

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA

2 AUG 1938

MONTHLY SUMMARY

of

THE WHEAT SITUATION IN AUSTRALIA

JULY, 1938

Volume 3

No. 1

C O N T E N T S .

1. Area under Wheat, Production and Average Yields
2. Weather Conditions
3. Wheat Prices
4. Oversea Freight Rates
5. Exports of Wheat and Flour
6. Imports of Wheat and Flour into the United Kingdom
7. Production of Flour
8. Stocks of Wheat and Flour and Exportable Surplus
9. International Review

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by

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10th August, 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 indicate an area approximately 14,178,000 acres. This figure represents an increase of 469,000 acres or 3.4 per cent. on the 1937-38 area, but it is 214,000 acres below the average of the past ten years.

Compared with 1937-38, the largest increase in acreage has occurred in Western Australia, namely, 379,000 acres, followed by New South Wales and Queensland with gains of 134,000 and 28,000 acres respectively, while the area declined in each of the States of Victoria and South Australia by 36,000 acres.

In 1937-38, 13,709,000 acres were sown and 187,870,000 bushels of wheat were produced with an average yield of 13.70 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'ld.	S.A.	W.A.	Tas.	F. 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	402	3,161	3,021	21	1.5	13,709
Average 10 years ended 1938	4,241	3,160	257	3,563	3,150	19	2	14,392
1938-39 (a)	(b)	(c)	(d)	(e)	(e)	(f)	(f)	(f)
	4,550	2,650	430	3,125	3,400	21	1.5	14,178

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

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	F.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	3,849	43,403	35,868	551	26	187,870
Average 10 years ended 1938	54,960	41,288	3,521	34,213	35,471	401	36	169,890

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.
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	8.38	26.80	17.97	12.29
1937-38 (a)	12.68	17.93	9.56	13.73	11.51	26.50	17.33	13.70
Average 10 years ended 1938	12.96	13.07	13.70	9.60	11.26	21.11	18.00	11.80

- (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. Good rains were received in the Central West Plains and in parts of the Southern Slopes during the month of June. The South-Western area received light falls only and prospects there were poor. Late in July, however, general rains over the inland districts including the Riverina improved the outlook considerably.

Victoria. Good rains in June broke the dry conditions of previous months but more rain would have been welcome in the Mallee. Towards the end of July general rains were received over the State, including the Mallee. The position is much improved but crops are still backward and patchy especially in the Northern Mallee.

Queensland. In spite of the June rains being under average, crops made satisfactory growth. At the beginning of July moderate to good rains fell in the coastal districts and the Darling Downs, while useful rains later in the month proved most beneficial to the crop.

South Australia. In June, the rainfall was under average but crop prospects were reasonably good, though in the Murray Mallee germination was patchy. Light to moderate rains about the beginning of July were followed by good general rains late in the month and prospects improved accordingly.

Western Australia. Rainfall was under average during June but a rainstorm at the beginning of July assisted the crops in the westerly and southerly sections of the wheat belt. In the inland and eastern areas, however, crops were patchy and backward, but the heavy falls reported towards the end of the month should alleviate the situation.

Tasmania. Cold and wet conditions during June retarded the growth of crops. In July further heavy general rains were received towards the end of the month.

3. WHEAT PRICES

Prices showed a somewhat irregular tendency during the month of July, and reacted to fluctuations in the overseas futures markets resulting from alternate "bullish" and "bearish" advices with regard to the Northern Hemisphere crops.

The month opened with shipper's limits at 3/6 per bushel and prices fluctuated about this level until the last week of the month, when a downward trend in values became evident. The closing quotation for July was 3/4.

WHEAT PRICES - AUSTRALIA

(Weighted average of shipper's limits for grower's 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	42.29	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	29.48	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	
September ..	35.41	36.06	40.30	55.64	59.13	
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	60.18	

(a) Price on 1st August, 1938 = 39.80d.

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. 6
June ..	22. 6	23. 9	26. 3	45. 0	33. 9
July ..	22. 6	23. 9	30. 0	45. 0	33. 5
August ..	26. 3	23. 9	32. 6	45. 0	
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 to 39. 9	36.11
April ..	(a)	(a)	(a)	38. 3 to 44. 6	32. 6
May ..	(a)	(a)	(a)	47. 0 to 53. 6	31. 7
June ..	24. 0	23. 0	25. 6	49. 0 to 53. 6	31. 8
July ..	(a)	(a)	(a)	41. 3	
August ..	(a)	(a)	(a)	44. 3	
September ..	27. 6	27. 6	29. 3	41. 6 to 47. 0	
October ..	(a)	(a)	(a)	45. 9 to 50. 9	
November ..	(a)	(a)	(a)	43. 6 to 50. 9	
December ..	25. 6	24. 0	32. 0 to 45. 6	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

Particulars of the quantities of wheat and flour exported from Australia are shown in the next two tables. The first table relates to the five fiscal years ended June, 1938, and shows the quantities exported according to countries of recorded destination.

Similar details are stated in the second table for each of the four months ended June, 1938, together with the total exports for the seven months of the cereal years 1936-37 and 1937-38.

WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES
(YEAR ENDED JUNE)

Country to which exported	1933-34	1934-35	1935-36	1936-37	1937-38(a)
<u>WHEAT - IN BUSHELS OF 60 LB.</u>					
	bushels	bushels	bushels	bushels	bushels
United Kingdom ..	45,532,226	41,198,989	46,776,048	44,244,213	28,414,228
Eire ..	3,959,524	2,622,904	4,744,435	5,698,955	822,461
Other British Countries ..	724,154	628,464	2,260,160	960,343	6,422,966
China ..	1,476,041	13,664,167	5,052,790	1,272,500	143,663
Egypt ..	203,764	1,605,800	562	30,045	477,430
Italy ..	699,239	18,839	1,736,663	10,166,855	-
Japan ..	7,720,256	15,530,646	11,043,610	2,507,306	2,863,595
Other Foreign Countries ..	1,284,556	691,400	5,378,865	6,622,461	12,650,992
For Orders (b) ..	-	-	-	275,342	42,749,971
TOTAL:	61,599,760	75,961,209	76,993,133	71,778,020	94,545,306
<u>Exporting States</u>					
New South Wales ..	10,313,028	15,278,072	23,200,323	20,250,843	16,595,432
Victoria ..	9,884,731	11,234,463	16,227,157	20,975,867	27,311,104
Queensland ..	67,413	468	207	518	397
South Australia ..	17,639,212	24,512,924	22,669,076	16,770,810	28,805,591
Western Australia ..	23,695,376	24,935,282	14,896,370	13,779,982	21,780,586
Tasmania ..	-	-	-	-	52,196
TOTAL:	61,599,760	75,961,209	76,993,133	71,778,020	94,545,306
<u>FLOUR - IN TONS OF 2,000 LB.</u>					
	tons	tons	tons	tons	tons
United Kingdom ..	136,677	99,332	130,998	177,329	187,917
Ceylon ..	18,893	18,841	17,091	16,210	14,305
Hong Kong ..	27,663	50,616	44,381	40,503	66,466
Malaya (British) ..	50,834	61,926	55,592	66,596	65,414
Other British Countries ..	61,926	46,509	60,859	65,966	80,358
China ..	79,261	814	951	2,113	32,643
Egypt ..	27,766	26,864	23,722	35,005	18,673
Manchuria (c) ..	(d)	240,181	112,789	9,422	11,941
Netherlands East Indies ..	80,623	82,147	82,077	74,928	83,157
Philippine Islands ..	10,998	27,437	40,491	35,522	27,272
Other Foreign Countries ..	47,851	43,304	48,130	41,184	47,381
TOTAL:	542,492	697,971	617,081	564,778	635,527
<u>Exporting States</u>					
New South Wales ..	208,361	272,486	230,413	186,776	205,153
Victoria ..	216,124	263,884	259,774	233,283	280,990
Queensland ..	5	18	13	26	3
South Australia ..	53,489	75,662	60,136	58,589	68,230
Western Australia ..	64,513	85,921	66,745	86,104	81,113
Tasmania ..	-	-	-	-	38
TOTAL:	542,492	697,971	617,081	564,778	635,527
TOTAL -	bushels	bushels	bushels	bushels	bushels
In terms of Wheat (a)	26,039,616	33,502,608	29,619,888	27,109,344	30,505,296
Grand Total Exports of Wheat and Flour in Terms of Wheat (a)	87,639,376	109,463,817	106,613,021	98,887,364	125,050,602

(a) Subject to revision. (b) Particulars of final destination of Wheat shipped "For Orders" not yet available. (c) Including Kwantung Peninsula. (d) Included with China. (e) One ton of flour taken as equivalent to 48 bushels of Wheat.

WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES

Country to which exported	1938				Total 7 Months December-June	
	March	April	May	June	1936-37	1937-38
<u>WHEAT - IN BUSHELS OF 60 LB.</u>						
	busheIs	busheIs	busheIs	busheIs	busheIs	busheIs
United Kingdom	3,204,392	5,143,077	4,335,860	1,806,070	19,567,385	23,027,306
Eire	399,507	305,692	-	-	3,313,997	705,199
Other British Countries ..	(d)608,133	(e)482,627	(f)817,482	(i)976,730	818,558	5,143,622
China ..	-	-	-	-	1,090,432	-
Italy ..	-	-	-	-	6,769,367	-
Japan ..	18,655	146,603	631,676	131,670	2,428,892	1,276,366
Other Foreign Countries ..	(g)8,544,642	(h)4,426,048	(j)447,522	(k)930,692	3,060,335	10,611,742
For Orders (a) ..	5,213,298	6,146,950	6,737,653	4,937,300	17,624,466	36,589,844
TOTAL:	12,966,627	16,670,997	13,170,395	8,782,662	54,673,332	77,356,079
<u>Exporting States -</u>						
New South Wales	1,117,866	5,903,693	2,063,756	993,015	16,000,136	15,076,373
Victoria ..	2,458,607	3,253,910	3,621,656	2,366,695	14,270,210	19,751,154
Queensland ..	-	92	60	60	322	229
South Australia	4,970,677	3,940,672	4,603,402	3,069,060	12,339,563	22,444,502
Western Australia	4,441,392	3,572,430	2,646,067	2,331,667	10,263,101	20,066,961
Tasmania ..	63	-	14,632	145	-	14,660
TOTAL:	12,966,627	16,670,997	13,170,395	8,782,662	54,673,332	77,356,079
<u>FLOUR - IN TONS OF 2,000 LB.</u>						
	tons	tons	tons	tons	tons	tons
United Kingdom ..	16,726	17,092	9,323	15,796	114,606	117,234
Ceylon ..	975	1,416	1,661	1,552	8,760	6,536
Hong Kong ..	5,364	12,206	10,000	3,445	21,772	45,777
Malaya (British)	6,000	5,376	5,262	5,466	40,512	37,631
Other British Countries ..	5,947	4,015	6,672	4,710	39,002	49,316
China ..	4,361	11,571	3,570	12,710	1,734	32,416
Egypt ..	1,307	1,690	3,129	2,663	14,769	13,965
Manchuria (b) ..	-	-	1,250	-	5,034	3,920
Netherlands East Indies ..	6,999	6,600	7,155	6,257	12,490	47,915
Philippine Islands	2,167	2,334	1,630	1,662	22,210	14,560
Other Foreign Countries ..	4,650	5,042	4,553	3,029	24,361	31,152
TOTAL:	56,764	60,150	54,233	60,090	337,030	402,646
<u>Exporting States -</u>						
New South Wales	17,703	24,235	15,826	16,039	116,676	126,732
Victoria ..	21,651	29,016	23,205	29,270	133,950	179,166
Queensland ..	-	-	-	-	22	-
South Australia	5,130	7,620	7,455	7,946	36,711	44,609
Western Australia	9,067	7,254	7,747	6,033	49,661	50,021
Tasmania ..	13	25	-	-	-	36
TOTAL:	56,764	60,150	54,233	60,090	337,030	402,646
TOTAL - In Terms of Wheat (c)	busheIs	busheIs	busheIs	busheIs	busheIs	busheIs
	2,725,632	3,271,200	2,603,164	2,864,320	16,177,440	19,327,006
<u>GRAND TOTAL - WHEAT AND FLOUR (IN TERMS OF WHEAT)</u>						
Year 1936-37 ..	11,712,716	16,216,009	12,243,161	10,073,363	71,050,772	-
Year 1937-38 ..	15,714,259	19,942,197	15,773,579	11,666,962	-	96,603,067

(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 40 bushels of wheat. (d) Including New Zealand 360,390 bushels. (e) Including New Zealand 416,373 bushels. (f) Including New Zealand 500,090 bushels and South Africa 255,620 bushels. (g) Including France 731,563 bushels and Soviet Union 695,563 bushels. (h) Including Soviet Union 2,795,240 bushels. (i) Including New Zealand 360,202 bushels and South Africa 537,000 bushels. (j) Including Soviet Union 353,762 bushels. (k) Including Greece 698,620 bushels.

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6. IMPORTS OF WHEAT AND FLOUR INTO THE UNITED KINGDOM

During the eleven months ended May, 1938, wheat imports into the United Kingdom amounted to 161 million bushels, a decrease of 5 per cent. on the corresponding figure for last year. Empire countries supplied 102 million bushels or 63 per cent. of the total, compared with 122 million bushels or 72 per cent. last year. Supplies from foreign sources showed an increase of 25 per cent. on last years figures and the 59 million bushels supplied, represented 37 per cent. of the total imports.

For the eleven months under review, Australia contributed 48 million bushels, an increase of 16 million bushels on last years figure and representing 30 per cent. of the total United Kingdom imports. For the same period, imports from Canada were 40 million bushels less than last years figures and the 43 million bushels imported represented only 27 per cent. of the total imports of wheat into the United Kingdom. Last year Canada's share in the United Kingdom wheat imports represented 49 per cent. Among the foreign sources of supply, the Soviet Union and the United States were the chief contributors with totals of 19 million and 24 million bushels respectively. For the corresponding period of last year, supplies from these countries were practically nil. In the present season, imports from the Argentine have decreased by 21 million bushels or 73 per cent.

Flour imports for the eleven months totalled 418,000 tons compared with 431,000 tons for the corresponding period of last season. Supplies from Empire countries represented 88 per cent. of the total imports, Australia contributing 172,000 tons or 41 per cent and Canada 194,000 tons or 46 per cent. Compared with last years figures, flour imports into the United Kingdom from Australia increased by 15 per cent.

For the eleven months ended May, 1938, the total imports of wheat and flour into the United Kingdom, expressed in terms of wheat, amounted to 161 million bushels as compared with 190 million bushels for the corresponding period of 1936-37, a decrease of 5 per cent.

WHEAT AND FLOUR IMPORTED INTO THE UNITED KINGDOM

Country from which imported	Year 1937	11 Months ended May		Month of May	
		1937	1938	1937	1938
<u>WHEAT</u>					
	bushels	bushels	bushels	bushels	bushels
Australia ..	41,828,646	31,505,669	47,911,087	4,172,907	7,279,900
Canada ..	63,930,929	82,651,461	43,083,318	5,931,996	1,269,660
India ..	11,736,160	7,997,047	10,625,897	375,424	438,668
Other British Countries	723,839	344,549	64,945	209,843	-
Argentine Republic ..	28,880,194	28,305,535	7,471,857	2,882,737	1,345,558
France ..	720,309	34,377	686,913	-	7
Germany ..	789,644	267,531	502,575	19,438	-
Roumania ..	4,240,748	8,188,535	3,401,209	86,904	-
Soviet Union ..	15,176,252	-	18,726,720	-	123,975
United States of America	6,485,087	103,423	24,011,582	-	5,131,325
Other Foreign Countries	6,337,370	9,741,346	4,506,632	322,323	303,649
TOTAL:	180,849,178	169,139,473	160,992,735	14,001,872	15,892,942
<u>FLOUR - TONS OF 2,000 LB.</u>					
	tons	tons	tons	tons	tons
Australia ..	185,563	148,907	171,845	13,549	20,240
Canada ..	226,449	209,038	193,625	19,951	15,458
Other British Countries	1,873	1,002	848	331	80
Argentine Republic ..	23,956	18,948	19,848	2,575	2,507
France ..	22,639	33,150	4,729	3,466	86
United States of America	6,026	3,953	17,851	424	2,697
Other Foreign Countries	12,784	15,722	9,247	1,131	911
TOTAL:	478,290	430,720	417,993	41,227	41,979
TOTAL -	bushels	bushels	bushels	bushels	bushels
In Terms of Wheat (a)	22,957,920	20,674,560	20,063,664	1,988,496	2,014,992
GRAND TOTAL -					
Imports of Wheat and Flour in terms of Wheat (a)	203,807,096	189,814,033	181,056,399	15,990,068	17,907,934

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

7. PRODUCTION OF FLOUR

Particulars of the operations of flour mills in Australia for the year ended June, 1937, are now available. The quantity of wheat milled in 1936-37 was 58.9 million bushels valued at £11.1 millions compared with 62.7 million bushels valued at £10.7 millions in 1935-36.

The quantity of flour produced was 1,228,779 tons valued at £13.2 million, compared with 1,307,616 tons valued at £10.6 million in 1935-36. Although there was a decrease of approximately 79,000 tons in the quantity of flour made, the value of the product increased by £2.6 million. With the exception of a slight increase in Western Australia flour production declined in all States, the greatest decrease being recorded in New South Wales which produced 464,000 tons as compared with 523,000 tons in 1935-36.

In spite of increased purchases by the United Kingdom the production of flour declined in Australia during the last two seasons for which figures are available. This is attributable to the slump in exports to Manchuria, which fell away from 240,161 tons in 1934-35 and 112,789 tons in 1935-36 to 9,422 tons in 1936-37.

As there was an increase of more than 70,000 tons in the exports to all countries during 1937-38 the production of flour in the latter year was probably substantially higher than in 1936-37.

Particulars of operations of Flour Mills in each State are shown hereunder, together with those for Australia, during recent years.

OPERATIONS OF FLOUR MILLS - STATES - 1936-37

Particulars	Unit	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	AUST.	
Number of Mills	No.	49	38	10	39	20	10	166	
Number of persons employed	No.	1,193	1,112	347	417	397	114	3,580	
Wheat milled	Quantity	1,000 bush.	22,383	20,008	3,957	5,617	5,962	988	58,915
	Value	£1,000	5,040	4,850	1,086	1,338	1,483	259	14,056
Output of Flour	Quantity	1,000 tons.	464	420	82	119	123	20	1,228
	Value	£1,000	4,726	4,417	1,047	1,264	1,502	239	13,195
Output of Bran	Quantity	1,000 tons	99	90	12	25	34	6	266
	Value	£1,000	603	526	91	148	223	40	1,631
Output of Pollard	Quantity	1,000 tons	98	92	21	22	18	3	254
	Value	£1,000	616	569	158	130	120	23	1,616

Note:- Tons of 2,000 lb.

OPERATIONS OF FLOUR MILLS - AUSTRALIA

Particulars	Unit	1932-33	1933-34	1934-35	1935-36	1936-37
Number of Mills	No.	168	170	167	168	166
Number employed	No.	3,555	3,528	3,774	3,685	3,580
Quantity of Wheat milled	bush.	63,139,635	60,168,830	65,763,832	62,724,779	58,915,557
Output of Flour -						
Quantity	ton	1,319,250	1,238,566	1,358,787	1,307,616	1,228,779
Value	£	9,747,770	8,713,474	9,691,297	10,600,278	13,194,866
Bran Quantity	ton	283,857	281,930	315,043	288,701	265,813
Value	£	1,373,974	1,266,039	1,426,050	1,519,727	1,630,991
Pollard Quantity	ton	270,916	254,408	279,557	281,358	253,374
Value	£	1,330,314	1,178,354	1,329,605	1,545,061	1,615,833

Note:- Tons of 2,000 lb.

The next table shows the production of flour and the percentage exported from each State.

PRODUCTION OF FLOUR AND PERCENTAGE EXPORTED OVERSEAS BY STATES

Year ended June	Unit	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	AUSTRALIA
1933 - Production	tons	525,651	425,930	91,498	129,225	127,574	19,372	1,319,250
Percentage exported	%	45.2	56.7	-	51.1	67.5	-	47.9
1934 - Production	tons	495,779	395,566	84,159	121,811	122,000	19,253	1,238,568
Percentage exported	%	42.0	54.6	-	43.9	52.9	-	43.8
1935 - Production	tons	555,173	437,262	86,246	136,716	124,130	19,260	1,358,787
Percentage exported	%	49.1	60.3	-	55.3	69.2	-	51.4
1936 - Production	tons	523,281	435,340	86,142	124,021	118,340	20,492	1,307,616
Percentage exported	%	44.0	59.7	-	48.5	56.4	-	47.2
1937 - Production	tons	464,498	420,364	82,423	119,192	122,723	19,579	1,228,779
Percentage exported	%	40.2	55.5	-	49.2	70.2	-	46.0

Note:- Tons of 2,000 lb.

8. STOCKS OF WHEAT AND FLOUR AND EXPORTABLE SURPLUS

The statistical position of wheat in Australia, including the exportable surplus on 1st July, 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	166,916,000
Total supply in eight 30th November ..	bush.	173,496,695	160,891,636	158,915,493	195,676,347
Less Local requirements for year ..	bush.	54,607,000	55,000,000	56,000,000	56,000,000
Balance - Exportable Surplus	bush.	118,889,695	105,891,636	102,915,493	139,676,347
Less Exports, 1st December to 30th June ..	bush.	67,565,307	69,650,128	71,050,772	96,683,087
Estimated Exportable Surplus at 1st July ..	bush.	51,324,388	36,241,508	31,864,721	42,995,260

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					
	March 1938	April 1938	May 1938	June 1938	July 1938	July 1937
	bushels	bushels	bushels	bushels	bushels	bushels
New South Wales	26,184,886	17,545,149	13,846,515	11,653,977	8,719,383	5,782,281
Victoria ..	24,007,248	19,844,316	16,071,144	12,074,682	9,446,022	10,489,980
South Australia ..	18,562,521	12,852,174	11,174,259	7,557,951	(a)	2,659,371
Western Australia	14,937,220	10,315,461	7,663,066	5,550,836	(b), 153,100	1,730,065
Total of above	83,691,875	60,557,100	48,774,984	36,837,446	(a)	20,661,697
Corresponding Total of pre- vious year	59,991,639	51,089,971	37,451,830	29,979,780	20,661,697	

(a) Not available. (b) Third week.

9. INTERNATIONAL REVIEW

A survey of the world wheat situation suggests that, subject to normal yields being obtained in the Southern Hemisphere and favourable harvesting conditions being maintained in North America and Europe, world crops, excluding China and Russia, are likely to reach 4,000 million bushels in 1938-39. A crop of these dimensions would be 210 million bushels in excess of the 1928 record.

Assuming a world crop of 4,000 million bushels it is estimated that the world's exportable surplus would be about 1,000 million bushels with an importing demand of 560 million. This would indicate that end of season stocks are likely to be increased by 400-450 million bushels from the 1938 world crop.

As suggested in the Wheat Summary for June, the Official Estimate of the Crop Reporting Board of the United States issued on July 11, reflects the extent to which crops have suffered from rust infestation. Winter wheat is now estimated at 715 million bushels as compared with 761 million bushels on June 1, the yield per acre having dropped from 15 bushels to 14.3 bushels.

WHEAT ESTIMATES - UNITED STATES

Particulars	July 1 1938	Final 1937	Final 1936
Winter Wheat Production (million bushels)	715	685	520
Spring Wheat Production (million bushels)	252	189	107

Reports indicate that ideal weather is being experienced in the Spring wheat areas, cooler weather checking rust damage. Harvesting conditions have been favourable for the garnering of the Winter wheat and rapid progress is being made in the northern areas.

The United States Government has announced its programme in regard to the marketing of wheat. More orderly marketing is to be attained by a loan made to growers at the rate of 59 cents per bushel. This, it is hoped, will prevent the rushing of wheat to the market in the first months after harvesting. Control of acreage is also planned on the basis of a national allotment sufficient to produce 130 per cent. of a normal years domestic consumption and exports, less the forecasted carry-over as at July 1. Supplies are to be maintained at approximately 1,000 million bushels per annum. As the carry-over on July 1, 1939 is likely to be heavy, the United States Government has estimated that approximately 55 million acres will produce the balance of the national production figure for 1939-40 and consequently Congress has passed a bill fixing this acreage as the area to be sown. If this acreage be realized it will represent a reduction of about 25 million acres, or 31 per cent, on that sown in 1938.

The Dominion Bureau of Statistics has issued its report on the condition of the Canadian crop as at 30th June. Crop condition is expressed as a percentage of the long time average yield per acre.

ALL CANADA - CROP CONDITION AS AT 30TH JUNE

Particulars	1938	1937	1936	1935
	%	%	%	%
Winter wheat	101	101	89	94
Spring wheat	91	51	82	96

Compared with condition at 31st May, Winter wheat improved from 96% per cent to 101 per cent while Spring wheat declined from 99 per cent to 91 per cent. Reports of black rust in parts of Saskatchewan and Manitoba were followed by an official statement that while rust was present it was not serious. Towards the end of the month, however, grass-hopper damage was reported from Saskatchewan together with further reports of black rust.

Weather conditions have been favourable during July and the crop was described as the best for six years with an estimated yield in excess of 300 million bushels. At the end of July, a further estimate based on the crop outlook reduced the yield to 260 million bushels. Advice from Ottawa indicate that the Canadian Government has fixed 80 cents per bushel as the minimum price for wheat and that it is prepared to buy all wheat offered at this price.

In Europe, prospects generally improved during the month, hot dry weather bringing on the winter wheat and favouring harvesting operations. The dry weather, however, caused some damage to spring wheat in the Balkans and in Russia. Yields appear to be above expectations in many European countries.

The Rumanian crop estimate of 154 million bushels early in July was later increased to 182 million and further revised to 172 million bushels. This latter figure is comparable with the 1937 figure of 138 million bushels.

Yugo-Slavia officially estimated the 1938 crop at 90 million bushels, compared with 86 million bushels in 1937. Production in Hungary, officially estimated at 88 million bushels, was later increased to 93 millions, an increase of 23 million bushels as compared with the 1937 crop. Italy has published an official estimate of 256 million bushels which is still 40 million bushels less than in 1937 and in Germany the wheat crop is described as only moderate, necessitating fair imports. France, on the other hand, mentions a surplus of 80 million bushels of which 36 million bushels will be exported and 36 millions used to establish a security food storage.

The statistical position in Australia appears fairly satisfactory, for in spite of a crop 37 million bushels greater than in 1936-37, the exportable surplus remaining at July 1 was only 11 million bushels in excess of the surplus at this date last year. There still remain five months in which to dispose of 43 million bushels, and since it is likely that a large part of this surplus is already committed, indications point to the 1938-39 crop coming on to practically bare boards.

Reports from the Argentine indicate that sowing has been completed and that some increase in acreage may be anticipated. Weather conditions during seeding were satisfactory and with favourable low temperatures the crop is now reported to be developing normally.