

# MLA and AWI Wool and Sheepmeat Survey Report - Sheepmeat

August, 2020

Prepared by Kynetec

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# Executive Summary – Lamb Production

## Number of breeding ewes on hand

41,224,330 total breeding ewes on hand  
31,552,111 Merino breeding ewe flock, 77% of total breeding flock  
9,672,219 total non-Merino breeding ewes on hand, 23% of total breeding flock  
Within the Merino flock, 71% for Purebred Merino lamb production and 29% for other lamb production

## Ewe flock intentions for next 12 months

41% increase  
53% maintain  
6% decrease

## Intended method for achieving ewe flock increase

45% Retain more older ewes than normal  
61% Retain more replacement ewes than normal  
28% Purchase more additional ewes than normal

## Number of lambs on hand

14,624,670 total lambs on hand  
8,981,887 total Pure bred Merino lambs, 61% of total lamb flock  
5,642,783 total non-Merino lambs, 39% of total lamb flock

## Expected lamb sales in the next four months (1 Jul – 31 Oct)

5,441,332 total lamb sales in the next four months  
987,864 total Pure meat sales (19% of total lamb sales)  
1,540,850 total First cross sales (28% of total lamb sales)  
2,495,480 total Merino sales (46% of total lamb sales)  
417,138 total of all other breeds sales (7% of total lamb sales)

## Number of lambs marked in the past four months (1 Mar – 30 Jun)

6,739,298 total lambs marked in the past four months  
3,701,670 total Merino lambs marked (55% of total markings)  
3,037,628 total non-Merino lambs marked (45% of total markings)

## Number of ewes joined to produce those lambs

7,049,870 total number of ewes joined to produce those lambs  
4,000,728 total Merino lambs joined (57%)  
3,049,142 total non-Merino lambs joined (43%)

## Marking rates

93% National Merino marking rate  
100% National non-Merino marking rate

# Background and Purpose

## Survey Background

The Wool and Sheepmeat survey has been running in various formats for the past 18 years. The survey has been running in its current format since June 2010, following discussions with MLA's Lamb Forecasting Advisory Committee (LFAC), where MLA decided that they needed to use a more vigorous methodology going forward.

Due to the success of the survey, a management agreement between MLA and AWI was negotiated and AWI signed on for the next wave in October 2010.

Since October 2010, MLA, AWI and the LFAC have worked closely to further develop the model, sample and breed code frame for the now combined Wool and Sheepmeat survey.

Kynetec took over from Axiom in October 2016 and have been working closely with MLA and AWI to increase the number of respondents and the amount of data collected by streamlining the online and mail-out surveys.

## Purpose of the research

The project provides MLA and AWI with an accurate representation of flock population, demographics, sheep meat and wool supply information and producer production intentions during key production periods throughout the year.

The survey enables MLA and AWI to provide the Lamb Forecasting Advisory Committee (LFAC) and the Australian Wool Production Forecasting Committee (AWPFC), with solid forward looking information to assist industry projections.

Although information gathered has been extremely useful in flock and production forecasts, MLA and AWI are continuing looking to add further value to the study by better aligning the sample collected with industry production structure and making better use of the results in various internal and external publications.



# Methodology [1/3]

## Sampling

The MLA and AWI Wool and Sheepmeat survey for June 2020 was built around the collection of an industry representative sample of sheep producers across all sheep growing regions of Australia. In order to achieve a representative sample, sheep producers were sampled with strong representation within each MLA defined sheep production region. A total number of 1,697 survey responses were achieved in June 2020, below the response levels achieved from October 2019 at 1,958 surveys and down from 1,937 surveys achieved in February 2020. Lower response rates for the June 2020 survey were largely due to fewer mail surveys (down from a typical 701 in June 2019 to only 312 in June 2020). Australia Post was experiencing severe delays in their letters and parcel deliveries over the June / July survey period due to Covid-19 with less domestic flights, increased deliveries for online orders and staff safety procedures.

Given many large producers have multiple properties in different regions and states and their possible impact on weighting, we reported the results based on number of properties rather than respondents. As a result, 2,570 properties were included in the survey. Feb 2020 (495), June 2019 (701), June 2020 (312)

## Data Collection

Three survey methodologies were adopted in order to collect the target sample:

1. **Online web based survey:** This methodology was presented to potential respondents using two different communication tools (email survey links and website survey links).
  - I. **Website survey links:** Two survey links were given to MLA and AWI to place on their website and to include in selected external communications with producer stakeholders e.g. Friday Feedback and Feedback magazine. Copies of these links were also sent to members of the Lamb Forecasting Advisory Committee (LFAC) to include in their email signatures and place on their websites during February. A total of 16 respondents completed the survey via this method (1% of the total sample).
  - II. **Email survey links:** A link to the survey was created for email purposes so Kynetec could track the number of completes and partial completes throughout the survey period (1 to 30 June 2020) and send reminder emails accordingly. A total of 14,461 emails were sent to MLA and AWI members via the email addresses provided by MLA and AWI databases. Of those 1,770 emails bounced, giving a total emails delivered of 12,691. A total of five reminder emails were sent to non-respondents with a significant number of completes achieved after each reminder. The email survey link returned a total of 1,369 completed responses (81% of the sample).
2. **Mail-out survey:** A hard copy questionnaire and a reply paid envelope was sent to a random sample of 5,000 producers from the FARM database (Fairfax Agricultural Research and Marketing). This methodology was supported by CATI reminder calls to producers in specific regions (Tasmania, Murrumbidgee and western NSW) in order to boost response rates. A total of 312 producers responded by this methodology (18% of total sample).
3. **Telephone surveys:** In an attempt to boost the sample of very large sheepmeat and wool producers for the study, approximately 100 calls were made to MLA's top 50 sheep levy payers in order to do the survey over the phone. As a result of telephone calls and the online survey, a total of 14 very large producers were included in the survey (Ewe flock size >20,000 head).

# Methodology [2/3]

## Weighting

Breeding ewe and lamb estimates were developed by weighting the number of respondents by both state and flock size to the number of farm businesses with breeding ewes. Wether estimates were developed by weighting the number of respondents by state to the number of total farm businesses with sheep and lambs.

As with all Wool and Sheepmeat surveys since February 2018, the ABS population of producers used for weighting the survey data is regularly adjusted to account for the significant number of smaller producers (flock sizes of less than 250 head) that were excluded from the ABS census and surveys due to the \$40,000 EVAO cutoff. A comparison of the adjusted producer populations used for breeding ewe and lamb estimates for the last five Wool and Sheepmeat surveys is below.

The producer populations will be updated again when the 2019/2020 ABS data becomes available in May 2021.

State	Breeding Ewe Producers used for Feb, June & Oct 2018	Breeding Ewe Producers used for Feb, June & Oct 2019	Breeding Ewe Producers used for Feb & June 2020
Australia	35,947	37,238	37,668
New South Wales/ACT	13,725	14,075	14,088
Victoria	9,173	9,473	10,010
Queensland	1,410	1,497	1,523
South Australia	5,414	5,827	6,073
Western Australia	4,906	5,000	4,710
Tasmania	1,318	1,387	1,264

# Methodology [3/3]

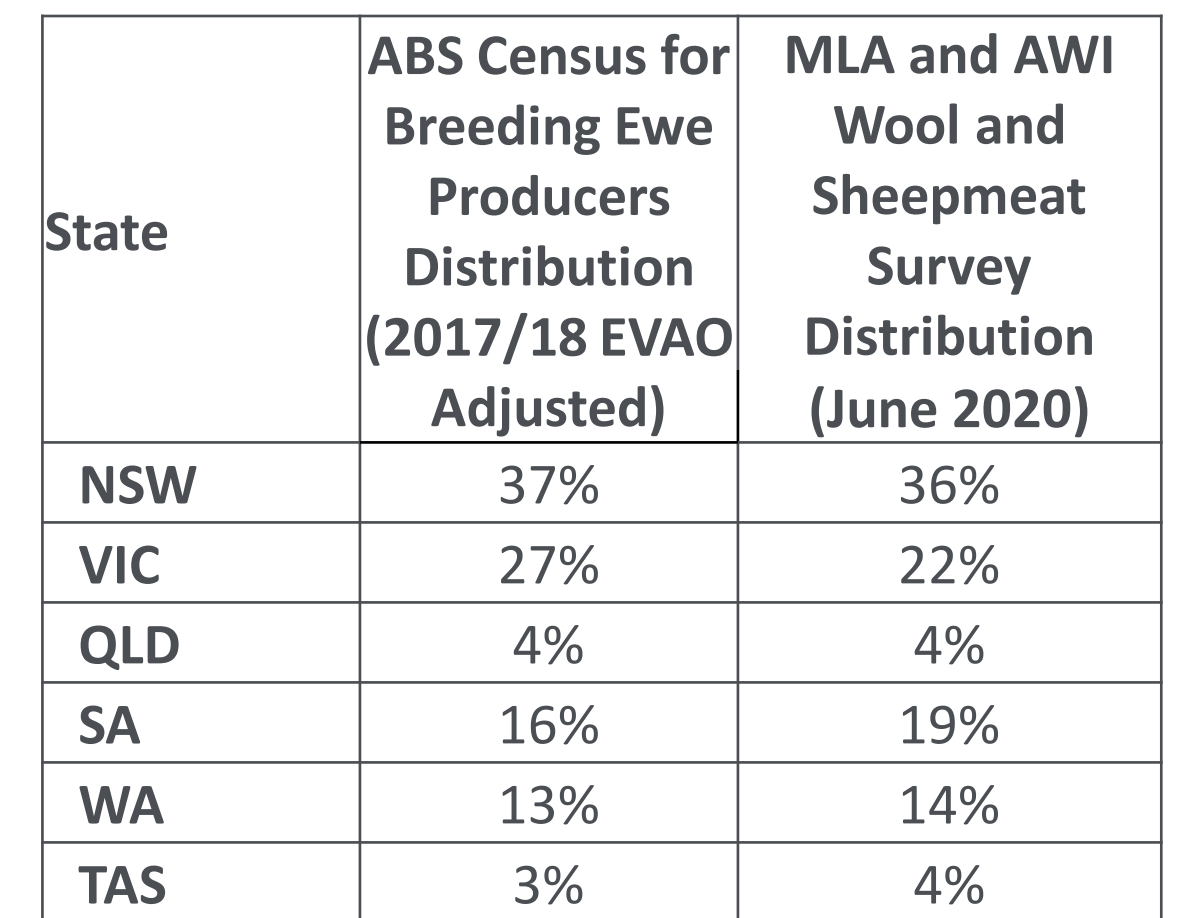
## Statistical significance

The total research sample of 1,697 will give the results of this study a margin of error of  $\pm 2.32\%$  at a 95% confidence level based on 37,640 breeding ewe producers in Australia (ABS 2017-18 Survey adjusted for \$40,000 EVOA cutoff). This is basically saying that if you conducted the same survey 100 times, 95 out of the 100 sheep producers should yield results within  $\pm 2.32\%$  of the published number or percentage. However, the % of error increases as the sample size decreases (e.g. at the state and regional level).

- New South Wales  $\pm 3.85\%$
- Victoria  $\pm 4.95\%$
- Queensland  $\pm 12.09\%$
- South Australia  $\pm 5.29\%$
- Western Australia  $\pm 6.18\%$
- Tasmania  $\pm 11.84\%$



Lower response rates in the June 2020 survey was evident across most states and can largely be attributed to the difficulties and delays with the mail survey component due to Covid-19.





# Survey Respondents [2/4]: Total Flock Counts (Merino & Non-Merino)

Merino and  
non merino  
flock count  
by Postcode

MLA Reporting Regions

- Central NSW
- East Vic
- Northern NSW/Qld
- SA Peninsula
- Tasmania
- Western Australia
- Wimmera Mallee Murray

Merino flock count

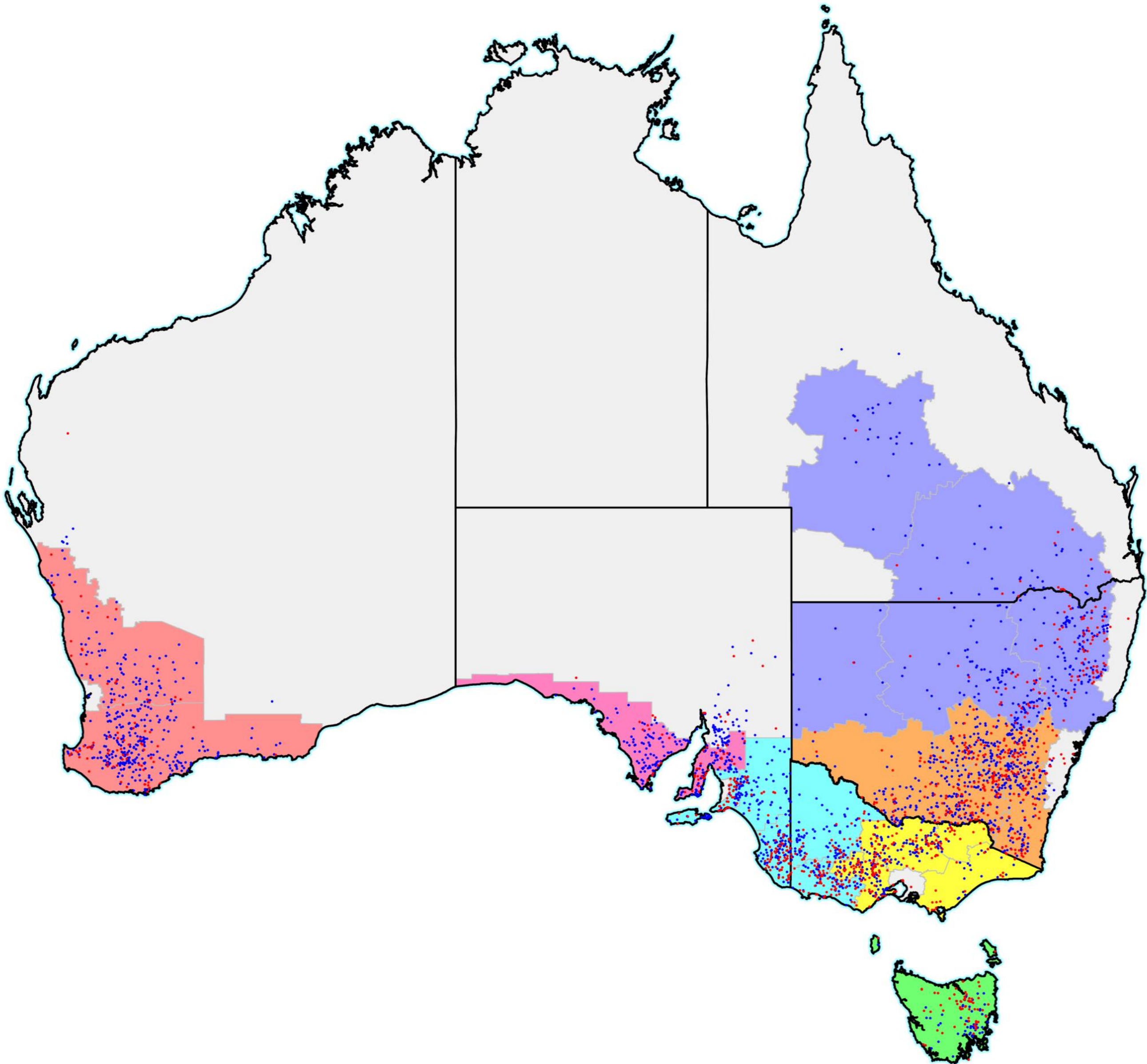
by Postcode

1 Dot = 1

Non merino flock count

by Postcode

1 Dot = 1



Total properties: n = 2,570  
Merino: n = 1,982  
All other: n = 990



# Survey Respondents [3/4]: Merino Flock Counts

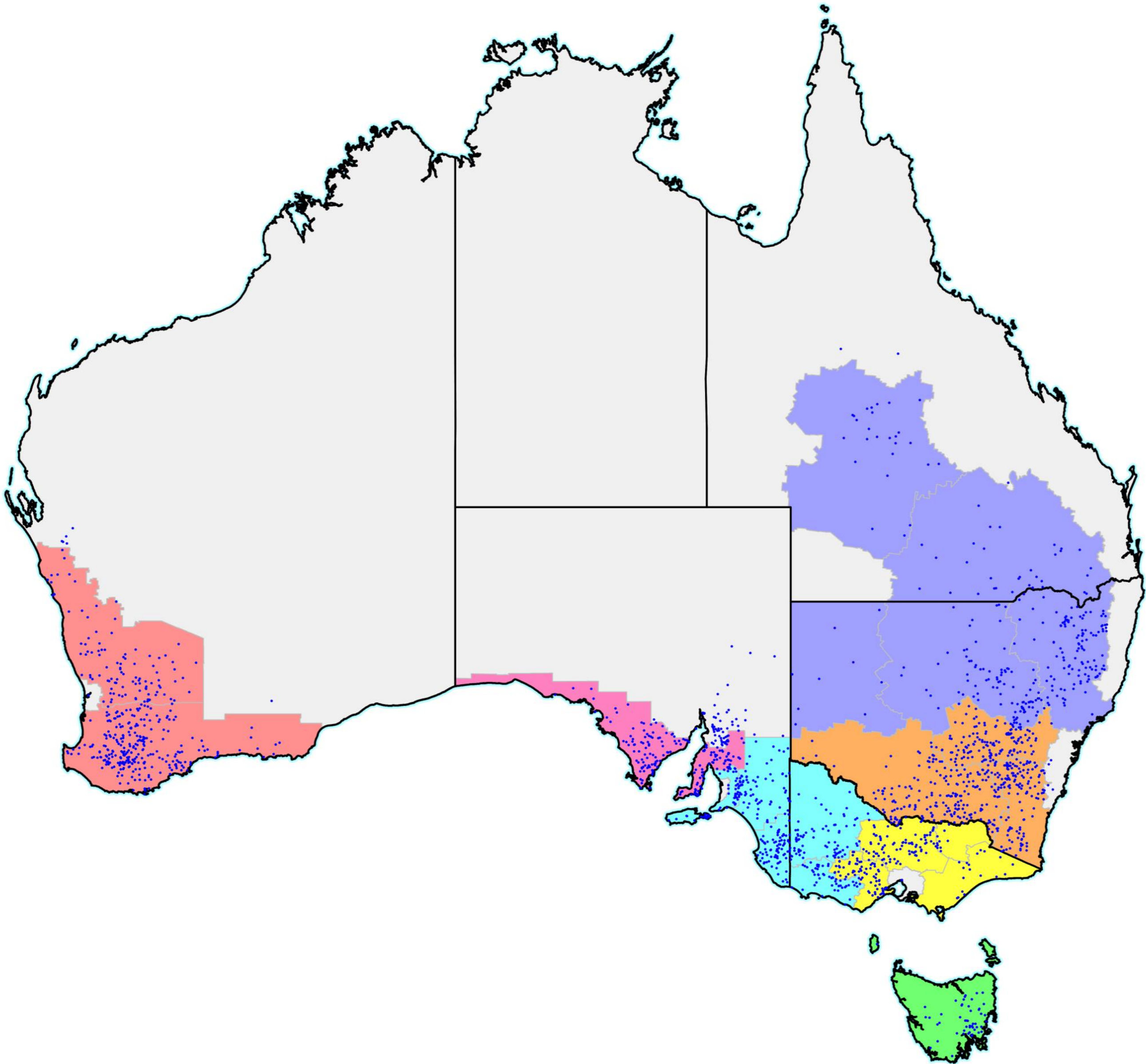
Merino  
flock count  
by Postcode

MLA Reporting Regions

- Central NSW
- East Vic
- Northern NSW/Qld
- SA Peninsula
- Tasmania
- Western Australia
- Wimmera Mallee Murray

Merino flock count

1 Dot = 1



Merino properties: n = 1,982



# Survey Respondents [4/4]: Non-Merino Flock Counts

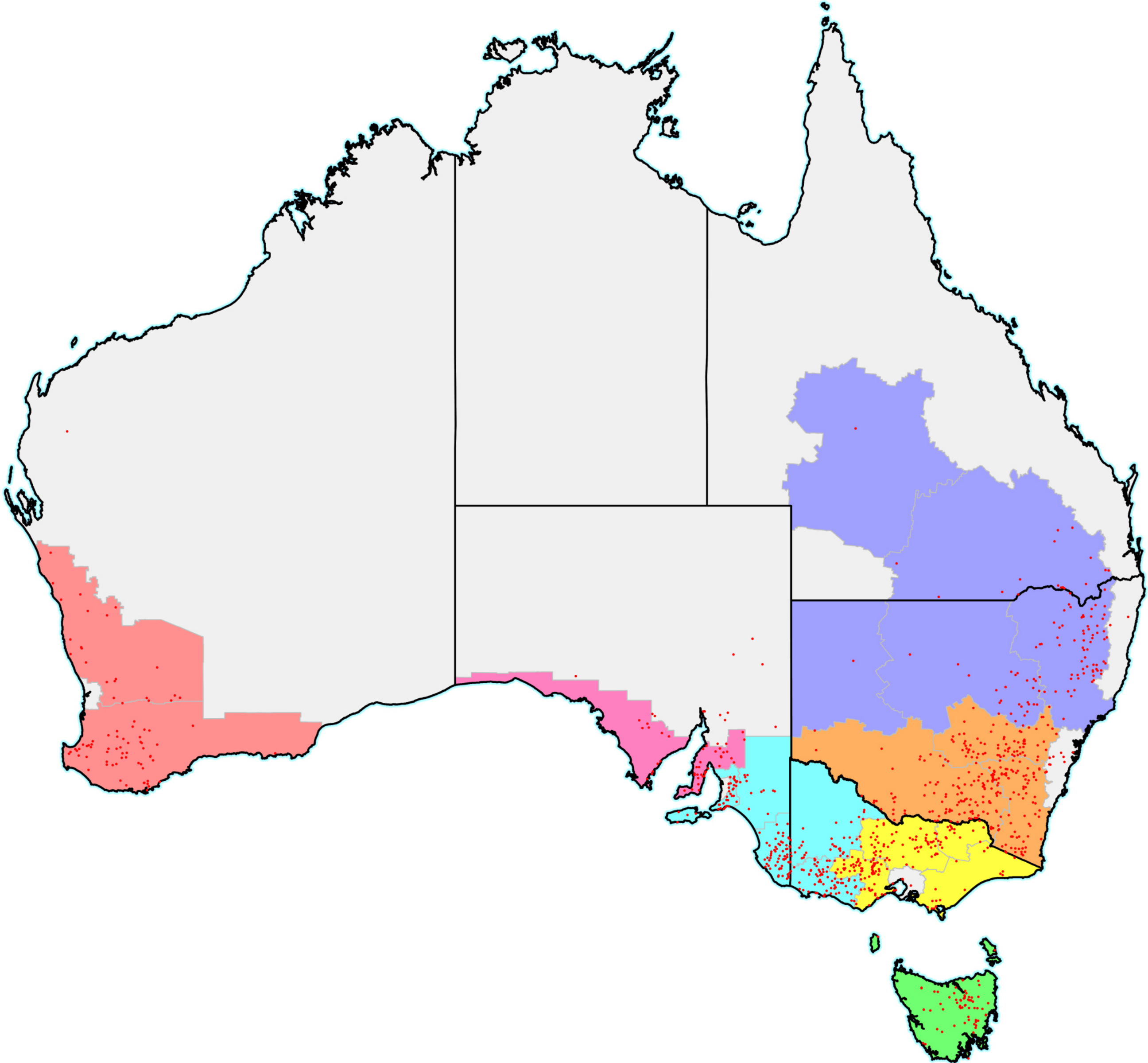
Non merino  
flock count  
by Postcode

MLA Reporting Regions

- Central NSW
- East Vic
- Northern NSW/Qld
- SA Peninsula
- Tasmania
- Western Australia
- Wimmera Mallee Murray

Non merino flock count  
by Postcode

1 Dot = 1



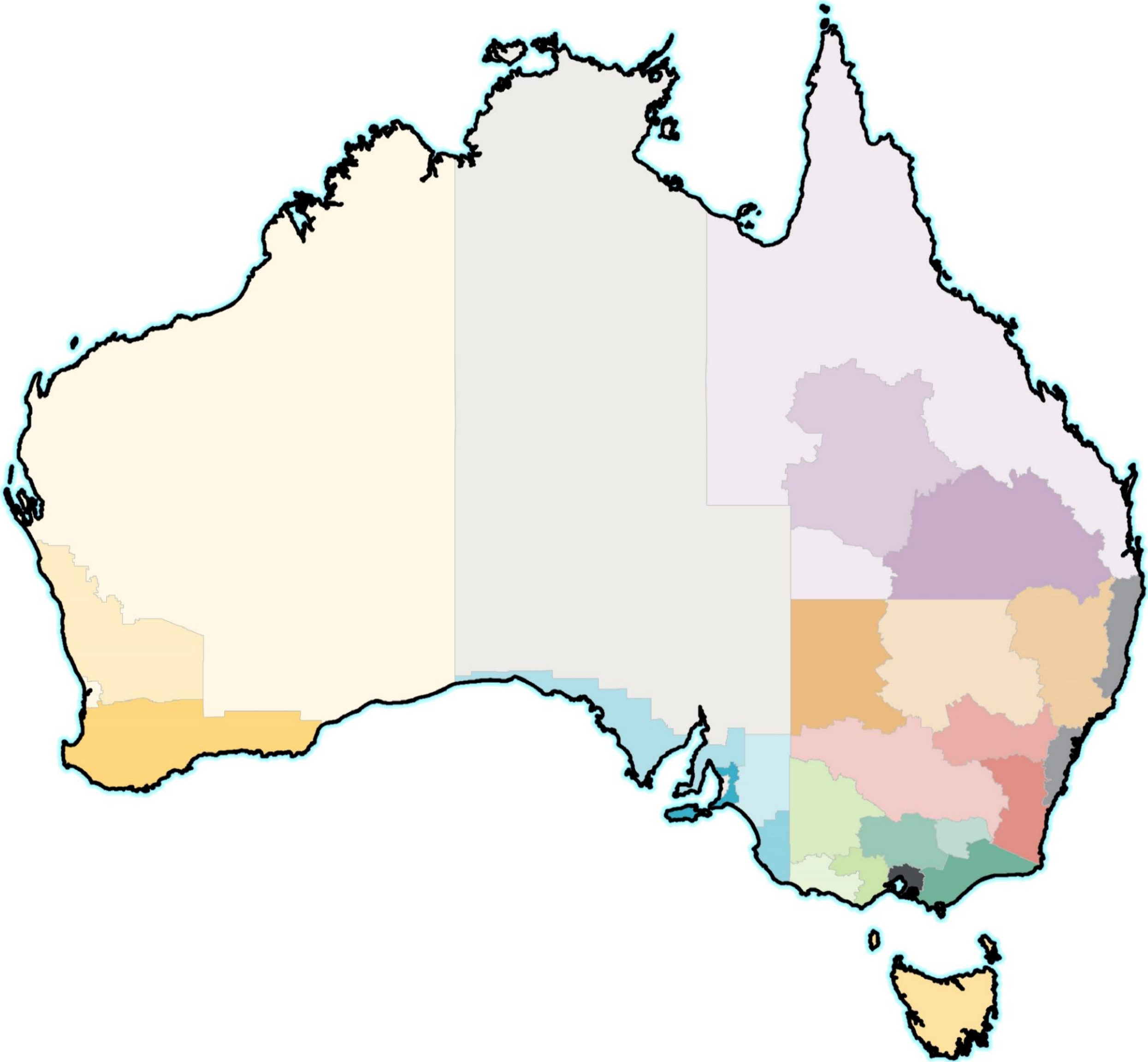
All other properties: n = 990



# MLA Sheep Producing Regions

## MLA Regions

- MLA Regions**
- Barwon & Central Highlands
  - Central Midlands
  - Central Midlands Extra
  - Central Qld
  - Central Qld Extra
  - Central West
  - Eyre Yorke and North
  - Eyre Yorke and North Extra
  - Gippsland
  - Hunter and Northern
  - Hunter and Northern Extra
  - Loddon and Goulburn
  - Murray and Murrumbidgee
  - Murray Lands
  - North Western
  - Outer Adelaide
  - Ovens Murray
  - South East
  - South Eastern
  - South Eastern Extra
  - Southern Qld
  - Tasmania
  - WA South
  - Western District
  - Western Division
  - Wimmera and Mallee



Due to seasonal and growing condition variability throughout Australia and even within states, Australia was divided into 26 sheep producing regions so that sheep numbers and flock demographics could be reported at a regional level.

Of the 26 sheep producing regions, 7 are located in NSW, 7 in Victoria, 5 in SA, 3 in WA, 3 in Queensland and 1 in Tasmania. These producing regions are likely to change as the flock distribution changes.



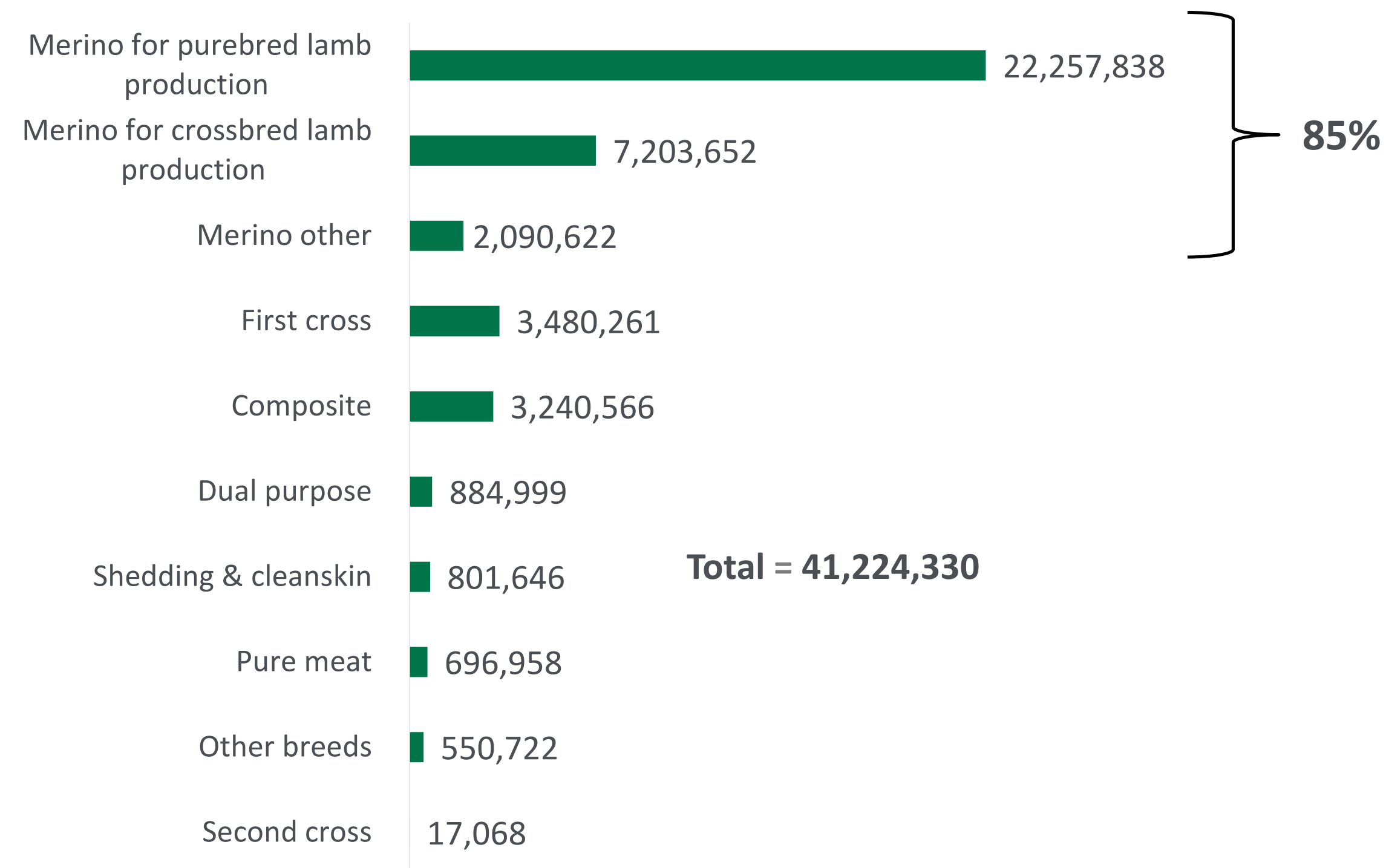
# National Results

# Ewes on hand and Lambs on hand - Australia

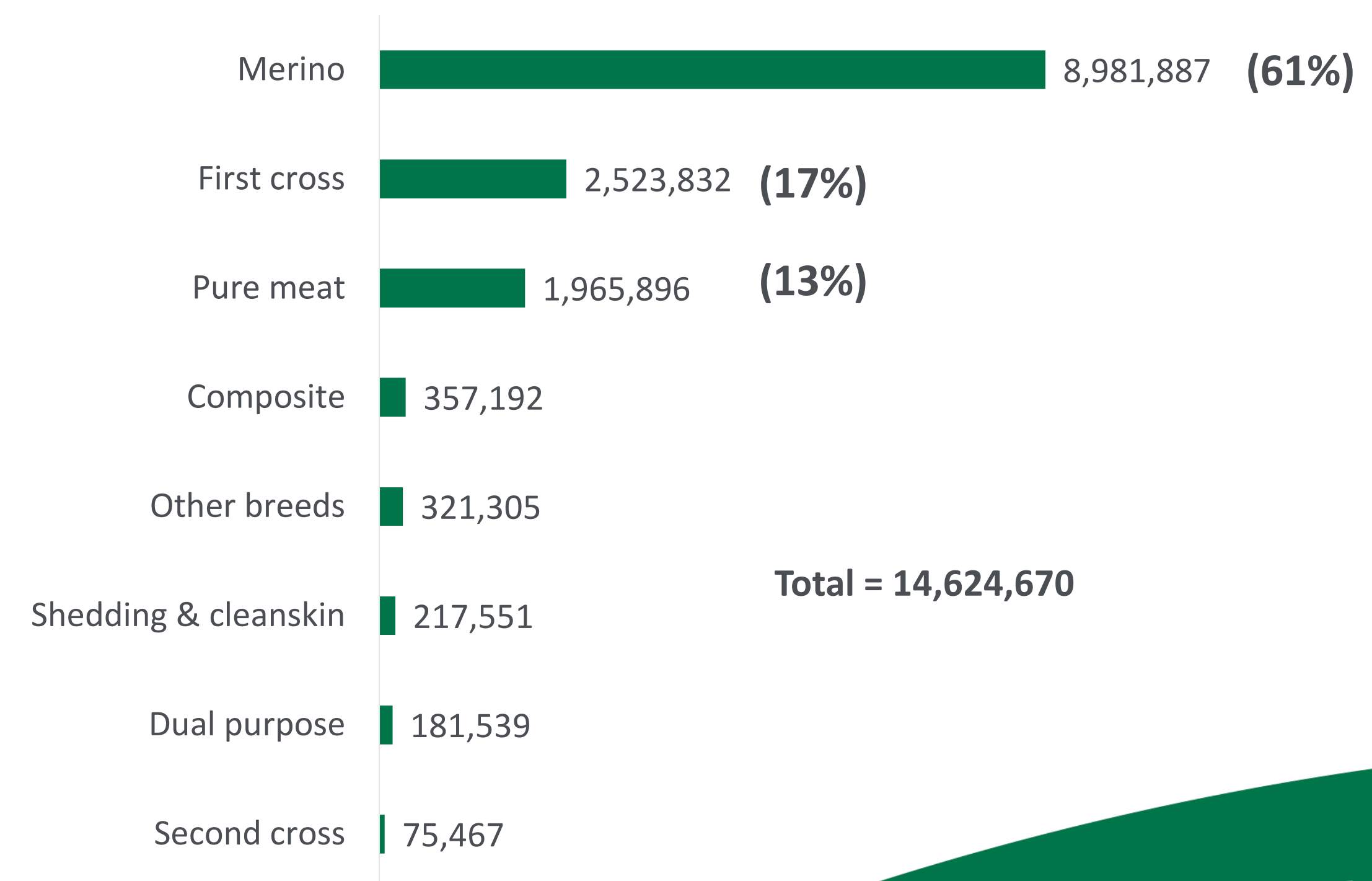
Merinos accounted for 85% of the total breeding ewe flock at **41.2 million head**. Merino breeding ewes were further divided into Merino ewes for pure bred Merino production and Merino ewes for crossbred production and 'other' Merinos, accounting for 71%, 29% and 11% of the merino flock, respectively.

There were **14.6 million** lambs on hand at 30 June 2020. Merinos made up 61% of the total lamb flock, at **9.0 million head**, followed by First cross and Pure meat lambs (accounting for 17% and 13% of the national lamb flock respectively).

Number of ewes on hand



Number of lambs on hand

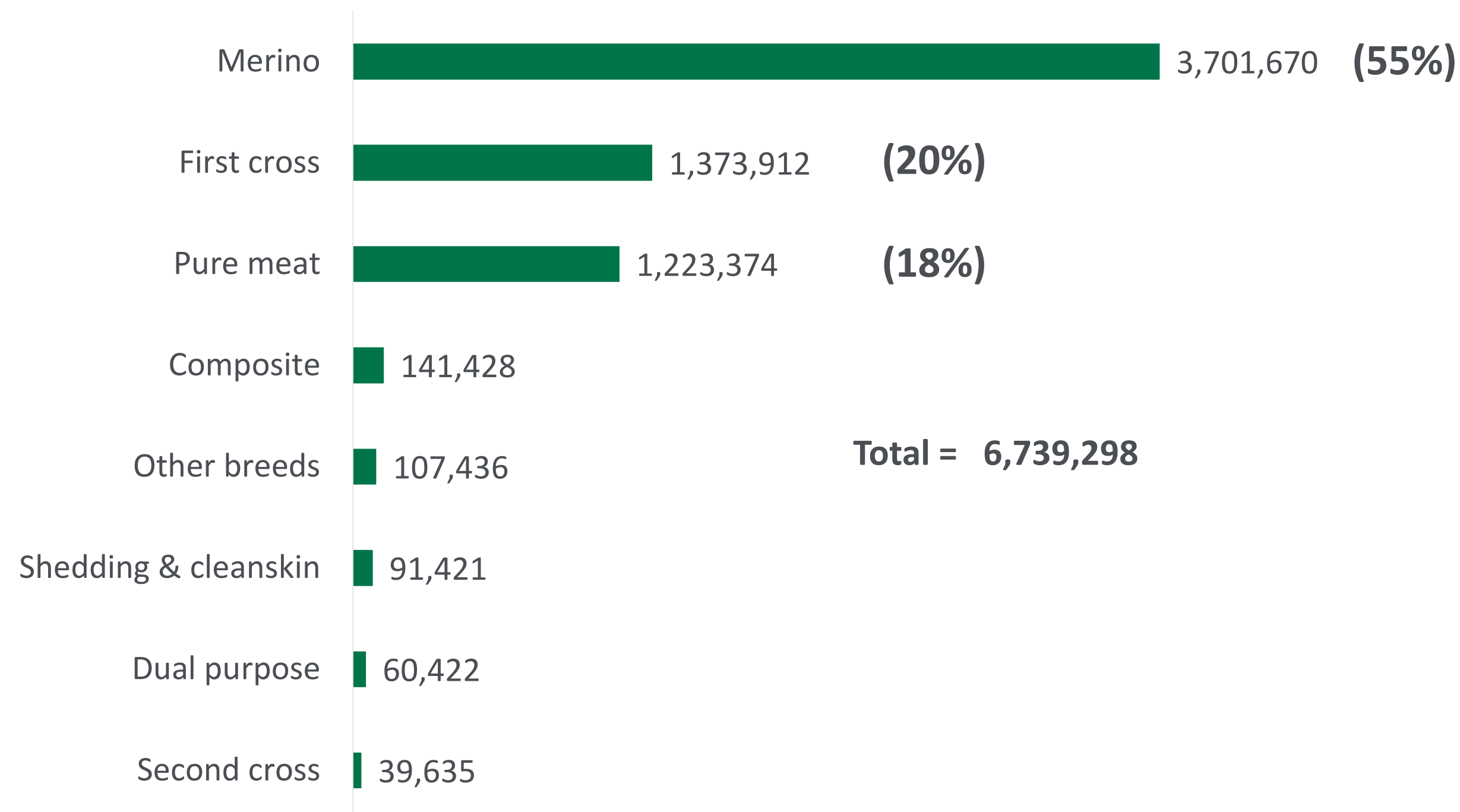


# Lambs marked in the past four months (1 Mar – 30 Jun 2020) and Ewes joined to produce those lambs - Australia

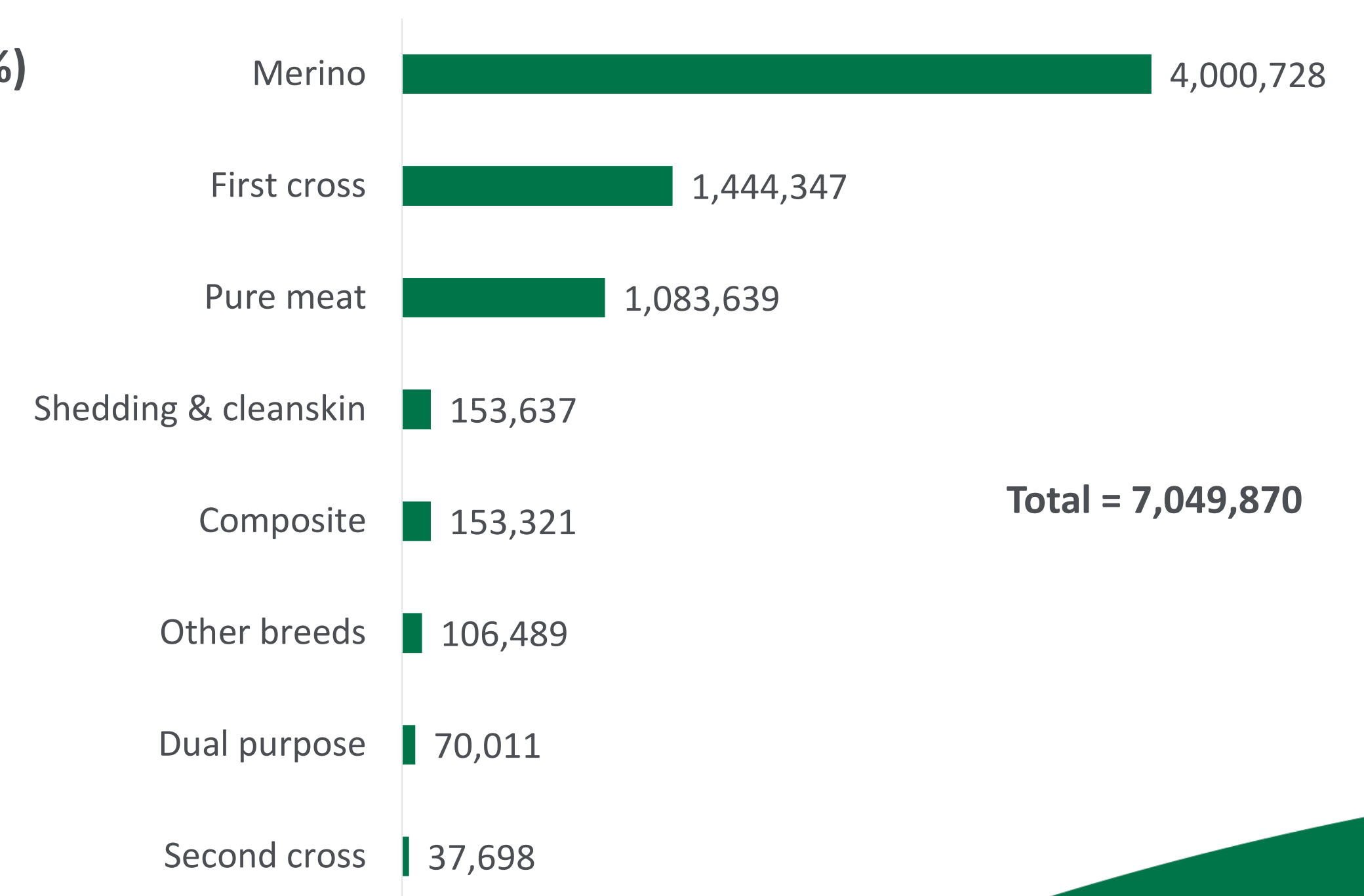
There were a total of 6.7 million lambs marked in the four months (from 1 March to 30 June 2020). Merinos accounted for the largest proportion of lambs marked in the past four months at **55%**, with First cross and Pure meat breeds accounting for **20%** and **18%**, respectively.

A total number of 7.0 million ewes were joined to produce the lambs that were marked in the past four months. National Merino marking rates were well below that of non-merino breeds at 93% and 100% respectively.

**Lambs marked in the past 4 months (1 Mar to 30 Jun)**



**Ewes joined to produce marked lambs (1 Mar to 30 Jun)**

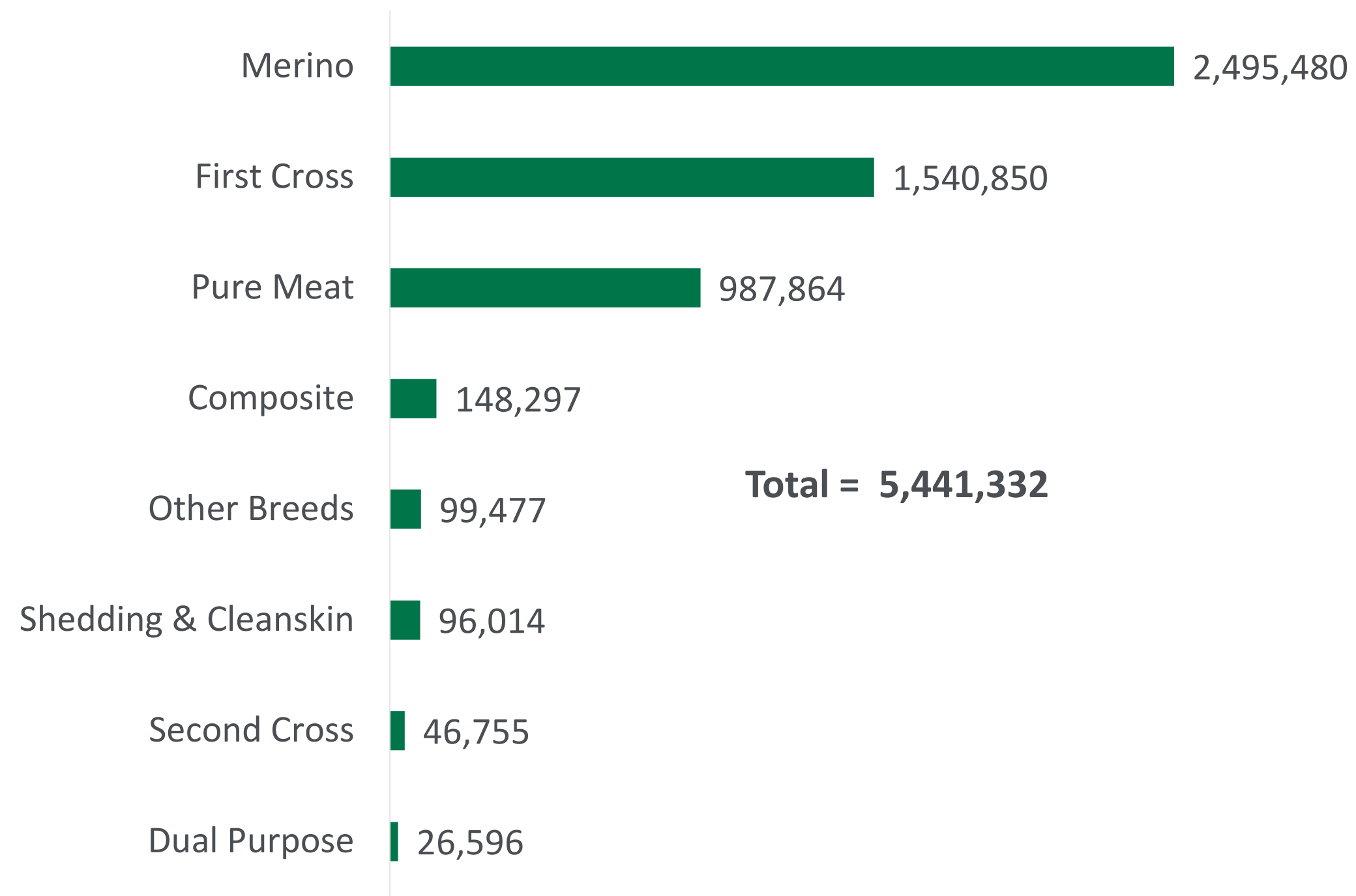


# Expected lamb sales in the next 4 months - Australia

A total number of **5.4 million lambs** are expected to be sold in the next four months (1 July 2020 to 31 October 2020), approximately 37% of the total number of lambs on hand (14.6 million). Of these: Merino, First Cross and Pure Meat breeds are expected to account for 46%, 28% and 18% of lamb sales respectively.

**41%** of producers are looking to increase their ewe flocks, largely through retaining more replacement ewes than normal (61%) or retaining more older ewes (45%).

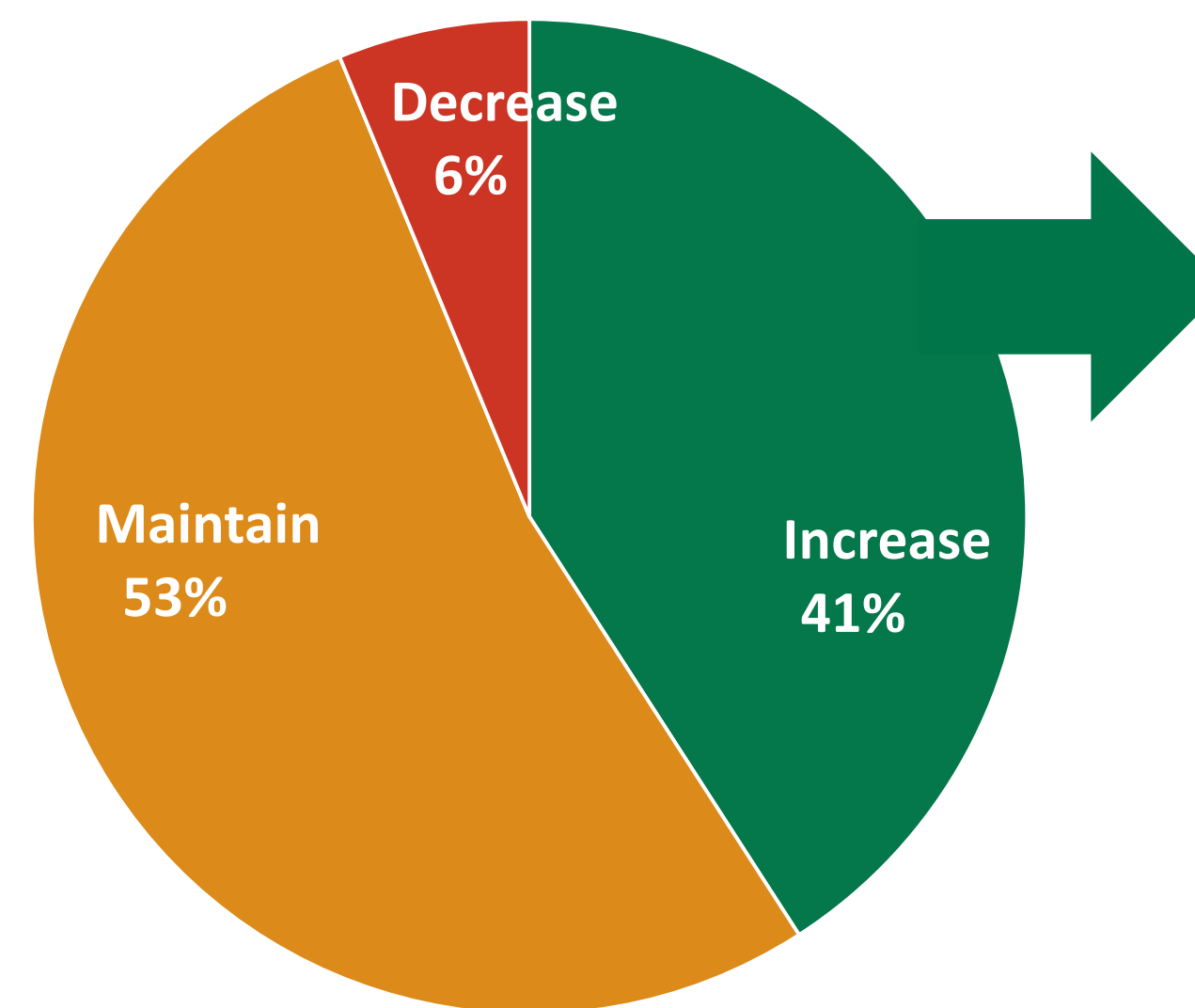
Expected lamb sales in the next 4 months



Total = 5,441,332

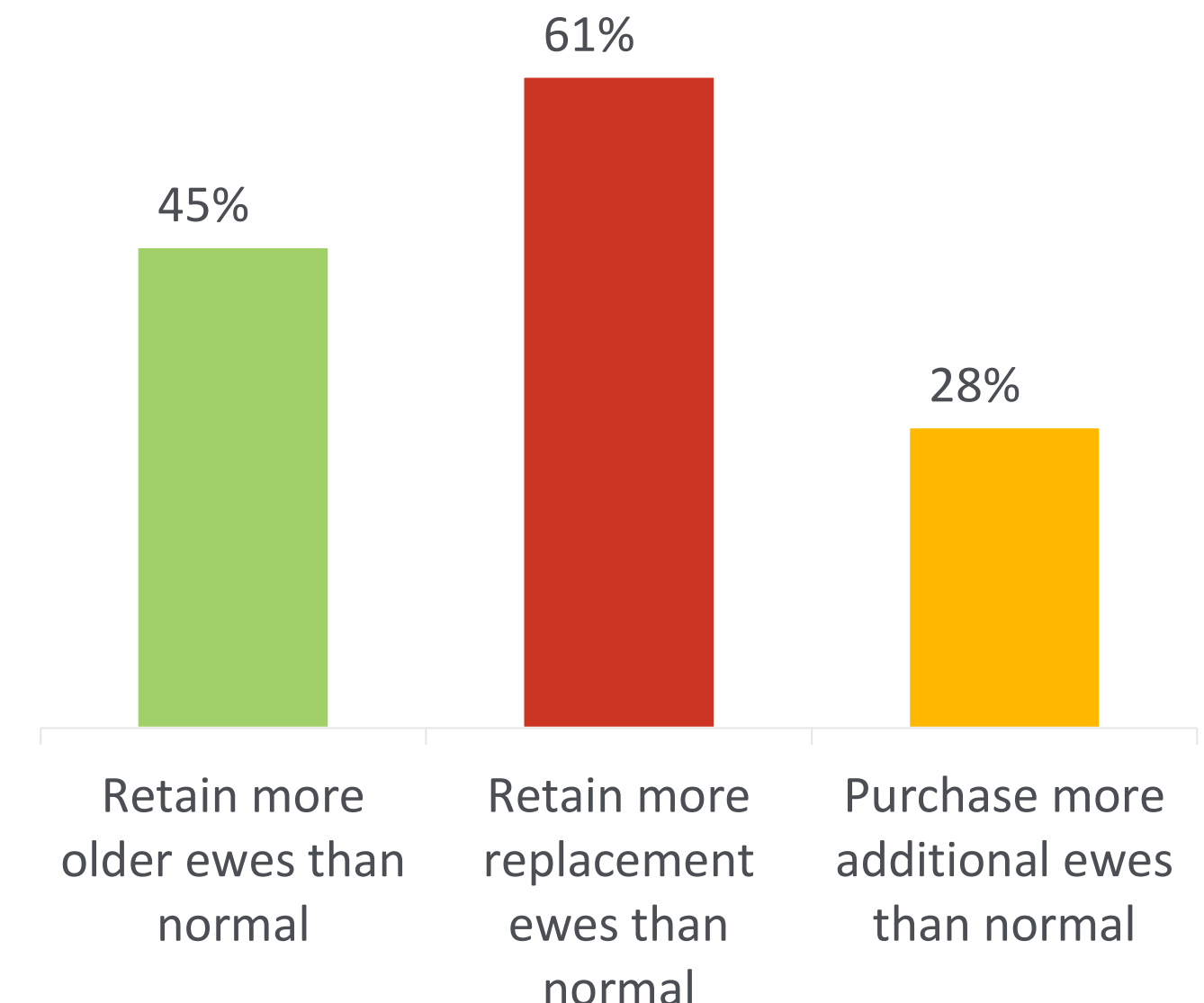
Sample base (properties) n=2,570

Ewe flock intentions



Sample base (respondents) n=1,549

How to achieve increase



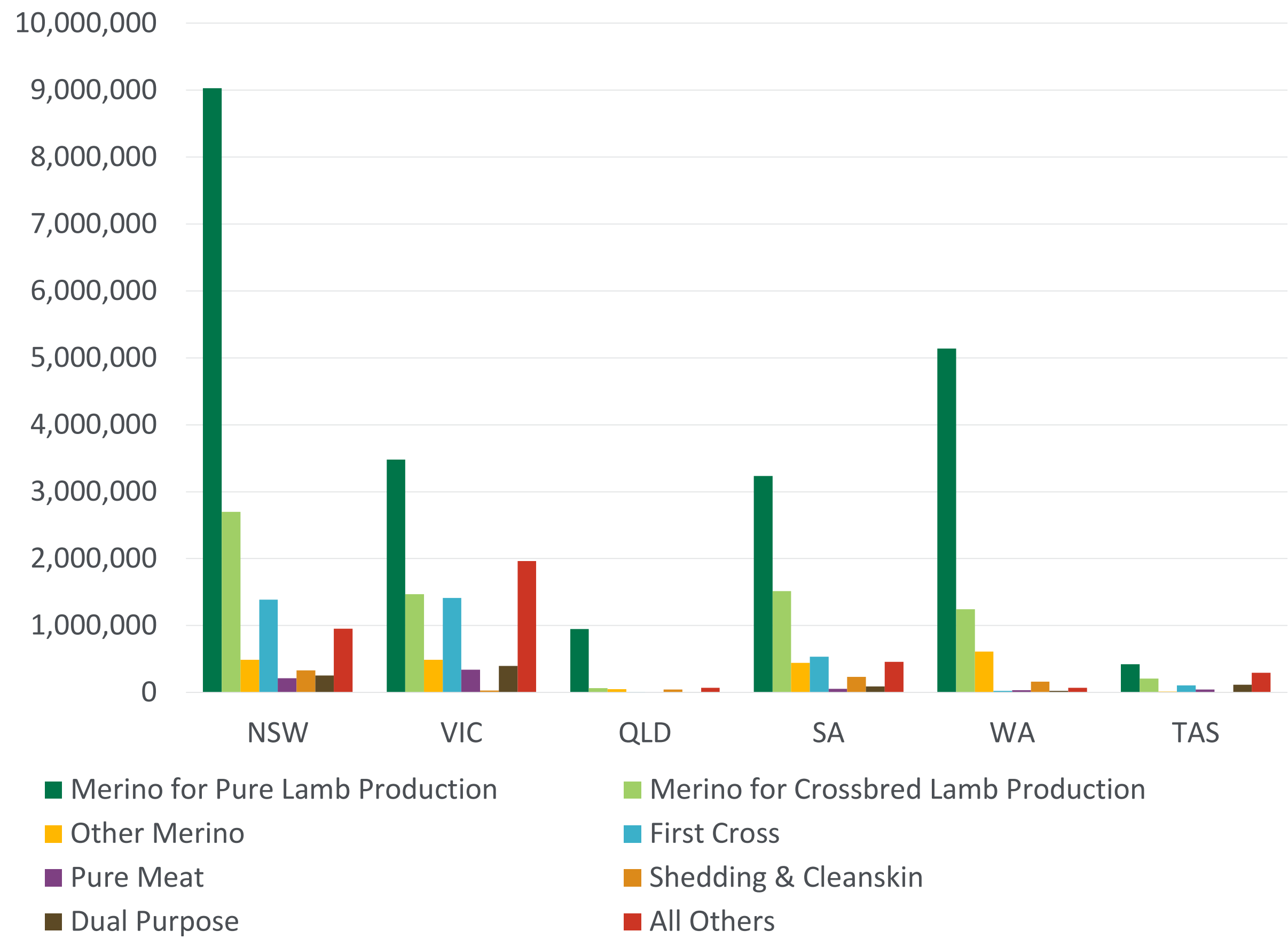
Sample base (respondents) n = 630



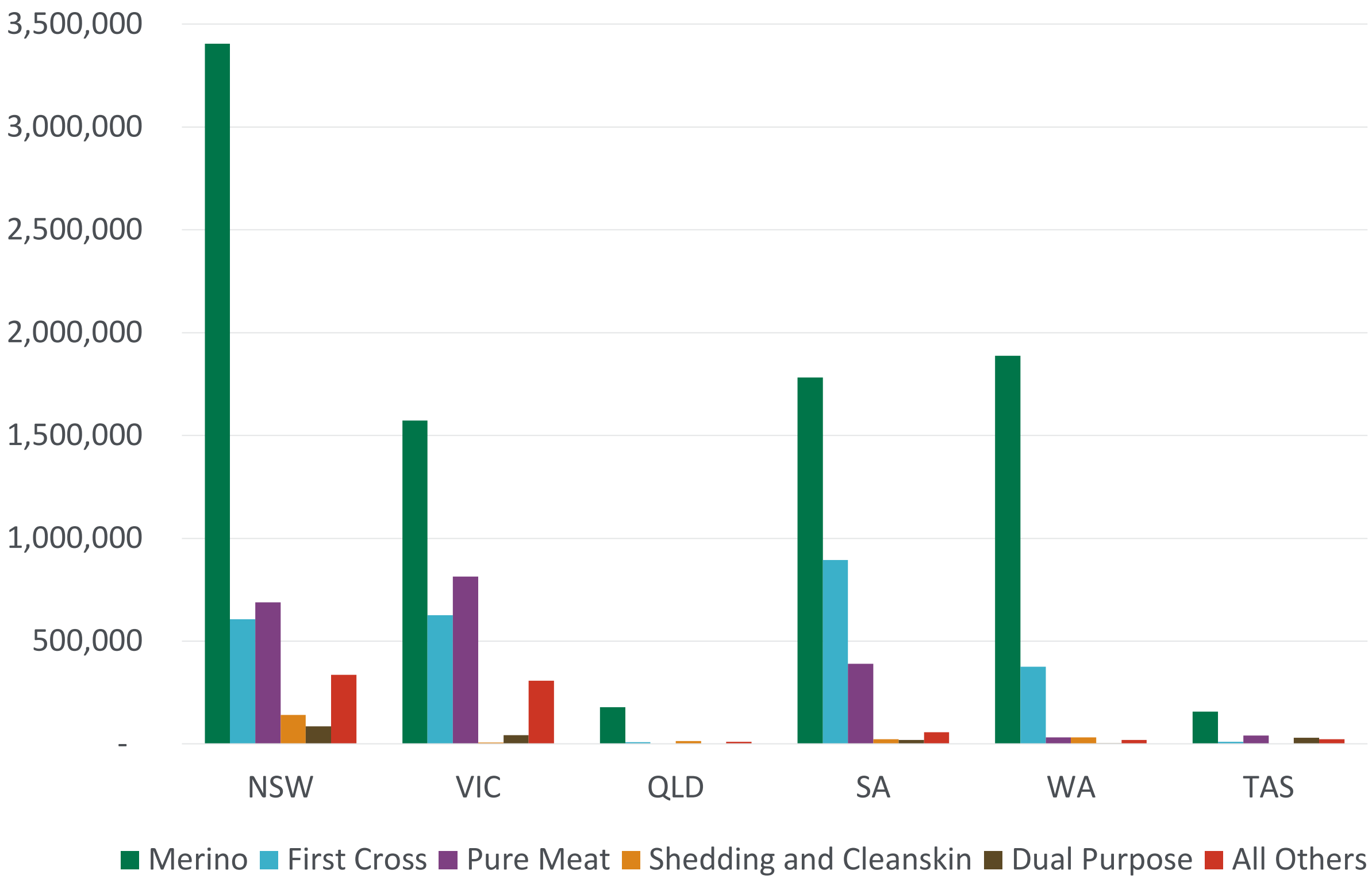
# Results by State

# Ewes on hand and Lambs on hand - State

Ewes on hand



Lambs on hand

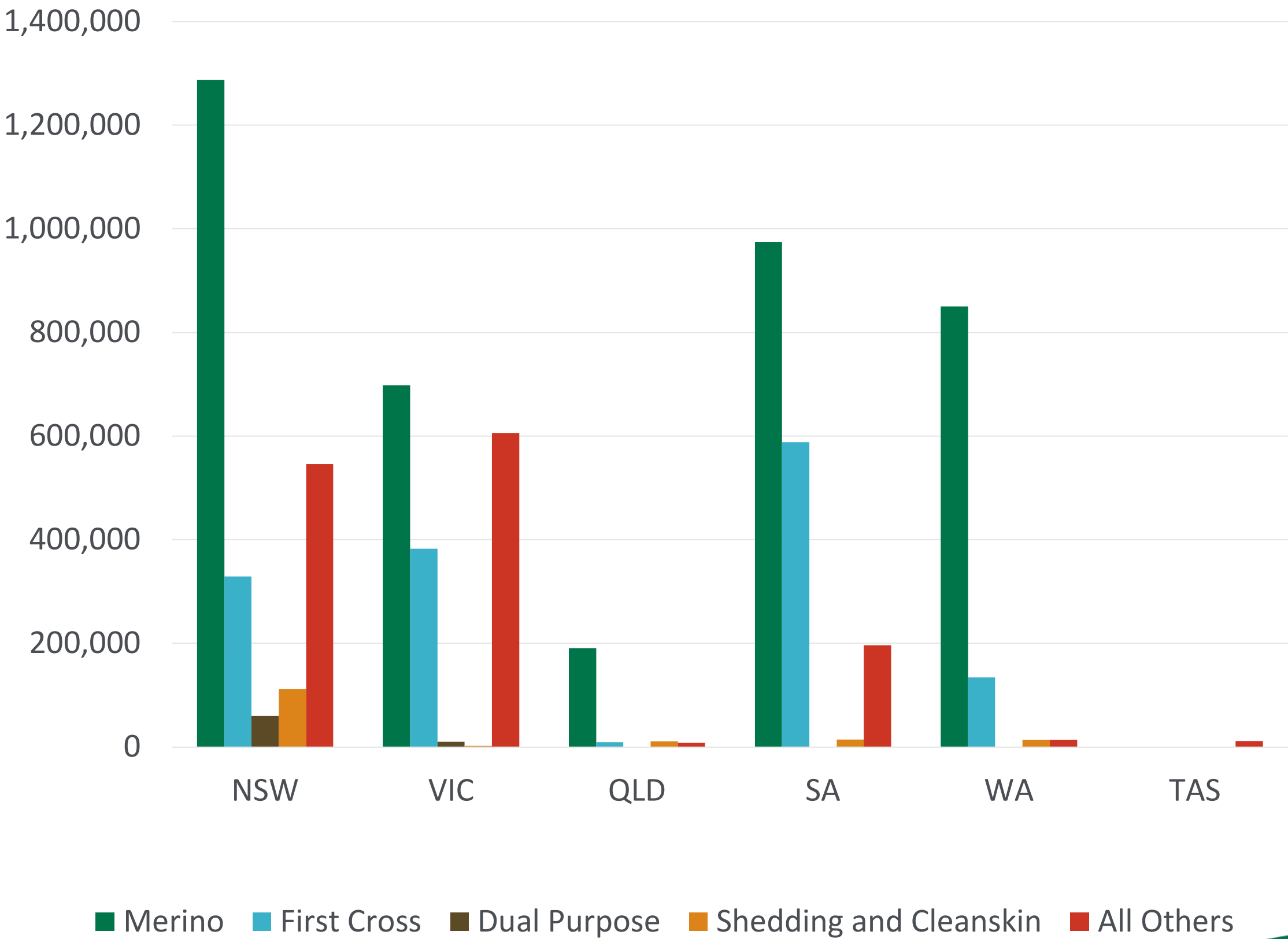


# Lambs marked in the past four months and ewes joined to produce those lambs - State

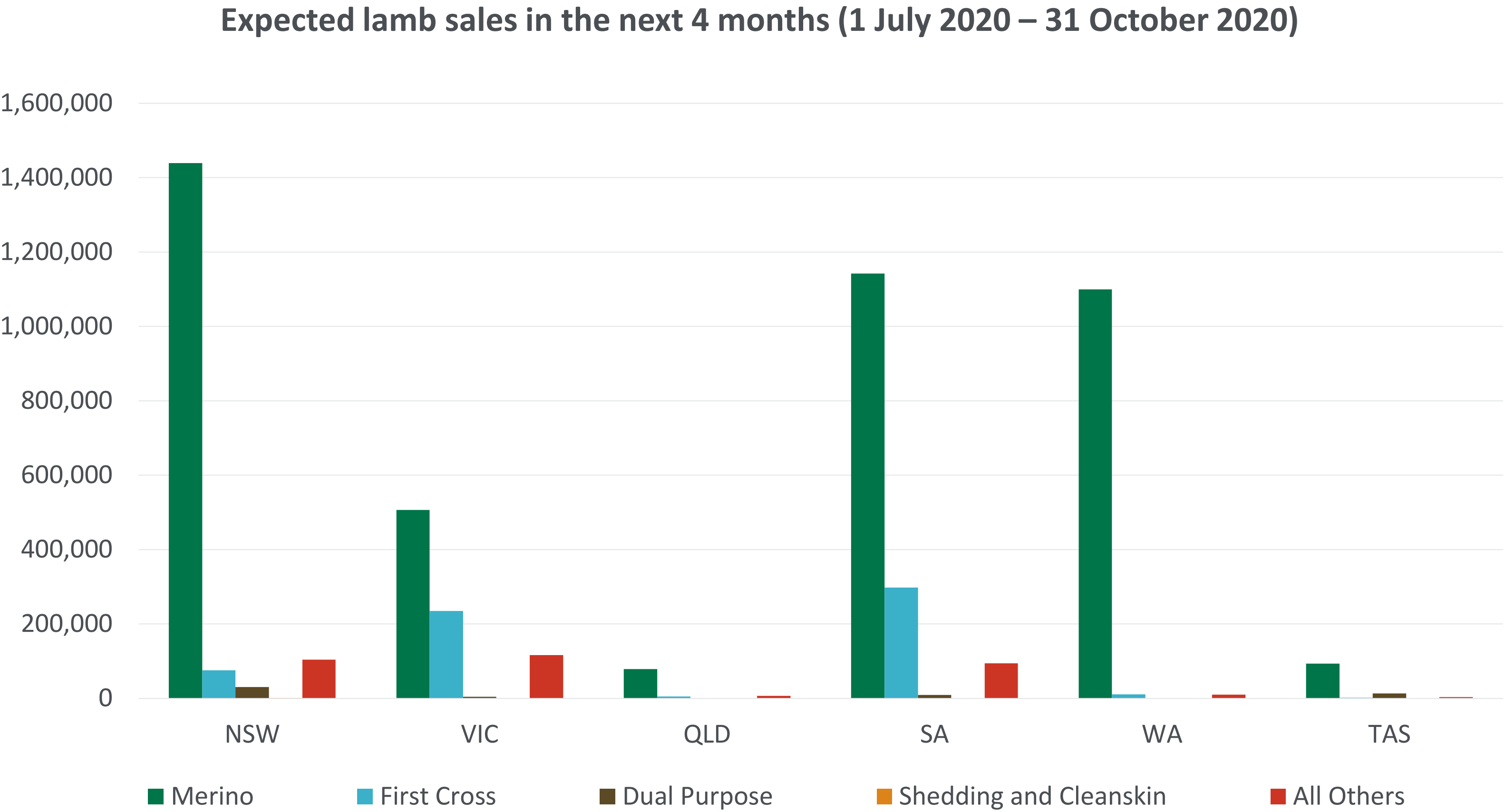
Lambs marked in the past 4 months  
(1 March 2020 – 30 June 2020)



Ewes joined to produce those lambs in the past 4 months  
(1 March 2020 – 30 June 2020)



# Expected lamb sales in the next four months – by State



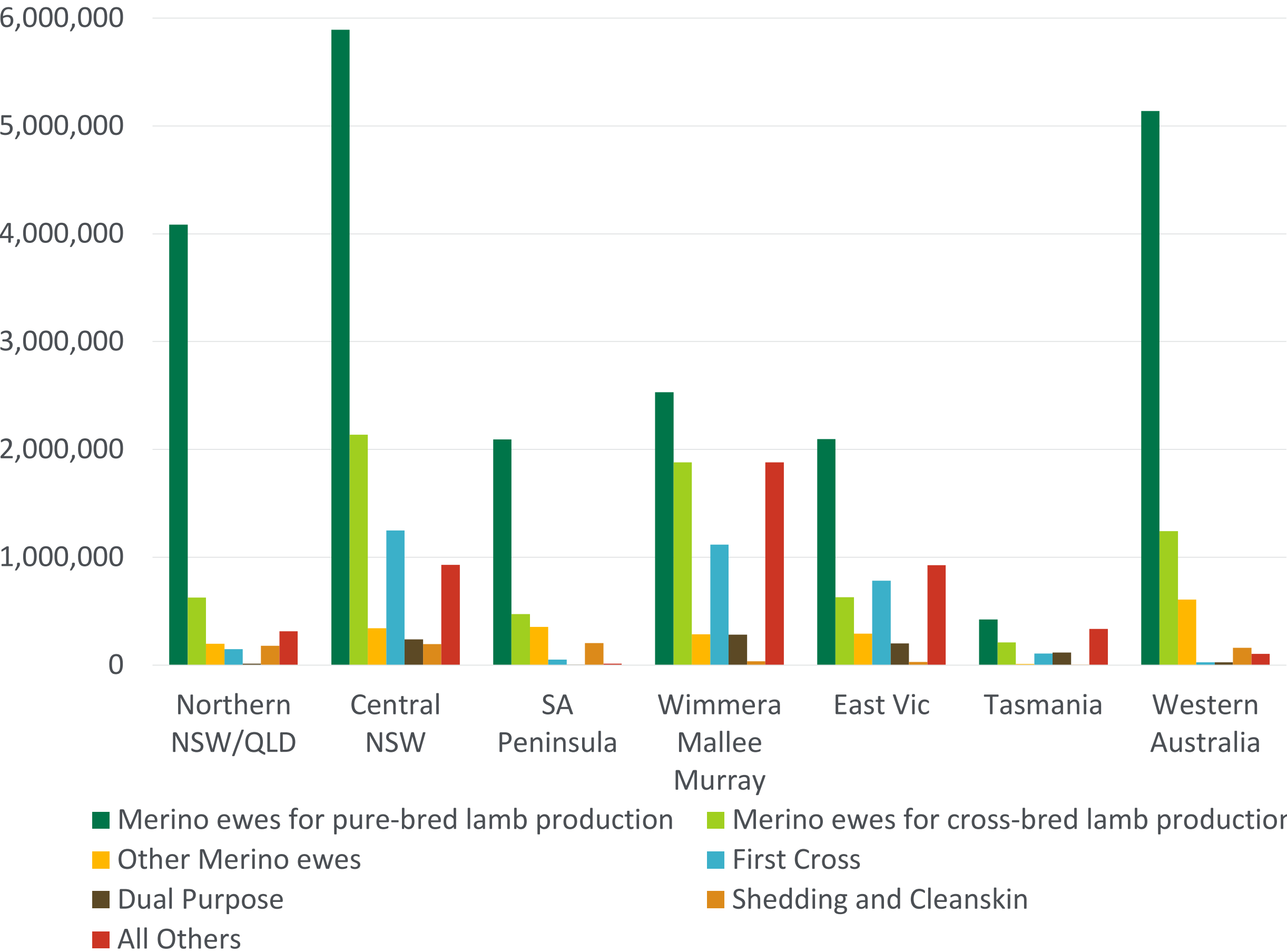


# Results by MLA Reporting Region

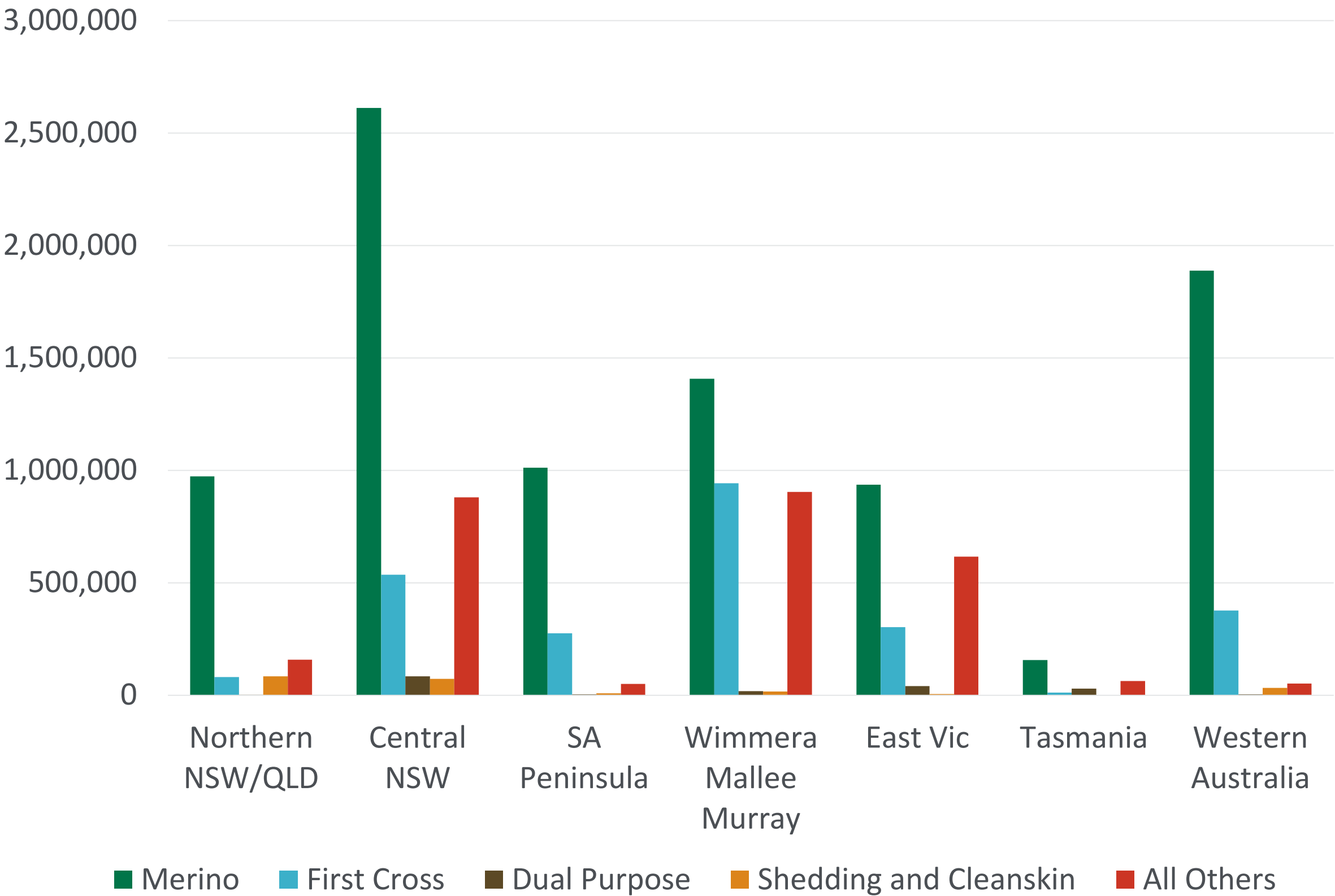
# Ewes on hand and lambs on hand 30 June 2020

## - by MLA reporting regions

Ewes on hand

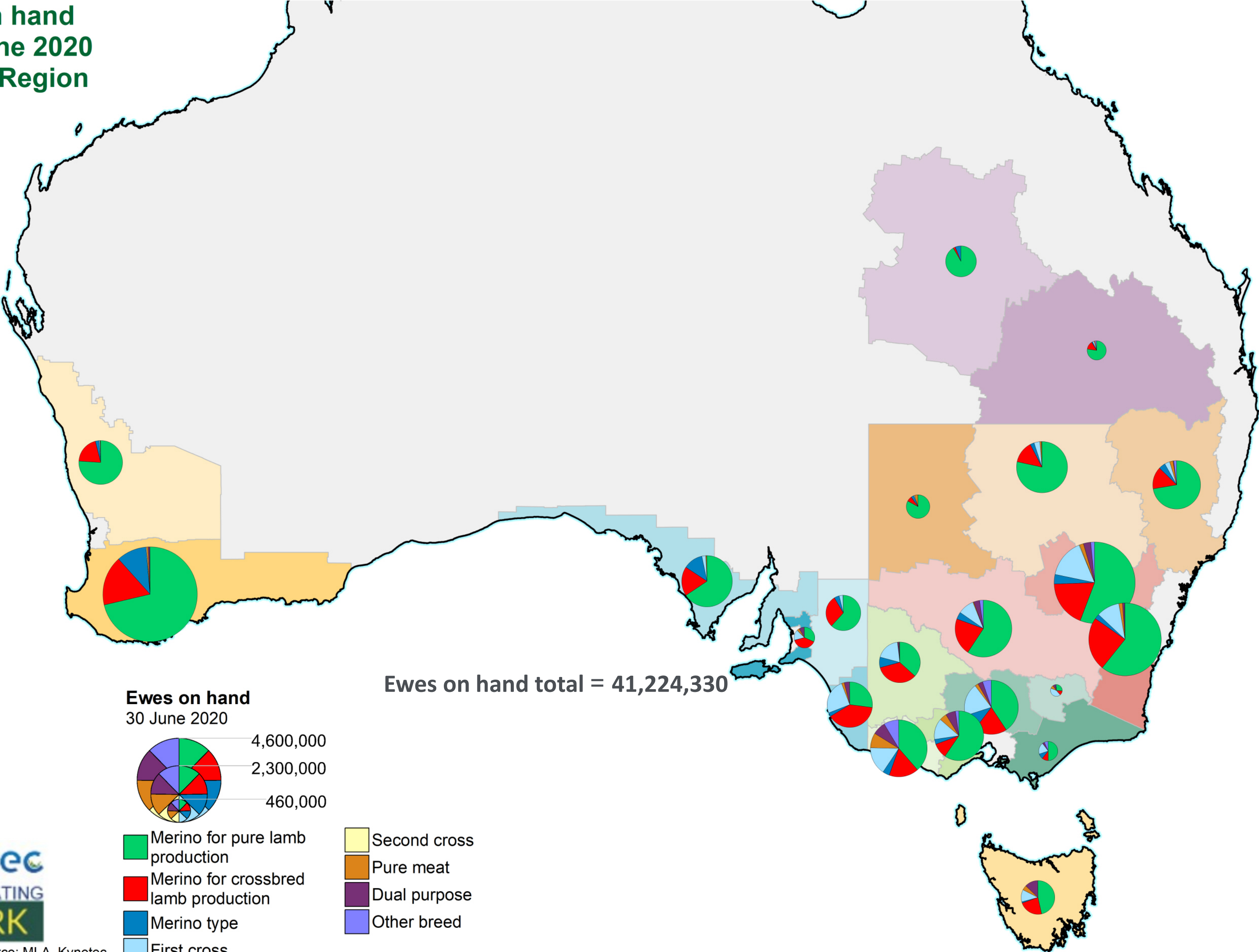


Lambs on hand



# Ewes on hand – MLA reporting regions

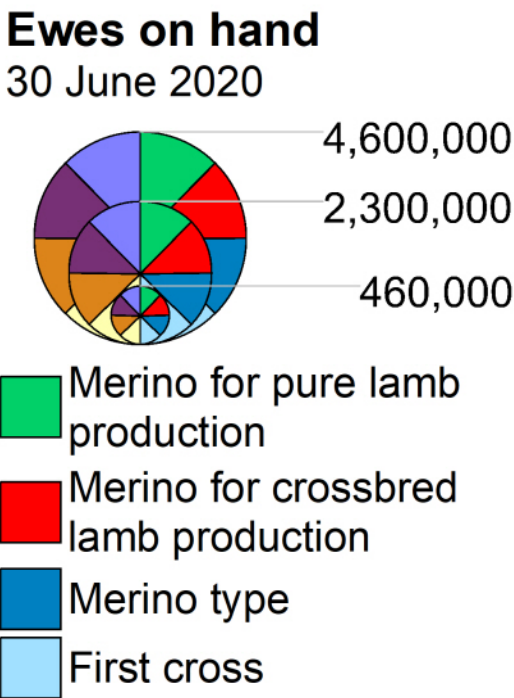
Ewes on hand  
at 30 June 2020  
by MLA Region



The breeding ewe population was largest in WA South (5.7 m), Central West region NSW (4.6 m) and South Eastern NSW (3.6 m).

WA South (97%) and Eyre Yorke and North (96%) had the highest percentage of merinos in their flock followed by Central Queensland (95%) and Murray Land (94%) (Merino for Pure lamb, Merino for cross lamb production and Merino other).

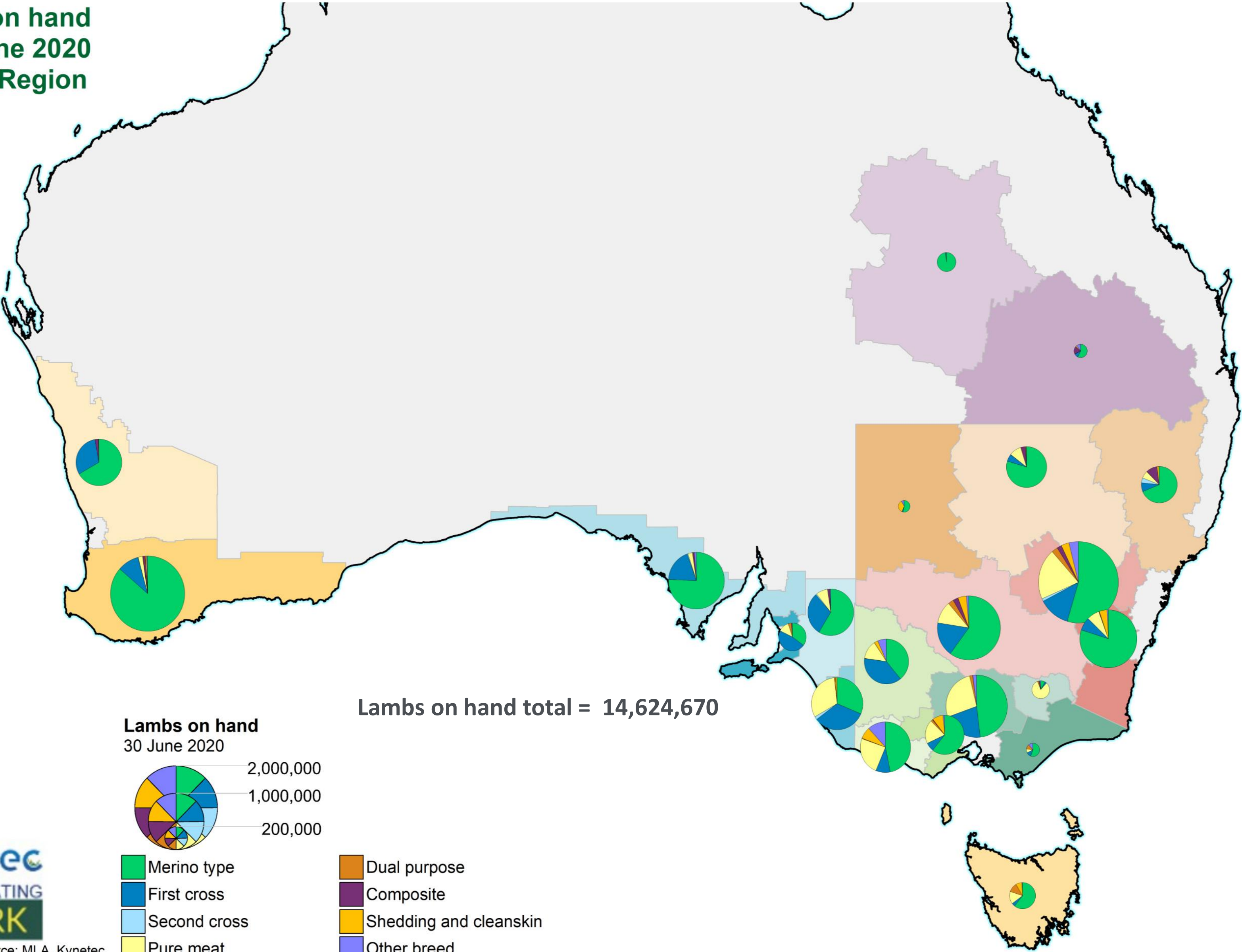
Conversely, when considering regions with over 40,000 non merinos, the largest percentage of non-merino ewes was in Ovens Murray (64%), Western District (57%), Tasmania (47%), and South East (45%).





# Lambs on hand – by MLA reporting regions

Lambs on hand  
at 30 June 2020  
by MLA Region



In line with a larger ewe flock population, the number of lambs on hand at 30 June was greatest in Central West NSW at 1.9 million. This was followed by the WA South region, recording around 1.6 million head.

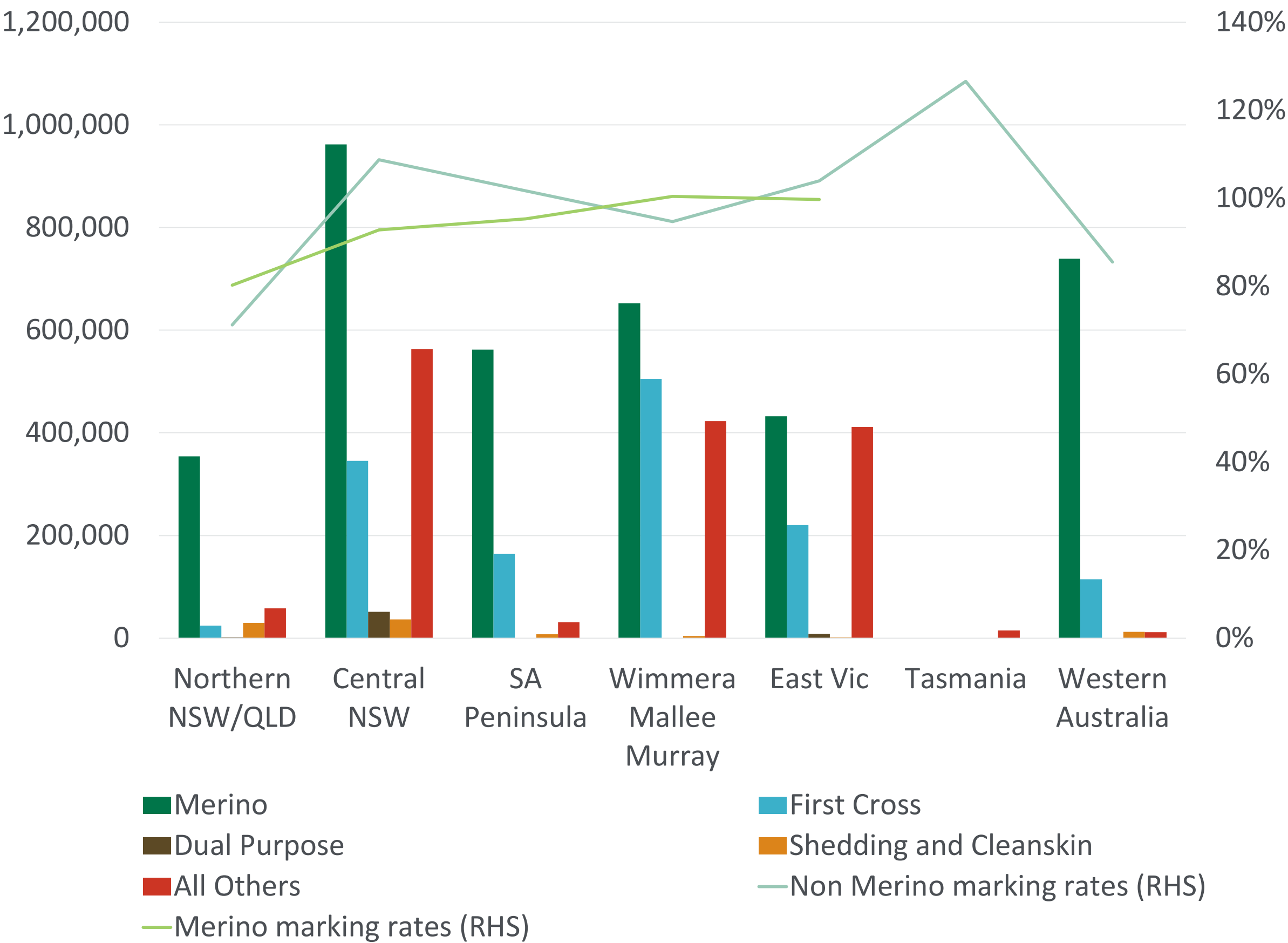
Although Merinos tended to be the most dominant breed of lamb across almost all regions, a large proportion of flocks in some regions were made up of first cross and pure meat breeds. In Outer Adelaide (47%) and the Wimmera and Mallee (38%), First cross lambs comprised a significant portion of the lamb flock while Pure meat in Ovens Murray and South East comprised of 82% and 32% of the total lamb flocks, respectively.

NSW had the largest Merino lamb flock at around 3.4 million head, accounting for 65% of the 5.3 m total NSW lamb flock. In QLD however, Merinos accounted for 84% of the total lamb flock (178 thousand of 212 thousand head).

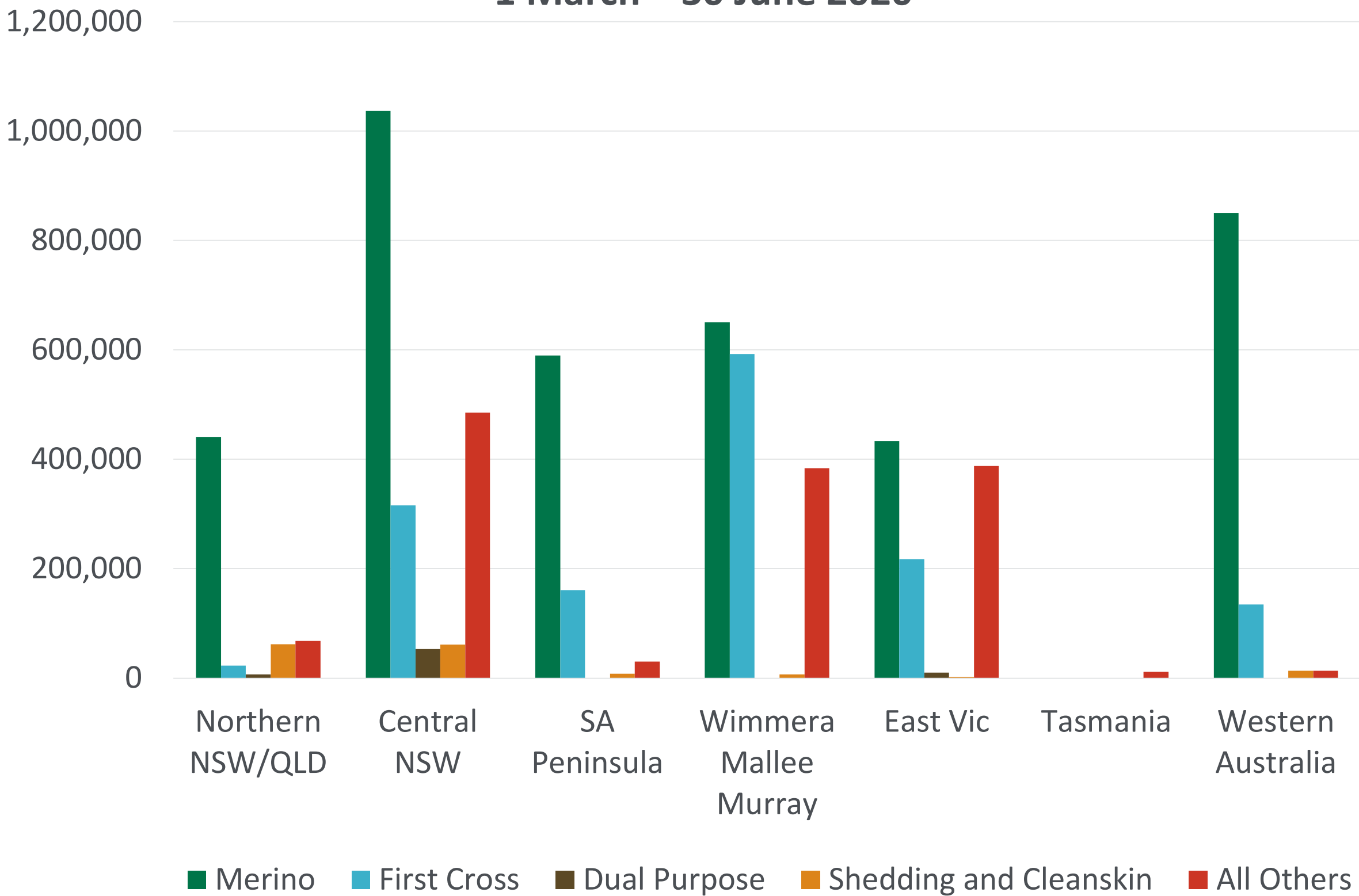


# Lambs marked in the past 4 months and Ewes joined to produce those lambs – by MLA reporting regions

Lambs marked in the past 4 months 1 March – 30 June 2020

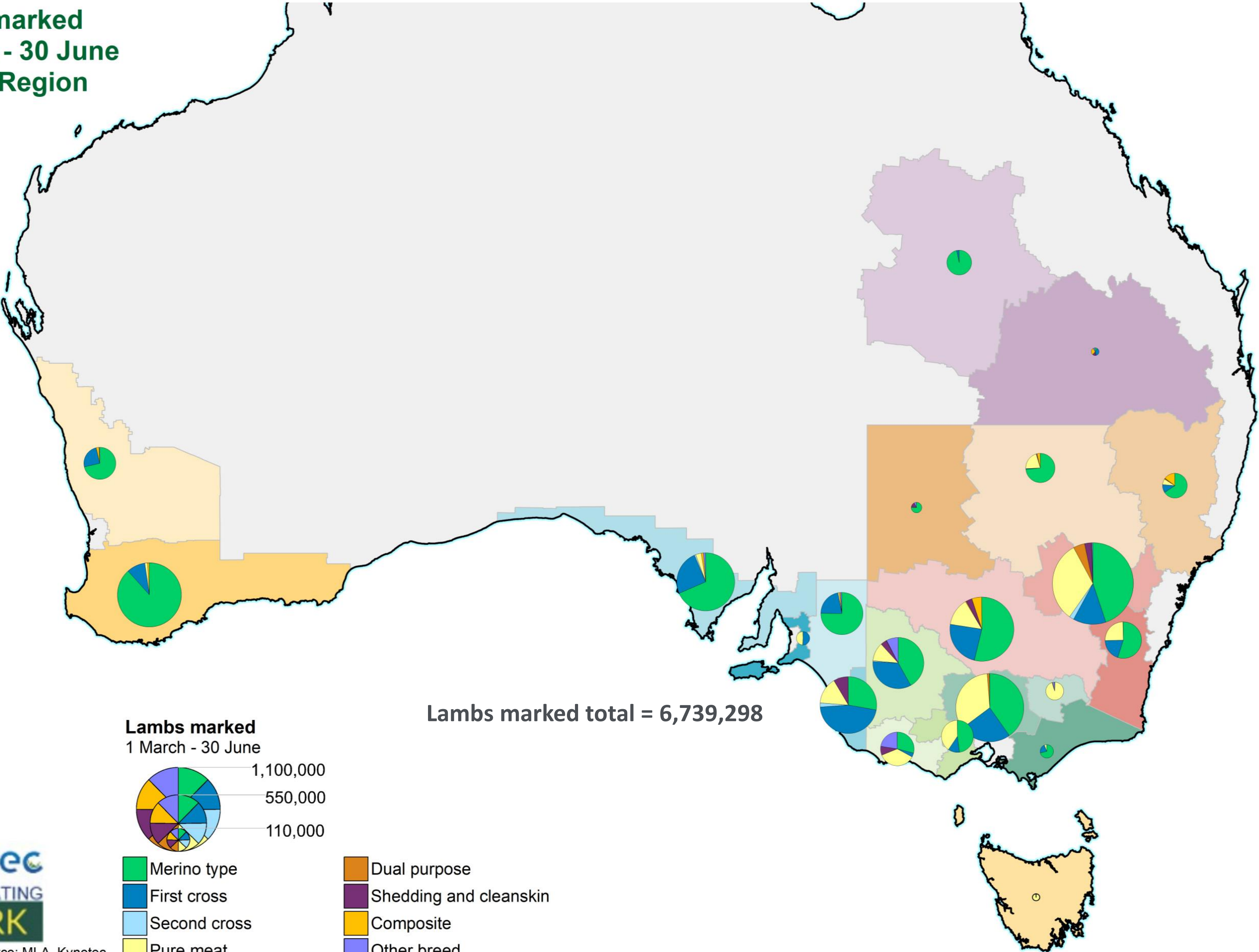


Ewes joined to produce those lambs in the past 4 months 1 March – 30 June 2020



# Lambs marked in the past four months

Lambs marked  
1 March - 30 June  
by MLA Region



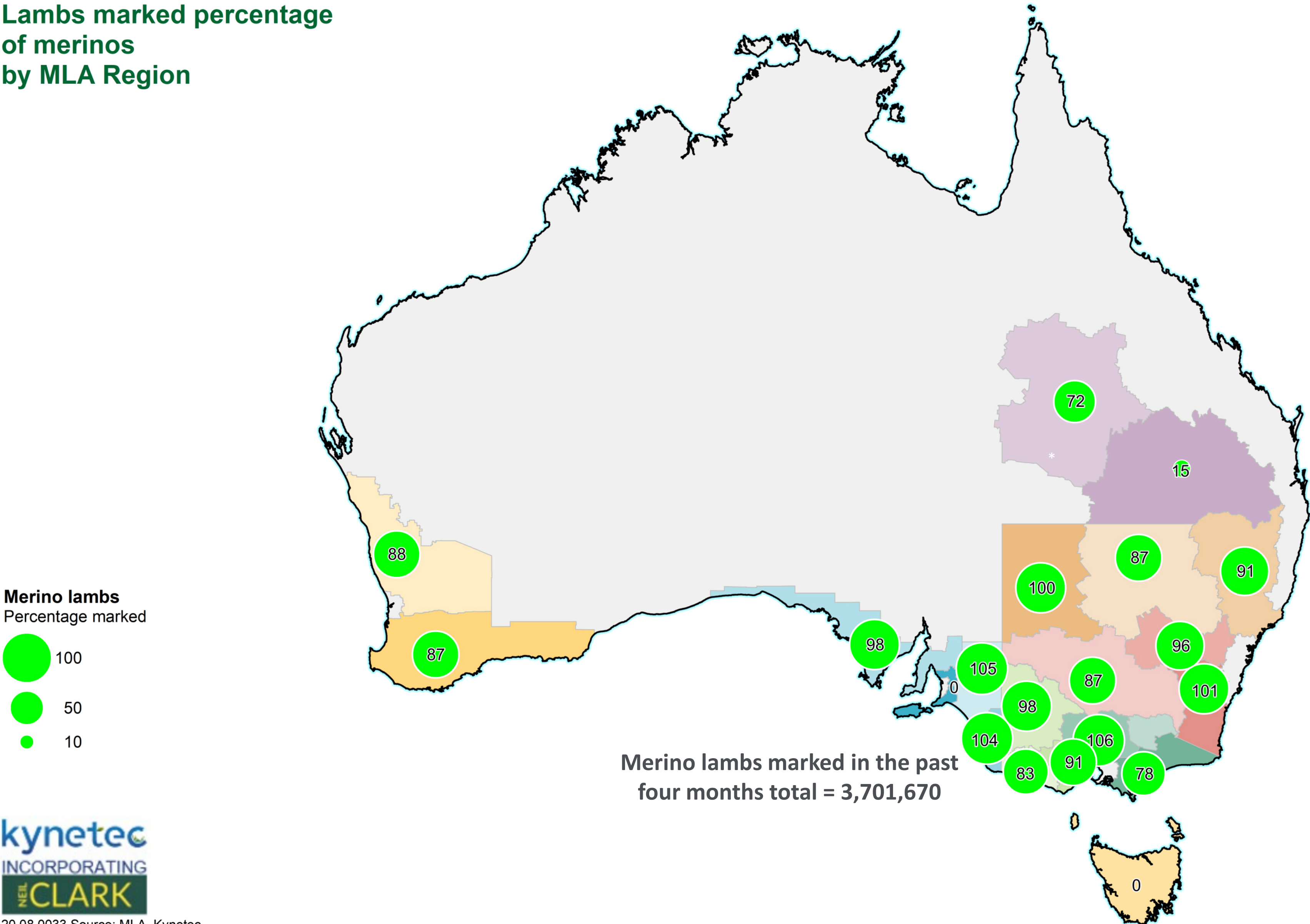
Around 6.7 million lambs were marked over the past four months.

Central West, Loddon and Goulburn and Murray and Murrumbidgee accounted for a large number of new lambs, with markings of 1.0m, 0.8m and 0.7m head respectively.



# Merino lamb marking rates – by MLA regions

Lambs marked percentage  
of merinos  
by MLA Region



The highest Merino marking rates were recorded in Loddon and Goulburn (106%) and Murray Lands (105%). Conversely, the lowest marking rates were recorded in Central QLD at 72% and Gippsland at 78%.

Nationally the Merino marking rate was 93% and on a state basis, Queensland and WA had the lowest marking rate at 68% and 87% respectively, while SA and VIC recorded the highest Merino marking rates of 99% and 98% respectively.

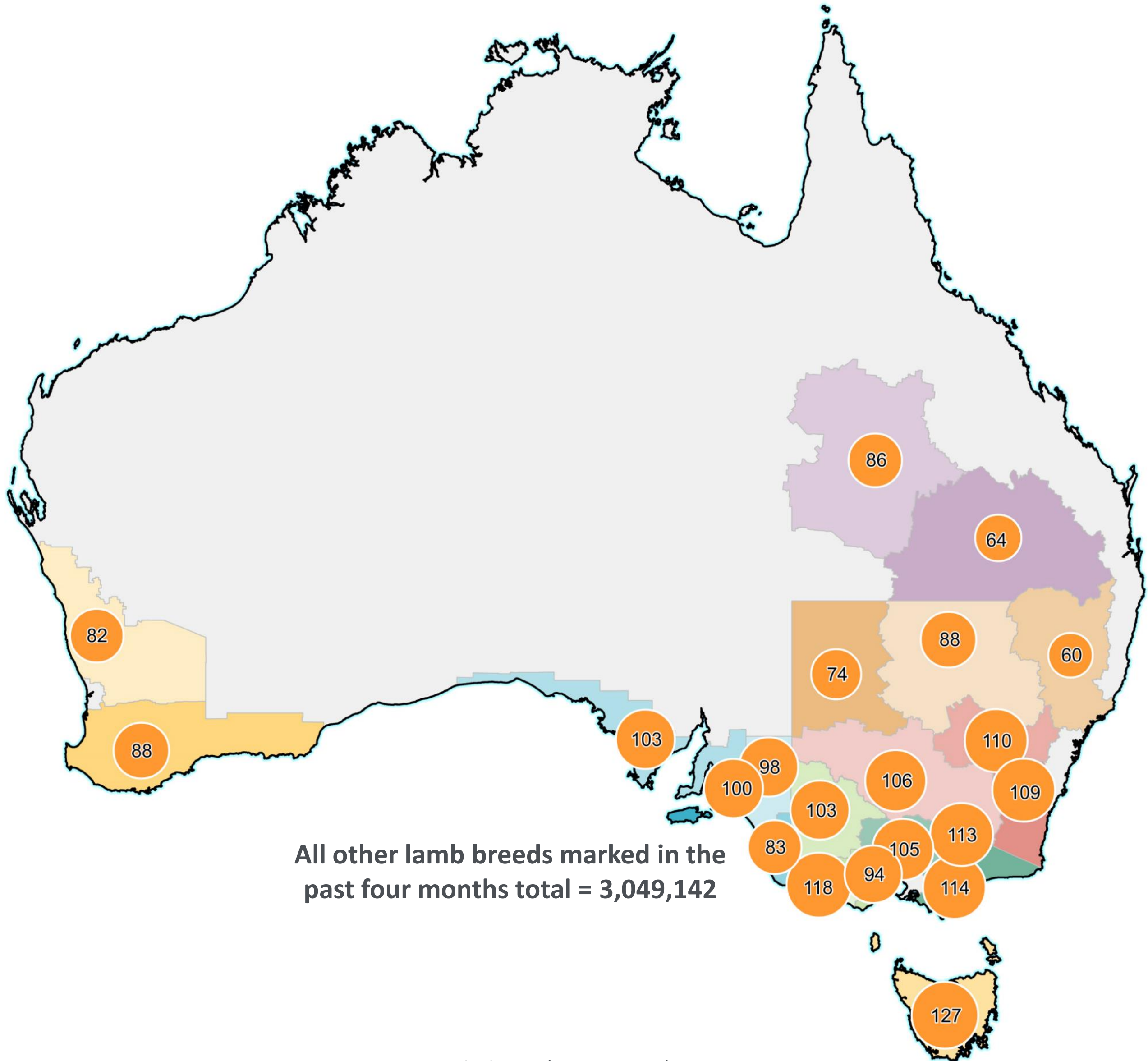
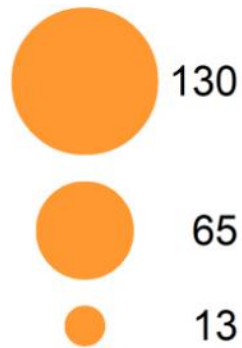
**Note:** These marking rates are for the period between 1 March to 30 June 2020 and are not an accurate representation of annual marking rates.



# All other breed lamb marking rates – by MLA regions

Lambs marked  
percentage  
of non merinos  
by MLA Region

Non merino lambs  
Percentage marked



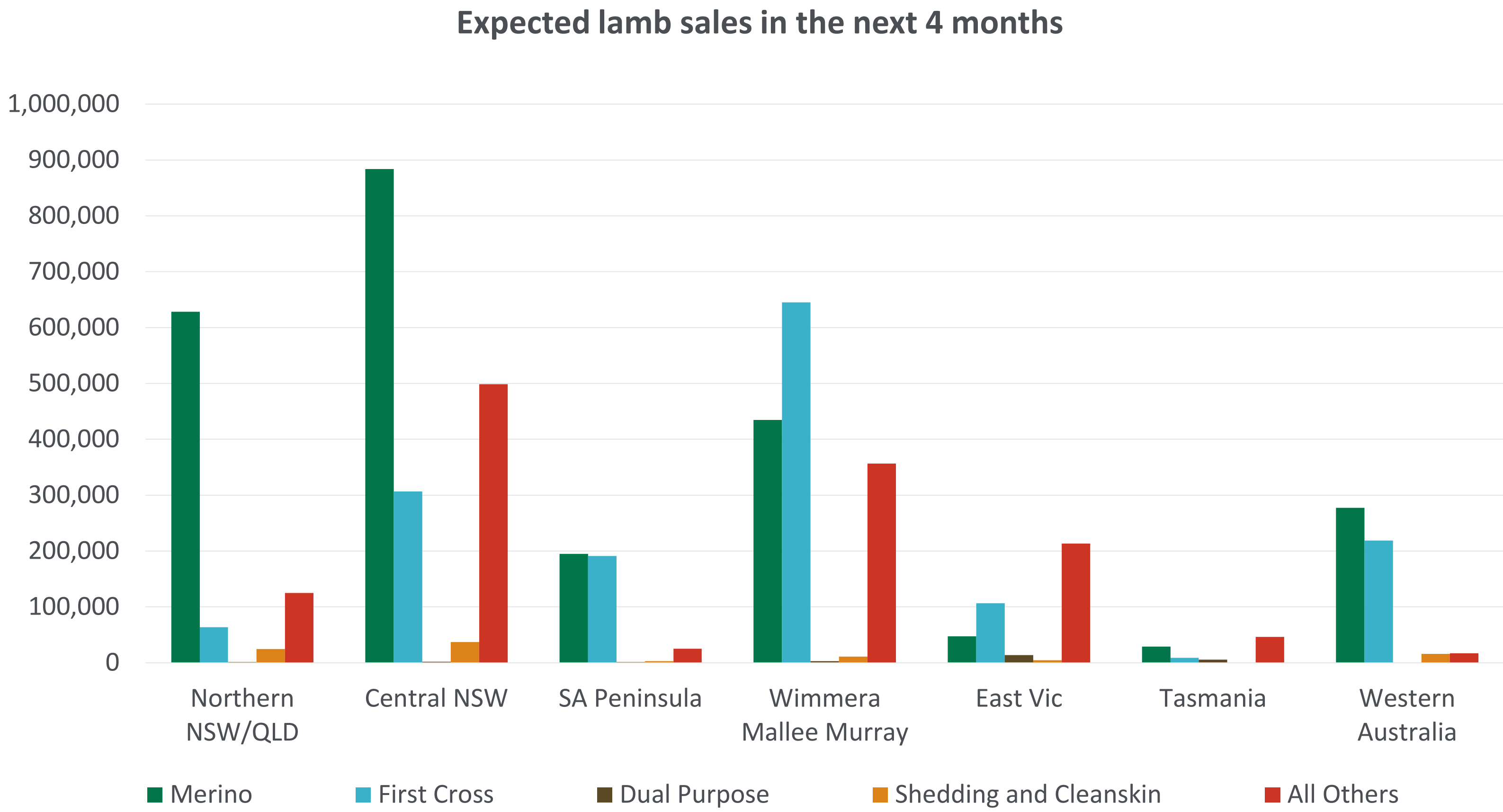
All other lamb breeds marked in the  
past four months total = 3,049,142

Of the regions with greater than 40 thousand head of non-merino lambs Western District, Ovens Murray and Central West recorded the highest marking rates for non-Merino lambs at 118%, 113% and 110% respectively.

On a state basis VIC (105%) and NSW (104%) recorded the highest non-merino marketing when only considering states that had greater than 40 thousand head of non-merino lambs marked. In contrast, the lowest non-merino marking rates were seen in WA (86%) and SA (90%).

**Note:** These marking rates are for the period between 1 March and 30 June 2020. As this is outside of the peak lambing period in some regions this year, these are not representative of the average annual marking rates.

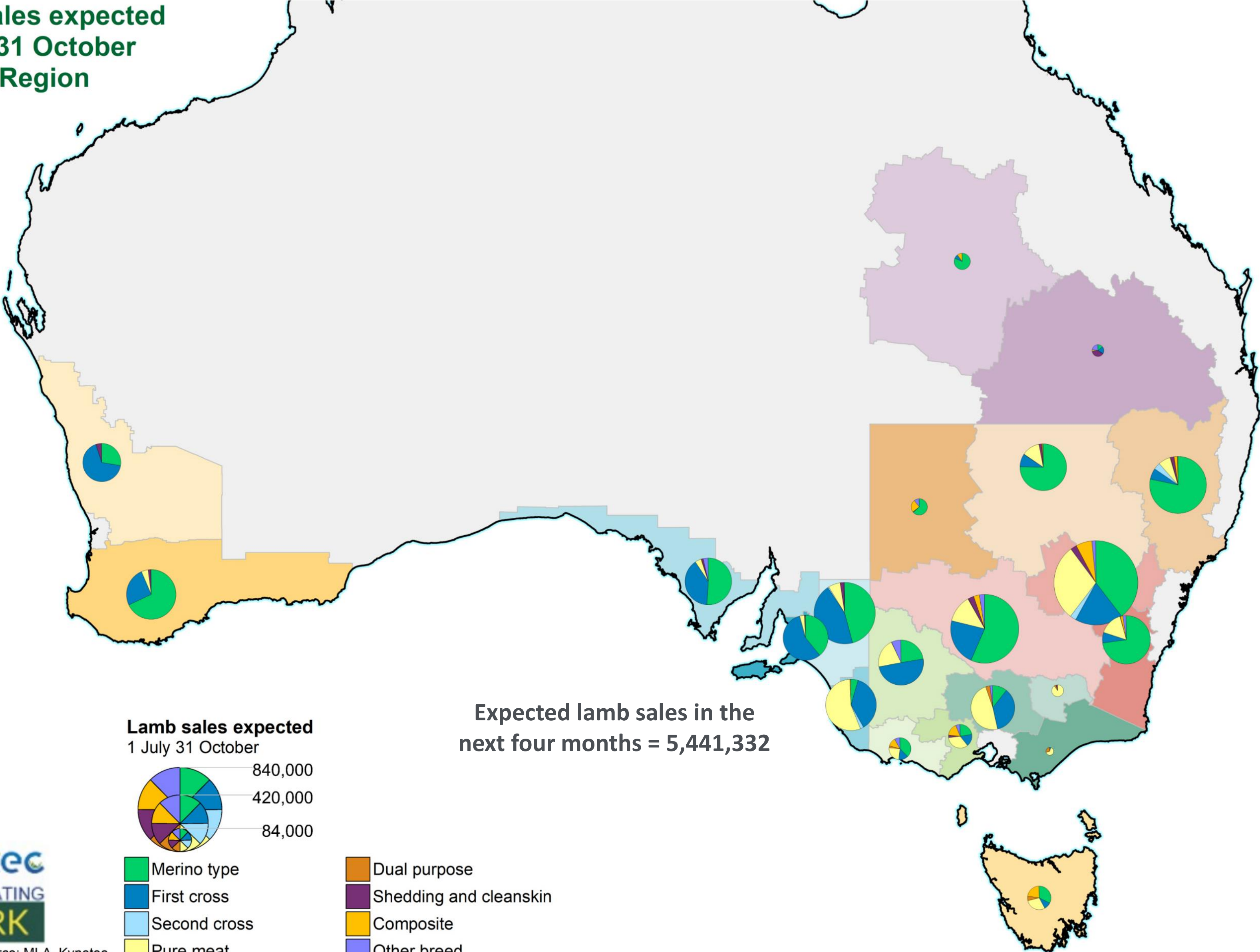
# Expected lamb sales in next four months (1 July - 31 October 2020) – by MLA reporting regions





# Expected lamb sales in next four months

Lamb sales expected  
1 July - 31 October  
by MLA Region



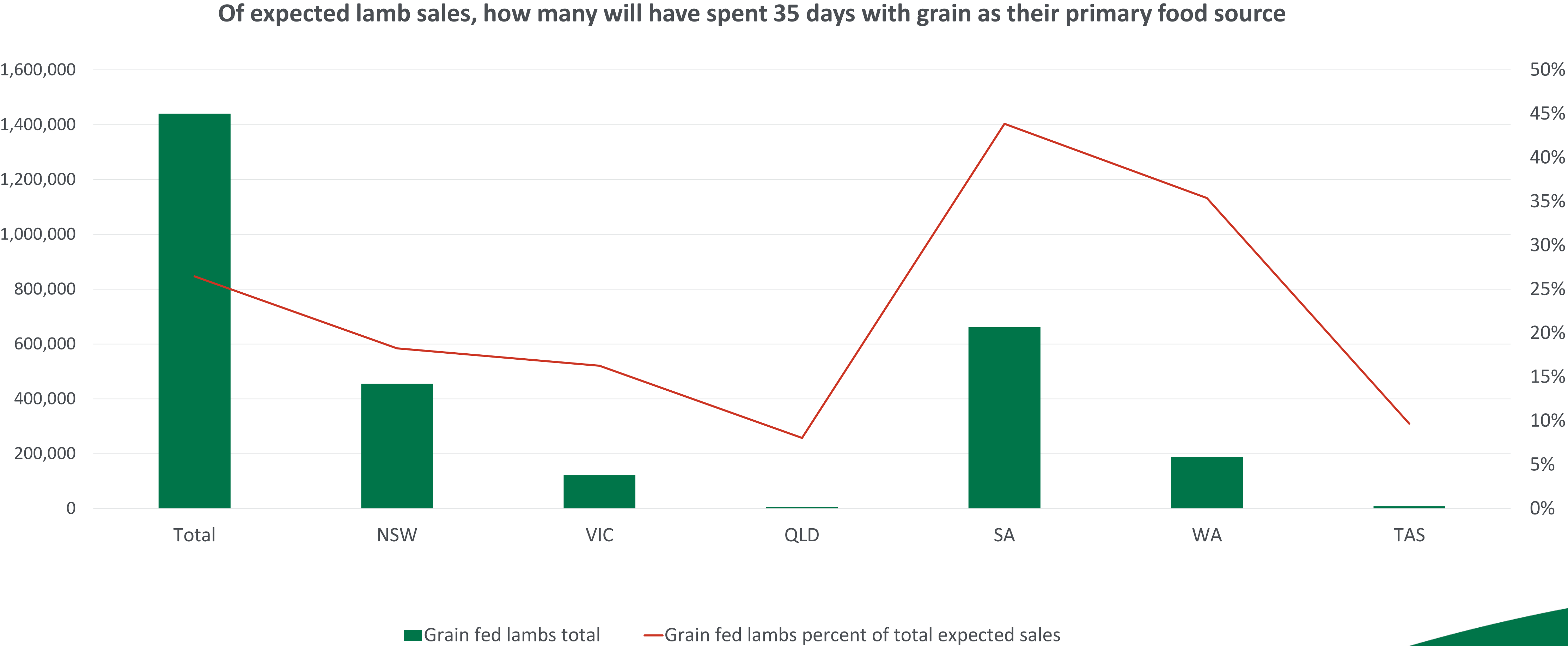
Over the next four months (1 July 2020 to 31st October 2020), most lamb sales are expected to occur in Central West (0.83m) Murray and Murrumbidgee (0.59m), and Murray Lands (0.47m).

Merino’s are expected to account for 46% of national lamb sales, with the proportion higher in NSW and QLD (59% and 58% respectively). First cross and pure meat breeds will account for 49% of lamb sales, being highest in VIC (70%) and SA (62%).

NSW is expected to account for 46% of total lamb sales over the next four months, with around 2.5 million lambs expected to be on offer. This is followed by SA and VIC at 28% and 14% of total lamb sales, respectively.

## New Question in June 2020: Grain Fed Lambs

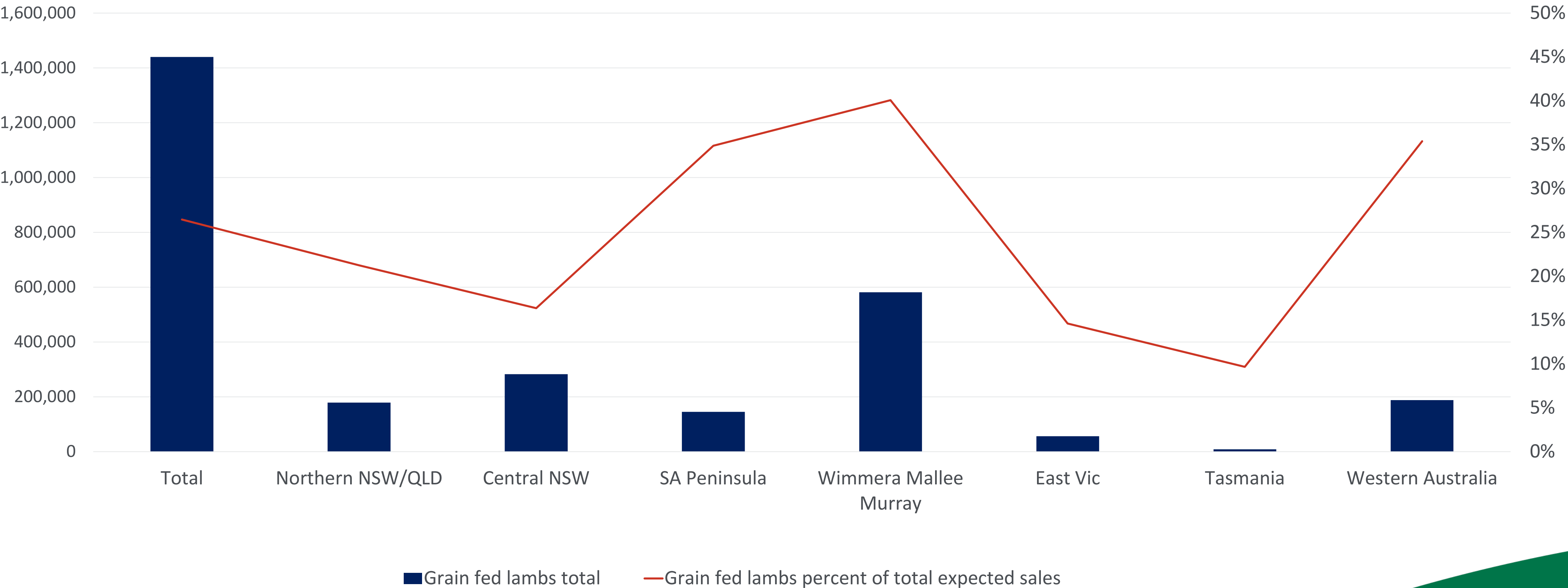
# Number of lambs expected to be sold that spent 35 days with grain as their primary food source – by State





# Number of lambs expected to be sold that spent 35 days with grain as their primary food source - by MLA reporting regions

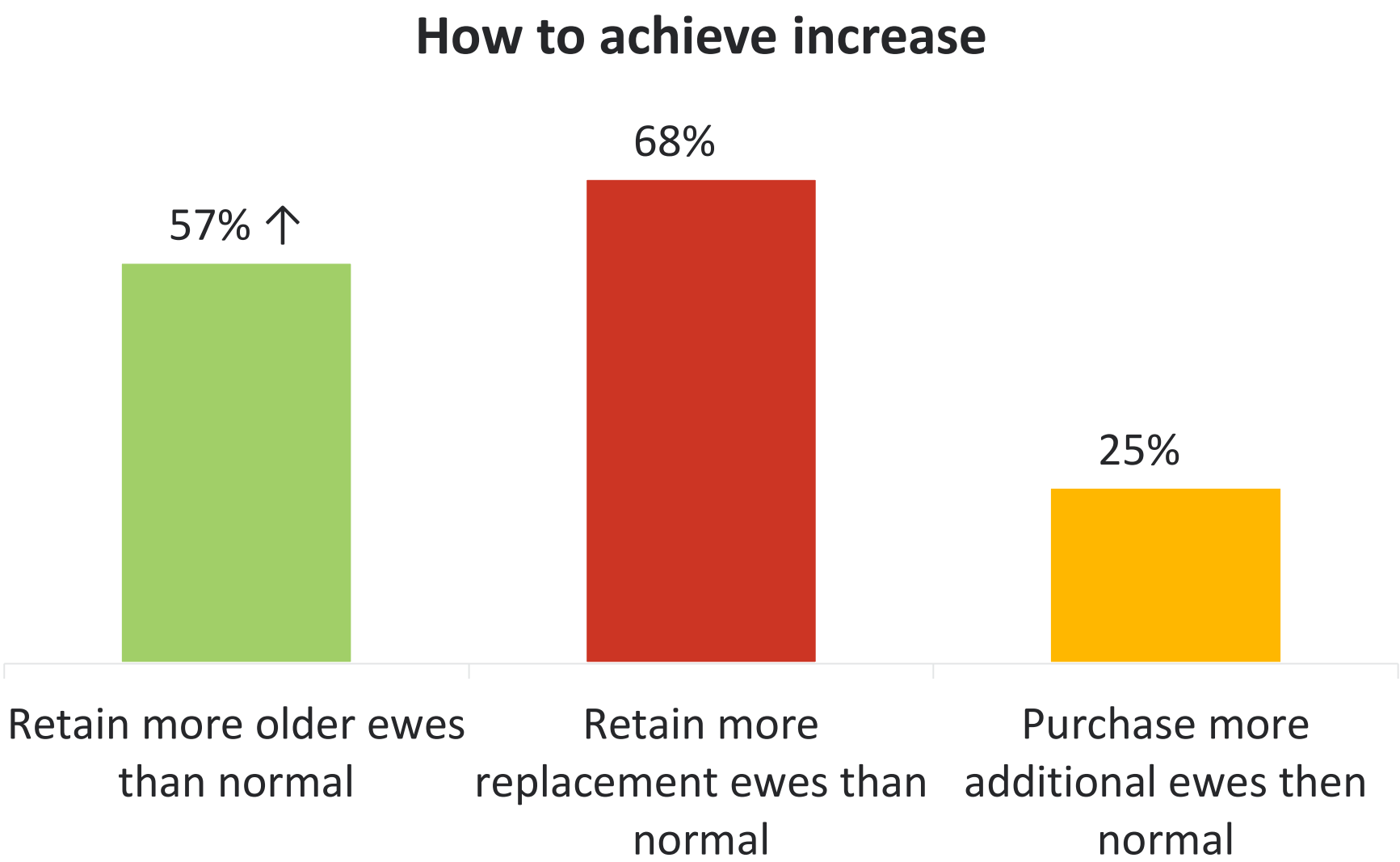
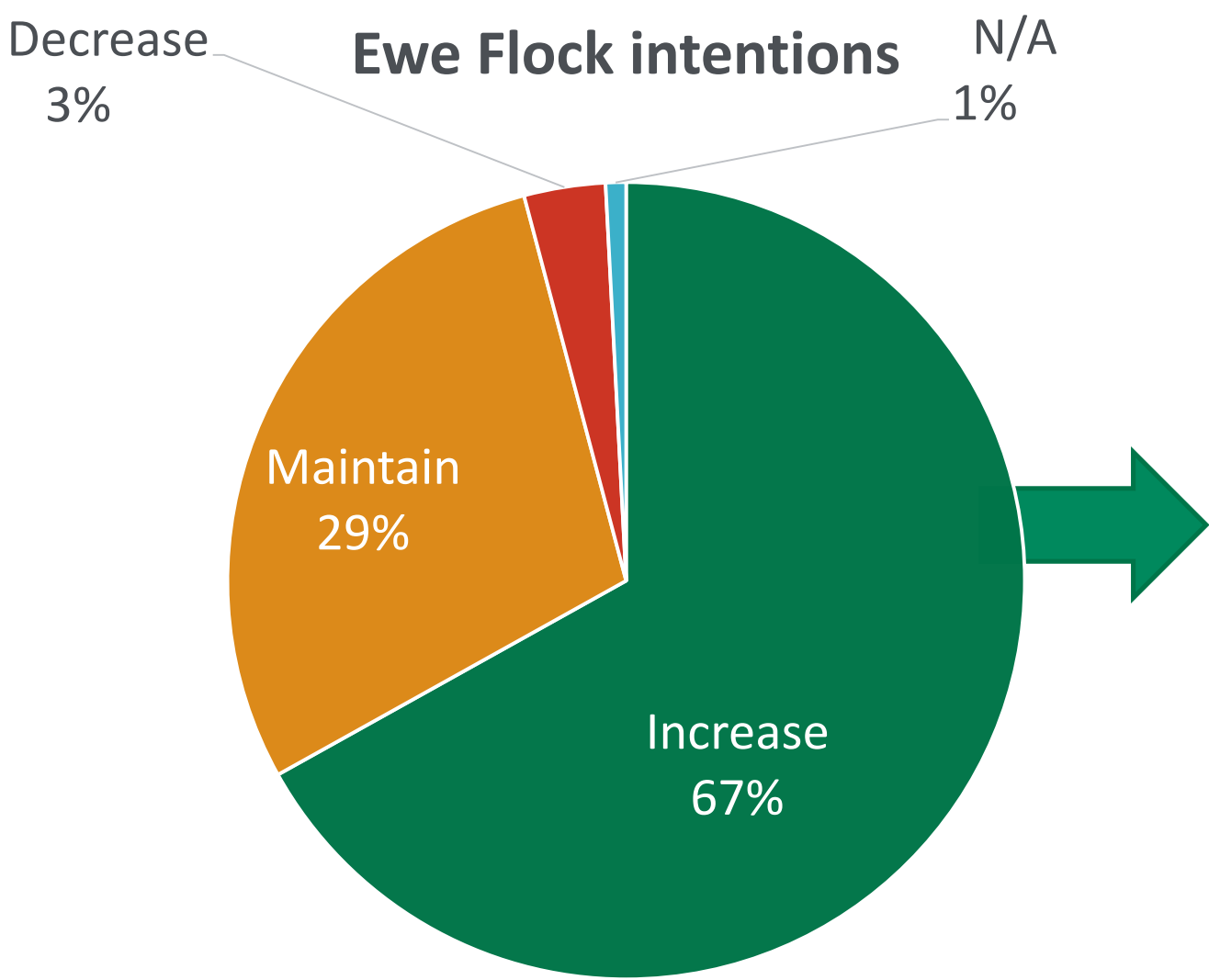
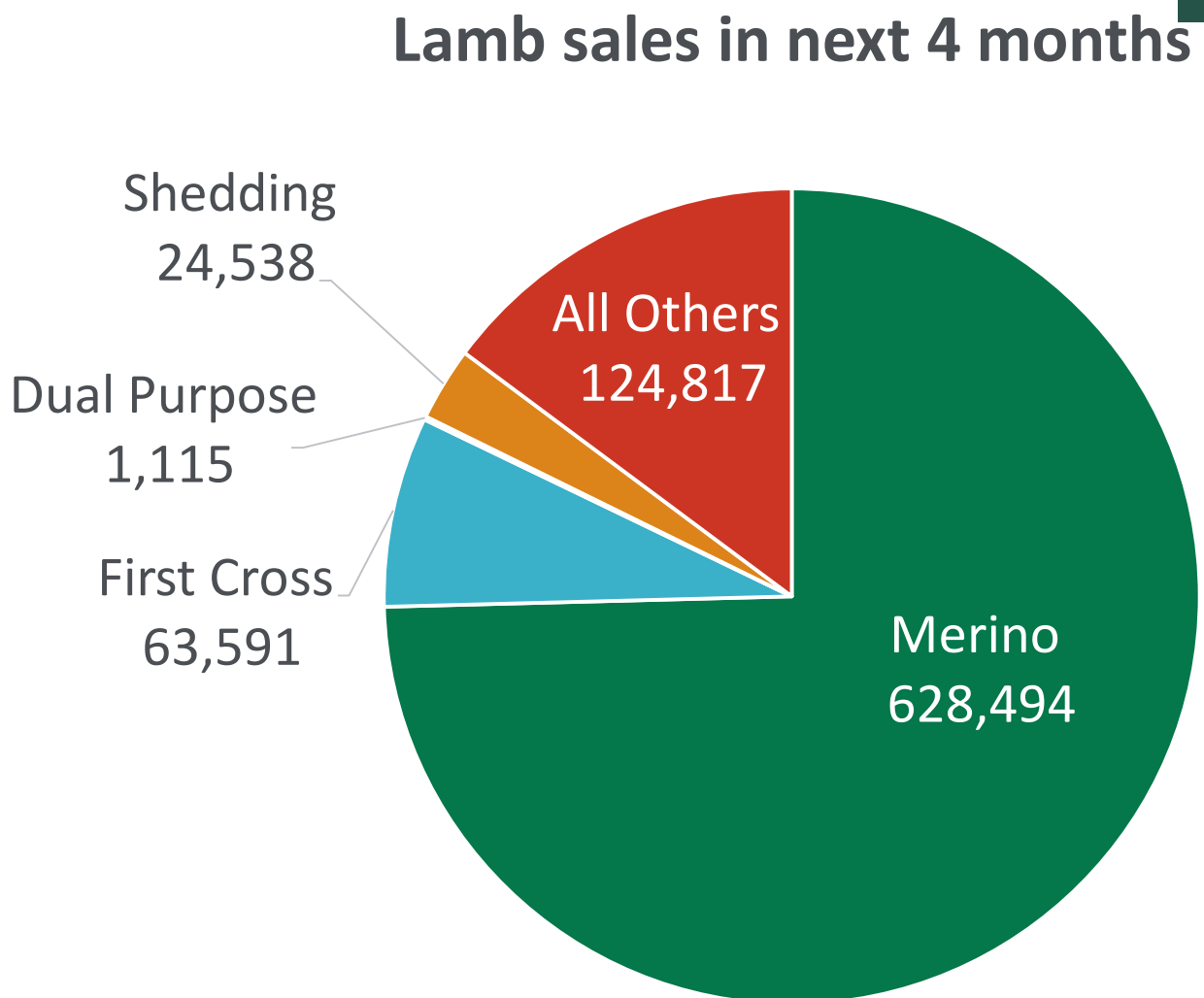
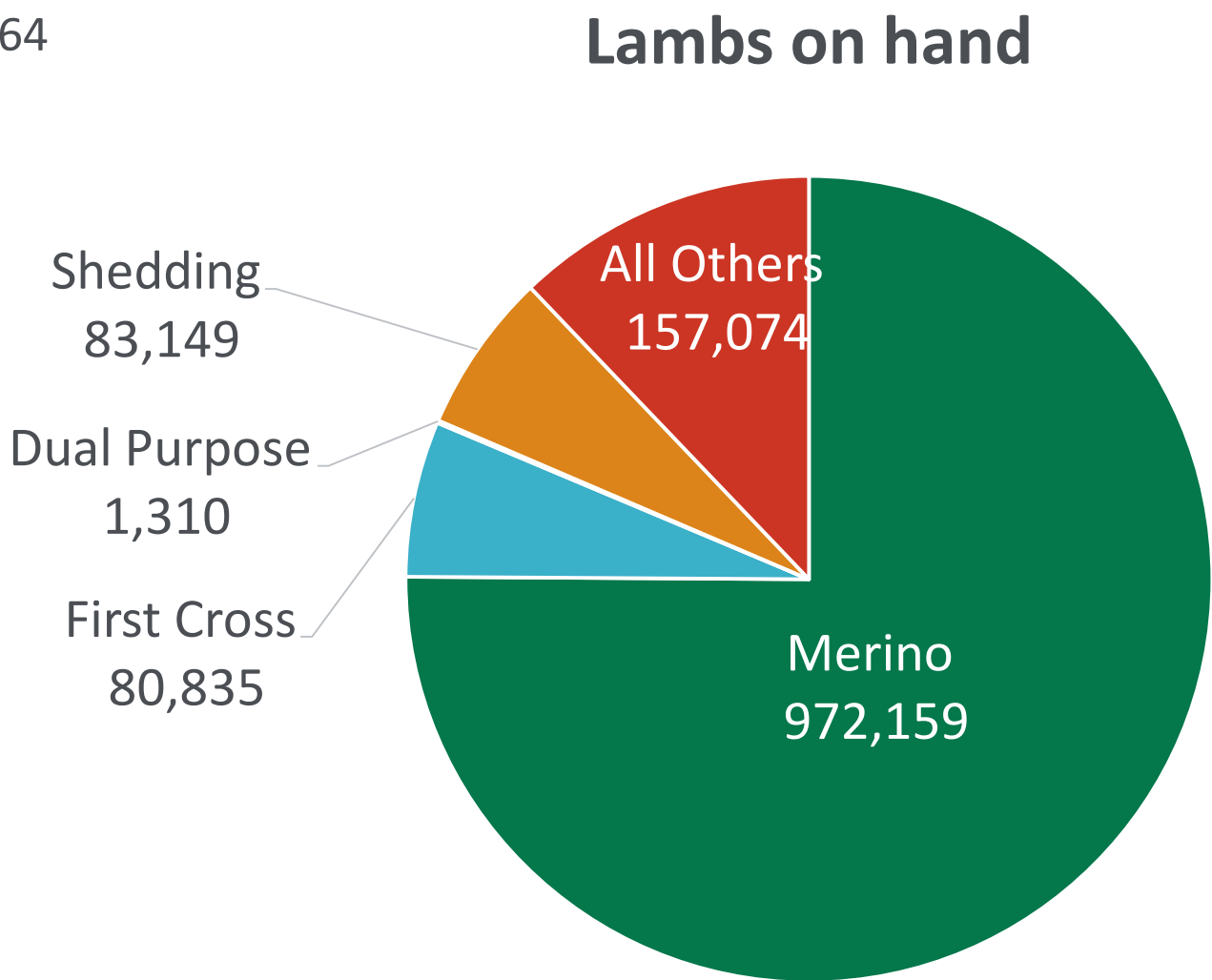
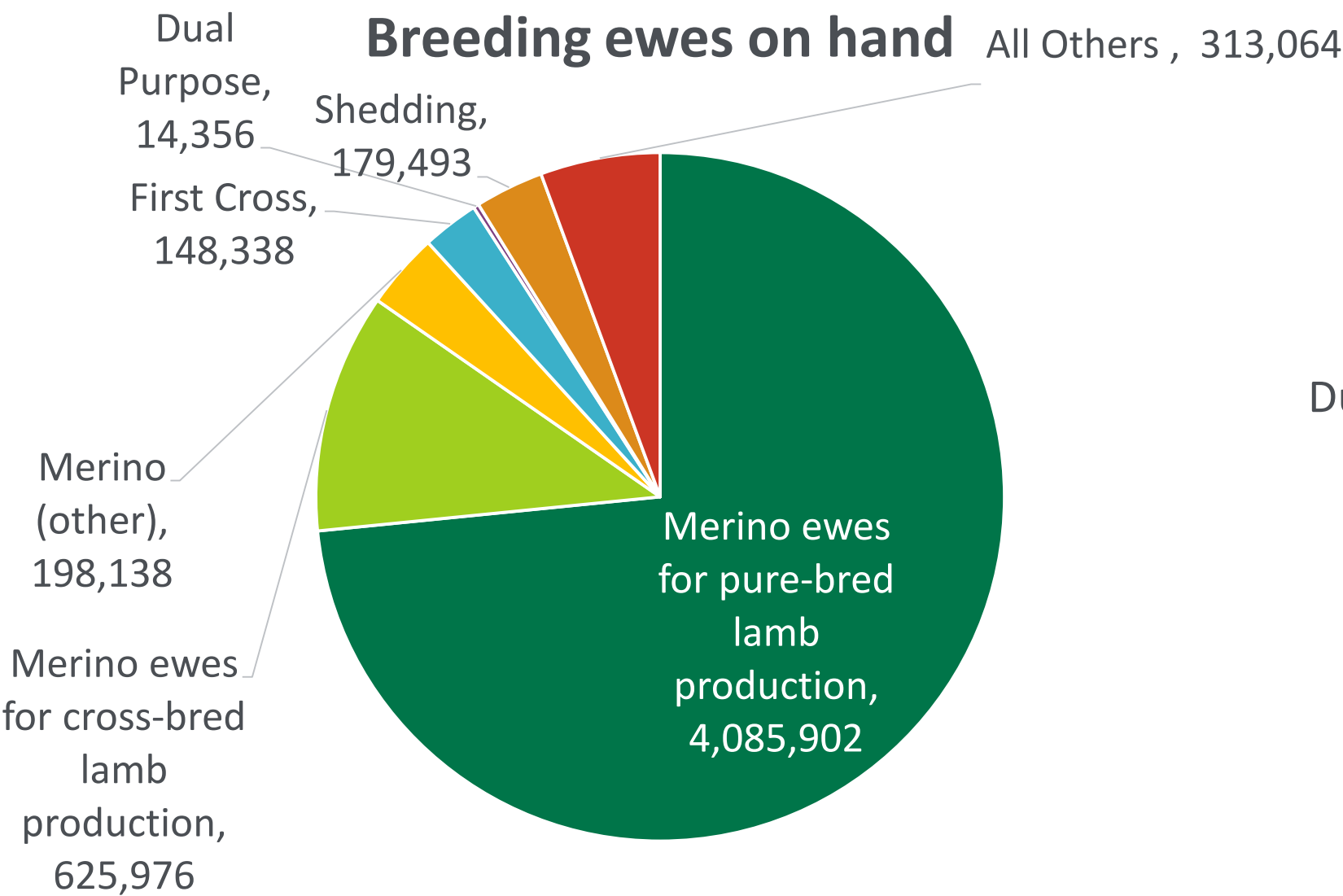
Of expected lamb sales, how many will have spent 35 days with grain as their primary food source



# Regional Snapshots



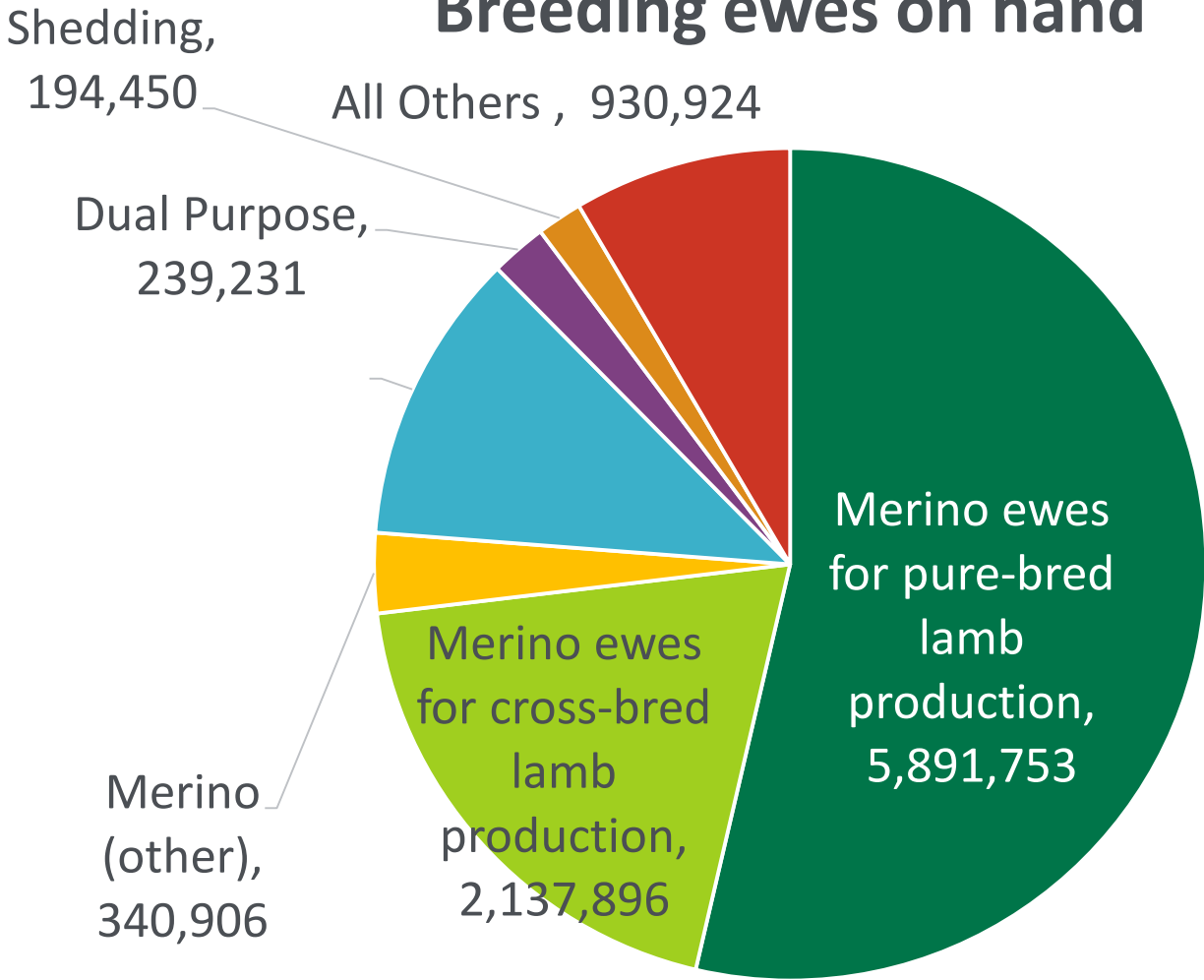
# Northern NSW/QLD



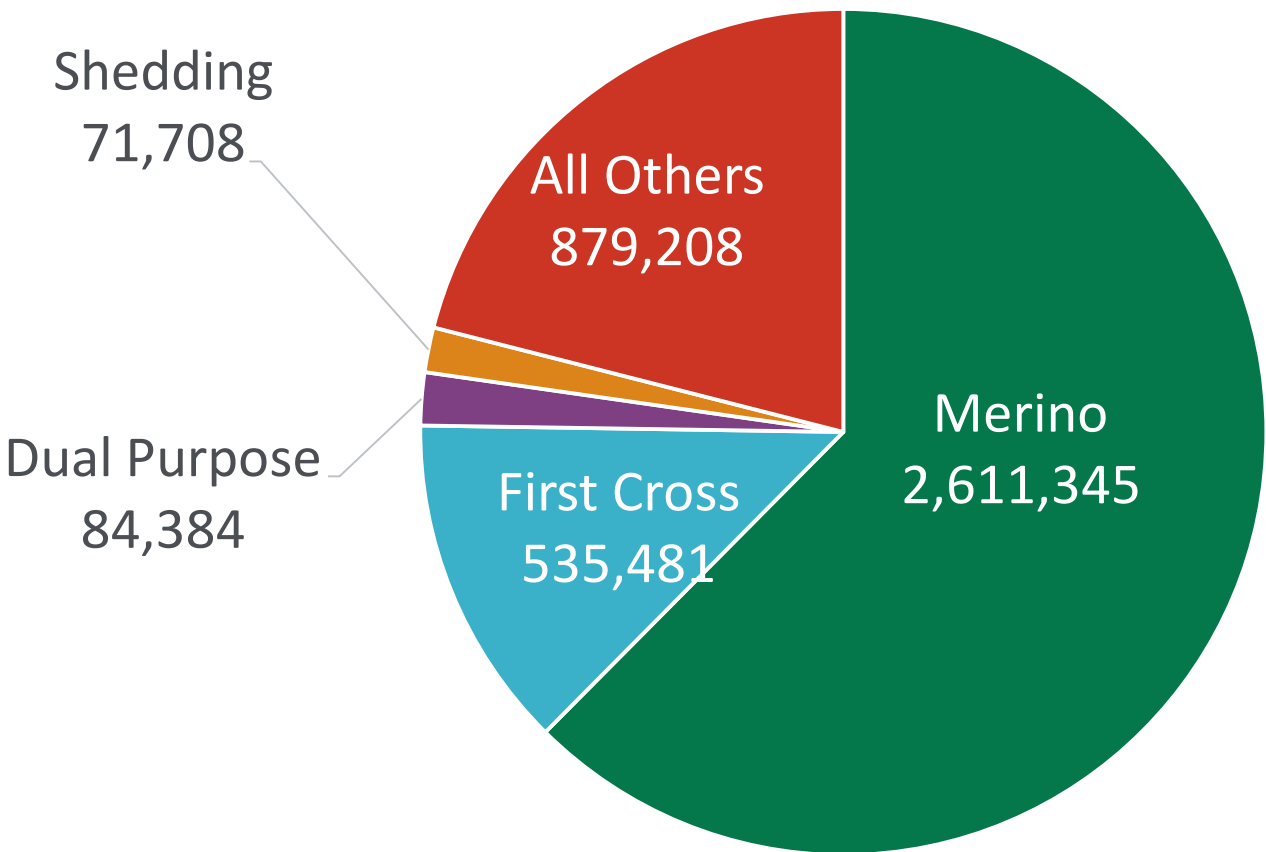
Totals	
Breeding ewes on hand	5,565,266
Lambs on hand	1,294,527
Expected lamb sales in the next 4 months	842,556
Lambs marked in the past 4 months (1 Mar – 30 Jun)	467,464
Number of ewes joined to produce marked lambs	600,489

# Central NSW

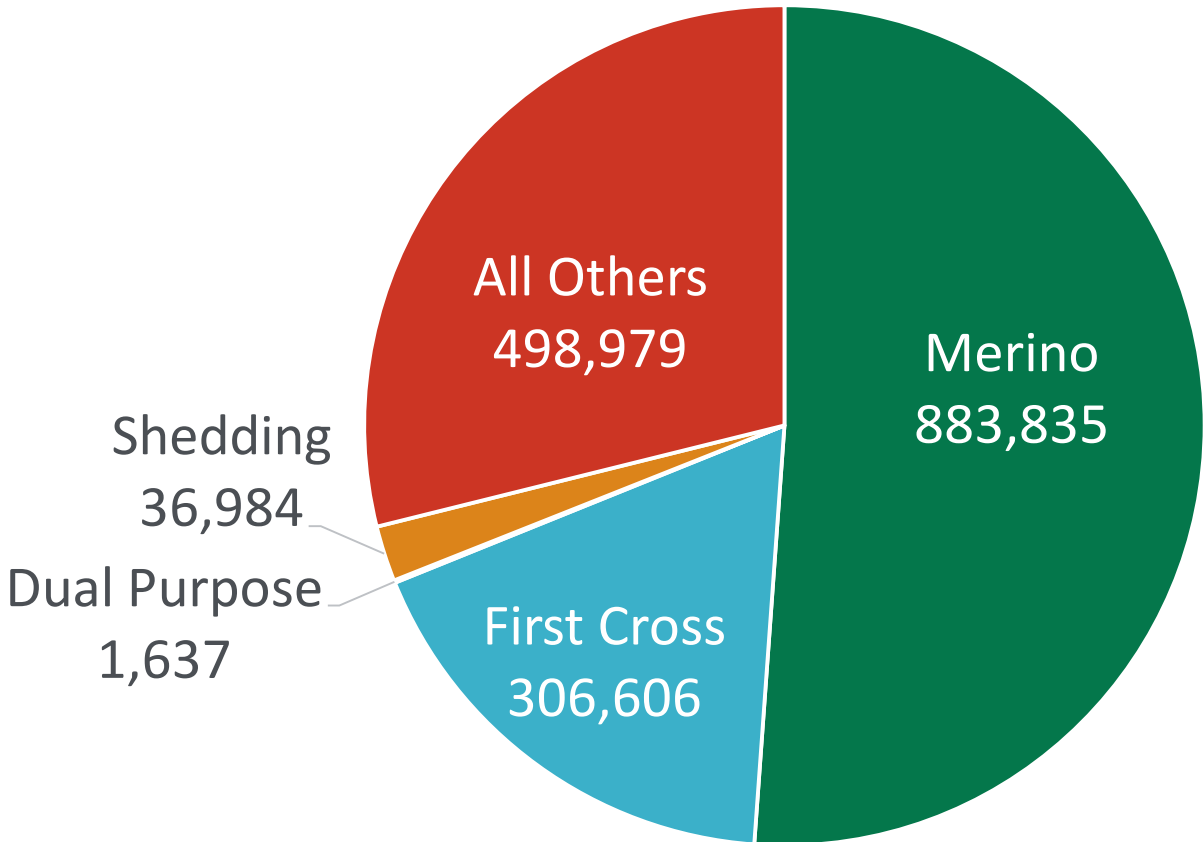
Breeding ewes on hand



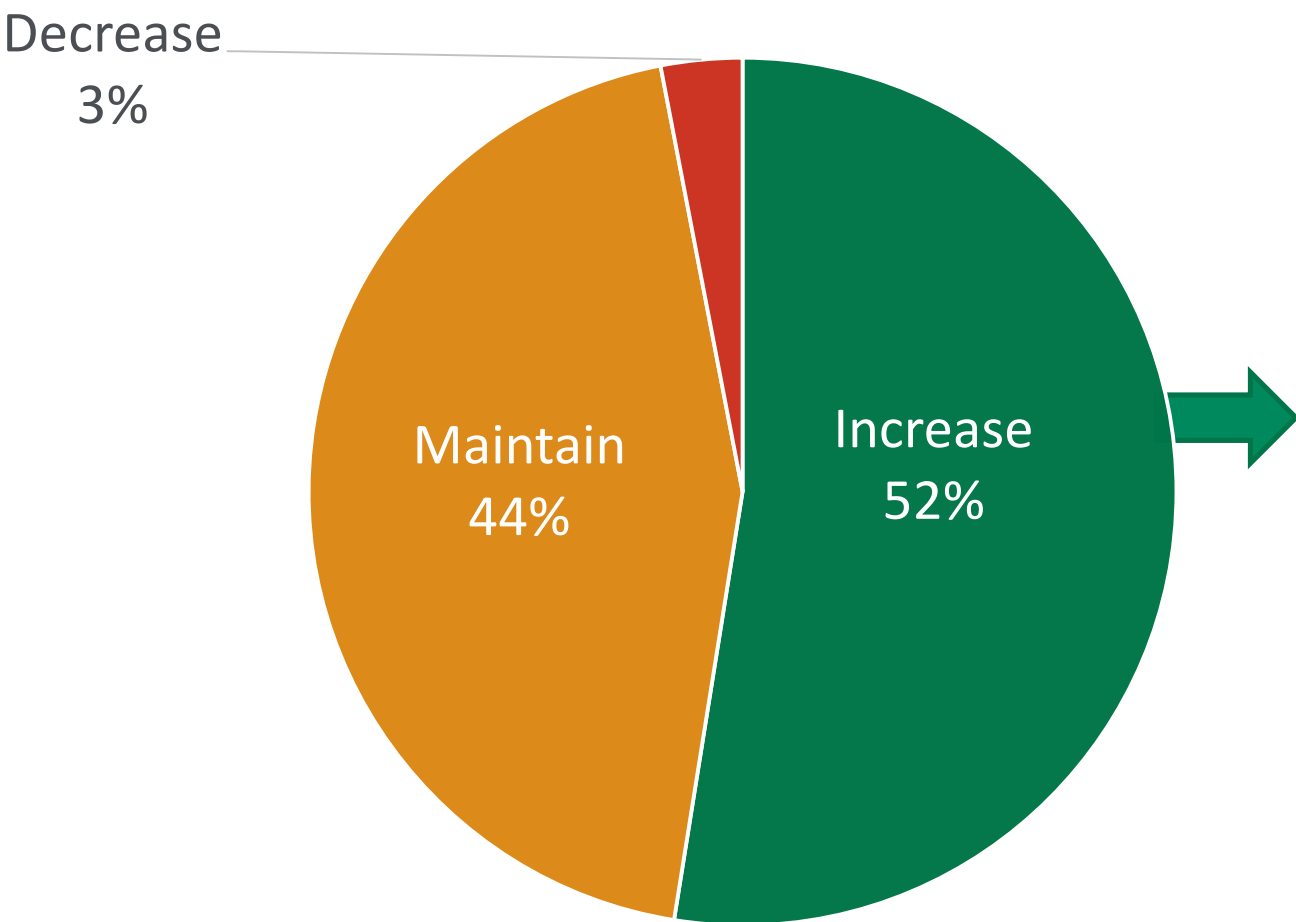
Lambs on hand



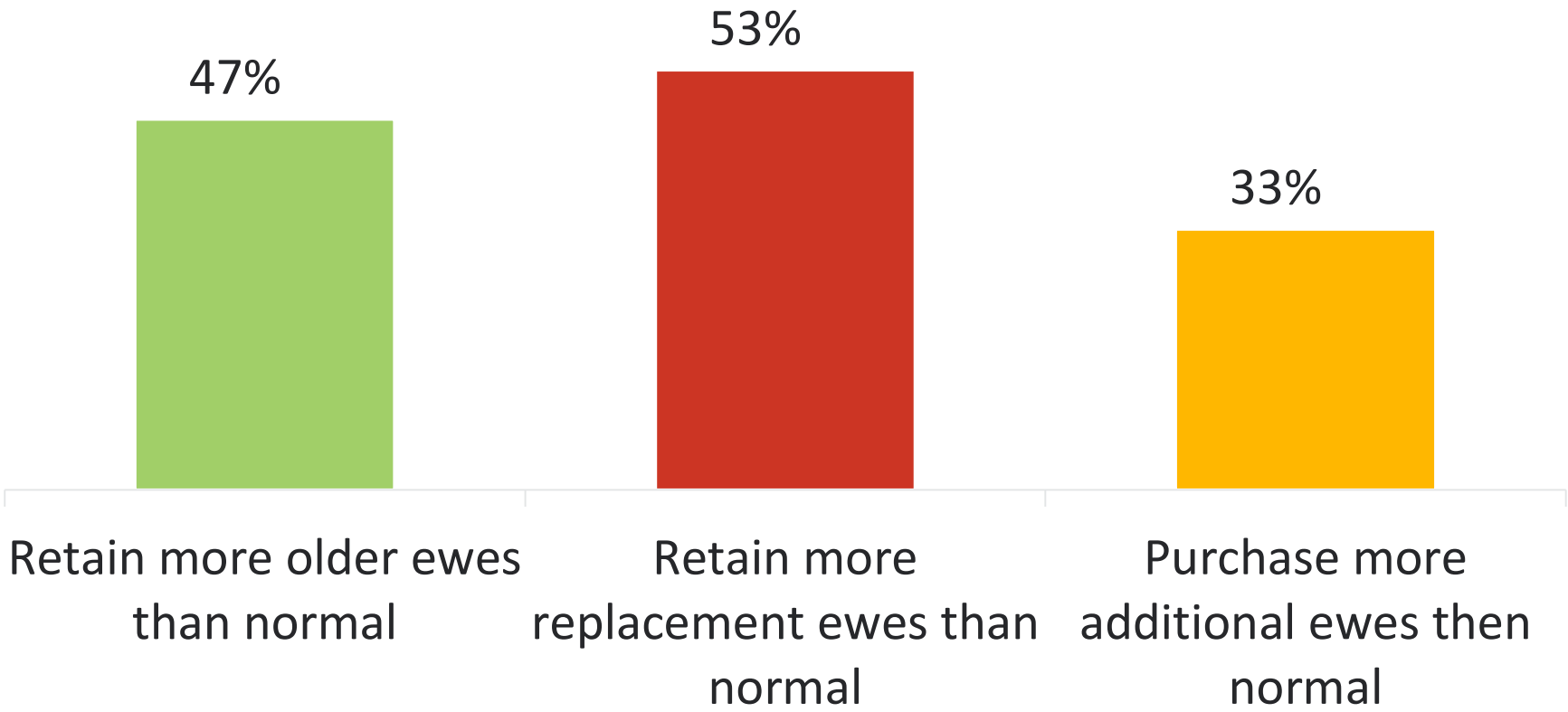
Lamb sales in next 4 months



Ewe Flock intentions



How to achieve increase

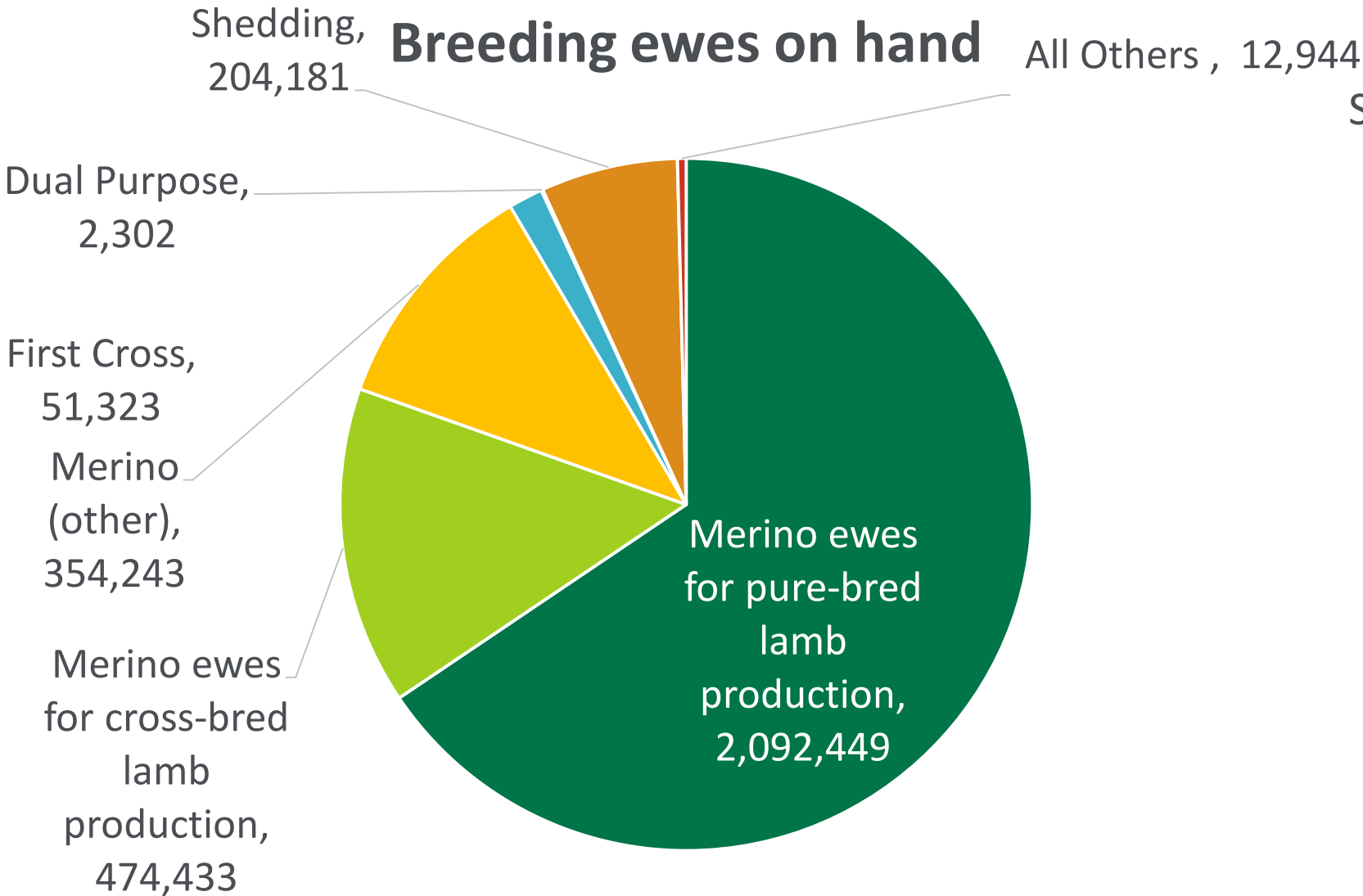


Totals

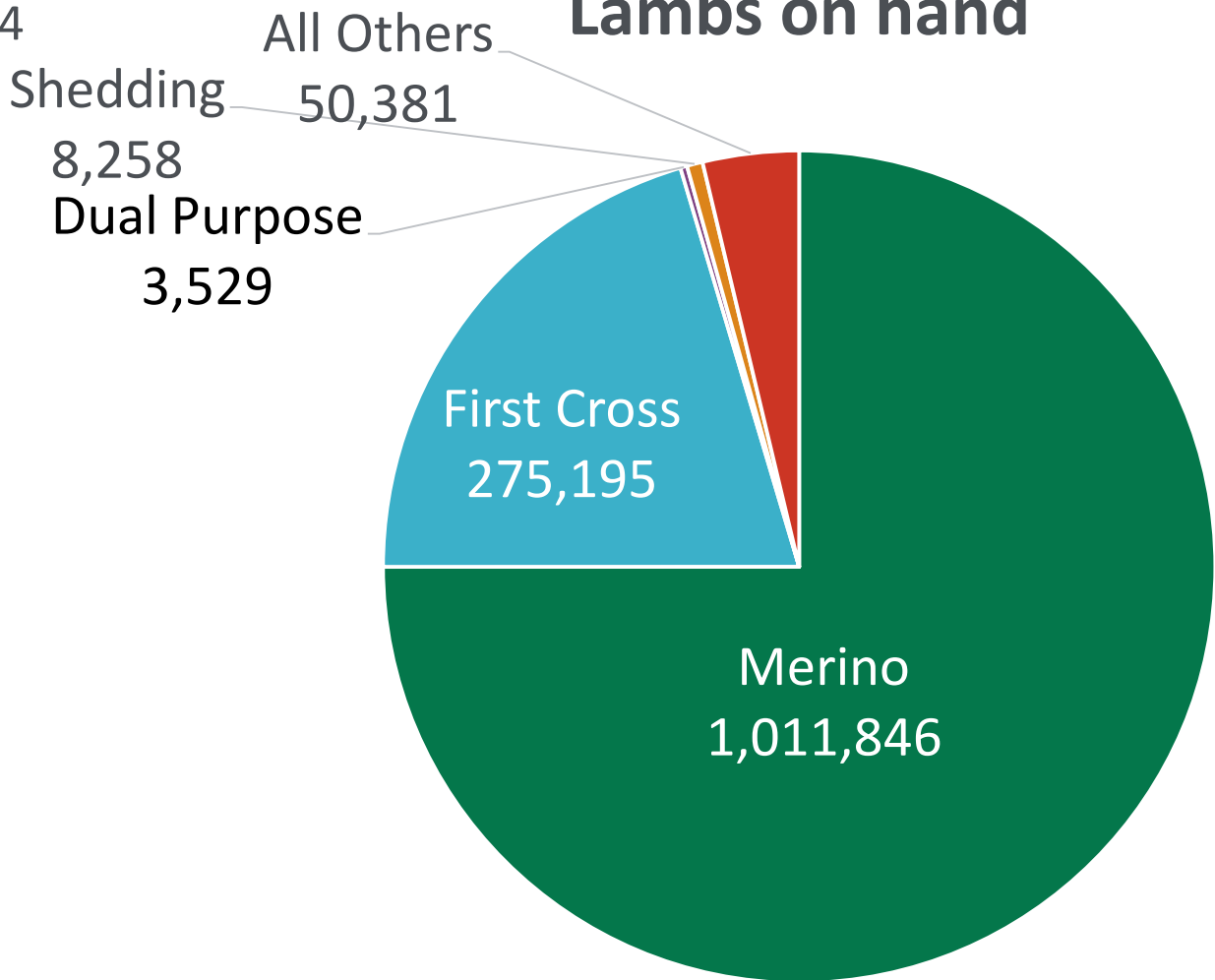
Breeding ewes on hand	10,982,611
Lambs on hand	4,182,126
Expected lamb sales in the next 4 months	1,728,041
Lambs marked in the past 4 months (1 Mar – 30 Jun)	1,958,196
Number of ewes joined to produce marked lambs	1,953,168

# SA Peninsula

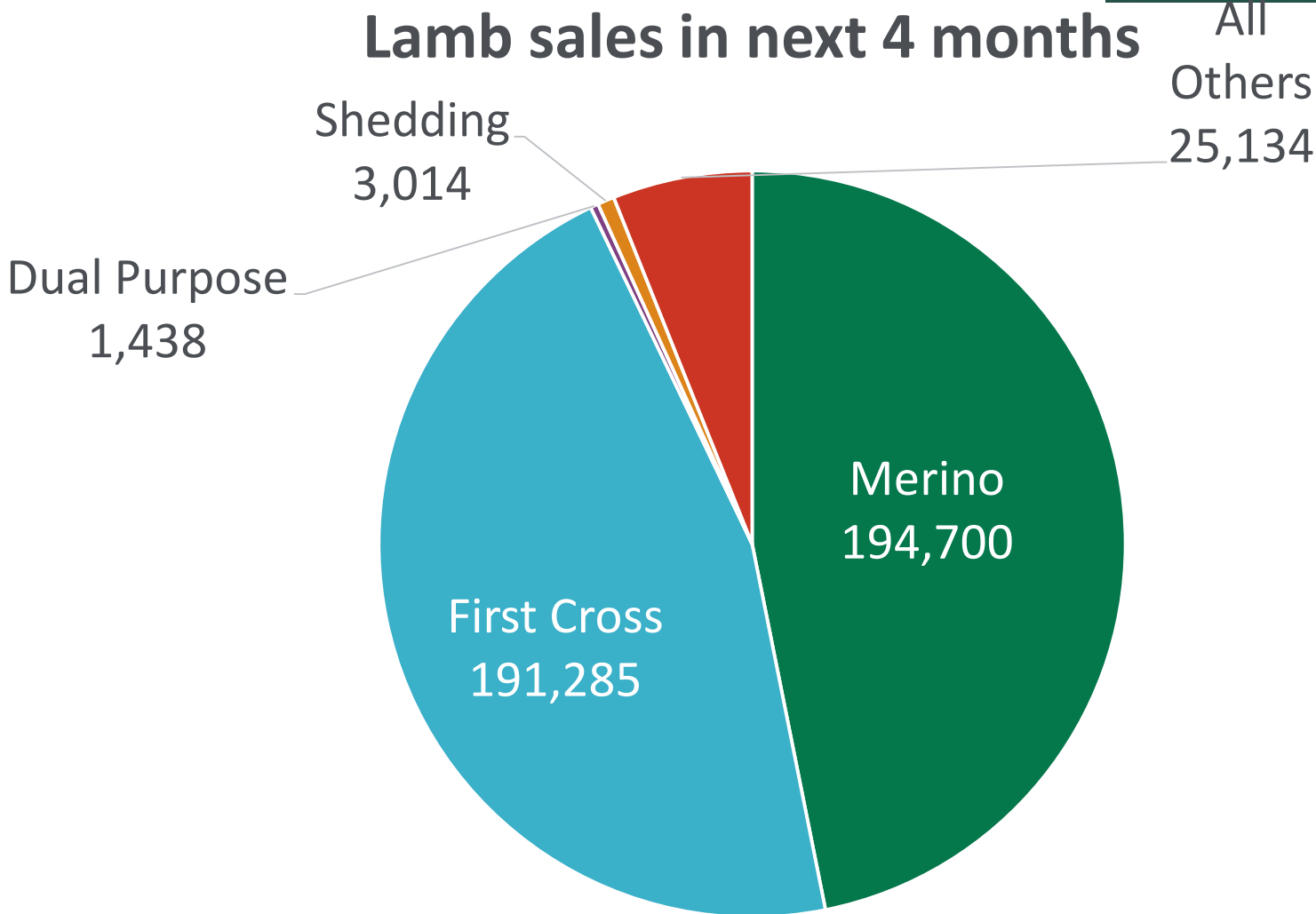
Breeding ewes on hand



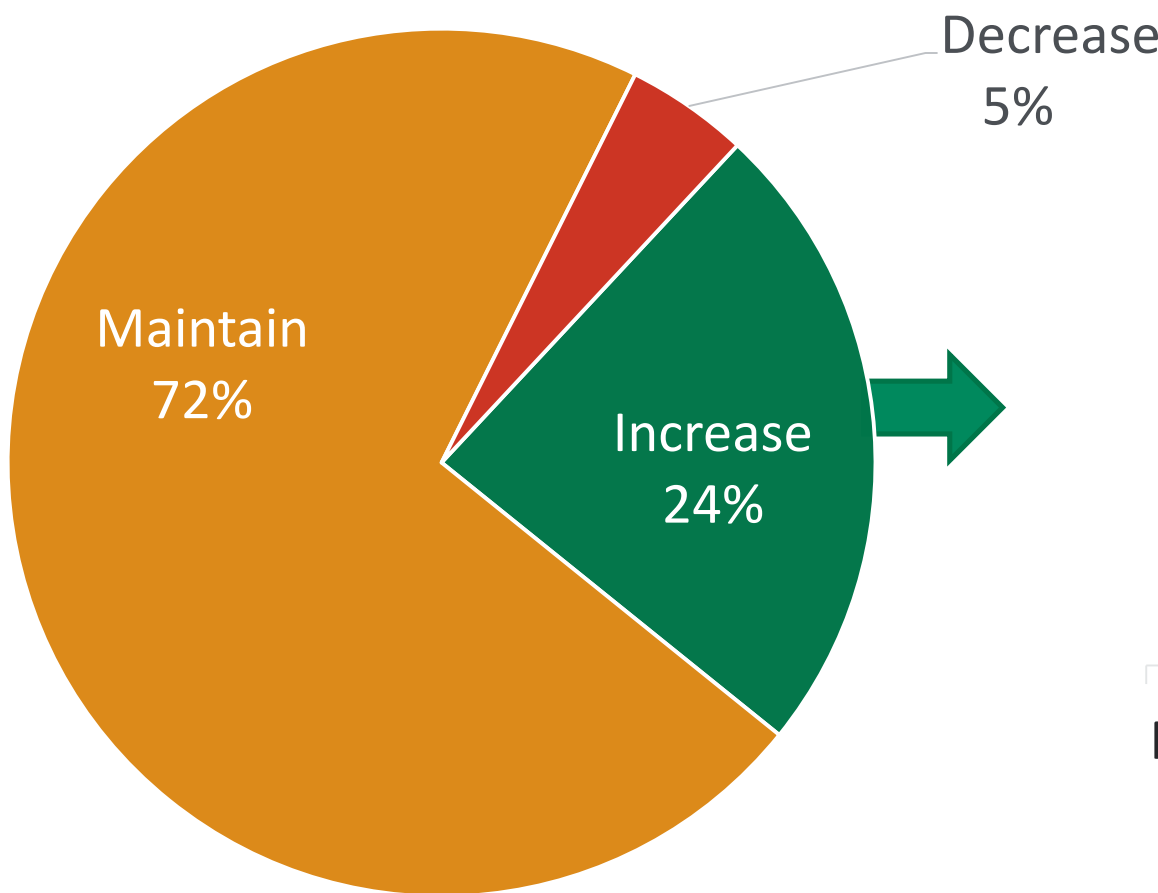
Lambs on hand



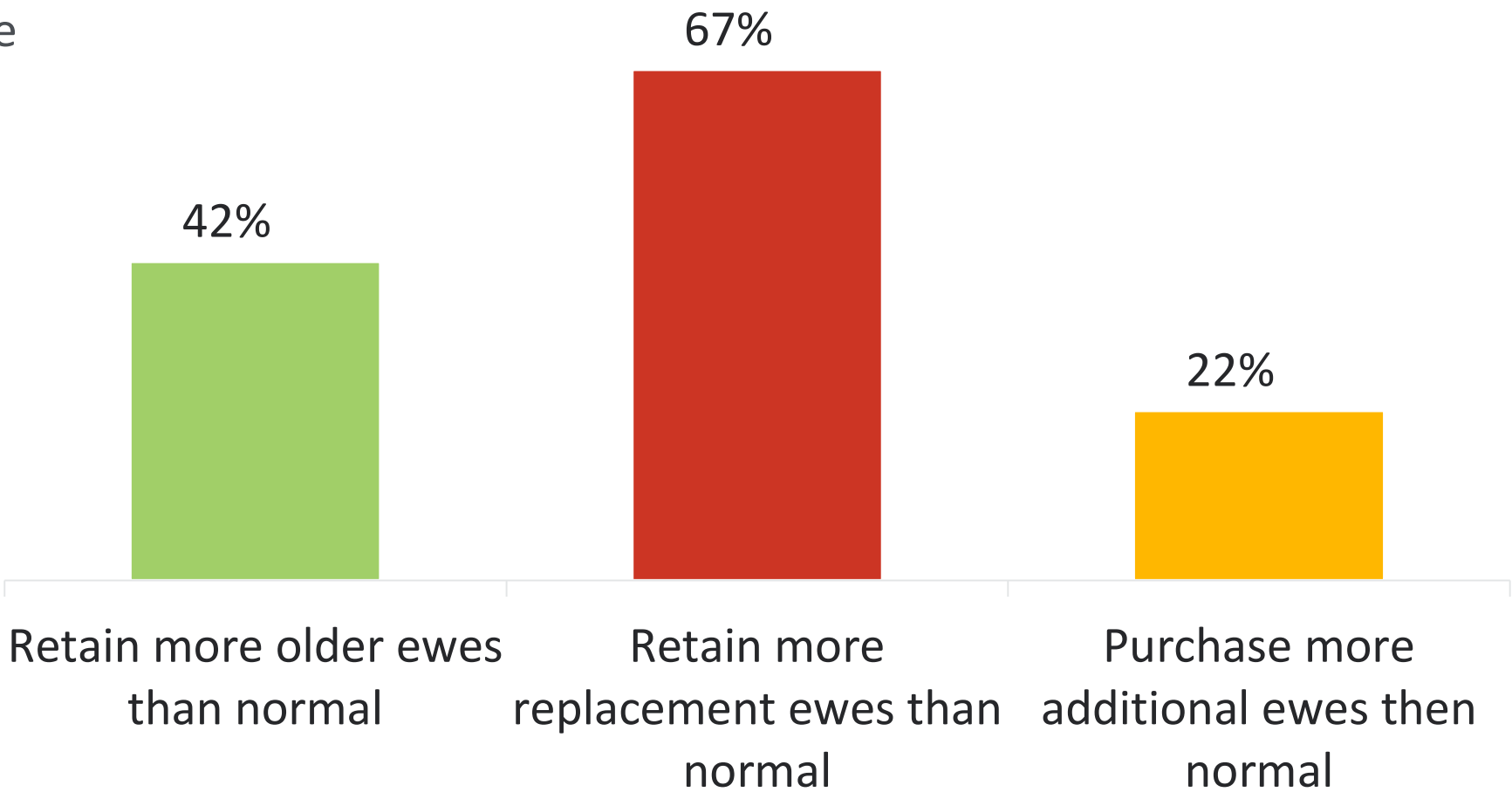
Lamb sales in next 4 months



Ewe Flock intentions



How to achieve increase



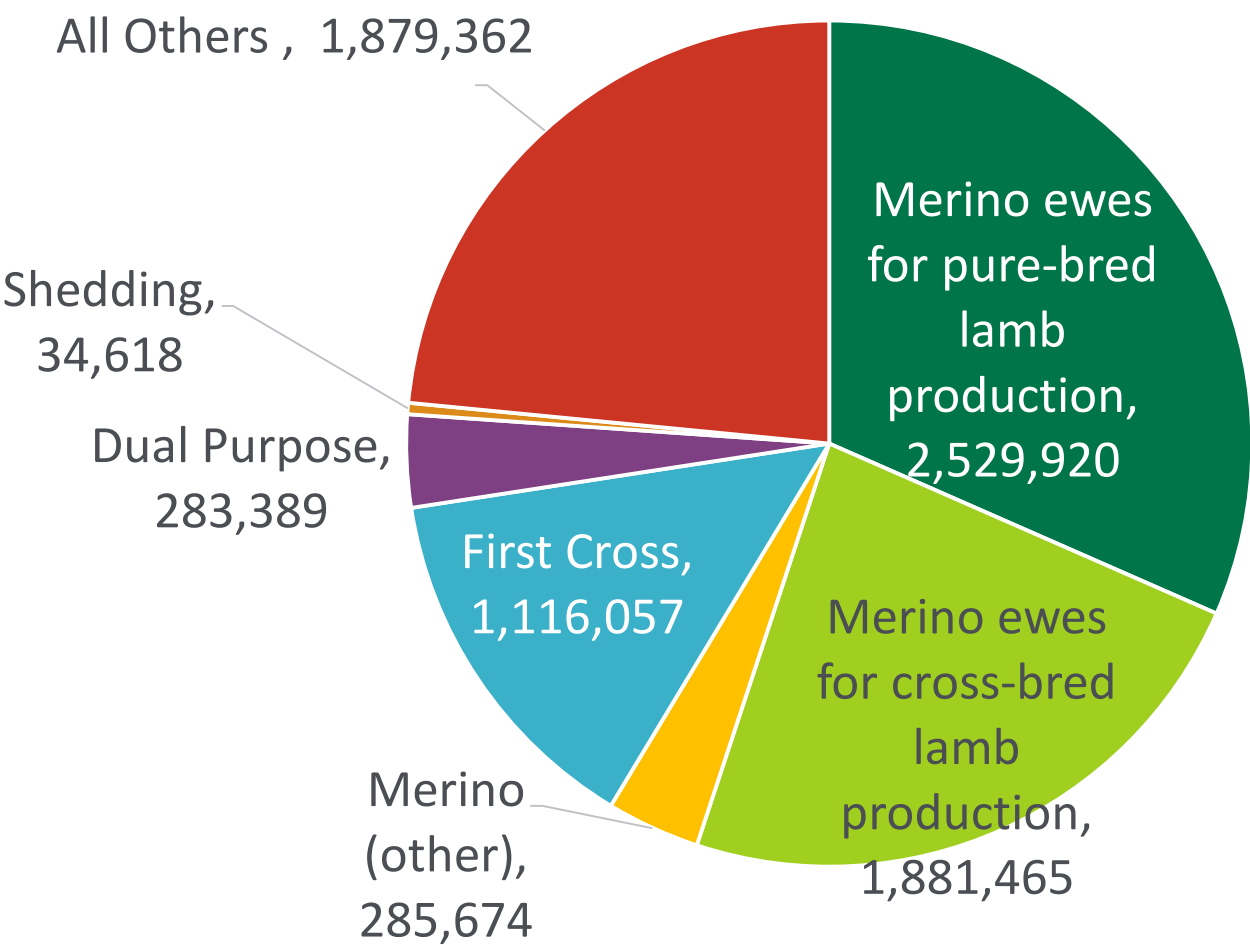
Totals

Breeding ewes on hand	3,191,875
Lambs on hand	1,349,209
Expected lamb sales in the next 4 months	415,571
Lambs marked in the past 4 months (1 Mar – 30 Jun)	764,880
Number of ewes joined to produce marked lambs	789,083

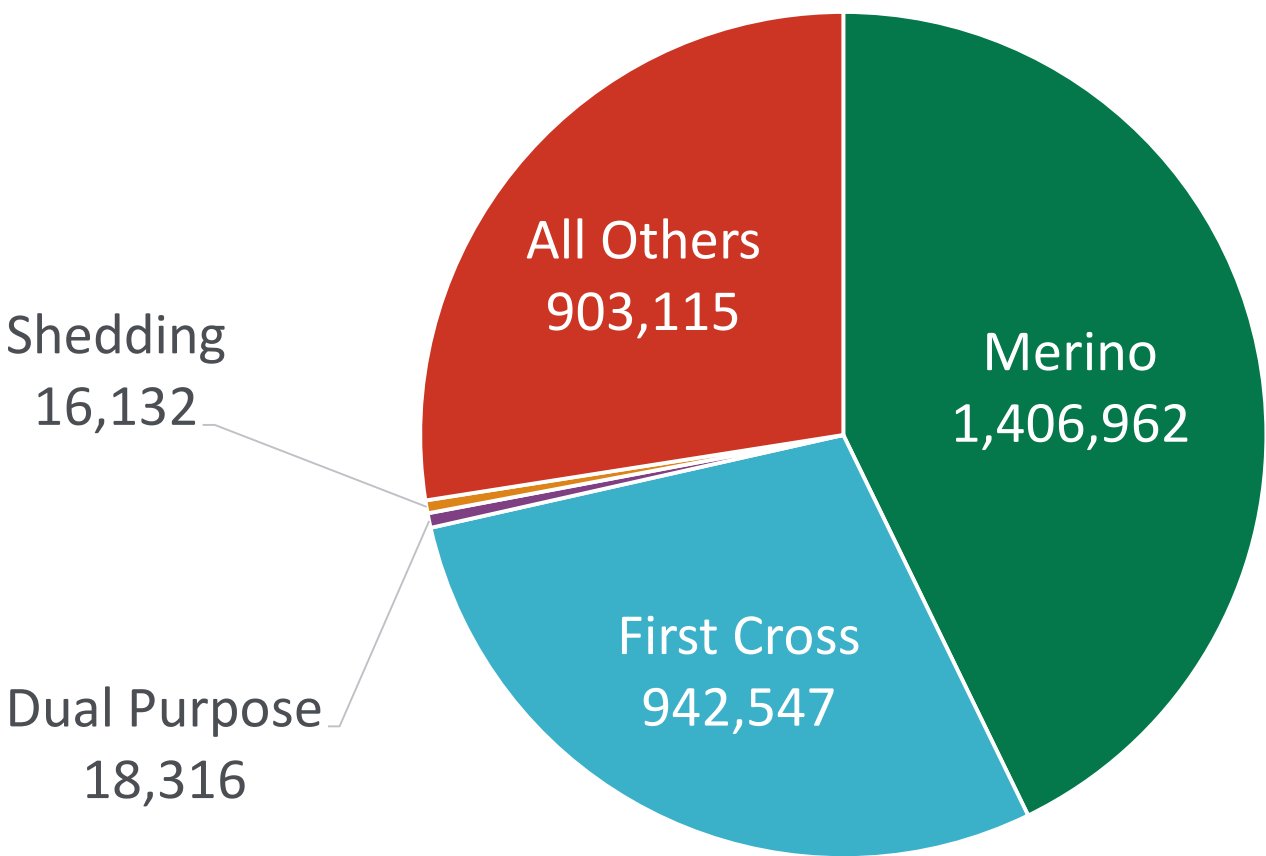


# Wimmera Mallee Murray

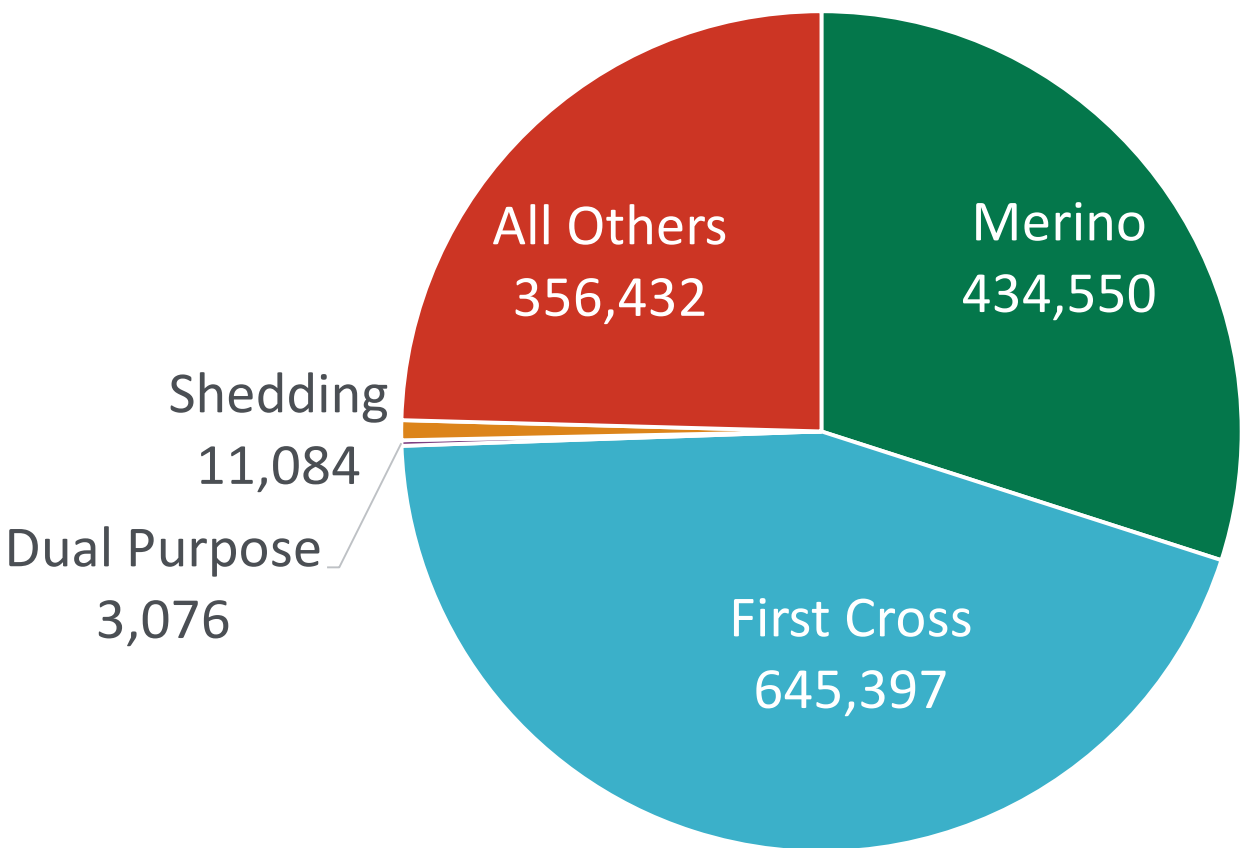
Breeding ewes on hand



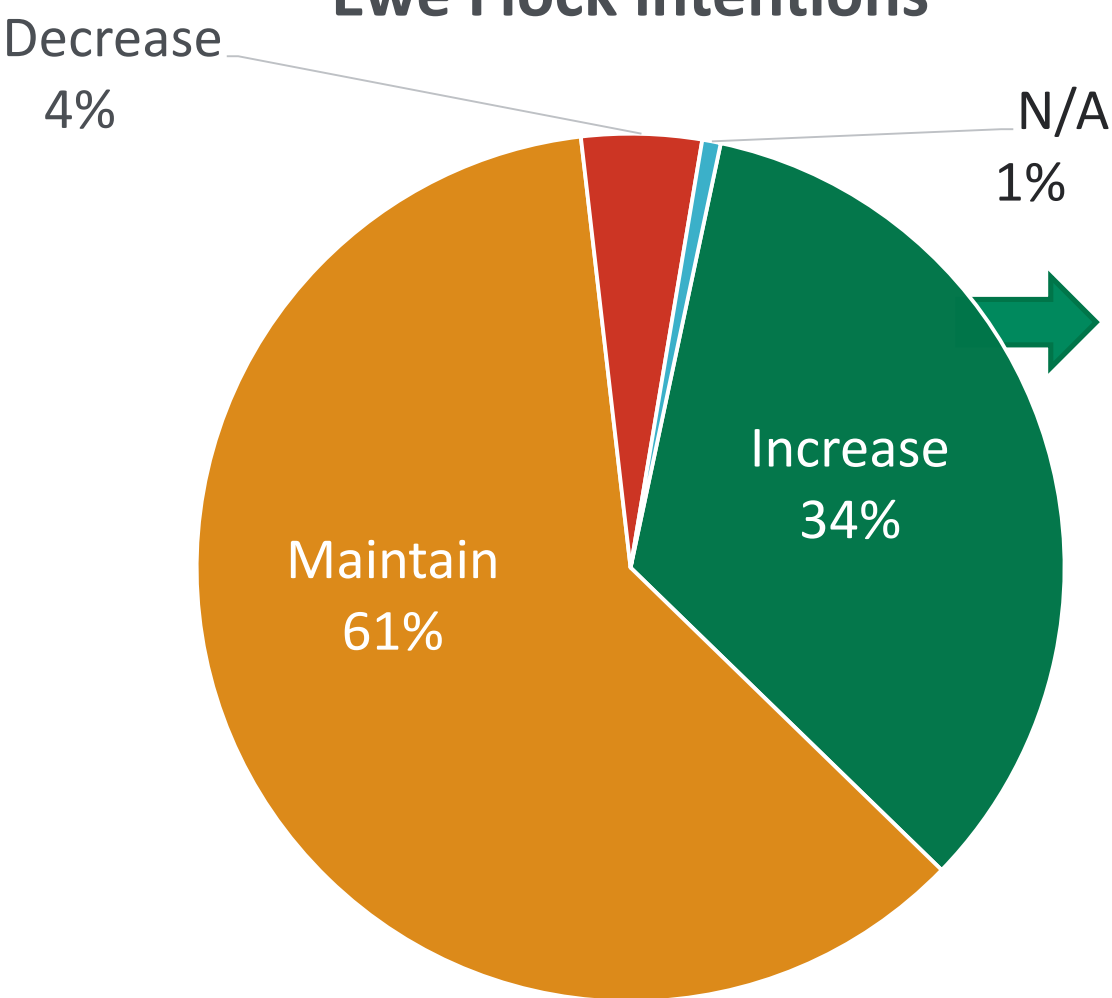
Lambs on hand



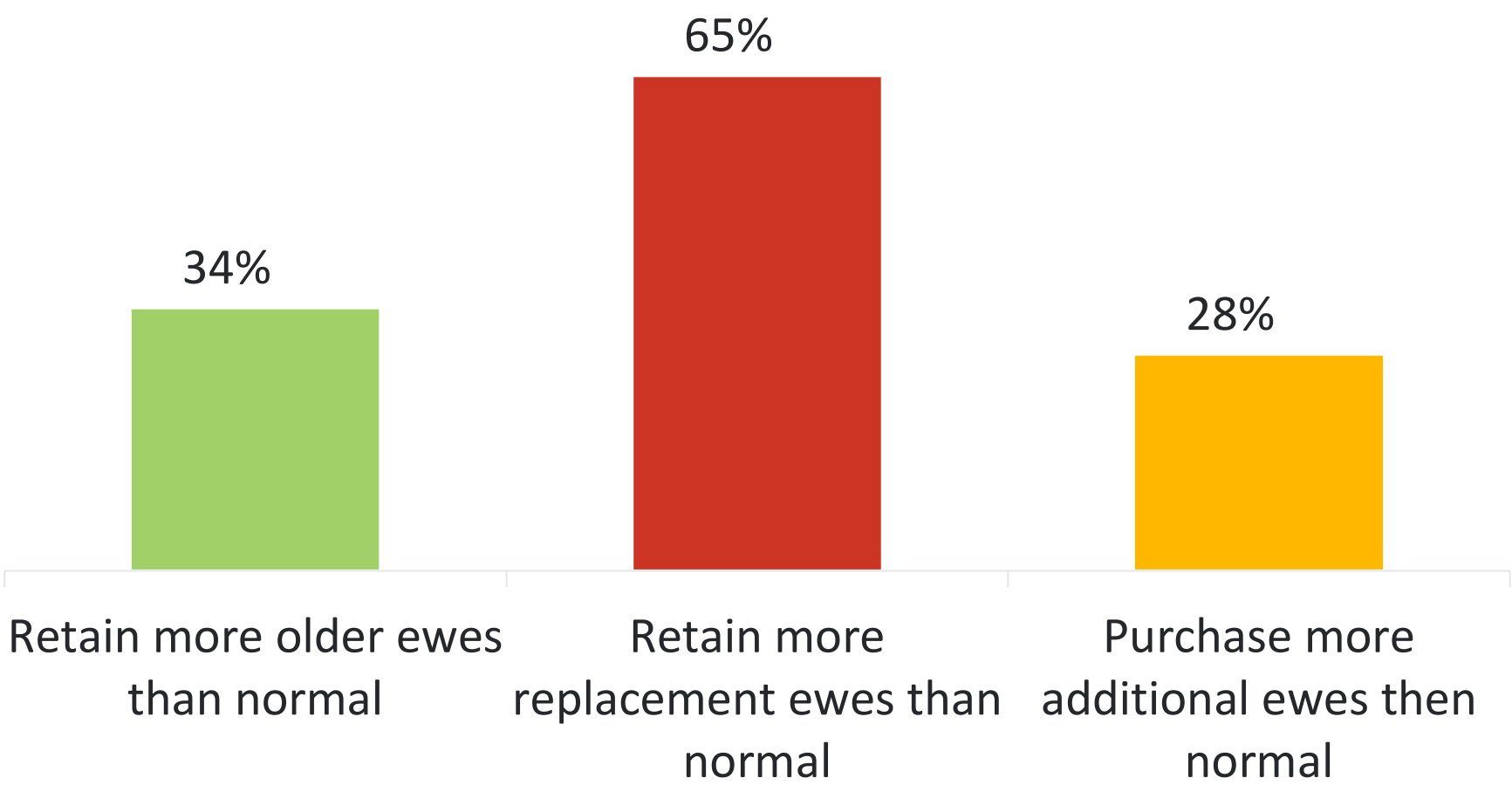
Lamb sales in next 4 months



Ewe Flock intentions



How to achieve increase

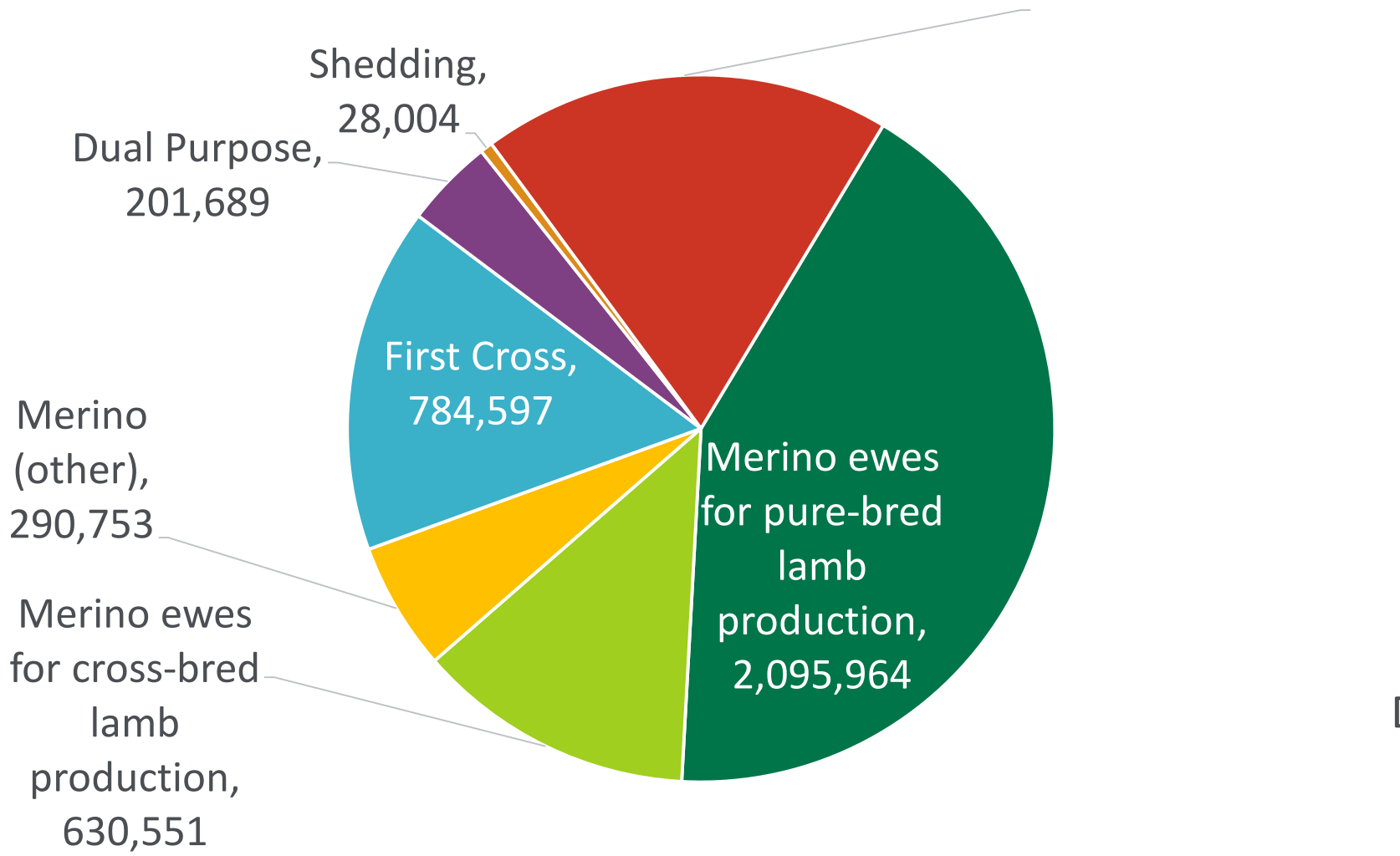


Totals

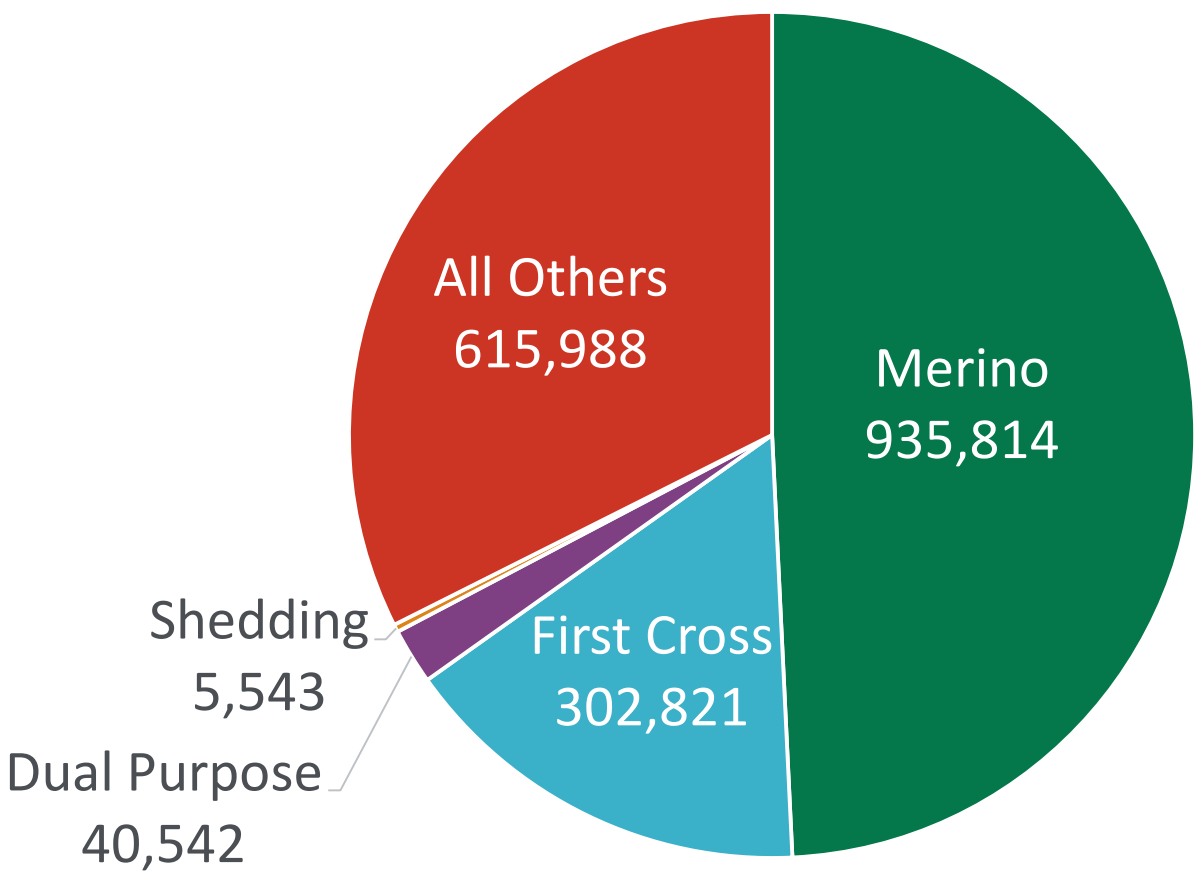
Breeding ewes on hand	8,010,485
Lambs on hand	3,287,072
Expected lamb sales in the next 4 months	1,450,538
Lambs marked in the past 4 months (1 Mar – 30 Jun)	1,583,548
Number of ewes joined to produce marked lambs	1,633,634

# East Victoria

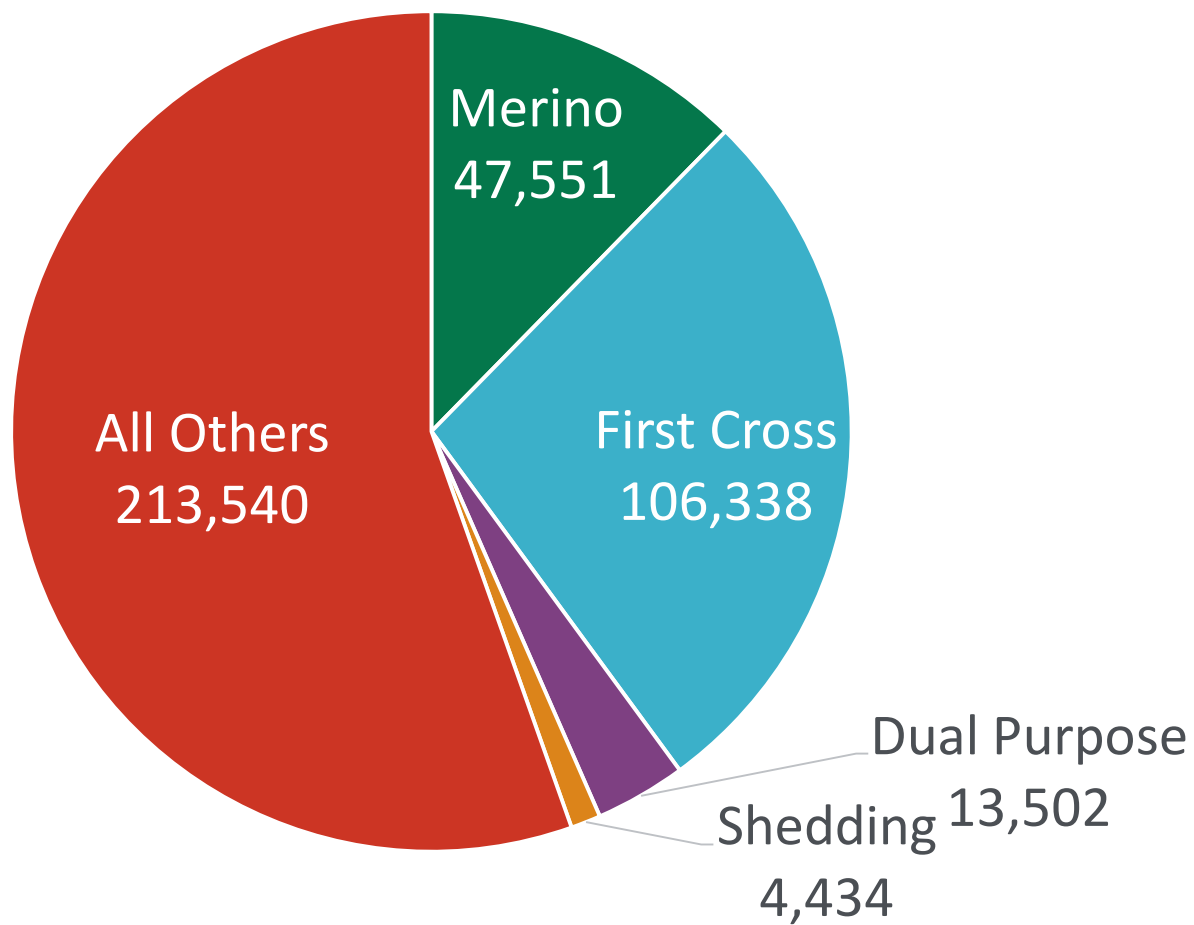
Breeding ewes on hand



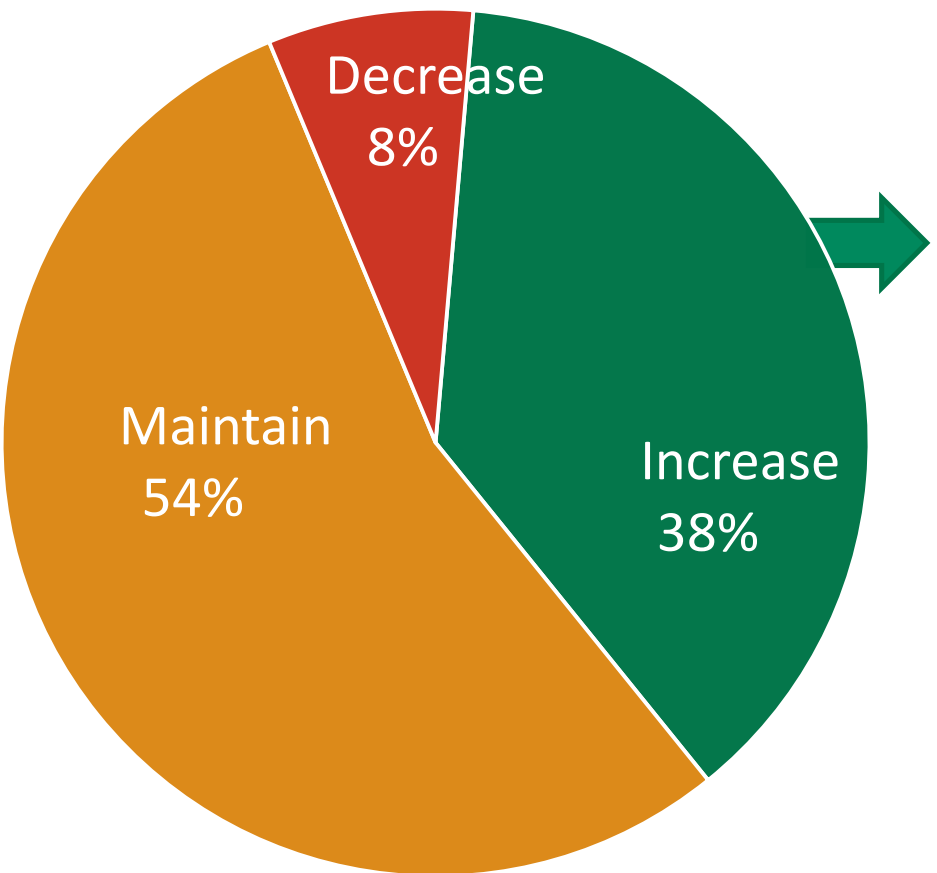
Lambs on hand



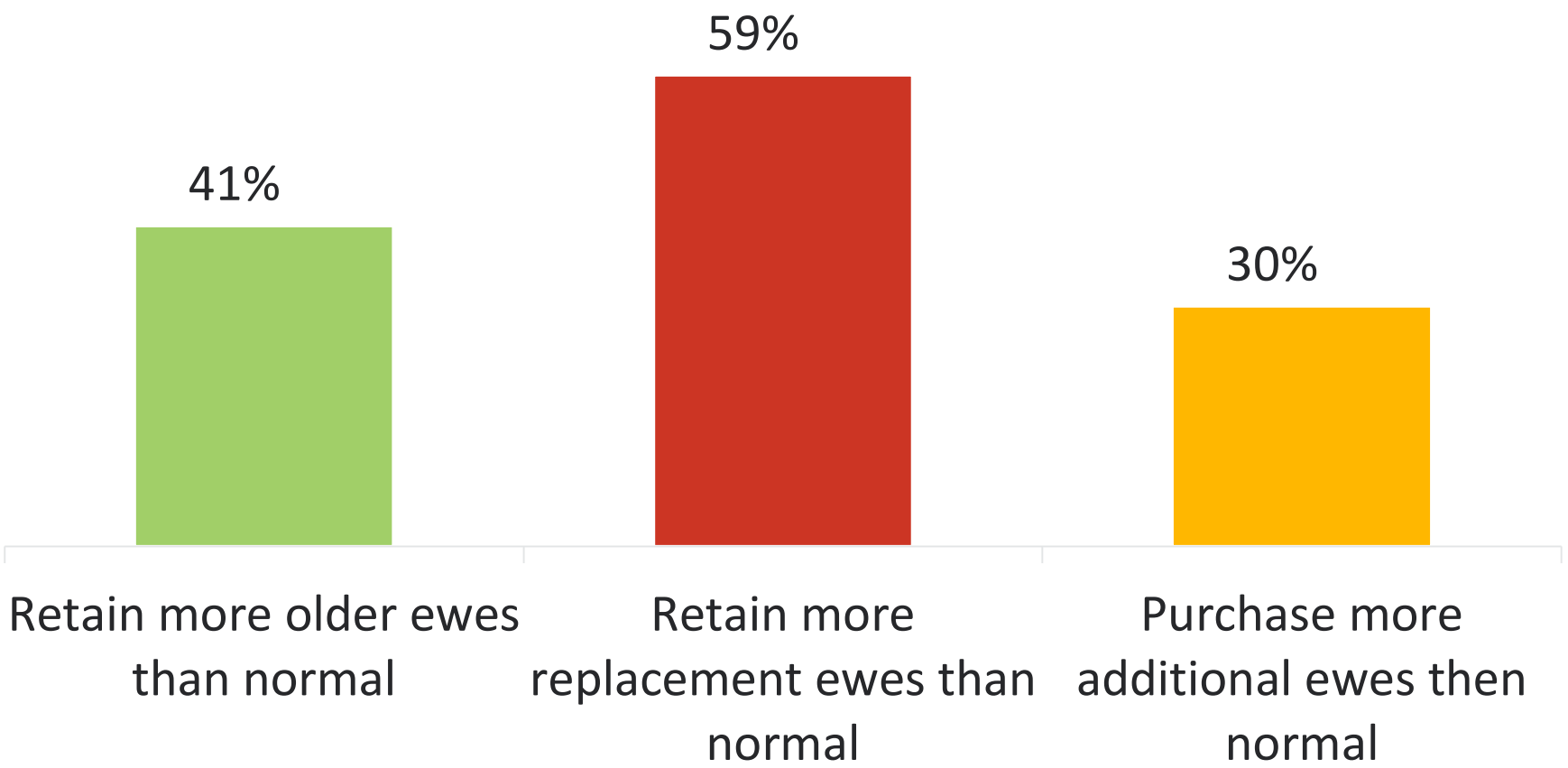
Lamb sales in next 4 months



Ewe Flock intentions



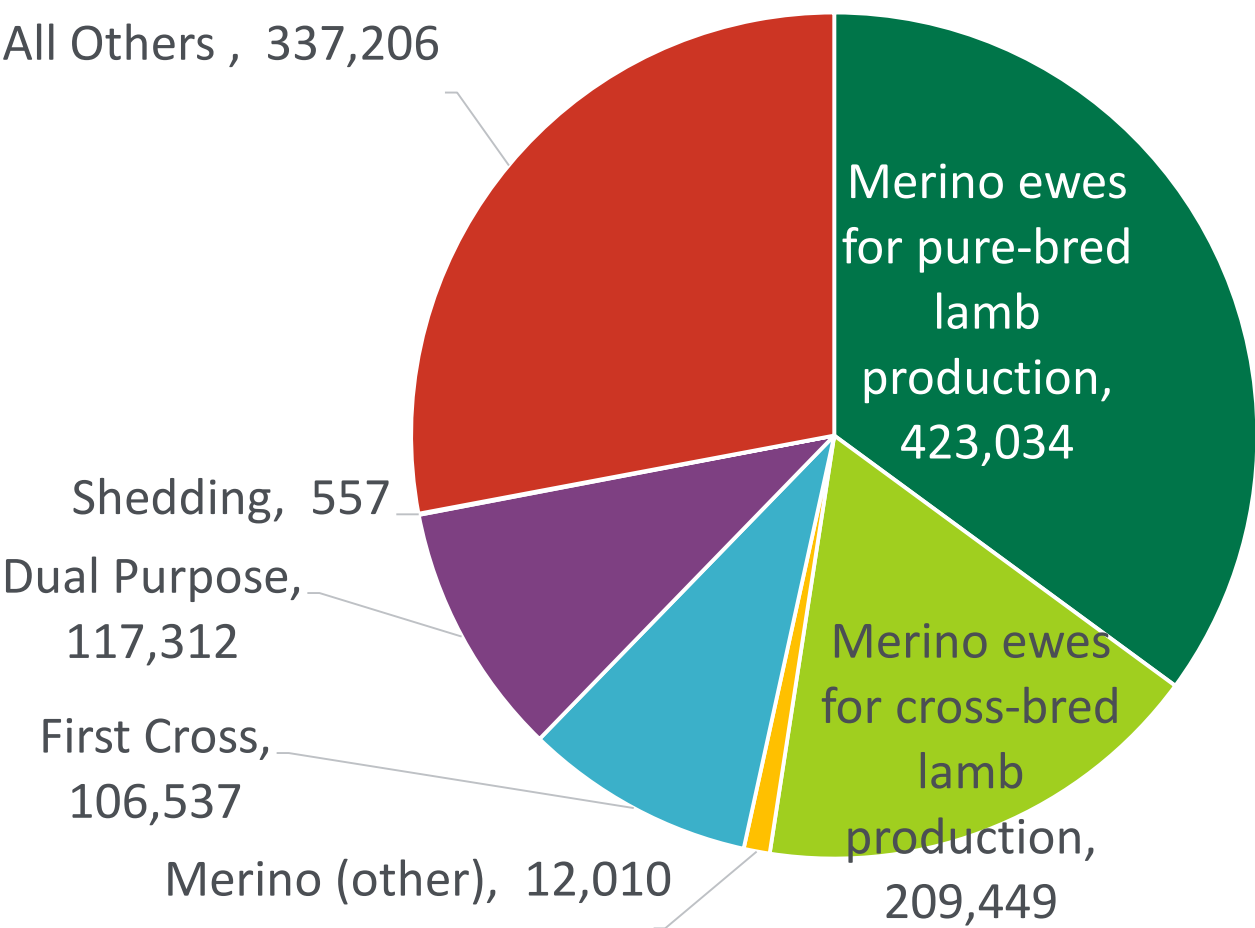
How to achieve increase



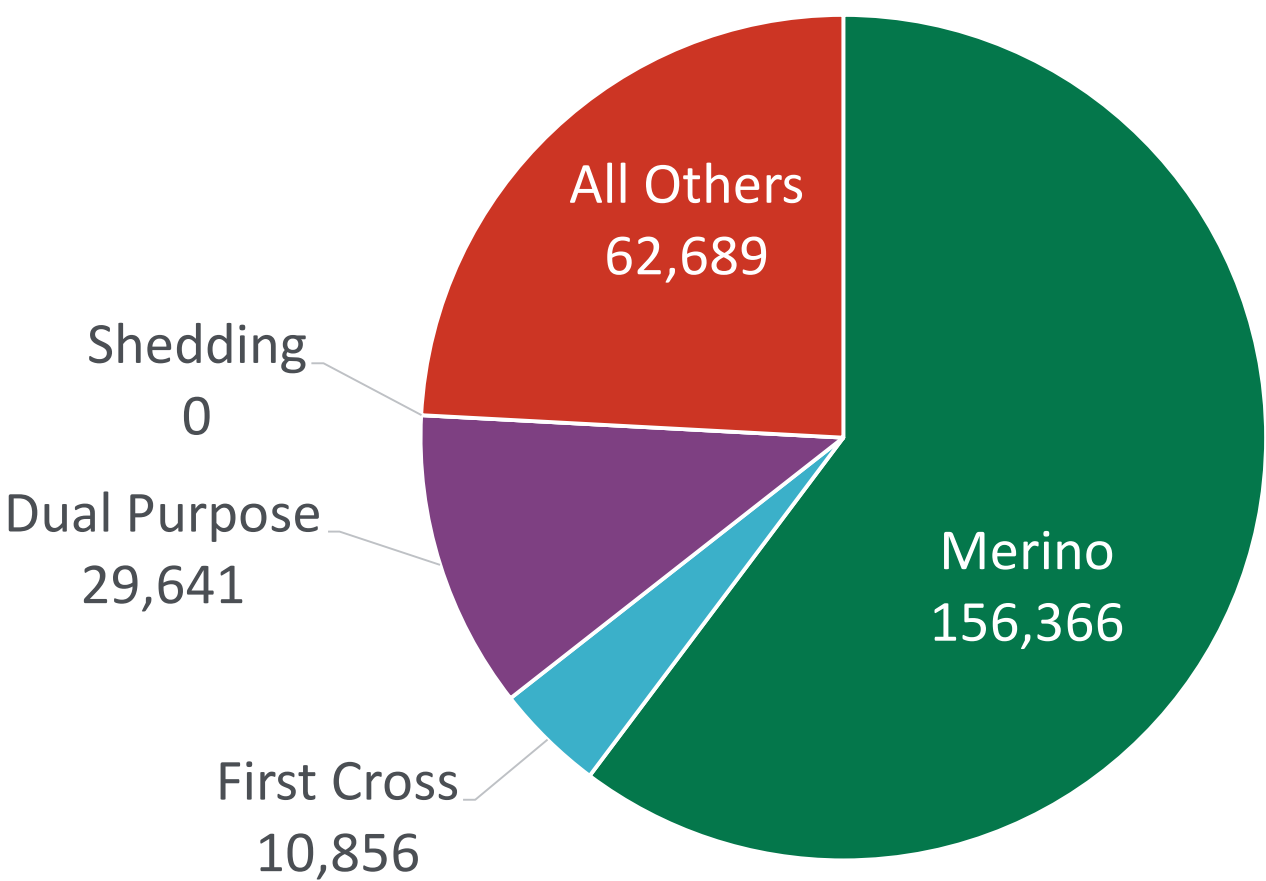
Totals

Breeding ewes on hand	4,959,584
Lambs on hand	1,900,707
Expected lamb sales in the next 4 months	385,365
Lambs marked in the past 4 months (1 Mar – 30 Jun)	1,073,171
Number of ewes joined to produce marked lambs	1,050,072

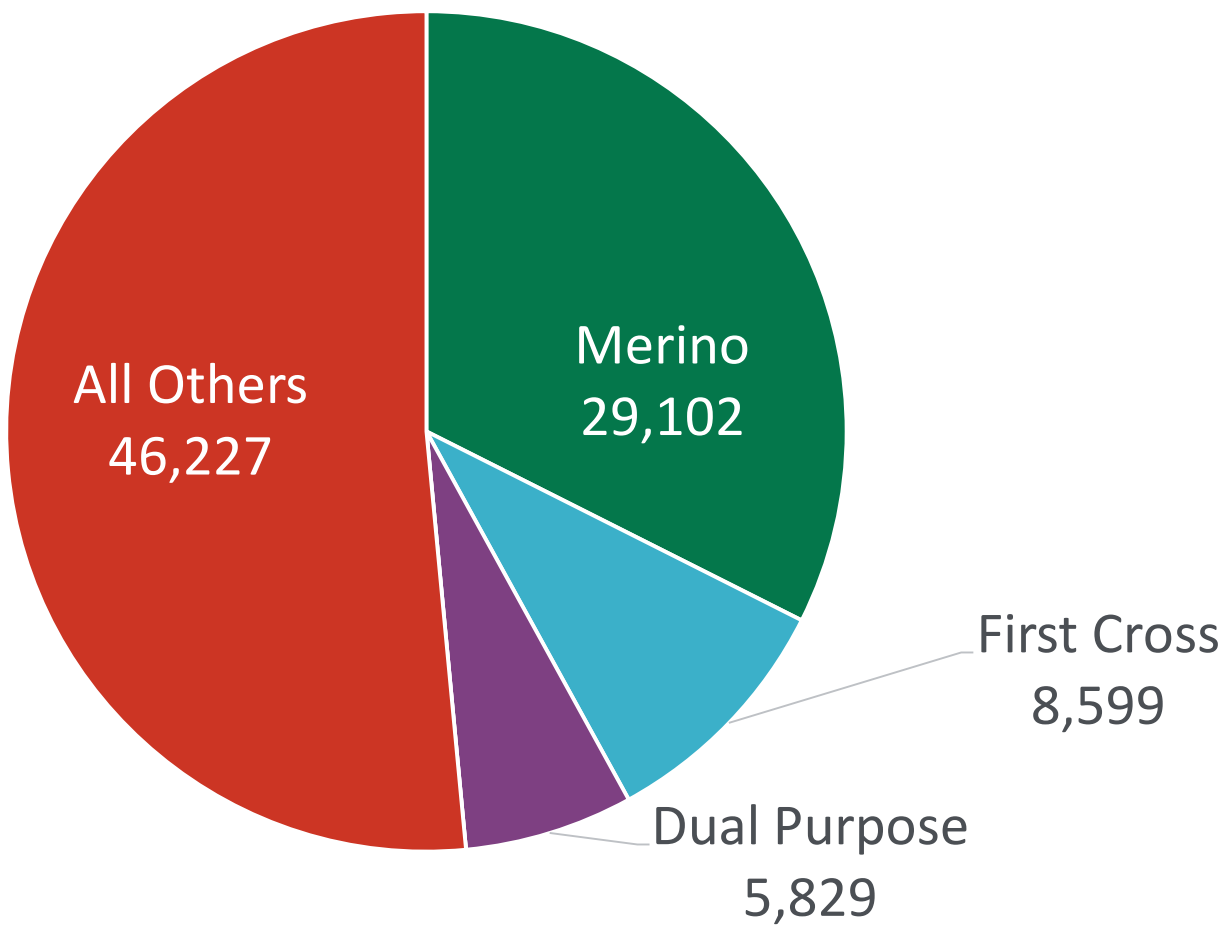
Breeding ewes on hand



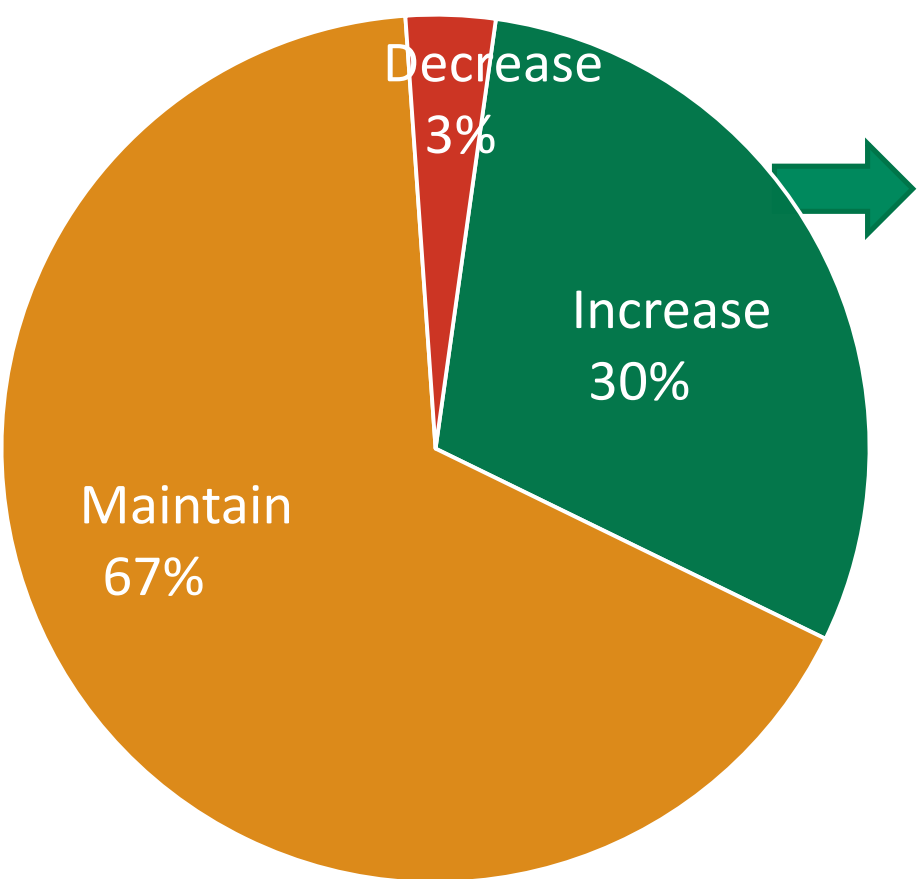
Lambs on hand



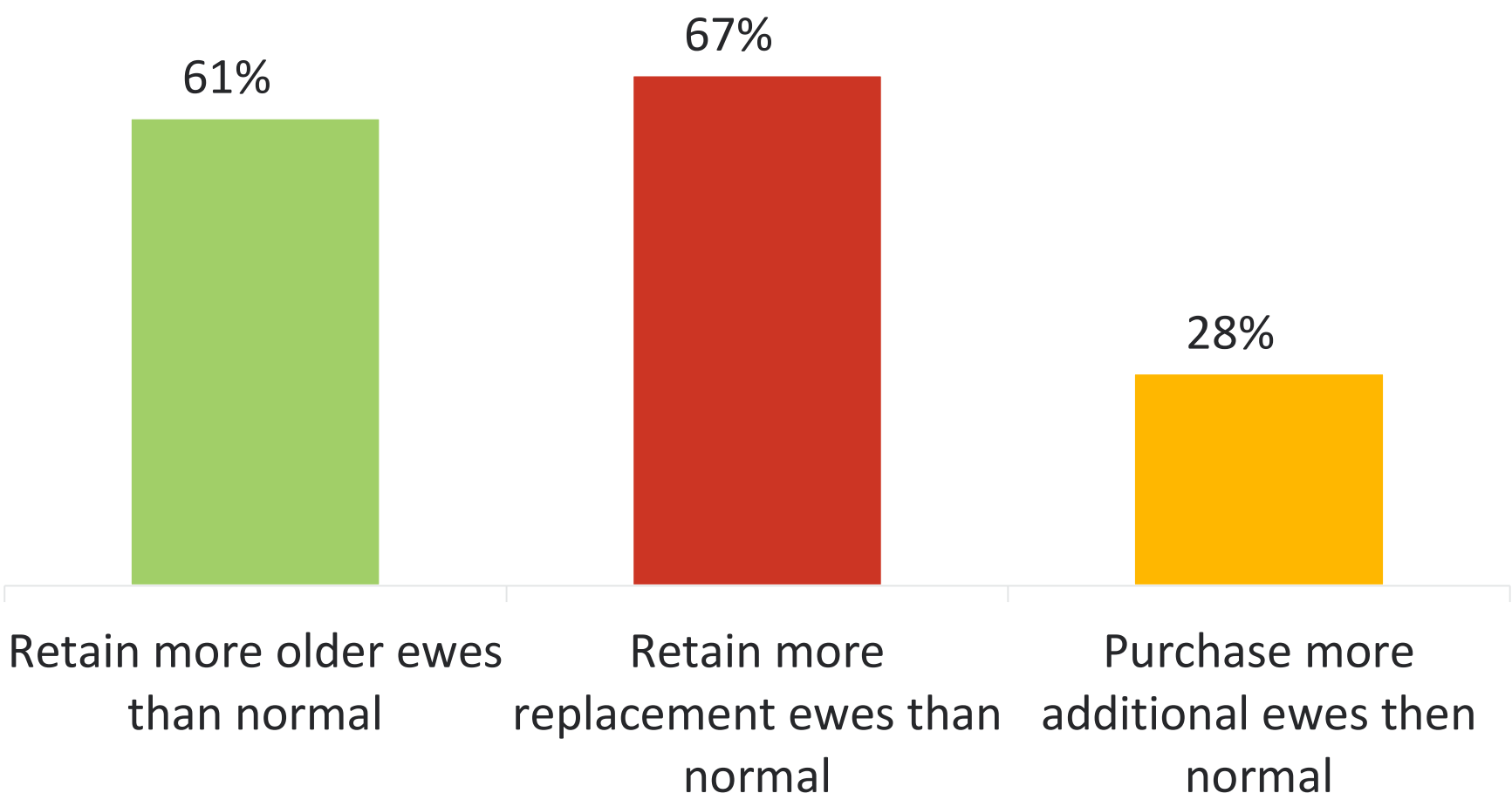
Lamb sales in next 4 months



Ewe Flock intentions



How to achieve increase



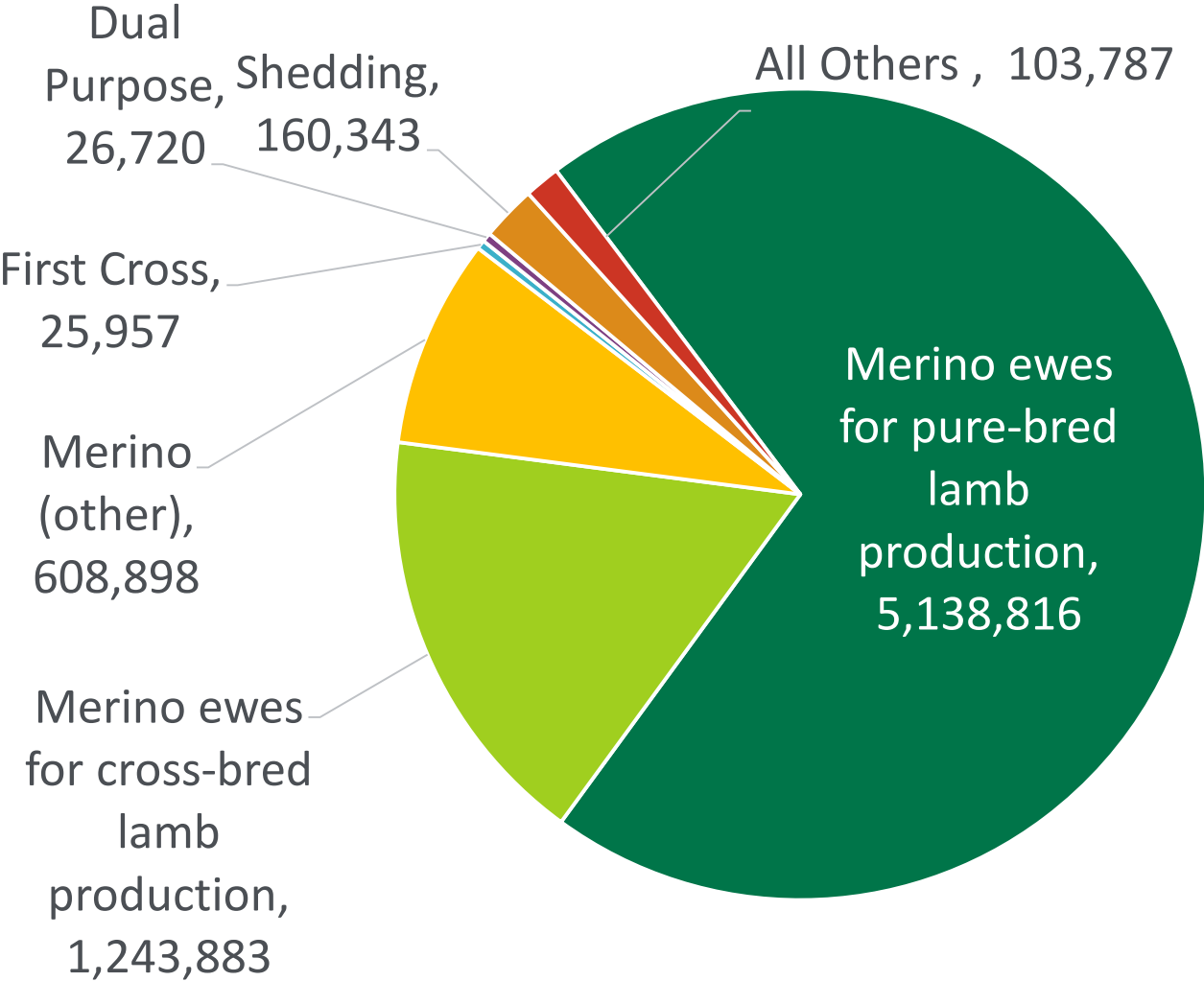
Totals

Breeding ewes on hand	1,206,106
Lambs on hand	259,553
Expected lamb sales in the next 4 months	89,756
Lambs marked in the past 4 months (1 Mar – 30 Jun)	14,864
Number of ewes joined to produce marked lambs	11,743

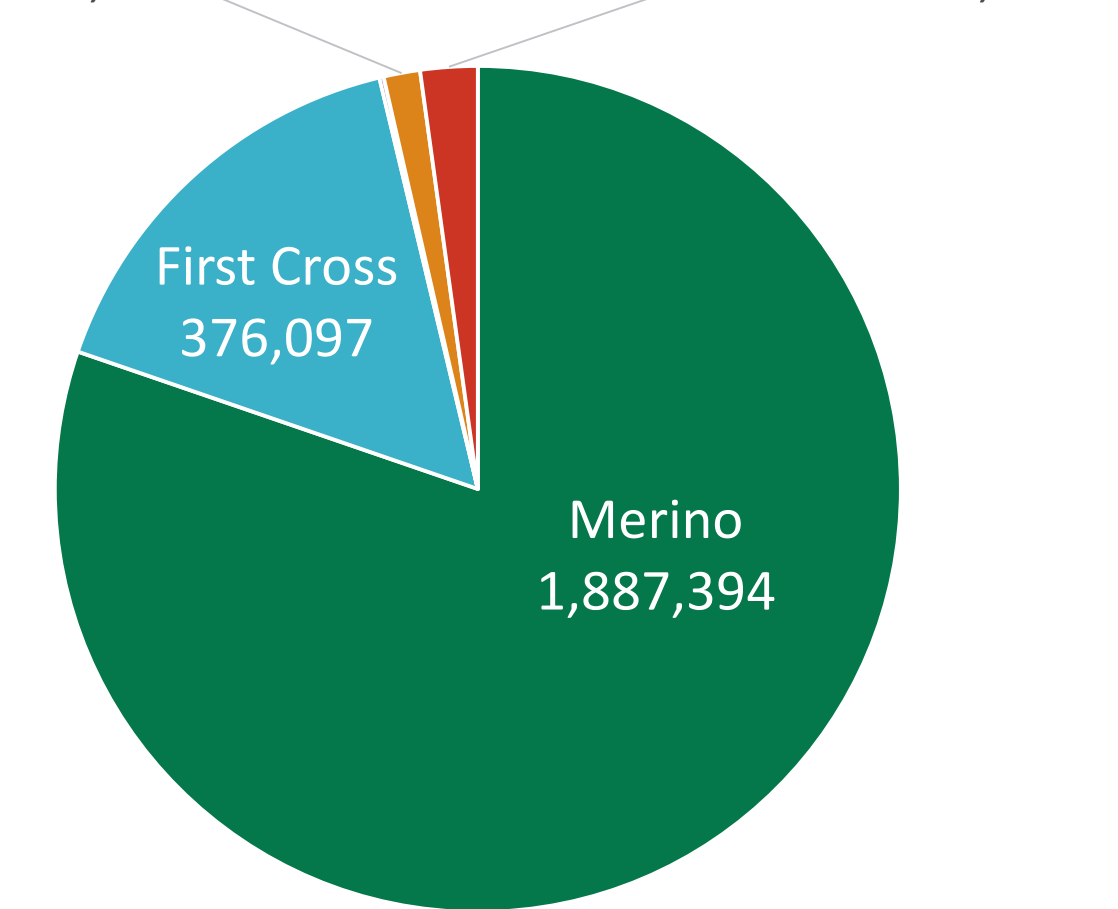


# Western Australia

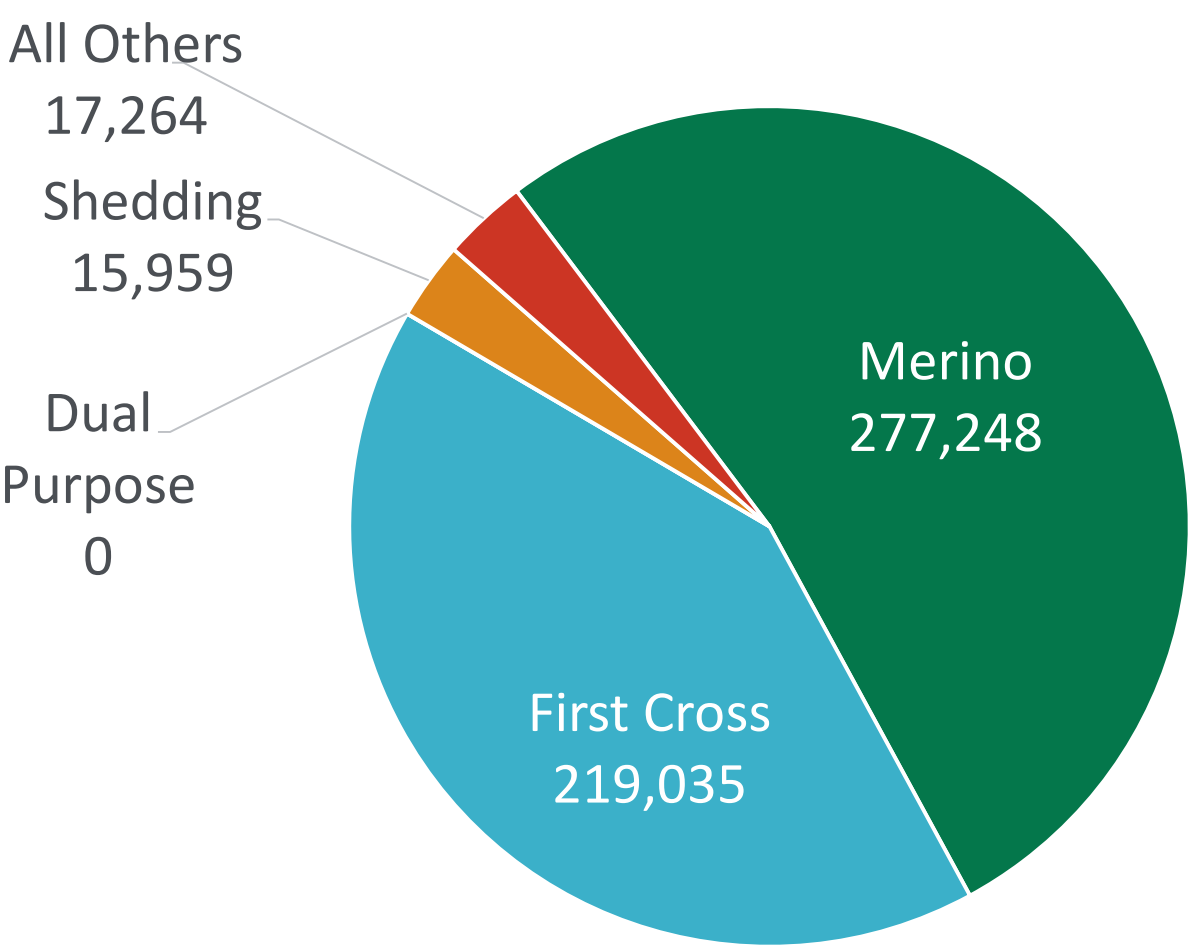
Breeding ewes on hand



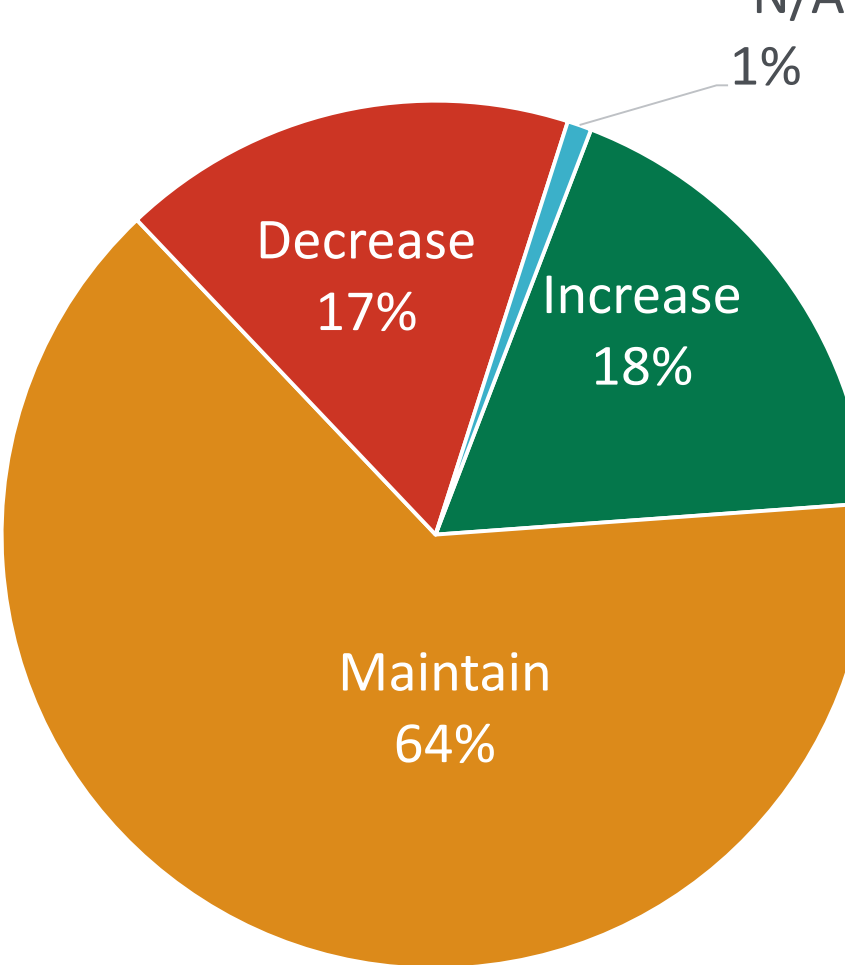
Lambs on hand



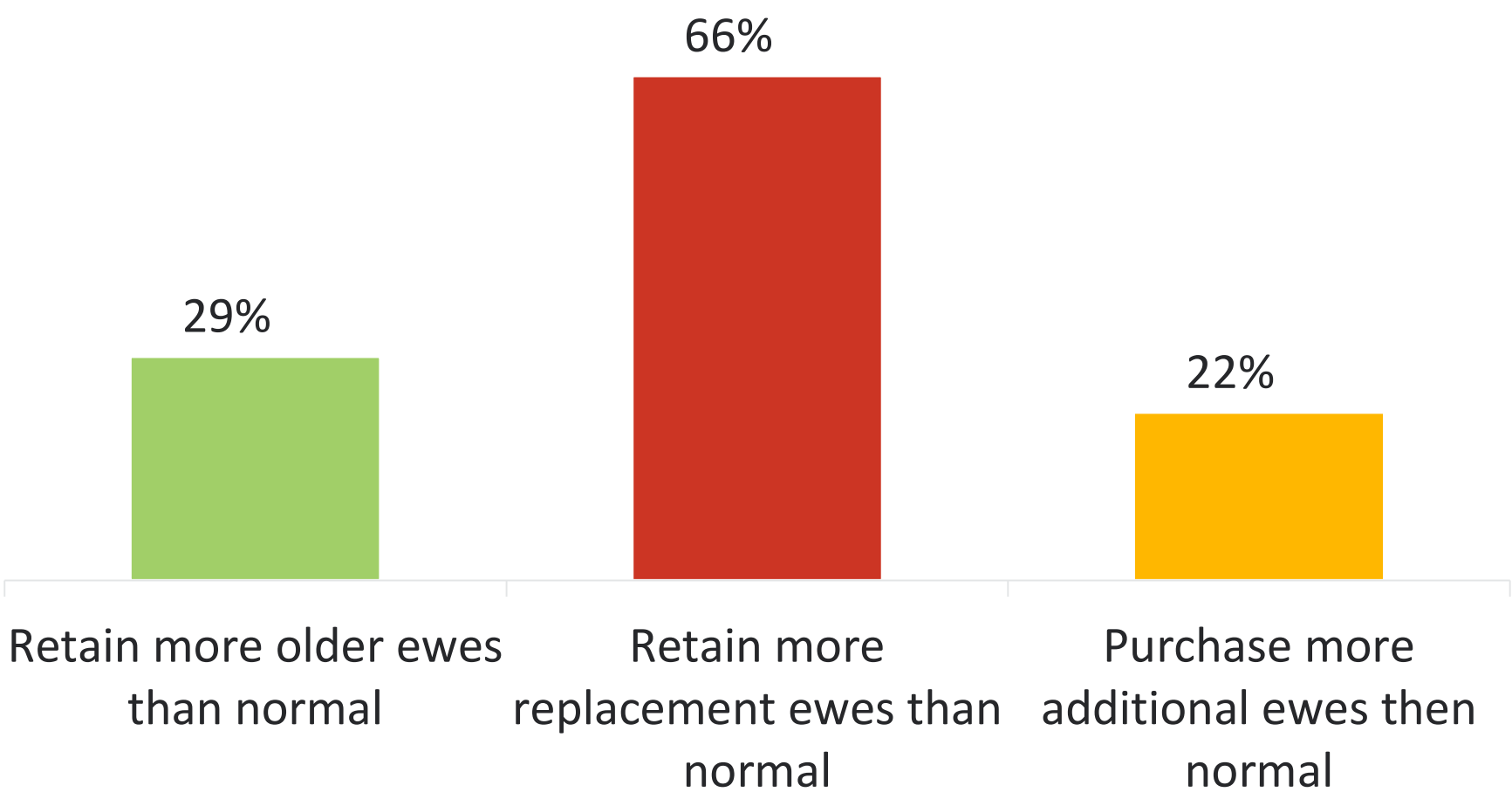
Lamb sales in next 4 months



Ewe Flock intentions



How to achieve increase



Totals

Breeding ewes on hand	7,308,403
Lambs on hand	2,351,475
Expected lamb sales in the next 4 months	529,506
Lambs marked in the past 4 months (1 Mar – 30 Jun)	877,175
Number of ewes joined to produce marked lambs	1,011,680

# Disclaimer

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