



SADA Newsletter

January 2018

SA Dairyfarmers' Association Inc

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SADA Working with SA Power Networks - On farm Access.

As part of the role that SADA plays on SA Power Networks business consultation group SADA has raised the issue of the access onto and egress from farms by SA Power Network contractors. There are a number of reasons as to why a SA Power Network contractor may want to access your farm and commonly tree lopping around their infrastructure is a regular reason.



As a result of that interaction with the business consultation group SADA was invited to address SA Power Network's contractors who do this sort of work to discuss the risks that unrestrained access and egress by vehicle pose to farmers. Not just in the Dairy sector but across the whole of the primary sector in SA. SADA met with the contractors in December 2017 and presented to them about the issues risks involved with simply going on farm.

Using the example of Johne's Disease and the impact that a single positive test will have on a farm's ratings as well as describing how long it takes to recover from a positive result it was impressed upon the group that simply driving through a cow pat may be sufficient to transport the disease to another farm which is Johne's free.

We also played a television ad from McDonalds Japan which was made for the Japanese audience. The ad depicts in a positive light the numbers of controls across the supply chain that the Japanese consumer is reassured of. (See attached to this article a still from that ad showing an ear tag).

The ad does not speak of price. It exclusively concentrates on the quality that is synonymous with the Australian market place. Once this ad was played to the contractors they expressed a greater appreciation that a bio-security incident could have on the reputation of the Australian and by connection, the South Australian dairy product. (If any member wants to see the ad please contact John Elferink at SADA and he will email it to you).



As a consequence of this meeting SADA has been further invited to provide feedback to SA Power Networks on their policy for their 'Protocols for Vegetation Management'. Accordingly, a meeting was held with Alex Lewis and her team from SA Power Networks to discuss the issue.



SADA has been provided with a copy of the SA Power Networks “*Protocol for Vegetation Management Near Power Lines 2016-18.*” The document does acknowledge the issue and dedicates a paragraph to Biosecurity which covers the field across pest plants and plant and animal disease management. There are supplementary documents that outline bio-security protocols but the experience of SA Power Network has been that complexity of protocol directly impacts on compliance.

SADA has been asked to provide input into the next SA Power Networks Protocol on how to access and egress from Dairy farms from a bio-security perspective. Naturally we will be responding, however, if any of our members wants to have input please contact John on john@sada.asn.au.

Election platform

The South Australian Election is just about upon us. Last year SADA assisted PPSA to create an overarching platform for the whole primary sector focussing on those matters that can be directly affected by the next Government whomsoever should form it.

SADA has now produced its own corresponding industry specific policy. The policy document does include all matters that a pertinent to Dairy Farmers, but it does concentrate on those matters state players have influence over. Consequently, matters like communication black spots which are significant matters aren't mentioned as communications is specifically a matter for the Commonwealth. Nevertheless, we do recognise the Liberal's commitment to \$10 million to help build communications infrastructure at this early point. We will be interested to see if any other party matches it.



According to polling the contest will be a three way scrap which will pit Labor and Liberal against each other with the insertion of Xenophon's SA-BEST. It does not appear that SA-Best will field enough candidates to form a government. However, if polling is to be relied upon there is a strong chance that they will hold the

balance of power. *(Picture Adelaide Advertiser featuring Messers Weatherill, Marshall and Xenophon).*

South Australia is a state with a strong and vibrant dairy industry.

The state's dairy industry produces 500 million litres of milk each year employing 800 South Australians on farm and another 800 South Australians in associated industries.

South Australian dairy produce competes successfully and assertively with other producing states and on the international stage.

Any future Government needs to ensure they help, rather than hinder the development of the dairy industry in SA. The costs of doing business are the biggest concern for nearly all dairy producers. We need help to keep these costs as low as practicable, and ensure we are not hit with extra costs.

Agriculture Energy Investment Plan

SADA maintains the position that the current state of energy provision, both through cost and reliability, needs redress.

The Victorian Government has demonstrated enthusiasm in occupying this space by committing \$30 million to assist that state's farmers to manage energy costs through improved efficiency and new technology. Victoria's Agriculture Investment Plan will assist in lowering farm costs and creating local work through energy assessments.

Cost and reliability issues remain a key issue for dairy farmers in South Australia. Retarded technology speeds and uncertain implementation is stifling investment in South Australia in improvements in energy systems. Coupled with power pricing uncertainty there has been an effective restraint placed on investment in energy knowledge in South Australia.

Such a plan in SA would enhance, develop and leverage off the Victorian Plan as well as private investment.

The Victorian plan, which commences in 2018 will provide:

- Energy efficiency assessments on farm,
- Grants to support farm investment in energy efficiency and generation technology,
- Demonstration of energy efficiency and generation measures on farm,
- Develop links between farmers and relevant business information, and
- Provide commercial opportunities for on farm research in SA.

The South Australian dairy industry has already taken steps in these areas but a similar program to the Victorians will advance the needs of SA farmers to help this state grow.

NRM

SADA accepts that there must be management and governance of natural resource assets and risks as well as investment in NRM. It must be a system which engages, empowers and is accountable to local communities and regions is preferable to a system based on centralised decision-making in Adelaide. The NRM system needs to return to its original intent to allow regional and subregional engagement and decision-making.

NRM Boards should consist of a nimble organisational design with a small core staff, contracting additional work to the most appropriate organisations and people – including resourcing industry/producer groups for engagement, communications and project delivery.

The National Resource Management Scheme (NRM) has been operational in South Australia for a number of years. Generally, SADA believes that the scheme has fallen well short of expectations. SADA believes the scheme could meet the expectations of the primary sector but to do so would mean root and branch reform of the existing system. Less time should be spent on glossy documents and PR and more on practical actions and outcomes.

Current issues impacting the NRM are primarily:

- A top down approach
- A loss of confidence in the NRM by farmers, and
- Too many poor results.

Consequently, SADA expects all parties and candidates to support a reform of the NRM which will result in an organisational structure that will enable the existence of empowered local boards with financial independence and authority over staff.

These simple changes will make the NRM relevant to the local producer and will enable a 'results focussed' approach to local projects with meaningful outcomes.

Commitment to ACCC recommendations

The South Australian Dairyfarmers Association (SADA) expects all political parties at the next election to commit to the recommendations of the ACCC interim report into the Dairy Industry, particularly having regard to the recommended Mandatory Code of Conduct. The ACCC is managed by Rod Simms (*pictured*)

Whilst the report is to the Commonwealth Government, whomsoever forms Government after the next state election, SADA expects that each party commits to assertive communication with the Commonwealth to make the recommended Mandatory Code of Conduct a reality as quickly as possible.

The ACCC determined in their report that the disparity between negotiating parties to a dairy contract was so broken that the usual tools, such a collective bargaining, could not sufficiently remedy the imbalance and consequently recommended a Mandatory Code of Conduct.

SADA agrees with this position and calls on all parties to support the recommendation and to make it a priority of the Minister for Agriculture after the next State election. SADA expects that the Minister for Agriculture ally himself/herself with other state ministers from dairy producing states to endeavour to achieve this outcome.



Planning, Mining and Gas

SADA has expressed their frustration at a number of shortcomings within the orbit of this key area. These issues include a failure by government to adhere to existing policies, alienation of primary sector land, an absence of proper consultation, product and industry devaluation, an abandonment of inclusiveness and an absence of seeking permission from the sector with the development of projects and policies.

The approach of the current state government leaves primary producers with a clear impression that policies and projects that are important to the state government are progressed without reference to the people and industries who are impacted by the government's decisions.

This isn't good enough.

SADA members remain concerned that the current processes around planning, mining and the gas industries are exclusive. SADA accepts that mining and gas development are necessary realities in the



state. Nevertheless, the approach thus far has failed to reassure the farmers of SA that the government isn't prepared to trade off the long-term security of reputation as one of the cleanest and greenest jurisdictions in the world for an immediate return. The absence of consultation reinforces the concern of SADA members.

The primary sector is here today and will be here tomorrow and for as long as people eat and drink. SADA's message is clear do not trade off the future for an outcome today.

In a world that is increasingly populated consumers around the globe will be looking for the security of a clean and green environment to serve their food needs and experience has already proved that consumers are prepared to pay for it. SA presents as pristine and has earned its reputation through diligence and care.

SADA recognises that periodically there will be a need for development of projects and when that occurs there needs to be a process in which the local community is compensated for an impact. Such compensations can be funded through royalty payments made to the SA arising from projects should find their way back to the communities impacted. This means that locals can work to make sure that the impact is minimised and the advantage for the imposition of a project is effectively directed.

Primarily SADA believes that the best way to advance the interests of their members and SA as a jurisdiction is by seeking permission from landowners and the community for any project.

Consequently, SADA calls upon all parties and candidates to commit to a meaningful, consultative and inclusive approach when dealing with planning, mining and gas development proposals. That commitment must include a clear engagement process that is more than a mere act of going through the motions.

Research, Development and Biosecurity

South Australia has a proud history of scientific and academic excellence in the development of the primary sector. In the 20th Century successive government had demonstrated an ongoing commitment to scientific and research excellence in the primary sectors. Sadly, in the 21st Century the SA had dropped the ball with an ongoing erosion of the support frameworks around the Department of Primary Industries and Regions (PIRSA) and the South Australian Research Development Institute (SARDI).

SA exists in an increasingly competitive world. Part of our reputation for being the very best is reinforced by a jurisdictional government that supports its primary sector aggressively. South Australia ranks with the finest and cleanest places in the world and global recognition but in recent times the shield that has been that high standard of support has been reduced in substance and responsiveness.



Consequently, SADA calls upon all parties and candidates to make the following commitments. Firstly, that PIRSA remain its own department without being collapsed under the umbrella of a mega department even more distant from its overseeing minister and secondly, that a commitment to SARDI and PIRSA be expressed in dollar terms well before polling day.

Transport and Infrastructure

SADA calls upon all candidates and parties to commit to the existing 90 day plan. This plan outlines the issues that have been identified and which need to be attended to across the state and which effect all sectors.

Commitment to this plan is expected by the current SA Government and will be expected in the instance of a successor. SADA does not ask for anything more than what has been committed to but does expect that all parties will implement the plan within the timelines agreed with the sector.

This plan has seen a number of iterations and the current plan is a useful, budgeted for and costed program of works that support the primary sector, particularly dairy.

Parties should also commit to the development of underpasses on major roads to enable the safer movement of cows in dairy farming areas. Such a program would enhance safety for road users, farmers and their stock.

Dairy Industry fund update.

We sadly announce the retirement of Denis Mutton and Ken Lyons (*pictured*) from the Dairy Industry Fund Board. With their careful and diligent management, the fund under their command supported a number of important projects to the Dairy Industry in South Australia. Move over, they left the fund in a good financial position going forward. We thank both men for their efforts over the past three years and wish them the very best going forward.



After the last AGM the Board elected Will Rayner to the position of Chair and John Elferink from SADA will take up the role of executive officer. SADA President John Hunt remains a board member with a big welcome going out to Rob Kerin the new addition to the board. Another vacancy is yet to be filled and that will be announced in the near future. It is anticipated the new board will meet in the first week of February to set its agenda for the years. We will keep SADA members updated.

Restricted licences for farm machinery – Remember MR33.

All farmers have to move machines from time to time and doubtlessly they call on family to help them as well. The number you need to remember is 'MR33'. That is the Government form, and there's always one of those, to enable a family member of a primary producer to become licenced to move farm equipment off the farm.

That application form is for an immediate family member of a primary producer who requires a higher class of licence to drive a family farm vehicle to transport produce to a silo or other destination but due to age or driving experience, does not qualify for the appropriate licence class. Information provided on that form will be considered by the Service SA Customer Service Centre Manager before making a decision.



- The applicant must be aged 18 years or over and must have held a class C driver's licence for 12 months.
- If this application is being submitted in person, the applicant will be required to show proof of identity.

In short don't risk it, particularly from an insurance perspective but of course it's also important to obey the law.

For more information go to <https://www.sa.gov.au/topics/about-sa/directories/customer-service-centres/forms>.

If anyone has any questions about any topic covered in this newsletter please don't hesitate to contact John Elferink at the SADA offices or on his mobile 0418 406400.

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-  Farm Legal Liability
-  Farm Machinery Breakdown
-  Farm Electronic Equipment
-  Farm Burglary and Theft
-  Motor Vehicle
-  Personal Legal Liability
-  Domestic Workers (WA only)
-  Classic Home
-  Standard Home
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The Murray Darling Basin Plan

The last week has been filled with commentary and vitriol regarding the Murray Darling Basin Plan and its fate. South Australian dairy farmers are the last productive users of Murray River water before it heads into the Coorong. The water is important environmentally as it passes the lower lakes dairy farms, but in many ways these dairy businesses are the canaries for the river. If there is a problem, our farmers are the first to wear it. For this reason, the political manoeuvring displayed in the Senate last week are troubling. The behaviour is indicative of an intemperate political carelessness that just demonstrates how reckless some politicians are prepared to be with regional communities in South Australia and the people who work in those regions.

The Murray Darling Basin Plan was written in 2012 to allow adaptive management, with enough flexibility to utilise new knowledge and to adjust operational management of our rivers to get better ecological outcomes while providing a level of certainty for the river and river communities. While not everyone in the Basin likes the Plan, everyone has been working towards achieving it and delivering a balanced plan.

We have seen an escalation in brinkmanship from all parties that has now entered the domain of stupid. Labor and the Greens with their intransigence have undermined jobs and the future of many regional South Australians. SADA believes it is simply time for everyone to stop playing games and get back to the table to sort this mess out.

Election Time Line

SADA has now completed its election policy and passed it on to all the major parties in the South Australian Election seeking comment from those parties. When/if that comment is received we as an organisation will be able to advise members of the responses we have received from the parties.

By 29 February, we hope to have received the responses which will help us to create a score card on the various issues that SADA has canvassed. We will then allow another week to chase up any point of confusion or uncertainty so that by the second week of March the score card can be forwarded to all members for their consideration.

Watch the SADA website for updates as they come in.

Milk Price Index

In November 2017, the Australian Government announced that a provider had been selected to implement a milk price index for dairy farmers. The announcement heralded a "critical step towards delivering a key element of the Coalition Government's Dairy Support Package" and that a consultancy group would "commence building this useful tool for the Australian dairy industry to better understand and interpret price signals".

The announcement over last weekend was that the Department of Agriculture and Water Resources and Webber Quantitative Consulting Pty Ltd have mutually agreed to terminate the contract for delivery of a commodity milk price index.

The SA Dairyfarmers Association is reliably informed that the Department of Agriculture and Water Resources remains committed to the Milk Price Index. The project will proceed, delivered via alternate means.

Through ADF, SADA remains in close communication with the Department regarding this matter, and we will soon be invited to meet Government officials to consider next steps. ADF, in concert with industry, has ensured that the Government clearly understands the industry's commitment to seeing this project come to fruition, and we will continue to represent your interests as we proceed through next steps.

The Department expects that the index and associated resources will become available to industry during 2018.

The Trans Pacific Partnership and its impact

In the past month Australia has signed the revamped version of the Trans Pacific Partnership. This is the version that will operate without the United States being a participant. It opens up Australia to a freer market place. From an Australian perspective it opens up opportunities for the primary sector here and with the US out of the competition market place it's pretty good news for the farmers.

The big benefit appears to be for farmers so long as the Trump administration doesn't launch into a program of aggressive subsidies in the dairy sector. The TPP should help Australia sell more beef, sugar, rice, dairy and wheat. It should also be easier to export wine and seafood.

Nevertheless, Australian farmers will still have to compete against other countries which are also endeavouring to take advantage of more open trade.

John Droppert, a senior analyst with Dairy Australia, says the removal of tariffs on cheese products into Japan will be a substantial improvement.

"We put about 80,000 tonnes of cheese into Japan every year," Mr Droppert explained.

The deal would have covered about 40 per cent of the global economy and a quarter of world trade if the United States had participated in the arrangement. The Australian Industry Group says it would have naturally been stronger with the participation of the US.

But Dairy Australia asserts that the absence of the US from the deal is a positive for the Australian dairy industry because it removes a substantial number of competitors from the market place.

"The US has in past years ... been a real cost competitor into Japan. They tend to compete on price, so of course the more tariffs and barriers they face, the more difficult it is for them to do that. It's only a good thing for us that the US has excluded themselves from that agreement," Mr Droppert said.

As part of the SA Dairy Industry Action Plan SADA intends to continue to place the South Australian product on the front foot promoting our ability to provide premium product into a Pacific region that is developing a greater taste for quality dairy products.



Tinder for Cows

Time to swipe right on the latest tech from the CSIRO and the University of Tasmania's recent partnering which has seen collars on Cows that will work for them on the way Tinder works for the unattached and young adults on a Friday night in Hindley Street.

A collar will tell you all you need to know about the lady in your paddock and the information that it collects will read like the bio on Tinder. You'll find out what she's been eating, how she's feeling, how your management practices are affecting her and when she's in heat. This window of information will bring you closer together and you'll understand her a whole lot more than you already do. When and what to feed and when to inseminate must now be beyond the realm of guess work.

It is important to make certain that it AI occurs between 4 to 12 hours of an oestrus event. The problem is that most of these happen at night when you're tucked up in bed. They can easily be missed the next morning.

The collar has been created to check and predict cattle behaviour using predictable and reliable algorithms.

Information collected by accelerometers (that measure movements in three dimensions) and magnetometers (that measure head position – head down, up or tilted and the like) identify behaviours and divide them into 10 categories, including grazing, ruminating, resting, searching, walking and standing.

The categories will be measured to an accuracy of 95 percent and they will also be capable of detecting oestrus events. If her ladyship is in the mood, the technology sends a “swipe right” message to her farmer who is then advised via SMS that it’s time for insemination.

Of course, this technology is available in a number of versions commercially. However, this system measures behaviour in a broad range of categorisations. For example, in identifying an individual cow’s eating patterns in order to optimise grain delivery thus making it possible for farmers to lower their grain costs. Supplementary grain already makes up about 30% of the average Australian dairy farm’s costs so improvements in these areas must always be welcome.

Unwell cows also impact a farm’s earning capacity. So, the CSIRO are extending trials aimed at identifying behaviour patterns for illnesses as early as possible. Diseases targeted include mastitis and lameness. A stitch in time saves nine.

The Sense-T program collects data and uses it for purposes for which it may not have been intended originally. Behavioural data collected from cows wearing CSIRO’s cow collars, combined with soil moisture data, for example, can be used to estimate water quality in local rivers.

For example, if you know where your animals have been, and you know the soil is moist and there’s been a recent precipitation, there’s a strong possibility that the nearby watercourse is carrying a high faecal load – and that could directly impact on aqua culture farmers downstream.

Tinder for cows, it’s about no regrets in the morning.

Vegan Movement

“If God didn’t want animals to be eaten, why did he make them out of food?”, was a recent post put up by an anonymous contributor on a pro-vegan website.

Recently, North American organisation has funded a pro-vegan campaign in Melbourne. The vegan movement claims it isn’t trying to hurt famers, to them farmers are collateral damage in a moral crusade and it is important to



remember that for vegans the whole argument is based on a moral position.

We have every right to be proud of our industry which provides many foods that have been in demand since animals were domesticated. That isn’t going away. What we do so much better than at any time in the past is the quality of our management and the care that we take with our animal’s welfare.

Some farmers have tried to argue with others in the movement but all that is achieved is the conflict feeds

the story in the ever-voracious media which thrives on dispute.

Our message is simple, we provide food for a community that expects it. We do so with care and pride in our work and the welfare of our animals.

We have the highest standards of animal care in the world and they provide millions of people with food, clothing and other products that are used on a daily basis.

We will continue to operate under those standards and we will continue to deliver quality food products as a dairy industry.

At SADA we don't recommend taking this movement on directly. We recommend expressions of pride in delivering our products to the market place using the highest standards of husbandry to do so.

Heavy Vehicle Inspection Scheme Stage Two

There has been some confusion recently regarding the operation of the Heavy Vehicle Inspection Scheme (stage 2). Consequently, we have taken the following information from the Department of Planning Transport and Infrastructure FAQ document to assist with issues that members may have regarding these arrangements.

1. Why is the state introducing a scheme?

The South Australian Government has committed to introducing a heavy vehicle inspection scheme that addresses coroner recommendations that all heavy vehicles should be subject to a periodic inspection regime. The intent of the scheme is to identify, monitor and mitigate un-roadworthiness as a causative factor in crashes on South Australian roads, and to increase heavy vehicle safety.

2. Why is the focus on heavy vehicles?

Heavy vehicles are overrepresented in fatal crashes. Due to their mass and rigidity, heavy vehicles can contribute to the severity of the crash, have a higher fatality rate when compared to the light vehicle fleet and equally are involved in a disproportionately high number of crashes that result in serious injury. Following a series of fatal crashes on the South Eastern Freeway, subsequent coronial recommendations included that all heavy vehicles should be subject to a periodic inspection regime. A state-based scheme provides South Australia with the opportunity to conduct inspections on heavy vehicles that otherwise would not undergo any form of inspection in their lifetime, unless issued with a defect notice.

3. What were the results of stage one (Change of Ownership Inspection)?

Information gathered from stage one has identified that there are significant issues with the roadworthiness of heavy vehicles in South Australia with 62% of vehicles failing the initial inspections. Common faults may be hard to identify through regular use and driver awareness alone.

4. Why is the age of a vehicle a concern?

Many variables may contribute to vehicle non-compliance including kilometres travelled, location, how the vehicle is stored, intended vs actual use, and maintenance practices over time. Age is a common predictor of high non-compliance. This predictor is evidenced and supported across many data set comparisons including national Surveys conducted across all jurisdictions by the NHVR.

5. What vehicles are included in stage two of the scheme?

All heavy vehicles and trailers with a Gross Vehicle Mass (GVM) or Aggregate Trailer Mass (ATM) over 4.5 tonnes (refer to table next page).

Primary Producer vehicles have concessional registration, not conditional registration and are included as vehicles in scope. Primary Producers can apply for conditional registration, known as restricted primary producer registration.

6. What vehicles are exempt in stage two of the scheme?

Vehicles in the National Heavy Vehicle Accreditation Scheme (maintenance module), Restricted Primary Producers, club registered, and certain SPV vehicles will be exempt from stage two requirements at this time (refer to table below).

This exemption is due to national accreditation practices, the nature of the intended use, subsequent registration restrictions and/or conditions imposed eg. Restricted Primary Producer vehicles are restricted in use to a maximum distance of no more than 30km travel between parcels of land worked in conjunction with each other by the primary producer.

7. When will stage two commence?

Stage two of the scheme is expected to be rolled out in the second half of 2018. The transition will allow for varying factors including registration patterns and readiness of industry to deliver the scheme. More information is expected to become available during April/May 2018 after the tender responses are evaluated.

8. Will there be more inspection stations available in stage two?

The recently released tender documents serve to address concerns raised by heavy vehicle owners relating to accessibility of inspection stations and maximum travel times for state wide delivery. Inspection stations are expected to reflect the inspection demand.

9. What is the cost of an inspection?

Costs of the inspection are expected to be determined through the tender negotiations. These have been capped at \$268 per initial inspection, however, are expected to settle to a lower amount.

10. How long does an inspection take and what is assessed?

On average inspections should take no more than one hour. All heavy vehicles are assessed for compliance against the National Heavy Vehicle Inspection Manual (NHVIM). This manual has been developed and revised by the National Heavy Vehicle Regulator (NHVR) to enable a nationally consistent roadworthy approach to heavy vehicle inspections.



Government of South Australia
Department of Planning,
Transport and Infrastructure

Heavy Vehicle Inspection Scheme (Stage Two) Requirement

Registration		Inspection requirement	
Intended vehicle operating configuration and conditions	State Vehicle last registered in:	Inspection pre-requisite Vehicle of any age	Vehicle aged over three years from year of manufacture at Change of ownership if inspection certificate not current. Vehicles aged 4, 6, 8 and annual after 10 years from year of manufacture.
Rigid Trucks and Prime Movers towing a single trailer (e.g. 1R, 2R, SR and SP configurations) Heavy trailer (e.g. <u>TS</u>)	SA	No ID inspection required	<ul style="list-style-type: none"> Inspection by Authorised Inspection Station. Roadworthy only to be undertaken by DPTI if: <ul style="list-style-type: none"> Entering the NHVR Maintenance Accreditation Scheme Livestock Loading mass exemption required FIRS registration required Used in a Restricted Access Vehicle (RAV) combination
	Interstate	ID inspection required	
Road trains B-Doubles (e.g. MU configurations) Motorhomes/Campervans Buses	SA	No ID inspection required	<ul style="list-style-type: none"> Roadworthy by DPTI only
	Interstate	ID inspection required only	
Restricted Primary Producer Vehicle Club Registration Vehicles (All configurations)	SA	No ID inspection required	Exempt from periodic Inspection requirements
	Interstate	ID inspection required	Heavy Vehicle periodic Inspection <u>not required</u> at this stage due to restricted conditions of use. Change of ownership inspection still applies to Restricted Primary Producer if inspection certificate not current.
Special Purpose Vehicles (SPV) Truck based Special Purpose Vehicle (<u>TSV</u>) Plant based special purpose vehicle (<u>PSV</u>), Over mass Special Purpose Vehicles (<u>OSV</u>) Restricted Miscellaneous	SA	No ID inspection required	Unrestricted SPV with registered configuration code <u>TSV</u> and all Restricted miscellaneous <ul style="list-style-type: none"> Inspection by Authorised Inspection Station
	Interstate	ID inspection required only	SPV with registered configuration code <u>PSV</u> and <u>OSV</u> are <u>exempt</u> from requirement due to intended use and restricted conditions for use such as location limitations and speed restrictions.

*** South Australian Scheme Inspection Certificates are valid for 12 months from date of inspection.

**** Stage One Change of Ownership requirements still apply if scheme inspection certificate not current. Heavy vehicles three years or older, registered for the first time in South Australia, require an identity and roadworthy inspection for the transfer.

Need insurance? You need WFI.

Proud insurance partner of South Australian Dairyfarmers Association.



At WFI, we take the time to thoroughly understand your business and how it operates. Because when we get to know a business, we can protect everything that matters.

We're available to meet with you face-to-face to discuss your insurance requirements. That's just one of the reasons why we're good people to know for insurance.

WFI Rural Plan consists of a range of different policies, covering a wide variety of risks. This approach gives you greater flexibility, and if circumstances change it is easy for you to add another policy.

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-  Farm Loss of Income
-  Farm General Property
-  Farm Transit
-  Farm Legal Liability
-  Farm Machinery Breakdown
-  Farm Electronic Equipment
-  Farm Burglary and Theft
-  Motor Vehicle
-  Personal Legal Liability
-  Domestic Workers (WA only)
-  Classic Home
-  Standard Home
-  Personal Valuables
-  Pleasure Boat
-  Personal Accident and Illness

Need an insurance quote?

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SADA Newsletter

March 2018

SA Dairyfarmers' Association Inc

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Election Result

You will doubtlessly be aware of the change of government which has occurred in South Australia. As the former government moves on, we acknowledge the work done by former ministers, many of whom have worked hard on the issues in the rural sector ... some more than others. Nevertheless, SADA does welcome the change because even with the best intent of many former ministers the last government didn't bring the attention to the primary sector that they should have.

Now of course there is a new government, and the new Premier Steven Marshall will now have to deliver on the commitments of his party in when in opposition. There is no reason to believe that he won't. It is expected that David Ridgeway will become the Minister for Primary Industries.

In opposition Mr Ridgeway maintained a strong level of communication with SADA and we enjoyed excellent access when required. We also have good reasons to believe that a Marshall Liberal Government will be more focused on the areas outside of metropolitan Adelaide.

SADA has already made contact with various members of the new Liberal Government and of course we extend our heartiest congratulations to David Basham, the new member for Finniss.

We will circulate an update to members shortly with more on the election outcomes.

R & D a must for the new government

Dairy remains a billion dollar industry in the state. The state has committed smaller and smaller amounts to research and development in the primary sector and effectively nothing to the dairy sector. SADA continues to express its increasing alarm at the government's attitude of not feeding the industry that they so aggressively want to milk.

More than a decade ago, the Council of Australian Governments established a research, development and extension framework meant to identify the jurisdiction which would take the lead in different sectors to prevent overlaps. The framework provided a splendid opportunity for SA to refine its R&D effort but the state has dropped the ball by withdrawing funding for SA focussed outcomes. Nationally R&D corporations are prepared to make their contributions but because of absence of collegiate enterprise in this state there is a general reticence to invest in research here. This is particularly true when other states remain committed to an R&D programs that see them stumping up as willing partners.

To its credit the South Australian Government has made a strenuous effort to place SA onto the world stage as a place to see the best and be the best. But in telling that story government also has a duty to support the foundations of the premium assertion. If the foundations cannot be proved up then the whole industry will be forced to present itself to the world standing on clay feet.

Uncertain signals from government do nothing to reassure dairy farmers that they are offering anything more than the same. South Australia should be real and credible not a movie set looking good from the front when behind the scenes it's all balsa wood and rubber bands.



New NFF leadership program

The National Farmers' Federation announced a new pathway to leadership for women in agriculture.

The Diversity in Agriculture Leadership Program is a mentoring opportunity to help women in agriculture identify their leadership goals, outline steps to achieving these goals and put in place steps to measure progress towards these goals.

Graduates of the program will go on to be a part of an alumni of skilled female leaders with aspirations to apply their leadership skills across our agricultural sector.

Details: Applications close on 12 April, 2018. More information on how to apply and the criteria is available on the [NFF website](#).

Phone and Internet in regional Australia

Rural Australians have the chance to influence the future of telecommunications in the bush, through a new survey being hosted by BIRRR (Better Internet for Rural, Regional and Remote Australia).

"We urge everyone in the bush to get online and fill out this questionnaire – help us build a clear profile of which tools are most important to keep us safe and connected," said BIRRR spokesperson Kristy Sparrow. The survey takes just ten minutes and explores the telephone/voice service and internet options in homes. The Australian Government is currently developing options for a new Universal Service Guarantee (USG) which seeks to ensure all Australians can access voice and broadband services.

"This USG is so vital for rural, regional and remote Australia – if they get this wrong, we have grave concerns that some could well be left in very tough and isolated situations, with potentially disastrous consequences. "Data we collect will be provided directly to the USG taskforce committee, government departments and ministers and will be used in BIRRR work towards better bush communication."

For more information see the link to the media release re the survey is here: <http://bit.ly/2lqkYn8> or visit the website is www.birrraus.com.au

A new movie

A feature length film on animal industries entitled 'Dominion' will soon be screened on limited release starting in Melbourne on 29 March. The movie shows high quality footage of animal industries including dairy. We have been working with Australian Dairy Farmers, Dairy Australia and the NFF to ensure a consistent and measured response, which in the first instance will come through the ADF and NFF. The response is intended to positively influence public perceptions of livestock industry in a credible way and avoid amplifying and fueling the vegan activity. You can google "Dominion movie" to watch the trailer.

More information regarding Dairy's commitment to sustainable production is available through our website – www.sada.asn.au under the About Us tab.

If you have any concerns about the movie, the response to it or any aspect of the "our dairy promise" website, please give us a call at the office.



Chain of Responsibility laws



In mid-2018, the Heavy Vehicle National Law (HVNL) will be amended so every party in the heavy vehicle transport supply chain has a duty to ensure the safety of their transport activities.

In practical terms, this primary duty represents an obligation to eliminate or minimise potential harm or loss (risk) by doing all that is reasonably practicable to ensure safety. These obligations are commonly referred to as the Chain of Responsibility (CoR). As a party in the supply chain, the best way to do this is to have safety management systems and controls in place, such as business practices, training, procedures and review processes that:

- identify, assess, evaluate, and control risk
- manage compliance with speed, fatigue, mass, dimension, loading and vehicle standards requirements through identified best practice
- involve regular reporting, including to executive officers
- document or record actions taken to manage safety.

The National Heavy Vehicle Regulator (NHVR) has developed a number of resources to help explain how these changes will affect your business.

NHVR has explained what primary producers need to do in this fact sheet, [Primary producers and heavy vehicle safety](#).

Other information is available at the [NHVR website](#).

The sale of MG not plain sailing

The sale of Murray Goulburn (MG) to Saputo continues to see Saputo navigating the reefs and shoals of various oversight bodies interested in the impact of the sale. While frustrating for many members, particularly those who are still invested in the MG share arrangement, signs for the future leave SADA quietly hopeful that Saputo will not run aground.

There are two matters that are being examined, firstly, MG announcing that they were going to have an Extraordinary General Meeting (EMG) of shareholders and farm consultations and secondly, the Australian Competition and Consumer Commission review of the purchase from a monopoly standpoint.

Farm Consultations and EMG

On the 14 March MG published the Explanatory Memorandum (EM) and Notice of Meeting in relation to the sale of all of Murray Goulburn's operating assets and operating liabilities to Saputo Dairy Australia (Asset Sale).

This and other associated resolutions are to be considered at an EGM scheduled for 5 April 2018 in Melbourne.



The EM document contains information on items including:

- the proposed sale of all of MG's operating assets and operating liabilities to Saputo Dairy Australia Pty Ltd (Asset Sale);
- key dates relating to the EGM and completion of the Asset Sale;
- information on Saputo;
- key terms of the Milk Supply Commitments to MG suppliers; and
- an Independent Expert's Report prepared by Grant Samuel & Associates (see Attachment 2 of the EM).

The Asset Sale is currently expected to be completed on 1 May 2018, subject to approval from the ACCC, FIRB and MG shareholders at the EGM.



The supplier letter also outlines a schedule of regional meetings with MG suppliers, commencing with Saputo meetings with MG suppliers from 17 to 22 March 2018. This will be followed by MG supplier meetings from 24 to 29 March 2018.

Due to the number and size of the files they have not attached any documents to this article. However, the following links to access the relevant documents released which have been released:

- MG Supplier letter – http://www.mgc.com.au/media/51298/em-release-supplier-letter_final.pdf
- Explanatory Memorandum and Notice of Meeting – <http://www.mgc.com.au/media/51294/explanatory-memorandum-final.pdf>
- MG Unitholder Letter - <http://www.mgc.com.au/media/51295/mgc-unitholder-letter.pdf>
- KPMG Independent Expert Report – <http://www.mgc.com.au/media/51296/kpmg-ier-final-short-form-.pdf>
- Proposed amendments to MG's constitution (for Resolution 3) - <http://www.mgc.com.au/media/51292/mgc-constitution-marked-up-changes.pdf>

In addition, a page has been created on the MG website (under Investor Centre) dedicated to the Saputo Transaction. It can be accessed at <http://www.mgc.com.au/investor-centre/saputo-transaction/>.



The ACCC and the Koroit Plant

The ACCC has also indicated its concerns regarding one element of the Saputo purchase of MG namely, the Koroit plant in western Victoria. The ACCC has indicated that it is concerned about the potential for a monopoly to form in that part of the country.

The ACCC has released a Statement of Issues on the proposed acquisition of Murray Goulburn Co-operative Co.'s operating assets by Saputo Dairy Australia.

The preliminary view is that Saputo's ownership of both its current Allansford plant and Murray Goulburn's Koroit plant will substantially lessen competition for the acquisition of raw milk from dairy farmers in the south-west Victorian/south-east South Australia region.

The ACCC has expressed concern that:

- the proposed acquisition involves the consolidation of two of the largest milk processors in the region, with Saputo having over two thirds of the area's raw milk processing capacity post acquisition;
- there would be limited alternative processor options for many farmers in the region; and,
- a combined Saputo-Murray Goulburn would not be as effectively constrained by Fonterra, other smaller competitors near Koroit or the threat of new entry.

The ACCC said that there are unlikely to be competition concerns in other regions, where there is no overlap between Murray Goulburn and Saputo, or in downstream dairy product markets, such as fresh milk, butter, cheese and cream. While concerns were expressed by some industry participants in relation to bulk cream, the ACCC considered that those concerns arose primarily from a recent decrease in bulk cream production overall rather than any potential impact on competition from the proposed acquisition.

At this stage, the ACCC expects to make a final decision on whether it will oppose or clear the transaction on 29 March 2018.

Saputo has responded by endeavouring to reassure the ACCC of its concerns by outlining a plan to divest itself of the acquisition of the Koroit plant to sell it as soon as it buys it.

SADA is less concerned about suggestions of monopoly than we are about seeing the sale go ahead. The market is such that other processors are not out of the reach of dairy farmers if they are not satisfied with Saputo in western Victoria. The suggestion that Saputo would intentionally engage in conduct that would amount to a breach Australia Consumer Law is merely speculative and it even if it were attempted the monopoly impact would be circumnavigated easily. Saputo certainly have not demonstrated themselves to be anything but law abiding.

Indeed, SADA would go so far as to suggest that the ACCC is demonstrating excessive caution in raising the issue because of the general capacity of milk to move beyond western Victoria. The primary driver at this time must be certainty of outcome for the farmers who are still the proverbial shag on a rock while the MG omelette is unscrambled.





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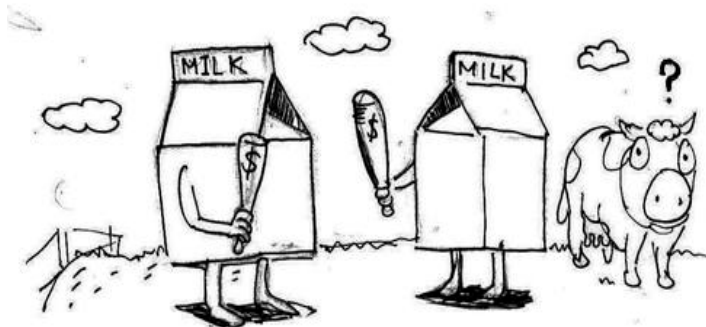
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Australian dairy – “let the big milk battle begin”

From Rabobank Australia

The storm clouds hanging over the global dairy market are expected to clear in late 2018, while competition for milk is set to intensify in Australia as the “battle begins”, steering domestic producers towards a profitable 2018/19 season, according to a just-released report.



Australian Dairy – “Let the big milk battle begin”, by agribusiness banking specialist Rabobank, says the “battle between two global dairy giants looms large on the horizon”, as Saputo’s quest to win back milk supply begins and Fonterra maps out further capacity expansions. While smaller and newer dairy players are set to continue actively recruiting milk to secure their share of the milk pool.

Report author, Rabobank senior dairy analyst

Michael Harvey says it will be these competitive pressures for milk supply, which are likely to intensify next season with Saputo’s acquisition of Murray Goulburn, that will translate into higher premiums being passed to farmers and help compensate for the lower commodity price.

“In the global market, while risks loom in the near-term and this is likely to see dairy companies take a conservative approach when opening their prices for the 2018/19 season, the prospects for a gradual tightening in global dairy markets is bright,” he says, “with the timing of the recovery expected to favour Australia by taking place through our seasonal peak in production.”

Mr Harvey says – based on Rabobank’s latest global commodity price forecast (outlined in its recently-released Global Dairy Quarterly) and assuming a spot currency rate of USD 0.77 – the bank forecasts the global market to deliver a base farmgate milk price of AUD 5.40/kgMS in 2018/19 – down slightly from AUD 5.60/kgMS.

“However greater competition for milk is likely to bring higher value-add payments to Australian producers – and above those evident this season – with Rabobank forecasting an annual average farmgate range across southern Australia of AUD 5.40kgMS to AUD 5.90/kgMS in 2018/19,” he says.

“While the southern Australian export industry often beats the commodity market, it is not always the case. But looking to the past 10 years, the average premium



between the base commodity milk price and average Victorian farmgate prices has been around AUD 0.40kg/MS.” The Rabobank report says the Australian dairy sector made positive strides during the 2017/18 season, but a multi-stage recovery is required for a true resurgence.

“Looking to 2018/19, while the industry has a structurally lower dairy herd, there are enough of the key ingredients in place to support milk production growth for a second consecutive season,” Mr Harvey says. Rabobank is forecasting domestic milk production to increase by 2.7 per cent in 2018/19 to deliver an additional 170 million litres of milk to the market. This follows the 3.2 per cent increase (or additional 390 million litres) in 2017/18.

“A well-timed autumn break will be vital to setting up the season,” he says, “with increased purchased feed costs and lower cull cow prices expected to place some pressure on margins.”

For Australian dairy farmers preparing for the new season, Mr Harvey says, there will be a need to budget for these higher feed costs, but also factor in the cash flow implications of a conservative opening price and lower non-milk income.

“The reality is that 2018/19 may be characterised as another season of consolidation due to looming market pressure, however margins are on track to remain above breakeven,” he says.

Given the increase in Australian milk supply and the gradual repositioning of the milk pool, the report says a “big battle for milk looms” between processors, to retain producers next season and to be in a position to grow their milk supply in the longer term.



“At the frontline of this battle are the two large international companies butting heads over milk supply,” Mr Harvey says, “as Saputo looks to win back milk supply and Fonterra maps out capacity expansions.”

“The Saputo acquisition of Murray Goulburn, pending approval by the Foreign Investment Review Board, is set to fundamentally transform the ownership of the milk supply chain.”

With the Murray Goulburn asset footprint having an excess capacity of more than one billion litres, Mr Harvey says, Saputo will be looking to win back that lost milk supply. And then you have a number of dairy companies that have already taken up the lost milk from Murray Goulburn and they will be determined to retain their recently-acquired milk suppliers,” he says.

Mr Harvey says over the next two years, Australia’s dairy processing capacity is likely to increase further, with an estimated 900 million litres of capacity to be built over that time. “This comes off the back of one billion litres of commercially-viable processing capacity coming on board in the past two seasons.” In light of the increased processing capacity, Mr Harvey says, Australia’s dairy sector needs to ensure sustained milk supply growth continues.

“Without a growing milk pool, the industry risks carrying too much surplus processing capacity, fuelling manufacturing inefficiencies,” he says, “with the margin pressure just ‘pin balling’ from one processor to the next.

“And this is a looming risk for the sector because if it faces another sustained period of aggressive milk pricing, it could potentially transform into an unsustainable squeeze on processors margins and profitability.”



Mr Harvey says there is no doubt that trust between farmers and dairy processors has been damaged and a rebuild remains a 'work in progress'. "Where there is a lack of trust, there will likely be a lack of loyalty and the threat of milk supply losses through supplier churn each season," he says.

"So, it is in everyone's interests for the Australian supply chain to have a globally competitive cost base.

"It will be fascinating to see who emerges as the new price leader, but there is no doubt an improved mechanism for price discovery is

needed to ensure sustainable returns throughout the sector. And this is likely to give processors renewed impetus to offer innovative tools, services and support to milk suppliers to facilitate future milk supply growth."

Animal Welfare Issues

Animal welfare issues have again made the headlines. The Sixty Minutes broadcast showed footage of sheep dying of heat stress and other welfare issues on a vessel called the Awassi Express in August last year. The footage has come from a voyage which saw a mortality rate of 3.76% (2,400 sheep out of a consignment of 64,000).

The footage collected by Animals Australia has shocked both producers and audiences alike. It has generated debate about the ongoing live export trade and animal welfare issues more generally.

Federal Minister David Littleproud has ordered an investigation after seeing animals dying in those sorts of conditions. "If improvements need to be made they'll be made," he said.

"I'll be asking the hard questions of the Department around this because this is totally unacceptable, what I saw on that vision."

"This is total bullshit – you can't put it any other way – this is disgusting."



SADA urges farmers not to directly engage with activists but rather contact SADA CEO Andrew Curtis. We have included an item under member notices on the SADA website (Members section) entitled "Farmer Toolkit Social Media and the Animal Welfare Debate". As your representative body we will continue to remind South Australians that as an industry we maintain some of the highest standards of animal care and husbandry in the world and we are proud of what we do.

Position Vacant

Primary Producers of South Australia (PPSA) has a position vacant for the dairy industry on their transport committee. Considering the importance of many issues surrounding animal transport, including welfare, it would be a great way to get a SADA voice into the area. Please contact SADA if you are interested 08 8293 2399.

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SADA the ACCC and a Mandatory Code of Conduct



AUSTRALIAN
COMPETITION
& CONSUMER
COMMISSION

The SADA board has determined to take a considered approach to the recommendations of the Australian Competition and Consumer Commission (ACCC) report.

Both in the interim report and in the final report made observations upon which their recommendations were based namely:

“... due to the imbalance in bargaining power, transaction costs and unequal information, it is unlikely there will be effective contract negotiations between most individual farmers and processors in the near future. This means that, without intervention, contractual outcomes are likely to remain largely weighted in favour of processors rather than farmers.”¹

and,

*“Total supply chain profits would, therefore, be likely to rise if there was an increase in retail prices, such as for private label milk. However, this by itself would be unlikely to benefit farmers. **Any increases in margins flowing from an increase in the retail price would likely be captured by the major supermarkets, or at best shared between the supermarkets and processors.**”
(emphasis added)²*

The report makes 8 recommendations. All of which SADA supports.

Recommendations

- 1. Processors and farmers should acknowledge in writing the terms and conditions for milk supply.**
- 2. Processors should simplify their contracts where possible, including by minimising the number of documents and clearly indicating which documents contain terms and conditions of milk supply.**
- 3. Processors should provide all contractual documents simultaneously before the commencement of the dairy season or contract term.**

¹ ACCC Interim Report page 58

² ACCC Final Report page xix

4. **Milk supply contracts should not include terms which unreasonably restrict farmers from switching between processors.**
5. **The industry should establish a process whereby an independent body can mediate and arbitrate in relation to contractual disputes between farmers and processors.**
6. **Farmers should ensure they have properly considered the legal and financial implications of their contracts with processors.**
7. **Processors should publish information identifying how their pricing offers apply to individual farm production characteristics to enable better farm income forecasts.**
8. **A mandatory code of conduct within the act should be established for the dairy industry.**

The most contentious of these recommendations is the last, the Mandatory Code of Conduct. SADA agrees with the ACCC's findings that an imbalance exists between retailers, processors and producers. Of course, it not known what would be in the mandatory code but such codes already exist in other industries such as horticulture which have had similar supply chain issues. SADA believes it is time to step forward with processors and develop a code that will support both famers and processors in their desired outcomes for a sustainable Dairy industry.



Historically, there has been an opaque quality to the supply chain from a Dairy Farmer's perspective. Uncertainty about price mechanisms and pressure from retailers have caused, sometimes unnecessary friction in the supply chain. SADA believes that the greater clarity provided by the recommendations will serve to improve outcomes for all and across the chain. The ACCC considered both the merits of the Voluntary Code as well as a Prescribed Voluntary Code and dismissed both options as being insufficient to protect the interests of farmers. The report also found that the usual tools of boycotts and collective bargaining would not be sufficient to level the playing field.

Consequently, the recommended approach means that there will need to be greater openness across the chain including the role that retailers play. Milk prices have fallen over the past decade by about 7% whereas overall prices have increased in the order of 25%. There is no doubt that some of this pressure has come from the \$1 milk and what is of concern to SADA and the ACCC is if there is a correction in the price retailers and processors will benefit before farmers.

Rod Simms (*pictured*), the Commissioner for the ACCC notes that the ACCC is not a pro-regulation institution and only would recommend such an approach if they were certain in the incapacity of all other measures to level out the playing field. SADA has impressed upon the ACCC that we do not seek a price setting mechanism but rather a policing structure that the ACCC could effectively oversee. In its initial submission to the ACCC, SADA maintained that the ACCC should act as a proactive policeman on the beat rather than an organisation that responds after something has gone wrong. SADA continues to maintain that position.

SADA will continue to lobby on behalf of farmers as well as continue to work with processors as this process rolls out. We remain mindful that we are still participants in a single industry and we seek to restore balance to the industry so that all participants in the industry can enjoy their fair share of the income. SADA will endeavour to create an environment of balance, a balance that will lead to success for all.

SADA will continue to keep a close eye on developments and update members as issues evolve.

SADA supports sober GM debate

SADA issued a press release expressing its support for new MP Richard Harvey's call for sensible and temperate debate around genetically modified product. Not only should there be a debate but also an unimpeachable review to form the basis upon which such a debate can occur.



SADA is mindful of the image of South Australia as a GMO-free jurisdiction but believes that there is scope for consideration of all the issues surrounding GMOs. There is no doubt that much of the debate around GMOs is driven by fear and therefore a rational review would be embraced by South Australian Dairy Farmers.

SADA maintains the position that if such a debate was to occur then it should be from a starting point of a genuinely independent review which is driven by the science regarding the safety and security of such organisms. When such a review is completed then there needs to be an examination of the merits of allowing such organisms into South Australia. This includes the merits of the GMO-free status from an economic perspective.

This is about getting the politics right, after we get the science right. From a dairy perspective the conversation is more about GMO pastures, not GMO cows. There should be a logical way to step through the merits of the GMO issue. Firstly, that means getting the science understood and clearly expressed.

Only a genuinely independent review mechanism could deliver such an outcome. Once that work was done then we can turn to the politics of GMO's and the merits of allowing them balanced against the reputational impact such an approach may have.

This is a fine balancing act that needs to be managed. Jurisdictions that allow GMO's have an economic advantage against South Australian farmers, the only jurisdiction in Australia where GMO's are effectively banned.

The questions for South Australian Dairyfarmers going forward will be in the first instance, "Is it safe?" and in the second "Is it worth it?" The approach will mean an orderly and temperate progression through the issues while being armed with the facts.

Murray Darling Basin Update

Deal struck between Liberals and Labor

After recent uncertainty about the disallowance motion which was proposed by the Greens in the Senate the South Australian Dairyfarmers' Association (SADA) has hailed the arrangement struck between Minister Littleproud and Shadow Minister Tony Burke as a victory for common sense and the security of the Murray River.

The custodian of the scheme, David Littleproud, has carefully worked with the architect of the scheme, Tony Burke, to provide certainty to Murray Darling communities. Putting political opportunity aside both men have worked to

take a step back from the irresponsible brinkmanship that has seen the plan come unnecessarily close to abandonment by signatory states.

The agreement will see a guarantee of 3200 GL being returned to the environment under the plan as well as a further compensation package of \$20 million for adversely affected communities in the basin and further mitigating adverse socio-economic impacts of the plan. The agreement will also enable 36 water recovery projects anticipated to return 605 GL by 2024 to the system. The announcement by the Government about improved policing will do much to restore public confidence in the scheme.

The Royal Commission

SADA has now made two submissions to the Murray Darling Basin Royal Commission. These submissions were made in response to the two Issues Papers released by the Royal Commissioner.

The first Issues Paper was a general paper seeking to refine the Royal Commission's Terms of Reference. The matter raised in that Issues Paper that was of particular interest to SADA was the consideration being given by the Commissioner to the notion of a full take over of the Murray Darling Basin Plan by the Commonwealth. Without entering into the Constitutional issues such a step would take, (to answer that question would take hundreds of pages of written submissions), SADA sought to stress upon the Commissioner that such a recommendation could only be supported by SADA in the instance that the states were going to pull out of the plan.



The rationale for such an argument is that there is a possibility that the High Court could find in favour of the states if such a take over was pursued by the Commonwealth. If the High Court did make such a ruling then the effect would be that there would be no Murray Darling Basin Plan. SADA wants to see the full 3,200 GL come to the lakes and Coorong and any threat to that water is of concern to SADA.



The second Issues Paper was more specific in relation to the operation of the Water Act and the Murray Darling Basin Plan. The Commissioner has indicated that he sees the Water Act, which establishes the framework for the plan, is not being followed. On the Commissioner's interpretation of the material he has before him, he believes that the Water Act is primarily designed to be a law in which ecology is exclusive to other interests such as social and economic grounds.

Consequently, the Commissioner has asserted that the plan, which treats ecology, social and economic outcomes equally may be unlawful as it is outside of the powers granted under the Water Act.

SADA has made further submissions to the Royal Commission respectfully disagreeing with the position that the Commissioner has taken regarding this point. The Commission has yet to take evidence beyond public consultations. It's a case of watch this space.

Government and the first 100 days

SADA recently met with the new Minister for Primary Industries, the Hon Tim Whetstone MP, (*pictured*) many issues that affect the Dairy Industry. Topics discussed with the new Minister included,

- Cost and reliability of Electricity
- Emergency services levy
- The ACCC recommendations
- The Royal Commission
- Transport 90 day program
- NRM regional engagement
- RD&E through SARDI and Dairy SA
- Biosecurity
- First 100 days in office

An area that we had discussed at length with the shadow minister when the now Government was in Opposition was around the management of industry funds going forward. SADA notes that the SA Government, via Minister Speirs, has already committed to the restructuring of the NRM arrangements which reflect the pre-election lobbying conducted by SADA. We also suggested to Minister Whetstone that the SARDI needed a top up of \$2 million to bring the SARDI back to its acceptable base line functions.

Minister Whetstone did commit to the ongoing implementation of the 90 day infrastructure plan, another key promise of the Liberal Party should they form government.



It is clear that there is a door open to SADA from the Minister and we are grateful for the access. But it is early days yet for this government and time will tell if the open door leads to change.

Dairy Australia Leadership Training

Applications are open for the 2018 Developing Dairy Leaders Program which will be held **June 24-29 (Melbourne)** and **August 21-24 (Canberra)**. Dairy Australia coordinates the program in collaboration with the ADF, and ADF may also contact you with details of the program.

Full information about the program, including the online application form, can be found under “Developing Dairy Leaders Program” here <https://dairyaustralia.com.au/farm/people/dairy-education-and-careers>

Applications close at midnight on Monday May 28, 2018. If you believe that you could benefit from this course, we recommend that you participate. The program is being managed in DA by Belinda Griffiths who is available to answer any questions.

Belinda’s contact details are:

Belinda Griffiths - Program Manager, Industry Capability Development
T: 03 9694 3728
M: 0400 042 297
E: Belinda.Griffiths@dairyaustralia.com.au

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-  Farm Electronic Equipment
-  Farm Burglary and Theft
-  Motor Vehicle
-  Personal Legal Liability
-  Domestic Workers (WA only)
-  Classic Home
-  Standard Home
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SADA Newsletter

June 2018

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South Australian Dairy Industry Fund Quad Bike Safety Rebate Scheme 2018-19

The Dairy Industry Fund – Crash Prevention Device Scheme

The South Australian Dairy Industry Fund is a fund created from the sale of the SADA Fresh Milk Product. The fund board has determined that in the absence of a SA Government subsidy scheme the fund should make a similar subsidy available to farmers. SADA will continue to lobby the South Australian Government for the introduction of a scheme similar to New South Wales and Victoria.



The Scheme parameters

Dairy farmers can apply for a rebate of up to \$800 for the purchase of an operator protection device (OPD). The OPD must have been designed and manufactured in accordance with approved engineering standards and independently tested to be eligible for the rebate. There are currently two OPD devices that meet this criteria and are eligible for the rebate. They are the Quadbar™ (*below*) and the ATV Lifeguard (*right*).

Rebates are available for all dairy farms with a quad bike.

The Dairy Industry Fund has set aside \$100,000 for the rebate scheme with applications closing on 31 October 2018.



Eligibility Criteria

The rebate is available to farmers that:

- live and operate a dairy business in South Australia
- possess a SA dairy licence
- have no more than 10 full-time employees
- own a quad bike for work purposes
- have dairy farming as a substantial source of income.

Farmers who are owner-operators with no employees are eligible to apply.

Definition of Dairy Farmer

A dairy farmer is a farmer licenced to produce milk for human consumption in South Australia so licenced under the Primary Produce (Food Safety Schemes) Act 2004 SA.

Period of rebate

The rebates may be applied for after 31 October 2018 during the 2018/2019 financial year provided the receipt of purchase is dated prior to 31 October 2018.

Vehicles purchased prior to the rebate period

The rebate applies to any quad bike purchased at any time including vehicles purchased prior to the rebate period.

Applying

You will be able to apply via email to John Elferink at dairyindustryfund@sada.asn.au or alternatively phone John on 0418 406 400 or 8293 2399. Be prepared to provide the address of the farm and your Dairy Producer's Licence Number for verification purposes.

David Basham – The Dairy Industry's Voice heard in Parliament

Former SADA President David Basham, now member for Finniss has not wasted time getting the dairy industry's voice heard in the South Australian Parliament. It is gratifying that the Dairy Industry has a strong and supportive voice in the corridors of power and a voice that has the ear of the Minister on a daily basis. Here's what David had to say on world milk day in Parliament.

Mr BASHAM (Finniss): *I rise to speak about something I am very passionate about, and that is World Milk Day, which was last Friday. World Milk Day celebrates the dairy industry and the consumption of milk worldwide. It is a subject I am very passionate about as my family has been in the dairy industry for 170 years in South Australia, and they continue to be so.*



The South Australian dairy industry currently has about 240 dairy farmers milking 65,000 cows on a daily basis and producing 487 million litres of milk, which makes up about 5.5 per cent of the national production. That has a total farmgate value of \$181 million with \$63 million worth of dairy exports and leads to about 1,300 jobs.

In contrast, the industry certainly has changed. Back 40 years ago there were 1,730 dairy farms milking 103,000 cows. One of the other things that has changed in that time is that we have seen significant changes in productivity. The

dairy farmers of South Australia have made amazing efforts to improve productivity over time. We have seen milk production go from 3,163 litres per cow per year from the late 1970s to more than double with 6,521 litres in the last year on record, 2017.

There are many reasons for those productivity gains. Over that time, there have been significant improvements in the understanding of feeding cows, making sure that we feed the cows in a way that maximises the milk production.

We are seeing farmers take that knowledge and turn it into an improvement in productivity. We have also seen a huge change in pasture management. We have seen farmers learn how to grow grass better, grow more grass, use less fertiliser to grow more grass, and maximise the use of natural rainfall as well as understand how to grow grass if irrigation is available.

We have also seen huge improvements in genetic gain. Back in the 1970s, we as an industry moved away from the use of natural insemination from bulls running with cows towards using artificial insemination and using those higher productivity bulls across our herds to get great gains. We have taken all the low-hanging fruit in productivity gains that the industry can find at this point in time. One of the future big gains that is probably still out there is a further improvement in the genetic space.

As the industry has invested heavily in this space over the last few years, in my involvement with Australian dairy farmers and through Dairy Australia's investment, we have realised enormous potential in these gains in genetic improvement by going back to DNA markers and working out the mapping of the dairy cow and the size being used. That is enabling the dairy industry to take those gains and, rather than testing to see where the bull delivers possible gains, actually realise those gains by looking at the DNA of the animal before it is used and shortening the circuit by about five years.

We have seen the dairy industry go through troubled times over the last few years. A lot of that has been caused by the decline and demise of businesses such as Murray Goulburn. Going forward, pricing is looking optimistic and we are seeing greater change in the industry. The other thing I loved about Dairy Day last Friday is that I was able to go and speak to a year 4 class at Investigator College and talk about where milk comes from. I was surprised, though, to be told by the kids that it was also International Doughnut Day and they would have preferred doughnuts rather than a glass of milk when I came to the school. I thank the house for its time.

The Commonwealth Banking Royal Commission Comments by the Australian Small Business and Family Enterprise Ombudsman

Recently the Australian Small Business and Family Enterprise Ombudsman saw fit to make comments with regard to the Royal Commission investigating the banking and finance sector.

Speaking in Canberra the Ombudsman, Kate Carnell (**pictured**) said she was sure many small business owners were paying particularly close attention to the revelations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry as it continued to focus on small business issues.

“It’s certainly true that the banks have a lot of work to do, to improve their approach, the way they handle small business and their whole ethical approach to lending in this space.” she said.

Much of what has been revealed so far is in line with what the Ombudsman has been working on over the past two years. She committed that she would continue our focus of ensuring bank contracts for small businesses are fair and transparent, and that their approach to small business finance encouraged growth and provided a level playing field.

“I’m pleased to hear the ATO has announced its plans to put in place an amnesty for superannuation guarantee payments that haven’t been paid. This means that businesses who are behind in their superannuation payments for their employees can apply for a 12-month amnesty period to pay what they owe current and past employees.” she said.



Ms Carnell also commended the ATO for extending its Independent Review facility to small businesses with tax problems. A case review service before an assessment has been issued will allow all parties to have a better understanding of the issues and reach an appropriate resolution.

Water Planning

The new South Australian Liberal Government has indicated it will seek to review South Australia's water prices. Led by the South Australian Treasurer, Rob Lucas, the review is aimed at fulfilling the Liberal Party's commitments to water price management and hopefully, reduction. SADA continues to closely monitor the process and will get information out to farmers as quickly as possible so that farmers are able to have input into this significant area of cost for farmers in South Australia.

Currently, the NRM boards are continuing to work with the South Australian Government as part of Five Year Work Plans for Water Resource Management and hopefully that work will continue with the NRM boards as they evolve under the announcements made by David Speirs, Minister for Environment and Water.

Members need to check their meters to make certain they haven't exceeded their permitted use and that they have correct allocations for stock/domestic and industrial uses.

Changes to NRM structures

Speaking of the NRM, the Minister for Environment and Water, David Speirs (***pictured***) has announced that in accordance with Liberal Party policy the NRM boards will be given greater autonomy.

Prior to the 2018 election the SA Liberals committed to making NRM reform a foundation of their environmental and regional policies through decentralisation of decision making and empowerment of communities.

The Liberals said that reforms will put people at the heart of management of South Australia's natural resources, saying that those who work the land on a daily basis are best placed to sustain its environment. The approach will focus on building strong partnerships with land users, valuing their knowledge and understanding of the landscape. It is the role of government to work alongside land users, providing support, advice and a helping hand where needed.



Since coming to office Minister Speirs has announced that he will follow through on the promises that were made during his time in opposition.

At the heart of the proposed reforms is to decentralise the Boards and make them more answerable to local interests rather than being overmanaged centrally from Adelaide.

Mr Speirs has written to PPSA seeking input from farmers as to what they may consider three key areas that need to be addressed in the legislation. The Minister has outlined some principles as a suggestion including decentralised decision making, simplicity of access to the system, community and land owners having a central role, a back to basics approach and a whole of landscape approach. If you have any further suggestions or ideas, contact the SADA Office and we'll make sure your voice is heard.

Australian Minimum Wage Increases

Australia's lowest-paid workers will get a \$24.30-a-week pay rise after the workplace umpire lifted the national minimum wage to \$719.20 a week.

The Fair Work Commission has lifted the wage by 3.5 per cent, which will increase the hourly rate to \$18.93 for more than 2 million people.

The increase is above the latest annual inflation rate of 1.9 per cent (for the year to March).

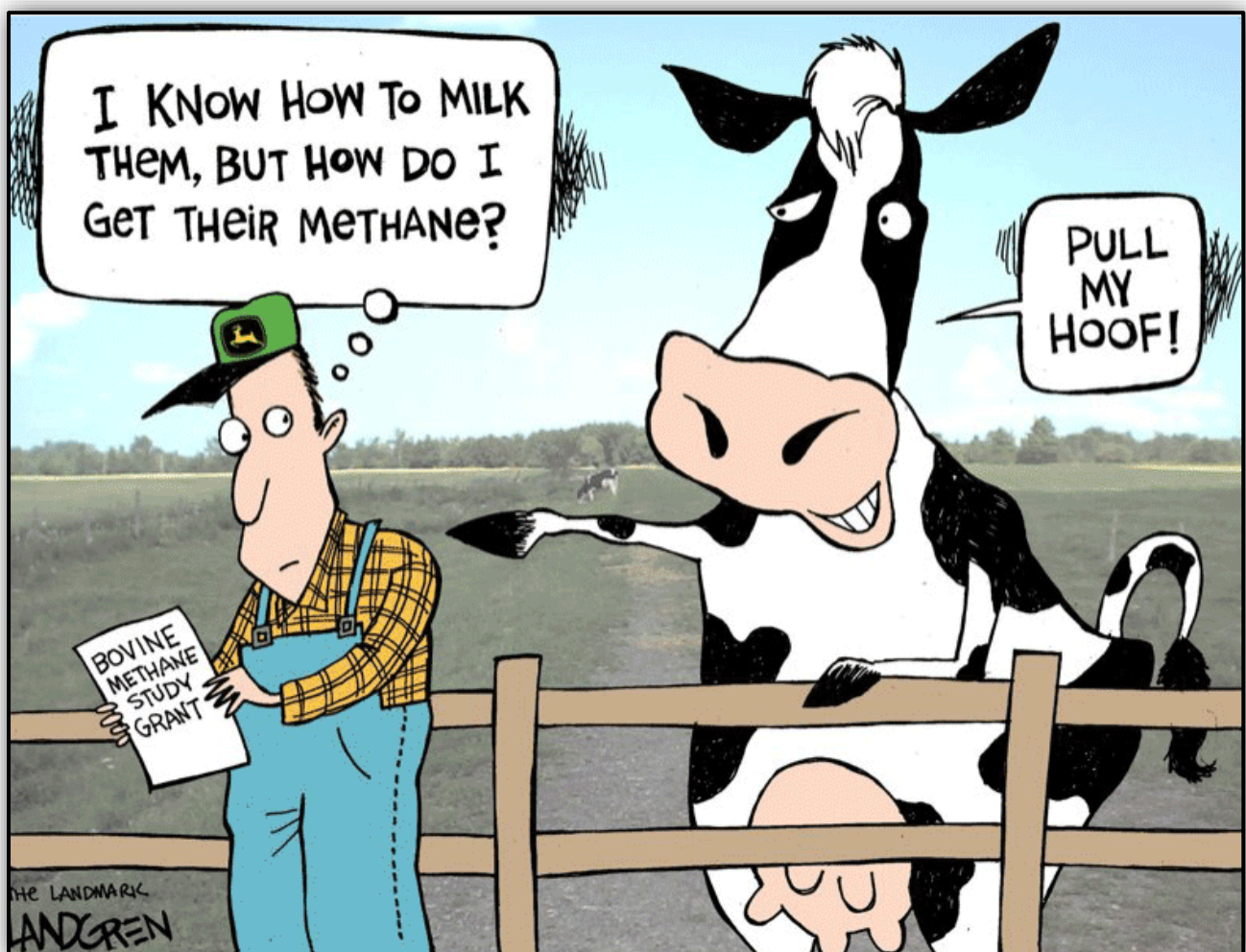
The commission's findings will disappoint unions, which were calling for a \$50-a-week increase.

The commission's decision was made in the context of strong growth in full-time employment, which is higher than it was at the time of last year's review, with 16 out of 19 industries having reported growth in the past year.

The consumer price index has increased by 1.9 per cent to the March quarter and the wage price index has increased by 2.1 per cent.

However, wages growth has been slow. Commission president Iain Ross said Reserve Bank of Australia research supported the conclusion that wages growth contributed to economic growth.

He said it was appropriate to provide a real wage increase but not as high as the ACTU had requested.



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-  Standard Home
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River Murray Water Allocation Plan Consultation



Members are advised that consultation on the draft River Murray Water Allocation Plan (WAP) is now open.

A copy of the draft WAP and information sheets outlining the changes are available on the Natural Resources website:

<http://www.naturalresources.sa.gov.au/samurraydarlingbasin/water/water-allocation-plans/river-murray-wap>

A Your Say page is also being set up for community members to provide their feedback – this will go live on Monday.

We will be holding drop in sessions throughout the region, so community members can meet with staff to find out more about the changes to the WAP. The details are:

Berri

Monday 30 July 2018

12.30-3.30pm

Berri Bowling Club,
25 Chilton Road, Berri

Murray Bridge

Thursday 2 August 2018

12.30-3.30pm

Imperial Football Club
Adelaide Road, Murray Bridge

Langhorne Creek

Friday 3 August 2018

12.30-3.30pm

Langhorne Creek Football Club
Murray Road, Langhorne Creek

We hope you can make one of the sessions and would appreciate if you could let your contacts know about the sessions, should they wish to attend.

Submissions are invited until 5pm on Friday 14 September 2018.

Whetstone throws his weight behind South Australian Dairy Farmers

South Australian Primary Industries Minister, Tim Whetstone (pictured) has gone into bat for South Australian Dairy farmers on the ACCC recommendations arising out of the review of the Dairy Industry.

Keeping the pre-election commitment to support SA Dairy the Minister recently wrote to the Federal Minister David Littleproud throwing his support behind all of the recommendations of the ACCC review, including a mandatory code of practice for the industry.

In a letter to SADA the Minister said,

"I understand the ACCC's recommendations are now under consideration by the Australian Government, and I have written to the Hon David Littleproud MP Minister for Agriculture and Water Resources, advising that the Government of



South Australia support the ACCC's recommendations as per the final report.

I will continue to advocate for improved transparency and trading conditions for South Australian dairy farmers with my federal colleagues and I look forward to continuing to work with SADA to implement the ACCC's recommendations."

"Minister Whetstone is showing true leadership and ticker." SADA President John Hunt said.

"The ACCC is right on the money regarding the decay in trust between the processor and producer and it is good to see that the SA Government has thrown its weight behind their recommendations".

SADA has been provided a copy of the letter which Minister Whetstone sent in which he gives unqualified support to SADA and its aims regarding the ACCC report.

Federal Labor has also said their policy position going to the next election will be to introduce a mandatory code for the industry.

Commodity Milk Price Index now live

The Australian Government has released the much-awaited Commodity Milk Price Index. The Milk Price Index aims to deliver greater price transparency to Australian dairy farmers, so they can better understand and interpret market price signals.

This index will be an additional tool dairy farmers can use to plan ahead with market information on commodity dairy prices and global conditions.

The index is not a perfect solution, but if done right it will provide long awaited independent and transparent market information to dairy farmers and likely increase the accessibility and efficiency of business decisions.

It will include an index updated monthly of commodity prices received by Australian Subscribers to the VFF Employment Handbook will soon receive details from VFF on minimum wages for their operations and staff. For more information on the dairy processors for exports of cheese, butter, skim milk powder and whole milk powder— plus a one-year forecast, which will be updated quarterly. These four products make up approximately three quarters of Australian dairy exports.

The Commodity Milk Price Index will help dairy farmers see trends in export markets and understand factors influencing milk prices. Export prices provide an insight into future farmgate prices.

There will also be a Regional, Retrospective Farmgate Milk Price Index, which farmers will be asked to provide price data via an online form to help build an index of actual prices received in each of the eight dairy regions. This index will help famers compare the price they are receiving with average milk prices in their region.

The more dairy farmers that take part, the more valuable this index will be. The site will also have regular global, national and regional commentary.

The Milk Price Index is part of the Australian Government's \$579 million Dairy Support Package and is being managed by the Department of Agriculture and Water Resources.

Deloitte Access Economics has been contracted to develop an econometric model which will use data from sources including the Australian Bureau of Statistics and Global Dairy Trade.

Education material will also be produced by RM Consulting Group and delivered to farmers at dairy industry events.

Visit the Milk Price Index site to view the products and input your milk price data at www.agriculture.gov.au/milkpriceindex.

Dairysafe Annual Return System Changes

This year Dairysafe has managed to fully implement their new database systems which has seen an investment over the past four years.



Dairysafe have now reached a point where annual returns and auditing processes can be automated which they assure SADA will deliver more efficient handling of information. The information will enable Dairysafe to summarise trends and provide informed communications back to the industry, a position which will support the industry's development and food safety reputation.

Unfortunately, as Dairysafe have moved from the paper-based system to paperless system they have required all details to be electronically uploaded. In the digital age it is surprising that this year Dairysafe will require some valuable input and time from dairy farmers, however, post this year, this information will be accurately logged and will only require an acknowledgement from the industry participants.

Dairysafe's team have acknowledged that they should have relayed this more clearly prior to the release of the annual returns.

Dairysafe have stated that they would appreciate the industry's support in completing this process and are willing to assist with individual concerns as they arise.

If you have an issue with this year's returns don't hesitate to contact Dairysafe on 08 8223 2277, or alternatively email them at admin@dairy-safe.com.au

SADA Levies remain capped at CPI

The SADA Board wish to advise that as of 1 July 2018 there will be small increase to levies capped at CPI.

Annual Subscription	\$187.50
Levy Rate	2.830 cents per kg of protein
Amount per cow	\$2.09
Annual Cap	\$2,162
• All figures include GST	

Processors have been advised of the new rates, and for those members who elect to pay via invoice, the first quarter invoices will be issued at the end of this month.

Your payments allow us to maintain the work we do representing your interests across the spectrum of dairy industry issues. If you have any questions don't hesitate to contact Alyssa at the SADA offices.

Tri-Solfen gains disbudding registration

MARK PHELPS Weekly Times

The widespread adoption of pain relief has been remarkable. Tri-Solfen is a pain-relieving and wound-healing formulation that has short-term and long-term analgesia, antiseptics, reduces blood loss and coats the wound.

ANIMAL pain relief product Tri-Solfen has now been registered for dehorning and disbudding in addition to castration for beef and dairy calves.



The new registration announced by the Australian Pesticides and Veterinary Medicines Authority on Thursday means the gel pain relief product can be bought off the shelf from

rural product resellers and used for all three husbandry practices.

Prior to the variation in the registration, livestock owners were only able to use Tri-Solfen was castration, unless it was prescribed by a vet for other purposes. Tri-Solfen has been registered for castration since 2016.

The product was originally developed for the sheep industry as a pain relief for mulesing. More than 80 per cent of Australia's flock is understood to be treated with pain relief.

Tri-Solfen was developed by life science company Medical Ethics and is marketed by Bayer in Australia. Medical Ethics managing director Allan Giffard said the variation in registration made the Tri-Solfen more accessible for the beef and dairy industries.

"The widespread adoption of pain relief has been remarkable," Mr Giffard said. "Based on the widespread uptake of Tri-Solfen, livestock producers have shown they are very willing to minimise pain and enhance wound healing that come with animal husbandry practices."

Tri-Solfen is a pain-relieving and wound-healing formulation that has short-term and long-term analgesia, antiseptics, reduces blood loss and coats the wound. It costs between about a \$1 and \$1.50 to treat each animal. It is described as best suited to calves aged six to eight weeks and is designed to provide pain relief for 24 to 36 hours.



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Feed for Thought

SADA is keeping a close watch on the movement of feed and feed prices arising out the drought driven demand that other jurisdictions.

SOUTH Australian wheat prices have soared to \$380 a tonne, driven by interstate demand. Farmers with stored grain or those receiving enough rain to plant grain crops will capitalise on the price, which has surged by about \$100 over the last half year. Feed is also being sought by our pig, beef, sheep and chicken industries, which are experiencing high grain prices.

SA recently went up to \$380 a tonne for Australian Premium White wheat and \$340 a tonne for barley, up from \$260 a tonne in June. In responding to questions from the Advertiser, Grain Producers SA chairman Wade Dabinett said the prices were a double-edge sword, helping some grain growers, but hurting other producers.

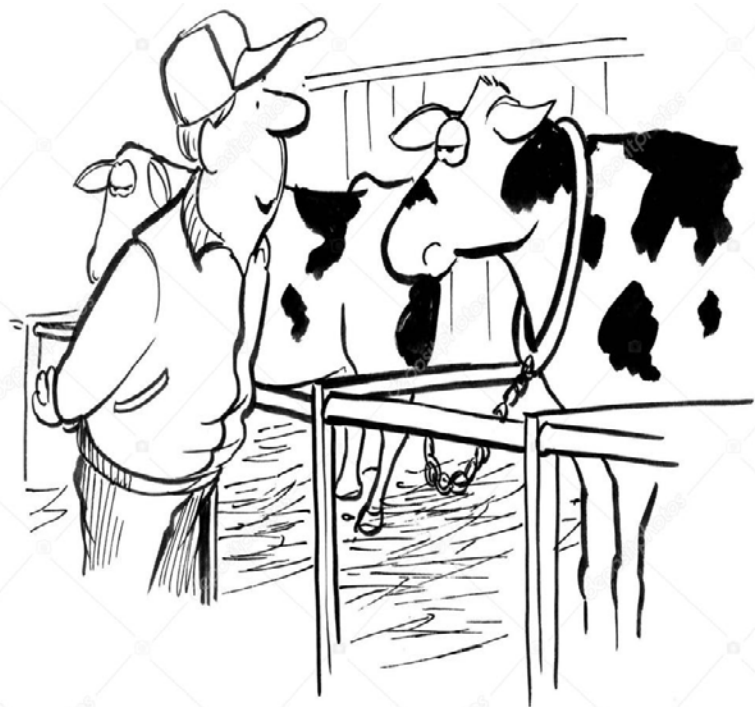
"Drought has many impacts, number one for those involved is not being able to produce anything which has an underlying effect on prices," Mr Dabinett said in the Tizer.

"So those that have grain will be able to benefit from this. But there would be about half of the state's production tracking okay, whereas the other half is on a knife's edge." he said.

"However, drought isn't just about how bare it is in the paddocks. There's other industries who are now impacted because feed prices have doubled, which may have overridden their margin."

More than 270,000 tonnes of grain has been shipped from SA to Queensland and Newcastle since November, with little going overseas this year. SA normally exports about 75 per cent of its wheat production. This year the forecast is in excess of three million tonnes of wheat, barley and canola will be moved from SA and WA to the eastern states.

"All of the sudden you have deficit of production versus demand in the east coast and SA grain is pulled away from



"Would you like to see a menu of tonight's specials?"

the port,” Mr Dabinett told the Advertiser. “The Eyre Peninsula is purely an export market, but you might see grain shipped out and put back into ports in NSW, as a result of the drought.”

Primary Industries and Regions SA last week released its 2018-19 grain harvest forecast of 6.9 million tonnes, which was below the long-term average of 7.9 million tonnes. Dry conditions at the beginning of the sowing season frost and wind have all contributed to the decline. The national crop is also anticipated to fall to 19 million tonnes in 2018-19, down from the 10-year average of 26 million tonnes.

SADA will continue to monitor the challenges in this area with the pressure also being felt by South Australian Dairy producers. SADA will work closely with LivestockSA to keep an eye on the challenges that arise from these issues.

Scholarships available for primary producers for rural leadership development program

Scholarships worth \$55,000 are available for primary producers to undertake the iconic Australian Rural Leadership Program (ARLP) Course 26.

The ARLP is a 15-month leadership development program that takes place over five sessions across Australia and Indonesia. The participants of the program are immersed in a series of unique experiences to develop their abilities as leaders.

Applications are currently open and will close on **30 September 2018**. The program will run from July 2019 to October 2020.

For over 26 years, the program has been developing stronger leadership within the communities and industries of rural, regional and remote Australia. Graduates of the ARLP continue to influence change and have a positive impact in regional Australia.

For more information, see <https://rural-leaders.org.au/our-programs/arlpl/>

A Shout Out to Verity Ingham

Dairy SA stalwart Verity Ingham is moving on. Well for all practical purposes, across the road. Verity, pictured, will be known to all of you as the power that has driven the Dairy SA team for many years. She’s now picked up a gig in Dairy Australia but has announced that she won’t be moving out of her home state of South Australia. In fact, she’s not even moving out of her home.

SADA wishes to place on the record our deep and abiding thanks to Verity for her work at Dairy SA. In her role as Regional Manager she has maintained a firm hand on the tiller and she’s always been there for our membership whenever they’ve asked.

Good luck with all your future endeavours Verity, we’ll see you around the traps no doubt.



SA Dairy Industry Funds Cow Create Careers & Rollbar reminder

The South Australian Dairy Industry fund continues to support the dairy industry. A quick reminder to all members who have not sought the rebate for their quad bars the rebate is still available and won't close until 31 October.



The Scheme parameters

Dairy farmers can apply for a rebate of up to \$800 for the purchase of an operator protection device (OPD). The OPD must have been designed and manufactured in accordance with approved engineering standards and independently tested to be eligible for the rebate. There are currently two OPD devices that meet this criteria and are eligible for the rebate. They are the Quadbar™ (**below left**) and the ATV Lifeguard (**below right**).



Recently, the Industry Fund Board has also increased its sponsorship of the Cows Creates Careers program which in the past 12 months alone has seen 900 South Australian students go through the program producing some

extraordinary school projects as part of the process of getting South Australian School kids to consider a career pathway in dairy.

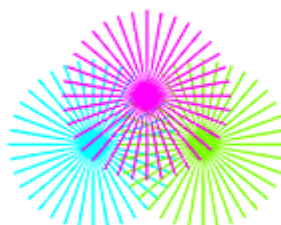


“Over the next year we are hoping to extend the program to work in urban as well as rural schools.” Program co-ordinator Mandy Pacitti said recently at a graduation at Murray Bridge. “We remain excited about the future of the program and we extend our thanks to the SA Dairy Industry fund for their ongoing support.”

Cows Create Careers will be back with a new and expanded program next year with the intention to make sure that the industry remains supported by young South Australians that continue to maintain their ambition to make certain that SA’s dairy industry prospers into the future.

Royal Adelaide Show is on again

Starting on the 31 August 2018 and going until 9 September the Royal Adelaide show is on again.



royal adelaide
SHOW

SADA has a limited number of tickets for member families. With that limited number only 2 tickets available per family and they can be collected from the SADA office at 780-802 South Road Glandore Adelaide.

Also, as a reminder there will be the show BBQ on 4 September from 6.00pm in the cattle judging arena. Come and meet your board members there and chew the fat.

While you are at the Show please come and check out the mural painted on the dairy shed. This has been a collaboration between SADA, the Show Society and the Exhibition Dairy Committee. We think that it certainly has more appeal than the bare corrugated iron! We have also made some improvements to the Exhibition dairy so come in and have a look at that too.

Calls for Expression of Interest - SADA Board

The South Australian Dairyfarmers’ Association AGM will be held on the 4 September 2018.

In accordance with clause 2 of the SADA Constitution two positions on the board will be declared to be vacant. Board membership is comprised of two members from the South East and three members from Central Region, (i.e. not the South East).

Two positions are up for election, one from the South East and one from the Central Region.

Applications are invited from all eligible members. Eligibility requirements are that you are a financial SADA Member.

If there are more applications than there are vacancies, an election will be held in accordance with the SADA Constitution using the preferential voting system.

If there are sufficient nominations to fill existing positions, then those nominees will be appointed or re-appointed to the board as the case may be.

Expressions of interest are to be forwarded to John Elferink at the SADA Office in writing or by email by the close of business Wednesday 29 August 2018.

The Milk Price Index Wants You!

A little known component of the Australian Government's Milk Price Index which was launched last month is that Australian dairy farmers are being asked to record the milk prices that they are being offered by processors at their website <http://www.agriculture.gov.au/milkpriceindex>. Farmers won't be publicly identified but the website will become a mechanism by which the prices being offered by processors can be monitored.

The system will only work if farmers get onto the website and the price they are receiving are of sufficiently large numbers to enable effective comparisons to be made. Given enough participation the best paying processors will soon be identified.

As part of the index Deloitte issues a monthly bulletin for the dairy market place. The July bulletin observed: Deloitte Access Economics forecasts lower prices for Australia's exports overall, including rural export prices.

This, despite the recent history of CMPI increases, leads to the 12-month forecast for the CMPI being relatively steady or declining moving forward ABARES forecasts for 2018-19 prices: SMP +2.0%, WMP - 3.8%, butter -11.1%, cheese -3.1%. EU MMO forecasts flat WMP prices, higher SMP prices, lower butter and cheese prices for 2019. USDA forecasts cheddar and whey prices to increase, butter and SMP to decrease from 2018 to 2019 Dairy Australia has a neutral outlook for global supply and demand.

Rabobank 2018-19 annual average southern Australia farmgate price \$6.40/kgMS.

2018-19 season price announcements/forecasts –

- Fonterra \$5.85-\$6.20/kgMS,
- Saputo \$5.75/kgMS,
- Bega Cheese \$5.85/kgMS,
- ADFC \$5.60-\$6.00/kgMS,
- Burra Foods \$5.60-\$5.90/kgMS,
- Lion \$5.82-\$6.10/kgMS,
- ACM \$6.00/kgMS,
- Parmalat \$5.90/kgMS,
- Bulla Dairy Foods \$5.80-\$6.20/kgMS



“We increased our income by \$6,800 last year, and it only cost us \$18,000.”

While these are Australian prices they are indicative of one of the issues that continues to frustrate SADA. Across the major purchasers of our product, Fonterra, Saputo, Bega Lion and Parmalat the price varies by only ten cents. Considering the timing of each of these company's price announcements and the absence of variation SADA remains critical of the pricing mechanisms that are used by these firms.

Calling for representative on PPSA Transport and Supply Chain Committee

The Transport and Supply Chain Committee has been established as a subcommittee of Primary Producers SA to advocate for a more efficient and effective Transport and Supply Chain for Primary Producers. The TASC committee reports directly to the PPSA Board.

Committee terms of Reference are available from the SADA office (8293 2399 or email sada@sada.asn.au) if you would like further information.

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-  Farm Legal Liability
-  Farm Machinery Breakdown
-  Farm Electronic Equipment
-  Farm Burglary and Theft
-  Motor Vehicle
-  Personal Legal Liability
-  Domestic Workers (WA only)
-  Classic Home
-  Standard Home
-  Personal Valuables
-  Pleasure Boat
-  Personal Accident and Illness



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SADA Newsletter

September 2018

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ADF Announces Support for Mandatory Code

Peak dairy farmer group Australian Dairy Farmers (ADF) has announced its support for a mandatory code of practice for the Australian dairy industry. ADF has told the Federal Government that a mandatory code must deliver coverage across the entire industry and improve bargaining power for Australian dairy farmers.

SADA has consistently argued for the establishment of a mandatory code for the industry and is gratified to see this announcement by the ADF.

The ADF stressed that a future mandatory code must:

- include an independent dispute resolution procedure, with small claims to be investigated;
- outlaw retrospective milk price step downs;
- enforce contract and price transparency; and
- be reviewed within three years, including an assessment of the code's effectiveness.

The ADF has stated that this was a difficult decision and one that ADF did not take lightly. The ADF observed that there were broad range of views within ADF's membership and these views were deeply respected and understood leading up to the decision.

ADF's position comes after several months of working with industry body the Australian Dairy Industry Council (ADIC), which led to the development of a strengthened voluntary code.

ADF expects to play a leading role in the development of a new industry code, using the work undertaken by the ADIC as a foundation.

Key elements of the ADIC code, which is still in draft form, are drawn from guidelines set by the Australian Competition and Consumer Commission (ACCC), include:

- retaining clauses in the current code where there is no stakeholder objection or issue; and
- adding clauses where there is universal agreement between states and processors, such as good faith provisions, standard contract timelines, protection for collective bargaining groups, independent complaints management and dispute resolution processes, penalties regime and improved administrative arrangements.



"We need to draw the line on unethical behaviour. But let's draw it with an Etch-a-Sketch and don't be afraid to shake it a little."

But ADF warned there are still issues to be resolved around the implementation of a mandatory code of practice for the dairy sector.

"The competition watchdog, in recommending a mandatory code, didn't disclose the costs of administration, investigation thresholds, performance standards and accountability metrics." the ADF has claimed.

This isn't consistent with material released by the ACCC which has said *"Costs for farmers would be minimal, and*

likely non-existent. Farmers regulatory responsibilities would only require them to retain signed or acknowledged copies of milk supply agreements and act in good faith in their dealings with processors.”

The ADF will urge the Government to address these concerns through a Regulatory Impact Statement (RIS), to be disclosed to industry as soon as possible. It's hoped the introduction of a mandatory code will be a vital step in rebuilding trust and confidence along the dairy industry supply chain.

The debate over the future of the industry has often been tense. ADF is now calling for unity in dealing with the immense challenges facing the sector as we move forward through difficult times.

Every step along the value chain depends on strong relationships, and farmers are encouraged to collaborate and support each other to influence positive change for the dairy sector.

How will a mandatory code work and how will it be developed?

The operation of a mandatory code of conduct is the product of government regulation. It does not mean that the industry is being re-regulated as it was prior to 2001. There will be no price setting mechanism and the market will still determine the price of milk. What is to be addressed by a mandatory code will be the contracting practices between processors and producers.

As part of its inquiry the ACCC determined that the power relationship between the processor and the producer was so skewed and distorted that the ACCC recommended a regulatory intervention, namely, a mandatory code. The ACCC made a point of saying that the distortion in the relationship was so pronounced in favour of the processors that the usual mechanisms employed by industries such as boycotts and collective bargaining were not enough to rectify the imbalance.

Essentially what a mandatory code will do is impose rules of fair dealing between contracting parties. Those dealings will have to be conducted in good faith and there will be a dispute resolution process attached to the code that must be followed. Because the code will be mandatory there will be a policeman in the shape of the ACCC overseeing conduct between parties.

It should be noted that recently Professor Alan Fels said that the ACCC is an assertive policing body that is prepared to intervene when needed.

The ACCC has produced a guide which can be found at <https://www.accc.gov.au/publications/dairy-inquiry-guide-to-the-acccs-mandatory-code-recommendation>.

This guide also outlines the steps which will be taken next. There are ten steps which will allow for input on six different occasions. It is expected that the development of a mandatory code will move through those steps relatively quickly. There is an expectation that the process will be completed within 12 months.

SADA's ongoing participation

ABC Country Hour reported on the developments on 12 September. During that story Peter Stahle was interviewed as the head of Australian Dairy Products Federation and he said:

“Remember that over the last few months we've actually developed a very sophisticated draft code including a dispute resolution system. So, we're on top of the issue, so what's important and what we did achieve was we have addressed the issues raised by the ACCC in that revised code that is literally in the process of being discussed and disseminated within industry. It's a pity that we weren't able to deliver on a consultation process to be able



to tell the Minister decisively where we're at as a whole industry but as it turns out we've done some really good preparation that will certainly help a good mandatory code if we're going to have it."

SADA welcomes the comments from the ADPF as being positive and supportive of a pathway forward toward a mandatory code. We have now had an opportunity to review the draft document and we have written to ADF with a number of recommendations and observations as to how the draft could be improved as a base document for a mandatory code going forward.

We'll keep you posted.

Dry Times

SADA recently met with Minister Whetstone as part of his committee looking into the dry times that are affecting SA, not surprisingly the group is called the Dry Times Working Group. The group draws membership from across government and primary industries.

The impact of drought on intensive industries, particularly dairy and pork was highlighted at the first meeting of the working group. As covered in last month's newsletter the price of feed continues to eat into the margins of farmers across the spectrum.

Nevertheless, SADA maintained a position that the Ministers measured responses to the dryer conditions in South Australian were correct. It was clear from the meeting that the Government couldn't afford any form of direct feed relief. It was impressed upon the minister that transport subsidies in other states was penalising SA farmers by driving up the price nationally.

SADA argued that as most of the state was to a greater or lesser degree productive one of the best messages the minister could articulate was if SA consumers wanted to support SA farmers they should buy their produce, particularly in the current climate.

The Minister indicated that he supported that notion and also wanted to expand health services to those farmers who were suffering under the current conditions.

South Australian Budget

The Marshall Government delivered its first state budget. The budget has been cautiously welcomed in agricultural circles. SADA through PPSA have been working closely with the government since this election and pleased to see them meeting a number of their commitments.

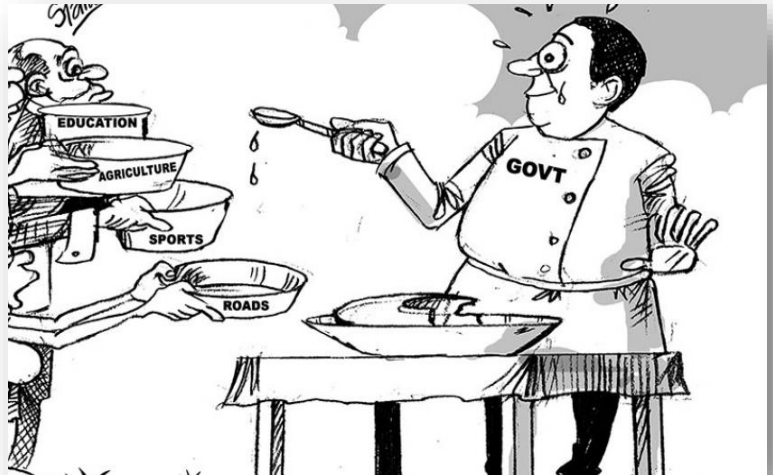
As a first budget in a parliamentary term there was an expectation of restraint and cuts. While these did occur generally the budget was not too bad for the primary sector.

Here are some of the SA Government's decisions that affect the primary sector.

- PIRSA looks to have lost about 15 jobs. This is significantly less than was expected. Six of the 15 are from Regions SA and that reflects a move from two Ministers to one. There is a cost saving target and more job losses will gradually work through over the next couple of years.
- Original rumours of deep cuts were not realised. SADA's pre-election position was to call on the Government to prioritise SARDI and Bio-security and protect them from cuts. The budget has indicated that these areas will be protected. The cuts may be more achievable than had been earlier believed.
- Some things were already anticipated – emergency services levy remissions, payroll tax being abolished for small businesses, funding for the water inquiry, capping NRM levy.
- Family farm transfers to and from companies in addition to individuals and trusts will now be exempt from stamp duty. Given that the majority of farm businesses are small businesses, any assistance with reducing

costs is welcomed and will position our industry to continue to grow and expand its contribution to the SA economy.

- SADA welcomes the \$10 million over three years for mobile black spots. We hope this can leverage considerable amounts of Federal and other funds to address what is a major business, social and safety handicap for many regional areas of SA. SADA will continue to engage with service providers and the State and Federal governments.
- SADA is also pleased to see a dedicated funding stream for projects to improve regional roads and infrastructure. This fund of \$315 million over four years will continue to improve transport efficiency and safety in the regions.
- Access to health services in regional areas is a major concern for residents so we welcome the investments in country health facilities, \$20 million over four years for the Rural Health Workforce Strategy and \$6.8 million over four years to establish the Local Health Network Governing Boards.
- There is funding in Biosecurity SA for encouraging livestock producers to use One Biosecurity.



Things that keep us busy

As an organisation we continue to strive for outcomes for our industry. This means we work in any area where the interest of SA dairy farmers where ever and whenever we are needed. In the past month our activities have included:

- Meeting with Eddie Hughes who is now the Shadow Minister for primary industries. We acknowledge his reaching out to us and express our gratitude for his time.
- Telecommunications review submission. SADA made a submission to the Government's telecommunications review which now being finalised. The usual issues black spots and poor reception were key elements of the review.
- SADA took an active role in working with Troy Bell, member for Mount Gambier, to advance his bill to enshrine the government's 10-year fracking moratorium in law. This included reviewing his bill and suggesting an improvement, which was accepted and attending meetings with Mr Bell and his supporters by phone. The Government relented on their position that the moratorium didn't need to be enshrined in law and allowed the bill to pass. Well done Troy.
- The SADA Annual report is now complete and will be available on the SADA website soon.
- We are now putting the finishing touches to the South Australian Dairy Industry Plan which will be off to the publishers soon.
- Several meetings with Channel 7 to organise SA Weekender spot mentioned below in the industry fund update.



- Initial meeting with Osteoporosis SA for SADA Fresh Osteoporosis to explore a partnership going forward.
- Linking the exporter that SADA Fresh uses to export to China with a major Chinese retail chain. We'll see what comes from that.
- SADA through PPSA is also assisting the NFF by representing the NFF on the Expert Technical Advisory Group (ETAG) on proposed amendments to the Native Title Act. This helps position SADA in another national organisation and increases our contact across the country.
- Preparing the flow chart that is attached to this newsletter that will help navigate the myriad of acronyms and connections across the dairy chain from a SADA and SA dairy farmer perspective.

SA Dairy Industry Fund

SADA Fresh is coming up for its fifth birthday in October.

Keep an eye out for some announcements and publicity around the fund and its achievements over the past years. The fund increased funding to the Cows Create Careers program recently and income from SADA Fresh will go to the ongoing process of promoting positive stories on Channel 7's Weekender program. This will include stories about the dairy industry as a whole and there will be positive comments about the South Australian dairy product in cooking segments for a number of months.



A shout out to those dairy farmers who have taken advantage of the roll bar rebate scheme for quadbikes. \$800 per applicant represents more than a 50% rebate on authorised roll bars. As for the roll bar scheme John Elferink from SADA will be the point of contact for the scheme or go to the website www.sadafresh.com.au and follow the links.

"It's great to see South Australians supporting SA dairy farmers to make it safer on farm. When people buy SADA Fresh milk they're supporting the industry." Kate Bartlett, from Murray Bridge said.

Many Thanks to Gary Zweck



Long-time board member, Gary Zweck, has vacated his board position for what he says is "*time for new blood*". We don't believe him. We think the real reason is that he was sick of our approach to putting him on lists in alphabetical order.

Whatever the reason, Gary has been a passionate board member and he has served the board with distinction for many years.

Gary has made way for Ben McHugh and we look forward to introducing Ben in the next edition of the SADA newsletter.

Many thanks Gary

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-  Farm Loss of Income
-  Farm General Property
-  Farm Transit
-  Farm Legal Liability
-  Farm Machinery Breakdown
-  Farm Electronic Equipment
-  Farm Burglary and Theft
-  Motor Vehicle
-  Personal Legal Liability
-  Domestic Workers (WA only)
-  Classic Home
-  Standard Home
-  Personal Valuables
-  Pleasure Boat
-  Personal Accident and Illness



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SADA UPDATE

Email sada@sada.asn.au

Andrew 0419 037 569

John 0418 406 400

What's Happening on 1st October 2018?

Award Variation – Some Casual Employees will be able to request conversion to Full Time and Part Time Employment.

From the 1st October 2018 an employee engaged on a regular casual basis will be able to request that their employment be converted from casual employment to full time or part time work.

An Award variation and new clause 10.5 reads in part as follows;

1. A **regular casual employee** is a casual employee who has worked in the previous 12 months in a pattern of hours on an ongoing basis with little change in the hours worked.
2. A **regular casual employee** who has worked equivalent full-time hours during the previous period of 12 months in casual employment.
3. A **regular casual employee** who has worked as per 1 and 2 above may request to have their employment converted to part-time or fulltime employment.
4. Any request under the provision of the new subclause must be in writing and provided to the employer.
5. When a regular casual employee seeks to convert to full-time or part-time employment, **the employer may agree to or refuse the request**, but the request may only be refused on reasonable grounds and after there has been consultation with the employee.

Reasonable Grounds for Refusing Request

The new provision defines reasonable grounds for refusal as;

1. A significant adjustment to the employee's hours of work is expected;
2. the casual employee is truly a casual employee (e.g. seasonal worker);
3. it is known or reasonably foreseeable that the regular casual employee's position will cease to exist within the next 12 months;
4. it is known or reasonably foreseeable that the hours of work which the regular casual employee is required to perform will be significantly reduced in the next 12 months;
5. it is known or reasonably foreseeable that there will be a significant change in the days and/or times at which the employee's hours of work are required

For any ground of refusal to be reasonable, it must be based on facts which are known or reasonably foreseeable.

When the employer refuses a regular casual employee's request to convert, the employer must provide the casual employee with the employer's reasons for refusal in writing within 21 days of the request being made. If the employee does not accept the employer's refusal, this will constitute a dispute that will be dealt with under the dispute resolution procedure in clause 9 of the Award.

Impact on Wages

If the employer and employee agree to the conversion the casual loading of 25% can be removed and substituted with paid annual leave, personal carers' leave and, payment for Public Holidays not worked. The cost of those entitlements is less than the casual loading.



**Mediation and Employment
Relations Service**

135 Fullarton Road Rose Park SA 5067 Phone: 08 8331 2422

Email: chas@mers.com.au Website: www.mers.com.au

Records

The employer and the employee must discuss and record in writing whether the employee is full time, part time or, casual.

If it is agreed that the employee will be part time then they must agree and record the regular pattern of work, as the hours worked each day and the days of the week and actual starting and finishing times each day as per clause 10(c) of the Pastoral Award 2010.

What do you have to do now?

You must provide a casual employee, *whether a regular casual employee or not*, with a copy of the provisions of the new subclause within the first 12 months of the employee commencing as your employee.

If the casual employees commenced employment before 1st October 2018, you must provide such employees with a copy of the provisions of this subclause before 1 January 2019.

Eligible Casual employees may not take up the offer because they may not want to forfeit the 25% casual loading for paid leave.

Copy of Award

A copy of this new provision can be accessed at

https://www.fwc.gov.au/documents/documents/modern_awards/award/ma000035/default.htm

Model term prescribes process for handling flexibility requests

The Review into Modern Awards is continuing, and The Fair Work Commission and Unions and business groups have welcomed the FWC's approach in drafting a model award term that requires employers to genuinely try to reach agreement on requests for flexible working arrangements.

The FWC is about to seek feedback on a model term requiring employers to discuss flexibility requests from parents, carers, older workers, long-term casuals and those dealing with domestic violence and respond within three weeks with a detailed written explanation if they refuse.

Further information will be made available in due course.

If you have any queries or are seeking clarification please contact Chas Cini on 8331 2422 or by email info@mers.com.au As SADA Members you are entitled to the first half hour free advisory service.



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SADA UPDATE

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Whose got A2?

SADA has been approached by a company looking to develop A2 Protein-Only milk products for both the domestic and export markets. They are seeking producers who may qualify or be interested in building up an A2 herd. In Particular, they are looking for supply partners who have been employing selective breeding to maintain and increase the percentage of A2/A2 genotype cows and are likely to have 95%+ A2/A2 Cows.

Testing methods are available to test milk samples taken from both on-farm storage and at the individual cow level. Farmers who are interested in participating would need to be willing to provide 3 days-worth of milk samples taken from their on-farm storage right before it is collected. The processor will get this tested at their expense and report on the results. If further testing is required at the herd level, this can be further discussed but, as a guide, can be done at roughly \$20/cow.

Recent data on the milk quality for each farm will need to be shared with respect to milk solids which will be key inputs in the pricing offered. We are sharing this following initial discussions which suggest both the price on offer and the term of supply may be very competitive for some farms.

If you are interested in further information, please email SADA or phone / text Andrew on the number above.





SADA Newsletter

November 2018

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Its Time for the Gene Freeze to Thaw

SADA has written to both PIRSA and the Legislative Council of South Australia regarding the reviews which are currently underway into the moratorium on genetically modified products (GM).

SADA is arguing in favour of lifting the moratorium.

Many studies have been completed into the safety of GM products, including grasses for fodder and those studies have highlighted the economic imperative of advancing with GM.

Ludemann et al.¹ who studied metabolizable energy concentrations of pasture directly impacted on the operating profit of farms. He noted that:

In contrast to the breeding work by Sampoux et al. (2011), technology such as genetic modification has the potential for greater one-off gains in the metabolizable energy concentration of perennial ryegrass through modification of genes associated with the production of lignin (Tu et al., 2010), lipids (Winichayakul et al., 2008), and water-soluble carbohydrates (Badenhorst et al., 2014; Ludemann et al., 2013).

Ludemann went on to say:

Increases in operating profit were shown when using more than one management method to take advantage of changes in the pasture ME concentration trait. This indicates the benefit to dairy farmers from increasing metabolizable energy concentration in pasture will be substantial regardless of how they utilize the additional energy; whether this is through increased milk production per cow, a reduction in purchases of concentrates, or an increased SR. In reality farmers will likely use a combination of management practice changes to take advantage of the improvements in pasture traits simulated in this study.

This study therefore provides a useful method that can be used to inform investment decisions about allocation of resources toward the most beneficial perennial ryegrasses for selection in breeding programs and for renovation on farms.

From this work it is clear that GM grasses are not the only answer to increasing metabolizable energy, however, they play a central role in the matrix of management that is required to remain competitive in a world which is genetically engineering its way to competitive abundance.

What is clear from the results that the bottom line on profitability is not just marginal. One upper end example saw an increase of operating profitability of \$459 per hectare. All parts of the experimental research saw increases in profitability. This led Ludemann to conclude:

The magnitude of the economic benefits that genetic improvement in the ME concentration of pasture plants could have on Australian dairy farms warrants consideration by plant breeders developing breeding programmes.

More recently Dairy Australia reported that GM grass offers gains in the order of \$800 per hectare.

In recent decades genetic technology has advanced at a galloping rate.

What was known at the turn of the century at the time of the original IGA establishing a national position was not what is known today. The advent of clustered regularly interspaced short palindromic repeats (CRISPR) heralds another platform for explosive advances in the field.

¹ Higher energy concentration traits in perennial ryegrass (*Lolium perenne* L.) may increase profitability and improve energy conversion on dairy farms C.I. Ludemann a,b, R.J. Eckard a, B.R. Cullen a, J.L. Jacobs b,c, B. Malcolm a, K.F. Smith a,b

^a Faculty of Veterinary and Agricultural Sciences, The University of Melbourne, Parkville 3010, Australia

^b Dairy Futures Cooperative Research Centre, Bundoora, Vic. 3083, Australia

^c Department of Environment and Primary Industries, Warrnambool, Vic. 3280, Australia

What is now known, with the benefit of hindsight, is that the original fears and concerns regarding GMs, specifically plant GMs have not become manifest. There has been no 'frankenfood' invasion and with a thousand billion meals having been consumed by humans not a single identifiable adverse medical outcome has been attributed to the genetic modification of a food item.

This absence of adverse effect can now be safely relied on to state that the scientific concerns of twenty years ago have been set aside by the evidence of experience. However, this reality does not of itself dispose of the political issues which need to be considered by the review regarding the commercial advancement or retardation of South Australia's positioning in the international market place when dealing with the perception of a clean, safe and trustworthy product.

With the science settled the only argument of merit is perception.

Organic systems of farming have seen a growing niche market for more expensive products grown with particular restrictions on the restrained use of chemicals and other attendant interventions. The argument for organics is that the market place is prepared to pay more for produce which can be labelled "organic" than it otherwise would. The reason the market place has to pay more is that organic food is more expensive to produce and there are higher losses incurred in spoiled or lost produce because of the absence of intervention. The existence of a market that is prepared to expose itself to greater expense for a 'chemical free' product is now the only real consideration for whether or not "GM" free is worth a similar risk profile carried by "organic". SADA now believes that it is not. However, having said that there are many dairy farmers in South Australia who are organic growers and the introduction of GM grasses would have to occur with safeguards for the organic growers in place.

Organics do form part of the South Australian product and protections need to be in place. Nevertheless, non-organic farmers also need to be able to enter the marketplace on a scientific equal footing as the rest of Australia and the world. It is

clear now that the advantages to farmers who use the organic product are substantial enough to make the difference between being competitive and non-competitive.

As a state we can no longer afford to clutch our favourite chamber pot to our hearts while the rest of the world is flushed with success.

SADA continues to lobby at the highest level

SADA continues to lobby at the highest level to advance the South Australian Dairy Product. Recently SADA met with both Australian Ambassadors and Trade Commissioners from the Middle East and Africa.



The two Ambassadors were Miles Armitage, (Amman) Axel Wabenhorst, (Qatar). (Axel pictured with SADA's John Elferink).

From Austrade there was: Ross Bray Trade Commissioner (Saudi Arabia) and Ian Halliday Consul General & General Manager (MEA & Turkey). These were not the first meetings that SADA has conducted with Ambassador Wabenhorst and of course Ian Halliday is known to many in the dairy industry. We continue to work with Austrade to have the South Australian Dairy product promoted in the Middle East and Africa. SADA expresses its thanks to each of these gentlemen for taking the time to meet with us.

Importing grain for stock feed

On Monday 12 November 2018 the Department of Agriculture and Water Resources made a statement regarding the idea of importing stock feed in the time of drought.

With many parts of Australia in drought, the Department of Agriculture and Water Resources has been getting a significant number of enquiries about importing processed plant-based stock feed, whole grain and hay.

Imported stock feed is a high biosecurity risk because it provides a direct pathway for the introduction and spread of exotic pests and diseases that can harm humans, animals, crops and the environment.

Australia has a long-established policy in place to manage the biosecurity risks associated with grain imported for stock feed, to safeguard our industries and environment.

The department assesses each stock feed import application against this policy. It applies the policy's strict assessment, monitoring and control requirements to manage the biosecurity risks, only permitting the import if it is confident the risks can be managed.

Australia permits imports of plant-based stock feed processed offshore, applying strict import conditions based on the country of origin, nature of the crop, field production method, harvest method and post-processing handling, and other factors.

Imported whole grains are also permitted under strict import conditions. The grains must be processed in a department approved manner in the metropolitan area of the port of entry, to ensure that any biosecurity concerns are addressed before being distributed.

Hay for stock feed use has never been imported into Australia due to the risk of introducing plant and animal pathogens, viable crop seed, insect pests and weeds.

Sourcing stock feed domestically poses a lower risk of introducing an exotic pests or diseases, but movement may be subject to interstate regulations. The state or territory DPI can provide advice on sourcing local stock feed alternatives and any quarantine entry conditions.

For more information on the biosecurity risks and application process for importing grain for stock feed, visit agriculture.gov.au/import/goods/plant-products/whole-grain-stock-feed-milling.

Changes to visa rules to help ag worker shortage

On the 5 November 2018 Prime Minister Scott Morrison announced changes to the Working Holiday Maker program and Seasonal Worker Program in an effort to tackle a shortage of workers in the agricultural industry.

Under the Working Holiday Maker program, backpackers will now qualify for a third year in Australia by committing to a further six months of work in regional industries in the second year of their visa. Workers will also now be allowed to stay with the same agricultural employer for a full year, and the age limit for participants in the program has been raised from 30 to 35 years.

The Seasonal Worker Program – which allows workers from Pacific island nations to live and work in Australia across several labour periods – will also be changed to extend each labour period from six months to nine months.

National Farmer's Federation President Fiona Simson commended the changes for making it easier for farmers to source labour, but warned that more reform was needed – such as the introduction of a dedicated agricultural visa – to fully address the workforce shortage.

“The farm sector's labour crisis is not going away. Everyday, farmers, including fruit and vegetable growers, dairy farmers and grain producers, are struggling to find the workforce they need to get the job done,” said Ms Simson. “Produce is going unpicked and farm businesses' potential for growth is significantly constrained. For agriculture to achieve our vision of being a \$100 billion industry by 2030, the sector's people power problems must be solved.

“Today, under the leadership of Prime Minister, Scott Morrison, the Deputy Prime Minister Michael McCormack and Agriculture and Water Resources Minister, David Littleproud, meaningful steps have been taken to support farmers in accessing labour and to ensuring workers are not subject to exploitation.”

Do you know the signs of Foot and Mouth Disease?

With thanks to Jess Rummery, Biosecurity and Extension Manager, Northern Australia

Foot and Mouth Disease (FMD) is known to affect cloven hoofed animals, including cattle, sheep, goats, pigs, deer, buffalo and camelids. Thankfully Australia is lucky enough not to have this highly contagious disease of livestock.

In 2013, The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) estimated the cost of an outbreak of FMD in Australia. The amount varied considerably depending on the scale of the outbreak. For example, a smaller scale outbreak was estimated to cost approximately \$6 billion over 10 years, whereas, a larger multi-state outbreak would cost significantly more – estimated to cost roughly \$52 billion over the same time period. Being such a large exporter of agricultural products, most of these costs are made up of revenue losses due to loss of our international markets.

The difference between the small and large outbreak scenario comes down to one key factor – early detection of the disease. Without early detection, the

disease can spread unrestricted making containment and eradication a much larger job when it is detected.

For this reason, it is important that everyone who works with FMD-susceptible species are familiar with the signs of the disease and if anything is found that is unusual that it is reported as quickly as possible. See the figure below for some of the typical signs of FMD.

Make sure you have the Emergency Animal Disease Watch Hotline (1800 675 888) somewhere accessible. This number is a 24-hour line where you can report unusual signs of disease in your livestock. If in the case of FMD, every hour can make a difference.

CLINICAL SIGNS OF FOOT & MOUTH DISEASE

LOOK → **CHECK** → **ASK A VET**

EMERGENCY ANIMAL DISEASE WATCH HOTLINE
1800 675 888

- tongue & mouth lesions/ blisters
- drooling
- reduced food intake

- lesions/ blisters
- reduced milk production

- lesions/ blisters
- lameness

Other signs can include:

- fever
- weight loss
- abortions

FMD is a viral disease that is not currently present in Australia that can affect cloven hoofed animals such as cattle, pigs, sheep, goats, deer, buffalo & camelids.

animalhealth AUSTRALIA

Agri-Business and Carbon Farming Public Consultations

Skills Impact has announced that the review and development of Agribusiness and Carbon Farming qualifications as part of the AHC Agriculture, Amenity Horticulture and Conservation and Land Management Training Package is now at the next stage of the project.

The initial development work on the Agri-business and Carbon Farming project has now been completed. The Subject Matter Experts (SME) meetings were held during September, with people who work directly in the Carbon Farming and Agribusiness Industry being consulted to help clarify job roles, tasks and identify any skills gaps. The SME's have now provided further feedback on the initial draft work.

The dates for the face to face public consultation workshops to be held around Australia have now been announced and will take place across a number of states and territories, with a webinar planned for those unable to attend in person.

You can now register your interest to attend these workshops to provide further input which will help

define the qualification, skill sets and units of competency.

The revised draft qualifications, skill sets and units will be made available on this webpage for public consideration and feedback from November 2018 (under the project 'Drafts Available' menu).

The dates for these workshops are now open and listed below. Please feel free to register for a workshop near you.



Face to Face Consultation

Adelaide	Wed 5 Dec 2018 (9.30am to 12.30pm)
Consultation Webinar	Fri 30 Nov 2018 (1pm to 3pm)

Please follow or go to the link below to register to attend the workshop in your state.

<https://www.skillsimpact.com.au/agriculture/training-package-projects/carbon-agribusiness-management-project/>

Does your farm spend more than \$2,500/month on energy?

With 70% of large-market energy contracts coming to an end across Australia on 31st Dec, now is the time to make sure your contract doesn't lapse and fall onto default rates during the busy Xmas / New Year period.

That's where **SADA's** partnership with energy specialist, **Make it Cheaper** can help. They understand the challenges our farmers face and are there to manage the contractual negotiations of large-market / Commercial & Industrial contracts on your behalf – saving you time and money.

In fact, Make it Cheaper identified **\$9,000 in savings for Ben Walker of Port Mac Dairy, SA.**

So, act **NOW** and contact [Make it Cheaper](#) / 02 8077-0006 to avoid being hit with peak pricing that could see you paying up to 40c peak rate.

Need insurance? You need WFI.

Proud insurance
partner of South
Australian Dairyfarmers
Association.



At WFI, we take the time to thoroughly understand your business and how it operates. Because when we get to know a business, we can protect everything that matters.

We're available to meet with you face-to-face to discuss your insurance requirements. That's just one of the reasons why we're good people to know for insurance.

Need an insurance quote?

**Call your local WFI Area Manager on
1300 934 934 or visit wfi.com.au**

WFI Rural Plan consists of a range of different policies, covering a wide variety of risks. This approach gives you greater flexibility, and if circumstances change it is easy for you to add another policy.

WFI Rural Plan policies you can choose from:

-  Farm Property Damage
-  Farm Loss of Income
-  Farm General Property
-  Farm Transit
-  Farm Legal Liability
-  Farm Machinery Breakdown
-  Farm Electronic Equipment
-  Farm Burglary and Theft
-  Motor Vehicle
-  Personal Legal Liability
-  Domestic Workers (WA only)
-  Classic Home
-  Standard Home
-  Personal Valuables
-  Pleasure Boat
-  Personal Accident and Illness



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