

SENATE ENQUIRY

– The Impacts of Supermarket Price Decisions on the Dairy Industry.

We are both fourth generation dairy farmers and extremely concerned by recent events with the Coles milk pricing policy and how this affects our future. Both our families have dairy farmed for the last 100 years and we have a son who also lives and breathes cows. We purchased our farm only 3 years ago after share farming for many years. If the milk price is slashed our whole farming future is in jeopardy.

We are worried about our family's future and our long term viability. We have worked hard to get this far and need a sustainable milk price to meet our monthly costs and loan repayments. We can't go back to the hardship we experienced with deregulation and we don't want to lose our farm. In the Dungog area there are less than 20 farms left. There used to be 240 in the 1970's and there is not the young people following our footsteps. Our 2 children are the only ones at their school of 80 that live on a dairy farm. We believe, in another 10 – 20 years the industry will struggle to survive if the planning isn't put in place to encourage young people into our industry. There are already a lot of farmers on the verge of retirement and if the outlook is bleak, they will call it a day sooner rather than later.

We pride ourselves on producing quality milk. When we next renew our contract we are fearful that the farm gate price will be substantially less if the milk price war continues. The supermarkets have too much control now and this short term benefit for customers will ensure long term pain for farmers who will ultimately take a pay cut if nothing is done. How is this fair when our input costs remain the same? The price of water is higher than milk with fewer input costs. It doesn't make sense. If we don't look after the future of our dairy industry there won't be one and then where will the milk come from? Thank you for considering our submission and we hope you can deliver a better outcome for dairy farmers who are already facing enough challenges on a daily basis. Our future is in your hands.

Yours faithfully