

PRIME MINISTER

FOR MEDIA

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SPEECH AT THE OPENING OF THE 1ST WORLD MERINO CONFERENCE, MELBOURNE

I would like to congratulate the Australian Association of ~~Sheep Merino Breeders on~~ organising the first ever World Merino Conference and to welcome on behalf of the Australian Government and people all the overseas visitors attending this Conference. I would also like to take this opportunity to applaud merino breeders for their skill and perseverance in improving the merino breed, and in adapting merinos to meet the challenges faced by the wool industry over the years.

There is little doubt that the merino is the most successful ~~breed of sheep~~, but this success has not come about by chance. It has been very largely achieved through the efforts of the breeders, through a thorough understanding and knowledge of the breed, through observation and patient selection, helped in more recent years by developments in objective methods of management and experimentation.

Merinos now cut far heavier fleeces than in earlier years. The average wool production for sheep has more than doubled, to ~~over 3 1/2 kilos clean~~, since merinos were first brought to Australia. A number of growers are now averaging 5 or 7 kilos, and with supplementary feeding, some sheep are producing ten kilos.

The wool industry has had to face a number of challenges over the years. In the 1950s, the industry as a whole suffered from a lack of confidence in the face of some very real threats and difficulties. One of the major challenges came from synthetics, ~~which at that time were new and glamorous.~~ All the doubts about whether wool would survive, all the old arguments about blending took years to overcome. But the wool industry has come through very strongly, not just because nothing can match wool, but also because of the great and fundamental changes which have taken place in the industry since the 1950s. The ability to blend wool with synthetics has obviously been of enormously valuable assistance to the wool market, and technical advances such as siroset, which would have seemed unthinkable 30 years ago, have made wool far more popular.

It is a tribute to the International Wool Secretariat and closer to home, the Australian Wool Corporation, that the marketing of wool has become such a sophisticated and successful business.

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The Australian Government has assisted with wool promotion for many years, and grants of \$20 million per annum are being provided from 1980/81 to 1983/84. The problem of low wool prices has been countered with great success, by the establishment of the AWC's wool floor price scheme, and in the present world economic climate, when many prices are falling, it is good that we have been able to adopt a small increase in the floor price for the 1982/83 season.

The Floor Price Scheme, financed by the growers themselves, has helped stabilise returns and at the same time proved financially successful. As a result of this success, growers have already received some refunds on their levy payments. \$42 million was paid back to growers last year, and a further payment of \$47 million is expected this year.

The continuing success of wool remains very important to Australia, for 1980/81, for example, the export value of merino wool, live sheep and meat is estimated at over \$1.5 billion about 83 of the total value of our exports. The wool industry's capacity to modernise and adapt to change, combined with its determination to maintain and improve standards of production provide grounds for very real confidence in the industry's future. The future will no doubt bring new challenges to merino breeders and growers, with developments in production, handling and marketing, and changes in consumer demands.

Conferences such as this can play an important role in helping the industry as a whole, and also individual sheep men, to grasp new issues and challenges as they arise. I am sure that participants at this Conference will be able to gain from the interchange of information which will take place, and from hearing about the aims, objectives and methods of merino breeders in other countries.

In the end, the continued success of merinos and the wool industry comes back to breeding good sheep and the greatest challenge of the future will be the breeding of new and even more successful strands of merino. This will be particularly so in Australia where three quarters of our 136 million sheep are merinos, and about 10% of the world's sheep are Australian merinos.

I think it is particularly fitting that this Conference is taking place around the time of the one-hundredth Melbourne Sheep Show. I am sure it will be a successful conference, the first of many in the years ahead, and I have great pleasure in declaring the Conference open.