

## CHAPTER XIX.

## PASTORAL PRODUCTION.

## § 1. Initiation and Growth of Pastoral Industry.

1. **General.**—A detailed account of the various enumerations of live stock in Australia made prior to 1860 is given in previous issues of the Year Book. The numbers recorded between 1800 and 1860 are regarded as somewhat defective. Doubtless the growth of population, the expansion in the area settled and the increase in private ownership made it difficult in those early times to secure accurate returns. Since 1860 however, the annual enumerations have been based, with few exceptions, on actual collections made through the agency of the State Police and reliably record the movement in live stock numbers from year to year.

2. **Live Stock Numbers since 1860.**—Particulars concerning the numbers of each of the principal kinds of live stock in Australia at decennial intervals from 1860 to 1930, and from 1939 onwards in single years are given in the following table, and are shown continuously on the graph on page 816.

During the eighty-six years from 1860 to 1946, the live stock of Australia increased considerably, horses, 193 per cent.; cattle, 251 per cent.; sheep, 379 per cent.; and pigs, 306 per cent. The average annual increases which these aggregates represent are as follows:—Horses, 1.26 per cent.; cattle, 1.47 per cent.; sheep 1.84 per cent.; and pigs, 1.64 per cent.

## LIVE STOCK : AUSTRALIA.

Year.	Horses.	Cattle.	Sheep.	Pigs.
1860 .. .. .	431,525	3,957,915	20,135,286	351,096
1870 .. .. .	716,772	4,276,326	41,593,612	543,388
1880 .. .. .	1,068,774	7,527,142	62,184,252	815,776
1890 .. .. .	1,521,598	10,299,816	97,881,221	891,138
1900 .. .. .	1,609,654	8,640,225	70,602,995	950,349
1910 .. .. .	2,165,866	11,744,714	98,066,046	1,025,850
1920 .. .. .	2,415,510	13,499,737	81,795,727	764,406
1930 .. .. .	1,792,734	11,720,916	110,568,279	1,071,679
1939 .. .. .	1,724,056	12,861,781	111,057,832	1,155,591
1940 .. .. .	1,698,797	13,080,180	119,305,391	1,455,341
1941 .. .. .	1,665,616	13,255,841	122,694,025	1,797,340
1942 .. .. .	1,611,059	13,560,754	125,189,129	1,477,303
1943 (31st March) .. .. .	1,517,970	14,005,320	124,614,672	1,563,000
1944 " " .. .. .	1,449,199	14,183,679	123,173,962	1,746,721
1945 " " .. .. .	1,359,205	14,133,167	105,370,865	1,630,855
1946 " " .. .. .	1,265,398	13,878,006	96,396,405	1,425,709
1947 " " .. .. .	1,195,175	13,426,646	95,722,782	1,273,011

3. **Fluctuations.**—The increases referred to, however, have not been continuous, marked fluctuations having taken place during the period, mainly on account of droughts which have from time to time left their impress on the pastoral history of Australia. These occurred in 1868, 1877, 1883-4, 1892, 1893, 1895, 1901-2, 1912, 1914, 1918, 1919, 1922-23, 1925-26, 1927-28, 1929-30, 1940-41 and 1944-45 to 1946-47.

The years in which the numbers of live stock attained their maxima are as follows :—Horses, 1918 (2,527,149); cattle, 1921 (14,441,309); sheep, 1942 (125,189,129); and pigs, 1941 (1,797,340).

4. **Live Stock in Relation to Population.**—The number of each kind of live stock per head of the population of Australia has varied since 1860 as shown in the following table :—

LIVE STOCK PER HEAD OF POPULATION : AUSTRALIA.

Year.	Horses.	Cattle.	Sheep.	Pigs.	Year.	Horses.	Cattle.	Sheep.	Pigs.
1860 ..	0.38	3.45	17.58	0.31	1940 ..	0.24	1.86	16.97	0.21
1870 ..	0.43	2.60	25.24	0.33	1941 ..	0.23	1.87	17.28	0.25
1880 ..	0.48	3.37	27.87	0.37	1942 ..	0.22	1.89	17.46	0.21
1890 ..	0.48	3.17	31.06	0.28	1943 (a) ..	0.21	1.94	17.24	0.22
1900 ..	0.43	2.29	18.75	0.25	1944 (a) ..	0.20	1.94	16.83	0.24
1910 ..	0.49	2.65	22.16	0.23	1945 (a) ..	0.18	1.92	14.33	0.22
1920 ..	0.44	2.49	15.11	0.14	1946 (a) ..	0.17	1.87	12.97	0.19
1930 ..	0.28	1.81	17.07	0.17	1947 (a)(b)	0.16	1.78	12.70	0.17
1939 ..	0.25	1.87	16.11	0.16					

(a) 31st March.

(b) Subject to revision.

5. **Live Stock in Relation to Area.**—The number of live stock per square mile in the several States and Territories of Australia is given in the following table :—

LIVE STOCK PER SQUARE MILE, 1946.

State or Territory.	Horses.	Cattle.	Sheep.	Pigs.
New South Wales .. .. .	1.31	10.07	142.44	1.40
Victoria .. .. .	2.65	20.79	166.76	3.09
Queensland .. .. .	0.55	9.76	28.25	0.62
South Australia .. .. .	0.31	0.98	17.86	0.32
Western Australia .. .. .	0.09	0.85	10.01	0.14
Tasmania .. .. .	0.95	8.25	73.45	1.79
Northern Territory .. .. .	0.06	1.83	0.04	0.00
Australian Capital Territory .. .. .	1.12	8.38	239.27	0.66
<b>Australia .. .. .</b>	<b>0.43</b>	<b>4.67</b>	<b>32.41</b>	<b>0.48</b>

6. *Minor Classes of Live Stock.*—Excluding Victoria, where the details are not available, the number of minor classes of live stock returned for 1941 were as follows :— Goats, 80,366; camels, 2,267; and mules and donkeys, 10,881. Of these, goats were most numerous in Queensland, and camels, mules and donkeys in Western Australia. In the raising of goats, some attention has been devoted to the angora goat and its product (mohair), and upwards of 5,000 angora goats are included in the number shown above. Of these, 1,640 were in New South Wales, 1,000 in Queensland, 1,531 in South Australia, and 284 in Tasmania. Details for later years were not collected.

7. *Net Exports of Principal Pastoral Products.*—The quantities by which the exports of the principal pastoral products of Australia exceeded the imports for the years 1938–39 and 1942–43 to 1945–46 were as follows :—

NET EXPORTS OF PASTORAL PRODUCTS : AUSTRALIA.

Product.	Unit of Quantity.	1938–39.	1942–43.	1943–44.	1944–45.	1945–46.
QUANTITIES.						
Animals (living)—						
Cattle .. .. .	No.	405	322	93	1,173	284
Horses .. .. .	"	2,294	1,110	395	—47	—32
Sheep .. .. .	"	66,739	5,107	7,424	2,502	21,117
Bones .. .. .	Cwt.	21,497	—200	—165	—116	348
Glue-pieces and Sinews .. .. .	"	—11,145	—10,669	—1,906	583	6
Glycerine .. .. .	lb.	78,727	—705,483	304	1,498	4,640,683
Hair .. .. .	"	—1,003,366	—327,664	—428,624	—348,375	—215,422
Hoofs .. .. .	Cwt.	(a)	"	"	"	811
Horns .. .. .	"	(a)	(a)	(a)	(a)	6,998
Meats—						
Frozen Beef (b) .. .. .	lb.	271,948,548	22,621,078	47,446,996	63,147,256	110,791,330
.. Mutton and Lamb .. .. .	"	186,487,551	203,681,520	171,569,765	146,794,392	56,574,651
.. Rabbits and Hares .. .. .	Pair	(a)	(a)	(a)	(a)	1,331,935
.. Other .. .. .	lb.	19,588,368	15,351,235	28,592,692	55,005,567	15,321,636
Potted, and Extract of .. .. .	"	(a)	(a)	(a)	(a)	1,067,870
Preserved in Tins, etc. .. .. .	"	14,778,896	66,736,683	79,607,796	78,555,981	102,571,309
Other (excluding Bacon and Ham) .. .. .	"	308,448	2,913,961	664,899	6,309,731	3,317,848
Sausage Casings .. .. .	Cwt.	8,673	14,601	15,107	7,485	5,809
Skins—						
Cattle .. .. .	No.	(a)	—128,852	61,378	50,435	72,398
Calf .. .. .	"	(a)	—4,433	—19,237	—57,532	—229,255
Horse .. .. .	"	(a)	3,068	9,944	26,992	27,280
Sheep .. .. .	"	(a)	8,254,128	6,861,576	10,704,946	21,387,543
Rabbit .. .. .	Cwt.	(c) 37,544	54,773	102,944	104,127	131,633
Other (including Un-dressed Furs) .. .. .	No.	(a)	(a)	(a)	(a)	652,046
Tallow .. .. .	Cwt.	560,241	99,059	590,676	421,573	146,445
Wool—						
Greasy .. .. .	lb.	779,781,662	516,775,265	454,308,338	495,893,452	710,964,148
Secured .. .. .	"	"	"	"	"	"
Tups .. .. .	"	"	"	"	"	"
Noils .. .. .	"	70,299,595	51,666,359	70,273,672	81,665,395	94,459,799
Waste .. .. .	"	"	"	"	"	"

(a) Quantity not available. (b) Includes chilled beef. (c) Includes hare skins.

NOTE.—The minus sign (—) signifies net imports.

The values of the net exports for the same five years are furnished in the next table. For the five years ended 1945–46 they amounted to £A.359,284,294, or an average of £A.71,856,859 per annum, of which wool represented 74.14 per cent. Meat, skins and tallow comprise the remaining principal pastoral products exported.

## NET EXPORTS OF PASTORAL PRODUCTS : AUSTRALIA.

Product.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
VALUES.(a)					
	£A.	£A.	£A.	£A.	£A.
<b>Animals (living)—</b>					
Cattle .. .. .	142	6,193	-2,531	5,492	-26,057
Horses .. .. .	-11,258	35,089	6,046	-52,588	-139,193
Sheep .. .. .	39,405	6,269	-1,822	-12,534	9,974
<b>Bones .. .. .</b>	10,741	-41	-34	-12	485
<b>Glue-pieces and Sinews .. .. .</b>	-7,796	-9,444	-2,491	202	93
<b>Glycerine .. .. .</b>	4,004	-48,633	22	94	138,638
<b>Hair .. .. .</b>	-103,353	-13,007	-64,840	-155,127	-87,178
<b>Hoofs .. .. .</b>	8,027	..	..	..	577
<b>Horns .. .. .</b>	18,615	520	822	488	14,183
<b>Meats—</b>					
Frozen Beef (b) .. .. .	4,323,235	560,498	1,246,315	1,663,102	2,833,983
" Mutton and Lamb .. .. .	4,807,418	5,495,886	4,643,603	3,943,083	1,540,419
" Rabbits and Hares .. .. .	232,034	12,917	40,664	174,980	145,844
" Other .. .. .	417,670	430,587	983,320	1,870,827	451,601
Potted, and Extract of .. .. .	-32,580	87,407	66,703	98,748	140,690
Preserved in Tins, etc. .. .. .	492,709	3,018,150	4,088,947	4,212,946	5,876,327
Other (excluding Bacon and Ham) .. .. .	6,336	208,502	853,796	758,452	236,381
Sausage Casings .. .. .	185,649	268,353	361,956	82,327	114,218
<b>Skins—</b>					
Cattle .. .. .	639,056	-341,605	64,980	-12,534	-73,673
Calf .. .. .	129,199	-1,569	-11,939	-38,048	-153,881
Horse .. .. .	7,143	3,651	10,499	34,119	43,609
Sheep .. .. .	2,336,718	1,385,480	1,334,847	1,820,977	4,545,203
Rabbit .. .. .	(c) 393,641	1,986,198	4,493,307	3,864,263	6,290,666
Other (including Undressed Furs) .. .. .	-287,277	65,715	397,215	423,805	222,676
<b>Tallow .. .. .</b>	480,459	185,945	903,968	669,548	316,713
<b>Wool—</b>					
Greasy .. .. .	36,617,167	37,613,502	36,173,979	38,665,986	56,368,463
Scoured, Tops, etc. .. .. .	5,277,117	6,623,638	9,532,751	10,641,506	12,863,931
<b>Total Values .. .. .</b>	55,984,221	57,670,201	65,120,083	68,669,102	91,683,785

(a) Australian currency values.

(b) Includes chilled beef.

(c) Includes hare skins.

NOTE.—The minus sign (-) signifies net imports.

8. Value of Pastoral Production.—(i) *General.* Particulars of the gross, local and net values of pastoral production for each State are shown for 1944-45 and 1945-46 in the following table. Fuller details of the source of the information and an explanation of the terms used in this compilation will be found in Chapter XXVIII. "Miscellaneous". Maintenance costs have not been computed in all States and depreciation has not been deducted; consequently the net values are inflated to the extent of these costs.

GROSS, LOCAL AND NET VALUES OF PASTORAL PRODUCTION, 1944-45 AND 1945-46.

State.	Gross Production valued at Principal Markets.	Marketing Costs.	Gross Production valued at Farm.	Farm Costs.		Net Value of Production. (a)
				Seed used, and Fodder for Farm Stock.	Value of other materials used in process of Production.	
1944-45.						
	£	£	£	£	£	£
New South Wales	42,730,000	4,033,000	38,697,000	1,000,000	(b) 245,000	37,452,000
Victoria	27,409,567	1,952,249	25,457,318	475,000	536,320	24,445,998
Queensland	23,343,000	2,170,000	21,173,000	840,000	340,000	19,993,000
South Australia	8,963,991	946,020	8,017,971	83,099	239,394	7,695,478
Western Aust.	7,692,493	716,395	6,976,098	213,754	247,560	6,514,784
Tasmania	2,633,060	180,320	2,452,740	92,710	(b) 20,860	2,339,170
Total	112,772,111	9,997,984	102,774,127	2,704,563	1,629,134	98,440,430

1945-46.						
	£	£	£	£	£	£
New South Wales	38,956,000	3,530,000	35,426,000	1,114,000	(b) 269,000	34,043,000
Victoria	20,753,083	1,404,782	19,348,301	600,000	650,355	18,097,946
Queensland	22,124,000	2,060,000	20,064,000	800,000	320,000	18,944,000
South Australia	7,267,322	685,111	6,582,211	141,308	243,110	6,197,793
Western Aust.	7,973,853	683,375	7,290,478	183,565	302,728	6,804,185
Tasmania	2,532,740	159,400	2,373,340	118,720	(b) 29,080	2,225,540
Total	99,606,998	8,522,668	91,084,330	2,957,593	1,814,273	86,312,464

(a) No deduction has been made for depreciation and maintenance. (b) No allowances made for costs of power, power kerosene, petrol and other oils.

(ii) States 1936-37 to 1945-46. The following table shows the net value of pastoral production by States and the net value per head of population for the years 1936-37 to 1945-46 :-

VALUE OF PASTORAL PRODUCTION.

Year.	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	Total.
NET VALUE.(a)							
	£	£	£	£	£	£	£
1936-37	39,300,000	19,502,210	14,112,000	5,217,256	4,597,230	1,692,580	84,421,276
1937-38	33,939,000	18,533,223	15,304,000	4,856,629	4,003,310	1,470,580	78,166,742
1938-39	23,613,000	15,156,276	14,881,000	5,054,784	3,666,461	1,449,590	63,821,111
1939-40	34,562,000	16,434,392	17,693,000	6,206,617	4,689,845	1,802,150	81,388,004
1940-41	35,305,000	18,629,094	17,624,000	6,084,562	4,519,541	1,789,450	83,951,647
1941-42	34,121,000	20,467,898	18,117,000	5,779,743	4,879,433	1,993,050	85,358,124
1942-43	38,212,000	24,766,588	22,011,000	7,132,475	6,683,442	2,208,610	101,014,115
1943-44	42,580,000	26,131,703	21,981,000	7,788,705	7,469,954	2,454,560	108,405,922
1944-45	37,452,000	24,445,998	19,993,000	7,695,478	6,514,784	2,339,170	98,440,430
1945-46	34,043,000	18,097,946	18,944,000	6,197,793	6,804,185	2,225,540	86,312,464

(a) No deduction has been made for depreciation and maintenance.

VALUE OF PASTORAL PRODUCTION—*continued.*

Year.	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	Total.
NET VALUE PER HEAD OF MEAN POPULATION.(a)							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1936-37	14 13 2	10 10 7	14 6 10	8 17 4	10 3 6	7 5 9	12 8 2
1937-38	12 10 7	9 19 2	15 8 9	8 4 5	8 15 1	6 5 2	11 7 9
1938-39	8 12 9	8 1 8	14 15 7	8 10 1	7 18 5	6 2 4	9 4 3
1939-40	12 10 5	8 13 11	17 6 9	10 7 5	10 0 3	7 10 8	11 12 8
1940-41	12 13 9	9 14 0	17 1 5	10 3 1	9 11 2	7 8 11	11 17 6
1941-42	12 3 8	10 9 7	17 9 2	9 10 5	10 5 3	8 6 3	11 19 4
1942-43	13 10 3	12 11 7	21 2 5	11 12 10	13 18 8	9 3 2	14 0 11
1943-44	14 18 7	13 3 0	20 15 10	12 12 0	15 10 2	10 1 6	14 18 9
1944-45	12 19 11	12 4 0	18 13 5	12 6 3	13 7 4	9 10 0	13 8 6
1945-46	11 13 9	8 19 2	17 8 11	9 15 11	13 16 8	8 18 5	11 12 10

(a) No deduction has been made for depreciation and maintenance.

9. **Consumption of Meats.**—Particulars of the quantity of meat per head per annum available for civilian consumption in Australia, Canada, the United Kingdom and the United States are given in the following table. Canned and cured meat has been included at its carcass weight equivalent.

The demand for meat during the war years was such as to necessitate the introduction of rationing in order to divert supplies from civilian consumption to the armed services. Meat rationing was introduced in Australia on 17th January, 1944 covering meat other than bacon and ham, canned meat, sausages and offal, and the rate per week fixed for coupon meat averaged  $2\frac{1}{2}$  lb. for persons nine years and over and  $1\frac{1}{3}$  lb. for children under nine. On 26th February, 1945, however, the coupon rating was reduced by approximately  $8\frac{1}{2}$  per cent. averaging 2.1 lb. and 1.05 lb. per week respectively. A further reduction of  $12\frac{1}{2}$  per cent. to an average of 1.84 lb. per week for persons nine years and over occurred on the 7th May, 1945. The rate for children under nine remained unaltered at 1.05 lb. per week. The average coupon rate current during 1947 was  $1\frac{1}{2}$  lb. per head per week, the equivalent of 2.43 lb. carcass weight. The rationing of meat in Australia ceased on 21st June, 1948.

**QUANTITY OF MEAT (INCLUDING CURED AND CANNED) AND EDIBLE OFFAL  
AVAILABLE FOR CIVILIAN CONSUMPTION PER HEAD PER ANNUM.**

(In terms of Carcass Weight.)

Country.	Average Pre-war.	1941.	1944.	1945.	1946.
	lb.	lb.	lb.	lb.	lb.
Australia .. .. .	248.1	239.2	212.6	195.8	202.8
Canada .. .. .	118.4	129.8	149.1	139.7	(a)
United Kingdom ..	131.7	102.0	114.9	106.2	112.7
United States of America ..	134.1	151.4	162.1	135.9	(v)

(a) Not yet available.

10. **Marketing of Meat.**—(i) *General.* The Meat Export Control Act 1935-1946 was introduced following a decision of a conference of Commonwealth and State Ministers with members of the Commonwealth Meat Advisory Committee, held in October, 1935, to set up a Meat Board with defined statutory powers. The Australian Meat Board, which was appointed under the Act in January, 1936, consisted of eighteen members, representative of producers, processors, exporters and the Commonwealth

Government. Provision was made for the appointment from within the Board of an Executive Committee and a Beef Committee. The Act provided for the control of the export of meat by licence. The Board was empowered to regulate shipments of meat and to arrange contracts in respect of freights and insurances; to promote overseas sales by advertising and to foster research into meat problems; and to supervise the issue of export licences. The Board also has power to appoint a London representative. During the 1939-45 War the control of meat exports was under National Security Regulations which ceased to operate with the expiry of the National Security Act on 31st December, 1946. Control then reverted to the Board, which was reconstituted in August, 1946 by legislation amending the Meat Export Control Act. Membership of the reconstituted Board is on an industry basis in lieu of a State basis and the number of members has been reduced from eighteen to twelve. The powers and functions of the Board were *inter alia* extended to enable it to purchase and sell any meat, meat products or edible offal on behalf of the Commonwealth Government and subject to any direction of the Minister for Commerce and Agriculture.

The Meat Export Charges Act 1935-46 provides for the imposition of a levy on all meats exported from Australia, the funds from which are used for the purpose of defraying expenses and charges incurred by the Australian Meat Board in the course of its business. The customary provision is made for exemption from the levy when recommended by the Board.

(ii) *War-time Marketing.* Details of arrangements for the marketing of meat during the 1939-45 War are given on page 1107 of Official Year Book No. 36.

(iii) *Long-term Purchase Agreement.* An agreement was completed between the Government of the United Kingdom and the Commonwealth Government for the long-term purchase of the exportable surplus of Australian meat for the period 1st October, 1944 to the 30th September, 1948.

The agreement covered all classes of meats, including sundries in the fresh, frozen, and canned forms, for the currency of the agreement, with the exception of pigmeats, whose quantities were determined only until the expiry of the second year of the contract, namely 30th September, 1946. Quantities of the latter class of meat for the two succeeding years of the contract were arranged subsequently by negotiation between the two Governments.

Prices were determined for all classes and cuts of meat for the first two years of the contract, which provided that they could be reviewed prior to specified dates at the instigation of either Government in respect of each of the two final years of the agreement.

Subject to certain conditions the Government of the United Kingdom agreed to reimburse the cost of storage and interest incurred by the Commonwealth Government in connexion with the purchase and storage of such meat after it had been in store 28 days.

The arrangement also provides for ample opportunity to be given to the meat industry of Australia to re-engage in the chilled beef trade with the United Kingdom when the shipping position makes that possible.

A further interesting feature is that the Government of the United Kingdom will consult with the Commonwealth Government regarding the steps necessary to ensure a mutually agreeable distribution of Australian meat in the United Kingdom, and also, when the present scheme of control is withdrawn or modified, will confer with the Commonwealth Government as to the ways and means of securing an orderly resumption of private trading.

The prices determined under the long-term purchase arrangement operated until 30th September, 1946, and approximated those which were being paid by the Commonwealth Government under its Meat Purchase Plan. As from 1st October, 1946, rises in prices operated for the new contract year. These rises have been passed on to the producers. Prices for the year ended 30th September, 1948 will remain unchanged, except for some minor adjustments. This contract has now been extended for a further two years to 30th September, 1950. Price changes during the period of this extension may be reviewed under the terms of the contract.

## § 2. Horses.

1. *Suitability of Australia for Horse-breeding.*—From the earliest times the suitability of the climate and pastures of Australia for the production of serviceable breeds of horses has been fully recognized. By the importation of high-class sires, and the careful selection of breeding mares, these natural advantages have been utilized to the fullest extent in breeding all classes of horses. As a consequence of this combination of advantages, the Australian horse, whether of the heavy draught, medium weight, or light saddle variety, compares very favourably with the product of other lands.

2. *Distribution throughout Australia.*—The States of New South Wales, Queensland and Victoria together depasture nearly 80 per cent. of the total number of horses in Australia. In the following table figures are given for each State and Territory during the years 1939 and 1942 to 1947 :—

HORSES : NUMBER.

Year.	N.S.W.	Vic.	Q'land.	S. Aust.	W.Aust.	Tas.	N.T.	A.C.T.	Total.
1939 ..	531,355	343,828	444,521	195,834	143,674	30,458	33,191	1,195	1,724,056
1942 ..	525,697	302,401	431,363	171,092	124,402	28,612	26,209	1,283	1,611,059
1943 ..	483,277	292,534	392,639	164,855	112,782	27,077	43,663	1,143	1,517,970
1944 ..	465,672	277,662	387,018	154,102	106,743	26,317	30,534	1,151	1,449,199
1945 ..	436,443	253,782	380,670	133,003	96,528	25,885	31,803	1,091	1,359,205
1946 ..	403,645	232,473	367,357	115,949	88,180	24,863	31,883	1,048	1,265,398
1947 ..	379,774	227,164	343,172	109,274	80,746	23,925	30,019	1,101	1,195,175

The number of horses attained its maximum in Australia during 1918, when a total of 2,527,149 was recorded. The United States of America made its highest recording in the same year and Canada in 1921. The number in Australia has declined considerably since 1918 owing to the mechanization of transport and farming.

During the years 1941 to 1946 the rate of decline accelerated considerably, averaging 80,000 per annum compared with less than 20,000 for the previous five years. The decline continued in 1946-47.

The number of horses in Australia from 1860 onwards may be obtained from the graph on page 816.

The percentages of the number of horses in the several States and Territories on the total for Australia for 1947 were :—New South Wales, 31.78 ; Victoria, 19.01 ; Queensland, 28.71 ; South Australia, 9.14 ; Western Australia, 6.76 ; Tasmania, 2.00 ; Northern Territory, 2.51 ; and Australian Capital Territory, 0.09 per cent.

The percentages in the various States remained fairly constant during the five years 1941 to 1946, slight increases being recorded for Queensland and Northern Territory.

3. *Oversea Trade in Horses.*—(i) *Exports.* The export of horses from Australia during the early years of this century was fairly considerable, averaging about 15,000 head per annum between 1901 and 1920, exclusive of those used for war purposes during the 1914-18 War. Since then, exports have gradually declined and averaged only about 4,000 for the five years ended 1938-39 and 387 for the five years ended 1945-46.



(ii) *Imports.* The few horses imported into Australia consist mainly of valuable stud animals from the United Kingdom and racehorses from New Zealand. The average value per head of the horses imported during the five years 1941-42 to 1945-46 was £A.1,085. The average number imported per annum was, however, only 58, and the average annual value, £A.62,885.

Transport difficulties, due to the exigencies of war, affected trade as shown in the table below :—

#### HORSES : IMPORTS AND EXPORTS, AUSTRALIA.

Year.	Imports.		Exports.		Net Exports.	
	No.	Value.	No.	Value.	No.	Value.
		£A.		£A.		£A.
1938-39 ..	238	125,192	2,532	113,934	2,294	--11,258
1941-42 ..	35	33,075	257	49,247	222	16,172
1942-43 ..	5	3,268	1,115	38,356	1,110	35,088
1943-44 ..	26	19,707	421	25,753	395	6,046
1944-45 ..	58	55,249	11	2,661	-47	--52,588
1945-46 ..	165	203,124	133	63,931	-32	--139,193

NOTE.—The minus sign (—) signifies net imports.

### § 3. Cattle.

1. *Purposes for which Raised.*—Cattle-raising is carried out in all the States, the main object in certain districts being the production of stock suitable for slaughtering purposes, and in others the raising of profitable dairy herds. The great impetus which the development of the export trade in Australian butter gave to the dairying industry led to a considerable increase in numbers and an improvement in quality of the dairy herds in Victoria, New South Wales, and Southern Queensland in particular, the portion of Australia in the temperate zone being the best adapted to this industry. On the other hand, beef-producing cattle are mainly raised in the tropical districts, i.e., in the northern parts of Queensland, in the Northern Territory, and in the Kimberley district in the north of Western Australia.

2. *Distribution throughout Australia.*—Until 1880, New South Wales was the principal cattle-raising State, but in that year Queensland occupied the leading position, which it has since maintained. There was a very rapid increase in the number of cattle in Australia up to the year 1894, when 12,311,617 head were depastured. From 1895 onwards, however, the effects of droughts and the ravages of tick fever reduced the number to 7,062,742 in 1902. Following the disastrous drought which terminated in the latter year the herds were gradually built up, and, despite recurring droughts, they continued to increase until the maximum number of 14,441,309 cattle was attained in 1921. After that year the number dropped continuously till 1929, largely owing to the decline in the oversea demand for frozen beef. With the expansion of dairying it recovered to 14,048,671 in 1934, but from that year declined continuously to 1939 when it stood at 12,861,781. The upward movement which commenced in 1940 was continued until 1944, the total number of cattle (14,183,679) in the latter year being at its highest level since 1935. Drought conditions and other factors during 1944-45 and 1945-46 caused a decline in numbers to 14,133,167 in 1945 and 13,878,006 in 1946. The number recorded in 1947 was 13,426,646. A graph showing the number of cattle in Australia from 1860 appears on page 816.

The numbers of cattle (beef and dairy) in the several States and Territories in 1939 and in each year 1942 to 1947 are as follows :—

**CATTLE : NUMBER.**

Year.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aus. Cap. Terr.	Total.
1939	2,811,884	1,697,295	6,097,089	318,897	767,680	262,407	899,472	7,957	12,861,781
1942	2,878,450	1,986,544	6,303,467	399,143	839,731	253,106	892,881	7,432	13,560,754
1943	3,030,546	2,022,802	6,466,316	424,253	831,231	244,681	978,434	6,967	14,005,320
1944	3,143,378	2,013,033	6,524,553	414,997	870,939	230,127	978,569	8,083	14,183,679
1945	3,144,701	1,903,110	6,623,112	391,323	852,563	224,668	984,370	9,320	14,133,167
1946	3,116,834	1,827,037	6,542,210	374,096	833,567	216,306	960,039	7,867	13,878,006
1947	2,983,003	2,060,061	5,945,285	423,980	811,949	220,119	972,990	9,169	13,426,646

Although the proportion is not as high as it has been in the past, Queensland was carrying 44.28 per cent. of the cattle in Australia in 1947. The percentage in each State and Territory during 1947 was :—New South Wales, 22.22; Victoria, 15.34; Queensland, 44.28; South Australia, 3.16; Western Australia, 6.04; Tasmania, 1.64; Northern Territory, 7.25; Australian Capital Territory, 0.07.

A graph showing the distribution of cattle in Australia during 1938–39 is shown in the Official Year Book No. 34, p. 453. A similar graph showing the distribution during 1924–25 is shown in Official Year Book No. 22, p. 660.

3. **Classification of Cattle According to Purpose.**—Of the total number of cattle in Australia in 1947, 8,834,133 or 65.8 per cent. were classified as beef cattle. The numbers classified as beef cattle in the several States and Territories during the years 1943 to 1947 were as follow :—

**BEEF CATTLE : NUMBER.**

Year.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Nor. Terr.	Aus. Cap. Terr.	Total.
1943	1,676,174	577,362	4,892,691	170,657	604,543	101,735	978,434	5,428	9,007,024
1944	1,806,692	607,005	4,978,499	161,894	629,570	101,352	978,569	6,015	9,269,596
1945	1,813,166	538,908	5,113,870	146,215	617,634	96,602	984,370	6,908	9,317,673
1946	1,839,630	527,318	5,099,509	142,795	604,056	90,139	960,039	5,243	9,268,729
1947	1,755,456	648,433	4,613,163	161,913	588,397	87,854	972,990	6,227	8,834,433

A classification of numbers on this basis is not available prior to 1943.

Particulars relating to dairy cattle numbers will be found in Chapter XXI. "Farmyard, Dairy and Bee Products".

4. **Comparison with other Countries.**—The following table shows the number of cattle in Australia and in some of the principal cattle-raising countries of the world for the years 1936–40 and at the latest available date. The figures have been compiled by the Food and Agriculture Organization of the United Nations; for 1945 and 1946 preliminary data have been used extensively, the figures in parentheses being estimates made by the Office of Foreign Agricultural Relations, U.S. Department of Agriculture. Owing to changes in country boundaries, the figures for the two periods do not cover identical areas in all cases.

## CATTLE : NUMBER IN VARIOUS COUNTRIES.

Country.	Number of Cattle. (*'ooo omitted).		
	Average 1936-40.(a)	Year.	Number.
India (British and Native)(b)	205,863	1945	(200,000)
United States of America	66,684	1946	79,791
Brazil	40,807	1945	(42,000)
U.S.S.R. (Russia)	48,500	1946	(41,500)
Argentina	33,762	1945	34,010
China	(24,000)	1945	(21,000)
Germany	19,881	1945	20,268
France	15,504	1946	14,795
<b>Australia</b>	<b>13,285</b>	<b>1946</b>	<b>13,878</b>
Union of South Africa	11,636	1943	13,068
Colombia	8,010	1946	13,000
Mexico	11,722	1944	(c) 12,000
Siam	11,017	(d)	(d)
Canada	8,246	1946	9,961
United Kingdom	8,798	1945	9,624
Turkey (b)	7,177	1944	7,821
Uruguay	8,297	1943	6,256
Italy	7,571	1945	(6,100)
Poland	(9,965)	1945	(5,500)

(a) Average for two to four years in some cases. (b) Includes buffaloes. (c) Unofficial estimate. (d) Not available.

The Food and Agriculture Organization of the United Nations has estimated world total cattle numbers at 709.8 millions in 1945 compared with an average of 723.0 millions in the period 1936-40.

5. Imports and Exports of Cattle.—The products of the cattle-raising industry figure largely in the export trade of Australia, although the export of live cattle has never been large. The number of cattle imported is also small, consisting, as in the case of horses, mainly of valuable animals for stud purposes. Details for the years 1938-39 and 1941-42 to 1945-46 are as follows:—

## CATTLE : IMPORTS AND EXPORTS, AUSTRALIA.

Year.	Imports.		Exports.		Net Exports.	
	No.	Value. £A.	No.	Value. £A.	No.	Value. £A.
1938-39	42	9,431	447	9,573	405	142
1941-42	25	1,313	81	1,275	56	-38
1942-43	14	1,655	336	7,848	322	6,193
1943-44	32	5,893	125	3,362	93	-2,531
1944-45	59	18,646	1,232	24,138	1,173	5,492
1945-46	56	36,167	340	10,110	284	-26,057

NOTE.—The minus sign (-) signifies net imports.

The average value per head of the cattle imported during the last five years was £A342 6s. 8d. while the average value per head of the cattle exported during the same period was £A22 2s. 2d.

6. **Cattle Slaughtered.**—The number of cattle slaughtered during each of the years ended June, 1939 and 1942 to 1946 is shown in the following table :—

**CATTLE (INCLUDING CALVES) SLAUGHTERED.**  
(in thousands.)

Year ended June—	N.S.W.	Victoria.	Q'land.	S. Aust.	W.Aust.	Tas.	N. Terr.	A.C.T.	Total.
1939	(a) 1,136	812	1,284	(b) 160	(b) 127	50	(b) 9	3	3,581
1942	(a) 1,041	754	1,105	(b) 154	(b) 111	51	(b) 10	3	3,229
1943	1,061	753	1,054	177	105	53	41	3	3,257
1944	985	767	961	178	105	53	41	2	3,092
1945	982	809	956	171	102	47	41	1	3,109
1946	1,018	584	811	138	120	43	25	2	2,741

(a) Year ended March.

(b) Year ended December, previous.

7. **Production of Beef and Veal.**—Details of the production of beef and veal in each State and Territory are given in the following table for the years indicated :—

**PRODUCTION OF BEEF AND VEAL (BONE-IN-WEIGHT) : AUSTRALIA.**  
(’000 tons.)

Year ended June—	N.S.W.	Victoria.	Q'land.	S. Aust.	W.Aust.	Tas.	N. Terr.	A.C.T.	Total.
1939	(a) 172	114	207	(b) 24	(b) 28	11	(b) 2	1	559
1942	(a) 159	112	200	(b) 23	(b) 25	11	(b) 3	1	534
1943	156	105	201	28	22	11	10	1	534
1944	145	100	187	26	20	11	10	1	500
1945	126	99	175	23	18	9	10	1	461
1946	134	76	137	21	24	8	6	1	407

(a) Year ended March.

(b) Year ended December previous.

8. **Consumption of Beef and Veal.**—For the three pre-war years 1936–37 to 1938–39 the average annual production of beef and veal in Australia was 569,000 tons of which 127,000 tons were exported, leaving a balance of 442,000 tons (or the carcass equivalent of 144 lb. per head per annum) available for consumption as fresh and canned meat.

In order to cope with the increasing demands by Australian and Allied Services based upon Australia and to supply as much beef as possible to meet the import requirements of the United Kingdom, it was necessary to introduce from January, 1944 a system of rationing limiting civilian consumption which has always been very high. As a result, the quantity of beef and veal entering civilian consumption per head decreased from the pre-war average of 144 lb. to 124 lb. in 1943, 92 lb. in 1944 and 87 lb. in 1945. Consumption increased to 93 lb. per head in 1946.

In the following table details of the production and disposal of beef and veal are given for the period stated.

**PRODUCTION AND DISPOSAL OF BEEF AND VEAL (BONE-IN-WEIGHT) :  
AUSTRALIA.**  
(<sup>'000 tons.</sup>)

Period.	Changes in Stock.	Pro- duction.	Exports.	For Canning.	Consumption by—		Civilian Con- sumption per head per annum.
					Services.	Civilians.	
Average, years							lb.
1936-37 to 1938-39	..	569	127	(a)	..	442	144.2
1943 .. ..	..	517	157	(a)	(a)	360	124.1
1944 .. ..	+ 11	480	14	81	104	270	92.0
1945 .. ..	- 2	450	42	88	61	261	86.7
1946 .. ..	- 7	438	70	53	17	305	93.2

(a) Included with exports.

9. Exports of Frozen Beef and Veal.—The export of frozen meat from Australia dates from about 1881, and since that year the trade has grown considerably. The quantity of frozen beef and veal exported in 1938-39 amounted to 271,963,829 lb., valued at £A4,323,680, but there has since been a decline owing to reduced production and the diversion of supplies to meet the requirements of the Australian and Allied Services based on Australia. The quantities and values of frozen beef and veal exported during 1938-39 and in each year 1941-42 to 1945-46 are shown in the following table:—

**EXPORTS OF FROZEN BEEF AND VEAL : AUSTRALIA.**

Year.	Exports of Frozen and Chilled Beef.		Exports of Frozen Veal.	
	lb.	£A.	lb.	£A.
1938-39 .. ..	259,822,971	4,128,055	12,140,858	195,625
1941-42 .. ..	116,340,293	2,476,172	916,165	22,244
1942-43 .. ..	22,419,121	555,285	209,786	5,460
1943-44 .. ..	46,266,506	1,212,311	1,180,490	34,004
1944-45 .. ..	61,595,568	1,623,697	1,551,690	39,405
1945-46 .. ..	106,059,782	2,711,077	4,731,548	122,906

Prior to the war the largest purchaser of Australian beef and veal was the United Kingdom, which during 1938-39 took £3,901,691, or about 90.2 per cent. of the total shipments. Other countries importing Australian beef were, in order of importance, Egypt, Malaya (British), Malta, Philippine Islands and Hong Kong; these countries, together with the United Kingdom, accounted for 98.0 per cent. of the total value of export. However, at the request of the United Kingdom Government there has been a considerable diversion from that country to nearer British possessions during recent years. In 1945-46 shipments to the United Kingdom were valued at £912,210 or 32.2 per cent. of the total value of beef and veal exports, while exports to other British countries, amounted to £1,776,907, equivalent to 62.7 per cent. of the total.

In view of the preference overseas for chilled beef, the Australian beef industry was at a serious disadvantage until investigations proved that beef could be successfully transported from Australia to United Kingdom in a chilled condition. Trial shipments of 254,000 lb. in 1932-33 and 1,515,000 lb. in 1933-34 were made, and the exports in subsequent years increased as follows:—1934-35, 21,570,928 lb., £322,239; 1936-37 41,869,695 lb., £608,175; and 1938-39, 58,963,009 lb., £988,148. However, the advent of war seriously affected the export trade in chilled beef, which decreased as follows:—1939-40, 12,786,859 lb., £206,353; 1940-41, nil; 1941-42, 1,697 lb., £70; 1942-43, 1,843 lb., £69, and 1943-44 to 1945-46, nil.

10. **Contract for Purchase of Exportable Surplus.** A long-term contract was negotiated between the Governments of the Commonwealth and the United Kingdom for the purchase of Australia's exportable surplus of beef and veal for 4 years ended 30th September, 1948. The contract was later extended for a further two years to 30th September, 1950. Fuller particulars will be found in § 1, par. 10 (iii) *ante*.

#### § 4. Sheep.

1. **Initiation of the Pastoral Industry.**—Fortunately for Australia, the suitability of its climate and general conditions for the production of a high class of wool were, at an early date in the history of its settlement, surmised and tested by Captain Macarthur, one of the pioneer sheep-breeders of New South Wales. To the energy of this enterprising pastoralist is due in large measure the rapid and extremely satisfactory development of Australia as a producer of fine wool, and while it would appear that the introduction of the merino sheep into Australia was not due to Macarthur, a great deal of the credit for having successfully established the pastoral industry in Australia must certainly be his.

2. **Distribution throughout Australia.**—With the exception of a short period in the early sixties, when the flocks of Victoria outnumbered those of New South Wales, the latter State has occupied the premier position in sheep-raising, depasturing about one half of the sheep of Australia.

A graph showing the distribution of sheep in Australia during 1938–39 is shown in the Official Year Book No. 34, page 452. A similar graph showing the distribution of sheep during 1924–25 was published in Official Year Book No. 22, page 659.

Fluctuations in the number of sheep recorded for each year in Australia from 1860 onwards may be seen from the graph on page 816. Up to 1945 there were five marked periods of decline, but the losses were made up rapidly. In each of the years 1925 to 1945 the sheep flocks have exceeded 100 millions, reaching 125,180,129 in 1942, the greatest number recorded in Australia. At no previous period have such large numbers been depastured continuously, and the development has taken place despite an average annual slaughter of approximately 25 million sheep and lambs for the meat trade.

However, a sharp decline to 105 million occurred in 1945 followed by a further reduction to 96 million in 1946. This represented a loss from all causes other than slaughtering of about 27 million sheep (22 per cent.) since 1944 and was largely attributable to the severe drought conditions experienced during 1944, 1945 and 1946. The number of sheep recorded in 1947 was only slightly below the 1946 figure.

The numbers of sheep in the several States and Territories for 1939 and each year 1942 to 1947 are shown in the following table:—

#### SHEEP : NUMBER.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N.T.	A.C.T.	Total.
1939	48,876,663	17,007,352	23,158,569	9,936,586	9,177,531	2,625,690	29,901	245,540	111,057,832
1942	56,737,000	20,598,201	25,196,245	10,245,894	9,722,780	2,398,201	28,245	262,563	125,180,129
1943	56,043,598	19,614,010	25,650,231	10,370,565	10,421,385	2,226,906	31,603	250,341	124,614,672
1944	56,837,300	19,220,157	23,255,584	10,359,669	11,012,936	2,187,700	25,575	274,642	123,173,962
1945	46,662,000	16,457,101	21,292,120	8,473,939	10,049,587	2,156,071	29,269	250,778	105,370,865
1946	44,076,000	14,653,277	18,943,762	6,786,538	9,765,983	1,925,604	18,561	224,680	96,396,405
1947	43,105,000	16,598,490	16,084,340	7,958,619	9,787,002	1,933,332	28,005	227,994	95,722,782

Apart from the effect of drought the relative number of sheep depastured in the different States has remained fairly constant.

The percentage distribution in 1947 was:—New South Wales, 45.03; Victoria, 17.34; Queensland, 16.80; South Australia, 8.31; Western Australia, 10.23; Tasmania, 2.02; Northern Territory, 0.03; Australian Capital Territory, 0.24 per cent.

3. **Classification of Sheep According to Age, Sex and Breed.**—In the following table sheep numbers in Australia are classified according to age and sex for each of the years 1943 to 1947. Data in this form are not available prior to 1943.

## SHEEP : AGE AND SEX, AUSTRALIA.

Description.	1913.	1914.	1915.	1946.	1947.
Rams, 1 year and over ..	1,651,231	1,614,976	1,426,817	1,300,842	1,331,614
Breeding Ewes (including ewes intended for mating)	56,674,075	53,636,301	46,684,632	47,652,092	47,672,089
Other ewes, 1 year and over	9,636,124	11,878,145	11,067,933	6,382,593	5,615,600
Wethers, 1 year and over ..	31,985,775	30,614,132	27,751,219	25,002,494	22,486,789
Lambs and hoggets, under 1 year ..	24,667,467	25,430,408	18,440,264	16,058,384	18,616,690
<b>Total, Sheep and lambs</b>	<b>124,614,672</b>	<b>123,173,962</b>	<b>105,370,865</b>	<b>96,396,405</b>	<b>95,722,782</b>

Particulars relating to the principal breeds of sheep were collected uniformly for all States and the Australian Capital Territory at 31st March, 1947 and are shown in the following table :—

## SHEEP : PRINCIPAL BREEDS, 31st MARCH, 1947.

Breed.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N.T. (a)	A.C.T.	Australia.
Merino ..	31,067,510	5,265,808	15,872,429	5,926,462	8,323,849	280,313	27,637	196,802	66,960,810
Other pure breeds	2,130,893	1,407,349	23,795	342,187	488,975	456,411	41	8,119	4,866,770
Merino comebacks	2,059,812	3,001,730	89,132	274,068	(b)	282,300	155	5,114	(c)5,712,311
Crossbreds ..	7,837,785	6,923,603	98,984	1,415,902	974,178	914,308	172	17,959	18,182,891
<b>Total ..</b>	<b>43,105,000</b>	<b>16,598,490</b>	<b>16,084,340</b>	<b>7,958,619</b>	<b>9,787,002</b>	<b>1,933,332</b>	<b>28,005</b>	<b>227,994</b>	<b>95,722,782</b>

(a) As at 31st December, 1946. Distribution between categories has been estimated. (b) Not available separately. Included with cross-breeds. (c) Incomplete.

4. **Comparison with other Countries.**—As regards the size of its flocks and the quantity and quality of wool produced, Australia has long occupied a leading position amongst the sheep-raising countries of the world.

As with a number of other important sheep-raising countries, it has, however, suffered a considerable reduction in sheep numbers since 1939, but still holds the leading position with 96 million sheep (1946), followed by the U.S.S.R. (Russia) with about 63 million (1943), Argentina with 56 million (1945), India (British and Native) with approximately 48 million (1945) and the United States of America with 44 million (1946). The reduction in sheep numbers since the period 1936-40, according to latest available data, has been pronounced in the south-eastern region of Europe (embracing the pre-war areas of Hungary, Yugoslavia, Greece, Albania, Bulgaria and Rumania) with 35.7 per cent., United Kingdom with 22.8 per cent. the U.S.S.R. (Russia) with 20.4 per cent., Australia

with 14.4 per cent., the United States of America with 14.0 per cent. and Union of South Africa, 12.3 per cent. On the other hand significant increases in numbers were recorded in Argentina, India (British and Native) and New Zealand.

The following table shows the number of sheep in Australia in relation to the numbers in some of the principal sheep-raising countries of the world for the years 1936-40 and at the latest available date. The figures have been compiled by the Food and Agriculture Organization of the United Nations; for 1945 and 1946 preliminary data have been used extensively, the figures in parentheses being estimates made by the office of Foreign Agricultural Relations, U.S. Department of Agriculture. Owing to changes in boundaries the figures for the two periods do not cover identical areas in all cases.

### SHEEP : NUMBER IN VARIOUS COUNTRIES.

Country.	Number of Sheep ('000 omitted).		
	Average 1936-40. (a)	Year.	Number.
Australia .. .. .	112,571	1946	93,338
U.S.S.R. (Russia) .. .. .	79,680	1943	(63,400)
Argentina .. .. .	44,900	1945	56,182
India (British and Native) .. .. .	43,777	1945	(48,000)
United States of America .. .. .	51,462	1946	44,241
Union of South Africa .. .. .	39,899	1945	(35,000)
New Zealand .. .. .	31,352	1945	33,975
South-east Europe (b) .. .. .	42,000	1945	(27,000)
China .. .. .	(24,000)	(c)	(c)
Spain .. .. .	(19,000)	1945	22,000
Uruguay .. .. .	17,931	1945	(20,200)
United Kingdom .. .. .	26,112	1945	20,150
Turkey .. .. .	16,080	1944	18,800
Morocco .. .. .	9,976	1945	14,157
Peru .. .. .	14,900	1942	13,730
Iran .. .. .	13,813	1945	(12,500)
Brazil .. .. .	11,436	1944	(10,500)
Iraq .. .. .	7,090	1945	9,000
Italy .. .. .	9,356	1945	(7,000)
France .. .. .	9,648	1946	6,632

(a) Average for 2 to 4 years in some cases.  
Yugoslavia, Greece, Albania, Bulgaria and Rumania.

(b) Total within pre-war boundaries of Hungary,  
(c) Not available.

5. Oversea Imports and Exports of Sheep.—As in the case of cattle, the oversea exports of live sheep from Australia are of comparatively little importance. During the last five years the principal consignments of ordinary sheep have been made to Malaya (British) from Western Australia. On 27th November, 1929, the export of stud sheep was prohibited, except with the approval of the Minister for Trade and Customs. Stud sheep, however, were being exported in increasing numbers up to the outbreak of war in the Pacific, and shipments in 1939-40 amounted to 23,329 sheep valued at £79,955 compared with 525 valued at £11,859 in 1945-46. The chief countries to which stud sheep were consigned in 1939-40 were New Zealand, South Africa, Japan and Korea. The



ordinary flock sheep exported from Australia were, for the most part, consigned to Malaya and the Pacific Islands. The following table shows the imports and exports of stud and flock sheep for the years 1938-39 and 1941-42 to 1945-46 :—

## SHEEP : IMPORTS AND EXPORTS, AUSTRALIA.

Year.	Imports.		Exports.		Net Exports.	
	No.	Value.	No.	Value.	No.	Value.
		£A.		£A.		£A.
1938-39 ..	5,288	44,961	72,027	84,366	66,739	39,405
1941-42 ..	311	4,931	65,061	54,211	64,750	49,280
1942-43 ..	158	2,826	5,265	9,095	5,107	6,269
1943-44 ..	258	12,768	7,682	10,946	7,424	- 1,822
1944-45 ..	616	19,679	3,118	7,145	2,502	- 12,534
1945-46 ..	740	25,522	21,857	35,496	21,117	9,974

NOTE.—The minus sign (—) signifies net imports.

6. Sheep Slaughtered.—The numbers of sheep slaughtered in the several States during each of the years ended June, 1939 and 1942 to 1946 were as follows :—

## SHEEP (INCLUDING LAMBS) SLAUGHTERED.

(in thousands.)

Year ended June—	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N.T.	A.C.T.	Total.
1939 ..	(a) 6,323	7,728	1,121	(b) 2,007	(b) 1,318	377		26	18,900
1942 ..	(a) 8,128	8,635	1,499	(b) 2,071	(b) 1,333	552	(b) 2	38	22,258
1943 ..	9,279	9,731	2,088	2,297	1,531	603	2	42	25,573
1944 ..	9,667	9,286	2,228	2,830	1,955	615	2	49	26,032
1945 ..	8,989	9,161	1,909	3,064	1,607	509	2	53	25,294
1946 ..	7,229	5,080	1,470	1,453	1,374	433	2	45	17,086

(a) Year ended March.

(b) Year ended December previous.

7. Production of Mutton and Lamb.—Details of the production of mutton and lamb in each State and Territory are shown below :—

## PRODUCTION OF MUTTON AND LAMB.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N.T.	A.C.T.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1938-39	100,666	136,130	20,456	34,052	22,214	6,329	5	440	320,292
1941-42	125,403	151,763	26,227	35,292	23,094	9,274	38	635	371,726
1942-43	153,870	149,235	34,105	38,711	26,519	9,921	38	747	413,146
1943-44	156,901	145,786	36,362	45,933	32,377	10,561	36	788	428,744
1944-45	138,648	143,247	30,724	46,888	25,816	9,200	36	834	395,393
1945-46	122,278	86,615	24,913	25,989	22,170	7,909	36	752	290,662

8. Consumption of Mutton and Lamb.—For the three pre-war years 1936-37 to 1938-39 the annual production of mutton and lamb averaged 320,000 tons of which 90,000 tons were exported leaving a balance of 230,000 tons (or the carcass equivalent of 74.9 lb. per head per annum) available for consumption.

During the war the demand for meat by Australian and Allied Services and the desire to maintain, as far as possible, exports to the United Kingdom, necessitated the restriction of local consumption by the introduction, in January, 1944, of a system of rationing.

As the service and export demand was principally for beef this class of meat was in shorter supply to civilians than was mutton or lamb. As a result, the coupon rating for beef fixed under the civilian ration scale was more restrictive, and had the effect of increasing the quantity of mutton and lamb entering civilian consumption to a level approximating that of beef. In 1946, however, mutton and lamb consumption declined to below the pre-war level as a result of heavy shipments overseas and decreased slaughtering. There was a smaller increase in beef and veal consumption.

The consumption of mutton and lamb per head rose from the pre-war average of 74.9 lb. to 91.7 lb. in 1943, to 92 lb. in 1944, to 85.1 lb. in 1945 and declined to 74.1 lb. in 1946. In the following table details of the production and disposal of mutton and lamb are given for the periods stated:—

**PRODUCTION AND DISPOSAL OF MUTTON AND LAMB (BONE-IN-WEIGHT) :  
AUSTRALIA.**

('000 tons.)

Period.	Changes in Stock.	Pro- duction.	Exports.	For Canning and Dehydra- tion.	Consumption by—		Civilian Con- sumption per head per annum.
					Serviers.	Civilians.	
Average years 1936-37 to 1938-39	..	320	90	..	..	230	lb. 74.9
1943	..	416	150	..	(a)	266	91.7
1944	.. + 6	419	77	42	24	270	91.9
1945	.. - 21	322	34	32	21	256	85.1
1946	.. + 2	319	60	9	5	243	74.1

(a) Included with exports.

9. Exports of Frozen Mutton and Lamb.—The export trade in mutton and lamb served by cold process expanded rapidly to 1913 when 205 million lb. were shipped. Progress was interrupted during the 1914-18 War and, owing probably to high wool prices, the exports of mutton and lamb for a number of years after that war were considerably less than earlier shipments. Exports commenced to rise again in 1929-30 and from that year onwards they continued to expand almost uninterruptedly until 1942-43 in which year 203,681,520 lb., valued at £5,495,886, of mutton and lamb were exported. In earlier years shipments consisted mainly of frozen mutton but in 1923-24 lamb supplanted mutton and the exports of lamb were largely responsible for the increase in total shipments during the ten years to 1942-43. Since that year, due to reduced production as a result of drought conditions and the diversion of supplies to meet the requirements of the Australian and Allied Services based in Australia, there has been a marked decline in mutton and lamb exports, which fell to 56,574,651 lb., valued at £1,540,419, in 1945-46.

The quantities and value of exports of frozen mutton and lamb in 1938-39 and each year 1941-42 to 1945-46 are given in the following table :—

**EXPORTS OF FROZEN MUTTON AND LAMB : AUSTRALIA.**

Year.	Exports of Frozen Mutton.		Exports of Frozen Lamb.		Exports of Frozen Mutton and Lamb.	
	lb.	£A.	lb.	£A.	lb.	£A.
1938-39 ..	28,155,757	413,693	158,332,714	4,393,773	186,488,471	4,807,466
1941-42 ..	10,638,918	172,712	164,300,962	4,498,081	174,939,880	4,670,793
1942-43 ..	19,441,131	313,328	184,240,389	5,182,558	203,681,520	5,495,886
1943-44 ..	30,010,466	501,668	141,559,299	4,141,935	171,569,765	4,643,603
1944-45 ..	38,021,898	725,214	108,772,494	3,217,869	146,794,392	3,943,083
1945-46 ..	17,527,848	362,057	39,046,803	1,178,362	56,574,651	1,540,419

As with beef, the principal customer in this trade is normally the United Kingdom, which absorbed 91 per cent. of the total quantity exported from Australia during 1943-44. In 1944-45 and 1945-46, there was however, a diversion to nearer British countries and exports of mutton and lamb to the United Kingdom fell to 82.5 per cent. and 77.8 per cent. of the total quantity exported, respectively.

10. **Contract for Purchase of Exportable Surplus.**—A long term contract covering the four years ended 30th September, 1948 was completed between the Governments of the Commonwealth and the United Kingdom for the purchase of Australia's surplus mutton and lamb. The contract was later extended for a further two years to 30th September, 1950. Particulars will be found in § 1, par. 10 (iii) *ante*.

**§ 5. Wool.**

1. **General.**—Australia is the leading wool-growing country in the world. With less than one-sixth of the world's sheep Australia produces one-quarter of the world's wool and of the total fine-quality merino wool, Australia produces about one-half. The bulk of the production is exported, but with the greater activity of Australian woolen mills the quantity used locally is increasing : the amount so used represented 9 per cent. of the total production in 1945-46 compared with 7 per cent. in 1938-39.

The important position held by Australia among the principal sheep and wool producing countries of the world is shown in the following table. The data for foreign countries which have been compiled by the Food and Agriculture Organization of the United Nations are generally of a preliminary nature. Figures for U.S.S.R. are rough approximations. Wool production for the Union of South Africa includes wool produced in other British South African Possessions exported through Union ports. Further particulars for the principal countries producing merino, crossbred and carpet wool are included in paragraph 6. "World Wool Production".

**SHEEP AND WOOL : PRINCIPAL PRODUCING COUNTRIES.**

Country.	Year.	No. of Sheep (in millions).	Wool Production (in millions of lb., greasy).
Australia .. .. .	1945-46	96.4	936
Argentina .. .. .	1944-45	56.2	500
United States of America .. .. .	1945-46	44.2	390
New Zealand .. .. .	1944-45	34.0	373
Union of South Africa .. .. .	1944-45	35.0	234
U.S.S.R. (Russia) .. .. .	1943-44	63.4	230

2. **Greasy and Scoured Wool.**—Whether the weight of the wool clip should be stated as “in the grease” or as “scoured and washed” is a matter which seriously affects comparisons between the clips of different seasons and of different countries. The quantity of grease and other extraneous matter in a fleece differs, not only between countries, but between districts in the same country. It fluctuates with the vagaries of the season, and with the breed and the condition of the sheep. There is, moreover, no clearly defined standard in regard to the clean content of wool described as scoured and washed.

A committee of experts in a report to the Central Wool Committee estimated in 1940 that the clean scoured wool content of the total production of Australia averaged between 51 and 53 per cent. of its greasy weight.

Wool scoured in Australia by wool-scouring works, however, yields only about 46 per cent. because the grade of greasy wool treated locally for export as scoured includes a large proportion of dirty and low-grade wool.

The quantity of scoured and washed Australian wool exported during the five years ended 1945-46 was approximately 18 per cent. of the total wool exports regarded as “greasy”.

3. **Production.**—The bulk of the Australian wool production is shorn from live sheep; approximately 6 per cent. is obtained by fellmongering and about 5 per cent. is on skins exported. Statistics of wool production are compiled from data received from growers, fellmongers, etc. The following table gives the production for the four years 1942-43 to 1945-46 compared with 1938-39. Particulars of the gross value of wool produced in Australia are also shown; for 1938-39 these values are based upon the average price of greasy wool realized at auction in the principal markets of Australia, and for 1942-43 to 1945-46 upon the average appraised value plus certain adjustments as computed by the State Statisticians.

#### WOOL (AS IN THE GREASE): TOTAL PRODUCTION.

State.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
	'000. lb.	'000. lb.	'000. lb.	'000. lb.	'000. lb.
New South Wales .. ..	437,141	497,538	537,410	448,683	431,549
Victoria .. ..	165,829	212,325	196,415	177,143	152,398
Queensland .. ..	(b)179,459	213,966	194,355	173,719	173,249
South Australia .. ..	102,888	108,637	115,464	106,708	73,604
Western Australia (a) ..	78,802	99,231	105,226	86,841	86,986
Tasmania .. ..	17,519	17,256	17,925	16,324	16,338
Northern Territory(b) ..	35	308	308	308	155
Australian Capital Territory	1,909	1,905	1,913	1,763	1,960
<b>Total—Quantity ..</b>	<b>983,582</b>	<b>1,151,166</b>	<b>1,169,016</b>	<b>1,016,489</b>	<b>936,239</b>
<b>Value (c) ..</b>	<b>£'000. 42,043</b>	<b>£'000. 73,017</b>	<b>£'000. 75,124</b>	<b>£'000. 64,894</b>	<b>£'000. 58,597</b>

(a) For year ended previous December.

(b) Estimated.

(c) Subject to revision.

Production for 1946-47 amounted to 976.8 million lb., valued at £96,858,000.

4. **Care Needed in Comparing Clips.**—In comparing successive clips allowance must be made for the circumstance that, owing to climatic or other conditions, the time of shearing may be so far delayed in some areas that one clip may include almost thirteen months' growth of wool, while the succeeding one may include little more than eleven months' growth.

5. **Average Weights of Fleeces Shorn.**—The average weights of sheep and lamb fleeces shorn in each of the States of Australia and the Australian Capital Territory are shown in the following table for the five seasons 1934-35 to 1938-39 and each season 1942-43 to 1945-46 :—

**AVERAGE WEIGHT OF SHEEP AND LAMB FLEECES SHORN.(lb.)**

State.	Average 1934-35 to 1938-39. (a)	1942-43.	1943-44.	1944-45.	1945-46.
<b>SHEEP.</b>					
New South Wales .. .. .	8.87	8.63	9.68	8.35	9.24
Victoria .. .. .	7.84	8.92	8.29	7.74	7.50
Queensland .. .. .	7.98	8.46	8.21	8.34	8.62
South Australia .. .. .	10.06	10.15	10.17	9.66	9.10
Western Australia .. .. .	8.53	10.21	9.64	8.22	8.56
Tasmania .. .. .	7.62	7.41	7.41	7.11	6.75
Australian Capital Territory .. .. .	8.32	7.64	7.40	7.10	8.56
Australia (b) .. .. .	8.57	8.86	9.15	8.32	8.72
<b>LAMBS.</b>					
New South Wales .. .. .	2.75	2.85	2.99	2.79	2.89
Victoria .. .. .	2.14	2.48	2.38	2.28	2.19
Queensland .. .. .	2.89	3.00	2.90	3.45	3.44
South Australia .. .. .	2.57	3.01	3.02	2.77	2.56
Western Australia .. .. .	2.57	3.00	3.00	2.75	2.41
Tasmania .. .. .	1.37	1.68	1.60	1.61	1.47
Australian Capital Territory .. .. .	1.11	1.68	1.51	1.31	1.28
Australia (b) .. .. .	2.57	2.82	2.88	2.71	2.71

(a) Mean of average weights in each season.

(b) Excludes Northern Territory.

6. **World Wool Production.**—The following table shows particulars of wool production in the principal wool producing countries of the world in the period 1934-38 and in each year 1938-39 to 1945-46, distinguishing between merino and crossbred (apparel wool) and carpet wool. The table is based on data compiled by the Imperial Economic Committee and published in the Report and Recommendations of the Wool Conference, held in London between 16th April and 28th May, 1945, but incorporates some minor adjustments made in the light of the subsequent receipt of more authoritative information. In 1945-46, Australia produced 55 per cent. of world total production of merino wool and 30 per cent. of total apparel wool (merino and crossbred). The share of the British Commonwealth in world production in the same year exceeded 72 per cent. of merino wool and 52 per cent. of all apparel wool. Production of carpet wool in Australia is negligible, the principal producer of this class of wool being the U.S.S.R. (Russia), which accounted for 33 per cent. of world production in 1945-46.

## WORLD PRODUCTION OF WOOL.

(In millions of lb. actual weight.)

Type of Wool and Country.	Average 1934- 38.	1938- 39.	1939- 40.	1940- 41.	1941- 42.	1942- 43.	1943- 44.	1944- 45.	1945- 46.
<b>Merino—</b>									
Australia ..	825	808	930	862	864	874	872	720	676
Union of South Africa ..	250	264	271	260	262	247	240	188	195
United States of America ..	224	232	214	218	228	229	223	213	193
Argentina (a) ..	55	54	45	64	62	72	73	68	71
Uruguay ..	15	15	17	18	15	16	16	19	18
New Zealand ..	10	7	9	7	7	7	6	7	7
France ..	8	8	7	6	6	6	5	5	5
Other merino producing countries ..	51	51	62	57	56	57	60	57	55
<b>Total, Merino</b> ..	<b>1,438</b>	<b>1,442</b>	<b>1,555</b>	<b>1,492</b>	<b>1,500</b>	<b>1,508</b>	<b>1,495</b>	<b>1,277</b>	<b>1,220</b>
<b>Crossbred—</b>									
Argentina (a) ..	319	331	330	390	411	439	445	417	437
New Zealand ..	277	321	293	326	329	324	314	357	346
Australia ..	177	177	191	215	244	246	260	228	202
United States of America ..	228	232	214	218	228	229	223	213	193
Uruguay ..	102	95	117	121	100	104	104	123	119
United Kingdom ..	110	110	111	109	92	91	89	84	84
France ..	46	46	42	36	37	33	31	29	29
Other crossbred produc- ing countries ..	239	242	245	237	230	232	248	250	250
<b>Total, Crossbred</b> ..	<b>1,498</b>	<b>1,554</b>	<b>1,543</b>	<b>1,652</b>	<b>1,671</b>	<b>1,698</b>	<b>1,714</b>	<b>1,701</b>	<b>1,660</b>
<b>Carpet—</b>									
U.S.S.R. (Russia) ..	181	303	300	330	340	270	230	230	230
China ..	110	110	90	90	90	90	90	90	90
India ..	100	100	84	80	80	80	80	80	80
South America ..	30	32	26	26	26	28	30	30	30
Other carpet producing countries ..	333	321	300	299	281	280	263	263	263
<b>Total, Carpet</b> ..	<b>754</b>	<b>866</b>	<b>800</b>	<b>825</b>	<b>817</b>	<b>748</b>	<b>693</b>	<b>693</b>	<b>693</b>
<b>Grand Total</b> ..	<b>3,690</b>	<b>3,862</b>	<b>3,898</b>	<b>3,969</b>	<b>3,988</b>	<b>3,954</b>	<b>3,902</b>	<b>3,671</b>	<b>3,573</b>

(a) Including estimated wool on skins.

7. **War-time Contracts.**—(i) *Wool.* After the outbreak of war in September, 1939, negotiations were concluded between the Governments of the Commonwealth and of the United Kingdom whereby the latter contracted to purchase the entire wool clip of Australia for the duration of the war and one full clip thereafter. The price per lb. at store in Australia was fixed at 10½d. sterling, or 13.4375d. in Australian currency for the 1939-40 to 1941-42 clips. For the 1942-43 and later clips the United Kingdom Government increased the price by 15 per cent., thus bringing the price to 15.453125d. Australian currency, and provision was made for an equal division between the two Governments of any profits derived from the sale of the wool for use outside the United Kingdom. In addition, an amount not exceeding ¾d. sterling or ¾d. (Aust.) was paid by the United Kingdom Government to cover all costs from store at port of oversea shipment to ship. The agreement provided that sufficient quantities of wool be retained in Australia for domestic use. The administration of the scheme in Australia was controlled by the Central Wool Committee assisted by a Committee in each State. These Committees consisted of representatives of growers, brokers, buyers and manufacturers. Further details may be seen in Official Year Book No. 36, page 1106.

(ii) *Sheepskins.* Under the contract negotiated in April, 1940 between the Governments of the Commonwealth and of the United Kingdom, the latter agreed to purchase, in connexion with the war, the exportable surplus of Australian woolled sheepskins. The scheme was administered by the Central Wool Committee. The exportable surplus was determined by competition in the open market between fellmongers and export packers licensed by the Central Wool Committee. The quantity appraised during each season was as follows :—

## SHEEPSKIN APPRAISEMENTS : AUSTRALIA.

Season.	Number of—		Net Weight.	Appraised Values.
	Bales.	Skins.		
	No.	No.	lb.	£
1939-40 .. .. .	16,124	1,604,631	11,012,544	352,592
1940-41 .. .. .	72,643	7,645,280	49,454,306	1,501,557
1941-42 .. .. .	69,274	7,566,080	47,788,050	1,350,558
1942-43 .. .. .	73,701	7,794,507	50,911,840	1,692,955
1943-44 .. .. .	84,001	8,897,735	58,245,326	1,828,923
1944-45 .. .. .	82,296	9,433,549	56,873,508	1,731,483
1945-46 .. .. .	62,302	6,489,199	43,249,892	1,383,710

In accordance with the recommendations made by the representatives of the United Kingdom and Dominion Governments at the London Wool Conference, April-May, 1945, the agreements between the United Kingdom and the Australian and New Zealand Governments for the purchase of sheepskins were terminated at 30th June, 1946.

8. *Australian Wool Realization Commission.*—(i) *General.* The accumulation of Dominion wool in the hands of the United Kingdom Government as an outcome of the war-time arrangements and the disposal of these stocks concurrently with future clips were matters for discussion by a conference of officials and experts from the United Kingdom, the Commonwealth of Australia, the Dominion of New Zealand, and the Union of South Africa, held in London in April-May, 1945. Total stocks of United Kingdom-owned wool at 30th June, 1945 were estimated at 3,315,000,000 lb. actual (greasy and scoured) of which 3,245,000,000 lb. were of Dominion origin, the Australian share being 2,060,000,000 lb., or 63 per cent.

This stock approximated two years' consumption and, on reasonably optimistic assumptions the London Conference considered that the complete disposal of the stock in conjunction with current clips would occupy a period of 12 or 13 years. It was decided, therefore, that the only sound method of handling this gigantic task was by means of a partnership between the countries concerned, under which the old wool would be marketed and the marketing of the current clip supported throughout the period of disposal of stocks. A return to the auction system of marketing was favoured, provided it was continued with a floor price scheme to minimize fluctuations which occurred under pre-war auctions. Current clips would thus be offered at auction as in the past and, in addition, selections from stock would be marketed with the aim of maximizing total sales and gradually liquidating stocks. To ensure that stability of wool prices would be achieved, a reserve price appropriate to type and governed by the general trend of prices, and at which the wool would be bought in if commercial bidding did not attain the appropriate level, would be agreed upon.

(ii) *United Kingdom-Dominion Wool Disposals Limited.* The formation, by the four Governments, of a Joint Organization under the title of "United Kingdom-Dominion Wool Disposals Limited" (commonly referred to as "J.O.") was, therefore, undertaken

for the purposes of buying, holding, and selling wool on behalf of the United Kingdom and the Dominion Governments concerned. As part of the plan, the organization is required :—

- (a) to determine total quantities of wool to be offered from time to time concurrently in the Dominions and elsewhere, to be made up of all new clip wool and an appropriate proportion of wool from the organization's stock ;
- (b) to prepare schedules of reserve prices at which the organization will itself be willing to acquire wool ;
- (c) to lift from the market such quantities of new wool as cannot be sold at these reserve prices ;
- (d) to hold and dispose of stocks as the agent of the Governments concerned and, where necessary, to acquire and own stores, plant and equipment for this purpose ;
- (e) to facilitate the sale of wool in every way possible, with a view to stimulating demand.

The stock of Dominion-grown wool in the ownership of the United Kingdom Government at 31st July, 1945, was transferred to the joint ownership of the United Kingdom Government and the Dominion Government concerned, and all wool subsequently acquired under the scheme will be in the joint ownership of the United Kingdom and the Dominion concerned. Total stocks of United Kingdom wool transferred to the Joint Organization at 31st July, 1945, were :—

	Bales.
Australian grown wool .. .. .	6,796,000
New Zealand grown wool .. .. .	1,777,000
South African grown wool .. .. .	1,834,000
	10,407,000

It is the obligation of the Joint Organization to recommend to the Governments the initial level of reserve prices and any major changes which may thereafter be necessary. The structure of reserve selling prices is built upon the basis of " c.i.f. Europe " with a corresponding schedule of reserve prices " ex Store " in the Dominions.

Reserve prices are calculated for the London market as well as Dominion markets and growers are free to forward wool to London for sale there alongside wool from the Joint Organization's stocks. If, at auction, no buyer is forthcoming at the reserve price or higher, the lot is passed in and taken over by the Joint Organization at the auction reserve price, subject to the grower's right of withdrawal.

In order to facilitate and expand the consumption of wool, the Joint Organization will maintain close contact (a) with the appropriate bodies interested in furthering the rehabilitation of the wool textile industry in consuming countries, and in securing the replacement and improvement of machinery, (b) with the International Wool Secretariat and (c) with all institutions concerned with uses of wool and with the reduction of costs of production, processing, manufacture and distribution of wool. The Joint Organization will give attention in general to the removal of any obstacles to consumption.

The Joint Organization has been incorporated in England as a private registered company, the voting shares being held as follows :—four by nominees of the United Kingdom Government, two by nominees of the Government of Australia and one each by nominees of the New Zealand and South African Governments. An active subsidiary has been formed in each Dominion to act on behalf of the Joint Organization in regard to all the operations of the Joint Organization in that Dominion.

The Directors of the principal Company consist of an independent Chairman appointed by the four Governments in agreement, four Directors appointed by the United Kingdom Government, two by the Government of Australia, and one each by the Governments of New Zealand and South Africa. In addition, the Chairman of each of the Dominion Subsidiaries will be *ex officio* Directors of the principal Company without additional voting power.



(iii) *The Dominion Subsidiaries.* The Subsidiary in each of the Dominions is charged with the conducting of the operations of the principal Company in the Dominion in accordance with its policy and decisions. The function of each Subsidiary will be:—

- (a) to hold wool in the Dominion as the agent of the principal Company ;
- (b) to sell wool from stocks in the Dominions, and to arrange for the regulation of sales of current clips by auction ;
- (c) to assess on the basis laid down by the principal Company the appropriate reserve prices for the individual lots of wool (from stocks or current clips) being offered for sale ;
- (d) to take up wool offered at auction for which the reserve price or better is not offered by a commercial buyer ;
- (e) to conduct the financial operations of the principal Company in the Dominion ;
- (f) to furnish to the principal Company annual reports on its activities, including statements of its accounts and information regarding its purchases, sales and stocks.

(iv) *The Financial Plan.* Representatives of the four Governments meet prior to the opening of each wool year and at such other times as may be required, to agree upon the general level of reserve prices in the light of the advice of the Joint Organization.

Under the financial plan, the United Kingdom and the Dominion concerned each take up 50 per cent. of the original capital represented by the opening stock of wool grown in that Dominion to be handed over to the Joint Organization, that opening stock being taken in by the Joint Organization at its original cost, including f.o.b. payments less the amounts accumulated in the divisible profits accounts, which amounts, except in the case of South Africa, are estimated fully to cover depreciation of that stock. The balances in the divisible profits accounts are thus used to write down the opening stocks taken in by the Joint Organization. Payment of the Dominions' share of the original capital is to be made in four annual instalments. Towards these instalments are applied the Dominions' shares of the proceeds of sales by the Joint Organization and of the net profit during the interim period 1945-46. Each Dominion and the United Kingdom share equally in the provision of any further capital required by the Joint Organization during the operation of the scheme for payment for bought-in new wool of that Dominion.

Operating expenses are borne equally between the industry and the Joint Organization, the share of the industry being paid by the Dominion Governments primarily from the proceeds of a contributory charge on all sales of new clip wool. The share of the Joint Organization is met by deduction from the proceeds of sales by the Joint Organization before application to capital repayment.

The ultimate balance of profit or loss arising from the transactions of the Joint Organization in the wool of any Dominion will be shared equally between the United Kingdom and the Government of that Dominion.

(v) *The Australian Subsidiary.* Pursuant to the provisions of the Wool Realization Act (No. 49 of 1945) the Australian subsidiary, known as the Australian Wool Realization Commission, was established and commenced operations on 15th November, 1945, the Central Wool Committee having administered the acquisition of the 1945-46 clip to that date. This Commission comprises a Chairman and an Executive Member (the two administrators of the Plan), four growers (two representatives of the Australian Wool-growers' Council and two representative of the Wool Producers' Federation), one representative of the Federated Storemen and Packers' Union and two other persons chosen for their knowledge of the marketing of wool.

The Act also gives power to the Commission to appoint whatever advisory or technical committees it considers necessary, thus providing a formal basis for full co-operation between the Commission and the various facets of the trade. Accordingly the Commission early in 1946 appointed the following Committees:—

- Wool Selling Brokers' Advisory Committee ;
- Wool Buyers' Advisory Committee ;
- Woolen and Worsted Manufacturers' Advisory Committee.

(vi) *The Contributory Charge.* Associated legislation, viz., the Wool (Contributory Charge) Act 1945 and the Wool (Contributory Charge) Assessment Act 1945 provide for a contributory charge to be imposed on all wool—

- (a) produced in Australia; and  
 (b) on or after a date to be fixed by proclamation—  
 (i) sold by a broker at auction or otherwise;  
 (ii) purchased by a manufacturer;  
 (iii) subjected by a manufacturer (whether or not he is the producer or owner of the wool) to a process of manufacture; or  
 (iv) exported from Australia;

the rate of the charge to be such percentage as is prescribed from time to time of the sale value of the wool, the percentage being such as is necessary to provide the amounts required to meet the share of the industry in the operating expenses of the Joint Organization, the payment of interest on monies expended by the Commonwealth in purchases of wool in pursuance of the Disposals Plan and unrecovered, and payment into the Wool Use Promotion Fund as provided under the Wool Use Promotion Act 1945. The plan did not require that the Contributory Charge should operate during the 1945-46 season.

(vii) *Conclusion.* To sum up, the plan, with its associated legislation, amounts to the underwriting of the income of Dominion wool producers during the life of the disposal plan, protecting the growers against the serious fall in prices which would undoubtedly occur if the accumulated stocks were unloaded without control on the market, and it will prevent also undue price fluctuations during individual years and between one year and the next. In other words, it endeavours to guarantee the stability and solvency of the whole wool industry.

(viii) *Review of the Operations during 1945-46 Season.* The disposals plan provided that, for the wool year 1945-46, the method of purchase which had operated during the previous six years, namely appraisement and acquisition, should be continued and that the United Kingdom Government would be responsible for financing the purchase of all the wool so acquired, the management and sale of the 1945-46 clip being entrusted to the Joint Organization. Until the 16th November, 1945, the Central Wool Committee conducted appraisements as in previous seasons, and then, with the same organization, the Australian Wool Realization Commission completed the appraisements for the remainder of the season. The total weight and value of wool appraised for the 1945-46 season are shown in the following table in comparison with similar figures for the previous six years.

#### WOOL APPRAISEMENTS : AUSTRALIA.

Year ended June—	Quantity of Wool Appraised.			Value of Wool.		Average Value per lb. Greasy.	
	Greasy.	Scoured.	Total.	Total Appraised.	Total Return to Grower.	Appraised.	Total Return to Grower. (a)
	'000 lb.	'000 lb.	'000 lb.	£	£	d.	d.
1940(b) .. ..	1,066,237	45,829	1,112,066	59,841,898	64,722,636	12.405	13.438
1941 .. ..	990,833	53,206	1,044,039	55,251,133	60,959,828	12.085	13.438
1942 .. ..	1,034,617	55,853	1,090,470	57,958,392	63,126,096	12.259	13.438
1943 .. ..	1,048,049	51,369	1,099,418	66,651,256	73,525,280	13.898	15.453
1944 .. ..	1,044,228	51,021	1,095,249	66,850,270	73,701,759	13.925	15.453
1945 .. ..	883,767	47,315	931,082	56,075,091	62,520,983	13.755	15.453
1946 .. ..	823,335	43,612	866,947	51,479,647	58,183,617	13.509	15.453

(a) Overall flat rate price paid by the United Kingdom Government. 1939-June, 1940.

(b) Period September,

The average weight of wool per bale for the 1945-46 season was 302 lb., compared with 298 lb. per bale for the 1944-45 season, and 304 lb. per bale for the 1943-44 season.

As was recommended by the London Wool Conference 1945, the purchase price paid by the United Kingdom Government for the Australian clip (15.453d. per lb. Australian currency) for the 1944-45 season was maintained for the 1945-46 season.

It was agreed in communications with the United Kingdom and Commonwealth Governments that the selling prices for all sales of wool as from the 1st November, 1945, would be the United Kingdom Export Issue prices which were in force at that date.

With the accumulated stocks in Australia taken over at 31st July, 1945 by the Joint Organization and the 1945-46 clip of 2,865,717 bales, a total of 7,829,485 bales were available in Australia for supply to consumers during the 1945-46 season. In accordance with the announcement made by the Joint Organization on the 24th June, 1946, that the sale of wool at fixed prices by or on behalf of the Joint Organization would cease on 30th June, 1946, no sales were booked in Australia after the 30th June, 1946. However, the volume of sales rapidly accelerated towards the end of the year and during June, 1946, sales from wool within Australia totalled approximately 1,300,000 bales. The accounting period, however, for the 1945-46 season was from the 1st August, 1945 to the 31st July, 1946, and during this period estimated total sales amounted to 4,892,049 bales including 1,209,937 bales unshipped at 31st July, 1946.

(ix) *Stocks.* (a) *Total held by Joint Organization.* By the 30th June, 1946, the stocks of wool originally taken over by the Joint Organization from the United Kingdom Government on 1st August, 1945, totalling 10,407,000 bales, were reduced to 5,786,500 bales, particulars being as follows:—

**WOOL STOCKS HELD BY UNITED KINGDOM-DOMINION WOOL DISPOSALS LTD.,**  
**30th JUNE, 1946.**  
 (Bales.)

Origin and Location of Stocks.	Type of Wool.				Total.
	Merino.	Cross-bred.	Slips.	Karakul	
Australian grown wool—					
In Australia .. .. .	2,155,600	651,500	..	..	2,807,100
In United Kingdom .. .. .	776,200	205,900	..	..	982,100
New Zealand grown wool—					
In New Zealand .. .. .	..	796,500	139,300	..	935,800
In United Kingdom .. .. .	..	390,300	99,000	..	489,300
South African grown wool—					
In South Africa .. .. .	259,300	..	..	80,600	339,900
In United Kingdom .. .. .	232,300	..	..	..	232,300
<b>Total .. .. .</b>	<b>3,423,400</b>	<b>2,044,200</b>	<b>238,300</b>	<b>80,600</b>	<b>5,786,500</b>

(b) *Total held in Australia.* In the next table details are shown of the stocks of wool held in Australia by the Central Wool Committee and its successor, the Australian Wool Realization Commission, on the dates specified. The quantities, which distinguish between greasy, scoured and carbonized, refer to the amount of appraised wool actually held in store in Australia. Wool held by brokers prior to appraisal and any held by woollen mills or growers is not included.

**STOCKS OF APPRAISED WOOL HELD IN STORE IN AUSTRALIA.**

(Source: Australian Wool Realization Commission.)

31st July—	Greasy.	Scoured.	Carbonized.
	'000 lb.	'000 lb.	'000 lb.
1940 .. .. .	127,134	13,640	2,017
1941 .. .. .	376,444	82,329	8,781
1942 .. .. .	397,051	75,896	6,296
1943 .. .. .	758,288	125,555	12,271
1944 .. .. .	1,141,777	155,534	13,512
1945 .. .. .	1,321,387	176,295	13,325
1946 .. .. .	1,072,771	164,021	8,712
1947 (a) .. .. .	675,110	104,710	3,199

(a) 30th June.

9. **Wool Publicity and Research.**—Under the Wool Use Promotion Act of 1945, provision was made for improving the production and increasing the use of wool by the appointment of a Commonwealth Wool Adviser, the re-constitution of the Australian Wool Board, and the establishment of a Wool Consultative Council to advise the Ministers in regard to the aspects of Australian wool industry with which they are associated. The Australian Wool Board consists of three representatives of the Australian Wool Growers' Council and three from the Australian Wool Producers' Federation. The Wool Consultative Council consists of the Wool Adviser and seven members appointed by the Minister to represent the various branches of the industry.

Funds are provided by the Wool Tax Equivalent from the Wool (Contributory Charge) Act supplemented by an equivalent contribution from Treasury funds—in all about £600,000 per annum. Of this sum an amount will be paid to the Wool Research Trust Account for scientific, economic and cost research while the balance is to be applied by the Wool Board for promotion and publicity.

The Council for Scientific and Industrial Research is responsible for scientific, biological and technical research while the economic aspects of the industry will be the responsibility of the Commonwealth Department of Commerce and Agriculture. Provision is made for co-operation with State Departments of Agriculture and other organizations.

10. **Consumption of Locally Processed Wool.**—Particulars of the total consumption of wool in Australia are not available as quantities of manufactured woollen goods are imported whose contents in terms of wool cannot be ascertained. It is possible, however, to secure with reasonable accuracy the quantities of wool used in Australian factories and mills to produce woollen cloth and other woollen goods, such as blankets, rugs and knitted wear. Some difficulties arise in the aggregation of returns from individual mills concerned with only one process in manufacture and whose output constitutes the raw material of other mills, but the risk of duplication has been reduced to a minimum. Reference is made to the woollen mills established in Australia in Chapter XXIV. "Manufacturing Industry".

The factors used to convert scoured wool and woollen yarn processed in Australia into their greasy equivalent are now computed from the data furnished by woollen mills. In 1945-46 these factors were:—1 lb. of worsted yarn was taken to equal 2.10 lb. of greasy while the greasy equivalent of 1 lb. of scoured wool was 1.71 lb.

In the following table particulars are given of the quantity of wool processed in Australian woollen mills, cotton mills, hosiery mills and other factories during the years 1938-39 and 1941-42 to 1945-46:—

**CONSUMPTION OF LOCALLY PROCESSED WOOL IN AUSTRALIA.**  
(In terms of greasy.)

Year.	Woollen Mills.	Cotton Mills.	Hosiery Mills.	Other Factories.	Total.
	lb.	lb.	lb.	lb.	lb.
1938-39 .. ..	52,375,530	533,335	13,327,245	2,208,201	68,444,311
1941-42 .. ..	88,353,493	592,592	26,300,261	8,236,440	123,482,786
1942-43 .. ..	87,431,811	2,091,199	24,453,022	7,771,278	121,747,310
1943-44 .. ..	81,398,278	1,199,683	22,421,814	9,786,325	114,806,100
1944-45 .. ..	70,120,466	1,137,644	20,947,593	9,652,693	101,858,396
1945-46 .. ..	62,126,366	355,180	15,012,495	9,416,989	86,911,030

11. **Exports of Wool.**—(i) *Greasy—Quantities.* Prior to the 1939-45 War, greasy wool exported overseas was sent principally to the United Kingdom and other European countries. In 1938-39, 41.9 per cent. of total shipments were sent to the United Kingdom, other important consignees being France, 20.4 per cent., Belgium, 13.1 per cent., and Japan, 9.1 per cent. During the war, exports to the United Kingdom declined and shipments to the European continent and to Japan virtually ceased, while the quantity shipped to the United States of America showed great expansion. Of the total quantity of greasy wool exported overseas during the five years ended 1945-46, 55.0 per cent. was sent to the United States of America and 36.2 per cent. to the United Kingdom. Shipments to European continental countries were resumed on a restricted scale in 1945-46. The following table shows the quantities of greasy wool exported, and the principal countries of recorded destination.

## EXPORTS OF WOOL IN THE GREASE : AUSTRALIA.

Country to which Exported.	Average, Five Years 1909-13.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
	lb.	lb.	lb.	lb.	lb.	lb.
United Kingdom	212,004,088	333,263,937	173,255,776	195,086,984	252,090,362	237,312,014
Other British Countries	(a)	2,861,227	13,989,494	12,384,738	6,891,668	7,804,203
Belgium	55,143,706	104,147,161	..	..	..	68,691,768
France	149,835,946	162,034,076	..	..	..	89,579,783
Germany	106,344,696	35,027,760	..	..	..	..
Italy	4,381,197	21,186,890	..	..	..	5,408,689
Japan	7,262,683	72,659,411	..	..	..	..
Netherlands	(a)	15,701,733	..	..	..	..
Poland	(a)	6,954,917	..	..	..	..
United States of America	15,486,447	21,484,584	328,200,808	243,840,900	230,193,247	288,967,208
Other Foreign Countries	6,382,577	20,406,016	2,681,473	2,902,791	7,541,805	13,594,473
Total	556,841,340	795,727,712	518,127,551	455,115,413	496,717,082	711,358,140

(a) Included with Other Foreign Countries.

(ii) *Scoured and Washed and Carbonized including Tops, Noils and Waste—Quantities.* The exports of "scoured and washed" wool, whether carbonized or not, including tops, noils and waste during the periods shown were as follows:—

## EXPORTS OF WOOL—SCOURED AND WASHED AND CARBONIZED INCLUDING TOPS, NOILS AND WASTE : AUSTRALIA.

Country to which Exported.	Average, Five Years 1909-13.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
	lb.	lb.	lb.	lb.	lb.	lb.
United Kingdom	32,032,577	36,591,488	11,980,449	24,746,603	29,250,478	22,907,495
Canada	(a)	4,470,367	4,884,467	7,913,794	8,567,011	9,602,450
Other British Countries	(a)	1,156,535	6,096,509	8,732,929	7,092,741	8,318,004
Belgium	7,528,058	5,802,183	..	..	..	6,967,868
France	16,068,910	9,960,450	..	..	..	1,598,747
Germany	12,310,967	1,935,088	..	..	..	..
Italy	265,442	67,051	..	..	..	151,994
Japan	1,888,161	1,618,827	..	..	..	..
Netherlands	(a)	497,285	..	..	..	..
Poland	(a)	765,176	25,030,646	24,358,883	30,146,954	32,086,198
United States of America	66,156	8,080,714	3,677,088	4,543,162	6,608,211	12,883,931
Other Foreign Countries	186,839	..	..	..	..	..
Total	70,347,110	70,945,164	51,669,159	70,295,371	81,665,395	94,516,687

(a) Included with Other Foreign Countries.

(iii) *Total Value of Exports.* The value of wool exported from Australia during the five years ended 1945-46 averaged 34.8 per cent. of the value of the exports of merchandise of local origin, and during 1945-46 the proportion was 36.0 per cent. The value during the period under review together with the principal countries to which wool was exported is shown in the following table:—

## VALUE OF WOOL EXPORTS : AUSTRALIA.

Country to which Exported.	Average, Five Years 1909-13.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
	£A.	£A.	£A.	£A.	£A.	£A.
United Kingdom	10,608,967	18,513,175	13,593,272	18,475,758	22,982,119	21,523,356
Other British Countries	(a)	675,143	2,898,651	3,956,730	3,218,303	3,726,687
Belgium	2,546,915	4,720,537	..	..	..	6,120,959
France	6,494,832	7,566,458	..	..	..	7,395,245
Germany	5,131,282	1,994,320	..	..	..	..
Italy	202,434	1,175,304	..	..	..	445,439
Japan	516,528	3,804,120	..	..	..	..
Netherlands	(a)	826,198	..	..	..	34,080
Poland	(a)	403,446	..	..	..	..
United States of America	795,328	1,346,187	27,141,701	22,281,578	21,453,319	26,948,889
Other Foreign Countries	296,356	1,712,208	684,564	1,053,352	1,732,870	3,155,742
Total	26,592,642	42,737,096	44,318,188	45,767,418	49,386,611	69,260,397

(a) Included with Other Foreign Countries.

12. **Local Sales of Wool.**—Approximately 90 per cent. of Australian wool is normally disposed of locally. Under pre-war conditions buyers from the United Kingdom, France, Belgium, Germany and other European countries, and from America, Japan, China and India attended the sales conducted in Sydney, Albury, Melbourne, Geelong, Ballarat, Brisbane, Adelaide, Perth, Hobart and Launceston. Auction sales were resumed in 1946-47 following the cessation of the acquisition scheme which ended with the 1945-46 season.

13. **Value.**—Wool is the chief factor in the pastoral wealth of Australia, and the nation's prosperity is largely dependent upon the satisfactory sale of the clip. During the ten years ended 1938-39 the price of greasy wool sold in the selling centres of Australia averaged 11½d. per lb. compared with 13.94d. per lb. for the ten years ended 1945-46. The average for the nine post-war years ended 1928-29 was 18d. per lb., and for the seven pre-war years ended 1913-14 9d. per lb. The heavy decline in the price of wool which commenced in 1929-30 continued during the next three years. In 1933-34, prices rose in a remarkable manner, averaging 15.84d. per lb., compared with 8.72d. per lb., for the previous year, an increase of 81.6 per cent. A decline in 1934-35 was succeeded by a period of rising prices in the two years following, but in 1937-38 and in 1938-39 prices again receded.

As mentioned in paragraph 7 above, the price of wool during the 1939-45 War was determined by the British Government wool contract. The price fixed for the years 1939-40 to 1941-42 was 13.4375d. per lb., and for the years 1942-43 to 1945-46, 15.45d. per lb. With the return to auction sales in 1946-47, the average price of greasy wool sold reached the record figure of 24.49d. per lb.

The effect of fluctuating wool values upon the national income is reflected in the following figures. Based upon appraisement in each State plus certain adjustments as recorded by the State Statisticians, the gross value of the wool clip for Australia for 1942-43 amounted to £73,017,000 and for 1943-44 to £75,124,000 compared with £42,043,000 realized during 1938-39 under open market conditions. The value of the 1944-45 and 1945-46 clips declined to £64,894,000 and £58,597,000 respectively, as a result of decreased production. In 1924-25, when the record price was realized, the value was £81,430,000, and in the year 1930-31, £34,804,000.

The following table shows the average price per lb. of greasy wool in Australian currency determined by the British Government wool contract for the years 1941-42 to 1945-46 compared with the average auction-room price of greasy wool in Australia for 1938-39 as compiled by the National Council of Wool-selling Brokers. This latter price represents the average price realized for all greasy wool of whatever type or quality marketed during the year indicated.

WOOL : AVERAGE MARKET PRICE PER LB.

Description.	1938-39.	1941-42.	1942-43.	1943-44.	1944-45.	1945-46.	1946-47.
	d.	d.	d.	d.	d.	d.	d.
Greasy ..	(a) 10.39	(b) 13.44	(c) 15.45	(c) 15.45	(c) 15.45	(c) 15.45	(a) 24.49

(a) National Council of Wool-selling Brokers. (b) The equivalent of the contract price of 10½d. sterling.

(c) The equivalent of the contract price of 12.34d. sterling.

Measured in terms of Australian, sterling, and gold currencies the approximate values of greasy wool per lb. since 1936-37 were as follows :—

## GREASY WOOL : AVERAGE VALUES PER LB.

Year.	Australian Currency.		Sterling.		Gold Prices.	
	d.		d.		d.	
1936-37 .. ..	16.48		13.16		8.03	
1937-38 .. ..	12.51		9.99		6.15	
1938-39 .. ..	10.39		8.30		4.84	
1939-40 .. ..	13.44		10.75		5.37	
1940-41 .. ..	13.44		10.75		5.34	
1941-42 .. ..	13.44		10.75		5.34	
1942-43 .. ..	15.45		12.34		6.28	
1943-44 .. ..	15.45		12.34		6.28	
1944-45 .. ..	15.45		12.34		6.20	
1945-46 .. ..	15.45		12.34		6.10	

The average values shown in sterling and gold currencies have been calculated by converting the average prices shown in Australian currency on the basis of the average rates of exchange and the average gold prices between the months of September and June in each year. Though not exact these results will suffice for general purposes.

14. **United Kingdom Importation of Wool.**—The important position which Australia occupies in the supply of wool to the United Kingdom is indicated in the following statement of the quantities of wool imported into that country during 1938 and each year 1943 to 1946 from the principal wool-producing countries.

## WOOL (a) : IMPORTS INTO UNITED KINGDOM.

Country of Origin.	1938.	1943.	1944.	1945.	1946.
	'000 lb.	'000 lb.	'000 lb.	'000 lb.	'000 lb.
Australia .. ..	365,519	101,262	292,656	350,470	229,668
New Zealand .. ..	197,995	97,972	157,618	64,894	185,645
Union of South Africa .. ..	106,601	50,508	31,162	66,267	38,970
India .. ..	46,049	6,751	18,619	15,816	10,798
Falkland Islands .. ..	1,426	5,578	4,697	3,595	2,813
Eire .. ..	8,277	3,555	3,735	3,456	1,638
Other British Possessions .. ..	4,566	11	7	12	421
United States of America .. ..	(b)	2,394	..	(b)	(b)
Argentina .. ..	79,303	1,221	1	..	4,034
Uruguay .. ..	22,073	261	..	..	989
Other Foreign Countries .. ..	49,517	..	1	140	281
<b>Total Quantity</b> .. ..	<b>881 326</b>	<b>269,513</b>	<b>508,496</b>	<b>504,650</b>	<b>475,257</b>
<b>Total Value £'000 sterling</b>	<b>40,996</b>	<b>18,617</b>	<b>35,400</b>	<b>35,384</b>	<b>37,744</b>

(a) Greasy and scoured.

(b) Included with Other Foreign Countries.

Australian wool represented 55.4 per cent. of the total quantity imported into the United Kingdom during the four years ended 1946. New Zealand supplied 28.8 per cent. and South Africa 10.6 per cent., while the total quantity received from British possessions constituted 98.8 per cent. of all United Kingdom imports.

15. **Principal Importing Countries and Sources of Supply.**—The following table furnishes, in respect of the principal importing countries, details of their production and imports of wool for 1938, together with the chief sources of supply. The quantities imported refer to the actual weight of wool without distinguishing between greasy and scoured. They also exclude any wool imported on skins. Later details are not available.

**WOOL : PRINCIPAL IMPORTING COUNTRIES AND SOURCES OF SUPPLY, 1938.**  
(In millions of lb.)

Importing Country.	Production (a) of Importing Country.	Quantity imported from—					Total Imports.
		Australia.	Union of South Africa.*	Argentine.	New Zealand.	Other Countries.	
United Kingdom ..	110.0	365	107	79	198	132	881
Belgium ..	0.7	106	19	20	7	65	217
Czechoslovakia ..	2.0	18	4	..	..	1	29
France ..	54.4	168	52	62	22	86	390
Germany ..	44.5	49	90	56	14	97	306
Italy ..	33.0	19	22	12	..	23	76
Japan ..	..	87	5	6	11	8	117
Poland ..	12.9	14	2	14	4	..	34
U.S.A. ..	457.7	7	1	47	4	44	103
Total ..	..	833	302	302	260	456	2,153

(a) As in the grease.

As a considerable transit trade exists between continental countries, it must not be assumed that the whole of the imports recorded by these countries are retained for their own consumption. The countries chiefly concerned with the transit trade are the United Kingdom, Belgium, and France. The quantities re-exported during 1938 were :— United Kingdom, 269 million lb., or 30 per cent., of the total imports ; Belgium, 76 million lb., or 35 per cent. ; and France, 49 million lb., or 13 per cent.

## § 6. Trade in Hides and Skins.

1. **Extent of Trade.**—In addition to the hides and skins treated locally, considerable quantities are exported : the value of cattle and horse hides, and sheep and other skins sent overseas during the five years ended 1945-46 amounted to £34,781,323, or an average of £6,956,265 per annum.

2. **Sheepskins with Wool.**—The exports of sheepskins with wool, aggregating £9,688,183 during the five years above, constitute an important item in the values referred to in the preceding paragraph, although the largest export in this period was that of rabbit skins valued at £20,003,742. During 1938-39 France was the largest purchaser of sheepskins with wool, taking 74 per cent. of the total consignments, while the United Kingdom ranked next with 15 per cent., followed by Germany with 7 per cent. In 1945-46, France obtained 47 per cent. of total exports, the United States of America 28 per cent., Belgium, 12 per cent., and the United Kingdom, 11 per cent. The exports of sheepskins with wool during each of the years 1942-43 to 1945-46 compared with 1938-39 were as follows :—

### EXPORTS OF SHEEPSKINS WITH WOOL : AUSTRALIA.

Particulars.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
Number ..	12,625,200	4,616,761	3,220,448	6,716,400	18,811,654
Value £A.	2,301,800	1,078,941	1,000,386	1,489,602	4,363,835



3. **Sheepskins without Wool.**—Up to 1943-44 sheepskins without wool were exported chiefly to the United States of America. During the year mentioned this country accounted for 97 per cent. of the total shipments while the remaining 3 per cent. were exported to the United Kingdom, Canada and the Soviet Union. In 1944-45 and 1945-46, however, there was a decline in shipments to the United States of America and an increase in the quantities shipped to the United Kingdom; in the latter year these countries received 46 per cent. and 53 per cent. of total shipments, respectively. Quantities and values for the four years 1942-43 to 1945-46 compared with 1938-39 are shown in the table hereunder :—

**EXPORTS OF SHEEPSKINS WITHOUT WOOL : AUSTRALIA.**

Particulars.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
Number	1,075,895	3,642,179	3,651,958	4,010,146	2,850,201
Value £A.	68,152	307,477	337,374	343,142	243,126

4. **Hides.**—(i) *Exports.* The export trade in cattle hides during 1945-46 was distributed as follows :—United Kingdom, £138,019; United States of America, £75,918; Belgium, £12,400; Other countries, £3,205.

The exports during the four years 1942-43 to 1945-46 compared with 1938-39 are shown in the table below :—

**EXPORTS OF CATTLE HIDES : AUSTRALIA.**

Particulars.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
Number	1,186,543	72,526	171,421	157,432	189,863
Value £A.	896,752	49,156	273,044	206,925	229,542

Calfskins exported during the five years ended 1945-46 numbered 38,904 valued at £14,720. Export of horse hides during the same period numbered 74,477, valued at £97,913.

(ii) *Imports.* The imports of cattle hides and calfskins are fairly large, the chief source of supply being New Zealand, and small quantities are obtained from the Pacific Islands, France and Italy. The quantities and values of cattle hides, including calfskins, imported into Australia during the years 1938-39 and 1942-43 to 1945-46 were as follows :—

**IMPORTS OF CATTLE HIDES AND CALFSKINS : AUSTRALIA.**

Particulars.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
Quantity cwt.	80,641	73,673	47,139	50,355	60,600
Value £A.	280,273	316,255	176,038	205,181	365,092

5. **Other Skins.**—The exports of skins other than those mentioned in the preceding paragraphs were valued as follows:—

**EXPORTS OF OTHER SKINS : AUSTRALIA.**

Description.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
	£A.	£A.	£A.	£A.	£A.
Rabbit ..	(a) 429,140	1,986,198	4,493,699	3,864,263	(a) 6,290,938
Opossum ..	16,040	13,638	37,593	135,936	86,903
Kangaroo ..	169,078	158,236	210,889	338,238	477,330
Fox ..	27,767	89,946	272,389	78,066	52,845
Wallaby ..	9,640	13,462	50,082	19,885	26,570
Other ..	25,912	11,894	65,878	90,115	21,179
<b>Total ..</b>	<b>677,577</b>	<b>2,273,374</b>	<b>5,130,530</b>	<b>4,526,503</b>	<b>6,955,765</b>

(a) Includes hare skins.

These skins were shipped principally to the United States of America, the United Kingdom and Canada and the values taken by each in 1945-46 are shown in the following table:—

**OTHER SKINS : EXPORTS TO UNITED STATES AND UNITED KINGDOM, 1945-46.**

Country.	Rabbit Skins.(a)	Kangaroo Skins.	Fox Skins.	Other (Opossum, Wallaby, etc.).	Total.
	£A.	£A.	£A.	£A.	£A.
United Kingdom ..	206,300	36,916	36,987	41,764	321,967
United States of America ..	5,519,742	431,992	15,733	85,806	6,053,273
Canada ..	541,401	8,422	..	6,357	556,180
Other Countries ..	23,495	..	125	725	24,345
<b>Total ..</b>	<b>6,290,938</b>	<b>477,330</b>	<b>52,845</b>	<b>134,652</b>	<b>6,955,765</b>

(a) Includes hare skins.

6. **Marketing of Hides and Skins.**—(i) *Sheepskins with Wool.* In April, 1940, the United Kingdom Government agreed with the Commonwealth Government to acquire the "exportable surplus" of woollod sheepskins in Australia.

The "exportable surplus" is determined by competition at auction between Australian fellmongers and export packers licensed in terms of their pre-war trade in such product.

The price of the woollod skins was fixed by appraisalment under the Sheepskin Table of Limits, which took into account the following factors:—

- (a) The wool content—the value of which is fixed in relation to the "scoured skin wool" section of the Wool Table of Limits;
- (b) the value of the pelt—which is reviewed quarterly; and
- (c) the cost of fellmongering the skins.

The contract with the United Kingdom expired on 30th June, 1946 and, since then sheepskins have been marketed principally at open auction with export freely permitted as in pre-war times.

Owing to the high world parity price levels of wool and pelts, sheepskin prices have been very high since the return to open marketing.

(ii) *Sheep and Lamb Pelts.* Pelt prices rose rapidly overseas in the war years and, by 1944, it had become essential to establish some form of marketing control in order to safeguard the Australian sheep leather tanning industry. The Sheep and Lamb Pelt Advisory Committee was established to allocate to tanners their current requirements from the production of Australian fellmongeries.

The Committee has operated on a voluntary basis under the aegis of the Hide and Leather Industries Board.

The "two price" problem has continued in the post-war period and it has been necessary for the Committee to continue to function in 1947.

The future of this voluntary control is under consideration.

(iii) *Hides and Leather.* Late in 1939 it became necessary to introduce a scheme for the control of the marketing of hides and leather and suitable action was taken by Regulations under the National Security Act. The Australian Hide and Leather Industries Board was appointed to administer the scheme.

All cattle hides and yearling and calf skins were to be submitted for appraisalment in accordance with a Table of Limits prepared by the Board. On appraisalment they were acquired by the Board acting on behalf of the Commonwealth and thereupon became the property of the Commonwealth. The owners of the hides and skins immediately prior to acquisition received compensation at varying rates determined by the Minister from time to time. Hides and skins acquired by the Board are sold on behalf of the Commonwealth. Tanners' purchases of hides are regulated and exports of hides, skins and leather are controlled.

When the scheme commenced, hide export prices were much higher than the domestic appraised prices which, in the case of hides, were 20 per cent. above immediate pre-war levels. About the middle of 1940, however, the oversea market for hides and skins collapsed. The scheme stood the strain of the reversed position. Appraisalment continued as before, the rates of compensation to hide owners were reduced by 25 per cent. for a time and the fund already built up by the Board acted as a cushion for the change-over period.

The export price position later improved and continued to improve to such an extent that, about the end of 1941, the healthy position of the Board's funds enabled compensation to be paid to the original owners of hides at the rate of 110 per cent. of the appraised prices. The rate of compensation has since varied from time to time according to the state of the Board's finances, the highest rate of compensation reached being 120 per cent. of the appraised prices. The exceptionally heavy demand for hides for the production of leather necessary to manufacture large quantities of military boots resulted in a war-time demand by Australian tanners for hides which exceeded Australian hide production. A special arrangement was entered into with the New Zealand Government for the purchase of New Zealand hides, and additional quantities were sought from other sources of supply. The production of leather in Australia now greatly exceeds pre-war levels and hide exports from Australia are small.

World parity prices of hides and leather are still far above Australian domestic price levels and the Commonwealth Government has found it necessary to continue in 1948 the marketing control scheme which has operated since 1939.

(iv) *Rabbit Skins.* A marketing control scheme for rabbit skins was introduced under the National Security (Rabbit Skins) Regulations on 10th June, 1940. After the outbreak of war, rabbit skin prices rose sharply owing to the keen demand from overseas. In order that the prices of military and civilian hats in Australia might be kept at reasonable levels and that sufficient skins should be available to Australian hat manufacturers at prices which would enable them to produce hats at those price levels, a scheme of marketing control became necessary.

The Australian Rabbit Skins Board was appointed to administer the scheme. The basis of the scheme is the payment to hat manufacturers of compensation equivalent to the difference between appraised prices in a Table of Limits prepared by the Board, which are based on a Commonwealth Prices Commission determination, and ruling open market prices.

Funds for the payment of such compensation are provided by collections from a levy imposed on the export of rabbit skins under the Rabbit Skins Export Charges Act 1940. Since 1941 rabbit-skin prices have been extraordinarily high, reaching a peak in 1946. The rate of export levy has fluctuated on a number of occasions according to the state of the Board's finances. In some periods the levy was entirely suspended, whilst the highest rate it has reached has been 18d. per lb. The imposition of the levy was suspended in October, 1944, and during this period the Board operated on reserve funds. It was renewed in July, 1946, but in January, 1947, approval was given for a further suspension until May, 1947. In order that compensation payments should be kept as low as possible, the quantities of rabbit skins which hat manufacturers may buy at appraised prices are closely regulated. Investigations into the operations of all Australian hat manufacturing establishments have enabled the Board to do this, although the position was complicated by the heavy demand for military fur felt hats. The future of the scheme in the post-war period beyond 1947-48 has yet to be determined.

### § 7. Tallow.

1. **Production.**—Australia's production of tallow is in excess of local requirements and considerable quantities are normally available for export. The recorded production in factories is incomplete as production in establishments which do not come within the definition of a factory is excluded. More complete details, but on a calendar year basis, are however, available. These relate to production in all slaughtering establishments and are shown in the following table for each year 1943 to 1946.

#### TALLOW : PRODUCTION IN SLAUGHTERING ESTABLISHMENTS, AUSTRALIA.

Type.	1943.	1944.	1945.	1946.
	cwt.	cwt.	cwt.	cwt.
Edible .. .. .	1,152,825	1,050,124	898,831	354,934
Inedible .. .. .	315,423	300,017	222,533	712,840
<b>Total .. .. .</b>	<b>1,468,248</b>	<b>1,350,141</b>	<b>1,121,364</b>	<b>1,067,774</b>

2. **Consumption.**—Details of net exports and consumption in factories are given in the following table for the four years 1942-43 to 1945-46 in comparison with 1938-39 :—

#### TALLOW : NET EXPORTS AND CONSUMPTION IN FACTORIES, AUSTRALIA.

Particulars.	1938-39.	1942-43.	1943-44.	1944-45.	1945-46.
	cwt.	cwt.	cwt.	cwt.	cwt.
Net Exports .. .. .	560,241	99,059	590,676	421,573	146,445
Consumption by Factories..	539,095	1,083,424	896,213	900,363	850,005

3. **Marketing.**—A modified control operates on the marketing of tallow. Exports of tallow are closely regulated. In respect of tallow shipped overseas the excess returns received over the fixed Australian domestic prices are paid by the exporters into a pool or equalization fund, from which a distribution is made to tallow producers generally.