

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

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 50

**Division/Agency:** Dairy Australia Limited

**Topic:** Tactics for Tight Times

**Proof Hansard Page:** 20

**Senator STERLE asked:**

**ACTING CHAIR (Senator Sterle):** Senator McCarthy, just while you are making some notes, could I ask a question to help all of us here out. With the Tactics of Tight Times, the first one was 2,600 farmers and service providers; how many of those were actually farmers?

**Mr Halliday:** I would have to take that on notice.

**ACTING CHAIR:** Okay. With the further 141 events that you have held from 1 June to 23 February, just recently, you have said that there have been another 1,250; is that a mixture of farmers and service providers?

**Mr Halliday:** Yes, it would be.

**ACTING CHAIR:** Can you tell me how many farmers were in that cohort?

**Mr Halliday:** I would take that on notice.

**Answer:**

For the first phase of industry response activities, 'Tactics for Dry Times', delivered 1 July 2015 to 31 May 2016, 2,650 farmers and service providers participated in 102 events across four dairy regions (Murray Dairy, WestVic Dairy, GippsDairy & DairyTas). Dairy farmers represented 68 per cent of participants across Tactics for Dry Time events, i.e. 1,802 farmers.

The second phase of response activities, 'Tactics for Tight Times' (TFTT) is planned and budgeted to be delivered from 1 June 2016 to 30 June 2018. For delivery to date (1 June 2016 to 23 February 2017) over 1,250 farmers and service providers have participated in 141 events. Dairy farmers represented 63 per cent of participants in TFTT events, i.e. 788 farmers. In addition to TFTT event delivery, between 1 June 2016 and 23 February 2017, 944 Taking Stock consultations have been registered and 783 sessions delivered to dairy farmers.

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Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 51

**Division/Agency:** Dairy Australia Limited

**Topic:** Tactics for Tight Times

**Proof Hansard Page:** 20

**Senator McCARTHY asked:**

**Senator McCARTHY:** That is for Taking Stock.

**Mr Halliday:** That is just on Taking Stock, not Tactics for Tight Times.

**ACTING CHAIR:** Taking stock, \$900,000. What about the other one?

**Mr Halliday:** No, I would have to come back to you on that one.

**Answer:**

Funding of \$226,000 was provided by Dairy Australia for the first phase of response activities, 'Tactics for Dry Times' delivered 1 February 2016 to 31 May 2016, with significant in-kind support from Dairy Australia's Regional Development Programs.

The budget for the second phase of response activities, 'Tactics for Tight Times' including Taking Stock consultations, for 1 June 2016 to 30 June 2018 is \$2,613,000. This comprises contributions by the Australian Government, the Gardiner Dairy Foundation, Dairy Australia and major dairy processors.

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ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 52

**Division/Agency:** Dairy Australia Limited

**Topic:** Relocation

**Proof Hansard Page:** Written

**Senator STERLE asked:**

During Senate Estimates Mr Akers was asked “Has the Minister or his office approached Dairy Australia about relocating out of Melbourne”

Mr Akers responded “Not directly, no.

1. How did the Minister or his office approach Dairy Australia about relocating out of Melbourne?
2. Why did Mr Akers state “Not directly, no”?
3. Provide detail about the Dairy Australia’s hub and spoke model. How was this model developed?

**Answer:**

1. Dairy Australia has not been approached by either the Minister or his office, about relocating out of Melbourne.
2. Dairy Australia was aware of the broad subject of relocation of government agencies out of Canberra – particularly in relation to GRDC, RIRDC and FRDC. However, there has not been any approach by the Minister or his office, about Dairy Australia moving from our existing location.
3. As indicated in our submission to the Senate Inquiry into the operation, effectiveness and consequences of relocating government bodies to regional areas, Dairy Australia has made a considered effort to service, support and invest in our regional communities through our ‘hub and spoke’ model.

This model is characterised by a central “head office”, (the “hub”), based in Melbourne, and regional offices (the “spokes”) in the form of Regional Development Programs (RDPs) located in each of the eight dairy regions.

**Question Number: 52 (continued)**

We believe this is the most effective way to support local employment and the needs of all dairy regions, while ensuring the maximum effectiveness of the organisation in the best interests of our farmer levy payers.

As state governments have reduced funding for regional extension over recent years, Dairy Australia has assumed greater responsibility for leading, managing and funding extension delivery to dairy farmers. This has required additional regional staff to be employed by Dairy Australia based in the RDPs, with an 89 per cent increase in RDP staff since 2015.

The regional jobs created by this structure make up one third of Dairy Australia's FTE employees. In comparison to the 104 (95 FTE) staff based at Dairy Australia's Southbank office in Melbourne, there are currently 68 (46.28 FTE) staff employed in the RDPs. The staff based in each region are set out in the table below:

<b>LOCATION</b>	<b>Staff Number</b>	<b>Staff FTE Equivalent</b>
GippsDairy	9	8.00
Murray Dairy	16	11.47
DairyNSW	8	5.00
DairySA	7	3.90
Subtropical Dairy	6	2.80
Dairy TAS	8	4.29
WestVic Dairy	10	8.12

There are a number of reasons supporting the location of Dairy Australia (the "hub") in Melbourne:

- Melbourne is geographically central to the dairy regions in Victoria, which together make up the bulk (60-65 per cent) of national production of dairy products, as well as having easy airport links to other states and our international markets
- Our location enables Dairy Australia staff to spend time in the regions, facilitating strong engagement with farmers
- Our location is a central meeting point for dairy farmers from across Australia to meet and discuss national research needs and investment priorities
- It also allows Dairy Australia to maintain direct connections to important stakeholders, including the Australian Dairy Farmers, the Australian Dairy Products Federation, the Victorian Government, and the head offices of many dairy companies
- Proximity to key research facilities including DairyBio, which is based at the AgriBio facility at LaTrobe University, helps us stay abreast of and direct key research.