto the market but have now settled to about 15.00 pesos per 100 kilos ($1.17 per bushel), which was the closing price f.o.r. Buenos Aires at the end of April.

On May 11, corn was quoted on the Buenos Aires Futures Exchange at 14.90 pesos per 100 kilos ($1.16 per bushel) for June delivery, 15.18 pesos ($1.18 per bushel) for July, 15.42 pesos ($1.20 per bushel) for August and 15.95 pesos ($1.24 per bushel) for September.

Sorghum and millet. — The Secretariat of Agriculture and Livestock has announced that the 1969-70 grain sorghum is now estimated at 3,500,000 metric tons (137.8 million bushels) which is 40.9 per cent larger than the 1968-69 production. Furthermore, the crop would be 100 per cent and 146.1 per cent larger than the averages of the last five- and ten-year periods, respectively.

The increase is attributed not only to the substantially larger area sown to this crop, but also to the excellent weather conditions registered during the whole growing period.

With the sole exception of the province of Chaco, where lack of adequate rainfall forced the abandonment of large areas, all sorghum growing provinces have increased their production.

	1969-70 Production thousand bushels
Cordoba	46,257
Santa Fe	33,069
Buenos Aires	26,376
Chaco	10,118
La Pampa	4,252
Entre Rios	12,952
Others	4,764
Total	137,788

The total area sown to grain sorghum during the 1969-70 crop year was 2,420,000 hectares (6.0 million acres), being 268,600 hectares (663,000 acres) larger than the area sown in the previous crop year.

Since 1964-65 the total area sown to grain sorghum has been following a steady upward trend as shown on the following table:

	Area sown thousand acres
1964-65	3,078
1965-66	3,323
1966-67	3,591
1967-68	4,548
1968-69	5,313
1969-70	5,977

Through its Embassy in Buenos Aires, Japan announced that during 1970, 1,200,000 metric tons (47,241,000 bushels) of sorghum will be purchased from Argentina.

Sorghum sales to Japan

Year	thousand bushels
1968	3,149
1969	35,431
1970	47,241

The production of millet in the 1969-70 crop is 184,000 metric tons (8.1 million bushels), according to the first estimate of the Secretariat of Agriculture. This is 5.9 per cent less than was produced in 1968-69 and 2.9 per cent and 8.6 per cent less than the averages of the last five- and ten-year periods, respectively. However, the area planted in 1969-70 was only 235,300 hectares (581,000 acres) compared with 285,600 hectares (705,000 acres) last year. Cordoba accounts for 65.2 per cent of production and Santa Fe for 28.8 per cent.

At the end of April, sorghum prices were 11.45 pesos per 100 kilos (89 cents per bushel) f.o.r. Buenos Aires while millet was quoted at 10.30 pesos (72 cents per bushel). Sorghum sales to Japan have been good at a current level of about U$S 60 per metric ton ($1.64 per bushel) c.i.f. Japanese ports. However, it is reported that freight is now in excess of U$S20 per ton (55 cents per bushel).

Oats, barley, rye and birdseed. — The Secretariat of Agriculture and Livestock has issued the second official estimate of the production of oats, barley, rye and birdseed for the 1969-70 crop year. The following table shows the area planted and production for 1969-70 compared with 1968-69:

	Sown area		Production	
	1968-69	1969-70	1968-69	1969-70
	thousand acres		thousand bushels	
Oats	3,207	2,788	3,177	2,756
Barley	2,498	2,335	2,554	2,618
Rye	6,175	6,148	1,417	1,484

Climatic conditions were poor at sowing time and as a result the farmers' original intentions to increase the area sown to forage grains were not realized.

Favourable weather conditions at the end of September permitted satisfactory development of the crop. The harvest has been good, with increases being registered in all of these grains other than oats.

Buenos Aires is the principal producer, growing 95.2 per cent of the oats, 83 per cent of the barley, 67 per cent of the rye and 97.2 per cent of the record birdseed crop.

At the end of April, oats and barley prices f.o.r. Buenos Aires were 11.50 pesos and 10.50 pesos per 100 kilos (54 cents and 70 cents per bushel), respectively. Rye continued to weaken, closing at 10.50 pesos per 100 kilos (82 cents per bushel), also f.o.r. Buenos Aires.

Australia The following information relative to the Australian coarse grains situation has been extracted from a report from Mr. R.A. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, under date of May 20, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

The coarse grain situation in Australia is in considerable turmoil. A reduction in wheat quotas has forced farmers into examining the possibility of producing coarse grains. The two likely crops which will expand rapidly in 1970-71 are sorghum in New South Wales and Queensland, and barley in the remainder of the country. There are only limited domestic markets for such grain with a relatively small quantity exported. Any change domestically, then, will largely be reflected in export markets which are not lucrative. With the exception of beef, other alternative enterprises are not favourable or can only be carried out in specific areas.

Legislative changes in rural policy for specific enterprises such as wool and dairy, will have considerable implications to coarse grain production but until they are announced the farmer must rely on present circumstances to plan enterprises in 1970-71.

Barley. — The Bureau of Agricultural Economics estimate of barley production is 78.9 million bushels. The estimated acreage was 3.9 million acres, an increase of 0.6 million acres over the previous year. Barley acreage has increased yearly on a trend basis over the last decade although the 1960-61 area was 2.8 million acres, not surpassed until 1968-69. Two-row barley usually accounts for approximately 75 per cent of the acreage.

Exports of barley are estimated to be 25.0 million bushels in 1969-70 an increase of approximately 5 million bushels over the previous year. Value of barley exports, as evaluated by the Bureau of Agricultural Economics is $A20 million ($24 million Canadian), only $A1.8 million ($2.2 million) greater than in 1968-69. Exports for 8 months ending February 1970 are 281,000 long tons (13,113,000 bushels) valued at $A10,765,000 ($12,961,000 Canadian).

The prospect for 1970-71 is an increase in the production of barley with estimates of 120 million or more bushels. Barley planting generally begins in May and finishes in July. New South Wales is expecting a greater acreage in all areas, due largely to the implementation of wheat quotas last year. The implications of the method in which wheat quota's were imposed in New South Wales this year have not been determined. The larger the farms wheat quota in 1969-70, the larger will be the cut applied to the 1970-71 quota. There may be land which by early expectations was to be planted to wheat, but the reduction in quota may lead farmers to plant other grains, barley included.

Oats. — Australian oat production is estimated to have been 88.4 million bushels, 6.0 million bushels less than 1968-69. Production was seriously affected by droughts in Queensland and Western Australia, as acreage was up by 0.6 million acres over 1968-69. Acreages in New South Wales, Western Australia and Victoria were about equal in 1968-69, although New South Wales increased production by 32 per cent in 1969-70.

An export quantity of 18 million bushels is expected in 1969-70 valued at $A12.0 million ($14.4 million Canadian). Export returns will be lower by 1 million dollars ($1.2 million) in 1969-70 even though fewer bushels will be exported. Exports valued at $A4,496,000 ($5,413,000) have been made in the eight months ending February 1970. The volume of exports has been 123,000 long tons (8,104,000 bushels).

The Grain Pool of Western Australia who operate a voluntary oat pool, made a final payment of $A0.04 ($0.05 Canadian) per bushel for oats delivered into the 1968-69 pool. The total realization for oats 1968-69 will be $A0.54 ($0.65 Canadian) per bushel less railage. The pool received 15,285,000 bushels or 232,000 long tons of which 40,000 tons (2,635,000 bushels) were sold on the domestic market. The pools export receipts were $A6,632,814 ($7,986,000 Canadian).

A total of $A2,200,613 ($2,650,000 Canadian) was deducted from the pool to cover rail freights, handling and shipping charges, interest and general administration expenses, with the balance of the pool being distributed to the farmers participating in the pool.

Sorghum. — The sorghum crop is planted from September to February in Queensland and September to January in New South Wales and harvested in both States from the beginning of March to the end of June. These two States provide the bulk of the production with Victoria and Western Australia producing only minimal quantities of sorghum. The acreage of these two minor producing States accounted for about 10 1/2 thousand acres out of a total of 355,829 acres in 1968-69. The Northern Territories grow sorghum but there are no figures available which indicate acreage or production.

As there are other interpretations of what the 1968-69 season is, the following figures represent the crop sown in late 1968 and harvested in 1969. Unfortunately, comparable figures for the harvests of 1969 and 1970 are not yet available but it can be concluded that acreage is still increasing and has doubled since 1960 with a resulting upward trend in production. The crop, however, is highly variable due to climatic conditions.

Acreage and Production of Sorghum 1968-69

	Acreage	Production
	acres	thousand bushels
New South Wales	108,875	2,718
Victoria	1,458	54
Queensland	436,479	11,800
West Australia	9,017	113
Australia	555,829	14,685

The 1969 crop harvested in 1969, is estimated at 8.1 million bushels with only 3 million bushels produced in Queensland. Of the remaining production, the increase in New South Wales resulted from greater plantings rather than from significant increases in yield.

Maize. — The production of maize is concentrated in Queensland and New South Wales with the planting period approximately September to January, and harvesting from January to July. This summer crop is another in which figures are not always directly comparable, due to different methods of tabulating statistics.

Using data provided by the two major producing States, maize production has remained quite constant over the period 1964 to 1968. Acreage dropped in Queensland to 120,200 acres in 1968 from 168,300 acres in 1964, although total acreage of maize in New South Wales has increased from 52.5 thousand acres to 61.7 thousand acres in the same period. It is interesting to note that maize was once a very important crop in all States, losing its relative importance after World War II.

France The following information relative to the French coarse grains and corn situation has been extracted from a report from Mr. F.G. Beaudette, Agricultural Secretary, Canadian Embassy, Paris, under date of May 27, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Weather and crops. — After an early January cold wave, the rest of the month and the first half of February brought milder wet weather which gave winter-sown crops a premature start. The last two weeks of February and early March were cold and wet with abundant snow in many areas. Generally, over the first quarter of 1970, France experienced higher than average precipitation but little sunshine. Field work was difficult and late in most areas and coarse grains will be later than usual this year.

The 10 per cent drop in wheat plantings over the winter had led to the expectation that barley and corn would gain in acreage this year. However, as of April 1, barley seedings were down 34 per cent from the same date in 1969, due to the Growers' inability to get into the waterlogged fields. Oat plantings are down 40 per cent. Following are the official estimates of secondary cereals plantings.

Seeding at April 1

	Average 1966-69	1969	1970
	thousand acres		
Barley	4,110	3,604	2,361
Oats	1,675	1,361	820
Rye	469	410	378
Mixed grains	243	232	151

It is expected that with the improved weather of April and early May, cereal growers will catch up on some of the delayed plantings for barley and oats, but it is doubtful that the final sowings will reach last year's levels. Corn will be the big gainer this year in acreage, despite an apparent shortage of seed which has opened the door to small lots of hybrid corn seed varieties untested in France.

Supply-utilization. — The following table is our estimate (based on ONIC and trade information) for the supply-utilization of barley and corn in 1969-70:

	Barley	Corn
	thousand bushels	
Stocks at August 1, 1969	95,395	21,219
Anticipated farm deliveries	248,018	167,314
Imports	—	17,716
Totals, supplies	343,413	206,248
Malting	27,558	—
Animal feed	45,929	45,273
Other domestic use	32,150	40,943
Export — EEC	68,894	49,210
Export — third countries	75,783	49,210
Stocks on July 31, 1970	93,098	21,613
Totals, utilizations	343,413	206,248

Noteworthy comments on the April 1 situation for coarse grains include: —

— corn marketings by growers are slightly lower than expected to date. This is primarily due to the bad spring weather which has delayed crib-drying. Deliveries should pick up in April and May as recent reports indicate large quantities of good quality corn coming out of cribs onto the market.

— barley sales to maltsters are proceeding at a higher rate than anticipated, and it is now estimated that 600,000 tons (27,558,000 bushels) instead of 550,000 tons — (25,216,000 bushels) — will go into malting in 1969-70;

— barley sales to feed manufacturers — 677,000 tons (31,094,000 bushels) in August-March — are holding up well and do not appear to be suffering from denatured wheat competition. Domestic use of denatured wheat should easily reach 1.4 million tons (51,441,000 bushels) in this crop year compared with 800,000 tons (29,395,000 bushels) in 1968-69;

— the sorghum market has been depressed and stocks are much higher than usual at this time of year.

Trade. — With regard to imports, the situation is quite normal, and it is noteworthy that the USA is virtually the only supplier of corn so far in 1969-70.

On exports, barley shipments are overall slightly ahead of last year, despite decreases to the EEC and to Japan. There are large gains in sales to the UK, Norway, Switzerland and Poland. Corn exports are some 200,000 tons (7,874,000 bushels) lower than last year, but shipments in 1969-70 should catch up and even surpass total 1968-69 levels unless France's customers have taken advantage of the recent low US corn prices to purchase much of their normal requirement from the USA. French prices have remained on the high side until recently and this has apparently encouraged even EEC partners to buy U.S.

CALENDAR OF COARSE GRAIN EVENTS

April 8 — The 1970 season of navigation opened at the Canadian Lakehead. In 1969 the season opened on April 11.

15 — Stocks of the five principal grains held on farms in Canada (excluding Newfoundland) at March 31, 1970 were estimated as follows, in millions of bushels with 1969 figures in brackets: wheat, 806.9 (618.0); oats, 283.1 (170.0); barley, 352.5 (239.8); rye, 10.8 (10.0); and flaxseed, 10.4 (5.2).

20 — The Agriculture Minister H.A. Olson, announced that rates of assistance under the Feed Freight Assistance program will be maintained at present levels for the fiscal year ending March 31, 1971.

27 — A release from the United States Department of Agriculture announced the final report on the 1970 feed grain program signup. Total intended diversion of cropland from production of corn, sorghum and barley is 39,482,512 acres, planned by 1,613,961 producers. These farms have feed grain bases totalling 92,527,549 acres.

May 1 — The Canadian Wheat Board announced its delivery quota policy for the crop year 1970-71. For details see page 8 of this publication.

27 — According to a telegraphic crop report, published by the Dominion Bureau of Statistics, very limited seeding has been possible in most of Manitoba due to continuing wet field conditions. Similarly, there has been little progress in the southeastern part of Saskatchewan. Elsewhere in Saskatchewan, however, more progress is reported, with seeding almost completed in the southwest corner where many crops have already germinated. For the province as a whole, over 40 per cent of the wheat and about one-third of the coarse grains acreage has already been sown. Farther west in Alberta, where conditions are generally drier, farmers have nearly finished seeding. For the Prairies as a whole, moisture supplies range from excessive in much of Manitoba to poor in parts of Alberta.

FATS AND OILS

World Soybean Production at Record 1.49 Billion Bushels

The following extract is taken from the March 31, 1970 issue of World Agricultural Production and Trade published by the Foreign Agricultural Service, United States Department of Agriculture.

World production of soybeans in 1969 is estimated at an all-time high of almost 1.5 billion bushels, only slightly above the 1968 estimate but one-third above the 1962-66 average annual output. This was the fifth consecutive year of record production.

The gain of an estimated 32 million bushels from a year earlier is attributed to larger crops in the United States, Brazil, and to a lesser degree Mainland China. Increases in some smaller producing countries were offset by declines in others.

Soybean production in the United States rose to a new record of 1.117 billion bushels, exceeding the previous record in 1968 by 13.7 million bushels. Acreage harvested for beans, at 40.9 million acres, was down 1 per cent from the previous year's level—largely because of early wet weather in Illinois, Iowa, and Missouri. Average yield per acre set a new record of 27.3 bushels. Yields surpassed earlier expectations on a late-harvested crop. The U.S. crop accounted for three-fourths of world production in 1969 and over 40 per cent of the world increase from a year earlier.

Brazil also harvested a record crop last year, estimated at 34.9 million bushels. This was an increase of 45 per cent or almost 11 million bushels from a year earlier and resulted in record bean exports of 11 million bushels.

The 1970 Brazilian crop to be harvested soon is forecast at 44 million bushels on the basis of trade reports. Officials estimate that farmers in Sao Paulo, which accounts for only about 5 per cent of the crop, increased their plantings by 26 per cent. Official estimates from other States are not available, but the trade estimates as increase of 25 per cent in Parana (one-sixth to one-fourth of the crop) and at least 20 per cent in Rio Grande do Sul (two-thirds to three-fourths of the crop). Weather has been generally favourable in all soybean growing areas. If the 1970 crop reaches indicated levels, soybean exports will increase sharply, possibly to 16 or 17 million bushels. In addition to the expected record crop of soybeans, there is a larger supply than last year of other Brazilian oilseeds—mainly peanuts and cottonseed.

In Mainland China, 1969 appears to have been a slightly better crop year than 1968 but probably below the record year of 1967. However, the high priority given to grains and the sparse reference to oilseed production leads one to conclude that little, if any, improvement occurred in soybean production in 1969 from the reduced level a year earlier. Consequently, acreage has been indicated as unchanged.

Generally favourable weather may have resulted in improved yields despite reports of early frost and waterlogging in the major producing areas of the Northeast. The crop has been estimated at 244 million bushels compared with an estimated 238 million a year earlier.

Soybean production in the Soviet Union is estimated unofficially at 21.3 million bushels, up slightly from the 1968 level. Acreage was about the same as the 2.1

million acres of recent years, but yields are believed to have improved somewhat. Reports are that the soybean area in the Soviet Far East, which accounts for around 95 per cent of the total area, is to be increased sharply in the next few years.

Farmers in Ontario, Canada increased their 1969 soybean plantings 9 per cent. Cool, wet weather and poor growing conditions in general caused a deterioration in average yields to 23.8 bushels per acre compared with 30.6 a year earlier, and the harvest was 7.7 million bushels against a record 9.0 million in 1968.

Japan produced only 5 million bushels of soybeans in 1969, down 19 per cent from a year earlier largely because of a 16 per cent decline in acreage. Production has declined each year since 1960, from 15 million bushels to 5 million in 1969. During these years Japan's imports of soybeans, largely from the United States and Mainland China, rose from 41 million to 95 million bushels.

Mexican farmers have expanded their soybean acreage sharply in recent years. Unfavourable weather in 1969 reduced yields, however, and production declined somewhat to 9.6 million bushels compared with the record 9.9 million in 1968. During 1962-66 Mexico's production averaged less than 2 million bushels.

World Flaxseed in Surplus According to the May 1970 issue of the Foreign Agricultural Circular, United States Department of Agriculture world production of flaxseed in 1969 rose to 144 million bushels-23 million bushels or 19 per cent above production in 1968 and the largest since the 148 million-bushel harvest in 1965. In the major exporting countries-Canada, the United States, and Argentina where over 60 per cent of the world crop was grown-production was 23 million bushels above the 1968 level. Increases in Canada and the United States alone accounted for over 20 million bushels.

World Production of Flaxseed

Country	Main harvesting period	Average 1962-66	1965	1966	1967	1968	1969(1)
		million bushels					
Argentina	December	28.1	22.4	22.7	15.2	20.1	22.8
Canada	Sept.-Oct.	21.7	29.2	22.0	9.4	19.7	30.7
India	Feb.-Apr.	16.6	19.8	13.2	10.2	17.2	13.9
Uruguay	December	2.3	1.5	1.6	1.1	2.2	3.2
Totals, major foreign exporters		68.7	72.9	59.5	35.9	59.2	70.6
U.S.S.R.	Aug.-Sept.	19.7	22.8	20.1	20.9	20.7	21.6
Other countries excl. U.S.	Mostly Sept.-Oct.	17.0	16.4	16.0	15.1	14.2	15.2
Totals, foreign countries		105.4	112.1	95.6	71.9	94.1	107.4
United States	Aug.-Sept.	29.4	35.4	23.4	20.0	27.1	36.4
Totals, world ...		134.8	147.5	119.0	91.9	121.2	143.8

(1) Preliminary.

More flaxseed to be grown in 1970. — A further sharp increase in flaxseed production is in prospect this year. If U.S. and Canadian farmers carry out their March 1 planting intentions and if yields average about the same as in recent years, they may harvest a total of 20 million bushels more flaxseed than in 1969. Assuming no significant change in other countries, the increase in North America alone would boost world production to a near-record level far in excess of production in any recent year. Large carryout stocks at midyear in North America added to sharply increased production would result in a burdensome oversupply of flaxseed.

Availabilities from 1969 crop up sharply. — In the United States and Canada availabilities of flaxseed and linseed oil for export and carryout this year have been sharply above a year earlier mainly because of expanded production in 1969. In Argentina supplies also are up but more moderately. And, in Argentina too, the increase was due to larger production.

Availabilities remaining in these three countries on January 1, 1970, are estimated to have been equivalent to about 70 million bushels of flaxseed, or 21 million bushels more than on January 1, 1969. The United States accounted for 30 million bushels of availabilities, Canada for 22 million, and Argentina for 18 million. For the United States and Canada these quantities represent availabilities through June and July 1970, respectively; for Argentina the availabilities are through October 1970. These dates mark the end of the current marketing years. While Argentine oil exports during January-mid-March lagged behind last year's level, they have picked up since and substantial quantities may be shipped by mid-year. During the last 6 years, an average of 70 per cent of Argentina's exports moved out during the first half of the calendar year.

Exports up 10 per cent from 1968 but far below average. — World exports of flaxseed and linseed oil in 1969 are estimated at 44 million bushels, seed-equivalent basis. This is almost 4 million bushels more than the unusually low 1968 level but almost 7 million bushels, 13 per cent, less than average exports during the previous 10 years. All major suppliers except the United States shipped more seed and/or oil than in 1968. Even Uruguay exported considerably more — all as oil — than in any recent year.

Exports of flaxseed and linseed oil should show a further increase in 1970-possibly approaching the 1960-68 annual average level of 50 million bushels, seed equivalent, in view of: (1) the unusually strong world fats and oils market; (2) the relatively low stock position in Europe; and (3) the abundant supplies and lower prices of flaxseed.

On the other hand, much of the available seed and oil in the United States and Argentina is being withheld from the market under government support programs. Moreover, world consumption of linseed oil appears to be declining as a result of the impact of substitute chemical-based materials and lower priced oils.

Western Europe normally takes three-fourths of the flaxseed and linseed oil that enters world trade: the European Community (EC) alone takes about one-half; and West Germany alone takes 20 per cent.

Crushings of flaxseed in the Netherlands, the second largest importer, have in the last 2 years dropped to half the level of the late 1950's. The only Dutch flaxseed crushing plant that is left of what was once a flourishing industrial activity is scheduled to close down by mid-June 1970. The major reason for the closing down of many smaller and large Dutch crushing mills during the past several years is reportedly the low price level of linseed oil in the world market, which coupled with prevailing meal prices, left insufficient margin for crushers to operate. Because of the closing of these plants, imports of flaxseed into the Netherlands from mid-1970 onward will only be for animal feed purposes and/or occasional crushings. The annual usage of flaxseed by Dutch animal-feed manufacturers has been around 40,000 metric tons in recent years (1.6 million bushels). The Netherlands imported 3.8 million bushels of flaxseed in 1969, largely from the United States and Canada, compared with 3.1 million in 1968 and 4.6 million in 1966.

Downward price(1) trend in evidence. — Prices of flaxseed and linseed oil held up surprisingly well in the fall of 1969 considering the large supplies in North America. Stocks were low in Rotterdam and supplies from Canada were late in arriving at shipping ports. Stocks of oil increased early in 1970 but fluctuated between 4,000 and 15,000 metric tons through mid-April--below normal levels at that time—as U.S. and Argentine seed and oil were held from the market. However, prices have weakened in recent months and some further price decline appears in prospect with the sharp increases in North American planting intentions, the announcement of the reduced U.S. support for 1970 seed, and the possibility of future stock disposals in Argentina and the United States.

The wholesale price of U.S. seed on the Minneapolis market declined from an average of $3.11 per bushel in March 1969 to $2.92 per bushel in March 1970. Similarly, monthly average cash prices for flaxseed on the Winnipeg Grain Exchange declined from $3.07 to $2.65 per bushel from February 1969 to 1970.

Prices of Argentine linseed oil, c.i.f. European ports, which averaged a yearly high of 11.7 cents per pound in February 1969, averaged 10.3 cents per pound in March 1970.

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(1) Average prices cited are simple averages of periodic quotations which have not been weighted by volume traded.

CANADIAN SITUATION

Commercial Supplies Data recorded up to May 20, 1970, indicate that primary deliveries of flaxseed have amounted to 18.4 million bushels considerably above both the comparable total of 13.4 million of the previous year and the 10-year (1958-59 — 1967-68) average for the period of 13.5 million. Marketings of rapeseed at 26.2 million bushels were almost double the 13.4 million at the corresponding date in 1968-69 and considerably above the recent 10-year average of 9.6 million.

Total supplies of Canadian flaxseed at May 20 of the current crop year amounted to 7.0 million bushels, higher than both the 6.1 million at the corresponding date in 1969 and the 5.1 million in 1968. Most of the current total was accounted for by supplies in country elevators, with supplies in this position totalling 3.4 million bushels in contrast to 2.6 million a year ago and 1.4 million two years ago. The 1.6 million bushels at the Lakehead were 21 per cent above the 1.3 million of 1969 but 8 per cent below the 1.7 million at the corresponding date in 1968. Supplies in

Vancouver-New Westminster amounted to 0.9 million bushels, above those of the two preceding years. Supplies of rapeseed in commercial positions at May 20 this year totalled some 8.6 million bushels compared with 5.9 million a year ago and 4.9 million two years ago. The bulk of this year's total 3.7 million bushels, was in country elevator positions compared with 3.3 million a year ago. Stocks at Vancouver-New Westminster, at 2.6 million, were sharply above last year's figure of 1.0 million bushels.

Exports of Flaxseed, Rapeseed and Soybeans

During the first nine months of the 1969-70 crop year exports of Canadian flaxseed amounted to 11.6 million bushels, representing increases over both the 8.8 million shipped during the comparable period of 1968-69, and the ten-year (1958-59 — 1967-68) average for the period of 10.3 million. The major markets for this oilseed with figures in millions of bushels were as follows: Japan, 4.0; Netherlands, 2.6; Britain, 2.0; Spain, 0.8; and Belgium and Luxembourg, 0.7. The remainder was accounted for by relatively smaller shipments to Italy, Norway, Germany East, South Korea, Federal Republic of Germany, Morocco, Australia, France, Finland, Greece, Switzerland, and Israel.

Exports of rapeseed from August 1, 1969 to April 30, 1970, at 15.2 million bushels were 45 per cent above the comparable 1968-69 figure of 10.5 million, and more than double the recent average of 6.6 million. Japan, the major importer, at 10.2 million, accounted for 67 per cent of the nine-month period. Other shipments went to the Netherlands, 1.7 million; Federal Republic of Germany, 1.2 million; Mexico, 0.6 million; Britain, 0.4 million; Belgium and Luxembourg, 0.3 million; Norway, Italy, Morocco and Czechoslovakia, 0.2 million each.

Customs exports of soybeans during the first nine months (August-April) of the 1969-70 crop year amounted to 728,000 bushels, above the 662,000 at the comparable period the previous year. Britain was the major importer taking 664,000 bushels.

Crushings of Flaxseed, Soybeans and Rapeseed Increase but Sunflower Seed Declines

Crushings of flaxseed, soybeans, rapeseed and sunflower seed, in Canada during the period August 1969-April 1970, have accounted for a total of 1,408.9 million pounds compared with 1,254.4 million pounds for the same period of the previous year. Most of the current total is accounted for by crushings of some 1,009.7 million pounds of soybeans, 13 per cent more than the 896.5 million pounds crushed during the comparable period of 1968-69.

Crushings of flaxseed at 94.4 million pounds, represent an increase of 8 per cent over the comparable 1968-69 figure of 87.7 million pounds. The total amount of rapeseed crushed during August 1969-April 1970 amounted to 286.7 million pounds, an increase of 14 per cent over last year's comparable total of 251.2 million pounds. Sunflower seed, at 18.1 million pounds, was 5 per cent less than the previous year's comparable total of 19.0 million.

Crushings of Vegetable Oilseeds and Production of Oil and Oil Meal, 1966-67 — 1969-70

	Crop Year			August-April	
	1966-67	1967-68	1968-69	1968-69	1969-70
	thousand pounds				
Crushings					
Flaxseed	142,405	126,913	116,780	87,700	94,449
Soybeans	1,192,578	1,190,767	1,203,253	896,483	1,009,680
Rapeseed	248,150	257,955	346,691	251,236	286,666
Sunflower seed	14,054	24,401	24,246	18,955	18,061
Oil Production					
Flaxseed	50,487	44,946	41,044	30,721	32,452
Soybeans	201,522	198,999	204,027	151,288	170,699
Rapeseed	99,367	103,471	140,543	101,287	113,208
Sunflower seed	5,561	9,967	9,449	7,382	7,250
Meal Production					
Flaxseed	87,354	78,274	71,644	53,920	59,112
Soybeans	948,730	944,641	952,656	710,790	795,471
Rapeseed	141,675	148,349	196,414	142,201	164,500
Sunflower seed	5,394	8,599	9,150	7,167	7,317

Month-end Stocks in Crushing Plants of Oil and Meal, April 1968-70

	Oil			Meal		
	1968	1969	1970	1968	1969	1970
	thousand pounds					
Flaxseed	11,377	6,489	5,925	7,463	6,237	2,844
Soybeans	9,133	6,158	9,707	22,754	41,718	33,339
Rapeseed	5,102	2,857	1,145	7,034	2,388	3,829
Sunflower seed	1,549	13	91	931	151	9

FARMERS' MARKETINGS OF FLAXSEED AND RAPESEED

Marketings of flaxseed and rapeseed in the Prairie Provinces from the beginning of the current crop year to May 20 were above their comparable figures of the previous year. Deliveries of flaxseed, at 18.4 million bushels, were considerably more than the 1968-69 total of 13.4 million and the 10-year (1958-59-1967-68) average for this period of 13.5 million bushels. Rapeseed marketings, at 26.2 million bushels, registered substantial increases over both the 13.4 million of the period August 1, 1968 — May 21, 1969 and the ten-year average of 9.6 million bushels.

Farmers' Marketings of Flaxseed and Rapeseed in the Prairie Provinces
1969-70 with Comparisons

Period or week ending	Man.	Sask.	Alta.	Total
	Flaxseed(1)			
	thousand bushels			
August 1, 1969 —				
February 18, 1970	5,674	4,971	2,876	13,521
25	100	83	55	238
March 4	153	150	100	403
11	51	68	45	164
18	115	147	105	367
25	334	487	379	1,201
April 1	91	181	91	363
8	106	131	95	332
15	98	62	95	255
22	79	53	68	200
29	58	114	128	301
May 6	85	191	107	382
13	178	282	64	524
20	42	116	37	195
Totals	7,165	7,036	4,244	18,445
Similar period 1968-69r	7,617	3,065	2,734	13,416
10-year average similar period 1958-59-1967-68	5,881	4,345	3,270	13,496
	Rapeseed(2)			
August 1, 1969 —				
February 18, 1970	2,093	10,656	7,143	19,892
25	12	107	56	175
March 4	14	200	76	290
11	21	166	216	402
18	140	228	60	428
25	173	1,261	344	1,778
April 1	60	326	140	526
8	89	326	230	645
15	69	174	100	343
22	33	129	82	244
29	7	188	129	324
May 6	4	121	169	294
13	35	339	146	520
20	61	147	160	368
Totals	2,810	14,368	9,051	26,229
Similar period 1968-69r	1,318	7,006	5,061	13,386
10-year average similar period 1958-59-1967-68	785	4,841	4,008	9,635

(1) Includes receipts at country, interior private and mill, interior semi-public terminal elevators and platform loadings.
(2) Includes receipts at country and mill elevators.
r Revised figures.

Visible Supply of Canadian Flaxseed, May 20, 1970 Compared with Approximately the Same Date, 1968 and 1969

Position	1968	1969	1970
	thousand bushels		
Country elevators — Manitoba	334	826	873
Saskatchewan	626	1,043	1,491
Alberta	468	761	1,027
Sub-totals	1,428	2,630	3,391
Interior private and mill	9	49	43
Interior terminals	—	4	—
Vancouver-New Westminster	576	892	948
Thunder Bay	1,739	1,325	1,608
In transit rail (western division)	432	782	225
Bay, Lake and Upper St. Lawrence ports	51	—	152
Lower St. Lawrence and Maritime ports	543	25	146
In transit lake	289	371	478
In transit rail (eastern division)	—	59	—
Totals	5,067	6,137	6,991

Visible Supply of Canadian Rapeseed, May 20, 1970 Compared with Approximately the Same Date 1968 and 1969

Position	1968	1969	1970
	thousand bushels		
Country elevators — Manitoba	204	142	159
Saskatchewan	1,242	1,851	2,405
Alberta	1,174	1,262	1,148
Sub-totals	2,620	3,255	3,712
Interior private and mill	324	436	265
Interior terminals	2	2	18
Vancouver-New Westminster	1,156	1,034	2,579
Thunder Bay	102	157	852
In transit rail (western division)	688	911	739
Lower St. Lawrence and Maritime ports	39	—	312
In transit lake	—	70	96
Totals	4,931	5,865	8,573

GRADING OF FLAXSEED AND RAPESEED 1969-70

Cars of flaxseed inspected by the Board of Grain Commissioners for Canada during the first three-quarters of the 1969-70 crop year amounted to 9,962 cars, sharply above the 5,751 cars of this oilseed inspected during the first nine months of the 1968-69 crop year. Some 68.8 per cent of the August-April inspections of flaxseed graded No. 1 C.W. compared with 53.3 per cent for the comparable period a year ago.

Cars of rapeseed inspected during the August-April period of the current crop year, at 10,501 cars were more than double the 5,237 cars of this oilseed inspected the previous year. The 93.7 per cent of the August-April 1969-70 rapeseed inspections which were graded No. 1 Canada represents a slight increase over the 92.7 per cent falling into this category in 1968-69

Gradings of Flaxseed and Rapeseed Inspected(1), August-April 1969-70 with Comparisons

Grain and grade	Crop year		August — April			
	Average 1963-64 — 1967-68	1968-69	1968-69		1969-70	
	per cent		cars	per cent	cars	per cent
Flaxseed						
1 C.W.	88.6	57.0	3,066	53.3	6,858	68.8
2 C.W.	1.7	4.7	185	3.2	351	3.5
3 C.W.	0.7	1.1	39	0.7	85	0.9
4 C.W.	0.1	0.2	6	0.1	15	0.2
Tough (2) (3)	7.2	27.0	1,628	28.3	2,263	22.7
Damp (2) (4)	0.4	9.9	824	14.3	247	2.5
Rejected (2)	0.6	0.1	1	(5)	94	0.9
All others	0.7	0.1	2	(5)	49	0.5
Totals	100.0	100.0	5,751	100.0	9,962	100.0
Bushel equivalent (approximately)			11,249,000		19,308,000	
Rapeseed						
1 Canada		90.9	4,857	92.7	9,844	93.7
2 Canada		4.4	179	3.4	226	2.2
3 Canada		0.9	22	0.4	52	0.5
Others		3.9	179	3.4	379	3.6
Totals		100.0	5,237	100.0	10,501	100.0
Bushel equivalent (approximately)			11,411,000		22,618,000	

(1) Both old and new crop. (2) All grades, (3) Moisture content 10.6 per cent to 13.5 per cent. (4) Moisture content over 13.6 per cent. (5) Less than .05 per cent.

Flaxseed — Selected Statistics, 1966-67 — 1969-70

	Crop year			August - April	
	1966-67	1967-68	1968-69	1968-69	1969-70
			bushels		
Flaxseed					
Stocks at beginning of crop year	11,141,301	11,830,585	4,678,047	4,678,047	4,908,606
Production	22,020,000	9,378,000	19,666,000	19,666,000r	30,748,000
Imports	1,746	1,138	4,925	1,050	6,525
Exports	16,568,065	12,610,558	13,421,430	8,753,510	11,580,662
Domestic crushing	2,542,947	2,266,312	2,085,364	1,566,074	1,686,589
Prices(1)		cents and eighths per bushel			
August	300/7	348/3	346/6		319/2
September	299/2	345	339/6		322/1
October	292	332/7	332		322/6
November	290/5	345	321/5		305/5
December	293/2	345/1	316/1		276/1
January	293/5	348/5	327/7		280/5
February	295/6	348/6	330/4		284
March	299/6	342/4	325/4		277/6
April	301/5	332	327/6		276/4
May	396/5	354/3	329/3		
June	304/4	350	327/1		
July	335/2	354/6	343/5		
Yearly average	300/2	345/5	330/5		
Flaxseed oil			pounds		
Exports	10,116,500	21,986,300	10,865,400	8,647,100	10,372,600
Domestic production ...	50,487,408	44,946,101	41,044,253	30,721,311	32,452,453
Flaxseed meal			tons		
Exports	14,373	6,990	5,929	4,466	4,582
Domestic production ...	43,677	39,137	35,822	26,960	29,559

(1) Winnipeg Grain Exchange No. 1 C.W. Flaxseed, basis Thunder Bay.
r Revised figure.

Rapeseed — Selected Statistics, 1966-67 — 1969-70

	Crop year			August - April	
	1966-67	1967-68	1968-69	1968-69	1969-70
			bushels		
Rapeseed					
Stocks at beginning of crop year	3,148,303	5,827,190	9,923,480	9,923,480	5,069,084
Production	25,800,000	24,700,000	19,400,000	19,400,000	37,100,000
Exports	13,817,739	12,308,678	14,311,194	10,467,264	15,181,002
Domestic crushing ..	4,963,009	5,159,104	6,933,822	5,024,712	5,733,312
Prices(1)			cents and eighths per bushel		
August	289/5	258	209/1		204/5
September	274/6	238	214/6		220/6
October	265/5	231/4	208/3		262/7
November	271	232/1	215/4		282/3
December	285/6	235/7	227/2		285/5
January	280/7	233/1	234/7		325/4
February	284/3	231/2	244/5		313/6
March	294/4	224/2	231/2		271/5
April	280/5	212/6	226/6		279/1
May	273/3	213/2	219		
June	269/3	210/3	215		
July	271/1	201/2	217/6		
Yearly average ...	278/3	226/6	222		
Rapeseed oil			pounds		
Domestic production	99,366,504	103,470,711	140,543,142	101,286,879	113,208,353
Rapeseed meal			tons		
Exports	127	N.A.	N.A.	N.A.	N.A.
Domestic production	70,838	74,175	98,207	71,100	82,250

(1) Winnipeg Grain Exchange No. 1 Canada Rapeseed, basis in store Vancouver.
N.A. — Not available.

Soybeans — Selected Statistics, 1966-67 — 1969-70

	Crop year			August - April	
	1966-67	1967-68	1968-69	1968-69	1969-70
	bushels				
Soybeans					
Production	9,012,000	8,091,000	9,027,000	9,027,000	7,664,000
Imports	16,294,633	13,328,316	12,469,497	8,188,900[r]	12,514,938
Exports	3,599,042	1,570,763	1,122,895	661,890	728,285
Domestic crushing ..	19,876,294	19,846,111	20,054,212	14,941,388	16,827,996
Prices(1)	cents and eighths per bushel				
August	339/2	297/3	270/4		267/1
September	325/3	295	261/5		249
October	310/4	287/6	248/7		245/5
November	305/5	276/6	254/7		246/6
December	303	271/5	258/1		245/3
January	296/6	273/6	260/4		251/4
February	295/1	276/5	261/2		257/5
March	300/4	276/3	260		262/2
April	298/5	272/3	264/7		268/1
May	300/4	272/1	267/2		
June	304/5	269/1	264/3		
July	300/2	269/5	270/3		
Yearly average ...	306/4	278/3	261/7		
Soybean oil	pounds				
Imports	20,372,400	20,941,700	25,651,900	17,710,600	20,508,800
Exports	34,624,000	30,291,500	32,090,600	23,340,700	27,265,400
Domestic production	201,522,206	198,999,327	204,026,576	151,287,745	170,698,641
Soybean meal	tons				
Imports	228,429	237,107	246,826	179,439	194,008
Exports	170,391	169,321	131,235	90,314	106,223
Domestic production	474,365	472,321	476,328	355,395	397,735

(1) Buying prices, carlots, f.o.b. Chatham, No. 2 and better.

[r] Revised figure

Monthly Prices of Oils and Meals(1) Crop Years 1967-68 — 1969-70

Year and month	Linseed oil	Rapeseed oil	Soybean oil	Linseed meal(2)	Rapeseed meal	Soybean meal
	cents per pound			dollars per ton		
1967-68						
August	14.78	10.07	11.87	117.20	66.95	106.00
September	14.55	9.57	11.78	117.80	68.90	108.60
October	13.78	9.17	11.42	118.00	63.43	107.80
November	14.55	8.93	11.13	118.00	63.83	101.40
December	14.44	8.95	11.20	118.00	63.95	102.20
January	14.44	8.89	11.06	118.40	65.27	104.20
February	14.22	8.92	11.45	118.40	65.95	104.60
March	13.89	9.09	11.35	118.40	65.43	103.80
April	13.00	8.69	10.86	118.80	65.05	104.80
May	14.55	8.68	10.60	119.00	64.08	104.80
June	14.11	8.52	9.72	119.00	63.32	110.60
July	14.33	8.17	9.30	119.00	61.33	112.20
Yearly average	14.22	8.97	10.98	118.33	64.79	105.92
1968-69						
August	13.89	7.93	9.26	117.20	60.00	115.80
September	13.78	7.97	9.01	117.80	63.73	117.80
October	13.67	7.90	8.84	118.00	64.15	110.80
November	13.22	8.04	9.61	118.00	62.07	104.40
December	13.44	8.66	10.37	118.00	59.40	104.00
January	13.89	8.94	10.05	118.40	58.83	102.60
February	13.67	8.93	9.97	119.00	58.87	102.10
March	13.74	8.92	10.35	119.40	59.29	103.93
April	13.67	8.86	10.11	119.20	60.82	106.20
May	13.67	8.93	10.28	119.40	62.05	110.50
June	13.37	8.15	9.26	120.20	64.03	111.33
July	13.86	8.29	9.47	120.20	62.52	109.13
Yearly average	13.66	8.46	9.72	118.73	61.31	108.22
1969-70						
August	14.11	8.76	10.35	119.40	62.72	107.78
September	14.59	8.75	10.50	120.00	60.56	107.62
October	13.86	9.40	11.88	119.60	65.38	105.25
November	13.48	10.67	13.31	119.40	62.48	99.83
December	12.78	10.23	11.32	119.80	65.75	105.16
January	12.26	10.34	11.68	119.40	69.29	113.85[r]
February	12.08	11.15	13.33	120.00	72.35	112.52
March	12.00	11.53	14.79	120.20	66.19	106.61
April	11.37	11.53	15.25	120.20	64.71	104.94

(1) Average wholesale prices paid to crushers by processors and manufacturers.
(2) Average retail prices to farmers.
r Revised figures.

Exports of Canadian Flaxseed(1) 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August — April 1969-70	August — April 1968-69[r]
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg ...	—	—	—	693,878	439,592
France	—	—	—	66,500	—
Germany, Federal Republic	—	—	—	153,117	331,762
Italy	—	—	—	270,979	114,240
Netherlands	387,800	—	386,400	2,609,859	1,093,735
Sub-totals	387,800	—	386,400	3,794,333	1,979,329
Other Western Europe					
Britain	5,703	—	—	1,970,408	1,498,865
Denmark	—	—	—	—	28,994
Finland	—	57,750	—	57,750	—
Greece	—	—	—	40,800	—
Norway	—	—	—	207,200	118,407
Portugal	—	—	—	—	80,400
Spain	96,201	—	—	779,044	300,500
Switzerland	—	—	—	40,000	243,646
Sub-totals	101,904	57,750	—	3,095,202	2,270,812
Totals	489,704	57,750	386,400	6,889,535	4,250,141
Eastern Europe					
Czechoslovakia	—	—	—	96,700	238,902
Germany, East	—	—	—	194,042	159,875
Totals	—	—	—	290,742	398,777
Africa					
Morocco	37,338	—	—	119,338	—
Asia					
Israel	—	12,235	—	27,815	42,000
Japan	221,800	333,280	726,720	3,970,139	3,844,355
Korea, South	—	—	65,958	182,093	60,200
Totals	221,800	345,515	792,678	4,180,047	3,946,555
Oceania					
Australia	—	—	—	101,000	158,000
Western Hemisphere					
United States(2)	—	—	—	—	37
Totals, all countries	748,842	403,265	1,179,078	11,580,662	8,753,510

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

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

r Revised figures.

Exports of Canadian Rapeseed(1) 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August-April 1969-70	August-April 1968-69r
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg ...	—	—	—	303,520	—
Germany, Federal Republic	716,666	—	212,862	1,179,731	10,126
Italy	117,243	77,666	—	194,911	75,040
Netherlands	455,616	—	223,216	1,661,435	143,001
Sub-totals	1,289,525	77,666	436,078	3,339,597	228,167
Other Western Europe					
Britain	—	—	—	441,334	—
Finland	—	33,734	—	33,734	—
Norway	—	—	242,968	242,968	—
Sub-totals	—	33,734	242,968	718,036	—
Totals	1,289,525	111,400	679,046	4,057,633	228,167
Eastern Europe					
Czechoslovakia	—	—	—	159,573	—
Africa					
Morocco	—	—	—	167,248	550,368
Asia					
Japan	436,034	1,452,115	1,553,280	10,236,402	7,901,414
Taiwan	—	—	—	—	1,694,439
Totals	436,034	1,452,115	1,553,280	10,236,402	9,595,853
Western Hemisphere					
Mexico	—	—	553,280	553,280	—
Sub-totals, all countries	1,725,559	1,563,515	2,785,606	15,174,136	10,374,388
United States(2)	—	832	1,600	6,866	92,876
Totals, all countries ..	1,725,559	1,564,347	2,787,206	15,181,002	10,467,264

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada. (2) Customs exports. r Revised figures.

Customs Exports of Canadian Soybeans 1969-70 and 1968-69

Destination	February 1970	March 1970	April 1970	August-April 1969-70	August-April 1968-69
			bushels		
Western Europe					
EEC:					
Germany, Federal Republic	—	—	—	44,790	—
Netherlands	—	—	—	1,576	56,561
Sub-totals	—	—	—	46,366	56,561
Other Western Europe					
Britain	74,577	—	—	664,442	596,436
Sweden	4,408	—	—	16,642	7,724
Switzerland	—	—	—	815	1,111
Sub-totals	78,985	—	—	681,899	605,271
Totals	78,985	—	—	728,265	661,832
Western Hemisphere					
United States	—	—	20	20	58
Totals, all countries ..	78,985	—	20	728,285	661,890

UNITED STATES SITUATION

The following summary of the fats and oils situation in the United States has been taken from the March 31, 1970 issue of the Fats and Oils Situation published by the Economic Research Service, United States Department of Agriculture.

Summary United States soybean supplies for 1970-71 could approximate the current season's record volume. A slightly larger 1970 crop is indicated in the planting intentions report, and the carryover next September may be slightly reduced from a year earlier.

Farmers plan to plant 43 million acres to soybeans this year, based on a report of their March 1 intentions. This would be 1 million acres above 1969 and record high for the tenth consecutive year. If yields per harvested acre are on trend, 1970 soybean production would slightly exceed last year's 1,117 million bushels. With prospective carryover next September 1 of about 300 million bushels, 1970-71 soybean supplies would be around 1.4 billion bushels.

Prices received by farmers for soybeans increased from a low of $2.23 per bushel last October to $2.42 in March, averaging $2.33 for the current marketing year, about a dime below 1968-69. Continued strong demand for soybeans and some tightening in "free" supplies indicate that soybean prices will increase slightly over the next few months, and tend to be closer to the CCC minimum sales price.

Some forward sales of CCC beans have been made for May delivery, and additional sales are anticipated for delivery in the current crop year. Likewise, some CCC sales for delivery next September have also been made.

U.S. soybean demand has been buoyed this year by relatively small commercial carryovers last fall here and abroad, rising domestic and foreign requirements for oil and meal, and a reduction in world supplies of competitive fish and peanut meals, and sunflower, fish, and peanut oils.

U.S. soybean utilization (crushings, exports, seed, and feed) during the current marketing year likely will exceed the 1969 soybean crop of 1.1 billion bushels. This represents a record increase of one-fifth in soybean utilization from last year's 945 million bushels.

Favourable processing margins are stimulating a record crush and many processors have been operating at or near capacity. September-February crushings totalled 356 million bushels, an increase of about 60 million over a year earlier. Crushings for the entire year may total around 700 million bushels—up from the 606 million in 1968-69. The record output of oil and meal is moving into marketing channels, and crushers' and refiners' stocks remain relatively low.

Soybeans inspected for export from last September through March 27 totalled 253 million bushels, up about 70 million from the same period a year ago. Inspections during the remainder of the marketing year are expected to average above the 4.7 million bushel weekly rate of last season. Thus, soybean exports for the entire 1969-70 marketing year may total about 375 million bushels. That compares with 287 million the previous year. Europe and Japan are taking most of the increased shipments, reflecting growth in poultry and livestock production, reduced competition from other oils and meals, and a general strengthening in world fats and oils prices.

U.S. output of competitive cottonseed oil, peanut oil, lard and butter is running lower this year and prices have been higher. This has boosted the domestic demand for soybean oil and despite its increased output, prices have strengthened. Soybean oil prices (crude, Decatur) moved up from 10 1/2¢ per pound last October to over 12¢ in March, averaging 2 1/2¢ above 1968-69.

NOTES ON FOREIGN CROPS

Argentina The following information relative to Argentine oilseeds is extracted from a report by Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture), Buenos Aires, under date of May 12, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. Conversions to Canadian measures have been made for the convenience of our readers.

Flaxseed. — The Secretariat of Agriculture and Livestock has issued the third official estimate of the 1969-70 production of flaxseed of 640,000 metric tons (25.2 million bushels). This compares with the second estimate, released in February, of 580,000 tons (22.8 million bushels) and the first estimate, issued in December, of 520,000 tons (20.5 million bushels). The production of flaxseed in 1968-69 was estimated to have been 510,000 tons (20.1 million bushels).

These increasing estimates of production are attributed to the improvement in weather conditions from late October through January in the main producing provinces of Buenos Aires and Entre Rios. The plants recovered well from the effects of adverse weather conditions early in the growing season and conditions were ideal for harvesting the crop.

The area sown to flaxseed is estimated to have been 952,000 hectares (2.4 million acres), compared with 878,000 hectares (2.2 million acres) in 1968-69. A total of 790,800 hectares (2.0 million acres) were harvested and yields averaged a record 809 kilos per hectare (12.9 bushels per acre).

The following table shows the area sown to flaxseed, the area harvested, average yields and production for 1969-70, compared with production for 1968-69, by province:

	Planted area	Area harvested	Average yields	Production 1968-69	Production 1969-70
	thousand acres		bushels per acre	thousand bushels	
Buenos Aires ..	1,147	1,047	14.3	8,641	15,039
Entre Rios	679	596	12.4	5,732	7,413
Santa Fe	310	217	9.8	3,248	2,134
Cordoba	199	79	5.5	2,272	433
Others	17	15	12.1	185	177
	2,351	1,953	12.9	20,078	25,195

Yields were very good in the main producing provinces of Buenos Aires and Entre Rios and production in these provinces increased 74 per cent and 29.3 per cent, respectively. However, in Santa Fe and Cordoba the lack of rain and high temperatures caused the loss of large areas sown to flaxseed and production fell sharply.

Flaxseed prices have been relatively stable, closing at 28.80 pesos per 100 kilos ($2.24 per bushel) f.o.r. Buenos Aires at the end of April.

Linseed oil prices at the end of April were higher at 59 pesos per kilo. The National Grain Board has now sold much of its linseed oil stocks.

Prices on the Buenos Aires Futures Exchange on May 11, were 29.40 pesos per 100 kilos ($2.29 per bushel) for June delivery, 30.00 pesos ($2.34 per bushel) for July and 31.00 pesos ($2.42 per bushel) for August.

Soybeans. — Although the area sown to soybeans in 1969-70, at 30,400 hectares (75,000 acres), was almost identical to that of last year 30,800 hectares (76,000 acres), production fell from 31,800 metric tons (1,168,000 bushels) to 27,000 tons (992,000 bushels) in 1969-70 as a result of poor weather conditions in the province of Tucuman which normally accounts for the bulk of the production.

Although the crop is 15.1 per cent less than in 1968-69, it is 23.5 per cent and 73.9 per cent larger than the averages of the last five- and ten-year periods, respectively.

Production of soybeans in 1969-70, compared with 1968-69, by province, is estimated to be as follows:

	1968-69	1969-70
	thousand bushels	
Misiones	360	441
Santa Fe	110	309
Tucuman	606	132
Buenos Aires	66	59
Other provinces	26	51
Totals	1,168	992

This is the first estimate which has been issued on the 1969-70 soybean crop.

Sunflowerseed. — For the 1969-70 crop year, sunflowerseed production has been estimated by the Secretariat of Agriculture and Livestock at 1,040,000 metric tons (76.4 million bushels) which represent an increase of 164,000 tons (12.1 million bushels) over last year's crop. This crop would also be 16.2 per cent and 36.1 per cent larger than the averages of the last five- and ten-year periods, respectively.

The province of Buenos Aires accounts for more than 60 per cent of total production and its output is estimated at 656,000 tons (48.2 million bushels). Other important sunflowerseed producing provinces are Santa Fe with 180,000 tons (13.2 million bushels), Cordoba with 130,000 tons (9.6 million bushels) and Chaco with 37,200 (2.7 million bushels). In the rest of the country, production is estimated at 36,800 tons (2.7 million bushels).

The total area sown to this crop was 1,448,700 hectares (3.6 million acres) against 1,354,000 (3.3 million acres) in the 1968-69 agricultural year.

The index value of sunflowerseed oil has been increased from U$S 260 to U$S320 per metric ton. The export taxes which are levied on the index value currently total 9.5 per cent.

Sunflowerseed prices have again firmed and at the end of April were 31.70 pesos per 100 kilos ($1.32 per bushel).

On the Buenos Aires Futures Exchange, on May 11, sunflowerseed was quoted at 34.65 pesos per 100 kilos ($1.45 per bushel) for June delivery, 35.60 ($1.49 per bushel) for July, 36.30 ($1.52 per bushel) for August and 37.18 ($1.55 per bushel) for September.

Peanuts. — The Secretariat of Agriculture has issued the first estimate of peanut (with shells) production for 1969-70 of 225,000 metric tons.

Although the area planted to peanuts was 19.9 per cent smaller than in 1968-69, production rose 3.7 per cent. However, production is 34 per cent and 31 per cent less than the averages of the last five- and ten-year periods, respectively. The province of Cordoba produced 98.6 per cent of the crop.

The government has increased the index value of peanut oil from U$S 290 per metric ton to U$S 355. This is the value on which the export taxes, currently totalling 13.5 per cent are based. Thus the export taxes on peanut oil have been increased from U$S 39.15 to U$S 47.92 per metric ton.

Peanut oil has been trading at increasing prices and at the end of April the closing price at Rotterdam was U$S 367.12 per ton. Crude oil was traded on the domestic market at about 10.80 pesos per ton early in May.

Peanut prices are also firmer and closed at 50 pesos per 100 kilos at the end of April.

Federal Republic of Germany

The following account of the oilseed situation in the Federal Republic of Germany has been extracted from a report supplied by Mr. R.B. Rossing, Commercial Officer (Agriculture) Bonn, West Germany, under date of May 11, 1970 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Domestic production and harvest prospects. — According to the latest forecast of the Federal Bureau of Statistics, German farmers have increased their (winter) rapeseed acreage by 15 per cent in 1970. This percentage corresponds to an acreage of 10,000 hectares (25,000 acres) and would bring German rapeseed acreage up to 84,000 hectares (207,000 acres). Under the assumption of a rapeseed yield of 2.37 tons per hectare (42.3 bushels per acre)—(1966-69 average), German production would reach 200,000 metric tons (8,818,000 bushels) in 1970. At the 1968 yield level of 2.68 tons per hectare (47.8 bushels per acre) production could reach 225,000 metric tons (9,921,000 bushels).

Acreage and yield of rapeseed in Germany

	Acreage thousand acres	Yield bushels per acre	Total production thousand bushels
1966	116	37.3	4,365
1967	121	45.7	5,512
1968	156	47.8	7,496
1969	183	38.0	6,967
1970	207(1)	42.3(2)	8,818

(1) Official forecast.
(2) Private estimates.

Winter rapeseed has withstood the long winter months without suffering extensive damage. The cold, wet weather of the last weeks has led to a delay of four weeks in sowing of summer rapeseed.

Imports of oilseeds from Canada. — After a sharp decline in 1968, Canadian shipments of oilseeds to West Germany nearly reached their previous level of 1965 to 1966. This trend is likely to continue as German imports from Canada during the first quarter of 1970 correspond to German imports for the first half year 1969. For that reason we can assume that imports of oilseeds from Canada will even exceed the high level of 1966 thus reaching a new record in 1970. As is the case for 1969 imports compared to 1968 the highest increase in 1970 will occur with shipments of Canadian rapeseed to Germany. Shipments of linseed, mustardseed and soybeans will likely maintain their relatively high level and the shift of Canadian farmers towards oilseeds will strengthen the competitive position of Canadian oilseeds on the German market.

Commodity analysis. — The volume of linseed imports into West Germany increased from 111,000 metric tons to 131,000 metric tons (4,370,000 to 5,157,000 bushels) — (+ 18 per cent). This was mainly due to increased shipments of linseed from Canada for processing into technical oils. But also imports of linseed cakes and meals rose from 167,000 tons to 193,000 tons. The increase of almost 16 per cent was mainly due to higher deliveries from tbe USA and Argentina. The situation with imports of raw linseed oils remained unchanged. With regard to German exports only deliveries of refined linseed oil were of importance as they increased from 3,000 metric tons to 13,000 tons.

Rapeseed imports into West Germany with 136,000 metric tons (5,997,000 bushels) were up 28,000 tons (1,235,000 bushels) in 1969 (+ 26 per cent). Due to the weakness of the French Franc on the futures market there were favourable import possibilities for French rapeseed, which gained ground and accounted for a third of the whole volume of imports, 46,000 tons (2,028,000 bushels). Deliveries from Sweden increased by 14,000 tons to 56,000 tons (617,000 to 2,469,000 bushels), whereas Polish deliveries were only half of last year's figure, 19,000 tons (838,000 bushels) due to crop failure. The import volume of rapeseed meals was unchanged in 1969; exports, however, increased by 32 per cent to 66,000 metric tons. In accordance with higher rapeseed imports and higher crushings German mills reduced their purchases of foreign raw oils for processing. But also exports of oils fell by 10,000 metric tons. This tendency may indicate a larger utilization of rapeseed oil either for food or for technical purposes.

In 1969 Canada again was the largest supplier of mustardseed to Germany. Canada re-gained her leading market position with 38 per cent of total imports in 1969 (1968: 14 per cent; 1967: 37 per cent). Second was Denmark with 35 per cent of total imports after 38 per cent in 1968 and only 21 per cent in 1967. Shipments from Common Market countries in 1969 were only half the figure of 1967.

German imports of soybeans from Canada in 1969 were very small though they were double the 1968 figure. While the U.S. maintained her rather unrivalled position, Brazil enlarged her shipments by 42,000 tons (1,543,000 bushels). With meal, however, U.S. imports increased by 45 per cent thus reaching a new record of 729,000 metric tons in 1969. The Netherlands also improved her position as the second largest supplier followed by Brazil. Exports of meal at 124,000 metric tons were down nearly 50 per cent, whereas exports of oils almost discontinued in 1969 with 4 metric tons.

Imports of sunflower kernels for oil crushings rose sharply from 12,000 metric tons in 1968 to 56,000 metric tons in 1969. The USSR delivered large quantities but Bulgaria and France also could improve their competitive positions. Shipments of sunflower kernels for feed etc. were almost unchanged in 1969. Imports of oil from sunflower kernels increased by 30,000 metric tons, but also German exports into EEC countries and Switzerland were considerably larger in 1969.

General trend in imports. — The latest available figures from January — March 1970 show a high demand for both oilseeds and cakes and meals. In contrast, imports of grains including feed grains showed the same import level as in 1969. This can be explained by the high quantities of wheat denatured into feed grains. (From August 1969 — April 1970: 1 million metric tons). The bulk of increased imports relates to soybeans as not many other oilseed varieties were imported to the extent of the 1969 period. Meanwhile prices for oil cakes and oil meals are levelling off. Due to the superior position of U.S. soybeans American exporters could raise their prices during the last weeks. The shortage in sunflowerseed oil, peanut oil and fish oil has caused higher demand for soybean oil. According to the opinion of German importers American soybean oil exporters are now taking advantage of the favourable market situation. The retention of raw materials within the oilseeds sector may, however, lead to a sudden supply push at an unknown point of time. Due to the high demand for soybean oil there may therefore exist some prospects for substitutes, e.g. rapeseed oils, both raw or refined.