

# HISTORY OF THE NWGA AND THE WOOL INDUSTRY

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### Introduction

History shows that humans have been weaving wool since 4 000 BC in Babylonia (which also means "Land of Wool"). Sheep farming is therefore one of the oldest organised industries and sheep herding is known to be the first occupation that was organised in structures. Humans also quickly learnt that sheep do not have to be killed to harvest their wool, they also contributed towards household food supply, therefore making humans less dependent on hunting.

The behaviour pattern of sheep is referred to as being gregarious, meaning that sheep flock together and follow a ram. This behaviour was soon recognised by humans and they consequently started training rams to go out, enter wild flocks of sheep, leading them back to humans. Over time, sheep have been domesticated to suit human needs.

Sheep are also the first animals that were differentiated by name from other animals in the Bible. Reference to sheep is made at least 179 times in the Bible, indicating their exceptional value to humans. Jacob, Moses and David were all devoted herdsman.

Various African gods are also symbolised as sheep and sheep are often used as a symbol of innocence!

The first wool sheep arrived in South Africa in 1789 when the Dutch East Indian Company brought two rams and four ewes from Netherlands. During those years Spanish Government restrictions were in place to control the movement of Merino sheep. King Charles IV of Spain donated some Merino's to King William V of Holland, the Prince of Orange-Nassau, but the cold, wet weather in Netherland was not conducive for these sheep and they were subsequently sent to South Africa for experimental purposes.

On arrival of the sheep in the Cape, the commander of the Cape Garrison, Colonel Robert Jacob Gordon, took them to the Government farm called Groenkloof, located about 35km from Cape Town, which is today known as Mamre. Colonel Gordon was also known as the pioneer who discovered the Orange River, named after the House of Orange.

In 1791 Colonel Gordon was instructed to return the Merino's to Netherlands, as Spain had not given permission for the sheep to be moved to South Africa. Only six Merinos' were returned to Netherlands, which was the number originally exported to SA. The progeny remained in South Africa and this was the modest beginning of the Wool Industry in South Africa, the first country outside of Europe to farm with Merino sheep!

The Settlers (1820) and Voortrekkers (since 1834) were eventually responsible for the distribution of Merino sheep all over South Africa (Eastern Cape, Free State, Transvaal and Natal). Later, between 1899 and 1902, the Anglo Boer war forced the wool industry to its knees and sheep numbers declined drastically. Reports indicate that farmers hid many sheep and cattle in Lesotho, and that after the war, there was a major effort to build sheep numbers again.

# The National Wool Growers' Association of SA (NWGA)

The first organisational structure of wool producers in South Africa dates back to 1831 when an association was established in the Cape to promote breeding and production of Merino's. The National Association for Wool and Mohair Growers' was established in 1906 and 1907 saw the establishment of the De Wetsdorp Wool Producers' Association for the Orange River colony, as it was known in those years. Over the years many more Associations were established including the Transvaal Sheep and Goat Producers Association in 1918.

A number of role players in the wool industry convened in Middelburg (Cape) on 24 May 1924 to develop uniform standards for wool classing. These standards were later approved by a wool congress, when other issues also started receiving attention, including the trading of wool on auctions, compulsory dipping of sheep and inter-district competitions. Resolutions relating to legislation were also tabled with Government.

By 1926 there were various independent Wool Growers' Associations throughout the country which led to the first congress held on 26 May 1926 in Middelburg (Cape), with the objective to develop a constitution for a national body. Records indicate that Mr. C.E (Claude) Orpen was elected as the first national chairman, with Mr. T.E. Murray the vice and Mr. Gerard Rood as secretary.

A full and representative congress for wool producers in South Africa was held for the first time on 18 September 1929 in Bloemfontein, which today is recognised as the official date on which the NWGA of SA was established. During this congress the Minister of Agriculture was requested to implement a levy on each bale of wool exported from South Africa and to establish a Wool Board to advise the Minister on how to utilize the levy funds.

The first levy of 1/- per bale was levied on 1 February 1930 and the advisory Wool Board was appointed in the same year. The Board's first responsibility was to improve the efficiency of the Wool Producers' Organisation, which subsequently resulted in the NWGA being restructured under a new constitution on 6 January 1931. The following objectives were set:

- To act as the official mouthpiece of wool producers in South Africa; and
- To protect, promote and develop the wool industry in collaboration with the Wool Board.

The Springbuck head was approved as the official trade mark of the wool industry.

It is also interesting to note that the organisation was still referred to in Afrikaans as "Wolgroeiersvereniging", but according to minutes since 1932, reference was made to

"Wolkwekersvereniging." The English name remained as National Wool Growers' Association (NWGA).

The first edition of a quarterly publication, "The organised wool farmer ", was published on 25 November 1932 in both official languages of that time (English & Afrikaans). The Wool Board launched the first wool promotion campaign, "wear more wool" in 1932, which was extended internationally in 1937 when the first South African delegation was sent to attend the International Wool Congress in Melbourne, Australia. This coincided with the establishment of the International Wool Secretariat (IWS) in January 1937, who was responsible not only to maintain the world demand for wool, but also to stimulate a higher demand. Initially Australia, New Zealand and South Africa were members of IWS, with Uruguay and Brazil joining later.

Wool legislation was approved in 1946 and the advisory Wool Board was replaced with a statutory Wool Board. The SA Wool Board was officially constituted on 16 September 1946 and Mr. G.H. Moolman (NWGA President) was appointed as the first Chairman. The Chairman and eight Board Members served on the Wool Board and two additional members were co-opted. One of the co-opted members was Dr. P.G. du Toit, Director of Veterinary Services, who served as technical advisor. Dr. Du Toit was the first non-producer to be awarded a Golden Ram, the highest accolade of the NWGA, still awarded today.

During August 1947, the first edition of the Wool Farmer / Wolboer was published and served as the official mouthpiece of the Board. The Wool levy was also adjusted to a levy / weight of wool (pound) instead of per bale. The NWGA also adopted the principle that all wool producers paying the levy would automatically be an NWGA member and the Wool Farmer was consequently sent to all wool producers in SA.

Over time, and since the establishment of the Wool Board, a Wool Commission was formed to stabilise the wool market and manage a floor price system. In 1972, the NWGA requested Government to combine the Wool Board and Commission into one structure, which became a new Wool Board overseeing all aspects of the industry. BKB was formed in 1975 when four brokers decided to combine their forces. In the more recent past, more brokers have been established such as CMW, Lanata, Van Lill, Segard Masurel and SBL.

The NWGA played a very important role as the formal mouthpiece of the Wool Producers throughout the years, as well as being involved with wool classing, packaging and marketing. The NWGA is also one of the oldest producer organisations in South Africa and in the founding years of existence was considered an additional province in the structure of the SA Agricultural Union with the same status as that of provincial affiliations. Before the establishment of the Red Meat Producers' Organisation (RPO), all issues related to mutton and lamb was also handled by the NWGA.

Statistics on membership show that the NWGA had 24 440 members in 1944 (excluding ram breeders that were handled separately), 31 408 members in 1971, 24 602 members in 1986 and 21 005 members in 1996. The NWGA national head office has been in Port Elizabeth since 1987, the city that is still today considered the most important centre for the industry.

At the NWGA congress held in May 1994, the continued decline in membership numbers was discussed and the new political dispensation provided an opportunity to extend membership to the emerging wool farming sector. The NWGA was one of the first

commodity organisations in Agriculture to embrace the new dispensation and discussions were held with emerging wool producers to join the organisation, especially producers from communal farming areas in the Eastern Cape. Since 1995, wool sheep farmers from the Transkei and Ciskei have been incorporated into the structures of the NWGA and soon thereafter also the industry.

However, the new political dispensation in South Africa in 1994 also posed major challenges to the Wool Industry, especially the review of the National Marketing Act which gained momentum in 1996. The Wool Industry then positioned itself to have the NWGA and Wool Board in a single structure and all the assets of the Board put in a trust. It was further envisaged that a statutory levy should fund such a structure and that the returns from investments of the trust be used to fund local (national) services like producer services, research, promotion, information and statistics. A survey conducted by the University of Pretoria under the leadership of Prof. Gustav Düvel furthermore indicated that two thirds of producers supported SA's continued participation in the IWS.

New marketing legislation however resulted in all marketing boards in SA being dismantled which dictated a totally new dispensation for the future of agriculture. Wool producers approved a 3% wool levy at the NWGA congress for 1995 / 96 and this was the last compulsory levy wool producers had to pay! The NWGA National Management committee also approved that two representatives from the communal wool producing fraternity should serve on the National Executive with voting rights. The constitution was also adapted accordingly.

Rumours started surfacing that the then Minister of Agriculture, Mr. Derek Hanekom, did not want to approve the continuation of a statutory levy, which eventually realised.. This, together with the closure of the Wool Board, required drastic measures in the Wool Industry. All assets of the Wool Board were transferred to the newly established Wool Trust and Cape Wools SA (CWSA) (a non-profit organisation article 21 company) was established to be the executive arm of the Wool Trust. The Wool Forum was also formed to create a platform to involve all role players in the wool industry, namely producers, brokers, buyers, labour and early processors. At this Forum, issues of common interest could be discussed and recommendations made to the Wool Trust relating to the application of industry funds.

This left the NWGA in a relatively precarious position, but with exceptional leadership and new thinking, a whole new direction was adopted. Automatic membership on account of the statutory levy lapsed and was replaced with a voluntary membership fee, where producers paid according to the volumes of wool delivered.

# The NWGA in the new democracy of SA

In 1994 the membership of commercial producers showed a sustained decline, which lead to a drop in production. However, there was a drastic increase in the membership from the emerging sector and more than 90% of the communal farmers became voluntary and paid up members of the NWGA.

According to 2013 records, there are more than 4300 commercial producers and nearly 756 communal shearing sheds (representing more than 15 000 individual producers), paid up members of the NWGA. Black wool producers fully participate on all structures of the

industry, from grass root level, through the provincial structures to National Management and Congress.

In 2011, Mr SK. Makinana was the first black producer elected as National Vice Chairman to represent communal farmers.

In 2005, Obrey Bomela (East Cape Regional Chairman), was the first black farmer to receive the Silver Ram Award, followed in 2011 by Elliot Nyatsa (NWGA shearing instructor) and SK Makinana. Black farmers also serve on the board of Cape Wools SA and are trustees on the Wool Trust.

In 1994 the NWGA also reorganized into 9 provinces according to the new Government and provincial dispensation. Provincial sub-branches were then established accordingly in the Western Cape, Northern Cape, Eastern Cape, Free State, KwaZulu - Natal and Mpumalanga.

Gauteng, Limpopo and North West were integrated with Mpumalanga because of relatively low wool production levels. However, good wool prices over the past number of years have stimulated production, especially in the Northwest and therefore regular attention has been given to the reorganization of service areas.

The Wool Farmer, former publication of the Wool Board, was taken over by the NWGA as communication medium with producers. This was initially done in the form of a newsletter and later as a newspaper published monthly. In February 2013, the newspaper format was replaced with a magazine published bi-monthly, as well as a monthly electronic newsletter.

NWGA's new strategic approach focuses on the mission to promote economical and sustainable wool sheep production and to produce more wool from more sheep. This is pursued through the following objectives:

- Promoting an improved market environment;
- Improved production environment through training and development;
- Influencing the political and policy environment for the benefit of the producer; and
- Expanding the NWGA as producer organization.

A Production Advisory Service (formerly rendered by the Wool Board), was established by the NWGA in 1997, providing a service to all wool producers (communal and noncommunal). The service is provided on contract with Cape Wools SA and funded from the proceeds of the Wool Trust and through partnership with stakeholders such as national-, provincial- and local government institutions, Sector Education and Training Authority for agriculture (AgriSETA), financial institutions, foreign donors, input suppliers and private companies. Shearer Training forms an important part of the advisory service and the NWGA is an accredited service provider with AgriSETA.

This advisory service focuses on the following:

- Predation Management (training and demonstrations)
- Farm Business Information System
- Code of best practice for wool production
- Genetic improvement
- Infrastructure development for emerging areas

- Market access for communal farmers
- Training and mentoring, focusing on shearing, wool classing, basic wool production, animal health, breeding, selection, management, etc.

Remarkable success has been achieved so far, especially in communal areas, where communal farmers marketed 222 610 kg of wool (valued at R1,503 million) in 1997/98 before intervention. This increased to 5.81 million kg wool (valued at R299,9 million) during 2016/17. South Africa exports more than 90% of the national clip annually, resulting in an income that is earned largely from foreign currency.

The NWGA has also managed a Genetic Improvement Program since 2002 in collaboration with the Eastern Cape Department of Agriculture and, since 2011 with Department of Rural Development and Land Reform. Rams are bred in a group breeding scheme and subsequently introduced into communal flocks on an exchange basis (a communal ram exchanged for quality ram). By 2014 more than 36 000 rams were introduced and the project is scheduled to continue at least until 2017.

Wool therefore, for the past two centuries, has contributed significantly towards the establishment and development of rural towns and -economies in South Africa, as well as the establishment of a commercial bank. This contributes towards development, economic growth and job creation, something that very few commodities can achieve, especially under extensive farming conditions.

This colourful history of the Wool Industry since the 18th century in general and the NWGA since 1929 in particular, is truly something to be proud of.

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