

Peter & Elke Watson



Mr Ian Rickuss MP
Chair,
Agriculture, Resources and Environment Committee,
Parliament House,
Brisbane, Queensland 4000
Email: arec@parliament.qld.gov.au

29th August, 2013.

Dear Mr Rickuss,

Re: Fair Milk Mark Bill 2013

Thank you for the opportunity to write to your community on this important issue and Bill.

There is no question that the market is failing both the Queensland dairy farming families and the consumer in Queensland.

I would like to show my support and appreciation for the work done on the Fair Milk Mark Bill.

Dairy farmers in this region of Australia have been very hard hit by the Milk Price War. It is a constant source of frustration that the free market price signals are failing abysmally here. I do believe that the message sent by having a Fair Milk Mark that cannot be hijacked by the power of the supermarkets is one of the things that could lead to a decrease in that power, while at the same time providing consumers with a clear choice to support Queensland dairy farming families and providing a sustainable return to dairy farmers.

Dairy farm numbers have dropped by 66% from 1545 in 2000 to a mere 510 in July 2013. While farmers attempt to fill the shortage of milk by producing greater quantities from each farm, total Queensland milk production has dropped from 848 million litres in 1999/2000 to just 458 million in the last financial year. Queensland's growing population is now some 100 million litres short of milk just to feed itself.

Dairy farmers in this region that I have spoken to are not asking for any handouts or protection for their industry. We do not need the Government to give hand outs and subsidy like the car manufacturing industry. Dairying is a viable industry both in the southern regions of Victoria and Tasmania and in the northern regions of NSW and Queensland. What is preventing us from receiving a reasonable return on our labour is the failure of the market. Positive price signals do not reach farmers in a time when the amount of milk produced is in such decline that the northern region is no longer able to supply its own markers.

Our dairy farmers are currently in a state of crisis with the majority of them not being able to cover monthly accounts from their milk cheques. If there is no change to this situation we will see many more dairy farmers have to exit the industry when we should not be losing any as we are short of milk to meet our own Queensland market.

It is our hope that a Fair Milk Mark will go some way to fixing this imbalance and as such we would like to see Government support to put this initiative in place as a matter of urgency.

Regards,

Peter and Elke Watson
Dairyfarmers