

# NWD WOOL MARKET

## WOOL MARKET IS SENDING PRICE

This is a summary of the report by AWEX CEO Mark Grave and AWEX Technical Projects Manager Dr However, the statistics in the four tables in this article have been updated to 30 June 2020.

### FAST FACTS

As a percentage of Merino wool ( $\leq 24.5 \mu\text{m}$ ) sold by auction:

- Non Mulesed wool doubled between 2011 and 2019, from 5% to 11% of the Merino clip.
- Anaesthetic/Analgesia wool increased three-fold between 2011 and 2019, from 14% to 43% of the Merino clip.
- Total declared Merino bales has risen from 48% in 2011 to 75% in 2019.

WA's adoption rate of the NWD remains behind other states.

Premiums for NM wool continue, ranging from 55 c/kg clean for 16  $\mu\text{m}$  wool to 12 c/kg for higher micron non-Merino wool.

AWEX developed the the National Wool Declaration (NWD) for Mulesing Status in 2008 in consultation with the Australian wool industry, to assist buyers and their clients gain access to information on issues that can influence purchasing decisions but cannot be measured. The NWD is voluntary, allowing growers to communicate directly with prospective buyers, processors and retailers, and this supply chain back to growers.

AWEX has collated Mulesing Status data declared in the NWD for Seasons 2008 to 2019. Below is a summary of this information since 2011. Mulesing Status is recorded as Non Mulesed (NM), Ceased Mulesing (CM), mulesed with Anaesthetic &/or Analgesic (AA) (previously Pain Relief, PR), Mulesed (M) and Not Declared (ND).

### NWD ADOPTION RATES FOR SEASONS 2011/12 TO 2019/20

Table 1. NWD Adoption Rates (% bales sold) by Mulesing Status, all breeds and wool types, first-hand offered, P and D Certificates

Season	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
MS									
NM	6	7	6	8	9	10	12	13	14
CM	2	2	2	3	3	3	3	3	4
AA (PR)	12	14	14	19	23	28	32	36	39
M	24	21	20	20	20	21	20	19	18
ND	55	55	57	51	45	39	34	30	26
Total (% Declared)	45	45	43	50	55	61	66	70	74
Total bales	1,467,058	1,589,514	1,456,151	1,598,009	1,452,077	1,617,165	1,487,894	1,349,198	1,123,924

Table 1 shows that the NWD adoption rate (NM, CM, AA and M) for all sheep breeds has increased from 45% to 74% from Season 2011 to 2019, with concomitant increases in NM, CM and AA and declines in M and ND.

Table 2. NWD adoption rates (% bales sold) by Mulesing Status, Merino  $\leq 24.5 \mu\text{m}$ , first-hand offered, P and D Certificates

Season	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
MS									
NM	5	5	5	5	6	6	8	8	11
CM	3	3	2	3	3	3	2	2	4
AA (PR)	14	17	17	22	27	32	37	42	43
M	26	22	21	21	21	21	20	19	17
ND	53	53	55	49	44	38	33	28	25
Total (% Declared)	48	47	45	51	57	62	67	71	75
Total bales	1,232,586	1,285,751	1,200,160	1,331,234	1,215,810	1,279,596	1,296,516	1,095,621	961,526

Table 2 shows that for Merino  $\leq 24.5 \mu\text{m}$ , the NM adoption rate doubled between Seasons 2011 and 2019. At 11%, it is less than all sheep breeds (14%); however, the adoption of AA is higher for Merino  $\leq 24.5 \mu\text{m}$  (43%) compared with all sheep breeds (39%).

Table 3. NWD adoption rates (% bales sold) by State, Merino  $\leq 24.5 \mu\text{m}$ , first-hand offered, P and D Certificates

Season	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
State									
NSW	51	53	53	60	67	72	75	79	85
QLD	30	39	36	40	48	53	65	75	83
SA	50	47	47	58	62	68	73	80	84
TAS	57	59	50	53	70	84	85	86	89
VIC	56	56	55	66	70	80	83	86	88
WA	35	28	24	21	24	31	35	41	44

Table 3 shows on a state-by-state basis that the NWD adoption rate (NM, CM, AA and M) for Merino wool continues to increase for NSW, QLD, SA, TAS and VIC. It is not understood why WA continues to lag at only 44%, approximately half the adoption rate of other states.

# SIGNALS 2019-20

## SIGNALS TO WOOLGROWERS

Kerry Hansford for the 2020 AWI Flystrike RD&E Technical Update.

### MULESING STATUS PREMIUMS AND DISCOUNTS FOR SEASONS 2013-19

The calculation of Premiums and Discounts (c/kg clean) for Mulesing Status requires that as many criteria as possible are held constant. The following describes the dataset used:

- Australian stored; Merino fleece/weaners and crossbred fleece
- >30 N/ktex, >60% Schlum Dry Yield, <2.2 VMB, Styles 4/5, Good/light colour (incl. H1), P Certificate
- Lengths according to diameter range: 70–95 mm (<18 µm), 75–99 mm

(19–21 µm), 83–104 mm (22–24 µm), 90–110 mm (26–29 µm), 100–130 mm (30–34 µm)

- Records per group (micron/NWD status) >2, empty cells when not enough data to generate a Premium or Discount.
- Comparison with prices for wool declared as Mulesed. B

#### MORE INFORMATION

The full report – which includes adoption rates, compliance rates, premiums and discounts, and recent changes to the NWD – is available at [www.wool.com/nwd](http://www.wool.com/nwd).

Table 4. Premiums and Discounts for Mulesing Status for Seasons 2013/14 to 2019/20

		MERINO						NON-MERINO				
		16	17	18	19	20	21	22	27	28	29	30
NON MULESED												
Season	2013/14	16	12	9	9	4	-3	2	0	-1	4	16
	2014/15	28	15	11	12	13	0	5	3	4	-3	28
	2015/16	10	15	7	8	8	1	-15	0	-1	1	4
	2016/17	14	15	30	13	21	18	-12	-1	11	-5	-1
	2017/18	36	44	57	44	36	18	-13	20	6	1	2
	2018/19	47	53	46	38	20			12	8	7	1
	2019/20	55	43	43	37	34	28	34		5	12	
CEASED MULESING												
Season	2013/14	4	14	9	-2	3	1	16	2	-4	4	4
	2014/15	11	4	-3	10	-5	-3	17	-1	5	-3	11
	2015/16	51	15	3	8	5	4	-1	2	5	-8	-3
	2016/17	1	21	15	5	5	3	8	30	9	-20	20
	2017/18		68	8	19	4	0	-10	-8	4	-5	5
	2018/19		53	21	-1	3				15		9
	2019/20	37	29	37	-1	4	12			3	4	
MULESED WITH ANAESTHETIC &/OR ANALGESIC												
Season	2013/14	0	2	0	3	0	3	-15	16	-9		0
	2014/15	11	6	-2	1	-1	-4	1	3	0	-1	11
	2015/16	2	2	-4	0	1	0	2	8		9	14
	2016/17	6	-1	6	1	3	4	0	14	19	-11	12
	2017/18	24	4	5	8	1	3	1	27	6	-2	-1
	2018/19		3	0	2	3	2	-2	0	13	23	
	2019/20	18	15	12	0	1	-1	6	18	0	-3	
NOT DECLARED												
Season	2013/14	-2	2	-1	0	0	0	-4	-4	3	-3	-2
	2014/15	5	4	-4	0	-1	-4	-2	-4	0	-2	5
	2015/16	8	5	-2	-4	-4	0	0	-6	-4	-2	-2
	2016/17	-1	6	1	-12	-7	1	-3	1	0	-2	1
	2017/18		6	11	-9	-4	-2	-9	-8	-2	-9	0
	2018/19		2	-4	-8	-2	-5	-3	-21	-8	-10	-18
	2019/20	-12	-3	-1	-6	-4	-3	-10	-12	-11	-6	

From Table 4, Season 2019 sees the continuation of premiums for NM wool, ranging from 55 c/kg clean for 16 µm wool to 12 c/kg clean for higher micron non-Merino wool. With variation around these mean values, some wools will achieve higher premiums and some lower or non-existent. Premiums for CM status are evident but less strong compared with NM. The values recorded for AA and ND show trends but may not be significant.