

26<sup>th</sup> February 2011

Submission

Senate Enquiry

The impacts of supermarket price decisions on the dairy industry.

We have been involved in the dairy industry for eighteen years. Ever since deregulation, it has been disastrous, no matter how hard one tries by changing how we feed our animals, how we cut costs, expanding production, becoming more efficient in all areas, nothing works!

The tendering of the milk to the retailers has and is too low, the farm gate price is too low, this is 2011. Take for example the price of bottled water compared to the price of milk, water falls out of the sky (think about it).

Price of commodities has risen, fixed costs such as electricity, rates, infrastructure; we cannot sustain any more losses in income.

Our area was once a thriving dairy area; over the last decade approximately 70% of farmers in our area have exited the industry. Who would want our children and grandchildren to come into this industry with such income with no profit margin?

The next generation and some who are involved now will not remain; the loss of control of the industry by the producers has been an utter failure.

Is this what Australia wants? NO DAIRY FARMERS.

Jean Hoffman