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S Y M B O L S

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..	figures not available
—	nil or zero.
p	preliminary figures.
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WORLD SITUATION

World Production of Oils and Fats in 1972 Forecast at Record 43.55 Million Tons — Up 4.5 Per Cent

The following extract is taken in part from the January 31, 1972 issue of World Production and Trade published by the Foreign Agricultural Service, United States Department of Agriculture. World production(1) of oils and fats in 1972 is forecast at a record 43.55 million metric tons. This is 1.87 million tons or 4.5 per cent above calculated production in 1971. This rate of increase was exceeded only by the 6.4 per cent increase in 1971, which was the largest percentage gain in more than a decade. These unprecedented consecutive increases reflect foreign producer response to above-average prices for vegetable oils which began in late 1969, continued throughout 1970, and peaked in 1971.

Production in the United States (based largely on crops harvested in 1971) may rise only by about 235,000 tons — or 2.2 per cent — while production in foreign countries will gain by 1.6 million tons or 5.2 per cent. In 1971 the increase in the United States was 189,000 tons, or 1.8 per cent, and in foreign countries 2.3 million tons, or 8.1 per cent. The average annual increase in U.S. production during the 10-year period 1962-71 was 3.1 per cent, with the sharpest gain in this period 7.6 per cent in 1966.

The palm oils are expected to account for about 20 per cent of the total net increase in all oils. Major gains will be due to sharply increased production of palm oil as such and to coconut oil.

The decline of about 350,000 tons or almost 20 per cent in industrial oils this year is due almost entirely to the drop in linseed oil production. This loss may be even greater than calculated here, since an increasing quantity of flaxseed is being used as whole seed in compound feeds.

Little overall changes are foreseen in 1972 production of animal fats and in marine oils compared with last year's tonnages.

Edible vegetable oils. — Production of edible vegetable oils in 1972 is forecast at an alltime high of 22.48 million metric tons. This represents an increase of 1.67 million tons or 8 per cent from 1971 and is sharply above the average annual increase of 5 per cent during the previous decade (1962-71). Moreover, it is the largest increase since 1962. All edible oils with the exception of sesame oil are expected to be above last year's levels with the largest increase foreseen in sunflowerseed oil, followed by soybean oil, peanut oil, rapeseed oil, cottonseed oil, and olive oil, in that order. Soybean oil alone accounts for almost 30 per cent of the total edible liquid oils.

World production of cottonseed oil in 1972 is forecast at 2.56 million metric tons, 190,000 tons or 8 per cent above calculated 1971 oil production and the largest tonnage in more than a decade. The United States is expected to account for about one-fourth of the oil produced and for about one-fifth of the estimated world increase from 1971 production.

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(1) Oil production data published by FAS are calculated figures, based on assumed oil yields of crops for crushing and not on actual crushings.

Oils and Fats (oil or fat equivalent): Calculated World Production, Annual 1963-71 and Forecast 1972(1)

Commodity	1963	1964	1965	1966	1967	1968	1969	1970	1971(2)	Forecast 1972
	thousand metric tons									
Edible vegetable oils(3)										
Cottonseed	2,295	2,400	2,505	2,545	2,220	2,155	2,485	2,375	2,365	2,555
Peanut	2,910	3,005	3,290	3,195	3,205	3,310	3,020	3,175	3,610	3,900
Soybean	3,810	3,880	3,905	4,585	5,000	5,215	5,840	5,960	6,155	6,480
Sunflower	2,380	2,290	3,130	2,965	3,495	3,705	3,705	3,780	3,570	3,995
Rapeseed	1,060	1,120	1,460	1,415	1,665	1,850	1,475	1,855	2,415	2,700
Sesame	570	575	610	565	545	600	565	595	715	670
Safflower	205	215	185	200	255	265	175	220	235	305
Olive(4)	925	1,700	1,005	1,235	1,205	1,335	1,385	1,250	1,445	1,565
Corn	215	235	245	255	260	255	270	280	300	310
Totals	14,370	15,420	16,335	16,960	17,850	18,690	18,920	19,490	20,810	22,480
Palm oils(5)										
Coconut	2,130	2,270	2,135	2,260	2,165	2,150	2,040	2,110	2,400	2,550
Palm kernel(6)	405	410	435	425	355	365	385	410	465	500
Palm(6)	1,350	1,355	1,385	1,420	1,270	1,405	1,570	1,790	2,015	2,250
Babassu kernel(7)	45	52	54	66	52	65	101	102	107	110
Totals	3,930	4,087	4,009	4,171	3,842	3,985	4,096	4,412	4,987	5,410
Industrial oils										
Linseed	1,105	1,065	1,080	1,080	950	785	920	1,140	1,245	870
Castor	285	360	335	325	370	365	365	330	325	345
Oticica	5	17	12	18	2	29	2	16	—	10
Tung	115	137	149	126	149	125	130	117	128	120
Olive residue(8)	98	124	98	117	134	146	148	115	141	147
Totals	1,608	1,703	1,674	1,666	1,605	1,450	1,565	1,718	1,839	1,492
Animal fats										
Butter (fat content)	3,970	4,040	4,300	3,900	4,000	4,050	4,000	3,850	3,900	4,000
Lard(9)	3,905	3,740	3,910	3,930	4,070	4,065	3,960	4,005	4,230	4,120
Tallow and greases	3,600	3,895	3,790	3,900	4,180	4,250	4,255	4,425	4,620	4,770
Totals	11,475	11,675	12,000	11,730	12,250	12,365	12,215	12,280	12,750	12,890
Marine oils										
Whale	267	226	198	115	103	92	76	69	69	60
Sperm whale	135	150	154	146	150	122	130	140	128	120
Fish (including liver)	616	759	786	895	1,112	1,110	914	1,052	1,095	1,100
Totals	1,018	1,135	1,138	1,156	1,365	1,324	1,120	1,261	1,292	1,280
Grand totals	32,401	34,020	35,156	35,683	36,912	37,814	37,916	39,161	41,678	43,552

(1) Years indicated are those in which the predominant share of the given oil was produced. (2) Preliminary. ((3) Revised series for most commodities except olive and corn oils. (4) Excludes olive residue oil. (5) Estimated on the basis of exports and information available on consumption in the various producing areas. (6) Revised series. (7) Mill production 1963-65 only. (8) Includes quantitites of refined oil for edible purposes. (9) Rendered lard only in most countries.

A record volume of peanut oil will be produced in 1972. At the present estimate of 3.9 million metric tons, world oil production would exceed last year's output by 8 per cent or 290,000 tons. All the estimated net increase can be attributed to larger 1971 peanut crops in Nigeria and Senegal, which together account for 50 to 60 per cent of the world's exports of peanuts and peanut oil. This represents a complete reversal of the situation in 1971, when over one-half of the increase from a year earlier was due to India — not a significant exporter — and production in West Africa was down sharply.

Again in 1972, as in the last 8 years, world production of soybean oil will reach a new peak. The oil equivalent of the world soybean crop (the 1971 crop for the Northern Hemisphere countries and the 1972 crop for Southern Hemisphere countries) should total about 6.5 million tons of oil compared with 6.16 million tons in 1971 and 6.0 million tons in 1970. Over 80 per cent of the world total will be oil from U.S. beans and the remaining 20 per cent from foreign beans, largely those of Mainland China, Brazil, and the Soviet Union. And about 207,000 tons of the estimated 325,000 ton gain from 1971 will be in oil from the U.S. crop. (The entire series of world soybean oil figures has been revised downward in this report because the rate of oil extraction has been changed to 17.7 per cent for all countries, whereas previously 17 per cent had been used for foreign countries and 18.3 per cent for the United States).

The 1971 soybean harvest in the United States reached an alltime high of 31.8 million metric tons (1.17 billion bu.), 1.24 million tons or 4 per cent above the 1970 crop of 30,583 million tons (1.12 billion bu.). Harvested acreage at 42.4 million acres was up nearly 1 per cent from a year earlier; and the yields, also a record high, was 27.6 bushels compared with 26.7 bushels in 1970 and the previous high of 27.5 in 1969.

On the basis of fragmentary information, soybean acreage and production estimates in Mainland China have been maintained at the previous year's levels of 6.9 million bushels and 19.8 million acres — estimates that were likewise based on very limited information.

Plantings for Brazil's 1972 crop (1972 oil) are believed to have increased substantially above a year earlier — possibly by around one-third. Assuming average weather, the crop could set a new record of 2.8 million tons (over 100 million bushels) compared with the previous record of 2.1 million tons in 1971. The sharp increase in plantings was in response partly to earlier financing by the government and partly to the Government's 46-per cent increase in the new minimum support price for soybeans. Primarily, however, growers responded to the good 1971-72 soybean prices. Also, their net returns from soybeans in comparison with returns from alternative crops are said to be quite satisfactory. In Rio Grande do Sul and Parana, soybeans are generally grown in rotation with wheat, and wheat acreage has been expanding. In addition to greater plantings in these regions best suited to wheat/soybean rotations, soybean acreage was expected to benefit substantially from decreased producer interest in cotton and rice. Brazil's soybean exports in 1971 probably declined for the third successive year, but meal exports probably were up sharply.

Estimates are not yet available on soybean acreage and production in the Soviet Union for 1971. Reports in June indicated that planting conditions in two of the three major producing oblasts of the Far East, where the bulk of the soybeans are grown, were not particularly favourable. In Amur Oblast there was too much precipitation in April and May, while in Khabarovsk the weather was cold and rainy and plantings were later than last year. Production in 1970 was 690,000 tons.

World production of sunflowerseed oil in calendar 1972 is forecast to increase to a record 4.0 million tons — about 425,000 tons or 12 per cent above the estimated 1971 volume. Estimates of larger 1971 crop harvest in Romania, the USSR, Spain, France, Hungary, Bulgaria, Canada, Mexico, and the United States, as well as forecasts of sharp expansion in 1972 crop harvests in Argentina and Australia, account for most of the increase. The overall expected increase in output reflects expanded acreage in a number of minor producing countries listed above as well as some recovery in yields in certain major producing countries. The increase in output will have dual effects — raising exports in the net exporting countries as well as to some extent lowering import requirements in the net importing countries.

The expected increase in sunflowerseed oil production in 1972 could reverse the trend of diminishing relative importance for sunflowerseed oil in world trade which has persisted since 1967. In 1971, sunflowerseed and sunflowerseed oil on an oil basis accounted for only about 7.5 per cent of world exports of edible vegetable oils including palms, against 10.7 per cent in 1970, 15.4 per cent in 1969 and more than 16 per cent in 1967 and 1968.

During the 1960's, world production of sunflowerseed oil trended upward by about 225,000 tons annually while exports increased by 125,000 tons per year.

Rapeseed oil production in 1972 is forecast at 2.7 million tons, 12 per cent higher than the record 2.41 million tons produced in 1971. The increase of over a quarter of a million tons is expected from Canada's record 1971 harvest and the larger rapeseed crops indicated for most major producing countries in 1972.

Rapeseed production in Canada in 1971 reached a record 2.23 million tons (98.5 million bushels), exceeding by 36 per cent the 1.64 million tons (72.2 million bushels) produced in 1970. Acreage planted to rapeseed totalled 5.48 million acres, a gain of 1.42 million or 35 per cent from the area planted in the previous year. Yield per acre, averaging 18 bushels, increased slightly from the 1970 average of 17.8 bushels.

About 400,000 acres were planted in Canada in 1971 to new varieties of rapeseed low in erucic acid. A major portion of the rapeseed area in 1972 is expected to be planted to the low erucic types. According to an estimate presented at Canada's Outlook Session in November, at least 2.8 million acres will be required in 1972 to meet estimated domestic requirements and anticipated exports of the low erucic acid varieties.

Record rapeseed harvests in France, West Germany, and the Netherlands boosted 1971 production in the European Community (EC) to 888,600 tons, 13 per cent higher than the 1970 outturn. Rapeseed acreage in these countries expanded and yields were higher than average owing to little, if any, winterkill. Further increases in acreage are expected for 1972 crops, and barring any severe loss due to unfavourable weather conditions, production is likely to exceed the EC record of 1971.

Rapeseed production in Europe as a whole totalled a record 2.14 million tons in 1971, topping by 2 per cent the 1968 record of 2.09 million tons. Contributors to 1971's high production level, besides the EC, included Czechoslovakia, with a record outturn, and Denmark, Sweden, East Germany, and Poland, where crops increased substantially.

Although estimates of Poland's rapeseed crop in 1971 have not yet been finalized, it is thought that production ranged between 600,000 and 620,000 tons. This is based on reported state purchases of 563,400 tons during July-September 1971.

Planting conditions in Europe for 1972 winter rapeseed were reported as generally favourable with the exception of Poland, where germination of early plantings was poor and drought-kill substantial. Much of the acreage had to be resown, and, as an incentive to replanting, the Government guaranteed contract prices for such acreage.

India's combined production of rapeseed and mustardseed in 1971 reached a record 1.96 million tons, an increase of 25 per cent from the previous record outturn of 1968. The 1972 rapeseed crop is expected to exceed last year's record level, if the expanded rapeseed acreage is maintained and agricultural practices continue to improve. India consumes all the rapeseed it produces.

Rapeseed production in Australia in 1971 totalled 55,900 tons after several years of poor experimental crops. The area planted to rapeseed totalled 132,000 acres, of which 58,000 were in New South Wales, 60,000 in Victoria, and 14,000 in Western Australia. Indications of 1972 plantings placed acreage in New South Wales at 100,000 acres, in Western Australia at 50,000 acres and in Victoria at an unspecified increase over last year. Total rapeseed production in 1972 is forecast at over 90,000 tons, about two-thirds larger than the 1971 outturn.

Sesame oil production in 1972 is expected to total 670,000 tons, 7 per cent less than the record 715,000-ton outturn of 1971. The 1972 forecast is based on 1971 production of 1.86 million tons of sesameseed, compared with 2 million tons produced in 1970.

Safflower oil production in 1972 is forecast at a record 305,000 tons 30 per cent above the estimated 235,000 tons produced last year. The increase is expected from a record production of safflowerseed in Mexico and increased production in the United States in 1971.

Production of pressed olive oil in 1972 (from 1971-crop olives) is expected to increase to 1.56 million tons — 120,000 tons more than last year. The expected increase chiefly reflects substantially larger crops in Italy, Tunisia, and Morocco. However, production in Spain, Turkey, and Greece will decline. The increase, which follows an estimated 16-per cent increase last year, defies the normal biennial "on-off year" cycle.

Palm oils. — World production in 1972 of the three major palm oils is forecast at a record 5.4 million tons — 9 per cent above last year's. This year's increase of 423,000 tons follows increases of 575,000 tons in 1971 and 316,000 tons in 1970.

Projected annual growth in the combined production of these oils during the decade of the 1970's is expected to approximate 250,000 tons per year.

The expected increase in 1972 will largely reflect continued expansion of palm oil production in Malaysia as well as a further gain in Philippine copra output. The bulk of these increases are expected to be available for export to world markets.

World palm oil production in 1972 is forecast at 2.25 million tons — 235,000 tons, or nearly 12 per cent, above 1971. The expected increase in 1972 is about in line with the annual volume of expansion projected during the 1970's and substantially above the 37,000-ton trend of increase during the 1960-70 period.

Expanding output in Malaysia will account for about 65 per cent of the 1972 anticipated increase. Production from new trees in the Ivory Coast, Indonesia, Cameroon, and Dahomey will account for most of the remaining increase. The bulk of the increased production in output in each of these countries is expected to be available for export. Consequently, exports of palm oil in 1972 could increase by roughly 200,000 tons.

Palm kernel oil production in 1972 is expected to increase to a record 500,000 tons. The expected increase, at about 35,000 tons, indicates a smaller percentage growth than for palm oil because of the lower ratio of palm kernel to palm oil production among new high-yielding varieties now being planted.

Although nearly four-fifths of the palm kernels produced are exported either as kernels or oil, a significantly larger proportion of the expanding output in Malaysia is moving into domestic disappearance. Traditionally less than one-half of world palm oil production has moved into export.

During the 1970's a substantial expansion in palm oil output is projected — roughly 2 million tons. Expanding population and per capita consumption levels for oil in the palm oil producing countries is expected to absorb a smaller proportion of total output in the 1970's than during the 1960's. Thus, exports of palm oil will probably exceed 2 million tons by 1980 — nearly three times the 1970 volume of 760,000 tons.

Production of coconut oil in 1972 is expected to increase to about 2.5 million tons, roughly 6 per cent above the 1971 volume. The expected 150,000-ton increase follows a 290,000-ton increase in 1971 when Philippine output exceeded the record 1966 volume.

This year's increase is based on the expectation that Philippine copra output will increase by at least 10 per cent. Production from new trees planted since 1960, as well as above average rainfall, should result in a continuation of last year's expansion. Possible danger of damage from typhoons which could affect copra output in the first half of 1972 ended in November 1971. Possible future storm damage could affect production late in 1972.

In 1972, coconut oil production in the major producer-exporter countries (the Philippines, Indonesia, Ceylon, and New Guinea) is expected to exceed 1.8 million tons — nearly 150,000 tons above the 1971 volume. These four countries in 1970 accounted for 68 per cent of world copra and coconut oil production and 77 per cent of world exports. Allowing for normal expansion in domestic usage, combined exports of copra and coconut oil from these four countries could increase by 125,000 tons (oil basis) in 1972.

Industrial oils. — Industrial oil production will drop sharply this year to possibly the lowest level since 1968. The present forecast of about 1.5 million tons is 342,000 tons or almost 20 per cent below last year's calculated tonnage. The decline in linseed oil alone exceeds the total net decline in world oil. Tung oil may be slightly smaller than last year's volume, but some increases are foreseen in castor, oiticica, and olive residue oils.

The 1972 linseed oil equivalent of flaxseed crops harvested late in 1971 and early in 1972 is estimated at 870,000 tons, 375,000 tons or 30 per cent less than oil production a year earlier and the smallest tonnage since 1968. The decline stems from the drop of almost one-third in world flaxseed production in 1971. However, despite

the sharp decline in production — due mainly to reduced acreage in the 3 major exporting countries — Canada, Argentina, and the United States — unusually heavy carryover supplies in all 3 countries mean that total supplies of seed and oil are still abundant. Foreign countries' crops likely will account for about 82 per cent of the oil produced, and the U.S. crops, for the remaining 18 per cent.

U.S. flaxseed production in 1971 is estimated at 473,900 metric tons (18.65 million bushels). This was 38 per cent less than the 1970 crop and 48 per cent less than the about-average harvest in 1969. The smaller crop resulted wholly from the 45-per cent decline in harvested acreage, since the average yield was up 13 per cent.

The first official estimate placed Argentina's crop at 330,000 tons (13.0 million bushels), down by over one-half from the 1970 level and the smallest crop since 1955. The official estimate of planting was 45 per cent less than a year earlier and reportedly the lowest in more than 60 years. Moreover, average yield per harvested acre declined about 14 per cent. The sharp decline is attributed to low prices for flaxseed, low prices for this crop relative to alternative crops (particularly wheat, chief competitor), burdensome supplies, and unfavourable weather.

The crop currently being harvested in India is forecast at 465,000 tons (18.3 million bushels), only slightly larger than last year's. Acreage increased about 3 per cent from a year earlier. Rains at the close of the monsoon last September were satisfactory all over the country. In addition, the subsoil moisture in the flood-ravaged States of Uttar Pradesh and Bihar, two of the four major flaxseed growing States, induced the planting of larger acreage this season. India consumes virtually all of its flaxseed crop.

Present very preliminary indications are that castor oil production in 1972 will recover moderately from the reduced levels of the previous two years. At a rough estimate of 345,000 tons, oil production would exceed the 1971 level by 6 per cent but would be 7 per cent below the record 370,000 tons calculated to have been produced in 1967. The extent of the increase will, of course, depend on Brazil's crop of castorseed, which normally accounts for 40 to 45 per cent of world production.

World tung oil output in 1972 (from 1971-crop nuts) is forecast to decline by 8,000 tons, or about 6 per cent. The decline reflects reduced output in Argentina and Paraguay following the large 1971 output from 1970 crop nuts. We have no current information on Chinese output. Excluding China, the indicated decline in South American output represents a drop of 21 per cent in exportable supplies.

Animal fats. — No significant change from last year's level is foreseen in production of animal fats this year. The forecast of 12.89 million tons this year is expected to result from slight increases in butter and in tallow and greases, partially offset by an expected decline in lard.

Marine oils. — Marine oil production in 1972 at nearly 1.3 million tons is expected to remain about unchanged from last year.

Fish oil production in 1972 is not expected to change significantly from the 1971 volume despite possible increases in Japan, the United States, Norway, and the Soviet Union. Peru reportedly intends to continue to limit its monthly catch to 1.2 million tons per month during the fishing season — roughly 10 million tons annual basis. If this quota is not exceeded, Peruvian fish oil output will probably remain about unchanged from the 1971 volume of 275,000 tons and significantly below the 1970 record volume of 300,000 tons.

World Flaxseed Production Smallest Since 1953

According to the February 1972 issue by the Foreign Agricultural Service, United States Department of Agriculture, world production of flaxseed in 1971 is estimated at 2.76 million metric tons (108.8 million bushels), 32 per cent below the unusually large output in 1970 and the smallest since 1953. Crops were down sharply in all major exporting countries — Canada, Argentina, and the United States. Moreover, production was down somewhat in India — a major producing country but unimportant as an exporter. Little, if any, change is presently foreseen in the Soviet Union's crop compared with 1970.

While stocks of seed and oil are unusually heavy in the three major exporting countries, they do not offset the sharp crop reductions in these countries.

Carry-in stocks of seed and oil in the United States on July 1, 1971 were up the equivalent of 220,580 metric tons (8.7 million bushels) of seed and in Canada on August 1 seed stocks were up 522,550 tons (20.6 million bushels). Thus, total supplies in North America for the current marketing year at 2.74 million tons (107.8 million bushels) are down 4.7 per cent or 135,500 tons (5.3 million bushels) from supplies a year ago.

The final estimate of flaxseed production in the United States was estimated at 473,809 metric tons (18.65 million bushels). This is 38 per cent less than the 1970 crop and 47 per cent below the above-average harvest in 1969. The smaller crop resulted from the 45-per cent decline in harvested acreage as the average yield was up 13 per cent. With stocks of seed and oil on July 1, 1971, at the equivalent of about 937,400 tons (36.9 million bushels), seed equivalent basis, and production at 473,809 tons, total supply was 1.411 million tons (55.56 million bushels) 4.5 per cent below the abundant supply on July 1, 1970. With stocks of seed alone at 681,300 tons (26.8 million bushels) and production at 473,809 tons, the total supply of seed as such was 1.155 million tons (45.48 million bushels) against 1.316 million tons (51.8 million bushels) a year earlier.

The January 27, 1972 issue of Prospective Plantings for 1972 stated that flaxseed plantings this year are expected to total 1,338,000 acres, 19 per cent below last year's, 55 per cent below two years ago and the smallest since 1938.

The second official estimate placed Argentina's crop at 280,000 tons (11.0 million bushels), down by 400,000 tons from the 1970 level and the smallest crop since 1955. The official estimate of planting was 1.3 million acres, or 45 per cent less than a year earlier and the lowest in 50 years. (In 1921 plantings were 0.69 million acres). Moreover, average yield per harvested acre in 1971 declined about 27 per cent.

The principal factors contributing to this dramatic decline in flaxseed production have been declining real prices, a decline in the price of flaxseed relative to it's chief competitor, wheat, and unfavourable weather. The price situation reflects a depressed world market situation for linseed oil since virtually all of Argentina's flaxseed production is exported in the form of oil. The Government of Argentina has given impetus to this shift away from flaxseed production by adjusting support prices in favour of wheat.

Argentine stocks of flaxseed on November 1, 1971 are reported by the National Grain Board at 121,100 tons or virtually the same as a year earlier. However, oil stocks also reported by the same source, were 134,300 tons (84,500 tons in factories

and 49,800 tons held by the Board) compared with 68,200 tons in November 1, 1970 (35,800 tons in factories and 32,400 tons held by the Board). Total stocks of seed and oil in terms of flaxseed thus at 516,100 tons on November 1, 1971 plus a crop of only 280,000 tons would result in a total supply in terms of seed of 796,100 tons (31.3 million bushels) compared with about 1.0 million tons (39.4 million bushels) a year earlier.

For the 1971-72 marketing season (November-October) flaxseed supplies alone will be around 400,000 tons, down 50 per cent from the preceding season. Virtually all the seed will be crushed for oil and carryover stocks at the end of the season are expected to be drawndown to minimal levels. In fact, the small supply of seed available for crushing this year is of concern since it will limit the operation of many small mills which crush only flaxseed.

The February-April 1971 flaxseed crop in India resulted in a crop of 455,000 tons (17.9 million bushels) — down 3 per cent from the previous year's crop. Acreage expanded 2 per cent, but reportedly there was very little rain in the major producing states early in the year, with the result that yields were moderately lower than in 1970.

For the season 1971-72, India's acreage to flaxseed is estimated to have increased by about 3 per cent compared with the Government's final estimate of 4.5 million acres for the 1970-71 season. Rains at the close of the monsoon last September reportedly were satisfactory all over the country. In addition, the sub-soil moisture in the flood-ravaged states of Uttar Pradesh and Bihar, induced the planting of a larger acreage under flaxseed this season. Unofficially, the crop has been forecast at 465,000 tons.

Uruguay's 1971 flaxseed crop is estimated unofficialy at 73,000 tons or 5 per cent below the 1970 figure. Area planted was reduced about 11 per cent, following a reduction of 18 per cent a year earlier. As in Argentina, low prices for flaxseed and low prices of flaxseed relative to wheat were the main factors contributing to the reduced interest in this crop. Excessive rains also were a negative factor.

Unofficially, production in 1971 has been estimated at 73,000 tons compared with 77,000 tons in 1970. These estimates are based on oil and meal exports in recent years and are higher than the official estimates.

There is still insufficient information to estimate 1971 flaxseed production in the Soviet Union. Consequently, estimates for 1971 have been maintained at the 1970 levels of 470,000 tons from 3.8 million acres.

Production in Europe has remained relatively stable in the last 4 years at 170,000 to 175,000 tons. It is estimated to have increased only about 2 per cent in 1971. About three-fourths of the European production is grown in East Europe with Poland alone accounting for about one-third of the European total. Poland's 1971 crop is estimated at 55,000 tons, down 15 per cent from the previous year's level. The decline, however, was offset by increases in the small crops grown in France and Belgium.

CANADIAN SITUATION

Spring Oilseed Outlook

The following summary of the spring outlook for oilseeds has been extracted from the Canada Department of Agriculture's "Spring Outlook 1972".

Production of fats and oils is increasing slightly faster than consumption, so for the first time in several years, the industry is starting to rebuild stocks. Prices have not risen significantly to late February, but could improve somewhat by the end of the crop year. It seems probable that production will continue to increase in line with consumption, and competition for world markets may be stronger. Prices for most oilseeds peak every five years, and the last peak was in 1971.

Last year we had a carryover of 10 million bushels of rapeseed and, with the bumper crop, we seem to be headed for a carryover of 30 to 35 million bushels at the end of this crop year. Domestic use could reach 12 million bushels this crop year and exports about 45 million. Next year domestic consumption will likely continue to increase and export opportunities for a rising volume of sales are good, providing rapeseed is made price competitive. Low erucic acid rapeseed (LEAR) varieties will soon be the only seed which will be accepted by the Canadian food industry. Importing countries are also prepared to make the changeover and a complete changeover to LEAR varieties seems inevitable. Four to five million acres of rapeseed seems adequate for this year.

Sunflower seed acreage is likely to increase to about 350,000 acres with relatively good prices — unless the whole world edible oil price structure declines sharply. Flaxseed production in Canada, the United States and the Argentine was reduced last year. Canada's production totalled 26 million bushels and with a possible export of almost that amount, stocks are likely to be down at the end of the crop year. Prices next year could rise slightly, but prospects could improve more sharply if planting is kept to two million acres. Soybean prices are strong and we've been importing large quantities from the United States, so production could be increased this year.

August-January Marketings of Flaxseed and Rapeseed Below Previous Year

Data recorded for the first half of the 1971-72 crop year, indicate that primary deliveries of flaxseed have amounted to 10.1 million bushels, 40 per cent less than the 1970-71 comparable total of 16.9 million, and 2 per cent lower than the recent ten-year average for the period of 10.2 million. Marketings of rapeseed at 26.0 million bushels registered a 29 per cent decrease from the corresponding 1970-71 figure of 36.6 million but sharply above the recent ten-year average of 9.3 million.

Exports of Flaxseed, Rapeseed and Soybeans

During the first six months of the 1971-72 crop year exports of Canadian flaxseed amounted to 14.5 million bushels, 54 per cent more than the 9.4 million at the comparable period of 1970-71 and in sharp contrast to the ten-year (1960-61-1969-70) average for the period of 7.8 million. This year's major markets for this oilseed were as follows in millions of bushels: Netherlands 5.7, Japan 2.6, Federal Republic of Germany 2.1 and Britain, 1.2. The remainder was accounted for by relatively smaller shipments to 15 other countries.

Exports of rapeseed from August 1, 1971 to January 31 1972, at 19.8 million bushels, were 7 per cent above the comparable 1970-71 figure of 18.4 million and

considerably more than the recent average of 4.9 million. Japan at 11.6 million, France at 3.7 million, the Netherlands at 2.3 million and West Germany at 1.1 million were the major importers. Most of the remainder was taken by Italy and India, 0.4 million each, Belgium and Luxembourg 0.2 million, and Switzerland, 0.1 million bushels.

Customs exports of soybeans during the first six months of the 1971-72 crop year amounted to 668 thousand bushels compared with 507 thousand the previous year. The leading market for this oilseed was Britain with 657 thousand bushels.

Delivery Quotas — The following information pertaining to the Canadian Wheat Board's quota policy for 1971-72 crop year has been extracted from the Board's Instructions to the Trade re Quotas:

Flaxseed No. 7 — Effective immediately, the quota of fifteen (15) bushels per assigned acre authorized in Instructions to the Trade re Quotas — Flaxseed No. 3, issued July 30, 1971 is hereby increased to twenty-five (25) bushels per assigned acre to flaxseed into the undernoted mills:

Alberta Linseed Oil Co. Limited	Medicine Hat, Alberta
Agra Enterprises Ltd. — account Diversified Crops Ltd.	Richlea, Saskatchewan
Canadian Government Elevators — account Diversified Crops Ltd.	Moose Jaw, Saskatchewan
Diversified Crops Ltd.	Calgary, Alberta Edmonton, Alberta Portage la Prairie, Manitoba Rycroft, Alberta
Saskatchewan Wheat Pool (Industrial Division — Oil Mill)	Saskatoon, Saskatchewan
The Sherwin Williams Co. of Canada Ltd.	Winnipeg, Manitoba

No. 8 — There has developed in recent days a temporary shortage of available supplies of flaxseed to some of the domestic crushers. Quantities of flaxseed which are deliverable against acreage assigned to crushers cannot be immediately marketed in some instances due to road conditions, inaccessibility of bins, etc. In order to maintain a continuous flow of bulk flaxseed to such mills to permit normal crushing operations required for domestic and export sales, the Board has taken the following action.

Effective Wednesday, March 8, 1972, at all delivery points within the designated area, the regular quota of flaxseed as indicated in our Instructions to the Trade, Re Quotas — Flaxseed No. 6 of January 18, 1972, is hereby increased

to thirteen (13) bushels per quota acre of flaxseed as shown in the individual producer's permit book, provided:

(a) that the additional deliveries of flaxseed are made directly by truck to the undernoted facilities and for domestic crushing only:

Agra Enterprises Ltd. — account Diversified Crops Limited	Richlea, Saskatchewan
The Alberta Linseed Oil Co. Ltd.	Medicine Hat, Alberta
Canadian Government Elevators — account Diversified Crops Limited	Moose Jaw, Saskatchewan
Diversified Crops Limited	Calgary, Alberta, Edmonton, Alberta Portage la Prairie, Manitoba Rycroft, Alberta
Saskatchewan Wheat Pool (Industrial Division — Oil Mill)	Saskatoon, Saskatchewan
The Sherwin Williams Co. of Canada Ltd.	Winnipeg, Manitoba

(b) that such delivery, when added to deliveries already made under the regular quota, does not exceed a maximum of thirteen (13) bushels per quota acre assigned to regular flaxseed deliveries.

(c) that all deliveries under this authorization must be properly recorded in the producer's delivery permit book.

Producers who take full advantage of this delivery opportunity will not be able to make further deliveries under the regular quota until such time as the regular quota may exceed thirteen (13) bushels per quota acre of flaxseed.

No. 9 — Effective immediately, at all delivery points within the designated area, the regular quota of ten (10) bushels per quota acre of flaxseed as indicated in our Instructions to the Trade re Quotas — Flaxseed No. 6 of January 18, 1972, is hereby increased to thirteen (13) bushels per quota acre of flaxseed 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, and as previously stated, producers may deliver flaxseed within existing quotas to any delivery point selected by them at which elevator space for flaxseed is available.

Rapeseed No. 6 — Effective immediately at all delivery points within the designated area the quota for low erucic acid rapeseed (Span, Zephyr and Oro varieties) which was reduced from twenty (20) bushels to ten (10) bushels per assigned acre by Instructions to the Trade re Quotas — Rapeseed No. 4 issued September 10, 1971, is

hereby increased to fifteen (15) bushels per assigned acre to low erucic acid rapeseed.

Producers who have already delivered more than ten (10) bushels per assigned quota acre must have the quantity delivered in excess of the ten (10) bushels per assigned quota acre applied against the quota authorized by this Instruction.

Such rapeseed may be delivered to any facility prepared to handle low erucic acid rapeseed (Span, Zephyr and Oro varieties) provided that:

A. the person delivering such rapeseed is the actual producer thereof or entitled to it as a producer;

B. the producer has assigned quota acres for the delivery of such rapeseed.

No. 7 — Effective immediately, at all delivery points within the designated area the regular quota of five (5) bushels per quota acre of rapeseed as indicated in our Instructions to the Trade re Quotas — Rapeseed No. 5 of October 7, 1971, is hereby increased to eight (8) bushels per quota acre of rapeseed as shown in the individual producer's permit book.

No. 8 — There has developed in recent days a temporary shortage of available supplies of rapeseed to some of the domestic crushers. Quantities of rapeseed which are deliverable against acreage assigned to crushers cannot be immediately marketed in some instances due to road conditions, inaccessibility of bins, etc. In order to maintain a continuous flow of bulk rapeseed to such mills to permit normal crushing operations required for domestic and export sales, the Board has taken the following action:

Effective immediately, at all delivery points within the designated area, the regular quota of rapeseed as indicated in our Instructions to the Trade, Re Quotas — Rapeseed No. 7 of January 18, 1972 is hereby increased to fifteen(15) bushels per quota acre of rapeseed as shown in the individual producer's permit book, provided:

(a) that the additional deliveries of rapeseed are made directly by truck to the undernoted facilities and for domestic crushing only:

Agra Vegetable Oil Products Limited Nipawin, Sask.

The Alberta Linseed Oil Co. Ltd.	Medicine Hat, Alta.
The Co-op. Vegetable Oils Limited	Altona, Man.
Diversified Crops Limited	Calgary, Alta. Edmonton, Alta. Portage la Prairie, Man. Rycroft, Alta.
Saskatchewan Wheat Pool (Industrial Division — Oil Mill)	Saskatoon, Sask.
Western Canadian Seed Processors Limited	Lethbridge, Alta.

(b) that such delivery, when added to deliveries already made under the regular quota, does not exceed a maximum of fifteen (15) bushels per quota acre assigned to regular rapeseed deliveries.

(c) that all deliveries under this authorization must be properly recorded in the producer's delivery permit book.

Producers who take full advantage of this delivery opportunity will not be able to make further deliveries under the regular quota until such time as the regular quota may exceed fifteen (15) bushels per quota acre of rapeseed.

Policy Statement on LEAR Conversion — The following policy statement concerning the conversion to production of low erucic acid rapeseed was formulated at the fifth annual meeting of the Rapeseed Association of Canada held in Saskatoon, Saskatchewan on March 6 and 7, 1972.

"The Annual Meeting of the Rapeseed Association of Canada after full discussion of the many problems strongly recommends to producers that a complete conversion to low erucic acid rapeseed take place this season. In so doing, it is recognized that the producer has many problems and the Association calls for an urgent meeting with representatives of government to mutually seek ways and means to assure success in the transition."

General Quotas 1971-72 as at Monday, March 6, 1972

bushels per quota acre

	A	B	C	
Hercules Durum	5	5	—	All blocks
Soft White Springs	—	5	5	All blocks
Alberta Red Winter	—	2	—	All blocks
Rye	20	—	—	All blocks
Flaxseed	10	—	—	All blocks
Rapeseed	15(1)	—	—	All blocks

Special Quotas 1971-72 as at Monday March 6, 1972

Pitic 62	1 carlot (50 assigned acres)	All blocks
Selected Hercules Durum	1 carlot (60 assigned acres)	All blocks
Selected Oats	50 bushels per assigned acre	All blocks
Selected Barley	50 bushels per assigned acre	All blocks
Rye for distilleries	40 bushels per assigned acre	
Flaxseed for processors	25 bushels per assigned acre	
Rapeseed (Low Erucic Acid)	15 bushels per assigned acre	All blocks
Rapeseed for crushers	20 bushels per assigned acre	
Two-Row Barley and Six-Row Barley (Olli Variety)	Extended to a fourth carlot per assigned acre	All blocks

(1) 7 bushels per quota acre — Leading quota to rapeseed crushers only in all blocks.

General Quotas 1971-72 as at Monday, March 6, 1972 Canadian National Railway Blocks

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

(1) The "C" Quota is for wheat grading No. 1 C.S. Red Spring Wheat only.
(2) The "C" Quota is for wheat grading No. 4 Manitoba Northern & Higher.

General Quotas 1971-72 as at Monday, March 6, 1972 Canadian Pacific Railway Blocks

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

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

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

Quality of Western Canadian Flax and Rapeseed 1971 Crop

The following information was taken from Crop Bulletin No. 113, "Canadian Flax and Rapeseed, 1971" published by the Grain Research Laboratory of the Canadian Grain Commission. Quality data for the 1971 crops of Western Canadian flaxseed and rapeseed are obtained from analyses of individual samples of new-crop flax and rapeseed submitted to the Grain Research Laboratory by elevator agents of the grain firms in the three Prairie Provinces and by the Grain Inspection Division of the Canadian Grain Commission.

Flaxseed quality. — The 1971 Western Canadian flaxseed crop is estimated by Statistics Canada to be 25.5 million bushels. Flax production in the prairies over the 10-year period 1961-70 averaged 22.5 million bushels; the 1971 crop is about 15 per cent larger than the 10-year average annual production. A marked reduction in the acreage seeded to flaxseed in 1971 as compared with 1970 was in part responsible for the drop in production; lower yields per acre in all three provinces also contributed to the drop in production. The overall average yield dropped from 14.5 bushels per acre in 1970 to 12.8 bushels per acre in 1971. It is expected that over 90 per cent of the 1971 flaxseed crop will qualify for the top grade, No. 1 C.W. The high moisture conditions prevailing throughout much of the growing season in some areas adversely affected some of the crop. Late harvested samples showed some frost damage.

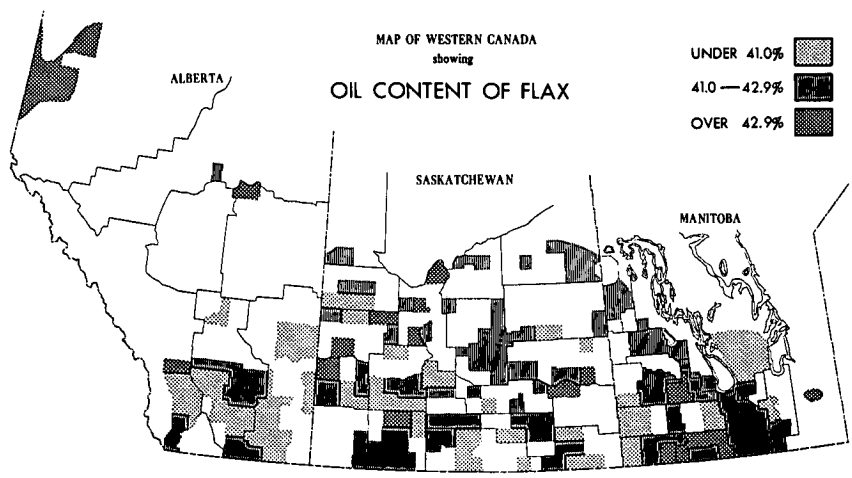
Quality Data for Grades of Flax for Each Province, and for Western Canada, 1971 Crop

Grade	Oil content(1)		Iodine value		Protein content(2)		No. of samples
	Mean	Range	Mean	Range	Mean	Range	
	%	%	Wijs units		%	%	
Manitoba							
No. 1 C.W. ...	41.7	38.8-45.6	187	180-195	38.2	32.0-45.5	39
No. 2 C.W. ...	42.1	38.2-44.9	186	181-190	40.8	37.1-47.9	7
No. 3 C.W. ...	42.5	39.1-45.2	188	182-195	39.4	35.0-42.4	7
All grades ...	41.9	38.2-45.6	187	180-195	38.7	32.0-47.9	53
Saskatchewan							
No. 1 C.W. ...	41.4	36.4-44.7	183	170-190	43.3	35.6-49.8	122
No. 2 C.W. ...	42.3	40.1-44.0	184	181-185	41.6	39.8-43.8	3
No. 3 C.W. ...	41.1	39.3-42.3	188	185-192	40.5	36.7-43.3	3
All grades ...	41.4	36.4-44.7	183	170-192	43.2	35.6-49.8	128
Alberta							
No. 1 C.W. ...	40.6	36.2-44.3	179	167-198	43.6	34.5-50.2	40
No. 2 C.W. ...	—	—	—	—	—	—	—
No. 3 C.W. ...	—	—	—	—	—	—	—
All grades.. .	40.6	36.2-44.3	179	167-198	43.6	34-5-50.2	40
Western Canada							
No. 1 C.W. ...	41.3	36.2-45.6	183	167-198	42.4	32.0-50.2	201
No. 2 C.W. ...	42.2	38.2-44.9	185	181-190	41.0	37.1-47.9	10
No. 3 C.W. ...	42.1	39.1-45.2	188	182-195	39.8	35.0-43.3	10
All grades ...	41.4	36.2-45.6	183	167-198	42.2	32.0-50.2	221

(1) Moisture-free basis.
(2) Oil-free meal. Moisture-free basis.

The previous table gives the mean value and the range in values for oil content, iodine value, and protein content of the oil-free flaxseed meal for each grade of flaxseed for each province, and for all of Western Canada. The oil content of the 1971 flaxseed crop averages 41.4 per cent somewhat lower than the 42.0 per cent average for the 1970 crop, and also lower than the 10-year average figure for oil content which for all flax crops from 1961 to 1970 is 42.1 per cent. The protein content of the oil-free flaxseed meal averages 42.2 per cent, up from the 1970 crop average of 41.6 per cent and essentially equal to the 1961-70 10-year average level of 42.3 per cent. The iodine value, which is a measure of the utility of the oil in the paint industry, is a little (but not seriously) lower this year averaging 183 units.

The accompanying map indicates the areas of flaxseed production in Western Canada in 1971 in terms of three ranges in oil content.



Rapeseed quality. — Rapeseed production in Western Canada has been increasing markedly in recent years and in 1971 established yet another new record. The 1971 crop of 98.5 million bushels was more than 26 million bushels larger than the 1970 crop, and was produced on slightly less than 5.5 million acres. Large areas of prairie rapeseed were seriously threatened by a mid-summer invasion of Bertha army-worms, which in some limited instances completely destroyed the developing crops. Rapeseed yields averaged 18.0 bushels per acre in 1971, fractionally lower than the 1970 value of 18.3 bushels per acre. A new dimension was added to rapeseed production this year with prairie farmers devoting an estimated 341 thousand acres (about 6.5 per cent of total rapeseed acreage) to the newly developed, low erucic acid-content varieties of rapeseed-Span, Oro and Zephyr. However, samples of low erucic acid varieties of rapeseed were excluded from this present rapeseed survey. The results presented in this bulletin then are based upon heretofore conventional varieties of rapeseed including Echo, Arlo, Target, "Polish", etc. The oil content of the 1971 rapeseed crop averages 43.3 per cent, down slightly from the 44.0 per cent average for the 1970 crop. The protein content of the oil-free meal is also slightly lower this year, averaging 39.6 per cent. The very wet conditions of late spring and early summer which severely hampered weed control programs contributed to the presence of weed seeds which are inseparable from the basic oilseed. The very hot weather of late July and early August markedly accelerated plant maturity and resulted in considerable amounts of light reddish coloured seed especially for Polish-types. In spite of these factors and the mid-summer northern area frosts, the bulk of the 1971 rapeseed crop is expected to qualify for the top grade, No. 1 Canada Rapeseed.

The following table gives the mean value for oil content and for protein content of oil-free rapeseed meal for each grade of the 1971 crop of rapeseed from each province, as well as for the whole of the new crop for Western Canada. Corresponding values for the 1970 rapeseed harvest survey are given for comparison. The vast majority of the 1971 crop samples are of the top grade. The oil content of new-crop No. 1 Canada Rapeseed from Alberta and Saskatchewan is essentially the same and is significantly lower than that of Manitoba-grown seed. Manitoba rapeseed is higher in oil content this year than last, while top grade seed from both Alberta and Saskatchewan is lower in oil content this year than last. The protein content of the oil-free rapeseed meal is slightly higher this year than last for Alberta rapeseed, but is lower this year for the rapeseed for both Saskachewan and Manitoba.

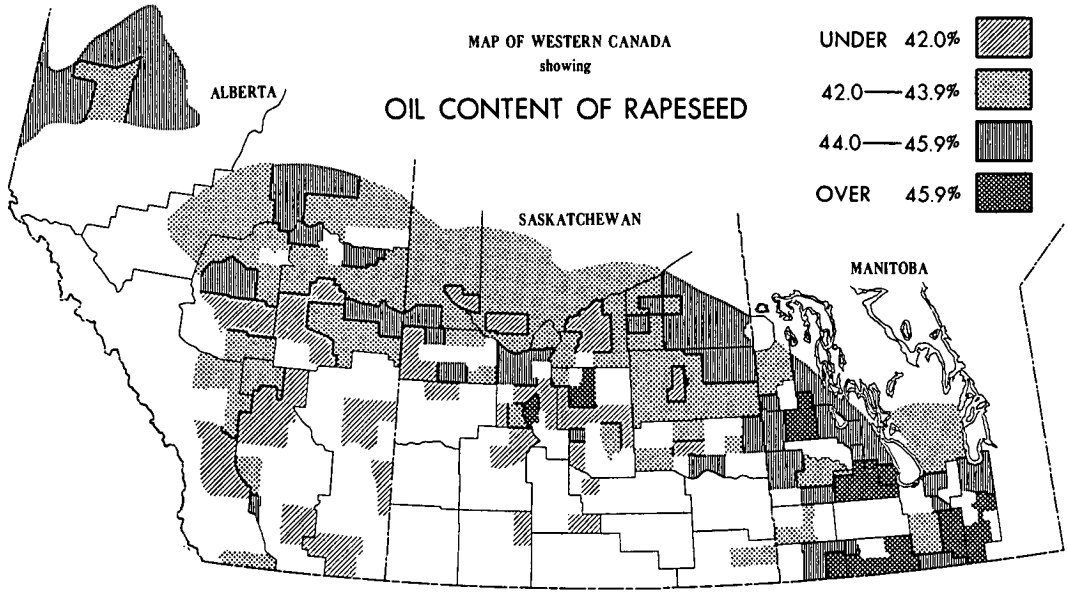
Quality Data for Grades of Rapeseed for Each Province, and for Western Canada, 1971 and 1970 Crops

Grade	1971 Survey			1970 Survey		
	Oil content(1)	Protein content(2)	No. of samples	Oil content(1)	Protein content(2)	No. of samples
	%	%		%	%	
Manitoba						
No. 1 Can. Rapeseed ..	45.5	38.4	59	44.4	40.0	38
No. 2 Can. Rapeseed ..	—	—	—	43.7	38.1	1
No. 3 Can. Rapeseed ..	46.0	41.7	1	—	—	—
All grades	45.5	38.5	60	44.4	39.9	39
Saskatchewan						
No. 1 Can. Rapeseed ..	43.0	39.7	253	43.6	40.6	270
No. 2 Can. Rapeseed ..	40.8	39.3	5	42.7	41.1	5
No. 3 Can. Rapeseed ..	—	—	—	41.0	43.8	1
All grades	43.0	39.7	258	43.5	40.6	276
Alberta						
No. 1 Can. Rapeseed ..	43.1	39.7	182	44.7	39.2	189
No. 2 Can. Rapeseed ..	—	—	—	44.1	38.3	5
No. 3 Can. Rapeseed ..	—	—	—	49.2	34.4	1
All grades	43.1	39.7	182	44.7	39.1	195
Western Canada						
No. 1 Can. Rapeseed ..	43.3	39.6	494	44.1	40.0	497
No. 2 Can. Rapeseed ..	40.8	39.3	5	43.4	39.5	11
No. 3 Can. Rapeseed ..	46.0	41.7	1	45.1	39.1	2
All grades	43.3	39.6	500	44.0	40.0	510

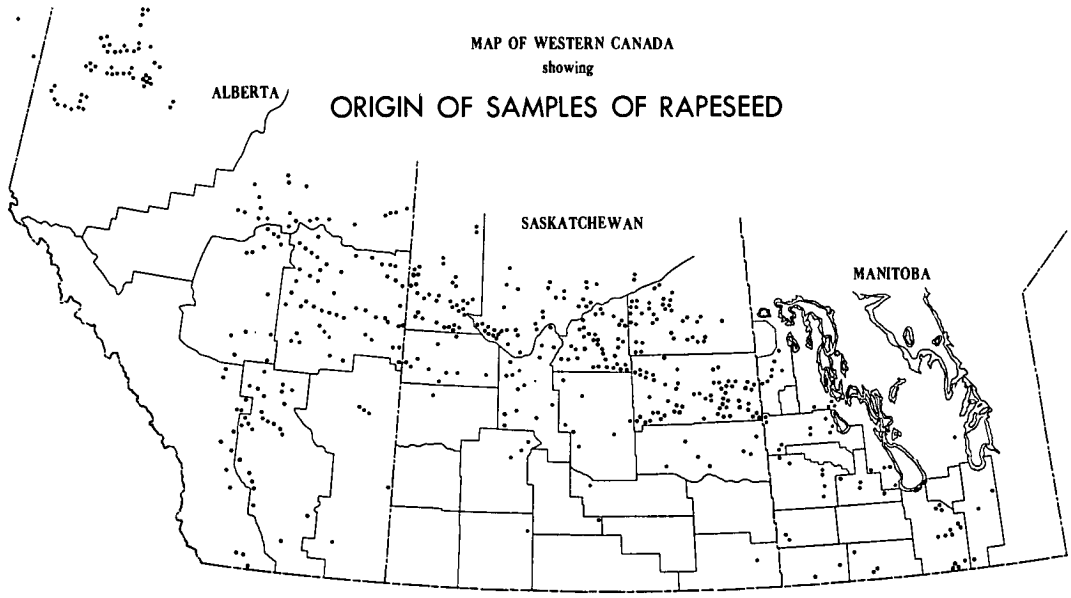
(1) Moisture-free basis.

(2) Oil-free meal.
Moisture-free basis.

The following map outlines the areas of rapeseed production in 1971 in terms of four ranges in oil content. There are several areas in Manitoba where the oil content averaged 46.0 per cent or higher; there are two such small areas in Saskatchewan, but none in Alberta. On the other hand, Manitoba has no areas where oil content averaged less than 42 per cent; there are several small areas in Saskatchewan and a few somewhat larger areas in Alberta where oil content averaged less than 42 per cent.



The following map shows the origin of the 500 rapeseed samples in the 1971 harvest survey. The marked increase in rapeseed production this year has not materially altered the usual outline of the rapeseed growing area.



Summary of Weekly Stocks and Movement of Flaxseed,
December 1, 1971 — February 23, 1972

No.	Week ending	Farmers' marketings	Country elevators		
			Receipts	Shipments	Stocks
		million bushels			
1	December 1, 1971	.3	.3	.4	6.1
2	8	.3	.3	.6	5.8
3	15	.3	.3	.7	5.4
4	22	1.0	1.0	1.0	5.3
5	29	.4	.1	.9	5.3
6	January 5, 1972	.5	.4	.8	4.9
7	12	.8	.7	.4	5.3
8	19	.4	.4	.6	5.0
9	26	.5	.4	.8	4.7
10	February 2	.2	.2	.1	4.8
11	9	.6	.6	.2	5.2
12	16	.5	.5	.5	5.1
13	23	.5	1.0	.3	6.2

Summary of Weekly Stocks and Movement of Rapeseed,
December 1, 1971 — February 23, 1972

No.	Week ending	Farmers' marketings	Country elevators		
			Receipts	Shipments	Stocks
		million bushels			
1	December 1, 1971	.7	.5	.8	7.5
2	8	.8	.5	.7	7.4
3	15	.6	.3	.6	7.1
4	22	.4	.2	1.2	6.1
5	29	.2	.1	.9	5.3
6	January 5, 1972	.5	.2	.7	4 9
7	12	.3	.2	.2	4.8
8	19	.3	.1	.5	4.5
9	26	.6	.2	1.0	3.7
10	February 2	.5	.4	.4	3.7
11	9	1.8	1.4	.3	4.8
12	16	1.4	1.0	.3	5.5
13	23	1.2	9	.3	6.2

Summary of Weekly Stocks and Movement of Flaxseed,
December 1, 1971 – February 23, 1972

Pacific Coast			Thunder Bay			Total overseas clearances	
Receipts	Shipments	Stocks	Receipts	Shipments	Stocks		No.
million bushels							
.2	.2	1.0	.5	.4	2.0	2.3	1
.1	.06	1.1	.3	.4	1.9	.4	2
.2	.3	1.0	.2	.5	1.6	.4	3
.2	.3	1.0	.5	–	2.1	.3	4
.2	–	1.2	.3	–	2.4	–	5
.4	.6	.9	.2	.002	2.6	.6	6
.4	.2	1.1	.1	.01	2.7	.2	7
.3	.6	.8	.1	.02	2.8	.6	8
.2	.3	.8	.1	.02	3.0	.3	9
.1	.5	.4	.2	.02	3.2	.5	10
.3	.1	.6	.2	.01	3.4	.1	11
.5	.4	.7	.2	.02	3.5	.4	12
.5	.3	.8	.2	.01	3.7	.3	13

Summary of Weekly Stocks and Movement of Rapeseed,
December 1, 1971 – February 23, 1972

Pacific Coast			Thunder Bay			Total overseas clearances	
Receipts	Shipments	Stocks	Receipts	Shipments	Stocks		No.
million bushels							
.2	.2	4.8	.5	.4	2.3	.6	1
.2	.9	4.2	.5	.9	1.8	1.8	2
.2	.5	3.8	.3	–	2.1	.5	3
.2	1.1	3.0	.2	.09	2.3	1.1	4
.1	.02	3.1	.2	.05	2.5	.1	5
.5	.2	3.3	.06	–	2.6	.2	6
.8	1.3	2.8	.06	.09	2.7	1.3	7
.6	.5	2.9	.03	–	2.7	.5	8
.4	.5	2.8	.1	–	2.8	.5	9
.3	1.0	2.2	.06	–	2.9	1.0	10
.5	.2	2.5	.2	.02	3.1	.2	11
.8	.4	2.4	.2	.04	3.2	1.0	12
.8	.4	2.9	.1	.09	3.3	.4	13

Farmers' Marketings by Crop Districts 1970-71

The following tables give a breakdown of the quantities of flaxseed and rapeseed marketed by farmers in 1970-71 according to the marketing channel through which the grain passed. Deliveries to country elevators are further classified by crop districts. These are revised data compiled by the Economics and Statistics Division of the Canadian Grain Commission.

Farmers' Marketings of Flaxseed and Rapeseed in the Western Division
Crop Year 1970-71

Marketing channel	Flaxseed	Rapeseed
	bushels	
Country elevators	33,066,773	52,004,391
Interior private and mill elevators	646,073	8,644,276
Interior semi-public terminals	—	—
Platform loadings	—	—
Totals	33,712,846	60,648,667

Farmers' Marketings through Country Elevators
Crop Year 1970-71

Province and district	Flaxseed	Rapeseed
	bushels	
Manitoba		
Crop District Number 1	1,165,764	88,661
2	1,654,029	476,000
3	2,063,294	574,495
4	91,958	13,572
5	230,107	51,752
6	40,443	8,040
7	915,601	451,321
8	624,642	201,978
9	450,419	290,921
10	474,540	858,111
11	690,144	795,211
12	397,565	30,056
13	172,390	1,271,625
14	211,373	100,652
Totals	9,182,269	5,212,395

Farmers' Marketings Through Country Elevators
Crop Year 1970-71 - Concluded

Province and district	Flaxseed	Rapeseed
	bushels	
Saskatchewan		
Crop District Number 1A	1,103,721	84,813
1B	859,314	323,002
2A	761,475	54,330
2B	1,996,071	126,920
3A North	446,219	10,858
3A South	542,317	8,469
3B North	1,280,836	96,650
3B South	292,752	10,384
4A	44,664	—
4B	644,119	8,991
5A	887,798	942,219
5B	851,971	4,102,715
6A	1,659,736	1,573,264
6B	980,516	1,027,922
7A	2,980,702	616,112
7B	550,101	1,262,138
8A	510,371	4,950,402
8B	513,492	3,958,821
9A	211,383	4,098,571
9B	123,947	4,799,771
Totals	17,241,505	28,056,352
Alberta		
Crop District Number 1	844,587	98,055
2	3,474,096	1,660,827
3	1,044,328	1,188,939
4	316,469	4,527,834
5	264,412	1,841,754
6	150,438	2,256,636
7	535,381	7,000,469
Totals	6,629,711	18,574,514
British Columbia	13,288	161,130
Totals (1)	6,642,999	18,735,644
Totals, marketed	33,066,773	52,004,391

(1) Alberta figures include country points in British Columbia.

Farmers' Marketings of Flaxseed and Rapeseed

Marketings of flaxseed and rapeseed in the Prairie Provinces from the beginning of the current crop year to February 23 were lower than the comparable deliveries of the previous year but above the ten-year average. Deliveries of flaxseed amounted to 11.6 million bushels, 35 per cent less than the comparable 1970-71 total of 17.9 million but slightly more than the ten-year (1960-61 — 1969-70) average for the period of 11.4 million bushels. Rapeseed marketings, at 30.4 million bushels, showed a decrease of 27 per cent from the 41.4 million during the corresponding period of 1970-71 but considerably higher than the ten-year average of 10.2 million bushels.

Farmers' Marketings of Flaxseed and Rapeseed in the Prairie Provinces
1971-72 with Comparisons

Period or week ending	Flaxseed(1)			
	Man.	Sask.	Alta.	Total
	thousand bushels			
August 1 — November 24, 1971	1,473	3,076	992	5,540
December 1	71	159	72	301
8	70	160	74	304
15	79	156	50	285
22	168	665	131	965
29	92	246	74	413
January 5, 1972	60	305	111	476
12	120	470	168	758
19	62	215	75	353
26	120	249	90	459
February 2	54	91	70	216
9	116	338	154	607
16	109	220	154	483
23	93	254	133	480
Totals	2,689	6,604	2,349	11,641
Similar period 1970-71	5,262	9,096	3,566	17,924
10-year average similar period 1960-61 — 1969-70	5,672	3,269	2,478	11,419
	Rapeseed(2)			
August 1 — November 24, 1971	2,405	10,764	7,992	21,162
December 1	80	344	256	680
8	60	363	413	836
15	139	227	199	565
22	67	191	133	391
29	74	60	54	188
January 5, 1972	21	296	185	503
12	17	181	82	280
19	82	44	164	291
26	81	310	200	591
February 2	110	270	113	493
9	230	930	685	1,846
16	210	720	442	1,372
23	107	606	467	1,179
Totals	3,684	15,306	11,386	30,375
Similar period 1970-71	4,556	21,684	15,158	41,398
10-year average similar period 1960-61 — 1969-70	932	4,948	4,316	10,196

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

Marketings of Ontario Soybeans

Marketings of Ontario soybeans during the first six months of the 1971-72 crop year amounted to 6.5 million bushels, 2 per cent more than the comparable 1970-71 total of 6.4 million, 37 per cent above the ten-year (1960-61 — 1969-70) average of 4.7 million and 51 per cent greater than the 4.3 million of 1969-70.

Marketings of Soybeans in Ontario(1) 1971-72 with Comparisons

Month	10-year average 1960-61 — 1969-70	1969-70	1970-71	1971-72
		bushels		
August	64,870	41,090	19,408	44,570
September	123,965	48,853	186,815	121,172
October	2,621,775	2,078,037	3,024,145	2,837,091
November	1,107,258	1,255,985	1,985,958	2,408,814
December	428,080	522,527	755,640	548,800
January	400,601	380,153	446,201	463,894
February	384,295	735,757	311,848	
March	294,929	434,725	496,081	
April	365,807	398,855	428,077	
May	319,546	384,739	940,867	
June	286,361	402,191	805,422	
July	161,483	185,283	324,623	
Totals	6,558,970	6,868,195	9,725,085	

(1) Ontario Soybean Marketing Board.

Visible Supply of Canadian and United States Soybeans at Eastern Elevators February 23, 1972 Compared with Approximately the Same Date 1970 and 1971

Position	1970	1971	1972
		thousand bushels	
Canadian			
Port Colborne	—	—	194
Sarnia	681	680	736
Toronto	413	789	695
Montreal	—	131	193
Sub-totals	1,094	1,600	1,818
United States			
Toronto	—	282	—
Montreal	87	—	355
Prescott	—	154	—
Trois-Rivières	—	601	67
Quebec	—	1,155	—
Baie Comeau	—	1,741	37
Port Cartier	—	1,835	19
Sub-totals	87	5,768	478
Totals	1,181	7,368	2,296

Commercial Supplies Total commercial supplies of Canadian flaxseed at February 23 of the current crop year, at 11.7 million bushels, were 2 per cent below the comparable 1971 level of 11.8 million but 68 per cent greater than the 6.9 million of 1970. The 5.3 million bushels in country elevator positions was unchanged from those at the same date in 1971 and considerably more than the 3.2 million of 1970. Stocks of flaxseed in Thunder Bay, at 3.7 million bushels were 13 per cent less than the 4.3 million of the previous year but sharply above the 2.2 million of two years ago. Stocks in transit rail (western division), at 1.2 million were slightly higher than the 1.1 million in 1971 and more than double the 0.6 million in 1970.

Rapeseed supplies in commercial positions at February 23 of this year amounted to 15.0 million bushels, 20 per cent below the 18.9 million of 1971 but 45 per cent more than the 10.4 million at the corresponding date in 1970. The bulk of this grain was in country elevators (6.2 million), Thunder Bay (3.3 million) and in Vancouver-New Westminster (2.9 million).

Visible Supply of Canadian Flaxseed, February 23, 1972 Compared with Approximately the Same Date 1970 and 1971

Position	1970	1971	1972
		thousand bushels	
Primary elevators — Manitoba	673	1,435	1,104
Saskatchewan	1,657	2,938	3,232
Alberta	898	915	992
Sub-totals	3,228	5,288	5,328
Process elevators	66	113	108
Interior terminals	44	—	288
Vancouver-New Westminster	529	626	854
Thunder Bay	2,245	4,251	3,701
In transit rail (western division)	566	1,133	1,186
Bay, Lake and upper St. Lawrence ports	153	72	28
Lower St. Lawrence and Maritime ports	15	3	24
Storage afloat	64	361	135
In transit rail (eastern division)	34	—	—
Totals	6,944	11,847	11,652

Visible Supply of Canadian Rapeseed, February 23, 1972 Compared with Approximately the Same Date 1970 and 1971

Position	1970	1971	1972
		thousand bushels	
Primary elevators — Manitoba	198	962	886
Saskatchewan	3,321	5,630	3,325
Alberta	1,985	2,941	1,953
Sub-totals	5,504	9,533	6,164
Process elevators	762	636	706
Interior terminals	99	18	138
Vancouver-New Westminster	1,529	2,543	2,894
Victoria	—	235	4
Thunder Bay	1,040	3,504	3,333
In transit rail (western division)	1,418	2,197	1,626
Lower St. Lawrence and Maritime ports	1	24	184
Storage afloat	—	169	—
In transit rail (eastern division)	1	—	—
Totals	10,354	18,859	15,049

1971 Season of Navigation Closed at Lakehead

The 1971 season of navigation at the Canadian Lakehead, which opened on April 10 closed on December 29. Total shipments of flaxseed and rapeseed out of Lakehead terminals during the 1971 season, amounted to 33.9 million bushels and represented a sharp increase over the 20.6 million shipped during the 1970 season. Shipments of flaxseed, at 17.8 million and rapeseed at 16.1 million bushels accounted for 53 per cent and 47 per cent, respectively, of the 1971 total.

Combined lake shipments of flaxseed and rapeseed from August 1 to the close of navigation, amounted to 16.3 million bushels, sharply above the 1970 figure of 11.2 million. During the period under review, shipments of flaxseed and rapeseed moved in larger volume this year than last.

Lake Shipments of Canadian Oilseeds from Thunder Bay

Season of Navigation 1960-71

Year	Flaxseed	Rapeseed	Total
		bushels	
1960	8,420,598	—	8,420,598
1961	8,002,465	—	8,002,465
1962	7,964,757	—	7,964,757
1963	7,359,052	—	7,359,052
1964	9,513,402	59,359	9,572,761
1965	11,041,390	1,337,317	12,378,707
1966	14,257,899	1,249,512	15,507,411
1967	10,669,495	928,922	11,598,417
1968	5,717,732	621,840	6,339,572
1969	8,747,193	2,172,342	10,919,535
1970	12,722,317	7,921,496	20,643,813
1971	17,801,364	16,100,769	33,902,133
August 1 to Close of Navigation			
1970	6,257,240	4,932,919	11,190,159
1971	9,400,509	6,859,815	16,260,324

Rail Shipments from Thunder Bay

Rail movement of flaxseed and rapeseed from the Lakehead during the first half of the 1971-72 crop year amounted to 163,000 bushels in sharp contrast to the 649,000 bushels shipped during the comparable period of 1970-71.

Rail Shipments from Thunder Bay

Month	1970-71			1971-72		
	Flaxseed	Rapeseed	Total	Flaxseed	Rapeseed	Total
			bushels			
August	23,548	19,967	43,515	—	31,360	31,360
September	66,032	11,054	77,086	23,747	—	23,747
October	72,560	2,220	74,780	2,000	—	2,000
November	58,884	—	58,884	—	—	—
December	100,826	123,977	224,803	—	26,486	26,486
January	163,138	6,604	169,742	70,000	8,960	78,960
Totals	484,988	163,822	648,810	95,747	66,806	162,553

Grading of Flaxseed and Rapeseed 1971-72

Cars of flaxseed inspected by the Canadian Grain Commission during the first six months of the 1971-72 crop year amounted to 6,996 cars, 10 per cent below the 7,816 cars of this oilseed inspected during the comparable period of 1970-71. Some 96.4 per cent of the August-January 1971-72 inspections of flaxseed graded No. 1 C.W. compared with 93.5 per cent for the comparable period a year ago.

Cars of rapeseed inspected during August-January of the 1971-72 crop year, at 11,166 cars were 10 per cent less than the 12,418 cars of this oilseed inspected in the first six months of the previous crop year. The 98.5 per cent of the August-January 1971-72 rapeseed inspections which were graded No. 1 Canada represents an increase over the 97.6 per cent falling into this category in 1970-71.

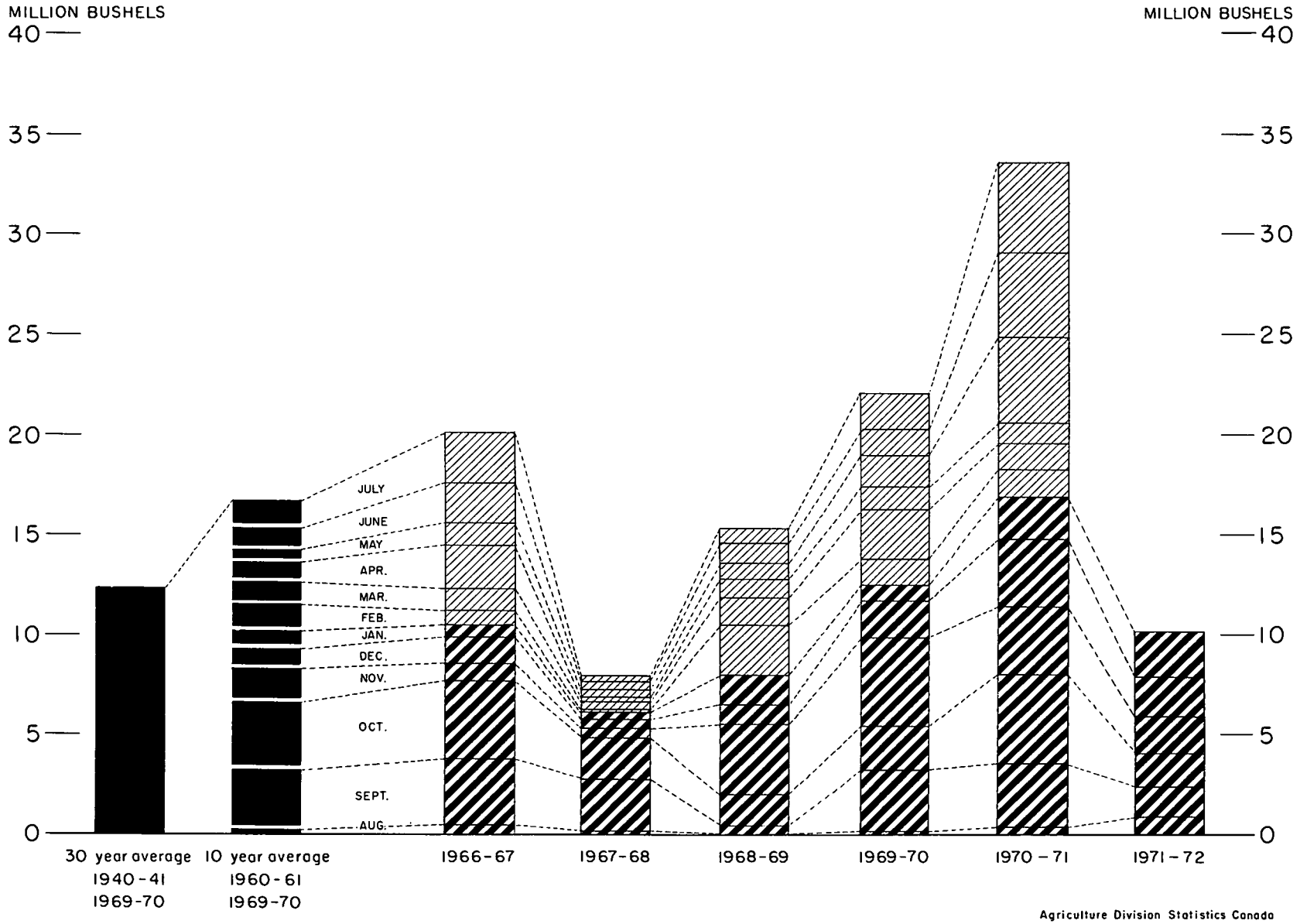
Gradings of Flaxseed and Rapeseed Inspected(1), August-January 1971-72 with Comparisons

Grain and grade	Crop year		August-January			
	Average 1965-66 1969-70	1970-71	1970-71		1971-72	
	per cent		cars	per cent	cars	per cent
Flaxseed						
1 C. W.	77.1	95.4	7,308	93.5	6,748	96.4
2 C. W.	2.6	1.6	162	2.1	88	1.2
3 C. W.	0.9	0.9	75	1.0	46	0.6
4 C. W.	0.1	0.1	8	0.1	3	(5)
Tough(2, 3)	15.4	1.6	210	2.7	73	1.0
Damp(2, 4)	2.8	0.2	17	0.2	8	0.1
Rejected(2)	0.5	0.2	21	0.3	19	0.3
All others	0.6	0.1	15	0.2	11	0.2
Totals	100.0	100.0	7,816	100.0	6,996	100.0
Bushel equivalent (approximately)			15,796,000		14,510,000	
Rapeseed						
1 Canada		97.3	12,120	97.6	10,996	98.5
2 Canada		0.8	78	0.6	32	0.3
3 Canada		0.4	37	0.3	12	0.1
Others		1.6	183	1.5	126	1.1
Totals		100.0	12,418	100.0	11,166	100.0
Bushel equivalent (approximately)			27,654,000		25,422,000	

(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.

FARMERS' MARKETINGS OF FLAXSEED, PRAIRIE PROVINCES

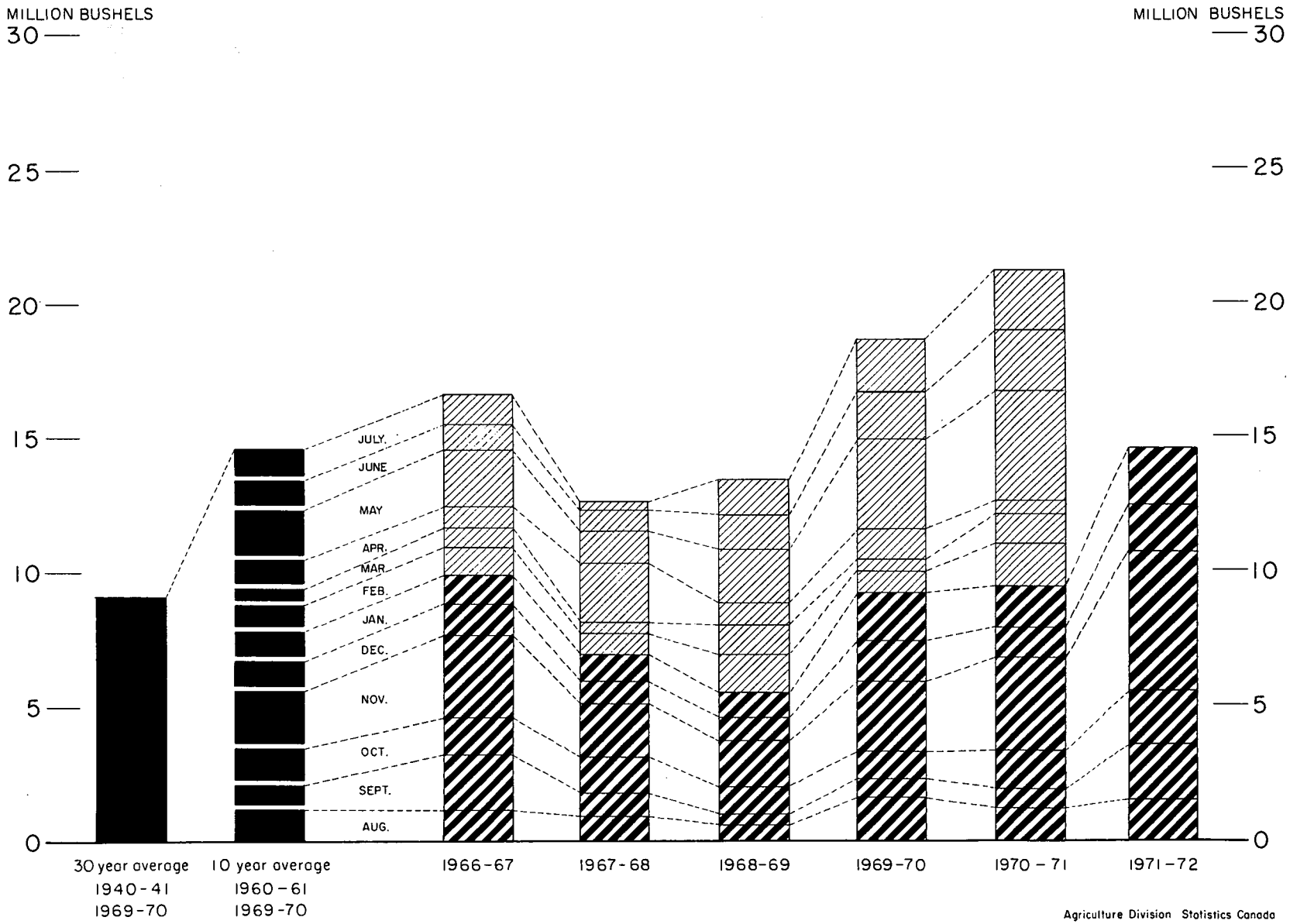
(SPECIFIED PERIODS)



Agriculture Division Statistics Canada

EXPORTS OF CANADIAN FLAXSEED

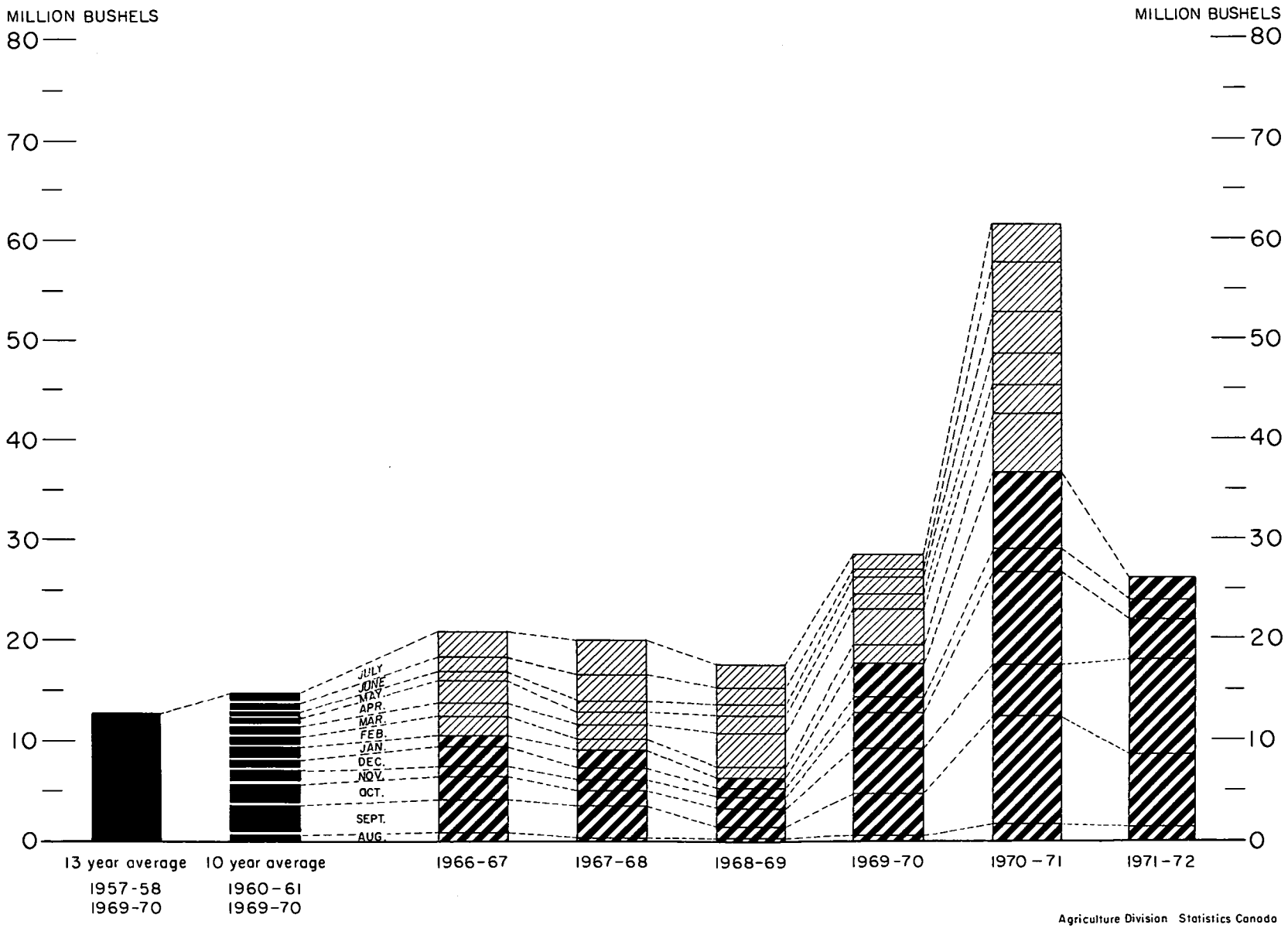
(SPECIFIED PERIODS)



Agriculture Division Statistics Canada

FARMERS' MARKETINGS OF RAPESEED, PRAIRIE PROVINCES

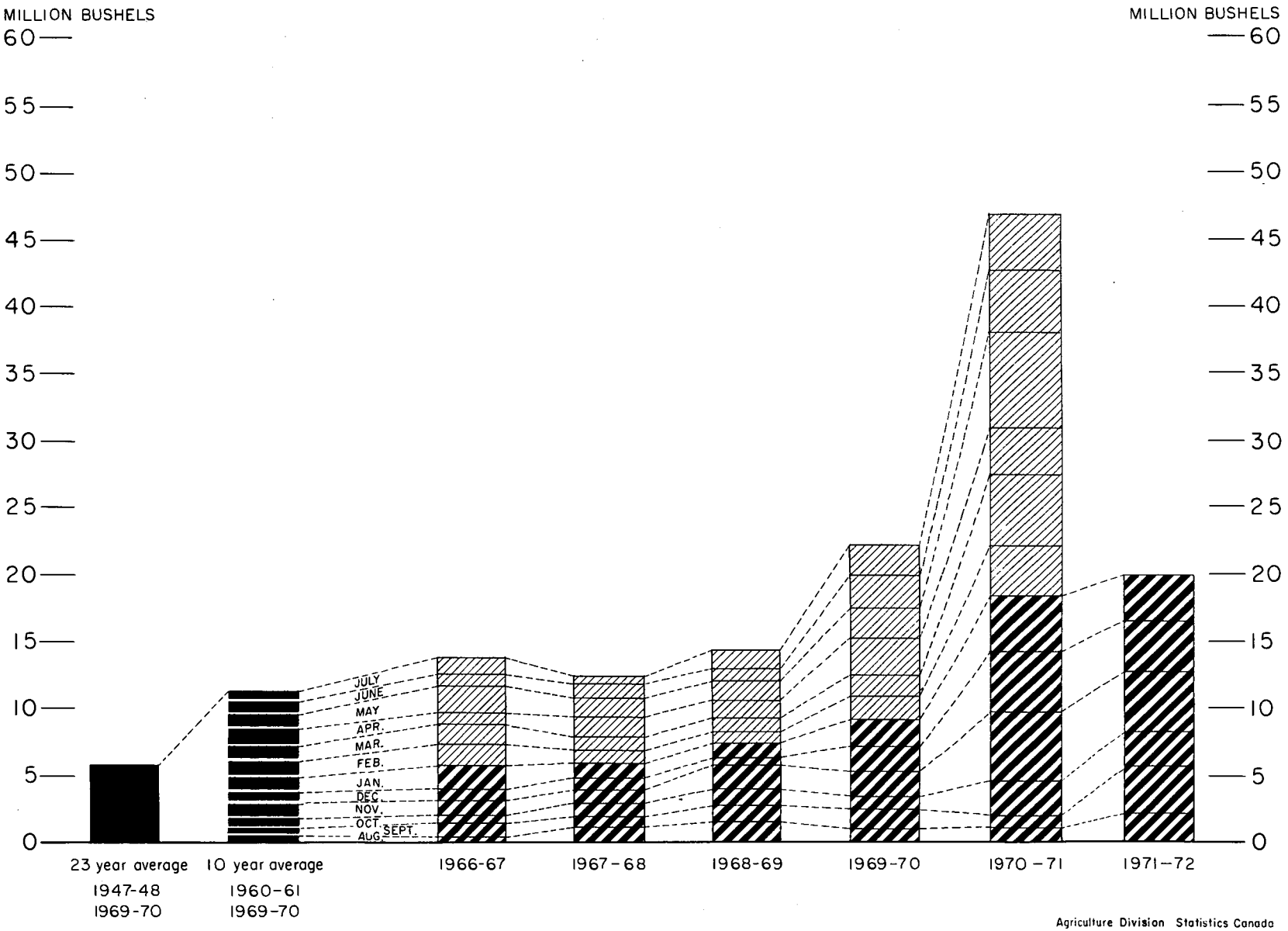
(SPECIFIED PERIODS)



Agriculture Division Statistics Canada

EXPORTS OF CANADIAN RAPESEED

(SPECIFIED PERIODS)



Agriculture Division Statistics Canada

Supply and Disposition of Flaxseed and Rapeseed — Canada
Crop Year 1970-71

Item	Flaxseed	Rapeseed
	bushels	
Stocks at commencement of crop year —		
On farms	600,000	150,000
Country elevators	2,899,000	1,110,000
Interior private and mill elevators	29,000	134,000
Interior terminal elevators	—	14,000
Vancouver — New Westminster	456,000	1,506,000
Thunder Bay	992,000	270,000
In transit rail:		
Western division	498,000	447,000
In transit lake	84,000	—
Eastern elevators	412,000	2,000
Totals, in store July 31, 1970	5,970,000	3,633,000
1970 Production	48,932,000	72,200,000
Imports	—	—
Totals, supplies	54,902,000	75,833,000
Exports	21,194,324	46,810,880
Consumed in Canada —		
Human food	1,000	—
Seed requirements	1,208,000	710,000
Industrial use (1)	2,827,024	8,575,220
Loss in handling (2)	34,000	10,000
Animal feed, waste and dockage (3)	3,031,652	8,697,900
Totals, domestic use	7,101,676	17,993,120
Stocks at end of crop year —		
On farms	10,500,000	200,000
Country elevators	6,951,000	4,392,000
Interior private and mill elevators	91,000	728,000
Interior terminal elevators	2,000	10,000
Vancouver — New Westminster	1,159,000	1,079,000
Thunder Bay	5,458,000	2,237,000
In transit rail:		
Western division	1,142,000	2,327,000
In transit lake	540,000	—
Eastern elevators	763,000	56,000
Totals, in store July 31, 1971	26,606,000	11,029,000
Totals, disposition	54,902,000	75,833,000

(1) Flaxseed and rapeseed for crushing, includes seed crushed for subsequent export as oil and oil meal.
(2) Includes drying loss, outturn loss (lake and rail), fire loss and storage loss, etc.
(3) Residual after estimating for other uses.

Domestic Crushing Crushings of the four major oilseeds, flaxseed, soybeans, rapeseed and sunflower seed, in Canada during the period August 1, 1971 — January 31, 1972, have accounted for a total of 1,133.5 million pounds compared with 1,041.9 million pounds for the same period of the previous year. Most of the current total is accounted for by crushings of 748.3 million pounds of soybeans, slightly below the 751.3 million pounds during the comparable period of 1970-71. Crushings of flaxseed at 87.7 million pounds, represent an increase of 14 per cent over the comparable 1970-71 figure of 77.2 million pounds. The total amount of rapeseed crushed during August — January 1971-72, amounted to 266.2 million pounds, some 34 per cent more than last year's comparable total of 198.9 million pounds. Crushings of sunflower seed during the first six months of the current crop year amounted to 31.3 million pounds, more than double the 14.4 million at the comparable period the previous year.

Crushings of Vegetable Oilseeds and Production of Oil and Oil Meal, 1968-69 — 1971-72

	Crop Year			August — January	
	1968-69	1969-70	1970-71	1970-71	1971-72
	thousand pounds				
Crushings					
Flaxseed	116,780	139,416	158,313	77,229	87,671
Soybeans	1,203,253	1,420,734	1,406,242	751,320	748,276
Rapeseed	346,691	388,400	428,761	198,890	266,224
Sunflower seed	24,246	21,228	32,396	14,448	31,286
Oil Production					
Flaxseed	41,044	47,963	54,670	26,587	30,045
Soybeans	204,027	240,564	242,325	129,241	128,395
Rapeseed	140,543	153,042	169,892	78,185	102,510
Sunflower seed	9,449	8,583	12,571	5,602	12,711
Meal Production					
Flaxseed	71,644	87,072	99,564	48,283	55,740
Soybeans	952,656	1,117,487	1,098,351	588,563	582,944
Rapeseed	196,414	228,464	248,762	117,300	159,348
Sunflower seed	9,150	8,621	11,954	5,507	115

Month-end Stocks in Crushing Plants of Oil and Meal, January 1970-72

	Oil			Meal		
	1970	1971	1972	1970	1971	1972
	thousand pounds					
Flaxseed	4,985	5,594	9,155	824	2,979	2,347
Soybeans	3,895	12,551	13,094	34,950	28,059	21,221
Rapeseed	3,042	5,519	4,790	4,215	3,228	4,198
Sunflower seed	451	763	358	524	476	442

Oilseed Crushings in Canada, Calendar Years 1960-71

Item	Flaxseed	Soybeans	Rapeseed	Sunflower seed
		bushels		
Quality Crushed				
1960	2,637,243	17,147,988	376,838	590,526
1961	2,912,208	15,410,386	1,181,423	261,144
1962	2,350,163	17,433,760	1,495,283	101,786
1963	2,417,598	18,155,664	1,590,780	228,136
1964	3,053,488	20,732,079	1,748,825	691,069
1965	2,838,339	19,548,764	2,635,112	655,721
1966	2,470,967	20,052,503	4,272,916	398,993
1967	2,377,016	21,054,014	5,023,750	568,506
1968	1,998,716	19,199,616	5,769,925	959,243
1969	2,029,866	20,865,292	7,461,290	693,524
1970	2,863,786	24,773,124	7,828,717	768,591
1971	2,960,150	23,804,065	9,738,504	1,529,867
		pounds		
Oil Produced				
1960	52,062,412	185,086,753	6,762,706	4,940,545
1961	57,135,560	162,876,037	20,845,161	2,314,385
1962	45,376,613	181,257,687	28,476,022	918,719
1963	46,732,738	186,750,396	30,711,253	2,367,595
1964	58,934,636	200,317,538	34,115,716	6,698,708
1965	54,857,900	198,587,805	51,807,726	6,657,605
1966	48,577,718	197,867,175	84,446,626	4,430,217
1967	47,237,899	215,511,611	100,864,986	6,814,290
1968	39,809,524	191,618,708	116,413,411	11,473,346
1969	39,558,368	212,707,669	149,316,218	8,359,265
1970	55,242,032	253,750,749	154,273,283	9,097,886
1971	57,191,612	245,952,703	191,307,610	18,307,182
		tons		
Oil Meal Produced				
1960	45,272	399,604	5,840	2,761
1961	50,592	361,285	18,303	1,283
1962	40,670	407,649	22,696	499
1963	41,343	427,432	23,588	1,203
1964	53,556	458,513	25,600	3,546
1965	48,754	466,558	38,264	3,659
1966	42,537	475,751	61,450	2,292
1967	40,916	503,019	71,000	3,223
1968	34,524	456,703	82,722	5,067
1969	35,041	494,650	107,214[r]	4,067
1970	50,148	582,725	116,154	4,620
1971	52,473	556,863	142,775	8,300

Stocks of Oilseeds and Products in Crushing Plants, Canada
December 31, 1960-71

Item	Flaxseed	Rapeseed	Soybeans	Sunflower seed
Raw material		bushels		
1960	354,411	76,587	5,751,641	168,634
1961	379,530	250,696	4,782,003	98,327
1962	429,226	274,781	5,221,891	102,425
1963	511,579	389,922	5,389,999	172,710
1964	551,502	865,565	5,522,555	222,094
1965	398,103	139,355	6,594,752	190,929
1966	415,337	247,835	4,563,401	209,050
1967	377,086	575,659	4,561,211	265,565
1968	241,427	431,085	4,966,063	243,384
1969	457,912	836,619	5,620,687	112,786
1970	569,027	705,545	6,276,208	79,462
1971	671,958	497,274	5,064,378	131,281
Oil		pounds		
1960	10,822,037	739,833	5,300,708	2,404,516
1961	10,173,592	5,916,108	12,179,116	472,544
1962	9,754,403	3,565,249	5,484,537	976,287
1963	8,684,637	3,308,482	7,341,417	1,541,942
1964	7,624,195	2,329,762	6,542,136	175,420
1965	11,552,252	1,993,302	6,329,724	1,031,210
1966	10,534,538	3,848,186	7,376,410	565,075
1967	8,986,459	8,775,557	10,142,446	1,738,452
1968	7,532,370	2,179,645	5,949,093	189,275
1969	3,293,788	3,118,853	4,798,202	273,576
1970	5,040,362	3,946,196	13,239,470	333,732
1971	8,314,807	2,439,550	9,936,463	676,964
Oil meal		tons		
1960	4,679	1,144	9,236	974
1961	3,499	452	6,629	13
1962	1,276	1,679	11,441	—
1963	432	1,002	10,058	394
1964	5,135	3,734	19,282	890
1965	1,672	1,705	12,432	38
1966	3,400	646	5,118	197
1967	4,531	743	12,351	150
1968	3,766	1,479	7,959	694
1969	525	2,823	17,150	240
1970	1,510	1,300	7,968	90
1971	471	3,397	9,046	287

Flaxseed — Selected Statistics, 1968-69 — 1971-72

	Crop year			August — January	
	1968-69	1969-70	1970-71	1970-71	1971-72
	thousand bushels				
Flaxseed					
Stocks at beginning of crop year	4,678	4,909	5,970	5,970	26,606
Production	19,666	27,548	48,932	48,932	25,659
Imports	5	7	—	—	—
Exports	13,421	18,611	21,194	9,401	14,494
Domestic crushing	2,085	2,490	2,827	1,379	1,566
Prices(1)	cents and eighths per bushel				
August	346/6	319/2	269/2		234/6
September	339/6	322/1	272/3		226/7
October	332	322/6	263/5		243/2
November	321/5	305/5	253		238/4
December	316/1	276/1	246/2		236/3
January	327/7	280/5	244/6		248/7
February	330/4	284	249/4		259
March	325/4	277/6	251/4		
April	327/6	276/4	257/2		
May	329/3	278	248/7		
June	327/1	281/7	245/5		
July	343/5	280	242		
Yearly average	330/6	292	253/5		
Flaxseed oil	thousand pounds				
Exports	10,865	21,280	25,598	14,875	16,288
Domestic production	41,044	47,963	54,670	26,587	30,045
Flaxseed meal	tons				
Exports	5,929	6,500	14,859	12,330	12,815
Domestic production	35,822	43,536	49,782	24,142	28,870

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

Rapeseed — Selected Statistics, 1968-69 — 1971-72

	Crop year			August — January	
	1968-69	1969-70	1970-71	1970-71	1971-72
	thousand bushels				
Rapeseed					
Stocks at beginning of crop year	9,923	5,069	3,633	3,633	11,029
Production	19,400	33,400	72,200	72,200	98,500
Exports	14,311	22,213	46,811	18,405	19,766
Domestic crushing	6,934	7,768	8,575	3,978	5,324
Prices(1)	cents and eighths per bushel				
August	209/1	204/5	267/3	—	273/7
September	214/6	220/6	251/4	240/6	248/2
October	208/3	262/7		255/7	255/4
November	215/4	282/3		259	250/2
December	227/2	285/5		269/2	238/3
January	234/7	325/4		281/3	228
February	244/5	313/6		302	231/4
March	231/2	271/5		291/4	
April	226/6	279/1		302/3	
May	219	290/7		274	
June	215	303/5		290/4	
July	217/6	283/5		296/7	
Yearly average	221/7	227		278/1	
Rapeseed oil	thousand pounds				
Domestic production	140,543	153,042	169,892	78,185	102,510
Rapeseed meal	tons				
Domestic production	98,207	114,232	124,381	58,651	79,674

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

Soybeans — Selected Statistics, 1968-69 — 1971-72

	Crop year			August — January	
	1968-69	1969-70	1970-71	1970-71	1971-72
	thousand bushels				
Soybeans					
Production	9,027	7,664	10,385	10,385	10,080
Imports	12,469	17,430	15,703	10,946	9,167
Exports	1,123	1,111	768	507	668
Domestic crushing	20,054	23,679	23,437	12,522	12,471
Prices(1)	cents and eighths per bushel				
August	270/4	267/1	276/3		326/1
September	261/5	249	277/6		304/7
October	248/7	245/5	291/4		308/3
November	254/7	246/6	293/1		299/2
December	257/6	245/3	286		299/6
January	260/4	251/4	294/2		297/2
February	261/2	257/5	296/3		306/6
March	260	262/2	296/4		
April	264/7	268/1	286		
May	267/2	273/5	295/2		
June	264/3	279/1	311/5		
July	270/3	288/5	331/4		
Yearly average	261/7	261/2	294/6		
Soybean oil	thousand pounds				
Imports	25,652	38,567	53,001	23,983	22,414
Exports	32,091	45,715	68,078	26,424	56,459
Domestic production	204,027	240,564	242,325	129,241	128,395
Soybean meal	tons				
Imports	246,826	266,009	249,855	132,225	107,029
Exports	131,235	165,482	123,033	93,729	91,799
Domestic production	476,328	558,743	549,173	294,281	291,472

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

Monthly Prices of Oils(1) and Meals Crop Years 1969-70 — 1971-72

Year and month	Linseed oil	Rapeseed oil	Soybean oil	Linseed meal(2)	Rapeseed meal(1)	Soybean meal(1)
	cents per pound			dollars per ton		
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	99.82
May	11.04	12.41	13.79	121.00	59.58	101.96
June	10.83	13.71	15.06	120.20	64.80	104.15
July	10.72	14.97	17.11	120.89	63.09	107.18
Yearly average	11.03	12.89	14.93	120.39	64.94	105.39
1971-72						
August	10.61	14.74	16.68	119.40	67.18	104.76
September	10.11	13.14	15.18	119.80	59.39	99.90
October	10.75	13.81	16.17	120.60	59.65	99.70
November	10.40	13.49	14.51	119.60	54.26	98.80
December	10.51	12.60	13.89	119.80	50.05	101.15
January	11.15	11.98	13.06	119.00	51.19	106.12

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

Exports of Canadian Flaxseed(1) 1971-72 and 1970-71

Destination	November 1971	December 1971	January 1972	August — January	
				1971-72	1970-71[r]
			bushels		
Western Europe					
EEC:					
Belgium and Luxembourg	366,136	181,895	—	647,861	661,457
France	114,843	38,000	—	205,528	247,755
Germany, West	409,982	478,509	253,800	2,142,841	1,171,224
Italy	152,000	—	—	152,000	91,915
Netherlands	2,286,412	218,802	1,178,439	5,732,551	3,144,826
Sub-totals	3,329,373	917,206	1,432,239	8,880,781	5,317,177
Other Western Europe:					
Britain	777,196	40,000	—	1,151,482	740,614
Denmark	—	—	—	54,327	50,042
Greece	—	—	—	—	38,600
Finland	82,217	—	—	82,217	—
Norway	—	—	—	176,000	165,096
Spain	589,200	—	—	745,200	738,623
Switzerland	—	37,603	—	37,603	5,834
Sub-totals	1,448,613	77,603	—	2,246,829	1,738,809
Totals	4,777,986	994,809	1,432,239	11,127,610	7,055,986
Eastern Europe					
Czechoslovakia	—	—	—	270,370	191,170
Africa					
Guinea	—	—	—	12,211	—
Asia					
Israel	—	—	—	—	28,000
Japan	219,627	701,841	660,803	2,608,407	2,027,643
Korea, North	39,368	—	—	102,356	—
Korea, South	—	—	—	99,536	98,513
Lebanon	129,125	—	—	129,125	—
Pakistan	—	—	—	114,665	—
Syria	29,526	—	—	29,526	—
Totals	417,646	701,841	660,803	3,083,615	2,154,156
Western Hemisphere					
United States(2)	—	—	—	—	9
Totals, all countries	5,195,632	1,696,650	2,093,042	14,493,806	9,401,321

(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) 1971-72 and 1970-71

Destination	November 1971	December 1971	January 1972	August-January 1971-72	August-January 1970-71 r
	bushels				
Western Europe					
EEC:					
Belgium and Luxembourg	163,424	—	—	163,424	—
France	678,270	—	581,280	3,721,088	872,881
Germany, West	909,217	34,128	118,720	1,062,065	2,066,920
Italy	155,560	—	194,521	372,999	1,207,823
Netherlands	565,816	984,681	165,400	2,346,591	4,374,586
Sub-totals	2,472,287	1,018,809	1,059,921	7,666,167	8,522,210
Other Western Europe:					
Britain	—	—	—	1,930	—
Switzerland	117,600	—	—	117,600	—
Sub-totals	117,600	—	—	119,530	—
Totals	2,589,887	1,018,809	1,059,921	7,785,697	8,522,210
Eastern Europe					
Czechoslovakia	—	—	—	—	212,800
Asia					
India	—	—	—	361,550	1,250,008
Japan	1,915,925	2,714,491	2,341,461	11,559,871	7,153,152
Lebanon	46,296	—	—	46,296	—
Pakistan	—	—	—	—	1,265,444
Totals	1,962,221	2,714,491	2,341,461	11,967,717	9,668,604
Sub-totals, all countries	4,552,108	3,733,300	3,401,382	19,753,414	18,403,614
Western Hemisphere					
United States(2)	1,680	10,674	—	12,554	1,604
Totals, all countries	4,553,788	3,743,974	3,401,382	19,765,968	18,405,218

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

Customs Exports of Canadian Soybeans 1971-72 and 1970-71

Destination	November 1971	December 1971	January 1972	August — January 1971-72	August — January 1970-71
	bushels				
Western Europe					
EEC:					
Germany, West	—	525	—	525	44,288
Netherlands	—	—	—	1,188	555
Sub-totals	—	525	—	1,713	44,843
Other Western Europe:					
Britain	—	466,702	22,400	657,290	448,167
Sweden	183	3,368	—	7,578	12,510
Switzerland	—	1,113	—	1,113	1,852
Sub-totals	183	471,183	22,400	665,981	462,529
Totals	183	471,708	22,400	667,694	507,372
Western Hemisphere					
Jamaica	—	—	—	83	—
Leeward and Windward Is.	—	—	—	—	42
Surinam	—	50	—	50	—
United States	—	—	—	—	33
Totals	—	50	—	133	75
Totals, all countries	183	471,758	22,400	667,827	507,447

UNITED STATES SITUATION

The following outlook paper on oilseeds, fats and oils was presented by George W. Kromer of the United States Department of Agriculture's, Economic Research Service, on February 24, 1972 at the United States National Agricultural Outlook Conference, Washington, D.C.

Outlook for oilseeds, fats and oils. — Soybean supplies for the current marketing year are 1,268 million bushels compared with 1,354 million in 1970-71. The decline in carryover last September 1 exceeded the increase in production. The 1971 soybean crop increased 4 per cent to a record 1,169 million bushels.

Reduced supplies this marketing year are limiting soybean usage to 1.2 billion bushels, about 4 per cent below 1970-71. This is the third straight year in which use will exceed production. As a result, carryover next September 1 probably will be drawn down to minimum operating levels — possibly around 70 million bushels compared with nearly 100 million last year. This is equal to about a 3 weeks' supply for September and provides little or no protection for any delays in availability of new-crop soybeans.

Farm prices about $3. — Prices received by farmers for soybeans will continue strong as supplies are rationed between domestic and export demands. They will be influenced by prospects for the 1972 soybean crop later in the year. The season average price for 1971-crop soybeans is estimated at $3 per bushel — the highest since the $3.33 in 1947-48. So far this marketing year farm prices have averaged a little under $3 but they probably will strengthen as soybean supplies decline.

Through December, growers put 140 million bushels of soybeans under price support loan compared with 114 million during this period a year ago. Many farmers placed soybeans under government loan (taking advantage of CCC low interest rates) while awaiting further market developments. Producers can receive price support loans on their 1971-crop soybeans at the national average rate of $2.25 per bushel (No. 1 grade, 12.8-13.0 per cent moisture), unchanged from 1970. Farm and warehouse loans and CCC purchases are available from harvest through May 31, 1972. While loan activity in 1971-72 is substantial, no CCC acquisitions are anticipated. There will be no reseal program for 1971-crop soybeans.

Soybean tops in cash receipts. — In 1971 cash receipts from soybean marketings reached a record $3.4 billion, a fifth above 1970. This is the first time that soybeans matched corn in cash receipts; they tied for the No. 1 spot. Projections for 1972 indicate that soybeans will surpass corn in cash receipts, making soybeans the nation's No. 1 cash crop.

Cash Receipts from Marketing Crops(1)

Crop	Calendar year					
	1969		1970		1971(2)	
	Rank	Value	Rank	Value	Rank	Value
	no.	bil. dol.	no.	bil. dol.	no.	bil. dol.
Corn	1	2.8	1	3.0	(1	3.4
Soybeans	2	2.6	2	2.8	(1	3.4
Wheat	3	1.7	3	1.6	3	2.0
Tobacco	4	1.3	4	1.4	4	1.3
Cotton lint	5	1.2	5	1.0	5	1.2

(1) Excludes government payments. (2) Preliminary.

Soybean planting intentions up 4 per cent. — Based on a special USDA planting intentions survey as of January 1, farmers will seed nearly 45 million acres to soybeans in 1972, compared with 43 million last year. Increases are indicated for all major producing regions.

If intentions are realized and yields are near current levels, the 1972 soybean crop will exceed 1.2 billion bushels, compared with 1,169 million in 1971. Even so, a crop this size would still leave soybean supplies relatively tight over the next 1 1/2 years as carryover stocks next September will be down to low operating levels.

Between now and planting time, farmers' intentions will be influenced by such important factors as weather and soybean and corn prices. Also, the new feed grain program option (announced February 2) is aimed at reducing corn by increasing set aside acreage in 1972. This could have an effect on upcoming soybean acreage and supplies.

Corn producers, after setting aside the 25 per cent of their feed grain base to qualify them to earn their basic payment, will be able to earn an increased rate of payment on additional set-aside — 80 cents per bushel on an added 10 per cent of their base. For sorghum, the payment will be increased to 76 cents per bushel. To qualify for the higher payment rate under this new provision, the producer will agree that for each acre of additional set aside, his 1972 plantings of corn-grain sorghum will be reduced by 2 acres below his 1971 corn-grain sorghum acreage. Thus, one acre would be set aside and held out of all production and the second acre would be held out of corn-grain sorghum production but could be planted to any crop not subject to other program restrictions.

The regular spring planting intentions report, when farmers will have firmer plans for 1972, will be released March 16.

Last year soybean producers planted fewer acres than their early-season planting intentions. In both the January and March 1971 surveys farmers indicated they would plant about 46 million acres to soybeans. They actually planted 43 million acres. On the other hand, corn farmers in 1971 planted 74 million acres, 3 to 4 million acres more than their January and March intentions indicated. In the spring of 1971 corn prices had advanced to high levels and planting weather and conditions were ideal. These factors undoubtedly contributed to the shift to corn and away from soybeans.

Crush down moderately; margins lower this year. — Soybean crushings during 1971-72 are estimated at around 725 million bushels — down from last year's record 760 million. This will be the first year since 1963 that the season's crush has not increased. Crushings so far this season total 304 million bushels (January estimated), 18 million below September-January 1970-71.

The reduced crush comes after several years of sharply expanded processing capacity. The industry this year probably will be operating at about 80 per cent of its annual capacity of approximately 900 million bushels compared with 87 per cent last year and 92 per cent in 1969-70. This year's utilization rate (actual crush in proportion to total capacity) will be near the industry's long-run average.

The reduced soybean crush reflects smaller soybean supplies, weakened demand for soybean oil, and smaller processing margins. During September-January, margins averaged 13 cents per bushel (based on spot prices for soybeans, oil and meal at

Decatur) compared with 35 cents in the same months a year ago and 52 cents in 1969-70. Increased crushing capacity along with reduced supplies of soybeans likely will continue to put pressure on margins. For all of 1971-72 the margin probably will average sharply below the 26 cents per bushel of last season and near the 1960-68 average of 12 cents.

Soybean exports decline. — Soybean exports during 1971-72 are expected to exceed 400 million bushels but fall short of last year's record 433 million. From September 1 through early February about 204 million bushels were inspected for export, roughly the same as a year ago. This heavy movement may reflect in part uncertainties over the possible renewal of longshoremen strikes at East Coast and Gulf Coast ports. Exports probably will fall behind the 1970-71 rate as U.S. soybean supplies become scarcer.

Export demand for soybean stays strong, primarily because of the soybean meal demand, but U.S. supplies available for shipment are down this year and prices are higher. There are increased world supplies of competitive oils (mainly rapeseed, coconut, palm, peanut, and sunflower). Competing protein meals (fish, peanut, and rapeseed) are also somewhat greater but soybean meal holds a preference position. Also, crushing margins for soybeans abroad will be reduced since soybean processing capacity has expanded in Western Europe and Asia, the major markets. Much of the expansion in recent years has been the solvent extraction type of operation particularly designed for processing soybeans.

Soybean oil supply down slightly; exports to decline sharply. — Soybean oil supplies for the marketing year which began last October 1 are estimated at 8.6 billion pounds, about 2 per cent below 1970-71. Domestic use of soybean oil is expected to total about 6.5 billion pounds, up slightly from 1970-71. Although domestic use during October-December totalled about the same as last year's 1.6 billion pounds, slight increases from year-ago levels are likely during the balance of the season.

As for competitive commodities, the combined consumption of cottonseed oil and lard likely will decline but palm oil usage will gain. Imports of palm oil, which increased 70 per cent during 1970-71, are again up significantly. Coconut oil imports are also running higher.

Palm Oil and Coconut Oil Imports

Period	Palm oil			Coconut oil		
	1969-70	1970-71	1971-72	1969-70	1970-71	1971-72
	million pounds					
October-December ...	42	61	81	57	90	112
January-March	23	60		238	224	
April-June	30	53		145	148	
July-September	27	33		122	145	
Crop year	122	207	300(1)	562	607	700(1)

(1) Forecast.

Palm oil comes into the United States duty free, mainly from the Congo, Indonesia, and Malaysia. About three-fourths of this oil is used to produce shortening, replacing domestically produced cottonseed oil and soybean oil because of its lower price. Coconut oil is imported almost entirely from the Philippines and is consumed in both edible and inedible products.

Soybean oil exports during 1971-72 probably will decline to around 1.2 billion pounds — down a fourth from last year's record 1.7 billion pounds. U.S. dollar exports face stiffer competition from a marked increase in the supply of edible oils available from other exporting countries. Also, the recent war between India and Pakistan has dampened our export prospects to these countries — both large takers of U.S. soybean oil under P.L. 480. And Yugoslavia probably will require less oil from us (CCC credit) because of increased availability of fats and oils from alternative sources. In 1970-71 these 3 countries accounted for one-half of the 1.7 billion pounds of soybean oil we exported.

Soybean oil exports during October-December 1971 totalled 347 million pounds, down slightly from 1970. Exports may hold up well this January-March but likely will fall off sharply during April-September 1972.

Slackening export prospects are reflected in soybean oil prices. They tumbled from 14 1/2 cents per pound (crude, Decatur) last August to 11 cents this January — nearly 2 cents below January 1971. Oil stocks (crude and refined) increased to 0.8 billion pounds on January 1, 1972, a tenth above the previous year.

Soybean meal output and use off 5 per cent. — Soybean meal supplies for 1971-72 are estimated at 17.3 million tons, about 5 per cent below last year.

Domestic use is estimated to drop slightly below the 1970-71 level of 13.4 million tons. During October-December 1971 it totalled 3.3 million tons — a tenth below the same quarter a year earlier.

Soybean meal exports this marketing year may decline around 15 per cent to 3.9 million tons. Exports in October-December totalled 1.0 million tons — 5 per cent less than the year before. Overseas demand continues strong but U.S. supplies are limited and prices are higher. Most of the decline is expected to occur in the second half of the marketing year, as export tonnage to Western Europe slows. Last season Western Europe accounted for three-fourths of the 4.6 million tons the United States shipped.

Reduced soybean meal supplies along with continuing strong demand lifted prices from $73 per ton (44 per cent protein, Decatur) last September to $83 this January. Demand is bolstered for the limited supplies by more favourable livestock-feed price ratios. With soybean prices riding high and oil prices weakening, processors are attempting to recoup a larger share of the total value of products (per bushel of beans crushed) through prices of meal.

Cottonseed crush may increase. — Cottonseed crushings this marketing year may approach 4 million tons, up slightly from 1970-71. The crush during August-December was approximately the same as the previous year. Cottonseed received at oil mills through December was lagging — down 9 per cent from the year before.

Oil output for 1971-72 is estimated at 1.3 billion pounds and meal at 1.8 million tons — each product up slightly from last season.

Based on January 1 planting intentions, cotton producers plan to seed 13.1 million acres in 1972, about 7 per cent more than last year.

Domestic oil use off; exports increase. — Cottonseed oil supplies total 1.4 billion pounds, the same as 1970-71, as a slight prospective increase in output offsets smaller starting stocks last August 1.

Domestic disappearance will do well to hold near the 0.9 billion pounds of 1970-71. It is off a fifth so far this marketing year, mainly reflecting its high price relative to other oils. Annual consumption declined rather steadily from 1.7 billion pounds in 1965-66. The primary market for cottonseed oil is in cooking and salad oils.

Exports this season may total 0.4 billion pounds, up from the 359 million shipped in 1970-71. During August-December they were 137 million pounds, two-fifths ahead of the 1970-71 rate. Cottonseed oil is sold for dollars with Western Europe and Egypt the major markets.

Cottonseed oil prices (crude, Valley) declined steadily from 16 1/2 cents per pound last August to 12 1/2 cents this January — about 2 1/2 cents below January 1971. The drop reflects lagging domestic demand for cottonseed oil along with the general decline in edible oil prices — mainly soybean oil.

Lard production and use declining. — Lard production during 1971-72 is estimated at 1.8 billion pounds, about a tenth below that of last season. An 8 per cent reduction in hog slaughter and further declines in lard yield per hog are responsible.

Domestic use of lard this season may decline about a tenth to around 1.5 billion pounds. So far direct use is down sharply, but use in margarine and shortening is up slightly. Use in these products will also tend to weaken as the year progresses, because of reduced supplies and higher prices. The direct consumption of lard as a household cooking fat has shown a long-term downtrend, from 12 1/2 pounds per person in the late 1940's to 4 1/2 pounds last year.

Exports and shipments may drop to around 300 million pounds from 382 million in 1970-71. As in the past several years, the United Kingdom takes most of theirs under the U.S. lard export payment program. So far this marketing year, about 50 million pounds have been accepted by USDA compared with 150 million a year ago. The payment rate continues at 1 cent per pound. Lard exports during October-December 1971 were 54 million pounds, compared with 101 million a year earlier.

Lard prices probably will average near the 11 cents per-pound level of 1970-71, reflecting smaller supplies and good demand for fats and oils generally. Prices (loose, tanks, Chicago) during October-December 1971 averaged 10 1/2 cents per pound — about 1 cent below the previous year. But this January prices moved ahead of a year ago. Hog slaughter and lard production are tapering off seasonally, providing some strength to lard prices.

Butter output steady; CCC exports sales heavy. — Butter production during the marketing year begun in October will aproximate the 1.1 million pounds of 1970-71. Although some increase in milk production is in prospect, much of it likely will be used in other manufactured dairy products — particularly cheese.

Butter consumption in 1971-72 probably will decline a little from the 1.1 billion pounds of the previous year. Donation programs — school lunch, food stamp, and direct distribution programs — may take about the same amount.

Butter exports during 1971-72 are expected to be up sharply from last season's 20 million pounds, as shipments pick up under the USDA export program. It began in May 1971 for CCC-owned butter to the United Kingdom. Because of short supplies in the principal supplying countries (Denmark, Australia, and New Zealand) the U.K. opened the door for U.S. surplus butter by relaxing butter import quotas until March 31, 1972. On July 1, the export sales program was expanded to other countries. Originally, the sales price was 50 cents per pound, but was upped to 54 cents last fall.

Since the start of the program, approximately 140 million pounds of butter have been sold for export and CCC sales continue. Most export sales have been destined for the U.K.

As of January 1, 1972, CCC butter stocks were 78 million pounds (total stocks were 105 million) compared with 99 million (119 million) a year earlier.

Eight alternative crops okay on 1972 set-aside acreage. — USDA has announced that farmers participating in the 1972 cotton, feed grain, and wheat programs may plant any of 8 alternate designated nonsurplus crops on their set-aside acres. The alternate crops for 1972 are castorbeans, crambe, guar, mustard seed, plantago ovato, safflower, sesame and sunflower — the same as those eligible in 1971.

Producers planting any of the alternate crops on set-aside acreage will have a deduction made in their per-acre set-aside payment. The payment deduction will be related to the average productivity of the land, with rates varying from $6 to $10.20 per acre. In 1971 there was a straight $10 deduction per set-aside acre planted. Less than 54,000 set-aside acres were planted to 1 or more of the 8 crops in 1971.

Peanut surplus large. — The 1971 peanut crop is placed at 3.0 billion pounds, a shade above the 1970 record. Acreage allotments continue at the legal minimum of 1.6 million acres. Yield per acre — 2,045 pounds — is 14 pounds above 1970.

Peanut supplies for 1971-72 are about 3 1/2 billion pounds, 3 per cent above last season, reflecting the larger carryover. Supplies are well in excess of requirements for food and farm use, and CCC probably will divert more than a third of the crop into crushing and export channels.

The 1971 peanut crop is being supported at a national average loan rate of $268.50 per ton (13.42 cents per pound), $13.50 above the previous year. This rate is 75 per cent of the August 1, 1971, parity price. Support by type is as follows: Virginia, $279; Runner, $261; Southeast Spanish, $268; Southwest Spanish, $264; and Valencia (suitable for cleaning and roasting), $279. Price support is available through loans and purchases.

Prices to peanut farmers this season likely will average around 13 1/2 cents per pound, reflecting the higher support price. In 1970-71 they averaged 12.8 cents per pound. Increased production in recent years has held peanut prices near support.

About two-thirds of the total disappearance of peanuts is used for edible products (chiefly peanut butter, candy, salting, and roasting in shell) and related uses. The remaining one-third is crushed for oil and meal, is exported, used for seed, and feed, or is lost on the farm.

During 1950-70 total edible consumption of peanuts increased from about 1.0 billion pounds (farmers' stock basis) to 1.6 billion. It increased at an average annual rate of about 3 per cent, reflecting population growth and increased use per person.

Edible use slackened in 1970-71 and was not much changed from the 1.6 billion pounds a year earlier. Higher peanut prices and efforts by consumers to economize on their food expenditures probably were factors. Also, FDA changes in mixed nuts standards of identity and labeling (effective February 15, 1971) may have affected the ratio of peanuts to other nuts in this product. Food use for the 1971-72 marketing year is increasing slightly; during August-December it was up 3 per cent.

On a per capita basis, edible consumption slowly trended upward from about 6 1/2 pounds in the early 1950's to nearly 8 pounds in recent years — of which about 7 pounds are consumed in the form of peanut butter, salted peanuts, and in candy. The other pound is divided about equally between cleaned roasting stock peanuts and those consumed as food on farms.

Marketing quotas approved for next three crops. — Last December peanut growers voted a continuation of marketing quotas for the peanut crops to be produced in 1972, 1973, and 1974. The law directs peanuts price support at a level between 75 and 90 per cent of parity when marketing quotas are in effect. Quotas have been in effect each year since 1949.

The quota for 1972-crop peanuts is 1,634,150 tons and the national allotment is 1,610,000 acres — the minimum permitted under the Agricultural Act of 1938, as amended. This allotment has been allocated to the States and to individual farms, essentially on the basis of peanut acreages in preceding years. Where peanuts are planted in a skip-row pattern in 1972, the entire field will be counted as peanut acreage.

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

Commission price proposals 1972. — In early January the Commission submitted to the Council of Ministers its agricultural price proposals for the 1972-73 and 1973-74 crop years. This was actually the second set of price proposals as those submitted last June, involving modest increases in the order of 3 per cent, were quickly overtaken by events and by pressure from farm groups for better returns. The current proposals call for an overall 8 per cent increase in prices under support over a two year period, the aim being to help make up the gap between farm income and income in other comparable sectors. The Commission proposals are also a first step to adjust price relationships to give greater incentive to livestock production over field crops; the proposed increases are 8 to 13 per cent

for the former as against an average 4 per cent for the latter. The EEC Council is at present considering these proposals with a view to reaching a decision by the end of March.

Prices for oilseeds would follow the same overall rate of increase as for grains and other field crops in order to retain approximately the same returns per hectare. The Commission proposes that the target price for rapeseed and sunflowerseed be raised by 4 per cent to 210.50 Units of Account (U/C) per ton in the next crop year, while the support price would increase by 4.1 per cent to U/C 204.50. It will be recalled that support for growers is provided by a type of deficiency payment passed back to producers via the crushers, representing the difference between the target price and that of imported seed.

Record EEC rapeseed crop in 1971. — EEC rapeseed production established a new record in 1971 with an outturn of 886,200 tons which was 10 per cent above the previous year and 42 per cent above the past five year average. This record crop was due to the exceptionally high yield of 21.8 quintals per hectare as the area sown was a little lower than the previous year, although 25 per cent ahead of the past five year average.

EEC Oilseeds Production

	Area			Production		
	1969	1970	1971	1969	1970	1971
	thousand hectares			thousand metric tons		
Rapeseed	373.6	431.4	406.0	684.2	803.0	886.2
Rapeseed (Navette)	3.6	3.9	2.6	4.2	4.1	2.5
Sunflowerseed	18.8	31.6	49.5	34.5	56.8	88.7
Other oilseeds	12.9	10.8	11.7	14.6	12.9	14.0
Totals	408.9	477.7	469.8	737.4	876.8	991.4

Rapeseed Production by Country

	1969	1970	1971
	thousand metric tons		
Germany	158.1	185.0	228.3
France	509.2	590.4	619.2
Italy	3.5	4.5	5.0
Netherlands	12.2	21.8	32.3
Belgium	1.1	1.2	1.5
Totals	684.2	803.0	886.2

Border tax on rapeseed removed. — Last May, when the German DM and Dutch florin were allowed to float above their official parities, border taxes were imposed to protect the internal prices of the main agricultural products. This tax was extended to rapeseed in July when the local crops began to come onto the market, to the whole of the Benelux in August and to France and Italy in December as a result of further currency realignments. At the beginning of 1972, these taxes ranged from 4.9 per cent in Italy to 10.8 per cent in Germany on imports from outside countries, and

in intra-Community trade they reflected the differences in parity changes amongst the Member Countries. Such taxes were intended to be trade-neutral and simply to make up the difference between the old and the new parity rates. However, rapeseed was the only product so taxed in the oilseed sector as it is the only oilseed grown in substantial quantity in the EEC with price support for growers. Rapeseed imports were thus placed at a disadvantage to other oilseeds, notably soya. Continuation of Canadian exports to the Community was threatened and the Canadian government made representations to have the tax removed as a matter of urgency. The border tax was lifted as of February 1.

EEC oilseeds imports 1968-70. — Statistics show certain trends over the three year period: (a) a certain decline in imports of tropical products such as peanuts and copra although palm imports remain on much the same level; (b) a gradual decline in flax imports reflecting lower demand from industry; (c) a steady increase in soybean imports, and (d) emergence of Canada as by far the chief supplier of rapeseed to the Community.

EEC Oilseeds Imports: 1968 — 1970

	1968	1969	1970
		metric tons	
Rapeseed			
Imports from outside EEC	210,354	180,298	168,262
intra-EEC trade	87,508	185,417	186,855
Sources:			
Canada	17,855	25,289	122,502
Sweden	47,848	63,315	16,761
Denmark	8,952	7,366	10,206
Poland	114,965	65,672	7,198
Yugoslavia	—	—	6,744
U.S.S.R.	—	—	2,199
Other oilseed imports			
Mustard	23,597	37,965	33,042
of which Canada	11,011	22,270	20,707
Linseed	247,807	284,916	267,838
of which U.S.A.	197,125	183,196	178,344
Canada	45,247	94,564	82,298
Soybean	2,996,245	3,227,496	4,788,178
of which U.S.A.	2,841,592	3,000,289	4,533,029
Brazil	70,910	189,937	224,598
Canada	1,718	3,779	3,764
Sunflower	243,889	250,384	255,818
of which E. Europe	216,901	238,193	176,186
Peanuts unshell	31,495	28,979	29,054
Peanuts shelled	914,714	721,564	552,330
Copra	424,462	417,381	300,745
Palm	263,353	275,241	283,807
Castor	68,094	50,225	60,541
Poppyseed	5,892	5,818	6,175
Hemp	5,945	6,239	6,164
Cottonseed	12	2,918	4,554
Sesame	54,359	59,602	43,508
Other oilseeds	30,077	31,355	26,104

SITUATION IN SPAIN

The following information relative to oilseeds in Spain is extracted from a report provided by Mr. M.R. Bell, Commercial Counsellor, Canadian Embassy, Madrid, under date of February 8, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

The excessive spring rains adversely affected oilseeds, particularly sunflower and rapeseed. The crop estimates for these two varieties were down by 10 per cent. Seeds planted in low lying lands rotted and did not grow. Nevertheless the crop was a good one on the whole.

By far the most important oilseed variety grown in Spain is sunflower and the price paid was 12 pesetas per kilogramme in the fields. Olive oil is still and main edible vegetable oil variety. The controlled price for olive oil was recently increased but other oils remain unchanged.

With regard to oilseeds for crushing, soybean imports are likely to remain about the same as for 1971 but sunflower and rapeseed imports are likely to decrease because the tonnage of Spanish crops of oilseeds, especially sunflowerseed, improved slightly in spite of the rains. Import figures for the whole of 1971 are not yet available for comparison.

SITUATION IN POLAND

The following information relative to oilseeds in Poland is extracted from a report provided by Mr. H.R. Wilson, Commercial Secretary, Canadian Embassy, Warsaw, under date of February 23, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Since publication of the December oilseed report official statistics have been published changing fairly substantially the earlier information.

Production during 1971 totalled 600,000 metric tons which was a 12 per cent increase over 1970 production and 23 per cent greater than the average production of the years 1966-70.

Reports have appeared that the area sown to rapeseed this winter is 750,000 hectares which is more than twice the normal amount. This reported total is probably suspect but there is no question the area devoted this winter to rapeseed is substantially up. This acreage increase was brought about after the drought last summer caused serious delays in sowing operations which gave great concern to the government. They responded by deciding to give higher prices for rapeseed to promote the signing of advanced contracts. There has been some winter kill of the current crop but the extent of this is not known.

Lastly, a recent article on Polish research into erucic acid-free rapeseed appeared in one of the local newspapers. I quote this article.

"Professor Stanislaw Starzycki, Director, Institute of Plant Breeding, Radzikow, pow. Pruszkow, spoke on some matters that are in the first stage of development. Last year 500 hectares were sown with erucic acid-free rapeseed. Research on rapeseed with a smaller content of erucic acid was begun in Canada but insofar as Europe is concerned Polish researchers lead in this field. This new strain of rapeseed is not at all inferior in yield to the traditional strain and

produces a much more wholesome oil — a raw material used among other things to manufacture margarine".

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 February 9, 1971 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

As was predicted in our December Oilseeds Report, the USSR production of sunflowerseed dropped in 1971 to 5.7 million tons. Production has been declining steadily since 1968.

Last year's raw cotton crop reached a new record level at 7.0 million tons, marginally above 1970's bumper harvest of 6.89.

Vegetable oil production in 1971 was 2.9 million tons compared to 2.817 million tons in 1970, and 2.979 in 1969. The 1971 increase over the 1970 level undoubtedly was due to the 1970 bumper cotton crop. We would predict that 1972 vegetable oil production will drop back to 1970 level as last year's marginal increase in cotton harvest will not offset the lower sunflower crop.

With livestock numbers still increasing (though less rapidly than a year ago), the requirements for protein supplements for livestock feed continue to grow. The USSR is presently buying feed grains from the USA. They may in the near future be in the market for vegetable oils.

SITUATION IN ARGENTINA

The following information relative to the Argentine oilseeds situation is taken from a report from Mr. E.G. Fairfield, Assistant Commercial Secretary (Agriculture) Canadian Embassy, Buenos Aires, under date of March 9, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

General. — Since the last report the financial market rate has moved from 7.50/8.00 pesos to the U$S to approximately 9.50, and exporters of traditional products are now allowed to change 43 per cent of their export earnings at the financial market.

However, during this period export taxes were increased on oilseeds and oils as follows:

1) Crude linseed, peanuts, cotton and rapeseed oils ..... from 22 per cent to 27 per cent

2) Cotton, sunflowerseed, linseed, peanuts and rapeseed expellers, cakes, meals and pellets ..... from 22 per cent to 27 per cent

At the same time a 0.45 pesos tax per dollar was removed.

Flaxseed. — The second estimate for the production of flaxseed for the crop year 1971-72 is 280,000 tons in comparison to the first estimate of 350,000, a considerable reduction from the previous year's crop of 680,000 tons. As mentioned in the previous report the reductions were due to bad weather and low prices. The following table presents a clear picture of the rapid price reduction in the last few years.

Prices of Flaxseed (on rail in part)

	Quotations of Bolsa de Cereals de Buenos Aires		Production
	In pesos per 100 kg.		In '000 tons
	Actual pesos	Constant pesos	
1968	28.72	6.12	510
1969	33.08	6.64	640
1970	28.37	5.00	680
1971	29.30	3.66	280

Flaxseed was quoted at 64.00 pesos per 100 kgs. at the beginning of March. On the Futures Exchange, it was quoted at 67.00 for April. The rapid rise in price from 37.70 at the end of November is due to the low level of production and the strong market for oil in Rotterdam.

Soybeans. — The Department of Agriculture's estimate for the area seeded to soybeans for the crop year 1971-72 is 52,000 hectares, a 38 per cent increase over last year's 37,700 hectares. The increase was expected to be more, but low moisture content in the soil at seeding time restricted plantings.

Peanuts. — The Department of Agriculture has estimated the area sown to peanuts for the crop year 1971-72 at 306,000 hectares, a slight reduction over the previous year's area sown of 314,000 hectares. It was expected that there would be a substantial increase in area sown because of the higher prices received in the marketing of peanuts last year. Lack of moisture in the soil for seeding, especially in the Province of Cordoba which accounts for 97 per cent of the area seeded, was the principal cause of the reduction. Peanuts were quoted at 83.00 pesos per 100 kgs. on March 3.

Sunflower. — The second estimate for area seeded to sunflower for the crop year 1971-72 has not been released, so the estimate stands at 1,560,000 hectares down from last year's figure of 1,614,200 hectares. Sunflowerseed was quoted on March 3 at 69.00 pesos per 100 kgs. On the Futures Exchange, prices were 77.50 pesos for April delivery; 79.80 for May; 81.20 for June; and 83.50 for July.

SITUATION IN DENMARK

The following information relative to the oilseeds situation in Denmark has been extracted from a report by Mr. D.A.B. Marshall, Commercial Counsellor, Canadian Embassy, Copenhagen, under date of March 7, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Imports of winter rapeseed in 1971 were 647 metric tons valued at 634,000 D.Kr. (Cdn. $90,571) c.i.f. port of entry, and exports totalled 5,454 metric tons valued at 5.3 million D.Kr. (Cdn. $754,428) f.o.b. Imports in 1971 of spring rapeseed were 278 metric tons valued at 320,000 D.Kr. (Cdn. $45,714) c.i.f. port of entry, while exports totalled 31,455 metric tons valued at 30.2 million D.Kr. (Cdn. $4.3 mill.) f.o.b.

Imports of brown mustard in 1971 amounted to 104 metric tons valued at 171,000 D.Kr. (Cdn. $24,429) c.i.f. port of entry. Exports totalled 336 metric tons valued at 673,000 D.Kr. (Cdn. $96,143) f.o.b. Imports of yellow mustard seed in 1971 amounted to 31 metric tons valued at 62,000 D.Kr (Cdn. $8,857) c.i.f. port of entry, and exports totalled 5,872 metric tons valued at 6.8 mill. D.Kr. (Cdn. $975,286) f.o.b.

Imports into Denmark in 1971 of flaxseed amounted to 6,754 metric tons valued at 5.8 million D.Kr. (Cdn. $832,000) of which 6,213 metric tons was from Canada valued at 5.3 mill. D.Kr. (Cdn. $755,286) c.i.f. port of entry value. Total exports of flaxseed in 1971 amounted to 28 metric tons valued at 25,000 D.Kr. (Cdn. $3,571) f.o.b.

Imports of soybeans in 1971 decreased by 44.3 million metric tons to 491,104 mill. metric tons valued at 448.5 mill. D.Kr. (Cdn. $64.07 mill.) practically all of it from the U.S.A. (491,095,000 metric tons, valued at $64.06 million).

The area sown to oilseeds in 1971 showed a considerable increase, that of rapeseed almost doubling.

	Acreage	
	1971(1)	1970
Winter rapeseed	1,775 ha.	2,435 ha.
Spring rapeseed	11,650 ha.	23,080 ha.
Yellow mustard	4,490 ha.	3,353 ha.
Brown mustard	645 ha.	235 ha.
Flaxseed	70 ha.	82 ha.

(1) Estimated.

SITUATION IN AUSTRIA

The following information relative to the oilseeds situation in Austria has been taken from a report prepared by Mr. W.M. Maybee, Assistant Commercial Secretary and Mr. L.N. Decrinis, Commercial Officer, Vienna, under date of March 7, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Due to severe drought conditions during the summer and fall of 1971 (which is continuing to date — March 1972), the overall oilseed production fell far short of the estimates which were made early in the year. The following is a brief discussion of the effect of the dought relative to acreage, harvest, imports and yield per hectare of all oilseeds.

Acreage. — Since 1969, when the acreage devoted to growing oilseeds was increased by 59 per cent, subsequent year increases have been on a much reduced scale — 5.7 per cent in 1970 and 0.9 per cent in 1971. With the exception of silage corn, which was increased by 20 per cent, over 7,000 hectares, all other oil fruits either had the same acreage devoted or a slight reduction.

The most notable reduction was the acreage devoted to rapeseed, which was down 11.6 per cent or 438 hectares, when compared to 1970. This seemingly confirms reports that maintain Austria is self-sufficient in rapeseed and indeed had over-production in 1969 and 1970.

Harvest. — Considering the severe drought conditions, one is surprised to discover that the 1971 overall total harvest was 10 per cent more than the 1970 harvest. This becomes even more surprising when one reads in the statistics that the greatest increase in metric tons harvested was realized in corn (18 per cent increase from 1970), yet 4,936 hectares of corn cultivated in the spring yielded no harvest.

The most notable reductions were in rapeseed (down 8 per cent) and colza (down 9.9 per cent). However, when one remembers the acreage devoted to the growing of rape was reduced by 11 per cent in 1971 as compared with 1970, the harvest falls closely in line with the harvest desired by the Austrians. The colza harvest was far below the desired and it is thought that this will be reflected in the September-December inport statistics (not yet available) when colza imports are expected to show a marked increase.

Yield. — As might be expected considering the drought conditions, the overall yield per hectare showed a 9.9 per cent decrease when compared with 1970. The most notable decreases in yields were in silage corn (down 9.3 per cent) and colza (down 7.3 per cent).

Imports. — Austrian imports in the first nine months of 1971 were considerably reduced from the comparable 1970 period. It is felt that this reflects the attitude of the Austrians to as nearly as possible become self-sufficient in oilseed production. However, as has been previously mentioned, it is expected that poor harvests of colza will have to be supplemented by higher than normal imports in the first quarter of 1972.

As in past years, the Common Market and Eastern European countries continued as Austria's major suppliers of oilseeds and it is not though that this established pattern will change in the foreseeable future. It must not be overlooked, however, that these countries are also experiencing the same drought conditions as Austria which, if major disasters in crop yields are the resultant, may open the door to non-traditional exporters.

Harvest of Oil Fruits — 1970 and 1971

	Acreage		Yield		Production	
	1970	1971	1970	1971	1970	1971
	hectares		quintals per hectare		metric tons	
Rapeseed	3,786	3,348	20.0	20.8	7,575	6,964
Colza	174	169	17.9	16.6	312	281
Sunflower(1)	645	624	20.0	20.0	1,290	1,246
Oil pumpkin(2)	2,182	2,215	447.5	442.6	97,651	98,028
Corn(3)	123,927	125,043	49.3	57.7	611,569	721,498
Silage corn(4)	35,112	42,117	540.3	489.9	1,897,016	2,063,426

(1) Seeds for oil production.
(2) Fruits with seeds.
(3) Dry good, 85 per cent dry substance.
(4) Green mass.

SITUATION IN ITALY

The following information concerning oilseeds in Italy, has been extracted from a report by Mr. R. Brookes, Commercial Officer, Canadian Embassy, Rome, under date of March 9, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Oilseeds crop condition. — Italy's oilseed crops suffered from the long exceptionally dry summer.

Production. — According to the latest figures released by the Italian Department of Agriculture, Italy's 1970-71 oilseed crops are as indicated below:

	1970		1971		Percentage variations 1970-71
	Acreage	Production	Acreage	Production	
	hectares	metric tons	hectares	metric tons	per cent
Peanut	1,328	3,030	933	2,100	— 30.7
Colza (Brassica Caupestris).	2,345	4,540	2,286	4,980	+ 9.7
Sunflower	3,977	8,005	7,465	14,500	+ 81.1
Rapeseed (Brassica Napus)	733	1,030	493	680	— 44
Totals	8,383	16,605	11,177	22,260	

Source: ISTAT — Foglio d'informazione 18.

Imports and Exports of Rapeseed

	January-December	January-November	
	1970	1970	1971
		metric tons	
Imports			
France	164,573	150,352	157,913
Canada	27,885	27,885	114,437
West Germany	—	—	59,534
Others	24,267	23,657	12,066
Totals	216,725	201,894	343,950
Exports	145	145	100

Source: ISTAT — Stat. Mens. Comm. Estero.

Imports and Exports of Flaxseed

	January-December	January-November	
	1970	1970	1971
		metric tons	
Imports			
Belgium-Luxembourg ...	1,676	1,591	3,079
Poland	693	593	—
Rumania	374	313	497
Canada	9,730	9,730	10,233
Others	1,411	1,411	378
Totals	13,884	13,638	14,187
Exports	6	6	—

Source: ISTAT — Stat. Mens. Comm. Estero.

Short-term trade outlook. — Italy's oilseed trade forecast that import requirements for rapeseed for the crop year August 1, 1971 to July 31, 1972 are estimated as follows in metric tons:

France	from 200,000	to	210,000
West Germany	" 60,000	to	70,000
Canada	" 50,000	to	100,000
Others	" 10,000	to	20,000
Totals	320,000		400,000

However, achievement of these figures will depend largely on price levels and availability of other oilseeds, particularly soybeans and sunflowerseed.

Opportunity for Canadian sales. — Rapeseed sales to Italy are those estimated above. Flaxseed sales are expected to continue at current levels since this country is a small market for linseed. Linseed oil prices from Argentina are too attractive to make linseed crushing worthwhile in Italy.

Canadian low erucic acid rapeseed (LEAR). — A Canadian Rapeseed Mission visited Rome on November 19 and Milan on November 22-23 to inform Italian crushers that the Canadian Rapeseed Industry has decided to convert to the production of low erucic rapeseed for domestic consumption as quickly as possible. The objective being that by the Fall of 1972 or earlier the Canadian domestic industry will be changed over to Low Erucic Acid Rapeseed (LEAR) for crushing and refining.

In so far as we have been able to determine, Italian crushers are keenly interested in LEAR seed, provided the change-over will not in any way mean an increase in price and a decrease in oil content. If Canada is able to guarantee an equal price and oil content for LEAR seed (as previously for No. 1 C.W. Rapeseed), it is very possible that during the 1972-73 crop year Italy will purchase more Canadian LEAR rapeseed and less from Canada's competitors (France and West Germany).

The "Erucic Acid Scare" has apparently flared up again in some European countries (particularly France) involving Italy as well. The Italian Health Department has consequently decided to conduct a survey concerning this problem. So far, this is being done in a very discreet manner so as to not cause alarm in end users and housewives.

Canadian LEAR Rapeseed would have a considerable advantage over other rapeseed having a high erucic acid content. It would be an incentive for Italian crushers to import larger quantities of LEAR.

SITUATION IN THE NETHERLANDS

The following information relative to the oilseeds situation in the Netherlands, has been taken from a report prepared by Mr. F.W. Zechner, Commercial Officer, the Hague, Netherlands, under date of March 13, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Netherlands imports of rapeseed during the first eleven months of 1971 amounted to only 2,300 tons higher than in the period January-September 1971. In contrast, flaxseed imports soared to 107,000 tons from 73,400 tons in the first 9 months. Canada's share was 96,700 tons or 90 per cent. USA sold 6,000 tons or 5.5 per cent.

Market situation. — Little rapeseed was used by the Dutch crushing industry in the past three months. This is due primarily to compensating levy on imported rapeseed, removed only on February 1. Soybeans and EEC rapeseed has been crushed instead. Canada's rape was currently offered at U$S 122 per metric ton for delivery in April-May. There are no indications that Dutch crushers will buy Canadian rapeseed in quantity in the next few months but a switch to flaxseed seems quite possible. Flaxseed is in good demand at the moment. Buyers here are prepared to pay U$S 147 per ton afloat compared with U$S 123.50 per metric ton for delivery in May-June. Trade statistics definitely point to greater use of flaxseed in animal feeds.

SITUATION IN NORWAY

The following information relative to the oilseeds in Norway has been taken from a report prepared by Mr. B.G.R. Barton, Commercial Officer, Canadian Embassy, Oslo, under date of March 7, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Rapeseed harvest (rapeseed being the only oilseeds grown in Norway) was thought to stabilize at around 5,000 tons, with imports around 20,000 tons. However, last year's crop (1971) was reduced to 2,400 tons and rapeseed now seems to have gone completely out of production. Consequently, rapeseed imports are going up and the prospects of increasing rapeseed imports from Canada must be deemed very promising, even if the strong competition from fishmeal and fishoil is taken into consideration. Herring catches have fallen sharply and so also have the catches of mackerel. Another record catch of capelin is expected this year, but is not likely that these high catches can be sustained.

Imports of Oilseeds 1970

	Groundnuts	Groundnut kernels	Soybean	Flaxseed	Rapeseed	Mustard seed
			tons			
Great Britain	18	38	—	—	65	—
Denmark	—	—	—	—	3,025	133
Sweden	—	—	-	-	2,689	—
West Germany	—	—	-	-	1,399	—
Nigeria	125	3,443	—	—	—	—
Israel	24	—	—	—	—	—
Senegal	—	103	—	—	—	—
South Africa	—	110	—	—	—	—
India	—	692	—	—	—	—
People's Republic of China	56	15	—	—	—	—
United States	—	541	183,060	—	—	—
Canada	—	—	—	6,721	7,800	—
Others	10	8	—	18	—	6
Totals	233	4,950	183,060	6,739	14,979	139

Imports and Exports of Oils 1970

	Imports					Exports
	Groundnuts	Soybeans	Flaxseed	Rapeseed	Sunflower seed	Soybeans
	tons					
Netherlands	1,437	—	—	—	—	—
Denmark	241	2,003	—	50	—	—
Sweden	204	12	—	—	16	1,526
West Germany	—	813	—	—	6	—
Spain	—	771	—	—	—	—
Iceland	—	—	—	—	—	644
Brazil	1,075	—	—	—	—	—
Argentina	—	-	693	—	—	—
Others	2	4	105	3	6	32
Totals	2,959	3,603	798	53	28	2,202

SITUATION IN WEST GERMANY

The following information relative to the oilseeds situation in West Germany has been extracted from a report from Dr. R. Rossing, Commercial Officer (Agriculture) Canadian Embassy, Bonn, West Germany, under date of March 10, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Crop condition and outlook. — West German farmers can still rate the state of their autumn-sown crops as satisfactory, but their future development will greatly depend on better rainfalls in the coming weeks and months. Precipitation in January and February was again only 30 per cent of normal and the lack of soil moisture is very serious in some areas.

The latest figures available from the Federal Bureau of Statistics indicate a further expansion of winter rapeseed cultivations by approximately 11 per cent as compared to the 1971 acreage. The southward shift of rapeseed growing areas continues. Accordingly Northrhine-Westphalia will cut the area by 14 per cent, whereas rapeseed cultivations in Bavaria will be expanded by 32 per cent.

The crop pattern within West Germany's oilseed sector can be shown as follows:

	Acreage			Yield		
	1970	1971	1972	1970	1971	1972
	thousand acres			'000 metric tons		
Winter rapeseed	183.7	203.7	227.1	166.6	204.9	..
Summer rapeseed	25.9	30.0	..	18.4	23.3	..
Totals, rapeseed	209.6	233.7	..	185.0	228.3	..

Thus the German rapeseed growing area could easily reach 260,000 acres in 1972. Under the assumption of average crop yields per acre of 1965-70 total rapeseed production could reach 250,000 metric tons as against 228,000 tons in 1971.

Imports of oilseeds from Canada. — Canada's shipments of oilseeds and oilseed products to West Germany almost tripled in 1971 as against 1970. While West Germany's total import volume of oilseeds increased from 2,684,000 metric tons to 2,960,000 tons in 1971 or 10 per cent Canada's share of the import market rose from 3.6 per cent in 1970 to 9.2 per cent in 1971.

West German Imports of Oilseed from Canada January-December

	metric tons	U$S
1966	60,399	6,963,000
1967	18,753	2,574,000
1968	5,625	747,000
1969	45,655	5,902,000
1970	95,456	11,954,000
1971	273,612	35,321,000

Most of the increase in Canadian shipments to West Germany in 1971 was due to increased deliveries of rapeseed (up 137,000 metric tons) but also linseed exports to Germany showed a marked rise (up 34,000 tons). Of the minor items, soybeans in particular increased to about 10,000 tons or up 7,500 tons from 1970. In contrast shipments of mustard seed were slightly reduced from 6,500 metric tons in 1970 to 5,600 in 1971.

In total West German imports of oilseeds from Canada in 1971 amounted to 274,000 metric tons as against 95,000 tons in 1970.

West German Imports of Oilseeds from Canada

	1970		1971	
	metric tons	thousand Cdn. dollars	metric tons	thousand Cdn. dollars
Rapeseed	38,289	5,767	175,284	26,283
Linseed	48,177	6,688	82,616	10,447
Mustard seed	6,530	925	5,571	794
Soybeans	2,429	305	9,751	1,388
Peanuts	—	—	331	128
Sunflower seed	31	24	51	43
Other, unspecified ..	—	—	8	3
Sub-totals, seeds .	95,456	13,708	273,612	39,087
Linseed cakes	5,340	596	2,394	246

The new record imports of oilseeds from Canada took place following the unexpected shortfalls of rapeseed within the traditional European supplier countries in the second half of the 1970-71 crop year and inspite of the surcharge, which ranged between 7 and 12 per cent, placed on imports of rapeseed entering Germany from

mid-July onwards. In 1971 Canada's share in total West German rapeseed imports amounted to 74 per cent as compared to 63 per cent in 1970 and only 8 per cent in 1969. The competitive position of rapeseed had improved against other oilseeds such as soybeans and sunflowerseed particularly during the second quarter of the calendar year, so that total West German imports sharply rose from 60,000 metric tons in 1970 to 235,000 tons in 1971.

However, linseed imports into the FRG also showed a marked expansion from 89,000 metric tons in 1970 to 112,000 tons in 1971. Canadian penetration of this market further improved so that her share in total imports grew from 50 per cent in 1970 to 74 per cent in 1971 (1969: 20 per cent).

Another field where Canada has a predominant position in imports is mustard seed at 50 per cent in 1971 as against 46 per cent in 1970.

Repercussions of the surcharge on rapeseed from Canada. — The repercussions of the surcharge on German rapeseed imports from Canada during 1971 can roughly be evaluated by comparing the relative change of rapeseed imports during the last quarter of the calendar year, i.e. after the home-grown crop has been taken up.

	1969	1970	1971
		metric tons	
Rapeseed imports from CDA October — December	8,603	24,632	29,096
Total rapeseed imports from CDA — January-December	10,649	38,289	175,284
as per cent of Canada	81	64	17

While deliveries of rapeseed from Canada during October to December 1969 and 1970 formed the major portion of imports for the whole year, i.e. 81 per cent and 64 per cent, imports from Canada during the last quarter of the calendar year 1971 dropped significantly thus amounting to only 17 per cent of total imports from Canada. The same applies to a comparison of shipments during the second half of the year, which amounted to 85 per cent of total shipments in 1969, 65 per cent in 1970, and 23 per cent for 1971.

It is interesting to note, however, that inspite of this temporary trade barrier substantial quantities of rapeseed found their way into West Germany.

Short-term trade outlook. — With rising trend in prices for soybeans the demand for rapeseed after the abolition of the surcharge on imports from Third Countries increased considerably. Prices for rapeseed during the last four weeks have been attractive so that contracts covering 40,000 to 50,000 metric tons were concluded for delivery by May-June.

For the time being, however, due to the large shipments of wheat from the West coast harbours there is difficulty in obtaining loading berths for rapeseed or linseed. This is true for Vancouver in particular where, it was reported, lay-days amounted to 30 days for a ship bound for Germany. It is hoped that the end of the strike at the Pacific coast of the U.S.A. will bring an improvement of the situation so that export orders can be carried out smoothly.

Attitudes towards orders for delivery in September and October reflect uncertainty as to whether or not the EEC will re-establish the surcharge on rapeseed imports from Third Countries with a view to ensuring the uptake of homegrown rapeseed.

According to the latest information from the trade the price of rapeseed recently went up slightly so that business is quiet. In the short-run, however, owing to the large stocks in Canada it is expected that prices will have to decrease so that rapeseed may remain competitive visà-vis soybeans.

Comparatively high prices are in demand for linseed at U$S 140.- per metric ton C.I.F. Hamburg.

Sunflowerseed is expected to fall in price due to the considerably enlarged acreages in Australia and Argentina, so that imports from Canada will likely decline.

Prices. — The following prices are offers C.I.F. Rotterdam (U$S per metric ton) as of March 9, 1972:

Delivery	Rapeseed, 40 per cent Canada Western	Soybeans 17-18 per cent United States
April	—	137.50
May	122.75	137.50
June	123.25	138.40
July	122.75	139.00
August	122.75	138.80
September	122.75	134.50
October	122.75	124.00
November	122.50	124.00
December	122.50	124.80

Policy measures. — Effective February 1, 1972 the EEC surcharge on imports of rapeseed from Third Countries was abolished.

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

	Oilseeds		Oil cakes and meals	
	1970	1971	1970	1971
thereof	'000 metric tons			
Soybean	2,074	2,089	997	1,270
Copra	150	275	386	423
Peanut	86	64	115	121
Palm kernel	69	69	227	241
Linseed	89	112	239	292
Sunflowerseed	79	48	134	139
Rapeseed	60	235	66	68
Others	77	68	456	469
Totals, imports	2,684	2,960	2,620	3,023

SITUATION IN SWEDEN

The following information concerning oilseeds in Denmark has been extracted from a report by Mr. J.L. Swanson, Commercial Secretary, Canadian Embassy, Stockholm, under date of March 6, 1972 and is reproduced with the permission of the Trade Commissioner Service, Department of Industry, Trade and Commerce.

Sweden produces rapeseed protein for human consumption. — An experimental factory for producing protein from rapeseed, reportedly a very advanced facility by international standards, is ready to go into production at Karlshamn. The new plant places Sweden in the center of the field of research into the industrial manufacture of essential protein for human consumption, based on utilization of a byproduct obtained in the production of rapeseed oil, it is reported. The new facility was built at a cost of S kr 2.5 million, (Cdn.($522,000) half of which was contributed by AB Karlshamns Oljefabriker and the de Laval company, and the balance by the Swedish Board for Technical Development. It has the capacity to produce about 500 kilograms of rapeseed protein daily. Rapeseed protein is expected to play a significant role in the developing countries, where rapeseed is a common crop. The Swedish producers hope, therefore, to make a contribution in solving the nutritional problems of those nations by supplying the latest knowhow in protein production. Last Monday, Mr. Max Milner, secretary general of the U.N. Protein Advisory Group, visited the Karlshamn plant to determine how it could be used as a weapon against world starvation.

ROTTERDAM LINOIL STOCKS

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, December 4, 1971 — March 10, 1972 with Comparisons at Approximately the Same Date in 1970-71

Week ending		1970-71	1971-72	1970-71	1971-72
		metric tons		thousand pounds	
December	4, 1971 ...	2,154	6,200	4,749	13,669
	11	2,367	6,400	5,218	14,109
	18	8,816	20,567	19,436	45,342
	25	9,232	17,808	20,353	39,260
January	1, 1972 ...	9,815	16,739	21,638	36,903
	8	9,104	13,873	20,071	30,584
	15	10,965	11,110	24,173	24,493
	22	10,771	11,638	23,746	25,657
	29	11,791	10,995	25,994	24,240
February	5	10,793	29,657	23,794	65,382
	12	8,704	31,857	19,189	70,232
	19	7,432	30,327	16,385	66,859
	26	7,525	28,646	16,590	63,153
March	3	9,154	27,813	20,181	61,317
	10	19,224	43,748	42,381	96,447

CALENDAR OF OILSEED EVENTS

December	29	The 1971 season of navigation closed at the Canadian Lakehead. During the season, which opened on April 10, 1971, a total of 17.8 million bushels of flaxseed and 16.1 million bushels of rapeseed were shipped from the Lakehead by water.
February	24	George W. Kromer of the U.S.D.A. Economic Research Service presented an outlook paper on oilseeds, fats and oils at the United States 50th National Agricultural Outlook Conference, Washington, D.C. The complete text of the paper appears in this issue beginning on page 45.
March	6-7	The Rapeseed Association of Canada held its annual meeting in Saskatoon, Saskatchewan. The major topic of discussion was the upcoming changeover to the production of low erucic acid rapeseed.
	9	According to a report received from G.H. Fairfield, Assistant Commercial Secretary (Agriculture) for Canada, Buenos Aires, the second official estimate for flaxseed production in Argentina for 1971-72 is 280,000 metric tons in comparison to the first estimate of 350,000 tons, a considerable reduction from the previous year's crop of 680,000 tons.
	10	The Canada Department of Agriculture released a "Spring Outlook Summary, March 1972".