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Too high or too low a departure from the average costs of labour in total farm costs, without any results either in the building of capital or in the increase in income from sale of produce, always leads to a low return for the operator. This has been so in about 40% of the cases in the Riverina and 35% in the South Western Slope.

Overhead costs, if they are far above the average proportion, show a low return on capital. This was more true of farms with wool as the main enterprise.

### **Conclusion.**

The number of farms included in this study of the Farm Record Project is limited and the results are only for one year. Thus it is not possible to arrive at any definite conclusions. However, it is possible to arrive at some general deductions. About 35% of farms examined both in the South Western Slope and the Riverina showed less than 5% return on capital invested, and the operator's earnings in all these cases were less than £338. In about 18% of the farms the labour costs were higher than the average, and the net farm income and the percentage of return from capital were far below average. In other words it is an indication of the inefficiency of labour. About 18% of the farms examined had lower labour costs and lower net farm income and return from capital than the average. This may be an indication of less labour being used than is needed when the labour capacity of the farmer is only average or less than average.

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### **GENERAL NOTES AND NEWS.**

Advice has been received from the Commonwealth Department of Supply and Shipping that the prohibition on the export of broom millet fibre, which has been in operation over the past three years, has now been lifted.

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An official forecast of pome fruit production in New South Wales this year, based upon the outlook at 6th February, 1946, is for a total yield of 1,052,000 and 208,000 packed bushel cases of apples and pears, respectively. However, it should be borne in mind that the occurrence of damaging factors, such as hail, disease, pests, etc., could reduce the quantity of fruit finally harvested. Production, so far as apples are concerned, is thus likely to be substantially ahead of last season, when the total yield was approximately 500,000 bushels. Pear yields in that year totalled about 270,000 bushels.

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The Division has been called upon to advise the Minister as to the suitability of a site in the metropolitan area for the erection of a large cold-storage plant for fruits, vegetables, meat, eggs, etc. A preliminary inspection has been carried out and a recommendation is being made to the appropriate authorities. Should the venture finally assume concrete form, the present inadequate cold-storage facilities for fruits and vegetables will be substantially improved.

The Markets Advisory Committee, on which the Chief of the Division represents the Minister, recently inspected possible new sites for Fruit and Vegetable Markets at Alexandria, St. Peters and Pagewood. The problem of congestion in the City Markets and environs has become increasingly pressing in recent years and discussions are now taking place as to the practicability of transferring the markets to a larger and more appropriately-situated area not far from the heart of Sydney. The Committee subsequently conferred with the Lord Mayor on this subject.

The Australian Agricultural Council has endorsed the recommendation of the Standing Committee that the activities of District War Agricultural Committees should generally cease not later than 31st March, 1946. The Council also endorsed the view that if any State desires to retain any officials for special purposes beyond the date mentioned, it should state the circumstances to the Director-General of Agriculture.

The Acting Minister for Trade and Customs has announced the removal of wholesale "ceiling" prices on beetroot, celery, turnips, carrots and parsnips. It is understood that the decision will be effective from 18th March. These vegetables are additional to those particularised in these Notes in the February issue. Retailers' margins are still to be the subject of price control.

Complaints have recently been made as to the poor quality of a proportion of the eggs supplied to retailers by the Egg Marketing Board. Inquiries made of the Board revealed that despite the long period of hot, humid weather, complaints are no more numerous this season than in former years at the corresponding time. The eggs now delivered to the Board are candled, graded and cleared daily to shops within twenty-four hours and there is therefore no delay in handling at the Board's floor. Investigations have shown that the fault sometimes lies with the retailer, the keeping qualities of eggs depending upon the length of time the eggs are held and the conditions under which they are stacked pending disposal. In other instances it has been found that eggs complained of were not supplied by the Board but by poultry farmers holding Producer Selling Permits.

The f.a.q. standard of New South Wales wheat has been fixed at  $63\frac{1}{2}$  lb. a bushel for the current season, representing an increase of  $\frac{1}{2}$  lb. on the last year's standard.

A long-term purchase agreement has been agreed to between the Governments of Australia and the United Kingdom for the sale and purchase of the exportable surplus of Australian dried vine-fruits for 1946, 1947 and 1948. The prices, in English currency, will be: Currants, One Crown and upwards, £40 a ton, f.o.b.; Sultanas, One Crown and upwards, £52 a ton; Lexias, Four and Five Crown only, £51 10s

To assist in Australia's food production, negotiations are in progress for the importation of 10,000 tractors. Pre-war importations averaged 3,000 yearly.

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The Australian Agricultural Council, at its meeting in Sydney during February, decided that State and Commonwealth authorities should co-operate in preparing period market outlook statements for the primary industries. Work in this connection in respect of New South Wales will be principally in the hands of this Division.

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Liaison arrangements have been established between this Division and the new Commonwealth Bureau of Agricultural Economics. This liaison will enable the closest co-operation on surveys and investigations of mutual interest, and a fuller interchange of information concerning economic developments in Australian agriculture, particularly as it concerns the market outlook for the main primary products.

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An officer of this Division participated in recent State and Commonwealth discussions on planting policy for the citrus industry. Assistance has already been given to the Commonwealth in the preliminary work on an apple and pear survey shortly to be undertaken along similar lines to the earlier citrus survey.

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## **SALES OF LIVESTOCK AT HOMEBUSH, SYDNEY**

**February, 1946.**

### **SHEEP.**

#### **Supplies Fall Off.**

Following on the beneficial rain which was received in many parts of the State during the month, the supply position in respect of both sheep and lambs deteriorated considerably, supplies falling far short of normal requirements. Yardings at Homebush amounted to 186,272 head, representing a decline of 91,908 compared with the January penning.

#### **Prime Sheep Scarce.**

Wethers and ewes submitted aggregated 120,232, suitable trade sheep forming a substantial proportion of the offerings. Generally, there was a scarcity of prime heavy grades, more particularly crossbred wethers. Heavy ewes at times made a fair showing, some extra heavy drafts being included.