



**AUSTRALIAN GOVERNMENT RESPONSE**

**TO THE SENATE ECONOMICS REFERENCES COMMITTEE  
INTERIM REPORT:**

**“THE IMPACTS OF SUPERMARKET PRICE DECISIONS ON THE  
DAIRY INDUSTRY”**

**MAY 2011**

**Recommendation:** The Committee calls on the Government to table a formal response to the Committee's report *Milking it for all it's worth—competition and pricing in the Australian dairy industry* by 13 May 2011, which will be a year after it was tabled.

The Government takes seriously the recommendations of the Committee.

As noted in the interim report, there are complex issues at play in the interactions between farmers, milk processors and retailers. Furthermore, there have been significant developments since the release of the Committee's first report in May 2010.

Any regulatory change, in particular an amendment to Australia's competition law which would have economy-wide effects, could result in unintended consequences.

For these reasons, the Government response to the Committee's report needs to take into account all of the available evidence. The Government will continue to consider the first report and will very carefully consider the recommendations of the final report of the second inquiry when it is delivered later this year.

The Government will respond after all the evidence has been examined and the Committee has delivered its final report.