

FEBRUARY 15 2017

WARRNAMBOOL STANDARD

Top prices keep fine wool producers happy

- Everard Himmelreich

Winslow merino producer Brendan Finnigan says wool has always been good to him but it has been especially good to him in recent months. Mr Finnigan gained a top price of 1492c a kilogram and an average of 1422c/kg for 16.4 micron fine merino wool he sold last week, up by more than 250c/kg for wool of a similar micron he sold last August.

He runs about 8000 merinos at Winslow and is among the merino wool producers enjoying a steady rise in demand for fine wool as it becomes more fashionable in high end clothing. Mr Finnigan said a lot of the demand was coming from Chinese wool buyers. Mr Finnigan, a merino wool producer for 45 years, said the current fine wool prices were getting close to the dizzy heights of 1500c/kg he received in 2004.

While fine wool is providing good returns, many south-west wool growers produce a broader micron wool that is not enjoying the strong demand experienced by the fine end of the market. "Fine wool currently is selling at a much greater premium," Mr Finnigan said. "All categories were closer together (in price) 12 months ago," he said.

Wool production is a secondary pursuit for many south-west wool growers in the area south of Hamilton, with lamb production the main purpose of their sheep enterprises.



Top returns: Wangoom merino wool producer Roger Wilkinson is among those happy with the strong market for fine wool. Picture: Rob Gunstone

But Roger Wilkinson, one of the few merino wool producers located close to Warrnambool, is passionate about wool production. Mr Wilkinson, 53, of “Warrumyea” at Wangoom, is anticipating prices of about 1400c/kg for the merino wool he had sheared last week.

He has been involved with wool production for about 40 years and said he could not remember such “huge” prices. He runs a flock of about 2150 sheep, with merinos comprising about 40 per cent and cross breeds the majority. The micron from his merinos average at 18 micron. He said the good spring and summer had given him a bigger clip this year than last season.

However the wet winter had knocked the ewes and lambs about, he said. Their wool did not have the same colour and style as the year before, Mr Wilkinson said. He said prices for his cross-breeds’ 36 micron wool was well down on last year, fetching only 230c/kg compared to about 390c/kg last year. He expected his cross-breed lambs’ wool, at about 30 micron, would fare better. Mr Wilkinson said his shearing was delayed this year until a few weeks ago. The wet spring had created a backlog of jobs for shearers, he said.