

CHAIR'S ADDRESS

Speech by James Mann at Dairy Australia's AGM Friday 27 November 2020

**Never ever rest until your good is better -
and your better is best.**

These are the words of two very wise women in my life. My two grandmothers. And I like to live up to them.

To sum up my short time as Dairy Australia Chair. Well, it's been an interesting ride so far. It's had its ups and downs, but I'm up for it because I turn up to make the industry a better place and environment to be in.

My involvement in industry leadership has its foundation in my ongoing quest for innovation.

I am a big advocate for collective investment through a levy, as this allows industry to take the financial risks that are beyond the capacity of the individual. But collectively, we can accept the risks, in the interests of pursuing greater profitability and advancement of the industry.

Dairy Australia at its core – and at its best – is an innovation vehicle. It is what we are here to do. Our job is to capture ideas and investment, and channel them through the RD&E pipeline for the benefit of us all.

We're here to *foster* commercialisation from good idea, to on-farm practice. We recognise areas of opportunity and market-failure and work to fill the gap.

We are not here to prescribe one type of farming system or tell you how to run your farm. We are here to:

- enable you to run businesses better,
- help you understand what your drivers of success are; and,
- how to work towards them

It's important that we work to protect Dairy Australia's core business and not dilute what we're here to do. There is always room for continuous improvement.

We're always on the look-out for new opportunities to enhance what we do. And, we need to be mindful about what we're not here to do.

We do have a responsibility across the supply chain – and for the most part the needs of farmers and processors are aligned.

Our Board and team are diverse. My job is not to be all things to all people, solve every problem or be across every issue – my job is to maximise the diversity and expertise in the Board room and create a collegiate and respectful environment for all Directors to perform and challenge each other's thinking.

The Board works hard to enable and foster talent using our combined strength to provide value for every single dollar spent. Across the Board and team, we turn up thinking "Farmer First".

As I turn to providing an overview of 2019/20, I'd first of all like to acknowledge the extraordinary times we are in and recognise the efforts of everyone in the industry to keep managing through what have at times been very testing conditions.

I would particularly like to remind you that all that milk has been picked up from every farm, every day, despite COVID, unlike what has occurred in north America and northern Europe. We should acknowledge industry culture and particularly the processing sector, for making this happen.

Restrictions have put all sorts of extra demands on us and what I've seen throughout has been our ability to rise to the challenges and adapt.

The fact that we are having an online AGM today is an example of that resilience.

2019/20 was a year of contrasts. In the first half of the season we experienced a continuation of very dry weather conditions in most parts of the country, which culminated in damaging bushfires that impacted dairy regions in East Gippsland, North East Victoria, New South Wales and South Australia.

The industry's response to the bushfires saw our supply chain working together at its best, providing the on-ground support to affected farms alongside government agencies.

The support between farmers in different parts of the country lending a hand to those in need is always heartening, along with the resilience and spirit of local communities.

Conditions improved dramatically in the back end of the year, with consecutive, monthly, year on year production increases from December until the season's close.

National milk production finished the year down only by 0.2% at 8.8 billion litres – a tremendous result given the difficult start to the season. This of course is confirmation that rain is a wonderful gift!

Good rainfall also helped soften key input costs and provided the opportunity for farms in many regions to make decent profits.

Strong collaboration was seen again as our industry bodies pulled together to provide effective support to the supply chain during the COVID-19 pandemic, with Dairy Australia playing an active role in co-ordinating the industry's response.

Improved industry collaboration is at the heart of the Australian Dairy Plan and Dairy Australia has played a significant role in the plan's development. We are already committed to supporting the implementation of the Dairy Plan's five pillars through our delivery of programs. I know David Nation will cover this in more detail in his address shortly and how the Dairy Plan has informed the development of our new five-year Strategic Plan.

Dairy Australia is actively engaged in the Dairy Reform process. It is an exceptionally complex task and we are committed to working together with Australian Dairy Farmers and Australian Dairy products Federation to develop an improved structure for the industry.

But the bit that gets me really enthused about this job, is that there have been such exciting developments in our research and innovation activities during the past year.

Many of our activities are world leading and we are looking forward to commercialisation outcomes in the near future that can deliver real benefits on farm.

DairyBio has planted demonstration plots of the world's first F1 Hybrid ryegrass at Hamilton, with expected yield improvements of 10-20 per cent. The forage program is now looking at future forages for our changing climate, including rapid genetic improvement of short-term Ryegrasses and C4 grasses.

Our animal programs continue to make good progress and eight new Australian Breeding Values have been adopted into DataGene's improved genetic evaluation service.

DairyFeedbase programs are already getting traction. Pasture Smarts is readying for a pasture utilisation commercial release which will be game changing. While the First 100 days project promises around \$200 per cow, per lactation, with some simple feed tweaks.

Innovation of this nature is collective action at its best. I'm really looking forward to sowing F1 hybrid ryegrass on our farm and using genetics to ensure my dairy herd is a low-emission herd. And I know we will be taking advantage of the outcome of Pasture Smarts to improve how we manage our pastures.

Dairy Australia's national network of eight Regional Development Programs remains a source of real strength for our organisation. It keeps us in touch with local farmer groups across the country and ensures we provide targeted and relevant services. Our regional teams have done a great job continuing to provide services during COVID-19 restrictions, using online methods where possible.

The RDPs, along with our innovation successes, are in my opinion, the jewels in our crown. Our RDP network is the envy of the other 14 commodity RDCs across the country.

The Board is also engaged in identifying opportunities for dairy to support Minister Littleproud's national innovation agenda for agriculture, in particular a cross-sector approach to R&D investment.

Before closing, I'd like to acknowledge the contribution of Jeff Odgers during his time as Chair. Jeff has worked night and day on behalf of this industry. He has played a very significant role in two key areas in particular: our regional network and the creation of Dairy Feedbase, which is set to deliver huge productivity for us over years to come. He has also made a big contribution to the Dairy Plan.

Jeff – the events which occurred this year in your family touched us all. And we admire you even more for the selfless drive you have shown to complete your responsibilities in the face of these circumstances.

Graeme Nicoll retires from the Board today and we thank him for his dedication to both Dairy Australia and GippsDairy over many years. Graeme has brought an intelligence and sharp analysis to the work of the Board throughout and we wish him well.

And now we move to the business of the AGM.