

Australian Wool Growers Association

2014 Wrap-Up

A Message from the President

2014 was a year of continuing challenges for our industry - with poor environmental conditions, and a declining market, and international economics making it a tough year.

Australian Wool Innovation has continued to demonstrate a lack of clear direction for our industry. The Board of AWGA has done its utmost to keep questioning and challenging AWI's inaction and poor performance. AWI's structure and cost base continues to grow, particularly in marketing, (now 60%) of revenue and is drawing on reserves to justify this. However, this huge spend has clearly failed to impact the market, with a 2 per cent decline in the overall market, and languishing superfine prices. AWI appears to be unaware and unconcerned of the unsustainability of such a low market value.

The Board of AWI must be reinvigorated with a new generation and new ideas. If we do not succeed in this revitalisation, our industry will continue to slowly die. AWI must re-orient their marketing approach to target new markets for wool. Whilst there are campaigns in this area, the focus needs to be moved more towards new and clever campaigns and away from the unsuccessful No Finer Feeling Campaign. There also needs to be greater action by AWI to address the key on-farm issues such as genetics measurement and providing newly trained shearers.

2015 will be a watershed moment for our industry. We will vote in wool poll and the AWI Board elections. AWGA is committed to providing woolgrowers with timely and accurate facts, so that you can make informed decisions. We will be meeting early in the year, with Wool Producers, Australian Stud breeders and other shareholders to discuss how to achieve this.

AWI is reporting that Vietnam may be a growth area for our industry. In line with this, I am visiting Vietnam in the New Year, and will report back to AWGA's members in the coming months.

We all love our industry and know that we produce the world's best fibre. Clean, natural, renewable and environmentally sustainable. The AWGA Board is fortunate enough to have a wide range of professionals from all regions of Australia. We are passionate about our industry and want to see it grow and thrive into the future, and are committed to working solely for the best interests of Australian woolgrowers.

I wish you a safe and prosperous New Year period, and a successful season ahead.

Rob McBride

AWGA

Chairman.

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