December 2022

Australian Wool Production Forecast Report

Australian Wool Production Forecasting Committee

Summary

- The Australian Wool Production Forecasting Committee's (AWPFC) third forecast of Australian shorn wool production for 2022/23 is 340 Mkg greasy, unchanged from the September forecast, and a 5.0% increase on the 2021/22 estimated shorn wool production of 324 Mkg greasy.

- Above average to highest on record rainfall deciles throughout most wool producing regions has produced abundant pasture feed contributing to a further rebuilding of the Australian sheep flock and high fleece weights. However, the season is not without its challenges. Continued wet conditions with lower average temperatures have negatively impacted pasture feed quality. Many producers have faced difficulties with accessing waterlogged or flooded pastures to manage their sheep flock and pastures. The wetter season has increased the hazard posed by internal and external sheep parasites which has negatively impacted on sheep production, especially younger sheep.

- Despite the challenging conditions, the October 2022 Sheep Producers Intentions Survey indicated that sheep producers are cautiously optimistic about the wool sector. However, their optimism is tempered by an expectation that accessing labour will become more difficult and input costs would rise in the upcoming 12 months.

- The Australian sheep flock is continuing to increase with an expected 4.6% rise in the number of sheep shorn to 74.9 million head during 2022/23, the largest since 2017/18. New South Wales continues to have the largest sheep flock (25.4 million sheep shorn), followed by Victoria (17.9 million), Western Australia (14.1 million), South Australia (12.2 million), Tasmania (3.0 million) and Queensland (2.5 million).

- Shorn wool production is expected to increase in all states from a 3.2% rise in New South Wales to 116.9 Mkg greasy to a 13.5% rise in Queensland to 10.1 Mkg greasy.

- The climate conditions are also distorting shearing patterns, wool receivals and AWTA wool test volumes. The large number of rainy days during spring and early summer

FURTHER INFORMATION
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delayed shearing due to wet sheep and difficulties in keeping sufficient sheep dry for shearing to continue. Delays are also occurring in logistics between the farm-gate and broker stores. As a result, AWTA wool test volumes were 1.5% lower in the first five months of the 2022/23 season compared with July to November 2021.

- AWTA key test data show small year-on-year changes in mean fibre diameter (-0.1 microns), staple length (+1.0mm), yield (+0.7%) and vegetable matter (-0.1%).
- First-hand offered wool at auction to week 22 was down by 3.1% compared with the same time in 2021/22. Auction offerings in Queensland (up 12.6%), Western Australia (up 7.9%), Tasmania (up 1.3%) and South Australia (up 0.5%). First hand offered wool from Victoria and New South Wales decreased by 11.7% and 0.2% respectively.
- The BOM outlook for January to March 2023 is for rainfall to be average to wetter across much of the eastern states with average to drier conditions expected throughout South Australia and Western Australia. Average to above average maximum temperatures are expected in Western Australia, Tasmania and South Australia with average to cooler temperatures in Queensland, New South Wales and Victoria.
- Table 1 summarises Australian wool production and Table 2 shows the total shorn wool production by state. Table 3 provides a snapshot of AWTA key test data from July to November 2022.

Table 1: Summary of Australian wool production

	2020/21	**2021/22 Estimate**	*Change y-o-y (%)*	**2022/23 Third Forecast**	*Change y-o-y (%)*
Sheep numbers shorn *(million head)*	66.9	71.6	*7.0%*	74.9	*4.6%*
Average cut per head *(greasy kg/head)*	4.40	4.52	*2.7%*	4.54	*0.4%*
Shorn wool production *(Mkg greasy)*	294	324	*10.0%*	340	*5.0%*

Table 2: Total shorn wool production by state (million kg)

Season	NSW	VIC	WA	SA	TAS	QLD	AUSTRALIA
2020/21 *(Mkg greasy)*	99.2	70.7	56.5	51.5	9.4	7.2	294
2021/22 *(Mkg greasy)*	113.3	73.9	61.2	56.1	10.3	8.9	324
Change y-o-y (%)	*14.2%*	*4.5%*	*8.3%*	*8.9%*	*9.6%*	*23.6%*	*10.0%*
2022/23 Third Forecast *(Mkg greasy)*	116.9	77.8	64.7	59.1	11.5	10.1	340
Change y-o-y (%)	*3.2%*	*5.3%*	*5.7%*	*5.3%*	*9.7%*	*13.5%*	*5.0%*

Table 3: AWTA key test data for 2021/22 and 2022/23 (July to November)

	2021/22	2022/23	*Change y-o-y*
Mean fibre diameter (µm)	20.5	20.4	- 0.1
Staple length (mm)	89.5	90.5	+ 1.0
Staple strength (N/ktex)	35.1	35.1	0
Yield (%)	65.0	65.7	+ 0.7
Vegetable Matter (%)	2.3	2.2	- 0.1

- More detailed information on the shorn wool production by state in 2022/23 can be found in Table A1 in the Appendix to this report.
- The Appendix also provides historical data for Australia, including sheep shorn numbers, average cut per head and shorn wool production (Table A2) as well as the micron profile (Table A3) since 1991/92.

Detail on shorn wool production for the 2022/23 Forecast

Major data inputs

The AWPFC forecasts are based on detailed consideration by the state and national committees of data from various sources including:

- AWTA wool test data for the 2022/23 season July to November 2022;
- AWEX auction statistics for the 2022/23 to November 2022 (Week 22);
- ABS sheep and lamb turn-off for the 2022/23 season July to September 2022;
- Information on current and expected seasonal conditions from the Bureau of Meteorology; and
- Survey information from the MLA/AWI Sheep Producers Intentions Survey conducted in October 2022.

AWTA wool test data

Every month AWTA releases data on the volumes of greasy wool tested within the various diameter categories for the month and the season to date. Data for the 2022/23 season from 1 July to 30 November 2022 are compared with the same months in previous seasons (2018/19 to 2020/21) in this report.

The month-by-month comparison of wool tested for the past five seasons (Figure 1) shows the largest monthly test volumes for five years in July and August 2022, with test volumes falling below previous seasons from September to November.

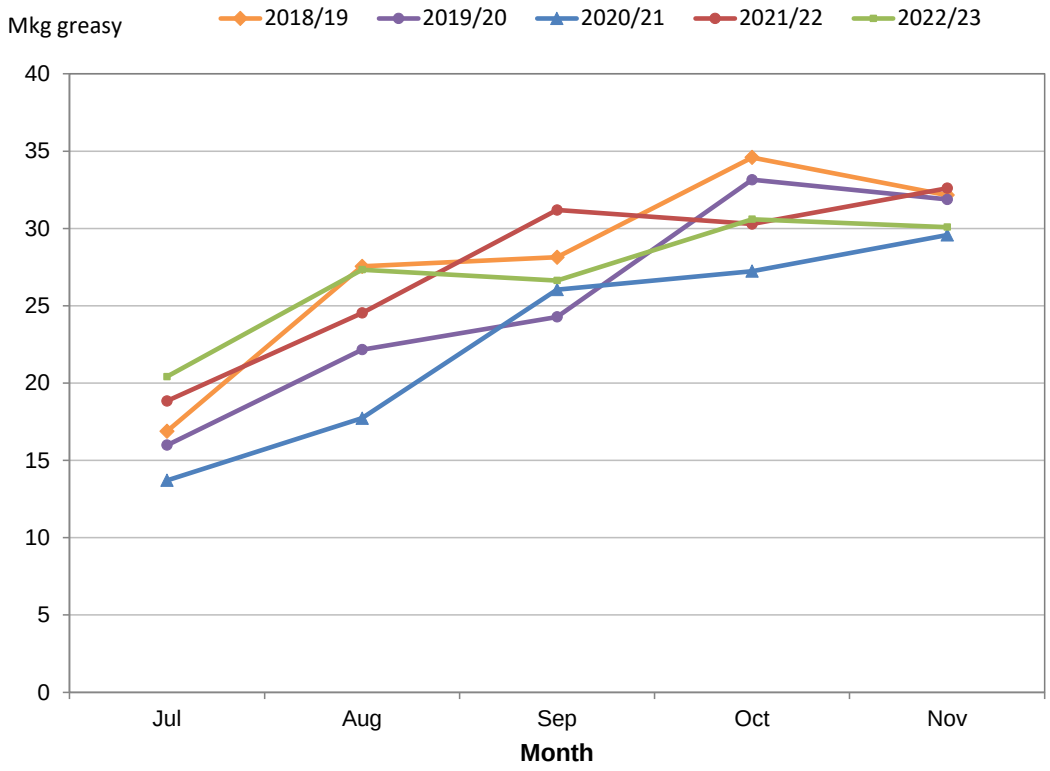

Figure 1: Comparison of monthly AWTA key test data volumes for July to November in the 2022/23 season with the same five months in previous seasons (2018/19 to 2021/22)

AWTA national wool test volumes data for July to November during the 2022/23 season (Table 4) shows:

- Volumes of wool tested were 1.5% lower than the 2020/21 season and were 0.4% lower than the five-year average from 2017/18 to 2021/22.
- Wool testing volumes in the first half of the 2022/23 season were impacted by the disruption to shearing caused by the high frequency of rainy days in spring and early summer. Delayed shearing and logistical issues between the farm gate and brokers stores reduced wool receivals and AWTA wool test volumes.
- There were increases in the weight of wool tested in all the micron categories except the 18 to 21 micron categories (down 3.2%, 5.0%, 4.9% and 5.2% respectively) and the 26 to 28 micron, 29 to 30 micron and the greater than 30.5 micron categories (down 1.9%, 13.7% and 4.9% respectively).
- The largest micron categories by volume are the 19-micron (27.66 Mkg greasy), 20-micron (22.94 Mkg greasy) and 18-micron (22.54 Mkg greasy) categories.
- The micron split (% of total weight of wool tested) from July to November 2022 was very similar to that tested during the same five months in 2021.

Table 4: AWTA key test data volumes (Mkg greasy) for the financial year by micron range 2017/18 to 2022/23 (Mkg greasy)

Parameter	Season	<16.6um	17um	18um	19um	20um	21um	22um	23um	24um	25-26um	26-28um	29-30um	>30.5um	TOTAL
AWTA FY Total Mkg greasy	2017/18	5.50	13.26	23.28	29.69	28.00	19.39	10.19	4.50	2.49	5.66	8.58	5.68	3.35	159.59
	2018/19	9.59	15.76	25.15	27.46	20.60	10.78	5.93	3.20	2.25	6.23	6.96	3.08	2.44	139.43
	2019/20	7.98	13.85	23.96	26.92	19.74	9.39	4.05	2.30	2.02	5.66	6.75	2.70	2.21	127.55
	2020/21	5.41	10.17	19.90	24.05	19.03	11.79	5.41	2.38	1.54	3.52	5.39	3.43	2.35	114.37
	2021/22	5.99	12.77	23.29	29.11	24.12	13.03	4.91	2.77	2.07	4.89	7.03	3.80	3.32	137.12
	2022/23	7.09	13.34	22.54	27.66	22.94	12.35	5.29	2.88	2.09	5.56	6.90	3.28	3.16	135.08
Change y-o-y (%)	*2022/23*	*18.2%*	*4.5%*	*-3.2%*	*-5.0%*	*-4.9%*	*-5.2%*	*7.7%*	*3.9%*	*0.9%*	*13.8%*	*-1.9%*	*-13.7%*	*-4.9%*	*-1.5%*
Micron Split (%)	2021/22	4.4%	9.3%	17.0%	21.2%	17.6%	9.5%	3.6%	2.0%	1.5%	3.6%	5.1%	2.8%	2.4%	
	2022/23	5.2%	9.9%	16.7%	20.5%	17.0%	9.1%	3.9%	2.1%	1.5%	4.1%	5.1%	2.4%	2.3%	
5 year av. 2017/18 to 2021/22	Mkg greasy	6.90	13.16	23.12	27.45	22.30	12.88	6.10	3.03	2.07	5.19	6.94	3.74	2.73	135.61
	% change 22/23 vs 5 yr av	*2.8%*	*1.4%*	*-2.5%*	*0.8%*	*2.9%*	*-4.1%*	*-13.3%*	*-4.9%*	*0.9%*	*7.1%*	*-0.7%*	*-12.3%*	*15.6%*	*-0.4%*
	Micron split %	5.1%	9.7%	17.0%	20.2%	16.4%	9.5%	4.5%	2.2%	1.5%	3.8%	5.1%	2.8%	2.0%	

Note: The micron categories refer to a range of -0.4 and +0.5um around each number. For example, 18um is between 17.6 and 18.5 microns

- The micron profile of the Australian wool clip continues to have two distinct peaks, one centred around 19-micron wool (finer than 16.6 microns up to 23 microns) and a second centred around 27 - 28 microns (from 24 microns to 30.5 microns and broader) (Figure 2).

- The fibre diameter profile continues to reflect the favourable seasonal conditions since the 2018/19 and 2019/20 seasons. A historical comparison of the Australian wool clip's micron profile percentage share and average micron can be found in Appendix Table A3 (at the end of this report).

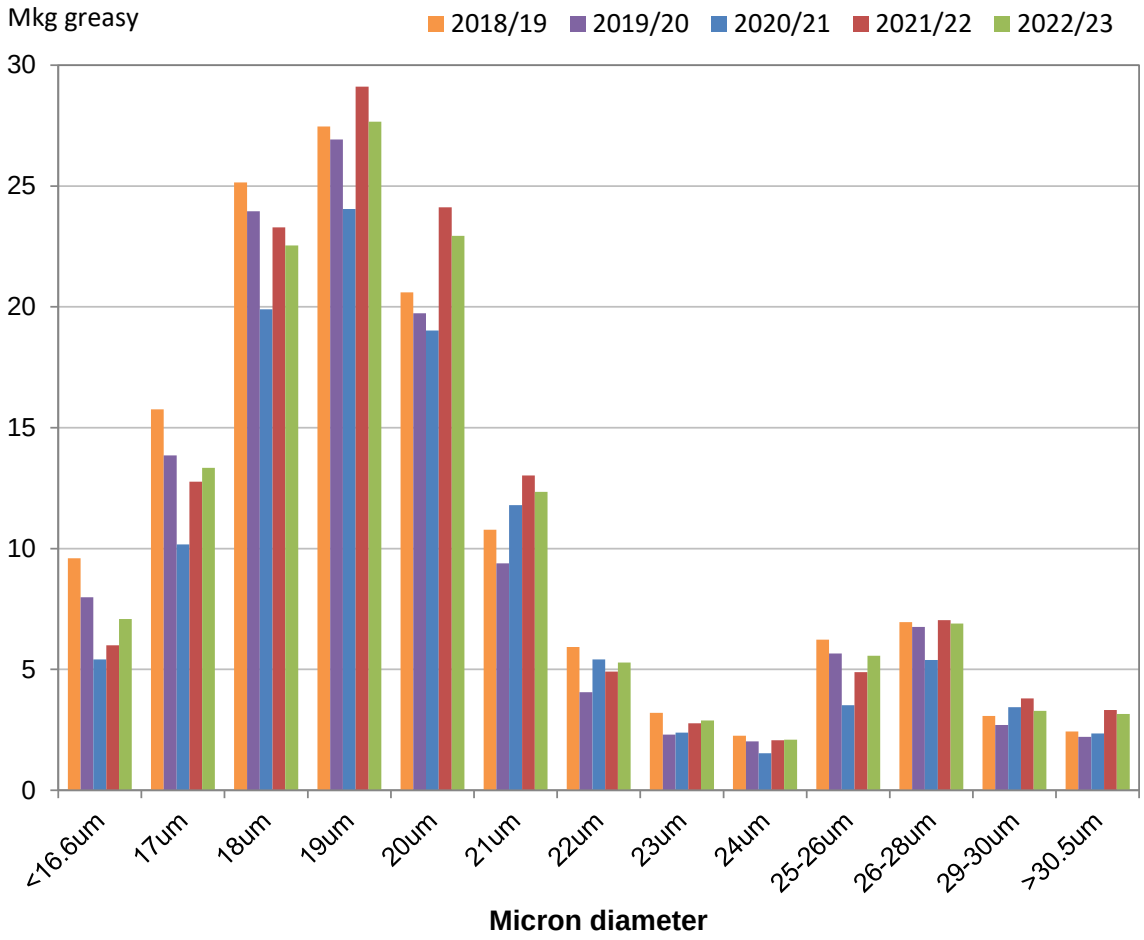

Figure 2: Australian fibre diameter profile – 2022/23 July to November compared with the same five months during the 2018/19 to 2021/22 seasons

- Based on data by Wool Statistical Area (WSA), the volumes of wool tested during 2021/22 increased in Queensland (up 15.5%) and Western Australia (up 0.6%) (Figure 3). Test volumes decreased in all other states. Victoria was down by 7.8% followed by Tasmania (down 3.3%), South Australia (down 1.2%) and New South Wales (down 0.1%).

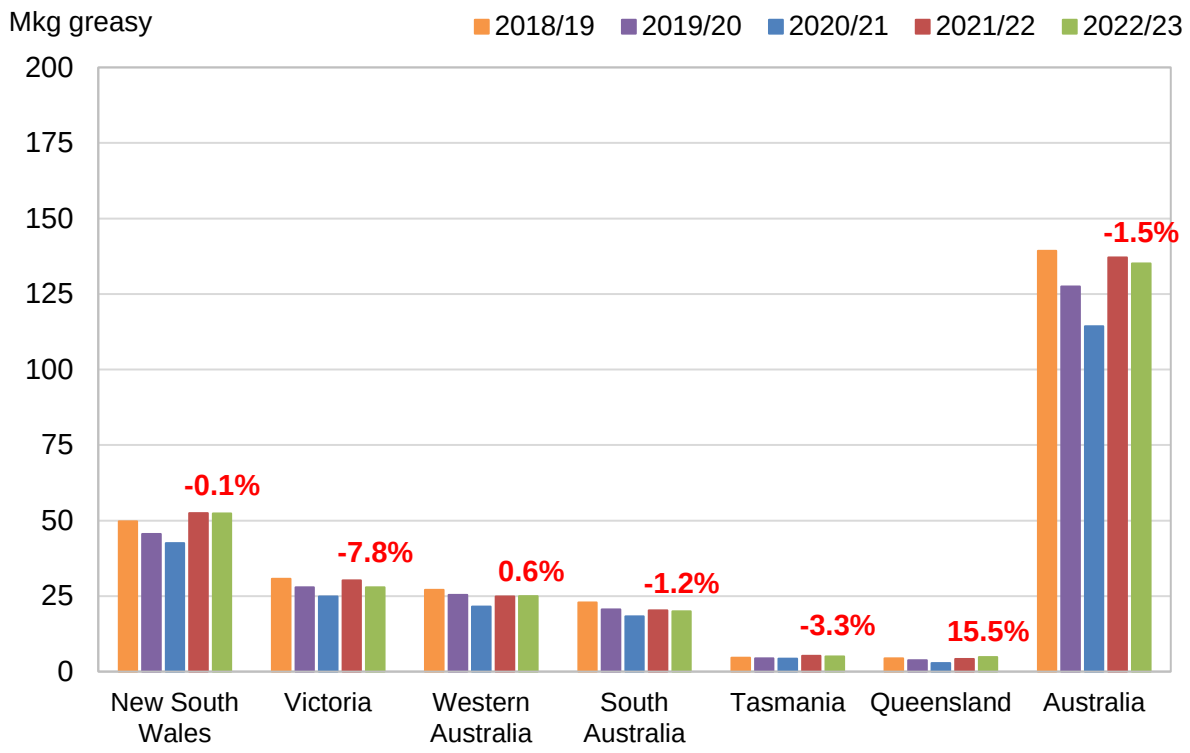

Figure 3: Volume of wool tested during July to November 2022 (AWTA key test data) compared with the same five months in previous seasons (2018/19 to 2021/22). *The percentage change in red font is the 2021/22 season compared with the 2020/21 season*

- A graphical representation of the AWTA Key Test Data changes in mean fibre diameter (MFD), vegetable matter (VM), staple length (SL), yield (YIELD), staple strength (SS) and hauteur (TEAM 3 H) from the 2000/01 season to the 2022/23 season is shown in Figure 4.
- On each graph the red dot represents the mean value of each characteristic for the 2022/23 season while the blue dot represents the mean for the 2021/22 season.
- The values above the gauge on the left-hand side of each graph show the mean and standard deviation respectively for that characteristic from 2000/01 to 2022/23.
- Each coloured segment on the gauges represents one standard deviation with the mean at 12 o-clock (centre). For MFD, VM, SL, YIELD and SS, the mean and standard deviation are based on data from the 2000/01 season onwards. For TEAM 3 the mean and standard deviation are based on data from the 2006/07 season onwards.
- The red line on each gauge is the mean for the 2022/23 season (TY), while the blue line is the mean for the 2021/22 season (LY).
- On a national basis, compared with the 2022/23 season, mean fibre diameter was down 0.1 micron to 20.4 microns, staple length was up 1.0 mm to 90.5mm, with no change in staple strength (35.1 N/ktex) (Figure 4a). Vegetable matter was down by 0.1% to 2.2%, yield was up by 0.7% to 65.7% with predicted hauteur (TEAM 3) up by 0.4 mm to 73.1mm (Figure 4b).

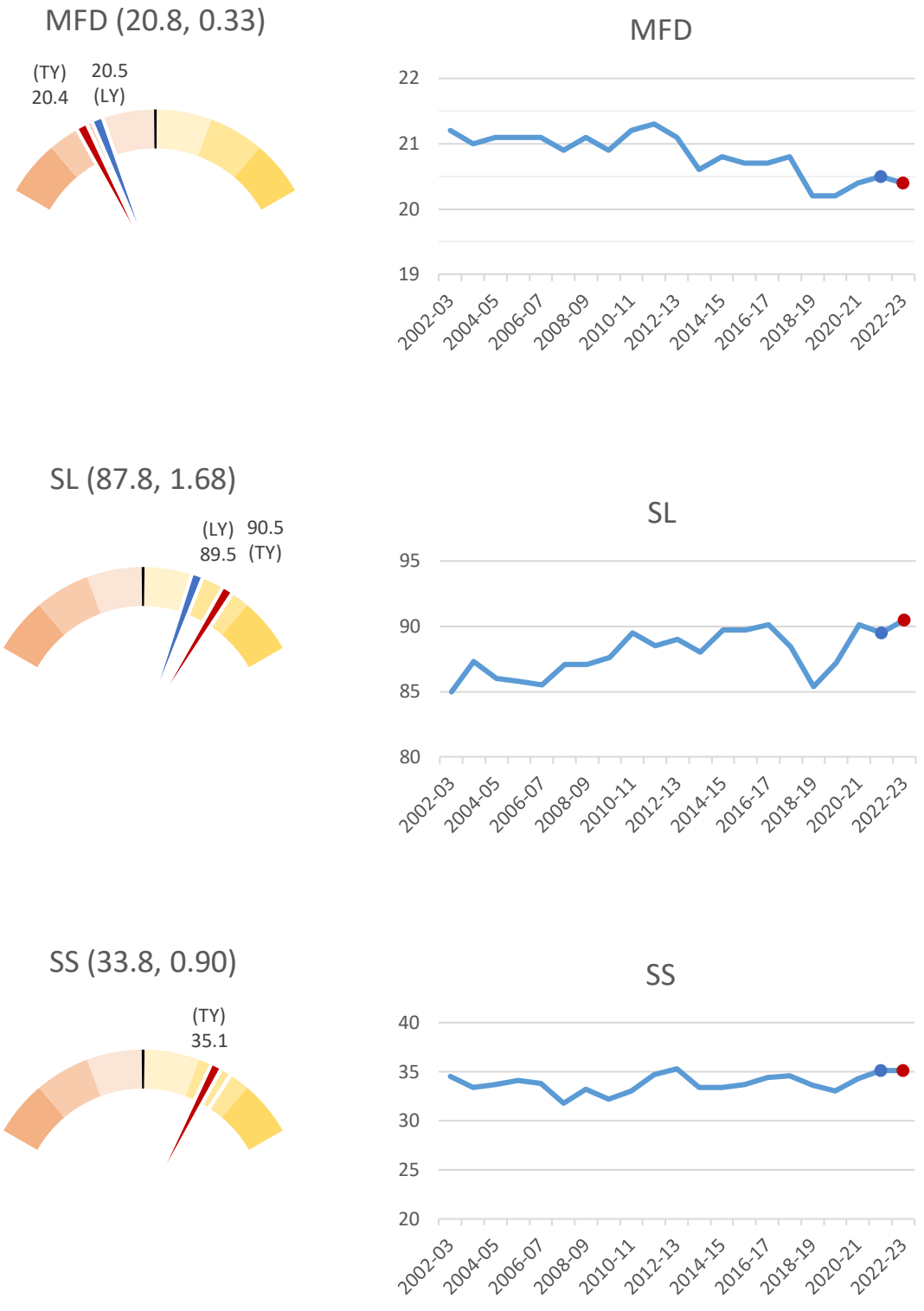

Figure 4a: AWTA Key Test Data (by sampling site) mean fibre diameter (MFD), staple length (SL) and staple strength (SS) for the Australian wool clip for full season (2000/01 to 2022/23)

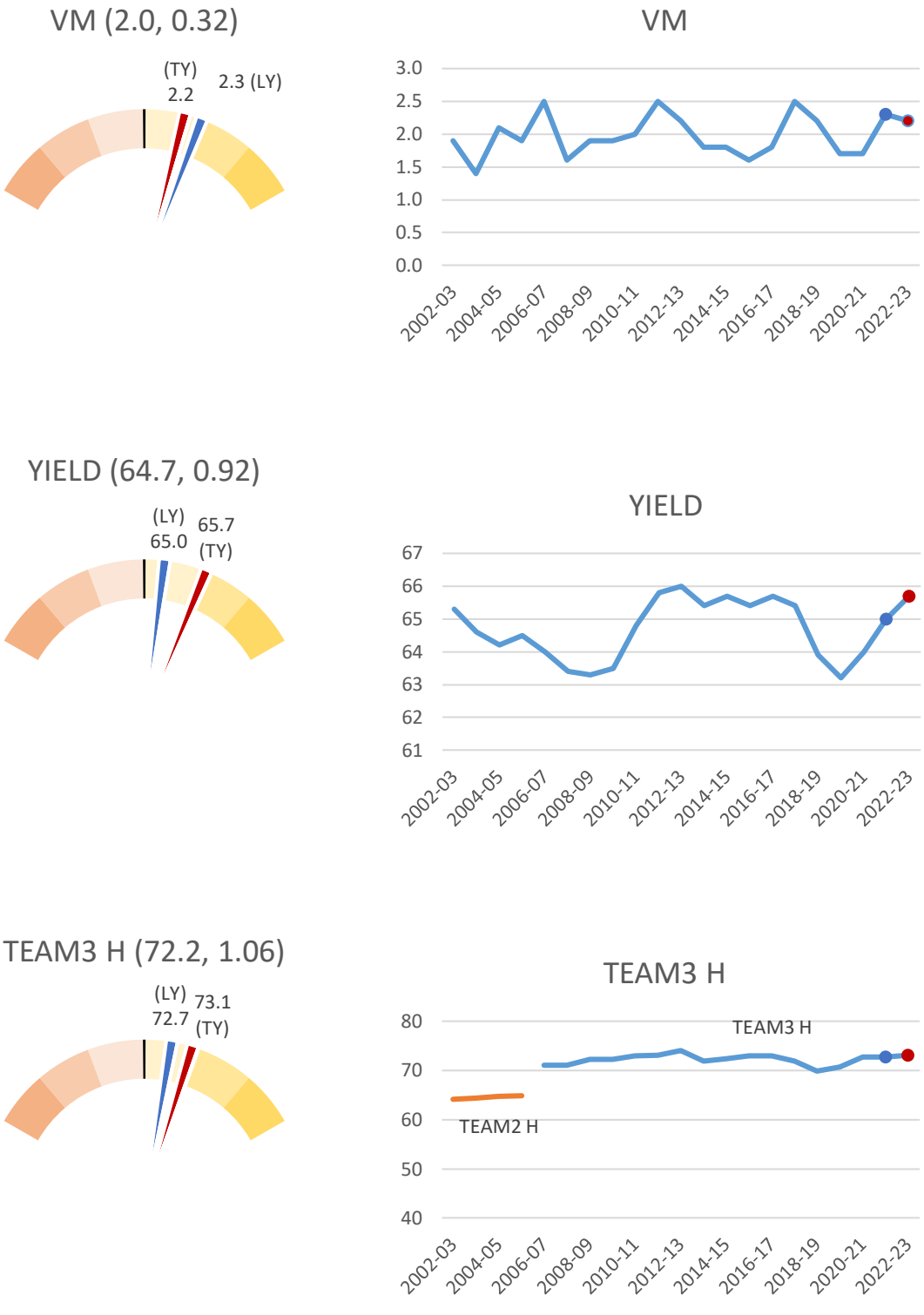

Figure 4b: AWTA Key Test Data (by sampling site) vegetable matter (VM), yield (YIELD) and TEAM 3 H (TEAM 3 H) for the Australian wool clip for full season (2000/01 to 2022/23)

AWEX auction statistics

The AWEX auction statistics for the 2022/23 season to week 22 (30 November 2022) show a decrease in firsthand wool offered volumes compared with the same weeks during the 2021/22 season (Table 4).

- Firsthand bales offered (i.e. excluding reoffers) for Australia were 3.1% lower compared with the 2021/22 season.
- Firsthand bales offered increased in Queensland (up 12.6%), Western Australia (up 7.9%), Tasmania (up 1.3%) and South Australia (up 0.5%). Victoria and New South Wales first hand bales decreased by 11.7 and 0.2% respectively.
- Data describing the Merino and Crossbred proportion of the offering and the volume of prem shorn fleece were not available.

Table 4: AWEX Auction Statistics 2022/23

2022/23	NSW	VIC	WA	SA	TAS	QLD	AUSTRALIA
First hand bales offered *(% change on 2020/21)*	-0.2%	-11.7%	7.9%	0.5%	1.3%	12.6%	-3.1%
Merino first hand offered *(% change on 2020/21)*	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Crossbred first hand offered *(% change on 2020/21)*	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Merino first hand offered *(% share)*	n/a	n/a	n/a	n/a	n/a	n/a	0.0%
Crossbred first hand offered *(% share)*	n/a	n/a	n/a	n/a	n/a	n/a	0.0%
Merino First Hand 'Prem' Shorn Fleece							
Weight *(Mkg)*	n/a	n/a	n/a	n/a	n/a	n/a	0.0
% share of total	n/a	n/a	n/a	n/a	n/a	n/a	
% change on 2022/23	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Data on 'prem shorn' wool from AWEX is based on the assessed length of the wool being offered. it is defined as <85 - 75 mm, depending on micron and excluding weaners and lambs wool

Australian Bureau of Statistics (ABS) data

Sheep turn-off

Australian sheep and lamb turn-off statistics for the July to September quarter are shown in Table 5:

- There was a 12% increase in sheep slaughter and a 2% increase in lamb slaughter compared with 2020/21.
- Live export data were not available for this quarter at the time of publication.

Table 5: ABS Sheep turn off data for 2022/23 from July to September 2022 compared with the same three months in 2021/22

Parameter	Financial year			5-yr FYTD	
	July 2021 to September 2021	July 2022 to September 2022	% Δ	Avg	%Δ
Sheep slaughter *('000 hd)*	1,384	1,552	*12%*	1,819	*-15%*
Sheep weights *(kg/hd cwt)*	27.1	26.9	*-1%*	25.4	*6%*
Mutton production *(tonnes cwt)*	37,441	41,741	*11%*	46,209	*-10%*
Lamb slaughter *('000 hd)*	5,344	5,477	*2%*	5,100	*7%*
Lamb weights *(kg/hd cwt)*	24.1	25.4	*6%*	23.3	*9%*
Lamb production *(tonnes cwt)*	128,749	139,331	*8%*	118,967	*17%*
Live exports *('000 hd)*	489	n.a.	-	1,016	-
Total Turnoff *('000 hd)*	7,216	7,028	*-3%*	7,935	*-11%*

Bureau of Meteorology (BoM) seasonal rainfall seasonal outlook

Above average to highest on record rainfall deciles were recorded throughout most wool producing regions for the first 5 months of the 2022/23 season.

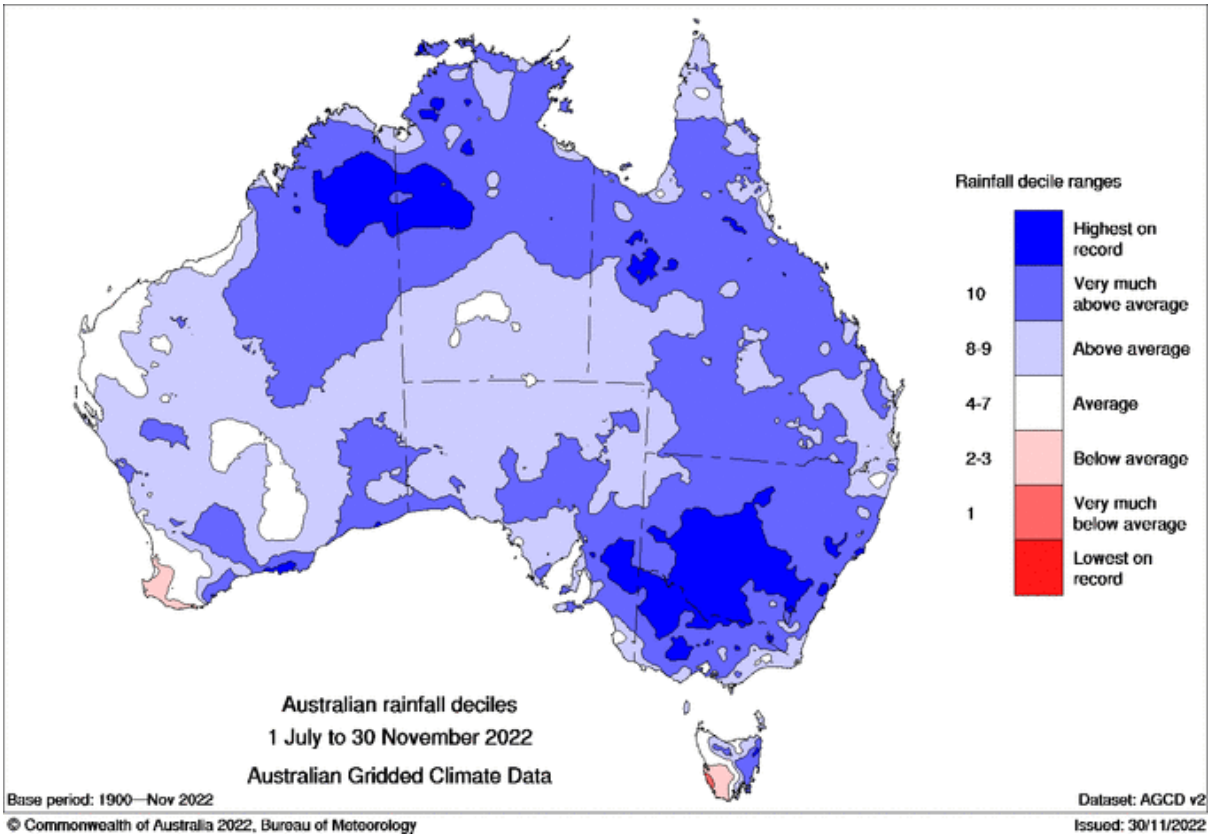

Figure 5: Australian rainfall deciles, 1 July to 30 November 2022

The Bureau of Meteorology's outlook for January to March 2023 is for rainfall to be average to wetter across much of the eastern states with average to drier conditions expected throughout South Australia and Western Australia (Figure 6). Average to above average maximum temperatures are expected in Western Australia, Tasmania and South Australia with average to cooler temperatures in Queensland, New South Wales and Victoria (Figure 7).

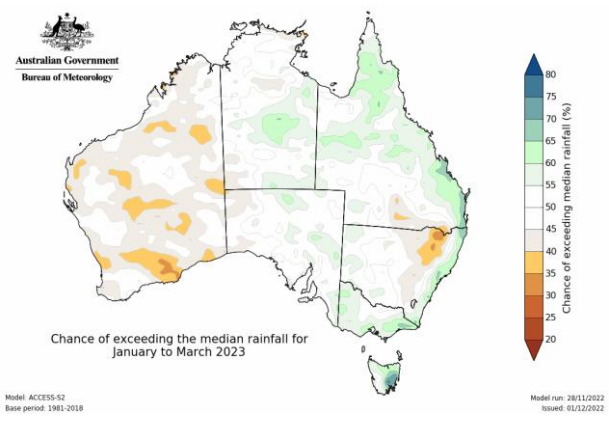

Figure 6: Chance of exceeding median rainfall (Jan – Mar 2023)

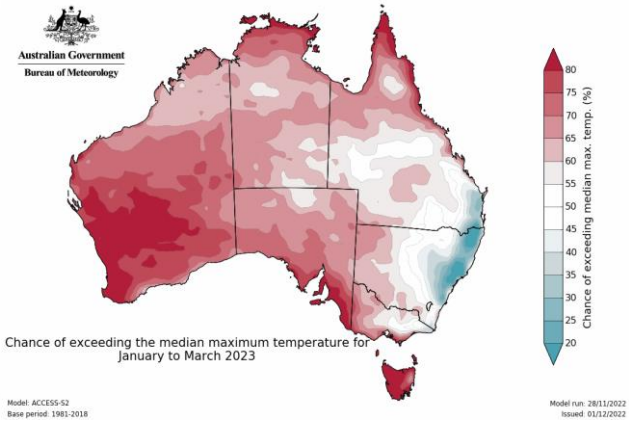

Figure 7: Chance of exceeding median maximum temperature (Jan – Mar 2023)

In its update on 25 November 2022, the Bureau noted that above median rainfall is likely between December to February around the Queensland ranges and coastal, north coastal and southern New South Wales, all of Victoria, southeast South Australia and eastern Tasmania. Below median rainfall is expected in other regions. Maximum temperatures are likely to be above median for most of Tasmania (except the northeast), most of Western Australia (except the south coast), south eastern coastal regions of South Australia. Central, north and eastern Victoria, New South Wales (except for the west) and south eastern Queensland are likely to experiences below median maximum temperatures. The ENSO outlook remains at La Niña.

Results from the MLA and AWI Sheep Producers Intentions Survey

The October 2022 MLA and AWI Sheep Producer Intentions Survey found that wool producers are cautiously optimistic about the future of the wool sector with a nett sentiment of +12 (nett sentiment refers to the percentage of survey respondents reporting positive sentiment for the coming 12 months minus those reporting negative sentiment). Producers with smaller flocks (total flock size less than 2,000) tend to be more optimistic.

There was general uncertainty regarding future wool and lamb prices but a consensus that input costs would rise in the coming 12 months. There was also the expectation that accessing labour would be more difficult in the future.

Merino lambs account for 40% of the Australian lamb flocks with larger flocks having a higher proportion of Merinos. Overall, there is a nett intention for producers to increase the size of their lamb flocks in the next 12 months, particularly among very large producers (those with more than 10,000 sheep). This growth is expected to be highest in New South Wales.

State Committee input

The following provides a summary of seasonal conditions and wool production forecast in each state during the first five months of the 2022/23 seasons as reported by the AWPFC state committees in December 2022.

New South Wales

NSW rainfall deciles were the highest on record or very much above average from July to November 2022. Large variation exists across the state in sheep productivity and sheep health. Significant floods have impacted sheep production in the southern, central west and northwest regions. Improved pastures are likely to have been negatively impacted by floodwater, with widespread germination of weed species expected and declining pasture quality. Sodden ground prevented pasture spraying and haymaking resulting in tall stands of poor-quality pasture, largely unsuitable for sheep production. Widespread worm burdens in ewes and young sheep caught many producers unaware. Unseasonably cool temperatures throughout November have reduced fly activity, but this is expected to change quickly as soil and air temperatures increase.

Access to shearers, shed hands and wool classers has been problematic due to wet weather and inability to access properties in flood affected regions. Wool receivals are behind (5-6 weeks) due to shearing delays and inability to truck shorn clips off farm and into store but are expected to increase leading up to and following Christmas.

Only small changes in the micron profile of the NSW clip due to back-to-back good seasons. Little change in AWTA Key Test Data, except for a 1.6% year-on-year increase in yield to 67.9%. No change to expected wool cut per head from the September meeting. Fleece weights are expected to be higher in Western regions, but this will not move the average NSW wool cut. Wool quality is expected to be better than last season although vegetable matter is predicted to increase. **The New South Wales Committee's third forecast of shorn wool production for 2022/23 is 116.9 Mkg, up 3.2% on 2021/22.**

Victoria

Above average to highest on record rainfall deciles across Victoria from July to November, due to significant rainfall in October and November following a relatively mild winter. Significant pasture growth, but this is not translating into increased sheep production as it is difficult to maintain liveweight despite abundant feed due to high moisture. Delayed harvest in the Mallee reducing usual purchase of lambs from Tasmania. Lambing percentages were reduced due to the wet and cold weather with later lambing flocks most affected. Internal and external parasites have impacted lamb growth.

Producers have retained older ewes as they are difficult to sell either to buyers or direct to abattoirs. Abattoirs are not taking older ewes unless they are off shears due to issues with shearer availability and are now requiring producers to arrange shearing on-farm prior to sale.

Wet weather is causing shearing delays of up to 6 weeks due to wet sheep. Yields are very high, with dust effectively being washed from the fleece. Increase in staple length is likely due to shearing delays rather than increased production due to the difficult spring season. Producers with established six-monthly shearing programs have good relationships with their contractors and are sticking with their twice-annual shearing pattern. No change was made to

the September forecast., with the Victorian committee opting to stay with the status quo. **The Victorian Committee's third forecast of shorn wool production for 2022/23 is 77.8 Mkg, up 5.3% on 2021/22.**

Western Australia

Average to below average rainfall deciles in the southwest corner of WA with above average or very much above average for most other sheep producing regions. A favourable spring for sheep and wool production throughout much of the state, but prices for wool and sheepmeat are impacting on grower sentiment.

Some reports of increased sheep numbers in the more marginal cropping areas. Reduced sheep turnoff from Western Australia with lower lamb turnoff due to reduced slaughter capacity and fewer live exports. Retained lambs are likely to be shorn prior to sale. The lower turnoff means more young sheep than normal have been retrained in the system.

Harvest is underway which has shifted the focus away from sheep and wool production in many regions. Too early to report on joining outcomes, although there is unlikely to be any increase in the number of Merino ewes joined as few Merino ram breeders have reported late ram sales (i.e. additional sales following main stud sale). Reports of older ewes being retained and re-joined due to lower mutton value. Seasonal conditions in the coming months will dictate whether these ewes will lamb in WA or be trucked interstate.

Small, non-significant year-on-year changes in AWTA key test data, no change made to average cut per head forecast in September. Increased number of lambs being retained and shorn will counterbalance the seasonal increase in fleece production in older sheep.

No reports of delayed shearing in Northern regions of the state, but delays are occurring in Southern regions due to rain induced delays. The timing of rainfall every few days is making it difficult to maintain enough dry sheep for shearing. This is expected to increase staple length if the delays continue. **The Western Australian Committee's third forecast of shorn wool production for 2022/23 is 64.7 Mkg, up 5.7% on 2021/22.**

South Australia

Above average rainfall from July to November for South Australia with very much above average and highest on record deciles in some parts of the southeast. Most producers are positive about the season, although the current level of wool prices, the cost of shearing and labour availability is causing concern amongst northern/pastoral Merino producers.

Fantastic season throughout the entire state with abundant feed and not enough sheep to keep up with pasture growth and the level of pasture feed. The lower southeast is having a terrific season, not too wet with little inundation. Sheep purchases from WA into the south east region are continuing to occur.

Rain delays are impacting on shearing which is 5-6 weeks behind due to the large number of rainy days in spring (i.e. frequency of rainy days not volume of rain). This has made it difficult for producers to manage their mobs and have enough dry sheep for shearing. Committee expects wool receivals and wool testing to significantly increase after Christmas. Brokers stores are full (wool tested but not sold) and wool testing is delayed.

Shearer availability remains an issue but is not the main contributor to the shearing delays. Reports of shearing contractors actively training learner shearers in sheds. Woolclasser availability is an issue in some regions, although a cohort of younger classers is coming along.

The abundance of feed is expected to increase per head production. Vegetable matter is expected to increase significantly in coming months and may affect production of younger sheep. Reduced prices paid for Merino wether lambs have encouraged some producers to purchase these to make use of available feed, shear and sell them at an older age. Flies are expected to be a significant issue in coming months due to delayed shearing and continued wet weather. **The South Australian Committee's third forecast of shorn wool production for 2022/23 is 59.1 Mkg, up 5.3% on 2021/22.**

Tasmania

Average to above average rainfall deciles for the major wool producing regions of Tasmania. The drier regions do not support a lot of wool production. Good seasonal conditions for wool production. Conditions are currently drier than normal, but spring rainfall had produced plenty of carry over feed. The Tasmanian committee expects the status quo between Merino and sheepmeat production to continue.

Tough recent market conditions for wool have led to an increase in producers holding on to wool. Producers are managing the market and the season. Rainfall in the last few weeks has delayed some large sheds from commencing shearing which has impacted on wool receivals and test data. The Committee expects more sheep to be shorn following Christmas.

Spring born lambs have had access to good feed with ewes in good condition, crossbred and Merino ewes are heavier compared with last season. Some ewes that would normally been culled for age are being retained to make use of the available feed due to the fall in the value of mutton. This has produced a large shift in the timing of sale, with more stock retained and expected to be traded in 2023 rather than sold prior to Christmas.

Harvest delays in the NSW Riverina and Victorian Mallee (4 weeks) has delayed purchase of crossbred lambs from Tasmania. These lambs would normally have been shorn and sent to the mainland by this time. This will increase the number of young first cross sheep retained in the system and limit any increase in average cut per head despite the favourable season.

Wool testing was quiet up to early December, but volumes are beginning to increase. T**he Tasmanian Committee's third forecast of shorn wool production for 2022/23 is 11.5 Mkg, up 9.7% on 2021/22**.

Queensland

Above average to very much above average rainfall deciles across Queensland from July to November. Queensland has had a very good season for the past 12 months. Some areas the season has been the best on record, although some isolated pockets have missed out. Hot conditions with dry winds are currently occurring which will quickly reduce soil moisture content. The BOM outlook remains favourable for much of Queensland. There is plenty of pasture feed.

Shearing is beginning to wind up and will reduce from now until after Easter, as conditions are too hot to muster and shear. Wool receivals were very high in November.

Accessing mulesing and lamb marking contractors is becoming very difficult in some regions. Producers are increasing having to undertake these jobs themselves. Labour availability is causing a move away from sheep production, not wool or meat prices. Goat production and cattle are increasingly seen as 'easier' alternatives to Merino production due to on-going labour issues.

Committee reluctant to make a change to the average cut per head. At the start of the 2022/23 season Queensland staple length, fibre diameter and yields were high, however long shearing delays at the beginning of the season (8 to 10 weeks) was thought to be contributing to these increases. Staple length is expected to reduce back to more normal length as the season progresses. The 15.5% yoy increase in weight of wool tested represented an additional 645,000 kg of wool tested. AWEX firsthand offered data is up 12.6%, representing an additional 447,207 kg of wool offered for auction. Some reports of large Merino clips being held on store untested from 2019, being tested in preparation for sale. **The Queensland Committee's third forecast of shorn wool production for 2022/23 is 10.1 Mkg, up 13.5% on 2021/22.**

Appendix

Table A1: Comparison of shorn wool production in 2021/22 against the 2020/21 season and the third forecast for 2022/23 against the 2021/22 season

At their September 2022 meeting, the AWPFC National Committee resolved to include a clean estimate of shorn wool production for the 2021/22 season based on the yield (%, Schlumberger dry top and noil yield) from the AWTA key test data for 2021/22. This was calculated for the 2020/21 season for comparison.

2020/21	NSW	VIC	WA	SA	TAS	QLD	AUSTRALIA
Sheep Numbers Shorn *(million)*	21.8	16.6	13.3	10.8	2.4	1.9	66.9
Average Cut Per Head *(kg greasy)*	4.55	4.25	4.25	4.75	3.95	3.70	4.40
Shorn Wool Production *(Mkg greasy)*	99.2	70.7	56.5	51.5	9.4	7.2	294.0
Yield *(%, Sch dry)*	63.7	65.9	61.2	61.9	70.0	60.8	63.9
Shorn Wool Production *(Mkg clean)*	63.2	46.6	34.6	31.9	6.6	4.4	187.9

2021/22	NSW	VIC	WA	SA	TAS	QLD	AUSTRALIA
Sheep Numbers Shorn *(million)*	24.6	17.2	13.3	11.7	2.6	2.2	71.6
Average Cut Per Head *(kg greasy)*	4.60	4.30	4.60	4.80	3.95	4.10	4.52
Shorn Wool Production *(Mkg greasy)*	113.3	73.9	61.2	56.1	10.3	8.9	324.0
Yield *(%, Sch dry)*	66.2	66.0	62.9	61.2	70.5	62.8	64.9
Shorn Wool Production *(Mkg clean)*	75.0	48.8	38.5	34.3	7.3	5.6	210.3

% change y-o-y							
Sheep Numbers Shorn *(million)*	*12.8%*	*3.6%*	*0.0%*	*8.3%*	*8.3%*	*15.8%*	*7.0%*
Average Cut Per Head *(kg greasy)*	*1.1%*	*0.0%*	*8.2%*	*1.1%*	*0.0%*	*10.8%*	*2.7%*
Shorn Wool Production *(Mkg greasy)*	*14.2%*	*4.5%*	*8.3%*	*8.9%*	*9.6%*	*23.6%*	*10.0%*
Yield *(%, Sch dry)*	*3.9%*	*0.2%*	*2.8%*	*-1.1%*	*0.7%*	*3.3%*	*1.6%*
Shorn Wool Production *(Mkg clean)*	*18.7%*	*4.7%*	*11.3%*	*7.5%*	*10.6%*	*27.3%*	*11.9%*

2022/23 Third Forecast	NSW	VIC	WA	SA	TAS	QLD	AUSTRALIA
Sheep Numbers Shorn *(million)*	25.4	17.9	14.1	12.2	3.0	2.5	74.9
Average Cut Per Head *(kg greasy)*	4.60	4.40	4.60	4.90	3.90	4.10	4.54
Shorn Wool Production *(Mkg greasy)*	116.9	77.8	64.7	59.1	11.5	10.1	340.0

% change y-o-y							
Sheep Numbers Shorn *(million)*	*3.3%*	*4.1%*	*6.0%*	*4.3%*	*11.5%*	*13.6%*	*4.6%*
Average Cut Per Head *(kg greasy)*	*0.0%*	*2.3%*	*0.0%*	*2.1%*	*-2.5%*	*0.0%*	*0.0%*
Shorn Wool Production *(Mkg greasy)*	*3.2%*	*5.3%*	*5.7%*	*5.3%*	*9.7%*	*13.5%*	*5.0%*

Note: Totals may not add due to rounding

Historical Australian Production Figures

The tables below provide historical sheep shorn numbers, wool production, fleece weight and micron share statistics since 1991/92 for background information.

Table A2: Australian wool production statistics since 1991/92

At their September 2022 meeting, the AWPFC National Committee resolved to include a clean estimate of shorn wool production for the 2021/22 season based on the yield (%, *Schlumberger dry top and noil yield*) from the AWTA key test data for 2021/22. The AWTA key test data yield (*Sch dry*) for 2001/02 to 2020/21 has been used to calculate shorn wool production for these seasons.

Season	Sheep Numbers Shorn *(million)*	Average Cut Per Head *(kg greasy)*	Shorn Wool Production *(Mkg greasy)*	Yield *(%, Sch dry)*	Average Cut Per Head *(kg clean)*	Shorn Wool Production *(Mkg clean)*
1991-92	180.9	4.43	801			
1992-93	178.8	4.56	815			
1993-94	172.8	4.49	775			
1994-95	156.2	4.37	682			
1995-96	145.6	4.50	655			
1996-97	152.0	4.35	661			
1997-98	150.0	4.22	633			
1998-99	153.6	4.33	665			
1999-00	144.2	4.30	619			
2000-01	139.5	4.31	602			
2001-02	118.6	4.68	555	65.7	3.07	364
2002-03	116.6	4.28	499	64.2	2.75	320
2003-04	104.7	4.53	475	64.2	2.91	305
2004-05	106.0	4.49	475	63.9	2.87	304
2005-06	106.5	4.33	461	64.1	2.78	296
2006-07	101.4	4.24	430	62.9	2.67	270
2007-08	90.2	4.43	400	62.6	2.77	250
2008-09	79.3	4.52	362	62.8	2.84	227
2009-10	76.2	4.50	343	63.2	2.84	217
2010-11	76.2	4.53	345	64.9	2.94	224
2011-12	76.4	4.48	342	65.5	2.93	224
2012-13	78.8	4.47	352	65.1	2.91	229
2013-14	78.0	4.37	341	64.9	2.83	221
2014-15	76.9	4.50	346	64.9	2.92	225
2015-16	73.4	4.43	325	64.4	2.85	209
2016-17	74.3	4.58	340	65.1	2.98	221
2017-18	76.8	4.45	341	64.6	2.87	220
2018-19	72.5	4.13	300	63.1	2.61	189
2019-20	68.6	4.13	284	62.2	2.57	177
2020-21	66.9	4.40	294	63.9	2.81	188
2021-22	71.6	4.52	324	64.9	2.93	210
2022-23*f*	74.9	4.54	340			

Table A3: Australian micron profile of AWTA wool test volume statistics since 1991/92 (% share and average micron)

Season	<16.5	17	18	19	20	21	22	23	24	25/26	27/28	29/30	>30.5	Average Fibre Diameter (µm)
1991/92	0.1%	0.7%	3.2%	7.9%	15.2%	21.5%	20.0%	13.4%	7.1%	5.5%	2.9%	1.6%	1.0%	22.0
1992/93	0.0%	0.3%	1.9%	5.4%	12.0%	19.9%	20.6%	15.6%	10.0%	7.9%	3.0%	1.9%	1.6%	22.4
1993/94	0.1%	0.5%	2.4%	5.9%	12.1%	18.8%	20.8%	15.7%	10.0%	7.4%	2.8%	1.9%	1.7%	22.4
1994/95	0.1%	0.6%	3.5%	8.6%	15.2%	20.9%	19.9%	13.0%	7.0%	4.7%	2.8%	2.0%	1.7%	22.0
1995/96	0.0%	0.6%	3.3%	8.2%	15.3%	20.8%	18.5%	13.2%	8.1%	6.0%	2.7%	1.8%	1.6%	22.1
1996/97	0.2%	0.8%	3.9%	9.7%	15.3%	20.1%	18.3%	13.1%	7.4%	5.3%	2.3%	1.9%	1.8%	22.0
1997/98	0.2%	1.2%	4.5%	9.8%	14.8%	19.4%	18.3%	12.8%	7.7%	5.4%	2.6%	1.8%	1.5%	21.9
1998/99	0.2%	1.1%	4.2%	8.8%	14.6%	19.6%	18.6%	14.0%	7.6%	5.1%	2.7%	2.0%	1.5%	22.0
1999/00	0.1%	1.0%	4.2%	9.3%	14.4%	19.1%	18.2%	13.6%	7.7%	5.2%	2.9%	2.4%	1.9%	22.1
2000/01	0.2%	1.3%	5.2%	11.1%	15.7%	18.5%	16.4%	11.4%	6.8%	5.1%	3.6%	2.8%	1.9%	22.0
2001/02	0.3%	2.0%	7.2%	14.4%	19.9%	18.9%	12.9%	7.7%	4.1%	3.7%	3.8%	3.1%	1.9%	21.6
2002/03	1.0%	3.9%	9.8%	15.7%	18.9%	17.6%	12.0%	6.6%	2.9%	3.4%	3.7%	2.9%	1.7%	21.2
2003/04	0.7%	3.6%	9.9%	15.8%	18.3%	16.6%	11.9%	7.5%	3.6%	3.5%	3.8%	2.9%	1.8%	21.3
2004/05	1.2%	4.2%	10.5%	16.5%	18.7%	15.9%	10.7%	6.2%	3.2%	3.6%	4.1%	3.1%	2.0%	21.2
2005/06	1.4%	4.7%	9.7%	15.1%	18.7%	17.1%	11.5%	5.9%	2.9%	3.9%	4.5%	2.9%	1.6%	21.2
2006/07	2.0%	5.9%	11.8%	15.9%	16.9%	14.0%	9.9%	6.2%	3.4%	4.3%	4.4%	3.2%	2.1%	21.2
2007/08	1.9%	5.3%	10.9%	16.8%	18.4%	14.3%	9.2%	5.5%	3.0%	4.1%	4.8%	3.6%	2.2%	21.2
2008/09	2.0%	5.7%	11.4%	16.6%	18.5%	15.0%	9.1%	4.4%	2.3%	3.8%	5.1%	3.8%	2.2%	21.2
2009/10	2.3%	6.2%	12.6%	17.1%	17.5%	13.2%	8.4%	4.6%	2.5%	4.1%	5.4%	3.9%	2.3%	21.2
2010/11	1.5%	4.8%	11.0%	16.8%	18.0%	13.5%	8.4%	5.4%	3.0%	3.9%	5.5%	5.0%	3.1%	21.5
2011/12	1.8%	5.6%	12.0%	17.1%	16.6%	12.3%	8.3%	5.3%	2.9%	4.2%	5.8%	4.7%	3.3%	21.5
2012/13	2.5%	7.0%	13.3%	17.5%	16.8%	12.0%	7.3%	4.1%	2.3%	4.6%	6.2%	4.0%	2.5%	21.2
2013/14	3.8%	8.4%	14.6%	17.8%	16.0%	10.9%	6.2%	3.4%	2.2%	5.2%	6.4%	3.1%	2.1%	20.9
2014/15	3.2%	7.9%	14.8%	18.5%	15.8%	10.5%	6.5%	3.5%	1.9%	4.4%	6.5%	3.9%	2.6%	21.0
2015/16	3.9%	8.5%	14.6%	17.8%	16.2%	10.8%	6.0%	2.9%	1.9%	4.6%	6.5%	3.6%	2.7%	21.0
2016/17	3.6%	7.5%	13.4%	17.4%	17.2%	12.1%	6.9%	3.4%	2.0%	4.4%	5.8%	3.4%	2.7%	21.0
2017/18	3.2%	8.6%	15.4%	18.6%	16.1%	10.2%	5.7%	2.9%	1.8%	4.1%	6.0%	4.0%	3.2%	21.0
2018/19	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%	20.5
2019/20	6.3%	10.9%	18.8%	21.1%	15.5%	7.4%	3.2%	1.8%	1.6%	4.4%	5.3%	2.1%	1.7%	20.5
2020/21	3.7%	8.6%	17.3%	20.4%	16.0%	9.4%	4.5%	2.2%	1.6%	3.6%	5.6%	3.7%	3.5%	20.8
2021/22	3.9%	9.2%	16.6%	20.1%	16.4%	8.9%	3.6%	2.3%	1.8%	4.3%	5.7%	3.2%	3.8%	20.8
2022/23*	5.2%	9.9%	16.7%	20.5%	17.0%	9.1%	3.9%	2.1%	1.5%	4.1%	5.1%	2.4%	2.3%	20.8

Explanation of revised AWPFC data series

At the December 2005 meeting, the national Committee made the decision to collate and review the key variables (shorn wool production, cut per head, number of sheep shorn) used in the committee from the available industry sources and to create a consistent historical data series at both a state and national level. This was required as some differences existed between industry accepted figures and the AWPFC data series and to ensure a consistent methodology over time. This process resulted in changes to the parameters 'average cut per head' and the 'number of sheep shorn' for some seasons at both a state and national level.

Modus operandi for the Australian Wool Production Forecasting Committee

The Australian Wool Production Forecasting Committee draws together a range of objective data and qualitative information to produce consensus-based, authoritative forecasts four times a year for Australian wool production.

The Committee has a two-level structure, with a National Committee considering information and advice from state committees. It is funded by Australian Wool Innovation Limited, which also provides an independent representative in the role of the Chairman of the National Committee.

The National and state committees comprise wool producers, wool brokers, exporters, processors, private treaty merchants, AWEX, AWTA, ABARES, ABS, MLA, state departments of Agriculture, sheep pregnancy scanners and AWI.

The Committee releases its forecasts in the forms of a press release and a report providing the detailed forecasts, historical data and commentary on the key drivers of the forecasts.