



21D00110

9 February 2021

David Beca
6 Tarrango Court,
Sunbury VIC 3429
Per email davidbeca59@gmail.com

Dear David,

Re: Improving democracy at Dairy Australia and increasing engagement with dairy farmers

Thank you for taking the time to prepare the paper you sent to our CEO, Andrew Curtis on 13 January 2021, "*Improving democracy at Dairy Australia and increasing engagement with dairy farmers*". The document is well considered and is possessed of a number of useful observations. It reflects a considered position that merits a considered response.

Further, the matter is of particular interest to SADA as we were personally involved in making recommendations to Dairy Australia (DA) and spent two days reviewing CV's of candidates for the board positions.

Inter alia, DA expresses its functions as:

"Dairy Australia's purpose is to support the profitability and sustainability of dairy farming. It works closely with levy payers and other important stakeholders to understand their needs and shape its investment priorities. Dairy Australia provides practical tools, services and advice to assist farming operations and the dairy supply chain. Its investments in innovation are focused on increasing farm productivity and the global competitiveness of the Australian dairy industry."

Your paper reflects what amounts to a rejection of the notion that DA "...works closely with levy payers...", and indeed you make the case that the truth is quite the opposite. To that end you have offered ten recommendations which you assert will enable greater accessibility by levy papers to positions on the board.

As we have been involved in the selection process to make recommendations regarding DA board positions, we are familiar with the environment you are talking about and we are comfortable that good people were recommended for those positions. Further, all relevant information was provided equally on all candidates who ran for the Board positions whether they had been recommended by the Selection Committee or not. It was our experience that this was certainly a democratic process and aligned closely with best practice.

It would be an understatement to say that the dairy industry in Australia can from time to time be politically fractured. In those turbulent seas DA's role is to remain apolitical, and to serve the levy payers which fund it. Please do not read this as an assertion that you are suggesting that DA should have a role in politics and advocacy, your paper makes no such argument, but many others are not possessed of the clarity of sight you possess on this issue.



Consequently, SADA seeks to defend the core functions of DA as an apolitical/non-advocacy based organisation and to have it remain focused on what it does so very well. Therefore, it is important that we approach matters of constitutional reform with both care and hesitation.

Furthermore, it is our experience that dairy farmers in South Australia engage with their RDP and so by default DA. Dairy farmers make up the boards of both Dairy SA (RDP) and SADA, and through these a range of policy and interest committees which allows them to be very much engaged with industry. At SADA we receive ongoing feedback that many farmers are generally happy with the work and outputs of DA and wish to simply get on with their farming business. It is recognised that farming is a business and as owners and managers of these business it is our duty to keep informed.

Nevertheless, there are doubtlessly merits to the thoughtful critiques you have made and equally your ideas would help to create room to develop leaders in the industry to enhance their governance skills and such opportunities should be pursued by DA, including its board and its executive as well as by industry leadership more broadly.

We will work to support DA in giving serious consideration of the matters that you have raised. In doing so we will recommend a measured and cautious approach for the reasons I have outlined in this letter.

Thank you for taking the time to care for our industry.

Yours sincerely,

John Hunt
President