

Australian Dairy Farmers' (ADF) first priority in recent months has been to secure support for our industry led initiatives, and targeted assistance from Federal and State Government to help see farmers through the short term cash flow crisis.

It is frustrating that the promised support was expected to provide almost immediate relief yet some farmers are still not eligible. We continue to lobby strongly on farmers' behalf to secure access for all affected farmers to Dairy Recovery Loans, now available in Victoria and Tasmania. We expect criteria to be released imminently in South Australia and New South Wales.

Many farmers have been calling the ADF and state dairy farming offices to discuss these assistance mechanisms, and highlight accessibility issues. We encourage all concerned farmers to keep these communication channels flowing as it is vital for ADF to know which issues to target.

As an industry, we are going beyond these short term measures to create stability for our industry's long term future. Central to this is finding new ways to manage price volatility for farmers.

ADF in collaboration with our state members has long advocated the need for competition policy reform that addresses the unequal balance of market power in the supply chain with not only a Mandatory Code of Conduct to control said power, but also a Supermarket Ombudsman to effectively regulate the code. We have made important inroads in the last few years, but there is still work to be done.

Ideas developed during the Markets, Trade and Value Chain Policy Advisory Group meetings last week are being progressed and work with the Australian Competition and Consumer Commission is gaining traction.

All three major political parties have come to the table to discuss potential solutions over recent weeks, and this is to be commended. It is essential that commitment does not stop at political rhetoric, but rather translates into real and tangible changes for our industry.

Ensuring issues which affect our entire sector's ongoing productivity and competitiveness are on the Federal political agenda remains equally important during these tough times.

In particular, ADF continues to seek commitments from all political parties to support dairy's access to secure, affordable water resources. While recent rainfall has been a welcome reprieve for many regions, the long term outlook for water allocations remains bleak. ADF continues to push for vital changes to the Murray Darling Basin Plan and environmental water trading to make certain enough water is affordable and available when farmers need it.

Funding for dedicated agricultural health services and resources is urgently required to safeguard the wellbeing of our workforce. Federal Government should make ongoing commitments to vital resources including the National Centre for Farmer Health to match that of State Government.

We continue to work closely with the National Farmers Federation to accelerate agriculture by addressing key workforce issues including the scrapping of the backpacker tax, as well as supporting industry's efforts to reduce carbon emissions intensity.

Ensuring these priority areas are addressed in the upcoming election will enable our industry to take control of its own destiny, and develop a stronger, more sustainable future.

Australian dairy farmers know we're not immune to significant market forces such as the slowdown in the Chinese economy, or the Russian ban on importing product. We typically manage this volatility well. But the low prices announced recently will be below the cost of production for many farmers. While some have faced such volatility before their current situation is no doubt compounded by the unprecedented challenges driven by processor decisions in the 2015-16 financial year.

ADF continues to work with all our state members - QDO, NSWFarmers, SADA, TFGA, UDV and WAFarmers as well as industry partners to hold State and Federal Government to their promises of support, and to drive real, meaningful change throughout the supply chain for the betterment of our industry. Together we are stronger than we will ever be divided – and united we will support farmers through the challenges they face now and in seasons to come.

**David Basham**

**Acting ADF President**