

To whom it may concern:

Herewith submission to Senate Inquiry:

It is unethical conduct to retail milk below the cost of production. A price war between supermarkets is about market control at the expense of producers.

If the public want fresh milk in the long term, this price war will end that availability, with UHT milk being the market.

The downward pressure on retail prices for milk will have an end result of a non viable dairy industry.

It is obvious that Supermarkets do not want to understand the end result of their actions, or address the hardship placed on every player in the dairy industry.

The government needs to address the issues and get their head out of the sand and realise that primary producers must make an income, or primary production in this country will come to an end.

Just imagine if our core foods are all imported and there is a natural disaster at the point of source, where will there be an immediate alternate food source? It is imperative to maintain Australian production. Competition policy only works in the short term. It breeds monopolies in the long term, with one player in the chain having all the power.

Kath and Gavin Robb
Dairy Producers