

**Standing Committee on Rural & Regional Affairs & Transport**  
Answers to questions on notice  
**Agriculture, Water and the Environment Portfolio**

**Committee:** Standing Committee on Rural & Regional Affairs & Transport  
**Inquiry:** Performance of Australia's Dairy Industry  
**Question No:** 1  
**Hearing Date:** 19 June 2020  
**Division/Agency:** Department of Agriculture, Water and the Environment  
**Topic:** link to the dairy farmers survey  
**Hansard Page:** 48-49  
**Question Date:** 19 June 2020  
**Question Type:** Spoken

**Senator McDonald asked:**

**Mr Gooday:** I can talk to the survey that we run. We run a survey of dairy farmers each year; there are a bit more than 300 in our sample. That sample is drawn from a population list provided to us by Dairy Australia. It's a stratified random sample—so we break the sample up into different size categories of dairy farmers and then select randomly from those. The only qualification is that you're on the Dairy Australia list and that you come up randomly when we select. We do like to keep farms in the survey for a couple of years, because there are some pretty big startup costs to being involved in the survey. As I said, we've got about 300 sample points; they're spread across dairy areas. We have a sampling strategy that gives us enough farms in different size categories so that we're confident in coming up with an estimate of the averages for that dairy region.

**Senator McDONALD:** In the interests of time, could I ask for a copy of that survey.

**Mr Gooday:** It's all publicly available. We can point you in the right direction.

**Senator McDONALD:** Send me a link! I might put the rest of my questions for the department on notice. Thank you.

**Answer:**

The latest ABARES dairy survey results, reported at a state level with provisional estimates for 2019-20, were released in March 2020 and are reported in: *Farm performance: broadacre and dairy farms, 2017–18 to 2019–20*, ABARES research report 20.9 ([https://daff.ent.sirsidynix.net.au/client/en\\_AU/search/asset/1030002/0](https://daff.ent.sirsidynix.net.au/client/en_AU/search/asset/1030002/0)).

More detailed information is available at <https://www.agriculture.gov.au/abares/research-topics/surveys/dairy>. This data has not yet been updated with the most recent survey data.

The methodology ABARES uses in conducting surveys of the broadacre and dairy industries is described at <https://www.agriculture.gov.au/abares/research-topics/surveys/farm-definitions-methods#target-populations>.

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Answers to questions on notice

**Agriculture, Water and the Environment Portfolio**

**Committee:** Standing Committee on Rural & Regional Affairs & Transport  
**Inquiry:** Performance of Australia's Dairy Industry  
**Question No:** 2  
**Hearing Date:** 19 June 2020  
**Division/Agency:** Department of Agriculture, Water and the Environment  
**Topic:** Agricultural industries - levy  
**Hansard Page:** 50-51  
**Question Date:** 19 June 2020  
**Question Type:** Spoken

**Senator Hanson asked:**

**Senator HANSON:** I understand what happened; the bales of wool were there to hold the price up. This is about the dairy industry. This is milk that cannot be stored; it has to be sold. The fact is that Australian consumers are quite happy to pay extra for the milk. I believe they would pay \$1.50 a litre. New Zealand is paying \$2.50 a litre. So if the Australian consumer is happy to pay \$1.50 a litre, why don't you put a floor price on milk that is passed on to the consumer so that farmers get paid a reasonable price for their milk? With what other agricultural industry do we go back to the retailer and say: 'Hang on a minute. You're going to put a levy on that, and then we'll send that back to the grower'? Tell me.

**Ms Deininger:** As has been discussed earlier today, there are certainly different arrangements whereby the retailer can pay more. Some of our retailers do have contracts directly with farmers, as some of the evidence has shown this morning. And also there are some flowthrough—

**CHAIR:** I'm sorry; I'm going to be a party pooper here because of the time. Senator Hanson, for the record, what was your question?

Senator HANSON: What other agricultural industries? At the end of the line, the retailer collects the levy and sends it back to the farmer.

**Ms Deininger:** I think that has been a response to the feedback—that consumers are prepared to make more— **CHAIR:** No, no—please.

**Senator HANSON:** What—

**CHAIR:** I've been around too long. If you don't know—

**Ms Deininger:** I wish to answer the question that—

**Senator HANSON:** You're the Department of Agriculture; you should know. Is there any agricultural industry that collects a levy and sends it back to the farmer?

**CHAIR:** Where the retailer collects it?

**Senator HANSON:** Yes.

**Ms Deininger:** The retailer collects the levy. Well—

**CHAIR:** What other one?

**Ms Deininger:** I'm not aware of any, but I'm happy to take it on notice.

**Answer:**

There are no industry levies collected by government and paid directly back to farmers. As far as the department is aware, the current supermarket levy schemes benefiting the dairy sector are unique.