

# February 2012 Update



**Meeting with The Hon. Sidney Sidebottom** (Parliamentary Secretary for Agriculture, Fisheries and Forestry) ADF President Chris Griffin and CEO Natalie Collard met with The Hon. Sid Sidebottom earlier this month.

Mr Sidebottom has been delegated responsibility for Dairy by Minister Ludwig. Some topics discussed were Milk price, Water, Carbon tax and Animal Health & Welfare issues.

Following from this meeting, Mr Sidebottom will join Mr Griffin and Ms Collard on a farm visit to QLD to view a robotic dairy farm and processing factories also.

**Contact:** Natalie Collard



## Unsustainable Retail Milk Price

Three months after the Senate Committee looking into the unsustainable pricing of milk tabled its final report, the Government responded.

They released their response on a Friday afternoon, the 3<sup>rd</sup> of February, following an ADF media release on 24 January calling for them to. Unfortunately the Government's response was extremely disappointing.

It responded to both the Senate Economics References Committee's 2011 final report of the *Inquiry into the impacts of supermarket price decisions on the dairy industry* and the 2010 report *Milking it for all it's worth – competition and pricing in the Australian dairy industry*. The Government, after two years of inquiries and conclusive evidence of impacts on dairy farmers, yet again avoided taking action.

They hid behind the ACCC, which has time and again proven itself to be ineffective and powerless against the tactics of the major supermarkets. Even Coles' major competitor, Woolworths stated a year ago that the price cut was unsustainable and would lead to farmers being impacted.

Coles' actions have already contributed to the loss of some 30 dairy farmers from the industry in Queensland since January 2011, and more are set to leave with farmers being confronted with lower contract prices and major cuts

to their incomes over recent months. Farmers in Qld and NSW are having to sign contracts at three cents per litre less than last year. For many dairy farmers this means they will become unprofitable.

ADF is calling on the Government to support the dairy industry's recommendation for an enforceable and mandatory Code of Conduct for supermarkets that covers the entire value chain, from farmer to retailer.

The industry also calls for a Supermarket Commissioner or Ombudsman to be established to investigate complaints and strongly enforce the new code.

The price cuts are unsustainable and the plain fact is milk priced at 1992 levels does not bring in enough money to support farmers, processors and retailers in the year 2012. The evidence shows it and Coles knows it.

The Government must take action to balance the unfair and unparalleled market power of the two big supermarkets and provide fairness and transparency along the supply chain.

ADF will continue to keep the pressure up on Coles and the Government and will work with the Parliament and industry to implement its recommendations.

**Contact:** David Losberg



## Developing Dairy Leaders Program

The first residential of the Developing Dairy Leaders Program (DDLDP) took place during the week of Monday 13 February.

Ten future leaders from around Australia took part in the Program. The participants were farmers, processors and also from the dairy education sector. The DDLDP is designed for dairy leaders who wish to further develop their capability and capacity within or towards a state leadership role.

Developed by ADF and Dairy Australia (DA), the DDLDP is the industry's flagship leadership program. The participants worked hard on developing their skills and gaining a greater understanding of how the industry works at a policy and advocacy level.

It was very exciting to see the calibre of people involved in the industry and their commitment and passion for the industry they work and live in.

ADF outcomes are a result of dairy farmer membership to the six state dairy farmer organisations who are ADF's constituent members, being:



The next residential for the DDLP participants is in Canberra, from the 11<sup>th</sup> to the 13<sup>th</sup> of September 2012. The Canberra residential will focus on policy and media development. In between the residentials participants will work on a project to hone the skills they have learnt at the first residential.

On successful completion of the program, participants will have achieved competencies towards an Agribusiness qualification with the National Centre for Dairy Education Australia (NCDEA).

**Contact:** David Losberg



*Australian Dairy Industry Council Inc.*

### ***Australian Dairy Industry Council position on the MDB draft Basin Plan***

The ADIC Basin Response Taskforce has developed the following position in response to the MDB draft Basin plan.

#### ***ADIC draft Basin plan position***

The draft Basin Plan has not effectively balanced environmental needs with those of the community and the economy.

1. SDL set to meet catchment environmental needs.
2. 2015 review to assess SDL in light of environmental works and measures, improved river operations and new knowledge in meeting downstream needs.
3. No further general buyback tenders in the southern system. Buyback limited to strategic purchases linked to community led efficiency projects.
4. More funding to extend \$300 million On-Farm Irrigation Efficiency Program.
5. More funding for modernisation programs in the NSW Murray and Murrumbidgee, and rehabilitation of the Murray Swamps in SA.
6. Environmental objectives to be achieved using:
  - Environmental works for greater water efficiency and improved flows.
  - Improved river operations.

**Contact:** Beverley Wallace

#### ***ADIC Basin Response Taskforce Meetings***

In January and February, ADIC Basin response Taskforce members have held a number of meetings with federal and state government ministers and local government councillors to discuss the dairy industry position on the MDB draft Basin plan.

Meetings have included Senator Barnaby Joyce, Coalition water spokesman, Senator Sarah Hanson-Young, Greens MDB spokesman, Katrina Hodgkinson, NSW Minister for Primary Industries and councils meetings have included; Shepparton, Deniliquin, Berrigan, Loddon, Gannawarra, Moira and Murray.

In early February, Katrina Hodgkinson NSW Minister for Primary Industries spoke at a community roundtable in Finley and later toured Malcolm Holm's dairy farm with other local dairy farmers. Other politicians included Troy Grant, Parliamentary Secretary for Natural Resources, and John Williams, Member for Murray-Darling.

At the meeting Ms Hodgkinson advised the attendees that the NSW Government would not accept the draft Basin Plan. She said community feedback would help form the final position of the NSW Government in its submission to the MDBA on key issues such as whether the water already recovered for the environment can be used without unacceptable third-party impacts, buybacks and infrastructure.

**Contact:** Beverley Wallace

### **Dairy industry representation at water meetings**



In February Daryl Hoey, ADIC Basin Response Taskforce chair attended a number of NFF Water Committee meetings during January and February.

At the meeting there was agreement that the 2750GL water recovery target must be reduced, and that the environmental outcomes should be achieved by investing in environmental works and measures, improved river operations and other smart management options.

**Contact:** Beverley Wallace

### **Young dairy leadership training with a carbon tax focus**

In February, Troy Mauger, Murray Dairy held the NextGen Dairy for the Future in a Changing Environment workshop for 15 young people from across the dairy industry. At the three day workshop the participants were taken through a program of personal, professional and leadership skills development.

The discussion topic was the Federal Government's carbon tax and its likely effects on the dairy industry. Chris Griffin, ADIC chair provided an overview of the structure of the ADF and ADIC and Beverley Wallace ADF policy manager spoke on the dairy industry carbon tax position. Other presentations were from the United Dairyfarmers of Victoria, Department of Climate Change and Energy Efficiency, Department of Primary Industries Victoria.

Four participants will now be selected from the group to travel to Parliament House Canberra to meet with departmental staff and gain an understanding of the workings of parliament.

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The program is funded by the Commonwealth Government's Dept of Agriculture, Fisheries and Forestry and the National Centre for Dairy Education Australia.

**Contact:** Beverley Wallace

### Calf Time off Feed - Industry Standard

*Developments to date:*



October 2011 – The Primary Industries Ministerial Council (PIMC) meeting could not reach agreement on a standard for the maximum time off feed (TOF) for bobby calves during road transport.

December 2011 – A meeting of representative organisations involved in the calf supply chain met and agreed to seek the support of their organisations for implementation of an industry standard for a maximum 30 hours TOF.

The ADF AH&W Advisory Group and the ADF Board have since endorsed a draft Implementation Plan for the national industry maximum TOF standard

The implementation plan is essentially a roll-out commencing on 1 March 2012. There will be areas where infrastructure or existing systems are inadequate to handle an immediate implementation, and this will be an ongoing process. The National Standards for the Land Transport of Livestock were endorsed by PIMC in May 2009. These are still in the process of implementation through State jurisdictions.

**Contact:** Kevin Shiell 0413 800 349

### Cross Industry Alliances – Social license

There have been discussions within NFF and elsewhere about options for improving community trust and understanding of livestock industries.

The NFF involvement resulted from approaches by the livestock export sector following animal welfare issues achieving public prominence in 2011.

ADF and a number of other organisations have expressed a strong preference for these efforts to be more broadly focused on developing community trust and ensuring industries enjoy a social license for well established practices. This could include environment issues, animal health and biosecurity practices, as well as animal welfare.

Consultants are being invited to put forward proposals and the responses will be considered for a joint funding approach to the project.

**Contact:** Kevin Shiell 0413 800 349

### Johnes Disease – International Colloquium

*(prepared by Robin Condron)*

About 300 delegates from 40 countries attended the 11<sup>th</sup> International Colloquium for Paratuberculosis in Sydney in February 2012.

This meeting is held every 2-3 years bringing researchers, veterinarians and representatives of livestock industries and governments from around the world to discuss the latest findings on the control of Johnes disease.

The dairy industry was represented by David Basham, Roma Britnell, Kathryn Davis and Robin Condron. They also participated in the 3<sup>rd</sup> ParaTB Forum (an initiative of International Dairy Federation) which was a separate one-day meeting of government and industry representatives responsible for coordinating and managing national Johnes disease programs.

**Contact:** Robin Condron, Dairy Australia  
(03) 9694 3831



**Australian Government**  
Department of Agriculture,  
Fisheries and Forestry

### Mathew's Review of Australia's preparedness for FMD

In October 2011 DAFF released a report on Australia's preparedness for the threat of FMD. The review was conducted by Ken Mathews in response to a request from DAFF.

The report acknowledges the many strengths of Australia's biosecurity continuum but due to the enormous costs and disruption, an outbreak of FMD would involve, the report recommended action in a number of areas:

1. Australia's national capability to anticipate an FMD outbreak and translate warning intelligence into action.
2. The standard of assurances that exporting countries' Competent Authorities are operating to Australian biosecurity requirements.
3. The possibility of illegal importation of animal products.
4. The effectiveness of swill feeding prohibitions.
5. Australia's capacity to sustain a large scale FMD response.
6. Traceability arrangements in the sheep industry.
7. Policy on FMD vaccination and associated difficulties in preparing for a short –notice vaccination campaign.
8. Preparation for the known challenges of carcass disposal.
9. The possibility that FMD may not be detected readily and speedily.
10. A lack of clarity about responsibility and accountability for national FMD planning processes.
11. Planning for community recovery.

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An industry government working group has been set up to respond to the report's findings.

**Contact:** Kevin Shiell 0413 800 349

### AH&W Meetings that have taken place...

#### **Biosecurity Roundtable**

DAFF will be holding a Biosecurity Roundtable on 14 March 2012 to report on progress on biosecurity reforms, and to seek views on current and future activities. ADF has asked that industry engagement and consultation be discussed.

#### **Industry Forum Meeting**

The AHA Industry Forum will be held on 19 March 2012, with a Members Forum the following day.

**Contact:** Kevin Shiell 0413 800 349



#### **Jock Macmillan appointed to ADHIS Board**

World-renown reproduction specialist Professor Keith

(Jock) Macmillan was been appointed to the board of the Australian Dairy Herd Improvement Scheme (ADHIS) in December 2011. He joins re-appointed directors Mr Stuart Tweddle and Mr Ivan Jones.

The Australian Dairy Farmers board selects ADHIS directors who are appointed on a rotating basis. Adrian Drury, ADHIS chairman, welcomed the three appointments.

"Mr Tweddle and Mr Jones have made valuable contributions in their roles as ADHIS directors. We look forward to their continued involvement," Mr Drury said. "We are also excited about Professor Macmillan's appointment. The board will be able to draw upon his wealth of skills and experience built up over a long career in dairy reproduction and breeding."

Professor Macmillan has had a distinguished career in research and development of dairy cattle reproduction. He is best known for the development of oestrus synchronisation programs such as 'Why wait' and 'Ovsynch', and more recently for his involvement in extended lactation.

"Jock's scientific expertise and his understanding of the practicalities of dairy breeding will be real assets to the ADHIS," Mr Drury said.

For more information please contact Michelle Axford at ADHIS via email [maxford@adhis.com.au](mailto:maxford@adhis.com.au). ADHIS is an initiative of Australian Dairy Farmers', and is partially funded by dairy farmer levies via Dairy Australia.

**Contact:** Michelle Axford 0427 573 330

### **Better genes, More milk**

Genetic improvement has contributed to more than 32 per cent of productivity gains on Australian dairy herds over the past decade.

This is just one of the many insights available in the latest edition of the Australian Dairy Herd Improvement Report released recently by the Australian Dairy Herd Improvement Scheme (ADHIS) and the National Herd Improvement Association of Australia (NHIA).

Almost 30 years of investment in independent genetic evaluation by the Australian dairy industry has resulted in steady improvements in the genetic potential of our cows, and in dairy herd productivity. Every dairy farmer in Australia benefits from it when they use artificial insemination and Australian Breeding Values.

Most of the insights in the report are drawn from data which is collected through herd recording, Some highlights from the latest report based on 2010/11 data include:

- Milk production by Australian cows is 55% higher now than it was in 1990.
- Most dairy cows are bred via artificial insemination (69% of herd recorded Holsteins, 67% of herd-recorded Jerseys and 91% of herd recorded Australian Red Breeds).
- Herd recording is performed on about half (49%) of Australia's dairy farms.
- On average, herd recorded cows produced 32% more milk than non-herd recorded cows (Dairy Australia in Focus 2011 and ADHIS 11).
- Each year, the improvement in genetic merit of Holstein cows is worth an extra 9.15 profit per cow per year (\$11.32 for Jersey and \$7.92 for Red Breeds).

The Herd Improvement Report gives us an annual insight into dairy genetics and enables us to track these benefits over time.

**Contact:** Michelle Axford 0427 573 330



#### **Udderly Fantastic Update**

Are you a member of Udderly Fantastic? If not, then jump on board and enjoy the fun.

With close to 1,000 members, you too can get involved in the "facebook" of our dairy industry by uploading videos and photos or even your own blog.

There is an array of information with over 100 videos, over 200 blog posts and plenty of different discussions taking place daily. Udderly Fantastic is secure website and a great way to share your stories, photos and discuss the many different issues currently facing the dairy industry.

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Hopefully we will meet you on Udderly Fantastic very soon!

[www.udderlyfantastic.com.au](http://www.udderlyfantastic.com.au)

**Contact:** Natalie Collard, Sarah Chahine

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