AWGA - News Update

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Voting opens in poll to decide AWI's future

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VOTING in WoolPoll 2012 starts today, giving woolgrowers their triennial opportunity to determine the future level of spending on research, development and marketing through Australian Wool Innovation.

Voter information packs have been sent to 40,000 woolgrowers this week. Voting on the 3pc, 2.5pc, 2pc, 1pc and 0pc levy options closes at 5pm on Friday, November 2.

AWI will start a nation-wide roadshow this week – led by chief executive Stuart McCullough – to generate discussion on the organisation's future direction. The first kicks-off in Merredin, Western Australia, today before Jerramungup and Darkan tomorrow.

The information pack outlines AWI's strategic direction and its plan to increase spending on marketing to 60pc of funds contributed, and decrease R&D to 40pc, including 25pc spent on-farm and 15pc off-farm.

It outlines funds that each levy option would raise and the extent of work that could be undertaken. A 1pc levy would raise \$48.9m and cause a significant decrease to programs while a 2pc levy would raise \$75.3m and enable current programs to continue.

A 2.5pc levy would raise \$88.2m and a 3pc levy \$101.1m, both enabling investment to increase.

In his letter to Australian woolgrowers, WoolPoll panel chairman Will Roberts said he was committed to ensuring the panel and poll process retained independence and integrity.

He said the panel was not asking growers to support a particular percentage, only that they vote to shape the future of AWI.

The AWI board is recommending woolgrowers maintain the status quo with a 2pc vote.

The Australian Wool Growers Association is not advocating a certain percentage but rather that growers should vote on what levy amount is appropriate for their circumstances. The group originally put forward a 1.5pc levy option because of improved wool prices at the time, but that was not taken up by the WoolPoll panel.

But Western Australia's Pastoralists and Graziers Association – which has not previously made a voting recommendation - is encouraging growers to vote for only 1pc to send a message to AWI that it needs to revisit its business plan.

PGA Wool and Livestock Committee chairman Digby Stretch said AWI needed to increase its support for genuine R&D needed by the industry.

"Woolgrowers are sick and tired of AWI preaching the benefits of levy-funded marketing when the market rises and being nowhere to be found when it falls," he said. "There is no clear data out there that supports AWI's unsubstantiated spending on promotion."



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AWGA director and WoolPoll panel member Chick Olsson said the next three years would decide the future of wool.

He said AWI had to find new markets where wool was a consumer essential – not fashionable – to give higher farmgate profits in the long-term.

"Growers want to see wool being used in lucrative and evolving markets, areas of a natural fit. Fashion markets continue to let us down, but performance markets are an open field for major investment," he said.

"The AWI model might not be perfect, but there is no other model available to woolgrowers. If we desire continued wool research and marketing, then it has to be AWI."

* Visit www.woolpoll.com.au or call the help line on 1800 209 118.



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