In the last week or two, there have been two notable developments for the Australian wool industry. One was the introduction of a bill in Federal Parliament to create the new Australian Wool Corporation. In a sense, this was hardly news because the Government's decision had been announced earlier.

The second significant event was news. It was the announcement of the unanimous endorsement of the wool legislation by the executive of the Australian Wool Industry Conference.

It is well known now that the Australian Wool Corporation will be a statutory body combining the broad functions of the Australian Wool Board and the Australian Wool Commission.

As the Minister for Primary Industry said when he introduced the bill, the merger will permit the integration of research and promotion of the marketing of the clip, and thus enable a total and fully co-ordinated approach to be adopted in stimulating the demand for wool.

The reception the legislation received from the Executive of the Australian Wool Industry Conference was most heartening.

Following meetings of the Conference's Executive and the ad hoc committee on wool marketing in Melbourne, the industry expressed its appreciation of the Government's bill and its coverage of most of the recommendations submitted in March by the Australian Wool Industry Conference to Mr Sinclair.
I would like to quote to you one or two of the remarks of the AWIC Chairman, Mr A. J. Vasey. In a recent statement he said, and I quote:

"The proposals put forward in that bill are heartening and cover a great majority of the industry's recommendations for the future marketing of the Australian Wool Clip.

"Many of the issues have been dealt with in great detail and, in some respects, have provided the industry with benefits beyond the Conference's expectations."

Mr Vasey went on to say that it was hoped that Parliamentary approval for the bill would be given at the earliest possible time.

He also supported the proposals to increase expenditure on research and promotion, saying that it was of the utmost importance that the industry should capitalise on the present world-wide demand for wool.

When introducing the new legislation in Parliament, the Minister for Primary Industry dealt with the functions of the new Corporation. He said that it was proposed that the Corporation be given wide investigatory powers in regard to wool marketing. It was also proposed to empower the Corporation to recommend to the Government and the Australian Wool Industry Conference, any changes considered necessary in marketing arrangements.

Mr Sinclair then said that such changes may, of course, include the submission of a detailed plan for a compulsory acquisition scheme.
The establishment of the Corporation is coming at an encouraging time for the wool industry after the crisis of last year when prices fell so low.

The latest weekly figures I have to hand at the moment show that the average price of wool for the last week was nearly 132 cents a kilo, just short of 60 cents a pound. The average price for the season so far, has been about 107 cents a kilo or approaching 49 cents a pound.

How permanent the improvement will prove to be, whether the price will rise or fall or stabilize, we must wait to see. But I think it is reasonable to say that the Government's action in allowing the Australian Wool Commission to buy wool at auction, thereby avoiding a total price collapse, combined with the guaranteed 36 cents a pound minimum price for growers, were decisive in saving the wool industry from complete destruction last year.

The new legislation is a genuine victory for those people who, for years, have pressed for substantial wool marketing reform. The Government means business and is continuing to act positively, not only for the benefit for wool growers and for the wool industry, but to the advantage of Australia's entire economy.
Finally, I am sure everyone, particularly those of us engaged in primary industry, was delighted to hear the news of the sale of 1 million tons of Australian wheat to mainland China. It appears this contract will be worth about $60 million.

Only 5 or 6 weeks ago, the Labor Party's shadow Minister for Primary Industry, Dr. Rex Patterson, said, and I quote:

"China will not buy any wheat from Australia as long as the Australian Government continues its policy of hostility towards China."

When he said that, Dr. Patterson was using the wheat industry and the Australian people generally, as a vehicle for misleading the world about Australia's attitude towards China.

Now the lengths to which Labor will go to play politics have been further disclosed. Not only is Dr. Patterson's allegation of Australian hostility to China wrong, but on top of that, the sale of wheat proves Dr. Patterson's bad judgment on China's attitude to trade.

Dr. Patterson seems to say whatever occurs to him at the moment. Five weeks ago he was saying China would not buy any more wheat from us. This week he said he had expected the sale for about three months.

He cannot have it both ways. The wheat industry and Australia would be better served if Dr. Patterson stopped trying to involve trade in wheat with China with Labor Party politics.