



OFFICE OF THE MAYOR
CITY ADMINISTRATIVE CENTRE
PO BOX 42, NOWRA NSW 2541
PHONE: (02) 4429 3111
FAX: (02) 4422 1816

17 December, 1998

TO WHOM IT MAY CONCERN

I write this letter with regard to the review of the New South Wales Dairy Industry and the effect it will have on the Shoalhaven economy.

The quota system in relation to the production of milk, together with a regulated price for market milk, has served both the producers and the consumers well over many years.

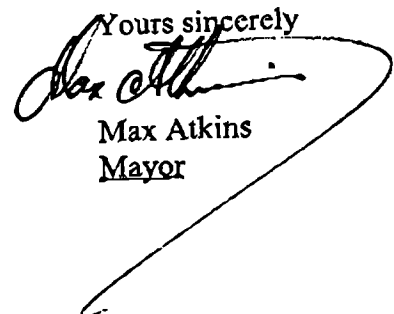
Dairying is a major industry within the Shoalhaven and indications are that deregulation will reduce average farm income by at least \$35,000 per annum – such a reduction would not only have a major impact on the viability of dairy farming within Shoalhaven, but also on the local economy.

Dairy farming has been the backbone of the Shoalhaven economy for over one hundred years and still remains that way today. When an area has been based for so long on an industry, a complete system of supportive businesses and servicing develops. Change that will adversely affect the viability of our local dairy farmers will have far-reaching effects on the economy and employment throughout our community.

The regular income, without significant fluctuation, is also important in that our other significant commercial base is tourism. However, incomes in tourist-related industries are notoriously fickle and hence can have devastating effects on rural areas in times of economic downturn. The regular dairy farm incomes are very important to help iron out these economic fluctuations.

Another indirect but very important aspect of the dairy industry is the fact that a healthy, viable dairy industry helps to provide the rural landscapes that are so important to our tourist image.

Yours sincerely



Max Atkins
Mayor

V