

**Submission
No 69**

**INQUIRY INTO LONG-TERM SUSTAINABILITY OF THE
DAIRY INDUSTRY IN NEW SOUTH WALES**

Organisation: NSW Government

Date Received: 2 October 2020

NSW Government Submission to the Portfolio Committee No. 4 – Industry Inquiry into long-term sustainability of the dairy industry in New South Wales

PREPARED BY THE NSW GOVERNMENT

02 October 2020

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Executive Summary

Since the inquiry into the sustainability of the dairy industry in New South Wales held in 2018-19 (the previous inquiry), difficult trading conditions have persisted for many dairy farmers even as seasonal conditions have begun to improve in a number of dairy regions across the state.

The latest available data indicates that the NSW dairy industry has continued to face challenges as a result of prolonged drought conditions. This resulted in a reduced quantity of raw milk being produced in NSW than in previous years. This reduced supply has contributed to an increase in farmgate price; however, this has not necessarily translated to improved industry profitability, with increased input costs eroding farmer margins.

The external factors affecting the NSW dairy industry remain similar to those outlined in the NSW Government's submission to the previous inquiry. Global prices and local supply levels – influenced by climatic conditions – continue to be the main drivers of farmgate prices.

The NSW Government continues to provide support to the NSW dairy industry, both in terms of emergency drought relief and bushfire relief, and through ongoing – and expanded – research and industry development programs. This includes the establishment of the Dairy Business Advisory Unit in the Department of Primary Industries (NSW DPI), which delivers on an election commitment and supports the NSW dairy industry in furthering farm business management skills, and the creation of two new roles in NSW DPI's dairy team.

The NSW Fresh Milk and Dairy Advocate, Mr Ian Zandstra, was appointed in September 2019. He has been active in his role of providing advice to the NSW Government on issues affecting the NSW dairy industry. The NSW Dairy Industry Advisory Panel was appointed in November 2019 to provide advice to the Advocate. The Panel has met regularly to discuss issues affecting the industry and to identify focus areas for a Dairy Industry Action Plan – including key research and development priorities.

The Commonwealth Government established a mandatory Dairy Industry Code of Conduct (Mandatory Code), which came into effect on 1 January 2020. The Mandatory Code is aimed at improving the clarity and transparency of relationships between dairy farmers and processors. The NSW Government supports implementation of the Mandatory Code, and notes that early evidence of its effectiveness is promising. However further review of the functioning of the Mandatory Code by the Commonwealth Government will be required to fully assess its effectiveness.

The NSW Government also notes that the Australian Competition and Consumer Commission (ACCC) has commenced an inquiry into bargaining power in supply chains for perishable agricultural products, which will include an examination of the effectiveness of the Mandatory Code.

The NSW Government remains committed to supporting the NSW dairy industry as it begins to recover from drought and bushfires and manages the implications of a global pandemic.

Overview of the NSW Dairy Industry

The NSW Government would like to refer the Committee to the information contained in the NSW Government submission to the 2018-19 inquiry into the sustainability of the dairy industry in New South Wales (**Attachment A**). The information put forward in that submission remains relevant, with the following updates:

Production statistics and trends

- NSW milk production was just under 1.05 billion litres in 2019-20.¹ This was a reduction of approximately 3.6 per cent on 2018-19 levels. This reduction in output is attributable to worsening drought conditions over the year. In comparison, Victorian production improved by approximately 0.8 per cent.²
- Despite the overall reduction in output across 2019-20, year-on-year trends were positive in May, June and July 2020.³ This suggests some stabilisation, if not the start of a recovery.
- 2019-20 data regarding the value of this production is not yet available. However, NSW's gross value of production increased to \$592 million in 2018-19 despite a decrease in milk production of approximately 5.4 per cent on 2017-18 levels.⁴ This is attributable to increases in the farmgate price of milk resulting from decreased raw milk production (see Figure 1).

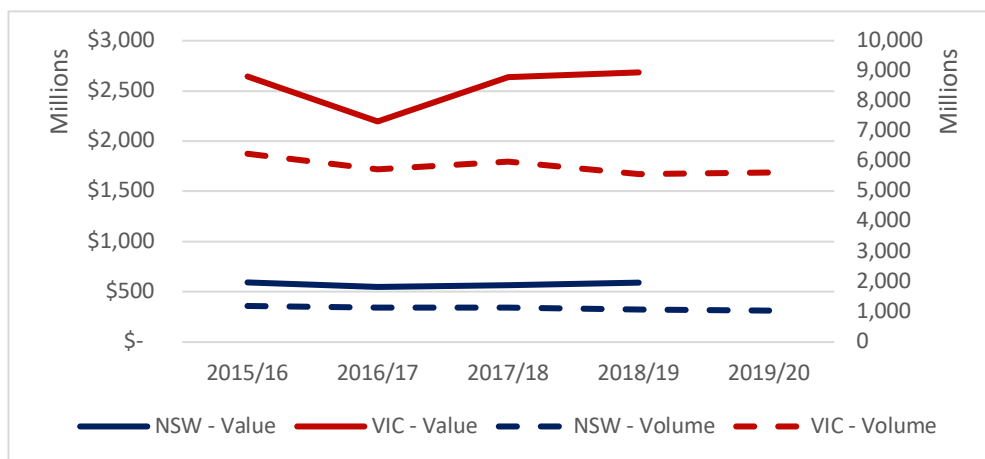


Figure 1: Dairy industry gross value of production (left axis) and milk production volume (right axis). Note 2019-20 data is not yet available for the gross value of production.
(Source: ABS data, Dairy Australia)

¹ Dairy Australia (2020), *Latest production and sales statistics*, available at: <https://www.dairyaustralia.com.au/industry/production-and-sales/latest-production-and-sales-statistics> [accessed 02 September 2020]

² Ibid.

³ Dairy Australia (2020), *Latest production and sales statistics*, available at: <https://www.dairyaustralia.com.au/industry/production-and-sales/latest-production-and-sales-statistics> [accessed 17 September 2020]

⁴ Australian Bureau of Statistics (2019), *7503.0 – Value of Agricultural Commodities Produced, Australia, 2018-19*, available at: <https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/7503.02018-19> [accessed 21 August 2020].

- On average, NSW raw milk continues to attract a farmgate price premium as a result of its focus on supplying the drinking milk market and climatic conditions that lead to higher production costs (see **Value chain relationships and influence over price** section below).
- Analysis of the data collected during the NSW Dairy Farm Monitor Project reveals that 2018-19 was the worst year for farm business profit since the start of the project in 2011-12.⁵
 - For participating farms in the southern dairying region, average raw milk prices rose 8 per cent compared to the previous year, but the average cost of production rose by 16.5 per cent as a result of higher fodder prices.⁶ This led to a dramatic reduction in average earnings before interest and tax – from \$141,549 per farm in 2017-18 to \$15,061 in 2018-19.⁷
 - For participating farms in the northern dairying region, average raw milk prices rose by 6 per cent year on year (and other farm income also increased), while the average cost of production rose by 3.5 per cent.⁸ This led to an increase in average earnings before interest and tax from \$39,802 per farm in 2017-18 to \$87,175 in 2018-19.⁹
- The proportion of NSW raw milk used for domestic consumption was just over 80 per cent in 2018-19. The proportion exported was just under 20 per cent (see Figure 2).¹⁰ In particular, the NSW dairy industry has a greater focus on drinking milk production compared to the Australian industry as a whole.

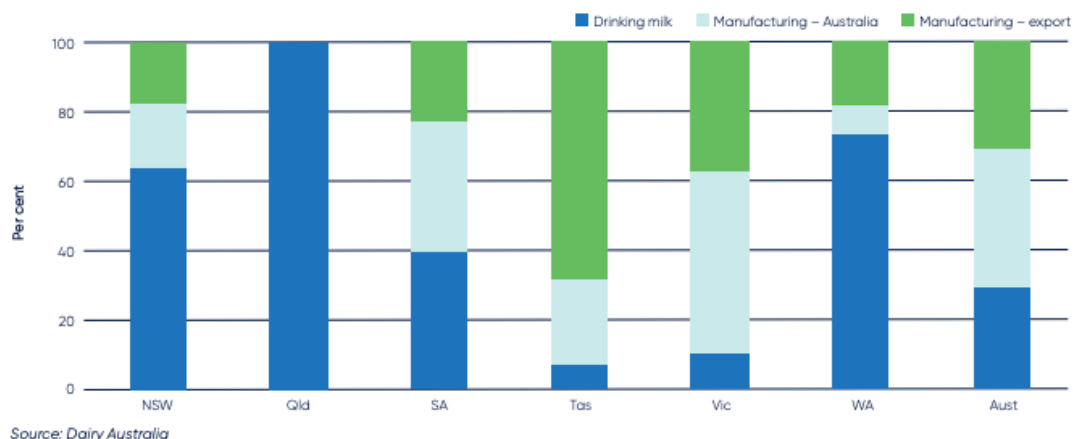


Figure 2: Use of Australian milk by state in 2018-19
(Source: Dairy Australia)

- As of August 2020, the NSW Food Authority licenses 553 dairy farms.

⁵ Dairy Farm Monitor Project (2019), *Dairy Farm Monitor Project: New South Wales Annual Report 2018-19*, p5.

⁶ *Ibid.*, p5.

⁷ Dairy Farm Monitor Project (2019), *Dairy Farm Monitor Project: New South Wales Annual Report 2018-19*, p5.

⁸ *Ibid.*, p5.

⁹ *Ibid.*, p5.

¹⁰ Dairy Australia (2019), *The Australian Dairy Industry In Focus 2019*, p9.

- Over the past decade, the number of registered dairy farms has declined by 32 per cent, with the largest year-on-year decline occurring between 2017-18 and 2018-19.¹¹
- This is consistent with broader trends in global agriculture, as changing business practices have encouraged shifts towards larger, more intensive forms of production.¹² In NSW, average herd sizes have increased to significantly offset the reduction in number of farms (see Figure 3).
- In 2018-19, the average herd size in NSW was 283 cows, up 35 per cent from 2009-10.¹³ Over the same period, the number of farms milking less than 200 cows has decreased by 45 per cent and the number of farms milking greater than 350 cows has increased by 61 per cent.¹⁴

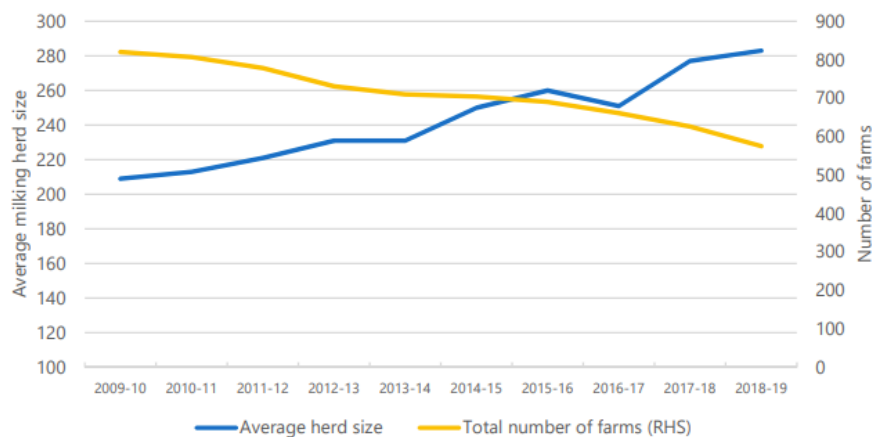


Figure 3: Number of farms and average herd size
(Source: ABARES data, Dairy Australia)

¹¹ Ibid.

¹² Ibid., p7.

¹³ Australian Bureau of Agricultural and Resource Economics and Sciences (2020), *Farm Surveys and Analysis: Dairy Industry*, available at: <https://www.agriculture.gov.au/abares/research-topics/surveys/dairy> [accessed 21 August 2020].

¹⁴ Ibid.

Consideration of the Terms of Reference

Value chain relationships and influence over price

- (a) the nature of, and relationship within, the value chain between farmers, processors, logistics companies and retailers and their respective influence on price

The information put forward in the NSW Government submission to the previous inquiry remains relevant, with the following updates:

NSW raw milk attracts a price premium at the farm gate

- The average farmgate price of milk in NSW in 2018-19 was 54.7 cents per litre compared to Victoria's 48.2 cents per litre. This was an increase on 2017-18 prices (see Figure 4).¹⁵
- Improvements in transport infrastructure – for example through investment in staging plants in Victoria by logistics companies and processors – has enabled raw milk to be transported longer distances at lower cost. This has resulted in greater integration of the Northern NSW/Queensland and Southern NSW/Victoria milk pools into a broader eastern seaboard milk market. In turn, this has increased competition for some NSW dairy farmers as local processors can access the larger and cheaper southern milk pool.
- However, this has also allowed more NSW farmers to access the pricing premium associated with supplying drinking milk markets.

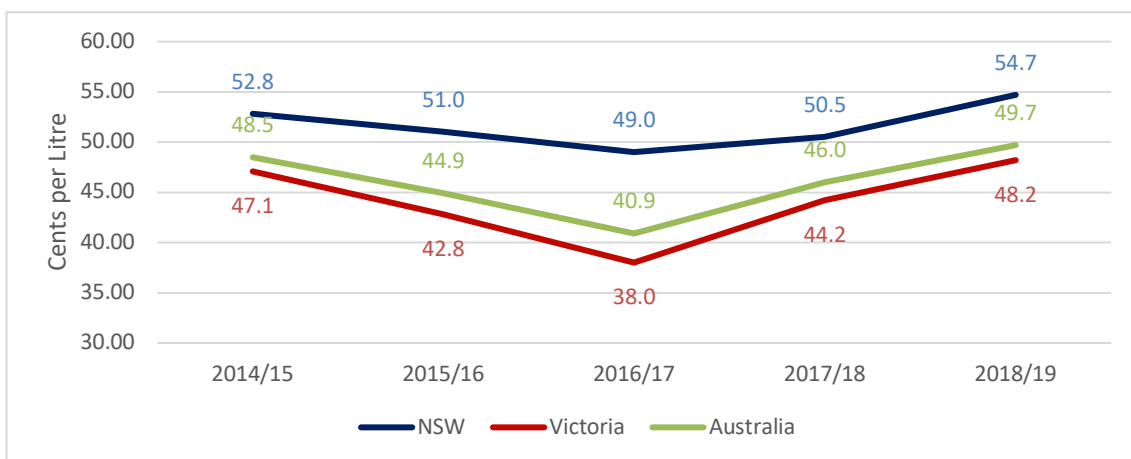


Figure 4: Comparison of typical factory paid prices for raw milk
(Source: Dairy Australia In Focus 2019)

¹⁵ Dairy Australia (2019), *The Australian Dairy Industry In Focus 2019*, p10

External influences on the industry

(b) the impact of external influences on the dairy industry, including but not limited to drought, water, energy and price-setting

The information put forward in the NSW Government submission to the previous inquiry remains relevant, with the following updates:

Global price is a major influence on farmgate prices

- Across the Australian dairy industry, 35 per cent of milk production was exported in 2018-19. This means that Australian milk continues to be significantly exposed to the global market price while being also unlikely to significantly influence those global market prices, as the export volume makes up a small proportion of global trade. In turn, this means export-oriented dairy manufacturers continue to be price takers on global markets.¹⁶
- As a result of the broader Australian milk market's integration into global markets, NSW dairy farmers operate in an environment where international prices are a key influence on the price received for raw milk at the farm gate.¹⁷ This is despite the majority of NSW raw milk production being directed into domestic consumption, as processors are able to access the southern, export-focused production regions if local prices rise too far above export prices.
- Since deregulation of the dairy industry in 2000, there has been relatively close correlation between farmgate prices and export price indexes (see Figure 5).¹⁸ Until 2011, the domestic retail price index was also part of this correlation (though retail prices typically reacted in a smoother manner, reflecting that supermarkets prefer to avoid large fluctuations in the price of key staples). The introduction of \$1 per litre milk and rising import competition around 2011 has resulted in a flat-to-declining retail price index, however farmgate prices have continued to strongly correlate with export prices (with some timing lags). This indicates that domestic retail prices have minimal influence over the farmgate price of milk. This was also a conclusion made by the ACCC's dairy industry inquiry in 2018.
- The NSW Government notes that the ACCC has recently commenced an inquiry into bargaining power in supply chains for perishable agricultural products in Australia, which will consider the effect of whether trading practices within supply chains affect the efficiency of markets.¹⁹ The inquiry will examine the effectiveness of the Mandatory Code, and the extent to which the cost of producing milk in different parts of Australia are taken into account by other supply chain participants.

¹⁶ Productivity Commission (2014), *Relative costs of doing business in Australia: Dairy Product Manufacturing*, p179.

¹⁷ *Ibid.*, p179.

¹⁸ Australian Bureau of Agricultural and Resource Economics and Sciences (2020), *AgSurf Data*, available at: <http://apps.agriculture.gov.au/agsurf/> [Accessed 21 August 2020]; Australian Bureau of Statistics (2020), *6401.0 – Consumer Price Index, Australia, March 2020*, available at <https://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/92D84A08B6EF0612CA2585B3001F2B> [Accessed 21 August 2020]; Dairy Australia (2019), *The Australian Dairy Industry In Focus 2019*, p7.

¹⁹ Australian Competition and Consumer Commission (2020), *New inquiry to focus on perishable agricultural supply chains*, available at: <https://www.accc.gov.au/media-release/new-inquiry-to-focus-on-perishable-agricultural-supply-chains> [Accessed 17 September 2020].

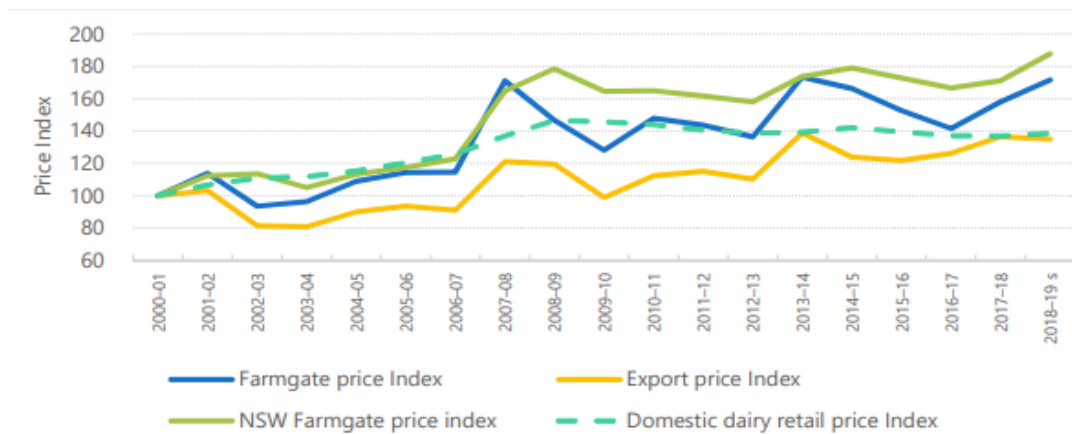


Figure 5: Dairy farmgate and export price comparison
(Source: ABARES data, ABS data, Dairy Australia)

The retail price of drinking milk in Australia is comparable to other jurisdictions

- Whilst comparing retail prices across different countries is challenging due to different tax regimes as well as often significant pricing differences between regions within countries, a desktop review suggests that the average retail price of milk in Australia is broadly comparable with, or higher than, that achieved in Ireland, the United Kingdom and the United States – with official statistics indicating average retail prices ranging between \$1.30 to \$1.40 per litre (see Figure 4).²⁰
- The average price for regular drinking milk sold by supermarkets in Australia was approximately \$1.40 per litre in 2018-19.²¹ However, this figure does not include milk sold through other (higher price) sales channels and was collected prior to the round of retail price increases announced by supermarkets in July 2019. At present, the lowest retail price for milk in Australia is approximately \$1.20 per litre.²²
- However, the United Kingdom and United States lowest retail prices are below Australia's, with a desktop review indicating these range between \$0.80 and \$0.90 per litre.
- Retail prices in New Zealand are higher, with an average retail price of approximately \$1.70 per litre.²³ Despite higher retail prices, New Zealand farmgate prices have been comparable to Australian farmgate prices over the past three years.²⁴

²⁰ Agriculture and Horticulture Development Board (2020), *GB retail prices*, available at: <https://ahdb.org.uk/dairy/gb-retail-prices> [Accessed 28 August 2020];

United States Department of Agriculture Agricultural Marketing Service (2020), *Retail Milk Prices Report*, available at: <https://www.ams.usda.gov/sites/default/files/media/RetailMilkPrices.pdf> [Accessed 28 August 2020];

Central Statistics Office (2020), *Statbank – CPM12: National Average Price by Consumer Item and Month*, available at: <https://statbank.cso.ie/px/pxeirestat/statire/SelectTable/Omrade0.asp?Planguage=0> [Accessed 28 August 2020].

²¹ Dairy Australia (2019), *The Australian Dairy Industry In Focus 2019*, p41.

²² Based on current supermarket pricing of \$2.39 for two litres of private label drinking milk

²³ Stats NZ (2020), *Food price index: March 2020*, available at: <https://www.stats.govt.nz/information-releases/food-price-index-march-2020> [Accessed 28 August 2020].

²⁴ Dairy Australia (2020), *Farmgate milk price*, available at: <https://www.dairyaustralia.com.au/industry/prices/farmgate-milk-price> [Accessed 17 September 2020]; Fonterra (2020), *Farmgate milk prices*, available at: <https://www.fonterra.com/nz/en/investors/farmgate-milk-prices.html> [Accessed 17 September 2020].

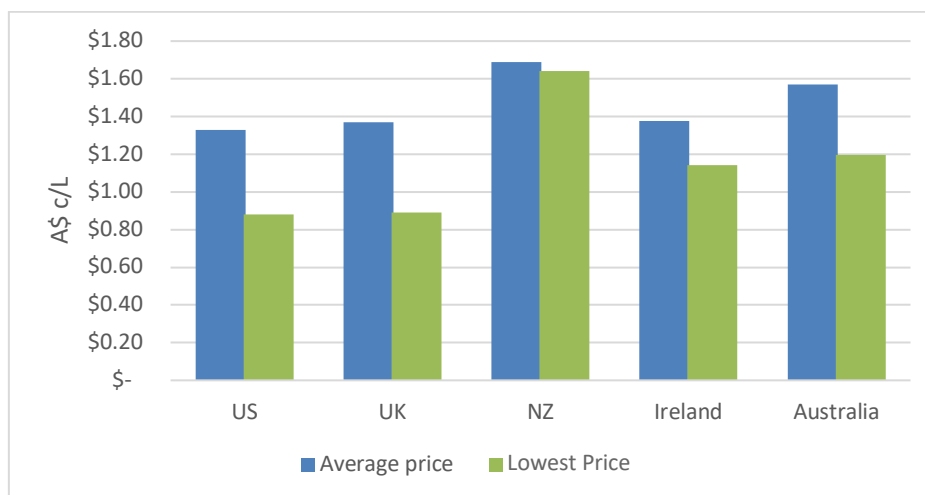


Figure 5: Estimated 2019-20 retail price of milk by country, AUD per litre²⁵
 (Source: United States Department of Agriculture, United Kingdom Office of National Statistics, Stats NZ, Central Statistics Office Ireland)

Increasing import competition places pressure on retail prices

- Imports of dairy products have significantly increased over the past two decades, mainly from New Zealand, the European Union, and the United States. While Australia remains a net exporter, this has reduced Australia’s trade balance and increased competition in domestic markets – particularly with respect to processed products like cheese and butter.
- Approximately 38 per cent of Australian raw milk production is directed into locally-consumed manufactured products like cheese, butter and milk powders – which must be priced competitively against imported products.²⁶ As the volume of imports has increased, the resulting increase in competition has further subdued retail prices.
- This increase in dairy imports further strengthens the relationship between farmgate milk prices in Australia and global milk prices – working separately to the industry’s exposure to global prices through export markets. In their 2018 report, the ACCC wrote that “actual or potential competition from imported goods constrains the prices that can be achieved by domestic dairy processors to some extent, as retailers can credibly threaten to substitute local with imported product if domestic prices are not competitive.”²⁷
- The competitive pressures placed on domestic manufactured products by imported substitutes effectively ensures that domestic consumers will not pay more than the current global price for that form of manufactured product. This has the effect of setting a ‘cap’ on the farmgate price that domestic processors are willing to pay for raw milk.

Drought conditions have affected supply

²⁵ Note: Lowest price refers to the lowest identified retail price for drinking milk – typically a private label product. Currencies were converted at \$1.44 AUD per USD, \$1.63 AUD per EUR, \$1.80 AUD per GBP and \$0.93 AUD per NZD.

²⁶ Dairy Australia (2019), *The Australian Dairy Industry In Focus 2019*, p8.

²⁷ Australian Competition and Consumer Commission (2018), *Dairy Inquiry: Final Report April 2018*, p101.

- Drought conditions have also led to an overall decline in raw milk production; between 2017-18 and 2018-19, the volume of raw milk produced has continued to decline from pre-drought levels. The declining supply of raw milk has generated increasing competition between processors to secure limited supply, leading to an increase in farmgate prices. Retail prices eventually rose to follow this rise in farmgate prices.
- However, this has not translated to improved profitability for all farms, as the impacts of drought conditions have increased input costs, meaning higher farmgate prices may not have been sufficient to increase profit for those farms most affected by drought (see **Production statistics and trends** section above).
- As dairy industry production levels begin to increase as farmers recover from drought, a decline in farmgate price is expected as supply increases and export prices remain muted. The Australian Bureau of Agricultural and Resource Economics and Sciences are forecasting overall Australian farmgate prices to decline by 8.6 per cent in 2020-21.²⁸

Previous policies affecting dairy

(c) the impact of previous policies, in particular, the deregulation of the dairy industry

The information put forward in the NSW Government submission to the previous inquiry remains relevant.

NSW Government support

(d) the role of government in addressing key economic challenges to the industry

The information put forward in the NSW Government submission to the previous inquiry remains relevant, with the following updates:

The NSW Government continues to provide drought and bushfire assistance

- For the 2020-21 financial year, the NSW Government has invested a further \$310 million in emergency drought relief. This includes \$116 million to continue the Drought Transport Subsidy and takes the NSW Government's total drought support and water security commitment to close to \$4 billion.
- Since 30 June 2018, the NSW Government has approved 1,066 applications from dairy farmers to access Emergency Drought Transport Subsidies. Across the three funding rounds, the total value of subsidies approved is approximately \$34.7 million. This equates to approximately \$32,500 per approved application.

²⁸ Australian Bureau of Agricultural and Resource Economics and Sciences (2020), *Agricultural commodities: September quarter 2020*, available at: <https://doi.org/10.25814/5f3caa10eee79> [accessed 17 September 2020].

- In addition, a total of 60 dairy farmers have accessed Farm Innovation Fund loans to assist their drought preparedness, with a total value of approximately \$10.6 million. This equates to approximately \$177,000 per approved application.
- A further 53 applications from dairy farmers have been approved for Drought Assistance Fund loans, totalling just over \$2.5 million (approximately \$48,000 per approved application).
- In addition, the NSW Government has provided support to dairy farmers affected by the 2019-20 bushfires. Special disaster grants of up to \$75,000 and special disaster loans of up to \$500,000 are available for affected dairy farmers.
- The NSW Government also developed a \$140 million Bushfire Industry Recovery Package. This included a supply chain recovery grants program which has to date provided \$11.4 million in assistance to 68 dairy farms in NSW.
- The Bushfire Industry Recovery Package also contains sector recovery grants of up to \$10 million for projects that will support medium to long-term job retention and creation, build industry sustainability, increase value-added production, support supply-chain efficiencies or expand markets.

The NSW Government remains committed to research and industry development

- The NSW DPI Dairy Business Advisory Unit was created in 2020 to deliver tools, services and resources that develop and enhance dairy farmer business skills and knowledge. This includes:
 - promoting a culture of farm business management
 - providing services to help drive improved risk management and on-farm decision making.
- The NSW Government provides extension support to dairy farmers through Local Land Services, with support from NSW DPI.
- NSW DPI has recently created and filled two new dairy roles: Leader Dairy and Development Officer Dairy Farm Business Management.
- NSW DPI has worked with the Dairy Research Foundation and industry stakeholders to develop a proposed five-year Research, Development and Extension program to support the recovery and growth of the NSW dairy industry so it can contribute to the expected growth of the industry nationally and the goal of an agriculture sector worth \$100 billion by 2030. Industry modelling suggests a compound annual growth rate in milk production in the Dairy NSW region of 2 per cent to 2025 and 1 per cent from 2025 to 2030 under a medium growth scenario.²⁹ The proposed program would support this by addressing the underperformance of dairy farm businesses; managing production risk and driving adaptation to increase resilience; developing new market opportunities and building community trust.
- NSW DPI delivers the Milking Edge project in collaboration with Dairy Australia and De Laval, which leverages a decade of Research and Development on robotic milking to improve the adoption success of automatic milking systems.

²⁹ Australian Dairy Plan (2020), *Appendix A: Growth Scenarios Paper – Draft for Feedback December 2019*, available at: <https://www.dairyplan.com.au/key-documents> [Accessed 28 August 2020].

- NSW DPI's Tocal Agricultural College runs the NSW Dairy Farm Training Program, with about 25-30 trainees each year. Trainees are employed by dairy farms, and the NSW Government fully subsidises the training program to enable dairy farmer to access skilled labour while easing the financial burden of training costs.
- In addition, NSW DPI recently upgraded the dairy at Tocal Agricultural College. The Tocal dairy is a valuable resource for training and education – each year it hosts dairy trainees, Certificate III and IV students, school groups and farmer groups. NSW DPI's Dairy Business Advisory Unit is publishing monthly reports on the physical and financial performance of the Tocal dairy to promote discussion in industry about the drivers of profit.
- The NSW Cattle Underpass Scheme provides up to 50 per cent of the cost of constructing an underpass or installing signs and flashing lights to reduce risks to the public when livestock are moved across public roads. Drought conditions have resulted in many interested farmers being unable to commit funding to their share of construction costs.

The NSW Government supports the dairy industry in maintaining high food safety standards

- The NSW Food Authority currently licenses:
 - 553 dairy farms
 - 208 dairy processing factories
 - 150 farm milk collectors
 - approximately 4,500 food transport vehicles that are authorised to transport dairy products (of 7,759 licensed food transport vehicles in total).
- In recent years, the NSW Food Authority has approved one NSW dairy company to manufacture raw milk cheese and one NSW dairy company to produce high-pressure processed milk after extensive work, consultation and support to ensure the proposed production methods and resulting products were safe

NSW Fresh Milk and Dairy Advocate and Dairy Industry Advisory Panel

(e) the appointment, operation and effectiveness of the NSW Government's Fresh Milk and Dairy Advocate, and the Dairy Industry Advisory Panel,

The NSW Fresh Milk and Dairy Advocate (Advocate), Mr Ian Zandstra, was appointed in September 2019. Members of the Dairy Industry Advisory Panel (Panel) were appointed following an expression of interest and selection process run in November 2019. The Panel membership provides a cross-section of the supply chain and geographical extent of the NSW dairy industry. This includes farmer representatives, processor representatives, industry service providers, researchers, and peak bodies.

Mr Zandstra was appointed in response to requests from the NSW dairy industry. They requested that the Advocate have a firm understanding of how the NSW dairy industry interacts with the broader dairy industry and make recommendations to the Government on legislative reform and programs required to support the NSW dairy industry.

Following his appointment, the Advocate has regularly met with dairy farmers and industry stakeholders, assisted in recruiting for a key position within the NSW DPI Dairy Business Advisory Unit, joined the ACCC's Dairy Industry Consultative Committee and provided advice and assistance regarding bushfire recovery in the NSW dairy industry. He has also met with the Minister for Agriculture and Western New South Wales and the Parliamentary Secretary for Agriculture on numerous occasions.

The Panel has held nine meetings since February 2020 to identify key issues to be addressed in a Dairy Industry Action Plan – including key research and development priorities. The Panel has also discussed ongoing bushfire recovery efforts and seasonal conditions affecting dairy across the state.

Mr Zandstra and the Panel are currently developing a draft action plan for the dairy industry in NSW, which is expected to recommend actions to underpin a successful future for the industry.

Dairy Industry Code of Conduct

- (f) the operation, effectiveness and outcomes arising from the Commonwealth Government's Mandatory Dairy Code of Conduct, including whether additional protections, legislation or regulation are required in New South Wales to better support dairy farmers,**

The NSW Government is supportive of the Mandatory Code, and of any efforts to improve transparency across the dairy industry supply chain.

The Commonwealth Government Dairy Industry Code of Conduct (the Mandatory Code) came into effect on 1 January 2020. The Mandatory Code aims to improve the clarity and transparency of supply chain relationships between dairy farmers and processors. To achieve this, the Mandatory Code establishes an obligation on farmers and processors to act in good faith, outlines a set of minimum disclosure requirements and protections that must be included in all milk supply agreements regulated by the Mandatory Code (including specifying a minimum price paid for milk), and provides a right to certain dispute resolution processes (including mediation).³⁰

The ACCC is responsible for investigating alleged breaches of the Mandatory Code.³¹

While it is still relatively soon after the introduction of the Mandatory Code, the early evidence suggests that it is leading to improved transparency in pricing. For example, Fonterra originally announced an opening price of \$6.06 per kilogram of milk solids on 1 June 2020, but later raised this offer to \$6.40 per kilogram of milk solids following higher announced prices from competitors.

The NSW Government notes that the Mandatory Code contains provisions requiring separate reviews of the role, impact, and operation of the Mandatory Code to be undertaken in 2021 and 2023.

³⁰ Australian Competition and Consumer Commission (2020), *Dairy code of conduct*, available at: <https://www.accc.gov.au/business/industry-codes/dairy-code-of-conduct> [Accessed 21 August 2020].

³¹ Ibid.

Attachments

Attachment A - NSW Government Submission to the Legislative Council Portfolio Committee No.5 – Industry and Transport Inquiry into sustainability of the dairy industry in NSW