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SADA NEWSLETTER JULY 2020



The Code of Conduct at Work

The Australian Competition and Consumer Commission (ACCC) which is Australia's competition oversight body has made it clear that they will be closely monitoring compliance with the Dairy Industry Code of Conduct in the coming year. The ACCC second in charge Mr Mick Keogh has indicated that the watchdog will ensure that there is compliance with the Code of Conduct across the board.

At the heart of the Code of Conduct there is a clear focus on the milk supply agreements which have historically been vehicles that have trapped farmers into unfair arrangements. The ACCC has consistently laid the blame for these unfair practices at the feet of processors.

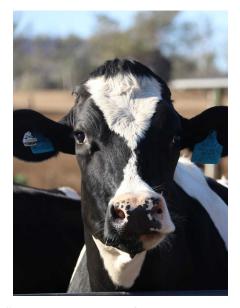
Mr Keogh indicated that the ACCC had commenced reviewing milk supply agreements since the requirement to publicly post the agreements online had come into force.

Now the ACCC is examining the posted contracts from an oversight perspective to ensure that the contracts are compliant with the Code of Conduct which contains a number of provisions that place duties and responsibilities on the shoulders of large processors in particular. Large processors are processors who have an annual turnover of more than \$10 million.

In speaking with Alex Sinnott from the Weekly Times Mr Keogh is quoted as

"The new code is designed to address a significant imbalance in bargaining power between processors and farmers,".

"Milk supply agreements offered by dairy processors must meet certain minimum standards, like including cooling off periods for farmers while not containing contract terms that were previously used to push risk onto farmers."



"The ACCC is aware of concerns that certain processors allegedly failed to publish milk supply agreements by the specified deadline, and concerns about the content of some agreements, and is investigating these matters,"

Mr Keogh told the Weekly Times that the ACCC's involvement had already seen a number of processors amending their practices.

"We note that some processors have voluntarily changed their approach after being contacted by the ACCC regarding code compliance issues," he

Not complying with a penalty provision in the Code may result in:

- for processors that do not meet the definition of a small business entity up to 300 penalty units (\$66,600 as of 25 February 2020) per breach
- for farmers and processors that do meet the definition of a small business entity — up to 100 penalty units (\$22,200 as of 25 February 2020) per breach.

Farmers and processors have different requirements with respect to complying with penalty provisions.

There has been a clear shift in the nature of what is happening in the marketplace. Opening prices have been posted along with their contracts in a level of transparency that has never been seen.

Several processors have already received corrective instructions from the ACCC and that has resulted in compliance actions by the processors.

SADA has been intimately involved with the development of the national code and it is pleasing to see that it has created a better balance between farmers and processors.



Now Available

Book

Digital

Glyphospate Ain't a Monster

Article borrowed from the AustralianFarmers website at farmers.org.au

Glyphosate (or RoundUp as it is commonly sold) is in the spotlight following claims it may cause cancer.

AustralianFarmers busts the myths and explains why the science doesn't support this claim.

What is glyphosate?

Glyphosate is the active ingredient in the popular weed killer RoundUp, and about 500 other herbicide products. It's widely used by farmers, gardeners and other land managers. When applied, glyphosate prevents weeds from making the proteins they need to grow.

Why is glyphosate important?

Glyphosate allows farmers to control weeds from above the ground – doing away with the need to plough or till the soil. Reducing tillage maintains soil nutrients and improves water use efficiency.

Healthier soils mean higher yielding crops – a win for farmers and the environment.



Glyphosate is also used to control aggressive, noxious weeds such as serrated tussock and African lovegrass. If not controlled, these weeds can rapidly take over a landscape – at the expense of native pastures and biodiversity.

Why is glyphosate under pressure?

In September, a Californian jury found in favour of a plaintiff who alleged exposure to RoundUp, manufactured by Monsanto, had resulted in terminal non-Hodgkinson Lymphoma.

The jury drew on a study by the International Agency for Research on Cancer (IARC), which identified exposure to glyphosate, as well as activities such as drinking hot drinks, frying food, and hairdressing, as 'probable carcinogenic' activities.

In 2016, the APVMA evaluated the IARC report and other contemporary scientific assessments as part of an established chemical review nomination process. The APVMA concluded that glyphosate did not pose a carcinogenic risk to humans and that there were no grounds to place it under formal reconsideration. The APVMA is a globally recognised, science-based regulator.

What does the science say?

No other agricultural chemical has been tested to the extent that glyphosate has. The scientific evidence supporting glyphosate's safety is clear and overwhelming.

In the past three years alone, regulatory authorities in the European Union, South Korea, Japan, Australia, New Zealand, Canada and the United States have publicly reaffirmed that exposure to glyphosate does not cause cancer.

More than 800 scientific studies and reviews, including numerous independent regulatory safety assessments, have informed and confirmed these regulators' stance.

A recent longitudinal study by the United States' National Institute of Agriculture followed 57,000 farmers and registered applicators of glyphosate for more than 20 years. The study found no connection between cancer and glyphosate.

Farmers take these issues seriously

Australian farmers are renowned across the world for producing high quality, safe, sustainable produce. It is a role they take very seriously.

Farmers put their faith in the regulator (the APVMA) to only approve for use products that are are safe for the environment and human health.

Farmers care about their own health and that of their families, farm workers, communities and consumers.



Cross Border Travel Online Applications

A pre-approval process is now in place for travellers wishing to enter South Australia. The Cross Border Travel Registration should speed up the border crossing process and provide certainty for people who want to enter SA.

The Energy Efficient Communities Program

Dairy Farming Business Grants provides dairy farming businesses with grants of up to \$20,000 to improve energy efficiency, reduce energy costs and lower on-farm emissions. Grants may be used for equipment replacement, component upgrades, energy audits or feasibility studies.

SADA has received a few offers to help Dairy Farms with their audits to access these energy efficiency upgrades for their sites. Please have a look at these links or give our office a call if you have any further questions.





GREEN PLANET

CLOSES AUGUST 17



A key step in our water reform journey

Phillip Glyde, Chief Executive, Murray —Darling Basin Authority
With the size, complexity and controversy of the reform to secure the future of the Murray—Darling river systems and their communities, I find it hard not to get caught up in the detail of the many pieces of work required to roll out the Basin Plan. Each of the Plan's milestones contributes to the long-term reform that will ensure water is used sustainably. Published: 14 July 2020

Opinion pieces



A SA Dairy Industry Fund project.

The Australian Dairy Industry requires intensive feeding and often high input regimes which expose them to growing input costs. In addition, dairies are contending with water security, drought and climate variability. This project set out to investigate the economic and farm health benefit by feeding biochar to dairy cattle.

We have created this <u>YouTube clip</u> of the biochar dung beetle work to date, a run through the animal, soil and plant health benefits of feeding biochar to a 250 Jersey Cow Herd on the Fleurieu Peninsula of South Australia.

Here's a link to the online report.







Dairy Industry COVID-19 Directory

As the circumstances around COVID-19 continue to change, the dairy industry remains vigilant to protect our people and products.

We are responding to national and state-based regulations to ensure that dairy farm businesses and the broader supply chain continue to operate effectively through this period.

Updates on the latest restrictions and border closures in each jurisdiction can be found in here (last updated 8 July 2020).

ADF, ADPF and Dairy Australia have also created a <u>Certification Template</u> for people providing essential services (last updated 8 July 2020).

Dairy Australia and regional teams are working with industry partners, including ADF and ADPF, to provide industry-specific resources and extension programs to assist you in effectively managing your team and business during COVID-19.

This page has been developed to provide a comprehensive directory of all updates and relevant technical advice. Look for resources using the main menu (on the left of this page on desktop, and at the top of this page on mobile devices).

This directory of services does not seek to reproduce information available from responsible state and federal government agencies or other organisations, instead links to all relevant sources of information, acting as a single point of reference for dairy industry participants.

This video shows some ways that everyone on farm, including visitors and service providers, can help to prevent the spread of COVID-19.

Nominations open for board members

South Australian Dairyfarmers Association are encouraging you to consider nominating for the SADA board. There are two two-year positions for the South East up for election this year.

To nominate, producers must be a member of SADA and must submit a nomination form on or before nominations close at 5pm on Friday August 14.

Successful candidates will be announced at SADA annual general meeting on September 15. The AGM will not be held in conjunction with the Royal Adelaide Show this year due to its cancellation.

SADA chief executive officer Andrew Curtis encouraged members to consider applying, "Being part of the SADA board is a wonderful opportunity for dairy farmers to contribute to the future of their industry, It's also a great opportunity on an individual level to gain an understanding of how the Association works in advocating for the Dairy industry."

No Levy Increases for 2020

For the past two years the SADA Board had determined to restrain the annual fee review to an increase of CPI only. But for 2020-2021 year there will be no increase to levies. SADA subscriptions will remain at \$187.50 representing no increase in subscriptions for the year. The levy (annual cap) will remain at \$2,205 and the levy rate per kilogram of protein (Inc GST) will remain at \$0.0288. The amount per cow/per quarter (Inc GST) will remain at \$2.13. The SADA Board has been particularly mindful of the financial pressures farmers have been facing in the past couple of years and have sought to keep the impact of those pressures to a minimum.



Applications sought for Marcus Oldham Dairy Farm Managers program 2021

Dairy workers seeking to build their farm business management skills or people interested in pursuing a career in dairy are encouraged to apply for the Dairy Farm Managers program at Marcus Oldham College in Victoria.

Three assisted places are available for next year's intake in the program, which was launched this year in partnership with Dairy Australia to develop business management capabilities in Australian dairy farming. The deadline for applications is 7 August 2020.

For more information:



Australian Dairy Industry Sustainability Framework Webinar Series

Brave New World - The Big Picture

Reducing Environmental Impact

Providing best care for all our animals

Improving the wellbeing of people

Enhancing economic viability



Insurance Tailored to your farm.

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.

Why not call us for a quote?

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To find out more about WFI's products, or to request a quote, contact your local Area Manager by calling 1300 934 934 or simply visit wfi.com.au



1300 934 934 wfi.com.au



Around the grounds

- SADA assisted interstate dairy farming organisations regarding standard form contracts issued by processors as a result of the Dairy Industry Code of Conduct. This also included the development of a list of contract providers within South Australia.
- SADA Attended the PIRSA quarterly meeting between PIRSA and the primary sector in South Australia. From that meeting the BOM has indicated there are improving rainfall conditions currently and they are projected to stay at average rainfall or just above average rainfall.
- SADA prepared a letter to Australia's Chief Scientist (Alan Finkel) regarding the Commonwealth Government's Innovation discussion paper. The Commonwealth has announced an intention to increase expenditure in innovation for dealing with greenhouse gasses. The discussion paper has barely referred to the rural sector. The letter to Finkel is to point out that future expenditure on greenhouse gas management should include consider the rural sector nationally.
- SADA team has completed a comprehensive Communication Plan and Value Chain Analysis for the Dairy Action Plan
- SADA attended a meeting regarding the future of Pasture Mapping.