



## **Western Dairy Regional Development Program**

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### **Annual Operating Plan 2013-14**

**Final**

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## 1. Introduction

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### 1.1 Purpose

The purpose of this document is to provide information about the actions planned by Western Dairy Regional Development Program for 2013-14 that support achievement of its strategic priorities and goals.

### 1.2 General Information

Western Dairy	
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## 2. Strategic Direction

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### 2.1 Vision

The Western Dairy Regional Development Program vision is to enhance the economic and environmental wellbeing and image of the region's dairy farming industry through effective research, development and extension.

### 2.2. Mission

Western Dairy will seek to achieve this vision by:

- Working with regional stakeholders to identify and evaluate areas where research, development and extension may assist in the competitiveness and sustainability of dairying in the region; done so in a manner that will help enhance industry image;
- Actively participating in national priority setting and strategic planning of farm research, development and extension;
- Ensuring responsible and timely use is made of the Research and Development levies paid by WA dairy farmers and where possible, using these funds to lever additional monies that can then add further value to current and planned research projects;
- Building and strengthening relationships to provide benefits for the local dairy industry in the areas of research, development, extension, education and industry promotion;
- Facilitating communication and integration between dairy farmers and the dairy research community.

### 2.3 Strategic Priorities for 2013-14

Western Dairy's strategic priorities are developed against a context where:

- We are supported by a dedicated 'industry owned' full time resource – or a Dairy Industry Development Specialist – that offers much greater opportunities for engagement with dairy farmers – both as individual farm businesses and/or as interest-specific discussion groups;
- Our state-based dairy R&D is restructured due to the leasing of the Vasse Research Station and most R&D activities are now linked with commercial dairies;
- Strong alignment with national research, development and extension through *Dairy Moving Forward* is essential to us (the smallest dairying state by volume of milk and geographically the most remote from other Australian dairying regions) doing business;
- WA's research strength and capability is in the area of feedbase – and significant opportunities exist to drive productivity in WA through a greater understanding of more effective feedbase management strategies for WA conditions;

- Western Dairy is committed to ensuring the WA dairy industry adheres to best practise animal management for optimal welfare outcomes;
- Attracting, retaining, developing (professional training) and managing labour is one of the most vexed issues for WA dairy farmers;
- There is an ever-Increasing focus on environmental sustainability and risk management for climate change on farm;
- There is a clear need for better business management as a strategy to help improve farm productivity and profitability in a competitive environment;
- There is a strong need to improve industry confidence and public image and this fundamental needs to be embedded through all activities.

Against this background, Western Dairy has confirmed that its five key strategic priority areas developed in the 5-year plan created in 2012, remain constant, relevant and vital for on-going activity during 2013-2014:

	<b>Strategic Priorities</b>
1	Increase the capacity of the WA dairy sector to derive optimum production from new and existing feed sources, both pastures, conserved fodders and grains – in a sustainable manner and against the background of a warming/drying climate
2	To resource, inform and encourage WA dairy farmers to operate according to best-practise natural resource management principles in order to optimise the environmental, social and economic sustainability of WA dairy farms. Further, to enhance the reputation of WA dairy farmers to be considered responsible environmental citizens, by government agencies and the general community
3	To improve the overall business and human resource management skills of WA dairy farmers, underpinned by a quality nationally recognised dairy training program, so they become more resilient and better able to manage the business risk in an increasingly volatile market place.
4	To lead a whole-of-industry approach to earning a reputation as an industry of best practise animal managers
5	To facilitate and nurture the development of a positive industry image and farmer self image and to embed this philosophy in all activities relating to promoting and understanding the value of the dairy service levy and the return this offers WA dairy farmers.

See section 4 for further details.

### 3. Resource Allocation for 2013-14

#### 3.1 Dairy Australia Funding Summary

Total Dairy Australia funds available 2013-14		\$220,000
Allocation of Dairy Australia funds:		
- Projects contracted	\$21,800	
- Projects submitted	\$	
- Projects under development	\$198,200	
Total		\$220,000
Balance		\$0

#### 3.2 Alignment with Dairy Australia Programs\*

	Dairy Australia RDP Funds		Other Funds		Total Funds	
	\$	%	\$	%	\$	%
Program Conduct	173,200	78.7	25,000	8.0	198,200	37.2
Feedbase & Animal Nutrition	46,800	21.3	12,000	3.8	58,800	11.0
Resource Management (NRM)			111,900	35.8	111,900	21.0
Farm Business Management & Extension/People			164,000	52.4	164,000	30.8
Animal Performance						
Other Programs						
Total	220,000	100	312,900	100	532,900	100

\* DA programs are aligned to the priorities as determined by the Dairy Moving Forward project.

The above table is a summary of Program Conduct and large projects planned for 2013-14. Refer to attached Western Dairy budget spreadsheet for further details.

#### 4. Strategic Priorities and Initiatives 2013-14

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*All initiatives (projects and investments) should relate to, and produce results that relate to, the RDP's strategic priorities. Initiatives and outcomes should be detailed for each strategic priority area.*

- **Strategy** - a long term plan of action designed to achieve a particular outcome or address a particular issue; a broad statement of the approaches to accomplishing desired outcomes.
- **Initiatives** are the projects, services, products or other investments you put in place in order to achieve the desired outcomes.
- **Outcomes** are the changes, benefits or other results that happen as a result of your initiatives. For example, the measurable results or achievements of a program; how stakeholders are impacted, that is, different after the program. They should demonstrate alignment to strategic priorities.

**Details of small projects should also be included in this section. If additional small projects are initiated throughout the year, these should be included in subsequent revisions of the AOP.**

<b>Strategic Priority 1:</b> Increase the capacity of the WA dairy sector to derive optimum production from new and existing feed sources, both pastures, conserved fodders and grains – in a sustainable manner and against the background of a warming/drying climate		
<b>2013-14 Direct investment: \$46,800</b>		
<b>Initiatives</b>	<b>Expected Outcomes</b>	<b>Actual Outcomes</b> <i>(to be completed/updated February 2014 and July 2014)</i>
<p><b>Continuing Initiatives for 2013-2014</b></p> <ul style="list-style-type: none"> <li>Regional Feedbase Development Group 13/14 &amp; 14/15 (\$25,000) x 2 years</li> </ul>	<ul style="list-style-type: none"> <li>Use skilled leadership via a recognized agronomist working in conjunction with DAFWA to integrate latest feedbase management techniques from all dairying states and dissemination of relevant information throughout WA dairy industry.</li> <li>Continued development and dissemination of key feedbase issue workshops in a timely and relevant manner</li> <li>Highest possible level of communication and interaction between local and interstate feedbase scientists and extension personnel</li> <li>Utilisation of paddock trials as ‘table talkers’ to generate discussion around crops/forages seen as ‘risky’</li> <li>Integration of new ideas through funding six young farmers to attend FutureDairy Symposium</li> </ul>	
<p><b>Continuing initiatives</b></p> <ul style="list-style-type: none"> <li>Refining potassium requirements for annual and Italian ryegrass \$21,800</li> </ul>	<ul style="list-style-type: none"> <li>To resolve the question of critical plant test levels for K for annual and Italian ryegrass rather than use the values based on perennial ryegrass recommendations and increase the accuracy of recommendations from the Greener Pastures project. The objective is to empower farmers to adopt a more strategic use and application of Potassium.</li> </ul>	
<p><b>Small Projects for 2013-14</b></p> <ul style="list-style-type: none"> <li>Feedbase element at Dairy Innovation Day 2014</li> </ul>	<ul style="list-style-type: none"> <li>Showcasing new/better approaches to feedbase management – particularly in relation to the FFSWA project</li> </ul>	

<p><b>Strategic Priority 2:</b> To resource, inform and encourage WA dairy farmers to operate according to best-practise natural resource management principles in order to optimise the environmental, social and economic sustainability of WA dairy farms. Further, to enhance the reputation of WA dairy farmers to be considered responsible environmental citizens, by government agencies and the general community</p>		
<p><b>2013-14 Direct investment:</b></p>		
<p><b>Initiatives</b></p>	<p><b>Expected Outcomes</b></p>	<p><b>Actual Outcomes</b> <i>(to be completed/updated February 2014 and July 2014)</i></p>
<p><b>Continuing Initiatives for 2013-14</b></p> <ul style="list-style-type: none"> <li>Evaluation of on farm energy audits and demonstration of energy saving strategies and techniques</li> <li>The design and assistance of Dairy Effluent system upgrades (R4R/Geocatch)</li> <li><i>NOTE: THIS IS SUBJECT TO SUCCESSFUL GRANT APPLICATIONS VIA SUSTAINABLE AG FUNDING – NOT ALLOCATED AT THE TIME OF AOP</i></li> </ul>	<ul style="list-style-type: none"> <li>Improve energy efficiency on WA dairy farms, through greater understanding of opportunities to invest in energy saving devices and strategies.</li> <li>Improved approach to dairy effluent management and reduction of off-site impact from WA dairy effluent sources</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<ul style="list-style-type: none"> <li>Lowering nitrous oxide emissions in intensively grazed pasture systems (\$377k x 3 years)</li> </ul>	<ul style="list-style-type: none"> <li>To quantify the potential for Smart-N technology to reduce both the direct and indirect N2O emissions from intensively grazed dairy pasture systems.</li> <li>To reduce nitrogen fertiliser usage by 20 to 30% by avoiding applications of nitrogen fertiliser to zones already high in available nitrogen. This would result in lowering</li> </ul>	

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<p><b>2013-14 Direct investment:</b></p>		
Initiatives	Expected Outcomes	Actual Outcomes <i>(to be completed/updated February 2014 and July 2014)</i>
	<p>both the direct and indirect N20 emissions and most likely have no adverse effect on pasture production. The technology can also be “reversed engineered” to directly apply nitrification inhibitors to nitrogen rich zones. This would substantially (an estimated 80% reduction) lower the application costs of nitrification inhibitors leading to high rates of adoption and associated reductions in N20 emissions.</p>	
<p><b>New or expanded initiatives for 2013-14</b></p> <ul style="list-style-type: none"> <li>Development of a greater understanding of the opportunities, costs and benefits of greater utilisation of dairy waste for compost production</li> </ul>	<ul style="list-style-type: none"> <li>Project development funds to prepare a substantial research project that aims to quantify the value of compost production to a WA dairy system.</li> </ul>	

<p><b>Strategic Priority 3:</b> To improve the overall business and human resource management skills of WA dairy farmers, underpinned by a quality, nationally recognised dairy training program, so they become more resilient and better able to manage the business risk in an increasingly volatile market place.</p>		
<p><b>2013-14 Direct investment:</b></p>		
Initiatives	Expected Outcomes	Actual Outcomes <i>(to be completed/updated February 2014 and July 2014)</i>
<p><b>Continuing Initiatives for 2013-14</b></p> <ul style="list-style-type: none"> <li>• \$5,000 investment in the coordination of Cows Create Careers; Great Wall of Dairy etc</li> <li>• In-kind investment in the continued growth of the NCDEA/GSIT relationship providing quality dairy training for WA dairy industry</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 10 schools in major WA dairying areas participating in activities that promote dairy as an industry and career of choice</li> <li>• Continued growth in participation of dairy traineeships; and a culture of continued improvement in the capacity of WA farm businesses to offer a quality training environment for trainees</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
<p><b>Continuing initiatives for 2013-14</b></p> <ul style="list-style-type: none"> <li>• The appointment and on-ground operations of a Dairy Industry Development Specialist (\$75k from DA matched by \$75K from DAFWA, with complimentary office space and project administration from SWCC)</li> </ul>	<ul style="list-style-type: none"> <li>• To improve the business and farm management skills and motivation of the WA dairy industry, by facilitating engagement in dairy training and extension, directly addressing such areas to seek improvements in Human Resource management, fertility of the WA dairy herd, greater understanding of the feedbase; and a more attuned approach to effluent and environmental management.</li> </ul>	

<b>Strategic Priority 3:</b> To improve the overall business and human resource management skills of WA dairy farmers, underpinned by a quality, nationally recognised dairy training program, so they become more resilient and better able to manage the business risk in an increasingly volatile market place.		
<b>2013-14 Direct investment:</b>		
<b>Initiatives</b>	<b>Expected Outcomes</b>	<b>Actual Outcomes</b> <i>(to be completed/updated February 2014 and July 2014)</i>
<b>New Initiatives for 2013-2104</b> <ul style="list-style-type: none"> <li>Evaluation/tracking of students from schools that have previously participated in CCC to establish if there has been any flow on effect to students having careers in dairy</li> </ul>	<ul style="list-style-type: none"> <li>An evaluation of the impact of CCC on schools that have participated in the program and investigation of how many students have progressed towards a career in dairy</li> </ul>	
<b>Small Projects for 2013-14</b> <ul style="list-style-type: none"> <li>Cups on Cups Off Course</li> </ul>	<ul style="list-style-type: none"> <li>Building the skills base of the WA dairy labour force</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<ul style="list-style-type: none"> <li>Delivery of the designated list of 'value add' training workshops for dairy trainees, made available to wider industry</li> </ul>	<ul style="list-style-type: none"> <li>Building the skills base of the WA dairy labour force</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<ul style="list-style-type: none"> <li>Large Herd Engagement Program <i>Funded via DA direct</i></li> </ul>	<ul style="list-style-type: none"> <li>Specific delivery of courses (for example People GPS) designed to match the needs of WA's larger herds.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

<p><b>Strategic Priority 3:</b> To improve the overall business and human resource management skills of WA dairy farmers, underpinned by a quality, nationally recognised dairy training program, so they become more resilient and better able to manage the business risk in an increasingly volatile market place.</p>		
<p><b>2013-14 Direct investment:</b></p>		
<p><b>Initiatives</b></p>	<p><b>Expected Outcomes</b></p>	<p><b>Actual Outcomes</b> <i>(to be completed/updated February 2014 and July 2014)</i></p>
<ul style="list-style-type: none"> <li>Professional development: Delivering People GPS and other TPID products in WA</li> </ul>	<ul style="list-style-type: none"> <li>Building the capacity and skills of DIDS Rob La Grange, by funding his completion of the Diploma in HR, meaning there will be two actively trained consultants in dairy-specific HR in WA.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

<b>Strategic Priority 4:</b> To lead a whole-of-industry approach to earning a reputation as an industry of best practise animal managers		
<b>2013-14 Direct investment:</b>		
<b>Initiatives</b>	<b>Expected Outcomes</b>	<b>Actual Outcomes</b> <i>(to be completed/updated February 2014 and July 2014)</i>
<p><b>Ongoing Initiatives for 2013-14</b></p> <ul style="list-style-type: none"> <li>Refinement of messaging and delivery strategy of the Animal Welfare Engagement Project, via focus groups and market testing;</li> <li>Formal release of the Engagement Strategy</li> </ul>	<ul style="list-style-type: none"> <li>This project was originally intended for completion by June 30, 2013, however as project members developed this project, the scale and significance of the desired outcomes have expanded. It has become necessary to 'focus test' the content of the document and as a consequence, funds have now been re-allocated. The expected outcomes of the focus group testing are: <ul style="list-style-type: none"> <li>Refinement of wording and key messaging (and possibly presentation) to optimise readability and uptake</li> <li>Using the process of market and focus group testing to engage farmers who may previously have been less likely to participate in the product launch</li> </ul> </li> <li>An industry-endorsed, user-friendly booklet that clearly highlights to all stakeholders the standards that the WA dairy industry expects its farmers to uphold</li> <li>Demonstrate to special interest groups (RSPCA) that dairy is 'on the front foot' in relation to animal welfare</li> </ul>	<p><i>Capture details of actions, activities and impact as these initiatives are delivered.</i></p> <ul style="list-style-type: none"> <li></li> </ul>

<b>Strategic Priority 5:</b> To facilitate and nurture the development of a positive industry image and farmer self image and to embed this philosophy in all activities relating to promoting and understanding the value of the dairy service levy and the return this offers WA dairy farmers.		
<b>2013-14 investment: \$No funds allocated, just the philosophy embedded</b>		
<b>Initiatives</b>	<b>Expected Outcomes</b>	<b>Actual Outcomes</b> <i>(to be completed/updated February 2014 and July 2014)</i>
<b>Continuing Initiatives for 2013-14</b> <ul style="list-style-type: none"> <li>Industry Image: - Embedding the philosophies of developing a positive industry image in all activities undertaken by Western Dairy and the broader dairy industry, but to do this via activities that are specifically to drive awareness of the levy and to increase the understanding of the value it delivers.</li> <li>Embedding of Legendairy activities throughout the WA dairy sector</li> </ul>	<ul style="list-style-type: none"> <li>A continued growth in the understanding and appreciation of the role of the levy and the value it plays in delivering a better future for WA dairy industry via optimal dairy RD&amp;E in WA (measured via Stakeholder tracking results)</li> </ul>	<i>Capture details of actions, activities and impact as these initiatives are delivered.</i>
	<ul style="list-style-type: none"> <li>An improved presence of dairy at country shows, with Western Dairy actively supporting farming families to mount promotional showcases.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

## 5. Key Performance Indicators 2013-14

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Key performance indicators are to be reported on by the end of November for the preceding year. The KPIs are to be completed using the KPI template provided by Dairy Australia.

Key Performance Indicators 2013-14

## 6. Appendices

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### 6.1 Funding Details

See attached Western Dairy budget spreadsheet for 2013-14.

### 6.2 RDP Reporting Cycle

