

SADA Newsletter November 2017

SA Dairyfarmers' Association Inc

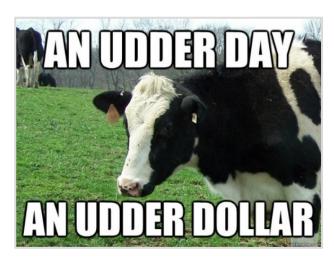
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SOUTH AUSTRALIAN DAIRY INDUSTRY ACTION PLAN

Consultations have commenced on the 2018-2023 South Australian Dairy Industry Action plan. This plan is a blueprint on the future direction of the South Australian dairy industry and SADA is seeking input from all sectors in the dairy chain from producers through to processors and retailers.

The draft plan reflects on recent history to offer guides to the future of the industry in South Australia and makes suggestions in relation to important issues such as attention to new markets, the state of the international dairy industry, consumption expectations in emerging economies as well as issues of farm biosecurity and animal welfare practices.



The plan is about galvanising the mindset of all who are in the dairy chain. The chain is the producer, the processor, the wholesaler and the retailer each of which have a part to play in the process of getting milk from grass to glass or from paddock to plate.

Historically it has been too easy to segregate the dairy supply chain into its component parts with each component taking an isolated position. In difficult times that has meant that the relationship between producers and processors for example, has been eroded at the expense of the product overall. An Action Plan is a vehicle by which all parts of the chain

have a mind and a care about what they can do to improve the image and the performance of the dairy product in the journey through the supply chain.

Businesses that galvanise their focus on the end result are businesses that thrive over time. For those reasons this is plan will be the product of wide consultation and input from all sectors in the supply chain. This is a document that needs to be owned by the industry it serves and will be a touch stone for representative organisations that seek to advocate for the industry to legislators, ministers, governments, decision makers and others who have influence in the industry. If consistent messages are coming from industry to those who can have an effect on industry then positive outcomes will be there for all to benefit. In short, an industry that owns shared goals is an industry with a shared future.

Recently a meeting was held in Mount Gambier which was attended by a cross section of the industry in the area and was also attended by other interested parties including local government.



Issues discussed at the Mt Gambier meeting included the need for the South Australian dairy product to be part of the greater Australian product when it came to exports and the right of farmers to choose the models that are appropriate for them when producing milk.

A copy of the draft Action Plan can be found on the SADA website. We encourage you to visit the site and give feedback on the proposed plan.

The next meeting will be held in Meningie as detailed below.

Meningie

Wednesday 29 November 12.00pm – 2.00pm Lake Albert Hotel, Meningie 38 Princess Highway, Meningie Light lunch provided

Further consultation sessions will be held in Hahndorf and Mt Compass in early December and you will be advised of the dates via email when they have been confirmed

B-D FARM PARIS CREEK SALE: SOUTH AUSTRALIAN INVESTMENT BOOST

SIMONE SMITH, The Weekly Times

THE proposed sale of an organic dairy processor in South Australia for \$34 million is further proof there is interest in investing in the state's dairy industry, South Australian Dairyfarmers' Association Chief Executive Andrew Curtis said.

Last week, biodynamic and organic dairy processing and manufacturing company B-d Farm Paris Creek Pty Ltd, based near Adelaide, confirmed it had entered into a binding agreement with Australian Securities Exchange listed Primary Opinion Ltd to sell the business.

The sale is expected to be finalised at the end of this year and is subject to Primary Opinion Ltd shareholder approval.

The sale comes a couple of months after Japanese dairy giant Megmilk Snow Brand paid \$14.04 million for a 90 per cent stake in a boutique cheese business in South Australia called Udder Delights (see October SADA Newsletter)

It also follows Beston Global Food Company buying the Murray Bridge and Jervois processing plants from the now defunct United Dairy Power two years ago and the Midfield Group, of Warrnambool, building a dairy processing plant at Penola in the state's South East with global agribusiness giant Louis Dreyfus Company.

Mr Curtis said there had been a lot of investment in the South Australian dairy industry and now dairy farmers were seeking surety from processors they were here for the "long haul" to promote confidence at the farmgate.

Mr Curtis said some farmers would be interested in pursuing organic dairy farming, but not many, as it was a different management style.

Throughout the sale process the Primary Opinion team, led by former Bellamy's chief executive Laura McBain, "consistently demonstrated a strong commitment to growing the company's organic milk supply, investing in the B-d Farm Paris Creek brand and upholding the principles and culture of the B-d Farm business", according to a statement from M & A Partners, the firm advising B-d Farm Paris Creek Pty Ltd.

B-d Farm Paris Creek was founded 22 years ago by Helmut and Ulli Spranz. They applied the principles and practices learned from working as dairy hands in the Swiss Alps to become pioneers of biodynamic organic farming in Australia.

B-d Farm Paris Creek has recently upgraded its processing capacity from 10 million litres a year to 30 million

litres a year. It is understood the business' current milk intake is about 11 to 12 million litres a year. It produces a range of products including, milk, cheese, butter and yoghurt.

B-d Farm Paris Creek has a gross revenue of \$19.8 million in the 2017 financial year.

Primary Opinion's 2017 annual report showed it made a loss before tax of \$10.27 million.

Note: SADA will continue to work with all dairy companies to ensure the best possible outcomes for its members.

INTERNET SPEED - NBN ISN'T THE ONLY APPROACH

Regularly we hear from members regarding their disappointment about internet and phone coverage on their farms.

Recently I brought a house just south of Adelaide in the Onkaparinga foothills. When we moved in the ADSL connection was awful, so we enquired into the possibility of the NBN being available. That was still months away and it was going to be expensive.

As a consequence, my wife and I, started shopping around and we came across a business called Nuskope, who provide a wireless service to the tower. After setting up on our roof with a small dish, our internet speed was flawless. We can now run four iPads and a television without a glitch using the service. The astonishing thing is that the speed delivered is substantially cheaper than a similar NBN package. It is also possible to take phone calls in our home through the wireless unit.

Nuskope isn't the only provider of these services in South Australia and we are not endorsing them as a business per se, but we did take time to meet with them recently in Adelaide.

There are technical limitations to what they do. Essentially, they need a line of sight to a tower and there is a distance limit of about 15 kilometres, (this can be boosted if needed). Moreover, they are limited at this time to the greater Adelaide area and South toward the bottom of the Fleurieu Peninsula. Nevertheless, they are looking to expand into other areas and if there is a sufficiently large customer base (and they don't need a huge number to justify the investment) then they will be prepared to expand.

Because they are local and still reasonably small they are agile. So, if farmers in the Mt Gambier area are interested in decent internet speed we here at the SADA offices are more than happy to see if we can get Nuskope, or someone like them, to see if they can put together a package. This will be dependent on the number of expressions of interest.

It is likely that some farmers in the Adelaide Hills are already in line of sight of their network.

If you want details of Nuskope or another similar provider please contact them directly or come through me, John Elferink, at SADA and we'll see what we can put together.

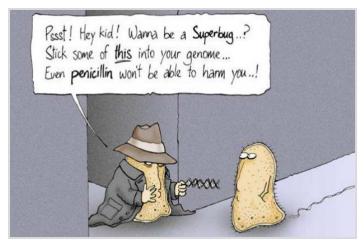
ANTIBIOTIC RESISTANCE IS A GENUINE THREAT

The World Health Organisation, (WHO) is recommending that farmers and the food industry stop using antibiotics routinely to promote growth and prevent disease in healthy animals. The new WHO recommendations aim to help preserve the effectiveness of antibiotics that are important for human medicine by reducing their unnecessary use in animals. In some countries, approximately 80% of total consumption of medically important antibiotics is in the animal sector, largely for growth promotion in healthy animals.

Refer to the:

WHO guidelines on use of medically important antimicrobials in food-producing animals

(Either follow the link if you're reading the electronic version of this newsletter or google the above to take you to the link.)



Overuse and misuse of antibiotics in animals and humans is contributing to the rising threat of antibiotic resistance. Some types of bacteria that cause serious infections in humans have already developed resistance to most or all of the available treatments, and there are very few promising options in the research pipeline.

"A lack of effective antibiotics is as serious a security threat as a sudden and deadly disease outbreak," says Dr Tedros Adhanom Ghebreyesus, Director-General of WHO. "Strong, sustained action across all sectors is

vital if we are to turn back the tide of antimicrobial resistance and keep the world safe."

A systematic review published today in *The Lancet Planetary Health* found that interventions that restrict antibiotic use in food-producing animals reduced antibiotic-resistant bacteria in these animals by up to 39%. This research directly informed the development of WHO's new guidelines.

WHO strongly recommends an overall reduction in the use of all classes of medically important antibiotics in food-producing animals, including complete restriction of these antibiotics for growth promotion and disease prevention without diagnosis. Healthy animals should only receive antibiotics to prevent disease if it has been diagnosed in other animals in the same flock, herd, or fish population.

Where possible, sick animals should be tested to determine the most effective and prudent antibiotic to treat their specific infection. Antibiotics used in animals should be selected from those WHO has listed as being "least important" to human health, and not from those classified as "highest priority critically important". These antibiotics are often the last line, or one of limited treatments, available to treat serious bacterial infections in humans.

"Scientific evidence demonstrates that overuse of antibiotics in animals can contribute to the emergence of antibiotic resistance," says Dr Kazuaki Miyagishima, Director of the Department of Food Safety and Zoonoses at WHO. "The volume of antibiotics used in animals is continuing to increase worldwide, driven by a growing demand for foods of animal origin, often produced through intensive animal husbandry."

Many countries have already taken action to reduce the use of antibiotics in food-producing animals. For example, since 2006, the European Union has banned the use of antibiotics for growth promotion. Consumers are also driving the demand for meat raised without routine use of antibiotics, with some major food chains adopting "antibiotic-free" policies for their meat supplies.

Alternative options to using antibiotics for disease prevention in animals include improving hygiene, better use of vaccination, and changes in animal housing and husbandry practices.

WHO's *Guidelines on use of medically important antimicrobials in food-producing animals* build on decades of expert reports and evaluations of the role of agricultural antibiotic use in the increasing threat of antibiotic resistance. They contribute directly to the aims of the *Global action plan on antimicrobial resistance* adopted by the World Health Assembly in 2015 and the *Declaration of the High-Level Meeting of the United Nations General Assembly on Antimicrobial Resistance*, adopted in 2016.

A REMINDER OF DAIRY AUSTRALIA'S DAIRYBASE FARM ASSISTANCE TOOL

DairyBase is a free computer/web based program to assist dairy farmers in managing their businesses by Dairy Australia on behalf of dairy farmers across the nation.

The system has been established to provide dairy farmers with a web based tool to help manage their farms,

and service providers and the Australian industry with a national database of dairy farm performance information. This includes data from the Dairy Farm Monitor Project (DFMP) and other validated Datasets from consultants and service providers at a later date.

DairyBase has been developed by Dairy Australia, in collaboration with DairyNZ, to provide dairy farmers with a web based system to measure their business performance over time and undertake comparative analysis for their business.

DairyBase offers dairy farmers a free web based system to measure their business performance over time and undertake comparative analysis for their business.

If you are just starting out with the system then the best reference point is to download the DairyBase User Guide which provides a detailed explanation of getting started with your first dataset.

The first time you log in you will be asked for some details. This allows DairyBase to identify you and provides security around your data and information. It doesn't take long and is only required the first time you log in.

Steps to get started:

- Go to www.dairybase.com.au and click 'Log in'
- You are now at the log in page. Click 'Please register me as a new Dairy Australia user'
- Fill in your details and tick the box to agree to Dairy Australia's privacy policy. Click 'Register'.
- Your new user application will take 24 hours to process. You will receive an email confirmation including your 'user name' and password. The user name provided will be your email
- You can now go to 'Log in' at dairybase.com.au and use the user name and password provided to enter your farm's physical and financial information

If you require further assistance after reviewing the DairyBase User Guide and Expert User Guide you can contact the DairyBase team at dairybasesupport@dairyaustralia.com.au or on 1800 548 073.

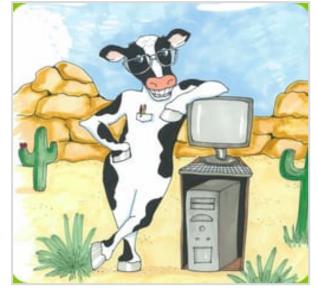
UPDATE DETAILS

Please don't forget to post, email or phone through your amended contact details. We constantly strive to keep our members up-to-date with all that is happening within the dairy industry and this can't be done effectively if your contact details change.

Also, if you change your processor we need to know to enable you to continue your membership as your membership doesn't follow you from one processor to another. If you are receiving this Newsletter and shouldn't be please also advise the office.

SADA WEBSITE

Don't forget to check out SADA's new website for all the latest from SADA <u>www.sada.asn.au</u> If you haven't already registered for member access it is very easy. Just click on the red member login button at the bottom of the home screen and follow the directions. Members can then access Industrial Relations information, SADA submissions, previous newsletters and updates, media releases and much more.





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:









General Property









Farm Machinery Breakdown





Farm Burglary and Theft







Domestic Workers (WA only)







Pleasure Boat



Personal Accident and Illness

Standard

Home







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