Dairy Australia

2019/20

PERFORMANCE REPORT

CONTENTS

INTRODUCTION

This Performance Report provides detailed information on Dairy Australia's range of program investments on behalf of levy payers during 2019/20, which are focused on supporting the profitability and sustainability of dairy farming.

Last year Dairy Australia invested $55.3 million across 12 key program areas defined in our 2017–20 Strategic Plan. This report is designed to provide transparency around our funding allocations in these programs, along with key outputs and highlights. Also included are independent evaluations of a cross section of projects.

We hope to demonstrate the value that Dairy Australia provides to our industry not only through the dairy levy, but also in government matched funding for eligible research and development projects and co-investment from collaboration partners.

Key group-level performance metrics are also outlined across different aspects of our organisation including financial, people, stakeholder satisfaction, technology and infrastructure, and risk management.

This Performance Report serves as an accompanying document to our Annual Report 2019/20, which contains additional information on key achievements, people and corporate governance and is available via our website **dairyaustralia.com.au**

In October 2020 Dairy Australia launched a new five-year Strategic Plan which aligns with key commitments of the Australian Dairy Plan. Future Performance Reports will evaluate our activities in the seven priority areas of this strategy and supporting projects.

Jeff Odgers
Chair

David Nation
Managing Director

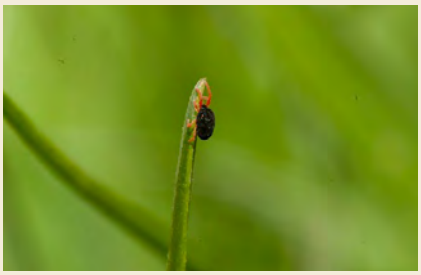
James Mann
Acting Chair from
25 March 2020.
Permanent appointment
on 30 July 2020.

STRATEGIC PRIORITIES

To achieve our core business objectives and guide investment activities, we develop and review annual strategic priorities. Our 2017–2020 strategy has three areas of strategic priority and 13 strategic programs as set out in the table below. A complete list of our projects can be found in our 2019/2020 Annual Report.

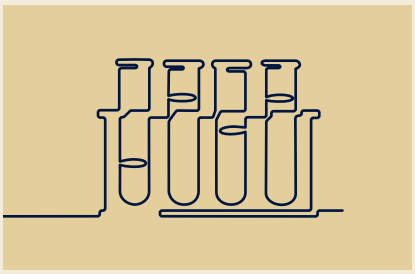
Strategic Priority – focus/scope	Strategic Programs
1 Profitable dairy farms	
Pre-farmgate activities that contribute directly towards improving farm profitability by balancing cost of production, risk and total return on investment. The majority of this activity is productivity improvement-oriented R&D, best practice identification and subsequent program development. **Post-farmgate** activities focused on improving farmgate sustainability and opportunities through supply chain cost reductions or improved conditions in key international markets.	• Animal Health, Welfare and Fertility • Genetics and Herd Improvement • Feedbase and Animal Nutrition (including AgTech and Innovation) • Farm Business Management • Land, Water and Carbon • International Market Support • Manufacturing Innovation and Sustainability
2 Capable people	
Programs that enhance the capability of industry participants, including extension services (activities to assist the adoption of R&D through activities that educate and inform or develop capacity to adopt change). This includes education and training activity, attracting people to the sector and assistance with career transitions.	• Regional Extension Service • People and Capability
3 Trusted dairy industry	
Activities that have a strong focus on maintaining the industry's community trust including: • Marketing and communications to build consumer trust and confidence in dairy products and the industry. • Informing industry and government policy development with industry insights and research. • Collecting, analysing and distributing sector statistics and information for the benefit of industry stakeholders. • Maintaining the sector's Sustainability Framework which sets and measures goals around sustainability credentials.	• Industry and Community Marketing • Industry Risk and Reputation Management • Knowledge and Insights

2019/20 key achievements



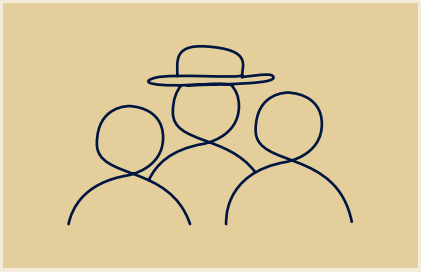
Delivered the **Insect Mapping study** in early 2020 which identified 148,000 invertebrates from over 2,300 samples and a further 19,000 from over 2,300 soil samples.

Published four years of economic data on profitability of farms with **Automatic Milking** compared with conventional farms – a global first.

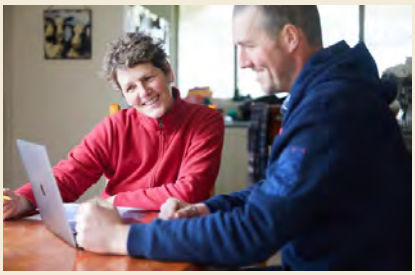


Delivered the latest **ABV release** of eight new or updated traits. Three of these relate to health/welfare while five relate to type This is a result of the commercialisation work done in DairyBio Animals projects.

A new method to enable farmers to identify low-fertility cows with 77 per cent accuracy was developed. The milk mid-infrared spectroscopy (MIR) technology allows farmers to optimise herd management in their **animal breeding decisions**.



Made available **Our Farm, Our Plan** to farmers in all regions. The program has been committed to in the Australian Dairy Plan to rapidly increase farm business skills.



Launched **Transition Cow Management Online** which included four weeks of online learning. Participants rated the course an average of 9.3/10 for relevancy with 9.2/10 for recommending it to others.

Provided leading varieties of **F1 perennial ryegrass** from our current breeding program for evaluation in trials across Australia and New Zealand. These have shown significant success in both countries as the lowest cost and most profitable feed source.

Provided extensive dairy industry input and worked with the Australian Dairy Industry Council towards the successful ratification of **trade negotiations** with Indonesia, Peru and Hong Kong. This will deliver improved market access and mechanisms to address non-tariff restrictions to trade.

Supported industry efforts to combat the European Union's push to impose a **Geographical Indicators** regime on Australia that is designed to restrict Australian manufacturers use of many common cheese names like parmesan and feta.


DO NOT
OVERTAK
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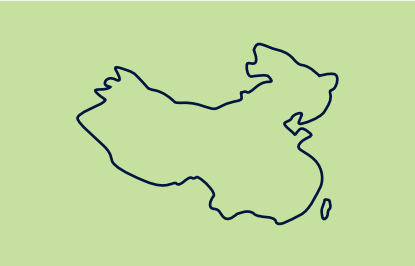
2019/20 key achievements



Celebrated the 20th anniversary of the **DA China Scholarship Program** training over 300 senior and middle managers from the three markets of China Mainland, Hong Kong and Taiwan.

Collaborated with dairy manufacturers to develop a **Dairy Packaging Roadmap** to 2025 to meet the Australian Government's 2025 National Packaging targets.

Adapted the delivery of extension as a result of COVID-19 and transitioned to delivery of **online extension** and remote facilitation.

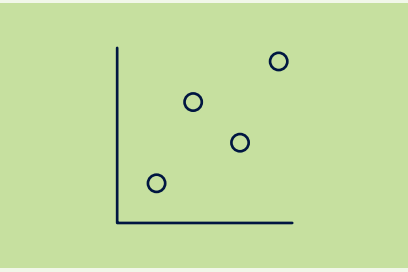
Coordinated the dairy **COVID-19 response** including dairy specific resources related to managing workforce, human resources and industrial relations on farm during the pandemic.

Delivered **Dairy Passport**, an online platform that allows dairy farms to manage farm team members and link them to the key tasks that need to be undertaken on-farm.

Established three **new partnerships** with education providers: Marcus Oldham College, the University of Sydney and University of Tasmania to attract more people to dairy.

Delivered the **Dairy Matters** campaign, reinforcing our commitment to health, our animals and our environment. As a result over 80 per cent of socially conscious consumers (key target audience) trust dairy as a healthy and wholesome food.

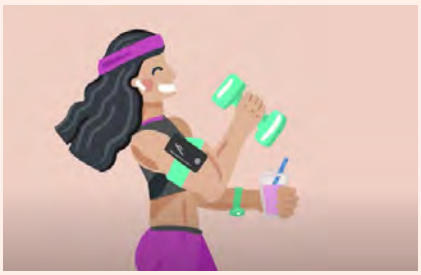
Held the **Australian Grand Dairy Awards** which raised awareness of Australia's high quality dairy, with 83 per cent of consumers feeling more positive towards the industry after seeing the campaign.



Provided significant **analysis and data insights** that have been vital in responding to uncertainty as a result of **COVID-19 response**.

2019/20 key achievements

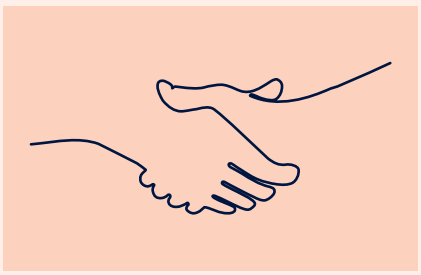
Celebrated the 20th annual **World Milk Day** with the 'milk matters' social media campaign led by the dairy industry's new ambassador and AFL footy legend Jonathan Brown.



Launched the **Dairy Matrix** with GPs and dietitians to reinforce dairy's unique health benefits, contributing to 88 per cent of GPs feeling confident to recommend dairy as part of a balanced diet.

Reached 4.8M Australian's through the **Here for Dairy** campaign, delivered off the back of COVID-19 to reinforce that dairy farmers were continuing to provide fresh, nutritious dairy every day.

Delivered the **Picasso Cows** schools education program reaching over 18,750 students and providing in-depth learning about the industry and the health benefits of dairy.

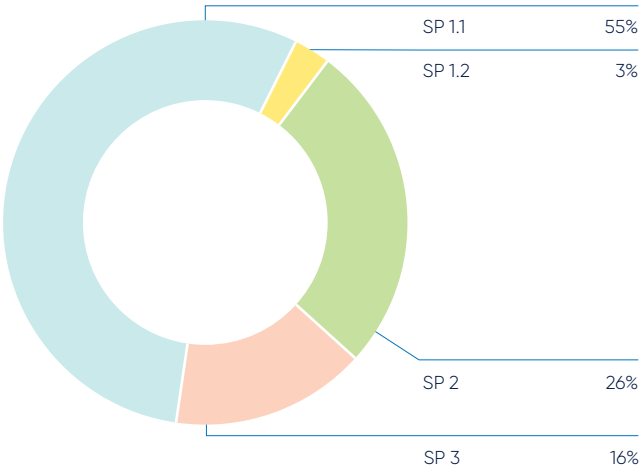


Provided **strong policy support** to industry in areas including the Murray Darling Basin Plan, calving induction, labour, Health Star Rating scheme and labelling of plant based dairy alternatives.

Conducted a Materiality Review to support the **industry's Sustainability Framework** to determine what matters most to external stakeholders.

FUNDING ALLOCATION

Project expenditure



Strategic Priority 1

1.1 Pre-farmgate activities

Funding allocation ($'000)	30,419

1.2 Post-farmgate activities

Funding allocation ($'000)	1,659

Strategic Priority 2

Funding allocation ($'000)	14,380

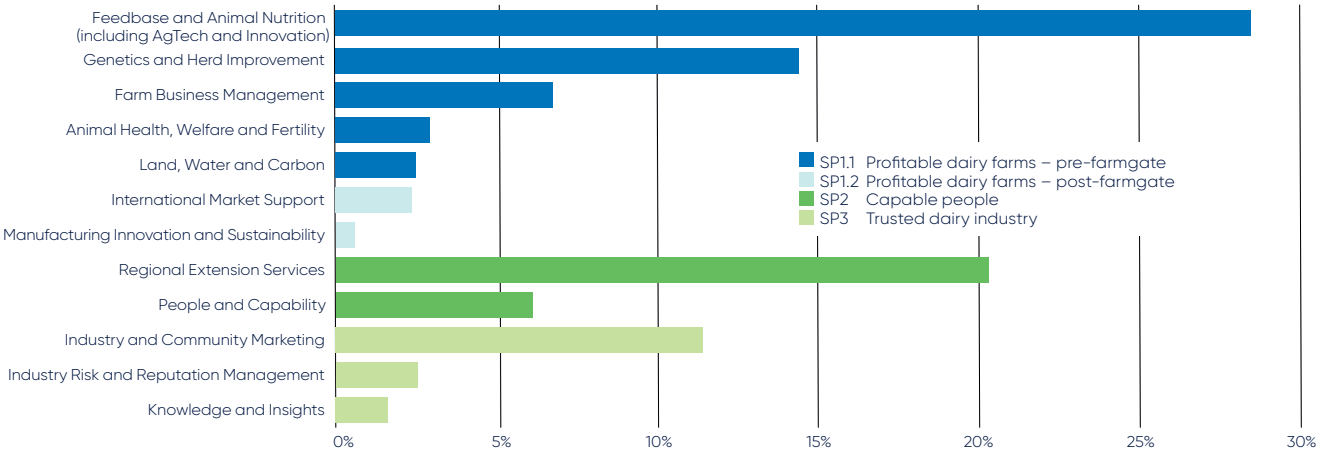
Strategic Priority 3

Funding allocation ($'000)	8,849

Total funding allocation ($'000)	**55,307**

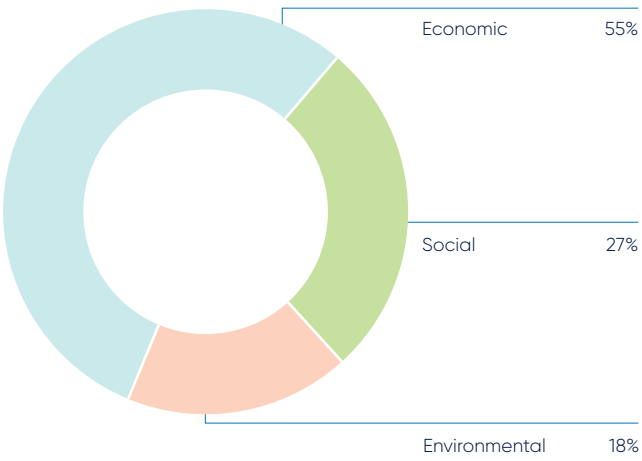
PROGRAM INVESTMENT

How funding is allocated across Dairy Australia's strategic programs

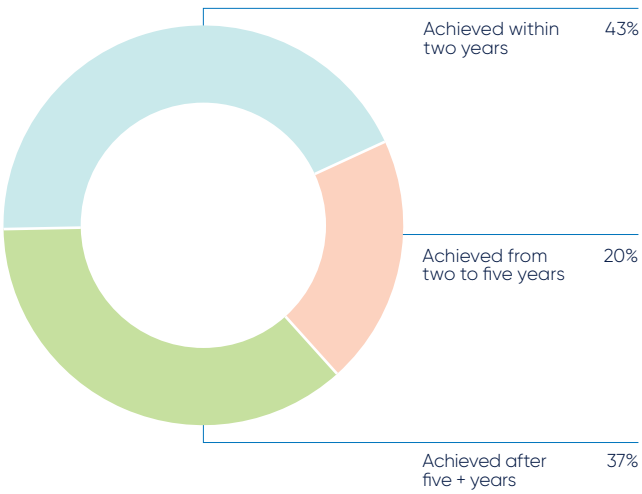


INVESTMENT FOCUS

Triple bottom line allocation



Time horizon to achieve project benefits

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STRATEGIC PRIORITY 1

PERFORMANCE SNAPSHOT

Profitable dairy farms

Strategic Priority 1 comprises two streams:

1 Pre-farmgate activities contribute directly towards improving farm profitability by balancing the cost of production, risk and total return on investment. Activity is focused on improving productivity through R&D, identifying best practice and developing programs.

2 Post-farmgate activities focus on improving farmgate sustainability and opportunities through supply chain cost reductions or improved conditions in key international markets.

STRATEGIC PROGRAM 1.1

Feedbase and Animal Nutrition (including AgTech and Innovation)

Objective

Improve farm profitability and resilience via optimised feeding systems and more efficient feedbase management.

Investment (2019/20)	Projects
$5.9m	DairyFeedbase (P264)
	DairyBio – Forages (P217)
	Animal Nutrition and Feed Systems (P254)
	Supporting Practice Change (P252)
	Forage Improvement (P255)
	Advanced Management Technologies (P110)

Program outputs and highlights

- DairyFeedbase
  - The SmartFeeding project has explored the effects of time away from the paddock on milk yield and dry matter intake. Results show gains in milk yield of over 5 kg/cow per day if pasture can be allocated more evenly across a herd.
- DairyBio – Forages
  - New F1 perennial ryegrass varieties have been developed from the four parental pools and are being evaluated in four trials across Australia and New Zealand. Extensive field trial results from F1 varieties have shown significant heterosis in both countries and represent some of the leading varieties from the current breeding program, which are targeting yield improvements of 10–20 per cent. This is a critical development for farmers as pasture is the lowest cost and most profitable feed source.
  - Plant phenomic tools have been advanced and extended to additional traits including forage nutritive values, nitrogen use efficiency (NUE) and water use efficiency (WUE). Light Detection and Ranging (LiDAR) processing pipeline for biomass yield is in progress. The development of DairyBioMass brackets for side-by-side vehicles and plot harvesters are being advanced. The development of DairyBioBot 2.0 (the robotic vehicle to deploy non-destructive plot measurements) is being advanced.
- In the C4 milk project[1], a new extension plan has been developed and implemented from July 2019.
- Analysis continued on trial data from the Western Australia Seed Performance (WASP) trials including how this can be included in planned annual and Italian ryegrass Forage Value Index (FVI) to be released next year. This would extract significant extra value from these trial datasets.
- The Insect Mapping study was completed in early 2019 identifying 148,000 invertebrates from over 2,300 samples collected above ground (vacuum samples), and a further 19,000 invertebrates identified and counted from over 2,300 soil samples. Economic analysis of the impact of these pests on farming systems helped inform guidelines and recommendations in dealing with these pests.
- A new trial commissioned by Dairy Australia began in April 2020 on Tall Fescue cultivars in south-west Victoria, will contribute to a new Forage Value Index (FVI) for Fescues as part of the development of the FVI into other species in coming years.
- A fourth year of economic data is being analysed on Automatic Milking Farm profitability versus conventional milking. This helps farmers determine the economic feasibility of Automatic Milking Systems for their farm. A researcher on the project, Juan Gargiulo had a manuscript of this work accepted for publication in the Journal of Dairy Science – a huge achievement as no economic comparison study has previously been published.

1 C4 milk is a joint research project between Dairy Australia and the Queensland Government's Department of Agriculture and Fisheries focusing on forages and nutrition in the northern dairy industry.

INSECT STUDY

Case study

Objective

Invertebrate pests, above and below ground, cause significant damage to pasture on Australian dairy farms with the economic impact ranging from $500/ha to $200,000 per farm.

However, a deeper understanding of the type, frequency and distribution of the major invertebrate pests present on dairy pastures provides a better platform to develop more effective pest management solutions. This increases the resilience and sustainability of dairy production systems seeking to maximise home grown forage production to improve profitability.

Increasing the knowledge and awareness of major invertebrate pests on Australian dairy farms can help quantify the economic impact on dairy pasture. The study was by PastureWise, CESAR, University of Melbourne and AgResearch.

Action

Over two consecutive years, above and below ground samples from paddocks across 57 dairy farms in south-eastern Australia's dairy regions were collected over autumn and spring. Invertebrates present in the soil, on the soil surface and within the pasture, were sampled at multiple sites within the same paddock.

When the sampling was complete, the entire invertebrate community (including both beneficial and non-beneficial species) detected in the samples were quantified and identified to the lowest possible taxonomic classification. Expert elicitation methods were also used involving experienced advisors in various regions who provided information on key pest concerns and pest frequency over a 10-year period.

The information generated was used in a stochastic simulation model to calculate estimates of the economic impact of various pasture pests on pasture utilisation on a $/ha basis.

Impact

The study identified 73 unique invertebrate 'taxa', of which 40 were regarded as pests. The most abundant pests across all regions on pastures and on the soil surface were Lucerne flea, bird cherry-oat aphids and blue oat mites, with red legged earth mites highly abundant in Victoria and South Australia, less prevalent in NSW and only detected at one site in Tasmania. Below ground samples showed variability between regions in the prevalence of pests however mealybugs and root aphids were present in most regions. Beneficial invertebrate species were also detected, including natural enemies of pests and other invertebrates that contribute positively to the pasture ecosystem via improved decomposition, nutrient recycling and pollination.

Economic modelling of the impact showed the expected cost of annual pasture losses per hectare in each region ranged from $75/ha to $600/ha. Independent assessments provided for the impact of several pests within each region on pasture losses.

The project is now complete with the pathway to adopting the results currently being developed. It is likely to include updated extension material on the prevalence and costs of the pests identified, as well as opportunities to use the data generated to improve the identification and classification of pests by industry advisors.

EX-POST EVALUATION

PASTURES ON PAR (PART OF P252 – SUPPORTING PRACTICE CHANGE)

The Pastures on PAR program has been effective in contributing to practice change and improved pasture growth, delivering net benefits for dairy farmers.

Pastures on PAR program

This evaluation assesses effectiveness of the Pastures on PAR program in meeting key objectives and estimates the program's net benefits using the 2014 impact assessment guidelines of the Council of Rural Research and Development Corporations (CRRDC).

The 'PAR' stands for Participatory Action Research, a process in which researchers and research participants work collaboratively to identify research needs, steps to take, and reflect on outcomes.

The program operated between 2015 and 2018. With two key components:

- A Pastures on PAR group (PAR group), comprising seven dairy farmers and a range of other experts including consultants, agronomists and scientists. The key priority set by the PAR group related to whether increased monitoring and measuring has the potential to improve decision-making around grazing management and increase pasture consumption. Some key activities of the PAR group included: working together to set research priorities; undertaking research activities; and collecting and reviewing pasture measurement on the PAR group farms. The PAR group farmers were those that had a reasonable amount of experience with pasture measurement in the past.
- Coaching groups. A total of 53 farmers participated in the coaching component of Pastures on PAR, comprising four groups of six to eight participants in 2016/17 and three groups in 2017/18. These farmers identified the need to further develop their skills in pasture measurement. The groups met eight to 10 times during a 12 month-period with each participant hosting a meeting on their farm at least once. The key focus of the coaching groups was on pasture measurement, with each pasture coach showing farmers worked examples of how to calculate key pasture management decision factors, such as leaf emergence rate and average pasture cover, along with space to input their own data during the meeting.

Program effectiveness

The program has been effective in delivering changes in farm practices. A key noticeable change was that farmers in the coaching group had a higher frequency of participating in pasture measurement activities compared to before they participated in the program. Importantly, a survey of farmers indicated that pasture growth increased by 15 per cent by participating in the program and that farm profits have also increased.

Net benefits of the program

The net benefits of the Pastures on PAR program are estimated to be $1.6 million over a 30-year period, with a benefit cost ratio of 1.7. Based on its contribution to total program costs, Dairy Australia's estimated net benefit is $0.7 million. Note that the analysis in this section does not estimate the benefits or costs of other components of Dairy on PAR. Moreover, the focus on the benefit cost analysis is on Pastures on PAR.

Benefits are estimated at $4.6 million with most coming from an increase in farm profits through changes made to pasture management practices. Total program costs are estimated at $2.9 million with costs funded by both Dairy Australia and the Tasmanian Institute of Agriculture (TIA). Dairy Australia's funding contribution was 41 per cent of total costs over the total program ($1.2 million).

Insights

As part of the PAR group process, research was undertaken in a range of areas related to pasture growth and measurement. The research undertaken during the project has likely not contributed materially to the estimated benefits. Much of the research undertaken to date requires further work to determine practical uses on-farm. This especially relates to developing advanced approaches to measuring and monitoring pastures and incorporating plantain into existing perennial ryegrass pasture swards. Further ex-ante estimation of benefits and costs should be undertaken of these research streams prior to further work being undertaken.

Management response

The evaluation was done with extensive consultation of the Farm Team at Dairy Australia, Dairy TAS and TIA. While the overall results show a positive impact, the review process highlighted shortcomings in the approach and management of the project. This related to the setting of clear objectives and ensuring the measurement of these objectives was embedded into the program.

The other area of note was the recording and management of pivots within the project. While these changes had been approved through the project management committee, the changes were easily identifiable in relation to the contract and deliverables. These specific short falls are addressed through the Project Management Office (PMO) and Investment Review Panel (IRP) approach that is now embedded in Dairy Australia. New projects and changes to existing projects are coming through the IRP with the actions appropriately recorded and actioned. Project plans that are developed comprehensively deal with evaluation as a component of project design. Specifically, these areas have been discussed with TIA and will be included in the DairyHIGH project that is currently being drafted.

STRATEGIC PROGRAM 1.2

Genetics and Herd Improvement

Objective

Provide farmers with the ability to utilise genetic gain to improve the productivity and profitability of their herd.

Investment (2019/20)	Projects
$4.5m	Herd Improvement (DataGene) (P109)
	DairyBio – Animal Improvement (P108)

Program outputs and highlights

- Eight new/updated ABVs have been delivered by DataGene resulting from research under the DairyBio Animals project. Three of these relate to: health/welfare (mastitis resistance, gestation length and calving ease) while five relate to type (overall type, mammary system, feet and legs, dairy strength and rump).

- A scoping study in conjunction with DataGene was undertaken to look at accelerating the uptake of Genomic Selection in Heifers.
- A new method to enable farmers to identify low fertility cows in their herds (with 77 per cent accuracy) was developed using Mid Infra-red (MIR) technology which will enable optimal herd management in relation to animal breeding decisions including best use of semen and culling decisions.

DAIRYBIO – NEW ANIMAL TRAITS

Case study

Objective

Genetic improvement for traits associated with cow health, fertility, efficiency and longevity lead to greater farm income and improved sustainability and animal welfare. The DairyBio program uses world-class bioscience to focus on improving the core drivers of productivity including animal performance.

This has resulted in dairy cows that eat more, convert more efficiently and waste less. DairyBio will continue to drive greater productivity gains as highly sophisticated breeding programs, driven by genomic selection, are adopted by industry.

Action

By developing and adopting technology like genomic selection, DairyBio animal will deliver 27 years of animal genetic improvement within six years. DairyBio animal custom-made single nucleotide polymorphism (SNP) chips have improved genomic selection, developing highly predictive SNPs for key traits and having the ability to genotype directly. The SNP chips incorporate methods to accommodate different SNP weights and multi-breed analysis.

Reliability of breeding values is now at 78 per cent (in 2019) up from 44 per cent in 2009. The reliability of the fertility ABV was 18 per cent in 2009 and improved to 56 per cent in 2019.

In April 2020, mastitis resistance was introduced for the first time using a model that combines clinical disease records, somatic cell count and udder depth. Improvements to established traits and breeding values have also been delivered while progress has been made on crossbreed breeding values by leveraging international partnerships.

Impact

DataGene's Good Bulls Guide uses DairyBio's new and improved ways to calculate ABVs to rank bulls available in Australia. This enables farmers and advisers to use the Balanced Performance Index (BPI) and the Health Weighted Index (HWI) for the selection of bulls to meet their breeding objectives.

There has also been progress in adopting the eight latest new or revised ABVs from DairyBio research, with DataGene using their improved genetic evaluation service. Heat tolerance is now an established trait and since April 2020, genomic calving ease, mastitis resistance and gestation length traits have been implemented and available to farmers.

After 10 years of selecting bulls using the Good Bulls Guide BPI, which incorporates DairyBio's ABVs, a herd's milk composition should have 4.1 per cent greater fat and 4.5 per cent greater protein. The top 25 per cent of BPI cows are also delivering an additional $300 margin over feed cost per cow. The increase in reliability alone is valued at $27 per cow per year.

STRATEGIC PROGRAM 1.3

Land, Water and Carbon

Objective

Build industry capability to manage land, water and energy resources to minimise environmental impact while enhancing profit and improving industry capacity to mitigate climate risk.

2019/20 Investment	Projects
$1.2m	Smarter Irrigation for Profit (P272)
	Climate Change Support (P130)
	On-farm soil and nutrient management (P128)

Program outputs and highlights

- Rural R&D for profit funding gained from the Department of Agriculture Water and the Environment for a collaborative, cross sector 'Smarter Irrigation for Profit 2' project addressing four themes around improving water productivity across five agricultural industries including dairy.
- The Dairy Australia led project 'What's my yield gap? Maximising water productivity' successfully established 10 optimisation sites across the seven mainland dairy regions with farmer and service provider reference groups at each site using the first year data collection to investigate strategies to reduce the yield gap in the coming years of the project.

The parallel project in Tasmania 'Beyond Water Smart: Advancing dairy irrigation system performance' established five sites and associated reference groups at each site using data to improve irrigation performance.

- Fert$mart activites were conducted in three Victorian regions throughout the year. However, COVID-19 impacted on the completion of three of these programs. In WestVic, three workshops and a field day with 14 farm businesses completing a Fer$mart nutrient management plan, increasing knowledge on the topic from 3.5/10 to 7.7/10 and rating the quality of the workshops and field day at 8.9/10.

SMARTER IRRIGATION FOR PROFIT 2 – WHAT'S MY YIELD GAP? MAXIMISING WATER PRODUCTIVITY

Case study

Objective

Dairy is the second largest irrigation water user in Australia with 58 per cent of dairy farms under irrigation using, on average, 586ML water per year. However, water is an increasingly scarce and high-cost resource and as a result of government policies and increased climate variability, reduced water availability is impacting how dairy farmers use and manage water.

Using water more efficiently can improve on-farm water productivity. Previous research has shown considerable opportunities for improved water productivity/use efficiency with a 20-40 per cent increase in productivity on demonstration sites through improved irrigation start-up times, scheduling (to avoid the 'green drought'), and uniformity. In addition, barriers identified in this research, including limited understanding of the potential to increase economic returns and the complexity of decision-making in relation to irrigation performance, impact the adoption of good irrigation practice.

Identifying and reducing the 'yield gap' on optimisation sites can therefore improve water productivity and drive irrigation practice change.

Action

To improve on-farm water productivity, a cross-sector collaborative project funded by the Department of Agriculture Water and the Environment (DAWE) through the Rural R&D for Profit program, was established to investigate technologies in irrigation automation and increase adoption of irrigation practices. Led by Dairy Australia, the 'What's my yield gap? Maximising water productivity' project is one of four dairy projects under the broader Smarter Irrigation for Profit 2.

Over the first 12 months, 10 optimisation sites were established in the seven dairy regions on the mainland. Optimisation site co-ordinators facilitated reference group activities at each site, including group and site set-up, soil moisture monitors and associated telemetry installations, and baseline and ongoing data collection to determine the 'yield gap'.

The project also focused on reducing barriers to adoption in irrigation practices by building farmer and service provider capability. At the conclusion of the first irrigation season, a series of national webinars were held as an alternative to local workshops and field days. The webinars used guest speakers from across research institutes and companies from which technology is being investigated. To increase the effectiveness of reference group activities, forums were held for optimisation site co-ordinators. An annual survey was also developed to evaluate irrigation practice change within the reference group and better understand the project's effectiveness.

Impact

Communication was key to building awareness. This included social media posts, a media release, an article in Australian Dairy Farmer, articles in RDP newsletters and regional publications, and a focus topic at EvokeAg conference.

- Two Smarter Irrigation for Profit videos introduced through social media posts received more than 11,000 views and 10,000 impressions. The engagement rate through one video on Facebook was 13 per cent. This is a very solid performance and indicates a significant increase in awareness of this program.
- The media release resulted in more than 14 published articles including in major rural publications, and a further 25 articles of related media coverage. This is a significant footprint for this project and increases awareness of the project beyond the reference group members involved.
- As part of our capacity building activities, more than 150 farmers, service providers and regional extension officers attended national webinars.

Activities conducted during 2019/20 are the building blocks which will realise further impact as the project progresses.

STRATEGIC PROGRAM 1.4

Animal Health and Fertility

Objective

Improve farm profitability by improving milk quality, animal health and welfare, and herd fertility.

Investment (2019/20)	Projects
$0.9m	Animal Health & Welfare on Farm (P213)
	Improving Reproductive Performance (P107)
	Managing Milk Quality (P106)

Program outputs and highlights

- The Dairy Biosecurity Tool was launched in Q1 along with a series of pilot workshops. Developed in conjunction with Agriculture Victoria, the tool assists farmers to create a biosecurity plan tailored to protect their farm and to meet their quality assurance requirements.
- Dairy Australia developed a series of COVID-19 resources including the Dairy Industry Essential Services List and fact sheets covering disinfectants, milking routines, animal welfare and calf rearing. Practical implementation of COVID-19 prevention on-farm was covered in two DairyPod podcasts which were downloaded over 1,700 times.
- Transition Cow Management Online completed its learning and development build and was launched following two successful pilot programs in Subtropical Dairy and DairyTAS. The course involved four weeks of online learning: weekly 30 minute self-directed learning activity and one-hour group Zoom session with an experienced transition cow management advisor to work through a case study farm. Participants rated the course an average of 9.3/10 for relevancy to their business and 9.2/10 for recommending it to others.
- Seven InCalf motivational videos of farmers from various regions and calving systems talking about the importance of fertility to their business were produced. A video of a Northern Victorian dairy farmer discussing his focus on improved fertility was released on social media in June and achieved 5,600 views within a week. All seven videos have now been uploaded to YouTube and **dairyaustralia.com.au** and will receive further social media promotion in 2020/21.
- 21 participants (vets, factory field staff, herd improvement managers and milking machine technicians) graduated from the third Countdown Milk Quality (MQ) Training Course. This is an advanced, multi-modal (online and face-to-face) course that runs over nine months. The course trains participants to work collaboratively with other professional groups to investigate a range of complex mastitis and dairy hygiene problems and to assist farmers implement tailored solutions specific to their farm.
- In response to COVID-19, an online training program, 'Mastitis and Milking Management (fundamentals)' for farmers and milking staff, was developed, piloted and delivered. The program covers fundamental best practice in animal handling and milking procedures, and the prevention and identification of mastitis and is now open to anyone milking cows on a dairy farm, with no pre-requisites required. The program has two parts:
  - A series of short online learning modules which participants complete in their own time.
  - On-farm demonstration of the participant's learnings with an on-farm coach including five key tasks – bringing the cows in for milking; putting cups on; taking cups off; post-milking teat disinfection; and detecting clinical mastitis.
- On-farm coaches are also required to complete the online package initially to prepare for their coaching role and provided with a training pack. Since launching in late May, more than 40 people have completed the Mastitis and Milking Management (fundamentals) program.

TRANSITION COW MANAGEMENT ONLINE PROGRAM

Case study

Objective

The Transition Cow Management (TCM) online learning platform enables farmers to connect into extension and industry experts from anywhere in Australia and work through the program from the convenience of their own home or workplace.

Transition feeding is a tried and tested strategy for improving herd health. Dairy farmers across Australia are seeing improvements in cow health, fertility and milk production by implementing good transition feeding programs. Research suggests that reproductive performance improves with a well-balanced pre-calving transition diet resulting in a five per cent higher six-week/100-day in-calf rate and five per cent lower not-in-calf rate over 21 weeks. An effective transition feeding program can cost as little as $20-$60/cow yet return a benefit of up to $200/cow or more. However, improved transition cow management does not have to be costly with simple adjustments saving farm teams time, stress and money through improved performance and reduced animal health issues at calving time.

Dairy Australia's one-day, face-to-face TCM workshop has been successfully delivered in all regions since 2010, with 77 per cent of farms now implementing transition feeding programs. However, due to the geographical dispersion of farmers in some regions (Subtropical Dairy in particular), there is limited capacity to attend face-to-face workshops resulting in a lower uptake of transition cow feeding (64 per cent of farms).

Action

The program integrates the most successful components of the existing face-to-face workshops with learning and design principles. The program is also tailored for 'northern' and 'southern' delivery to suit the different calving systems and forage types available in dairying regions.

Participants independently complete four short 30 minute online learning modules, each followed by a one hour online group workshop with an experienced, Dairy Australia trained, transition cow management advisor. One module and workshop are completed each week for four weeks. At the end of the program, participants are given the opportunity to develop a transition feeding plan for their own business with the support of the program consultant.

At the end of this course, participants can:

1 Assess the health of their herd at calving time and know which diseases can be prevented by a good transition cow program.

2 Describe the various approaches to transition feeding programs.

3 Understand the influence of diet on the risk of developing milk fever and other cow health problems during calving time.

4 Identify dietary requirements of heifers and cows during the transition period.

5 Develop, improve, and implement transition cow feeding programs for their farm business.

6 Evaluate the effectiveness of their transition cow feeding program in reducing cow health problems and improving milk production and reproductive performance.

TCM Online was completed in May 2020 and launched via a pilot program in Subtropical Dairy and DairyTas. The program is now being offered by all regional teams according to their schedules, with regional extension officers being the key contact for participants to register and access the program.

Impact

TCM Online has been run twice by Subtropical Dairy and once by DairyTas and WestVic Dairy with a total of 40 farmers and service providers completing the program. Participants rated the course an average of 8.6/10 for relevancy to their business, 9/10 for recommending it to others and 86 per cent indicating they intended to make changes to their transition either immediately or in the next six months, and 100 per cent within the next 12 months.

STRATEGIC PROGRAM 1.5

Farm Business Management (FBM)

Objective

Build farm business management capability for farmers and advisors through education and the use of business support tools, such as DairyBase.

Investment (2019/20)	Projects
$0.7m	Farm Business Management Capability (P241)
	Farm Business Information (P240)

Program outputs and highlights

- Our Farm, Our Plan is available to farmers in all regions and is a commitment of the Australian Dairy Plan as a way to rapidly increase farm business skills.
- Farmers are undertaking Our Farm, Our Plan and Farm Business Fundamentals using a blended delivery model that allows them to connect with other farmers and complete those courses online. Feedback from participating farmers has been very positive.
- The Dairy Farm Monitor project continued this year with 246 farms engaged and data received and analysed across all dairy regions. This data has assisted to inform several key industry decisions during the year including the development of the Australian Dairy Plan profitability paper. The project provides the high-quality comparative data in DairyBase which now has 2,577 registered users and 12,261 farm business datasets.
- FBM training was delivered to farmers and advisers through Farm Business Fundamentals and Dairy Farm Business Analysis.
- The process to collect farm physical and financial data from 230 farms across all dairying regions was streamlined. This allows better reporting of regional data for decision making by farms and industry.
- Farm business management online resources for making farm plans were developed in collaboration with the NSW Department of Primary Industry, supported by NSW Dairy Industry Fund.

GEARING UP FOR THE NEW SEASON

Case study

Objective

With increased volatility in the market, Australian dairy farmers need the business skills and tools essential for planning and managing business risk. This helps mitigate the downside and enables farmers to capture opportunities as they arise through informed decision-making. The result is that farmers achieve more profit consistently and, ultimately, long-term business and personal goals.

Our Farm, Our Plan is a foundation program designed to equip farmers and their advisers to clarify and document their business priorities and actions in a way that delivers real benefits and embeds planning and review as standard business practice.

Action

Dairy Australia developed, piloted and delivered the Our Farm, Our Plan program during 2019/20. Supported by the Gardiner Dairy Foundation and with strong collaboration from DairyNZ, the program provides tools, resources and capability to equip and support farmers.

The project has drawn on previous dairy industry programs including Dairy Business Focus and Plan2Dairy, learned from the experience of others here and overseas, and collaborated with DairyNZ to access and adapt resources. Key tools and resources – Farm Fitness checklist, QuickPlan workbook, Risk Register and Plan on a Page – are freely available to farmers, their advisers and service providers.

The Our Farm, Our Plan extension program delivered by our regional teams includes workshops to help farmers understand and apply the planning and review process to develop their own 'Plan on a Page'. A key feature is one-on-one contact with farmers over 24-months to assist them to use, review and reset their plan. Multiple entry points are provided for farmers leveraging the capability of many people who work with dairy farmers. This will see plans developed through regional workshops, online and with trusted third parties. Recently, a blended model of Our Farm, Our Plan was developed allowing farmers to connect with other farmers and complete the course online with support from Regional Extension Officers.

Impact

Our Farm, Our Plan is now available to all dairy farmers with workshops planned for delivery in all regions, face-to-face or online. Farmers and their advisers can download Our Farm, Our Plan tools and resources from Dairy Australia's website, or order a free copy of the Our Farm, Our Plan folder.

This project has been committed to in the Australian Dairy Plan (ADP) and will deliver a rapid expansion of services to increase farm business skills and see over 50 per cent of Australian dairy farmers develop and document a plan for their farm.

STRATEGIC PROGRAM 1.6

International Market Support

Objective

Secure a more favourable export market trading environment through trade policy reforms and buyer preference for Australian dairy products.

Investment (2019/20)	Projects
$0.7m	International Market Support – China (P219)
	International Market Support – Japan (P229)
	International Market Support – Other Markets (P232)
	International Market Support – SE Asia (P230)

Program outputs and highlights

- The Australian Government successfully ratified trade negotiations with Indonesia, Peru and Hong Kong during the year with each of these agreements now in force. Dairy Australia (working with the Australian Dairy Industry Council) has provided extensive dairy industry input into each of these negotiations and each agreement will have positive dairy outcomes in the form of improved market access and mechanisms to address non-tariff restrictions to trade into those markets. Our trade deals with Indonesia alone are worth over $10 million per annum in savings to the industry.
- With the onset of COVID-19, the delivery of Dairy Australia's International trade activities were severely compromised due to the disruption to international travel. Dairy Australia's trade programs underwent a significant overhaul with the development and implementation of alternative program delivery methods. This included the establishment of market specific social media channels, online webinars and digital content that has reinforced that the Australian dairy industry remains 'open for business' despite the pandemic.
- Dairy Australia has done extensive work to support industry efforts to combat the European Union's push to impose a Geographical Indicators (GI) regime on Australia. This is designed to restrict Australian manufacturers use of many common cheese names including parmesan and feta. Dairy Australia activities have included a comprehensive industry submission to the Australian Government as part of the public GI objections process and an extensive communications strategy to engage and educate dairy industry stakeholders about the importance of the debate. This included working with national and state farming organisations to deliver a GI roadshow around Victoria and NSW, delivery of podcasts and information flyers, and meetings with senior ministers and advisors.
- Dairy Australia celebrated the 20th anniversary of the China Scholarship program in late 2019. The program has now trained over 300 senior and middle managers from the three markets of China Mainland, Hong Kong and Taiwan over the past two decades. Attended by over 30 of the Chinese alumni and members of China Dairy Industry Association (CDIA), the 20-year anniversary program helped participants renew knowledge of the Australian dairy industry and see the changes that have occurred in the industry over the years.

IA-CEPA AGREEMENT (INDONESIA FTA)

Case study

Objective

For a country that produces more milk than is consumed domestically, trade is incredibly important. Free Trade Agreements deliver enormous benefits to Australia's dairy farmers providing access to more favourable conditions in overseas markets for dairy products and ensuring a diversified range of high value markets.

In July 2020, Australia's free trade agreement with Indonesia came to life. The Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) will remove costs for Australian exporters accessing our third largest dairy export market and provide more certainty for our future trade with an important trading partner.

Action

Dairy Australia played a crucial role in supporting industry (representative organisations and exporters) and government in the IA-CEPA negotiation, providing technical input and advice to help secure improved market access for Australian dairy products.

Throughout the IA-CEPA negotiations, the Dairy Australia trade team worked with Australian Government trade negotiators, DFAT and DAWE, industry representative organisations (ADIC, ADF ADPF), and Australian dairy manufacturers and exporters (via the Dairy Australia Trade Reference Group).

In consultation with industry and representative groups, Dairy Australia worked to support an Australian dairy industry position, to inform government negotiators and provide our negotiators with comprehensive information to support a positive outcome for dairy. Negotiation efforts were enhanced by Dairy Australia's targeted engagement programs in Indonesia designed to build relationships while reinforcing awareness and buyer preference for Australian dairy products in that market. Networks from this program provided invaluable contacts within the Indonesian market enhancing the position of Australian dairy throughout the negotiation process.

Impact:

Key benefits of the IA-CEPA

- Under IA-CEPA, Indonesia will eliminate tariffs on dairy products not already eliminated under the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA).
- Building on the AANZFTA, IA-CEPA highlights the importance of trade liberalisation for Australian dairy.
- IA-CEPA and AANZFTA in combination will provide an estimated saving of over A$10.5 million per annum in tariffs that would otherwise be levied on Australian dairy exports to Indonesia if neither agreement were in force. These savings ultimately help to ensure that Australian dairy exporters and farmers are able to extract more favourable returns from our trade into Indonesia while providing Australian dairy with tariff advantages over key global competitors.

Another important feature of IA-CEPA is the inclusion of a co-operative mechanism to address non-tariff measures (NTMs). This is the first time such a mechanism has been written into an FTA to which Australia is a party. This mechanism, designed to address NTMs such as licencing arrangements and product testing, should help to overcome significant hurdles for Australian dairy exporters that have traditionally added to the cost of doing business.

STRATEGIC PROGRAM 1.7

Manufacturing Innovation and Sustainability

Objective

Support innovation in the supply chain that reduces costs and protects longer-term sustainability.

Investment (2019/20)	Projects
$0.2m	Supporting Manufacturing Innovation and Sustainability (P249)

Program outputs and highlights

- Dairy Australia secured $180,000 of funding from Food Innovation Australia Limited (FIAL) to support Technology Assessment projects and accelerate adoption of cost-effective innovations into the manufacturing sector.
- Webinars delivered to manufacturers in response to COVID-19 outbreak resulted in numerous dairy manufacturers finding a path to market for high-value food service products which would have otherwise been written off due to closure of previous sales channels.
- Dairy Australia provided strong leadership to help bring Dairy Manufacturers Sustainability Council (DMSC) members together to develop a Dairy Packaging Roadmap to 2025, this has helped prioritise actions and focus external support in ensuring dairy progress towards meeting the 2025 National Packaging Targets.

INDUSTRY WORKING GROUP ON SUSTAINABLE PACKAGING

Case study

Objective

The Industry Working Group on Sustainable Packaging works collectively to accelerate industry-wide progress towards meeting the 2025 National Packaging Targets and drive strong consumer support for dairy.

Action

Working closely with the Australian Packaging Covenant Organisation (ACPO) and specialists within the packaging and waste management/recycling sectors, Dairy Australia led the development of the Industry Working Group on Sustainability Packaging and managed ongoing activities to support the Group's objective. The Group brings together packaging professionals from all major dairy brands and has met regularly since 2018 to share knowledge and explore ongoing opportunities to achieve environmentally friendly packaging goals.

Impact

Drawing on the strength of this industry collaboration, Dairy Australia and APCO have joined forces with the Working Group members to develop a Dairy Packaging Roadmap to 2025 to help prioritise actions and focus external support.

Dairy Australia is also supporting the industry to invest in innovative projects focused on:

- Designing or purchasing sustainable packaging materials which enable more circular outcomes.
- Increasing the amount of recycled plastic that is used to make milk bottles.
- Finding ways to remove label adhesive from milk bottles to improve the recycling process.

STRATEGIC PRIORITY 2

PERFORMANCE SNAPSHOT

Capable people

Strategic Priority 2 encompasses programs that enhance the capability of industry participants. This includes extension services (the sharing of Strategic Priority 1 knowledge with farmers and advisors) and more general education and training activities which:

- Attract people to the sector
- Build capability
- Provide assistance in career transitions.

STRATEGIC PROGRAM 2.1

Regional Extension Services

Objective

Facilitate on-farm adoption of best practices, new ideas and technology, particularly those which are the result of Dairy Australia's investments in research and development.

Investment (2019/20)	Projects
$6.5m	Regional Development Programs (P103)
	Critical Response – Seasonal Adversity (P271)
	Large Supplier Engagement (P200)

Program outputs and highlights

- In response to the COVID-19 pandemic, regional teams transitioned successfully to 100 per cent remote working conditions and moved to the delivery of online extension in a remote facilitation environment.
- The Bushfire Recovery Program, which is included in Critical Response, was rolled out through South Australia, NSW, and Murray and Gippsland regions.
- 100 per cent of farmers participating in the Critical Response – Seasonal Adversity project said they will make changes with 94 per cent saying they will make changes within six months.
- Four 'Taking Your Business to the Next Level' workshops were conducted. With participants planning to improve Standard Operating Procedures and policies, define roles and responsibilities, conduct economic analysis that underpins decision-making, develop a culture statement and manage cultural alignment, record business and personal goals, develop a strategic plan ensuring staff are aware of the plan, and set up an advisory board to ensure implementation.

BUSHFIRE RESPONSE

Case study

Objective

Dairy Australia's Bushfire Recovery Support provides planning and budgeting assistance to dairy farming families following the impacts of bushfire. The service includes feed, water and cashflow budgeting, animal health and welfare, infrastructure advice and related advisory services specific to dairy farm businesses.

Action

Dairy Australia's national team collaborated with the relevant RDPs (DairySA, DairyNSW, Murray Dairy and GippsDairy) to provide a quick response service tailored to meet the direct needs of individual farms impacted by bushfires. While regional teams provided local ongoing intelligence to ensure the service resonated and made a difference at the farm-gate, the national team provided back-end support and consistency for the efficient and prudent use of levy funds.

Impact

The rapid response to farmers across bushfire impacted regions included logistical issues and recovery planning. Regional teams worked with local networks such as milk processors, state farmer organisations and State Government agencies to support access to farms, animal health and welfare, and immediate needs. Advisors were also deployed on-farm to support both short and medium-term planning and recovery efforts.

Nationally, the Dairy Australia team pulled together a targeted range of resources to support farmers with technical issues on-farm, planning and access to a wide range of recovery services at local, state and national levels. Feedback from farmers indicated support provided by regional teams was invaluable to getting them back on track quickly by directing and connecting them to a wide range of effective support services.

STRATEGIC PROGRAM 2.2

People and Capability

Objective

Facilitate the provision of quality educational programs; enhance labour availability by improving the attractiveness of dairy as a career option; improve on-farm people management and help facilitate a safety-first culture on-farm.

Investment (2019/20)	Projects
$1.7m	Attracting and Retaining People (P207)
	Industry Education (P154)
	Farm Safety (P260)
	Workforce Strategy, Planning and Action (P203)

Program outputs and highlights

- The COVID-19 response required a significant effort in providing workforce, human resource and industrial relations information to farmers. This included responding to specific detailed farmer enquiries in a timely and inclusive manner. Information continues to be updated regularly online and proactively generated enabling farmers to make informed decisions for their farm business
- Dairy Passport, an online platform that allows dairy farms to manage farm team members and link them to the key tasks that need to be undertaken on-farm, was made available. The platform is customisable to each farm business, with on-farm tasks displayed via dashboards and industry created Standard Operating Procedures (SOPs) and policy templates available for editing and use by employees on-farm.
- Three new partnerships were established with education providers: Marcus Oldham College, the University of Sydney (USyd) and University of Tasmania (UTas). Contractual agreements for delivery of dairy educational offerings were established in Q3, with a scholarship at Marcus Oldham and pilot learning modules at USyd and UTas, tailored to developing dairy farm manager capability in university students.

COVID-19 RESPONSE FOR FARM EMPOYERS

Case study

Objective

With the rapid emergence of the COVID-19 pandemic in 2020, all dairy farm businesses were faced with the challenge of how to run their daily operations while reducing the transmission risk for their on-farm team, families and service providers. There were also specific obligations and responsibilities concerning the relationship between farm owners and employees to ensure safety, business continuity and work planning that were not previously necessary.

At an industry level, the focus was on: determining best practice for reducing COVID-19 transmission risk in a scenario where the facts around the disease were not fully known; and conveying clear and consistent information in the most efficient and timely manner, given the changing legislative and government advice environment.

Action

The industry quickly established a COVID-19 Rapid Response Team under the direction of Australia Dairy Farmers, the Australian Dairy Products Federation and Dairy Australia. This team was charged with expediently gathering the required resources and advice to create materials and communication paths needed by farm businesses to make their workplaces as COVID-19 safe as possible.

The aim was also to support farmers navigate what COVID-19 would mean for their business.

The Rapid Response Team consulted widely with a range of experts including those involved in farm safety, disease control, industrial relations, education and communication. Consultation was rapid, ongoing and targeted to timely and accurate outcomes. The Dairy Australia website was re-configured to provide an easily navigable place for all new COVID-19 control resources. In addition, aligned materials were communicated through every channel available including social media, print and podcast.

Impact

During March to June 2020, approximately 7,800 individual visits were made to the COVID-19 pages on Dairy Australia's website with 4,800 resources downloaded. Through an established method of regional and industry regular consultations, information for the dairy industry was also reviewed and updated on a daily basis.

The impact to the dairy supply chain was minor relative to other sectors during the first six months of the pandemic with few examples of dairy farms adversely affected by a positive COVID-19 case in either their on-farm team or visiting service providers. This is testament to how dairy farming businesses took the threat of the pandemic seriously, engaged with the resources designed specifically for them, and put in place effective and practical steps to lower the COVID-19 transmission risk.

STRATEGIC PRIORITY 3

PERFORMANCE SNAPSHOT

Trusted dairy industry

Strategic Priority 3 activities have a strong focus on maintaining the industry's long–term social licence to operate. These include:

- Marketing and communications to build consumer trust and confidence in dairy products and the industry.
- Informing policy with industry insights and research.
- Collecting, analysing and distributing sector statistics and information for the benefit of industry stakeholders.
- Maintaining the sector's Sustainability Framework which sets and measures goals around sustainability credentials.

STRATEGIC PROGRAM 3.1

Industry and Community Marketing

Objective

Support the sector's license to operate through communications and promotion that improves consumer trust in the industry and its products.

Communicate and engage with farmers in a timely and relevant way in areas that support farm profitability and sustainability.

Investment (2019/20)	Projects
$3.2m	Managing Public Trust (P266)
	Influencer Engagement – Health (P267)
	Primary Schools Engagement (P262)

Program outputs and highlights

- Dairy Matters consumer campaign in Q1 and Q2 shared what matters to the Australian dairy industry: the health of our animals, protecting our land, and producing high-quality products that contribute to a healthy Australia. Consumers were reached through TV, podcast, digital advertising, media engagement, social media content and partnerships with ambassadors and influencers. The campaign resulted in improvements in trust, perceptions and positivity towards the industry and dairy products.
- The annual Australian Grand Dairy Awards 2020 raised awareness of Australia's high-quality dairy by profiling finalists through the media and educating consumers about their local producers through a People's Choice campaign. Of consumers who saw the campaign, 83 per cent felt more positive towards the industry as a result.
- In Q3, Dairy Australia adapted marketing plans to reassure the Australian public that the dairy community was 'here for you' despite the restrictions of COVID-19 and to inspire increased dairy usage at home. A TV commercial using footage sourced from farmers, processors and consumers during the lockdown reached 4.8 million people across metro and regional areas. Campaign tracking showed strong reach with 30 per cent of consumers recalling the campaign and 85 per cent of those agreeing they felt more supportive towards the dairy industry.
- Marking the 20th annual World Milk Day, Dairy Australia delivered a campaign promoting the many reasons why 'milk matters' to Australians: for health, strong bones and muscle, delicious meals, and regional jobs. Dairy ambassador Jonathan Brown kicked off the campaign by encouraging Australians to show their support for dairy in a video showcasing why milk matters and highlighting the important role of dairy in our community.
- An education campaign was delivered to GPs and dietitians to highlight the prevalence of Australians avoiding dairy without a medical reason and why this is a concern for health. To encourage health professionals to continue to recommend dairy, Dairy Australia introduced the concept of 'The Dairy Matrix,' which describes dairy's natural package of nutrients, the physical food structures these are housed in and how these interact to deliver dairy's unique health benefits. The concept and supporting science were communicated through targeted media, webinars, podcasts and partnerships, resulting in the proportion of GPs feeling confident to recommend dairy as part of a balanced diet increasing from 81 per cent to 88 per cent.
- The Picasso Cows program was delivered to 150 schools across Australia, providing in depth learning about the dairy industry and dairy foods to 18,750 students. Teachers rated the program very highly with 93 per cent agreeing they would recommend the program to their primary teaching peers. The program generated significant public exposure, including 22 pieces of local media across four states, reaching a total audience of 3.15 million.
- With COVID-19 limiting the numbers of schools that could participate in Picasso Cows in the first half of 2020, Dairy Australia plans were adapted to drive increased use of online resources. The Discover Dairy curriculum hub received 37,028 resource interactions and downloads which were estimated to reach 248,884 students as a result of teachers using the platform. Three new secondary school resources were added to Discover Dairy to address the mandatory requirement for NSW secondary schools to teach agriculture and food technology. The Discover Dairy website was seen as a credible source of information on food, agriculture and the dairy industry, with 92 per cent of teachers agreeing the lesson plans and curriculum ideas downloaded were useful and relevant.

BUILDING PUBLIC TRUST

Case study

Objective

Consumer expectations of the food industry are changing. For the dairy industry, this means a greater public focus on the health credentials of dairy, animal welfare practices and the environmental impact of producing dairy. These topics are increasingly cited as reasons for limiting or avoiding dairy foods.

The objective of the consumer marketing program was to improve industry trust and in turn, acceptance of our industry, by providing highly engaged and socially conscious consumers known as 'Changemakers' and their influencers with transparent and credible information about our product and industry practices.

Action

The first phase of the Dairy Matters campaign was delivered from April to December 2019. Farmers shared what matters to the Australian dairy industry – animal health, protecting our land, and producing high quality products that contribute to a healthy Australia – through TV, podcast and digital advertising. This was supported by media articles, social media content and partnerships with ambassadors and influencers.

The You Ask, We Answer platform on **dairy.com.au** also demonstrated our commitment to transparency receiving almost 400 questions from the public.

The program also targeted key influencers of Changemakers including health professionals and social influencers. GPs and dietitians were provided with education materials and resources to ensure they could confidently address patient concerns and recommend dairy. A farm tour was held with 24 influential dietitians experiencing first-hand farming practices and having the opportunity to speak directly to industry experts including farmers, vets and environmentalists.

Impact

The response to the campaign was positive, strengthening trust in the Australian dairy industry and product, and improving perceptions across animal welfare, environment and health.

Of the Changemakers who saw the campaign, 55 per cent took action, including speaking to friends and family about the messages and incorporating more dairy in their diet.

The proportion of Changemakers hearing positive health messages about dairy foods from health professionals increased from 77 to 87 per cent.

EX-POST EVALUATION

INFLUENCER ENGAGEMENT – PRIMARY SCHOOLS TEACHERS PROJECT

The Influencer Engagement – Primary Schools Teachers project has been a long-standing project at Dairy Australia since 2008. This edition of the project aligns with the a broader consumer marketing strategy of maintaining the industry's social licence, through engaging with consumers of tomorrow.

Over the duration of this project, the objective was to increase the proportion of teachers, as key influencers of school children, choosing to use dairy to teach their students about the importance of healthy and nutritious food and agriculture mainly through two key activities:

a) Discover Dairy

The Discover Dairy website is the overarching central repository or hub for primary school teachers, students and their parents, providing them with resources to learn about the Australian Dairy industry.

The Discover Dairy website contains curriculum-linked lesson plans, games, activity sheets, and background information to facilitate dairy education lessons in primary school classrooms. A small number of secondary school resources are also available to address the mandatory requirement for some states to teach agriculture and food technology.

For the term of this project, the activities relating to Discover Dairy comprise the completion and relaunch of the website following re-development.

b) Picasso Cows

Dairy Australia's flagship educational initiative, teaching students from primary schools around the Australia about food, agriculture and the dairy industry in Picasso Cows.

The initiative has been running for more than 10 years educating students about products, health and nutrition benefits, farming practices and manufacturing processes pertaining to the Australian dairy industry.

For the term of this project, activities were mainly focussed on delivering the Picasso Cows initiative in at least 150 primary schools.

The goal is for teachers to convey to their students, with the aid of Discover Dairy resources and dairy focused curriculum under Picasso Cows, trust in the industry and the importance and value of the dairy foods. This helps preserve the industry's social licence to operate in future years.

Evaluation scope

This evaluation relates to the period from 1 October 2018 to 30 June 2020 (referred to as 'project period') covering the most recent term of funding for the project.

The evaluation followed two approaches:

- A simple program logic was developed to help clarify the main activities and outputs allowing line of sight from the project's objective to the outcomes expected at the conclusion of the project.
- The evaluation assessed how successful the project was in achieving the stated objectives and expected outcomes.

Due to the long periods of time where the economic impact of the project may be realised and that there is no way to feasibly measure the impact the project has on behaviour change or perceptions in the future, an impact assessment and benefit-cost analysis was not undertaken.

Key benefits

1. The Primary Schools Engagement project has helped improve the knowledge of some primary school children about the health benefits of dairy foods and their origin, and the industry, particularly how farmers care for their animals and the environment.
2. Teachers choosing to use dairy to teach their students about food and agriculture over the project period, overwhelmingly found the resources and curriculum extremely useful, would participate in Picasso Cows in the future, and recommend the initiative to their colleagues.
3. This project involved further development to web base and physical resources, and the automation of Picasso Cows to almost treble the delivery of the Picasso Cows initiative from 80 to 229 schools. This was achieved with a significantly reduced budget.
4. The project achieved its objective and delivered on the stated outcomes in the project plan.
5. An estimated 28,625 primary school students were reached through the Picasso Cows. The Discover Dairy website reached an estimated 382,505 (calculated using available analytics and subjective assumptions).
6. The Discover Dairy website is easy to navigate and includes a suite of comprehensive, well presented information on the dairy industry.

Key opportunities

1. Provide a clearer pathway on measuring impact of the project. The focus of the project is on improving or maintaining the dairy industry's social license to operate in the long run. Without the program, less children would be currently supportive of dairy products and the industry.
2. Improve visibility of performance in relation to Discover Dairy to accurately determine who (teachers, students or others) engages with the website.
3. Scale the reach of Picasso Cows to make a tangible impact on social license to operate. The reach of Picasso Cows (with respect to direct engagement with teachers and students) remains small, perhaps constrained by cost and utilising fibreglass cows to run Picasso Cows and other in-school initiatives. As a proportion of total primary school students enrolled annually in Australia, the reach of Picasso Cows and Discover Dairy (based a on a subjective estimate) is around 18 per cent during the project period. Benchmarking against other agriculture sectors to understand the critical mass of students required may be a starting point.

Key recommendations

1. While the usual cost benefit analysis was not undertaken, a theoretical threshold analysis was completed to determine the magnitude of returns if an economic analysis was done. This should be factored in for any future investment decisions in this area, as a comparison point with other Dairy Australia investments.
2. Longer term outcomes are difficult to measure, however other mechanisms could be explored.
3. For Discover Dairy, there is a need to explore alternate tracking tools or mechanisms to deliver richer data on engagement with our desired audience.
4. Explore the opportunity for commercial partners to invest in the program – manufacturers and retailers.
5. Develop a clear program logic for future editions of the project to measure impact of this project.
6. Further analysis on high engagement versus high reach to determine the effectiveness of engagement with students, that is, Picasso Cows and Discover Dairy.
7. Explore tools that complement Google Analytics by providing a better understanding of audiences and is engaging with our online resources – teachers, students or other audiences.
8. Conduct a comprehensive literature review to inform future editions of this project and the linkage between education and impact on industry reputation.
9. Explore the opportunity for commercial partners to invest in the program - manufacturers and retailers.

Management response

The independent evaluation has provided an opportunity to improve our schools offering in several ways.

Increase focus on cost-effective high reach, lower engagement programs

- Increase use of Discover Dairy curriculum resources by improving promotion and ability to measure conversion and outcomes in the classroom.
- Develop and implement new high reach programs including virtual classroom incursions.
- Leverage new Farmer Ambassador program to drive greater industry presence in local and national schools through farmer incursions and excursions.
- Reinforce desired learning and behaviour with parents through cost effective channels (e.g. school newsletters, social media).

Engage the supply chain to support delivery of high engagement school programs

- Limit Dairy Australia investment in the Picasso Cows program to 100 schools a year, with a focus on including new schools each year to grow a long-term cohort of teacher advocates who are familiar with our industry and resources.
- Engage retailers and processors to invest in the Picasso Cows program to fund increased reach and promotion of the program, or other high engagement initiatives. If additional funding is unable to be sourced, there will not be an opportunity to broaden reach beyond 100 schools.

Drive policy and partnership opportunities to support dairy education

- Identify opportunities for the federal and state governments to support agriculture and food education in the curriculums.
- Explore opportunities to partner and/or seek insights to inform the schools program, from organisations such as Life Education, Primary Industries Education Foundation Australia and other RDCs to leverage their established reach and credibility in schools to deliver dairy education.
- Partner with industry organisations and ambassadors to leverage education opportunities that extend outside the classroom (e.g. farm tours, factory excursions, Agricultural Show School tours).

Centralise delivery of school project and develop regional engagement model

- Centralise management of programs and resources across primary and secondary schools into the marketing team and develop stronger engagement with RDPs to coordinate regional school program engagement.
- Change the historic delivery model of Cows Create Careers to the provision of curriculum-based resources and tools through the Discover Dairy platform (resources may be provided under licensing agreement to a vendor to deliver a school-based initiative not funded by Dairy Australia).
- Explore and deliver cost-effective communication activities to support awareness of dairy careers at key times in a student's career consideration.
- Support and leverage secondary school focused activities from the New Generation Skills project, which funds Careers Development Coordinators to work with the Victorian education sector to increase the uptake of training and attracting a skilled workforce which meets the future needs of the dairy industry.

Explore and develop new ways of measuring project outcomes and impact

- Revise Picasso Cow pre and post-teacher surveys to more effectively measure project objectives.
- Explore partnership with a research student to measure educational and behavioural impacts of teaching agriculture in schools.
- Work with the digital team to explore opportunities to identify website users to more confidently measure reach and engagement.

STRATEGIC PROGRAM 3.2

Industry Risk and Reputation Management

Objective

Protect and prepare farm businesses by supporting policy matters that improve dairy industry's social license to operate and increase sustainability by managing the short and long-term risks facing the industry.

Investment (2019/20)	Projects
$0.7m	Human Health and Wellness Partnerships and Engagement (P226)
	Dairy Industry's Sustainability Framework/ Strategy (P153)
	Policy Support for Improving Animal Health and Welfare (P233)
	Managing Supply Chain, Food Safety and Integrity Issues (P177)
	Technical Policy Support (P259)
	Access to Agvet Chemicals (P261)

Program outputs and highlights

- The Heart Foundation released new dietary recommendations on the role of dairy foods in a heart healthy diet. Alongside reduced-fat varieties, their recommendations include regular-fat milk, cheese, and yoghurt.

> These changes recognise the strengthened scientific evidence that regular-fat dairy foods do not pose a risk to heart disease.

This is a significant outcome as the promotion of regular-fat dairy in the diet has been an important communication and research focus for Dairy Australia.

- Dairy Australia led the development of a dairy industry position on the Health Star Rating (HSR) and actively contributed to the five-year review and public consultation. Together with Australian Dairy Products Federation and the broader dairy industry, ongoing issues were raised with the HSR. The industry's position also advocates for all Five Food Group milk, cheese, and yoghurt scores to be at least 3 stars or more. The Ministerial Forum on Food Regulation agreed on the outcomes from the five-year review and these will be implemented in November 2020. All milk and 90 per cent of yoghurts (plain and flavoured) now score 3 stars or more, while only 53 per cent of cheese will score 3 stars or more. The Australian Government will reassess the cheese category for alignment with the Australian Dietary Guidelines following their review in the coming years.
- Labelling and regulation of plant-based alternatives is a focus area for Dairy Australia. This work has included the development of an international communication framework and technical support in the development of an industry policy position for Australian dairy farmers and state dairy farming organisations to use in advocacy efforts ensuring regulation, labelling, and marketing of dairy foods is appropriately recognised within the Food Standards Code.

- The 2019 Sustainability Report – identifying new 2030 Goals and Targets, together with new metrics to indicate progress – was released in February 2020, at the Australian Dairy Conference and the scorecard provided to all participants. The report is available publicly on **sustainabledairyoz.com.au**
- The Animal Husbandry survey, highlighted a need for expediting the calving induction phase-out. This subsequently led to the development of a final stage industry phase-out support program – involving Dairy Australia, vets and milk processors. Dairy Australia also provided support to Australian Dairy Products Federation for their policy consideration of a calving induction phase-out final phase plan, requiring more support from processors than previously.
- Dairy Australia worked with Animal Health Australia and Australian Dairy Farmers on the outstanding Foot and Mouth Disease Dairy Enterprise Manual (a critical but unfinished resource required during the outbreak of Foot and Mouth Disease and needing agreement between parties).
- A survey of veterinary practices on use of antibiotics collected 2019 sales and usage data. The results, compared with the data from the last survey, showed no major changes in usage and continues to verify the antibiotic monitoring and testing program in place at tanker milk level to meet both domestic and export markets.
- Dairy Australia developed a Dairy in the Basin profile data set, for use by industry peak bodies and media. This data set shows five-year trends in farm numbers, production, value and employment by postcode within the Murray Darling Basin boundary. It represents the first discrete set of statistics on Australian dairy irrigating from this river system, which is currently experiencing significant policy uncertainty.
- Dairy Australia provided strong support for industry submissions including the ACCC Review of Water Markets, Review of the Water for the Environment Special Account, Interim Inspector General for the Murray Darling Basin's Review of Water Resources, Independent Assessment of Social and Economic Conditions in the Basin and Drought Resilience Funding Plan on proposed criteria.
- Dairy Australia continues to have success in assisting farmers with access to minor use chemicals – these are chemicals that would otherwise not be accessible. One of the proposals accepted for minor use permit funding related to chemical use on Chicory in mixed pastures and is also attracting funding from Nufarm. The project plan is currently being developed by an external consultant.
- One of the original grant requests was for a permit for a product called Success Neo to be used in Fodder Beets. Corteva, the owner of the chemistry, indicated they want to take this to label and will utilise the data generated through this original grant. While this is a good commercial outcome for Corteva, it also broadens the range of chemical options for Dairy Farmers growing Fodder Beet – which has been a significant impediment for their uptake in Australia.

MATERIALITY REVIEW FOR THE SUSTAINABILITY FRAMEWORK

Case study

Objective

The Australian dairy industry Sustainability Framework outlines the industry's commitment to providing nutritious food for a healthier world.

This is achieved through our sustainability commitments: create a vibrant industry that produces nutritious, safe, quality food while caring for our animals and the environment and meeting the challenge of climate change. The industry reported progress against our 2030 goals and targets in the publicly released Sustainability Report 2019 **(sustainabledairyoz.com.au)**.

As part of the ongoing development of the Framework, a Materiality Review was undertaken in 2019/20 to ensure the industry's priorities are aligned with stakeholder expectations and to identify any new or emerging issues where the industry should focus its efforts and resources.

Action

Direct stakeholder engagement and an online stakeholder survey were used to gain input on the key priority areas for the Framework. A desktop analysis of sustainability issues relevant to the Australian dairy industry was also undertaken.

The methodology used for the materiality assessment reflected best practice in materiality and aligned with global standards. The assessment also reviewed what global dairy groups are doing to capture broad stakeholder expectations, investor focus and global goals.

Impact

The materiality assessment reinforced the sustainability work the industry has undertaken since 2012, in high priority areas including animal welfare issues and safe, high-quality products.

It also reinforced our commitment to areas such as water availability and efficiency, physical climate risk, and greenhouse gas emissions.

Two previously emerging topics, antimicrobial stewardship and human rights, are now seen as a priority for the industry. The mental health and well-being of farmers has also emerged as an issue.

The main objective of a materiality assessment is to prioritise topics for strategic purposes and disclosure. The insights developed throughout this assessment will inform the ongoing development of the Sustainability Framework, ensuring a focus on key areas for change, and inform further stakeholder engagement initiatives.

EX-POST EVALUATION

OVERSEAS LABOUR POLICY INITIATIVE

Background

The overseas labour policy initiatives under P235 and P259 were established to help address the chronic labour and skills shortages increasingly experienced by farms with larger dairy herds over the past two decades.

These initiatives were one of a range of solutions to the skilled labour shortage problem. Over the medium to long term, dairy industry capacity building projects such as 'Dairy Learn' and Dairy Australia's 'Dairy Farm Manager' project aims to help close the gap between demand and supply of locally sourced skilled staff.

Activities

The Overseas Labour Agreement initiatives operated under two Dairy Australia projects from 2013 until June 2020. In the 2014 to 2016 financial years the initiative operated under project P235 Policy support for enhancing livelihoods. In the 2017 to 2020 financial years, the initiative has operated under P259 Technical Policy Support.

The activities under both initiatives comprised:

- Preparing pilot applications and submissions on behalf of farmers for the government.
- Negotiating the Dairy Industry Labour Agreement (DILA) and the pathway to permanent residency with the Department of Home Affairs (DHA).
- Finalising the DILA applications for a pilot group of farmers under P235.
- Stakeholder consultation, including the Australian Workers Union.
- Negotiations between industry, DHA and the Minister of the Dept. of Home Affairs.
- Communicating to the industry the activities and the outcomes of those activities.

Benefits

The Overseas Labour Agreement policy initiative in the Trade and Strategy business group, has had a positive impact on dairy farms enabling farmers to source skilled labour and avoid risks to their farm production and business planning. This project aligns with Dairy Australia's strategy to enable farm businesses to attract capable people to the sector. This project also addresses the expectations of some of our largest levy payers where there is need for continued access to skilled labour.

There are a range of benefits farmers receive from the project including:

- Family unit benefits
  - Avoid stress on the family unit.
  - Family labour not diverted from education and off-farm income.
- Safety
  - All farmers mentioned the farm was safer with employing skilled overseas workers than the alternative citing avoided workplace health and safety issues and lower workplace risk.
- Business operations
  - All farmers said employing workers on the DILA with permanent residency gave them greater certainty to plan and run their farm business.
  - Three farmers stated without access to overseas workers, parts of their farm business would be scaled back reducing herd and resulting in lower milk production.

This project generated estimated net benefits between $19,000 – $243,000, resulting in a benefit cost ratio of between 1.1 to 2.3. While the project has returned a positive benefit cost ratio, the project is strategically important, and the benefits should not be determined solely on economic return. Due to this, the estimate of net benefits from this evaluation represent the lower range of benefits. This policy initiative can potentially deliver benefits into the future through further take-up by farmers.

Between July 2013 and June 2020, a number of farmers participated in the migrant labour initiative which provided more certainty around planning future investments for their farm businesses in the medium and long-term by:

- Reducing the regulatory and administrative costs associated with employing and retaining migrant workers.
- Securing a pipeline of skilled migrants to address short-term labour shortage at all levels.
- Securing the benefits of training and skills in the medium and long-term that would be lost without permanent residency.

While the number of farmers accessing the DILA and securing permanent residency visas for their migrant workers has been small, the estimated benefits were material.

Key observations

- Farms participating in the program were larger farms where skilled labour shortages are more common and pressing.
  - Average area under pasture was 1,112 ha
  - Average size of the milking herd was 1,042 cows.
- The proportion of total farm costs devoted to employed labour excluding family members was around 10 per cent
- Most farmers stated being able to employ skilled workers from overseas resulted in a range of economic benefits including:
  - Lower staff turnover
  - Lower search costs enabling administration and visa application costs to be lowered in recruiting new employees
  - Lower training costs.
  - Avoided productivity losses relating to:
    - » Better herd health outcomes
    - » Better productivity as farmers time and labour was not diverted to lower value tasks.
  - Avoided stress/cost on family unit leading to less fatigue, less risk and better farm safety outcomes.
  - Elimination of migration agents fees.
- Farmers also stated that being able to employ skilled workers from overseas provided greater certainty for the farm business enabling them to plan more effectively for the future.
- Three farmers stated that without access to overseas workers, parts of the farm business would be scaled back – reducing herd and milk production.
- Most farmers also revealed that without the DILA, they would pursue securing skilled overseas labour through a range of alternatives (working holiday and other short-term visas available).

- Most farmers stated they would have continued to pursue skilled overseas labour despite the extra time, frustration and cost which may limit the longevity of benefits that can be assumed in the benefit-cost analysis. Fundamentally, most of the stated avoided costs (except for lower search costs, agent's fees and skill differential), would be realised by farmers sooner with the DILA. From the interviews, this could be between 12 months and two years.

Key recommendations

- There is a need to track uptake by farmers to understand the benefits derived from working on this policy initiative.
- While the larger objective of this policy may have been captured under P259 (Technical Policy Support), there may be an opportunity to develop a simple objective statement at the start of the exercise without going through extensive documentation.
- In order to evaluate such projects, it is important to have stated outcomes in order to understand the program logic which is the link between activities and outcomes.

Management response

Dairy Australia management agrees in principle with all the recommendations proposed by the external evaluation. As a result of the recommendations, objectives, activities and outcomes will be reported on with more clarity in the quarterly dashboard reports for the next iteration of this project under P310 – Technical Policy Support and in detail in the final evaluation report for this two year project.

While uptake of industry Labour Agreements are difficult to definitively monitor and report (due to confidential contracts between farm businesses and the Department of Home Affairs), Dairy Australia will attempt to track uptake through surveying levy payers, with a focus on the large supplier group as the recognised main users. Further consideration will be given to how to track the use of these policy instruments, noting that employing overseas skilled labour will remain a last resort recruitment strategy. Dairy Australia continues to make significant and transformative investment in the People and Capability program which is expected to address in part the farm manager shortages from the Australian labour pool over time.

STRATEGIC PROGRAM 3.3

Knowledge and Insights

Objective

Centrally collect, analyse and distribute information that assists stakeholders in their business decision-making and promotes general understanding of the sector.

Investment (2019/20)	Projects
$0.5m	Market Information and Insights (P237)

Program outputs and highlights

- In collaboration with the communications team, the 'Production Inputs Update' was launched, reducing monthly email from five to one to reduce inbox clutter and promote focus on the available information. Early indications suggest engagement has increased as a result.
- The analysis and data teams maintained a high level of contribution to the broader COVID-19 response, while responding to extremely high levels of data requests, and assisting to facilitate other initiatives such as the market intervention study and ABARES/ABS data working group.

NATIONAL DAIRY FARMER SURVEY (NDFS)

Case study

Objective

The NDFS is a contextual study on the state of the national dairy industry conducted annually since 2004. The survey assesses farmer confidence in the dairy industry and in their own businesses and provides insights into the primary drivers.

The survey gives industry stakeholders a good understanding of how farmers are doing in each region and how they can best be supported to meet the challenges they are facing.

Action

The survey is conducted in February each year with 800 farmers interviewed around the country. Farmers are randomly selected from Dairy Australia's levy payer database.

A range of topics are surveyed including dairy farmer confidence, challenges anticipated in the coming six months, current status of the farm business, expectations of farm profitability and on-farm investment.

It also covers herd size and production intentions, feeding systems and general attitudes to the industry and their businesses.

Impact

The key findings from the survey are reported in the Annual Situation and Outlook report in June each year. In 2020 the survey found:

- Farmers are significantly more positive (+22 per cent) about their own businesses with 67 per cent feeling confident in the future of their farms following pricing increases and more favourable seasonal conditions.
- While positive sentiment about the future of the dairy industry remains comparably low at 44 per cent, there has been a significant 10 per cent rise in positivity since 2019. Positive sentiment is now considerably more widespread among Murray Dairy, Dairy NSW, Sub Tropical Dairy and Dairy SA respondents.
- The proportion of farms expanding has increased significantly from 11 per cent in 2019 to 18 per cent in 2020. This has lifted most significantly in Murray Dairy, Sub Tropical Dairy and DairySA.
- The proportion of farmers in a winding down phase continues to trend upwards over time (now 12 per cent). Overall, 7 per cent of respondents said they are likely to exit the industry in the next two years and this is notably higher in the Murray Dairy region where 11 per cent intend to exit.
- The increased farmgate milk price and improved weather conditions are expected to result in significantly more widespread profitability this financial year with 70 per cent of farmers expecting to be profitable. Despite the challenges of 2018/19, 63 per cent of farms reported making an operating profit – notably higher than the 43 per cent who stated that they were expecting to be profitable in 2018/19.
- Cost of inputs (especially feed related) continues to be the greatest challenge but this has declined significantly since 2019. Climate remains the second greatest challenge overall, while irrigation remains the greatest concern in the Murray Dairy region.

REFERENCES

Group metrics and appendices

GROUP METRICS

The Group metrics focus on Dairy Australia's performance across the organisation. Measures are considered across five categories: financial, people, stakeholder satisfaction, technology and infrastructure, and risk management.

Group measure	Performance metric	Unit	2019/20 outcome
Stakeholder satisfaction Track satisfaction levels of key stakeholders on Dairy Australia's performance	Importance of having an organisation such as Dairy Australia for the Australian dairy industry	Score	7.8 out of 10 (down from 7.9 in 2019/20)
	Likelihood of recommending the services and information Dairy Australia and the RDPs provide to dairy farmers and others working in the Australia dairy industry	Score	6.4 out of 10 (down from 6.7 in 2019/20)
	Overall satisfaction that Dairy Service levies are being invested wisely	Score	5.6 out of 10 (down from 5.7 in 2019/20)
Financial Be fiscally prudent	Exceeded target budget of deficit, arriving at a surplus in the year. The reasons for exceeding the budget were due to factors such as less spending due to COVID-19.		
People We provide a collaborative learning environment for our people to help advance and support our farmer, industry and community interests	• We responded immediately to the challenges presented by COVID-19, introducing a new employee assistance and wellbeing program and increasing our support for employee mental health and resilience coaching. • This year saw the launch of a talent acquisition and engagement platform, connecting alumni, existing and future employees in a virtual community. • Digitised our engagement and onboarding process for a streamlined experience for both candidates and staff.		
Technology and infrastructure Invest in critical new internal Dairy Australia business initiatives to improve operations	Increase Cyber Security capability and maturity level in line with Australian Cyber Security Centre (ACSC) mitigation strategies.	%	100% of all planned cyber security initiatives have been implemented successfully
	Deployment of computer upgrades to ensure all computers are less than 3 years old to improve operations and support the cyber security initiatives	%	100% of computers older than 3 years refreshed
Risks Manage significant internal Dairy Australia risks	Proactive risk identification and mitigation framework in place	%	100%
	Risk management framework considered appropriate for the type of organisation Dairy Australia represents	%	100%

APPENDIX 1

Key project measures

Dairy Australia uses quarterly metrics for various projects that we run to monitor the performance and outcomes achieved by those projects. By monitoring projects quarterly, we adjust the work being done and respond to any issues that are identified.

Program name	Key Measure	2019/20 Target	Achieved	Status
Animal Health and Fertility	% of attendees that indicate they are 'very likely' to implement changes on their farm after attending Rearing Healthy Calves workshops	80%	79%	
	Number of slaughtered bobby calves with antibacterial residues above Australian maximum residue limits (MRL)	0	3	
	% of attendees that indicate they are 'very likely' to implement changes on their farm after attending Euthanase Livestock workshops	80%	78%	
	% of farmers not complying with industry routine calving induction targets	0%	0.8%	
	% of farms with a biosecurity plan	10%	58%	
	% of farmers using blunt force trauma	0%	25%	
	% of farmers using tail-docking	0%	4%	
	% of farmers disbudding calves at less than 2 months of age and using pain relief	50%	55%	
	% of farmers following age of transport guidelines	100%	92%	
	% of ReproRight Advisors using InCalf materials on an ongoing basis.	80%	61%	
	% of farmers agree with 'I am satisfied with the reproductive performance of my herd'.	80%	71%	
	% of farmers herd testing.	60%	51%	
	Median 6-week in-calf rate for seasonal and split calving herds	50%	52%	
	% of attendees that indicate they are 'very likely' to implement changes on their farm after attending InCalf workshops	80%	61%	
	% of attendees likely to make changes on their farm after attending InCalf workshops within 6 months	80%	93%	
	Number of Mastitis Focus Reports	30/qtr	74/qtr	
	Number of farmers participating in Cups On Cups Off training	50/qtr	95/qtr	
	% of farmers 'very likely' to make changes on their farm following Cups On Cups Off workshop.	80%	86%	
	% of farmers likely to make changes on their farm following Cups On Cups Off workshops within 6 months	80%	96%	
	Number of service providers enrolled in Countdown MQ adviser training	15	19	
	% farms with annual average Bulk Milk Cell Count <250K	80%	86	

Program name	Key Measure	2019/20 Target	Achieved	Status
Genetics and Herd Improvement	Increase in average reliability of existing selection indexes (e.g. Balanced Performance Index) across all breeds in Good Bulls Guide	70%	68%	●
	$ increase in the rate of genetic gain	Increase in $	$341	●
	Farmers reporting that the BPI, HWI or TWI is relevant to their farming system	60%	80%	●
	Farmers reporting that the BPI, HWI or TWI has a lot of influence on their semen purchase decisions	30%	50%	●
	% of dairy bulls purchased for this mating season that are either in the Good Bulls Guide, Good Bulls App or for Holsteins are over 190 for BPI	NA	39%	●
	% of farmers using BPI, HWI or TWI	NA	48%	●
Feedbase and Animal Nutrition (including AgTech and Innovation)	% of farmers attending C4 Milk extension indicating the likelihood of implementing forage types	80%	76%	●
	% of farmers attending WA Hub – Field days indicating that the project results have led to more informed decision making around seed cultivar selection	80%	85%	●
	% of farmers attending Nutrition Fundamentals training indicating their willingness to make changes to their business	80%	99%	●
	% of farmers attending Advanced Nutrition training who have implemented on-farm changes within 6 months	80%	100%	●
	Contributing to industry capability uplift by sending advisors to American Dairy Science Association (ADSA)	4 advisors	0 advisors	●
	% of farmers using a feed budget	70%	57%	●
	% of farmers always considering margin over feed costs when doing a feed budget	70%	69%	●
	% of farmers in Tasmania only attending extension on grazing management & pasture management skills training (DairyHIGH project), indicating their willingness to make changes to their business immediately	80%	91%	●
	% of farmers in Tasmania only attending extension on grazing management – pasture management skills training (DairyHIGH project), indicating their willingness to make changes within 6 months	80%	95%	●
	% of farmers attending Feeding Pastures for Profit training (excl. Tasmania) indicating their willingness to make changes to their business immediately	80%	66%	●
	% of farmers attending Feeding Pastures for Profit training (excl. Tasmania) indicating their willingness to make changes within 6 months	80%	92%	●
	% of farmers attending Top Fodder training indicating their willingness to make changes to their business	80%	100%	●
	% of farmers actively managing insect pests that are a major issue for their farm	80%	77%	●
	% of farmers aware of FVI	70%	51%	●

Program name	Key Measure	2019/20 Target	Achieved	Status
Feedbase and Animal Nutrition (including AgTech and Innovation) cont.	% of farmers that currently use, or have previously used the FVI	80%	18%	🔴
	Feedback from participating farmers on the value of AMS workshop	75%	89%	🟢
	Proportion of AMS farmers attending forums	25%	30%	🟢
Farm Business Management (FBM)	Percentage of farms that are captured in DairyBase	30%	32%	🟢
	Value of FBM extension activities to your business	8.0	8.9	🟢
	% of farmers participating in FBM activities indicating they are 'Very likely' to make changes on farm	50%	63%	🟢
	% of farmers participating in FBM activities indicating they will make change within <6 months	70%	80%	🟢
	User satisfaction with DairyBase	8.0	8.5	🟢
Land, Water, Carbon	Decrease in bounce rate from Dairy Climate Toolkit	50%	66%	🔴
	20% increase in the No. of farmers subscribing to heat alerts	340	320	🟡
	Number of heat alerts users that we are getting feedback from	51%	30%	🔴
International Market Support	Feedback from scholarship/seminar participants – China – Satisfaction with the program	8	9.3	🟢
	Feedback from scholarship/seminar participants – Japan – Satisfaction with the seminar	8	7.6	🟡
	Feedback from scholarship/seminar participants – Japan – The likelihood of recommending the event to colleagues	8	8.6	🟢
	DA as credible source of information.	8	8.8	🟢
Manufacturing Innovation and Sustainability	DA viewed as a credible and trusted source of information by DMSC – Processors	8	9.1	🟢
	Number of initiatives implemented by processors	4	6	🟢
	% of milk supply covered by processors engaged with DA	90%	88%	🟡
	% of funding contributed by processors and other external bodies	50%	46%	🟡
Regional Extension Services	Number of RDP events held	750	1,001	🟢
	Number of farmers attending RDP events	7,000	9,186	🟢
	Number of Dairy Discussion Groups	100	94	🟡
	Number of members attending Dairy Discussion Groups	1,000	3,241	🟢
	Satisfaction with the opportunity to participate in DA or RDP programs and events	6.8	6.8	🟢
	Satisfaction with the opportunity to access services or information through Dairy Australia or RDP	7.2	7.2	🟢

Program name	Key Measure	2019/20 Target	Achieved	Status
Regional Extension Services cont.	Satisfaction with the way in which Dairy Australia or RDP engages with dairy farmers	6.4	6.4	●
	Number of farmers participating (booked) in Taking Stock initial consults and follow-ups	415	434	●
	% of participating farmers likely to make changes on their farm following the consultation	75%	99%	●
	% of participating farmers likely to make changes on their farm in <6 months following the consultation	90%	93%	●
	% of participating farmers indicating they can independently implement their Action Plan following the consultation	60%	53%	●
	Proportion of large suppliers indicating they are likely to implement learnings from P200 activities within 6 months (workshops, study tours)	70%	83%	●
	Percentage of Large Suppliers (top 200) participating in Large Supplier activities including events and engagement activities captured in Salesforce; notes, tasks, phone calls and cases	90%	76%	●
	Largest 200 farmer satisfaction that their levies are being invested wisely	6.5	5.6	●
	Largest 200 farmers satisfied with their level of access to DA services	6.5	7.5	●
	30 datasets from the top 200 suppliers (FY19) are in Dairy Farm Monitor Project (DFMP)	30	22	●
	YDNA – Ratings of YDNA activities in terms of quality of content	8.5	8.5	●
	Number of farmers participating in Stepping Up/Stepping Back workshops per quarter	98	70	●
	Ratings of Stepping Up/Stepping Back workshops in terms of the value of activity to participants and their business	8.5	8.75	●
	Regional Workforce Support – access to HR/ workforce support to farmers in all dairy regions	100%	100%	●
	Cows Create Careers – % of students indicating they have a greater understanding of careers in dairy following the program	80%	89%	●
	Cows Create Careers – % of students indicating they are considering a career in dairy following the program	10%	15%	●
	Cows Create Careers – % of farmers who think this program is valuable to the future of the Dairy Industry	80%	83%	●
	Cows Create Careers – % of dairy farmers and industry advocates more likely to be involved in other industry activities	80%	81%	●
	Milk Tanker Operator and Milk Machine Technician Cert Training available across dairy regions of Australia	100%	100%	●
	Participant satisfaction with Diploma of Human Resource Management	80%	98%	●

Program name	Key Measure	2019/20 Target	Achieved	Status
People and Capability	Participant completion rate Diploma of HRM	80%	80%	●
People and Capability cont.	Interactive technology enhanced learning experiences from DA – Learning Management System (% of Moodle users report the LMS to be an engaging learning experience)	50%	90%	●
	DairyPATH participant satisfaction (% of participants perceive the experience to value-add to their career development)	70%	100%	●
	DairyPATH participant career pathway developed (% of participants report to have a dairy development plan documented)	70%	100%	●
	Number of farmers attending farm safety workshops per quarter	110	25	●
	Ratings of Farm Safety workshops in terms of the value of activity to participants and their business	8.5	8.5	●
	Percentage of farmers who report they are likely to implement change as a result of DA's farm safety program	75%	77%	●
	Number of deaths on dairy farms (Victoria)	0	2	●
Industry and Community Marketing	% of participating RDCs who think Dairy Australia is adding value to their industry	70%	80%	●
	Number of RDCs who have used or promoted People in Agriculture in the past 12 months	6	6	●
	Changemakers feel the industry is providing enough information to make an informed choice or opinion about the industry and products	69%	66%	●
	Changemakers feel the industry meets their expectations in doing the right thing	76%	66%	●
	Changemakers recommend dairy foods to friends and family (Net Promoter Score)	29	21.5	●
	Changemakers hear positive health messages about dairy foods from health professionals	77%	84%	●
	GPs trust Dairy Australia as a credible source of dairy and health information	30%	27%	●
	Dietitians trust Dairy Australia as a credible source of dairy and health information	74%	82%	●

Program name	Key Measure	2019/20 Target	Achieved	Status
Industry and Community Marketing cont.	GPs feel confident to recommend dairy to Changemakers as part of a balanced diet	84%	95%	●
	Dietitians feel confident to recommend dairy to Changemakers as part of a balanced diet	85%	95%	●
	Teachers find the Discover Dairy resources to be useful and relevant	8	9.2	●
	Teachers find the Discover Dairy website to be a credible source of information on food, agriculture and the dairy industry	8	8.4	●
	Teachers would recommend the Discover Dairy resource hub to their teaching peers	8/10	8.7	●
	No. of engaged and active users on the Discover Dairy teacher database	2,100	2,002	●
	No. of downloads/interactions from the Discover Dairy resource hub (cumulative)	24,000	27,160	●
	Increase in school participation in the Picasso Cows program over 2019/20/20 (cumulative)	250	154	●
Industry risk and reputation management	Sustainability Forum participants are well engaged	80%	75%	●
	Participants rate the value of the Sustainability Forum to their business	7	7.7	●
Knowledge and Insights	Knowledge sharing – presentations to farmers and other stakeholders	15	18.3	●
	Media mentions (number of occurrences of T&S staff (or P237) mentioned in the media)	90 (average per quarter)	166	●
	Performance tracker – Share of farmers familiar with DA's investment in 'Providing market information and insights to help with decision making e.g. International Market Reports, Situation and Outlook'	60%	65%	●
	Performance tracker – Share of farmers who see benefits in DA's investment in 'Providing market information and insights to help with decision making e.g. International Market Reports, Situation and Outlook' (i.e. P237, Total 'a number of benefits' + 'Extremely beneficial')	75%	70%	●
	Feedback on Situation and Outlook event	8	9	●

APPENDIX 2

Glossary of terms

Glossary	
ABV	Australian Breeding Value
ACSC	Australian Cyber Security Centre
ADF	Australian Dairy Farmers
ADP	Australian Dairy Plan
ADPF	Australian Dairy Products Federation
AGM	Annual General Meeting
AMS	Automatic Milking System
APCO	Australian Packaging Covenant Organisation
APEC	Asia – Pacific Economic Co-operation
ARC	Australian Research Council
BCR	Benefit Cost Ratio
BCS	Body Conditioning Score
BPI	Balanced Performance Index
CDR	Central Data Repository
ChAFTA	China Australia Free Trade Agreement
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
DA	Dairy Australia
DFMP	Dairy Farm Monitor Project
DMSC	Dairy Manufacturers Sustainability Council
EPA	Environmental Protection Agency
EU-Aust FTA	European Union Australia Free Trade Agreement
FBM	Farm Business Management
FTA	Free Trade Agreement
FVI	Forage Value Index
GP	General Practitioner
IA-CEPA	Indonesia and Australia Comprehensive Economic Partnership
KPI	Key Performance Indicator
LiDAR	Light Detection and Ranging
MIR	Mid-Infrared
NDFS	National Dairy Farmer Survey
NPS	Net Promoter Score
NSA	Nutrition Society of Australia
NUE	Nitrogen Use Efficiency
OH&S	Occupational Health and Safety
R&D	Research and Development
RD&E	Research Development and Extension
RDC	Research and Development Corporation
RDP	Regional Development Program
S&O	Situation and Outlook
TAFTA	Thai Australia Free Trade Agreement
TBT	Technical Barriers to Trade
WASP	WA Seed Performance Trials
WUE	Water Use Efficiency

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