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To: Andrea Coulter  
Attention: Mr Gary Banks  
From: John McKay

Date: 30.11.07  
Fax No. 03 9653 2302  
No. of Pages 5  
Including cover sheet

Message:

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

Dear Sir

My submission to the Australian Productivity Commission's Pigmeat Safeguard Inquiry is from a different perspective. My involvement in the industry has not been as a producer of Australian Pigmeat but as a Stock Agent for 9 ½ years and as a Pig Buyer for 36 ½, a total of 46 years industry involvement.

Needless to say, that in all of those years there have been many highs and lows caused by a variety of factors. However, never in all those of years have I seen a more pessimistic outlook from participants, particularly producers regarding the future of our industry. These are people who accept poor seasons as a fact of life because they have chosen farming as a profession and, knowing that they cannot control nature, whether it comes in the form of drought, wind, hail, frost or fire, are prepared to confront these problems as they occur.

What they can't come to terms with is working seven days a week in conditions most city-folk what not endure to lose money because of the massive amounts of Pigmeat being imported.

High feed prices are accepted as part of a pig farmer's life, so this surely is not the point.

The point is that, within a month of Christmas, there are freezers full of perfectly good Australian Pigmeat. These freezers would, at worst, carry greatly reduced stocks if it were not for the high volume of cheap imports, thus causing extra demand in the market place with resultant higher prices.

My producers at present number 17, however, four of them will exit the industry in approximately the next four weeks, one in 6-8 weeks and a sixth will cease supplying

on the 28<sup>th</sup> February 2008. This is after the loss of 19 producers for economic reasons previously in the period under review.

In past years, as well as buying for butchers, wholesalers and manufacturers in the South Australian market, I have sent many thousands of pigs to both NSW and Victoria. Indeed, as recently as 12 – 18 months ago I was sending multiple semi-loads of live pigs to Victoria, but because of number shortages, consignments to Victoria are virtually non-existent, a direct result of producers exiting the industry.

Obviously this has a negative impact on the transport industry as well. It is worth nothing that the best pigs of a decade or two ago would be regarded as barely average by today's standards and this has all been bought about by huge improvements in management, genetics and feeding, something which didn't just happen but was made to happen by serious pig producers. At nearly 64 years of age, obviously my best working years are behind me. Therefore the reasons for my submission are partly personal, but mainly on behalf of those producers still left in the industry, many of whom are my close friends, decent, hardworking people losing money though circumstances beyond their control and also for the good of an industry that has served me well (and I it also).

Yours sincerely

J E McKay  
Jemco Agencies Pty Ltd