In the last week Parliament devoted an afternoon's debate to consideration of problems confronting the wool industry, especially to those concerning marketing.

All members agreed that there are problems facing the industry which, if possible, must be overcome. Probably the most important of these is the question of price stability.

The Government maintains its point of view that wool belongs to the woolgrowers, that it is their industry and that they should decide for themselves whether they want any change in the methods of marketing.

It was also pointed out in the debate that the Government would require a considerable weight of evidence that the woolgrowers had, as a majority, come around to support some sort of marketing scheme, because you will remember that when this question came up for discussion in 1951, the Government went so far as preparing a plan. It supported that plan before twenty-eight nations of the world, arguing that it would be a fair one for the woolbuyers. Then somewhere along the line many woolgrowers got the idea that they did not want any plan or any Government interference and when the vote was taken a four to one majority rejected.

I think growers should appreciate the Government's point of view and even though conditions in some respects have changed, growers must realise that the Government does not want to be placed in the same position again. If the growers agree amongst themselves and support a plan then the Government will be very willing to examine it and to see if it can be practically applied, but it will want evidence beforehand that growers in general are prepared to support such a plan.

For instance, the previous scheme was to be financed by a levy of 7½% for one or two years to build up a revolving fund to finance a floor price scheme. On present wool prices this levy would probably have to be in force for three or four years to build up a sufficient fund. 7½% comes to £4, or £5 a bale on present day prices.
Have the growers' organizations asked their members whether they are prepared to finance that kind of contribution?

Alternatively, if they believe the Government should find the money then the Government would have some control over the industry.

Furthermore, the growers should try to speak to the Government with one voice or inevitably their case is weakened.

There are sound reasons why it would be inopportune for the Government to act hurriedly on this matter.

At the moment the industry is making a comprehensive examination of different aspects of wool problems.

The Australian Wool and Meat Producers' Federation has put forward a certain plan.

The Australian Woolgrowers' Council has issued the Chielett Report which brings some interesting information to light. The Woolgrowers' Council furthermore is sending two people abroad to see how serious fluctuations in the price of wool are, in their effect on the textile and manufacturing industries abroad.

There is plenty of evidence to the seriousness of this effect in Australia, but there is apparently some doubt as to the effect overseas.

In addition to this the New South Wales Branch of the Graziers' Association has appointed a special committee to examine all aspects of wool marketing.

Also, in the next two or three months the report will be available on the Goulburn woolbuying activities.

I think it is only reasonable to expect that when the information from all these sources is available, the industries' leaders will examine it and come to its decisions regarding the future management of the industry.

Woolgrowers should be perfectly capable of coming to their own decisions on these matters and putting proposals to the Government. I am sure that if the industry as a whole can put unified proposals to the Government then they will get the most serious consideration, but it is difficult for the Government to
act if the industry itself is divided on what it wants. We must remember that the wool industry belongs to the growers, and therefore any action by the Government which involves the future of the industry must have the approval of a majority of growers.

In the course of the examinations which are taking place I hope industries' leaders will be examining certain aspects of existing stabilization schemes.

Floor price plans are operating in New Zealand and South Africa, but in these countries the floor price has been nothing more than the minimum price obtainable and the percentage fall in the price of wool in New Zealand and South Africa over the last six months has been markedly greater than percentage fall in Australia where the free auction system operates.

Furthermore, one of the depressing things on the market at the present time is the volume of stocks held in New Zealand, South Africa, Uruguay and the Argentine, four countries whose governments all interfere in the marketing of wool.

Only in Australia where the free auction works has all wool been cleared.

I hope the Industry will also examine possible improvements that could be made in the auction system, to see whether or not the greatly desired objective of stability could not be achieved in this way.

There are many imperfections in the system. There is a period of the year, lasting up to three months, when wool is not sold. Manufacturers and traders have to carry large stocks over this period and run the risk of loss if the spring sales open up at a lower price. Sales should be held in every month of the year so that an even supply of wool is constantly coming on the market.

Furthermore, the buyer's right to say he has made a mistake and that the lot for which he was the final bidder must go up again, should be abolished. If you are buying
sheep, stock or land, you must stand by your bid. The same should be true of wool sales. This would not affect the seller's right to refuse any particular bid if he thought the price was too low.

The question of lot transferring should also be examined to see if ways and means cannot be found to prevent it. If this could be done, it would make the operation of pies, to use the technical term, almost impossible.

I feel strongly, however, that this matter should be taken carefully. If changes are to be made we must be very certain that they will improve present conditions. We should examine not only the question of alternative methods of selling wool but also whether or not improvements cannot be made in the present auction system which has served Australia well in past years.

The Government Members' Wool Committee is examining all questions relevant to these problems.