Australian Dairy Plan















Background

The Lismore 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: 22 May 2019

Location: Lismore Workers Club, 231 Keen St

Lismore NSW 2480 Australia

Facilitator: Stephen Petris Nous Group

Coordinator: Subtropical Diary, QDO

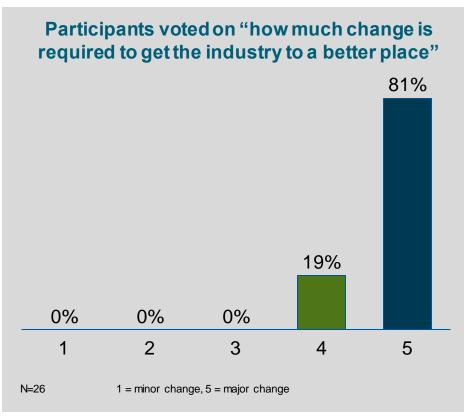
Attendees: 27 attendees including 21 dairy farmers. Included were representatives from Subtropical Dairy, QDO and various service providers.

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 <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...

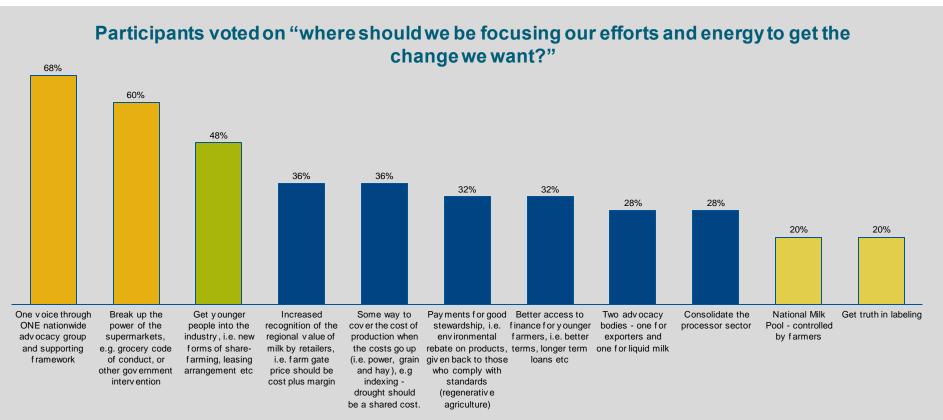
Why do we need to change:

- It is all about the \$ and we are poor we are not financially viable
 – we are on the precipice!
- Morale is very low lots of mental and physical health issues
- There is no way for young people to get into the industry, and no incentives to try to
- Our representation has failed us our advocacy work is fractured – we need one voice
- No unity Victoria doesn't care if NSW/Qld shuts up shop and processors don't help by transferring milk
- We have an image problem e.g. people don't think we are looking after our animals properly
- Lack of labelling laws don't help people are picking up the cheap imported product
- Service providers are also suffering, and there is no profitability in processing (note massive write downs)

On the other hand:

- Dairy farming is a good lifestyle a great way to raise a family, to teach kids about work ethic and problem solving
- We do have a great natural product, and we are pretty sure the community still wants dairy farmers
- There is a lot of camaraderie in the industry we share a lot of knowledge and expertise
- There are some good DA programs we don't want to lose e.g. Cows Create Careers, Young Farmers Network

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.

One voice through ONE advocacy group, nationwide

A farmer funded levy model to fund a single advocacy body.

Similar to the ADF, the body will be a unified voice for all dairy farmers, and those with skin in the game. All other organisations to be abolished.

The national body will have one vote from each state. State farmer bodies will report into the single body. Alongside the state farmer bodies a domestic and export committee should be established.

The body should fund professional lobbyists at the top to strongly advocate for farmers, with a united voice.

Break up the power of the supermarkets

In 2025, the milk price should reflect the true cost of production across the whole dairy cabinet, that recognises regional costs in pricing.

We need a mandatory code of conduct for supermarkets, and establish a commissioner with the power to enforce it.

We need to lobby government to initiate this - seek funding for an investigation to understand national pricing.

Government needs to be more concerned about food security for our island home than it currently is.

Get young people into the industry

We need more profitable farms so that young farmers cans see a future in the industry, and one that they can afford.

Two-thirds of all Australian dairy farms by 2025 should have in place succession plans. The means educating existing farmers on how to hand over to next generation.

We suggest a loan scheme be established for young farmers, similar to HECS, that is paid back on reaching certain KPIs for the business (i.e. income and profit).

4. What needs to be done?

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

Recognise the regional cost of milk

We need a mechanism that recognises the TRUE value of Australian milk, throughout the dairy cabinet. Retailers need to recognise the cost of production and price accordingly.

This will require government pressure and the ACCC to break up the power of supermarkets.

With increased profit, there will be more investment in opportunities for the regions which in turn will increase positive perception of dairy.

There needs to be a focus on negotiating legislation that puts in place mechanisms that support the industry and the broader regional communities.

Payments for good environmental stewardship

Establish a milk brand that recognises good stewardship. Included should be a quality assurance system, to reward farmers that are using environmental best practices.

Price could include an environmental stewardship component that is utilised to support the farming sector. We need to reward the champions of a sustainable industry. This could be linked to a broader agricultural industry approach, with dairy leading the way.

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

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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 a big, bold, beautiful dairy industry, stronger than ever. In 2025, we had 10 dairy farmers hit the top 100 rich list!

I am having fun and making money.

It's great to be involved in a stable industry with constant supply.

demonstrated by today's
Australian dairy farmers is second
to none.

The environmental stewardship

"

- Dairy farmer

- Processor

"

7

Minister for Agriculture
 & Water Resources

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

Participants completed a survey on the workshop

- One voice through ONE nationwide advocacy group, supported by one framework
- Break up the power of the supermarkets e.g. grocery code of conduct, or other government intervention
- Get younger people into the industry, i.e. new forms of sharefarming, leasing arrangement etc.
- Increased recognition of the regional value of milk by retailers, i.e. farm gate price should be cost plus margin
- Some way to cover the cost of production when the costs go up (power grain and hay). e.g. indexing – drought should be a shared cost
- Payments for good stewardship, i.e. environmental rebate on products, given back to those who comply with standards (regenerative agriculture)
- Better access to finance for younger farmers, i.e. better terms, longer term loans etc.
- Two advocacy bodies one for exporters and one for liquid milk
- Consolidate the processor sector

- National Milk Pool controlled by farmers
- Get truth in labelling
- Education on the value of the product through the supply chain
- Re-regulate dairy for the farm gate milk price i.e. back to what it once was
- Better yielding pastures coming through the system to increase profitability
- Increase access to skills from the top 25% of farmers i.e. budget, cost of production etc.
- Create fund for consistent promotion through good and bad times
- Government assistance for infrastructure when there are young partners in the dairy business
- Revisit 457 visas to get the right skills on farm
- Access to retiring dairy champions to education farmers. Keep them in the system so as not to lose their knowledge