

## Tucker, Sue

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**From:** Jane Stanley <spanner42@bigpond.com>  
**Sent:** Wednesday, 31 January 2018 8:08 PM  
**To:** Dairy Inquiry  
**Cc:** 'Garry Kerr'  
**Subject:** HPE CM: further submission from Farmer Power

**Categories:** Submission  
**Record Number:** D2018/00013619

Dear ACCC,

Further to our second submission, we have recently become aware of the fact that the consultancy to develop a milk price index that would assist farmers has been cancelled by the Australian Government, without explanation. This followed on from a halving of the allocated budget for this project, also without explanation. We had provided input to the consultants, which we had understood was well received. After having some initial doubts about the proposed new index, we consulted dairy farmers and became convinced that it could have great potential.

As explained in our earlier submission, it would be possible to dovetail a website providing the index with a new contract template for milk supply contracts, so that a farmer could enter information about particular farm operations (such as volume, fat:protein ration, seasonal variation etc) and find out what they could expect to receive from the various processors. Farmers we have talked to about this have been very enthusiastic about the way this could provide price transparency. We have termed it [www.mymilkprice.com](http://www.mymilkprice.com).

We suspect that the cancellation of the consultancy contract could have resulted from a push back from processors, who may feel that such transparency would not be in their interests. It now seems that the Government may opt for a different model, perhaps responding to corporate lobbying. Farmers are yet again being disadvantaged because of their unequal industry power.

As it appears that no firm decision has been made by the Government on what should happen to this project, we respectfully suggest that it would be helpful for this matter to be canvassed in the ACCC's final report.

Regards,

Dr Jane Stanley for Farmer Power  
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