



Dairy NSW

Annual activity report
2017–2018

Acknowledgements

Dairy NSW would sincerely like to thank all those involved in its activities for their participation, encouragement and support.

In particular we would like to express our appreciation to the dairy farmers of NSW and the following organisations: Dairy Australia, NSW Farmers' Association Dairy Committee, Dairy Connect, NSW Department of Primary Industries, Local Land Services, University of Sydney, and our Regional Dairy Groups (Far South Coast Dairy Development Group, Hunter Dairy Development Group, Inland Wagga Dairy Network, Central West Dairy Group, Mid Coast Dairy Advancement Group and the South Coast and Highlands Dairy Industry Group).

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ISSN 2209-3346



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“Dairy NSW is a trusted partner,
valued resource and is engaged
with NSW dairy farmers”



About Dairy NSW

Vision

Dairy NSW is a trusted partner, valued resource and is engaged with NSW dairy farmers.

Regional Development Program

Dairy NSW Ltd is one of eight Regional Development Programs (RDPs) throughout the nation's key dairy areas and operates under the auspices of Dairy Australia.

It is a non-profit incorporated body established in 1996 to develop a strategic direction for dairy research, development and extension programs in the region. Since then, education has been added to the portfolio, so Dairy NSW is now an RDEandE industry body bringing the service levy back to farmers in meaningful and valued ways.

Dairy NSW sets priorities, seeks submissions for dairy improvement projects and commissions them. It is also responsible for supervising the coordination and delivery of extension and education programs. Dairy NSW monitors the success of these projects and their ability to make an appropriate return on the dairy service levy that part-funds them.

Dairy NSW works closely with Dairy Australia, other RDPs, farm policy organisations, Regional Development Groups and government agencies to carefully identify and develop priorities for ongoing research, development, education and extension. In doing so, it works hard to ensure regional and national policies are linked and fully integrated so that research and extension work carried out in the region, provides productivity gains and efficiencies.

Mission and Strategic Priorities

Our mission is to coordinate regional-specific research, development, extension and education activities that deliver outcomes for the benefit of Dairy NSW farmers.

In order to achieve this, Dairy NSW has, with the assistance of the Regional Dairy Groups that act on behalf of dairy farmers in our region, agreed to address the following three strategic priority areas:

1. Farm profitability
2. People capability
3. Farm performance and protection.

In each of these priority areas, Dairy NSW signposts and promotes the management and compliance of regulations. The individual importance of each of these priority areas is different in each sub-region of the Dairy NSW RDP.

Chairperson's report

The Dairy NSW Board has now completed a fifth year as a skills - based board with a balance of both farmer and non-farmer directors. This year as per our rotation, we have vacancies for two non-farmer and one farmer director positions. The successful candidates will be chosen via a competitive process, as prescribed by the selection committee.

As a skills-based board, we are able to use our diverse expertise to support farmers in their business growth and development, by assisting with timely, needs-based delivery of extension and project services. This year we will be focused on working with, and alongside, our industry partners, to ensure targeted and effective delivery.

On 1 July 2015, Dairy Australia (DA) and Dairy NSW entered into a new funding arrangement by signing a Regional Services Delivery and Support Services Accord. DA now provides centralised services to support all regional operations – including such services as human resources, financial, communications and information technology. This arrangement provides Dairy NSW with operational efficiencies and reduces our administrative overheads. The new structure also gives Dairy NSW improved capability to influence Dairy Australia's plans in our region. We will continue to strengthen and maintain a regional presence and ongoing support for NSW farmers.

On 1 July 2016, Dairy Australia increased and redistributed its funding to Dairy NSW to provide for:

1. A sliding scale of base allocations for core funding based on milk flow
2. An allocation of Extension/ Project Management resources based on farm numbers, geography, state government support (including 2.4 FTE extension staff), and
3. An allowance to cover vehicle costs and incidental operating costs relevant to the delivery team (including three vehicles driven by Dairy NSW staff). Note: vehicle lease plans are held and serviced directly by DA.

The financial result for the 2018 financial year shows a solid performance resulting in a surplus of \$69,630.00. Dairy NSW has carefully managed its expenses by sticking to its core fundamentals.

Whilst the Dairy NSW board's strategy is to invest 100% of its revenue in delivering value added services to the dairy farmers within its operating footprint, a change of focus to more targeted engagement across our strategic priorities, actually resulted in an underspend against our original budget. This combined with the timing of some key projects such as a delay to the start of the focus farm initiative meant that the surplus result was greater than originally anticipated.

Dairy NSW retains reserves that the board will utilise in part during the 18/19 financial year to deliver additional programs and services aimed at helping farmers manage and recover from the debilitating drought conditions.

This year we will be looking for continued involvement from our members, to drive creative and lateral thinking, which identifies and addresses key priority areas needed to support a sustainable NSW dairy industry.

To achieve this, we look to our valued Regional Development Groups, board and staff team and industry partners to collaborate at events such as our annual members' priority setting workshop and our regional activities. We trust and encourage our farmer members to help lead, guide and invest in their industry, by connecting us to farmers across all regions, with relevant information, experience, and the sharing of local knowledge.

The Dairy Symposium was held this year in Camden and was well supported by farmers and industry with some thought-provoking speakers encouraging honest and critical thinking. With the emphasis on how we, as farmers, need to start thinking about our business and adapt to a changing environment. I encourage all farmers that are able to attend in future, to do so. The Symposium provides opportunities to establish new dairy

farming connections and prompts you to consider possible business scenarios. It is important for us all to have a long term view and an adaptable plan for the success of our individual farm businesses. I would like to thank the Perich family and staff for allowing the Symposium guests to visit the farm complex at Leppington Pastoral, showing a commitment to the long term dairy industry.

The Women in Dairy “Bale Up” Conference was also a highlight of the past year, attracting more than 30 women from across the country to the New South Wales Hunter Valley for the 2-day event. With a focus on rural resilience, the delegates attended workshops presented by the Rural Resilience Authority, Dairy Australia, Dairy New South Wales and regional Women in Dairy groups, to name a few. Due to the success of this event, the conference will again be held in Jamberoo in 2018. I would like to congratulate the Women in Dairy from our regional development groups for their continued commitment to delivering such a motivational industry event.

Finally, I would like to acknowledge the work of the Dairy NSW board and staff in delivering a range of successful initiatives over the past year. Stand out events included the Farm Business Management suite of training, Young Dairy Network events and Feedbase programs.

We are looking forward to continuing to consolidate on this work in the year ahead.

Change is the only constant.

The dairy industry has always been a dynamic and changing environment. Over the past 12 months, we have seen many changes and faced a number of challenges, particularly with seasonal variances.

We as an industry must start looking at how we can adapt, with information, understanding and mutual respect. We need to think strategically, for the long term of the dairy industry and Dairy NSW is looking to actively support this. Only then, with positive on farm practices, and supporting research, development and extension, will we be in a position to take full advantage of the future. Time to start thinking outside the Farm Gate!



Jane Sherborne
Dairy NSW Chairperson

Meetings of Dairy NSW Members' Council and Board of Directors

Board meeting, AGM and Members' Council

9–10 October 2017

Camden

Board meeting

5 December 2017

Camden

Board meeting

13 February 2018

Camden

Board meeting

10 April 2018

Camden

Board meeting

12 June 2018

Camden

Meet the Dairy NSW Board of Directors

The following directors were appointed to the board on 10 October 2017. Six meetings were held; the table below indicates the number of meetings attended by each director.



Jane Sherborne
Chair

Dairy Farmer
(Constitution
clause 5.4a)

Board meetings
attended: 5/5

Jane is an active dairy farmer and proud advocate for the NSW dairy industry, specifically promoting the development and delivery of research, development and extension that is region specific and meets the needs and wants of NSW dairy farmers. Jane contributes to the board key experience and interest in the development of a positive industry image through the application of progressive farming technologies and fostering of farmer pride in the business and practice of dairy farming. Jane is an active member of several external state and federal industry committees and through these experiences, she aims to support Dairy NSW in proactively working with dairy farmers, cooperatives, processors and industry for strong and mutually beneficial industry returns.



Delia Dray
Director

Specialised skill
(Constitution
clause 5.4c)

Board meetings
attended: 4/5

Delia is a former senior executive of the NSW government and currently acting chair of the Burrendong Botanic Garden and Arboretum Trust. From these roles, Delia contributes significant skills and experience in corporate governance, organisational performance and strategic planning to the Dairy NSW board. Delia has specific expertise in research and development management and family farming enterprise, which she uses to support the development of a profitable dairy industry that is resilient and flexible, and continues to take advantage of opportunities across diverse climate driven production systems.



Andrew Farr
Director

Dairy Farmer
(Constitution
clause 5.4a)

Board meetings
attended: 4/5

Andrew is an enthusiastic and proactive role model for the NSW dairy industry, farming in the state's Hunter Valley. As a producer and active member of the Hunter Dairy Discussion Group, Andrew uses his extensive understanding of the opportunities and challenges facing farmers to support the strategic alignment of regional priorities to Dairy NSW research, development and extension activities. Andrew's vision is for Dairy NSW to lead a coordinated and innovative support network, for the delivery of research and skills development activities that drive a robust and profitable industry.



Simon Fee
Director

Specialised skill
(Constitution
clause 5.4c)

Board meetings
attended: 4/5

Simon is the head of sales for Virbac Australia and holds a Master of Business Administration from Macquarie University. In his role as director, Simon aims to contribute to Dairy NSW in the areas of strategy formulation, governance and business effectiveness, to ensure sustainability and longevity of the NSW dairy industry. Simon was appointed chair of the Strategic Direction sub-committee in December 2017.



**Kenneth Harold
Garner**
Director

Specialised skill
(Constitution
clause 5.4c)

Board meetings
attended: 5/5

Ken Garner is a well-established industry professional, holding positions as a senior manager with Local Land Services and the Dairy NSW Strategy Committee, in addition to his role as director on the board of Dairy NSW. Ken has a specific interest in the design and delivery of innovative services, for the purpose of supporting NSW dairy farmers. To the Dairy NSW Board, Ken contributes specialised skills in governance, dairy manufacturing and service delivery from his extensive industry experience.



**Susan Elizabeth
McGinn**
Deputy Chair

Dairy Farmer
(Constitution
clause 5.4a)

Board meetings
attended: 5/5

Sue McGinn (OAM) (MBA) farms with her husband Brett on the Mid-North Coast of NSW. She has first-hand knowledge of the challenges and opportunities facing the NSW dairy industry. Sue holds both Member and director positions on a number of commercial boards and is local government councillor, in addition to her role as director and deputy chair to the board of Dairy NSW. Her experience in these roles assists Dairy NSW by bringing strategic, audit, risk, compliance and corporate governance knowledge to the table. Sue's vision for Dairy NSW is to deliver regionally relevant ,quality extension and education that is easily accessible to dairy farmers which addresses social and wealth creation imperatives.



**Trevor John
Middlebrook**
Director

**Member, Audit and
Risk Committee**
(Constitution
clause 5.4a)

Board meetings
attended: 3/5

Trevor is a highly committed advocate for the dairy industry, with extensive experience and previous notable roles including time served on the Dairy Farmers Milk Cooperative board and Mid Coast Dairy Advancement Group committee. Trevor has a particular interest in developing young people for the future of the dairy industry and has been involved in the development of a number of young farmer training programs, in addition to his strong support for the current Young Dairy Network program. Trevor's vision for Dairy NSW is to support the development of strategic partnerships with industry stakeholders, to enable achievement of superior outcomes.

Regional Dairy Group support

There are six Regional Dairy Groups (RDGs) which operate within Dairy NSW, conducting relevant activities for the dairy industry:

- › Mid Coast Dairy Advancement Group
- › Hunter Dairy Development Group
- › Inland Wagga Dairy Network
- › Central West Dairy Group
- › South Coast and Highlands Dairy Industry Group
- › Far South Coast Dairy Development Group.

Dairy NSW provides support and assistance to regional dairy groups via resources and supplementary funding from its project budget allocation. Groups can apply for funds to undertake projects and initiatives which are of particular relevance or significance to dairy farmers in their areas.

In return, RDGs provide a link to dairy farmers in their sub-regions and feedback information on their regional priorities, needs and issues.

Dairy NSW supported the secretariat services for regional dairy group meetings, funded leadership bursaries to the 2017 Dairy Research Foundation Symposium, and co-funded the coordination of the following projects run directly by regional dairy groups:

- › Annual Dairy Action Group dinner
- › South Coast and Highland Dairy Industry Group annual dinner
- › Far South Coast Dairy Development Group annual dinner
- › Central West Dairy Development Group annual dinner
- › Wagga Wagga Inland Dairy Network annual dinner

- › Women in Dairy Bale Up Conference
- › Far South Coast Quad Bike Safety Training
- › Regional Dairy Groups Small Projects
- › NSW Drought Dinners
- › Countdown Training
- › Conference and Symposium Bursaries



Projects support

Dairy NSW Board Strategic Planning Committee

The 17/18 financial year saw the establishment of a specialised Strategic Planning committee by the Dairy NSW Board. The committee, chaired by director Simon Fee, has worked diligently to review the Dairy NSW operating environment, with specific attention to addressing current and future challenges and opportunities through strategic delivery of research and extension.

Informed by a variety of sources, including feedback from the annual Members' Council and Industry Stakeholder priority setting workshops, National Dairy Farmer Survey and Dairy Farm Monitor Project findings, the committee identified a series of strategic priority areas for Dairy NSW to focus its operations. These included a key focus on the areas of farm business management and feedbase, as priority targets to support a sustainable and profitable NSW dairy industry. A number of key flagship projects will also underpin extension activity in these areas, providing context for real life, real time application. These projects include Focus Farm and several externally grant funded projects. A concerted effort to continuing to support the growth and development of the future dairy industry will also be a focus through the activities of the Young Dairy Network.

Dairy NSW activity for the 18/19 financial year can be viewed in the Annual Operating Plan, accessed via the Dairy NSW website: dairynsw.com.au

Focus Farm – Real Farms, Real Conditions, Real Decisions

Dairy NSW was fortunate to receive funding to continue the successful Focus Farm program into 2018/19. Focus Farm is a two year program which highlights on-farm decision making in real time through the supported showcasing of a representative farm. By showcasing regionally specific decision making under real conditions, NSW farmers

are provided with a unique and rich information resource for influencing and supporting their own on-farm business decisions. A number of high quality applications were received from farms across the state and following a rigorous selection process, the farm of Justin and Libby Walsh from Jaspers Brush was chosen as the successful candidate. The Focus Farm program will begin from July 2018, with Justin and Libby receiving specialist guidance from an expert support group to enable informed decision making on their farm. A series of open days and communications through the Dairy NSW Milkflow, Snapshot and website, will provide an excellent opportunity for NSW farmers to follow the progress of this program and utilise the findings to support their own business decision making. Subscription to any of these media can be arranged by contacting the Dairy NSW communications officer, Elizabeth Warren.

External Projects

Dairy NSW successfully received funding from the recent Dairy Industry Fund grants round to undertake a project addressing the retention of skilled individuals in the dairy sector. The project is a collaboration with key external partners including Dairy Australia, Murray Dairy and Subtropical Dairy and will run for the next three years. The project will address the real time need for retaining highly skilled professionals across the industry, to support the continued growth and development of dairy in NSW. A key focus of the project will be in identifying current barriers to career progression and the retention of highly skilled employees across the dairy sector, as a means for designing effective and applicable mechanisms to stem the flow of individuals exiting the industry and promote leadership. The project will be led by a specialised project officer and information will be regularly communicated to all industry stakeholders via Dairy

NSW and partner organisations publications. For further information about this project, please contact April Browne.

Dairy NSW Young Dairy Network

2017/18 saw the continued growth and success of the Young Dairy Network (YDN) in NSW. Led by Greg Duncan, five YDN coordinators have worked tirelessly over the past year to engage more than 364 members across the state in a range of social networking and professional development events. The network has had a key focus on the construction of resilience, knowledge and skills amongst its members which will continue to be an emphasis for the year ahead.

Key highlights for the year included the Central West field tour, which saw close to 30 Dairy NSW YDN members visit a range of farm businesses including Moxey Farms, Thompson's Dairy, Gundamain Feedlot and Mulyan Farm, along with their peers from Murray Dairy. The DairySAGE mentoring program also culminated with a number of NSW YDN members having the opportunity to work closely with industry mentors in developing their personal and professional growth narrative. The program has seeded a culture of professional development which has led to high interest in successive programs including Dairy Australia's, Developing Dairy Leaders project. The network also supported several YDN members to attend key industry events including the Australian Dairy Conference, Dairy Research Symposium and Regional Development Group events. These prime networking opportunities have provided members with the tools to develop their dairy careers and leadership potential.

The activities of YDN can be followed via their dedicated column in the quarterly Milkflow publication and Facebook site – NSW Young Dairy Network. For further information or to subscribe to these media, please contact Greg Duncan.

Education and extension programs

Through the joint coordination of Dairy NSW, Dairy Australia and external industry stakeholders, the extension coordinators have delivered a suite of courses to NSW farmers. These represent five key areas of focus, being Feedbase and nutrition, animal health and welfare, farm business management, people management and land, water and carbon. These programs are developed and delivered in response to farmer and industry identification of key priority areas. The courses delivered in the 2017/18 financial year were:

Feedbase and nutrition

- › Feeding Pastures for Profit
- › Feedbase Challenge

Animal health and welfare

- › Cups On Cups Off
- › Livestock Euthanasia
- › Heifers on Target
- › Rearing Healthy Calves
- › Healthy Hooves
- › Facial Excema
- › Heat Detection Workshop

Farm business management

- › Farm Business Fundamentals
- › Dairy Farm Business Analysis
- › Taking Stock
- › DairyBase Coaching
- › Bank ready Workshops
- › Dairy Farm Monitor Project
- › Focus Farm
- › Discussion Groups
- › Service Provider Training
- › Good Business Governance Forum

Work capability

- › Young Dairy Network
- › DairySAGE Mentoring Program
- › Discussion Groups
- › Cows Create Careers
- › Australian Legendairy Women's Network
- › Careers Fairs

Land, water and carbon

- › Cool Cows
- › FertSmart
- › Effluent management workshops



Communications

Dairy NSW appointed in the 2017/18 financial year a communication officer, Elizabeth Warren, to manage the communications strategy and associated publications. The year saw the release of a monthly e-newsletter, 'The Snapshot' as well as a refreshed quarterly print newsletter, 'Milkflow'. The Dairy NSW website also underwent reconstruction to align with the formatting of Regional Development Programs and Dairy Australia.

The new website includes an events calendar and key information and resources published by Dairy NSW and Dairy Australia. The website is an excellent way to keep up to date with the activities of Dairy NSW and access supporting resources. To subscribe to any of the Dairy NSW media channels or provide suggestions for the continued development of our communications, please contact Elizabeth Warren.



Balance Sheet

As at 30 June 2018

	Note	2018 \$	2017 \$
Current assets			
Cash assets	3	1,133,575	949,556
Receivables	4	69,796	63,859
Current tax assets	5	-	1,857
Total Current Assets		1,203,371	1,015,272
Non-current assets			
Property, plant and equipment	6	-	15,458
Total Non-Current Assets		-	15,458
Total Assets		1,203,371	1,030,730
Current liabilities			
Payables	7	163,390	72,157
Current tax liabilities	5	3,274	-
Provisions	8	-	(4,223)
Other	9	31,225	26,944
Total current liabilities		197,889	94,878
Total liabilities		197,889	94,878
Net assets		1,005,482	935,852
Equity			
Retained surplus		1,005,482	935,852
Total Equity		1,005,482	935,852

Detailed income statement

	2018 \$	2017 \$
Income		
Funding: Dairy Australia program conduct	592,000	609,056
Specific project income	280,956	184,680
Interest received	13,727	14,762
Other income	31,150	27,183
Total income	917,833	835,681
Expenses		
Advertising and promotion	1,611	9,852
Amortisation of leasehold improvements	15,458	19,998
Audit fees	3,750	3,750
Bank fees and charges	(158)	1,042
Consultants fees	490	-
Insurance	6,384	2,988
IT maintenance & support	1,199	2,500
Legal fees	-	123
Meeting expenses - Directors and Chair fees	33,071	36,727
Meeting expenses - Directors travel	16,431	10,936
Meeting expenses - Directors other expenses	3,174	2,363
Meeting expenses - Members fees	838	138
Meeting expenses - Members travel	6,519	5,1254
Meeting expenses - Members other expenses	2,326	5,962
Motor vehicle expenses	32,596	44,257
Postage	408	944
Printing & stationery	4,524	5,761
Project costs	272,725	316,569
Rent on land & buildings	16,290	12,218
Salaries & wages	356,910	310,698
Staff training	3,771	-
Sundry expenses	10,992	6,041
Superannuation	33,330	29,605
Travel expenses	25,566	7,161
Total expenses	848,203	830,884
Surplus from ordinary activities	69,630	4,797

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Board

Jane Sherborne

Chair

Delia Dray

Director

Andrew Farr

Director

Simon Fee

Director

Ken Garner

Director

Sue McGinn

Deputy Chair

Trevor Middlebrook

Director

Staff

April Browne

Executive Officer

Vanessa Carlino

Office Administrator

Greg Duncan

Extension Officer – South

Sheena Carter

Extension Officer – North

Elizabeth Warren

Extension Officer – Wagga

Sam Nicholson

*YDN Coordinator – Mid North
Coast*

Jess Pearce

*YDN Coordinator – Far South
Coast*

Sally Downie

*YDN Coordinator – Central
West*

Emily Neilson

*YDN Coordinator – Hunter
Valley and Tamworth*

Michaela Jeffery

*YDN Coordinator – South
Coast and Highlands*





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