

## **WOOL INDUSTRY CONSULTATIVE PANEL (WICP)**

**Date:** 12th February 2025

**Venue:** Via Microsoft Teams and at Level 2, 345 George St Sydney – King Meeting Room.

Purpose of this forum is to ensure clear, two-way consultation between AWI and organisational representatives, through to growers. The meeting provides an opportunity for the AWI Board to receive and provide feedback on current/important issues and relevant topics from Board meetings.

### **AWI Business Unit Update**

AWI Chair and CEO gave the WICP the following updates.

- With the Woolpoll result now known, the company can now move forward with creating its new strategic plan. AWI deliberately stepped back from promoting a particular levy percentage but instead listened to growers and took that advice on board.
- Over the past 5 years, reserves have been drawn down but going forward, the company will be spending what it is earning.
- In regard, to the government contribution, AWI receives woolgrower levies for eligible research. The matching Commonwealth funding are paid to AWI for eligible research, and is capped at 0.5% of the wool industry's Gross Value of Production (GVP). This limit is determined based upon a 3-year rolling average of industry GVP calculated by Australian Bureau of Agricultural and Resource Economics and Sciences.
- Over the last 10 years the Marketing spend has included expenditure on International Markets, defending our right to grow wool and properly described and labelled in international markets.
- Going forward projects will be more short term to ensure adequate funding is available to complete the project.
- So far in the 24/25 financial year, AWI has trained and up skilled 2,781 participants across 914 shearer training days. With a total of 45 Learner toolkits issued to full time learner shearers.
- YTD Revenues (end of December 2024) for AWI totalled \$33.3M against a budget of \$30.3M
- YTD Expenditure (end of December 2024) for AWI totalled \$31.3M against a budget of \$32.0M

### **International Intelligence Briefing**

*Jeff Ma – China Country Manager*

- China's largest sportswear company, Anta, has confirmed to apply for a Woolmark License. Anta will seek co-operation from AWI/Woolmark China to expand their range beyond its current baser layer.
- China is aware of further declines in wool production from key wool producing countries such as Australia down 10%.
- Uniform orders from large Chinese organisations such as the Tax Bureau and China Mobile have started to move again.

### **Summarised feedback from the Panel to AWI**

- Confidence in the industry remains low, particularly in WA on the back of live sheep exports
- Competition for land use remains strong
- Customers want new products not old.
- AWI needs to continue to look forward not back and provide and promote the good news stories which are out there to assist in rebuilding the confidence in the industry.

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### **Feedback towards AWI's strategic Plan**

The 9-member Wool Industry Consultation Panel provided constructive feedback to AWI as it works on the RDC's next strategic plan.

Among the industry priorities highlighted-

- Marketing and Research programs to maintain and defend wool's reputation and drive growth
- Research and extension
- Shearer and shed hand training
- Domestic engagement

The next WICP meeting will be held on the 15th April 2025.

Nick Turner

WICP Independent Chair