

Industry Policy Position Statements



Animal health and welfare

General

- The Australian dairy industry commits to striving for the health, welfare and best care for all our animals throughout their lives.

Animal Health Australia

- Australian Dairy Farmers (ADF), as an industry member of Animal Health Australia (AHA) actively engages with all AHA members on national animal health, welfare and biosecurity matters relevant to the dairy industry.

Antimicrobial Stewardship

- The Australian dairy industry commits to using antibiotics responsibly – as little as possible, as much as necessary – to protect the health and welfare of our animals.

Biosecurity

- The Australian dairy industry expects farmers to comply with Emergency Animal Disease Response Agreement (EADRA) and industry requirements by implementing an on-farm biosecurity plan.
- The Australian dairy industry supports government and industry in surveillance and preparedness for incursions of emerging animals diseases (including Foot and Mouth Disease) and maintenance of EADRA.

Calves

- Bobby calves transported for sale or slaughter must be at least five days old, fit and healthy and be adequately fed within six hours of pick up.
- Calves aged 5 to 30 days old, transported without mothers, must have no more than 30 hours time-off-feed.
- Calves should be disbudded under two months of age with pain relief.

Calving Induction

- The Australian dairy industry does not support routine calving induction and agrees to complete phasing out routine calving induction by 1 January 2022.

Euthanasia

- Dairy farmers must create provisions for on-farm euthanasia through the use of a licensed firearm or captive bolt device, and provide training as required.

- Euthanasia by blunt force trauma should not occur on Australian dairy farms, except in emergency situations, which are defined by the Australian Animal Welfare Standards and Guidelines for Cattle as:
 - the calf is under 24 hours old AND
 - the calf is in severe pain or distress AND
 - there is no other practical alternative.

Live Export

- The Australian dairy industry supports the ongoing export of breeding cattle in accordance with Australian Standards for the Export of Livestock (ASEL).
- The Australian dairy industry agrees to the introduction of a statutory levy on the exporters of dairy cattle to fund LiveCorp activities, with any funds raised to be spent in consultation with the dairy industry, in order to facilitate improvements in the dairy cattle export trade.

Standards and Guidelines

- The Australian dairy industry commits to adhering to the Australian Animal Welfare Standards and Guidelines for Cattle
- The Australian dairy industry commits to adhering to the Australian Animal Welfare Standards and Guidelines for the Land Transport of Livestock.

Tail Docking

- The Australian dairy industry does not support the use of tail docking, and should only be performed on veterinary advice to treat injury or disease.

Farming systems and herd improvement

Agricultural and veterinary (agvet) chemicals

- Remove the requirement for agvet chemical re-approval and re-registrations, particularly where these products have a history of safe use.
- Examine options to improve regulation of minor use chemicals.
- Conduct formal assessment of trade implications when regulating agvet chemicals associated with food production, including those used on feed crops.
- The APVMA should:
 - accept international regulatory assessments, data, product registration status and history of use in support of registering products in Australia,
 - integrate agricultural production systems into decision making, and
 - be funded through cost recovery from the chemical industry (via fees and levies), in line with the “user pays” principle.

Genetically Modified Organisms (GMOs)

- ADF recognises the potential productivity benefits of GMOs and the need to innovate to remain globally competitive.
- ADF supports farmers' rights to use GM technology where available.
- ADF supports the coexistence of conventional, organic, identity preserved and GM technologies.
- ADF endorses the Office of the Gene Technology Regulator (OGTR) and its science-based approach and robust risk analysis to ensuring the safety of GM products.
- Newer gene editing techniques must be regulated in the same way as other technologies of equal risk and gene technology in agricultural applications, human medical and disease applications are subject to risk assessments that are relevant for each application.
- Organisms should be excluded from regulation where they are indistinguishable from products of techniques that are not gene technology.
- GM status statement should be removed from dairy stock feed vendor declarations.

Herd Improvement

- ADF endorses the Herd Improvement Industry Strategy.
- ADF supports a strong Australian genetics service that produces cows best suited to Australian conditions.
- Australian dairy farmers should have access to the best available advice, based on robust evidence (including Genetics x Environment – G x E) to assist them to make the best breeding decisions for their herd.
- Good breeding decisions have the potential to achieve significant benefits in farm productivity, profitability and animal welfare.
- Good cost/benefit information will help improve support for the domestic service.
- ADF supports the development of an industry strategy as a pathway to agree an industry view on our objectives for the Australian dairy herd.
- ADF supports farmer leadership in making the most of the opportunities for genetic improvement to increase farm profitability.

Regulation

- The regulatory framework should be streamlined by improving alignment between jurisdictions and departments.
- Regulation is not the only or most effective way to achieve environmental outcomes; industry-led performance is a powerful way of industries taking responsibility for their actions.
- Governments should ensure regulation is flexible and transparent, particularly concerning costs to farmers.
- Complete regulatory impact statements for all regulation prior to implementation.
- Industry associations should be used to disseminate information and deliver farmer education about regulation and compliance.

- The creators and beneficiaries of risk should pay for government administration. Risk should not be a socialised cost.
- Resource management, policy development, regulatory enforcement and service provision should be separated institutionally.

Research, development and extension (RD&E)

- ADF supports the research development corporation (RDC) system to ensure RDCs have the ongoing capability to deliver key programs and respond to new challenges.
- ADF does not support a separate organisation to manage cross-sectoral work and collaboration.
- ADF recognises that RDCs are not homogenous, and endorses the role Dairy Australia plays in areas beyond RD&E such as technical policy support.
- ADF supports the National Primary Industries Research, Development and Extension Framework.
- The dairy industry should advance RD&E priorities in the areas of advanced technology, biosecurity, soil, water and natural resource management.
- ADF supports extending the Dairy Futures CRC program.
- Extension services should be delivered according to who is best placed to achieve outcomes on a case by case basis.
- ADF supports the provision of more funding to support agricultural education and training.
- ADF supports increasing the use of industry and vocational education and training sector resources.
- ADF does not support relocating key government bodies to regional areas where the relocation will impose additional costs (to both industry and government), put essential relationships at risk, result in possible loss of specialist staff, and reduce effectiveness.
- ADF supports a “hub and spoke” model for delivering RD&E.

Markets, trade and value chain

Collective Bargaining

- ADF supports collective bargaining arrangements via the Trade Practices Act 1974.

Competition

- The Competition and Consumer Act 2010 should include an “effects test” consistent with competition policy around the world.

Contract management

- The Australian Government should establish a mandatory code of conduct covering the whole supply chain to balance the market power of major retailers.

- The Australian Government should appoint an Ombudsman with the powers to ensure compliance.
- A statutory duty of good faith should be inserted into the Competition and Consumer Act 2010.
- Unconscionable conduct should be defined in the Competition and Consumer Act 2010 as *“any action in relation to a contract or to the terms of a contract that is unfair, unreasonable, harsh or oppressive, or is contrary to the concepts of fair dealing, fair-trading, fair play, good faith and good conscience”*.

Co-operatives

- ADF supports Australian farmer-owned co-operatives as the foundation for a strong Australian dairy industry.

Foreign Investment

- Foreign investment is important to the Australian dairy industry.
- The Foreign Investment Review Board (FIRB) should examine foreign investment on a case-by-case basis.

Health and Nutrition

- ADF must ensure health and nutrition policy initiatives are consistent with the National Health and Medical Research Council (NHMRC) guidelines.
- Primary industry bodies and RDCs must have a seat at the table of all relevant health and nutrition policy forums.

Infrastructure

- Funding must be provided for strategic regional infrastructure projects beneficial to agriculture and regional communities.
- ADF supports the delivery of the Australian Government’s Roads to Recovery program.
- State road authorities should be appointed as the sole approver of heavy vehicle operations on local roads.

Interest Rates

- ADF must ensure Australia’s monetary policy recognises the impact a high Australian dollar has on our exports.
- Australia must focus on levers that improve investor and business confidence and reduce interest rates in line with other developed economies.

International Trade

- Trade agreements must provide genuine liberalisation of dairy products and commercially meaningful opportunities for Australia’s dairy industry.
- The number of Agricultural Counsellor postings should be increased to help remove barriers to trade (including non-tariff barriers) in key international markets such as Vietnam, the Philippines and Saudi Arabia.

- Investor-State Dispute Settlement (ISDS) clauses must not hold up free trade agreements (FTAs).
- The Australian Government must ensure protectionist countries do not use aspects of the World Trade Organisation (WTO) framework to reduce or eliminate genuine dairy market reform in the domestic markets.
- The Australian Government must ensure the Indonesia–Australia Comprehensive Economic Partnership Agreement (IA-CEPA) includes:
 - a systemic approach to resolving non-tariff barriers, with the application of sound science and international standards and cooperation between respective regulatory agencies as guiding principles; and
 - investment clauses that encourage a mutually beneficial two-way flow subject to appropriate protections for investors.
- The Australian Government should push for the removal of sponsored market support in the European Union (EU).
- The Australian Government must ensure the EU consistently applies CODEX standards, recognises Australian health and food safety standards and improves regulatory co-operation based on the following principles:
 - That health and food safety standards are based on sound science noting that milk production systems differ between nations;
 - Ensure non-discrimination between domestic and imported goods in accordance with GATT Article II (national treatment);
 - There is transparency of processes in developing regulations and in implementing regulations;
 - Achievement of the most efficient trade enhancing and least trade restricting practices;
 - Focused on outcomes;
 - Real time consultation with dairy stakeholders in developing solutions to existing regulatory practices. And an early warning system for development of regulations; and
 - Consistency in approach to developing regulations.
- The Australian Government must ensure the EU does not impose an overly restrictive and anti-competitive Geographical Indications (Gis) regime on Australia.
- A UK trade agreement must have:
 - commercially meaningful liberalisation of dairy products from date of implementation with a substantive compound annual growth rate
 - dairy product coverage;
 - quotas organised as a transitory measure to free trade within a short time frame (5 years maximum);
 - in-quota tariff rates set to zero;
 - non-tariff measures based on international standards and sound science with a mandatory requirement for regulatory cooperation that can lay the basis for harmonisation of standards.
- ADF supports the Nairobi Ministerial Decision to eliminate export subsidies.

- ADF supports the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) as it will create dairy export opportunities, particularly in Canada, Japan, Malaysia, Mexico, Peru, and Vietnam.

Marketing

- Educate consumers on healthier food choices.
- Food labelling systems should permit effective communication to consumers, support fair trade for industry and brand owners, have a high level of compliance and be able to be enforced.
- Do not support mandatory health promotion messages to consumers by way of food labels including front of pack labelling.
- Support a voluntary country of origin labelling scheme.

Pricing

- \$1-per-litre milk is unsustainable and does not give a fair return to dairy farmers and others in the supply chain.
- ADF supports branded milk as a means to increase returns to dairy farmers.
- Australian milk producers should derive the maximum price amount achievable.

Natural resources

Climate Change

- There is sufficient scientific evidence, international policy, and public interest in increased climate change to justify industry action.
- Adaptation of farming systems to climate variability is a high priority.
- Emissions mitigation will be a major directive for all industries including agriculture.
- Quality research, development and extension (RD&E) will underpin delivery of practical information, tools and guidance dairy farming businesses need to manage the impacts of climate variability and adaptation options on farm.
- Accord dairy processors Emissions-Intensive, Trade-Exposed (EITE) status under any carbon pricing scheme until all major dairy competitors are subject to similar schemes.
- A business activity statement (BAS) claim rebate must be provided for carbon price costs on power bills for dairy farms, similar to the diesel rebate for cropping and grazing enterprises.
- ADF must advocate to ensure adequate funding in emissions reduction programs, including related research, to assist the dairy industry in undertaking energy efficiency assessments, and to transition to renewable energy technology and energy efficient equipment.
- The Emissions Reduction Fund (ERF) should include:
 - sector or activity funding bands, to enable energy-intensive agriculture sectors (farming and processing) to access the ERF. Banding is also more likely to facilitate aggregated bids covering a range of energy efficient options of varying carbon abatement costs;

- funding dedicated to a national energy efficiency scheme along the lines of State 'white certificate' schemes such as the Victorian Energy Efficiency Target, to reduce transaction costs for aggregated carbon abatement for industries such as dairy with many small to medium enterprises;
- an emissions intensity methodology and baselines approach based on emissions per unit of production;
- flexible baselines determined on the basis of emissions over an historical period of time, to account for fluctuations in production due to changing market and seasonal conditions;
- standard contracts for carbon abatement under the ERF, noting that more information is required on the terms;
- contracts for carbon abatement for longer than the proposed five years, to maximise the incentive to invest in energy efficiency and reduced enteric emissions; and
- the establishment of an agricultural technical working group, to consider the methods and rules for reducing energy intensity and improving energy efficiency opportunities for agriculture (in both farms and related processing), research and development of additional CFI methodologies, and appropriate aggregation and other models to enable agriculture to participate fully in the ERF.
- An Emissions Trading Scheme (ETS) is the preferred climate change mitigation intervention due to its lower transition cost.
- ADF must advocate to ensure grants are available to assist farmers in transitioning to renewable energy technology on farms under the Energy Efficiency Package.
- ADF supports providing positive signals for farm practice change rather than using blunter instruments based on penalties.
- Australia's emissions reduction commitments must not undermine our trade exposed industry and needs to be aligned with our major competitors.
- Policy cannot reduce international competitiveness and contribution needs to be consistent with other sectors.

Drought

- Drought preparedness is endorsed as the primary means of dairy farmers managing drought.
- Dairy farmers and governments have a mutual obligation in drought policy and management. Farmers need to demonstrate a commitment to sustainable farming through appropriate business and farm management and Governments need to provide appropriate policy platforms and certainty through funding commitments.
- In-event support is warranted in some circumstances where drought conditions and impact from drought has gone beyond reasonable business and farm management preparedness options.
- Government support for drought preparedness, management and recovery needs to be provided through a range of measures.
- The Federal Government must work with the state governments collectively to achieve consistent approaches and accessibility to drought concessional loans.

- ADF supports the principle of self-reliance and preparedness.
- Drought policy must be integrated with all other policies affecting farm families and businesses.
- Governments must provide a basic safety net for those in severe distress.
- Farmers must be provided with access to individual advice and decision-making support to choose the best course and investments for their particular circumstances.
- There may be circumstances that exceed any reasonable level of preparedness and further assistance may be needed.

Energy

- Unconventional gas mining activity must not compromise the natural resources upon which the industry relies and without loss to industry reputation or market access.
- It is a farmer's decision whether to have a mine established on their land, rather than using legal processes to force access where landowners are not willing.
- ADF supports the application of a 20% renewable energy target (RET).
- ADF must ensure that energy policy exerts downward price pressure on network and other tariffs charged to agricultural commodities and processors.
- ADF supports imposing appropriate rules to prevent Distribution Network Service Providers and other electricity market participants from taking advantage of the system to inflate revenues by exaggerating the real cost of capital to cover infrastructure renewal.
- ADF supports the establishment of incentive schemes to encourage adoption of energy efficient measures and renewable energy technologies to offset the effects of rising electricity prices and minimise carbon emissions.
- ADF supports investment in infrastructure upgrades to ensure regional areas enjoy the same reliability and capacity of electricity supply as urban areas.
- Energy bills must have improved transparency and simplicity.

Land Use Planning

- ADF supports the standardisation of planning definitions and associated land use regulation across jurisdictions to ensure it does not unnecessarily hinder the development of new dairy operations nor the upgrading and responsive decision-making of existing operations.

Nutrient Management and Biodiversity

- Funding must be provided for integrated biodiversity management on farms that boosts productivity, such as shelter belts for stock and fencing off waterways.
- Funding must be provided for on-farm nutrient testing and management plans to reduce farmers' fertiliser costs, boost soil productivity, and keep waterways and lakes clean.

People and human capacity

Education and training

- The Australian dairy industry supports increasing funding for Farm Business Management courses at diploma and advanced diploma levels to increase farmers' business acumen as the industry professionalises and grows.
- The Australian dairy industry supports incorporating food and fibre education into the National Curriculum.

Health and safety

- On-farm safety regulations should be practical and outcomes focused. They should improve the culture of safety while not imposing an unnecessary burden on farmers.
- The Australian dairy industry supports government rebates to assist in the safe operation of quad bikes.
- The Australian dairy industry supports mandatory adoption of the US Standard ANSI/SVIA-2017 for quad bikes in Australia.
- Farmers should be protected from farm trespassers by having protocols in place, including police enforcement backed by Australian criminal law.

Workforce

- Skilled, experienced and motivated dairy farm workers and owners are vital to the future of the industry.
- The Australian dairy industry supports the employment of foreign workers on Australian dairy farms, provided there are no suitable Australian candidates available and all immigration requirements and Australian laws are adhered to.
- The Australian Government must streamline and fast-track the application and approval process for access to skilled workers.
- All hours of work (not just full-time days) should count towards the 88-day requirement to get a second-year visa.
- The Australian and New Zealand Standard Classification of Occupations (ANZSCO) skills descriptions for dairy farmers must be revised to align with industry skills descriptions and include *dairy* on the Skilled Occupation List.
- The Australian dairy industry does not support the 32.5% tax on working holiday makers proposed by the Australian Government in the 2016-17 Federal Budget.
- Superannuation payments made by employers to working holiday makers should be re-directed to schemes to increase the supply of local and foreign labour.
- The Australian dairy industry endorses a dedicated agriculture visa which provides security for the supply of temporary migrants to work on Australian farms.
- The Australian Government should extend the duration that subclass 417 and 462 visa holders can work with one employer in the same region from six to 12 months.
- The Australian dairy industry supports providing assistance for new entrants in the dairy industry to own a farm and progress in the industry.