



China FTA conclusion imminent

It is likely we will soon know the result of our advocacy efforts on the China Free Trade Agreement (FTA). There seems to be a broad expectation that the agreement will be finalised by mid November with announcements in late November. As negotiations head in to the “pointy end”, there has been a flurry of activity. Australian Dairy Farmers (ADF), our national advocacy body and Dairy Australia, our national services body, have had people in China liaising with the government negotiators as the agreement is finalised.

Over the past few weeks it has been encouraging to hear many politicians and journalists in both the rural and business media talk positively about the dairy industry in discussions about the China FTA. Most recently in Larpent on the Billing’s farm, at a UDV-sponsored lunch, Federal Minister for Trade and Investment, Andrew Robb, declared he is still pursuing a dairy deal which would see tariff removal by 2019.

Minister Robb was very generous with his time, spending about three hours with the approximately 120 farmers and industry people gathered to hear him speak. He spoke broadly about the economic advantages for the Australian economy he hopes will be achieved through a strengthened partnership with China. More specifically in relation to dairy he answered some key questions from the audience. I have included below some paraphrased questions and Minister Robb’s responses.

? What is the risk associated with foreign-owned (Chinese) companies owning farms, and factories and taking their dairy products directly to the port and exporting them without paying Australian taxes?

Answer: The Australian Tax Office (ATO) is very good at monitoring what is exported and has schedules for the value of products as they pass across the wharf.



Over 120 people gathered in Larpent, near Colac, last month to discuss the China Free Trade Agreement with Minister for Trade and Investment Andrew Robb. Minister Robb and Federal Member for Corangamite, Sarah Henderson, hosted a Corangamite Farmers’ Forum and barbecue lunch at UDV Members’ Mark and Sam Billing’s farm on Thursday, 16 October. UDV sponsored the delicious barbecue lunch which was served before the presentations.

Essentially nobody can export anything without scrutiny by the ATO.

? There is apprehension being expressed by some that many dairy farms will be bought up and future generations of Australians won’t be able to access careers in dairy farming. What are your thoughts?

Answer: Australia has a long history of foreign investment. This investment has been necessary to build our infrastructure and develop our economy. Many industries and farm production systems have been developed using foreign money. A lot of the investment has ultimately benefited Australians who have subsequently bought or partnered with those businesses.

? What will stop the Chinese bringing in their own cheap labour to run the farms and cut out local employment?

Answer: The reality is that we have very strong regulation in this country. We are a high cost economy and as a result we have to target high value consumer markets with our export produce. As far as labour is concerned, nobody can undercut wages. Employers have to pay

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the higher of the award or the local going rate for the work being carried out.

As I have mentioned previously in *Hotline*, we can point to well over \$1 billion dollars being invested in the dairy processing sector, largely targeting the export of high value consumer dairy goods. This investment is being made by both local and foreign owned companies. We are also hearing a lot of chatter about farms being bought by investors.

As we heard at The Australian Dairy Farm Investment Forum, which Dairy Australia hosted in September, there are a number of models for farm investment and we should explore the various models as they start to emerge. It is likely however that the most successful models for the long term will have an element of local expertise. To run successful dairy farms in our environment requires knowledge and experience of the local conditions and regulatory frameworks.

Dairy farms cannot run in isolation from the community. Dairy is the life blood of many Victorian communities and the farms rely on the products and services provided by those communities whether it is for feed, veterinary services, machinery needs etc.

If the industry is to truly reap the benefit of the rapid growth in demand for our high quality, safe dairy food, we need investment in new dairy farms. I see little to be gained by companies who swoop in and buy existing farms. To be a competitive player in the global market, we need to back the investment in the processing sector with more milk. It is up to industry and investors



Member for Corangamite, Sarah Henderson and Minister for Trade and Investment Andrew Robb at Larpent last month.

to create profitable, resilient farming systems which can thrive under the conditions of seasonal and economic volatility that we are all exposed to.

As these FTA negotiations draw to a close, I would like to thank the many people who have assisted and guided me and the UDV's efforts more generally on the China FTA. Our efforts have been well supported by the broader ADF campaign and the technical support provided by Dairy Australia. In association with our efforts and those of the other state dairy farm organisations, it is now safe to say that there is not a politician in the country who

doesn't know the dairy industry is expecting something good out of the China FTA.

Thank you to all the farmers and other industry supporters who have attended our FTA forums to gain an understanding of the issue and support the campaign that we have run on behalf of all dairy farmers to secure a stronger position for dairy in a highly competitive global market. We are looking forward to a positive outcome and hope that this will reinforce to our dairy farming community, the value of a coordinated, consistent, well-executed advocacy campaign.

Tyran Jones, UDV President

BJD Review meetings

UDV is planning to hold three meetings across the state to give farmers a chance to partake in the BJD TCP3 Review.

The meetings will feature a presentation by Herd Health, which is undertaking the review and will give farmers the opportunity to provide input and seek clarification on the current review which is underway.

Dates as follows:

Tuesday, December 8 - Traralgon
Wednesday, December 9 - Terang
Thursday, December 10 - Kyabram

Members will be notified of the details of each event via email and mail. Please also keep an eye on our website and twitter for more details.

Save the date: DA AGM

The Dairy Australia Annual General Meeting (AGM) will be held on Friday, 28 November 2014 in the Atrium at Flemington Racecourse, 448 Epsom Road, Flemington, Victoria, starting at 10.30am.

There are three items of business being considered at the AGM, and these are detailed fully in the Notice of Annual General Meeting. Voting members will be able to vote on items 2 and 3.

Item 1 – Financial Statements and Reports, as set out in the Annual Report 2013/14.

Item 2 – Change to the Dairy Australia Constitution

A special resolution has been proposed to amend the Dairy Australia Constitution to remove the requirement that the Minister for Agriculture approve modifications to the Constitution.

Item 3 – Election of Directors

An election is required to fill three Director vacancies; two for Directors with milk producer backgrounds and one for a Director with a finance and governance background.

The Board-nominated candidates are Mrs Jan West, Mrs Lisa Dwyer and Mr Geoff Akers. A fourth candidate, Mr Michael Spitse, has been nominated by 100 or more Group A members.

Mr Akers is standing for re-election for one of the two milk producer vacancies. Mrs West is standing for election for the finance and governance vacancy. Mrs Dwyer will contest the second milk producer vacancy against Mr Spitse.

PhD candidates benefit from industry knowledge

UDV Policy Councillors Ron Paynter and Paul Mumford have been chosen to mentor some of Australia's brightest PhD candidates in bioscience.

The young scientist 'mentees' are post-graduate students involved in Dairy Futures CRC research. All of the CRC's PhD students take part in the mentoring program, which is an important part of the CRC's commitment to provide high-quality bioscience researchers to support a productive dairy industry.

Last month, the aspiring mentees met with potential industry mentors at a two-day workshop to begin their mentoring relationships. Through 'speed-networking' and other activities, each student was partnered with a mentor who is well-equipped to support their career.

The students and mentors have committed to an initial 12-month partnership that begins with a personal development plan for the student and includes regular contact over the year.

Paul has been partnered with Josie Thornhill. Originally from a dairying family in Bega, Josie gained experience as a research scientist at DEPI Ellinbank, where she is now undertaking her PhD. Josie is looking at the physiological and genetic responses of dairy cattle to heat stress.



Paul Mumford mentoring Long Chen during the speed-networking event.

Paul said that he was looking forward to the opportunities the mentoring program can bring.

"The DairyFutures CRC Mentoring Program has the ability to close the gap between science based theory and those practices that farmers use and battle with on a daily basis," Paul said.

Ron has been partnered with Abdul Jighly. Abdul is originally from Syria, where he gained experience in wheat biotechnology and bioinformatics at the International Centre for Agricultural Research in Dry Areas (ICARDA). For his PhD with Dairy Futures CRC Abdul is using computational simulation to evaluate genomic selection in forage species.

"Mentoring a PhD student from the Dairy CRC is a great opportunity to help a bright



Ron Paynter with one of the mentees Rafael Narancio.

young researcher understand the broader industry they are working in," Ron said.

"My mentee, Abdul Jighly is doing high end modelling of Tall Fescue genetics. Most of his work is done in an office in front of a computer screen. The mentoring program will help him to connect with what is happening on farms and in research outside of the CRC.

"Mentoring is a two-way street though, and I will learn a lot more about the Dairy CRC and the path that new scientists in training have to negotiate.

"Abdul, and his wife Reem, have only been in Australia for a few months. I hope that the mentoring also extends a taste of Australian life to the young couple too."

Unpasteurised milk a possible risk

Dairy Food Safety Victoria is aware of unpasteurised milk being bottled and sold as cosmetic milk (labelled 'bath milk', 'for cosmetic purposes only' or 'not for human consumption'). While the sale of these products is not illegal, consumption of the product may present a serious risk to the consumer's health.

Cosmetic or bath milk is not produced under the strict standards or supervision applied to the dairy food industry and may contain pathogenic bacteria that can lead to life-threatening illnesses. Everyone is vulnerable to illness caused by organisms that may be present in raw milk. However, the risks are even greater for young children and for people who are elderly, have underlying health problems, are immunocompromised or are pregnant.

In Australia, the sale of unpasteurised cow's milk for human consumption is illegal. In Victoria it is also illegal to

package, deliver, or provide raw milk for consumption. Your Dairy Food Safety Victoria Licence allows you to sell the milk from your farm to a licenced dairy manufacturer for further processing into commercial dairy products.

Please contact Dairy Food Safety Victoria if you have any concerns or wish to report the sale of unpasteurised milk for the purpose of consumption. The DFSV website www.dairysafe.vic.gov.au contains more information on our regulatory system and the risks of consuming unpasteurised milk.

Article supplied by Dairy Food Safety Victoria

Defining intensive animal husbandry

The right to farm debate has again taken the forefront in regional media, particularly issues around intensive animal husbandry in the farming zone.

A recent planning issue in Echuca West has left many questioning the ability of the planning system to accommodate evolving farming practices.

Central to this is the Victorian Government's definition of 'intensive animal husbandry'. It is defined in all local planning schemes as *land used to keep or breed farm animals, including birds, by importing most food from outside the enclosures*. It does not include emergency and supplementary feeding, amongst other things.

It is generally accepted that dairy and broadacre livestock farms are extensive animal husbandry and do not require a planning permit in the farming zone. From time to time, these extensive farms may use supplementary feeding or temporary feedpads. However, this is part of strategic short term management of pastures and doesn't change the fundamental operation of the farm.

What is of most concern, is that in the event that an extensive farm increases its production by bringing in 'most food', then it could be captured by the definition of intensive animal husbandry and require a planning permit.

The VFF understands that some authorities interpret 'most food' as greater than 51%. However, the quantity of feed through the farm gate should not be the single determining factor on whether or not a farm is intensive.

The potential flaw in the current definition is the potential for various agencies' interpretations of what 'most food' means. Some VFF members are concerned that the inconsistent interpretation of this definition will increase planning permit requirements and limit our potential to grow.

In response to this uncertainty, the Victorian Farmers Federation (VFF) has adopted a policy to recommend that the State Government produce a practice note clarifying the definition. The Victorian planning system should support the farming sector to achieve the State Government objective of doubling food and fibre production by 2030.

The VFF policy team is working with the Department of Environment and Primary Industries to ensure the views of VFF members are represented in relation to this issue.

Contributed by VFF Senior Policy Advisor – Land Management, Emily Waters



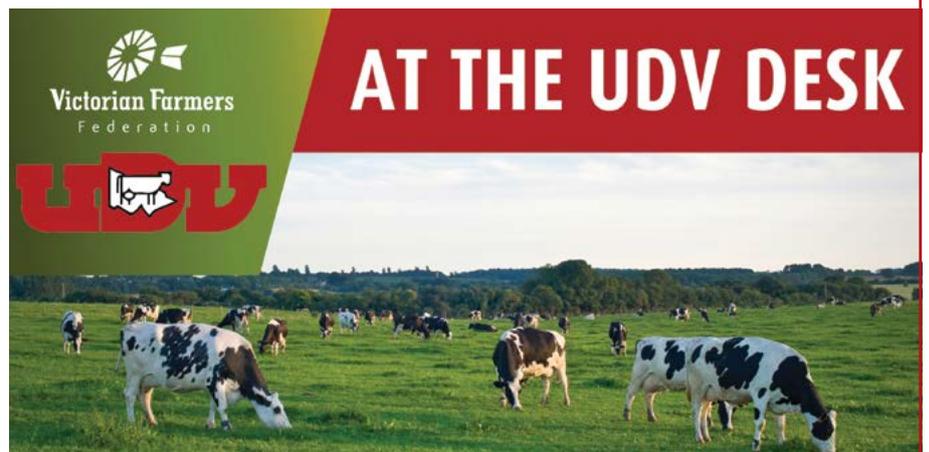
Members: stay connected to the UDV

UDV Members:
Have you received the new email updates from the UDV office?

We are now sending out short updates by email to keep members informed about what is happening in the UDV office.

If you haven't received an 'At the UDV Desk' email yet, contact us so we can update your details.

Yaelle Caspi – ycaspi@vff.org.au or 03 9207 5556.





Representing UDV in Canberra were Project and Policy Officer Yaelle Caspi, Vice-President Roma Britnell, Project and Policy Officer Adele Beasley and Policy Councillor's John Keely and Daryl Hoey.

Victoria represented in Canberra

The Victorian dairy industry was well-represented in Canberra last month at the launch of the Australian Dairy Vision.

On 1st October, ADIC launched the vision: *'Australian Dairy – Prosperous, Trusted, World Renowned Nutrition'* with cows on the lawn of Parliament House.

A dinner later on that night officially unveiled the vision, as well as commemorating the past 225 years of Australian dairy.

UDV staff and Policy Councillors joined over 100 parliamentary representatives and industry dignitaries to acknowledge the dairy industry's significant contribution to the Australian economy over the past 225 years and to mark the formal unveiling of the Dairy Vision.

Guests enjoyed a dairy inspired menu designed to showcase the industry's world-class produce, including the 2013 Annual Grand Dairy Award cheese winners.

The Australian Dairy Vision sets out five goals for the Australian dairy industry to become more valued, innovative, responsible, preferred and unified by 2025.

Guest speaker, Federal Minister for Agricultural, The Hon. Barnaby Joyce MP praised the dairy industry for its progress and proclaimed that despite challenges facing the industry, its prospects for the future are good.

Mr Joyce said he was committed to working collaboratively with the Opposition in order to reach the goals set out by the industry's vision.

Shadow Minister for Agriculture, The Hon. Joel Fitzgibbon acknowledged the collective commitment of dairy industry leaders, who have worked together with the ADIC to develop the Dairy Vision as an industry benchmark.



A strong supporter of the dairy industry, Member for Wannon Dan Tehan, with UDV Vice-President Roma Britnell.

Minister Robb's commitment to the industry

UDV is confident Minister Robb has listened to the industry's priorities and is dedicated to securing a good deal for dairy in the China FTA.

The following timeline details his public commitment to pushing for a New Zealand plus deal.

Apr 23

ABC Rural - "...Dairy [is] likely to be the big winner in China and already I have put on the table that it's 'New Zealand plus'. Which means they will be big winners if we ever pull off the deal with China."

Jun 24

Joint Press Conference with Treasurer - "Well, in agriculture there is the usual –there is always difficulties with things such as rice and grains and a whole lot, but we are looking for a New Zealand-plus agreement. So, China signed four years ago or completed four years ago an agreement with New Zealand and it did focus heavily on agriculture because that is a large part of their economy and we are anticipating a New Zealand-plus agreement."

Sept 15

Australian Dairy Farm Investment Forum – "I am aware of the significance of this agreement to the dairy industry, having advised your industry leaders many times over the last year that my major objective with the China FTA is to get at least a New Zealand-equivalent deal for the dairy industry."

Oct 15

Corangamite Farmers' Forum - Mr Robb stated he wanted "at least the New Zealand equivalent" for dairy and the deal was "95 per cent there". "(Regarding) the dairy part, there has been a lot said and done over the past few months and they know I'm under pressure... we've made good progress, don't get me wrong, but I haven't reached a satisfactory point yet. I hope over the next few weeks that will happen."



Take up the challenge

YDDP is looking to take teams to South Australia to compete in the inaugural National Dairy Challenge.

The National Dairy Challenge 2014 (NDC14) is a competition testing the skills and knowledge of young dairy farmers from across Australia.

The NDC14 is a team event whereby small teams of four people will be formed and can be made up of participants from a particular state, region, group or just because they know each other.

It will be an amazing opportunity for young dairy farmers to build their skills and knowledge on all aspects of the dairy industry, enhance their networks and demonstrate to the wider community how professional and multi-skilled dairy farmers really are.

The NDC14 will be held in South Australia's beautiful Fleurieu Peninsula, a picturesque dairy district less than an hour south of the Adelaide CBD.

The Fleurieu is renowned for its amazing wine, food and stunning coastal towns... and soon to be known for hosting the first National Dairy Challenge!

Although the NDC14 is a team event, participants will be scored on both an

individual and team level. There will also be category winners so that participant strengths can be recognised and rewarded.

A range of prizes will be awarded to the team, individual and category winners. It is hoped that the NDC14 will be the first of many and other states or regions will take up the opportunity to host future National Dairy Challenge events.

The event will be held over two days from 3rd – 4th December 2014.

Please contact Liza Fahey, the YDDP Western Victoria Coordinator on 5557 1008 or email her at yddp@westvicdairy.com.au if you are interested in being a part of this exciting new challenge.

Two heads are better than one

The recent outbreaks of bovine theileriosis (due to the Theileria orientalis group) in Victoria are a good example of how different players in the livestock industry can work together to deliver solutions that work practically for farmers.

Theileriosis is a disease transmitted by ticks which was previously thought to be limited to the more northern areas of Australia. Our northern neighbours were always held responsible for any detections in Victoria. However, back in 2010 farmers in the north of Victoria started reporting anaemic animals which were off their feed and the resulting laboratory investigations identified theileriosis as the culprit. Soon after there were reports of the disease in Gippsland. While most properties reported only a handful of animals affected, the mortality rates on some properties were high and alarm bells rang across industry.

With producers, veterinarians, government, universities, and laboratories on the case, it was only a matter of time

before we understood the disease better and developed some practical solutions to address the issue.

Analysing several years' worth of data we now know that there is a strong association between rainfall and the location of diseased farms – hardly surprising given it is transmitted by ticks which like wet weather. We also know Theileria has been in Victoria a lot longer than we previously thought, and it is likely that the high rainfall in 2010-11 triggered a surge in tick numbers and the detections in cattle.

We also know now that animals which are sick are the tip of the iceberg. When Theileria is introduced into a herd, most animals will become infected but generally only a few will become visibly ill. Research has shown us that dairy cattle without clinical signs do not exhibit reduced production. We also know that animals which fall ill are usually new to the herd or adults around calving time or 'stressed' for other reasons. Calves less than four months old rarely fall ill to the disease as they are protected by maternal antibodies.

When illness is reported in animals, the best treatment is often one of supportive care. Animals are sick due to a reduction in their red blood cell numbers, and need some time to rest and recover.

Theileria is likely to remain with us, however, many of the farms in affected areas are now effectively 'vaccinated' against the disease, through animals developing immunity in response to infection, and ongoing production losses are likely to be minimal.

Without the contributions from a range of stakeholders, from producers reporting the disease, to veterinarians investigating and laboratory testing, we would not have been able to build our knowledge of Theileria and its effect on cattle production in Victoria. It has been an effective approach demonstrating the role that all parts of the industry can play in addressing animal health challenges and one that we hope to use for future disease investigations.

By Victoria's Chief Veterinary Officer, Charles Milne.

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