

WAMMCO *Info*

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WAMMCO *International*
A DIVISION OF THE WESTERN AUSTRALIAN MEAT MARKETING CORPORATION

Will high prices spark a WA turnaround?

WAMMCO will confirm a significant lift in the average price paid for members' lambs during the 2008/09 season, in its annual report to be released this month.

Cooperative chairman Dawson Bradford said WA's ongoing lamb and labour shortages, strong consumer demand and wild fluctuations in currency had made the year a difficult one for WAMMCO, but an exceptional year for member returns.

"The average price WAMMCO paid for lambs was \$85.02, or \$20.53 per head more than the previous year, or an average of \$3.89 per kilogram, up from \$3 per kilogram in 2007/08. The average weight of lambs rose to 21.32 kg from 21.04 the previous year."

Mr Bradford said WAMMCO expected to announce a reduced profit because of

the tighter trading year, but would maintain a healthy pool bonus distribution to members based on an average of \$2.64 per head for qualifying lambs and 79 cents per head for mutton.

He said the VIAscan WAMMCO SELECT reward system had proved a major bonus for producers since its introduction in January and was assisting the cooperative to keep WA lamb exposed to the world's most lucrative consumer markets.

Commissioning of a new \$5 million boning room facility in September would also greatly boost WAMMCO's capacity for adding value to lamb product.

Further decline in WA's sheep flock, especially with the continuing turn-off of breeding stock now posed a critical challenge for the cooperative.

"The WA flock has dropped from 25.6 million sheep in 2004/05 to a historically low 17.65 million, with evidence that structural change is still occurring in the composition of the flock," Mr Bradford said. "A positive sign is that new numbers have recently fallen only marginally."

"We are hopeful that higher returns this season may result in a turnaround and some growth in numbers in the medium term."

"Without growth, the industry will become a 'survival of the fittest' exercise for processors and exporters along the same lines seen in New Zealand over the past 12 months."

BIG BONUS FOR JULY WINNERS

THE Falls family of Pithara were not only WAMMCO's Producers of the Month for July, they also scored the highest WAMMCO Select percentage of lambs recorded since the new system started in January.

Hedley and June Falls scored 62.1 per cent, or 87 lambs of their winning draft of 140 lambs in the WAMMCO select category for a bonus payment of \$499.17 or an extra \$3.60 per lamb over the consignment.

Rob Davidson said high WAMMCO Select percentages were recorded in both premium weight grades and the result indicated the potential bonus incentives now being generated by the system.

The winning draft of 140 lambs averaged 22.10 kilograms and earned \$5.20/kg on the daily schedule to return \$115.87 per head. Top lambs in the draft returned more than



\$150 per head.

The Falls family switched to Prime SAMM genetics five years ago with a solid base of AMS ewes.

Their small lamb enterprise is helping them to farm for a profit, rather than 'borrowing' money to farm through droughts.

□ June and Hedley Falls on their Pithara property last week with father John 83 and mother Thyrsa.

2010 lamb competition opens soon

WAMMCO's annual lamb competition coordinator Rob Davidson is working on some new classes, and some new prizes for the 2010 competition – due to begin in September.

"We intend to cater for a wider range of producer entrants this year," Rob said.

This year will also see WAMMCO Select features included in the judging criteria.

"Entries are due to open in September and we are urging producers to keep in touch with WAMMCO or their stock agents for further details."



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A new life in WA

HUMANITARIAN refugees from Burma are the latest group to be making new lives for themselves and their families in Katanning after finding employment with WAMMCO.

WAMMCO's Katanning manager Tony Bessell said a small group of Burmese was invited to the plant 12 months ago to see how they might adapt to the work and the local community.

The 'experiment' was so successful that there are now 42 Burmese workers at the plant, on humanitarian visas, representing 30 new families and an extra 150 people living in the town.

"The Burmese quickly became integral to our operations, and have brought a new work ethic to the Katanning plant," Tony said.

Speaking to local media recently, Kaw Hser and fellow countrymen Ar Li and interpreter Soo Pwell Mookwa explained how joining WAMMCO had enabled them to build self esteem for the first time in their lives.

Kaw Hser was five years old when his family fled Burma into Thailand to be interned in a refugee camp. He spent the next 30 years of his life in that camp, marrying his wife in the camp.



☐ New Katanning residents Ar Li (left), interpreter Soo Pwell Mookwa and Kaw Hser at WAMMCO last week

Now living happily in Katanning with his wife and three children, he recently purchased a house in the town.

He and boning room workmate Ar Li said they were both from farming families in Burma and preferred country life. They loved working at WAMMCO and were keen to advance by taking the courses offered to them.

Tony Bessell said WAMMCO had worked closely with local Baptist Church member Jean Phillips and her colleague to settle the

Burmese families, as well as local schools and training agencies.

WAMMCO is also preparing to complete 457 visa arrangements for 35 Chinese skilled workers who will reach the end of their four year visa term in February.

"The Chinese have become a core of our workforce at Katanning and we are now heavily reliant on them to the point where our operations may be threatened if they were not permitted to remain in Katanning."

New boning room excitement builds

WAMMCO's new \$5 million boning room is on track for commissioning in time for the new lamb season.

Katanning manager Tony Bessell said last week the boning room installation had been going without hitch and an air of excitement now surrounded the project.

"WAMMCO will not only be supplying one of the world's most extensive ranges of prime lamb product to some of the most prestigious markets in the world, it will also be using some of the world's latest meat processing technology.

"This will include the most sophisticated skinning units from Italy, knife saws from Germany, robotic loaders from Scotland, a rotary cryovac unit made in Japan, and inline weigh sorting technology originally developed for the fishing industry in Iceland."

Tony said the new knife saws provided an example of the gains that would be available to WAMMCO.

"These units are using for breaking carcasses and are safer to use than band saws. They achieve a higher yield and a higher shelf life for the product."



☐ SES project manager Colin Mead (left), Katanning manager Tony Bessell, chairman Dawson Bradford, and WAMMCO plant engineer Stuart Mahon, discuss details of the boning room upgrade at Katanning last week.