

Grains Institute (CIGI). Among the major marketing initiatives were two Saudi/CWB/Government-of-Canada sponsored millers' courses, conducted in Winnipeg for 30 young Saudi millers, in 1976 and 1978. Under the guidance of CIGI, Saudi course participants were provided with detailed programs of instruction over two 4-month periods in the milling of Canadian wheat, and given direct exposure to many sectors of Canada's grain industry.

Although a long-term supply agreement would facilitate sales of Canadian grains to Saudi Arabia and such an agreement has been under active consideration by the CWB since 1974, an agreement has not been finalized to date. The CWB, however, continues to maintain communications with the Saudi Arabia Grain Silos and Flour Mills Organization, and there are hopes that a long-term agreement may yet be concluded. In the interim, the CWB is responding to Saudi tenders for cereal grains, as supplies and forward shipping commitments permit.

Oilseeds and Oilseed Products

Little marketing activity has been carried out to date concerning oilseed or oilseed product exports to Saudi Arabia. An Agriculture Canada Mission has recently returned from this area, but it was not concerned specifically with oilseed promotion. Canada's Grain Marketing Office has planned technical seminars in February 1983, as the start of a series of market promotional activity in this potential market.

d) Market Impediments and Advantages

Cereal Grains

Canada's major obstacle to be overcome in obtaining a satisfactory share of the Saudi market is the tradition of the Saudi Arabian Silos and Flour Mills Organization for limiting its purchasing methods to tenders for nearby delivery. This obstacle would virtually be removed if a long-term agreement is reached, giving the CWB the opportunity to program shipments to Saudi Arabia, well in advance, and to reserve supplies against this commitment.

A second impediment is the transportation advantage enjoyed by Australia for wheat, and the price advantage for barley enjoyed by the EEC exporters as a result of export subsidies.

One advantage which Canada can exploit is our ability to deal government-to-government through the CWB. Saudi officials favour state trading or, as a minimum, dealing with large, recognized, international organizations which