



**SA Dairyfarmers'
Association Inc**

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South Australian Dairyfarmers' Association

Position Paper for 2018 State Election.

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.

Importantly, the industry will generate over \$1 billion in Gross State Revenue for the first time in 2017/18. South Australian dairy produce competes successfully in domestic and interstate markets 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 manage the costs and ensure we are not hit with extra costs.

Commitment to ACCC recommendations

The South Australian Dairyfarmers Association (SADA) expects that all political parties will 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 determined in their report that the disparity between negotiating parties to a dairy contract was so broken that the usual tools, such as collective bargaining, could not sufficiently remedy the imbalance and consequently recommended a Mandatory Code of Conduct.

Whilst the report is to the Commonwealth Government, SADA agrees with this position and calls on the incoming government to assertively communicate with the Commonwealth and Agriculture Ministers from dairy producing states to make the recommended Mandatory Code of Conduct a reality as quickly as possible.

Energy

The current state of energy provision, both through cost and reliability, needs redress. Cost and reliability issues remain a key issue for dairy farmers in South Australia. Retarded technology speeds and uncertain implementation is stifling investment 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.

As is the case in other jurisdictions, we call on parties to commit to assisting that state's farmers to manage energy costs through improved efficiency and new technology.

The establishment of a program should deliver:

- Energy efficiency assessments on farm,
- Grants to support farm investment in energy efficiency as well as generation and storage technology,
- Demonstration of energy efficiency as well as generation and storage 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 such a program will advance the needs of SA farmers to help this state grow.

Transport and Infrastructure

SADA calls upon all candidates and parties to commit to the continuing the 90-Day Transport Project. The “Improving Road Transport for the Agriculture Industry Project” identifies the issues impacting on agriculture industry productivity across the state and affecting all sectors. Commitment to the continuation of this work will ensure the united approach needed to plan and implement a road transport system that meets the existing and future needs of agriculture.

The incoming Government should also commit to work with local government to enable the development of underpasses which enable the safer movement of both vehicles and cows in dairy farming areas. Such a program would enhance safety for road users, farmers and their stock.

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 be nimble organisations 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 current Natural Resource Management (NRM) framework has been operational in South Australia for a number of years. Generally, SADA believes that NRM has fallen well short of expectations. SADA believes NRM 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.

Planning, Mining and Gas

SADA has expressed their frustration at a number of shortcomings within 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.

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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 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 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). Dairying has been ignored for too long and there is a critical need for the State to re-start Research and Development investment in order to capture the potential of the industry.

SA exists in an increasingly competitive world. 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.