

Supermarkets milking dairy farmers

by *Duncan B.*

The supermarket giants, Coles and Woolworths, control between them about 80% of supermarket sales in Australia.

While this duopoly is good for Coles and Woolworths, it is not so good for consumers and the farmers who supply the supermarkets with meat, fruit, vegetables and milk.

It was revealed recently at a Senate Inquiry into competition and pricing in the dairy industry that milk processors are selling millions of litres of milk at a loss to Coles and Woolworths to try to hold onto contracts for 'home-brand' milk. This is devastating farmers and threatening the future of the industry.

The Inquiry was told that the supermarkets' generic brands represent more than 50% of drinking milk in Australia, setting the benchmark for the rest of the market. 'Home brand' milk sells for considerably less than the branded milk, so it is not surprising that consumers will buy the cheaper brand of milk. No doubt, they will buy



other similar branded items while in the supermarket, benefiting the monopolies even further.

Appearing before the Senate Inquiry, milk processors National Foods and Fonterra would not disclose how much they were paid for supplying milk for

supermarket 'home brands'. National Foods, however, conceded that there was considerable pressure from supermarkets regarding pricing.

In a letter to the farming paper, *The Weekly Times*, the Merchandise Director of Coles denied the company

is responsible for the crisis facing dairy farmers. He blamed the situation on the global economic downturn, resulting in an over-supply of dairy products on world markets, with a resulting fall in Australian farm gate prices. He also painted the multinational milk processors, National Foods, Fonterra and Parmalat as the villains, saying that Coles has to buy milk from these companies because there is no one else with the necessary capacity to supply enough milk to meet customer demand.

There is no doubt that dairy farmers are doing it tough. They are facing drought, low allocations of irrigation water, and high prices for feed and fuel compared to low prices for their milk. Increased levels of stress, marriage breakdowns and suicides are often the result.

Whether it is the monopoly supermarkets or the monopoly milk companies to blame, the fact remains that dairy farmers are at the mercy of the corporate giants.

Who wants privatised Public Hospitals?

By *Jack D.*

"Abbott the Rabbit" has come up with another of his far-right ideological dreamings. Seemingly, he plans to eventually privatise all public hospitals.

Today he is pushing his nonsense of having "local management committees"

to run all public hospitals. This is stage one of his privatisation plans. It will later be followed by the eventual handing over, bit by bit, of these hospitals to privateers, much as was done with Telstra. "Abbot the Rabbit" can no more be believed than could his predecessor (Honest?!) John Howard.

The installing of "The Rabbit's"

local "management boards" to run public hospitals is far from our workers' ideal, where workers and ordinary local people would have the input and decision-making power.

What "the Rabbit" is proposing is more akin to so many local councils, where a group of managers and mis-managers, mostly drawn from local

business and other vested interests, determine what gets done and what doesn't. In the main, they make decisions to favour whatever serves their own vested interests and that of certain favoured mates.

The proof of this is the relatively recent changes in Queensland laws relating to local councils and councillors, where the tightening of building regulations stopped the substandard work so often done by many of these shysters from being approved and passed off as OK.

Queensland had many thousands of examples of local councils doing such things to benefit themselves and their favourite mates. Mind you, it was rife in other states too.

This would become the norm with public hospitals if "the Rabbit" gets his way. Far from serving the interests of the community, the local management would soon be seen to be serving their own vested and ideological interests and the large outside corporations, much as happens with so many local councils across Australia now.

Two questions we must always ask when something is proposed or is done: "Whose interests does it serve?" and "Can this proposal/action lead to a minority interest taking power away from the community to line their own nest?"



Indigenous Australians and supporters march through Melbourne against the Northern Territory 'intervention'

(See also page 12)