

SA Dairyfarmers' Association Inc

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Or find us on Facebook

## **SADA NEWSLETTER MARCH 2021**

# **2021 State Dairy Summit Recap**

In March 2021, a second Dairy Industry Summit was held, initiated by the South Australian Dairyfarmers' Association in collaboration with government departments and industry partners to report on the actions of the previous summit as well as to reassess the industry and deliver the above outcomes in alignment with the SA Dairy Industry Action Plan.

This report presents the information collected at the Summit and identifies the actions and opportunities to address relevant to the success of the Action Plan.

#### Opportunities 2021 Summit

- Need visual representation that highlights we are compliant with industry standards – consumer dashboard as part of the traceability project.
- Underpasses expansion of land and herd sizes.
- We need to "tell" the dairy story
  - ⇒ Information is power
  - ⇒ Carbon Neutral Milk? Is this something that DA can drive and we as an industry aim to achieve and exceed.
  - ⇒ Workforce upskilling and training – implementation of the SA Dairy Workforce Committee

Understanding the motivations behind why they are in dairy, why they want to

stay in dairy and how they can promote the industry so that others become involved in dairy.

#### Consumer expectations

- Animal Welfare in dairy in Australia is world leading, we need to highlight this and constantly prove this to the consumer. A consumer is more likely to buy a product if we can demonstrate this.
- We are doing our bit for climate change both on farm and off farm.
   Need to make consumers aware of the goals and outcomes of the Australian Dairy Sustainability Framework and the work that the industry is doing.
- Manage EPA situations well. Show the consumer the collaboration and work that SADA does with the EPA as well as highlighting the standards that industry must meet.
- Food Security (COVID).
- What does "healthier" mean to a consumer?
- Plant or Animal
- Carbon Neutral Milk?
- Milk is something that has to be wholesome and good for you, how can we show that to consumers? (Dairy Good Campaign)
- Clean, safe, reliable

**Actions 2021 Summit** 

- Telling the story Dairy Good Campaign, Social Media (DIAA + SADA + key industry bodies)
  - ⇒ Who pays? Seek funding
  - ⇒ Changing the attitudes/ educating of people who are
  - ⇒ Do we need an ambassador to promote this? Each groups to identify an ambassador to promote their section
  - ⇒ Dairy Week promoting the industry from grass to glass (have a look at previous campaigns)
  - ⇒ Separate logo on dairy products symbolising standards –
  - ⇒ Assess where we are and where we want to be
  - ⇒ Consumer survey (what do they want to see?)

#### Workforce

- ⇒ Simplifying the process
- ⇒ Promote the pathways to enter the dairy industry
- ⇒ Succession farming (Dairy SA, DA, SADA, Rural Business Support)
- ⇒ What are the gaps/needs to create the opportunities?
- ⇒ Share farming? Opportunity for investment? Investment in young farmers
- ⇒ Family farming, unease of outsiders taking over the family farm
- ⇒ SADA to update industry of all progress around traceability
- ⇒ Industry to create standards to demonstrate premium.

## Calling Expression of Interest for Workforce Committee Members

The primary role of the Workforce Committee is the responsible, prudent management and coordination for education and training for the SA Dairy Industry.

# Performance of Australia's dairy industry and the profitability of Australian dairy farmers since deregulation in 2000

As you maybe aware the Senate's Rural and Regional Affairs Committee handed down its long anticipated report into the dairy industry.

This inquiry has been going since 17 October 2019 after the Senate requested the committee analyse industry's performance since deregulation, effectiveness of Dairy Australia and mandatory code, and whether to pursue the floor price proposed by One Nation, Katter, ALP and Greens' parties.

Key highlights from the report include:

The report is factual, evidenced based and apolitical. This is a contrast to many of the hearings conducted over the inquiry period.

Allegations/claims made by Farmerpower against ADF and DA have been disregarded and omitted from the report.

This followed ADF and DA making submissions to the committee last week discrediting their submission and testimony.

 The report adopts key points and recommendations from our submission e.g. imposition of a statutory levy on processors to fund post farm gate DA programs.

- 2. Despite a recommendation to improve DA's statistics (a recommendation adopted from our submission), the report relies on this source for most of its industry context and analysis
- 3. The report recognises industry performance issues e.g. reduction in milk production and farms, but it does not form a view that deregulation has caused industry decline. In fact generally there is a lack of analytical rigor of industry performance e.g. equity growth.
- 4. The committee recognised the different views of DA from the various submissions received. It accepted the independent review outcomes and left any structural change to the Australian Dairy Plan, which it commended the industry's agencies for undertaking. The committee did emphasise that any change to DA must protect and strengthen RD&E.
- The committee found the introduction of the mandatory code to be a very positive step for industry. Some minor changes are proposed to improve it but the work done on this has been recognised.

6. The committee did not determine whether a floor price or retail levy should be imposed. It kept this policy debate alive by making recommendations for these to be determined by the ACCC and an independent expert review. This is consistent with our National Council motion on 5 June 2020 that 'ADF seeks to work with the Federal Government to explore mechanisms that would deliver a meaningful increase in returns to all farmers, across all milk produced in Australia, that may include but not be limited to a retail levy.'

A Royal Commission into the industry (proposed by Farmerpower and Dairy Connect) is not supported by the committee.

The next step in this process is for the government to table a response. This is supposed to occur within three months of a report being tabled in the Senate (based on a Senate resolution on 14 March 1973).

Our next task is to come up with a plan on how the government can implement the report's recommendations.

This provides ADF with an opportunity to obtain more funding and projects.

A copy of the report can be accessed here



## <u>Diversity in Agriculture</u> Leadership Program

The *Diversity in Agriculture Leadership Program* (DiALP) mentoring opportunity is designed for aspiring female leaders, 25 years and over, with a passion for agriculture.

Applications close April 5.

The Program matches successful applicants with a mentor and the mentorship runs from May 2021 to October 2021. With their mentor, each mentee establishes leadership goals, outlines steps to achieving these goals and puts, in place steps to measure progress towards these goals.



### National Farm Safety

**EDUCATION FUND STRATEGY 2020-2021** 

Farmsafe Australia is committed to making Australian farms safer places to live and work. Farms are dangerous workplaces with geographically hard-to-reach audiences, who can be resistant to traditional safety messages. However, farmers are equally innovative and resilient. To cut-through and change behavior requires a deep understanding of the audiences we are trying to reach and engage with.



#### AgriStarter Loan

Loans to assist first time farmers and loans to support farm succession arrangements.

Who can apply: Eligible first time farmers wanting to buy, establish or develop their first farm or Eligible farmers and farm businesses who are planning for and implementing succession arrangements.

## Dairy farming contribution towards emissions reduction

The Australian dairy industry has made a commitment to reduce emissions by 30% by the year 2030. As an industry we want to always be on the front foot with global expectations and is becoming increasingly topical as some jurisdictions are looking at imposing a tariff on other countries who are not making enough of an effort on global reductions. A free trade agreement with the EU is one such example where the EU has flagged Australia's emissions as a relevant matter in the negotiations.

Agriculture contributes 13% of Australia's total emissions. Of that fraction, dairy contributes 12.5%. Consequently, dairy produces an overall total of 1.625% of Australia's emissions. SA being 6% of the milk pool contributes 0.0975% of Australia total emissions.

SADA endorses the idea that we all have a role to play in reducing our emissions as part of the global effort.

The upside for farmers is that reduction schemes need not be an expense, they are actually good business as they reduce costs overall. To

save money by implementing carbon reduction schemes on your farm it is useful to visit the <u>Dairy Australia</u> website

www.dairyaustralia.com.au/land-waterand-climate/climate-change-and-dairy/ preserve#.YGOdtuqzaUl

This link demonstrates how there are substantial farm savings to be made by engaging in emission mitigation strategies for farmers.

Knowing how many emissions your farm produces is also a useful exercise. There is an excellent tool for farmers to assess their carbon emissions by way of a self-test. This test can be found <a href="https://example.com/here/here/">here</a>.

www.dairyingfortomorrow.com.au/toolsand-guidelines/dairy-greenhouse-gasabatement-calculator/

By using this test many farmers will be surprised how much emission mitigation already occurs on farm.

By combining the outcome of the emissions calculator with some of the projects suggested by Dairy Australia some farmers have reduced their farm's costs.

Cow burps (methane) contribute over half of a farm's methane production and represent a 6% energy loss (that is milk production loss) from the food eaten by a cow. That is energy that is not available for milk production or growth in the beast.

Changes in diet will result in the lowering of emissions as a single example on what can be done to save money and reduce emissions.

SADA urges all members to visit the links provided and for members to consider practical responses to emissions reduction.



# Cattle Industry Fund Apply for Funding

Open Call for SA Cattle Industry Projects 2021-22

The South Australian Cattle Industry Fund Board (CIFB) invites expressions of interest for project funding which will benefit the state's cattle (beef and dairy) industries.

Projects are to be delivered within the 2021-22 financial year with project funding to be drawn from the SA Cattle Industry Fund.

This funding is suitable for industry development and extension activities, research projects and farmer groups. Projects demonstrating funding co-contributions and collaborations with other programs or initiatives are encouraged.

Projects addressing any of the Fund investment priorities will be considered. Investment priorities and funding guidelines are outlined in further detail in the <u>Cattle Industry</u> Fund Management Plan.

Applications are due by COB 30 April 2021: Apply here

May be submitted to Tom Cosentino - Cattle Industry Fund Board Executive Officer Email: <u>EO@livestocksa.org.au</u>

Phone: (08) 8297 2299



# Productivity and profits underpin sustained confidence in Australia's farm sector

Australian farmers are forecasting another productive and profitable year ahead, with rural sentiment still at historically-high levels thanks to "perfect" summer conditions in much of the nation's east and exceptionally strong commodity prices. The latest quarterly Rabobank Rural Confidence Survey, reveals ongoing optimism among Australian farmers who have not only rebounded from significant drought conditions a year ago, but also stared down immense uncertainty and, in some sectors, market volatility as a result of the COVID-19 pandemic.

"New dairy barns, new wool sheds and modernising water infrastructure remain popular business investments for our farmers at the moment as they look to create efficiencies within their operations. Farmers are making the most of the good seasonal conditions, commodity price strength and favourable business incentives to help strengthen and grow their businesses. It's an exciting period for many farmers who are very much looking forward to the year ahead."



Good people to know.

1300 934 934



## Around the grounds

- Attended the National GS1 Traceability
   Advisory Group meeting where the new
   traceability accords and industry stand ards were discussed. Guest speakers
   from the Melon Industry as well as a
   Guest Speaker from the United States
   Seafood Industry spoke about and ROI
   calculator for enhanced traceability and
   Supply Chain Traceability in the Melon
   Industry.
- SADA staff and Board attended a face-toface board meeting at the McCracken Country Club in Victor Harbour.
- SADA Staff attended the 2021 Dairy SA Central Conference at the McCracken Country Club in Victor Harbour. This was a great opportunity the speak to famers from across the state about the future of the dairy industry as well as listen to some excellent guest speakers who shared insights and experiences from Sustainability to Regenerative Farming to Corporate Leasing.
- Ash attended the Department of Trade and Investments Resilience through Supply Chains Workshop held at laide Oval. This was a great event, with many cross-industry representatives to talk about the challenges of supply chain logistics presented by Covid-19 and how to better prepare for further supply chain pressures in the future. Guest speakers from Deakin University's Centre for Supply Chain Logistics and Austrade talked about the importance of trach and trace technology in supply chains which further complements why a traceability trial such as our is the way the future is heading.
- Elf and Maralina progressed the remediation plan for SADA Fresh cheese. This
  included communication with Coles as
  well as label redesign processing an existing order (while negotiating a MLOR
  with Coles).
- Hunt signed a letter to the Minister regarding the SA Government's position on underpasses calling upon the Minister to bring forward the underpass proposal as Government policy.

- Elf negotiated a full subsidy for a partnership with Export Connect (\$5,000 worth), for access to MENA countries.
   Elf will meet the Najib Lawand next week to formulate the MENA policy/contacts.
- Elf/Curtis to meet with Foodland next week with regard to SADA Fresh cheese.
- Drakes contacted SADA re cheese and the matter has been removed to their dairy case manager for follow up.
- Ash and John attended the Food SA Food & Beverage Trade Show where they established a SADA Fresh stall and had a number of useful discussions with potential buyers and collaborators.
- This year's ABARES Outlook conference was delivered via Zoom. Various staff attended parts of the conference with sessions including topics on deglobalisation and trade, Milk or Milk how are attributes driving value creation along the supply chain, adapting to climate change, and Creating value, managing risk and developing partnerships: the way forward for Australia's biosecurity system. Many presentations are available at the conference website https://www.agriculture.gov.au/abares/outlook/program
- Together with GPSA, Andrew attended an online meeting with Telstra to discuss opportunities for the establishment of weather stations integrated with the Telstra Communications infrastructure and network.