



MINISTER FOR AGRICULTURE AND FORESTRY;
 THE MIDWEST AND WHEATBELT
 LEADER OF THE GOVERNMENT IN THE LEGISLATIVE COUNCIL



**MINISTERIAL
 URGENT**

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The General Manager
 Adjudication Branch
 Australian Competition and Consumer Commission
 PO Box 1199
 DICKSON ACT 2602

Dear Mr Gregson

DRAFT DETERMINATION DENYING AUTHORISATION FOR DAIRY WESTERN AUSTRALIA (DWA) APPLICATIONS A90961 AND A90962

Thank you for your letter of 17 October advising that the ACCC proposes to deny Dairy Western Australia's application for authorisation for the establishment of a Milk Negotiation Agency in Western Australia.

I have reviewed the draft determination in detail, and while I can understand the reasoning behind the Commission's decision, it will bring little comfort to Western Australian dairy farmers who are receiving milk prices several cents per litre below those paid for an identical product in other Australian States.

Denial of the Dairy Western Australia applications makes it more vital than ever that dairy farmers continue to have opportunities for collective bargaining under Australian Dairy Farmers (ADF) application A90966. The Western Australian Government strongly supported the original Australian Dairy Farmers Federation (ADFF) application for authorisation and believes that the public benefits of collective bargaining by dairy farmers are as real now as they were in 2001.

I urge the Commission to complete its deliberations on the ADF authorisation as soon as possible, and look forward to a favourable outcome. I believe an early determination in this matter will be essential to provide Western Australian farmers with the confidence that they need to pursue their stated aim of establishing new bargaining arrangements under the ADF authorisation.

Yours sincerely

Kim Chance MLC
 MINISTER FOR AGRICULTURE AND FORESTRY

03 NOV 2005

AUSTRALIAN COMPETITION &
 CONSUMER COMMISSION
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