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1. AREA UNDER WHEAT.

The final estimate of the area sown to wheat for grain in Australia for the season 1937-38 is 13,753,000 acres. This figure shows a slight increase of 18,000 acres on that previously forecasted as the result of an adjustment in respect of South Australia. Compared with the previous year the total acreage under wheat for grain for 1937-38 has increased by 1,462,000 acres, or 11 per cent. This increase is distributed among the chief producing States as follows:- New South Wales, 501,000 acres (12.6 per cent.) Victoria, 306,000 acres (12.8 per cent.); South Australia, 142,000 acres (4.6 per cent.); Western Australia, 397,000 acres (15.4 per cent.). The balance of 116,000 acres is distributed between Queensland and Tasmania, but the areas devoted to the production of wheat in those two States are relatively small. Details of the areas sown in 1937-38 and in previous years are given in the following table:

AREA SOWN UNDER WHEAT FOR GRAIN - AUSTRALIA

(In 1,000 acres)

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	F.C.T.	AUSTRALIA
1932-33	4,804	3,231	250	4,067	3,389	21	3	15,765
1933-34	4,584	3,053	232	3,822	3,183	24	3	14,901
1934-35	3,893	2,458	222	3,188	2,764	17	2	12,544
1935-36	3,851	2,324	240	2,989	2,541	10	2	11,957
1936-37(a)	3,962	2,394	284	3,058	2,575	21	1	12,295
Average 10 years ended 1937	4,101	3,197	244	3,541	3,141	19	2	14,245
1937-38(b)	4,463	2,700	395	3,200	2,968	25	2	13,753

(a) Subject to revision. (b) Final estimate.

2. PRODUCTION AND YIELDS.

The first forecast of the production of wheat in Australia for the coming harvest was issued on the 5th November. Since that date revised estimates have been issued in respect of New South Wales and South Australia and these have reduced the forecasted production of Australia to 161,954,000 bushels a decrease of approximately 1,000,000 bushels below the first estimate. This production is distributed among the States as follows:- New South Wales, 46,750,000 bushels; Victoria, 40,000,000 bushels; South Australia, 38,750,000 bushels; Western Australia, 31,659,000 bushels; Queensland, Tasmania and the Federal Capital Territory, 4,795,000 bushels.

A comparison of the average yield per acre recorded in 1936-37 with that forecasted in 1937-38 indicates that the present season is expected to be less favourable by 3.4 bushels per acre in New South Wales and 3.1 bushels per acre in Victoria. In South Australia and Western Australia, however, the prospective yields per acre are estimated to be greater than in the previous year by 2.7 bushels and 2.3 bushels respectively. The average yield of 17.90 bushels recorded in Victoria in 1936-37, however, was abnormally high, being the greatest since the year 1870; whilst in Western Australia the return per acre of 8.38 bushels was abnormally low, due to the drought conditions.

Details of production and average yield are given in the following table for the periods indicated:

PRODUCTION OF WHEAT - AUSTRALIA

(In 1,000 bushels)

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	F.C.T.	AUSTRALIA
1932-33	78,870	47,843	2,494	42,430	41,792	433	65	213,927
1933-34	57,057	42,613	4,362	35,373	37,305	561	67	177,338
1934-35	48,678	25,850	4,076	27,456	26,985	308	40	133,393
1935-36	48,822	37,552	2,690	31,616	23,315	186	36	144,217
1936-37(a)	54,837	42,845	2,016	28,715	21,549	504	26	150,492
Average 10 years ended 1937	51,981	39,087	3,538	32,279	35,465	417	35	162,802
1937-38(b)	46,750	40,000	4,250	38,750	31,659	525	20	161,954

AVERAGE YIELD PER ACRE - AUSTRALIA

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	F.C.T.	AUSTRALIA
	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.
1932-33	16.42	14.81	9.97	10.43	12.33	20.64	19.03	13.57
1933-34	12.45	13.96	18.80	9.26	11.72	23.27	21.66	11.90
1934-35	12.50	10.51	18.38	8.61	9.76	18.46	21.91	10.63
1935-36	12.68	16.16	11.30	10.58	9.18	17.88	22.56	12.06
1936-37(a)	13.84	17.90	7.11	9.39	8.38	24.50	17.97	12.19
Average 10 years ended 1937	12.68	12.22	14.52	9.12	11.29	21.62	18.27	11.43
1937-38(b)	10.48	14.81	10.75	12.11	10.67	21.00	10.00	11.78

(a) Subject to revision (b) Preliminary estimate.

3. WEATHER CONDITIONS.

The greater part of New South Wales benefited by more than average rains during the month of October and the condition of the wheat crop improved accordingly. In the north-west and central districts, however under-average rains were recorded and the outlook for those parts is not favourable.

The position in Victoria was greatly improved by the October rains and the outlook at the end of that month indicates a good harvest. In South Australia seasonal prospects continue to be satisfactory, although the October rains were light. The dry weather affected some crops and a slight reduction in yield is forecasted. The yield for the State however will be above average.

In Western Australia the October rainfall was light and consequently the crops did not receive adequate finishing rains. The forecast of production, however, indicates an average yield of 10.68 bushels per acre. This is 2.3 bushels above that harvested in the previous year but it is 0.60 bushels below the average for the previous 10 years.

In Queensland seasonal conditions are such as to indicate that the average yield of wheat will be below normal whilst in Tasmania it is expected to exceed that of the previous decennial period.

4. WHEAT PRICES.

Prices were not maintained during November. The firmer tendency noted towards the end of October was not sustained and prices commenced to fall about the 5th November. Minor fluctuations occurred during the month but on the whole the trend was downward. The factors affecting this decline are discussed in some detail in the International Review at the end of this Summary.

The course of wheat prices in Australia is shown in the following table for the years 1932 to 1937:-

WHEAT PRICES - AUSTRALIA
(Weighted average of shippers' limits for growers' bagged lots,
Sydney, Melbourne and Adelaide)
(pence per bushel)

Month	1932	1933	1934	1935	1936	1937
	d.	d.	d.	d.	d.	d.
January	37.22	32.80	29.32	32.80	44.54	61.34
February	38.03	31.65	28.36	34.12	42.29	60.28
March	36.64	31.70	28.43	36.04	43.22	64.07
April	36.75	32.86	28.92	39.36	44.11	64.39
May	37.46	35.83	29.48	38.75	43.90	62.56
June	35.62	36.83	31.71	36.59	42.19	59.92
July	35.33	39.65	33.78	34.42	46.63	64.44
August	38.35	37.74	38.94	36.81	55.22	60.18
September	39.56	35.41	36.06	40.30	55.64	59.13
October	36.48	29.85	32.59	43.51	58.44	59.66
November	34.64	30.78	29.66	40.11	56.87	(a) 53.98
December	32.76	29.81	30.25	41.33	62.98	
Average:	36.57	33.74	31.46	37.84	49.67	

(a) Price on 30th November, 1937 = 52.20d.

5. OVERSEA FREIGHT RATES.

In the following table are shown the monthly freight rates on shipments of wheat in parcels from Australia to United Kingdom and Continental ports.

FREIGHT RATES PER TON WEIGHT ON WHEAT (PARCELS) - AUSTRALIA TO THE UNITED KINGDOM AND CONTINENTAL PORTS.

Last day of Month	1933	1934	1935	1936	1937
	s.d	s.d	s.d	s.d	s.d
January	26.3	22.6	26.3	28.9	40.0
February	26.3	22.6	23.9	28.9	40.0
March	20.0	20.0	21.3	27.6	42.6
April	20.0	21.3	21.3	25.0	45.0
May	20.0	21.3	22.6	26.3	45.0
June	20.0	22.6	23.9	26.3	45.0
July	21.3	22.6	23.9	30.0	45.0
August	22.6	26.3	23.9	32.6	45.0
September	22.6	26.3	25.0	32.6	45.0
October	23.9	26.3	25.0	32.6	45.0
November	25.0	26.3	25.0	32.6	45.0
December	22.6	26.3	26.3	40.0	

The next table gives particulars of the charter rates for wheat shipments to United Kingdom and Continental ports.

CHARTER RATES PER TON WEIGHT ON WHEAT - AUSTRALIA TO THE UNITED KINGDOM AND CONTINENTAL PORTS.

Month	1933	1934	1935	1936	1937
	s.d	s.d	s.d	s.d	s.d
March	23.0	23.0	20.0	27.0	37.6
April	(a)	(a)	(a)	(a)	to 37.9
May	(a)	(a)	(a)	(a)	to 44.6
June	22.6	24.0	23.0	25.6	47.0
July	(a)	(a)	(a)	(a)	to 53.6
August	(a)	(a)	(a)	(a)	49.0
September	23.6	27.6	27.6	29.3	to 53.6
October	(a)	(a)	(a)	(a)	41.3
November	(a)	(a)	(a)	(a)	44.3
December	26.3	25.6	24.0	32.0	41.6
				to 45.6	to 47.0
					45.9
					to 50.9
					45.9
					to 50.9

(a) Not available.

6. EXPORTS OF WHEAT AND FLOUR.

Detailed particulars of the quantity of wheat and flour exported from Australia to principal countries for the five years ended 1936-37 were given in issue No. 1 of Volume 2 of this Summary.

In the following table particulars of exports of wheat and flour are shown for each of the four months ended October, together with the total exports for the eleven months of the cereal years 1935-36 and 1936-37. The principal countries of recorded destination and the exporting States are shown in addition to the total volume of exports in terms of wheat.

6. WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES.

Country to which exported	1937				TOTAL SEASON DECEMBER-OCTOBER	
	July	August	September	October	1935-36	1936-37
WHEAT - IN BUSHELS OF 60 lb.						
	bushels	bushels	bushels	bushels	bushels	bushels
United Kingdom ..	1,966,597	921,906	558,462	1,032,832	32,750,382	24,047,082
Irish Free State..	-	-	-	117,262	3,141,727	3,431,259
Other British Countries ..	83,250	191,963	(d) 333,405	(e) 126,368	1,497,604	1,559,044
China ..	143,663	-	-	-	3,271,975	1,234,095
Italy ..	-	-	-	-	-	6,769,367
Japan ..	331,332	372,227	189,553	146,170	6,508,601	3,468,174
Other Foreign Countries ..	(f) 530,108	(g) 328,457	370	1,657,375	4,017,387	5,576,645
For Orders (a) ..	2,317,885	1,865,980	295,360	-	16,248,740	22,303,691
TOTAL:	5,372,835	3,680,533	1,382,150	3,080,507	67,436,416	68,389,357
Exporting States:						
New South Wales ..	1,080,350	11,248	24,838	34,443	16,034,583	19,151,015
Victoria ..	2,540,903	1,156,992	343,252	597,343	16,251,465	18,908,700
Queensland ..	37	13	50	50	349	472
South Australia ..	1,170,028	2,493,572	866,652	1,760,277	21,403,659	18,630,092
Western Australia	581,517	40	128,690	688,394	13,746,360	11,661,742
Tasmania ..	-	16,668	18,668	-	-	37,336
TOTAL:	5,372,835	3,680,533	1,382,150	3,080,507	67,436,416	68,389,357
FLOUR - IN TONS OF 2,000 lb.						
	tons	tons	tons	tons	tons	tons
United Kingdom ..	12,361	17,143	9,099	17,271	124,645	170,560
Ceylon ..	1,121	1,032	1,000	765	14,228	12,695
Hong Kong ..	3,077	5,616	3,029	4,657	34,495	38,151
Malaya (British)..	4,502	5,696	6,741	5,298	52,266	62,749
Other British Countries ..	4,397	6,903	6,362	8,682	54,511	66,220
China ..	64	112	-	49	1,014	1,959
Egypt ..	696	731	1,868	364	23,409	18,428
Manchuria (b) ..	1,582	-	1,300	5,139	61,545	13,855
Netherlands East Indies ..	5,144	6,686	7,337	5,791	67,040	67,445
Philippine Islands	3,167	2,976	1,925	2,749	33,875	33,027
Other Foreign Countries ..	2,847	3,171	3,277	3,749	42,604	37,405
TOTAL:	38,958	50,066	41,938	54,514	509,632	522,506
Exporting States:						
New South Wales ..	13,427	16,820	15,354	18,544	173,349	180,821
Victoria ..	17,160	21,215	15,693	22,148	220,706	210,174
Queensland ..	3	-	-	-	13	21
South Australia ..	3,141	6,558	3,084	7,882	50,117	57,376
Western Australia	5,227	5,473	7,307	5,940	65,447	74,106
TOTAL:	38,958	50,066	41,938	54,514	509,632	522,506
TOTAL - In Terms of Wheat (c)	bushels	bushels	bushels	bushels	bushels	bushels
	1,869,984	2,403,168	2,013,024	2,616,672	24,462,336	25,080,288
GRAND TOTAL - WHEAT AND FLOUR (IN TERMS OF WHEAT)						
1935-36	4,207,236	4,936,795	7,618,325	5,486,153	91,898,752	-
1936-37	7,242,819	6,083,701	3,395,174	5,697,179	-	93,669,645

(a) Particulars of final destination of Wheat shipped "For Orders" not available.
 (b) Including Kwantung Peninsula. (c) One ton of flour taken as equivalent to 48 bushels of wheat. (d) Including New Zealand 135,418 bushels, and South Africa 148,840 bushels. (e) Including New Zealand 96,705 bushels. (f) Including Netherlands 274,305 bushels. (g) Including Egypt 323,113 bushels.

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

Imports of wheat into the United Kingdom for the nine months ended September last amounted to 134 million bushels of which Empire countries furnished 95 million bushels or 71 per cent. For the corresponding period of 1936 total imports amounted to 137 million bushels whilst the quantity from Empire sources was 114 million bushels or 83 per cent. This represents a decrease of 3 million bushels or 2.5 per cent. in total imports and a decrease of 19 million bushels or 16 per cent. from Empire Countries. Comparison between these two periods show that Australia increased its exports by 2 million bushels while exports from the Argentine Republic increased by nearly 28 million bushels. This latter increase appears to have been gained at the expense of Canada whose exports decreased by 31 million bushels.

Imports of flour into the United Kingdom for the nine months ended September, 1936 and 1937 increased from 352,800 tons to 356,100 tons (or 1 per cent.) of which the Empire supplied 272,000 tons (or 77 per cent.) and 304,000 tons (or 85 per cent.) respectively. Imports from Australia for the same period of 1936 amounted to 104,443 tons or 30 per cent. of the total quantity imported, whilst in 1937 imports increased to 140,225 tons or 39 per cent. This latter quantity now exceeds the total amount imported from Australia during the whole of 1936.

WHEAT AND FLOUR IMPORTED INTO THE UNITED KINGDOM.

Country from which imported	Year 1936	9 months ended September		Month of September	
		1936	1937	1936	1937
WHEAT.					
	bushels	bushels	bushels	bushels	bushels
Australia	43,445,177	34,186,765	36,347,769	679,534	3,094,648
Canada	107,971,708	79,531,788	48,569,514	9,728,005	4,481,593
India	6,082,333	653,649	9,491,836	384,582	1,399,462
Other British Countries	83,951	83,951	726,938	-	56,110
Argentine Republic ..	1,786,324	1,207,845	28,883,306	15	-
France	(b)	8,646,149	676,907	85,786	73,127
Germany	-	-	745,763	-	35,175
Roumania	3,248,268	3,796,298	1,821,974	2,458,207	492,395
Soviet Union.. ..	312,305	312,305	1,431,201	-	1,431,201
United States of America	84,756	-	1,129,940	-	808,922
Other Foreign Countries	20,162,753	9,117,422	4,309,219	832,772	437,203
TOTAL:	198,177,575	137,586,172	134,134,367	14,168,901	12,309,836
FLOUR - TONS OF 2,000 lb.					
	tons	tons	tons	tons	tons
Australia	138,298	104,443	140,225	9,239	10,997
Canada	229,831	167,327	162,221	18,882	15,054
Other British Countries	222	222	1,540	-	94
Argentine Republic ..	15,254	9,326	18,147	1,323	1,791
France	40,914	34,637	20,646	1,438	588
United States of America	4,345	2,963	3,429	709	881
Other Foreign Countries	39,672	33,865	9,932	1,076	788
TOTAL:	468,536	352,783	356,140	32,667	30,193
TOTAL -	bushels	bushels	bushels	bushels	bushels
In terms of Wheat (a)	22,489,729	16,933,584	13,533,320	1,568,016	1,449,264
GRAND TOTAL -					
Imports of Wheat and Flour in terms of Wheat (a)	210,647,303	154,519,756	147,667,687	15,736,917	13,759,100

(a) One ton of flour taken as equivalent to 48 bushels of wheat. (b) Included with "Other Foreign Countries"

8. PRODUCTION OF FLOUR

Detailed particulars of the production of flour in Australian mills during the year 1935-36 were included in issue No. 1 of Volume 2 of this Summary.

9. STOCKS OF WHEAT AND FLOUR AND EXPORTABLE SURPLUS.

Particulars concerning stocks of wheat and flour held by millers and merchants, together with those stacked at country sidings and at terminal ports, are collected at the 30th November in each year. This information is shown in the following table, together with the estimated surplus available for export on the date indicated.

EXPORTABLE SURPLUS OF WHEAT AND FLOUR (IN TERMS OF WHEAT) - AUSTRALIA.

Particulars	Unit	1933-34	1934-35	1935-36	1936-37
Stocks at 30th November -					
Wheat	bush.	14,375,614	34,708,963	12,371,270	3,418,393
Flour	tons	86,638	112,385	89,637	101,063
Total in terms of Wheat ..	bush.	18,534,212	40,103,463	16,673,867	8,269,417
Production	bush.	177,337,803	133,393,232	144,217,769	150,492,000
Total supply in sight, 30th November	bush.	195,872,015	173,496,695	160,891,636	158,761,417
Less Local requirements for year	bush.	54,888,000	54,610,000	55,000,000	56,000,000
Balance = Exportable Surplus	bush.	140,984,015	118,886,695	105,891,636	102,761,417
Less Exports, 1st December to 31st October	bush.	86,637,999	97,358,502	91,898,752	93,469,645
Estimated Exportable Surplus at 1st November	bush.	54,346,016	21,528,193	13,992,884	9,291,772

DISPOSITION OF STOCKS.

Complete details of the disposition of the above stocks are not available. Particulars of the quantities stacked at country sidings and terminal ports, however, are compiled by the Railway Department in each of the four chief producing States and these are shown hereunder.

STOCKS OF WHEAT STACKED AT COUNTRY SIDINGS AND TERMINAL PORTS - 1937.

State	Last week in month of					
	June	July	August	September	October	November(a)
	bushels	bushels	bushels	bushels	bushels	bushels
New South Wales..	8,937,567	5,782,281	4,149,456	2,994,039	1,124,016	686,439
Victoria	12,463,644	10,489,980	8,725,617	7,073,574	4,850,538	2,449,038
South Australia..	4,580,154	2,659,371	1,712,970	1,203,156	330,118	(b)
Western Australia	1,998,415	1,730,065	1,490,700	1,105,913	290,325	589,329
TOTAL OF ABOVE:	27,979,780	20,661,697	16,078,743	12,376,682	6,594,997	(b)

(a) Second week in November.

(b) Not yet available.

10. INTERNATIONAL REVIEW.

The unsettled conditions in world markets had some influence in the downward movement in the price of wheat which occurred during November but it is not possible to determine the actual extent of their influence. Other factors, more closely related to the grain trade which have also affected the fall in prices are summarised as follows:-

- (i) Increased available supply due to increased production in 1937.
- (ii) Prospects of a favourable harvest in Australia and the Argentine Republic are now reasonably assured.
- (iii) Lack of demand by European importing countries due to increased local production.
- (iv) Selling pressure due to Russian shipments.

In the review of world production for 1937 contained in the last issue of this Summary it was indicated that the total production for the Northern Hemisphere would exceed that of the previous year by 264 million bushels or nearly 9 per cent. This increase was due principally to the large harvest garnered in United States of America and, to a lesser degree, by the increased output of importing European countries, notably Italy. On the other hand serious crop losses were sustained by Canada but these were not sufficient to offset the gains made elsewhere. In addition to this increase in production already determined the exportable surplus expected from the harvests in Australia and the Argentine Republic must also be included. In Australia indications point to an exportable surplus of about 110 million bushels which is about 5 million bushels more than that available at the commencement of last year. Crop conditions in the Argentine Republic indicate a yield a little in excess of 200 million bushels. This quantity would allow 100 million bushels to be exported which is about 40 million bushels below the average for the last three years.

The world exportable surplus for the season 1937-38 has been estimated by the International Institute of Agriculture at 610 million bushels which is about 150 million bushels in excess of that estimated for the previous year.

World import requirements for the season 1937-38 have been estimated by the same authority at 550 million bushels compared with 580 million bushels imported during 1936-37. This represents a decrease of 30 million bushels or 5 per cent. Broomhall, the Liverpool grain authority, has forecasted a much lower figure of 496 million bushels. The position as disclosed by these figures, however, indicates that the supply for the season 1937-38 is more than equal to the estimated requirements of importing countries.

The appearance of the Soviet Union as an exporter was not unexpected. Although no details of the total quantity harvested are yet available it is evident that production in 1937 was sufficient to allow for a surplus. Broomhall estimates that 32 million bushels will be exported during the year ended July, 1938, of which more than 26 million bushels have been shipped already. The Soviet Union is the largest producer of wheat in the world but its influence as an exporter is insignificant compared with that of the pre-war period. Furthermore, the statistics of production are always very late and consequently the exportable surplus available is generally a matter for conjecture.

It is apparent that the recession in prices which occurred during November was not influenced by world stocks of old seasons wheat as was evident in the slump which occurred in 1930. In comparison with those held during the years since 1926, stocks on 1st August last were the lowest recorded, amounting to only 236 million bushels. The following table, compiled from the records of the International Institute of Agriculture, indicate the manner of the dispersal of these surplus stocks since 1926.

STOCKS OF OLD SEASONS WHEAT ON 1ST AUGUST.

(millions of bushels)

Year	Quantity	Year	Quantity	Year	Quantity
1926	255	1930	552	1934	696
1927	304	1931	618	1935	492
1928	365	1932	645	1936	368
1929	553	1933	741	1937	236