Australian Dairy Plan















Background

The Tatura regional workshop is one of 23 regional workshops designed to contribute to the development of the Australian Dairy Plan – a nationwide plan for a profitable, confident and united dairy industry. This report captures the discussions held at that workshop. It is intended to provide a record for workshop attendees and a basis for those who could not attend the workshop to contribute to the conversation. This report will be combined with the reports of the other 22 regional workshops in the development of the Australian Dairy Plan.

Workshop sessions

- 1. The Set-Up: Why will this Plan be different?
- 2. How big is the appetite for change?
- 3. What needs to change?
- 4. What needs to be done?
- 5. What is success for the Australian dairy industry?

Workshop details

Date: 4 June 2019

Location: Ballantyne Centre, 9 Hastie St, Tatura

Facilitator: Stephen Petris – Nous Group

Coordinator: Murray Dairy, UDV

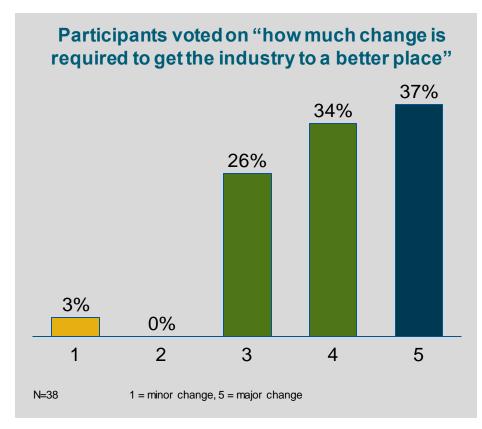
Attendees: 48 participants, including 30 dairy farmers, as well as service providers and representatives from UDV and Dairy Australia

1. The Set-Up: Why will this Plan be different?

The facilitator set out the purpose of the Australian Dairy Plan and the workshop

- This is a great opportunity to shape the future of dairy by contributing to the development of the ADP
- But you've heard this before what's different about this Plan? Why get involved?
 - The key players are working towards <u>one</u> national dairy plan, <u>one</u> set of national priorities, one voice in championing these priorities – that gives us more ability to drive change
 - This time the plan is being built from the 'bottom-up' i.e. by the people with 'skin in the game' you!
 - The partners are committed to turning the plan into action through their individual strategic plans

2. How big is the appetite for change?



In discussing the results, we agreed...

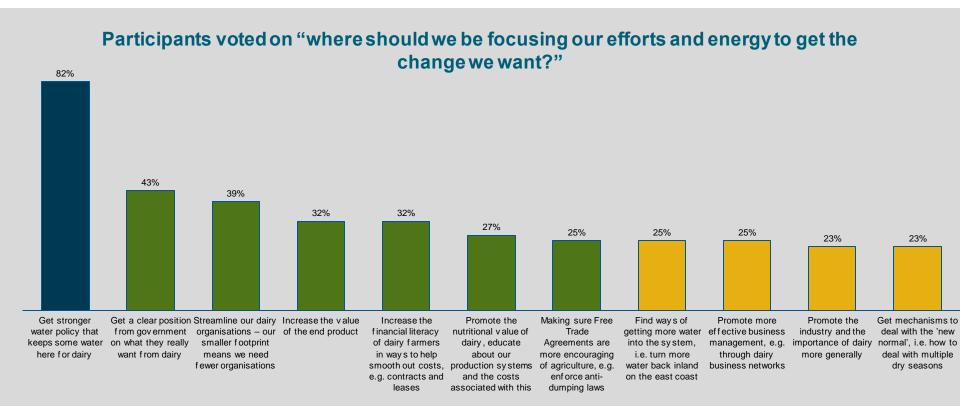
Why we need to change:

- The Industry is in a downward spiral, with too many people leaving the industry. We've lost a whole generation there is a lot of disillusionment. We haven't seen a price rise in 10 years.
- The industry is very negative, which affects young people / new entrants: why would they want to be in this industry? We want to be an industry of choice, we need to be promote the good things about dairy.
- Rules and regulations feel like they are designed to make people go broke.
- There is a lack of unity within the industry, which doesn't present a strong voice to government. We are too fragmented. There is a crisis, and our advocacy bodies need to recognise this.
- Vegans and environmentalists put out misinformation, and we need to do a better job of combatting this.
- The competition for water and land use is high irrigation water prices are too high and out of control.
- Water policy, supermarkets and Free Trade Agreements are affecting our ability to be profitable.

On the other hand:

- · The fundamentals of the industry are good.
- We are the lifeblood of the regional communities in which we operate (but we need to better explain the flow-on effects to local businesses / regional economies).
- Consumers will paymore for milk they do for bottled water we need to better at promoting this.

3. What needs to change?



4. What needs to be done?

We further developed our top 5 prioritised ideas by thinking about what success would look like, how we might get there and what might hold us back.

Get water policy right

- The dairy industry needs access to water at affordable rates. Currently northern Victoria is a sought after dairy region, but its reliant on water allocations being available, and they have not been recently.
- We propose a review on carry-overs to identify the impact on allocations and on water pricing.
- There needs to be greater transparency in the market across the whole trading environment. The aim should be to get more water back into the system.

Streamline our dairy organisations

- One dairy advocacy body that oversees both R&D and advocacy and is farmer controlled.
- It's role should include the promotion of dairy.
- It should be a body that is held accountable by dairy farmers, with compulsory contributions funded and controlled by farmers.

Get a clear position from government on what it wants from Dairy

- Work to get a clearer position from government on what it wants from Dairy, with greater certainty around policy.
- Our advocacy bodies need to work with government to identify clear action to influence a policy direction.
- This should include tackling energy costs, the removal of monopolies, and promote free trade agreements that are fair and equitable.
- A Royal Commission into the dairy industry, and consider whether re-regulation is an option.
- Advocate for water policy that supports dairy and regional community economies.
- Learn from the Canadian industry, the most profitable and environmentally friendly dairy industry in the world.

4. What needs to be done?

Increase financial literacy

- We need a greater percentage of farmers doing budgets that manage risk. The budgets and business plans should have the bank's buy in and contain better information to help set input costs for the year ahead.
- Continue the funding for dairy business networks.
- Introduce more frequent accountability of how our businesses are tracking.
- Change the culture where dairy farmers think that budgets are not needed. We need to become an industry that promotes financial literacy as key to success.
- Identify/develop a tech solution tailored to dairy that provides info/inputs into budgets and can be translated easily into DairyBase.
- Grow the understanding of risk management tools and provide education for those who need it.
- Create clear career pathway that encourages financial literacy and business acumen.

Promote the value of dairy and educate the consumer

- Dairy needs to inform consumers so that they can understand what is involved in producing dairy.
- We should advertise through all media social media, print, TV, radio and billboards with a series of small clips promoting individual products in prime time.
- It should focus on Australian products, emphasising that we are environmentally responsible, and promote into schools.
- We need to be aggressive with the comparison of milk with alternative milk products (and emphasise the nutritional benefits).
- Advocate for truth in labelling for dairy.

5. What is success for the dairy industry?

Imagining the future of the industry, we articulated our vision by developing the front page of the industry newspaper.

THE DAIRY TIMES

June 2025

In this issue, we look at dairy's journey to 2025 & celebrate the people and successes that have got the industry to where it is today.

A lot has changes since 2019. In 2025 Australia regained its position as a major player in the world dairy market. Milk is now more valuable than water!

I would be proud to have my children take over the family farm. I'm glad I stayed in the industry.

Our factories are running at full capacity. Our farmers are profitable and so are we.

2020, the dairy industry and the communities that rely on dairy are now booming.

Following our reforms to water in

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- Dairy farmer

- Processor

"

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Minister for Agriculture& Water Resources

Appendix. What needs to change? (full list of results)

Participants completed a survey on the workshop

- Get stronger water policy that keeps some water here for dairy
- · Get a clear position from government on what they really want from dairy
- Streamline our dairy organisations our smaller footprint means we need fewer organisations
- · Increase the value of the end product
- Increase the financial literacy of dairy farmers in ways to help smooth out costs, e.g. contracts and leases
- Promote the nutritional value of dairy, educate about our production systems and the costs associated with this
- Making sure Free Trade Agreements are more encouraging of agriculture, e.g. enforce anti-dumping laws
- Find ways of getting more water into the system, i.e. turn more water back inland on the east coast
- Promote more effective business management, e.g. through dairy business networks
- Promote the industry and the importance of dairy more generally
- Get mechanisms to deal with the 'new normal', i.e. how to deal with multiple dry seasons
- Promote the environmental success of dairy in this region, e.g. how we manage drainage
- Find ways to celebrate success in dairy again. Learn from people who are

making money, e.g. bring back dairy farmer of the year

- Continue to focus on margin stay ahead of other industries who compete for our land and resources
- Take back control of our levies with more farmer oversight
- Introduce ways to help young farmers purchase farms of viable size, i.e. young farmers' stamp duty concessions
- Improve labelling laws for dairy to include ingredients and its place of origin
- Get government support to stop one dollar milk
- Enlist out advocacy groups to fight the policies that are working against us
- Actively increase membership of advocacy groups i.e. compulsory memberships
- · Look at the environmental consequences of poor government policy
- Assess performance of advocacy groups
- Keep an eye on council plans and strategies that might push dairy out
- Phase out generic dairy products
- Learn from the tough times
- More unionisation and organisation of dairy farms