

WEST AUSTRALIAN PORK PRODUCERS' ASSOCIATION



STRATEGIC PLAN
June 2006

**West Australian Pork Producers' Association
Suite 1, Pastoral House
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INTRODUCTION

The West Australian Pork Producers' Association (WAPPA) represents the interests of WA pork producers and stakeholders likely to affect the livelihoods of those producers. Within its available resources, WAPPA will deliver the best possible leadership, policy, advocacy and service to maintain and grow the WA Pork Industry.

The strategies in this plan clearly and simply challenge the opportunities the WA pork industry faces. It defines the role and activities of WAPPA and how it can best service the WA pork industry.

WAPPA is fully committed to providing a service to producers and processors that ensures professional and co-ordinated industry activity that yields a better return for fee for service payers than they can otherwise achieve acting individually.

EXECUTIVE SUMMARY

The WA market for pork and pork products has remained stable in recent years. However, it is estimated sow numbers have declined by 5000 in the last two years (03/04 to 05/06).

This decline resulted from a number of producers retiring from the industry and also producers being unable or unwilling to reinvest in their ageing facilities.

In the last quarter of 05/06 there are signs of some stability, but much remains to be done.

The WA pig production and processing sectors face considerable challenges to meet the ever increasing demands of consumers for a quality product that is tasty, healthy, affordable, safe to eat and has, been produced in an animal friendly environment.

WAPPA believes the gap between cost of production and price received by producers can be bridged with superior, better targeted investment in research and development and knowledge transfer and that pig production can make a positive contribution to the economic and social health and well being of WA rural communities. The establishment last year of the Pork CRC will help.

WAPPA's mission is to continue to facilitate a climate which allows producers to prosper and flourish through maximising opportunities for growth in the industry and building competitiveness through production efficiency that will maximise returns to producers.

WAPPA's VISION

To promote a vibrant, innovative, sustainable and competitive domestic and export WA pork industry, while safeguarding the interests of WA pork producers by maintaining services and developing policies through liaison with all three levels of Government, APL and industry organizations which can encourage incentive, opportunity and promotion for the pork industry.

The Vision encompasses an industry that:

- Is locally and internationally competitive, cohesive and profitable at all stage in the production and processing chain.
- Embraces new ideas and technology from a broad range of sources creating an industry environment to invest in its future.
- Adopts industry best practices in quality assurance, environmental management and animal welfare.
- To be information-driven and communicates efficiently and effectively with producers and others in the supply chain enabling it to satisfy industry requirements.
- Has a local and international outlook that enables producers to compete effectively to utilize all available knowledge in production and processing and all available markets for pork and processed products.

WAPPA's MISSION

To facilitate a climate which allows producers to prosper through maximising opportunities for growth in the industry and building competitiveness through production efficiency that will maximise returns to producers.

WAPPA's KEY OBJECTIVE

To responsibly invest its funding from the APC to co-ordinate appropriate industry activity that will assist in the growth and development of the WA pork industry and be:

- **Perceived as a responsible leader in the pork industry and, more broadly, in WA agriculture.**
- **A catalyst for industry development.**
- **A supportive knowledge house for all stakeholders.**
- **A communicator to, and on behalf of, all stakeholders.**

WAPPA will identify and assess high impact activities and respond, in a timely fashion, through advanced technology systems to satisfy the strategic needs of the WA pork industry.

WAPPA IS

- **An Incorporated body in accordance with the Associations Incorporations Act (1987) and is governed by its constitution and rules.**
- **Funded by a single levy (fee for service), paid by producers with flexibility to use funds on a range activities (within the constraints of its funding application to the APC Pork Producers' Committee).**
- **Has the capacity and mandate to develop and use co-funding opportunities for the benefit of producers.**

WAPPA's STRATEGIC OBJECTIVES

- **Represent and advance the interests of the pork industry and its members with Local, State and Australian Governments and their relevant departments.**
- **In conjunction with APL, assist producers to develop and maintain industry best practices, quality assurance, environmental management and animal welfare.**
- **Assist the industry to improve cost competitiveness through research and development in reproduction to a level comparable with our main international competitors.**
- **In conjunction with APL, build industry confidence to attract re-investment by current stakeholders and a target for new investors.**
- **Liaise with APL on the marketing of pork products at a local and international level.**

HOW WAPPA WILL DELIVER ITS STRATEGIC OBJECTIVES

LOBBY GOVERNMENTS TO

- **Reduce ‘red tape’.**
- **Reduce barriers to expansion.**
- **Encourage investment in the industry through tax breaks.**
- **Provide support against animal activists.**
- **Be a political voice for the industry.**

PRODUCERS’ INDUSTRY BEST PRACTICES

- **Lobby key industry stakeholders and Governments for the universal adoption of APIQ in WA.**
- **Encourage producers to make the best use of their veterinary/industry consultants to aid compliance with the APIQ program.**
- **Planning in co-operation with APL and the WA Pig Biosecurity Consultative Committee to introduce a comprehensive and responsive system of disease surveillance using cast technology.**
- **Adoption of APL’s National Environmental Guidelines as industry standards to improve environmental sustainability.**
- **Invest in the next generation of industry leaders by conducting seminars on industry developments, including the provision of formal stockperson and other training programs.**

INDUSTRY CONFIDENCE TO INVEST IN THE FUTURE

Confidence to invest is a combination of profitability and attitude to business risk. While attitudes to risk will remain a matter for individual businesses, WAPPA will provide help in the following ways:

- Support the work of APL in facilitating profitable long term industry growth.
- Support APL and DAFWA's Pig Research Group in extending best practice information on production and risk management techniques.
- Provide up-to-date information on industry contractual and trading relations in the supply chain.
- Develop industry knowledge resources, advising producers on investment appraisal techniques, where appropriate.

RESEARCH AND DEVELOPMENT/REPRODUCTION

- Lobby Government and industry service providers for adequate funding for research and development.
- Develop and transfer knowledge to producers on reproduction and cost of production systems and techniques, with emphasis on genetics, feed cost and efficiency.
- Implement an improved carcase measuring system to more accurately reflect the lean meat yield per carcase, with producers being paid accordingly.

MARKETING PORK PRODUCTS

- Where appropriate, contribute to and support APL's marketing drive to increase demand for fresh pork and pork products in domestic and export markets.

SUPPORT FOR STRATEGIC OBJECTIVES

Continuous industry communication will help achieve strategic objectives by:

- Encouraging and facilitating flexible and focused learning for the benefit of large and small producers.
- Providing a range of effective communication tools: print newsletter (WAPPA Pork Yarns) electronic newsletter (WAPPA Pork E-News), media, trade shows, websites, media briefings, media releases) to ensure maximum uptake of the strategy.
- Effectively communicating and enhancing uptake of knowledge and present objective, factually-based industry positions on issues, including with the community, government, media and all stakeholders.

OUTPUTS AND OUTCOMES

- Adopting and achieving the strategic objectives should result in an industry in WA that is cost competitive compared to its main international competitors, is deriving greater value for its product than its interstate competitors and demonstrates that it has the confidence to invest in its future.
- Specific projects to deliver this strategy will have clearly defined outputs and outcomes. Outputs represent the activity that WAPPA agrees should be done (e.g. universal adoption of APL's APIQ program by December 2007).
- Outcomes are the impact of industry activities that will, for example, change consumer attitudes, creating a 10% increase in the consumption of fresh pork and a jump in exports by 20%.

WAPPA GOALS/ACHIEVEMENTS

WAPPA does not have the necessary human resources and budgets to make a major impact on the decisions by stakeholders to re-invest in the industry, but it can significantly influence the decision making process by using its position in the industry to facilitate discussions and develop the climate to achieve:

- **Pig Production systems with increased sow numbers, delivering best practice on farm results.**
- **Processing operations geared to meet continuing competitive pressures in targeted national and international markets.**
- **Marketing effectiveness resulting in consumers making fresh pork their preferred meat and protein source, based on its superior quality and price.**
- **An industry climate which makes WA more attractive to investors than alternative regions.**

The strategic objectives of this plan will be reviewed annually, commencing June 2007.

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Glossary of Acronyms

<u>Acronym</u>	<u>Meaning</u>
WAPPA	West Australian Pork Producers' Association
APL	Australian Pork Limited
DAFWA	Department of Agriculture & Food WA
Pork CRC	Pork Co-operative Research Centre
APIQ	Australian Pork Industry Quality Program
APC	Agricultural Produce Commission