

WHEAT, FLOUR, AND BREAD INDUSTRIES

The Wheat and Flour Controller's report for the year ended 31st January, 1946, sets out the main features experienced in respect of wheat, flour, and bread for that period, and it is accordingly appropriate to reproduce the statement hereunder :—

The main features of the trading results of the Wheat Committee for the year to 31st January, 1946, are briefly reviewed below:

The turnover by weight was—

						Bushels.
* Wheat (including Canadian)	..	..	..	..	Tons.	10,760,112
White flour	..	..	..	..	159,579	
Wholemeal	..	..	..	..	11,169	
Biscuit meal	..	..	..	..	374	
					Tons.	
Bran	..	..	..	..		171,122
Pollard	..	..	..	..		21,272
Stock meal gristed locally	..	..	..	..		29,824
						995

* This does not include New Zealand wheat sold as fowl wheat or which goes into consumption on farms where it is produced. The figure covers only the quantity bought and sold by the Wheat Committee. The Committee handled only 5,698,921 bushels of New Zealand wheat, whereas the total production was 6,992,204 bushels.

Wheat turnover exceeded last year's figure by 1,143,084 bushels, principally because of our inability to obtain stock meal, barley, maize, &c., formerly imported from Australia for stock-feeding purposes, and wheat has been used in place of these alternative feedstuffs. Flour trade was slightly below last year's figure, whilst biscuit meal showed a recession from 6,450 tons to 374 tons, owing to cessation of military contracts. Stock meal gristed locally dropped from 5,437 tons to 995 tons.

The cash turnover was :—

						£
Wheat Section	..	..	..	..	..	3,748,142
Flour Section	..	..	..	..	..	2,812,925
						£6,561,067

Cash turnover, which is assessed on the selling-price in New Zealand and not on the cost of importations, exceeded last year's figure of £6,196,637 by £364,430.

Administration costs show a decrease over all of £211 from last year. An exceedingly low loss through bad debts was again recorded, this year's figure being £43.

The Flour Section administration costs, which cover all the charges arising from collecting orders, ordering out from mills, invoicing, collecting accounts, paying proceeds to mills, *del credere* risk, &c., amounted to 1.205 per cent., in comparison with 1.129 per cent. last year. Millers pay the Wheat Committee 1½ per cent. commission for this work, so that the net result is a profit, notwithstanding the fact that in certain localities where the Wheat Committee has not its own office established the Committee pays 2 per cent. to merchant agents to handle the flour sales. Hundreds of poultry-keepers are in the habit of buying pollard and bran direct from the Wheat Committee at wholesale prices, which means that the Wheat Committee has done this business for approximately 1½d. per sack. No other middlemen have entered into the picture, so that the total cost of the Wheat Committee's services has been so small as to be almost negligible. The percentage of operating-costs over all wheat and flour, including the 1½d. per bushel to brokers on all New Zealand wheat handled and the 2 per cent. to certain merchants handling flour, was only 0.98 per cent. of the turnover. Whilst the 1½d. per bushel was paid in respect of brokerage on New Zealand wheat, no such charge is incurred on imported wheat which is distributed by the Committee. The 0.98 per cent. of turnover recorded as the operating-costs is spread over all turnover, including imported wheat, and reflects a most satisfactory result, being lower than the 1.06 per cent. last year.

The trade in flour represented 120.42 per cent. of the basic allocation made to mills when the scheme was inaugurated in 1936. This is 3.04 per cent. less than the 123.46 per cent. of allocation sold in the previous year.

Quality.—It was anticipated that following on the disastrous floods which occurred early in 1945 our wheat would be seriously affected. Steps were taken therefore to import Australian flour, and the admixture of this flour and Canadian wheat with our own damaged wheat whenever possible was brought about. It may be stated, however, that the quality of flour thus produced was better than expected, and few complaints were registered. The Wheat Research Institute, by advising bakers as to the best method of treatment of the flour, were able to overcome any difficulties which cropped up.

Wheat Importations.—It is usual for New Zealand to obtain the balance of its requirements above the domestically produced crop from Australia, but in 1945, because of the serious drought conditions which affected that country, arrangements were made by the Hon. D. G. Sullivan, Minister of Supply and Munitions, for supplies from Canada. The quantity of wheat imported from Canada was 5,061,191 bushels, as compared with 3,810,535 bushels imported from Australia in the