

Diazinon Review

- Diazinon and other Ectoparasiticides have been under review due to OHS issues for operators and wool handlers. Diazinon has been found to not meet operator safety levels following current label application instructions. Therefore the APVMA are bound to deregister its use unless safe application can be demonstrated.
- Diazinon however is an important ectoparasiticide for the wool industry, particularly for lice control, and has the additional benefit of having low wool residue levels which is set to become increasingly important.
- At a diazinon/sheep ectoparasiticide workshop in December 2005 the APVMA indicated that both the diazinon Preliminary Review Report (PRF) would be released for public comment in April 2006. However the diazinon PRF has now been delayed until the third quarter of 2006, to enable further expert consideration of some of the issues discussed at the workshop.
- There is a new regulatory system being analysed to facilitate the use of restricted chemicals following obtainment of recognised qualifications i.e. a higher level of training. This is an avenue that is being examined by the Wool and Ag Chemicals Committees as an option to retain Diazinon under certain applications.

WoolPoll 2006

- A WoolPoll will be conducted this year in order to gauge support for various options surrounding the rate and use of grower levy funds. The Association has successfully nominated Michael Nicholls to the WoolPoll Panel. Michael has sat on the two previous WoolPoll Panels.
- Whilst at this stage it is not yet known what the future of the The Woolmark Company will be, irrespective it is expected that AWI undertake a greater marketing role for the industry.
- Other industry groups have called for the levy to be split equally between marketing and R&D at 1% each. The Wool Committee believe it preferable however to allow the Board the flexibility to consider the most appropriate level of each activity due to the ever fluctuating requirements and opportunities available in each area. That is a structure similar to Meat and Livestock Australia.
- A paper is being drafted which describes the performance of AWI over the three years since the last WoolPoll and the WoolPoll 2006 Panel are currently working on their levy options paper for this years poll.
- The Wool Committee will be analysing these papers and then preparing and dissemination recommendations to our producer members on how to vote in WoolPoll 2006.
- WoolPoll 2006 concluded on 3 November 2006, the result was announced at the Australian Wool Innovation AGM on 14 November 2006. The main results were as follows
 - The levy that wool producers pay when they sell their wool is to stay at the current 2% level
 - The 2% option received more then 55% of the primary vote, negating the need to use a preferential system.
 - More the 50% of avaiable votes were lodged
 - There was a resounding 'yes' vote for both of the supplementary questions
 - 57% of NSW votes were for the 2% option

Future of Australian Wool Services

- The future role of Australian Wool Services (AWS), holder of The Woolmark Company is currently being examined due to its ongoing financial difficulties which are limiting the extent to which it can service its shareholders.
- The Association, through WoolProducers, is being involved in consultation on what industry's views are on the future role for the company. The Association believes there is a need to protect Australian wool growers' intellectual property in AWS whilst better utilising assets to the benefit of shareholders, including addressing gaps in marketing activities.
- This issue of the future of AWS will come to the fore in the coming months. The Association will be seeking feedback from members as to what they feel the Woolmark label is worth to industry.

National Mulesing Accreditation Program (NMAP)

- The NMAP is due to be rolled out by the end of 2006 with all mulesing contractors required to be accredited after this time. Through lobbying the Association has had the deadline for producers to be accredited extended to the end of 2008.
- In the lead up to the deadline the Association is hoping that suitable mulesing alternatives will be on the market and it is expected that the 'mulesing clips' will be available commercially by the end of 2006.

OJD

- The current *National Approach to the Management of OJD (NAOJD)* is coming to an end and consequently there is currently considerable discussion in regards to the aims and framework of any future national OJD program.
- The Wool and Sheepmeats Committees have developed a policy platform to progress this issue. This policy platform outlines the principles of what the Association will be seeking from any new program. The focus of this position is on the core areas of: research; surveillance; risk based trading; communications and funding:
 1. Research to be primarily focused on an improved vaccine
 2. Cheaper surveillance methods to be examined and surveillance activities to continue dependent upon equitable funding by Government.
 3. Risk based trading to underpin sheep movement with the elements of science based ABC scores; voluntary health statements; and prevalence areas, within flock testing and vaccination.
 4. A basic communication program.
 5. Total industry funding of \$1.6 million per annum (or \$1.1 million without surveillance activities).
- It has been signalled that there will be no government funding for a new NOJD program and therefore the Association is providing input into a review of abattoir surveillance activities to try and achieve a cheaper system.

NZ Merino

- In 2005, Australian Wool Innovation commissioned two studies in supply chains and price risk management. The Merino Company (TMC) was contracted to conduct a study assessing the viability of the New Zealand Supply Chain Business Model, and to advise on the sustainability of the model for Australian woolgrowers. Independent Commodity Services (ICS) was commissioned to complete a report on Wool Marketing and Risk Management.
- Key purposes for commissioning these studies was as an input into internal planning and strategy development processes and as a resource for interested parties in the wool processing pipeline, recognising the high level of interest in these areas.
- The Association attended a briefing this week to discuss the two studies and their recommendations, which also included state farmer organisations. AWI are seeking feedback from the industry over coming weeks and are planning to hold a workshop to discuss the recommendations from the project, and develop a working group involving industry representatives. The Association will review the detailed reports and make recommendations to members.