THE FRESH FRUIT INDUSTRY IN N.S.W.

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The Australian fruit industry has progressed steadily over the last fifty years and now provides an important source of agricultural income. Value of production increased from approximately two million pounds per annum in the early part of the century to over nineteen million pounds in 1943-44.

Of all the States, New South Wales has always contributed the largest share. The main centres of citrus production are in New South Wales. Average production of oranges, lemons and mandarins in New South Wales for the five years, 1941-42 to 1945-46 was 52 per cent. of the average Australian production for those years. About half the total quantity of bananas produced in Australia are grown in New South Wales. With regard to stone fruit, average production for 1941-42 to 1945-46 was 26 per cent. for peaches, and 30 per cent. for prunes, apricots, plums and cherries of average Australian production for that period. Apples and pears are grown to a less extent in this State, average production over the same five-year period being 7 per cent. and 11 per cent., respectively, of the average Australian total for those years.

Average annual production of the various fruits for the eight years, 1939-40 to 1946-47, is set out in Table 1.

TABLE 1.

Production of Fruit in New South Wales.

Fruit.	Average Production 1939–40— 1946–47.	Fruit.	Average Production 1939–40— 1946–47.
	bush.		bush.
Oranges	2,078,819	Peaches	611,286
Lemons	292,962	Plums	140,284
Mandarins	195,543	Prunes	187,698
Apples	878,519	Apricots	203,143
Pears	303,754	Cherries	136,286
Bananas*	1,195,444	Passionfruit ...	39,320

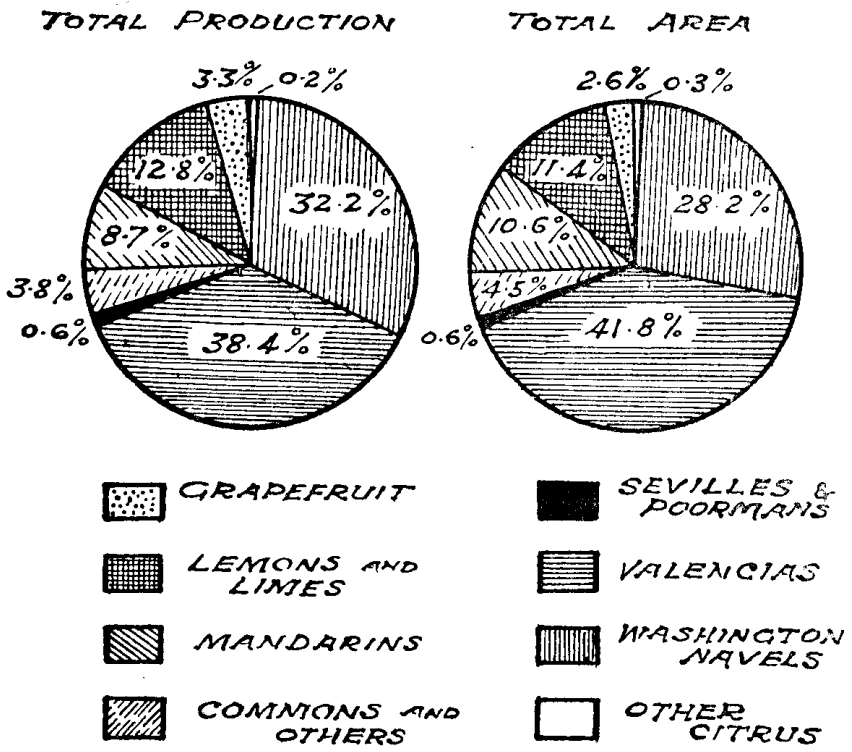
* Cases.

Trends in Citrus Fruit Production.

Citrus production is centred in several main districts of which the Murrumbidgee Irrigation Area, the Gosford-Wyong and the Murray River districts are the most important. Other citrus areas include Windsor, Hawkesbury River, Hills, Hornsby, Kurrajong, Central Coast and Central West districts. The main bulk of citrus production thus occurs within three divisions of the State—the Riverina, Hunter and Manning and Metropolitan.

Valencia and navel oranges together comprise the bulk of citrus produced in the State. Production of lemons, mandarins, grapefruit and Commons is considerably smaller. Results of a survey directed by the Bureau of Agricultural Economics, Department of Commerce and Agriculture, show the composition of New South Wales citrus production and area as estimated for the average of the three years, 1946-48 (Fig. 1).

FIG. 1.* COMPOSITION OF NEW SOUTH WALES CITRUS FRUITS BY VARIETIES : 1946-48



Extracted from "Report on the Citrus Industry Survey, 1945," Bulletin No. 1, Department of Commerce and Agriculture.

Production of oranges and mandarins for the State as a whole has remained fairly stable over the last eight years. Within individual areas, however, some changes have been apparent. For example, in the Hunter-Manning Division a definite increase in production has occurred over this period, approximately 70,000 more trees having come into bearing.

Total New South Wales production of lemons has shown an upward trend. This trend is largely the result of increased production in the Hunter-Manning and Metropolitan Divisions. In the Hunter-Manning Division 38,000 more trees were in bearing in 1946-47 than in 1939-40. For the Metropolitan Division the increase in bearing trees was about 30,000.

Although no definite downward trend in production of mandarins may be observed, the numbers of bearing trees in the chief mandarin-producing districts have decreased quite substantially. In the Metropolitan area alone the number of bearing trees decreased by approximately 56,000. This seems to indicate the removal of considerable areas of worn-out, low-yielding trees during recent years.

Tree health was one subject of investigation in the survey conducted by the Bureau of Agricultural Economics. It was found that more than half the total healthy acreage of citrus consisted of Valencias and Washington Navels. The most important healthy Valencia areas were Gosford, Hornsby and the Murrumbdigee Irrigation Area, and the most important Navel acreages were in the Gosford, Murrumbidgee Irrigation Area, Murray River and Windsor districts.

Permanently unhealthy Valencias occur to the greatest extent in the Murrumbidgee Irrigation Area, Murray River, Hornsby and Kurrajong districts and comprise about 19 per cent. of total area bearing. Decline of Washington Navels is apparently mainly in the Murrumbidgee Irrigation Area, Murray River and Central Coast. It is estimated that 23 per cent. of the total area of bearing Washington Navels is unhealthy. For other oranges as much as 40 per cent. of the total bearing area is unhealthy. Largest areas of declining mandarins are found in the Hills, Windsor, Kurrajong and Central Coast regions; 24 per cent. of the total bearing area of this fruit is estimated to be unhealthy. About 27 per cent. of the total bearing acreage of lemons and limes is believed to be unhealthy, the bulk of unhealthy trees occurring in the Murrumbidgee Irrigation Area, Gosford and Hills districts. Unhealthy grapefruit trees are found mainly in the Murray River, Murrumbidgee Irrigation Area and Gosford districts, total declining area amounting to 19 per cent. of total area bearing.

Such extensive occurrence of unhealthy trees is an indication of the extent to which increased efficiency of the citrus industry is yet possible. The occurrence of relatively large areas of unhealthy and unprofitable trees may be attributed to several factors. Plantings made at the beginning of the century when citrus growing was expanding rapidly have now in many cases passed the stage of profitable production as the result of normal decline in productivity. Failure to replace such plantings in recent years may be partially due to high prices which have prevailed over recent years, making retention of these trees profitable for a longer period than would normally be the case. Apart from normal decline in productivity, unsatisfactory tree health results from inefficient orchard management, unsuitability of soil and situation, and in the Murrumbidgee Irrigation Area from widespread damage by salting of the irrigated soils and by Phytophthora Root Rot disease.

New plantings of Valencias have been made over the last few years, mainly in the Murrumbidgee Irrigation Area, Gosford, Murray River and Kurrajong districts. Total non-bearing acreage of Valencias exceeds the area which is permanently unhealthy so that on present plantings production of this variety should be

at least maintained during the next few years. The area of non-bearing Washington Navels, on the other hand, is less than the unhealthy area by about 500 acres. Most of the non-bearing Navel trees are in the Gosford, Windsor, Wyong and Murrumbidgee Irrigation Area districts. Plantings of other oranges and of mandarins have been restricted, the non-bearing acreage representing 13 per cent. of the declining area only. This trend may be regarded as a reflection of the comparatively low returns obtained from these fruits. Increased popularity of grapefruit is reflected in recent plantings which exceed total declining area.

In many districts considerable areas have been cleared recently for the establishment of new orchards and expansion of existing orchards. Remunerative markets during the war years have led many to take an optimistic view of the future of the industry. The advisability of further expansion of the citrus industry has been questioned by many who believe that prospects for expansion of the citrus market are limited.

In the report made by the Bureau an attempt was made to estimate the extent to which expansion is desirable. Taking into consideration likely replacements, estimates of production based on present plantings have been made for 1956. Production of Valencias is expected to increase considerably in the Hills district, Murray River and Murrumbidgee Irrigation Area. Total production of Valencias may increase by approximately 34 per cent. There will be a decrease in production of Washington Navels in the Murrumbidgee Irrigation Area, but an increase in the Windsor and Murray River districts, but an overall decrease of approximately 8 per cent. is expected. Sevilles and Poormans will increase by less than 1 per cent., Commons and others will decrease by 30 per cent. Total change in production of oranges will be an increase of approximately 9 per cent. Indications are that production of mandarins will fall by nearly 16 per cent., lemons and limes will rise by about 12 per cent., and grapefruit will rise by as much as 49 per cent. Total change in citrus production will amount to an increase of almost 9 per cent.

Total Australian requirements by 1956 have been estimated at 9.6 million bushels on the basis of estimate of average production over the next three years (this assumes the present level of production meets requirements of present population), plus allowance for 14 per cent. population increase, plus allowance for improved nutrition, plus an increase in exports to New Zealand of 200,000 bushels.

Forecasted production of citrus for Australia for 1956 is 7.8 million bushels. On the basis of an average yield of 250 bushels per acre, 7,200 acres of new plantings in Australia are needed to produce the required quantity. The Australian Agricultural Council in 1946 adopted 7,300 acres as the most desirable area to be planted. Of this total, it was recommended that the area planted by New South Wales should not exceed 2,500 acres.

Trends in Apple Production.

Production of apples in New South Wales has fluctuated considerably over the period 1939-40 to 1946-47, no pronounced

trend being apparent for the State as a whole. In several districts, however, a slight upward trend has occurred. In the Northern Tablelands Division over the eight-year period ended 1946-47 production has increased, as over 74,000 more trees have come into bearing. This district is now the second in importance with regard to number of bearing trees, although production has not yet reached that of the apple districts of the South-western Slopes. The Central Tableland is the most important apple district in regard to both numbers of trees and production. Indications are that this district will remain in this position for some years at least. Over 38,000 more trees have come into bearing over the eight-year period ended 1946-47.

Although a downward trend in production is not yet noticeable in the Riverina, a definite reduction in acreage under apples has taken place. About 30,000 less trees were producing in 1946-47, compared with 1939-40. This decline may be attributed largely to the decrease in plantings in the Murrumbidgee Irrigation Area, which is now considered unsuitable for apple-growing.

Trends in Pear Production.

No trend in production of pears over the last eight years is apparent, production fluctuating over this period about the average of 303,750 bushels per annum. The Central Tableland area is the most important centre of pear production and appears likely to maintain this position on present plantings. The South-western Slopes is the next most important pear-producing district, followed by the Northern Tablelands. In both districts production should remain at about the present level during the next few years.

Trends in Stone Fruit Production.

Production of peaches in New South Wales has fluctuated over the last eight years, a particularly heavy crop of approximately 985,000 bushels being obtained in 1946-47 after a low crop the preceding year.

The Riverina produces over half the total quantity of peaches harvested each year in this State. The area under peaches in the Riverina has increased over the last eight years. There are over 50,000 more bearing trees and 62,000 more non-bearing trees than there were in 1939-40. Other important areas are the Metropolitan, Hunter and Manning, and South-western Slopes. Production has tended to increase over the eight-year period in review, with about 29,000 more trees now in bearing than there were in 1939-40. Numbers of non-bearing trees, too, have increased. Although annual production in the South-western Slopes has fluctuated considerably, an upward trend may be observed. Over 8,000 more trees are now in production than there were in 1939-40.

Levels of production of plums, prunes, apricots and cherries have not changed significantly over the last eight years. Most of the State's harvest of plums comes from the Central Tableland and Metropolitan Divisions. The South-western Slopes and Hunter and Manning Divisions also contribute substantially to the State's production. Prunes are grown mainly on the South-western Slopes and, to a less extent, in the Riverina. Apricots

are produced mainly in the Riverina and Central Tablelands Divisions. Main centres of cherry production occur in the South-western Slopes at Young, Orange, Batlow and on the Southern and Northern Tablelands.

Trends in Banana Production.

New South Wales leads all the States in production of bananas. Most of the State's production is grown on the North Coast. A small quantity comes from the Hunter-Manning Division, but production from this source has declined sharply over the last few years.

After the establishment of the banana industry in New South Wales in 1912, area and production increased rapidly until 1922 when "Bunchy Top" disease began to threaten the entire industry. As a result, area under bananas decreased from 4,750 acres in 1921-22 to 1,002 acres in 1924-25. Control of the disease was obtained eventually and the industry began to expand once more, reaching its highest peak in 1935 when acreage totalled 16,072 acres. At this stage fears of overproduction led to the discouragement of further expansion. Since then, area under bananas each year has been maintained just below the 1935 level.

Bananas are exported from New South Wales to Victoria, South Australia and sometimes New Zealand.

Pre-War Trends in the Export Trade.

Although most of the fruit produced in New South Wales is consumed locally, the export trade makes an important contribution to the prosperity of the industry. The United Kingdom has been our main export market in the past. However, trade with that country before the war had reached the stage when further expansion was severely limited. Other oversea markets for fruit exports from New South Wales included European countries, India and intermediate way-ports to England, Canada, New Zealand, China and the East, Netherlands East Indies, Straits Settlements and Pacific Islands. Principal fruits exported to these countries were apples and pears, citrus, Ohanez grapes and plums. Table 2 shows the level of fruit exports to various countries before the war.

TABLE 2.

New South Wales Fruit Exports Pre-war—Overseas Destinations and Quantities. Average 1932-33 *to* 1936-37.

Overseas Destinations.	Oranges.	Lemons.	Apples.	Pears.	Grapes.	Other.
	cases.	cases.	cases.	cases.	cases.	cases.
Canada	5,241	3,419	132	1,275	2,849	37
China	3,601	932	12,081	3,684	5,249	271
Dutch East Indies	2,823	37	9,915	3,018	2,643	1,423
India and Ceylon...	366	19	582	123	1,102	98
Pacific Islands ...	1,675	14	5,074	1,085	897	2,351
New Zealand ...	26,471	528	.....	.....	.....	21,147
Straits Settlements	4,649	284	6,464	2,549	5,575	772
United Kingdom ...	56,373	377	130,963	18,407	499	4,719
Other Destinations	2,687	9	5,173	482	1,091	39
Total	103,866	5,621	170,384	30,623	19,906	30,856

Apples and pears comprise most of the fruit exported by New South Wales. The bulk of these went to the United Kingdom but the pre-war tendency was towards restriction of this market. Imports of apples and pears to the United Kingdom were subjected to a quota system several years before the war. Markets next in importance were China, Netherlands East Indies, Pacific Islands and Straits Settlements. Canada was taking increasing quantities of our pears in the years preceding the war.

Apple exports to China were small but regular. Competition from Japan and Korea, the United States and, to a lesser extent, Canada, kept our share on this market low. However, it was increasing gradually before the war. Australia's share in the apple market of the Netherlands East Indies was declining pre-war. On the other hand, the United States, Japan and Singapore were improving their position.

The United Kingdom and New Zealand provided the main markets for Australian citrus fruits before the war. In 1932 New Zealand prohibited the introduction of all fruits and vegetables from Australia. New South Wales citrus growers particularly were affected by this move. The embargo was later modified, but not till 1947 was the ban on exports from the coastal districts of New South Wales lifted.

As a result of the New Zealand embargo citrus exports to the United Kingdom were encouraged by the Commonwealth Government. Thus a temporary increase in exports to this market was obtained. Fruit from South Africa and Brazil competed with the Australian product on the New Zealand market.

Although entry of Australian citrus into Canada was free of duty and duty of 35 cents per case was payable on Californian fruit, the latter competed successfully with the Australian product before the war. The main markets for fruit from New South Wales were limited to the western provinces of Canada, but the large centres of population are in Eastern Canada. Extra transport costs made it unprofitable to place fruit on this market.

Australia's share of the citrus market of the Netherlands East Indies was declining before the war, while that of the United States, South Africa and Singapore was increasing. Preference for the American product was due to greater sweetness, higher juice content and greater uniformity of packing and grading.

Small quantities of citrus were exported to China. The United States, Japan and Formosa shared the main part of the market. Exports of citrus were mainly to New Zealand, Malaya and other British countries. Shortage of shipping space and priority for meat above fruit exports continues to restrict exports of fruit to the United Kingdom.

Quantities of apples, citrus and other fruits exported from New South Wales since 1939 are shown in Table 3.

TABLE 3.

Fresh Fruit Exports from New South Wales since 1939.

Year.	Apples.	Citrus.	Other.
	centals.	centals.	centals.
1939–40	13,197	98,373	25,132
1940–41	10,931	104,823	11,774
1941–42	9,803	78,040	4,051
1942–43	9,370	33,867	4,938
1943–44	21,327	44,648	5,151
1944–45	13,433	30,904	2,439
1945–46	21,933	20,931	8,273
1946–47	47,944	63,698	10,580

General Outlook for the Fruit Industry.

This question must be dealt with from the point of view of Australia's position as a whole. In the report made by the Bureau of Agricultural Economics three factors are taken into consideration, future trends in the local market, in the oversea market and in production from existing areas.

All calculations relate to requirements and markets by 1956. In estimating the requirements of the local markets by that date, it is assumed that population will have increased by one million with a resultant increase of 14 per cent. on pre-war Australian demands for fruit.

Pre-war trend in fruit consumption per head was of the order of only 0.2 per cent. increase in fresh fruit excluding citrus, 9.4 per cent. in citrus, 2.9 per cent. in dried tree fruits, and 5.5 per cent. in canned fruit over the ten-year period ended 1938-39. It is considered that local consumption per head will increase by 5 per cent. for all fruits except dried vine fruits, prunes and citrus. Consumption of the latter will probably increase by 16 per cent., 20 per cent. and 30 per cent., respectively. The greater increase expected in the next few years is thought to be justifiable on the grounds that incomes should remain at a generally higher level in the post-war period than they were pre-war. Increased emphasis and publicity on nutritional needs may also stimulate fruit consumption. Main considerations, however, are high income levels and prices sufficiently low in relation to permit purchase of the necessary nutritional requirements.

With regard to export markets, the Bureau considers that the only additional markets which can be counted on with any degree of certainty are increased fresh pear exports to the United Kingdom and citrus exports to New Zealand. Any further increase in fruit exports will depend primarily on improved levels of living in various countries. On such a basis, increased exports of apples to several European countries may be possible. However, it is unlikely that these countries will have recovered sufficiently within the next few years to provide a significantly larger market for our fruit. A vast potential market exists in countries of the Near

East, but here again low income levels will prevent any significant expansion of markets for some years at least. Even supposing the world's needs for fruit increase substantially, Australia must compete with other exporting countries for the markets. To do so, efforts should be directed at producing and marketing a high quality product at as low a cost as possible.

Negotiations at the Geneva Trade Conference have resulted in Australia maintaining the full benefit of preference on fresh apples in the United Kingdom market. Moreover, the position in other markets has been improved. The American duty has been reduced by 2½ cents per box. Reduction of from 6 per cent. to 12 per cent. in French duties, according to the season, has been obtained. Czechoslovakia has reduced duties by 30 per cent., and Norway by 50 per cent. Although as yet it is difficult to assess the effect of these concessions, the outlook for the export trade in fresh fruit seems brighter. On the other hand, modification of preferential tariff rates on canned and dried fruits may outweigh the benefits resulting from these concessions. The canned fruit trade which has developed considerably in recent years may particularly be affected. High quality, efficient grading and attractive get-up of the product are essential if we are even to maintain our present position in the world's markets.

As a result of the survey made by the Bureau, recommendations as to areas of fruit which might safely be planted to meet the total demand by 1956 were made. It was considered that citrus plantings could be increased by 7,000 acres, wine grapes by 2,500 acres, peaches by 1,000 acres, and prunes, figs, etc., by 500 acres.

A further recommendation was made based on a more favourable economic outlook and involving a certain element of risk. In this recommendation expansion of acreage under apples and pears, apricots and dried vine fruits was included. Figures eventually adopted by the Australian Agricultural Council, representing a further increase in almost all items, are set out in Table 4. The area allotted to New South Wales is indicated in Fig. 2.

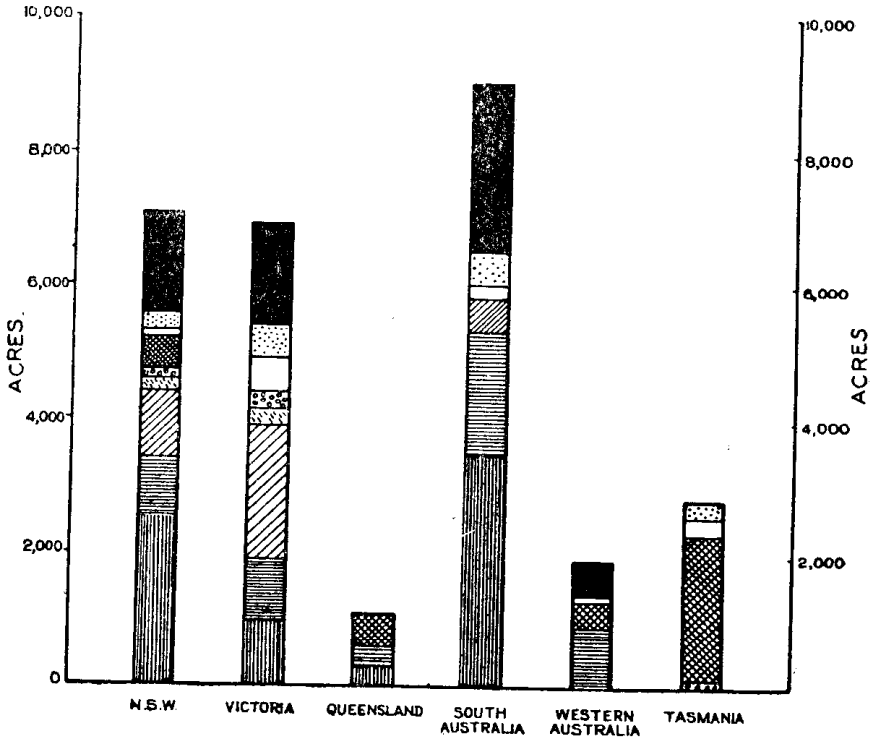
TABLE 4.

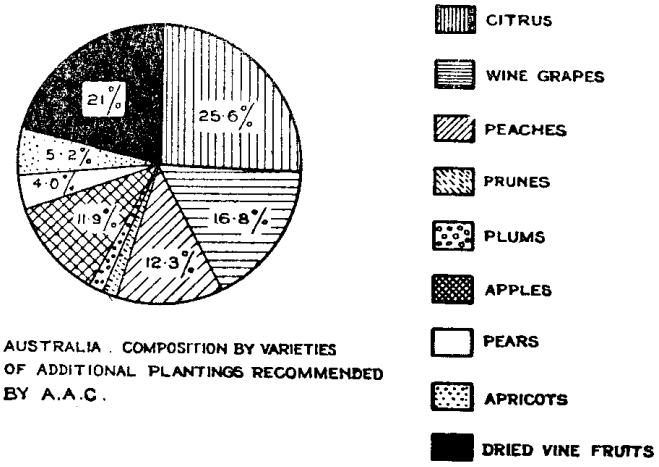
Recommended Increase in Plantings (Australia).

Fruit.	Bureau of Agricultural Economics (based on more optimistic economic outlook).	Australian Agricultural Council.
	acres.	acres.
Citrus	7,000	7,300
Wine Grapes	4,500	4,800
Peaches	1,000	3,500
Prunes	500	450
Plums	.....	450
Apples	1,500 to 2,500	3,400
Pears	500	1,150
Apricots	500	1,500
Dried Vine Fruits ...	1,000 to 2,000	6,000
Total	15,500 to 18,500	28,550

FIG. 2.

ADDITIONAL PLANTINGS
RECOMMENDED BY AUSTRALIAN AGRICULTURAL COUNCIL.





AUSTRALIA. COMPOSITION BY VARIETIES OF ADDITIONAL PLANTINGS RECOMMENDED BY A.A.C.

Extracted from "Economic Outlook for the Horticultural and Viticultural Industries," Bulletin No. 2, Department of Commerce and Agriculture.

It was considered by the Agricultural Council that the total area of 28,500 acres should be available for War Service Land Settlement. The Bureau's recommendation of a total expansion of from 15,500 to 18,500 acres included private plantings as well as those of Land Settlement Schemes. Thus it would appear that

if the recommended expansion of 28,550 acres is carried out to the full under Land Settlement Schemes and no control of private plantings is exercised the Australian fruit industry will need to look for greatly expanded markets both at home and abroad.

SALES OF LIVESTOCK AT HOMEBUSH, SYDNEY.

December, 1947.

SHEEP.

Numbers Decline Appreciably.

The number of sheep and lambs available during December was relatively light and showed an appreciable decline on the previous month's aggregate. Total supplies for the period amounted to 178,398, representing a falling off in pennings of about 18,000 head on the November offerings. For the corresponding period last year, 211,278 head was submitted while comparable figures for the year ended 31st December, 1946, and 31st December, 1947, were 3,080,918 and 2,580,266 head, respectively. For the five-year period ending 1946, the average annual yardings of sheep and lambs was 3,890,596 head. Many factors have contributed towards the reduction in the marketings of sheep and lambs, including drought losses and heavy restocking. Furthermore, during the month reviewed, many producers on mixed farms carrying both sheep and wheat have necessarily been fully engaged with the wheat harvest and, in consequence, have not been in the position to muster, draft and truck sheep or lambs for the metropolitan markets.

Good Quality Offerings.

Throughout the period, the general quality of the grown sheep available was good and, while shorn descriptions predominated, occasional drafts of woolly sorts were noticed. Good useful light trade wethers and ewes were for the most part in good supply, but the offering of prime and heavy sheep was somewhat limited, although at the end of the period a much better representation of heavy mutton was included, some very attractive drafts of wethers being forward.

Strong Demand for Sheep.

Owing to the reduced numbers offering, a particularly strong demand ruled for all good quality drafts and improved realisations generally were evident. At the opening sales the market ruled very firm to a little dearer, but the active competition prevailing resulted in an increase of from 1s. to 2s. per head during the second week, with occasional sales of ewes showing a further advance. A shortage of wethers in the third week was mainly responsible for a rise of from 2s. to 3s. per head for this class of mutton, ewes, however, remaining firm. Values were then fairly steady until the end of the period, although on occasions some increase was noticed on prime quality drafts. The average cost of mutton was higher than in the previous month, wethers