

Dear Senate Committee,

As third generation Queensland dairyfarmer our family has seen many ups and downs in the industry but none as harsh as the last ten years (deregulation and Supermarket milk pricing). I am a young proud dairy farmer with a wife and two young kids and from a very early age wanted to be a dairy farmer but I feel as though this dream is starting to fade. We milk 320 cows and employ four fulltime staff with families. In the year 2000 We had to battle through deregulation and came extremely close to giving up after our prices became totally unrealistic we finally had a slight increase in price in 2008 which started to help. The problem we have is that our price we are on now is the same as 1999 which you don't have to be real smart to work out our electricity, fertilizer, grain, fuel, wages, spare parts and regulation compliances and not to mention living costs have sky rocketed and we are still at 1999 milk prices.

The supermarket milk war is having a direct effect to our milk price we are paid right now. Our branded sales have been dropping ever since dairy deregulation in 2000 because the power of milk was transferred from processors to Coles and Woolworths our sales since the start of this milk war are plummeting and is hitting our hip pocket hard.

The supermarkets have come out saying that this won't affect dairy farmers which is absolute rubbish it is now and will when our contracts come up if branded sales are majorly down and supermarket milk is majorly up the profit to Coles and Woolworths will be up and processors will be down which means we will cop the cut which we cannot take we are at the bottom now.

It seems as though Coles and Woolworths can price match. How come processors can't do the same when coming to negotiating milk prices to supermarkets.

Coles and Woolworths have far too much power over milk prices which since deregulation when they got control has seen a mass exodus of dairy farmers if left in their hands we risk having no Queensland fresh milk industry as farmers we need viable prices which is nowhere near where we are now the dairy industry needs structure and protection from big companies like Coles, Woolworths, and milk processors so we have constant and reliable income so we can grow our business in to the future and not have to be price takers.

I hope the dairy industry can get some REAL action from this inquiry and stop farmers being squeezed by the supermarkets and processors so our families can continue to do what we do best produce top quality fresh milk in to the future for a realistic price for farmers.

Jason & Lisa Rozynski