

ORWIN P/L
'ARCOONA'
Box 26
Jabuk, 5301
18-9-98

To Pig and Pigeat Industries Inquiry
LB2 Collins St
Melb.

Dear Sir,

I am writing to you to tell you about the impact low pig prices are having on my 100 sow piggery business. Over the last 12 months pig prices have been very low, the lowest I have ever seen them, to the extent that we were loosing money on each pig produced (approx \$35 per pig) 20 years in pig production.

Prices have recovered somewhat in the last 5 weeks or so but this week are coming down instead of steadying. This is going to be a disaster if prices do not trend up into Xmas again this year.

All these events are happening as we see record levels of imports, very high retail prices for pork, and high profits for the price controllers at the retail end.

We are "price takers" not "price makers" with no real way of controlling our destiny in this area. By doing nothing to control imports the Govt is giving importers and retailers (one and the same in Woolworths case) the "Market Power" to manipulate prices to suit themselves. Certainly the producer and consumer are both being "screwed" in this unscrupulous push for big profits.

This is a basic market fundamental that we need to change and unless we do change it I can see no real future for the Pig Industry in Aust.

The last 12 months have been very hard for us all my declining profits have meant that I have had to put one employee off. Also my son who still wants to be a farmer (one of a few in the next generation!!) has taken a job outside in between seasons.

This has put a lot more workload on my wife and I, my health has suffered from the stress of the financial strain. I am on medication for High Blood Pressure and to help me sleep at night.

We have spent a lot of money in the past few years upgrading our pig sheds and improving our production efficiency. Now we don't know even if we should stay in the industry.

We are mixed farmers in a marginal area and the piggery was one way of providing an income during times of drought.

We have sold the same number of pigs for '96-'97-'98 but our income has dropped (on pigs) from '96 to '97 by 21% and from '96 to '98 by 35% our expenses are still the same of course.

I suggest a 4 year quota of around 5000 tonne and an out of quota tariff of \$2 per kg. I feel anything less will surely spell the end for the pig industry in Aust.

Yours sincerely

Don Durant