

Regional Workshop: Gympie

Workshop Output Report



Background

The Gympie 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: 24 May 2019

Location: Gympie Civic Centre, 32/34 Mellor St

Facilitator: Stephen Petris Nous Group

Coordinator: Subtropical Dairy, QDO

Attendees: 35 attendees including 23 dairy farmers. Included were representatives from Subtropical Dairy, QDO and various service providers.

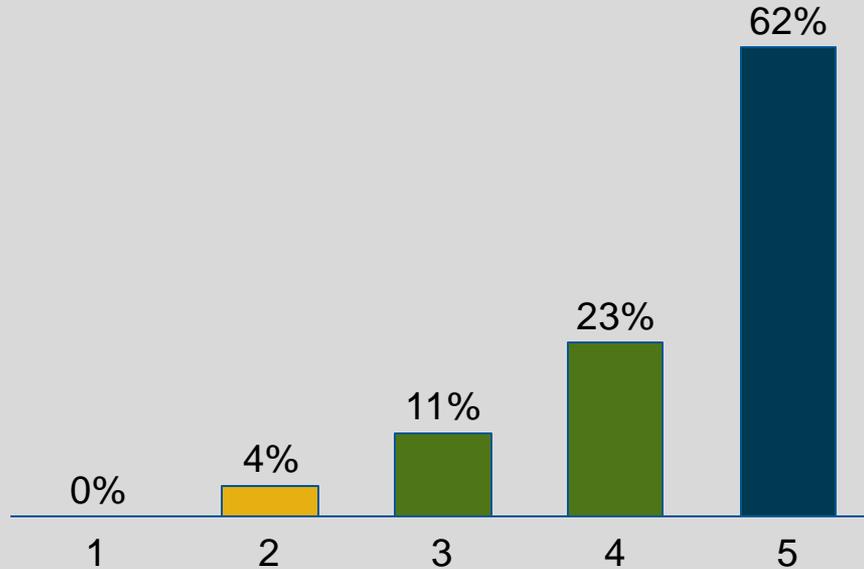
1. The Set-Up: Why will this Plan be different?

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 one national dairy plan, one 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?

Participants voted on “how much change is required to get the industry to a better place”



N=47

1 = minor change, 5 = major change

In discussing the results, we agreed...

We are not making any money, milk production is down, the number of farms is declining (“all we are doing is chopping the heads off cows”) - we will all be gone if things don't change (with flow on effects for the region)

Demand is there but the price isn't good enough – the market is not functioning properly re supply and demand (cf with other agricultural industries where prices rise when supply falls)

We are at the bottom of the chain – taking prices set by foreign owned multinationals and supermarkets who hold all the power

Our ‘voice’ could be strong but is splintered – we need to invest more resources in advocacy

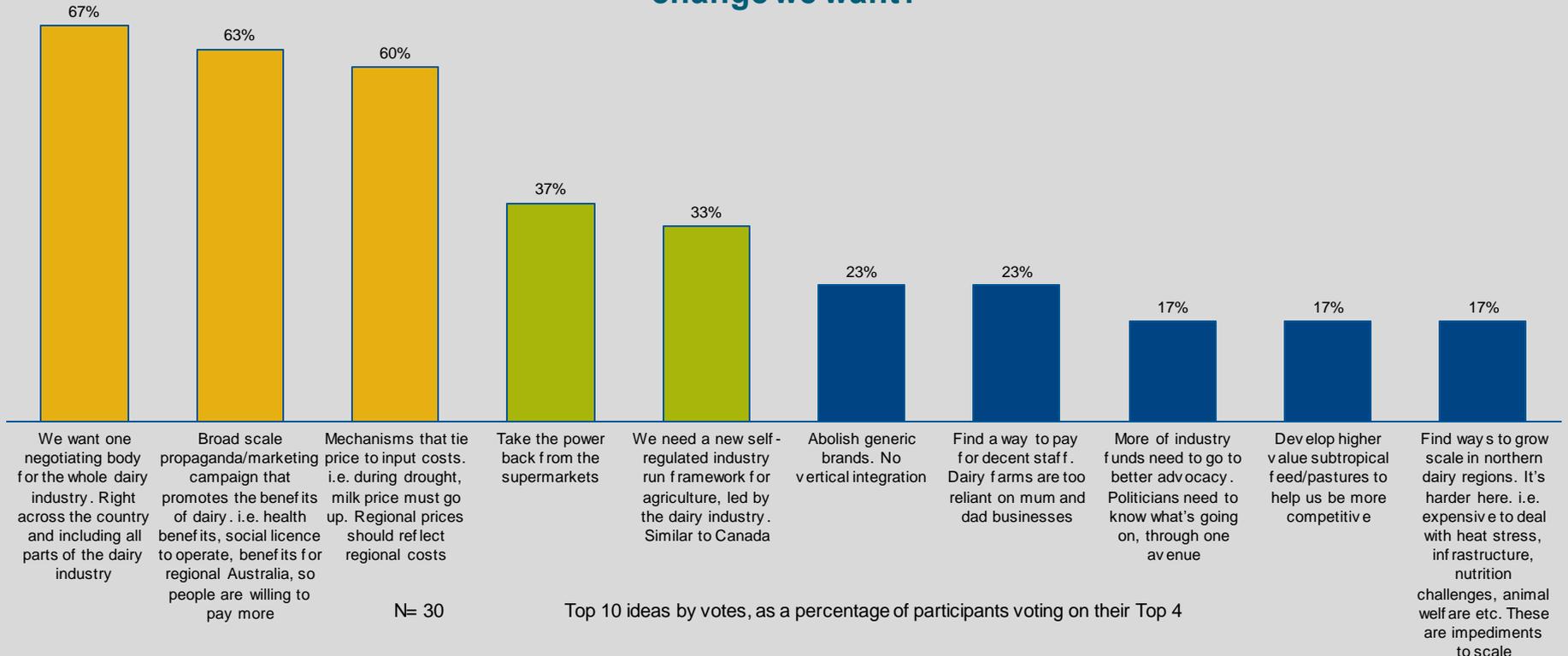
The public doesn't value the product enough – no one is thinking about where milk will come from if we don't produce it

The farmers that are left are passionate and relatively efficient – but poor margins and high levels of debt stops us reinvesting to find efficiencies in our production systems – no point investing in research if farmers can't use it

Our dairy organisations aren't listening to us – hard to see how they are trying to fix these issues – there is confusion about what each organisation is doing in a system that is ridiculously complicated

3. What needs to change?

Participants voted on “where should we be focusing our efforts and energy to get the change we want?”



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.

One industry body

We need a united and effective advocacy body that includes R&D and service delivery, focused on ensuring dairy farming is profitable.

All industry bodies should be rationalised into one effective organisation. This would include all regional representation. A taskforce should be established to deliver this change.

This would improve communications between all involved in the industry and be a more effective use of the levy.

Disunity and not being open to change could hold us back.

A broad scale propaganda / marketing campaign

Dairy needs to be marketed as the 'beverage of choice' – so that consumers choose value over price.

Advertising should target at least three markets – children, adults and seniors and promote nutritional benefits of dairy. Bust myths, and market the benefits to regional Australia of dairy. It should be for 100% Australian businesses, and promote it has no additives, unlike plant based products.

Capture % of dairy sales into an industry body, to fund broadscale marketing and advertising of dairy products and the community.

A self-regulated framework for the dairy industry

Establish a self-regulated framework for the dairy industry, legislated by government.

The framework should encourage sustainable profits for all. A campaign to engage consumers so they demand it.

All stakeholders need to be in agreement and need to be at the one table, with clear protocols for dispute resolution and a detailed plan to integrate the working self-regulated framework into the current industry.

Must have excellent leadership to bring all parties to common goal sustainable profits.

**Not all attendees believed we need large-scale change here. Rather, the structures are more or less right: there is just a need for increased clarity and some redefinition of their roles.*

4. What needs to be done?

Customers need to value dairy more – we need to better educate the consumer

Mechanism to tie price to input cost

The industry needs to return to being profitable by taking control of our own pricing. By 2025 the industry should be getting 90c per litre. Regional variable costs would be on top of that.

Put in place an Eastern Seaboard quota system. With strong profits, this would mean no need for government handouts during difficult times, i.e. drought.

More money will allow dairy farms to attract quality staff, and better manage environmental issues.

ACCC approval would be needed here.

Take the power back from supermarkets

By 2025, there should be no generic brands on supermarket shelves. This includes no vertical integration.

This industry should fund a legal challenge – like the what the National Farmers Federation did with the waterfront. Dairy could enlist other industries to help fund the campaign, as they will get benefit too.

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.

The dairy industry has changed a lot since 2019. Now we see people seeing it as a viable industry to join. In 2025 dairy is the shining light of agriculture.

“

Looking forward to my children taking over a profitable, thriving business, which supports other local businesses.

”

- Dairy farmer

“

So glad we are not fighting with farmers.

”

- Processor

“

Other industries take a look at dairy – change your policies and follow their success.

”

- Minister for Agriculture & Water Resources

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

Participants completed a survey on the workshop

- We want one negotiating body for the whole dairy industry. Right across the country and including all parts of the dairy industry
- Broad scale propaganda/marketing campaign that promotes the benefits of dairy, i.e. health benefits, social licence to operate, benefits for regional Australia, so people are willing to pay more
- Mechanisms that tie price to input costs. i.e. during drought, milk price must go up. Regional prices should reflect regional costs
- Take the power back from the supermarkets
- We need a new self-regulated industry run framework for agriculture, led by the dairy industry. Similar to Canada
- Abolish generic brands. No vertical integration
- Find a way to pay for decent staff. Dairy farms are too reliant on mum and dad businesses
- More of industry funds need to go to better advocacy. Politicians need to know what's going on, through one avenue
- Develop higher value subtropical feed/pastures to help us be more competitive
- Find ways to grow scale in northern dairy regions. It's harder here. I.e. expensive to deal with heat stress, infrastructure, nutrition challenges, animal welfare etc. These are impediments to scale
- More opportunities for young people. More programs that support succession planning. e.g. leasing, share-farming, separating land from farms
- More opportunities for young people to get into dairy. e.g. more education and training
- Let's get on a level playing field, re global competitors' subsidies
- Make getting a milk price a priority
- More systems to prepare and recover for natural disasters
- More resilience against parasites and other insects to reduce costs
- Build more positivity in the dairy industry