

Annual Investment Plan

2025-26

Delivering for Dairy

Introduction

This Annual Investment Plan sets out the investment priorities for 2025-26 in line with the first year of our new Strategic Plan, highlighting how we will continue to focus on maximising value for dairy farmers.

To develop this annual plan, we consulted with Australian Dairy Farmers and Australian Dairy Products Federation, as well as listening to feedback from farmers in every region as part of the Strategic Plan consultation process. Our priorities also consider government imperatives and community expectations.

Many dairy farmers have experienced several years of strong profitability, enabling them to invest further capital into their operations and/or pay down debt. However, there continues to be numerous factors inhibiting a substantial increase in milk production, including a high proportion of dairy farm businesses navigating extreme weather. The initial outlook is for this year's milk production to drop between zero to two per cent in comparison to 2024-25; however, this outlook will need to be revised based on the number of farms impacted by recent extreme weather.

Farm business profitability is at the very heart of our investment priorities. We believe that an earnings before interest and taxes (EBIT) target of more than \$1.50 per kilogram of milk solids is an important industry aspiration. This Annual Investment Plan identifies how Dairy Australia will support farmers and industry in achieving this target.

We will support farmers to be more profitable and unlock the potential of their farm businesses through our flagship business planning program, Our Farm, Our Plan. This initiative will be expanded to further support farmers when making key decisions to enhance farm business management. Our regional service delivery will continue to evolve, offering dairy farmers tailored services and advice to meet their business needs. Emphasis will remain on attracting, developing and retaining people in the industry, supporting career pathways, wealth creation and succession planning. Dairy Australia continues to play a pivotal role in supporting farmers to be more productive through research and innovation that delivers long-term gains. This includes the latest research in herd and feed genetics, harnessing global agricultural technologies and the exploration of collaborative partnership opportunities.

Collectively, these priorities focused on farm profitability make up 80 per cent of our investment.

The remaining 20 per cent is directed toward enabling farmers and industry to be sustainable and competitive on a local and global scale. We remain focused on the industry's sustainability commitments - supported by the Australian Dairy Sustainability Framework, driving strong community trust through industry marketing efforts, maintaining market access, and ensuring a globally competitive cost of production.

Our services are based on a levy collected from every dairy farmer, which is matched by a contribution from the Commonwealth Government, for investment in research, development and extension (RD&E). This income has contracted over recent years due to reduced milk production, and after a year of stabilisation in 2024-25, this year we are forecasting a slight decrease in milk production and related levy income. Total budgeted expenditure is also planned to decrease slightly from \$66 million in 2024-25 to \$65.7 million in 2025-26, with a planned deficit of \$1 million.

In 2025-26, Dairy Australia will continue to evaluate the effectiveness of its investments, prioritise to address potential headwinds and work to deliver improved outcomes for dairy farmers.

Strategic overview

Dairy Australia's new Strategic Plan spans a five-year period from July 2025 to June 2030 and identifies three strategic priorities to support the achievement of our vision to be *Leaders in shaping a profitable and sustainable dairy industry*. The 2025-26 Annual Investment Plan (AIP) represents the first year of the new Strategic Plan and will be a transitional year.

This AIP has been developed to inform levy-payers, Group B members, the Commonwealth Government and the wider industry with detail regarding the investment of \$65.7 million in 2025-26.



1 Unlocking today's potential

Strengthening farm business performance by supporting informed decision-making, farm practice change and people.

2 Innovating for future success

Driving research and innovation that delivers productivity benefits via incremental gains and disruptive technology.

3 Ensuring a sustainable industry

Uniting the dairy industry to shape and deliver dairy's commitment to sustainability, strengthen global and domestic competitiveness, and drive community trust and support.

Strategic Framework

	PRIORITY 1	PRIORITY 2	PRIORITY 3
	Unlocking today's	企 Innovating for future	Ensuring a sustainable
lity	potential	success	industry
Farm profitability	1.1 Uplifting farm business performance	2.1 Building feedbase productivity	3.1 Advancing industry sustainability
Ľ	1.2 Enhancing farm operations	2.2 Building herd productivity	3.2 Remaining locally and globally competitive
	1.3 Creating pathways for people	2.3 Adapting to a changing operating environment	3.3 Driving community trust and support

Enablers

Farmer Engagement & Communications Data & Insights People & Expertise Strategic Partnerships



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Acknowledgement of Country

Dairy Australia acknowledges the role of First Nations peoples and recognises their continuing connection to lands, waters and communities.

Disclaimer

The content of this publication is provided for general information only and has not been prepared to address your specific circumstances. We do not guarantee the completeness, accuracy or timeliness of the information.

Acknowledgement

Dairy Australia acknowledges the funding from levy payers and contribution by Commonwealth Government.

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The majority of the \$65.7 million of investment in 2025-26 will be allocated to the execution of strategic priorities. A total of \$51.6 million has been allocated directly to the three strategic priorities (of which a breakdown is outlined below), \$6.5 million to the four strategic enablers and \$7.6 million to ongoing business operations.

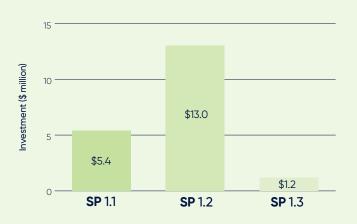






Unlocking today's potential

Dairy Australia will invest \$19.6 million in unlocking today's potential, strengthening farm business performance by supporting informed decision-making, farm practice change and people.



A summary of the key investments across the three sub-priorities are outlined below:

Sub-priority 1.1 Uplifting farm business performance

- Enhance the statistical design and increase the farm sample size of the Dairy Farm Monitor Project and DairyBase national dataset.
- Continued focus on delivery of business planning through Our Farm Our Plan.
- Enhance our farm business management services by collaborating with DairyNZ.

Sub-priority 1.2 Enhancing farm operations

- Deliver tailored extension activities and resources in all dairy regions to support dairy farm businesses across a breadth of capabilities. Empower dairy farmers to make more informed decisions through delivery of a new extension strategy.
- Continue to focus on working one-on-one with farmers via the farm engagement team.

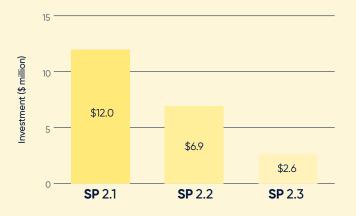
Sub-priority 1.3 Creating pathways for people

- Support employment on dairy farms through development of a talent pipeline strategy.
- Provide pathways for improved leadership development on-farm through the new Leadership Pathways Framework.
- Drive student awareness of a career in the dairy industry through the Cows Create Careers program.



Innovating for future success

Dairy Australia will invest \$21.5m in innovating for future success through driving research and innovation that delivers productivity benefits via incremental gains and disruptive technology.



A summary of the key investments across the three sub-priorities are outlined below:

Sub-priority 2.1: Building feedbase productivity

- Deliver new options for increasing biodiversity, feedbase resilience and productivity through DairyFeedbase 2021–26 and DairyBio Forages.
- Deliver new research into fodder cropping rotation options through the final phase of the C4Milk project.
- Co-design a collaborative program of forages research for 2027-31 with assistance from the wider research and investment community.

Sub-priority 2.2: Building herd productivity

- Deliver new innovations for animal genetics via DairyBio 2021–26.
- Work with DataGene to improve efficiency and effectiveness of genetic services, including more rapid turnaround of genomic analysis.
- Deliver data-driven animal health, welfare and antibiotic use benchmarking to promote responsible antimicrobial use.

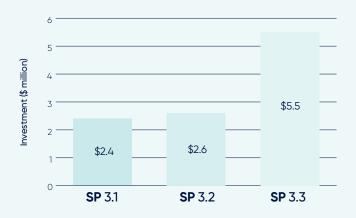
Sub-priority 2.3: Adapting to a changing operating environment

- Increase dairy farmer and service provider awareness and understanding of carbon farming and low-emissions practices.
- Develop and deliver up-to-date resources to support dairy farmers manage effluent and odour, particularly for intensive farm systems.
- Develop guidelines to support operational improvements for contained housing systems.



Ensuring a sustainable industry

Dairy Australia will invest \$10.5m in uniting the dairy industry to shape and deliver dairy's commitment to sustainability, strengthening global and domestic competitiveness, and driving community trust and support.



A summary of the key investments across the three sub-priorities are outlined below:

Sub-priority 3.1: Advancing industry sustainability

- Review and implement findings from the ADSF materiality assessment and evolve the commitments, goals and targets where required.
- Deliver strategic and technical policy research, analysis, insights and solutions.
- Support the industry commitment that all calves will enter a valued market chain by 2035.

Sub-priority 3.2: Remaining locally and globally competitive

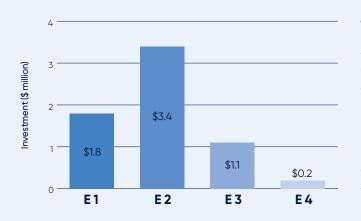
- Leverage Australian dairy sustainability credentials to influence trade of dairy products in South-east Asia. (LASSEA)
- Positively influence the policy and regulatory environment in domestic and international markets.
- Identify and evaluate the critical success factors and sources of comparative advantage of innovative dairy systems.

Sub-priority 3.3: Driving community trust and support

- Continued commitment to driving trust and support for the Australian dairy industry through marketing efforts that demonstrate our commitment to sustainability.
- Continued commitment to reinforcing dairy's role in a nutritious and sustainable diet.
- Support teachers in educating school children on the health benefits of dairy, the farm-to-plate process and careers in the dairy industry.

Strategic Enablers

Dairy Australia will invest \$6.5m in four critical areas of focus to support the achievement of this Strategic Plan's performance metrics.



Key focus areas within each enabler have been identified as priorities for 2025-26 and are outlined below.

Strategic Enabler 1: Farmer Engagement & Communications

• Strengthen approach to farm engagement, supported by a seamless and tailored approach to communication to ensure regional and farm-specific needs are met.

Strategic Enabler 2: Data & Insights

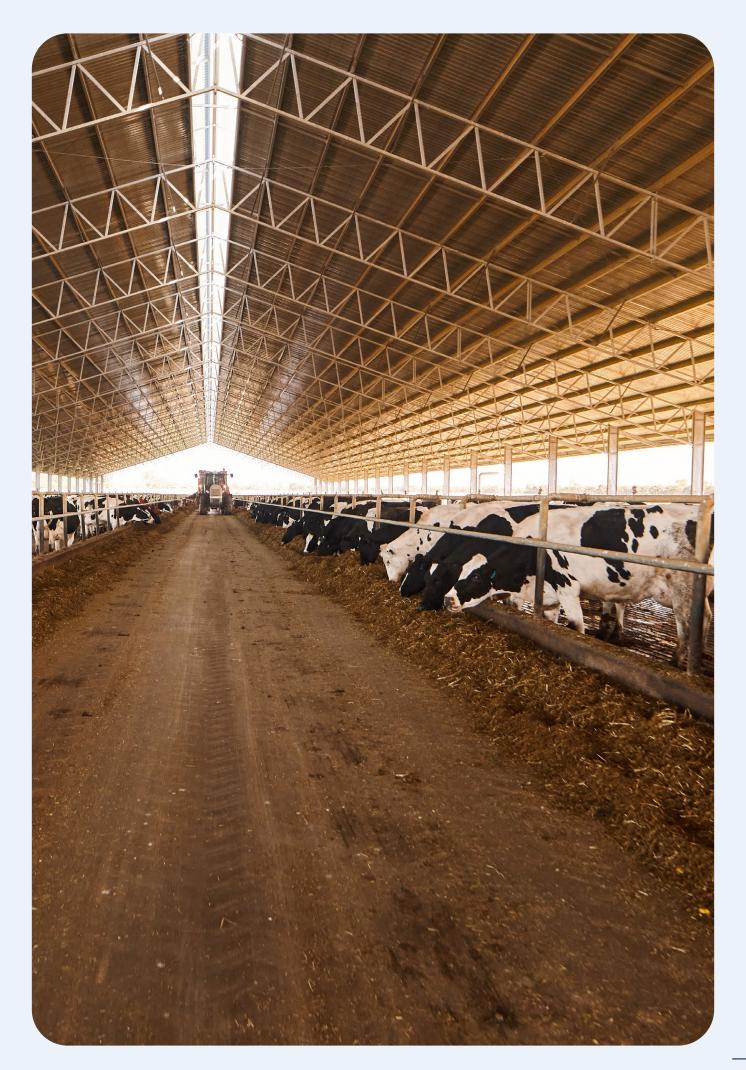
• Strengthen data accuracy, governance and utilisation to improve service delivery, support credible insights, enhance decision-making, drive innovation and deliver value across the industry.

Strategic Enabler 3: Expertise & People

• Strengthen Dairy Australia's employee value proposition, leadership development, talent attraction and engagement, to build a high-performance and future-ready workforce.

Strategic Enabler 4: Strategic Partnerships

• Establish a strategic partnerships governance framework and partnership value creation tracker.



Our vision

Leaders in shaping a profitable and sustainable dairy industry

Investors and collaborators

Dairy Australia's primary investors are dairy farmers through the payment of a Dairy Service Levy. All dairy farmers pay the levy on a milk solids basis (per kilogram of fat and protein), which is collected by processors and paid to the Commonwealth Government. Dairy Australia receives this levy to deliver services that benefit dairy farmers and the industry.

The Commonwealth Government also invests in Dairy Australia activities by matching the investment of levies for eligible expenditure in research, development and extension.

Dairy Australia collaborates widely to increase the value and utility of our projects, leverage partnership scale and efficiencies and to accelerate on-farm adoption. Major collaborators and project-level investors include:

Government and cross-sector partnerships

- Federal and state governments
- Peak representative bodies (ADF, ADPF, National Farmers' Federation, ADF Natural Resource Management Policy Advisory Group, People Policy Advisory Group, state-based dairy farming organisations)
- Gardiner Dairy Foundation
- National Landcare Program
- Food Agility Cooperative Research Centre
- Sustainability Framework Consultative Forum
- Nutrition Policy Reference Group
- Industry Working Group on Milk Quality and Operational Procedures

Regional Development Programs

Regional Development Program boards

Primary production and farming

- Dairy farmers, manufacturers and service providers
- Meat processors

Processing, manufacturing and retail

- · Processing sector and service providers
- · Australian dairy manufacturers, retailers and exporters
- Dairy Manufacturers Sustainability Council
- Coles Sustainable Dairy Development initiative / program

Finance and investment

· Banking sector and other providers of capital

Australian research organisations

- Research and development corporations (RDCs) and universities, both domestic and international
- DairyBio and DairyFeedbase investors and commercial partners
- DataGene
- · Commercial genomic service providers
- Education organisations (including Skills Impact, Primary Industries Education Foundation Australia)

International dairy research organisations

 International associations, including Teagasc, DairyNZ, Global Dairy Platform, International Dairy Federation, Sustainable Agriculture Initiatives Platform, Global Dairy Sustainability Framework, International Antimicrobial Usage Forum

AgTech ecosystems

- Animal genetics companies
- Venture Capital Groups (including Artesian, AgriZero NZ)
- RDC Venture Funds (Hort Frontiers, GrainsInnovate, MLA Donor Fund)
- Ecosystem Builders (Aus AgriTech Australia, Beanstalk, Plug and Play, Farmers2Founders, Launch Vic, Startupbootcamp)
- International Associations and Investment Groups (Global Methane Hub, The Yield Lab, Shakeup Factory)
- International University and Research Groups (UC Davis, Pennsylvania State University, Kansas State University, Cornell University, Wageningen University, Lincoln University AgriTech Institute)

Operating environment

Strengthened dairy export prices and growth in volume sold in Australia's retail market helped inject some value back into the supply chain in the 2024-25 season. Better product returns and tighter milk production have resulted in higher farmgate milk prices for 2025-26. However, operating costs are rising and weather challenges have worsened. Clouds are forming downstream too, amidst mounting retail price pressure and an uncertain-as-ever global trade environment.

Australian dairy export prices found global support in the 2024-25 season. Tighter milk production and higher export pricing from northern hemisphere key exporting regions initially increased orders for Oceania product, as global demand increased. Recent United States (US) trade policy announcements have added complexity to global trade. While this resulted in some buyers looking to secure product from non-US exporting regions, such as Australia, others have been attracted to weakened US pricing. The challenge for Australian dairy will be maintaining a strong position against any lower priced product in the market and navigating any economic impacts in key export markets. Opportunities may arise as global dynamics shift in response to formalised trade agreements.

Domestically, the overall performance of dairy in the retail market is continuing to benefit from consumer behaviour linked to inflation, as well as emerging social trends. In the 52 weeks to 23 February 2025, the volume sold of milk, dairy spreads, cheese and yoghurt increased 0.7 per cent, 3.3 per cent, 4.2 per cent and 8.4 per cent, respectively, with total value growth in all four categories¹. Consumers continue to increase their purchasing of private label products (notably among high-income households), and 'right-size' the products they buy to minimise food and financial waste. Many households still aim to consume more in-home, supporting the rise of social media as a source of recipes and ingredient ideas. While dairy in retail has benefitted from these trends, cost-of-living pressures and potential further easing of average prices per unit of volume, may limit future value growth.

From a domestic milk supply perspective, Australia is on track to maintain a national milk pool of 8.3 billion litres in the 2024-25 season. Wet weather and flooding in the north and dry conditions in the south, in addition to tight farm margins, have weighed on milk production across several dairying regions. While herds have grown in regions that have managed to escape the worst of the climate impacts, cows have been culled in others, and farm exits have continued. Some of these have been retained within the dairy industry, while others have either been converted due to retirement plans or sold into other industries.

On-farm investment intentions have changed, as lower incomes, challenging weather, and changes in the processing landscape have weighed on sentiment. As reported in the 2025 National Dairy Farmer Survey, 55 per cent of farmers are feeling positive about the industry's future, while 71 per cent feel positive about their own businesses – both of which have dropped since 2024. Concerns about climate, input costs and milk prices have all increased this year. Climate remains the greatest concern nationally, with 69 per cent of farming businesses having been impacted by extreme weather. There are now fewer farming businesses reporting they are in an expansion phase (18 per cent) and a significant shift from major planned investments to those of minor to moderate scale.

Despite increased farmgate milk prices in the 2025-26 season, high operating costs will continue to limit profitability, especially if weather conditions don't improve. Unfavourable weather has spurred higher demand for supplementary feed causing fodder prices to increase further in most regions this season. In southern irrigation systems, tighter water availability has pushed temporary water prices higher, with current weather outlooks suggesting limited reprieve ahead.

Dairy Australia's National Dairy Farmer Survey interviewed 600 dairy farmers nationwide in February 2025.

¹ NielsenIQ Homescan based on a continuous panel of 10,000 households; excludes non-private dwellings & businesses, non-permanently occupied households & out-of-home/impulse purchasing. DAIRY AUSTRALIA calculation based in part on data reported by NielsenIQ through its Homescan Service for the dairy category for the 52-week periods ending 23/02/2025, for the total Australia market, according to the NielsenIQ standard product hierarchy. Copyright © 2024, Nielsen Consumer LLC.

Farming inputs exposed to global markets are responding to an increasingly unstable export trade environment, with rising volatility and higher prices overall as risk premiums grow. Australian grain exports benefited from higher demand and a weaker Australian dollar in the opening months of 2025, pressuring local prices. Global indicative fertiliser values have also risen, mostly due to constricted international supply, however pricing has been volatile since January. Further contraction in Australia's milk pool is likely in the 2025-26 season, due to persistent margin pressures, lingering impacts of challenging weather conditions from this season, less appetite for farm business growth and continued exits. As such, Dairy Australia is forecasting 2025-26 national milk production to ease between 0 to 2 per cent, likely dropping around 1 per cent below the 2024-25 season (towards 8.2 billion litres). However, a continuation of unfavourable weather will lead national production to the bottom of the range.

Our members

Dairy Australia is a company limited by guarantee with two membership categories. An overview of corporate governance is available on the Dairy Australia website.

- Group A members are levy payers
- Group B members are Australian Dairy Farmers Ltd and Australian Dairy Products Federation Inc.

Financial position

Income and expenditure summary

As per the five-year strategic plan financial forecast, Dairy Australia is proposing a \$1 million deficit budget position in 2025-26 (Table 1).

Table 1 Budgeted profit and loss analysis

	2024/25	2025/26
	\$'000	\$'000
Income	64,958	64,673
Expenditure		
Projects	35,550	32,450
Activities and services	19,871	22,910
Overheads	10,534	10,313
Total expenditure	65,955	65,673
Total salaries included in the above	24,670	25,637
Surplus/(deficit)	(997)	(1,000)

Profit and loss analysis

Income summary

The majority of Dairy Australia's income is derived from farmer levy and Commonwealth matching payments, with other external contributions received for investment in specific projects.

This income is closely linked to milk production. Farmers are levied based on production while Commonwealth matching payments are based on the gross value of production for the industry.

Table 2 Budgeted income analysis

	2024/25		2025/26	
	\$'000	% of total income	\$'000	% of total income
Income				
Levy	29,772	45.8	29,973	46.3
Commonwealth matching payments	28,513	43.9	27,976	43.3
External contributions	6,154	9.5	5,590	8.6
Other	519	0.8	1,134	1.8
Total income	64,958		64,673	
Production - litres (million)	8,300		8,236	
Production growth (per cent)	6.3		(0.8)	
Farmgate milk price (\$/kgMS)	8.50		8.95	

Levy

Levy income is based on milk production of 8,236m litres for 2025-26, with milk volume assumed to decrease by approximately 1 per cent compared to the 2024-25 forecasted volumes. This scenario reflects the impacts of challenging weather conditions, farm margin pressures, less appetite for business growth, lower herd sizes in some regions and further farm exits. Levy cents per litre remains at \$0.359 c/L, based on 3.42 per cent protein and 4.20 per cent milk fat composition.

Commonwealth matching payments

Commonwealth matching payments are based on matching all levy expended on eligible RD&E expenditure. Dairy Australia is eligible to claim matching payments to the lower of 0.5 per cent gross value of production or 50 per cent of RD&E spend.

External contributions

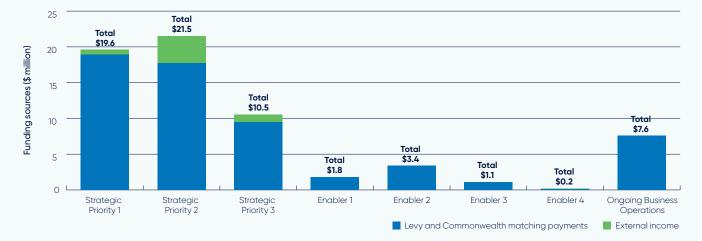
Income received from government or other external parties, such as research organisations or universities, enable Dairy Australia to carry out specific projects or activities and services.

Expenditure summary

Expenditure is comprised of projects, activities, services and overheads. These expenses have been allocated across the Strategic Priorities and Strategic Enablers, as well as ongoing business operations that include governance and compliance costs.

Table 3 Expenditure summary

	2024/25	2025/26
	\$'000	\$'000
Expenditure		
Projects	35,550	32,450
Activities and services	19,871	22,910
Overheads ¹	10,534	10,313
Total expenditure	65,955	65,673



¹ Overheads are allocated across all expense streams.

Strategic Priorities

The 2025-26 AIP focuses on the investments across the three strategic priorities, each supported by three sub-priority areas. Each sub-priority is set out with a strategic outcome and supporting projects, services and activities.





Unlocking today's potential

Purpose

Strengthening farm business performance by supporting informed decision-making, farm practice change and people.

Industry aspiration

The profitability of Australian dairy farm businesses improves year-on-year, enabled by data-driven decision-making, regionally relevant services and capable people.

2025-26 investment

\$19.6m

- **1.1** Uplifting farm business performance
- **1.2** Enhancing farm operations
- **1.3** Creating pathways for people

Sub-priority 1.1 Uplifting farm business performance



Outcome

Dairy farm businesses perform better on cashflow, profit and wealth and will be more adaptable, and profitable.

2025-26 investment

\$5.4m

Project	Key 2025–26 activity
Dairy Farm Monitor Project (DFMP)	Provide evidence-based insight into farm profit metrics and productivity measures by capturing over 200 high-quality dairy farm datasets and reporting data through the DFMP. Improve the statistical design, increase the farm sample size and enable a greater degree of economic analysis, insights and reporting by negotiating a resourcing and collaboration agreement with the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES).
DairyBase	Provide a data platform for farmers and their advisors to identify opportunities to drive profit and manage risk through DairyBase, a detailed online farm analysis tool. Continue to progress staged work to uplift the DairyBase platform, including conducting research interviews with current users.
Dairy Farm Business Analysis refresh	Enhance the Dairy Farm Business Analysis program to better meet farmer needs by tailoring delivery methods, improving accessibility and supporting a smoother transition from introductory financial concepts, enabling farmers to analyse their farm business on the basis of cash, profit and wealth.
Intensive Farm System Monitoring	Provide evidence-based insight into intensive dairy farm systems profit metrics and greenhouse gas outputs by capturing and reporting data from 15 total mixed ration farms in Victoria and New South Wales.
Managing farm costs	Support farmers in understanding and managing cost of production drivers by developing and delivering a focused extension program around Dairy Australia's Farm Business Snapshot tool.
Our Farm Our Plan (OFOP)	Support farmers to better understand the current position of their business, including productivity drivers and areas for improvement, using the Farm Fitness Checklist and Farm Business Snapshot as entry points to OFOP. Continue to support farm businesses to improve business performance, set long-term goals, and manage risk by developing a 'plan on a page' through one-to-one OFOP delivery sessions and scaling participation using committed partner funding.
Farm Business Management co- development project with DairyNZ	Enhance the farm business management services available to Australian famers by collaborating with DairyNZ, who have successfully developed the Mark & Measure program and are interested in our online delivery method.
Characteristics of top performing farms	Improve understanding of the key features associated with top performing, consistently profitable farms through detailed analysis of longitudinal DFMP data.
Farm business management introductory workshops	Empower new farm managers with essential farm business management skills through provision of introductory workshops, including Financial Literacy, Meet the Bank and The Dairy Office, delivered through the Farm Business Learning Solutions project.
Optimising dairy Standard Chart of Accounts (SCoA)	Empower farmers to extract more value from their accounting data by identifying opportunities to integrate the dairy SCoA and Dairy Australia's farm business management tools into accounting software.

Sub-priority 1.2 Enhancing farm operations



Outcome

Dairy farmers are equipped to make on-farm improvements that impact profitability, productivity and sustainability.

2025-26 investment

\$13.0m

Project	Key 2025-26 activity
Large supplier engagement	Enhance business planning, governance, people and risk management in corporate dairy farm businesses by providing services and support from local and international technical specialists.
Farm engagement	Provide dairy farmers with tailored services and support to meet their business needs, delivered through our dedicated team of farm engagement leads.
Extension delivery	Support dairy farmers in ways that meet their interests and needs by delivering tailored extension activities and resources in all dairy regions, across the breadth of capabilities needed on-farm.
Extension strategy	Enhance Dairy Australia's focus on empowering dairy farmers to make informed decisions through delivery of an extension strategy. This strategy will set the direction and roadmap for extension for the next five years and will align with the Dairy Australia Strategic Plan.
Raising the Roof	Commence planning and organising an interactive event to help farmers make informed farming system decisions that increase resilience to climate volatility and reduce environmental footprint and reliance on external inputs.

Sub-priority 1.3 Creating pathways for people



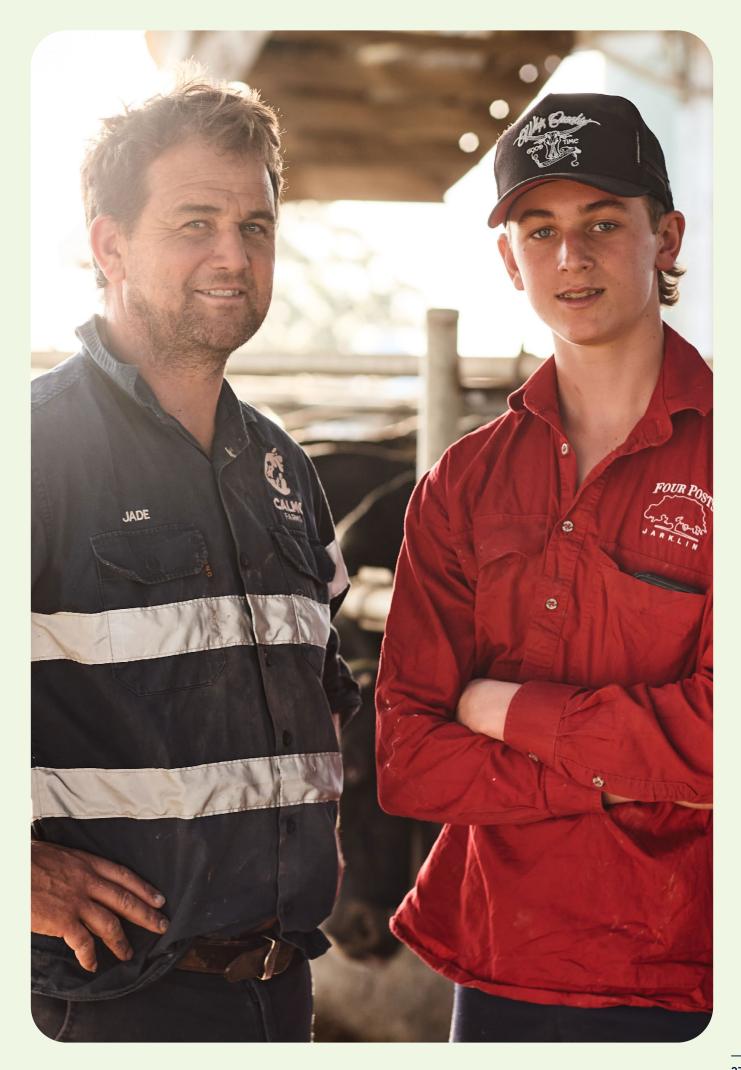
Outcome

Dairy farmers are employing, managing and building skilled teams, while creating career pathways in a valued and rewarding industry.

2025-26 investment

\$1.2m

Project	Key 2025-26 activity
People in Dairy	Provide information and tools for getting farm safety and people management fundamentals right, and improve awareness of careers in dairy through the maintenance and further development of the People in Dairy online resource, along with extension through regional teams.
Dairy Capability Guide	Enhance the experience for people on dairy farms by providing pathways to develop technical, personal and professional capabilities that relate to each stage of the employee journey, using the Dairy Capability Guide to support sustainable careers.
Leadership Pathways Framework	Provide stepped pathways and extension for improved leadership development on-farm through the development and launch of the Leadership Pathways Framework, which builds on the Dairy Capability Guide.
Dairy farm managers	Establish a pipeline of prospective dairy farm managers to fill critical workforce gaps by creating pathways and providing support for people to develop essential farm business management skills.
Talent pipeline	Support employment on dairy farms through development of a talent pipeline strategy. This strategy will examine workforce challenges and opportunities, and progress workforce attraction through increasing awareness of dairy farming careers at talent attraction events and engaging with key stakeholders.
Onboarding experiences	Improve the onboarding experience by publishing and increasing uptake of user-friendly induction and onboarding support material on the Dairy Learn digital learning platform, also known as Enlight.
Workforce Attraction Marketing – school leavers and jobseekers	Drive awareness of the benefits of working in dairy through careers expos, partnerships (e.g. PIEFA) and resources for career advisors.
Cows Create Careers	Drive secondary school student awareness and consideration of a career in the dairy industry through the co-sponsorship of the Cows Create Careers program. Support interested students with career pathways resources and regional contacts for more information.
Wealth creation for young farmers and new entrants	Build awareness of opportunities for wealth creation and farm business succession, particularly for young farmers and people entering the industry, by developing services that support structured wealth creation opportunities.
Farm safety	Embed and uplift farm safety as a critical aspect of all farm businesses by ensuring extension courses, information sessions and safety promotions are compliant with work health and safety legislation and regularly shared with farmers.
Rural Safety and Health Alliance	Increase access to safety management learning programs and wellbeing and health resources for farmers and their employees.
Education pathways	Improve work health and safety (WHS) by sharing resources, best practice and collaborative research and development (R&D) with other regional development corporations (RDCs) and organisations such as FarmSafe and Safe Work Australia.





Innovating for future success

Purpose

Driving research and innovation that delivers productivity benefits via incremental gains and disruptive technology.

Industry aspiration

The profitability of Australian dairy farm businesses improves by maximising feedbase and herd productivity for their chosen dairy production systems while adapting to and mitigating impact on climate and environment.

2025-26 investment

\$21.5m

- 2.1 Building feedbase productivity
- 2.2 Enhancing farm operations
- **2.3** Adapting to a changing operating environment

Sub-priority 2.1 Building feedbase productivity



Outcome

Sustainable production of forages with high nutritive value for grazing or conservation from high functioning soils.

2025-26 investment

\$12.0m

Project	Key 2025-26 activity
Access to AgVet chemicals	Offer increased flexibility and production of a variety of forages through the minor use permitted label options for pesticides and herbicides.
Australian Pastures Genebank	Mitigate the future risk of a changing environment by investing (alongside other RDCs) in the Australian Pastures Genebank, Australia's repository for all available and known pasture and forage varieties.
DairyHIGH 2	Enable farmers to reduce reliance on synthetic nitrogen fertilisers and associated land emissions and improve land productivity in mixed-species pasture-based systems through delivering new research from the DairyHIGH 2 farmlet study.
Unlocking the Potential of Kikuyu	Increase quality of current kikuyu varieties, identify and mitigate the potential toxicity factors of kikuyu, and investigate options to make new kikuyu germplasm commercially available through focused research and development and the use of remote sensing technologies.
DairyBio – Forages	Deliver new innovations for ryegrass pasture genetics to support better use of land and water assets, through research in plant nutrient and water use efficiency.
	Establish a sustainable innovation pipeline of future forages by delivering and leveraging the technology developed for ryegrass into alfalfa/lucerne and Cocksfoot, supporting the industry to change and adapt to future climate and production systems and improve profitability.
	Deliver new, higher metabolisable energy forage alternatives through continuing research on kikuyu, rhodes grass and short-term ryegrass.
DairyFeedbase 2023-28	Increase efficiencies of inputs through delivering new research into the role of the rhizosphere (zone surrounding the plant roots) and next generation products to enhance soil function.
	Deliver new options for increasing biodiversity, feedbase resilience and productivity through research into long-term feeding options and opportunities with multi-species pastures.
	Assess the methane reduction potential and productivity response of multiple technologies when applied to a pasture-based dairy system.
	Examine farm system options and productivity of multi-species swards.
	Deliver research outcomes that support better individual cow nutrition and improved lifetime performance.
	Enhance the use of farm data tracking individual animals in the herd (in a close to real-time scenario) for information on health and nutrition management.
C4Milk	Deliver new research into fodder cropping rotation options in Queensland and Northern Victoria, and the application of the proportion of ungrazed pasture (PUP) grazing strategies through the final phase of investment in the C4 Milk project.
Design livestock effluent systems	Lead the development of capability in the design, optimisation and agronomy of effluent management to ensure farmers are equipped with systems that can support the change in intensification of the dairy industry.
Forage Value Index (FVI)	Drive feed innovation through supporting further adoption of the FVI, which now includes nutritive value (energy) in the index alongside predicted yield to enable better pasture variety portfolio planning.

Project	Key 2025-26 activity
Fall Armyworm (FAW)	Improve dairy farm resilience and support better identification and preparation across all regions impacted by FAW, an opportunistic migratory pest affecting most forages and pastures grown to feed dairy cattle. Develop recommendations to minimise FAW damage to autumn forages where limited or no insecticides are available. Collate farm practices that offer best FAW control with an objective to provide reliable and agreed recommendations.
Feeding Pastures for Profit	Review existing extension offerings and redevelop, where required, fit-for-purpose materials that support increased adoption of pasture best management practices by farmers and farm staff.
Improving soil health	Improve Dairy Australia's soil health service offering using a gap analysis and stakeholder consultation to identify areas for improvement across research, development and extension.
Forage Crops (Phase 2)	Develop agronomic resources and tools to inform best practice in the production of high-quality forage crops across all regions.
National Dairy Forages Strategy	Bring the research and investment community together to collaborate and co-design a program of forages research for 2027-31.
Adaptation for flagship forages projects	Assess the research outputs of projects – including DairyHigh2, Unlocking the Potential of Kikuyu and C4Milk – to ensure development opportunities are identified and scoped, and that tools and services are developed to support the adoption of feedbase productivity improvements.
Redevelopment of Top Fodder	Improve the learning experience by updating and repackaging the Top Fodder learning program into two streamlined workshops.
Graduate student support – Whenua Haumanu research New Zealand	Support the placement of one research graduate student into the Whenua Haumanu project at Massey University, New Zealand, the most comprehensive program on regenerative agriculture in New Zealand. This student will support Dairy Australia's access into a wide range of research output from this program.
Dairy securing its irrigation future	Enable improved irrigation management through trialling technologies that were successfully tested with the Smarter Irrigation for Profit program across networks of dairy farms within two irrigation networks: Goulburn Murray Water and Southern Rural Water.



Sub-priority 2.2 Building herd productivity



Outcome

Cow longevity and herd productivity is optimised.

2025-26 investment

\$6.9m

Project	Key 2025–26 activity
DairyBio – Animals	Deliver new innovations for animal genetics through investment in DairyBio21-26. Focal points for current research include:
	 Improved Australian Breeding Values targeting animal survival, longevity and transition cow genetics in the herd.
	Enhanced genomic assessment options for methane intensity reduction.
	 Monitoring diversity and continuing to identify lethal recessive genes within the Australian herd.
DataGene	Improve efficiency and effectiveness of genetic services, including more rapid turnaround of genomic analysis of heifers and further extension of genetic evaluation services, through continued investment in DataGene.
	Support farmers to improve herd genetics by making the Australian Breeding Values and the accompanying indexes (produced by DataGene) available through sire selection tools such as the Good Bulls Guide, and heifer selection tools such as genomics.
DataGene ongoing app maintenance	Fund repairs, updates and maintenance of Dairy Australia/DataGene herd productivity support apps (tools) that are hosted by DataGene on behalf of the industry.
Data driven animal health, welfare	Enhance utilisation of herd health and veterinary medicine sales data captured to improve animal health outcomes and promote responsible antimicrobial use.
and antibiotic use benchmarking	Quantify the level of antimicrobial resistance (AMR) on Australian dairy farms to antimicrobials of high importance to human health, to meet industry obligations under the Commonwealth Government's Animal Sector AMR Action Plan, maintain market access and grow global competitiveness.
	Research, develop and test a prototype animal health benchmarking report to meet the needs of individual farmers and the industry in monitoring and improving animal disease, welfare, antimicrobial usage and antimicrobial resistance metrics. The project will leverage DataGene's Data Connect project.
National Animal Biosecurity Research Development and Extension Strategy	Improve biosecurity practices in the Australian dairy industry and ensure appropriate consideration of the nuances of dairy biosecurity through cross- RDC and industry stakeholder collaboration.
Unlocking the Potential of the Cow	Deliver integrated and innovative research, development and extension activities to identify and mitigate the factors that decrease animal resilience and longevity in dairy herds, and address the animal performance needs of intensive dairy systems with application to other systems.
InCalf redevelopment	Drive improvement of reproductive performance in Australian dairy herds through a refresh of the world-renowned InCalf extension suite.

Key 2025-26 activity
Support farmers to identify and prioritise key focus areas in animal health and welfare by re-developing the Animals Farm Fitness Checklist used in the Our Farm Our Plan project and extending its use more broadly to align with key animal welfare commitments in the Australian Dairy Sustainability Framework.
Combat incorrect mixing and feeding out to dairy cattle in total mixed ration and partial mixed ration systems by developing and delivering the Feed Mixer program.
Empower farm businesses to systematically review their use of in-feed antimicrobials to treat ruminal acidosis and subacute ruminal acidosis (using an on-farm instrument) to ensure judicious use and ultimately improve animal health and milk production.
Support the collection and reporting of accurate and consistent feed system data by reimagining the feed systems classification. Enable better-informed strategic investment and prioritisation decisions, support benchmarking and trend analysis, facilitate targeted marketing, and improve decision-making within farm systems, enabling fit-for-purpose farmer services.
Monitor the milk quality performance of farms across Australia for bulk milk cell count, Bactoscan and thermoduric counts to identify opportunities for improvement and recognise and reward high achieving farms in each region.



Sub-priority 2.3 Adapting to a changing operating environment



Outcome

Profitable dairy businesses that are based on optimal production systems while mitigating impact on climate and environment.

2025-26 investment \$2.6m

Project	Key 2025-26 activity		
Carbon Farming Outreach program	Increase dairy farmer and service provider awareness and understanding of carbon farming and low-emissions practices. Build capacity of trusted dairy industry advisers to support dairy farmers ongoing understanding of carbon farming and low-emissions practices. Facilitate access to clear, consistent and regionally appropriate tools, information and resources on carbon farming and low-emissions technologies and practices. Deliver extension to upskill farmers in understanding sources of greenhouse gas emissions and sinks on-farm. Conduct a global review of agtech research opportunities to improve productivity and reduce emissions intensity.		
Know Your Carbon Number	Support industry emissions reporting and reduction by leading technical and stakeholder engagement work, including development of an extension program to enable farmers who know their carbon number to determine what action to take on-farm.		
Odour sampling for intensive dairy farms	Initiate modelling of odour profiles from contained farm systems to determine appropriate separation distances between intensive dairy farms and neighbouring properties and protect the social license of dairy farmers.		
Climate change adaptation for dairy farmers	Enable dairy farmers to adapt to a changing environment by developing a national climate adaptation extension program that caters to specific farm systems and regional needs.		
Managing Farm Carbon	Support individual farm businesses to understand, calculate and reduce their farm emissions to meet market demands and industry metrics by developing, delivering and embedding the Managing Farm Carbon service offering.		
Profitable emissions reduction	Empower farm businesses to reduce emissions intensity while maintaining or increasing profitability by investigating the relationship between farm profitability and emissions intensity and developing supporting case studies, expanding this work to all eight regions.		
Farm Environmental Tracker development and extension	Deliver resources and extension for measuring and improving farm environmental practices through the Farm Environmental Tracker tool.		
Soil function in varied pasture systems	Deliver new research into soil function under differing pasture systems, including altered species and nitrogen management, through our investment in DairyHIGH 2 farmlet study at the Tasmanian Institute of Agriculture.		
Soil health framework	Support dairy farmers to demonstrate their soil-related sustainability credentials, capture the value of soils, drive resilient and profitable production systems and enable reporting on the status of soil health by generating the evidence base for sustainable soil management. Define soil health benchmarks and provide measurable, interpretable indicators to support decision-making through investment in a cross-RDC project, led by the grains industry.		

Project	Key 2025-26 activity	
Improving effluent systems	Develop economic case studies on effluent management, update the manure management database and provide current information for dairy farmers on manure management. Increase the number of service providers who can provide recommendations on the design and management of effluent systems for intensive farm systems.	
Climate resilience with mixed species and nutrient cycling	Provide insights to support decision-making on soil and pasture diversity through delivering innovative research on mixed pasture species and nutrient cycling.	
Optimising farm outcomes for trees	Invest in research and modelling to inform optimisation of tree plantings, enabling positive biodiversity, greenhouse gas and productivity outcomes.	
Managing soil, pasture and effluent in extreme events	Support farmer decision-making during and after extreme weather events – when soil properties, pastures and effluent systems are impacted – by developing existing Dairy Australia resources into a cohesive suite.	
National Contained Housing System Operational Guidelines	Develop the new National Contained Housing System Operational Guidelines to empower farm businesses investing in significant contained housing infrastructure changes to improve daily operations.	





Ensuring a sustainable industry

Purpose

Unite the dairy industry to shape and deliver dairy's commitment to sustainability, strengthen global and domestic competitiveness, and drive community trust and support.

Industry aspiration

The Australian dairy industry is recognised for its world-leading sustainable practices and is trusted and valued by the community. Opportunities to improve local and global competitiveness across the entire value chain are well understood.

2025-26 investment

\$10.5m

- **3.1** Advancing industry sustainability
- **3.2** Remaining locally and globally competitive
- **3.3** Drive community trust and support

Sub-priority 3.1 Advancing industry sustainability



Outcome

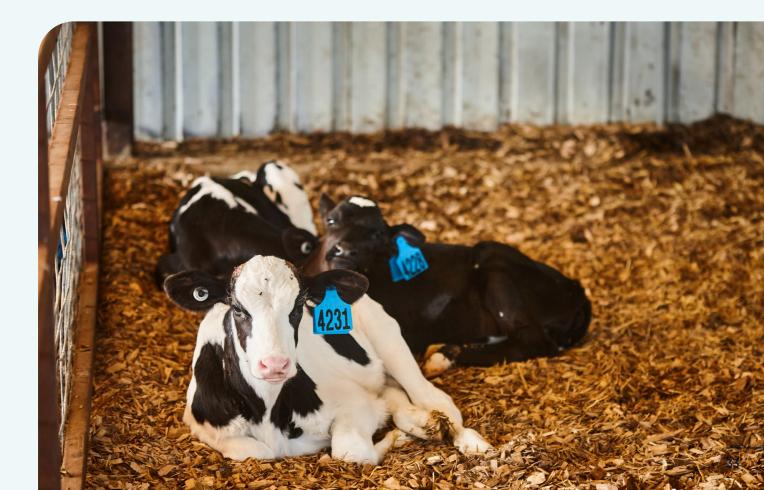
The Australian dairy industry is recognised as credible, transparent and committed to maintaining world-class sustainability practices.

2025-26 investment

\$2.4m

Project	Key 2025-26 activity
Australian Dairy Sustainability Framework (ADSF)	Ensure the ADSF remains aligned to the most impactful issues facing dairy through the review and implementation of findings from the ADSF materiality assessment. Evolve the commitments, goals and targets where needed to meet community expectations and underpin the industry's commitments to health and nutrition, animal care, environment, profitability and supporting Australian communities.
	Implement outcomes from the recent ADSF operational review, including development and implementation of a communication and engagement strategy and review of framework governance.
	Facilitate and further build industry engagement, consultation, alignment and buy-in to advance sustainability goals and targets.
	Continue to report progress against the ADSF goals and targets to inform the community of the industry's sustainability credentials and aspirations.
Technical policy support	Deliver strategic and technical policy research, analysis, insights and solutions with a focus on the key areas of biosecurity, human health and nutrition, water, climate change, animal welfare and workforce access. Ensure this agenda is closely linked to the ADSF and its goals and outcomes.
	Harness support from industry and government stakeholders to foster alignment and enable practice change.
	Enable positive government engagement with the Australian dairy industry by providing resources and platforms, including an increased emphasis on delivering policy support on regional and state policy issues.
Dairy manufacturing workforce webinars	Continue to upskill and enhance the sustainability of the Australian dairy industry by delivering a webinar program that draws on local and international experts to share knowledge and insights.
Supporting manufacturing sustainability	Continue to lead the Dairy Manufacturers Sustainability Council to share knowledge, improve compliance, report on progress against sustainability targets and develop key projects.
	Convene technical working groups in support of food waste reduction and sustainable packaging, expanding industry representation and impact.
	Work with dairy farmers, dairy manufacturers and other animal-based industries to progress bioenergy opportunities in regional Victoria.

Project	Key 2025-26 activity
Issues management and emergency response	Support dairy farmers and industry with a coordinated and proactive approach to identifying, analysing and responding to industry issues, risks and emergencies, including providing timely access to information and resources.
	Build stakeholder confidence and take a proactive, evidence-based approach to emergency animal diseases (EAD). Develop, test and disseminate a dairy industry EAD Response Plan, outlining responsibilities of key industry participants in the event of an EAD outbreak, including an annual review of the plan and related industry biosecurity preparedness activities.
	Extend findings of recent preparedness projects, including the milk tanker decontamination project and HPAI H5N1 dairy risk assessment.
Government & stakeholder engagement	Advance the interests of the Australian dairy industry and Dairy Australia by maintaining strong and positive relationships with governments and departments across all levels, particularly Department of Agriculture, Fisheries and Forestry (DAFF) and the Commonwealth Government.
CalfWays	Support the industry commitment that all calves will enter a valued market chain by 2035 through delivery of initiatives outlined in the CalfWays Roadmap, a comprehensive framework that seeks to balance industry growth with societal expectations for animal welfare, creating a more sustainable and economically viable future for the dairy and beef sectors.
Growing Beef from Dairy	Collaborate with Meat & Livestock Australia to develop extension materials to breed, feed and manage beef animals from the dairy industry.
International collaboration activity	Collaborate with the International Dairy Federation to actively contribute to global policy discussions and standards development, ensuring Australian perspectives are represented and valued. This partnership will strengthen global networks and elevate the profile of the Australian dairy industry internationally.



Sub-priority 3.2 Remaining locally and globally competitive



Outcome

The Australian dairy industry leverages its strengths to compete domestically and internationally.

2025-26 investment

\$2.6m

Key 2025-26 activity	
Provide insights to support decision-making by establishing an economic research project to identify and evaluate the critical success factors and sources of comparative advantage of innovative dairy systems.	
Advocate for improved market access for dairy into India, United Arab Emirates, Japan and any other areas with trade agreements that are newly negotiated or require industry input for revision, by working with industry and government. Continue collaborating with dairy exporters on market maintenance measures and overcoming technical barriers to trade for Australian dairy exports.	
Increase impact in the key global markets of Japan, Greater China and South-east Asia by leveraging partnerships and external funding to deliver targeted trade programs.	
Strengthen relationships and build Australian dairy's international profile using external funding to deliver an Australian Food and Wine Trade collaboration program across Taiwan, Japan and two South-east Asian markets. Partners include Horticulture Innovation Australia, Meat and Livestock Australia, Seafood Industries Australia and Wine Australia.	
Continue to build the value of Australian dairy in a way that is consistent, targeted and meets the needs of the international market, by further embedding the Thrive Together trade messaging assets.	
Secure market access across South-east Asia by building awareness and understanding of Australia's sustainability credentials. Seek to influence and educate South-east Asian markets on the science-based methodologies used in Australia, to counterbalance the pressure to conform to European Union standards.	



Sub-priority 3.3 Drive community trust and support



Outcome

Community trust and support for Australian dairy is maintained.

2025-26 investment \$5.5m

Project	Key 2025-26 activity
Building community trust	Strengthen trust and support for Australian dairy through targeted marketing campaigns for younger consumers with lower industry trust levels. Promote industry commitments to sustainable dairy production, highlighting the Australian Dairy Sustainability Framework's revised goals and targets. Execute campaigns, including Aussie Dairy, Simple Greatness and Healthy Bones Action Week, which emphasise dairy's role in building strong teeth, bones, and muscles. Drive community support through the Australian Grand Dairy Awards, World Milk Day campaign and the promotion of Dairy Destinations regional itineraries. Engage farmer ambassadors and influencers to amplify campaign messages. Address consumer questions through the 'You Ask, We Answer' web platform, public relations, and influencer campaigns, showcasing industry commitments.
Schools engagement	Drive long-term community support for dairy by providing lesson plans and resources to support teachers in educating school children on the health benefits of dairy, the farm-to-plate process and careers in the dairy industry. Deliver engaging dairy experiences for school children, including the eight-week Picasso Cows program and virtual farm tours and classrooms. Explore additional income opportunities to support these programs. Promote the redeveloped Discover Dairy education website and curriculum-linked lesson plans. Extend dairy education through existing partnerships with Life Ed Australia and Primary Industry Education Foundation Australia. Engage with regional communities and farmer ambassadors to further amplify dairy messages to school children.
Health professionals engagement	Engage with health professionals, general practitioners, dietitians and dentists to provide up-to-date evidence and tools supporting dairy consumption. Develop targeted campaigns and events to communicate health benefits and address barriers to dairy consumption. Leverage Fracture Trial research to promote dairy's role in reducing falls and fractures in older adults, driving real dietary change. Collaborate with universities and professional associations to build and update dairy nutrition knowledge among health care professionals.
Farmer ambassadors	Train and engage farmer ambassadors to actively promote Australian dairy and sustainability commitments. Identify and create marketing opportunities for farmer ambassadors, including participation in campaigns, events, school programs, media and social media initiatives. Implement online tools that empower dairy farmers to promote the industry. Partner with agricultural shows to enhance activations that promote Australian dairy in relevant context.

Strategic Enablers

Four strategic enablers have been identified as critical areas of focus for Dairy Australia to support the achievement of the Strategic Plan's performance metrics.

Enabler	Key priority area	Key 2025-26 activities
Farmer Engagement & Communications \$1.8m	Engagement	Strengthen our one-team approach to farm engagement, allowing for better delivery of on-farm action plans. Expand how we use farm engagement insights to guide priorities and decisions within our business and across the industry. Sharpen our focus on monitoring and evaluation to ensure farm engagement continues to drive meaningful impact and relevance.
	Communications	 Provide farmers with communications that offer seamless pathways to our people and services, for personalised information and support. Strengthen the delivery of regionally relevant and quality communications in the right places for farmers. Increase communications capturing 'real-life' farming experiences and thought leadership to demonstrate the value of our services in supporting the implementation of best practices. Continue to simplify, standardise and improve access to online information and resources by optimising our website and social media experience for farmers.
	Regional adaptation	Embed regional differences and farm specific needs into our approach to deliver relevant and adaptable services. Test shared service functions across regions, such as communications and extension, to balance regional needs with resource efficiency. Implement new ways of working across engagement, communications, development and extension to deliver a better farmer experience and operational efficiencies.

Enabler	Key priority area	Key 2025-26 activities
Data & Insights \$3.4m	Information and data integrity, capture and reporting	Enhance the accuracy, coverage and relevance of our industry datasets by strengthening contributor relationships, expanding dataset visibility and improving data timeliness to support credible insights and proactive media engagement.
		Improve the lifecycle monitoring and processes for internal projects and continue to deliver post-investment assessments of key projects.
		Build insights to improve service delivery, using data from events to inform prioritisation and investment decisions as part of the service lifecycle.
		Continue to expand the evaluation of Dairy Australia's investment using new tools that enable industry-wide insights.
		Improve the utilisation of Salesforce data to provide farmer and organisational insights, especially regarding regional services and farm engagement plans.
	Data strategy, privacy policy and governance	Build a data framework to manage governance and risk. This includes migrating older infrastructure into cloud services, implementing better processes for data sharing and outlining a policy for using artificial intelligence-enabled tools.
		Promote more efficient, strategic and compliant use of insights derived from our unique data assets, ensuring these insights are actively leveraged to inform decision-making, drive innovation and deliver value across the industry.
	Awareness and use of data and insights	Foster a culture that values and proactively uses data and information to inform decision-making. Promote greater visibility and understanding of available data resources, while continuing to build internal capabilities to generate and apply meaningful insights.
Expertise & People \$1.1m	Future-ready workforce	Enhance our employee value proposition and recruitment strategy to set Dairy Australia apart in a competitive market, attract top talent and drive retention. Strengthening these initiatives elevates employer branding, improves hiring success and builds a thriving, engaged workforce.
	Empowering leaders, growing talent	Drive long-term success with effective leadership, continuous learning and structured management practices. Advance succession planning, learning and development programs, and a manager toolkit to develop future-ready leaders, enhance workforce skills, and empower managers. Strengthen these areas to build capability, close leadership gaps, and foster a high-performance culture.
	Valuing our people	Enhance our Reward & Recognition program and employee benefits to drive talent attraction, engagement and retention. Ensuring employees feel valued, motivated and supported, boosts performance, increases job satisfaction and strengthens long-term organisational commitment.
Strategic Partnerships \$0.2m	Dairy Moving Forward	Support the operations of Dairy Moving Forward which sets the future direction of R&D for the Australian Dairy Industry.
	Strategic partnerships governance framework	Develop a framework that enables a consistent approach to mapping, reporting, managing and governing partnerships, with farmer benefit at the centre of the approach.
	Contract management system	Introduce a system to better manage Dairy Australia contracts, which are currently handled manually.



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