Gippsland Dairy Industry Strategy

Gippsland Dairy Industry Leadership Group

June 2025

Acknowledgment of Country

We acknowledge the Traditional Owners of the Country that we work on throughout Australia and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past and present, and we acknowledge emerging leaders. Moreover, we express gratitude for the knowledge and insight that Traditional Owners and other Aboriginal and Torres Strait Islander people contribute to our shared work in Australia.

We embrace the spirit of reconciliation, working towards self-determination, equity of outcomes, and an equal voice for Australia's First People.

The development of a regional strategy for the dairy industry in Gippsland has been made possible through generous funding contributions from the Gardiner Foundation, Regional Development Victoria, GippsDairy and West Gippsland Catchment Management Authority.

RM Consulting Group led the development of this strategy for the Gippsland Dairy Industry Leadership Group.

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1 Foreword

The Gippsland Dairy Industry Leadership Group (GDILG) is proud to present the Gippsland Dairy Industry Strategy. This strategy has been developed to provide a unified vision for the region's dairy industry, ensuring its long-term sustainability, growth, and resilience.

We have recognised the need for an industry-wide strategic approach, and the GDILG has worked collaboratively to:

- Strengthen connections across the dairy supply chain, both pre-and post-farm gate, and establish shared objectives for industry stakeholders
- Focus efforts on fostering industry growth, attracting investment to the region, shaping regional planning priorities, and responding effectively to emerging challenges
- Elevate the profile and influence of the Gippsland dairy sector, ensuring its contributions are recognised and valued.

The GDILG leverages extensive industry networks to provide strategic guidance and leadership to the dairy industry in Gippsland.

Established in 2016 in response to economic and environmental pressures, including fluctuating milk prices, rising feed costs, and prolonged dry conditions, the GDILG has since evolved into a key leadership group within the Gippsland dairy sector.

The GDILG comprises representatives from a broad range of organisations, including:

- State Government: Department of Energy, Environment and Climate Action (DEECA – Agriculture Victoria), Catchment Management Authorities, Department of Families, Fairness and Housing (DFFH), Regional Development Victoria (RDV), and Department of Education and Training (DET)
- Local Governments across Gippsland
- Government-Funded Organisations: Rural Financial Counselling services, regional healthcare providers, and registered training organisations
- Industry Bodies: GippsDairy, Food and Fibre Gippsland, United Dairy Farmers of Victoria (UDV), and Dairy Farmers Victoria (DFV)
- Milk Processors.

The GDILG is committed to ensuring the success of this strategy. A working group will oversee the implementation of key initiatives, supporting projects that align with the strategy's objectives. The plan will serve as a valuable tool to influence decision-making, strengthen industry connections, and highlight both challenges and opportunities within the Gippsland dairy sector.

This strategy underscores the region's attractiveness for investment and affirms key priorities for industry stakeholders. The GDILG remains dedicated to driving positive outcomes for Gippsland's dairy industry, securing its future, and reinforcing its pivotal role in the region's economic and social fabric.

We look forward to collaborating with industry partners and stakeholders to implement this strategy towards 2035 and to sustain Gippsland's thriving dairy industry for generations to come.

Kind Regards,

Matt Gleeson, GDILG Chair and Gippsland dairy farmer.

Members of the GDILG Strategy working group – Del Delpitiya (Agriculture Victoria), Ken Fraser and Pauleen Boulton (South Gippsland Shire Council), Ben Gebert (Food and Fibre Gippsland), Kaylene Wickham (East Gippsland Shire Council), Shayne Haywood (West Gippsland Catchment Management Authority), Elise Erwin (RDV), Jenny Wilson (Gardiner Foundation), Kylie Holmes (NEX Business Farming Wellness), Mick Hughes (Gippsland dairy farmer), Matt Gleeson (Gippsland dairy farmer) and Karen Mc Lennan (GippsDairy).

2 Strategy Overview

The development of this strategy has involved significant consultation effort to hear about the key challenges and future opportunities for the dairy industry in Gippsland. The emerging themes in consultation responses were organised into areas of aspiration and action:

1. Attract, Support and Develop People
2. Industry Prosperity and Resilience
3. Innovation and Technology
4. Environmental Stewardship
5. Community Values the Industry

The key priorities identified for the GDILG to take a lead role in were:

1. To connect education opportunities so that there are clear pathways for creative development between the various organisations in Gippsland's dairy industry.
2. To increase awareness of the reliability of the Gippsland dairy industry as a place to invest, and to communicate that message more widely
3. To coordinate responses to extreme events, e.g. flood, storms, drought, fires and biosecurity outbreaks. The Industry Leadership Group provides a very effective and efficient way to bring key organisations together to develop a co-ordinated response.

There were additional priorities identified where the Gippsland Dairy Industry Leadership Group should take a role in collaborating with and influencing other organisations. Such as:

- Supporting our people
- Influencing infrastructure investment within the region
- Encouraging innovation
- Being proactive in regard to environmental management and animal welfare.

This strategy demonstrates that the industry is organised and 'investment ready' whenever an opportunity becomes available for development of infrastructure, people or programs for the Gippsland dairy industry.

The organisations involved in the GDILG have a common interest in a thriving Gippsland dairy industry. This strategy will help to efficiently co-ordinate all participating organisations to get maximum impact when an opportunity or challenge arises.

This strategy is set out as per Figure 1-1.

Figure 1-1 Diagram of this strategy's logic

3 Gippsland's Dairy Industry

Gippsland is one of Australia's major dairy regions, producing approximately 23% of the nation's milk(1). The Gippsland Dairy Industry is made up of three main dairying areas:

1. Macalister Irrigation District – located within Wellington Shire
2. Higher rainfall areas to the west and south of the Gippsland region
3. Mixed farm types in the east of the region.

Figure 3-1 Map of distribution of dairy farms by percentage of farm holdings and location of Milk Processors in Gippsland

Milk production in Gippsland has remained relatively stable over the last 25 years, which contrasts with Australia's national trend of reduced milk production. Gippsland's combination of reliable rainfall in some areas and reliable irrigation water availability in other areas has helped maintain consistent milk production from the region. Relatively stable farm profitability, a strong service industry and community support have also contributed to consistent milk production. This consistency is even more notable since the region experienced a range of climate-related impacts (flood, bushfire and drought) over this same period. The distribution of farms by percentage of farm holdings across local government regions and the indicative locations of Milk Processor businesses in Gippsland is illustrated in Figure 3-1.

The Gippsland dairy industry has a long value chain through direct and indirect employment across on-farm, processing and export sectors (See Figure 3-2 on following page). The value chain commences with on-farm milk production and extends to milk processing, transport, manufacturing, haulage, engineering services, dairy beef meat production, cropping, machinery and equipment, accounting, finance, fertilizer, contracting and many more parts of the industry that employ workers. Dairy is the most critical industry in the Gippsland region alongside energy, employing over 6,000 workers in the region (1). Based on REMPLAN data 2024, the dairy industry is estimated to contribute approximately $4billion per year to Gippsland's regional economy. Gippsland produces 25% of Australia's dairy exports, and milk produced in Gippsland plays a critical role in supplementing supply and manufacturing in other dairying regions.

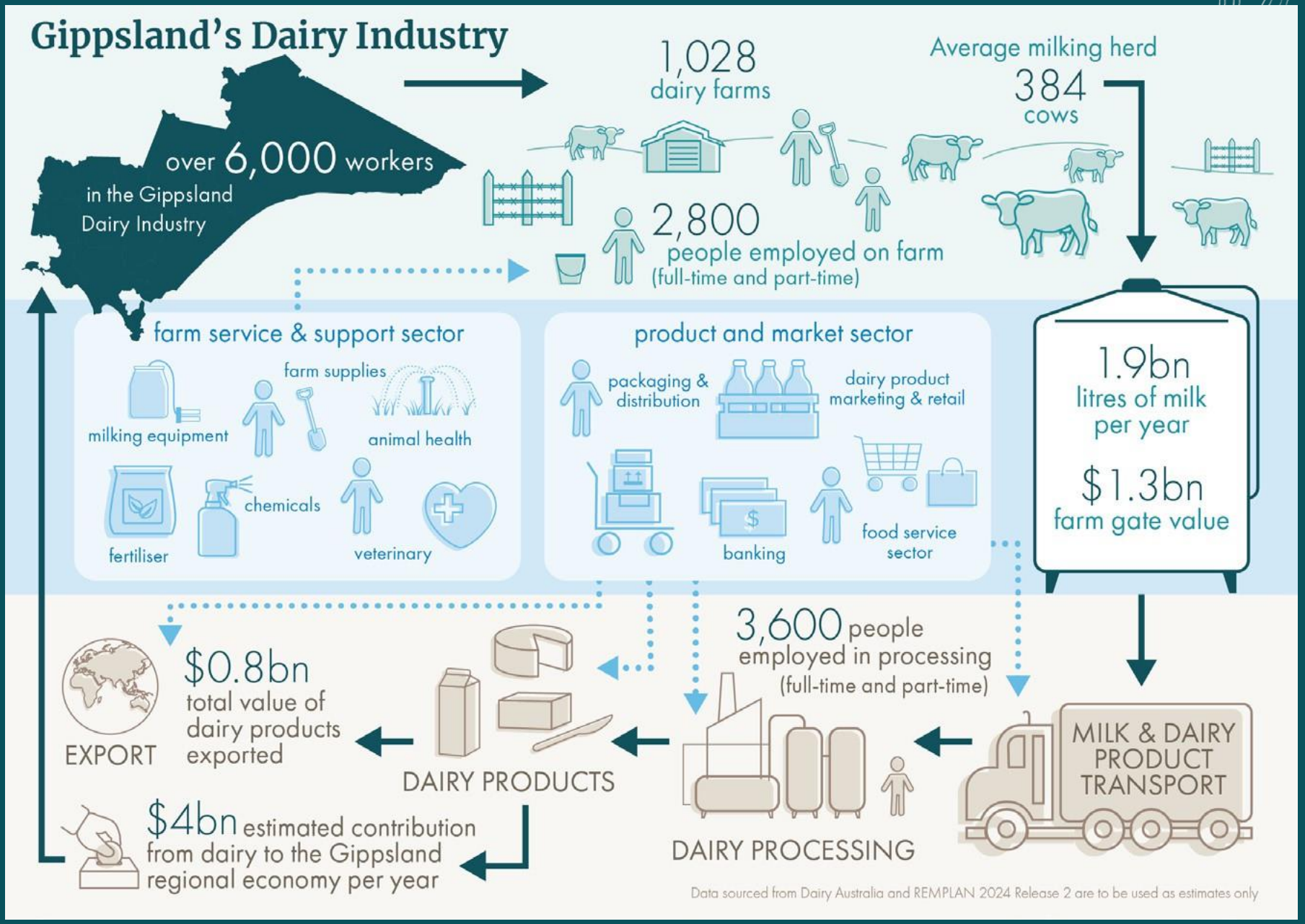


Figure 3-2 Gippsland Dairy Industry Value Chain (2)

4 Development of the Strategy

Extensive engagement was undertaken throughout the drafting of this strategy to identify the key priorities for the Gippsland dairy industry (See Figure 4-1 below). Between August and November 2024, a total of 166 stakeholders from over 59 organisations directly participated in a range of consultation activities. These activities included:

- One-on-one phone interviews
- Workshops across Leongatha, Warragul, Maffra and online
- Industry breakfasts across Drouin, Sale and Leongatha.

A Gippsland dairy industry survey (online and hard copy) was completed by 146 respondents.

Stakeholders engaged during the development of the strategy represented government agencies, water authorities, milk processors, local governments, dairy and agriculture representative bodies, education institutions, finance businesses, agribusinesses, industry service providers and dairy farmer representatives. A full list of stakeholders and all consultations completed is provided in Appendix 1.

Stakeholder Engagement Summary

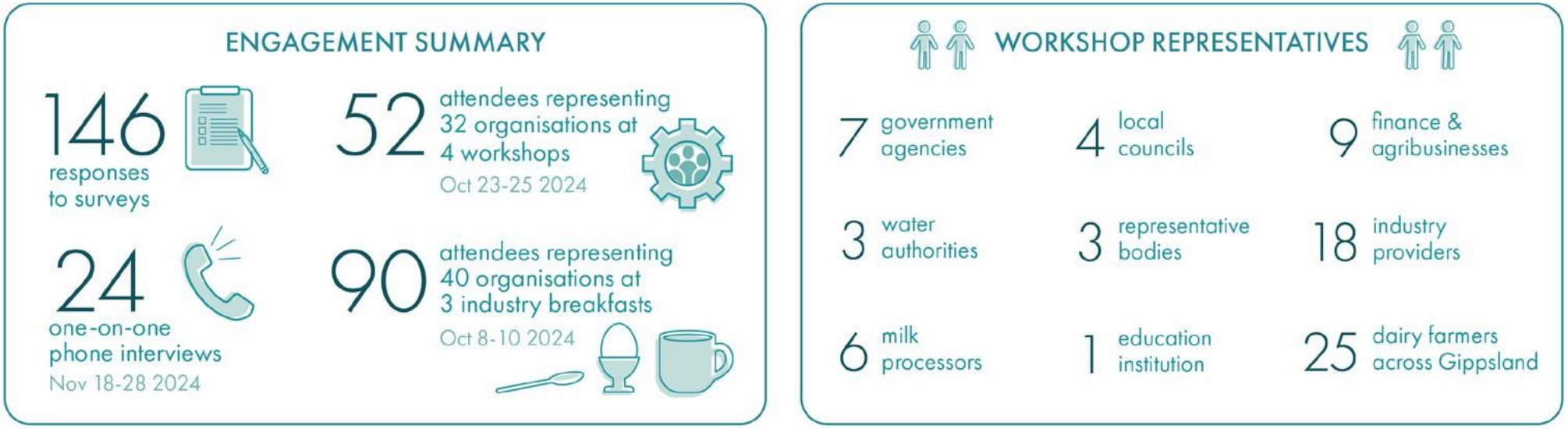


Figure 4-1 Summary of Stakeholder Engagement for development of the strategy

5 Dairy Industry Trends in Gippsland

5.1 Characteristics of Gippsland's dairy industry

The Gippsland dairy industry is the biggest agricultural contributor to the Gippsland economy, and it is a vital industry for the region generating;

- $1.3 billion in farm gate milk sales annually (3) and employing more than 6,000 people across the community (1)
- $1.1 billion annually in direct economic impact from milk processing and employs nearly 3,600 local people part-time and full time in Gippsland region (2)(4).

Gippsland dairy farms contribute 35% of Victoria's milk production and 23% of Australia's milk production (3) and are known for producing high-quality dairy products from mainly grass-fed cows.

Fertile soils, reliable rainfall in some areas, reliable irrigation in other areas, availability of support services and strong communities make Gippsland a great place to live and farm. The way farms are managed has changed over the last 25 years. On average, farms are larger, there are more cows in each herd, and each cow produces more milk. Figure 5-1, on page 8, illustrates the changes over time for the industry over the past 25 years.

As farm sizes have increased, farm management roles have changed, with a stronger focus on business and people management.

Adoption of technologies has increased labour efficiency and improved profitability against a backdrop of unstable milk prices and increased input costs. Gippsland was the location of the first robotic dairy in Australia and the number of robotic dairies in the region has grown to about 25 since the early 2000s (5). Technological advancements in conventional and automatic dairies have reduced the on-farm labour demand, and electronic collars have led to improvements in animal welfare and enable optimisation of milk production. Genetic improvement of herds has been enabled through genetic sampling and other technologies. Drone use and the adoption of renewable energy sources are increasing across the industry. Inclusive of renewable energy and water conservation initiatives, the industry considers the reduction of waste and circular economy options for bi-products in milk processing to be of importance. An innovative mindset is needed to adopt and effectively integrate new technology for business efficiency.

Dairy is embracing the pressures on modern industries to innovate, adopt technology and be environmentally and socially driven. Within Gippsland, this is enhanced through having Ellinbank SmartFarm and proactive industry bodies and farmers actively supporting research. Niche producers are diversifying the range of dairy products from Gippsland and dairy is increasingly being used as a basis for tourism ventures within Gippsland.

Over this same time, many farmers have worked hard to respond to environmental challenges by using fertiliser more effectively, reusing effluent on farm, increasing irrigation water use efficiency and managing their energy consumption. More than half of farms manage areas on farm for biodiversity and conservation by fencing off waterways and planting with local native vegetation in creeks and for shelterbelts.

Challenges

Despite the pressures of rising input costs, climatic variability, instability in milk prices and rising land values, milk production has remained stable in the region. Continuous improvement in management skills, adoption of appropriate technology, and adjustments to farm scale have been (and will most likely continue to be) important to maintaining profitability in the Gippsland dairy industry. In the context of climate change, the region's coastal and mountainous landscape has experienced more frequent and prolonged extreme weather events, leading to more frequent and larger-scale disruptions.

Through broad consultation across the industry and the dairy community in Gippsland, some key emerging challenges for the industry in the future were identified:

- Attracting and supporting people to develop their skills to meet the needs of the modern dairy industry
- Building a prosperous and resilient industry in an evolving economy, technologically changing industry and a changing climate
- Innovating in response to challenges and adopting new technology
- Looking after the environment as stewards of the region's natural resources
- Maintaining the support of the community for the Gippsland dairy industry.

Q Fever

Q Fever is a bacterial disease caused by Coxiella burnetii. It primarily affects animals, but can be transmitted to humans, leading to serious illness. It is important for the dairy industry in Gippsland to be ready and prepared to manage Q Fever because of its serious health risks, the potential for long-term illness, and the impact on the farming workforce and public health.

In 2024, Gippsland reported 45% of all Q Fever cases in Victoria, highlighting the region's high infection rates (6).

Vaccination and testing are the most effective way to prevent and ensure surveillance of Q Fever outbreaks amongst anyone who works with livestock. Collaborations between Gippsland Regional Public Health and GippsDairy aim to raise awareness among farmers about the importance of vaccination and preventative measures.

Case study: Reversing the trends – Will and Mikayla Killeen

With strong support from their bank and processor, Will and Mikayla Killeen and their young family have transitioned from beef to dairy. Both started in career paths outside of dairy. Will is an Engineer, and Mikayla works as an Accounts Manager. Encouraged by others and their love of farming, they took a leap into dairy. With a strong focus on farm safety, they find having a capable and well-supported farm manager ensures uncompromised family time. Getting this balance right is important to their operations.

5.2 Achieving vision for the future

To maintain Gippsland's attractiveness for investment and to create positive outcomes for Gippsland's dairy industry towards 2035, over the next 10 years, the role of the GDILG is to lead, collaborate and influence specific actions to address the industry challenges and to deliver a regionally focussed strategy for the future.

Capitalising on Gippsland's competitive advantage as the highest-producing milk region in Australia (1) will be the expansion of the Gippsland brand. Emphasised in promotion will be Gippsland's climate, the region's liveability, Gippsland's Trusted Provenance branding and niche Gippsland dairy products. These all have alignment with tourism across the region.

This strategy has a strategic context that aligns with both the industry and the region's existing plans and strategies. These include:

Strategies for Dairy:

- Australian Dairy Plan
- Australian Dairy Sustainability Framework
- Dairy Australia Strategic Plan and GippsDairy Strategic Plan.

Strategies for the region of Gippsland:

- Regional Catchment Strategy (West Gippsland, East Gippsland, Port Phillip & Westernport catchments)
- Central and Gippsland Region Sustainable Water Strategy
- Gippsland Regional Plan 2020-25
- Gippsland Regional Plan 2025-2030 (soon-to-be-released).

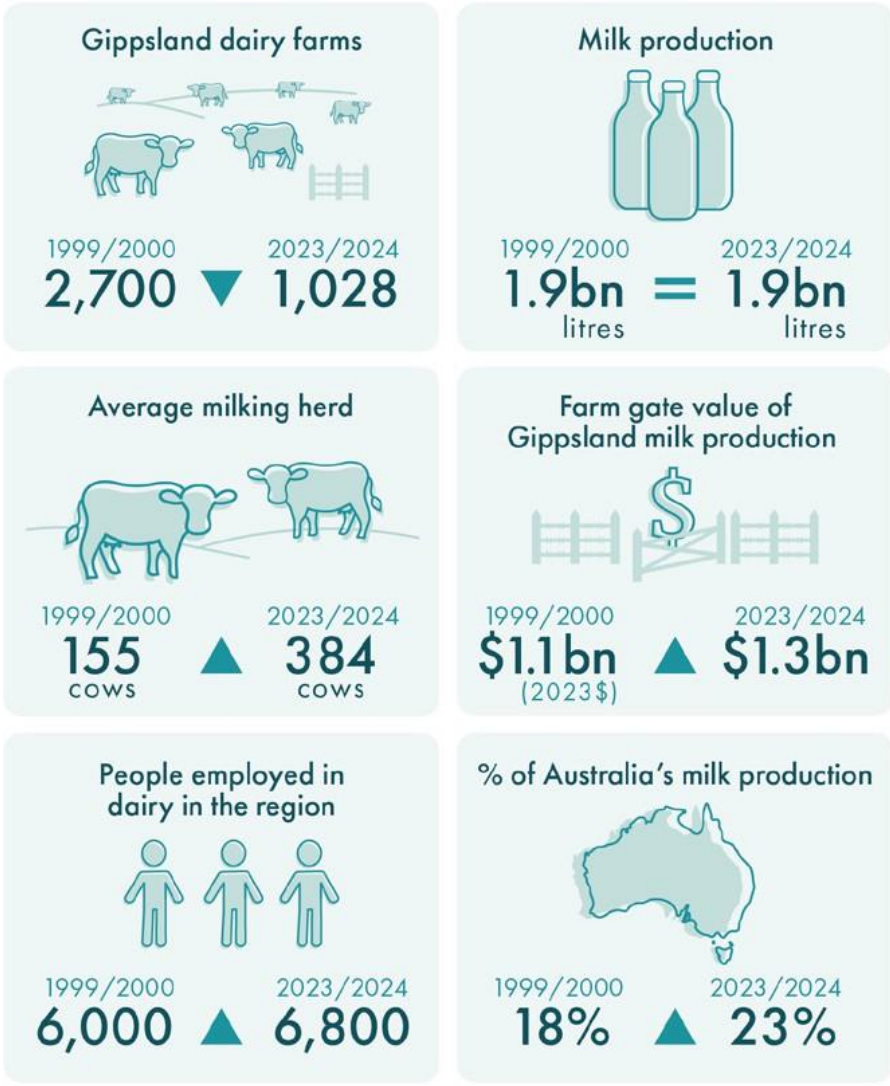


Figure 4-1 Dairy Industry Statistics for Gippsland 2025 (Situational Analysis, GippsDairy 2024)

6 Strategic Themes and Actions

This strategy sets out for the Gippsland Dairy Industry five key themes with desired outcomes and critical leadership, collaboration and influencing actions to focus the effort towards 2035.

How the GDILG will provide leadership in strategy delivery:

In considering how each action will be delivered, three categories define roles:

LEAD – drive and deliver, where this is the category a lead group or organisation has been suggested

COLLABORATE – to partner with others and contribute

INFLUENCE – working actively to influence an outcome/decision (without having direct control); this could include providing information and advice.

The tables on the following pages contain for each theme; aspirations, outcomes, actions, how and who. The 'who' details those that may be a partner to help deliver the action. Gippsland dairy farmers are important stakeholders in the delivery of outcomes under this strategy and where GippsDairy/Dairy Australia are mentioned as the 'who', this is assumed to include Gippsland dairy farmers.

Theme 1: Attract, support and develop people

The success of Gippsland's dairy industry relies on its people and their communities. Farmers and farm workers are obviously critical but so too are those involved in the farm service sector, support industries, dairy processing, and transport. The industry is part of the Gippsland community, of life in Gippsland, and part of what makes Gippsland a great place to live and to build a career. To maintain this success, the industry must look after its people. This means providing employment, career pathways, investment opportunities, economic activity, and opportunities for growth.

- Over 6,000 people are working in the Gippsland dairy industry (1)
- 71% of farmers reported making a change to their business after attending training (7)

Case study: Dairying her way – Wendy Whelan

Eight years after finishing a dairy farming apprenticeship, Wendy bought her first house and moved into a share farming arrangement 6 years later. Experiencing a mild stroke early in her share farming journey, the farm was kept thriving through the capable team Wendy had developed. After 7 years sharefarming, Wendy purchased the farm. Female dairy farm owners in Gippsland, who are the key Farm Manager, are inspiring many women into dairy careers.

ASPIRATION: The Gippsland dairy industry is an attractive industry to work in, because of excellent training and development opportunities and employment.
This strategy will:

- Influence training and education to meet the current and future needs of the industry.
- Demonstrate that a coordinated approach to training and development contributes socially and economically, strengthening the whole regional economy of Gippsland.
- Support dairy farmers to plan for effective succession.

Outcomes	Action	How	Who
By 2035 Gippsland's dairy industry has improved access to dairy industry education and training opportunities that create career and business opportunities for people in the dairy industry. Improve access to skilled labour for employers and encourage healthy movement of staff between positions and sectors within the Gippsland industry as a way to support people to build careers, skills and connections across the whole industry.	1. Build strong links with Gippsland's education sector to help create a more direct connections between the needs of the industry and the education opportunities. Maintaining education sector representation on the ILG. 2. Coordinate and collaborate with the education sector to ensure modern career pathways across the whole Gippsland dairy industry are well supported by the training and education available. This could include: - Documenting current education and training available for the Gippsland dairy industry (to build awareness of what's available). - Highlighting dairy industry needs in Gippsland and partner with the sector to identify where additional linkages can be made. - Investigating opportunities to collaborate with/learn from other dairy regions to address gaps.	LEAD & COLLABORATE	GDILG with education providers across the region - - TAFEs - Universities - Schools - Extension providers and services - Processors
	3. Reframe the way the Gippsland dairy industry is described in all communications to create a picture of the huge breadth of the industry and the range of jobs and careers it encompasses. Showcase the uniqueness of Gippsland's dairy industry across the Gippsland community.	COLLABORATE	GippsDairy Dairy Australia Agriculture Victoria (AgVic)

ASPIRATION: Succession within the industry is vital to the future of Gippsland's dairy industry. Farm succession planning discussions can be uniquely difficult and require specialised skills. However, farm succession discussions are vital, and this strategy supports all approaches that promote effective succession.			
Outcomes	**Action**	**How**	**Who**
By 2035 Gippsland's dairy farmers are supported to have effective succession plans, which build continuity and the long-term resilience of the Gippsland industry.	4. Build awareness of: • The range of approaches to farm business succession by showcasing the variety of succession models and options that are already being used successfully by dairy farmers in Gippsland and other regions. • The availability of support for succession planning from service providers, such as the NEX Business Farming Wellness • and other planners and collaborate with these specialists to ensure the Gippsland industry has access to this high-quality support.	COLLABORATE	GippsDairy to work with: • Private consultants, accountant and solicitors • NEX Business Farming Wellness • Farmers
ASPIRATION: The dairy industry is a major employer within Gippsland, particularly when the whole industry is considered. Labour markets are competitive, labour is highly mobile and will move to preferred employers. There are already support and advisory services available in the region to assist the regions farmers, processors, industry service providers as employers in the dairy industry			
Outcomes	**Action**	**How**	**Who**
By 2035 Gippsland's dairy industry be known for its commitment to valuing and supporting its people	5. Build the capability of leaders in Gippsland's dairy industry to recognise the importance of focussing on, and supporting, people across the industry. This could include using existing groups, forums and networks (e.g. Young Dairy Network) to: • Discuss wellbeing and health at every industry event. • Normalise conversations about mental health and seeking support early. • Encourage use of existing support and advice services mental health support groups or Employee Assistance Programs available to the industry (e.g. through processors). • Create a local support hub (similar to the Support Hub at the National Centre for Farmer Health). • Have a range of supports in place.	COLLABORATE	Rural Financial Counselling Service Gippsland Milk Processors Farmer networks and groups Regional Leadership programs

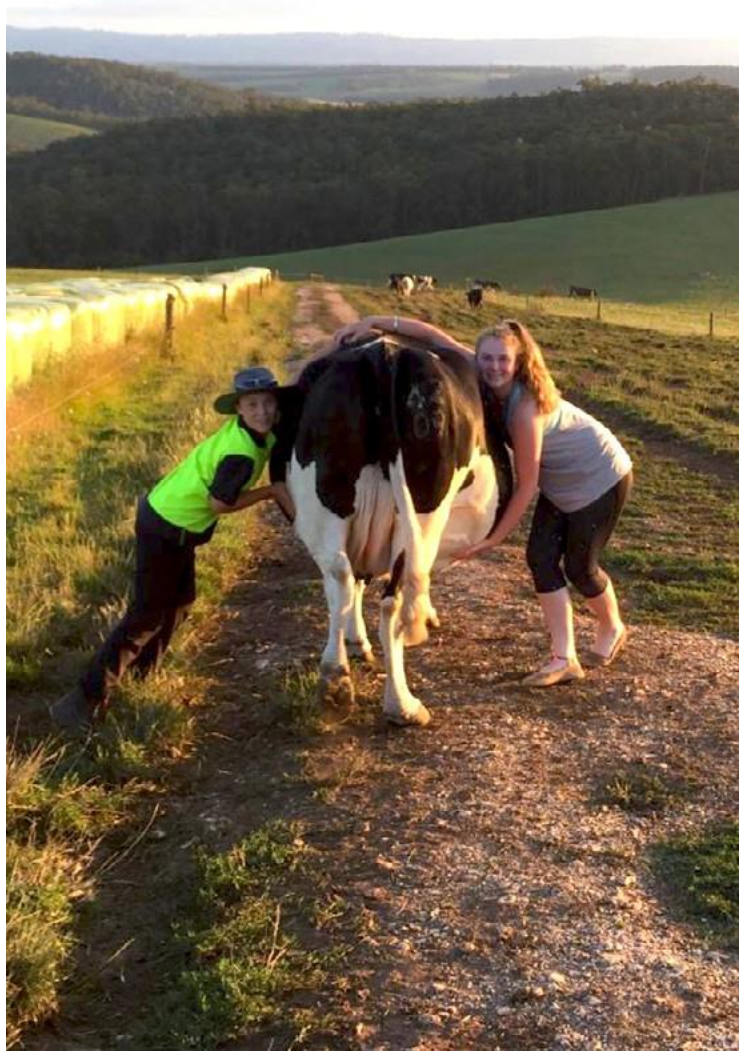
Theme 2: Industry prosperity and resilience

A strength of Gippsland's dairy industry is the reliability of milk production and the resilience of the industry to adapt to changes in markets, climate and industry advancements. Maintaining prosperity and resilience for the region will attract consistent returns and further investment in the future. Adaptation and preparation for the future at both the farm processor and community infrastructure level, will be important for the dairy industry in Gippsland to be able to manage variability and unexpected events into the future. Strategic planning for the region will also need to ensure future land use planning maintains access and improves land use for dairy farming in competition with urbanisation and shifts in the region's agriculture.

- $1.3 billion farmgate value and $1.0 billion post farm gate in 2024 (1)
- Gippsland produces 25% of Australia's dairy exports (1)
- Milk powder is the region's largest international export, followed by cheese products (8)
- Average return on assets for Gippsland over the last 20 years has been 4% (9) with relatively low variation around the average in comparison to some other regions.

Case study: International winner – Berry's Creek Gourmet Cheese, Barry Charlton

From their manufacturing facility based in South Gippsland, Berry's Creek Gourmet Cheese passionately produces a range of multi-award-winning blue cheeses. They achieved Supreme Specialist Artisan Cheesemaker Champion at the 2023 International Cheese and Dairy Awards in the United Kingdom for four blue cheese varieties. Barry's distinctive winning cheese is a testament to what can be achieved from milk produced in Gippsland.



ASPIRATION: The Gippsland dairy industry attracts investment because it provides consistent returns and positive prospects into the future.			
Outcomes	**Action**	**How**	**Who**
Industry-wide – the reliability and resilience of the Gippsland dairy industry builds confidence to invest in the region.	6. Increase awareness of the reliability and resilience that the Gippsland dairy industry has shown over decades of change (industry, markets, climate, etc.) and how this points to a very positive future. This strategy showcases the region and presents content that will be developed into future prospectuses and communication materials.	LEAD	GippsDairy Dairy Australia Milk Processors Private Consultants Regional Development Victoria Invest Victoria. Gippsland Local Governments Agriculture Victoria (AgVic) Australian Dairy Products Federation Global Victoria
Farm Level – Farm businesses consistently generate sufficient surpluses to reinvest in the business so they can adapt to changing circumstances.	7. Collaborate with extension providers to build understanding of elements of profitability such as: • How to measure it • Building financial literacy and improve business skills • Options to improve it and ensure dairy businesses provide consistent returns; and • And how improved profitability can contribute to farm owners achieving their goals.	COLLABORATE	GippsDairy to work with: • Private consultants • Milk Processors • Other regions

ASPIRATION: The Gippsland dairy industry attracts investment because it provides consistent returns and positive prospects into the future.			
Outcomes	**Action**	**How**	**Who**
Processors – Milk processors view Gippsland as a preferred region to invest support from the whole industry for investment into the region.	8. Collaborate with processors to show the regional benefits of investment in processing in Gippsland particularly to build industry profitability and resilience.	COLLABORATE	Milk Processors Private Consultants Dairy Australia Regional Development Victoria Australian Dairy Products Federation Invest Victoria Global Victoria
Community - The region has infrastructure (at all levels) that supports the industry to prosper and be resilient.	9. Actively engage to influence infrastructure discussions (focusing on key points of influence) by bringing together information and utilising the breadth and reach of the GDILG to influence opportunities. This could include: - Telecommunications - Energy - Water supply - Transport/roads - Cattle saleyards - Developing a preliminary business case for investment in dairy infrastructure in Gippsland ('investment ready' for future opportunities).	INFLUENCE	GDILG to support members on regional development opportunities
	10. Ensure that access to sustainable water resources and appropriately sized land parcels for the dairy industry is maintained though planning controls. Where opportunities arise, land use planning and water policy considers industry needs for both irrigated and dryland dairying in the region.	COLLABORATE	GDILG to support members on regional development opportunities

Theme 3: Innovation and technology

Innovation and adoption of new technology are critical to ensure the dairy industry remains competitive for land, water and labour within Gippsland and with dairy producers in other countries who compete on the world market. This is important at the farm business level but also across the entire dairy sector and beyond the farm gate. Innovation can include implementing existing practices exceptionally well or by efficiently incorporating research and technologies (including telecommunications) that have not previously been used in the industry. The Ellinbank SmartFarm situated in Gippsland, is Australia's leading dairy innovation research facility, driving technological advances and showcasing them to the dairy industry. There are good examples of innovation uptake in the region and it is important for the Gippsland dairy industry to keep abreast of technological advances available. Technological advancement through education and capabilities of people working in the industry will see advancement across areas such as biosecurity, farm business threat mitigation, production efficiencies and environmental sustainability, ensuring Gippsland maintains a competitive advantage.

- 19% of farms in Gippsland were expanding in 2024 (10)
- The number of farms in Gippsland with automatic/robotic milking systems has increased from zero in 2000 to approximately 25 currently (5)

Case study: Going that extra mile – Milk processor in Gippsland

A major milk processor with a footprint in Gippsland offers farmers and their staff access to an employee assistance provider. Any farmer at any time during their career, may need some extra emotional support or a neutral party to brainstorm solutions to an issue that could be impacting their work or personal relationships. This innovative approach recognises support can come in many forms and can help improve individual health and wellbeing.

Case study: Targeting effluent application to maximise soil nutrients -Knight Farms

Regular soil testing and the use of a pipe and riser system that can be controlled by phone helps the Knight's to monitor the impact of effluent application on their soil and vary the application to where it is needed. Fertiliser use has been reduced, nutrients are kept on farm and out of the waterways and the automated irrigation system has reduced time and labour for irrigation.

ASPIRATION: To foster a culture of innovation in the Gippsland dairy industry to ensure it maintains a competitive advantage into the future.			
Outcomes	**Action**	**How**	**Who**
The Gippsland dairy industry is a leader in innovation and the adoption of technology as a key means of maintaining its competitive advantage for: • Efficient use of land, water and labour within Gippsland, and • Access to export markets	11. Showcase Gippsland's innovative and unique approaches to the application and adoption of technology. Communicate this leadership to: • Attract more funding and support for innovation • Increase implementation and adoption • Evaluate effectiveness and appropriateness of innovative approaches for the region	COLLABORATE	All of the GDILG supported by Dairy Australia/ GippsDairy and industry partners
ASPIRATION: People see the dairy industry as technologically advanced and forward thinking making it attractive for businesses, investors and the labour market.			
Outcomes	**Action**	**How**	**Who**
Gippsland's Dairy Industry is attractive to invest and work in because it presents opportunities to develop and apply technology and innovation in the field of dairying.	12. Showcase the breadth of technological advancement in the industry from farm to processor to product. This can be enhanced through skill development and adoption leading to embedding of new practices.	COLLABORATE	GippsDairy Dairy Australia Milk processors

Theme 4: Environmental stewardship

The dairy industry relies on Gippsland's natural environment for its success and prosperity. The soils, water and climate combine to make Gippsland ideal for dairy production. The industry also has an influence on the broader environment in Gippsland and beyond. The community is increasingly aware of how agriculture interacts with the natural environment, particularly waterways, native biodiversity and the climate (through greenhouse gas emissions).

- In 2023, 53% of Gippsland farmers manage areas for conservation/biodiversity values (11)
- In 2023, 69% of Gippsland farmers have water security/ management plan (12)
- In 2023, 63% of Gippsland farmers have a fertiliser plan with 95% using natural fertilisers (inc. effluent) (13)

Protecting Gippsland's nature through on-farm stewardship

Gippsland's dairy industry has a strong record of understanding and addressing its impact on the environment. Two excellent examples of this are the way the industry has addressed the impacts of nutrients and sediment on the internationally important wetlands of the Gippsland Lakes and Corner Inlet. According to West Gippsland Catchment Management Authority, 90% of dairy farms in Corner Inlet had nutrient management plans developed by independent qualified Agronomists over a five year period. There have also been major improvements to water use efficiency in the Macalister Irrigation District (MID) driven by concerns about water availability and downstream impacts on the Gippsland Lakes. 46 GL/yr have been saved in the MID because of irrigation upgrades and efficiencies. Over 48,500 ha area or 90% of the MID, has irrigation farm plans in place. Pressures to be good stewards of the natural environment will be a continued focus, as will the focus on greenhouse gases and protecting the natural environment.

ASPIRATION: The Gippsland dairy industry recognises its role in the region's environmental stewardship and is committed to sustainable investment opportunities that benefit the environment and industry.

This strategy aims to build reputation for environmental stewardship and a commitment to looking after the environment through on farm practices, processing and transport in:

- Applying Circular Economy principles across the industry
- Sustainable water resource management.

Outcomes	Action	How	Who
By 2035 the industry is supporting best practice in environmental management and is able to demonstrate this for emissions, water management, soil health and biodiversity management. The Gippsland dairy industry will support meeting the Australian Govt's and Vic Govt's net zero emission targets by 2035, 2045 and 2050.	13. Position the industry as pro-active on climate change in order to identify opportunities for adaptation and resilience, and to build community support for the industry. This could include increasing understanding of the industry's carbon footprint in Gippsland, and identifying actions and initiatives for the industry to meet relevant best practice and legislative requirements.	COLLABORATE	Milk Processors Banks GippsDairy Dairy Australia Catchment Management Authorities (CMAs) Water Corporations State Government: - AgVic - Environment Protection Authority Victoria (EPA) - DEECA
	14. Build the industry's understanding of how to be involved in emerging programs that generate income for protecting and creating natural assets on-farm. This may encompass future opportunities such as carbon credits, nature conservation and water quality schemes that will provide multiple benefits from milk processing and resilience on-farm.	COLLABORATE	GippsDairy AgVic RDV Milk Processors
	15. Information on the environmental management approach of the Gippsland industry is used to highlight the clean, green credentials of the region's dairy industry	INFLUENCE	GippsDairy Milk Processors

ASPIRATION: The Gippsland dairy industry recognises its role in the region's environmental stewardship and is committed to sustainable investment opportunities that benefit the environment and industry.

This strategy aims to build reputation for environmental stewardship and a commitment to looking after the environment through on farm practices, processing and transport in:

- Applying Circular Economy principles across the industry
- Sustainable water resource management.

Outcomes	Action	How	Who
By 2035 the industry has improved the community awareness of its environmental stewardship through the continued adoption of best practice environmental management.	16. Highlight the environmental stewardship already occurring across the Gippsland dairy industry through case studies and use this to show that the industry sees a healthy environment as key to its continued success and prosperity.	COLLABORATE	CMAs AgVic GippsDairy Community groups
	17. Support ILG members to seek funding to create coordinated and industry-wide environmental stewardship. E.g. circular economy from farm to plate.	COLLABORATE	GDILG
	18. Support partners to develop and deliver projects such as Water Resource Plans both on farm and with Processors aimed at protecting and enhancing the natural assets of the region, particularly areas where the dairy industry has a significant influence such as Gippsland Lakes, Corner Inlet, Anderson Inlet, Tarwin River, Powlett River	COLLABORATE	CMAs Department of Energy, Environment and Climate Action (DEECA) Community groups

Case study: Farming with nature – Wilandra Farms

Regenerating their organic milk business, natural resources, profitability, and lifestyle are the goals of Wilco Droppert and Sandra Jefford. Their dairy farm business aims to be carbon neutral and is delivering industry-recognised innovation in irrigation energy efficiency, soil regeneration, diversity of plants in pasture, agroforestry and conserving land for biodiversity. Sandra, Wilco and family are recognised and held in high regard for their thought leadership in sustainability and sharing their learnings (pitfalls and successes) with other farmers.

Theme 5: Community values the industry

The Gippsland dairy industry is a part of the Gippsland community. It has a vital role in the economic and social fabric of the communities in which it operates. The dairy industry has a key role in fostering a mutually beneficial relationship that helps to maintain its vibrancy, its connections, and its support in the wider community. As community expectations change and industry practices change, the shared interests in a thriving Gippsland community mean that the industry and community can move, change and grow together.

- 94% of farms use pain relief when disbudding calves younger than 2 months in 2022 (14)
- 48% of farmers attended animal health and welfare training from 2020-2022 (15)
- 44% of farms use sexed semen in 2022 (16)

ASPIRATION: Gippsland's dairy industry:

- Continues to be a key part of the vibrancy and identity of Gippsland's communities
- Recognises the concerns related to animal welfare, particularly relating to rearing of calves, and commits to actively addressing them.
- Is as proactive in managing biosecurity driven by both the threats to the industry and to the natural environment.

Outcomes	Action	How	Who
Gippsland's dairy industry recognises community values that are a threat to the industry and by 2035 is seen as proactively addressing these.	19. Encourage, through extension and other mechanisms, region-wide adoption of best practice in animal welfare.	COLLABORATE	AgVic Dairy Australia
	20. Drive a coordinated, industry- and region-wide approach to sustainability that reflects the region's natural advantages (e.g. carbon footprint or waterway conservation).	INFLUENCE	GDILG
The industry continues to be responsive and engaged in biosecurity awareness and management in the region.	21. The ILG continues its leadership and coordination role on biosecurity issues relevant to dairy in Gippsland.	LEAD	Other regions and industries AgVic

ASPIRATION: Gippsland's dairy industry:

- Continues to be a key part of the vibrancy and identity of Gippsland's communities
- Recognises the concerns related to animal welfare, particularly relating to rearing of calves, and commits to actively addressing them.
- Is as proactive in managing biosecurity driven by both the threats to the industry and to the natural environment.

Outcomes	Action	How	Who
By 2035 the broad Gippsland community has maintained and enhanced a positive attitude to the dairy industry and continues to support industry through housing, services and workforce promotion.	22. Support partners to deliver projects that contribute to community support for the dairy industry	INFLUENCE	GDILG

Case study: Creating a family-friendly space – The Berry Dairy

This agritourism business is the brainchild of Brendan and Nicole Saunders, whose original aim of growing strawberries in a field with a shack to sell them from has expanded significantly. They realised a gap in the market for a local family-friendly experience for everyone and have added to their dairy farm operations a licensed café, pick-your-own strawberries, playground, farm petting zoo and a shopfront for those on a local foodie adventure.

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Appendix 1: Stakeholder List

The consultations undertaken during the development of this strategy are summarised below.

Engagement Summary Statistics

- 146 responses to the survey
- 24 phone one-on-one interviews in November 2024 (18th-28th)
- 3 industry breakfasts with 90 total attendees in October 2024 (8th-10th)
- 4 workshops with 52 total attendees in October 2024 (23rd-25th)
- Direct participants represented a total of 59 organisations

Industry breakfast

Attendees

- 90 total attendees
- 40 organisations represented in total

Organisational representatives

- 2 Agribusiness representatives
- 1 CMA representative
- 1 Council representative
- 1 Education Institution represented
- 13 Financial institution representatives
- 7 Government organisation representatives
- 12 milk company representatives
- 5 industry body representatives
- 19 Service provider representatives
- 5 farmer representatives

Workshops

Attendees

- 52 total attendees
- 32 organisations represented in total

Location

- Maffra
- Warragul
- Leongatha

Organisational representatives

- 1 Agribusiness representative
- 2 CMA representatives
- 5 Council representatives
- 11 farmer representatives
- 4 finance institutions representatives
- 4 government organisations representatives
- 14 milk company representatives
- 19 industry body representatives
- 8 service provider representatives

Surveys

Responses

- 146 responses

Distribution of roles

- 55 (38%) service providers
- 26 (25%) owner/operators
- 12 (8%) processors
- 10 (7%) share farmers/lessees
- 8 (6%) Farm employee/worker
- 5 (3%) local government
- 5 (3%) state government
- 4 (3%) industry bodies
- 1 (1%) landowner with sharefarmer/manager

Regions

- 48 (34%) work across Gippsland
- 15 (11%) Bass Coast
- 29 (21%) Baw Baw
- 5 (4%) Cardinia
- 4 (3%) Casey
- 18 (13%) East Gippsland
- 10 (7%) La Trobe City
- 28 (20%) Wellington
- 1 (1%) Yarra Ranges

Interviews

Attendees

- 24 total
- 7 organisations represented in total

Organisational representatives

- 3 government representatives
- 3 industry body representatives
- 3 water service provider representatives
- 15 farmer representatives
- 19 industry body representatives
- 8 service provider representatives

Table A-2 List of Stakeholders engaged during drafting of the strategy

Stakeholder Category	Stakeholder Group
Gippsland Dairy Industry Leadership Group	• Agriculture Victoria • GippsDairy • South Gippsland Shire Council • East Gippsland Shire Council • West Gippsland Catchment Management Authority • Regional Development Victoria • Food & Fibre Gippsland • Gardiner Foundation • Rural Financial Counselling Gippsland • Gippsland dairy farmers • Gippsland Milk Processors
Government	• DEECA • Agriculture Victoria • WorkSafe • Department of Jobs and Skills Industry and Regions (DJSIR) • Rural Financial Counselling Service, Gippsland • West Gippsland Catchment Management Authority (WGCMA) • EPA Gippsland
Water Authority	• Melbourne Water • Southern Rural Water • South Gippsland Water.
Milk processors	• Saputo • Fonterra • Burra Foods • Bega • Australia Consolidated Milk • Bulla • Lactalis
Representative bodies	• Food and Fibre Gippsland • Dairy Farmers Victoria • United Dairy Farmers Victoria • Dairy Australia • GippsDairy
Education	• TAFE Gippsland
Community	• Dairy farmers across Gippsland

Stakeholder Category	Stakeholder Group
Consultancies and agribusiness	• Comply Ag Pty Ltd • Ag Challenge consultancy • On Farm Consulting • Gannon Agribusiness
Finance and insurance	• RaboBank • Achmea Insurance • National Australia Bank (NAB) • Australia and New Zealand Bank Group (NAB) • Rural Bank • Commonwealth Bank • Gippsland Lending • Philipson's Accounting
Industry providers	• Genetics Australia Co Operative Limited • Services Australia • Nutrien Ag Solutions • Hico Australia • Feed Central P/L • Gippsland Bulk Spreaders • Viking Genetics • Pro Dairy • Westfalia • Lely • MaxCare • Browns Fertilisers • Total Livestock Genetics • Dasco Pty Ltd • Westfalia Warragul Pty Ltd
Councils	• South Gippsland Shire Council • Wellington Shire Council • East Gippsland Shire Council • Baw Baw Shire Council. • Latrobe City Council • Bass Coast Shire Council • Cardinia Shire Council • City of Casey Council • Yarra Ranges Shire Council

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