



GARDINER FOUNDATION ANNUAL REVIEW 2002/2003



ABOVE Board of Directors & Chief Executive Officer
from left: Professor Paul Moughan, Chris Nixon (*Chairman*), Dr Graham Mitchell AO, Carol Bate (*CEO*), Max Fehring and Ian MacAulay

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CHAIRMAN'S REVIEW

I have pleasure presenting the Annual Review of operations for 2002-03 for the Geoffrey Gardiner Dairy Foundation Ltd.

Undoubtedly, the highlight of the year was the finalisation of the first round of funding offers for major research and development projects. The Board has decided that five project consortia will share in a commitment of \$5 million by the Foundation over five years, with the total investment by all parties exceeding \$19 million over the life of the projects.

In February, we were fortunate to have the Minister for Agriculture, the Honorable Bob Cameron MP, make presentations to the inaugural recipients of the major research and development grants. Minister Cameron told the audience of dairy industry representatives, academics and scientists that on-going productivity gains are the key to enduring competitiveness for all industries. The Minister also thanked the Foundation for its important contribution to the dairy industry's future.

The Board was heartened by the positive response from the research community to the major projects funding announcements. Both the magnitude of the funds offered as well as the 5-year time frame for projects drew favourable reactions from institutions and scientists alike. The Foundation's approach not only encourages longer term thinking, but also enables the best available scientists to be attracted and retained for dairy industry research.



Chris Nixon
CHAIRMAN



The Board believes that a long-term view is essential and realises that not all research will provide usable results tomorrow. Accordingly, the successful projects this year were a balance of work with ready application, and basic research with potential for significant impact in the future. They included projects to select highly productive cows, grow more nutritious pastures, manage dairy wastes effectively and ensure that milk products are free from harmful microorganisms.

Pivotal to the outcome of the first round of major research and development projects was the work of the selection panel chaired by Professor Paul Nestel AO, and comprising Dr Mike Rickard, Dr Peter Parodi and Dr Phil L'Huillier. Their efforts are greatly appreciated and have contributed to growing recognition of the Foundation as an important partner in research and development funding for the dairy industry.

The past year also saw the conclusion of the third round of small project funding involving a further allocation of \$0.5 million from the Foundation. The successful projects included a mix of research and development, technology transfer and community development initiatives. We were pleased to see a strong emphasis on projects designed to develop leadership and people skills within dairying communities.

The three completed rounds of funding for small projects to date have resulted in total investment of over \$13 million to which the Foundation contributed \$2.3 million. Approximately 38 % of the funds were allocated for research and development, 29% for skills development, education and training, 13 % for technology transfer and 20 % for community development.

In addition, several projects that were ongoing from the previous Victorian Dairy Industry Authority continued to receive funding. The Gardiner Foundation also funded a series of projects through the Dairy Herd Improvement Fund.

During the year, a scoping study was commissioned to advise the Board on options for investment in projects specifically to assist community development. Issues identified through the consultative process included the availability of skilled labour, community leadership and changing rural demographics.

The Foundation understands that local employment opportunities, skills development and leadership are essential for industry development. In this regard, we are pleased to be supporting three of the dairy industry's regional development boards and the United Dairyfarmers of Victoria to undertake a project entitled 'Dairy – employment for the future.' The project will examine labour supply and demand issues in the industry. Existing information and new data generated through the project will be used to develop a strategic plan addressing the Victorian dairy industry's future human resource needs.

The Board realises that it cannot readily stop the present alarming drift of people from rural areas to regional and metropolitan centres. But we believe that we can work with local communities and industry stakeholders to develop and strengthen the resources and organisations that underpin them. To this end, we will pursue opportunities to work with, and through, local educational and health care groups, service clubs and the other local organisations that are the life blood of strong communities.

The Foundation is well aware of the debilitating drought affecting dairying regions across the State. During the year, we approved strategic allocations of funds to alleviate some of the immediate impact for badly affected communities. A total of \$100,000 was allocated through a partnership with the Foundation for Rural and Regional Renewal to 25 local organisations to assist with relief measures.

A further \$50,000 was contributed to the United Dairyfarmers of Victoria drought response programs including the successful 'Time Out' program that allowed several hundred dairy farming families to take a short break from the farm.

By way of summary of the Foundation's role within the dairy industry, projects to the value of over \$30 million are now under way with a significant proportion of these monies coming from outside the industry.

During the year, the Foundation continued to closely monitor the performance of its capital reserve investment. Despite the weak global investment market, we achieved investment outcomes that were satisfactory by comparison with all available industry measures and benchmarks.

The net movement in the capital reserve was a decline from \$59.8 million a year ago to \$58.7 million at 30 June 2003. This movement was after allowance for all redemptions for project funding and administration costs. The Board remains confident that when the world economy recovers, the capital value of the fund will be restored.

The Board has completed a review of the Foundation's strategic plan and distributed a draft plan (2003-06) for comment. While our prime role of offering support for projects to support the industry is expected to continue, the draft plan also canvasses opportunities to provide additional leadership for industry, attract further external funding support for industry projects, and expand our communication with stakeholders.

I wish to extend my appreciation to all Members of the Foundation for their positive reaction to our activities over the past year. I am grateful also to the research community for their enthusiastic response to the funding offers we have made.

Finally, I would like to acknowledge the support and innovation of my Board colleagues and the Chief Executive Officer, Carol Bate, and her staff for their important contributions during 2002-03.

CEO'S REPORT

I am pleased to report on the management and operations of the Geoffrey Gardiner Dairy Foundation for 2002-03.

The key achievement this year, as indicated by the Chairman, was the announcement of successful research consortia to receive funding from the inaugural allocation of \$5 million from the Foundation for major research and development projects.

The announcement by the Minister for Agriculture in February 2003 was the culmination of a process that took nearly a year from the time of the original call for preliminary applications. In the intervening period, a rigorous two-stage assessment process was used, firstly to short list preliminary applications, and secondly to review fully developed project proposals and business plans.

I am delighted that the processes established to manage major research and development funds have proven to be both efficient and transparent, and have been well received by the research community and by our industry stakeholders.

The Foundation also completed its third round of funding for small projects. The Board's latest decisions were announced in June 2003 with \$0.5 million being allocated to 23 new projects. The latest announcement brings the total number of small projects funded since 2002 to 73 and the total investment so far to approximately \$2.3 million.



Carol Bate
CHIEF EXECUTIVE OFFICER



We firmly believe that the small projects funded over the past 18 months are providing an impetus for research and development, technology transfer, leadership, education and community development. A detailed listing of the new small projects is given elsewhere in this report and some of the projects initially funded last year are described in the case studies section.

I am grateful for the professional assistance given to me by the small projects selection panel chaired by Mr Max Fehring and comprising Professor Margaret Britz, Mr Paul Ford and Dr Zoe Attwood.

As part of its obligation to support dairying communities, the Foundation entered into a partnership during the year with the Foundation for Rural and Regional Renewal (FRRR) to implement a program to assist dairying communities affected by drought across Victoria.

The Gardiner Foundation provided \$100,000 funding for the program under which eligible organisations could apply for up to \$5,000 for suitable projects. Both Foundations were very impressed by the standard of applications received as well as their creativity and the desire of the applicants to retain a sense of community across rural and regional Victoria.

Grants were approved to 25 organisations including the Tongala Dairy Industry Training Council, Kyabram Community Learning Centre, Undera Kindergarten, Cohuna/Leitchville Discussion Group, Taste of Tatura Food & Wine Festival and the Gippsland Women's Network.

Throughout 2002-03, the Foundation has closely observed its undertaking to report regularly to its Members. Board members and senior staff have taken every opportunity to meet with farmer groups, manufacturers, key industry organisations, government and scientific bodies to develop effective working partnerships. We have also reported fully to Foundation Members at the Annual General meeting and through the Annual Review as well as our website and press releases.

In the coming year, the Foundation will begin formal evaluation of outcomes from completed and ongoing projects. New information developed, as well as other lessons learned, will be disseminated as broadly as possible to the dairy industry and its stakeholders at the earliest opportunity to enable productivity and competitiveness gains to be realised.

It has been a pleasure to work with the Foundation's Chairman and Board of Directors during the year and I thank them for their support and guidance. I also wish to thank all the Foundation's staff, and especially the Project Administrator, Ms Cynthia Mrigate.

The Hon Bob Cameron, Minister for Agriculture with Carol Bate and Chris Nixon.



STRATEGIC OVERVIEW

Origins

The Gardiner Foundation was formed in October 2000 to manage invested funds on behalf of, and for the benefit of, all sectors of the Victorian dairy industry and dairying communities.

The Foundation is named in honour of Geoffrey Gardiner, a Victorian dairy farmer and prominent industry leader, who passed away in 1999. Through Mr Gardiner's name, the Foundation aims to inspire dairying families to continue to focus on their future with pride, optimism and purpose.

Purpose

The Foundation's goal is to be a premier funding body, delivering measurable and sustainable benefits to all segments of the Victorian dairy industry and its people.

Its role is to fund projects that assist the Victorian Dairy Industry to maintain a world competitive position. However, the role also has a strong emphasis on the community and upon people.

To the present time, about two thirds of the Foundations funds have been directed to research and development with important contributions also made to community development, skills training and education, technology transfer and extension and other projects of particular value to the industry.

...OUR PURPOSE IS TO IMPROVE THE INTERNATIONAL COMPETITIVENESS OF THE VICTORIAN DAIRY INDUSTRY

Operating Principles

- The Foundation, through its membership, will be an integral part of the dairy industry.
- All funding decisions will be taken pro-actively in the best interests of the industry using formal rules and procedures and a principle of care.
- The Foundation is an enabling organisation and does not directly provide services.
- Foundation staffing and administration costs will be the minimum practicable.
- Management of the Foundation's capital will be outsourced to reputable fund managers.
- Investment and funding decisions will, as far as practicable, maintain the Foundation's capital base in real terms.
- The Foundation relates to Victoria, but parochialism will be avoided in the industry's best interests.
- Foundation members will be included in the business planning processes of the Foundation.

Key Mechanisms to Achieve Our Goal

The Foundation encourages scientific, industry and community organisations to put forward worthwhile project proposals for consideration. Where appropriate, it will stimulate the development of proposals in areas specifically identified as offering potential gain.

At all times, the Foundation believes that project outcomes will be strengthened by encouraging the formation of networks, consortia and Centres of Excellence and targeting integrated outcome-driven research projects.

Strong relationships and effective communication with all our constituents is a priority. In this way, the Foundation can act as a catalyst for industry development and change. Our key stakeholders include Foundation Members, farmers, Dairy Australia Limited, research providers, Department of Primary Industries, media outlets, Philanthropy Australia and Government.

The Foundation strives to be easy to work with, effective in its administration and decisive, with proper internal controls and measurement systems.

Critical Success Factors

Our key indicator of success for 2003 and beyond is to demonstrate significant benefits to individual sectors of the industry and industry as a whole, as a consequence of projects funded by the Foundation.

We also seek to have both industry and Government recognise that real benefits have been achieved, and that the Foundation has established its own clear and unique role within the dairy industry.

Minister Cameron with members of the GF Board and the Department of Primary Industries Waste Management Project team – Dr David Halliwell, Project Leader



CASE STUDIES

The following pages present a selection of the Gardiner Foundation's portfolio of small projects that were in progress or finalised during 2002-03.

2002-2005 AUSTRALIAN NUFFIELD FARMING SCHOLARSHIPS

Australian Nuffield Farming Scholars Association

Contact: Mr Bryan Clark

Gardiner Foundation contribution \$13,300

Nuffield scholarships enable young Australian farmers to travel internationally to learn from agriculturalists around the world. The Gardiner Foundation is proud to be a scholarship sponsor for the period 2002-05.

Nuffield scholars are selected for their capacity and desire to learn about international markets, to be technically advanced and to have a vision for the future. For 2002, the Gardiner sponsored recipient was Peter Best from Neerim South in South Gippsland. Peter's farming aim is to house and milk up to 1000 cows while increasing annual production to over 10,000 litres per cow. He will study cattle housing and 'cut and carry' feeding techniques from around the world that he can adapt to his own farm.

Peter left Australia in June 2003 and is visiting countries including New Zealand, Belgium, France, Ireland, Canada and the United States. His experience is expected to benefit the Victorian dairy industry through the greater understanding he gains of international trends in dairying, new technology and management practices and establishment of networks.

REPRODUCTIVE PERFORMANCE OF HOLSTEIN X JERSEY DAIRY COWS

The University of Melbourne

Contact: Professor K L (Jock) McMillan

Gardiner Foundation contribution \$63,000

Victorian dairy farmers are well aware of potential production advantages from crossbred herds. They have a particular interest in gains from crossing the Holstein-Friesian and Jersey breeds. This study will derive local information to allow realistic decisions to be made about the potential gain in reproductive performance associated with this cross.

The study will analyse breeding statistics and measure circulating levels of reproductive and metabolic hormones. It is hoped to identify the mechanisms that contribute to hybrid vigour between these breeds. The outcomes from the study will give commercial dairy herd owners in Victoria reliable comparisons between pure bred and crossbred cows emphasising their reproductive performance under a range of feeding practices and at different levels of milk yield.

DAIRY - EMPLOYMENT FOR THE FUTURE

WestVic Dairy Inc

Contact: **Mr Tim Nelson**

Gardiner Foundation contribution \$100,000

The Gardiner Foundation is collaborating with three of the industry's regional development boards (WestVic Dairy, Murray Dairy and GippsDairy) and the United Dairyfarmers of Victoria in a project to examine labour supply and demand issues in the industry.

An initial desktop study of existing research data will lead to a discussion paper summarising the existing knowledge base, identifying gaps and outlining future scenarios. Thereafter, the project steering committee will undertake original field research involving extensive consultation with dairy farmers, other industry sectors and government.

The data will be used to develop a strategic plan for the Victorian dairy industry's future human resource needs. The outcomes will be discussed at forums and any regional issues not covered in the discussion paper will be noted. The final report will summarise key issues and trends in the industry and will canvass options to address the overall labour supply issue. The report is expected to be delivered in 2004.



Peter Owen, President of the United Dairyfarmers of Victoria



Peter Guy and Yvonne Crawford GF sponsored Fairley Leadership Program participants 2003



Ian MacAulay GF Director and Eric Greenaway UDV Member, UDV Conference 2003

THE ANNUAL DAIRYFARMER STATEWIDE CONFERENCE

Department of Primary Industries

Contact: **Mr John Boomsma**

Gardiner Foundation contribution \$10,000

The Target 10 Conference 'Dare to Dairy - it's worth it' was held in Albury in early June 2003. Speakers, workshops and bus tours covered a wide range of topics, allowing participants to attend sessions of particular interest or relevance to their situation. Over 300 people attended and took advantage of the opportunity to share and acquire information and develop support networks.

Farmer participants rated the information presented at the conference useful and relevant to their needs. Insights were gained into many issues including pasture management and renovation, silage production and storage, business planning, drought recovery and communication.

The Gardiner Foundation was a major sponsor for the conference and also provided complimentary registrations for two students and two farmers.

BURSARIES FOR THE ADVANCED DIPLOMA IN DAIRYING

The University of Melbourne

Contact: **Mr Bill Pyle**

Gardiner Foundation contribution \$10,000

The Advanced Diploma in Dairying is an industry developed training opportunity offered for industry employees by the University of Melbourne.

The Gardiner Foundation supports bursaries for the Diploma in order to raise the profile of careers as professional dairy farm managers. The bursaries also reduce the financial pressures for students and their families involved with study and living away from home.

The Gardiner Foundation is funding five bursaries for first year students. They are aimed at students with existing links to the industry as well as new entrants to the dairy industry who have the potential to achieve the outcomes of the course.

The successful students this year were Tracie Roberts (Cohuna), Jennifer Baillie (Tyers), Will Laidler (King Island), Michael Armstrong (Smithton, Tasmania) and David Mathieson (Korumburra)

The course comprises 100 weeks including 50 weeks spent working with, and learning from leading dairy farmers. This 'in-industry' component is important to broaden the students' outlook and experiences and ensure that they are well placed to take on management roles in the industry in the future.



Advanced Diploma of Agriculture – Dairy students who received GF bursaries 2003 Jennifer Baillie, Michael Armstrong, Will Laidler and Tracie Roberts



Prof K.L. (Jock) MacMillan and Dr Michael Pyman, PhD project – *Reproductive performance of Holstein & Jersey dairy cows*



Swan Hill and District Rural Women's European Study tour Christie Tyquin, Wendy Fletcher and Colleen Concliffe in France

MEETING THE DEMAND FOR HIGH QUALITY COLOSTRUM

Department of Primary Industries

Contact: **Dr Martin Auld**

Gardiner Foundation contribution \$28,919

Colostrum is the milk produced by cows for a short time after giving birth. It is high in protein including immunoglobulins (IG) that have a high antibody activity against microbial infection. Bovine colostrum is a high value product with many uses in human and animal nutrition.

The aim of the project is to develop and communicate information for farmers to enable the quality of colostrum to be enhanced and to lengthen the duration of colostrum production. It has been shown that this is possible through pharmacological treatment before calving.

The project will also develop a more complete understanding about other bioactive components of colostrum. Potential components of interest include IGF-1, IGA, epidermal growth factor-like compounds, transforming growth factor (β) and lactoferrin. This information may be useful in developing new uses for colostrum.

PRODUCING NOVEL MILK POWDERS THROUGH ADVANCED PROCESS TECHNOLOGIES

Dairy Ingredients Group of Australia Limited

Contact: **Mr Mark Alexander**

Gardiner Foundation contribution \$40,000

Milk powder is produced in a two-stage operation. The first stage evaporates milk to a solids content of about 46% while most of the remaining moisture is removed by spray drying. Both processes have critical operating parameters which alone, or in association with other factors, have important effects on the properties of the resulting milk powders.

To be internationally competitive, Victorian dairy companies need to provide ingredients to a specific customer specification and achieve a turn around from one specification to the next with minimum delay. This means that process conditions for the evaporator and dryer need to be accurately determined and set. However, a trial and error approach is still used by many dairy companies.

This project will attempt to measure the impact of all critical operating parameters in order to integrate modern process control within powder plants and achieve a "right first time" solution for milk drying. If successful, the project should lead to considerable savings of resources and reduce waste. The Dairy Products Research Centre at Moorepark Ireland will undertake the experimental and trial work associated with the project. The Australian Ingredient Centre will manage the technology transfer to the Victorian dairy companies.



Max Fehring, GF Director, GF/UDV Kyabram Workshop 2003



Time Out participant Robert Payne, GF/UDV Kyabram Workshop 2003



Dr Alister Lawson – *Improving the adoption of pasture renovation in northern Victoria*

SPONSORING PARTICIPANTS IN THE FAIRLEY LEADERSHIP PROGRAM

The Goulburn Murray Leadership Program

Contact: **Ms Barbara Brown**

Gardiner Foundation contribution \$10,000

The Fairley Leadership Board is made up of local community and business representatives in the Goulburn Murray region. It provides participants with the opportunity to meet and question a broad cross section of regional, state and national leaders with a range of experiences and backgrounds. The program is particularly aimed at individuals in the local community who have a commitment to 'making a difference' and a capacity for leadership.

The Gardiner Foundation has undertaken to provide the opportunity for two individuals to participate in a one-year program designed to develop their skills and understanding and to build leadership capacity. The participants will acquire a thorough grasp of the working of a community, skills to work in teams with a diverse range of people, new approaches to solving problems and increasing motivation.

The two successful candidates for the Gardiner Foundation Scholarships are Ms Yvonne Crawford, a dairy farmer from Tatura and Mr Peter Guy, a Business/Operations Analyst at Tatura Milk Industries. The Fairley Leadership program for 2003 was launched in February and runs throughout the year concluding in December.

CARING FOR DAIRY SMALL GRANTS PROGRAM

Foundation for Rural and Regional Renewal

Contact: **Ms Sylvia Admans**

Gardiner Foundation contribution \$100,000

The Gardiner Foundation has collaborated with the Foundation for Rural & Regional Renewal (FRRR) to implement 'Caring for Dairy', a small grants program for Victorian dairying communities affected by drought. Community development is a vital part of maintaining rural areas through the tough times. Grants of up to \$5000 were made to a number of organisations.

The recipients were mostly volunteer and community groups who used the funds for such activities as the purchase of new equipment for a kindergarten, holiday programs for school age children, trainee positions on dairy farms and the upgrade of infrastructure for local sporting clubs. Funding was also used to present a series of information sessions at community events and to offer planning and support services for drought affected families.

The successful organisations included the Tongala Dairy Industry Training Council, Kyabram Community Learning Centre, Undera Kindergarten, Cohuna/Leitchville Discussion Group, Taste of Tatura Food & Wine Festival and the Gippsland Women's Network.

Ian MacAulay, Gardiner Foundation Director and Chairman of the Community Development Steering Committee, expressed appreciation on behalf of the Foundation to Sylvia Admans and FRRR for administering the grants program.



The Minister for Agriculture, The Hon Bob Cameron, announcing recipients of GF Major R&D Project Funding, Round 1.



Minister Cameron presenting certificate to Professor Herman Raadsma, The University of Sydney.



Minister Cameron presenting certificate to Professor Margaret Britz, The University of Melbourne.

EUROPEAN STUDY TOUR AND THIRD CONGRESS FOR RURAL WOMEN IN SPAIN

Swan Hill and District Rural Women Inc

Contact: **Ms Yvonne Jennings**

Gardiner Foundation contribution \$15,000

The Foundation understands the important role played by women in rural communities and their need for ongoing skills development and varied experiences. It was pleased to have the opportunity to partly sponsor three Victorian women to take part in a European study tour and attend the Third Congress for Rural Women in Spain last year.

The sponsorship recipients were Ms Wendy Fletcher, Mrs Colleen Concliffe and Miss Christie Tyquin. Their study tour included visits to Italy, France and Spain where they saw a range of farming enterprises and the roles being played by women in agriculture in those countries.

Over 1500 delegates from around the world including 200 from Australia attended the Congress. Topics discussed were varied and included land ownership and finance, the formation of cooperatives and social organisation in rural areas, equal access to natural resources for women and issues relating to children and the elderly. On their return, the women confirmed that the tour and congress had increased their knowledge and awareness of rural issues and enabled them to build broader networks.

AUSTRALIAN DAIRY CONFERENCE

Australian Dairy Conference Ltd

Contact: *Ms Sally Schultz*

Gardiner Foundation contribution \$10,000

The Foundation was pleased to be a major sponsor of the inaugural Australian Dairy Conference held in January 2003 in Shepparton. The conference provided an important forum for dairy farmers, industry representatives and scientists to bring science and the business of dairy farming closer together. Over 400 people attended the Conference including delegates from as far afield as South Australia, Queensland and New South Wales.

The key to the success of the conference was the way that it stimulated the minds of people involved with dairying, improved their understanding of the global outlook for the industry and built bridges between farmers and scientists. The Conference also allowed existing networks to be renewed and new ones established.

Over the three days of the conference, 67 speakers addressed topics that included technical and scientific aspects of dairy farming as well as financial issues. There was an excellent mix of delegates with lively discussion, debate and sharing of information. The conference was rated an outstanding success and will be held again in February 2004 in Shepparton.

*Peter Owen, President UDV and Dr Kevin Nicholas,
The University of Melbourne, Kyabram GF/UDV Workshop 2003*



UDV DROUGHT PROGRAM

United Dairyfarmers of Victoria

Contact: *Mr Ian Webb*

Gardiner Foundation contribution \$50,000

The Gardiner Foundation strongly supported the drought response program coordinated by the United Dairyfarmers of Victoria (UDV) during the year.

A project launched in September 2002 was in response to the critical water shortage affecting dairy farms on the Goulburn irrigation scheme. The project provided a point of contact for farmers seeking information and support. Linkages were established with support agencies such as community health centres, Centrelink, rural counsellors, the Department of Primary Industries and dairy companies.

The project manager, Mr Peter Carkeek, coordinated the UDV drought committees providing technical information, one-to-one support and assistance, communication of important information and organisation of fodder relief schemes.

The 'Time Out' project, as part of the UDV drought response program, was launched in January 2003 to provide a short holiday for dairy farmers and their families in drought declared areas of Victoria. Over 500 affected dairy families applied to take part in the program which was funded through direct sponsorships and in-kind donations of complimentary tickets and accommodation packages.

A total of 254 dairy families participated in the program, each spending a weekend in Melbourne visiting the zoo, aquarium, observation deck, museum, Pura Cup cricket, cinemas and restaurants. Each family was also given cash to assist with relief milking while away.

Many letters were received by the UDV from families expressing appreciation for the opportunity that the project provided to take some time out.

MAJOR RESEARCH & DEVELOPMENT PROJECT FUNDING 2002-03

The following projects were selected in 2002-03 for Gardiner Foundation funding for major research and development.

bovDArT- A NOVEL LOW-COST GENETIC PROFILING SYSTEM FOR ADVANCED BREEDING PLATFORMS IN VICTORIAN DAIRY CATTLE

The use of genetic profiling tools to rapidly scan embryos to identify potential bulls with gene profiles matching national breeding goals.

Lead organisation: The University of Sydney - Centre for Advanced Technologies in Animal Genetics and Reproduction (Reprogen)

Contact: Professor Herman W Raadsma

MINING AUSTRALIAN BIODIVERSITY TO IMPROVE PROFITABILITY OF THE VICTORIAN DAIRY INDUSTRY

A novel study of aspects of reproduction unique to Australian mammals to identify genes and bioactive molecules of value to the dairy industry.

Lead organisation: The University of Melbourne, Department of Zoology

Contact: Dr Kevin Nicholas

CLOSING THE LOOP: A HOLISTIC APPROACH TO THE MANAGEMENT OF DAIRY PROCESSOR WASTE STREAMS

A holistic approach to managing waste from dairy processing to lower processing costs and reduce the need for land fill and contamination of the environment.

Lead organisation: Department of Primary Industries, Victoria – Dairy Research Institute Ellinbank

Contact: Dr David Halliwell

DEVELOPMENT AND IMPLEMENTATION OF CANDIDATE GENE BASED MARKERS IN OUTCROSSING FORAGE SPECIES

The use of modern molecular tools to select high value traits in perennial ryegrass and white clover, potentially able to cut the time needed for new cultivar development by half.

Lead organisation: Department of Primary Industries, Victoria – Plant Biotechnology Centre

Contact: Dr John Forster

FOOD BIOSECURITY FOR VICTORIAN DAIRY PRODUCTS

Development of new strategies to prevent the occurrence of pathogenic organisms in milk and maintain the dairy industry's excellent reputation for safety.

Lead organisation: The University of Melbourne, Institute of Land and Food Resources

Contact: Professor Margaret Britz

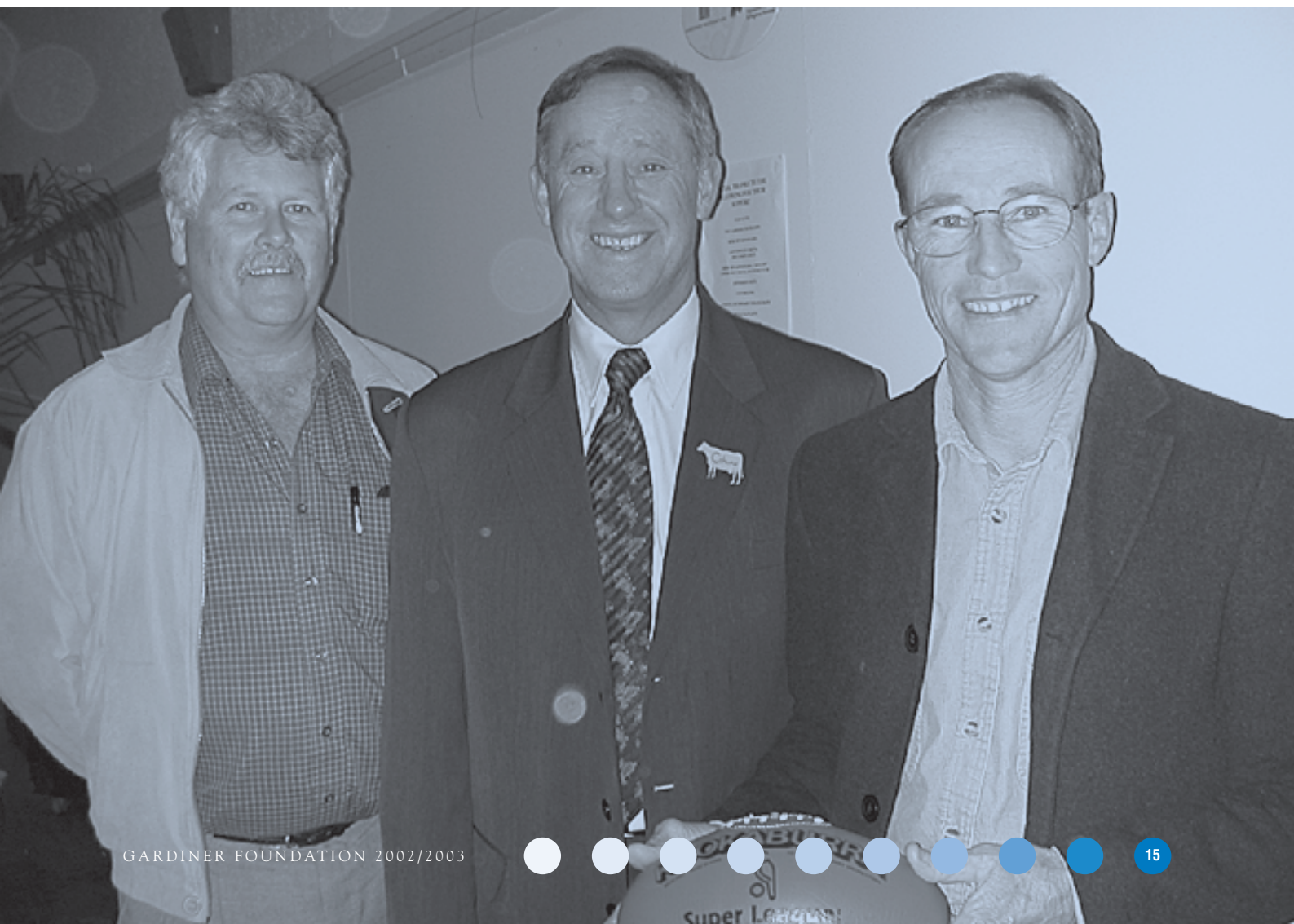
SMALL PROJECTS FUNDING ROUND 3, 2002-03

The following projects were selected for Gardiner Foundation funding for Small Projects for 2002-03.

Project No	Organisation/Contact	Project Title
<i>GF3/002</i>	Loddon Murray Community Leadership Program	Training innovative leaders in the Victorian dairy industry and dairy communities to make informed decisions and respond positively to change
<i>GF3/003</i>	Association for the Advancement of Animal Breeding and Genetics (AAABG)	Sponsorship of speaker Dr David Wells at the 15th Conference of the Association for the Advancement of Animal Breeding and Genetics, at the International Congress of Genetics, Melbourne, 6-11 July 2003
<i>GF3/007</i>	Victorian & Tasmanian Association of Rural Counselling Groups (VTARCG)	National training conference for rural financial counsellors and their committees of management
<i>GF3/009</i>	National Youth Science Forum	'A career on a plate': a work-placement and recruitment programme for the dairy & food industry in the Goulburn-Murray region
<i>GF3/017</i>	Gippsland Community Leadership Program (GCLP)	Networking Gippsland dairy farmers into community based leadership programs and the GCLP Skills bank
<i>GF3/020</i>	Northern Herd Development Co-operative Limited	Electronic herd testing and robotic sorting system
<i>GF3/021</i>	The University of Melbourne Industry Steering Committee Advanced Diploma in Dairying	Creation of Establishment Bursaries to support students entering the first year of the industry developed program Advanced Diploma in Dairying
<i>GF3/022</i>	Department of Primary Industries Pastoral and Veterinary Institute	The measurement of feed conversion efficiency in dairy cattle - supplementary funding
<i>GF3/023</i>	Department of Primary Industries	Extending lactation in pasture-based dairying systems
<i>GF3/029</i>	Monash University	Education in agriculture: The development of an educational program for primary school children on dairy farming and dairy food production in multi-media format
<i>GF3/034</i>	Food Science Australia	Shelf-life extension of pasteurised milk for export markets
<i>GF3/035</i>	The Goulburn Murray Leadership Program Fairley Leadership	Part-sponsorship of Fairley Leadership field trip to Canberra: Exploring the bigger picture
<i>GF3/036</i>	Lauren Thompson Consulting	Adoption of permanent subsurface drip irrigation for forage production to enhance the economic and environmental sustainability of Victoria's dairy industry
<i>GF3/042</i>	The University of Melbourne - McMillan Campus	The Advanced Diploma of Agriculture (Dairy) - Human resource capacity building
<i>GF3/047</i>	Royal Agricultural Society of Victoria Limited (RAS)	Interactive milking demonstration and display, 'Ultimate Animal Experience', Education Precinct, Royal Melbourne Show
<i>GF3/052</i>	The Goulburn Murray Leadership Program Fairley Leadership	Sponsorship of program places in the Fairley Leadership Program 2004 for individuals involved in the dairy industry

Project No	Organisation/Contact	Project Title
<i>GF3/053</i>	Dairy Food Safety Victoria	Food safety program guidelines for dairy farms, dairy carriers and dairy food distributors
<i>GF3/054</i>	Engineers Australia, Victoria Division	Dairy Industry 'Smart Freight' strategy - pilot study
<i>GF3/058</i>	Monash University Monash Institute of Reproduction	An investigation into the enhancement of milk production by over-expression of Elf5 and Development
<i>GF3/059</i>	United Dairyfarmers of Victoria (Victorian Farmers Federation)	Sponsor the "Concurrent sessions" at the UDV Conference in May 2004.
<i>GF3/062</i>	Australian Dairy Conference Ltd	The 2004 Australian Dairy Conference
<i>GF3/063</i>	United Dairyfarmers of Victoria (Victorian Farmers Federation)	Fund the position of a Drought Response Officer to coordinate the industry's management of the current drought
<i>GF3/064</i>	The University of Melbourne Department of Zoology	The use of Australian milk biscuits for global famine relief

Former AFL player and coach Stan Alves (centre) at a Leitchville Cohuna Discussion Group, supported by GF/FRRR Small Grants Program (Courtesy of the Northern Times)



FORWARD LOOK

Towards the end of 2002-03, the Board initiated an internal review of the Foundation's corporate strategy. The draft document has been sent to key stakeholders for comment. Once agreed it is envisaged that the outcomes from the review will provide a strategic framework for the next 3-5 years.

The Foundation expects to continue its established approach to funding both Small and Major projects. Consideration is being given to both the format and frequency of funding offers, but annual rounds of funding for both categories of projects will continue for the time being. Established application, approval, monitoring and administrative processes will continue with modification from time to time as needed.

The Foundation is also considering options to improve the value delivered to industry from funded projects. In particular, it is examining a proposal to give more specific direction about priority areas for project development.

There has been no change to the absolute priority given to increasing the productivity and competitiveness of the dairy industry. New technologies are the key to progress and accordingly, the emphasis on funding for research and development is likely to grow rather than diminish over time. However, the Board believes that a long-term view is essential in determining research priorities for the dairy industry. Not all research will provide usable results tomorrow. The Foundation will therefore ensure that its portfolio of funded research comprises a balance of applied and longer-term visionary projects.

Professor Paul Nestel AO (Chair) and Dr Mike Rickard, Major Projects Selection Panel.



The Foundation believes that there are important opportunities to commit community development funds to help build self-confidence and self-esteem in dairying communities. For the time being, rebuilding after the drought will take precedence for Foundation funding, but over the longer term we will look to assist farmers to develop their individual business strategies and to cope more effectively with change.

It is of concern that the scarcity of employment opportunities in rural areas is seriously degrading social infrastructures as younger people move to capital and regional cities. Dairying communities are no exception. The Foundation recognises that its capacity to improve employment prospects is limited but will pursue opportunities to assist through limited interventions wherever possible. We also intend to collaborate fully with other agencies sharing a common interest in improving the lives of rural people.

In the coming year the Foundation will review its own internal systems and controls. Our explicit aim is to ensure that we are easy to work with, effective in administration and quick to make decisions. It continues to be a priority for us to communicate project results widely as soon as they become available. This is seen as the most effective way of achieving enduring benefits for the entire dairy industry.

The Board is committed to keeping stakeholders fully informed about the Foundation's direction. We will actively foster relationships with Foundation Members (United Dairyfarmers of Victoria, Milk Processors Association of Victoria Inc. and the Victorian Dairy Products Association Inc.) as well as research agencies, government and community development organisations. In addition, we intend to work closely with Dairy Australia Limited to find synergies that benefit the dairy industry.

...THERE ARE IMPORTANT OPPORTUNITIES
TO COMMIT COMMUNITY DEVELOPMENT
FUNDS TO HELP BUILD SELF-CONFIDENCE
AND SELF-ESTEEM IN DAIRYING
COMMUNITIES.

John Watson, Chairman, CRC for Innovative Dairy Products and Chris Nixon.



Bruce Kefford, Deputy Secretary, Regional Services and Agriculture, Department of Primary Industries and Tony Bates, former Chairman of the Dairy Research and Development Corporation.



ABOUT THE GARDINER FOUNDATION

The Gardiner Foundation provides funding to projects that improve the international competitiveness of the Victorian dairy industry and the well being of dairying communities. Projects should provide a benefit to at least one major sector of the dairy industry and have clear objectives and measurable outcomes.

Small Projects

The Geoffrey Gardiner Dairy Foundation provides funding for individual projects up to the value of \$25,000, although in special circumstances funding above this level to a maximum of \$100,000 may be considered. The projects may include research and development as well as elements relating to extension, technology transfer, education, training and skills development. Projects attracting funding from multiple sources are preferred and applicants are therefore encouraged to seek additional funds from other sources. Funds are made available to groups or organisations that lodge applications deemed worthy of support. Funds are not made available to individuals.

Major Research and Development Projects

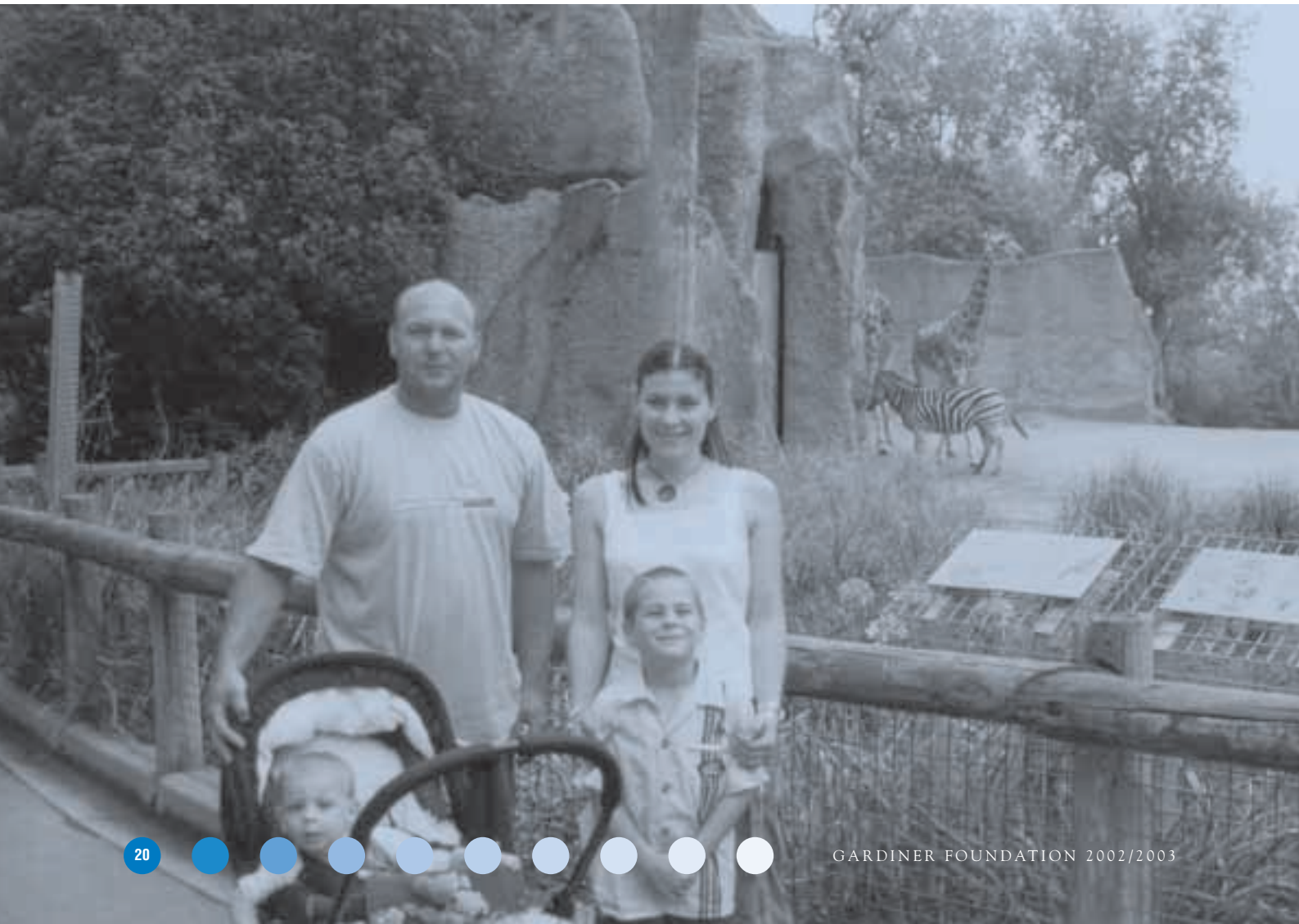
Applications are open to groups or organisations involved directly with an innovative, integrated research and development program. Successful projects will be eligible for funding from the Foundation of \$250,000 or more per annum over three to five years.

The Foundation expects that it will fund up to 50 percent of the total costs of the project. Therefore, projects will need to incorporate at least one other additional funding source from commercial organisations, industrial groups or other public or private funding agencies.

Community Development Projects

The Gardiner Foundation is committed to allocate \$3 million for activities that support dairy communities. The term community can refer to a self-defining geographic region or community of shared interest, which reflects real life relationships. Local residents need to be involved in defining what social, environmental or economic projects would best suit the community's interests.

Time Out participants Brendan and Laura O'Flaherty with sons Kaleb and Noah, at the Melbourne Zoo, February 2003



CONTACTS

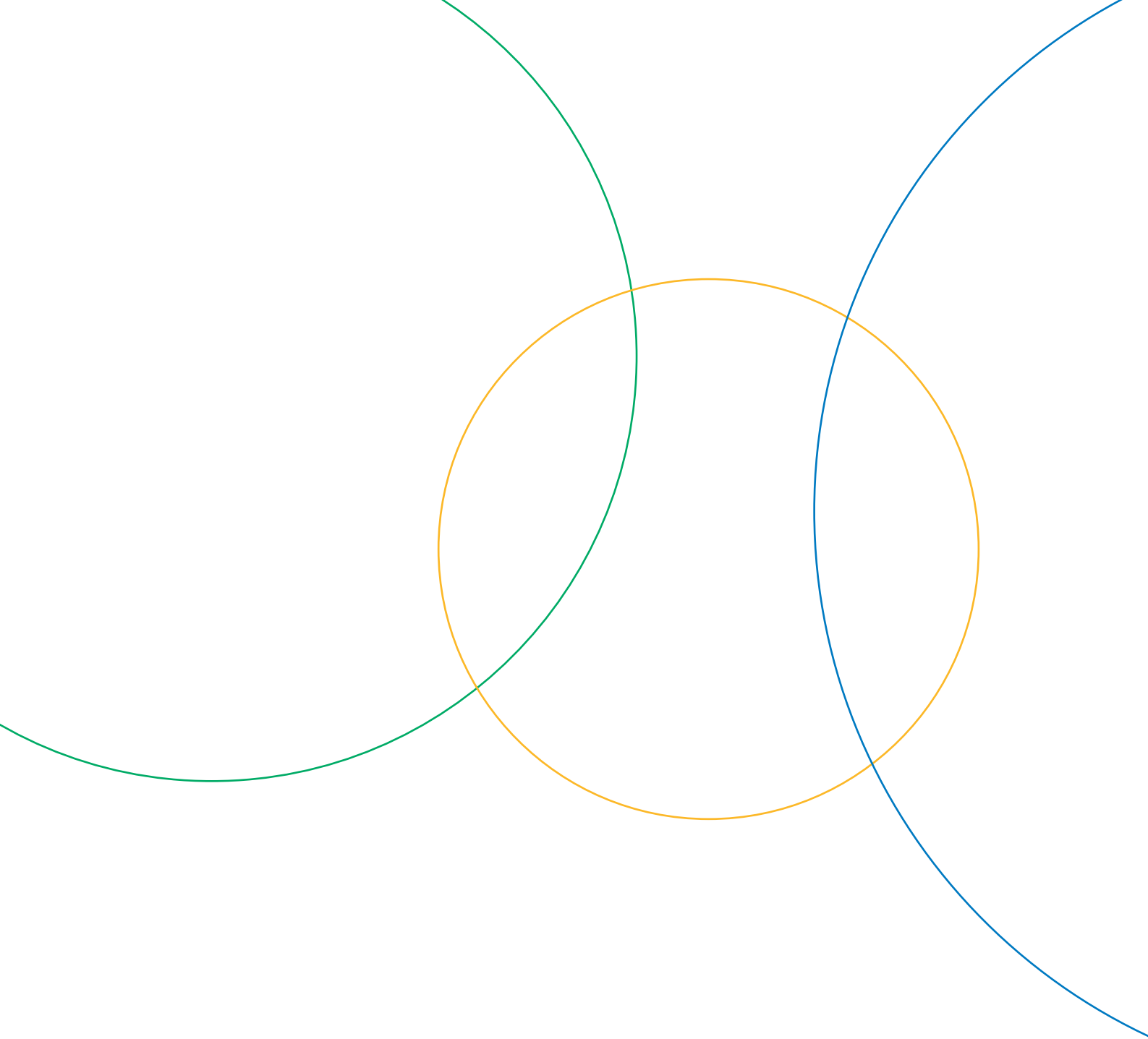
The Gardiner Foundation has an up to date website that offers full information about the Foundation itself, as well as guidelines and funding application forms.

Visit our website at:

www.gardinerfoundation.com.au

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GARDINER FOUNDATION