



THE SOUTH AUSTRALIAN DAIRY FARMERS'

# JOURNAL

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## DAIRY INDUSTRY REVIEW WHITE PAPER

### KEY PROPOSALS

#### FARMGATE PRICING

- That market milk be defined as milk used for fresh whole milk, reduced fat milk, low fat milk, skim milk, ultra filtered milk, and modified milk.
- That milk for fresh flavoured milk, and UHT white and UHT flavoured milk be paid for at 67 per cent of the farm gate price for market milk.
- That there be an indicator farm gate price set by the Minister on advice from the new Authority, that has due regard for the Victorian price.
- That from 1st July 1993 the wholesale price is increased by one cent a litre followed by a similar increase on 1st January 1994. This money to be used to raise the negotiated farm gate prices in all districts to the same

level as the current Metropolitan Milk Supply Area. The returns to be administered through the industry administered equalisation arrangements.

- That a provision be included in new legislation, that prevents milk paid for at manufacture rates, being traded interstate as market milk.
- That there is a sunset clause on farm gate price controls of 1st January 1998.

#### PROCESSOR, WHOLESALE AND RETAIL PRICES

- That the processor and wholesale price controls remain in place until 1 January, 1995.
- That all pricing controls post farm gate are removed by 1 January 1995.
- That the administratively set retail price be removed

from 1 January 1993 and recommended retail prices be set until 1 January 1995.

- That the Dairy Authority recommend these prices to the Minister of Agriculture.

#### QUALITY/SAFETY

- That the responsibility for dairy product quality be with the processors.
- That integrated food qua-

#### *in this issue -*

- REPORT: NEW ZEALAND STUDY TOUR
- ENVIRONMENT: BOTTLES OR CARTONS?
- PROFILE: RUST MITE
- EMPLOYMENT: TRAVEL OVERSEAS?

lity/safety control programmes be developed that utilise codes of practice and QA programmes for all stages of dairy product handling.

- That processors have trained/approved/certificated staff who oversee farm to factory quality/safety control.
- That all factories be required to implement approved QA programmes to be overseen by either the Dairy Authority or appropriate Government agency.
- That product safety post processor continue to be under the control of the South Australian Health Commission and/or local government, or the appropriate agency.
- That a strategic product monitoring programme be implemented at the retail level by the South Australian Health Commission, local government or other appropriate agency.
- That dairyfarmers contribute through the licence fee for the salary of one dairy hygiene specialist to be employed by SADA.
- That the Minister of Agriculture have overall responsibility for dairy product quality at farm and processor levels.

## **UNPASTEURISED MILK**

- That unpasteurised milk be available to the public providing it meets the appropriate quality and safety standards and is in an approved package with an approved label detailing health risks.
- That the provision be

reviewed after three years.

- That there be specific licences issued by the Authority for farms and factories supplying unpasteurised milk.
- That specific codes of practice be implemented for farms and processors.
- That there be severe penalties for anyone selling unpasteurised milk unless they are licensed according to the new Act.
- That codes of practice be audited on contract to an approved body at cost to the unpasteurised milk suppliers.

## **ADMINISTRATION**

- That a Dairy Authority be formed with a Board of three part time members, who shall have no direct commercial interest in the dairy industry.
- That the Board be appointed by and be responsible to the Minister of Agriculture.
- That funding for the Authority be from a licence fee on processors on a per litre of milk received basis.
- That the need for the Authority be reviewed in three years.
- That the Authority recommend to the Minister of Agriculture a:
  - farm gate price;
  - processor margin;
  - distribution margin; and
  - recommended retail price.
- That the Authority liaise with the SA Health Commission on issues such

as labelling, product safety, milk vendors and retail stores.

## **HERD TESTING EQUIPMENT**

- That herd testing equipment used by the MMB be transferred to Herd Improvement Services Co-operative Ltd (HISCOL), the Co-operative carrying out herd testing in South Australia.

## **DAIRYFARM LICENCES**

- That the Authority determine licence fees and licence the following:-
  - dairyfarmers;
  - factories;
  - milk vendors; and
  - raw milk producers.
- It would be appropriate to combine licences wherever possible and for a dairyfarm to amalgamate licence requirements for:-
  - refrigerants;
  - effluent disposal; and
  - dairy farm.
- Collection of the dairyfarm licence fees could be contracted to the South Australian Dairyfarmers' Association and milk vendor licences to the Milk Vendors Association.
- The licence fee needs to cover administration costs for:
  - The Authority;
  - The Authority Board;
  - Contract costs for licence collection;
  - Salary for specialist hygiene officer who would be employed by the SADA;
  - Contracts for cost of production surveys by SADA; and
  - Costs of milk testing cows herd recorded by HISCOL.



## EQUALISATION

- That equalisation remain an industry matter and be administered by the industry.
- That the Minister of Agriculture be given emergency powers to ensure all dairyfarmers share equally in any market milk premium in the event of a breakdown of

the industry implemented scheme.

- The intent of the legislation to preserve an equalisation scheme, should be to continue the principles applying at the point of breakdown.
- That this legislation be implemented by the Authority or appropriate

Government agency as directed by the Minister of Agriculture.

- Milk to be identified as milk for equalisation purposes should not include milk for flavoured milk, unless there is complete industry agreement.

## THE FIRST FIVE MONTHS AS EXECUTIVE OFFICER!!

### Beyond the Black Stump



*SADA would like, again, to thank the sponsors of our 9th Annual Conference. Their generosity is most appreciated.*

- ADFP - DAIRY INDUSTRY FUND
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# PRESIDENT'S COMMUNIQUE



## **WHITE PAPER - OUR FUTURE**

*The future of our industry is hanging precariously on how well we can manage the impending culture change of deregulation as a result of the new legislation.*

*I have been prepared to work through 2 Green Papers and 2 White Papers knowing there has been a conscious philosophical tendency towards deregulation. However I believe the deregulation philosophy is so strong in the White Paper and ingrained in government thinking generally that I feel we have been treated poorly in a number of areas. Nevertheless the wholesale price increases to facilitate Statewide equity are a real win - the step to a State-wide equity Scheme for dairy farmers.*

*I believe that we will win on three key areas, where support legislation is imperative.*

*1. Setting of Farm Gate Price for Market Milk with necessary discipline to ensure the same price is paid irrespective of the source of the milk or its destiny (ie Section 38 for interstate trade) - the concept of an indicator price is not acceptable.*

*2. Support legislation to*

*facilitate equitable sharing of market milk premiums from day one of the new legislation, including audit functions, to ensure that the regulated farm gate price is paid for all Market Milk.*

*3. A funding facility through the Authority on behalf of industry in order to carry out specific functions previously carried out by Government and to support promotion and growth of our industry in South Australia - in particular Generic Promotion of Market Milk.*

*To help your understanding of the White Paper released on July 30th, please refer to the summary of the proposals included in the White Paper, reprinted in this Journal. You will note that the roles of a new State-wide Authority are not clearly defined and the Paper repeatedly refers to an alternative "appropriate Government agency." We are meeting with Minister Lynn Arnold to seek clarification on the latter issues and others such as*

*\* Farm Gate Price Sunset Clause*

*\* Review of Authority in 3*

*years*

*\* Licence Fee Collection*

*\* Quality on farm responsibility*

*\* Herd testing equipment*

*Following our discussions with the Minister we will communicate these implications with all members at Regional Meetings.*

\*\*\*\*\*

*Notwithstanding the critical importance of these key issues and the necessity to wait for clarification by the Minister, I believe all members must accept the level of deregulation and develop a visionary and positive approach as to how we can best manage our industry.*

*My personal belief is there are two principle options that can be developed to assist this cultural change to self management of our industry.*

*Firstly -: The development of a "Dairy Industry Policy Council" with representation from key industry participants i.e. farmers, processors, Authority etc. This Policy Council could coordinate and predetermine necessary ethics, standards, codes of practice, promotion, education etc to ensure the highest possible standards are maintained.*

*Secondly -: The establish-*

ment of a 'Dairy Industry House' to ensure rationalisation of industry functions, but more importantly to rationalise and facilitate Dairy Industry promotion including the function of providing an information base for the benefit of the general public and specific consumer enquiries. The value of consumer satisfaction and the subsequent consumer dollar particularly for market milk in the Adelaide market must not be underrated.

In concluding my comments on the White Paper at this point in time I wish to point out to Members the important role of SADA in the process of legislative change.

The view and role of this Association is unique compared with that of all other sectoral groups that have made contributions during the review process or written or communicated with the Minister or his staff.

Unique - in the sense that it not only represents the views of all dairy farmers but has needed also to focus on.....

- \* long term industry rationalisation
- \* maintenance of a viable industry size
- \* retention of total premium markets
- \* development of a State-wide Equity Scheme
- \* and most importantly  
**WORK TO ACHIEVE  
NATIONAL DISCIPLINES  
CONSISTENT WITH THE**

## BALLARAT AGREEMENT

The interests of a processor wanting to increase market share, a processor wanting to retain market milk premiums within the company or a group of farmers wanting to be better off, are all facts of life that have made the review process difficult.

However SADA remains committed to achieve, the best bet option!

\*\*\*\*\*

## NATIONAL PLANNING

On a national basis similar efforts are being made to preserve the long term viability of our industry. Following the introduction of the new Federal Legislation by Simon Crean on July 1st 1992, the national industry participants through the Australian Dairy Industry Council have maintained the industry commitment to develop a Strategic Plan.

On Sunday 2nd and Monday 3rd August, Adrian Scott, Roger Basham and I attended a Strategic Planning Workshop capably organised by the staff of ADIC and facilitated by John Doyle, Vice President of Strategy Business, from Kraft Foods Ltd, Melbourne.

Priority recommendations from this Workshop were discussed at the following meetings of ADFP (farmers), ADPF (producers), and ADIC (total industry).

As a result priority action

plans were developed by the peak industry body ADIC.

The following is a brief summary of the 6 main priorities identified and the action intended.

### 1. Dairy Industry Performance Benchmarking

\* To investigate dairy industry performance benchmarking at the farm, manufacturing and infrastructure level, prior to undertaking detailed studies. (ie data quality and costing)

### 2. Asian Dairy Market Evaluation

\* The ADIC to request the ADC to utilise their existing knowledge, and data, to prepare a desk research profile of the various Asian market opportunities.

### 3. Dairy Industry Infrastructure Arrangements (Evolution of the "Crean" Plan)

\* To review industry infrastructure, state focus issues, co-operative laws, and alternative industry arrangements for market milk.

### 4. Dairy Industry Promotion Evaluation

\* Evaluate strategies, action plans and funding to facilitate an industry promotion program (including a "clean green" focus). The evaluation to include an audit of how "clean green" the industry is, and an analysis to identify the markets where "clean green" is a

marketing advantage.

#### 5. ANZCERTA - Harmonisation of Trans-Tasman Laws

\* To continue consultations and negotiations to ensure equitable treatment in the new ANZCERTA and commercial law arrangements to apply to trade in dairy products between Australia and New Zealand.

#### 6. Trade Negotiations and Export Market Access

\* To improve the Australian dairy industry policy negotiating position with the government (and the Department of Foreign Affairs and Trade) in respect of the GATT-MTN Uruguay Round, bilateral negotiation opportunities and priorities, international dairy product market access barriers requiring priority attention

#### **FUTURE PAYMENTS**

I have been approached by numerous farmers requesting estimates of final prices for financial year 1992-1993. The budget process is a valuable tool to be studiously used by all farmers. The opening prices offered by our two major companies for July were disappointing (\$1.85 fat and \$3.75 protein) and SADA subsequently did not approve the offered price for equalisation purposes. However, because the processors agreed, there was no need for SADA to arbitrate. Since that time Farmers Union have offered a

higher price for the month of August at \$1.90 per kg fat and \$4.00 per kg protein and SADA will be accepting this price for levy purposes.

Farmers Union are to be congratulated on their move to increase their July price. However I believe with current market trends and particularly demand for cheese on the export market, South Australia will see further increases from both of these companies and also Kraft.

As to making predictions for budget purposes I believe farmers could budget on final returns for 1992/1993 being 12%-15% higher than last year's final commitment.

A number of farmers have expressed concern regarding the Dairy Vale price, particularly in the South East. It is important to understand the psychology of traditional Dairy Vale payments (not that I agree). In the past Dairy Vale have not borrowed money to meet payments based on future sales, as a result we have seen predictable cycles of payment trends.

The last time we saw the same potential export trends evident as they are today Dairy Vale opened at around \$4.00 per kg fat but ended up with a total pay out of around \$5.00 per kg fat. However Dairy Vale must realise that most farmers are paying interest on borrowed funds. It may be in farmers' interests to suggest

that Dairy Vale use their larger scale negotiating power to borrow, instead of the farmers themselves.

#### **NEW APPOINTMENTS**

Talking of Dairy Vale, I wish to congratulate Chris Wood on his appointment.

Best of luck Chris, on entering a challenging industry and we look forward to working with you.

SADA will be conveying our thanks to Robin Steed for his contribution to our industry when he retires.

Hans van Dyk is making an excellent contribution in his new role as Chairman of the Research and Extension Association for Dairy- ing Development (READD).

Please support Hans, the READD organising committee, Flaxley staff and ETSA at the first official READD function "Energy Efficiency in the Dairy."

With milk storage being a problem for all of us, particularly this year, the Seminar and Field Day should be well worth attending.

**ALLAN MANNING**  
General President

# Dairy Good Cheese Trolley for New TAFE

The new Tea Tree Gully College of TAFE restaurant, run by trainee chefs and waiting staff, is the proud owner of a new cheese trolley, kindly donated by the Australian Dairy Corporation.

As pictured right, ADC's Regional Manager - SA/WA/NT, Bob Snewin, presented the trolley to the College's Head of Cookery Studies, Christopher Wright. SADA Executive Officer, Adrian Scott, was wondering "Where's the Cheese?"

Seriously, ADC are no strangers to supporting TAFE Colleges, believing the dairy industry will benefit in the end.

In the case of a cheese trolley for example:

- The proviso of 100% Australian product use on the trolley is the first plus.
- The chefs and waiters get used to handling Australian dairy products as well as a cheese trolley.
- It is hoped that when the trainees graduate they will continue to use Australian dairy products.
- The patrons of the restaurant get to taste (and enjoy!) Australian dairy



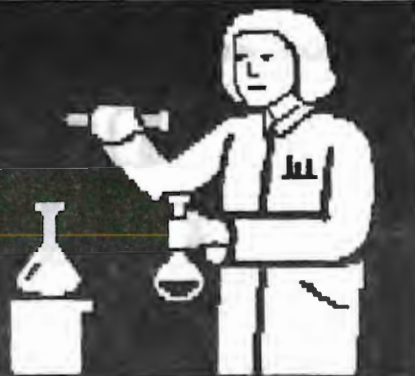
products.

So you see, as well as better educated Australians, ADC have also created another environment for Australian dairy product promotion!

SMP



# TOMORROW'S DAIRY RESEARCHERS (TODAY)



Each year the Dairy Research and Development Corporation (DRDC) funds about 25 students to improve their research skills.

Corporation Managing Director, Dr Paul Donnelly, says students are an important investment in the industry's future.

"Most of these young students will make a career out of dairy research, and go on to make a valuable contribution to the industry," he says.

"Certainly this has been the case for many previous scholarship holders."

In this article, we highlight some of the Corporation's current students, beginning with a 'local' girl.

## JUDITH WOOD

Post-graduate student at the University of Adelaide, Judith Wood, is looking at the effect of urban expansion on South Australian dairy farms.

Many of you will remember our previous articles in the Journal, which introduced Judith and explained her study and some of you have been involved in her survey.

By surveying 345 dairy farmers, Judith aims to identify changes in the number and location of South Australian dairy farmers.

The survey should reveal:

- effects of urban expansion on the dairy industry
- use of extension facilities
- the extent to which farmers pursue sustainable farm management practices.

Judith's training in agriculture, economics, geography and environmental studies will enable her to make a valuable contribution to the Australian dairy industry.

*Unfortunately for us South Aussies, Judith has been stolen away by a New South Welshman. Although he's only a wool grower, we wish her all the best for the future!*

## CAMERON GOURLEY

Soil scientist Cameron Gourley received DRDC funds to spend three years at the University of Minnesota, USA studying for his PhD. His work focused on use of soil phosphorus by legumes. Cameron assessed the ability of different cultivars of white clover, subterranean clover and lucerne to use soil phosphorus.

Now back in Australia, Cameron will use his skills to undertake dairy research at the Victorian Department of Food and Agriculture, Ellinbank.

Cameron is keen to extend his work to look at soil-plant interactions and how they affect dairy pasture production.

"I believe we need to look at the whole dairying system to achieve the best results from our pastures," says Cameron.

"For example, when making fertiliser decisions, farmers need to consider both chemical and biological processes."

That means looking at:

- the amount of nutrients removed from the soil in terms of milk, hay and silage
- soil nutrient levels (available through soil tests)
- nutrients that are 'trapped' in the soil and unavailable for plant growth
- nutrients lost through leaching
- nutrients available through recycling
- environmental issues.

Cameron is also interested in finding ways to fill the summer feed gap.

"If managed properly, there may be a greater role for forage legumes such as lupins, red clover and lucerne because they are deep rooting and grow

actively during the summer dry period.

“The key to getting acceptable persistence and yields from these legumes is to manage them for the plants needs.”

Cameron believes his experience in the US will give him valuable insight into ways to improve Australian dairy farm management.

“Even though the Australian dairying system is quite different to practices in the US, there are some useful principles which could be applied to Australian conditions,” says Cameron.

Australian dairy farmers will soon benefit from the Corporation’s investment in Cameron’s studies.

## GREG REASON

Queenslander, Greg Reason, has worked in the dairy industry for more than 20 years. Currently on study leave from the Department of Primary Industries, Greg is studying for his PhD at Griffith University, Brisbane.

Greg is working on the impact of nitrogen fertiliser (urea) on dairy farms profitability.

His research will look at how urea affects soil fertility, pasture productivity, milk production, cow fertility and farm economics.

Dairy farmers in Queensland and northern New South Wales will benefit from Greg’s work which will provide practical recommendations about how to use urea to get the best results.



## MICHELLE HYDE

By identifying the specific cause of milk fever, University of Sydney student, Michelle Hyde, hopes to develop strategies to prevent milk fever, Michelle works with the University dairy herd and with local dairy farmers.

In particular, Michelle wants to find out how vitamin D is involved in milk fever development. Milk fever is caused by low levels of available calcium. Vitamin D affects calcium availability because it controls absorption of calcium through the gut.

“I hope my work will result in direct economic benefits to dairy farmers,” says Michelle.

## ROBERT PASSEY

Robert Passey, a PhD student at the University of New South Wales, is using the latest techniques in biotechnology and genetics to improve the protein composition of cow’s milk.

Robert’s work involves identifying the genes which produce milk proteins (caseins) and determining how protein production is regulated.

In the long term, Australian dairy farmers will benefit from Robert’s work which should lead to the development of cows that are genetically superior for protein production.

## PATRICIA ANDERSON

Economist, Patrica Anderson, is studying Japanese import

restrictions and how their removal would affect the Australian dairy industry.

Based at the University of Queensland, Patrica is part of a team of economists investigating Japanese agricultural policies. They are particularly interested in how changes in policy could offer improved export opportunities for Australian dairy products. Their work is enhanced by cooperating with Japanese academics at Nikon University.

Since Japan is the second largest export market for Australian dairy products, Patricia’s work is potentially very valuable to the industry. Small improvements in Australia’s share of Japanese dairy imports are worth millions of dollars to the Australian dairy industry.

## DAVID EVERETT

Victorian food scientist, David Everett, is spending three years at the University of Wisconsin, USA to complete his PhD.

David is studying milk fats and how they affect Cheddar cheese texture. This work has particular relevance to low fat cheese because fat has a major effect on cheese flavour and texture.

The research may also reveal new uses for milk fats as food ingredients.

Previously a researcher at CSIRO’s Dairy Research Laboratory, Victoria, David plans to continue dairy research when he returns to Australia.

For more information about DRDC training support, phone Bev Binks (03) 899 0577.



# **PACKAGING ALTERNATIVES FOR MILK**

or

## **"A STORM IN A MILK BOTTLE"**



The Association of Liquidpaperboard Carton Manufacturers Incorporated (ALC) commissioned the Centre for Resource and Environmental Studies of the Australian National University to study packaging alternatives for liquid-food products.

Using a 'cradle-to-grave' approach, the Study compares the environmental impacts arising from the packaging of liquid-food products in various containers.

Containers reviewed are gable-top paperboard cartons, paperboard brik systems, high density polyethylene bottles, and both refillable and single use glass bottles.

There is ongoing debate over the environmental or consumer health 'merit' of the different containers, a debate which has generated

significant media attention, and has included the publication of research findings, and the use of this and other material by sections of the packaging industry, both in promotional advertising and in defence.

Often this material claims that a particular container system is more favourable, in some overall environmental sense, than the alternatives.

According to the ALC's report it would appear that such claims cannot be substantiated on the basis of the information reviewed.

The study did reveal that the total environmental and health impact of liquid-food packaging is a complex affair, which is to be expected, given that the containers examined are in fact mixtures of different materials, processes, products and services, and is an issue which should not be reduced to simple claims.

The study concludes that, on the basis of the available comparative data, it is of questionable validity and in fact misleading to attempt to, or claim to be able to, rank the container systems according to their overall environmental impact.

Thus the study further concludes that the debate over the environmental merits of the different container systems may well be counter-productive, diverting attention from more effective areas of potential reform. It is indeed "A storm in a milk bottle".

A copy of the full report is available for your perusal at the SADA office if you would like to know more.

A recycling leaflet for cartons is included in this Journal, with addresses of recycling depots.

# ACCIDENTS DO HAPPEN!

## PICTURE THIS:



A dairyfarmer is driving his tractor which is towing his traytop utility. The utility is attached by a metal "A frame" to the tractor and attached to the drawbar of the utility is a superspreader. Both the superspreader and the tractor are unregistered.

The farmer stops and switches on the tractor's headlights as well as the parking and tail lights of the traytop.

Before continuing he walks to a point about 10

metres behind the superspreader to ensure that the traytop's tail lights are visible.

The farmer continues on his way and he negotiates a bend at approximately 25 kilometres per hour. He becomes aware of a car following as well as another vehicle approaching head-on, both with their lights on.

Suddenly there is a very heavy impact at the rear of his vehicle. The car following him has run into his vehicle and then careers onto the wrong side of the road colliding head-on with the approaching vehicle.

It is not uncommon for a dairy farmer to be on the road and meet similar circumstances.

In fact, a real accident, not unlike this example, has recently occurred and SADA recommends that its members should speak with their local Area Manager of Federation Insurance to make sure they have the protection of a Federation Insurance Public Liability Policy.

If you are ever involved in a similar accident without the protection of a Federation Policy, the results could be disastrous!

■ *Ring Federation on (08) 272 5100 and ask for an Area Manager to call.*

## footrot organism detected

It typically takes two to three weeks to confirm a case of footrot through culturing tissue samples in a laboratory. Now a quicker, surer diagnostic test for footrot is being developed by Sharon La Fontaine and Julian Rood, Microbiologists at Monash

University in Victoria.

The test is based on the fact that every organism has a distinctive DNA sequence - a genetic fingerprint, if you will.

The scientists make a copy of the footrot bacteria's DNA sequence and then amplify it to a detectable level using a recently developed technology called the polymerase chain reaction.

They use the copied sequences to search the DNA isolated from a sample of cells suspected of carrying the footrot

bacteria. The copied sequences pair up with any matching sequences, making positive identification possible.

One of several potential benefits of the test is that it could detect animals that are carrying the footrot microbe, but show no signs of infection.

*from a report in "The Furrow"*



# ABVs - AUGUST RELEASE

The Australian Dairy Herd Improvement Scheme will this year publish Production and Type ABV's in a single ABV Booklet.

Bulls meeting age and reliability criteria will be published in the ABV Book to be available around early August for \$30.00. Orders are now being taken.

In addition, breed lists based on the overall Top 2000 ABV cows will be available for \$25.00 for each breed;

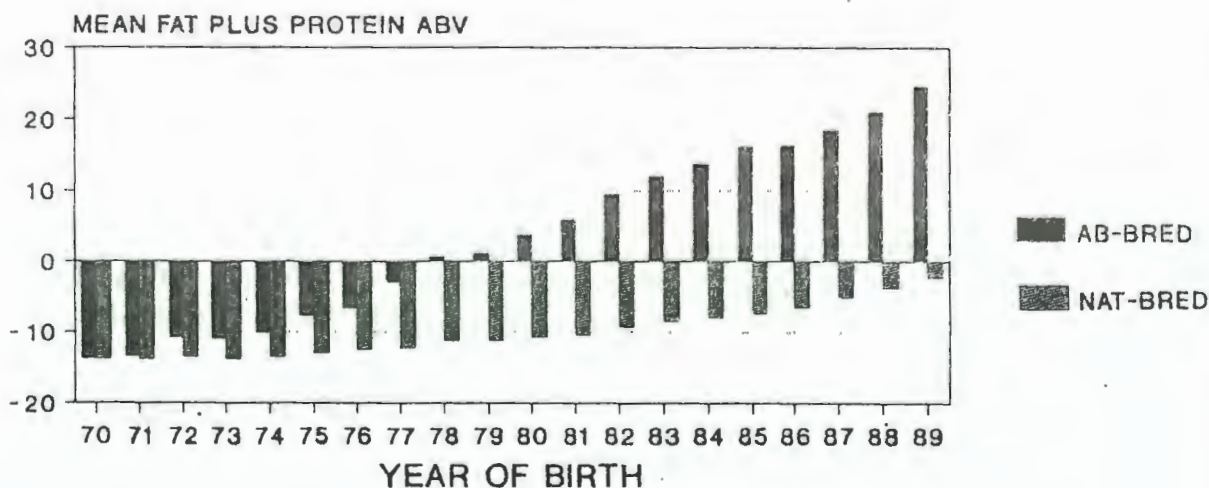
Friesian, Jersey, and Red Breeds, and \$12.00 for each of the other breeds.

To order ABV Booklets please write to

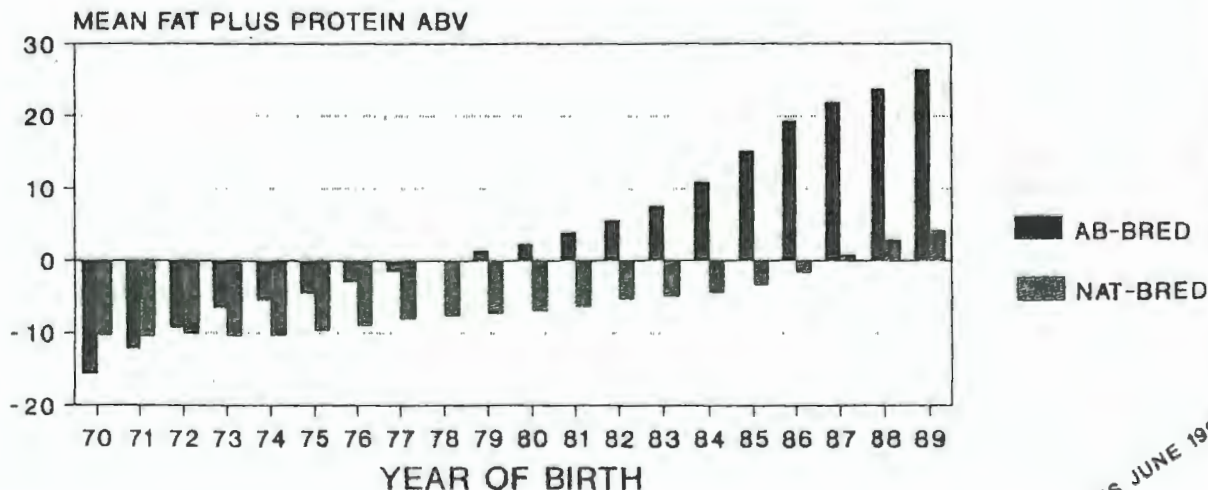
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enclosing a cheque for \$30.00 which includes postage.

## GENETIC TREND OF AUSTRALIAN DAIRY COWS AB-BRED JERSEY -V- NAT BRED JERSEY



## GENETIC TREND OF AUSTRALIAN DAIRY COWS AB-BRED FRIESIAN -V- NAT BRED FRIESIAN



ADHIS JUNE 1992

# ALFA-LAVAL

**NEW**

## Harmony Milking Unit

*Reduce Milking Workload by 40%*

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Minimal cup slip  
No teat throttling at end of milking with the soft lipped mouth  
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1.2 kg lighter than other clusters  
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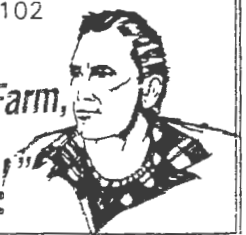
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Kents Rural Store  
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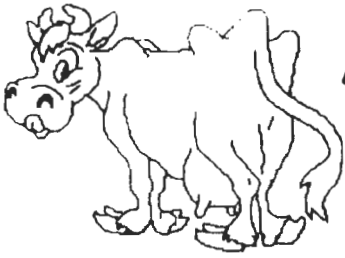
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**"On the Farm,  
where it  
counts!"**





## When You're on a Good Thing....

### CAMDAIRY is

a well-proven computer program which predicts milk production from the current feeding system, identifies the nutrients which are limiting production, calculates rations which maximise profits and generates load sheets for feed mixing.

CAMDAIRY takes account of the major factors which determine profit, such as the availability and nutrient content of pastures and other feeds, feed costs, milk prices and types and numbers of cows.

Due to a greater response than was expected, we have arranged with the University of Sydney to continue to supply the program. We have also arranged for the Department of

Agriculture Dairy Advisors to give software support.

By using group buying power, SADA is able to make this software available to its members for the incredibly discounted price of \$540.00 (recommended retail is \$2,000). As our members already contribute to the Association's administration costs through their annual subscriptions, the cost to non-members to cover this service is \$640.00.



Please phone the SADA office for your order form on (08) 231 3752.

### WORK WANTED

"DAIRY MANAGER" - Dairy & Cropping - Any Dairy Work - Fully Experienced - Southern Hills or South Coast area preferred.

☎ Reagan Moon (085) 545 312

## MINISTER APPOINTS NEW ADC CHAIRPERSON

*Congratulations to Mr. Ken Baxter who has been appointed Chairperson of the ADC for the next three years.*

The Minister for Primary Industries and Energy, Simon Crean, recently announced the appoint-

ment of Mr. Baxter, who takes over from Mr. John Frearson whose term expired on 15 August 1992.

Mr. Baxter was Chairperson of the Dairy Research and Development Corporation and its predecessor the Dairy Research Council and has held senior positions in



both the public and private sectors.

He is well qualified to take over leadership of the ADC, and we wish him well in his new position.

## ° USE OF COMPUTER MODELS IN DAIRYING °

After attending a seminar on dairy computer models at the Victorian Institute of Animal Science at Attwood on behalf of SADA and READD, I am more convinced than ever that dairy farmers will use computer models to assess the viability of management decisions in the future. Simulation technology allows us to model real life farm situations. By modelling known production relationships, we can try a range of alternative strategies. The results of each option can then be evaluated immediately, without having to physically go through a trial and error approach which may carry your mistake on for future seasons.

The models discussed were Grazfeed, Camdairy and Udder. Each program although similar will have different levels of use for farmers.

**GRAZFEED** has been developed by Dr Mike Freer at CSIRO in Canberra and provides the user with an estimate of animal production obtainable from pasture and shows the extent to which production can be improved through supplementation with concentrates and roughage. It analyses the nutritional adequacy of a particular grazing regime by recognizing the complex interactions of crucial factors that affect animal production, i.e.

- \* **Pasture (quantity and quality)**
- \* **Supplement (concentrate or roughage)**
- \* **Breed of animal**
- \* **Animal class (age, pregnancy, stage of lactation)**

The program will determine the level of milk production from available pasture, the effect and cost of vari-

ous supplements at several feeding levels or the amount of supplement needed to achieve a desired level of production. The program also provides expert comments on the resulting estimates. These are designed to pinpoint the main factors that are limiting production. Grazfeed calculates production or its limitations on both the protein and energy values of the feed and is able to inform the user of shortages in RDP, UDP and MF. The main advantages of this program are that it is relatively cheap at \$375.00 it is very user friendly and it is being developed as part of a larger system called Grazgro. The Grazgro module allows the user to predict pasture availability at any time during a season using stored information on temperature and rainfall patterns from 800 locations for the last 20 years and is basically a feed planning system.

**CAMDairy** was written by Dr Roy Kellaway of the Sydney University. The aims of Camdairy are to predict performance, to maximize profits and to identify limiting nutrients. The program calculates its results from pasture availability, harvested crops and imported feeds (grain, etc). The program is far more comprehensive than Grazfeed because it is able to calculate shortages in minerals, it will allow you to enter up to 3 different cow groups in the herd instead of averaging all cows and it gives opportunity prices for feeds i.e. the maximum price you should pay for a particular feed source. The program also puts a monetary value on your pasture and this allows you to assess the relative value of pasture over supplements. Camdairy reports on the predicted milk production obtainable from a

particular feed combination, its cost and the nett return per cow/day. The program analyses all feeds and informs the user which nutrients and minerals in the feed are limiting production and it will give a least cost ration from available feed sources. The price of the program is \$2,000.00 but SADA has negotiated a price of \$540.00 for 8 or more users. The program has its main use on dairy farms where a lot of feed is milled and the farmer is able to make full use of different grains and minerals. Just remember that the more refined a program becomes the more data has to be entered. To make full use of programs like this you should test all available feed sources on a regular basis.

**UDDER** was developed by Dr Michael Larcombe at Maffra in Victoria over a 7 year period and has been used as a consulting tool for the last 3 years. It is a computer simulation model of a dairy farm. You must supply a description of your farm and its management. Udder requires input in relation to farm size, pasture growth, stocking rate, calving pattern, drying off pattern, management and milk prices. This means that each of these factors can be modified for different simulations, when testing the effects of a change in management on profitability. To estimate the likely milk production of a herd, Udder predicts the accumulation and quality of pasture on the farm, the consumption of pasture by the cows, the partitioning of energy within the cow towards maintenance, growth, pregnancy, milk production and body condition. Udder's predictions are based on pasture growth rates and digestibility and a description of your

farm's management. It can answer questions like how much profit will I make if....

- \* I increase stocking rate?
- \* I increase stocking rate and reduce fodder conservation?
- \* I apply nitrogen fertilisers on a monthly basis?
- \* I increase supplementary feeding?
- \* I change calving or drying off pattern?

- \* I shorten my grazing rotations?
- \* I agist my young stock off farm?
- \* Milk prices increase and I feed concentrates?

As you can see Udder is quite extensive but it also means lots of accurate input figures. The program has only been tested in the Maffra district in Victoria and in New Zealand and its accuracy under South Australian conditions will have to be

assessed before I will give it my full support but it looks quite impressive. The program consists of a farmer/core module, an adviser module and an optimisation module each priced at \$650.00. Farmers would only need the farmer/core module and some training to make full use of it. For any further information you can contact me on - (085) 723313

**Hans van Dyk,**  
Chairman READD.



## PHONEY HEALTH FOOD FOUND OUT!

Meadow Lea Foods Ltd is distributing a cheese substitute product under the name Gold'n Canola Mild. The product was launched a month ago in Queensland and comes in 250g and 500g block and 375g shredded varieties. Gold'n Canola's packaging quite clearly states that it is "Cholesterol Free" and contains only 3%

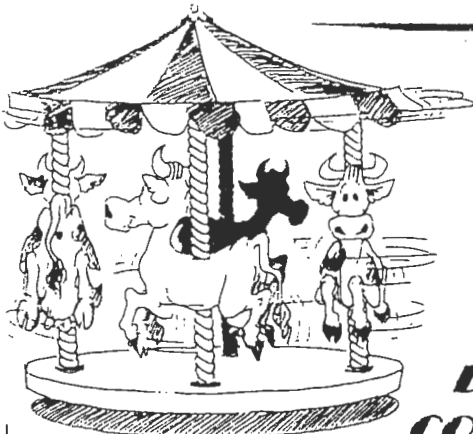
saturated fat. It has also been promoted as "the healthy alternative to cheese."

From Australian Dairy Corporation investigations the product is currently only available in Queensland.

The product's contents have been analysed by three independent sources in relation to its promoted attributes, with the test results in all samples revealing the presence of cholesterol (16 - 17 mg per 100 g) and approximately 9% saturated fat!

After ADC brought this to the attention of both the Trade Practices Commission and the relevant Health Departments, Queensland Health has advised ADC that Meadow Lea Foods Ltd has undertaken to withdraw all stock of Gold'n Canola Mild at wholesale level and to cease production distribution and advertising until new packaging and labelling becomes available.

ADC will continue to pursue other aspects of the product packaging and advertising, such as the imputations made, namely, that cheese is unhealthy.

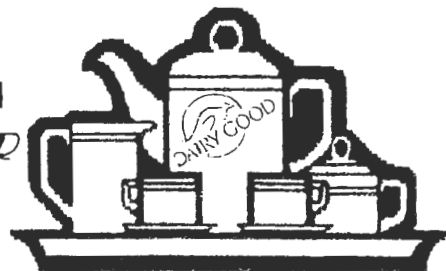


## ROYAL SHOW

4-12 SEPTEMBER 1992

**ALL DAIRY FARMERS ARE INVITED TO THE AUSTRALIAN DAIRY CORPORATION**

**STAND IN THE DAIRY HALL FOR A FREE CUP OF TEA OR COFFEE, OR JUST TO RELAX DURING A BUSY 'SHOW' DAY.**





A NIGHT OF

# *Dairy Classics*

This annual event co-ordinated by the Australian Dairy Corporation was held on Monday 20th July at the Hyatt Regency Hotel and was the most successful so far with 570 attendees.

ADC Regional Manager SA/WA/NT, Bob Snewin, believes much of the success was due to the upmarket venue and invitations, the black and white theme, the function's reputation from previous years and the best form of advertising - personal recommendations.

This "expo" of Australian dairy products is an opportunity for every manufacturer and agent throughout Australia to exhibit their products for potential buyers to sample as well as to compete for Awards in the following categories:

- Theme
- Usage of product
- Originality
- Display/presentation

The independent judging

panel awarded the Best Display Award to the Haberfield/Swissfield Cheese Company, represented by Mr. John Haberfield who continues to support the Corporation's Dairy Classic Nights around Australia.

Other exhibitors were:

- Dairy Vale
- Kraft Foodservice
- Danone
- Lactos/Cosmo
- Allowrie Foods
- Socomins
- Peters Ice Cream
- Porto Rafael
- Amarina
- Capital Foods
- Royal Copenhagen Ice Cream
- Gourmets Choice
- Bonlac Food Service
- Streets Ice Cream
- Hanson Distributors

These companies reported that quite an amount of new business contacts were made on the evening. Of course this will ultimately lead to more Australian dairy products being sold. In fact the extent of promotional coverage is de-

med to be so good, Hanson Distributors used the event to launch their new products to the South Australian market.

Among those wandering around the Hyatt Ballroom enjoying the innovative, colourful and tasty exhibits were a few SADA Executive Committee Members and District Presidents. SADA Senior Vice President, Roger Basham, was one of the judges.

Other attendees were from such diverse areas as catering, hotels, restaurants, defence supply, nutritionists, dietitians, TAFE colleges, prisons, hospitals, supermarkets, gourmet stores and specialist delicatessens.

There were five more exhibitors this year and with the excellent feedback from the manufacturers, Bob Snewin believes more companies will be involved in 1993, making the event bigger and better.





# READD

*The Research and Extension Association for Dairying Development has appointed its Executive Committee, who are:*

## **Special Thanks....**

*to Ian Williams, who as Acting Chairman, was principally responsible for establishing the new READD organization.*

*Chairman: Hans Van Dyk*

*Vice-Chairman: Lee McKenzie*

*Farmer Representative: Ian Newman*

*Dept. of Agriculture Representative: Steve Rice*

*Dairy Companies Representative: Chris Thomas*

*Acting Public Officer: Adrian Scott*

**NOTE:** *READD is currently in the process of incorporation.*

## RESEARCH AND EXTENSION ASSOCIATION FOR DAIRYING DEVELOPMENT (READD)

TOGETHER WITH

ELECTRICITY TRUST OF SOUTH AUSTRALIA (ETSA)

PRESENT

## **"ENERGY EFFICIENCY IN THE DAIRY"**

### SEMINAR AND FIELD DAY

9.30 a.m. Tuesday 22nd September 1992 at Flaxley Research Centre

*If you are thinking about increasing or replacing your milk storage system or if you just want to SAVE MONEY in the production of quality milk, 22nd September is the date for you!*

*SAVING MONEY by more efficient use of energy in the dairy, particularly for milk cooling and storage and for water heating, and the INCENTIVES for quality milk, will be the focus of a seminar and field day at Flaxley.*

**MORE DETAILED INFORMATION AND YOUR REGISTRATION FORM FOR THIS VERY IMPORTANT SEMINAR HAVE BEEN INCLUDED WITH THIS JOURNAL.**

**REMEMBER: PRIOR REGISTRATION IS ESSENTIAL.**

**OH!.... IF YOU REALLY WANT TO SAVE MONEY - SEE YOU THERE!**

## ICE BANK SYSTEM

Ice Bank systems are very quickly becoming the most popular way to refrigerate milk on the farm.

As the name suggests our system basically builds ice using night time cheap rate electricity, which greatly reduces your existing power bills for milk cooling, then uses this ice during the day to provide chilled water to cool the milk.

Due to the design of our Ice Bank it can offer great advantages over conventional methods.

- ① The Ice Bank INSTANTLY cools the milk dropping it into the vat down to temperature between 2 and 4 deg C.
- ② Due to the instant cooling of the milk the Ice Bank does not allow time for bacteria to grow, therefore, improving the milk quality.
- ③ Use of night time cheap rate electricity can actually reduce the cost of milk cooling.

Our systems are acclaimed as the best designed and most reliable system available in Australia, and are the result of years of development!

**SEE THE H. WOODS REFRIGERATION ICE BANK AT THE "ENERGY EFFICIENCY IN THE DAIRY" FIELD DAY AT FLAXLEY RESEARCH CENTRE, TUESDAY 22ND SEPTEMBER 1992.**

### *For More Information*

*please contact.....*

*David Crook*

*H. WOODS REFRIGERATION*

*New South Wales Office*

*(049) 873 929*

*or.....*

*Our Local Representative*

*Trevor Manning*

*MANNINGS REFRIGERATION  
& ELECTRICAL*

*(085) 685 331*

## WORLD MILK PRODUCTION 1989 & 1990 (in '000 tonnes)



	1989	1990
AUSTRALIA	6,232	6,413
NEW ZEALAND	7,609	7,482
CANADA	7,840	7,900
USA	65,466	67,260
CENTRAL/SOUTH AMERICA	39,498	40,462
EUROPEAN COMMUNITY	99,000	98,910
SOVIET UNION	108,529	108,700
EASTERN EUROPE	37,169	36,540
REST OF EUROPE	21,033	20,511
CHINA	3,813	4,300
INDIA	24,000	26,700
JAPAN	8,060	8,190
AFRICA	9,691	9,863

SOURCE: ADC Dairy Compendium 1991

## SAFETY GROOVING

NEW WIDER GROOVES  
UNIQUE TO SA

Helps stop  
"slip & fall"  
accidents in  
YOUR DAIRY!!



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PERHAPS YOUR  
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CLIENTS ARE TOO!  
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231 3752  
BEFORE YOUR  
OPPOSITION DOES!

# CANDID

# COMMITTEE



*The Executive Committee had their first meeting for the 1992/93 year on 21 July. The three new members were probably wondering what they had let themselves in for, but managed to smile for the camera.*



Back Row, L to R - Ian Williams (Treasurer) Bronte Wilson, John Tiver, Lyndon Cleggett, Adrian Scott (Executive Officer). Front Row, L to R - Ray Heinrich (Junior Vice President), Allan Manning (President), Roger Basham (Senior Vice President).

**New Members -**  
Lyndon, John & Bronte



## AWAY FROM THE CONCRETE JUNGLE

SADA's own office team visited the Murray Bridge area on 9 July, as part of a program to gain a better "hands on" feel for the industry.

Our thanks to Paul Tyson of Allowrie Foods and Andrew Younger from Milling Industries for organising factory visits. Thanks also to Robin Read of Milling Industries for his presentation of the Camdairy Program.

Adrian, Jenny, Sue and Kate also spent some time at Long Flat at the Pfeiffer farm. Thanks to Joanne and Barry for their hospitality and the tour of their

piece of "Cow Heaven".

Watch out, your district could be next!



**Sue (left) and Kate**  
**"We're not opening the gates!"**

# Australian Dairy Farmers' Federation

## 1992 NEW ZEALAND STUDY TOUR



### REPORT BY DAVID & WENDY KUCHEL South Australian Representatives

#### INTRODUCTION

The A.D.F.F. organizes an itinerary for a study tour of New Zealand each year. In our case, the program included three stop-overs with host families: three days at each; meetings with N.Z.F.F. and N.Z.D.B.; visits to Lincoln and Massey Universities; visits to the Mystery Creek Field Days near Hamilton, and a visit to the Farmers' Conference at the Ruarua Agricultural Centre. Farm and Factory visits were made available on tour by the New Zealand people involved in the organisation of the tour.

The A.D.F.F. employs their state organizations to select candidates. The successful representatives have their tour paid for by A.D.F.F., however it is expected that spouses accompany their partners at their own expense. One couple is selected from each of the States - S.A., W.A., QLD., N.S.W., TAS., while three are chosen from VIC. A tour leader is appointed; ours was John McAulay and his wife Lyn, from Queensland.

I applied because I have been a Dairy Farmer since I was conceived; because I feel I have a reasonably balanced understanding of the whole Dairy Industry in South Australia; because I believe you have to keep an open mind to all the available options, and because we produce as much milk as we can from grass, hence the interest in New Zealand, where that principle is almost exclusively applied.

My perception of this tour has no doubt been influenced by my farming

operation. I am 42 years old, own 200 acres 40 km South-East of Adelaide, run 120 stud Friesians, milking 60-70 all year round calving about 75 annually, we irrigate 35 acres, herd record, use A.I. mainly with Australian Bred Sires, have a 10 unit Herringbone Dairy, conserve our own Fodder (round bales of hay) and supplement feed one tonne of concentrates per cow per year. Our cows average



6,200 litres of milk, 260 kg butterfat, and 200 kg protein per year. I am a third generation farmer on the main portion of the farm, and the farm is structured as a one labor unit farm. However, family help is usually volunteered and readily accepted.

We live one km from the Flaxley Research Centre, (run by the Department of Agriculture to research needs of the Dairy Industry State-Wide) in which I take a keen interest; I am a member of S.A.D.A, and now secretary of the Central Hills Branch, and am keen to become involved with discussion groups etc, to disseminate the whole New Zealand experience to our industry in general.

#### NEW ZEALAND FEDERATED FARMERS & NEW ZEALAND DAIRY BOARD

The New Zealand farming industry is represented by the N.Z.F.F. Their headquarters is Farming House in Wellington. They consist of three commodity groups, of which Dairying is one. The two islands are divided into 24 provinces, with representation in the form of delegates from the various branches within the provinces. 18 provinces have Dairy representation. There are 55,000 farmers in New Zealand, and 70% of New Zealand exports are agricultural. There are 14,000 Dairy Farms, with an average of 160 cows on 165 acres, producing about 7,100 million litres of exported Dairy Production. Less than 10% of production is consumed in New Zealand. There are 17 Co-operative companies operating 42 factories. The Average return to Dairy Farmers in 1991 was \$5.25 kg BF. The whole Dairy Industry is united under the N.Z.D.B. and all produce is sold through the N.Z.D.B.

The N.Z.D.B. is internationally renowned for its efficiency as a world leading marketer of Dairy Products. It employs 4000 people, 3000 of which work off-shore. 600 work in Wellington. It controls herd recording through the Livestock Improvement Co-operation (L.I.C.), which also has several services to assist the farmer in herd and farm management (including artificial breeding facilities backed by

## HOST FAMILIES

### Ian and Jenny Minson

On the east side of the South Island the Canterbury region consists of plains 240 kilometres and 80 kilometres wide. With a 25" rainfall, 350 Dairy Farmers supply two companies with milk. 27 of these farms milk over 370 cows each. The smaller milk company supplies some town milk to Christchurch and its suppliers have quotas, which creates the far less common situation of milking all year round. Our host family had a quota and to maintain year round production, irrigated in summer and conserved a lot of silage in spring. Their total holding of 700 acres facilitated a milking herd of 200 very good stud Friesians producing well above the New Zealand average. Ian's all round farm management was very impressive, I believe well above the New Zealand average in all respects. The feeding program, with strict rotational grazing, was complimented with 110 tonne of barley based bail-fed supplement per year, and 1200 tonne of silage (and some hay) made on farm. Crops of turnips and Chou Mollier are also sown and strip-grazed. All heifers are reared on farm along with 100 bulls per year. These Friesian bulls are sold at 22 months old (300-330 kg dressed weight) to average \$822-\$940 (last year).

Ian uses a farm consultant to fine tune a balanced nutritional intake and soil tests guarantee effective fertiliser application. He herd records and is using American semen to consolidate cow size, confirmation and production. The Dairy is a 15 a side swing-over Herringbone and the farm uses 3 labour units.

Visits to neighbours in this area confirmed our observations that Dairy Farmers in the Canterbury region have intense, high turnover operations with impressive farm management skills being applied.

### Bill and Anne Flipp

Near Palmerston North in the Manawatu region of the North Island, Bill and Anne run an intense Dairy and Beef Bull operation on a total of 650 acres. Bill calves 230 predominantly Friesians between 25 July and 30 September. Feed is grass only and production is slightly better than the New Zealand average. 50 heifer calf replacements are reared each year along with 260 Bull calves. This intense stocking rate is achieved with two full time labor units and one casual during calving. To feed 300 calves is an ominous job to say the least, but with a once a day, 30 in a group, feeding system, the job is soon done with a minimum of fuss (feeding fresh milk). Again, bulls are kept to 20-22 months of age, and sold at a minimum dressed weight of 260 kg head. (\$728-\$858 a head). Bill has also sown many acres of Pines and kills up to 600 sheep a year in a small abattoir-cool room set-up to supplement income. Soil tests are done every two years, and fertilizer applied accordingly. As pasture productivity drops, paddocks are re-sown with Ambassador and Pacific Rye and red and white clovers. Contractors are extensively used and the value of Black and Tan Huntaway dogs was clearly demonstrated in yarding some bulls.

Purchase price of the extra bull calves is about \$130 each and \$4000 a year to L.I.C. provides four herd tests, semen and herd management advice. Neighbouring farms varied from a 330 cow herd (40 stand rotary dairy), to a good Ayrshire stud herd, and a similar Friesian Herd to ours.

### Rod and Alison Ham

In the famous Waikato area (60" Rainfall), this farm milks 300 Jerseys on 250 acres to produce a tad over 50,000 kg BF. The Jerseys are suited to the peat soil type on the main part of the farm and production per hectare is very competitive with Friesian herds. Kg's production per hectare is the common bench-mark in New Zealand, with the average of the whole

Waikato area being 500 kg per hectare, and the top areas up to 720 kg.

Rod is only in his third year on this farm, after relocating from a 100 acre farm about 30 km away. The Dairy is a 22 unit swing-over Herringbone. Rod has a Herd Manager in preference to a Share-Milker -The latter being far more common in New Zealand. Rod is one of 7000 suppliers to the New Zealand Co-op Dairy Company - the biggest in New Zealand taking 40% of the whole country's production. \$5.30 has been received per kg BF, for last season's milk; the final figure and the opening price for this season is expected to be \$6.00 kg BF.

This farm also exemplifies the practice of sound management with good fertilizer application and incredible stands of pasture ahead of the cows. The farm is well laid out to 50-5 acre paddocks and each paddock strip grazed according to nutritional needs. A contractor is used for a small amount of silage. All weaned calves and heifers are raised off-farm for a cost of \$3 to \$4 per head per week. The farm uses three labor units.

Neighbouring farms again showed this to be another intense dairying area. One of the highest producing farms was milking 360 cows on 210 acres for 60,000 Kg BF. This is requiring huge amounts of fertilizer - almost 95 tonne a year on 210 acres.

## DAIRY ASSOCIATED INSTITUTIONS

We have comprehensive data available for the following places we also visited:

◆ Lincoln University ◆ Massey University ◆ New Zealand Dairy Board ◆ Department of Scientific and Industrial Research ◆ Livestock Improvement Co-op ◆ Mystery Creek Field Days ◆ Ruakura Agricultural Centre

We briefly visited the 44th Farmers Conference at Ruakura and have a copy of the proceedings. The subjects covered in the Dairy section were:-

◆ The influence of the market on industry R & D ◆ Changing milk composition by feeding ◆ Getting the best out of white clover ◆ Effective use of N Fertiliser ◆ Experience with nitrogen - research and practice ◆ Beating Rye-Grass staggers ◆ Tall Fescue in intensive dairying ◆ Breeding the cow for the future ◆ Is \$30.00 Kg Bf too much to pay for a dairy farm? ◆ Predicting bloat susceptibility in the test tube ◆ Implications for semen preservation and A.I. ◆ 22 day pregnancy test ◆ Heifer wintering ◆ Why are somatic cells important? ◆ What should we measure on dairy farms?

I will briefly mention the last topic:

Three major factors are keeping 90% of the farmers performing below the level of the top 10%

- 1) Much of the so-called "Farm Management Advice" in the farming press does not help farmers increase production significantly;
- 2) Many of the units used to define important farm management information on dairy farms are not clearly identified and standardized;
- 3) There is confusion about how to apply the results of research to the practical farming situation.

If the most valuable and easily measured physical and production characteristics on dairy farms were identified, clearly defined, and standardized, these measurements and units could then be used at field days, conferences, discussions groups, in the media, and in scientific papers.

Farmers would be able to compare them with measurements taken on their own farm, allowing them to make more informed farm management decisions.

I think these comments apply to the dairy industry in Australia as well as New Zealand.

## COMPARISONS

To draw comparisons is easy. Their industry by nature is compact and intense; and by structure is reason-

ably simple and sound.

Two distinctive features characterize New Zealand dairy farming. It is pasture based, and focused almost entirely on producing milk for manufacturing, rather than the liquid milk market.

Year round pasture grazing is possible in New Zealand, due to the country's considerable natural advantages. The warm, moist climate promotes pasture growth and the relatively mild temperatures facilitate the low cost of production and high levels of efficiency which characterize the New Zealand dairy farming industry.

The cost of producing milk in New Zealand is well below the average world cost.

Dairy farming concentrates on the flatter areas of the two islands - 90% of dairy farms are on the North Island.

Some interesting comparisons:

◆ T.B. is an increasing problem. Possums are the chief carrier and they are on the increase in numbers. 13% of dairy herds are thought to be infected with up to 80% of Deer and Beef herds.

◆ There is no tail-tag system. Tail-logging of milking stock is common.

◆ Dairy effluent is handled mainly through the pond system and sprayed onto paddocks.

◆ The environmental factor, while more dormant than in Australia, is on the increase.

◆ Bloat is a big problem with some herd drenching twice a day during lactation.

◆ Mineral deficiency is common with drenching and fertilizer both used in trying to attain the correct balance.

◆ Tanker access must be good - no reversing allowed. Minimum pick-up in some areas is 450 litres. Some areas must be able to hold two days supply. Milk vats and tankers, because of the moderate climate, have no insulation.

◆ The industry, as ours, is currently undergoing deregulation.

◆ The maximum total plate count is

100,000.

◆ Co-operative ownership of farms is an issue, as is the continual amalgamation of dairy companies.

◆ The increase in Trans-Tasman trade is widely assumed (this way of course) and last year \$100 million of sales was achieved in Australia by the N.Z.D.B. In order of priority the countries New Zealand export to are:

1. South-East Asia
2. America
3. Europe
4. North Asia
5. Russia-
6. Middle East
7. North America
8. Australia

◆ Currently (June 92) \$1.00 Australian = \$1.40 New Zealand.

◆ Interest rates are 9.5% to 10.6%

◆ Inflation is 0.8%

◆ New Zealand has G.S.T. On an average farm it requires about one full day at the books bi-monthly to comply with G.S.T. regulations.

◆ Lifestyle is dominated by the dairy and cattle influence during lactation. (Remember, nearly all dairy farms seasonally calve). Most dairy farmers seem to be living comfortably and are able to holiday annually; often in Australia. Their operations are typically geared around high turn-over to off-set high debt.

◆ Share-milking is very common in New Zealand. A share-milker owns some or all of the cows. If he owns all the cows and plant he receives 50% of the income.

◆ N.Z.D.B. accepts four tests per lactation to progeny test bulls. 80% of farmers herd test. 70% get somatic cell counts.

◆ 20% of farmers inseminate their own cows; 80% use inseminators from the L.I.C.

◆ Two million straws of semen are used annually; 1.6 m in liquid form (fresh).

◆ 87% of dairy farmers' income is derived from milk. New Zealand production has increased 2.5% in 5

years. Hedges are common, from Barbary to Gorze to Cyprus again contractors are used to cut them.

◆ Major customers with whom the N.Z.D.B. has built successful supply relationships include Kraft, Pillsbury, McDonalds and Pizza Hut.

## WHAT WE LEARNT

I think we learnt a lot from the New Zealanders; mainly with herd and pasture management at the farm level and manufacturing and exporting at the market end. There seems to be more opportunity at the farm level in New Zealand. This is probably a result of the country still being in a development stage - more so than Australia, anyway.

We found the New Zealand people very friendly and very motivated and well informed about their Dairy Industry. Dairying is a No.1 industry in New Zealand and farmers in general seem to have a higher status within the community. Banks appear to lend to the Dairy sector with less equity than here.

Contractors are available and readily used for all types of farm work - we seem to be over-capitalized by comparison. People moving into the industry place emphasis on business management courses and the whole industry is very statistically aware. The written preparation of Budgets and targets is common, and farmers evaluate feed intake - dry matter per hectare, etc., very carefully. The people we met seemed aggressive

and determined in their approach to dairying.

To achieve the production per hectare that they do, fertilizer is a necessity. Three cwt. per acre of super with mineral and/or potash added is a common rate of application, with one tonne of lime per hectare put on once every three years.

Most farmers only wash the very dirty cows, and this doesn't seem to affect milk quality.

It is difficult to obtain a firm opinion of G.S.T. although I think most people favor it.

New Zealand uses statistics in an attempt to assess value of Dairy Farms. The average price of freehold dairy farms sold on the open market for the year ended Dec 90 was \$21.82 per Kg BF produced. For the period to Dec 89 it was \$17.85. (ie if a farm produced 30,000 kg BF and was valued at \$20 Kg purchase price would be \$600,000).

On reflection of our tour the obvious lessons are to pay attention to detail in every respect, and to keep our minds open to all the options.

## CONCLUSION

We had a wonderful and very memorable trip. Our thanks go to A.D.F.F. and S.A.D.A. for the opportunity. We have given much thought to the concept and value of such a trip and believe the present format is very well balanced and likely to suit most participants.

The inter-action between the Australians on the trip was excellent, and we gratefully thank each one of them for the experience.

Special thanks to John McAulay, tour leader; his experienced view on industry matters was invaluable.

The organisation from the New Zealand side was good and I think farmers are farmers the world over; they readily welcome the opportunity to be good host families. The Kiwis do it well.

From the story of Jan's life in Christchurch, to the con man from the Wellington newspaper and the presentation of Big John's Mega-Awards in Auckland, it was truly an exceptional trip.

Australia can be proud of people of this calibre and potential, put together by Primary Industry.

Maybe we were lucky, for we had a group that meshed together extremely well. The sharing and supporting created many new friendships amongst ourselves, as well as the New Zealanders.

Remember, Dairying is a complex and individual thing. Identify what is the right balance for you and your farm and what you wish to achieve.

Let's strive to the future, remembering to live in harmony with our families, our fellow man, and the environment. The rest will follow.

*David and Wendy Kuchel*  
Watergate Friesian Stud



## Classic Win!

*Classic Chocolate flavoured milk was named the top flavoured milk product at Sydney's Royal Easter Show.*

*As well as picking up a gold medal in the fresh category, Classic Chocolate also topped*

*the UHT long-life flavoured milk segment.*

*Judges commented on the milks' full-bodied chocolate flavour.*

*Classic flavoured milks are marketed by National Dairies, and distributed in four States by subsidiaries Pura (Victoria), Farmers' Union Foods (SA), Tasmaid Foods (Tasmania) and Allowrie Foods (NSW).*



# AGRICULTURE BEYOND AUSTRALIA

Trevor Nuemann, President of the International Agricultural Exchange Association is currently seeking 100 young South Australians for the Association's exchange programmes.

An IAEA exchange programme is for you if you have a background in farming and a desire to work overseas. As an IAEA trainee you live with a host family in another part of the world. You work with them on their agricultural or horticultural enterprise.

Three main benefits of undertaking the programme are:

1. Motivation and maturity
2. A safe way to travel internationally
3. Work visas can be obtained, especially in difficult cases such as the USA.

It is a challenge that will benefit you, both educationally and in helping you gain in self confidence and personal awareness. You will:

- learn about agriculture in other parts of the world,
- try other ways of life and culture,
- better understand people from other countries,
- learn languages,
- become more open-minded about your own farm practices.

IAEA takes care of all the practical aspects for you, such as work permit, insurance and travel. All this is part of the programme which costs from \$2,600 to \$7,000.

You can apply if you:

- are a citizen of one of the member countries,
- would like to work overseas,
- are 18 to 30 years old,
- are married or single,

- have practical experience in agriculture, horticulture or home management,
- have a valid driver's licence,
- have no criminal record,
- have no dependent children,
- have good mental and physical health,
- have basic understanding of the English language.

Australia is a member country and host families available to Australians are in the following countries:

- |                                      |   |
|--------------------------------------|---|
| <input type="checkbox"/> New Zealand | <input type="checkbox"/> Sweden         |
| <input type="checkbox"/> Denmark     | <input type="checkbox"/> United Kingdom |
| <input type="checkbox"/> Germany     | <input type="checkbox"/> Japan          |
| <input type="checkbox"/> Ireland     | <input type="checkbox"/> Canada         |
| <input type="checkbox"/> Netherlands | <input type="checkbox"/> USA            |
| <input type="checkbox"/> Norway      |   |

IAEA programmes vary in length from six months to over a year. The longer ones are to two countries, allowing you to live and work in two different cultures.

You will receive board and lodging and you are paid a 'Trainee Allowance'.

If you are seriously thinking about this great opportunity, you should apply early to ensure IAEA has adequate time to find you the best possible placement. Northern hemisphere participants commence in February or March each year. For further information see the leaflet enclosed or contact:

Trevor Nuemann  
Post Office  
Woodside SA 5244  
Ph (08) 388 6372

(008) 257 197  
Free call to  
Sydney Head  
Office

***P. S. HOST FARMS ARE REQUIRED IN AUSTRALIA!***



The International Agricultural Exchange Association was founded in 1963. On a world-wide basis IAEA has around 1000 participants every year.

IAEA is a democratic, non-profit organization. In many member countries IAEA works closely with rural youth organizations, agricultural colleges etc.

IAEA has a strong international network of past trainees and host families. They work voluntarily for the organization. Representatives from these groups form the international board which governs IAEA.



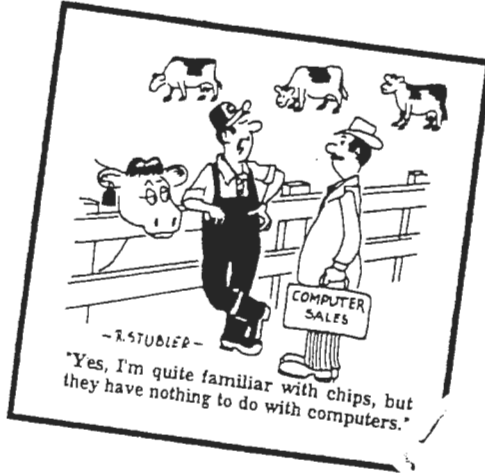
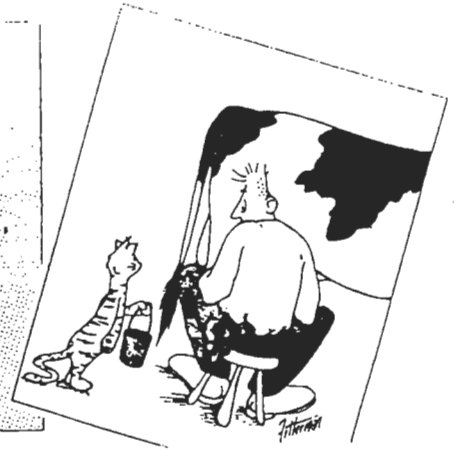
THE FUZZY FARM



The dairy farmer came to the big smoke for a weekend on the tiles, but was refused admission to a nightclub because he wasn't wearing a tie.

So he went back to his car, got a pair of jumper leads out of the boot, knotted them around his neck and fronted up at the club again.

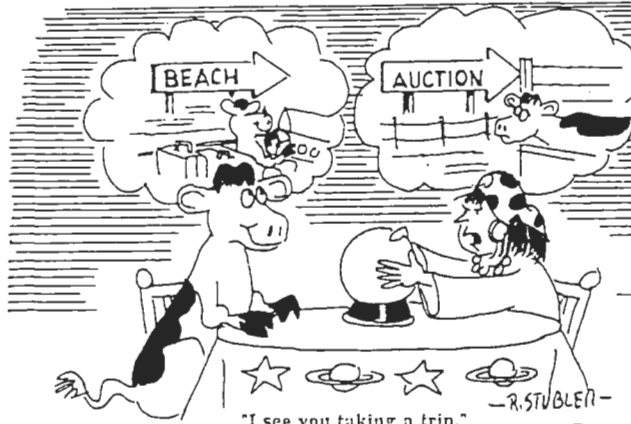
The doorman looked at him for a moment, then said "Ok, mate, you can come in - but don't start anything."



- R. STUBLER -  
"Yes, I'm quite familiar with chips, but they have nothing to do with computers."

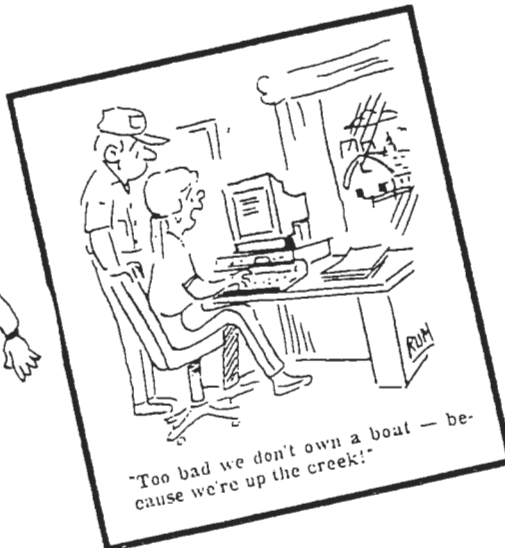


"I practice sustainable agriculture. It sustains the bank."



"I see you taking a trip."

A purebred breeder recently received this letter. "I would like to have this bull you advertised. If he's any good, I'll give you a cheque." The breeder wrote back: "First I'd like your cheque. If it's any good, you can have the bull."



"Too bad we don't own a boat - because we're up the creek!"

The farmer phoned the electrical appliance store, mad as hell.

"It's this blasted TV set you sold me," he said. "All I get on it is politicians. Don't matter what channel I turn to, nothing but flaming politicians!"

The shop owner pacified the farmer and sent the repairman out to check the set.

When the repairman returned, the shop owner asked him what had happened.

"Well", said the repairman, "turns out the poor old bloke really did have a problem. Nothing but politicians making promises on every channel."

"The fault was in the ground wires. One was hooked up to his windmill, the other to his manure spreader!"

# WHO PAYS THE BILLS?



By Adrian Scott

I have compared the funding of SADA and the Metropolitan Milk Equalisation Committee (MMEC) over the last 5 years.

Key results are:

► After allowing for inflation, the total combined expenditure for SADA

and MMEC has in REAL TERMS, remained the same from 1988 to 1992.

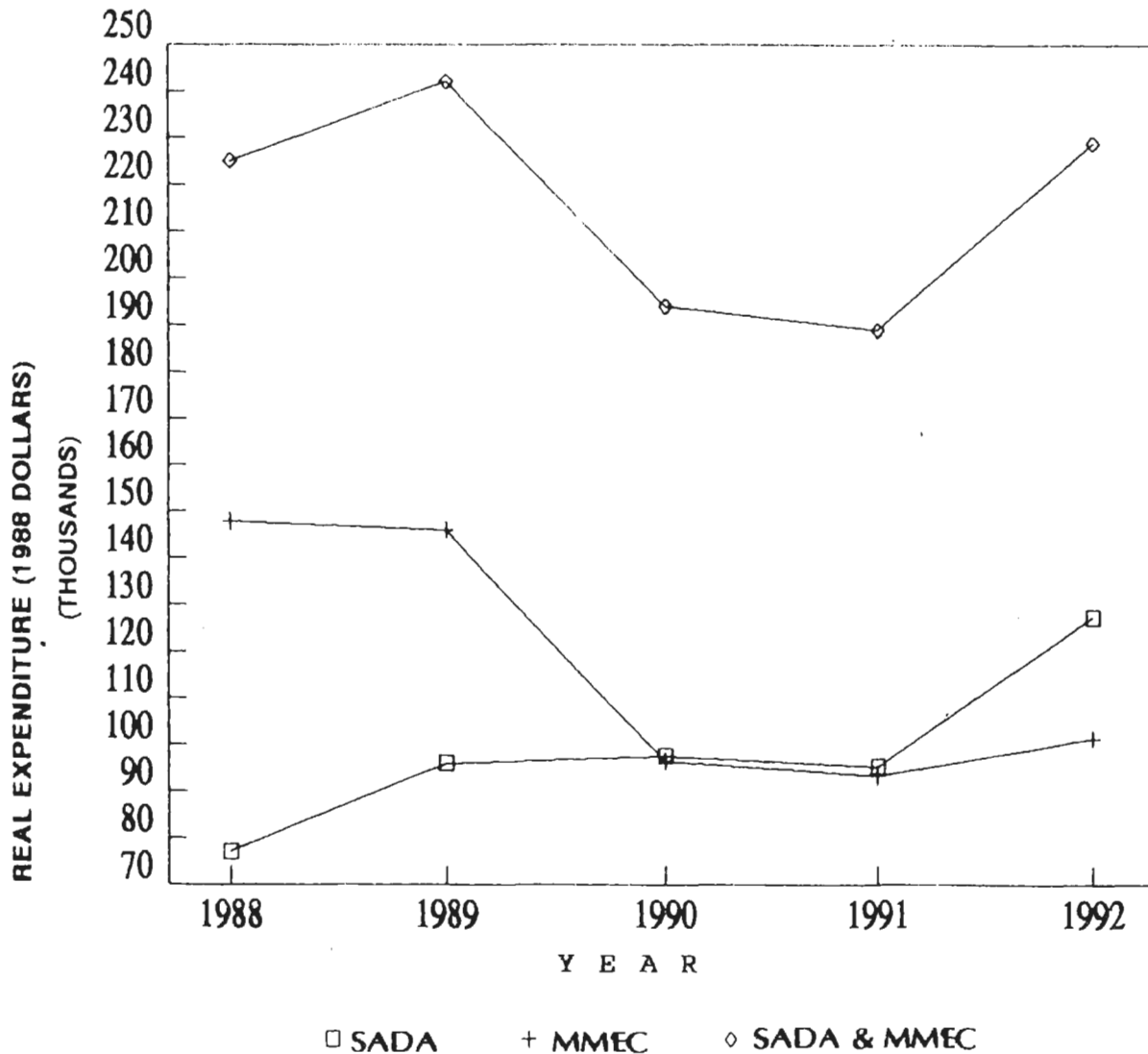
► In this time the funding share has moved progressively from MMEC to SADA. In 1988, MMEC contributed 66% of total expenditure, but only 44%

in 1992.

► Even in 1992, a year of greater than average expense, the MMEC budget contribution was 31.4% less in real terms than it was in 1988.

The graph tells the story!

## SADA/MMEC SHARE OF FUNDING



# "CONTINUE FOCUSING ON PASTURE BASED FEEDING SYSTEMS"

**US EXPERT  
ADDRESSES  
DAIRY  
FARMERS**

Dr Larry Satter, a leading dairy nutritionist, advised dairy farmers to continue focusing on pasture based feeding systems and to consider feeding supplements to enhance pasture rather than to replace it.

"The price of supplements and the value of milk determine how much supplement can be fed", he said.

"No feeding system can provide protein and energy any cheaper than high quality pasture, and it is difficult to foresee any reduction in grazing where quality pastures be grown for eight to ten months of the year.

"Cows with low milk production potential - say 3,000 to 5,000 litres per year - will not benefit from supplements as much as cows with higher potential - say 5,000 to 7,000 litres per year.

"Cows with low milk production potential are likely to respond with about half a litre of milk for every kilogram of grain supplement, while cows with high potential will respond with a litre or more for every kilogram of grain.

"First lactation cows may give a greater response to grain feeding than older cows."

Funded by the Dairy

Research and development Corporation and Australian Co-operative Foods, Dr Satter will travel with the Dairy Research Foundation to dairying areas in Victoria and NSW to speak to farmers about dairy cow feeding systems.

## PROTEIN MAY BE LIMITING

Dr Satter, who has more than thirty years experience in dairy nutrition research, believes that even high quality legume pastures may be limiting in protein.

"Traditionally we believed that energy is likely to be the first nutrient limiting dairy cow production if they are fed high forage diets," he said.

"However there is growing evidence that pastures with 18 to 24 per cent protein may not be providing enough protein for high producing dairy cows.

"Much of the response to grain feeding may in fact be a response to protein because grain stimulated the production of bacterial protein in the rumen."

Dr Satter advised that relatively cheap and readily fermentable feeds could provide the same response.

"Maize silage with its relatively high starch content may be an excellent supplement to high quality grass-legume pastures."

## GETTING VALUE

Dr Satter said that high producing dairy herds were more efficient because a larger proportion of the feed went towards milk production.

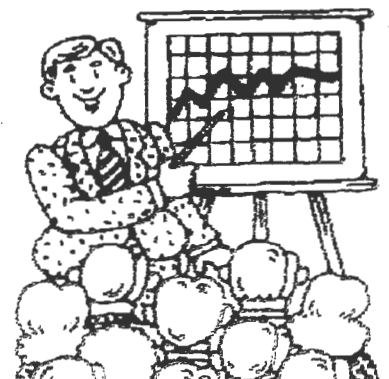
"Only 20 per cent of feed consumed by a dairy herd averaging 10 litres per day goes towards milk production.

"The remaining 80 per cent is used to maintain milking cows and feed replacement heifers.

"The more cows produce, the higher the percentage of feed that goes into milk production.

"If cows produce 20 or 30 litres per day then about 40 per cent of feed goes towards milk production.

"Keeping cows in the herd longer slightly increases the percentage of feed that goes towards milk production," said Dr Satter.



# AUSTRALIAN AGRICULTURE

FRAGILE

&

EXPOSED

In both economic and social terms, Australian agriculture is in a fragile and exposed position. To quote former Australian Bureau of Agriculture and Resource Economics director, Andy Stoeckel, now at the Centre for International Economics, Canberra, the rural sector is under severe financial pressure and the real income of the sector is at a record low.

The fashionable view is that this is a short-term phenomenon, associated with the drought and the collapse of wool prices.

However, as Dr Stoeckel points out, the real income of the rural sector has been trending downward at about 2% or 3% a year during most of the post-war period - since 1950-51.

In a report prepared for the Rural Industries Research and Development Corporation (RIRDC), Dr Stoeckel suggested the decline in the relative importance of the rural sector has, if anything, become worse since the mid-1980's.

ABARE has confirmed the parlous state of the rural sector, suggesting farm incomes in 1991-92 are at their lowest values, in real terms in more than 30 years.

Cash receipts in broadacre industries were expected to fall 13% in 1991-92, with a compensatory self-imposed 14% decline in costs.

An estimated 83% of broad-acre farms are expected to record a farm business loss in 1991-92, and

only one-third of broadacre farms are free of debt.

Average farm equity has slipped below 87%.

These average figures mask divergent trends in different segments of the rural sector.

For example, in the wheat industry, about 60% of farms are expected to record a business loss in 1991-92, while 25% are expected to earn a profit in excess of \$17,400.

In the mixed livestock and crops industry, 80% of farms are expected to record a loss, while in the beef industry only in South Australia and the Northern Territory is farm business-profit forecast to be positive in 1991-92.

In the sheep-beef industries, 89% of farms are expected to have a negative farm business-profit, while in the sheep industry more than 90% of farm businesses are expected to record losses.

The scenario is a little healthier in the dairy industry, where the loss per farm is estimated at only \$3700, compared with \$45,200 in the sheep industry.

Business profit is negative in all segments of the citrus industry, except in Queensland, but all profits are negative in the canning fruit industry, where total farm business debt has jumped 53% in the past five years.

Only a moderate improvement in these trends is expected in 1992-

93.

Although cash incomes may be higher, most broadacre farms could continue to run at a loss.

Both ABARE and Dr Stoeckel acknowledge the only solution to these short and long-term trends is to increase productivity by achieving greater output per unit of input.

ABARE warns against an automatic knee-jerk reduction in investment in plant and machinery - even though this is generally the first casualty of falling farm incomes.

Productivity growth will be threatened over the longer term by a decline in investment in capital inputs, unless it is accompanied by technological improvements or shifts in the input mix towards non-capital items.

If input costs rise, relative to output prices, without any compensating productivity gain, then clearly rural incomes must fall.

As Dr Stoeckel concludes, unless the rural sector can lift its productivity performances and become more profitable - relative to other industries in Australia - it will continue the decline of the past 40 years and impose further adjustment pressures.

Ball is in our court.

*Trevor M. Johnston*

*Editor, "Australian Farm Journal"*



## FROM THE DAIRY ..... TO THE TABLE

Compiled by: Jenny Harris

### CHICKEN WITH HERBED WINE SAUCE

Bread croutes can be made several hours ahead. Chicken and sauce are best made close to serving.

40g BUTTER

2 tablespoons oil

2 cloves garlic, crushed

4 chicken breast fillets

#### HERBED WINE SAUCE

30g BUTTER

1/2 cup dry white wine or chicken stock

2 teaspoons French mustard

1/4 cup grated fresh parmesan CHEESE

2 tablespoons chopped fresh chives

2 tablespoons chopped fresh parsley

Heat butter and oil in a pan, add garlic, chicken and juice, cook chicken over heat for about 6 minutes on each side, or until chicken is tender and cooked through; keep warm.

Using a 9 cm fluted cutter, cut out 8 rounds from bread. Heat extra oil in a clean pan, cook bread until well browned and crisp.

Cut chicken into slices, crossways, arrange each chicken breast over two croutes, pour sauce over top. Herbed Wine Sauce: Heat butter in a pan, stir in wine, mustard, cream and cheese, cook over heat for 2 minutes. Blend cornflour with water, stir into pan, stir over heat until mixture boils and thickens. Remove pan from heat, stir in herbs. Serves 4.

1/4 cup lemon juice

8 slices white bread

1/4 cup oil, extra



300ml carton CREAM

1 teaspoon cornflour

2 tablespoons water

### CHEESEY SESAME SNACKS

Serves 2

2 thick slices rye bread

1 egg beaten

2 tbsp MILK

little pepper

1/2 tsp dry mustard

1 1/2 cups grated Mild CHEESE

2 tbsp sesame or poppy seeds

Cut bread into thick fingers. Stir together beaten egg, milk pepper and dry mustard. Soak the bread fingers into the egg mixture and arrange on a well buttered baking tray. Sprinkle the cheese over the bread then sesame seeds. Cook in preheated 190oC oven for 20 minutes. Serve as a snack or a light meal with a bowl of soup. Also a tasty accompaniment to a salad.

### OVEN PUFF PANCAKE WITH FRESH FRUIT

3 tbsp. BUTTER

4 eggs

1 cup MILK

1 cup all purpose flour

4 cups cut-up fresh fruit or

2 tbsp sugar

1/2 tsp salt

1/2 tsp grated lemon rind

Citrus Sauce or Maple syrup

Divide butter between two 9-inch (23cm) pie plates. Place in preheated 400oF (200oC) oven until butter is melted. Combine eggs, Milk, flour, sugar, salt and lemon rind in large bowl; beat with whisk or mixer until smooth. Pour half the batter into each prepared pie plate. Return to oven and bake 20 to 22 min or until puffed and golden. Remove from oven; fill centre with fresh fruit. Cut into wedges and serve with Citrus Sauce or Maple syrup.

#### CITRUS SAUCE:

1/3 cup sugar

1 tbsp. corn starch

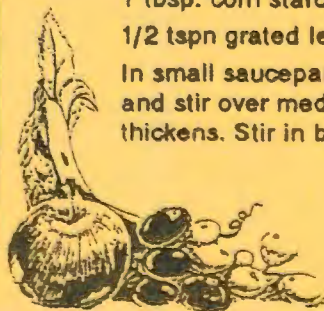
1/2 tspn grated lemon rind (opt)

3/4 cup orange juice

2 tbsp lemon juice

1 tbsp butter

In small saucepan combine first five ingredients. Cook and stir over medium heat until mixture boils and thickens. Stir in butter. Serve hot. Makes about 1 cup.

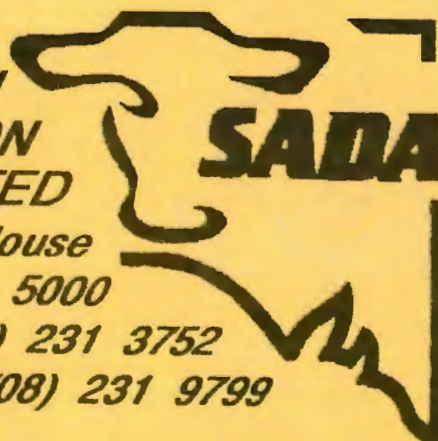


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- Information
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*(with conveniences!!)*



THE SOUTH AUSTRALIAN DAIRY FARMERS'

**JOURNAL**

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***Dairying - efficient, clever, innovative and sustainable***



THE SOUTH AUSTRALIAN DAIRY FARMERS'

# JOURNAL

The Official Publication of the South Australian Dairyfarmers' Association Inc

ISSN 0049 VOL. 35 NO. 2 SEPTEMBER/OCTOBER 1992

## THE ROCKY ROAD TO ONE STATEWIDE DAIRY INDUSTRY ACT



### PRESIDENT'S COMMUNIQUE



*At the time of writing this communique I have not seen the draft Bill that Minister Terry Groom will present to Cabinet on Monday 26th October.*

*However I have personally discussed a number of specific issues included in the draft and can confidently say that the legal background and knowledge of the Minister is clearly an advantage to our industry at this point of time.*

*Furthermore there is a clear commitment from the Minister to ensure that every possible effort will be made to move the new Dairy Legislation through the Lower and Upper Houses in the Spring session in time for new legislation on January 1st 1993.*

*By now SADA members would realise that the Statewide Farm Gate Price*

*(FGP) has created the biggest hurdle in our negotiation for one Statewide Dairy Industry Act.*

*SADA has been totally committed to the national agreement to ensure that each State in Australia has the necessary discipline in place to ensure that the regulated Farm Gate Price is paid for all market milk processed in each State irrespective of its source or destiny.*

*Early in 1990 SADA was well aware that our Companies, Farmers Union Foods Limited (FUFL) in particular, were strongly*

*opposed to paying the Farm Gate Price for milk sourced from the supply Co-op members within the Barossa Mid North Co-op.*

*Unfortunately the Co-op members signed a contract during 1991 to source milk for market milk processed at the Port Pirie Plant at a price limited to 76% - 80%*



### IN THIS ISSUE

- NEW INDUSTRY APPOINTMENTS
- OZ & NZ LIAISON
- WORMS!
- NO. 1 NEWMANS

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THIS JOURNAL IS PRINTED ON RECYCLED PAPER, BECAUSE WE CARE!

of the Metropolitan Milk Board (MMB) regulated price (now 44.6 cents per litre)

Readers of this Journal will remember a previous edition (July -August) which spelt out the key proposals of the White Paper. Included under Farm Gate Pricing you would have read-

"That from 1st July 1993 the wholesale price is increased by one cent a litre followed by a similar increase on 1st January 1994. This money to be used to raise the negotiated farm gate prices in all districts to the same level as the current Metropolitan Milk Supply Area. The returns to be administered through the industry administered equalisation arrangements."

SADA valued the Government's commitment to assisting the processors to move from the lower regional prices paid at Port Pirie, Renmark and Mount Gambier plants.

An increase of 2c in the processor margin potentially raises \$2.7 million being an adequate sum to allay the concerns of both Dairy Vale and Farmers Union Foods Limited over their ability to pay the State-wide price in all regions.

However as late as the 15th October, Farmers Union's preferred position was still a request for exemption for milk processed at Port Pirie.

Having been given a deadline by Minister Terry Groom to reach a decision by 1.00 pm on Monday 19th October, SADA convened a final meeting at 8.00 am on that day.

With the support of Pat Rowley as Chairman of the meeting and John McQueen as the principle draughtsmen of points of agreement, the market milk processors in South Australia (Farmers Unions Foods Limited and Dairy Vale), together with SADA, reached an end point decision.

The agreement is to place the increased processor margin in a separate pool within the State Wide Equity Scheme and be used to compensate processors to enable full payment of the Farm Gate Price in the outer regions now currently administered by the Dairy Industry Act.

The initial basis on which support payments will be calculated will be the difference between the regulated MMB price of 44.6 cents per litre and Barossa Mid North Co-op agreed price of 34.49 cents per litre.

From day one it is acknowledged that prices will alter, however the maximum rebate a processor can receive at any point in time will be 10.11 cents/litre.

Although this is a massive subsidy for outer region plants it will be limited to current volumes sold out of each plant currently.

FINALLY(!) With this agreement and the new Bill to be passed in Parliament, South Australia will have a Farm Gate Price and a subsection ensuring that all market milk processed in South Australia irrespective of its source or

destiny is included in the definition.

The time and effort that has been dedicated by SADA to this drawn out painful process has highlighted to me the stark reality of the pathetic lack of power we farmers have in controlling the market destiny of our raw product.

Whether it be now, or sometime prior to year 2000 South Australian Dairyfarmers will need to realise that marketing power relies on co-operative strength. The concept of supply management through a co-operative organisation is the only form of self regulation farmers can expect to successfully administer post the year 2000. - I refer to a Supply Co-op similar to the Barossa Mid North Co-op to complement the role of Co-operative processing companies such as Dairy Vale.

The new Minister for Primary Industries Mr Terry Groom has already expressed a strong desire to foster self regulation as we move from a regulated environment.

We need to grasp this and every opportunity to strengthen our marketing position to ensure we receive the best possible price for milk at the Farm Gate.

In the short term the challenge facing SADA over the next few weeks is the work with Minister Terry Groom and the rest of industry, to ensure that the intention of the new Bill are applied through suitable and acceptable regulations (yet to be drafted) that foster and strengthen the viability of the South Australian Dairy In-



dustry.

The next meeting with the Minister is the morning of Thursday 29th to address Key issues such as:

① The Statewide Equity Scheme: i.e. Equitable % sharing statewide of the premium from the new Statewide price for market milk and including the transport adjustment to ensure rational sourcing of supply.

② Clarification of the roles

of the new Statewide Authority and a clear definition of quality control and licensing powers.

③ Fine tuning of the state wide levy to support a control testing laboratory for herd recording and other purposes.

④ A method to continue the Generic Promotion of Milk in an effort to maintain or increase white milk sales.

⑤ The important role of fostering self regulation through the discipline of a Policy Council with support of Legislation.

Personally I may not have much time available for fodder conservation, but I sincerely wish all members a trouble-free and successful silage and hay-making season.

ALLAN MANNING,  
PRESIDENT

## ANNOUNCING...

# DISTRICT MEETINGS

### ■ FLEURIEU DISTRICT

SOUTH COAST & MYPONGA BRANCHES

25TH NOVEMBER - 8.00 P.M.  
INMAN VALLEY HALL

### ■ NORTH DISTRICT

NORTHERN & BAROSSA BRANCHES

24TH NOVEMBER - 1.00 P.M.  
CLARE GOLF CLUB

Your formal Meeting Notice and Agenda accompany this Journal.

## DON'T MISS IT!

## PRICE INCREASE!!

Both Dairy Vale & Farmers' Union are currently paying a Basic Milk Price of:

\$1.95 per kg butterfat

\$4.10 per kg protein



## VICTORIAN MANUFACTURING MILK PRICE

TATURA MILK topped the 1991/92 season manufacture milk price and has advised that their average payout is:

\$5.70 per kg butterfat  
(less industry levies).

# NEWMANS ARE CHAMPIONS!

The Meadows family farming unit which is working well in all respects, from farm management to the marketing of genetics, has won the Dairy Vale Champion Dairy Family Farming Team Award.

The announcement was made by the President of the Royal Agricultural and Horticultural Society, Mr Don Barkley at the Royal Adelaide Show.

Ian and Elaine Newman and sons David and Gavin were selected from 10 finalists in the Dairy Vale Award, which this year put emphasis on the family farming unit. Runners-up were the Zweck family of Blyth.

"We valued the experience and we're particularly impressed that people like Dairy Vale and Geoff Dare of Countrywise Computing also see the value of this kind of competition," Ian Newman said accepting the award.

"I don't know of any other company which recognises farmers in this way."

The Newmans chose the computer package from Countrywise Computing worth around \$6000. As runner-up, the Zweck family was awarded the \$4000 overseas trip being the major prize not chosen by the winner. Zone winners in the competition receive merchandise packages worth \$600 from Adelaide Seed Co., Alfa Laval, Amatek Rocla, Bayer Australia, Castrol, Gallagher, Hi-Fert, Hoeschst, Merck Sharp and Dohme, Milling Industries and Rhone Poulenc.

In addition to good housekeeping around the dairy to get the quantity and quality of milk needed, Ian, Elaine, David and Gavin look at marketing as a means of influencing income. The sale of well-bred young milkers is one example. Another is their decision to supply steer calves to a feedlot in Stawell, rather than sell them at the calf market.

They figure that if a Holstein Friesian has the genetic ability to reach 740kg liveweight at 2 years



and 2 months, and so meet the requirements of the Japanese market, then this ought to be exploited. While they will supply only 60 of the feedlot's growing demand for about 10,000 Friesian steers a year, Elaine points to the value adding benefit even for a small output.

Getting the most out of their genetic pool is perhaps best emphasised in their core breeding program, which involves embryo transfer. To multiply their best genetics 10 or 12 of their top cows are selected each year for the inducement of superovulation and joining with superior semen. The resulting embryos are then carried by the lower 40 pc of their 120 cow herd, with the remainder being correctively mated by matching the strong features of AI bulls with lesser traits of the cows.

Chairman of the judging panel, Mr Ian Williams, commented that the standard of the competition was high again this year.

"The enthusiasm of farmers to look beyond their own properties and use an opportunity like the Dairy Vale competition to

exchange ideas was impressive," he said.

Each member of the Newman family depends on a profitable outcome, and it makes sense that each puts in the necessary thought and effort. The Newmans and the Zwecks realize the importance of the way families work together and the benefits of goal-setting.

By considering economics, management and targets for the future the Zweck family have succeeded, with local breeding for local conditions, outside of traditional dairying districts.

At the official presentation of prizes, Don Barkley said the format of the Dairy Vale Award this year emphasised the important role of women in the farming unit. He commended Dairy Vale, Countrywise Computing and other supporters of the competition.

Ian Newman agreed with Don about the commitment of farming families necessary to efficiently run a business, implying there was not the same likelihood of withdrawing labor as occurs in some other industries.

# 1992 CHAMPION DAIRY FARMING FAMILY FIELD DAY

## Wednesday 2nd December

The winners of the Dairy Vale Champion Farming Family Team Award, the Newman family, are welcoming people to their property for a tour of the grounds and a luncheon to follow.

The competition encourages the exchange of knowledge and innovative ideas within the industry. A Field Day allows others to

see how the award-winning family run the business to such a standard.

The day will include a discussion with judges of the competition and members of the family.

The day begins at 10.30 a.m. with the tour of the property and a discussion, followed by lunch at about 12.30 p.m.



## DAIRY INDUSTRY TRAVEL OPPORTUNITY



Jack Green is unquestionably the best known identity in Australia's Dairy Industry. He is widely respected and much loved for his wise counsel and warm character.

### THE JACK GREEN CHURCHILL FELLOWSHIP - for the benefit of people engaged in the Australian Dairy Industry

is a tribute to Jack's lifetime work.

Churchill Fellow Neville Miles, ably supported by well known identities in the Victorian Dairy Industry, Mr. Arthur Stubbs and Mr. Don Harris, have run a highly successful appeal to fund this Fellowship in perpetuity. Response from the dairy industry to fund the Fellowship has been out-

standing and the appeal is close to its target.

Applications for the 1994 Jack Green Churchill Fellowship are now open. The successful applicant will go overseas for about 3 months - a living allowance, fares and fees will be paid. The average Churchill Fellowship is worth about \$13,000.

The 1992 Jack Green Churchill Fellow, Lynett Griffiths from Kyabram has just returned from her tour of Japan, Netherlands, Denmark, UK and USA where she learned the best aspects of management that are currently employed by successful dairy co-operatives. Her Churchill Fellowship's Report will make fascinating reading and point the way for the changing management methods in the industry.

Lynett's successor, John

Mulvany, Field Services Manager of the Murray Goulburn Dairy Co-op is planning his 1993 Journey to USA, UK, Ireland and the Netherlands where he will investigate current dairy extension and farmer training techniques.

Churchill Fellowships are available to all Australians regardless of academic or other qualifications.

Apply now for a 1994 Churchill Fellowship. Send a self-addressed stamped envelope 24 x 12cms to:

Application Forms  
The Winston Churchill  
Memorial Trust  
218 Northbourne Avenue  
BRADDON ACT 2601

Applications close on 28 February 1993.



# New Managing Director for Dairy Vale



Mr. Christopher Wood has been appointed Managing Director of Dairy Vale Co-operative Ltd., South Australia's largest dairy foods manufacturer.

Formerly Divisional Manager for George Weston Foods Limited, Mr. Wood replaced current Managing Director, Mr. Robin Steed when he retired in September.

In his new position Mr. Wood will be responsible for the overall management of Dairy Vale's manufacturing and marketing operations, which have undergone significant expansion in the past 12 months.

The company produces in excess of 10,000 tonnes of cheese each year, handles more than 170 million litres of milk, and has an annual turnover in excess of \$100m.

Mr. Wood has had widespread

experience in the food and food processing industries including a nine year period with Anchor Foods Pty. Ltd., during which times he held the positions of National Manufacturing Manager and General Manager (SA).

That was followed by a two year period as the State Manager of BLE Capital Limited, (a firm jointly owned by Westpac and a consortium of English clearing banks) which was then the largest venture capital business in Australia.

Announcing his appointment, Dairy Vale's Chairman of Directors, Mr. Milton Baulderstone, said Mr. Wood's business background would be invaluable for the company's continued growth and development.

# CATTLE SURVEY



# STARTLING RESULTS

*Cattle Compensation Fund Advisory  
Committee*

Researchers are surprised at the results from a survey which measured the selenium and magnesium status of dairy cows on Fleurieu Peninsula.

"When we went into the survey, the suspicion was that we would find very deficient herds," veterinary research scientist with the SA Department of Agriculture, Dr Greg Stevens, said.

"That was not the case," he said.

Greg Stevens and other officers including senior research scientist, Doug McLean both at the Flaxley Research Centre, and Geoff Judson of Vetlab, recently completed sampling and analysis of blood, milk and urine from cows in a representative 16 dairy herds in the Fleurieu district.

They began this Cattle Compensation Committee funded project in 1990 because of Australian and overseas reports which suggested that dairy cattle grazing pasture on acid soils in high rainfall areas might need selenium supplementation as deficiencies of this trace element have been associated with poor reproductive performance and mastitis.

The level of magnesium was also tested because a deficiency of this element causes grass tetany and in some cases, complicates milk fever. Marginal deficiencies will also lower milk production.

To determine whether there was a

real problem with these minerals, the researchers concentrated on eight herds located on lateritic soils in the region and eight on deep sands.

In each of these herds, 30 cows were sampled. Within each herd, 10 cows were selected by the farmer to represent each of the three following calving groups - early, late and first calvers.

To ensure any seasonal differences were accounted for, samples were taken in September 1990, April 1991 and June 1991.

While the results showed that selenium and magnesium levels in the herds tested were not critical, Greg Stevens and Doug McLean said that six of the herds on lateritic soils and three on sandy soils, had low blood selenium levels.

"We also measured selenium as this is an indicator of the short-term status of this element," Greg said.

"In September all herds had low milk selenium but this was not the case in April so obviously there is a seasonal factor."

The researchers said that as far as magnesium was concerned, few cows were found to be at risk.

However, the results indicated that supplementation would be beneficial in some herds and that those cattle grazing pasture on sandy soils had higher magnesium levels

than those on lateritic soil.

They say their results indicate that while there is no general cause for alarm about selenium and magnesium levels in dairy cattle on the Fleurieu Peninsula, farmers need to watch what is happening within their individual herds.

"Some of the herds were being supplementary fed these two trace elements," Greg said, "and others need to be."

"But all should be monitoring the level of selenium and magnesium."

"In the first year or two, they probably need to take samples two to three times a year to find out what is going on."

"They should sample high and low producers and young and old cattle."

"We would recommend blood samples which are sent to a laboratory for testing."

"Monitoring like this, if it's done well, is probably less costly than say herd recording or soil testing."

The researchers said that the results of the dairy cattle survey were not directly applicable to beef cattle because of the different management systems.

Further information from  
Greg Stevens or Doug  
McLean on (08) 388 8220.



# ENERGY EFFICIENCY IN THE DAIRY



The very first state in Australia to retrofit ozone friendly alternative refrigerants into farm milk vat systems, in November 1992, was South Australia.

The new Flaxley Research Centre installation demonstrating

- Ice Technology (thermal transfer)

- Heat recovery and cooling towers

available for monitoring purposes marks a first for any Dairy Research Centre in Australia.

This new project was completed only days before the Energy Efficiency Field Day held at the Flaxley Research Centre on Tuesday 22nd September.

The Program developed by READD, SADA and ETSA (the major sponsors of the installation) included the following speakers

- Garry Stafford, (Dept of Environment and Planning),
- Bill Jackson and Geoff Hautop, (ETSA Demand Management Group),
- Frank Crimmins, (ETSA Senior Tariff Analyst),
- Paul Driver, (ETSA Service Area Manager Eastern Hills),
- Dr. Graham Redding, (Redding Energy Management),
- David Crook, (Wood's Refrigeration),
- John McNab, (Hydrothermal),
- Callum Elder (Farmers Union Foods).

The Flaxley installation consists of three components using different principles of Energy Efficiency.

1. **PRIMARY PLATE COOLER** (ie the common heat exchanger used in 30% -40% of Australia's dairies

for primary milk cooling.)

In this case the water circulated through the plate cooler is rainwater stored in a totally enclosed fibro-cement tank with a Hydrothermal cooling tower mounted on top.

During the overnight off-peak electricity tariff period the tank water is circulated through the blower assisted cooling tower making full use of the low overnight wet-bulb temperature.

Early results indicate that a low temperature of 10°C is achievable using this system. Furthermore there is the advantage of absolute minimum wastage of water by recirculating within this closed system. Milk can be cooled within 3°C of primary cooling water and under optimum conditions this system can cool milk from 38°C down to 13°C.

## 2. SECONDARY PLATE COOLER

In this case ice water is passed through a similar plate cooler immediately following the primary cooler. The Flaxley ice system is manufactured by Woods Refrigeration in NSW and is considered to be one of the more popular systems available in Australia.

This ice producing unit has been retrofitted to the R22 compressor and condensing unit connected to the current milk silo.

The Woods ice maker consists of a series of evaporator coils strategically placed in an insulated tank. Compressed air is used to increase the rate of melt down whilst the iced water is being circulated during milking, ensuring milk enters the silo at less than 4°C. Accelerated

ice melt down is the key to successful use of ice storage for milk cooling due to the large volume of milk harvested for short periods only.

The retro-fitted unit remotely shared between the two systems greatly enhances this project for the purpose of research and monitoring of the efficiency and cost of direct expansion refrigeration as compared to thermal storage using off-peak tariffs.

3. **HEAT RECOVERY** The Flaxley installation includes the use of a de-superheater to harvest heat from the refrigeration unit prior to the compressed gas entering the air cooled condenser. The warm water (approx 60°C) extracted from this process is stored prior to entering the conventional dairy hot water system.

The new system for milk cooling provided an excellent focus for the 120 participants who enrolled for the day, but I dare say each of the participants went home with different perceptions of the potential and how to best utilize off-peak tariffs and indirect cooling technology.

Some points to remember when considering energy efficiency

- Make optimum use of off-peak tariffs.
- Do not waste hot water and ensure proper insulation.
- Make full use of primary plate coolers in any system and ensure water flow is three times the peak milk flow.
- Recognise the advantage of Cooling Towers being environmentally friendly and a medium for water conservation.
- Acknowledge the advantage of milk pumps with steady flow to ensure the correct ratio of milk to water is passed through the plate cooler.
- 70% of dairy farms could benefit financially through energy saving





# Planning for the Future

Pat Rowley, Chairman, ADIC

The finalization of national marketing arrangements has set an operating base for the Australian dairy industry for the next eight years.

In this period the industry must make every effort to place itself in the best possible position to enable continued growth in a deregulated market place after the year 2000.

As a first step towards this goal the industry conducted a two-day strategic planning workshop organized by the Australian dairy industry - manufacturers, processors, farmers and dairy organisation employees.

Workshop participants focused on the broad industry-wide issues that are of long term importance to the industry's future.

They identified the industry's strengths, weaknesses, opportunities, threats and competitive advantages.

The key issues were consolidated and strategies and preliminary action plans drawn up.

Two guest speakers, Mr. Doug Shears, executive chairman, ICM Australia., and Mr. Grant Latta, managing director, Petersville Sleigh (a division of Pacific Dunlop) advised that to achieve long-term market security the industry must adopt world-best practice at all levels, develop branded products and continue to rationalise.

At meetings of the Australian Dairy Product Federation, Australian Dairy Farmers' Federation and the ACIC executive, which followed the workshop, a list of priority action plans was developed.

These plans include:

- ◆ **Performance benchmarking** at the farm, manufacturing and infrastructure level to identify areas for improvement and to enable measure-

ment of comparative performance.

- ◆ **Asian dairy market reassessment**, to define specific target markets for more detailed research. Market evaluation will cover consumers, distribution, culture, products, ingredients, technology, substitutes, prices, competitors, market access and restrictions and so on.
- ◆ **Infrastructure Arrangements** (evolution of the "Crean Plan") to review industry infrastructure, State focus issues, harmonization of co-operative laws and alternative industry arrangements for market milk.
- ◆ **Promotion Evaluation** to evaluate strategies, action plans and funding to facilitate local and export industry and product promotion programs (including a "clean, green", focus).

initiatives.

- Be sure you weigh up the pros and cons of ice versus glycol brine solutions when changing to indirect cooling.
- Recognise the latent heat of ice as an advantage.
- Use ice water or glycol brine to circulate through the dimple plates of old vats considered not suitable for refrigerant.
- When looking for new silos, recognise that silos can be manufactured cheaper if their purpose is to store milk that enters the silo at less than 4°C.
- Adapt de-superheaters to your current refrigeration system.
- Recognise that the common plate cooler is considered the most efficient form of heat exchanger avail-

able.

- Instant cooling of milk can be a real advantage re milk quality. Early indications are that instant cooling can halve the total plate count of milk cooled over a period of three hours.

Note: With respect to ozone depleting refrigerants in existing systems -

- Maintain existing R12 units in a manner to minimise break down.
- In the case of breakdown or loss of gas (R12) use Ternary Blend MP39.
- If a vat is transferred or relocated and you wish to change to an alternate refrigerant use MP39 or 134A.
- R22 may be phased out post year 2000, but do not panic!! There will be suitable alternatives well established by then.

A recent survey of Queensland dairy farms showed the average cost of cooling 100 litres of milk to be 22.3c on farms with the old-style direct expansion refrigerated bulk vat, 16.5c for the same vats with a precooler, and 12.4c for vats cooled with an ice bank and precooler.

I can honestly say that I have found it a privilege and a pleasure to work with the Demand Management Group developed by ETSA in August 1990. The enthusiasm of Brian Bartsch, Peter Carroll and the staff at Flaxley have made this project a reality.

Many thanks to Hans van Dyk (Chairman of READD) and Roger Kuhlmann (Customer and Energy Services Advisor with ETSA).

**ALLAN MANNING**



The green and gold Australian Dairy Mark, now in its fourth year, has achieved its highest ever level of awareness among consumers.

It was launched in June 1989 to highlight and promote the natural goodness of Australian dairy foods and to distinguish Australian dairy products from imports and imitation dairy products. A consumer need only look for the dairy mark to know they are buying a quality Australian dairy product.

Anita Cameron, senior program manager, said Dairy Mark now had 31 licensees and 1450 products.

Ms Cameron said there was now a greater awareness and distinction between Australian dairy products and products from New Zealand and subsidised European imports, which devalued the market. This awareness has grown steadily from a 56% awareness level in February 1990, to 85% in February 1991.

# HIGH PROFILE DAIRY MARK

The Australian Dairy Corporation's 1992 consumer promotion featuring the Australian Dairy Mark will begin on August



30 with the theme, For The Good of Australia.

The promotion this year includes a substantial donation to the Yellow Footed Rock Wallaby Rescue Appeal, plus a competition to win a trip to Kakadu National Park in the Northern Territory.

Consumers can enter the competition by completing entry forms available in supermarkets or by calling a 0055 telephone number to participate in the competition. The ADC will donate \$1 to the wallaby rescue project for each caller, to a maximum of \$100,000.

Each caller will also be entered in the competition to win one of five five-day trips for four people to Kakadu National Park.

The promotion will be supported in New Idea magazine and by a television campaign featuring John Dengate, the Burke's Backyard presenter and National Parks and Wildlife officer.

## EVERYTHING MUST GO! INVENTORY CLEARANCE

*As the Association is no longer involved in supplying goods and services for sale, we are clearing out all our stock - and this means YOU can SAVE!*

*Phone Head Office on (08) 231 3752 to place your order.*

- ★ 6 Bags DS88 @ \$45.00 ea
- ★ 5 x 25 Ltrs IDA-4 @ \$90.00 ea
- ★ 4 x 25 Ltrs TERMINATE @ \$90.00 ea
- ★ 2 AMBER WARNING LIGHTS @ \$20.00 ea
- ★ 1 Fluorescent FLAG @ \$5.00

- ★ 3 DOUBLED SIDED SIGNS  
("Stock on Road" +  
"Slippery When Wet") @  
\$100.00 ea
- ★ 7 "A" FRAMES @ \$20.00 ea



## NEW LOOK ADC BOARD



"The new Board of the Australian Dairy Corporation is a strong combination of people with experience in the dairy industry and those with a proven track record across a wide range of industries," the Minister of Primary Industries and Energy, Simon Crean, said today.

Mr Crean was announcing the appointment of Rosemary Stanton, Graham Cunningham, Alf Leyson, Roger Perkins and Bill Widerberg and the re-appointment of John Allen, John Lisle and David Partridge, who will continue as deputy chairperson. All appointments are for three years, commencing 1 November 1992.

"The new Board will have a particularly important role in implementing the new marketing arrangements that the Government negotiated with the dairy industry earlier this year," he said.

"I am pleased we have a Board with the talent and

innovation to capitalise on the challenges facing the industry and to respond creatively to the opportunities being defined by the Dairy Marketing Review Task Force I announced last week.

"I look forward to the contribution of Rosemary Stanton, the well-known nutritionist and consultant in food industry marketing and promotion who has done a great deal to raise public awareness of nutritional issues.

"Two successful dairy farmers and former members of the Board, John Lisle from Victoria and David Partridge from Western Australia, will continue to provide valuable input based on their experience and knowledge of dairy production.

"Management and financial experience will continue to be provided by John Allen, a senior manager of some of Australia's largest manufacturers, and Graham Cunningham whose career in merchant banking has included extensive work on dairy industry restructuring.

"The managing director of the Murray Goulburn Co-operative, Alf Leyson, will provide the hands-on experience in the management of the manufacturing and marketing of dairy products for both the domestic and export markets."

The Minister said several members had marketing and exporting skills, but he would be looking particularly towards Roger Perkins, the managing director of Bliss Corporation and Bill Widerberg, the current chair of the Fisheries Research and Development Corporation and formerly of Coca Cola and Tooheys for advice.

"I am confident the new members will complement the skills of those already on the Board including the recently appointed chairman, Ken Baxter, the managing director, John Gibson, and the government member.

"The selection committee advising me on the appointments has done a commendable job identifying people with proven performance in exporting, nutrition, marketing, production and management," he said.

Mr Crean also paid tribute to the five retiring Board members, Bob Campbell, Courtney Clark, Barry Gilbert, Bill Hill and George McGregor for the major contribution they had made to the evolution of the Australian Dairy Corporation over a demanding period in the life of the dairy industry.

# AUSTRALIA & NEW ZEALAND

## DAIRY FARMER LIAISON



On Wednesday 24th June, the ADFE Executive attended the final day of the New Zealand Federated Farmers (NZFF) Dairy Section Annual Conference.

Pat Rowley (ADFE President) addressed the Conference where he gave a brief outline of the Australian dairy industry structure and the attitude of the Australian industry to CER with New Zealand. John Watson (UDV President) also addressed the Conference on the role, structure and functions of the UDV and how it fits into the Australian industry structure.

During the end of the week the Executive held formal discussions with the NZFF Dairy Section Executive.

Pat Rowley and John Watson also attended the biannual Joint Industry meeting with the New Zealand Dairy Board.

Some points of interest from the ADFE Report on this New Zealand visit are reproduced for your information.

### DAIRY SECTION CONFERENCE

- \* The New Zealand Dairy Board final payout for 1991-92 will be NZ\$5.20 with an expectation of NZ\$5.70 being for final payout to farmers by their co-ops for 1991-92.
- \* The NZDB is recommending to the industry that the description of payment of milk in 1992-93 be changed from the current method of comparing prices on butterfat equivalent to describing returns on the basis of milk solids (ie fat plus protein).
- \* The new dairy act clearly defines the ownership of the NZDB being in the hands of the farmers. The Minister for Agriculture and Fisheries is very supportive of the dairy industry.
- \* The New Zealanders have had the unfortunate circumstance of having the Australian possum as an introduced pest. And what a pest it is! There are no natural (or introduced) enemies and it has thrived in the New Zealand environment. There are substantial efforts now being introduced to try and wipe the possum out. One of the major problems with it is that it is a carrier of Bovine Tuberculosis. The TB levels in the New Zealand dairy herd are quite high and rising due to the presence of the possum. The industry is trying to grap-

ple with this problem by applying stock movement restrictions and trying to develop TB free regions by eliminating the possum and the restricting cattle movements into the TB free regions.

### DAIRY SECTION EXECUTIVE & ADFE EXECUTIVE DISCUSSION

#### \* NZFF STRUCTURE

The NZFF represents 70% of all NZ farmers. There are about 13,000 dairy farmers and 22,000 sheep farmers in NZ.

There are 24 autonomous provincial offices of NZFF which are affiliated with the federal body.

The provincial offices represent all commodities as does the federal office.

The fees vary between provinces. The average fee is \$120 per member - \$30 of which is remitted to the federal office.

This provincial remittance represents about 35% of the total income for the federal office.

The other 65% comes from a statutory levy on the slaughter of all animals in NZ. However this will terminate in 1996 making it necessary to find alternative funding.

#### ✘ CER

There was agreement that the marketing activities of the NZDB and Australian companies must be carried out in such a way that they do not fight in the market place with the farmers money.

It is now cheaper to ship product to Japan from New Zealand than it is to ship to Australia. This is primarily due to significant reform on the NZ waterfront - Australia has a long way to go to reach the same degree of reform that NZ has achieved.

#### ✘ RESEARCH AND DEVELOPMENT

There was considerable discussion on the need for Australia and New Zealand to work more closely together in farm production research activities to maximise returns from both industries from the scarce resources available to both industries. This is particularly important given that Governments in both countries are continuing their drive to reduce their outlays on Research and Development.

#### ✘ RESOURCE MANAGEMENT

New Zealand have essentially the same problems that either

already exist or are now being raised on environmental issues.

Both Executives agreed the farming communities of both countries must be proactive in developing systems to control environmental issues rather than have inappropriate control systems thrust upon them.

#### ✘ GST

The overall comments from the NZFF was that the GST created considerably more paperwork for farmers which was a major reason for considerable disapproval amongst farmers following its introduction.

However, there was a strong view that this has had significant positive effect because it has meant farmers have had to maintain much better records which has led to them having a much better understanding of their financial circumstances at any time of the year. It was considered that this benefit alone has been sufficient to overcome the negative influence of more paper work. In addition, there has been a considerable degree of streamlining paperwork through simple on farm accounting methods which have reduced the amount of paperwork which was originally envisaged would be required to keep track of GST receipts and payments.

The GST also provides additional cash flow to the farmer because they pay their GST bill after the end of the month - but their milk cheque comes at the beginning of the month. The GST component of the milk cheque means the farmer has use of that Government tax money for about a month.

The NZFF will be sending the ADFP information on how the GST works in NZ and how the farmers handle the paperwork, etc. This will undoubtedly be of benefit to members.

#### ✘ FUTURE OF THE INDUSTRY IN BOTH COUNTRIES

Both Australia and NZ, at international forums, often have complaints levelled at them, particularly by the EC, that they are increasing their production while the rest of the world is reducing their production through supply management systems. The EC particularly use this to support an argument that if they reduce their production further Australian and NZ will simply increase their production and take the EC's export markets.

Australia has never accepted this argument because it would not be possible for Australia to increase its production from a pasture based system to compensate for the levels of EC production entering the world market. NZ have the same view. Both Executives agreed that the price of dairy products was most unlikely to rise sufficiently for both countries to change their production system from pasture based to a lot feeding system which would be the only way to substantially increase total production.





The SADA office will be closed on the 24th December. We will be re-opening on the 4th January.

**HERE AT LAST!**


## Conference Proceedings



If you attended the 1992 SADA Annual Conference, you will soon be receiving a copy of the Conference Proceedings. booklet, covering many aspects of farm management in today's environment.

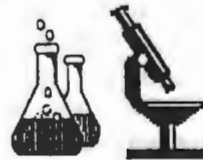
This copy of all the presentations made during the Conference is a most interesting and informative

For those who did not attend the Conference, this booklet is available from SADA Head Office for \$10 (includes postage & handling).

 (08) 231 3752 to place your order.



# MILK PRODUCTION CHEMICAL NOT APPROVED



The Australian Agricultural and Veterinary Chemicals Council announced in September that it had agreed not to approve the use of Bovine Somatotropin (BST), a naturally occurring protein which, when administered to dairy cattle, had the potential to increase milk yield.

Speaking after the meeting of the Council in Sydney, the Chairman, Mr Brian Hill said that while it had been known for many years that BST supplements could increase milk production, it had only been recent advances in biotechnology that had allowed the production of BST in commercial quantities which could now be used to treat dairy cattle on a regular basis.

Mr Hill said that the Council has been evaluating BST

over the last 12 months. It had decided, solely because of likely trade implications, not to approve the product for use in Australia.

Mr Hill noted, that in reaching its decision, the Council had consulted the dairy industry and through the Department of Primary Industries and Energy had received advice from Australian missions in countries importing significant quantities of Australian dairy products. "The overwhelming view at present is that, as a large proportion of our dairy exports go to countries which have not approved the use of BST, the introduction of BST in Australia at this time could prejudice a significant part of that trade."

Mr Hill also noted that the Council was aware that BST was also being evaluated in other countries including the USA and EC and would be monitoring developments.

The Council is a Commonwealth/State body responsible for the assessment and approval of agricultural and veterinary chemicals proposed for use in Australia. Participants comprise the States/Territories, the National Health and Medical Research Council (NHMRC), the Australian and New Zealand Environment and Conservation Council (ANZEC), the National Occupational Health and Safety Commission (Worksafe Australia) and the Federal Bureau of Consumer Affairs.



# BRUCELLOSIS ERADICATED

The program to eliminate brucellosis from cattle has now been finalised in South Australia.

The last blood samples taken from slaughtered cattle for the program were tested at VETLAB in June, this year. Similarly, the monitoring of dairy cattle has been completed with the last Milk Ring Test also now finalised. Since 1978 VETLAB has tested 7.7 million blood and 72,000 milk samples for brucellosis.

Prior to the 1980s bovine brucellosis was a significant

disease risk to veterinarians not only from natural infection but also from live Strain 19 vaccine which was prohibited from general use in April, 1981. Veterinary practitioners tested many herds during the 1970s and up to 1985 in South Australia, when the last known case was found.

The State was declared brucellosis free in July, 1989. Monitoring for the whole country will be finalised when Queensland ceases abattoir testing at the end of 1993, after which brucellosis will be regarded as an exotic disease.

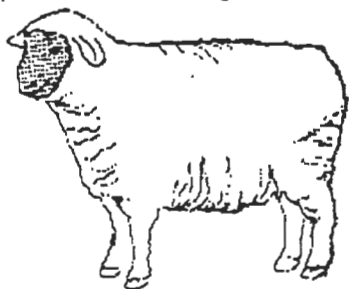
The Chief Veterinary Officer, Dr John Holmden has thanked the members of the veterinary profession, particularly rural veterinary practitioners, whose contribution to herd testing and vaccination made the eradication possible. He said that tuberculosis eradication is also proceeding very well. Tuberculosis has not been seen in cattle of South Australian origin for nearly four years. However, because of the chronic nature of the disease, monitoring in abattoirs will continue for many years. The Department will also maintain the cattle tail-tag system to ensure that effective trace-back is possible.

*JIM TOLSON*

*"Vetlab" Newsletter August 1992*

New Zealand

## Roundup



### FARMGATE RETURNS CLOSE TO 40% UP

Farmgate payouts by dairy companies for the 1991/92 season averaged \$5.84 per kilogram of milkfat, 38 percent above the 1990/91 figure of \$4.22. The highest return came from Tarnaki, where Kiwi paid \$6.10. Tatua and East Tamaki both paid \$6.05 to suppliers, followed

by an average \$6.00 payout by NZCDC. Other company payouts were: Otago \$5.90; Bay Milk Products \$5.84; Kaikoura \$5.75; Westland and Marlborough Cheese both \$5.60; Tasman Milk Products \$5.55; Southland \$5.45; Northland \$5.44; Alpine Dairy Products and Otago Cheese both \$5.40. The average dairy company margin over the Board's \$5.20/kg milkfat final payout was 64c, compared to a 52c margin over the \$3.70 the Board paid out for the previous season.

NZ\$1 = A\$0.70 (approx.)

### CHANGE IN MILK TERMINOLOGY

The dairy industry will adopt a new payout terminology from next season. The term milkso- lids (one word) will be used

instead of milkfat as the key measure of production, and the basis on which prices are expressed. Of the two major components in milk, protein and milkfat, protein now has considerably more value per kilogram than milkfat. Given that fat is not the most valuable solid in milk, and that the word fat has negative connotations, it is a misleading anachronism to base all the industry's measurements on the less valuable component.

Milk solids is defined as those solids, protein and milkfat, for which payment is made in the Board's purchase price for milk. Under the new terminology, the Board's final payout of \$5.20/kg milkfat for last season would be expressed as \$2.99/kg milk solids.

# HOW TO WORM YOUR WAY OUT OF THE WASTE MANAGEMENT PROBLEM!

Craig Guy of Central Victorian Earthworms, who spoke recently at the SADA Conference in Mount Gambier, and who was kept at the after dinner table long into the night by interested farmers and agricultural personnel, has turned to video to get his message across. The video, called **WORMS at WORK**, and looking at the concept of using worms in waste management, was very successfully launched at the Royal Agricultural Show in Melbourne this year. It shows the basic principles of working with worms, shows how to go about it and talks to dairy farmers who explain why they decided that worms looked like good way to go - both economically and for the betterment of the farm and the farmer.

"It's very important

that we are able to get this concept across to as many people as possible, as soon as possible," said Craig. "As one person I can only do so much, and I've got the phone growing out of my ear now! We had to find a better way to give people the basic idea. So we made



CRAIG WITH A FARMER CHECKING TO SEE THAT THE WORMS LIKE THE FOOD IN THE WINDROW.

a video!"

Produced by Peter Harvey-Wright and Neville Stanley, the video is 30 minutes full of information about the concept of worms in waste management, the conditions they like, why it is different from composting, how to set up those conditions - at home and on

the farm, and then what it means for the farmer who is looking to sort out his waste management problem using worms.

"We were trying to convey to people the worth of looking at this system and then letting them see how it is done," said Peter. "I have now got it going in my own situation and it is working a treat, and it seemed to us that a lot of other people would also be interested. By using Craig to explaining the concept of using worms and with him, showing how to do it, we are giving people a

practical step by step guide that anyone can follow."

One video that might well be worth a look!

It can be ordered from N.S. & Associates. P.O. Box 346 TOORAK VIC 3142 and costs \$39.95 plus \$5.00 postage.



## How to use the earthworm for good waste management and better soils

Do you want to know how to solve your farm's waste problem, and create organic fertiliser for your pasture at the same time?

Then you need Worms at Work ...the video!

"We're going to have to find ways of getting rid of our effluent and this is a good way of doing it.... all our manure can go in with the worms, producing a product that we can just put straight on the paddock..."

Quote from Des Parker - Dairy Farmer in the video Worms at Work.

For only \$39.95 Worms at Work ...the video will show you how to:

- Grow your own worms
- Solve your organic and manure waste problems on the farm and at home
- Save money by creating your own fertiliser

Worms at Work ...the video, will show you how to breed earthworms simply, the ideal conditions for worms, the best varieties to use (and where to get them), what worms will eat and how to feed them. We talk to an expert who explains the simple STEP BY STEP guide to setting up your own waste management system.

Worms will transform organic waste such as cow manure into water soluble, plant useable fertiliser four times faster than composting. By passing it through their gut, worm produced fertiliser is 40 times higher in bacteria than animal manure. And these worms double their population every couple of months so you have a rapidly increasing population of waste munchers.

Worms at Work ...the video is 30 minutes of valuable information that you can look at again and again. There is also a booklist for further reading,

The video, **Worms at Work** is ideal for:

- Farmers
- Householders
- Schools
- Municipal tips
- Market gardeners
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## BUTTERFAT DROPS WORLDWIDE

Declining butterfat consumption is not isolated to Canada. In fact, in some countries, demand is dropping at a faster rate than here.

Overall, world butter consumption decreased by more than four per cent in 1990, says a recent International Dairy Federation (IDF) report.

An exception to the rule seems to be the U.S. Butter sales there actually went up slightly in 1991 thanks, at least in part, to lower prices. The support price has been reduced to the point where butter is more competitive with margarine, says Archie MacDonald, Vice-President of Economics and Market Research at the Dairy Bureau of Canada.

The U.S. butter support price was 87 cents in March 1992, down from 99 cents last year and \$1.28 in 1989, says MacDonald, quoting a recent U.S. Department of Agriculture survey of wholesale dairy prices. The current U.S. support price is at its lowest since 1975, the survey adds.

Commercial butter disappearance was 927.2 mil-

lion pounds in 1991, up slightly from 902 million pounds in 1987. These numbers are significant considering the trend to lower butterfat consumption, MacDonald says. Before 1987, the U.S. showed a consumption decrease.

Other countries, however, continue to show declining butter consumption. France, Ireland and the United Kingdom have had significant decreases. IDF reports a three per cent drop in the EC in 1990.

In addition to increasing butterfat tests and growing low-fat sales, blend products are an important factor in lower butter consumption, adds MacDonald. While countries such as Sweden have had good success with blended products, that are the exception, he says. In Ireland, for example, the introduction of blend products devastated what was one of the highest butterfat consumption rates in the world, dropping it an estimated 70 per cent.

*Karen Mantel -  
Assistant Editor, Ontario  
Milk Producer, June  
1992*

*The Sky's  
Still  
There!*



Consumer demand for butterfat may be falling in Canada, but dairy farmers should remind themselves that the sky isn't falling with it.

In the good old days, Canadians did drink full-fat milk as it came from the cow, spread real butter on their toast and shuddered at the mere thought of topping their strawberries with anything but real whipped cream. As the decade of the 90's dawned, however, dairy farmers faced declining butterfat markets.

Nevertheless, there is still a healthy demand for milk and dairy products, including some containing goodly amounts of butterfat.

The industry is far from doomed, although consumer demand is changing for the kinds of products offered.

The change might be painful, but a future remains for dairy farmers.

*Extracted from "Editorial",  
Bill Dimmick, Editor,  
Ontario Milk Producer,  
June 1992.*

# FLATULENT CATTLE CLEARED

Flatulent cattle are wrongly taking the rap for global warming. Some environmentalists claim that cattle add significantly to the amount of methane in the atmosphere. It is unfair to single out cattle, says the director of Saskatchewan Agriculture and Food's Veterinary Branch, Dr. Peter Rempel.

Methane is a natural by-product of ruminant digestion. All goats, sheep, elk, antelope, llamas, camels and bison in the world also produce methane in the course of their digestion, he says.

Studies by Canadian and American university scientists have shown that North America's cattle population produces between 0.2 and 0.5 per cent of all greenhouse gases in the atmosphere, says Rempel.

A recent Cornell University study of global warming, concluded that the tendency to emphasize cows and agriculture in methane production is dangerous. It diverts attention away from one of the real causes of global warming, fossil fuel emissions from developed countries, says Joan Perrin of the Beef Information Centre in Regina.

Wood-digesting insects such

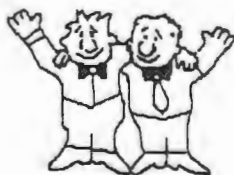
as termites are estimated to produce as much methane as all the cattle in the world, says Rempel. Other naturally-occurring methane sources include melting permafrost, swamps, rice paddies, forest fires and fossil fuels.

The most rapidly growing source of environmental methane is rotting garbage in landfill sites.



Give yourselves a

## PAT ON THE BACK!

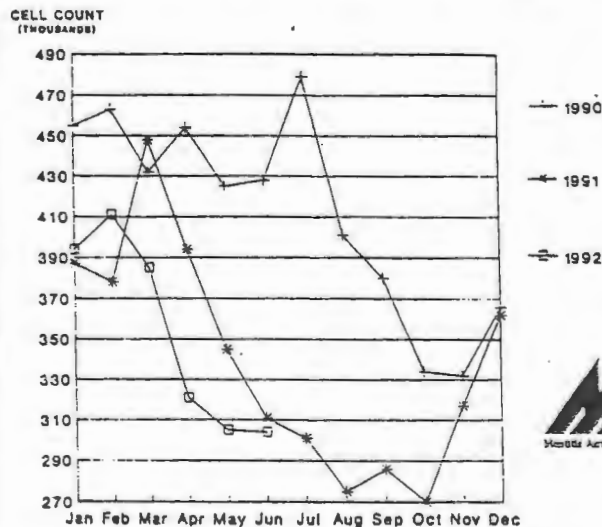


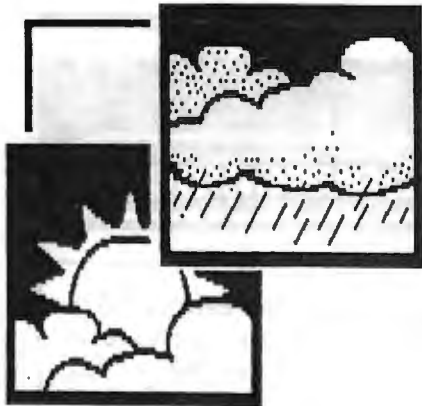
As this graph clearly shows, the S.A. Milk Cell Count Service has recorded a dramatic lowering of cell counts from 1990 to 1991 and a continuation of this trend in 1992.

KEEP UP THE GOOD WORK!!

CELL COUNTS FROM 9.90 INCLUDE SE REGION

### STATE AVERAGE TO JUNE 1992





# Weather.....

## or Not?

Most viable farmers would not hesitate to spend \$5000 on machinery, equipment, genetic stock, pasture seed, fences or fertiliser that would guarantee productivity improvement.

However, few would consider spending that amount on weather data, one of the most important and valuable farm inputs.

Ironically, some weather information is free, while a treasure chest of valuable data can be bought "off the shelf" and additional information can be tailored to the individual farmer's needs.

Weather information is now much more comprehensive than the traditional daily on-farm diet received by radio, television or the print media. It can be piped direct into the home via personal computer, or personally packaged in print to suit the diverse needs of the farming community.

For example, in most farming areas, local data can be supplied by the Bureau of Meteorology relating to the possibility of frosts, evaporation, hail, wind speed, chill factors, sunshine, solar radiation, brown rot and dewpoint, as well as the traditional menu of data.

This traditional list includes temperatures, rainfall, cloud cover, thunderstorm activity, warnings on floods, bushfires and hazardous conditions for grazing stock, heavy dews, river heights, etc, all generally available on a daily, weekly or monthly basis for outlook periods ranging from 24 hours to three months.

Weathercall numbers are accessible using Telecom's 0055 system, although in South Australia, this service is confined to the three month outlook.

Farmers can also access a comprehensive range of weather information via Metex, a videotex information service within Telecom's Discovery System (which also gives access to personal banking, travel, financial, economic and marketing information, etc.)

Farmers with personal computers with modem attachments can access Metex for the latest weather observations, a range of forecasts, daily and weekly rainfall information, extreme temperatures, solar radiation etc.

One of the more recent exciting developments is public access to RAPIC, which provides radar pictures from the Bureau's radar stations in real-time, and to DIFACS, which is a personal computer system for

printing and viewing weather charts and satellite pictures.

To access either RAPIC and DIFACS, users must have an IBM compatible computer with a VGA colour screen, a 1.44Mb 3.5 inch floppy disk drive, and a hard disk with about 3mb of spare space.

The RAPIC system gives access to rainfall information from the Bureau of Meteorology's network of over 30 weather radars. It outlines where the rain is falling, how heavy it is, where it is moving to, and whether it is intensifying. It also shows intensity in millimetres per hour.

DIFACS is a system for receiving, storing, displaying and laser printing many Bureau products including weather charts and satellite pictures.

While these systems are expensive - connection fees range from \$1706 to \$2610 and annual service charges from \$636 to \$1716 - they may not be beyond the means of a group of farmers with like interests, especially when knowing coming weather patterns is an integral part of efficient, profitable, farm management.

*Based on an article by Trevor Johnston, Editor, 'Australian Farm Journal'.*

■ Those who laugh, last

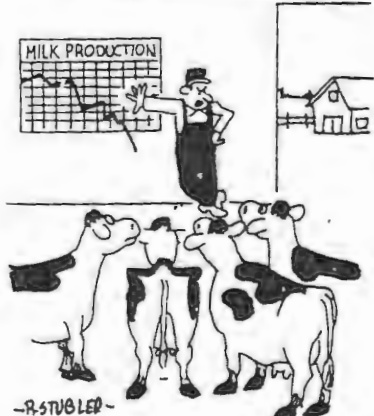


■ Memory is what keeps telling you that you know that fellow without giving you any idea who he is.

THE FUZZY FARM

Two men were fence mending on a remote sheep station when one found his pliers were missing. "I reckon I left them on a strainer post about five kilometres away," he said to his mate. "Can you go and check?"

The other man returned hours later, hot and panting, "Yep," he gasped, "They're there."



"I suppose you are wondering why I called you here today."



The rural professional and his cowphone

**HOW TO BAKE A POLITICAL CAKE**



**Ingredients:** 1 cup election promises, an equal amount of excuses, a pinch of salt, 500 grams of self raising price, 50 grams of plain truth, the rind of a pension, a liberal amount of small talk.

**Method:** Sift the election promises, with a pinch of salt, then pour in the excuses, add the self raising price and mix in the plain truth. Finally stir in the grated rind of a pensioner and combine all the ingredients well.

**To Bake:** Place in a transparent dish and spread the smooth talk evenly over the top. Bake slowly until browned off or until the next election takes place.



■ A hard-bitten old farmer had died. At the funeral service, those gathered waited silently for someone to make a tribute to the departed. At last, one old man spoke up and said. "Well, I can say one good thing about William. He wasn't always as mean as he was sometimes."

**CLAMBO**

by Martell



■ Beware of the man who says he's boss in his own home; he'll lie about other things as well.

# Feeling Fenced In?



# You Should Be!

*Once upon a time* farmers were not, generally speaking, liable for damage or injury caused as a result of their livestock escaping from their properties. This was because South Australia had inherited law which had applied in England, and that law essentially gave immunity to farmers in such circumstances. It seems that many believe that is still the law.

However, the law in South Australia changed in 1983 when the South Australian Parliament passed certain amendments to the Wrongs Act and now farmers will be liable if it can be shown that they were negligent in failing to prevent their animals escaping.

It has taken some time for cases involving incidents that occurred after the law was changed to come before the courts, but they are now doing so in increasing numbers. It is

apparent that incidents involving straying animals are common, particularly collisions between animals and cars.

A farmer is negligent if he fails to take reasonable steps to prevent the escape of his animals, and most cases come down to a consideration of the adequacy and state of repair of fencing.

Unfortunately no firm guidelines can be given as to what is acceptable and what is not - it depends upon the circumstances. However, in judgement delivered in December 1991 Justice DeBelle of the South Australian Supreme Court gave some guidance as to the types of matters to be taken into account. He said that the standard of fencing required depends upon factors such as the nature of the stock kept, any known propensities of that stock, and the nature and type of road which passes by the paddock in which the stock is kept. Giving examples he pointed out that it is well

known that a higher fence is required to contain deer than is required for cattle or sheep, and that if a farmer knows that some of his stock have a propensity to jump high fences then he may have to construct a higher fence. Similarly, if a paddock adjoins a heavily trafficked, high speed road, then the fencing might have to be of a more substantial kind than if the road adjoins a gravel road on which traffic infrequently passes.

One thing is for certain: farmers will have to give more thought to the adequacy and state of repair of their fencing, and ask themselves if their fences are satisfactorily taking into account the type of stock they keep and the situation of their farm. It is reasonable to expect that as time passes the courts will come to expect a higher standard of care to be taken by farmers.

**HOW ARE YOUR FENCES?**

*Another piece of advice from.....*

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Office: (08) 272 5100 or at your nearest Federation Office.

# DRDC



## NEW CHAIRMAN

Dr John Drinan is acting Chairman of the Dairy Research and Development Corporation, from 15 August 1992.

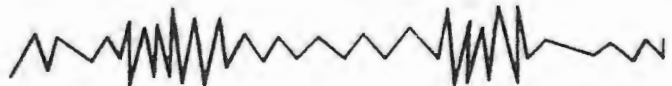
He replaces Mr Ken Baxter who is now Chairman of the Australian Dairy Corporation.

Dr Drinan has been Deputy Chairman of the Corporation since it was established in 1990 and was also a member of the Corporation's predecessor, the Dairy Research Council.

Dr Drinan is committed to ensuring the people of the dairy industry benefit from their investment in research.

With a strong background in research, education and farming, Dr Drinan is well equipped to lead the Corporation to achieve its mission - to lead effective change through excellence in Research and Development for a profitable and competitive dairy industry.

## Milk Lowers Risk of Heart Disease!



*DAIRY products, once considered the villains of the health and nutrition debate, are rapidly emerging as the health foods of the future, according to a former head of Britain's Food Research Institute.*

*There was an increasing body of scientific evidence that drinking milk may help lower the risk of heart diseases and bowel cancer, help maintain bone strength, prevent tooth decay and possibly assist in the treatment of ulcers and high blood pressure, Professor Michael Gurr told the Australian Institute of Food, Science and Technology.*

*In the past decade, research has found milk and milk products offered protection against a wide range of modern degenerative diseases and conditions, he said.*

*One persistent myth which Professor Gurr challenged was that milk caused an excessive increase in blood lipid (fat) levels ie. cholesterol.*

*"There is now sufficient evidence from epidemiology, from human intervention studies and animal experiments . . . that consumption of milk products, even those containing milk fat, does not result in hyperlipidaemia," Professor Gurr said.*

*"There are some interesting indications that a lifestyle characteristic of people who also happen to be milk drinkers is associated with a low risk of coronary heart disease."*

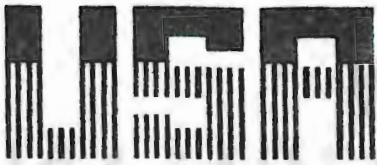
*But he said the evidence of milk as a protective device against cancer was mostly suggestive and it was too early to make promotional claims. More research was needed on the effect of milk calcium on colon cancer.*

*Research into the ulcer-fighting properties of milk also looked promising, but needed to be extended from work on animals to human beings before they could be confirmed.*

*Professor Gurr said the value of milk calcium on bone development was well established.*

Julian Cribb  
QDIA





# REPORT

## WATER IN THE PARLOR IS THE ENEMY



In talking with dairy groups, I have a slide that states, "Water in the milking parlor is one of the worst enemies". Continued experience reinforce this statement.

To reproduce, bacteria must have three conditions: water or moisture, proper temperature and food or media on which to grow. In the case of the dairy environment, water seems to be the one of these three that is the easiest to control.

In the milking parlor, not only does water provide one of the three necessary ingredients for bacterial growth, it also provides a highway on which bacteria travel and move from one place to another on the cow's udder. A case in point would be manure contamination or other soiling that is dried and located high on the

cow's udder.

So long as this condition remains stable, bacteria contained in this soil cannot move in the direction of the teat and, therefore, will not have the opportunity to penetrate through the teat end.

Many mechanical devices have been designed and used in an attempt to wash cows prior to milking. Probably most successful of these currently are the "wash pens" that are used in many parts of the world. These pens wash groups of cows prior to milking. When properly installed, this washing action occurs long enough ahead of milking so animals enter the milking parlor completely dry.

Some years ago, a device called a "prep stall" was installed in many milking parlors. It most often was used in side opening parlors where individual animals were held in separate cubicles to be milked.

These prep stalls consisted of a confinement area with sprinklers located on the floor just under the udder. For varying periods of time, water was sprayed onto the udders prior to the cow being moved to the milking position.

## PREP STALLS - WET UDDERS...

The unfortunate occurrence with this device was that most cows came to the milking position thoroughly wet with water dripping from their udders. In the haste to maintain cow throughput, too often udders were not completely dry, and dirty water was allowed to collect on the top of the milker inflation and find its way past the teat end into the milk.

The important fact here is that, as this highly contaminated water went past the teat ends, it was presented with the opportunity of injecting bacteria into the udder should certain equipment malfunctions occur.

When John called to complain about several new cases of acute mastitis, I had forgotten that, at one time, he did have prep stalls in his side-opening milking parlor.

Over the past three or four weeks, he had six cows in early lactation flare up with acute mastitis. The symptoms in each were almost the same. Quarters would become very hot and swollen and the cow quite ill with temperature of 105.0 to 106.0.

The onset of these conditions was also quick. Most animals showed symptoms within a matter of 12 hours or between milkings.

Although laboratory work would be necessary for a definite diagnosis, my immediate concern was these probably were environmental bacteria gaining entry into the gland in large numbers.

In further conversation with John, I learned that, after having them off for several

years, he had decided to begin using the prep stalls again in an effort to reduce the work load on parlor operators.

Further discussion revealed that the animals were not being dried thoroughly (as is the case with most prep stall installations, it is almost impossible to dry the udders prior to milking within a reasonable amount of time). As a result, many cows were being milked while their udders were still wet and actually dripping water.

As regular readers of this column know, solutions often require several actions. However, in this case, the need change was only one and was simple: Turn off the

water in the prep stalls.

This suggestion was made to John with the strong encouragement that it be done immediately.

However, along with turning off the water in the prep stall, we discussed an improvement in the environment so cows came into milking cleaner. This was done, also.

As of this writing, it has been seven to eight months since this action was taken. Since that time, there have only been two additional cases of acute mastitis with symptoms of environmental organisms being the infectious agent. These two animals, it should also be noted, were just fresh, as well, and had only been milked once

or twice in the milking parlor.

Once more, I must emphasize a statement made earlier, "Water in the milking parlor is one of the worst enemies we have".

Milking procedure, regardless of its detail, should be as dry as possible in order to prevent environmental bacteria that contaminate the surface of the cow's body the opportunity to move during the milking activity.

By limiting the number of bacteria in the vicinity of the teat end, especially during milking, we almost always reduce the number of new mastitis infections.

*JA Jarrett, DVM*

*These articles appear courtesy of "Hoards Dairyman" March 25 and May 10 issues.*

## MILK IS MAJOR CONTRIBUTOR TO THE US DIET

In 1988, milk and milk products, excluding butter, provided 75 per cent of the calcium for US consumers.

The table ranks the major nutrients, from the greatest percentage to the least, for the contribution dairy products make to the US diet.

The contribution made in 1968 is also shown for comparison and there are few differences.

The information is from the Human Nutrition Information Service, United States Department of Agriculture.

MILK CONTRIBUTION TO THE US DIET		
NUTRIENT	1988	1968
calcium	75	76
phosphorus	34	34
riboflavin	33	35
protein	20	20
magnesium	19	20
zinc	19	17
vitamin B12	18	17
vitamin A	16	17
cholesterol	15	14
fat	12	12
food energy	10	10
vitamin B6	10	10
thiamin	8	9
folate	8	9
carbohydrate	5	6
copper	4	4
vitamin C	3	4
vitamin E	3	4
carotenes	2	3
iron	2	2
niacin	2	2

## SCHOOL SNACK GETS KIDS OFF TO GOOD START

Students in a Lake Geneva, Wisconsin elementary school are starting each day with a nutritious snack. The principal at Central School, and the food service director for Lake Geneva schools, have arranged for children to receive an 8-ounce carton of 1 per cent chocolate milk and a cracker every morning as soon as they arrive at school.

The program grew out of a teachers' workshop conducted by a nutrition education consultant for Dairy Council of Wisconsin. It emphasized the importance of beginning the day with a nutritious meal.

# DAIRY VALE HAS NEW CHAIRMAN.....

Mt Compass dairy farmer, Mr Trevor Connor has been elected Chairman of the Board of Dairy Vale Co-operative Ltd, South Australia's largest dairy foods manufacturer.

In this new position Mr Connor will be assisted by Vice-Chairman, Mr Ian Williams, of Parawa, to provide direction for Dairy Vale's manufacturing and marketing operations, which have under-

gone significant expansion in the past 12 months.

"Over the years, Dairy Vale has earned the reputation for serving members of the Co-operative well and this will continue, with an

added focus on marketing opportunities for the company," Mr Connor said.

"Looking at overseas forecasts, the Australian dairy industry can be confident of better farmer returns."



SADA President Allan Manning shares supper with Peter Stock of Parawa at the Dairy Vale AGM.

**AND**

## A RECORD PRODUCTION YEAR!

Ideal seasonal conditions and the recent takeover of the Mt Gambier Co-operative Dairy resulted in Dairyvale Co-op Ltd handling a record 196m litres of milk during the 1991-92 financial year.

Speaking at the Co-operative's annual general meeting last week, retiring chairman Mr Milton Baulderstone said the group also processed a record 11,574 tonnes of cheese during the same period.

Attended by about 120 farmer shareholders, the meeting heard that the group's overall revenue for the period increased from \$87.4m to more than \$108m during the year.

Mr Baulderstone said that the total surplus available for distribution to shareholders was \$5.23m, a 22pc increase over the previous year.

Shareholders approved the distribu-

tion of \$2.06m of this in cash with the balance being allocated through the issue of an additional \$2.01m shares and the transfer of \$1.15m to the company's general reserve.

The share issue boosted total shareholder equity from \$15.8m to \$18.6m.

Explaining the increase in shareholder capital Mr Baulderstone said it was the policy of the board to continue to pursue a share policy structure which preserved the existing farmer control status of the co-operative.

He said the increase in shareholder funds would enable planned and balanced growth for the future.

Referring to the co-operative's expansion and product development program, Mr Baulderstone said that over \$4m had been spent on capital

expenditure during the 12 months under review.

"Of this approximately \$3m was spent on the installation of the latest technology and equipment at the co-operative's recently acquired Mt Gambier factory.

"The remaining \$1m. was spent at the Clarence Gardens facility in upgrading and increasing the capacity of the cold room capacity at the factory," Mr Baulderstone said.

Four directors, Messrs Zane Treloar (Eastern Zone) Peter Fisher (South East) Peter Whitford (Southern) and Trevor Connor (Central) were elected to the board.

They join state directors Mr Ian Williams and Mr Colin Blacker and appointed directors Mr Malcolm Dunn and Mr Matt Tiddy.

# RESEARCHER MEETS MICROSCOPIC MENACE

South Australian dairy researcher, Mr. Bill Frost, is studying the cereal rust mite which carries ryegrass mosaic virus, a disease which may result in up to 30 per cent reduced yields in susceptible ryegrass cultivars.

Mr. Frost's work was on display at the South Australian Dairyfarmers' Association Annual Conference held at Mt. Gambier in June.

With funds from the Dairy Research and Development Corporation, Mr. Frost is conducting field trials to determine the potential damage for the spread of the virus in dairy pastures by the cereal rust mite.

Ryegrass mosaic virus affects both perennial (Ellett, Kangaroo Valley) and annual (Tamar) cultivars.

In addition to reducing pasture yields, the virus affects quality - infected plants contain lower levels of carbohydrate.

Field trials conducted in Victoria indicate that ryegrass mosaic virus makes ryegrass less competitive, resulting in pastures with less ryegrass and more weeds.

Establishment of new pastures may be severely im-

paired by ryegrass mosaic virus.

Mr. Frost said the disease was difficult for farmers to recognise because symptoms were not obvious during most of the year.

Most obvious during spring and sometimes in autumn, symptoms included mild spotting or browning of leaves, particularly the younger ones.



## CARRIER

Mr. Frost said that ryegrass mosaic virus was spread by the cereal rust mite as it fed on infected plants.

"The mite is very difficult to see with the naked eye and plants can support up to 200,000 mites without obvious feeding damage," he said.

"The mite itself does very little damage to the plant - it is the virus it carries that causes the problems.

"The cereal rust mite was only found in Australia in 1989, and ryegrass mosaic virus was first identified in Australia in 1985, so we know very little about them."

Recent field surveys revealed that the cereal rust mite was widespread in irrigated and high rainfall areas of South Australia, including:

- South Mount Lofty Ranges
- Fleurieu Peninsula
- Lower Murray Valley

Mr. Frost and his colleagues at the Waite Agricultural Research Institute are investigating the spread of the mite and ways to control ryegrass mosaic virus.

"Because the cereal rust mite is widespread in dairying areas, the potential damage from mosaic virus to dairy pastures is large.

"At this stage we believe the best strategy is to breed ryegrass cultivars with resistance to the virus.

"Cereal rust mites have also been found in Victoria and southern New South Wales so we are working with interstate researchers to make the fastest possible progress," he said.

# ENDOPHYTE LOWERS MILK PRODUCTION

**Recent research carried out by Steve Valentine at the Flaxley Research Centre has shown that seed lines of Ellett perennial ryegrass may differ in their value for milk production when grazed by dairy cows.**

**This difference is due to the presence of a fungus in the plant tissue. These fungi which exist in many grass species are commonly called endophytes.**

The existence of endophytes in grass has been known for about 100 years but it is only recently that their significance to the growth of the host plant and to livestock grazing these plants has been recognised. The endophyte is present in the seed and grows inside the plant tissue as the seed germinates and the plant grows, usually infecting the seeds present in the seed head at maturity.

The relationship between the endophyte and its host plant is usually beneficial to both. Endophytes provide the plant

with protection from environmental stresses such as drought and attack by insects. In turn, the plant provides the endophyte with protection and nutrients.

In New Zealand, the presence of endophyte in perennial ryegrass plants protects them from attack by the Argentine stem weevil, due to the production of chemicals which are



toxic to weevil larvae and adults. In Australia, recent research suggests that chemicals produced by the endophyte may be toxic to some of our common pasture insect pests. Plants containing endophyte are generally more vigorous than those without endophyte.

Although it appears that endophyte is beneficial to the plant, it causes problems in grazing livestock. Chemicals produced

by the endophyte, which are different to those responsible for the insect resistance, are toxic to grazing livestock causing conditions such as perennial ryegrass staggers in sheep and cattle. The research carried out at the Flaxley Research Centre has shown that endophyte causes production losses even in dairy cows without ryegrass staggers.

In the Flaxley research project which was funded by the Dairy Research and Development Corporation, groups of dairy cows were grazed on irrigated Ellett perennial ryegrass which contained either no endophyte or 88% of the plants infected with endophyte. Cows grazing the endophyte infected ryegrass produced 10% less milk, fat and protein during autumn than those grazing the ryegrass without endophyte. No ryegrass staggers was evident. Not only was production per cow reduced on the endophyte infected ryegrass, but production per hectare was about 15% lower.

Another endophyte project being carried out at the Flaxley Research Centre is looking at the effect of endophyte on the agronomic performance of various cultivars of perennial ryegrass.

STEVE VALENTINE

# ULTRAFILTRATION IMPROVES CHEESE QUALITY

Demand for Australian specialty cheeses could improve as a result of ultrafiltration technology which enables cheesemakers to achieve consistently high quality products.

Best known for its use to produce high calcium, low fat milk (eg 'PhysiCal' or 'Shape'), ultrafiltration is a method of concentrating the protein component of milk without increasing the lactose component, using very fine filters.

The milk component retained by the filter, referred to as retentate, has proved to be an excellent way of producing Cheddar and specialty cheeses, including cottage, fetta, mozzarella and blue vein.

The technology was proven after three years' research, conducted by Drs Malcolm Hickey and Kees Versteeg at the Food Research Institute at Werribee, Victoria, with funding from the Dairy

Research and Development Corporation.

Retentate is valuable for cheesemaking, because it is a good way for manufacturers to control the protein concentration, which is critical in determining cheese quality.

Using the retentate as one of the basic ingredients for cheesemaking is convenient because the precise amount of protein can be added to achieve the desired ratio of fat to protein for a given cheese variety.

Additionally, daily and seasonal variations in milk composition can be reduced if retentate is used for cheese making.

"Ultrafiltration enables cheesemakers to produce consistently high quality specialty cheeses, expanding their potential markets," says Dr Hickey.

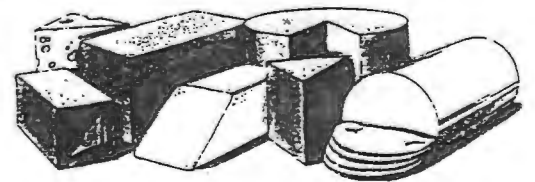
"In the long run, if Australian manufacturers can consistently produce good quality specialty cheeses, they will compete better with imported cheeses.

But ultrafiltration also offers direct benefits to manufacturers.

"Ultrafiltration enables manufacturers to improve yield - that is, produce more cheese from the same amount of milk.

"It also increases plant capacity - that is, ultrafiltration produces more cheese from the same time and labour input in the cheese room.

"And it gives manufacturers who have bought ultrafiltration units for other purposes an extra use for their equipment."



## Research Reaps Reward



University of SA student honors Elena Gatto has made a remarkable research breakthrough to speed up the pro-

duction of cheese, yoghurt and other dairy products.

Interest in the findings has already come from a large Danish company, which is keen to introduce the test in its laboratories.

Elena's success has won her the Malcolm Bird Commemorative Award for young members of the Australian Institute of Food, Science and Technology.

*Well done Elena!*



## DETECTING AND STOPPING WATER LEAKS

An automatic stop-cock from Watergate Distributors is designed to detect water leaks and immediately stop the flow.

Called the Water Watchman, it fits to the point where the water enters premises, but could be fitted to pipes leading to fields. As well as detecting leaks, the device stops water being wasted by detecting any unusual flows; for example, a tap left running.

The simple electronic device uses a sliding bobbin-type sensor, which is held up by water flowing through the pipe. If it stays in the "up" position longer than the set interval, say the time it takes to fill a trough, a solenoid valve is energised and shuts off the flow, isolating the system. Stopping the flow not only saves water but can prevent damage caused by flooding in buildings or fields.

The time interval can be set for any period from two minutes to one hour. Provided the flow never exceeds the pre-set time, the sensor drops and resets the system each time and the water flow is uninterrupted.

A re-set button is provided to allow the water to flow again after the fault has been repaired. Manual override is also available, allowing almost one hour's uninterrupted water flow. A further push button overrides all other settings to shut the valve manually for an indefinite period.

The Water Watchman is said to be easy to install using standard screw-type fittings, and uses a minimum current. It is available in mains, mains/battery and battery-powered versions, and with a choice of options such as an audio alarm, an additional flow switch, and external stop switches.

## WHEAT IS VERSATILE DAIRY FEED

While British dairy farmers are turning to maize as a fodder crop, one family farm in Wales has started growing wheat sown in autumn to be used as whole-crop silage or to be fed as part of home-mixed rations.

Brian Pryce Jones, of Buttington Old Hall, Welshpool, Montgomeryshire, farms with his wife Margaret and son Robert. They milk 216 Holstein-Friesians on 178 ha, which also support 145 dairy replacements, 800 store lambs and grows 59 ha of cereals. Their management throughout is geared to high production and quality.

Average yield from cows and heifers is 6700 litres of milk, at 4.33% butterfat and 3.34% protein. "Success from the dairy herd can be attributed to close attention to detail and imposing a strict and well-thought out feeding regime, which is essential if cows are to perform to their optimum," says Mr Pryce Jones.

Feeding is so important to him that it has become almost a full-time job to keep the records up to date. One of his latest innovations is 6 ha of winter wheat that can be foraged for

whole-crop silage as an alternative to conventional grass when yields are low.

"Whole-crop was fed to 216 cows from mid-October to early March, comprising about a quarter of the forage ration. As a bonus, we found that the cows' feet were much improved because the whole-crop helped reduce the acidity burden associated with conventional silage," says Mr Pryce Jones.

"Last summer we had a good yield of grass, and we did not have room to store the whole-crop wheat, so we combine harvested it and stored 160 tonnes of grain to be rolled into a ration and mixed with the silage. We also included a complementary proprietary feed in the ration which, when mixed with the silage, reduced and stabilised the acidity. Using the whole-crop as a buffer has proved to be an important factor in reducing the dreaded acidity problem," he adds.

The ration, which includes fish-meal and mineral, is fed with the silage during morning and evening feeds at 3 kg per cow per day.



## FROM THE DAIRY..... TO THE TABLE

Compiled by.. Jenny Harris

### HOT FUDGE PUDDING CAKE IN MILK CHOCOLATE SAUCE

6 to 8 servings

1 cup all purpose flour

1 1/2 cups sugar

2 tsp. baking powder

1/4 tsp. salt

1/2 cup BUTTER melted

1/2 cup MILK

1/2 cup unsweetened cocoa powder

1 tsp. vanilla

1/2 cup finely-chopped almonds

2 1/2 cups hot MILK

Icing sugar, Whipped CREAM, or ICE CREAM

#### Method:

Combine flour 3/4 cup of the sugar, baking powder and salt in 13x9x2-inch ungreased rectangular cake pan. Combine butter and 1/4 cup of the cocoa; add to dry ingredients along with 1/2 cup milk and vanilla; mix well with fork. Combine remaining 3/4 cup sugar remaining 1/4 cup cocoa and almonds. Sprinkle over batter. Carefully pour 2 1/2 cups hot Milk over all; do not stir. Bake in preheated 350F(180C) oven 40 to 45 min or until top is shiny and sauce is bubbly. Dust with icing sugar and serve immediately with whipped cream or ice cream and garnish with additional almonds if desired.

Preparation time: 15 min. .... Baking time: 40 to 45 min

### CLASSIC BAKED CHEESECAKE

#### Base:

125g plain sweet biscuits crushed

3 tablespoons BUTTER melted.

#### Filling:

500g AUSTRALIAN Continental-style Cottage CHEESE

OR 500g AUSTRALIAN Cream CHEESE

3/4 cup castor sugar

Finely grated rind of one lemon

2 tablespoons lemon juice

3 eggs

300ml AUSTRALIAN CREAM

Combine biscuits and butter together. Press firmly into base of a 20cm springform pan. Refrigerate till firm. Beat cheese and sugar together till smooth. Thoroughly beat in lemon rind, juice and eggs. Gently blend in cream. Pour into prepared pan. Bake at 160C for 45 minutes. Turn oven off. Leave cheesecake undisturbed in oven for a further 30 minutes. Allow to cool. Chill in refrigerator for several hours. Decorate as desired with fresh fruit and cream or top with lemon topping.

#### Lemon Topping:

2 tablespoons lemon juice

3 tablespoons lemon butter

Combine lemon juice and lemon butter over a low heat and stir well. Pour over cheesecake and chill. Serves 8-10.

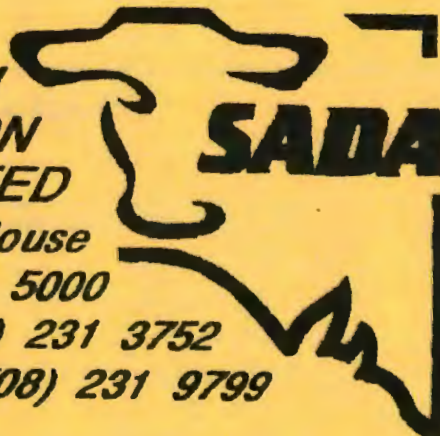


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THE SOUTH AUSTRALIAN DAIRY FARMERS'

**JOURNAL**

The Official Publication of the South Australian Dairyfarmers' Association Inc.

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THE SOUTH AUSTRALIAN DAIRY FARMERS'

# JOURNAL

The Official Publication of the South Australian Dairyfarmers' Association Inc.

ISSN 0049 VOL. 35 NO.3 NOVEMBER/DECEMBER 1992



## A YEAR OF CHANGE

Christmas always seems a good time to reflect on the year just gone especially as I approach the completion of my first year as Executive Officer.

It has been possibly the wettest season on record and if you think the weather was unusual in 1992, so was the degree of change taking place in the dairy industry.

On the surface, there has been the much publicised change in national legislation (the "Crean Plan") and at the State level, the Dairy Industry Act will radically change the administration of the industry. These are all things you have heard before.

### ONE INDUSTRY

For me the most valuable part of the change will be the ability to work as one industry across the State,

with all the artificial borders eliminated. It is better that we sort out our differences internally and go to governments and processing companies with unified and professionally considered positions. It means playing as a team and that will take time. Of course, its only right that each dairyfarmer has a special allegiance to his or her farm and the region which forms the basis of most of our working and social lives.

Despite some angry phone calls and heated meetings, I have been impressed by the industry's ability to reach decisions on

the really tough issues like State-wide equity. My congratulations.

### SETTING OBJECTIVES

Behind the scenes, I have in conjunction with the Executive, been working a quiet revolution to increase the effectiveness of your organisation. Firstly, we will intro-



### IN THIS ISSUE

- ALTERNATIVE HOME GROWN MILK REPLACES IMPORT
- DAIRY SHED WASTE MANAGEMENT
- ADC: RE-EDUCATING CONSUMERS

duce some formal planning processes to avoid a fairly scattergun and reactive approach. This means SADA sets a limited number of key objectives each year. Then we can measure our successes and failures.

### FINANCES IMPROVED

Financially, we have achieved a remarkable turn around from last year's bad loss, and provided no unexpected disasters hit us in the next four months, (our financial year ends on 31.3.93) financially we should almost break-even on the year. Of course, we rely heavily on the levies on market milk sales for our income and costs have been trimmed to the bone.

### REVIEWING OUR ORGANISATION

Jim Raggatt has been commissioned to review our organisation (the jargon these days is "Organisation Development Review" or ODR - the old Department of Agriculture's ODR cost almost one million dollars - ours cost \$6,000 - but we are a bit smaller!). Members

have been asked to respond to Jim using a questionnaire. Jim will present his report to Central Council and a summary of his recommendations will appear in the next Journal.

### SHARING THE WORKLOAD

Increased delegation of responsibility will be a feature of the new streamlined operation. In the next Journal issue, we will publish the names and phone numbers of SADA members primarily responsible for each function or activity. This will spread the workload and ensure that there is someone in our organisation who is "up to speed" on each issue. The person should be your first contact if you require information or want to contribute a point of view. You may be surprised to learn that many SADA members represent the industry on many different organisations.

### LOWERING OUR COSTS

I have always made it clear to the Executive that as a small organisation we will

need to share administration costs to remain effective. It is therefore logical that we try to do this with the South Australian Farmers Federation, to give one united voice for dairying. If this is made to work successfully, it will open up a whole new era. Of course, if a deal can't be done, I will be recommending that we relocate our office (which is poorly located and run-down) and share resources commercially. So whatever happens, our office will be on the move in 1993!

### THANK YOU!

On behalf of all members, I would like to thank the Executive for successfully guiding the industry through a tough year and also the staff - Jenny, Sue and Kate for training up the new boss. I look forward to spending more time next year "on the farm" and getting to know each of you on a more personal basis.

I wish you and your families a very Merry Christmas. See you in 1993!

*Adrian Scott  
Executive Officer*

*The staff at SADA Office and the Executive Committee, wish all members and readers of the Journal*



*a very merry  
Christmas and  
prosperous New Year.*





# PRESIDENT'S COMMUNIQUE



## STATE ISSUES

*A clear sense of direction for our South Australian dairy industry is eventually evolving out of a long and complex process of legislative change.*

*The positive support and tolerance from SADA members throughout the last three years of intense debate has encouraged me during this frustrating and sometimes painful period.*

*I have been fortunate to benefit from the commitment and expertise of both Adrian Scott and the Executive combined with a very effective Central Council.*

*A new Act has successfully passed through both Houses with amendments to the Bill and commitment to certain inclusions in the Regulations to the extent of fulfilling all of the major goals of SADA.*

*However, we cannot rest on our laurels, for the future of this new Act depends on functional and effective Regulations yet to be drafted and passed through Parliament. Furthermore, the challenge of developing the State-Wide Equity Scheme to be administered by industry is clearly in our sights but yet to be fully developed. The issues are too complex to cover in this communique but it is fair to say the principles of premium sharing with a rational sourcing component to ensure effi-*

*cient facilitation of adequate supplies of market milk still remain the basis of the SADA position.*

*On Tuesday 8 December the processors (Kraft, Farmers Union Foods Limited, and Dairy Vale) submitted an equity proposal to SADA with a "supply management principle" that could create difficult circumstances for some manufacturing plants.*

*The principle could be referred to as "physical allocation" of percentage of production aligned to the ratio of Market Milk Sales as compared with Manufactured litres.*

*This principle is similar to the Victorian system and is well understood by the Executive. Together with other principles, such a payment of the market milk revenue to farmers in cents per litre, the total proposal needs very careful evaluation.*

## FEDERAL ISSUES

*New Federal Legislation developed by Simon Crean has fostered a positive attitude in the minds of farmers. However, we need to be cautious and conservative as we proceed towards the year 2000.*

*Factors included in the new legislation package were*

*1. A decrease in market support from 22% down to 8% in the year 2000.*

*2. An increase in promotion levies to improve value added sales on the export market.*

*3. A major dairy marketing review that is currently being carried out by Ken Baxter Chairman ADC, Pat Rowley Chairman ADIC and Jim Jenkins Department of Primary Industries and Energy.*

*Following the address of Mr Ken Baxter at the Annual Meeting of the Australian Dairy Industry Council I wish to convey to you my concern relating to the far reaching terms of reference included in the Marketing Review.*

*The Committee will provide its preliminary views to the Minister before the end of the year and a final report covering some of the wider issues in the terms of reference will be included in a report to the Minister by the end of March 1993.*

*I believe the following quotes of Ken Baxter indicate there will be some radical changes:*

*"It is clear from both the written submissions and in our meetings that there is a strong body of opinion in favour of evolutionary change."*

*Further quote: "there is certainly a significant body of opinion which has concerns about the generic promotion program of the ADC and the amount being spent on it."*

I am certainly not one to be cautious of change but I am concerned that the review may encourage too much emphasis on export development and neglect the maintenance of generic perceptions of the nutritive value in dairy products that are, and will continue to be, a powerful force within the minds of our domestic consumers in the market place.

Together with our constituent state organisations, SADA will need to convey the farmer point of view to ensure that our promotion levies are used to promote total market growth and not neglect the crucial domestic market where 80% of Australian dairy product is marketed.

Other key issues being addressed at Federal Level are:

- (a) An attempt to review our New Zealand relationship (GER)
- (b) Suggested changes in Market Support Payments
- (c) The appointment of the Board of ADHRS Ltd to manage the new Dairy Herd Recording software.
- (d) The development of National Competency Standards for persons working in the Dairy Industry (co-operation with TAFE).
- (e) Continuation of a National Residue Survey to assist with the Clean Green image of our dairy products.

(f) A continuing effort to ensure Market Milk premiums are retained across borders. A market milk working party has been formed.

(g) Continued effort in planning for:

■ the Annual Sessions of the International Dairy Federation (IDF) to be held in Adelaide September 14 - 16 1994.

■ the IDF International Dairy Congress held every four year to be held in Melbourne (following the Annual Sessions) from 18-22 September 1994.

note: up to 4,000 people could be expected to participate.

## WORLD ISSUES

Recent announcements concerning the General Agreement on Tariffs and Trade (GATT) should be interpreted as a very positive prospect for the Dairy Industries in Australia and New Zealand.

The dairy commodity possibly stands to gain more than any other agricultural commodity.

However, opposition expressed by the French farmers must be noted with concern as the breakthrough in negotiations continues.

## CONCLUSION

Milk production in South Australia has continued to increase during the year

ended June 92. To the end of October the 92/93 season is currently 10.6% ahead of last year.

It should be noted that Victoria and Queensland were up over 13% to the end of September providing a marked increase in the national trend of production levels that indicate to me that Australia's production could exceed 7,000 million litres over the 92/93 season.

However, following the floods experienced in my home town at Birdwood on Friday the 4th December (consistent with this fickle season) I will not dare to make any predictions for South Australia's production in variance with last year's production of 411 million litres.

Although world markets for dairy products remain relatively strong at this point in time, no-one can be sure this will continue at a level to cope with Australia's increased production.

To again refer to the speech of Ken Baxter at the annual ADIC meeting where he noted, in the first century AD it was quoted that "The only certainty is that nothing is certain."

As you approach the unknown, but exciting prospects of 1993, I wish you all a happy and Joyous Christmas and a prosperous New Year.

**ALLAN MANNING**  
President

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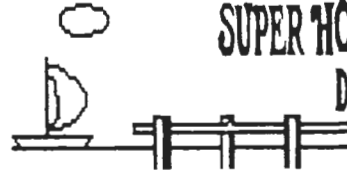
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# National Dairy Convention

## Bunbury WA, Monday 8 and Tuesday 9 March 1993



### ITINERARY

Fri 5 Arrive Perth

Sat 6 Trip to Rottnest Island

Sun 7 Bus to Bunbury including two farm visits

Mon 8 Convention at the Lord Forrest Hotel

Tue 9 Convention (am) ADFF Quarterly meeting (pm)

Wed 10 ADFF Quarterly meeting

Thu 11 Post Convention Tour commences. See dolphins at Bunbury Beach. Trip to Lower South East WA, including farm and tourist resort visits.

Fri 12 Travel to Augusta - visit Jewel Cave and surf beaches.

Sat 13 Travel to Busselton - visit a maker of specialty cheeses and yoghurts, a winery and a wildlife park.

Sun 14 Depart for Perth  
Estimated Accommodation Costs

Single \$672 - \$705

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The SADA office will be closed on the 24th December. We will be re-opening on the 4th January.



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# “TIME TO LOOK AHEAD” - New Bank Chief

The State Bank's new chairman, Mr John Frearson, says any decision to sell the State Bank will be up to the State Government.

Mr Frearson, whose appointment was announced yesterday, said his job was to help return the bank to one in which South Australia could have pride.

“There is little to be gained from rehashing the events of the past period,” he said.

“From where I sit the bank is going forward and I'm here to assist that forward thrust and growth.”

St Peter's College-educated Mr Frearson, 64 has extensive experience in banking in Australia and overseas.

Now based in Sydney, he is a former chief executive of the Primary Industry Bank and a former chairman of the Australian Dairy Corporation.

Mr Frearson said the bank was entering the second stage of its recovery and praised the work

of former chairman Mr Nobby Clark in separating the bank from its problem loans.

However, it was impossible to be sure if all the bad loans had been removed into the Treasury-controlled group Asset Management Division.

“I believe that the segregation has been done to the best of everyone's ability,” he said.

Mr Frearson said on his first day in office he was “having trouble finding the men's room, let alone where the problem loans are”.

He believed Mr Clark, who took over as chairman in March, 1991, shortly after the first announcement of the first Government rescue package, had pointed the bank in the right direction. “It leaves a very strong management team able to focus on the forward growth of what we can loosely call the new bank,” he said.

“The bank is going forward in a more traditional style as it was originally designed to do.”

Asked about the sale of the bank,

Mr Frearson said he was not aware that the bank was on the market.

“The sale of the bank is a matter for the people of South Australia through their Government and I'm not involved in that,” he said.

The Premier, Mr Arnold, said yesterday he believed the Labor Party should have a chance to discuss whether it was in favor of selling the bank before the Government decided to put it on the market.

“I have never had an ideological fixation about whether the bank should be sold,” he said.

“At the end of the day I think comes down to what is in the best interests of South Australians.

“If it is financially better for South Australians that we keep this good bank that has got back to basics and is doing its proper business and doing it properly.”

“ADVERTISER” 4.12.92



# READD

*Research and Extension Association for  
Dairying Development in South Australia*

## Chairman's Report

*Reflecting on the year, I am pleased to report that with the establishment of READD we have been able to increase the level of Farmer participation regarding research and development of projects to ensure the viability of dairy farming in this State.*

*We have achieved a high level of co-operation and commitment from all sections of the industry with particular emphasis being placed on the interaction between the advisers of the Department of Agriculture, Company field staff and Farmers to promote a common goal.*

*The very successful launch of the 4M project reflects this as we have been able to reach our first year's target of 25% participation rate. Farmers using the 4M graphs have been able to make changes to improve their profitability.*

*The Nutrition courses held around the State in conjunction with TAFE, local vets, Department of Agriculture and feed*

*companies reflect the information transfer that can be achieved when all of us work together. With nearly one third of the State's dairy farmers attending these courses I am convinced that some of the increases in production this year have been obtained due to our increased commitment for more profitable feeding of our cows.*

*Another major project this year has been the "Energy Efficiency in the Dairy" seminar held at Flaxley in September. This project involved SADA, ETSA, Department of Agriculture, as well as refrigeration companies and private energy consultants. Although final cost savings have not been documented to date, the results will be published early in 1993.*

*READD State Council at its meeting in July set a number of priorities for Research and Extension including Effluent Management, Reproduction/Fertility, Pasture Utilisation, Nutrition and Fertiliser*

*efficiency and as a result we are now involved in consultation with the Department of Agriculture in establishing projects reflecting these priorities.*

*Next year we expect to set up Effluent Management workshops at a District level as well as a follow up to the Nutrition courses to establish whether those farmers who attended made changes to their feeding management and what results they achieved.*

*With the move to deregulation and the establishment of the new Department of Primary Industries and the SA Research and Development Institute I am convinced that we as farmers have to be in charge of our own destiny by being involved in the direction our industry takes into the next century. We can no longer rely on Governments to subsidise departments to make decisions on our behalf. We need continued research and information transfer so that we will remain a viable industry.*

*I therefore ask you to support READD wherever possible as we are a farmer owned and farmer driven organisation who look after your interests.*

*I take this opportunity to wish all dairy farmers a Merry Christmas and a Prosperous New Year.*

*Hans van Dyk*



# DAIRY EXTENSION HORIZONS



*Dear Adrian,*

*I wish to express my thanks to SADA Executive for choosing me to participate in the Dairy Horizons Conference.*

*The conference was very enlightening and I thoroughly enjoyed it. It will help me view extension from both sides of the fence. I feel it was a very important learning experience for myself, Wes and David. We should now be able to make well balanced and informed contributions on READD extension activities.*

*I have enclosed the short summary on what I felt the course meant to READD.*

## What Did The Dairy Horizons Conference Mean To READD?

The conference highlighted a new industry funded and co-ordinated extension service as opposed to the traditional Department of Agriculture extension service. READD is consistent with

this approach.

We should be proud that READD is in place and that industry funding is being sought through various options. READD has already been involved in a number of extension programmes and the operation of Flaxley. It is successfully working with the Department of Agriculture in assuming some responsibility in planning research and extension in South Australia.

### Changing Face of Extension

READD's next step in employing their own Executive Officer, who is to help drive READD, is very much a change from the extension practice. The

government is unlikely to continue funding Dairy extension officers in the current economic malaise. This doesn't necessarily mean that we will be dealing with different officers but that they will be funded by industry (eg. DRDC, Cattle Comp., producer levies) instead of the government. This is already happening in a number of projects. In New Zealand the situation at present is that, the Consulting Officers are employed by the New Zealand Dairy Board using funding from farmer levies.

Peter Bodeker from Livestock Improvement NZ felt that Australia's extension consisted of packaged programmes rather than using the "whole farm" approach to tackle problems. Possibly this is true in part but New Zealand has a sole national exporting body which provides a national focus for dairy production. Australia has no such national focus and pursues Statewide initiatives and sometimes these are even heavily regionalised. The challenge for Australia is to embrace a national industry requiring unprecedented focus by all aspects of the industry - difficult enough at a state level.



## Improving Adoption Rate

This is a real challenge in future extension. To justify the expense of programmes we have to assess the financial benefit to the dairy industry.

South Australia has the following to consider:

- ❖ small number of farmers spread over a large area (c.f. to Victoria or New Zealand)
- ❖ a wide range of dairy farming practices (eg. dryland/ irrigated/feedlot etc.)
- ❖ large number of family farms working enormous hours
- ❖ fragmented group which have no strong loyalty to any one organization, be it SAFF, SADA, Dairy Vale or Farmers Union.
- ❖ large distances needed to contact farms and costs involved
- ❖ lack of farmer motivation (eg. financially secure and don't want change)

When viewing the above it shows why we don't have contact with 50% of farmers through discussion groups (as in New Zealand). It doesn't matter how good our extension services are if the farmer is not motivated him/herself to learn.

Two important aspects that were discussed and READD should take on board were:

- ❖ adoption of some marketing principles: determining customer needs and satisfying them, designing the extension for the client not the employer of the extension officer, targeting groups, realize limited topic life cycle and the need to evolve to meet the changing interests of client or group. Much research is required to assess needs, adoption rates, best technology transfer media and benefits of a programme. This must be relayed to farmers so that they understand why extension on topical matters just don't suddenly appear as they demand it.
- ❖ random farmer analysis surveys to help define farmer concerns, needs and attitudes. This is important as most likely the representation of farmers on READD is a biased group i.e. motivated to learning.

## Evaluation and Accountability

This was an area the conference felt had been a weak point in extension and READD must adopt the processes fully to enable improvement of the service. Painful as it is to spend some of the precious funds on evaluating and accounting the work it is the only way to monitor and improve it. This will provide a firm basis for obtaining funding from various groups and improve the effectiveness of the extension. For example, the Nutrition Course was very successfully

attended -Great - but how effective was the teaching? Was it well adopted by the farmers? These questions need to be answered before another course is run.

## Summary

The course held many important points for READD:

- ❖ confirmed industry funded and co-ordinated extension is part of the future
- ❖ successful extension needs farmer input and ownership
- ❖ setting more definite goals may help READD focus types of extension to follow
- ❖ need to ensure READD is in touch with what the majority of farmers want
- ❖ adopt appropriate marketing plans
- ❖ evaluate and be accountable

Up till now our Department of Agriculture and Company extension officers have done a fine job, but with their time and financial restrictions we need to look to the future of extension as READD is endeavouring to do.

*Catherine Harvey  
C.J. & D.A.L. Harvey  
"Yalkuri"  
Narrung*





# KANGAROO ISLAND



## SHEEP DAIRY AIMS AT IMPORT REPLACEMENT

It's a huge amount of work and there are no quick bucks involved but having a sheep dairy is definitely an exciting and challenging business.

South Australia's first sheep dairy and associated milk processing and cheese factory has come into being and is located at Cygnet River on Kangaroo Island.

Yoghurt derived from the sheep's milk is one commodity already being marketed by the company and ricotta cheese is the latest addition. Principals behind the new business, Island Pure are Debbie and Greg Johnson, Susan and Craig Berlin and Ros and Doug Johnson.

"We've only been in operation for three months but as we start to get more milk we are producing a wider range of products," Greg said. "One of our long term aims is to develop products that will enable us to accept milk from other producers and they can use the opportunity as some

form of intensive diversification.

"It is natural extension for people to have a small dairy flock and make some money other than what they get from their wool. "The opportunity is ideal for family farms because it is labour intensive and it offers the chance for more children to stay on the farm," he said.

The dairy is presently milking 230 ewes twice daily although it does have the potential to ultimately milk around 600 every day.

The milk from the sheep is quite different in structure to that of cows and caters for many people who have allergies to cows milk. It is full flavoured, smooth textured and compact and is reportedly very suitable for the elderly as well as young children.

"If the milk was the same as cows milk we wouldn't have bothered with all this but you can make a lot of different products with the use of sheep milk," Greg said.

"About \$20 million worth of

sheep milk products come into the country each year so there is definitely some potential for import replacement." Another aim of the Island Pure company directors is for rapid genetic improvement which may ultimately lead to higher milk production.

Equipment imported from Germany will enable the daily production of each ewe to be monitored and replacement ewes for the flock will be selected from high producing rams. Similarly rams will be selected with a history of high producing forebears.

"Overseas sheep dairies are getting from 200-300 litres a day and if we can capitalise on the good genetics of the big producers we may be up there with them one day," he said.

Stock Journal 19.11.92



# Dairy Shed Waste Management

## DAIRY INDUSTRY OUT OF THE POOH!

The dairy industry and regulatory authorities joined forces on 5th and 6th November to develop strategies for environmentally sound dairy shed waste management. To date, the dairy industry has a good record in managing waste, which usually consists of water and manure from the milking shed.

However, there have been a few isolated problem areas where local communities, farmers and technical experts have worked together to develop practical solutions.

People involved in these communities spoke to the workshop about how they dealt with the issue. SADA President, Allan Manning attended the workshop and presented a Summary at the end of the two days.

Waste management programs were presented from Victoria, Tasmania, New South Wales, South Australia, Queensland and Western Australia.

The Dairy Research and Development Corporation held the workshop to draw on experience in these areas and to discuss a technical bulletin. This bulletin provides technical and practical information on options for treating and re-using dairy farm waste and for controlling pollution. It is the result of two years work by the Dairy Research and Development Corporation, the Chief Dairy Officers Committee and VCAH Dookie campus.

After minor changes from the workshop, the bulletin will be published and distributed to industry municipalities and anyone involved in dairy waste management. This will enable the majority of the industry to address the issue long before it

becomes a problem.

The workshop also highlighted research and development needs which should be pursued by the Dairy Research and Development Corporation.

Corporation Program Manager, Dr John Craven, said a key to the success for the workshop was to bring together all the groups involved in the issue including:

- dairy farmers
- regulatory authorities
- waste management experts
- departments of agriculture/ departments of primary industry from each state

### OUTCOMES

Dr Craven said the key outcome from the workshop was agreement that dairy shed wastes should be contained on the farm of origin.

"Workshop delegates agreed that the best approach is for dairy farmers to develop their own systems for managing shed wastes, in the context of a whole farm plan," he said.

Workshop delegates supported the proposal that waste management in particular regions is most effective if all the key players are involved in developing strategies to address local issues.

Key players usually included farmers, regulatory authorities, dairy factories and extension officers.

Dr Craven said several states were already working towards this collaborative approach.

### SPECIALIST'S OPINION

Mr Wrigley, who is based at the Victorian College of Agriculture and Horticulture, Dookie, and who assisted the Corporation with the workshop, says dairy farmers have several options for waste management, which will be documented in the technical bulletin.

### WHOLE FARM APPROACH

Mr. Wrigley points out that most dairy farmers re-use waste effectively. "Because they rely on their land to produce pasture and supplements, dairy farmers must have expertise in sound land management (from erosion control through to waste management) and farm management."

"The 'whole farm' approach has been successfully used for soil conservation, salinity and water quality projects in rural areas."

"These programs succeeded with minimal reliance on codes of practice, planning controls, works approvals and licences."

"Although dairy waste management systems must comply with regulations and codes of practice, success will ultimately depend on the farmer himself."

"We can achieve a lot by providing the technical and practical information and support to assist dairy farmers in deciding the best waste management system for their own farms."

Mr Wrigley says there are four steps in managing dairy wastes:

- collection
- transport
- treatment and storage
- re-use.

Cost, environmental impact and the sustainability of the system must also be considered.

# Dairy Shed Waste Management

## OPTIONS AVAILABLE

Dairy farmers have a number of waste management options including:

- land application for treatment and re-use
- single pond for winter storage, land application in summer
- two or three ponds
- anaerobic digester for diversion
- vacuum tanker
- slurry tanker
- wetlands.

Alternative approaches which may be incorporated into the system include worms, agroforestry and composting.

Mr Wrigley says the decision of which system to use largely depends on:

- volume of wash-down water and climate
- nutrients
- salt
- soils and topography
- cost.

## WATER

"Water has a major affect on the best system for a dairy farm," says Mr Wrigley."

"The amount of water used in the milking shed determines the volume of wastes to be managed."

"This varies greatly from farm to farm but 10,000 l/milking is not uncommon."

"Additionally, water supply, rainfall, evaporation and water use by crops, pastures and agroforestry will affect the size and suitability of waste management systems."

Mr Wrigley advises people to consider local rainfall and evaporation data when assessing waste management options.

## NUTRIENTS

Nutrients, particularly nitrogen and phosphorous should be considered when choosing waste management systems.

"The key is to balance nutrient application (via wastes) with uptake and removal via crops, pastures or agroforestry."

"Soils are not necessarily ideal sinks for nutrients," says Mr Wrigley.

## SALT

In some Australian dairying areas, salt must be considered.

This is especially important on irrigated farms in the Murray Darling Basin.

Again, salt application and removal must be balanced to prevent land degradation.

## ENVIRONMENT

Mr Wrigley who is a Trustee of the Victorian Conservation Trust, believes environmental impact can be minimised if dairy wastes are confined to the farm and utilised effectively for plant production.

"Untreated dairy wastes contain nitrogen and phosphorus and other potential pollutants, and therefore should not leave the farm via streams, waterways and ground water systems."

"If wastes are efficiently re-used, they can be used to improve the environmental sustainability of dairy farming," says Mr Wrigley.

# SUMMARY OF WORKSHOP

## SADA PRESIDENT, ALLAN MANNING

It has been stated during this workshop that effluent from dairies is only a small problem.

The ISSUE is not the magnitude of the problem.

It is the sheer logistics of "how do farmers design systems to manage this problem - be it big or small.

The diverse opinions and perceptions of this group of well informed workshop participants, characterizes the dilemma currently in the minds of 17,000 dairyfarmers.

The individual needs of each farm - further complicate the already unique diversity of system solutions.

I see enormous potential in the wealth of knowledge available:- I refer to the human resource here today and available data in particular the Technical Bulletin.

Our challenge - or perhaps a challenge to be picked up by DRDC is to develop management systems to ensure the most effective use of this valuable information resource.

This workshop has been a tremendous (and may I say commendable) step in the right direction.

Dairy waste does have value, particularly, in the area of soil amendment, and it contains nutrients - the same nutrients that are brought onto farms in the form of chemical fertiliser.

However, in reality, the approach needed to retain these nutrients on-farm will range from disposal to total utilisation.

I believe there needs to be concise documentation of successful case studies.

# ~~STREAMLINED~~ SALES TAX

## New Laws come into operation on 1st January 1993.

If you are a primary producer, you can now register for Sales Tax purposes and receive a sales tax number. Then, when you buy certain goods for use in your primary production business, you can buy them free of sales tax simply by quoting your sales tax number to your supplier.

This means that you will no longer have to fill out an exemption certificate giving the particular item from the legislation under which you are claiming the exemption.

You will have the option to register or not, but there is a range of goods, known as business input goods, that may only be purchased tax exempt by registered persons.

The range of business input goods includes most of the goods that primary producers can currently buy sales tax exempt, so it will be very much in your own interest to take up your option to register.

Most primary producers should by now have received a booklet explaining the new laws. A registration application form and a pre-paid envelope are included. If you haven't call the Sales Tax Enquiry Service hotline on 13 28 66 for the cost of a local call, and they will

send you a copy.

Primary producers should complete their application forms and return them to the Tax Office as soon as possible. As long as you have applied for your registration number before 1st January 1993 you may still purchase goods free of sales tax using an exemption declaration until you receive your number.

If you need any further information, or if you haven't received your booklet, call our hotline on 13 28 66 today.



## *Dairy Shed Waste Management*

The aim should be to paint a picture of best bet options in the minds of farmers who are then in the best position to make judgements on the system that may best suit their individual farm. Alternatively, farmers may choose to select certain segments of proven case studies in order to tailor their own specific management process.

Our challenge is to ensure there is absolute detailed knowledge of all relevant data and options - and put it into a communication package or process that can be effectively inter-

preted by farmers - emphasis! -user friendly! - visual!

Finally I wish to emphasize the relationship of Whole Farm Planning, ie sustainable Agriculture.

There is value in effluent nutrients that can be utilized eg. my own liquid storage at Birdwood contains 6 million litres with the following concentrations:

- K potassium 243 mgms/litre
- N nitrogen 250 mgms/litre
- P phosphate 59.6 mgms/litre

But these are not enough to lower total costs.

Government requirements sometimes appear to stand in the way of realising the full potential of our farms.

We must ensure there is a joint approach, a balanced point of view, a sense of co-operation and a philosophy that includes economic logic!



## TASSIE OPTS FOR QUALITY-GRADED SYSTEM

High milk quality is being encouraged by dairy companies in Tasmania by payment on a quality-graded system.

United Milk sets prices for Premium, Choice, First and Second grade milk.

NSW Dairy Corporation is also developing a system to identify dairy farmers who consistently fail to meet quality standards for market milk.

NSW Dairy Corporation general manager George Davey advised that under the system he would write to dairy farmers who continued to breach the standard, and ask them to show cause why their certificate of registration should not be cancelled.

## TOP DOLLAR FOR LATEST BREKKIE MILK

Selected dairy farmers are being paid a premium for supplying quality, high solids milk for a new milk being sold in South-East Queensland.

Suncoast Breakfast Milk - containing a minimum of 4.5 per cent milk fat and 9.5 per cent solids-not-fat - is being marketed by QUF to satisfy consumer demand for a tastier, creamier milk.

One litre packs sell for a premium price of \$1.21 to \$1.25.

For a share of that premium market, dairy farmers must satisfy several supply criteria.

Their herds must contain at least 80 per cent Jersey cows; the herd milk must contain a minimum of 4.5 per cent fat and 9.5 per cent solids-not-fat and have a better than average total count.

QUF North Coast manager Ken Cohalan said milk for the product was presently coming from several dairy farms close to the Nambour plant, but as sales increased the company would pick up from more distant suppliers.

"We eventually plan to take milk from any Suncoast and QUF suppliers who satisfy the criteria."

Mr Cohalan said Breakfast Milk was a franchised product so was only distributed in the Brisbane and Suncoast Milk franchise areas.

"I assume other processors will follow suit in their areas," he said.

# DRDC



# RESEARCH FOR PROFIT



The Dairy Research and Development Corporation is reviewing its strategic plan, to ensure it strengthens its direction and focuses on research which will deliver profits to industry.

Corporation Managing Director, Dr Paul Donnelly, said the review would address all aspects of dairy research and development (R&D) - from policy through program management and research strategy to estimating returns to the industry on the investment.

"Essentially we are in the business of investing in research and development - that is we are buy-

ing R&D services and products," he said.

"Our primary objective is to maximise overall returns to industry on the invested dollar."

### FARM FOCUS

A key recommendation of the ACIL report was that tone of the Corporation's primary responsibilities was for R&D investment inside the farm gate as it was likely that commercial research organisations would under-invest in R&D in areas such as farm management, dairy cow productivity and pasture production.

"This does not mean that funding of

manufacturing, economics and marketing will cease," said Mr Donnelly.

What it does mean is that all R&D applications will be subject to rigorous scrutiny of:

- ▶ potential benefits to industry
- ▶ potential to succeed
- ▶ value for money
- ▶ how the work supports the Corporation's role as the dairy industry's collective funding agency.

Dr. Donnelly said he expected the R&D Plan to be completed within nine months.



# HERD RECORDERS AWARDED LIFE MEMBERSHIP

Two "Stalwarts" of the South Australian Herd Improvement Industry have been honoured with Life Membership of the South Australian Herd Recorders Association (S.A.H.R.A.).

Mr. Ron Moffat's career in Herd Recording led him into the management side of the industry. He became manager of HISCOL (Herd Improvement Services of S.A. Cooperative Ltd.) when the co-operative started in 1977. Mr Moffat's foresight and dedication started the ball rolling for an

efficient statewide herd improvement service.

Mr. Merv Hancock of Gumeracha has dedicated most of his working life to Dairyfarmers and the Dairy Industry. In the Central Hills Region Mr. Hancock became well known for his incredible efficiency and attention to detail with regard to herd recording. When Central Testing commenced in 1982 there was only one choice for manager of the Hahndorf Herd Testing Centre, which he controlled until his retirement in 1988.

In presenting the two men with their awards Mr. Paul Rufus (President of the S.A.H.R.A.) thanked them for all their efforts and reassured them that the high standard of milk sampling accuracy would continue into the year 2000.

The South Australian Herd Recorders Association is the only registered organisation for people involved in milk testing. The Association ensures that standards are maintained and Dairyfarmers are assured of highly trained people and accurate results.

# MASTITIS PREVENTION

Eighteen hundred cows in the Maffra district of Victoria will be part of an intensive study to determine just how effective a mastitis vaccine is under commercial conditions.

This year's field trials are a collaborative project involving the Dairy Research and Development Corporation (DRDC), CSIRO and the Commonwealth Serum Laboratories.

Corporation Program Manager, Dr John Craven, said that DRDC was committed to ensuring the vaccine was thoroughly tested before being marketed commercially.

"We needed to do more field trials to ensure the vaccine works consistently under commercial conditions," he said.

"Limited field trials conducted previously gave variable results.

"Seven herds will be involved in this year's trials so that should give us a better indication of the vaccine's effectiveness."

Dr Craven said the trial,

which would run for twelve months, included two herds with low levels of mastitis, four with moderate and one with high.

"Herds were vaccinated for the first time in June this year."



## VACCINE

The vaccine, which provides prevention rather than treatment, is the result of more than 20 year's research conducted by the CSIRO with industry funds.

Previous research indicates that the vaccine:

- ✓ reduces numbers of clinical mastitis infections
- ✓ reduces numbers of sub-clinical mastitis infections
- ✓ reduces the rate of new infections
- ✓ improves spontaneous cure rates.

"If this is the case under commercial conditions the vaccine will gradually reduce mastitis in dairy herds," said Dr Craven.

"This would mean

that consistent use of vaccine should gradually reduce the need for intramammary antibiotic treatment."

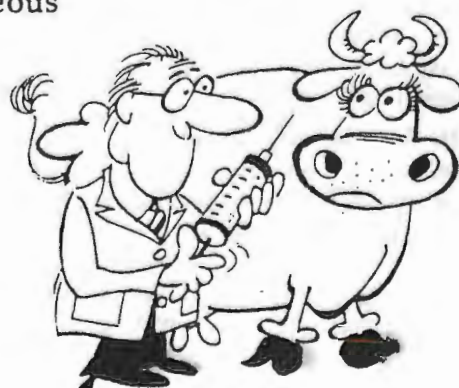


## VALUE TO INDUSTRY

Dr Craven said the Corporation had funded the development and evaluation of the vaccine because it was potentially worth millions to the Australian dairy industry.

Mastitis currently costs the Australian dairy industry more than \$100 million per year, in terms of loss of production from both clinical and sub-clinical cases, treatment costs and culled cows.

The major cause of mastitis in Australian dairy cows is *Staphylococcus aureus*.



# ARE HIGH SOMATIC CELL COUNTS COSTING YOU \$\$\$ ?

## ESTIMATED DOLLAR LOSSES FOR HIGH SOMATIC CELL COUNTS

Somatic Cell Count	Milk Loss	Production Kgs Loss/Cow/Year	Herd Size		
			50	100	200
100,000	2%	135	\$1690	\$3375	\$6750
200,000	4%	270	\$3375	\$6750	\$13500
300,000	7%	450	\$5625	\$11250	\$22500
400,000	8%	550	\$6875	\$13750	\$27500
500,000	9%	590	\$7375	\$14750	\$29500
600,000	10%	635	\$7950	\$15875	\$31750
700,000		680	\$8500	\$17000	\$34000
800,000	11%	725	\$9060	\$18125	\$36250
900,000		750	\$9375	\$18750	\$37500
1,000,000	12%	770	\$9625	\$19250	\$38500

## REDUCE SOMATIC CELL COUNT AND BEAT MASTITIS !

# UDDERSAN

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### UDDERSAN

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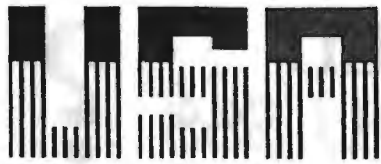
- \* REDUCES SOMATIC CELL COUNT
- \* ASSISTS IN THE CONTROL OF MASTITIS
- \* ECONOMICAL USER COST
- \* DILUTES 1 TO 9
- \* USE AS UDDER SPRAY
- \* USE AS TEAT DIP

THE MOST ECONOMICAL AND EFFECTIVE TEAT SANITISER ON THE MARKET.

COMPARE DILUTION RATES AND SAVE \$\$\$.

*Available at your nearest merchandise store.*





★ *Special* ★

# REPORT

## He Paved The Streets With Chocolate Gold

Imagine a town where the street is named **Chocolate Avenue**, and it conveniently intersects with **Cocoa Avenue**. The enticing aroma of **Chocolate** permeates the air. The street lamps are all fashioned after a popular **chocolate candy**. There's a little grocery store that sells nothing but, you guessed it, **chocolate**.

This chocolate lovers' paradise is not make believe. It's a real place in the heart of America. It's a town that was the dream come true of a poor, but ambitious, country boy named **Milton**. He was born in 1857 in central Pennsylvania.

When **Milton Hershey** finished fourth grade, his father sent him to work as a printer's apprentice in **Gap, Pa.**

It soon became apparent that his talents did not lie in printing.

He went onto become an apprentice to a candy maker in **Lancaster, Pa.** In 1876, when **Milton** was 19 he had his own candy shop in **Philadelphia**. The business failed after six years.



### FRESH MILK MADE THE DIFFERENCE

He moved to **Denver** and took a job with a caramel manufacturer. The most important thing **Hershey** learned on that job was that superior results could be achieved when fresh milk was used in the caramel-making process.

**Hershey** moved to **Chicago** in 1883, then to **New Orleans** and later to **New York City**. His attempts to build a candy

business in those cities were unsuccessful.

He returned to **Lancaster** in 1886. After raising capital, he began the business that finally established his reputation as a candy maker, the **Lancaster Caramel Company**.

The caramel man's life was never the same after he attended the **Chicago International Exposition** in 1893. **Hershey** was so fascinated with the **German chocolate-making equipment** on display that he bought it for his **Lancaster caramel plant**. Soon he was producing **chocolate covered caramels**.

**Hershey** had grown into an insightful match maker. He united, in a perfect marriage, two special ingredients that were destined to be blended - **chocolate and milk**. He blessed that marriage with just the right amount of **sugar**. How sweet it was! The **honeymoon** isn't over after almost 100 glorious years.

Everything **Hershey** touched turned into **chocolate**; everything he touched turned into **gold**. His dream-child **milk chocolate** was christened with his name.

The earliest recorded sale of **Hershey's chocolate** was on **April 17, 1895**. From that day **Hershey's** was destined to become a household word.

While experimenting with his new **chocolate making machinery**, **Hershey** developed some of the products which were to become the company's most popular brands: **Hershey's milk chocolate bar**, **Hershey's milk chocolate bar with almonds**, **Hershey's**

cocoa and Hershey's baking chocolate.

The Lancaster Caramel Company was sold for \$1 million in 1900. Mr. Hershey, however, retained the chocolate manufacturing equipment and the rights to manufacture chocolate. The astute entrepreneur believed there was a large market for tasty, nutritious and affordable confections that could be mass-produced.

In 1903, Hershey returned to his birthplace, the tiny village of Derry Church. Fresh milk, the white gold essential for fine milk chocolate, was abundant there in the heart of Pennsylvania's dairy country. Empowered by the critical resource and a strong local work force, Hershey began to build what is now the world's largest chocolate manufacturing plant.

By 1908, the business was formally chartered as the Hershey Chocolate Company.



## CREATED A CHOCOLATE KINGDOM

When Milton Hershey created Hershey's chocolate, he created more than delicious candy. He created a model community, a veritable chocolate kingdom. Since the beginning, Hershey, Pa., has been no ordinary place.

Hershey wanted a high-quality life for his employees. With their input, he created good jobs, affordable homes

and good schools. Hershey built roads, rail and trolley lines. He provided electricity, water and telephone service. Stores, restaurants, churches, social, cultural and sports activities flourished in Hershey, Pa.

Hershey, Pa., soon became a mecca for tourists who wanted to visit the "sweetest place on earth." The 2-million-square-foot chocolate factory, landscaped with chocolate-colored bushes that spell "Hershey Cocoa" welcomed more than 10 million visitors from 1927 until 1973.

Hershey's Chocolate World visitors center, an entertaining, educational chocolate lover's mall, opened in 1973 when factory tours were curtailed.

The benevolent Milton and Catherine Hershey, themselves childless, established a school for fatherless boys in 1910. Hershey wanted the boys to experience farm life, so he started a dairy farm at the school.



## HERSHEY SCHOOL THRIVES

The exemplary Milton Hershey School thrives today. It provides a warm home and tuition-free education for some 1,150 boys and girls. The school now operates 10 commercial dairies, although curriculum changes two years ago curtailed student involvement, at least temporarily.

Hershey created a win/win relationship with the dairy in-

dustry that also continues to thrive. Today, almost 1,000 dairy farms supply 1.5 million pounds of milk each day for Hershey Foods' six chocolate manufacturing facilities. Four plants are located in Pennsylvania, one in California and one in Virginia.

Cows even get the chance to indulge in chocolate. Hershey Chocolate USA sells chocolate factory scraps to dairymen for cattle feed. Scraps include chocolate, wafers and nuts. What a sweet way to recycle resources!

Milton Hershey died in 1945, at 88. His rich chocolate legacy gets stronger each year. With aggressive corporate expansion, Hershey Foods currently has four operating divisions.

Hershey Chocolate, USA the largest division, is the nation's leading domestic producer of chocolate and confectionery products. Hershey Pasta Group, Hershey Canada, Inc., and Hershey International complete the dynamic corporate empire.

Milton Hershey separated his chocolate and nonchocolate producing divisions in 1927. The nonchocolate enterprises are now known as Hershey Entertainment and Resort Company (HERCO). HERCO operates the many unique attractions and events that beckon millions of visitors each year to the beautiful, friendly town that milk chocolate built.

*Linda L. Leake  
Hoard's Dairyman, 25.8.1992*

# KRAFT BUYS DESSERT FOR SA

In line with their objective to accelerate growth of business, Kraft Foods Limited has acquired the dairy dessert assets of Twin Valley Farmhouse Products Pty. Ltd, effective November 1st, 1992.

Twin Valley Farmhouse Products produce Fromage Frais dairy desserts under the brand names Twin Valley Fromage Frais and Twin Valley Frais de Lite at their plant in Korumburra, Victoria. The products launched in 1991 have captured a small market

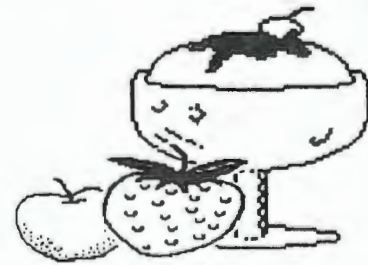
share of the large and growing dairy dessert market.

It is planned to produce the dairy desserts at Eight Milk Creek, however, in order to allow sufficient time to co-ordinate the relocation, the product will be produced under contract for Kraft at the existing Korumburra plant for around six months.

The new production line at Eight Mile Creek is expected to result in some additional full-time production positions. It is intended that such positions would be filled

by suitable Mil Lel employees in the first instance.

Kraft's entry to the dairy dessert category is an exciting opportunity and reflects their commitment to growth of the Australia/New Zealand business.



## DEMO UNIT ACHIEVES HIGH PERFORMANCE TARGETS



Big production and profit gains have been made on the Demonstration Unit on Flaxley Research Centre over the last three years. The unit is managed by 4 farmers and 3 Department Officers. A greater effort will now be made to extend the useful messages from the Unit to the State's dairy farmers.

The Demonstration Unit started in mid 1990 when 24 autumn calvers were confined to the 20ha. farmlet. The aim of the Unit has been:

- to use research findings and experience to maximize profitability
- as a demonstration for farmers to observe and evaluate and use to advantage on their own farms.

The Unit has certainly advanced the aim of achieving maximum profit. Costs, returns and profit and the gap between them have increased markedly since the 1990/91 lactation year. Cow numbers have increased to 35 for the current 92/93 lactation, and their production is over the 4M target and heading for 215,000 litres or 6140 l/cow. The expected return above feed costs is \$921/cow and \$1612/ha.

### PASTURE, COWS AND GRAIN INCREASE

Twelve out of the 20 ha. is now under permanent improved pasture with another 4ha. under Concord ryegrass in 1992. Pasture production has increased, and has the utilization of pasture, due to increased stocking rate and better grazing management. This has been accom-

panied by a necessary increase in grain feeding to allow the greater number of cows to produce at or close to their potential.

In fact a fundamental objective of the Unit's Management Group is to maximize the utilization of pasture by finding the most profitable balance between stocking rate and grain feeding. They realize that at the present time of relatively low grain prices, grain feeding will make a greater contribution to the optimum balance.

Feeding grain in early lactation so cows reach their potential peak after calving has proved especially profitable. The level reached 10kg/day in autumn this year, and the total for the 1992/93 lactation will be close to 2 tonnes/cow.

The critical changes in pasture production, utilization and grain feeding are shown in Table 1.

Production and profit changes are in Table 2. Return above feed costs (which include all material costs, irrigation and agistment) give a close indication of change in profit because other costs per cow change little with increase in cow numbers.

The Management Group is confident that their strategy of more cows, more grain and better pasture utilization is in the right direction for maximizing profit. They plan to milk 40 next year with a production of 230,000 ltr and a return above feed costs of \$1760/ha.

That may seem ambitious especially as 1992 has been an exceptional year, but there will be more improved pasture

- ➔ Greater clover content increases utilization of pasture, especially through winter.
- ➔ Significant pasture production losses through decay occur if grazing is delayed beyond a height of around 12 cm.
- ➔ Mowing after grazing has proved a useful technique for controlling rank

afterwards.

- ➔ High level of nutrition through spring including a continuing 2kg grain has maintained protein production at around 0.75kg/d, at a high P-F ratio of around 0.85.

The Demo Unit is undoubtedly an internal success story. The time has come for more exposure to dairy farmers so they

**TABLE ONE**

	90/91	91/92	92/93
Improved pasture (ha)	8	10	12 *
Fodder crop	4	2	6 *
Total pasture utilized, t DM (incl hay, silage)	c.87	82	105 *
Number of cows	24	25	35
Grain fed, t/cow	1.7	1.8	2.0

\* to 18 November '92

**TABLE TWO**

	90/91	91/92	92/93 +
Total litres	140,930	163,050	215,000
Milk income, \$	35,700	40,620	55,900
Feed costs, \$	12,570	14,980	23,660
Return above Feed Costs : \$ per cow	964	1,025	921
\$ per ha.	1,157	1,282	1,612

coming into full production, and grain feeding could rise to 2.5 t/cow. Provision for fodder conservation is not a concern as the group believes that it is more economic to utilize spring pasture by grazing and buy in hay. The policy has been to conserve a surplus but not at the expense of limited grazing intake.

Other points worth noting about 1992 on the Demo Unit:

- ➔ growth (especially around manure patches) and weeds. Heifers readily clean up the toppings.
- ➔ Intake per cow and production were again high on forage oats, indicating its palatability and value as a milk producer.
- ➔ Concord ryegrass gave prolonged and high production including good silage cuts, and excellent regrowth

can benefit. We have plans to do that through 1993, but if you have any ideas you'd like to suggest, please contact your local Dairy Adviser. Also speak to him to arrange group visits to the Unit - they are always welcome.

*Richard Williams,  
Dairy Advisor Mt. Barker  
Tel: (08) 391 0155*

# WORKING on WELFARE



**Australian dairy systems appear to result in fewer concerns compared with European and American systems where cows are intensively managed and often housed indoors.**

This was the conclusion of researchers, Dr Paul Hemsworth and Dr John Barnett after visiting New Zealand and Europe to review dairy cow welfare issues in Australia and overseas.

However, Dr Hemsworth and his colleagues at Victoria's Department of Food and Agriculture believe there may be opportunities to improve cow productivity and welfare.

The Dairy Research and Development Corporation is funding Dr Hemsworth and his team to study how interactions between the dairy cow and its environment (physical and

social) affect:

- milking performance and cow behaviour
- dairy cow welfare
- dairy farm productivity

Dr Hemsworth said the work would involve an intensive study of thirty commercial dairy farms, for twelve months each.

"We will look at environmental factors such as herd size, condition of dairy yards and the ratio of labour to cows in the milking shed," he said.

"In addition to observing milking performance and cow behavior, we can monitor cow welfare by measuring heart rate and concentrations of the stress hormone, cortisol, in milk.

"We will also use herd records to measure dairy farm productivity.

"This will enable us to relate just how much effect the cow's environment has on dairy cow welfare and productivity."

## PRACTICAL GUIDELINES

Dr Hemsworth said the project should enable his team to develop guidelines for dairy farmers on how to improve dairy herd productivity by identifying important factors affecting animal welfare.

Using research results and experience from similar work with the pig industry, Dr Hemsworth and his team plan to develop stockmanship courses for dairy farmers.

"Based on animal welfare and behaviour studies, we have developed a series of stockmanship training courses for the pig industry, which involve, 'hands-on' training, videos and computer packages.

"Once we have research results, we will be able to use our experience with the pig industry to develop similar programs for the dairy industry," said Dr Hemsworth.



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Then there was the Irish hitch-hiker who left early to avoid traffic.



★ "They're collecting for the old folks' home — I gave them your father."



★ "Stop breathing down my neck, you passionate beast, Fred!"

A man of influence wanted to give a politician a new car. "You know I can't accept a car," the politician protested. "That's bribery." The wheeler-dealer pointed out that he could sell the car to the politician for \$20. "In that case," replied the politician, "I'll take two."

SMILES are so powerful, you can even break ice with them!



deGAMIER  
"Ex-dairy farmer, I presume!"



**TRY MEDITATION!**  
It's better than sitting around doing nothing!

A TRAVELLER broke down on a lonely country road very late on a pitch black, moonless night. He found a fence and followed it until he came to a gate. Opening the gate, he found he was on a path, so he followed the path until he came to a door. He knocked loudly on the door and then called out: "Is anybody there?" The door opened slightly and a small boy stuck his head out. "Excuse me sonny, but would your father be there?" "No, mister," said the boy. "He was here, but he went out when mum came in." "Well, is your mother there, then?" asked the traveller. "No mister", said the boy. "She was here, but she went out when me big sister came in." "Well, is your sister there?" the traveller asked? "No, mister", said the boy. "She was here, but she went out when I came in." "For heaven's sake" the traveller snapped. "What is this, some sort of funny house?" "No, mister," said the boy. "It's the out-house!"



★ "Just the merchandise, madam. I'm not interested in your opinion of the government."

# DOMESTIC MARKETING ACTIVITIES

**PROGRAM  
OBJECTIVE:**  
IMPROVE  
ATTITUDES TO,  
AND USE OF,  
DAIRY  
PRODUCTS, AND  
DEVELOP  
MARKET  
PREFERENCE  
FOR AUSTRALIAN  
DAIRY PRODUCE.

## BACKGROUND RATIONALE

The Australian Dairy Corporation's domestic market campaign provides non-branded advertising and promotion of dairy products, and addresses key issues considered to be the main obstacles to growth in the consumption of Australian dairy products.

These key issues were identified in independent consumer research conducted for the Corporation in 1989, and their on going relevance is supported by regular consumer research.

## *THE CAMPAIGN*

### HEALTH AND NUTRITION

This program addressed underlying consumer beliefs about dairy food consumption, reinforcing positive beliefs that encourage consumption, and challenging and countering negative beliefs that reduce consumption. The program is directed at consumers and health professionals, and operates under four separate headings.

#### ① The Essentiality of Dairy Food

Most consumers believe dairy foods are an essential dietary ingredient. Television and magazines advertising and public relations/educational activities provided powerful reinforcement of this favourable belief. An existing television commercial was improved and a new magazine advertisement was directed at mothers with young children, promoting the necessary amount of dietary calcium for

strong teeth and bones. A new magazine advertisement targeted at adults promoting the three serves message was also produced.

A new series of Nine Network "Good Food Good Health" segments was produced, featuring television personalities Max Walker, Rebecca Gibney and Belinda Green making nutrition and dietary suggestions using dairy products.

Another major component of the campaign is a new magazine advertisement targeted at women, promoting the beneficial role of calcium in the prevention of the bone weakening disease, osteoporosis.

The objective of the essentiality campaign is to hold the measure of consumer agreement regarding dairy food's essentiality in the range of 80 to 90 percent. Performance against the target was measured regularly during the year, and the target was consistently achieved.

## ② Concerns about Consumption Levels

This part of the campaign covers the vital issue of consumer concerns and perceptions about fat, cholesterol, obesity, and heart disease. The objective is to reduce unwarranted consumer concerns by reinforcing rational reasons to consume dairy foods in moderation as part of a balanced diet.

The campaign employed television and magazine advertising and several support activities, and is based on additional consumer research that revealed significant inaccuracies in consumer's knowledge about fat levels in many dairy foods. The major theme of a new television commercial positions milk as the "Basis of all dairy food". It states that regular milk contains less than four per cent fat, and concludes with the question, "Dairy Food. Are You Getting Enough?"

Consumer attitude measures taken during the year recorded steady improvement, and consistently exceeded target. Before the campaign, 52

percent of consumers were concerned at their level of dairy food consumption, by May 1992 this was down to 35 percent.

## ③ Health Professionals

The aim of the program is to reinforce positive attitudes to dairy foods and abate negative perceptions held by some

ducted with doctors revealed that nearly four in five GP's accept the Corporation's message to be credible and balanced, and one in five maintain a supply of the Corporation's nutrition booklets for patient use.

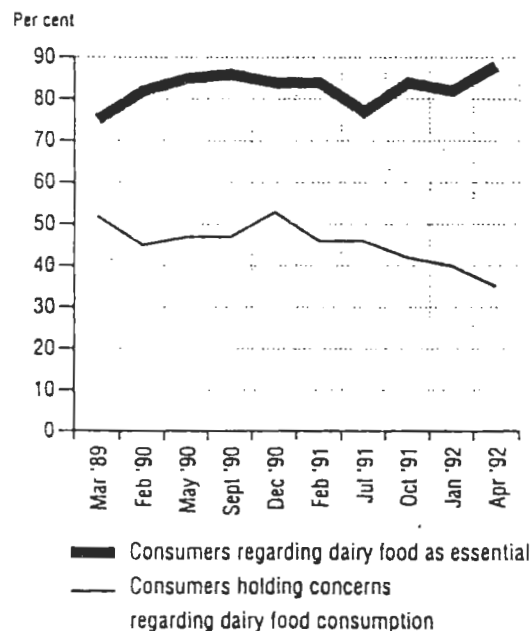
## ④ Dairy Foods Advisory Bureau

The bureau provided educational and general information on all aspects of health and nutrition and dairy food usage. Target groups include consumers, teachers, students, health professionals, dairy manufacturers and the media.

Materials available comprise posters, kits and booklets, videos, software packages, and a range of specialist publications for groups such as diabetics, vegetarians, and nursing mothers.

Over 130,000 requests were handled during the year.

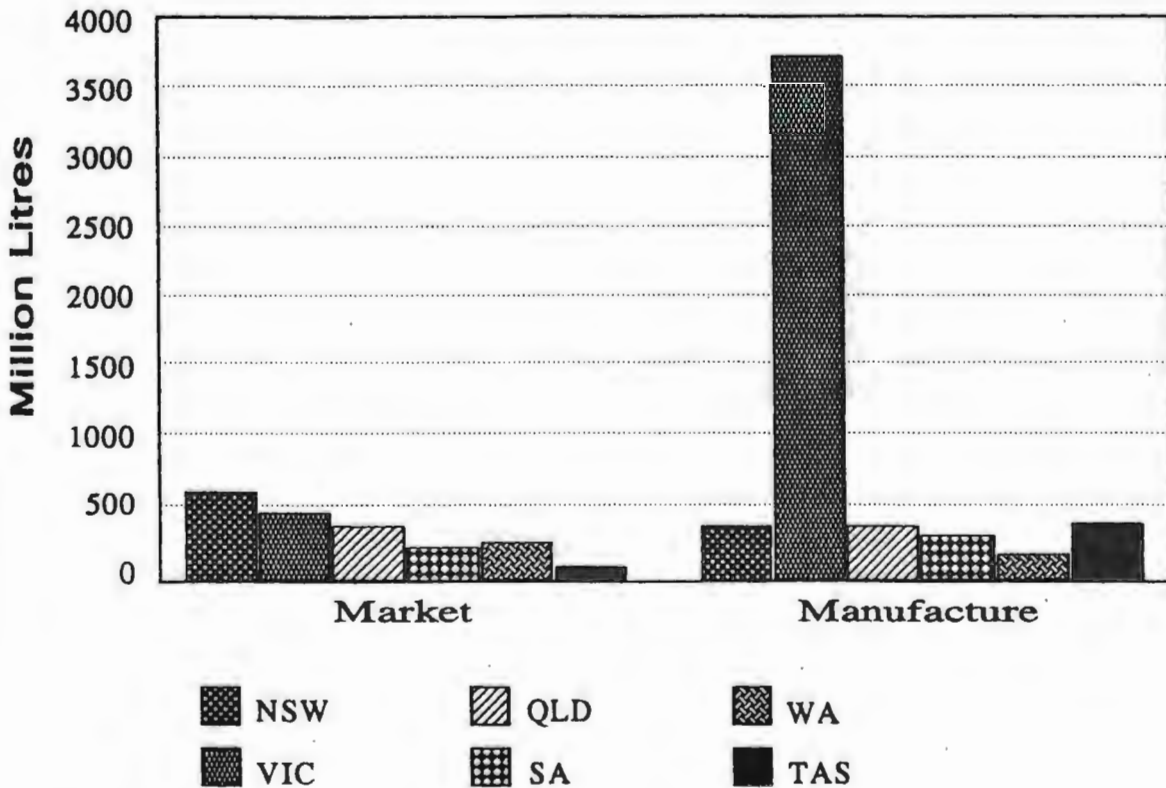
### IMPROVING ATTITUDES TO DAIRY FOODS



within the health professions. Activities involved the provision of factual and scientific data through advertising and editorial placements in magazines, and other related activities.

Independent research con-

# MILK USAGE 1991/1992



Source: ADC

## Market Developments

Over the past ten years there has been growth in reduced fat products and more rapid growth, particularly in the last five years, of short-shelf life dairy products, such as yoghurt and dairy desserts.

The wide and increasing range of reduced and low fat dairy foods available is evidence of the industry's successful response to consumer health and nutrition concerns. Consumer acceptance is demonstrated by the share of liquid milk consumption accounted for by low

and reduced fat milks. In 1985 they held a six per cent share; by 1991 this had grown to a little over 20 per cent.

The economic recession was the leading factor impacting on the domestic market during 1991/92. The sales performance of several leading product categories were detrimentally affected, however, long life (UHT) and reduced/low fat product, recorded a two per cent increase.

The relatively new dairy dessert category achieved significant sales improvements during the year, while yoghurt sales improved slightly. New product introductions and increasing brand offer-

ings brought additional interest to both categories and, in the case of dairy desserts, additional volume. Retail sales of yoghurt increased from 50,000 to 51,300 tonnes, while dairy desserts grew more sharply from 13,300 to 19,200 tonnes.

Overall cheese sales were relatively steady, recording an increase of around two per cent, well below the average for the past decade.

Supermarket butter and blends sales slipped back three per cent during 1991/92 and an unseasonally cool summer slightly reduced sales in the ice cream category.

SMP

## AUSTRALIAN DAIRY INDUSTRY COUNCIL

# TRADE BREAKTHROUGH WELCOMED BY DAIRY INDUSTRY



The Chairman of the Australian Dairy Industry Council, Mr Pat Rowley, has welcomed the news of a breakthrough in trade talks in Washington between the EC and USA. "It means we can now look forward confidently to the Uruguay Round proceeding," Mr Rowley said.

The Uruguay Round of multilateral trade negotiations, involving 108 member countries of GATT and a wide range of trade issues, had been stalled over agriculture in which there were strong differences between the EC and USA over the question of agricultural subsidies. It is understood that the EC and USA will now take to the Uruguay Round negotiations in Geneva a common position which, with their weight behind it, is virtually

certain to be agreed.

Asked what this meant for the Australian Dairy Industry, Mr Rowley replied that some of the detail had yet to be clarified so it was too early to be precise. "It is clear that the benefits will emerge over a few years as the distortionary subsidies of the EC and others are wound back. It won't be instant," he said.

Both the EC and the USA are politically sensitive in the area of dairy and there has been concern that dairy may have been ignored in favour of grains and other products. Commenting, Mr. Rowley said: "Whatever the deal, it is a lot better than the all-out trade war we had been facing, particularly as dairy would have been one of the first industries involved."

Mr Rowley also noted that,

while the proposed dairy deal was not as good as for other commodities, nonetheless it will be a basis for rules for the game. "We will be working closely with the Australian Government to ensure the rules developed from these basic principles are appropriate to the Australian Dairy Industry's needs," he said.

Mr. Rowley also paid tribute to the Australian Ministers and officials who have handled the Uruguay Round negotiations over the last six years or so. "While the EC and USA held the stage in the latest act, we should remember that, if it had not been the Australian efforts with the Cairns Group, there may not have been an act at all", he said.



## DANGER LURKS DESPITE FREE TRADE DEAL

Although the proposed North American Free Trade Agreement (NAFTA) appears to have left supply management unscathed, Canadian dairy farmers can't afford to relax. Great danger to their marketing system still lurks in Geneva.

The NAFTA proposal, signed by Canada, the U.S. and Mexico, calls for tariff reductions and other measures to increase trade among the three nations. In agriculture, it sets up separate agreements between Canada and Mexico, Canada and the U.S., and the U.S. and Mexico.

Canada and the U.S. essentially agreed to carry on with the deal reached under their previous free trade agreement. That deal also had little impact on supply management in Canada. As well, it left untouched the Americans' Section 22 waiver, used by the U.S. to

control imports without having to implement supply management. Canada's agreement with Mexico mirrors those provisions.

Nevertheless, the current U.S. administration under President George Bush has been a tireless foe of Canada's supply management system. But we don't know whether American trade negotiators ever applied any serious pressure on Canada to give up our marketing system during NAFTA talks.

A more plausible scenario is that those shrewd Yankee traders will try to get their way in Geneva at General Agreement on Tariffs and Trade (GATT) negotiations. GATT Director General Arthur Dunkel's proposal for tariffication without exception plays into American hands. While those talks have bogged down, it is widely speculated that a deal

may be struck after the U.S. presidential election in November.

So far, Canada has rejected tariffication as potentially ruinous for our dairy industry, as well as other supply managed commodities. Ottawa steadfastly insists that it wants a clarified Article XI:2(c)(i) instead. It would allow us to keep our current import controls.

Yet Ottawa didn't simply stumble on this position. Tens of thousands of farm families across Canada lobbied the government to adopt and maintain it.

They should not let the proposed NAFTA lull them into a false sense of security. As long as the GATT negotiations continue, supply management farmers will have to stay vigilant.

*Bill Dimmick, Editor  
Ontario Milk Producer*

EDITOR'S  
NOTE

*The recent dramatic progress towards a GATT agreement is great news for Australian dairy farmers, but the Canadians, like the French farmers, will be unhappy as artificial protection is wound back!*

## DECLINING BUTTERFAT MARKET FORCES FURTHER MSQ CUTS

Ontario's market sharing quota (MSQ) has been reduced by 4.29 percent effective Sept 1. The reduction takes into account a national reduction of three per cent, in response to the declining domestic butterfat market, the province's obligations under the fluid skim-off agreement and the over-issuance of quota to producers in the 1991-92 dairy year.

### NO PROFIT IN EXPORTS

Any talk about Canadian dairy

farmers competing in world markets just doesn't wash in the cold light of economic analysis. The artificial world price of \$14 to \$18 per hectolitre - set by dumped surpluses - wouldn't begin to cover costs on most farms.

Profitable milk production for the export market "appears to be an impossible mission!" states a recent article in *Le producteur de lait quebécois*, a Quebec dairy magazine. Written by economist

Guylaine Gosselin, the article notes average variable costs for Quebec milk producers of \$24.61 per hl in 1990 while the best export price would be just \$18.

Gosselin also looked at the lowest cost milk producers in the province, who average variable costs of \$14.95 per hl. Calculations showed that milking an extra cow to produce milk for export would return these producers and extra 50 cents a day for looking after that cow for a year, assuming production of 6,000 litres.

"We doubt the effort is worth it," Gosselin wrote.

*"Ontario Milk Producer"*

September 1992

## BUTTERFAT VALUE MUST BE RESOLVED

The Canadian dairy industry missed an opportunity to shift some of the value away from butterfat onto the price of the other components on Aug 1. Producers had argued at the national level that now was the time to begin a shift since we are very close to balancing our national requirements on solids-non-fat (SNF).

A shift in value would have accomplished two objectives. First, it would have indicated to

producers that butterfat value was being de-emphasized. Second, it might have enabled us to sell more butterfat by offering it at a lower price.

Processors, through the National Dairy Council, objected to any shift in value. They would have supported a lowering of butterfat price without raising the SNF price. This option was unacceptable because a lower price overall to producers would have resulted.

Processors argued that the higher SNF price would increase the price of lower fat products, such as low-fat cheese, in the market and thus lower the demand. This argument baffles me because I always understood that you should put value where the market demand is, and today's market

demand is for lower fat products.

The Canadian Dairy Commission (CDC) decided to take no action in the face of these differing views. I hope this issue can be resolved in the coming months so that we can begin some substantive change.

This proposal for making a change in the value of butterfat has created some concern in the cream industry as to its future viability under such a scenario.

The dairy industry in Ontario cannot ignore the evolving market place. All affected parties need to sit down together to discuss the issue and find acceptable solutions.

*John Core, Chairman*

*Ontario Milk Marketing Board*



# REVOLUTIONARY RIVER TURBINE

The Tyson Turbine, a revolutionary new machine which utilizes the flow of a river, stream or canal to pump water and generate electricity, has been released by leading Australian farm machinery manufacturer, Horwood Bagshaw.

The first of the new production machines was launched by Mr. Rodney Adler, Chief Executive Officer of FAI Insurances, at a function at the Australian National University in Canberra recently.

Mr. Adler said that the Turbine invented by Wagga farmer, Warren Tyson, was a credit to Mr. Tyson's ingenuity, perseverance and hard work over a long number of years. Its development served to reaffirm that the inventive spirit which has always been a hallmark of the Australian character has once again led to the development of a unique new product.

According to Mr. Adler, the Turbine will benefit not only Australians but will do much to improve the quality of life for many people in developing countries by providing them with the means to pump water and generate electricity, luxuries which in our society we take for granted. The Turbine does not need costly infrastructure, does not require fuel, and can be operated and maintained with minimal technical skill.

It will operate wherever there are streams and rivers, and has a major environmental advantage, because it operates without noise and produces no by-products or pollutants.

Mr. Adler said that he was very

proud of his company's role in bringing the Turbine to fruition through FAI subsidiary, Horwood Bagshaw.

Too often Australian inventions languish and fail to reach fulfillment or are lost to overseas interests simply because investors are unable to obtain financial support within Australia to engineer the product and bring it into production.

FAI is prepared to back Australian endeavour and industry in a practical way, which is why FAI have joined forces with Horwood Bagshaw to supply the necessary financial, engineering and manufacturing support to bring the Turbine from prototype stage through to full production.

Under the terms of the agreement with Warren Tyson, Horwood Bagshaw will manufacture and market the Turbine world wide. Mr. Tyson will continue to work with the company in the development of a number of important projects for the future.

The design of the Turbine is the result of years of research and development to create the most efficient possible transfer of river energy into rotational power.

It is supported below water level by two pontoons, and the flow of the river rotates the turbine. The rotational power from the turbine is transferred through a gearbox and drive shaft to a large pulley and adjustable crank which drive the electrical generator and water pump.

The Turbines are constructed of one piece moulded polyethylene and are available in 1.5m diameter and 2.0m diameter models, to suit river flow and the required pumping application.

The pump is a positive displacement pump which incorporates a unique hydraulic cycle to safeguard it against abrasive contamination from the water.

The pump is available with an 82.5mm barrel for pumping up to a head of 100m or with an 108mm barrel for a head up to 60m and for low level high volume flows.

Electrical power generated by the Turbine can be used to supply and charge batteries from which D.C. power can be drawn.

Power can be generated in either A.C. or D.C. depending on the application and the distance of the power utilization from the source.

Power generation and water pumping can be performed simultaneously provided that the river flow and turbine power are sufficient to drive both.

Horwood Bagshaw C.E.O., Mr Peter Murray, said that in recent evaluation tests at Corryong on the Murray River, a 1.5m Turbine with a 108mm pump barrel pumped a low level flow of 432kl per day, or 160 million litres per year, and the 2m Turbine driving an 82.5mm pump delivered 108kl per day over a distance in excess of 800m to a height of 100 metres above the level of the river.

Mr. Adler said that this performance had confirmed that the Turbine is much more cost effective in operation than any existing alternative methods of water supply to small villages for domestic and agricultural use.



Happy  
Christmas

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## SEAFOOD CREPES

### CREPES

1 cup plain flour

Salt and pepper to taste

1 egg and 1 egg yolk

1 cup MILK

1 tablespoon melted BUTTER

1 tablespoon brandy or sherry

A little extra MILK

A little BUTTER for frying

### FISH STOCK

375g fish bones and trimmings or 1 fish head

1 small onion, roughly chopped

2-3 parsley stalks

1/2 teaspoon peppercorns

2/3 cup white wine

1 1/3 cups water

1 tablespoon lemon juice

### FILLING INGREDIENTS

250g firm fish fillets, cut into strips

125g scallops

125g button mushrooms, sliced

500g cooked school prawns, peeled

### CREAM SAUCE

2 cups stock from poaching seafood

Pinch of nutmeg

3/4 cup CREAM, beaten with 2 egg yolks

6 tablespoons BUTTER

6 tablespoons plain flour

Salt & Pepper to taste

**Crepes.** (These can be made in advance, stacked with greaseproof paper between, covered and stored in the refrigerator.) Sift flour, salt and pepper into a bowl. Make a well in the centre and drop in the egg and egg yolk. Add milk slowly to the well, beating with a whisk to draw the flour in from the sides. When all the flour is moistened, beat until bubbles appear on the surface. Whisk in the melted butter and brandy. Cover, and allow to stand for 30 minutes. Thin with a little more milk to give batter the consistency of thin cream. Grease an 18cm crepe pan with butter and heat over moderately high heat. Pour in about a tablespoon of batter, twisting the pan so batter covers the base. Cook until bubbles appear on the surface, then turn crepe and cook the other side. Slide cooked crepe on to a plate, grease pan lightly again and repeat with remaining batter. Stack crepes with greaseproof paper between. Note. This amount of batter makes about 18 crepes. Unused crepes may be frozen or refrigerated for later use.

**Fish Stock.** Place all ingredients in a saucepan, bring to the boil and simmer for 20 minutes. Strain return liquid to the saucepan and bring to the boil.

**Filling ingredients.** To the stock, add the fish fillets and simmer until tender, about 3 minutes. Remove to a bowl with a slotted spoon. Add scallops to the liquid and poach for 1 minute. Remove with a slotted spoon, cut into 2-3 slices and add to fish. Add mushrooms to the liquid, simmer for 2 minutes and remove to plate with fish and scallops. Measure 2 cups of liquid, to be used for making Cream Sauce.

**Cream Sauce.** Melt 3 tablespoons of the butter in a saucepan. Stir in flour off the heat, return to heat and stir for 1 minute. Add warm stock all at once. Bring to the boil, stirring, and simmer for 2 minutes. Season with salt, pepper and nutmeg. Stir in remaining butter. Add prawns to the bowl with fish, scallops and mushrooms. Stir in half of the warm sauce. Spread out 12 crepes on a flat surface and divide filling among them, spooning it a little off-centre. Roll up crepes and arrange in a baking dish close together, seam-sides down. Whisk cream and egg yolk mixture into rest of sauce. Taste for seasoning and spoon over crepes. Place dish in moderately hot oven (190 C) and cook for 6-7 minutes or until sauce is lightly browned and bubbly and crepes heated through. Serves 6 as an entree or light luncheon dish.

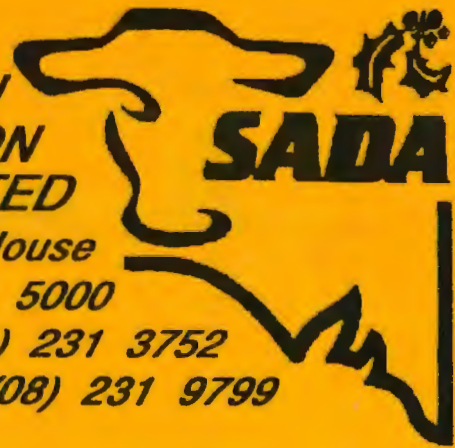


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