

# Submission to Senate Milk Inquiry on Milk Price

## Dairy Youth Australia Inc

3rd March 2011

**Email:** [economics.sen@aph.gov.au](mailto:economics.sen@aph.gov.au)

### Introduction

Dairy Youth Australia Inc believe agriculture is alive and well and a great career choice.

As farmers we are committed to providing safe, nutritious, high quality and affordable food for Australian consumers and another 40 million people around the world. We are highly concerned our future is being undermined by the aggressive milk price war instigated by Coles.

All we ask is that our agricultural economic return allows us to be profitable so we can continue our commitment to the highest level of environmental protection and animal well being standards

### Who we are and what we do

Dairy Youth Australia Inc <http://www.dairyouthaustralia.com.au/aboutus/> is a network of young people between 16 and 35 who share a passion to tell others about the pivotal role Australian farmers play in feeding the world.

Dairy Youth Australia is committed to developing within the broader Australian population a deeper understanding of and greater respect for, the essential role played by Australian farmers in producing food and supporting the nation's economy, community and rural amenity.

To achieve this goal Dairy Youth Australia deliver self managed events and activities which focus on youth, career opportunities, the arts and community – all linked with agriculture

Recognising primary industries share common ground, we have tailored our programs to both enhance the image of agriculture and encourage young people to consider agribusiness as a future.

Our 2011 Art4Agriculture initiatives partner with Landlearn NSW and other sponsors and include:

1. [The Cream of the Crop Competition](#) invites students involved in primary industry and natural resource management studies to create a PowerPoint about a unit of their studies with the chance to win cash prizes for their efforts. The winning entries will be loaded on the web providing contemporary authentic, positive and popular stories about agriculture and the environment written by young people for young people. This initiative is vital as the changes to the way farmers manage their properties have moved much faster than educational resource development.

2. [The Archibull Prize](#) invites students in suburban high schools to learn through hands on experience about the challenges of housing and feeding the world with a declining natural resource base.

Our programs are a true celebration of the people and the places behind the food we eat. They deliver strong rural sustainability messages - not just to the students involved, but also to the wider community. They showcase the positive things farmers are doing and empower them to share their stories. Our activities are genuine, contemporary, engaging, fun and full of hope for a sustainable future.

Our natural resource management initiative [Confidence to Grow](#) is supported by Caring for our Country funding and other supporting partners.

This program harnesses the energy and leadership drive of youth to forge cross-community partnerships to improve economic, environmental and social sustainability. It focuses on increasing the adoption of sustainable farm management practices, including conserving and extending green corridors, while improving food security to meet the needs of a growing nation and world demand. It fosters the confidence to grow.

## Our concerns

We believe the milk price war is short term gain for price conscious customers and Coles market share and long term pain for Australian consumers and the wider international communities our farmers supply. The unsustainable pricing of house branded milk leads to inevitable removal of branded products from supermarket shelves. Choice for consumers becomes a thing of the past as they are corralled towards house branded products sourced at the cheapest price and then sold with the maximum margin as competition has been eliminated. Competition is critical in any sustainable market

We also believe the burning issue going forward is land use conflict and how we feed and clothe 9 billion people in a carbon conscious world with a declining natural resource base.

The answers to this are relatively simple!

What we must have is

- Well informed policy and decision makers and consumers making wise choices
- Farm production systems that are ethically grounded, scientifically verified and economically profitable
- Markets and pricing that reflect both the commodity value of farm produce as well its environmental, societal and animal well being values

Continuation of the milk price war forces farmers to consider economics only. Animals, the landscape, the environment and people and communities will suffer.

This is not a world where Dairy Youth Australia Inc members want to farm

## Our vision

Dairy Youth Australia Inc believe a profitable and sustainable healthy future for the farming sector is achievable – the health and welfare of all Australians and many people around the world depends on it. Farms must be profitable to maintain environmental sustainability and optimal animal well being. Unsustainable milk pricing removes this option for farmers and forces food production into marginal and more distant regions

Dairy Youth Australia Inc is critically concerned with the implications of this on our industry's carbon footprint and its affect on food miles

The challenge for government is to ensure supply chain transparency, retain competition and to look beyond short term commercial manoeuvres by major players within captive markets.

Improved investment and innovation and capacity across the whole of the Australian dairy industry is to the ultimate benefit of all sectors in the supply chain and specifically consumers.

We must get this right. Our future, your future and Australia's future depends on the realistic solutions and deliverable outcomes that this senate milk inquiry delivers

Lynne Strong  
Chair  
Dairy Youth Australia Inc



[www.dairyyouthaustralia.com.au](http://www.dairyyouthaustralia.com.au)