

**Rural and Regional Affairs and Transport Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates November 2013

**Agriculture**

**Question:** 117

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Industry levies

**Proof Hansard page:** Written

**Senator STERLE asked:**

Provide detail of the total amount of received industry levies.

**Answer:**

As disclosed in our 2012/13 annual report, Dairy Australia received \$32.88 million in levy income during that financial year.

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Supplementary Budget Estimates November 2013

**Agriculture**

**Question:** 118

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** R&D expenditure

**Proof Hansard page:** Written

**Senator STERLE asked:**

Can you provide a list of eligible R&D expenditure

**Answer:**

Estimated R&D Expenditure for Dairy Australia for 2013/2014

R&D Program	\$
GM Path to Market	476,094.02
Market Information and Insights	3,028,146.91
Regional Development Programs	3,929,863.10
Pre-Farmgate RD&E Strategic Framework (Dairy Moving Forward)	185,821.19
Managing Milk Quality (Countdown 2020)	781,409.97
Improving Reproductive Performance	1,025,023.05
Dairy Futures CRC - Animal Improvement	1,114,798.37
Australian Dairy Herd Improvement Scheme (ADHIS)	1,455,000.47
Precision Farming Technologies	994,724.45
Extension - Victoria	2,993,954.36
Extension - New South Wales	539,904.15
Extension - Queensland	390,799.45
Extension - Tasmania	212,634.15
Farm Business Management	1,340,840.32

National Feedbase Development	527,926.94
Temperate Forage Systems	1,440,752.79
Sub-Tropical and Mediterranean Forage Systems	605,712.58
Improved Feeding Systems	2,004,578.03
Improved People Management (People in Dairy)	724,879.14
On Farm Emissions Mitigation Strategies	1,141,784.07
Regional Delivery of NRM	459,316.15
Pre-Farmgate Sustainability Reporting	202,037.45
On Farm Nutrient Management	838,328.83
Climate Change Adaption Strategies	400,142.04
Improving Water Use Efficiency	421,531.15
National Extension Support	822,413.79
Animal Health & Welfare - On-farm Change Management	794,276.11
Extension - South Australia	324,922.63
Extension - Western Australia	171,225.97
Dairy Futures CRC - Forages	986,279.23
National Centre for Dairy Education (NCDEA)	1,391,074.31
Workforce Strategy, Planning & Action	100,224.02
Education Program Delivery & Support	197,875.13
New Product Opportunities with Oral Health Benefits	129,203.59
New Product Opportunities with Gut Health Benefits	299,061.63
Improving Management of high value product opportunities	381,938.09
Dairy Innovation Australia Limited (DIAL)	3,563,411.23
Methodologies to Measure & Benchmark Australian Processing Sustainability	187,616.66
Improving Manufacturing Efficiencies	264,824.86
Nutrition Research & Science	1,082,384.96
<b>Total eligible R&amp;D expenditure</b>	<b>\$37,932,735</b>

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**Question:** 119

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Dairy Australia review

**Proof Hansard page:** Written

**Senator STERLE asked:**

1. What is the status of the Dairy Australia review of its constitution?
2. What work is government doing to support that review?
3. When will the Minister receive that work?

**Answer:**

An independent panel set up by Dairy Australia has completed its review and its recommendations have been considered by the Dairy Australia Board. Those recommendations are contained in a report that is publicly available. Most recommendations were adopted by the Dairy Australia Board and resulted in 11 separate resolutions covering constitutional change being put to and passed at the Annual General Meeting held Friday 29 November. A formal request to the Minister seeking his approval for those changes will be submitted shortly.

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**Question:** 120

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** National communication strategy

**Proof Hansard page:** Written

**Senator STERLE asked:**

Dairy Australia received \$5, 000 under the Australian Animal Welfare Strategy through the Australian Animal Welfare Advisory Committee. This was to develop a national communication strategy. Please update the committee on that project.

**Answer:**

The Question refers to a project named Livestock Welfare Standard Guidelines Communications Strategy.

The Project is managed by Meat and Livestock Australia not Dairy Australia. Dairy Australia did not receive these funds.

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**Agriculture**

**Question:** 121

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Status of future projects

**Proof Hansard page:** Written

**Senator STERLE asked:**

1. Given the abolishment of the Australian Animal Welfare Advisory Committee, what will be the status of future projects?
2. Have you been engaged by the department to discuss how to manage future projects without the committee?
3. Will the department be providing you with similar funding into the future?
4. Have you met with the Minister? If so, when, where?

**Answer:** Please refer to answer for question 120.

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**Agriculture**

**Question:** 122

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Dairy Australia goals

**Proof Hansard page:** Written

**Senator STERLE asked:**

What are your goals for Dairy Australia?

**Answer:**

The Australian dairy industry's vision is to grow an internationally competitive, innovative and sustainable industry. Dairy Australia's overarching goal is to develop and drive industry services in support of that vision.

Following extensive industry consultation, our investment focus centres on three priority areas.

Strategic Priority 1 – Profitable and competitive dairy farms

*Investment focus:*

>Farm margin improvement

- Animal performance/fertility
- Feedbase/nutrient use efficiency
- Resource management
- Farm business management

>Post farm margin improvement:

- Processor productivity
- New product development

>Support industry access to profitable international markets

>Support industry decision making:

- Collection, analysis and provision of market information and insights

**Agriculture**

**Question:** 122 (continued)

>Strategic Priority 2 – Promote and Protect the dairy industry

*Investment focus:*

>Demand enhancement

- Promote the benefits of dairy to consumers

>Encourage a positive industry culture

>Manage industry reputation

- Maintain the industry’s licence to operate

>Risk management

- Identify, monitor and help manage issues impacting the industry
- Contribute to industry policy development

>Understand, measure and support industry sustainability

>Strategic Priority 3 – Grow capability and skills

*Investment focus:*

>Workforce planning and action

- Provide the dairy industry with the people it needs

>Skills and knowledge

- Support training and development programs

>Understand, develop and promote career pathways

>Leadership

- Educational programs to help create industry leaders

>Extension

- Support the transfer of technology, skills and resources to the farm



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ANSWERS TO QUESTIONS ON NOTICE

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**Agriculture**

**Question:** 123

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Minister outline any of his goals

**Proof Hansard page:** Written

**Senator STERLE asked:**

Did the Minister outline any of his goals for Dairy Australia?

**Answer:**

In accordance with the 2013 Statutory Funding Agreement, agreed by the then minister in June 2013, Dairy Australia continues to address the eight principles articulated in the 2012 Rural Research and Development Policy Statement. Our progress in relation to the implementation of these principles is presented in our Annual Report.

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**Agriculture**

**Question:** 124

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Dairy Australia funding

**Proof Hansard page:** Written

**Senator STERLE asked:**

I understand that Dairy Australia was budgeted to receive \$19,075,000 for matching R&D funding in 2013-14. Is that continuing funding?

**Answer:**

Yes. R&D Matching Funds are provided to Dairy Australia by the Federal Government under the Dairy Produce Act (1986) in conjunction with the Statutory Funding Agreement between the Commonwealth and Dairy Australia.

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**Agriculture**

**Question:** 125

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** R&D funding

**Prof Hansard page:** Written

**Senator STERLE asked:**

Have you received any advice or engagement from government about the coalition policy to increase R&D funding by \$100 million

**Answer:**

No advice has been received by Dairy Australia at this time.

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**Agriculture**

**Question:** 126

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Extra funding

**Proof Hansard page:** Written

**Senator STERLE asked:**

1. Will you be bidding for the extra \$100m? How will that extra funding work?
2. What have you been told by the department or minister?

**Answer:**

No advice has been received at this stage from either the Department or the Minister. Upon receipt of advice in relation to the availability of the \$100 million in R&D funding, Dairy Australia will determine its position.

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**Agriculture**

**Question:** 129

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Grants that funding have closed

**Proof Hansard page:** Written

**Senator STERLE asked:**

Have you applied for any grants that funding rounds have closed but not announced?

**Answer:**

Yes please refer to answers to question 128 and 130.

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ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates November 2013

**Agriculture**

**Question:** 130

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Outcomes of grants

**Proof Hansard page:** Written

**Senator STERLE asked:**

1. Have you been informed of being successful of any grants of which you haven't signed a funding contract with government?
2. If so, what has government told you about those grants?

**Answer:**

1. Yes. Dairy Australia received written communication informing of the success of the grant INNOV-269 "Dairy industry responding to market signals to promote sustainable practices", worth a total of \$310,000. This application was submitted under the Caring for our Country Sustainable Agriculture Innovation Grants Program.

2. On 29 July 2013, Dairy Australia received a letter from the previous Minister for Agriculture, Fisheries and Forestry, the Hon. Joe Ludwig, stating that the industry supported grant INNOV-269 submitted by Dairy Australia had been successful under the 2013-14 Innovation Grants Program.

On 9 August 2013, Dairy Australia received further email correspondence stating that due to caretaker conventions, as part of the federal election, the Department was unable to advise when contracting would commence. There has since been no further correspondence from the Department regarding this grant.

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**Agriculture**

**Question:** 131

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Marketing and R&D services

**Proof Hansard page:** Written

**Senator STERLE asked:**

Can you update the committee on work undertaken by Dairy Australia in the area of marketing and R&D services for the benefit of the dairy industry?

**Answer:**

Marketing Services:

In July 2013 Dairy Australia launched a new industry marketing and communications platform - Legendairy. Utilising the Legendairy platform, Dairy Australia's marketing and communications programs aim to build the profile and reputation of the Australian dairy industry and grow consumer trust and demand for dairy products.

Legendairy puts the spotlight on the industry as a whole, with an emphasis on telling the inspirational stories of the people behind the product; and celebrating Australia's Legendairy dairy farmers, the high quality of our locally produced dairy foods and the industry's contribution to the Australian economy.

It targets three key audiences: farmers and their communities, opinion leaders such as health professionals and the media, and the Australian people that buy and consume dairy produce.

Since August, Dairy Australia's consumer marketing program, has included TV and digital outdoor, radio and print advertisements. In addition to media, Legendairy has been communicated through existing channels including schools, sporting partnerships, food service and healthcare programs.

The national consumer program has been complemented by activities in each Australian dairying region. To date Legendairy activities range from distribution of Legendairy resources in each region to photo shoots, sponsorships of local events and various public relations activities.

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**Agriculture**

**Question:** 131 (continued)

R&D Services:

Dairy Australia's R&D efforts encompass both pre and post farm gate and form the foundation of Strategic Priority 1 - Profitable and competitive dairy farms. The investment focus of this Strategic Priority features the following R&D initiatives:

Farm margin improvement

- Animal performance/fertility
- Feedbase/nutrient use efficiency
- Resource management
- Farm business management

Post farm margin improvement:

- Processor productivity
- New product development



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**Agriculture**

**Question:** 132

**Division/Agency:** Agricultural Productivity Division/Dairy Australia

**Topic:** Red and green tape impact to Dairy Australia

**Proof Hansard page:** Written

**Senator STERLE asked:**

Will the Government's commitment to reduce red and green tape impact on the work being undertaken by Dairy Australia?

**Answer:**

Dairy Australia will continue to support regulatory reductions which assist the industry to achieve sustainable profitable growth.