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## Farmers being paid more for milk

The NSW Farmers' Association is pleased all dairy processors have now responded to its call for a 20% increase in farmgate prices paid to farmers.

Chair of the NSW Farmers' Association's Dairy Committee Adrian Drury says one of the major processors in NSW, Dairy Farmers, has finally come to the party and announced higher farmgate prices.

"The early announcements by Norco and National Foods really put the pressure on and farmers were looking at all their options," Mr Drury said.

"We are glad processors have recognised the current market conditions and afforded farmers some encouragement for the next year."

"With increases in fodder costs of around 40% in the last year, original price announcements of 5% increases were just not going to cut it. Farmers can only operate at a loss for so long," he said.

"These announcements are just the type of kick start the industry needs and it will start the 2007/08 season in a more positive light."

However, Mr Drury says more recent announcements from Victorian processors demonstrate that there is still room to move in the future.

"Murray Goulburn announced last week a 35% increase in their opening price for the coming season, reflecting the strong international market and restricted domestic supply" Mr Drury concluded.

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***Fast fact: Farmers spend \$3.3 billion on natural resource management***