

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA

MONTHLY SUMMARY

of

THE WHEAT SITUATION IN AUSTRALIA

SEPTEMBER, 1938

Volume 3

No. 3

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Prepared under instructions from the Honorable the Treasurer

by

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7th October, 1938.

1. AREA, PRODUCTION AND AVERAGE YIELD.

Particulars of the area sown to wheat in the several States for the current season are not yet available but estimates obtained from official sources suggest that an area slightly in excess of 14,000,000 acres has been seeded. This would indicate an increase of approximately 400,000 acres on last year's collected figures but would be 2 per cent. less than the average of the past ten years.

Compared with the previous year the largest increase is anticipated in Western Australia, viz., 300,000 acres. New South Wales expects an increase of approximately 130,000 acres and Queensland of about 50,000 acres. Preliminary figures for South Australia and Victoria reveal declines of approximately 65,000 and 36,000 acres respectively.

In 1937-38, 13,686,000 acres were sown and 188,018,000 bushels of wheat produced at an average yield of 13.74 bushels per acre.

Details of area, production and average yield are given in the following tables for the periods indicated:-

AREA SOWN UNDER WHEAT FOR GRAIN - AUSTRALIA. (In 1,000 acres)

Year	N.S.W.	Vic.	Q'd.	S.A.	W.A.	Tas.	A.C.T.	AUSTRALIA
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	3,983	2,394	284	3,058	2,575	21	1	12,316
1937-38 (a)	4,416	2,686	373	3,162	3,026	21	1.5	13,686
Average 10 years ended 1936	4,241	3,160	254	3,563	3,151	18	2	14,389
	(b)	(c)	(d)	(e)	(e)	(f)	(f)	(f)
1938-39 (a)	4,550	2,650	430	3,097	3,324	21	1.5	14,074

PRODUCTION OF WHEAT - AUSTRALIA (In 1,000 bushels)

Year	N.S.W.	Vic.	Q'd.	S.A.	W.A.	Tas.	A.C.T.	AUSTRALIA
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	55,668	42,845	2,016	28,715	21,549	571	26	151,390
1937-38 (a)	56,000	48,173	3,749	43,428	36,091	551	26	188,018
Average 10 years ended 1938	54,960	41,288	3,511	34,215	35,493	401	36	169,904

AVERAGE YIELD PER ACRE - AUSTRALIA

Year	N.S.W.	Vic.	Q'd.	S.A.	W.A.	Tas.	A.C.T.	AUSTRALIA
	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.
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	13.98	17.90	7.11	9.39	8.37	26.78	17.98	12.29
1937-38 (a)	12.68	17.93	10.05	13.73	11.93	26.50	17.33	13.74
Average 10 years ended 1938	12.96	13.07	13.82	9.60	11.26	21.11	18.00	11.81

- (a) Subject to revision.
 (b) Based upon estimate of Director of Marketing.
 (c) Estimate of Department of Agriculture.
 (d) Estimate of Wheat Board.
 (e) Based upon estimate of Government Statistician.
 (f) Estimated.

2. WEATHER CONDITIONS.

New South Wales: The favourable conditions experienced in the previous month were continued during August. Rainfall was above average generally during the month, while light to moderate falls were recorded in September.

Victoria: Rainfall during August was under average over practically the whole State. Dry conditions continued into September accompanied by dust storms which caused considerable crop damage in the Mallee. Subsoil reserves are low and rain is urgently needed, particularly in the Northern districts.

Queensland: Weather conditions during August were favourable for the wheat crop and frosts experienced at the beginning of the month gave the requisite check to rank growth. Light to useful falls during the following months maintained the season's prospects.

South Australia: During August, above-average rains were experienced over a large part of the agricultural areas but conditions during September were not so satisfactory. Light falls only were recorded, and a good soaking rain would be welcomed in the agricultural areas.

Western Australia: Rains were under-average over most of the agricultural areas in August but during the following month useful rains were experienced and prospects were brighter.

Tasmania: Rainfall during August was considerably below average, and crops tended to be rather backward. Good rains, however, were received during the following month.

3. WHEAT PRICES.

Opening at 2/3, shippers' limits declined slightly during the first half of the month, overseas markets reacting to "bearish" crop reports and the export policy of the United States. In the second half of the month, political factors produced a bullish effect on the world futures markets and shippers' limits recovered to close at 2/9 at the end of the month.

WHEAT PRICES - AUSTRALIA

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

Month	1933	1934	1935	1936	1937	1938
	d.	d.	d.	d.	d.	d.
January ..	32.80	29.32	32.80	44.54	61.84	51.86
February	31.65	28.36	34.12	43.29	60.28	51.51
March ..	31.70	28.43	36.04	43.22	64.07	47.96
April ..	32.86	28.92	39.36	44.11	64.39	46.02
May ..	35.83	29.46	38.75	43.90	62.56	44.35
June ..	36.83	31.71	36.59	42.19	59.92	41.32
July ..	39.65	33.78	34.42	46.63	64.44	41.25
August ..	37.74	38.94	36.81	55.22	60.18	35.96
September	35.41	36.06	40.30	55.64	59.13	31.56
October..	29.85	32.59	43.51	58.44	59.66	
November	30.78	29.66	40.11	56.87	53.98	
December	29.81	30.25	41.33	62.98	51.65	
Average:	33.74	31.46	37.84	49.67	60.15	

(a) Price on 30th September, 1938 = 33.31d.

4. 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	1934	1935	1936	1937	1938
	s. d	s. d	s. d	s. d	s. d
January..	22. 6	26. 3	28. 9	40. 0	36. 3
February	22. 6	23. 9	28. 9	40. 0	40. 0
March ..	20. 0	21. 3	27. 6	42. 6	33. 9
April ..	21. 3	21. 3	25. 0	45. 0	33. 9
May ..	21. 3	22. 6	26. 3	45. 0	33. 9
June ..	22. 6	23. 9	26. 3	45. 0	33. 9
July ..	22. 6	23. 9	30. 0	45. 0	33. 9
August ..	26. 3	23. 9	32. 6	45. 0	33. 9
September	26. 3	25. 0	32. 6	45. 0	
October..	26. 3	25. 0	32. 6	45. 0	
November	26. 3	25. 0	32. 6	40. 0	
December	26. 3	26. 3	40. 0	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	1934	1935	1936	1937	(b)1938
	s. d	s. d	s. d	s. d	s. d
January..	(a)	(a)	(a)	(a)	41. 0
February	(a)	(a)	(a)	(a)	38. 1
March ..	23. 0	20. 0	27. 0	37. 6	36.11
April ..	(a)	(a)	(a)	38. 3	32. 6
May ..	(a)	(a)	(a)	42. 6	
June ..	24. 0	23. 0	25. 6	47. 0	31. 7
July ..	(a)	(a)	(a)	53. 6	
August ..	(a)	(a)	(a)	49. 0	31. 8
September	27. 6	27. 6	29. 3	53. 6	
October..	(a)	(a)	(a)	41. 3	31. 9
November	(a)	(a)	(a)	44. 3	31. 9
December	25. 6	24. 0	32. 0	41. 6	
			to 45. 6	to 47. 0	
				45. 9	
				50. 9	
				43. 6	
				50. 9	
				32. 3	
				to 43. 0	

(a) Not available. (b) Weighted Average Charter Rates for Wheat shipped to United Kingdom and Northern Continental Ports.

5. EXPORTS OF WHEAT AND FLOUR.

Detailed particulars of the quantities of wheat and flour exported from Australia to principal countries during the five years ended 1937-38 were given in issue No. 1. of Volume 3 of this Summary.

In the following table particulars of exports of wheat and flour are shown for each of the four months ended August, together with the total exports for the nine months ended August, 1937 and 1938. The principal countries of recorded destination and the exporting States are shown in addition to the total volume of exports in terms of wheat.

WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES.

Country to which exported	1938				Total 9 Months	
	May	June	July	August	1936-37	1937-38
<u>WHEAT - IN BUSHELS OF 60 LB.</u>						
	bushels	bushels	bushels	bushels	bushels	bushels
United Kingdom ..	4,335,860	1,806,070	1,580,203	1,672,637	22,455,788	26,280,146
Ire ..	-	-	-	-	3,313,997	705,199
Other British Countries ..	(d) 817,482	(e) 976,730	(f) 1,619,882	(g) 774,645	1,093,771	7,538,149
China ..	-	-	379	565	1,234,095	944
Italy ..	-	-	-	38	6,769,367	38
Japan ..	831,878	131,870	37,107	-	3,132,451	1,315,473
Other Foreign Countries ..	(h) 447,522	(i) 930,692	(j) 332,608	(k) 734,865	3,918,900	11,679,215
For Orders (a) ..	6,737,653	4,937,300	2,288,990	3,246,340	22,008,321	42,121,174
TOTAL:	13,170,395	8,782,662	5,855,169	6,429,090	63,926,700	89,640,338
<u>Exporting States-</u>						
New South Wales ..	2,083,758	993,015	627,287	788,508	19,091,734	16,494,168
Victoria ..	3,621,656	2,388,695	2,164,223	1,599,228	17,968,105	23,514,605
Queensland ..	60	60	30	-	372	259
South Australia ..	4,803,402	3,069,060	2,195,922	2,308,964	16,003,163	26,949,388
Western Australia ..	2,646,887	2,331,687	867,635	1,732,377	10,844,658	22,666,973
Tasmania ..	14,632	145	72	13	18,668	17,945
TOTAL:	13,170,395	8,782,662	5,855,169	6,429,090	63,926,700	89,640,338
<u>FLOUR - IN TONS OF 2,000 LB.</u>						
	tons	tons	tons	tons	tons	tons
United Kingdom ..	9,323	15,796	13,215	11,634	144,190	142,083
Ceylon ..	1,661	1,552	1,501	1,550	10,933	11,587
Hong Kong ..	10,008	3,485	1,975	2,648	30,465	50,400
Malaya (British) ..	5,282	5,466	4,823	5,771	50,710	48,425
Other British Countries ..	6,672	4,710	8,478	5,923	51,182	63,719
China ..	3,570	12,710	8,739	18,888	1,910	60,045
Egypt ..	3,129	2,683	3,536	2,770	16,196	20,271
Manchuria (b) ..	1,250	-	-	-	7,416	3,920
Netherlands East Indies ..	7,155	8,257	6,678	9,366	54,320	63,959
Philippine Islands ..	1,630	1,602	2,833	2,741	28,353	20,154
Other Foreign Countries ..	4,553	3,829	3,851	5,596	30,379	40,599
TOTAL:	51,233	60,090	55,629	66,887	426,054	525,162
<u>Exporting States-</u>						
New South Wales ..	15,826	16,839	16,320	26,777	146,925	171,829
Victoria ..	23,205	29,270	27,022	23,132	172,333	229,320
Queensland ..	-	-	-	-	25	-
South Australia ..	7,455	7,948	7,296	9,254	46,410	61,239
Western Australia ..	7,747	6,033	4,990	7,724	60,351	62,735
Tasmania ..	-	-	1	-	-	39
TOTAL:	54,233	60,090	55,629	66,887	426,054	525,162
TOTAL - In Terms of Wheat (c)	2,603,184	2,864,320	2,670,192	3,210,576	20,450,592	25,207,776
<u>TOTAL - WHEAT AND FLOUR (IN TERMS OF WHEAT.)</u>						
Year 1936-37	12,283,161	10,073,383	7,242,819	6,083,701	84,377,292	-
Year 1937-38	13,170,395	11,665,982	8,525,361	9,639,666	-	114,646,114

(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 500,098 bushels and South Africa 255,620 bushels. (e) Including New Zealand 368,202 bushels and South Africa 537,000 bushels. (f) Including South Africa 1,287,995 bushels. (g) Including South Africa 418,605 bushels. (h) Including Soviet Union 353,762 bushels. (i) Including Greece 889,620 bushels. (j) Including Greece 208,000 bushels. (k) Including Greece 392,670 bushels.

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

During the month of July, imports of wheat into the United Kingdom totalled 17.3 million bushels, compared with 16.5 million imported during the corresponding month of last year. Supplies from Empire sources amounted to 12.6 million bushels or 73 per cent. of the total. Among the Empire countries, Australia with 7.1 million bushels supplied 41 per cent. of the imports for the month, while Canada's contribution of 3.1 million bushels represented 18 per cent. Imports from foreign sources included 2.5 million bushels from the United States and 1.2 million bushels from the Argentine Republic.

Imports of flour during the month of July totalled 27,000 tons, a decrease of 21 per cent. on the 34,000 tons imported in July, 1937. Of the total, Empire countries supplied 86 per cent., Australia contributing 10,700 tons or 39 per cent., and Canada 12,700 tons or 47 per cent.

Expressed in terms of wheat, the total imports of wheat and flour into the United Kingdom during the month of July amounted to 18.6 million bushels compared with 18.1 million imported during the corresponding month of last year.

WHEAT AND FLOUR IMPORTED INTO THE UNITED KINGDOM.

Country from which Imported	Month of July		Year ended June		
	1937	1938	1936	1937	1938
<u>WHEAT.</u>					
	bushels	bushels	bushels	bushels	bushels
Australia.. ..	6,550,002	7,082,500	43,588,105	35,934,842	55,443,618
Canada	6,105,663	3,097,783	89,285,530	90,849,249	46,905,080
India	2,691,392	2,377,871	295,996	6,121,282	11,132,163
Other British Countries	3,177	-	82	747,370	64,945
Argentine Republic ..	377,156	1,246,315	16,224,402	29,052,926	6,681,356
France	292,927	-	(b)	34,377	686,913
Germany	266,551	-	230,379	425,339	502,576
Roumania	65,154	-	3,340,791	8,518,974	3,401,241
Soviet Union	-	856,529	13,199,972	-	19,408,548
United States of America	-	2,526,066	1,106,987	103,441	28,855,634
Other Foreign Countries	110,765	72,057	22,535,936	10,457,918	4,672,937
TOTAL:	16,462,807	17,259,123	189,806,180	184,245,718	179,755,011
<u>FLOUR - TONS OF 2,000 LB.</u>					
	tons	tons	tons	tons	tons
Australia.. ..	12,059	10,653	130,592	167,018	182,548
Canada	18,133	12,693	239,277	229,586	208,524
Other British Countries	-	-	395	1,333	849
Argentine Republic ..	2,138	1,944	11,196	21,293	21,415
France	991	63	43,010	34,088	4,778
United States of America	166	1,456	4,515	4,467	20,208
Other Foreign Countries	613	266	56,084	16,737	9,428
TOTAL:	34,100	27,075	485,099	474,522	447,750
TOTAL -	bushels	bushels	bushels	bushels	bushels
In Terms of Wheat (a)	1,636,800	1,299,600	23,236,752	22,777,056	21,492,000
GRAND TOTAL -					
Imports of Wheat and Flour in terms of Wheat (a)	18,099,607	18,558,723	213,044,932	207,022,774	201,247,011

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

7. PRODUCTION OF FLOUR.

Detailed particulars of the production of flour in Australian mills during the year 1936-37 were included in issue No. 1 of Volume 3 of this Summary.

8. STOCKS OF WHEAT AND FLOUR AND EXPORTABLE SURPLUS.

The statistical position of wheat in Australia, including the exportable surplus on 1st September, 1938 and on the corresponding date in previous years, is shown in the following table.

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

Particulars	Unit	1934-35	1935-36	1936-37	1937-38
Stocks at 30th November -					
Wheat	bush.	34,708,963	12,371,270	3,505,469	5,090,748
Flour	tons	112,385	89,637	101,063	76,450
Total in terms of Wheat ..	bush.	40,103,463	16,673,867	8,356,493	8,760,347
Production	bush.	133,393,232	144,217,769	150,559,000	188,018,000
Total supply in sight 30th November	bush.	173,496,695	160,891,636	158,915,493	196,778,347
Less Local requirements for year	bush.	54,607,000	55,000,000	56,000,000	56,000,000
Balance - Exportable Surplus Less Exports, 1st December to 31st August ..	bush.	118,889,695	105,891,636	102,915,493	140,778,347
Estimated Exportable Surplus at 1st September ..	bush.	80,363,779	78,794,259	84,377,292	114,848,114
	bush.	38,525,916	27,097,377	18,538,201	25,930,233

DISPOSITION OF STOCKS.

Complete details of the disposition of the above exportable 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.

State	Last week in month of					
	May 1938	June 1938	July 1938	August 1938	September 1938	September 1937
	bushels	bushels	bushels	bushels	bushels	bushels
New South Wales..	13,846,515	11,653,977	8,719,383	6,841,122	4,986,243	2,994,039
Victoria ..	16,071,144	12,074,682	9,446,022	6,397,791	(b) 4,605,804	7,073,574
South Australia..	11,174,259	7,557,951	5,758,512	4,160,202	(a)	1,203,156
Western Australia	7,683,066	5,550,836	3,264,764	2,149,539	(c) 1,735,275	1,105,913
Total of above	48,774,984	36,837,446	27,188,681	19,548,654	(a)	12,376,682
Corresponding Total of previous year	37,451,830	29,979,780	18,661,717	16,078,743	12,376,682	-

(a) Not yet available.

(b) Third week.

(c) Second week.

9. INTERNATIONAL REVIEW.

In the July "Summary", reference was made to measures likely to be adopted by exporting countries in order to safeguard their "fair share" of the international wheat trade. The United States scheme to subsidize the export of 100 million bushels does not appear to have progressed very far; it is reported that concern was being felt at the small demand abroad for the subsidized wheat and that an increase in the subsidy was contemplated. Purchases by the Federal Surplus Commodities Corporation exceeded 6 million bushels, but less than 2 million bushels had been sold to exporters at the beginning of the month. Later the publication of daily export statistics was discontinued. A statement by the Canadian Government announcing its intention to adhere to its present export subsidy plan introduces another subsidized competitor for the very limited market still open to the cheapest seller. Special agreements have been made by a number of exporting countries with importing countries for an exchange of wheat with other products, and the amount of trade which can be obtained by this price-cutting competitor between Governments is limited therefore.

The Crop Reporting Board of the United States Department of Agriculture has issued its crop estimate as at 1st September. Particulars are given in the table below.

UNITED STATES WHEAT PRODUCTION. (million bushels)

Particulars	1st September 1938	Final 1937	Final 1936
Durum ..	42	28	8
Other Spring	210	161	99
Winter ..	658	685	520
TOTAL:	940	874	627

While the estimate of the Winter wheat production remains unaltered from 1st August, the Spring wheat estimate has been reduced by 14 million bushels and the total crop is estimated now at 940 million bushels.

At the beginning of September private estimates of the Canadian Spring wheat crop were quoted at 325 million bushels, but the official figure issued on 9th September by the Dominion Bureau of Statistics gave a preliminary estimate of 328 million bushels; particulars are given in the table below:-

CANADIAN SPRING WHEAT ACREAGE AND PRODUCTION

Particulars	31st August 1938	Final 1937	Final 1936	Final 1935
Acres ('000 acres)	(a)	24,851	25,096	23,561
Production ('000 bushels)	338,400	163,721	206,740	269,334

(a) Not available.

Since the Canadian Winter wheat production has been estimated already at 20 million bushels, a total crop of 358 million bushels is anticipated compared with 182 million last year and 219 million in 1936.

The International Institute of Agriculture has now estimated the All Europe production at 1,730 million bushels, an increase of 58 million on their estimate of 4th August. Production in exporting countries is estimated at 520 million bushels while production in importing countries is anticipated to reach 1,210 million.

Production in Italy has been officially estimated at 295 million bushels a figure approximately equal to last season's crop. This estimate is regarded as optimistic in commercial circles and the latter view is supported by a report that Italy has already purchased 9 million bushels from Hungary and is expected to take up options for 2 million more.

Although the crop in Belgium is reported to be of record size, the quality is poor and purchases totalling 10 million bushels have been arranged from Roumanic. In the latter country, the crop is estimated at 180 million bushels and storage difficulties have been stressed in the reports.

Official estimates of the German crop indicate a production of 185 million bushels compared with 161 million in 1937. Production for Germany and Austria together, have now been given officially as 214 million bushels compared with 178 million in 1937. Imports into Germany during 1937-38 have been estimated at approximately 60 million bushels.

Threshing operations have been pushed ahead in Russia and at the beginning of September it was estimated that 74 per cent. had been cut. Extreme drought has reduced the harvest of Spring wheat and in addition, has probably affected the seeding of Winter wheat.

The United Kingdom wheat crop has been estimated at 68.5 million bushels compared with 56.4 million bushels from the 1937 harvest. The quality is said to be good.

In the Argentine, a considerable increase in the area sown in the current season is indicated by the official estimate of the Ministry of Agriculture published on 16th September. More than 20 million acres have been seeded for the production of this year's crop, as against 18.9 million finally estimated last year. Crop condition has been maintained by beneficial rains and latest advices point to a harvest of 250 million bushels. Last year production was only 185 million bushels.

While conditions in the Australian wheat areas have deteriorated somewhat owing to lack of September rains, crop condition is generally fair and would respond well to satisfactory moisture conditions. The crops, however, have entered a critical period and much will depend on the incidence and nature of the finishing rains.

COMMONWEALTH
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July 1938-
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Commonwealth
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