98890034

Bernard Mullan B S & A L Mullan Box 10 DUDININ WA 6363 Ph: (08) 98890034 Fx: (08) 98890034

Email: yirani@westnet.com.au

Andrea Coulter
Pigmeat Safeguards Inquiry
Productivity Commission
LB 2 Collins St East
MELBOURNE VIC 8003

Ph: (03) 96532181 Fx: (03) 96532302

Email: pigmeatsafeguards@pc.gov.au

Website: www.pc.gov.au/inquiry/pigmeatsafeguard

To Whom It May Concern

Submission to the Productivity Commission: Safeguards Inquiry into the Import of Pigmeat

This is a submission from Bernard Mullan of B S & A L Mullan to the Productivity Commission's Safeguards Inquiry into the Import of Pigmeat.

In this submission, I wish to address the following matters:

- . Imports of subsidised pork are injuring the Australian pig industry and as such, appropriate provisional safeguards should be implemented to stabilise the industry.
- . Grounds definitely exist for a Productivity Commission recommendation to implement provisional safeguards and general safeguards.

I have evidence of the actions already taken by our farming enterprise to manage import pressures. I have comparative evidence to show that our farming enterprise is responsive to changes in the industry. We show how our business has changed and by how much from 2002 to 2007.

I can demonstrate that despite our continued efforts to restructure our operations, imports are depressing our pig prices and impeding our ability to recover our costs of production.

It is imports which are causing serious injury to our business and without immediate provisional safeguard action, we are faced with long term irreparable damage to the future of our business and in turn to the Australian pork industry.

98890034

I would be happy to discuss any matters raised in my submission with the Commission, given the opportunity to do so and can be contacted on phone number (08) 98890034, 12.30pm - 1.00pm WA time.

Yours sincerely,

Bernard Mullan

Pig Farmer Owner/Manager BS & A L Mullan Phone: (08) 98890034

Email: yirani@westnet.com.au

98890034

Farm Background

I run the family piggery of B S & A L Mullan in partnership with my wife Andrena and with part time assistance from my two sons Shaun and Brenton, who both have trades, and my daughter Carmen who is studying in Perth.

Our piggery is a farrow to finish enterprise that has been in the family for some sixty years.

Farm Profitability

In 2002 the decision was made to change the breeding herd from a continual farrowing to a batch farrowing system which incorporates using artificial insemination. In doing this we increased our sow numbers from 81 in 2002 to 93 by June 2007 in an effort to become more efficient. The number of grower pigs on farm changed from 780 in 2002 to 940 in 2007.

Not only have the numbers produced improved but also the quality of the pigs improved with the backfat measurement going from 13.7 in 2002 down to 11.8 in 2007.

As an example of cost increases, in November 2002 one ton of barley cost \$150 compared to \$300 per ton in November 2007.

In this same period when imports of subsidised pork increased by over 100%, the price we received for our bacon weight pigs went up from \$2.27/kg trim 1 in 2002 to \$2.28/kg in October 2007. It is obvious from these prices that we require a substantial increase in the price of our pigs but with the supply of imported product filling some processors freezers, this is unlikely to happen in the near future.

Conclusion

It is hard to keep a positive attitude to our pig enterprise when you know you are losing approximately twenty dollars on every baconer you sell. I am prepared to accept these losses in the short term but if provisional safeguard measures are not implemented then this efficient family farm can not continue to operate in the long term.

Bernie Mullan

BD Mullen