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Gippsland Dairy Industry Strategy

Gippsland Dairy Industry Leadership Group

April 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.

Contents

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

Matt Gleeson, GDILG Chair and Gippsland dairy farmer.

Members of the GDILG Strategy working group – Del Delpitiya (AgVic), 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 (Rural Financial Counselling Gippsland), Mick Hughes (Gippsland dairy farmer), Matt Gleeson (Gippsland dairy farmer) and Karen Mc Lennan (GippsDairy).

2 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.

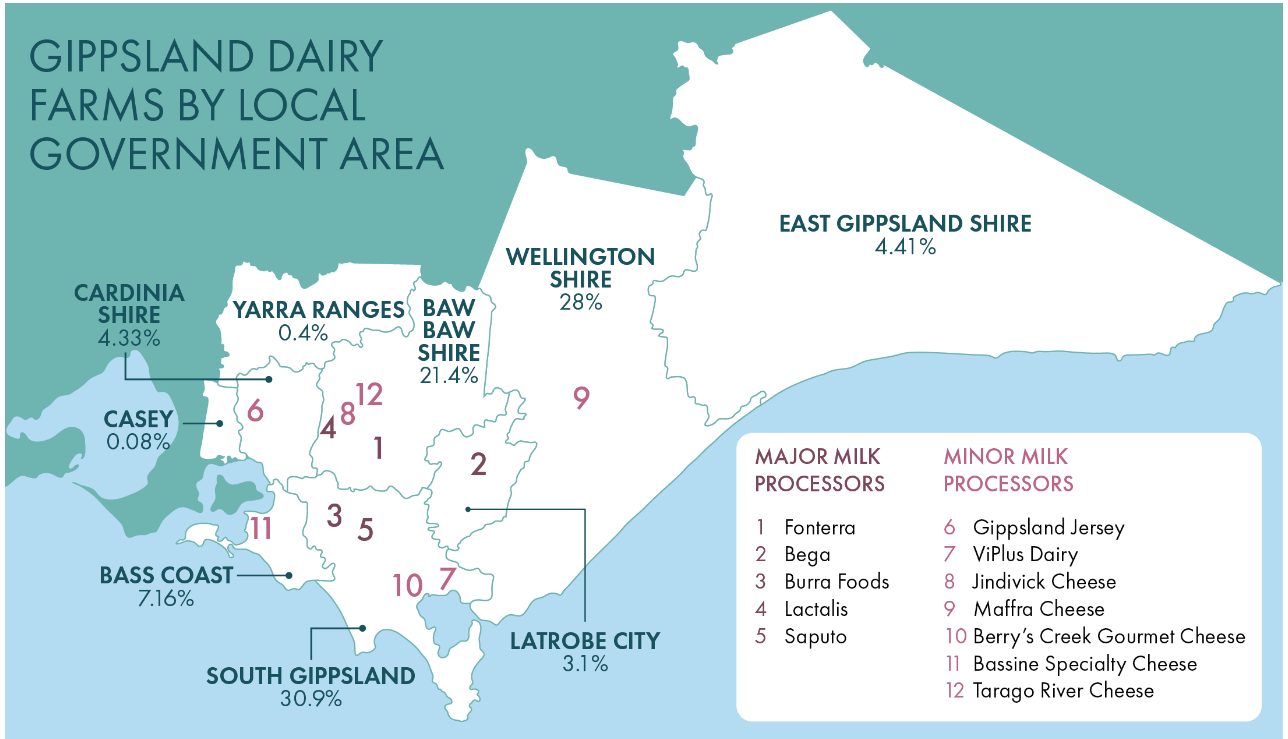

Figure 2-1 Map of distribution of dairy farms by percentage of farm holdings and location of Milk Processors in Gippsland

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 2-1.

The Gippsland dairy industry has a long value chain through direct and indirect employment across on-farm, processing and export sectors (See Figure 2-2 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). Gippsland produces 25% of Australia's dairy exports, and milk produced in Gippsland supports manufacturing in other dairying regions.

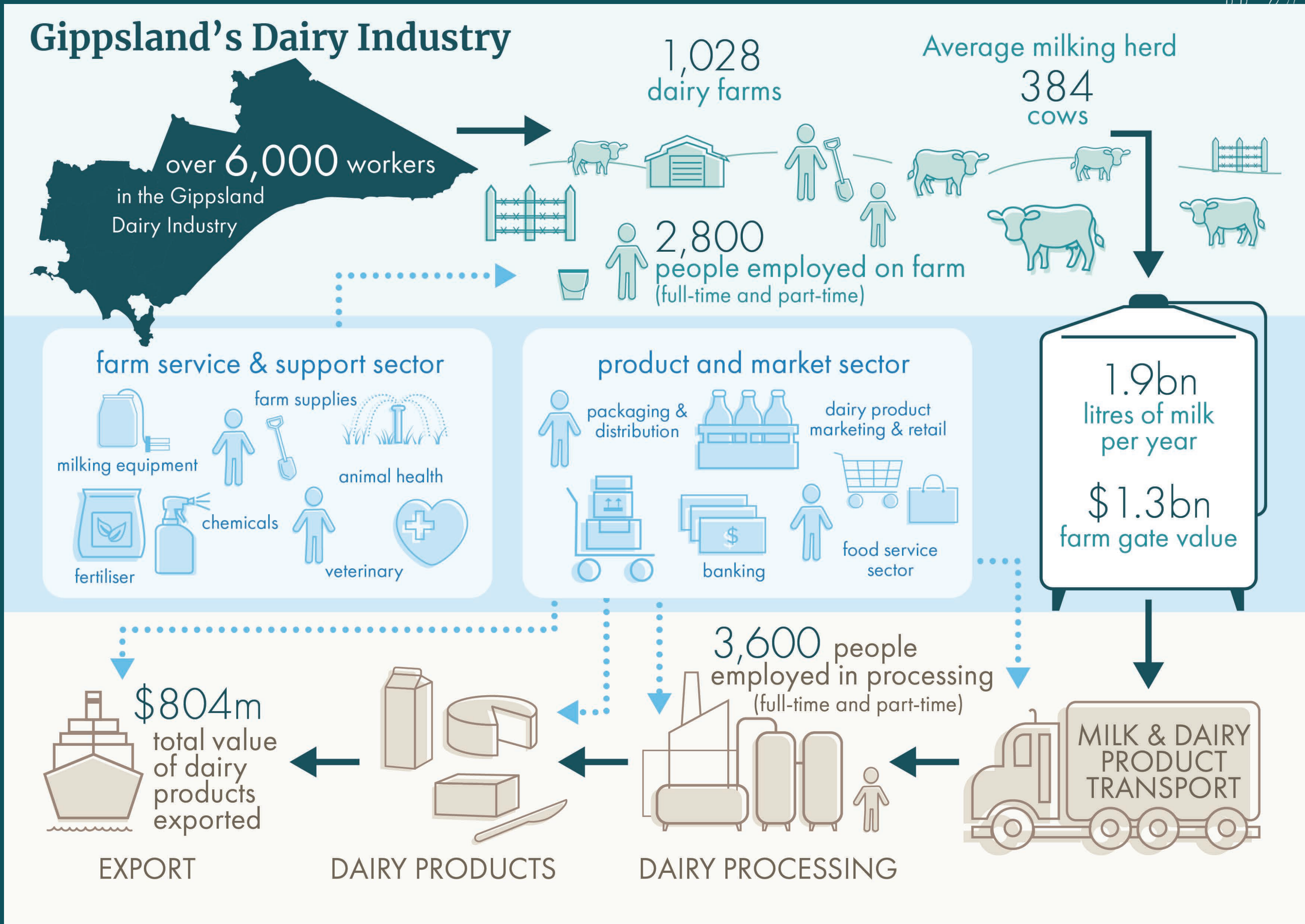

Figure 2-2 Gippsland Dairy Industry Value Chain (2)

3 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 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.

Refer to Appendix 1 for a summary of the survey respondent representation across various roles in the industry and regions in Gippsland.

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

ENGAGEMENT SUMMARY

146 responses to surveys

52 attendees representing 32 organisations at 4 workshops
Oct 23-25 2024

24 one-on-one phone interviews
Nov 18-28 2024

90 attendees representing 40 organisations at 3 industry breakfasts
Oct 8-10 2024

WORKSHOP REPRESENTATIVES

7 government agencies

4 local councils

9 finance & agribusinesses

3 water authorities

3 representative bodies

18 industry providers

6 milk processors

1 education institution

25 dairy farmers across Gippsland

4 Dairy Industry Trends in Gippsland

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 1,200 local people (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 4-1, on the following page, 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 Dairy Research Farm 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. Compared to other Victorian dairy regions, Gippsland has a greater susceptibility and higher frequency of disease outbreaks transmitted from dairy cattle to people, as demonstrated by recent Q Fever outbreaks in 2024, where over 45% of all reported cases in Victoria were from Gippsland (6).

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.

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.

Driving vision for the Future

To maintain Gippsland's attractiveness for investment and to drive 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 the 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 and the soon-to-be-released new Gippsland Regional Plan 2025-2030.

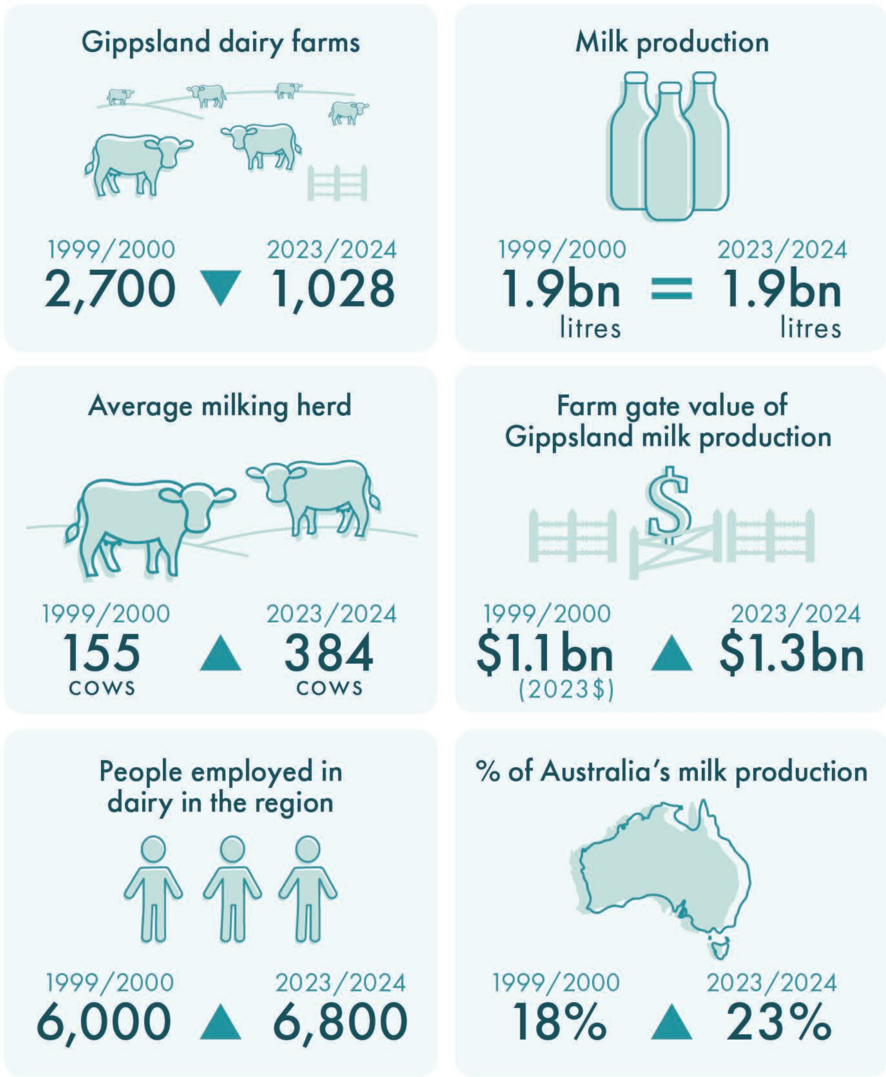

Figure 4-1 Dairy Industry Statistics for Gippsland 2025 (Situational Analysis, GippsDairy 2024)

5 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.

- Over 6,000 people are working in the Gippsland dairy industry (1)
- 71% 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.

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.

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 DA Ag Vic

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 Rural Financial Counselling Service 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 • Rural Financial Counselling Service • 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 DA Milk Processors Private Consultants Regional Development Victoria Invest Victoria. Gippsland Local Governments Agriculture Victoria 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

<table>
<tr><th colspan="4">ASPIRATION: The Gippsland dairy industry attracts investment because it provides consistent returns and positive prospects into the future.</th></tr>
<tr><th>Outcomes</th><th>Action</th><th>How</th><th>Who</th></tr>
<tr><td>Processors – Milk processors view Gippsland as a preferred region to invest support from the whole industry for investment into the region.</td><td>8. Collaborate with processors to show the regional benefits of investment in processing in Gippsland particularly to build industry profitability and resilience.</td><td>COLLABORATE</td><td>Milk Processors
Private Consultants
DA
Regional Development Victoria
Australian Dairy Products Federation
Invest Victoria
Global Victoria</td></tr>
<tr><td rowspan="2">Community - The region has infrastructure (at all levels) that supports the industry to prosper and be resilient.</td><td>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).</td><td>INFLUENCE</td><td>GDILG to support members on regional development opportunities</td></tr>
<tr><td>10. Ensure access to sustainable water resources for the dairy industry is maintained and, where opportunities arise, enhanced for both irrigated and dryland dairying in the region.</td><td>COLLABORATE</td><td>GDILG to support members on regional development opportunities</td></tr>
</table>

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.

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 DA 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. There have also been major improvements to water use efficiency in the Macalister Irrigation District driven by concerns about water availability as well as downstream impacts on the Gippsland Lakes. These pressures to continue to be good stewards of the natural environment will continue. There is likely to be continued focus on greenhouse gases and protection of 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 DA CMAs Water Corporations State Government: • AgVic • 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 significance influence such as Gippsland Lakes, Corner Inlet, Anderson Inlet, Tarwin River, Powlett River	COLLABORATE	CMAs 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 DA
	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.

6 Monitoring Success of the Strategy

To monitor the success of this strategy, Table 6-1 defines measures and indicators for each of the 22 actions presented above. These measures and indicators are intended to be either data that is already being collected, or they are relatively simple to collect. To ensure this process is realistic and does not impose significant burdens on GDILG members, there are usually only two indicators for each action.

The table also indicates who would be expected to collect and present the evidence to demonstrate the progress of actions to the GDILG. It is important to note that being nominated for this task does not necessarily mean generating the data but could involve gathering it from other sources (on behalf of the GDILG).

Monitoring plan

The GDILG will take responsibility for monitoring progress, and the approach to monitoring the success of the strategy is summarised as;

- **Annual review –** The GDILG working group will work with GDILG members to collate data and experiences once a year to document progress towards delivering the action and outcomes of each theme noted.
- **Mid-term review –** After 5 years, a more detailed assessment of progress will be completed. This will involve collating all of the data collected in the annual reviews and combining it with insights and experiences of the GDILG members. The focus of this mid-term review will be on two specific matters:
  - » Progress towards actions and the outcomes of each theme (similar to annual reviews) and
  - » Whether the themes, outcomes and actions are still relevant

  The intended outcome of the mid-term review is that the strategy is revised as needed to ensure it continues to be relevant for the remaining five years.
- **Strategy review –** Close to the 2035 end of the strategy, a more comprehensive review will be conducted. This review will take the annual review data and the mid-term review and consider how much progress has been made towards the aspirations and outcomes for each theme. In addition to the data, the review should (if possible) include interviews with members of the GDILG to gather their insights on the successes and failures of the strategy.

Table 6-1: Monitoring plan

Action	How	Measure (and indicators)	Data collected by
Theme 1: Attract, support and develop People			
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. This could include having an education sector representative on the ILG.	**LEAD and COLLABORATE**	Engagement between ILG and education sector • Representative on the ILG • Number of discussions on education at ILG meetings or between members outside of meetings.	GDILG
2. Coordinate and collaborate with the education sector to ensure 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 partnering with the sector to build to identify where additional linkages can be made • Investigating opportunities to collaborate with/learn from other dairy regions to address gaps.	**LEAD and COLLABORATE**	Examples of discussions or documents that describe: • Available education • Education needs of the Gippsland industry. Examples of collaboration or coordination with the education sector. E.g.: • Planning or engagement by education bodies that includes the dairy industry • Examples where there have been changes to dairy related education (esp. if based on advice from industry).	GDILG Department of Jobs, Skills, Industry and Regions Education sector ILG partners
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**	Communications materials from members of the ILG that reflect the 'bigger' picture of the industry and the unique character of Gippsland's industry. Media articles and social media promotions that reflect this.	All members of GDILG

Action	How	Measure (and indicators)	Data collected by
Theme 1: Attract, support and develop people			
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 • The availability of support for succession planning from service providers such as the Rural Financial Counselling Service and other planners and collaborate with these specialists to ensure the Gippsland industry has access to this high-quality support.	COLLABORATE	Number of extension materials developed that reflect a focus on succession and its importance. Indicators that awareness of the importance of succession has increased: • Number of existing farmer groups seeking advice or information to provide to their members/network has increased • Increase in the number of inquiries and number of clients, as reported by service providers.	Rural Financial Counselling Service GippsDairy
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 (like 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 (EAP) 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 to ensure dairy industry workers feel valued and inspired.	COLLABORATE	Indicators that the focus on supporting people across the industry has increased: • Extent to which existing groups (like Young Dairy Network) are seeking information on support for people, and including this in their discussions (formal and informal) • Media or other information from the industry that focusses on wellbeing and health • Extent to which wellbeing and health are discussed at industry events • Use of available services has increased (e.g. EAPs) (only data as appropriate to protect privacy, e.g. percent changes in usage). Establishment of local online support hub Number of users of this hub	GippsDairy AgVic Processors and other EAP providers GDILG lead for online support hub

Action	How	Measure (and indicators)	Data collected by
Theme 2: Industry prosperity and resilience			
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 ILG 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 ('ready' for future opportunities).	INFLUENCE	Examples of GDILG (or members) engaging in infrastructure discussions. Indicators of increased awareness of the significance of ILG (as a means of engaging the whole industry) include the type and number situations where ILG was engaged by infrastructure bodies or agencies. Business case information prepared (Yes/No)	GDILG working group
10. Ensure access to sustainable water resources for the dairy industry is maintained and, where opportunities arise, enhanced for both irrigated and dryland dairying in the region.	COLLABORATE	Change in availability of water resources. Examples of accessibility to water resources improving.	GDILG working group

Action	How	Measure (and indicators)	Data collected by
Theme 3: Innovation and technology			
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	Level of support for adoption of innovations – e.g. grants Examples where the Gippsland industry has been used to assess or evaluate innovative approaches.	GippsDairy, AgVic Agencies providing support for innovation adoption
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	Examples of media and communications materials (e.g. newsletters, media releases) produced by members of the GDILG that focus on technological advancement of the industry. Examples where this is linked explicitly to career pathways in the industry in media, newsletters or other communications produced by members of the GDILG	All GDILG members
Theme 4: Environmental stewardship			
13. 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	Level of participation across the industry in initiatives, programs and projects focussed on climate adaptation and resilience. Information and resources produced that describe the industry's carbon footprint in Gippsland and actions to reduce it. Examples of media and communications materials (e.g. newsletters, media releases) produced by members of the GDILG that focus on adaptation and resilience of the Gippsland industry.	Catchment Management Authorities AgVic GippsDairy Milk Processors

Action	How	Measure (and indicators)	Data collected by
Theme 4: Environmental stewardship			
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**	Level of farmers' interest in information on schemes that relate to income from natural assets and credits for environmental services in regular forums or events.	Catchment Management Authorities AgVic GippsDairy 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**	Examples of media and communications materials (e.g. newsletters, media releases) produced by members of the GDILG that highlight the clean, green credentials of the Gippsland industry.	All GDILG members
16. Highlight the environmental stewardship already occurring across the Gippsland dairy industry and use this to show that the industry sees a healthy environment as key to its continued success and prosperity	**COLLABORATE**	Level of participation across the industry in initiatives, programs and projects focussed on environmental stewardship. Examples of media and communications materials (e.g. newsletters, media releases) produced by members of the GDILG highlighting that the industry's sees a healthy environment as key to its continued success and prosperity.	Catchment Management Authorities AgVic GippsDairy Milk Processors
17. Support ILG members to seek funding to create coordinated and industry-wide environmental stewardship. E.g. circular economy from farm to plate.	**COLLABORATE**	Examples of the GDILG members seeking and receiving funding for environmental stewardship programs or projects.	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 significance influence such as Gippsland Lakes, Corner Inlet, Anderson Inlet, Tarwin River, Powlett River	**COLLABORATE**	Level of participation across the industry in projects focussed on protecting and enhancing the specific natural assets of the region. Examples of support provided from the GDILG for partners developing and delivering these projects. Number of new water resource plans in place.	GDILG

Action	How	Measure (and indicators)	Data collected by
Theme 5: Community supports the industry			
19. Encourage, through extension and other mechanisms, region-wide adoption of best practice in animal welfare.	**COLLABORATE**	Animal welfare focussed information prepared and disseminated across the region. Examples of media and communications materials (e.g. newsletters, media releases) produced by members of the GDILG highlighting the importance of best practice animal welfare across the industry.	AgVic GippsDairy
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**	Examples of the GDILG driving greater coordination in sustainable management and raising the profile of the region's natural advantages.	GDILG
21. The ILG continues its leadership and coordination role biosecurity issues and natural disasters relevant to dairy in Gippsland.	**LEAD**	Examples where the GDILG has assisted in emergency preparedness, response or recovery.	GDILG
22. Support partners to deliver projects that contribute to community support for the dairy industry.	**INFLUENCE**	Examples where the GDILG has been involved in projects that support the dairy industry.	GDILG

7 Reference List

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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
Water Authority	• Melbourne Water • Southern Rural Water • South Gippsland Water.
Milk processors	• Saputo • Fonterra • Burra Foods • Bega • Australia Consolidated Milk • Bulla • Lactalis
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
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

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