

Glossary

ABARE	Australian Bureau of Agricultural and Resource Economics
ACCC	Australian Competition and Consumer Commission; Australia's trade practices authority
Bargaining group	Group of farmers who bargain collectively rather than individually with a processor
Branded milk	Milk sold under the processor's brand name
Cascading	Practice of a number of firms successively setting prices based on other firms' prices
Cooperative	Processor jointly owned by a group of farmers
cpl	Cents per litre
DairyTas	Tasmanian service delivery arm of Dairy Australia, investing farmer levies and other funds to support the Tasmanian Dairy Industry
Drinking milk	Milk sold for drinking as opposed to having been used to make butter or cheese
Elastic	More responsive to price changes
Farmgate price	Price paid by processors to farmers
Food security	The physical availability and access to food as well as its affordability
Generic milk	Milk sold in supermarkets under the supermarket's brand name
Home brand	Another term for 'generic milk'
Loss leader	Product sold below cost to attract customers into a store
Market milk	Raw milk used to make drinking milk
Manufacturing milk	Raw milk used to make cheese, butter, yoghurt etc
Monopsony	A market situation where there is a single buyer of a product or service from a large number of sellers
NARGA	National Association of Retail Grocers of Australia; industry body representing small grocery stores

Permeate	Milk that has been filtered through a very fine 'sieve' to separate the milk-sugar (lactose) and minerals from the milk protein
Price discrimination	Charging different prices to different buyers
Private label	Another term for 'generic milk'
Processors	Manufacturers who make dairy products from raw milk
Slotting fee	Payment by processor to supermarket to have their product displayed prominently in supermarket stores
Step down	Feature in a contract between processor and farmer when under certain conditions the price paid will be increased
Step up	Feature in a contract between processor and farmer when under certain conditions the price paid will be increased
TIAR	Tasmanian Institute of Agricultural Research
TPA	<i>Trade Practices Act</i> , legislation governing competition in Australia
Waterbedding	Situation when a buyer with market power forces down the price they pay and this forces up price charged to other buyers
Wholesale price	Price paid by supermarkets to processors. Differs between generic and labelled milk.