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34, 1955

No. 23 of 1955.

In the Privy Council.

ON APPEAL
FROM THE HIGH COURT OF AUSTRALIA

BETWEEN

THE AUSTRALIAN WOOLLEN MILLS LIMITED
(formerly called **The Australian Woollen Mills Pty.**
Limited) (Plaintiff) *Appellant*

AND

THE COMMONWEALTH OF AUSTRALIA (Defendant) . *Respondent.*

RECORD OF PROCEEDINGS
(IN TWO VOLUMES)

VOLUME II
(COMPRISING EXHIBIT C)

GALBRAITH & BEST,
1 ESSEX COURT,
TEMPLE, E.C.4,
Solicitors for the Appellant.

COWARD, CHANCE & CO.,
ST. SWITHIN'S HOUSE,
WALBROOK, E.C.4,
Solicitors for the Respondent.

INSTITUTE OF ADVANCED
LEGAL STUDIES,
25, RUSSELL SQUARE,
LONDON,
W.C.1.

In the Privy Council.

No. 23 of 1955
UNIVERSITY OF LONDON
W.C.1.
25 OCT 1956
INSTITUTE OF ADVANCED
LEGAL STUDIES

ON APPEAL
FROM THE HIGH COURT OF AUSTRALIA.

44832

BETWEEN
THE AUSTRALIAN WOOLLEN MILLS LIMITED (formerly
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AND

THE COMMONWEALTH OF AUSTRALIA (Defendant) . *Respondent.*

RECORD OF PROCEEDINGS
(IN TWO VOLUMES)

VOLUME II
INDEX TO LIST OF DOCUMENTS COMPRISING EXHIBIT C

DESCRIPTION OF DOCUMENT	DATE	PAGE
Letter from Commonwealth Prices Branch to Associated Woollen & Worsted Textile Manufacturers	20th June 1946 ..	331
Press Statement of Minister for Trade and Customs	June 1946	332
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	7th August 1946 ..	333
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	20th August 1946 ..	336
Do. do.	21st August 1946 ..	338
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	1st October 1946 ..	340
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	18th October 1946 ..	342
Form of Declaration		344
Do.		346

DESCRIPTION OF DOCUMENT	DATE	PAGE
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	31st October 1946 ..	347
Form of Check Advice		348
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	13th November 1946	349
Do. do.	23rd November 1946	351
Do. do.	2nd December 1946 ..	352
Do. do.	31st December 1946 ..	353
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	6th January 1947 ..	355
Annexure to letter of 6th January 1947		356
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	24th February 1947 ..	357
Calculation of net profit, Australian Woollen Mills Pty. Limited ..	25th February 1947 ..	358
Debit Note, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	24th February 1947 ..	358
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	25th February 1947 ..	359
Statement of Subsidy, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited		360
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	25th February 1947 ..	361
Form of Undertaking		363
Form of Subsidy Refund Certificate, Australian Wool Realization Commission		364
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	4th March 1947 ..	366
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	7th March 1947 ..	366
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	18th March 1947 ..	367
Sale of Wool Account		368
Summary of Receipts and Charges		369
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	20th March 1947 ..	373

DESCRIPTION OF DOCUMENT	DATE	PAGE
Form of Statement of Subsidy		375
Form of Declaration		377
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	1st April 1947 ..	378
Circular Letter, Australian Wool Realization Commission	21st April 1947 ..	379
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	2nd May 1947 ..	380
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	6th May 1947 ..	381
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	9th May 1947 ..	382
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	12th May 1947 ..	382
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	15th May 1947 ..	383
Circular Letter, Australian Wool Realization Commission	27th June 1947 ..	383
Form of Summary of Wool Stock Movements		384
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	18th July 1947 ..	385
Statement of Subsidy	17th July 1947 ..	386
Circular Letter, Australian Wool Realization Commission	21st July 1947 ..	387
Do. do.	24th July 1947 ..	388
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	24th July 1947 ..	389
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	8th August 1947 ..	390
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	26th August 1947 ..	392
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	27th August 1947 ..	393
Circular Letter, Australian Wool Realization Commission	2nd September 1947 ..	394
Do. do.	1st October 1947 ..	395
Do. do.	14th October 1947 ..	396
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	3rd November 1947 ..	397

DESCRIPTION OF DOCUMENT	DATE	PAGE
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	10th November 1947	398
Circular Letter, Australian Wool Realization Commission	12th November 1947	399
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	24th November 1947	400
List of Allowable Expenses		401
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	5th December 1947 .	403
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	8th January 1948 ..	404
Circular Letter, Australian Wool Realization Commission	30th January 1948 ..	405
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	4th February 1948 ..	406
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	20th February 1948 ..	407
Circular Letter, Australian Wool Realization Commission	20th February 1948 ..	408
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	2nd March 1948 ..	410
Letter, Australian Woollen Mills Pty. Limited to Commonwealth Prices Branch	22nd March 1948 ..	411
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	23rd March 1948 ..	412
Circular Letter, Australian Wool Realization Commission	25th March 1948 ..	413
Schedule of Waste Types and Rates of Recovery		415
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	31st March 1948 ..	417
Letter, Biggin & Ayrton to Australian Wool Realization Commission	5th April 1948 ..	419
Circular Letter, Australian Woollen Realization Commission ..	18th June 1948 ..	420
Form of Statutory Declaration		421
Letter, Australian Wool Realization Commission to The Associated Woollen & Worsted Textile Manufacturers of Australia	18th June 1948 ..	423
Circular Letter, Associated Woollen & Worsted Textile Manufacturers of Australia	25th June 1948 ..	425
Telegram, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	25th June 1948 ..	426

DESCRIPTION OF DOCUMENT	DATE	PAGE
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	28th June 1948 ..	427
Circular Letter, Australian Wool Realization Commission	5th July 1948 ..	427
Letter, Associated Woollen & Worsted Textile Manufacturers of Australia to Australian Wool Realization Commission	8th July 1948 ..	428
Letter, Australian Wool Realization Commission to Associated Woollen & Worsted Textile Manufacturers of Australia	8th July 1948 ..	429
Circular Letter, Associated Woollen & Worsted Textile Manufacturers of Australia	9th July 1948 ..	430
Do. do.	25th August 1948 ..	431
Circular Letter, Australian Wool Realization Commission	30th August 1948 ..	432
Do. do.	30th August 1948 ..	433
Letter, Australian Wool Realization Commission to Associated Woollen & Worsted Textile Manufacturers of Australia	30th August 1948 ..	434
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	30th August 1948 ..	437
Do. do.	14th September 1948	438
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	21st September 1948	440
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	23rd September 1948	442
Circular Letter, Australian Wool Realization Commission	15th December 1948 ..	444
Forms of Statutory Declarations		449
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	6th January 1949 ..	457
Do. do.	12th January 1949 ..	458
Statutory Declarations of Horace Parkin (2)	5th January 1949 ..	459
Statutory Declaration of John Wm. Crane	5th January 1949 ..	463
Do. Horace Parkin	5th January 1949 ..	465
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	12th January 1949 ..	467
Do. do.	18th January 1949 ..	470
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	24th January 1949 ..	471

DESCRIPTION OF DOCUMENT	DATE	PAGE
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	25th February 1949 ..	472
Do. do.	2nd March 1949 ..	475
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	7th March 1949 ..	475
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	28th March 1949 ..	476
Do. do.	13th April, 1949 ..	476
Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission	14th April 1949 ..	477
Do. do.	9th May 1949 ..	478
Do. do.	9th May 1949 ..	479
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	19th May 1949 ..	480
Letter, Commonwealth Prices Branch to Australian Wool Realization Commission	19th July 1949 ..	481
Letter, Commonwealth Prices Branch to Australian Woollen Mills Pty. Limited	19th July 1949 ..	482
Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited	3rd August 1949 ..	483
Letter, Arthur Muddle & Stephenson, Solicitors, to Australian Wool Realization Commission	22nd September 1949	484
Letter, Commonwealth Crown Solicitor's Office to Arthur Muddle & Stephenson	8th April 1953 ..	485
Letter, Arthur Muddle & Stephenson to Commonwealth Crown Solicitor's Office	14th April 1953 ..	486
Do. do.	29th April 1953 ..	494

VOLUME II

EXHIBITS, continued.

Exhibit C.

LETTER, Commonwealth Prices Branch to Associated Woollen and Worsted Textile Manufacturers.

20th June, 1946.

40 4235

Part 2.

Dear Sir,

- 10 I refer to recent discussions between the Wool Advisory Committee and the Associated Woollen and Worsted Textile Manufacturers of Australia, the Chairman and the Executive Member of the Australian Wool Realization Commission and the representatives of the Commonwealth Prices Commissioner, relating to the subsidisation of raw wool purchased by Australian Manufacturers for domestic consumption under auction conditions which will operate after the 30th June 1946.

The Commonwealth Government has decided that subsidy will be paid to maintain the price of wool purchased for domestic use by Australian manufacturers when auctions recommence after the 30th June, 1946.

- 20 The Subsidy will be calculated as the difference between the present basic price of wool for domestic consumption and the average market price for each auction series. Manufacturers will be required to carry any excess cost by purchasing above average market level, but under certain specified conditions, will be allowed the benefit of keen buying at lower than average market level. The amount of subsidy payable will be as determined by the Australian Wool Realization Commission.

The administration of the Scheme will be vested in the Australian Wool Realization Commission and complete details of procedure will be made available to your members as soon as possible.

- 30 A copy of a press statement issued by the Minister for Trade and Customs is attached.

Yours faithfully,

(Sgd.) P. D. KEWISH,

Secretary.

The Secretary,
Associated Woollen and Worsted
Textile Manufacturers of Australia,
Flinders Street,
Melbourne. Vic.

- 40 The Secretary,
National Council of Wool Selling
Brokers of Australia,
120 King Street,
Melbourne. Vic.

Exhibits.

C.

Letter,
Common-
wealth
Prices
Branch to
Associated
Woollen &
Worsted
Textile
Manufac-
turers,
20th June
1946.

*Exhibits.***Exhibit C.****C.****PRESS STATEMENT of Minister for Trade and Customs.**

Press
Statement
of Minister
for Trade
and
Customs,
June 1946.

P.40/4235

Part 2.

The Minister for Trade and Customs (Senator J. M. Fraser) announced today that subsidy would be paid to maintain existing prices of wool to Australian Manufacturers for utilisation in goods for domestic consumption, when auction sales recommence after the 30th June, 1946.

The purpose of the subsidy is to enable Australian manufacturers to compete with overseas buyers in a manner that will avoid interference with 10 normal auction purchases.

Senator Fraser stated that subsidies would be paid to manufacturers to reimburse any excess paid in purchasing at prices for domestic consumption but not in excess of the average market level for individual wool types at a series of auction sales. This ensures that manufacturers will not bid extravagantly on the assumption that the Commonwealth Government will meet deficiencies resulting from unlimited bidding.

“ The aim of the proposal,” said Senator Fraser, “ is to place Australian manufacturers as near as possible in the same bidding position as if they were buying in a competitive market prior to the war. As an inducement 20 to efficient buying manufacturers will obtain benefits from purchases made below average market level. The scheme will be so designed as to ensure rapid payment of subsidy and will be administered by the Australian Wool Realization Commission on behalf of the Commonwealth Government and the amount of subsidy payable to manufacturers will be as determined by the Commission.”

Canberra. A.C.T.

June, 1946.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne.
C.1.

7th Aug., 1946.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
7th August
1946.

Dear Sir,

The Commonwealth Government proposes to grant a subsidy on wool purchased at auction by Australian Manufacturers in the 1946/7 Season, and this Commission has been charged with the calculation and payment of the subsidy.

The Commission realises the necessity for as prompt payment of the subsidy as possible to Manufacturers, and full details of subsidy procedure will be made available to all Manufacturers at an early date. However, the following interim information is advised to you in respect of the procedure to operate *for subsidy on wools purchased for Australian Manufacturers at auction* :—

(A) In general, Subsidy on wool purchased at auction will be paid by this Commission in full immediately the amounts have been computed for each series.

(B) It is anticipated that payments will be completed within 28 days from the close of each series.

(C) *Payment will be automatically made from the Commission's records of auction results* and no claim will be required from the Manufacturer.

(D) With each payment, there will be forwarded a statement showing in respect of each lot purchased—

(i) The basic cost assessed, i.e. at present, appraisement plus 10% for Fleece wools and appraisement plus 5% for Skin wools.

(ii) The average greasy market price established.

(iii) The subsidy as calculated by the Commission.

In discussions between the Commission and the Advisory Committee of Woollen and Worsted Manufacturers on 19th and 20th March, 1946, Manufacturers were advised of the Commission's responsibilities as to ensuring that the reserve prices for Australian-grown wool, provided for under the United Kingdom-Dominions Wool Disposals Plan, are made effective; and it was understood at that meeting that Members of your Association would be willing to purchase all wool required by your Members

Exhibits. at auction with the following exceptions :—

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
7th August
1946,
continued.

(A) Wool produced by the Manufacturer himself and used by him in his own factory.

(B) Wool purchased by a country Manufacturer on a normal quantitative basis according to his normal policy from producers in his district.

(C) Wool the product of fellmongering the skins owned by the Manufacturer and used by him in a continuous process of manufacture.

You should note that auction purchases of raw wool will provide the basis of subsidy to Manufacturers in so far as such wool is used in the manufacture of goods sold for Australian domestic consumption, and therefore any Manufacturer who does not buy his wool at auction will have to submit to the Commission an application for Subsidy, and in each case he will need to supply :—

(A) The names of the persons from whom he has bought wool.

(B) The quantities purchased from each of these persons, and full details of the description and prices of such purchases.

As stated previously, when a Manufacturer purchases wool at auction, it will not be necessary for him to submit an application to the Commission for subsidy because the Commission will have available to it from its records of auction results all the necessary information for calculation of the subsidy and automatic payment to the Manufacturer.

It should also be noted that a Manufacturer purchasing wool other than at auction will not receive subsidy up to average market level when the price paid by him for such wool is below average auction level. The subsidy, in this case, will be the difference between basic cost and the actual price paid by the Manufacturer for the wool in question whereas in the case of wool purchased through auction, the subsidy will be the difference between the basic price and the average auction market level, irrespective of the auction price paid for the wool.

The attention of Manufacturers is also drawn particularly to Section 17 of the Wool (Contributory Charge) Assessment Act, 1945, which reads :—

“ Except in pursuance of an arrangement with the Commissioner, a person shall not subject any wool, other than wool purchased by him, to any process or treatment of manufacture, or export any wool, unless—

(a) The wool has first been submitted at an appraisalment place or, with the approval of the Commission, at any other place, for appraisalment by or on behalf of the Commission, and has been so appraised ; or

(b) He is in possession of a certificate issued in respect of the wool under Section Fifteen of this Act.

Penalty : Two Hundred Pounds.”

In submitting wool purchased by a Manufacturer, otherwise than at auction, for appraisalment for purposes of the Contributory Charge Assessment Act, the prescribed form must be completed and forwarded to the Commission.

Exhibits.

—
C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
7th August
1946,
continued.

To enable the wool to be properly examined and appraised it will be necessary for such wool to be displayed in accordance with instructions from the Commission and on premises approved by the Commission as suitable for the appraisalment of wool. If the premises of the Manufacturer are unsuitable for this purpose, the Commission may order the wool
10 elsewhere for appraisalment.

The Commission is endeavouring to communicate with all Woollen and Worsted Textile Manufacturers understood not to be Members of the Association, and to advise them of the above arrangement which, of course, must apply on the same basis to all Manufacturers of goods made from wool.

The Commission is charged by the Government with the responsibility of doing all things necessary to ensure that the United Kingdom-Dominion Wool Disposals Plan is successful, particularly in regard to making effective the reserve prices provided for under the Plan, and the Commission feels
20 sure that you will co-operate in every way possible.

Yours faithfully,

(Sgd.) H. B. LEIGH,

Secretary.

The Manager,
Australian Woollen Mills Pty. Limited,
46 Martin Place,
Sydney, N.S.W.

Exhibits. LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
20th August
1946.

Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

20th August, 1946.

Dear Sir,

I refer to my letter of the 7th August, 1946, advising you of the 10 broad basis for payment of subsidy on wool for Australian consumption in the 1946/1947 wool season.

For your information, the general procedure which will operate is as follows :—

In respect of wool purchased at auction by or on behalf of a manufacturer.

(A) The Commission will obtain from the wool selling broker, a specification of the wool purchased by or on behalf of a manufacturer, if in the latter case the manufacturer's name is clearly stated. This specification will contain all details on the invoice supplied to the manufacturer. Subsidy will be calculated for each 20 lot based on the average market price assessed for each series by the Commission, and the manufacturer will be given a credit note which will show :—

(i) The average market price *as assessed by the Commission.*

(ii) The value assessed by the Commission as representing the basic cost of the wool viz. 1945/46 appraisement plus 10% for fleece wools.

(iii) The difference per lb. representing the subsidy payable. A specific application for subsidy on wool bought at auction will not be required from the manufacturer. 30

(B) It is essential that manufacturers arrange with the selling brokers for the correct identification of invoices, otherwise subsidy payment may be delayed.

In cases where manufacturers divide lots or portions of lots, the subsidy will be paid to the manufacturer named on the broker's invoice and the other manufacturer or manufacturers must make his or their own arrangements with the receiver of the subsidy for that portion of subsidy which is rateable due on the wool so divided.

(C) Manufacturers are notified that it will be their responsibility to satisfy the Commission at any time that all wool on which subsidy has been paid is utilised in manufacture, and manufacturers are therefore advised to keep adequate records in order that this may be done.

(D) If the wool at auction is bought other than in the name of the manufacturer, it will be necessary for a specific application to be made by the manufacturer concerned to this Commission for subsidy on such wool.

Exhibits.

C.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
20th August
1946,
continued.

10 (E) The average market prices as assessed by the Commission will be based on the weighted average of individual transactions by types or groups of wool and all sales will therefore be subject to close scrutiny. *The Commission will take into account instances where Australian manufacturers bid against each other or against overseas competition in a manner which might be deemed unreasonable having regard to the state of the market, and may be forced to take*

20 *action to protect the funds of the Commonwealth, where it has adequate reason to believe that the bids on certain types constituted a departure from normal competitive bidding on a pre-war basis, and after considering the levels ruling on similar types of wool in the same series. However, it is hoped that, with the co-operation of manufacturers, no such action will be required.*

(F) It will be necessary for the successful operation of this scheme for woollen manufacturers to segregate their manufacturing function from any other trading in which they may be engaged, e.g., a woollen manufacturer who also carries on a wool scouring business for export or for the local trade, must separate wool purchases for his own manufacturing section as he will not be eligible for subsidy on wool for the purpose of scouring and re-sale only.

30

(G) Where a manufacturer purchases from a scourer, it will be necessary for the manufacturer to make individual application for subsidy in respect of such scoured wools. The Commission will not subsidise auction purchases by wool scourers and carbonisers. In cases where wool is purchased by a manufacturer or by a processor on behalf of a manufacturer and such wool is purchased on the manufacturer's account, it should be clearly indicated at the time of the purchase of the wool at auction that the wool is purchased on behalf of the manufacturer.

40 If any goods manufactured from wool purchased after 30th June, 1946, are exported, the wool content of such goods is thereby removed from the conditions governing subsidy payments. The amount of subsidy which has been paid on such wool content is at the time of export recoverable on behalf of the Commonwealth Government and the Commission will take action accordingly under the powers vested in it under the National Security (Price of Wool for Manufacture for Export) Regulations. The amount due for rebate of subsidy payment will be the responsibility of the manufacturer, but such responsibility may be discharged by the exporter or some other person on behalf of the manufacturer.

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited,
 20th August
 1946,
continued.

The procedure which will operate will be of the same nature as that operating at present in respect of wools purchased prior to 30th June, 1946. A flat rate of subsidy will, in general, be calculated based on the levels ruling at auction series over a period of approximately each three months. The Commission will, however, make special arrangements with manufacturers purchasing wool specifically for manufacture for export whereby no subsidy will be paid at the time of purchase of the wool.

While the procedure outlined in this letter will be applicable to the majority of manufacturers, there may be instances where the procedure normally adopted by an individual manufacturer necessitates an individual ruling. Such manufacturers should communicate with the Commission for consideration of their problems. 10

Yours faithfully,

(Sgd.) H. B. LEIGH,

Sec.

Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited,
 21st August
 1946.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited

Head Office : Pitman House,

540-542 Little Collins Street,

Melbourne, C.1.

21st August, 1946.

20

The Manager,

Australian Woollen Mills Pty. Ltd.,

46 Martin Place,

Sydney, N.S.W.

Dear Sir,

Export of Wool Tops.

By direction of the Minister for Commerce and Agriculture, I am to inform you that the Government has decided that worsted spinners in Australia are to be given priority in the supply of wool tops from local top makers to the extent necessary to keep their plants in normal operation. Licences for the export of wool tops will be granted only in respect of the surplus available after local demands have been met. 30

This Commission has been denoted by the Government as the authority to effect adjustment as between local and export demands for

tops as explained in this letter and is therefore required to withhold authority for licences for the export of wool tops until such local requirements are met. The Commission is also required where necessary to divert wool tops to spinners suffering shortages.

Exhibits.

—
C.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woolen
Mills Pty.
Limited,
21st August
1946,
continued.

The Commission realises the importance of export business to top makers and it is intended to administer the directive so as to give full regard to the requirements of both local and overseas users. The allocations required under the decision of the Government will be based on the following points :—

10 (A) No spinner will be allowed to build up stocks of tops, but will receive only such supplies as are necessary to ensure continued operation under normal running conditions.

(B) Preference will be given in allocation to spinners who have no top making capacity, and spinners who possess combing plant will be expected to work this plant to maximum capacity before this Commission will divert additional tops to their mills.

(C) Except with the knowledge of the Commission, there must be no reduction of existing monthly supplies to spinners.

20 (D) A separate letter will be forwarded to you setting out any diversions for your output which may be necessary to fulfill the requirements of local spinners.

As local essential requirements additional to present quotas will be drawn *pro rata* from all exporting top makers, individual allocations will be relatively small and it is not anticipated that the deficit in local requirements will be such as to affect materially any wool top manufacturer unless there occurs a serious decline in wool top production.

Yours faithfully,

(Sgd.) H. B. LEIGH,
Secretary.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion,
1st October
1946.

COPY :

M.L.C. Building,
46 Martin Place,
Sydney, N.S.W.
1st October, 1946.

The Secretary,
Australian Wool Realization Commission,
540 Little Collins Street,
Melbourne, C.1.

Attention Mr. Leigh.

Dear Sir,

10

In reply to your telegram of the 27th instant I wish to state that the report in the press of the sale of wool on our behalf was correct.

The whole of this wool was purchased during the appraisalment period.

We did not act under any authority to sell but we did endeavour to ascertain if such authority was necessary before offering this wool and we consulted your Mr. Mullen, who in turn communicated with your Melbourne Office, and he seemed to be of the opinion that you would need only the full particulars of all the wool disposed of.

We are sorry for all this misunderstanding of the position and, had 20 we been aware of the necessity of obtaining consent, we certainly would not have offered this wool without first securing your approval.

We now venture to take this opportunity and seek your aid in putting this matter in order by asking that you grant your approval of our disposal of this wool, which consists of the following :—

475 Bales X bred very slightly damaged by water during fire in adjoining premises where stored. All purchased out of Appraisalment Season 1942/43.

Wool Sold Messrs. Dalgety & Co. Ltd.—26th September, 1946.

347 Bales Merino Appraisalment 1940/41 Season.

30

104 „ X Bred „ 1943/44 „

44 „ Merino Reclassed out of various Appraisalments.

This wool is out of stocks which were accumulated during the war period when we were supplying defence requirements and are not now suitable types, therefore, we are anxious to convert our stocks of wool to the qualities needed for the production of medium priced Civil cloths, which we are at present manufacturing for the local trade.

We would, by way of explanation, state that during the war years we were manufacturing huge quantities of cloth for the Defence Department. Their demands came for urgent deliveries at all times during the 40 year, regardless of the wool season and types available at the time, and to meet these demands it was necessary for us to build up and hold large stocks of X Bred Wools, which are not extensively used by us for Civil trade.

When the war ended Defence orders were suddenly cancelled and we were left with these stocks of wool. With regard to the Merino, they are

wools that we had on hand and were put aside as unsuitable when the whole of our capacity was absorbed by the needs of Defence and Government Standard Cloths and they have been in stock since then, nearly six years, and now far too high a quality for present needs and severe depreciation is taking place in these wools, so the desire to sell while the market value is sufficient to cover the cost of holding them and avoid any loss in consequence.

Exhibits.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion,
1st October
1946,
continued.

10 These stocks were not a matter of design or of choice. They were in consequence of quickly changing events. The stocks of X Bred wools were large, if measured by to-day's needs, but we considered them dangerously small in the war years, as we realized at that time it was our duty to build these stocks to keep our Mill in a position to meet all the high demands put upon us by the Defence Department for supplies of cloth at short notice and we were not in a position to measure these enormous requirements or how long the demand would continue, or could we allow these stocks to decrease until the war ended and then the need suddenly ceased, leaving us in the air as far as wool stocks were concerned.

20 In addition, it may be pointed out, that in holding these stocks we were in the lap of the Gods, as we were in no position to consider future values and certainly could not predict during these years the present-day values, but one thing we did know was that they were most costly to hold and if there had not been any advance in price we would have suffered a severe loss.

30 As there seems to be some misconception of the whole position in consequence of the high price of wool, I would like to take your memory back to the days when we were securing all the wool we would procure that was anywhere near the types needed for Defence Cloths. We were at that time working day and night using about 2,000 bales per month and having difficulty securing enough X Bred to maintain these stocks, which were so essential and by comparison the left over stock was small. During most of this period we were working day and night under black-out conditions with our machinery giving out daily under the pressure.

We were camouflaging our Mill buildings ; building air raid shelters ; drilling our people in the probable event of enemy air attack, with little thought of the consequences of holding X Bred stock of wool that might be left over and of what price it would bring in 1946.

40 In fact, any thought given to the position at that time and subsequently was resolved in a determination to be left with as little of this stock as possible, as we considered we were facing a definite loss. If these expectations had eventuated, nobody would have been interested in our difficulty.

I wish to thank you for the courtesy shown and the help given by you over the telephone and to assure you that you are welcome to any further information that we may be able to supply in this matter.

Yours faithfully,

(Sgd.) HAROLD LONGWORTH,
Managing Director.

*Exhibits.***LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
18th
October
1946.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

18th October, 1946.

Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

10

Recovery of Subsidy on the Wool Content of
Manufactured Goods Exported.

With the reinstatement of open selling of wool and the consequent payment of varying rates of subsidy on wool *purchased for consumption* within the Commonwealth, it has become necessary to vary the procedure for the recovery of subsidy on (or the deferred portion of the purchase price of) the wool content of goods exported.

When goods manufactured from wool purchased on or prior to the 30th June, 1946, are exported, the Commission has fixed uniform rates to operate for the purpose of recovering subsidy or the deferred portion of 20 the purchase price of such wool. As the Commonwealth Government is paying subsidy on raw wool purchased for consumption within the Commonwealth in the 1946/47 Wool Season, and this subsidy must be recovered when articles with wool content are exported from the Commonwealth, it is now necessary for this Commission to fix rates for the recovery of such subsidy and to ensure that when goods with wool content are exported, the date of purchase of the wool is ascertained so that the appropriate rate of subsidy is recovered.

On and from Monday, 28th October, 1946, the following procedure will operate in respect of the export of articles containing wool, and where 30 the Commission's certificate is required on the application for licence to export goods for the purpose of the National Security (Price of Wool for Manufacture for Export) Regulations :—

- (A) *In the case of tailor's cuttings and all textile wastes (not including top wastes, spinning or drawing wastes).*

In view of the difficulty involved in identifying the wool content of these wastes, it will be assumed for purposes of recovery of subsidy that textile wastes and tailor's cuttings exported on or prior to the 30th November, 1946, are manufactured from wool purchased prior to the 30th June, 1946, and the rates now fixed 40 for recovery of subsidy will continue to apply. All such wastes

and cuttings exported after the 30th November, 1946, will be deemed to be manufactured from wool purchased after the 30th June, 1946, and revised rates for recovery of subsidy will operate.

Exhibits.

—

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
18th
October
1946,

(B) *In the case of noils and wool wastes (not being tailor's cuttings or textile wastes).*

(i) The applicant for permit must complete and furnish a Declaration in the terms of the sample Declaration attached to this letter, with the addition of the following paragraph—

continued.

10

“ 6. That the goods specified in this Declaration were manufactured from :—

(*) (a) Wool purchased prior to the 1st July, 1946.

(*) (b) Wool purchased on or after the 1st July, 1946, and prior to the 1st November, 1946.

(*) (Insert whichever statement is applicable.)

20

The applicant is also required to furnish an assurance or satisfactory evidence from the manufacturer of noils, that they were produced after the 30th June, 1946. Permission will not be granted for the exportation of noils produced prior to the 1st July, 1946, as such noils which were not intended for consumption within the Commonwealth must be acquired by the Commission. Appropriate notification to this effect has already been given to merchants and manufacturers producing noils.

(ii) The marks and numbers of the cases or packages must be shown on the Declaration.

(iii) The Declaration must be submitted 72 hours before the anticipated time of loading of the goods.

(C) *In the case of Wool Tops.*

30

The applicant must complete and furnish a Declaration under the Statutory Declarations Act 1911-1922 stating that the Wool Tops were manufactured from :—

(*) (1) Wool purchased prior to the 1st July, 1946.

(*) (2) Wool purchased on or after the 1st July, 1946, and prior to the 1st November, 1946.

(*) (Insert whichever statement is applicable.)

(D) *In the case of yarn, cloth or other manufactured articles containing wool.*

(i) The applicant must complete permit to export goods and furnish a Declaration in terms of the Sample Declaration attached to this letter.

40

(ii) The Declaration must be furnished at least 48 hours before the anticipated time of loading of the goods.

It is the responsibility of the exporter to ascertain the time of purchase of the wool contained in the goods. If he is unable to do so and there is

Exhibits.
C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
18th
October
1946,
continued.

a difference in the rate of recovery of subsidy which would be assessed in either of the periods mentioned in this letter, the amount which must be refunded as recovery of subsidy will be based on the higher figure.

Appropriate notice as to revised rates of recovery of subsidy will be given to merchants and manufacturers.

Exporters must, on request by the Commission, furnish weight notes showing bale or case numbers and contents which will be subject to examination by the Commission to ensure that the contents and specifications are as warranted.

Yours faithfully,

10

(Sgd.) J. H. WILLIS,
Secretary.

Form of
Declaration.

FORM OF DECLARATION.

COMMONWEALTH OF AUSTRALIA.

NATIONAL SECURITY (PRICE OF WOOL FOR MANUFACTURE FOR EXPORT) REGULATIONS.

DECLARATION in respect of the export of yarn; cloth and other manufactured articles containing wool, by an applicant for a certificate in terms of Section 9 of the National Security (Price of Wool for Manufacture for Export) Regulations.

20

I.....

of.....do solemnly and

sincerely declare as follows :—

(a) Here
insert
official
position.

1. That I am (a)

.

.

(b) Here
insert
name of
Company
firm or
business.

of (b)

and am duly

authorised to make this Declaration.

2. That the said (b) _____ has/have applied for license to export the goods mentioned hereunder to be shipped per.....

Exhibits.
C.
Form of Declaration, continued.

Marks and Nos. of Packages	Description of goods	Name and address of Manufacturer	Port of Discharge	Name and address of Consignee

10

3. That the Sample/s submitted herewith is drawn from the bulk of the goods referred to above and is a fair and representative sample of the bulk from which it is drawn (where sample is submitted).

4. That the bulk from which the said sample is drawn will be available for inspection by a representative of the A.W.R.C. at..... at any time prior to shipment.

5. That if a certificate is issued in terms of Section 9 of the National Security (Price of Wool for Manufacture for Export) Regulations, the goods exported will be in accordance with the particulars set out in this Declaration.

20

6. That the goods specified in this Declaration were manufactured from—

- (*) (A) Wool purchased prior to the 1st July, 1946.
- (*) (B) Wool purchased on or after the 1st July, 1946, and prior to the 1st November, 1946.
- (*) (Insert whichever statement is applicable.)

AND I make this solemn Declaration by virtue of the Statutory Declarations Act 1911, conscientiously believing the statements contained therein to be true in every particular.

30 Declared at _____ the }
 . day of 194 }
 Before me



LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.

Exhibits.

Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

31st October, 1946.

Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
31st
October
1946.

Dear Sir,

- 10 Subsidy on raw wool purchased by Australian
 manufacturers for manufacture into goods for
 consumption within the Commonwealth.

Further to the general instructions relating to subsidy payment conveyed to woollen and worsted manufacturers in my letters of the 7th and 20th August, 1946, it has now been found necessary to require manufacturers to furnish a check advice to the Commission of the purchases made by them at auction of wool for use in the manufacture of goods for consumption within the Commonwealth on which subsidy is claimed.

- 20 There will be no alteration of the present procedure whereby the
 wool-selling broker or, in approved cases, the wool-buying broker, submits to the Commission a copy of the broker's invoices for wool purchased by manufacturers, but the manufacturer will be required to forward to this office as soon as possible after each auction series, details of the wool purchased by him which qualifies for payment of subsidy, as a check on the invoices received from brokers.

- 30 Attached is a supply of the form on which this information is required. This requirement is rendered necessary because of difficulty which is being experienced by brokers in the identification of transactions which are eligible for subsidy and will ensure that manufacturers obtain subsidy on all eligible purchases at auction and that no confusion will exist as to which purchases are subject to subsidy.

It will be necessary for manufacturers to complete the form in respect of all purchases made at auction, including those series already past.

Only one copy of the form is required by the Commission and further supplies will be forwarded to manufacturers at a later date to replace forms used in reporting purchases to this office.

Yours faithfully,

(Sgd.) A. L. SENGER,
Secretary.

FORM OF CHECK ADVICE.

*Exhibits.*C.
Form
of Check
Advice.

FORM A.

COMMONWEALTH OF AUSTRALIA.

For season 46/47.
to approx. 20/3/47.The Australian Wool Realization Commission,
540-542 Little Collins Street,
Melbourne, C.1.Return of Wool purchased at Auction by a Manufacturer
during the Auction series at (Centre) 10

Submitted by :

Manufacturer	From	(date)
Address	To	(date)

Broker or Buying Agent who invoiced to manufacturer	Ex Selling Lot Broker's No. Catalogue	Quantity purchased			Lbs. weight
		Bales	Fadges or Butts	Bags or Sacks	
Total					

Purchases of wool at auction by a manufacturer shown on the above return must only include wool intended for manufacture within Australia, 20 and so qualifying for claims for subsidy.

The weight in lbs. of purchases provided for in the last column above must be filled in by the manufacturer if it is readily available, but if the obtaining of the information as to weight would delay forwarding the return, a later advice from the manufacturer as to the actual weights purchased may be furnished as a supplement to this return.

The manufacturer should ensure that, for the wool shown above, arrangements have been made for the invoicing broker to forward duplicate copies of his invoices to the manufacturer direct to the Australian Wool Realization Commission.

30

I, _____ of _____
being the manufacturer named in this return, or being the person fully authorised to make such a return on behalf of the manufacturer named in this return, hereby declare that the wool shown in the above return will be used by the said manufacturer for purposes of manufacture of goods within the Commonwealth; that the above-mentioned wool or

no part of that wool will be resold without prior notification being given to Australian Wool Realization Commission (for these purposes "re-sold" is deemed to include any transfer of title in wool oddments or offsorts for a consideration or as remuneration or part-remuneration to any person processing such wool on behalf of a manufacturer) and that the above information is a true and correct statement of wool for manufacture of goods within the Commonwealth purchased by the said manufacturer at the auction series for which this return is submitted.

Exhibits.
—
C.
Form
of Check
Advice,
continued.

10

Signature

Proprietor.
Partner.
Public Officer.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.

Head Office : Pitman House,
540-542 Little Collins
Melbourne, C.1.

13th November, 1946.

Australian Woollen Mills Pty. Ltd.
46 Martin Place,
Sydney, N.S.W.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
13th
November
1946.

20 Dear Sir,

Sales of Raw Wool by Australian Manufacturers.

Attached for your information are copies of Statutory Rule No. 155, dated 30th October, 1946, being an amendment of the National Security (Price of Wool for Manufacture for Export) Regulations, as ratified by the Wool Realization Act 1945 and Prices Regulation Order No. 2775 which appears in the Gazette of the 8th November 1946.

30 The amendment to Section 8 (1) of the National Security (Price of Wool for Manufacture for Export) Regulations is for the purpose of permitting manufacturers to sell wool purchased by them under appraisement prior to the 30th June, 1946, and in the event of sale to provide for the recovery of the appropriate deferred portion of the purchase price of such wool.

40 Manufacturers may now, subject to receiving the consent of the Commission, and subject to compliance with this amendment, resell from purchases ex appraisement, outsorts, oddments and such wool as is surplus or unsuitable to their current manufacturing requirements; it is stressed, however, that such sales may only be made with the consent of the Commission and your attention is drawn to the "Authorisation to Purchase Wool for the Purpose of Manufacture for Export from Australia and of Manufacture for Consumption within Australia," especially to Section 3 of this Authorisation which reads:—

"No wool obtained in pursuance of this Authorisation will, without the consent of the Australian Wool Realization Commission, be dealt with, disposed of or used otherwise than for the purpose of manufacture by the Manufacturer."

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited,
 13th
 November
 1946,
continued.

The sale of wool purchased under the conditions of this Authorisation without the consent of the Commission therefore constitutes an offence, and if this condition is not observed by any manufacturer, the Commission may have recourse to the appropriate legal action under the Wool Realization Act 1945.

In respect of wool which a manufacturer has purchased since the 30th June, 1946, your attention is drawn to the appropriate provisions of Prices Regulation Order No. 2775. From this Order, you will observe that no manufacturer who has claimed or has been paid subsidy on wool may sell wool purchased by him since the 30th June, 1946 unless he has either :—

(A) Obtained from the Australian Wool Realization Commission a statement that the subsidy paid has been repaid to the Commission on that wool before sale, or that no subsidy was paid,

or

(B) Applied to the Commonwealth Prices Commissioner and has received a maximum selling price for the sale of such wool.

The Commission will make arrangements for the certificate of wool which manufacturers may wish to resell under the conditions outlined in the preceding paragraph, and where a manufacturer also performs other functions such as those of a processor of wool or is dealing in wool, there may be granted to such a processor or dealer a continuing certificate from the Commission in respect of that portion of his business which is not associated with the manufacture of wool on which subsidy has been paid or is payable.

The Commission has been advised by the Commonwealth Prices Commissioner that in the event of any manufacturer reselling any wool in respect of which he has been paid subsidy, it would be unfair to allow manufacturers who are protected by subsidy payments from the effects of overseas price levels to reap a benefit by obtaining on resale the full result of open market competition. Accordingly, the following conditions will apply :—

“ Any manufacturer who resells wool on which he has received subsidy when originally purchased or who resells wool purchased ex appraisalment, shall not be entitled to retain profits made by the resale and at the same time be entitled to full subsidy on his new purchases.

Profits which have been earned in these transactions may be used to offset the payment of further subsidy to such a manufacturer.”

It will be necessary, therefore, for the Commission in paying subsidy on wool purchased currently for the manufacture of goods for consumption within the Commonwealth to have regard to the direction of the Commonwealth Prices Commissioner and at his direction, to withhold such amounts as may be deemed by the Commonwealth Prices Commissioner to represent profits on the resale of wool of the nature described in this paragraph.

Yours faithfully,

(Sgd.) H. B. LEIGH,
 Secretary.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

JHW/DL.
(No. 2)

Pitman House,
540-542 Little Collins Street,
Melbourne, C.I.

23rd November, 1946.

Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
23rd
November
1946.

Dear Sirs,

10 Sales of Raw Wool by Australian Manufacturers.

Reference is made to the Commission's circular letter of the 13th November, 1946, which outlined the responsibilities of manufacturers who wish to resell appraised wool or wool for which subsidy has been paid.

To facilitate dealing with requests for permission to resell, it is requested that in making applications for permission to dispose of such wool, the following details should be supplied to the Head Office of the Commission :—

(A) A full description of the wool, e.g. whether oddments, offsorts, surplus wool in original bales or resorted wool.

20 (B) In the case of surplus wool, statement of the reasons for wishing to resell. It is necessary in respect of appraisement wool for an assurance to be given that the wool cannot be used by the manufacturer in his own manufacture of woollen goods.

(C) Details of number of bales, fadges or sacks and weight in lbs.

(D) In the case of wool in original bales, details to enable identification of the original purchase.

30 The preceding paragraph is not to be interpreted as indicating that wool may be sold merely because it is surplus to actual current requirements and for the purpose of realizing a dealer's profit. The manufacturer must give an assurance that it is wool which he cannot utilise in manufacture and in respect of appraisement wool, the Commission may refuse permission to sell if it is of the opinion that the wool is not genuinely unsuitable.

Your attention is drawn to the fact that the resale of such wool may only take place after receipt of the written consent of the Commission.

Yours faithfully,

(Sgd.) WILLIS,

Secretary.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
2nd
December
1946.

No. 3.

Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

2nd December, 1946.

Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

10

RECOVERY OF SUBSIDY ON THE WOOL CONTENT OF
MANUFACTURED GOODS EXPORTED.

Reference is made to the Section of my letter of the 18th October, 1946, in which you were advised that tailor's cuttings and all textile wastes (not including top wastes, spinning or drawing wastes) exported after the 30th November, 1946, would be deemed to be manufactured from wool purchased after the 30th June, 1946, and that revised rates for recovery of subsidy would operate.

The matter has been reconsidered by the Commission, following representations by exporters, and it has been decided that tailor's cuttings, 20 and all textile wastes (not including top wastes, spinning or drawing wastes) exported on or prior to the 28th February, 1947, will, for purposes of recovery of subsidy, be deemed to be manufactured from wool purchased prior to the 30th June, 1946.

All such wastes or cuttings exported after the 28th February, 1947, will be deemed to be manufactured from wool purchased after the 30th June, 1946, and revised rates for recovery of subsidy will operate.

Yours faithfully,

(Sgd.) WILLIS,

Secretary. 30

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.

Exhibits.

C.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
31st
December
1946.

Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

31st December, 1946.

Australian Woollen Mills Pty. Ltd.

Dear Sir,

Payment of Subsidy on Raw Wool used in the Manufacture of
Goods for Consumption within the Commonwealth.

10 This Commission has been requested by the Commonwealth Prices Commissioner to advise all manufacturers who purchase wool for use in the manufacture of goods for consumption within the Commonwealth that as from 1st January, 1947, subsidy will not be paid on purchases of wool for use in the manufacture of the following goods :—

Carpets and furnishing felts.

Rugs manufactured partly or wholly from wool.

Furnishing underfelts.

Woven furnishing fabrics, whether woollen or worsted—for drapings or upholstery.

20 Fillings for mattresses, quilts and cushions.

Any requests for adjustments of prices resulting from this alteration should be made direct to the Commonwealth prices Branch.

As from the 1st March, 1947, manufacturers who purchase subsidised tops or yarn for the manufacture of the goods set out in the preceding paragraph of this circular will be required, prior to selling such goods, to pay to the Australian Wool Realization Commission on behalf of the Commonwealth Government the amount assessed as the subsidy previously paid on the wool content of the goods. The procedure will be similar to that adopted when goods containing wool are exported.

30 As from the 1st January, 1947, manufacturers who manufacture only goods described in this circular will not be eligible for subsidy on their

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited.
 31st
 December
 1946,
continued.

purchases of raw wool. Manufacturers who also manufacture goods which remain eligible for subsidy in respect of the raw wool content may continue to apply for subsidy on purchases of wool, subject to the refund of subsidy on the sale of goods notified in this circular as ineligible for subsidy. The Commission may, however, make an adjustment in respect of the use of such subsidy if the section of the manufacturer's business which would otherwise not have been eligible for raw wool subsidy is substantial.

It is important to note that noils and wastes used in the manufacture of subsidy exempt goods specified in this letter will be regarded as wool used in manufacture and it will be necessary for the manufacturer to pay to the 10
 Commission the subsidy assessed as due thereon. When purchasing noils and wastes after the 1st January, 1947, for use in the manufacture of goods which are ineligible for subsidy, manufacturers should quote on the assumption that they will be called on to repay subsidy previously paid on such noils or wastes.

This circular is an interim notification only, and will be amplified by the issue of further details in approximately fourteen days.

Yours faithfully,

(Sgd.) WILLIS,

for Secretary. 20

JHW/MB No. 5.

Exhibits.

ANNEXURE TO LETTER of 6th January, 1947.

C.
Annexure
to letter
of 6th
January
1947.

ANNEXURE TO LETTER OF 6TH JANUARY, 1947.

SCHEDULE OF RATES OF RECOVERY OF SUBSIDY DUE ON THE EXPORTION
OF WASTES AND CUTTING CONTAINING SUBSIDISED WOOL PURCHASED IN
THE PERIOD 1ST JULY, 1946 TO 31ST DECEMBER, 1946.

White—Worsted System Wastes.

	Merino & Cbk. (58's & higher) per lb.	X Bred. (Lower than 58's per lb.	10
Top Waste and Superior Drawing Waste (i.e. Drawing Waste suitable in the opinion of the Commission for recombining)	14d.	10d.	
Ordinary Drawing Waste, Combing Waste, Roving Wastes	9½d.	6¾d.	
Threads, Spinning Laps, Ring, Underwear clips	6d.	4d.	
Hosiery clips, Cloth clips, Overlocks, Felt Waste ..	4½d.	3d.	

(Coloured Wastes 2/3rds of White Waste rates)

Woollen System & Miscellaneous Wastes.

Card Waste (a)—Woollen	7½d.	4d.	20
Drawing & Reducing Wastes (a)—Woollen	6¼d.	3¼d.	
Threads & Spinning Wastes (a)—Woollen	4¼d.	2¼d.	
Fettlings (x)	3d.	1½d.	
Card Sweeps (x)	2½d.	1d.	
Burrs (x)	2½d.	1d.	
White Sweeps (x) (a)	3d.	1½d.	

(x) Indicates subject to yield.

(a) Indicates deduction of 1/3rd allowed for coloured wastes.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

JW/M.

Our Ref. 46/1621.

24th February, 1947.

The Secretary,
 Australian Woollen Mills Pty. Ltd.,
 M.L.C. Building,
 46 Martin Place,
 Sydney, N.S.W.

C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited,
 24th
 February
 1947.

10 Dear Sir,

The Commission has been directed by the Commonwealth Prices Commissioner to advise you that investigations have been made as to the re-sale by you on the 24th September, 1946, of 973 bales of wool purchased ex appraisement. An analysis has been made on the profit obtained by you on this transaction, and in terms of the advice given you in my letter of the 13th November, 1946, the Commonwealth Prices Commissioner has directed that an amount of £8,181.17.9, calculated as being the net profit resulting from the re-sale of the wool referred to in this letter has been deducted from subsidy which would otherwise have become due to
 20 you in respect of purchases of raw wool made at auction in the 1946/47 Season.

Attached is a statement of average deductions representing the expenses calculated as incurred in this transaction. If you consider that these do not adequately represent the expenses incurred by you in disposing of this wool, you are invited to communicate with the Commission, giving details of the expenses actually incurred, with verifying data, when consideration will be given to revision of the deductions made.

Yours faithfully,

(Sgd.) J. H. WILLIS,
 For Secretary.

30

Attachments :

*Exhibits.***CALCULATION OF NET PROFIT, Australian Woollen Mills Pty. Limited.**

C.
Calculation
of net
profit,
Australian
Woollen
Mills Pty.
Limited,
25th
February
1947.

AUSTRALIAN WOOLLEN MILLS PTY. LIMITED.**CALCULATION OF NET PROFIT ON THE RESALE OF 973 BALES
(272,353 LBS.) OF WOOL PURCHASED EX APPRAISEMENT.**

Gross Profits :			£10,240 15 3
Less Brokerage 1½ per lb. on 272,352 lbs. ..	£1,702 4 0		
„ Receiving Charges ¼ per lb. on 272,352 lbs. ..	283 14 0		
„ Insurance 1/6d. per bale on 973 bales ..	72 19 6		
			<u>£2,058 17 6</u>
		NET PROFIT :	<u><u>£8,181 17 9 10</u></u>

Melbourne,

25th February, 1947.

Debit
Note,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
24th
February
1947.

DEBIT NOTE, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.

Melbourne, C.1.

24th February, 1947.

DEBIT NOTE.

The Secretary,

Australian Woollen Mills Pty. Ltd.,

M.L.C. Building,

46 Martin Place,

Sydney, N.S.W.

20

To the recovery of amount deferred and contingently payable under the National Security (Price of Wool for Manufacture for Export) Regulations.

<i>Appraisement</i>	<i>Bales</i>	<i>Weight</i>	<i>Amount</i>
Ex appraisements	973	272,352	£3,712.11.8
	Amount deferred and contingently payable :		<u><u>£3,712.11.8</u></u>

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

Melbourne, C.1.

25th February, 1947.

W/T

Our Ref. : 46/1621

The Secretary,

Australian Woollen Mills Pty. Ltd.,

M.L.C. Building,

46 Martin Place,

Sydney, N.S.W.

C.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
25th
February
1947.

10

Dear Sir,

Attached please find Statement of Subsidy due to you, and a cheque covering the net amount as set out viz., £3,782.1.7.

In the terms of my letter of the 24th inst. the amount due to you as subsidy, as computed in this Statement has, by direction of the Commonwealth Prices Commissioner, been partly off-set against profits arising from the resale of 973 bales of wool purchased ex appraisement.

Attached also please find a Debit Note for £3,712.11.8 being the deferred portion of the purchase price contingently payable under the National Security (Price of Wool for manufacture for Export) Regulations in respect of the resale of the wool mentioned in the preceding paragraph. Payment of an amount of £5,040.10.7 due to you as subsidy on purchases made at Melbourne Sale No. 4 will be made as soon as your cheque is received for the above Debit Note.

Yours faithfully,

J. WILLIS,

for Secretary.

Exhibits. **STATEMENT OF SUBSIDY, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Statement
of Subsidy,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited.

Statement of Subsidy due to :—

Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

on Account of Wool

ex Various Brokers

Catalogue No. Various date Place Various

Lot	Bales	Fadges	Sacks	Weight in lbs.	Series Average as calculated by the Commission per lb.	Basic Cost per lb.	Subsidy per lb.	Amount	
Sydney 3	70		21345					£774 11 5	
Sydney 4	700		213964					9147 19 10	
Melbourne 2	48		14638					610 1 0	20
Geelong 1	58		15358					859 3 9	
Albury 2	41		10843					572 3 4	
(As detailed on Statements attached)								£11963 19 4	
By amount retained by direction of the Commonwealth Prices Commissioner as net profit on the resale of wool as detailed in the Commission's letter of 24/2/47 (File No. 46/1621)						£8,181 17 9		8181 17 9	30
								£3782 1 7	

The amount shown hereon as a subsidy payment has been calculated in accordance with the procedure approved by the Commonwealth Government and is payable on the condition that all wool included in the invoice is to be used for the manufacture of goods for consumption within the Commonwealth.

Payment of this amount is made to you by the Australian Wool Realisation Commission AS AGENT FOR THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA in accordance with the principles of the Price Stabilisation Plan, and the Government retains the right to review 40 and if necessary vary the amount of subsidy so paid. It is an essential condition of payment of subsidy that the wool on which subsidy has been paid should be used by the purchaser for the purposes of manufacture, and that no such wool should be resold without prior notification being given to the Australian Wool Realisation Commission.

The amount shown on this Statement is included in CHEQUE No. 1680, attached.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

Head Office, Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

25th February, 1947.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
25th
February
1947.

Our Ref. 46/79

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
10 Sydney, N.S.W.

Dear Sir,

Reference is made to the Commission's letter of the 31st December, 1946 in which you were advised that certain goods were ineligible for raw wool subsidy as from the 1st January, 1947 and that on sales of these goods on or after the 1st March, 1947, any subsidy previously paid must be refunded to the Commonwealth Government. The list of goods the wool content of which comes within the above ruling is :—

Carpets and furnishing felts.

Rugs manufactured partly or wholly from wool.

20 Furnishing underfelts.

Woven furnishing fabrics, whether woollen or worsted—for drapings or upholstery.

Fillings of mattresses, quilts, cushions and other furnishings.

By direction of the Commonwealth Prices Commissioner, I am to inform you that a Prices Regulation Order is being issued which prescribes that no manufacturer shall on or after the 1st March, 1947 sell any of the articles mentioned above which possess subsidised wool content unless he has either completed an arrangement with the Australian Wool Realization Commission as to repayment of the subsidy, and is in possession of a
30 Subsidy Refund Certificate in respect of these materials, or has applied to the Commonwealth Prices Branch and received approval of a maximum price.

If you manufacture any of the goods described in the first paragraph of this letter, you are therefore requested to complete and sign the undertaking annexed to this letter and return it forthwith to this Commission at

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited,
 25th
 February
 1947,
continued.

the address shown on this letter, together with *duplicate* copies of the attached Subsidy Refund Certificate which you are to complete by inserting your name as the manufacturer, the details required in columns 1-4, and by signing and dating the form in the space provided. Additional copies of the Subsidy Refund Certificate are *attached* in case you are unable to detail all your wool furnishing materials on the one form.

When the signed and witnessed copy of the arrangement and the duplicate copies of the Subsidy Refund Certificate are received in this office, one copy of the Subsidy Refund Certificate will be completed by the Commission in respect of columns 5 and 6, endorsed and returned to you. 10

You will be authorised by a Prices Regulation Order which is now being issued to increase the maximum selling prices of the articles specified by the amount payable to the Commission as shown on a Subsidy Refund Certificate in respect of those goods.

It is important to note that manufacturers who manufacture subsidy-exempt goods of the nature specified in this letter from wool purchased ex appraisalment prior to the 1st July, 1946 or from subsidised wool noils or wastes are also called upon to repay subsidy.

Payment of the amount due is to be made to the Commission in respect of each calendar month and not more than 15 days after the conclusion of that month unless a manufacturer adopts a different accounting period and arranges with the Commission that this period should be adopted instead. The payment is to be supported by a statement of the individual wool furnishing materials sold, reconciled with the amount of the payment. 20

If you require any further information or explanation you are invited to communicate with the Commission.

Yours faithfully.

(Sgd.) H B. LEIGH,

Secretary. 30

FORM OF UNDERTAKING.

Exhibits.

To :
The Secretary,
Australian Wool Realization Commission,
540-542 Little Collins Street,
Melbourne. Vic.

C.
Form of
Under-
taking.

I
being duly authorised to act on behalf of.....
a manufacturer of wool furnishing materials of the following types :—

- 10 Carpets and furnishing felt.
- Rugs manufactured partly or wholly from wool.
- Furnishing underfelts.
- Woven furnishing fabrics, whether woollen or worsted—for drapings or upholstery.
- Fillings of mattresses, quilts, cushions and other furnishings—

hereby undertake to refund to the Australian Wool Realization Commission on behalf of the Commonwealth of Australia, the amount which is assessed by the Australian Wool Realization Commission as refund of subsidy on the wool content of wool furnishing materials sold by me on or after
20 the 1st March, 1947.

I hereby undertake to make payment to the Australian Wool Realization Commission of such amounts as are due in terms of the preceding paragraph of this Undertaking in respect of each calendar month of trading not later than 15 days after the close of that month unless by arrangement with the Commission another period is selected, and I agree to furnish to the Commission in support of each payment a detailed statement of the transactions from which the amount of refund of subsidy is purported to have arisen.

30 In pursuance of this Undertaking, I attach in duplicate a statement in the required form of wool furnishing materials produced by me on which I request that the Commission should assess the amount of refund of subsidy due and issue me a Subsidy Refund Certificate in respect thereof.

	Signed.....
Witnessed (a)	Designation(*).....
.....	on behalf of.....
Dated.....	Dated

(a) To be witnessed by a Justice of the Peace or Commissioner for Declarations or Affidavits.

(*)In the case of a company to be signed by the secretary, in the case of a partnership by one of the partners, and in the case of a sole trader by the trader himself.

40

Exhibits. **FORM OF SUBSIDY REFUND CERTIFICATE, Australian Wool Realization Commission.**

C.
Form of
Subsidy
Refund
Certificate,
Australian
Wool
Realization
Commis-
sion.

AUSTRALIAN WOOL REALIZATION COMMISSION.

SUBSIDY REFUND CERTIFICATE.

To be completed by the Manufacturer.

I declare that the particulars set out in columns 1 to 4 on the reverse of this Certificate are a true description of such wool furnishing materials.

Proprietor(*)

Signed.....Partner(*)

Public Officer(*)

For and on behalf of (†)..... 10

.....
Dated.....

(*) Strike out words inapplicable.

(†) Here insert name and address of manufacturer.

IMPORTANT.

This Subsidy Refund Certificate, when signed on behalf of the Australian Wool Realization Commission, is evidence that :—

(A) A suitable arrangement subsists between the manufacturer whose name is shown in the body of the certificate and the Australian Wool Realization Commission in respect of the refund 20 of any subsidy previously paid by the Commonwealth on the Wool content of the wool furnishing materials described in columns 1-4 of the Certificate.

(B) The amounts set out in columns 5 and 6 on the reverse of this Certificate represent the amount which is payable to the Commission in respect of those wool furnishing materials by way of refund of any subsidy previously paid by the Commonwealth on the wool content thereof, based on the information supplied and certified by the manufacturer.

This Certificate may be withdrawn by the Commission at any time. 30

COMMONWEALTH OF AUSTRALIA.
AUSTRALIAN WOOL REALIZATION COMMISSION.
SUBSIDY REFUND CERTIFICATE.

Statement by a Manufacturer of Wool Furnishing Materials for the purpose of assessing the amount due as Refund of Subsidy paid by the Commonwealth on the wool content of such Wool Furnishing Materials.

Name of Manufacturer.....

Columns 1-4 to be completed by the Manufacturer

Type of wool furnishing material (Quote description and call No.)	Unit of measure (i.e. yds. doz. lbs. or article)	Wool weight per unit of Article (to be given as ozs. per yd. or other appropriate measurement)	Wool Quality (Stipulate whether worsted or woollen or felted)	Amount per unit of subsidy due to the Commission as agent for the Commonwealth in respect of goods manufactured from subsidised wool purchased (A) Prior to 1st July, 1946. (B) After 30th June, 1946.
(Col. 1.)	(Col. 2.)	(Col. 3.)	(Col. 4.)	(Col. 5.) (Col. 6.)

This space will contain the endorsement of the Australian Wool Realization Commission.

Exhibits.

C.
 Form of Subsidy Refund Certificate, Australian Wool Realization Commission.

Manufacturer's endorsement and explanation of Certificate are on the reverse of this sheet

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 4th
March 1947.

The Secretary,
Australian Wool Realization Commission,
540/542 Little Collins Street,
Melbourne, Vic.

4th March, 1947.

Your ref. : JW/M
46/1621

Dear Sir,

Further to your letters of 24th and 25th February regarding profit on resale of wool and the deferred portion of the purchase price of this 10 wool, it appears from your figures that the deferred portion of the purchase price, amounting to £3,712 11. 8. has not been taken into account in arriving at the Net Profit.

As this amount forms part of the cost of the wool, we would appreciate its inclusion as such in these figures.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED
(J. W. L. CRANE)
Secretary.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
7th March
1947.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. 20

JW/M
Our Ref. : 46/1621

Melbourne C.1.
7th March, 1947.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
M.L.C. Buildings,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

We are in receipt of your letter of the 4th March 1947.

Referring to our letter of the 24th February 1947, in which you were 30 advised of the Commonwealth Prices Commissioner's direction re the treatment of profits obtained by you on the re-sale of 973 Bales of Wool, I am directed to inform you that the profit of £8,181.17.9 as set out, is the net profit after deducting average expenses and the deferred portion of the purchase price of the wool.

Thus the deferred portion of the original purchase price of the wool, e.g. £3,712.11.7 was taken into account when calculations were made and this amount is not included in the net profit of £8,181.17.9 calculated on the transaction.

Yours faithfully,

40

J. WILLIS
for Secretary.

Exhibits. whilst in transit from Melbourne. Delivery Charges, Freight, Harbour Dues etc. are at the rates actually paid by us and the amount of wages charged is the amount as charged against these wools in the Company's costing records.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 18th
March 1947,
continued.

We submit that the attached account represents an accurate record of the charges and receipts applicable to this wool and we request that these figures be substituted for those furnished by you in your letter of the 24th February.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD. 10

(J. W. L. CRANE)

Secretary.

Sale of
Wool
Account.

SALE OF WOOL ACCOUNT.

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED.

SALE OF WOOL ACCOUNT ON THE RESALE OF 970 BALES OF WOOL PURCHASED EX APPRAISEMENT AND SOLD BY AUCTION SEPTEMBER 1946.

To INITIAL COST OF WOOL :—

	£	s.	d.
44 Bales	1,311	5	3
347 „	9,693	4	6
104 „	3,211	17	10
475 „	11,999	11	9
			<u>26,215 19 4</u>
„ GENERAL CHARGES as per detailed Summary ..	2,470	14	0
„ INTEREST @ 5% on Capital	5,719	1	5
„ DEFERRED ADDITIONAL CHARGE	3,696	6	4
	<u>£38,102</u>	<u>1</u>	<u>1</u>

By GROSS PROCEEDS ON SALE :—

	£	s.	d.	£	s.	d.
970 Bales	38,882	13	0			
Less Brokers Charges	840	1	7			
			<u>38,042</u>	11	5	
„ NET LOSS				59	9	8
				<u>£38,102</u>	<u>1</u>	<u>1 30</u>

SUMMARY OF RECEIPTS AND CHARGES.

Exhibits.

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED

SALE OF 970 BALES OF WOOL BY THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED
SEPTEMBER, 1946C.
Summary
of Receipts
and
Charges.

SUMMARY OF RECEIPTS AND CHARGES

		£	s.	d.	£	s.	d.
1. PROCEEDS FROM SELLING BROKERS							
(as per Account Sales)							
10	(A) 475 Bales—New Zealand Loan & Mercantile Agency Co. Ltd. Gross Proceeds	15,945	7	10			
	Less :—				£	s.	d.
	Insurance		10	15	3		
	Commission 1¼%	199	6	4			
	Warehousing—7/- per bale	166	5	0			
					<u>376</u>	<u>6</u>	<u>7</u>
						15,569	1 3
	(B) 495 Bales—Dalgety & Co. Ltd. Gross Proceeds	22,937	5	2			
	Less :—				£	s.	d.
	Insurance		15	9	8		
20	Commission 1¼%	286	14	4			
	Warehousing Charges — Greasy Wool 7/- per bale Scoured Wool 4/9 per bale	161	11	0			
					<u>463</u>	<u>15</u>	<u>0</u>
						22,473	10 2
	Net Proceeds					<u>£38,042</u>	<u>11 5</u>
2. INITIAL COST OF WOOL							
Wool purchased ex various appraisements, sorted at mill and later rebaled at mill for sale at Auction.							
		£	s.	d.	£	s.	d.
30	(A) 44 Bales—Sold by Dalgety & Co. Ltd. (Net—12,823 lbs.) Purchased various Seasons—Bulk 1944/45 Sydney. Invoice Price	1,169	18	9			
	Plus : Delivery Charge @ ¼d. per lb.		6	13	7		
					<u>1,176</u>	<u>12</u>	<u>4</u>
	Broker's Buying Commission @ 1½%		17	13	0		
	10% Additional		116	19	11		
					<u>1,311</u>	<u>5</u>	<u>3</u>
	(B) Wool in Bales						
	(97,509 lbs.)						
40	(i) 347 Bales—Sold by Dalgety & Co. Ltd. Purchased December 40/January 41 ex various appraisements including Appraisements 22 to 26 Melbourne. Invoice Price	8,845	11	6			
	Plus : Delivery Charge @ ¼d. per lb.		50	15	8		
					<u>8,896</u>	<u>7</u>	<u>2</u>
	c/forward	£8,896	7	2		£1,311	5 3

Exhibits.
C.
Summary
of Receipts
and
Charges,
continued.

	£	s.	d.	£	s.	d.
b/forward	8,896	7	2	1,311	5	3
(B) <i>Wool in Bales—(continued)</i>						
Broker's Buying Commission @ 1½%	133	8	11			
7½% Additional	663	8	5			
	<hr/>			9,693	4	6
(Scoured)—(26,290 lbs.)						
(ii) 104 <i>Bales</i> —Sold by Dalgety & Co. Ltd. Purchased July/August 1942 ex various appraisements including Appraisements 56, 76/7/78 Melbourne. Invoice Price	3,002	16	3			10
Plus : Delivery Charge @ ½d. per lb.	13	13	10			
	<hr/>			3,016	10	1
Broker's Buying Commission @ 1½%	45	4	11			
5% Additional	150	2	10			
	<hr/>			3,211	17	10
(135,750 lbs.)						
(iii) 475 <i>Bales</i> —Sold by New Zealand Loan & Mercantile Agency Co. Ltd. Purchased October 1942 ex various appraisements in- cluding Appraisements 58-61. Invoice Price	10,697	12	2			20
Plus : Delivery Charge @ ½d. per lb.	70	13	10			
	<hr/>			10,768	6	0
Broker's Buying Commission @ 1½%	161	10	6			
10% Additional	1,069	15	3			
	<hr/>			11,999	11	9
Total Initial Cost of Wool Sold				£26,215	19	4

3. EXPENSES AND CHARGES APPLICABLE TO 970 BALES SOLD

	£	s.	d.	£	s.	d.
(A) <i>General Charges</i>						
(i) 44 <i>Bales</i> —Bulk purchased ex Sydney Season 1944/45. Delivery charge Store to Mill included in Initial Cost Figures.						30
Storage Charge—say 1 year @ 1½d. per bale per week	14	6	0			
Insurance—say 1 year @ 5/6% Less 10% on £1,311 5s. 3d.	3	4	4			
Delivery from Mill to Store for Auction @ 1/3d. per bale	2	15	0			
	<hr/>			20	5	4
(ii) 347 <i>Bales</i> —Purchased ex Melbourne December 40 January 41						40
Storage Charge—5-9/12th years @ 1½d. per bale per week	648	9	1			
Insurance—5-9/12th years @ 5/6% less 10% on £9,604 3s. 3d.	136	12	8			
	<hr/>			£785	1	9
c/forward				£20	5	4

		£	s.	d.	£	s.	d.	<i>Exhibits.</i>
	b/forward	785	1	9	20	5	4	—
<i>(A) General Charges—(continued).</i>								
	Freight—Melbourne to Sydney Bulk shipped early 1941 @ 7/- per bale	£121	9	0				C. Summary of Receipts and Charges, <i>continued.</i>
	Plus 15% Surcharge	18	4	3				
	Stacking Charge—6d. per bale				139	13	3	
10	Inward Wharfage and Harbour Rates (Maritime Services Board of N.S.W.) @ 9d. per bale				8	13	6	
	Cartage—Sydney Wharf to Mill @ 1/3 per bale				13	0	3	
	Cartage—Mill to Store for Auction @ 1/3d. per bale				21	13	9	
					21	13	9	
					<hr/>			
					989	16	3	
<i>(iii) 104 Bales—Purchased July/August 1942.</i>								
20	Storage Charge—4 years @ 1½ per bale per week				135	4	0	
	Insurance—4 years @ 5/6% less 10% on £3,211 17s. 10d.				31	13	8	
	Freight—Melbourne to Sydney @ 8/- per bale	£41	12	0				
	Plus 35% Surcharge	14	11	5				
	Stacking Charge—6d. per bale				56	3	5	
	Inward Wharfage and Harbour Rates (Maritime Services Board of N.S.W.) @ 9d. per bale				2	12	0	
30	Cartage—Sydney Wharf to Mill @ 1/3d. per bale				3	18	0	
	Cartage—Mill to Store for Auction @ 1/3d. per bale				6	10	0	
					6	10	0	
					<hr/>			
					239	19	1	
<i>(iv) 475 Bales—Purchased October 1942</i>								
40	Storage Charge—3-9/12th years of 1½% per bale per week				578	18	1	
	Insurance—3-9/12th years @ 5/6% less 10% on £11,999 11s. 9d.				111	4	7	
	Freight—Melbourne to Sydney @ 8/- per bale	£190	0	0				
	Plus 35% Surcharge	66	10	0				
	Stacking Charge—6d. per bale				256	10	0	
	Inward Wharfage and Harbour Rates (Maritime Services Board of N.S.W.) @ 9d. per bale				11	17	6	
	Cartage—Sydney Wharf to Mill @ 1/3d. per bale				17	16	3	
50					29	13	9	
	c/forward	£1,006	0	2	£1,250	0	8	

Exhibits.

C.
Summary
of Receipts
and
Charges,
continued.

	£	s.	d.	£	s.	d.
b/forward	1,006	0	2	1,250	0	8
(A) General Charges—(continued).						
Cartage—Mill to Store for Auction at 1/3d. per bale	29	13	9	1,035	13	11
(v) Wages :—						
<i>Wages as per Mill Records</i> —incurred in receiving and handling this wool, including sorting at Mill and later resorting and rebaling for Auction of that portion rebaled at Mill						
				184	19	5
Total General Charges				<u>£2,470</u>	<u>14</u>	<u>0</u>

10

(B) Interest at 5% per annum on Capital Outlay

Based on Initial Cost of Wool, payable at time of purchase :—

(i) 44 Bales—Bulk purchased Season 1944/45.

Initial Cost	1,311	5	3			
5%	65	11	3			
@ 5% per annum for say 1 year				65	11	3 20

(ii) 347 Bales—Purchased December 1940/January 1941.

Initial Costs	9,604	5	3			
5%	480	4	3			
@ 5% per annum for 5-9/12th years				2,761	4	5

(iii) 104 Bales—Purchased July/August 1942.

Initial Cost	3,211	17	10			
5%	160	11	10			
@ 5% per annum for 4 years				642	7	4

(iv) 475 Bales—Purchased October 1942.

Initial Cost	11,999	11	9			
5%	599	19	7			
5% per annum for 3-9/12th years				2,249	18	5

Total Interest on Capital Outlay £5,719 1 5

30

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited

Exhibits.

Head Office. Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

20th March, 1947.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
20th March
1947.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

10 Dear Sir,

Subsidy on Raw Wool—Submission of Details of
Purchases made at Auction.

Owing to the large volume of payments now being made to manufacturers for subsidy on wool purchased at auction for use in the manufacture of goods for consumption within the Commonwealth, it has been found necessary to make an alteration to the procedure at present in use in order that payment of subsidy to eligible manufacturers may be made earlier than has been possible after each auction series.

20 The instructions outlined in our circulars of the 7th and 20th August, 1946, together with the supplementary instructions contained in our circular of the 31st October, 1946, will continue to operate, but it is proposed :—

(A) To dispense with the form "Return of Wool purchased at Auction by a Manufacturer" and

30 (B) To incorporate on the "Statement of Subsidy," a copy of which you have in the past received with each payment, some of the details previously rendered by the manufacturer on the "Return of Wool" form, i.e. instead of using the latter form the manufacturer will now show the details of his wool purchases which qualify for payment of subsidy on the four copies of the Subsidy Statement.

(c) The manufacturer should, before despatch of the Subsidy Statement to the Commission, complete the declaration provided on the reverse side of sheet "A" which replaces the declaration previously included on the "Return of Wool" form.

Exhibits.

C.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
20th March
1947,
continued.

(D) On receipt of the Subsidy Statement and its three carbon copies from the manufacturer, the Commission will compute the amount of subsidy payable, and

(E) return the original portion of the Subsidy Statement to the manufacturer, together with the Commission's cheque for the amount of subsidy so computed, while the duplicate portion of sheet "A" (embodying the declaration on the reverse side) together with sheets "B" and "C" will be retained by the Commission for record purposes.

It is important that as soon as possible after each auction series the 10 original and three (3) carbon copies of the details be forwarded to the Commission (i.e. perforated sheet "A", consisting of manufacturer's original with duplicate embodying the Declaration, which must not be detached, and work sheets "B" and "C").

A supply of Subsidy Statement forms is enclosed in order that the revised procedure may be instituted forthwith and a sample worked copy of this statement, showing the details required by the Commission, is attached for your guidance. *The "Return of Wool" forms will not be required where the endorsed copies of Subsidy Statement have been completed for any series.*

20

It is emphasised that this variation in procedure still necessitates that brokers' copies of invoices for wool on which subsidy is claimed should be forwarded independently to the Commission.

Yours faithfully,

(Sgd.) H. B. LEIGH,

Secretary.

FORM OF STATEMENT OF SUBSIDY.

*Exhibits.*Type Yield
%C.
Form of
Statement
of Subsidy.

COMMONWEALTH OF AUSTRALIA.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Statement of Subsidy due to :—

on Account of Wool.

Catalogue No.					Date	Place					
10	Lot	Bales	Fadges	Sacks	Weight in lbs.	Series Average as calculated by the Commission per lb.	Basic Cost per lb.	Subsidy per lb.	Amount £ s. d.		

NOTE.—*The following details (marked 1 to 6 above) are to be submitted by the Manufacturer on the original and three (3) carbon copies of this statement, and forwarded to the Commission as early as possible after the conclusion of each Auction series :—*

1. *Name of Manufacturer submitting the statement.*
2. *Name of the Broker or buying Agent who invoiced the above lots to the manufacturer (if other than the selling broker).*

Exhibits.
 —
 C.
 Form of
 Statement
 of Subsidy,
 continued.

3. *Name of Selling Broker in whose catalogue the lots purchased were shown.*
4. *Number of the catalogue in which the above lots were described, together with date of purchase by Broker and centre at which the auction series was held.*
5. *Description of lot number, bales, fadges, sacks, with weight in lbs.*
6. *Total number of bales, fadges, sacks and total weight.*

Original will be returned to the manufacturer with the Commission's cheque on computation of the amount of subsidy due. The three carbon copies will be retained by the Commission for record purposes and for use 10 in the computation of the subsidy. It is important that manufacturers complete the Declaration provided on the reverse side of the perforated sheet before despatch of this statement.

The amount shown hereon as a subsidy payment has been calculated in accordance with procedure approved by the Commonwealth Govt. and is payable on the condition that all wool included in the invoice is to be used for the manufacture of goods for consumption within the Commonwealth. Payment of this amount is made to you by the Australian Wool Realization Commission AS AGENT FOR THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA in accordance with the principles 20 of the Price Stabilisation Plan and the Government retains the right to review and if necessary, vary the amount of subsidy so paid. It is an essential condition of payment of subsidy that the wool on which subsidy has been paid should be used by the purchaser for purposes of manufacture, and that no such wool should be resold without prior notification being given to the Australian Wool Realization Commission.

The amount shown on this statement is included in Cheque No. attached.

FORM OF DECLARATION.

COMMONWEALTH OF AUSTRALIA.

The Secretary,
 Australian Wool Realization Commission,
 540-542 Little Collins St.,
 Melbourne, C.1.

Exhibits.

C.
 Form of
 Declara-
 tion.

STATEMENT OF WOOL PURCHASED AT AUCTION BY A MANUFACTURER.

NOTE: Purchases of wool at auction by a manufacturer shown in this statement must only include wool intended for manufacture within Australia, and so qualifying for claims for subsidy. The manufacturer must complete the columns headed "Lot" "Bales" "Sacks" "Fadges" and "Weight in lbs." The manufacturer should ensure that for the wool shown in this statement, arrangements have been made for the invoicing broker to forward duplicate copies of his invoices to the manufacturer direct to the Australian Wool Realization Commission.

DECLARATION.

I of being the manufacturer name in this statement, or being the person fully authorised to make such statement on behalf of the manufacturer named in this statement, hereby, declare as a condition of receiving subsidy on such wool.

(a) that the wool shown in this statement will be used by the said manufacturer for purposes of manufacture of goods within the Commonwealth (excluding goods which are notified to me as being ineligible for such subsidy)

(b) that the above-mentioned wool or no part of that wool will be resold without prior notification being given to the Australian Wool Realization Commission (for these purposes "resold" is deemed to include any transfer of title in wool oddments or offsorts for a consideration or as remuneration or part-remuneration to any person processing such wool on behalf of a manufacturer)

(c) that if all or any of the wool is not for any reason used for manufacture of goods eligible for subsidy, the subsidy paid will be refunded to the Australian Wool Realization Commission as agent for the Commonwealth

(d) that the above information is a true and correct statement of wool for manufacture of subsidised goods within the Commonwealth purchased by the said manufacturer at the auction series for which this statement is submitted.

40

Signature

Public Officer,
 Partner,
 Proprietor.

Strike out words inapplicable.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion,
1st April
1947.

1st April, 1947.

The Secretary,
Australian Wool Realisation Commission,
540-542 Little Collins Street,
Melbourne, C.1, Vic.

Your Ref. : W/T

46/1621—25th February, 1947.

Dear Sir,

In your letter of 25th February we were informed that Subsidy due 10 on purchases made by us at Melbourne Sale 4 was at present being held till such time as our cheque for the deferred portion of the purchase price of wool ex Appraisements, sold at Auction by us, was received by you.

In the figures on Sale of Wool submitted by us on 18th March, the amount of deferred purchase price was slightly altered from the original amount stated by you.

Pending the finalisation of these figures, it would be appreciated if you could forward to us the detailed statement of subsidy due in relation to Sale 4 Melbourne, as these figures are utilised by us for Costing purposes.

Yours faithfully,

20

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED

(J. W. L. CRANE)

Secretary.

CIRCULAR LETTER, Australian Wool Realization Commission.*Exhibits.*

Pitman House,
540-542 Little Collins St.,
Melbourne, C.1.

21st April, 1947.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion,
21st April
1947.

JHW/McD
Ref. 46/143
(20)

Dear Sir,

- 10 The purpose of this letter is to inform you of an instruction received by the Commission from the Commonwealth Prices Commissioner, relating to a condition governing the payment of subsidy on raw wool purchased during the remainder of the 1946/47 season.

The Commonwealth Prices Commissioner has ruled that subsidisation of wool purchased by manufacturers during the 1946/47 season is proposed only on the quantity of wool necessary for the manufacturer to carry on his normal manufacturing activities to the 30th June, 1947, and for such period after that date during which he is unable to obtain supplies of wool from the market.

- 20 If any manufacturer is found to have purchased wool in excess of these requirements, payment of subsidy on such excess will be withheld by the Commission.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion,
2nd May
1947.

2nd May, 1947.

J. Willis, Esq.,

Australian Wool Realization Commission,
540-542 Little Collins Street,
Melbourne. Vic.

Your Ref. : W/T.

46/1621.

Dear Sir,

On 25th February last you forwarded to this Company Debit Note 10 for £3,712.11.8d., being deferred portion of the purchase price contingently payable in respect of the resale of 973 bales of wool purchased by us ex appraisement. At the same time you advised the Company that you would hold subsidy amounting to £5,040.10.7d., in respect of Sale 4 Melbourne till such time as our cheque for the Debit Note was received.

In our sale of Wool Account, submitted to the Commission on 18th March last, the number of bales sold was stated as 970 in lieu of 973 and the amount of deferred charge was in accordance adjusted from £3,712.11.8 to £3,696.6.4d.

As any decision on the question of overall Profit and Loss on resale 20 of the 970 bales appears to be taking a considerable time to finalise, it is requested that your consideration be given to the amount of deferred charge due, which is submitted by us as being £3,696.6.4d. If this figure could be agreed to we could then make payment and this matter and the subsidy due in respect of Sale 4 Melbourne could then be finalised.

Yours faithfully,

AUSTRALIAN WOOLLEN MILLS PTY. LIMITED

(J. W. L. CRANE)

Secretary.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

AGT'M.

Our Ref. : 46/1621.

Melbourne.
6th May, 1947.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
6th May
1947.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney. N.S.W.

10 Dear Sir,

Receipt is acknowledged of your letter of 2nd May, 1947, relating to an amount of £3,712.11.8 notified by the Commission as the amount deferred and contingently payable on the sale of 973 Bales of Wool purchased by you ex appraisalment.

In reply, it is desired to advise that the quantity shown as 973 bales by the Commission was the gross quantity offered on your behalf at Auction and no amount was charged as due and contingently payable on Lot No. 1816 ex New Zealand Loan on the 24th September, 1946 comprising 3 bales. Therefore the amount of £3,712.11.8 shown is in respect
20 of the sale of a net quantity of 970 bales.

An amended Debit Note showing the net number of bales as 970 is attached hereto. It is regretted that the correct figure of bales was not shown to you on the previous Debit Note.

On receipt of payment for the amount deferred as indicated, payment of subsidy on Melbourne Sale 4 will be made forthwith.

It is understood that a decision on the expenses to be offset against the profits retained will be received from the Prices Branch within the week.

Yours faithfully,

(Sgd.) J. WILLIS,

for Secretary.

30

Encl. :

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.

Letter,
Australian
Woollen
Mills Pty.
Limited
to
Australian
Wool
Realization
Commis-
sion,
9th May
1947.

The Secretary,
Australian Wool Realisation Commission,
540-542 Little Collins Street,
Melbourne.

9th May, 1947.

Your Ref. : AGT'M
46/1621

Dear Sir,

Further to your letter of 6th instant we forward herein our cheque 10 for £3,712.11.8d., being amount of attached debit note.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED

(J. W. L. CRANE)

Secretary.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
12th May
1947.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.

AGT'M
Our Ref. : 46/1464.

Melbourne.
12th May, 1947.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

20

Dear Sir,

We are in receipt of your letter of 9th May, 1947, enclosing a cheque for £3,712.11.8d. being amount deferred and contingently payable on 970 Bales of Wool sold by you in Sydney on 24th September, 1946.

Attached please find our official receipt No. 3724 for the above-mentioned amount.

In terms of the Commission's letter dated 25th February, 1947, it 30 was stated that on receipt of your cheque for the deferred portion on the 970 bales, an amount of £5,040.10.7 due to you at Sydney on purchases made at Melbourne Sale No. 4 would be paid to you.

Attached please find our cheque for £5,040.10.7 as per attached statement being amount in full settlement on Subsidy for Melbourne Sale 4.

Yours faithfully,

(Sgd.) ANDREW G. THOMPSON,

for Secretary.

Attachments :

40

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission. *Exhibits.*

15th May, 1947.

The Secretary,
Australian Wool Realisation Commission,
540-542 Little Collins Street,
Melbourne, Vic.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion,
15th May
1947.

Dear Sir,

I wish to thank you for your letter of the 12th instant enclosing cheque for £5,040.10.7d. being Subsidy on 970 bales of Wool purchased by this Company at Sale 4, Melbourne, and now have pleasure in enclosing official receipt for the above amount.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED

(J. W. L. CRANE)

Secretary.

CIRCULAR LETTER, Australian Wool Realization Commission.

Telegraphic and
cable address
"Canwool"

Pitman House,
540-542 Little Collins Street,
Melbourne.

Circular
Letter,
Australian
Wool
Realization
Commis-
sion,
27th June
1947.

20

No. 27.
MU.9261.
Telephone (6 lines).

27th June, 1947.

Dear Sir,

I am directed to request that you will furnish for the information of the Commission, a return as at 30th June, 1947, of your stock movements of Wool for the past 12 months.

A form in duplicate is attached, showing what is required. One copy should be retained for your files. This return is required in relation to the payment of subsidy on purchases of raw wool and delay in furnishing the return may impede the payment of subsidy on such purchases. Your early attention to this matter would therefore be appreciated.

Yours faithfully,

(Sgd.) H. B. LEIGH,

Secretary.

Encls.

*Exhibits.***FORM OF SUMMARY OF WOOL STOCK MOVEMENTS.**

C.
Form of
Summary
of Wool
Stock
Movements.

SUMMARY OF WOOL STOCK MOVEMENTS 12 MONTHS ENDED 30TH JUNE, 1947.

The Secretary,
Australian Wool Realisation Commission,
542 Little Collins Street,
Melbourne, Vic.

Dear Sir,

I certify that the following information regarding wool stock movements for the 12 months ended 30th June, 1947, is correct. Stocks in the hands of processors on our account and wool awaiting delivery from 10 Selling brokers are included.

<i>Greasy Wool</i> : Stock at 30/6/1946	.. .. .	lbs.
Add purchases 1/7/46 to 30/6/47	.. .. .	lbs.

Deduct stock at 30/6/47	.. .. .	lbs.
Balance—Net usage for 12 months	.. .. .	lbs.
		=====

	<i>Stock at 30/6/46</i>	<i>Stock at 30/6/47</i>
Scoured Wool :	lbs.	lbs.
Carbonised Wool :	lbs.	lbs.

(Sgd.).....

NOTE : This statement is required only in respect of wool held or used for manufacture, and is not to be completed for wool which is processed but not manufactured, i.e. if the manufacturer also carries on a scouring, carbonizing or fellmongering business. 20

Usages of unsubsidized wool in manufacture during the year and stocks of unsubsidized wool held at the 30th June, 1947, if any, should be shown as separate from subsidised wool usages and stocks.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

Melbourne, 18th July, 1947.

JHW/W.

Our Ref : 47/1097.

The Secretary,
 Australian Woollen Mills Pty. Ltd.,
 46 Martin Place,
 Sydney, N.S.W.

C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited,
 18th July
 1947.

Dear Sir,

10 Attached for your information are Subsidy Statements covering purchases made at the following sales :

Geelong No. 9 £3,870.12.9 Reconciliation.

You will observe that Cheque for the amount in question has not been forwarded. The reason for this is that the Commission has not received the Return of Stocks and Usages requested by its letter No. 27 of 27th June, 1947, and is unable to make payment until this return has been received and an examination made on the quantity of stocks on hand as directed by the Commonwealth Prices Commissioner.

20 It would be appreciated therefore if you could please arrange to have the Return of Stocks and Usages mentioned furnished to the Commission at your earliest convenience.

Yours faithfully,

(Sgd.) J. WILLIS,

for Secretary.

Atth.

Exhibits.

C.
Statement
of Subsidy,
17th July
1947.

STATEMENT OF SUBSIDY.

Statement of Subsidy due to :—
THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.,
46 Martin Place,
Sydney.

On account of Wool
ex Various

RECONCILIATION STATEMENT*Series Offset :—*

Melbourne	12	2,921. 0.7	10
Geelong	9	<u>3,949.12.2</u>	
Total Subsidies Offset :		£6,870.12.9	
Less : Advance made 17th June, 1947		<u>3,000. 0.0</u>	
Cheque as per Reconciliation		<u><u>£3,870.12.9</u></u>	

Melbourne : 17th July, 1947.

The amount shown hereon as a subsidy payment has been calculated in accordance with procedure approved by the Commonwealth Government and is payable on the condition that all wool included in the invoice is to be used for the manufacture of goods for consumption within the Commonwealth.

20

Payment of this amount is made to you by the Australian Wool Realization Commission AS AGENT FOR THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA, in accordance with the principles of the Price Stabilisation Plan, and the Government retains the right to review and, if necessary, vary the amount of subsidy so paid.

It is an essential condition of payment of subsidy that the wool on which subsidy has been paid should be used by the purchaser for purposes of manufacture, and that no such wool should be resold without prior notification being given to the Australian Wool Realization Commission.

The amount shown on this statement is included in Cheque No. attached.

30

CIRCULAR LETTER, Australian Wool Realization Commission.

Exhibits.

Telegraphic
and cable address :
“ Cenwool ”
Our Ref. 46/79.
Telephone MU9261 (6 lines).
No. 30.

Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.
21st July, 1947.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion,
21st July
1947.

Dear Sir,

Roller Lapping.

10 The Commission has been directed to inform manufacturers who purchase raw wool that as from the 1st July, 1947, Roller Lapping will not be regarded as eligible for raw wool subsidy.

Therefore, subsidy will not in future be payable on wool purchased for the manufacture of Roller Lapping.

Mills selling roller lapping will be permitted to utilize existing stocks of subsidised wool in the manufacture of roller lapping. The existing fixed maximum prices will continue to apply to such sales.

Mills which subsequently purchase unsubsidised wool for the manufacture of Roller Lapping may obtain revised maximum prices by
20 approaching this Commission, which will conduct the necessary negotiations with the Commonwealth Prices Commissioner.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

*Exhibits.***CIRCULAR LETTER, Australian Wool Realization Commission.**

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion,
24th July
1947.

Telegraphic
and Cable Address :
“ Cenwool.”
Our Ref. 46/143.
M.U.9261.
Telephone (6 lines).
No. 31.

Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.
24th July, 1947.

Dear Sir,

Subsidy on Raw Wool—Submission of Details of Purchases. 10

I refer to the Commission's letter No. 19 dated 20th March, 1947, in which it was stressed that details of purchases of raw wool on which subsidy was being claimed by Australian manufacturers should be submitted to the Commission as soon as possible after each auction series.

Considerable delay is being caused in the finalising of each series, owing to the fact that some manufacturers are not conforming to this procedure. In some instances Returns and Brokers' invoices have been found to be outstanding for purchases made during the October and November auction series.

It is important that the documents outlined in the above-mentioned 20 letter should be submitted as soon as possible after the conclusion of each auction series.

It would be appreciated, therefore, if submission of claims covering the purchases of raw wool by Australian manufacturers during the 1946/47 Season could be made before the 31st July, 1947.

Payment of subsidy on Returns lodged after this date may be subject to deferment.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary. 30

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

JHW.W.

Our Ref. 47/1097.

The Secretary,

Australian Woollen Mills Pty. Ltd.,

46 Martin Place,

Sydney, N.S.W.

24th July, 1947.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
24th July
1947.

Dear Sir,

I refer to the Statement of Stocks and Usages recently furnished
10 by you in reply to the Commission's request No. 27 of the 27th June, 1947.

It is noted that the Stocks held by you as at 30th June, 1947 represent an increase of 589,120 lbs. over the Stocks held by you at the 30th June, 1946. In addition, on the basis of the 1946/47 usages shown by you, closing stocks are equivalent to approximately 12 months usage.

You are aware from the Commission's letter of the 21st April, 1947
(No. 20 ref. 46/143) that the Commission has been instructed by the
Commonwealth Prices Commissioner to withhold Subsidy where Manu-
facturers are found to have purchased wool in excess of the amount required
to carry on their normal manufacturing activities up to the 30th June,
20 1947, and for such period after that date during which it is not possible
to obtain supplies of wool from the market.

In order that the Commission may assess whether the Stocks held by
you constitute your reasonable requirements in the terms of the preceding
paragraph, and are thus eligible for the payment of full subsidy, you are
invited to submit to the Commission any details which you may consider
relevant and which may have a bearing on :—

“ The increase of Stocks over those held at 30th June, 1946.”

Yours faithfully,

(Sgd.) J. H. WILLIS,

for Secretary.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 8th
August
1947.

8th August, 1947.

The Secretary,
Australian Wool Realisation Commission,
540/542 Little Collins Street,
Melbourne, Vic.

Dear Sir,

Re Stocks of Wool Held on 30th June, last.

In reply to your letter of the 24th July we wish to state that our stocks of wool are not abnormal when compared with past years. 10

For comparison we give as under stock of wool on hand in the various years :—

1943	..	..	..	9,970 bales
1944	..	..	..	13,826 bales
1945	..	..	..	9,134 bales
1946	..	..	..	9,267 bales
1947	..	..	..	10,445 bales

These 10,445 bales on hand in 1947 are subject to a deduction of 1,270 bales of wool, which we have on hand. This wool was purchased to provide for the manufacture of defence cloths during the war period 20 and is not suitable for the manufacture of the civilian cloths now being produced. We made application for permission to sell this wool some twelve months ago, but have not yet received the Department's consent.

Our purchase of wool this season was part of a plan to provide for an increase in our production of about 100% in this year's trading, which we have not yet achieved and not until now has the additional consumption of wool been apparent in the stocks held. In the last few months we were reaping some benefit from our efforts to increase production and our rate of production now shows an increase of 50%.

In estimating a reasonable stock of wool to carry it is necessary to 30 know the class of trade being done, the types of wool required and when and where they are to be procured.

In the main we have constantly in course of manufacture four different qualities and types of tops for the production of our cloths. These tops must be kept to a regular standard without variation, as the cloths are sold upon a mill number without inspection, the purchaser relying upon this continuity of quality.

This necessitates the purchase of wools of regular type and of wool grown under favourable conditions. This need drives us to Geelong to purchase Victorian Western District Wools in large quantities. 40

To maintain this continuity of type and quality it is necessary to have on hand at all times at least 500 to 1,000 bales of each quality to insure a regular blend and to correct variations of quality in the wool caused by Seasonal conditions. To do this satisfactorily and to give a safe working stock would mean carrying a constant stock of 3,000 bales which should never be allowed to fall below this quantity.

These types of wool are not usually readily procurable before the end of the year and early in the new year, so in estimating our stock it would be necessary to allow for the purchase of new Season's wool not earlier than the end of October or early November and leaving on hand at that date not less than 3,000 bales.

The position summarised is as follows:—

Stock of Wool on hand 30th June, 1947	2,924,600 lbs.
Stock of Unsuitable wool to be returned for Sale ..	356,870 lbs.
	<u>2,567,730 lbs.</u>
<i>Less</i> : Estimated consumption 260 Bales 21 weeks from 30th June, 1947 to end of November, 1947	1,534,260 lbs.
	<u>1,033,470 lbs.</u>

This amounts to 3,700 bales, which is to provide for outsorting during this period and a reasonable working load.

Following our usual practice, we purchased more wool last Season than we would have, had not the Season's Wool been so far above average, when the Victorian Western District Wools were at their best owing to ideal Seasonal conditions, so it was easy to procure large quantities of wool of this type free from all faults and at a time when these same districts and also most of New South Wales were in the middle of drought, which suggested drought-damaged wool in the following Season from these areas. This, as can readily be seen, is a big influence in the quantity carried from one Season to another.

Difficulty and delay in interstate transport has also been a contributing factor in our desire to be fully covered in this Stock.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) HAROLD LONGWORTH,

Managing Director.

Exhibits.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 8th
August
1947,
continued.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.

Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
26th
August
1947.

A.W.R.C. Ref. 47 : 1097 : 4.

26th August, 1947.

The Secretary,
Australian Woollen Mills Co. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

Receipt is acknowledged of your letter of 8th August, 1947, following the Commission's circular letter of the 21st April, 1947, which concerned 10 a direction by the Commonwealth Prices Commissioner as to the withholding of subsidy on purchases in excess of a certain level.

I have by direction to advise you that this matter has been referred to the Secretary, Commonwealth Prices Branch, Canberra, for decision as to the payment or deferment of subsidy on outstanding purchases still in the hands of the Commission.

The Commission will continue to render Statements of Subsidy showing the basic cost of your wool and the average market price computed pending advice of the decision of the Commonwealth Prices Branch.

With regard to 1,270 bales of wool which you wish to sell, will you 20 please advise when the application was made for permission to sell. If details are given, consideration will be given by the Commission to your request.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

No. 32.
Our Ref. 46/143.

Head Office, Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

27th August, 1947.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
27th
August
1947.

Dear Sir,

10 The Commission has been directed by the Commonwealth Prices Commissioner to inform manufacturers that the existing scheme for the subsidisation of raw wool purchased for consumption within the Commonwealth is to continue until further notice.

The terms and conditions of payment of subsidy on purchases made during the 1947/48 wool selling season will be those which were laid down for payment of subsidy in the 1946/47 wool season, with the following important amendments :—

20 (A) The basic cost of skin wools purchased in the 1947/48 wool season will be appraisement plus 10% in lieu of the basic cost of appraisement plus 5% which operated for skin wools in the 1946/47 wool season.

(B) The Commission will make initial payment of subsidy on raw wool purchases (subject to other prescribed conditions) only to a prescribed percentage above basic cost. The prescribed percentage until further notice will be 110% above basic cost. Any subsidy in excess of 110% on basic cost on any lot is to be referred to the Commonwealth Prices Branch for direction as to payment.

30 (c) Payment of subsidy will be made only to manufacturers who keep records which comply with the provisions of Regulation 49 of the National Security (Prices) Regulations and which show, to the satisfaction of the Australian Wool Realization Commission, that the wool has been used in the manufacture of goods which are eligible for subsidy.

The Commission has also been directed to inform all manufacturers purchasing wool that subsidy will be paid only on purchases of wool for current manufacturing requirements, and that payment may be withheld in instances where purchases are in excess of current reasonable requirements for manufacture.

40

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

Exhibits.

CIRCULAR LETTER, Australian Wool Realization Commission.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 2nd
September
1947.

Our Ref. 46/143.

No. 34.

Pitman House,

540-542 Little Collins Street,
Melbourne.

2nd September, 1947.

Dear Sir,

Reference is made to the Commission's circular No. 32 of the 27th August, 1947, relating to the payment of subsidy on purchases of raw wool made during the 1947/48 wool selling season.

You are advised that the prescribed percentage limit for the initial 10 payment of subsidy on raw wool purchases shown as 110% above basic cost in paragraph 2 (B) of the above-mentioned circular has been revised to 125% above basic cost.

This amendment will operate until further notice.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

(JHW/mb).

CIRCULAR LETTER, Australian Wool Realization Commission.

Exhibits.

Head Office :

Pitman House,
540-542 Little Collins Street,
Melbourne.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 1st
October
1947.

JHW'M
No. 41.

1st October, 1947.

Dear Sir,

Purchases of Raw Wool by Australian Manufacturers.

10 The attention of Manufacturers who receive payments of subsidy on purchases of raw wool is especially directed to the clauses on the Commission's Subsidy Statements, which read, *inter alia* :—

“ . . . subsidy . . . is payable on the condition that all wool included in the invoice is to be used for the manufacture of goods for consumption within the Commonwealth.

20 “ . . . It is an essential condition of payment of subsidy that the wool on which subsidy has been paid should be used by the purchaser for purposes of manufacture, and that no such wool should be resold without prior notification being given to the Australian Wool Realization Commission.”

In the course of routine investigations by Officers of the Commission, it has been discovered that in certain cases Manufacturers have received Credit Notes from Brokers for quantities of wool which have been returned or short-delivered, but have failed to notify the Commission and make the necessary refund of subsidy.

You are reminded, therefore, that it is the Manufacturers' responsibility to advise the Commission if, and when, there are any alterations to the original Brokers' invoices on which subsidy has been calculated.

Yours faithfully,

30

(Sgd.) J. H. WILLIS,
for Secretary.

*Exhibits.***CIRCULAR LETTER, Australian Wool Realization Commission.**

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 14th
October
1947.

JHW'M
47/42.

Head Office :

Pitman House,

540-542 Little Collins Street,

Melbourne.

14th October, 1947.

Dear Sir,

Wool purchased other than at Auction.

Reference is made to the Commission's circular letter No. 32 10 dated 27th August, 1947, in which was outlined the terms and conditions of payment of Subsidy on purchases made during the 1947/48 Wool Selling Season.

I am directed to advise you that where Manufacturers claim Subsidy on Private purchases, i.e. wool purchased other than at Auction, the following documents must be submitted to the Commission :—

(A) Official Commission form designated "Catalogue of Wool purchased other than at Auction," completed up to column 8, submitted in duplicate to the State Office of the A.W.R.C. for completion of columns 9-11. 20

(B) Certified copy of the Vendors invoice.

(C) Weight Notes stamped by the Commissioner of Taxation or other evidence that the contributory charge has been paid.

(D) Statement of Subsidy, A.B. & C., completed as for Auction purchases, including declarations on reverse side of Sheet A.

It is important that the foregoing details be forwarded as soon as possible after the transaction.

On submission of all relevant documents, consideration will be given by the Commission as to whether Subsidy is payable in terms of the circular letter No. 32, ref. 46/143 dated 27th August, 1947. 30

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission. *Exhibits.*

Registered Office :

M.L.C. Building, 46 Martin Place,
Sydney.

3rd November, 1947.

Your A.W.R.C. Reference JW/M—46/1621.

The Secretary,
Australian Wool Realization Commission,
540/542 Little Collins Street,
Melbourne.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited
to
Australian
Wool
Realization
Commis-
sion, 3rd
November
1947.

10

re Decision on Subsidy Payment for Wool Season 1946/47

In July last we were informed that the payment of £3,870.12.9 of subsidy had been withheld pending a review of our wool stock and in response to the Commission's request the Company forwarded a statement of Wool Stocks as at 30th June, 1947 and of wool usage for the previous twelve months. We were later invited to supply further details relevant to the stock position, which we did in considerable detail on 8th August last. On 28th August we received your acknowledgement and advice that the matter had been referred to the Commonwealth Prices Branch,
20 Canberra. We have had no further information since that date.

The withholding of payment of this amount directly determines our purchase price and as you can appreciate we are now most anxious to obtain an early decision so that we may determine the disposal of the wool involved.

In regard to the re-sale of greasy wool by this Company. In September, 1946 we sold at Auction 970 Bales of greasy wool (ex appraisal) which had previously been acquired for the manufacture of Defence Force cloths. In February 1947 we received a statement from the Commission showing the profit on re-sale calculated as being £8,181.17.9
30 and at the same time a like amount of subsidy payment was deferred. We examined the Commission's figures very closely but could not in any way reconcile them with our actual costs and expenses in relation to this wool and as requested by the Commission we submitted in March last a detailed statement showing that a loss was incurred in the disposal of this unsuitable stock. We were advised that the Prices Branch were considering this statement and in the Commission's letter of the 6th May, 1947 it was stated that a decision was expected within the week.

These two amounts total £12,052.10.6 and as the sale of wool, the decision on which affects the greater portion, took place over twelve months
40 ago your endeavour to have these matters finalised within a reasonable time would be appreciated.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED

(Sgd.) J. W. L. CRANE,
Secretary.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
10th
November
1947.

JHW/mb.

10th November, 1947.

47/1097/4.

The Secretary,

Australian Woollen Mills Pty. Ltd.,

46 Martin Place,

Sydney, N.S.W.

Dear Sir,

I have by direction to acknowledge receipt of your letter of the 3rd November, 1947, referring to subsidy payment on wools purchased 10 during the 1946/47 Season.

I am to advise you that stocks held by you are now regarded as having been reduced to a basis in accordance with the Prices Branch instructions on this matter, and a cheque for £3,870.12.9 is attached, covering outstanding subsidy due to you on purchases made in the 1946/47 Season.

It is pointed out that no details have yet been received relating to the 1,270 bales of Crossbred wool which you stated in previous correspondence you wished to sell. Would you please advise the present position regarding these stocks.

20

It is regretted that there has been delay in the computation of amounts due as expenses against the resale of wool by you in the 1946/47 Wool Season, and a further letter will be addressed to you when this has been finalised.

Yours faithfully,

(Sgd.) J. H. WILLIS,

for Secretary.

CIRCULAR LETTER, Australian Wool Realization Commission.

Exhibits.

Our Ref. 46/143

Head Office :

No. 45

Pitman House,

540-542 Little Collins Street,
Melbourne.

12th November, 1947.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion,
12th
November
1947.

Dear Sir,

Reference is made to the Commission's circular No. 34 dated the 2nd September, 1947, relating to the payment of Subsidy on purchases of raw wool for domestic consumption during the 1947/48 Wool Selling Season.

You are advised that the prescribed percentage limits for the initial payment of Subsidy on raw wool purchases have been revised as follows :—

(A) In the case of Merino Combing Wools 150% above basic cost.

(B) In the case of Comeback Combing Wools (regarded as 58's quality and higher) and Merino Carding Wools (but not carbonising types) 140% above basic cost.

20 (C) In the case of wools other than those specified in sub-paragraphs (A) and (B) 125% above basic cost.

Amounts temporarily deferred in respect of previous sales in pursuance of pre-existing limitation are being examined in the light of the above amendment, and letters will be addressed to individual manufacturers in regard to this aspect.

Yours faithfully,

(Sgd.) J. H. WILLIS,

Secretary.

(JHW/mb)

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
24th
November
1947.

JHW'M

Our Ref. 47/1097/4.

The Secretary,

Australian Woollen Mills Pty. Ltd.,

46 Martin Place,

Sydney.

Melbourne.

24th November, 1947.

Dear Sir,

Resale of 970 Bales of Raw Wool September 1946.

Further to my letter of the 10th instant and previous correspondence 10 on this matter, it is now advised that consideration has been given by the Commission to your claim for refund of expenses incurred, being the cost involved in the disposal of this wool.

Attached please find a detailed list of allowable items of expenditure and the Commission's cheque for £1,411.3.8 being the total amount as set out.

Yours faithfully,

(Signed) J. WILLIS,
for Secretary.

Attachments :

20

LIST OF ALLOWABLE EXPENSES.

Exhibits.

SALE OF 970 BALES OF WOOL BY THE AUSTRALIAN WOOLLEN MILLS PTY.
LIMITED, SEPTEMBER, 1946.

C.
List of
Allowable
Expenses.

ALLOWABLE EXPENSES.

		£	s.	d.
44 Bales	Sold by Dalgety & Co. Ltd. (Net 12,823 lbs.) Purchased Various Seasons—Bulk 1944/45 Sydney.			
	Delivery Charge @ $\frac{1}{8}$ d. per lb.	6	13	7
10	Broker's Buying Commission @ $1\frac{1}{2}\%$	17	13	0
347 Bales	Sold by Dalgety & Co. Ltd. Purchased December 40/January 41 ex various appraisements including Appraisements 22 to 26 Melbourne.			
	Delivery Charge @ $\frac{1}{8}$ d. per lb.	50	15	8
	Broker's Buying Commission @ $1\frac{1}{2}\%$	138	8	11
104 Bales	Sold by Dalgety & Co. Ltd. Purchased July/ August 1942 ex Various Appraisements including Appraisements 56, 76/7/8 Melbourne.			
20	Delivery Charge @ $\frac{1}{8}$ d. per lb.	13	13	10
	Broker's Buying Commission @ $1\frac{1}{2}\%$	45	4	11
475 Bales	Sold by New Zealand Loan and Mercantile Agency Co. Ltd. Purchased October 1942 ex various Appraisements including Appraisements 58-61.			
	Delivery Charge @ $\frac{1}{8}$ d. per lb.	70	13	10
	Broker's Buying Commission @ $1\frac{1}{2}\%$	161	10	6
44 Bales	Bulk purchased ex Sydney Season 1944/45. Delivery Charge Store to Mill included in Initial Cost Figures.			
30	Insurance—say 1 year @ $5\frac{5}{6}\%$ less 10% on £1,311 5 3	3	4	4
	Delivery from Mill to Store for Auction @ $1\frac{1}{3}$ d. per bale	2	15	0
347 Bales	Purchased ex Melbourne December 40/ January 41.			
	Insurance—5-9/12th years @ $5\frac{5}{6}\%$ less 10% on £9,604 5 3	136	12	8
	C/Forward	£642	6	3

<i>Exhibits.</i>	B/Forward	£642 6 3
C. List of Allowable Expenses, <i>continued.</i>	547 Bales—Freight—Melbourne to Sydney.	
	Bulk shipped early 1941 @ 7/- per bale	£121 9 0
	Plus 15% Surcharge	18 4 3
		139 13 3
	Stacking Charge—6d. per bale	8 13 6
	Inward Wharfage and Harbour Rates (Maritime Services Board N.S.W.) @ 9d. per bale ..	13 0 3
	Cartage—Sydney Wharf to Mill @ 1/3d. per bale	21 13 9
	Cartage—Mill to Store for Auction @ 1/3d. per bale	21 13 9
	104 Bales—Purchased July/August 1942.	
	Insurance—4 years @ 5/6% Less 10% on £3,211 17 10	31 13 8
	Freight—Melbourne to Sydney @ 8/- per bale	£41 12 0
	Plus 35% Surcharge	14 11 5
		56 3 5
	Stacking Charge—6d. per bale	2 12 0
	Inward Wharfage and Harbour Rates (Maritime Services Board of N.S.W.) @ 9d. per bale ..	3 18 0
	Cartage—Sydney Wharf to Mill @ 1/3d. per bale	6 10 0
	Cartage—Mill to Store for Auction @ 1/3d. per bale	6 10 0
	475 Bales—Purchased October 1942.	
	Insurance—3-9/12th years @ 5/6% less 10% on £11,999 11 9	111 4 7
	Freight—Melbourne to Sydney @ 8/- per bale	£190 0 0
	Plus 35% Surcharge	66 10 0
		256 10 0
	Stacking Charge—6d. per bale	11 17 6
	Inward Wharfage & Harbour Rates (Maritime Services Boards of N.S.W.) @ 9d. per bale ..	17 16 3
	Cartage—Sydney Wharf to Mill @ 1/3d. per bale	29 13 9
	Cartage—Mill to Store for Auction @ 1/3d. per bale	29 13 9
		£1,411 3 8
		40

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.

Exhibits.

The Secretary,
 Australian Wool Realization Commission,
 540-542 Little Collins Street,
 Melbourne.

5th December, 1947.

C.
 Letter,
 Australian
 Woollen
 Mills Pty.
 Limited to
 Australian
 Wool
 Realization
 Commis-
 sion, 5th
 December
 1947.

Your Ref. JHW'M 47/1097/4.

Dear Sir,

Re Sale of 970 Bales of Raw Wool
 September, 1946.

10 We acknowledge receipt of your letter of 24th November last together with cheque for £1,411.3.8 for which we thank you and now forward our official receipt.

20 We thank you for your detailed list of all allowable items of expenditure but at the same time express surprise and also disappointment at the fact that storage, handling charges and interest have not been allowed. As regards storage we would like to amplify our previous remarks as we feel this charge is not unreasonable. The cost listed by us was for the greater part actually expended. The bulk of this wool was purchased in Victoria and storage charges accumulated for the period between purchasing and the obtaining of space for shipment to Sydney which when shipping was scarce was an appreciable period. In Sydney we regularly carry wool in outside stores as the capacity of our wool store at the factory is not sufficient to carry all stock. Much of this wool had to be stored in this manner and storage charges again were actually paid by the Company. Eventually all of this wool had to be stored in our own wool store but it occupied valuable space there and necessitated charges being paid on current purchases which we were forced to store in outside stores. The storage rate of 1½d. per bale per week is that which was common to the wool trade and approved by the Prices Branch.

30 As to the handling charges and interest we feel also that these are reasonable charges in relation to this wool and as you make no mention of them we would appreciate your views.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED.

(Sgd.) J. W. L. CRANE,

Secretary.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
8th
January
1948.

The Secretary,
Australian Woollen Mills Pty. Limited,
M.L.C. Building,
46 Martin Place,
Sydney, N.S.W.

540-542 Little Collins Street,
Melbourne,
8th January, 1948.

Dear Sir,

I have by direction to acknowledge receipt of your letter of the 5th December 1947, concerning disallowance of certain expenditure in respect of the resale of 970 bales of raw wool in September 1946. More particularly you refer to the items of interest, storage and Mill handling wages. 10

This action was taken by the Commission in accordance with the instructions of the Commonwealth Prices Commissioner who has directed the disallowance of certain types of expenditure such as interest, etc. in the event of the resale by manufacturers of subsidised wool or wool purchased at preferential local prices for use in manufacture.

Yours faithfully,

(Sgd.) J. WILLIS,
for Secretary. 20

CIRCULAR LETTER, Australian Wool Realization Commission.

Exhibits.

(JHW/mb).
46/143.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne. 30th January, 1948.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 30th
January
1948.

Confidential.

Dear Sir,

Reference is made to the Commission's circular No. 45 dated the 12th November, 1947, relating to the payment of subsidy on purchases of raw wool for domestic consumption during the 1947/48 Wool Selling
10 Season.

You are advised that, for wool selling series occurring after the 1st February, 1948, the prescribed percentage limits for the initial payment of subsidy on raw wool purchases have been revised as follows :—

(A) In the case of Merino Combing Wools—200% above basic cost.

(B) In the case of Comeback Combing Wools—(regarded as 58's quality and higher) 150% above basic cost.

(C) In the case of Merino Carding Wools (but not carbonizing types)—150% above basic cost.

20 (D) In the case of carbonizing wools and other wools not specified in sub-paragraphs (A) to (C)—125% above basic cost.

It is stressed that these limits are maximum limits only, and the Commission, as agent for the Commonwealth Government, may withhold amounts within the maximum if it is of the opinion that any manufacturer is purchasing in such a manner as to impose avoidable subsidy liability. Suitable action will be taken against manufacturers purchasing in a non-competitive manner.

30 Furthermore, it is stressed that subsidy will be paid only on wools required for manufacturers' immediate needs in this season or up to the time in the following season when it will be possible to secure suitable wools from the market. Any manufacturer who purchases excess wool will therefore do so in the full knowledge that he cannot expect Government subsidisation on the excess quantity purchased and that the full financial responsibility for this wool will rest on him alone.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

No. 52.

Exhibits. LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 4th
February
1948.

COPY.

46 Martin Place,
Sydney.

4th February, 1948.

The Secretary,

Australian Wool Realization Commission,

540/542 Little Collins Street,

Melbourne.

Dear Sir,

I wish to thank you for your letter of the 30th ultimo relating to 10 the payment of subsidy. I also desire to tell you how much we appreciate the value of the scheme as a whole and that we realize fully the great protection it gives the local Manufacturer under the present conditions prevailing in the wool trade.

I have been aware throughout of the responsibility of the Manufacturer to be fair and to avoid where possible imposing unnecessary subsidy and I have repeatedly impressed this upon our wool buyers.

Our position with regards to stock of wool on hand is much the same as last year and we are aiming at finishing the season with about the same quantity or a little less than June 30th last. 20

Last year you thought we had more wool than necessary on hand, and in consequence withheld subsidy on 179 bales which was subsequently paid. This year our trade has increased considerably therefore I take it that if we finish the season in the above position it will meet with your views.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) HAROLD LONGWORTH,

Managing Director.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

JHW/mb

Head Office :

Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

20th February, 1948.

C.
Letter,
Australian
Wool
Realization
Commis-
sion to
Australian
Woollen
Mills Pty.
Limited,
20th
February
1948.

The Managing Director,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

10

Dear Sir,

It has been necessary for the Commission to examine the circumstances surrounding certain purchases of wool by your Company ex Geelong Series No. 4 on 17th and 18th December, 1947. As a result of this examination it is necessary to draw your attention to the Commission's circular letter to manufacturers dated the 20th August, 1946. Sub-paragraph (E) of the second paragraph of this letter states *inter alia* :—

20

“The Commission will take into account instances where Australian manufacturers bid against each other or against overseas competition in a manner which might be deemed unreasonable having regard to the state of the market and may be forced to take action to protect the funds of the Commonwealth, where it has adequate reason to believe that the bids on certain types constituted a departure from normal competitive bidding on a pre-war basis, and after considering the levels ruling on similar types of wool in the same series.”

30

The Commission is informed by its officers present at the sale in question that, during the course of bidding, you bid in steps in excess of the minimum bid, particularly in the purchase of Extra Super Warp Wools. In this field, examination of the lots sold indicates that you took 68% of such wools offering, in some instances taking almost all bales offered of individual types. The extent of your purchases in these grades has been such as to prevent other buyers from operating, and the Commission cannot therefore regard the prices realised, of which your purchases constitute the bulk, as forming the average of the market.

As you have been notified, the Commission administers the raw wool subsidy scheme as agent for the Commonwealth Prices Commissioner, and subsidy is payable to “the average market level as assessed by the Commission”.

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commis-
 sion to
 Australian
 Woollen
 Mills Pty.
 Limited,
 20th
 February
 1948,
continued.

Under the circumstances, the Commission is not prepared to assess the average market level on these transaction, and the question of payment of subsidy on these claims ceases to come within the delegation given to the Commission by the Commonwealth Prices Commissioner.

Your claims for payment of subsidy on purchases of Extra Super Warp Wools in Geelong series No. 4 have therefore been referred to the Commonwealth Prices Branch, Canberra, for consideration in accordance with the principles of the Prices Stabilization Plan. It is requested that you address further correspondence on this matter to that authority.

Payment on certain other claims has also been deferred, pending an investigation on your premises into the quantity and nature of your holdings of raw wool stocks. 10

Yours faithfully,

(Sgd.) J. H. WILLIS,
 for Secretary.

Circular
 Letter,
 Australian
 Wool
 Realization
 Commis-
 sion, 20th
 February
 1948.

CIRCULAR LETTER, Australian Wool Realization Commission.

JHW/mb
 46/143

Head Office : Pitman House,
 540-542 Little Collins Street,
 Melbourne.

20th February, 1948. 20

Dear Sir,

**Payment of Subsidy on Raw Wool for the Manufacture of Goods for
 Domestic Consumption.**

Reference is made to the Commission's circular letter No. 52 of the 30th January, 1948, which advised revised percentage limits above basic cost for the automatic payment of subsidy, and to previous correspondence relating to auction purchases of wool for domestic consumption.

It has been decided that for purchases made on or after the 22nd February, 1948, the system of notified percentage limits above basic cost representing the limit for immediate payment of subsidy will be discontinued. This decision has been made after considering the incidence of overseas competition and the methods of bidding by certain local manufacturers or their representatives. 30

In place of the system of notified percentage limits there has been instituted a system of special scrutiny and analysis of bidding and of purchases made at any auction by manufacturers. Based on this scrutiny and analysis, the Commission, acting as the agent of the Commonwealth

Prices Commissioner, will determine the reasonable purchasing level for each mill or each group of mills carrying on manufacture requiring the purchase of similar types of wool.

Exhibits.

—
C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 20th
February
1948,
continued.

In determining what is the reasonable purchasing level, the Commission will have regard to :—

(A) whether a manufacturer or his buyer is exercising proper discretion, care and skill in the purchase of wool.

10 (B) observance at auction of the principle of bidding in accordance with minimum advances. Subsidy may be adjusted in instances where Australian manufacturers or their representatives bid against each other after the withdrawal of other bidders.

20 (C) In the event of undue concentration by local manufacturers on any type or group of wools at an individual series, local manufacturers' purchases may be excluded and the market average may be deemed to be the weighted average of the remaining purchases. In the event of Australia manufacturers purchasing all or nearly all of the wools within a type, the Commission may deem that a fair market average cannot be computed and may refer the claims for subsidy to the Commonwealth Prices Commissioner, to be dealt with in accordance with the general principles of Price Stabilization.

30 You are notified that Extra Super Warp Wools, Extra Super Warp and Half-Warp wools and Extra Super Half Warp Wools will not be eligible for automatic payment of subsidy. Subsidy on such wools may be payable by the Commission with the consent of the Commonwealth Prices Branch in individual instances. Such consent will depend on whether the manufacturer has normally purchased those wools in preceding seasons and whether they are for immediate use in the manufacture of goods for domestic consumption. Claims rendered to the Commission for purchases of these wools made since late November, 1947, will not be paid until investigations have been made into the proposed use and as to whether their purchase, having regard to the production and stocks of the manufacturer, represented normal and reasonable buying procedure.

The Commission has been directed by the Commonwealth Prices Commissioner to inform manufacturers that the Government proposes to review the operation of the subsidy scheme and consider the revision of existing basic costs at the 30th June, 1948, or before.

40 *It is important to note that there is no guarantee that stocks held at the 30th June, 1948, will remain subsidised to the present basis. All or portion of the subsidy on stocks held at that date may be adjusted by the Commonwealth Government if it deems such action necessary. This should be borne in mind in the formulation of purchasing programmes as well as the fact that subsidy may be withheld forthwith on purchases which are deemed excessive or inappropriate to a mill's functions.*

Yours faithfully,

J. H. WILLIS,
for Secretary.

No. 59.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
2nd March
1948.

48/316

2nd March, 1948.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

As a result of the investigation which was recently carried out by Officers of the Commission, in connection with the payment of subsidy on your raw wool purchases, and the subsequent recovery of subsidy on the wool content of exported goods and wastes derived therefrom, my attention has been drawn to the fact that certain noils produced by your Company have been exported without the appropriate refund of subsidy being made. 10

Declarations supplied by your Company to the purchaser, Miller Ezzy and Company, stated that a proportion of the noils was made from "Non-subsidised" wools, when, in effect, they have been produced from wools bought under the Appraisal Scheme, and therefore liable to the payment of the deferred portion of the purchase price under the National Security (Price of Wool for manufacture for export) Regulations. 20

A Debit Note for £545.5.4 is attached to cover the short-payment, and your cheque for this amount will be appreciated.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

LETTER, Australian Woollen Mills Pty. Limited to Commonwealth Prices Branch.

Exhibits.

MLC Building, 46 Martin Place,
Sydney.

22nd March, 1948.

The Secretary,
Commonwealth Prices Branch,
Canberra.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Common-
wealth
Prices
Branch,
22nd March
1948.

Attention Mr. Hodson.

Dear Sir,

10 Following our recent discussion with your Mr. Hudson in reference to the purchase of wool by us at public auction from Sales Geelong No. 4 and No. 5 and the withholding of subsidy upon 774 bales being part of such wool, by the Australian Wool Realization Committee.

We now, owing to the general dissatisfaction and to the accusations made wish to withdraw any claim for subsidy upon these 774 bales as we intend returning them to the market at once while the opportunity still exists to do so at a profit.

20 We have also purchased since these sales 1,413 Bales of Wool upon which no subsidy statement has been received by us and as we fear some of these wools may be in the same position, we would be pleased to have this statement as early as convenient to your Mr. Willis, so as to enable us to take the same action if necessary without delay.

The whole position is particularly serious as far as we are concerned, as the whole of our future plans of production have been upset and must be revised in consequence of not being able to procure all the wool we need at anything near the basic price this season the position is much worse.

It should be realized that wool which, for any reason is not fully subsidised to the basic price is no longer available to us for the manufacture into goods for local consumption.

30 We have in consequence of the uncertain position with regards the future payment of subsidy, discontinued purchasing and did withdraw our buyers earlier in the year and we will not be operating again this season.

We are not unmindful of and we do appreciate the difficulties involved in the administration of this subsidy scheme.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) HAROLD LONGWORTH,

Chairman of Directors.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 23rd
March
1948.

M.L.C. Building,
46 Martin Place,
Sydney.

23rd March, 1948.

The Secretary,
Australian Wool Realization Commission,
540 Little Collins Street,
Melbourne, C.1.

Dear Sir,

10

Following our recent discussions upon the wool purchased by us at the recent public auction sales Geelong Nos. 4 and 5 and your decision not to pay the subsidy upon 774 bales being part of such wool and being marked (U) in your subsidy statement covering these particular sales, we now, owing to our difference regarding these wools and having regard to your view that these wools were badly bought, we hereby withdraw any claim for payment of subsidy upon these 774 bales.

We also desire to advise you that we will be returning these wools to the market for sale at once so that we may avail ourselves of the existing opportunity to do so at a profit.

20

We are hopeful that this may in your opinion be the best solution to our differences.

We have also purchased since these sales 1,413 bales for which no subsidy statement has been received by us and as the whole of this wool was purchased under like conditions, we fear that the payment of subsidy upon these wools is being withheld in a similar manner.

Therefore we would be pleased if you could inform us of the position in regard to this 1,413 bales as early as possible so that we may take the same action if necessary while the opportunity exists to do so at a profit.

We have in consequence of your expressed intention to penalise us 30 to the extent of eightpence per pound upon wool purchased and the uncertain position generally with regard to the future payment of subsidy discontinued purchasing.

In taking some other average as suggested than that of the sale in question, it would be only logical to take the average of the later sales in Geelong in January and February which would be the sale in which we would have had to purchase this wool had we not procured it out of the December sales. If the opportunity to purchase this wool out of the December sales had been neglected and had instead been procured out of

sales in January and February the cost would have been about £15 per bale more, therefore I would suggest that you take these sales to arrive at a fair average to base the amount of subsidy payable.

The position is particularly serious as far as we are concerned as the whole of our future production is dependent upon fully subsidised wool being available to us out of this seasons clip.

If this fully subsidized wool be not available to us in the near future the result would be to close our Mill completely.

Yours faithfully,

10

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

Per HAROLD LONGWORTH,

Chairman of Directors.

Exhibits.

C.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 23rd
March
1948,
continued.

CIRCULAR LETTER, Australian Wool Realization Commission.

No. 65.

Melbourne, C.1.

Our Ref. 46/79.

25th March, 1948.

Addressed to—Wool Manufacturers,
Waste Merchants,
Waste Exporters.

Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 25th
March
1948.

Dear Sir,

20

Recovery of Subsidy on the Wool Content of Wastes exported from the Commonwealth.

Rates operative from 1st April, 1948.

The Commission, acting as agent for the Commonwealth Prices Commissioner, hereby notifies Wool Manufacturers, Waste Merchants and Waste Exporters that there will be an alteration in the rates of recovery of subsidy due to the Commonwealth Government of the wool content of manufacturing wastes on or after the 1st April, 1948.

30

Attached to this circular is a schedule of recovery rates on wool wastes, which will operate in respect of *all* sales or deliveries of such wastes made by Wool Manufacturers on or after the 1st April, 1948. These rates will operate whether the manufacturer contends that he sold the wastes for export or for consumption within the Commonwealth.

It is notified that :—

(A) *Where the rates shown on this revised schedule exceed the rates of recovery previously applying, any holder of such stocks other than a woollen Manufacturer may declare these stocks in*

Exhibits.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 25th
March
1948,
continued.

his physical possession at the 31st March, 1948. Such a declaration must be rendered to the Commission by Monday, 5th April, 1948. Holder in Victoria should supply the declaration to the above address. Holders outside Victoria should forward it to the Commission's office in their State.

The Commission, if it deems fit, may regard such declared stocks as being only subject to the lower rate of recovery of subsidy fixed by its previous written circulars. This exemption does not apply to Wool Manufacturers.

(B) *Where the rates shown on this revised Schedule are less than 10 the rates previously applying, the revised rates will apply to all debit notes issued by the Commission as from the 1st April, 1948. They will not be retrospective, or operate on wastes already sold for export.*

(C) The attached Schedule is to be read as forming portion of this letter, and instructions given in the Schedule are to be regarded as additional instructions in the terms of this letter.

If any manufacturer or holder of waste considers that waste he possesses does not come within the types shown in this Schedule, he may submit it to the Commission for appraisalment and fixation of a rate of 20 subsidy recovery.

The attention of manufacturers is particularly drawn to the fact that White Worsted System Drawing Wastes, Top Wastes, Combing Wastes, Card Waste and Preparer Wastes may not be sold until appraised by the Commission.

Yours faithfully,

J. H. WILLIS,
for Secretary.

Enclosure—
Schedule.

30

SCHEDULE OF WASTE TYPES AND RATES OF RECOVERY.

Exhibits.

AUSTRALIAN WOOL REALIZATION COMMISSION.

C.
Schedule
of Waste
Types and
Rates of
Recovery.

SCHEDULE OF WASTE TYPES AND OF RATES OF RECOVERY OF RAW WOOL
SUBSIDY WHICH MUST BE PAID AS A CONDITION OF EXPORTATION OF WASTES
CONTAINING OR DEEMED TO CONTAIN SUBSIDISED WOOL.

Operative from 1st April, 1948.

Code: (X) indicates subject to yield. No yield allowed on types not carrying this notation.

10	Description	Merino & Cbk. (58's & up) d. per lb.			Xbred—below 58's d. per lb.		
		Type	White	Col'd	Type	White	Col'd
GROUP 1 SOFT WASTES—WORSTED SYSTEM							
	Worsted System Card Waste and/or Preparer Waste ..	W 1	(a)	16	W 5	(a)	8
	Top Waste and/or Combing Waste	W 2	(a)	16	W 6	(a)	8
	Drawing Waste .	W 3	(a) (b)	8	W 7	(a)	4½
20	Roving Waste ..	W 4	12	8	W 8	6¾	4½
	(a) To be appraised by the Commission prior to sale by the manufacturer. The Commission may refuse permission to sell when it is of the opinion that the waste can be re-used by the manufacturer.						
	(b) White Drawing Waste mixed with Roving Wastes will be assessed on yield of each.						
	NOTE 1.—Subsidy recovery assessed on items marked (a) will be at the clean wool subsidy recovery rate paid for such quality or qualities in the half yearly period preceding the half year in which the sale is made.						
30	2. No allowance will be made for Coloured fibres in White Soft Wastes. Natural Soft Wastes will be charged as white. Coloured blends containing substantial proportions of white in a separable form may be charged on white yield.						
GROUP 2 SOFT WASTES—WOOLLEN SYSTEM							
	Card Waste—Woollen (i.e. Sliver Waste	W 9	12	8	W11	4	3
	Mule & Condenser Wastes ..	W10	9	6	W12	3¼	2

Exhibits.
C.
Schedule
of Waste
Types and
Rates of
Recovery,
continued.

Description	Merino & Cbk. (58's & up) d. per lb.			Xbred—below 58's d. per lb.			
	Type	White	Col'd	Type	White	Col'd	
GROUP 3 HARD WASTES—WORSTED SYSTEM							
Thread Waste	W13	6	3	W21	4	2	
Spinning Rings	W14	6	3	W22	4	2	
(Must be regarded by the Commission as unsuitable for re-use without opening.)							10
Underwear Clips—White ..	W15	6		W23	4		
ditto. Natural	W16	5		W24	3		
Hosiery Clips	W17	4½	3	W25	3	2	
Cloth Clips	W18	4½	3	W26	3	2	
Overlocks—White and Natural	W19	3	2	W27	2	1½	
Garnetted Worsted Hard Waste	W20	6	3	W28	4	2	
GROUP 4 HARD WASTES—WOOLLEN SYSTEM							20
Threads & other Spinning Hard wastes	W29	4½	2	W33	2½	1	
Cloth Clips	W30	4½	2	W34	2½	1	
Natural Flannel Clips ..	W31	3		W35	1½		
Garnetted Woollen Hard Waste	W32	4½	2	W36	2½	1	
GROUP 5 Fettlings (X)—							
(Miscellaneous) Worsted	W37	6		W47	4		
Woollen	W38	3		W48	1½		30
Card Sweeps (X)—							
Worsted	W39	2½		W49	1	½	
Woollen	W40	1½		W50	½	¼	
Burrs (X)—from subsidised wool processed on sheep-skin burring machines ..	W41	1½		W51	½		
Burr Roller Locks (X) ..	W42	2½		W52	1		
Greasy Worsted Spinning Sweeps (X)	W43	3	2	W53	1½	1	
Gig Flock	W44	1½	1	W54	1	½	40
Gsy. Soft Sweeps (X) ..	W45	12	8	W55	6¾	4½	
Felt Waste or Listings ..	W46	4½	2	W56	2½	1	

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

JHW/MB

31st March, 1948.

Our Ref. 48/334.

The Chairman of Directors,

The Australian Woollen Mills Pty. Ltd.,

46 Martin Place,

Sydney, N.S.W.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
31st March
1948.

Dear Sir,

I have, by direction, to acknowledge receipt of your letter of the
 10 23rd March, 1948, concerning purchases of wool on which subsidy has
 been claimed in certain series in the 1947/48 Wool Selling Season. I
 confirm also a telephone conversation with Mr. Gifford on the 30th March,
 1948, in which it was arranged that Mr. Gifford and your woolbuyer
 should interview Mr. J. H. Willis on Monday, 5th April, 1948, at 2.0 p.m.
 at the above address.

In the fourth paragraph of your letter you refer to 1,413 bales purchased
 since Geelong Series No. 5 on which no subsidy has been received. I am
 to advise that these amounts will be paid as and when subsidy is computed.
 20 Subsidy on purchases made at Melbourne Sale 6 will be paid this week,
 and subsidies on the other sales in question will be payable in the two
 following weeks.

I am to advise also that the question of payment of subsidy at present
 deferred on certain purchases made in Geelong Sale 5 has been reviewed
 by the Commission and a representative of the Commonwealth Prices
 Branch. It has been determined that these purchases conformed with
 the instructions laid down at that time by the Commission, and payment
 will now be made of the amount deferred. The Commission's cheque for
 £13,257.5.4 will be forwarded under separate cover.

In accordance with the arrangements made in the above-mentioned
 30 telephone conversation with Mr. Gifford, the question of computation and
 payment of subsidy on certain purchases made in Geelong Sale No. 4
 will be discussed with your representatives on Monday, 5th April, 1948.
 In this connection it was pointed out in the Commission's letter of the
 20th February, 1948, that there was evidence that during this sale you
 bid in steps in excess of the minimum bid. If bidding in excess of the
 minimum bid in this manner resulted in raising the market average above

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Australian
 Woollen
 Mills Pty.
 Limited,
 31st March
 1948,
continued.

the level which would have resulted from the use of minimum bids, it would not be proper that any excess so caused should be met from Commonwealth funds.

Therefore, before payment is made in full on the basis of the mathematical average of this series, it will be necessary for you to declare either that bidding in excess of the minimum bid on your behalf did not occur, or that if it did occur it did not result in the purchase of wool at prices higher than would have been paid if minimum bids had been made.

The Commission has noted your request for withdrawal of any claim for payment of subsidy on 774 bales purchased ex Geelong Sales Nos. 4 and 5. It is not proposed to comment on your request for withdrawal of these claims prior to the interview with your representatives next week, except to draw to your attention the provisions of Prices Regulation Order No. 2775. Any sale of this wool without a written notification from this Commission in terms of the Order must be at the maximum price fixed in writing for that wool by the Commonwealth Prices Commissioner, otherwise the sale contravenes the National Security (Prices) Regulations. 10

I refer to the sixth paragraph of your letter. Your statement that it was the expressed intention of the Commission to penalise you to the extent of eightpence per pound is completely without foundation. At no time has any officer of this Commission made such a statement to your Company, either verbally or in writing. The position as to future payment of subsidy is clearly laid down in written communications to manufacturers receiving raw wool subsidy. The payment of full subsidy on present and future wool purchases is dependent on adherence to the conditions set out in the Commission's circular No. 59 of the 20th February, 1948, and to the accepted commercial practices in buying wool at auction. 20

Yours faithfully,

(Sgd.) H. B. LEIGH,

Secretary. 30

LETTER, Biggin & Ayrton to Australian Wool Realization Commission.

Exhibits.

GBH/GW :

5th April, 1948.

The Secretary,
The Australian Wool Realization Commission,
Little Collins Street,
Melbourne.

C.
Letter,
Biggin &
Ayrton to
Australian
Wool
Realization
Commis-
sion,
5th April
1948.

Dear Sir,

Attention Mr. Willis.

10 With reference to the conference between Mr. Willis, Mr. Gifford,
Director of the Australian Woollen Mills Pty. Ltd., Sydney, and
Mr. Harrison of Biggin & Ayrton in regard to the bidding at the Geelong
Sale No. 4, on the 17th and 18th December.

We wish to advise that Mr. Harrison carried out the bidding for the
Australian Woollen Mills Pty. Ltd. in the usual manner where very large
quantities of wool are required in a keen market. In our opinion, as
explained to Mr. Willis, the bidding of Mr. Harrison did not result in
raising the market average above the level which would have resulted
from the use of minimum bids.

Yours faithfully,

20

for BIGGIN AND AYRTON,

G. B. HENDERSON.

*Exhibits.***CIRCULAR LETTER, Australian Wool Realization Commission.**

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion,
18th June
1948.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne.

18th June, 1948.

Dear Sir,

I have, by direction, to advise that the responsibilities of the Australian Wool Realization Commission in connection with the computation and payment of subsidy on raw wool for consumption within the Commonwealth make it necessary for the Commission to call upon all manufacturers who have received subsidy to furnish a Statutory Declaration as per the attached pro forma indicating wool stock movements from the 1st July, 1947, to the 30th June, 1948, and certifying as to wool stocks on hand at the 30th June, 1948. 10

The early furnishing of this Declaration will be of material assistance in enabling the Commission to make payment of any subsidies outstanding on your account.

Manufacturers who balance at a date other than the 30th June and who are unable to render an exact declaration for that reason, are requested to communicate with the Commission to arrange for the furnishing of an interim return subject to substitution by a declaration at a later date. 20

Where a manufacturer has purchased both subsidised and unsubsidised wool *for use in manufacture*, it is requested that purchases, stocks and usages of unsubsidised wool should be shown on a memorandum sheet, and forwarded with the Declaration. The details should be given under similar headings to those indicated for subsidised wool.

It should be noted that the term "subsidised wool" used in this letter, and in the pro forma Declaration, includes :—

- (A) Wool purchased in the open market on which subsidy has been either paid or claimed ; 30
- (B) Wool purchased under appraisalment for the manufacture of goods for consumption within the Commonwealth.

Manufacturers who wish for explanations of any points concerning the Declaration are invited to communicate with the Commission.

Yours faithfully,

(Sgd.) H. B. LEIGH,
Secretary.

Stencil No. 106.

FORM OF STATUTORY DECLARATION.

Exhibits.

COMMONWEALTH OF AUSTRALIA.

C.
Form of
Statutory
Declara-
tion.

AUSTRALIAN WOOL REALIZATION COMMISSION

Wool Realization Act 1945

Defence (Transitional Provisions) Act 1946/47

STATUTORY DECLARATION

In respect of Stocks of Wool.

(a) Name &
Address of
Declarant.

I, (a).....
of

10

do solemnly and sincerely declare

(b) Official
Position

1. That I am (b).....

(c) Name
of Company,
Firm or
Business

of (c).....

.....hereinafter called " the Manufacturer "

and am duly authorised to make this Declaration.

2. That the information set out hereunder in respect of the wool stocks of the Manufacturer is a true and complete statement of stocks of wool held on 1/7/1947 or acquired since that date during the 1947/48 wool selling season, including,

20

(A) Wool purchased at Brisbane and Geelong sales concluding 1st July 1948.

(B) Wool awaiting delivery by woollselling brokers.

(C) Wool held by processors on account of the manufacturer.

(D) Wool in transit.

(E) Wool held otherwise for or on behalf of the Manufacturer

and which has been the subject of a claim for Subsidy or which is wool appraised during the Seasons 1939/1940 to 1945/1946.

Exhibits.
C.
Form of
Statutory
Declara-
tion,
continued.

Stock at 1/7/1947
Add Purchases
1/7/47 to 30/6/48

<i>Greasy Wool</i> lbs.	<i>Scoured Wool</i> lbs.	<i>Carbonized Wool</i> lbs.
_____	_____	_____
Sub-Total :	lbs.	lbs.
Deduct Stock at (x) 30/6/48	lbs.	lbs.
_____	_____	_____
Balance—Net usage for twelve months	lbs.	lbs.
=====	=====	=====

DISSECTION OF STOCK ON HAND AT 30/6/1948

10

<i>Period of Purchase</i>	<i>Greasy Wool</i> lbs.	<i>Scoured Wool</i> lbs.	<i>Carbonized Wool</i> lbs.
1. Prior to 30/6/46	lbs.	lbs.	lbs.
2. 1/7/46 to 31/12/46	"	"	"
3. 1/1/47 to 30/ 6/47	"	"	"
4. 1/7/47 to 31/12/47	"	"	"
5. 1/1/48 to 30/ 6/48	"	"	"
_____	_____	_____	_____
(x) Total Stocks at 30/6/48, agreeing with figures in above statement.	lbs.	lbs.	lbs.
	=====	=====	=====

20

And I make this solemn Declaration by virtue of the Statutory Declarations Act 1911, conscientiously believing the statement contained therein to be true in every particular.

(d) Signature
of person
making the
Declaration.

(d)

Declared at

the

day of

1948.

(e) Signature
of person
before
whom the
Declaration
is made

Before me,

(e)

(f) Here insert
title of
person before
whom the
Declaration
is made

(f)

30

NOTE.—Any person who wilfully makes a false statement in a statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour for four years.

**LETTER, Australian Wool Realization Commission to Associated Woollen & Worsted
Textile Manufacturers of Australia.**

Exhibits.

JHW/ac

18th June, 1948.

The Secretary,
The Associated Woollen & Worsted
Textile Manufacturers of Australia,
312 Flinders Street,
Melbourne, C.1.

C.
Letter,
Australian
Wool
Realization
Commission
to
Associated
Woollen &
Worsted
Textile
Manu-
facturers of
Australia,
18th June
1948.

10 Dear Sir,

**Subsidy on Wool for Consumption
Within the Commonwealth.**

I have, by direction, to refer to the recent announcement made by the Commonwealth Government to the Governments of the States of the Commonwealth that the subsidy at present payable on wool purchased for consumption within the Commonwealth will be discontinued as from 31st July, 1948.

As the scheme for subsidisation of wool for home consumption, in respect of purchases made under the open market system, has been in operation since the 1st July, 1946, and is of material concern to Australian Manufacturers, I am to ask that your Association should convene its Advisory Committee on Wool Subsidy matters for an early discussion of questions arising from the decision of the Commonwealth Government to discontinue the subsidy at present paid on wool purchased by Australian Manufacturers for the manufacture of goods for consumption within the Commonwealth.

If convenient to members of the Committee, it is thought advisable that this Meeting should take place within the forthcoming week in view of the fact that manufacturers may require to purchase wool in the last 20 weeks of the 1947/48 Season. It is, therefore, proposed that the Meeting should be arranged for 2.30 p.m. on Thursday, the 24th June, 1948, in the Board Room of the Commission at the above address.

For the information of members of your Association, it is desired to stress that the decision of the Commonwealth Government to discontinue subsidy on wool for domestic consumption as from the 31st July, 1948, is of course, subject to the ruling previously given that subsidy will only be considered in respect of such wools as are required to tide a manufacturer over until he is able to obtain wool from the market in the 1948/49 wool Season. Generally speaking, and subject to the above proviso, the only wools

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commission
 to
 Associated
 Woollen &
 Worsted
 Textile
 Manu-
 facturers of
 Australia,
 18th June
 1948,
continued.

which will rank for subsidy after the 30th June, 1948, will be auction wools purchased at 1947/48 Season auction sales. July skin-wool purchases will not be eligible for normal consideration for subsidy.

Owing to the time factor, it may not be possible to present an agenda prior to the Meeting. However, it is suggested that members of the Advisory Committee should be prepared to discuss amongst other aspects, the following items :—

(A) What would constitute reasonable stocks of subsidised wool in the hands of Manufacturers at the 30th June, 1948, (i.e., 4, 5 or 6 months stocks based on 1947/48 consumption). 10

(B) Conditions and times of payment of outstanding subsidy on purchases of wool already made and to be made in the 1947/48 Season.

(C) Eligibility of subsidised wool for use in the manufacture of goods for export, pending the ability of the manufacturer to obtain additional wool from the market for export trading.

(D) Policy relating to subsidy drawback on noils and wastes.

In its capacity as agent for the Commonwealth Prices Commissioner, the Commission hopes to be able to make more comprehensive details available to the Advisory Committee on or before the date of the proposed meeting (24th June, 1948). 20

It would be appreciated if you could inform the Commission officially if the abovementioned date is convenient to the Committee.

Yours faithfully,

(Sgd.) H. B. LEIGH,
 Secretary.

CIRCULAR LETTER, Associated Woollen & Worsted Textile Manufacturers of Australia. *Exhibits.*

Manufacturer's Buildings,
312 Flinders Street,
Melbourne, C.1.
25th June, 1948.

C.
Circular
Letter,
Associated
Woollen &
Worsted
Textile
Manu-
facturers of
Australia,
25th June
1948.

Circular :

Dear Sirs,

Wool Subsidy.

For your information I enclose a copy of letter received by the
10 Association from the Australian Wool Realization Commission with regard
to the subsidy on wool. Members will have already received from the
Commission a request for a statutory declaration of wool stocks.

Members of the Association's Wool Advisory Committee conferred
with representatives of the Australian Wool Realization Commission in
Melbourne yesterday on the four points (a to d) enumerated in the
Commission's letter.

It was found impossible to reach a definite decision owing to the
lack of information regarding the wool stocks held by Mills throughout
Australia. The Commission decided to forward a further letter to Manu-
20 facturers, requesting preliminary stock returns, to enable it to submit
proposals to Canberra as quickly as possible for the liquidation of the
subsidy scheme. A further conference with the Association's committee
and the Australian Wool Realization Commission will then be convened.

Members are urged, in their own interests, to forward these preliminary
stock returns to the Commission at the earliest possible moment.

Price Control.

With reference to the paragraph in the report of the Annual Meeting
under the heading "Price Control," the following reply has been received
to the Association's telegram :—"Refer you my letter 12th May. Any
30 applications will be dealt with on individual basis."

Yours faithfully,

R. O. SNAPE,
Secretary.

Exhibits. **TELEGRAM, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.

Telegram,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
25th June
1948.

REP R 244 MELBOURNE 85/2 1-30 P

25 Jun 1948.

Australian Woollen Mills,
46 Martin Place,
Sydney.

PLEASE FURNISH BY RETURN WIRE OR LETTER FOLLOWING
INTERIM INFORMATION RE STOCKS OF WOOL AT CLOSE OF
1947/48 WOOL SEASON ON WHICH SUBSIDY HAS BEEN PAID 10
OR IS BEING CLAIMED STOP FIRST ANTICIPATED STOCK IN
POUNDS (W) EIGHT GREASY BASIS INCLUDING SCOURED
STOCKS CONVERTED TO GREASY STOP ROUNDED ESTIMATE
SUFFICIENT STOP
SECOND NUMBER OF MONTHS THAT THE ESTIMATED STOCK
AT 30/6/48 WILL LAST YOU AT CURRENT AVERAGE RATE OF
CONSUMPTION
. . . AUSTRALIAN WOOL REALIZATION COMMISSION 540 LITTLE
COLLINS ST MELBOURNE

(1947/48 30/6/48 540)

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission. *Exhibits.*

Air Mail.

The Secretary,
Australian Wool Realization Commission,
540/542 Little Collins Street,
Melbourne.

28th June, 1948.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion,
28th June
1948.

Dear Sir,

In reply to your telegram re interim information re stocks, we wish
10 to supply the following :—

(A) Anticipated stock in pounds weight greasy basis as at close of 1947/48 wool season on which subsidy has been paid or is being claimed—1,960,000 lbs.

(B) Number of months that the estimated stock will last at current average rate of consumption—Estimate about 6 months overall, varies with various quantities of individual qualities.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(J. W. L. CRANE),

Secretary.

20

CIRCULAR LETTER, Australian Wool Realization Commission.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne, C.1.

5th July, 1948.

Circular
Letter,
Australian
Wool
Realization
Commis-
sion,
5th July
1948.

Dear Sir,

Reference is made to the Commission's Circular No. 106 dated 18th June, 1948, which requests details of stocks of wool held at the 30th June, 1948, and usages of wool in the year ended 30th June, 1948.

30 It is desired to point out to Manufacturers rendering this return that "Stocks on hand" should include all Stocks of wool which have not yet gone onto the cards. Therefore Stocks of wool which have been scoured and/or Stock dyed should be shown as well as greasy wool Stocks and Stocks which were purchased in Scoured or Carbonized form.

Yours faithfully,

(Sgd.) H. B. LEIGH,

Secretary.

Stencil No. 111.

Exhibits. LETTER, Associated Woollen & Worsted Textile Manufacturers of Australia to Australian Wool Realization Commission.

C.

Letter,
Associated
Woollen &
Worsted
Textile
Manu-
facturers of
Australia to
Australian
Wool
Realization
Commis-
sion,
8th July
1948.

8th July, 1948.

The Secretary,
Australian Wool Realization Commission,
Pitman House,
Little Collins Street,
Melbourne, C.1.

Dear Sir,

The method suggested by the Commission to representatives of the Association on the 5th instant for the liquidation of the Wool Subsidy has been carefully considered at meetings of manufacturers in both Melbourne and Sydney, representing nearly all Australian mills. 10

Manufacturers feel that owing to the peculiar requirements of each mill, the Commission's proposal for the transfer of wool stocks from mills holding surpluses to mills with insufficient stocks, would be impracticable and unworkable. From practical experience manufacturers realise the extreme difficulties involved in such a suggestion, and feel that it is unnecessary to point out to the Commission that numerous types of wools are available in quantity for certain short periods of the season only. 20 The proposed transfers would in our opinion cause very serious dislocation of manufacturers' programmes.

Our members are, needless to say, anxious that the matter be arranged in the friendliest possible way, and suggest that the simplest method for both the Commission and the Mills would be to permit the "have-nots" to purchase new season's wool to the extent of their deficiencies (to be declared by types under statutory declaration) and for same to be subsidised. The quantity required is after all not more than one half of one per cent of the total clip—probably less than 18,000 bales.

Manufacturers are convinced that this would not involve the treasury in any extra payments as funds for this wool are already a charge on the financial year just closed, because subsidies would be payable or have been paid on the wools proposed to be transferred from the "haves" to the "have-nots." In other words, the subsidy withheld from purchases could be used to subsidise the "have-nots" for purchases in the opening sales next season. 30

Should the Commission feel that the support of manufacturers would be of assistance to it in submitting this proposal to Canberra, manufacturers will be pleased to make representatives available.

Yours faithfully,

(Sgd.) R. O. SNAPE,

Secretary.

40

LETTER, Australian Wool Realization Commission to Associated Woollen & Worsted
Textile Manufacturers of Australia.

Exhibits.

C.

Copy.

JHW/McD.

8th July, 1948.

Letter,
Australian
Wool
Realization
Commission
to
Associated
Woollen &
Worsted
Textile
Manu-
facturers of
Australia,
8th July
1948.

Dear Sir,

I am to acknowledge a receipt of your letter of the 8th July, 1948, relating to proposals for the finalisation of the Wool Subsidy Scheme.

The Commission notes that manufacturers now consider that any
10 proposal for the transfer of stocks between mills as an equalization measure
would be "impracticable and unworkable."

It is noted that the Association suggests that manufacturers with stock deficiencies should be permitted to purchase wool under Subsidy in the 1948/49 season to the extent of the deficiencies. This proposal is impracticable. The Government has announced its decision to terminate wool subsidy at the 30th July, 1948, and no authority will exist whereby funds could be made available for such a purpose.

Furthermore, to allow some Australian manufacturers to operate under subsidy in the forthcoming season after public announcements to
20 the contrary would not be in the best interests of the wool industry as a whole, and such a proposal would be resisted by this Commission as against sound marketing policy.

It is the intention of the Commission to inform the Commonwealth Government of the failure of your Association to agree to the proposals put forward by the Commission at the meeting of the 5th inst. regarding wool subsidy. The Commission, therefore, proposes to recommend that the Government lay down a basis of equalisation.

Pending the finalization of this matter, it will be realised that no further payments of subsidy on 1947/48 season's purchases will be possible.

30

Yours sincerely,

(Sgd.) H. B. LEIGH,
Secretary.

The Secretary,
The Associated Woollen and
Worsted Textile Manufacturers of Australia,
312 Flinders Street,
Melbourne, Vic.

Exhibits. CIRCULAR LETTER, Associated Woollen & Worsted Textile Manufacturers of Australia.

C.
Circular
Letter,
Associated
Woollen &
Worsted
Textile
Manufac-
turers of
Australia,
9th July
1948.

312 Flinders Street,
Melbourne, C.1.

9th July, 1948.

Circular :

Dear Sir/s,

Wool Subsidy.

The Federal President of the Association is of the opinion that all members should be informed of the present position regarding negotiations that have taken place between the Australian Wool Realisation Commission 10 and the Committee representing manufacturers.

For your information I enclose copies of the most recent correspondence between the Commission and the Association.

Yours faithfully,

R. O. SNAPE,
Secretary.

CFS : PP

Encl.

CIRCULAR LETTER, Associated Woollen & Worsted Textile Manufacturers of Australia. *Exhibits.*

Manufacturers' Buildings, 312 Flinders Street,
Melbourne, C.1.

25th August, 1948.

C.
Circular
Letter,
Associated
Woollen &
Worsted
Textile
Manufacturers of
Australia,
25th August
1948.

Circular :

Dear Sir/s,

The Special Committee of the Association had a final conference with the Australian Wool Realisation Commission this afternoon with regard to the settlement of the various matters in connection with the
10 determination of the wool subsidy.

A certain amount of surplus wool had been offered by certain mills for transfer to mills with a deficiency. These transfers will be arranged through the Commission. It was agreed that the transferor should be paid in full for all charges incurred with the exception of interest which will be a matter for private negotiation between the transferor and the transferee.

Mills who have not a surplus in total, but have a surplus of cross-breds and a shortage of merinos, will be enabled to sell cross-breds at market price and the proceeds used to buy a quantity of merino wool. The basis
20 suggested for this is that the profit made on the sale of the cross-bred wools will be the same as the extra prices paid on the merinos over appraisal plus 10 per cent., after allowing for the buying or delivery charges.

Where excess subsidy has been paid, the Commission will ask for this to be refunded, either on the basis of the actual subsidy for these wools, or on an average basis taken over the last six months sales.

The Commission has agreed that outstanding subsidies will be paid at the earliest possible moment and it expects to have this matter completed within two or three weeks.

Should any mills find that they have surplus stocks of merinos available which have not already been offered for transfer, the Commission
30 would be glad to have details as this will assist in implementing the finalisation of the scheme.

Yours faithfully,

(Sgd.) R. O. SNAPE,

Secretary.

ROS : PP

*Exhibits.***CIRCULAR LETTER, Australian Wool Realization Commission.**

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 30th
August
1948.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne.

30th August, 1948.

Telegraphic

and Cable Address :

(Cenwool).

Telephone MU9261 6 lines.

Ref. No. Circular.

10

Dear Sir,

I attach for your information a copy of a letter dated 30th August, 1948, forwarded by the Commission to the Secretary of the Associated Woollen & Worsted Textile Manufacturers of Australia concerning the recent decision of the Commonwealth Government that subsidy on wool used for the manufacture of goods for consumption within the Commonwealth should be discontinued as from the 31st July, 1948.

As a manufacturer receiving subsidy on wool for domestic consumption the procedure outlined in the attached copy of letter will apply to you as to the Associated Woollen and Worsted Textile Manufacturers of Australia. 20

You are requested to treat the attached letter as a direct interim notification to you of the policy which will operate in the finalization of the raw wool subsidy. In due course you will receive from the Commission a letter dealing with your own particular stock and subsidy position for the purpose of making an interim determination as outlined in the explanatory letter to the Association.

Yours faithfully,

(Sgd.) H. B. LEIGH,
Secretary.

No. 147.

30

CIRCULAR LETTER, Australian Wool Realization Commission.

Exhibits.

Head Office, Pitman House,
540-542 Little Collins Street,
Melbourne.

30th August, 1948.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 30th
August
1948.

Telegraphic

and Cable Address :

" Cenwool."

Telephone MU9261 6 lines.

10 Reference No. Circular.

Dear Sir,

I attach for your information a copy of a letter dated 30th August, 1948 forwarded by the Commission to the Secretary of the Associated Woollen & Worsted Textile Manufacturers of Australia, concerning the recent decision of the Commonwealth Government that subsidy on wool used for the manufacture of goods for consumption within the Commonwealth should be discontinued as from the 31st July, 1948.

20 You are requested to treat the attached letter as a direct interim notification to you of the policy which will operate in the finalisation of the raw wool subsidy. In due course you will receive from the Commission a letter dealing with your own particular stock and subsidy position for the purpose of making an interim determination as outlined in the explanatory letter to the Association.

Yours faithfully,

(Sgd.) H. B. LEIGH,

Secretary.

No. 148.

Exhibits. **LETTER, Australian Wool Realization Commission to Associated Woollen & Worsted Textile Manufacturers of Australia.**

C.

Letter,
Australian
Wool
Realization
Commis-
sion to
Associated
Woollen &
Worsted
Textile
Manufac-
turers of
Australia,
30th August
1948.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne.

30th August, 1948.

Telegraphic and cable
address : " Cenwool "

Telephone MU 9261. 6 lines.

The Secretary,

10

The Associated Woollen & Worsted Textile
Manufacturers of Australia,

Manufacturers Building,

312 Flinders Street,

Melbourne, C.1.

Dear Sir,

Subsidy on wool for home consumption.

As you are aware from recent correspondence and discussions with the Commission, the Commonwealth Government has directed that subsidy paid on wool used for the manufacture of goods for consumption within the Commonwealth should be discontinued as from the 31st July, 1948. 20

After discussions with representatives of your Association the Government has also decided that manufacturers, where possible, should be allowed sufficient stocks of subsidised wool to last them overall for $5\frac{1}{2}$ months from the 30th June, 1948.

The purpose of this letter is to confirm agreement reached with the Special Federal Committee of your Association acting on behalf of all members on the 25th August, 1948, and to outline administrative procedure relating to the equalisation of subsidised wool stocks in accordance with the decision of the Commonwealth Government. The various aspects 30 are dealt with under their respective headings.

Transfer of wool stocks from mills with over $5\frac{1}{2}$ months stocks at the 30th June, 1948, to mills with less than $5\frac{1}{2}$ months stock.

The Commission holds a list of 5 manufacturers who between them agree to contribute 1303 bales of combing wool to build up the stocks of

understocked mills, and will communicate with these mills inside 14 days advising them of the mill to which the offered wool is to be transferred.

Exhibits.

C.

Letter,
Australian
Wool
Realization
Commis-
sion to
Associated
Woollen &
Worsted
Textile
Manufac-
turers of
Australia,
30th August
1948,
continued.

It is confirmed that the basis of takeover will, for purposes of uniformity, be audited by the Commission. The following tentative basis outlined by manufacturers may be used, but agreement by transferor and transferee on other items of cost will also be ratified :

Cost of the wool at appraisalment plus 10% as shown on original Statements (i.e. basic cost as disclosed in Subsidy Statements).

10 Charges of the type normally incurred in the initial purchase of wool for manufacture e.g.—

Buying Commission or charges.

Delivery Charges and Freight.

Storage incurred or rateably chargeable.

A quantity of approximately 250 bales of carbonizing type wool may be required to meet shortages in some small woollen mills. I confirm the statement made by the President of your Association that the supplying of this quantity should not present any difficulty to members of the Association.

20 Manufacturers who possess a surplus of Crossbred combing wools, but insufficient Merino combing wools to last $5\frac{1}{2}$ months from 30th June 1948.

The Commission acting as agent for the Commonwealth Prices Commissioner, will authorise the resale of Crossbred Combing wools under these circumstances, provided that as a condition of authorization, profits realised (such profits being as assessed by the Commission) will be used for the purpose of maintaining the price of goods made from Merino combing wools which are used in manufacture prior to the Christmas 1948 close-down, at the level authorised by Prices Authorities at that time for goods based on a wool cost of appraisalment plus 10%. It will be necessary 30 for manufacturers who desire to adopt this course to advise the Commission within 10 days of their intention in order that the individual cases may be ratified by the Commonwealth Prices Commissioner. Such manufacturers are required also to nominate the lots of replacement wool to which they wish to apply such profits in order that they may be advised of the basic price (appraisalment plus 10%) determined by the Commission.

Adjustment of subsidy on stocks in excess of $5\frac{1}{2}$ months requirements as from 30th June, 1948.

40 The Commonwealth Prices Commissioner has now declared that goods manufactured from wool stocks in excess of $5\frac{1}{2}$ months normal requirements from the 30th June 1948 are ineligible for wool subsidy. Therefore, in accordance with sub-paragraph (e) of the conditions under which subsidy has been claimed on wool (see Declaration by Manufacturer on reverse of subsidy claim form) then subsidy on wool stocks in excess of this period

NOTE.—
See Record,
Vol. 1, p. 60,
lines 23-41.

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realization
 Commis-
 sion to
 Associated
 Woollen &
 Worsted
 Textile
 Manufac-
 turers of
 Australia,
 30th August
 1948,
continued.

will be either withheld in cases where payment has not yet been made or must be refunded to the Commission as agent for the Commonwealth Government if payment of subsidy has already been made.

In making these adjustments the Commission will adopt the following procedure :—

(A) Advise the manufacturer of the amount by which his stocks held, in the opinion of the Commission exceed $5\frac{1}{2}$ months requirements from the 30th June 1948.

(B) Invite him to give a considered estimate of what groups and styles of wool will be in stock at the Christmas 1948 close-down. 10

(C) In formulating the basis for refund or adjustment regard will be had initially for the level of wool values ruling over the last 6 months of the 1947/48 wool season and not necessarily to the level established on the last purchases made.

(D) An interim determination as to withholding or refund will be given by the Commission as soon as practicable in the case of each mill to give each a basis of adjustment. The interim determination may be reviewed by the Commission or the Commonwealth Prices Commissioner.

Payments will be made on outstanding claims forthwith within 20 the framework of the procedure outlined.

There will be no alteration in existing procedure for recovery of subsidy on wool tops, noils, wastes and other manufactured goods in the event of exportation.

A copy of this letter will be forwarded to all members of your Association, and, to all other manufacturers receiving wool subsidy. Discussions with individual mills will commence immediately, based on the policy outlined in this letter.

Yours faithfully,

(Sgd.) H. B. LEIGH, 30
 Secretary.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited *Exhibits.*

Copy.

AGT/M.

30th August, 1948.

The Secretary,
 Australian Woollen Mills Pty. Ltd.,
 46 Martin Place,
 Sydney, N.S.W.

C.
 Letter,
 Australian
 Wool
 Realization
 Commis-
 sion to
 Australian
 Woollen
 Mills Pty.
 Limited,
 30th August
 1948.

Dear Sir,

10 I wish to advise that, in accordance with the Government's decision to permit manufacturers' stocks to be equalized, and the procedure which has been approved by the Special Federal Committee of the Associated Woollen and Worsted Textile Manufacturers of Australia, advice has been given to John Vicars & Co. Pty. Ltd. that arrangements should be made with your company for the purchase by them of 200 bales of 64's quality greasy wool which your representative indicated at the meeting was available for transfer.

Full details are given in the Commission's circular letter of even date regarding the procedure to be followed.

20

Yours faithfully,

(Sgd.) A. G. THOMPSON,

VJ

For Secretary.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.

Letter,
Australian
Wool
Realization
Commis-
sion to
Australian
Woollen
Mills Pty.
Limited,
14th
September
1948.

14th September, 1948.

A.W.R.C. Reference 48/404

JWH/K.

The Secretary,

Australian Woollen Mills Pty. Ltd.,

46 Martin Place,

Sydney, N.S.W.

Dear Sir,

By letter dated 30th August, 1948, you were advised that the Commonwealth Government, having discontinued the payment of subsidy on raw wool has decided that manufacturers, where possible, should be allowed sufficient stocks of subsidised wool to last them overall for 5½ months from the 30th June 1948. Stocks in excess of 5½ months normal requirements are ineligible for wool subsidy, and in accordance with sub-paragraph (e) of the conditions under which subsidy has been claimed on wool, the subsidy on wool stocks in excess of this period will be either withheld in cases where payment has not yet been made or must be refunded to the Commission as agent for the Commonwealth Government if payment of subsidy has already been made.

NOTE.—
See *Record*,
Vol. I, p. 60,
lines 23-41.

20

From an analysis of your Statutory Declaration of 7th July, 1948, in respect of stocks of raw wool at 30th June 1948, and movements of raw wool in the preceding twelve months, it would appear that, after taking into consideration all unpaid claims for subsidy, your Company was holding the equivalent of 273,564 lbs. of greasy wool in excess of 5½ months requirements at that date.

Scoured wool has been converted to a greasy basis on an estimated yield of 69%.

Analysis of Manufacturer's Return of Subsidised Wool.

<i>Stocks at 30/6/48</i>	<i>Actual</i>	<i>Adjusted Greasy</i>
Greasy	2,273,600 lbs.	2,273,600 lbs.
Scoured	60,751 ,,	88,045 ,,
Total stocks—Greasy basis .. .. .	.. .. .	<u>2,361,645 lbs.</u>

Usage for 12 months ended 30/6/48.

	<i>Actual</i>	<i>Adjusted Greasy</i>	<i>Exhibits.</i> C. Letter, Australian Wool Realization Commis- sion to Australian Woollen Mills Pty. Limited, 14th September 1948, <i>continued.</i>
Greasy	3,323,320 lbs.	3,323,320 lbs.	
Scoured	Nil	Nil	
Total Usage—Greasy basis		3,323,320 lbs.	
5½ months requirements (11/24th of total usage)		1,523,188 lbs.	
Therefore, Excess Stocks =		838,457 lbs.	

A.W.R.C. Figures, 1947/48 Season

10	Total purchases on which subsidy has been claimed ..	2,737,779 lbs.
	Less " " " " " " " " paid ..	2,172,886 lbs.
	Balance " " " " " is unpaid	564,893 lbs.

Reconciliation :

Excess Stocks as per Manufacturer's return	838,457 lbs.
Less 1947/48 claims which are unpaid	564,893 lbs.
Quantity oversubsidised, on which a refund of subsidy will be required	273,564 lbs.

As it is proposed to finalise subsidy transactions with your Company on the basis set out above, subject to a final audit of all figures by officers of the Commission, we would ask you to get in touch with the Commission immediately if there are any points which you wish to raise.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 21st
September
1948.

21st September, 1948.

The Secretary,

Australian Wool Realization Commission,

540-542 Little Collins Street,

Melbourne, Vic.

Dear Sir,

We acknowledge receipt of your letter of the 14th inst., regarding wool stocks and subsidy and in reply wish to state the following:—

As regards usage, it is felt that the usage for the 12 months ended 10 30th June, 1948, has little relationship to usage for the 5½ months from 30th June, 1948, to 15th December, 1948, the period for which sufficient subsidised stocks are allowed. Over the last twelve months a gradual and continuous increase has taken place in the quantity of Wool used in this Mill and at present consumption is considerably in excess of the average for the twelve months ended 30th June, 1948. To date eleven weeks of the 5½ months period have already past so that actual consumption figures are available for nearly half the period. It is therefore contended that these figures should be the basis for the complete 5½ months period. We therefore supply the following figures, based on actual consumption 20 for the 11 weeks ended 15th September, 1948.

		(Greasy Basis)
Stocks as at 30th June, 1948	..	2,361,645 lbs.
Actual usage 11 weeks 1st July, 1948, to 15th September, 1948	948,080 lbs.	
13 weeks 16th September, 1948, to 15th December, 1948, at same rate of usage as for above 11 weeks	.. .. . 1,120,458 lbs.	
5½ months' requirements	.. .. .	2,068,538 lbs. 30
Therefore excess stock	.. .. .	<u>293,107 lbs.</u>

As to the subsidy and reconciliation figures in your letter we note that scoured wool has not been converted to a greasy basis. In view of this and the foregoing usage figures, we therefore substitute the following :—

Balance of purchases on which subsidy has been claimed but is unpaid :—					<i>Actual</i>	<i>Adjusted Greasy</i>	<i>Exhibits.</i> C. Letter, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commis- sion, 21st September 1948, <i>continued.</i>
Greasy	..	..	..	..	504,142	504,142	
Scoured	..	..	..	..	60,751	88,045	
						<hr/>	
						592,187 lbs.	
 <i>Reconciliation</i>							
1947/48 claims unpaid	..	..	..	..		592,187 lbs.	
less excess stock	..	..	..	..		293,107 lbs.	
						<hr/>	
Therefore subsidy due for payment on	..	..	..	..		299,080 lbs.	
						<hr/>	

We submit the foregoing as being based on the most accurate estimate available of our usage for the 5½ months period and request that the Company's subsidy transactions be finalised on this basis.

Yours faithfully,

20

THE AUSTRALIAN WOOLLEN MILLS PTY. LIMITED

HAROLD LONGWORTH,

(Managing Director).

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realization
Commis-
sion to
Australian
Woollen
Mills Pty.
Limited,
23rd
September
1948.

JHW/C.

23rd September, 1948.

Our Ref. A.W.R.C. 48/404.

The Managing Director,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

Receipt is acknowledged of your letter of 21st September, 1948, 10
regarding the adjustment of subsidy payment on your purchases of raw
wool.

With reference to the point which you have raised regarding the
method of estimating the usage for the latter half of 1948, the Commission
will accept actual production figures in place of a calculation based on the
usage of the preceding twelve months, provided such increased production
is maintained and subject to a final check of all figures by the Commission's
Investigators.

The Commission agrees with your suggestion to adjust to a greasy 20
basis the scoured wool on which claims for subsidy have been withheld.

The greasy wool transferred to John Vicars & Co., Pty. Ltd. must
also be taken into consideration.

The following amendments to the figures included in the Commission's
letter of 11th September, 1948, would then be necessary :—

Stocks at 30/6/48—Greasy basis	2,361,645 lb.
Less transfer to John Vicars & Co. P/L.—	
200 bales	67,079 lb.
	<hr/>
Net Stock	2,294,566 lb.
	<hr/> <hr/>
5½ months' requirements (accepting Manufac- turer's estimates)	2,068,538 lb. 30
	<hr/>
Therefore, excess stocks equal	226,028 lb.
	<hr/> <hr/>
<i>A.W.R.C. Figures 1947/48 Season</i>	
Total purchases on which subsidy has been claimed	2,737,779 lb.
Less purchases on which subsidy has been paid ..	2,172,886 lb.
	<hr/>
Balance purchases on which subsidy is unpaid ..	564,893 lb.
	<hr/> <hr/>

<i>Adjustment of unpaid claims to a greasy basis</i>						<i>Adjusted Greasy</i>	<i>Exhibits.</i>
					<i>Actual</i>		C.
Greasy	..	..	..	..	504,142	504,142	Letter, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited, 23rd September 1948, <i>continued.</i>
Scoured	..	..	..	..	60,751	88,045	
					<hr/>	<hr/>	
Less Transfer of claims on 200 bales to Vicars					564,893 lb.	592,187 lb.	
						67,079 lb.	
						<hr/>	
						525,108 lb.	
<i>Reconciliation</i>							
1947/48 Claims which are unpaid, adjusted to a greasy basis						525,108 lb.	
Less Excess stocks, as above						226,028 lb.	
						<hr/>	
Quantity undersubsidised, on which subsidy will be paid, subject to a security retention pending final audit						299,080 lb.	
						<hr/> <hr/>	

A final audit will be carried out to determine actual usage for the period prior to Christmas, 1948, and to ensure that wool used has moved into normal production of cloth and that no stocks of part processed goods are accumulated at any stage of manufacture.

Yours faithfully,

(Sgd.) J. H. WILLIS,
for Secretary.

*Exhibits.***CIRCULAR LETTER, Australian Wool Realization Commission.**

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 15th
December
1948.

Head Office : Pitman House,
540-542 Little Collins Street,
Melbourne,
C.1.

15th December, 1948.

Dear Sir,

Wool Subsidy Scheme
Final Adjustments

1. I refer to the Commission's letter of the 30th August, 1948, 10 addressed to the Secretary of the Associated Woollen & Worsted Textile Manufacturers of Australia, which set out the interim basis for the finalization of the Wool Subsidy Scheme. A copy of this letter was forwarded to you.

2. I am now to advise you that the Commonwealth Prices Commissioner has authorised the basis on which final adjustments under the Wool Subsidy Scheme will be effected. The purpose of this letter is to inform manufacturers of the basis, which will be administered by this Commission as agent for the Commonwealth Prices Commissioner.

3. In determining stocks of subsidised wool and wool goods, regard 20 will be had for the following stocks held by manufacturers in subsidised form at the Christmas 1948 close down. ("Subsidised form" means that subsidy has been claimed or paid on the wool or the wool content of manufactured or semi-manufactured goods in stock, or that the wool or the wool content is appraisement wool on which part of the purchase price is deferred and contingently payable under the provision of the National Security (Price of Wool for Manufacture for Export) Regulations.)

(a) Greasy, scoured and carbonized wool in original bales as purchased.

(b) Greasy wool not in original bales, i.e., greasy matchings, 30 outsorts etc.

(c) Scoured and carbonized wool not in original bales, i.e., treated and ready for manufacture (dyed stock does not come under this heading).

(d) Dyed wool stock.

(e) Semi-manufactured stocks and work in progress as follows :

Exhibits.
C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 15th
December
1948,
continued.

Worsted System

Woollen System

- | | | | |
|----|--|--|--|
| 10 | (i) Carding & Combing Section including stocks of Combed or Prepared Stocks. | (i) Carding & Condensing. | |
| | (ii) Drawings or Rovings | (ii) Yarns whether finished or unfinished. | |
| | (iii) Yarns-Machine & Fingering (Whether finished or unfinished). | | |

(NOTE.—Work in progress weaving or knitting sections is not required.)

(f) Noils and wastes.

4. To give effect to the decision of the Commonwealth Government that there shall be equality between wool manufacturers as to their holdings of subsidised stocks at the close of the wool subsidy scheme, the following wools are deemed to be ineligible for subsidy :—

20 (a) All wools described in sub-paragraphs 3 (a) and 3 (b) of this letter.

(b) Any wools in processed, semi-manufactured or manufactured form, described in sub-paragraphs 3 (c), 3 (d), 3 (e) and 3 (f) of this letter, which exceed in quantity the maximum stocks in process set out in paragraph 6 of this letter.

5. It is therefore necessary for all manufacturers who have claimed or have been paid wool subsidy to furnish returns to the Commission, setting out details of the stocks of subsidised wool and semi-manufactured goods held by them at the Christmas 1948 closedown. Proforma returns are attached to this letter, these being :—

30 ANNEXURE “ A ”

Return of stocks of greasy, scoured and carbonized wool in original bales as purchased. This is to be submitted in respect of wool described in sub-paragraph 3 (a) of this letter. (It will be noted that details of the lot No., date of purchase, auction series and other details are required to identify the wool for the purpose of adjusting subsidy thereon.)

ANNEXURE “ B ”

40 Return of stocks of greasy wool held other than in original bales. This is to be submitted in respect of wool described in sub-paragraph 3 (b) of this letter. (It should be noted that arrangements will be made for a representative of the manufacturer and a representative of the Commission to confer as to the classification of such wool for the purpose of subsidy adjustment.)

Exhibits.

C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 15th
December
1948,
continued.

ANNEXURE " C "

Return of treated wool. This return covers all wool specified in sub-paragraphs 3 (c) and 3 (d) of this letter.

ANNEXURE " D "

Return of work in progress, semi-manufactured and manufactured stock. This is to be submitted in respect of the items specified in sub-paragraphs 3 (e) and 3 (f) of this letter.

6. On receipt of these returns, which should be rendered not later than 7th January, 1949, the Commission will take the following action :—

(a) *Original bale stocks and greasy wool not in original bales* 10
(*Annexures A & B*)

After appraisalment of greasy wool not in original bales, a calculation will be made of the amount of subsidy paid or payable on such types of wool according to the following scale :

(i) *Wool Purchased in the 1947/48 Season* :—

The average subsidy computed on individual types over the whole of the 1947/48 Season auction sales. This is the difference between the basic cost and the average price for the Season on such a type.

(ii) *Wool Purchased in the 1946/47 Season* :—

20

The subsidy actually paid on the wool.

(iii) *Wool Purchased by manufacturers ex appraisalment* :—

The subsidy which would have been payable on the same types of wool in the first half of the 1946/47 Season, or the deferred portion of the purchase price whichever is the higher.

The manufacturer will be presented with statements showing the nett cost of the wool after subsidy has been adjusted; for the purposes of costing for State Price Control, and the amount of subsidy calculated on this basis on the wool. The amount so calculated will be either offset against amounts of subsidy out- 30
standing on account of the manufacturer or are to be refunded by the manufacturer.

(b) *Treated wool, work in progress, and semi-manufactured and manufactured goods.* (*Annexures C & D.*)

It has been decided that such stocks will not be regarded as subject to refund unless they exceed a stipulated number of weeks of annual production in their groups. For the purpose of computing annual production the production obtained in the 1947/48 financial

year will be used as a base, and the year will be regarded as consisting of 48 working weeks. The weeks stipulated in respect of groups of mills and types of products are :—

Exhibits.

—
C.
Circular
Letter,
Australian
Wool
Realization
Commis-
sion, 15th
December
1948,
continued.

(i) *Woolcombers only.*

Two weeks stocks to include all work in progress and stocks of goods from scoured wool to combed top.

(ii) *Comber-Spinners.*

—of Machine Yarn . . . 10 weeks.

—of Fingering Yarn . . . 12 weeks.

10 (iii) *Woollen Manufacturers.* All stocks from scoured carbonised and dyed wool to finished yarn . . . 8 weeks.

(iv) *Hatters.* Basis to be arranged in consultation with the Prices Commissioner of the State in which they are situated.

The following points are to be noted :—

(1) Subsidiary company stock holdings are to be declared separately.

(2) Woollen and Worsted Stocks are to be segregated in mixed mills.

20 (3) Stocks of unsubsidised wool or unsubsidised goods are to be shown separately, if possible under similar headings to those for subsidised materials.

(4) A manufacturer may apply for the exclusion of damaged stocks and *bona fide* oddments not useable in current manufacture from stocks for computation of the stipulated weeks of subsidised stock. Such cases will be considered on their merits, but any such items must nevertheless be included in the relevant Declarations.

7. Any manufacturer who considers he is unable to complete any of the returns specified, is requested to contact the Commission immediately to ascertain if a different formula can be devised to fit his case. It is 30 important to note that if a mill does not obtain approval of a different formula or does not render a return, the Commission is required to notify the Commonwealth and State Prices Commissioners, as regard must be had for the existence of subsidised stocks in fixing maximum prices in the New Year. Under certain circumstances tentative returns or Statutory Declarations in a form agreed to by the Commission will be accepted in respect of treated wool and work in progress.

8. On completion of the examination of the returns rendered, and adjustment of subsidy, the Commission proposes to issue to each mill, a certificate setting out that, all requirements of the Commonwealth under 40 the wool subsidy scheme having been met, all transactions relating to payment of subsidy are to be regarded as finalised, except in those cases where the Commission subsequently ascertains that its certificate has

Exhibits.
 —
 C.
 Circular
 Letter,
 Australian
 Wool
 Realization
 Commis-
 sion, 15th
 December
 1948,
continued.

been issued on incorrect information. Draw-back of subsidy will still be required in the event of exportation of goods made from work in progress, etc., on which no refund of subsidy has been made.

Usage of unsubsidised wool before the Christmas 1948 closedown.

9. If any manufacturer has used unsubsidised wool in manufacture prior to the Christmas 1948 closedown, the Commonwealth Prices Commissioner may have regard to such usage in computing any refund in respect of subsidised stocks in excess of the prescribed maxima. It is necessary for such consideration that the following conditions are observed :—

10

- (a) That the wool was purchased at auction.
- (b) That no relief has been obtained by means of price increase.
- (c) That subsidised goods have not been withheld from the consumer.
- (d) That the manufacturer has kept satisfactory records and otherwise complied with the requirements of the National Security (Prices) Regulations.

Yours faithfully,

(Sgd.) H. B. LEIGH,

Secretary. 20

Annexures
 A, B, C, D.
 No. 208.

FORMS OF STATUTORY DECLARATIONS.

Exhibits.

COMMONWEALTH OF AUSTRALIA.

“ A ” C.
Forms of
Statutory
Declara-
tions.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/47.

STATUTORY DECLARATION.

In respect of stocks of greasy, scoured, and carbonized wool, held in original bales as purchased.

10 (Submitted in respect of subsidised wool described in sub-paragraph 3a of the Commission's letter of 15th December, 1948,—“ Wool Subsidy Scheme, Final Adjustments.”)

(a) Name & Address of Declarant. I, (a).....

of

do solemnly and sincerely declare

(b) Official Position. 1. That I am (b).....

(c) Name of Company, Firm or business. of (c).....

hereinafter called “ the Manufacturer ” and am duly authorised

to make this Declaration.

20 2. That the information set out hereunder and on the attached sheets which form part of this Declaration in respect of the wool stocks of the Manufacturer is a true and complete statement of stocks of wool held at 31st December, 1948, which is contained in the original bales as purchased including :—

(i) Wool awaiting delivery by wooselling brokers.

(ii) Wool held by processors on account of the Manufacturer.

(iii) Wool in transit.

(iv) Wool held otherwise for or on behalf of the Manufacturer.

Exhibits.
 C.
 Forms of
 Statutory
 Declara-
 tions,
continued.

and which has been the subject of a claim for Subsidy or which is wool appraised during the Seasons 1939/1940 to 1945/1946.

Summary of information regarding stocks of wool on hand at 31st December, 1948, as detailed in (d) Attached sheets, which form part of this Declaration.

	<i>Bales</i>	<i>lb.</i>
(d) Here insert the number of continuation sheets which are attached	<i>Greasy Wool</i> .. .. .	.....
	<i>Scoured Wool</i> .. .. .	.....
	<i>Carbonized Wool</i> .. .. .	.....

And I make this solemn Declaration by virtue of the 10
 Statutory Declarations Act 1911, conscientiously believing the statements contained therein to be true in every particular.

(e) Signature of person making the Declaration
 (e)
 Declared at.....
 the.....day of.....1949.

Before me,
 (f)
 (g)

(g) Here insert title of person before whom the Declaration is made
 NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, 20 and is liable to imprisonment, with or without hard labour, for four years.

Continuation Sheet No..... of Statutory Declaration
 of.....1949.
 Name of Manufacturer.....

Purchase Date	Selling Centre	Sale No.	Broker	Lot No.	Bales	lb.

COMMONWEALTH OF AUSTRALIA.

“ B ” *Exhibits.*

AUSTRALIAN WOOL REALIZATION COMMISSION.

C.
Forms of
Statutory
Declara-
tions,
continued.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/47.

STATUTORY DECLARATION.

In respect of stocks of greasy wool held other than in original bales.

(Submitted in respect of subsidised wool described in sub-paragraph 3b of the Commission's letter of 15th December, 1948,—“ Wool Subsidy Scheme, Final Adjustments.”)

10 (a) Name & Address of Declarant I, (a).....
of

do solemnly and sincerely declare

(b) Official Position 1. That I am (b).....

(c) Name of Company, Firm or Business of (c).....

hereinafter called “ the Manufacturer ” and am duly authorised to make this Declaration.

20 2. That the information set out hereunder and on the attached sheets which form part of this Declaration in respect of the wool stocks of the Manufacturer is a true and complete statement of stocks of greasy wool held at 31st December, 1948, which is not in original bales, including :—

(i) Greasy matchings, outsorts, etc.

(ii) Wool held by processors on account of Manufacturer.

(iii) Wool in transit.

(iv) Wool held otherwise for or on behalf of the Manufacturer.

and which has been the subject of a claim for Subsidy or which is wool appraised during the Seasons 1939/1940 to 1945/1946.

Exhibits.

Greasy Wool not in original Bales, matchings, outsorts, etc.

C.

Forms of Statutory Declarations, continued.

(d) A complete classification into types or qualities is desired

(d) Classification

lb.

For Office Use.

TOTAL

(e) Here insert the number of continuation sheets which are attached

Additional details set out in the same form as above, are contained in (e)..... sheets which are attached and which form part of this Declaration, making a total oflb.

And I make this solemn Declaration by virtue of the Statutory Declaration Act 1911, conscientiously believing the Statements contained therein to be true in every particular.

(f) Signature of person making the Declaration

(f) 10

Declared at.....

the.....day of.....1948.

(g) Signature of person before whom the Declaration is made

Before me,

(g)

(h) Here insert title of person before whom the Declaration is made

(h)

NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour, for four years.



COMMONWEALTH OF AUSTRALIA.

“ C ” *Exhibits.*
C.
Forms of
Statutory
Declara-
tions,
continued.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/47.

STATUTORY DECLARATION.

In respect of stocks of scoured and carbonized wool not in original bales :
also stocks of dyed wool.

10 (Submitted in respect of subsidised wool described in st. paragraphs 3c
and 3d of the Commission's letter of 15th December, 1948—" Wool
Subsidy Scheme, Final Adjustment.")

(a) Name & address of Declarant I, (a).....
of

do solemnly and sincerely declare

(b) Official position 1. That I am (b).....

(c) Name of Company, Firm or Business of (c).....
hereinafter called " the Manufacturer " and am duly authorised

to make this Declaration.

20 2. That the information set out hereunder and in the
attached sheets which form part of this Declaration in respect
of the wool stocks of the Manufacturer is a true and complete
statement of stocks at 31st December, 1948, of Scoured and
Carbonized Wool which is not in the original bales as purchased :
also of dyed wool, including :—

(i) Wool held by processors on account of the
Manufacturer.

(ii) Wool in transit.

(iii) Wool held otherwise for or on behalf of the
Manufacturer.

30 and which has been the subject of a claim for Subsidy or which
is wool appraised during the Seasons 1939/1940 to 1945/1946.

Exhibits.

Scoured and Carbonized Wool which is not in its original bales ; also Dyed Wool.

C.
Forms of
Statutory
Declara-
tions,
continued.

(d) A
complete
Classification
into types
or qualities
is desired

(d)	Classification	Stock at 31/12/48 lb.	For Office Use
-----	----------------	-----------------------------	----------------

TOTAL

(e) Here insert the number of continuation sheets if any which are attached

Additional details, set out in the same form, are contained in (e)..... sheets which are attached, and which form part of this Declaration, the summarized position being as under :

	Stock at 31/12/48	Weekly Usage	10
<i>Scoured Wool</i>	lb.	lb.	
<i>Carbonized Wool</i>	lb.	lb.	
<i>Dyed Wool</i>	lb.	lb.	

And I make this solemn Declaration by virtue of the Statutory Declarations Act 1911, conscientiously believing the statements contained therein to be true in every particular.

(f) Signa-
ture of
person
making the
Declaration

(f)

Declared at.....

the.....day of.....1948. 20

(g) Signa-
ture of
person before
whom the
Declaration
is made

Before me,

(g)

(h) Here
insert title
of person
before
whom the
Declaration
is made

(h).....

NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour, for four years.

COMMONWEALTH OF AUSTRALIA.

“ D ” *Exhibits.*
C.
Forms of
Statutory
Declara-
tions,
continued.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/47.

STATUTORY DECLARATION.

In respect of stocks of work-in-progress, semi-manufactured stocks, and
manufactured stocks (other than piece-goods).

(Submitted in respect of wool described in sub-paragraphs 3e and 3f of
the Commission’s letter of 15th December, 1948—“ Wool Subsidy Scheme,
Final Adjustment.”)

10

(a) Name
& Address of
Declarant

I, (a).....

of

do solemnly and sincerely declare

(b) Official
Position

1. That I am (b).....

(c) Name
of Company,
Firm or
Business

of (c).....

hereinafter called “ the Manufacturer ” and am duly authorised
to make this Declaration.

20

2. That the information set out hereunder and on the
attached sheets which form part of this Declaration in respect
of the wool stocks of the Manufacturer is a true and complete
statement of stocks of work-in-progress, semi-manufactured stocks
and manufactured stocks (other than wool in the warping and
weaving or knitting stages and finished piece-goods), including :—

(i) Stocks held by processors on account of the
Manufacturer.

(ii) Stocks in transit.

(iii) Stocks held otherwise for or on behalf of the
Manufacturer.

30

and which have been the subject of a claim for Subsidy or which
are from wool appraised during the Seasons 1939/1940 to 1945/
1946.

Exhibits.
 C.
 Forms of Statutory Declarations, continued.
 (d) Here insert number of continuation sheets which are attached
 (e) A complete classification under each heading should be given on the continuation sheets, and the totals inserted here

Summary of Semi-Manufactured Stocks and Work in Progress, details being set out in (d)..... sheets which are attached, and which form part of this Declaration.

(e) Classification	Stock at 31/12/48	(f) Weekly average or production
<i>Worsted System</i>		
Carding and Combing Section, including stocks of combed or Prepared Stock		10
Drawings		
Rovings		
Yarns—Machine (finished & unfinished)		
Yarns—fingering (finished & unfinished)		
<i>Woollen System</i>		
Carding and Condensing Yarns, whether finished or unfinished		20
<i>Both Systems</i>		
Noils		
Wastes		
TOTAL		

(f) Weekly usage to be calculated as 1/48th of usage in 1947/48 financial year

And I make this solemn Declaration by virtue of the Statutory Declarations Act 1911, conscientiously believing the statements contained therein to be true in every particular.

(g) Signature of person making the Declaration
 (g)

Declared at.....
 the.....day of.....1948.

(h) Signature of person before whom the Declaration is made
 Before me,
 (h)

(i) Here insert title of person before whom the Declaration is made
 (i)

NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence and is liable to imprisonment, with or without hard labour, for four years.

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission. *Exhibits.*

46 Martin Place,
Sydney.
6th January, 1949.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 6th
January
1949.

Secretary,
Australian Wool Realization Commission,
540 Little Collins Street,
Melbourne, Vic.

Dear Sir,

10 Wool Subsidy Scheme.
Final Adjustments.

We refer to your letter of 15th December last calling for returns of stock as at the Christmas closedown and in which your request that they be rendered by the 7th January. We wish to advise that this Company's returns are still being completed and will be forwarded as soon as they are finalised.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) J. W. L. CRANE,

20

Secretary.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 12th
January
1949.

M.L.C. Building,
46 Martin Place,
Sydney.

12th January, 1949.

The Secretary,
Australian Wool Realization Commission,
540 Little Collins Street,
Melbourne.

Dear Sir,

10

Wool Subsidy Scheme.

Final Adjustments.

In accordance with your letter of 15th December, 1948, we enclose returns of stock as at the Christmas 1948 close-down on the prescribed declaration forms "A," "B," "C" and "D."

It will be noted that prior to the Christmas close-down this Company had used a considerable quantity of unsubsidised Wool (this term as used here includes that wool upon which subsidy was previously claimed but remains unpaid) and in consequence has on hand at stocktaking a corresponding quantity of subsidised wool. For the purpose of manufacture, however, all wool purchased during the last season and which were the subject of subsidy claims were treated as subsidised wools pending final adjustment. In respect of the unsubsidised wool used it is pointed out that—

(A) The wool was purchased at auction, or in the case of scoured wool, by private purchase through the normal channels of recognised Wool Brokers, and upon some of which subsidy was claimed and unpaid.

(B) No relief has been obtained in respect of this usage by way of selling price as all resultant cloth has been sold upon the subsidised basis.

(C) That subsidised goods have not in any way been withheld from the consumer and the consumer has had full benefit of all subsidy received and now claimed.

The Company can produce satisfactory records and also affidavits where necessary to confirm these facts.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) J. W. L. CRANE,

Secretary. 40

STATUTORY DECLARATIONS of Horace Parkin (2).

Exhibits.

COMMONWEALTH OF AUSTRALIA.

“A” C.
Statutory
Declaration
of Horace
Parkin, 5th
January
1949.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/47.

STATUTORY DECLARATION.

In respect of stocks of greasy, scoured, and carbonized wool, held in original bales as purchased.

(Submitted in respect of subsidised wool described in sub-paragraph 3a of
10 the Commission's letter of 15th December, 1948,—“ Wool Subsidy Scheme,
Final Adjustments.”)

(a) Name & Address of Declarant I, (a) Horace Parkin, of 54 Livingstone Road, Petersham,
do solemnly and sincerely declare

(b) Official Position
(c) Name of Company, firm or Business
1. That I am (b) the Manager of (c) The Australian Woollen Mills Pty. Ltd. hereinafter called “ the Manufacturer ” and am duly authorised to make this Declaration.

20 2. That the information set out hereunder and on the attached sheets which form part of this Declaration in respect of the wool stocks of the Manufacturer is a true and complete statement of stocks of wool held at 31st December, 1948, which is contained in the original bales as purchased including :—

(i) Wool awaiting delivery by woollselling brokers.

(ii) Wool held by processors on account of the Manufacturer.

(iii) Wool in transit.

(iv) Wool held otherwise for or on behalf of the Manufacturer.

and which has been the subject of a claim for Subsidy or which is wool appraised during the Seasons 1939/1940 to 1945/1946.

Exhibits. (d) Here
— insert
C. number of
Statutory continuation
Declaration Sheets which
of Horace are attached
Parkin, 5th
January
1949,
continued.

Summary of information regarding stocks of wool on hand at 31st December, 1948, as detailed in (d) 25 attached sheets, which form part of this Declaration.

	<i>Bales</i>	<i>lb.</i>
<i>Greasy Wool</i>	3,348	.....
<i>Scoured Wool</i>	Nil.	.....
<i>Carbonized Wool</i>	Nil.	.....

And I make this solemn Declaration by virtue of the Statutory Declarations Act 1911, conscientiously believing the statements contained therein to be true in every particular.

10

(e) Signature
of person
making the
Declaration.

(e) E. Parkin. Declared at Sydney the fifth day of January 1949.

Before me,

(f) Signature
of person
before whom
the declara-
tion is made.

(f) R. J. Clemine, J.P.

(g) Here
insert title
of person
before whom
the declara-
tion is made.

(g) Justice of the Peace.

NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour, for four years.

COMMONWEALTH OF AUSTRALIA.

" B "

Exhibits.

C.

Statutory
Declaration
of Horace
Parkin, 5th
January
1949.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/47.

STATUTORY DECLARATION.

In respect of stocks of greasy wool held other than in original bales.

(Submitted in respect of subsidised wool described in sub-paragraph 3b of the Commission's letter of 15th December, 1948,—“ Wool Subsidy Scheme, Final Adjustments.”)

10 (a) Name & Address of Declarant I, (a) Horace Parkin, of 54 Livingstone Road, Petersham, do solemnly and sincerely declare

(b) Official Position 1. That I am (b) the Manager of (c) The Australian Woollen Mills Pty. Ltd. hereinafter called “ the Manufacturer ” and am duly authorised to make this Declaration.

(c) Name of Company, Firm or Business

2. That the information set out hereunder and on the attached sheets which form part of this Declaration in respect of the wool stocks of the Manufacturer is a true and complete statement of stocks of greasy wool held at 31st December, 1948, which is not in original bales, including :—

20 (i) Greasy matchings, outsorts, etc.

(ii) Wool held by processors on account of the Manufacturer.

(iii) Wool in transit.

(iv) Wool held otherwise for or on behalf of the Manufacturer.

Exhibits.

And which has been the subject of a claim for Subsidy or which is wool appraised during the Season 1939/1940 to 1945/1946.

C.

Statutory Declaration of Horace Parkin, 5th January 1949, *continued.*

(d) A complete Classification into types or qualities is desired

Greasy Wool not in original bales, matchings, outsorts, etc.

(d)	Classification	lb.	For Office Use
	Merino	110,937	
	Comeback	60,745	
	XBred	22,301	
	TOTAL	193,983	

(e) Here insert the number of continuation sheets which are attached

Additional details set out in the same form as above, are contained in (e)..... sheets which are attached and 10 which form part of this Declaration, making a total oflb.

And I make this solemn Declaration by virtue of the Statutory Declarations Act 1911, conscientiously believing the Statements contained therein to be true in every particular.

(f) Signature of person making the Declaration

(f) H. Parkin. Declared at Sydney the Fifth day of January 1949.

Before me,

(g) Signature of person before whom the Declaration is made

(g)

(h) Here insert title of person before whom the Declaration is made

(h) (Signed by Justice of the Peace.)

NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour, for four years.



STATUTORY DECLARATION of John Wm. Crane.

Exhibits.

COMMONWEALTH OF AUSTRALIA.

“ C ”
C.
Statutory
Declaration
of John
Wm. Crane,
5th
January
1949.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/7.

STATUTORY DECLARATION.

In respect of stocks of scoured and carbonized wool not in original bales :
also stock of dyed wool.

(Submitted in respect of subsidised wool described in sub-paragraphs 3c
10 and 3d of the Commission's letter of 15th December, 1948—“ Wool Subsidy
Scheme, Final Adjustment.”)

(a) Name & Address of Declarant I, (a) John Wm. Crane, of 46 Martin Place, Sydney, do solemnly and sincerely declare

(b) Official position (c) Name of Company, Firm or Business 1. That I am (b) the Secretary of (c) The Australian Woollen Mills Pty. Ltd. hereinafter called “ the Manufacturer ” and am duly authorised to make this Declaration.

20 2. That the information set out hereunder and in the attached sheets which form part of this Declaration in respect of the Wool stocks of the Manufacturer is a true and complete statement of stocks at 31st December, 1948, of Scoured and Carbonized wool which is not in the original bales as purchased ; also of dyed wool, including :—

(i) Wool held by processors on account of the Manufacturer.

(ii) Wool in transit.

(iii) Wool held otherwise for or on behalf of the Manufacturer.

30 and which has been the subject of a claim for Subsidy or which is wool appraised during the Seasons 1939/1940 to 1945/1946.

Exhibits.

C.

Statutory Declaration of John Wm. Crane, 5th January 1949, *continued.*

Scoured and Carbonized Wool which is not in its original bales ; also dyed wool.

(d) A complete classification into types or qualities is desired

(d)	Classification	Stock at 31/12/48 lb.	For Office Use
		Nil.	

(e) Here insert the number of continuation sheets (if any) which are attached

TOTAL Nil.

Additional details, set out in the same form, are contained in (e)..... sheets which are attached, and which form part of this declaration, the summarized position being as under : 10

	Stock at 31/12/48	Weekly Usage
<i>Scoured Wool</i> . . . . .	.....lb.	.....lb.
<i>Carbonized Wool</i> . . . . .	.....lb.	.....lb.
<i>Dyed Wool</i> . . . . .	.....lb.	.....lb.

And I make this solemn Declaration by virtue of the Statutory Declarations Act 1941, conscientiously believing the statements contained therein to be true in every particular.

(f) Signature of person making the Declaration

(f) J. Crane. Declared at Sydney the 5th day of January, 1949. 20

Before me,

(g) Signature of person before whom the Declaration is made

(g)

(h) Here insert title of person before whom the Declaration is made

(h) Justice of the Peace.

NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour, for four years.

STATUTORY DECLARATION of Horace Parkin.

COMMONWEALTH OF AUSTRALIA.

AUSTRALIAN WOOL REALIZATION COMMISSION.

Wool Realization Act 1945.

Defence (Transitional Provisions) Act 1946/47.

STATUTORY DECLARATION.

In respect of stocks of work-in-progress, semi-manufactured stocks, and
manufactured stocks (other than piece-goods).

(Submitted in respect of wool described in sub-paragraph 3e and 3f of
10 the Commission's letter of 15th December 1948—" Wool Subsidy Scheme,
Final Adjustment.")

(a) Name
& Address of
Declarant

I, (a) Horace Parkin, of 54 Livingstone Road, Petersham,
do solemnly and sincerely declare

(b) Official
Position

1. That I am (b) The Manager of (c) The Australian Woollen
Mills Pty. Ltd. hereinafter called " the Manufacturer " and am
duly authorised to make this Declaration.

(c) Name
of Company,
Firm or
Business

20

2. That the information set out hereunder and on the
attached sheets which form part of this Declaration in respect
of the wool stocks of the Manufacturer is a true and complete
statement of stocks of work-in-progress, semi-manufactured stocks
and manufactured stocks (other than wool in the warping and
weaving or knitting stages and finished piece-goods), including :—

(i) Stocks held by processors on account of the
Manufacturer.

(ii) Stocks in transit.

(iii) Stocks held otherwise for or on behalf of the
Manufacturer.

and which have been the subject of a claim for Subsidy or which
are from wool appraised during the Seasons 1939/1940 to 1945/46.

Exhibits.

C.

" D " Statutory
Declaration
of Horace
Parkin, 5th
January
1949.

Exhibits.
C.
Statutory Declaration of Horace Parkin, 5th January 1949, *continued.*

(d) Here insert number of continuation sheets which are attached

(e) A complete Classification under each heading should be given on the continuation sheets, and the totals inserted here

Summary of Semi-Manufactured Stocks, and Work-in-Progress, details being set out in (d) the sheet(s) which are attached, and which forms part of this Declaration.

(f) Weekly usage to be calculated as 1/48th of usage in 1947/48 financial year

(e) Classification	Stock at 31/12/48	(f) Weekly average or production
<i>Worsted System</i>		
Carding and Combing Section, including stocks of combed or prepared Stock		10
Drawings		
Rovings		
Yarns—Machine (finished & Unfinished)		
Yarns—Fingering (finished & Unfinished)		
<i>Woollen System</i>		
Carding and Condensing Yarns, whether finished or unfinished		20
<i>Both Systems</i>		
Noils		
Wastes		
TOTAL		

And I make this solemn Declaration by virtue of the Statutory Declarations Act 1911, conscientiously believing the statements contained therein to be true in every particular.

(g) Signature of person making the Declaration

(g) (sgd.) H. Parkin. Declared at Sydney the fifth day of January, 1949.

(h) Signature of person before whom the Declaration is made

Before me, 30

(h) Sgd.

(i) Here insert title of person before whom the Declaration is made

(i) Justice of the Peace.

NOTE.—Any person who wilfully makes a false statement in a Statutory Declaration is guilty of an indictable offence, and is liable to imprisonment, with or without hard labour, for four years.

Stock at 31/12/48.

					<i>lbs.</i>	<i>Average weekly production lbs.</i>	<i>Exhibits.</i> C. Statutory Declaration of Horace Parkin, 5th January 1949, <i>continued.</i>
	(e) Carding & Combing Section including Stocks of combed						
	Stock	..	..	..	180,980	47,150	
	Drawings	..	..	..	14,788		
	Rovings	..	..	..	26,622		
10	Yarn (Machine)	..	..	..	159,512	40,950	
	(f) Noils				128,440	6,420	
	Wastes	..	..	..	19,510	4,000	

NOTE.—The above figures are part of Declaration “ D ” on p. 133
(*Record, Vol. II, p. 466*).

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.

M.L.C. Building,
46 Martin Place,
Sydney, N.S.W.

12th January, 1949.

20 The Secretary,
Australian Wool Realization Commission,
540 Little Collins Street,
Melbourne.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 12th
January
1949.

Dear Sir,

Wool Subsidy Scheme.

Final Adjustments.

We refer to your circular of 30th August 1948 and subsequent correspondence regarding stocks and usage and to your letter of 23rd September, 1948, showing quantity of wool under-subsidised based on the Company's estimated usage for the 5½ months period.

As the period is now completed, we wish to substitute for the previously agreed upon estimates the Company's actual usage figures and the resulting final subsidy claim in relation to raw wool (including scoured wool converted to greasy basis).

In the following figures it will be noted that the period has been extended to the Christmas 1948 close-down and also that the stock as at

Exhibits.
C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 12th
January
1949,
continued.

30th June, 1948, has been increased to 2,363,325 lbs. This increase was brought about by the receipt of an amended invoice for an additional 6 bales in respect of the July, 1948, Brisbane sales after the company's return of stocks and usage had been forwarded to your Commission.

(1) Stock as at 30/6/48 Greasy Basis	2,361,645 lbs.	
Plus adjustment	1,680	
	<hr/>	
	2,363,325	
Less transfer to John Vicars & Co. Pty. Ltd.	67,079	
	<hr/>	
	2,296,246 lbs.	
(2) Actual usage 1/7/48 to 31/12/48 Greasy	1,546,160	10
Scoured 268,632 lbs. @ 69%	389,322	
	<hr/>	
	1,935,482 lbs.	
	<hr/>	
(3) Adjusted opening stock as in (1) above	2,296,246 lbs.	
Less Actual usage as in (2) above	1,935,482 ,,	
	<hr/>	
Therefore excess subsidised stock equal	360,764 lbs.	
	<hr/>	
(4) Unpaid subsidy claims adjusted to greasy basis (as in previous correspondence)	525,108 lbs.	
Less Excess Stock	360,764 lbs.	
	<hr/>	
Therefore quantity under-subsidised and being final subsidy claim equals	164,344 lbs.	20

It will be noted that the final figure falls short of the company's estimate as made in our letter of the 21st September. This difference is accounted for mainly by an arithmetical error in the conversion of scoured wool to greasy basis and by a decrease in usage in the latter half of the period due to power failures extending over several weeks.

In confirmation of the above final subsidy claim the following figures are also placed before you and show the relationship between stocks and usage and the resultant claim.

Wool used and yet to be subsidised :—

(A) Unsubsidised Wool (i.e. wool on which subsidy has not been received) used prior to 30/6/48			30
		225 bales	
(B) Stock 1/7/48—			
Greasy subsidised and appraised wool	6,550		
Greasy unsubsidised (not paid) ..	1,576		
Less sold to John Vicars & Co. Pty. Ltd.	200		
	<hr/>	1,376	
Scoured unsubsidised (not paid) 262 bales—converted to greasy basis	317		40
	<hr/>	8,243	

	(c) Purchases 1/7/48 to 22/12/48—			<i>Exhibits.</i>
	Greasy	2,536		C.
	Scoured 951 converted to greasy basis	1,152		Letter,
		—	3,688	Australian
			—	Woollen
			12,156 bales	Mills Pty.
				Limited to
				Australian
				Wool
	(D) <i>Less</i> closing stock 22/12/48—			Realization
	Greasy subsidised (i.e. paid) ..	3,204		Commis-
	Unsubsidised	1,736		sion, 12th
	Scoured 65 converted to Greasy basis	79		January
10		—	5,019	1949,
			—	<i>continued.</i>
	Total usage in respect of which subsidy is payable—		7,137	
	(E) <i>Less</i> subsidised wool (subsidy paid or appraisement wool) on hand as at 30/6/48		6,550	
	<i>Quantity of usage in respect of which subsidy has not been received and being equiva- lent of Final Claim on 164,344 lbs. wgt.</i>			587 bales

We submit the foregoing figures to replace the previously agreed upon
20 estimates, as the company's final claim in respect to usage of raw wool.

We would refer you also to our separate letter accompanying the
company's stock return.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) J. W. L. CRANE,

Secretary.

Exhibits. **LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.**

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realization
Commis-
sion, 18th
January
1949.

Air Mail.

The Secretary,
Australian Wool Realization Commission,
540 Little Collins Street,
Melbourne, Vic.

46 Martin Place,
Sydney.

18th January, 1949.

Dear Sir,

10

Wool Subsidy Scheme. Final Adjustments.

We refer to the telephone request of your Mr. Leslie regarding actual weight of that wool shown in our Declaration "A" of subsidised greasy wool on hand at the Christmas close-down.

It will be noted that in the case of this company the greasy wool under Declaration "A" amounts to 3,348 bales and contains wool purchased over a period of several seasons. The company has not a ready record of the weight of each bale and to obtain these weights would be a difficult task taking a considerable amount of time and work.

In perusing our purchases of over 20,000 bales of greasy wool in the 20 last two seasons, we find that the average net weight per bale purchased is 280 lbs. per bale. This figure is used for internal calculations by the company and is found to give the most accurate results. We suggest therefore that the average figure of 280 lbs. per bale be used in respect of the 3,348 bales of unsubsidised greasy wool as shown in our Declaration "A." This would then read 3,348 bales of greasy wool equalling 937,440 lbs. wt. (net).

As the company's final claim is in respect of only 164,344 lbs. wt. (approx. 587 bales), it is also suggested that the delay and work involved in endeavouring to obtain individual bale weights for the full 3,348 bales 30 could be avoided and that the use of 280 lbs. per bale would not deprive either the Commission or the company of any entitlement.

We therefore request that the total be taken as 937,440 lbs. wt. and that individual bales where necessary be taken at 280 lbs.

Yours faithfully,

(Sgd.) J. W. L. CRANE,
Secretary.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

A.W.R.C. Ref. 48/404.

JHW/K.

24th January, 1949.

The Secretary,

Australian Woollen Mills Pty. Ltd.,

46 Martin Place,

Sydney, N.S.W.

C.
Letter,
Australian
Wool
Realiza-
tion Com-
mission to
Australian
Woollen
Mills Pty.
Limited,
24th
January
1949.

Dear Sir,

10 Receipt is acknowledged of your letters of the 12th January and the 18th January, 1949, relating to the question of subsidised stocks of wool and work in progress at the Christmas 1948 closedown.

The purpose of this letter is to deal with certain aspects which were raised in your letter, the first being your contention that you should be permitted to retain in 1949, subsidised greasy wool to offset stocks of unsubsidised wool purchased by you prior to the Christmas 1948 closedown.

20 I am to advise you that the Commission is required to ensure that all greasy wool held at the Christmas 1948 closedown is freed from subsidy and that therefore no allowance can be made for quantities of unsubsidised 1948/49 Season wool used in manufacture prior to that date. It is pointed out that the basis laid down of 5½ months normal requirements presupposed the use of such wool in the time stipulated and if for any reason the wool was not used, subsidy must be adjusted thereon. Relief in regard to this aspect is a matter for discussion between you and the Prices Authorities.

In relation to your letter of the 18th January, 1949, you are advised that it is necessary that you should furnish details of weights in instances where part lots only are concerned. For audit reasons it is not possible for the Commission to work on approximated weights.

Yours faithfully,

30

(Sgd.) J. H. WILLIS,
for Secretary.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realiza-
tion Com-
mission to
Australian
Woollen
Mills Pty.
Limited,
25th
February
1949.

JHW/C

A.W.R.C. Ref. 48/104

25th February, 1949.

The Secretary,
The Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

Finalization of Wool Subsidy Scheme.

10

The Commission, as agent for the Commonwealth Prices Commissioner, has received and analysed Declarations in respect of stocks of subsidised wool and wool goods furnished by you in accordance with the terms of the Commission's letter of 15th December, 1948, headed "Wool Subsidy Scheme—Final Adjustment."

According to the records of the Commission the following is a precis of your position under the Wool Subsidy Scheme after the necessary adjustments have been made to account for wool held by you at the Christmas 1948 closedown, such wool being thus ineligible for wool subsidy.

The amounts shown on the attached Statements, represents subsidy 20 to be withdrawn on raw wool in stock at the Christmas 1948 closedown :—

		<i>Declaration A</i>		<i>lb. weight</i>					
				£	s.	d.	£	s.	d.
Statement	No. C.105	951		18	11	4			
	No. C.106	43,971		1,214	2	0			
	No. C.107	13,777		888	7	3			
	No. C.108	163,075		6,364	11	10			
	No. C.109	719,952		£133,225	0	1			
		<i>Declaration B</i>							
Statement	No. C.110	193,983		34,442	16	4			
				<hr/>			£176,153	8	10
<i>Less</i>									
<i>Claims rendered by you on which subsidy has not yet been paid.</i>									
		<i>Series</i>		<i>lb. weight</i>		<i>Subsidy Computed</i>			
Geelong	8	..	..	127,813		25,353	5	11	
Melbourne	10	..	..	5,379		1,035	6	5	
Brisbane	8	..	..	11,090		2,593	12	5	
"	9	..	..	18,018		4,089	16	9	
Sydney	17	..	..	205,503		46,546	2	11	

				£	s.	d.	£	s.	d.	<i>Exhibits.</i>
P/sale 298	..	..	14,806	3,701	10	0				—
„ 315	..	..	136,339	28,210	10	11				C.
„ 300	..	..	13,468	3,645	1	10				Letter,
„ 302	..	..	32,477	7,411	9	1				Australian
			<u>564,893</u>	<u>122,586</u>	<u>16</u>	<u>3</u>				Wool
Less : transfer to Vicars			-67,079	13,715	12	2	£108,871	4	1	Realiza- tion Com- mission to Australian
			<u>497,814 lb.</u>							Woollen Mills Pty. Limited, 25th February 1949, <i>continued.</i>
10			Amount refundable, subject to final audit and concurrence of Commonwealth Prices Commissioner ..				<u>£67,282</u>	<u>4</u>	<u>9</u>	

It has been determined that the following stocks on Annexures C & D shall be deemed to be work in progress on which no adjustment of subsidy shall be required, *except in the event of exportation of these stocks or any goods manufactured therefrom ; or their use in the manufacture of subsidy-exempt goods enumerated on Prices Order No. 3298 ; such stock not being in excess of the permissible stock of work in progress laid down in the Commission's Circular No. 208 dated 15th December, 1948. (para. 6 (b)).*

	<i>Your</i>								
	<i>Declaration</i>		<i>Description</i>				<i>lb. weight</i>		
20	D.		Carding and combing section ..				180,980		
	D.		Drawings				14,788		
	D.		Rovings				26,622		
	D.		Yarn				159,512		
							<u>381,902</u>		

The following stocks, while not included in the foregoing work in progress are also subject to recovery of subsidy in the event of export or manufacture for export, or their use in the manufacture of subsidy-exempt goods as enumerated in Prices Order No. 3298. It is your responsibility to notify purchasers to this effect.

	<i>Your</i>								
	<i>Declaration</i>		<i>Description</i>				<i>lb. weight</i>		
30	D.		Noils				128,440		
	D.		Wastes				19,510		
							<u>147,950</u>		

For purposes of record, it is set out that the permissible stock of work in progress in the case of your mill (as laid down in para. 6 (b) of

Exhibits.
 C.
 Letter,
 Australian
 Wool
 Realiza-
 tion Com-
 mission to
 Australian
 Woollen
 Mills Pty.
 Limited,
 25th
 February
 1949,
continued.

Circular No. 208 of the 15th December, 1948) has been computed as 471,500 lb. (clean wool basis), being ten times the weekly usage of clean wool given as 47,150 lb.

Subject to the payment of the amount of £67,282.4.9, as detailed above, and a final audit which will be carried out as soon as practicable, this letter is to serve as notification to you that all requirements of the Commonwealth under the Wool Subsidy Scheme have been met, and all transactions relating to payment of wool subsidy are to be regarded as finished. A copy of this letter will be forwarded to the Prices Commissioner of your State as certification to this effect but this may be withdrawn 10 if it is subsequently ascertained that the Commission's certificate has been based on incorrect information. It is reiterated that drawback of subsidy will still be required in the event of exportation of goods made from subsidised work in progress on which no refund of subsidy has been made.

Your attention is drawn to the attached subsidy adjustment Statements Nos. C.105 to C.110 which show details of the quantity of wool which is now held by you in unsubsidised form. No bar now exists as to the sale of such wool, but is necessary to point out that such sales now come within the province of the Prices Commissioner for New South Wales.

20

Would you please communicate with the Commission if there is any further aspect on which you require clarification.

Yours faithfully,

(Sgd.) J. W. WILLIS,

for Secretary.

Attachments : Statements C.105-C.110.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

JHW/C
Ref. 48/404.

2nd March, 1949.

The Secretary,
The Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

C.
Letter,
Australian
Wool
Realiza-
tion Com-
mission to
Australian
Woollen
Mills Pty.
Limited,
2nd March
1949.

Dear Sir,

Finalisation of Wool Subsidy Scheme.

10 I refer to the Commission's letter of 25th February 1949 under the above heading.

In that letter details were given of an amount of £67,282.4.9, which is refundable by your Company in connection with the wool which is no longer eligible for subsidy.

Through an oversight the letter did not state that the amount should be payable at the Sydney Office of this Commission, situated at 10 Loftus Street.

Yours faithfully,

(Sgd.) J. H. WILLIS,

For Secretary.

20

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.

46 Martin Place,
Sydney.

7th March, 1949.

The Secretary,
Australian Wool Realisation Commission,
540 Little Collins St.,
Melbourne,
Vic.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realiza-
tion Com-
mission,
7th March
1949.

30 Dear Sir,

Finalization of Wool Subsidy Scheme.

Receipt is acknowledged of your letters of 25th February and 2nd March, the content of which is receiving our attention.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) J. W. L. CRANE,

Secretary

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.

Letter,
Australian
Wool
Realiza-
tion Com-
mission to
Australian
Woollen
Mills Pty.
Limited,
28th March
1949.

Reference 48/404.
JHW/K.

28th March, 1949.

The Secretary,
Australian Woollen Mills Pty, Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

With reference to the Commission's letter of the 25th February, 10
1949, dealing with the finalization of the Wool Subsidy Scheme in respect
of your mill, I am to ask would you please advise when payment of the
amount of £67,282.4.9d. due to this Commission as Agent for the
Commonwealth Government may be expected.

Yours faithfully,

(Sgd.) J. H. WILLIS,
For Secretary.

Letter,
Australian
Wool
Realiza-
tion Com-
mission to
Australian
Woollen
Mills Pty.
Limited,
13th April
1949.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.

A.W.R.C. Ref. 48/404.

13th April, 1949.

The Secretary,
The Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

20

Dear Sir,

It is necessary to refer you to the Commission's letter of the
25th February, 1949, which sets out the amount of £67,282.4.9 as due
by you to this Commission as Agent for the Commonwealth Government.
Other than your formal acknowledgment of the 7th March, no reply has
been received by the Commission.

It is requested that you advise the Commission urgently as to the 30
date when payment of the above mentioned amount will be made.

If a reply is not received within ten days from the date of this letter
it will be necessary for the Commission to refer the matter to the Crown
Law Authorities.

Yours faithfully,

(Sgd.) J. H. WILLIS,
Acting Secretary.

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission. *Exhibits.*

46 Martin Place,
Sydney.

14th April, 1949.

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realiza-
tion Com-
mission,
14th April
1949.

The Secretary,
Australian Wool Realization Commission,
540 Little Collins Street,
Melbourne, Vic.

Your Ref. : 48/404 JHW/K.

10 We acknowledge receipt of your letter of 28th ult. dealing with the finalisation of the Wool Subsidy Scheme and wish to advise that we are in the process of preparing the detail of a counter claim based upon usage and which, when completed will be forwarded.

As to your claim for recall of subsidy paid, we are having difficulty in reconciling the amount with subsidy actually received by us upon the subsidised wool held at the closedown. It also appears that you are claiming refund on sorted wools that no subsidy was in fact paid upon.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

20

(Sgd.) J. W. L. CRANE,
Secretary.

Exhibits. LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission-

C.
Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realiza-
tion Com-
mission,
9th May
1949.

Air Mail

The Secretary,

Australian Wool Realization Commission,

540 Little Collins Street,

Melbourne.

M.L.C. Building,

46 Martin Place,

Sydney.

9th May, 1949.

Dear Sir,

Further to our earlier advice and in reply to your correspondence 10
and claim in respect of the Wool Subsidy Scheme Finalisation, we have
gone into the matter in some degree of detail. In placing our claim before
you in January of this year in respect of usage up to the Christmas 1948
closedown, we gave full details in our two letters of the 12th January last
and therein we claimed further adjustment of subsidy payment to the
extent of 587 bales. Your Commission in a rather peremptory manner
dismissed our claim and substituted their own based completely upon stock
on hand at the Christmas closedown.

In view of this claim before us based entirely upon closing stocks
we now submit to the Commission a counter claim in respect of this 20
adjustment on wool used during the period in which subsidised goods
were sold. As the Commission continues to press its claim for refund
of subsidy we are forwarding the Company's cheque for £67,282.4.9, the
amount of such claim to your Sydney Office, but the company will continue
to press its counter claim.

In taking this course of action we summarised briefly the steps leading
up to it. In the initial circulars dealing with finalisation it was stated that
"Manufacturers should be allowed sufficient stocks of subsidised wool
to last them over-all for 5½ months from 30th June, 48." The Commission
made an estimate of our position based upon past usage and then agreed 30
to accept as a basis the Company's own estimate based upon current usage
and stated in their correspondence that "the Commission will accept
actual production figures in place of a calculation based on the usage of the
preceding twelve months."

Our present claim is a request that the Commission in fact carry this
statement into effect and subsidise the Company's actual usage. In
paragraph 9 of your circular of the 15th December last the use of unsubsi-
dised wool was clearly envisaged and in our case the requirements set out
therein have been fulfilled.

The scheme of finalisation was one devised by the Commission and as 40
far as possible aimed at giving sufficient subsidised stock at the beginning

of the 5½ months (and later 6 month period) to meet requirements during that period. In the case of this Company, even had we used bale for bale that stock it would have fallen short of our ultimate actual requirements to the extent of 587 bales and consequently we would have had to then purchase this additional requirement from the market.

Exhibits.

C.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realiza-
tion Com-
mission,
9th May
1949,
continued.

The Company has always in the past exercised its right to buy wool and to manufacture wool in accordance with its manufacturing and trade requirements and did continue to adhere to this policy during the six monthly period in which wool was purchased from the market and used in preference to subsidised wool on hand. Assuming that the Commission's claim is in order and that credit is given as set out in respect of those latter purchases on which subsidy had been claimed but not yet paid then the Company's unsubsidised usage amounts to 2,115 bales of greasy wool.

If the amount claimed by the Commission to be refundable is payable, then we claim subsidy adjustment on this usage. It is appreciated that this wool was purchased in a higher market than that which it replaced and the Company is quite prepared to accept adjustment to the extent that it would have been payable on the wool replaced. A summary of the wool contained in our Declarations "A" and "B" and the subsidy computed thereon as shown in your letter of the 25th February, shows an average subsidy per bale of £43.10.0.

Using this as a basis we therefore claim adjustment in respect of 2,115 bales, being the remaining portion of actual usage @ £43.10.0 per bale amounting to £92,002.10.0.

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) J. W. L. CRANE,
Secretary.

LETTER, Australian Woollen Mills Pty. Limited to Australian Wool Realization Commission.

The Secretary,
Australian Wool Realization Commission,
10 Loftus Street,
Sydney.

9th May, 1949.

Letter,
Australian
Woollen
Mills Pty.
Limited to
Australian
Wool
Realiza-
tion Com-
mission,
9th May
1949.

Dear Sir,

Finalisation of Wool Subsidy Scheme.

We refer to previous correspondence between this Company and your Melbourne Office with reference to the above finalisation and now enclose our cheque for £67,282.4.9, being the amount claimed by your Commission as being refundable.

40

Yours faithfully,

THE AUSTRALIAN WOOLLEN MILLS PTY. LTD.

(Sgd.) J. W. L. CRANE,
Secretary.

Exhibits. **LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited.**

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited.
19th May
1949

ALS/M.

19th May, 1949.

A.W.R.C. Ref. 48/404.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

Your letter of 9th May makes a counter claim on this Commission 10 for subsidy on 2,115 bales of wool totalling £92,002/10/- as being 1948/49 clip wool used by your Company before 31st December, 1948, at which date the Commission was required, as agent of the Commonwealth Prices Commissioner, to desubsidise wool, on which subsidy had been claimed or paid, held in stock by Australian Manufacturers.

The Commission's authority in connection with payment of subsidy to Australian manufacturers on wool in goods consumed locally only permitted of payment of subsidy against claims on wools actually purchased by manufacturers prior to 31st July, 1948.

In addition the Commission was required by the Commonwealth 20 Government to desubsidise any wool held in stock at 31st December, 1948, against which subsidy had been claimed or paid. The receipt of your Company's cheque for £67,282/4/9 in finalization of adjustments in that connection has been acknowledged by our Sydney Office.

The correspondence relating to your counter claim for subsidy amounting to £92,002/10/- on 2,115 bales has been transmitted to the Commonwealth Prices Commissioner for his consideration.

Yours faithfully,

(Sgd.) A. L. SENGER,

for Secretary. 30

LETTER, Commonwealth Prices Branch to Australian Wool Realization Commission.

Exhibits.

COMMONWEALTH OF AUSTRALIA. DEPARTMENT OF TRADE AND CUSTOMS.

Commonwealth Prices Branch,
Canberra, A.C.T.

19th July, 1949.

C.
Letter,
Common-
wealth
Prices
Branch to
Australian
Wool
Realization
Com-
mission,
19th July
1949.

P/49/157.

Memorandum :

The Secretary,

Australian Wool Realisation Commission,

10

Pitman House,

540-542 Little Collins Street,

Melbourne, C,1.

Australian Woollen Mills Pty. Ltd. Counter-claim for £92,002.10.0

Subsidy on wool Purchased after 31st July, 1948.

I refer to your memorandum 48/404 dated 8th June, 1949, in connection with the above matter and forward herewith for your information a copy of a letter dated 14th July, 1949, which has been addressed to the Secretary, Australian Woollen Mills Pty. Ltd., Sydney.

(Sgd.) P. D. KEWISH,

Secretary.

20

*Exhibits.***LETTER, Commonwealth Prices Branch to Australian Woollen Mills Pty. Limited.**

C.

Letter,
Common-
wealth
Prices
Branch to
Australian
Woollen
Mills Pty.
Limited,
19th July
1949.

19th July, 1949.

The Secretary,
Australian Woollen Mills Pty. Ltd.,
46 Martin Place,
Sydney, N.S.W.

49 157

Dear Sir,

I refer to a letter dated 19th May, 1949, which was addressed to you by the Secretary, Australian Wool Realization Commission on your 10 subsidy claim for £92,002/10/-.

The claim for £92,002/10/- represents your Company's calculation of subsidy which might have been payable by the Commission on certain pre-appraisal wool and also on 2,115 bales of wool used by the Company before 31st December, 1948, but purchased by it during the 1948/49 auctions.

The claim has been carefully considered by the Prices Commissioner but there is no authority to subsidise wool purchased after 31st July, 1948, and the Commissioner cannot see his way clear to support any subsidy payment in respect of pre-appraisal wool. Accordingly your subsidy 20 claim for £92,002/10/- has been refused.

The final audit of your Accounts has been completed and would indicate that a further £65/13/0d. is due by your Company to the Australian Wool Realization Commission, but the Commissioner has decided that, in the circumstances, he will not insist on recovery of this amount.

Yours faithfully,

(Sgd.) P. D. KEWISH,

Secretary.

LETTER, Australian Wool Realization Commission to Australian Woollen Mills Pty. Limited. *Exhibits.*

COPY.
48/404.

3rd August, 1949.

C.
Letter,
Australian
Wool
Realization
Commission
to
Australian
Woollen
Mills Pty.
Limited,
3rd August
1949.

The Secretary,
The Australian Woollen Mills P/L.,
M.L.C. Buildings,
46 Martin Place,
Sydney, N.S.W.

Dear Sir,

10

Wool Subsidy Finalization.

I refer to the final audit carried out at your Mill from 26th May-2nd June, 1949, by officers of the Commission covering the finalisation of your Company's wool subsidy transactions.

As the examination of your Company's subsidy transactions has now been completed, this letter will constitute the certificate referred to in our Circular No. 208 dated 15th December, 1948, indicating that all requirements of the Commonwealth Government, under the Wool Subsidy Scheme have been met and that all transactions relating to the payment of subsidy have been finalised, except in relation to drawback of subsidy
20 required in the event of exportation of goods manufactured from work-in-progress etc., on which no refund of subsidy has been made.

Yours faithfully,

(Sgd.) A. L. SENGER,

For Secretary

Exhibits. **LETTER, Arthur Muddle & Stephenson, Solicitors, to Australian Wool Realization Commission.**

C.

Letter,
Arthur
Muddle &
Stephenson
to
Australian
Wool
Realization
Com-
mission,
22nd
September
1949.

4 O'Connell Street,
Sydney.

22nd September, 1949.

The Secretary,
Australian Wool Realization Commission,
Melbourne.

Dear Sir,

Re : Australian Woollen Mills Pty. Limited.

10

This Company has consulted us with regard to your repudiation of its subsidy claim of £92,002.10.0 and we are instructed to inform you that the Company intends to press this claim and is seeking our advice preparatory to commencing appropriate legal proceedings. The Company claims that it is entitled to payment of the amount referred to and this letter will serve as a notification to you of its determination to press for payment.

Yours faithfully,

(Sgd.) ARTHUR MUDDLE & STEPHENSON.

LETTER, Commonwealth Crown Solicitor's Office to Arthur Muddle & Stephenson.

Exhibits.

Commonwealth Bank Chambers,
108-120 Pitt Street,
Sydney.

8th April, 1953.

SL. 56388/1A/6

Messrs. Arthur Muddle & Stephenson,
Solicitors,
4 O. Connell Street,
Sydney.

C.
Letter,
Common-
wealth
Crown
Solicitor's
Office to
Arthur
Muddle &
Stephenson,
8th April
1953.

10 Dear Sirs,

Australian Woollen Mills Pty. Limited *v.* The Commonwealth of
Australia.

The following particulars are requested under the amended Statement
of Claim herein :—

(1) Of—

- (A) the promise alleged in paragraph 3 ;
- (B) the promise alleged in paragraph 4A ;
- (C) each of the exactions of money by the defendant alleged
in paragraphs 6 and 7 ;

20 stating as to each whether it was oral or partly oral, in writing
or partly in writing, or to be implied or partly to be implied ;
in so far as it was oral setting out the substance of the
conversation or conversations constituting it and stating when
where and between what actual persons each such conversation
took place ; in so far as it was in writing identifying the
document or documents constituting it and stating in whose
possession it now is or they now are ; in so far as it was to be
implied stating the acts facts matters and things from which
such implication arose.

30 (2) Of the amounts of—

- (A) £6,364.11.10 referred to in paragraphs 4, 6 (A), and
7 (A) ;
- (B) £167,667.16.5 referred to in paragraphs 5, 6 (B) and
7 (B) ;
- (C) £2,121.0.7 referred to in paragraphs 6 (C) and 7 (C) ;
showing how each of them is made up or arrived at.

40 (3) Of each of the payments alleged in paragraphs 6 and 7 to have
been made by the plaintiff, showing the date on which
and the person or body to whom it was made, and of the acts
facts matters and without prejudice to the plaintiff's rights
and without admissions.

Yours truly,

A. G. BENNETT,
Deputy Crown Solicitor,
per A.R.N.

*Exhibits.***LETTER, Arthur Muddle & Stephenson to Commonwealth Crown Solicitor's Office.**

C.
Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953.

4 O'Connell Street,
Sydney.

14th April, 1953.

The Crown Solicitor for the Commonwealth,
108-120 Pitt Street,
Sydney.

Dear Sir,

re : Australian Woollen Mills Pty. Limited

v.

The Commonwealth.

10

In reply to your letter of 8th instant the particulars of the Plaintiff Company's Amended Statement of Claim are as follows :

1 (A) PARTICULARS UNDER PARAGRAPH 3 OF THE AMENDED STATEMENT OF CLAIM.

The said promise is expressed in writing and the same appears in the following circulars, letters or documents :

1. Copy extracts from Report and Recommendations of Representatives of the United Kingdom The Commonwealth of Australia The Dominion of New Zealand and the Union of South Africa 20
Dated 3rd September, 1945.
2. Copy Newspaper publication of Announcement by Central Wool Committee on behalf of Commonwealth Prices Commissioner that subsidy will be paid
Dated 2nd November, 1945.
3. Copy Report of Commonwealth Prices Commissioner or arrangements made in Conference with Representatives of Associated Chambers of Commerce
Dated 5th September, 1946.
4. Copy circular letter Commonwealth Prices Branch to Associated 30
Woollen & Worsted Textile Manufacturers of Australia and to
National Council of Wool Selling Brokers of Australia
Dated 20th June, 1946.
5. Circular letter from the Australian Wool Realisation Commission
to the Plaintiff Company
Dated 7th August, 1946.
6. Ditto Ditto Ditto Dated 20th August, 1946.
7. Ditto Ditto Ditto Dated 21st August, 1946.

8. Circular letter from the Australian Wool Realisation Commission to the Plaintiff Company
Dated 18th October, 1946.
9. Circular letter from the Australian Wool Realisation Commission to the Plaintiff Company
Dated 31st October, 1946.
and annexure entitled "Return of wool purchased at auction by a manufacturer" and used by the Plaintiff and the Defendant in respect of purchases by the Plaintiff upon which subsidy was claimed up to 20th March, 1947, approximately.
10. Circular letter from the Australian Wool Realisation Commission to the Plaintiff Company
Dated 13th November, 1946.
11. Ditto Ditto Ditto Dated 23rd November, 1946.
12. Ditto Ditto Ditto Dated 2nd December, 1946.
13. Ditto Ditto Ditto Dated 31st December, 1946.
14. Ditto Ditto Ditto Dated 6th January, 1947.
15. Ditto Ditto Ditto Dated 25th February, 1947.
16. Circular letter from the Australian Wool Realisation Commission to the Plaintiff Company
Dated 20th March, 1947.
and annexures comprising four (4) forms including a return entitled "statement of Subsidy" and used by the Plaintiff and the Defendant in respect of purchases by the Plaintiff upon which subsidy was claimed after 20th March, 1947.
17. Circular letter Australian Wool Realisation Commission Reference 46/143 (20)
Dated 21st April, 1947.
18. Circular letter Australian Wool Realisation Commission Reference No. 27
Dated 27th June, 1947.
19. Circular letter Australian Wool Realisation Commission (Reference 46/143) No. 31
Dated 24th July, 1947.
20. Letter Australian Wool Realisation Commission to Plaintiff Company (Ref. 47/1097)
Dated 24th July, 1947.
21. Letter Plaintiff to Australian Wool Realisation Commission
Dated 8th August, 1947.
40. Letter Australian Wool Realisation Commission to the Plaintiff Company
Dated 26th August, 1947.

Exhibits.
C.
Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953,
continued.

Exhibits.

C.

Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953,
continued.

23. Circular letter from the Australian Wool Realisation Commission
to the Plaintiff Company
Dated 27th August, 1947.
24. Ditto Ditto No. 41 Dated 1st October, 1947.
25. Letter Plaintiff Company to Australian Wool Realisation
Commission
Dated 3rd November, 1947.
26. Letter Australian Wool Realisation Commission to Plaintiff
Company
Dated 10th November, 1947. 10
27. Letter from the Plaintiff Company to the Australian Wool
Realisation Commission
Dated 4th February, 1948.
28. Circular letter No. 59 from the Australian Wool Realisation
Commission to the Plaintiff (Ref : No. 46/143)
Dated 20th February, 1948.
29. Letter from the Australian Wool Realisation Commission to the
Plaintiff Company (Ref : JHW/mb)
Dated 20th February, 1948.
30. Letter Australian Wool Realisation Commission to Plaintiff 20
Company
Dated 2nd March, 1948.
31. Letter Plaintiff Company to Commonwealth Prices Branch
Canberra
Dated 22nd March, 1948.
32. Letter from the Plaintiff Company to the Australian Wool
Realisation Commission
Dated 23rd March, 1948.
33. Circular letter No. 65 from the Australian Wool Realisation
Commission to the Plaintiff Company 30
Dated 25th March, 1948.
34. Copy letter Messrs. Biggin & Ayrton, Wool Buyers ,Melbourne,
to Australian Wool Realisation Commission
Dated 5th April, 1948.
35. Copy circular letter from the Australian Wool Realisation
Commission to the Associated Woollen and Worsted Textile
Manufacturers of Australia
Dated 18th June, 1948.
(forwarded to the Plaintiff Company on 25th June, 1948).
36. Circular letter Australian Wool Realisation Commission 40
Stencil 106 with annexure
Dated 18th June, 1948.

37. Copy Circular Associated Woollen & Worsted Textile
Manufacturers of Australia to Manufacturers

Exhibits.

Dated 25th August, 1948.

C.

The documents referred to above and numbered 1 to 20 inclusive, Nos. 22, 23, 24, 26, 28, 29, 30, 33, 35, 36 and 37 are in the possession of the Plaintiff Company and the documents numbered 21, 25, 27, 31, 32 and 34 were sent to the Australian Wool Realisation Commission and copies thereof are in the possession of the Plaintiff Company.

Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953,

continued.

10 1 (B) PARTICULARS UNDER PARAGRAPH 4A OF THE AMENDED STATEMENT
OF CLAIM.

The said promise is expressed in writing and the same appears in the following circulars, letters or documents :

(a) The circulars letters and documents set out in detail under the heading Particulars under Paragraph 3 herein and

(b) the following circulars letters or documents :

1. Circular letter No. 34 from the Australian Wool Realisation Commission to the Plaintiff Company

Dated 2nd September, 1947.

- 20 2. Circular letter No. 47/42 from the Australian Wool Realisation Commission to the Plaintiff Company

Dated 14th October, 1947.

3. Circular letter No. 45 from the Australian Wool Realisation Commission to the Plaintiff Company

Dated 12th November, 1947.

4. Circular letter No. 52 from the Australian Wool Realisation Commission to the Plaintiff Company

Dated 30th January, 1948.

- 30 5. Letter from the Australian Wool Realisation Commission to the Plaintiff Company

Dated 31st March, 1948.

The documents numbered 1 to 5 inclusive are in the possession of the Plaintiff Company.

1 (C) and 2 (A) (B) (C) PARTICULARS UNDER PARAGRAPHS 4, 6A AND 7A OF
THE AMENDED STATEMENT OF CLAIM.

The sum of £6,364.11.10 is the amount of subsidy determined and paid by the Defendant in respect of 163,075 lbs. of wool purchased by the Plaintiff at various auction series or privately during the season 1946/1947 and is the amount subsequently repaid by the Plaintiff to the Defendant in the circumstances set out in the following circulars, letters and
40 documents, namely :

1. Circular letter from the Australian Wool Realisation Commission to the Plaintiff Company

Dated 30th January, 1948.

Exhibits.

C.

Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953,
continued.

2. Letter from the Plaintiff Company to the Australian Wool Realisation Commission
Dated 4th February, 1948.
3. Circular letter from the Australian Wool Realisation Commission to the Plaintiff Company (Ref : 46/143)
Dated 20th February, 1948.
4. Copy circular letter from the Australian Wool Realisation Commission to the Associated Woollen and Worsted Textile Manufacturers of Australia
Dated 18th June, 1948. 10
5. Copy letter from Australian Wool Realisation Commission to the Associated Woollen and Worsted Textile Manufacturers of Australia
Dated 8th July, 1948.
6. Copy letter from Associated Woollen and Worsted Textile Manufacturers of Australia to Australian Wool Realisation Commission
Dated 8th July, 1948.
7. Circular letter from the Associated Woollen and Worsted Textile Manufacturers of Australia to the Plaintiff Company 20
Dated 9th July, 1948.
8. Letter No. 147 from the Australian Wool Realisation Commission to the Plaintiff Company
Dated 30th August, 1948.
9. Circular letter No. 148 from the Australian Wool Realisation Commission to the Plaintiff Company
Dated 30th August, 1948.
10. Copy letter No. 150 from the Australian Wool Realisation Commission to the Associated Woollen and Worsted Textile Manufacturers of Australia 30
Dated 30th August, 1948.
11. Letter Australian Wool Realisation Commission to Plaintiff Company
Dated 30th August, 1948.
12. Letter from Australian Wool Realisation Commission to the Plaintiff Company
Dated 14th September, 1948.
13. Letter from the Plaintiff Company to the Australian Wool Realisation Commission
Dated 21st September, 1948. 40
14. Letter from the Australian Wool Realisation Commission to the Plaintiff Company
Dated 23rd September, 1948.

- | | | | | |
|----|--|--|----------------------------|---|
| | 15. Circular letter from the Australian Wool Realisation Commission to the Plaintiff Company | | Dated 15th December, 1948. | <i>Exhibits.</i> |
| | 16. Letter from the Plaintiff Company to the Australian Wool Realisation Commission | | Dated 6th January, 1949. | C.
Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953,
<i>continued.</i> |
| | 17. Ditto Ditto Ditto | | Dated 12th January, 1949. | |
| | 18. Ditto Ditto Ditto | | Dated 12th January, 1949. | |
| | 19. Ditto Ditto Ditto | | Dated 18th January, 1949. | |
| 10 | 20. Letter from the Australian Wool Realisation Commission to the Plaintiff Company | | Dated 24th January, 1949. | |
| | 21. Letter from the Australian Wool Realisation Commission to the Plaintiff Company | | Dated 25th February, 1949. | |
| | 22. Ditto Ditto Ditto | | Dated 2nd March, 1949. | |
| | 23. Letter from the Plaintiff Company to the Australian Wool Realisation Commission | | Dated 7th March, 1949. | |
| 20 | 24. Letter from the Australian Wool Realisation Commission to the Plaintiff Company | | Dated 28th March, 1949. | |
| | 25. Ditto Ditto Ditto | | Dated 13th April, | |
| | 26. Letter from the Plaintiff Company to the Australian Wool Realisation Commission | | Dated 14th April, 1949. | |
| | 27. Letter from the Plaintiff Company to the Australian Wool Realisation Commission | | Dated 9th May, 1949. | |
| 30 | 28. Ditto Ditto Ditto | | Dated 9th May, 1949. | |
| | 29. Letter from the Australian Wool Realisation Commission to the Plaintiff Company | | Dated 19th May, 1949. | |
| | 30. Letter Ref : P/49/157 from the Commonwealth Prices Branch Canberra to the Australian Wool Realisation Commission | | Dated 19th July, 1949. | |
| | 31. Copy letter from Commonwealth Prices Branch Canberra to Australian Woollen Mills 49/157 | | Dated 19th July, 1949. | |
| 40 | 32. Letter from the Australian Wool Realisation Commission to the Plaintiff Company | | Dated 3rd August, 1949. | |

Exhibits.

33. Letter Plaintiff's Solicitors to Australian Wool Realisation Commission

Dated 22nd September, 1949.

C.
Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953,
continued.

The above circulars, letters and documents numbered 1, 3 to 12 inclusive, 14, 15, 20, 21, 22, 24, 25, 29, 31 and 32 are in the possession of the Plaintiff Company, and those numbered 2, 13, 16, 17, 18, 19, 23, 26, 27, 28, 30 and 33 were sent to the Australian Wool Realisation Commission, and copies thereof are in the possession of the Plaintiff.

PARTICULARS UNDER PARAGRAPHS 5, 6B AND 7B OF THE AMENDED STATEMENT OF CLAIM. 10

The sum of £167,667.16.5 is the amount of subsidy determined by the Australian Wool Realisation Commission in respect of that portion of the wool purchased by the Plaintiff Company in the 1947/1948 wool season which was on hand at the Xmas Closedown 1948 which is as set out in Australian Wool Realisation Commission Statement Nos. C109 and C110 referred to in the letter of 25th February, 1949. The weight of such wool set out in statement C109 is 719,952 lbs., and the weight of such wool set out in Statement C110 is 193,983 lbs.

The said sum of £167,667.16.5 is the amount of subsidy subsequently withdrawn from the Plaintiff in the circumstances set out in the circulars, letters and documents more particularly set out in the above particulars with reference to paragraphs 4, 6A and 7A of the Statement of Claim. 20

PARTICULARS UNDER PARAGRAPHS 6 (C) AND 7 (C) OF THE AMENDED STATEMENT OF CLAIM.

The sum of £2,121.0.7 is the amount of money withdrawn from the Plaintiff in respect of appraisalment wools purchased by the Plaintiff (being wools on hand at the Xmas Closedown 1948) namely :—

1942/1943 wool season	..	..	951 lbs. weight.	
1943/1944 wool season	..	..	43,971 lbs. weight.	
1945/1946 wool season	..	..	13,777 lbs. weight.	30

The said sum of £2,121.0.7 is the amount of subsidy which would have been payable on the same types of wool in the first half of the 1946/1947 season, or the deferred portion of the purchase price of the said wools whichever was the higher. The said moneys were withdrawn from the Plaintiff in the circumstances set out in the circulars, letters and documents more particularly set out in the above particulars with reference to paragraphs 4, 6A and 7A of the Statement of Claim.

3. PARTICULARS OF PAYMENTS REFERRED TO IN PARAGRAPHS 6 AND 7 OF THE AMENDED STATEMENT OF CLAIM ARE AS FOLLOWS :—

On the 25th February, 1949, the Australian Wool Realization Commission determined and informed the Plaintiff Company accordingly that the sum of £176,153.8.10 (being the total sum of the amounts claimed in paragraphs 6A and 7A; 6B and 7B; 6C and 7C respectively) was the 40

amount of subsidy withdrawn on raw wool in stock at the Xmas 1948 closedown and that the said amount of subsidy was withdrawn accordingly.

Exhibits.

C.

Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
14th April
1953,
continued.

The method of withdrawal was as follows :—

10

(A) Credit was allowed to the Plaintiff Company to the extent of £108,871.4.1, which was the amount of subsidy determined by the Australian Wool Realization Commission in respect of the balance of the Plaintiff Company's claims for subsidy on purchases of 1947/1948 seasons wool which up to that date had remained unpaid.

(B) The Plaintiff Company was thereby required to refund to the Defendant the remaining amount withdrawn as aforesaid namely £67,282.4.9. The said sum of £67,282.4.9 was paid by the Plaintiff Company to the Defendant on the 9th May, 1949, in the circumstances set out in the following circulars, letters and documents :—

The circulars, letters and documents numbered 4 to 33 inclusive as set out in the above particulars with reference to paragraphs 4, 6A and 7A of the Statement of Claim.

20 All the circulars, letters and documents above referred to are available for your inspection at my office on appointment during usual business hours.

Yours faithfully,

ARTHUR MUDDLE & STEPHENSON,
per J. H. S.

C.
Letter,
Arthur
Muddle &
Stephenson
to
Common-
wealth
Crown
Solicitor's
Office,
29th April
1953.

LETTER, Arthur Muddle & Stephenson to Commonwealth Crown Solicitor's Office.

J.H.S.

29th April, 53.

The Crown Solicitor of the Commonwealth,
Commonwealth Bank Building,
Martin Place,
Sydney.

Dear Sir,

re : The Australian Woollen Mills Pty. Limited

v.

The Commonwealth of Australia.

10

No. 38 of 1949.

At a conference between Counsel for the Plaintiff and Defendant yesterday a question arose whether the particulars contained in our letter to you of the 14th instant sufficiently answered the query whether the promise relied upon was in writing or oral or partly oral. We had taken the view that the letter from the Australian Wool Realization Commission to our client of the 7th August, 1946, had imported into writing the whole of the conversations therein referred to, as having taken place on the 19th and 20th March, 1946. It was in pursuance of this view that we gave you notice to produce in lieu of *subpoena duces tecum*, a transcript 20 of these conversations. So that there should be no confusion, it should be understood that to the extent that the said letter of the 7th August, 1946, does not import into writing the whole of the said conversations, we rely upon the conversations as contained in the said transcript.

Yours faithfully,

ARTHUR MUDDLE & STEPHENSON.

In the Privy Council.

ON APPEAL
FROM THE HIGH COURT OF AUSTRALIA

BETWEEN

THE AUSTRALIAN WOOLLEN MILLS LIMITED
(formerly called The Australian Woollen Mills Pty.
Limited) (Plaintiff) *Appellant*

AND

THE COMMONWEALTH OF AUSTRALIA (Defendant) . *Respondent.*

RECORD OF PROCEEDINGS
(IN TWO VOLUMES)

VOLUME II
(COMPRISING EXHIBIT C)

GALBRAITH & BEST,
1 ESSEX COURT,
TEMPLE, E.C.4,
Solicitors for the Appellant.

COWARD, CHANCE & CO.,
ST. SWITHIN'S HOUSE,
WALBROOK, E.C.4,
Solicitors for the Respondent.