



**Grain**  
Producers SA



# 2014-15 Annual Report





# Our Mission

To ensure a viable and sustainable grains industry in South Australia for grain producers through leadership, advocacy and communication



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Grain  
Producers SA ...  
created solely  
by South  
Australian  
grain growers  
with their best  
interests'  
at heart

Grain Producers SA  
was established in December 2011.

We advocate for **you** – South Australian  
grain producers – on grains issues beyond  
the farm gate. Our goal is to improve **your**  
**profitability and sustainability.**

We do this by **listening to you** about what  
you want to see happen in the industry and  
then working across all stakeholders to be  
the **strong advocate you need** at all levels  
of government and industry.

**We work for you while you farm.** We  
are in regular contact with government  
representatives, marketers, exporters,  
storage and handlers, researchers and farm  
input suppliers on your behalf.

Our seven directors are grain producers  
from across the state and they are  
nominated and elected by you. Our small  
team of staff implement the board's strategic  
direction and **meet with decision-makers**  
**on your behalf.**

Grain Producers SA's work is all about **you** –  
the South Australian grain producer.

Grower-driven  
advocacy for a profitable  
grains industry

communicate  
develop DISSEMINATE  
support  
innovative advocate  
opportunity EFFECTIVE  
collaborate  
business represent  
training  
inform  
EDUCATE  
initiate  
sustainable  
INNOVATIVE



# 2014-15 In Summary



## 1 Industry and government liaison

GPSA staff and directors attended hundreds of meetings in 2014-15 to ensure that grain producers were represented in discussions on government policy and industry decisions. This is to ensure that the grain industry is not marginalised or over-regulated and GPSA's vision for profitable, sustainable grain producers can be achieved.

## 2 Auction windfall

SA grain producers gained an extra \$90 million at harvest 2014-15 because of the auction system for allocating shipping slots. GPSA is continuing communication with the Australian Competition and Consumer Commission and industry to ensure any change to long-term agreements will bring about benefits to SA grain producers.

## 3 Leadership development

GPSA supported two young grain producers – Nick Greig, Crystal Brook and Lou Flohr, Lamerloo – to attend the 2015 Australian Grain Industry Conference in Melbourne in July 2015. Two female grain producers were supported to attend the International Rural Women's Conference in Adelaide in March – Jennifer Horne, Wharminda, and Katie Preston, Hampden. GPSA also supported its chief executive officer Darren Arney to be part of the Australian Rural Leadership Program.

## 4 Mining policy

GPSA, through its Agricultural Security and Priority Committee, responded to a review of mining determinations and guidelines and worked with farmers affected by the Rex Minerals Hillside Project and Warramboo Iron Road Mining Project. These experiences are helping GPSA to develop a mining policy that considers a ban on mining operations on agricultural land, argues for definitive timelines to be set on mining proposals and requests improved communication from mining companies with producers. A draft policy for consultation was released to members at the 2015 Yorke Peninsula Field Days.

## 5 Genetically modified crops

GPSA has continued to lobby the State Government and Opposition over their support of a ban on genetically modified crops in SA. To facilitate discussion in SA and keep the issue front-of-mind, GPSA supported a forum in June 2015 on GM crops to facilitate discussion between government and industry partners on how the technology is being used outside SA.

## 6 Submissions

Governments call for submissions from advocacy groups on issues that will affect their members. GPSA put forward the views of SA grain producers in submissions on issues such as agricultural competitiveness, wind farms, rail access, mining, variety access and supply chain costs.

## 7 Transport focus

GPSA established a Transport and Supply Chain Committee to review existing grain transport and logistics and to work with government and industry to improve efficiencies – all to benefit grain producers.

## 8 Emergency Services Levy

GPSA called for the State Government to wind-back the ESL increases for primary producers, saying it is an unfair tax that charges landowners for their work in protecting SA residents, homes and environmental assets from fire and natural disasters.

## 9 Freight and logistics

GPSA partnered with Primary Producers SA and the State Government on a 90-day transport project in which farmers were surveyed on freight and logistics and agricultural machinery movement. A list of issues and hotspots has been compiled for action and will be rolled out as changes to regulations are made.

## 10 Harvest code of practice review

GPSA partnered with the Country Fire Service, Primary Producers SA and the State Government to ensure grain producers views were represented in a review of the South Australian Voluntary Grain Harvesting Code of Practice. The code makes recommendations for on-farm practices such as harvesting on bad fire days and the Grasslands Fire Danger Index. The review is continuing.

## 11 Member engagement

GPSA operates two key surveys of its members. In the Priority Issues Survey, conducted in August and September, producers rank a list of topics that impact business profitability. In the Post-Harvest Survey, conducted in February and March, producers rate bulk handlers' overall performance in terms of logistics, service, communication, staffing expertise and classification consistency. Both surveys are becoming widely recognised in the industry as independent analysis of producer opinion.



# Chairman's Report

It has been nearly four years since Grain Producers SA was established. In 2014-15, we have continued to work hard to be an advocate for growers and represent their interests at a local, state and national level.



Harvest 2014-15 turned out to be South Australia's sixth consecutive above-average grain crop, with 7.63 million tonnes harvested from 4.04 million hectares. This is more than the long-term average of 6.6mt. Given the driest spring on record in some parts, this is a credit to our modern farming practices and research and development. Based on present predictions, South Australia could produce another above-average crop this year too.

According to the State Government, the South Australian grain industry contributes \$4.5 billion or 26 percent of the state's gross food and wine revenue. About 85pc of South Australian grain is exported around the world, to locations including the Middle East, China, Japan and South East Asia.

One of the highlights as chairman in 2015 was for Grain Producers SA to have the opportunity to represent the grain industry on Premier Jay Weatherill's Chinese trade mission. I was one of 12 agribusiness industry leaders from South Australia to travel to China in May as part of the government's push for industry to expand their networks and potential trade opportunities.

The experience was enlightening, both in terms of opportunities for producers in SA and the way China is approaching grain production. China produces 120 million tonnes of wheat and still needs 5-6mt to top up requirements for their domestic market. The key factor I took away as a positive for SA growers is the opportunities opening up to us under the free trade agreement, announced last year. The Chinese government is pouring millions of dollars into biotechnology across its food industry.

In South Australia, GPSA has continued to pursue access to genetically modified crops in 2014-15. We are now seeing the second generation of GM crops coming into production systems in other parts of the world. Primarily, the focus had been on herbicide resistance in GM technology but now, for example, Spain has just developed a GM wheat that is low in gluten which could provide health benefits to gluten intolerant consumers. Other agronomic benefits that continue to be researched are drought resistance and frost tolerance.

The National Association for Sustainable Agriculture Australia, which is the organic certifier, this year stated that coexistence is possible between the organic and GM industry. There is no reason why coexistence cannot work here in SA so we can have the best of both worlds.

One of the biggest responsibilities of Grain Producers SA is to make submissions on issues or proposals that will affect the grain industry, in particular to state and federal governments. This is a responsibility we take very seriously and is one of the key ways that producers gain value for the levy they pay.

We have to be in constant liaison with government and industry stakeholders to ensure that our industry is not marginalised or over-regulated. The submissions we make are available on the GPSA website and we encourage you, as members, to have your say.

In the year ahead, there is a host of issues we will be pursuing on producers' behalf through GPSA, and in collaboration with

Primary Producers SA. The 90-day Transport Project is an excellent example of how PPSA and GPSA can work together and we will be relying on this successful project to inform broader issues, such as closure of the Mallee rail line. It is disappointing this has happened before the road transport network has been upgraded and so we will be working hard to ensure that is not replicated on Eyre Peninsula.

GPSA, through its membership of Grain Producers Australia, will continue to monitor the Grains Research & Development Corporation's move to an industry-owned corporation model and will work closely with other states to ensure levy-payers are informed on the changes and any implications. Also, through GPA, we are pursuing being part of the National Farmers Federation as a commodity member so that we have input into national cross-commodity issues such as transport and telecommunications.

I would like to acknowledge the continued commitment of my fellow board directors, including those who chaired special interest sub-committees, GPSA chief executive officer Darren Arney and staff who all provide valuable input and counsel, ensuring GPSA remains an organisation that has the best interests of our grain growing members at heart.

**Garry Hansen**  
CHAIRMAN  
Grain Producers SA



Harvest 2014-15 turned out to be South Australia's sixth consecutive above-average grain crop, with 7.63 million tonnes harvested from 4.04 million hectares.

# Our Board



## Garry Hansen

### CHAIRMAN

Garry is a grain and livestock producer, cropping about 5000 hectares at Coomandook in the Upper South East. He has served in a number of senior positions in the grains industry including as a grower-elected director of AusBulk Ltd and United Grower Holdings Ltd and a director of the Grains Council of Australia. He has been chairman of the SA Grains Research and Development Corporation Research Advisory Committee and deputy chair of the former SAFF Grains Council.



## Wade Dabinett

### DEPUTY CHAIRMAN

### CHAIRMAN, TRANSPORT AND SUPPLY CHAIN COMMITTEE

Wade returned to his family farm at Parilla four years ago and looks after the grain growing side of the business, which includes 3500 hectares of cereals, 300ha of potatoes and “too many sheep”. With experience in the grain trading, storage and handling industry, he is keen for other growers, particularly young farmers, to gain skills in grain selling and business management. He sees a great future in the grain industry, and would like to see more farmers engaged with GPSA and young farmers upskilled to be part of the industry’s future.



## Stephen Ball

### DIRECTOR

Stephen owns and operates a family farm with his wife Nikki Hannaford at Riverton in the Mid North. He has been a director for Grain Growers Limited for the past three years and was a member of the Agricultural Reference Group of Australia during 2011-12. He was a Nuffield Scholar in 2010, a former director and chairman of the South Australian No Till Farmers Association, and the inaugural chairman of Conservation Agricultural Alliance of Australia and New Zealand. He is currently a steering group member of the Mid North High Rainfall Zone cropping group. Stephen believes GPSA has an important role in advocating for all grain growers in SA, to make the most of research and development opportunities and to help make SA grain producers more profitable and sustainable.



## David Malpas

### DIRECTOR

### CHAIRMAN, AUDIT AND FINANCE COMMITTEE

David operates a mixed farming enterprise with his wife Angela, near Lucindale in the South East, comprised of cropping, sheep and cattle. He is a past member of the SAFF Grains Committee and former treasurer. David has been a member of Grain Producers SA since its inception and would like to see it continue to grow as the voice of the levy-payers. David believes grain producers need an efficient and competitive environment to be able to remain profitable as a farming enterprise. He sees GPSA having a large role in this as the voice of South Australian grain producers, to represent them as a united body to business and governments to drive change for the industry.



## Brett Roberts

### DIRECTOR

Brett is a grain producer at Balaklava, where he crops 5500 hectares with his brother Gavin. He is a majority owner and director of Australian Growers Direct, a grain storage and trading company based at Balaklava. Brett is a Nuffield Scholar (1999), a past president of the SA Crop Science Society, and past chairman of both the former SAFF Grains Council and SAFF Transport Committee. His vision is for GPSA to be the mouthpiece for grain growers in South Australia, particularly through relevant affiliations with other lobby organisations at all levels.



## Peter Polkinghorne

### DIRECTOR

Peter is a grain producer near Ceduna. He was born and bred on Yorke Peninsula, moved to Coonalpyn, where he mostly grew wool in the 1980s, then relocated to the West Coast 22 years ago. Wheat is the biggest crop grown and he and his family also run 2500 Dorpers. Peter wants to see profitable and sustainable grain production on the West Coast with access to a secure and efficient port. He says keeping the Thevenard port viable by upgrading it is the biggest issue for West Coast producers. At present, the channels are not deep and so only small ships with up to 25,000-tonne capacity are permitted.



## Max Wilksch

### DIRECTOR

### CHAIRMAN, AGRICULTURAL SECURITY AND PRIORITY COMMITTEE

Max is a partner in a family farming business at Yeelanna on the Lower Eyre Peninsula, with his wife Julie and sons Randall and Jordan. The business is dedicated to grain production and long-term sustainability. Max has previously represented growers as an ABB Grain Director and as a member of the former SAFF Grains Council. He is also a fellow of the Australian Institute of Company Directors. Max believes GPSA’s role is to be a focused and trustworthy advocate for all SA grain producers.

TABLE 1. BOARD MEETING ATTENDANCE IN 2014-15

DIRECTOR	APPLICABLE MEETINGS	MEETINGS ATTENDED	MEETINGS NOT ATTENDED
Garry Hansen	6	6	-
Wade Dabinett	6	6	-
Stephen Ball*	5	5	-
David Malpas*	5	5	-
Peter Polkinghorne	6	6	-
Brett Roberts	6	5	1
Malcolm Sargent*	1	1	-
Mark Schilling*	1	1	-
Max Wilksch	6	6	-

\* Retired at September 2014 AGM

\* Elected at September 2014 AGM



# Sub-committees of the GPSA Board

Grain Producers SA has increased its move to special interest, skills-based sub-committees in 2014-15. This brings in extra knowledge and expertise to the GPSA Board on specific issues.

## 1. Agricultural Security and Priority (ASAP) Committee

### MEMBERSHIP

The ASAP Committee meets five times per year. Its members include:

- > Max Wilksch, committee chairman, GPSA board director and grain producer, Yeelanna.
- > Naomi Bittner, grain producer, Curramulka.
- > Brenton Davey, grain producer, Pine Point.
- > Leon Veitch, grain producer, Warrambo.
- > Peter Grocke, grain producer, Tanunda.
- > Andrew Goode, lawyer, Mellor Olsson.
- > GPSA executive support - Trudy Huczko.

### BRIEF

To advocate for the continued use of agricultural land for farming, and specifically, grain production.

### ISSUES

Sensitive uses of land impacting on and adjoining broadacre cropping, such as mining, wind farms, spray drift and buffer issues.

## 2. Transport and Supply Chain (TASC) Committee

### MEMBERSHIP

The TASC Committee was appointed in May 2015 and will meet four times per year. Its members include:

- > Wade Dabinett, committee chairman, GPSA board director and Parilla grain producer.
- > Mark Schilling, grain producer, Kadina.
- > Philip Wilsdon, grain producer, Gulnare.
- > Craig Kelsh, grain producer, Port Kenny.
- > Brett Roberts, GPSA board director and grain producer, Balaklava.
- > Darren Arney, GPSA chief executive officer.
- > GPSA executive support - Tim Burrow.

### BRIEF

To advocate for a more efficient and effective grain transport and supply chain leading to a reduction in the cost of getting grain from the farmgate to a ship.

### ISSUES

Statewide issues with road and rail transport, such as the Essential Services Commission of SA review of the rail system, the bipartisan Grain Industry Transport Forum, and the EP Ports Master Plan.

## 3. SA Barley Advisory Committee (SABAC)

### MEMBERSHIP

SABAC meets twice a year, in autumn and spring. Members include growers, grain buyers, brewers, maltsters, breeders, marketers, bulk handlers, researchers and retailers. Each pays a membership fee while GPSA provides funding and administrative support for grower involvement.

SABAC has a management committee of six members, who in 2014-15 included:

- > Mark Modra, committee chairman and grain producer, Greenpatch, Eyre Peninsula.
- > Darren Arney, GPSA chief executive officer.
- > Jason Eglinton, University of Adelaide Barley Program leader.
- > Rob Wheeler, SA Research & Development Institute field crops evaluation leader.
- > Doug Stewart, Coopers Brewery quality manager.
- > Agnieszka Janusz, formerly of Cargill Malt.
- > GPSA executive support - Tim Burrow, Belinda Ryan.

### BRIEF

To bring together all stakeholders in the barley industry from pre-breeding and production to marketing and end-users to increase communication between all sectors.

### ISSUES

Members provide updates on new and potential varieties and which varieties growers prefer, research, market and consumer requirements, topical seasonal issues such as agronomy and storage and handling logistics.





# CEO's Report

It is pleasing to look back on 2014-15 and see that grain producers now have a well-funded and resourced organisation that represents them on issues that affect their farm profitability and efficiency.



The 2014-15 season showed immense promise with an early and wet start to the first half of the growing season. However, due to a dry finish, it became a season that reflected advances in recent years of grain production technology. Crops experienced some of the lowest spring rainfall on record and yields were still above average across the state.

Changes in grain production technology and farming systems has seen the annual crop grow from 5.49 million tonnes from 3.08 million hectares in 1996 to 7.67mt from 3.89mha last season (see figure 1).

One of the changes to grain production practices has been the increase in stubble

retention. According to Australian Bureau of Statistics figures, the proportion of stubble burnt in South Australia has reduced from about 25 percent in 2000-01 to about 3pc in 2007-08. The benefits of stubble retention include reduced erosion, improved soil fertility, reduced evaporation and improved water infiltration.

In spite of this, and as an example of the increasing regulatory burden on grain producers, the *Broadacre Burning Code of Practice* was implemented in 2015 as a result of an out-of-control vegetation pile burn in the Adelaide Hills. GPSA worked collaboratively with the Country Fire Service and Primary

Industries and Regions SA to ensure a practical and workable code was introduced.

This is an example of the need for a strong representative organisation in GPSA to ensure that grain producers' voices are heard when governments react to risks in the community. It also highlights the need for strong connections to industry and stakeholders to deal with issues as well as the increasing impact on the right to farm.

Governments are frequently looking to change laws or regulations and unless grain producers are represented at the table when discussions on those changes occur, then they will miss out. That's why developing relationships with

decision-makers is important. We want them to think of grain producers and be asking for our views, not to find out later that a change has been made and we were not consulted.

It is pleasing to look back on 2014-15 and see that grain producers now have a well-funded and resourced organisation that represents them on issues that affect their farm profitability and efficiency. With this increased financial stability has come an increased workload. We have been listening to the concerns of growers, which is why we are focusing more effort on broader issues that still impact grain production, such as mining and increases in the Emergency Services Levy.

Supply chain costs and competition in storage and handling are still the two highest priorities identified by growers to GPSA. The supply chain costs producers \$400 million, including freight, which is still 30pc of the cost of production of grain. In September 2014, Minister for Agriculture Barnaby Joyce announced a mandatory port access code of conduct would be implemented to deliver fairness and transparency in port access arrangements. This is a huge win for producers because it enables their views to be heard and their rights considered in negotiations on port access in SA. I would like to thank the joint efforts of Grain Producers Australia and the state farming organisations

which supported the case for a code to the Federal Government.

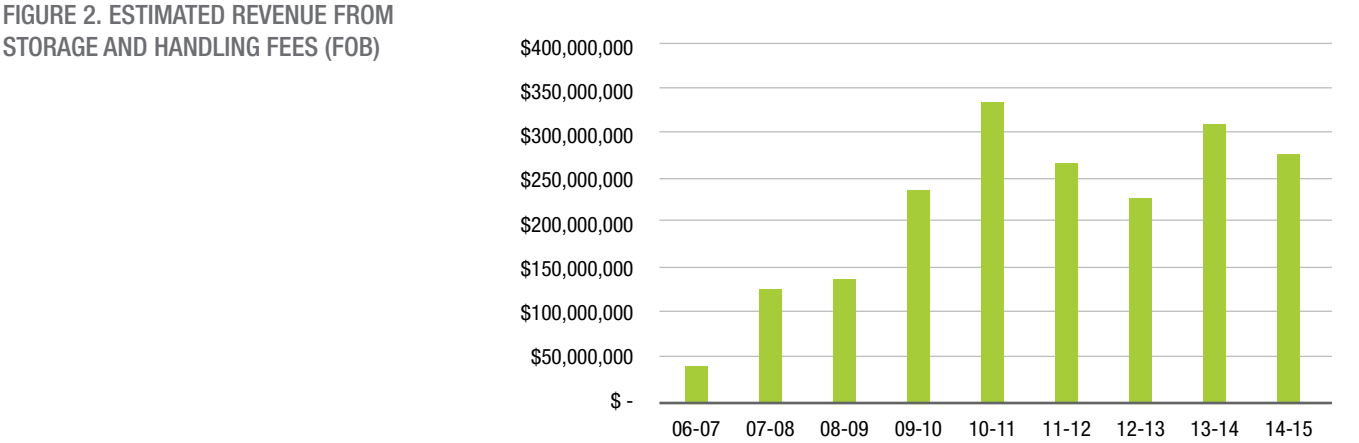
Thank you to GPSA staff for their hard work in 2014-15 as well as the industry specialists who help on key projects, both for GPSA and Primary Producers SA on national and state cross-commodity issues.

**Darren Arney**  
CHIEF EXECUTIVE OFFICER  
Grain Producers SA

FIGURE 1. GRAIN PRODUCTION AND HECTARES SOWN 1996 TO 2015



FIGURE 2. ESTIMATED REVENUE FROM STORAGE AND HANDLING FEES (FOB)







# Our People



**Darren Arney**  
CHIEF EXECUTIVE OFFICER

Darren has been chief executive of Grain Producers SA since its inception in March 2012. Originally from a farm at Jabuk, he studied agriculture at Roseworthy. His experience in the industry is varied, including 10 years as an agronomist at Murray Bridge, a bank manager for six years, and a grain marketing business consultant for 10 years. He joined the steering committee of GPSA in August 2011 as growers were starting to form the organisation.

He manages GPSA's small team of staff who focus on project work, business matters, compliance, finance, stakeholder relations, communication and administration. He oversees the team's implementation of the board's strategic direction.



**Tim Burrow**  
POLICY OFFICER

Tim started at GPSA in January 2014 working on grains policy issues. His experience in the industry over 30 years ranges from grain accumulation, farm inputs, marketing and deregulation and seed processing as well as practical experience. His previous roles include at Emerald Grain through its South Australian traders EP Grain and Sturt Grain, Monsanto, Hannaford's and in his early days, as a farmhand at Mangalo. He has been involved in many corners of the industry in SA, giving him the ability to understand growers' issues and concerns and making him an important contact point for them.



**Trudy Huczko**  
POLICY OFFICER

Trudy's role covers the cross-commodity issues that impact the grains industry, such as transport, logistics and infrastructure, natural resource management and occupational health, safety and welfare. She started with the organisation in February 2014 after many years working in government in the primary industries department. Trudy works closely with Primary Producers SA and has extensive experience in project management, policy development, strategic planning, communication, market intelligence and industry analysis.



**Belinda Ryan**  
BUSINESS MANAGER

Belinda has been at GPSA since the organisation started. Based at the Mount Barker office, her role involves managing the business and administrative requirements of GPSA. She is a qualified accountant and her previous roles include as a finance professional in property working on large-scale developments, construction and renovation projects as well as a government accounting contractor in the former health, families and communities departments. She has also been a self-employed book-keeper, working with clients across a range of industries.



# Member Services

Members of Grain Producers SA accessed a range of discounted services in 2014-15, adding further value to the advocacy and policy work undertaken by the organisation on their behalf.

### Industrial relations

GPSA members can access discounted industrial relations advice through Chas Cini at MERS – Mediation and Employment Relations Services. Members are offered a free 30-minute meeting, followed by a discounted rate for services at \$180 an hour. Services include advice on employment contracts, ReturnToWorkSA, termination of employment such as unfair dismissal and unlawful termination, workplace discrimination or bullying and sexual harassment.

Chas Cini, 08 8331 2422,  
[www.mers.com.au/farms/](http://www.mers.com.au/farms/)

### Legal services

Mellor Olsson Lawyers provides discounted legal services to GPSA members. The first 30 minutes of advice is free and then an hourly rate applies. The service may be either by phone or at one of their offices located in Adelaide, Kadina, McLaren Vale, Nuriootpa and Port Lincoln.

Mellor Olsson, 08 8414 3400.

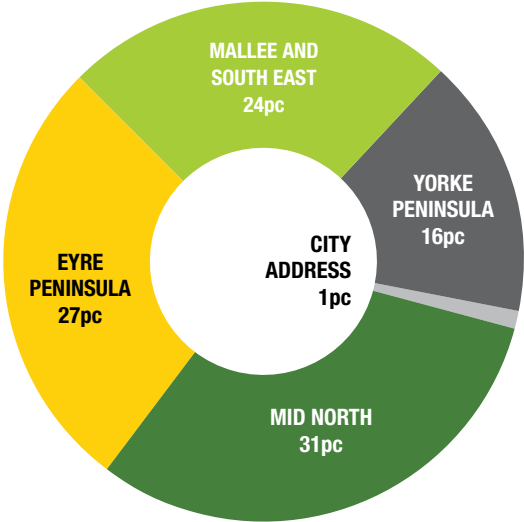
### Financial counselling

Rural financial counselling services are available to all growers through Rural Business Support. This is a free, confidential and impartial business support and information services for primary producers and small rural business owners who are experiencing financial difficulties.

Rural Business Support, 08 8364 2577,  
[www.ruralbusinesssupport.org.au](http://www.ruralbusinesssupport.org.au)

FIGURE 3. MEMBERSHIP BY REGION

Grain Producers SA had 1203 signed members at June 30, 2014.



## What GPSA offers ...

MEMBERS CAN CONTACT GPSA AT ANY TIME, ON ANY ISSUE.

GPSA's services include:

- > **Policy advocacy.** Some growers contact GPSA because they have an individual issue affecting their farm and would like the organisation to make enquiries on their behalf while other growers want to have their say on GPSA policies.
- > **Industry information.** GPSA produces a monthly newsletter to keep grain growers up-to-date on industry issues and events. They contain information on issues that GPSA is advocating for on behalf of growers, consultation and diary dates, and comment on policy.
- > **Ability to influence your industry.** Only members can participate in the board member nomination process, vote at GPSA elections for directors and influence the organisation's direction.

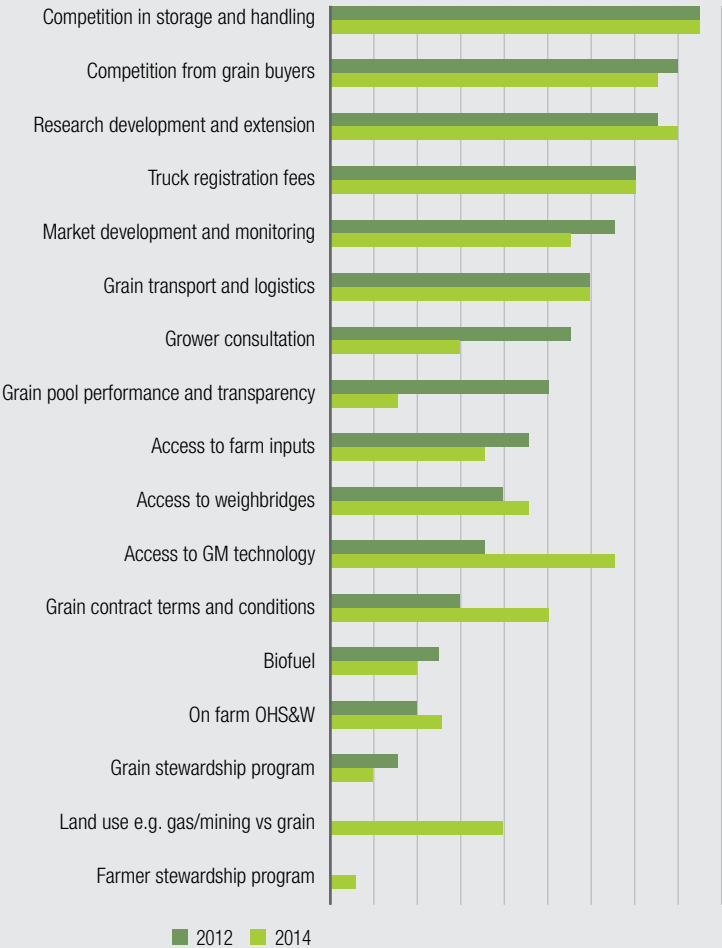
While membership of GPSA is free, producers still have to sign a membership form. Sign up at [www.grainproducerssa.com.au](http://www.grainproducerssa.com.au) or call **1300 734 884**.



# Member Engagement

Engaging with members is integral to the success of Grain Producers SA. Hearing the views of grain producers better informs policy and discussions GPSA has on growers’ behalf.

GRAPH 1. GROWERS’ PRIORITY ISSUES IN 2012 AND 2014



## Surveys

One of the key tools GPSA uses to gather members’ views on priority issues is through surveys.

### THE GPSA POST-HARVEST SURVEY

GPSA surveys growers after harvest to review storage, handling and transport efficiency.

Following harvest 2014-15, 278 grain producers completed the survey. The proportion of tonnes they had grown included:

- > 21 percent harvested less than 1000t.
- > 35pc from 1000-3000t.
- > 24pc from 3000-5000t.
- > 10pc from 5000-7000t.
- > 10pc more than 7000t.

Most growers delivered grain direct to a storage and handling facility during harvest. Only 13pc of respondents stored more than 20pc of their crop on-farm after harvest.

In rating the bulk handler’s overall performance, 88pc of respondents rated GrainFlow good to excellent compared with 68pc for Viterra. Growers were critical of Viterra’s staffing expertise, classification consistency, suitability of opening hours, length of turnaround time and available segregations – all rated below 60pc. GrainFlow rated below 60pc for the number of buyers available at the site.

Following harvest 2013-14, 175 growers completed the survey, who delivered to more than 400 individual receival centres across the state, including 87pc to Viterra sites, 7pc to GrainFlow and 6pc to other sites. Growers were asked to rank the sites they delivered to on a scale of 1 to 10 for performance on:

- > Available segregations.
- > Length of turnaround time.
- > Suitability of opening hours.
- > Numbers of buyers from the site.

- > Communication from bulk handlers to producers and producers’ ability to communicate with them.
- > Classification consistency.
- > Staffing expertise.
- > Ease of access.

This criteria received average scores in the high sixes and low sevens. As a result, GPSA continued its advocacy efforts in investment in transport infrastructure, freight routes and third-party access to ports for grain exports and were in continual contact with stakeholders to get movement on these issues.

### THE GPSA PRIORITY ISSUES SURVEY

GPSA surveyed growers to find out which issues are having the highest impact on productivity and profitability on their farm. The 2015 survey was still open at the time of the Annual General Meeting.

#### 2014

The 2014 Grower Priorities Survey found producers’ number one issue was the need for more competition in grain storage and handling. The survey had 242 responses and the issues were ranked in order of priority for GPSA’s attention. Top issues were:

1. Competition in storage and handling
2. Research, development and extension
3. Competition from grain buyers
4. Truck registration fees

5. Access to GM technology
6. Grain transport and logistics
7. Market development and monitoring
8. Grain contract terms and conditions
9. Access to weighbridges
10. Land use, such as gas/mining versus grain
11. Access to farm inputs
12. Growers consultation
13. On-farm occupational health, safety and welfare
14. Biofuel
15. Grain pool performance and transparency
16. Grain stewardship program
17. Farmer stewardship program

### MEETINGS

Grain Producers SA regularly meets with grain producers to gather feedback on industry issues. In 2014-15, GPSA hosted or participated in:

- > Post-harvest meetings at Coomandook, Murray Bridge, Riverton, Parilla, Gladstone and Maitland.
- > Grains Research and Development Corporation Grower Updates at Kadina, Cleve and Naracoorte and the Adviser Update in Adelaide.
- > Field days at the Riverland and Eyre Peninsula.
- > Crop walks at Hart, the Mallee and South East.



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# GPSA ... at work for you while you farm

“SA grain producers have a professional, organised and well-funded advocacy group. It is what we set out to achieve back in 2010.

Grain Producers SA is working on your behalf to influence policy and decisions made beyond the farm gate which impact our businesses.

GPSA is our voice to government, the community and industry so we can carry on doing what we do best ... farming!”

**Garry Hansen**

GPSA CHAIRMAN AND GRAIN PRODUCER, COOMANDOOK

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# Policy, issues and submissions

Grain Producers SA advocacy work falls into three timeframes – longer term industry priorities, immediate reactive issues and formal submissions to government and industry.

## Policy

Policy development focuses on the longer term industry priorities that are integral to producers' continued productivity and profitability. Policy is decided by the Board, after considering input from grain growing members.

### SUPPLY CHAIN COSTS AND PORT ACCESS

Increasing competition in storage and handling and the high cost of getting grain from farm to port is consistently raised as the number one issue in the industry by South Australian grain producers.

In 2015, this discussion has been dominated by Vittera's proposal to implement long-term access agreements for South Australian ports.

In April 2015, Vittera launched a proposal to change how it provides access to the six grain ports it operates in South Australia. This was to negotiate long-term agreements with clients for up to five years, compared with the current system where exporters bid annually for spaces in the shipping stem through an auction system.

GPSA argued that Vittera's application to establish long-term agreements with grain exporters does not demonstrate benefits for SA grain producers. GPSA lodged two submissions with the Australian Competition and Consumer Commission that the allocation of places in the shipping stem to exporters should benefit producers first and foremost because service delivery and fees are passed onto growers (see submissions).

GPSA chairman Garry Hansen and CEO Darren Arney met with the ACCC about the issue on behalf of SA producers, as well as Federal Agriculture Minister Barnaby Joyce, Federal Senator Sean Edwards and State Transport Minister Stephen Mullighan.

GPSA continues to call for the Essential Services Commission of SA to sit between growers and Vittera to ensure there is a competitive process for storage and handling fees.

### GENETICALLY MODIFIED CROPS

GPSA has continued to lobby the State Government and Opposition over their support of a ban on genetically modified crops in South Australia. It criticised the State Government's support of the New Horizons clay-spreading project in preference to GMs, saying GMs could deliver an overnight 7pc yield increase while clay spreading was only possible on certain soil types with correct clay composition.

To facilitate discussion in SA and keep the issue front-of-mind, GPSA supported a forum on genetically modified crops in June 2015 to facilitate discussion between government and industry partners on how the technology is being used outside of South Australia. The Future Farming Forum was hosted by the Agricultural Biotechnology Council of Australia and held at Waite campus. Speakers included University of Adelaide's Dr Chris Preston on the practicalities of successful co-existence between GM and non-GM crops; IK Caldwell senior agronomist Greg Sefton on the agronomic potential of current and future GM

crop technologies; University of Adelaide's Dr Heather Bray on consumer attitudes to GMs and food; and Australian Oilseeds Federation's Nick Goddard on supply chain confidence in segregating and delivering GM and non-GM crops to markets.

### HARVEST CODE OF PRACTICE REVIEW

The South Australian Voluntary Grain Harvesting Code of Practice has been in place since 2007 with the aim of reducing the risk of fires during harvest. However, farming practices, equipment and crops have changed in the past eight years and GPSA is partnering with the Country Fire Service, Primary Producers SA and Primary Industries and Regions SA in reviewing the code.

The review, still under way at the time of the Annual General Meeting, is seeking grain producer feedback on issues like harvesting on Total Fire Ban days. When the code was released, the grain growing community's view was that self-regulation was sufficient to control harvesting on bad fire days, avoiding the need for legislative controls. The review will revisit this position, as well as the Grasslands Fire Danger Index.

The CFS reports that fire response data and anecdotal evidence for the past 10 years shows the code is working because there has been a downward trend in the numbers of fires started and the losses of property.



## On YOUR behalf, GPSA said ...

A 7pc yield increase for a South Australian crop worth \$2 billion is an extra \$140 million in the pockets of growers. The immediate flow-on benefits of this to rural and regional communities would be huge, not to mention the agronomic benefits that GM crops will bring, such as reduced use of weed control herbicides and ability to rotate chemicals and avoid resistance."



# Policy, issues and submissions

## MINING

Despite the value and importance of the grains industry to the state, GPSA is increasingly finding the right to farm is being threatened by competing and invasive land uses. The impact of mining developments on agricultural land has been one of the key focuses for GPSA's Agricultural Security and Priority Committee. The committee has been focused on two key projects in 2014-15 – the Rex Minerals Hillside Project and the Warramboo Iron Road Mining Project. The committee has been working with affected producers to develop policy on each project and hold the State Government and mining companies to account on timeframes for development. The ASAP Committee's experiences is helping to inform a policy that promotes grain production and the right to farm.

## STUBBLE BURNING CODE

In response to the Cherryville bushfire in 2013, the Country Fire Service sought to establish codes for burning of stubbles and vegetation piles. GPSA partnered in development of the code to ensure grain producers' views were heard on its development. In April 2015, *South Australian Country Fire Service Stubble Burning Code of Practice* was launched.

## Issues

GPSA works on a raft of immediate and reactive issues. There have been two key issues which we have heard from members the most on in 2014-15.

## EMERGENCY SERVICES LEVY

GPSA called for the State Government to wind-back the Emergency Services Levy for

primary producers, saying it is an unfair tax that charges landowners for their work in protecting South Australian residents, homes and environmental assets from fire.

ESL increases were one of the most common issues raised when grain growers contacted the organisation in 2014-15. GPSA reiterated its policy was clear cut – the unfair increases needed to be scrapped.

GPSA outlined its view that the levy is another form of land tax. It is charged to an entire farm, and not only the house or sheds as would happen in a town. Farmers are asked to step up and increase their fire-fighting capacity but have been triple charged by the government to help in emergencies through lost earnings, payroll costs and an increased ESL.

GPSA continues to argue the ESL issue is about equity and recognition of the contribution primary producers make in times of emergency.

## TRAINING CUTBACKS

GPSA wrote to Minister for Employment, Higher Education and Skills Gail Gago over the decision to allocate 90 per cent of VET training places to TAFE and away from private registered training organisations. GPSA outlined its concern that the decision would see a demise in broadacre agriculture training opportunities.

GPSA said private RTOs have played an important role in providing training to the broadacre agriculture sector, especially as TAFE SA withdrew from regional SA, and that they are critical to upskilling and training the next generation of farm managers.

## COMPETITION POLICY

GPSA provided feedback on behalf of grain producers to the Federal Government's review of competition policy. It was the first review in more than 20 years and GPSA offered observations on 52 recommendations outlined in the draft report covering a range of issues such as transport, ports, regulatory restrictions and collective bargaining.

## ESCOSA REQUEST

GPSA wrote to Minister for Agriculture Leon Bignell, Minister for Transport Stephen Mullighan and Minister for Regional Development Geoff Brock asking for their support of a State Government-instructed review of the grain supply chain by Essential Services Commission of SA. This was one of the recommendations of the non-partisan South Australian Parliamentary Select Committee on the Grain Handling Industry in September 2012.

## FINANCIAL SKILLS

GPSA backed Rural Business Support's bid for continued funding from the Federal Government to upskill grain producers in financial management. This was in recognition that finance skills are one of the keys to successful business management and provides a basis for involving the next generation in the future of a grain producing business.

## LONG-TERM PORT ACCESS

GPSA made two submissions on Viterra's proposal to establish long-term agreements for access to shipping slots. GPSA's initial submission called for:

- > Action on the recommendations made by the South Australian Parliamentary Select Committee from September 2012 before assessment of the Glencore/Viterra application.
- > Consideration that Glencore/Viterra is asking for extraordinarily broad discretionary powers.
- > Supply of more stocks information by Glencore/Viterra to help grain exporters and producers make well-informed decisions on grain shipping and marketing.

In July 2015, the ACCC made a draft decision not to accept Viterra's proposals on long-term agreements because it could have, as the ACCC described, "the ability and incentive to favour its own trading arm" in the event of oversubscription and because the proposal "would appear to give a small number of large exporters an advantageous position in the allocation of long-term capacity".

The ACCC sought more input on how the proposal could be improved and GPSA made a second submission in response, on behalf of SA growers. This focused on the need for the supply chain to remain as a whole, considering transparency in port access, certainty in storage and handling fees, access to stocks information and competitive freight rates.

The wider industry, including Viterra, also had the opportunity to contribute its views of the draft decision. GPSA is awaiting the ACCC's final decision.

## MINING REVIEW

GPSA responded to a review of determinations and guidelines for Mining Lease Proposals (MLPs) and Programs for Environment Protection and Remediation (PEPRs). GPSA raised a number of issues in areas of deficiency. This included the need for consultation and communication between the mining proponents and landholders at all stages of the process. This is not only when the 21 day notice of entry is served on a landholder but should start earlier than the notice being served, and continue throughout the MLP and PEPR process.

GPSA also requested more certainty for producers on mining timelines, such as definitive start and finish dates for exploration and mining. GPSA argued the uncertainty meant producers could not plan business activities, impacted farm business management and succession planning, and devalued land.

## On YOUR behalf, GPSA said ...

“Farmers are doing emergency services work for nothing. They take days off work, hop on a truck or use their own equipment, put themselves and their income-generating capacity at risk for the good of their community and the State Government is charging them to do that.

“Why is a three-bedroom house in Adelaide any different from a three-bedroom house on a farm in the country? If the ESL is meant to ensure the essential services are there to protect people’s homes, why are rural homes being asked to pay more?”



# Policy, issues and submissions



## RAIL ACCESS REVIEW

GPSA welcomed the review of the rail component of the supply chain and supported ESCOSA's ongoing role as regulator of the access regime, under the *Railways (Operations and Access) Act 1997*.

A major cost to grain producers across SA is the cost of getting grain from the farm gate to port.

GPSA's submission outlined:

- > Rail is the most efficient and cost-effective method of transporting grain and yet there is a declining percentage of grain moving by rail due to increasing prices, declining quality, service, reliability and closure of rail routes. This trend needs to be reversed.
- > Grain is a significant component of bulk freight. Across Australia, 75pc of bulk freight is made up of iron ore, coal and grain and the volume of grain production is increasing in SA. Rail infrastructure to handle both current and future growth demands needs to be maintained and built.
- > The current rail access regime needs improvements to further achieve its objectives of fostering competition, appropriate pricing, quality, reliability and longevity as an essential service.

## RURAL AND REGIONAL AFFAIRS AND TRANSPORT

GPSA made two submissions to the Senate Standing Committees on Rural and Regional Affairs and Transport on grain export networks including on-farm and off-farm storage, transport, handling and export of Australian grain. GPSA made three recommendations that:

- > The Senate write to the South Australian Treasurer requesting ESCOSA to immediately review the SA grain supply chain costs from farm gate to vessel.
- > The Senate support the mandatory port access code and the benefits it provides to grain producers in lifting farm gate grain prices.
- > The Senate supports the auction system to allocate the SA shipping stem.

## RURAL AREAS CHARACTER REVIEW

GPSA responded to the Barossa Council's Rural Areas and Character Policy Review, outlining that maintaining support for broadacre farming through planning policy is consistent with the directions of the character preservation legislation and the South Australian Planning Strategy. Its key issue was with new sensitive land uses in traditional cropping zones. It recommended that if a buffer zone needed to be established then it should occur on new land development and not imposed on existing farms. It also raised that grain producers should be notified if neighbouring businesses intend to introduce a more sensitive crop or planting.

## WHEAT QUALITY AUSTRALIA MASTER LIST

GPSA sought producers' feedback on the Wheat Quality Australia review of the Wheat Variety Master List. WQA was seeking to remove 122 older varieties from the list which were classified more than 10 years ago and represented less than 0.1pc of port zone receivals. Varieties that were removed are still able to be delivered as feed after a two-year grace period closes.

## WIND TURBINES

In April 2015, GPSA lodged a submission to the Senate Select Committee on Wind Turbines on behalf of farmers affected by the 197-turbine Ceres Wind Farm, proposed for Yorke Peninsula. If approved, it would be the largest wind farm in South Australia. GPSA highlighted the risks to the grain industry and issues that could have legal ramifications for the government and wind farm proponents. While GPSA was not against wind energy in-principle, it did not agree with placing wind turbines in a long-established, highly-profitable and intensive grain growing region renowned internationally for its production of quality grain. It also seemed ludicrous that a new, heavily-subsidised industry would be imposed on an existing, successful and profitable industry that had been an outstanding contributor to the State's economy for more than 130 years.

In July 2015, GPSA was invited to address the Senate Select Committee on Wind Turbines hearing in Adelaide. CEO Darren Arney outlined the concerns of YP producers and flagged that an increase in biofuel production would be a more economically equitable solution for grain producers than wind farms on prime grain growing land.





# GPSA-supported projects



“The conference gave me a better understanding of supply chain issues faced by the grains industry and the grower. When it comes to growing grain, many farmers are excited and engaged about producing the grain but many are uninformed about grain once it leaves their farm gate. In some cases, post-farm gate costs can be up to 30pc of the cost of production.

Supply chain issues that currently reduce Australia’s competitiveness include cost for grain to get to port, logistical issues including the reduction in rail freight and the need to upgrade key roads for high efficiency vehicles, like road trains. It is currently cheaper to freight a tonne of wheat from the Black Sea region to China than to freight a tonne of wheat from Ouyen to Geelong.

I would definitely encourage others to enter for the GPSA sponsorship next year, it’s a great learning curve.”

Lou Flohr, Lameroo farmer and consultant



Top: Pictured at the 2014 GPSA Annual General Meeting is Minister for Agriculture Leon Bignell with GPSA CEO Darren Arney.

Above right: Pictured at the Australian Grains Industry Conference in Melbourne in July are Lameroo grain producer and consultant Lou Flohr and GPSA CEO Darren Arney



Above: GPSA-supported grain producers Jennifer Horne, Wharminda, and Katie Preston, Hampden (middle) at the International Rural Women's Conference with GPSA's Trudy Huczko and Belinda Ryan and (right) Crystal Brook grain producer Nick Greig (far right) with GPSA directors David Malpas and Stephen Ball.

## Leadership development

Grain Producers SA continued its support in developing leaders in the SA grains industry in 2014-15.

### INTERNATIONAL RURAL WOMEN'S CONFERENCE

GPSA sponsored two female grain producers to attend the International Rural Women's Conference in Adelaide in March – Jennifer Horne, Wharminda, and Katie Preston, Hampden. GPSA offered the sponsorship, valued at \$1000 each, to further encourage the participation of women in the grains industry and help build their skills and knowledge in agribusiness by giving them exposure to other leading women in the industry.

Women are an integral part of the grain industry and play many different roles – from business ownership and management, to hands-on work roles, grain marketing, and financial management and reporting. GPSA believes women have always been a great source of innovation in farm enterprises on all types of business, technical and financial management issues. GPSA's sponsorship acknowledged that many grain businesses would not be where they are today without the contribution of women – both on-farm and off-farm.

### AUSTRALIAN GRAINS INDUSTRY CONFERENCE

Grain Producers SA supported two young people in the grain industry to attend the Australian Grains Industry Conference in Melbourne in July – Nick Greig, Crystal Brooke, and Lou Flohr, Lameroo. The three-day conference is hosted by Grain Trade

Australia and is the premier, industry-hosted event for grain market participants and service providers.

The sponsorship, valued at \$2500 each, is designed to encourage participation of young people in the grains industry, while helping to build their skills and gain a broader perspective of the industry's key players.

### WOMEN INFLUENCING AGRIBUSINESS AND REGIONS (WIAR) REFERENCE GROUP

GPSA participated in development of a strategy for promotion and professional development of women in rural industries and agribusiness. The *Women Influencing Agribusiness and Regions Strategy* outlines a series of actions to demonstrate the diversity of roles associated with agribusiness and increase the participation and influence of women in the sector.

## Product access

GPSA is part of two national groups working to ensure producers are able to use pesticides and grain protection products:

### > NATIONAL WORKING PARTY ON PESTICIDE APPLICATIONS

GPSA is working with Grain Producers Australia and Peter Cousins Consulting to ensure that buffer zones are manageable for grain producers. All participants have been working to ensure drift reduction technologies are recognised nationally and will be incorporated into new labels. An assurance has been given through the working party that the technology will be included.

### > NATIONAL WORKING PARTY ON GRAIN PROTECTION

Delegates to the national working party include GPSA and Peter Cousins Consulting. The group's focus has been on producing guidelines and standards to a level so that new grain fumigants will be available to producers. A quality assurance system will be required by farmers to keep records for traceability to ensure maximum residue limits are not exceeded.

## Growing Australian Grain Guide

GPSA worked with other grains industry organisations from around Australia to develop a handbook demonstrating the integrity of farming practices used by grain growers. The guide, called *Growing Australian Grain: Safely Managing Risks With Crop Inputs and Grain On Farm*, describes the activities that Australian growers undertake to meet their legal requirements and other practices to consider in each step in the grain cycle: planning, planting, fertiliser, chemical applications, harvest, handling, delivery, transport, storage and safety. The guide is designed to help maintain the Australian industry's reputation for producing a safe and reliable product and has information for growers on risk management and work, health and safety.

The guide is available at [grainsguide.grainproducers.com.au](http://grainsguide.grainproducers.com.au) or contact GPSA for a hard copy.



# Working with Primary Producers SA



## 90-day transport project

Primary Producers SA and Grain Producers SA worked with the State Government – through Primary Industries and Regions SA and the Department of Planning, Transport and Infrastructure – to survey growers in late 2014 on transport issues they experience in daily farming.

There were 680 respondents to the survey, which included 67 percent primary producers, 17pc transport operators, 5pc processors and manufacturers and 11pc were contractors. About 90pc of issues raised related to areas outside Adelaide.

The report grouped issues raised in the survey into key themes for addressing. These were extending route access for restricted access vehicles (RAVs); ‘last mile’ route access issues that need resolving; regulation of the movement of agricultural machinery and vehicles; performance-based standards; oversized agricultural machinery; and local road access by RAVs.

- Issues rectified before June 30, 2015, included:
- > Extending the maximum permitted length of a road train prime mover when operating as a semi-trailer from 19 metres to 20m.
  - > Amending the existing SA tri-axle dolly policy to be nationally consistent.
  - > Approval for high mass limit (HML) heavy vehicles to 18 Viterra grain sites.
  - > Upgrading the road access on Carslake Road, Dublin, from general mass limit (GML) to HML.
  - > Increasing the travel radius that a primary producer must carry and fill out a heavy vehicle fatigue work diary from 100 kilometres to 160km.
  - > Establishing a common registration date to make it easier for farmers to register multiple farm vehicles. Farmers were provided information on how to set the common date through new online regional news hub, Rural Connect.
  - > Approval for BAB and ABB quad road train was given to access the 53.5m road train

- network between the Northern Territory border and Port Augusta.
- > B-double and road train access to the Jamestown saleyards is still being worked on.
- A project steering group was set up to oversee the scoping and implementation of the initiatives, with quarterly meetings in 2015-16. The government established a team in DPTI for 12 months to address issues identified and develop a funding program for consideration by the Commonwealth Government. The report was also provided to the National Heavy Vehicle Regulator to inform the way it administers national transport laws.
- .....
- A copy of the *A Modern Transport System for Agriculture: A New Partnership Approach* report is available at [www.pir.sa.gov.au](http://www.pir.sa.gov.au)

## Farm firefighting grants

PPSA was part of a grants program to enable grain producers to apply to subsidise costs to upgrade farm firefighting equipment through the Regional Capability Community Fund. The fund is open to owners and operators of farm fire units, community groups, local government and emergency service agencies. Grants of \$500 to \$5000 were available for equipment to increase community capacity to respond to emergencies, such as fire and extreme weather. Grants were used for farm fire unit equipment such as pumps, hoses, water tanks, safety rails and personal protective clothing and equipment.

## Time zone change

PPSA surveyed regional South Australians following the State Government’s announcement it was considering a time zone change to Eastern Standard Time. The survey found the overwhelming majority of respondents preferred to either maintain the status quo or move the state’s clocks half an hour back to be a full hour behind the eastern states.

PPSA opposed the change, based on the survey results, and proposed to either maintain the status quo, or move to EST minus one hour. It also highlighted the ongoing issues the Eyre Peninsula experiences working to sunlight hours, which is exacerbated during extended daylight saving.

## Fodder response

PPSA, GPSA and Livestock SA worked together to coordinate the fodder donation response for farmers affected by the Adelaide Hills’ fires. In total, 15 semi-trailer loads of hay were distributed including 4000 large round or square bales and 1000 small square bales, plus donated chaff and horse feed through fodder stores. People volunteered their time to deliver the hay by trailer and some transporters contributed their time and heavy vehicles while other farmers donated tractors to help load. Many grain producers in the Mid North, Yorke Peninsula and Mallee generously donated feed to help.

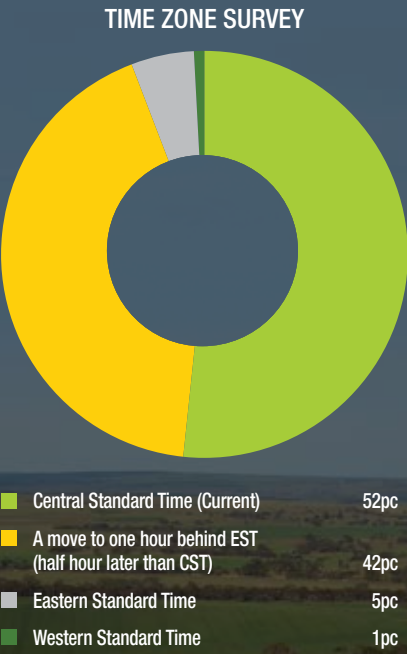
## Healthy farmers

PPSA coordinated a program on behalf of its commodity group members designed to get farmers thinking about their own and employees’ health, and adopt work practices that address health risks. PPSA employed a healthy farmers adviser Sally Fisher for two days a week. This was initially supported through the *Healthy Workers*, *Healthy Futures* initiative and later by the SA Health’s Men’s Health Strategy. The project addresses health risk factors for chronic disease, with a workplace focus on smoking, excessive alcohol consumption, inadequate physical activity or exercise and poor nutrition and stress. It has also encouraged farmers to be part of the City-Bay Fun Run in Adelaide in September.

## Natural resource management

PPSA received funding from the Department of Environment, Water and Natural Resources to support a part-time NRM liaison officer. The role, at about one to two days per week, works on implementing the *Agriculture and NRM Action Plan* and works with the PPSA NRM Committee, which includes GPSA representatives. Issues being addressed by the NRM Committee have included water planning and management issues, native vegetation clearance regulations and policy, mining and gas issues and general NRM engagement. This work will continue in 2015-16.

More Information on NRM and mining and gas issues can be found at PPSA’s website at: [www.ppsa.org.au/our-work/nrm](http://www.ppsa.org.au/our-work/nrm) and [www.ppsa.org.au/our-work/mining-and-gas](http://www.ppsa.org.au/our-work/mining-and-gas)



**On YOUR behalf, PPSA said:**

“PPSA feels very strongly that these figures on SA’s time zone accurately reflect the feelings of the primary industries sector. Many want no change but there is a growing feeling that, if there is to be change, then a move of an hour away from Eastern Standard Time is strongly favoured.”



# Financial reports 2014-15

Grain Producers SA receives funding from South Australian grain producers through contributions made under the Primary Industries Funding Scheme Grains 2012 (PIFS Grain).

GPSA has an Audit and Finance Committee to ensure transparency and accountability to growers. The committee meets regularly to oversee the organisation’s financial operations, reporting obligations, fraud and risk management. As a company limited by guarantee, GPSA lodges financial statements and reports annually with the Australian Securities and Investments Commission.

GPSA’s corporate planning and reporting approach includes a five-year strategic plan that sets out GPSA’s high level goals and performance measures, an annual operational plan (page 36) and an annual report.

## Grain Producers SA Ltd Project income and expenditure for the period 1 July 2014 to 30 June 2015

INCOME		YTD	FULL YEAR BUDGET	FULL YEAR VARIANCE TO BUDGET
PIFS GROSS INCOME AT 20 CENTS PER TONNE				
PIRSA		1,200,000	1,200,000	-
Other Income		18,357	-	18,357
Total Income		1,218,357	1,200,000	18,357

EXPENDITURE		FULL YEAR ACTUAL	FULL YEAR BUDGET	FULL YEAR VARIANCE TO BUDGET
PROJECTS*				
PN				
1	Grain Stewardship program	115,312	200,000	84,688
2	Grain Freight and Logistics Plan	66,587	50,000	(16,587)
3	Communication and Grower Consultation Framework	64,189	50,000	(14,189)
7	Biosecurity	11,000	-	(11,000)
10	Review Market Information Availability	14,000	50,000	36,000
11	Co-ordinate Technical and Market forums	9,014	-	(9,014)
12	On farm storage QA systems and Third Party Port Access	9,000	-	(9,000)
14	Review and Evaluation of Grain Marketing Products	15,000	50,000	35,000
15	Increased Competition in Grain Markets in South Australia	67,355	100,000	32,645
16	Occupation Health Safety and Wellbeing	44,979	50,000	5,021
17	Natural Resource Management	19,255	30,000	10,745
18	Promotion of Agriculture to Customers and Community	7,667	30,000	22,333
22	Grains Technology	12,412	-	(12,412)
23	Grains R&D Oversight	77,364	50,000	(27,364)
24	Improved access and efficiency of Port Facilities	15,000	50,000	35,000
28	Pre and Post Harvest Technical Forums	3,372	15,000	11,628
30	Thevenard Port Terminal Access	60,758	30,000	(30,758)
31	Farm machinery code of practise update	5,000	-	(5,000)
32	Fees for affiliation of relevant industry bodies	118,944	140,000	21,056
33	South Australian Barley Advisory Committee	24,825	10,000	(14,825)
34	Dissemination of project outcomes to fund contributors	46,227	20,000	(26,227)
35	Grain Production and Competing/Complementary Land Use	86,190	100,000	13,810
36	Grain Production and Capital Access	-	25,000	25,000
37	Capacity Building	63,580	50,000	(13,580)
110	Mouse Bait Stations	2,881	-	(2,881)
		959,912	1,100,000	140,088
Administration		100,000	100,000	-
		100,000	100,000	-
TOTAL EXPENDITURE		1,059,912	1,200,000	140,088
Reserve Fund		158,445	-	158,445

\* secretariat is likely to carry out most of the project work

PN = Project Number



Grain Producers SA Ltd  
Statement of profit or loss and comprehensive income  
for the period ended 30 June 2015

INCOME	30/06/2015 \$	30/06/2014 \$
PIFS Funds	1,200,000	810,000
Grants - SAFF WMA	996	60,005
Sundry Income	7,235	-
Rental Income	2,235	240
SABAC Corporate Membership	4,500	3,500
Other Income	3,391	1,202
<b>TOTAL INCOME</b>	<b>1,218,357</b>	<b>874,947</b>
EXPENDITURE		
Accounting	5,550	220
Administration	56,225	41,490
Advertising/Communication	34,209	41,674
Audit Fees	6,300	4,300
Consulting Fees	101,008	101,002
Contribution to GPA	100,000	80,000
Directors Fees	104,750	88,000
Employment Expenses	458,006	328,269
Insurance	4,401	4,060
Legal Fees	17,080	8,630
Meetings/Functions	28,898	12,435
Motor Vehicle Expenses	29,072	22,659
Rent/Occupancy	27,636	23,594
Seminars & Conferences	21,013	12,752
Sitting Fees	7,391	5,338
Telephone/Internet	11,542	10,008
Travel	46,831	37,496
<b>TOTAL EXPENSES</b>	<b>1,059,912</b>	<b>821,927</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY</b>	<b>158,445</b>	<b>53,020</b>

Grain Producers SA Ltd  
Statement of financial position  
as at 30 June 2015

ASSETS	AS AT 30/06/2015 \$	AS AT 30/06/2014 \$
CURRENT ASSETS		
Cash at Bank - National Australia Bank	227,798	165,540
Term Deposit - National Australia Bank	10,000	10,000
Accounts Receivable	109,573	174
GST Receivable	12,467	17,661
Petty Cash	200	200
Prepaid Expenses	4,890	10,834
<b>Total Current Assets</b>	<b>364,928</b>	<b>204,409</b>
NON-CURRENT ASSETS		
Plant & Equipment at Cost	15,130	15,074
Less Accumulated Depreciation	(8,574)	(5,311)
	<b>6,556</b>	<b>9,763</b>
Motor Vehicles	59,126	59,126
Less Accumulated Depreciation	(12,084)	(5,364)
	<b>47,042</b>	<b>53,762</b>
<b>Total Non-Current Assets</b>	<b>53,598</b>	<b>63,525</b>
<b>TOTAL ASSETS</b>	<b>418,526</b>	<b>267,934</b>
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	52,690	41,988
Accrued Expenses	53,484	41,823
PAYG Withholding Payable	8,492	28,426
Employee Provisions	18,192	18,166
Loan - Toyota	43,135	53,443
<b>Total Current Liabilities</b>	<b>175,993</b>	<b>183,846</b>
<b>TOTAL LIABILITIES</b>	<b>175,993</b>	<b>183,846</b>
<b>NET ASSETS</b>	<b>242,533</b>	<b>84,088</b>
MEMBERS FUNDS		
RETAINED EARNINGS	242,533	84,088
<b>TOTAL MEMBERS FUNDS</b>	<b>242,533</b>	<b>84,088</b>



# Operational Plan 2015-16

Grain Producers SA's Annual Operating Plan targets specific projects for the financial year ahead as well as allowing capacity in its budget to tackle short-term, priority issues which may emerge as the season progresses.

It outlines the annual budget, resources and research priorities as guided by the GPSA Strategic Plan.

NO	STRATEGY	ACTION MILESTONES	BUDGET ALLOCATION 2015-16
1	GRAIN STEWARDSHIP		\$200,000
	Develop a voluntary code of conduct for the growing, storage, transport and sale of crops.	Participate with GRDC, GPA and other industry stakeholders in to develop code.	June
	Review and highlight safe crop protection product use.	Engage with NRTS on crop protection products and promote the safe use of products.	Ongoing
	Ensure continued access to crop protection products.	Contribute to National Working Party on Grain Protection and report back to growers and industry.	Annually June
	Review existing QA and stewardship programs.	Contribute to National Working Party on Pesticide Application and report back to growers and industry.	Annually June
	Highlight and build upon SA brand of premium food from a clean, green environment.	Work with industry to improve supply chain dynamics and educate growers around safe food handling.	Ongoing
		Review storage and handling agreements and develop dispute resolution processes.	Ongoing
		Review Industry codes relevant to grain producers including harvest, transport, burning.	Ongoing
		Engage with stakeholders on spray drift legislation and review.	Ongoing

2	GRAIN FREIGHT AND LOGISTICS PLAN		\$50,000
	Review existing freight and logistics freight plan.	Establish Industry roundtable on effective and efficient grain movement.	March Annually
	Improve grain transport and logistics within South Australia to reduce transport costs by 10%.	Facilitate implementation of recommendation from 90-day transport project.	July
	Improve allocation of vessel capacity to ensure timely and efficient export of grain.	Review Viterra auction allocation system and new port code of access.	Ongoing
	Improve access to grain storage and handling facilities.	Progress recommendations from State Select committee on grain handling.	Ongoing

NO	STRATEGY	ACTION MILESTONES	BUDGET ALLOCATION 2015-16
3	COMMUNICATION AND GROWER CONSULTATION FRAMEWORK		\$50,000
	Develop an effective communication framework for consultation with all grain producers in SA.	Communication Program.	Ongoing
	Regular newsletter communication with grain producers via email and post.	Monthly newsletter.	Ongoing
	Current website with good functionality and information useful to grain producers.	Annual Report.	September
	Make becoming a member simple and attainable.	Attend Field Days and Grower Forums.	Ongoing
	Membership application available via online form or download from website and fax/email to GPSA.	Develop display system for field days.	August
	Membership forms available from GPSA Directors and Staff	Regular Website updates.	Ongoing
	Membership forms available at industry forums and meetings.	Media Releases.	Ongoing
		Evidence of growing membership numbers.	Ongoing
		Updated database.	Ongoing
		Grower Surveys (pre and post-harvest)	

7	BIOSECURITY		\$5,000
	Maintain stringent controls around pest and disease incursion in South Australia	Develop action plan in conjunction with Biosecurity SA.	June 2016
10	REVIEW MARKET INFORMATION AVAILABILITY		\$50,000
	Increase competitor activity by ensuring grains stock information is available to all industry stakeholders in a timely, practical and cost effective manner.	Provide input to NFFGPC and GPA on stocks information projects.	Onoging
	Review stock information transparency and stock information services.	Review the compulsory code of conduct on port access around grain stocks information.	Onoging
	Review price transparency and pricing services.	Aid in the evaluation and development of market information services.	Onoging

14	REVIEW AND EVALUATE GRAIN MARKETING PRODUCTS		\$50,000
	Develop a standardised reporting structure of grain marketing products including concise reporting of performance.	Work with industry and government around accurate reporting of marketing products.	Ongoing
	Ensure accountability of pool operators to grain producers.	Work with industry regulators around legislation and compliance of pools and other grain marketing products.	Ongoing
	Review current legislation around grain pools exemption from Australian Financial Services Regulation.	Assist grain producers in protecting their interest in grain marketing.	Ongoing
	Facilitate training of grain producers and industry around different grain marketing tools and products.	Work with industry stakeholders around improved risk management products for grain producers.	Ongoing
	Assist industry in developing new and innovative products to manage price, production and cash flow risks in the selling strategies of grain.	Review counter party solvency and capacity to pay and make recommendations to government and industry.	Ongoing



# Operational Plan 2015-16

NO	STRATEGY	ACTION MILESTONES	BUDGET ALLOCATION 2015-16
15	INCREASED COMPETITION IN GRAIN MARKETS IN SOUTH AUSTRALIA		\$150,000
	Foster the development of a competitive supply chain and ensure access equality and access for grain traders in South Australia.	Attend Australian Grains Industry Conference and report to growers and industry stakeholders.	July Annually
	Review current access arrangements for third party and grain producer deliveries through the BHC.	Progress recommendations from State Select committee on grain handling.	Ongoing
	Assist grain exporters and merchants in accessing south Australian Grain.	Work with industry to determine and reduce barriers to competition.	Ongoing
	Promote South Australian grain to international national and domestic consumers.	Work with industry bodies in improve understanding of grain markets and the supply chain	Ongoing
	Ensure export out turn standards for bulk and containerised grain is maintained and enhanced.		
16	WORKER HEALTH & SAFETY		\$50,000
	Ensure grain producers are aware and compliant with WHS policy. Provide input into improving WHS issues.	Communicate key legislation items to growers.	Ongoing
		Engage SafeWorkSA and other industry stakeholders to produce policies relevant to grain producers	Ongoing
		Website links to relevant information.	
17	NATURAL RESOURCE MANAGEMENT		\$30,000
	Provide ongoing support in developing sustainable farming practises.	Provide support to grower representation at NRM	Ongoing
23	GRAINS RESEARCH AND DEVELOPMENT		\$50,000
	Provide grower input into R,D&E projects and progress extension of R&D activities.	Represent grain producers as key stakeholders in RD&E funding and outcomes.	October and February Annually
	Assist in the extension and communication of RD&E projects.	Participate in farmer extension days including updates, crop walks and open days.	Ongoing
	Co-ordinate dissemination of grains RD&E.	Leverage business management skills.	March Annually
	Ensure good governance around grain producer contributions to RD&E funding.	Jointly conduct Technical Forums with SAGIT and other industry stakeholders.	Ongoing
		Provide oversight of SAGIT trustee selection.	Ongoing

NO	STRATEGY	ACTION MILESTONES	BUDGET ALLOCATION 2015-16
24	IMPROVED ACCESS AND EFFICIENCY OF PORT FACILITIES		\$50,000
	Develop solutions with industry and government around efficient and cost effective access to grain export port facilities.	Undertake a review of physical constraints to port access.	Ongoing
	Facilitate development of alternative port facilities.	Make submission to Grains Industry Association SA to promote efficient port access and grain transport.	Ongoing
	Assist in third party access to port terminals.		
26	YOUNG FARMERS AND THE FUTURE		\$20,000
	Develop young farmers as leaders in the grains industry	Build young farmers program	Ongoing
28	PRE AND POST HARVEST TECHNICAL FORUMS		\$15,000
	Provide a forum to annually review harvest issues and to present solutions and research prior to harvest of the subsequent year.	Post-harvest review.	March Annually
		Work with SAGIT and GRDC	Ongoing
	Invite industry stakeholders to attend and present.	Work with farming systems groups.	Ongoing
30	THEVENARD PORT TERMINAL ACCESS		\$50,000
	Improve grain prices received for deliveries in the Thevenard zone.	Develop a feasibility study around upgrading the Thevenard port terminal to improve grain export efficiency and cost effectiveness.	December
	Identify factors contributing to the price differential between Pt Lincoln and Thevenard.		
32	AFFILIATION WITH INDUSTRY BODIES		\$140,000
	Assist funding of national bodies to promote issues of national influence on grain producers.	Assist in policy development through the national Grain Producers Australia as the Representative Organisation under the PIERD Act.	Ongoing
	Work with national grains industry stakeholders and organisation.	Participate in National Farmers Federation Grains Policy Forum.	Quarterly
	Develop and implement policy on cross commodity issues at state and national level.	Membership of Primary Producers SA.	Ongoing



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NO	STRATEGY	ACTION MILESTONES	BUDGET ALLOCATION 2015-16
33	SOUTH AUSTRALIAN BARLEY ADVISORY COMMITTEE		\$10,000
	Provide secretariat services to SABAC.	Convene April meeting.	April Annually
	Convene two meetings per annum bringing together growers, traders, plant breeders and maltsters to discuss matters affecting the Barley industry in SA.	Convene September meeting.	September Annually
	Distribute minutes of other barley groups to SABAC.	Minutes of SEBAC and WABAC distributed to SABAC members.	
	Distribute minutes of SABAC meeting to SEBAC and WABAC.	Distribute SABAC minutes to SEBAC and WABAC.	
34	DISSEMINATION OF PROJECT OUTCOMES TO FUND CONTRIBUTORS		\$20,000
	Dissemination of project outcomes to fund contributors.	Project report to PIRSA.	Quarterly
	Review project progress against milestones annually and report to PIRSA.	Release Annual Report at AGM	September Annually
35	GRAIN PRODUCTION AND COMPETING / COMPLEMENTARY LAND USE		\$100,000
	Scope grain production and alternative land uses and the effects on grain producers and the grain value chain	Work with stakeholders in minimising the impacts of conflicting land use	Ongoing
		Educate grain producers in rights and obligations in regards to issues such as exploration, mining, native vegetation, wind farms, aboriginal heritage, local government and urban development	
		Review and make recommendations on legislation	
36	GRAIN PRODUCTION AND CAPITAL ACCESS		\$25,000
	Provide input to review existing and new and innovative ways to attract capital to grain production	Work with industry and government on business and capital access models to benefit grain producers	Ongoing
		Facilitate business management education and risk management to enable improved business outcomes	
37	CAPACITY BUILDING		\$50,000
	Improve capacity of information and skills to grain producers and the supply chain to build financial outcomes for grain producers	Sponsor Adelaide University PhD in Agricultural Economics for the benefit of grain producers.	Annually





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