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Andrea Coulter
Pigmeat Safeguards Inquiry,
Productivity Commission
LB2 Collins Street East
MELBOURNE VIC 8003

Dear Sir/Madam

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

Further to the initial submission made by **MONDORO PTY LTD**, we stand by the views stated in that initial report; however we are in disagreement with your findings. Your report makes numerous references to high feed prices being the main cause of the industry's nonviability. It suggests that once the drought is over, feed prices will drop and thus making it a profitable business.

The attached documentation is a sample of the views of a number of experts in the Primary Industry. Overall, they surmise that grain prices will no longer revert back to the monetary values they have been in the past. Therefore, the view that the Industry will be viable again once the drought breaks is invalid. In addition to the drought there are other obstacles such as biofuels production and export grain demand that will also have an affect on the price of grain. (Ref 1,2,3)

In addition to high grain prices, there are two (2) other incidents relating to the importation of Pigmeat that has a major bearing on the viability of the Australian Pig Industry.


1. **Risk to Bio-Security.** An example of this would be the outbreak of Equine Flu in Australia. It is assumed that all imported Pigmeat is cooked prior to being sold, however, if this is not done, there is a risk of certain diseases entering our Industry. An example of importers neglecting their responsibilities of appropriately processing imported meat prior to resale are included in the attached documentation (Ref: No 4, 5).
2. **Subsidies Imports.** The Government continues to state that the origins of Pigmeat imports abide by the WTO agreements in regards subsidies (Ref 6, 7, 8, 9). I have found numerous articles that tend to disagree with this. I find it hard to believe that overseas countries that are

experiencing similar high grain and labour costs can afford to freight their Pigmeat half way across the world and still land it at our Port for a price less than we can produce it.

Attachments:

Reference 1	The Land Thursday Feb 7 2008 – High Grain Prices Set to Continue
Reference 2	The Land Thursday Feb 7 2008 – Demand Strong for Exports
Reference 3	The Land Thursday Feb 7 2008 – Keene on Export Choices
Reference 4	The Pork Journal Nov/Dec 2007 – Australia's Ham Scam even makes news in the US Trade press
Reference 5	www.smh.com.au - Smallgoods Firm accused of labeling foreign pork as Australian
Reference 6	Pork Journal Nov/Dec 2007 – WA Pork Producers want fair trade not free trade
Reference 7	The Land Thursday Feb 7 2008 – Mostyn to beef up its meat
Reference 8	Pork Journal Nov/Dec 2007 – Pot calling the kettle black
Reference 9	Northern Farmer Bulletin – Lets get a balance by Philip Doyle

Yours sincerely



Denis Moore
Mondoro Pty Ltd
22nd February 2008