

Joint Transition Team (JTT) for the Dairy Industry Overview Document

Purpose of the Joint Transition Team

The Joint Transition Team ('JTT') will examine existing dairy industry organisational arrangements and recommend transformational change options to reform industry structures.

The JTT shall be guided in its work by the overarching objectives of the Australian Dairy Plan ('ADP') to produce a more profitable, confident and united industry.

Terms of reference

The Transition Team will be formed by and report to the Australian Dairy Plan Committee (the Committee), which is comprised of the Chairs of the four current peak organisations (Australian Dairy Farmers, Dairy Australia, Australian Dairy Products Federation and Gardiner Foundation) and with Hon John Brumby as the Independent Chair.

It will work collaboratively as a team to:

1. **Consult with peak industry leaders and key stakeholders** to understand their views of the strengths and weaknesses of current arrangements, as well as key opportunities and challenges to achieve transformational change.
2. **Consider options** for industry change by:
 - a. Identifying and assessing options, taking into account the industry design criteria suggested at the ADP National Workshop
 - b. Taking into account appropriate legal and accounting advice, as necessary
 - c. Utilising expertise in developing a proposed model, including expert(s) contracted by the Committee to provide external and informed perspectives.
3. **Make recommendations** on what would be a world class model for the industry
 - a. This will require the Transition Team to take decisions on a consensus basis
 - b. Recommendations would need to outline the main steps, timing and approximate costs involved in implementing a new model
 - c. The transition team will need to make an assessment of risks
4. **Report regularly to the ADP Committee** to outline progress and challenges in completing the set tasks
5. **Complete their work** by end of 2019.

The Role of the Secretariat

The Transition Team requires operational support to conduct its work in a professional and timely manner. An existing person from a dairy industry organisation management team will be seconded on a full-time basis to support the Transition Team.

The secretariat function will need to be able to manage all operational matters (including organising meetings, preparing papers and minutes) through to strategic roles (such as drafting transition plans, briefing technical advisers e.g. legal) and preparing reports/communications and content for industry stakeholders.

Appendix A

Selection and appointment information

The Selection of the JTT

The Committee will select the JTT based on the following criteria:

1. All JTT members should have the following:

- Recognised as a leader at a global, national or regional level (or have demonstrated emerging leadership capability)
- Demonstrated business acumen and capacity to understand what businesses require from industry organisations
- Demonstrated ability to work on complex industry issues utilising a consensus-based approach
- Experience and confidence working directly with senior industry and government leaders
- Ability to work within time constraints, deal with ambiguity and be decisive when required
- Ability to work constructively with a diverse range of people in high pressure environments
- Demonstrated to be open to new ideas and have the capacity to positively expand on new thinking
- Vision and foresight to lift discussions and be articulate within the team and the broader industry
- Availability - team members must be committed and able to devote significant amount of time

2. Considering the JTT at a *team* level, the following criteria should be met:

- At least one team member should have:
 - Significant experience in strategic transformation including business restructuring
 - Experience in producing and processing milk (with at least two members having experience of both)
 - A strong peer network of farmers and processors who can bring a breadth of industry perspectives
 - Well-developed Chairperson skills
 - Demonstrated experience of good governance and risk management practices
- The team should have a mix of gender and experience

Appointment of the Transition Team

The Committee will consider nominations made at the National Workshop and will also consider other people who have expressed interest in joining the JTT via the application process outlined on the ADP website.

The selection criteria will be used to assess suitability. The Committee will prepare a short list of candidates and approach these candidates directly.

The Committee will formally appoint members of the Transition Team, including the Chair.

The Committee may add, remove, or replace members of the Transition Team as required to ensure that the team has the right skills and experience to fulfil the terms of reference.

Appendix B

Draft Design Criteria (ordered by voting at the national workshop)

Priority criteria

- Whole-of-industry approach to design (as opposed to a singular focus on farmers or processors)
- Well-funded (for the long-term) and well-resourced (including suitably qualified and experienced staff)
- Considers arrangements to deal effectively with 'the lot' – advocacy, R&D, marketing, policy development – directing resources to industry priorities
- Enable us to speak with 'one voice' to (different levels of) government and the community
- Nimble, agile, able to respond quickly to new industry challenges
- Simple, efficient, streamlined (e.g. fewer 'layers') with very little duplication (e.g. facilitates 'signposting', removes duplication of structures at a National and State/regional level)

Givens

- Draw on insights from successful models in other industries, and can be benchmarked against these
- Be cognisant of what we may lose e.g. manage the risk of losing matching funding
- Strong corporate governance (no perceived conflicts of interest)
- Accountable to its members/stakeholders
- Professionally run, with clear roles, objectives
- Not limited by past or present practice

Note: the draft design criteria above may be refined further by the JTT.