

Dear review panel

I am really only a hobby farmer with 80 ha of land near Armidale and running 400 Merryville type merino wethers producing 17 micron wool in my retirement.

Despite this current insignificant contribution to the wool industry I have been associated closely with farmers and graziers for all of my working life. In my jobs, I had the privilege of analysing the personal, physical and financial aspects of approximately 2,000 farmers. This insight into Australian agriculture I deem to be not so insignificant.

My contribution to your review is a bit simplistic and probably unhelpful. I hope the current crop of Australian graziers actually have the answers. From my point of view, the only thing wrong with the wool industry is not receiving enough money for the product. I remember a large prominent woolgrower up here in the New England saying at a CSIRO seminar we went to: pay us the right amount of money and we'll produce any kind of wool you want. 10 micron technicolour wool is no problem if the price is right.

Obviously the kind of wool the world wants is not worth any more than the Chinese are currently paying for it.

The six phases of wool selling to be addressed in your review are like the sale of goods through a retailer.

I am informed that this mode of sale is being replaced by internet transactions, often between the buyer and the manufacturer.

I think that this may be the future of wool sales. How it will be brought about is of course the problem. However, if AWI doesn't act to accomplish this, some private corporation probably will but to their benefit and not necessarily that of the producer.

In other words phases 2,3 and 4 need to be eliminated with wool going directly from the shed to the topmaker. Payment needs to be made by the topmaker directly to the producer. From my experience this will save something like a minimum of 5 to 10 percent of costs and hopefully much more.

With modern technology it is still unbelievable that we don't have all our wool turned into tops before it leaves Australia. Just because it has failed in the past doesn't mean it cannot be done. It's a bit like the woolgrowers in the 1800s leaving the sand and vegetable matter in the fleece and transporting this to England.

I notice that James Lillie is on your panel. He, of all people, probably has a practical answer to the industry's problems but may have difficulty with the economic side, especially now we have negotiated a free trade agreement with China.

Good luck with your review and despite the price of wool and the hard work of improving the quality of my sheep replacements by my supplier, I'll stick to my few wethers and continue my own quality assurance by severe culling.

Regards

Dave