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Pig and Pigmeat Industries Inquiry LB2 Collins St East Post Office MELBOURNE VIC 8003

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1. Statement of Serious Injury

The serious injury to our 200 sow piggery business as a result of low pig prices over the last nine months caused by pork imports is as follows:

<u>Financial loss</u>. We are a small family operation supplying weaners under contract. Payment is based on market baconer prices for the previous month. Over the last nine months (November 1997-August 1998) the price per weaner dropped by 34% causing losses of approximately \$1000 per week, substantially increasing the farm debt.

Employment. The piggery had been operated by my husband and one full time employee who had worked with us for five years. During that time he had been extensively trained in pig husbandry and completed a traineeship. Due to the financial constraints resulting from the industry downturn we were unable to continue to employ him and his skills and training have now been lost to the industry.

<u>Decline of Assets.</u> We have owned our piggery for 15 years and it has always been maintained and operated in the best possible condition, implementing the latest developments and production techniques to place us in the top 10% of producers in terms of efficiency and productivity. However there is no longer any finance available to maintain existing buildings and equipment let alone continue development. We are unable to afford to implement a QA program in the short term and don't have the confidence to invest or plan expansion.

<u>Social Effects</u>. Running a piggery this size single-handed can only be a short term option. I am forced to work off farm to bring in much needed cash flow. Long hours coupled with stress from the financial concerns can only be detrimental to health and unless there is a marked improvement in income over the next year we will be forced to leave the industry. We have invested our life savings and 15 years of hard work in the piggery which, until now, has always provided us with a reasonable living.

<u>Inability to Plan</u>. Due to the change in market environment caused by unrestrained pork imports, we can no longer predict future pig prices and trends. This has severely limited our ability to plan future production changes and long term viability.

2. Recommended Safeguards to be applied

A temporary (4year) quota of some 5,000 tonnes and an out-of-quota tariff of \$2/kg is essential to provide the breathing space needed for orderly adjustment and development of a more efficient, internationally competitive industry.

Yours Faithfully

JOAN MOSS