Media Release

For immediate release



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ADF calls for adoption of Competition Review recommendations

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<u>Australian Dairy Farmers</u> has welcomed the release of the <u>Competition Policy Review</u> Panel's final report as crucial to creating a healthier, more competitive and successful market place for consumers, food suppliers and retailers.

ADF strongly supports the review's recommendations for any updated competition law to include an Effects Test.

ADF will be advocating for certainty that the legal process is able to provide integrity and transparency regarding the impact of retailer actions on suppliers, and to prevent potentially damaging situations such as retailer predatory pricing in future.

ADF President, Noel Campbell called on the Federal Government to get behind the review's recommendations to ensure a level playing field for dairy farmers in future.

"As the first review of Australia's competition laws in over 20 years, this report is crucial in determining the Australian dairy industry's future profitability and sustainability," Mr Campbell said.

"We support the Panel's recommendations to increase the focus on dealing with the current imbalance of major retailer market power. Farmers need every opportunity to improve their negotiating power for profitability and returns at the farm-gate to be achieved."

ADF expressed disappointment that there was no meaningful consideration in the review of the role of a Mandatory Code of Conduct or the need for a Supermarket Ombudsman "with teeth" to address the issue of potential misuse of market power.

The unequal distribution of market power means that farmers are often backed into a corner when it comes to farm-gate prices, a disadvantage that is heightened due to logistical constraints in supplying perishable goods.

Mr Campbell recognised the proposed changes to collective bargaining as positive and an acknowledgement of ADF's submission on behalf of dairy farmers.

ADF looks forward to working with both sides of Government to advance the Competition Policy Review's recommendations, to ensure they translate into tangible outcomes for the dairy industry.

To view ADF's submission to the Competition Policy Review click here.

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