



# AUSTRALIAN SUPERFINE WOOL GROWERS' ASSOCIATION INC

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## ASWGA Goulburn/Yass Region Report

### March 2008

Seasonal conditions over the four months since the last Council meeting are in stark contrast to the same period the previous year. Rainfall for the period across the region has been about half the annual average and about four times that received in the same period the previous year. Despite above average rain for the period, pasture conditions remain patchy with a proliferation of broadleaf weeds taking advantage of pastures weakened by years of poor conditions. Officially about half the region is still drought declared and the remainder has been reclassified as marginal. As further evidence of the patchy response some members are continuing to handfeed. Even highly valued native pastures based on *Microlaena* and *Austrodanthonia* have been weakened with a resurgence of more drought-tolerant but less desirable *Austrostipa spp* with inherent risks of high vegetable fault and weaner unthriftiness.

With drought-affected pastures needing management for further recovery the high price of farm inputs has emerged as a concern. Fertiliser and herbicide costs have doubled and availability is uncertain. Superphosphate is already over \$400 per ton and rising. A re-analysis of a local 13-year native pasture grazing trial suggests that the current cost of superphosphate fertiliser will reduce profit by \$17 (or about 15 per cent) per hectare, assuming an application rate around 110 kg/ha. On a positive note the profit from regular use of superphosphate still comfortably exceeds the expected profit if native pasture has not been fertilised.

While strengthening wool prices have offered some encouragement for growers with steady gains before the Christmas recess continuing into the New Year until a recent sharp

correction. Whether the correction is a response to the uncertainty and recession fears in United States or sluggishness around Chinese New Year observance; growers eagerly await signs of recovery resurgence in the near future.

If current trends continue, evidence emerging from midside sampling in the region suggests that clips will be at least one micron broader than in recent years. Flock management over the period February-April will be a challenge for growers to retain high staple strength. Seasonal conditions have already contributed a higher *kTex* component to staple strength and February-April is the traditional period of minimum fibre diameter along-the-staple for the region and therefore the all-important period responsible for defining the staple strength *Newton* component. If this component remained the same as previous years staple strength would be under severe threat. For traditional August-September shorn clips there is an associated risk of a high percentage of mid-staple breaks.

Late spring and summer rainfall has also contributed to a high incidence of flystrike with reports that jetting products are not achieving expected effectiveness nor duration of protection. Weaner flocks have suffered body-strike possibly reflecting a dropping of the guard on breeding and culling standards for flystrike susceptibility over recent dry years as flocks have not been challenged by high flystrike risk conditions. Wether flocks have also suffered pizzle strike with periods of damp conditions and abundant pasture growth (even if only weeds) accentuated by low grazing pressure from reduced flock numbers. Months of intermittent rain and warm temperatures have seen the re-emergence of internal

parasites, particularly Barbers pole worm. After prolonged dry periods leading to very low parasite levels, close vigilance will be required as most sheep have not been challenged and will have low resistance levels.

Circuit sales have seen higher prices than previous years with keen restocker interest for quality superfine sheep, underpinned by a supply-conscious meat trade. In the premier superfine circuit sale in mid-November there was a 93 percent clearance of 26 000 sheep for an average of \$44 per head. With meat trade paying up to \$50 per head for superfine wethers it is an indication of the condition of the sheep and strength of meat market demand. More recent circuit sales in early February, with seasonal prospects improving, saw an average of \$60 with even aged ewes making \$70 per head. Private paddock sales are achieving similar prices.

Great Southern Supreme Merino Show and Sale (19-21<sup>st</sup> January) provided a great opportunity for members to catch up in a relaxing and worthy setting- quality sheep, air-conditioned comfort and steady rain on the roof and across the region. Wurrock Merino stud (Rokewood, Vic) took out the supreme exhibit for the third-year in a row from a field of 290 entrants representing 38 studs. Ram sales topped at \$16 000 for an average of \$2507 for the 59 rams sold from a draft of 75. This compares to an average of \$2235 for 50 rams from a draft of 94 the previous year. The 2008 results are a healthy improvement in average price and clearance rate over 2007. Local ASWGA members were prominent among the exhibitors, ribbon receivers, vendors and buyers; with members from other regions successfully competing for sheep at associated on-property sales.

The movement of the event from Goulburn to Canberra has not only provided better conditions for exhibits, exhibitors and spectators, but also has led to greater promotional coverage from media outlets.

A month later, the Royal Canberra Show (22-24<sup>th</sup> February) was held at the same venue and in the superfine categories. ASWGA Committee member, Robert Peden, Bullamalita stud successfully exhibited the champion Superfine ram in the Poll Merino section, and also champion Fine ram.

Regional Committee members continue to be appointed to positions of importance to the future of wool production. Helen Cathles has recently been appointed Chair, Invasive Animals Cooperative Research Centre. Given the cost of feral animal control identified in the recent survey of members, the opportunity firsthand to reinforce feral animal issues on the research and development agenda is timely. The Chairman has recently accepted a position on a farmer reference panel for the new Future Farming Industries Cooperative Research Centre.

With the onset of autumn, seasonal prospects in the Region are now balanced on a knife edge. Although summer rainfall has been generally average to above, soil moisture profiles are again exhausted and pasture frequently dominated by low quality species so that good rainfall over next six weeks will be crucial for further pasture recovery and to provide vital growth before frosts and low soil temperatures effectively halt pasture growth.