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A year for change in the cotton industry

By Adam Kay, Chief Executive Officer, Cotton Australia

The 2007–08 season was a year of many changes — political, organisational and climatic. We started the year in the grip of the worst drought in living memory and ended it with massive floods throughout Central Queensland and a new political landscape, led by a Labor Government for the first time in over a decade.

While summer rains certainly buoyed confidence in the industry, the smallest cotton crop in 30 years was harvested in 2008, which will place added pressure on Cotton Australia's operations over the next few years.

Tight fiscal management, and the generation of income from alternative sources such as government grants has been a key strategy in ensuring Cotton Australia has remained effective and viable.

On the positive side, growers in Central Queensland have a guaranteed water supply for the next three years and have been able to take advantage of high forward prices on offer, and many growers with on-farm water will plant significant winter crops.



Adam Kay.



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New leadership team

A new leadership team with new direction emerged at Cotton Australia this year and the staff was realigned into two regional hubs in Narrabri and Toowoomba. The aim was to bring a smaller focussed team closer together, from which growers could be serviced by policy, grower services and Best Management Practices implementation staff.

One of the new leadership team's first objectives was to put an even greater emphasis on industry leadership and listening to growers, and the first Grower Member Advisory Group met to provide feedback to Cotton Australia on the issues they wanted their peak body to focus on. The organisation's strategic and operating plans have been developed with these issues in mind and in particular access to water, drought support, addressing the high cost of farm inputs and labour shortages. The Future Cotton Leaders Program also aimed to identify potential leaders, train them and provide strong incentives to remain in the industry.

In looking at the industry's future direction, three major cotton industry organisations co-funded a new high-level industry position of BMP Manager to oversee its environmental farm management program. Recognising that this flagship program was critical to the industry's sustainable future, the new role was set up to re-align BMP to make it more relevant and accessible to growers and to streamline the implementation and auditing process. In another

major win for BMP and following three years of intensive negotiations, the Queensland Government officially recognised BMP as a means of alternative compliance to Queensland Land and Water Management Plans, a major vote of confidence in the industry's ability to manage its natural resources.

Looking further forward, the Cotton Australia Board is keeping a close eye on the world market and in particular barriers to trade and the significant impact of synthetic fibres which are taking an ...8▷

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Cotton Australia's smaller, focussed team is now based in Sydney, Brisbane, Narrabri and Toowoomba.



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increasing share of the world fibre market. 2009 is International Year of Natural Fibres, presenting an opportunity to use this global platform to remind consumers of the benefits of cotton.

Director Phil Sloan represented Cotton Australia as part of a delegation to Japan and Hong Kong to promote BMP Cotton to spinners and retailers. We're pleased to report that two Japanese retailers are now sourcing and marketing Australian BMP cotton products to their consumer markets.

A major issue for our growers this year was severe damage to cotton crops due to phenoxy herbicide drift, in some areas destroying entire crops and severely affecting yields. It is extremely disappointing that despite years of effort into addressing this problem by all parties, we saw cotton crop damage at the highest levels ever recorded.

In the lead up to the federal election in November 2007, a comprehensive strategy to put forward cotton industry issues to both sides of government was developed. Combined with a regional media campaign in cotton's federal seats, this work proved very effective and has helped to open doors to Ministers and Senior Advisors in the new Labor Government. Engaging the new Ministry and working to influence Federal natural resource management policy, particularly water and climate change, will be a major challenge in the coming year as we operate in a new political environment.

Key activities, achievements and highlights of 2007-08

Political and media engagement

Political, media and consequently public perceptions of cotton's use of water was a major public policy issue. Starting with the broadcast of ABC TV's Two Men and a Tinnie, the issue of managing the nation's water resources was placed firmly in the spotlight, with an unprecedented amount of

media coverage on the issue and many high profile Australians publicly weighing in to the debate.

Cotton Australia responded by bringing together an industry committee to firstly assess current levels of political, media and community perceptions towards cotton's use of water, followed by an engagement campaign to brief opinion leaders and decision makers on the facts relating to cotton's use of water.

Working closely with Gavin Anderson Associates and Cotton Australia's communication consultants, Step Communication, this industry-funded project was extremely effective in re-positioning the cotton industry in the national water debate, providing greater balance in the media and neutralising the negative views of many commentators.

Fostering industry leaders

Given the importance of strong leadership in the industry's future development, Cotton Australia was compelled to address this issue by establishing the Australian Future Cotton Leaders Program to identify potential leaders and provide training to give them the skills and confidence to eventually step up into industry leadership roles.

Cotton Australia and the Cotton Research and Development Corporation (CRDC), with funding support from the Commonwealth Department of Agriculture, Fisheries and Forestry, developed and implemented this successful program during 2007.

Twenty two future cotton leaders including 14 young growers, a researcher, a merchant, four consultants and two extension officers were selected by an industry panel to participate. Over the five month program, participants visited with industry leaders, took part in a mentoring program, toured successful cotton businesses, met leading entrepreneurs and heard about the latest in research and technology. They also received communication, media, advocacy and management training, met with the Cotton Australia Board and learned from each other through structured teleconferences and online networking opportunities.

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Growing cotton's future: Tools for managing the drought

During the year, Cotton Australia received significant funding from the Department of Agriculture, Fisheries and Forestry (DAFF) to carry out industry activities to assist growers in managing their enterprises through the drought, develop more efficient irrigation systems and get information on how to access a range of government drought assistance programs.

To initiate the project, Cotton Australia sought feedback from cotton growers about the preferred methods of receiving this information and topics of most interest, with the project plan tailored to meet these industry requirements.

The first phase of the project involved support to underpin a series of Cotton Industry Field Days focused on practical tools for managing the drought as well as water use efficiency techniques and equipment. Six Cotton Grower Associations took up this support, with Field Days held across the valleys in March and April 2008.

The second phase was a series of roadshow seminars in April and May in major cotton growing areas. Expert speakers engaged growers on a number of topics of interest including managing human resources, generating off farm income, accessing government assistance and financial management.

Water use efficiency research and data, grower case studies, seminar information and links to support services also featured on Cotton Australia's website, providing a "one-stop-shop" for growers looking for drought or water use efficiency information.

The project concluded with a full day program of speakers at the Australian Cotton Conference on the Gold Coast. Offered free to all cotton growers, the day offered the latest research and technology on water use efficiency and maximising production in low water years and provided a great opportunity for growers to network with their research partners. Cotton Australia would like to acknowledge the Federal Department of Agriculture, Fisheries and Forestry for its support in assisting growers to manage their businesses at this critical time.

Tackling the labour skills shortage with an award winning project

Cotton Australia recognises that the labour skills shortage in rural industries, exacerbated by the drought, is a major challenge for Australia's cotton growers.

Cotton Australia's Cotton Industry Skills Development Pilot Project was established to attract new employees to the industry and retain existing workers by establishing a clear "Cotton Industry Career Pathway" to set cotton apart from other rural industries.

During 2007, the project provided a valuable opportunity to trial innovative staff attraction and retention strategies, with a total of 132 people participating in activities such as labour management workshops, skills recognition for managers and existing workers and training programs for new entrants and school students.

One of the most positive outcomes was that the project was the catalyst for a number of complementary initiatives including:

- Cotton growers, managers and farm workers who have been involved in the development of Best Management Practices can apply to have this skill set formally

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Wendy Chant, DAFF (centre, front) with speakers from the Growing Cotton's Future seminar tour.

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recognised with a vocational qualification (Diploma of Agriculture), without further study.

- Funding was secured for the delivery of “Cotton Seed” and “Cotton Basics” education and training packages through the NSW Government Strategic Skills Program.
- Funding from the NSW Department of Education and Training to establish partnerships between industry, contractors and training providers to deliver machinery operator training in rural and regional areas.
- The Year 10 “Cotton Seed” training for high school students included as part of a NSW state-wide education trial.

The success of the project was recognised with Farrer Memorial Agricultural High School, winning a Vocational Education and Training (VET) in Schools Excellence Award 2007 for “its role in helping develop the Cotton Industry Skills Development Pilot Project, in conjunction with Cotton Australia”.

BMP mapping against catchment plan targets

Through funding from the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust Extension, Cotton Australia completed a task to map out where and how each of the 80 objectives contained in the BMP manual contribute to the Management Action Targets of the nine Queensland and NSW Regional Groups and Catchment Management Authorities that cover cotton growing regions.

This information will allow Cotton Australia to better engage with each of these groups and demonstrate how a grower undertaking BMP contributes to catchment targets and objectives.

Cotton looks to the north

Following a number of years of research and commercial trials, 12 farmers planted about 1000 hectares of cotton in the Burdekin irrigation region, south of Townsville, in the 2007–08 season. The development of the industry in this new area has taken place over a number of years and with careful consideration and support.

Growers are taking on cotton growing mainly as part of a sugar cane rotation and come from a mixture of backgrounds including experienced local cane growers and cotton growers from southern areas who have bought into the region.

Cotton Australia was active in the region by visiting local growers and making assessments of their requirements in preparation for implementing the cotton Best Management Practices program as well as testing local capacity for instigating a growers’ association.

Cotton Australia also liaised with the Great Barrier Reef Marine Park Authority, the Burdekin Dry tropics NRM body, local cane industry and council representatives in order to ensure that all parties understand the way in which cotton production occurs and the status of development in the region.

Greg Kauter joins Cotton Australia

Cotton Australia has welcomed well known industry face, Greg Kauter, to a new role as NSW Policy Manager, with an emphasis on policy development, advocacy and NSW Government affairs.

Greg brings over 25 years experience working in the cotton industry in agronomy and research and development as well as living in regional communities in NSW and Queensland.

He says the new role is an exciting challenge, particularly in the current political climate.

“I’m particularly looking forward to advocating on behalf of Australia’s cotton growers and will use my experience to align Cotton Australia’s policies with the needs of growers and other industry bodies,” Greg said.

“Cotton Australia can really add value for growers by working in the political sphere on policy frameworks that are difficult to deal with from the farm level and issues of water and climate change will continue to dominate.

“I will help the team identify emerging issues, develop policy responses, build the cotton industry’s case based on sound research and data and then take these positions to government,” he said.



Greg Kauter, new NSW Policy Manager at Cotton Australia.