AWGA.

Letter to Ed.

Time for 1.5 % Wool tax ( or less ? )

Dear Sir or Madam:

With the embers of the Ernest Young report still burning, on the 17th Sept, the wool industry will be voting on the continuance of AWI via Wool Poll.

Do we continue funding such an archaic taxation vehicle, or do we look at something new? After $700 million in wool tax since 2003, is the merino industry stronger or weaker? Has AWI ever once innovated one commercially game changing new product? Has there actually been any “wool innovation”?

AWI currently is claiming that its marketing programs are responsible for new demand and increased prices, however, in the first 5 sales of the new season in 2018, average bale sales are now 5000 less per week than last year. Wool supply is dropping as the drought bites and people look at other sheep meat options over wool. Sad but true, especially when merinos are built to handle dry times like no other animal on the planet.

By voting 1.5% as your first preference you will allow AWI to continue to function on an equal revenue stream to last year, owing to higher wool prices. AWI’s public calls for 2 % is truly greedy, knowing how many are suffering at the moment. Saving 0.5% of your gross wool cheque is much needed to feed stock and keep the farm running and/ or, maybe take the family for a much needed holiday.

As a second preference, by voting 0 %, you will ensure that the weighted preference WoolPoll voting system ensures a 1.5% levy ( WoolPoll is vastly weighted to ensure AWI gets a 2% levy ). And lets face it, if 0% levy was the option most wanted, it would force AWI to become a proper public company, and at last issue shares to every previous wool taxpayer. Now wouldn’t that be a change, to actually own a woolgrower company that has to make a profit and return divedends to its shareholders. Lets pray for that day

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