

Mr N Byron  
Presiding Commissioner  
The Australian Pigmeat Industry Inquiry  
Productivity Commission  
LB2 Collins St East  
MELBOURNE VIC 8003

Dear Mr Bryon

I refer to a submission made by the Tasmanian Island Pork Alliance to the Productivity Commission's inquiry into the Australian pigmeat industry.

As Minister for Primary Industries and Water for Tasmania I would like to make the following comments on matters raised by the Alliance's submission.

Given the size and structure of the Tasmanian industry, its competitiveness is heavily affected by national and international developments within the industry. This is both from the perspective of changes that affect the cost of inputs into the production of pigmeat, as well as changing supply chain and market arrangements in the industry. It is well established that the impact of imported pigmeat, for example, has been to increase price competition in the market.

Further, the need to ensure effective schemes for Tasmanian producers to offset the cost disadvantage they incur from having to import grain into the State via Bass Strait are important to ensure that the small Tasmanian industry can be an efficient producer of pigmeat. Therefore, these schemes need to be maintained and where necessary enhanced.

The Tasmanian Government is aware of the concerns of the industry with respect to the quarantine protocols for the importation of pigmeat. The Tasmanian Government will continue to monitor and respond on quarantine protocols on the basis that is committed to the strongest possible science-based protection of the biosecurity status of Tasmania's agriculture and aquaculture industries, and its environment.

The Tasmanian Government, through my Department, is working with the local industry to manage these and other challenges faced by the Tasmanian pig industry and I look forward to the Commission's report on this matter.

Yours sincerely

Hon. Steven Kons, MHA, LLB  
**MINISTER**