MLA MLT

Sheep Demographics Analysis

Market Information Team

MEAT & LIVESTOCK AUSTRALIA

Background & Summary Findings

MLA has access to multiple datasets that help explain the flock demographics over time, especially the MLA/AWI SPIS. A current trend that is becoming clear is the move away from wool producing breeds towards meat producing sheep breeds. Anecdotally we are hearing that wool production is reducing due to high labour requirements, higher shearing costs, intergeneration preferences, and an increase in cropping operations.

The following trends are being observed in the national flock, and outlined on the following slides:

- Lower proportion and absolute number of merino breeding ewes
- Growth in ewes used for prime lamb production
- Prime lambs are the largest cohort of the annual lamb crop
- Greater lamb production, despite a small flock size
- Non merino breeds are driving higher marking rates
- Wool prices have nearly halved since 2019, despite cost of production increasing
- Wool production in volume terms is reducing
- The shorn to flock ratio has dipped below 1 since 2020 – indicating a lower proportion of the flock are being shorn – indicative of a move away from merinos.

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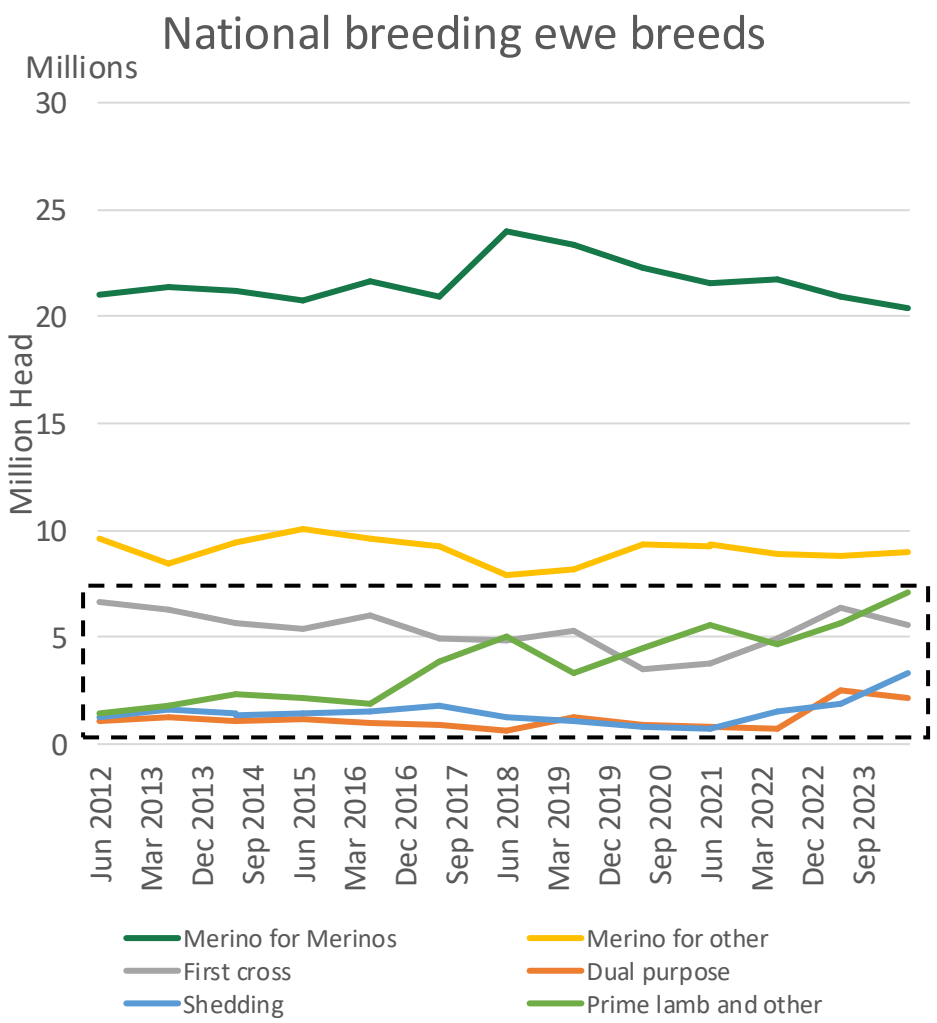
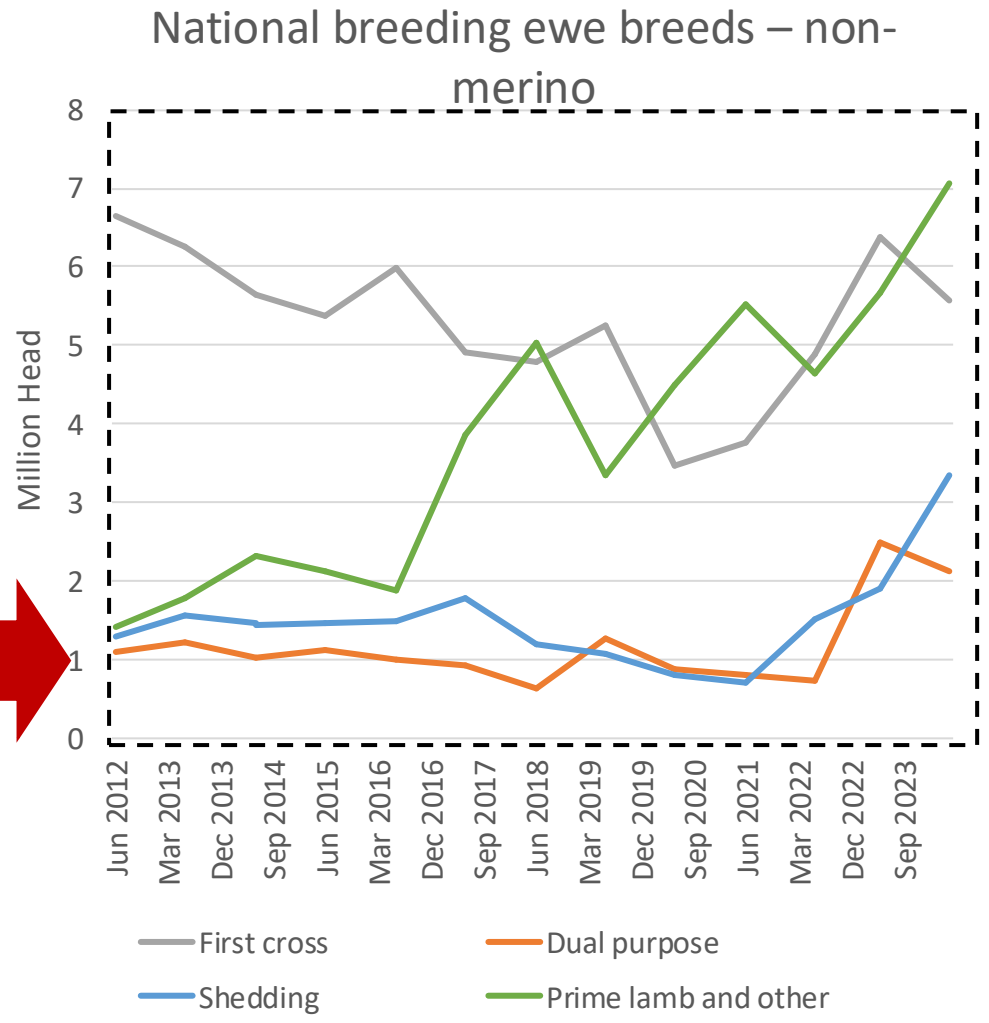
Ewe – national numbers





In 5 years, merino ewe numbers (for wool) have fallen 1.88m head or 8.5%

Meat breed ewe numbers have doubled (111%) since 2019 – an increase of 3.7m head

Shedding breed ewe numbers have risen 2.3m head or 214% in the same period

Source: MLA SPIS

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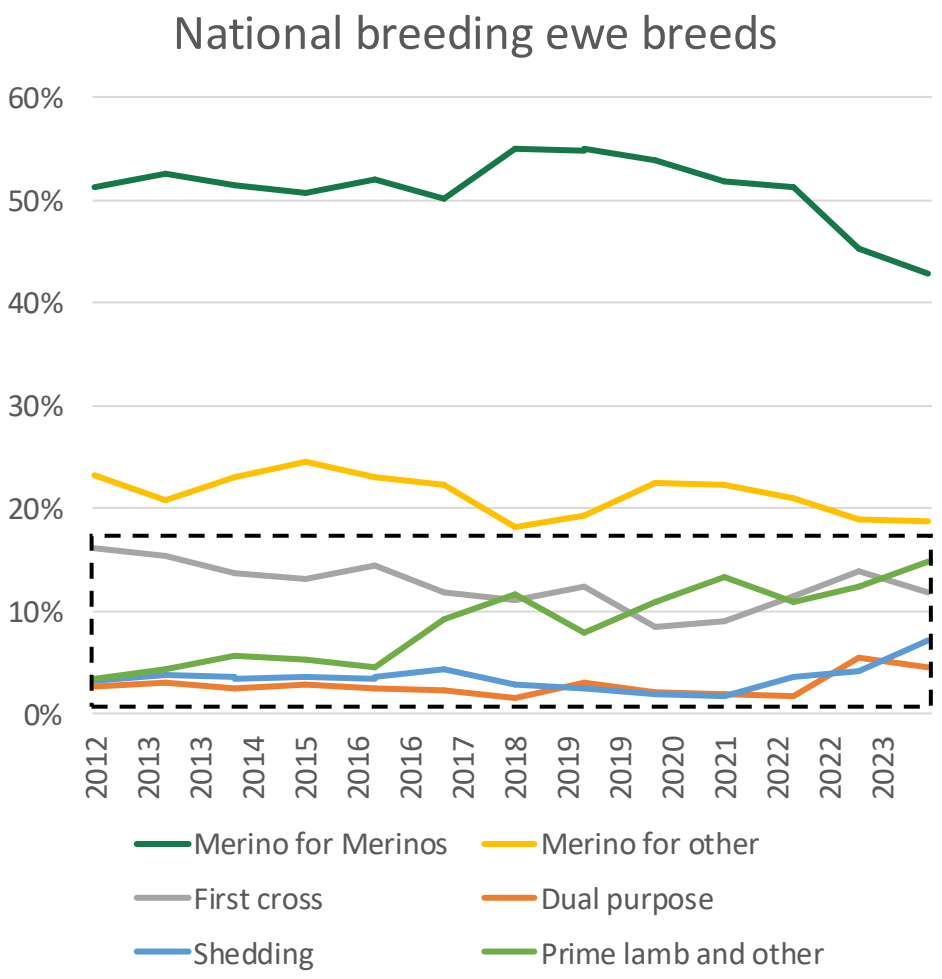
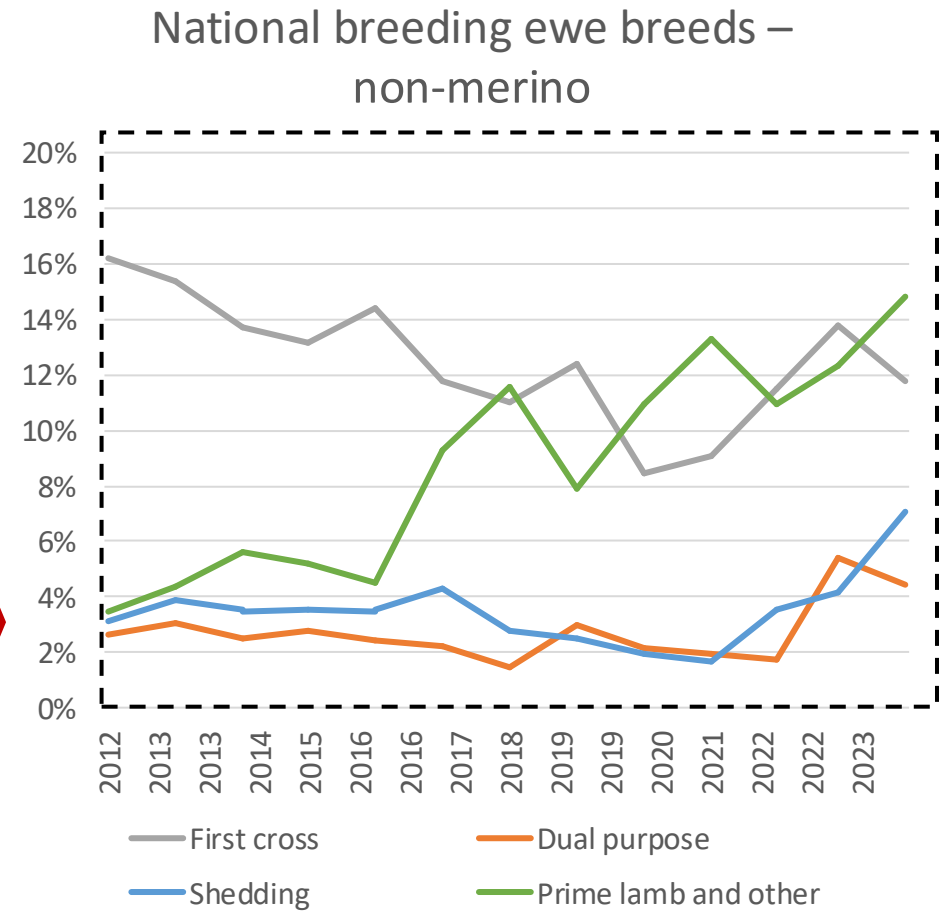
Ewe – national proportion





The proportion of merino breeding ewes joined to merinos fell below 50% for the first time ever in 2022.

Shedding sheep now account for 7% of all breeding ewes.

Ewes mated for prime lamb production overtook ewes mated for first cross lambs in 2022. This indicates a reduction in merino ewes.

Source: MLA SPIS

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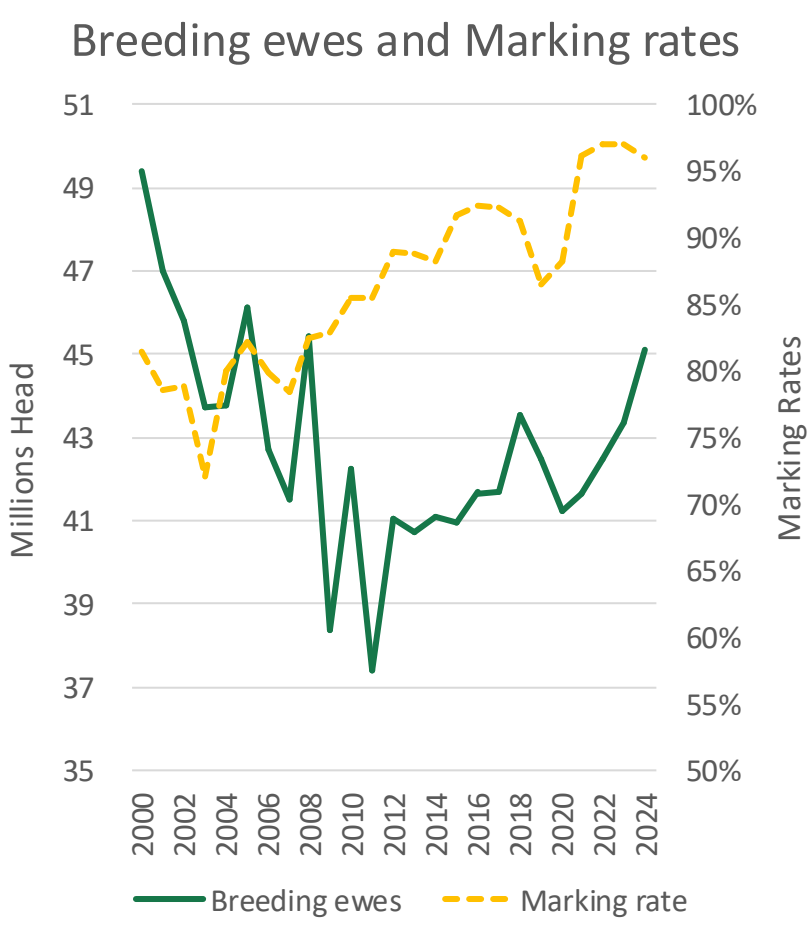
Lambs – more productive, increasing marking rates



Source: MLA SPIS

There has been an increase of 2.6m breeding ewes since 2019 – all non merino breeds

Since 2019 the national marking rate has risen from 87% to 96% (Due to Non Merinos).
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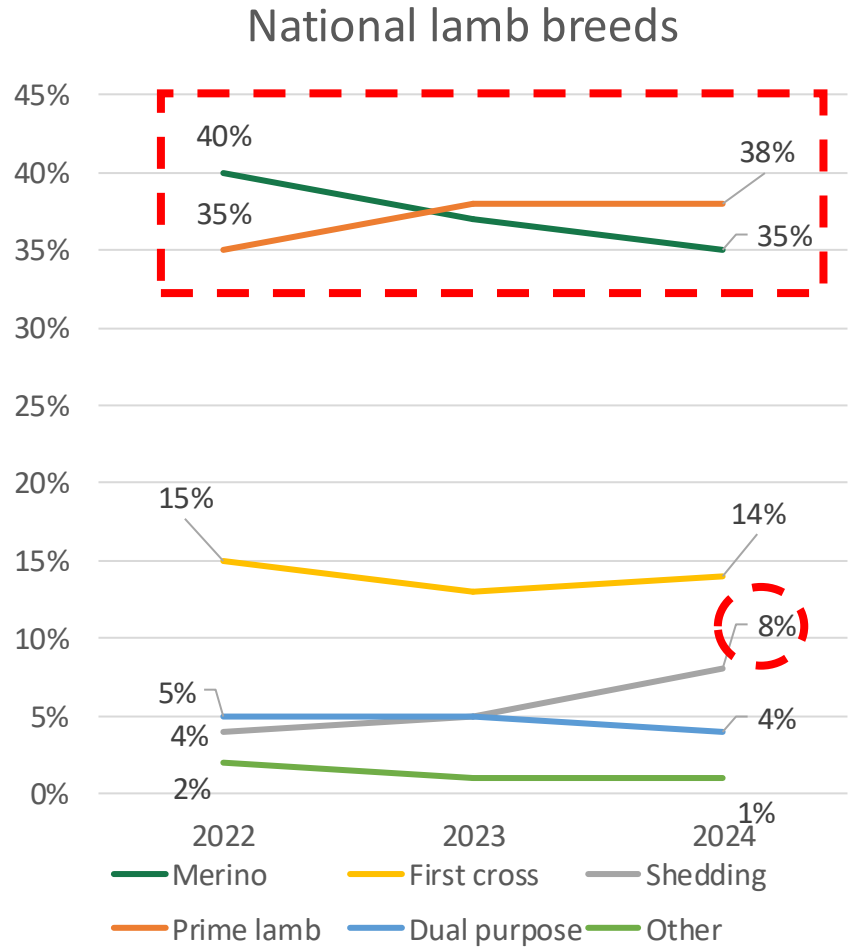
More lambs from less & exponential non merino growth

The percentage of shedding lambs has doubled in 2 years – 4% to 8% of total crop.

Now more prime lambs than merinos – first time ever in 2023



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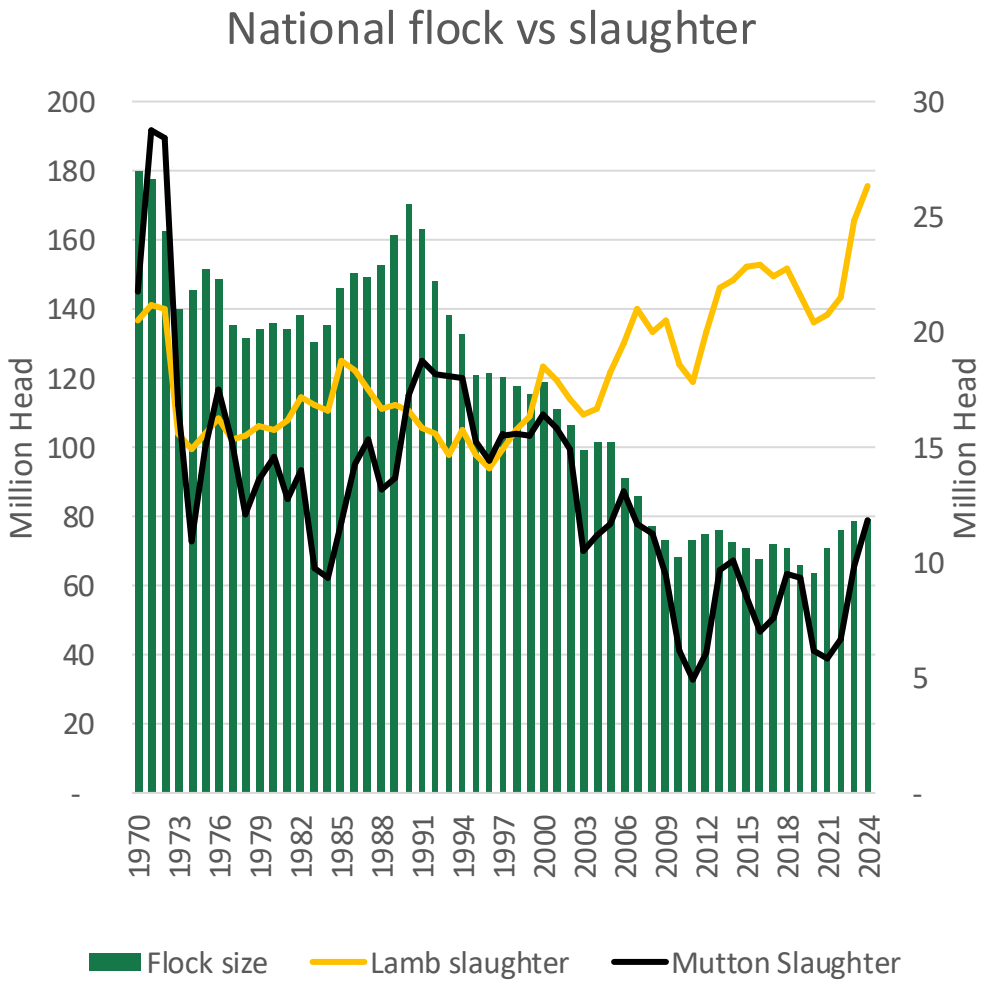
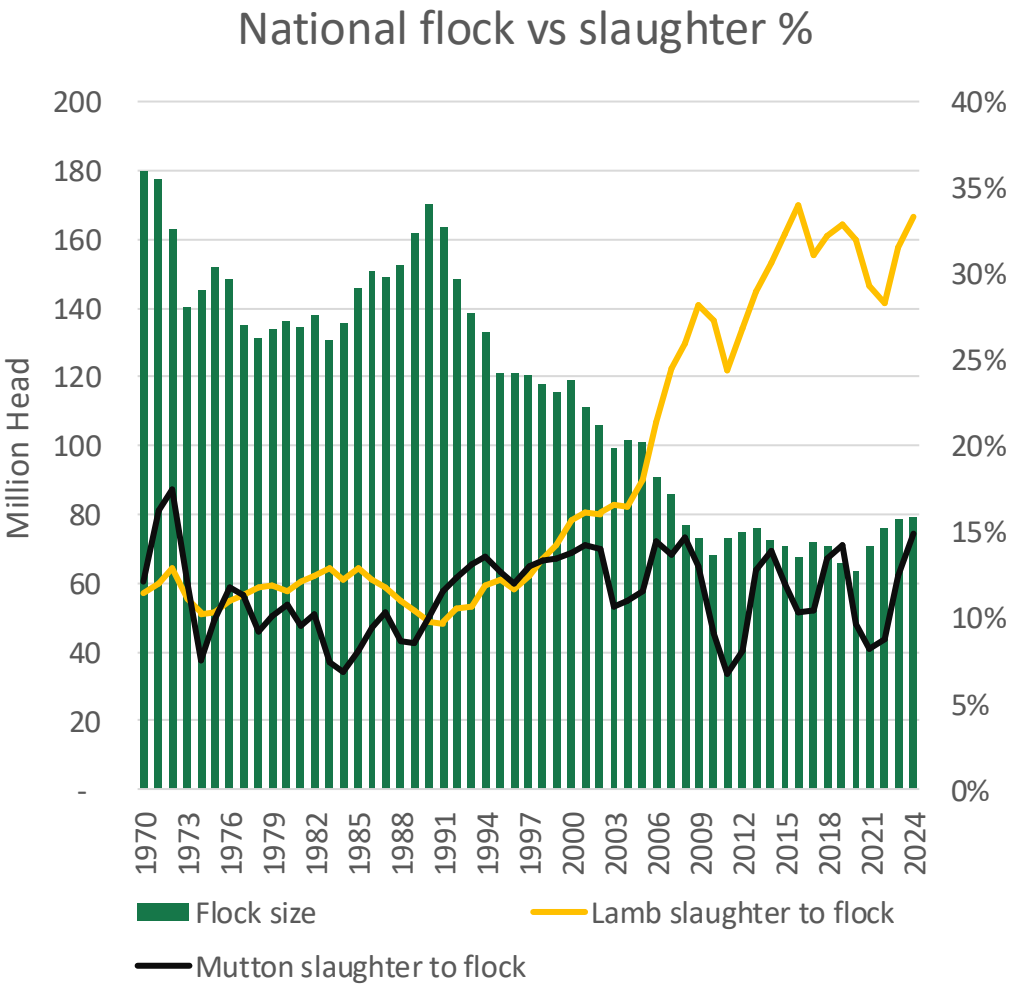
Turnoff ratios





Record lamb slaughter achieved in 2024.

New record lamb production expected in 2025

Producing high lamb slaughter from a smaller flock

Lamb slaughter as a % of flock is growing → we can maintain high lamb slaughter

Source: MLA. ABS

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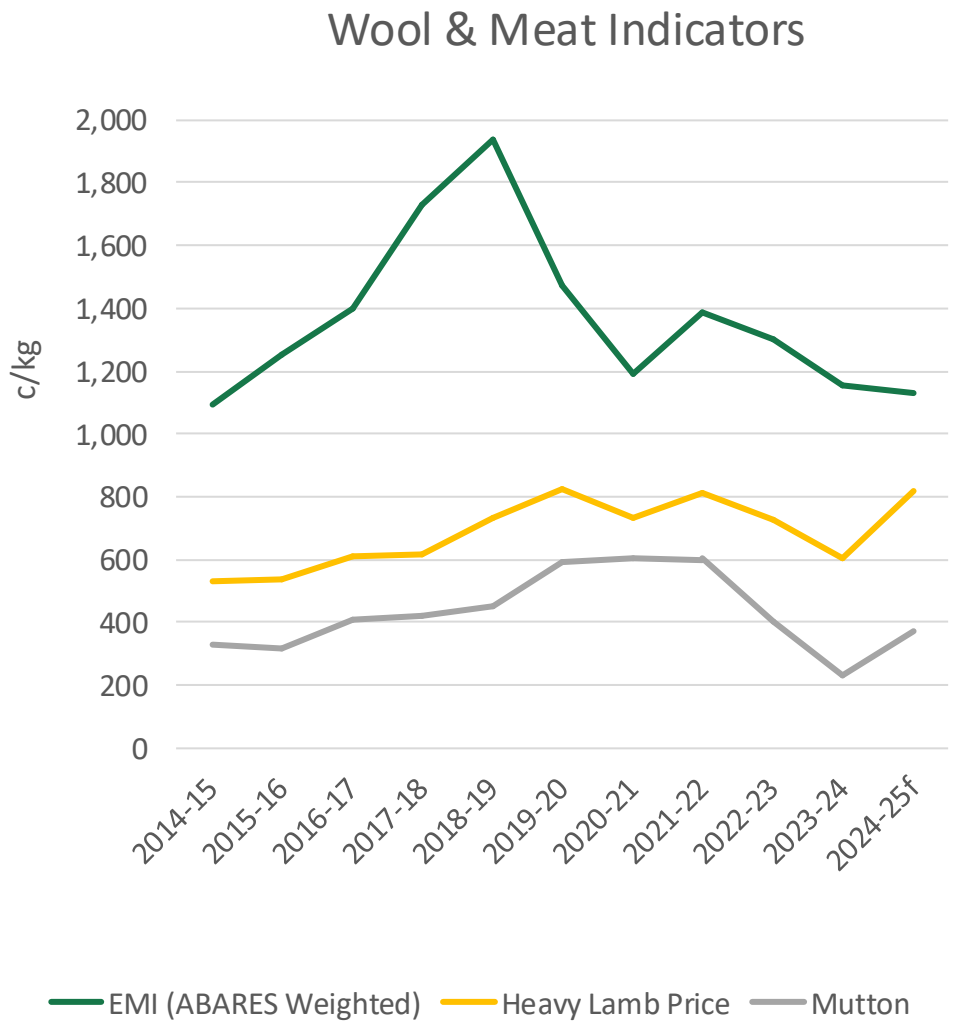
Wool Production



Wool production and the number of sheep shorn is dropping

Since prices of nearly $20kg in 2019, wool prices have dropped $8/kg or $42

Low wool prices have persisted since 2020.

Whereas, heavy lamb prices are in line with 2019 prices – less of a drop

Source: MLA, AWEX, AWI

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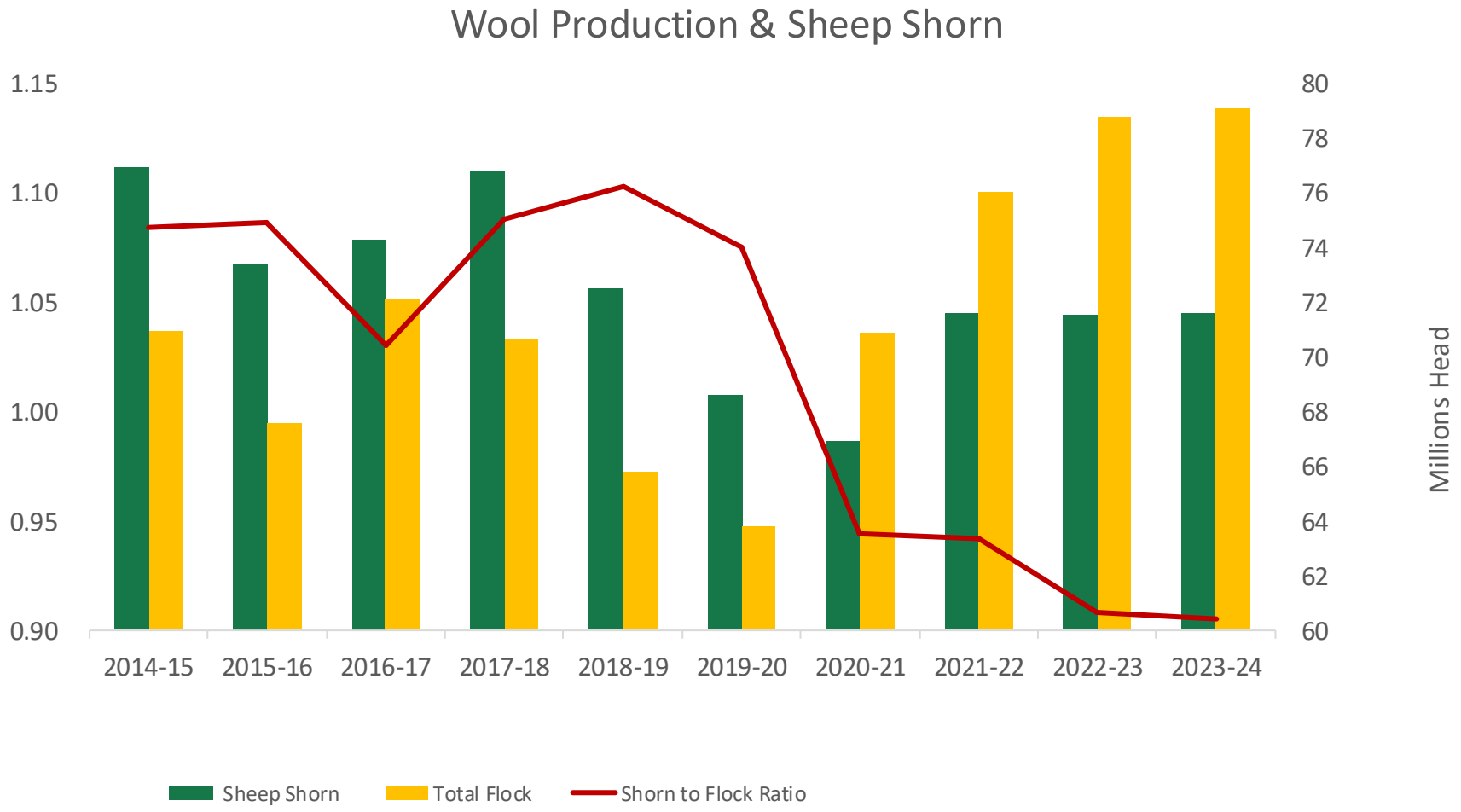
Wool Production



A high merino flock content results with a shorn to flock ratio above 1.

The shorn to flock ratio has dropped from 1.1 in 2019 to 0.91 in 2024. Indicating less sheep being shorn and a move from merinos.

2020 was a key inflection point for sheep dynamics.

NB: Increases in shearing costs and a reduction in wool prices could be resulting in lower shearing numbers.

Source: MLA, AWI

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Decadal averages

Decade	Avg flock size	Avg lamb slaughter	Avg mutton slaughter	Avg lamb slaughter %	Avg mutton slaughter %
1970's	150,569,410	17,165,544	17,994,639	11%	12%
1980's	143,309,590	17,055,851	12,846,495	12%	9%
1990's	134,755,860	15,408,921	16,650,008	12%	12%
2000's	96,372,670	18,573,961	12,576,556	20%	13%
2010's	71,100,691	21,316,045	7,870,846	30%	11%
2020's	73,707,541	22,789,120	8,037,670	31%	11%
20 yr diff	-24%	23%	-36%	11%	-2%
50 yr diff	-51%	33%	-55%	20%	-1%

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