



Australian Dairy Industry Sustainability Report 2019

Towards our 2030 Goals
Progress Summary



Our Dairy Promise

To provide nutritious food for a healthier world

Our Dairy Promise is underpinned by the following commitments



Enhancing economic viability and livelihoods

Creating a vibrant industry that rewards dairy workers and families, their related communities, business and investors



Improving wellbeing of people

Providing nutritious, safe, quality dairy food



Providing best care for all our animals

Striving for health, welfare and best care for all our animals throughout their lives



Reducing environmental impact

Meeting the challenge of climate change and providing good stewardship of our natural resources



We publicly report our progress and support the UN Sustainable Development Goals (SDGs)

Towards our 2030 Goals

The Australian Dairy Industry Sustainability Framework allows us to publicly report progress against Our Dairy Promise – to provide nutritious food for a healthier world. This promise is underpinned by four Sustainability Commitments and 11 goals.

Our 2030 goals align with the United Nations Sustainable Development Goals – also set for achievement by 2030 – in recognition of dairy’s role in the global effort to address the world’s sustainability issues. These UN SDGs are the global blueprint to achieve a better and more sustainable future for all.

The Australian dairy industry remains committed to continuous improvement to address evolving community and consumer expectations and emerging issues. The Australian Dairy Plan (ADP) will also drive changes in industry’s priorities. The Sustainability

Framework will continue to be revised and enhanced to include any additional areas from the ADP not already included in the Framework to maintain Australian dairy’s status as a source of sustainably produced food and ingredients.

A summary of our 2019 progress

This year, we are reporting against our 2030 goals and targets for the first time. In some areas, we are yet to finalise the target metrics and/or baseline metrics. These will be developed during 2020.

Full details of the results, baseline years and data sources for each goal and target are provided in the full *Sustainability Report 2019* (available at: sustainabledairyoz.com.au)

A summary of our 2019 progress				Baseline	2019	2030 Target	Progress	
Enhancing economic viability and livelihoods	1 Increase the competitiveness and profitability of the Australian dairy industry	1.1	Farm businesses achieve at least \$1.50 EBIT/kg MS ¹	*20%	16%	>50%	●	
		1.2	Increase the Australian dairy industry’s share of global dairy trade to 10% by volume ²	*6%	6%	10%	●	
		1.3	Increase RD&E expenditure in the dairy sector by 2% per annum	*\$47 million	\$47 million	\$58.5 million	N/A	
				– % dairy farmers constantly looking for new information to improve farm business ³	79%	83%	–	●
				– % dairy farmers reporting new farming ideas were very important to them ⁴	74%	78%	–	●
	– % dairy farmers reporting they were amongst the first in their area to try new ideas and products ⁵	46%	48%	–	●			
	1.4	Provide consumers with a range of products to meet different needs ⁶	85%	88%	100%	●		
	2 Increase the resilience and prosperity of dairy communities	2.1	Increase the contribution the dairy industry makes to supporting the economy of dairy regions	– The total value of payments made to dairy farmers on a region-by-region basis ⁷	*\$4.3 billion	\$4.4 billion	TBC	●
				– The number of jobs supported by dairy economic activity in each dairy region – indicated by number of people directly employed in the dairy industry ⁸	*42,600	46,200	TBC	●
		2.2	Increase the recognition of the dairy industry’s benefit to regional communities	– The community sees the dairy industry as vital to the Australian economy ⁹	44%	51%	75%	●
				– % of people in regional areas who think dairy is an essential part of their community ¹⁰	88%	90%	95%	●
				– % of farmers who agree “people in my region appreciate the role that dairy farmers like myself play in our community” ¹¹	67%	68%	90%	●
		2.3	Increase the contribution people in dairy make to social capital (community initiatives) in their community	– % of farmers who say they/their employees actively participate in their local community initiatives ¹²	*69%	69%	100%	N/A
				– % of farmers who believe it’s important for them/their employees to support their local community initiatives ¹³	*87%	87%	100%	N/A
				– % of dairy companies investing funds and participating in local community initiatives	*TBC	TBC	100%	N/A
				– % increase in the level of participation of DA/RDPs in community-related events/initiatives	*TBC	TBC	TBC	N/A
				– Dairy farmers who agree their community has effective leaders and strong social networks – scale of 1 (strongly disagree) to 7 (strongly agree) ¹⁴	*4.6	4.6	TBC	N/A

For details of data sources see Full Report sustainabledairyoz.com.au

1 DairyBase, Dairy Farm Monitor Project data

2, 7, 8 In Focus

3, 4, 5, 9, 11, 12, 13 National Dairy Farmer Survey

6, 10 Dairy Trust Tracker Survey

14 University of Canberra Regional Wellbeing Survey

A summary of our 2019 progress				Baseline	2019	2030 Target	Progress
Enhancing economic viability and livelihoods	3 Provide a safe work environment for all dairy workers	3.1 Zero workplace fatalities on farm and in manufacturing ¹⁵					
		– Dairy farming	2	0	0	●	
		– Dairy companies	0	0	0	●	
		3.2 100% of dairy workers implementing good safety practices	**N/A	**N/A	100%	N/A	
		3.3 More than 90% of dairy workers working less than 50 hours per week	**N/A	**N/A	90%	N/A	
	3.4 30% reduction in Lost Time Injury Frequency Rate (LTIFR) for farm and manufacturing workplaces on figures reported in 2017 ¹⁶						
	– Dairy farming	9.3	N/A	6.5	N/A		
	– Dairy companies	6.4	N/A	4.5	N/A		
	4 Provide a productive and rewarding work environment for all dairy workers	4.1 Less than 25% of dairy workers report low levels of life satisfaction	TBC	*N/A	<25%	N/A	
	4.2 Rates of dairy remuneration are similar to or higher than for other regional industries	*N/A	*N/A	Yes	N/A		
	4.3 80% of dairy employees are retained within the industry year-on-year ¹⁷	71%	*N/A	80%	N/A		
4.4 Less than 20% of dairy employers report difficulty in sourcing suitable applicants	*N/A	*N/A	<20%	N/A			
4.5 More than 70% of dairy farm owners have an agreed farm transition/succession plan ¹⁸	21%	*N/A	>70%	N/A			
4.6 Human rights – dairy industry has a national human rights position – <i>Indicators to be developed in 2020</i>	TBC	N/A	N/A	N/A			
Improving wellbeing of people	5 All dairy products and ingredients sold are safe	5.1 Zero non-compliant chemical residues found during the Australian Milk Residue Analysis (AMRA) Survey	0	0	0	●	
		5.2 Zero product recalls due to food contamination (as reported by Product Safety Recalls Australia)	8	11	0	●	
		5.3 95% of consumers agree Australia produces safe and high quality dairy products					
		– The dairy industry produces safe products ¹⁹	81%	82%	95%	●	
		– The dairy industry produces high quality products ²⁰	83%	86%	95%	●	
	5.4 Food Safety Culture embedded into the dairy food business	N/A	N/A	N/A	N/A		
	6 Dairy contributes to improved health outcomes for all Australians	6.1 Improve consumers' perception of the health and nutrition benefits of dairy foods					
		– 90% of consumers believe dairy foods such as milk, cheese and yoghurt play an important role in a healthy well-balanced diet ²¹	67%	67%	90%	N/A	
		– 90% of individuals agree "Dairy foods are essential for good health and wellbeing" ²²	72%	80%	90%	●	
		– <20% of individuals agree "I'm concerned consuming dairy foods will increase my weight" ²³	32%	34%	<20%	●	
6.2 The National Health and Medical Research Council (NHMRC) Australian Dietary Guidelines continue to recommend milk, cheese and yoghurt as part of a healthy diet		Recognised	Recognised	Recognised	●		
6.3 Australians meet recommended daily serves for dairy	*TBC	*TBC	*TBC	N/A			
6.4 All dairy companies adopt a stated position on responsible consumption by 2020 and publicly report on progress by 2030	*TBC	*TBC	100%	N/A			

For details of data sources see Full Report sustainableairyoz.com.au

15, 16 Safe Work Australia

17, 18 Power of People in Dairy Survey

19, 20, 21, 22, 23 Dairy Trust Tracker Survey

Key

● Progress towards 2030 targets against baseline

● Result maintained or marginal change

● Regression

N/A = No data available or targets and metrics still to be finalised

* Reporting for the first time in 2019

** To be reported in 2020

A summary of our 2019 progress				Baseline	2019	2030 Target	Progress
Providing best care for all our animals	7 Provide best care for all animals for whole of life	7.1	100% ongoing compliance with legislated animal welfare standards				
			– % of farmers who have a copy of the <i>AHW Standards and Guidelines</i>	47%	77%	100%	●
			– % of farmers who agree complying with animal welfare standards is an important sustainability requirement ²⁴	95%	98%	100%	●
		7.2	All of industry adopting relevant recommended industry practices for animal care²⁵				
			– No tail docking	91%	96%	100%	●
			– No routine use of calving induction	90%	91%	100%	●
			– All calves managed appropriately				
			• sale calves sold at a minimum of 5 days old	78%	91%	100%	●
			• sale calves fed within 6 hours of transport	96%	99%	100%	●
			– All calves disbudded				
			• prior to two months of age	63%	72%	100%	●
			• with pain relief (for calves <2 months)	N/A	*76%	100%	N/A
			– All farmers implementing a lameness strategy	95%	96%	100%	●
			– All farmers where relevant have infrastructure to keep cows cool	92%	96%	100%	●
			– All farmers have a documented biosecurity plan	*58%	58%	100%	N/A
	7.3 90% of consumers believe dairy farmers do a good job caring for animals²⁶	58%	74%	90%	●		
	7.4 Antimicrobial Stewardship (AMS) – The dairy industry uses antibiotics responsibly – as little as possible, as much as necessary – to protect the health and welfare of our animals						
	– All dairy farmers access antibiotics from a registered vet ²⁷	*100%	*100%	100%	N/A		
	– All dairy farmers use antibiotics responsibly under veterinary direction ²⁸	*90%	*90%	100%	N/A		
	– Antibiotics of high importance to human Antimicrobial Resistance (AMR) in Australia are only used to treat dairy livestock in exceptional circumstances where no other alternative exists	TBC	TBC	TBC	N/A		
Reducing environmental impact	8 Improve land management	8.1	100% of stock excluded from waterways²⁹	76%	N/A	100%	N/A
		8.2	100% of riparian zones actively managed and maintained	N/A	N/A	100%	N/A
		8.3	100% of farmers complete and implement a soil and nutrient management plan³⁰	58%	N/A	100%	N/A
		8.4	100% of farmers have and implement a documented biodiversity action plan³¹	81%	N/A	100%	N/A
		8.5	Zero net deforestation by 2020	*N/A	N/A	0	N/A
	9 Increase water use efficiency	9.1	30% reduction in the consumptive water intensity of dairy companies (on 2010-11 levels) (ML water consumed per ML of milk processed)³²	1.75	1.91	1.22	●
		9.2	Improve water use and water productivity to utilise 2.0 tonnes of dry matter per ML used	*N/A	*N/A	2	N/A
		9.3	100% of farmers recycling water from dairy sheds³³	75%	N/A	100%	N/A
		9.4	100% of farmers monitoring water consumption	*N/A	N/A	100%	N/A
		9.5	100% of farmers have a water security risk management plan by 2020 and are implementing it by 2030	60%	*N/A	100%	N/A
	10 Reduce greenhouse gas emissions intensity	10.1	30% reduction in greenhouse gas (GHG) emissions intensity across the whole industry (from a baseline of 2015)				
			– Manufacturers (tonnes CO ₂ ~e/ML milk processed) ³⁴	140	143.4	98	●
		– Farmers (kg CO ₂ ~e/kg FPCM)	1.0	N/A	0.72	N/A	
	11 Reduce waste	11.1	100% diversion rate from landfill (for dairy companies) (tonnes of waste per ML milk processed)³⁵	2.69	1.5	0	●
		11.2	100% of silage wrap recycled (for farm)³⁶	28%	*N/A	100%	N/A
11.3		All dairy companies participate in the Australian Packaging Covenant (APCO) or equivalent scheme	9	10	All dairy companies	●	
11.4		100% of Australian dairy packaging to be recyclable, compostable or reusable by 2025 or earlier	*N/A	*N/A	100%	N/A	
11.5		Halve food waste by 2030 (placeholder – tonnes of dairy products per ML of milk processed)	*630,000	*N/A	TBC	N/A	

For details of data sources see Full Report sustainabledairyoz.com.au

24 National Dairy Farmer Survey

25, 27, 28 Genetics and Animal Husbandry Survey

26 Dairy Trust Tracker Survey

29, 30, 31, 33, 36 Natural Resource Management Survey

32, 34, 35 Dairy Manufacturers Sustainability Council

Contact

Chris Griffin

Chair, Dairy Sustainability Steering
Committee and Consultative Forum
T +61 3 8621 4200 (ADIC Office)

Helen Dornom

Manager, Sustainability including
Food Safety & Integrity
T +61 3 9694 3777
E helen.dornom@dairyaustralia.com.au

Dairy Australia

Level 3, HWT Tower,
40 City Road, Southbank 3006

dairyaustralia.com.au

sustainableairyoz.com.au

