



Wool crashes as China stops buying uniforms

By Libby Price
Thursday, 18/04/2013

Wool prices have fallen 10 per cent in the past three months, and 6 per cent just last week, partly because China has stopped buying uniforms.

The average price for wool is now less than a dollar a kilo. Two years ago, it peaked at \$1.50 a kilo. The economic crisis in Europe has influenced China, Australia's major buyer, to cut government spending.

Elders wool sales manager Lachie Brown says this includes not buying woollen uniforms for millions of government workers.

"This not only impacts their confidence in the short to medium term, but also affects the volume of government uniform orders which many processors rely on for continuative business," he said. It wouldn't take much in terms of a couple of industries requiring new uniforms to put a base back in the market."