

Good Evening,

I am a fifth generation dairy farmer. Our family selected the land we farm on in 1865 and we still love being dairy farmers to this day. We have 6 children and 4 grandchildren making the 6<sup>th</sup> and 7<sup>th</sup> generations for our family farm and we want nothing more than to be able to raise more generations on our family farm.

These basic points of view will hopefully help you understand why the dairy industry is failing and why something desperately MUST CHANGE.

- Financial - Dairy farmers are a resilient bunch of people that can cope in any kind of crisis, be it fire, flood or drought or anything that mother nature can throw at us. However, since dairy deregulation, that resilience has slowly but surely been stripped from the dairy farmer by the processor. So much so that since 2000 the dairy farmer has almost been totally destroyed financially by borrowing to stay in business just to cover the cost of production, scrimping and scraping wherever possible to keep going because of the low prices paid by processors and the devaluing of milk by the supermarket's \$1.00 per litre milk. Processor's are paying less than what it costs to produce, its as simple as that!
- Physical health - Physically a farmer puts himself last and the animals and the farm first, with their physical health taking a huge toll, trying to work longer hours in a job that is already 7 days a week.
- Mental health – Mentally a farmer never had a problem with this because you work hard and you reap what you sew. But not anymore! You work hard and go backwards! The processors make the farmers profit now at the detrimental cost of the farmers mental health and wellbeing (and the wellbeing of the entire farming family). Many farmers have taken their own lives and others suffering mental and family breakdowns and many having to leave the industry and farm they love which is their family home, just to save their life. Locally we are having to band together and check in on each other (doing suicide watch) as we never know just what could trigger being pushed over the edge. Can you imagine living so poorly you cant go out for lunch or dinner, or get a cup of coffee when your out or even the luxury of getting your hair done or buying your children or grandchildren birthday and Christmas presents. Struggling financially is killing us mentally!
- Yes there is Farm household allowance but – dairy farmers are hard workers that just want to be paid fairly for our quality produce. We don't want a hand out. We don't want to have to rely on donations or government assistance (as before deregulation farms were thriving, capable of withstanding natural disasters financially – simply, there was no need for assistance). We want a fair pay that covers our expenses and allows us to make a wage for ourselves. We want an industry that we can be proud of and that we can encourage our younger generations into, not talk them out of because we don't want to see them struggle like we do. We want to see our farm stay in our family, and be a profitable dairy farm for my families future generations.

The reasons for these problems:

- Communication - There is no negotiating with processors at all. Our farmer group on the Mid North Coast ask for a meeting, they just ignore us and send an email, telling us of the low ridiculous price we will be taking. If you complain they simply say, "if you can't manage that price, get out of the industry". NO NEGOTIATING AT ALL! Just simply dictated to like we are peasants or slaves to the industry.
- No industry support - What hope does our dairy industry have when our Prime Minister pointed out, our duty is to supply cheap milk to the consumer, no matter what cost to the dairy farmers financial, physical or mental wellbeing. Its sad, stupid and unbelievable that each and

everyone involved in this, whether it be supermarkets, processors, politicians or so called industry leaders or you yourself, the person reading this has a responsibility to the FOOD SECURITY OF OUR NATION to stand up and speak out for current and future generations to have safe healthy food to consume.

- Dairy Australia – Dairy Australia does not in anyway work for the farmers best interests. If farmers were able to remove their levies from going there, they would! There would be no more Dairy Australia and we would have that money in our pocket and we wouldn't have lost anything other than the frustration that Dairy Australia has caused us! It is a corrupt system, where a farmer has no rights to change things! Surveys are regularly carried out to gain our opinions, however the multi choice responses don't allow for any other responses- giving them the desired survey outcome to suit their own statistics. How any company can warrant having a lavish office in the Melbourne CBD and paying exorbitant rent, while the dairy farmers are struggling to put food on the table does not make any sense. They are out of touch with farmers and reality and someone needs to make them accountable for the ridiculous money that has been wasted, including \$ 312,000 in bonuses and a \$10,000 coffee machine. If Dairy Australia actually went out into the field to speak to farmers about what is happening, that money would not be being wasted and the industry would not be in the current crisis.
- Proof in numbers - In 1999/2000 there were 12,896 dairy farmers and currently there are only 5200 left and this number is becoming less every day. The impact this has on the overall community is devastating and our small rural communities are dying because they don't have the farms to support them. Unfortunately it's a domino effect. Farmers have no money and the little luxuries or in your case every day items like having coffee or getting your hair done or going to the movies or even buying a magazine have all been cut, just to survive. Having to rely Rotary or community donations to make ends meet is gut wrenching, degrading and mentally devastating.
- Processor Inefficiencies - If processors were paying dairy farmers a fair sustainable price, there wouldn't be a shortage of milk. Therefore processors would be running factories at any efficient level, being economically viable, creating more employment and job security instead of being at risk of closing and making more unemployment and putting more pressure on rural communities.
- Industry Leaders - If you have a look at who our industry leaders are, you will find they do not have many farmer members, so they do not speak on behalf of the majority of grass roots farmers. And most of these farmers have a source of off farm income propping up the dairy farm, so aren't an accurate measure of dairy farmers opinions or reality. Unfortunately industry leaders are pushing their own agenda of what they see is wrong with the industry instead of listening to, fighting for and reporting back to Government what the grass roots farmers want! I've actually heard them tell the farmer "that's not right, you cant say that and you cant have that opinion" frustrating the farmer so much so, that he wasn't being listened to, that he walked out of the meeting.
- Freight – Farmers are the only industry where we pay freight for the things we purchase (be it feed, fuel, filters, chemical, vet goods, everything), AND THEN the processor imposes the cost of the freight onto the farmers base price for the collection of the product they have purchased. This is just another example of why it is impossible for the farmer to make a living!
- Australian food security - No one is listening and no one cares and there is hardly any hope left! But everyone will care when we are importing expensive dairy products with lower safe food standards from other countries with no alternatives! Farms will be sold off and subdivided to help farmer survive so there will be no going back, again impacting on rural Australia having a detrimental effect on our whole country!
- Q-dairy – Farmers should have more say in what systems should be implemented on their property. We should have say in what is required and when and it should be done purely based on

the quality of our milk. Processors and their programs should not be able to dictate how our farms are managed and the procedures farmers use. All that should matter for processors is the quantity and quality of milk. Farmers need the ability to vote on what procedures need to be in this document and what doesn't. We don't need extra paperwork just for the sake of creating paperwork. It needs to be simplified to remove more stress!

- Independent testing – Currently milk testing is done independently – however results are sent to the farmer via the processor. Farmers need to receive this information directly from the lab with a collection time and temperature from the dairy, a temperature and time of arrival at the lab testing facility and then a the temperature and time of testing at the lab. This will help identify if the problem is on farm or simply caused by late testing or mishandled product. This information will greatly assist farmers in providing a greater quality product. We need consistency and transparency between the collection and results – currently results are only received intermittently when the processor sees fit and with no consistency. Unreliable results makes milk quality more difficult to achieve, creating more stress for the farmer and the cows health. (Sometimes our sample doesn't even make the lab – so they use an average of what they think is a fair result – with no penalty for their inaccuracies.
- Consumer Input - The only one helping the farmer is the consumer asking “which milk should I buy so the farmer receives the money?”. Every person the farmer talks to tells us we would gladly pay .50c to \$1.00 more if we knew it was going to the farmer and NOT the processor or the supermarket. Consumer Relief - In the 10c per litre price rise that the consumer has given to the supermarket to collect to give to the farmer, dairy farmers actually receive around 4c per litre of this (approx. 400 dairy farmers), leaving the majority of dairy farmers receive nothing!
- Confidentiality - Confidentiality needs to be removed from all aspects of the dairy industry so we can talk freely with other farmers, processors, advisors and politicians. Unless the whole industry is transparent, unethical actions will continue to happen! By removing confidentiality, it allows the farmer to be in a position of some power to better try and negotiate a better price between processors, by truthfully knowing exactly what other farmers are receiving.
- Award wage - If the mandatory code goes ahead and does provide transparency, it still does not have a mechanism in there to force processors to pay farmers for the cost of production and money for a living. Which should equate at least to the National minimum wage. Processors are knowingly underpaying dairy farmers, which is not only unethical – its illegal! The purpose of the minimum wage is that it is high enough to maintain a normal standard of living. And we as dairy farmers are being denied this basic right of humanity! How in the 21<sup>st</sup> Century has our government allowed this to happen?
- Standard pricing format - All processors must have to come up with a uniform standard table or format for clearly outlining the price structure of what a standard litre of milk (based of the basic base rates) with the same components to make comparison easy and less stressful. Currently each processor has a different base standard litre rate making it impossible for farmers to compare apples with apples and make a decision that impacts their whole future.
- Monopoly of our product - Dairy farmers need to be able to sell part or all of their milk to whichever processor they so choose. At present dairy farmers are dictated to by the processor telling us they have monopoly of OUR product and we cannot sell anything to anyone else.

PLEASE LISTEN, PLEASE CARE AND PLEASE SAVE THE DAIRY INDUSTRY! Please do everything within your powers to make sure the real dairy farmers voice is heard and that there is a future for our dairy farmers and our rural communities and a quality product for all consumers to enjoy for years to come!