

(c) AUSTRALIAN CONTRACT

Wheat continued to be delivered by Australia under the contract covering a total of 18,000,000 bushels over the crop-years 1945-46 to 1949-50, and by the 31st January, 1949, 15,117,551 bushels had been delivered by Australia against this contract. A further advance in the contract price from 6s. 4d. to 6s. 9d. (Australian currency) per bushel f.o.b. Australian ports took effect as from 1st December, 1948. This advance was in keeping with the advance made in the Australian home consumption price. This price of 6s. 9d. is the equivalent of 5s. 5-3226d. New Zealand currency.

(d) NEW ZEALAND CROP

A fall was again recorded in the acreage of New-Zealand-grown wheat, the area for 1947-48 being 123,751 acres, yielding 4,539,017 bushels, an average of 36.68 bushels per acre. In 1946-47 the area was 141,407 acres, yielding 5,368,120 bushels from the high average yield of 37.96 bushels per acre.

For the 1947-48 crop growers received 8s. per bushel f.o.b. nearest port March Tuscan basis, by comparison with 7s. 4d. per bushel paid in the previous year. For the 1948-49 crop the price was fixed at 8s. 6d. per bushel.

(e) WHEATGROWERS' COMPENSATION SCHEME

This scheme has been in operation since the 1943 harvest and affords protection to those growers whose crops suffer damage from hail, flood, or frost. The grower carries the first 50 per cent. of the risk, with the fund carrying the other 50 per cent., for which cover growers pay $\frac{1}{2}$ d. per bushel premium into a trust account.

Very little damage occurred in the past year, 1 claim only qualifying for compensation. In the six years of the life of the scheme to 31st January, 1949, however, 225 claims totalling £24,093 in compensation have been paid. Administration expenses, mostly fees and travelling-expenses paid to the assessors and the adjuster, amounted over the period to only 5.4 per cent. of the premium income. The accumulated total in the fund at 31st January, 1949, was £42,604, of which £41,000, was invested in New Zealand Government stock.

(f) FLOUR QUALITY

Some complaints were made by bakers about flour quality in the first half of the year, but in the latter months very little difficulty was experienced and complaints quickly disappeared. A conference in Wellington on 27th July, 1948, attended by representatives of the New Zealand Federation of Bakers and Pastrycooks (Inc.), New Zealand Flour-millers' Society (Inc.), Wheat Research Institute, and Wheat Committee was most successful and enabled a full discussion to take place on the problems affecting millers and bakers. Neither millers nor bakers have spared any effort to use their high degree of skill in milling and baking to obtain the best results possible.

The improved wheat supply made it possible for the Hon. the Minister to authorize a reduction in the extraction rate of flour from 80 per cent. to 78 per cent. as from 1st March, 1949.