

23/02/11

TO: THE SENATE COMMITTEE

TO WHOM IT MAY CONCERN:

I'm writing in regards to the drastic milk price reduction that the major shopping centres have recently announced. I would like to put forward a submission on the following grounds:

NEGATIVE AFFECTS OF MILK PRICE REDUCTIONS:

- I feel that there are many areas where they could slash prices in there stores but milk is not one of them. If they want to reduce the customers spending spread a small reduction of one or two cents over the whole of there lines not just concentrate on one product.
- We have just come out of one of the worst droughts in history to be followed by one of the worst floods in history.
- On top of this we have had already reduced milk prices in our last contracts and before this our contracts were revoked twelve months into a three year term due to the economic down turn.
- It is advertised everywhere that there is going to be no long term affect on the farmer. Well if the economic down turn has affected us and the milk sector is still in recovery mode for this, then how is the reduction of milk in supermarkets not going to affect our pricing.
- If they can revoke one contract they can do it again.
- Expenses are already taking the majority of the dairyfarmers income to stage that the farmer is already struggling to survive.

Therefore for the reasons above I believe that it is not in our countries interest to have this dramatic reduction in pricing. If farmers are facing negative returns this in turn will have a quantifying effect on surrounding communities who have also faced the affects of the droughts, floods and economic downturn.

Yours Faithfully

Garry Mauch
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Raymond Mauch
Shirley Ryan
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