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*Editorial.*

### **THE MARKET OUTLOOK.**

Will prices rise or fall? Security is what most farmers want—an assured market, fair prices and thus reasonable incomes. This presupposes that a farmer must be concerned not only with his immediate returns but with what he is likely to get for his next crop and the crop after that. Likewise for Governments, new settlers, financial agencies and a host of other people, this question is of equal importance. Everybody would like to know what the market possibilities for this or for that are, what prices are likely to be a few years hence, what the “market outlook” is for a particular commodity. The important fact is, of course, that agricultural policy and the programme on a farm cannot be changed overnight. They both require far ahead planning, and this means that farmer and Government alike should attempt to know as much as possible of trends of production and price tendencies, both internal and overseas, so that appropriate plans can be prepared well in advance.

But to provide the necessary answers is not easy. That is why there is such difficulty over contracts between countries and why Governments are diffident about price guarantees. Even though it is quite impossible to accurately “forecast” the future for any item of agricultural produce, it is frequently quite practicable to make fairly safe estimations of future market possibilities. Such “forecasts,” as they are sometimes loosely called, must be based on sound knowledge and a careful sifting of information obtained from miscellaneous sources. The reverse to such being attempted is haphazard unthinking production. Calculations of this kind, as apart from the very great interest attaching to them, must be of some help to the primary producer thinking out the future of his farm, perhaps persuading him to look for new crops to evade gluts or the effect of a slump overseas, and to remove over-confidence where such is not justified. That this is so in the business world is recognised by the large merchant and trader, most of whom, if they do not maintain a special research staff, at least keep themselves fully informed on market prospects and potential production. The farmer who aims to make the best use of his farm—as a business—must do the same.

Unfortunately, reliable and unbiased information has not, in the past, been readily available to the farming community in Australia, except on some occasions when this and other journals of a similar nature have published, oftentimes with some trepidation, statements covering the outlook for particular commodities.

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Realising the general lack of information in this important field, it is intended to publish in this *Review* each month a survey of the market prospects of one or other of Australia's primary industries and, particularly, those industries which form an important part of this State's agricultural economy. It is hoped to deal with each industry at least once a year, with additional supplementary statements as may be indicated. In this way it is hoped to place before those interested the more important facts relating to the market prospects of this State's primary products. Purpose will be fully served if these short articles pinpoint overseas developments, for it must not be overlooked that agriculture in this country, once immediate world shortages are relieved, will sooner or later be in sharp competition with the agriculture of other countries, and it is eminently wise that we should familiarise ourselves with the facts of this competition and align our production accordingly.

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