



Australian Dairy Industry Council Inc.

Media Release

8 October 2010

Dairy industry at risk

For immediate release

The Australian Dairy Industry Council (ADIC) has today voiced its concern about the impact on farming families, regional communities and the Australian economy of savage cuts to water entitlements foreshadowed in the Murray Darling Basin (MDB) Guide.

The cuts outlined in the Guide would inevitably lead to a smaller dairy industry, the loss of regional jobs, and millions in export income to the economy. Dairy farmers in Queensland, New South Wales, Victoria and South Australia will be impacted and are now facing an uncertain future.

“The Basin Guide recommendations put at risk the livelihood of many dairy families who are responsible and efficient users of water and ignores the need for a collaborative, efficient and comprehensive water management approach to the Murray Darling Basin. The priority of all who live within, and use the resources of, the Basin must be to secure its social, environmental and economic value into the future,” ADIC Chairman Wes Judd said today.

Of the areas impacted by the Guide, the lower regions of the Basin, is Australia's largest dairying area with more than 2,600 dairy farms, representing 32 per cent of all dairy farmers in Australia. These dairy farms irrigate approximately 85,000 hectares, equivalent to 15 per cent of irrigated land in the region and produce around 2.1 billion litres of milk, worth \$800 million at the farmgate.

There are approximately 6,000 people employed directly on dairy farms with a further 2,600 employed in manufacturing and processing in the region. The Australian dairy industry generates export revenues in the order of \$3 billion.

Dairy farmers understand the importance of being good stewards of the natural resources they manage and take this responsibility seriously. Mr Judd said the ADIC calls on Government to work closely with industry to restore balance to the MDB Plan. Without a balance between environmental, economic and social water uses and farms, many irrigation systems and rural communities will be rendered unviable.

“The focus must be placed on increasing efficiency for the delivery of water for the environment, irrigation infrastructure upgrades to obtain water savings and on-farm irrigation modernisation to ensure that every drop of water is used efficiently and effectively.”

ADIC will examine the 21 volumes in the Guide closely to analyse the impact on our dairy farmers in each region of the Basin. Mr Judd made a commitment to all dairy farmers that ADIC will work tirelessly on their behalf to restore the balance in the Plan. While some impacts of the proposed cuts will be felt immediately, the major impacts will occur in the future, ADIC will use this time to demand of Government a fairer outcome for dairy farmers and regional communities.

-ends-

For further information contact:

Wesley Judd
ADIC Chairman
0407 132 854

Adrian Drury
ADIC Basin Taskforce Chairman
0428 569 245

VIC
Jeff Odgers
0427 846 714

QLD
Ross McInnes
0427 671 428

NSW
Malcolm Holm
0418 662 180

SA
David Basham
0417 865 962