

# Performance Report

2022/23



**DELIVERING**  
*for* **DAIRY**

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# Introduction

We are pleased to present the Dairy Australia Performance Report, a companion document to our Annual Report 2022/23. This is our third year reporting against Dairy Australia's 2020–2025 Strategic Plan. Our priorities align with the key commitments of the Australian Dairy Plan and guide our work on behalf of the industry.

Progress against our strategy is measured quarterly and reported annually. This report provides detailed information about our achievements and status on initiatives that work towards shaping a profitable and sustainable dairy industry. It also highlights areas where we need to reprioritise or sharpen our focus in the years ahead.

To ensure that we continue to deliver the greatest value to farmers we have also conducted a progress review at the mid-point of our five-year strategy. By conducting a review we have sought to remain agile, responsive to the industry and stay true to what is important to farmers. Our focus in the next two years of our strategy takes the learnings from this progress review and has been an important time to reflect on our achievements to date, but also review where we need to refocus.

In 2022/23, Dairy Australia invested \$70 million across seven strategic priorities. Our work and investment are focused on services, connections and engagement with farmers throughout the eight dairy regions in Australia.

Dairy Australia delivers to dairy farmers and the industry by:

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

We are committed to transparency and providing information that is of interest and relevance to farmers, industry and government stakeholders, including our many partners who invest with us on major initiatives.

We measure our performance in line with the Dairy Australia Evaluation Framework that provides a structured mechanism for monitoring performance and outcomes of our investments. Our 2025 targets are a mix of desired levels of outcomes for the dairy industry and stretch targets that are designed to break new ground for the industry. To read more on our achievements, people and corporate governance, see the Dairy Australia Annual Report 2022/23 available at [dairyaustralia.com.au](http://dairyaustralia.com.au).



*James D. Mann.*

**James Mann** Chair



*David Nation*

**David Nation** Managing Director



# Our strategy

Dairy Australia has seven strategic priorities from 2020 to 2025. Each priority is underpinned by a goal, and key outcomes.

	Priority 1	Priority 2	Priority 3	Priority 4
<b>Goals</b>	<b>More resilient farm businesses</b>	<b>Attract and develop great people for dairy</b>	<b>Strong community support for dairy</b>	<b>Thrive in a changing environment</b>
	Farm businesses that are more profitable, resilient and innovative in managing price and cost volatility	Attract great people to the dairy industry, build their capability and careers, and foster a safe work culture	Enhanced trust and value in the Australian dairy industry, its farmers and products	Profitable farm businesses that adapt to the changing natural environment and provide good stewardship of resources
<b>Outcomes</b>	<b>a</b> Business planning that leads to better decisions and sustained success	<b>a</b> Greater awareness of Australian dairy as an attractive industry with rewarding careers	<b>a</b> The Australian dairy industry is trusted and accepted by the community	<b>a</b> Greater ability to adapt to changes in the natural environment
	<b>b</b> Clear and understood drivers of dairy farm profitability and productivity	<b>b</b> Clear and supported skill development and career pathways	<b>b</b> Australian dairy is valued for superior health and nutrition benefits	<b>b</b> Efficient and profitable use of land, water, carbon and energy resources which nurtures and sustains the natural environment
	<b>c</b> Expanded range of risk management tools for price and cost volatility	<b>c</b> Access to capable and skilled farm employees and service providers	<b>c</b> The Australian dairy industry is committed to animal wellbeing	<b>c</b> Proactive action to reduce global warming and greenhouse gas emissions
	<b>d</b> Innovation in finance that increases access to capital for expansion and new entrants	<b>d</b> Support farm businesses and their service providers to get the basics right		

Priority 5

**Success in domestic and overseas markets**

Improved access to high-value dairy markets, backed by trusted market insights and a favourable regulatory and policy environment

**a** Australian dairy is valued around the world for its premium products

**b** A favourable policy and regulatory environment

**c** Access to trusted market insights that inform decision-making

Priority 6

**Technology and data-enabled dairy farms**

Inspire more agile and responsive dairy businesses through greater integration of technology and data

**a** Accelerated genetic progress in feedbase and animal breeding

**b** More flexible and agile dairy production systems

**c** Greater use of high-value technology on-farm

**d** Connected dairy production systems utilising multiple data sources to enhance decision-making

Priority 7

**Innovative and responsive organisation**

An organisation that is farmer-focused, with talented people who embrace innovative thinking and decisive action

**a** We have a farmer-focused service delivery model

**b** Our culture of learning and innovation, values and ways of working deliver success

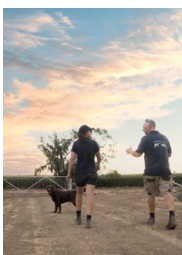
**c** Our infrastructure, resources and processes allow us to be informed, agile and responsive

**d** We have effective and transparent management of resources

# Key achievements in 2022/23

The following pages provide a short overview of some of our key achievements for 2022/23.

Our priorities, goals, and outcomes are set out in the Dairy Australia Strategic Plan 2020–2025, which is a companion document to this performance report and the annual report 2022/23.



## Regional services

Provided farm businesses with access to a team of **regional experts** who can support all aspects of farming. Each year we connect more than 10,000 farmers and their staff with our regional experts.



## Regional services

Bolstered regional teams to deliver greater value to farmers, through increased **one-to-one engagement** and understanding of specific farm business needs.



## Business management

Equipped farmers to more effectively measure business performance and **enhance decision making** through the Farm Fitness Checklist and Farm Business Snapshot online tools, which now have 711 users.



## Business management

Supported farm and personal goals through practical farm business planning initiatives, delivering to 272 farmers through **Our Farm, Our Plan**.



## Attracting people

Attracted people to work on dairy farms through the Dairy Jobs Matter **marketing campaign**. 64 per cent of those who recognised the campaign took action as a result and more than 438,000 people visited [dairyjobsmatter.com.au](http://dairyjobsmatter.com.au).



## Climate and environment

Provided practical means to **manage the environment** on farm, through resources and self-assessment tools including the National Guidelines for Dairy Feedpads and Contained Housing, a first of its kind, using global expertise.



## Climate and environment

Empowered farm businesses to understand and manage greenhouse gas emissions in line with community expectations through the roll out of the **Australian Dairy Carbon Calculator**.



## Feed innovation

Examined feedbase practice changes to improve margins where **C4 forages** are used in subtropical and other regions for dairy production. Post-investment review of the project showed \$22 million of net benefits.



## Feed innovation

Provided farmers and advisors with an independent assessment of the economic value of perennial, annual and Italian ryegrass cultivars through the **Forage Value Index**. This has the potential to deliver up to \$250 per hectare per year of increased net profit.



## Feed innovation

Invested in world-leading research and innovation to improve genetics, herd management and nutrition through **DairyBio** and **DairyFeedbase** initiatives. On track to deliver substantive gains for the industry thanks to partnerships with Agriculture Victoria and Gardiner Foundation.



### Herd innovation

Increased the number of dairy cows genomically tested to 83,000, providing better quality genetic information for breeding and management decisions. **Genetic gains** and partnership with DataGene have led to continuous, permanent and cumulative gains in the quality of cattle for 40 years.



### Health and nutrition

Led **fractures research** that provided evidence that Australia's health system could save an estimated \$66 million a year if aged care residents consumed more dairy.



### Promoting Australian dairy

Ensured farmers and dairy products are trusted and valued by Australians through the **Dairy Matters** marketing campaign that reinforces dairy's sustainability credentials, contributing to 75 per cent of Australians who trust the industry.



### School education

Educated school children on the Australian dairy industry and our products, by engaging with 100,000 educators and 500,000 children through the **Discover Dairy** website providing access with curriculum-linked lesson plans and activities.



### Sustainability

Demonstrated the industry commitment to sustainability at the annual **Australian Dairy Sustainability Framework Summit**, which was attended by 110 stakeholders who explored trends that are shaping the future for sustainable food production.



### Sustainability

Delivered the **Silage Plastic Recycling Trial** that saw 90 farms successfully recycle 64 tonnes of silage plastic which would otherwise have gone into landfill. This is a model that private industry can now use to develop a long-term solution for responsible disposal of plastic on farms.



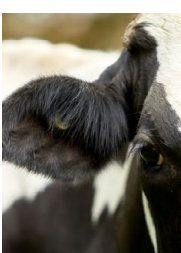
### International markets

Deepened relationships with key markets through the longstanding **scholarship program** that hosted delegates from South-east Asia, Japan and China.



### Policy development

Delivered **policy support** across industry in areas including biosecurity, climate, workforce, aged care nutrition and calf management.



### Critical issues and events

Ensured the preparedness of farm businesses and industry through major **biosecurity risks** such as the potential incursion of foot-and-mouth disease and lumpy skin disease.



### Internal processes

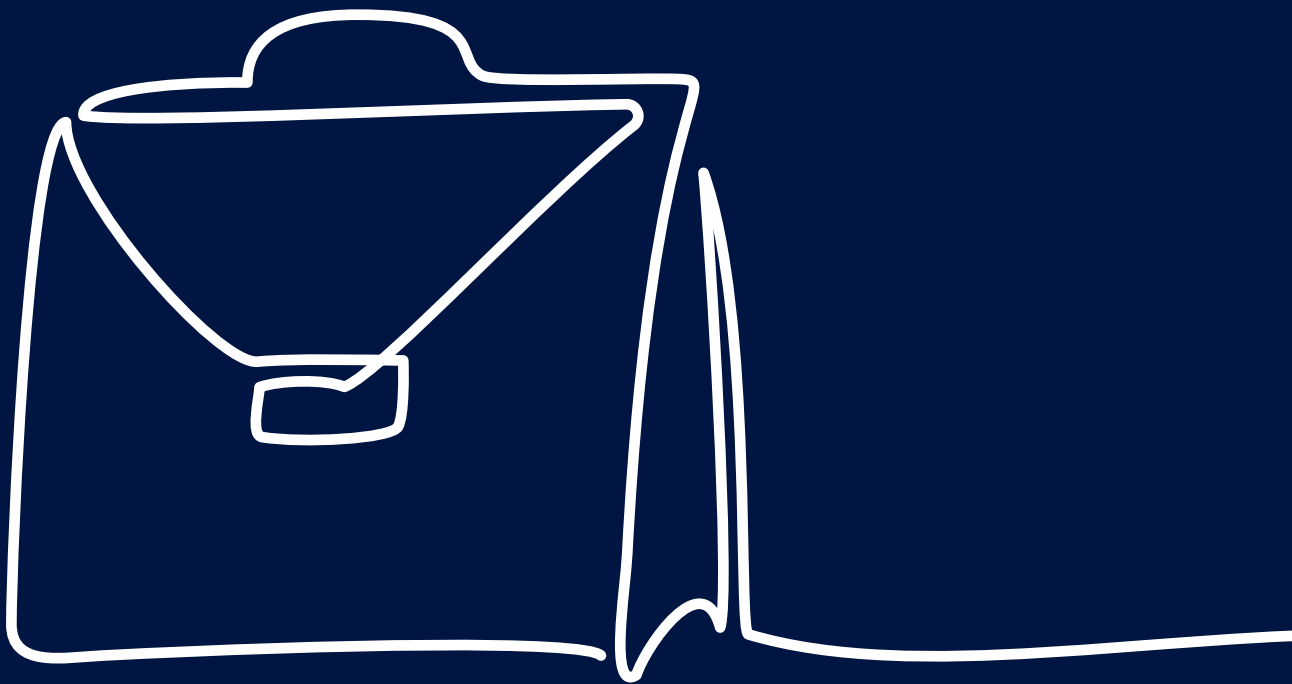
Matured our processes, platforms and ways of working including the way we **measure outcomes and engage with farmers**.







# Our portfolios





# More resilient farm businesses

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Farm businesses that are more profitable, resilient and innovative in managing price and cost volatility

## Strategic outcomes

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- a** Business planning that leads to better decisions and sustained success
  - b** Clear and understood drivers of dairy farm profitability and productivity
  - c** Expanded range of risk management initiatives
  - d** Innovation in finance that increases access to capital for expansion and new entrants
- 

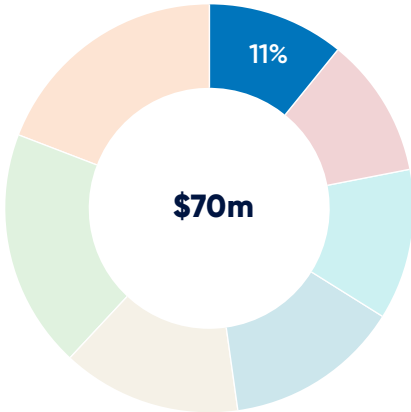


Our projects, activities and services	Strategic outcomes			
	1a	1b	1c	1d
Our Farm, Our Plan	•	•	•	
Dairy Farm Monitor		•		
Large supplier program	•			
Milk Value Education Series		•	•	
National Herd Reproductive Performance Report		•		
International Productivity Analysis		•	•	
New South Wales Storm and Flood Industry Recovery Program (led by DairyNSW)				•



## Investment

Dairy Australia investment 2022/23 **\$7.6m**



External investment 2022/23 **\$1.0m**

Key funding partners	Contribution
Gardiner Foundation	\$0.2m
Agriculture Victoria	\$0.5m
NSW Government	\$0.2m
Saputo Dairy	\$0.075m

## Key partners

- Federal and state governments
- Australian Dairy Farmers (ADF), Australian Dairy Products Federation (ADPF), State Dairy Farming Organisations (SDFOs)
- Gardiner Foundation
- Processors

## Performance summary

Provided dairy farmers with access to business planning and risk management tools and insights to support farm decision making and improve profitability.

Supported farmers to develop long term goals to improve business performance and manage risk through Our Farm, Our Plan which was delivered to 272 farmers – this will continue to be a significant focus in FY24. Further risk management initiatives were delivered through the NSW Storm and Flood Industry Recovery Program. There will be less focus on risk management tools and more focus on risk mitigation initiatives and strategies in years to come.

Enhanced farm decision making and productivity by capturing high-quality data and more than 230 datasets for 2022/23 through the Dairy Farm Monitor Project.

Progressed economic research on dairy productivity and its key drivers through the establishment of agreements with international partners.



## Strategic outcome 1a

### Business planning that leads to better decisions and sustained success

A robust and regularly reviewed business plan is essential to manage farm businesses. This forms the basis to set goals, measure farm performance, confidently make decisions and capture opportunities.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Dairy farm businesses perform systematic, periodic business reviews at least annually.	80% farm businesses	69%	55%	53%
Dairy farm businesses make key long-term decisions using a documented business plan.	80% farm businesses	49%	43%	33%

#### Key achievements

- Delivered farm business planning initiatives to 272 farmers through Our Farm, Our Plan and secured \$3.8 million in total external funding for delivery since the program commenced. This included funding from the Future Drought Fund – Farm Business Resilience Program.
- Designed and delivered two wealth creation workshops in a pilot with DairyNZ's Paul Bird and New Zealand consultant Lynaire Ryan. The first workshop focused on new entrants to the industry while the second was designed for established businesses considering expanding or stepping back. Both workshops were rated nine out of ten by participants.

## Strategic outcome 1b

### Clear and understood drivers of dairy farm profitability and productivity

The drivers of profitability and productivity can differ between individual farms, regions and production systems. Understanding those drivers, their differences and the levers that can affect them is what will drive margin on farms. This is even more important at times when there is increased volatility and disruption to normal business operations.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Farm decision-makers can accurately state the profit metrics for their farm.	60% farm businesses	15%	22%	16%
Farm decision-makers can accurately state the productivity drivers for their farm.	90% farm businesses	81%	68%	70%

#### Key achievements

- Enhanced farm decision making and productivity by capturing high quality data and more than 230 datasets for 2022/23 through the Dairy Farm Monitor Project (DFMP). This data also provides high-quality averages for DairyBase and Farm Business Snapshot business analysis tools. The DFMP results were published in annual reports across all eight regions providing strong analysis and insight for farm performance.
- Progressed economic research on dairy productivity and its key drivers, through agreements with international partners. Essential relationships have been formed with Teagasc in Ireland and DairyNZ in New Zealand, with analysis work commencing to compare Australia with other exporting countries.
- Supported farmers to understand the dynamics of the milk market and better understand the drivers of farm gate milk price through the delivery of milk price workshops in Victorian dairy regions. The workshops attracted 130 participants and achieved positive feedback from participants plus a seven out of ten overall rating. Challenges identified with the initial approach were proactively incorporated into a review and refresh process undertaken with the Commonwealth Government (as key funding partner). A new series will be rolled out across other states in 2023/24.

## Strategic outcome 1c

### Expanded range of risk management initiatives

Australia's tools for securing farm operating margins in an environment of price and cost volatility are under-developed in comparison to major overseas competitors. Given the ongoing volatility in Australia, it is important to rapidly improve tools for risk management.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Farm businesses are actively using risk mitigation initiatives.	80% farm businesses (actuals predicted to be understated – question to farmers to be reviewed)	57%	47%	29%

#### Key achievements

- Supported farmers to capture and respond to risks arising from extreme climate events such as floods and drought through the Our Farm, Our Plan risk register.
- Supported farmers to actively manage risks on farm including the impact of extreme weather conditions. This was delivered in partnership with the New South Wales (NSW) Department of Primary Industries through the delivery of the NSW Storm and Flood Industry Recovery program.
- Continued to roll out self-assessment tools to enable farmers to measure business performance and make informed decisions. Registered 711 users through the Farm Fitness Checklist and Farm Business Snapshot online tools.
- Created awareness and provided information to farmers around opportunities to better manage risk, by engaging with government and the commercial sector. Contributed to the development of risk management initiatives designed to provide transparency across the dairy supply chain.

## Strategic outcome 1d

### Innovation in finance that increases access to capital for expansion and new entrants

As finance is a highly innovative sector, it is important to provide dairy businesses seeking additional capital with better access to finance.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Farm owners and managers have opportunity to access capital to meet their requirements.	80% of farms that had no problems accessing finance for capital investment when attempted to do so	78%	73%	83%
Dairy farm businesses are aware of information, case studies and resources on pathways to investment such as share farming, equity partnerships, vendor finance, etc.	50% of farm businesses	New metric introduced from FY24	New metric introduced from FY24	New metric introduced from FY24

#### Key achievements

- Encouraged new entrants and provided clear pathways into the industry through the development of resources, workshops, and case studies through the New South Wales Flood Recovery Grants program. Will continue to leverage this nationally through online learning.





## Case study

# Farm Business Snapshot

## Objective

To enable farmers to easily capture financial data to conduct a profitability assessment of their business and enhance their farm business management.

## Action

Dairy Australia's Farm Business Snapshot is an innovative online tool enabling farmers to build a greater understanding of their farm business performance. The tool has been integrated into the Our Farm, Our Plan program which is designed to help dairy farmers set long term goals, improve business performance and manage risk.

The Farm Business Snapshot enables farmers to:

- Identify areas of financial strength and weakness.
- Improve budgeting and planning.
- Set realistic goals and strive for continuous improvement.

Farmers enter their data once a year using annual numbers, allowing them to benchmark their own performance year-on-year and make comparisons against regional benchmarks. The data reveals areas where farm businesses are already doing well and areas that could be improved.

Built with ease of access in mind, the tool has a user-friendly dashboard that consolidates physical and financial information about their farm. This enables them to track key performance indicators such as milk income, production, feed and input costs, variable costs, fixed costs, labour costs and finance costs. The intuitive design provides easy access to the overall cash and profit position of the business which can be reported in different ways, such as per kg/MS, per litre, per cow or per hectare.

## Impact

The Farm Business Snapshot enables farmers to identify and capitalise on high-performing aspects of their farm, address challenges, and consistently make well-calculated decisions that boost their bottom line. This capability empowers farmers to respond to changes, manage risk and capture opportunities. By monitoring key metrics through their dashboard, farmers can identify areas for improvement and use data-driven insights to improve overall efficiency and profitability.

The Farm Business Snapshot is a game-changing, practical tool that equips dairy farmers with the information they need to succeed. By harnessing the power of data, the Farm Business Snapshot paves the way for farmers to feel more confident and make better decisions, when times are good and when they are more challenging.

# 2

## Attract and develop great people for dairy

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Attract great people to the dairy industry, build their capability and careers, and foster a safe work culture

### Strategic outcomes

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- a** Greater awareness of Australian dairy as an attractive industry with rewarding careers
  - b** Clear and supported skill development and career pathways
  - c** Access to capable and skilled farm employees
  - d** Support farm businesses and their service providers to get the basics right
- 

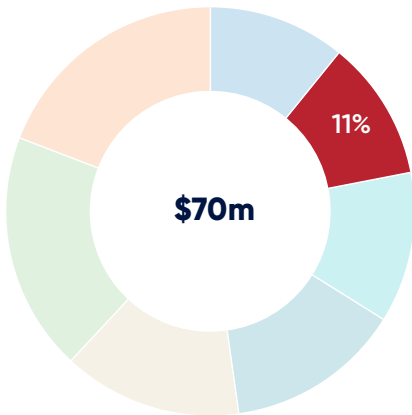


Our projects, activities and services	Strategic outcomes			
	2a	2b	2c	2d
Farm Safety	●			●
Dairy Farm Managers		●	●	
Regional Services				●
Extension		●		●
Rearing Healthy Calves			●	●
New South Wales farmer capability coaching and extension	●	●	●	
People in Dairy	●	●	●	●
Australian Rural Leadership Program sponsorship		●		
DairyLearn partnerships		●	●	
Workforce Evidence Based Targeted Marketing	●	●		
Dairy Workforce Network Implementation	●	●	●	●
Workforce Attraction – pathways and resources	●	●	●	
Simulation Education for Artificial Insemination		●	●	
Rural Safety Health Alliance	●			●



## Investment

Dairy Australia investment 2022/23 **\$7.8m**



External investment 2021/22 **\$0.98m**

Key funding partners	Contribution
Department of Education and Training Victoria	\$0.97m

## Key partners

- Victorian State Government
- Gardiner Foundation
- Regional Development Corporations
- DairyLearn Partner Network (registered training organisations and universities)
- Marcus Oldham College, University of Tasmania, University of Sydney, La Trobe University
- Rural Safety Health Alliance
- The Careers Department
- Primary Industry Education Foundation Australia
- National Herd Improvement Association

## Performance summary

Attracted people to work on dairy farms and provided support to farmers in employing and managing people and building skills for successful careers.

Promoted the benefits of working in dairy farming and encouraged Australians to explore a job in dairy through initiatives including a marketing campaign aimed at regional jobseekers. The campaign was supported by a jobs board where farmers could post vacancies and connect with people interested in a job in dairy.

Delivered initiatives to support farm employment needs and improve people development and leadership skills. The embedding of an industry capability framework will require focus in FY24.

Pursued innovative learning opportunities through partnerships with vocational training bodies including a sophisticated and safe simulation-based training option for artificial insemination.

Worked to improve safety on dairy farms through the delivery of a range of initiatives and resources. These initiatives to support farm safety will be of significant focus in FY24.

## Strategic outcome 2a

### Greater awareness of Australian dairy as an attractive industry with rewarding careers

There are strong community perceptions about dairy based on historic views of long hours and hard work. Modern dairy operations are more diverse with roles that are highly skilled and provide genuine career opportunities.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Dairy farm employers can describe why dairy is rewarding to work in.	80% of employers	75%	80%	74%
Australians would consider working on a dairy farm.	30% of community	20%	27%	29%
All dairy farms implement good safety practices.	100% farm employees	85%	78%	73%

#### Key achievements

- Attracted people to work on dairy farms through the Dairy Jobs Matter marketing campaign. The campaign improved awareness and perceptions of working on a dairy farm, with 64 per cent of those who recognised the campaign taking action as a result. More than 438,000 people visited dairyjobsmatter.com.au off the back of the campaign.
- Highlighted opportunities to work in dairy and improved connectivity between dairy farm employers and jobseekers with the launch of an online dairy farm jobs board. Farmers can list vacancies on the jobs board while continuing to advertise on Facebook, Gumtree or SEEK, and via their local networks and channels.
- Attracted school children to explore a career in dairy through a partnership with The Careers Department that reached 17,287 secondary school students. Attended careers expos and engaged with schools in regional areas.

## Strategic outcome 2b

### Clear and supported skill development and career pathways

As the needs of the dairy industry evolve, the industry requires a workforce with an advanced range of capabilities and a greater diversity of career pathways. This will lead to more successful dairy careers, including pathways to business ownership.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Employees have clear, logical and supported development pathways in dairy.	70% of farmers who are building their career in dairy	54%	91%	91%
Employers have clear, logical and supported development pathways for themselves.	70% of employers	52%	49%	44%

#### Key achievements

- Supported the skill development of 35 undergraduate students from the University of Sydney who completed work integrated learning field projects with dairy farm businesses, and industry partners. The students participated in activities including the Australian Dairy Conference, Dairy Australia extension, and an international study tour to Ireland.
- Delivered opportunities for farmers and their employees to assess their current skills and knowledge, and identify new learning opportunities to support their career progression, through a new skills capability self-assessment tool.

## Strategic outcome 2c

### Access to capable and skilled farm employees

Farm businesses continue to require skilled labour on farm and access to quality service provision from external providers. Success requires employers to be confident and capable to hire, manage, lead and provide a safe work environment for capable people. Service providers need to invest in their own capability and support a new generation of talented professionals.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Employers report that the time taken to find a new employee was less than one month.	80% of employers that employed someone in the past 12 months	69%	71%	54%
Employers were able find an employee with the right capability for the role in the past 12 months.	80% of employers that employed someone in the past 12 months	70%	78%	70%

#### Key achievements

- Assisted farmers and the industry with their workforce needs through continued development of short and longer-term workforce attraction and retention initiatives.
- Enhanced the learning experience and overcame barriers to delivering artificial insemination training. This new and innovative training course was developed in partnership with three registered training organisations and La Trobe University and uses simulation education. The course aligns to best practice animal health and welfare protocol and provides the most advanced simulation learning experiences to date for developing a highly capable dairy workforce.

## Strategic outcome 2d

### Support farm businesses and their service providers to get the basics right

Farm businesses are complex with many interconnected decisions required daily to produce milk.

Establishing fundamentals such as soil management, pasture agronomy, animal nutrition and milk quality are important for farm success.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Farm businesses have access to the information and tools they need to get the fundamentals right on farm.	80% farm businesses	63%	61%	57%
Service providers have access to the information and tools that they need to get the fundamentals right on farm.	80% service providers	65%	85%	79%

#### Key achievements

- Completed development of the Building Your Farm Safety System resource, that will support farmers to increase their farm safety compliance. The new resource will be available on the People in Dairy website ([thepeopleindairy.org.au](http://thepeopleindairy.org.au)).
- Provided opportunities for farmers to increase their knowledge and adoption of best practice calf rearing principles by launching the Rearing Healthy Calves learning suite, with face-to-face and online programs.
- Provided the opportunity for farmers to improve their farm business employment experience by building on the leadership skills of 43 farmers who participated in the Farming With My Team program. Four intakes of this six-week program were delivered nationally.





## Case study

# Simulation-based training for artificial insemination

### Objective

To increase access to and enhance the learning experience of students completing artificial insemination (AI) training by incorporating innovative, simulation-based education in agricultural vocational training.

### Action

The use of AI is widespread in the Australian dairy industry with almost 90 per cent of Victorian dairy farms using AI as part of their breeding approach. In the past, AI training involved working primarily with live animals, which can be problematic due to the resources required for addressing safety, biosecurity, handling, and welfare requirements and restricted by sustainable access to livestock.

This project integrates simulation-based learning with traditional live animal training methods in a new and innovative approach to deliver more sustainable AI training. The new course, developed through Dairy Australia's investment in skill development for successful careers in dairy, uses a variety of part and full-size simulators and emerging haptics technology to provide a high-fidelity learning experience that replicates and enhances the live training environment. The course allows people who are new to AI or those looking to refresh their skills, the opportunity to learn in a safe, realistic, and sustainable environment, ensuring they are well prepared prior to completing their AI competency assessment on live animals. Students who successfully complete the course receive accreditation for two units of competency at Certificate III level.

The project required Dairy Australia to partner with three Victorian registered training organisations and the National Herd Improvement Association (NHIA), as part of a Victorian state-funded grant program designed to support industry and vocational education partnerships.

Another key stakeholder in the course development process, La Trobe University, leveraged the simulation experiences developed through their school of nursing and school of health, human services and sport, to apply the latest simulation teaching approaches to this AI curriculum.

### Impact

As part of the project pilot phase, 90 students will complete the simulation education curriculum. On successful completion of the pilot, the curriculum will become more widely available, resulting in skilled staff working in a safer environment achieving successful AI outcomes for people and animals. The novel approaches of this curriculum have been shared nationally with vocational education providers, supporting trainers to collaborate in implementing the learnings more broadly for benefit of the entire dairy sector.

### Acknowledgement

This project has been funded by the Victorian Government, Department of Jobs, Skills, Industry and Regions.

# 3

## Strong community support for dairy

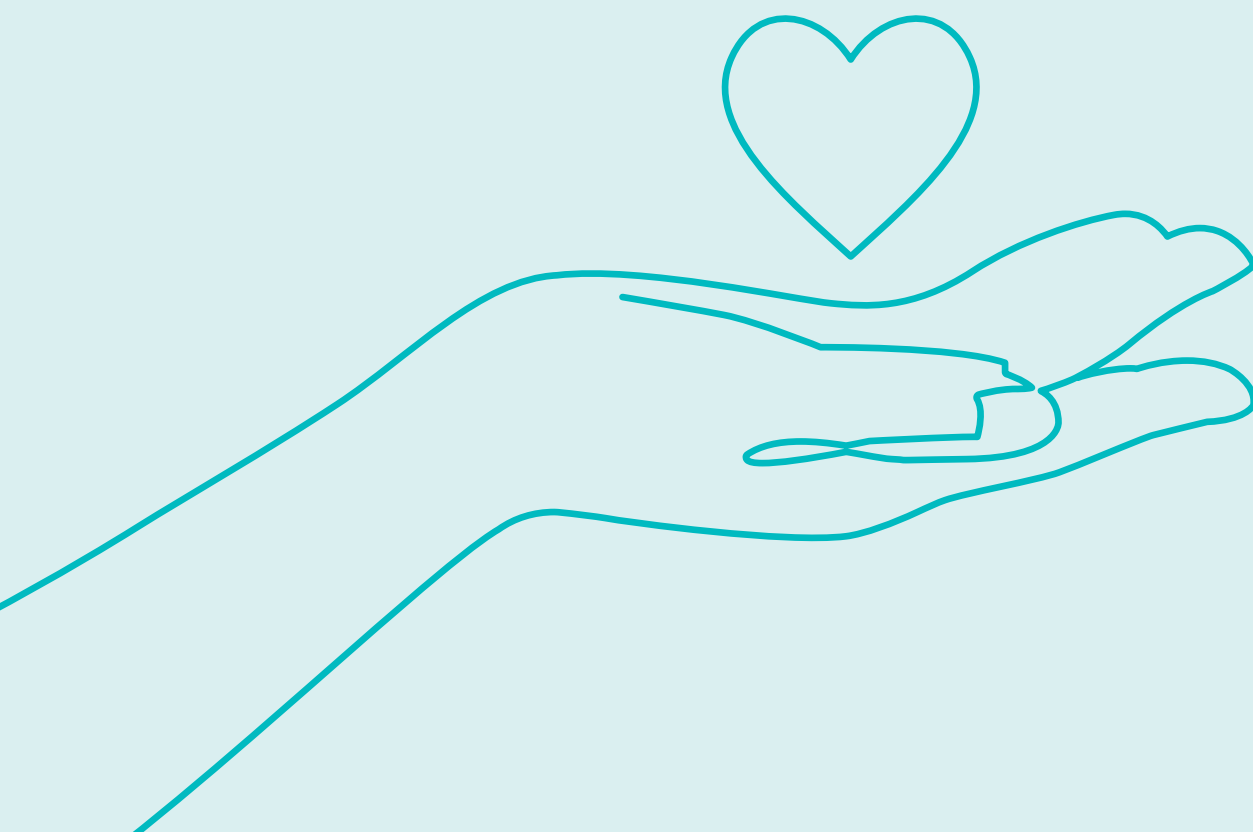
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Enhanced trust and value in the Australian dairy industry, its farmers and products

### Strategic outcomes

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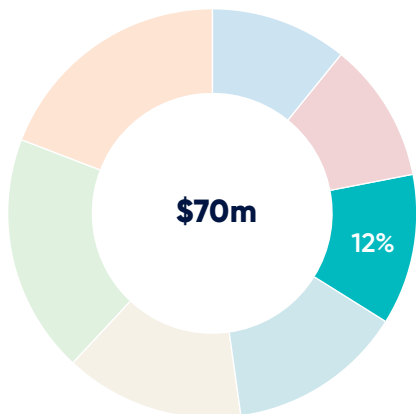
- a The Australian dairy industry is trusted and accepted by the community
  - b Australian dairy is valued for superior health and nutrition benefits
  - c The Australian dairy industry is committed to animal wellbeing
- 



Our projects, activities and services	Strategic outcomes		
	3a	3b	3c
Communications to Health Care Professionals	●	●	
Consumer Marketing	●	●	●
School Engagement	●	●	●
Non-replacement Calf Pathways	●		●
Growing Beef from Dairy			●
Industry Sustainability Framework	●	●	●
Healthy Ageing with Dairy	●	●	
DairyHIGH 2 – non-replacement dairy calves welfare research and development	●		●

## Investment

Dairy Australia investment 2022/23 **\$8.5m**



External investment 2021/22 **\$0.4m**

Key funding partners	Contribution
Lemnos Foods Pty Ltd	\$0.15m
University of Sydney	\$0.15m

## Key partners

- Sustainability Framework Consultative Forum
- Sustainable Agriculture Initiatives Platform
- International Dairy Federation
- Global Dairy Platform
- International Milk Promotion Group
- Australian Dairy Farmers (ADF), Australian Dairy Products Federation (ADPF), State Dairy Farming Organisations (SDFOs)
- Processors
- University of Melbourne
- Life Education

## Performance summary

Focused on building community trust and value for Australian dairy by promoting the health benefits and quality of dairy products and demonstrating the industry’s commitment to sustainability. The national Dairy Matters – Our Dairy Promise campaign contributed to positive public perception of the industry and high levels of trust at 75 per cent. This extended to school children through education initiatives and partnerships – in FY24 external funding will be required to maintain this effort. Farmer ambassadors were key to championing the industry and engaging with the broader community.

Reduced investment and resourcing to promote the industry has led to alternate delivery methods and partnerships for key initiatives such as Australian Grand Dairy Awards.

Continued to drive health and nutrition outcomes by leveraging the Dairy Australia-led Fractures Trial which showed that increasing dairy foods in aged care facilities, reduces falls and fractures and subsequent healthcare costs. These outcomes have been communicated to health care professionals and the community through key campaigns.

Delivered on the commitment to animal wellbeing through the exploration of non-replacement calf pathways with various pilot projects and partnerships.

Facilitated the ongoing development and implementation of the Australian dairy industry’s world-leading sustainability framework. The Australian dairy sustainability commitment will be elevated in FY24 and beyond.



## Strategic outcome 3a

### The Australian dairy industry is trusted and accepted by the community

The Australian community is taking a greater interest in the food they consume and the way it is produced. Trust and resulting acceptance in agriculture, including dairy, cannot be taken for granted. Sustainable production of dairy foods requires a demonstrable commitment to people, animal care and the environment. This commitment includes understanding and staying ahead of community expectations and working with industry to set targets and measure progress at a national and global scale.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Consumers trust the dairy industry.	79% of consumers	75%	76%	75%
Farmers actively promote the industry.	40% of farmers	31%	25%	30%
Consumers prefer to buy Australian made or locally-produced dairy products wherever possible.	85% of consumers	81%	83%	75%
Consumers agree dairy farmers do a good job caring for the environment.	75% of consumers	64%	62%	61%
The Sustainability Framework is recognised, supported and trusted as providing evidence of industry's commitment to sustainable dairy practices.	80% community representatives on the consultative forum	70%	82%	82%
Dairy manufacturers are engaged in industry-led initiatives to improve the water, waste, packaging, and emissions intensity of their operations.	90% of milk pool	91%	91%	91%

#### Key achievements

- Demonstrated trust through transparency, by providing answers to community questions through the You Ask, We Answer online platform. The tool was used by 462,622 people, with questions on dairy and lactose, weight gain, sugar and calcium being the most viewed.
- Launched virtual reality farm tours to educate school children on the process of dairy farming. The experience takes students through the process of making dairy foods, from the paddock and milking shed to the factory, without leaving their classroom.
- Engaged with 100,000 educators and 500,000 children through the Discover Dairy website providing access to curriculum-linked lesson plans and activities on the Australian dairy industry and our products.
- Demonstrated the industry's commitment to sustainability at the annual Australian Dairy Sustainability Framework Summit. The event was attended by 110 stakeholders who explored the trends shaping the future for sustainable food and how the dairy value chain can respond.
- Reinforced the robustness of the industry sustainability commitment by initiating a review of the Australian Dairy Sustainability Framework goals, targets, and indicators. This saw an increase in industry people wanting to be involved with the framework steering committee.
- Engaged farmer ambassadors to promote the industry by increasing the number of ambassadors from 50 to 75. Ambassadors participated in 327 opportunities to promote the industry including media interviews, school and community presentations, careers events and articles telling their stories.

## Australian dairy is valued for superior health and nutrition benefits

There continues to be differing opinions about the role of various foods for good health and nutrition, which compete with established science-based advice. Consumers require access to information that supports their ongoing consumption of healthy and nutritious foods.

There is an opportunity to further increase the strong support for dairy products and the industry and continue to reinforce the reasons to consume and buy Australian dairy.

The voice of farmers is essential to convey pride in their industry and to speak positively about being in dairy.

### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2022 actuals
The community trusts dairy as a wholesome and healthy food.	87% of community	83%	85%	81%
Consumers hear positive health messages about dairy foods from health professionals.	86% of consumers	86%	95%	91%
Consumers make an effort to consume dairy every day.	55% of consumers	49%	44%	47%

### Key achievements

- Published research from the Dairy Australia-led Fractures Trial in scientific journals providing evidence that Australia's health system could save an estimated \$66 million a year if aged care residents increased their dairy intake.
- Informed the upcoming Australian Dietary Guideline review. Position papers were developed demonstrating milk and dairy as a nutritious powerhouse, dairy's role in a plant-based dietary pattern, and the role dairy plays in multicultural Australia.
- Engaged dietitians and general practitioners through conferences, webinars, seminars, and media channels to share the latest science on dairy's role in a healthy diet. As a result, 87 per cent of consumers are hearing positive health messages about dairy foods from health professionals.
- Educated peak bodies, government ministers, aged care facilities and catering companies about the Fractures Trial research findings and the importance of improving nutritional standards and health outcomes in aged care by increasing dairy in the menu.
- Provided tools, including an aged care catering guide, meal planners and case studies to assist aged care settings to increase dairy foods in their menu.
- Encouraged increased dairy intake in older age through the annual Healthy Bones Action Week campaign. A group of active seniors, the 'Dairy-Atrics' were enlisted to share the important role dairy plays in helping them stay active, resulting in 318 media hits reaching 3.16 million Australians.
- Promoted the health and nutrition benefits of dairy foods through the eight-week Picasso Cows program in 97 schools and community groups, with 90 per cent of teachers agreeing their students have a better understanding of the benefits of dairy.

### Strategic outcome 3c

## The Australian dairy industry is committed to animal wellbeing

The wellbeing of animals is critical to the Australian dairy industry. Appropriate care for our animals is essential to the success of every farming business, and a moral responsibility. There is opportunity to continue to improve our practices, report transparently on how we are progressing and identify where we need to do more to ensure industry practices align with community values.

### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
The community believes the dairy industry meets their expectations in doing the right thing.	77% of consumers	73%	68%	65%
Consumers agree that dairy farmers do a good job caring for their animals.	80% of consumers	74%	71%	74%

### Key achievements

- Provided evidence to support decision making relating to the implementation of economically sustainable alternative calf pathways through the Growing Beef from Dairy project. The outputs of this work will integrate with the extension materials developed as part of the new Growing Beef from Dairy project.
- Collected body condition score data on three farms from 4,600 cows in preparation for the 2023 calving season dystocia survey. The survey forms part of a PhD research program and will be completed over two calving seasons – 2022 and 2023.
- Established a better understanding of attitudes and practices with non-replacement dairy calves through in-depth farmer interviews (in addition to outcomes of prior surveys). Results indicate a positive shift for the industry, compared to the equivalent survey conducted five years ago.
- Provided an opportunity for producers to discover and implement new practices to improve business profitability, productivity and sustainability through the pilot Producer Demonstration Site model in Gippsland. This model will be expanded to other regions during this multi-year project co-funded by Meat and Livestock Australia (MLA).



A graphic consisting of several overlapping white-outlined shapes on a teal background. The central shape is a rounded rectangle containing the text 'Case study' in white. The shapes extend to the right and then curve downwards and back to the left, resembling a speech bubble or a callout box.

## Case study

# Dairy Matters – Our Dairy Promise Campaign

## Objective

To build community trust and value for Australian dairy by promoting the health benefits and quality of dairy products and demonstrating the industry commitment to sustainability.

## Action

Sustainability is increasingly informing consumer food decisions, with 37 per cent of Australian adults claiming to have changed their food and drink behaviours in the past 12 months to be more sustainable. As an industry that requires land, water, and animals to provide nutritious food for Australians, we have a responsibility to acknowledge what matters to the community and demonstrate that these factors also matter to us.

To maintain community trust and support, Dairy Australia delivers national campaigns to consumers who are more socially conscious, who have questions about dairy and the industry, and want to know more about where their food has come from and how it has been produced. Campaign messages have been informed by the industry's commitment to sustainability in line with the Australian Dairy Sustainability Framework. The framework has set a promise to provide nutritious food for a healthier world, underpinned by commitments to the community's health, our people, the environment, and our animals. Last year marked 10 years of the framework, demonstrating the progress Australian dairy has made and our commitment to a sustainable future.

In November 2022, Dairy Australia launched the latest Dairy Matters campaign, Our Dairy Promise. This campaign highlights Australian dairy's promise to protect our environment, provide the best care for our animals and build a healthier Australia. In addition to celebrating the industry's progress over the past decade, messages focused on dairy's role in health and wellbeing, and action the industry is taking to reduce our environmental impact.

The campaign was delivered across television, podcasts, streamed radio, YouTube, social media, and digital display advertisements. Content partnerships with The Guardian, BBC, and the Sydney Morning Herald generated articles related to reducing greenhouse gas emissions intensity, efficient water use and reducing waste through recyclable packaging. An article with the BBC, 10 things you may not know about milk and dairy, provided evidence-based content on dairy's health benefits such as rehydration and muscle recovery, dental and heart health, and weight maintenance.

## Impact

Consumer tracking showed the campaign reached 35 per cent of Australian adults and was effective in impacting their perceptions.

After seeing the campaign:

- 80 per cent of the target audience reported feeling positive about the dairy industry.
- 76 per cent reported feeling positive about dairy products and having more favourable perceptions of the dairy industry.
- More than two-in-three people who saw the campaign took action, including seeking out Australian-made dairy foods and searching for more information on our website.
- Overall community trust was maintained from the prior year at 75 per cent, up from 68 per cent in 2018, when Dairy Matters was launched.







# 4

## Thrive in a changing environment

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Profitable farm businesses that adapt to the changing natural environment and provide good stewardship of resources

### Strategic outcomes

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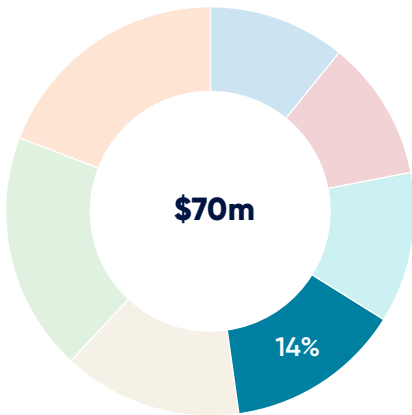
- a Greater ability to adapt to changes in the natural environment
  - b Efficient and profitable use of land, water, carbon and energy resources which nurtures and sustains the natural environment
  - c Proactive action to reduce global warming and greenhouse gas emissions
- 



Our projects, activities and services	Strategic outcomes		
	4a	4b	4c
Adapting dairy farming systems	●		
Forewarned is Forearmed	●	●	
Climate change adaptation pathways for dairy	●		
Sustainable dairy products (National Landcare Program Smart Farms)		●	
Supporting manufacturing sustainability	●	●	
DairyHIGH 2		●	●
DairyFeedbase – Cool Cows	●		●
A Circular Economy for Silage Wrap		●	
Adapting to Climate Change on Dairy Farms	●		
C4Milk bridging project	●		
DairyBio – Environment	●	●	●
National Pasture Genebank	●		
Measuring emissions intensity at dairy farm and industry scale			●
Updated Marginal Abatement Cost Curve			●
Building advisory capability in nutrient management planning		●	
Determining the benefits of mixed species pastures in a changing climate		●	
Dairy Sector Food Waste Action Plan		●	●
Dairy manufacturers workforce webinars		●	
Enteric Methane Reduction			●
Scaling out multi-species - drought resilient soils and landscape grants program	●	●	
Fall armyworm	●		
Soil function in varied pasture systems	●	●	
Economic and risk analysis of intensive feeding systems	●		
Northern Victorian Flood Response 2022	●	●	
Farm Environmental Tracker development and extension		●	

## Investment

Dairy Australia investment 2021/22 **\$9.9m**



External investment 2021/22 **\$2.2m**

Key funding partners	Contribution
Gardiner Foundation	\$1.1m
Department of Industry, Science, Energy and Resources	\$0.3m
Dairy NSW Ltd	\$0.3m
Department of Agriculture, Fisheries and Forestry	\$0.06m
Sustainability Victoria	\$0.04m
Australian Dairy Products Federation	\$0.02m

## Key partners

- Federal and state governments, including National Landcare Project
- Regional Development Corporations
- Australian Dairy Farmers Natural Resource Management Policy Advisory Group
- Dairy Manufacturers Sustainability Council
- Tasmanian Institute of Agriculture, University of Melbourne Dairy Innovation Hub
- Bureau of Meteorology
- Australian Alliance for Energy Productivity
- Stop Food Waste Australia
- Processors

## Performance summary

Delivered significant tools and resources to support farmers to manage climate and the environment. This included tools to support decisions around farming systems and comprehensive resources including the National Guidelines for Dairy Feedpads and Containment Housing.

Commenced efforts to identify more possibilities for methane reduction through new enteric methane reduction investments with external partners.

Broadened our offering to support improved farmer knowledge and resilience in the face of climate change impacts. Significant focus in FY24 to accelerate use of tools and measurement of carbon footprint.

Investigated strategies in partnership with the Tasmanian Institute of Agriculture, to maximise farm productivity with reduced reliance on synthetic nitrogen fertiliser.

Worked to manage organic waste in the sector and trial long-term solutions for the disposal of plastics.



## Greater ability to adapt to changes in the natural environment

Dairy has immediate and substantial risks from the impacts of climate variability, far more so than our competitors. Pressures from changes to the natural environment are wide-ranging, from restricted access to water, to more extreme climatic events and less secure access to nutrients and feed sources. These pressures will increase with predicted impacts from climate change and require innovation to counter these pressures.

### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Farmers have access to enough information to understand the impacts of changes in the environment.	90% of farmers	74%	70%	66%
Farmers have the right information and skills to thrive in increasingly volatile climatic conditions.	95% of farmers	84%	89%	88%

### Key achievements

- Developed decision tools to support farmers to make a farm system change involving feeding and/or housing infrastructure. This tool is a global first and is known as the Farm System Evaluator.
- Empowered farmers and the service industry to make informed decisions when investing in innovative feeding and housing solutions, through the release of the National Guidelines for Dairy Feedpads and Containment Housing.
- Established new insights to support feeding during periods of heat stress and poor-quality feed during summer, by demonstrating that supplementation with saturated fat is beneficial. These insights will be shared with farmers through the Advanced Nutrition in Action program and Cool Cows manual.
- Enabled farmers to understand the physical and business risk associated with climate change through new online learning modules.
- Enhanced decision making around extreme weather events through the delivery of tools and resources in conjunction with the Bureau of Meteorology.
- Supported farmers with climate adaptation through the development of a detailed case study in Northern New South Wales.

## Strategic outcome 4b

### Efficient and profitable use of land, water, carbon and energy resources which nurtures and sustains the natural environment

Future success depends on efficient use of natural inputs with a focus on land, water, carbon, and energy. This efficiency needs to be considered over a longer term in a way that nurtures and sustains the natural environment and is profitable for dairy businesses.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Dairy farm businesses have adopted technologies and management practices to achieve land, water, carbon, nutrient, and energy efficiency.	70% of farmers (actuals predicted to be understated – question to farmers to be reviewed)	66%	45%	41%

#### Key achievements

- Supported farmers to benchmark against environmental best practice, identify improvements to be made on farm, and share their successes with key stakeholders, through the Farm Environmental Tracker online tool and supporting resources.
- Evolved work to manage organic waste in the sector, supported by funding from Sustainability Victoria. Assessed commercial opportunities in Victoria for converting animal industry waste streams into bioenergy. Partners on the project include Australian Dairy Products Federation (ADPF), AgriFutures, Meat and Livestock Australia, Australian Meat Processor Corporation, Australian Pork Limited and Australian Alliance for Energy Productivity.
- Investigated strategies to maximise farm productivity at the Tasmania Institute of Agriculture research facility via farmlet studies, investigating strategies to maximise farm productivity with reduced reliance on synthetic nitrogen fertiliser.
- Worked towards a long-term solution for responsible disposal of plastic on farms through the Silage Plastic Recycling trial. Dairy Australia is now working closely with Plasback, who operate a successful collection service of plastic wastes for rural communities in New Zealand, to implement the model in Australia.
- Upskilled the Australian manufacturing sector through the delivery of 30 webinars with expert presenters from over 10 dairying countries. This work was supported by the University of Melbourne Dairy Innovation Hub.

## Strategic outcome 4c

### Proactive action to reduce global warming and greenhouse gas emissions

The dairy industry has committed to being part of the solution to global warming. This will require a reduction in greenhouse gas emissions, especially in the farm sector. Investment is required to identify commercial solutions.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Dairy farm businesses generating renewable energy.	85% of farmers	61%	67%	57%
Dairy farm businesses have access to and have adopted commercial solutions for reducing on farm emissions.	40% of farmers	17%	15%	43%
Dairy farm businesses with 300+ herd size understand their carbon footprint.	50% of farmers	26%	10%	13%

#### Key achievements

- Enabled farmers to breed for higher feed utilisation and lower emissions cows through the Sustainability Index, leveraging prior investments in DairyBio and DataGene.
- Empowered farm businesses to understand and manage greenhouse gas emissions aligned to community expectations through the Australian Dairy Carbon Calculator and a pilot program in Western Australia to support adoption.
- Launched an initiative to reduce food waste through the Dairy Sector Food Waste Action Plan. Partnered with ADPF, Stop Food Waste Australia and the Gardiner Foundation to implement the actions identified.



## Case study

# Forage Value Index

## Objective

To enable dairy farmers and their advisors to make more informed decisions and improve profitability through the selection of ryegrass cultivars.

## Action

The Forage Value Index (FVI) rating system provides an accurate, reliable, and independent assessment of the potential economic value of ryegrass cultivars across three different species (Perennial, Annual and Italian ryegrass) in a number of dairy-producing regions across Australia.

The FVI was first delivered in 2017. It's one of Dairy Australia's many investments to deliver on-farm outcomes from industry research to improve herd and feedbase genetics, as well as providing insights to support decision-making.

Independent trial sites are established each year in multiple locations that are geographically relevant to dairy farmers. The trials are conducted through Dairy Australia's ongoing partnership with the Pasture Trials Network. Performance information on varieties is analysed across trial sites and years to predict cultivar performance value for dry matter production.

In the case of perennial ryegrass, at least three years of data is required from three trials for each cultivar. For annual and Italian ryegrass, one to two years of data from three trial sites is required for each cultivar. The performance value for each cultivar is multiplied by an economic value to create the FVI ranking each year. The economic value used is based on a model which accounts for the replacement cost of feed when in a supply deficit, or the value of surplus feed at other times of the year.

Perennial ryegrass FVI tables are created each year and released in January for South-west Victoria, Gippsland, Northern Victoria and Tasmania. Those same tables describe predicted annual and Italian ryegrass performance, along with the recent introduction of tables for both the southern coast and northern coast of New South Wales.

## Impact

Based on performance and economic value information available through the FVI for 100 hectares of ryegrass pasture, the difference between the highest and lowest ranked varieties equates to approximately \$28,000 of value per annum. Given Australian dairy farmers invest around \$100 million in pasture establishment costs each year, realising ryegrass production differences of this magnitude is worth pursuing.

Recent Dairy Australia National Feedbase and Animal Nutrition Survey results indicate that an estimated 36 per cent of dairy farmers, or their agronomists, use the FVI for cultivar selection decision-making. The FVI is also an incentive for seed companies to continue pursuing breeding programs with the aim of creating future cultivars with superior performance. This incentive has been well articulated as a consensus view of the pasture seed breeding community and would include any new varieties emerging from the DairyBio program.

Research conducted in the past six years through the DairyFeedbase program (FVI Futures project) has set the FVI up to evolve further with nutritive value set to be included in the FVI from 2024. Including this additional trait into the index will further bolster the ability of the FVI to help dairy farmers predict ryegrass cultivar performance on their farms.

The Forage Value Index is supported by Pasture Trials Network, Datagene, Agriculture Victoria Research, and Meat and Livestock Australia.

# Post Investment Impact Assessment

## C4Milk

### Background

Optimising the production and financial outcomes of high forage feeding systems for subtropical dairy farmers through the outcomes delivered as part of the C4Milk project. This project is a multi-phased, jointly funded feedbase and animal nutrition initiative between Dairy Australia and the Queensland Department of Agriculture and Fisheries (QDAF).

Homegrown forages in Australian dairy systems represent a low-cost, efficient resource of metabolisable energy (ME) for milk production. The industry standard with respect to subtropical dairy farms, for forage-to-concentrate ratio is around 60:40, with the forage component as low as 40 per cent in some feeding systems. This has resulted in subtropical dairy farms and farms in other regions exposed to volatile terms of trade, largely as a function of the price of purchased concentrates impacting farm profitability.

A key advantage of tropical and sub-tropical dairy production systems is the ability to grow large amounts of forage annually from over 25 different forage types available to balance the diet. To capitalise on this advantage, the cost of production may be reduced through the strategic inclusion of pastures and forages as a greater proportion of forage in the diets of subtropical feeding systems, along with an improvement in forage quality.

### Activities

Activities of the project comprised:

- agronomy research
- nutritional research
- feed systems development and extension.

Improvement in forage quality from agronomy research is expected to result in increased feed intake and milk response, leading to improved feed conversion efficiency (FCE) and consequently an increase in margin over feed costs (MOFC).

Increasing the proportion of forage in the diet through nutrition research from low-cost, homegrown and purchased forages, while maintaining or perhaps increasing milk production, is expected to result in lower feed related costs increasing MOFC. Agronomy and nutritional research also included research on partial underutilised pasture (PUP) grazing. Lastly, the testing and developing of feeding systems through forage and feeding systems development that are low cost, easy to manage and resilient to climate and economic variability, will result in more profitable farms in the long term.

An extension program aimed at dairy farmers and service providers underpinning the R&D program included discussion groups, workshops/roadshows, open days at the Gatton Research Dairy, demonstration and case study farm field days, presentations, general communication from QDAF (Northern Horizons, Australian Dairy Farmer), peer reviewed papers and videos.

### Benefits

The net benefits were calculated based on program costs provided by Dairy Australia and estimates of farm systems changes attributable to the program, which were based on QDAF interviews with farmers participating in the program. Gross benefits after adjusting for on-farm implementation costs, were estimated to be \$30.2 million. Research, development and extension costs are estimated to be \$8.7 million (2021/22). Total net benefits were estimated to be \$21.5 million from \$8.7 million in program costs, resulting in return on capital of around 12 per cent.



## Key Observations

QDAF undertook interviews with 100 dairy farmers (92 in Queensland and eight in New South Wales) revealing evidence of 121 practice changes associated with the C4Milk program. This includes farms visited by C4Milk extension staff or where advice was sought from C4Milk extension staff without farm visitation. These interviews recorded the:

- Location of the farm.
- Type of practice change that was linked to the program.
- Capital cost associated with implementing the practice change.
- Annual change in profit resulting from the practice change.

The practice changes implemented varied widely, however were classified to the three key practice change areas of C4Milk. Most were associated with improving the quality of forage consumed and increase the proportion of forage in the diet. Relatively few practice changes were associated with the adoption of low-cost feeding systems.

Most farmers implemented the practice change without incurring capital costs. Those that did, invested approximately \$2.9 million across all farms with expenditures largely associated with installing compost barns, new irrigation, and forage storage infrastructure.

The average increase in farm profit used in the cost-benefit analysis was \$39,000 per farm per year. However, individual farm changes varied significantly.

## Management response

Dairy Australia commissioned an external assessment of C4Milk from July 2017 to June 2022, undertaken by Marsden Jacob Associates. Management members responsible for this project on behalf of Dairy Australia concurred with the findings of this analysis including the description of the project logics.



# 5

## Success in domestic and overseas markets

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Improved access to high-value dairy markets, backed by trusted market insights and a favourable regulatory and policy environment

### Strategic outcomes

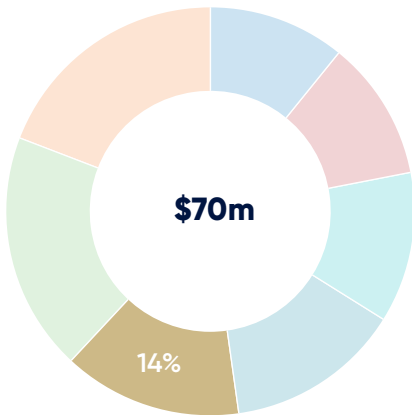
- a Australian dairy is valued around the world for its premium products
- b A favourable policy and regulatory environment
- c Access to trusted market insights that inform decision-making



Our projects, activities and services	Strategic outcomes		
	5a	5b	5c
International trade messaging implementation	●		
International market development	●		●
India market development	●		
Market access and policy		●	●
Industry insights and analysis			●
Technical policy support		●	●
National bulk milk cell count statistics	●		
Dairy Export Assurance Project		●	
Package assisting small exporters	●		
Lumpy skin disease transmission studies in milk		●	

## Investment

Dairy Australia investment 2021/22 **\$9.9m**



External investment 2021/22 **\$2.7m**

Key funding partners	Contribution
Department of Jobs, Precincts and Regions	\$1.5m
Department of Agriculture, Fisheries and Forestry	\$1.2m

## Key partners

- Federal and state governments
- Dairy representative organisations – Australian Dairy Farmers (ADF), Australian Dairy Products Federation (ADPF), State Dairy Farming Organisations (SDFOs)
- Processors
- Exporters
- Research and Development Corporations (RDCs), particularly through the Emerging National Rural Issues (ENRI) forum
- Gardiner Foundation
- Animal Health Australia

## Performance summary

Improved market access while building and maintaining strong international trade relationships.

Deepened relationships with key markets through the longstanding scholarship program that hosted delegates from South-east Asia and China.

Played a critical role, working with representative groups in the negotiation of the European Union Free Trade Agreement. This outcome is underpinned by the strong recognition and value of Dairy Australia trade policy support to all stakeholders.

Delivered strong policy support in biosecurity, particularly with the development of the Milk Movement Matrix under a foot-and-mouth disease (FMD) scenario, along with water, climate, aged care nutrition and calf management. Multiple submissions have been developed and new projects initiated, which has been warmly welcomed by representative groups.

Contributed market insights and thought leadership through the initiation of a milk pool scenario study, to help determine the implications of various future milk production scenarios on the dairy industry.



## Strategic outcome 5a

### Australian dairy is valued around the world for its premium products

Favourable trade arrangements are linked to recognition that Australian products are premium in terms of food safety, provenance and meeting tight product specifications.

#### Our progress against strategy

Key strategic success indicator	2025 target % of surveyed customers	2021 baseline	2022 actuals	2023 actuals
Australian dairy products are nominated as preferred status by customers in the key markets of Japan, Greater China and Southeast Asia	Japan – 70%	50%	56%	54%
	Greater China – 60%	40%	46%	68%
	Southeast Asia – 60%	62%	58%	62%
Australian dairy makes tangible market access gains in all completed trade negotiations involving Australia.	All	100%	100%	100%

#### Key achievements

- Supported the promotion of Australian dairy in international markets through the development of the Thrive Together marketing toolkit, including three new videos and two fact sheets for use by Dairy Australia and exporters for in-market visits. Victorian Government grant funds were diverted to this task, and given the diminished milk pool, to cover emerging funding constraints for the next financial year.
- Fostered relationships with key trade partners through in-bound scholarship visits for Southeast Asia and China, which put the scholarship program back on-track. Re-initiated in-person visits following travel restrictions in recent years. Strong interest was shown by processors to participate in the program.
- Developed new relationships in global markets including meeting with the Indian Government and manufacturers. This was also an opportunity to deepen market insights and convey the opportunity for Australian whey and lactose.
- Demonstrated the quality of Australian dairy through the analysis of Australian dairy farms' bulk milk cell counts as part of Dairy Australia's Milk Quality Awards, and analysis of bacteriological data.





## A favourable policy and regulatory environment

Credible and fact-based insights matched with incisive policy analysis and broad industry backing are powerful tools to create a favourable policy and regulatory environment.

### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Industry and government stakeholders that use policy related services value the work of Dairy Australia to inform policy discussions.	100% of stakeholders	100%	100%	100%
Stakeholders that use market access related services value the work of Dairy Australia to help ensure access to markets.	90% of stakeholders	81%	82%	89%

### Key achievements

- Maintained close contact and provided policy support to key stakeholders regarding the European Union Free Trade Agreement (FTA) negotiations, India-Australia Comprehensive Economic Cooperation Agreement (CECA) negotiations and other FTA-related discussions.
- Agreed on a significant revision to the milk movement controls likely to be imposed in a foot-and-mouth disease (FMD) outbreak. This was conducted in conjunction with ADF and ADPF, state government chief veterinary officers and Animal Health Australia. Guidelines supporting the movement of milk in the event of an FMD outbreak are known as the Milk Movement Matrix.
- Commenced a new project to support Australian Dairy Farmers to make progress towards their new policy on surplus calves. A Surplus Calf Roadmap, involving all sectors of the value chain, will be delivered by June 2024.
- Provided an introduction on dairy exporting to key manufacturers considering this opportunity, including overseeing the launch of the dairy exporter welcome pack website. This improves upon the original, email-based system for communicating the information.
- Enhanced capability, knowledge and understanding of the mandatory legislative requirements for export eligibility, through the delivery of the dairy export registration manual.
- Commenced research into the survivability and/or transmissibility of the lumpy skin disease viral pathogen in milk, including ultra heat treatment (UHT) milk products, following standard and UHT pasteurisation processes.

## Strategic outcome 5c

### Access to trusted market insights that inform decision-making

The Australian dairy supply chain is characterised by a sophisticated collection of market data that is readily available to support decision-making by industry and government stakeholders.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Dairy Australia is considered by industry stakeholders as the most trusted and credible source of information to inform decisions related to dairy markets.	85% of stakeholders	81%	86%	81%
Dairy Australia's market information is widely utilised by industry and government stakeholders.	90% stakeholders utilising Dairy Australia market analysis or data	86%	96%	82%
Dairy Australia is considered as the most trusted and credible source of dairy market information by the media.	200 annual dairy market related media articles referencing Dairy Australia analysis or data	153	157	250
Dairy Australia maintains and grows its access to industry milk production data to inform market analysis.	95% of milk production	92%	94%	89%
Dairy Australia maintains and grows its access to industry domestic sales data to inform market analysis.	90% of domestic market sales (liquid milk, cheese, butter and yoghurt)	81%	81%	80%
Dairy Australia maintains and grows its access to industry manufacturing production data to inform market analysis.	90% of manufacturing production data	82%	87%	86%

#### Key achievements

- Provided critical input to a range of topical industry initiatives such as emergency animal disease preparedness, flood response, market access challenges, and the Commonwealth Government-funded Milk Value Education Series.
- Initiated the milk pool scenario study on the longer-term implications and issues associated with differing milk production trajectories. This study builds on a significant body of prior work and is only possible due to Dairy Australia's extensive industry data collections. The study is a significant example of industry collaboration, as it will be conducted as part of a formal partnership with ADF, and funded by equal contributions from Dairy Australia, ADPF and Gardiner Foundation.

A graphic consisting of three overlapping white-outlined speech bubble shapes on a gold background. The top bubble contains the text 'Case study' in a white, sans-serif font.

## Case study

# Responding to critical issues: Controls on milk movement in a foot-and-mouth disease outbreak

## Objective

To support the continuity of the dairy industry in the event of a foot-and-mouth disease (FMD) outbreak through revision of government-imposed controls on the movement of milk.

## Action

Dairy Australia worked with ADF and ADPF, state government chief veterinary officers and Animal Health Australia to agree on a significant revision to the milk movement controls likely to be imposed in an FMD outbreak. These guidelines are known as the Milk Movement Matrix.

We supported ADF and ADPF by providing technical and scientific advice on modern dairy industry supply chain operations, to ensure the Milk Movement Matrix was updated to reflect the realities of milk flow logistics across the supply chain, while maintaining an appropriate level of risk mitigation during such an event. The approval of the Milk Movement Matrix by the Animal Health Committee (comprising state and federal chief veterinary officers) was the result of more than a year of constructive and successful engagement between industry and government.

## Impact

Biosecurity preparedness is imperative to limit the damage of an exotic disease outbreak, such as FMD, on the dairy industry and the Australian community. The most recent revision to the Milk Movement Matrix within the FMD Manual of the Australian Veterinary Emergency Plan (national disease response arrangements) will increase the likelihood of maintaining some markets for milk during a crisis, if farm and factory permit requirements are also met.

The 2023 revision of the 2017 matrix recognises that modern milk transport and processing operations, coupled with food safety laws, make the management of raw milk from farm through transport to processing, safe and possible under certain permit conditions, and preferable to dumping milk on farms.

The benefit to dairy farmers, in the event of an outbreak, has been estimated conservatively at around \$400,000 per farm for those farms affected positively by the newly revised milk movement controls. For these farms, this is an estimate of the avoided costs and loss of income from being unable to milk cows and have milk transported to a processor for one season, which is equivalent to one year of an exotic disease outbreak. Benefits to milk processors would eventuate too – providing the permission to process more milk than enabled under the 2017 controls. The Australian public would also benefit with the continued supply of milk on supermarket shelves.





# 6

## Technology and data-enabled dairy farms

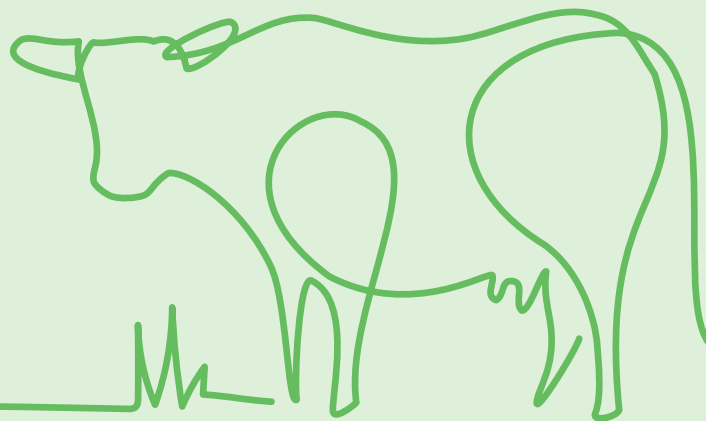
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Inspire more agile and responsive dairy businesses through greater integration of technology and data

### Strategic outcomes

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- a** Accelerated genetic progress in feedbase and animal breeding
  - b** More flexible and agile dairy production systems
  - c** Greater use of high-value technology on-farm
  - d** Connected dairy production systems utilising multiple data sources to enhance decision-making
- 

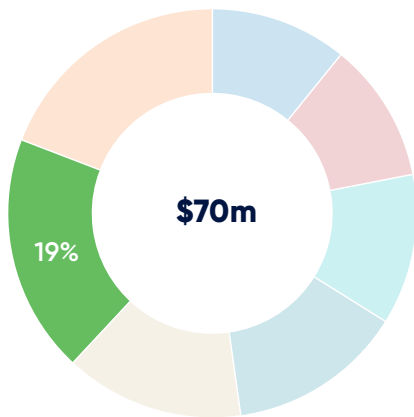




Our projects, activities and services	Strategic outcomes			
	6a	6b	6c	6d
DataGene	●		●	●
Dairy Bio – Technology	●	●		
DairyFeedbase		●	●	●
Accelerating Heifer Genomics	●	●	●	
Forage Value Index	●	●		●
Unlocking the potential of the cow		●		
Unlocking the potential of kikuyu	●	●		
Clinical Mastitis Treatment Decision Tool			●	●
Access to AgVet Chemicals		●		
Dairy Feedbase Development - farm path to change		●	●	●

## Investment

Dairy Australia investment 2021/22 **\$13m**



External investment 2021/22 **\$1.7m**

Key funding partners	Contribution
Gardiner Foundation	\$1.4m
Agriculture Victoria	\$0.2m
Department of Agriculture, Fisheries and Forestry	\$0.04m

## Key partners

- Federal and state governments
- DairyBio and DairyFeedbase investors and commercial partners
- Gardiner Foundation
- DataGene
- Pasture Trials Network
- Tasmanian Institute of Agriculture
- Regional Development Corporations
- De Laval
- University of Sydney, University of Technology Sydney (UTS), Charles Sturt University
- Coles Milk Department

## Performance summary

Delivered outcomes from research and innovation to improve herd and feed genetics and provided insights to support decision making.

Invested in world-leading research and innovation to improve genetics, herd management and nutrition through DairyBio and DairyFeedbase initiatives. On track to deliver substantive gains for the industry thanks to partnerships with Agriculture Victoria and Gardiner Foundation.

Delivered the multi-year C4 Milk research project which examined feedbase practice changes to improve margins where C4 forages are used in subtropical and other regions for dairy production.

Led a collaborative process to nationally align programs associated with feedbase, bringing together 100 key stakeholders to define new areas of focus on soil health and mixed species plantings.

Delivered a significant increase in awareness of the role of genomic testing in herd decision making and drove a significant increase in the number of heifers genomically tested per year. Delivered a threefold decrease in the time between genomic sampling and test result delivery, through the Accelerating Heifer Genomics project, which concluded after three years.

## Strategic outcome 6a

### Accelerated genetic progress in feedbase and animal breeding

Genetic improvement remains a major productivity driver on-farm due to its ability to deliver permanent and cumulative gains in performance. Further innovation in genetics (including the expanded use of genomics and new breeding methods) will accelerate genetic gain, as well as broaden the range of traits and species/breeds that can be improved.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
The rate of genetic gain in ryegrass.	>2% genetic gain	<1%	<1%	<1%
Usage of Forage Value Index to select grass pasture varieties sown.	25%	9%	28%	24%
The rate of genetic gain for sires of cows in Balanced Performance Index (BPI) units.	\$30/year	\$24/year	\$29/year	\$32/year
The rate of genetic gain of cows in BPI units as a result of heifer genomic testing.	\$25/year	\$18/year	\$14/year	\$15/year

#### Key achievements

- Completed performance assessments to inform which cultivars progress to commercial development, through our work on new kikuyu germplasm with the University of Sydney.
- Provided farmers and advisors with an independent assessment of the economic value of perennial, annual and Italian ryegrass cultivars through the Forage Value Index. This has the potential to deliver up to \$250 per hectare per year of increased net profit.
- Developed strategies, tools, and initiatives to maintain feed intake during warm weather by identifying diets that help cows maintain intake or offset the effect of reduced milk production during hot weather periods. This was delivered through the Feeding Cool Cows project in partnership with Gardiner Foundation and Agriculture Victoria.



## Strategic outcome 6b

### More flexible and agile dairy production systems

Many modern dairy farming systems need to modify their production systems according to seasonal conditions and changes in major input costs. These modifications are more extreme in warmer climates and with less reliable access to water.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Development of new feedbase options that increase flexibility and agility.	20 new from baseline	0	0	8 available 6 in development
Development of new non-feedbase system options that increase flexibility and agility.	10 new from baseline	0	0	10 available 4 in development
Dairy farm businesses have access to the information and tools that they need to run their chosen farm system.	75% of farms	65%	51%	44%

#### Key achievements

- Used technology to measure perennial ryegrass yield and nutritive quality at paddock scale. This will be extended to other species. Data collected has validated the technology and value to farmers and will be assessed as a subsequent step in the development of the technology.
- Designed feeding systems for more profitable allocation of pasture and supplements to grazing dairy cows, into which next generation fencing/smart gate technology could be deployed when available. Analysis is still ongoing based on provisional results; however, the two most promising strategies include reserving pasture for cows arriving late back to the paddock, and redistributing supplementary grain among cows, according to their milking order.
- Demonstrated a potential gain of \$270 per cow from feeding maize and canola meal-based supplement in the fresh period and wheat, barley and canola meal grain mix in early lactation. This is in comparison to feeding wheat and canola, or wheat-based concentrate only, during those respective periods.
- Unlocked the potential of kikuyu through the DairyUp project, by partnering with 14 research farms with remote pasture sensor technology and GPS trackers on cows, enabling data collection and monthly pasture quality reports to improve insights and decision making.
- Investigated and reported on the suitability and practical applications of mastitis diagnostic tests on farm and examined decision making processes of farmers and service providers around mastitis treatments.
- Developed, refined and validated machine learning algorithms. The next stage is to incorporate and pilot test this information with the application built by DataGene.

## Strategic outcome 6c

### Greater use of high-value technology on farm

Access to on-farm technology is increasing rapidly, while capacity to deliver insights from technology is lagging. Improvement will require a greater understanding of adoption challenges and greater alignment between the technology that delivers insights and farmer preferences for use of insights.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Farm businesses have successfully adopted technology that provides new insights for farm operations.	80% of farmers (actuals predicted to be understated – question to farmers to be reviewed)	48%	50%	43%

#### Key achievements

- Developed a tool in conjunction with DataGene to increase the utility of herd testing data. This herd ranking tool will deliver enhanced data for decision making.
- Progressed foundational activities that will lead to the inclusion of perennial ryegrass persistence and quality as additional traits to the Forage Value Index. The additional data will bolster the robustness of the index, improving farmers' access to information that supports decision making.

## Strategic outcome 6D

### Connected dairy production systems utilising multiple data sources to enhance decision-making

A proliferation of data will be of value to dairy businesses when it can be integrated and available for generating insights. This will require integration for both on-farm usage as well as to improve service provision. Improved decision-making will need to account for farmer preferences for use of insights.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
New methods of collecting or analysing multiple sources of physical data on-farm.	5 new from baseline	0	5	6
Dairy farm businesses are routinely collecting three or more sources of physical performance data for decision making (e.g. herd testing, pasture measurement, lameness scoring).	80% of farmers	65%	95%	91%
Routine management decisions of dairy farm businesses (e.g. sire selection, irrigation scheduling, culling) are informed by multiple data sources.	95% of farmers	92%	80%	80%

#### Key achievements

- Improved genomic selection for transition through the health and fertility study which has assessed 920 samples for up to 11 biomarkers. The New South Wales DairyUP program has provided 1,800 additional samples to bolster the dataset for this emerging genetic evaluation.
- Delivered a significant increase in awareness of the role of genomic testing in herd decision making and drove a significant increase in the number of heifers genomically tested per year. Delivered a threefold decrease in the time between genomic sampling and test result delivery, through the Accelerating Heifer Genomics project which concluded after three years. This year alone, 83,000 heifers have been tested.



A graphic consisting of three overlapping white-outlined shapes on a green background. The top shape is a rounded rectangle, the middle one is a smaller rounded rectangle, and the bottom one is a speech bubble shape. The text 'Case study' is written in white inside the top rounded rectangle.

## Case study

# DairyFeedbase

## Objective

To improve productivity on farm through the delivery of world leading research and innovation to advance dairy science across feedbase and animal nutrition.

## Action

DairyFeedbase 2017-23 was an Agriculture Victoria Research, Dairy Australia and Gardiner Foundation research partnership focused on five project areas over six years. The majority of research was conducted at the Ellinbank SmartFarm. As a result of these five projects, dozens of research outputs have been produced and are being further developed into actionable on-farm changes for practical implementation. In addition, the research team continues to extract further messages for industry from the data collected.

Dairy Australia is working collaboratively with researchers, farmers, and regional extension teams to identify the most effective ways of translating and communicating the research output into ready-to-use practical tools and strategies. The range of skills needed to conduct this development work includes high-level technical knowledge to interpret results, farm system experience to take results into on farm practice-ready instruction, and learning expertise to organise materials in way that communicates clearly and for maximum ease-of-use. This work has also incorporated updating existing extension materials and training programs to include new information within allocated training delivery schedules. Overall, it is a lengthy and involved process to turn a large research program into material that is ready to deliver to farmers.

## Impact

The work of Dairy Australia is to improve productivity reaches farmers through multiple extension pathways including written form, presentations, facilitated courses, podcasts, discussion groups or webinars. Through these resources, for example, farmers will be supported in their decision making by learning about how to manipulate feed formulation for early lactation cows to gain up to \$270 extra per cow per lactation or increase production of the herd by differentially allocating the same resources. In addition, an array of feeds and feeding recommendations have been derived from the research for the critical periods of hot weather support maintaining cow productivity and profitability. The research identified an estimated net benefit gain of \$30 per cow over the hot weather period for some regions by, for example, incorporating the feed additive betaine in the cow's diet.

Farmer confidence in practice change is a basic requirement before change can begin. By engaging in large, well-constructed research programs that illuminate new methods while quantifying the expected benefits, farmers can be confident that outputs of the DairyFeedbase 2017-23 program will be well worth adopting on farm. Reducing the perceived risks of change is key to enabling each farm business to take that step, and why applied research programs like DairyFeedbase are a significant part of the mix of Dairy Australia investments.

Ensuring the best extension material is available to share with industry is essential to turn excellent dairy research into demonstrable and sustainable on-farm productivity results. The materials created as a result of DairyFeedbase 2017-23 will be widely used throughout Dairy Australia programs and as a result of the quality process to produce them, will be delivering outcomes on farms for many years.



# 7

## Innovative and responsive organisation

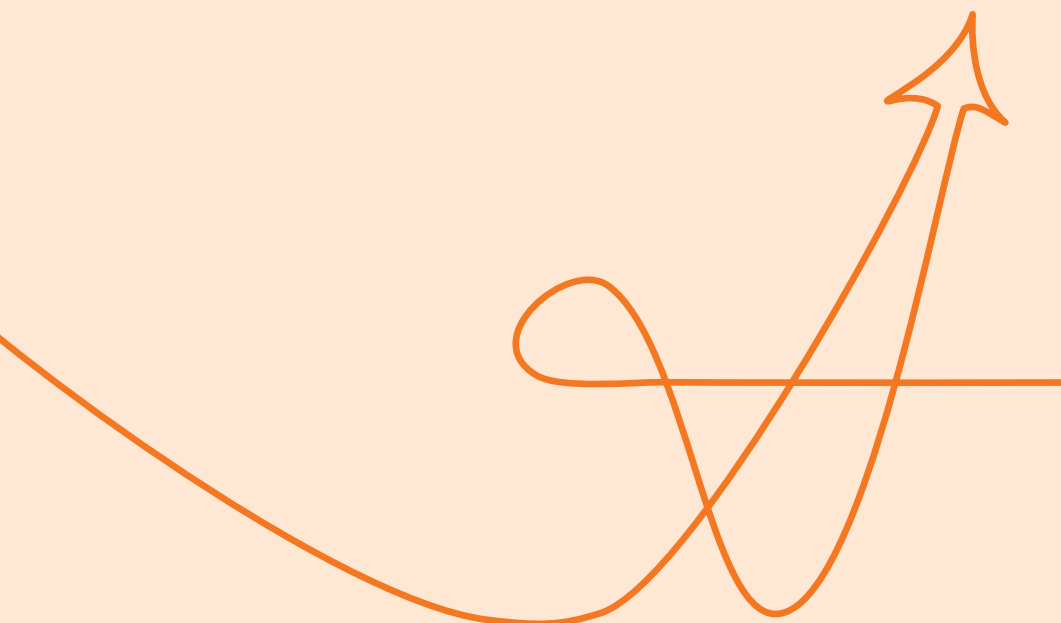
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An organisation that is farmer-focused, with talented people who embrace innovation and take decisive actions

### Strategic outcomes

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- a We have a farmer-focused service delivery model
  - b Our culture of learning and innovation, values and ways of working deliver success
  - c Our infrastructure, resources and processes allow us to be informed, agile and responsive
  - d We have effective and transparent management of resources
- 

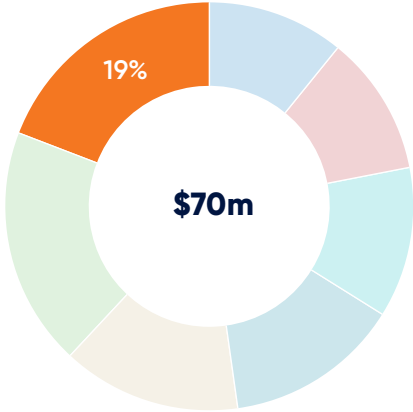


Our projects, activities and services	Strategic outcomes			
	7a	7b	7c	7d
Implementing Farmer Services Strategy	●			●
Embedding our values	●	●	●	●
Portfolio planning and management		●	●	●
External evaluations				●
Implementing Human Resources Information System	●	●	●	●
Digital experience	●		●	
Document management in 365			●	
Workplace health and safety uplift		●	●	
Implementation of an idea management process and technology			●	●
Melbourne Office Optimisation			●	●



## Investment

Dairy Australia investment 2022/23 **\$13.4m**



External investment 2022/23 **\$0.09m**

Key funding partners	Contribution
Gardiner Foundation	\$0.05m
Agriculture Victoria	\$0.02m
Department of Agriculture, Fisheries and Forestry	\$0.02m

## Performance summary

Enhanced our approach to engagement and bolstered regional teams to deliver greater value to farmers through increased one-to-one engagement and understanding of specific farm business needs. This approach will continue to be embedded across all regions.

Renewed focus on development of our services to farmers, to bring research to life through practical applications in line with the needs of farmers.

Improved communications and engagement with farmers through greater alignment between national and regional communications priorities. Continued streamlining of our digital platforms to improve the experience for farmers.

Matured our processes, platforms and ways of working at Dairy Australia including the way we engage with farmers and measure performance outcomes.

Continued to drive and embed our organisational values throughout the organisation - Farmer First, Innovative Thinking, One Team and Decisive Action. This included significant focus on driving Dairy Australia's innovation agenda to deliver greatest value to farmers.



## Strategic outcome 7a

### We have a farmer-focused service delivery model

The work that Dairy Australia delivers is strongly focused on a deep understanding of farmers and farm businesses. Our work continues to be tailored to the needs of our primary stakeholders who are dairy farmers.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2022 actuals
Farmer-focused service delivery model embedded across all our projects, services, infrastructure, communications and processes.	100% embedded	10%	10%	50%
Farm businesses feel Dairy Australia has an effective relationship management model.	80% of farmers	53%	47%	49%

#### Key achievements

- Improved the way we deliver services to dairy farmers by piloting a new operating model. With the introduction of farm engagement leads as part of our regional teams, we can engage more closely with dairy farmers one-to-one and connect them to relevant services based on their business needs. Our new development and regional adaptation roles will enable greater momentum in building services that farmers need based on our research and innovation investments.
- Delivered good progress to date – these initiatives are in progress and will be continued to be rolled out over the remainder of the strategy.

## Strategic outcome 7b

### Our culture of learning and innovation, values and ways of working deliver success

A positive organisational culture guides the delivery of our strategic plan. Our way of working is highly collaborative with a strong focus on teamwork and decisive action.

Innovative thinking is highly valued to identify new opportunities to create value for farm businesses, co-create innovation projects with partners and pursue new approaches to innovation.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Employee engagement score increases.	80% employee engagement	66%	71%	68%
Dairy Australia values are known by employees.	100% of employees	93%	98%	95%
Dairy Australia values are well understood by employees.	100% of employees	91%	97%	90%
Dairy Australia employees demonstrate commitment to our values.	90% of employees	70%	72%	74%
Farm businesses value Dairy Australia for our ability to be innovative.	80% of farmers	54%	53%	53%
Dairy Australia is decisive and effective in its actions.	80% of employees	46%	46%	46%

#### Key achievements

- Commenced an initiative to improve our internal workplace health and safety (WHS) protocols. Established a WHS framework and began implementation of initiatives aimed at alleviating potential hazards, while nurturing a culture rooted in safety consciousness. Initiated a new incident and hazard reporting tool which will underpin our incident response and safety monitoring.
- Elevated Dairy Australia's commitment to innovation through the delivery of a roadmap of initiatives to enhance the organisation's innovation capability.
- Continued to drive and embed the Dairy Australia Values through the actions we take every day and celebrating team achievements that demonstrate Farmer First, Innovative Thinking, One Team and Decisive Action.

## Strategic outcome 7c

### Our infrastructure, resources and processes allow us to be informed, agile and responsive

We have the right balance of infrastructure, technical and digital capability supported by talented people and efficient processes.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Dairy Australia's employees have the right tools and infrastructure to deliver the best service to levy payers.	90% of employees	88%	83%	74%
Dairy Australia processes allow for agility and responsiveness.	75% of employees	66%	67%	61%
Dairy Australia is responsive to major industry events impacting the industry.	80% of farmers	57%	54%	76%

#### Key achievements

- Led the industry response for the major floods in South-eastern Australia in October 2022. Activated the dairy industry's issues management framework and mobilised regional issues response teams. Coordinated the two-way flow of information and the practical response to this issue on behalf of the dairy industry. This provided a single point of contact for government and emergency management agencies to facilitate targeted assistance to dairy farming communities, ensuring resources reached those farmers and businesses most in need. Supported ongoing recovery efforts once the immediate threat had passed.
- Improved communications and engagement with farmers by improving the connectedness and experience of our many digital platforms and tools. Ensured the connectedness between online and offline communications to achieve communications objectives.
- Improved Dairy Australia project governance, data management and performance reporting through the launch of a Portfolio Planning and Management Tool. This tool will be fully embedded across Dairy Australia.
- Implemented improved organisational processes to manage payroll and employee needs.
- Improved operational efficiency by downsizing the Dairy Australia national office footprint and catering to a hybrid way of working, supported by technology that enables a more agile and collaborative way of working.



## Strategic outcome 7d

### We have effective and transparent management of resources

Effective governance and transparent reporting enable Dairy Australia to make the right decisions and be accountable.

#### Our progress against strategy

Key strategic success indicator	2025 target	2021 baseline	2022 actuals	2023 actuals
Levy payers are satisfied they are well-informed about how Dairy Australia invests levy.	80% of farmers	47%	43%	42%
Levy payers are satisfied that Dairy Australia is investing levies appropriately.	8/10 average levy payer response	5.6/10	5.0/10	5.5/10
Dairy Australia's investments deliver value to levy payers.	80% of farmers	55%	53%	56%

#### Key achievements

- Completed post-investment assessments to measure value to farmers for the C4Milk Phase 3 project. The evaluation found the investment has been beneficial to the Queensland dairy industry. The program resulted in a benefit-to-cost ratio of 3.5 with net benefits to the industry of around \$22 million.
- Developed a model to improve the evaluation of post-farm gate investments. This economic model is yet to implemented.
- Delivered sustained levy satisfaction – 2025 stretch targets are in place in order to continually improve on delivering the best outcomes for farmers.







## Case study

# Co-designing innovative solutions

## Objective

To work with farmers to design innovative and practical solutions to support complex decision making.

## Action

For many farmers, sourcing reliable and practical information to support complex decision making is a challenge. Dairy Australia works to develop a range of tools, resources and solutions to assist with this.

One of those more complex and significant decisions farmers are faced with is around their farming system. To support this, Dairy Australia worked with a group of farmers to co-design a solution. This started with unpacking what was most important to farmers and what was going to deliver the greatest value when making decisions around farming systems. This moved on to brainstorming possible solutions and designing and testing these concepts with farmers, including those outside of the co-design group, before developing the final solution.

## Impact

The outcome of this approach was the development of a solution known as the Farm System Evaluator. This evaluator is a global first for dairy farming and comprises an online tool and supporting program to support farmer needs when it comes to business growth and farm system change.

Farm System Evaluator is an extension to Dairy Australia's Our Farm, Our Plan that supports farmers with their business planning and risk. The online tool helps farmers to self-assess their readiness to adopt a new system including feeding and housing infrastructure, as well as providing guidance on the feasibility of farm systems against their performance and goals of the farm business. It also allows farmers to visualise and prepare for the proposed changes.

Supporting this is a two-day workshop led by our farm system experts which allows participants to present their plans to a group of farmers and consultants for constructive feedback, and access ongoing support and resources from Dairy Australia as they move through their decision making and change process.

This co-design approach to develop innovative solutions to support decision making was particularly effective and is being used in the development of other initiatives.

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