PRESS STATEMENT:

July 6th, 1964

MALCOLM FRASER REPORTS FROM WASHINGTON

UNITED STATES AGRICULTURAL RESEARCH:

A few days ago I visited Beltsville. This is a 10,000 acre Research Farm run under the auspices of the United States Department of Agriculture. I was particularly interested in the research work that was being conducted in relation to beef cattle and sheep. I found some interesting work is being done in the relationships between nutrition and fertility in beef cattle which could have some implications for Australia. I know our own people in Australia are working on these same problems. In one sense I was more interested to see what work they are doing with sheep because I have been trying to find out why the American sheep industry, as a wool producing industry, has never prospered and is, in fact, a failure. Wool production, as such, has been falling, the quality of the wool is not good compared to Australian wool, and I wanted to find out and understand the reasons for this.

I cannot say I was impressed with the sheep on this Research Farm. Nearly all their breeding ewes, of many many different types and kinds, were running together in one pasture and thus there was no uniformity in the flock such as we are used to seeing at home. The wool was not soft to handle and, I think, yield much lower than Australian wools. At least this is what the experts tell me. There were some pure merino type sheep running with them, but they did not look like the merinos I have seen in Australia, they may have been more like the merinos of many many years ago, small with a great number of wrinkles all over them.

It was difficult to gain any fair impression of these sheep because some of them were designed for wool growing and others were designed for fat lamb producing and they were all mixed up together. I was able to find out the reason for this, and the reason I think for the failure of the wool industry as such. The sheep industry is, in the main, a fat lamb producing industry. There are practically no specialists in wool production. The normal breeder wants ewes that may produce a relatively fine wool up to about 64's but which, at the same time, are big enough and sturdy enough to produce a fat lamb. This sort of breeder will keep two flocks, one of them to breed his replacement ewes and then he will put a black face fat lamb type ram over the ewes to produce the fat lambs. This will be his major flock. Over 75% of his income would be obtained from the fat lambs and less than 25% from the wool. The wool is a by-product in nearly every case. The first requirement is to have a ewe that can produce a good lamb.

While about 50% of the United States wool production is 60's or finer, this is nearly all produced off ewes whose prime function is to produce fat lambs for slaughter. Whether flocks are not held. Wool is not only a by-product but it is handled in a fashion that would make any Australian woolgrower shudder. As the wool is shorn it is all bundled up into bales altogether without any classing, without any skirting, without any burrs being taken out of it, everything goes into one bale and this is the fashion in which it is offered for sale. I think we could all imagine how much the price we might get for our wool would be reduced if we tried to shorn wool in this fashion in Australia.

I was told here that the woolbuyers, who operate not for dealers but almost directly for textile firms in the United States, like it this way. If they do I can only believe it is because they make a great deal of money out of the re-classing, or in paying the woolgrower much less than the wool is, in fact, worth. As a result of this procedure when a manufacturer, a textile firm, buys a lot of wool the first thing they have to do is to sort it out and class it and then they probably find a great deal of the wool they have bought is something that they don't want and can't use so therefore they have to turn around and sell it to somebody else. I cannot believe that this is a system that they really like, although I was told that they do.
The lambs that are sold would average generally 110 lbs to 120 lbs. live weight, so by our standards they would be fairly large. An important thing in looking at the American wool industry is to remember that it is a by-product industry, a by-product of the fat lamb producing industry. Most Australians would probably agree that you can't run an efficient and quality wool industry in this way, and in fact the United States doesn't pretend to do so.