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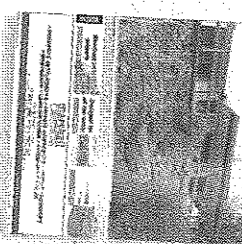
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Thursday

Standard Domain
River holidays

The real estate guide of what's available in the Murraylands

LIFT-OUT



MEDALS ARRIVE
AT NEW HOME

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Awaiting verdict

By Elle Vince

EMPLOYEES at United Dairy Power's Murray Bridge and Jervois factories remain on edge as they await the verdict on their future employment.

After about 18 months of uncertainty, receivers took control of the two UDP sites last week and immediately began to wind down operations.

A UDP employee of more than 20 years said staff numbers at one of the sites had dwindled down to only a handful of people this week as they finished productions.

"We are not 100 per cent sure if we are going to finish up this Friday or continue beyond that ... our casuals have already been terminated," he said.

"We haven't been given a definite cut-off date but there's no certainty that we will be here next week.

"I have started putting resumes around and using the people network and other employees I have spoken to are doing the same.

"We've got a few people that are old enough to retire but the younger ones, who knows what they will do."

UDP managed to sell certain assets of the business to other industry operators last week, but informed staff that the Murray Bridge and Jervois plants were not part of the sale and that trading would cease.

The money from those sales is expected to contribute to employee payouts, but that too remained uncertain.

"We are confident we will receive our redundancies but until the money is in the bank you don't know," the UDP employee said.

"Our redundancies are a priority over other debts."

Member for Hammond Adrian Pederrick said he was doing everything possible to help the sale of the plants and to continue operations which, in turn, would save more than 100 local jobs.

"I am discussing options with potential buyers ... (and) it's far more than talk," he said.

"Where there's life there's hope and I'm willing to do all I can with these potential buyers, either setting up hearings or organising meetings with the (State) Government."

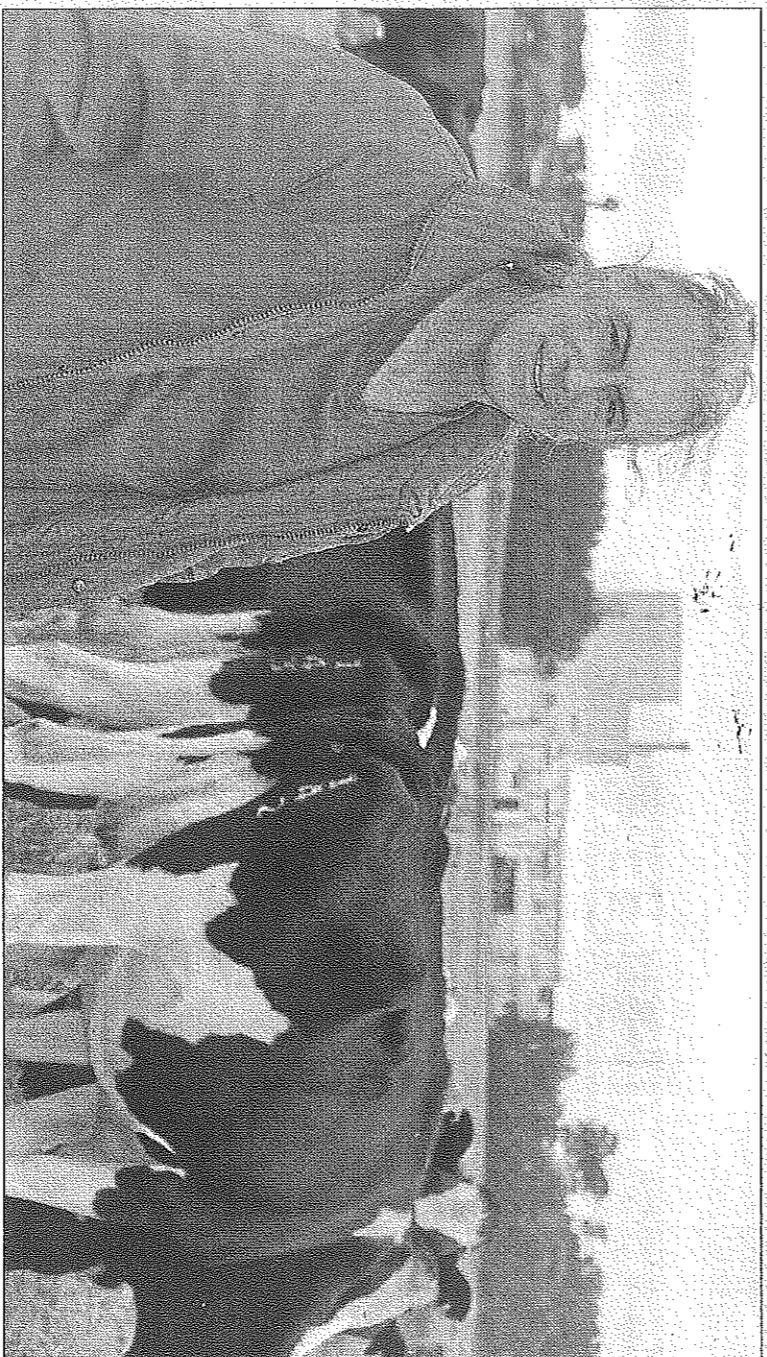
Mr Pederrick mentioned payroll tax and stamp duty exemptions as a way of moving forward, but also recognised that the volume of milk would need to be increased to make it viable.

"I would like to think there is still an opportunity for someone to make strong again and revive the dairy industry here in South Australia," he said.

"I don't think it helped the situation that the plants were only operating at less than 40 per cent capacity, so they obviously needed more milk.

"I would like to think, if the plants do find a buyer, that they will work with the South Australian Dairyfarmers' Association to getting milk back there.

"We've still got a lot of production, even though there's a lot less farmers there's the same amount of cows."



Sigh of relief: Jervois dairy farmer Jo Gazzola stands with his herd of cows on the swamps in front of United Dairy Power.

Dairy farmers given lifeline by processors

By Elle Vince

DAIRY farmers supplying United Dairy Power factories in Murray Bridge and Jervois have found new buyers for their milk after the company moved into receivership on Wednesday.

The dairy industry was thrown into turmoil upon hearing the news last week, with the factories' 36 suppliers given just 48 hours' notice until their final milk pick-up on Friday evening.

The South Australian Dairyfarmers' Association (SADA) was quick to help, organising a meeting in Murray Bridge on Thursday night where a range of suppliers and processors turned out to talk about contracts.

Attending processors included Lion, who said it was contracted to capacity and could not offer short-term relief to dairy farmers; B-d Farm Paris Creek, which offered to take organic milk; Parmalat, which had capacity for 12-13

million litres; and Warrambool Cheese and Butter (WCB), which was open to taking on the entire 40 million litres of milk a year up for grabs.

Jervois dairy farmer Jo Gazzola attended the meeting and said it had given him, and other farmers in the same situation, the opportunity to talk to each of the processors.

"For us, it was a matter of coming back to the table to work out where to take our milk," he said.

"We sat down and did a bit of homework to work out the best option."

Milking about 170 cows, Mr Gazzola was on the hunt for a company that could take on in excess of one million litres of his milk each year.

He said the closure of UDP had come in the middle of a dry period which was a lucky strike for farmers.

"We are lucky this has all happened now when there is a demand for the milk," he said.

"Had this been back a few years ago when no one wanted it we would have been stuffed.

"Knowing that there are other factories wanting the milk takes a lot of the pressure off."

WCB contacted UDP suppliers as soon as it learnt about the company's closure.

SADA president David Basham said he was pleased with how things played out after last week's shock announcement.

"It was made very easy because Warrambool Cheese and Butter were prepared to take on more milk," he said.

"That made the whole thing a lot less stressful for people.

"Warrambool Cheese and Butter took a majority (of dairy farmers) while Parmalat took on a few."

Mr Basham said, as far as he knew, all 36 UDP suppliers had organised an alternate processor for their milk.