



Department of
**Agriculture, Fisheries
and Forestry**

Reference: **CTS: 05879/13**

05 APR 2013

Mr David Hatfield
Director
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Mr Hatfield

Thank you for your letter of 18 March 2013 concerning an application for re-authorisation of 'back to back' pricing arrangements from Dairy Farmers Milk Co-operative Limited (DFMC) and Dairy Farmers Pty Ltd (Lion).

I note that 'back to back' pricing arrangements constitute conduct that if made, or given effect to, without an authorisation, may be regarded as conduct that contravenes the *Competition and Consumer Act 2010 (Cth)*. It is also noted that the authorisation being requested is in effect, identical to the milk supply agreement between DFMC and Lion considered by the Australian Competition and Consumer Commission when it granted the existing authorisation in 2008.

The Department of Agriculture, Fisheries and Forestry (DAFF) is an economic development agency that promotes profitable primary industries for Queensland. Given that the application you are considering is a continuation of existing authorisation arrangements, DAFF is in support of the DFMC and Lion request.

If you require any further information, please contact Dr Chris Chilcott, Director Animal Industries of the Department of Agriculture, Fisheries and Forestry on telephone 07 3224 6415 or email chris.chilcott@daff.qld.gov.au.

Yours sincerely

Jack Noye
Director-General
Department of Agriculture, Fisheries and Forestry

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