April 2021

Australian Wool Production Forecast Report

Australian Wool Production Forecasting Committee

Summary

- The Australian Wool Production Forecasting Committee forecasts that Australian shorn wool production in 2020/21 will be 290 mkg greasy. This is a 2.1% increase on the 284 mkg estimate for 2019/20 and higher than the Committee's previous forecast at its December 2020 meeting. Most wool producing regions are experiencing a favourable season and sheep are in good condition. Western Australia, the pastoral region of South Australia and Queensland have reaped the benefit of recent widespread, albeit patchy, rainfall which has replenished on-farm water stocks.

- The number of sheep shorn in 2020/21 is forecast to decline by 4.5% to 65.5 million. Sheep shorn numbers are expected to decrease in Western Australia (down 14.3%), Queensland (down 14.2%), New South Wales (down 5.4%) and South Australia (down 1.7%) but are expected to increase in Victoria and Tasmania (up 3.1% and 2.8% respectively). Significant numbers of sheep (especially breeding ewes) have continued to be transferred interstate from Western Australia.

- Average wool cut per head is forecast to increase by 7.2% nationally to 4.43 kg greasy for the 2020/21 season. Favourable conditions in many wool growing regions are driving the increase in cuts per head.

- Accompanying the reduction in greasy wool production there have been major changes in key wool test parameters. AWTA key test data show a considerable increase in staple length, up 2.9 mm to 89.0 mm compared with July 2019 to March 2020. However, some of this increase in staple length can be attributed to delayed shearing. There was also a considerable increase in staple strength (up 1.5 N/ktex to 33.8 N/ktex) and yield (up 1.5% to 64.2%). There were also increases in both average fibre diameter (up 0.2 microns to 20.8 microns) and vegetable matter (up 0.2% to 1.9%).

- Shorn wool production is forecast to fall in both Queensland (down 12.8%) and Western Australia (down 11.3%) as these two states have continued to experience relatively dry conditions. However recent welcome rainfall has improved on-farm water availability and

FURTHER INFORMATION
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will increase the quantity of available paddock feed in both these states. Shorn wool production in all other states is forecast to increase in Tasmania (up 20.0%), Victoria (up 8.2%), South Australia (up 6.0%) and New South Wales (up 4.3%).

- AWTA volumes of greasy wool tested to the end of March 2021 were 0.9% lower than at the same time in 2019/20. Volumes tested in Tasmania and new South Wales increased (up 13.2% and 6.9% respectively). The volumes of wool tested in all other states decreased. Western Australia recorded the largest decrease (down 11.0%), followed by Queensland (down 9.6%), Victoria (down 2.5%) and South Australia (down 2.0%). However, the level of testing in the February to April period has increased considerably and overall, for the season is expected to exceed previous season levels.

- From July 2020 to March 2021 there were decreases in the weight of wool tested at the finer end of the micron range (< 19 microns) and between 24 to 28 microns. The 20 to 23 micron range increased as did the greater than 29 micron range.

- AWEX first-hand offered bales were 11.3% higher during July to March compared with the same period in 2019/20.

- ABS wool receivals data for Australia fell by 4.5% between July and December 2020.

- ABS sheep turn-off data during July and February 2020 showed a 46% decrease in sheep slaughter, a 3% decrease in lamb slaughter and an 51% decrease in live exports. Total turn-off was 18% lower compared with the same time last season.

- The AWPFC's first forecast of shorn wool production for the 2021/22 season is for production to be 305 mkg greasy, a 5.1% increase on the 2020/21 forecast. The increase in shorn wool production is due to modest increases in the number of sheep shorn (up 3.7%) and average cut per head (up 1.4%). The current relatively low sheep numbers will restrict larger increases in shorn wool production despite the favourable seasonal conditions across many wool producing regions of the country.

- Table 1 summarises the estimates and forecasts for Australia and Table 2 shows the estimates and forecasts for each state.

Table 1: Summary of wool production estimates and forecasts for Australia

Parameter	2019/20 Final Estimate	2020/21 Final Estimate	*Change year-on-year (%)*	2021/22 First Forecast	*Change year-on-year (%)*
Sheep Numbers Shorn (million)	68.6	65.5	-4.5%	67.9	3.7%
Average Cut Per Head (kg)	4.13	4.4	7.3%	4.49	1.4%
Shorn Wool Production (mkg greasy)	284	290	2.1%	305	5.1%

Table 2: Total shorn wool production estimates and forecasts for individual states

Shorn wool production (mkg greasy)	NSW	VIC	WA	SA	TAS	QLD	National
2018/19 Final Estimate	99.1	66.9	62.2	54.3	9.0	8.1	300
2019/20 Final Estimate	94.3	63.2	59.8	50.0	9.0	7.5	284
Change Y-O-Y (%)	*-4.8%*	*-5.5%*	*-3.9%*	*-7.9%*	*0.0%*	*-7.4%*	*-5.3%*
2020/20 Fourth Forecast	*98.3*	*68.4*	*53.0*	*53.0*	*10.8*	*6.5*	*290*
Change Y-O-Y (%)	*4.2%*	*8.2%*	*-11.4%*	*6.0%*	*20.0%*	*-13.3%*	*2.1%*

- More detailed information on shorn wool production by state in 2020/21 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 total shorn wool production (Table A2) as well as the micron profile (Table A3) since 1991/92.

Detail on the 2020/21 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 2020/21 season to the end of March 2021;
- AWEX auction statistics for the 2020/21 season to the end of week 40 (2 April 2021);
- ABS wool receivals data for the 2020/21 season to December 2020;
- ABS sheep and lamb turn-off for 2020/21 to the end of December 2020;
- Information on historical and expected seasonal conditions from the Bureau of Meteorology; and
- Survey information gathered on sheep producer and wool grower intentions, including results from the February 2021 MLA and AWI Wool and Sheepmeat Survey.

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 2020/21 season to the end of March compared with the same period (July to March) in previous seasons are compared in this report.

The month-by-month comparison of wool tested for the current and past four seasons (Figure 1) shows the current season tracking below the previous four seasons in July, August, October and November. Wool test volumes in December and January were similar to 2019/20 while those from February to March 2021 were above last season.

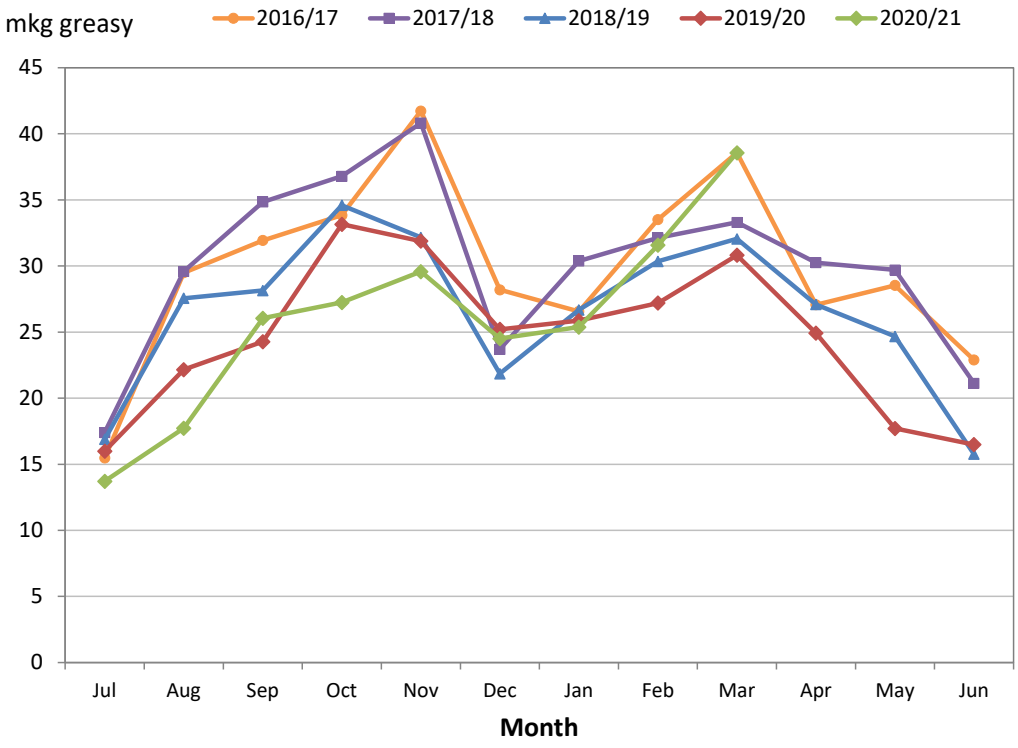


Figure 1: Comparison of monthly AWTA key test data volumes for the 2020/21 season July 2020 to end March 2021 with previous seasons (2016/17 to 2019/20)

AWTA national wool test volumes data for the 2020/21 season to the end of March (Table 3) shows:

- Volumes of wool tested for the season to date (end March 2021) were 0.9% lower than at the same time in 2019/20 and were also 10.7% less than the five-year average for the season to date from 2015/16 to 2019/20. However, the level of testing in the February to April period has increased considerably and overall, for the season is expected to exceed previous season levels.

- For the 2019/20 season to the end of March, there have been decreases in the weight of wool tested at the finer end of the micron range. The 16.6 microns and finer category was 39.6% lower compared to the same time in 2019/20 with decreases in the 17 (down 19.6%), 18 (down 8.2%) and 19 (down 0.6%) micron categories. The weight of wool tested in the 24 (down 14.4%), 25 – 26 (down 27.6%) and 26 – 28 (down 6.5%) micron categories also decreased. All other micron categories increased in terms of weight of wool tested. Significant increases occurred in the 22 (up 34.8%), 21 (up 32.9%), 29 – 30 (up 25.5%) and greater than 30.5 (up 21.3%) micron categories.

Table 3: AWTA key test data volumes for the financial year to March by micron range 2015/16 – 2020/21 (mkg greasy)

Parameter	Year	<16.6um	17um	18um	19um	20um	21um	22um	23um	24um	25-26um	26-28um	29-30um	>30.5um	TOTAL
AWTA FY Total mkg greasy	2015/16	10.30	21.99	38.41	48.04	43.42	28.42	15.21	7.54	5.07	12.67	18.27	10.24	7.31	266.88
	2016/17	10.34	20.15	36.45	48.95	48.77	34.41	18.77	9.06	5.63	12.68	16.95	9.90	7.23	279.30
	2017/18	8.15	22.63	41.74	51.46	45.78	29.78	16.63	8.22	5.14	11.62	17.35	11.65	8.99	279.12
	2018/19	14.58	27.84	45.36	47.93	33.73	17.44	9.82	6.22	4.91	13.26	14.83	7.50	6.98	250.40
	2019/20	12.22	25.09	44.09	48.12	34.13	16.52	7.80	4.88	4.47	11.71	14.02	6.85	6.74	236.65
	2020/21	8.60	20.17	40.49	47.81	37.50	21.96	10.52	5.20	3.83	8.48	13.11	8.59	8.18	234.43
Y-O-Y change%	2020/21	-29.6%	-19.6%	-8.2%	-0.6%	9.9%	32.9%	34.8%	6.5%	-14.4%	-27.6%	-6.5%	25.5%	21.3%	-0.9%
Micron Split (%)	2019/20	5.2%	10.6%	18.6%	20.3%	14.4%	7.0%	3.3%	2.1%	1.9%	5.0%	5.9%	2.9%	2.8%	
	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%	
5 year av. 2015/16 to 2019/20	Tonnes	11.12	23.54	41.21	48.90	41.16	25.31	13.65	7.18	5.04	12.39	16.28	9.23	7.45	262.47
	%	*-22.6%*	*-14.3%*	*-1.8%*	*-2.2%*	*-8.9%*	*-13.3%*	*-22.9%*	*-27.6%*	*-24.1%*	*-31.5%*	*-19.5%*	*-6.9%*	*9.8%*	*-10.7%*
	Micron	4.2%	9.0%	15.7%	18.6%	15.7%	9.6%	5.2%	2.7%	1.9%	4.7%	6.2%	3.5%	2.8%	

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 display 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). 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).

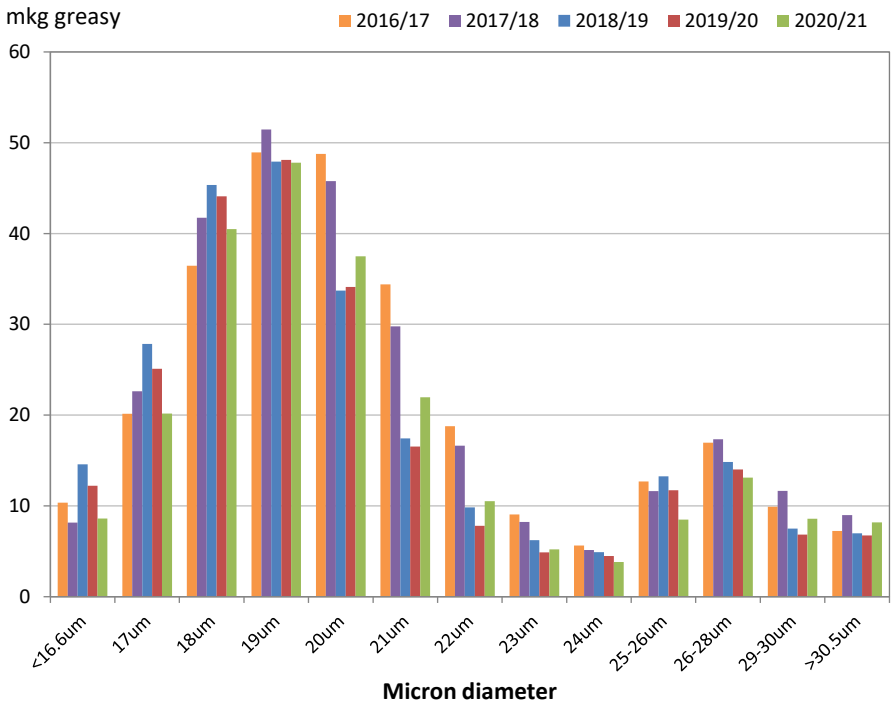


Figure 2: Australian fibre diameter profile – 2020/21 season to end March compared with the months during the 2016/17 to 2019/20 seasons

- Based on data by Wool Statistical Area (WSA), the volumes of wool tested in the 2020/21 season to the end of March in Tasmania and New South Wales have increased (up 13.2% and 6.9%) respectively) (Figure 3).

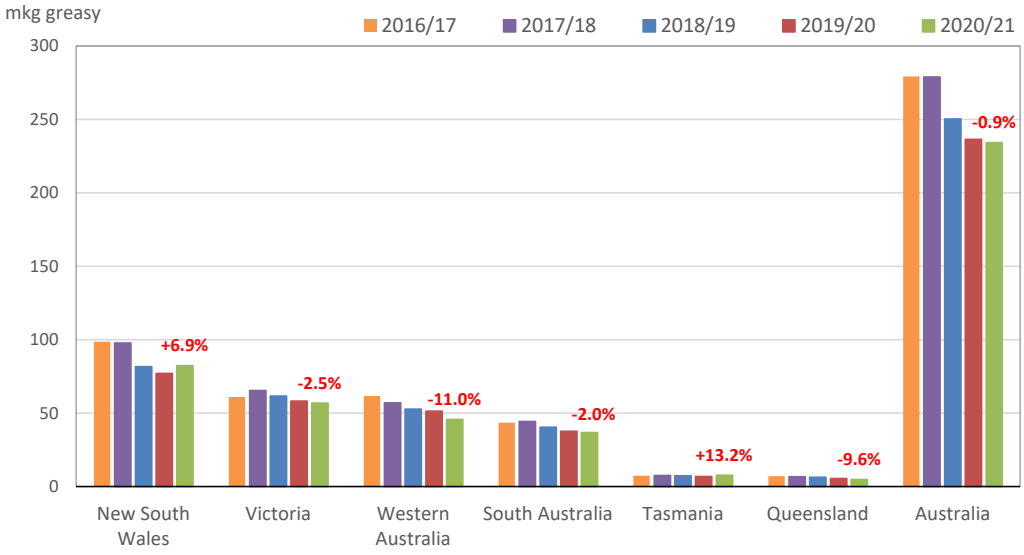


Figure 3: Volume of wool tested in the 2020/21 season to end March (AWTA key test data) compared with the same period in previous seasons. *The percentage change is the 2020/21 season to end March compared with the same period in the 2019/20 season*

- The volumes of wool tested in all other states from July to the end of March decreased. Western Australia had the largest decrease (down 11.0%), followed by Queensland (down 9.6%), Victoria (down 2.5%) and South Australia (down 2.0%) (Table 4).

Table 4: AWTA test data volumes by state (based on Wool Statistical Area) and Australia (based on key Test Data) for the 2020/21 season financial year to March (mkg greasy) compared with the same time period in previous seasons (2015/16 to 2019/20)

Year	NSW	Vic	WA	SA	Tas	Qld	Australia
2015/16	96.6	60.5	56.4	40.3	7.4	5.6	266.9
2016/17	102.0	66.9	56.3	41.8	8.5	7.2	282.7
2017/18	96.6	60.5	56.4	40.3	7.4	5.6	266.9
2018/19	98.7	61.0	61.7	43.5	7.4	7.0	279.3
2019/20	97.8	65.4	57.0	44.4	7.6	6.8	278.9
2020/21	81.7	61.6	52.7	40.4	7.4	6.4	250.3
% change y-o-y	6.9%	-2.5%	-11.0%	-2.0%	13.2%	-9.6%	-0.9%

- A graphical representation of the AWTA Key Test Data changes in fibre diameter (MFD), vegetable matter (VM), staple length (SL), yield (YIELD), staple strength (SS) and hauteur (TEAM 3 H) between 1 July to 31 March from the 2000/01 season to the 2020/21 season is shown in Figure 4.
- On each graph the red dot represents the mean value of each characteristic for the 2020/21 season to the end of March while the blue dot represents the mean for the corresponding period in the 2019/20 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 2020/21.
- 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 2020/21 season, while the blue line is the mean for the 2019/20 season.
- On a national basis, compared with the 2019/20 season to the end of March, fibre diameter was up 0.2 microns to 20.8 microns with increases in both staple length (up 2.9 mm to 89.0 mm) and staple strength (up 1.5 N/ktex to 33.8 N/ktex) (Figure 4a). Vegetable matter was up 0.2% to 1.9%, yield was up 1.5% to 64.2% and predicted hauteur was longer at 72.3 mm, up 2.4 mm (Figure 4b).

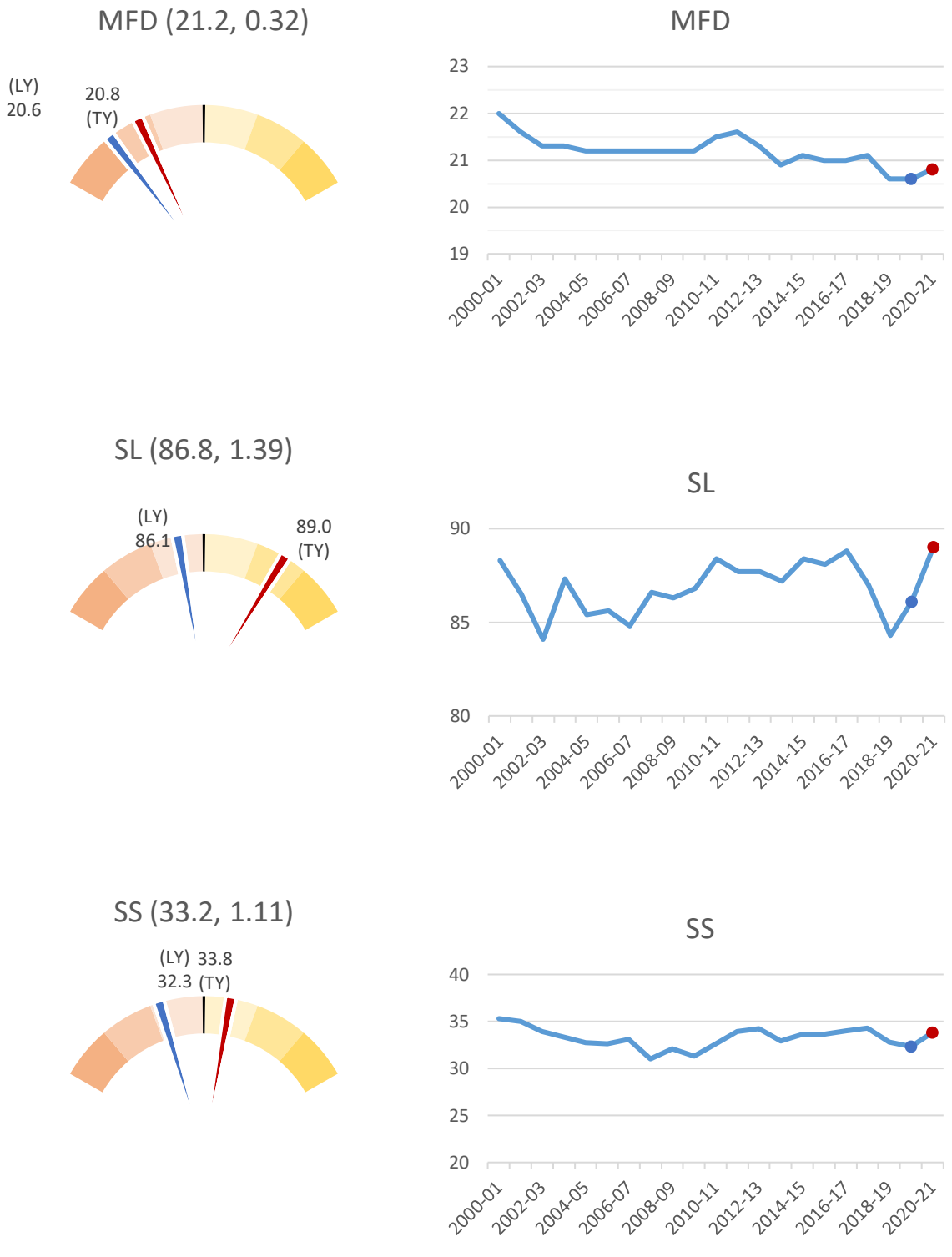


Figure 4a: AWTA Key Test Data (by sampling site) fibre diameter (MFD), staple length (SL) and staple strength (SS) for the Australian wool clip from 1 July to 31 March for the 2000/01 to 2020/21 seasons

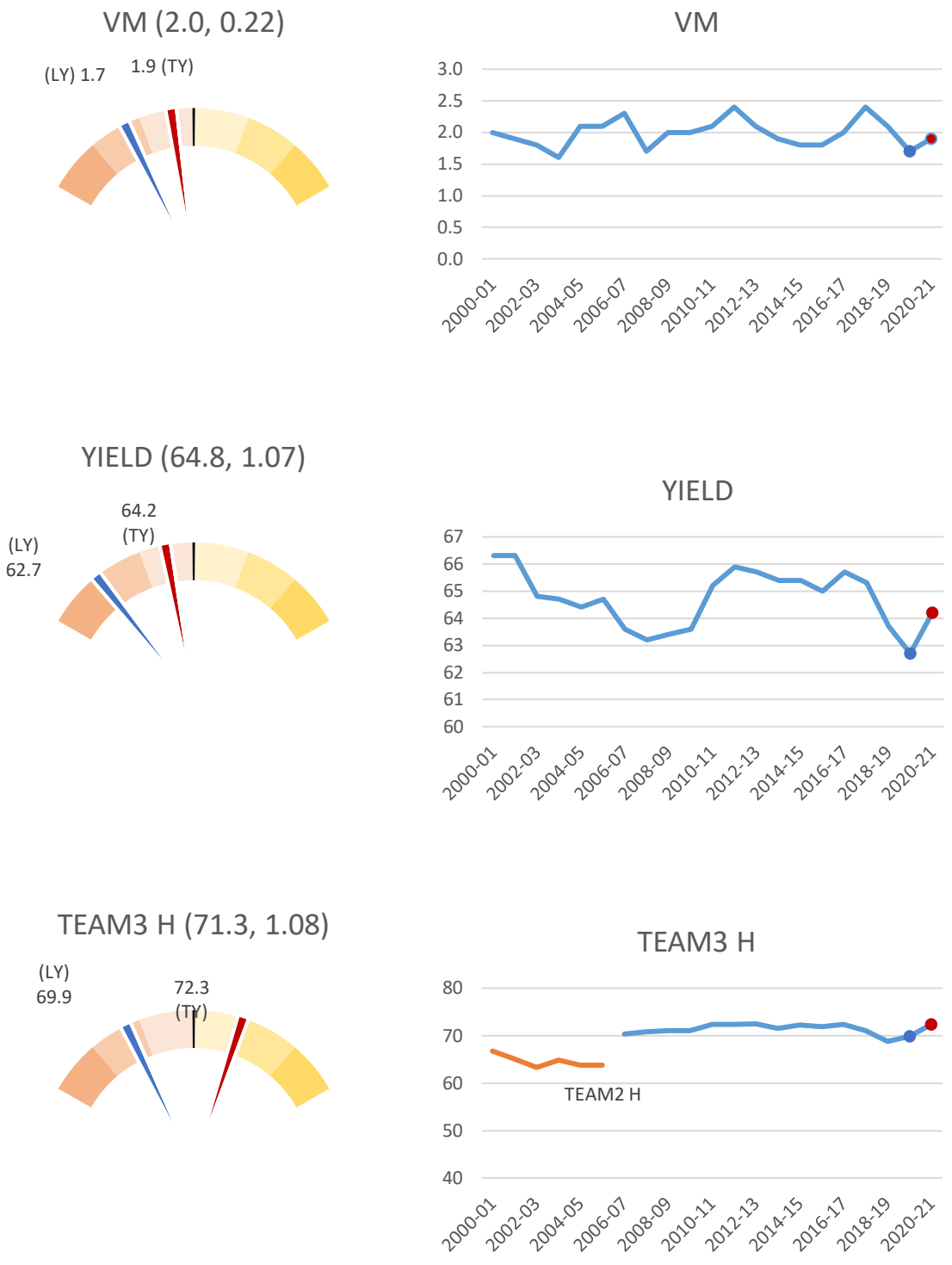


Figure 4b: AWTA Key Test Data (by sampling site) vegetable matter (VM), yield (YIELD) and TEAM 3 H (TEAM 3 H) for the Australian wool clip from 1 July to 31 March for the 2000/01 to 2020/21 seasons

AWEX auction statistics

The AWEX auction statistics for the 2020/21 season to the end of week 40 (2 April 2021) (Table 5) show an increase in first hand wool offering volumes compared with the same time period in 2019/20.

- First hand bales offered (i.e. excluding reoffers) for Australia were 11.3% higher during July to March compared with the same period in 2019/20.
- Large increases were evident in each state. New South Wales was up 17.4%, Tasmania up 13.0%, Victoria up 12.0%, South Australia up 6.8%, Western Australia up 4.8% and Queensland up 3.0%.
- There was a 15.6% increase in the volume of first-hand Merino wool offered across Australia, and a 5.7% decrease in first-hand Crossbred wool offered. The share of Merino wool of all first-hand offered wool was 82.8% in 2020/21 compared with 79.8% for the same period in 2019/20.
- There was a 5.0% decrease in the volume of 'Prem-shorn' Merino fleece wool between July 2020 and March 2021 (11.6 mkg) compared with the same period in 2019/20 (12.8 mkg).
- As a percentage share of the total, 10% of Australian first-hand bales offered were prem shorn between July 2020 and March 2021. On a state-by-state basis this ranged from 14% in South Australia to 4% in Tasmania.

Table 5: AWEX Auction Statistics for the 2020/21 season to the end of week 40

2020/21	NSW	VIC	WA	SA	TAS	QLD	AUST
First hand bales offered (% change on 2019/20)	17.4%	12.0%	4.8%	6.8%	13.0%	3.0%	11.3%
Merino first hand offered (% change on 2019/20)	22.5%	17.5%	6.2%	13.5%	21.8%	4.2%	15.6%
Crossbred first hand offered (% change on 2019/20)	-0.8%	-0.2%	-17.6%	-20.0%	-6.9%	-46.2%	-5.7%
Merino first hand offered (% share)	81.4%	72.2%	95.2%	85.1%	74.7%	98.8%	82.8%
Crossbred first hand offered (% share)	18.6%	27.8%	4.8%	14.9%	25.3%	1.2%	17.2%
Merino First Hand 'Prem' Shorn Fleece							
Weight (mkg)	4.4	1.6	2.3	2.9	0.1	0.3	11.6
% share of total	10%	8%	10%	14%	4%	7%	10%
% change on 2019/20	0%	0%	-12%	-12%	-25%	-6%	-5%

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

The ABS provide data on wool receivals and sheep and lamb turnoff.

Wool receivals

National wool receivals for July to December 2020 were lower compared with the same period in 2019/20 (Table 6):

- Wool receivals for Australia fell by 4.5% up to December 2020 which is higher than the AWTA test data but lower than the AWEX first-hand offered data (note the latter are both to the end of March 2021).
- Wool receivals for July to December 2020 were the lowest for the past six seasons and 21.8% below the five-year average.
- Wool receivals decreased in all states except for South Australia (up 1.0%) and Victoria (up 0.7%). The largest falls occurred in Western Australia (down 16.6%), Queensland (down 9.1%), New South Wales (down 2.9%) and Tasmania (down 1.3%).
- Wool receivals over the period (July to December) in all states remain below the five-year average.

Table 6: ABS Wool Receivals data

mkg	NSW	VIC	WA	SA	TAS	QLD	AUS
2015/16	58.892	52.252	39.428	30.712	4.764	2.403	188.451
2016/17	60.531	53.633	46.368	31.265	3.791	2.551	198.139
2017/18	59.490	56.891	47.356	30.981	3.939	2.853	201.510
2018/19	49.149	50.605	39.188	26.947	3.171	2.399	171.459
2019/20	43.842	41.568	34.333	23.722	3.331	2.013	148.809
2020/21	42.576	41.848	28.622	23.967	3.288	1.830	142.131
% change 2020/21 vs 2019/20	*-2.9%*	*0.7%*	*-16.6%*	*1.0%*	*-1.3%*	*-9.1%*	*-4.5%*
Five year average *2015/16 to 2019/20*	54.381	50.990	41.335	28.725	3.799	2.444	181.674
% change 2020/21 vs 5 year av	*-21.7%*	*-17.9%*	*-30.8%*	*-16.6%*	*-13.5%*	*-25.1%*	*-21.8%*

Sheep turn-off

Australian sheep and lamb turn-off statistics for the 2020/21 season to the end of December 2020, sourced from the ABS, covers sheep slaughter, lamb slaughter and live exports and is compared with the equivalent period in 2019/20 and the five-year average for 2015/16 to 2019/20 July to December (Table 7):

- The ABS data shows a 46% decrease in sheep slaughter and a 3% decrease in lamb slaughter during July to December 2020 compared with the same period in the previous season.
- The number of live sheep exported from Australia decreased by 51% during this time.
- Total turnoff of sheep and lambs between July and December 2020 was 18% lower compared with the same period in the previous season and 21% below the five-year average for the same period.

Table 7: ABS Sheep turn off data for 2020/21 – July to December 2020

Parameter	Financial year to-date			5-yr FYTD	
	July 2019 to December 2019	July 2020 to December 2020	% Δ	Avg	%Δ
Sheep slaughter ('000 hd)	4,990	2,703	-46%	4,462	-39%
Sheep weights (kg/hd cwt)	10.2	11.4	12%	11.0	4%
Mutton production (tonnes cwt)	51,103	30,874	-40%	48,950	-37%
Lamb slaughter ('000 hd)	10,262	9,991	-3%	11,055	-10%
Lamb weights (kg/hd cwt)	10.6	11.5	9%	10.4	11%
Lamb production (tonnes cwt)	108,485	114,600	6%	114,437	0%
Live exports (Year to Dec- 2020) ('000 hd)	482	236	-51%	781	-70%
Total Turnoff ('000 hd)	15,733	12,930	-18%	16,298	-21%

Bureau of Meteorology (BoM) seasonal rainfall seasonal outlook

Seasonal conditions have improved across many of the main sheep growing regions of Australia in 2020/21 with rainfall deciles between 1 July 2020 and 31 March 2021 being average or above average across most of the country (Figure 5). For the first nine months of the 2020/21 season, the driest regions of the country include the south east of Western Australia, the south east of South Australia, parts of north west Victoria, eastern Queensland and the western regions of Tasmania.

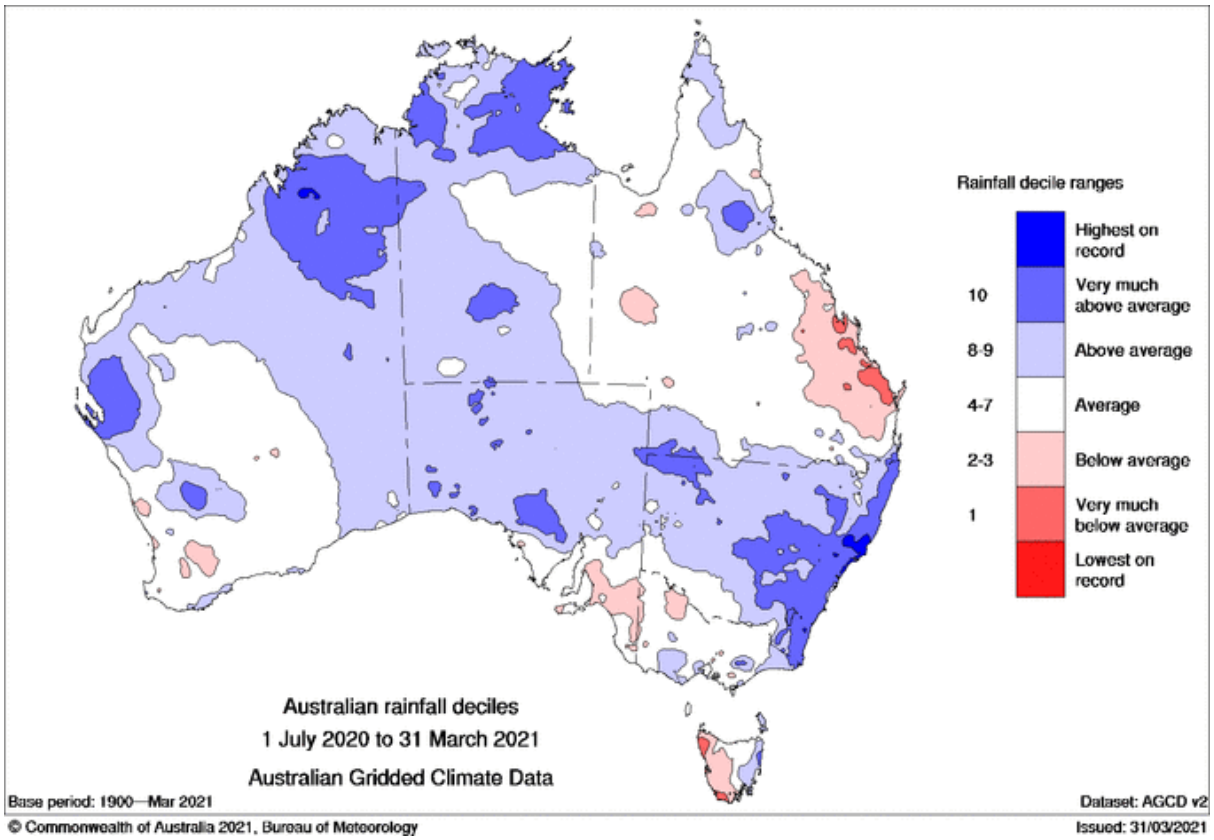


Figure 5: Australian rainfall deciles, 2020/21 season to date (1 July 2020 to 31 March 2021)

The rainfall deciles since the December 2020 report (Figure 6) show above average rainfall throughout much of New South Wales, except the south west region, the South Australian pastoral region, most of Victoria and much of the agricultural region of Western Australia and south east Queensland.

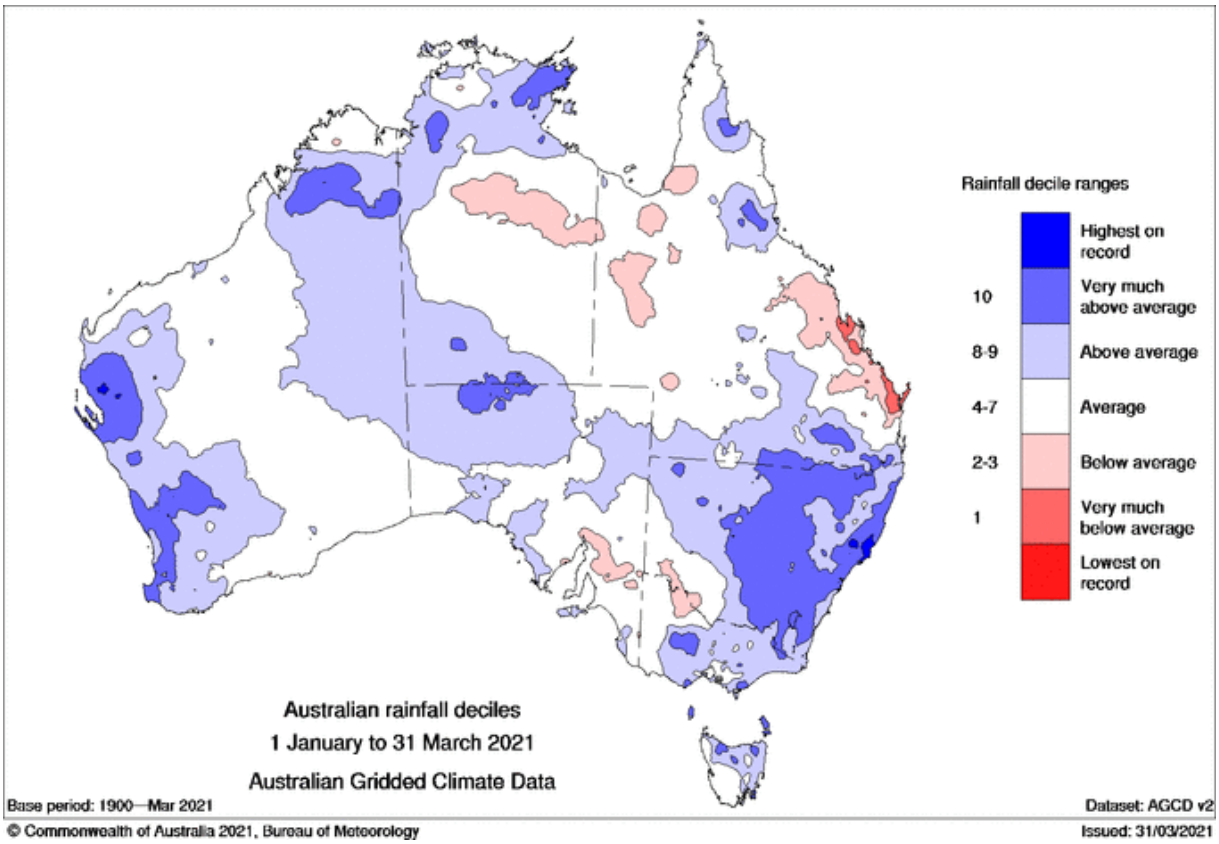
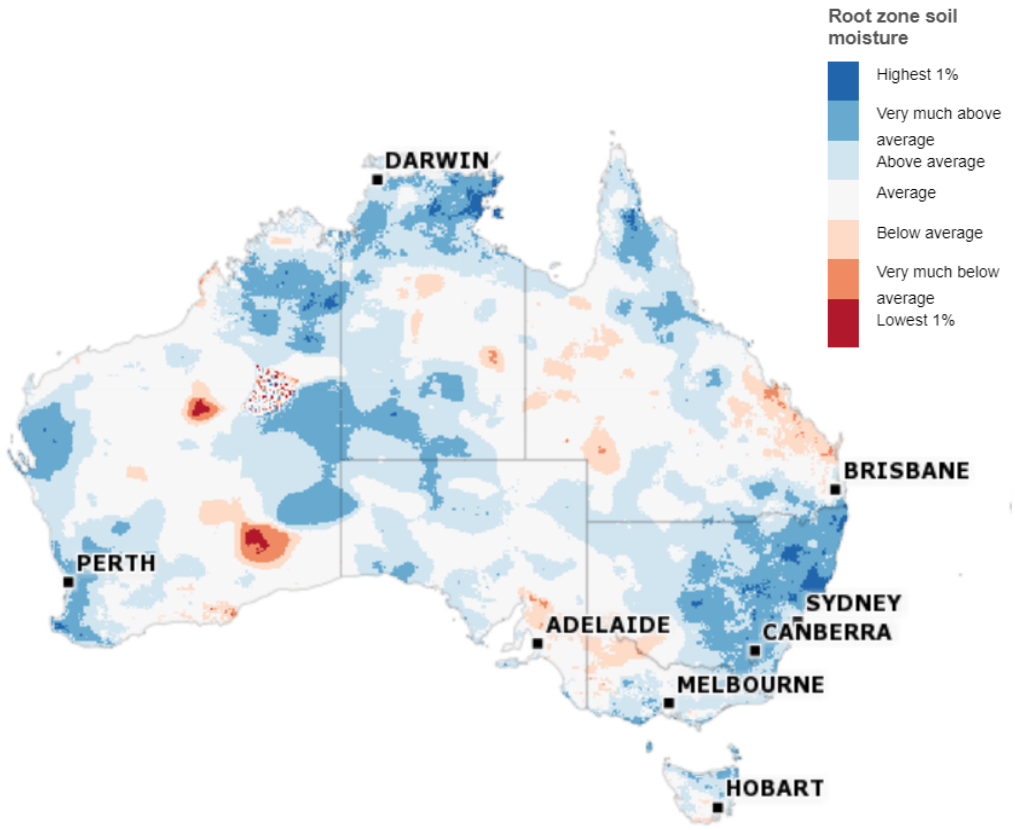


Figure 6: Australian yearly rainfall deciles since the December 2020 report (1 January to 31 March 2021)

The net impact of this rainfall for the season to date has seen a significant improvement in the landscape water balance (Figure 7a) compared with the same period during the 2019/20 season (Figure 7b).

a)



b)

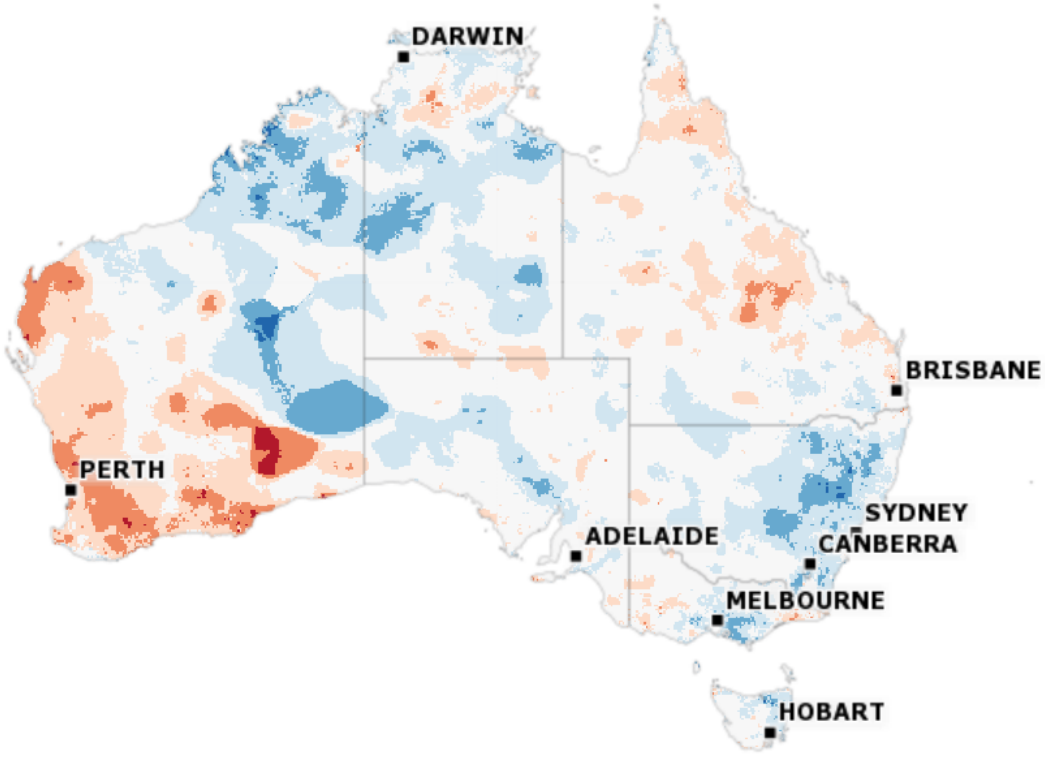


Figure 7: Australian landscape water balance, a) 2020/21 year-to-date 7 April 2021, b) 2019/20 season to 7 April 2020

In its update on 8 April 2021, the Bureau noted that rainfall for the May to July period was likely to be below average for large areas of northern and eastern mainland Australia. In May, the drier than average pattern also covers southern areas, with a drier month likely for much of the tropical north, Central Australia, and parts of the southern mainland of Australia (Figure 8). May to July maximum temperatures are likely to be warmer than average Australia wide (Figure 9). Minimum temperatures for May to July are likely to be warmers than average for the northwestern half of Australia, and across much of far southern Australia. The El Niño-Southern Oscillation is neutral, as are most other climate drivers.

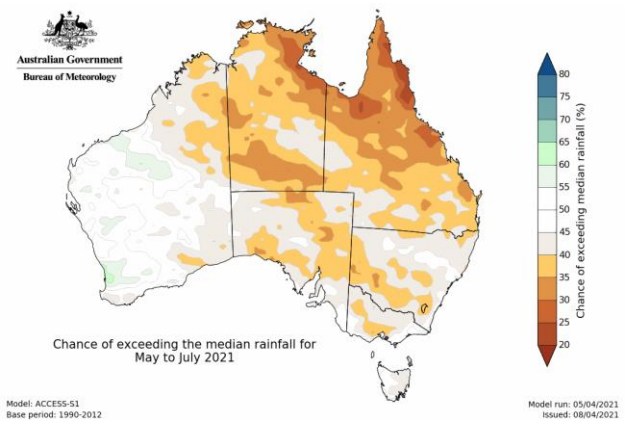


Figure 8: Chance of exceeding median rainfall (May – July 2021)

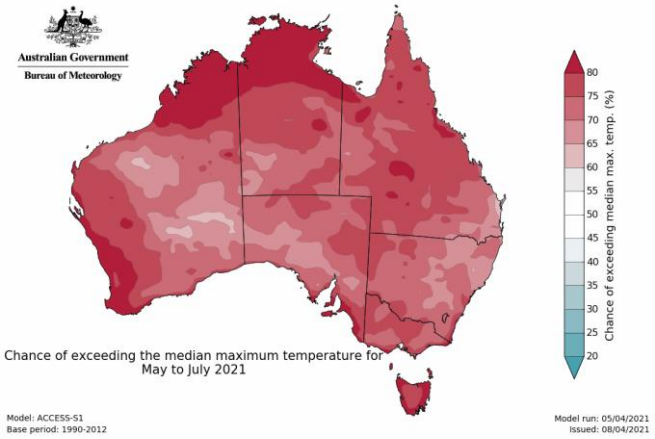


Figure 9: Chance of exceeding median maximum temperature (May – July 2021)

Results from the MLA and AWI Wool and Sheepmeat Survey

The results from the survey conducted during February 2021 indicate that approximately 90% of sheep producers in each stage intend to either maintain or increase the size of their ewe flock. Of those producers intending to increase their ewe flock number, most (59%) will do so be retaining more replacement ewes than normal.

Similarly, most producers expect to cut either the same or higher fleece weights in 2020/21 compared to 2019/20 from their ewes, wethers and lambs.

State Committee input

The following provides a summary of seasonal conditions and wool production forecast in 2020/21 in each state as reported by the AWPFC state committees in April 2021. The state committees reported that seasonal conditions continue to be favourable for sheep and wool production.

<u>New South Wales</u>

Seasonal conditions are mostly excellent around NSW, with only 7% of the state remaining impacted by drought in some form. Average wool cuts are improving (up 10%) due to abundant feed availability and low stocking rates resulting from low sheep numbers. However, some flooding in the central west and western regions may see wool cuts plateau. Wool producers continue to rebuild ewe numbers, although few wether lambs are being retained due to high lamb prices. Purchase and transport of scanned-in-lamb ewes and crossbred lambs (to finish) from WA continues. Body strike was a significant issue over summer (even in plain breeched sheep) and has not been slowed by the recent cooler weather. Some shearing has been

bought forward to deal with increased flystrike. Lambing and weaning percentages during the season have been good.

Regular movement of wool stock held on farm into store has occurred and is expected to continue up to June 30. A disproportionate amount of crossbred wool has moved into store with little fine Merino wool being held on-farm. Shearer shortages have delayed shearing, although it is beginning to catchup (now about 2 weeks behind), as contractors can secure shearers from SA and WA.

The New South Wales Committee's fourth forecast of shorn wool production for 2020/21 is 98.34 mkg, up 4.3% on 2019/20.

Victoria

A good season is occurring across most of Victoria. Western Victoria is having a good season, with rain falling at the right time producing good feed availability. Ewes are in good condition and wool cuts are expected to be about 10% higher. Shearing is about 1 month behind in western regions. Central Victoria has experienced the equivalent of two good springs, with spring-like conditions occurring during autumn. and wool cuts are expected to increase. Younger sheep are experiencing significant problems with worms due to the wetter spring and autumn which has decreased growth rates and will reduce wool cuts. The Gippsland region continues to improve with fleece weights expected to increase. North of the divide has been dry as no rain fell during March and April. The northwest of the state is still in drought. Some January rain occurred which topped up stock water supplies but did not generate a lot of paddock feed. Wool cuts are expected to decrease in the north.

Generally, most sheep are in good condition. Flystrike has been a significant issue in many regions approaching levels last seen during 2010/11. Shearer availability continues to be an issue with shearing still 2-3 months behind in those regions which rely on New Zealand shearers. Composite producers in mixed farming systems are reportedly holding wool (shorter downs type) on-farm. High crop and lamb income will see this wool held over into the new financial year.

The Victorian Committee's fourth forecast of shorn wool production for 2020/21 is 68.38 mkg, up 8.2% on 2019/20.

Western Australia

Most agricultural areas are having an average season with good feed availability. The recent cyclone and associated rainfall across most of the state has replenished on-farm water stocks in most regions and benefitted paddock feed that had germinated 3-4 weeks prior on the back of earlier rain. Cattle numbers are increasing, but these are not run-in competition to sheep. Most WA sheep are run in the cereal belt and directly compete with crop production. Northern regions are a mixed bag, with some producers receiving a lot of summer rain, keeping ewe numbers stable and similar to the average. Scanning results in the northern region have been average to above average. The early April cyclone caused significant damage to infrastructure (sheds and fencing) on hundreds of properties.

Shearing has caught up, although will slow again due to sowing. Brokers report wool held on-farm is moving into store with current receivals higher than last season. Interstate movement of scanned-in-lamb ewes continues due to high prices paid by eastern states buyers. Scanned

dry ewes are being sold to local processors. Sheep and lamb weights are up indicating sheep are in good condition. Fleece weights expected to recover slightly from the previous season.

The Western Australian Committee's fourth forecast of shorn wool production for 2020/21 is 53.04 mkg, down 11.3% on 2019/20.

South Australia

Most areas in the pastoral regions have had sufficient rain to join ewes. The north west region has received good rains, with late rain occurring in the north east. The Broken Hill region is enjoying a particularly good season and sheep numbers are expected to gradually increase. The mid north and Mallee regions are beginning to dry off, producers are managing stock on available feed but are waiting on opening rains. These regions will be OK if the rain occurs. Reports of good marking rates in the Mallee. The south east, where most of the state's sheep are run remains dry, but due to a good late spring there is still a good quantity of available feed. Kangaroo Island is having a good season, although availability of shearers and shed hands has been a limiting factor leading to shearing delays. This has meant longer wool, and more bales being filled.

Across the state, sheep are generally doing better with wool cuts expected to increase compared with 2019/20. Scanning percentages are great, with reports of 130 -140% across all breeds in the south east and good results on Kangaroo Island, although some reports of fewer twins. Flystrike was an issue during spring, but was only of short duration, lasting between 2 - 3 weeks. Shearing has been later and crutching delayed due to reduced shearer availability.

The South Australian Committee's fourth forecast of shorn wool production for 2020/21 is 52.97 mkg, up 6.0% on 2019/20.

Tasmania

Autumn 2021 is shaping up well, making it the second consecutive favourable autumn in Tasmania. Nevertheless, some regions remain in summer-like conditions, due to a lack of rain in the past 5 to 6 weeks. The east coast of Tasmania continues to recover from drought and has a good feed wedge for the first time in a few years. Producers are focussed on re-building ewe numbers, with many holding an additional age group of ewes. The main joining period for Tasmania is April/May and ewes are in good body condition approaching joining following favourable spring and summer conditions which augers well for a good spring lambing.

Average wool cuts are expected to increase due to the favourable season boosting per head wool growth and an increase in adult ewe numbers. Some Merino producers retained wether lambs to shear as hoggets this season. Decreased lamb slaughter will result in fewer lambs shorn prior to shipping to the mainland for slaughter and decrease the impact of lower lamb fleece weights on the overall fleece cut. Some small shift to crossbred lamb production is expected due to the high prices for lamb. Crossbred ram sales have been running hot with high clearance rates and high prices paid. Crossbred shearing is currently underway with some early shorn Merino flocks also underway. Any wool shorn between now and June 30 is expected to be sent straight to store and not held on farm.

The Tasmanian Committee's fourth forecast of shorn wool production for 2020/21 is 10.80 mkg, up 20.0% on 2019/20.

Queensland

Widespread, albeit patchy, rainfall fell throughout most of the state between November and January and has produced the best spring and summer season for the past 8 years. On those properties that received rain, sheep are in good condition and generally have a good feed wedge in front of them. The good season is producing a resurgence of pasture weeds, with some reports of weed issues impacting on sheep production. Northern regions have begun to dry off and sheep on agistment are being moved on. Some properties in the north are being sold and transferred into goat or sheepmeat production, away from Merinos. Conception rates have been good (90% of ewe joined are pregnant) and early lambing results have been good.

Fleece weights are expected to increase as feed quantity is good, however the increase in fleece weight will be tempered by the younger age of the State's flock – there are fewer older age groups. Some shearing is underway in northern regions, this wool is expected to head to stores prior to June 30. Low sheep numbers will continue to constrain any increase in shorn wool production. Per head production increases from the favourable spring and summer will flow into the new season.

The Queensland Committee's fourth forecast of shorn wool production for 2020/21 is 6.52 mkg, down 12.7% on 2019/20.

Appendix

Table A1: Comparison of the fourth forecast for 2020/21 against the final estimates for 2019/20 and 2018/19

2018/19 Final Estimate	NSW	VIC	WA	SA	TAS	QLD	National
Sheep Numbers Shorn (million)	24.8	16.7	14.6	11.8	2.4	2.2	72.5
Average Cut Per Head (kg)	4.00	4.00	4.25	4.60	3.78	3.65	4.13
Shorn Wool Production (mkg greasy)	99.1	66.9	62.2	54.3	9.0	8.1	299.6

Change (%)	NSW	VIC	WA	SA	TAS	QLD	National
Sheep Numbers Shorn	-9.6%	4.6%	-2.9%	5.3%	-4.1%	4.9%	-2.3%
Average Cut Per Head	-13.0%	-5.2%	-9.9%	-10.9%	1.7%	-9.1%	-9.8%
Shorn Wool Production	-21.4%	-0.8%	-12.5%	-6.1%	-2.4%	-5.1%	-11.9%

2019/20 Final Estimate	NSW	VIC	WA	SA	TAS	QLD	National
Sheep Numbers Shorn (million)	22.8	15.6	14.2	11.2	2.7	2.1	68.6
Average Cut Per Head (kg)	4.13	4.05	4.20	4.45	3.57	3.60	4.13
Shorn Wool Production (mkg greasy)	94.3	63.2	59.8	50.0	9.0	7.5	284.0

Change (%)	NSW	VIC	WA	SA	TAS	QLD	National
Sheep Numbers Shorn	-8.1%	-6.6%	-2.7%	-5.1%	12.5%	-4.5%	-5.4%
Average Cut Per Head	3.3%	1.3%	-1.2%	-3.3%	-5.6%	-1.4%	0.0%
Shorn Wool Production	-4.8%	-5.5%	-3.9%	-7.9%	0.0%	-7.4%	-5.3%

2020/21 Fourth Forecast	NSW	VIC	WA	SA	TAS	QLD	National
Sheep Numbers Shorn (million)	21.6	16.1	12.2	11.0	2.7	1.8	65.5
Average Cut Per Head (kg)	4.55	4.25	4.35	4.80	3.95	3.65	4.43
Shorn Wool Production (mkg greasy)	98.3	68.4	53.0	53.0	10.8	6.5	290.0

Change (%)	NSW	VIC	WA	SA	TAS	QLD	National
Sheep Numbers Shorn	-5.3%	3.2%	-14.1%	-1.8%	0.0%	-14.3%	-4.5%
Average Cut Per Head	10.2%	4.9%	3.6%	7.9%	11.1%	2.8%	7.3%
Shorn Wool Production	4.2%	8.2%	-11.4%	6.0%	20.0%	-13.3%	2.1%

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

Year	Sheep Numbers (million)	Average Cut Per Head (kg)	Shorn Wool Production (mkg greasy)
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
2002-03	116.6	4.28	499
2003-04	104.7	4.53	475
2004-05	106.0	4.49	475
2005-06	106.5	4.33	461
2006-07	101.4	4.24	430
2007-08	90.2	4.43	400
2008-09	79.3	4.52	362
2009-10	76.2	4.50	343
2010-11	76.2	4.53	345
2011-12	76.4	4.48	342
2012-13	78.8	4.47	352
2013-14	78.0	4.37	341
2014-15	76.9	4.50	346
2015-16	73.4	4.43	325
2016-17	74.3	4.58	340
2017-18	76.8	4.45	341
2018-19	72.5	4.13	300
2019-20	68.6	4.13	284
2020-21f	65.5	4.43	290

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

Year	<16.5	17	18	19	20	21	22	23	24	25/26	27/28	29/30	>30.5	Average Fibre Diameter
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
2020/21e	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

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 sub-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 sub-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.