

**WHEAT USE AND STOCKS,  
AUSTRALIA**FIRST  
RELEASE

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**I N Q U I R I E S**

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Nigel Gibson on Hobart (03) 6222 5940.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
January 2009	10 March 2009
February 2009	7 April 2009
March 2009	8 May 2009
April 2009	9 June 2009



## ABOUT THIS PUBLICATION

This publication is the first release of estimates of wheat grain stocks and use for selected manufacturing and agricultural businesses, licensed exporters and bulk grain handlers. These estimates are compiled from various surveys conducted by the Australian Bureau of Statistics (ABS), including the Grain Handlers Stocks Survey, Wheat Use Survey, Wheat Export Sales Survey, and from administrative data relating to wheat grain exports.

The Australian Bureau of Agricultural and Resource Economics (ABARE) will use these data to compile a monthly report on the Australian wheat industry.

## INTRODUCTION

This publication provides estimates of wheat grain stocks and of wheat grain used, or committed for export or domestic use. Estimates from these surveys are combined with final export trade data to provide monthly estimates of the volume of wheat grain stored, used, or committed for use.

The current scope and coverage of the collections is understood to account for the majority of Australia's wheat grain stored, used and committed. The scope and coverage of these collections may be expanded in the future, however, to account for a wider range of agricultural businesses.

The ABS welcomes any comments from readers regarding the usefulness, range and quality of the statistics presented in this publication. Comments can be forwarded to: The Director, Environment and Agriculture Business Statistics Centre, Australian Bureau of Statistics, GPO Box 66, Hobart TAS 7001. Alternatively, email <adrian.bugg@abs.gov.au> or phone (03) 6222 5850.

Brian Pink  
Australian Statistician

## STOCKS OF WHEAT GRAIN STORED

### STOCKS OF WHEAT GRAIN STORED

Estimates of stocks of wheat grain stored are drawn from surveys of the stocks of wheat grain held by bulk handlers, and of stocks held by selected manufacturing and agricultural businesses. The Grain (Wheat) Handlers Stocks Survey collected stocks held by bulk handlers at the end of September 2008. The Wheat Use Coverage Survey and Wheat Use Survey collected data on closing stocks held by selected manufacturing and agricultural businesses at the months ending September, October, November and December 2008.

The total for September represents an estimate of the stocks of wheat grain held in storage by bulk handlers and selected manufacturing and agricultural businesses before commencement of the 2008–09 harvest. It should be noted that the wheat surveys are not currently designed to collect all on-farm stocks of wheat grain. Coverage of agricultural businesses is expected to be expanded during 2009 and will provide additional information about on-farm storage and use (refer to paragraphs 7 and 8 in Explanatory Notes for more information).

Depending on the location, wheat grown in Australia is usually harvested during the months of October, November and December. Some wheat harvested during the 2008–09 harvest may therefore be included in estimates of wheat grain stored by manufacturing and/or agricultural businesses. Estimates of total wheat grain stocks may include wheat grain which could be committed for manufacturing or agricultural production, and may not be available for other uses.

Estimates of stocks of wheat grain stored are 'point in time' estimates.

#### Findings

- At 30 September 2008 an estimated 2.0 million tonnes of wheat grain was stored by bulk grain handlers and selected users of wheat grain. This represented the closing stocks of wheat grain prior to the commencement of the 2008–09 harvest.
- Of the wheat grain stored, 78% (1.5 million tonnes) was stored by bulk grain handlers and 22% (422 thousand tonnes) was stored by selected users of wheat grain.

### **1** STOCKS OF WHEAT GRAIN STORED, 30 September 2008(a)

	<i>Aust.</i>
	'000 t
Bulk Grain Handlers	1 532.0
Wheat Grain Users(b)	(c) 421.7
<b>Total</b>	<b>1 953.7</b>

- (a) The end of September is used to represent the closing stocks of wheat grain prior to the commencement of the next harvest period.
- (b) Users include beef cattle feedlots, poultry producers, pig producers and manufacturers using wheat grain.
- (c) This estimate excludes on-farm storage by other agricultural businesses (refer to paragraph 8 in Explanatory Notes).

## STOCKS OF WHEAT GRAIN STORED *continued*

*Findings continued*

- Stocks of wheat grain stored by domestic users increased at the end of November 2008 following commencement of the harvest.
- New South Wales domestic users had the largest quantity of wheat grain held in store.

### **2** STOCKS OF WHEAT GRAIN STORED BY USERS(a)(b), At month ending

	NSW(c)	Vic.	Qld	SA	WA	Tas.	NT	Aust.
	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t
<b>2008</b>								
30 September	184.8	^ 112.1	^ 32.6	^ 54.2	^ 33.8	^ 4.2	—	421.7
31 October	87.9	^ 48.7	^ 47.5	^ 39.6	^ 30.5	^ 4.0	—	258.3
30 November	114.0	^ 42.7	90.3	34.8	^ 28.5	^ 3.3	—	313.6
31 December	277.4	68.3	99.1	31.7	^ 32.9	*2.5	—	511.9

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

— nil or rounded to zero (including null cells)

(a) Users include beef cattle feedlots, poultry producers, pig producers and manufacturers using wheat grain.

(b) This estimate excludes on-farm storage by other agricultural businesses (refer to paragraph 8 in Explanatory Notes).

(c) New South Wales and ACT data are combined.

## WHEAT GRAIN USED

### WHEAT GRAIN USED

Estimates of wheat grain used include wheat grain used domestically and wheat grain exported from Australia.

Domestic wheat grain use estimates are compiled from monthly surveys of manufacturers using wheat grain and animal feedlot operators (refer to paragraph 7 in Explanatory Notes for more information). These estimates do not include use by other manufacturing and/or agricultural businesses.

Monthly estimates of wheat grain are compiled from information submitted to the Australian Customs Service (refer to paragraph 3 in Explanatory Notes for more information). For exports, the state shown is the location of the port from which the shipment departed and, for domestic use, this is the state in which the use actually occurred.

Table 3 provides estimates of the wheat grain either used domestically or exported and hence no longer available for other uses. The totals are cumulative, showing wheat grain used from 1 October 2008 to the last reference period surveyed, the month ending 31 December 2008.

#### *Findings*

- In the period October to December 2008, 3.5 million tonnes of wheat grain were used domestically or exported.
- During this period, 2.2 million tonnes of wheat grain were exported and 1.3 million tonnes were used domestically.
- The main exporting states over the period were Western Australia (with 1.4 million tonnes) and South Australia (with 344 thousand tonnes).
- The highest domestic use occurred in New South Wales (582 thousand tonnes) and Victoria (315 thousand tonnes).

## WHEAT GRAIN USED *continued*

Findings *continued*

### 3

 WHEAT GRAIN USED

	NSW(a)	Vic.	Qld	SA	WA	Tas.	NT	Aust.
	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t
<b>Exported(b)(c)</b>								
2008								
October	10.4	26.4	21.2	52.3	410.1	—	—	520.3
November	30.3	12.9	23.6	20.7	410.7	—	—	498.3
December	97.1	97.1	79.0	271.0	612.2	—	—	1 156.3
<b>Total</b>	<b>137.8</b>	<b>136.4</b>	<b>123.8</b>	<b>344.0</b>	<b>1 433.0</b>	<b>—</b>	<b>—</b>	<b>2 174.9</b>
<b>Used Domestically(d)(e)</b>								
2008								
October	^ 204.9	^ 107.2	^ 44.3	^ 38.9	40.6	^ 4.4	—	440.3
November	182.4	103.7	48.9	39.2	44.7	^ 3.8	—	422.8
December	194.7	103.6	45.1	^ 35.4	31.8	^ 4.2	—	414.7
<b>Total</b>	<b>582.0</b>	<b>314.5</b>	<b>138.3</b>	<b>113.5</b>	<b>117.1</b>	<b>12.4</b>	<b>—</b>	<b>1 277.8</b>
<b>Total</b>								
2008								
October	^ 215.4	133.6	65.5	91.2	450.7	^ 4.4	—	960.6
November	212.6	116.6	72.6	59.9	455.5	^ 3.8	—	921.0
December	291.8	200.7	124.0	306.3	644.0	^ 4.2	—	1 571.0
<b>Total</b>	<b>719.8</b>	<b>450.9</b>	<b>262.1</b>	<b>457.4</b>	<b>1 550.2</b>	<b>12.4</b>	<b>—</b>	<b>3 452.6</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

— nil or rounded to zero (including null cells)

(a) NSW and ACT data are combined.

(b) For the export sector, 'used' means actually exported from the country. It is assumed that wheat grain, once exported, cannot be re-imported without breaching quarantine rules and so is 'used' as soon as it leaves the country.

(c) State/territory from which wheat grain is exported.

(d) For the domestic sector, 'used' means consumed by end users, whether they be flour millers, feedlots, etc. In this context, 'used' means wheat grain no longer available in its harvested form for other users to buy - it has been transformed (e.g. to flour) or consumed (e.g. fed to animals).

(e) State/territory in which wheat grain is used.

## WHEAT GRAIN COMMITTED

### WHEAT GRAIN COMMITTED

Estimates of wheat grain committed include estimates of the volume of wheat grain contracted for export as well as the volume of wheat grain contracted for domestic use. Export contracts are shown by the state from which the wheat is sourced. Wheat grain committed for domestic use includes wheat grain for processing by manufacturing businesses using wheat grain, and/or wheat grain for use by animal feedlot operators. Information relating to the source state of wheat grain committed for domestic use is not available.

The total for each month in table 4 represents a 'point in time' estimate for wheat grain committed.

#### Findings

- At 31 December 2008, there were 3.3 million tonnes of wheat grain committed, i.e. under contract for either domestic use within Australia or for export.
- Of the total wheat grain committed in Australia at 31 December 2008, 2.0 million tonnes were contracted for export and 1.3 million tonnes were contracted for domestic use.

### 4 WHEAT GRAIN COMMITTED(a), At month ending

	WHEAT GRAIN CONTRACTED FOR EXPORT, BY STATE OF ORIGIN(b)								WHEAT GRAIN CONTRACTED FOR DOMESTIC USE	TOTAL
	NSW(c)	Vic.	Qld	SA	WA	Tas.	NT	Aust.	Aust.	Aust.
	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t	'000 t
<b>2008</b>										
31 October	238.9	19.5	84.5	194.7	166.6	—	—	704.2	^ 1 023.7	<b>1 727.9</b>
30 November	^ 339.8	^ 25.5	^ 130.1	^ 223.3	^ 828.3	—	—	^ 1 547.0	1 286.8	<b>^ 2 833.7</b>
31 December	^ 358.9	^ 40.4	^ 156.5	^ 289.8	^ 1 164.3	—	—	^ 2 010.0	1 334.0	<b>3 343.9</b>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

— nil or rounded to zero (including null cells)

(a) For the export sector 'committed' means there is a contract in place for the export of wheat grain. For the domestic sector 'committed' means a contract is in place to procure wheat grain for domestic use and/or processing. It does NOT mean an intention to acquire wheat grain over the remainder of the year. It is acknowledged that this may fluctuate as contracts are cancelled, but is a 'point in time' estimate. It relates to contracts held by end users of wheat grain, not intermediaries.

(b) State/territory in which the wheat grain was located when purchased for export.

(c) NSW and ACT data are combined.

## EXPLANATORY NOTES

### INTRODUCTION

**1** This publication presents estimates from various Australian Bureau of Statistics (ABS) wheat surveys and from administrative data relating to wheat exports. The Australian Bureau of Agricultural and Resource Economics (ABARE) will use the data in this publication to prepare a monthly report on the Australian wheat industry. This information will inform policy and decision making following the passage of the Wheat Export Marketing Bill on 1 July 2008.

### SCOPE AND COVERAGE

**2** Estimates in this publication are based on information obtained from the following ABS surveys:

- Grain (Wheat) Handlers Stocks Survey (GHSS) – Annual
- Wheat Use Survey (WUSC) – Annual Coverage
- Wheat Use Survey (WUS) – Monthly
- Wheat Export Sales Survey (WESS) – Monthly

**3** The data on wheat grain actually exported was compiled by the Australian Bureau of Statistics from information submitted by exporters or their agents to the Australian Customs Service. These data may be subject to revision.

**4** The coverage of the Grain (Wheat) Handlers Stocks Survey (GHSS) was all major bulk grain handlers.

**5** The scope of the Wheat Use Survey (WUS) was agricultural businesses, and manufacturing businesses using wheat grain, recorded on the ABS's Business Register (ABSBR). The ABSBR is sourced from the Australian Business Register (ABR) which is administered and maintained by the Australian Taxation Office (ATO).

**6** For agricultural businesses, a minimum size cut-off of \$5,000 was applied to determine whether a business was in-scope for the WUS. The measure of size was based on the ABS's Estimated Value of Agricultural Operations (EVAO) where available; or where it was not available, a Business Activity Statement (BAS) turnover size was derived.

**7** The coverage of the WUS (both annual and monthly) included animal feedlot operators and manufacturing businesses using wheat grain. The Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06) was used to identify these businesses on the ABSBR, and the following ANZSIC06 codes were used:

- Animal feedlot operators
  - 0143 – beef cattle feedlots (specialised)
  - 0171 – poultry farming (meat)
  - 0172 – poultry farming (eggs)
  - 0192 – pig farming
- Manufacturers using wheat grain
  - 1161 – grain mill product manufacturing
  - 1162 – cereal, pasta and baking mix manufacturing
  - 1192 – prepared animal and bird feed manufacturing
  - 1812 – basic organic chemical manufacturing
- Additionally, businesses reporting beef cattle feedlot activity in the 2005-06 Agricultural Census or 2006-07 Agricultural Survey were included in the coverage for the WUS.

**8** Data compiled from the WUS exclude on-farm storage and use, apart from animal feedlot operators and manufacturing businesses as defined above. Coverage of agricultural businesses is expected to be expanded during 2009 and will provide additional information about on-farm storage and use.

**9** The coverage of the Wheat Export Sales Survey (WESS) included businesses reporting wheat grain exports on documentation lodged with the Australian Customs Service and units on the Department of Agriculture, Fisheries and Forestry (DAFF) Wheat Export Charge (WEC) levy register.



## EXPLANATORY NOTES *continued*

### RELIABILITY OF ESTIMATES

**10** Approximately 3,000 businesses were surveyed for the Wheat Use Coverage Survey. The sample comprised approximately 900 manufacturers and 2,100 animal feedlot operators. Responses from these businesses indicated that many of them were not direct users of wheat grain and they were consequently made out of scope of the collection. Subsequent (monthly) Wheat Use Surveys were based on a sample size of 1,700 businesses. Feedback from these surveys will form the basis of the samples selected for the monthly Wheat Use Survey until the next Wheat Use Coverage Survey is conducted.

**11** Sample sizes for both the Grain (Wheat) Handlers Stocks Survey and Wheat Export Sales Survey were smaller than the sample size for the Wheat Use Survey, with the major grain handlers and approximately 50 major wheat exporters being surveyed.

**12** The wheat surveys had high levels of response. The Grain (Wheat) Handlers Stocks Survey had 100% response and the Wheat Use Surveys and Wheat Export Sales Surveys had 94% response.

**13** Some of the estimates in this publication are based on information obtained from samples drawn from the total business population in scope of these collections. As such, estimates are subject to sampling variability; that is, they may differ from the figures that would have been produced if all businesses had been included in the surveys. One measure of the likely difference is given by the standard error (SE) which indicates the extent to which an estimate might vary by chance because only a sample was taken. There are about two chances in three that a 'sample' estimate will differ by less than one SE from the figure that would have been obtained if all businesses had responded, and about nineteen chances in twenty that the difference will be less than two SEs.

**14** In this publication, 'sampling' variability of the estimates is measured by the relative standard error (RSE) which is obtained by expressing the SE as a percentage of the estimate to which it refers.

**15** Most published national estimates have RSEs of less than 10%. However some state estimates have RSEs greater than 10%. Estimates that have an estimated RSE between 10% and 25% are annotated with the symbol '^'. These estimates should be used with caution as they are subject to sampling variability too high for some purposes. Estimates with an RSE between 25% and 50% are annotated with the symbol '\*', indicating that the estimate should be used with caution as it is subject to sampling variability too high for most practical purposes. Estimates with an RSE greater than 50% are annotated with the symbol '\*\*' indicating that the sampling variability causes the estimates to be considered too unreliable for general use. Separate indication of the RSEs of all estimates is available on request.

### GENERAL

**16** Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

### ABS DATA AVAILABLE ON REQUEST

**17** Not all data from these surveys are published here. As well as the statistics included in this and related publications, the ABS may have other relevant data available on request. Inquiries should be made to the National Information and Referral Service on 1300 135 070.

### GENERAL ACKNOWLEDGMENT

**18** ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated. Without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

### RELATED PUBLICATIONS

**19** Additional information relating to Grain stocks, including quality, is published in: *Stocks of Grain Held by Bulk Handling Companies and Grain Traders, Australia*, cat. no. 7122.0.55.001.

## EXPLANATORY NOTES *continued*

### RELATED PUBLICATIONS

*continued*

**20** A range of other publications relevant to the Agriculture sector are produced by the ABS, including:

*Agricultural Commodities, Australia*, cat. no. 7121.0

*Principal Agricultural Commodities, Australia*, Preliminary, cat. no. 7111.0

*Value of Agricultural Commodities Produced Australia*, cat. no. 7503.0

*Water Use on Australian Farms*, cat. no. 4618.0

*Agricultural Survey, Apples and Pears, Australia*, cat. no. 7121.0.55.002

*Vineyards Estimates, Australia*, cat. no. 1329.0.55.002

*Australian Wine and Grape Industry*, cat. no. 1329.0

*Livestock and Meat, Australia*, cat. no. 7218.0.55.001

*Livestock Products, Australia*, cat. no. 7215.0

**21** Detailed merchandise exports data are available by contacting the National Information and Referral Service. Value and quantity data can be produced according to a number of commodity classifications, with information available by state/territory of origin, and country of destination.

**22** Current publications and other products released by the ABS are listed in the *Catalogue of Publications and Products* (cat. no. 1101.0). The Catalogue is available from the ABS web site < <http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.

### ABBREVIATIONS

'000 t	thousand tonnes
ABARE	Australian Bureau of Agricultural and Resource Economics
ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
ANZSIC	Australian and New Zealand Standard Industrial Classification
AS	Agricultural Survey
ATO	Australian Taxation Office
Aust.	Australia
cat. no.	Catalogue number
EVAO	Estimated Value of Agricultural Operations
NSW	New South Wales
NT	Northern Territory
Qld	Queensland
RSE	relative standard error
SA	South Australia
Tas.	Tasmania
Vic.	Victoria
WA	Western Australia



## FOR MORE INFORMATION . . .

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### INFORMATION AND REFERRAL SERVICE

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## FREE ACCESS TO STATISTICS

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