

Members Newsletter

January 2024



From the President

Robert Brokenshire

2023 was a year of consolidation and setting up for the future for many in the South Australian dairy industry. There was a focus in on-farm infrastructure and technology, which will allow farms to be more efficient in the coming years. While robots were the poster child, many different technologies were adopted from underpasses to collars to improve the long-term operations of dairy businesses.

Rising input costs and inflation were the big issues for all dairy businesses while the impact of [flooding in the lower Murray](#) was a critical issue for a section of our industry. The increasing costs of power, fertiliser, fuel and feed, combined with labour shortages, took the gloss off what could have been a standout year.

Uncertainty regarding access to water in the Murray Darling Basin and in a number of Water Allocation Plan areas also caused concern.

The season in itself also proved to be a challenge for all SA dairy regions with a late opening followed by continual rain and then almost a complete shut off from September, which has had significant impact on

silage and hay cuts and the flush of spring pasture. Milk prices also have been varied, with the opening prices being strong to steady for some dairy farmers and a partial reduction for others where their processor has a focus on export.

A number of storm clouds are gathering on the horizon of 2024, which mean it is likely to be a cautious year.

Opportunities and challenges

2024 is all about leveraging opportunities and challenges for the dairy industry, including working with farmers along the River Murray to assist with the significant challenges they faced in milking again and continuing to milk after the floods had an enormous impact on their operations.

International pricing for dairy is depressed and somewhat volatile while the impact of El Nino and erratic weather patterns mean that it will be important to bunker down and cement in the gains of the last year or two. We will hopefully have a better feel for the year to come by April.

A reduction in input costs during 2024 after

inflation and interest rate increases took the shine off better milk prices in the past few years. With a strong domestic market and a soft international export market the dairy industry will closely monitor opening prices for July 2024. While China will always be an important market, future exports are likely to focus on South East Asia. The Indian market remains both a great and distant opportunity.

Effluent management focus of EPA

The Environment Protection Authority was reviewing its Dairy Effluent Management Code with possible legislative changes, occurring at the same time as significant changes to federal and state biosecurity - all of which impacted dairy.

On a positive note there are signs that the [demand for dairy across the globe is starting to pick up](#) as indicators are showing countries starting to slowly recover from high inflation and interest rates.

In 2024 we will launch our revised Dairy Industry Action Plan, which will provide focus for our ongoing development across the industry.

Our key goal will be in partnering to deliver premium dairy products to local and distant consumers which are healthy and nutritious **and have strong** sustainability credentials.



DairySA's Central Conference 2024

New year, new speakers and a new location – driven by local input, to leave you inspired in the world of dairy.

You're invited to join Dairy SA on **Thursday 21 March** in picturesque **Hahndorf**, within the stunning Adelaide Hills region.

Please ensure that your membership and supplier details are current and up to date.

<https://share.hsforms.com/1IAwYKsxjQ1inwndbn2NbYQd5tpo>

Dairy SA 2024 Young Dairy Network YDN Retreat

February Tues 6 to Wed 7 2024.

Join DairySA's for its first Young Dairy Network event of the year. This event will be different to other events they have hosted in the past, spanning over 2 days with two main components, its important that all YDNers stay the night!

The first component is looking at your future in the dairy industry – this planning session will aim to define and strategizing your personal journey within the industry. What does your career look like going forward?

What steps do you need to take to get to where you want to be?

What are your goals and ambitions for the future?

This will be followed up with one-on-one sessions with the deliverer after the event. The second component will be a team building activity – we will visit the magnificent Kuitpo Forest where we will be above the trees, completing an array of different obstacle courses. Dairy SA will cover accommodation and meals, with those who are wanting to come only needed to cover the price of the activity and drinks (activity is \$55). [More info here](#)

Raising the Roof 2024

Brought to you by Dairy Australia and Agriculture Victoria to be held in the Hunter Valley, NSW on Tuesday 27 February – Thursday 29 February 2024.

Industry leaders and global experts will share world-best practice in feeding and housing infrastructure design and management. Hear first-hand from Australian dairy farmers who have successfully transitioned their farm systems and discover the resources shaping the future of dairy farming. Virtual and in-person farm visits showcasing latest innovative thinking in a range of intensive farm systems.

Practical insights and key take homes for those contemplating change or already operating intensive farm systems.

Networking opportunities with fellow dairy farmers, as well as experts and service providers.

[To Register or to find our more info](#)



South Australia's new Biodiversity Act

Biodiversity is the incredible tapestry of life on our planet, including different species of plants, animals, microorganisms, and the ecosystems they form.

We need functioning biodiversity for clean air, healthy soil, modern medicine, food on our plates, and a resilient earth that can respond to threats like climate change.

Across the globe, biodiversity is under threat. In South Australia more than 1,100 of our plants and animal species are listed as threatened with extinction.

South Australia does not currently have a dedicated Act to safeguard biodiversity, instead provisions exist across multiple laws, which has led to gaps in protections.

Developing the new Act and increasing the effectiveness of our legislative framework will allow us to do things differently. The new Act will be an important tool in ensuring South Australia's long-term future through a resilient and sustainable economy, while safeguarding nature for future generations to enjoy.

Find out more:

- read our [discussion paper](#)
- watch our [biodiversity Q&A video with Tim Jarvis](#) ([External link](#))
- take a look at our [FAQs](#) when reading the discussion paper for answers to your questions, including for more technical information. You can also [download a printable version](#)
- learn more about biodiversity and the Act on [DEW's website](#)

This [consultation](#) is open from 6 December 2023 to 14 February 2024.



Take a look at the carbon journey in the livestock business - what farmers need to know to get started and lessons from those leading the way.

Methane and carbon science: How it all adds up

Not so long ago, carbon was a word few farmers mentioned.

Yet producers have always been in the business of carbon farming, as close to half of the pastures and crops grown is carbon. The real question, says one of the country's leading scientists in climate change Professor Richard Eckard, is how farmers can be more efficient at capturing carbon from the atmosphere and putting it through to animal product in the most profitable way.

Of course, the other key element is to do that in a way that minimises greenhouse gas emissions.

Dr Eckard is Professor of Sustainable Agriculture at the University of Melbourne and Director of the Primary Industries Climate Challenges Centre, a research centre addressing the impacts of a changing climate on agriculture.

His research focuses on sustainable agricultural production, with a recent focus on carbon neutral agriculture. He developed the first GHG accounting tools for agriculture and has provided the science basis for the development of six carbon offset methods in Australia.

He is passionate about the potential agriculture has to drive a climate solution, and is happy to speak endlessly on every facet of this topic.

The Carbon Series was produced in collaboration with the Australian Science Media Centre with support from the META Public Interest Journalism Fund administered by the Walkley Foundation.



On Farm Connectivity Program

The Australian Government's **On Farm Connectivity Program** is providing \$30 million over 2 years to enable primary producers in agriculture, forestry and/or fisheries to take advantage of connected machinery and sensor technology.

The objectives of the program are to:

- extend digital connectivity and enable Primary Producers to take advantage of advanced farming technology
- enhance a Primary Producer's ability to implement digital agribusiness solutions through improved connectivity
- capitalise on the agricultural sector's productivity and growth



The AgTech producer groups aim to upskill and support producers in using technology, for industry-specific improvements.

Are you a producer looking to learn how [#AgTech](#) can improve your efficiency and profitability?

Expressions of interest (EOI) are now open for eligible primary producers, pre-existing groups and new groups formed for the purpose of exploring the use of AgTech.

Eligible groups will be able to apply for funding of up to \$18,500 (GST exclusive) towards the delivery of Ag-Tech Producer Group activity costs. **Applications close 19 February 2024.**

- support access to new communications equipment and services by offsetting some of the cost.

Round 1 Applications are now open for Round 1 of the OFCP, with up to \$15 million in rebates available for the purchase of eligible equipment.

Eligible equipment suppliers can claim a rebate of between \$3,000 and \$30,000 for the sale of eligible equipment, with primary producers accessing discounted prices. The rebate can be claimed for up to 50 per cent of the cost of the eligible equipment.

Equipment suppliers must submit an application for each proposed sale to the Business Grants Hub through the online [portal](#).

This application must detail the proposed connectivity solution/equipment and include a declaration from the primary producer that they meet the eligibility criteria. The Business Grants Hub will assess applications against eligibility criteria specified in the Grant Opportunity Guidelines.

The Business Grants Hub will notify suppliers if their application has been successful. The equipment supplier will then have 60 days to finalise the sale of the connectivity/solution equipment with the primary producer.

Equipment suppliers can then claim the rebate through the online [portal](#).

This is a demand driven grant opportunity. Rebates will be awarded to eligible applicants on a first come, first served basis in order of application receipt, until the funding is exhausted. \$15 million is available to **30 June 2024**, or until funding is exhausted, whichever occurs first. It is important to note that a rebate cannot be claimed for equipment sold before the Business Grants Hub has notified the supplier that their application has been approved.

Program Guidelines can be found on the [On Farm Connectivity Program Grant Opportunity page](#).

21 May 1957

The Wholesalers in their letter informed the Association that as from the 1 July 1957 the manufacturers contribution of one penny per one pound fat in the basic price will be discontinued. Mr. Elliott answered a number of questions but said he could not reveal the confidential part of the conference. He said the members must fully realise that this penny was a contribution made by merchants some two years ago, it was not part of the formula for fixing the basic price, and was only added to the price after it had been fixed by the formula. If we remained adamant it would not be easy to approach the Premier as two of the companies which are most insistent that the penny should be returned, are co-operative factories. In view of all the circumstances he felt that it would be wise to allow this penny to be withdrawn which would of course make the basic price 3/5¼d. (Three shillings & Fivepence farthing) as from 1 July 1957.

In **April 1958** following a general discussion regarding lean period production, the Central Council obtained figures from the Milk Board showing that of the 2,400 licensed producers, approximately 500 did not produce more than 10 gallons per day during the lean period.



Australian Dairy Sustainability Framework

CELEBRATING 10 YEARS

AUSTRALIAN DAIRY SUSTAINABILITY FRAMEWORK

Dairy profitability and sustainability linked:

Aussie dairy farmers are doing a bloody good job when it comes to environmental sustainability. But like marathon runners competing against folks doing their first couch-to-5k, those personal best records aren't going to fall as easily and in as big an increment as those just getting started.

We need to recognise that back [in 2012 we were the first Australian ag industry](#) to have the foresight to set up a sustainability framework that covers our livelihoods, human nutrition, our animals and the environment. That since then we've made big gains, and that while we'll continue to make gains, they'll be increasingly incremental.

Sure, the latest Australian Dairy Sustainability Framework report figures are looking pretty good, but the reality is what we're going to see from now on are incremental gains. It's not because we're not doing enough, but rather because we've done so much already.

Today more than 70 per cent of Australian dairy farmers have implemented energy efficiency projects or used renewable ener-

gy and 83pc have fenced off all natural waterways.

We're also making new commitments, such as agriculture's first industry action plan for halving food waste and a roadmap to improve the sustainability of the packaging of dairy products by 2025.

Of course, we need to keep going: farmers have traditionally been custodians of their land and environment, as demonstrated by organisations such as Landcare, which started more than 30 years ago! We now see it has become a focal point for global and domestic consumers and markets.

But we need everyone to recognise that the next gains are going to be tough, and we need to balance our business viability alongside our environmental investment.

Trust is strong in dairy industry

It's encouraging to see consumer support for dairy reflected in the framework report. The Dairy Trust Tracker Survey shows that is strong, with almost eight in 10 Australians of the belief dairy is essential for good health and wellbeing.

In 2023 the dairy industry also welcomed the release of a [study that quantified the health and financial benefits](#) that could flow from increasing the servings of dairy in the diets of aged-care residents. Essentially, consumers know dairy is good for them. And they should feel good about consuming dairy, too.

As we look to 2024, we need to make sure we continue to do our bit for the environment, but we also need to make sure that consumers understand our bottom lines

must also be sustainable.

To keep producing food that is nutritious, good for our health and wellbeing and sustainable, it must also be commercially viable - we must be able to turn a profit like any business, otherwise we are not going to be here long.

Essentially, we need regulators and shoppers to recognise the good work we've done and when comparing our produce with countries that don't have the standards we do be willing to pay for the sustainability progress we have achieved.

That's not all we need to do. We need the whole supply chain to do its bit and not just to look at farmers for the easy gains.

We need to be real about the promise of the new income streams for adapting and mitigating climate change.

Sure, these may be great for some, but for a lot of us already doing good environmental work, we've done it. It's not new, so we won't be rewarded or will need to keep the gains to shore up our post-gate credentials.

We need to ensure farmers' interests are represented when new well-considered environmental policies and regulations that impact us are being set. These must recognise that due to the industry's front foot approach that a scalpel is needed not a chainsaw.

Whatever the world (or nature, for that matter) throws at us, we need to keep doing what we do best, continually evolving and improving what we do and ensuring we have a dairy industry that not only cares for the environment but which makes sense financially too.

[Download](#) the 2023 Sustainability Report.



Dairy Australia



Australian Dairy Farmers



Good people to know.

1300 934 934

WFI SADA Partnership

If you take out a policy with [WFI](#), SADA receives a commission from WFI of 7.5% of the policy premium.

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