



**Hi Ray,**

I'm pleased to be writing to you in my first communication as Chair of the Fonterra Australia Suppliers' Council (FASC). I would like to thank my FASC colleagues for giving me this opportunity, and I look forward to working collectively with all members on the Council to achieve good outcomes for Fonterra farmers in Victoria and Tasmania.

I also thank Alan Davenport for his leadership as Chair for the last three years, he's left FASC in a strong position to continue strengthening our partnership with Fonterra.

Before going any further, I would like to share a bit about my background and introduce myself.

I am an irrigation dairy farmer in Lockington, northern Victoria. I began dairy farming as an apprentice to my father in 1975 after I left school. Following a downturn in the industry, I found work off farm working for Gippsland & Northern as a booking clerk, before returning in 1979 when the family were milking 80 cows and running 140 cows and calves. From here until 2016, we grew the business and milked 1000 cows over three farms. Today, due to difficulties in finding staff, we are milking 430 cows on one farm with a share farming family. The rest of our land is used for growing grain which is traded.

I have been a member of United Dairyfarmers of Victoria since 1986 and have held various positions across industry groups and government, including time as the Member for Rodney in the Victorian Parliament from 2006 – 2014, and as a member of the Murray Goulburn Co-Op Board. I currently chair the Board of Water Partners and the board of National Herd Development.

Looking ahead, the sign-on season is upon us, and Australian milk price for next season is a regular topic of conversation amongst dairy farmers.

A priority for FASC is to ensure we continue our open dialogue with Fonterra to understand influences and impacts on Australian milk price.

Given the wide gap in price between Australia and the rest of the world, there is some nervousness amongst dairy farmers about opening price. I

watch the world markets closely, and I hope dairy prices continue to strengthen.

Importantly, we are adding a farmer voice to conversations on timings of price announcement, with a seat at the Fonterra table, making sure farmers can plan as best as possible for the new season.

Input costs haven't fallen as much as hoped, and dry spells have impacted crops and homegrown fodder in parts of Tasmania and western Victoria. We have been fortunate in northern Victoria on this front, but I know other regions are dealing with blown out feed budgets. What we do have in common is unpredictable weather and forecasts. Regardless, it will be wise to budget cautiously next season and be ready to adapt.

Looking further ahead, I am focused on the continued growth of FASC's programs; Proud to be a Dairy Farmer and Get to Know Fonterra. Both are integral to building awareness of dairy outside of the farms we work and contribute to the bigger picture – which is the ongoing success of dairy in Australia.

Farm Environment Plans remain a priority for Fonterra, and I, like many, are starting to see the benefits of aligning plans with Fonterra's Farm Source Professional offer to identify areas for greater improvement and profitability. What I would like to see next is broadened data and benchmarks so we can track progress and compare how we stack up against others, and in the future, the rest of the world. FASC will continue our involvement in shaping the delivery of Farm Environment Plans for the season ahead.

There is an opportunity to build a greater share of voice across our supplier network, generating more ideas, insights, and feedback to pass on to Fonterra. Equally, FASC are focused on building our profile across the regions to achieve this.

On that note, it is my ask of you to get to know your regional FASC representative and tell us what is important. I would like to know what we can do more of, and how we can best represent you and your interests coming into the new season.

I will be attending the upcoming Fonterra Supplier Meetings in June. I look forward to meeting many of you at these events in the coming months.

Until then, take care.

Paul Weller  
Chair – Fonterra Australia Suppliers' Council