

Addendum to submission by Jim & Joanna Lyall, Brocburn Dorper Stud. 31/07/2008

(Read Dorper as the so called 'exotic' sheep breeds as we believe Dorper sheep have always been the focus for the anticompetitive stance of the merino breeders who comprise TFGA wool council)

The Regulations to prescribe 'exotic' sheep do not prevent wool producers from misrepresenting their product.

In previous submissions we have emphasised the point that the production of quality fine wool suitable to the apparel trade is solely the responsibility of wool industry participants. The Regulations to prescribe the so called 'exotic' sheep breeds reverses this obligation, punishing owners of these breeds even if they do not produce wool, whilst not attempting to address any genuine issues of wool contamination or even to encompass all shedding breeds within this State.

Indeed any sheep breed other than merinos at a contamination risk rating of one (1) according to the Australian Wool Exchange (AWEX), has the capacity to reduce the quality (contaminate) merino wool. Goats, cattle, alpacas, horses, deer, wallabies etc all shed dark and medullated fibres and if wind blown fibres could contaminate merino wool so easily (scientifically disproven) Australia would not have a wool industry. However regardless of which sheep breeds or animal species are present in each farming enterprise, it remains the responsibility of those in the wool production chain to properly describe their end product at the point of sale.

Obeying the Regulations and the attendant Code of Practice does absolutely nothing to prevent wool contamination by dishonest or disinterested wool producers.

Apart from being a pointless hindrance for owners of the four breeds prescribed, following the Code of Practice (CoP) can not prevent wool contamination. The CoP may act as a disincentive to use of these four breeds for some, but should prospective owners be sufficiently deterred by the CoP they do have the option to farm unregulated shedding breeds such as the Wiltshire Horn and Wiltipoll which have similar contamination potential.

The EC573 Final Report¹ states that fine wool contamination by objectionable fibres does occur through merino ewes raising cross-bred lambs sired by conventional British and European terminal sire breeds. The Dark and Medullated Fibre Risk scheme was developed to address concerns expressed by purchasers of Australian wool at the perceived increase in dark and medullated fibres in the Australian wool clip.

Whilst buyers of Australian wool may be comforted by the declarations regarding contact with the so called 'exotic' breeds, unfortunately the DMFR scheme is deficient in that it does not address the widespread and increasing use of conventional terminal sire breeds over merinos to produce prime lambs, or the increased use of merino ewes to produce crossbred maternal ewes more suited to prime lamb production. The EC573 Final Report also states that there is currently no test available to detect isolated contaminant fibres within the wool bale from the use of conventional terminal sire breeds over merinos or poorly prepared or bred merinos.

In stark contrast, however, this literature review does conclude that should objectionable fibre transfer be suspected, a simple core sample of a greasy wool bale is currently available to detect and quantify dark and medullated fibre transfer from the so called 'exotic' breeds. This was confirmed in an email from Donald Ramsay, Senior Research Scientist, Textile and Fibre Technology, CSIRO². Recent technological advances by CSIRO have allowed AWI to reduce the cost of this test to a mere \$40 per core sample³.

The Regulations will not stop farmers opting out of the wool industry.

The Regulations prescribing Dorpers have merely acted as a distraction to the real concerns facing fine wool production within Tasmania. For many Tasmanian farmers wool production is becoming secondary in importance to prime lamb production as it has for their mainland counterparts.

The huge drop in merino ewe numbers Australia wide over the last decade as a result of poor wool prices, the ever increasing costs of wool production, animal welfare issues such as the mulesing debacle, drought and diversification out of the wool industry into other agricultural enterprises is both symptomatic and indicative of an industry sector in severe decline. In contrast demand for prime lamb over the same period is insatiable with increased market acceptance in Asian countries in particular, giving Australian lamb an assured future.

Personal choice and prevailing market forces should determine which agricultural enterprise an individual will pursue, not regulations, and the ability to change the focus of each business enterprise to enable adaption to changing circumstance without undue hindrance by 'red tape' is paramount to financial survival.

The Regulations are impacting on the uptake of the Dorper by large scale commercial lamb producers.

The Regulations have not prevented a steady increase in Dorper sheep numbers throughout the State. Due to animal welfare issues, low prices for cross-bred wool, and difficulty in finding shearers, there has still been interest from small landholders and hobby farmers despite the regulations.

However, the registration process and restrictive compulsory code of practice are preventing the commercial uptake of the Dorper in Tasmania at a time when production costs are skyrocketing. Incongruously the opportunity to reduce these costs by using a sheep breed that does not require shearing, crutching or mulesing is being inhibited by bureaucratic red tape.

The Regulations are hindering what could be a marked expansion in the production of Tasmanian prime lamb. Paradoxically the Regulations are favouring an industry in decline (the wool industry) instead of encouraging the one aspect of today's sheep industry that is expanding (prime lamb production) and which, given intelligent capitalization on Tasmania's clean, green image, has a huge capacity for further expansion.

The Regulations are unworkable and unenforceable, short of DNA testing every sheep entering Tasmania.

It is impossible to determine by appearance the genetic makeup of a sheep. There are many pure and composite bred sheep brought in to the State weekly that could presumably carry 'exotic' sheep genetics. Without DNA testing (and a huge bucket of money) how can the Regulations be policed? Some developers of the second most popular terminal sire breed in Australia, White Suffolks, have used an infusion of White Dorper to increase growth rates and muscling:

*"Use your 'appendix' system to introduce genes you need from Poll Dorsets, White Dorsers, Suffolk, Coolalee, Texel and any relevant genetics that are available internationally etc."*⁴.

Should all White Suffolks in Tasmania also be regulated as a precaution? Whilst the purebred black headed Dorper is easily recognizable, the White Dorper and cross breeds carrying Dorper genetics, possibly including sheep described as Wiltipolls, trade unfettered by the Regulations.

The result is that those honest enough to declare the breeding of their Dorsers are penalized by having to adhere to the untenable Code of Practice and those that either know nothing about the requirements or knowingly ignore them are able to operate freely.

The regulations are anti competitive and discriminatory

Many sheep breeds are capable of reducing the quality of merino wool. Interestingly AWEX recognises twelve shedding breeds currently in Australia with high or very high AWEX risk ratings for dark and medullated fibres (only four of these are prescribed in Tasmania). Of these only the shedding breeds the Wiltshire Horn and its hornless derivative the Wiltipoll, recognised as shedding dark and medullated fibres, are freely available in Tasmania. The 2007-2009 AWEX Woolclassers Code of Practice rates Wiltshires as 'high' risk and Wiltipolls as 'very high' risk⁵.

Since the introduction of the Regulations Wiltshire breeders have been able to use the Dorper regulations as a marketing tool for their breed to great advantage. Briefly Wiltshires were placed at AWEX risk rating 5 along with the 'exotic' breeds but due to frantic lobbying by TFGA wool council were reclassified as a risk category 4.

This hypocrisy came about to ensure the focus remained purely on the handful of individuals who had the so called 'exotic' breeds in Tasmania at this stage. Chairman of TFGA Wool Council at the time, Jim Cooper, stated at a meeting of stakeholders chaired by Alan Johnston (DPIWE), Government Offices Prospect, 21st August 2003, that TFGA was lobbying AWEX "...to have Wiltshire Horns put into a separate category...". Unfortunately as well as shedding dark and medullated fibres, the Wiltshire has neither the rapid growth rates nor carcass acceptability demanded by the trade, whilst the Dorper meets market requirements with ease.

Costs of regulations on one enterprise

Since the introduction of the Regulations in 2004 we conservatively estimate that Brocburn Dorper Stud has lost in excess of \$50,000 in sales within Tasmania alone.

However over the seven year period of our fight against the arrogance of the TFGA wool council, we calculate those losses to be in the vicinity of \$200,000. Losses have been incurred through direct costs (travel, legal advice, submissions, lobbying etc.), loss of direct stud (stud stock, embryos & semen) sales and commercial sales, cancellation of breeding programs due to the uncertainty of the stud's future and lost export orders.

Importantly through the uncertainty from 2001 to 2004 over whether we would even be able to retain our stud, we lost the early marketing advantage we would have had by being the first dorper sheep stud in Tasmania. This on-going issue has cost us dearly both emotionally as well as financially.

What alternatives to Prescription of exotic sheep are available to establish a point of difference for Tasmanian merino wool?

Compliance with robust quality assurance schemes is a prerequisite for developing and maintaining consumer confidence in any product in today's marketplace. The AWEX Code of Practice for the preparation of Australian Wool Clips describes the recommended practices and standards with which wool should be prepared. Committed Tasmanian fine wool producers following this scheme will have no wool description problems and will deliver confidence to prospective purchasers.

The assurance scheme Tasmanian Quality Wool was evidently abandoned because it did not deliver a premium for participants. Likewise the Prescription of exotic sheep has delivered no price advantage to Tasmanian fine wool producers.

With no legislative restriction on running exotic sheep in NSW (and in fact despite active NSW Departmental support for these breeds), recognition for the commitment to the production and preparation of quality apparel wool allowed the following achievement:

"The world's finest wool bale ever to be offered at auction achieved a seasonal record price of 269,000 cents per kilogram today.

The bale, produced by Hillcreston Pinehill Partnership, southern New South Wales, and branded AUSFINEULTRA, tested at 11.6 micron" (Landmark, News & Media, 26th June 2008) .

In the report prepared by Mr. Robin Thompson, DPIW, eleven major purchasers and processors of Australian wool implore wool producers to use the DMFR scheme. The open letter from Chinese processors, despite the contributors being misinformed by vested interests that dark and medullated fibres only come from the so called 'exotic' breeds, are still aware that there has been a reduction in wool clip preparation standards and the writers again implore wool producers to use the DMFR scheme.

The DMFR scheme has been validated, at least as far as its capacity to deal with contamination from the so called 'exotic' sheep breeds and poorly bred or prepared merinos. Simply using the scheme in its present form would apparently give the above mentioned processors much needed confidence in Tasmanian wool.

However if Tasmanian fine wool industry leaders could bring themselves to admit the shortcomings of the DMFR scheme in not addressing the very real and current threat of contamination from dark and medullated fibres contributed by the many other non-exotic sheep breeds used in today's wool industry, they would stand to benefit by being able to differentiate Tasmanian wool by virtue of the commitment, ability and integrity of Tasmanian wool producers, as opposed to their current disingenuous stance in choosing to support a carefully crafted spin campaign which has resulted in absolutely no benefit to improvement in the quality of Tasmanian fine wool.

No amount of regulation will prevent or reduce wool contamination if wool producers do not have the will to do so.

TFGA Irrelevant and Irrational

With TFGA in danger of collapsing through the general perception they no longer represent the interests of the average Tasmanian farmer, their short-sighted, unscientific and hypocritical stance on this issue is an excellent example of how this organization has lost its way. TFGA wool council's Submission on Review of Prescribed Sheep Breeds (April 2007) is typical of the ill-informed, emotive and grossly exaggerated claims made by the merino breeders that comprise this commodity group. The first four of TFGA's listed five *"... reasons why the Code must be maintained ..."*

can all be achieved by following their own wool industry compliance schemes as previously stated.

The fifth *'reason'*, a vindictive audit of exotic sheep owners, beyond irritating those 54 families honest enough to comply with this nonsense, would not improve the quality of Tasmanian fine wool by one single dark or medullated fibre. Ludicrous statements by TFGA such as that on page six of their submission:

"Exotic sheep breeds are not suitable to the Tasmanian climate.

In spring 2005 there were deaths reported of some 200,000 exotic sheep in Western Australia due to a cold snap with heavy rain. After these sheep shed their fleece they are vulnerable to the elements."

simply highlights the naivety and lack of credibility of the authors of this pathetic document. In fact if TFGA wishes to develop this outrageous argument around animal welfare issues (hallo PETA), I suspect newly shorn merinos would come out rather poorly. Refer to comments by Dr Sue Hatcher (Senior Research Scientist, NSW DPI) and Roy Butler (District Veterinary Officer, Department of Agriculture and Food WA)

(see attached appendices)

In Conclusion:

Reassurance for users of Tasmania's wool can be delivered by utilising validated, scientifically based quality assurance schemes such as the DMFR, but will never be achieved through politically based regulation

¹ Dr Peter Morgan & Dr Kerry Hansford. (December 2003) *Managing the risk of Dark and/or Medullated Fibre Contamination, Project EC573 Final Report*

² Email (25/06/2008) Donald Ramsey, Senior Research Scientist, Textile and Fibre Technology, CSIRO (attached)

³ CSIRO Webpage, Updated 13th May 2008, *High speed automated test for dark and medullated wool fibres* <http://www.csiro.au/science/WoolFibreTesting.html>

⁴ Hancock, Bruce; SA Lamb Development Team. *From the Presidents Desk: White Suffolks challenged to find muscle.*

⁵ 2007-2009 AWEX *Woolclassers Code of Practice*, Sheep Breed Characteristics; Section 20.

To: J Lyall
Subject: Re: Dorper submission

Sent: Tue 29/07/2008 11:18 AM

Dear Jim,

I've read through your doc as well as the report - interesting reading.

I can't think of anything else that would add additional value to your submission.

I found the unsubstantiated claim about the death of 200,000 'exotic' sheep in WA so ridiculous to be amusing. From an evolutionary point of view it would seem ludicrous that a naturally shedding breed would have a thermoregulation system that could not cope with a cold front at the time of shedding. Especially since shedding occurs over a period of time - fleeces are not simply 'dumped' onto the paddock and the animal walks away naked and unprotected in a matter of minutes or even hours! In fact, I would say that given the large body of research on the impact of shearing on thermoregulation in the Merino that a bare shorn Merino would be at far greater risk of adverse weather than a newly shed exotic. Hence the existence of Sheep Grazier Alerts provided by the Bureau of Meteorology.

In summary, all of the available peer review science (ie published in scientific journals after rigorous independent refereeing) has put the potential impact of fibre contamination arising from exotic sheep breeds into context. That is:

1. Low in relation to the impact of urine stain and pigmentation naturally occurring in the Merino breed.
2. Low in relation to existing terminal sire breeds, due to the incidence of inherent potential contaminant fibres in the their fleeces and their widespread use in Merino flocks.
- 3 Can be largely addresses by responsible and commonsense sheep management practices.

Regards

Sue

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Subject: exotic sheep deaths in WA
To: jim@brocburndorpers.com
From: Butler, Roy

Sent: Tue 29/07/2008 6:09 PM

Hello Jim.

I've done a little investigating among DAFWA staff re the very surprising TFGA claim that 200,000 exotic sheep died in WA in spring 2005 following a cold snap and heavy rain. The following is all I have been able to discover.

In January 2007 floods in Esperance area were responsible for deaths of about 3,000 Damaras

In 2005:

1. Kojonup / Katanning area 1/4/05 – up to 100,000 merinos died.
2. Dalwallinu and Moora super cell hail storms Christmas 2005 – don't know how many sheep died then, but not 200,000 exotics.

Bushfires in 2003 and other times (Brookton-Pingelly, Wyalkatchem, Toodyay and others)

Tenterden bushfire in 27/12/2003 – sheep killed????

I wish you success in having the foolish Tasmanian legislation lifted.

Regards, Roy

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From: Donald.Ramsay@csiro.au
To: jim@brocburndorpers.com
Subject: RE: fibre test

Sent: Wed 25/06/2008 5:07 PM

Hi Jim,

Interestingly, it was the detection of dark and medullated fibres in core samples that initiated this work. The idea was that it would allow bales and/or consignments to be tested as part of the routine testing performed by AWTA prior to auction. This would also be a means for testing the effectiveness of the Dark and Medullated Fibre vendor declaration (DMF Risk Scheme). To that end the test was progressed through to a manual test which significantly simplifies and speeds up the testing of core samples. This test still uses an operator to assess the contamination level but reduces the time taken and cost enormously. AWTA has been conducting these tests routinely for several years now. This was the first outcome of this research.

The second objective was to fully automate the test so that an operator was not required in the assessment process. This would ensure complete objectivity and further reduce the labour costs. However, it was decided by AWI, who had commissioned this research, that it would be preferable to target contamination in top first. This was partly due to their interest in making this available to mills to ensure quality in their purchased top, and partly because it was deemed easier to automate this test. This research was completed 18 months ago and was being validated by AWTA in mills both within Australia and overseas. The automated test uses software to process an image of the sample and measures the contamination levels. Comparison with manual operators assessing the sample samples showed good agreement.

Since that time this work has been passed on by AWI to AWTA for future development. It would therefore be best for you to contact AWTA directly with your enquiries and they will be able to advise you of its current status. The AWTA website (www.awta.com.au) has contact information.

I hope this is some help to you. Please feel free to contact me again if I can assist you.

Regards,

Don



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Appendix to Review of Exotic Sheep as prescribed breeds under the regulations of the Animal Farming (Registration) Act 1994

- **Title: Wool contamination – pigmented and highly medullated fibres (FACT SHEET 62/01 www.pir.sa.gov.au/factsheets www.sardi.sa.gov.au).**

‘While there is little or no objective information regarding the contamination potential of many of the breeds mated to Merino ewes in Australia some guidance about the likely relative risk is provided’ (AWEX 2007).

- **Title: Hair coat characteristics and postweaning growth of Hereford and Angus cattle (R. P. Gilbert and D. R. Bailey).** Agriculture Canada Research Station, Lethbridge, Alberta. (Journal of Animal Science, Vol 69, Issue 2 498-506, Copyright © 1991 by American Society of Animal Science)

‘Angus cattle tended to have shorter, less medullated coats (Factor 1), shorter, larger diameter undercoat hairs and guard hairs with less medullation than Herefords’.

- **Title: Hair coat characteristics in Friesian heifers in the Netherlands and Kenya : experimental data and a review of literature.** (H.M.J. Udo) WAU dissertation no. 709, February 1978.

‘All the characteristics considered changed with time. Large seasonal changes were found in percentage of medullated hairs, hair length and melanin content. The seasonal cycle in percentage of medullated hairs - from 50% in winter to 90% in summer -, which represents the seasonal variation in coat composition, was closely related to change in daylength’.

- **Title: AAFL fleece flyer 1/2005; Australian Alpaca Fleece Ltd.**

“Thus even the best current alpaca fleece is nowhere near as even for micron or length as equivalent grades of merino wool or cashmere, and still always contains some medullated fibre (guard hair, or kemp). If you doubt this look at any merino bale test report and compare the CVs!”