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HD **Farmers ready to harness markets**
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THE Royal Queensland Show is over again for another year but what would the show be without the farm animals?

Most of the people I spoke to told me the farm animals, including the **dairy** cattle, were a key part of their Ekka experience. Many **dairy** farmers enjoy showing their cows and find the interaction with other farmers to be most enjoyable, but it is still a huge commitment and a lot of work for them to put on their part of the Ekka.

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An even bigger burden that **dairy** farmers are carrying for the rest of the community comes with the trade sanctions that have evolved from the conflict in Ukraine and the terrible loss of life from the downing of a Malaysian airliner.

Russia has banned Australian imports, including **dairy**, in response to a range of trade sanctions that Australia, the US, and the EU had placed on Russia in response to the Ukraine conflict.

This will create a substantial disruption for Australian exporters. Russia has also imposed bans on the half a **million** tonnes of **dairy** product the European Union exports. This displaced **dairy** product will see European **dairy** product looking for a home outside of their home market, and they will be helped by the European Governments **dairy** support arrangements. This will adversely impact the volumes available and prices received for our **dairy** products in our traditional markets.

Dairy farmers have been placed in this situation through no fault of their own and through circumstances far beyond our control.

Farmers understand the complexity of the Russian situation, but we see there are positive solutions if the government can take some criticism from its friends in the world of big **business** and the scorched earth economic rationalists. The government must help to find new and better markets for the Australian **dairy** industry, particularly through the delivery of an effective strong FTA with **China**. It is not good enough to say we can send our displaced Russian **dairy** product to **China** - we need a long term strong FTA with **China**.

They also must fix the market domination and market failure that has devalued the domestic industry.

I was disappointed to see the government, along with some political and economic commentators, quickly dismissing the Russian ban as having little impact on Australian farmers because of the relative small volumes of product sent to Russia from Australia. This misrepresents the true situation as Australian **dairy** exporters will now have to compete with the displaced EU product in other markets. Interestingly, there appears to be no sanctions being applied to product coming from New Zealand and if so it would appear New Zealand has once again gotten the drop on us in both the local and international markets.

While visiting the Ekka, some people asked me why Australian **dairy** farmers have not managed to band together into one large coop or collective bargaining **group**, as has occurred in New Zealand the formation of Fonterra. Such a move would be restricted in Australia, but in NZ it was encouraged by government, which saw the benefit of having a powerful farmer controlled **group** that put New Zealand

product first in both the domestic and international markets and made maximising farmer returns a key aim.

Even in the last 12 months we have seen the government put restrictions on attempts by Murray Goulburn to purchase Warrnambool **Cheese** and **Butter** and thereby gain more competitive power. This saw WCB instead **sold** to the huge Saputo **Company** from Canada.

At our local Queensland and northern NSW level, we need to think outside the square and investigate the full range of options that are available to increase farmers' bargaining positions and allow the industry to profitably grow and develop new markets for the benefit of the farmer and the country as a whole. Otherwise the kids at the Ekka will be left wondering just what animal does **milk** come from.

And another thing: It was welcome last week that the State Government has drought declared several more council regions in south east Queensland, but the domestic and international market situation also needs to be addressed for farmers to recover when the season recovers.

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RE russ : Russia | austr : Australia | nswals : New South Wales | queensl : Queensland | apacz : Asia Pacific
| asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | devgcoz : Emerging Market Countries |
eeurz : Central/Eastern Europe | eurz : Europe | ussrz : CIS Countries

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