

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS
CANBERRA, A.C.T.

SUMMARY OF THE WHEAT SITUATION : AUSTRALIA
NOVEMBER, 1949

Volume 7

	<u>Contents</u>	<u>No. 11</u> <u>Page No.</u>
1.	Wheat for Grain: Estimate of Area Sown and Forecast, Production and Average Yield, 1949-50.	2
2.	Wheat for Grain: Area, Production and Average Yield 1934-35 - 1938-39 and 1946-47 to 1949-50.	3
3.	Farmers' intentions to Sow Wheat and Actual Sowings, 1947-48 to 1949-50.	4
4.	Areas Licensed to grow Wheat for Grain and Area Sown.	4
5.	Varieties of Wheat Sown.	5
6.	Wheat Farms, Number growing Wheat for Grain on 20 acres and Upwards.	5
7.	Wheat Prices : Australia	5
8.	Pool Advances to Farmers on Wheat acquired.	7
9.	Oversea Shipping Freight Rates : Australia.	7
10.	Production and Disposal of Wheat : Australia.	8
11.	Stocks of Wheat and Flour Held.	8
12.	Production of Flour, Bran and Pollard.	9
13.	Exports of Wheat and Flour.	10
14.	Imports of Wheat and Flour into the United Kingdom.	13
15.	Marketing of Wheat in Australia -	
	(i) Wheat Industry Stabilization Board	14
	(ii) Post-War Wheat Stabilization Plan	14
	(iii) F.A.Q. Standard of Wheat	14
16.	World Wheat Situation -	
	(i) General	15
	(ii) International Wheat Agreement	16

Prepared under instructions from the Right Honorable the Treasurer,

by

Roland Wilson, C.B.E., B.Com., D.Phil., Ph.D.,

Commonwealth Statistician

(23/11/49)

NOTE: The last issue of this Summary (Volume 7, No. 10) was released on 1st March, 1949. This is the eleventh of the series to be included under Volume 7 and subsequent numbers will appear from time to time as circumstances require.

1. WHEAT FOR GRAIN : ESTIMATE OF AREA SOWN AND FORECAST PRODUCTION AND AVERAGE YIELD, 1949-50.

It is estimated that the 1949-50 area sown to wheat for grain in Australia was approximately 12,663,000 acres. Official forecasts, based on conditions existing in late October - early November indicate that production for the 1949-50 season will total about 195.3 million bushels or 15.42 bushels per acre. This is dependent upon satisfactory weather conditions between now and the times of harvestings.

The forecast production of 195.3 million bushels in 1949-50 represents a decline of about 24.8 million bushels or 11.3 per cent. on the record harvest of 1947-48 but is 41.0 million bushels or 26.5 per cent. above the average production for the five pre-war years ended 1938-39.

The estimated area sown to wheat for grain in 1949-50 of 12,663,000 acres is slightly greater than in 1948-49 but 217,000 acres below the average for the five years ended 1938-39.

Details of the estimated area sown to wheat for grain and forecast production and average yield for each State and for Australia for the year 1949-50 are shown in the table following, together with the sources of these estimates.

TABLE 1 : WHEAT FOR GRAIN : ESTIMATED AREA AND FORECAST PRODUCTION AND AVERAGE YIELD, 1949-50

State	Estimated Area Sown		Forecast Production			
	Authority	Area ('000 acres)	Authority	Date	Production ('000 bus.)	Average yield per acre (bus.)
N.S.W.	(a)	4,100	Department of Agriculture	3.11.49	75,000	18.29
Vic.	(a)	2,900	Aust. Wheat Board	10.11.49	50,000	17.24
Q'ld.	Department of Agriculture and Stock	650	" " "	10.11.49	10,000	15.39
S.A.	(a)	2,000	" " "	10.11.49	25,000	12.50
W.A.	Government Statistician	3,000	Government Statistician	25.10.49	35,000	11.67
Tas.	Commonwealth Statistician	8	Commonwealth Statistician	7.11.49	160	20.00
A.C.T.	" "	5	" "	7.11.49	100	20.00
<u>Total</u>	-	12,663	-	-	195,260	15.42

(a) Estimate based upon area sown for all purposes as recorded by Government Statistician

2. WHEAT FOR GRAIN : AREA, PRODUCTION AND AVERAGE YIELD.

Details of the area, production and average yield per acre are given in Table 2. following, for each of the three seasons ended 1948-49 in comparison with the average for the five seasons ended 1938-39. Details of the estimated area sown and forecast production and average yield per acre for the 1949-50 season are also shown.

TABLE 2 : WHEAT FOR GRAIN : AREA, PRODUCTION AND AVERAGE YIELD

A. AREA SOWN TO WHEAT FOR GRAIN

('000 acres)

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	A.C.T.	Aust.
Average five years ended - 1938-39	4,168	2,522	312	3,096	2,864	16	2	12,980
1946-47	4,475	3,501	248	2,519	2,426	8	3	13,180
1947-48	5,043	3,227	462	2,375	2,760	8	5	13,880
1948-49 (a)	4,038	2,996	608	2,063	2,867	7	4	12,583
1949-50 (b)	4,100	2,900	650	2,000	3,000	8	5	12,663

(a) Subject to revision. (b) Estimated.

B. PRODUCTION OF WHEAT

('000 bushels)

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	A.C.T.	Aust.
Average five years ended - 1938-39	53,634	34,505	4,223	32,578	28,984	359	42	154,325
1946-47	15,682	48,971	705	27,906	23,800	139	59	117,262
1947-48	95,227	46,962	10,685	32,524	34,500	118	100	220,116
1948-49 (a)	64,704	49,064	14,317	26,136	36,250	156	76	190,703
1949-50 (b)	75,000	50,000	10,000	25,000	35,000	160	100	195,260

(a) Subject to revision. (b) Forecast.

C. AVERAGE YIELD PER ACRE.

(Bushels)

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	A.C.T.	Aust.
Average five years ended - 1938-39	12.87	13.68	13.54	16.52	10.12	22.64	23.44	11.89
1946-47	3.50	13.99	2.84	11.08	9.81	18.47	18.09	8.90
1947-48	18.88	14.55	23.11	13.69	12.50	15.20	20.90	15.86
1948-49 (a)	16.02	16.38	23.56	12.67	12.64	22.69	18.23	15.15
1949-50 (b)	18.29	17.24	15.39	12.50	11.67	20.00	20.00	15.42

(a) Subject to revision. (b) Forecast.

3. FARMERS' INTENTIONS TO SOW WHEAT AND ACTUAL SOWINGS

At the annual census of rural production collected during April and May, farmers throughout Australia are asked to indicate their intentions to sow wheat for all purposes (grain, hay and green feed) subject to the reservation "weather and other conditions permitting". In the following table a comparison is given between farmers' intentions to sow and areas actually sown for the years indicated.

TABLE 3 : WHEAT ALL PURPOSES : AREA SOWN AND INTENTIONS TO SOW
('000 acres)

Particulars	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	A.C.T.	Aust.
<u>SEASON 1947-48</u>								
Area Sown - For Grain	5,043	3,227	462	2,375	2,760	8	5	13,880
For Hay	278	52	7	106	77	3	1	524
For Greenfeed	34	-	45	5	28	1	-	113
All Purposes:	5,355	3,279	514	2,486	2,865	12	6	14,517
Area intended to be sown (All Purposes)	5,225	3,146	502	2,600	2,844	9	4	14,330

SEASON 1948-49

Area Sown (a) -								
For Grain	4,038	2,996	608	2,063	2,867	7	4	12,583
For Hay	161	37	8	80	75	3	1	365
For Greenfeed	44		45	16	19			124
All Purposes:	4,243	3,033	661	2,159	2,961	10	5	13,072
Area intended to be sown (All Purposes)	4,702	3,109	(b)	2,230	3,040	8	6	(c)13,095

SEASON 1949-50

Area Sown (d) -								
For Grain	4,100	2,900	650	2,000	3,000	8	5	12,663
For Hay	250	50	(e)	(e)	(e)	(e)	(e)	(e)
For Greenfeed		..	(e)	(e)	(e)			(e)
All Purposes:	4,350	2,950	(e)	(e)	(e)	(e)	(e)	(e)
Area intended to be sown (All Purposes)	4,257	2,683	(b)	1,965	3,144	6	5	(c)12,060

(a) Subject to revision. (b) Not collected. (c) Excludes Queensland.
(d) Estimated. (e) Not yet available.

4. AREAS LICENSED TO GROW WHEAT FOR GRAIN AND AREA SOWN.

Details of the areas licensed and the number of licences issued to grow wheat for grain by the Wheat Industry Stabilization Board for the years 1941-42 to 1948-49 were included in previous issues of this Summary.

The Wheat Industry Stabilization Board ceased to function in December, 1948 following the establishment of the post-war wheat stabilization plan (Vide Section 15 (ii) following).

5. VARIETIES OF WHEAT SOWN.

The available details of the principal varieties of wheat sown and the percentage which each bears to the total area sown in the respective States for the 1946-47, 1947-48 and 1948-49 seasons were included in a previous issue of this Summary (Vol. 7 No. 9).

6. WHEAT FARMS : NUMBER GROWING WHEAT FOR GRAIN ON 20 ACRES AND UPWARDS

Particulars of the number of farms growing wheat for grain on 20 acres and upwards during the years 1938-39, 1940-41 and 1946-47 to 1948-49 are shown in the following table.

TABLE 4 : NUMBER OF FARMS GROWING WHEAT FOR GRAIN ON 20 ACRES
AND UPWARDS

State	1938-39	1940-41	1946-47	1947-48	1948-49
	No.	No.	No.	No.	No.
New South Wales	16,550	15,831	15,971	16,797	15,674
Victoria	12,305	11,972	13,455	12,681	(b)
Queensland	3,190	2,169	2,006	2,923	3,804
South Australia	11,842	10,986	10,412	10,170	9,405
Western Australia	8,989	8,074	7,460	7,552	7,779
Tasmania	146	140	122	127	123
Total (a)	53,022	49,172	49,126	50,250	(b)

(a) Excludes Northern Territory and Australian Capital Territory. (b) Not yet available.

7. WHEAT PRICES : AUSTRALIA

(i) Price of Wheat for Home Consumption - Australia. From June, 1942, the monthly price of wheat sold for gristing into flour for home consumption averaged 3s. 11½d. per bushel (Wheat Board price to millers, bulk basis) until 22nd December, 1947, when the price was increased to 4s. 11½d. per bushel, bulk basis. A further increase to 6s. 3d. per bushel (bulk basis) operated from 19th January, 1948. The price of wheat for human consumption other than in flour also rose to 6s. 3d. per bushel (bulk basis) on 19th January, 1948. The local consumption price was further increased to 6s. 8d. per bushel (bulk basis) as from 1st December, 1948.

(ii) Price of Wheat for Stock Feed - Australia. The price charged by the Wheat Board for wheat sold for stock feed was 4s. 11½d. per bushel (bulk basis), from early in 1947 to 19th January, 1948, from which date it was increased to 6s. 3d. per bushel. As with wheat for human consumption, the price was further increased to 6s. 8d. per bushel (bulk basis) on 1st December, 1948.

(iii) Export Wheat Prices - Australia. Details of export wheat prices by months for the years ended July, 1939 and 1947 to 1949, and the months of August to October, 1949, are shown in the table below.

Owing to changes which have occurred in the manner of selling export wheat, it is not possible to quote prices on a strictly comparable basis throughout the period covered by the table. Prior to November, 1939 the prices represent the "weighted average shippers' limits f.o.r. ports for growers' bagged and bulk lots, Sydney, Melbourne and Adelaide." Following the acquisition of the 1939-40 and later wheat crops by the Commonwealth Government, it was no longer possible to record prices on this basis. The prices shown below from August, 1946 to July, 1949 are the basic export selling prices of the Australian Wheat Board (averages for bulk and bagged wheat, f.o.r. ports basis).

The quotations are more or less nominal. The market has been "broad" and wheat has been sold at times above and below this basic price, depending upon conditions of sale. Much of the wheat is sold at prices fixed under contract for delivery over lengthy periods. The monthly prices recorded herein do not, therefore, necessarily represent the prices actually received for wheat currently being shipped.

With the introduction of the International Wheat Agreement (see Section 16 (ii) of this Summary) from August, 1949, it has become necessary to distinguish between prices applicable under the Agreement and those applicable to excess wheat sold above the quota fixed under the Agreement. The price at which wheat is sold overseas, therefore, may be broadly classified as follows (i) wheat sold within the terms fixed by the International Wheat Agreement, (ii) wheat sold under contract at prices within the limits fixed under the I.W.A. and (iii) wheat sold in excess of the quota of 80 million bushels fixed under the agreement.

As from 1st August, 1949, under the terms of the I.W.A., Australia has undertaken to sell 80 million bushels per year (August to July) to contracting importing countries. The prices applicable (calculated in Australian currency) are shown in the column headed "Wheat sold under International Wheat Agreement." These prices were fixed basically in terms of gold and rose from 11/2 prior to devaluation to 16/1 after devaluation (19th September). After this commitment has been met Australia is free to offer any additional quantity of wheat available at any price to any country.

TABLE 5 : EXPORT WHEAT PRICES : AUSTRALIA

(Price per bushel)

Month	1938-39(a)	1946-47(b)	1947-48(b)	1948-49(b)	1949-50	
					Wheat sold under International Wheat Agreement (c)	Wheat in Excess of I.W.A. quota (c)
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
August	3. 0.92	11. 2.00	16. 4.00	17. 4.25	11. 2	14. 0
September	2. 8.72	11. 2.00	17. 0.00	17. 4.25	13. 2	16. 2
October	2. 9.58	11. 9.00	18. 3.75	16. 2.25	16. 1	20. 0
November	2. 6.34	12. 5.50	19. 10.00	15. 10.25		
December	2. 4.96	13. 8.00	19. 10.00	15. 10.25		
January	2. 5.00	13. 8.25	20. 4.25	15. 10.25		
February	2. 5.05	14. 5.50	20. 10.00	15. 6.50		
March	2. 3.19	15. 7.00	20. 10.00	15. 4.25		
April	2. 4.12	16. 2.00	20. 10.00	15. 4.25		
May	2. 6.28	16. 2.50	20. 10.00	14. 7.25		
June	2. 4.68	16. 4.00	19. 9.00	14. 5.25		
July	2. 2.15	16. 4.00	17. 11.25	14. 5.25		
Average	2. 6.08	14. 1.02	19. 4.69	15. 8.19		

- (a) Weighted average shippers' limits f.o.r. ports for growers' bagged and bulk lots, Sydney, Melbourne and Adelaide.
- (b) Basic export selling price of Australian Wheat Board (averages for bulk and bagged wheat f.o.r. ports basis)
- (c) Australian Wheat Board price for f.a.q. bulk wheat f.o.b. basis.

S. POOL ADVANCES TO FARMERS ON WHEAT ACQUIRED.

Details of the advances paid in respect of wheat acquired from the harvest of 1946-47 (No. 10 Pool), 1947-48 (Nos. 11 and 11A Pools) and 1948-49 (No. 12 Pool) are shown in the table below.

TABLE 6 : WHEAT POOL ADVANCES : AUSTRALIA
AS AT 10TH NOVEMBER, 1949.

Advances	1946-47 Harvest (No. 10 Pool)		1947-48 Harvest				1948-49 Harvest (No. 12 Pool)	
			No. 11 Pool		No. 11A Pool(a)			
	Bulk	Bagged	Bulk	Bagged	Bulk	Bagged	Bulk	Bagged
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
	per bus.	per bus.	per bus.	per bus.	per bus.	per bus.	per bus.	per bus.
First	4. 1	4. 4	4. 6	5. 0	4. 6	5. 0	5. 0(b)	5. 6(b)
Second	1. 6(b)	1. 6(b)	2. 0(b)	2. 0(b)	2. 0(b)	2. 0(b)	1. 6	1. 6
Third	1. 0	1. 0	2. 0	2. 0	2. 0	2. 0	1. 0	1. 0
Fourth	1. 0	1. 3	2. 0	2. 0	1. 6	1. 6		
Fifth	0. 5.5	0. 5.5	1. 6	1. 6	1. 0	1. 0		
Sixth	0.11.5(c)	0.11.5(c)	0. 7	0. 8.5	0.11.5	1. 1		
Total Advances (b)	9. 0	9. 6	12. 7	13. 2.5	11.11.5	12. 7	7. 6	8. 0
Quantity acquired -	'000 bushels		'000 bushels		'000 bushels		'000 bushels	
Bulk	63,202		114,586		105		(d) 111,184	
Bagged	35,318		83,303		6,599		(d) 63,303	
Total	98,520		197,889		6,704		(d) 174,487	

(a) This pool refers to low grade wheat (under 54 lb. per bushel) which was segregated from other wheat received in No. 11 Pool. (b) Less rail freight to terminals. (c) This represents a small advance of a fraction of a penny together with refunds of amounts contributed to the Wheat Prices Stabilization Fund from No. 10 Pool. (d) Subject to revision.

Advances in respect of No. 10 Pool have been completed, including the refund of amounts contributed to the Stabilization Fund. A small amount, equivalent to a fraction of a penny per bushel remains to be distributed to growers on wheat required from the 1947-48 harvest. Contributions to the Stabilization Fund from the 1947-48 and 1948-49 harvest are equivalent to approximately 1s. 7d. and 1s. 5d. per bushel respectively.

2. OVERSEA SHIPPING FREIGHT RATES : AUSTRALIA

The next table gives particulars of the Oversea freight rates for wheat shipped to the United Kingdom and Continental ports for the quarters in each of the years 1945 to 1949. These rates are expressed in sterling and are subject to an adjustment of 2½ per cent. on account of Exchange when freight is prepaid in Australia.

TABLE 7 : OVERSEA SHIPPING FREIGHT RATES PER TON WEIGHT ON WHEAT
AUSTRALIA TO THE UNITED KINGDOM AND CONTINENTAL PORTS
(Supplied by the Overseas Shipping Representatives Assn.)

Quarter ended -	1945	1946	1947	1948		1949	
				Bulk	Bagged	Bulk	Bagged
31st March :							
Eastern States	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Western Australia	120. 0	120. 0	120. 0	} 102. 6	110. 0	92. 6	102. 6
	110. 0	110. 0	110. 0				
30th June :							
Eastern States	120. 0	120. 0	120. 0	} 102. 6	110. 0	87. 6	97. 6
Western Australia	110. 0	110. 0	110. 0				
30th September :							
Eastern States	120. 0	120. 0	120. 0	} 102. 6	110. 0	62. 6	70. 0
Western Australia	110. 0	110. 0	110. 0				
31st December :							
Eastern States	120. 0	120. 0	} 115. 0	95. 0	105. 0		
Western Australia	110. 0	110. 0					

10. PRODUCTION AND DISPOSAL OF WHEAT : AUSTRALIA

Details of the production and disposal of wheat in each of the cereal years ended 30th November, 1943 to 1948 and allocations for 1949 are given in the following table.

TABLE 8 : PRODUCTION AND DISPOSAL OF WHEAT : AUSTRALIA
(Million bushels)

Particulars	Year ended 30th November						
	1943	1944	1945	1946	1947	1948	1949
Opening Stocks (incl. Flour as Wheat)	104.5	154.0	77.9	11.5	20.2	13.5	26.4
Production	155.7	109.7	52.9	142.4	117.3	220.1	(a)190.7
<u>Total available supplies</u>	260.2	263.7	130.8	153.9	137.5	233.6	217.1
Exports - Wheat	18.6	54.3	6.1	19.4	12.0	87.0	} (b)122.6
Flour as wheat	18.6	50.9	13.9	37.7	34.0	44.6	
Local Consumption -							
Flour as wheat	34.3	34.5	33.1	32.2	33.5	33.6	(b) 34.1
Stock Feed	20.3	40.7	44.9	24.4	22.2	20.7	(b) 22.2
Seed	8.2	9.0	12.0	13.2	13.8	12.5	(c) 12.5
Breakfast Foods and other uses	1.0	3.2	3.1	3.0	4.2	4.2	(b) 4.0
Balance retained on Farm (excl. Seed)	5.1	5.2	3.2	3.8	4.3	4.6	(c) 4.3
Closing stocks (incl. Flour as wheat)	154.0	77.0	11.5	20.2	13.5	26.4	(b) 17.4
<u>Total Disposals</u>	260.2	263.7	130.8	153.9	137.5	233.6	217.1

(a) Subject to revision. (b) Allocation. (c) Estimates.

11. STOCKS OF WHEAT AND FLOUR HELD.

The movement in stocks of wheat and flour as wheat held in Australia at Mills, Sidings, Ports and Depots as at 30th November, is shown in the following table for each State for the years 1939 to 1948 -

TABLE 9 : STOCKS OF WHEAT AND FLOUR AS WHEAT.
(1000 bushels)

30th November -	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	Aust.
1939	6,733	4,749	528	5,170	2,527	244	20,981
1940	20,803	17,087	1,196	20,708	17,295	388	77,477
1941	6,232	5,212	817	12,180	17,158	369	41,968
1942	16,055	28,211	344	25,276	33,589	1,054	104,529
1943	25,859	39,815	592	47,949	39,229	576	154,020
1944	19,090	19,359	450	20,401	18,181	396	77,877
1945	2,082	3,080	352	2,916	2,787	285	11,502
1946	11,854	3,722	1,016	1,900	1,618	97	20,207
1947 -							
Wheat	1,571	3,735	372	1,715	766	217	8,376
Flour (Tons)	30,244	47,242	4,001	9,400	15,132	1,089	107,108
Total as wheat	3,023	6,003	564	2,166	1,492	269	13,517
1948 -							
Wheat	13,102	3,227	1,273	3,890	583	386	22,461
Flour (Tons)	20,505	24,609	5,637	17,000	15,163	117	83,031
Total as wheat	14,086	4,408	1,544	4,706	1,311	392	26,447

NOTE - One ton of 2,000 lb. of flour is taken as the equivalent of 48 bushels of wheat.

12. PRODUCTION OF FLOUR, BRAN AND POLLARD

The production of flour in Flour and other Grain Mills in Australia during the year ended June, 1948 amounted to 1,598,000 tons of 2,000 lb. (of which 43,000 tons were classified as wheatmeal for baking), from 76,927,000 bushels of wheat milled. This was 108,000 tons or 7.2 per cent. greater than the previous record output of 1946-47. Estimated production in 1948-49 at 1,679,000 tons constitutes a new record, being 81,000 tons or 5.1 per cent. above the 1947-48 level.

Particulars of the operations of flour mills and other grain mills in each State during 1947-48 are shown hereunder, together with details for Australia for the years 1944-45 to 1948-49.

TABLE 10 : OPERATIONS OF FLOUR MILLS : 1947-48.

Particulars	Unit	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	Aust.
No. of Mills	No.	56	39	10	33	20	9	167
No. of persons employed	"	1,674	1,260	401	607	526	155	4,623
Wheat milled (a)	'000 bus.	27,059	24,585	5,037	10,086	9,010	1,150	76,927
Output of (a) - Flour (white)	'000 tons	534	408	102	213	195	23	1,555
Wheatmeal for baking	"	19	13	6	2	2	1	43
Total Flour	"	553	501	108	215	197	24	1,598
Bran	"	97	106	15	44	43	3	308
Pollard	"	120	102	25	40	33	6	326

Note: Ton = 2,000 lb.

(a) Includes operations of other grain mills.

TABLE 11 : OPERATIONS OF FLOUR MILLS : AUSTRALIA

Particulars	Unit	1944-45	1945-46	1946-47	1947-48	1948-49
No. of Mills	No.	168	170	172	167	(a)
No. of persons employed	"	4,175	4,099	4,442	4,623	(a)
Wheat milled (b)	'000 bus.	75,210	63,191	73,780	76,927	(c) 77,971
Output of Flour (b)	" tons	1,413	1,219	1,490	1,598	(c) 1,679
Output of Bran (b)	" "	280	238	288	308	(c) 308
Output of Pollard (b)	" "	286	256	316	326	(c) 347

Note: Ton = 2,000 lb.

(a) Not yet available.

(b) Includes operations of other grain mills.

(c) Flour Mills; subject to revision.

The following table shows the total production of flour in each State and the percentage exported overseas during financial year 1938-39 and for each year from 1945-46 to 1948-49.

TABLE 12 : PRODUCTION OF FLOUR AND PERCENTAGE EXPORTED

Year ended June	Unit	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	Australia
1939 - Production	.. '000 tons	547	437	84	146	139	20	1,373
% Exported	.. %	53.6	58.7	-	59.3	64.2	-	52.8
1946 - Production	.. '000 tons	452	315	97	165	167	23	1,219
% Exported	.. %	40.0	40.5	1.2	63.6	62.5	-	42.6
1947 - Production	.. '000 tons	542	449	98	202	177	22	1,490
% Exported	.. %	50.1	49.3	0.4	70.4	73.3	-	51.4
1948 - Production	.. '000 tons	553	501	108	215	197	24	1,598
% Exported	.. %	39.4	59.0	-	60.8	70.8	-	49.1
1949 - Production (a)	.. '000 tons	666	477	108	214	188	26	1,679
% Exported (a)	.. %	44.4	57.2	4.3	68.8	69.6	-	50.7

Note: Ton = 2,000 lb.

(a) Subject to revision.

In the succeeding table the operations of Flour and other Grain Mills are shown, by States, for each of the ten years ended 1948-49 in comparison with the pre-war year, 1938-39.

TABLE 13 : PRODUCTION OF FLOUR
(Tons of 2,000 lb.)

Period	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	Total
1938-39	.. 547,162	436,829	84,314	146,262	138,583	19,582	1,372,732
1939-40	.. 583,568	404,064	89,038	146,770	141,520	18,800	1,383,850
1940-41	.. 577,759	452,812	88,851	131,325	149,925	17,057	1,417,729
1941-42	.. 448,529	312,147	92,609	117,842	135,338	20,735	1,127,200
1942-43	.. 363,452	208,134	102,864	97,826	126,274	16,812	995,362
1943-44	.. 496,853	409,190	125,603	149,892	159,799	17,153	1,358,490
1944-45	.. 516,168	393,036	124,473	194,967	(a)	(a)	(b) 1,412,868
1945-46	.. 451,895	315,525	96,304	164,286	166,791	22,657	1,218,838
1946-47	.. 541,469	449,170	98,232	202,366	176,727	21,695	1,489,659
1947-48	.. 552,784	501,325	108,022	215,155	197,104	23,753	1,598,143
1948-49 (c)	.. 665,461	476,922	108,356	213,813	188,132	26,113	1,678,802

(a) Not available for publication. (b) Including particulars for States marked (a). (c) Subject to revision.

13. EXPORTS OF WHEAT AND FLOUR

Table 14 furnishes details of the quantity of wheat and flour exported overseas by States for the year ended June, 1939 and each of the years ended June, 1946 to 1949, whilst in Tables 19 and 20 details of the quantity and value of wheat and flour exports are shown for the same years according to the countries of destination.

TABLE 14 : EXPORTS OF WHEAT AND FLOUR

Year ended 30th June	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
WHEAT.							
('000 Bushels)							
1939	.. 15,031	5,233	1,766	18,486	22,613	-	63,129
1946	.. 2,807	-	-	2,747	7,930	-	12,484
1947	.. 3,386	685	-	3,973	4,132	-	12,176
1948	.. 19,322	13,226	-	9,698	17,928	-	60,174
1949	.. 35,321	9,695	3,380	16,336	18,397	-	83,129
FLOUR.							
(Tons of 2,000 lb.)							
1939	.. 293,168	256,231	4	86,678	88,981	3	725,065
1946	.. 180,730	127,843	1,164	104,892	104,247	-	518,876
1947	.. 271,154	221,476	454	142,423	129,591	-	765,098
1948	.. 218,096	295,666	7	151,062	139,540	-	784,371
1949	.. 295,490	272,887	5,339	117,254	130,832	-	851,802

TABLE 15 : EXPORTS OF WHEAT, CLASSIFIED ACCORDING TO

COUNTRIES OF DESTINATION :

AUSTRALIA.

Country to which exported	QUANTITY ('000 Bushels)					VALUE (£A.F.o.B.)				
	1938-39	1945-46	1946-47	1947-48	1948-49	1938-39	1945-46	1946-47	1947-48	1948-49
United Kingdom ..	32,235	-	-	17,226	34,523	4,443,613	2	2	14,751,498	28,207,766
Aden ..	-	-	-	600	332	-	-	-	547,331	274,848
Africa, British East ..	19	-	-	22	7	3,286	-	-	25,769	9,238
Ceylon ..	138	659	-	-	17	22,282	320,621	-	-	12,718
Eire ..	2,303	-	-	2,402	1,337	312,776	-	-	2,382,493	1,415,790
India ..	6,922	9,123	6,692	21,336	16,939	957,926	4,552,984	3,678,058	19,402,292	14,902,287
Malta ..	559	-	-	-	-	79,719	-	-	-	-
New Zealand ..	3,096	944	4,332	4,401	7,395	417,696	474,043	1,906,334	1,459,161	2,652,242
Rhodesia, Southern ..	-	331	868	741	799	-	162,790	599,434	640,198	792,429
Union of South Africa ..	1,705	286	38	5	1,623	331,787	133,226	23,009	4,601	1,718,237
Other British Countries	68	3	238	1,125	2,492	9,745	1,289	125,232	1,125,351	2,180,670
China ..	10,621	639	-	11	1	1,357,010	328,690	-	9,969	645
Egypt ..	389	-	1	509	8,514	54,286	-	600	433,117	6,822,767
France ..	-	-	-	3,516	958	-	-	-	3,583,214	952,313
French Dependencies ..	-	14	7	2,317	337	-	6,933	5,381	2,146,974	357,906
Greece ..	1,583	-	-	-	-	237,713	-	-	-	-
Iraq ..	-	-	-	1,465	1,027	-	-	-	1,444,766	875,345
Italy ..	-	-	-	665	5	20	-	-	715,958	3,715
Japan ..	432	-	-	-	1,843	61,944	-	-	-	1,297,770
Norway ..	-	-	-	688	-	-	-	-	734,289	-
Sweden ..	-	-	-	556	746	-	-	-	565,171	766,459
Switzerland ..	-	-	-	682	-	-	-	-	725,482	-
Other Foreign Countries	3,059	485	-	1,907	4,234	445,171	242,747	339	2,114,407	3,878,617
<u>TOTAL:</u>	63,129	12,484	12,176	60,174	83,129	8,734,974	6,223,325	6,338,389	52,812,541	67,041,762

TABLE 16 : EXPORTS OF FLOUR, CLASSIFIED ACCORDING TO

COUNTRIES OF DESTINATION : AUSTRALIA.

(Tons of 2,000 lb.)

Country to which Exported	QUANTITY (Tons)					VALUE (E.a.f.o.b.)				
	1938-39	1945-46	1946-47	1947-48	1948-49	1938-39	1945-46	1946-47	1947-48	1948-49
United Kingdom ..	118,958	3,267	99,954	56,366	233,545	705,518	75,251	3,387,817	2,402,909	9,413,896
Aden ..	7,066	10,819	-	20,522	38,601	26,135	232,214	-	836,534	1,620,191
Ceylon ..	18,147	152,010	171,191	190,101	187,932	112,444	3,331,596	4,876,186	7,457,451	7,713,454
Hong Kong ..	23,040	28,231	33,050	21,988	9,820	148,305	641,434	981,816	839,904	404,065
India, Dominion of ..	591	95,116	49,581	58,922	71,778	3,242	2,183,016	1,213,020	2,175,472	2,861,508
Malaya, Federation of ..	66,965	117,749	194,036	136,255	97,245	438,072	2,685,016	5,375,517	5,419,103	4,001,138
Mauritius ..	13,525	22,969	42,243	46,367	19,722	77,475	424,247	1,609,109	1,920,327	786,935
New Zealand ..	551	16,183	17,047	22	3,327	3,757	255,710	380,346	1,427	54,777
Pacific Islands (British)	8,238	15,532	13,443	10,620	13,299	56,963	322,703	305,546	485,123	464,977
Singapore ..	(a)	(a)	(a)	4,321	14,937	(a)	(a)	(a)	166,459	609,897
Union of South Africa ..	132	2,556	9,024	448	196	936	58,492	215,728	21,708	7,551
Other British Countries	55,796	23,421	16,880	53,363	11,189	342,335	435,204	543,421	2,120,048	355,575
Portuguese Possessions -										
Mozambique ..	7,422	3,148	2,274	5,222	5,028	50,689	70,045	74,523	213,718	232,958
Burma (b) ..	3,722	50	6,478	21,824	6,160	22,146	1,138	183,326	866,546	357,752
China ..	216,879	-	39,192	7,304	368	1,307,430	-	1,044,971	188,455	21,126
Egypt ..	17,153	149	37,545	85,841	42,869	106,646	3,300	1,305,784	3,414,274	1,791,196
France ..	-	-	-	4,032	-	-	-	-	154,801	-
French Dependencies ..	15,665	16,193	28,463	35,035	22,073	110,750	361,610	832,257	1,610,966	977,048
Indonesia ..	96,524	1,985	2,730	34	68	647,746	39,302	87,568	510	3,017
Other Foreign Countries	57,658	2,468	1,267	28,781	73,645	379,621	207,343	117,422	1,227,278	3,362,249
TOTAL:	725,065	548,876	765,098	784,371	851,802	4,540,210	11,336,621	22,534,957	31,823,013	35,042,310

(a) Included with Federation of Malaya. (b) British Country to 1948-49.

14. IMPORTS OF WHEAT AND FLOUR INTO THE UNITED KINGDOM.

During 1948, total imports of wheat and flour into the United Kingdom expressed in terms of wheat, amounted to 201.6 million bushels, which represented a decrease of 16.1 million bushels or 7.4 per cent. from the corresponding total for 1939.

The two tables following show details of imports of wheat, flour and total in terms of wheat into the United Kingdom according to country of origin for the years 1939 and 1945 to 1948.

TABLE 17(i) : WHEAT IMPORTED INTO THE UNITED KINGDOM.

(Source : Accounts relating to Trade and Navigation of the United Kingdom)
(Bushels.)

Country of Origin	1939	1945	1946	1947	1948
Australia ..	25,132,542	-	-	-	28,602,021
Canada ..	65,626,828	121,875,346	107,666,193	128,354,330	124,255,861
Other British Countries ..	105	-	-	-	25,484
<u>Total from British Countries:</u>	90,759,475	121,875,346	107,666,193	128,354,330	153,083,366
Argentine Republic	46,596,400	10,723,242	4,164,076	14,449,387	3,917,575
U. S. America ..	25,313,542	-	14,046,393	12,936,203	342,048
Other Foreign Countries ..	35,336,119	-	-	835,102	672,067
<u>Total from Foreign Countries:</u>	107,246,061	10,723,242	18,210,469	28,220,692	4,931,690
<u>TOTAL:</u>	198,005,536	132,598,588	125,896,662	156,575,022	158,015,056

TABLE 17(ii) : WHEATEN FLOUR IMPORTED INTO THE UNITED KINGDOM.

(Source : Accounts relating to the Trade and Navigation of United Kingdom)
(Flour - Tons of 2,000 lb.)

Country of Origin	1939	1945	1946	1947	1948
	tons	tons	tons	tons	tons
Australia ..	87,525	4,471	3,321	113,318	195,416
Canada ..	250,520	441,031	529,289	740,139	712,456
Other British Countries ..	185	62	79	-	25
<u>Total from British Countries:</u>	338,230	445,564	532,689	853,457	907,897
France ..	38,887	-	-	(b)	(b)
U.S. of America ..	7,399	151,330	54,975	147,591	415
Argentine Republic	18,947	11,095	11,799	-	17
Other Foreign Countries ..	7,190	-	-	1	65
<u>Total from Foreign Countries:</u>	72,423	162,425	66,774	147,592	497
<u>TOTAL:</u>	410,653	607,989	599,463	1,001,049	908,394
Total: in terms of Wheat (a)	bushels 19,711,344	bushels 29,183,772	bushels 28,774,224	bushels 48,050,352	bushels 43,602,912
<u>GRAND TOTAL - Imports of Wheat and Flour in Terms of Wheat (a)</u>	217,716,880	161,782,060	154,670,886	204,625,374	201,617,968

(a) One ton of flour taken as equivalent to 48 bushels of wheat.

(b) Included with "Other Foreign Countries".

15. MARKETING OF WHEAT IN AUSTRALIA

(i) Wheat Industry Stabilization Board. Details of the war-time Wheat Industry Stabilization Plan administered by the Wheat Industry Stabilization Board were given in Vol. 7, No. 20 and previous issues of this Summary. This has since been superseded by the permanent stabilization plan, referred to in (ii) following.

(ii) Post-War Wheat Stabilization Plan. In the previous issue of this Summary (Vol. 7, No. 10) a detailed account was given of the provisions of the post-war Wheat Stabilization Plan which was established in 1948 under joint Commonwealth and State legislation.

Briefly the principal provisions of the plan which is operated by the Australian Wheat Board conjointly with State Wheat Boards and similar authorities nominated by State Governments, are as follows:-

- (a) The Commonwealth Government has guaranteed a price for wheat grown and delivered to the Australian Wheat Board or other approved organisations for each season 1947-48 to 1952-53.
- (b) The price guaranteed was 6s. 3d. per bushel f.o.r. ports, bulk basis (this being related to costs of producing wheat in the 1947-48 season), subject to variation as agreed upon by the Commonwealth Minister for Commerce and Agriculture in consultation with the appropriate State Ministers, in accordance with variations in the cost of producing wheat in subsequent seasons. Following a review of costs for the 1948-49 season by the Wheat Cost of Production Committee set up by the Commonwealth Government, the guaranteed price was increased to 6s.8d. per bushel, f.o.r. ports, bulk basis for that season.
- (c) The guaranteed price applies in respect of the export from any one season's crop up to a maximum of 100 million bushels.
- (d) A Wheat Prices Stabilization Fund has been established by means of a tax on wheat exported. The tax applies when the export price is greater than the guaranteed price, the rate of tax being 50 per cent. of the difference between the two but not exceeding 2s.2d. per bushel.
- (e) The Stabilization Fund will be drawn upon as required to meet the guaranteed price when this exceeds the export price. If amounts held in the Fund are at any time insufficient for this purpose, the deficiency will be provided by the Commonwealth Government from Consolidated Revenue.

The Commonwealth Government has undertaken that it will not hold an excessive amount in the Fund and will consider a refund of tax to the oldest contributing pool whenever the financial prospects of the Fund justify it. In accordance with this principle amounts contributed to the Fund from the 1945-46 and 1946-47 harvests (these amounts were collected under earlier legislation passed in 1946), viz. about £7 million and £4 million respectively have been refunded to growers. Contributions to the Fund from the 1947-48 harvest are estimated at £16.4 million while it is expected that 1948-49 harvest contributions will be about £12.6 million.

(iii) F.A.Q. Standard of Wheat. The Chambers of Commerce in each of the four main wheat States each year determine the "f.a.q." standard for the State. "F.a.q." means "fair average quality" and the standard is used as the basis for sales of the season's crop. It represents the average quality for the season and this average varies from year to year and from State to State. "F.a.q." is an Australian term and the method differs from that of other countries which sell according to sample, or (as in Canada) according to grades which are fixed and do not vary from year to year.

Samples of wheat are obtained by the Chambers of Commerce from the different wheat districts and are mixed to give a representative sample of the whole crop. From this representative sample the f.a.q. weight is determined.

The following table sets out the f.a.o. weight of a bushel of wheat in each of the four main wheat-producing States for the seasons 1938-39 and 1944-45 to 1948-49:-

TABLE 18 : F.A.O. STANDARD WEIGHT OF A BUSHEL OF WHEAT : AUSTRALIA
(lb.)

Season	New South Wales	Victoria	South Australia	Western Australia
1938-39 ..	64 $\frac{1}{2}$	64 $\frac{1}{2}$	64 $\frac{1}{2}$	63 $\frac{3}{4}$
1944-45 ..	63	63 $\frac{1}{2}$	63	63
1945-46 ..	63 $\frac{1}{2}$	62 $\frac{1}{2}$	61 $\frac{1}{2}$	63 $\frac{1}{2}$
1946-47 ..	62 $\frac{1}{2}$	63 $\frac{1}{2}$	61 $\frac{1}{2}$	63
1947-48 ..	60 $\frac{1}{2}$	60 $\frac{1}{2}$	61	64 $\frac{1}{2}$
1948-49 ..	63 $\frac{1}{2}$	63	63 $\frac{1}{2}$	63 $\frac{1}{2}$

16. WORLD WHEAT SITUATION

(i) General. The present world import requirements of wheat are not accurately known but the extent to which these can be met (apart from transport difficulties) depends mainly upon the surpluses available for export in the four chief exporting countries, viz., Australia, Argentina, Canada and the United States of America. Details of the production, domestic utilization and exportable surpluses of these countries, compiled from statistics published by the Food Research Institute, and Food and Agriculture Organization of the United Nations and from other official sources, are given in the following table for each year since 1938-39.

TABLE 19 : WHEAT SUPPLIES AND DISPOSITION IN FOUR CHIEF EXPORTING COUNTRIES.
(Million bushels.)

Year	Supplies			Domestic Use (incl. Food, Seed, Feed, etc.)	Surplus over Domestic Utilization	Net Exports	Year end Stocks
	Initial Stocks	Crop	Total				

UNITED STATES OF AMERICA (JULY TO JUNE)

1938-39 ..	153	920	1,073	714	359	109	250
1939-40 ..	250	741	991	663	328	48	280
1940-41 ..	280	813	1,093	674	419	34	385
1941-42 ..	385	943	1,328	668	660	28	632
1942-43 ..	632	974	1,606	951	655	33	622
1943-44 ..	622	841	1,463	1,217	246	* (71)	317
1944-45 ..	317	1,072	1,389	1,011	378	97	281
1945-46 ..	281	1,109	1,390	998	392	391	101
1946-47 ..	101	1,453	1,554	732	822	388	84
1947-48 ..	84	1,367	1,451	769	682	486	196
1948-49 ..	196	(a) 1,288	(a) 1,484	(a) 690	(a) 794	(a) 501	(a) 293

CANADA (AUGUST TO JULY)

1938-39 ..	25	360	385	124	261	158	103
1939-40 ..	103	521	624	132	492	192	300
1940-41 ..	300	540	840	129	711	231	480
1941-42 ..	480	315	795	149	646	222	424
1942-43 ..	424	556	980	171	809	215	594
1943-44 ..	594	285	879	180	699	343	356
1944-45 ..	356	417	773	169	604	346	258
1945-46 ..	258	319	577	163	414	340	74
1946-47 ..	74	413	487	161	326	239	87
1947-48 ..	87	342	429	(a) 156	(a) 273	(a) 195	(a) 78
1948-49(a)	78	393	471	141	330	232	98

TABLE 19 : WHEAT SUPPLIES AND DEMAND IN FOUR CHIEF EXPORTING COUNTRIES.

(CONTINUED.)
(Million bushels.)

Year	Supplies			Domestic use (Incl. Food, Seed, Feed, etc.)	Surplus over Domestic Utilization	Net Exports	Year end Stocks
	Initial Stocks	Crop	Total				
<u>ARGENTINE (AUGUST TO JULY)</u>							
1938-39 ..	72	379	451	99	352	122	230
1939-40 ..	230	131	361	107	254	179	75
1940-41 ..	75	299	374	98	276	96	180
1941-42 ..	180	224	404	101	303	83	220
1942-43 ..	220	235	455	116	339	69	270
1943-44 ..	270	250	520	176	344	100	244
1944-45 ..	244	150	394	167	227	104	123
1945-46 (c)	50	144	194	125	69	53	16
1946-47 (c)	16	206	222	128	94	82	12
1947-48 (c)	12	245	257	(e) 141	116	79	37
1948-49 (c)	37	(c) 184	(c) 221	(d)	(d)	(d)	(d)

AUSTRALIA (DECEMBER TO NOVEMBER)

1938-39 ..	14	155	169	57	112	91	21
1939-40 ..	21	210	231	59	172	95	77
1940-41 ..	77	82	159	59	100	58	42
1941-42 ..	42	157	209	60	149	44	105
1942-43 ..	105	156	261	69	192	38	154
1943-44 ..	154	110	264	95	169	91	78
1944-45 ..	78	53	131	100	31	19	12
1945-46 ..	12	142	154	78	76	56	20
1946-47 ..	20	117	137	78	59	46	13
1947-48 ..	13	220	233	75	158	132	26
1948-49 ..	26	(a) 191	(a) 217	(b) 77	(b) 140	(b) 123	(b) 17

* Net Imports.

(a) Subject to revision. (b) Estimate. (c) December to November.
(d) Not yet available. (e) Unofficial estimate.

Latest estimates received place the 1949-50 wheat crops of the United States of America and Canada at 1,131.8 million bushels and 367.4 million bushels respectively.

(ii) International Wheat Agreement. In a previous issue of this Summary (Vol. 7, No. 8) details were given of the International Wheat Agreement signed in Washington D.C., U.S.A. on 6th March, 1948 by 33 importing nations and the three exporting countries of Canada, United States of America and Australia. Owing to the failure of the Government of the United States of America to ratify that Agreement within the prescribed time, it was allowed to lapse.

A further International Wheat Agreement was signed in Washington in March and April, 1949 by the representatives of 41 nations, comprising all the important wheat importing countries and the wheat exporting countries of Canada, United States of America, Australia, France and Uruguay. The 1949 Agreement is similar to that proposed in 1948, its stated objectives being "to assure supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices".

The new Agreement covers a period of four years from 1st August, 1949 to 31st July, 1953, with provision for extension beyond that date, if desired. Under its terms, the five exporting countries who signed the agreement guarantee to sell 456.3 million bushels of wheat (including wheat flour as wheat) annually to the 37 importing countries specified who in turn guarantee to purchase a similar quantity each year.

Paraguay did not actually sign the agreement reducing the number of importing countries who were signatories to 36 while Peru when signing specified a reduction in its guaranteed purchases shown in the original quotas. Details of the original quotas fixed in the Agreement are shown below:-

TABLE 20 : INTERNATIONAL WHEAT AGREEMENT - GUARANTEED SALES AND PURCHASES.

Guaranteed Sales by Exporting Countries			Guaranteed Purchases by Importing Countries		
Country	Million bushels (a)		Country	Million bushels (a)	
Canada ..	203.1		United Kingdom ..	117.1	
United States of America ..	168.1		Italy ..	40.4	
Australia ..	80.0		India ..	38.3	
France ..	3.3		Netherlands (including Indonesia) ..	25.7	
Uruguay ..	1.8		Belgium ..	20.2	
			Remaining 32 importing Countries ..	214.6	
<u>TOTAL:</u>	456.3		<u>TOTAL:</u>	456.3	

(a) Wheat and wheat flour as wheat.

The original quotas specified in the Agreement are subject to adjustment in the event of a country or countries failing to ratify, withdrawing from or being expelled from the Agreement or under such other special circumstances as are provided for in the Agreement. The quotas shown exclude wheat to be supplied to any Occupied Areas, for which the United States has accepted responsibility, this being outside the scope of the Agreement.

The Agreement fixes maximum and minimum prices between which transactions can be freely concluded and prices will move within the range prescribed in accordance with market conditions. But at the maximum price the exporting country must sell the quantity it has guaranteed to supply and at the minimum price the importing country must purchase the quantity it has guaranteed to buy.

The basic minimum and maximum prices fixed in the Agreement for No. 1 Manitoba Northern Wheat in bulk in store Fort William/Port Arthur in terms of Canadian Currency at parity at 1st March, 1949 are shown in the following table. The approximate equivalent prices in terms of Australian Currency at the exchange rates (average of buying and selling rates) operating prior to and from 19th September, 1949 are also shown.

TABLE 21 : INTERNATIONAL WHEAT AGREEMENT : MINIMUM AND MAXIMUM PRICES.

Crop Year August - July	Minimum Price per bushel			Maximum Price per bushel		
	Canadian Currency \$	Australian Currency		Canadian Currency \$	Australian Currency	
		Prior to 19. 9.49 s. d.	From 19. 9.49 s. d.		Prior to 19. 9.49 s. d.	From 19. 9.49 s. d.
1949-50 ..	1.50	9. 4	13. 5			
1950-51 ..	1.40	8. 8	12. 6			
1951-52 ..	1.30	8. 1	11. 8	1.80	11. 2	16. 1
1952-53 ..	1.20	7. 6	10. 9			

NOTE: The £ (Sterling and Australian) was devalued and the price of gold in these currencies raised on 19.9.49.

The equivalent maximum price for Australian bulk f.a.q. wheat under the Agreement is -

- (a) The maximum price specified in the Agreement in Canadian currency converted into Australian currency at the prevailing rate of exchange (at present 16s. 1d. per bushel); or
- (b) The price f.o.b. Australia, equivalent to the c. & f. price in the country of destination of the maximum Canadian price specified above, computed by using currently prevailing transportation and exchange rates; whichever is the lower.

The minimum prices for f.a.q. Australian bulk wheat are the f.o.b. prices, Australia equivalent to the c. & f. prices in the United Kingdom of the minimum Canadian prices specified above, computed by using current transportation and exchange rates.

Transactions between signatory exporting and importing countries at prices within the range will count towards fulfilment of the obligations assumed under the Agreement but any country is free to trade in wheat above the ceiling or below the floor price in respect of quantities additional to those covered by the Agreement.

A new International Wheat Council has been established to administer the Agreement. Its functions include adjustment to sale and purchase quotas provided for in the Agreement and adjudication in the event of countries, either importers or exporters, finding difficulty in meeting their obligations under the Agreement.

The Agreement provided that it would be subject to acceptance by signatory Governments and that it should enter into force between those Governments which have accepted it, subject to ratification prior to 1st July 1949 by importing countries responsible for not less than 70 per cent. of the guaranteed purchases and by exporting countries responsible for not less than 80 per cent. of the guaranteed sales. As eighteen importing countries and four exporting countries responsible for the requisite proportions of purchases and sales signified ratification by the prescribed date, the Agreement became effective and came into operation on 1st August, 1949. Consideration of adjustments to quotas necessitated by the failure of some Governments to sign and/or ratify the Agreement has been deferred until after the end of October, 1949.

Australia ratified the Agreement under the International Wheat Agreement Act, 1949, which was assented to on 30th June, 1949.

ROLAND WILSON
COMMONWEALTH STATISTICIAN

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA. A.C.T.

23RD NOVEMBER, 1949.