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“Time for action on creating demand for Wool”

The Australian Wool Growers Association today has suggested it is now the time to address the issue of creating demand for wool.

Over recent months there have been calls from many areas within the industry to address the future of wool marketing and promotion, in an effort to address the declining sheep population and again poor performing market for greasy wool.

The Australian Wool Growers Association believes the time is right with the ongoing discussions and debate for the industry to now promote a clear course of action and see its implementation.

Chairman of the AWGA, Mr Chick Olsson states “that the solution should be far reaching and not a band aid knee jerk reaction. “

The wool industry has not established a collective organisation as originally contained in the recommendation of the Future Directions Taskforce report.

Rather it has an R&D development organisation, AWI, and a commercial company that carries out a degree of marketing to build shareholder value, The Woolmark Company, a commercial company by structure restricted by funds to the level of promotion it can provide and not eligible for levy funds. As a result product marketing as originally viewed by The Future Directions Taskforce is not carried out to the degree originally envisaged.

“We must make it clear that AWI by its own admission and often repeated charter is the R&D body, and not seek any expansion of their role,” says Mr Olsson. “Equally woolgrowers’ ability to pay any additional levies outside the current compulsory 2% levy must also be considered.”

Marketing and promotion must be handed by an autonomous body as recommended in the McLachlan Task Force report.

The question of funding two bodies must be firmly left with woolgrowers who will rightly expect both accountability and performance based results. “Should this involve a review of some current research projects, so be it says,” Mr Olsson. “The Australian Wool Growers Association will be seeking the reconstitution of the National Wool Forum, established initially to represent all interested parties in the initial reform process, to bring about a consensus and a way forward on this important issue. “

“It is clear that the vision that was articulated to the wool industry in 1999 has not been fully achieved in terms of product marketing and wool promotion. This needs to be addressed,” concluded Mr Olsson.

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