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A Food Harvest 2020 Plan for Fresh Milk

Recommendations from Teddy
Cashman, Chairman, National
Liquid Milk Committee

- Snow for the Eskimo
- Coal in Newcastle
- Fresh milk in Ireland

ALL TAKEN FOR GRANTED!



Where market forces fail...

- **Australia** - Murray Goulburn liquid milk plants supply supermarkets around Melbourne and other cities. The deal locks in a margin for farmers.
- **New Zealand** - Fonterra must supply Goodman Fielder with 250m litres of milk annually to secure domestic supplies against exports. Govt investigation in high retail price concluded that regulating retail prices would encourage more production for export.
- **UK** – Faced with uncertain supplies, retailers created direct supply contracts, with guarantees to farmers on benchmarked costs.
- **US** – Class I milk for “fluid milk” is priced at premium over milk for fresh products and commodities (Class II, III and IV) due to perishability and need for consistent supplies.

...measures are taken!

Food Harvest 2020 for Fresh Milk

– my proposals:

- **The aim:** to secure €500m worth of local, year-round fresh milk supplies for Irish consumers
- **The means:**
 - Commitment from all stakeholders
 - Official inclusion of Fresh Milk in FH2020 implementation plan
 - Revitalised NMA incl. larger retailers
 - NMA/Teagasc:
 - To assess economic sustainability of producer pricing systems
 - To monitor and flag input cost volatility in real time
 - Follow up stakeholders' meeting in Autumn



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Thank you for your attention!



Securing Fresh Milk Supplies Post 2015



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