

PORK



Pork SA

Chair Pork SA

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Hon. Leon Bignell MP
Minister for Primary Industries, Forests & Fisheries

19 August 2014

Dear Minister Bignell

RE: Premier's letter regarding Boards and Committees – Pig Industry Advisory Group (PIAG)

I write in response to the letter from the Premier of 8 July 2014 with regard to how the Government engages with industry, with a specific emphasis on Industry Committees and their role, value and usefulness. As a Member of PIAG and Chair Pork SA, I am responding on behalf of both groups where executive members have had extensive discussions regarding this topic and the best outcome for all.

On 4th August 2014 Pork SA wrote to the Executive Director Biosecurity SA (BSA) seeking consultation on these issues to better inform development of our preferred model. I understand this previous letter has been forwarded to you prior to Pork SA developing a final position and recommendation to you. We are, therefore, sending you additional information about our position and action we would support to improve the role and value of our Industry Committee going forward. I would note that we do this in the context that we have not had any discussions with BSA, so have not been able to fully understand and explore legal, financial and regulatory implications of any alternative proposal.

We would start by saying we are not sure if our industry group (PIAG) - advising you and PIRSA - has a need for change, given;

- PIAG is fully funded by “voluntary” industry funds – and in fact the fund is charged by government for executive activities, auditing, etc.
- The group is well supported, active and known within the industry – with producers spending many voluntary hours on activities for the group AND government departments as needed
- We use these funds to support industry projects and research that is widely recognised and applauded within the Pork industry and by PIRSA livestock.
- PIAG administers and advises you of the disbursement of industry levy's that we believe has a legislative component that must be adhered to.
- It integrates well and works in synergy with both the state (Pork SA) and federal (Australian Pork Ltd) pork industry bodies.

Hence the SA Pork industry would be pleased for a continuation of PIAG in its present constitution and roles. However, should you wish to revise these arrangements, industry would welcome the opportunity to recommend a revised model in line with the objectives outlined by the Premier. Our preferred revised model would reflect that which operates for the SA Grain and Grape industries where government collects a levy on behalf of the respective industry incorporated Associations.

This revised model we feel confident can work and has a firm foundation – given the development of the new industry body 2 years ago - Pork SA - when the pork industry took the initiative to develop a new standalone structure to support the needs of its producers in SA in tandem with PIAG. The creation of Pork SA, and the effective leveraging of industry time and resources, has allowed the development of a new industry policy and issues management framework that could take on additional roles performed by PIAG.

We could envisage a solution where Pork SA:

- Is 100% funded by the pork Industry
- Has certain activities currently done by PIAG as part of a Pork SA Subcommittee – that still fulfils its legislative role and responsibilities (needs advice by you/government regarding what is required here)
- Is still available for PIRSA to access for some of the industry knowledge and activities it requires to fulfil its role
- At its heart, still has industry elected/nominated people “working for and administering funds” for Industry good outcomes – where the people actually paying the funds (producers) are strongly in control of how their voluntary money is used for improving the SA Pig Industry.

While this option is attractive to the pork industry it would not necessarily be an exact replica of the Grains/Grape models managed through Prudential and Rural Financial Services in PIRSA. Differences that we would wish to explore include the Compensation Scheme arrangements in the Pig Industry Fund Regulations and security of current reserves. We would also welcome the opportunity to better define the mechanics of accessing these funds for servicing any suspected exotic disease management incursions, as well as to enhance the process for funding any *declared compensable disease*.

Anything along the lines of the above we realise will need strong support from your department to validate whether this will provide the mutually beneficial outcomes desired. We would welcome this discussion. The maintenance of the industry fund directed by producers and with the fund resources focused on industry needs in any revised model is critical and will also maintain the integrity and support of a voluntary levy for/by producers.

I trust this is the initial outline and support you require. Again – we are happy to advance this quickly with your designated contacts from PIRSA at your and their earliest convenience. Thank you in anticipation.

Yours sincerely



Matthew Starick
Chair Pork SA

[Redacted contact information]

cc Jenny McMahon, Chair Pig Industry Advisory Group
Will Zacharin Executive Director Biosecurity SA, PIRSA