3. Fertilizer Situation

1984/85 (June year) domestic fertilizer sales were about 2 million tonnes, which is up 5% over 1983/84 sales. The 2 million tonnes of fertilizer consisted of 1.85 million tonnes of superphosphate and .15 million tonnes of other fertilizers. Increase in usage is due mainly to an 18% increase in gross farm returns.

4. Import Mechanism

The New Zealand wheat board is the sole authority for wheat and flour imports. Closer Economic Relations (CER) with Australia will see a gradual (10% per annum) increase in flour import quotas until 1995 when such flour imports will enter tariff free with no quotas.

5. Grain Industry Infrastructure

New Zealand Wheat Board is the sole purchaser and distributor of New Zealand grown milling grade wheat and the Board controls the importation of all wheat. (Reference Wheat Board Act 1965 and Wheat Board Regulations 1965).

6. Government Policies Affecting Grain and Agriculture

In October 1984 the Government announced its intentions to deregulate the wheat and flour industries within a four year transition period. Regulatory controls are to be removed from wheat flour on January 31, 1987 and the role of the New Zealand Wheat Board is to be reviewed in 1988.

Additional imports of feed grains will be seen in 1986 due to severe drought conditions in Feb-June period in South Island.

There is no government policy on countertrade/barter as it relates to grain and oilseeds imports.

7. Canadian Grain Marketing Prospects

There are no long-term grain import projections. There may be some market opportunities for feed grains.

Small volumes of Canadian special crops will continue to be imported.