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S Y M B O L S

The following standard symbols are used in Dominion Bureau of Statistics publications:

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

WORLD SITUATION

World Soybean Production at Sixth Consecutive Record

The following extract is taken from the March 31, 1971 issue of World Agricultural Production and Trade published by the Foreign Agricultural Service, United States Department of Agriculture.

World production of soybeans in 1970 reached an alltime high of 41.8 million metric tons (1.5 billion bushels). This was the sixth consecutive year of record production, exceeding the previous record in 1969 by 3 per cent, or 1.4 million tons (51.3 million bushels). The United States produced almost three-fourths of the world total and accounted for 18 per cent of the increase from the previous year. About 50 per cent of the estimated increase is accounted for by an assumed increase in Mainland China. Some increases were also estimated for Brazil and the Soviet Union. On the other hand, however, there were declines in a number of relatively minor-producing countries, including Indonesia, Mexico, Colombia, and Japan.

Soybean production in the United States in 1970 reached an all-time high for the eighth consecutive year. At 30.9 million metric tons (1,136 billion bushels) the crop surpassed the 1969 harvest by 1 per cent or 257,000 tons (9.5 million bushels). Acreage harvested for beans was 42.4 million acres — 4 per cent above that of the previous year. The U.S. average yield per acre of 26.8 bushels was 0.7 bushel below the record yield of 27.5 bushels in 1969. Based on the official release of March 16, U.S. farmers intend to plant 46.5 million acres to soybeans in 1971. This would be 7 per cent or 3.2 million acres above plantings in 1970 and a record high for the eleventh consecutive year.

In Mainland China production is believed to have approximated 6.9 million tons (254 million bushels) against 6.2 million tons (228 million bushels) a year earlier, based on an extreme paucity of information. Soybean area is believed to have been maintained at recent years' levels of 20 million acres, but yields appear to have been better than in 1969.

Official estimates place Brazil's 1970 soybean harvest at a record 1.3 million tons (48.9 million bushels), one-fourth or 275,000 tons (10 million bushels), above the previous record in 1969. The increase was due entirely to the acreage expansion of more than one-fourth; yields declined moderately. Brazil is expected to harvest a third successive record crop this year. Plantings are estimated at 3.3 million acres, based on trade and Sao Paulo Department of Agriculture reports. This is 13 per cent above plantings for the 1970 crop. The increase in plantings, however, is not expected to bring a corresponding increase in production. Plantings in Rio Grande do Sul, the major producing state, were delayed by 20-30 days with heavy losses of early plantings because of lack of rain. The total Brazilian crop is estimated unofficially at 1.4 million tons (52.4 million bushels) or 7 per cent above last year's crop. Despite the expectation of larger production, Brazil's soybean exports this year are not expected to reach last year's level of 289,600 tons (11 million bushels). Larger quantities of soybeans than in the past will be required this year by domestic crushers not only because Brazil's consumption of vegetable oil is increasing rapidly but also because cottonseed production will be sharply below that of a year earlier. In Rio Grande do Sul and Parana, practically all the soybean mills are increasing processing capacity. Long-range forecasts for national soybean production — mostly from these two states — range from 2.5 to 3.5 million tons (92 to 129 million bushels) in 1975.

Soybean area in the Soviet Union is believed to have increased slightly, but average yields appear to have increased considerably as a result of better weather than a year earlier. Production is estimated at 550,000 tons (20 million bushels) compared with 434,000 tons (16 million bushels) in 1969.

Farmers in Canada (Ontario Province) increased their soybean plantings by 4 per cent and yields increased almost one-third (to 31.0 bushels). The crop is officially estimated at a record 283,000 tons (10.4 million bushels), 36 per cent above the 1969 crop.

Mexico's soybean area declined in 1970 because of drought and the resulting draw-down on water reserves. The practice on the west coast, where most of the soybeans are grown, continues to be one of harvesting wheat and burning the stubble, then, within no more than 2 weeks, planting soybeans. Yields in the state of Sonora reportedly are up to 1 ton (37 bushels) per acre.

The downtrend in Japan's soybean production continued in 1970. The harvest was 126,000 tons (4.6 million bushels), 7 per cent below that of 1969, from area also down 7 per cent. The Government anticipates that soybean production may turn upward again over the next several years because of a rather new substantial diversion payment program for rice for Japanese Fiscal Year 1971 and following years.

Soybean production in Thailand is reported at 100,000 tons (36.7 million bushels), an increase of almost two-thirds from a year earlier. Acreage increased 7 per cent.

Increased sorghum and corn plantings in Colombia are believed to have been responsible for the 10 per cent cut in soybean acreage for the 1970 crop. Price increases for sorghum and corn are said to have made these crops more profitable than soybeans. Production has been reported at 90,000 tons (3.3 million bushels), down 10 per cent from 1969.

Argentina's soybean area for the 1970 crop was reduced 9 per cent because of adverse weather conditions in Tucuman Province, where about half the crop is now grown. Yields also were below normal and the crop is estimated officially at 27,000 tons (1 million bushels) — down one-sixth from a year earlier. Planted area for this year's crop was expected to increase about 15 per cent. Assuming average conditions, production could increase by roughly one-third.

World Palm Oil Continues to Expand

According to the May 1971 issue of the World Agricultural Production and Trade, Foreign Agricultural Service, United States Department of Agriculture, palm oil production in 1971 continues an upward spiral to over 1.8 million metric tons — 123,000 tons or 7 per cent above the 1970 volume. The increase now taking place began in 1968 and resulted from expanded tree plantings during the early 1960's when palm oil prices were very favourable relative to rubber in Malaysia and large acreages were shifted to oil palm trees. Palm oil production is expected to continue to spiral upward during the 1970's. This expectation is based upon projected output from immature trees already planted but not yet in production as well as additional production from trees yet to be planted. Malaysia and the Ivory Coast, are among those countries from which substantial future expansion is expected.

Palm oil exports in 1970 increased to about 768,000 tons — 39,600 tons above 1969. Although exports were at a record volume last year, the increase was less than

anticipated because of the large volume which was retained in the major producing countries. Although much of the indicated increase in retentions reflects expanding population and rising per capita consumption, there was some build up in stocks in 1970 which could move into export this year.

If 1971 production expands by 123,000 tons as forecast, we expect that exports could approach 900,000 tons — 127,000 tons above the 1970 volume. This forecast assumes some stock dispersal in the major producer-exporter countries, such as Malaysia.

Increased palm oil exports by West Malaysia alone in 1971 are expected to account for the bulk of the increase — roughly 100,000 tons. In addition exports from the Ivory Coast are expected to increase because of the significant expansion in production. The volume of exports from such traditional producer-exporters as Nigeria and the Congo (Kinshasa) is not expected to change significantly. Rehibilitation and development of North Sumatra palm estates could lead to expansion in Indonesia's exports of palm oil — perhaps beginning this year and continuing through the 1970's. The estates are owned by the Indonesian Government and the project is being financed under a loan from the International Development Associations (IDA), a subsidiary of the World Bank. The project involves the rehibilitation of about 60,000 acres in addition to expanding plantings by another 48,000 acres.

Palm kernel production, also from the fruit of the African palm tree, Elaeis guineensis, this year is estimated to increase to roughly 970,000 tons — 43,000 tons above the 1970 volume. Expansion in palm kernel output has been significantly less both in absolute and relative terms compared with palm oil. This lesser growth will be even more evident as output from newer high yielding varieties gradually come to dominate world palm oil output.

About four-fifths of world palm kernel production move into export either as raw material or oil. This represents a substantially larger proportion of output than on palm oil exports — which is less than one-half of estimated world output.

Exports of palm kernels and oil in 1971 are expected to increase to about 360,000 tons on an oil equivalent basis — 24,000 tons above the 1970 volume. Unlike exports of palm oil, exports of palm kernels and oil are not expected to establish a new record volume this year but will be perhaps 5 per cent below the previous record of 377,100 tons, oil basis, in 1966. However, palm oil exports this year are expected to exceed the 1966 volume by more than one-third. Interestingly, exports of palm kernels from Malaysis declined somewhat in 1970 despite increased production. A rather large proportion of Malaysia's palm kernel output is apparently domestically consumed.

CANADIAN SITUATION

August-April Marketings of Flaxseed and Rapeseed Increased over Year Ago

Data recorded for the first three-quarters of the 1970-71 crop year, indicate that primary deliveries of flaxseed have amounted to 20.6 million bushels, 19 per cent above the 1969-70 comparable total of 17.3 million, and 59 per cent larger than the ten-year (1959-60-1968-69) average for the period of 13.0 million. Marketings of rapeseed at 48.5 million bushels registered sharp increases over the corresponding 1969-70 figure of 25.0 million and the recent ten-year average of 10.0 million.

Exports of Flaxseed, Rapeseed and Soybeans

During the first nine months of the 1970-71 crop year exports of Canadian flaxseed amounted to 12.6 million bushels, 9 per cent above the 11.6 million at the comparable period of 1969-70 and 24 per cent higher than the ten-year (1959-60-1968-69) average for the period of 10.1 million. This year's major markets for this oilseed were as follows in millions of bushels: Netherlands 4.4, Japan 2.8, West Germany 1.6, Britain 0.9, Spain 0.8 and Belgium and Luxembourg 0.7. The remainder was accounted for by relatively smaller shipments to 10 other countries.

Exports of rapeseed from August 1, 1970 to April 31, 1971, at 31.0 million bushels, were substantially higher than the comparable 1969-70 figure of 15.2 million and considerably more than the recent ten-year average of 7.1 million. Japan and the Netherlands were the leading markets during the first nine months of the current crop year with shipments amounting to 11.0 million and 6.7 million bushels, respectively, and accounted for 35 per cent and 21 per cent of the total. Smaller shipments went to West Germany, 3.6 million; Italy, 3.1 million; and Pakistan, France and India, 1.9 million each.

Customs exports of soybeans during the first nine months of the 1970-71 crop year amounted to 526 thousand bushels compared with 728 thousand the previous year. The leading market for this oilseed was Britain with imports of 458 thousand bushels.

Late Opening of Lakehead Navigation Causes Serious Delays in Grain Shipments

According to a release dated May 6, 1971 from Mr. D.H. Treleaven, Assistant Chief Commissioner of the Canadian Wheat Board, the late opening of Seaway navigation and continuing heavy ice conditions on some parts of the Great Lakes have caused serious delays in grain shipments through Thunder Bay.

Record quantities of approximately 250 million bushels of grain are scheduled for shipment from Thunder Bay to eastern positions before July 31 and an all-out effort is now required to complete the shipping program and meet all sales commitments in the reduced time available. Railway shipments from country elevators, also delayed by the late opening, will be stepped-up sharply to meet Lakehead targets.

"The next few weeks are going to be particularly difficult since substantial quantities of grain are needed in St. Lawrence ports for shipment this month, "Mr. Treleaven said. "We are confident, however, that all segments of the grain handling and transportation industry, including lake vessel operators, will make every effort necessary to enable us to catch up on the shipping program."

Despite the slow start in lake shipments, Mr. Treleaven also said that steps are being taken to ensure that domestic requirements for Prairie grain in Eastern Canada will be met. This year's official opening date for Lakehead navigation, April 22, is one of the latest on record since the completion of the St. Lawrence Seaway in 1959. As a result of the late opening, grain shipments from Prairie elevators to Thunder Bay and lake shipments to St. Lawrence ports will have to be maintained at an exceptionally high level during the remaining three months of the present crop year.

This year's lake movement, amounting to shipments of approximately 250 million bushels of all grains by the end of the crop year, compares with the previous record of 221.8 million bushels established in the first half of the 1966 shipping season.

Lake Shipments from Thunder Bay

Total shipments of flaxseed and rapeseed out of Lakehead terminals from the opening of navigation to May 26 this year amounted to 7.3 million bushels, 18 per cent more than the corresponding 1970 figure of 6.2 million. In 1971, the season of navigation opened on April 10 while the 1970 season opened on April 8. Shipments of flaxseed, at 3.3 million and rapeseed, at 4.0 million bushels accounted for 45 per cent and 55 per cent, respectively, of the 1971 total.

Lake Shipments of Canadian Oilseeds from the Opening of Navigation to May 26, 1971 and to Approximately the Same Date 1960 to 1970

Year	Flaxseed	Rapeseed	Total
		bushels	
1960	978,253	—	978,253
1961	1,447,652	—	1,447,652
1962	623,166	—	623,166
1963	1,566,624	—	1,566,624
1964	2,732,025	—	2,732,025
1965	2,223,331	382,518	2,605,849
1966	3,080,866	471,643	3,552,509
1967	2,202,879	530,142	2,733,021
1968	2,188,385	174,423	2,362,808
1969	1,401,648	635,102	2,036,750
1970	3,921,393	2,283,252	6,204,645
1971	3,310,427	4,020,695	7,331,122

Rail Shipments from Thunder Bay

Rail movement of flaxseed and rapeseed from the Lakehead during the first three-quarters of the 1970-71 crop year amounted to 0.9 million bushels as against the 1.8 million shipped during the comparable period of 1969-70.

Rail Shipments from Thunder Bay

Month	1969-70			1970-71		
	Flaxseed	Rapeseed	Total	Flaxseed	Rapeseed	Total
			bushels			
August	86,886	—	86,886	23,548	19,967	43,515
September	60,931	13,207	74,138	66,032	11,054	77,086
October	15,732	17,681	33,413	72,560	2,220	74,780
November	99,715	34,334	134,049	58,884	—	58,884
December	434,260	17,891	452,151	100,826	123,977	224,803
January	333,902	188,250	522,152	163,138	6,604	169,742
February	264,032	—	264,032	84,376	—	84,376
March	70,772	—	70,772	86,386	11,102	97,488
April	117,860	31,003	148,863	86,498	17,707	104,205
Totals	1,484,090	302,366	1,786,456	742,248	192,631	934,879

Quotas, 1970-71, as at Monday May 31, 1971, Canadian National Railway Blocks

No.	Name	WHEAT		Oats	Barley	Rye	Flax	Rape
		General	Soft White Spring					
		bushels per quota acre						
01	Winnipeg N.	—	6	20	20	30	15	12	30
03	Winnipeg S.	—	6	20	20	30	15	12	30
05	Winnipeg W.	—	6	20	20	30	15	12	30
07	Brandon N.	—	6	20	20	30	15	12	30
09	Brandon W.	5	—	20	20	30	15	12	30
11	Melville	5	—	20	20	30	15	12	30
13	Dauphin	—	6	20	20	30	15	12	30
15	Kamsack	—	6	20	20	30	15	12	30
17	Saskatoon M.	5	—	20	20	30	15	12	30
19	Saskatoon S.	—	6	20	20	30	15	12	30
21	Saskatoon W.	—	6	20	20	30	15	12	30
23	Pr. Albert E. ...	—	6	20	20	30	15	12	30
25	Pr. Albert S. ...	—	6	20	20	30	15	12	30
27	Pr. Albert M. ...	—	6	20	20	30	15	12	30
29	Pr. Albert W. ...	—	6	20	20	30	15	12	30
31	Regina N.	—	6	20	20	30	15	12	30
33	Regina S.	5	—	20	20	30	15	12	30
35	Regina W.	5	—	20	20	30	15	12	30
37	Biggar N.	—	6	20	20	30	15	12	30
39	Biggar W.	—	6	20	20	30	15	12	30
41	Edmonton N.	—	6	20	20	30	18	12	30
43	Edmonton S.	—	6	20	20	30	18	12	30
45	Edmonton W.	—	6	20	20	30	18	12	30
47	Hanna S.	—	6	20	20	30	18	12	30
49	Hanna W.	—	6	20	20	30	18	12	30
90	N.A.R. West	—	6	20	20	30	18	12	30
98	G.S.L.	—	6	20	20	30	18	12	30

Quotas, 1970-71 as at Monday, May 31, 1971, Canadian Pacific Railway Blocks

No.	Name	WHEAT			Oats	Barley	Rye	Flax	Rape
		General		Soft White Spring					
		bushels per quota acre							
61	Keewatin	—	6	20	20	30	15	12	30
62	La Riviere	—	6	20	20	30	15	12	30
63	Carberry	—	6	20	20	30	15	12	30
64	Brandon	—	6	20	20	30	15	12	30
71	Weyburn	—	6	20	20	30	15	12	30
72	Pasqua	—	6	20	20	30	15	12	30
73	Bulyea	—	6	20	20	30	15	12	30
74	Bredenbury	—	6	20	20	30	15	12	30
75	Saskatoon	—	6	20	20	30	15	12	30
76	Wilkie	5	—	20	20	30	15	12	30
77	Assiniboia	—	6	20	20	30	15	12	30
78	Swift Current ...	—	6	20	20	30	15	12	30
79	Outlook	—	6	20	20	30	15	12	30
81	Medicine Hat	—	6	20	20	30	18	12	30
82	Brooks	—	6	20	20	30	18	12	30
83	Lethbridge	—	6	20	20	30	18	12	30
84	Vulcan	—	6	20	20	30	18	12	30
85	Calgary	—	6	20	20	30	18	12	30
86	Red Deer	—	6	20	20	30	18	12	30
87	Edmonton	—	6	20	20	30	18	12	30
95	N.A.R. East	—	6	20	20	30	18	12	30
	B.C. Stations ...	—	6	20	20	30	15	12	30

In addition to the above:

Rye	Advance to a maximum of 20 bushels — delivered to distilleries.
Flaxseed	Advance to a maximum of 15 bushels — delivered to processors.

Summary of Weekly Stocks and Movement of Flaxseed, 1970-71 Crop Year

No.	Week ending	Farmers' marketings	Country elevators		
			Receipts	Shipments	Stocks
		million bushels			
1	March 3, 1971	.4	.4	.3	5.4
2	10	.3	.3	.4	5.3
3	17	.3	.3	.3	5.3
4	24	.4	.4	.1	5.6
5	31	.3	.3	.2	5.7
6	April 7	.2	.2	.1	5.8
7	14	.2	.2	.1	5.9
8	21	.3	.3	.2	6.0
9	28	.4	.4	.5	5.9
10	May 5	.4	.4	.6	5.7
11	12	.7	.7	.9	5.6
12	19	1.1	1.1	.7	6.0
13	26	.8	.8	.4	6.4

Summary of Weekly Stocks and Movement of Rapeseed, 1970-71 Crop Year

No.	Week ending	Farmers' marketings	Country elevators		
			Receipts	Shipments	Stocks
		million bushels			
1	March 3, 1971	1.1	.7	1.4	8.9
2	10	.8	.5	1.5	7.9
3	17	.6	.5	1.3	7.1
4	24	.5	.4	.7	6.8
5	31	.7	.3	.7	6.5
6	April 7	1.2	1.0	.6	6.9
7	14	.6	.6	.3	7.2
8	21	.5	.5	.6	7.1
9	28	.8	.8	1.1	6.7
10	May 5	.9	.8	1.1	6.5
11	12	1.0	.7	1.4	5.8
12	19	.5	.5	1.6	4.8
13	26	.4	.3	.9	4.1

Summary of Weekly Stocks and Movement of Flaxseed, 1970-71 Crop Year

Pacific Coast			Thunder Bay			Total overseas clearances	No.
Receipts	Shipments	Stocks	Receipts	Shipments	Stocks		
million bushels							
.2	.3	.5	.1	.01	4.3	.3	1
.3	.3	.5	.1	.04	4.3	.3	2
.3	.3	.5	.1	—	4.4	.3	3
.2	.3	.4	.1	.03	4.5	.3	4
.01	.1	.3	.1	.01	4.6	.1	5
.01	.1	.2	.03	—	4.7	.1	6
.1	—	.3	.05	—	4.6	—	7
.1	.1	.3	.1	—	4.7	.1	8
.2	.2	.4	.2	.2	4.7	.3	9
.3	.2	.5	.4	.6	4.4	.6	10
.2	.1	.6	.5	2.1	2.8	.9	11
.2	.1	.8	.7	.7	2.8	1.1	12
.2	—	.9	.4	.4	2.9	.2	13

Summary of Weekly Stocks and Movement of Rapeseed, 1970-71 Crop Year

Pacific Coast			Thunder Bay			Total overseas clearances	No.
Receipts	Shipments	Stocks	Receipts	Shipments	Stocks		
million bushels							
1.1	.6	3.3	.3	.01	3.8	.6	1
1.0	1.5	2.9	.2	—	3.9	1.5	2
1.1	.9	3.1	.2	—	4.1	.9	3
1.0	1.6	2.6	.3	—	4.4	1.6	4
.3	1.1	1.8	.1	—	4.5	1.1	5
.1	.4	1.5	.03	.01	4.5	.4	6
.6	.7	1.4	.1	—	4.6	.7	7
.9	.6	1.7	.2	—	4.8	.6	8
1.1	.3	2.6	.2	—	4.9	.5	9
.7	1.0	2.3	.4	2.3	3.1	2.2	10
1.0	.5	2.8	.5	.9	2.7	2.1	11
.9	.2	3.5	.9	1.2	2.5	.8	12
.5	.9	3.1	.7	1.1	2.0	2.0	13

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 26 were higher than the comparable deliveries of the previous year and the ten-year average. Deliveries of flaxseed amounted to 23.7 million bushels, 26 per cent above the comparable 1969-70 total of 18.8 million and 76 per cent more than the ten-year (1959-60-1968-69) average for the period of 13.5 million bushels. Rapeseed marketings, at 51.3 million bushels, almost doubled the 26.0 million during the corresponding period of 1969-70 and were considerably higher than the ten-year average of 10.4 million bushels.

Farmers' Marketings of Flaxseed and Rapeseed in the Prairie Provinces 1970-71 with Comparisons

Period or week ending	Man.	Sask.	Alta.	Total
		thousand bushels		
Flaxseed(1)				
August 1, 1970 — February 24, 1971	5,262	9,096	3,566	17,924
March 3	142	160	116	419
10	105	108	70	284
17	122	134	67	322
24	129	161	95	386
31	101	99	57	257
April 7	62	48	58	167
14	98	47	36	182
21	134	108	30	273
28	128	212	61	401
May 5	126	265	52	443
12	286	314	141	741
19	264	627	175	1,067
26	98	571	177	846
Totals	7,057	11,950	4,702	23,709
Similar period 1969-70	7,277	7,254	4,265	18,796
10-year average similar period 1959-60 — 1968-69	6,362	3,963	3,154	13,479
Rapeseed(2)				
August 1, 1970 — February 24, 1971	4,556	21,684	15,158	41,398
March 3	131	433	511	1,075
10	17	398	431	846
17	50	183	410	644
24	77	234	338	649
31	80	402	232	714
April 7	175	813	206	1,193
14	169	340	174	682
21	81	320	108	509
28	91	615	107	812
May 5	89	637	180	906
12	77	682	192	951
19	91	268	225	584
26	17	254	93	365
Totals	5,701	27,262	18,365	51,328
Similar period 1969-70	2,683	14,325	8,961	25,969
10-year average similar period 1959-60 — 1968-69	902	5,048	4,463	10,413

(1) Includes receipts at country, interior private and mill elevators.
(2) Includes marketings at unlicensed elevators.

Marketings of Ontario Soybeans

Marketings of Ontario soybeans during the first nine months of the 1970-71 crop year amounted to 7.7 million bushels, 30 per cent above the comparable 1969-70 total of 5.9 million, 34 per cent larger than the ten-year (1959-60 — 1968-69) average of 5.8 million but 6 per cent less than the 8.2 million of 1968-69.

Marketings of Soybeans in Ontario(1) 1970-71 with Comparisons

Month	10-year average 1959-60 — 1968-69	1968-69	1969-70	1970-71
		bushels		
August	63,897	134,799	41,090	19,408
September	138,163	199,637	60,185	194,898
October	2,703,428	3,590,974	2,079,036	3,095,328
November	1,107,331	1,570,722	1,255,300	1,956,556
December	405,954	464,529	522,027	775,641
January	392,456	823,793	408,309	446,201
February	321,948	599,976	735,757	311,848
March	266,653	451,436	434,725	496,081
April	362,783	364,762	398,855	428,077
May	324,453	289,140	384,749	•
June	284,237	166,151	402,193	
July	151,021	207,289	185,283	
Totals	6,522,324	8,863,208	6,907,509	

(1) Ontario Soybean Marketing Board.

Visible Supply of Canadian and United States Soybeans at Eastern Elevators May 26, 1971 Compared with Approximately the Same Date 1969 and 1970

Position	1969	1970	1971
	thousand bushels		
Canadian			
Sarnia	7	231	104
Toronto	373	446	654
Montreal	37	—	125
Port Cartier	149	132	—
Sub-totals	566	809	883
United States			
Toronto	—	80	—
Montreal	—	—	740
Trois-Rivières	338	82	273
Quebec	174	442	834
Baie Comeau	682	359	915
Port Cartier	1,648	—	414
Sub-totals	2,842	963	3,176
Totals	3,408	1,772	4,059

Commercial Supplies Total commercial supplies of Canadian flaxseed at May 26 of the current crop year, at 12.7 million bushels, were considerably above both the comparable 1970 level of 6.3 million and the 5.9 million of 1969. Most of the increase was accounted for by larger totals in country elevators. The 6.4 million bushels in this position was sharply above both the 3.4 million at the same date in 1970 and the 2.3 million of 1969. Other increases were registered in all but one position compared with those of the previous year. Rapeseed supplies in commercial positions at May 26 of this year amounted to 12.8 million bushels, in contrast to both the 8.3 million of 1970 and the 5.8 million at the corresponding date in 1969. The bulk of this grain was in country elevators (4.1 million), Vancouver-New Westminster (3.1 million), and Thunder Bay (2.0 million).

Visible Supply of Canadian Flaxseed, May 26, 1971 Compared with Approximately the Same Date, 1969 and 1970

Position	1969	1970	1971
	thousand bushels		
Country elevators — Manitoba	585	815	1,638
Saskatchewan	980	1,570	3,637
Alberta	736	1,022	1,083
Sub-totals	2,301	3,407	6,358
Interior private and mill	38	40	69
Interior terminals	4	—	—
Vancouver-New Westminster	900	652	932
Thunder Bay	1,686	1,309	2,925
In transit rail (western division)	849	167	809
Bay, Lake and Upper St. Lawrence ports	—	114	104
Lower St. Lawrence and Maritime ports	111	389	1,219
In transit lake	—	209	311
In transit rail (eastern division)	59	—	—
Totals	5,948	6,287	12,727

Visible Supply of Canadian Rapeseed, May 26, 1971 Compared with Approximately the Same Date, 1969 and 1970

Position	1969	1970	1971
	thousand bushels		
Country elevators — Manitoba	123	175	369
Saskatchewan	1,714	2,217	2,654
Alberta	1,229	1,123	1,115
Sub-totals	3,066	3,515	4,138
Interior private and mill	447	279	886
Interior terminals	2	8	3
Vancouver-New Westminster	1,289	2,517	3,074
Thunder Bay	165	910	2,009
In transit rail (western division)	800	866	1,674
Lower St. Lawrence and Maritime ports	70	163	1,034
Totals	5,839	8,258	12,818

Grading of Flaxseed and Rapeseed 1970-71

Cars of flaxseed inspected by the Canadian Grain Commission during the first three-quarters of the 1970-71 crop year amounted to 10,383 cars, 4 per cent above the 9,962 cars of this oilseed inspected during the comparable period of 1969-70. Some 94.4 per cent of the August-April 1970-71 inspections of flaxseed graded No. 1 C.W. compared with 68.8 per cent for the comparable period a year ago.

Cars of rapeseed inspected during August-April of the 1970-71 crop year, at 19,991 cars, almost double the 10,501 cars of this oilseed inspected in the first nine months of the previous crop year. The 97.5 per cent of the August-April 1970-71 rapeseed inspections which were graded No. 1 Canada represents an increase over the 93.7 per cent falling into this category in 1969-70.

Gradings of Flaxseed and Rapeseed Inspected,(1)
August-April 1970-71 with Comparisons

Grain and grade	Crop year		August — April			
	Average 1964-65/1968-69	1969-70	1969-70		1970-71	
	per cent		cars	per cent	cars	per cent
Flaxseed						
1 C.W.	81.1	70.1	6,858	68.8	9,806	94.4
2 C.W.	2.5	3.7	351	3.5	190	1.8
3 C.W.	0.8	1.2	85	0.9	94	0.9
4 C.W.	0.1	0.2	15	0.2	9	0.1
Tough(2, 3)	12.1	21.3	2,263	22.7	224	2.2
Damp(2, 4)	2.4	2.0	247	2.5	23	0.2
Rejected(2)	0.6	0.9	94	0.9	22	0.2
Others	0.4	0.6	49	0.5	15	0.1
Totals	100.0	100.0	9,962	100.0	10,383	100.0
Bushel equivalent (approximately)			19,308,000		20,880,000	
Rapeseed						
1 Canada		92.9	9,844	93.7	19,498	97.5
2 Canada		2.7	226	2.2	145	0.7
3 Canada		0.8	52	0.5	69	0.3
Others		3.5	379	3.6	279	1.4
Totals		100.0	10,501	100.0	19,991	100.0
Bushel equivalent (approximately)			22,618,000		44,376,000	

(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.

Crushings of Oilseeds Increase over Year Ago

Crushings of the four major oilseeds, flaxseed, soybeans, rapeseed and sunflower seed, in Canada during the period August 1, 1970 — April 30, 1971, have accounted for a total of 1,501.4 million pounds, 6 per cent above the 1,408.9 million pounds for the same period of the previous year. Most of the current total is accounted for by crushings of 1,053.0 million pounds of soybeans, some 4 per cent above the 1,009.7 million pounds crushed during the comparable period of 1969-70. Crushings of flaxseed at 113.4 million pounds, represent an increase of 20 per cent over the comparable 1969-70 figure of 94.4 million pounds. The total amount of rapeseed crushed during August — April 1970-71, amounted to 312.0 million pounds, some 9 per cent more than last year's comparable total of 286.7 million pounds. Crushings of sunflower seed during the first three-quarters of the current crop year amounted to 23.0 million pounds, 28 per cent larger than the 18.1 million at the comparable period the previous year.

Crushings of Vegetable Oilseeds and Production of Oil and Oil Meal, 1967-68 — 1970-71

	Crop Year			August — April	
	1967-68	1968-69	1969-70	1969-70	1970-71
	thousand pounds				
Crushings					
Flaxseed	126,913	116,780	139,416	94,449	113,362
Soybeans	1,190,767	1,203,253	1,420,734	1,009,680	1,052,961
Rapeseed	257,955	346,691	388,400	286,666	312,034
Sunflower seed	24,401	24,246	21,228	18,061	23,039
Oil Production					
Flaxseed	44,946	41,044	47,963	32,452	39,073
Soybeans	198,999	204,027	240,564	170,699	180,762
Rapeseed	103,471	140,543	153,042	113,208	123,718
Sunflower seed	9,967	9,449	8,583	7,250	8,866
Meal Production					
Flaxseed	78,274	71,644	87,072	59,112	70,895
Soybeans	944,641	952,656	1,117,487	795,471	825,428
Rapeseed	148,349	196,414	228,464	168,247r	183,229
Sunflower seed	8,599	9,150	8,621	7,317	8,561

Month-end Stocks in Crushing Plants of Oil and Meal, April 1969-71

	Oil			Meal		
	1969	1970	1971	1969	1970	1971
	thousand pounds					
Flaxseed	6,489	5,925	9,719	6,237	2,844	4,138
Soybeans	6,158	9,707	9,369	41,718	33,339	29,539
Rapeseed	2,857	1,145	5,473	2,388	3,829	6,757
Sunflower seed	13	91	1,397	151	9	828

Flaxseed — Selected Statistics, 1967-68 — 1970-71

	Crop year			August-April	
	1967-68	1968-69	1969-70	1969-70	1970-71
			bushels		
Flaxseed					
Stocks at beginning of crop year	11,830,585	4,678,047	4,908,606	4,908,606	5,970,000
Production	9,378,000	19,666,000	27,548,000	27,548,000	48,932,000
Imports	1,138	4,925	6,664	6,525	—
Exports	12,610,558	13,421,430	18,610,818	11,580,662	12,599,302
Domestic crushing	2,266,312	2,085,364	2,489,564	1,686,589	2,024,317
			cents and eighths per bushel		
Prices(1)					
August	348/3	346/6	319/2		269/2
September	345	339/6	322/1		272/3
October	332/7	332	322/6		263/5
November	345	321/5	305/5		253
December	345/1	316/1	276/1		246/2
January	348/5	327/7	280/5		244/6
February	348/6	330/4	284		249/4
March	342/4	325/4	277/6		251/4
April	332	327/6	276/4		257/2
May	354/3	329/3	278		248/7
June	350	327/1	281/7		
July	354/6	343/5	280		
Yearly average	345/5	330/6	292		
			pounds		
Flaxseed oil					
Exports	21,986,300	10,865,400	21,279,500	10,372,600	17,532,400
Domestic production	44,946,101	41,044,253	47,963,333	32,452,453	39,073,397
			tons		
Flaxseed meal					
Exports	6,990	5,929	6,500	5,082	13,761
Domestic production	39,137	35,822	43,536	29,559	35,447

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

Rapeseed — Selected Statistics, 1967-68 — 1970-71

	Crop year			August — April	
	1967-68	1968-69	1969-70	1969-70	1970-71
			bushels		
Rapeseed					
Stocks at beginning of crop year	5,827,190	9,923,480	5,069,084	5,069,084	3,633,000
Production	24,700,000	19,400,000	33,400,000	33,400,000	71,300,000
Exports	12,308,678	14,311,194	22,212,620	15,181,002	30,964,832
Domestic crushing	5,159,104	6,933,822	7,768,008	5,733,512	6,240,670
			cents and eighths per bushel		
Prices(1)					
August	258	209/1	204/5	267/3	—
September	238	214/6	220/6	251/4	240/6
October	231/4	208/3	262/7		255/7
November	232/1	215/4	282/3		259
December	235/7	227/2	285/5		269/2
January	233/1	234/7	325/4		281/3
February	231/2	244/5	313/6		302
March	224/2	231/2	271/5		291/4
April	212/6	226/6	279/1		302/3
May	213/2	219	290/7		274
June	210/3	215	303/5		
July	201/2	217/6	283/5		
Yearly average ...	226/6	221/7	277		
			pounds		
Rapeseed oil					
Domestic production	103,470,711	140,543,142	153,042,127	113,208,353	123,718,371
			tons		
Rapeseed meal					
Domestic production	74,175	98,207	114,232	84,123	91,615

(1) Winnipeg Grain Exchange No. 1 Canada Rapeseed, basis in store Vancouver ending September 25. Beginning September 8, 1970, basis in store Thunder Bay.

Soybeans — Selected Statistics, 1967-68 — 1970-71

	Crop year			August-April	
	1967-68	1968-69	1969-70	1969-70	1970-71
			bushels		
Soybeans					
Production	8,091,000	9,027,000	7,664,000	7,664,000	10,385,000
Imports	13,328,316	12,469,497	17,429,968	12,534,938	11,364,903
Exports	1,570,763	1,122,895	1,111,412	728,285	526,219
Domestic crushing	19,846,111	20,054,212	23,678,894	16,827,996	17,549,355
			cents and eighths per bushel		
Prices(1)					
August	297/3	270/4	267/1		276/3
September	295	261/5	249		277/6
October	287/6	248/7	245/5		291/4
November	276/6	254/7	246/6		293/1
December	271/5	257/6	245/3		286
January	273/6	260/4	251/4		294/2
February	276/5	261/2	257/5		296/3
March	276/3	260	262/2		296/4
April	272/3	264/7	268/1		286
May	272/1	267/2	273/5		295/2
June	269/1	264/3	279/1		
July	269/5	270/3	288/5		
Yearly average	278/4	261/7	261/2		
			pounds		
Soybean oil					
Imports	20,941,700	25,651,900	38,566,900	20,508,800	33,962,100
Exports	30,291,500	32,090,600	45,714,700	27,265,400	37,439,800
Domestic production	198,999,327	204,026,576	240,564,281	170,698,641	180,761,708
			tons		
Soybean meal					
Imports	237,107	246,826	266,009	194,008	171,116
Exports	169,321	131,235	165,482	114,300	100,264
Domestic production	472,321	476,328	558,743	397,735	412,714

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

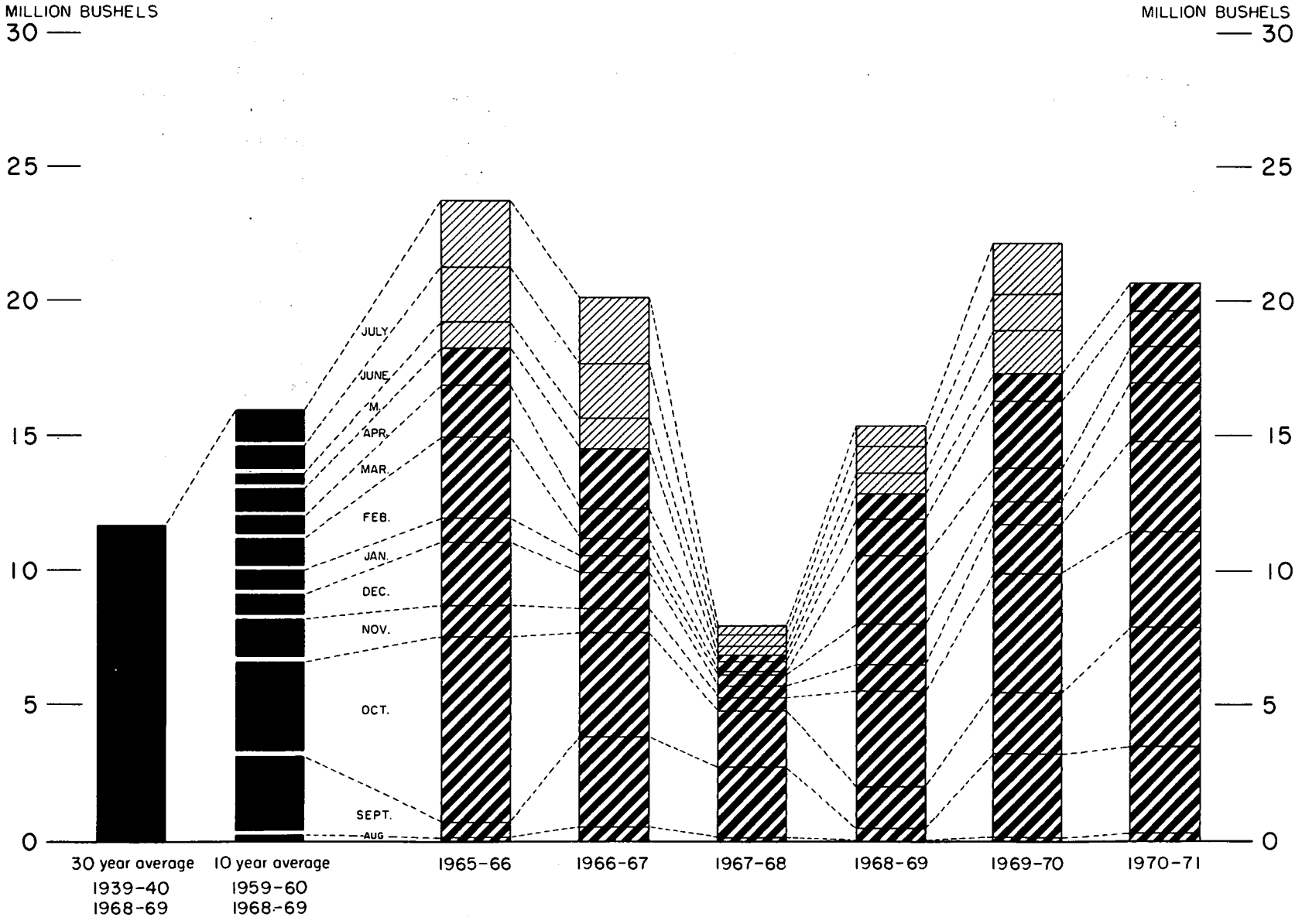
Monthly Prices of Oils(1) and Meals Crop Years 1968-69 — 1970-71

Year and month	Linseed oil	Rapeseed oil	Soybean oil	Linseed meal(2)	Rapeseed meal(1)	Soybean meal(1)
	cents per pound			dollars per ton		
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
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
May	11.41	11.54	14.47	120.20	65.22	108.88
June	11.70	11.68	13.96	119.80	67.12	111.59
July	11.89	11.60	14.02	120.80	71.60	112.02
Yearly average	12.63	10.60	12.90	119.90	66.11	108.00
1970-71						
August	11.00	11.92	13.87	119.80	72.78	115.48
September	11.18	12.16	14.53	120.40	73.84	113.66
October	11.37	13.15	15.95	119.80	66.79	104.00
November	10.89	13.27	16.43	120.80	66.63	101.70
December	10.72	12.53	14.64	120.80	66.06	105.81
January	11.18	12.68	14.92	120.40	65.70	108.38
February	11.08	12.38	14.42	119.60	63.25	101.75
March	11.04	13.00	14.84	120.20	57.68	100.75
April	11.32	12.44	13.61	120.80	56.08	94.82

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

FARMERS' MARKETINGS OF FLAXSEED, PRAIRIE PROVINCES

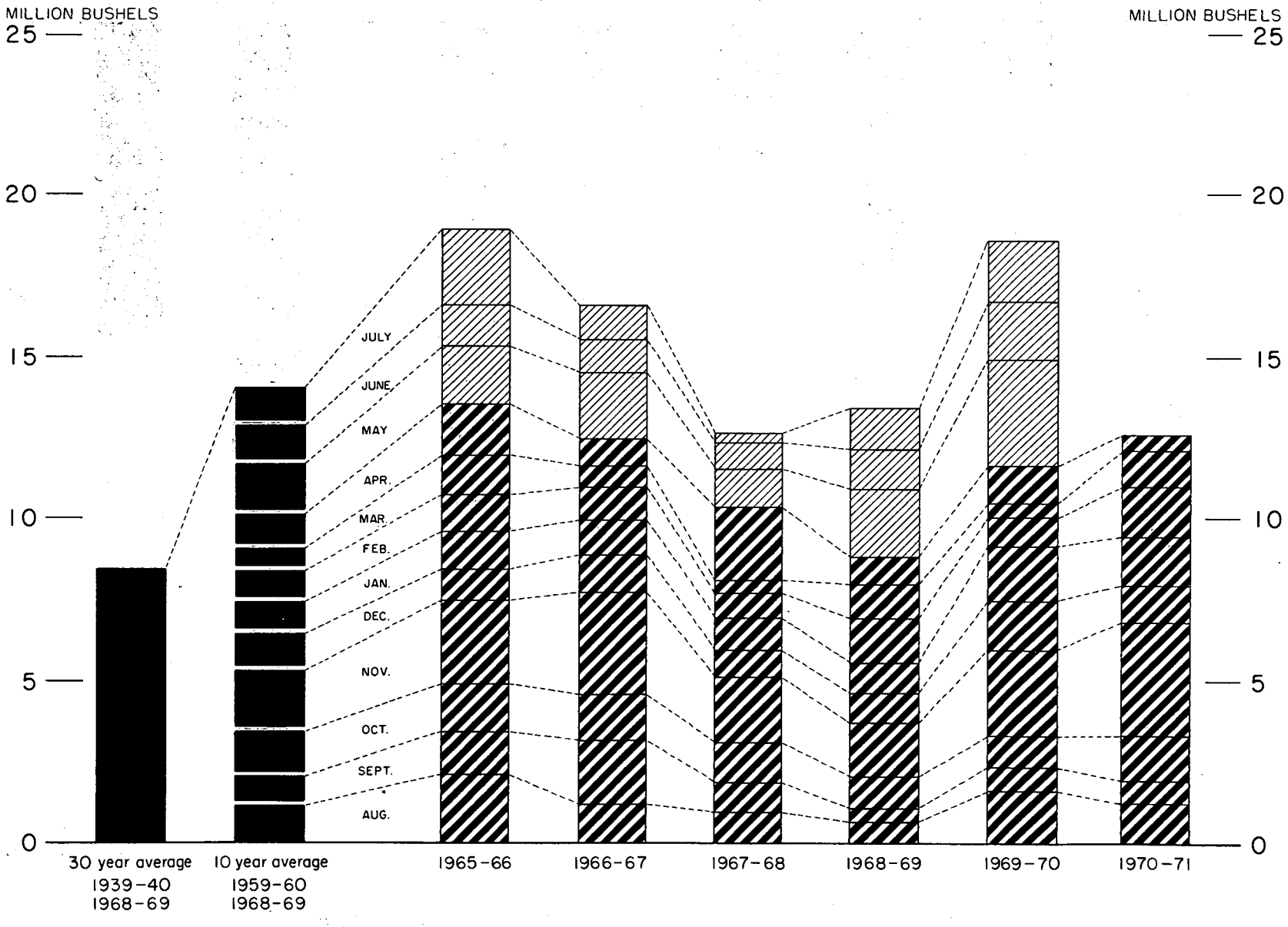
(SPECIFIED PERIODS)



Agriculture Division O.B.S.

EXPORTS OF CANADIAN FLAXSEED

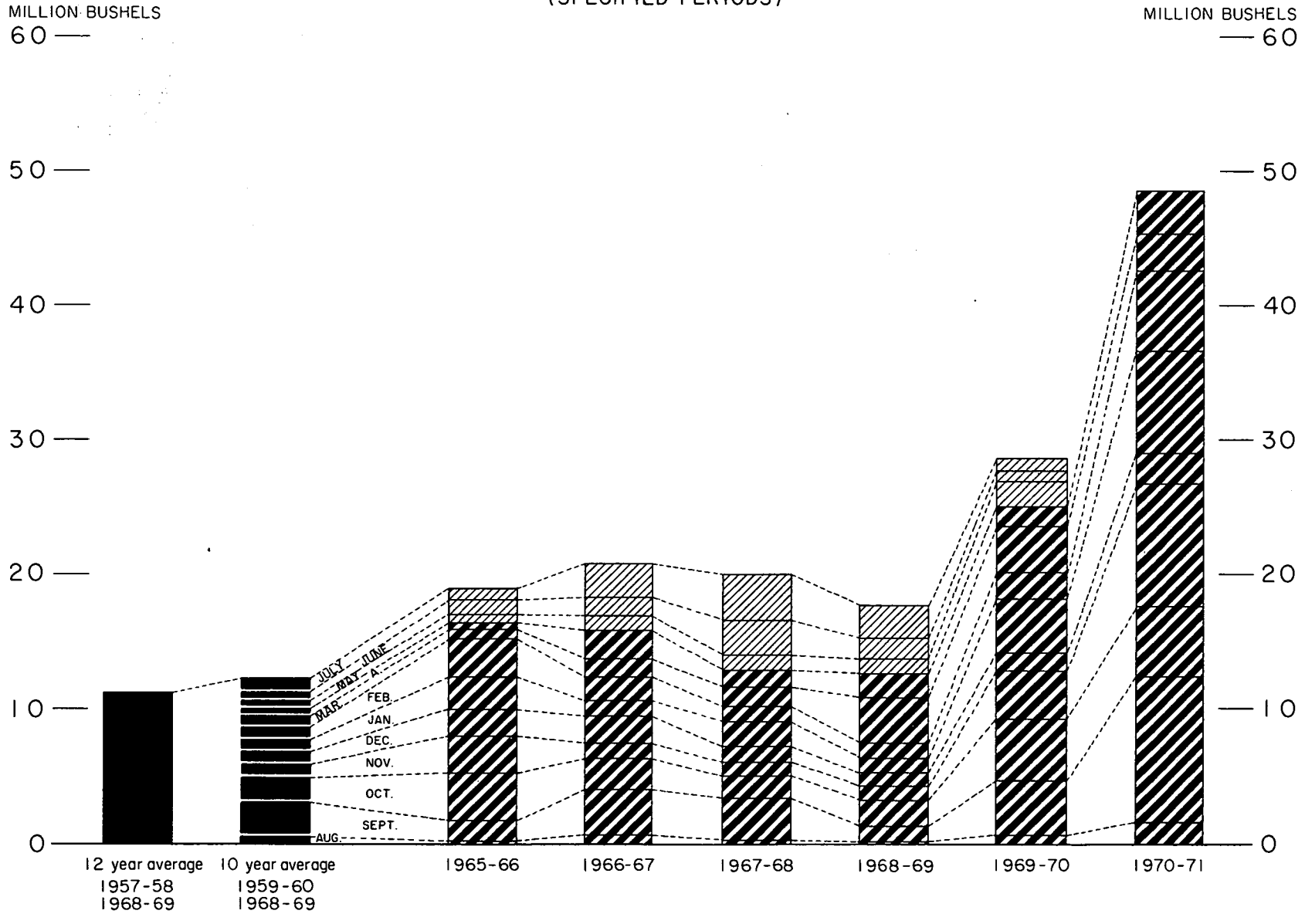
(SPECIFIED PERIODS)



Agriculture Division D.B.S.

FARMERS' MARKETINGS OF RAPESEED, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

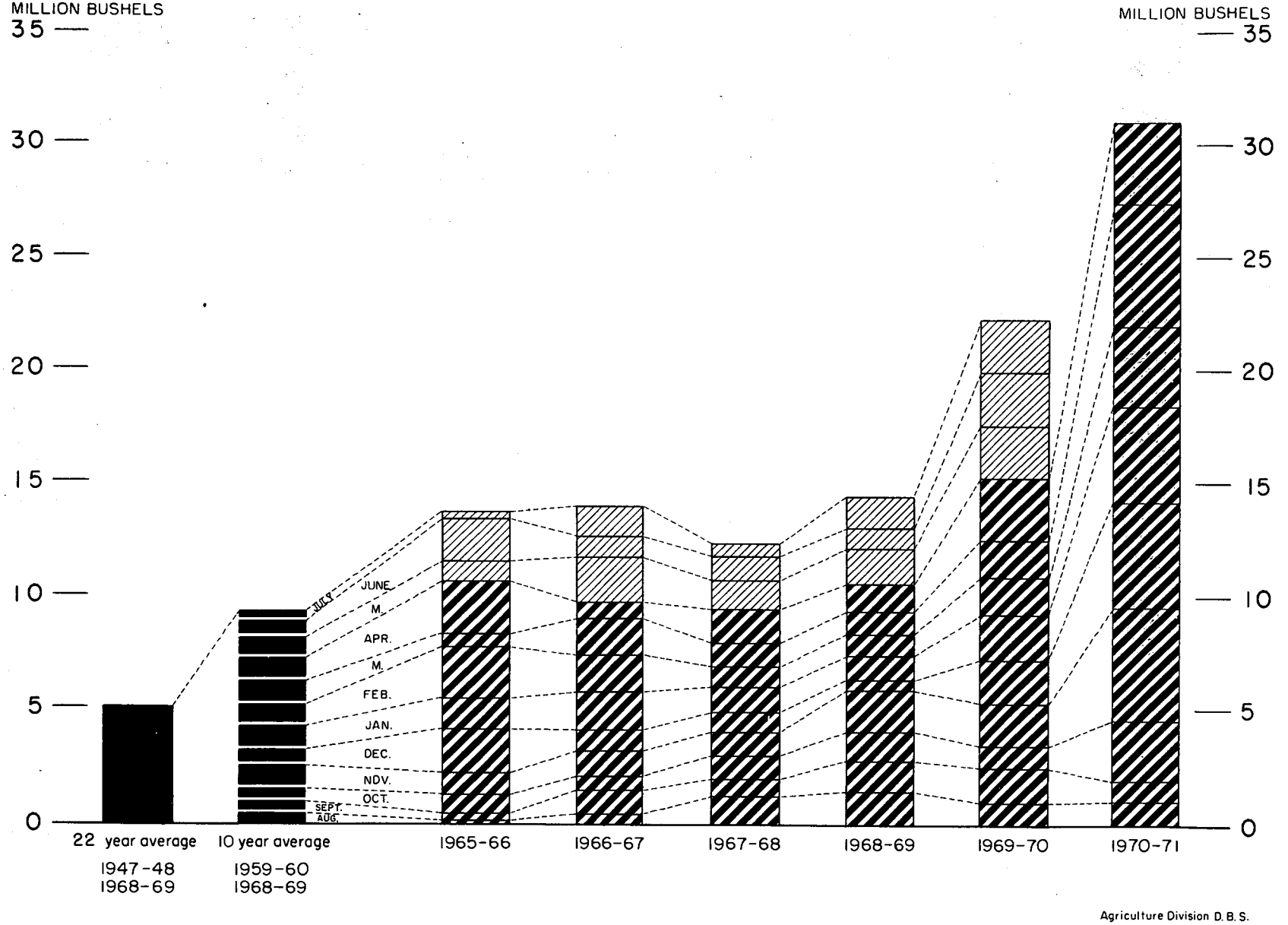


Agriculture Division D.B.S.

IV

EXPORTS OF CANADIAN RAPESEED

(SPECIFIED PERIODS)



Agriculture Division D. B. S.

Exports of Canadian Flaxseed(1) 1970-71 and 1969-70

Destination	February 1971	March 1971	April 1971	August — April	
				1970-71	1969-70r
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg	—	—	—	661,457	693,878
France	—	—	—	247,755	66,500
Germany, West	259,004	162,400	54,582	1,647,210	153,117
Italy	—	131,000	76,000	298,915	270,979
Netherlands	951,442	211,516	72,490	4,380,274	2,509,859
Sub-totals	1,210,446	504,916	203,072	7,235,611	3,694,333
Other Western Europe:					
Britain	197,946	—	—	938,560	2,070,408
Denmark	—	—	—	50,042	—
Finland	—	—	—	—	57,750
Greece	—	—	—	38,600	40,800
Norway	—	—	—	165,096	207,200
Spain	—	—	84,000	822,623	779,044
Switzerland	—	—	—	5,834	40,000
Sub-totals	197,946	—	84,000	2,020,755	3,195,202
Totals	1,408,392	504,916	287,072	9,256,366	6,889,535
Eastern Europe					
Czechoslovakia	—	—	—	191,170	96,700
Germany, East	—	—	—	—	194,042
Totals	—	—	—	191,170	290,742
Africa					
Morocco	—	—	—	—	119,338
Asia					
Israel	—	—	11,760	39,760	27,815
Japan	68,000	632,292	115,393	2,843,328	3,970,139
Korea, South	72,437	60,320	37,399	268,669	182,093
Totals	140,437	692,612	164,552	3,151,757	4,180,047
Oceania					
Australia	—	—	—	—	101,000
Western Hemisphere					
United States(2)	—	—	—	9	—
Totals, all countries	1,548,829	1,197,528	451,624	12,599,302	11,580,662

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

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

Exports of Canadian Rapeseed(1) 1970-71 and 1969-70

Destination	February 1971	March 1971	April 1971	August — April	
				1970-71	1969-70[r]
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg	—	—	—	—	303,520
France	509,272	535,584	—	1,917,737	—
Germany, West	669,760	317,184	521,026	3,574,890	966,869
Italy	564,032	890,536	398,272	3,060,663	194,911
Netherlands	1,114,848	803,712	357,479	6,650,625	1,618,875
Sub-totals	2,857,912	2,547,016	1,276,777	15,203,915	3,084,175
Other Western Europe:					
Britain	—	—	—	—	441,334
Finland	—	—	—	—	33,734
Norway	—	109,760	—	109,760	242,968
Sub-totals	—	109,760	—	109,760	718,036
Totals	2,857,912	2,656,776	1,276,777	15,313,675	3,802,211
Eastern Europe					
Czechoslovakia	—	573,196	—	785,996	414,995
Africa					
Morocco	—	—	—	—	167,248
Asia					
India	—	617,288	—	1,867,296	—
Japan	756,840	1,312,035	1,740,018	10,962,045	10,236,402
Korea, South	—	91,392	—	91,392	—
Pakistan	—	144,032	529,984	1,939,460	—
Totals	756,840	2,164,747	2,270,002	14,860,193	10,236,402
Sub-totals, all countries	3,614,752	5,394,719	3,546,779	30,959,864	14,620,856
Western Hemisphere					
Mexico	—	—	—	—	553,280
United States(2)	3,364	—	—	4,968	6,866
Totals, all countries	3,618,116	5,394,719	3,546,779	30,964,832	15,181,002

(1) Overseas clearances as reported by the Economics and Statistics Division of the Canadian Grain Commission. (2) Customs exports.

Customs Exports of Canadian Soybeans 1970-71 and 1969-70

Destination	February 1971	March 1971	April 1971	August — April	
				1970-71	1969-70
			bushels		
Western Europe					
EEC:					
Germany, West	—	—	—	44,288	44,790
Netherlands	—	—	—	555	1,576
Sub-totals	—	—	—	44,843	46,366
Other Western Europe:					
Britain	—	8,832	853	457,852	664,442
Sweden	6,142	2,684	—	21,336	16,642
Switzerland	—	—	—	1,852	815
Sub-totals	6,142	11,516	853	481,040	681,899
Totals	6,142	11,516	853	525,883	728,265
Western Hemisphere					
Leeward and Windward Is.	—	—	—	42	—
Trinidad and Tobago	—	38	—	38	—
United States	—	—	223	256	20
Totals	—	38	223	336	20
Totals, all countries	6,142	11,554	1,076	526,219	728,285

UNITED STATES SITUATION

The following summary of the fats and oils situation in the United States has been taken from the March 30, 1971 issue of the Fats and Oils Situation published by the Economic Research Service, United States Department of Agriculture.

Summary A smaller soybean supply is in prospect for the marketing year beginning September 1. A sharply reduced carryover next September should more than offset the production gains implied in farmers' planting intentions.

Farmers will plant a record 46.5 million acres to soybeans this year — based on their March 1 intentions — 3.2 million more than in 1970. If yields per acre are on trend, production would total around 1,250 million bushels, about a tenth more than in 1970. With a carryover next September 1 of around 75 million bushels, 1971-72 soybean supplies would be just over 1.3 billion bushels. The 1970-71 supply, at 1,366 million bushels, was 6 per cent below the previous year.

Thus, soybean demands in 1971-72 will have to be met from 1971 crop production, pointing to continued high prices. Of course, the demand and price for soybeans next season will also be influenced by world availabilities of competitive oilseeds and high-protein feeds.

U.S. farmers' planting decisions will be influenced by weather, soybean and corn prices, and supplies of blight-tolerant seed corn. Some further acreage shift to soybeans seems probable this spring in view of prospects for strong soybean prices.

Declining soybean supplies and increased demand have boosted farm prices more than 20 per cent above last season. Farmers' prices advanced from $2.66 per bushel in September 1970 to $2.92 in February 1971, averaging 50 cents above the same months of 1969-70. Prices will continue sharply above the spring and summer levels of 1970.

Soybean utilization during the current marketing year is estimated at 1.3 billion bushels, slightly above 1969-70 and about 14 per cent greater than the 1970 crop. The crush and export movement so far in 1970-71 is about in line with expectations.

Soybean crushings during September-February 1970-71 totalled 382 million bushels, compared with 356 million the previous year. Crushings for the entire season may reach around 775 million bushels, 5 per cent over 1969-70, reflecting the continuing buoyant demand for soybean oil and meal. Processing margins have declined from near 50 cents per bushel (based on spot prices for soybeans, oil and meal at Decatur) last September to about 13 cents in March. They averaged around 30 cents for the 7-month period compared with 56 cents a year ago. This reflects the sharp increase in soybean prices — without comparable gains in product prices — and a rise in crushing capacity.

Soybeans inspected for export from last September through March 26 totalled 259 million bushels compared with 253 million a year ago. Continuing good foreign demand for soybean oil and meal and increased processing capacity overseas for oilseeds are stimulating U.S. exports. Many foreign buyers may keep taking soybeans fairly steadily this year, in anticipation of reduced U.S. supplies in 1971-72. They realize too that world export availabilities of competing fats, oils and protein meals may not increase substantially before 1972. Soybean exports for the entire marketing year ending August 31 may total around 450 million bushels, about 5 per cent above the previous season's record.

U.S. soybean oil stocks (crude and refined) increased from 543 million pounds last October to 741 million pounds in February — about a third above a year ago. Oil stocks usually increase during these months, and some further build-up is likely this spring before a seasonal downturn. By next October 1 the carryover may be around 800 million pounds, about 250 million above last year.

While soybean oil stocks as such will be greater next fall, the total carryover (including soybean stocks on an oil equivalent basis) may drop nearly 50 per cent. The oil trade is apparently willing to carry bigger oil inventories, since CCC will be out of soybeans before the next marketing year and commercial soybean stocks will be low. Last year CCC marketed 70 million bushels of soybeans in September, helping to maintain crushings and exports during the month. Such reserves will not be available next September.

SITUATION IN SWEDEN

The following account of the current oilseed situation in Sweden has been extracted from a report by Mr. M.B. Bursey, Commercial Counsellor, Canadian Embassy, Stockholm, under date of June 10, 1971, and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

The preliminary estimate of the total 1970 Swedish oilseed crop stands at 190,600 metric tons, which is composed of 112,300 metric tons of autumn-sown rapeseed, 44,100 tons of spring-sown rapeseed, 22,200 tons of autumn turnipseed, 9,700 tons of spring turnip, and 2,300 metric tons of other oilseeds. Total yield dropped by 9 per cent as compared to the 1969 crop. The 1970 crop yielded much less than normal for autumn rapeseed, autumn turnipseed and white mustard seed.

The wintering 1970-71 crop of autumn-sown rapeseed and autumn turnipseed has been poorer than normal. Of the autumn-sown areas, 16 and 13 per cent, respectively, have been ploughed up again. Poor wintering has been caused by drought periods, the lack of protecting snow, and night frosts. The 1971 spring sowing took place at normal time and even earlier in some districts. Prospects for the spring-sown crops are normal and in some districts better than normal.

Preliminary oilseed prices according to the 1971 Agriculture Agreement are as follows: skrs 85.00 (Cdn. $16.57) per 100 kilos of normal quality (47 per cent oil content and 18 per cent water). This is skrs 2.00 (Cdn. 39 cents) more than 1970. It appears that 1971 prices will not be fixed until the summer when yields of the forthcoming crop can be better estimated.

Sweden exports substantial quantities of rapeseed and turnip rapeseed. In 1969, 101,969 metric tons (4,496,000 bushels) were exported at a total value of skrs 49.8 million (Cdn. $9.7 million). In 1970, 53,539 tons (2,361,000 bushels) were exported at a value of skrs 35.2 million (Cdn. $6.9 million) and in the January-March period of 1971 20,726 tons (914,000 bushels) at a value of skrs 14.4 million (Cdn. $2.8 million).

Imports of rapeseed and turnip rapeseed are insignificant. In general imports of oilseeds are rather limited — soybeans 3,491 metric tons (128,000 bushels) in 1970 and mustard seed 969 metric tons (43,000 bushels). The large imports are comprised of processed products such as crude or refined oilseed oils and concentrated oleaginous animal feed.

A new type of autumn rapeseed "Sinus" has been developed which has a lower

percentage of erucic acid than existing swedish types. "Sinus" was approved recently and a decision has made that all autumn sown rapeseed in 1971 will be of the "Sinus" type. Research and development work continues on better processes to extract more protein from domestic rapeseed for fodder purposes. Swedish rapeseed contains certain undesirable compounds. The Swedish Association of Oilseed Extractors are undertaking a number of tests to determine the correct proportion of sodium carbonate to be added in the extraction process in order to reduce the content of certain harmful compounds in rapeseed meal. A small extraction plant for continued research and development of rapeseed is being built which will have a capacity of 500 kilos seed (1,102 pounds) per hour.

SITUATION IN SPAIN

The following information concerning oilseeds in Spain has been extracted from a report by Mr. H.E. Lemieux, Commercial Counsellor, Canadian Embassy, Madrid, under date of April 25, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Oilseeds. — The Spanish Ministry of Agriculture has published an order in the Official State Bulletin of April 20, 1971 announcing subsidies for the production of oilseeds, equivalent to 50 per cent of the value of seeds used and 20 per cent of fertilizers. In addition to this, the guaranteed price for soybeans will be increased with a view to improving production techniques.

Producers of soybeans, sunflowerseed, safflowerseed and rapeseed will receive the following guaranteed prices from the National Grain Service.

Soybeans	875 pesetas per metric quintal (Cdn. $3.46 per bushel) during previous crop year the price was 850 pesetas ($3.35 per bushel)
Sunflowerseed	1,000 pesetas per metric quintal, unchanged at ($1.97 per bushel)
Safflowerseed	925 pesetas per metric quintal, unchanged at ($2.74 per bushel)
Rapeseed	1,000 pesetas per metric quintal, unchanged at ($3.29 per bushel)

The above prices will be increased by 5 pesetas per metric quintal (Cdn. 7 cents) during the period December to May.

These measures represent an effort to encourage cultivation and intensify production of oil seeds and oils derived from them.

Olive oil. — Spain is the largest olive oil producer in the world with an average production of 400,000 metric tons, accounting for approximately 40 per cent of the world production of this commodity. Spain is also the leading olive oil exporting country.

The current crop of olive oil is estimated at 475,000 tons. With local consumption standing at 280,000 tons, 195,000 tons will be available for export.

At the request of the International Olive Oil Council, a centre is to be established under the auspices of U.N.D.P. (special fund) for improvement and demonstration of olive oil production techniques, at a total cost of $2.1 million, half of which will be contributed by U.N.D.P. and the rest by the Spanish Government. At this centre experts from olive oil growing countries will be trained in production and processing.

SITUATION IN WEST GERMANY

The following account of the oilseed situation in West Germany has been extracted from a report received from Mr. R.B. Rossing, Commercial Officer, (Agriculture), Canadian Embassy, Bonn, under date of June 9, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Crop condition and outlook. — Once again the spring weather in West Germany cannot be described as normal. Winter crops, however, are still in an excellent condition which means that average yields will exceed those of the 1970 harvest. As West German farmers again expanded their rapeseed growing area by 5 per cent as against 1970, a record crop of 200,000 to 220,000 metric tons (8.8 million to 9.7 million bushels) of rapeseed can be expected for the harvest season to come. Evidence to this fact was also given through recent information published by the Ministry of Agriculture. The damage through winter killing was considerably smaller in 1970-71 as only 1.4 per cent of the acreage seeded to rapeseed was affected compared to 4.5 per cent in 1969-70. Also, the state of the rapeseed crop was rated better with 2.6 points as against 3.0 points at the beginning of May 1970.

Utilization of Canadian Exports of Oilseeds to West Germany

	August - March 1969-70		August - March 1970-71	
	metric tons	1,000 DM	metric tons	1,000 DM
Utilization for feed and food				
Linseed	172	94	11,372	5,102
Rapeseed	16,116	7,334	90,196	44,439
Mustard seed	2,850	1,515	5,498	2,412
Soybeans	918	349	1,211	511
Sunflower kernels	35	84	8	24
Sub-totals, feed and food	20,091	9,376	108,285	52,488
Technical utilization				
Linseed	8,190	4,265	22,083	9,621
Cakes				
Linseed cakes	—	—	5,340	1,902
Totals, oilseeds imports	28,281	13,641	135,708	64,011

Imports of oilseeds from Canada. — Imports of oilseeds from Canada showed a new record high for the crop year 1970-71 (August-July basis). In total, imports from August to March were almost five times larger in 1970-71 as against 1969-70.

A substantial share in the increased Canadian exports of oilseeds to Germany can be attributed to rapeseed, which showed an absolute increase of more than 74,000 metric tons (3,263,000 bushels) over the 1969-70 figures (+ 560 per cent). Second was linseed with an increase of more than 25,000 tons (984,000 bushels) for both feed and food, as well as for technical purposes. Imports of mustard seed almost doubled with 5,498 metric tons (242,000 bushels) in 1970-71 as against 2,850 tons (126,000 bushels) in 1969-70 (+ 93 per cent). Imports of soybeans also rose by 293 metric tons (11,000 bushels) although of very small importance in total imports of Canadian oilseeds into Germany. Only sunflower kernels, which generally form the smallest item in imports of oilseeds from Canada showed a decrease in 1970-71 as compared to 1969-70.

While the total volume of imports from Canada rose from 28,300 metric tons to 135,700 tons, an increase of 380 per cent, imports of oilseeds by value increased from 13,641,000 DM (Cdn $3,897,000; 1DM: 0.2857 Cdn$) to 64,011,000 DM (Cdn $18,288,000) or 369 per cent thus reflecting the effects resulting from harder competition and currency changes on the German import market for oilseeds.

General trend in imports. — Due to the high demand for feedstuffs following the below-average grain harvest 1970 in Germany the total volume of oilseed imports increased from 2.16 million metric tons in 1969 to 2.68 million metric tons in 1970. In contrast imports of oilseed cakes and meals remained relatively unchanged for 1969: 2.55 million metric tons, and for 1970: 2.62 million metric tons.

While imports of soybeans showed a marked rise with 2.07 million metric tons (76,059,000 bushels) in 1970 as against 1.40 million tons (51.441,000 bushels) in 1969 (+ 670,000 tons) all other oilseed varieties were of less importance for the German oil crusher. This was true particularly in the case of rapeseed of which only 60,000 metric tons (2,646,000 bushels) in 1970 were imported as against 136,400 tons (6,014,000 bushels) in 1969. Linseed also showed a significant downward trend from 131,000 metric tons (5,157,000 bushels) in 1969 to 89,200 tons (3,512,000 bushels) in 1970.

Commodity analysis. — Although West Germany's utilization of linseed from foreign resources considerably dropped in 1970 shipments of linseed from Canada almost doubled.

Deliveries from the USA reduced to less than a third of the 1969 level. Imports of linseed cakes and meals slightly increased thus reflecting the needs for utilization in mixed feeds which resulted from the smaller crushing volume within German oil plants. Most of the demand for linseed products could be covered by higher imports from South America, i.e. Argentina and Uruguay.

Similar to the trend on the linseed market rapeseed imports showed a rapid decline to even less than half of the 1969 volume. While imports of rapeseed from Canada sharply increased, Sweden and Poland could only export small quantities to West Germany as their rapeseed harvest had considerably dropped. About 24,000 metric tons (1,058,000 bushels) of the total West German harvest of 185,000 tons (8,157,000 bushels) were exported to Italy in 1970 as a processing premium was paid to Italian oil crushers under a special EEC scheme. On the other hand, imports of rapeseed cakes and meals from Italy rose by 27,000 metric tons to 48,000 tons. Imports of rapeseed oil only slightly increased, whereas exports again reduced.

Imports of mustard seed increased. The shift towards higher utilization of mustard seed from Canada continued with + 1,400 tons (+ 62,000 bushels) in 1970 or 45.7 per cent of total West German imports, whereas Danish imports were down 600 tons (26,000 bushels).

Due to the high demand of German oil crushers shipments of soybeans from the U.S.A. reached a new record high with 2,017,000 metric tons (79,405,000 bushels) in 1970. As a result German exports of soybean cakes and meals more than doubled.

Short-term trade outlook. — The latest available import figures reflect the high degree of utilization of rapeseed within the German oil crushing industry. Beside soybeans, rapeseed has proved to be a profitable business at this time of the year. As the crushers have met their dispositions no stimulus can be expected for the rapeseed business, until the beginning rapeseed harvest. Considering this factor and the plentiful supplies in Canada and other third countries a decline in prices for rapeseed is anticipated. Also, the enlargement of the rapeseed acreages in France, Sweden, Denmark, Poland and East Germany will have a bearing influence in prices. However, latest information about serious crop damage in East Germany indicates that a thorough evaluation of the crop prospects in major producer countries cannot yet be reasonably made.

Another uncertainty results from the recent currency measures, i.e. the floating of the Deutsche Mark. At this time it cannot yet be predicted whether the Brussels authorities will agree to a German border tax for agricultural products, which will certainly affect imports of oilseeds from Third countries. As the U.S. soybean production will be smaller than expected also positive aspects for the likely price tendency for rapeseed have to be considered.

Price trends. — At present, there is no demand for rapeseed which means that the following prices are offers C.I.F. Rotterdam:

	Rapeseed (Canada), 40 per cent of oil	Gulf/FOB/St. Lawrence Soybeans, U.S. No. 2	
	Canadian dollars per bushel		
August	3.21	3.49	3.45
September	3.21	3.50	3.48
October	3.19	3.39	3.41
November	3.10	3.39	3.41
December	not specified	3.42	
Jan./Feb./March	2.98	3.46/3.49/3.53	

Imports of Oilseeds, Cakes and Meals and Grains into West Germany

	1970 January-March	1971 January-March
	thousand metric tons	
Oilseeds		
thereof		
Soybean	434.8	529.2
Copra	47.2	54.2
Peanut	29.9	15.1
Palm kernel	16.6	22.7
Linseed	5.3	21.4
Sunflowerseed	18.8	9.9
Rapeseed	11.0	79.7
Others	19.3	17.0
Totals, imports	582.9	749.2

Imports of Oilseeds, Cakes and Meals and Grains into West Germany — Concluded

	1970 January-March	1971 January-March
	thousand metric tons	
Oil cakes and meals		
thereof		
Soybean	277.0	330.5
Copra	103.3	121.2
Peanut	23.5	34.1
Palm Kernel	67.4	65.1
Cottonseed	71.1	88.5
Linseed	52.0	55.3
Sunflowerseed	34.7	34.1
Rapeseed	17.2	17.1
Maizegerm meal	33.6	26.5
Others	21.9	22.3
Totals, imports	701.7	794.7
Grains		
thereof		
Corn	515.2	692.9
Brewing barley	231.6	306.9
Other barley	209.9	218.0
Oat	104.6	183.5
Sorghum	7.0	19.1
Rye	16.1	5.3
Wheat	438.4	424.2
Totals, imports	1,522.8	1,849.9

SITUATION IN THE EUROPEAN ECONOMIC COMMUNITY

The following account of the current oilseeds situation in the E.E.C. has been extracted from a report by Miss V.F. Wightman, First Secretary, Mission of Canada to the European Communities, Canadian Embassy, Brussels, under date of June 4, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

EEC compensatory tax on oilseeds and oils. — On May 25, the EEC Council for Agriculture adopted two regulations instituting a possible compensatory tax on low cost imports of oilseeds and oils. Unlike most other major agricultural sectors, the EEC market for oilseeds and oils is not protected by a variable levy; oilseeds enter duty-free and vegetable oils have a tariff of 9 to 15 per cent. Internal production of rapeseed and sunflowerseed, and also of olive oil, is protected by a type of deficiency payment. However, to prevent this system from becoming too onerous, a proposal was made some 18 months ago for a compensatory tax to prevent low cost imports from depressing the internal market, which would result in a greater competitive edge for margarine and vegetables oils over domestic butter and olive oil. This has now been adopted.

The regulation provides the basis for a compensatory tax on imports in accordance

with certain criteria: (a) import prices of one or several products and the outlook, particularly any sharp decline where they might displace Community production; (b) the volume of such low cost imports; (c) price developments within the Community market and (d) repercussions on domestic growers of an increase in imports of low-cost products and the risk of substitution. Any such action is decided by the Commission on the advice of the Management Committee for the oilseeds and oils sector. In the past, such a compensatory tax was applied to imports of sunflower seed oil from Eastern Europe, but its scope is now expanded to oilseeds.

EEC rapeseed prices unchanged. — At its meeting March 23-25, the EEC Council of Agriculture Ministers decided to carry forward unchanged the pricing for home-grown oilseeds:

Rapeseed and sunflower seed:

target price — $202.50 — per metric ton
support price— 196.50 — " " "

These prices apply to seed with a maximum of 2 per cent foreign matter, 10 per cent moisture content and to 42 per cent oil content.

The foregoing pricing is based at Genoa in Italy and varies in accordance with the distance from that city. For instance, in the French production area at Chartres, the support level for rapeseed is $183.60 per ton ($4.16 per bushel). These prices are assured by a type of deficiency payment which is paid to the crusher of domestic seed, which in turn permits him to pay a price higher than that prevailing in the market. There is also support buying if commercial outlets prove inadequate. The current level of payment to crushers (May 27) amounts to $78.45 per ton; for forward contracts, the rate would decline to $67.45 for July as the regular monthly mark-ups would not then apply to the new crop.

EEC production is centered largely in France and Germany, and the present system of pricing means that EEC seed cannot compete in price with imported seed in Italy. Therefore, in order to ensure outlets in Italy, Italian crushers receive a subsidy to cover the price difference. The Commission has made proposals for changes in the basis of pricing so as to remove this anomaly but the Council chose this year to continue as heretofore.

SITUATION IN THE UNION OF SOVIET SOCIALIST REPUBLICS

The following information relative to oilseeds in the Soviet Union has been extracted from a report by Mr. L.T. Dickenson, Assistant Commercial Secretary, Canadian Embassy, Moscow, under date of June 15, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Gross sunflower seed production in the Soviet Union reached a peak of 6.68 million metric tons (490.9 million bushels) in 1968 and then declined to 6.36 million tons (467.4 million bushels) in 1969 and 6.07 million tons (446.1 million bushels) in 1970. It is too early to predict the 1971 production, however, it is not expected to drop below the 1970 level.

The sunflower seed yield peaked in 1967 at 13.8 centner per hectare (616 pounds per acre); and then declined to 13.7 (611 pounds per acre) in 1968; 13.3 (594 pounds

per acre) in 1969; and 12.7 (567 pounds per acre) in 1970. We understand yield decline was accompanied by drop in oil content. Reason for yield decline was due to genetic problems as well as adverse weather conditions.

State purchases of sunflower seeds in million tons with million bushels in brackets: 1966 - 4.7 (345.4); 1967 - 4.9 (360.1); 1968 - 4.9 (360.1); 1969 - 4.3 (316.0); and 1970 - 4.6 (338.0). New five-year plan calls for state purchases to increase to 5.9 million tons (436.6 million bushels) by 1975. Commercial vegetable oil production in 1970 was 2.8 million tons some 5 per cent below 1969.

Exports of sunflower seed in 1968 were 361,300 tons (26,551,000 bushels) and declined to 345,300 tons (25,374,000 bushels) in 1969.

Exports of vegetable oil (sunflower seed oil) also peaked in 1968 at 770,400 tons (713,700) and then declined in 1969 to 695,000 (656,100).

Very little information is available on both cottonseed and cottonseed oil products and exports. Published statistics show Soviet exports of cottonseed oil to Japan in 1969 of 787 tons as compared to 1,191 tons in 1968. The 1970 crop of cotton reached an all-time record of 6.9 million tons. Therefore, 1971 figures for export of cottonseed and cottonseed oil may be somewhat higher, although they will represent only a small portion of the total oilseed and vegetable oil exports. Another bumper cotton crop is not expected this year as the 1971 cotton crop was planted one month later than usual due to adverse weather conditions.

The Soviet Union is a net exporter of oilseeds and vegetable oils. Prospects for imports from Canada are quite small. The real question is: How active will the USSR be in the International Market in spite of the lower production of sunflower seed in 1970. The state increased purchases from state and collective farms, therefore, sunflower seed available for processing into oil actually increased during the last quarter of 1970 as well as cottonseed production. The 1971 vegetable oil production will probably be above the 1970 level and therefore, the USSR will have more vegetable oil for export although not as much as in 1969 and 1968.

SITUATION IN FINLAND

The following information relative to the oilseeds in Finland has been taken from a report prepared by Mr. M.B. Bursey, Commercial Counsellor, Canadian Embassy, Stockholm, under date of June 14, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

The 1970 oilseeds crop in Finland was better in quality and quantity than in 1969. The only oilseed production estimates available are those for autumn-sown turnip rapeseed. The 1970 production was 10,200 metric tons, compared to only 8,100 metric tons in 1969. The average yield per hectare in 1970 was 1,550 kilos per hectare (27.7 bushels per acre), an improvement compared to the 1969 average yield of 1,470 kilos per hectare (26.2 bushels per acre). Some 6,600 hectares (16,000 acres) of arable land were used for autumn-sown turnip rapeseed.

Autumn rapeseed is not suitable for growing in Finland and very little if any spring turnip rapeseed of spring rapeseed is grown. The latter is only grown in the south because of the long growing season. White mustard is gaining prominence in Finland as a good supporting plant for peas. No yield figures for this crop are available.

Imports of Soybeans

	1969		1970		January-March 1971	
	Quantity '000 bu.	Value '000 $	Quantity '000 bu.	Value '000 $	Quantity '000 bu.	Value '000 $
Soybeans	1,571	4,591	1,655	5,216	1,150	3,822
Linseed	209	673	440	1,418	28	96
Rapeseed and turnip rapeseed .	278	625	285	938	(1)	3
Mustard seed	18	96	12	48	2	13

(1) Less than 500 bushels.

SITUATION IN POLAND

The following account of the current rapeseed situation in Poland has been extracted from a report by Mr. H.R. Wilson, Commercial Secretary, Canadian Embassy, Warsaw, under date of June 11, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

The harvest of this year's rapeseed crop in Poland will begin within the next ten days. The area under cultivation is approximately 330,000 hectares (815,000 acres) which is the same as in 1970. Growing conditions have been good to date and production is expected to be around 575,000 metric tons (25.3 million bushels) of dry seed. It is estimated that almost all of this quantity will disappear domestically and it is currently envisaged that only 30,000 metric tons (1,323,000 bushels) will be exported.

SITUATION IN AUSTRALIA

The following information relative to the Australian oilseed situation has been extracted from a report from Mr. R.A. Groundwater, Assistant Commercial Secretary for Canada, Melbourne, under date of June 9, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Production of oilseed. — Production of the principal oilseed crops grown in Australia from 1967-68 to 1970-71 is shown in the following table:

Production of Oilseeds

Oilseed	1967-68	1968-69	1969-70	1970-71
		tons		
Sunflower	3,650	500	10,000	23,000
Safflower	15,600	16,600	3,500	10,500
Rapeseed	—	480	4,900	35,300
Soybeans	1,500	1,500	5,000	2,320
Cottonseed	30,000	42,000	47,000	42,700
Peanuts	10,800	5,761	1,340	8,500
Linseed	10,482	19,650	29,580	24,035

One inherent difficulty in summarizing oilseed production is that the harvesting of summer crops occurs in the autumn (March to May), with different authorities using differing time periods in the reported production of a given year. In the above case, the production of sunflower, cottonseed and peanuts, which are harvested in 1971, is included in statistics for 1971-72. The estimated production of these three crops in 1971 is 74,800 tons (sunflower); 8,000 tons (peanuts); and 30,300 tons (cottonseed).

There has been a rapid increase in the production of both sunflower seed and rapeseed during the past few years, especially in the past season. Even though domestic production has been increasing rapidly, imports of vegetable oil continues to be an important feature of the industry. Imported quantities of oil have remained quite stable in the period 1965-66 to 1969-70, but there have been significant changes in the relative importance of individual oils.

About 30 per cent of the imports in 1969-70 consisted of oils, primarily palm derivatives, which are not produced in Australia. Other major imports consisted of oilseeds which were not produced in sufficient quantities in 1969-70. Total imports of vegetable oil in 1969-70 represented 69 per cent of the total oil available for edible and industrial use. Imports of oil which is produced in Australia is decreasing rapidly. It fell from 80 per cent in 1965-66 to 65 per cent in 1969-70, and the figure will decrease in 1970-71.

Rapeseed was grown extensively in 1970-71 by farmers in Victoria and New South Wales, with small experimental acreages in South Australia and Western Australia. Estimated acreage of rapeseed in New South Wales was a surprising 58,000 acres for the 1970-71 season with production in the vicinity of 25,000 tons. This figure appears to be very optimistic at this stage, but, regardless of yield, it does reveal that the crop can be successfully grown. Victorian producers planted some 70,000 acres in 1970-71, although harvested acreage was substantially lower. The final production figure for both States is approximately 35,000 tons of seed, a significant increase over the past season.

Small experimental acreages were planted in South Australia, but little was produced. Western Australian farmers planted a substantial acreage of about 10,000 acres to rapeseed, but production was only an estimated 2,800 tons.

The future for rapeseed production appears to be excellent, even though numerous farmers were disappointed with returns last year.

Victoria's acreage is expected to nearly double in 1971-72 with an anticipated contracted acreage of 120,000 acres by the major crusher in Victoria.

The acreage may be larger due to contracts being let by other companies, dependent to a degree on the cereal grain acreage. The New South Wales Department of Agriculture predicts that acreage could triple in 1971-72. This would mean that 150,000 to 200,000 acres could be planted to rapeseed. An important outlet for the rapeseed will be the Japanese market with contracts for this market accounting for much of the increased sowings.

The situation is not clear in South Australia and Western Australia, although Western Australia may plant up to 35,000 acres to rapeseed. However, farmers in South Australia appears extremely interested in producing the crop and, once again, the major outlet for the crop will be Japan.

Sunflower production is basically limited to Queensland and New South Wales. The estimated acreage planted in New South Wales is 212,000 acres, with most of the plantings being in the northern part of the State. The bulk of the crop has been harvested with estimates of 67,000 tons from an acreage of 195,000 acres. A large proportion of the crop was grown as a dryland operation with a wide range of yields. Some of the earlier crops were damaged by floods, supposedly reducing the oil content.

Queensland farmers planted an estimated 52,500 acres, with the majority of the crop planted on the Darling Downs. Some of the crops have been adversely affected by excessive rain and insect damage, but production is expected to be 13,500 tons. No accurate prediction can be made of the proposed acreages, as planting will not be made until late 1971 or early 1972. Acreages sown to this crop will probably increase although it is dependent on a large number of factors, such as, wheat acreage, climatic conditions and prices.

Safflower production is primarily concentrated in Queensland and New South Wales, although Victorian farmers experimented with the crop in 1970-71. The majority of the crop was planted in New South Wales, where acreage was estimated to be 50,000 acres, and a yield of 10,000 tons. Queensland suffered poor climatic conditions and little safflower was grown. Although 16,000 acres were sown in Victoria, production was minimal with the total Australian production estimated to be 10,500 tons. It is doubtful that safflower production will increase as rapidly as other oilseed crops, owing to the fact that better returns are obtainable from alternative crops which are less difficult to grow.

Soybeans have been grown principally in Queensland, although production is increasing in New South Wales. Previously, much of the crop was used for stock feed, but increasing quantities will be grown for oil. Production of soybeans in Queensland is expected to be approximately 8,700 tons from an acreage of 12,000 acres. These are record levels for both production and acreage. Production in New South Wales could reach 2,500 tons from 6,500 acres if the crop is harvested successfully, of which growers and plant breeders are confident, although the crop has not been completely satisfactory.

The linseed crop is grown throughout Australia, satisfying domestic requirements other than in exceptional years. Estimated total production in 1970-71 stands at 29,000 tons, including that grown in Western Australia and exported. Production of the crop will be somewhat less in the impending season with lower prices and fewer contracts available.

The supply of cottonseed and oil milling peanuts is not determined by the demand for oils. Production of cottonseed increased rapidly in the early 1960's, but has tended to level out and should remain relatively constant, although fluctuations will occur due to climatic conditions. Production is somewhat lower at 30,250 tons due to flooding and consequent reduction in the cotton crop. The quantity of peanuts available for crushing depends upon the size of the crop and the proportion of kernels rejected for edible purposes. Production of peanuts for oil is expected to be 8,000 tons. Both of these crops will decline in relative importance as production of other oilseed crops increases.

Summary. — Oilseed production increased dramatically in the 1970-71 season and it is expected that larger acreages will be devoted to oilseed crops in the next year. Rapeseed acreage will be substantially higher, with expectations of exporting seed to Japan.

SITUATION IN ARGENTINA

The following information relative to the Argentine oilseeds situation is taken from a report from Mr. L.D. Burke, Commercial Counsellor, Canadian Embassy, Buenos Aires, under date of June 8, 1971 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.

The production of peanuts for 1970-71 is estimated at 400,000 metric tons according to the second estimate issued by the Secretariat of Agriculture and Livestock. This estimate is 70 per cent higher than last year's production of 234,500 million tons and 33 per cent and 22 per cent higher than the averages of the last five- and ten-year periods, respectively.

The following table shows production by province in 1970-71 as compared with 1969-70:

	1969-70	1970-71
	metric tons	
Cordoba	231,200	384,000
Corrientes	900	7,200
Tucuman	950	6,600
Others	1,450	2,200
Totals	234,500	400,000

This increase in production was due to very favourable climatic conditions in the province of Cordoba, which accounts for 96 per cent of total production, and promotion policies to increase peanut production carried out by the governments of Corrientes and Tucuman.

SITUATION IN FRANCE

The following information relative to oilseeds in France is extracted from a report provided by Mr. F.G. Beaudette, Agricultural Secretary, Canadian Embassy, Paris, under date of June 11, 1971, and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Production and trade of seeds in 1970 and 1971. — At April 30, French growers had delivered 581,550 metric tons (25,642,000 bushels) of rapeseed and 48,760 metric tons (3,583,000 bushels) of sunflowerseed, accounting for the entire 1970 harvest of these two oilseeds. With 519,100 tons (22,888,000 bushels) of rapeseed and 40,900 tons (3,006,000 bushels) of sunflowerseed already sold to processors or exported, stocks remaining at April 30 were down to 62,400 tons (2,751,000 bushels) and 7,900 tons (581,000 bushels), respectively. Out of the 1970 rapeseed harvest, over 350,000 metric tons (15,432,000 bushels) will have been crushed in France with a small percentage of the oil going to Algeria. The remaining 200,000 tons (8,818,000 bushels) plus of seed will have been exported as seed mainly to Italy, some to Algeria, Germany and Benelux.

Following are the May 1st estimates of oilseed plantings for 1971 harvest, compared with the provisional final figures for 1970.

	1970	1971 May 1 estimate
	thousand acres	
Winter rapeseed	697	682
Spring rapeseed	109	99
Totals, rapeseed	805	781
Sunflowerseed	63	59
Flaxseed (oil varieties)	6	7
Others	17	12
Totals, oilseeds	891	860

The vegetative state of the winter rapeseed is generally average to good. Spring varieties were seeded under excellent conditions, but the dry weather delayed germination. Harvest of the winter types will start in July as usual.

The crop should again approximate the 600,000 metric ton level (26,455,000 bushels) of which French crushers will probably buy as much as 450,000 tons (19,841,000 bushels) leaving only some 150,000 tons (6,614,000 bushels) for export, mainly to Italy. On the other hand, if French crushers continue to import Canadian rapeseed into the new crop year as appears to be the case, more French-grown rapeseed will be available for export during 1971-72. There is a question mark about the future of French exports to Algeria, as relations between the two countries remain tense. The Algerian National Oils and Fats Society could turn to Canada and/or Poland for its requirements in rapeseed and rapeseed oil.

It appears that French crushers have increased their usage of rapeseed in recent months. If crushing statistics were compiled on a crop year basis, it is probable that close to 450,000 tons (19,841,000 bushels) of rapeseed will have been processed in France during 1970-71 about 350,000 tons (15,432,000 bushels) domestic and 100,000 tons (4,409,000 bushels) Canadian. Again this was due to the groundnut (peanut) shortage and the lack of sun oil offerings from the Eastern bloc.

Crushing activities in 1970. — In 1970, the French oilseed crushing industry processed 1,286,460 metric tons of seeds and beans compared with 1,015,906 tons in 1969. As can be seen in the following table, the large increase in soybean use (mainly due to the activities of the new Soya-France plant at St Nazaire) more than offset the reduced crushings of peanuts.

Crushings

	1969	1970
	thousand pounds	
Peanuts	1,006,850	695,538
Soybeans	100,949	932,332
Rapeseed	763,325	750,946
Sunflower	16,909	43,576
Castorbeans	22,774	41,923
Flaxseed	88,956	126,088
Copra (coconuts)	143,866	107,796
Palm nuts and kernels	80,470	131,231
Others	15,569	6,700
Totals, all seeds and beans	2,239,666	2,836,130

Oilmeal production, trade and consumption in 1970. — Again thanks to the opening of the new soya plant at St Nazaire, French production of oilseed meals and cakes increased markedly from 1969 to 1970. Imports also increased by some 100,000 tons to 1.36 million tons, while exports dropped 42,000 tons to 108,000 tons. Total French consumption thus exceeded 2 million tons in 1970. Details appear in the following table, but it is worth noting that in 1970 France still imported two-thirds of its oilmeal requirements, compared with 76 per cent in 1969.

Oilseed Meals & Cakes - France

	Production	Imports	Exports	Consumption(1)	
	1970	1970	1970	1970	1969
		metric tons			
Peanuts	162,480	243,264	16,387	384,461	381,147
Flaxseed	35,603	130,195	1,406	163,667	156,642
Copra and palm nuts-kernels .	45,899	10,872	2,095	58,184	53,402
Soybeans	338,322	843,313	8,818	1,167,468	834,958
Rapeseed	182,235	5,673	65,158	115,750	85,137
Sunflowerseed	7,867	58,827	198	65,703	64,259
Castorbeans	9,698	23,337	—	32,821	33,592
Others	1,966	47,068	13,916	35,118	44,943
Totals	784,070	1,362,549	107,978	2,023,172	1,654,080

(1) Due to stock adjustment figures, the calculations production plus imports minus exports do not quite add up to the consumption statistics which do take into account the change in stocks during the year.

Edible vegetable oil production in 1970, as declared by members of the National Crushers Federation, was 494,000 metric tons compared with 519,000 tons in 1969. Peanut oil output decreased from 324,000 tons in 1969 to 281,000 in 1970, while other oils increased from 195,000 to 213,000 tons.

Oils and fats consumption in 1970. — The average French person consumed in 1970 25 kilos of oils and fats, roughly broken down as follows: 10.5 kilos liquid oils, 9.5 kilos butter, 3.5 kilos margarine and 1.5 kilos tallow. This per capita consumption represents approximately 520,000 tons of liquid oils; 490,000 tons of butter; 150,000 tons of margarine and 80,000 tons of edible tallow.

Rapeseed oil controversy. — A number of articles concerning rapeseed oil and its effects on small laboratory animals during research experiments have appeared in the French press. The erucic acid content of the oil is blamed for the reported ill-effects. The French oilseed growers and processors are increasingly worried by what they consider an organized campaign based on very incomplete research with premature publication of results. Oilseed experts here feel there are probably three interest groups behind this campaign (a) researchers released their preliminary findings in the hope that the resulting outcry would bring them more funds to continue their works, funds which they may not get otherwise, (b) consumer groups who have previously attacked butter, beet sugar, insecticides among other products, and (c) commercial interests of crushers using competing oilseeds or nuts. To combat this damaging campaign, the oilseed people here believe that it is necessary to intensify research

to be financed jointly by the CETIOM (Domestic Oilseed Technical Study Center), the Health and Scientific Research Department, and the National Agronomic Research Institute, to answer the charges through the mass-media, and also to work towards the establishment of closer ties between professionals in countries producing and/or utilizing rapeseed.

Prices. — The Association Générale des Producteurs d'Oléagineux (AGPO) — (Oilseed Growers Association) claims to have prevented a reduction in rapeseed prices in Brussels. However, though not increased in terms of the EEC, French rapeseed prices are due to go up by 10.5 per cent to come back in line with Community indicative and intervention levels (in terms of U.C.'s or US dollars, French prices had been lower since devaluation). Thus the basic indicative price will be 1,120 francs per metric ton ($4.64 per bushel), the lowest guaranteed price (or intervention at Châteauroux) 1,000 francs per ton ($4.15 per bushel) and the average minimum to the producer around 1,030 francs ($4.27 per bushel). There is still no trading on the Paris market for 1971 crop rapeseed or sunflowerseed.

As is the case for cereals, the government intends tc take back from the producers some of the price increase for rapeseed resulting from devaluation. Like the cereal growers, the oilseed people are not opposed to a form of hold-back as long as the money collected is put into a solidarity fund to be used by the profession for research, promotion, etc. or for assistance to less fortunate sectors of agriculture.

SITUATION IN NEW ZEALAND

The following information relative to the oilseeds situation in New Zealand has been extracted from a report from Mr. M.J. Hladik, Assistant Commercial Secretary, Canadian Embassy, Wellington, under date of May 31, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce. All values in Canadian dollars converted at NZ$1.00 = CDN$1.14.

Except for minor experimental plots, there is no oilseed production in New Zealand. Although climatic conditions would appear to be conducive to such cool weather crops as rapeseed, to date there has been little interest in this crop, except as winter forage for sheep. Furthermore, there are no sizable crushing facilities in the country and all vegetable oil requirements are imported, and in the form of oil.

During the year July 1969 to June 1970, total imports of unrefined vegetable oils were worth approximately $1,860,000. Of this total, soybean oil ($702,000 C.I.F.) and peanut oil ($369,000 C.I.F.) comprised the bulk of the trade. Statistics on rapeseed oil are not separately available. Imports of rapeseed, colza and mustard oils combined, were valued at $121,000 C.I.F. The Netherlands is the largest supplier of both soybean oil and peanut oil. No imports of any form of vegetable oils are recorded for Canada.

New Zealand's demand for vegetable oil is limited by several factors. With a population of only 2.8 million people, and with ample supplies of high quality and very low cost butterfat, New Zealand has a small requirement for cooking oils. Furthermore, due to pressures from the dairy industry, sales of margarine made from vegetable oils are banned. Since butter regularly retails for $0.32 per pound, it is doubtful if margarine production would be economically feasible even if controls did not exist. There are also quantitative restrictions in the form of import licensing on all edible

oils. As import licensing creates an artificial and non-competitive market situation, holders of licenses tend to be loyal to traditional sources of supplies, virtually regardless of cost. Unless a reasonably close supplier can offer very favourable prices and/or superior quality, inducements to change sources and opportunities to penetrate the market are limited. There is no interest whatsoever in Canadian sources of supply.

New Zealand is a net exporter of all types of animal fats, importing only occasionally when supplies of specific kinds are short. Animal fat production for the year ending March 31, 1969 totalled 1,928,000 cwt valued at $10,700,000. Of this total, 274,000 cwt valued at $1,850,000 was classified as edible beef tallow with the remainder of production falling under a classification of inedible tallow and "other". The bulk of this would be beef and mutton fats, with only small amounts of lard being produced. A large proportion of the production is exported.

Dairying and butterfat production in New Zealand are based primarily on the British market. In 1968-69, 662 million pounds of butterfat were produced, of which 486 million pounds were in the form of butter. Of this latter total, approximately 383 million pounds were exported to the United Kingdom during the exporting year 1968-69.

Butterfat production in the past two years has declined slightly from the levels achieved in 1968-69. Estimated output for the 1970-71 year ending May 31 is 612 million pounds. In the short term, the importance of the British market remains unchanged. However, the results of the present negotiations concerning entry of the United Kingdom into the E.E.C. cannot be predicted. The outcome of the E.E.C. negotiations and their effect on total dairy exports to the United Kingdom and local production, is the most important single factor which could effect the local animal fats situation as well as the future of both agriculture and New Zealand's economy.

Rotterdam The following information relative to bonded stocks of linseed oil in storage, Rotterdam has been supplied by Mr. J. McAnsh, Executive Director of the Rapeseed Association of Canada.

Rotterdam Linoil Stocks, February 27 — June 5, 1971

Week ending	Stocks		Week ending	Stocks	
	metric tons	thousand pounds		metric tons	thousand pounds
February 27, 1971 ...	7,525	16,589	May 1, 1971	20,023	44,143
			8	26,337	58,063
March 6	9,154	20,181	15	23,291	51,347
13	19,224	42,381	22	24,552	54,127
20	22,585	49,791	29	22,437	49,465
27	20,535	45,271			
			June 5	21,469	47,331
April 3	18,730	41,292			
10	17,445	38,459			
17	23,395	51,577			
24	21,433	47,251			

CALENDAR OF OILSEED EVENTS

April 10 The 1971 season of navigation opened at the Canadian Lakehead. In 1969 the season opened on April 8. This year's severe ice conditions seriously delayed the shipping season through Thunder Bay until April 22 and was one of the latest on record since the completion of the St. Lawrence Seaway in 1959.

June 8 A report from Mr. L.D. Burke, Commercial Counsellor, Buenos Aires, stated that the production of peanuts in Argentina for 1970-71 is estimated at 400,000 metric tons according to the second estimate issued by the Secretariat of Agriculture and Livestock.

16 The Canadian Wheat Board in its Instructions to the Trade re quotas - rapeseed announced that effective immediately, at all delivery points within the designated area, the regular quota of thirty (30) bushels per quota acre of rapeseed as indicated in our Instructions to the Trade re Quotas — Rapeseed No. 12 of May 5, 1971, is hereby increased to forty (40) bushels per quota acre of rapeseed as shown in the individual producer's permit book.

All deliveries under this authorization must be properly recorded in the producer's delivery permit book on Page 11 and, as previously stated, producers may deliver rapeseed within existing quotas to any delivery point selected by them at which elevator space for rapeseed is available.