

Call out for more farmers to join Fonterra class action



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CLASS ACTION: Mark Billing, Larpent said Fonterra's step down had a detrimental impacts on his business.

There are calls for more dairy farmers affected by Fonterra's May 2016 farmgate milk price step down to join a class action currently underway in the Supreme Court of Victoria.

Information session will be run for farmers who are based in Warrnambool, Camperdown and Shepparton regions and are seeking compensation after Fonterra retrospectively revised the milk prices.

The class action argues Fonterra had revised the milk prices for the season with no notice for farmers.

Affected dairy farmers were forced to effectively return money that Fonterra had already paid them, at great harm to businesses and farming families.

The case, which is currently underway in the Supreme Court of Victoria, alleges that Fonterra engaged in misleading and deceptive conduct, acted unconscionably and breached contracts it had with dairy farmers.

Mark Billing, Larpent said the Fonterra's step down had meant his business had struggled for a number of years since the step down and staff had to take on reduced hours to keep the operation afloat.

"We had just begun calving when word came about the price change," Mr Billing said.

"It had been a tough summer and we'd made quite a large financial commitment to set ourselves up for the season, all based on Fonterra's advertised price.

"We had the rug pulled out from under us and worked out pretty quickly that we were in trouble."

Mr Billing was also Chair of the Fonterra supply forum at the time of the May 2016 step down, a position he no longer holds.

He said it was important more farmers joined the class action.

"Individually, each of us farmers who were affected would struggle to go up against a giant like Fonterra, but there's strength in numbers," Mr Billings said.

"That is why this class action is so important.

"I know that for my family the main thing we're hoping to get out of this process is closure."

Bridget and Tim Goulding, Katunga, had also struggled with the dramatic adjustments for their business and supplier meetings were a "draining process".

"We are already quite a small operation but had to immediately cut cow numbers by 30 head," Mr Goulding said.

"We had to set up payment plans with fodder suppliers, speak to the bank, and take the FASL loan which kept us tied to Fonterra.

"The drop in income coupled with the additional loan debt has made recovery slow."

"It was particularly frustrating dealing with Fonterra field officers that were towing the company line that what they had done was ethical. The supplier meetings were also a hopeless and draining process.

Adley Burstyner solicitors are holding session for those who are seeking compensation and are not part of the action.

Information sessions in Warrnambool and Camperdown will be held on May 16, while an information session also will be held in Shepparton on May 20.

There are no upfront costs for farmers to participate, but they are asked to register for the sessions beforehand at www.fonterraclassaction.com.au.