

# The Northern Dairyfarmer

OCTOBER-NOVEMBER 2011

## Farmers challenge Coles

### KEY POINTS

- Coles executive addresses QDO conference
- QDO sees market price failure
- Coles defends decision as offering better value to consumers



Queensland dairyfarmers let their feelings be known to Coles merchandise manager John Durkan.

By Carlene Dowie

THE milk price war issue dominated discussion at the Queensland Dairyfarmers' Organisation (QDO) conference in September. The conference was one of the best attended by northern dairyfarmers in recent years with most there to hear how the director of merchandise for Coles, John Durkan, would explain Coles's campaign to cut the price of its own branded milk to \$1 per litre.

QDO president Brian Tessmann set the scene for the debate in his opening address. "We need all sectors of our industry value chain to work together, to do their part, if we are to keep the value chain strong," he said. "This, of course, was not the case on January 26 this year when Coles led the way in beginning the milk price wars, dropping their store-brand milk to \$1 a litre for a

two-litre bottle. The impact of this came on top of the earlier price drops that a number of farmers had suffered and on top of the floods and cyclones that really severely impacted farmers and their ability to produce milk. That has seen a huge drop of production in Queensland and a real crisis of confidence."

QDO chief executive officer Adrian Peake said the need to respond to the price cut by Coles had taken him and his staff away from helping co-ordinate disaster recovery.

The price drop had severely impacted on farmers in Queensland. "For our fresh milk industry in Queensland we have a situation of market failure," Mr Peake said. "Normally when you have a shortage of product, the price goes up to signal a need for

increased supply. But in fresh milk in Queensland, you've got a shortage of milk but the price is going down.

"The reason is we have a situation where the retailers are using milk as a marketing agent. Milk's unique. Consumers consume it every day, the average consumer in Australia drinks about 103 litres of milk per year.

"So consumers are buying the product quite often. The retailers know this... and they've used store-brand milk to lure customers through their doors. They also use it to leverage sales of other grocery items while people are in the store and that's why milk is down in the back corner of the store. But they've also used it to attract sales to retail stores away from other sale

■ Continued on p5

### INSIDE

Carbon tax: what compensation? **PAGE 9**

Recovery a marathon, not a sprint **PAGE 11**

Northern Dairy Conference preview **PAGE 15**

Skilling for our future **PAGE 19**



It could be another wet one **PAGE 22**

NRM activities planned **PAGE 25**



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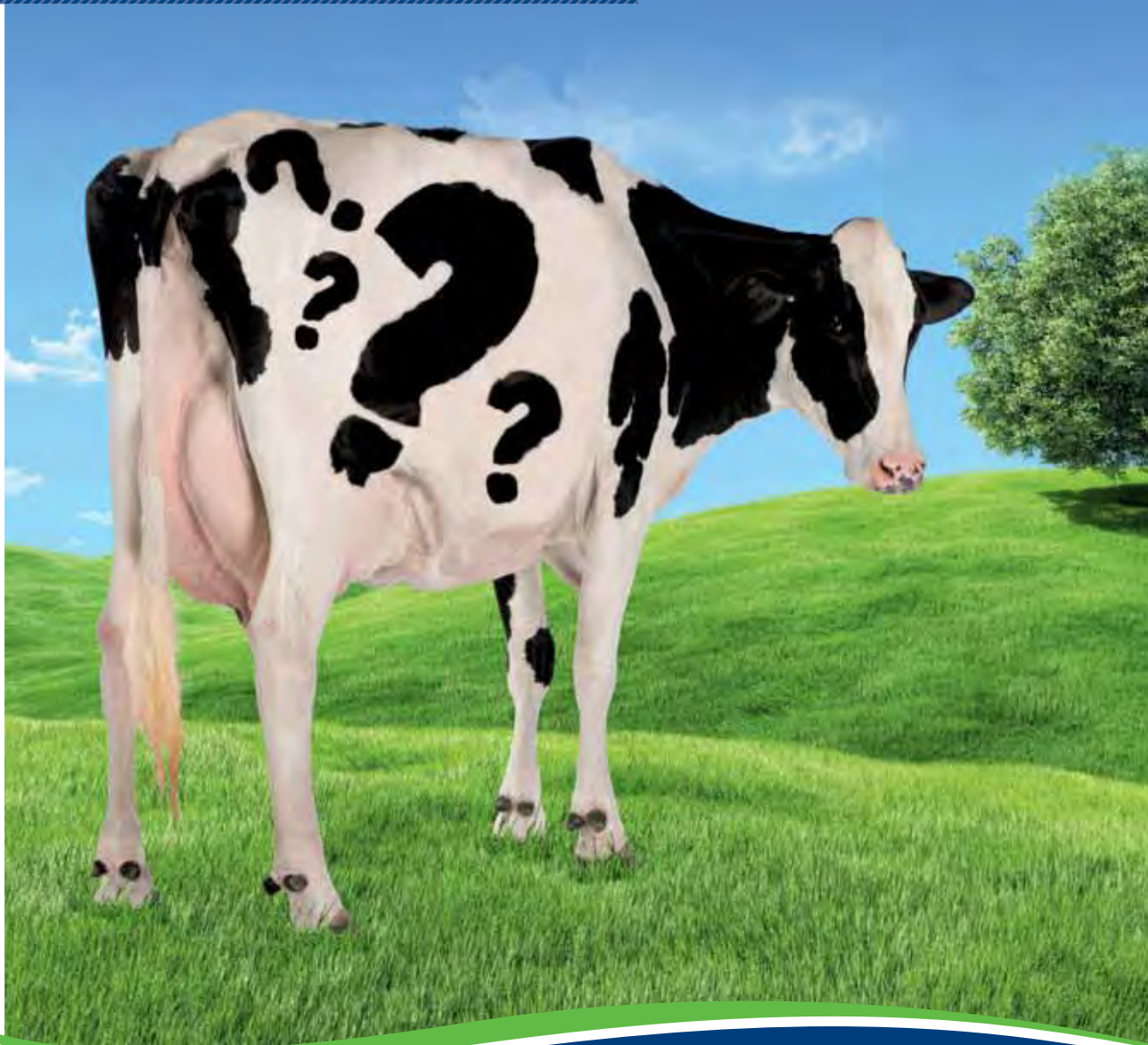
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## Time for cool heads

MUCH has been said lately about the current crisis in the domestic dairy industry.

I often have heard people complain that farmers and organisations such as the Queensland Dairyfarmers' Organisation (QDO) are either too optimistic or too pessimistic depending on where the person's viewpoint is from in the industry value chain and its supporting industries.

Both the QDO and farmers need to be realists. They need to understand the industry and the operating environment as it really is and take advantage of the opportunities and guard against the pitfalls.

Too many times in the past 10 years we have seen farmers, including people moving into Queensland from southern states, spending large amounts of money setting up fantastic dairy farms only to find within a few years that they are hit by a double whammy of price and climate pressure.

This has left them with no option but to either exit the industry or move the operation to the southern states. Because much of the farm infrastructure is a sunken asset this often leaves them with a considerable financial setback. So in the current climate a dairyfarmer needs to keep a clear head and obtain all the information that they can before deciding if they should expand the herd or if they should invest in technology or equipment to improve efficiency or whether they should simply aim to reduce debt or a combination of both.

The overarching fact is that the Queensland dairy industry should have a good future with an expanding population of domestic consumers and increasing international demand. The problem is that to realise that future we need to sort out the current issues in the domestic supply and value chain.

So milk producers need to weigh up all these facts in a calm and factual manner in deciding how their farm management and planning responds to this scenario. We all need to ensure our on-farm management is right while keeping an eye on the bigger picture to guide our businesses through the present difficulties.



**Brian Tessmann**  
President  
Queensland Dairyfarmers'  
Organisation

This was all a feature of the recent QDO conference, which is covered in this edition, and will also feature at the Subtropical Dairy Annual Forum in October on the Gold Coast as part of the Northern Dairy Conference.

The industry is certainly fortunate to have such in-depth information at its disposal.

So as farmers we need to keep a cool head and a realistic perspective at present and make sure we keep our farm management the best it can be to ensure our businesses can be part of the industry's future potential.



## Planning for for future

IN LOOKING to the future we need to take into consideration the shape and form our industry may take in the years ahead as we move toward 2020. It is accepted by most people in our industry that the number of farms will reduce across time.

However, the population across our subtropical region will continue to grow and demand fresh white drinking milk. To address this situation our industry will need to produce significantly more milk, on average. To produce this increased level of milk we will undoubtedly require more cows, increased productivity and more staff with enhanced and different skills to that we expect of our staff today.

To address this need there is much work to be done in relation to workplace skills enhancement so we can logically and systematically address the issues of our shortage of skilled staff and business management ability.

We have been extremely fortunate to have received approval from Skilling Queensland for significant funds to address this issue over the coming years. The project will be led by Subtropical Dairy on behalf of the northern dairy industry.

These funds are to be used to address specific skills shortages that have been identified through the strategic planning processes of not only Subtropical Dairy but the northern dairy industry as a whole. Interested industry participants are welcome to have their say on this issue and others at our strategic planning consultation process to be held immediately after our annual general meeting at the Northern Dairy Conference on the Gold Coast in October.

Please refer to articles in this issue that relate to the broader skills issues as well as further information on the Northern Dairy Conference.



**Ross McInnes**  
Chair  
Subtropical Dairy



The Northern

## Dairyfarmer

The Northern Dairyfarmer magazine is a joint industry owned and operated publication targeted at delivering the latest research and development information and industry news to dairyfarmers and industry stakeholders of the northern dairy industry. The Northern Dairyfarmer is published on about the 13<sup>th</sup> of every second month in February, April, June, August, October and December.

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## What the farmers said to Coles



Victoria Menkins

- **Victoria Menkins, dairy-farmer, northern Darling Downs:** If the objective of the milk price cut was to give customers better value, why not cut the price on all milk, not just Coles-brand milk?
- **John Durkan, Coles:** Branded milk was more expensive than Coles milk even before we started. We chose Coles-brand milk because it was offering the best value.



Paul Roderick

- **Paul Roderick, dairyfarmer, Harrisville:** Will you retract the statement made publicly by Coles that the price cut was not affecting dairyfarmers' bottom line? As a Parmalat supplier we have seen a direct reduction in our milk cheque because of the reduction in sales of Parmalat-branded product.
- **John Durkan:** Coles does not get to see the bottom line for farmers, unfortunately. The price cut should not have had any impact because Coles changed its contracts in January and compensated its suppliers.
- **Ross McInnes, QDO vice-president:** Has the rise-and-fall clause in processor contracts been enacted as a result of the \$80 million cost to farmers of the



Ross McInnes

- natural disasters in January? Can you see a position where Coles would go outside the processor to compensate farmers directly?
- **John Durkan:** Coles would have to work with processors and farmers to work through enacting the rise-and-fall clause.



Ches Priebbenow

- **Ches Priebbenow, dairy-farmer, Greenmount:** What is Coles doing to the milk? 'Mrs Housewife' who visits my farm says the \$1-a-litre milk doesn't taste the same.
- **John Durkan:** Coles is not doing anything to the milk; it is being processed in the same way.



Stan Birch

- **Stan Birch, dairyfarmer:** How much does the nine-cent

reduction in milk price save the average person on their annual consumption of milk? About \$20 – which doesn't affect them much but, by the geez, it affects us a lot. How has the price cut affected the sales of modified white milk, as the processors are saying that is where they have been hit hard?

- **John Durkan:** All price reductions have been substantial for consumers; it has cost Coles more than \$75 million a year. Light and full milk was included in the overall figures (Coles brand milk increased share from 50% to 52.8%). Sales of branded flavoured milk and A2 milk are growing.

• **Wes Judd, former Australian Dairy Farmers president:** The only international milk price comparison that is really relevant is New Zealand, because that industry is also deregulated. Farmers in other markets receive price support. Looking at the price cuts, what difference does a few cents here and there make to most consumers?

- **John Durkan:** A couple of cents here and there wouldn't matter but we are seeing a huge raft of increases in other areas. Coles is no longer an inflationary company – in the past it had added the rate of inflation to prices each year. It now only passes on real cost increases. Consumer savings rate is at the highest rate in Australia for many years and people are driving hard in terms of value so the bigger picture of better value becomes meaningful to customers.



Peter Bischoff

- **Peter Bischoff, dairyfarmer, Beaudesert:** Of the 6000 price cuts, how many have been in fresh

food? Supply and demand should always dictate price for fresh food. If we are going to keep getting the blows we are getting now, I can guarantee you that the fallout from our industry will bring the fresh milk industry to its knees in Queensland. Queensland cannot meet current demand and there is no confidence to invest for future. You just can't turn milk on and off at the tap. If Coles is concerned about food miles and if Queensland cannot supply demand now, it will be only get worse. Mate, you better fire up some more trucks because you are going to have to keep carting even more milk from a lot further afield.

- **John Durkan:** Price cuts on fresh food have included beef, pork, poultry, bread, seafood and fish, as well as grocery prices. Fruit and vegetables prices have been cut, except where, like bananas, they have been affected by natural disaster. On the sustainability of Queensland milk production, Coles has supported local production, as can be seen by its decision to continue to support the Malanda plant.



Serena Lindbergs

• **Serena Lindbergs, dairy-farmer, Stanmore:** As an A2 milk supplier we have been told, A2 sales growth has slowed since Coles' milk price fall. Coles-branded milk now dominates the fridge section in supermarkets. All I can see is a monopoly of you only giving customers a choice of Coles milk and nothing else.

- **John Durkan:** Shelf space is determined by customer demand through a complicated algorithm. It is the only efficient way for Coles to operate.



**Belinda Haddow**

• **Belinda Haddow, flood support officer:** How can Coles increase the price for bananas to \$14.99 because banana growers were affected by natural disaster, but cut the price for milk to \$1 a litre when dairyfarmers were just as badly impacted by the natural disasters? They saw the price cut when the disaster hit as kick in the guts.

• **John Durkan:** The cost price of bananas to Coles went up 500% so we paid more and didn't pass it all on to consumers. Coles paid more to milk processors in January; the increase is commercial in confidence. Coles funded the milk price drops itself, as borne out by the Australian Consumer and Competition Commission.



**Dolores Stock**

• **Dolores Stock, dairy-farmer, Lockyer Valley:** Why were executives brought out from England by Wesfarmers – to sabotage ruthlessly our industry – who don't have the compassion Australian executives would have for our farmers?

**John Durkan:** When Wesfarmers bought Coles it was a failing company. Coles has since gone from strength to strength and given consumers lower prices and better quality.

avenues, including the route trade.”

Mr Peake said the more sinister side to this was that supermarkets were building the market share of their own branded milk products. “And that’s a real issue for us because while they continue to use it as near or below cost marketing agent, it is actually sucking the value out of our supply chain.” he said.

Mr Durkan told the conference that Coles had been hard hit by the floods in January. Some 57 stores had been affected and two still remain closed. “So we understand the effect of the floods on farmers,” he said.

The floods had also impacted the cost of many fruit and vegetable lines, which had led to price increases in those products, he said.

He defended the decision to cut the milk price saying that Coles was committed to delivering more value to consumers, who had become more frugal since the onset of the global financial crisis.

“Milk was one of 6000 prices we reduced,” he said. “And the reason we reduced it was because customers were telling us that they just didn’t trust supermarkets in terms of their value. They didn’t trust us that week in week out they would get good value in terms of their supermarket. The reason we do what we do is to build trust with our customers.”

Mr Durkan said the company had completely funded the price drop and had in fact increased the amount it paid processors for its



**Brian Tessmann:** Need all sectors of industry value chain to work together.



**John Durkan:** The reason Coles does what it does is to build trust with its customers.

own brand milk when it readjusted contracts in January. But under questioning, Mr Durkan refused to say exactly what that increase had been, claiming the information was “commercial in confidence”.

He also acknowledged that Coles did not know the impact of its decision on the farmer bottom line. “What we’ve seen in terms of our own business is that our price cut for Coles shouldn’t have had any impact on the farmers that supply our dairy (processors),” he said.

Mr Durkan said the retail price for milk in Australia on a world scale was about “middle of the pack” with consumers in the United States and United Kingdom paying less for their milk, while those in France and Japan paid more.

He said the volume of all milk sold in Coles stores had increased since it cut its price – with about 4% growth in Queensland and 20% in Tasmania.

The share of sales of Coles label milk had increased from

about 50% to 52.8% – a continuation of a long-term trend of growth for supermarket-brand milk. “So that has been a change but it hasn’t been as dramatic as people would make out,” he said.

“Where there has been little innovation and customers understand it is the same product – like butter and milk – then we are seeing lower shares for branded sales and that hasn’t changed in last six months.”

But where “real innovation and value added was going on” for products such as yoghurts and speciality cheeses, brands dominated. Coles had been working with small local processors to help them build their sales of innovative products like cheeses, yoghurts and specialty dairy desserts. It had also seen growth in differentiated milk products like A2 milk.

Mr Durkan said Coles was committed to sourcing as much of its fresh products locally. The company had supported the milk processing plant at Malanda in Far North Queensland although it could have sourced milk more cheaply from further south and shipped it north.

“We are completely committed to the dairy industry,” he said. “We need to be: dairy, produce, meat are all important to us. It would be ridiculous to think we wouldn’t be interested, because without the suppliers we have we wouldn’t have the business we have today. We understand that and are committed to supporting the industry.”

## Milk ombudsman needed

THE dairy industry has outlined what it thinks needs to be done to solve the problem of market failure in the domestic milk market, Queensland Dairyfarmers’ Organisation (QDO) chief executive officer Adrian Peake told the QDO conference.

“There has to be some intervention because the discounting hasn’t stopped and our market is not working properly,” he said.

The QDO had recommended to the Federal Government and the Senate inquiry into milk prices that a mandatory supply

chain Code of Conduct, led by a commissioner or ombudsman, be established.

This would have the head of power to assess contract terms, to apply a sustainability test to contracts, to direct mediation or arbitration and to be able to apply monetary penalties for breaches.

Mr Peake said the existing competition legislation also needed to be strengthened. A stronger anti-competitive price discrimination provision, a competition and sustainability affects test and stronger requirements

for ethical conduct needed to be introduced.

The industry is also asking the Australian Competition and Consumer Commission to further investigate potential breaches of the act and undertake ongoing surveillance of the fresh milk chain in Australia.

“We don’t want regulation on price,” Mr Peake said. “We are supposedly operating in a free market environment, but it’s failing.”

“What we are asking for is a market that’s actually transparent and that functions properly.”

# Supermarket power must be curbed

By Carlene Dowie

THE power of the two big supermarkets in Australia must be curbed, Associate Professor Frank Zumbo told the Queensland Dairyfarmers' Organisation conference dinner in September.

Assoc Prof Zumbo, from the Australian School of Business at the University of New South Wales, said Woolworths and Coles were waging war on many fronts and were seeking to dominate markets in groceries and

fresh food, petrol, liquor and hardware. Action needed to be taken because there was no longer a free market, he said. "In a diverse market, people can get up one day and be their own boss and start a business," he said.

Assoc Prof Zumbo said Coles and Woolworths were forcing down the price of milk and using it as a "loss leader". "It's a gimmick to have milk and bread at \$1," he said.

But Coles and Woolworths did not want to give away profits and

would put pressure on the supply chain to reduce the cost they paid for milk.

These companies did not care about their suppliers. "Coles and Woolworths wouldn't lose any sleep if we imported all our milk as UHT," he said. "And that's what happens if we threaten the fresh milk market. In Europe long-life milk is the main milk item. From the supermarket point of view, if they don't sell fresh milk it is easier. It is easier to have UHT on the shelf.

"But if consumers lost access to cheap, fresh milk, they would be worse off."

Assoc Prof Zumbo said Coles and Woolworths had yet to answer questions about the true extent of their advertised cost cutting. They might have reduced the prices on a number of items, but increased the price on others by more.

"That question has not been answered," he said.

Imported products would be considerably cheaper for the supermarkets at present because of the higher Australian dollar.

Assoc Prof Zumbo said market failure in the supermarket area had been so great that a range of initiatives was needed to fix it. These included:

- strengthening the competition and consumer laws, including the power to break up companies that became too large;
- laws against anti-competitive price discrimination at both the retail and wholesale levels, with Australia being one of the few countries in the world without such laws;
- strengthening and proper appli-



Prof Frank Zumbo: \$1 milk is a marketing gimmick.

cation of the Birdsville amendment that prohibited companies with significant market share from lowering prices to decrease competition. The Australian Competition and Consumer Commission had determined that the key to this was if the sale price of a product was below the cost price. But in looking at milk prices, it had simply taken Coles's word that this was the case, with no evidence presented. It had also not looked at whether customers were being ripped off in others areas. It had also determined that because there were two big supermarkets, there was adequate competition; and

• toughening of the merger laws. Assoc Prof Zumbo said people needed to demand these changes through their Members of Parliament. Coles and Woolworths had a lot of political power, but if MPs heard from people – via email and correspondence – that they were not happy with the situation, they would be forced to act.

He said a mandatory code of conduct – modelled on a similar code in the United Kingdom – was needed in the food industry. He urged people to stand up and fight because without these regulations "we will have a bleak future where we will have only the duopoly".

## Challenging Coles spin

QUEENSLAND dairy leaders had taken every opportunity to publicly challenge assertions made by Coles in the milk price war, Queensland Dairyfarmers' Organisation (QDO) chief executive officer Adrian Peake told the QDO annual conference. These included:

- **the price cut had not affected farmers:** This was not true, with a number of farmers in Queensland already having received reduced monthly milk cheques since February as their payments were linked to the proportion of their milk sold as milk company branded milk.
- **milk prices were rising:** This was true in the southern, States where milk was exported, but not in domestic markets.
- **supermarket price contracts with processors had rise-and-fall clauses that provide a safety net:** Mr Peake said QDO welcomed that announcement, but the problem was that the trigger of the clause was retrospective so it wasn't

triggered until after the damage had been done. Mr Peake said the industry in Queensland had a classic example of that now with the industry having suffered a \$70-\$80 million loss due to the floods. "If that's not a reason to trigger a rise clause, then I don't know what is," he said.

• **Coles had increased prices to processors:** The QDO acknowledged that but also noted that the rises had not flowed to the farmgate and processors had stated there was little or no margin in the supermarket contracts.

• **discounting had led to increased milk consumption:** There has been some increase in consumption since the discounting began but no more than had occurred in the comparative months of the past two years when there was no price war. The increased consumption was more a reflection of tight economic times that had led to people eating at home more (and therefore buying ingredients) rather than eating out.

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Good people to know.





**LEFT:** Denise Volz takes a moment to reflect before presenting the Lindsay Volz service award in honour of her late husband.



QDO president Brian Tessmann with former Sunshine Coast dairyfarmer Henry Bath, who received the Lindsay Volz QDO Service Award from Denise Volz.



Alan and Dolores Stock, Lockyer Valley, Qld.



Bill Gulbransen, Mt Mee, Qld; Rob Cork, Maleny, Qld; and Bevan and Joan Geritz, Murgon, Qld.



Sari Geraghty, Millaa Millaa, Qld, and Margaret Saville, Nobby, Qld.



Steve Childs and Daniel Abraham, both of Rosevale, Qld.

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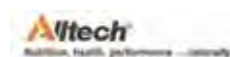
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## QDO underwrote disaster response, recovery program

By Carlene Dowie

THE Queensland Dairyfarmers' Organisation (QDO) underwrote a co-ordinated industry recovery program as soon as the floods and cyclone hit earlier this year, chief executive officer Adrian Peake told the annual conference.

The QDO recognised the need to get assistance to farmers as quickly as possible, given dairyfarming needs to function every day of the year.

The organisation then sought funding from the Queensland Government to cover the costs.

Although this had been a risk, the QDO knew it was important

to be on the ground as soon as possible, Mr Peake said.

He said the quick response meant that every farmer was contacted by phone in the days after the disaster and helped with any issues.

Mr Peake paid tribute to the staff from QDO, Queensland Farmers' Federation, Subtropical Dairy, Dairy Australia, Australian Dairy Farmers, the Department of Employment, Economic Development and Innovation and milk processors, as well as the QDO councillor network, who had all worked long hours to provide assistance and support for affected farmers.

He also thanked the Queensland Minister for Agriculture, Tim Mulherin, who had helped clear blockages when needed to help farmers.

Mr Peake said 99% of Queensland dairyfarmers were in disaster-declared areas, while the remaining 1% were still affected by the disaster.

The disaster is estimated to have cost Queensland dairy farms between \$70 million and \$80 million this year and that impact and figure could well increase into next year.

Some 25 farmers had already left the industry as a result of the disaster and the milk price war and more were expected to do so,

he said. The QDO continues to co-ordinate recovery efforts and had in recent months again contacted every farmer by phone to check on their needs and progress and, if required, to refer them to support and assistance services for help. He said specialist mobile staff had also visited about 180 farms to ensure farmers understood the assistance to which they were entitled.

The QDO also managed the special relief fund set up for dairyfarmers, receiving \$1.4 million from 129 individual donations. Some 435 (or 77%) of farmers had applied for and received a grant from this fund.

## Dairy Australia sees subtropical research first hand

DAIRY Australia chairman Max Roberts and managing director Ian Halliday together with other DA board members and senior staff recently attended the Queensland Dairyfarmers' Organisation (QDO) annual conference. While they were visiting the region they took the opportunity to meet with dairy industry researchers from both the Department of Employment, Economic Development and Innovation (DEEDI) and the University of Queensland (UQ) at UQ's Gatton campus.

Representatives from the three major processors, Lion, Norco and Parmalat, were also invited to attend to see first-hand the projects being undertaken at that location.

DA co-funds the Dairy in

Action and C4Milk projects undertaken by DEEDI. Dr Dave Barber and Dr Mark Callow highlighted the advances being made on their respective projects.

There was also substantial discussion on the investments being made by both DEEDI and UQ into the near-complete dairy infrastructure on campus. It is expected that these new facilities will be officially opened before the end of 2011.

Dr David McNeill from UQ together with Professor Mike Holland and Associate Professor Athol Klieve presented on projects being undertaken with funding from Dairy Futures CRC as well as the teaching and research capabilities on-campus with linkages to the dairy industry.



DA board members, staff and processor representatives tour the new UQ facility at Gatton, Qld.

In the past two years final year veterinary science students have also worked with Dr McNeill in small groups to deliver consultancy reports to 21 local dairyfarmers. These farm visits have included direct measure of and advice on mastitis, reproduction and nutrition. The focus for 2012 will be on calf rearing.

The students have used materials from DA-funded projects such as Countdown Down

Under and InCalf, which is further evidence of the industry levy at work to enable farmers to have knowledgeable and up-to-date vets into the future.

All of these projects link with the Northern Dairy Industry Strategic Plan and dairy research being conducted at Ellinbank, Vic, Tasmanian Institute of Agricultural Research, Vasse Research Centre (WA) and University of Sydney at Camden, NSW.

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# Carbon tax: what compensation?

## KEY POINTS

- Carbon tax to add \$5000-\$7000 to dairy farm costs
- Limited opportunities in Carbon Farming Initiative
- Difficult to cover costs if milk price constrained by supermarkets

By Ross McInnes  
QDO vice-president

THE announcement from Prime Minister Julia Gillard concerning the carbon price of \$23 a tonne leaves many questions unanswered.

Despite the exclusion of agriculture's direct greenhouse gas emissions and concessions on heavy transport diesel for two years, the carbon tax will have severe consequences for the dairy industry with estimations of \$5000-\$7000 per year for an average farm.

This is far higher than the average impact to many other types of farms.

Electricity is a major contributor to these costs and farms in Queensland that use high-pressure irrigation systems will face a higher increase.

Queensland Dairy Accounting Scheme (QDAS) figures for the costs of electricity, fuel and fertiliser average 3.5-5 cents per litre of milk and while electricity has the biggest impact immediately, there will be a domino effect that will add higher costs to a range of farm inputs in 2014 when the tax credits will be cut from transport industries.

Even if the government stays true to its word and leaves the diesel excise exempt on-farm, the eventual impact on freight transport will be severe, particularly in Queensland where distances are greater.

There are some opportunities for farms under the Carbon Farming Initiative, but it appears to cater for more extensive farming systems.

The nature of intensive farms would suggest there are limited opportunities in tree planting in any significant manner to sequester carbon and to access carbon credits.

There are two fundamental questions that need to be asked of government in this debate:

- Is the food people eat and the fibre they wear part of their carbon footprint?
- How do you ensure the increased costs in food and fibre production from the carbon tax get passed onto the end user where the compensation has been targeted?

As I have said before, the answer to the first question should be obvious, so how do we answer the second? The answer to the second question is critical to the future viability and sustainability of our farms and the supply of locally-produced, fresh, high-quality dairy products.

During the milk price war, we have seen the large retailers increase their dominance in milk retailing.

Coles says it has a sustainable price at \$1/litre while Woolworths believes it is unsustainable and still charges \$1/L. This, more than anything else, challenges Coles's assertion that it has little influence on milk pricing.

I have not met anyone in the

dairy industry who believes this pricing is sustainable and will not have long-term implications. Already a group of farmers in Queensland is seeing the impact in their milk cheques month after month, as supermarket discounted milk takes market share away from processor brands.

An environment such as this gives little confidence that dairy value chain costs can be passed on. The \$1 milk is a clear indication of market failure and manipulation by a major player.

Coles has been at pains to say they are not selling milk at less than the buying price, but what about their costs? Statements from the retail sector last year were that most of the 22-24% margin the major retailers received was taken up in costs.

If that statement is correct and as an example we use a number of 18c as being "most" then we have a buying price of about 97c plus 18c for a full checkout cost of \$1.15 and then sold at \$1.

I don't know if these numbers are accurate 'to the cent' and I would welcome clarification from the retail sector, but given Coles has been claiming "commercial in confidence" at every opportunity a searching question was asked at the Senate Inquiry, I am not waiting with bated breath.

Under present legislation, the

Australian Competition and Consumer Commission (ACCC) apparently sees nothing wrong with this practice but the ripple effect across the whole supply chain will last far longer than when these Northern hemisphere executives have concluded their contracts, leaving a trail of damage behind.

The reality is that the retail sector has significant costs and while Coles pursues a policy of increased market share, the supermarket-branded milk will be heavily subsidised by other store lines.

This highlights the dilemma about ensuring that the carbon pricing is targeted in the right areas.

It is no solution to have a cost of \$10 per week for an average family when you have an average dairy farm family being additionally hit with a bill of \$100-\$120 per week and a retail sector using milk as loss leader marketing teaser to attract shoppers while at the same time growing its market dominance.

In fact the nature of the carbon tax will potentially assist the major supermarkets to achieve their all-conquering goal.

If this proposal comes into law, it needs to be effective and equitable and after the initial examination I doubt whether it fully passes either test.

## CFI offers little for intensive farming systems

THE Queensland Farmers' Federation (QFF) said that it had grave concerns that some agricultural production systems were "damned if they did, damned if they didn't" when it came to carbon mitigation policies.

"From what we have seen of the Carbon Farming Initiative (CFI), which is aimed at helping farmers participate in carbon markets and lessen the impact of the carbon tax, there is limited opportunity for intensive farms to participate," QFF chief executive officer Dan Galligan said.

"The nature of intensive farming systems means these farms have little ability to, say, plant

numerous hectares of trees to sequester carbon. A lot of efficiencies with inputs have already been achieved in recent years, yet these farms will still bear the impact of the carbon tax, given the utmost importance of energy inputs into the farming system."

Mr Galligan said there were also questions regarding the point at which an increasing carbon price made CFI activities worthwhile.

He acknowledged that the government had made big budgetary commitments to biodiversity and the CFI in its announcement, and that there was enormous potential for benefits for rural communities.



Despite the emphasis on soil carbon in the Carbon Farming Initiative, there may be limited opportunity for Queensland farmers to participate in the scheme.

"But we also need to be thinking now about the risks, especially for small, intensive farms," he said.

# Six-month mark creates lessons

By Gary Sansom  
QFF president

MORE than six months have passed since the La Niña summer culminated in floods and cyclones across Queensland. It is sufficient time for us to analyse the progress of the recovery and assess our response to these natural disasters.

It has been widely documented that the initial response in terms of the rural sector was too slow and failed to learn from some lessons of the past, including as recently as Cyclone Larry in 2006.

Even when it became clear that both the floods and Cyclone Yasi were unprecedented natural disasters, farmers in some areas had to wait weeks or months to learn what assistance measures would be available to them.

On a broader community scale, the recent interim report from the Flood Commission of Inquiry also identified a number of failings in the disaster response and improvements to be made.

In regard to the farm sector, the Queensland Farmers' Federation (QFF) will be working with the

government to ensure that industry and government are better prepared in the future.

As the initial clean-up work concludes, we enter the next phase of the recovery. This will involve ongoing work with farmers to reinforce the lessons learned and help them prepare, where possible, against future disasters.

Ultimately, Category 5 cyclones and record floods will always cause havoc, but it will be important for recovering farmers and communities to know there are steps they can take to prepare

ahead of the event and that they can instigate procedures that help prepare post-event in the future.

There have been success stories as well.

The latest Queensland Rural Adjustment Authority (QRAA) data on Natural Disaster Relief and Recovery Arrangement shows that in Far North Queensland 2865 farmers and small businesses have received disasters payments averaging \$7395 and totalling greater than \$21 million.

Across the whole State, 11,765 farmers and small businesses have received disaster grant payments totalling about \$102 million at an average of \$8662.

This average payment amount has been climbing steadily, showing that there was an initial focus on \$5000 grants and the second \$20,000 component has followed subsequently.

It is clear from the QRAA data that a lot of work has been done but also, as Major-General Mick Slater has said, "recovery is a marathon, not a sprint".

In Far North Queensland, we are also hearing many positive stories through the Industry Recovery Officer (IRO) program, which is a joint initiative between industry and government helping farmers to access the various forms of assistance on offer.

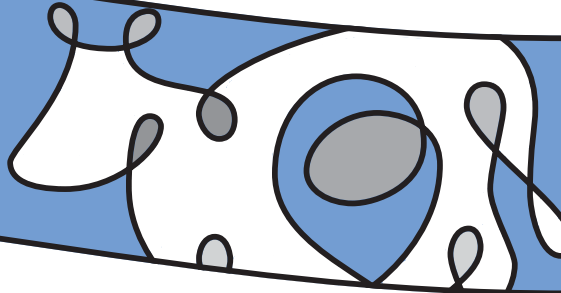
Louis Lardi, one of the IROs in the region, employed by the Australian Banana Growers Council, through QFF, tells me the banana industry is showing good signs of recovery, with bunches back to a nice size.

It looks like carton numbers will return to normal production by the end of November, building up from September. Mr Lardi has been helping farmers such as Grahame Celledoni at Mourilyan get access to the grants I mentioned earlier, which has put his farm back on track faster.

At the time of the cyclone, Mr Celledoni said he was concerned that the various grants and loans on offer would be too difficult to access. It was through the help of Mr Lardi that Mr Celledoni has received grant and loan assistance to get his farm back to where it should be.

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# Recovery a marathon, not a sprint

## KEY POINTS

- Back-up systems installed after Cyclone Larry
- Generators ensured milking continued
- Also provided electricity for houses

By Lyn O'Connor\*

THE dairy industry doesn't stop for anyone or anything, not even Severe Tropical Cyclone Yasi (STCY).

I am an Industry Recovery Officer (IRO) for the cyclone, and my job is to assist primary producers and small business in the response and recovery from STCY in February 2011.

Our family also own a dairy farm at Ravenshoe, Qld, so I know first-hand the impact of STCY and the long road to recovery.

This includes the physical destruction of key assets, working (and living) in a damaged environment and the financial strains of recovery. The sexiest thing in our business, apart from my husband, is our generator.

With the lessons learnt from Cyclone Larry five years ago, the majority of dairyfarmers on the Atherton Tablelands have invested heavily in reliable backup systems to run their dairy plant and milk vats.

The hidden bonus in capital investment in these back-up systems is that for some, the safest and most sensible location for a generator means the house is fully or partially powered for some periods of time.

It is fine to work all day clearing debris and fixing fences, then turn around and milk cows, but at the end of the day if there is something that resembles a hot shower, a meal beyond baked beans, and a light bulb to enjoy it by, then most people will work through it.

After Cyclone Larry, it was 22 days until all Tableland dairy farms had access to mains power.

Back-up systems were damaged in the event or were generally insufficient to go the distance milking and cooling for an extended period.

Recovery was a lot harder, struggling just to milk with some really inventive but dodgy systems.

I am proud to say that the majority of farmers learnt the hard lessons the first time and invested in serious back-up systems that would allow them to milk and cool during extended power outages.

Following Cyclone Yasi, recovery was easier on cows and people because there had been really smart investment in robust back-up systems.

In fact, there were only two farms that had real problems with



Cyclone Yasi caused widespread damage to infrastructure, but the recovery behind the scenes is lengthy as well.

their back-up systems. There is always the risk that systems may be damaged by the event or simply break down under load but there is so much more we can control with a bit of thought, planning and investment.

There is a big lesson in this for other industries and small businesses.

It is important to work out what is important in your business and plan now to do better after the next Larry or Yasi.

A bakery asked me how they could get a free generator. Well, there is no such thing as a free lunch and definitely no such thing as a free generator.

No one wants a massive 'donk' out the back that only runs every five years.

Consider this: a back-up system doesn't need to run your whole business at once. Most things can be broken down into units that can operate at different times.

For example, a smaller genera-

tor can run the dairy plant to milk the cows and then be switched to run the milk vat to cool the milk for storage and easily meet the Safe Food requirements.

While the generator is running to bring the milk vat down to temperature it can also run the house for two hours each morning and night, which is breakfast, dinner by light bulb and a load of washing. The result? Business success and domestic bliss.

Recovery is a marathon, not a sprint. Having a good back-up system means we get a head start.

Since Yasi there has been a lot of focus on banana availability and price. In parting, I offer you my favourite banana quote: *Time flies like an arrow, fruit flies like a banana.* Groucho Marx.

\*Lyn O'Connor is an Industry Recovery Officer with the dairy industry in Far North Queensland. For more information on IROs, contact the Queensland Farmers' Federation, phone (07) 3837 4747.

## Yasi resilience package to boost recovery effort

THE Queensland Dairyfarmers' Organisation (QDO) will be able to deliver additional support services to boost the Cyclone Yasi recovery effort in coming months, made possible with additional funding being provided by the Queensland and Commonwealth governments.

Minister for Agriculture, Food and Regional Economies Tim Mulherin announced that QDO had been granted funding to deliver additional support services and workshops that will assist dairy businesses in cyclone-impacted regions to rebuild their businesses.

The funding is being provided as a component of the Australian and Queensland Government's \$20 million Rural Resilience Fund.

This dairy industry project will deliver vital recovery information and support services to the 66 farmers in the Atherton Tablelands region and four at Eungella (west of Mackay) and help build resilience in an industry that has been battered by natural disaster.

QDO chief executive officer Adrian Peake said the destruction from Cyclone Yasi in February had been severe, and

the recovery effort still had a long time to run.

"In the weeks after the event, milking herds saw milk production fall dramatically," Mr Peake said. "Even now, more than six months on, production may not recover until new lactations are brought into production, and at this juncture we know that there are still many cyclone impacts lingering which need to be targeted. The workshops, services and information from this project will help with that."

"This is important support for the North Queensland dairy

industry, which is a major economic generator for the region with an economic value of farm-gate milk production being some \$40.5 million per year.

"This has a multiplier affect with the total economic value generated for the region equating to about \$121 million per annum."

The project will be delivered through a partnership of the QDO and Subtropical Dairy, with co-ordination with the Department of Employment, Economic Development and Innovation dairy extension team.

# Milk price announcement disappoints

## KEY POINTS

- Lion announces small increase for DFMC suppliers
- Does not cover cost increases
- Milk price war has impact

THE Queensland Dairyfarmers' Organisation (QDO) is extremely concerned for the future viability of Queensland dairyfarmers following the release of details of current negotiations between dairyfarmers and the dairy processing company Lion (formerly National Foods).

In August, milk processor Lion announced the results of its price negotiations with Dairy Farmers Milk Co-operative for the 2011-12 financial year.

For Queensland dairyfarmers the announcement presented a slight increase in the base milk price of a half cent per litre for southern Queensland and one cent per litre for Far North Queensland for milk sold as fresh bottled milk or what is termed Tier 1 milk.

This equates to just a 1% and 2% increase respectively, which is not helping farmers keep pace with rising input costs, with infla-

tion currently running at more than 3%, so in real terms it has been a price cut for farmers. This announcement follows major cuts to farm gate prices by then-National Foods last year by some 15% for one group of Queensland dairyfarmers and by more than 20% for another smaller group of Queensland dairyfarmers.

"The QDO does however acknowledge that there has been a reasonable increase for manufacturing milk or Tier 2 milk for Southern Queensland from 28 to 35c/L, with Far North

Queensland's Tier 2 price staying virtually the same," Mr Tessmann said. "However, we also note yet again that this price is still significantly below the southern or Victorian price for manufacturing milk, which has reached more than 43c/L this year."

The QDO also acknowledges that the negotiations have been undertaken in a difficult environment with the current 'milk price war' continuing to rage and impact returns to processors like Lion, which have recently reported to the Senate Inquiry that their Earnings Before Interest and Tax

on white milk are expected to be negative because of the milk price war. "There is no doubt that Dairy Farmers Milk Co-operative has negotiated the best deal it could at this point in time," Mr Tessmann said.

"Based on Queensland Dairy Accounting Scheme data these prices will barely keep the average sized dairyfarmer in Queensland above break-even, and for many farmers their returns will be in the red, especially given the impacts of natural disasters and rising operational costs," Mr Tessmann said.

## Joanne Grainger new QFF president

THE Queensland Farmers' Federation (QFF) has welcomed south-west Queensland cotton grower Joanne Grainger as the organisation's new president.

At the QFF annual general meeting in September, Ms Grainger was elected unopposed to lead the peak rural lobby group. QDO president Brian Tessmann was elected as QFF vice-president.

QFF chief executive officer Dan Galligan said Ms Grainger brought a long list of achievements in rural industry and agri-

cultural politics to the role and the organisation would benefit from her extensive experience and dedication.

As well as having served as QFF vice-president, Ms Grainger is a past chair of Cotton Australia and sits on the board of the National Farmers' Federation. She also sits on the Queensland Workplace Health and Safety Advisory board.

She farms at Mungindi on the Queensland/NSW border and has been running a successful farming and irrigation enter-



New QFF president Joanne Grainger.

prise there with her husband, Jon, for the past 30 years.

Ms Grainger said that with several major policy issues on the immediate agenda, it would be a challenging and rewarding time to step into the shoes as president.

## Sansom stands down from QFF presidency

THE Queensland Farmers' Federation (QFF) has extended its gratitude to Gary Sansom AM, who is vacating the role of president after more than two decades of service to the organisation.

Mr Sansom, who runs a chicken meat farm at Jimboomba with his wife, Julie, has been president since 2001 and was at the table at the formation of QFF in 1992.

He did not seek re-election at the QFF annual general meeting on September 6.

QFF chief executive officer Dan Galligan said there were few people as well known in Queensland rural politics as Mr Sansom, and his long list of services and dedication to industry was unparalleled.

His achievements include:



- President, Queensland Chicken Growers Association, 1992-2010, and prior to that vice-president from 1985-1992. He is currently a co vice-president.
- President, Australian Chicken Growers Council, 1998-2002; executive officer, since 2004; councillor, 1992-2002.

Queensland Dairyfarmers' Organisation president Brian Tessmann congratulates Gary Sansom on his 10 years of presidency at Queensland Farmers' Federation.

- President, Australian Chicken Meat Federation.
- Member, Chicken Meat Industry Committee, since 1985.
- Chairman, FarmSafe Queensland, since 2004.

He was also awarded a medal of the Order of Australia (AM) for his contribution to the develop-

ment of sustainable agricultural practices and promoting environmental and biosecurity management systems for chicken meat.

"Gary has played an incredible role helping make QFF the respected and well-functioning organisation that it is," Mr Galligan said. "He has made an outstanding contribution to the organisation, its people, and to rural policy in Queensland."

Mr Sansom will continue to be seen in the offices of QFF in various capacities and will assist QFF in many ways.

Mr Sansom said it was an honour to have been so involved with QFF and its members. "QFF is a vital collective voice for agriculture in this State and I am proud of its achievements," he said.

## Flood, cyclone assistance extended to 2012

THE flood assistance disaster recovery package was due to finish on September 30 and the Cyclone Yasi package on October 31. Both will now be extended to January 31, 2012.

The Queensland Dairyfarmers' Organisation (QDO) urges farmers who have not received assistance to contact the Queensland Rural Adjustment Authority and access these funds as soon as possible. Phone 1800 623 946 or visit website <[www.qraa.qld.gov.au](http://www.qraa.qld.gov.au)> or contact the QDO office, phone (07) 3236 2955.

## Griffin leads ADF

UNITED Dairyfarmers of Victoria (UDV) president Chris Griffin was appointed president of Australian Dairy Farmers in August, following the resignation of Wes Judd. As required, he has now stepped down from the position of UDV president.



**New ADF president Chris Griffin**

Fellow Gippslander Noel Campbell and Peter Evans from Western Australia have been appointed joint vice-presidents.

## Parmalat rebuts concerns about NSW dairy industry

PARMALAT has said in the press that rumours it would source milk from interstate to fulfil its contract for Woolworths' brand milk in NSW are untrue. Parmalat supply chain general manager Vince Houlihan told *Country News* in Shepparton that NSW customers would drink locally produced raw milk to fulfil the Woolworths contract.

It comes after claims from Dairy Farmers Milk Co-operative that NSW consumers who buy their milk from Woolworths

would be drinking milk produced by Victorian dairyfarmers.

Mr Houlihan denied the rumours. "Parmalat's contract for Woolworths' private label milk in NSW will be fulfilled with milk produced in the State when supply commences next month," he said.

## Supermarket milk sales up with discounting

SUPERMARKET white milk sales are up about 6% since heavy advertising of discounted private label milks started, according to trade reports. Convenience sales and other traditional route channels have been impacted, with market data indicating a significant drop in sales of white milk.

## National Food Plan

THE Queensland Dairyfarmers' Organisation has provided input to the Australian Dairy Farmers, Australian Dairy Products Federation, Australian Dairy Industry Council and Dairy Australia team working on the national dairy submission to the Federal Government's invitation for comment on the development of a national food plan.

This is an important opportunity for the dairy industry to reiterate its role as a producer of safe and nutritious food, and the policy environment required for it to continue to achieve its important role in delivering economic, social and environmental benefits for Australia.

## Senate coal seam gas inquiry visits

QUEENSLAND Farmers' Federation (QFF) chief executive officer Dan Galligan and water policy officer Ian Johnson have appeared before a Senate inquiry into the impacts of coal seam gas (CSG) projects.

QFF highlighted the justifiable concerns farmers have regarding the dislocation to farming by gas extraction facilities on the surface and the potential long-term loss of ground water needed to sustain highly productive agricultural businesses. There are also con-

cerns about the volumes, quality, and reliability of CSG water supply and the implications for the use of this water over the coming decades.

Mr Galligan specifically drew attention to the case of the farmers who depend upon the groundwater resources for irrigation on the Condamine Plain. Transcripts are available at website <[http://www.aph.gov.au/Senate/committee/rat\\_ctte/mdb/hearings/index.htm](http://www.aph.gov.au/Senate/committee/rat_ctte/mdb/hearings/index.htm)>.

## CPI results for June quarter

THE latest Australian Bureau of Statistics figures show that food Consumer Price Index (CPI) increased by 6.1% through the year to June 2011, up 1.4% from the March quarter 2011, and 4.3% from the December quarter 2011.

However, dairy CPI slipped into negative territory at 4.6% in the June quarter, due to the dip in milk and other dairy prices at 10.8% and 1.8%. This was partly offset by gains in cheese prices of 2.3%.

## Report card delivers further information on reef health

THE Queensland Government's Reef Plan has released its 'First Report Card' on the Great Barrier Reef (GBR), detailing an analysis of the health of the reef and water quality in its catchments in 2009. The next report in 2012 will be a snapshot of the improvements made after then.

For instance, since it started in 2009, Reef Rescue program has assisted an additional 1.2 million hectares of land bordering the GBR to be farmed using best management practices. Farmers and graziers along the coast have been successfully working on the Commonwealth-funded Reef Rescue program to target the areas of concern for the reef.

While dairy farms are exempt from State Government Reef regulations – thanks to concessions fought for by Queensland Dairyfarmers' Organisation – it is important that the industry maintains an interest in this area and continues to promote the

large amounts of Natural Resource Management (NRM) work already being undertaken on dairy farms in regions adjacent to the reef.

## Step closer to a tick vaccine

AUSTRALIAN scientists believe they may be a step closer to finding a cattle tick vaccine that could save the national cattle and dairy industries about \$175 million per annum and reduce the need for pesticides. Using a novel science that has not been carried out anywhere else in the world, researchers have pinpointed tick vaccine antigens that will enable cattle to resist tick infestations.

The research, which is being led by the Queensland Alliance for Agriculture and Food Innovation, The University of Queensland and the CRC for Beef Genetic Technologies, recently recorded 50 to 87% protection from ticks in cattle trials using pre-optimised immunisation conditions.

## Basin reform delay must ensure best outcome

CHAIRMAN of the Murray-Darling Basin Authority (MDBA), Craig Knowles, has issued a statement detailing another delay to the release of the draft Murray-Darling Basin Plan. In August, the MDBA publicised that the draft would be released in mid-October, but Mr Knowles in his recent statement has added that this will now be the 'pens-down' date.

This means the draft will then be released to the public in November, followed by 20 weeks of consultation. The Federal Government and the MDBA must use this delay to the draft Basin Plan to ensure they deliver an outcome that strikes the right balance for communities and the environment.

In the weeks ahead and during the consultation period, Queensland Dairyfarmers' Organisation will be advocating on behalf of Queensland dairyfarmers in the basin, as well as through our membership of Australian Dairy Farmers and Queensland Farmers' Federation.

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**KEY POINTS**

- Northern Dairy Conference October 12-14
- Combined Subtropical Dairy annual forum, annual general meeting and Young Dairy Network Skimming the Cream project final stage
- Great line-up of speakers from across Australia to present at conference

# Keep it flowing: Northern Dairy Conference

CREATING opportunities, staying motivated, sharing ideas and examining production options for the future is what delegates will experience at the Northern Dairy Conference from October 12 to 14 at the Gold Coast.

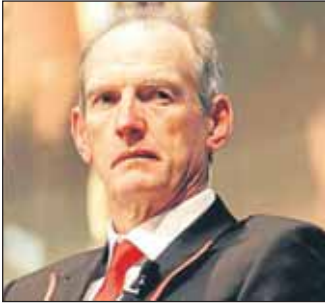
Combining the Subtropical Dairy annual forum and annual

general meeting, and the final stage of the Young Dairy Network Skimming the Cream project, the conference will feature a line-up of speakers who will provide expert analysis on issues crucial and relevant to the industry in the subtropical region.

Headlining the event is one of Australia's most successful, influential and innovative sports coaches Wayne Bennet, who will entertain and motivate farmers with his keynote address at the dinner. His knowledge about creating opportunities and self-motivation, as well as his under-



2010 RIRDC Rural Woman of the Year Sue Middleton will be a key speaker at the Northern Dairy Conference.



Wayne Bennett will inspire and motivate at the Northern Dairy Conference.



Peter and Grant Evans will discuss how they are managing the transition of ownership in their farm business.

standing of how to deal with the tough times and more importantly how to learn from them, is certain to resonate with farmers.

The 2010 RIRDC Rural Woman of the Year Sue Middleton will be a key speaker at the conference and will be

focusing on the enormous potential in positively using piggery waste to generate energy and on finding practical on-farm solu-

tions to embrace a clean energy future.

Other key speakers include Peter and Grant Evans, winners of the Western Australia Dairy Business of the Year Award, who excel in the areas of milk production, labour efficiency and concentrate cost, and have succeeded in outperforming the top 15% of dairy farms in WA in overall profitability. Their ongoing experience with the transition of farm ownership will be the focus of their address at the conference.

The managing director of Dairy Australia, Ian Halliday, will officially open the Subtropical Dairy annual forum and will bring with him the experience of a career that has spanned the supply chain. Mr Halliday has successfully worked in an extensive range of management roles, most recently as the chief executive officer of Vesco Foods, and previously with SPC, White Wings, Kraft Foods and KR Castlemaine.

Conference organiser Vivienne McCollum said the conference would allow the northern dairy industry to showcase the latest in technology, practice and ideas, and would provide dairyfarmers with relevant and practical information designed to specifically address the issues of the region.

"The joint conference will address the challenges we have faced and are yet to embrace, and on the future of the northern dairy industry," Ms McCollum said.

"Our aim is to build resilience in the industry and improve the sustainability and profitability of farms, while giving farmers some great opportunities to network, relax and have fun."

Thanks must go to all the sponsors for helping to ensure that the Northern Dairy Conference is a huge success.

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# Skilling for our future

## KEY POINTS

- New northern dairy training program
- Offers range of courses
- Provides accredited qualifications
- Taps into existing Dairy Australia courses

“2030 is now considered the deadline by when existing food and fibre production must increase by 50% to meet a rapidly growing world population – and from a trajectory of less water, less arable land, fewer nutrients, diminishing fossil fuels, and a more erratic and warmer climate. It’s what many commentators are referring to as the ‘perfect storm of shortages’. Are we ready? The profound shifts needed to meet this challenge in technology, science, our practices, how we work together, and most especially the skills of our people, suggest that’s far from the case. It’s a level of change starting to be seen as comparable to the great industrial and agricultural revolutions. National consultation and validation for the 2010 Environmental Scan has highlighted four key skills and workforce development challenges that need to be urgently addressed; issues that necessitate unprecedented collaboration between governments, AgriFood and a re-conceived training system:

- attraction of workers;
- adoption of higher level skills across the workforce;
- adoption and diffusion of new



Key staff on dairy farms will require management skills across all operational areas of a dairy business and a new industry initiative will help develop training programs for the industry.

research, practice and technology across the industry; and

- workforce retention and effective skills utilisation.

For its part, industry will need to deliver a level of leadership not seen to date on skills and workforce development.”

THE above is an excerpt from the AgriFood Skills 2010 Environmental Scan.

Industry predictions for the northern dairy industry are for a reduction in farm numbers in the next decade. However, there will be an increased requirement for fresh milk production to meet the needs of a growing population in our region. Therefore, the remaining farms will need to increase production from an average of 900,000 litres to as high as 1.8 million litres by 2020. To achieve this demand farms will require increased labour with the appropriate skills sets.

Existing farmers will need enhanced skills to deal with the

management of labour, key staff will require management skills across all operational areas of a dairy business and dairy staff will need to be up-to-date on a range of operational issues, including the topics of cups-on cups-off, mastitis identification and rectification, the rearing of healthy calves, and workplace health and safety regulations.

To address these needs Subtropical Dairy, on behalf of the industry, has identified skills, education and training as one of the key components of its draft Strategic Plan 2012-17. After discussions with the Queensland Dairyfarmers’ Organisation (QDO), it has been agreed that Subtropical Dairy will take the lead in driving skills enhancement throughout our northern dairy industry.

From more than 200 applications totalling \$170 million, Subtropical Dairy has been successful in securing \$300,000 in funding from Skilling

Queensland for the next two years to address a number of identified skill shortage areas within the northern dairy industry.

Some of the options available under this program will include:

- specific short courses on individual skills sets;
- mapping of existing extension programs to Australian Quality Training Framework (AQTF) competencies;
- Train the Trainer courses;
- company director training;
- introduction to dairy courses;
- accredited qualifications at levels ranging from Certificate II through to Advanced Diploma; and
- other Dairy Australia and National Centre for Dairy Education Australia (NCDEA) courses.

**MORE INFO**  
**Neale Price**  
**Mobile: 0400 022 843**  
**Email:**  
**<neale@dairyinfo.biz>**

## Women’s workshop to lift performance

SUBTROPICAL Dairy is running a two-day workshop to give dairying women an insight into improving their performance.

The project starts with a workshop that includes the Myers-Briggs personality type assessment (MBTI). The program is designed to enable participants to develop a better understanding of themselves

and learn how to focus their attention, acquire information and make decisions in their dairy business.

A one-on-one coaching session is included after the workshop to identify implementation strategies of MBTI back in the business. Facilitated by Barb Bishop, it will help women recognise and understand the

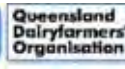
differences between people and what makes them tick.

The goal of the project is to help women create a more positive work environment, function more productively and enhance their leadership potential.

The workshop will be held on November 8-9 at Rydges Oasis Resort, Caloundra, Qld.

The cost of the project to each participant is \$77. This includes the workshop, accommodation and meals, and the one-on-one mentoring component.

Visit website <www.dairyinfo.biz> to download the application form and project flyer. Return the form by October 14 to email <wid@dairyinfo.biz> or fax (07) 5483 5412.



# InCalf, Healthy Calf workshops planned

## KEY POINTS

- InCalf, Healthy Calves and Grains2Milk adviser training held
- Plan to deliver workshops in Subtropical Dairy area

DAIRY Australia program managers Dr Barry Zimmerman, Dr Steve Little and Dr Jamie McNeil delivered training ses-

sions to northern dairy advisers on September 20-21.

The sessions on Putting Transition Cow Management into Practice, Fertility Data Analysis and Healthy Calves were held at the University of Queensland (UQ), Gatton.

More than 30 advisers including veterinarians, feed company representatives, processor field staff, nutritionists, consultants, Department of Employment, Economic Development and Innovation (DEEDI) staff, NSW Department of Primary

Industries (DPI) staff and UQ educators, as well as some invited farmers, attended the training, which was funded by Subtropical Dairy.

InCalf is providing this update to ensure all advisers to the dairy industry are aware of the latest information, research and data coming from that program.

The Healthy Calves workshop for advisers is looking to identify advisers in the Subtropical Dairy region who are interested in delivering the

Healthy Calves workshop directly to farmers. Subtropical Dairy has been able to source funding from Dairy Australia to run a number of workshops throughout the region to supplement the recently distributed *Rearing Healthy Calves* book.

Anyone interested in having one of these workshops in their region should contact Subtropical Dairy executive officer Neale Price, phone (07) 3396 6229 or email <neale@dairyinfo.biz>.

## Cow condition at calving

NOW is a good time for herd managers to review the body condition of dairy cows with a view to improving herd fertility, cow health and milk production.

Dairy Australia's InCalf project leader, Dr Barry Zimmermann, said body condition at calving was critical and needed to be managed through nutrition.

"Cows in ideal body condition at calving have better fertility than cows in lower body condition," Dr Zimmermann said. "They are more likely to be cycling, be submitted for insemination and conceive at the next mating."

'Ideal' body condition at calving is between condition score 4.5 and 5.5. The body condition of Australian dairy cows is scored on a 1-8 system, as outlined in the Condition Magician booklet, available on the website.

"We all know that cows lose some body condition in early lactation



but those that lose more than one body condition score between mating and calving have reduced fertility," he said.

"Most herds have some cows that are too thin at calving and others that lose too much body condition in early lactation, usually after being too fat at calving."

Excessive losses are common when cows calve in body condition score above 5.5. Extended-lactation cows are especially prone to be over-conditioned if not managed well.

"Managing body condition is all about managing your herd's nutrition program," Dr Zimmermann

said. "Improving nutrition from late lactation to early calving pays off in the coming season through improved fertility and milk production."

Some options for improving body condition include:

- improving nutrition for the whole herd during late lactation;
- early drying off for cows below condition score 4.5 at late lactation;
- preferentially feeding cows below condition score 4.5; and
- 'lead feeding' in the last few weeks of the dry period.

To minimise body condition loss in early lactation, consider:

- feeding the highest possible quality pasture to cows in early lactation;
- feeding supplements to balance nutrient intake;
- preferentially feeding cows in early lactation if possible with the bail feeding system.



Cows that calve in body condition score above 5.5 (pictured) are at risk of losing excessive body condition in early lactation.

For information, visit website <[www.dairyaustralia.com.au/Animals-feed-and-environment/Fertility.aspx](http://www.dairyaustralia.com.au/Animals-feed-and-environment/Fertility.aspx)>, or contact InCalf, email <[enquiries@incalf.com.au](mailto:enquiries@incalf.com.au)> or phone (03) 9620 7283.

## Calf care critical to dairyfarmers

AUSTRALIA'S dairyfarmers are continuing to raise the bar in the care of their calves through hands-on work with calf-rearing experts.

Dairy Australia is rolling out a number of workshops across the nation's dairying regions. The workshops are part of the Healthy Calves Program, which has a strong focus on the first week of life when the calf is most vulnerable.

Dairy Australia Healthy Calves project leader Dr Jamie McNeil said the workshops arose

from recent farmer surveys of calf-rearing practices which found farmers were keen to learn more about best practices and calf management research.

"The workshops are designed to help farmers and calf rearers remain abreast of the latest developments in calf rearing and raise awareness of recent changes in animal welfare standards and regulations," Dr McNeil said.

"The quality of calf rearing is improving all the time as farmers understand the value of rearing

well-grown, healthy herd replacements and the importance of selling strong, fit and residue-free calves."

Interest in the Healthy Calves workshops held so far in Gippsland, Tasmania and South Australia has been excellent. Participants said the workshops "reinforced best practices" and provided information and practices which could be "easily implemented and make a big difference to calf health".

Colostrum management is one

of the key topics covered in the one-day Healthy Calves workshops and, as part of this subject, farmers who attend are learning to use a simple tool called a Brix refractometer, a device commonly used in viticulture to measure the sugar content of grapes.

Farmers can request a copy of Dairy Australia's *Rearing Healthy Calves – How to Raise Calves that Thrive* handbook from Dairy Australia manager of animal health, Kathryn Davis, on email <[kdavis@dairyaustralia.com.au](mailto:kdavis@dairyaustralia.com.au)>.



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<b>Thursday 23rd</b>	Conference Day 2 at Lardner Park and Rabobank Conference dinner at Kernot Hall, Morwell
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# It could be another wet one this year

## KEY POINTS

- Wet spring-summer forecast
- Prepare now to reduce problems
- Manage nutrition of cows

By the Department of Employment, Economic Development and Innovation Dairy Team

THE meteorologists at the Bureau of Meteorology are talking about another wet outlook for this spring and summer. Looking at spring rainfall (September through to November 2011) on the map, there are rainfall probabilities of 75% for exceeding 100 millimetres across the dairying areas of the State.

Forecasters are again warning of wetter conditions this coming season, although the indications are not as bad as last summer. Some meteorologists are now saying that they are seeing signs of a La Niña pattern redeveloping.

With this in mind it's probably a good time to again rethink about some weatherproofing options for farms and infrastructure.

Some of the most significant damage last season occurred to infrastructure such as roads, tracks, laneways and fencing. Many farmers would have taken the opportunity to access flood and cyclone recovery grants to undertake repairs to these assets. Those who haven't already should consider doing so. Funding deadlines have been extended to the end of January 2012.

If there are issues with potholes and drainage now, these need to be attended to, as things will only get worse if another big wet occurs.

Landowners should consider all re-gravelling, crowning and drainage needs and try to book contractors now. Many are still busy.

## Laneways, feed-out and storage areas

While the gravel trucks and bob-

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Milk

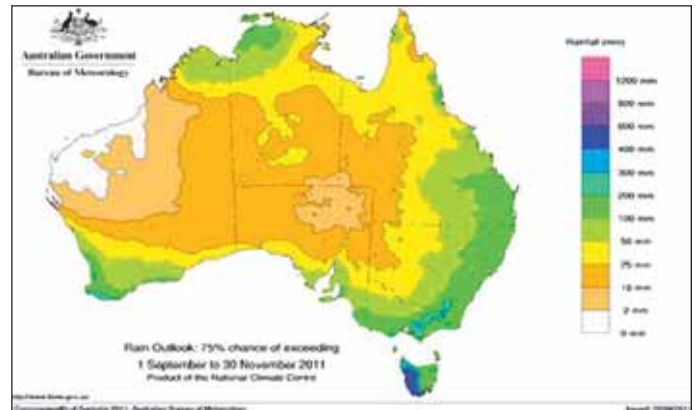
cats are rolling, it's also time to look at areas around feed and water troughs, laneways and access to silage and feed storage areas. Some housekeeping now on these areas may save a lot of frustration and expense later on.

It might even be a good time to consider concreting known problem areas, especially the floor of silage bunkers, many of which may be empty right now and ready for concreting. It's worth remembering this work will become even more difficult to undertake when and if the wet weather really kicks in.

## Mastitis and hoof problems

Everybody had bad experiences with the wet and muddy conditions last wet season. Mastitis and hoof problems were a major headache for most. Every summer, high cell counts return as the mud and heat ramp up.

Dayfarmers should consider putting in some wet weather lounging and calving areas for the herd that can be easily cleaned and/or maintained. It is important to pay particular attention to entry and exit points at the dairy. Where concrete ends, problems begin by greatly increasing exposure of teat ends to gross contamination from mud and slush. Teat ends are still closing up and keratin plugs forming for anything up to an hour after milking. Attention to these areas will go a long way to reducing mastitis and foot problems. It's a good idea to review mastitis prevention and control strategies and brush the dust off the Countdown Downunder farm guidelines and, in particular, the calving and lactation sections. Better still, it's worth going to an updated version at <[www.dairyaustralia.com.au/Animals-feed-and-environment/Animal-health/Mastitis.aspx](http://www.dairyaustralia.com.au/Animals-feed-and-environment/Animal-health/Mastitis.aspx)>.



Keeping teat ends healthy and clean are the keys to reducing the impact of mastitis. Talk to a vet about using teat sealants along with dry cow therapy at dry-off from now on. Cows drying off now may be exposed to wet muddy conditions leading up to summer and may benefit from this extra protection. It doubles the cost of drying off but the added protection is worth it. Read more detail at the above updated website.

Lameness is likely to become a bigger problem, particularly if the wet conditions persist. There are a couple of options to reduce the risk or incidence of laminitis from wet feet, including using a foot bath of copper sulphate or adding a feed additive such as biotin to the diet.

Copper sulphate mixed at a rate of 4% with water can be used as a foot bath as the cows leave the dairy. If the dairy does not have a foot bath, look at specially designed mats or even some second-hand shagpile carpet. Make sure the copper sulphate solution is recharged daily to get the best benefits.

With respect to feed additives, make sure the trace minerals mix is providing sufficient minerals such as zinc, which will help with hoof strength. Another option is to use biotin as an additive to strengthen the hoof as it grows. However, something like biotin will take two to three months to strengthen the hoof.

## Effluent ponds and manure storage

Reducing volumes in storages and ensuring that rainfall runoff does

not enter storages may be worth attending to now.

## Back-up power and contingency plans

If the farm has a back-up generator, do some maintenance and get an electrician to check it over. If things get rough with the extra storm and cyclone activity forecast, back-up power may be needed. If relying on power take-off (PTO) drives for the milking plant, check that all is ready to go there as well.

Based on last season, a little bit of planning and preparation now in relation to the things over which farmers have some control may pay huge dividends and reduce the stress, hassles and costs that wet weather and flooding can bring.

## Forages and cow nutrition

It is a good time now to consider stored or supplementary feeding options in terms of extra silage, hay or supplements to have on-hand if it gets wet. It is also a good time to look at the feed plan to ensure enough feed is on-hand for the wet period in summer and the typical autumn feed gap.

Another point to consider is managing the nutrition of cows by maintaining feed intake and diet quality to ensure that body condition is not over-utilised over summer.

Maintaining good body condition scores will mean a better chance of maintaining milk yield and composition during the wet period and being in a better position for cows to respond when the weather and feed quality improves.

## Dairy In Action update

IT'S been a busy start to the financial year as Dairy In Action (DIA) has kicked off its extension activities across Queensland.

The finalised regional extension plans were excitedly ticked off by industry in late July.

Industry members were eager to see the roll-out of activities reflective of regional needs assessed earlier in year.

Using the Forage, Nutrition and Business Plus brands, Department of Employment, Economic Development and Innovation (DEEDI) staff have already delivered a number of extension activities around the State, with a great response

from those involved.

In mid-August, as part of Nutrition Plus a field day was run in Far North Queensland looking at 'Feeding cows until the first storms arrive', which attracted 18 local farmers or more than 30% of the industry. An in-depth morning discussion touched on transition herd feeding, pasture fertilising and management, and following a paddock walk farmers analysed the financials around protein sources and alternate feeds to supplement their tropical summer pastures in efforts to maintain cow condition.

Far North Queensland also saw two new DIA discussion

groups start during August: one in Ravenshoe and the other in Malanda. The initial workshops were a great success, with follow-up farm visits already attracting new members. By popular demand, a third possible group may start early next year.

The Southern Downs, South East and Gympie DIA discussion groups also continued, with guest speakers discussing best pasture management practice, a new farm visit looking at manure composting and its benefits and Queensland Dairy Accounting Scheme (QDAS) figures, all in the respective regions.

New DIA groups are planned

to start on the Northern Downs and in the Brisbane Valley in the next few months, and anyone interested in joining a discussion group should contact a DEEDI staff member.

As part of the C4Milk research project, a survey was conducted to estimate the Feed Conversion Efficiency (FCE) on 70 farms across Queensland during late July and August. The project will be looking to benchmark FCE across the State through surveying farmers and taking feed samples to analyse the amount of milk produced from the dry matter intake consumed by cows. There were more than 70 farms surveyed, which gave DEEDI staff a great chance to get out on to farms and catch up with the progress and positivity this season.

Forage, nutrition and business activities will be happening throughout the regions.

**Contact: Jo Gorman at Gatton, phone: (07) 5460 1192.**

### Dairy in Action calendar

Date	Topic	Region	Contact
October 27	Grazing management, Forage Quality & Nutrition	North Coast	<ross.warren@deedi.qld.gov.au>
October	Basic Nutrition Course	Northern Qld	<david.barber@deedi.qld.gov.au>
October	Heifer/Dry/Springer Nutrition	Central Qld	<david.barber@deedi.qld.gov.au>
October	UQ Gatton Open Day	South East	<johanna.gorman@deedi.qld.gov.au>
November 16	QDAS Results	Northern Qld	<ray.murphy@deedi.qld.gov.au>

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# Ideas for making money from milk

## KEY POINTS

- Young Dairy Network discusses ways to diversify
- On-farm processing project outlined
- Methane production discussed

DIVERSIFYING the farm business and converting milk and methane into money were the focus of three Young Dairy Network (YDN) dinners and workshops held in late August as part of the final stage of the Farm Ready Project.

Young dairyfarmers and local agribusiness came together in Gympie, Boonah and Toowoomba to socialise and hear from guest speakers about a range of opportunities and options for diversifying and making money from their dairy businesses.

Sharing his story at all three forums of building an on-farm milk-processing business was Geoff Hutchinson of Windy Vale Holsteins and Fleurieu Milk and Yoghurt Company in South Australia. Mr Hutchinson brought a wealth of knowledge to the forums about his path to improved farm-gate returns through processing his own milk.

In 2003, at a time when the South Australian dairy industry



Sam Wieland, Angela Gray, Brydee Gray, Chris Gray, Craig Sellars and Melinda Pocock at the SEQ dinner.



Brett Brasington, Leanne Brasington, Rod Brasington, Craig Teese, Ross McInnes, Peter Bischoff and Ross Lehmann at the SEQ dinner.



Karen Conochie, Stewart Conochie, Dylan Conochie, Ian Leitch, Joseph Kime, Steve Childs, Tom Prenzler and Kerry Johnston at the SEQ dinner.



Clint Steven talks at the South East Queensland Young Dairy Network event.

was experiencing poor farm-gate returns for milk, Mr Hutchinson and his partners started up Fleurieu Milk and Yogurt Company.

Mr Hutchinson discussed the regulations, research and planning that went into establishing Fleurieu, which is currently selling about 50,000 litres of milk products and a tonne of yoghurt per week and achieving roughly double the price at the farm gate than they would have been

receiving if they had stayed with a large processor.

Also bringing his expertise to the Toowoomba dinner was Ben Woodhouse, founder of Maxum Foods and Performance Feeds, which is one of Australia and New Zealand's principal suppliers of dairy products to the animal nutrition and human health and nutrition industries.

Mr Woodhouse gave a dynamic presentation on how to build alternatives to traditional sales and marketing avenues for milk. His enthusiasm and determination left the group of young dairyfarmers motivated, thinking outside the square and ready to challenge the obstacles put before them.

Sunshine Coast YDN farmers were joined by program manager of the Methane to Markets in Agriculture project Griff Rose, who spoke about his work on a wide range of activities relating to the capture and use of emitted methane in many of the Australian intensive livestock industries, including dairy.

Mr Rose outlined some of the experiences and outcomes from their project sites and the oppor-

tunities for dairyfarmers to generate energy and income from the capture and use of methane. While there are few existing opportunities for dairyfarmers to generate significant income from the capture and use of methane, the introduction of the government carbon farming initiative the next year will change the current demand for carbon credits from agriculture.

The dinners and workshop were put together by the Sunshine Coast, South East Queensland and Darling Downs branches of YDN, and thanks must go to the local sponsors for each event.

The Farm Ready Project is funded by the Department of Agriculture, Fisheries and Forestry under the FarmReady initiative, part of Australia's Farming Future.

## YDN Monthly Newsletter has gone 'e'



AUGUST 2011 saw the first publication of the new-look Young Dairy Network (YDN) e-newsletter. This monthly publication will be produced by the YDN co-ordinating team and sent out to all members and interested industry people.

It covers what has been happening in the network, hatches and matches, a regional roundup, information on coming events and lots more.

Anyone who is not yet receiving this newsletter and would like to should send their details to Vivienne McCollum, email <vivienne@dairyinfo.biz>, or to their regional co-ordinator.

The e-newsletter can also be viewed by visiting website <www.dairyinfo.biz> and following the links to the YDN page.

## MORE INFO

**Vivienne McCollum**  
Phone: 0428 718 620  
Young Dairy Network  
co-ordinators  
Website:  
<www.dairyinfo.biz>

# NRM activities planned

## KEY POINTS

- Range of grants available
- Wet weather workshops planned
- Soil workshops to be held to help outline Soil Nutrient Management Plans

### Reef Rescue round four

THE Reef Rescue program aims to fund projects that improve land management practices to help reduce nutrient, pesticide and sediment run-off from agricultural land entering the Great Barrier Reef lagoon. Water Quality Grants have been accessed for projects involving creek-crossing establishment and improvement; riparian, sediment and nutrient management; nutrient re-use; and soil erosion.

The Queensland Dairy Natural Resource Management (NRM) team has recently completed 19 applications for round four Water Quality Grants to Burnett Mary Regional Group (BMRG) for projects in the Burnett and Mary River catchments. Successful applications will be notified in



Reef Rescue helps improve land management practices to lift the quality of water entering the Great Barrier Reef lagoon.

early October through the NRM team, and the projects need to be completed by May 2012. These projects combined will cost \$498,000 and each project could receive funding up to a \$15,000 limit where the farmer will be contributing a minimum of 50% of the total project cost.

The round four applications for project work lodged through Terrain NRM amounted to a total of \$328,154.30.

These projects are to improve water quality of the Johnstone, Barron and Herbert River catchments.

The completion date for

round three grants through BMRG is October 31, while the completion date for round three grants through Terrain NRM has been extended to December 31.

Farmers are reminded to make sure they contact the NRM team once they have completed the work so they can finalise

## Dung to dirt project to deliver wins

SOUTHERN Queensland dairyfarmers will be making continued improvements to soil carbon and soil health on their farms, via a new project to be undertaken by the Queensland dairy natural resource management (NRM) program.

The project 'From Dung to Dirt - Improving Soil Carbon and Soil Health on Qld Dairy Farms' was announced last month as part of the latest funding round of the Caring for our Country Program, run by the Federal Government.

The project, which will be managed by Queensland Dairyfarmers' Organisation (QDO) on behalf of the dairy NRM program, will be assisted with \$295,700 in funding, which will ultimately see 40

Queensland dairy farms reduce soil loss and increase soil carbon levels by implementing best management practice on their farms and increased industry knowledge on best practice across the industry.

QDO chief executive officer Adrian Peake said the program would roll out via workshops, field days, on-farm trials, case studies and practical work on-farm.

"We greatly appreciate this funding support from the Federal Government for our program," Mr Peake said. "This funding will allow dairyfarmers to improve their knowledge and skills in soil management, assess current soil condition and the risks to soil health and the envi-

ronment, and develop soil and nutrient management plans."

It will lead to improved management practices on about 4000 hectares of farming land.

Mr Peake said the project would deliver positive benefits for farmers and for the environment.

"Dairyfarmers are continually raising the bar when it comes to best practice and farm management," he said. "This project is another link in the chain to help farmers continue to improve their practices, which is good for the farm bottom line while also delivering environmental outcomes."

The dairy NRM program is a partnership between QDO and Subtropical Dairy, and supported by Dairy Australia.



This funding will allow dairyfarmers to improve their knowledge and skills in soil management.

## Dairyfarmers kick goals for Moreton Bay water quality

DAIRYFARMERS in the Lockyer, Logan-Albert and Bremer catchments have recently received funding to improve management practices on farm.

Twenty-three farmers received more than \$40,000 to help with improving soil and nutrient management, erosion control and riparian management. More than 24 projects are being carried out by the farmers through assistance from the Caring for our Country-funded project Cows on the Coast.

Dairyfarmers were assisted by the Dairy Natural Resource Management (NRM) team's industry development officers through the Dairying Better 'n Better program, which includes completing the Dairy Self Assessment Tool (DairySAT) to benchmark, assess and prioritise practices on-farm to improve.

A range of priorities were identified across the region, including:

- manure spreading;

- riverbank erosion control and mitigation;
- effluent management and reuse;
- laneway upgrading;
- installation of off-stream watering points;
- improving soil structure; and
- reducing following practices through planting of permanent pasture and creek crossings.

The projects will be implemented by the successful applicants in the coming 12 months, with the results to benefit their business, the environment and the community. An additional round of funding in the three catchments will be advertised early next year.

Dairyfarmers are encouraged to contact the Dairy NRM team to receive an on-farm visit to become involved in the Dairying Better 'n Better program. The team can be contacted on phone (07) 3236 2955.

The Dairy NRM program is a partnership between the Queensland Dairyfarmers'



Improved manure spreading techniques was one of the areas identified under the Cows on the Coast project.

Organisation and Subtropical Dairy and is supported by Dairy

Australia through the Dairying for Tomorrow initiative.




### NEW PROGRAM!!!

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Queensland Producers ONLY  
March 2010 - December 2012

**Farm Walks, Field Days & Workshops**  
A range of farm walks, field days & workshops will be held over the program, to allow producers to access information & learn more about new technologies & ways to improve water use efficiency & productivity on farm.

**On Farm System Assessment (OFSA) Service**  
Carried out by independent service providers, to provide you with advice to improve your irrigation or water reuse system. The assessment includes an evaluation of current system & recommendations to improve system.

**Irrigation Scheduling Equipment Scheme**  
New grant, provides a 12 month loan of scheduling equipment to eligible producers to increase performance on their low pressure system. The scheme also provides producers with a demonstration on how to use the equipment. The equipment will assist producers to irrigate pastures & crops effectively.

**Financial Assistance Scheme**  
The scheme is available to eligible dairy farms & commercial fodder producers\* & includes two grants:  
i. System Improvement Implementation Grant  
ii. Efficiency Achievement Grant

To be eligible to apply for a grant under the Scheme, an eligible producer must either attend a DFWP Workshop & / or have an OFSA carried out on their system.

**If you are interested in becoming involved please complete the enclosed Expression of Interest (EOI) & return to QDO.**

\*conditions apply

Queensland Dairyfarmers' Organisation  
PO Box 13061, George St Post Office Q 4003 / Phone: 07 3236 2955



Irrigation  
Water Reuse



NDF1138006

◀the project for final funding.

Interest from farmers in adopting a new or improved management practice to improve water quality leaving their business has increased greatly in the past few years.

It is encouraging to see a long-term strategy from farmers towards natural resource management and sustainable farm practices, while improving their business at the same time.

The NRM team hopes the farmer investment will continue to grow and aid future investment in Dairying Better 'n Better for the Reef.

### Soils workshops

The NRM program will be running a series of soil and nutrient workshops in the next six months through Dairying Better 'n Better for Tomorrow groups across the Burnett Mary, Central Queensland and Far North Queensland and in the Logan-Albert, Bremer and Lockyer River catchments.

Workshops will assist farmers to develop and improve knowledge of soil structure and biolo-

gy, improving nutrient management practices and looking at nutrient-use efficiency.

This knowledge will help producers to understand the Soil and Nutrient Management Plans (SNMPs) that will take place on farms between now and September 2013.

These workshops will be funded through the Cows on the Coast and the Q2 Coasts & Country project, which were set up to improve knowledge of soil and nutrient management practices of farmers in the Moreton Bay and Great Barrier Reef catchments.

### Wet weather workshops

The NRM team is planning workshops across the State to assist farmers in preparation for this year's wet season. These will take place in late October and early November through the Future Ready Dairy Systems project and will cover the management issues of foot care, fertility and nutrition during the wet months of November to February.

**October 12-14: Northern dairy conference Skimming the cream climax**

**Subtropical Dairy annual forum Mermaid Waters, Qld**

Contact: Vivienne McCollum  
Program manager Young Dairy Network  
Phone: (07) 4697 9311  
Mobile: 0428 718 620  
Email: <vivienne@dairyinfo.biz>

Contact: Phone (02) 6621 5916  
Email: <lissshow@bigpond.net.au>

**October: Basic Nutrition Course**  
**TBA: Far North Qld**

Contact: Dave Barber  
Email: <david.barber@deedi.qld.gov.au>

**October: Grazing management, forage quality and nutrition, North Coast, Qld**

Contact: Ross Warren  
Email: <ross.warren@deedi.qld.gov.au>

**October: Heifer/dry/springer nutrition**  
**TBA: Central Qld**

Contact: Dave Barber  
Email: <david.barber@deedi.qld.gov.au>

**November: Women in Dairy – Insight for Improving Performance, Caloundra, Qld**

Contact: Women in Dairy  
Email: <wid@dairyinfo.biz>  
Website: <www.dairyinfo.biz>

**October: UQ Gatton Open Day**  
**TBA: Gatton**

Contact: Johanna Gorman  
Email: <johanna.gorman@deedi.qld.gov.au>

**November: QDAS results**  
**16: Far North Qld**

Contact: Ray Murphy  
Email: <ray.murphy@deedi.qld.gov.au>

**October: Workshop for Rural Women**  
**10-13: Canberra**

Contact: Barb Grey  
Phone: 0400 002 843

**November: DFMC National Convention**  
**22-23: Victor Harbor, SA**

Phone: (02) 8732 5206  
Email: <info@dfmc.org.au>  
Website: <www.dfmc.org.au>

**October: Dairy Spectacular as part of Lismore Show**  
**20-22: Lismore Showgrounds, NSW**

**DIARY DATES**

To have an event included in the diary dates, send information to Carlene and Alastair Dowie  
Phone/fax: (03) 5464 1542  
Email: <alastair.dowie@ruralpress.com>  
or submit to website <www.dairyinfo.biz>



**Getting on top of hoof health**

Caring for your herd's hooves and legs is part of the daily health check. Keeping an eye on feet not only saves a cow from pain, it makes financial sense.

Dairy Australia calculates estimates each lame cow can cost up to \$600 to \$700/year through lost milk production, lower fertility, an increased risk of culling and actual treatment costs.

About 80%-90% of lameness occurs in the feet; most commonly in hind feet.

You can restrain a cow in a crush or rotary bail or even on the platform in a herringbone dairy.

If you suspect lameness, examine the hoof using an examination kit comprising:

- a soft rope for tying the leg;
- hoof testers;
- a sharp hoof knife (double-sided) protected with a pouch;
- sharp hoof trimmers; and
- sharpening tools.

Examine the foot, looking for:

- sole injuries;
- white line disease;
- foot rot, or
- interdigital cracks.

The more stable and comfortable a cow feels, the quieter she will stand. Having a non-slip surface and/or straps to support the weight of the cow will assist.

Talk to your vet about treatments like trimming and paring, blocks, antibiotics, anti-inflammatories/painkillers and rest. If more than 7% of the herd is affected by lameness, problems will be identifiable which should be worked on with advice from your vet.

Visit [www.dairyaustralia.com.au](http://www.dairyaustralia.com.au) for suggestions on ways to help restore hoof health in your herd.

This is one of the many examples of the dairy service levy at work locally. Farmers receive a benefit of \$3 for every \$1 invested by Dairy Australia on their behalf. For more information on this and other levy investments visit [www.dairyaustralia.com.au](http://www.dairyaustralia.com.au)

# The cream of the crop

**INFORMER**, through his milking daughters and now through his proven sons is having a significant impact on the productivity and performance of the Australian dairy herd. His sons dominate the top bull lists and their blend of production and type is leaving the type of animal with the inherited ability to perform, lactation after lactation under the wide range of Australian farming conditions and payment systems.



## **DELSANTO**

[INFORMER x FABULON]

- Mr Production
- 266 APR, 240 ASI
- 113 Overall Type
- 0.38% Prot, 0.87% Fat
- A2A2

## **MEDALLION** [INFORMER x KNOCKOUT]

MEDALLION - Australia's Leading Holstein Sire

- Australia's Number 1 selling Holstein
- Number 1 for Overall Type 116
- Number 1 for Udders 119
- High demand
- A2A2



## **QUINTY**

[INFORMER x NINEFOLD]

- Big APR lift in August release
- Now Number 5 APR available Holstein
- From CARDINAL family
- Value for money



## **JETFINN**

[INFORMER x Roumare]

- High Genomic Sire
- Dam is sired by Roumare and Number 1 ASI cow
- Production with type
- A2A2

For ABV details on these or the rest of the team of Holstein bulls available from Genetics Australia call freecall 1800 039047 and ask for an August 2011 Updated catalogue.

August ABVs quoted



Freecall 1800 039 047

[www.genaust.com.au](http://www.genaust.com.au)

**Genetics**  
AUSTRALIA