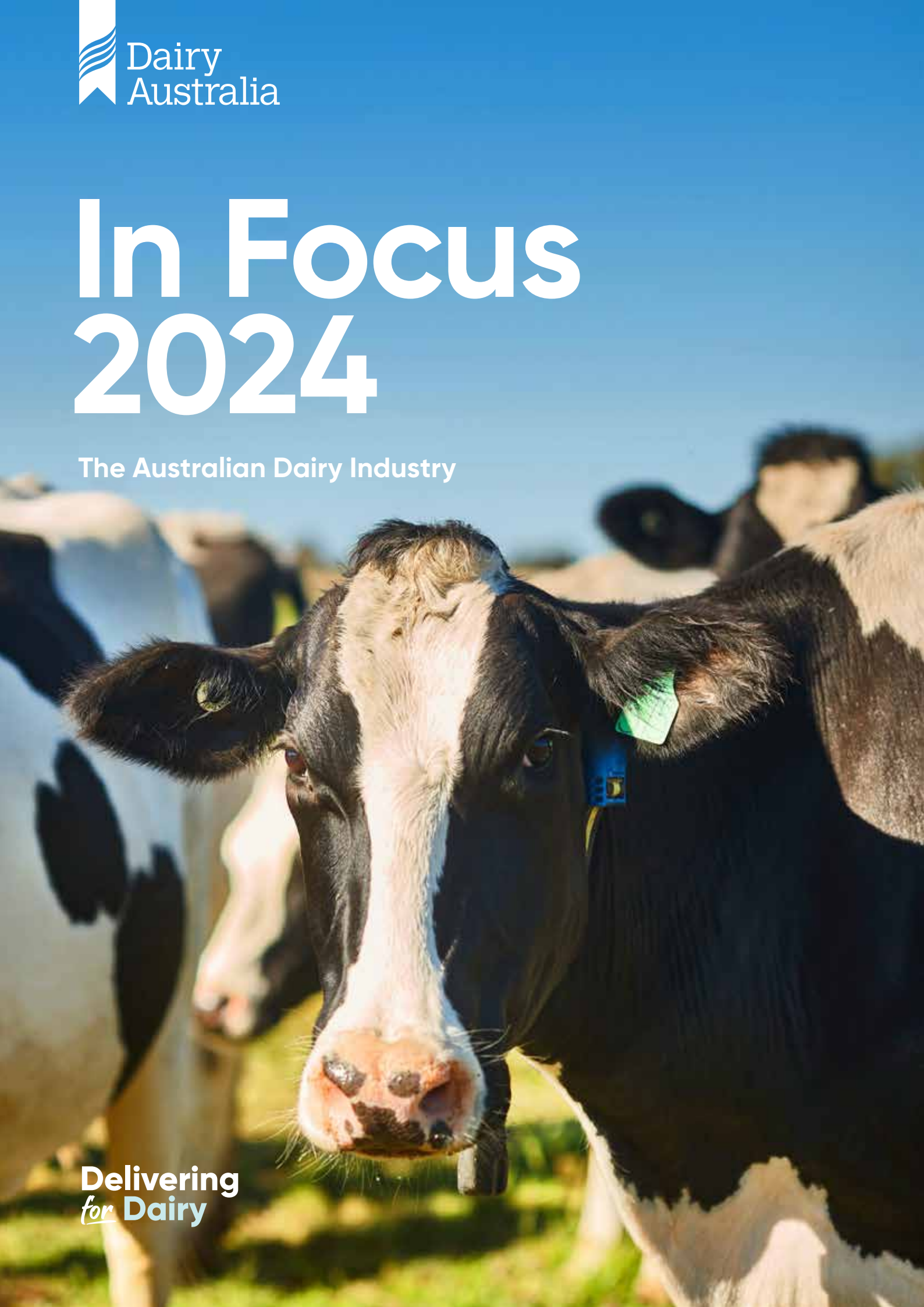
Dairy Australia

In Focus 2024

The Australian Dairy Industry



Delivering for Dairy

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Key facts about Australia's dairy industry

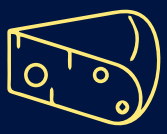
Dairy is Australia's **third largest** rural industry

8,376 million litres of milk produced worth **$6.237 billion**. Average annual production per cow **6,443 litres**

3,889 dairy farms and a national herd of **1.33 million cows.** Average herd size **342 cows.**

31,300 dairy industry workforce

Annual production of main commodities



361,516 tonnes
Cheese

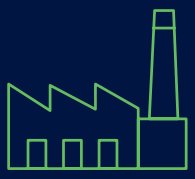
180,272 tonnes
Milk powders

67,775 tonnes
Butter & AMF (CBE)

Australian milk utilisation

41% Cheese
32% Drinking milk
20% Skim milk powder or butter
2% Whole milk powder
5% Other

Annual per capita consumption
88 litres
of drinking milk



32%
of milk production
exported

Major export markets

Greater China
185,646 tonnes

Japan
71,687 tonnes

Singapore
65,052 tonnes

Indonesia
60,211 tonnes

Malaysia
53,283 tonnes

Foreword

The dairy industry is the third largest rural industry in Australia and a key sector of the agricultural economy, generating close to A$6.2 billion in farmgate value in the 2023/24 financial year.

The 2024 Australian Dairy Industry In Focus report provides a snapshot of Australia's role in the global dairy industry, based on statistics for the 2023/24 year.

As the national service body for the Australian dairy industry, Dairy Australia is funded by a combination of levies paid by dairy farmers (calculated on the fat and protein content of milk), and matching payments from the Commonwealth Government for eligible research and development (R&D) activities.

Dairy Australia plays a key industry role in quantifying the flow of milk across Australia, which is processed into a wide range of dairy products and then sold into diverse domestic and overseas markets.

This report is made possible through the significant contributions of dairy processors that continue to provide regular data.

Key findings

Farmgate milk prices remained strong during the 2023/24 season, with Australian dairy farmers receiving an average of A$9.79/kg MS (US$50 per 100kg of milk). Across calendar year 2023, this was above the milk price of key global competitors including the United States, New Zealand and the United Kingdom, although lower than the European Union.

Australian milk production increased 3 per cent in 2023/24, to 8,376 million litres from 8,127 million litres the previous season. This was largely attributed to more favourable weather conditions, while also measured against the lower comparable production of the previous season. There have been some constraints to income and production, such as lower domestic beef prices and heifer export demand, with ongoing longer term constraints that include farm exits and labour challenges.

In line with long-term trends, the number of dairy farms continued to fall in 2023/24, down 7 per cent from the previous year. However, while farm numbers decreased, the average size of farms has grown, with the number of large farms – and their share of milk production – increasing.

In 2023/24, 32 per cent of milk produced in Australia was exported. Australian milk accounted for just over 1 per cent of the world's estimated milk production, but Australia is ranked fifth globally on dairy exports, behind New Zealand, the European Union, the United States and the United Kingdom. Australia accounts for 4 per cent of the total world dairy trade.

The total value of Australia's dairy exports in 2023/24 was A$3.6 billion, with the top five Australian export markets measured by dollar value being Greater China, Japan, Indonesia, Malaysia, and Singapore.

Despite Australian consumption trends varying significantly over the past 20 years, dairy continues to be considered a 'staple' food in many households. In Australia, the main consumer dairy products are drinking milk, cheese, yoghurt, and butter/butter blends. Per capita consumption of yoghurt increased to 10kgs while drinking milk is estimated at around 88 litres. Whilst this has declined marginally in recent years, Australia's consumption of drinking milk remains high compared to other developed countries.

Further information

Most statistics referred to in this report are updated monthly and available at **dairyaustralia.com.au**.

I trust you will find the Australian Dairy Industry In Focus continues to provide valuable information on one of this country's most important industries.

David Nation Managing Director

The Australian Dairy Industry

An important rural industry

The dairy industry is a major rural industry in Australia, ranked third behind the red meat and wheat industries, with a farmgate value of production around A$6.2 billion (as shown in Table 1). Dairy is a significant source of employment across regional areas, adding substantial value through further downstream processing. In 2023/24, approximately 31,300 people were directly employed on dairy farms and by dairy processing companies. Further employment connected to the industry is represented in associated transport, distribution, and farm services, as well as research and development activities. This mostly occurs close to farming areas, thereby generating significant economic activity and employment across regional Australia.

Dairying is well established across the temperate and some subtropical regions of Australia. While most of the milk is produced in South-east Australia, all states have dairy industries that supply fresh drinking milk to nearby cities and towns. Most states produce a range of high-quality consumer products, including fresh milks, custards, yoghurts, and specialty cheeses.

The manufacture of dairy commodity products for export is largely concentrated in South-eastern Australia and includes cheddar, mozzarella cheese, specialised milk powders and butterfats.

The dairy industry experienced strong growth throughout the 1990s, which eventually stalled in the early 2000s. In addition to industry deregulation, this period coincided with the severe and prolonged 'millennium drought.' Increased levels of market and margin volatility undermined confidence in the outlook for many farmers, who seek reliable returns on which to build a longer-term future. This has resulted in ongoing consolidation within both dairy farming and dairy processing.

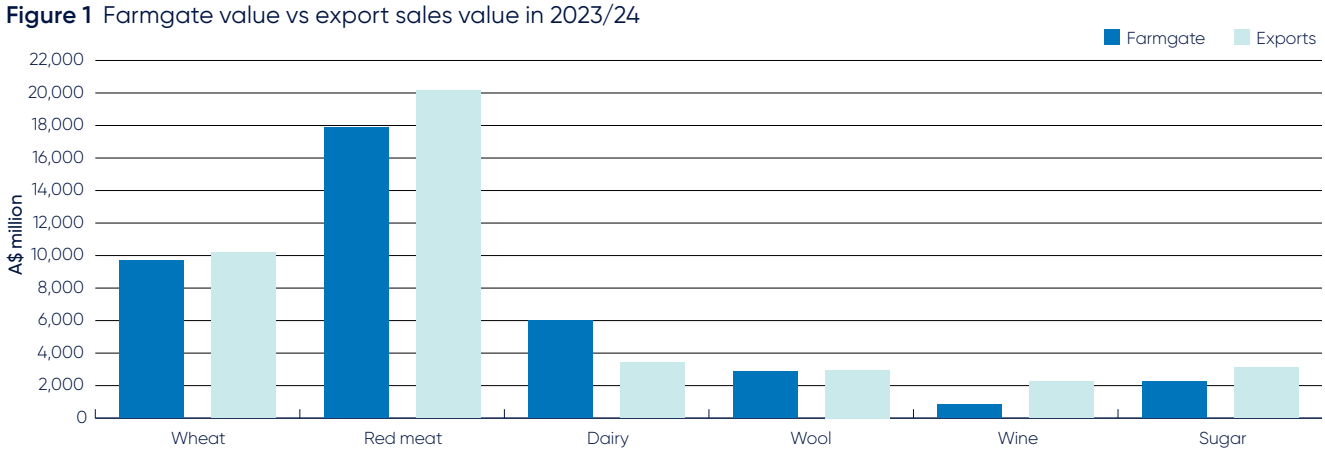
In line with long-term trends, the number of dairy farms continued to fall in 2023/24, down 7 per cent from the previous year. However, while farm numbers decreased, the average size of farms has grown, with the number of large farms – and their share of milk production – increasing. Additionally, there has been further consolidation among processors, with manufacturing facilities facing continued rationalisation.

Table 1 Australian dairy industry – long-term trends

At June 30	1990	2000	CAGR % 1990s	2010	CAGR % 2000s	2020	CAGR % 2010s	2024 (p)	CAGR % 2020s
Milk production (ML)	6,262	10,847	5.6	9,023	-1.8	8,797	-0.3	8,376	-1.2
Dairy cows ('000)	1,654	2,171	2.8	1,596	-3.0	1,394	-1.3	1,330	-1.2
Farm numbers	15,396	12,896	-1.8	7,511	-5.3	5,055	-3.9	3,889	-6.3
Value of farm production*($m)	3,388	4,297	2.4	3,366	-2.4	4,829	3.7	6,237	6.6
Per capita consumption (milk equivalent)	245	274	1.1	301	0.9	319	0.6	298	-1.7
Export value*($m)	613	3,918	20.4	2,391	-4.8	3,378	3.5	3,628	1.8
Export share of production (%)	31	54		45		29		32	

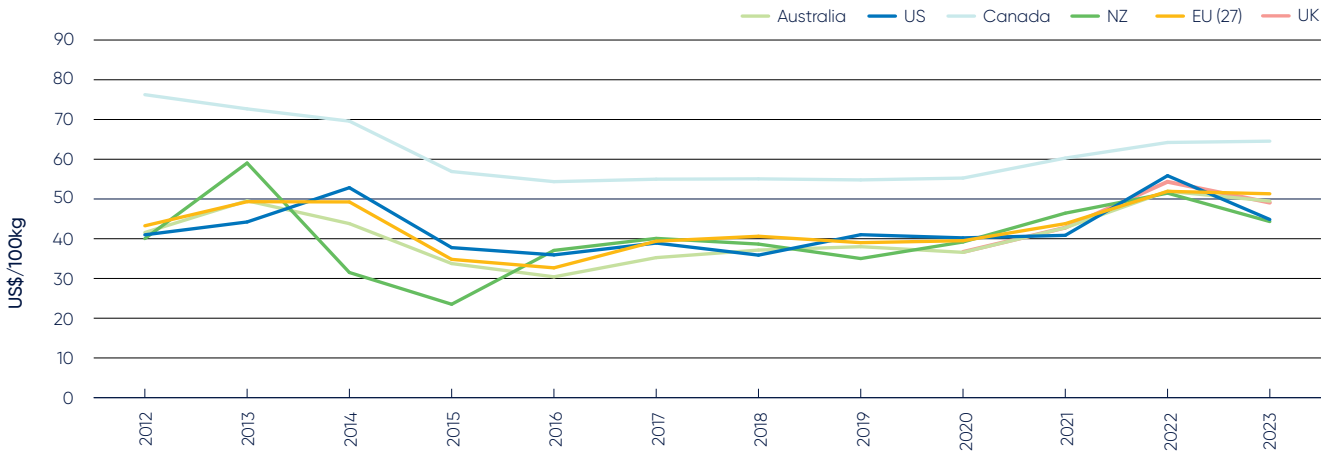
*Expressed in 2023/24 dollars.
CAGR = Compound Annual Growth Rate
Source: ABS, ADC, DA, state authorities

Figure 1 Farmgate value vs export sales value in 2023/24



Source: ABARES Australian Commodity Qtly Report (forecast)

Figure 2 International farmgate milk prices (US$/100kg)



Source: Dairy Australia

A globally competitive industry

Since the dairy industry completed deregulation in 2000/01, Australian dairy farmers have operated in an open market with minimal government intervention. As a result, Australia's domestic dairy market is subject to international pressures, either through direct competition for export sales or competition from imports. International markets and events also have a major influence on Australian farmgate milk prices. While most milk produced is consumed domestically, Australia is also a major exporter and importer of dairy products (predominantly from New Zealand).

Farmgate milk prices remained strong during the 2023/24 season with Australian dairy farmers receiving an average price of A$9.79/kg MS (US$50 per 100kg of milk). Across calendar year 2023, this price was above that of the United States, New Zealand and the United Kingdom, but below that paid to farmers in the European Union. These indices represent milk receipts only and do not include other components of total farm income, such as decoupled government support, livestock sales or other activities.

As shown in Figure 2, the price received by farmers around the world has continued to converge. Farmgate prices now more closely reflect global dairy commodity price trends due to the removal of many market-distorting industry policies, progressive deregulation and increased global trade. While broadly tracking other producers, Canada's dairy farmers operate in a highly regulated environment which determines prices, production, and imports according to a scheme known as Supply Management.

Historically, Australia has been considered a low-cost producer of dairy products, however in recent years, farm cost structures have increased in response to the need to adapt to drier conditions. This has resulted in higher expenditure on supplementary feed and temporary water allocations, particularly in Northern Victoria and Southern New South Wales. Since deregulation, local milk production has declined while the size of the domestic market has increased due to population growth. As a result, the share of milk that is exported, and Australia's share of international dairy trade, have both contracted.

Farm facts

Dairy farms are located in all states of Australia, with the majority of milk production occurring in South-eastern Australia, where the climate and natural resources are generally favourable for dairying. As such, the industry is predominantly pasture-based, resulting in cost efficient systems producing high-quality milk. In a year of 'normal' seasonal conditions, grazed pasture covers approximately 60-65 per cent of cattle feed requirements.

While most farms are located in coastal areas where pasture growth is generally reliant on rainfall, there are also several inland dairying areas which use irrigation schemes, most notably in Northern Victoria and the New South Wales Riverina region. Dairy farm systems vary across Australia – while many farms use pasture as the herd's main feed source, the use of supplementary feed is widespread. There is a greater incidence of more intensive feeding practices observed in states such as New South Wales and Queensland, with high rates of supplementary feeding.

Over the past decade, the use of supplementary feeding has increased significantly as farmers adapt to drier conditions, and/or seek to flatten their farm's seasonal milk production profile. Supplementary feed can be purchased or homegrown, and includes grain, hay, silage and in some situations, feed byproducts.

Such changes in production systems can introduce additional input costs, price risk and management complexity, and can lead to greater variability of farm returns.

Dairy Australia's 2024 National Dairy Farmer Survey showed nearly all dairy farmers engaged in some level of supplementary feeding. Feeding moderate to high levels of concentrates is practised across all regions, with the national average feeding rate remaining steady in 2023/24 at 1.8 tonnes per cow per year.

See Appendix 3 for detailed tables on feed prices by state dairying regions.

Since 1979/80, the number of dairy farms in Australia has been steadily declining from 21,989 farms to 3,889 in 2023/24 (refer to Table 2). The rate of decrease in farm numbers has historically followed changes in farmgate milk prices from season to season. While strong prices can slow the rate of attrition, periods of weaker farmgate milk prices and/or adverse seasonal conditions can accelerate farm exits. Land prices and the performance of other agricultural industries can also encourage farm exits, regardless of farmgate milk prices.

Table 2 Number of registered dairy farms

	NSW	Vic	Qld	SA	WA	Tas	Aust
2011/12	778	4,556	555	275	162	444	**6,770**
2012/13	731	4,284	518	268	160	437	**6,398**
2013/14	710	4,268	475	264	156	435	**6,308**
2014/15	704	4,127	448	252	157	440	**6,128**
2015/16	690	4,141	421	246	151	430	**6,079**
2016/17	661	3,889	406	240	148	427	**5,771**
2017/18	626	3,881	393	228	159	412	**5,699**
2018/19	575	3,516	356	212	150	404	**5,213**
2019/20	534	3,462	327	206	135	391	**5,055**
2020/21	523	3,080	307	198	132	378	**4,618**
2021/22	494	2,984	280	181	116	365	**4,420**
2022/23	466	2,774	278	182	112	351	**4,163**
2023/24 (p)	452	2,552	266	170	107	342	**3,889**

Source: State milk authorities and Dairy Australia

Falling farm numbers reflects a world-wide trend in agriculture. Changing business practices have encouraged a shift to larger, more intensive production systems with greater economies of scale. However, while the number of farms across Australia has declined, the average herd size continues to grow. In 1985, the average herd size was 93 cows; this has grown to 342 cows in 2023/24. There is also an emerging trend of large farm operations milking more than 700 cows. Despite the average herd size increasing over time, Australia's national herd has been declining. Increased volatility in farm cash incomes has seen many farmers participate in the export heifer trade or sell dairy cows for slaughter as an additional source of farm income. Strong beef and land prices, labour challenges and extreme weather events have also encouraged some farmers to destock or diversify their businesses, or even exit the dairy industry.

See Appendix 8 for detailed tables on heifer exports.

Consequently, a smaller national herd limits total milk production, relying on increased per cow yields to maintain production volumes. Improved herd genetics, as well as advances in pasture management and supplementary feeding regimes, have increased average annual per cow yields over time.

Over the past four decades, yields have more than doubled from 2,900 litres in 1979/80 to 6,443 litres in 2023/24. The average yield figure varies by state and with seasonal conditions.

In Australia, the dominant dairy breed is the Holstein, accounting for around two-thirds of all dairy cows. Other important breeds include the Jersey, Holstein/Jersey cross, Brown Swiss, Ayrshire and local breeds, the Australian Red, and the Illawarra. Australian farmers have access to some of the best genetic material in the world with artificial insemination the most commonly used breeding practice on farm. Herd recording is also widely used with around half of all dairy farms regularly recording herd performance.

The genetic evaluation of dairy cattle was previously conducted by the Australian Dairy Herd Improvement Service (ADHIS). ADHIS has now been superseded by DataGene – an independent, industry-owned, not-for profit organisation that focuses on pre-competitive herd improvement. DataGene is involved in several aspects of herd improvement including genetics, herd testing, herd recording, data systems, herd test standards and evaluation. DataGene goes beyond the ADHIS in seeking to drive genetic gain and herd improvement by combining research, development, and extension within one organisation.

Table 3 Number of dairy cows ('000 head)

At 31 March	NSW	Vic	Qld	SA	WA	Tas	Aust
2011/12	204	1,115	101	76	57	148	**1,700**
2012/13	210	1,096	96	77	62	148	**1,688**
2013/14	181	1,093	98	73	66	137	**1,647**
2014/15	177	1,147	91	68	59	147	**1,689**
2015/16	182	1,005	89	78	60	149	**1,562**
2016/17	164	975	86	71	64	160	**1,520**
2017/18	166	1,023	85	67	56	149	**1,547**
2018/19	149	898	78	72	56	175	**1,428**
2019/20	144	883	64	70	51	182	**1,394**
2020/21	159	859	69	69	53	179	**1,388**
2021/22	151	830	66	65	50	173	**1,335**
2022/23 (r)	140	800	60	65	50	175	**1,290**
2023/24 (e)	153	825	60	64	49	179	**1,330**

From 2018/19, Tas data sourced from TDIA; From 2018/19 to 2020/21, SA data source from Dairysafe SA
Source: Dairy Australia estimate based on informattion from ABS and state milk authorities

Farmgate milk prices

Farmgate milk prices paid to Australian dairy farmers vary between processors and payment structures from dairy companies to individual farmers can differ significantly. The price paid can be based on the volume of solids in the milk (specifically milkfat and protein) or on a cents per litre basis, depending on how the milk is utilised. Milk supply agreements can provide a range of incentives for milk quality, productivity, or volume levels and for year-round milk supply. There may also be volume growth incentives in place to encourage milk supply to processing plants (to improve operating efficiencies), or loyalty incentives to guarantee supply for long periods. These all influence the final farmgate price received.

Unlike many countries around the world, the Australian government has no legislative control over the farmgate milk price. Since deregulation in 2000/01, all prices within the industry are set by market forces. Therefore, the returns received by an individual company are affected by various factors, including market and product mix, marketing strategies, utilisation and efficiencies in factory processing capacity, and exchange rate hedging policies.

Competition among processors to secure milk may also influence farmgate milk prices from season to season.

Implemented in 2020, the Dairy Code of Conduct stipulates that prior to the start of each season, all dairy processing companies must publicly release a minimum opening milk price by 2pm (AEST) on 1 June. In a feature that is unique to the Australian dairy industry, farmgate milk prices cannot be reduced below the minimum announced price during the season.

Australian dairy companies operate in an open and internationally competitive market. This includes free trade under the Closer Economic Relations (CER) agreement with New Zealand, a major global dairy producer. As a result, the returns local processors can achieve are influenced by global dairy commodity prices, even if they are not directly participating in export trade.

Table 4 Average annual milk production per cow (litres)

	NSW	Vic	Qld	SA	WA	Tas	Aust
1979/80	2,870	3,012	1,984	3,163	3,105	2,958	**2,848**
1989/90	3,602	3,920	3,122	3,934	4,205	3,791	**3,781**
1999/00	4,827	4,989	4,349	6,790	6,338	4,381	**4,996**
2005/06	5,039	5,221	4,076	5,791	5,369	4,581	**5,108**
2006/07	5,151	5,261	4,033	6,417	5,235	4,696	**5,182**
2007/08	5,031	5,393	4,163	5,799	5,907	4,961	**5,275**
2008/09	5,420	5,807	5,032	6,053	6,355	5,140	**5,691**
2009/10	5,329	5,518	5,052	5,907	6,641	4,640	**5,448**
2010/11	5,409	5,860	4,980	6,257	6,637	5,379	**5,758**
2011/12	5,760	6,027	5,008	6,646	5,967	5,636	**5,930**
2012/13	5,534	5,473	4,667	7,099	5,996	5,166	**5,498**
2013/14	5,542	5,639	4,640	6,896	5,443	5,578	**5,615**
2014/15	6,572	5,795	4,388	7,411	5,752	6,400	**5,917**
2015/16	6,719	5,621	4,644	7,634	6,669	5,981	**5,841**
2016/17	6,434	5,749	4,823	6,520	6,342	5,511	**5,813**
2017/18	6,949	6,058	4,670	7,195	6,199	5,805	**6,108**
2018/19	6,757	5,622	4,325	6,937	6,674	5,203	**5,723**
2019/20	7,146	6,289	4,505	7,007	6,661	5,208	**6,201**
2020/21	7,274	6,446	4,734	7,239	7,052	5,369	**6,376**
2021/22	6,831	6,416	4,382	7,212	6,519	5,112	**6,241**
2022/23 (r)	6,677	6,251	4,322	7,263	6,767	5,224	**6,139**
2023/24 (e)	7,262	6,569	4,702	7,395	6,917	5,309	**6,443**

Source: Dairy manufacturers, ABS, state milk authorities and Dairy Australia

World dairy prices directly affect returns for the 32 per cent of Australian milk exported as butter, cheese, and milk powders, which must compete with other countries' exports. Global prices also influence the additional 39 per cent of production that goes into locally consumed manufactured dairy products, which must be competitively priced against imports. As a result, over 70 per cent of milk produced in Australia is exposed to global dairy prices, while the remainder is consumed domestically as liquid drinking milk.

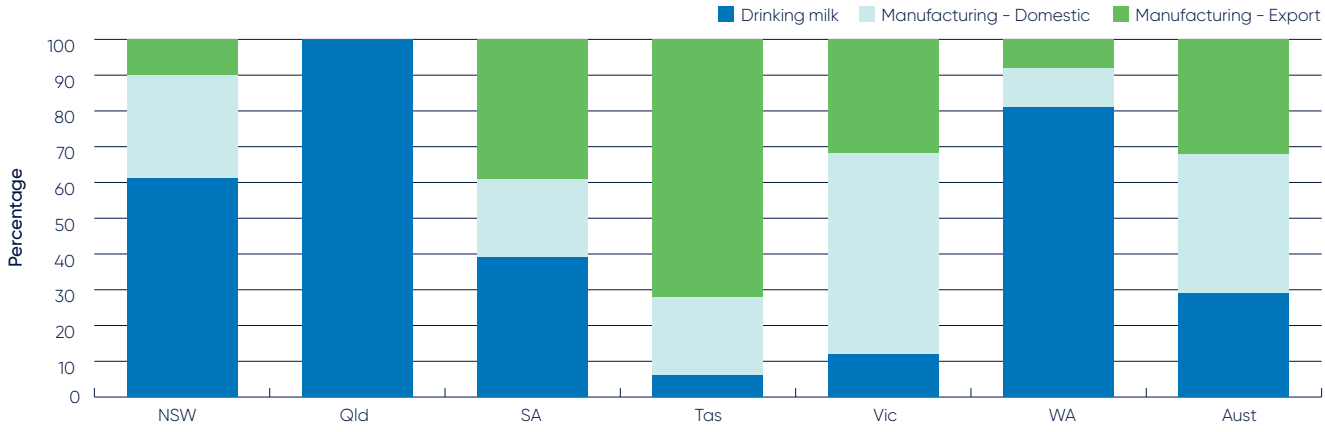
The strength of the Australian dollar on foreign exchange markets also affects farmgate milk prices. Dairy companies benefit from a 'weaker' Australian dollar, which makes exports more competitive and imports relatively more expensive, all other things being equal.

The farmgate milk price received by farmers can therefore vary significantly around Australia, depending on how milk is used in the marketplace. As shown in Figure 3, in the northern and western dairy regions, fresh drinking milk makes up a larger proportion of the production mix. Farmers in these regions will receive farmgate milk prices tied to the drinking milk market, where a stable year-round supply is more important, and prices will often be paid on a cents per litre basis.

Alternatively, in South-east Australia, milk for processing (export and domestic use) accounts for most of the milk produced. As such, the average farmgate milk price received in these regions tends to follow global markets and export returns, and be paid based on a $/kg MS (milk solids) basis. Most farmers in exporting regions receive a 'blended' price that incorporates returns from milk for manufacturing and the proportionately smaller local fresh drinking milk market.

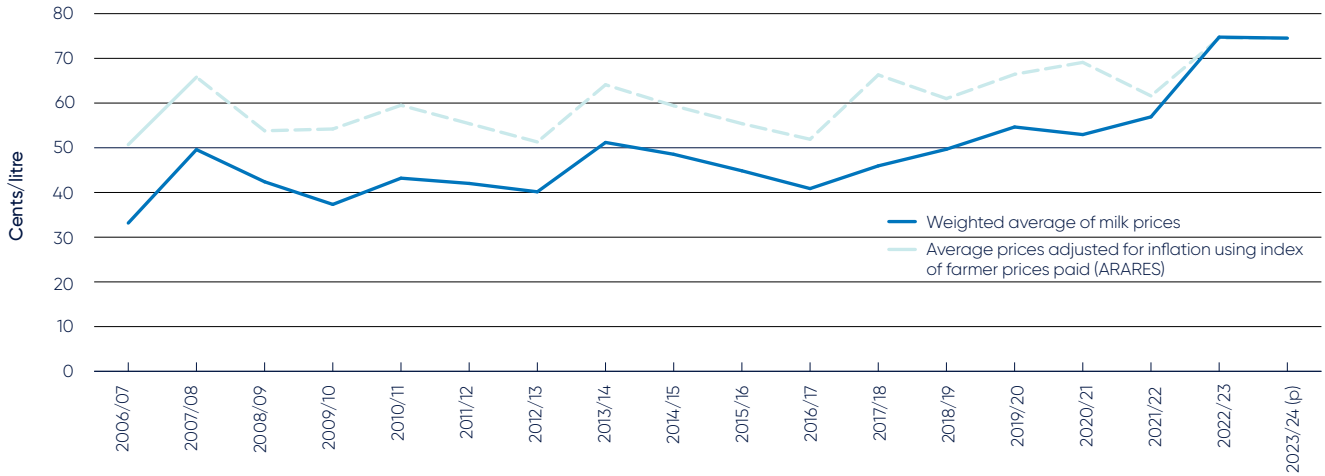
Dairy products produced in some states are often exported out of another. For instance, some product manufactured in South-east South Australia or Tasmania is regularly exported from the port of Melbourne. As such, this can cause the percentage of milk exported from each state to fluctuate based on changes in shipping arrangements.

Figure 3 Use of Australian milk by state in 2023/24



Source: Dairy Australia

Figure 4 Factory paid milk prices



Index calculated using 2021/22 base
Source: Dairy manufacturers and ABARES

Table 5 Indicative factory paid milk prices by state

		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
NSW	¢/litre	54.71	62.01	62.66	64.05	82.07	84.54
	$/kg milk solids	7.67	8.55	8.58	8.78	11.18	11.60
Vic	¢/litre	48.16	53.60	50.83	55.24	73.26	72.40
	$/kg milk solids	6.40	7.01	6.62	7.26	9.58	9.42
Qld	¢/litre	60.96	68.02	66.80	70.00	87.52	90.00
	$/kg milk solids	8.31	9.31	9.06	9.51	11.90	12.25
SA	¢/litre	47.18	53.64	52.89	53.66	71.93	72.17
	$/kg milk solids	6.62	7.40	7.32	7.48	9.96	9.92
WA	¢/litre	50.17	52.28	53.76	55.14	69.02	71.23
	$/kg milk solids	7.05	7.27	7.44	7.67	9.74	9.85
Tas	¢/litre	50.27	53.30	51.00	57.02	75.51	72.66
	$/kg milk solids	6.37	6.70	6.41	7.17	9.46	9.21
Aust	**¢/litre**	**49.67**	**54.65**	**52.95**	**56.91**	**74.75**	**74.43**
	$/kg milk solids	**6.64**	**7.19**	**6.95**	**7.52**	**9.85**	**9.79**

Source: Dairy manufacturers

Farm business performance

The Dairy Farm Monitor Project (DFMP) and the Queensland Dairy Accounting Scheme (QDAS) records financial and production data of participant dairy farms in all major dairying regions across Australia. The data allows for analysis of dairy farm productivity and profitability to support government and industry policy and service delivery. It also facilitates comparison and benchmarking by farmers and farm business consultants to improve farm business performance.

Participants are selected for the project in order to represent a distribution of farm sizes, herd sizes and geographical locations within each region. The results presented do not represent population averages, as the participant farms are not selected using random population sampling and may not be representative of the whole dairy industry.

DFMP began as a collaboration between Agriculture Victoria and Dairy Australia, gathering data from 75 model farms spread evenly across Victoria's three dairying regions in Gippsland, northern and southwest Victoria.

It is currently in its 18th year. This program has since been expanded across all major dairying regions in Australia, in collaboration with local state agriculture departments and universities. Annual reports can be found on the Dairy Australia website, in the Farm Business Management section.

QDAS has been run for over 20 years by the Department of Agriculture and Fisheries, Queensland with support from Dairy Australia.

Data collected through the DFMP and DAS is housed in DairyBase and provides the high-quality data available to generate accurate industry benchmarks. DairyBase is a web-based tool developed by Dairy Australia which enables farmers and their advisors to assess arm business performance in a consistent industry agreed methodology.

DairyBase also contains additional verified and validated datasets from farm business consultants and service providers, making it the largest and most detailed single repository of Australian dairy farm data. DairyBase is designed to facilitate comparative analysis and measurement of business performance over time and is free to use.

The 2023/24 DFMP data has highlighted that dairy farm business profitability may have eased from the record highs of the 2022/23 season, but strong farmgate milk prices continued to support on-farm returns. In most regions, prices paid to farmers were slightly lower than the previous season, due to strong competition for milk and the carry-over of multiyear contracts from 2022/23. Additionally, operating costs remained high, with differences in financial performance between regions stemming from the variety in weather conditions. Data published as part of the DFMP also illustrated increased borrowings for many farming businesses, the majority of which was utilised for large scale investments such as buying land. However, the combination of larger borrowings and increased interest rates has resulted in some of the highest interest and lease costs in the project's 18 years.

In New South Wales, farm profitability in 2023/24 is expected to be slightly lower than records set in the previous season, despite the continuation of strong milk prices. The season began with generally dry conditions that continued into spring. However, late spring and early summer rainfall provided some relief, particularly in the Hunter region, while irrigated farms fared better than non-irrigated ones. As autumn approached, the Murray and Riverina regions experienced drier conditions, while coastal farms faced prolonged wet weather, leading to challenging operational circumstances, including delayed sowing of crops and restricted paddock access in certain areas. Fall Army Worm has been impacting maize and silage crops in recent years, however the 2023/24 season saw it also impact ryegrass and oat/cereal crops in some regions during autumn. This resulted in some farms having to undertake partial resowing or full resowing of their autumn program. This was experienced more so in the mid north coast and north coast regions of the state, adding to the cost of homegrown feed on some farms.

Across Victoria, the average profit made in 2023/24 remained above the long term average, despite an 8 per cent drop from 2022/23. The average farmgate milk price eased 1 per cent, which helped offset a drop in livestock trading income, however performance varied between regions due to seasonal conditions. In southwest Victoria, farms relied on fodder reserves during dry conditions, while increased feed inventories helped reduce costs in northern Victoria and Gippsland, where weather conditions were comparatively more favourable. Farm business profits were the highest in the project's 18 years in northern Victoria as a result, additionally supported by affordable irrigation and a higher milk price (+1%). In Gippsland, profits were the fifth highest in the project's history, and the fourth highest in southwest Victoria (although 26 per cent down form the previous season due to higher cash costs and lower feed inventories).

Conditions were also dry in South Australia, leading to lower pasture production and more costly feed supplements. While farm working expenses increased, on farm returns remained strong.

In Western Australia, spring conditions were dry, resulting in lower hay and silage production, and an increased reliance on purchased feed driving up hay prices significantly. Meanwhile, low beef prices drove many to hold onto beef animals in the hope of further price rises. Despite milk prices remaining stable, these factors weighed significantly on profits made.

At the time of writing, DFMP data for Tasmania and QDAS figures were not available for publishing. Tasmanian farm business profitability is expected to remain strong for the 2023/24 season, despite a lower milk price. The season was challenging, with lower fodder conserved in spring and a very late autumn break, resulting in higher feed costs and increased irrigation water usage. A higher reliance on supplementary feed resulted in low levels of feed stored toward the end of the season.

Indications for Queensland farm business performance suggest profitability fell relative to 2022/23 season results. While the average farmgate milk price increased slightly, livestock trading profit dropped significantly. Furthermore, feed costs were relatively unchanged compared to the previous season, and other variable and overhead costs increased. January to June was particularly wet in southeast and northern Queensland, leading to reduced forage quality and increased heard health costs.

The majority of dairy farming businesses are expecting lower profits over the 2024/25 season. The challenge for many will be managing lower incomes against persistent cost pressures and servicing higher levels of debt.

Table 6 Average farm working expenses by state ($/kg MS)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
NSW	7.04	7.69	6.79	7.41	8.36	9.06
Vic	5.39	5.34	4.94	5.65	6.74	6.83
Qld	7.49	8.33	7.45	7.95	8.71	na
SA	5.32	5.93	5.41	6.09	7.05	7.17
WA	6.14	6.35	6.21	6.94	7.47	8.20
Tas	4.65	4.83	4.92	6.08	6.60	na

Source: Dairy Farm Monitor Project and Queensland Dairy Accounting Scheme

Table 7 Average Victorian regional farm working expenses ($/kg MS)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Eastern	5.03	4.74	4.47	5.33	6.55	6.52
Northern	6.12	6.02	5.53	5.79	7.06	7.28
Western	5.04	5.12	4.69	5.80	6.54	6.60

Source: Dairy Farm Monitor Project

Table 8 Average farm operating cash surplus by state ($/kg MS)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
NSW	1.60	2.13	3.10	2.90	3.84	3.45
Vic	1.30	2.50	2.61	2.71	3.94	3.44
Qld	1.79	2.01	3.15	3.32	3.75	na
SA	1.84	2.45	3.07	2.67	3.94	3.41
WA	2.13	2.33	2.85	2.98	3.49	2.38
Tas	1.93	2.92	2.56	2.27	4.07	na

Source: Dairy Farm Monitor Project and Queensland Dairy Accounting Scheme

Table 9 Average Victorian regional farm operating cash surplus ($/kg MS)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Eastern	1.42	2.71	2.74	2.61	3.83	3.23
Northern	0.73	1.95	2.16	2.76	3.75	3.22
Western	1.76	2.96	3.01	2.73	4.29	3.92

Source: Dairy Farm Monitor Project

Table 10 Average earnings before interest and tax by state ($/kg MS)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
NSW	0.38	1.05	2.07	1.71	2.79	2.12
Vic	0.25	1.68	1.86	1.72	2.87	2.63
Qld	-0.17	-0.08	1.39	1.40	2.53	na
SA	1.09	1.84	2.37	1.44	2.91	2.16
WA	1.16	1.44	2.24	1.84	2.68	1.07
Tas	1.44	2.50	2.21	1.77	3.67	na

Source: Dairy Farm Monitor Project and Queensland Dairy Accounting Scheme

Table 11 Average Victorian regional earnings before interest and tax ($/kg MS)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Eastern	0.51	2.07	1.78	1.43	2.73	2.52
Northern	-0.45	1.22	1.76	1.98	2.68	2.92
Western	0.71	1.83	2.04	1.71	3.24	2.40

Source: Dairy Farm Monitor Project

Table 12 Average return on total assets by state (%)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
NSW	0.7	2.7	4.9	3.5	6.1	4.5
Vic	0.7	5.4	5.7	4.6	7.0	6.1
Qld	0.0	0.3	3.6	3.2	5.0	na
SA	3.5	5.8	6.7	4.1	6.8	5.5
WA	3.2	3.9	5.5	3.9	5.7	2.0
Tas	5.2	8.7	7.1	5.2	10.0	na

Source: Dairy Farm Monitor Project and Queensland Dairy Accounting Scheme

Table 13 Average Victorian regional return on total assets (%)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Eastern	1.7	6.6	5.4	4.2	6.9	6.0
Northern	-1.7	4.1	6.0	5.6	7.2	7.4
Western	2.3	5.8	5.5	3.9	6.7	4.6

Source: Dairy Farm Monitor Project

Milk production

While the number of dairy farms in Australia have steadily decreased, the average farm size has grown. The number of cows and per cow yields increased, until the major widespread 'millennium drought' in 2002/03. The next decade was a period of consolidation for the industry, with falling cow numbers and dry seasonal conditions constraining production. This was especially the case in Northern Victoria, where reduced availability of irrigation water saw prices rise significantly.

Volatility in farmgate milk prices and farm incomes have also impacted farmer confidence and the industry's ability to grow. The disruption caused by the late season step-downs in 2015/16, lower average milk prices and challenging seasonal conditions in the subsequent years, shifted the focus of many farmers.

Their priority transitioned from longer-term investments and increasing milk production, to cost control, refinancing and business consolidation. In many cases, farmers culled extensively during these years, taking advantage of higher beef prices to maintain cashflow.

Australia's milk pool increased 3% in 2023/24, to 8,376 million litres, relative to the lower comparable volume produced in 2022/23. Weather conditions were more favorable in comparison to the previous season, while lower beef and heifer export prices discouraged diversification. Longer-term constraints still weigh on Australian milk production however, including farm exits and labour challenges.

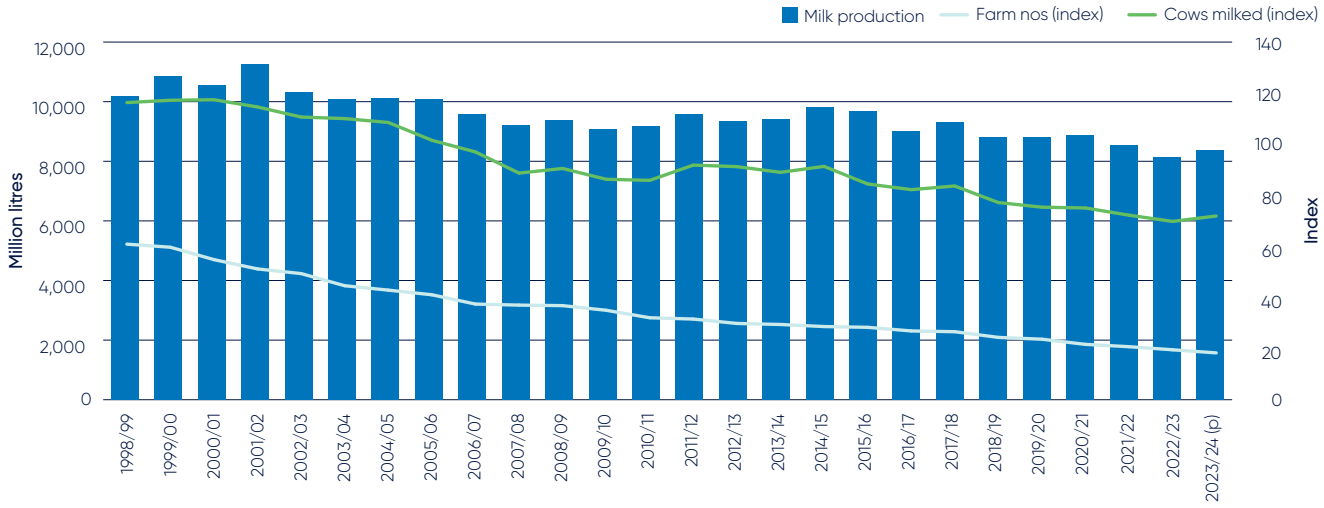
As Figure 5 indicates, the underlying trend has continued towards fewer farms, larger herds and increasing levels of milk production per farm.

Table 14 Milk production by state (million litres)

	NSW	Vic	Qld	SA	WA	Tas	Aust
2006/07	1,104	6,297	537	655	349	641	**9,583**
2007/08	1,048	6,102	486	606	319	661	**9,223**
2008/09	1,064	6,135	513	628	340	709	**9,388**
2009/10	1,099	5,813	530	605	359	677	**9,084**
2010/11	1,087	5,936	487	572	372	726	**9,180**
2011/12	1,136	6,246	491	575	349	792	**9,589**
2012/13	1,137	6,076	465	542	349	765	**9,334**
2013/14	1,124	6,174	446	525	342	810	**9,421**
2014/15	1,184	6,411	422	530	367	891	**9,805**
2015/16	1,198	6,249	421	538	392	883	**9,681**
2016/17	1,141	5,732	425	497	385	836	**9,016**
2017/18	1,144	5,979	399	505	385	913	**9,325**
2018/19	1,094	5,576	359	497	374	910	**8,810**
2019/20	1,054	5,625	315	489	364	950	**8,797**
2020/21	1,075	5,651	309	500	362	961	**8,858**
2021/22	1,072	5,465	299	490	341	887	**8,554**
2022/23 (r)	990	5,141	279	472	338	906	**8,127**
2023/24 (p)	1,040	5,297	282	479	344	934	**8,376**

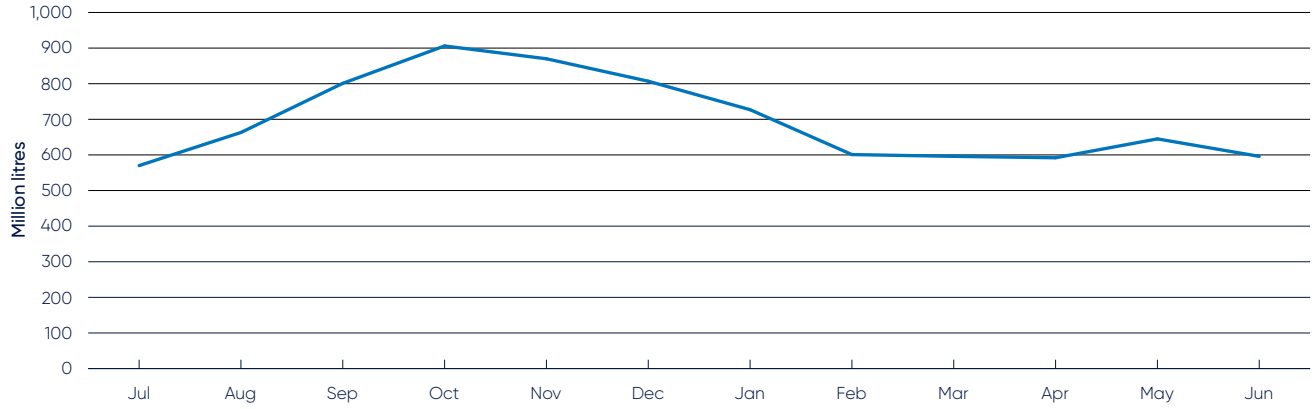
Source: Dairy manufacturers

Figure 5 Australian milk production vs indices of farms and cows milked



Source: Dairy manufacturers, ABS, state authorities and Dairy Australia

Figure 6 Seasonality of milk production in Australia in 2023/24



Source: Dairy manufacturers

As shown in Table 14, dairy farming is concentrated in the temperate zone of Australia. Australian milk production remains strongly seasonal in key South-eastern dairying regions, reflecting the predominantly pasture-based nature of the industry. Milk production peaks in October, tapers off until late summer, and then flattens out into the cooler winter months (as illustrated in Figure 6). The production of long shelf-life manufactured products in these parts of the country has enabled maximum milk utilisation within the seasonal cycle. However, the seasonality of milk output in Queensland, New South Wales and Western Australia is much less pronounced, due to a greater focus on drinking milk and fresh products. Farmers in these states manage calving and feed systems to ensure flatter, year-round milk production.

See Appendix 4 for more details on the seasonality of milk production by state dairying regions.

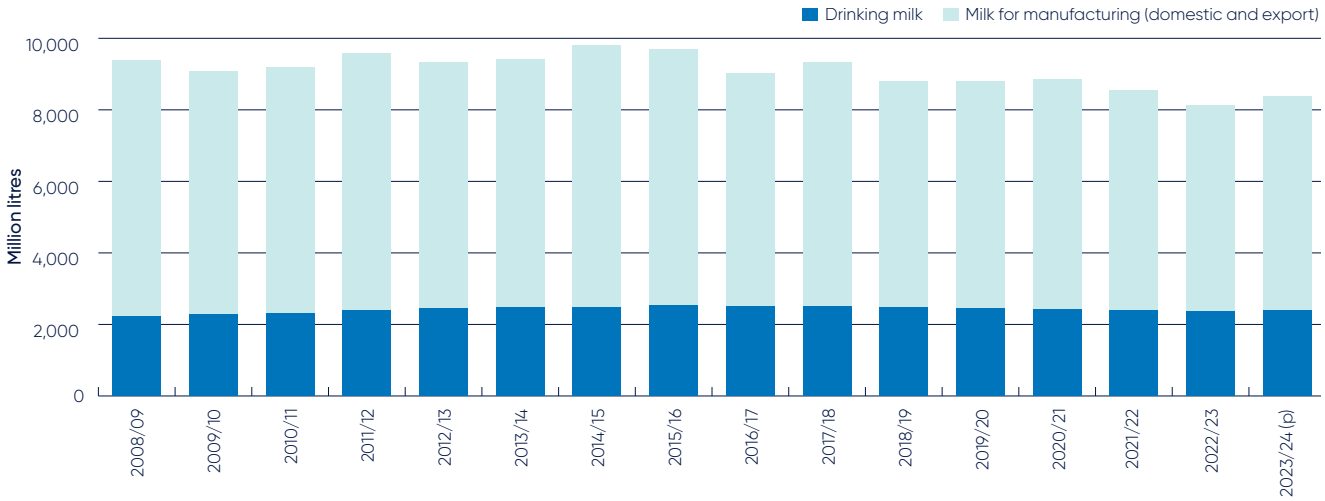
Solids such as milkfat, protein, lactose, and minerals are the core constituents of cows' milk, with water comprising about 87 per cent of the volume. Companies base their farmgate milk prices on the milkfat and protein components of the milk.

Milk composition can vary between regions and seasons, as shown in Table 15. This can be due to several factors, including cow breed, age, nutrition, and feed quality.

With ongoing population growth since 2001/02, the proportion of milk destined for domestic consumption, as either drinking milk or manufactured products (e.g. cheese and butter), has increased. In 2023/24, 28 per cent of Australia's production was used for domestic drinking milk, compared to 18 per cent in 2001/02. About 39 per cent of milk produced in 2023/24 was used for domestically consumed manufactured products, up from 26 per cent in 2001/02.

Conversely, the proportion of milk available for export, as manufactured product, has declined from 56 per cent in 2001/02 to 32 per cent in 2023/24. Over recent years, Australia's imports of dairy products for local consumption have increased. This has enabled the Australian dairy industry to continue to export a significant share of its milk production, despite having a larger domestic market and a smaller milk pool.

Figure 7 Drinking and manufacturing milk production



Source: Dairy manufacturers

Table 15 Average fat/protein composition by state (%)

	NSW	Vic	Qld	SA	WA	Tas	Aust
Milkfat							
2012/13	3.92	4.12	4.03	3.83	3.95	4.31	4.09
2013/14	3.90	4.11	3.98	3.80	3.98	4.31	4.07
2014/15	3.92	4.15	4.00	3.78	3.95	4.35	4.10
2015/16	3.90	4.13	4.00	3.78	3.97	4.30	4.08
2016/17	3.91	4.14	4.00	3.78	3.97	4.34	4.10
2017/18	3.93	4.12	4.03	3.79	3.95	4.30	4.09
2018/19	3.93	4.12	4.03	3.85	3.93	4.39	4.10
2019/20	4.00	4.16	4.00	3.87	3.90	4.37	4.13
2020/21	4.04	4.22	4.03	3.91	3.95	4.42	4.18
2021/22	4.10	4.23	4.08	3.97	4.01	4.40	4.20
2022/23	4.11	4.24	4.08	4.01	4.08	4.42	4.22
2023/24 (p)	4.06	4.26	4.09	4.01	4.04	4.39	4.22
Protein							
2012/13	3.27	3.37	3.30	3.26	3.27	3.48	3.35
2013/14	3.28	3.39	3.29	3.27	3.26	3.47	3.37
2014/15	3.28	3.40	3.32	3.28	3.27	3.49	3.38
2015/16	3.28	3.40	3.32	3.27	3.26	3.48	3.37
2016/17	3.28	3.42	3.31	3.27	3.29	3.51	3.39
2017/18	3.31	3.41	3.31	3.28	3.28	3.51	3.39
2018/19	3.27	3.40	3.28	3.28	3.27	3.50	3.38
2019/20	3.33	3.46	3.30	3.34	3.27	3.58	3.43
2020/21	3.34	3.43	3.35	3.33	3.28	3.56	3.42
2021/22	3.35	3.43	3.33	3.37	3.29	3.55	3.42
2022/23	3.37	3.43	3.34	3.38	3.29	3.58	3.43
2023/24 (p)	3.37	3.46	3.34	3.41	3.29	3.59	3.45

Above data updated due to new data set
Source: Dairy manufacturers

Dairy manufacturing

Farmer-owned cooperatives no longer dominate the Australian industry, with a wide range of companies now operating including national and multinational companies, both privately owned and publicly listed. Some large multinational companies have been established within the industry for many years, including Fonterra (New Zealand), Lactalis (France) and Saputo (Canada).

Over the past two decades, Australia's contracting milk pool has reduced the need for local dairy companies to invest in processing capacity. The age of existing plants and the need to rationalise production has resulted in the closure of some plants to lower costs. Nevertheless, new developments continue to arise, with some processors choosing to increase capacity at remaining sites or upgrade plants to produce higher specification products.

Australia produces a variety of dairy products, with cheese consistently the largest utiliser of milk, accounting for 41 per cent of Australia's milk production in 2023/24. Investments in cheese production over recent years suggest this is likely to remain the case in future. Drinking milk and skim milk powder/butter represent the next two largest production streams, accounting for 32 per cent and 20 per cent of Australian milk respectively. While most of the drinking milk produced is consumed domestically, almost half of Australia's manufactured dairy products are exported.

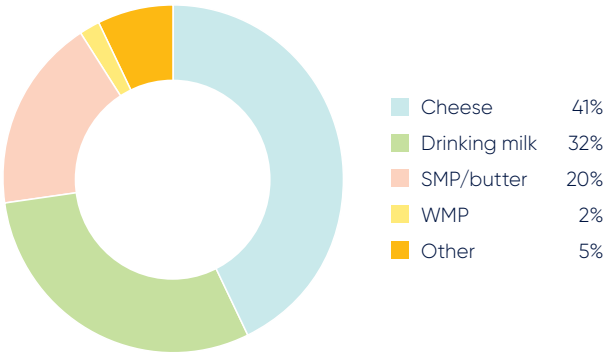
In 2023/24:

45% manufactured product exported

55% manufactured product sold on the Australian market

* in milk equivalent terms

Figure 8 Australian milk utilisation in 2023/24



Source: Dairy Australia

Dairy markets

In Australia, milk production exceeds the volume required for domestic consumption, with surplus product therefore destined for export markets. As illustrated in Figure 9, the share of total production destined for export has declined from around 50 per cent two decades ago, to approximately one-third in recent years, contracting due to population growth and an overall decline in milk production.

In 2023/24, Australia exported 32 per cent of milk produced; while accounting for just over 1 per cent of the world's estimated milk production, Australia remains a significant exporter of dairy products. The country holds a 4 per cent share of world dairy trade, and is currently ranked fifth behind New Zealand, the European Union, the United States and the United Kingdom.

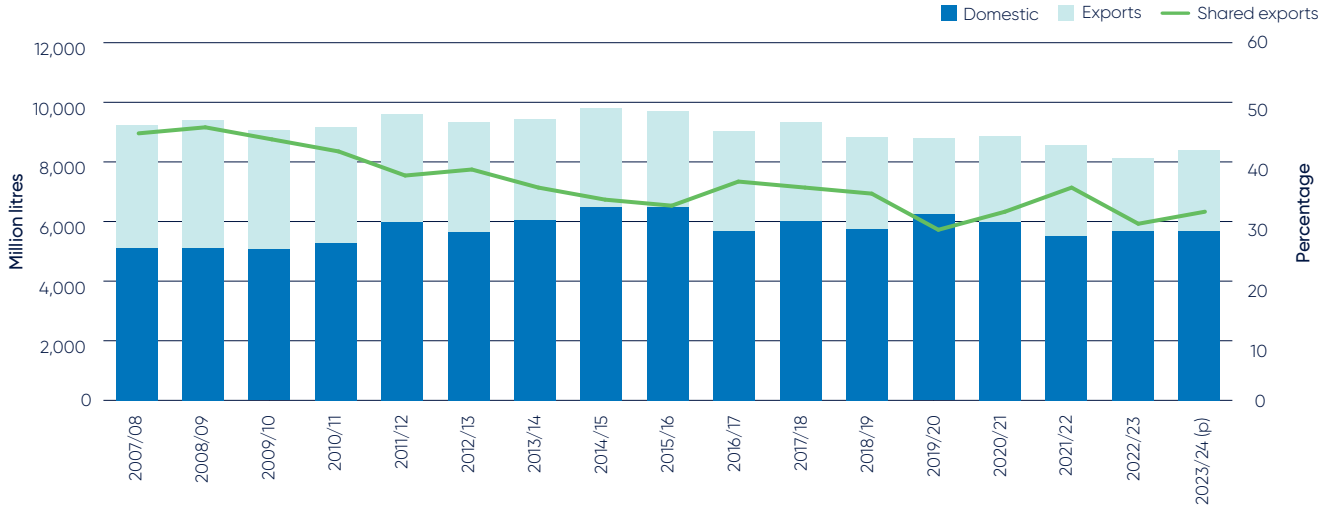
For a number of years, Greater China (including China, Hong Kong and Macau) has been Australia's largest market and in 2023/24 was a destination for about 26 per cent of exports by volume. Other large export destinations include Japan, Singapore, Indonesia, and Malaysia. As a mature, high-value market with long established business relationships, Japan is a vital trade partner for Australian exporters. About 87 per cent of Australian exports in 2023/24 were destined for Asia.

In 2023/24, Australia's total exports were valued at A$3.6 billion. Measured by dollar value, the top five export markets were Greater China, Japan, Indonesia, Malaysia, and Singapore. This order differs slightly from export rankings by volume, highlighting the differences in value for various dairy products imported.

The concentration of Australian exports to Asia reflects the geographical proximity to these markets, and the extent to which Australia has been hindered from accessing other major markets by direct restrictions (as in the case of the European Union). Increased competition in key importing markets has also played a role in creating this concentration. Asian markets hold considerable potential for consumption growth as incomes rise and diets become more 'westernised'. Australian dairy companies also have proven track records in supplying these markets over several decades.

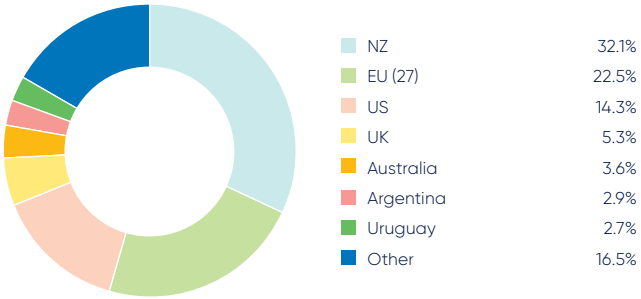
See Appendix 8 for detailed tables of Australia's export markets.

Figure 9 Australian production and exports (milk equivalents)



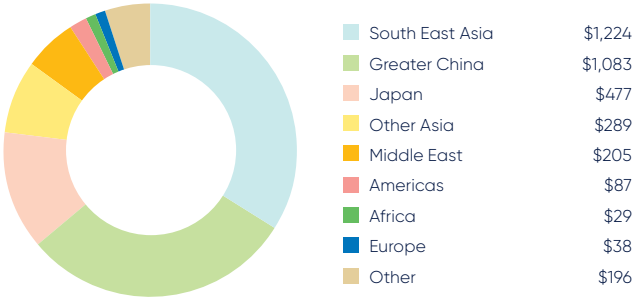
Source: Dairy manufacturers and ABS

Figure 10 Exporters' share of world dairy trade in 2023 (milk equivalents)



Source: Dairy Australia

Figure 11 Australian exports by region in 2023/24 (A$ million)



Source: ABS

Table 16 Australian dairy exports by product by region 2023/24 ($A million)

	SE Asia	Other Asia	Europe	Middle East	Africa	Americas	Other	Total
Butter/AMF	47	64	3	2	3	13	4	135
Cheese	299	686	2	41	15	34	43	1,119
Milk	130	161	0	1	1	0	24	316
SMP	345	232	0	87	4	0	0	668
WMP*	149	274	0	17	2	24	4	471
Other	255	433	34	57	3	16	120	919
Total	**1,224**	**1,849**	**38**	**205**	**29**	**87**	**196**	**3,628**

*Also includes infant powder.
Other includes buttermilk powder, casein, condensed milk, ice cream, lactose, whey powder, yoghurt and mixtures.
Source: ABS

Table 17 Top 10 Australian export destinations in 2023/24

Country	Volume (tonnes)	% of total	Country	Value (A$ million)	% of total
Greater China*	185,646	26	Greater China*	1,083	30
Japan	71,687	10	Japan	477	13
Singapore	65,052	9	Indonesia	279	8
Indonesia	60,211	9	Malaysia	235	6
Malaysia	53,283	8	Singapore	199	5
Philippines	46,194	7	Thailand	186	5
Thailand	37,185	5	Vietnam	168	5
Vietnam	30,704	4	Philippines	142	4
New Zealand	23,228	3	New Zealand	135	4
Korea, South	21,840	3	Korea, South	129	4

*Includes China, Hong Kong and Macau
Source: Dairy Australia and ABS

Australian consumption of dairy products

Dairy is considered a 'staple' food in many Australian households. Consumption trends have varied quite significantly over the past two decades, reflecting changes in tastes in response to multicultural influences on food trends; health perceptions around dairy products; and flavour and packaging innovations. In Australia, the main consumer dairy products are drinking milk, cheese, yoghurt, and butter/butter blends.

Currently, per capita consumption of drinking milk is estimated around 88 litres. This has marginally declined over recent years, however, in comparison to other developed countries, Australia's consumption of drinking milk remains high. Fresh milk remains the most popular variety among consumers, despite the popularity growth of UHT milk during the COVID-19 pandemic years.

Annual per capita consumption of cheese in Australia was almost 13kg in 2023/2024. While cheddar types remain the most popular variety of cheese, non-cheddar cheese varieties available in Australia have increased. These varieties have grown in popularity due to rising demand for mozzarella cheese in the foodservice sector and retail stores, as well as growth in specialist cheese varieties.

Combining convenience and health attributes, yoghurt is a healthy snack for consumers with a growing per capita consumption estimated at 10kg in 2023/24. Consumer preferences have shifted in line with a heightened focus on natural and healthy products, and increased awareness of the health risks of sugar.

As a result, consumers have transitioned away from sweetened and flavoured yoghurt varieties, towards Greek and natural style yoghurts.

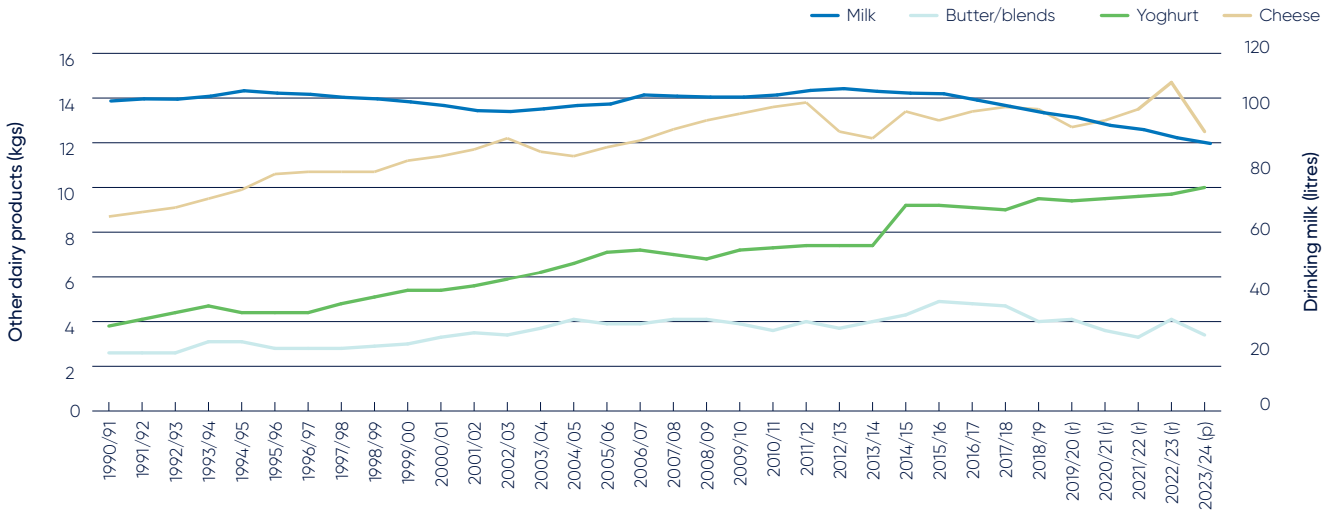
In 2023/24, per capita consumption of butter in Australia was approximately 3.4kg. Australian consumers are attracted to the natural characteristics of butter, along with its superior taste and cooking functionality. Sales of this product are also underpinned by findings in health and nutritional science, changing consumer perception of health risks associated with saturated fats and butter.

Table 18 Per capita consumption of major dairy products

	Milk (l)	Cheese (kg)	Butter/ blends (kg)	Yoghurt (kg)
2019/20 (r)	97.0	12.7	4.1	9.4
2020/21 (r)	94.4	13.0	3.6	9.5
2021/22 (r)	93.0	13.5	3.3	9.6
2022/23 (r)	90.3	14.7	4.1	9.7
2023/24 (p)	88.4	12.5	3.4	10.0

Source: Dairy manufacturers and Dairy Australia

Figure 12 Per capita consumption



Source: Dairy manufacturers and Dairy Australia

Drinking milk

Drinking milk is a staple item in almost all Australian households. It is widely consumed, convenient and versatile and contains a valuable package of protein, vitamins, and minerals.

Australian consumers overwhelmingly prefer fresh, pasteurised milk (heated to 74 degrees for 15 seconds). This preference for fresh milk generally requires dairy farming close to major population centres and extensive cold-chain logistics to provide reliable, year-round fresh milk. While fresh milk accounts for the vast majority of milk sales in Australia, the share of supermarket sales by volume for UHT milk (heated to 140 degrees for two seconds) has increased over the past two decades. This was further accelerated by the COVID-19 pandemic and associated panic buying, due to its longer shelf-life.

Regular or full cream milk has a milkfat content of 3.4 to 3.6 per cent, while low-fat and skim milks are modified to contain less than 1.5 and 0.15 per cent milkfat respectively. The cream removed during modification can be bottled as table cream or manufactured into butter and other dairy products. As the composition of milk produced changes through the course of a season, most milk is standardised to ensure a consistent taste and nutritional profile all year-round. Drinking milk generally undergoes further processing in the form of homogenisation, which disperses the fat equally throughout the milk, rather than allowing it to separate at the top.

The share of fresh white full cream milk as a percentage of the total fresh white milk market has increased over time, as sales volumes of low-fat and skim milks have declined. While white milk (unflavoured) still accounts for most of drinking milk sold, sales of flavoured milk have also grown.

Flavoured milk is an important source of revenue for the industry due to its higher unit prices. Sales of this milk variety remain distinctly regional, with strong local brands and varying consumption patterns. South Australia has historically consumed between two and three times the national average of flavoured milk, with much flatter year-round demand. Demand in states such as Victoria tends to be seasonal.

There are several major players in the Australian drinking milk market. The two largest are Bega Cheese and Lactalis Australia. Fonterra Australia and Saputo Dairy Australia both entered the drinking milk market after 2011, securing major supermarket private label contracts in Victoria and New South Wales. Some major retailers also directly source milk for private label supermarket sales. Brownes (Western Australia) and Norco (Queensland and northern New South Wales) have more localised distribution.

See Appendix 7 for more details of supermarket milk sales and average prices.

Historically, Australia only exported relatively small volumes of liquid milk. However, the category now holds the largest exported volume share, and is predominantly UHT. In 2023/24, Australian exports of liquid milk fell 23 per cent, totaling close to 182 million litres. Around 93 per cent of the total liquid milk exports were destined for Asia, with the remainder going towards the island countries of the Pacific and some markets in the Middle East and Africa.

See Appendix 8 for more details of drinking milk exports.

Table 19 Drinking milk sales by type (million litres)

	Regular	Reduced	No fat	Flavoured	UHT	Total
1989/90	1,257	322		111	40	**1,730**
1999/00	1,099	354	144	173	164	**1,933**
2009/10	1,133	590	117	215	211	**2,267**
2010/11	1,140	630	109	227	208	**2,314**
2011/12	1,160	677	104	236	208	**2,385**
2012/13	1,171	689	100	240	243	**2,443**
2013/14	1,192	688	93	241	250	**2,464**
2014/15	1,244	656	88	241	257	**2,486**
2015/16	1,311	615	80	246	266	**2,518**
2016/17	1,362	563	71	246	256	**2,498**
2017/18	1,398	536	64	242	251	**2,491**
2018/19	1,409	518	59	233	248	**2,467**
2019/20	1,424	496	56	228	256	**2,460**
2020/21 (r)	1,394	482	51	234	257	**2,418**
2021/22 (r)	1,366	469	49	234	273	**2,391**
2022/23 (r)	1,376	448	47	236	259	**2,366**
2023/24 (p)	1,403	440	44	241	256	**2,384**

(Dairy Australia estimates that this collection covers over 95% of milk sales)
Source: Milk processors and state milk authorities

Table 20 Drinking milk sales by state (million litres)

	NSW	Vic	Qld	SA	WA	Tas	Aust
1979/80	531	437	249	127	119	41	**1,504**
1989/90	582	449	316	150	164	47	**1,730**
1999/00	597	531	383	185	190	48	**1,933**
2009/10	708	545	497	213	247	57	**2,267**
2010/11	714	566	501	213	262	58	**2,314**
2011/12	720	582	531	220	274	58	**2,385**
2012/13	718	600	562	222	280	61	**2,443**
2013/14	710	612	583	221	279	59	**2,464**
2014/15	714	624	581	221	285	61	**2,486**
2015/16	731	636	583	222	285	61	**2,518**
2016/17	719	632	578	226	283	60	**2,498**
2017/18	718	626	583	223	281	60	**2,491**
2018/19	706	634	576	217	276	58	**2,467**
2019/20	689	649	575	215	277	55	**2,460**
2020/21	679	621	573	210	280	55	**2,418**
2021/22 (r)	664	611	574	210	279	53	**2,391**
2022/23 (r)	652	608	571	207	275	53	**2,366**
2023/24 (p)	647	624	577	206	279	51	**2,384**

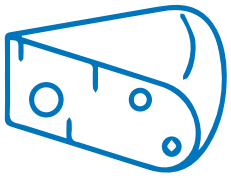
(Dairy Australia estimates that this collection covers over 95% of milk sales)
State figures exclude interstate traded milk prior to 2001, NSW includes ACT after June 2000.
Source: Milk processors and state milk authorities

Cheese

In 2023/24, Australia produced almost 362,000 tonnes of cheese. In recent years, dairy companies have adjusted export mixes to take advantage of favourable movement in international commodity prices, which significantly impacts production volumes. This can lead to increased cheese production as international price trends can make it an attractive revenue stream (as has been the case for the past few years).

Cheese is a major product for the Australian dairy industry, utilising more than one-third of Australian milk. Cheddar cheeses have historically held the majority share of total cheese production, however, there has been a long-term production trend away from cheddar varieties towards non-cheddar cheese types. As such, the non-cheddar share of total production volumes has increased from 30 per cent three decades ago, to 50 per cent in 2023/24.

The trend away from cheddar cheeses towards non-cheddar cheese types is also evident in Australia's cheese exports. The non-cheddar share of total export sales has increased steadily from around 60 per cent two decades ago, to around 84 per cent in 2023/24.



Australia exported close to

151,000 tonnes

of cheese to 55 different countries in 2023/24, worth close to A$1.1 billion.

Japan continues to be Australia's most important overseas market for cheese, accounting for around 42 per cent of cheese exported in 2023/24. This product is mostly fresh or cream cheese varieties, used for processing. Other important overseas markets include Greater China, Malaysia, South Korea, Thailand, Philippines, and Singapore.

Australia is also a major importer of cheese, purchasing 22 per cent more overseas cheese over the past 10 years. Imports from New Zealand and the United States totaled around 47,000 tonnes and 26,000 tonnes respectively, with the European Union accounting for the balance.

Table 21 Australian cheese production by type of cheese (tonnes)

	2018/19	2019/20	2020/21 (r)	2021/22 (r)	2022/23 (r)	2023/24 (p)
Cheddar	191,852	189,244	165,672	192,717	184,241	179,812
Semi hard	61,815	62,030	79,998	71,065	83,654	79,452
Hard grating	8,417	10,006	15,313	18,963	19,677	9,646
Fresh	104,586	90,138	91,439	93,887	90,064	89,782
Mould	7,628	6,775	6,795	3,238	2,776	2,824
Total cheese	**374,298**	**358,192**	**359,217**	**379,870**	**380,413**	**361,516**

(Dairy Australia estimates that this collection covers over 90% of cheese production)
Source: Dairy manufacturers

Butter

In 2023/24, Australia produced almost 68,000 tonnes of butter and anhydrous milkfat (AMF) in commercial butter equivalent terms (CBE). AMF (commonly known as butter oil) is butter with the water removed, similar to ghee. When manufacturing butter, skim milk powder is created as a coproduct, using the solids non-fat components of the milk. It is primarily produced for export and domestic food manufacturing applications, such as bakery and confectionery. While these sectors all utilise butter, most domestic butter sales are through retail and foodservice outlets.

In 2023/24, around 66 per cent of domestic dairy spread sales were through supermarkets. Since the COVID-19 pandemic, sales through grocery outlets have held a significantly larger share compared to foodservice. However, volumes sold through supermarkets have also declined, especially as inflation impacts retail prices.

In 2023/24, butter imports accounted for 41 per cent of the Australian butter market by volume. Of the almost 41,000 tonnes of butter and AMF imported into Australia, 86 per cent was from New Zealand, while the remaining product was sourced from various European countries and Asia. Australian exports of butter and AMF can vary significantly from year to year, depending on milk availability during the season and how local dairy companies respond to international prices for competing products.

In 2023/24, export volumes of butter and AMF increased 45 per cent to around **15,500 tonnes.**

Out of 38 countries, Australia's most important overseas markets for butter and AMF were Greater China, Thailand, Malaysia, Taiwan and Singapore.
See Appendix 8 for more details of butter and AMF exports.

Table 22 Butter and AMF production (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Butter/butter blends (CBE)	61,177	63,567	69,227	58,559	53,683	56,851
AMF (CBE)	12,270	9,601	12,477	14,460	11,188	10,924

(Dairy Australia estimates that this collection covers over 85% of butter/AMF production)
Source: Dairy manufacturers

Table 23 Australian exports of butter and AMF (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Butter/butter blends (CBE)	13,183	8,044	17,479	15,824	5,896	11,643
AMF (CBE)	8,089	3,809	7,201	6,723	4,832	3,878

Source: ABS

Other fresh and frozen dairy products

Australian manufacturers produce a range of fresh dairy products, including yoghurts, dairy desserts, chilled custards and creams, and frozen products such as ice-cream.

Over the past two decades, yoghurt production has grown considerably. The product category's ability to meet rising consumer preferences for convenient, yet healthy snacks has been advantageous in an environment of time-poor lifestyles. Growth in yoghurt sales has also been underpinned by regular product innovation, particularly in areas such as packaging, flavour combinations and the use of probiotic cultures. New products, such as drinking yoghurts and single snack servings in convenience outlets, have also helped drive growth.

Yoghurt sales strengthened from the initial COVID-19 outbreak and have continued to grow as consumers look for healthy products and purchased more for cooking and baking at home. Featuring international brands, such as Ski, Yoplait and Chobani, there is an ongoing trend away from sweetened and flavoured varieties in the yoghurt market. Traditional, unflavoured types, such as Greek-style yoghurt, are perceived to be healthier and more 'natural' to health-conscious consumers. This shift in perception has strengthened sales of unflavoured, traditional type yoghurts, overtaking sweetened and flavoured yoghurts as the most sold product.

Dairy desserts are a low volume and high value dairy category, including products such as mousses, crème caramels and fromage frais. Marketed as an indulgence or treat item, these products are generally targeted to adult consumers however, fromage frais and flavoured custards are examples of children's products which often feature popular cartoon characters on-pack.

As a traditional favourite, chilled custard sales have marginally increased in recent years, as manufacturers expand their product offerings. This includes branching out into new flavours and small, snack-sized, single serve plastic cups sold in multi-packs.

Cream remains an important fresh dairy product widely used in cooking, with sales holding steady in 2023/24. Regular and sour creams are used extensively as accompaniments or ingredients and similar to butter, consumers remain interested in cream's superior taste and cooking functionality, relative to plant-based substitutes.

See Appendix 6 for more details on cream, custard and dairy dessert sales.

Milk powders

Australian manufacturers produce a wide range of milk powders. The technology used in the production and utilisation of powders, has allowed the range of specifications available from Australian manufacturers to expand in line with customer needs.

Only a small portion of Australia's powder production is sold domestically, with local product primarily used as an ingredient in food manufacturing. Infant formula is a high-value product that has shown considerable growth in recent years, generated through Australian supermarket sales (partly due to the demand from informal re-export trades, such as the Diagou trade), and through direct exports.

Following several challenging years for the dairy industry, manufacturers have had access to a smaller national milk pool and a wider variety of markets. As a result, companies have had to be more flexible with their product mixes, taking advantage of relative movements in international commodity prices. Differing market access arrangements also impact the competitiveness of product pricing. For example, local producers will be at a competitive disadvantage where Australia may not have negotiated a free trade agreement, but a competitive supplier country has done so. This impacts local production mixes because the bulk of Australia's milk powders are exported overseas.

Up to the year 2000, as milk production grew steadily, whole milk powder (WMP) production expanded to represent a larger share of total milk powder production. However, this trend reversed in 2001/02, with skim milk powder (SMP) becoming more prominent.

In 2023/24, skim milk powder accounted for

86 per cent

of milk powders produced.

In 2023/24, Australia also imported over 69,000 tonnes of milk powders, most of which is sourced from New Zealand, decreasing 12 per cent from 2022/23.

Exported milk powder is often recombined into liquid milk products, particularly in tropical climates where fresh milk supplies are not readily available. This is mainly due to insufficient local production and/or limited development of cold chain distribution facilities. These products are also used in bakery items (improving the volume and binding capacity of bread and ensuring crisper pastry and biscuits), confectionery and milk chocolates, processed meats, ready-to-cook meals, baby foods, ice-cream, yoghurt, health foods and reduced-fat milks. Industrial grade powder is often used for animal stockfeed.

The major export markets for Australian milk powders are mostly concentrated to Asia. Out of 31 export destinations, the largest export markets for Australian-produced skim milk powder in 2023/24 were Indonesia, Greater China, Vietnam, Malaysia, and Thailand. Australian-produced whole milk powder was exported to 41 destinations in 2023/24, with Greater China, Thailand, Indonesia, the United Arab Emirates and Singapore representing the largest markets.

See Appendix 8 for more details on milk powder exports.

Table 24 Australian production of milk powders (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Skim milk powder	192,373	160,180	153,741	150,473	135,338	154,705
Whole milk powder*	48,534	44,636	52,458	42,150	36,619	25,567

*Includes infant powder
(Dairy Australia estimates that this collection covers over 80% of WMP production and over 85% of SMP production)
Source: Dairy manufacturers

Table 25 Australian exports of skim milk powder by region (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia	136,669	94,576	112,334	132,752	105,881	124,638
Middle East	12,559	11,140	9,944	14,147	9,731	17,734
Africa	236	25	150	175	160	900
Pacific	1,737	1,901	478	1,850	1,299	34
Americas	0	0	0	7	0	0
Europe	0	0	5	0	0	0
Total	**151,201**	**107,642**	**122,911**	**148,931**	**117,071**	**143,306**

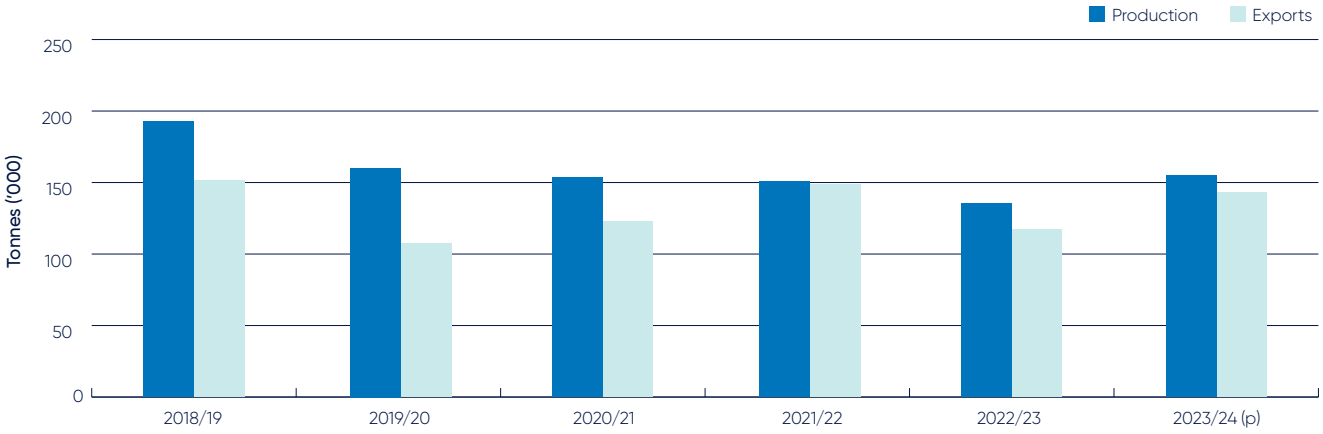
Source: ABS

Table 26 Australian exports of whole milk powder by region* (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia	49,508	44,174	52,029	54,517	38,022	41,647
Middle East	1,953	846	636	5,973	17,705	3,851
Africa	67	13	172	668	186	404
Pacific	1,860	1,032	1,125	1,094	1,019	752
Americas	1,324	491	217	618	1,134	1,713
Europe	0	0	0	0	0	25
Total	**54,712**	**46,556**	**54,179**	**62,871**	**58,066**	**48,392**

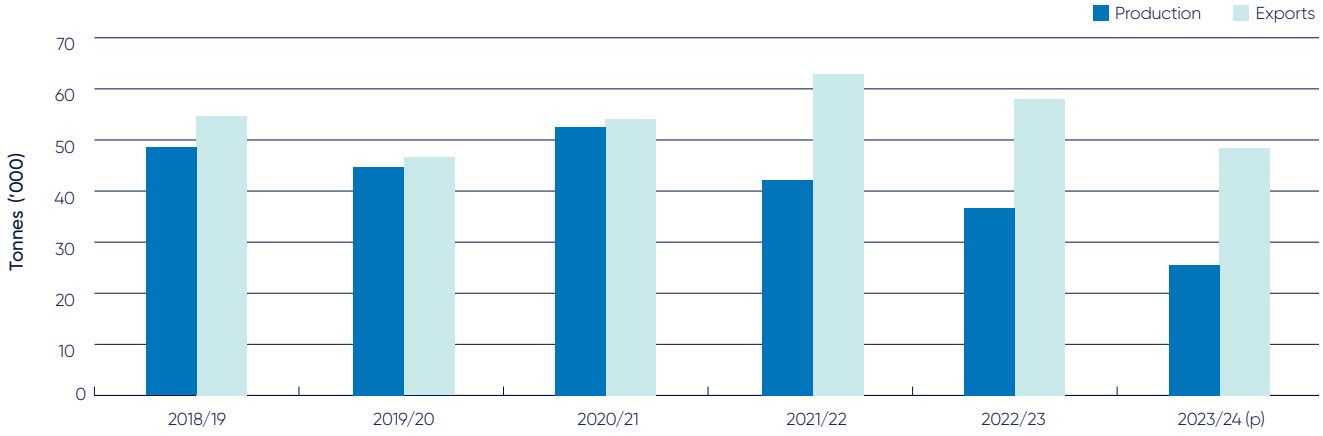
*Includes infant powder
Source: ABS

Figure 13 Australian production and exports of skim milk powder



(Dairy Australia estimates that this collection covers over 85% of SMP production)
Source: Dairy manufacturers and ABS

Figure 14 Australian production and exports of whole milk powder



(Dairy Australia estimates that this collection covers over 80% of WMP production)
Source: Dairy manufacturers and ABS

Whey products and casein

As a byproduct of the cheese-making process, whey has traditionally been disposed of in its liquid form. However, over the past few decades, the value of whey's components and properties have been recognised, increasing the utilisation of whey powder and protein concentrates.

Food-grade whey powder is used in the manufacture of ice-cream, bakery products (cakes, biscuits), chocolate flavouring, infant formula, yoghurt, beverages and processed meat. Industrial uses include animal feed (for pigs, horses and poultry), calf milk replacer and even as a carrier for herbicides.

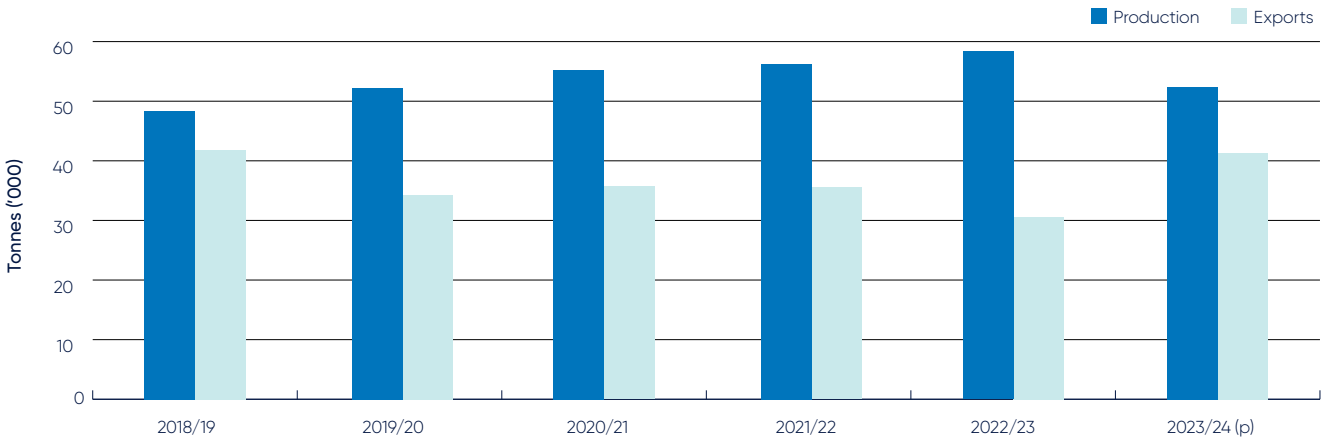
Whey protein concentrates are used in snack foods, juices, confectionery, ice-cream, biscuits, processed meats, protein drinks, desserts, infant foods and dietetic products. Products such as cosmetics, skin creams, bath salts and detergents also contain protein concentrates.

In Australia, whey is used domestically in manufacturing infant formula, biscuits and ice-cream, while the remainder is exported. In 2023/24, Indonesia, Malaysia, Singapore, Thailand and Greater China were the largest export markets for Australian whey powders.

Casein and caseinates are used as binding ingredients, emulsifiers and milk substitutes in processed foods such as noodles, chocolate, sweets, mayonnaise, ice-cream and cheese. Industrial uses of casein and caseinates include plastics (buttons, knitting needles); the manufacture of synthetic fibres and chemicals (plants, glues, glazed paper, putty and cosmetics); a nutritional supplement and binder in calf milk replacers; as well as a range of other technical applications.

Australia is no longer a significant producer of casein and imports the vast majority of its requirements. These mostly originate from New Zealand (over 60 per cent of the total volume), with the balance being met by Europe and the United States in 2023/24.

Figure 15 Australian production and exports of whey products



(Dairy Australia estimates that this collection covers over 95% of whey production)
Source: Dairy manufacturers and ABS

Industry organisations and structure

Dairy Australia works towards shaping a profitable and sustainable dairy industry by providing services that benefit and advance dairy farm businesses and the industry.

These services deliver value by:

- Enhancing farm business management.
- Supporting employment and people development.
- Driving herd and feed innovation.
- Managing climate and environment.
- Promoting Australian dairy and demonstrating the industry commitment to sustainability.
- Supporting international dairy markets.
- Contributing to policy development.
- Responding to critical issues and events.

Dairy Australia invests in Regional Development Programs and has regional teams that are part of dairy communities in Gippsland, Murray, New South Wales, South Australia, Subtropical, Tasmania, Western Australia and Western Victoria.

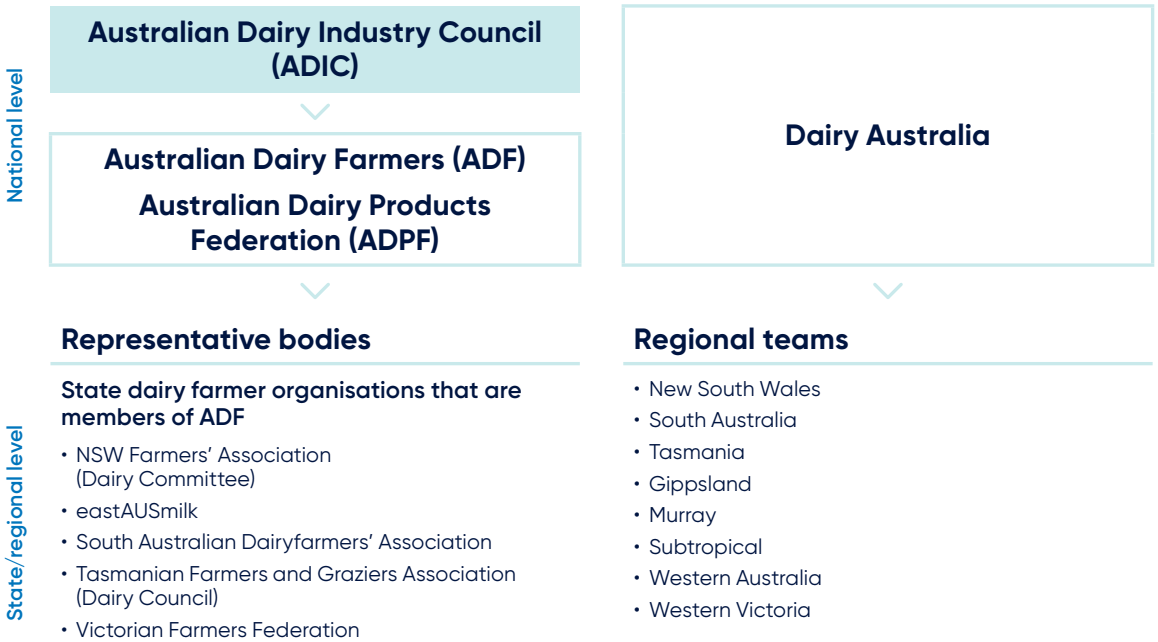
Our regional teams work with dairy farm businesses to understand their needs, deliver relevant services and support industry activities.

We partner with farmers, industry, government and research organisations in our activities. Our key partners include Australian Dairy Farmers (ADF), state dairy farmer organisations, Australian Dairy Products Federation (ADPF), the Gardiner Dairy Foundation, the Commonwealth and state governments, universities and other research organisations, Regional Development Program Boards and other Rural Research and Development Corporations.

We are funded by levies paid by dairy farmers and matching payments received from the Commonwealth Government for eligible research, development and extension activities.

Our core funding also allows us to attract additional external funding for key programs of work.

Figure 16 The structure of Australian dairy industry organisations



Industry levies

Dairy Service

Dairy Australia is the national service body for the Australian dairy industry. Dairy Australia is funded by a combination of levies paid by dairy farmers, calculated on the fat and protein content of milk, and matching payments from the Commonwealth Government for eligible research and development (R&D) activities.

Animal Health Australia

Australian dairy farmers contribute funding to Animal Health Australia (AHA), as do farmers in all other livestock industries. AHA is a non-profit public company limited by guarantee. Members include Australian state and territory governments as well as key commodity and interest groups. AHA's task is to facilitate partnerships between governments and livestock industries and provide a national approach to animal health systems. The Animal Health Levy is the dairy industry's contribution to AHA programs.

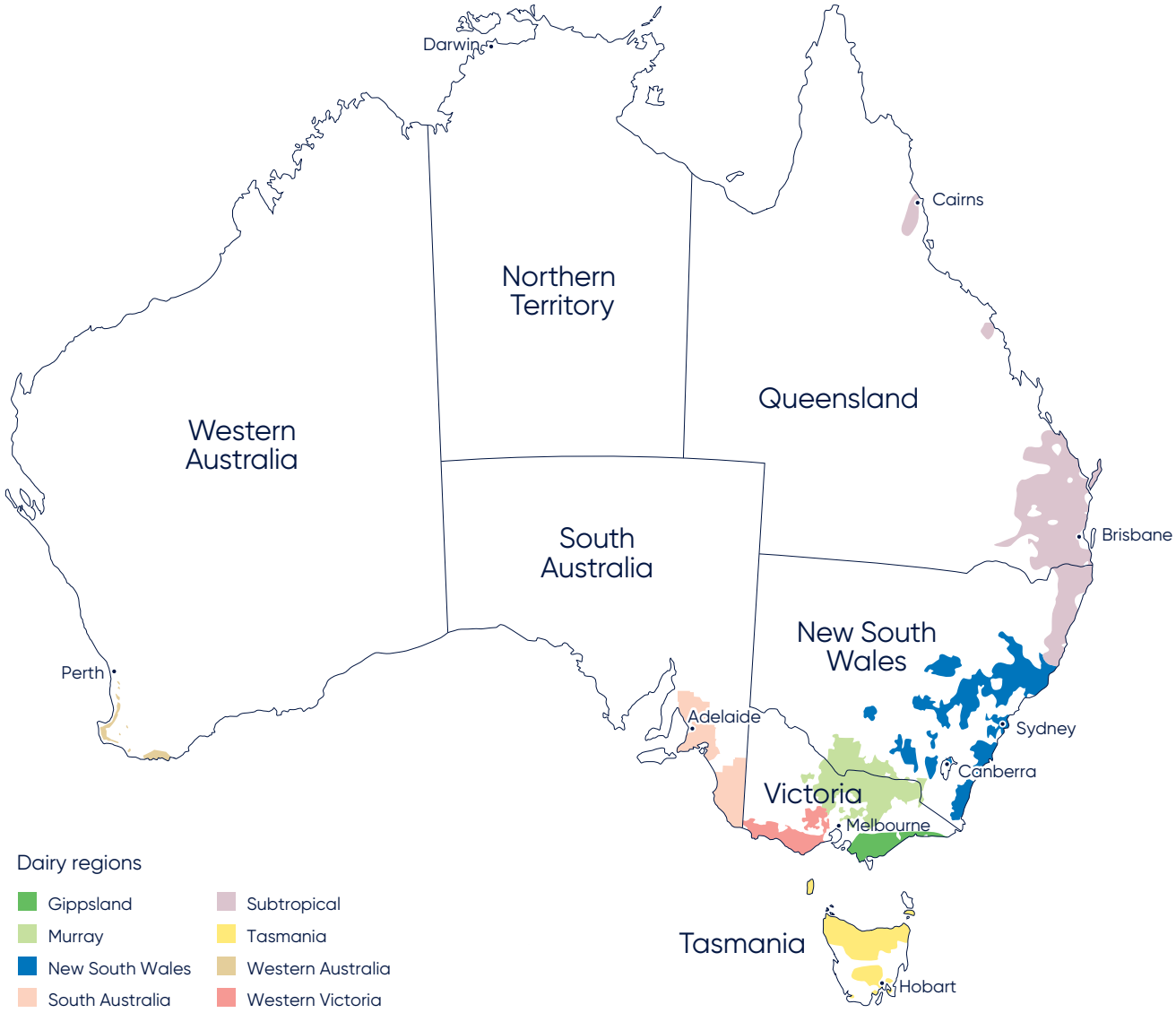
Table 27 Average rate of milk levies for 2023/24

	Milkfat (¢/kg)	Protein (¢/kg)	Milk* (¢/litre)	Milk solids (¢/kg)
Animal Health	0.0580	0.1385	0.007	0.09
Dairy Service	2.8683	6.9914	0.362	4.72

*Based on average 2023/24 Australian milk composition of 4.22% milkfat and 3.45% protein

Appendices

Appendix 1 Dairy regions



Appendix 2 Australian industry footprint

Table A1 Australian state/region breakdown 2023/24

	Qld	NSW	Vic	SA	WA	Tas	Aust
Dairy farms[1]	266	452	2,552	170	107	342	**3,889**
Cows in milk and dry ('000)[2]	60	153	825	64	49	179	**1,330**
People employed on farm (full time and part-time)[3]	800	1,900	7,800	1,200	400	1,400	**13,500**
People employed in processing (full time and part-time)[3]	1,600	3,700	10,000	700	600	1,200	**17,800**
People directly working in dairy (full time and part-time)[3]	2,400	5,600	17,800	1,900	1,000	2,600	**31,300**
Volume of milk produced (ML)[4]	282	1,040	5,296	479	344	934	**8,376**
Share of national milk production (%)	3.4	12.4	63.2	5.7	4.1	11.2	
Value of milk leaving farms ($m)	254	879	3,834	346	245	679	**6,237**
Value of dairy products exported ($m)[5]	67	412	2,328	217	45	559	**3,628**
Share of national dairy exports – value (%)	2	11	64	6	1	15	
Volume of dairy products exported ('000)	14	39	503	55	27	67	**705**
Share of national dairy exports – volume (%)	2	5	71	8	4	10	

Source: [1] State milk authorities and Dairy Australia; [2] ABS and Dairy Australia; data as at 31 March [3] Employment derived from a five-yearly median state level figures from ABS Labour Force statistics, May 2024 quarter publication and Dairy Australia: split on the basis of milk production within states; [4] dairy manufacturers; [5] ABS export data: split on the basis of milk production.

	Subtropical	New South Wales	Gippsland	Murray	Western Victoria	South Australia	Western Australia	Tasmania	Aust
Dairy farms[1]	357	307	943	805	858	170	107	342	**3,889**
Cows in milk and dry ('000)[2]	77	101	304	276	280	64	49	179	**1,330**
People employed on farm (full time and part-time)[3]	1,000	1,600	2,800	2,500	2,600	1,200	400	1,400	**13,500**
People employed in processing (full time and part-time)[3]	2,000	2,900	3,600	3,400	3,400	700	600	1,200	**17,800**
People directly working in dairy (full time and part-time)[3]	3,000	4,500	6,400	5,900	6,000	1,900	1,000	2,600	**31,300**
Volume of milk produced (ML)[4]	405	784	1,907	1,679	1,844	479	344	934	**8,376**
Share of national milk production (%)	4.8	9.4	22.8	20.0	22.0	5.7	4.1	11.2	
Value of milk leaving farms ($m)	365	663	1,381	1,224	1,335	346	245	679	**6,237**
Value of dairy products exported ($m)[5]	72	387	804	752	792	217	45	559	**3,628**
Share of national dairy exports – value (%)	2	11	22	21	22	6	1	15	
Volume of dairy products exported ('000)	17	29	178	157	175	55	27	67	**705**
Share of national dairy exports – volume (%)	2	4	25	22	25	8	4	10	

Source: [1] State milk authorities and Dairy Australia; [2] ABS and Dairy Australia; data as at 31 March; [3] Employment derived from a five-yearly median state level figures from ABS Labour Force statistics, May 2024 quarter publication and Dairy Australia: split on the basis of milk production within states; [4] dairy manufacturers; [5] ABS export data: split on the basis of milk production.

Appendix 3 Feed prices

Table A2 Indicative Australian grain prices ($ per tonne)

		Wheat	Barley	Maize	Sorghum	Canola meal	Oats	Lupins
Atherton Tablelands	2021/22	412	351	374	357			
	2022/23	419	387	443	411			
	2023/24	415	410	443	406			
Darling Downs	2021/22	355	325	366	321			
	2022/23	403	403	431	388			
	2023/24	422	419	434	399			
North Coast NSW	2021/22	318	274	361	299			
	2022/23	389	352	416	344			
	2023/24	375	377	431	365			
Central West NSW	2021/22	322	269	359	284			
	2022/23	399	354	410	330			
	2023/24	366	348	399	365			
Bega Valley	2021/22	345	291	367		492		
	2022/23	403	350	424		553		
	2023/24	386	349	427		552		
Goulburn/Murray Valley	2021/22	368	309	365		492		
	2022/23	390	346	424		537		
	2023/24	359	333	427		539		
Gippsland	2021/22	390	336	392		511		
	2022/23	420	370	463		553		
	2023/24	383	355	433		551		
South West Victoria	2021/22	366	314	393		496		
	2022/23	398	337	462		539		
	2023/24	351	321	433		536		
South East South Australia	2021/22	386	328	398		541		
	2022/23	404	333	454		584		
	2023/24	376	326	425		581		
Central Districts SA	2021/22	373	302	401		308		
	2022/23	394	348	459		380		
	2023/24	360	327	427		414		
South West WA	2021/22	366	313				278	298
	2022/23	355	308				320	289
	2023/24	383	347				437	444
North West Tasmania	2021/22	480	426	402		601		
	2022/23	510	460	473		643		
	2023/24	473	445	443		641		

(Data represents a simple yearly average of weekly data in each region)
Source: Profarmer

Table A3 Indicative Australian hay prices ($ per tonne)

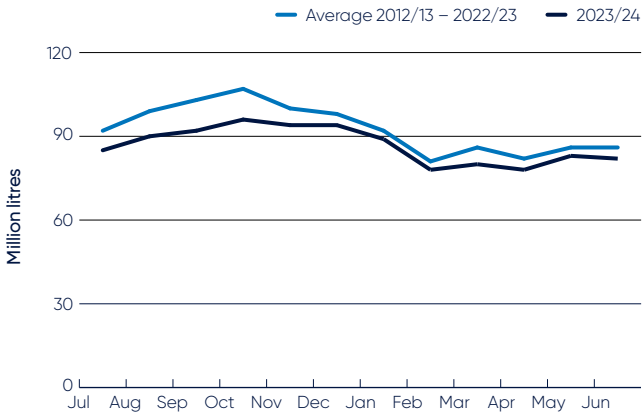
		Pasture hay	Cereal hay	Lucerne hay	Straw
Atherton Tablelands	2021/22	306			
	2022/23	350			
	2023/24	395			
Darling Downs	2021/22	221	268	403	73
	2022/23	301	318	460	136
	2023/24	294	289	407	106
North Coast NSW	2021/22	210	245	405	125
	2022/23	297	352	503	179
	2023/24	291	313	402	104
Central West NSW	2021/22	182	195	331	70
	2022/23	256	267	414	122
	2023/24	290	300	397	109
Bega Valley	2021/22	358	293	509	210
	2022/23	361	325	510	220
	2023/24	319	315	424	129
Goulburn/Murray Valley	2021/22	238	189	412	90
	2022/23	286	272	436	130
	2023/24	290	305	392	107
Gippsland	2021/22	103	224	563	84
	2022/23	215	287	511	128
	2023/24	256	297	398	120
South West Victoria	2021/22	162	193	355	79
	2022/23	225	274	413	122
	2023/24	243	304	378	104
South East South Australia	2021/22	194	211	341	110
	2022/23	292	319	418	146
	2023/24	267	303	360	107
Central Districts SA	2021/22		202	417	117
	2022/23		298	440	157
	2023/24		303	378	107
South West WA	2021/22	186	267	469	139
	2022/23	203	280	420	119
	2023/24	241	323	392	116
North West Tasmania	2021/22	220	247	321	175
	2022/23	228	268	338	172
	2023/24	264	274	344	111

(Data represents a simple yearly average of weekly data in each region)
Source: Australian Fodder Industry Association (AFIA)

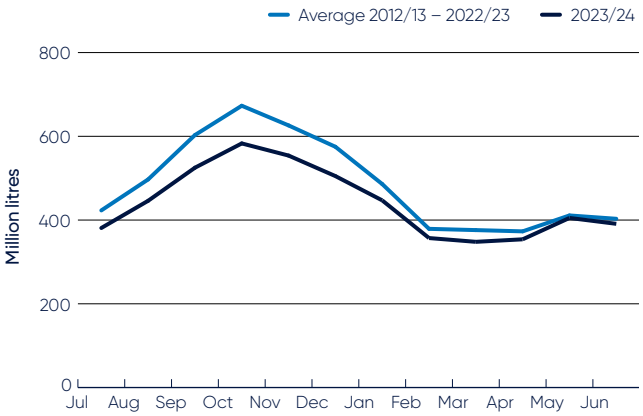
Appendix 4 Milk production

Figure A1 Seasonality of milk production in 2023/24

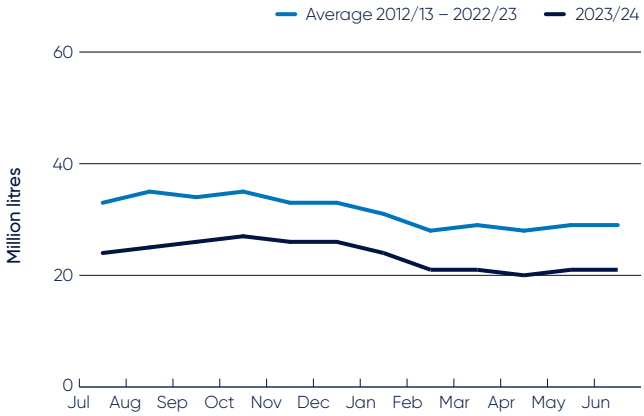
New South Wales



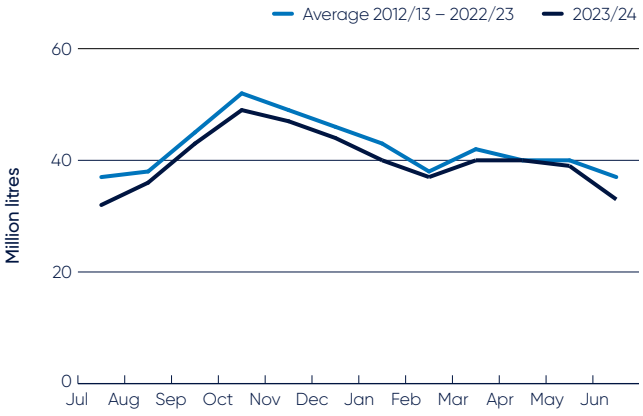
Victoria



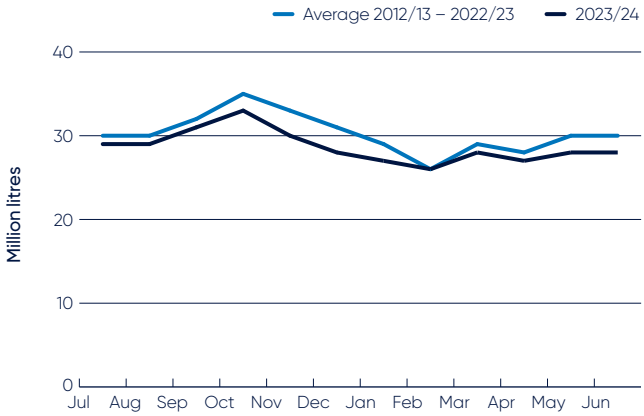
Queensland



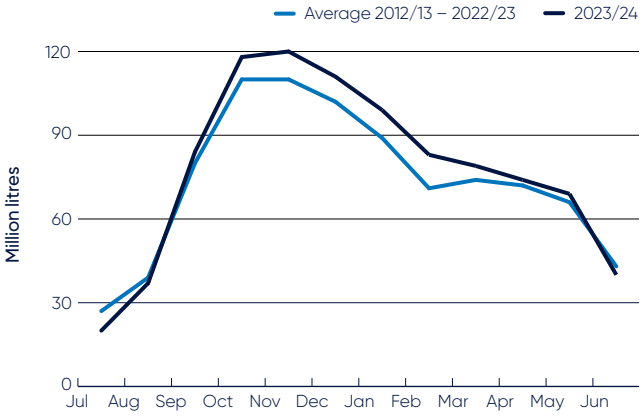
South Australia



Western Australia

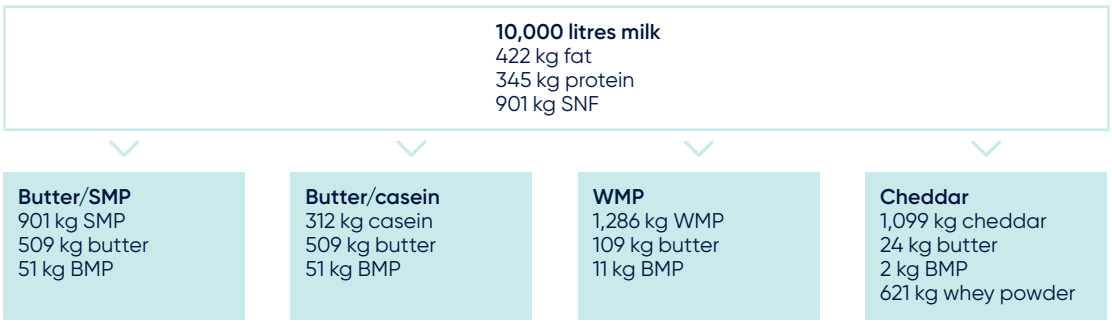


Tasmania



Appendix 5 Manufacturing processes

Figure A2 Product yield from 10,000 litres of milk 2023/24



The milkfat and solids in manufacturing milk can be used to produce a wide variety of dairy products. There are four major production processes: two joint product processes for butter/skim milk powder (SMP) production and butter/casein production, and single product processes for whole milk powder (WMP) and cheese production. For each of these separate product lines, numerous other dairy products can be made from the residual milk components.

The first step in making butter is to separate whole milk into cream and skim milk. The liquid skim milk is evaporated, and spray dried to produce SMP. The cream is churned until the fat globules form into solid butter, leaving a liquid by-product, buttermilk. This liquid can be dried to make buttermilk powder (BMP).

While there are various ways of making casein, one of the most common methods stems from the joint product process for creating butter. After separating whole milk into cream and skim milk, the skim milk can be set by mixing with acid to produce curd. The curd is shaken to remove large clumps, leaving a liquid whey by-product which is removed. The curd is then repeatedly rinsed in water and drained, with any excess moisture extracted by pressing the curd. This is then milled, dried, ground down and passed through a sieve to be broken into particle size.

To produce WMP, milk, with some cream removed, is evaporated, concentrated and dried, either by roller or spray process to form a powder. The spray drying method is more commonly used and involves spraying a fine mist of concentrated milk into a current of hot air to form granules of powder. The granules can be treated with steam to 'instantise' the powder and make it easier to reconstitute into milk.

The techniques to produce cheese can vary substantially, differing by the producer and variety of cheese created. To make cheddar cheese, some cream is removed from the pasteurised milk. Starter culture is added to the milk to produce both acid and flavour. Then rennet is added to form curd and whey.

The curd is cut, heated, and stirred to allow the whey to drain. A process called cheddaring then takes place, and involves the curd being allowed to mat together, before it is milled, salted, pressed and packed. The cheese is stored to develop the desired maturity and flavour - the longer it is stored, the stronger the flavour. Mild cheddar is matured for approximately three months, semi-matured cheddar for three to six months, and mature or tasty cheddar for up to a year.

The liquid whey extracted during cheese manufacturing contains protein, lactose, and a small portion of fat. It can be dried to make products for pharmaceutical purposes, as a useful supplement in stock feed, and in the creation of ice-cream.

The cream from the standardisation of milk for WMP, casein and cheddar production can be used to make butter and BMP.

Table A4 Product composition

	% fat	% SNF
Skim milk powder	1.0	94.5
Butter	80.5	2.0
Ghee	99.6	0.1
Casein	1.5	88.5
Whole milk powder	26.0	70.4
Cheddar cheese	33.0	31.0
Gouda	31.5	23.5
Edam	21.2	31.8
Parmesan	21.8	46.2
Cottage cheese	4.0	16.0
Brie	25.0	25.0
Mozzarella	23.1	30.9

Table A5 Australian production of dairy products (tonnes)

	Butter*	AMF (CBE)	SMP	WMP**	Whey products	Cheese
1989/90	78,053	26,105	130,976	56,476	19,895	175,087
1999/00	110,325	71,295	236,322	186,653	66,258	379,717
2005/06	92,850	52,904	205,495	158,250	98,436	379,698
2006/07	101,666	31,434	191,475	135,364	86,198	363,682
2007/08	99,202	28,416	164,315	141,974	82,652	360,922
2008/09	109,753	38,742	212,030	147,544	81,136	342,603
2009/10	100,134	28,245	190,233	126,024	79,094	349,641
2010/11	96,326	26,160	222,484	151,269	61,488	338,804
2011/12	100,551	19,164	230,286	140,424	64,645	346,531
2012/13	99,035	19,193	224,061	108,838	63,440	338,313
2013/14	101,705	14,417	210,964	126,322	55,506	311,500
2014/15	101,641	16,943	242,266	96,840	51,806	344,142
2015/16	99,015	19,610	255,792	66,125	44,669	344,258
2016/17	85,459	14,539	222,109	63,342	50,209	348,651
2017/18	79,749	13,570	201,426	83,999	49,469	377,727
2018/19	61,177	12,270	192,373	48,534	48,385	374,298
2019/20	63,567	9,601	160,180	44,636	52,251	358,192
2020/21	69,227	12,477	153,741	52,458	55,202	359,217
2021/22	58,559	14,460	150,473	42,150	56,235	379,870
2022/23	53,683	11,188	135,338	36,619	58,355	380,413
2023/24 (r)	56,851	10,924	154,705	25,567	52,360	361,516

*Includes butter blends as CBE **Includes infant powder
Source: Dairy manufacturers

Appendix 6 Domestic sales

Table A6 Dairy company domestic sales (tonnes)

Major dairy products (excl drinking milk)	Sales channel	2021/22 (r)	2022/23 (r)	2023/24 (p)
Butter	Grocery	44,092	42,805	42,022
	Non-grocery	23,416	24,436	21,966
Butter total		**67,508**	**67,241**	**63,988**
Cheese	Grocery	147,921	146,948	151,814
	Non-grocery	100,612	98,547	95,023
Cheese total		**248,533**	**245,495**	**246,837**
Cream	Grocery	80,411	81,011	78,760
	Non-grocery	56,166	52,436	51,662
Cream total		**136,577**	**133,447**	**130,422**
Custard	Grocery	20,617	20,041	20,087
	Non-grocery	1,701	1,916	2,025
Custard total		**22,318**	**21,957**	**22,112**
Dairy desserts	Grocery	9,533	9,459	9,682
	Non-grocery	183	173	249
Dairy desserts total		**9,716**	**9,632**	**9,931**
Milk powder	Grocery	1,690	2,082	3,109
	Non-grocery	55,965	50,045	50,473
Milk powder total		**57,655**	**52,127**	**53,582**
Yoghurt	Grocery	113,509	115,032	129,031
	Non-grocery	10,591	11,234	11,547
Yoghurt total		**124,100**	**126,266**	**140,578**

This data is dairy company wholesale sales to distributors/warehouses/retailers. Grocery refers to major supermarket chains. Non-Grocery refers to other retailers including convenience stores, the foodservice and industrial channels.

Source: Dairy manufacturers

Appendix 7 Supermarket sales

Milk

Table A7 Supermarket milk sales by state ('000 litres)

	NSW	Vic	Qld	SA & NT	WA	Tas	Total
MAT 17 Jul 2022	455,450	355,298	303,886	122,716	145,457	34,621	1,417,428
MAT 16 Jul 2023	437,058	340,433	302,216	125,175	147,745	34,415	1,387,042
MAT 14 Jul 2024	434,044	334,478	304,542	125,819	149,678	34,207	1,382,768

Table A8 Supermarket milk sales by type ('000 litres)

	Regular	Reduced Fat	No Fat	UHT	Total
MAT 17 Jul 2022	809,900	359,987	25,090	222,451	1,417,428
MAT 16 Jul 2023	799,791	355,924	22,200	209,127	1,387,042
MAT 14 Jul 2024	804,199	339,337	21,619	217,613	1,382,768

Table A9 Supermarket milk sales - flavoured vs unflavoured ('000 litres)

	Flavoured	Unflavoured	Total
MAT 17 Jul 2022	105,210	1,312,218	1,417,428
MAT 16 Jul 2023	104,827	1,282,216	1,387,042
MAT 14 Jul 2024	105,841	1,276,927	1,382,768

Table A10 Supermarket milk sales - branded vs private label

	MAT 17 Jul 2022			MAT 16 Jul 2023			MAT 14 Jul 2024		
	Volume	Value	Price/Litre	Volume	Value	Price/Litre	Volume	Value	Price/Litre
	'000 litres	'000 dollars		'000 litres	'000 dollars		'000 litres	'000 dollars	
Total branded milk	617,976	1,400,369	$2.27	567,828	1,521,833	$2.68	537,544	1,533,296	$2.85
Total private label milk	799,451	1,090,159	$1.36	819,214	1,331,127	$1.63	845,224	1,372,075	$1.62
Total milk	**1,417,428**	**2,490,528**	**$1.76**	**1,387,042**	**2,852,960**	**$2.06**	**1,382,768**	**2,905,371**	**$2.10**

NielsenIQ Homescan based on a continuous panel of 10,000 households; excludes non-private dwellings & businesses, non-permanently occupied households & out-of-home/impulse purchasing. DAIRY AUSTRALIA calculation based in part on data reported by NielsenIQ through its Homescan Service for the dairy category for the 52-week period ending 14/07/2024, for the total Australian market, according to the NielsenIQ standard product hierarchy.

Dairy spreads

Table A11 Supermarket yellow spreads sales by type

	MAT 17 Jul 2022			MAT 16 Jul 2023			MAT 14 Jul 2024		
	Volume	**Value**	**Price/Litre**	**Volume**	**Value**	**Price/Litre**	**Volume**	**Value**	**Price/Litre**
	Tonnes	'000 dollars		Tonnes	'000 dollars		Tonnes	'000 dollars	
Butter	29,615	366,672	$12.38	27,650	401,147	$14.51	29,205	436,427	$14.94
Butter blends	31,457	309,729	$9.85	31,513	359,675	$11.41	31,925	387,080	$12.13
Margarine	31,214	194,536	$6.23	29,634	235,013	$7.93	29,274	231,318	$7.90
Total yellow spreads	**92,286**	**870,937**	**$9.44**	**88,797**	**995,835**	**$11.22**	**90,404**	**1,054,825**	**$11.67**

Table A12 Retail sales of dairy spreads by pack size

	MAT 17 Jul 2022			MAT 16 Jul 2023			MAT 14 Jul 2024		
	Volume	**Value**	**Price/kg**	**Volume**	**Value**	**Price/kg**	**Volume**	**Value**	**Price/kg**
	Tonnes	'000 dollars		Tonnes	'000 dollars		Tonnes	'000 dollars	
Butter	**29,615**	**366,672**	**12.38**	**27,650**	**401,147**	**14.51**	**29,205**	**436,427**	**14.94**
250 gram	9,503	126,956	13.36	8,229	131,931	16.03	8,156	135,160	16.57
500 gram	16,313	179,017	10.97	15,599	202,618	12.99	16,687	222,632	13.34
Other sizes	3,800	60,699	15.97	3,822	66,598	17.43	4,362	78,635	18.03
Butter blends	31,457	309,729	9.85	31,513	359,675	11.41	31,925	387,080	12.13
250 gram	1,058	17,663	16.70	787	15,076	19.17	843	16,020	19.00
500 gram	20,422	203,819	9.98	20,588	241,521	11.73	18,915	236,487	12.50
Other sizes	9,977	88,247	8.85	10,139	103,078	10.17	12,167	134,573	11.06
Total dairy spread sales	**61,072**	**676,401**	**$11.08**	**59,163**	**760,822**	**$12.86**	**61,130**	**823,508**	**$13.47**

Table A13 Retail sales of margarine by pack size

	MAT 17 Jul 2022			MAT 16 Jul 2023			MAT 14 Jul 2024		
	Volume	**Value**	**Price/kg**	**Volume**	**Value**	**Price/kg**	**Volume**	**Value**	**Price/kg**
	Tonnes	'000 dollars		Tonnes	'000 dollars		Tonnes	'000 dollars	
250 gram	593	6,642	11.19	593	7,739	13.05	637	7,885	12.37
500 gram	18,514	128,403	6.94	16,286	145,900	8.96	15,234	139,384	9.15
Other sizes	12,107	59,491	4.91	12,755	81,374	6.38	13,403	84,048	6.27
Total margarine sales	**31,214**	**194,536**	**$6.23**	**29,634**	**235,013**	**$7.93**	**29,274**	**231,318**	**$7.90**

NielsenIQ Homescan based on a continuous panel of 10,000 households; excludes non-private dwellings & businesses, non-permanently occupied households & out-of-home/impulse purchasing. DAIRY AUSTRALIA calculation based in part on data reported by NielsenIQ through its Homescan Service for the dairy category for the 52-week period ending 14/07/2024, for the total Australian market, according to the NielsenIQ standard product hierarchy.

Appendix 8 Australian exports

Table A14 Australian exports of cheese (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia						
China, Hong Kong	22,762	20,898	25,520	27,747	20,691	24,934
Indonesia	3,701	3,960	2,491	3,298	3,200	3,584
Japan	84,770	76,626	60,446	60,210	53,285	62,834
Korea, South	8,782	8,140	7,926	8,385	7,653	8,213
Malaysia	7,743	9,065	12,889	11,756	6,288	9,210
Philippines	5,663	6,599	7,488	7,717	7,023	6,691
Singapore	4,860	4,933	5,505	5,642	4,274	5,132
Taiwan	3,069	3,200	3,193	3,792	3,041	3,830
Thailand	4,389	5,211	4,075	5,447	5,751	7,625
Other Asia	2,442	3,034	3,573	2,892	2,771	3895
Total Asia	**148,181**	**141,666**	**133,106**	**136,886**	**113,977**	**135,948**
Middle East						
Saudi Arabia	1,003	1,278	1,451	1,357	1,324	1,146
U.A.E.	1,474	1,254	1,150	1,067	954	1,294
Other Middle East	4,475	3,974	2,884	2,317	2,775	2481
Total Middle East	**6,952**	**6,506**	**5,485**	**4,741**	**5,053**	**4,921**
Africa	**2,903**	**1,649**	**1,733**	**1,918**	**1,778**	**1,689**
Pacific						
New Zealand	3,489	3,516	3,491	4,664	2,699	3,306
Others	1,289	1,201	1,328	1,401	1,296	1,312
Total Pacific	**4,778**	**4,717**	**4,819**	**6,065**	**3,995**	**4,618**
Americas						
Caribbean	34	0	139	782	62	190
United States	1,709	1,323	5,551	2,804	1,327	1,127
Others	654	1,366	1,877	3,195	1,914	2053
Total Americas	**2,397**	**2,689**	**7,567**	**6,781**	**3,303**	**3,370**
Europe	**633**	**380**	**698**	**169**	**60**	**127**
Total	**165,844**	**157,607**	**153,408**	**156,560**	**128,166**	**150,673**

Source: ABS

Table A15 Australian exports of whole milk powder* (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia						
Bangladesh	4,211	716	5,184	1,571	2,086	1,480
China, Hong Kong	28,330	28,976	29,146	24,021	20,816	18,238
Indonesia	312	154	365	6,265	4,789	2,536
Japan	80	8	9	950	0	1
Malaysia	878	535	2,734	2,175	451	1,036
Philippines	111	7	172	48	8	0
Singapore	3,554	3,511	3,474	3,616	1,655	2,090
Sri Lanka	3,139	1,638	2,047	233	139	346
Taiwan	2,061	1,398	1,076	1,162	902	575
Thailand	5,563	5,658	4,891	11,154	4,493	10,668
Others	1,269	1,574	2,931	3,322	2,683	4,675
Total Asia	**49,508**	**44,175**	**52,029**	**54,517**	**38,022**	**41,647**
Africa	**67**	**13**	**172**	**668**	**186**	**404**
Americas	**1,324**	**491**	**217**	**618**	**1,134**	**1,713**
Europe	**0**	**0**	**0**	**0**	**0**	**25**
Middle East	**1,953**	**846**	**636**	**5,973**	**17,705**	**3,851**
Pacific	**1,860**	**1,032**	**1,125**	**1,095**	**1,019**	**752**
Total	**54,712**	**46,557**	**54,179**	**62,871**	**58,066**	**48,392**

*Also includes infant powder
Source: ABS

Table A16 Australian exports of butter* (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia						
China, Hong Kong	3,714	2,386	7,009	5,088	1,180	3,098
Japan	507	175	177	696	107	156
Korea, South	932	574	910	2,892	1,309	1,766
Malaysia	1,809	1,206	1,483	1,227	778	1,020
Singapore	1,418	1,275	1,893	1,908	838	1,227
Taiwan	992	868	926	975	436	1,417
Others	732	961	1,052	1,077	436	636
Total Asia	**10,104**	**7,445**	**13,450**	**13,863**	**5,084**	**9,319**
Middle East	**115**	**1**	**1,332**	**833**	**5**	**241**
Africa	**211**	**152**	**1,030**	**229**	**218**	**383**
Pacific	**215**	**108**	**236**	**183**	**552**	**167**
Americas	**2,519**	**320**	**1,230**	**666**	**37**	**1,293**
Europe	**20**	**20**	**200**	**50**	**0**	**240**
Total	**13,184**	**8,046**	**17,478**	**15,824**	**5,896**	**11,643**

*Includes butter blends converted at the rate of 1kg butter blend = 0.7kg butter
Source: ABS

Table A17 Australian exports of skim milk powder (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia						
China, Hong Kong	43,354	32,460	56,817	62,150	64,070	32,924
Indonesia	32,352	24,698	23,508	30,340	22,230	37,604
Japan	4,973	3,019	2,201	793	384	1,702
Malaysia	9,139	2,825	3,158	5,537	2,256	11,398
Philippines	5,026	7,864	3,335	4,227	2,768	2,433
Singapore	9,636	6,068	4,851	7,674	3,165	4,637
Taiwan	1,404	1,950	1,763	986	894	856
Thailand	9,261	8,550	5,171	7,839	5,916	9,931
Others	21,526	7,142	11,531	13,206	4,198	23,153
Total Asia	**136,671**	**94,576**	**112,335**	**132,752**	**105,881**	**124,638**
Africa	**236**	**25**	**150**	**175**	**160**	**900**
Americas	**0**	**0**	**0**	**6**	**0**	**0**
Europe	**0**	**0**	**5**	**0**	**0**	**0**
Middle East	**12,559**	**11,140**	**9,944**	**14,147**	**9,731**	**17,734**
Pacific	**1,737**	**1,901**	**478**	**1,850**	**1,299**	**34**
Total	**151,203**	**107,642**	**122,912**	**148,931**	**117,071**	**143,306**

Source: ABS

Table A18 Australian exports of AMF (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia						
Bangladesh	151	0	34	17	0	0
Indonesia	118	0	0	39	5	3
Malaysia	50	134	370	252	621	437
Philippines	84	185	1,077	67	454	119
Singapore	28	0	134	102	67	51
Others	4,297	2,268	2,505	2,476	2,239	1,808
Total Asia	**4,728**	**2,587**	**4,120**	**2,953**	**3,386**	**2,418**
Middle East	**101**	**18**	**0**	**941**	**0**	**31**
Africa	**44**	**0**	**298**	**252**	**1**	**0**
Americas	**1,155**	**262**	**722**	**948**	**223**	**339**
Europe	**314**	**197**	**603**	**240**	**142**	**95**
Pacific	**171**	**1**	**54**	**78**	**138**	**239**
Total	**6,513**	**3,065**	**5,797**	**5,412**	**3,890**	**3,122**

Actual product weight (not CBE)
Source: ABS

Table A19 Australian exports of liquid milk ('000 litres)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia						
Singapore	42,074	48,420	46,808	51,408	43,342	38,893
Philippines	17,763	16,637	19,871	24,558	22,693	25,451
Malaysia	22,362	26,995	23,428	20,881	13,762	9,737
Indonesia	144	152	295	311	170	383
Hong Kong	17,367	14,955	15,034	13,641	10,928	9,114
China	94,146	90,301	126,087	129,657	110,194	65,038
Other Asia	23,273	27,328	28,148	29,197	22,311	20,642
Total Asia	**217,129**	**224,788**	**259,671**	**269,653**	**223,399**	**169,257**
Africa	**519**	**425**	**95**	**344**	**492**	**474**
Pacific	**17,931**	**18,795**	**14,581**	**14,342**	**13,453**	**11,826**
Others	**219**	**99**	**298**	**145**	**178**	**242**
Total	**235,798**	**244,107**	**274,645**	**284,484**	**237,522**	**181,799**

**Dairy Australia estimate*
Source: ABS

Table A20 Australian exports of whey products* (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Asia	38,374	30,755	33,177	33,747	28,697	39,324
Europe	327	198	173	135	75	40
Other	3,123	3,294	2,329	1,618	1,789	1,911
Total	**41,824**	**34,247**	**35,679**	**35,500**	**30,561**	**41,276**

*Includes whey protein concentrates
Source: ABS

Table A21 Australian exports of live dairy heifers (cows) by market

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Asia						
China	74,963	77,210	86,228	93,216	100,207	52,719
Indonesia	1,933	1,746	338	2,193	1,590	1,586
Japan	2,193	1,657	350	0	0	0
Malaysia	3,002	2,403	3,267	2,836	3,859	1,638
Pakistan	2,428	4,860	0	0	1,388	1,232
Taiwan	1,827	434	0	0	0	0
Vietnam	231	0	0	4	0	0
Other Asia	467	3,136	200	215	3,363	904
Total Asia	**87,044**	**91,446**	**90,383**	**98,464**	**110,407**	**58,079**
Middle East	5,303	2,837	0	0	0	0
Others			340			
Total	**92,347**	**94,283**	**90,723**	**98,464**	**110,407**	**58,079**

Source: ABS

Table A22 Australian exports of live dairy heifers (cows) by state

	NSW	Vic	Qld	SA	WA	Tas	Aust
2010/11	219	61,817	978		12,081	103	**75,198**
2011/12	806	57,926	304	3,130	2,656	454	**65,276**
2012/13	305	69,359	620	2,282	12,188	2,668	**87,422**
2013/14		89,640	1,171	4	1,525		**92,340**
2014/15	910	64,638	122		7,535		**73,205**
2015/16	242	69,486		230	1,949		**71,907**
2016/17	647	70,395	240		1,769		**73,051**
2017/18	1,612	43,258	345	48	1,616		**46,879**
2018/19	719	90,869	459	24	276		**92,347**
2019/20		86,007	2,660		5,616		**94,283**
2020/21	92	89,612	340		679		**90,723**
2021/22	4	91,679	3,813		2,968		**98,464**
2022/23		107,494		1,600	1,313		**110,407**
2023/24 (p)	1,205	55,116		8	1,750		**58,079**

Source: ABS

Appendix 9 Australian imports

Both locally made and international dairy products are utilised and consumed in Australia. Overseas dairy products have always had a presence within the Australian market, however, the nature and scale of imports have changed over time. While imports now service a higher portion of domestic dairy demand, they allow the Australian dairy industry to adapt to changing market conditions by putting milk components to best use and export a significant share of its milk production.

The diversity of the Australian dairy manufacturing and lack of significant category level gaps in local production has meant that imported dairy products have served a host of purposes over time. Mainly utilised in the food service and ingredient sectors, imported dairy has traditionally been purchased for provenance marketing and/or to cut costs in low margin applications such as fast food. In recent years, the price difference between Australian and other origin product has encouraged dairy imports, especially during periods of high inflation. The presence of overseas dairy products on the supermarket shelves has also risen as consumers look for low-cost dairy products.

Before the 2000s, cheese accounted for over half of all imported dairy (by volume). These days, the volume is much higher, but the category now represents closer to 30 per cent of imported dairy, with butter, WMP, ice cream and mixtures also prominent categories. Australia is no longer a significant producer of casein, and as such, the vast majority of requirements are imported.

Table A23 Total Australian imports (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
New Zealand	150,791	176,394	139,254	133,611	172,335	160,416
Europe	69,905	70,952	77,131	74,292	76,018	70,175
United States	44,569	48,461	44,843	47,594	55,490	41,579
Other	13,200	13,553	14,284	14,021	15,310	17,176
Total imports	**278,464**	**309,360**	**275,511**	**269,518**	**319,153**	**289,346**

Includes butter blends converted at the rate of 1kg butter blend = 0.7kg butter
Source: ABS (excludes goats cheese: tariff code 0406901040)

Table A24 Australian imports of dairy products (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 (p)
Skim milk powder	13,101	16,291	14,598	13,003	14,537	13,661
Buttermilk powder	3,362	2,260	2,096	3,760	4,546	1,708
Wholemilk powder*	65,121	85,096	57,932	57,905	64,060	55,472
Whey powder & concentrates	12,750	15,292	12,469	9,618	9,410	7,668
Condensed milk	3,582	4,607	10,101	14,227	15,119	16,036
Milk	2,393	2,485	1,569	1,795	2,644	3,510
Cream	3,260	2,948	3,525	3,013	4,502	5,192
Yogurt	1,574	1,772	1,336	1,130	1,422	1,440
Butter**	30,964	34,249	31,267	27,101	41,383	31,596
Butter oil	6,569	8,013	5,764	7,526	9,426	9,094
Cheese***	92,688	95,918	94,624	92,554	104,466	99,040
Casein	488	576	787	1,007	1,695	2,047
Caseinates	1,619	1,418	1,707	1,614	991	718
Lactose	17,407	15,900	13,788	13,123	11,160	7,964
Ice cream ('000 lts)	23,586	22,535	23,948	22,142	33,792	34,200
Total Imports	**278,464**	**309,360**	**275,511**	**269,518**	**319,153**	**289,346**

**Includes infant powder*
***Includes butter blends converted at the rate of 1kg butter blend = 0.7kg butter*
****Excludes goats cheese (Tariff code: 0406901040)*
Source: ABS

Table A25 Australian cheese imports by country (tonnes)

	2018/19	2019/20	2020/21	2021/22	2022/23 (r)	2023/24 (p)
Austria	893	540	537	482	631	448
Bulgaria	738	964	970	768	922	941
Denmark	1,834	1,955	2,464	2,183	2,359	2,433
France	1,846	1,845	1,856	2,333	3,256	2,533
Germany	2,398	2,715	2,703	2,567	2,394	2,249
Greece	2,077	2,147	2,544	2,236	1,836	1,508
Italy	4,889	5,107	5,318	5,451	6,046	6,000
Netherlands	3,234	3,096	3,704	3,662	3,041	3,112
Poland	1,070	1,128	1,122	892	116	60
Other	3,364	3,982	3,767	4,365	4,289	4,560
Total EU	**22,343**	**23,479**	**24,985**	**24,939**	**24,890**	**23,844**
New Zealand	**42,734**	**44,131**	**42,110**	**35,941**	**43,120**	**47,064**
United States	**24,475**	**25,330**	**24,713**	**28,978**	**34,121**	**25,696**
Norway	**1,264**	**1,085**	**588**	**253**	**20**	**4**
Switzerland	**244**	**207**	**248**	**323**	**379**	**324**
United Kingdom	**1,313**	**1,281**	**1,706**	**1,867**	**1,805**	**1,987**
Other	**313**	**406**	**274**	**254**	**130**	**121**
Total cheese imports	**92,688**	**95,918**	**94,624**	**92,554**	**104,465**	**99,040**

Source: ABS (excludes goats cheese: tariff code 0406901040)

Acronyms

ABARES	Australian Bureau of Agricultural and Resource Economics and Sciences
ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
ADC	Australian Dairy Corporation
ADF	Australian Dairy Farmers Ltd
ADHIS	Australian Dairy Herd Improvement Service
ADIC	Australian Dairy Industry Council Inc.
ADPF	Australian Dairy Products Federation Inc.
A$	Australian Dollar
AEST	Australian Eastern Standard Time
AHA	Animal Health Australia
AMF	Anhydrous milk fat
Aust	Australia
BMP	Buttermilk powder
CAGR	Compound annual growth rate
CBE	Commercial butter equivalent, a unit of conversion of AMF to butter (1kg butter = 0.805kg AMF)
CER	The Closer Economic Relations Agreement between NZ and Australia
DA	Dairy Australia
DFMP	Dairy Farm Monitor Project
(e)	Estimated data
EU	European Union
LGA	Local Government Area
ML	Million litres
MS	Milk solid
na	Not available
NSW	New South Wales
NT	Northern Territory
NZ	New Zealand
(p)	Provisional data
pp	percentage points
QDAS	Queensland Dairy Accounting Scheme
Qld	Queensland
(r)	Revised data
SA	South Australia
SE	South-east
SMP	Skim milk powder
SNF	Solids non fat
Tas	Tasmania
U.A.E	United Arib Emirates
UHT	Milk subjected to ultra-high temperature treatment to extend shelf life
UK	United Kingdom
US$	United States Dollar
Vic	Victoria
WA	Western Australia
WMP	Whole milk powder
WPC	Whey protein concentrate

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1800 004 377
enquiries@dairyaustralia.com.au
dairyaustralia.com.au

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