

Date 21st February 2011

Re: Milk pricing.

Economics Senate,

I have been watching over the past couple of months the milk price war starting and ending with Coles/ BiLo. I am very concerned that this issue is not taken seriously enough and I see it will set precedents in the future for other industries namely horticulture. Coles are already manipulating things were there will be an over supply of vegetables in the autumn winter markets. They have been talking the possible short supply up in the Lockyer for some weeks. The fact is the Lockyer growers were not in full production when the damage occurred but did suffer a lot of infrastructure damage.

The planting of autumn crops is not far away so the last thing these growers need is an over supply from southern markets due to reckless comments from supermarkets.

Just as Dairy is being punished so will other industries one at a time.

If a supermarket can break an important industry like Dairy this easy through loop holes left by the ACCC then there is nothing super about that.

If this happened in France Coles would be banned from selling milk and possibly have it dumped on the front door.

Over 35 years of working in the agricultural industries I have never seen so much reckless behaviour slowly crippling our food and fibre industries.

- Security over water entitlements.
- Mining and coal gasification going on in areas where farmers were previously denied access to water, yet mines can extract and contaminate with no real plan in place.
- Road networks seem to be a very low priority in farming areas.
- Supermarkets making claims in their advertising that are misleading and cast doubt on other products for example hormone free beef. Am I to believe other retailers of beef have hormones?
- Dairy price cuts that will clearly not affect Coles shareholders.
- Bread products are on the hit list.
- Fruit and vegetable products will be more vulnerable when there is an over supply.

I would like to see a complete band on retailer branded products. The only brand name on the product should be the processor or manufacturer.

Who is the ACCC representing hear or is it more smoke and mirrors from them. If this at least is not investigated then I say lets dismantle the ACCC.

Thanks for taking the time to read my winging.

Regards

*Pat Daley*

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