

Via email: [animalproducts@aff.gov.au](mailto:animalproducts@aff.gov.au)

26 February, 2026

## Introduction

WoolProducers Australia (WoolProducers) appreciates this opportunity to contribute Wool Levy Poll Policy settings consultation.

The opportunity for woolgrowers to set the rate of compulsory levy for research, development and marketing is valued by the industry. Recommendations and positions taken by WoolProducers in this submission are largely based on the comprehensive submission made into the 2020 review of WoolPoll, which is found in its entirety at **Appendix A** as it provides additional context on issues that continue to impact the conduct of WoolPoll and also how growers perceive this poll, many of which were not addressed in the recommendations of the 2020 review.

## About WoolProducers Australia

WoolProducers is the peak representative body for Australian woolgrowers, representing and advocating on behalf of all woolgrowers in the country, rather than just certain sectors. Our mission is to develop constructive and profitable outcomes for woolgrowers nationally.

WoolProducers represents the single largest body of woolgrowers through our fee-paying State Farm Organisation membership network and three democratically elected Independent Directors and is the only national organisation that can speak on behalf of the mainstream wool industry and represent the concerns and interests of all Australian wool producers. Our representation capacity includes the industry's commercial, superfine, broad wool and stud breeding sectors.

### *Question 1: Should a three-year Wool Levy Poll cycle be re-established or should a different cycle, such as a five-year cycle, be considered?*

A three-year strategic cycle is a relatively short timeframe for research and development and other longer-term projects, so on that basis WoolProducers' would support a five-year Wool Levy Poll cycle. However, this support is contingent on this cycle aligning with the five-year strategic cycle of Meat and Livestock Australia (MLA).

Research and Development Corporations (RDC) Strategic Planning cycles must be aligned wherever possible to ensure maximum collaboration and return on investment for levy payers, many whom pay levies to different RDCs.

The benefits of AWI and MLA aligning their R&D cycles would provide enormous value and efficiencies to woolgrowers/sheep producers and would be the single most effective change that would deliver tangible benefits to levy payers.

For the sheep industry, the need for strategic coordination and collaboration is obvious – wool is grown on sheep that the meat industry harvests, therefore sheep compulsory levy shareholdings largely overlap. Animal health, welfare, biosecurity, traceability, etc are common for both sectors, and both need to drive genetic gain, profit per hectare and production in general, but there is very limited strategic collaboration between the two sectors. In addition, there is the risk of one sector undermining the interests of the other.

This collaborative approach between RDCs in R&D should also be replicated in the extension and adoption fields given the nature of many agricultural enterprises that produce mixed commodities. This extension investment would be best placed being targeted at the regional level.

To be clear if this alignment between strategic cycles of AWI and MLA is not guaranteed, WoolProducers would not support a move to conducting WoolPoll every five years, as it would be viewed as a backwards step in terms of the effectiveness of compulsory levy utilisation.

### *Question 2: Which voting system should be used for the conduct of the Wool Levy Poll?*

WoolProducers supports the retention of the preferential voting system for WoolPoll, as it enables the most democratic way for levy payers to exercise their vote.

The benefits of preferential voting versus 'first past the post' (FPP) voting systems are well known, with perhaps the biggest concern with the FPP system is that it can enable an option without a clear mandate to be set as the compulsory levy rate.

Claims that the preferential voting system isn't well understood by wool levy payers are exaggerated given the utilisation of this system in the federal government election in Australia. It is more realistic to suggest that the preferential voting system is not well articulated in the WoolPoll context.

WoolProducers has not heard a valid reason to change the voting system for WoolPoll.

### *Question 3: Do you have any suggestions about how to improve the operation of the Wool Poll Panel?*

As explained at length in WoolProducers' submission into the 2020 WoolPoll Review (appendix A), for the Panel to be of real value to the process it needs to be independent of the AWI Board.

This starts with the removal of the AWI director position on the WoolPoll Panel selection committee, which is currently comprised of:

- Wool Industry Consultative Panel (WICP) Independent Chair
- DAFF representative
- AWI director

There is also no need to have an AWI director as an observer/non-voting member on the WoolPoll Panel. To date the argument for this position to exist on the Panel is for the AWI director to provide information on AWI to the other panel members, however it would be more appropriate for relevant AWI staff members i.e., the Chief Executive Officer; Chief Financial Officer, etc to provide information on an as needs basis.

It is also incumbent on the nominating organisations to ensure that their nominees are appropriately skilled and have the necessary industry knowledge to undertake this role. Currently this is not a requirement and needs to be addressed.

Making the WoolPoll Panel completely independent of AWI, will remove any real or perceived claims of interference from the AWI Board, which of benefit for all stakeholders, particularly AWI.

### *Other policy settings:*

- *Voting eligibility*

Voting eligibility (and entitlement) should be reviewed. Noting the supplementary discussion paper provided by DAFF on 13 February 2026, titled 'Cost of wool poll', WoolProducers are supportive of an increase in the threshold for voting eligibility.

Although the paper was directed at looking to save money from conducting WoolPoll, it was noted that even with the hypothetical model of \$600 of wool levy paid in three years where the reduction in the number of eligible voters was 49%, that the savings to AWI were not overly significant. But when considering that the smaller voting entitlement cohort were less likely to exercise their votes, coupled with a reflection of inflationary increases from 2003, WoolProducers are comfortable in increasing the threshold.

One query WoolProducers had was that although the modelling provided in the supplementary paper looked at threshold increases, this was based on a three-year period to obviously reflect the current frequency, therefore it is assumed that if the frequency of the conduct of WoolPoll is pushed out to five-years, that voter eligibility would be based on that timeframe. For example, using the \$200 per three-year example, when extrapolated out to five-years this would equate to \$333 of levies paid for eligibility. If this is the case, would the frequency of WoolPoll would need to be determined before a threshold amount would be determined?

#### - *Voting entitlement*

Modelling for voting entitlement could also be conducted, including various models on one vote per different levy payment thresholds of total levies paid (adjusted for inflation and three v's five-year frequencies), along with different vote intervals, for example one vote per eligible levy paying enterprise for comparison purposes.

While it is noted that there is a high level of comfort with the weighted voting model currently in place as it allows those who pay more money in levies to have more influence over the outcome, if there was a way of making levy payers value their votes more, it would be anticipated that this should have a positive impact on voter turnout leading to a more democratic process

#### - *Prescribed levy rates for the ballot paper*

The levy rate options should be capped at four, with the current prescribed rates of nil rate, the current rate, a rate 0.5 points greater than the current rate and a rate of 0.5 percentage points less than the current rate. The nil rate option must remain an option.

There should be no optional provision for AWI to recommend an additional rate, as this automatically politicises the process.

The Regulations should also remove the requirement for AWI to make a recommendation on a levy rate preference, as it interferes with the aim of having WoolPoll as a truly democratic process. It also places the AWI Board in an inappropriate position of having to recommend a high levy rate in order to meet their fiduciary duties to the company versus making a recommendation of what may be in the interests of their levy payers, which further adds to the politicisation of the WoolPoll process.

#### - *Minister to approve forms*

WoolProducers holds no formal position regarding the requirement for the Minister to approve the ballot-paper, voting instructions and information memorandum, however insists that there needs to be some form of Ministerial or governmental oversight to ensure that the process has been run in accordance with the Regulations.

*Appendix A*

*WoolProducers submission into the 2020 Review of WoolPoll  
Regulations*

# Review of WoolPoll

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WOOLPRODUCERS  
AUSTRALIA

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Agriculture Innovation Section  
Department of Agriculture  
GPO Box 858  
Canberra ACT 2601

25 May, 2020

To Whom It May Concern,

WoolProducers Australia welcomes the opportunity to provide a submission into the Review of WoolPoll. As the peak industry council representing the interests of Australia's 60,000 woolgrowers, our submission is focussed on ensuring the needs of the wool industry are represented in this consultation.

WoolProducers believes that the WoolPoll process is a suitable mechanism that enables wool levy payers to vote for an appropriate levy to go towards research and development and marketing. However, there is also acknowledgement that this process could be enhanced by making a number of changes to the process.

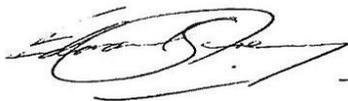
After careful consideration of the WoolPoll Review Discussion Paper, WoolProducers have made a number of recommendations of how to improve this process.

Our membership is comprised of the industry's commercial, superfine, broad wools and stud breeding sectors. WoolProducers is nationally representative through our State Farming Organisation members and three democratically elected Independent Directors.

WoolProducers' work includes the provision of advice to Animal Health Australia and State and Federal Governments on behalf of the wool industry on a day-to-day basis through representation on national animal health and welfare committees. WoolProducers works closely with the Department of Agriculture and Water Resources on key issues such as animal health and welfare, biosecurity, pest management control, natural resource management, drought preparedness, emergency animal disease outbreak preparedness, and industry development, including research and trade.

Should you wish to discuss our submission further, please contact WoolProducers Australia CEO, Ms. Jo Hall on 0488 554 811, or via email ([jhall@woolproducers.com.au](mailto:jhall@woolproducers.com.au)).

Yours Sincerely,



Edward Storey  
*President*  
WoolProducers Australia

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## List of recommendations

**Recommendation 1:** That the frequency of WoolPoll is extended to 5 years, contingent on the process being made more robust.

**Recommendation 2:** The addition of a mechanism to the Regulations that can trigger a Poll outside of the prescribed timeframe, for example the collection and presentation to the Minister of 1,000 signatures of eligible levy payers.

**Recommendation 3:** Alignment of AWI's 5-year strategic cycle with Meat and Livestock Australia 5-year strategic cycle. This will include realignment of WoolPoll in the interim to meet the established 5-year MLA strategic cycle.

**Recommendation 4:** The WoolPoll process must be made independent of AWI.

**Recommendation 5:** The WoolPoll Panel must have the authority to be a decision-making body, not an advisory Panel.

**Recommendation 6:** The continuation of the WoolPoll Panel Selection Committee, without the inclusion of an AWI director.

**Recommendation 7:** The Chair of the WoolPoll Panel must be appointed by industry i.e. the Wool Industry Consultative Panel.

**Recommendation 8:** The WoolPoll Panel must have the authority to determine the levy rate options to be put to growers.\*

\*Dependent on outcome of Recommendation 14

**Recommendation 9:** The WoolPoll Panel must be the only body to liaise with the returning officer during the voting process and any discussions must remain completely confidential to the Panel excluding any AWI director that may be sitting on the Panel.

**Recommendation 10:** The WoolPoll process/mechanism cannot be used as a key performance indicator of the AWI Board's performance.

**Recommendation 11:** Investigation into alternative communication mechanisms with levy payers to replace the current WoolPoll Roadshows

**Recommendation 12:** The WoolPoll Panel should be charged with presenting information to wool levy payers during the WoolPoll Process.

**Recommendation 13:** The status quo should remain for the eligibility of levy payers to vote in WoolPoll.

**Recommendation 14:** Consideration should be given to limiting the levy rate options to a maximum of four. Including 0%, status quo and 0.5% above and below the status quo.

**Recommendation 15:** The preferential voting process must be made more prominent in the Voter Information Memorandum, to better inform levy payers of this process.

**Recommendation 16:** AWI should be prohibited from making a levy rate option recommendation during WoolPoll, to decrease the politisation and potential for conflict of interest.

**Recommendation 17:** The AWI Board should continue to make the split between R&D and marketing under the general services levy model.

**Recommendation 18:** Investigation into the merit of alternative levy models could be pursued.

## WoolProducers Australia Background

WoolProducers Australia (WoolProducers) plays a critical role in working closely with companies and entities funded by woolgrower funds including compulsory levies or fees for service. Our mission is to develop constructive and profitable outcomes for woolgrowers nationally. WoolProducers is responsible for appointing a director to both the Australian Wool Exchange and the Australia Wool Testing Authority, promoting good corporate governance and ensuring that the interests of growers are met.

WoolProducers has an informal relationship with Australian Wool Innovation as the voice of woolgrower shareholders. We aim to constructively contribute to AWI's programs for the benefit of growers, promoting responsible use of levy funds and ensuring good corporate governance. Essentially, WoolProducers acts as the Industry Representative Body on behalf of Australian woolgrowers, as there is no other industry representative body in the wool industry that has the capacity or objectives to work in the interests of all woolgrowers. We do this by providing scrutiny of AWI strategies, projects, research, development and extension, although we are not prescribed in legislation to fulfil this responsibility. It is in good faith that we expect AWI to acknowledge our input.

WoolProducers is the sole wool industry member of Animal Health Australia, and as such, carries a significant responsibility for decision making on behalf of the industry in the event of an emergency animal disease outbreak. WoolProducers membership of Animal Health Australia also comes with the responsibility of representing all woolgrowers in the oversight of the levy collected for animal health, welfare and biosecurity activities.

As the only wool grower organisation with membership of the National Farmers' Federation, WoolProducers is responsible for providing key policy advice on behalf of our members, and other woolgrowers, to Australia's peak farm body.

WoolProducers also works closely with the Federal Department of Agriculture on key issues such as animal health and welfare, biosecurity, pest management control, natural resource management, drought preparedness, emergency animal disease outbreak preparedness and industry development, including research and trade.

WoolProducers' charter, unlike other national wool representative organisations is to represent the interests of all woolgrowers. Other wool industry representative organisations are sectorial in nature; therefore, they do not represent the interests of all woolgrowers.

WoolProducers' membership is based on the membership of State Farm Organisations (SFO), with the additional provision for Independent Directors and direct woolgrower membership, outside of SFO network. The SFO representative model employed by WoolProducers is the same representative model that is employed by many other peak industry bodies, who are the prescribed industry bodies for their respective industries. As is the case for other Peak Industry Bodies, including Cattle Council of Australia and Sheep Producers Australia, it is generally recognised that State Farm Organisations represent around 30% of all producers.

It is a fact that WoolProducers represents the single largest body of woolgrowers in Australia and in terms of outcomes on behalf of growers, WoolProducers provides the most benefit to woolgrowers across a range of issues.

## Discussion paper question responses

### 1. In your view, what is the main purpose of WoolPoll? Why is it important?

The main purpose of WoolPoll is to enable wool levy payers the opportunity to set the amount of their income from their wool sales that they wish to invest in research, development and marketing through a compulsory levy.

WoolProducers are very supportive of woolgrowers having a democratic right to vote on the amount of levy, however, there needs to be further refinement of this mechanism to make it more effective.

#### a. What would happen if there was no WoolPoll?

In terms of what would happen if there was no WoolPoll, it would depend on the scenario – would there automatically be a set permanent percentage levy or would this mean zero? If there was no WoolPoll and levy remained at 1.5%, for example, growers would then expect even greater transparency in the levy investment than what is expected now (which is not currently being delivered) and there would have to be some other mechanism/s for levy payers to have their say.

If there was no WoolPoll and there was no levy, then research, development and marketing would have to be completely funded by the private sector. Private sector investment is often more targeted as it only operates in areas of market failure.

### 2. How often should WoolPoll occur? For example, should it occur every 3 years (current frequency); every 5 years; another timeframe; only as needed?

#### a. If the frequency should change, why?

A three-year R&D cycle is quite a short-time frame which can impact on the effectiveness of projects. For this reason, WoolProducers are quite open to the idea of extending the WoolPoll frequency to five-years, however this is contingent on a number of changes being made to this process, which will be further explained below, but as a general statement there must be more independence in the WoolPoll process from the AWI Board.

WoolPoll is the only way all levy payers (as opposed to registered shareholders) can have meaningful input into the direction of their company. Currently the manner in which WoolPoll is conducted, despite being managed in accordance with relevant requirements and regulations, means that it is heavily influenced and controlled by the AWI Board. This diminishes the genuine ability of those levy payers to exercise influence on the company.

**Recommendation 1:** That the frequency of WoolPoll is extended to 5 years, contingent on the process being made more robust.

#### b. If only as needed, how should a poll be triggered?

As the only way all levy payers can direct the company, three years (and therefore five years) can/will be a long time to review the levy given that the dollar amount of levy generated is impacted by volume of production and subsequent sales plus market price indicators. These external factors, particularly the volatility of the market, tend to make budget forecasting quite complex.

Therefore, WoolProducers would be receptive to the addition in the Regulations of a mechanism that could be triggered outside of a prescribed timeframe for a vote on the levy. This clause could outline that in order to trigger a poll that 1,000 signatures of eligible levy payers must be presented to the Minister.

**Recommendation 2:** The addition of a mechanism to the Regulations that can trigger a Poll outside of the prescribed timeframe, for example the collection and presentation to the Minister of 1,000 signatures of eligible levy payers.

3. Should WoolPoll be aligned with other RDC strategic planning cycles or external events?
  - a. If yes, what should it be aligned with and why? Should this involve a WoolPoll being brought forward or delayed?

WoolProducers recommends that RDC Strategic Planning cycles must be aligned to ensure maximum collaboration and return on investment for levy payers, many whom pay levies to different RDCs.

This collaborative approach between RDCs in R&D should also be replicated in the extension and adoption fields given the nature of many agricultural enterprises that produce mixed commodities. This extension investment would be best placed being targeted at the regional level.

Improvements to collaboration was a key theme from the 2018 Ernst Young ROP on AWI:

*'RDC Collaboration*

*Feedback and justification on collaboration opportunities is often unclear to potential collaboration partners. The need for more efficient and effective spend through collaboration with other RDCs and research bodies was a strong theme in stakeholder interviews. The Review's independent woolgrower research showed that 45% of woolgrowers believe that AWI collaborates well with other agricultural Research and Development bodies. Research collaboration should be included as a key element of the proposed 10 year Strategic Plan to be broader, more systematic and promote a collaboration-first approach to make the most of opportunities of common interests across RDC's and other research bodies. Particular areas of focus cited by several stakeholders goes to collaboration regarding the genetics of wool traits in sheep, and greater efforts to address areas vulnerable to social licence concerns.'*<sup>1</sup>

Currently AWI and Meat and Livestock Australia (MLA) and the Grains Research and Development Corporation (GRDC) share many levy payers, however their planning, prioritisation, and consultation cycles rarely align, if ever. MLA and AWI are on strategic planning cycles which align only once every 15 years. AWI's and GRDC's align on the same frequency, and MLA's and GRDC's never align. This makes it extremely difficult to for RDCs to engage effectively on cooperative strategic planning.

The benefits of AWI and Meat and Livestock Australia (MLA) aligning their R&D cycles would provide enormous value and efficiencies to woolgrowers/sheep producers and would be the single most effective change that would deliver tangible benefits to levy payers.

For the sheep industry, the need for strategic coordination and collaboration is obvious – wool is grown on sheep that the meat industry harvests, therefore sheep shareholdings largely overlap. Animal health, welfare, biosecurity, traceability, etc are common for both sectors, and both need to drive genetic gain, profit per hectare and production in general, but there is very limited strategic collaboration between the two sectors. In addition, there is the risk of one sector undermining the interests of the other.

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<sup>1</sup> Ernst Young Independent Review of Performance of AWI, 2018, page 16

WoolProducers comprehensively covered this issue in our submission into the Modernising the RDC System Review in late 2019.

If WoolPoll was to move to a five-year cycle it would make sense that the wool industry would align with the established five-year cycle of MLA. Given that MLA have just started in their five-year strategic cycle in 2020/21, there would be a need for a realignment of WoolPoll to fit in either with this period or the next in 2025/26.

**Recommendation 3:** Alignment of AWI's 5-year strategic cycle with Meat and Livestock Australia 5-year strategic cycle. This will include realignment of WoolPoll in the interim to meet the established 5-year MLA strategic cycle.

4. The EY review outlines principles of genuine stakeholder consultation, transparency, strong governance and strategic planning. Do the roles of different parties involved in WoolPoll support these principles?

a. Would you suggest any changes to current roles?

Yes, the independence of WoolPoll must be enhanced. Due to the conduct of recent WoolPolls, WoolProducers considers that the process needs to be made more robust to ensure that it is a credible process which enables woolgrowers to have a definitive say in future settings of the wool levy.

AWI have in the past been quoted as saying that if growers don't like the direction of the company, they can vote 0%. This mentality is unacceptable, as it places growers in the position of using the levy as a key performance indicator for the board's conduct – which are two very distinct issues.

The WoolPoll Panel should be a mechanism by which this process is guided, and the intent of the Panel is supported by WoolProducers. However, the current role of the Panel does not currently add value as outlined in Question 5.

**Recommendation 4:** The WoolPoll process must be made independent of AWI.

5. Is the WoolPoll Panel an important feature of WoolPoll?

No, not under the current Regulations, but it should play a valuable role in this process. The independence and authority of the Panel and WoolPoll must be far more robust than is currently prescribed to ensure its functionality as the representative voice of the woolgrowers in this process, which in turn must be accepted and not altered by the AWI Board.

**Recommendation 5:** The WoolPoll Panel must have the authority to be a decision-making body, not an advisory Panel.

a. If yes, how does it provide value?

b. If no, what should the role of the WoolPoll Panel be?

The intent of the WoolPoll Panel is important, however under the current Regulations the Panel does not have enough authority.

The Panel currently can make considered recommendations to the AWI Board on appropriate levy options, but this can ultimately be overturned by the Board, as was demonstrated in the 2015 WoolPoll process. In 2015 the WoolPoll Panel recommended 1.5% as a levy option to be put to

growers, which was subsequently rejected by the AWI Board and not offered to growers. The justification for the AWI Board's action, was that AWI would face a "fiscal cliff"<sup>2</sup> if 1.5% of growers voted for that option, so it was therefore unilaterally decided by the AWI Board to take that option away from growers completely.

The 2018 WoolPoll was the first time that a Selection Committee was convened to appoint the WoolPoll Panel. The selection panel comprised of the AWI appointed WoolPoll Panel Chair, a representative from the ICC (now known as the Wool Industry Consultative Panel – WICP), a Department of Agriculture representative and an AWI director.

Whilst supportive of the continuation of a WoolPoll Panel selection committee WoolProducers does not believe that an AWI director needs to be involved in this process for reasons of independence.

**Recommendation 6:** The continuation of the WoolPoll Panel Selection Committee, without the inclusion of an AWI director.

To further support the independence of the Panel, the Chair of WoolPoll must be appointed by industry – not AWI. The industry representatives of the WICP could be an appropriate body to do so, through consensus agreement of those representatives of the WoolPoll Panel Chair.

**Recommendation 7:** The Chair of the WoolPoll Panel must be appointed by industry i.e. the Wool Industry Consultative Panel.

Future WoolPoll Panels must have the authority to make the final/binding levy option rates that are to be put to woolgrowers and could seek grower representative bodies' preferences on relevant levy options.

**Recommendation 8:** The WoolPoll Panel must have the authority to determine the levy rate options to be put to growers.\*

\*Dependent on outcome of Recommendation 14

The Panel should also be able to pose relevant questions on the WoolPoll ballot paper for levy payers to vote on.

Further, the Panel should be responsible for overseeing the vote counting procedure conducted by the returning officer, which was last conducted by Link Market Services, and for this to remain completely autonomous of AWI. The Panel should be the only body charged with liaising with the returning officer until the results are determined after the closure of the poll. This would preclude any updates on vote returns being made to the AWI Chair or any other AWI director during the voting process.

In the 2018 WoolPoll, AWI advised the then Industry Consultative Committee that there was 'ambiguity' in the Regulations regarding *clauses 18(3)(a-c)* outlining the process for the preferential voting system, this was despite advice at the time from the then Department of Agriculture and Water Resources that there was no ambiguity. This caused some grower representative groups to question the integrity of the WoolPoll counting process.

<sup>2</sup> <https://www.farmonline.com.au/story/3366253/woolgrowers-slam-15pc-levy-omission/>

**Recommendation 9:** The WoolPoll Panel must be the only body to liaise with the returning officer during the voting process and any discussions must remain completely confidential to the Panel excluding any AWI director that may be sitting on the Panel.

AWI's role in this process should be at an operational level, whereby the appropriate staff i.e. Chief Financial Officer and support team, to only provide the Panel with the relevant information on levy options, modelling, and projections, as they currently do.

An alternate approach to the WoolPoll process could see the removal of the need for the Panel to determine levy options, which is outlined in the response to Question 8 in this submission.

6. There are a number of activities that happen in the lead up to WoolPoll, including the roadshow. What are your views on these activities? Do you have any suggestions for how these activities might be improved?

The purpose of the roadshows is to inform woolgrowers on the proposed levy options and performance of AWI as outlined in the prior review of performance and is conducted by a number of AWI staff at each event.

This format means that again the performance of AWI is being linked to levy setting, which should not be a performance indicator of the Board.

**Recommendation 10:** The WoolPoll process/mechanism cannot be used as a key performance indicator of the AWI Board's performance.

The roadshows have proved to be an expensive exercise for very little value when based on grower turnout. This is not the fault of AWI given that the roadshows are convened in regional areas for the ease of growers, but these events have historically have not been well attended resulting in a waste of money given the high level of staff allocation to present at these events and the associated travel and accommodation costs.

There are a number of advances in technologies and telecommunications available that could better serve the purpose of informing woolgrowers.

**Recommendation 11:** Investigation into alternative communication mechanisms with levy payers to replace the current WoolPoll Roadshows

Regardless of what format these information sessions take in the future, it remains inappropriate that AWI deliver these presentations. The Panel should have the responsibility to present the agreed levy options.

**Recommendation 12:** The WoolPoll Panel should be charged with presenting information to wool levy payers during the WoolPoll Process.

7. Are the eligibility requirements for levy payers to vote appropriate? If no, how should they change?

The current eligibility requirements for levy payers are appropriate.

**Recommendation 13:** The status quo should remain for the eligibility of levy payers to vote in WoolPoll.

8. Is the current requirement for WoolPoll to present levy payers with 3 to 5 levy rate options, including a zero rate, appropriate?

a. If no, how should this requirement change?

As referred to in the response to question 5, an alternate approach to levy rate options being offered to woolgrowers could be limiting the options to a maximum of four. This would include zero, the status quo, plus a 0.5% option either side of the status quo.

This would provide levy payers with the option of no change in the levy rate or an incremental increase or decrease, plus the option of 0% which would effectively wind the company up.

In the last three WoolPolls, the total combined percentage of votes did not exceed 7% for both levy rates above the then status quo of 2% (6.95% in 2012; 6.69% in 2015 and 3.23% in 2018), therefore there is absolutely no justification in providing two levy rate options above the current levy rate.

Woolgrowers should be offered the option to increase the amount of levy paid and also the option to decrease the levy, this approach allows for this to happen.

The 0% option must also remain as levy payers need to have the choice to stop paying a compulsory levy.

**Recommendation 14:** Consideration should be given to limiting the levy rate options to a maximum of four. Including 0%, status quo and 0.5% above and below the status quo.

9. Do the voting instructions clearly explain the preferential process?

a. If no, what doesn't make sense?

No, while the ballot papers explain the preferential voting system, the two most recent Voter Information Memorandum (VIM) contained no reference to the preferential voting system that is used during WoolPoll.

In 2018 WoolProducers took it upon themselves to inform growers, through written communication to growers and social media of this voting system and received significant feedback from woolgrowers that they were unaware of this issue.

**Recommendation 15:** The preferential voting process must be made more prominent in the Voter Information Memorandum, to better inform levy payers of this process.

10. Is the AWI recommendation of a particular levy rate to woolgrowers useful?

Why or why not?

The requirement under *Clauses 13 (b) and (c)* under the Regulation, whereby AWI must include their levy rate option recommendation and the reasons why they have made that recommendation in the VIM, automatically means that the process becomes politicised whilst also presenting a conflict of interest for the AWI Board.

The purpose of WoolPoll is to enable levy payers to determine the amount of levy *they* wish to pay; this decision should be independent of influence of the Board of AWI. The information provided in the VIM should be limited to the requirement under the current *Clauses (a) (i) and (ii)* of the Regulation:

The information memorandum must set out:

(a) for each of the rates listed on the ballot-paper:

(i) the amount of funds the research body estimates it will receive under the funding contract if that rate is adopted; and

(ii) how the research body proposes to expend those funds

**Recommendation 16:** AWI should be prohibited from making a levy rate option recommendation during WoolPoll, to decrease the politisation and potential for conflict of interest.

a. Should the recommendation be included in the voter information memorandum or provided separately?

Neither, as per the above response.

11. What do you see as the benefits and costs of the current wool general services levy model, including how the investment split between R&D and marketing is determined?

Under the general services levy model it is appropriate that the AWI Board determines the R&D and marketing split, however there should be more transparency in the reasoning behind those splits including notification to levy payers when those splits are considered by the Board.

**Recommendation 17:** The AWI Board should continue to make the split between R&D and marketing under the general services levy model.

As AWI is a grower owned company, without a prescribed industry representative body there could be merit in investigating a move away for the general services levy model to give levy payers more say in the direction of their levy expenditure.

**Recommendation 18:** Investigation into the merit of alternative levy models could be pursued.

