

COVID-19 Wool Selling FAQ - Draft

The scope of this document is intended to address questions specific to coronavirus (COVID-19) and wool market operations. It is not intended to replace or repeat Government advice on public health. Where there is conflict between Australian Federal and/or State Government guidelines and this document (e.g. due to timing, changes in advice), Government guidelines will prevail. As the situation remains fluid this document will continue to be updated.

What happens if a wool sale room participant is confirmed case of coronavirus (COVID-19)?

1. The person confirmed as COVID-19 case will be requested by each State Public Health Department to self-isolate.
2. State Public Health Department will request from the confirmed case a list of close contacts. These contacts will be contacted and where deemed to have met the close contact criteria will be requested to self-isolate for 14 days.
3. Individuals who think they may have been in close contact with a confirmed case of coronavirus (COVID-19) are required to self-isolate for 14 days.

To ensure decisions regarding sale room operations are able to be done in a timely fashion and based on first-hand information, NASC is asking any sale room participant confirmed as a coronavirus (COVID-19) case to contact the NASC Secretary or their NASC representative when known.

It is reasonable to expect the most likely outcome will be a closure of the sale room for 14 days due to all participants having to self-isolate as a result of close contact with a confirmed case.

What is close contact?

Close contact means greater than 15 minutes face-to-face, or the sharing of a closed space for more than two hours with an infectious person/confirmed case.

Sale room personnel must ensure social distancing practices are observed – 4 square metres per person.

What can be done to reduce the risk of contracting COVID-19?

1. At a personal level, each person is to follow personal hygiene and social distancing guidelines as advised by Federal and State Governments. If you are unwell do not attend the workplace.
2. Each company should implement risk management strategies to reduce the risk of adverse outcomes for their staff and business. This includes thinking of contingencies should access to essential staff and/or to a sale room/centre is compromised due to self-isolation measures.
3. Selling Centres: A number of measures have/are being implemented to reduce the risk the COVID-19. This includes relocation to more open space environments to allow for greater social distancing, increased cleaning regimes and limiting attendance to essential personnel only.

In a two-room centre, if one sale room is closed, does this mean the second room is closed also?

This would be decided by each State Public Health Department. Advice thus far suggests the other room would not be closed.

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What will happen to wool rostered for a room/centre where sale room participants are required to self-isolate (i.e. closed)?

This will depend on the timing on the closure. Each broker will decide on their preferred course of action: Options available are (in no order):

1. Where two rooms exist, lots from the affected room may be rostered in the remaining room (if open),
2. Wool may be rostered in other centre(s),
3. Offline options (e.g. tender catalogue), and
4. Online auction or offer boards.

An *Open Cry Contingency Plan* for Options 1 and 2 has been developed and will be circulated under separate cover. The Contingency Plan covers the scenarios where one room/centre or one centre is closed. Work is continuing on the case where multiple centres are closed.

Who will appraise wool samples if participants from one room or a centre are subject to isolation conditions?

Sale Room participants under self-isolation conditions are also not able to attend a showfloor for wool appraisal purposes. If sales are ongoing, (regardless of selling method) buyers will need to consider how they will source appraisals when local buyers are not able to attend (the showfloor).

Some brokers may choose to move samples to a second centre showfloor (for appraisal) however there are practical limits to this approach.

Options for buyers include;

- If one room is closed in a two room centre, affected buyers could deploy/contract persons to appraise from the other room (or another centre),
- If a centre is closed, affected buyers could deploy/contract persons to appraise from other regions (subject to travel restrictions);
- Seller Types may be provided/used, or
- AWEX Audited types may be used.

Where third party appraisals are used, consideration will need to be given to factors such as liability and post-sale retention of samples. The appraisal used will be a commercial decision for each buying firm.

If participants in one or more sale rooms are in self-isolation and wool selling was redeployed to another room/centre would roster quantities be reviewed?

This is still under review. There are two factors:

1. The capacity to resource the valuing and exchange of ownership function in the affected centre has been compromised.
2. The destination room or centre has limits on room totals. The Maximum Lot Allocation formula would be applied if oversubscribed.

Have other roster options been considered?

Fortnightly selling, one day on/one day off 2-day sales (e.g. Tuesday/Thursday) and other options have been discussed and are under consideration.

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I am interested in learning about/using an online option. When should I look at this?

NASC would recommend that brokers and buyers invest time in reviewing and learning about these options as soon as practical.

What online options are available?

There are two service providers who have expressed interest: AuctionsPlus (including Wool Trade) and Wool-Q. Each broker would decide on their preferred platform. Each service provider offers offer board and auction style exchange methods.

Training opportunities would be provided by each service provider.

Will there be any coordination of selling via alternative methods?

Yes. Where brokers are using multiple providers and/or method, NASC will be seeking to provide a coordination function between selling methods/providers so as:

- buying personnel are not overloaded (i.e. too many lots expiring/finalising at the same time);
- competition is focused and maximised.

What will occur if AWTA is unable to test wool?

AWTA would only be unable to test wool if both laboratory facilities (one in Melbourne, one in Western Australia) were closed which is unlikely unless government policy requires it.

The most likely scenario is that one shift or one laboratory would be impacted and as such this would reduce testing capacity. AWTA and its clients would need to work together manage volumes and service times in such a situation. The risk of disruption to electronic services such as Combinations Certificates, Test certificate retrieval and Network services is minimal.

What will occur if dumps or ports are closed?

There are a number of scenarios in this space and the response will depend on the scale of closure (i.e. number, location and expected outage time).

Every business in this space should be implementing management plans that cover minimisation of risk and backup plans should one (or more) of their facilities be compromised.