

Australian Dairy Farmers Limited  
Level 2, Swann House  
22 William Street  
Melbourne Victoria 3000

Phone +61 3 8621 4200  
Fax +61 3 8621 4280

[www.australiandairyfarmers.com.au](http://www.australiandairyfarmers.com.au)

ABN 76 060 549 653

4 September 2012

---

## **Lion Price Highlights Impacts of Coles \$1 per litre Milk**

---

### **For immediate release**

---

The announcement today of the outcome of arbitration between Lion Dairy and Drinks and Dairy Farmers Milk Co-operative (DFMC) once again highlights that Coles pricing of fresh milk at \$1 per litre is unsustainable.

“Dairy farmers across most parts of Australia supplying Lion through DFMC will be receiving lower prices following the announcement of the outcome of the arbitration,” said Australian Dairy Farmer’s (ADF) President Chris Griffin.

Increased sales of home brand milk, which have little or no margin for processors, have impacted on the value chain across Australia.

“Coles must understand that the price on their shelves is linked to what farmers ultimately get paid,” said Mr Griffin.

“It is time Coles and Woolworths raised prices to a sustainable level and stopped their marketing tactic.”

“Consumers can help dairy farmers and their families by buying branded milk, which provides a fairer return,” said Mr Griffin.

This latest evidence of the unsustainable pricing of home brand fresh milk products highlights the need for a Supermarket Ombudsman to balance the market power of the major retailers.

The Supermarket Ombudsman needs to have the power to investigate the supermarkets and use both ‘name and shame’ powers and financial penalties to ensure they treat suppliers and farmers fairly.

ADF is meeting with politician’s from all sides of politics to push the Supermarket Ombudsman and changes to the Competition and Consumer Act to provide some balance and fairness in the system.

“It is important there is transparency through the value chain and in contracts with farmers,” Mr Griffin said.

-ends-

### **For further information please contact:**

Chris Griffin  
Australian Dairy Farmers (ADF) President  
0402 846 239