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Tasmania

Like all agricultural sectors, Tasmanian wool producers have had tumultuous year.

Firstly, we endured an extended dry period that spanned nearly five seasons, the results of which will be felt for the next year at least.

This season's dry conditions hit Tasmanian farmers where it hurt. The emotional and physical ramifications were far-reaching, and the pain in the back pocket from the extra expenditure, for the likes of water and feed, was a compounding factor. The drought, and high meat prices, drove a lot of wool producers to reduce stock numbers.

And then the rains came. While, for some around the State this came as a blessing – dams were filled and previously barren pastures turned green and started to shoot. For many others however, the results were devastating – with stock losses, major infrastructure losses, incomes streams devastated and masses of debris across their farms. The potential for footrot was high but anecdotally, thanks to improved genetics and management systems in the State, incident reports were low.

The season has also seen a change in the flock dynamic in the State, with a move away from wool production to meat production. This also been enhanced by the introduction of new irrigation schemes through the Midlands, a traditional wool producing country, which has allowed for increased farm diversification. Productivity and efficiencies are an increasingly important factor in the Tasmanian farming sector.

Clip volume is decreasing and lambing percentages and conception rates, which on the improve, are not enough to bring the flock back to its former numbers without considerable effort. Sheep meat currently has twice the return of wool, but producers need to take a more long-term view of the industry as a whole and remember that prices for wool are as good as they have ever been. The long term economics of destocking or diversification need to be carefully considered as the potential for the loss of the key genetics that have made the industry great is high.

The world economy is now improving and a more favourable Australian dollar has already started to improve the outlook for the industry and there is some degree of positivity in regards to the current market direction.

Key players in the Tasmanian wool scene are stepping up and promoting the long term economic viability of the commodity. This will no doubt see a shift back to our luxury commodity that continues to be in high demand around the globe.