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Media Release

Where to next for Dairy Symposium

The South Australian dairy industry was represented by SADA (the South Australian Dairyfarmers' Association) at the recent Dairy Symposium held in Melbourne. But where to now?

SADA President, John Hunt highlighted that it was pleasing that all state dairy farmer organizations shared SADA's view regarding the main issues to be addressed.

- Transparency of milk pricing through the chain
- sharing the risk right through the chain
- simplifying of supply contracts,
- No more dollar milk

A consistent message from across the Symposium was the devastating role generic "home brand" milk is having on the industry. When addressing the forum, John stated "retailers need to stop devaluing our food in their fight for market share. Dollar milk is simply a race to the bottom and does no good for anyone in the chain." John highlighted that "retailers and processors needed to work together to make sure they look after their suppliers if they still wanted Australian produce on their shelves in the long term." It was pleasing to note Minister Joyce's support for the abolition of dollar milk.

SADA is pleased that the Minister emphasized the need for processors, producers and retailers to come to a resolution on how the dairy industry can not only survive but thrive. If they can't the "big awkward gloved hand" of the Government will have to get involved.

It was highlighted at the Symposium that while the federal government is encouraging dairy farmers to seek support thought the support package announced prior to the election, Concessional loans remain harder to access through our state, while applying for the farm household support package is often drawn out and demoralising.

SADA welcomed the announcement by Minister Joyce at the conclusion of the symposium that the ACCC to undertake an inquiry into the dairy industry under Part VIIA of the Competition and Consumer Act 2010. The inquiry, to begin in November 2016, will investigate sharing risk along the supply chain, supply agreements and contracts, competition, bargaining and trading practices in the industry and the effect of world retail prices on profitability.

SADA will continue to work with both government and industry bodies to progress the direction and commitments of the symposium.

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