

## **Opening Statement: AWI Chairman George Millington**

- Some much-needed good news for Australia's woolgrowers over the last twelve months with better prices, seasonal conditions have varied dramatically from bushfires in WA and Victoria to extremely high temperatures in late January across parts of NSW, Victoria and South Australia.
- The overall rise in prices for wool over the last twelve months is 38% and 67 per cent for broad wool.
- This improvement -- which puts more dollars in the pocket of growers is due to a supply crunch and increasing demand from major customers including China and Europe.
- The most recent Sheep Producer Intentions Survey sees a 38-point improvement in sentiment among woolgrowers to a positive score of 19.
- My home state of South Australia leads the bounce back to a positive score of 38. This follows the worst seasonal conditions in a century.
- We are being told by international brands they want sustainable fibres and Australian wool is the best natural fibre but we need to see that to flow through to even higher prices.
- In Europe moves to crackdown on unnatural fibres could backfire and product labelling laws may give wool a rating worse for the environment than a synthetic fibre made from fossil fuels.
- We are working with the industry and DFAT to right that wrong.
- At the same time some good news in terms of on-farm research. The bioharvesting work we are doing with The University of Adelaide is going well, work continues on a vaccine against fly strike and there are some promising developments there.