

**Rae Young**

Thank you for the opportunity to make a submission for this enquiry. As with many other wool producers, we have serious concerns about the effectiveness and relevance of AWI, and as our peak industry body this is worrying. Attached is our submission and we hope that our voice can be heard. As levy payers, who work hard for our money and then are obliged to pay these levies, we feel we have no voice at all at the table of AWI and would like this to change. Thank you for your time Rae Young

## **AWI Performance Review - Focus Areas, 9th April, 2018**

Submission by Lindsay and Rae Young, 'Lewisham' 10567 Midland Highway, Ross, Tasmania 7209

*1. Obligations under the Statutory Funding Arrangement: Do you have concerns that Australian Wool Innovation is not meeting its obligations under the Statutory Funding Agreement 2016-2020 with the Commonwealth and the Wool Services Privatisation Act 2000?*

I don't know anything about this, which is a fault on my part as I probably should, so cannot comment

*2. Governance arrangements: Do you think the current governance arrangements are effective in running the Australian Wool Innovation and delivering benefits?*

Perhaps more transparency is required so that advantage cannot be taken with proxy votes. I think this responsibility lies with growers as well as the Board. In the past, when Ian McLaughlin held office, and when he delivered an address in Campbell Town, Tasmania, I questioned him about his facts. He was very rude, in public and not just to me, there were others too. These are bully tactics and totally unacceptable and contemptible. It stops dialogue, and bullied me into silence, so my voice and that of many others was not heard. This is my money paying someone who was just feathering his nest.

I don't think much has changed since then. I believe AWI suffers from poor governance, and if someone gets to the Board who is against their views, e.g. Mr Merriman and his clique, they will actively work to rid themselves of the person. We have lost good people, people who could have made a world of difference to our industry, through this practice. Names that come to mind are Charles Massy, Brenda Mc Gahan and Paul Cocking.

Benefits can be delivered when growers are listened to. While AWI holds this stance of pro-mulesing, a much more effective stand would be to incorporate all views on this issue. So if there are people out there who need this practice due to the way they run their sheep, then so be it, however the view of others needs to be present too. I acknowledge that recently there has been a publication to assist farmer to transition to an unmulesed flock, but it is 12 years too late, and very short on actual detail. But none the less it is a start, albeit way behind where we ought to be. We always feel ashamed of AWI and find them an embarrassment, and feel that levies should be voluntary and not statutory. If this was so more accountability may be present and governance may improve.

*3. Planned outcomes: To what degree do you consider Australia Wool Innovation is meeting industry expectations? Would you consider Australian Wool Innovation to be on track to meet its planned outcomes and targets outlined in their strategic plan 2016/19?*

They may very well meet their own targets, however as with AWI those targets are not reflective of the industry. My expectations for my industry are that we produce a fibre that is acceptable to major brands and that we will not undertake antiquated practices that get the world offside. We deal with agents along the wool production chain, various brands and bodies who have set themselves up because AWI is so inadequate, and what we need is traceability (platforms have been set up, the AME, NewMerino and MyOrigins none of which are funded with our levies but rather with outside investment) and this is what our industry requires to be at the table on the world market in to the future.

Personally we have gained Responsible Wool Standards accreditation (\$3000.00) so as we can access these emerging markets and set ourselves apart from AWI. All the time while continuing to pay our levies.

By supporting mulesing and antiquated on farm practices as opposed to meeting industry targets appears to us out here that the board feathers its own nest.

We feel that since wool prices have risen considerably with levy revenue to follow, a lot more money will be thrown around that we could better utilise on farm.

*4. Benefits: What benefits does Australian Wool Innovation deliver to you? Are there any specific barriers to you receiving these benefits?*

While there are publications (Drought Management and the newly released converting to an unmulesed flock) and collaborations (wormboss, flyboss etc) which we all find helpful and feel this is a good investment of our levies, they could likely be done at a much lower cost by engaging consultants.

The AWI board has let the Australian wool industry down with their position on animal welfare particularly mulesing and their lack of communication with growers regarding the increased preference from overseas customers and consumers for wool that has some form of environmental, social and animal welfare certification. AWI should have invested in traceability platforms with our levies, as this is what is required more and more by leading brands who purchase our wool and want this.

If as an industry we adopted a higher animal welfare standard, just as Argentina has with Prolana, everything would be considerably easier. We know that brands are moving away to other sources of wool, such as Argentine, Uruguay, South Africa and New Zealand as all of these countries produce guaranteed non-mulesed wool. Australian wool is seen as 'uncertain', and currently we are fortunate that those other countries do not produce enough wool. With Uruguay now having twenty million merino sheep, the balance will tip one day and we need to make sure our industry representative body is actually making the right calls. Which clearly AWI is not. There simply is no room for arrogance in this space.

*5. Engagement approach: Does Australian Wool Innovation engage, consult and communicate effectively? Have your views been heard by Australian Wool Innovation?*

Our views are not reflected by AWI, who consistently hold the view that poor animal welfare practices are acceptable and no changes are required. AWI has been responsible for significant damage to our industry on the world scale - funded by us, which seems incongruous. With rising numbers of high quality merino sheep in Argentina and Uruguay, who adopt industry wide high animal welfare standards, we need to make sure we are at the table in 5-10 years time, and AWI fails abysmally in this regard, putting a strong emphasis on mulesing as an acceptable practice.

From our point of view, this stance appears to suit some AWI board members and hence is adopted. By as an industry we cannot keep up with the standards of a third world country, such as Argentina who manage to adopt sound and acceptable practices in line with market expectations and demand.

***7. Collaboration with Research Development Corporation's Does Australian Wool Innovation collaborate well with other relevant Research and Development Corporations? Are you aware of joint activities between Research Development Corporations?***

They have in the past but recently there has been a shift in research and development money towards more traditional on farm practices and away from collaborating with the Cooperative Research Centre for example.

***9. Australia Wool Innovation employment practices: Are Australian Wool Innovation's employment practices appropriate, including whether the engagement of former staff as contractors is undertaken appropriately?***

Press reports regarding paying high consulting fees for past employees including Dr. Paul Swan, is a great concern.

Salaries and board member fees should be published regularly so we can determine who is paying their way and who isn't. We should get this information in every edition of on the Bale, it should be there on the first page.