




Speech By
Julianne Gilbert

MEMBER FOR MACKAY

Record of Proceedings, 9 August 2017

SUSTAINABLE QUEENSLAND DAIRY PRODUCTION (FAIR MILK PRICE LOGOS) BILL

 **Mrs GILBERT** (Mackay—ALP) (8.13 pm): I rise to speak to the Sustainable Queensland Dairy Production (Fair Milk Price Logos) Bill 2016. The bill was introduced into the parliament with a lot of passion from the member for Dalrymple. There has been a lot of lobbying and media attention in the community regarding the price of supermarket milk, especially the \$1-a-litre milk in large chains. We need to have a sustainable milk price at the farm gate because our dairy farmers are doing it tough and are under extreme economic pressure.

This bill proposes to establish a scheme for the voluntary use of a series of fair milk price logos for fresh drinking milk. It is intended by the bill that the introduction of the logo labelling will influence customer behaviour when purchasing milk. The logo will inform customers of the region of the milk and that the supplier of the raw milk was paid a sustainable price for their farmgate produce.

Small producers in regional areas processing milk from their region are already placing logos on their milk, so people can already see where the milk is coming from. The bill also has provisions for the minister to set a sustainable price for farmgate milk. The appointed minister will set a price for the raw milk by using the data supplied by the Queensland Dairy Accounting Scheme.

The committee found that the cost of producing milk within Queensland can vary depending on the region of the state the producer is farming in. The data will be collated from the three separate dairy-producing areas set out in the bill with a set payment price for each of the three regions.

Australia is a milk exporter, making our milk prices sensitive to not just local production conditions but also worldwide fluctuations. There are potential problems for Queensland milk producers being locked into pricing that is set and gazetted by the minister. Farmers will not be able to negotiate and could be at a disadvantage to deals that could be struck with producers from other states.

Not all milk produced is processed into drinking milk. There are other products including yoghurt, custard and ice-cream, as the committee observed while visiting Parmalat in South Brisbane. Milk processed at a large factory like Parmalat would be difficult to follow through the processing plant to its end product. At the Parmalat factory we saw milk arriving at the factory in tankers and transferred into large vats. The milk came from not just Queensland but also northern New South Wales. The milk from the regions is mixed in the vats so there are no distinct milk pools. The milk is then sent to different areas of the factory. It was diverted into other products such as ice-cream, yoghurt and custard, and some of it was turned into bottled milk.

The processing plant in Rockhampton processes about 20 million litres of milk from Central Queensland. The remainder of milk to make up 90 million litres comes from outside the region. During the summer months Queensland cannot produce enough milk to keep up with demand so we will be buying in milk from other places as well.

The sentiments of the bill are sound, but its application would be flawed and the bill needs amending. I applaud the package announced by the minister. This will go a long way to supporting the milk industry. I cannot support the bill in its present form.