

WHEAT AND FLOUR

The Wheat and Flour Controller reports that a new record for turnover both in wheat and flour was established during the past year. Some of the increase in wheat is accounted for by heavier tonnages, the quantity of wheat handled being greater by 214,496 bushels in the total of New Zealand and imported. The increase in price to New Zealand growers was also a contributory factor.

The turnover by weight is given as follows:—

	Bushels.
*Wheat (including Australian)	10,224,610
	Tons.
White flour	159,367
Wholemeal	11,950
Biscuit meal	12,065
	Tons.
Bran	182,482
Pollard	25,115
Australian stock-meal	33,206
	Tons.
	6,471

* This does not include the New Zealand wheat which is sold as fowl wheat or which goes into consumption on farms where it is produced. This figure covers only the quantity bought and sold by the Wheat Committee.

The cash turnover was—

Wheat Section	3,286,459
Flour Section	3,067,521
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	£6,353,980

The loss through bad debts was £98 2s. 10d. This amazingly low bad-debt loss reflects a very healthy state of the baking industry, and is only 0.003 per cent., equivalent to less than $\frac{3}{4}$ d. in the pound of the Flour Section turnover.

Administration costs were again reduced, this time by £1,239. The Wheat Section costs increased by £168 (accounted for by travelling-expenses incurred in the Wheat Campaign and charged to administration costs), but Flour Section administration costs were reduced by £1,407.

Despite the increased administration costs of the Wheat Section, the actual per-bushel cost was an infinitesimal fraction less than for the previous year. The Flour Section administration costs, which cover all the charges arising from collecting orders from bakers, grocers, cake-kitchens, poultry-farmers, and others, ordering out from mills, invoicing, collecting accounts, paying proceeds to mills, *del credere* risk, &c., amounted to 1.077 per cent., reduced from 1.185 per cent., which was the percentage of cost the previous year.

The Wheat Committee has therefore during the past year not only reduced the cost per unit of goods handled, but also its total administration costs.

The trade in flour represented 128.41 per cent. of the basic allocation made to mills when the scheme was inaugurated in 1936. This is 5.33 per cent. greater than the 123.08 per cent. of allocation sold in the previous year.

Quality.—The quality of flour was excellent and very few complaints were received. Most of these arose because of damage in transit or in store after leaving the mill.

E.P.S. Stocks.—In April, 1943, authority was given to dispose of all E.P.S. stocks. These stocks had been a continual source of worry, because a perpetual floating stock of 5,000 tons to 6,000 tons had to be carried in the North Island, much of this flour being stored in unsuitable buildings and under unsatisfactory climatic conditions. In all 33,200 tons of flour were dealt with in this way with a remarkably small loss, due in a large measure to the co-operation of the baking trade, the members of which, for the most part, realized that these stocks were held as a security measure and for their own protection.

Wheat Importations.—The quantity of Australian wheat imported was 2,166,752 bushels (58,038 tons). Shipping difficulties had to be overcome, but we succeeded in maintaining the supply of wheat both for milling and poultry-feed. All these imports went to the North Island. Of the above, the poultry industry absorbed 1,017,557 bushels (27,256 tons), and this had to be distributed at regular intervals amongst 140 merchants at various ports and inland towns throughout the North Island. The South Island was supplied wholly from the New Zealand crop.

New Zealand Wheat.—The weight of crop produced was 9,819,342 bushels from 286,998 acres at an average per-acre yield of 34.21 bushels. This was the heaviest crop since 1933, when 11,054,972 bushels were produced from 302,531 acres at an average of 36.54 bushels per acre.

It is interesting to note here that for the five war harvests, 1940–44, inclusive, the total yield was 42,506,000 bushels, as against 33,568,000 bushels for the previous five years, an increase of 8,938,000 bushels, or 239,411 tons of 2,240 lb.

Had this additional quantity not been grown in New Zealand, it is doubtful if sufficient shipping-space could have been found to import it, and such wartime commitments as the provision of flour for Service biscuits and American troops could not have been undertaken.

Wheatgrowers' Compensation Scheme.—An innovation in the form of an insurance scheme to compensate growers for losses by hail, frost, and flood was inaugurated with the harvest of 1943. Because of the necessity of building up a capital fund, it was decided to pay compensation only up to 50 per cent. of the value of a normal crop—that is, the grower had to take the first 50 per cent. of the risk. The growers paid a premium of $\frac{1}{2}$ d. per bushel for the cover.