

Fact sheet

Senate Inquiry: Australian dairy industry



14 October 2016

Murray Goulburn Co-operative Co. Limited (MG) has made a submission to the Senate Economics References Committee, which has been published today. This fact sheet offers further information on the Inquiry and MG's participation.

Background

The Senate Economics References Committee (Committee), one of eight Committees in the Australian Senate, has been tasked with defining what action is required to protect Australia's dairy industry in the long term. The matter was referred to the Committee following reductions by dairy processors, including MG, in the farmgate milk price during 2016.

Participation in the Inquiry

MG's participation in the Senate Inquiry is a welcome opportunity for us to discuss the challenges and opportunities facing the Australian dairy industry. Our company will play an essential role in its future and as the primary partner of Australian dairy farmers, our participation is crucial.

We will continue to work with the Committee in any way we can over the coming months, including ensuring MG is represented in person as required. We look forward to the Inquiry's balanced examination of factors leading to revised farmgate milk pricing during 2016 and its focus on the longevity and success of the dairy industry in Australia.

Our submission

MG's submission includes detailed information on the following subjects:

- Our company is 100 percent farmer controlled and is Australia's largest dairy foods exporter
- We typically pay between 90 and 92 percent of the forecast final farmgate milk price as an opening price to support supplier cash flows
- The co-operative has delivered a final farmgate milk price at the equivalent or above the opening price for suppliers in 62 of the 65 years of its history
- The creation of a Milk Supply Support Package aimed to provide immediate support to suppliers' cash flows without applying loans against individuals
- MG is committed to the future of Australia's dairy industry

Our submission, which can be accessed [here](#), will be joined by those from many other industry players and interested parties, whose contributions we value and respect.

Key dates

- MG's written submission provided to the Inquiry: 13 October 2016
- Public Hearing dates are set and announced by the Committee, which are still to be confirmed. Due to the scheduled Annual General Meeting on 28 October 2016, we have requested any appearances by MG's representatives are conducted after this event has taken place.
- The Committee is expected to report its findings on: 24 February 2017