



18 June 2003

NO INCREASE IN WOOL TEST CHARGES FOR 2003-2004

At its meeting in Melbourne last Friday the AWTA Ltd Board accepted a recommendation from management that AWTA Ltd's testing fees be held at 2002/2003 levels for the coming financial year.

"This decision is entirely consistent with the Company's long-standing policy of providing its services to wool industry customers at minimum cost," said the Managing Director, Mr Michael Jackson. "AWTA Ltd's structure as a Public Company Limited by Guarantee, provides it with the unique ability to utilise unappropriated profits for this purpose. While clients continuously benefit from this policy, the benefits are perhaps most visible when times are tough."

"Largely as a consequence of the drought, the total amount of wool tested in 2002/2003 has fallen from 572 to approximately 500 Million Kilograms. It is likely that wool production and hence testing revenue will fall further next year before any turn-around occurs. NSW, the largest wool producing state, is still drought declared. Woolgrowers and their service providers, including AWTA Ltd, are likely to have another tough year".

"The Company's first priority will continue to be to improve efficiency at all levels of its operations. This is evidenced by the fact that over the past 10 years AWTA Ltd's fee for testing a 7-bale lot for Yield & Micron and Staple Length & Strength has fallen by 12% while inflation has increased by 31%."

Source AWTA

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