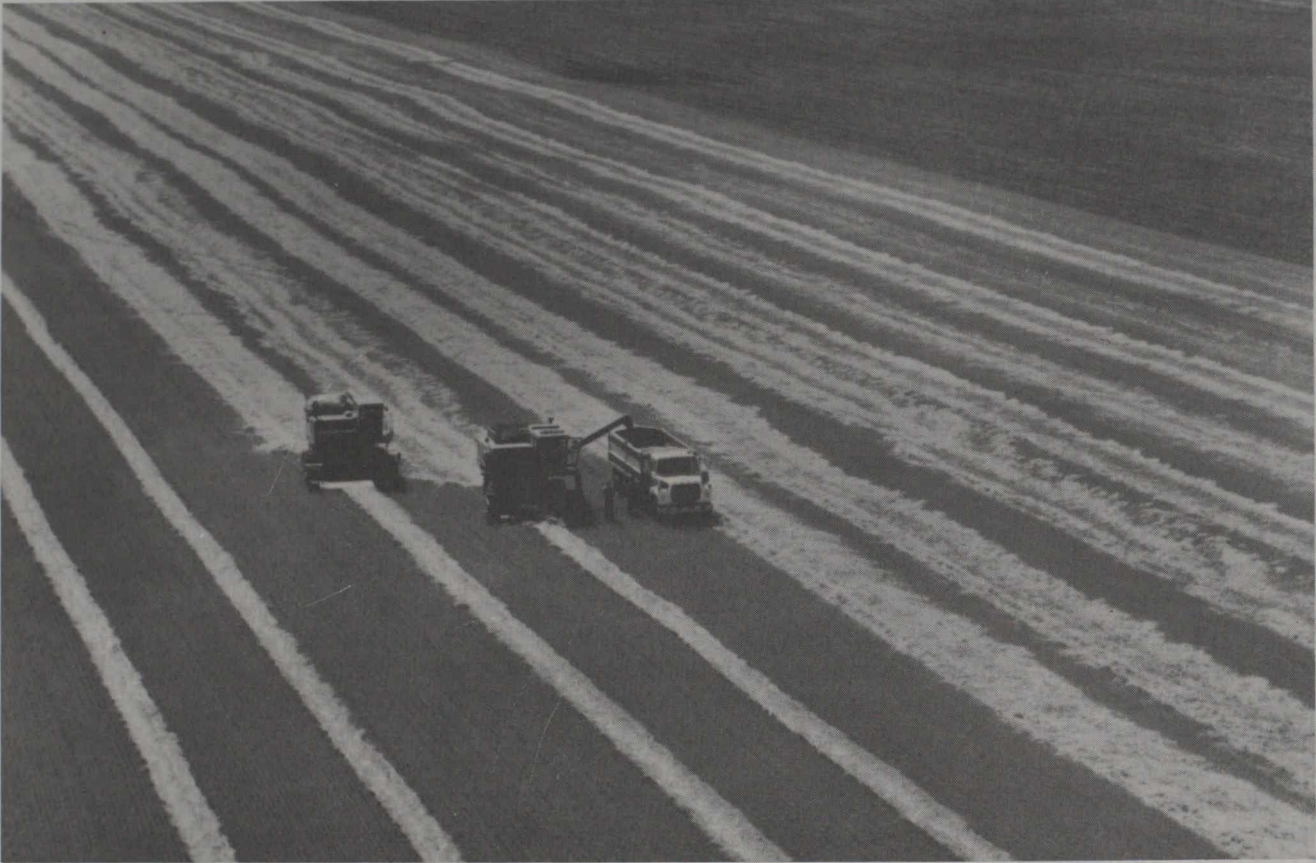


kets. In wheat alone, total Canadian production was about 28 million tonnes, compared with the EEC's 60 million tonnes, and Canadian exports will reach about 18 million tonnes or nearly 65 percent of production. Canada traditionally supplies 15 to 20 percent of world wheat trade.



*Harvesting wheat in southern Alberta*

Even with the advanced farming practices in use on the Canadian prairies, soil and climatic conditions predicate yields sometimes as low as one-third the volumes produced on European farms. Most Canadian wheat is planted in the spring and must mature in a growing season of 90 to 100 days. What makes Canadian grains able to compete in world markets, without export subsidies, is a combination of low production costs and quality. Protein content and milling and baking characteristics of hard spring wheat ensure Canada's role as a supplier, even to countries which, like the EEC market, are self-sufficient in cereals. Canadian wheat is often used to blend with domestic varieties in order to meet milling, baking and nutritional requirements.

In recent years, Canadian grains exports have been limited by the capacity of the transport system to move the product thousands of kilometres from prairie farms to ports on the east and west coasts and on "the Lakehead", the marshalling centre for grain being shipped on sea-going vessels which use the St. Lawrence seaway and Great Lakes to penetrate thousands of kilometres to the center of the continent. Modernisation and expansion of the rails and ports system for grain handling is now under way and capacity is expected to increase by 50 percent by the end of the decade. Much of the cost of this major undertaking will be borne by Canadian farmers themselves who are being required to absorb the increased freight rates needed to finance much of the project. The farming community is being invited to respond to the challenge to exploit the increased transport and handling capacity by increasing produc-