

4th December, 2007

Gary Banks
Chairman Productivity Commission
Pigmeat Safeguards Inquiry
LB2 Collins St East
Melbourne Vic 8003

Re: Productivity Commission's Safeguards Inquiry into the import of Pigmeat.

Dear Mr Banks,

I am writing on behalf of members of the NSW Pork Industry Taskforce. We welcome the Productivity Commission's Safeguards Inquiry into the import of Pigmeat.

The taskforce is made up of members from all sectors of the pork industry including feed milling, pig production, pig processing and government sectors. Its role is to advance the interests of the NSW pork industry through developing value adding initiatives for the industry while providing timely feedback to the Minister for Primary Industries on such initiatives and industry activities.

The following represents the views of members of the taskforce and is not to be considered as a submission from the taskforce.

We hold a strong view that there is direct correlation between rising imports and the fall in domestic price. This increase followed the removal of trade protection after commitments to liberalise the industry in the Uruguay Round and loosening of quarantine restrictions in the years since. The rate and extent of increase in imports was unanticipated. Imports *alone* are causing serious injury to the Australian pork industry and this, in turn, is adversely impacting on the competitiveness of the industry.

Significant numbers of producers have left the industry or reduced herd size, most are losing enormous amounts of money and infrastructure is going to waste. The flow on affect this is having on abattoirs and processors is also significant and damaging. Many other local businesses also provide direct support services to the pork industry. The impact on regional communities is devastating.

Immediate action is required under the WTO rules, to prevent avoidable financial ruin across the industry. We therefore request the Commission to make

an immediate request to the Government to restrict imports. This will create breathing space for the industry to stave off financial ruin while the inquiry can be undertaken and allow restructuring to proceed in a dignified and orderly way.

If immediate action is not provided and the rate of imports continues at existing levels, or increases, as is likely, the consequences for the industry will be severe and irreparable. Many producers are facing imminent bankruptcy if prices do not rise significantly. If producers close, primary processors will too. Professional trained staff, contractors and service providers will lose their jobs and markets. They will have to find alternative employment and markets and are unlikely to return to the industry. Investment and gains in genetics and marketing will be lost through culling and lack of supply. Assets will be lost from the industry altogether.

Clearly, a case exists for provisional safeguards and the taskforce strongly recommends the productivity commission secure immediate relief through *temporary protection*, while orderly restructuring can be undertaken as provided for in WTO rules.

Yours sincerely,
Sally Walker

Pork producer and Chair NSW Pork Industry Taskforce

On behalf of the following Taskforce members:

Mal Gett – Producer

Liz Wallace – Westmill Pig Producer

Alex McGillivray – QAF Producer, Feedmill, Primary Processor

Ted Campbell – Primary Processor

Chris Brewster – Ridley Agriproducts - Feedmill

Paul Judge – NSW Department of State and Regional Development