



# AUSTRALIAN SUPERFINE WOOL GROWERS' ASSOCIATION INC

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## **ASWGA New England Region Report**

### **November 2008**

The past few months has seen some of the highs and lows of being part of the superfine wool growing industry. After a wet summer and a dry autumn the spring has generally been generally good. This has allowed for reasonable pasture growth leaving livestock in good condition.

The wool market could be described as a different story altogether. For those lucky enough to sell wool before October, the general feeling was that the market was reasonably robust. The world economic downturn soon bought a sudden drop in prices especially in the 15 to 17.5 micron classes. The ultra fine end of the industry is holding, as well as the 18 micron types which were selling at higher prices than 16 and 17 micron wools. Many of these wool types would not be making cost of production, so it's looking like a tough year for many

superfine producers. There is a move towards alternate industries such as prime lambs and cattle, and with profitability in other industries, surpassing that of wool then this trend is likely to continue.

The high cost of fertilizer is another concern for many New England primary producers. It is reported that most people have put off fertilizer purchases because of the upward lifting of price. The price of fertilizer will be of great interest over the next couple of years.

The long term future of the Newcastle wool sale centre still hangs in the balance with the long term lease of the complex finishing and AWEX taking one of the six sales away from Newcastle.