Acknowledgement of Country

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**Dairy in the Murray Darling Basin**

Draft for discussion – October 2024

In the spirit of reconciliation, the MDB Steering Committee acknowledge the Traditional Custodians of the Country and their continuing connections to lands, waters and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

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# Executive Summary

The Australian dairy industry has long benefited from dispersed and diverse dairy production and processing footprint across all states and multiple regions within several states. Together the regions provide stability and greater resilience.

This strategy has intentionally focused on the dairy industry located in the Murray-Darling Basin and specifically the five sub-regions in Queensland, NSW, Victoria and South Australia (see Figure 1).

The inland sub-regions are different to their more ‘coastal’ counterparts. The most obvious difference is their climate and reliance on the Murray-Darling Basin river system. However, differences are also evident in the region’s colocation within other primary production and downstream processing, the diversity of and within the regional economies, access to skills and workforce, and the inland region’s geographic connectivity.

The strategy is also focused on the entire dairy supply chain because the entire supply chain is present in the region, and because the success of individual components is inextricably dependent on the sustained viability of the system as a whole.

In 2022–23, dairy farmers in the MDB produced 1.53 billion litres of milk—around one-fifth of the nation’s supply—from approximately 1,000 farms. This production was valued at $1.14 billion at farm gate and contributed $1.96 billion to the local economy. There are more than 40 dairy processing sites located across the MDB.

Within their local regions, the MDB dairy industry supports thousands of jobs on farms, in processing, and in the local businesses that provide trades, transport, technical support, infrastructure and feedstock, making it a key contributor to regional communities.

The 21st century has delivered multiple challenges for the industry, beginning with the Millenium Drought and continuing with changes to policies for critical inputs including water, power, gas and workforce. These policy impacts are occurring within an industry that is constantly navigating extremely competitive domestic and international markets.

Despite these pressures, the industry has shown resilience and an appetite to adapt. Increased farm and processing productivity, more efficient water and energy use, product innovation and market diversification are prime examples. These trends must be encouraged and supported.

## A new lens

In early 2024, a Steering Committee was formed representing a range of dairy stakeholders to explore the strengths and challenges for the entire dairy supply chain in the Murray-Darling Basin. The initial discovery process highlighted three critical insights.

### Australian Dairy needs the Murray-Darling Basin

The heavy concentration of dairy processing and value adding in the Murray Darling Basin anchors the entire Australian dairy industry and its domestic and export supply chains. This location is not by accident – it reflects the region’s production volumes and geographic connectivity.

* The MDB’s milk supply is more consistent year on year than in any other production region in Australia. The growing investment in climate-resilient intensive dairy operations located within reach of multiple fodder producing regions is further supporting supply reliability. This provides a more stable base load for dairy manufacturers underpinning their ongoing investment and employment throughout the dairy supply chain.
* The MDB’s value adding operations and processing sector is ideally located to receive additional volumes from production areas within and outside the region, and to service east coast domestic markets and export ports.

### Irrigation (and irrigation network users) need dairy

Historically, dairy has provided stable, large volume demand for irrigation water that is spread across the irrigation season. This provides critical mass that boosts the system efficiency of (open channel) networks which benefit smaller volume (horticulture), and opportunistic irrigators (livestock, cropping) as well as benefiting non-irrigation users for example flushes and piggy backing of environmental deliveries.

In seasons of low water availability, dairy is the highest value commodity that can switch out of irrigation and still maintain production. Dairy farmers can maintain production through flexible farming systems using a mixture of grazing and non-grazing management strategies. As a result, dairy can release water for use by horticulture and cropping sectors while sustaining its economic and social contribution to the local and national economy.

If dairy irrigation demand declines the viability of entire irrigation networks is in jeopardy, and with it the viability of other agricultural sectors, and the benefits to non-irrigation system users.

### Dairy needs community

When considering the community supporting dairy, this plan takes a holistic view across and so includes government, health, education, public transport, water corporations, as well as the many and varied individuals and organisations that create the fabric of regional communities and regional living.

Dairy has and remains the backbone of many regional communities and cities. This is particularly true of dairy processing sites where the factory defines the town skyline and the identity of the local community. Often these communities’ economic and social success hinges on the health of producers and processors, and processors in particular are keenly aware of the role they play in their community – and the legacy they create if circumstances demand retirement of sites.

The dairy industry’s year-round demand for services and workforce, use of irrigation and energy networks, along with the industry’s year-round supplier and industry payments, smooths the volatility and less-frequent payment cycles of co-located agricultural sectors and commodities and in doing so enhances the resilience of local communities. In short unlike annual, seasonal and more opportunistic trading commodities, dairy injects ‘milk cheques’ into the local economies each and every month.

However, this one-way dependence is changing. More importantly, it needs to change. As this strategy outlines, the dairy sector faces challenges that cannot be solved at a farm, processor or even industry level. Energy, water, land use, connectivity (digital and transport), workforce and even housing are issues shared with other sectors, broader industry groupings and are defined by regional, state and national policy settings.

Working on its own the dairy industry can have an impact, but it is increasingly apparent that to move at the speed and scale required, the industry needs its community stakeholders to lead the delivery of critical services and infrastructure.

* Providing housing and lifestyle (health, education, transport) to attract skilled professionals for farm and manufacturing roles, and the trades and services that will be required by more sophisticated technology and automation.
* Enabling the growth of local energy generation, storage and transmission to support onfarm and manufacturing needs.
* Providing the training and development pathways to meet future workforce needs – particularly in trades and services that are important but not unique to the dairy sector.

A critical step in empowering community stakeholders, is for the dairy industry in the MDB to articulate what it is and what it expects to become over coming years and decades.

## Exploring the new approach

Together the three key insights encourage a new thinking for the dairy industry in the MDB.

This document provides the basis for further consultation with stakeholders to explore these insights and determine the most appropriate ways to progress them that support local, regional and national priorities, and in partnership with a much wider range of stakeholders, decision makers and beneficiaries in and outside the MDB.

In addition to this strategy providing a single reference point for dairy in the MDB and the steps to secure its future, the strategy also;

* draws together the range of intersecting national, state dairy strategies
* updates and expands the Murray Dairy 2019 Future Focus strategy and to the entire supply chain

Alongside these existing reports, there are a number of other resources in production that will feed into the next stage of this document. These include

1. Dairy Australia’s post farm gate update
2. Aither research
3. DA National Dairy Farmer Survey
4. ADPF update of the existing Deloitte Report

A strategic approach is essential to create opportunities for stakeholders to identify, agree upon, and commit to actions that are relevant and within their control. These actions will require collaboration and leadership from both the dairy industry and regional communities, and they should be achievable both individually and collectively.

### How this strategy has been developed

This is the first time a strategy has sought to take a whole of supply chain view, exclusively focused on the MDB (inland) production and processing. The process began with the Steering Committee engaging ACIL Allen to review the many existing national, state, regional and industry strategies through the lens of the MDB region. This discovery process has provided the outline for the strategy that needs to be tested with the broader industry and communities. The next critical phase is to flesh out and validate the current results through considerably more and deeper consultation with stakeholders before a final plan is confirmed.

### About the steering group

This plan was commissioned by the MDB Dairy Industry Steering Committee (a group formed for the sole purpose of developing the plan) with administrative support from Gardiner Foundation and analysis by ACIL Allen. This plan aims to identify an improved whole-of-industry strategic approach to enhance the future prosperity for dairy in the Murray-Darling Basin.

Members of the steering group were asked to not only bring their own knowledge and expertise, but to also support engagement with peer organisations and agencies across the basin.

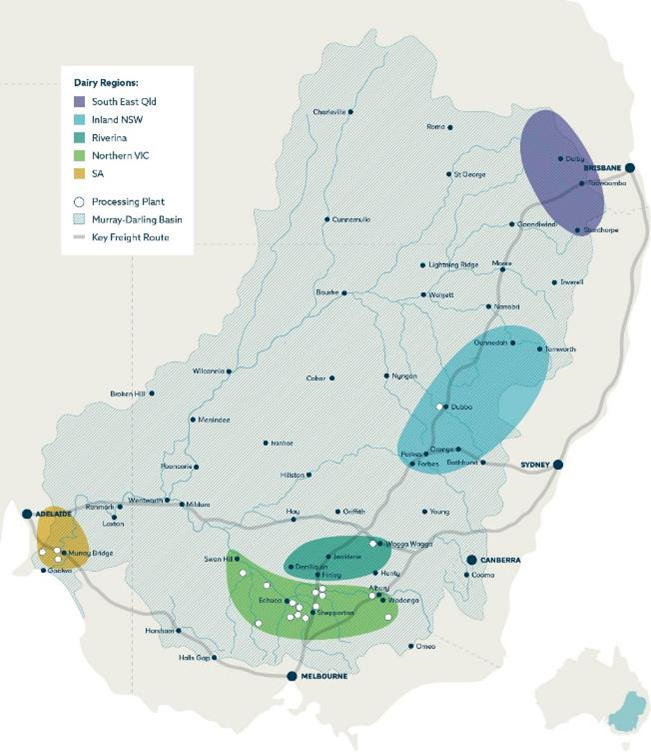
Members of the Steering Committee include Linda Nieuwenhuizen (Chair and CEO Committee for Greater Shepparton, Jenny Wilson (General Manager, People and Community Development, Gardiner Foundation), Ann Gardiner (Australian Dairy Farmers), Rachael Napier (Chair – Murray Dairy), Andrew Tyler (Farmer representative), Jason Limbrick (ADPF and CEO, ACM), Andrew Curtis (CEO – SA Dairy Farmers Association), Amy Fay (Executive Officer, Murray Dairy), Carl Walters (Interim CEO, Goulburn Broken CMA), Chris Nicholson (Project Coordinator, Goulburn Broken CMA), Geoff Turner (Executive Officer – Murray River Group of Councils), Karl Ellis (Economic Sustainability and Competitiveness Manager, Dairy Australia), Mark Bailey (Manager Water Resources, Goulburn-Murray Water) and Tim Russell (Manager Strategy Development and Regional Planning, Regional Development Victoria).

# Background - Industry Snapshot

The dairy supply chain, from farm inputs to farm and onto processing and export are the backbone of many communities and the economy across the Murray-Darling Basin. In the MDB, the majority of dairy operations rely on irrigation to produce high-quality, consistent feed to ensure a stable milk supply. This contrasts with other dairy regions that largely depend on rainfall and are more vulnerable to seasonal variability.

## Milk production in the Murray-Darling Basin

Production is distributed across five sub-regions – South East Queensland, inland NSW, the NSW Riverina, Northern Victoria and the lower Murray in South Australia. The five subregions are distributed across the Murray-Darling Basin, as illustrated in the map in Figure 1. The Basin features a variety of farming systems, which have undergone significant changes over the past two decades. These developments are detailed further in the “Trends in the Supply Chain” section.



**Figure 1 – Distribution of dairy production in the MDB**

There are approximately 1,000 dairy farms in the MDB and the region accounts for approximately 23% of Australia’s total milk production, however the irrigation-based dairy production regions concentrated in the MDB continues to show more stable milk production and greater capacity to bounce back from seasonal conditions.



**Figure 2 – Seasonality of annual milk production for the three Victorian dairy regions[[1]](#footnote-2)**

The following table details milk production in each of the sub-regions over the last five years. The northern Victorian industry is the largest in the MDB.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Milk production by sub region (million litres) | | | | | | | |
| Subregion | **2019/2020** | **2020/2021** | **2021/2022** | **2022/2023** | **2023/2024** | **5 year average** | **% of MDB** |
| Queensland | 118 | 113 | 106 | 101 | 102 | 108 | 5% |
| Inland NSW | 168 | 182 | 181 | 166 | 186 | 176.6 | 9% |
| Riverina | 127 | 133 | 101 | 96 | 100 | 111.4 | 5% |
| Northern Vic | 1,556 | 1,526 | 1,557 | 1,423 | 1,496 | 1511.6 | 74% |
| South Australia | 100 | 95 | 141 | 135 | 138 | 121.8 | 6% |
| Total | 2,070 | 2,049 | 2,087 | 1,920 | 2,021 | 2029.4 |  |

**Table 1 – Milk production by subregion for the last five years (million litres)**

## Dairy processing in the Murray-Darling Basin

### Australian industry

The Australian dairy manufacturing sector is even more diverse and dispersed than dairy production with more than 140 individual locations ranging from small boutique operators processing their own milk, through to highly sophisticated and increasingly automated large volume sites. Alongside specialist products, there is also a trend towards specialist processing capabilities that include production of nutritional supplements and nutraceuticals that build on the micro-components of milk.

Processing ‘post codes’ range from tourism hamlets to sophisticated warehouse and value‑adding operations in state capitals including Brisbane, Melbourne and Sydney. For this reason, the dairy sector’s year-round economic and employment impact extends well beyond regional Australia and the MDB.

In addition to scale, processing sites are also differentiated by their product lines. Region‑specific characteristics, including climate and production profiles, dictate the end markets targeted by processors. The Southern region (which includes the Gippsland, Murray, Western Victoria, South Australia and Tasmania regions) mostly manufactures products for export (primarily cheese and milk powders) in addition to some products for domestic markets. The Northern and Western Australia regions mostly produce fresh drinking milk and export only a small proportion of total output.[[2]](#footnote-3)

Even within the broad categories of milk, cheese butter/ anhydrous milk fat, fresh dairy whey/powders and ice cream there is significant variation for example between fresh milk and UHT processing.

Dairy Australia estimates at least 15% of the total liquid milk consumed in New South Wales and 11% of liquid milk consumed in Queensland is processed in the MDB, with 85% of Australia’s exports passing through the Port of Melbourne.

Dairy manufacturers are highly exposed to international price and competitiveness. Local production costs must continue to evolve to compete in domestic markets (including against imported products) and in export markets with the large dairy producing regions such as the US, EU and NZ. To achieve this the main drivers of processing success are –

* + Access to labour (and associated housing)
  + Energy – both cost and reliability
  + Logistic and transport efficiency
  + Innovation and investment in a product mix that must continue to change in line with changing demand
  + Continued access to milk close to processing plants as well as ongoing access to milk from other regions

### Dairy processing in MDB

The MDB is home to more than 40 dairy processing facilities and this includes multiple large volume processing sites.

Australia’s four largest dairy producers are Saputo, Fonterra, Lactalis and Bega Cheese, who collectively account for around half of industry revenue and receive the bulk of Australia’s raw milk. Each has multiple sites in the MDB.

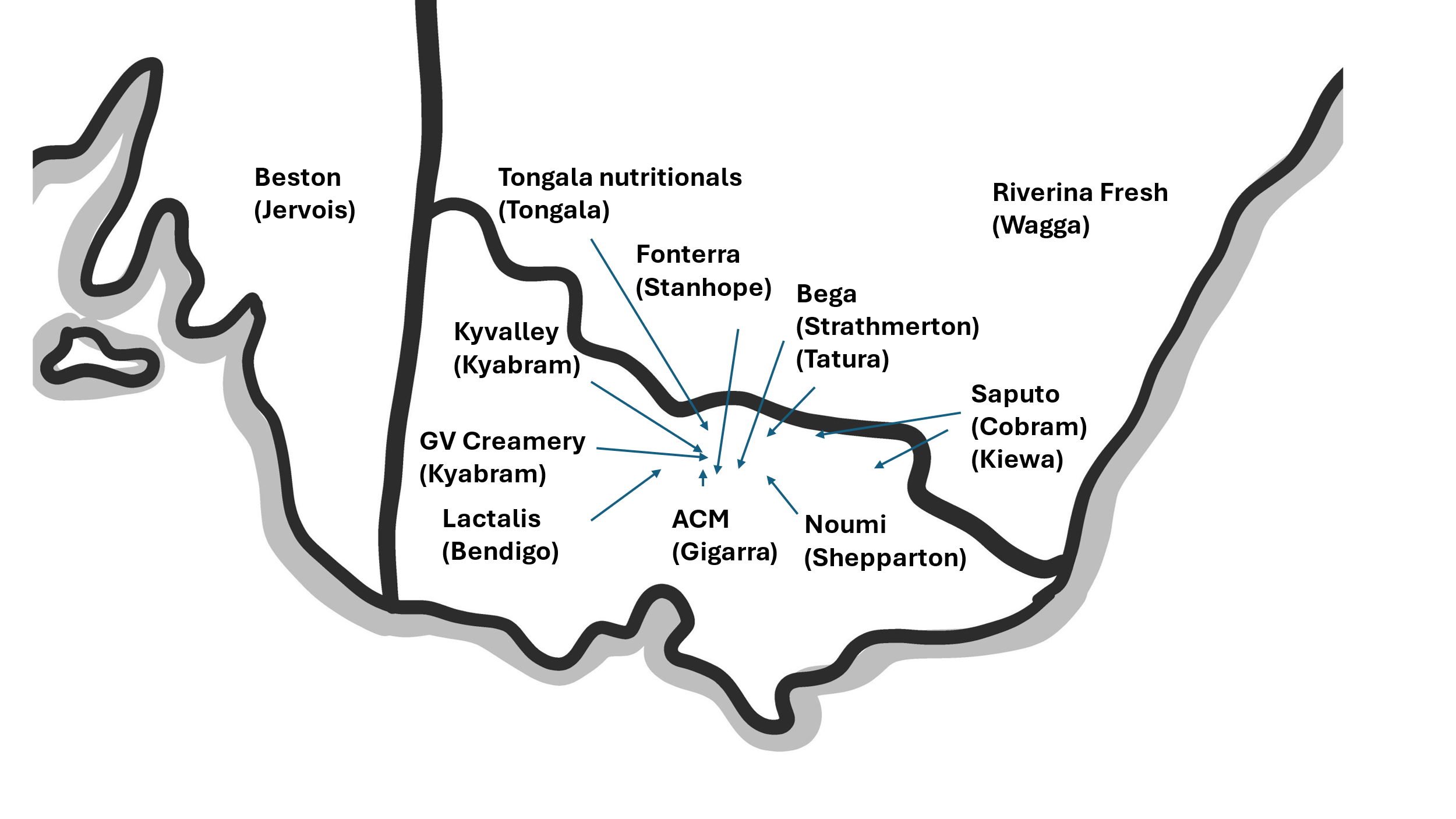
Australia’s dairy processing facilities (volume) are concentrated in the southern section of the MDB (northern Victoria) and the region’s geographic advantages are contributing to its role as a processor of milk produced outside the MDB - notably from Gippsland and Western Victoria.

Reliable access to local milk supply is key to manufacturing, however processors also recognise their well-established role in local communities as they provide year-round employment, and demand for professional and trade services, bring increasingly sophisticated professional and technical roles into the community, and are often the corporate citizen behind community services and infrastructure that range from sports clubs to community groups and facilities.

According to the DAFF Agricultural Commodities Report June 2024, the Gross Value of Agricultural Production across Australia is forecast to finish at $84 billion in 20024/25, with milk production making up $5.6 billion, and the MDB region’s contribution $1.12 billion underscoring its importance to the regional economy.

While the strategic focus of individual dairy processors remains commercially sensitive, observed trends include:

* Pressure on profit margins as domestic and international price volatility intersects with increasing competition (cost) to secure domestic milk supply and increasing input costs including labour, transport and energy.
* Increased domestic competition for manufactured products with imports of dairy products into Australia growing at an annual rate of 11% over the last 5 years.[[3]](#footnote-4)
* Continuous evaluation of networks and individual sites to plan and prioritise investment that can secure productivity improvements. Investment areas include operational efficiency, energy quality, energy security (gas and power) and costs, automation and ESG targets and obligations.
* Transitioning and securing the workforce to support increased automation and to transfer of knowledge within a rapidly aging workforce.
* Evaluating the medium-term impact of international and national policy (water, energy, decarbonisation) for processors, and for milk producers. Of particular concern is the capacity and speed with which MDB-based milk producers can adapt to reduced water availability, more variable climate and access the capital to invest in adaptation technology and infrastructure.



**Figure 3 – Major dairy processing locations in the Basin**

|  |  |  |  |
| --- | --- | --- | --- |
| **Company** | **Site location** | **LGA** | **State** |
| Capitol Chilled Foods | Canberra | ACT | ACT |
| Jonesy’s Dairy Fresh | Barham | Murray River Council | NSW |
| Little Big Dairy Company | Rawsonville | Dubbo Regional | NSW |
| Peel Valley Milk | Tamworth | Tamworth Regional | NSW |
| Riverina Dairy | Albury | City of Albury | NSW |
| Riverina Fresh | Wagga Wagga | Wagga Wagga | NSW |
| Alexandrina Cheese Company | Mt Jagged | Alexandrina Council | SA |
| Barossa Valley Cheese Company | Angaston | Barossa Council | SA |
| Barossa Valley Ice Cream Company | Tanunda | Barossa Council | SA |
| Beston Global Foods | Murray Bridge | Rural City of Murray Bridge | SA |
| Beston Global Foods | Jervois | Rural City of Murray Bridge | SA |
| Paris Creek Farms | Paris Creek | Alexandrina Council | SA |
| Australian Consolidated Milk | Kyabram | Campaspe Shire | VIC |
| Bega Cheese | Tatura | City of Greater Shepparton | VIC |
| Bega Cheese | Strathmerton | Moira Shire | VIC |
| Boosey Creek Cheese | Boosey | Moira Shire | VIC |
| Fonterra Australia | Stanhope | Campaspe Shire | VIC |
| Gundowring Fine Foods | Gundowring | Alpine Shire | VIC |
| Kyvalley Dairy | Kyabram | Campaspe Shire | VIC |
| Lactalis Group | Bendigo | City of Greater Bendigo | VIC |
| Milawa Cheese Co | Milawa | Rural City of Wangaratta | VIC |
| Noumi (Freedom Foods Group) | Shepparton | City of Greater Shepparton | VIC |
| Saputo Dairy Australia | Kiewa | Indigo Shire | VIC |
| Saputo Dairy Australia | Cobram | Moira Shire | VIC |
| Tatura Milk Industries | Tatura | City of Greater Shepparton | VIC |

**Table 2 - List off all dairy processors in the MDB**

### Milk movements to and from the Murray-Darling Basin

The MDB’s dairy processing capacity plays a key role in balancing milk solids across all production regions. The more regular supply of milk allows processors, transport operators etc to manage production more efficiently and utilised infrastructure more effectively throughout the year.

Increasingly, fresh milk is transferred between dairying regions for processing. Currently, surplus milk from Gippsland and Western Victoria is transferred to milk factories in Northern Victoria for processing. It’s also estimated about 250 to 300 million litres of milk have been transferred from the MDB to meet processing needs in other states, illustrating the interconnectivity of dairy regions.

The freight industry supporting the Australian dairy industry is estimated at around $890 million annually supporting the movement of raw and processed product at the various stages of the supply chain. (Case study Appendix I)

In the “Implications and issues for Australian Dairy Stakeholders of Domestic Raw Milk Pool Trajectories to 2030” prepared by Fresh Agenda, it was reported that milk movements in 2023 were influenced by the mismatch between production and manufacturing capacity.

Fresh Agenda (2023) identified that:

*1. The year-round deficit of milk to meet the processing demand in SE Qld is met from Nth and Central NSW.*

*2. The net deficit in Central NSW is met from Nth Victoria*

*3. Gippsland’s surplus milk in excess of regional capacity is hauled to Nth Victoria (cheese) and Gippsland (cheese and ingredients)*

*4. Sth Australian milk is moved into West Vic and vice versa depending on seasonal availability*

*5. The surplus in milk West Vic (depending on the contractual demand for cheese) is hauled to Nth Victorian cheese plants*

In the same report, Fresh Agenda modelled three milk production scenarios through until 2030. In the mid case – Scenario 2 – it was forecast that 726 ML and 355 ML would be transferred from Gippsland and Western Victoria respectively to be processed in Northern Victoria.

This movement of milk highlights the importance of the MDB and particularly northern Victoria as a processing hub.

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**Figure 5 – Milk movements to and from northern Victoria**

# Drivers of change

The Australian agricultural landscape is constantly evolving, with all sectors, including irrigated dairy, experiencing ongoing transformations. However, the rate of change within the irrigated dairy industry has accelerated significantly primarily driven by: government policy reforms (and particularly those related to water management), climate change impacts, and commodity market volatility.

Water policy reforms have necessitated more efficient and sustainable water use practices, while climate change continues to alter weather patterns, affecting production cycles and resource availability. At the same time, fluctuating commodity markets have introduced additional layers of uncertainty, compelling the industry to adapt swiftly to maintain viability and competitiveness.

Together, these drivers are reshaping the future of irrigated dairy as well as the communities they support in the MDB, necessitating a strategic, adaptive approach to ensure long-term sustainability and prosperity.

|  |  |  |
| --- | --- | --- |
| Driver | Element | Dairying in the MDB |
| Climate & natural resources | Climate change | Adapting to a changing climate with reduced water availability, more erratic weather patterns and increased frequency of extreme weather events will be ongoing. For communities, comprehensive risk management strategies, including resilient infrastructure and emergency response plans, will be important. Additionally, fostering community preparedness through robust infrastructure and climate resilience education will support collective response efforts |
| Water | Water policy reforms have significant implications for the dairy industry and its surrounding communities, driving a shift towards more efficient and sustainable water use practices. The dairy industry has already made large and innovative changes in response to these policies, including adopting efficient irrigation technology and infrastructure and selecting crops and pastures with higher water use efficiency.  Dairy processors continue to invest in more water efficient processes including waste water reuse. |
| Biodiversity | Integrating Environmental, Social, and Governance (ESG) principles into the dairy industry significantly enhances sustainability and community well-being. Environmental responses include promoting biodiversity and transitioning to renewable energy sources.  The Dairy Industry Sustainability Framework provides a structured approach to achieving these goals, emphasising the need to share costs along the supply chain and with consumers and communities.  Climate reporting will become mandatory for large companies in 2025. |
|  |
| Circular economy | The concentration and colocation of production, processing and service sectors (full supply chains) creates ideal circumstances for locations across the MDB to progress circular economy opportunities that can benefit the broader dairy industry. Focus on scope 3 emissions and full supply chain waste targets will require engagement and collaboration with broader stakeholders. |
| Energy transition | The reliance on power (electricity) will increase with increased automation and intensive farm systems. This will required improved network reliability, storage, distribution and transmission.  The manufacturing sectors’ reliance on gas presents an immediate threat to international and domestic competitiveness.  Increased automation will increase energy needs. Energy generation options exist however they must be matched by grid distribution, transmission and storage.  Across the MDB there are multiple locations with a concentration of diverse industry that may provide opportunity for collective or shared solutions between dairy and non-dairy stakeholders and manufacturers. |
| Food security | Changes in dairy sectors irrigation patterns and volumes will impact system operations and hence the costs and reliability of supply for other system users and commodities. |
| Research, innovation & technology | Research and development | Research, innovation, and technology are crucial for the dairy industry's future, necessitating prioritised investments based on local input to address emerging challenges. The commercial sector drives advancements in technology, genetics, and machinery, while public investment should complement these efforts, filling gaps and adding value. Emphasising adoption and skills development is essential to ensure these innovations are effectively utilised. Imported automation, energy and other systems will require on-staff skills to install and maintain. Imported automation, energy and other systems will require local service skills to install and maintain |
| Agtech |
| Adoption |
| People & communities | Workforce | Structural changes are occurring across industries and regions, demographic shifts and long-term trends underpin changes. In addition, roles within the industry are evolving with an increasing use of technology. Ensuring that the industry has the skills for the future is critical and that training and education align with these needs. There is also a need for the industry to continue to attract new entrants and ensure their experience results in a high level of retention. Creating careers and opportunities are key to supporting this retention effort. |
| Education and training |
| Housing | The 2020/21 report entitled “Housing in Australia’s Dairy Regions” prepared by the Regional Australia Institute highlighted the shortage of housing in all dairy regions for both the rental and homeowner markets. In addition, during this Covid period, property prices for regional housing significantly increased making it more difficult for potential homeowners.  Larger farms, more intensive operations signal the need for increased off farm accommodation options, and for all career levels including farm managers and highly skilled professionals.  Housing and the associated lifestyle offer is key to manufacturing securing the contract and permanent workforce to manage their increasingly sophisticated manufacturing sites and operations. |
| Community services | For the industry to attract and retain the people it needs to provide the services to support the needs of families and workers within the industry. This requires industry leadership to ensure that the engagement with communities is strong. |
| Community connectedness |
| Supporting services | Transport and logistics | Roads and related infrastructure need to support a changing industry. Floods in Victoria highlighted the limitations of road infrastructure and particularly bridge loadings when transport needed to access different routes. |
| Digital connectivity | Digital connectivity will be essential to support the roll out of technology, and to support the increased automation and logistics across the whole supply chain. |
| Competitiveness | Management skills | Farm Managers will need a high level of skills into the future to manage bigger farms (more people), increasingly complex farming systems and increasing technology. In addition, the ability to manage risk will be a key component. |
| Risk management | A managed approach to risk is required which becomes more complex as farms intensify and grow. Risk management will also improve access to capital.  Supply certainty is key to processor confidence and with it ongoing investment in sites in the MDB. This is one example where the flow on consequences of government policy may jeopardise appetite to continue to invest and operate in the region. |
|  | Access to capital | Certainty in the operating environment impacts on the willingness of capital providers.  Capital capacity is key to determining the pace of on-farm investment and industry transition including investment in energy transition, circular economy and automation.  Investment incentives are essential to support the timely investment.  Capital capacity is key factor determining the pace Policies that expect more rapid transition or are required to respond structural adjustment will need funding support to succeed. This is particularly important where the capital investment does not improve business competitiveness or productivity. |

# Trends in the supply chain in the Murray-Darling Basin

As a result of the changes outlined in the previous section, there has been significant adaptation to the new operating environment in recent years.

The following diagram illustrates the dairy supply chain, where processors source fresh milk from farm suppliers. After processing, the milk is directed either to further processing or to markets – export, domestic retail, or domestic food service.



Source: Economic and broader contribution of the dairy processing sector (Deloitte, 2021)

This section discusses the changes that have occurred in the different parts of the supply chain.

## On Farm

The on-farm trends in the dairy industry highlight significant changes driven by evolving environmental, economic and technological factors. These trends are crucial for understanding the current state and future direction of dairy farming within the Murray-Darling Basin.

### Feed base Systems

Dairy farms are making significant changes to their feedbase systems to enhance productivity and sustainability:

* **Shift from Traditional Grazing:** The volatility of water availability experienced since the Millennium Drought has prompted a move away from traditional low-cost grazing systems that rely on freely available and cost-effective irrigation water. Newer grazing systems retain the productive value and management benefits of ryegrass but are integrating more annual species as well as other grazing species that have higher water use efficiency or more flexibility with regards to irrigation. Grazing based systems are also integrating risk management practices that involve a combination of improving water security, cash resources and/or stored feed to prepare for periods of reduced water availability or increased cost.
* **Partial Mixed Ration (PMR) and Total Mixed Ration (TMR) Systems:** A significant number of farms are adopting PMR and TMR systems, which involve mixing various feed ingredients to provide a balanced diet for dairy cows. In 2023, 50% of farm businesses in the Murray region fed a total TMR diet at some point over the year (Feed and Nutrition Survey, Dairy Australia, 2023). These systems improve feed efficiency, enhance milk production, and allow for better control over the nutritional intake of the herd. Critically, they allow for feed intake to be delivered in part or wholly by stored or bought in feed which allows businesses to spread the cost and production risk of their required feed volumes over several seasons, geographical areas and feed types. These systems generally rely on a higher investment in both feeding infrastructure and management practices such as agronomy and herd management to achieve production efficiencies to offset increases in business costs.
* **Increased water use efficiency:** Regardless of feed system type, farm businesses are adopting a complex mix of forage types on farm to increase water use efficiency. These species include sorghum, lucerne, fescue, millet and winter cereals for grazing, and grain sorghum, maize, lucerne, vetch and winter cereals for conservation and storage. In 2023, 48% of Murray region farmers grew winter cereals for forage conservation, and 24% grew maize despite ideal conditions for direct grazing of ryegrass species (Feed and Nutrition Survey, Dairy Australia, 2023).
* **On farm efficiency upgrades**, Dairy farmers have undertaken significant water use efficiency programs in the MDB. According to a 2020/21 survey commissioned by Goulburn Broken CMA, 92% of farmers in the Goulburn Murray Irrigation District had upgraded their irrigation systems and this was the highest of any industry surveyed.
* **Investment in Feeding Infrastructure and Climate Shelters:** Farms are investing in advanced feeding infrastructure such as storage and mixer wagons, feedpads, climate shelters and housing systems. Enhanced storage facilities also allow for the preservation of high-quality forage. Investment on farm is increasing in the Murray region. Nearly 40% of Murray region farms have permanent infrastructure to support feeding and housing of cows, which ranges from sophisticated barn and shed systems to feedpad areas. Investment on farm continues, with 95% of farmers in the Murray region investing on farm between 2022-24 and 90% planning to invest in the period of 2024-26. (NDFS, Dairy Australia, 2024).

### Technology use/adoption

Farmers across the Basin have adopted a range of technologies to improve efficiency and productivity on farm. Some of the areas of adoption include:

**Feedbase and animal nutrition** (Dairy Australia’s 2023 Feed and Nutrition Survey)

* Technology use for nutritional management is increasing with more farmers using computer-based systems to monitor individual cows (21% in 2019 to 28% in 2023).
* The use of technologies such as drones and satellites to measure pasture growth doubled from 6% in 2019 to 12% in 2023 and from 4% to 9% to assist in pasture rotation decisions.
* The Forage Value Index (FVI) provides an independent and reliable assessment on the potential economic value of Perennial, Italian and Annual ryegrass cultivars:
  + Nationally, farmer awareness of the Forage Value Index (FVI) increased from 51% in 2019 to 63% in 2023.
  + The largest increase in awareness was seen in the **Murray region** (from 38% to 68%).

**Increased animal monitoring and electronic data capture[[4]](#footnote-5)** Approximately three quarters (76%) of all survey respondents collect individual cow data electronically. In the **Murray region** 84% of farmers use this technology representing the highest level of electronic data capture.

**Genomics[[5]](#footnote-6)** The use of genomic testing of dairy heifers is rapidly increasing in Australia. The most recent data shows that over the 6 months between 1 July 2022 and 31 December 2022, around 71,000 females were commercially genotyped in Australia (source: DataGene).

**Increased use of (renewable) energy sources[[6]](#footnote-7)** Survey results suggest there has been significant uptake of renewable energy installations since 2015 (71% of farms now with at least one installation, up from 44%). Murray Dairy has led the adoption of renewable energy systems with a significant increase in solar panel installation on farm.

**Automatic/Robotic milking** In Australia, automatic milking systems (AMS) operate across a range of farming system types, including pasture based grazing with variable levels of supplementation and contained housing systems. There has been a significant increase in the integration of AMS into Australian dairy farms, irrespective of farming systems, driven by considerations related to workforce availability, improved technology and AMS accessibility.

As well as creating greater flexibility, Australian dairy farmers adopt AMS due to potential animal health advantages, workforce savings and to set reliable milk production expectations for their operation. There are three main types of AMS which are commercially available - single box systems, multi box systems and automatic rotary.

### Workforce and Labor Trends

The dairy industry's workforce is evolving, with a focus on skill development and labour efficiency:

* **Technological Skills:** The adoption of advanced farm systems requires people to have specific skills in a wide range of areas including animal performance, milking and irrigation technology, agronomy, business management, HR and leadership including engaging a diverse range of employee demographics.
* **Labor Efficiency:** Streamlining farm operations to reduce labour costs and enhance productivity has involved adopting technology that automates repetitive tasks, allowing personnel to concentrate on more complex activities.

### Farm Sizes

There is a trend towards farm consolidation and expansion, driven by the need for economies of scale and improved efficiency:

* **Farm Consolidation:** Smaller farms are merging or being acquired by larger operations to benefit from economies of scale
* **Expansion:** Larger farms are expanding their operations, increasing herd sizes, and acquiring additional land. According to Dairy Australia's Situation & Outlook report 2024, 26% of Murray Dairy farms are expanding, and significantly more farms have increased their milking herd size over the past year (44%)​.

### Profitability and Business Confidence

According to Dairy Australia’s Situation and Outlook report 2024, business confidence within the dairy industry in the Northern Victorian subregion of the MDB is at its highest since 2017, with a forecast of 84% of farms expecting to make a profit in 2024.

* **Risk Management:** Farmers are incorporating comprehensive risk management strategies to handle market volatility, climate change impacts, and other uncertainties.
* **Access to Capital:** Ensuring that farms have access to the necessary financial resources to invest in modern technologies and expand operations, including loans, grants, and investment from both public and private sectors.
* **Innovative Business Models:** Adopting new business models that enhance profitability and sustainability.

## Dairy processing and manufacturing

### Milk supply volatility and price

To be competitive in domestic and international markets, dairy processors need to have confidence they can secure reliable milk volumes at reasonable prices year on year.

The deregulation of the Australian dairy industry in 1999 fundamentally changed the relationships between producers and processors, and removed the regulatory constraints on the movement of raw milk and processed products between states.

The maturing of these arrangements has coincided with a declining domestic milk pool, domestic and international price volatility, and since 2015 a significant shift in supplier loyalty in part attributed to changing processor ownership and pricing.

There has also been growth in small scale boutique processing - although the overall volume attracted into this segment remains small.

Many of the milk production drivers are shared with non-MDB production regions however the MBD is characterised by its reliance on irrigation. Industry engagement continues to indicate uncertainty for irrigated agriculture in the MDB has created an additional risk for manufacturers.

Modelling prepared by Goulburn Murray Water shows that the purchase of approximately 100GL in the Goulburn Murray Irrigation district water and the termination not the associated delivery shares (network access) could increase water delivery costs by more than 34% for remaining customers[[7]](#footnote-8). As a result there is increased concern for the supply of milk, and the price that may be required to provide viable returns to producers.

### Energy reliability, cost and transition

Energy – power and gas – are critical to processing operations. Energy costs are a significant operating cost and have seen significant increases over recent years however manufacturers highlight increased grid disruptions as an equal if not greater cost to the business - and an immediate opportunity to improve productivity.

**Reliability** – Consultations with dairy processors in northern Victoria have confirmed disruptions occurring one day in three with frequent microflicks and less frequent extended outages. A less than one second disruption (microflick) in a complex automated operating plant causes approximately 7 hours of downtime in addition to the costs of further processing to meet compliance and food safety standards.

Manufacturers’ monitoring of disruptions indicates some correlation with increased localized summer storm activity. With climate change scenarios indicating increased climate volatility, grid reliability is a critical concern with emphasis on amending the current regulatory frameworks that discourage and even preclude investment to improve grid interface and power reliability.

**Gas displacement** – The combination of supply uncertainty and rising costs has elevated manufacturers interest in gas displacement options. Thermal energy storage is currently being explored by several northern Victorian manufacturers and similar established and emerging technologies need to progress at speed to provide alternatives to traditional gas and to maintain competitiveness.

**Costs** **& transition** – Energy costs are critical to the domestic and international competitive of Australian manufacturing. Many areas of the MDB are well suited to renewable energy generation, however the speed and scale of this investment is constrained by grid connectivity, and the appetite of regulators and energy providers to plan augmentation of transmission, distribution, and storage to support the ongoing operation of regional manufacturing hubs.

Examples may include localised networks for example according to ARENA, renewable energy resources and microgrids can help offset the need for large-scale distribution network capital investment and operating costs, thereby reducing costs for industrial, commercial and household consumers, especially in remote area and fringe of grid situations.[[8]](#footnote-9)

**Alternate energy generation and storage -** Dairy processing generates year-round bio-waste and wastewater streams. Dairy processors in the MDB are already benefiting from their investment in onsite bioenergy generation however the viability of bioenergy depends at least in part on the site’s footprint and infrastructure with greenfield developments enjoying a significant advantage. Developing co-located or shared bio-energy sites may provide an alternative where behind the meter cannot be accommodated on site.(see Case study in Appendix 2)

### Sustainable packaging

Dairy Australia, ADPF and Australian Packaging Covenant Organisation (APCO) have mapped a series of national packaging targets they aspire to achieve by 2025. The targets include:

* 100% of packaging designed to be reusable, recyclable or compostable by 2025
* Collection and recycling systems available for all packaging by 2025
* 80% of supermarket products to be labelled with the ARL by December 2023
* 50% average post-consumer recycled content across all packaging by 2025

Alongside the road map the ADPF is targeting 100% landfill diversion rate by 2030 as outlined in the Australian Dairy Industry Sustainability Framework.

The Recycled Materials Pledge initiate launched in 2022 is challenging major brands to publicly commit the volumes of specific materials they will transition from virgin materials to recycled materials by 2025.

Success depends on the commitment of the industry but also retailers, waste and reuse service providers, R&D governments and consumers.

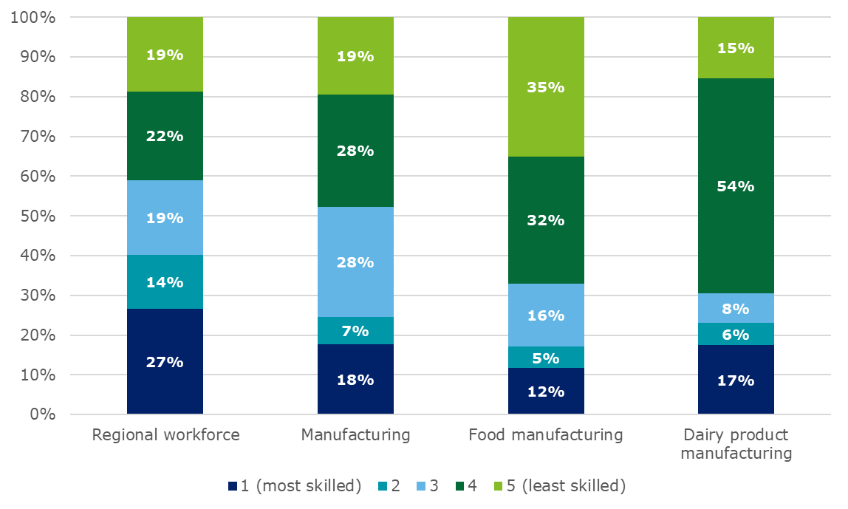
While the targets and aspirations are not unique to the MDB, the region and specifically northern Victoria is the highest volume processing location, shares the sustainable packaging challenges with other local industries notably horticulture and livestock processing and is home to significant waste services and packaging sector (Visy, Opal. SCS Plastics, Veolia, Cleanaway, Foott). The concentration of agri-packaging and waste sector suggests opportunity for R&D and application in partnership with wider manufacturing and associated sectors, and within community’s that support the success of local industry.

### Workforce

A survey of Australian Dairy Products Federation members in 2021/22 (Bridge, 2022) found the following in relation to the processing sector workforce nationally:

* Members reported a vacancy rate of 8.2%
* 49.7% of the workforce was over 50 years old
* 78% of processing sites reported difficulty in accessing training support for dairy specific skills
* 55% registered challenges in accessing general training needs
* There is a growing need for skilled labour as plants increase the sophistication of processing technology

A report into the economic and broader contribution of the dairy processing sector by Deloitte Access Economics (2021) found that most dairy processing jobs are relatively lower skilled occupations. Deloitte reported that in 2016 (latest available data) over half of all jobs within the industry were categorised as skill level 4. These roles, predominantly comprising factory workers and truck drivers, provide important opportunities for people in regional areas who typically have access to fewer employment opportunities than their metropolitan counterparts.



Source: Economic and broader contribution of the dairy processing sector – Deloitte

## Service Providers

For the purposes of this strategy the services sector includes a wide range of professional, and technical functions and trades.

On farm services can include animal veterinarians, electrical and digital technicians, agronomists, to business, finance, water, energy and insurance brokers. For manufacturers there are many similar categories and increasingly a need for energy, automation and technology services and trades.

Across the MDB, dairy production and manufacturing occurs alongside other primary production and processing activities with considerable overlap for example engineering and design to support construction, electrical and renewable energy. Dairy’s year-round activity often underpins the viability of local service providers and consultants.

The need for skilled professionals and service providers is not unique to the MDB, however the distance from major urban centres and the life-style offering can present challenges to the attraction and retention of trades and services. In addition, as dairy relies on irrigation within the MDB, there is a need for an irrigation support sector such as technicians and advisors to provide farmers with the skills to adapt to new technologies.

It should also be noted that there are challenges experienced by the irrigation service providers due to shrinking irrigation, distributed use, ageing assets and the costs of renewal.

It is expected that the dairy industry’s transition to more automation, energy dependent and intensive production and processing will increase the demand for a number of existing and emerging services.

## Community

When considering the community supporting dairy, this plan takes a holistic view across and so includes government, health, education, public transport, water corporations, as well as the many and varied individuals and organisations that create the fabric of regional communities and regional living.

The Australian Bureau of Statistics data indicates that some local government areas (LGAs) with high levels of dairying have seen a population declines over the last two decades.  For example, Gannawarra LGA has seen a fall in population by more than 10% since 2001.  And whilst Australia’s total regional population over this period increased by 21%, a number of dairy LGAs grew less quickly than average.  For example, Campaspe in northern Victoria grew by only 7% in the same period.

Based on data from Australian Curriculum, Assessment and Reporting Authority, amongst those dairying LGAs, some are seeing more rapid decline in school enrolment than the average for Regional Australia.   LGAs in this category include Southern Downs (Queensland), Berrigan (Southern NSW), Cowra and Forbes (Central NSW) and, Gannawarra and Greater Shepparton (Northern Victoria).

**Governments**

All levels of government have a vital role to play in shaping the operating environment for dairy and the services and industries that will support its transition. Across the MDB, governments and agencies recognise the importance of agricultural production and food processing to local economies. However local, state and federal policies and investment in areas such as energy transition, circular economy, education and training, and national freight networks are equally important to improving the competitiveness and profitability of MDA dairy sector.

The connectivity within the MDA dairy industry is often complicated by state borders, LGA boundaries and other geographic operating footprints such as those for RDAs. For example in the three LGAs of Campaspe, Moira and Greater Shepparton there is more than $5.5 billion of manufacturing, that includes $3.2 million of food and grocery manufacturing. Dairy dominates food and grocery manufacturing representing more than half the annual activity. The dairy production region extends over the state border into the Riverina with NSW milk processed in Victoria. In addition to two states and at least three LGAs, the northern Victorian region is bisected by the boundaries of RDAs and Regional Partnerships.

Similar challenges can exist for health, education, public transport service planning and delivery.

**MDA connectivity to progress shared challenges**

Many challenges such as energy transition, workforce attraction, housing and transport are shared with other co-located ag industries.

For example, housing is an immediate challenge that will be shaped by increased proportion of farm workers expected to live off farm, and more highly skilled workers employed on farm and in industry to manage larger and more sophisticated (automated) operations.

Other shared challenges include digital communications, public transport, education and school options.  These trends present opportunities for local government planning and for communities to redefine the role of cities, and smaller towns and to play an important role in attracting and retaining workforce in the region.

Developing networks and forums that allow regional communities to understand and solve these issues in partnership with local, state and national stakeholders is important. For example Food and Fibre committees provide a forum that brings together government, industry and supply chains to progress shared issues.

# How we move forward

This strategy proposes three pillars to position dairying in the MDB for a sustainable and prosperous future.  These elements are:

* + - 1. Promote – Communicate the story of the resilience and success of dairying in the MDB and painting a dynamic future ahead
      2. Connect -. Invest in building networks that reflect the new perspective and provide the basis for progressing priorities that cannot be achieved by business or dairy sector acting alone or can be improved by industry or business acting together.
      3. Respond – Manage the impact of the drivers that require the dairy industry to adapt to a new operating environment. While the industry has proven its ability to make these changes, further adaptation will be necessary in the future and there is an increasing number of drivers that are either not exclusive to dairy or cannot be solved by dairy acting alone.

## Promote

The new perspectives obligate the dairy in the MDB to clearly articulate its future needs and aspirations so it can

* Provide leadership to inform the design and roll out of policy by all levels of government and agencies.
* provide clear signals for community stakeholders to incorporate into the design and delivery of their services that may be as specific as land use planning, housing and childcare, workforce and training needs or as broad as liveability.
* provide clarity for future workforce and industry investment.
* help identify areas of alignment with co-located industry that may support multi-sector collaboration and investment in shared projects and activities that may include training delivery, energy and workforce mobility.

This is a critical first step in building the relationships and understanding required to support the industry’s success into the future. Underpinning future confidence will be the industries sustained success and adaptation to date.

## Connect

Invest in building networks that reflect the new perspective and provide the basis for progressing priorities that cannot be achieved by business or dairy sector acting alone or can be improved by industry or business acting together.

Examples may include :

* Addressing local energy security that may include shared generation, storage, transmission and distribution infrastructure
* Attracting, retaining and developing workforce and building skills that are generic across industries
* Considering a regional identity (which leverages off and complements the dairy in MDB) to develop a unified message for a region and drive confidence in investment, a means to engage communities and a mechanism to change policy

One example is the call from the The Australian Dairy Products Federation (ADPF) for a government-led Dairy Industry Advisory Group to be established to facilitate this dialogue, ensuring that processors, farmers, and communities can work together to secure a viable future for dairy in the MDB.

## Respond

Manage the impact of drivers of change that require the dairy industry to adapt to a new operating environment. While the industry has proven its ability to make these changes, further adaptation will be necessary in the future and there is an increasing number of drivers that are either not exclusive to dairy or cannot be solved by dairy acting alone.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Topic** | **Existing or emerging issue** | **Required response** | | |
|  |  | On farm | Manufacturing (Post farm gate) | Community |
| Climate and natural resources | Less reliable water availability | Need to further adapt farm systems  Improved risk management  Further intensification and development of associated infrastructure | Processing adapted to farm production  Improved risk management  Plans to consolidate production | Engage outside the industry to collectively address shared irrigation infrastructure and system affordability |
| Energy transition | Ensuring energy reliability  Energy generation and storage opportunities | Timely support and incentives to encourage transition  Legislative and regulatory amendments to enable localised storage, distribution and transmission investment | Community support and investment in transition plans  Shared planning with industry (a cooperative approach to localised storage and distribution) |
| Circular economy | Reducing waste | ADPF 100% landfill diversion rate by 2030.  APCO roadmap   * 100% of packaging designed to be reusable, recyclable or compostable by 2025 * Collection and recycling systems available for all packaging by 2025 * 80% of supermarket products to be labelled with the ARL by December 2023 * 50% average post-consumer recycled content across all packaging by 2025 | Ongoing engagement outside dairy supply chain to identify and progress R&D and opportunities to establish new industries. |
| Research and innovation | Changing farm systems | Ongoing development of feedbase options and management  Intensification of farm systems  Increased opportunities with robotics and automation  Requirement to reduce GHG emissions |  |  |
| People and communities | Flexibility of land use | Regulation to allow establishment of dairy infrastructure |  |  |
| Housing | Housing solutions for farm workers |  |  |
| Liveability (workforce attraction) |  |  |  |
| Supporting services | Increased movement of fresh milk | More efficient transport and logistics  Improved roads | Improved road connectivity | Work with industry to plan for freight needs and associated services. |
| More reliance on digital connectivity | Identify and address connectivity gaps and blackspots. |  |  |
| Competitiveness | Skilled workforce | To allow businesses to prosper |  |  |
|  |  |  |  |
| Management skills | Needed to farm transition and improved risk management  Dairy processing has access to the expertise it needs into the future |  |  |
| Service providers | Industry needs to ensure farms have access to adequate external expertise |  |  |
|  | Competition for resources |  |  |  |

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# Appendix I

**Lactalis Australia finds productivity success in environmentally sustainable practices**

Contributing to the development of a sustainable production and distribution system is a top priority for Lactalis Australia, who are seeking to continuously improve their practices and achieve sustainability goals to ensure a better future for the company and broader dairy industry. Specialising in dairy products owned and operated by the Lactalis Group, Lactalis Australia employs approximately 2,500 people and works closely with some 500 farmers to bring Australians some of their favourite brands, such as Pauls, Vaalia, Tamar Valley, Lemnos, and Oak. A Lactalis Australia spokesman said it’s critical that the business is continuing to evolve across its operation to reduce environmental impacts without sacrificing operational productivity. “A great example is our Strathmerton staging facility which was set up in 2017 to collect and distribute milk in northern Victoria, which is Lactalis’ major collection region in Australia,” a Lactalis spokesman said. “About 200 million litres of milk is collected in this region annually, of which 40 million litres is delivered direct from farms to our Bendigo site, with most of the remaining volume delivered to the staging facility for onward distribution. “Each week, over 80 tankers are dispatched from the staging facility, which has become integral to balancing Lactalis milk volumes on the eastern seaboard.”

The Lactalis spokesman said that in partnership with Booth Transport, one of Australia’s leading milk transport companies, the company has been able to set up the staging facility so it now overdelivers operationally and provides outstanding environmental outcomes. “The central location of the staging facility and its larger capacity have allowed truck movements to be reduced by over 1,400,000 kilometres per year, which is the equivalent of driving around Australia over 90 times. The facility remains productive and profitable whilst reducing the business’ impact on greenhouse gas emissions,” he said

# Appendix II

**ACM biodigester (Source: NAB News 10/3/2023)**

After a lot of consideration, ACM chose to invest about $6 million in a waste-to-energy project to produce gas from a biodigester, which generates biogas and fertiliser from organic waste.

For ACM Director Paul Ingleby, who has been schooled in the unforgiving world of agri-finance, there were powerful economic and sustainability considerations.

“We’re putting in a cogeneration unit with combined heating and power,” Mr Ingleby told a NAB sustainability function.

“It will be powered by a biodigester on-site to produce 94 per cent of our electricity and reduce our emissions by 70 per cent.

# Appendix III – Consultation questions

Farmer facing consultation:

|  |  |
| --- | --- |
| Element | Prompting question |
| On farm | What are the key elements that contribute to a successful dairy business in your region?  What are the key management areas or practices you prioritise to achieve this?  How has your business changed in the last 10 years?  What further changes do you envisage into the future?  What support do dairy farmers need to continue to adapt to changing circumstances? |
| Supply chain and service providers | Do you have access to the necessary expertise to support your business?  What do you look for when selecting services, e.g. agronomist, genetics, etc  What additional expertise will you need in the future?  What services and support do you look for in your milk processor?  Are there additional services the milk processors could provide?  Are there any barriers to your ongoing success and growth? |
| Your local community | What does the community look like in your region?  What are some of the challenges?  Are there adequate services in your community to support your family and attract farm workers?  What do you need to support your family/employees in your community that is not being met? E.g. health, sport, education etc. |
| Draft strategic plan | Do the three pillars of Promote, Engage and Respond in the draft plan address your future challenges? |
| Measure of progress | What should we be measuring to monitor progress against the plan in respect to dairy farming? |
| Other | Is there anything else that could support dairying into the future? |

Processor consultation:

|  |  |
| --- | --- |
| Element | Processor |
| On farm | What does an ideal supplier look like to you in your region?  What key areas do you invest in to support this?  Are there things that could be done collectively to improve and/or grow milk supply? |
| Supply Chain and service providers | What are the strengths of processing in your region?  What opportunities are there for the industry in the MDB?  Are there things that could be done collectively to improve opportunities for processing?  What are the priority areas for you – milk supply, workforce, energy, logistics, technology, expertise etc? |
| Your local community | What does the community look like in your region?  What are some of the challenges?  Are there adequate services in your community to support you and your workers families and attract workers and management?  What do you need to support your family/employees in your community that is not being met? E.g. health, sport, education etc. |
| Draft strategic plan | Do the three pillars of Promote, Engage and Respond in the draft plan address your future challenges? |
| Measure of progress | What should we be measuring to monitor progress against the plan in respect to processing? |
| Other | Is there anything else that could support dairying into the future? |

Community consultation:

|  |  |
| --- | --- |
| Element | Community |
| On farm | How important is dairy farming in your region?  What benefits do farm businesses contribute to your community?  What challenges do you face in a community largely made up of farm businesses? |
| Supply chain and service providers | What other dairying related businesses operate in your region (processing, agricultural services etc)  What benefits/challenges does the community face by having a large workforce in these areas? |
| Your local community | What does the community look like in your region?  What are the benefits/value of your community?  What are some of the challenges – health, education, housing, services, transport etc?  What more do you think the community could do to support the dairy industry in the community |
| Draft strategic plan | Do the three pillars of Promote, Engage and Respond in the draft plan address the dairy industry’s future challenges? |
| Measure of progress | What should we be measuring to monitor progress against the plan in respect to communities? |
| Other | Is there anything else that could support dairying into the future? |

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