

WAFARMERS
ANNUAL REPORT
2017

INTRODUCTION

For more than a century, WAFarmers has represented the interests of the agricultural sector in Western Australia. It is the largest agricultural advocacy group in the state and, as such, has a very powerful and influential voice.

The strength of the WAFarmers brand means the organisation can successfully represent the agricultural industry, form alliances with businesses and organisations and, most importantly, communicate with the rural and metropolitan public on important issues.

The WAFarmers 2017 Annual Report details much of the important work and achievements accomplished by WAFarmers in the past 12 months. The publication is an opportunity for members to see what their support enables WAFarmers to achieve on their behalf. For

non-members, the information included in this report is intended to educate about the ongoing work, challenges and successes of the organisation. It is hoped this report will encourage non-members to consider joining or supporting WAFarmers as it continues to fight for the agricultural community.

As a not-for-profit organisation, WAFarmers relies on the support of current and new members to be able to continue working for positive change.

Thank you for your support.



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PRESIDENT'S MESSAGE



It is with great pleasure that I present the 2017 Annual Report on behalf of the Western Australian Farmers Federation (WAFarmers). 2017 proved to be as eventful as any year for WAFarmers, with some significant changes having kept the organisation on its toes.

The 2017 season was a roller-coaster for much of the Wheatbelt, with seasons ranging from the 'worst ever', to 'best ever', and some being too wet. WAFarmers is, of course, sympathetic towards those who experienced a difficult season, though I was this year reminded just how resilient most farmers and farming enterprises can be in tough times.

Overall, a generally dry start turned to a good spring finish, with WA looking at an average crop. Feed was fairly short for most livestock producers and it was only the strong prices that kept most farmers justifying the additional feeding costs. Red meat also continued its strong prices from the previous year and, along with all time high wool prices throughout 2017, the market for broadacre farmers and pastoralists was mostly very good.

During the year WAFarmers hosted National Farmers' Federation (NFF) President Fiona Simson on a tour to Kalannie and Kulin. Our role as WA representative for national industry bodies including the NFF is all the more empowered when the national leadership has the opportunity to get a feel for our members' situations and the issues concerning them. I know Fiona took away a greater empathy and understanding of WA issues from this visit, and we thank all those who hosted and were involved in the regional visits.

Federal Government and national issues continue to influence our members, and the importance of our role and the contribution made by our staff and national delegates cannot be overstated. We are an internationally competitive export sector with all national issues having a direct effect on our members' wellbeing and financial performance.

March was exceptionally busy with our Annual Conference followed by a State Election, which saw a change of government and a new Minister for Agriculture. Already WAFarmers has established good relationships with the new government and portfolio holders, and we look forward to continuing to work collaboratively with the McGowan State Government. Under the leadership of Minister for Agriculture and Food Hon. Alannah MacTiernan MLC, WAFarmers has worked with the department to ensure the WAFarmers perspective and those of our members are understood.

A new government offers an opportunity to address a range of unattended state issues and regulations including biosecurity issues, funding and management of government department services, the maintenance and funding for the State Barrier Fence, towing of agricultural implements, first and last-mile road access, the establishment of a Rural Fire Service, and the strengthening of agricultural Occupational Health and Safety. Farmers, including our members, will need to demonstrate their commitment to addressing these issues and WAFarmers will need to be involved.

The annual Heart of WA dinner in September experienced record attendance and was a terrific opportunity to celebrate agriculture in WA. I would encourage as many members as possible to try and get to this event in future years.

WAFarmersFirst Eggs joined our WAFarmersFirst Milk in the retail market in 2017. It is proving to be well received and is making a positive contribution to our consumer profile and another income source for the federation. We look forward to building on the WAFarmersFirst product range in the near future.

August saw the end of Stephen Brown's three-year term as our CEO. Stephen was an integral part of our approach towards re-engaging with members, being more inclusive, and developing our branded product range, and I thank him for his contribution. We welcomed Trent Kensett-Smith as our new CEO in October and I look forward to working with him.

Lastly, WAFarmers has a new home in Belmont! We look forward to welcoming you to our new premises at Level 2, 161 Great Eastern Highway, Belmont.

I would like to thank the WAFarmers staff, all of whom have worked tirelessly and willingly carried extra responsibilities during the year. I also thank the elected representatives, whose mostly voluntary contribution cannot be understated. Finally, thank you to our members, sponsors and partners who continue to support the organisation – without you, WAFarmers could not carry out the exceptionally important work that it does.

Tony York
PRESIDENT



2017 proved to be as eventful as any year for WAFarmers, with some significant changes having kept the organisation on its toes.

CEO'S MESSAGE



I welcome all members to the 2017 Annual Report, my first as Chief Executive Officer of WAFarmers. 2017 has seen some significant changes throughout the organisation, one of which was my appointment as CEO.

I have been humbled by the support received from the rural and agricultural communities since my appointment, and also surprised by the attention. While I am still learning the ropes and people within the organisation are getting to know me, I recognise the enormous potential WAFarmers has to continue to engage with those in the industry that are not members.

Since stepping into the role in October, I have engaged with hundreds of members and non-members alike, all of whom share the same goal – to create a viable, profitable and sustainable agricultural industry in WA and, by extension, the nation. Using this knowledge, I see these interactions as educational opportunities for all involved. WAFarmers can educate prospective members about the role of advocacy and what else WAFarmers can offer, while prospective members can share with us what they see as being of value within our package, and also share any thoughts for further development.

Of course, our primary purpose is to serve our members. While I consider there to be some work needed in this space to ensure member satisfaction, I also recognise that there has been great work done in recent years to really boost engagement and facilitate thoughtful discussion and action.

Throughout the last few years, WAFarmers has worked hard on the Re-charge, Re-connect program to improve our finances and re-connect with both members and the wider agricultural community. It is now time for the 'build and grow' phase - we cannot just continue this work; we need to build on it. This plan is still coming together and will require input from the WAFarmers team to ensure our members benefit in the best possible way. Clearly, the opportunities are boundless and I, for one, am excited by the challenge it presents.

I have most certainly hit the ground running at WAFarmers. From the announcement of my appointment at Heart of WA in September followed immediately by the Perth Royal Show, attendance at Zone and Commodity Council Meetings, meet-and-greets with sponsors, partners and industry stakeholders, interstate conferences and meetings, and internal event preparation, my first few months have flown by.

Moving forward, I will continue to attend as many Zone and Council Meetings as I possibly can. It is critical to our advocacy operations that I understand, from the ground up, the bulk of the issues we face as an organisation and as an industry. WAFarmers is a member-based organisation, meaning our membership has the right to question and understand the organisational goals and challenges, plus receive reports on our progress toward them. On that note, I am happy to discuss most subjects with our members, and I welcome discussion of ideas that you feel would add value to your membership.

To our members, thank you for your continued support throughout 2017. I am excited to meet you all and to really get an understanding of the issues facing you and your businesses. While I will endeavour to get out to our Zones as much as possible, I strongly encourage you to attend the WAFarmers Annual Conference: Vitality 2018 which will be held on 1-2 March 2018 at the Pan Pacific Perth. It promises to be a fantastic event that will recognise the industry's ever-increasing strength, and celebrate the local farmers that foster life and create produce that keeps consumers from around the state, country and beyond fed and watered.

Thank you also to the Board of Directors, WAFarmers staff, elected representatives and volunteers, all of whom have shown me great support and guidance over the last few months. I look forward to working with you all as WAFarmers continues to drive meaningful change for the betterment of the agricultural industry, and hope you are all as excited as I am for the future of the organisation and how it will benefit our members.

Trent Kensett-Smith
CHIEF EXECUTIVE OFFICER

“It is now time for the ‘build and grow’ phase - we cannot just continue this work; we need to build on it.”



GRAIN REPORT

DUNCAN YOUNG AND MADDISON MCNEIL

2017 was a turbulent year for grain production, with the initial season outlook looking concerning for a large part of the grain production area; however with favourable conditions and a soft finish to the season, the harvest outlook at the time of writing appeared more favourable. Grain prices throughout the year were also concerning, with the international market awash with grain. However prices remained reasonable as the year ended.

Throughout the year, the WAFarmers Grains Council met with a number of Members of Parliament at both a State and Federal level. The topics discussed included gene technology, grains RandD, telecommunications, biosecurity funding, and transport issues, and the Council was encouraged by these discussions.

GRAIN STOCKS

In May, CBH Group announced they would provide harvest receival information weekly during the harvest period, with the information aggregated by port zone by grade.

The disclosure of harvest receival information will provide growers with some information on stocks, as well as improve market transparency, potentially allowing for better decision making. Growers should have equal access to information that is made available to the trade, as it is likely to assist with marketing and agronomic decisions. The provision

of the information without government intervention and legislation is essential, as WAFarmers does not support legislation mandating grain stocks reporting.

The discussion continues nationally on this issue, and WAFarmers continues to advocate for any national scheme to account for WA's export market focus, unlike the marketing systems in the east.

RESEARCH AND DEVELOPMENT

While the discussion about the future of grains research in WA has changed with the new State Government, there is yet to be any specific decision on the model going forward.

Grains research and development was a priority for the State Election, with \$20 million in funding allocated in the State Budget. WAFarmers has remained involved in discussions, meeting with the Grains Research and Development Corporation (GRDC) and the Department of Primary Industries and Regional

Development (DPIRD) to ensure the model becomes clarified, and fits the purpose outlined in the 2016 Grains Industry Group (GIG) report.

While funding has been allocated, there is no information available for what the model of the RandD institute will look like. This includes information on the partners, industry engagement, and funding. The details on the institute are still being negotiated with partners and the GRDC, with funding agreements yet to finalised.

CBH GROUP

CBH has made a number of changes to their operations for the 2017/18 season, many of which WAFarmers supports.

The maximum residue limit (MRL) testing regime is to be undertaken on a larger scale than the current National Residue Survey (NRS), which is currently conducted on all export shipments. The CBH MRL testing regime will look at breaches of the Australian MRL limits. However, WAFarmers is concerned about the potential penalties for label breaches, despite there being an appropriate Australian MRL. CBH are yet to clarify the primary concerns for implementing the regime.

While WAFarmers supports regimes to improve grain safety and to prevent misuse

of chemicals that will pose risks to Australian markets, farmers should not be allowed to become examples in a scheme without clearly defined targets and objectives.

RAIL

Arbitration

Ongoing rail access issues and the resulting arbitration between CBH and Arc Infrastructure (formerly Brookfield Rail) are likely to reach a conclusion in mid-2018, as arbitration proceedings were conducted in September.

Department of Treasury review

The WA Department of Treasury are conducting a review of the WA rail access regime, which will look at potential changes that will improve the operations and effectiveness of WA rail management. The key outcome for the State Government would be to gain re-accreditation of the scheme by the National Competition Council, and allow more transparency in the rail network and its management in WA.

WAFarmers provided a submission to the review, looking at concerns with regards to transparency, efficiency, and how provisions in the Code could be applied to all access negotiations, whether inside or external to the Code.

GM

Technology review

The Office of Gene Technology Regulator (OGTR) has reviewed options for regulating new technologies, specifically how the regulatory regime allows for or excludes certain technologies. The current regulatory scheme is no longer adequate to address the rate of change and development of gene technologies

WAFarmers supported adoption of regulating the technologies according to the outcome they produce. The regulatory option is the most in-line with previous regulatory decisions, and provides specific regulatory scope for future technologies. If a technology produces an organism that can be produced through non-GM technologies, then the organism is not

considered a GM organism. However, if the organism produced cannot be replicated with non-GM technologies, then the organism should be regulated as GM.

Omega-3 canola

Nuseed has developed a GM canola that has been modified to produce omega-3 oil content in the seed. The OGTR is currently reviewing the proposal for commercial release.

WAFarmers has supported the application, as it may provide a more sustainable option for omega-3 supply in the future, specifically for aquaculture, nutraceuticals, and pharmaceutical industries. The omega-3 system will be part of a closed loop production system, similar to the Monola production and marketing system.

WAFarmers remains committed to allowing new technologies to be made available, as long as they meet the requirements specified by the regulator, and meet the requirements of farmers, as well as the market.

BIOSECURITY

Biosecurity remains an important topic for the grains industry, with WAFarmers having called for a complete biosecurity review during the State Election campaign. WA's biosecurity system is complex, with a number of funding avenues, department and government interests, industry interests and initiatives, and an intricate biosecurity environment that is continually under threat.

GrainGuard

WAFarmers is a member of GrainGuard, an initiative of DPIRD, to engage the grains industry and government to ensure that grains biosecurity threats are discussed with industry.

Surveillance workshop

In March, WAFarmers was involved in a roundtable with DPIRD (at the time, the Department of Agriculture and Food WA), the Department of Agriculture and Water Resources (DAWR), and a number of industry groups to discuss state-based biosecurity issues, specifically concerns with WA biosecurity surveillance systems. Key issues raised from the workshop were

that: the data on surveillance activities must be shared between all parties; surveillance should be trade driven; industry has a significant capacity to collect data - with limited incentives or interests in doing so; and that there needs to be capacity building into biosecurity activities to ensure that the information collected is valuable and provides on-the-ground results.

Grain Producers Australia

WAFarmers continues to be a member of Grain Producers Australia (GPA) as the national voice for grains in Australia. Through GPA, WAFarmers is represented on the Grains Industry Market Access Forum, the Australian Grains Industry Discussion Group (AGIDG), and the Grain Trade Australia (GTA) standards committees. GPA has also been involved in issues with harvester insurance, multi-peril crop insurance, trade and market access, chemical reviews, grains industry research, development and engineering strategies, levy payer database, grain stocks reporting, grain standards, and a number of other issues throughout the year.

GPA, in conjunction with Grain Growers Limited (GGL), are the joint representative organisations for GRDC, and are currently developing the GRDC Strategic Plan. During the next 12 months, GPA will work with the AGIDG to consolidate a number of industry-good functions in an effort to improve efficiencies and further develop the industry post-regulation.

ACCC REVIEWS

InterGrain and AGT acquisition

Since December 2016 and the announcement of the proposed acquisition of InterGrain by Australian Grain Technologies (AGT), WAFarmers made two submissions to the ACCC inquiry. Key concerns raised with the ACCC were the creation of wheat and barley breeding monopoly within WA agriculture, and the potential ramifications for the end point royalty (EPR) system.

While WAFarmers did not oppose the proposed acquisition, the organisation proposed an improved EPR system with

greater accountability and transparency in the system. However, while the ACCC had developed their understanding on the cereal breeding environment in WA and across Australia, and had acknowledged potential competition concerns, the WA Agriculture Authority and GRDC ceased negotiations with AGT in May, and the proposed acquisition was withdrawn.

Despite the acquisition no longer going forward, WAFarmers, in conjunction with a number of other industry groups, continues to work on improving transparency within the EPR system.

Port access

At the time of writing, the ACCC was conducting their annual review of the 2016-2017 Bulk Wheat Ports Monitoring Report to look at competition issues in grain exporting ports around Australia. WAFarmers was involved in the review, discussing the competitive environment in export shipping in WA, as well as a number of additional issues that the ACCC were looking into as part of their contribution to the DAWR review of the Wheat Port Code.

The ACCC expressed interest in the shipping stem system, long term agreements, the current WA receival system, grain stocks and harvest stocks reporting, canola trading in WA, container market, grain marketing, and reporting requirements for port owners. All of these issues were discussed in the context of how much growers understand about the issues, how much they utilise the information, and what additional information would improve transparency and therefore create a more competitive market environment.

GTA STANDARDS REVIEW

GTA conducted their review of the 2017/18 standards, which looked to improve national consistency. WAFarmers offered comments that supported GTA adopting standards that were in line with WA standards. Although the standards in WA differ to the GTA standards, a number of marketers/traders utilise the GTA standards.

WAFarmers does not support changes to standards that are not backed by economic

evaluations demonstrating that the receival standards are not in alignment with market requirements, and there are signs of market failures. However, the changes must also be quantified by an economic analysis demonstrating that growers will not be penalised by agreeing to comply with varied standards.

CHEMICAL REVIEWS

The Australian Pesticides and Veterinary Medicines Authority (APVMA) relocation and staff turnover issues have severely interrupted the review process that was expected to be underway for a number of key actives in 2017, including chlorpyrifos, diquat and paraquat. Industry was expecting a significant amount of work to be undertaken to ensure access to the actives remained possible, however there were no chemical reviews released for submissions in 2017. WAFarmers are continuing to monitor the review process.



Grain Report



“Grains research and development was a priority for the State Election, with \$20 million in funding allocated in the State Budget.”



DAIRY REPORT

MICHAEL PARTRIDGE AND KIM HAYWOOD

As the only dairy advocacy body in Western Australia, the main priority for the WAFarmers Dairy Section throughout 2017 was the preservation of dairy farm businesses in WA. This involved working with processors, industry specialists and farmer suppliers, Western Dairy, government officials and Australian Dairy Farmers (ADF) to ensure the dairy industry was involved in shaping the regulations under which dairy businesses must operate.

The key issues facing the sector in this space were:

- To establish open and positive engagement with processors;
- To ensure all dairy farmers have fair and reasonable contracts; and,
- To work with processors to manage seasonal supply and demand issues.

Over the last 12 months there were many discussions encouraging investment into infrastructure to create a diverse product range, especially to manage the spring flush. The huge efforts made by the Dairy Council, particularly WAFarmers Dairy Section President Michael Partridge, and WAFarmers staff prevented more forced exits of farming businesses, with all existing suppliers being offered new contracts over various timescales, terms and conditions.

BUSINESS ACTIVITIES

The annual WAFarmers Dairy Conference was held in Busselton on 28 July and

included over 100 attendees, most of whom were dairy farmers. Opened by Parliamentary Secretary to the Minister for Agriculture and Food the Hon. Darren West MLC, the theme of the conference was Grow or Shrink for Prosperity and featured presentations on the status of the WA dairy industry. Michael Partridge provided a detailed report on activities done by WAFarmers to prevent further forced exits of dairy businesses, and Neil Lane from Dairy Australia provided a comprehensive presentation on the competitiveness of the WA dairy industry. The event was rounded out by a debate with one side saying the industry needed to grow for prosperity while the other debated that it needed to shrink. Both sides put up great arguments, and fostered thoughtful discussion.

In October, the Dairy Council hosted a dairy farm supplier meeting specifically to gather their thoughts and recommendations on actions they believed should be taken to help resolve key contractual issues. These recommendations will be taken forward by the Dairy Council as a priority during 2018.

POLICY

In addition to the preservation of dairy farm businesses in WA, other high priority policy areas throughout the year included farm safety, animal health, welfare and biosecurity. WA has a valuable resource in Safe Farms WA (formerly FarmSafe WA) which, along with Dairy Australia, has provided guidance booklets to dairy farmers on safety-related issues to avoid regulatory breeches and fines being imposed by Worksafe WA or the Department of Health. The Dairy Council also raised concerns about the phasing out of commonly used chemicals before the APVMA has approved replacement chemicals at a similar cost.

Throughout the year, Dairy Council representatives gave verbal evidence to the Senate Inquiry into the Dairy Industry, the ACCC Inquiry forum, and the National Dairy Symposium in Melbourne, which allowed for the presentation of specific WA issues to the national agenda. Detailed written responses were sent to all inquiries with the main issues covered being the fairness of contracts, the perceived misuse or balance of market power between farmers and processors, and processors with retailers, and the importance of transparency and accountability throughout the dairy supply chain.

Guidance was also provided to ADF on the development of a voluntary Code of Practice on contractual agreements between dairy farmers and processors, which will continue to be a priority moving forward. The Dairy Council contributed to the dairy welfare standards and research priorities, and was also involved in the Strategic Plan developments of Dairy Australia and Western Dairy.

WAFarmers Dairy Section Councillor Warrick Tyrrell did an excellent job representing the dairy industry’s position on the WA Bovine Johne’s disease (BJD) Advisory Group, in which industry agreed to maintain the state’s current BJD controls. Contributions collected through the WA Cattle Industry Funding Scheme fund the targeted surveillance needed to gather the evidence to support existing border controls. All high-risk dairy herds have been Sample Tested and all have been negative to BJD.

Finally, support was given to the efforts of ADF to seek assurances from the Federal Government not to change the Dairy

Industry Labour Agreement under new visa arrangements, as the dairy industry relies on skilled migration to bolster its workforce and help farmers with critical labour shortages.

Key priorities going forward will include the identification of solutions and investment opportunities to balance WA’s seasonal milk supply long term, fair and reasonable contracts between suppliers and processors, maintaining a watching brief on animal welfare and environment concepts, and encouragement of policy on infrastructure around telecommunications, transport and energy. The WAFarmers Dairy Council will also continue to support the development of the Dairy Pavilion at the Perth Royal Show to promote the dairy industry as a whole.

Industry Representation

On a state level, the WAFarmers Dairy Council partners collaboratively Western Dairy to ensure the future viability of the WA dairy industry, with Western Dairy’s role being research and development and WAFarmers’ being in policy and advocacy, benefiting WA dairy farmers.

WAFarmers is also a state member of ADF, which provides leadership and nationally coordinated policy and advocacy work, so the dairy industry can continue to grow and prosper. WA has strong representation in ADF, with Michael Partridge sitting on the National Council and the Markets, trade and value chain Policy Advisory Group (PAG), Phil Depiazzi on the Animal health and welfare PAG, Tammy Negus on the People and human capacity PAG and Ian Noakes on the Farming systems and herd improvements PAG. PAGs operate to form national policy in these key areas.

The WAFarmers Dairy Council would like to thank the current executive, the WAFarmers Dairy Members, the WAFarmers staff and the dairy industry for their support and efforts throughout a difficult year. Thank you also to Western Dairy for their assistance with funding and resources to help farmers, and to both the Minister for Agriculture and Food Hon. Alannah MacTiernan MLC and Member for Forrest Nola Marino MP for their continued interest in the WA dairy industry and vocal industry representation.





LIVESTOCK REPORT

DAVID SLADE AND KIM HAYWOOD

The WAFarmers Livestock Council manages a broad range of issues affecting the on-farm productivity of the cattle, sheep meat, and wool sectors. 2017 was a good year for sheep, wool and cattle producers as prices remained firm throughout the year despite increased global competition for WA's products and animals. That said, there were considerable challenges for livestock producers regarding new protocols for BJD and the evolution of the traceability programs into Meat and Livestock Australia (MLA) Integrity Systems Company (ISC).

Advocacy efforts at state and federal levels resulted in the appointment of selected industry experts to partner with government staff to achieve beneficial outcomes during trade negotiations. WAFarmers welcomed and supported Australia's annual live export industry conference held in Perth in November, given WA's reputation as being a leader in the application of rigorous biosecurity and welfare systems which underpin domestic and export market access. WA also provided the stage for the Sheepmeat Council of Australia's (SCA) AGM and its transition to Sheep Producers Australia Limited (SPA).

BIOSECURITY

Throughout the year, the Livestock Council contributed to the implementation of the Federal and State Biosecurity programs, to reinforce the need for a collaborative approach to communication and surveillance activities to avoid duplication and unnecessary costs for producers.

This included the active development of Regional Biosecurity Groups (RBGs) in pastoral and agricultural areas, particularly to stimulate the control of wild dogs. The Sheep and Goat Industry Funding Scheme (IFS) management committee has recommended to the WA Minister for Agriculture and Food that a percentage of the funding is used to deploy doggers within the agricultural areas. Although agreement had been reached on a WA Wild Dog Action Plan prior to the State Election, Minister MacTiernan revised the action plan to accommodate new priorities. WAFarmers representatives took an active role during the consultation process to ensure available funds were directed to on-the-ground activities to achieve the best possible outcomes.

WAFarmers also encouraged DPIRD to establish a BJD Advisory Group tasked with recommending a framework for the management of BJD in WA. As a result, the Cattle IFS management committee agreed to fund a targeted surveillance program to gather evidence to support existing

border controls set up to protect the WA cattle herd. To date, high risk dairy and beef herds have tested negative. Originally the intention was to set import conditions for breeding cattle coming into WA on individual herd testing protocols; however in mid-2017, the Cattle Council of Australia (CCA) launched a new BJD assurance scheme known as J-BAS (Johnes-beef Assurance Scores). As a result, WA cattle producers have the voluntary option to Check Test their herds before 1 July 2018 to maintain a J-BAS 8 status.

ANIMAL HEALTH AND WELFARE

The WAFarmers animal welfare policy firmly states that farmers are the greatest advocates of best practice animal welfare, with this belief supported by the NFF. The implementation of any additional regulation would be an unnecessary duplication, creating more red tape for farmers. WAFarmers supports nationwide benchmarks to demonstrate best practice and continuous improvement and, in doing so, suggests to government that additional regulation is unnecessary. WAFarmers will continue to engage on the proposed amendments to the Animal Welfare Act and the proposed full review of the Act that will continue into 2018.

Under the coordination of WAFarmers Livestock Executive Officer Kim Haywood, WAFarmers took the lead for Aglive's fully

electronic NVD (eNVD) program. Aglive is the only licenced IT operator to provide this service for MLA. The system was trialled successfully in WA and is now in use by some integrated supply chains and direct suppliers with other processors to follow. Unlike MLA's eNVD, Aglive's program is a 100 per cent electronic supply chain system, allowing saleyards and processors to plan ahead rather than wait to see what trucks arrive on the day.

Producers are cautioned that infringements will be issued for incorrect or incomplete NVDs, particularly for incorrect postal addresses (not post box) and PIC of the destination on vendor declarations. Up to October 2017, more than 300 warning letters were issued for cattle sent without NLIS approved tags. Producers must also be aware that given staffing issues within the brand's office, renewal letters are being sent out two months in advance. Therefore producers must be mindful of changes and not leave brand registration to the last minute, which may result in livestock being rejected at the saleyards or processors on arrival.

Finally, WAFarmers continued to oppose mandatory radio frequency identification (RFIDs) of sheep and goats. The Livestock Council will continue to encourage the voluntary use of electronic tags for

management benefits and will work with the live export industry and the government to optimise the use of electronic tags and technologies to enhance livestock traceability offshore.

The NLIS devices standards continued to be a source of frustration, especially with the inability to improve retention rates. At the time of writing, WAFarmers Livestock Council President David Slade continued to advocate for possible reforms to the NLIS RFID Standards and the accreditation process to ensure that they are setting performance requirements and not stifling innovation in device design.

Other work in the animal health and welfare space throughout 2017 included:

- Encouragement of DPIRD to establish the new cattle, sheep and goat biosecurity consultative group. The forum offers the opportunity for industry delegates to bring key priorities and issues to the table.
- Collaboration with working dog groups to ensure working dogs are exempt from the restrictive conditions set by the Labor Government Puppy Farming Legislation.
- Continued advocacy that mulesing should remain the choice of the grower, strong encouragement for the use of

pain relief, and suggested completion of the National Wool Declaration to become a condition of sale.

- Advocacy for the funding and appointment of more Ovine Johnes disease (OJD) inspectors as part of the National Sheep Health Monitoring Project, which will improve the collection of data and increase feedback to producers. DPIRD agreed to train two more inspectors to enhance OJD testing across the state.
- Consultation on a national standard for cattle pregnancy testing, lay spaying unit of competency, the national beef sustainability framework, import conditions for breeding goats, and cattle tag retention issues.

RESEARCH AND DEVELOPMENT

Work in the research and development space proved to be varied, but critical to industry development throughout the year.

- WAFarmers engaged in constructive meetings with Australian Wool Innovation (AWI) on new innovations for shearing techniques, flystrike, footrot vaccines, genetic markers, lice and worm management and extension activities for animal welfare.





- The Livestock Council presented three project concepts to the WA Livestock Research Council (WALRC), aimed at managing wild dogs to protect cattle productivity. WALRC delivers WA's industry priorities to MLA research and development structures for project funding.
- WAFarmers requested funding from SCA to support an investigation into the price disparities of sheep and skin prices in the west compared to east, which resulted in MLA funding an investigation into the issue. The final report was due to be delivered at the end of 2017, and this priority area will be carried forward by the Livestock Council during 2018.
- WAFarmers put a motion to CCA requesting funding to enhance the conditions set for the high throughput Johnes Polymerase Chain Reaction (HT-J PCR) test for BJD for beef cattle. The HT-J PCR test collects a faecal sample from up to five animals in one pool as a herd screening test. Increasing the number of animals permitted in the pooled sample will greatly reduce testing costs for cattle producers.
- WAFarmers collaborated with the United Beef Breeders Association (UBBA) to request that MLA and

DPIRD consider funding to establish an epidemiological study into the distribution of the relevant vector and parasite in WA for the prevention and treatment of Theileria.

WOOL

The Livestock Council continued to challenge investment by AWI to establish the Wool Exchange Portal, given this space continues to change at such a rapid pace and the perceived benefits to wool growers are not substantial. WAFarmers will continue to challenge all service providers on their decisions to raise fees without clear justification, transparency or accountability.

Work with Wool Producers Australia, WA Shearing Contractors Association and Safe Farms WA also continued in an effort to develop a new prefix for unskirted wool and improvements to shearing shed and shearer safety programs.

FOOD SAFETY AND INDUSTRY SYSTEMS

The biggest upheaval for livestock producers over the latter part of 2017 was the sudden introduction of Livestock Production

Assurance (LPA) accreditation changes. The ISC was established by MLA in mid-2017 and received directives from CCA and SCA to introduce two new elements for animal welfare and biosecurity, and for all producers to become LPA-accredited to use the LPA NVDs. Accreditation costs \$66.00 per PIC, to be paid every three years. Livestock can be sold without having an LPA NVD, however the risk of doing so could drastically reduce the price paid for animals.

The launch of these new requirements in October 2017 caused anger and frustration with the majority of producers voicing their annoyance about the unnecessary bureaucracy being forced on them. In particular, the need to complete an on-farm biosecurity plan, which contains sections that most believe were not feasible, was an issue for producers. WAFarmers continues to collaborate with the Pastoralists and Graziers Association (PGA) to determine the best course of action on this issue, particularly to ensure it is not repeated in the future.

WAFarmers also reinforced the need for national bodies to consult directly with State Farming Organisations (SFOs) before implementing such programs, and proposed funding support should

be directed to SFOs well placed to host educational workshops around the country to help livestock producers comply with the LPA requirements.

EXPORTS AND TRADE

WAFarmers continued to advocate for the change of lamb definitions, citing the need to adopt the New Zealand definition to increase market access and put more money back into farmers' pockets. This triggered a public national consultation, which hopefully will result in changes to the definition.

Geoff Pearson, WAFarmers' representative on CCA's Market Access Committee developed a national trade advocacy strategy which will:

- Highlight the importance of a trade enhancing Australia-European Union Free Trade Agreement (FTA) via participation in additional advocacy with EU officials;
- Focus on the importance of addressing non-tariff barriers with the Regional Comprehensive Economic Partnership negotiations with the Australian Minister for Trade;

- Reinforce the importance of securing entry into force of the Trans-Pacific Partnership (TPP) agreement and securing a more reliable trading regime with Indonesia;
- Request the re-commencement of Australia-Gulf Cooperation Council FTA negotiations; and,
- Maintain a watching brief on the Indian FTA negotiations, given any red meat outcome is likely to be skewed towards sheepmeat.

INDUSTRY REPRESENTATION

The WAFarmers Livestock Council would like to thank the current executive, the WAFarmers Livestock Members, the WAFarmers staff and the livestock industry for their support and efforts throughout the year.

WA has strong representation on state and national levels. Steve McGuire is the WAFarmers representative for Wool Producers Australia (WPA), Jeff Murray and John Wallace are the representatives on SCA, Jeff, John and Tim Stevenson sit on the new SPA policy committees, and David Slade and Geoff Pearson are the CCA

representatives (both of whom sit on a number of state and national committees).

Special thanks must also go to Max Watts for his outstanding contributions during his long term as the independent WA representative on WPA. Max retired from his position in November 2017. Congratulations to John Hassell who was elected as Max's replacement.

OTHER ACHIEVEMENTS AND BUSINESS ACTIVITIES

- Partnered with AWI, DPIRD and industry sponsors to deliver another successful series of Sheep Health Workshops. In 2018, the focus will shift to hosting a series of cattle health workshops.
- Selected the WA representative for the Rising Champions initiative alongside NAB; congratulations to Shaun Byrnes.
- Continued sponsorship of the Murdoch University Intercollegiate Meat Judging Competition.
- Hosted Livestock '17 in collaboration with Stirlings to Coast Farmers (below).





BEEKEEPERS REPORT

LEILANI LEYLAND AND SHANNEN BARRETT

2017 was a good year for the WA honey industry, with most beekeepers having enjoyed a fair spring. At the time of writing, it was unknown what the Jarrah production would be, however beekeepers in the Goldfields were pouring in the honey. Marri honey was also showing promising signs.

INDUSTRY DEVELOPMENT AND SUPPORT

Since the State Election in March 2017, the Minister for Agriculture and Food, Hon. Alannah MacTiernan MLC has proactively engaged with the WA honey industry. The WAFarmers Beekeepers Council has been pleased with her enthusiasm thus far and looks forward to her continued support.

The WAFarmers Beekeepers Section has endeavoured to work with the WA Apiarists' Society (WAAS) and the Western Australian Beekeepers Association (WABA) to strengthen the industry under the Bee Industry Council of WA (BICWA). A Bee Biosecurity Officer has been appointed by DPIRD, with James Sheehan having commenced in the role in November under the National Bee Biosecurity Program.

BEES CONFERENCE AND WAFARMERS BEEKEEPERS SECTION AGM

WAFarmers partnered with WABA for the 2017 Bees Conference and AGM, and the event was a huge success with

more than 70 attendees. In 2018, the Bee Conference will be held as a whole-of-industry conference, with input from all organisations including WAFarmers.

At the WAFarmers Beekeepers Section Annual General Meeting, an election for the executive was held. The executive comprises of Leilani Leyland as President, Michael Bellman as Senior Vice President, Stephen Davies as Vice President and David Leyland, Rupert Phillips and Mark Rhodes elected as Executive Members. Leilani Leyland was also elected to the Australian Honey Bee Industry Council (AHBIC) Executive for two years.

WA HONEY RESEARCH DEVELOPMENT GROUP

WAFarmers was successful in receiving two grants under the Grower Group RandD Grants Program. This funding will support stage two of a joint project between WAFarmers and ChemCentre, looking at Project 1: Certifiable compositional chemistry that promotes sustainable growth in market value for iconic WA Honey

Floral Brands, focusing on Jarrah and Marri honeys; and Project 2: Industry standards optimising storage and supply volume of WA mono-floral honey. These projects will benefit the mono-floral industry in WA by optimising the use of localities, hive placement, bee nutrition and best practice storage management for therapeutic and medicinal use of honey. A third grant has also been applied for, which will focus on distributor-driven outcomes for export sustainability for the WA honey industry.

AUSTRALIAN HONEY BEE INDUSTRY COUNCIL

AHBIC is the national peak body for the apiary industry; fostering, promoting, enhancing and protecting the interests of the Australian honey bee industry. WAFarmers remains the WA representative body on AHBIC.

In July, a motion was passed at the AHBIC AGM to request the Minister for Agriculture and Water Resources, Barnaby Joyce re-arrange the current honey levy. The re-arrangement requested to increase the National Residue Survey component from 0.1 cents per kilogram to 0.3 cents per kilogram and reduce the Emergency Plant Pest Response levy from 2.9 cents per kilogram to 2.7 cents per kilogram. The total honey levy will remain at 4.6 cents per kilogram.

MANUKA

New Zealand producers have applied for exclusive trademarks on 'Manuka honey', which would allow New Zealand international naming and marketing rights. Manuka honey is produced from bees foraging on Leptospermum plants, which are native to both Australia and New Zealand. Key players in Australia's honey industry have joined forces to form the Australian Manuka Honey Association (AMHA) to combat the potential impact on the domestic industry and market access in Australia, if New Zealand were successful.

AMHA will promote the Australian Manuka product, provide advice on accurate labelling and protection of plant material, and foster the growth of the local industry. AMHA has received support from Capilano, the Honeybee Cooperative Research Centre, AHBIC and industry experts including scientists. It is important for Australia to grow and protect its markets, however it is equally important to collaborate with New Zealand to secure trade opportunities, strategic investments and share the knowledge and science of Manuka.

If New Zealand is successful with their trademark application, Australian beekeepers will need to market Manuka honey under a different name.

BEEKEEPING TRAINEESHIP

Education and training is still an ongoing issue for the WA beekeeping industry. WA's honey industry is thriving, and there is increased demand for formal qualifications within the sector to allow beekeepers to upskill and further their beekeeping careers. Some traction has been made within this space with a Certificate III in Beekeeping to be made available soon in WA.

This qualification will hopefully lead to more progression with obtaining a traineeship in beekeeping in WA. This already has the support of many leading commercial beekeeping enterprises that have a constant need to employ quality-trained staff. Work is being undertaken to establish a permanent, formal beekeeping traineeship in WA and to help build capacity and capability of registered training organisations. WAFarmers would like to see this process accelerated to meet industry demands, and continues to work closely with the Food, Fibre and Timber Industries Training Council on this issue.

BEEKEEPING TRENDS

There has been a surge in beekeeping in recent years. AHBIC reported that the number of WA beekeepers with 50 or more hives was 127, and of those beekeepers there were approximately

26,897 hives within the state. Healthy eating trends and environmental benefits of bees have also seen a boost in hobbyist and amateur beekeepers.

All beekeepers must register their hives with DPIRD to ensure authorities are aware of where hives are located. It is vital that new beekeepers are trained and properly set up with the correct equipment to ensure these new apiarists do not jeopardise WA's pristine apiary industry.

VALE STEPHEN DAVIES

WAFarmers was deeply saddened by the passing of industry stalwart and WAFarmers Beekeepers Council Vice President Stephen Davies in mid-December 2017.

Stephen was a third generation beekeeper and the Managing Director of Davies Apiaries, a family-owned and operated business that has produced honeybee products for more than 40 years. On an industry scale, Stephen was absolutely pivotal to the development of WA apiculture, and was the driving force behind a lot of research conducted.

To all who knew him, Stephen was a passionate and proactive individual, who had a can-do attitude and was willing to do the hard yards to get a job done. He will be greatly missed.





EDUCATION AND TRAINING SHANNEN BARRETT AND GRADY POWELL

STATE TRAINING BOARD

WAFarmers made a submission to the State Training Board Industry Consultation papers – TAFE Industry Skills Centres, and Growing apprenticeships and traineeships – offering support towards the upskilling of the agricultural industry and education of young people about employment opportunities available within the industry. Promotion of agricultural traineeships and the value that the VET system can add to personal business and the whole of industry needs to be promoted.

WAFarmers supported the move to transform TAFE colleges into Industry Skills Centres. Moving forward, it is important that the centres are represented as state-of-the-art facilities, with relevant, up-to-date technology and knowledgeable staff. These measures, should they be adopted, will ensure that skilled labour enters the industry which will be of great benefit to the training institutions, the employer and employees who undertake the training.

SKILLS IMPACT

The Agriculture and Production Horticulture Industry Reference Committee, through Skills Impact, carries out projects to

improve current units of competency, skill sets and qualifications. Currently the committee is working on four projects: Ag Chemical Handling; Apiculture; an Ag Machinery – Safety and Technology Project; and, a Pest Management Project. WAFarmers General Policy Executive Officer Grady Powell is a member of the committee, which provides WAFarmers with the opportunity to deliver feedback on behalf of the WA agriculture sector regarding the draft units of competency, skill sets and qualifications currently being developed as part of each project.

MURESK INSTITUTE

The Minister for Education and Training announced that no further State Government funding would be provided to support the Bachelor of Agricultural Business Management (BABM) program being delivered by Central Regional TAFE in partnership with Charles Sturt University at Muresk Institute. Moving forward, all students enrolled in the BABM course will be able to continue with face-to-face delivery of the course at Muresk Institute.

Although this announcement was disappointing, the Muresk Institute campus continues to thrive. The Minister for

Education and Training announced that Curtin University will offer an Associate Degree in Agribusiness from 2019 and Muresk Institute have said they will do their best to work with Curtin University to ensure the course is successful.

BAHA FUNDING CUTS

In September, the State Government announced funding cuts to the Boarding Away from Home Allowance (BAHA) over the next four years, due to the cessation of Royalties for Regions funding after 2017. By 2021, families will pay an extra \$628 per child per year for boarding school fees, with fees to go up incrementally over the coming four years. Although the price hike will be gradual, the ramifications will be felt immediately by regional families. WAFarmers urges the State Government to reinstate the BAHA concession, to help develop regional communities and incentivise people to live in regional centres to ensure agriculture has a sustainable future.



“WAFarmers urges the State Government to reinstate the BAHA concession, to help develop regional communities and incentivise people to live in regional centres to ensure agriculture has a sustainable future.”



TRANSPORT REPORT

LYN SLADE AND GRADY POWELL

The increasing contribution of the agriculture and food sector to the WA economy, currently worth \$8.6 billion, has once again highlighted the need for industry and government to work together to develop a long-term integrated transport policy for the efficient movement of agricultural freight to and from port.

Throughout 2017, WAFarmers developed two significant policies, both of which outline to government what a modern, efficient WA agricultural industry needs in terms of road, rail and port infrastructure and access: a Transport Policy, and a Licensing and Movement of Agricultural Vehicles and Equipment Policy.

ROADS

It is disappointing that state regulations have not kept up with current technology in agriculture and many are no longer fit for purpose for the industry.

The WAFarmers Transport Committee met with the Minister for Transport Hon. Rita Saffioti MLA towards the end of 2017 to discuss the policy documents mentioned above and changes to the transport regulations that currently inhibit the efficient movement of agricultural machinery and produce. Key areas highlighted include the need for:

- RAV 4 network access to farm properties;
- First and last-mile access to farms for local pick-up and delivery;
- A reduction in red tape and timely access to permits for the movement of agricultural equipment; and,
- The updating of licensing regulations to increase the current tractor speed limit of 35 kilometres per hour and the inclusion of SP sprayers and tracked vehicles in the regulations.

WAFarmers has continued to work closely with Main Roads WA and the Department of Transport to facilitate greater access across the state's road network. The trial conducted under the Harvest Mass Management Scheme (HMMS) for the 2016/17 harvest allowing farmers to travel off the RAV network under certain conditions was very successful. WAFarmers recognises that the efficient movement of agricultural product is essential all year-round, and will continue to work with all parties on behalf of our members to achieve this.

PORTS

The privatisation of Fremantle Port was a contentious issue over the course of the 2017 State Election. The new State Government has adopted a long term freight vision which includes the construction of an outer harbour at Kwinana. To facilitate this, the government has installed the Westport Taskforce which will complete the planning.

The Westport Taskforce will advise the government on the location, size and timing of a future port facility. Additionally the taskforce will shape the future uses of Fremantle Port as it begins to evolve into a dedicated working port and tourism precinct. WAFarmers will continue to advocate for live export to be relocated to Kwinana and implore the Minister for Transport to include WAFarmers in the industry consultation process.

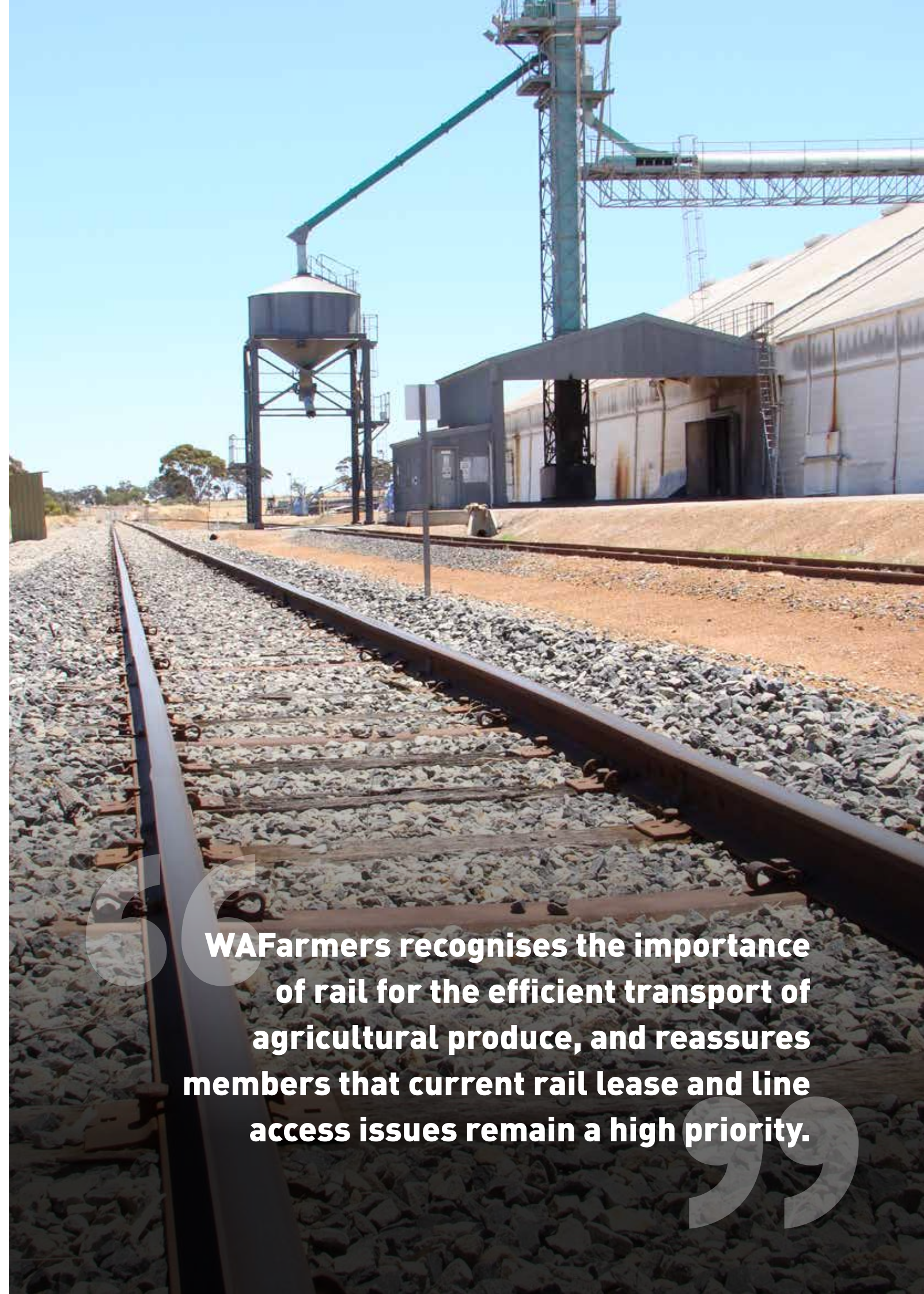
A new live export facility is also under construction in Port Hedland. The facility is modelled on the infrastructure based in Darwin, which has high animal welfare standards and produces loading rates of approximately 600 head per hour. With the Pilbara experiencing an increase in pastoral activity, it is hoped that the Port Hedland facility will complement the facilities in Fremantle, Broome and Wyndham.

RAIL

WAFarmers recognises the importance of rail for the efficient transport of agricultural produce, and reassures members that current rail lease and line access issues remain a high priority.

The State Government has undertaken a review of the Western Australian Rail Access Regime, which allows comment on the Railway (Access) Act 1998 and the Railways (Access) Code. Submissions assess the price and access mechanism set for when a third party is trying to utilise the state's rail infrastructure. WAFarmers has worked collaboratively with CBH to ensure that members' concerns in regards to Tier 2 and 3 rail were voiced.

At the time of writing, the arbitration process between CBH and Arc Infrastructure was drawing to a close. Formal arbitration between the two parties was conducted in September and a decision is expected within the first quarter of 2018. This process has been frustratingly slow. WAFarmers has encouraged the Minister for Transport to undertake a full review of the current lease agreement and include 'use it or lose it' provisions, a timely arbitration process and fit-for-purpose standards as part of this review.



WAFarmers recognises the importance of rail for the efficient transport of agricultural produce, and reassures members that current rail lease and line access issues remain a high priority.



ECONOMICS AND FARM BUSINESS

TONY YORK AND GRADY POWELL

TRADE

The Australian dollar has remained relatively strong over the course of 2017, with it hovering around the US\$80.00 mark. Although this is good for those wanting to travel abroad, it does cause some difficulty when exporting Australian product. Domestically, Australia has experienced little movement in the Consumer Price Index with an increase of approximately 1.8 per cent and continued record low interest rates.

Prices for 2017 remained quite strong for most commodities. Although the grain price struggled over the course of the year, it was beginning to rally at the time of writing as the WA harvest approached. Wool growers saw a surge in pricing during the year with some producers seeing prices of 15,500 cents per kilogram, and it is hoped there is still room for improvement as demand for wool continues to rise. Meat prices have remained strong, with beef in particular finishing the year close to the high prices experienced during 2016. Dairy had a difficult year due to international markets influencing local producers. Prices delivered via the processors slipped in some instances while the market tried to re-establish the supply-demand curve. Unfortunately this resulted in some producers not receiving a new contract and having to leave the industry, or diversify into an alternate

commodity.

2017 saw the 60th anniversary of the trade and investment partnership with Japan. Through the Japan Australia Economic Partnership Agreement, Australia is the only major agricultural exporter under the Free Trade Agreement. Australian commodities are under high demand in this market, while experiencing minimal competition. Japan is now the third largest economy in the modern world, providing an avenue for Australia to further enhance this evolving market.

Despite the political tension on the Korean Peninsula, trade between Australia and South Korea has remained strong under the Free Trade Agreement. Negotiations between Indonesia and Australia also continue, with an agreement set in place at the end of 2017. Australia is not overly concerned about tariffs as it is a case of market access and increased co-operation and transparency between the two countries.

The two agreements which remain sensitive are accessing the United Kingdom and European Union in light of Brexit. The UK has two years from the end of March to make a deal with the EU, and if one has not been reached they will automatically be excluded from trade into the Union. This does open a window of opportunity for Australia to access these two markets as trade partners, however as the negotiations

for Brexit are sensitive and with 14 elections in the EU to occur, Australia must be cautious and considered in its approach to facilitate access.

OCCUPATIONAL HEALTH AND SAFETY

Unfortunately the WA agricultural sector experienced a spike in on-farm accidents over the course of 2017, with four fatal accidents within six months. This prompted the State Government to encourage WorkSafe to conduct a thorough audit of farming business throughout 2017-18. Business owners and managers are encouraged to ensure that their properties are compliant and safe environments for themselves as well as their workers and contractors.

WAFarmers Member Mike Norton was re-elected as Chair of SafeFarmsWA (formerly FarmSafeWA). The organisation works closely with WAFarmers to ensure that our industry improves its safety standards across the sector. Members are encouraged to approach either organisation to seek advice if you are unsure, as an OHS issue on your property can have long lasting consequences.



LAND AND ENVIRONMENT

TONY YORK AND GRADY POWELL

PROPERTY RIGHTS

WAFarmers continues to work to protect members' properties and their right to farm. Under the Barnett Government, a working group was established to seek whether a right to veto that currently exists under the Mining Exploration legislation could be transferred to the Oil and Gas legislation. As a result of the March 2017 election, the working group has been disbanded. Since coming to power, the McGowan Government has implemented its moratorium on unconventional gas exploration and extraction and will undertake a scientific review of fracking and its impact on the environment. WAFarmers will continue to advocate for our members, and ensure their rights are valued and respected when negotiating with natural resource companies.

WATER

WAFarmers continues to hold a seat on the Water Resources Reform Reference Group. The intention of this group is to assist the government in addressing the way water is harvested, distributed and retailed. The group looks at options for trading water between primary producers and the ability to make a water permit a saleable asset, should a farmer wish to exit the industry. Additionally, the group has encouraged the government to roll-out grants to assist

dryland farmers adapting to changing climatic conditions. The State Government has already granted \$190,000 to 22 farmers to upgrade infrastructure such as dams, rainwater capture equipment, storage tanks, solar powered pumps and distribution pipes. The group was recently re-endorsed by the Minister for Water, Hon Dave Kelly MLA, and looks forward to continuing to work closely with the government.

TELECOMMUNICATIONS

As digital connectivity is a prominent issue for members, telecommunications was a busy portfolio for WAFarmers throughout 2017. The McGowan State Government handed down its first Budget in September, which included the allocation of \$40 million over four years to improve access to rural and regional telecommunications and allow for the continued roll-out of the state-based black spot program.

The Federal Government under took a review of the Universal Services Obligation (USO) Agreement, which outlines the minimum standard of voice service throughout the country. This discussion led to a push from WAFarmers and the NFF to outline the need for a minimum service for internet connection and mobile coverage. Access to digital infrastructure has now become a necessity with the internet and precision agriculture being a

firm cornerstone of modern day farming activities. As a result, the WA State Government has initiated a project to identify where the state's fibre optic cable lies, and build on this to try and improve the state's productivity and profitability.

Throughout the year, the ACCC undertook a review into wholesale mobile domestic roaming. Domestic roaming allows third party retailers to access another telecommunications company's infrastructure and network footprint. WAFarmers identified that while access with other providers could be beneficial for consumers, it also acts as a disincentive for telco's to further invest in their network and expand coverage. This was a risk WAFarmers was not prepared to take, so a policy was adopted to recommend against introducing mobile roaming.

WAFarmers is now encouraging the ACCC to review the Facilities Access Code as this may create an environment where co-locating and infrastructure sharing may occur, and any provision where increased coverage and access for regional customers may occur is worth exploring. WAFarmers will continue to encourage all telco's to work collaboratively and expand their regional networks to create a digital environment where WA agriculture can reach its full potential.

SUBMISSIONS AND POLICY INPUT

- ACCC** - Australian Grain Technologies Pty Ltd’s proposed acquisition of InterGrain Pty Ltd
- ACCC** - Domestic Mobile Roaming Declaration Inquiry 2016
- ACCC** - Inquiry into the Australian Dairy Industry Issues Paper
- Animal Health Australia and DPIRD** - National and State Bovine Johnes disease programs
- APVMA** - Dimethoate: Proposed Regulatory Decision
- Department of Agriculture and Water Resources** - Drought Inter-Government Agreement on National Drought Program Reform
- Department of Agriculture and Water Resources** - Land Transport Market Reform Independent Price Regulation of Heavy Vehicle Charges
- Department of Agriculture and Water Resources** - National Environmental Biosecurity Response Agreement (NEBRA) Five Year Review
- Department of Agriculture and Water Resources** - Red Meat Competition and Industry Structures Senate Inquiry
- Department of Agriculture and Water Resources** - Regional Investment Corporation
- Department of Immigration** - 457 Visa Changes

- Department of Infrastructure and Regional Development** - Freight Supply Chain
- Department of Treasury** - Register of Foreign Ownership of Agricultural Land
- DPIRD** - Animal Welfare Amendment Bill 2017
- DPIRD** - Consultation for Declaration of a Declared Pest
- Economic Regulation Authority (WA)** - Review of Emergency Services Levy
- Grain Trade Australia** - First Industry Call for Submissions - Standards Review 2017/18
- Grain Trade Australia** - Further Industry Consultation for Technical Guideline Document No.4 - Operating Standards for Pool Providers
- Meat and Livestock Australia** - Livestock Production Assurance Accreditation
- Office of Emergency Management** - Voluntary Registration of Firefighting Units
- Office of Gene Technology Regulator** - Discussion paper: Options for regulating new technologies
- Sheepmeat Council of Australia** - Sheep Dentition Definitions
- State Training Board** - Growing apprenticeships and traineeships and TAFE Industry Skills Centres
- WA Department of Commerce’s Consumer Protection** - Review of Auction Sales Industry



NATIONAL FARMERS’ FEDERATION REPORT TONY YORK

WAFarmers remains the only Western Australian agricultural body affiliated with the NFF. The organisation holds a voting seat on the 35-member NFF Council and helps formulate its position of advocacy towards national issues at the Federal Government level.

In 2017, the NFF welcomed the South Australian Farmers Federation and the Tasmanian Farmers Federation back to the council, with them now having farming organisations from all states at the council. This was a welcome return and an indication the NFF has successfully rebuilt and strengthened its membership. Several smaller industry groups have also joined the NFF including Egg Farmers Australia, Farmers for Climate Action, and Soils for Life. This demonstrates its broadening affiliate council membership.

The WAFarmers council delegates and staff hold positions on the NFF committee to further contribute to this advocacy function. If you have an interest in a national issue please do not hesitate to bring this forward to us.

Throughout 2017, the NFF has worked federally to advocate on numerous fronts. For us their activity included support of further Free Trade Agreements, a specific agriculture working visa to support agriculture’s need for continuing access to skilled foreign workers and holiday visas, continuing drought policies including tax write-offs for drought preparation, a unified national concessional loan scheme for farmers in need as part of measures to streamline access to their drought assistance, and an ongoing campaign for support of a multi-peril crop insurance facility. The ACCC’s Agriculture Unit chaired by Mick Keogh also actively engaged on many of these issues.

The fragile balance of power for the current Federal Government remains as a de-stabilising factor which requires the NFF to continue to communicate farmer concerns through a wide range of political platforms. To this end, NFF President Fiona Simson and CEO Tony Mahar have successfully maintained and fostered these relationships.

The NFF’s online platform Australian Farmers continues to inform readers of the NFF activities and those of other member organisations, and strengthen the NFF’s broad farmer engagement. I would encourage you all to sign up as it is a positive way to keep you directly informed and involved.



MARKETING, COMMUNICATIONS AND EVENTS

MELANIE DUNN

Despite some challenges, 2017 was another successful year for the WAFarmers Marketing, Communications and Events department.

With the departure of Marketing and Events Manager Megan MacNeill in May, collaborative efforts were made amongst the remaining team members to ensure the marketing needs of WAFarmers were met, and events continued to run smoothly. In particular, Melanie Tolich and Melanie Dunn put in a great deal of effort towards Heart of WA, alongside an external events manager Aimee O'Hare who worked on the event.

BRANDING

At the time of writing, WAFarmers had been in the new Belmont office for a few months and was working to secure the prime external signage position on the building wall facing Great Eastern Highway, exposing our brand to a high traffic area and cementing WAFarmers' position within the community.

For the first time, Heart of WA was publicised on Mix 94.5fm and West Digital Television (Regional), which meant that the event and WAFarmers brand were both exposed to larger audiences than ever before. WAFarmers already looks towards further opportunities to promote the event on the television network's metropolitan stations in 2018.

The WAFarmersFirst brand has also gained significant traction since the launch of the eggs in March. As a not-for-profit organisation with a limited marketing budget, WAFarmers has had to be creative to promote WAFarmersFirst, and we have had a lot of fun working with Felicity the Friendly Friesian and Henrietta the Happy Hen. By 'personifying' the brand through the use of animal branding elements, WAFarmersFirst is not only more eye-catching on the supermarket shelf, but it integrates humour and educates the consumer that the product actually comes from an animal, not a package on a shelf.

COMMUNICATIONS

WAFarmers' communications focus on three main audiences –members, the agricultural industry as a whole, and the general public. WAFarmers has a specific message to communicate to each audience, which is done via a number of platforms including print media, social media, events and publications.

As a member-focused organisation, the primary focus is always the members.

It is critically important that members understand how their membership and support can generate significant change within the sector. WAFarmers continues to encourage members to attend Zone Meetings and WAFarmers events, and even to bring along non-members to these occasions to increase the organisation's exposure. WAFarmers also encourages all members to keep the organisation updated with their contact details to ensure they are getting up-to-date information.

WAFarmers communicates directly to our membership through e-newsletters including a weekly newsletter, Zone Meeting notifications, surveys of interest to the membership, other relevant communications, and occasionally sends out text messages to the membership when something is of critical or immediate importance. Social media platforms such as Twitter and Facebook are also utilised, as is a weekly segment on Rural Focus (Triple M network) and a page in the Countryman newspaper, all of which are in the public sphere and are directed towards all three audiences.

Other communications throughout the year included the Half Yearly Booklet for members which highlighted the work done on behalf of members in the first half of 2017, and the development of a 'cheque'

which went out with membership renewal forms early in the year. This document represented the savings to the average Western Australia farmer achieved through the work of WAFarmers – in 2016, we saved producers approximately \$30,000.

In preparation for the State Election in March, WAFarmers developed a comprehensive Policy Platform document outlining the key priorities and wish list items most pertinent to our members and the sector. With this document in hand, WAFarmers successfully met with political representatives from most of the main political parties in the state ahead of the election, and was able to advocate on behalf of members for positive change and ascertain the positions of each party. This campaign was highly commended in the Best Communications Campaign category at the 2017 Rural Media Association of WA Awards Night.

Finally, WAFarmers maintained a productive relationship with a host of media outlets, both rural and mainstream, throughout the year. The organisation is routinely contacted by journalists seeking authoritative comment on agricultural matters, particularly in relation to the commodities which WAFarmers represents. The coverage was largely positive and extended across radio, television, print and online mediums, and WAFarmers is proud of the coverage earned throughout the year.

SCHOLARSHIPS AND AWARDS

WAFarmers continued to support a number of scholarships and awards in 2017, many of which were started the previous year:

- Scholarships to Year 11 students at the WA Colleges of Agriculture in Morawa, Harvey, Cunderdin, Denmark and Narrogin, and the Catholic Agricultural College.
- A scholarship to one student from the Muresk Institute, through the Muresk Scholarship Fund.
- Sponsorship of the Murdoch University Intercollegiate Meat Judging Team.
- Sponsorship of the Best New Entrant category at the 2017 Rural Media Association of WA awards night.
- Co-sponsorship of the inaugural Agriculture Award at the Western Australian Young Achiever Awards, alongside Rural Bank.

EVENTS

2017 saw WAFarmers involved in more events than ever before, as the organisation's events calendar was expanded and more industry collaboration was achieved.

Events have proved to be an important revenue income stream for the organisation as well as an excellent way to promote the work WAFarmers does and raise awareness of the organisation. Critically, WAFarmers experienced increased numbers at the signature events, the WAFarmers Annual Conference and Heart of WA, which is a significant achievement.

Once again, WAFarmers was involved in numerous dairy related events including Dairy Industry Updates, the Dairy Innovation Day and WAFarmers Dairy Industry Dinner and the annual WAFarmers

Dairy Conference. WAFarmers also participated in the 2017 Perth Royal Show; more information about this can be found on the WAFarmersFirst page.

Further events throughout the year included a series of Sheep Health Workshops, the 2017 Bees Conference, and Livestock '17, all of which offered attendees the opportunity to hear from a variety of guest speakers and leaders in their field. WAFarmers also re-introduced the mid-year cocktail party for our partners and supporters, which was a great evening of celebration and acknowledgement.

Learning from experience in 2016, WAFarmers once again had a presence at the state's main field days – Wagin Woolorama, Dowerin, Newdegate and Mingenew – in the tent of our corporate partner 4Farmers. Sharing a space was a far more effective exercise as it increased footfall through the area and brought in a wide range of visitors that might have otherwise passed WAFarmers by.

The WAFarmers marketing team also continued to assist AgConnectWA with their events. This year's events included their ever-popular River Cruise, the Regional Sundowner Series which visited Merredin, Geraldton, Katanning and Esperance, Let's Stay in WA featuring local entrepreneur Lockie Cooke, and the 2017 AgConnectWA Summit.

WAFarmers intends to build on the already full calendar for 2018 and improve and expand these events. WAFarmers looks forward to welcoming you at these events.



ANNUAL CONFERENCE

The 2017 WAFarmers Annual Conference: GROW2017 was once again a huge success, with new Board Members, constitutional discussions, the Gala Dinner and Awards, a panel discussion from young people in agriculture, and the launch of a new WAFarmersFirst product among the highlights.

Held at the Pan Pacific Perth, the Conference saw 300 people in attendance across the three-day event, with presentations from Australian Paralympian and HBF Ambassador Brant Garvey, ACCC Commissioner Mick Keogh, then Minister for Agriculture and Food WA the Hon Mark Lewis MLC, UWA Research Fellow Dr Neville Ellis, 2014 Nuffield Scholarship winner Nick Gillett, NFF President Fiona Simson, and commodity-specific guests leaving attendees excited about the future of agriculture for WA and the nation.

During the WAFarmers AGM on Wednesday 1 March, Lyn Slade retained the position of Senior Vice President. Additionally, with the retirement of Ian Barden Brown and Bob Iffla from the Board, an election to fill the vacant positions saw Hayley Goad from Roleystone and Chris Wyhoon from Baker’s Hill elected to the positions.

A significant point in the formalities was the discussion regarding the WAFarmers structure and Constitution, including how Zones and regions operate, and the composition of both Commodity Councils and General Section.

Commodity AGMs were held on Thursday 2 March, and were followed by a networking sundowner at Perth Mint for delegates, sponsored by Bailiwick Legal and CropLife Australia.

Friday’s proceedings featured presentations that focused on the conference theme: growing regional opportunities and wealth. Of particular interest was a panel discussion featuring a group of young agricultural representatives who assured delegates that the future of agriculture is right here – Elizabeth Brennan from Moora Citrus, Tom and Jack Carmody from Clare Downs and Prenti Downs Station, and Alexandra Iljadica from Youth Food Movement.

At the Gala Dinner and Awards, seven individuals were recognised for their outstanding dedication and service towards WAFarmers, and we would like to take this opportunity to publicly congratulate them on their achievements and thank them for their commitment: Marg Agnew (Life Membership), Sue McDougall (Distinguished Service Award), John Henchy (Industry Services Award), Wally Newman (Industry Services Award), Henry Gratte (Young Farmers Award), Robin

Hewitt (Special Award), and Philip Brunner (President’s Award).

Following the awards ceremony, West Coast Eagles footballer Josh Kennedy participated in a couch-side chat with MC Vin Dawes, before auctioning off a pair of signed boots won by Winston Dunwell. Proceeds from the auction went to Youth Focus, a WA not-for-profit working to stop youth suicide. Finally, WAFarmersFirst Eggs were officially launched at the end of the dinner.

In addition to being a reference to what it is that farmers and producers do every day, WAFarmers wanted to highlight agriculture’s bright future by discussing growing regional opportunities and wealth. It has been acknowledged that agriculture in WA has the potential to double production by 2025, so by delivering the latest agricultural information and showcasing some of the brilliant people we have in WA agriculture, WAFarmers hopes attendees were inspired to recognise opportunities for growth and agricultural diversity.

WAFarmers would like to thank the event sponsors: Coles, CBH Group, the Department of Agriculture and Food WA, Monsanto, Bailiwick Legal, Telstra, WAFarmersFirst, CropLife Australia, New Holland Agriculture, Brookfield Rail, GRDC and Meat and Livestock Australia.





HEART OF WA

In WA, we are lucky to have some of the most exceptional produce in the world; from truffles in the southern forest region, to the chillies of Carnarvon, to seafood from our vast coastal region and everything in between, we are spoilt for choice.

In 2017, WAFarmers turned up the heat on profiling some of the best ingredients our great state has to offer at Heart of WA, over a six course degustation menu designed especially for guests.

Facilitated by MC Alistair McLeod, the event was a sensational gastronomic experience at HBF Stadium and attracted nearly 400 guests – the largest Heart of WA event yet.

Guests were kept entertained throughout the evening with jokes from the Irish-born MC, a classical string trio, an impressive vocal performance from local duo AViIDA, and a mesmerising performance from bubble artist Denis Lock.

Presentations were also delivered by Major Event Partner Coles, WAFarmers President Tony York, AgConnectWA President Hayley Goad, and WAFarmers Grains Executive Officer Maddison McNeil.

Thanks to the generosity of attendees, more than \$3,500 was raised for WAFarmers through the raffle and silent auction. This outstanding contribution will help WAFarmers to continue to undertake important advocacy and support work, saving farmers both time and money, and providing critical support in times of difficulty.

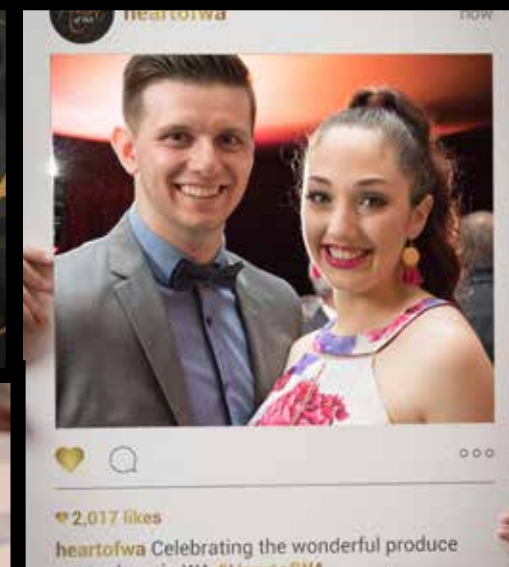
The 2017 Heart of WA gala was a fabulous night of celebration and entertainment, and was the perfect way to say thank you to the state's farmers who work incredibly hard to provide Western Australians with the delicious products that people can so often take for granted.

As the only event of its kind in our state that celebrates local produce and attracts everyone from your

local farmer or butcher to your grain merchant, agronomist and machinery dealer, Heart of WA once again proved that WA has the best farmers and produce in Australia, and WAFarmers looks forward to celebrating this amazing industry again later this year.

Thank you to the 2017 primary event partners and sponsors for their outstanding support of Heart of WA: Coles (Major Partner), CBH Group (Platinum Sponsor), Bailiwick Legal (Silver Sponsor), West Digital Television and Mix 94.5fm (Media Partners), Linley Valley Pork, Harvey Beef, Mareterram, Mondo Butchers and White Rocks Veal, WAFarmersFirst, and the Margaret River Dairy Company (produce sponsors), Howling Wolves, Sandalford Wines, Mandoon Estate, and WA Cleanskin Cellars (AgConnectWA Wine Wall sponsors), Telstra, HBF and Bresland Insurance Group (raffle sponsors) and Printline (printing partner).

WAFarmers looks forward to welcoming you to Heart of WA on 1 September 2018 at Crown Perth as we celebrate not only the state's exceptional produce and the people who produce it, but also the event's fifth birthday!



WAFARMERSFIRST

Consumers are able to support Western Australian farmers more easily than ever before, with WAFarmers having launched a new product under the WAFarmersFirst brand at the 2017 WAFarmers Annual Conference. WAFarmersFirst Eggs came off the back of a very successful 2016 for WAFarmersFirst Milk, which continued to be made more readily available to consumers throughout the year.

Not only does this initiative increase consumers' awareness of the farmer's role in food production and facilitate their interest in provenance, but it also broadens WAFarmers' income stream and supports the organisation to undertake stronger advocacy work.

WAFARMERSFIRST MILK

WAFarmersFirst Milk continues to be a profitable venture and important industry support tool, which has seen over 2.5 million litres sold since it was launched in September 2014.

A royalty from each sale of WAFarmersFirst Milk comes back to the organisation, with a portion of the profits allocated to the WAFarmers Dairy Industry Fund which can be accessed by anyone who has an idea or project that will benefit the WA dairy industry. This provides consumers a tangible way to support the WA dairy industry. In 2017 the fund was accessed to support the Dairy Pavilion at the Perth Royal Show, and two scholarships for students at the WA Colleges of Agriculture in Denmark and Harvey.

WAFARMERSFIRST EGGS

In conjunction with the Commercial Egg Producers Association of Western Australia (CEPA), cartons of free range eggs are now available in some Woolworths and IGA stores under the WAFarmersFirst brand. The roll-out continues, with regional stores being amongst the first in the state to stock WAFarmersFirst Eggs in cartons of six

and a dozen, though an increasing number of metropolitan supermarkets now retail the product.

Much like the milk, everything happens in WA to support local industries – the eggs are produced by CEPA members and are packaged and distributed by Golden Egg Farms. Further, a royalty from the sale of every carton of WAFarmersFirst Eggs goes back into industry.

The launch of the product came when consumers' recognition of the brand was at an all-time high, following considerable industry collaboration, event partnerships, and general promotion. The eggs are easily identifiable through vibrant and eye-catching purple labelling and an image of a lovely hen named Henrietta, so shoppers are encouraged to be on the lookout for the product when they next head to the supermarket.

2017 PERTH ROYAL SHOW

Through the Dairy Industry Fund, a portion went in to the running of the Dairy Pavilion itself at the 2017 show, the ever-popular milking station managed by Luke Micallef, the sponsoring of dairy ambassadors who ensured all activities within the pavilion ran smoothly, and the development of a coffee and pikelet station called The Dairy Grind.

The Dairy Grind was a step up from the previous year in terms of our engagement with attendees, as we partnered with Darkstar Coffee outside the main pavilion in full view of those coming in to the building. We also had students from Iona

Presentation College on hand cooking pikelets, made using WAFarmersFirst Milk and Eggs, which were also for sale throughout the show.

We aimed to use the opportunity to not only promote WAFarmersFirst Milk as being one of the best in the market, but also to give visitors an understanding about the importance of the WA dairy industry, the issues facing the industry and farmers, and how purchasing locally produced and branded milk, such as WAFarmersFirst Milk, works towards the betterment of the industry. With our new home just outside the main pavilion and being the first branded milk that people see on approach to the area, WAFarmersFirst had a significant advantage ahead of other dairy brands.

Once again, reception towards WAFarmersFirst Milk at the show was very positive. Our staff noticed a significant increase in the number of attendees who said they recognised the brand or bought it on a regular basis. We were also very encouraged by the number of people who said they thought it was amongst the best-tasting milk on the shelf.

RETAIL EXPANSION

The WAFarmersFirst brand now has a presence in the three major supermarkets – Coles, Woolworths and IGA Supermarkets – which has significantly increased sales and consumer awareness. Before the launch of the eggs, WAFarmers learnt that many people wanted to purchase the brand but it was not stocked at their local supermarket. We are pleased to now retail WAFarmersFirst through multiple supermarkets, ensuring that consumers have greater exposure to the brand. If your local store does not stock WAFarmersFirst products, speak to the store manager about ordering the products in. You can also contact WAFarmers if you need further assistance.



PUBLIC SENTIMENT AND PROMOTION

Following a turbulent 2016 for the dairy industry and the launch of two new products, public support towards WAFarmersFirst as a whole has gone from strength to strength. This positive sentiment has been reflected on the WAFarmersFirst social media platforms (Facebook, Instagram and Twitter), all of which have continued to grow in followers.

The products have been promoted wherever possible. WAFarmersFirst partnered with Darkstar Coffee in January at the 2017 De Lish Dessert, Coffee and Gourmet Food Expo which saw the milk used in not only coffees for purchase, but also in the barista latte art challenges, both of which promoted the brand to a new consumer base. The milk and eggs were also used to create the dessert course at Heart of WA in 2017, meaning the brand was promoted en masse to industry (nearly 400 attendees).

 @WAFarmersFirst
 WAFarmersFirst
 @WAFarmersFirst

www.wafarmersfirst.com.au



AGCONNECTWA HAYLEY GOAD

The year of 2017 was an exciting challenge for AgConnectWA. As the member base continued to increase, the brand also grew throughout regional Western Australia, and more opportunities were realised to hold professional development, agribusiness and networking events whilst expanding new and exciting events into regional areas.

2017 saw the AgConnectWA Annual River Cruise sell out once again, with 140 people on board the Crystal Swan. It was a fantastic night with canapés, beverages, a DJ, a pumping dance floor and plenty of agricultural networking. Thank you to Emerald Grain for sponsoring the night.

AgConnectWA also got out into the regions, visiting Merredin, Esperance, Geraldton and Katanning as part of the AgConnectWA Regional Sundowner Series sponsored by RSM. These were free sundowners which involved support from numerous local businesses, and featured presentations on financial succession planning information from local RSM representatives. With over 100 attendees across the four events, the series was well received by all involved and allowed AgConnectWA to expand regionally.

In celebration of WA Day and all things Western Australian, a combined event between AgConnectWA, Telstra Emerging Professionals and Woodside Young Professionals was held. The groups worked together to host 'Let's Stay in WA', an event purely focused on all WA industries and their positive impacts on the state's economy. Social entrepreneur Lockie Cooke gave an inspiring presentation on creativity, reconciliation, meditation and personal drive to excite attendees.

The annual AgConnectWA Summit and AGM was held on Saturday 15 July at the Esplanade

Hotel in Fremantle. It was a privilege to have the Hon. Alannah MacTiernan MLC officially open the day by focusing on the younger generation of agri-enthusiasts and encouraging, engaging and educating agri-professionals to build a career in agriculture. The day was full of knowledge, insight, empowerment and passion. Speakers included Beyondblue representative Mitchell Jefferys; Grant Taylor from Careers in Grain who explained the various opportunities available beyond the farm gate in the grain sector; Alysia Kepert from the Department of Education; Thomas Loussier from Life Cykel; Steve Meerwald from Harmony Agriculture and Food Co who gave an update on the emerging business; and Sam Marwood from Cultivate Farms, who explained it is possible for anyone to get onto a farm but the biggest limitations are often individuals' mindsets. The afternoon session comprised of an interactive Succession Planning Workshop consisting of representatives from Bailiwick Legal, RSM, Bankwest and farmer Cale Beard. Thank you to the major event sponsors CBH and Harmony Agriculture and Food Co.

The election of a new committee was announced during the AGM – congratulations to the 2017-18 committee on their elections:

We sincerely thank AgConnectWA's numerous sponsors for their continued support. To the members, you are the reason AgConnectWA exists, so thank you and may we all continue to succeed, as we are the future of agriculture.

Hayley Goad (President), Henry Gratte (Vice President), Brett South, Callum Wesley, Carris Waite, Geoff Dwyer, Georgia Reid and Georgia Trainor (General Committee Members). The new committee sincerely thanks the previous committee members Wes Lefroy (President), Maddison McNeil (Vice President), Mari Takla (Secretary) and Lachlan Hunter (General Committee Members), and Melanie Dunn and Megan MacNeill from WAFarmers for all their dedication, contribution, passion and support.

September saw AgConnectWA Members frock up for the annual Heart of WA gala dinner. As ever, it was a special night that showcased and celebrated local WA produce and the people who grow it. President Hayley Goad and WAFarmers liaison Maddison McNeil joined MC Alistair McLeod on stage to talk about all things AgConnectWA, and release the new AgConnectWA video.

WAFarmers continues to play a huge role in AgConnectWA, for which the group is immensely grateful. AgConnectWA and WAFarmers have a strong working relationship and, under the guidance of new CEO Trent Kensett-Smith, they will continue to build on one another to ensure the longevity of AgConnectWA. AgConnectWA is dedicated to achieving its mission of empowering the younger generation to get involved in agriculture, engaging with agribusiness, leading the way in networking and professional development, and being a united front for all within the agricultural Industry.



AgCONNECTWA



MEMBERSHIP SARA ANDACIC

2017 has been an interesting year in memberships with WAFarmers working hard and striving for positive growth. The retention rate of memberships remains high, though a small decline in our membership numbers was recorded.

With WAFarmers' strategic direction to be developed in 2018, membership will be driven through increased local engagement, attendance at regional events and continued engagement with members on a regular basis. The purpose behind this is to educate potential farmers as to our purpose, encourage them to sign up as members, and ensure our existing membership base is happy with our work on their behalf.

At the time of writing, WAFarmers was incorporating a new database with a web-based and desktop platform as part of shared services with the Victorian Farmers Federation, which will streamline our membership portfolio. Members are urged to keep WAFarmers informed of any changes in contact details.

WAFarmers continues to offer members exclusive benefits including access to the

HBF Corporate Plan and professional legal advice through our legal partner Bailiwick Legal. WAFarmers hopes to expand and significantly increase these benefits in 2018 with key and relevant discounts being made available to all members.

HIGHLIGHTS FROM THE LAST 12 MONTHS

- Increased attendance and visibility in the regions by hosting and attending regular events.
- Re-engagement in regional areas with limited WAFarmers exposure in recent years, including attendance at the Goldfields Rangelands Nullarbor Biosecurity Association Conference at Hampton Hill Station, Kalgoorlie.
- Implementation of a new database to allow improvement in communication and data integrity.

SNAPSHOT OF OUR MEMBERSHIP



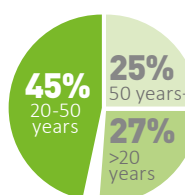
80 per cent of our membership are grain growers, with many also running livestock. Only a few are strictly livestock only.



WAFarmers has 60 per cent of WA's dairy farmers as members.



WAFarmers has approximately 40 per cent WA's commercial apiarists as members, some of whom are the state's biggest honey producers.



Length of WAFarmers Membership



FINANCIAL REPORT

TONY YORK

EXECUTIVE SUMMARY OF FINANCE AND COMMERCIAL INTERESTS FOR THE YEAR ENDED 30 NOVEMBER 2017

The 2017 Financial Report has been completed on a financial basis with WAFarmers recording an Audited operating surplus of \$134,138 for the year ended 30 November 2017. This sees the third consecutive year where WAFarmers has recorded an operating surplus, after continuing to re-charge finances and re-connecting with members over the past 12 months.

The surplus was achieved through an accounting recognition of the incoming WAFarmers Investment Fund distribution and a focused commitment on measured controls over expenses for the last 12 months.

Membership dollars increased marginally for the year ended 30 November 2017, with membership numbers slightly down for the same period. Of particular significance was the recorded growth within the membership categories of AgConnectWA, Allied Business and Beekeeper Members.

INCOME

Membership dollar income grew by 1.5 per cent in 2017 to an amount of \$995,162. Although the dollar value increased, we suffered a slight loss in membership numbers of 1 per cent. WAFarmers signed up 89 new members for the calendar year 2017, significantly offsetting numbers lost through sale of farms, passing away or financial hardship. We are focused on larger growth in this number in 2018 with our membership activities and strategies planned for 2018.

Sponsorship and events income increased by 7 per cent to \$430,027 and was \$37,973 less than budget. A significant decrease in corporate partner sponsorships resulted in under collection of the budgeted amount. Events were managed strategically to

ensure costs were controlled, resulting in a surplus of \$84,175 in this area for 2017.

WAFarmersFirst products once again resulted in significant income derived from this initiative. The royalty income delivered through increased sales figures on WAFarmersFirst Milk and Eggs increased to \$300,970 for the 12 months to November 2017 and, more importantly, an amount of \$62,952 for 2017 was added to the Dairy Industry Milk Fund resulting in a total accrual on the Balance Sheet of \$68,467 as at 30 November 2017. The accrual allowed for one project from the WAFarmers Dairy Section approved for the 2017 round of funding for a total amount of \$18,083.25, for which WAFarmers is still to be paid at the time of writing, in December 2017.

EXPENSES

The Board and CEO worked hard to ensure expenses were well managed. Expenses increased in 2017 by 8.5 per cent to \$1,867,602 but came in under the budgeted amount of \$1,892,379.

A significant amount of the increase was apportioned to one-off costs such as office relocation and fit-out expenses, and an increased spend in marketing for WAFarmersFirst products and sponsorships. The increased spend on marketing of WAFarmersFirst products was influenced by an increase in royalty income from higher sales volumes through 2017. WAFarmers is confident that the 2017 results will be improved upon again in 2018, further cementing WAFarmers' position as Western Australia's number one membership based, agricultural advocacy group.

BALANCE SHEET AND CASH POSITION

The Board and CEO have also been extremely focused on increasing reserves, where possible, while delivering on business plan strategies. To this end, we note:

- Members' funds increased to \$420,519 between November 2016 and November 2017. This was aided significantly by the accounting for the distribution from the WAFarmers Investment Trust Fund.
- Cash on Hand and Trade Debtors decreased by just over 40 per cent to \$555,606 at 30 November 2017, a significant portion of the recognition of carry over subscription and sponsorship income received in advance along with the WAFarmers Investment Fund Trust distribution.
- The total liabilities of WAFarmers are \$376,558 resulting in an increase of \$90,903, from \$285,655 at November 2016.

In summary, 2017 has been a very successful year for WAFarmers. There have been numerous achievements throughout the year including a move to a new address at Level 2, 161 Great Eastern Highway, Belmont. There is no doubt that WAFarmers is focused and continues to work on achieving its goal of being Western Australia's largest and most influential member based agricultural advocacy group. The Board, CEO and staff are committed to ensuring the long term financial strength of your organisation.

Tony York

CHAIRPERSON

FINANCE AND COMMERCIAL INTERESTS

INCOME AND EXPENDITURE STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2017

	2017	2017	2016
	ACTUAL \$	BUDGET \$	ACTUAL \$
COMMUNICATIONS			
Beyond the Farmgate	740	1,000	784
Farm Weekly	0	0	-1,100
News Research	4,996	8,000	5,334
Sub Total	5,736	9,000	5,018
MARKETING and PROMOTION			
Membership Promotion	18,617	26,000	14,650
Marketing Promotion	9,374	15,000	12,612
Sponsorship/Awards	27,387	30,000	10,622
Field Days and Shows	6,042	6,000	5,607
Website Development	713	10,000	1,237
Database Upgrade	0	6,000	0
Hosting Associated Costs	6,926	6,000	0
Sub Total	69,059	99,000	44,728
PERSONNEL			
Salaries and Wages	726,378	742,081	677,419
Superannuation	68,532	66,146	64,917
Zone Coordinators Wages	7,765	20,000	16,361
Zone Coordinators Expenses	139	2,000	1,323
Payroll Tax	541	2,300	0
Fringe Benefits Tax	1,178	1,000	413
Recruitment and Training	6,361	14,500	13,714
Workers Compensation	4,196	4,000	3,292
Staff Travel	26,172	27,000	31,561
Sub Total	841,262	879,027	809,000
OFFICE SERVICES			
Rent and Variables	105,206	81,000	87,691
Office Renovations	30,310	35,000	6,730
Electricity	8,345	6,000	5,569
Office Operating Expenses	43,519	53,080	50,080
Repairs and Maintenance	471	3,000	1,850
General Expenses	15,216	12,000	12,147
Minor Assets	1,519	1,000	0
Periodicals and Publications	4,398	5,000	10,054
Sub Total	208,984	196,080	174,121
FINANCIAL SERVICES			
Bank Fees and Borrowing Costs	4,038	5,800	2,793
Insurance	9,458	10,000	7,373
Audit Fees	12,060	14,000	15,066
Accounting Fees	2,528	5,000	1,804
Legal Expenses	24,000	30,000	28,000
Debts Expense	3,344	0	-4,038
Depreciation	19,212	5,000	7,108
Sub Total	74,640	69,800	58,106
TOTAL ADMIN. EXPENSES	1,199,681	1,252,907	1,090,973

	2017	2017	2016
	ACTUAL \$	BUDGET \$	ACTUAL \$
INCOME			
Members Subscriptions	995,162	1,115,371	980,429
Commission	0	10,000	17,985
WAFarmersFirst Milk Royalty	300,970	222,000	215,108
Sponsorship/Events Income	400,255	468,000	403,593
AgConnectWA Income	37,236	33,000	49,234
Interest-Main A/C & Term Deposits	3,063	7,000	6,408
Commodity Sections Income	49,112	34,000	49,648
Zone Income	2,342	500	1,243
Rental Income	16,208	0	0
Sundry Income	10,690	2,000	5,499
Secretarial Service Fees	12,269	6,000	0
Datamars Income	3,064	6,000	5,093
Distribution WAFF Invest Fund Trust	171,369	0	0
TOTAL INCOME	2,001,740	1,903,871	1,734,240
LESS EXPENDITURE			
Affiliation Fees			
National Farmers' Federation	40,000	40,000	40,000
Cattle Council of Australia	22,727	23,000	22,727
Sheepmeat Council of Australia	15,526	15,000	15,278
Grains Expense Account	16,000	7,000	5,000
WoolProducers Australia	16,367	16,366	16,367
Australian Honey Bee	76	2,300	182
Australian Dairy Farmers	21,720	19,000	19,635
Sub Total	132,416	122,666	119,189
General Section Executive Expenses	1,298	3,500	4,855
Board Expenses	2,080	12,000	994
President's Allowance inc Super	58,741	63,511	55,771
President's Expenses	11,155	16,000	10,958
Motor Vehicle Expense	4,949	5,000	0
Events Expense	250,248	215,000	229,008
AgConnectWA Expense	36,247	33,000	36,605
WAFarmersFirst Milk	33,334	15,000	17,693
Dairy Industry Milk Trust	62,951	53,225	49,809
General Council	1,483	15,000	11,662
Commodity Expenses	56,673	55,570	54,049
Commodity Pres/Portfolio Allowance	10,625	10,000	9,511
Datamars Expense	2,646	5,000	4,229
Zone Expenses	1,434	5,000	13,489
Zone Bank A/C Closures	0	0	10,496
Sundry Expense	1,641	0	2,000
Contingency Expense	0	10,000	
Sub Total	535,505	516,806	511,129
OTHER EXPENSES	667,921	639,472	630,318
ADMINISTRATION EXPENSES	1,199,681	1,252,907	1,090,973
TOTAL EXPENSES	1,867,602	1,892,379	1,721,291
SURPLUS/(DEFICIT)	134,138	11,492	12,949

BALANCE SHEET

FOR THE YEAR ENDED 30 NOVEMBER 2017

	2017	2016
BALANCE SHEET-NOVEMBER 2017	NOVEMBER	NOVEMBER
Bank- Operating Account	79,266	64,629
Westpac Bank-Term Deposits	0	0
Westpac Cash Reserve	132,316	135,119
Petty Cash	250	250
Accounts Receivable	26,322	97,320
Zone Bank Accounts	119,696	117,937
Donations Account	21,114	68,788
Distribution WAFF Invest Fund	167,964	0
AgConnectWA Account	5,781	0
Bank Guarantee- Belmont Premise	29,219	0
Prepayments	33,695	34,711
Sundry Debtors	35,243	0
Total Current Assets	650,866	518,754
NON-CURRENT ASSETS		
Furniture & Fittings	10,999	9,628
Motor Vehicles	20,249	22,574
Lease Hold Improvements	96,268	0
Plant & Machinery	1,004	1,212
Telephone System	255	319
Computer Hardware	13,079	15,004
Computer- Software	280	466
Investment-Westralian Farmers	2,734	2,734
Investment- Trust Fund WAFF	10	10
Investment- Farmwide	1,334	1,334
Total Non-Current Assets	146,212	53,281
Total Assets	797,078	572,035

	2017	2016
BALANCE SHEET-NOVEMBER 2017	NOVEMBER	NOVEMBER
LIABILITIES		
Current Liabilities		
Accounts Payable	2,890	1,434
Motor Vehicle Finance	22,497	22,497
Esperance Fire Appeal	16,137	62,749
Waroona Fire Appeal	4,924	5,820
Perth NRM Bond	5,000	0
Payroll Liabilities-Group Tax/Super	0	7,651
Provision for Holiday Pay	43,056	40,376
Accruals	46,633	38,159
Subs in Advance 2017	0	22,867
Subs in Advance 2018	24,436	6,200
Subs in Advance 2019	18,236	0
Income Received in Advance	60,453	17,500
Provision for Dairy Trust Projects	68,467	66,516
Make Good Provision- Belmont Premise	44,586	0
Sundry Creditors	12,147	0
GST Collected	28,303	13,340
GST Paid	-35,321	-30,028
Total Current Liabilities	362,444	275,081
NON-CURRENT LIABILITIES		
Prov for Employee Long Service Leave	14,114	10,575
National Affiliation Fees	0	0
Total Non Current Liabilities	14,114	10,575
Total Liabilities	376,558	285,656
NET ASSETS	420,520	286,379
EQUITY		
Retained Surplus	286,381	273,431
Current Surplus	134,138	12,949
TOTAL EQUITY	420,519	286,380

WAFARMERS CORPORATE SPONSORS



WAFARMERS 2017 ANNUAL CONFERENCE SUPPORTERS



WAFARMERS SUPPORTERS



HEART OF WA SUPPORTERS





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