PRESS STATEMENT
By the Hon. Malcolm Fraser, M.P., Minister for Education and Science and Member for Wannon.

MERINO RAMS: EXPORT BAN EASED

The 40 year-old ban on the export of Merino rams has been eased - with stringent safeguards.

The Government acted after considering recommendations by the Australian Wool Industry Conference, which resolved to seek a partial lifting of the ban by 37 votes to 16.

In the past the export ban has been maintained, I believe, because of fears that -

. A relaxation of the ban might lead to much higher Merino ram prices in Australia.
. If overseas countries were able to improve and expand wool production then they would be more competitive with Australian wool and might force down prices on world markets.

The latter fear has no validity in the context of the present world market situation for wool.

The export safeguards laid down should minimise the possibility of increased ram prices.

Any concern held by growers should be allayed by these safeguards.

For instance, in the first year, permission will be given for no more than 300 rams to be exported and this will be reviewed by the Australian Wool Industry Conference.

Export approvals will be issued only for rams sold at public auction and at sales nominated by state member associations of the Australian Association of Stud Merino Breeders.

The export of Merino ewes and of semen and fertilised Merino ova will be prohibited.

The Australian Wool Board believes there are a number of factors which will inhibit the demand for Australian rams, and the Board does not envisage a sudden or substantial rise in overseas demand for them.
A large number of countries now no longer wish to produce a purely wool-growing sheep and the U.S. in particular has been concentrating on dual purpose animals.

The limit of 300 rams for the first year is seen in perspective against the number of rams sold and unsold in Australia in 1967.

In that year nearly 202,000 rams were sold, while just short of 295,000 were unsold. At the end of the year, more than 432,000 ram lambs were on hand.

If we take present annual production as 400,000 rams, the 300 represents only .07%.

The Australian Wool Board in its report discussed the question that if wool from other countries was improved by imported Australian merino rams, would the world market for good merino type apparel wool be over supplied?

The Board quoted the International Wool Secretariat which reported that apparel wool production was growing at the slow rate of .7% a year, compared with world population growth of 1.8%.

As a result of this and a high rate of increase in man made fibre production, wool's share of the textile and apparel fibre market over 20 years has fallen from 13.5% to 8.5%.

The export of merino rams, resulting in a world increase in the production of good quality apparel wool, could well act as a counter to this growing competition from synthetics.

One of the things that destroys wool's image more than any other factor is the amount of poor quality wool that comes onto the markets in many other countries.

The volume of this poor wool being marketed should be reduced as a result of the export of merino rams, and wool's general image should be improved.

As a result of this, the gradual decline in world demand for wool as compared to synthetics may well be reduced.