

WOOLPRODUCERS AUSTRALIA BOARD

Executive Summary

9 November 2023 | Mercure Belconnen Hotel, Canberra

Welcome

Meeting opened

Chair opened the meeting at 8.30am and welcomed attendees.

Presidents Report

The report was taken as read. The Chair highlighted that AWI Elections are underway with results due 17 November 2023.

The Chair expressed his gratitude for the enormous amount of work throughout 2023 undertaken by the CEO and GM. He further expressed thanks to the WPA Vice President Stacey Lugsdin for her support and to John Hassell noting this meeting will be his last, with his directorship term coming to a close.

CEO report

The Board acknowledged the CEO's supplementary report, which was taken as read, with the following points raised:

- The report took the form of a "year in review"
- 2023 saw a high level of output from the small WPA team particularly in areas that should be undertaken by other industry bodies such as:
 - The ATMAC project
 - AusHub resource funding
 - Live export
 - WoolProducers role in the registration of Flexolt
 - Biosecurity Protection Levy
 - Traceability – wool and sheep

The CEO noted a lack of understanding within the wool industry leadership of wool systems, in particular, the importance of the NWD. WPA took a view that no changes should be made to the NWD given the production and export sectors would be unable to agree.

General Managers Report

The GM provided a verbal report, making the following key points:

- WPA undertook activities that benefit stakeholders beyond WoolProducers such as:
 - Sitting on executive of AHA industry Forum including representing the forum at WIAH in Paris
 - Extensive involvement with AnimalPLAN Steering Committee including delivering briefings during the animal health committee stakeholder sessions.
- IWTO is a good conduit to connect across the supply chain, however some working groups are lacking direction and purpose
- WPA have had good wins in animal welfare advocacy including pain relief product registrations, decision tool
- WPA has been more active in the trade space with two rounds of ATMAC
- Challenges facing WPA include the Animal Health Australia (AHA) service level agreement cut, resulting in WPA withdrawing from activities previously undertaken. This may continue until activities match the limited funding.

The GM also encouraged SFOs to engage the WPA executive to present or attend respective meetings to increase communication about what WPA do as well as provide input on any relevant industry matters.

MEMBER ISSUES

VFF – Carbon Abatements

VFF raised the matter of power companies purchasing large amounts of cheap land for carbon abatement.

GOVERNANCE ISSUES

WPA Director Election Process Review

The Board discussed the election process. The CEO expressed further preparation and engagement with SFOs would be undertaken prior to the next election including providing a longer lead in time for SFOs as well as data and comms strategies prepared by WPA.

It was also noted as less than ideal holding the WPA election and AWI election being at the same.

Action: CEO to establish a WPA election procedure

Policy Determination

AHA – CONFIDENTIAL

The Board noted the update.

AWI – CONFIDENTIAL

The paper and associated article were taken as read and the CEO highlighted the following points:

- AWI elections are upcoming with AWI pushing for BNC candidates to be chosen.
- AWI is doing damage to the industry as a whole by refusing to acknowledge or work with WPA to understand woolgrower issues, resulting in among other things, misrepresenting industry to government.
- The Superfine (ASWGA) magazine's reach includes overseas, so misinformation negatively affects the Australian wool industry's reputation with overseas customers. Numerous incorrect statements were made by the Chair in the article, not just on animal welfare.

WICP – CONFIDENTIAL

The Board noted the papers.

- The new PEF campaign, "wear wool not waste" is a little hard to understand
- Wool has recently been featured in a North Face garment made in Korea
- WPA have been asked to submit three representatives to sit on WoolPoll going forward
- After an attack by AWI on WPA leadership in the ASWGA article, the Chair has written a letter to the AWI Chair with several concerns including the recognition of WPA as the peak body for WoolProducers in Australia. The letter expressed the preference to keep matters in-house, however that WPA will involve media should a satisfactory response not be received
- Important decisions are made internally without consulting industry (levy payers) or WPA who represent them.

WCG

- The Vice President, CEO and a number of other Directors attended the WCG on 3 November
- There was some negative media around the BNC
- There was a lot of duplication in the last roundtable session, and it was unclear what was expected of attendees
- Trade update was helpful as was the sustainability session

WPA CEO led the discussion on the biosecurity protection levy at the WCG and was received well by the room.

Trade Update – CONFIDENTIAL

The CEO summarised the paper that focused on her trip to India and Bangladesh as well as updates from China and the EU FTA.

Bangladesh

- There were meetings with both private companies and also a government/industry roundtable on 23 October

- There was also a meeting with the Australian High Commissioner on the 22 October, which was extremely positive due to the support offered to establishing Australian wool trade in Bangladesh
- Bangladesh is not a traditional wool consumer (processor), with a heavy focus on cotton and synthetics
- Meetings with two major companies, who employ 37,000 people and 32,000 people respectively), are well on their way of using wool and investigating processing options
- There were also meetings with cotton spinners who said that they could spin wool (and have recently done a small batch) but would only do this if there was demand i.e., not looking to diversify into wool unless there is an established commercial driver
- There was another meeting with the Sourcing Manager for Big W (Woolworths), which was more to understand how they source materials (what they look for and the process involved).

India

- A government/industry roundtable was held in Delhi on 25 October, with WoolProducers, Australian Government Officials and Deloitte representatives in person and representatives from SCAA and AWEX in a virtual capacity representing Australia. The Indian delegation included representatives from the Ministry of Commerce, Ministry of Textiles and various wool processing representatives.
- Indian Ministry of textiles Chairman Ramesh, will visit Melbourne on 20 November. WPA will take them to see shearing, wool stores, AWTA and potentially Elders.

ATMAC – Domestic and diversified wool processing

Deloitte joined the meeting and provided an update on the ATMAC phase 2 project progress made to date both domestically and internationally as well as outlining the most beneficial pathways forward for both streams of the project.

AusHub Presentation

Kelvin Le (AusHub), and Simon Fraser (Australian Chamber of Commerce Vietnam) joined the meeting from Vietnam and presented to the Board on the Vietnam landscape, work undertaken to date on barriers and opportunities to bring early-stage processing of Australian wool to Vietnam as well as both short and long-term work planned.

Australian Wool Traceability Hub

The Board discussed the information in the paper taking into account potential updated information provided by AWI and AWTA at the Health and Welfare Committee meeting around the project charter and user features.

It was noted that WPA support the AWTH for three reasons:

- To stop duplication between AWI, AWEX and AWTA
- For the purpose of an EAD response; and
- To salvage some of the \$7.5million expended by AWI on WoolQ with no results.

AWTA and AWEX Update

The Chair provided verbal updates on the activities of both AWTA and AWEX.

WIA

The Chair provided an update on staffing changes and administrative function of WIA.

IWTO

The Chair provided an update, including:

- The next conference will be held 16-18 April 2024 in Adelaide, Australia.
- WPA have been working with AWI CEO to encourage more wool growers to attend by offering a more affordable subscription option.
- Tour and activity options are in the consideration stage.
- The 2025 conference host nation is currently being voted on, and will be held in either South Africa, France or Italy.

Sheep Sustainability Framework Update – Confidential

The Board noted the information in the paper and a further verbal update was provided on the Industry Consultative Committee held on 17 October by staff and Board attendees.

NFF Committee Updates

NFF Members Council and Keep Farmers Farming Campaign

The paper was noted.

Farming Systems Standing Committee

Nil

Economic Policy and Farm Business Committee

Nil

Workforce Standing Committee

There is still a lot of work to be done on visa issues, with not much response from government. NFF are working hard on this matter.

Trade Standing Committee

Nil

Other

- Sustainable Development Committee: Undertaking serious work
- Footrot committee: An update on this committee was provided by Rob Barwell at the Health and Welfare Committee meeting

General Business

Other Business:

Payroll Tax shearing

WA Farmers sought clarity from the Board after receiving an email from WA Stud Merino Breeders seeking support from Peak Industry Councils on Single tax pay roll.

The CEO suggested Makaela forward the email and if appropriate, would respond noting it was unlikely within WPA's scope as it is a state-based issue.

Withholding times of water and feed of shearing

The CEO noted that WPA, in conjunction with AWI, the WA Industry Shearing Association and the Shearing Contractors Association, had agreed a few years ago that a minimum of 8 hours was required, though the Board agreed this could range from overnight to two nights for wetter conditions.

Farewells

The Chair thanked John Hassell for his 6-year contribution to the WoolProducers Board noting his term coming to an end at WPA, and a new role as Vice President of NFF.

The Chair also thanked Stacey Lugsdin for her time, support and dedication on the Board both as a director and as Vice President.

Meeting closed at 3.00pm