

# Annual Operating Plan

2023/24



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

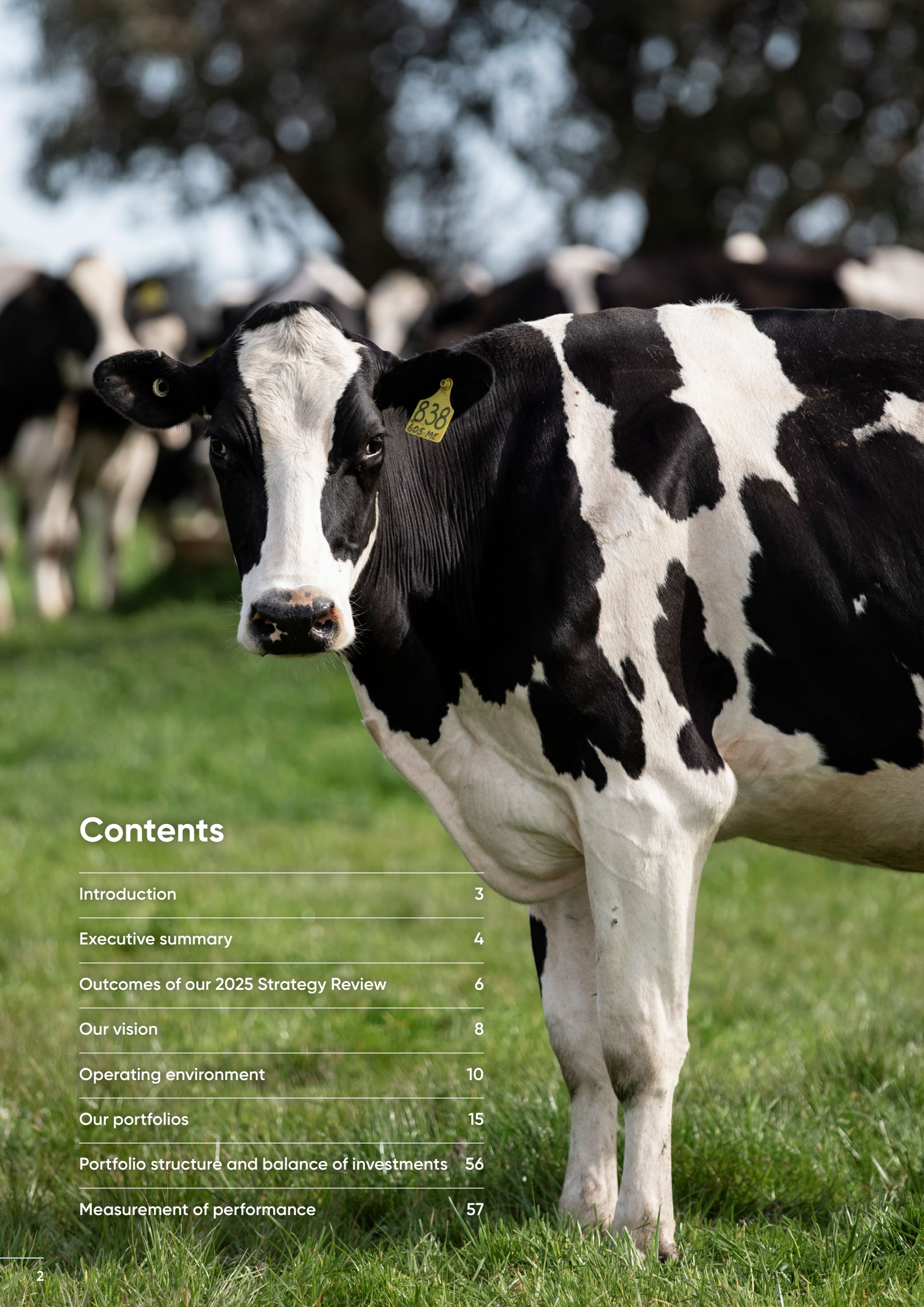
# Strategic framework

Dairy Australia has seven strategic priorities.

Each priority is underpinned by a goal, and key outcomes.

	1	2	3	4
Goals	MORE RESILIENT FARM BUSINESSES	ATTRACT AND DEVELOP GREAT PEOPLE FOR DAIRY	STRONG COMMUNITY SUPPORT FOR DAIRY	THRIVE IN A CHANGING ENVIRONMENT
	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
Outcomes	a Business planning that leads to better decisions and sustained success	a Greater awareness of Australian dairy as an attractive industry with rewarding career opportunities	a The Australian dairy industry is trusted and accepted by the community	a Greater ability to adapt to changes in the natural environment
	b Clear and understood drivers of dairy farm profitability and productivity	b Clear and supported skill development and career pathways	b Australian dairy is valued for superior health and nutrition benefits	b Efficient and profitable use of land, water, carbon and energy resources which nurtures and sustains the natural environment
	c Expanded range of risk management initiatives	c Access to capable and skilled farm employees and service providers	c The Australian dairy industry is committed to animal wellbeing	c Proactive action to reduce global warming and greenhouse gas emissions
	d Innovation in finance that increases access to capital for expansion and new entrants	d Support farm businesses and their service providers to get the basics right		

<p><b>5</b></p> <p>SUCCESS IN DOMESTIC AND OVERSEAS MARKETS</p>	<p><b>6</b></p> <p>TECHNOLOGY AND DATA-ENABLED DAIRY FARMS</p>	<p><b>7</b></p> <p>INNOVATIVE AND RESPONSIVE ORGANISATION</p>
<p><b>Improved access to high-value dairy markets, backed by trusted market insights and a favourable regulatory and policy environment</b></p>	<p><b>Inspire more agile and responsive dairy businesses through greater integration of technology and data</b></p>	<p><b>An organisation that is farmer-focused, with talented people who embrace innovative thinking and decisive action</b></p>
<p><b>a</b> Australian dairy is valued around the world for its premium products</p>	<p><b>a</b> Accelerated genetic progress in feedbase and animal breeding</p>	<p><b>a</b> We have a farmer-focused service delivery model</p>
<p><b>b</b> A favourable policy and regulatory environment</p>	<p><b>b</b> More flexible and agile dairy production systems</p>	<p><b>b</b> Our culture of learning and innovation, values and ways of working deliver success</p>
<p><b>c</b> Access to trusted market insights that inform decision-making</p>	<p><b>c</b> Greater use of high-value technology on farm</p>	<p><b>c</b> Our infrastructure, resources and processes allow us to be informed, agile and responsive</p>
	<p><b>d</b> Connected dairy production systems utilising multiple data sources to enhance decision-making</p>	<p><b>d</b> We have effective and transparent management of resources</p>



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# Introduction

Dairy Australia works towards shaping a profitable and sustainable dairy industry by providing services that benefit and advance dairy farm businesses and the industry. These services deliver value by enhancing farm business management, supporting employment and people development, driving herd and feed innovation, managing climate and environment, promoting Australian dairy and the commitment to sustainability, supporting international dairy markets, contributing to policy development and responding to critical issues and events.

Our services are based on a levy collected from every dairy farmer, which is matched by a contribution from the Commonwealth Government, for investment in research and development.

In this Annual Operating Plan, the Dairy Australia team sets out the range of services and activities to be delivered in 2023/24. While income has decreased due to reduced milk production and an unchanged levy rate, we will continue to focus on delivering value, make small reductions in investments in services and deliver a smaller deficit than last year.

**The dairy industry will continue to be a major contributor to the agriculture sector, with a strong regional presence, ongoing export success and a focus on adding value throughout the whole supply chain.**

We have developed this plan in consultation with farmers, research providers, industry leaders and our staff. It includes significant new investment in research and development projects and a focus on the priorities and goals set out in the **Dairy Australia Strategic Plan**. We continue to engage regularly with the Commonwealth Government and align with the principles and guidelines they provide, such as around stakeholder consultation, knowledge sharing and commercialisation.

Together, working with farmers, service providers and government, we will deliver services that increase the profitability and sustainability of the dairy industry.



A handwritten signature in black ink, appearing to read 'D Nation'.

**David Nation** Managing Director

# Executive summary

The Annual Operating Plan for 2023/24 aligns with the fourth year of investment in our five-year **Strategic Plan (2020–2025)**. The annual plan sets out Dairy Australia's priority activities, planned income and expenditure, and portfolios of projects.

In the penultimate year of the five-year plan, it's timely for us to evaluate progress and identify priority areas of investment. Each of the seven strategic priorities remain relevant, and we have identified critical activities in consultation with farm leaders. We have also assessed our performance against each of the 70 outcome measures set out in the strategic plan and identified eight areas of focus (see **page 6**).

Our planning process involves significant consultation with farmers through their elected representatives, as well as through many forums to invite farmer feedback. We also consider government priorities in forming the annual plan.

Milk prices remain at historically high levels across the country. However, there continue to be many factors that inhibit a substantial increase in milk production. The outlook is for milk production to remain at similar levels to 2022/23.

Productivity gains in the Australian dairy industry have slowed over recent years. As an export industry, it is important to understand how other major dairy producing countries are changing in both productivity and competitiveness. A new study will deliver this critical information in late 2023.

Dairy Australia continues to play a pivotal role in bringing new innovation to farmers. We do this through investment in research and development, searching globally for relevant innovations and partnering with other agricultural sectors to work on solutions that will deliver broader benefits (such as dairy-beef joint investments).

Our pilot project to increase engagement directly with farm business will be completed this year. We will also introduce new roles to adapt innovations to meet regional needs. This will involve further expansion of our regional services and will retain industry strengths in training, focus farms, discussion groups and other methods to extend information on farm practice changes to farmers.

We continue to work on expanding the number of people interested in a career in dairy. Local expertise in every region, tactical marketing campaigns and high levels of support for both new entrants and dairy businesses are integral parts of our second year of increased investment in this area.

Climate remains a high priority for several reasons. The Australian dairy industry has more climate variability than any of our peer industries globally. We are also committed to support industry targets to reduce global warming through reduced gas emissions (methane, carbon dioxide and nitrous oxide). An area of focus in this annual plan is to increase the number of farm businesses that know their carbon footprint (i.e. their estimate of gas emissions from different on-farm sources) and increase understanding of short term and future opportunities to reduce gas emissions.

As Dairy Australia's levy income has contracted, largely due to reduced milk production, so too has the expenditure in this annual plan, from \$70.9m in 2022/23 down to \$65.2m in 2023/24. Through more conservative budgeting, we have also reduced our planned deficit to \$2.4m.

Dairy Australia manages investments through seven portfolios, each aligned to a priority in the strategic plan. These portfolios utilise investment in research and development, marketing, policy development, trade development and sustainability to deliver outcomes for dairy farmers and to advance the dairy industry.

### 1 MORE RESILIENT FARM BUSINESSES

- \$5.5m investment (+\$0.1m from 2022/23).
- Continued focus on delivery of Our Farm, Our Plan as a major farm business training program.
- Ongoing commitment to the Dairy Farm Monitor Project and DairyBase as national programs of work.
- Continued analysis of dairy industry productivity and competitiveness.

### 2 ATTRACT AND DEVELOP GREAT PEOPLE FOR DAIRY

- \$7.3m investment (-\$2.1m from 2022/23).
- Second year of new investment in workforce attraction.
- Increased focus on improved farm safety.
- Expanded regional services with an ongoing commitment to extension and training.

### 3 STRONG COMMUNITY SUPPORT FOR DAIRY

- \$5.9m investment (-\$1.0m from 2022/23).
- Elevated role for the Sustainability Framework.
- Focus on developing dairy-beef markets.
- Implement strategic review for industry marketing.

### 4 THRIVE IN A CHANGING ENVIRONMENT

- \$12.0m investment (+\$0.4m from 2022/23).
- Expand number of farm businesses that have estimated their carbon footprint.
- Establish new projects in DairyFeedbase for soil, forage and nutrition innovations.
- Continued focus on reducing food waste and improved packaging.

### 5 SUCCESS IN DOMESTIC AND OVERSEAS MARKETS

- \$6.8m investment (-\$1.2m from 2022/23).
- Expand markets in South-east Asia.
- Expanded support for policy development at state and national levels.
- Study milk supply scenarios and their implications for the dairy supply chain.

### 6 TECHNOLOGY AND DATA-ENABLED DAIRY FARMS

- \$9.8m investment (-\$1.6m from 2022/23).
- Final year of five-year investment in DataGene.
- Expanded options for agronomy and nutrition management available for farmers.
- Improved management of subtropical pastures.

### 7 INNOVATIVE AND RESPONSIVE ORGANISATION

- \$8.0m investment (-\$0.4m from 2022/23)
- Expand capacity in regional services to improve engagement with dairy farmers and regional adaptation of innovations.
- Improve management of work health and safety.
- Embed new innovation strategy, including new investments in climate-focused innovations.

# Outcomes of our 2025 Strategy Review

We report progress against our strategic plan each quarter and in the last six months have completed an internal review at the mid-point of our five-year strategy.

By conducting a comprehensive review at this mid-point of our five-year strategy, we have sought to remain agile, responsive to the industry and stay true to what is most relevant.

This approach we took was to retain our targets and outcomes, make a realistic assessment of likelihoods of success and in limited and justified situations, make changes to remove some metrics, modify others and add new metrics where needed.

We have identified the likelihood of Dairy Australia achieving each of the 70 success indicators by categorising them as either high, medium, or low likelihood. Where the likelihood is low, it is either due to de-prioritisation of investments in those areas or targets being too ambitious. We will continue to track these targets and aspire towards these metrics, while also better understanding the success of our work and the desire for industry to reach each of these targets.

## Areas of increased focus

### Our Farm, Our Plan 1a

This continues to be a flagship program, with demand supported by marketing as well as strong word-of-mouth. We will focus on delivery for the next 12 months with ongoing grant support from state governments and the Gardiner Dairy Foundation.

### Carbon footprint 4c

We have developed new tools and will focus on accelerating their use. New Commonwealth Government budget announcements will support usage of these tools.

### Online business tools 1b, 4a, 4b

We have assembled world-class decision support tools in farm business management (Farm Business Snapshot), the environment (Farm Enviro Tracker) and farm systems intensification (Farm System Evaluator). Greater utilisation of these tools is essential for increasing success indicators in Priorities 1 and 4.

### Farm safety 2a

We have expanded the team tasked with improving industry capability and will increase our focus on farm safety activities. With current rates of injuries and deaths on farms at unacceptably high levels, farm safety is an important part of our strategy and the Australian Dairy Sustainability Framework.

### Farming capability 2b

We have invested in a much-improved capability framework. Our ambition is for farmers as well as the education sector to embrace the framework for developing farm staff. This is a recognised priority from ADF consultation.

### Workforce attraction 2c

We are mid-way through a substantial project that involves regional support across Australia, marketing campaigns, and new infrastructure such as our Jobs Board. We will continue investing for the next 12 months and gauge the effectiveness of this investment.

### Sustainability Framework 3a, 3b, 3c

We are committed to a strong framework, including revision of the goals and targets. We will continue to focus on sustainability in our marketing activities to generate higher levels of community trust.

### Farmer services strategy 7b, 7d

Completion of the pilot phase and further building out of the farmer services strategy is critical to increasing levels of farmer engagement and satisfaction with the use of the farmer levy.



## Areas of reduced focus

### Expanded range of risk management initiatives 1c

We will de-prioritise focus on risk management tools and instead focus our efforts on supporting farmers to use risk mitigation initiatives and strategies.

### Innovation in finance that increases access to capital for expansion and new entrants 1d

When this strategic outcome was set out in 2019, the market for capital for farm businesses was uncertain. In response to changes and shifts in the external environment, we will adapt our approach to move away from a focus on setting up a new mechanism. Rather, we will ramp up our efforts to support new entrants by building new case studies, updating resources, drawing on previous work and tailoring it for the new environment and the needs of new entrants. This has also been reinforced by the ADF through our 2023/24 Annual Operating Plan consultation process.

### The Australian dairy industry is trusted and accepted by the community 3a

Driving trust in the way we farm and elevating the industry's sustainability commitments will continue to be a focus, as will promoting the value of dairy products in the diet. Reduced investment has led to alternate delivery methods and partnerships for key initiatives such as the Australian Grand Dairy Awards. Schools education initiatives will require and be dependent on, external funding in order to maintain the existing effort.

### Australian dairy is valued around the world for its premium products 5a

Our investment in some areas under SP5 will depend on Dairy Australia's ability to generate external funding. It is likely that we will have to reduce expenditure on promotional activities (including media buy etc. under the Thrive Together campaign) especially under outcome 5a.

### Access to trusted market insights that inform decision making 5c

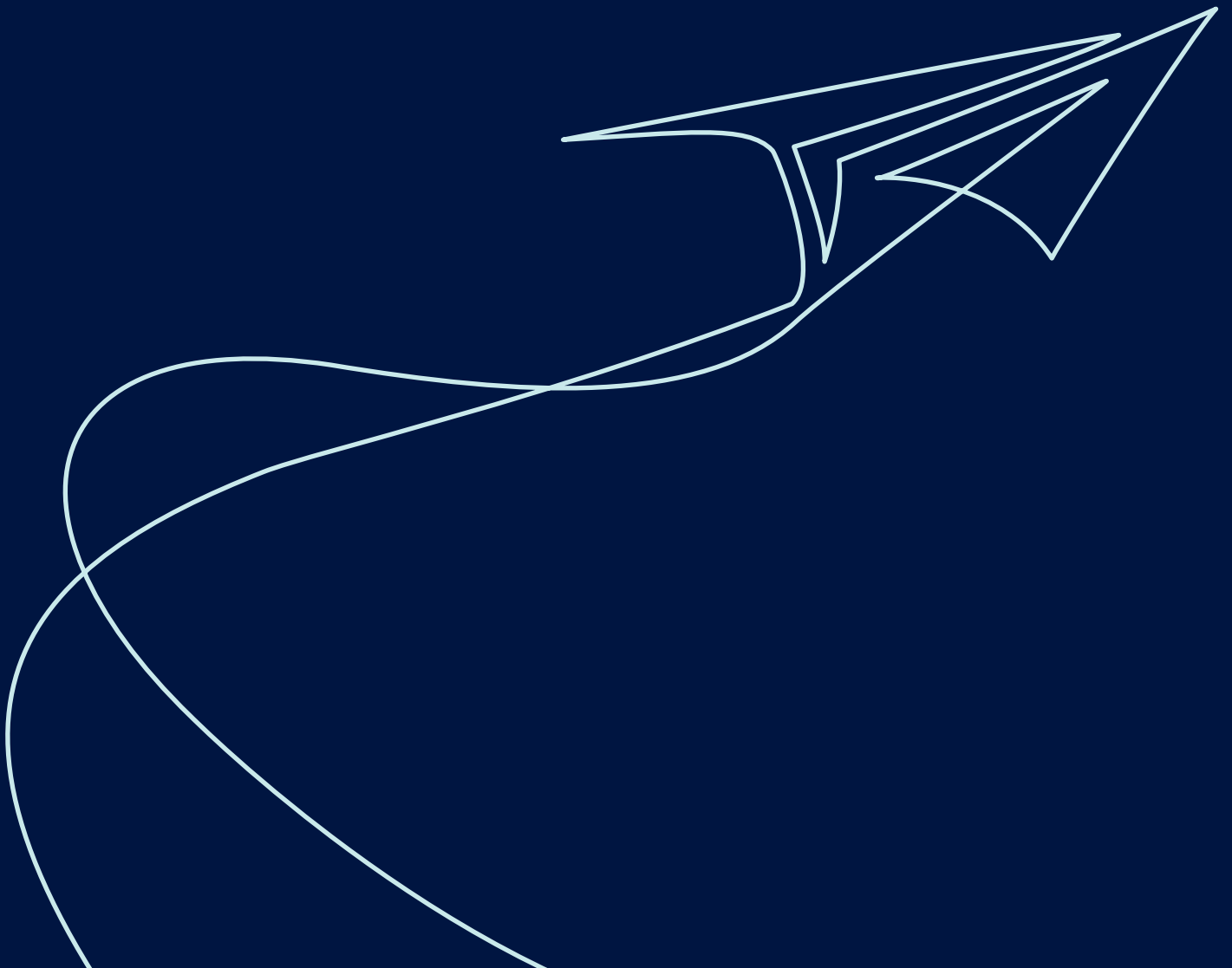
An opportunity exists to channel processor co-investment into modernising database infrastructure and in doing so, create shared ownership that also motivates better data contribution. We are still in the process of scoping this opportunity and there is no certainty around high-level industry cooperation and politics.

### Our infrastructure, resources and processes allow us to be informed, agile and responsive 7c

Our investments around tools and technology to support this strategic priority will come under pressure from the reduced funding environment. This presents a good opportunity to continue to embed the usage of existing tools and drive-up adoption across the organisation.

# Our vision

Leaders in shaping a profitable  
and sustainable dairy industry





## Our purpose

To provide services that collectively benefit and advance dairy farm businesses and the industry, including investment in research and innovation, learning and capability development, marketing, policy research, market insights and trade development.



## Investors and collaborators

Dairy Australia's primary investors are dairy farmers through the payment of a Dairy Service Levy. All dairy farmers pay the levy on a milk solids basis (per kilogram of fat and protein), which is collected by processors and paid to the Australian Government. Dairy Australia receives this levy as the Industry Services Body to deliver on its purpose.

The Australian Government also invests in Dairy Australia activities by matching the investment of levies for eligible expenditure in research, development and extension.

The dairy processing sector invests in Dairy Australia to support activities that benefit the whole supply chain, including trade development, market insights, policy research, sustainability and marketing.

Dairy Australia collaborates widely to increase the value and utility of our projects. Major collaborators and project-level investors include:

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Australian Federal Government

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State governments

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Regional Development Programs

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Gardiner Dairy Foundation

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Universities and other research providers in Australia and overseas

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Private sector partners who are major technology and service providers

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Individual farmers and dairy businesses

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Cross-industry collaborators, especially other industry services organisations

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Representative organisations, such as Australian Dairy Farmers and state dairy farmer organisations, Australian Dairy Products Federation

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Australian dairy processors

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International organisations to advance the dairy industry, including the International Dairy Federation, Global Dairy Platform and the Sustainable Agriculture Initiatives Platform (both global and national)

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External stakeholders such as investors, non-government organisations, community groups, retailers, customers



## Our members

Dairy Australia is a company limited by guarantee with two membership categories. An overview of corporate governance is [here](#).

- Group A members are levy payers
- Group B members are Australian Dairy Farmers Ltd and Australian Dairy Products Federation Inc.

# Operating environment

Most Australian farmers have experienced a profitable season in 2022/23, despite high costs and significant weather challenges adding to the constraints posed by labour availability and resource competition.

For many, this is the second or third successive year of good margins, yet the milk pool has continued to contract.

The supply squeeze has reduced Australian dairy's propensity to be drawn into price-competition on the international stage, as global dairy export prices fall in response to quiet demand and growing milk production in other key exporting regions. Inflation has hit consumer purses around the world and shopping behaviours continue to change; while the volume purchased of dairy products purchased through the retail sector has dropped across most categories, the total value generated has surged due to higher retail prices.

Farmer confidence remains high on the back of improved profitability:

- 67% of farmers feel positive about the future of the industry (down by 1% on 2022).
- 84% are confident about the future of their own businesses (up by 2% on 2022).
- 90% of reported an operating profit in 2021/22.
- 86% expect to report an operating profit in 2022/23.

Rising confidence and profitable margins are not translating to milk supply growth. Australia looks set to conclude the 2022/23 season with a national milk pool around 4% to 6% below the 2021/22 total, at just over eight billion litres. Despite most farming businesses maintaining profit margins this season, wet weather conditions and various medium-term constraints (such as high beef and land values, labour challenges and continued farm exits) have weighed on Australia's milk pool. Costs associated with feed, fertiliser, fuel, energy and labour have also remained high over the season.

Australia's major dairy export competitors however, are recording production growth. The spring flush across the United States and Europe has supported milk flows. Farmgate milk prices have subsequently fallen in both key exporting regions, removing what was an incentive for increased Northern Hemisphere production over 2022.

The same has occurred in New Zealand, where prices paid to farmers have followed dairy export prices downwards. Local analysts forecast New Zealand's milk production will end the 2022/23 season towards the upper end of a -2% to +0.5% range, as wet summer weather supported pasture growth leading into autumn.

While this has brought additional product to the global market, exportable surpluses have also increased in the United States and Europe due to sluggish local demand. Inflation and looming recessions have hit consumer purses, and as importers order only as needed (or as a 'good deal' presents itself), global dairy export commodity prices have weakened. The world waits for Chinese buyers to purchase more substantial volumes, which is not expected to ramp up until around the middle of 2024. China continues to work through product stockpiles developed during COVID-19 lockdowns.

Amidst constrained supply and high costs for raw milk, Australian dairy export commodity prices are securing a premium compared to average international values, but they are not insulated from global pressures. In light of limited product for export and declining values, processor focus has turned more towards the domestic market, where demand and returns have been more robust. Dairy's domestic performance has remained relatively resilient in this time of high inflation which is driving shoppers to buy less to mitigate rising living costs, additional purchases of private label products compared to branded, increased shopping between retailers and purchasing more product on promotion.

While there are pressures on export dairy prices, the domestic market has become more of a focus for Australian processors as they are challenged by high input costs for their businesses. Overall the dairy supply chain remains intact despite macroeconomic disruptions and processors' thirst for milk is supporting what look like firm farmgate milk prices during the 2023/24 season. With the assistance of more positive seasonal conditions there is optimism that Australia's milk production will find its way back to stability.



## Financial position

### Income and expenditure summary

As per the five-year strategic plan, Dairy Australia is proposing a deficit budget position in 2023/24. This will continue to wind-down our surplus of available reserves towards Target A level, as well as investing in projects and activities and services that align to our strategic priorities.

Table 1 shows a budgeted \$2.4m deficit in 2023/24.

### Profit and loss position

#### Income summary

The majority of Dairy Australia's income is derived from farmer levy and Commonwealth matching payments, with other external contributions received for investment in projects.

This income is closely linked to milk production; farmers are levied based on production while government matching payments are based on the gross value of production for the industry.

#### Levy

Levy income is based on milk production of 7,810m litres for 2023/24, with milk volume assumed to decrease by approximately 3.0% compared to the 2022/23 7+5 forecast volumes. This scenario attributes more weight to high land and cattle prices which encourages continued exits from farmers and conversion away from dairy production, as well as high competition for resources and labour within agriculture sectors. Dairy cow numbers also remain a constraint. Levy cents per litre remains at \$0.359 c/L, based on 3.40% protein and 4.17% milk fat composition.

#### Commonwealth matching payments

Commonwealth matching payments are based on matching all levy expended on eligible research, development and extension (RD&E) expenditure. Dairy Australia is eligible to claim matching payments to the lower of 0.5% gross value of production or 50% of RD&E spend.

#### External contributions

Income received from government or other external parties, such as research organisations or universities, which contribute or allow Dairy Australia to carry out specific projects or activities and services.

#### Expenditure summary

Expenditure is comprised of projects, activities and services, and overheads.

Dairy Australia's expenditure has been allocated across our strategic priorities (Figure 1). Note the percentage allocation of expenditure does not necessarily reflect the importance of each priority. Expenditure that is matched with external sources of income (such as large projects in strategic priority 6) also impacts on the relative size of each priority.

**Table 1** Profit and loss analysis

	2022/23 ('000)	2023/24 ('000)
<b>Income</b>	<b>65,493</b>	<b>62,820</b>
<b>Expenditure</b>		
Projects	43,685	35,503
Activities and services	16,965	19,725
Overheads	10,258	9,968
<b>Total expenditure</b>	<b>70,908</b>	<b>65,197</b>
<b>Surplus/(deficit)</b>	<b>(5,415)</b>	<b>(2,377)</b>

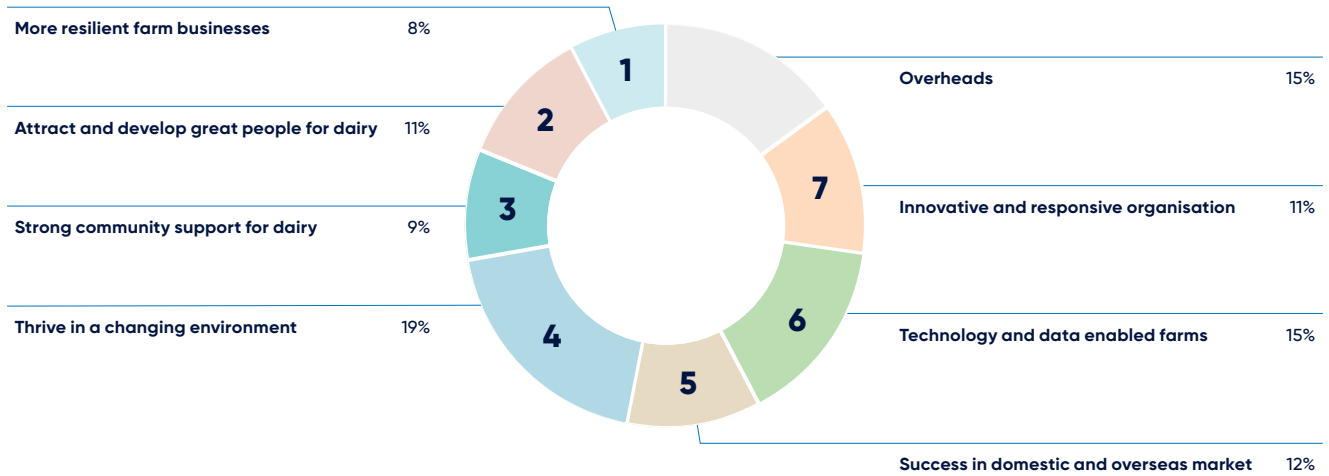
**Table 2** Income analysis

	2022/23 ('000)	2023/24 ('000)
<b>Income</b>		
Levy	30,723	28,013
Commonwealth matching payments	24,753	27,103
External income contributions	9,199	6,625
New external income	–	780
Voluntary processor income	500	–
Other	318	299
<b>Total income</b>	<b>65,493</b>	<b>62,820</b>
Production – litres (million)	8,565	7,810
Production growth (%)	2.2	(8.8)
Farmgate milk price (\$/kg MS)	9.98	9.55

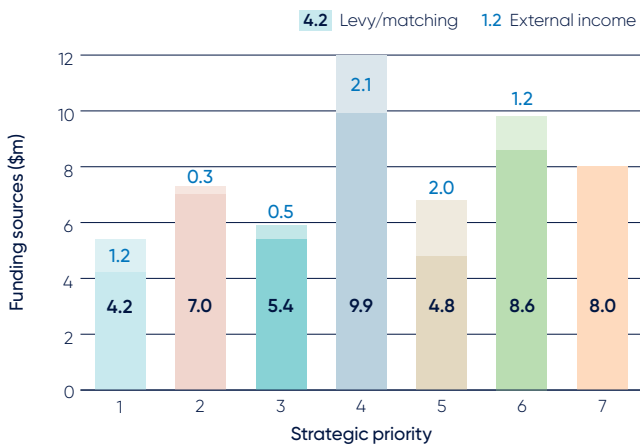
**Table 3** Expenditure summary

	2022/23 ('000)	2023/24 ('000)
<b>Expenditure</b>		
Projects	43,685	35,504
Activities and services	16,965	19,725
Overheads	10,258	9,968
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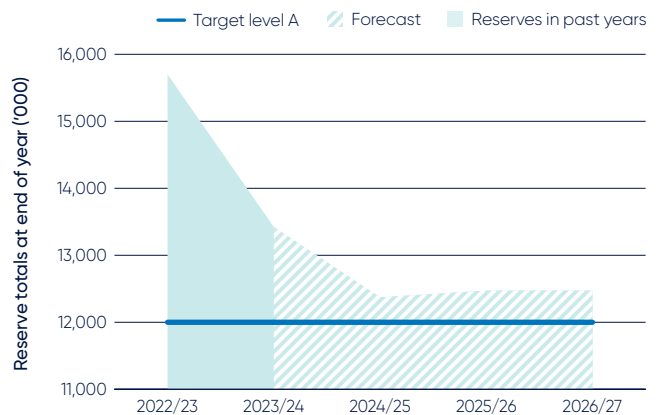
**Figure 1** Projects, activities and services by strategic priority – 2023/24



**Figure 2** Funding sources by strategic priority



**Figure 3** Reserves analysis



### Available reserves analysis

Reserve definitions and targets are used to help develop the annual budget and annual operating plan as well as strategic and financial long-term objectives. Recently, Dairy Australia has redefined how we think about our reserves. New terminology and a new approach for calculating 'available reserves' was approved by the Audit Risk and Management Committee (ARMC) and the Board in April 2023. This new approach is important for the 2023/24 budget process to ensure that the working capital needs of the business are met and kept separately and the focus is now on 'available reserves.'

'Available reserves' are defined as those investments held in such assets as managed funds, equities, fixed term deposits etc. that are not considered part of working capital. Such assets will be recorded in the Dairy Australia balance sheet as 'investments for available reserves' as agreed by the Board and ARMC committee.

Management will preserve capital by ensuring reserves remain above target level A for the five-year duration of the strategic plan.

Please note that the Target Levels A, B and C remain at \$12m, \$8m and \$5m respectively.



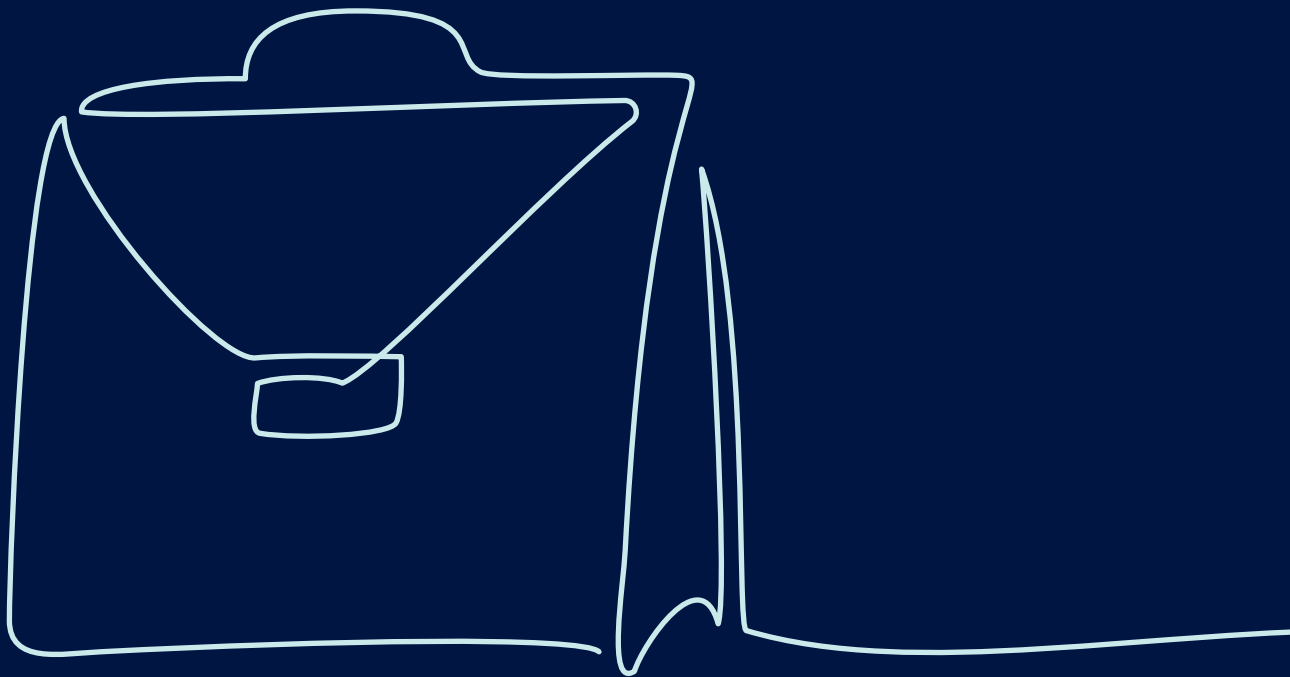


# Our portfolios

The operating plan has seven portfolios, each representing a strategic priority.

This structure allows for portfolios to change over time, while retaining the same set of strategic priorities.

Each strategic priority is set out with its goal and strategic outcomes. The operating plan identifies focus areas for each outcome and then describes the portfolio structure.





PRIORITY

# MORE RESILIENT FARM BUSINESSES

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

2023/24 INVESTMENT: \$5.4M

## Strategic outcomes

- 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



## Portfolio structure

Key projects	a	b	c	d
Deliver Our Farm, Our Plan	•	•		
DairyBase		•		
Dairy Farm Monitor Project		•		
Large supplier engagement	•			
Milk value education series		•		•
International productivity analysis			•	
New South Wales storm and flood industry recovery program				•

This table lists our key investments in 2023/24 and is not a complete list of projects

### Key partners we work with

- State and Federal Governments
- Gardiner Dairy Foundation
- Australian Dairy Farmers (ADF) and state based dairy farmer organisations
- Banking sector and other providers of capital
- The processing sector, service providers and their farmer clients
- Research and development corporations (RDC) and universities, both domestic and international

## 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.

**We will renew the focus on farm business planning and the supported utilisation of that plan to assist dairy farms achieve their goals.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of dairy farm businesses perform systematic, periodic business reviews at least annually	Our Farm, Our Plan (OFOP)	Partner funding used to continue the roll out of three workshop delivery models, being face-to-face, intensive overnight and online. Ongoing training for people involved in delivery of OFOP ongoing, including Dairy Australia (DA) regional teams.
	Large supplier program	Engage corporate farming businesses regarding the benefits of OFOP on the back of successful delivery in 2022/23. Follow up with business governance and investment participants and refresher sessions will be offered.
80% of dairy farm businesses make key long-term decisions using a documented business plan	Our Farm, Our Plan	OFOP 1:1 sessions result in development of 'plan on a page' for individual farm businesses. 'Plan on a page' format used in other programs, including Taking Stock and workforce attraction.
	Large supplier program	Provide local and international technical specialist support in addition to OFOP to engage larger dairy businesses and lift the focus on strategic planning, managing teams and risk management.



## STRATEGIC OUTCOME 1B

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

The drivers of profitability and productivity can differ between regions and production systems. This is especially important in times of increased volatility and disruption to normal business operations however by understanding the drivers, their differences and levers, farmers can improve margins on farm.

**We will deliver insights, tools, strategies, training and support that enables businesses to understand their margin and the profitability and productivity drivers of their farm.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
60% of farm decision-makers can accurately state the profit metrics for their farm	DairyBase	Detailed online farm analysis tool which allows users and their advisors to identify opportunities to drive profit and manage risk.
	Dairy Farm Monitor Project (DFMP)	For farms participating in the program, the output of farm data collected is an evidence-based assessment of farm profit metrics.
	Farm Business Snapshot	Promote for use by farmers and service providers to analyse their financial performance with an evidence-based comparison against DFMP data.
	Dairy Farm Business Analysis (Extension)	Extension program delivered through various channels, including in-person and online. Covers key farm physical data, financial data, farm performance metrics and key performance indicators (KPIs).
	Milk Value Education Series	Deliver to grow knowledge of producers and service providers around milk price dynamics and margin maximisation. National rollout of live online workshops and supporting resources.
90% of farm decision-makers can accurately state the productivity drivers for their farm	Our Farm, Our Plan	Use the Farm Fitness Checklist and Farm Business Snapshot as entry points to OFOP to assist farmer understanding of their 'Now' position, including productivity drivers and areas for improvement in their farm business.
	Dairy Farm Monitor Project	For the dairy industry, the output of farm data collected is an evidence-based assessment of farm profit metrics and productivity measures.
	International productivity analysis	An extension on the previous productivity research to compare the relative performance of other nations such as the United States of America (USA), New Zealand and Ireland.





## STRATEGIC OUTCOME 1C

### Expanded range of risk management initiatives

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

**We will build awareness, confidence and greater adoption of risk management tools.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of farm businesses are actively using risk mitigation initiatives to manage exposure to price and cost volatility	International productivity analysis	An extension on the previous productivity research to compare the relative performance of other nations such as the USA, New Zealand and Ireland.
	Milk Value Education Series	Develop an education series to explore the farmgate milk price dynamics with the aim of growing knowledge and empowerment of producers around price risk management. Rollout via face-to-face seminar and online with an initial focus on southern export milk pool and later customised for other regions with a domestic focus.
	Dairy Farm Business Analysis (Extension)	Extension program delivered through various channels, including in-person and online. Covers key farm physical data, financial data, farm performance metrics and KPIs.
	New South Wales (NSW) storm and flood industry recovery program	Multi-faceted program that includes farm business and financial risk management, including succession planning and risk exposure to extreme climatic events.

## STRATEGIC OUTCOME 1D

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

As finance is a highly innovative sector, it's important for dairy businesses seeking finance to have better access.

**We will expand access to capital and increase business readiness for expansion and new entrants.**

Note: This strategic outcome will, over time, be less focused on finance and more on farm succession and increasing the capacity of people to progress their business plans from business entry through to farm ownership.

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of farm owners and managers have the opportunity to access capital to meet their requirements	Not applicable	We are currently tracking well on this indicator and there is no major activity planned in 2023/24. We will continue to monitor this to capture the level of farmers who have access to the capital they need.
50% of dairy farm businesses are aware of information, case studies and resources on pathways to investment such as share farming, equity partnerships, vendor finance, etc.	NSW storm and flood industry recovery program	Multi-faceted program that includes investment pathways for new entrants, succession planning and risk exposure to extreme climatic events.
	Our Farm, Our Plan	Development of current case studies about successful investment pathways into dairy farming.

# 2

PRIORITY

## ATTRACT AND DEVELOP GREAT PEOPLE FOR DAIRY

GOAL

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

2023/24 INVESTMENT: \$7.3M

### Strategic outcomes

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





## Portfolio structure

Key projects	a	b	c	d
Deliver extension offering of ~50 programs on regional priority and needs basis		•		•
Farm safety	•			•
Dairy farm managers		•	•	
People in Dairy	•	•	•	•
DairyLearn partnerships		•	•	
Countdown MQ service provider training program		•	•	
Simulation-based learning for transforming animal reproduction education		•	•	
Workforce attraction	•	•	•	•
Technical policy support		•	•	

This table lists our key investments in 2023/24 and is not a complete list of projects

### Key partners we work with

- Regional Development Program Boards
- Dairy People Development Council
- Peak representative bodies – ADF, National Farmers' Federation, state dairy farming organisations (SDFO)
- DairyLearn Registered Training Organisation Partner Network
- University of Tasmania
- Marcus Oldham College
- University of Sydney
- AgriFutures Australia
- State government departments
- Department of Home Affairs
- Brotherhood of St Laurence
- National Herd Improvement Association
- Skills Impact

## STRATEGIC OUTCOME 2A

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

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

**We are investing to support the expansion of the available talent pool wishing to pursue a career in dairy.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of dairy farm employers and employees can describe why dairy is rewarding to work in	People in Dairy	<p>Develop resources and communities to support best practice human resource management on-farm.</p> <p>Consolidate the platform by extending resources and frameworks to regional teams and the education sector (tertiary and three final years of high school).</p>
30% Australians would consider working on a dairy farm	Workforce attraction	<p>Focus on three key areas:</p> <ul style="list-style-type: none"> <li>• raise awareness of excellent job opportunities in dairy through a targeted marketing campaign and pre-employment experiences</li> <li>• establish clear pathways to enter the industry</li> <li>• provide regional support for people to take up a career in dairy.</li> </ul> <p>The project will:</p> <ul style="list-style-type: none"> <li>• provide online and group learning support to dairy farmers to improve their human resource systems and leadership capability</li> <li>• drive engagement with the secondary education sector, promoting awareness of dairy as an attractive career.</li> </ul>
All dairy farms workers implement good safety practices	People in Dairy	Provide online resources including tailored templates for farmers to establish and maintain safety systems on-farm, including access to the Safe Ag Systems platform. This includes templates for creating standard operating procedures and policies for safe farm practice. Resources are available as open access for farmers and extended through regional teams.
	Rural Safety and Health Alliance	<p>Ongoing project that underpins collaboration across multiple RDCs with a focus on research and development in farm safety and shared resources across agriculture for farm safety.</p> <p>Three key projects:</p> <ul style="list-style-type: none"> <li>• work health and safety (WHS) leadership in agriculture</li> <li>• improving mobile and fixed plant and vehicle safety</li> <li>• collection and collation of timely data on injury and illness for WHS performance.</li> </ul>
	Highlight and signpost farm safety resources and deliver extension on regional priority and needs basis	Provides technical expertise through a Safety Technical Panel to ensure all farm safety resources and technical resources that include a safety component are compliant for all WHS legislation The resources are extended through all projects across the organisation where farm safety is an element of the farm practice.
	Workforce attraction	Provide general advisory support to dairy farmers to improve their work health and safety management systems, consistent with services listed in the People in Dairy website.

## STRATEGIC OUTCOME 2B

### Clear and supported capability development and career pathways

To meet the evolving needs of the dairy industry a capable and sustainable workforce is required. In enabling a capable workforce, we will create clear learning and development pathways that foster the development of skills, knowledge, attitudes and behaviours for a successful career in dairy, including pathways to business ownership.

**We will engage with peak representative bodies to support advocacy priorities relevant to building a capable and sustainable workforce.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
70% of employees have clear, logical and supported development pathways in dairy	People in Dairy	Provide online resources for careers awareness and templates for creating a career pathway and determining what learning activities will support career goals. Extend resources through regional teams.
	DairyLearn partnerships	Development of education packages that connect accredited and non-accredited learning experiences to meet the development needs of people working on farm.
	Workforce attraction	Provide pre-employment experiences and regionally based resources for supporting new entrants to seamlessly enter the on-farm workforce. Expand resources to support the engagement of people interested in dairy employment and key influencing stakeholders.
	Dairy farm managers	Provide work integrated learning and higher education experiences to support current and future dairy farm managers to develop the capabilities they need for a career in farm management. Learning experiences are facilitated through education partnerships with the University of Sydney, University of Tasmania, Marcus Oldham College and AgriFutures Australia. In partnership with education providers, develop new flexible learning and entry pathways to further support participants to engage in higher education.
	Deliver extension offering of ~50 programs on regional priority and needs basis	Provide quality learning experiences and resources through regional teams (face-to-face and online via website and Enlight (our online learning platform) across the breadth of capabilities needed on-farm. Activities to provide fundamental to advanced knowledge development and transformation of practice, as driven by the individual's desired career progression.
70% of employers have clear, logical and supported development pathways for themselves	People in Dairy	Provide online resources for careers awareness and templates for creating a career pathway and determining what learning activities support career goals. Extension of resources through regional teams.
	Workforce attraction	Provide 1:1 coaching support to dairy farmers to develop their capabilities.
	Dairy farm managers	Deliver learning experiences for farm owners and managers to support their management capability development through partnerships with the education sector. This includes the Graduate Diploma of Agribusiness (Dairy Management), delivered in partnership with the University of Tasmania. In partnership with education providers, develop new flexible learning and entry pathways to support engagement with higher education.
	Deliver extension offering of ~50 programs on regional priority and needs basis	Provide quality learning experiences and resources through regional teams (face-to-face and online via website and Enlight) across the breadth of capabilities needed on-farm. Activities to provide fundamental to advanced knowledge development and transformation of practice as driven by the farm business.

## STRATEGIC OUTCOME 2C

### Access to capable and skilled farm employees and service providers

Farm businesses will continue to require skilled labour on-farm as well as access to quality external service providers. Success requires employers to be confident and capable to recruit, 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.

**We will plan for future people needs in the dairy industry, address critical weaknesses in required skills and experiences and expand the capacity of employers to recruit skilled people. We will support peak industry bodies to ensure the immigration system meets the specific capability needs of Australian dairy farms.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of employers report that the time taken to find a new employee was less than one month	Deliver extension offering of ~50 programs on regional priority and needs basis	Workforce extension for dairy farmers has been increased in 2023/2024. Equipping farmers with recruitment skills ensures effective and efficient processes, decreasing the time required for successful recruitment and the difficulty of the process.
	Dairy farm managers	Address the growing workforce need for dairy farm managers by supporting the development of a pool of people with the capabilities required to manage dairy farm businesses.
80% of employers were able find an employee with the right capability for the role in the last 12 months	Workforce attraction NSW extension and capability coaches	Support Australians considering a career in dairy by: <ul style="list-style-type: none"> <li>raising awareness of the excellent career opportunities in dairy through a targeted marketing campaign and pre-employment experiences.</li> <li>establishing clear pathways to enter the industry.</li> <li>providing regional support for people to take up a career in dairy.</li> </ul> Provide advisory support to dairy farmers to improve human resource systems and leadership capabilities. Raise awareness of career opportunities in dairy across a spectrum of digital channels, to increase the number of people considering a career in dairy.
	Dairy farm managers	Provide dairy learning experiences to prospective dairy farm managers that support their capability development to address the workforce shortage.
	DairyLearn partnerships	Support the vocational education sector to deliver industry aligned, accredited learning through partnerships that: <ul style="list-style-type: none"> <li>deliver professional development for vocational education trainers teaching dairy and related qualifications in registered training organisations across Australia.</li> <li>develop learning packages that align industry- based extension with vocational education for enabling clear capability development pathways and seamless access to accredited learning for people in dairy.</li> </ul> Embed underpinning industry frameworks for capability development including a Dairy Farming Capability Framework and Curriculum Map.
	Simulation-based learning for transforming animal reproduction education	Partner with the vocational education sector to develop and deliver innovative simulation-based education experiences to build artificial insemination competency of farmers, their employees and service providers.

## STRATEGIC OUTCOME 2D

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

For a farm business to produce milk, many interconnected, complex decisions must be made on a daily basis. This includes applying experience from fundamental areas like soil management, pasture agronomy, animal nutrition and milk quality.

**We will continue to provide a range of opportunities that enable people to get the fundamentals right for dairy production.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of farm businesses and their employees have access to the information and tools they need to get the fundamentals right on farm	Deliver extension offering of ~50 programs on regional priority and needs basis	Provide quality learning experiences and resources through our regional team across the breadth of capabilities needed on-farm. Through a more targeted and resourced approach, the Farmer Services Strategy will support tailoring development and extension activities to farm business needs.
	Farm safety	Farm safety systems are a critical fundamental aspect of all farm businesses. This project ensures all extension, where safety is a component, has been reviewed by WHS experts for compliance.
	DairyLearn partnerships	Provide resources and professional development to the education sector to ensure learning experiences are industry aligned and meet the learner's needs. This includes service providers, employees and farm owners.
	People in Dairy	Maintain and further develop the People in Dairy websites, with a focus on site navigation as well as content. The websites provide information and tools for getting farm safety and people management fundamentals right on-farm. Extension of resources occurs through regional teams.
80% service providers have access to the information and tools that they need to get the fundamentals right on farm	Artificial insemination (AI) training and professional development	Establish a nationally recognised training opportunity for service providers in upskilling for artificial insemination, a critical fundamental skill on-farm that directly impacts on-farm productivity and profitability.
	Simulation based learning for transforming animal reproduction education	Partner with the vocational education sector to develop and deliver innovative simulation-based education experiences to develop artificial insemination competency of farmers, their employees and service providers.
	Extension	Through our regional services and digital resources, service providers have access to information and tools developed from our research outputs. This accurately and effectively maintains the currency of practice to service dairy farm businesses.
	Countdown MQ Service Provider Training program	A 10-month program providing advanced training in milk quality (milking, mastitis and dairy hygiene) for 20 service providers across all dairying regions. Includes factory field staff, vets, milking machine technicians and chemical representatives. The program embeds world-leading science behind the Countdown technotes and farm guidelines to upskill service providers providing both extension and 1:1 support to dairy farmers.

PRIORITY

3

# STRONG COMMUNITY SUPPORT FOR DAIRY

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

2023/24 INVESTMENT: \$5.9M

## Strategic outcomes

- 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



## Portfolio structure

Key projects	a	b	c
Consumer marketing	●	●	●
Dairy Trust tracker	●	●	●
Health and nutrition	●	●	
Aged care health strategy	●	●	
Schools engagement	●	●	●
Industry sustainability framework	●		●
Antimicrobial resistance in dairy cattle at slaughter	●		●
Growing beef from dairy			●
Supporting manufacturing sustainability	●		

This table lists our key investments in 2023/24 and is not a complete list of projects

### Key partners we work with

- Sustainability Framework Consultative Forum
- Global Dairy Platform, International Dairy Federation, Sustainable Agriculture Initiatives Platform, Global Dairy Sustainability Framework
- Industry representative groups – ADF, Australian Dairy Products Federation (ADPF), SDFOs
- Milk processors and retailers
- Nutrition Policy Reference Group
- Meat and Livestock Australia (MLA)
- Meat processors
- Animal genetics companies
- International Antimicrobial Usage Forum (United Kingdom, Ireland, USA, Canada, New Zealand, Australia)
- Animal Industries Antimicrobial Stewardship RD&E Strategy (cross-RDC)
- National Animal Welfare Research Development and Extension Strategy (cross-RDC)
- ADF Animal Health and Welfare Policy Advisory Group
- DataGene
- Murdoch University
- Food Agility CRC
- The University of Technology Sydney
- Coles Sustainable Dairy Development Program
- The University of Sydney
- Charles Sturt University

## 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 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.

**We will enhance community trust and acceptance of dairy, support the industry sustainability targets and the public reporting of our sustainability progress through a world-class sustainability framework.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
79% of the community trust the dairy industry	Consumer marketing	<p>Dairy Australia is undertaking a review and realignment of the marketing strategy to develop a clear direction and three-year plan to ensure industry marketing activity continues to be successful. This plan will be executed in 2023/24.</p> <p>The strategic focus will be to drive support for Australian dairy delivering initiatives that ensure the community values dairy foods in their diet, trusts that we produce dairy in a sustainable way and approves the of Australian dairy industry.</p> <p>The Dairy Matters communications platform will be further leveraged to drive support for Australian dairy.</p> <p>Campaigns will share our industry commitment to sustainability and promote the 'You Ask We Answer' web platform which addresses community questions around dairy foods and the way we farm.</p> <p>Use a wide range of media channels to reach the target audience, including television, digital advertising, podcasts, content partnerships and public relations, and grow the farmer ambassador program to champion and amplify key messages.</p> <p>This will be supported by continued monitoring of community perceptions, behaviour and trends.</p>
	Schools engagement	<p>Educate school children on the value of dairy including the health benefits of dairy and building an understanding of the way food is produced. Promoting careers in dairy will also be a focus.</p> <p>Continue to leverage the Discover Dairy education platform providing curriculum linked resources to school teachers and children.</p> <p>Engage primary school children through the eight-week program, Picasso Cows. Seek further income opportunities to leverage this program.</p> <p>Continue to leverage the Discover Dairy education platform and resources linked to the curriculum.</p> <p>Leverage messages through existing initiatives such as virtual classrooms, virtual reality and the Life Education and Primary Industry Education Foundation Australia partnership.</p> <p>Engage with regions to further amplify this message to school children in their regions and work with ambassadors to promote dairy to a younger audience.</p>
	Health and nutrition	<p>Engage with key opinion leaders to ensure dairy is well positioned in dietary guidelines. And communicate with health professionals (dietitians and GPs) and influencers to ensure they have the knowledge and tools to recommend the value of dairy foods in a healthy and nutritious diet.</p> <p>Focus on key campaigns to these audiences including addressing plant-based alternatives and the benefit of dairy in an aging population.</p> <p>Leverage the fracture trial research linking dairy consumption to less falls and fewer fractures in older adults through communicating and achieving real change in diets of older Australians.</p>
	Industry Sustainability Framework	<p>Ensure commitments align with community expectations and underpin industry's commitments to health and nutrition, animal care, environment, supporting Australian communities.</p>

Continued overleaf



2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
40% of farmers actively promote the industry	Consumer marketing	<p>Identify and engage farmer ambassadors to actively promote dairy's commitment to sustainability and reinforce trust and value in dairy. Amplify positive messages about dairy products and the way we farm.</p> <p>Leverage this program to reach a broader audience and champion messages on other farmer-related programs and initiatives.</p> <p>Work with these ambassadors to rally farmers to promote the industry through social media and communities.</p>
85% of consumers prefer to buy Australian made or locally produced dairy products wherever possible	Consumer marketing	<p>Reinforce the value of Australian dairy through Dairy Matters sustainability campaigns, and more overtly through campaigns and initiatives such as World Milk Day.</p> <p>Explore a new model to deliver the Australian Grand Dairy Awards judging and event. Further leverage Dairy Destinations regional itineraries.</p> <p>Engage farmer ambassadors and influencers to amplify these key messages.</p>
75% of consumers agree dairy farmers do a good job of caring for the environment	Consumer marketing	<p>Engage socially conscious consumers through the Dairy Matters 'trust' campaigns to showcase how Australian dairy is tackling climate change. Share the industry's environmental actions including natural resource management, waste reduction, sustainable packaging, efficient water use, biodiversity and nutrient management.</p>
	Industry Sustainability Framework	<p>The sustainability framework continues to underpin the industry's commitment to the environment and sustainability more broadly. Ensure commitments align with community expectations as it relates to the environment.</p> <p>The focus in 2023/24 will be on baselining greenhouse gas emissions intensity for dairy farmers and waste (silage wrap, packaging and food).</p>
	Antimicrobial resistance in dairy cattle at slaughter	<p>Assessing and characterising any antimicrobial resistance in slaughtered dairy cattle ensures we are conducting appropriate surveillance to protect against any potential resistance cross into species beyond cattle.</p>
80% of community representatives on the consultative forum recognise, support and trust the Sustainability Framework as providing evidence of industry's commitment to sustainable dairy practices	Industry Sustainability Framework	<p>Review all sustainability commitments, goals, targets and indicators to ensure they reflect the right level of ambition and progress expected by the community. Extend the representation on and engagement in the Consultative Forum as a way to ensure we better understand community expectations – while reporting progress against our Sustainability Framework to inform the community of the industry's sustainability credentials and aspirations.</p>
Dairy manufacturers representing 90% of milk pool are engaged in industry-led initiatives to improve the water, waste, packaging, and emissions intensity of their operations	Supporting manufacturing sustainability	<p>Continue to lead the Dairy Manufacturers Sustainability Council – bringing sector together to share knowledge, improve compliance, report on progress against sustainability targets, and develop sector specific projects.</p> <p>Convene technical working groups in support of food waste reduction and sustainable packaging, expanding industry representation and impact.</p> <p>Work with dairy farmers, dairy manufacturers, and other animal-based industries, to assess bioenergy opportunities in regional Victoria.</p> <p>Partner with Stop Food Waste Australia, Australian Dairy Products Federation and Gardiner Dairy Foundation to support implementation of key recommendations with Dairy Food Waste Action Plan.</p>

## STRATEGIC OUTCOME 3B

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

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

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

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

**We will reinforce the essential role of dairy for good health and nutrition and the value of consuming dairy every day.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
87% of the community trust dairy as a wholesome and healthy food	Consumer marketing	<p>Drive trust and value for Australian dairy through the promotion of Dairy Matters campaigns. Reinforce the role of dairy in a sustainable diet for protein and muscle and bone health. Address key health barriers including digestion, weight management and plant-based alternatives.</p> <p>Drive awareness and action from the results of our world leading fractures trial research on the links between dairy intake, malnutrition and fracture rates.</p>
	Schools engagement	<p>Educate school children on health benefits of dairy, the way food is produced and careers in dairy to ensure farmers and the industry continue to be supported.</p> <p>Continue to leverage the Discover Dairy education platform and curriculum-linked resources. Engage primary school children through the eight-week program, Picasso Cows. Promote the health message through existing initiatives such as virtual classrooms and virtual reality.</p> <p>Promote the value of dairy in a healthy diet through campaigns and activations delivered through the Life Education partnership.</p> <p>Engage with regions to further amplify this message to school children in their regions and work with ambassadors to promote dairy to a younger audience.</p>
	Aged care strategy	<p>Deliver a strategy that leverages evidence (fractures trial) to support the consumption of dairy for older Australians.</p>
86% of consumers hear positive health messages about dairy foods from health professionals	Health and nutrition	<p>Influence policy makers, regulators, key opinion leaders and credible third parties with evidence-based health and nutrition messages. This work supports a positive policy and regulatory operating environment for the dairy industry and includes active contribution to the review of the Australian Dietary Guidelines.</p> <p>Educate health professionals (including general practitioners [GPs] and dietitians) to ensure they value dairy and have the knowledge and tools to recommend dairy foods in a healthy balanced diet. Deliver targeted campaigns that communicate dairy's role in respect to plant-based alternatives and the benefits of dairy in an aging population.</p>
55% of consumers make an effort to consume dairy every day	Consumer marketing	<p>Deliver campaigns that drive value in dairy and promote the health and nutrition benefits. Implement the next phase of the Dairy Matters 'trust' campaign, with a focus on health as the number one consumption driver.</p> <p>Explore a new model to deliver the Australian Grand Dairy Awards judging and event. Further leverage Dairy Destinations regional itineraries.</p> <p>Engage farmer ambassadors and influencers to amplify these key messages.</p>
	Health and nutrition	<p>Influence policy makers, regulators, key opinion leaders and credible third parties with evidence-based health and nutrition messages to enable a positive policy and regulatory operating environment for the dairy industry.</p> <p>Educate health professionals, including GPs and dietitians to ensure they value dairy and have the knowledge and tools to recommend dairy foods in a healthy balanced diet. Deliver targeted campaigns that communicate dairy's role in respect to plant-based alternatives and the benefits of dairy in an aging population.</p>

**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 our 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.

**We will work with farmers, processors and industry groups to provide the best whole-of-life care for all animals.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
77% of consumers believe the dairy industry meets their expectations in doing the right thing	Consumer marketing	Proactively and transparently address community expectations and build trust in the industry in respect to animal care through a 'You Ask We Answer' platform and related sustainability campaigns.  Share and build trust in the way we farm by reinforcing the industry's sustainability commitments. Undertake ongoing monitoring of community perceptions, behaviour and trends.
	Antimicrobial resistance in dairy cattle at slaughter (MLA survey)	The diligent and responsible use of antibiotics is integral to the dairy industry creating good stewardship and care of the national dairy herd. Antimicrobial resistance survey work, co-funded with Meat and Livestock Australia, shall be conducted to bolster this stewardship.
	Growing beef from dairy	A co-project is underway with MLA to develop extension resources and an adoption support model to assist farmers in implementing socially acceptable and economically viable management strategies for non-replacement calves. This project is utilising the outputs of the non-replacement calf pathways project as well as the latest global research.
80% of the community agree that dairy farmers do a good job caring for their animals	Industry Sustainability Framework	The sustainability framework continues to underpin the industry's commitment to animal care and providing best whole-of-life care for animals. The commitment, goals and targets are being reviewed and will be finalised in 2023/24 and incorporated into the Sustainability Framework. Work will also begin on a whole-of-industry Animal Care Assessment Program.
	Consumer marketing	Address consumer concerns related to animal welfare through the 'You Ask, We Answer' platform and via targeted public relations activities and influencer engagement that demonstrate our commitments.
	Antimicrobial resistance in dairy cattle at slaughter (MLA survey)	Antibiotic use in the Australian Dairy Industry is according to prescribing guidelines where the aim is to prescribe an appropriate treatment for a diagnosed condition and to the correct level. Antimicrobial resistance survey work, co-funded with MLA, will be conducted to assess any potential risks to this antibiotic use system.



PRIORITY

# 4

# THRIVE IN A CHANGING ENVIRONMENT

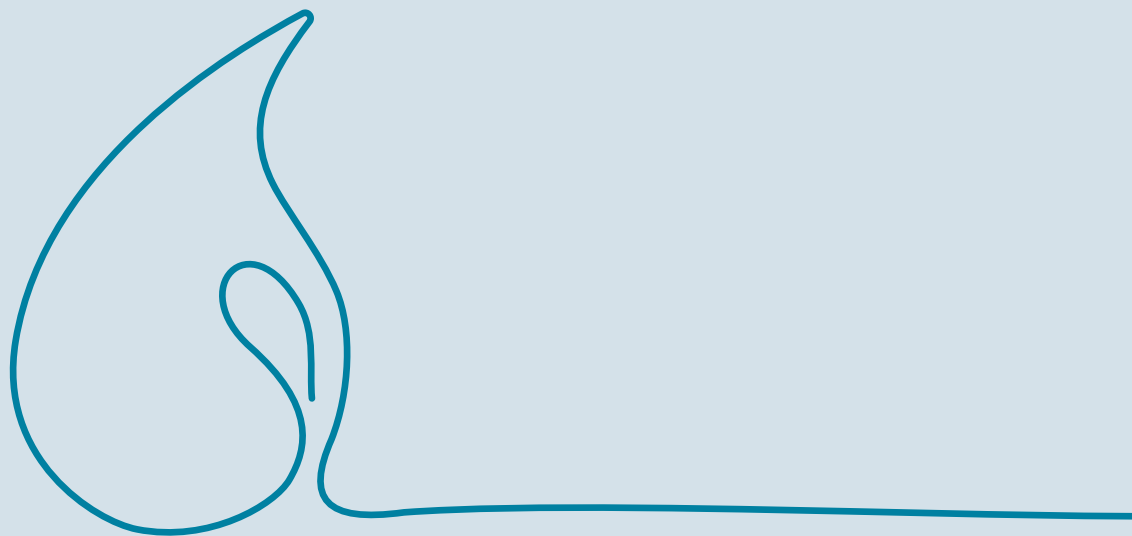
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GOAL Profitable farm businesses that adapt to the changing natural environment and provide good stewardship of resources

2023/24 INVESTMENT: \$12.0M

## Strategic outcomes

- 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



## Portfolio structure

Key projects	a	b	c
DairyFeedbase – projects 1, 2 & 5	●	●	●
Adapting dairy farming systems	●		
Measuring emissions intensity at dairy farm and industry scale			●
Determining the benefits of mixed species pastures in a changing climate	●		
Supporting manufacturing sustainability		●	
National Landcare Project – Sustainable Dairy Products		●	
Addressing enteric methane for dairy			●
A circular economy for silage wrap		●	
Dairy HIGH 2		●	●
DairyBio – Forages	●	●	●
C4 Milk phase 5	●		
Raising the roof 23	●		
Growing green grass	●	●	
Farm Environment Tracker development		●	
Climate adaptation development	●	●	
Soil function in varied pasture systems		●	●
DairyFeedbase development		●	●

This table lists our key investments in 2023/24 and is not a complete list of projects

### Key partners we work with

- Dairy farmers, manufacturers and service providers
- ADF Natural Resource Management Policy Advisory Group
- Dairy Manufacturers Sustainability Council
- Federal and state governments, including National Landcare Program
- Tasmanian Institute of Agriculture

## STRATEGIC OUTCOME 4A

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

Dairy faces immediate and substantial risks from the impacts of climate variability, far more so than our global 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. As these pressures increase with the predicted impacts from climate change, we will need to innovate.

**We will continue to embed new knowledge to manage climate variability, empower business decision making, speed up the development of policy options and expand capability development for better adaptation.**

**The previously established transformative across-agriculture joint initiative Agriculture Innovation Australia, with an initial focus on climate, will deliver a prospectus to attract additional private sector investment.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
90% of farmers have access to enough information to understand the impacts of changes in the environment	DairyFeedbase projects 1, 2 & 5	DairyFeedbase project 1 primarily examines the role of the rhizosphere to enhance soil function; project 2 examines long term feeding options and opportunities with multi-species pastures; project 5 explores whole of lactation methane mitigation strategies in pasture-based systems.
	DairyBio – Forages	Investment in the DairyBio 21–26 program is delivering new innovations for pasture genetics. DairyBio – Forages continues research on warm season species to improve alternatives for regions that will experience climate change. Further research will expand to plant traits in nutrient and water use efficiency.
	National Pastures Genebank	This Genebank is Australia’s repository for all in use and available for future breeding pasture varieties. It forms our national approach to de-risking low feedbase options in a changing environment.
	Soil function in varied pasture systems	This project, associated with the Dairy HIGH 2 farmlet study, examines soil function with differing pasture systems.
	Climate adaptation development	Developing a national climate adaptation extension program for dairy farmers with region-specific content.
95% of farmers have the right information and skills to thrive in increasingly volatile climatic conditions	Adapting dairy farming systems	The second edition National Guidelines for Feedpads and Contained Housing Systems were finalised and communicated in 2022/23. These guidelines will be used in conjunction with the newly launched (early 2023/24) Farm System Evaluator tool to support farm feedings and housing infrastructure investment.
	Determining the benefits of mixed species pastures in a changing climate	Results of this work will provide information on the differences of mixed species pastures and a conventional pasture system on soil properties in wet and dry climates. This information will add to and guide future research.
	C4 Milk phase 5	This final phase in C4 Milk will investigate different fodder cropping rotation options in Queensland and north Victoria study sites. In addition, a whole of lactation, multi-year study to ascertain the application of the proportion of ungrazed pasture (PUP) grazing strategy shall be initiated.
	DairyFeedbase projects 1, 2 & 5	DairyFeedbase projects 1, 2 and 5 have a research focus on dairy production system options that may be applicable in the face of a changing environment (soil management, multi-species pastures and methane reduction).
	Climate adaptation development	Developing a national climate adaptation extension program for dairy farmers with region-specific content to enable new farm management skills and knowledge.
	Raising the Roof 23	Following the success of the Raise the Roof event in 2022/23, a second multi-day meeting with farm visits will be held in 2023/24 to support farms investing in feeding and housing infrastructure.
	DairyFeedbase development – farm path to change	This project, to be completed in 2023/24, creates the path to on-farm change utilising research findings from the DairyFeedbase (2017–23) program such that farmers can maintain flexibility in a pasture-based production system.
	Growing green grass (development)	This work involves enhancement of the established Feeding Pasture for Profit (FPFP) extension to integrate information and practices around fertiliser and nutrient recycling use, thereby creating the next iteration of FPFP.

## 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 to nurture and sustain the natural environment and be profitable for dairy businesses.

**We will innovate with ways to support farmers and the wider dairy industry to meet market, corporate, financial and social expectations around the management of the natural environment while not compromising profitability.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
70% of dairy farm businesses have adopted technologies and management practices to achieve land, water, carbon, nutrient and energy efficiency	DairyFeedbase projects 1, 2 & 5	DairyFeedbase projects 1, 2 and 5 focus on new research, including new management practices, for soil management, land productivity through mixed sward pastures and methane reduction.
	Growing green grass (development)	This work involves enhancement of the Feeding Pasture for Profit extension to integrate information and practices around fertiliser and nutrient recycling use. Emphasis will be on land and water use efficiencies.
	Farm Environment Tracker development	Finalising the development of the Farm Environmental Tracker and supporting resources for extension, and embedding the program as the industry standard for measuring and improving farm environmental practices.
	National Landcare project – sustainable dairy products	Create further adoption of an enhanced method of assessing the environmental stewardship and natural capital planning for a farm business (Farm Environment Tracker tool). This is linked with the Farm Environment Tracker development project.
	Scaling out multi-species drought resilience grant	Partner with University of Melbourne to build information for farmers to transition to, and successfully manage, multi-species pasture systems to improve drought resilience. This will add further information and evidence to a project which is determining the benefits of mixed species pastures in a changing climate.
	Soil function in varied pasture systems	The results of this work will highlight the differences in soil function as a result of altered species and nitrogen management. Linked to the Dairy HIGH farmlet study at the Tasmanian Institute of Agriculture, this work will examine soil properties, pasture production and quality, and milk properties under different farm systems.
	Climate adaptation development	This is creation of a national climate adaptation extension program for dairy farmers with region-specific content and a focus on carbon and energy efficiency.
	Dairy HIGH 2	After a farmlet infrastructure stage in 2022/23, lactation #1 of the four farmlet study is being undertaken in 2023/24.
DairyBio – Forages	Investment in the DairyBio 21–26 program is delivering new innovations for pasture genetics. Further research will expand to plant traits in nutrient and water use efficiency thereby supporting better use of land and water farm assets.	





## 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.

**We will accelerate adoption of existing solutions, seek and support new innovations, and retain a clear focus on reducing emissions in ways that deliver economic and environmental returns to industry.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
85% of dairy farm businesses generating renewable energy	National Landcare project – sustainable dairy products	Part of the Sustainable Dairy Products project is delivering a renewed Energy Use on Farm resource for farmers.
	Dairy HIGH 2	Research results from the Dairy HIGH 2 farmlet study hope to reduce the reliance on nitrogenous fertilisers and hence a potential farm emission source.
	DairyFeedbase projects 1,2 & 5	Project 5 will assess the methane reduction potential and productivity response of multiple technologies when applied to a pasture based dairy system.
50% of dairy farm businesses with 300+ herd size understand their carbon footprint	Measuring emissions intensity at dairy farm and industry scale	This work increases the adoption of the Australian Dairy Carbon Calculator (fifth generation).

PRIORITY

5

# SUCCESS IN DOMESTIC AND OVERSEAS MARKETS

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GOAL

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

2023/24 INVESTMENT: \$6.8M

## Strategic outcomes

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- 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
- 



## Portfolio structure

Key projects	a	b	c
International trade program	●	●	●
Technical policy support		●	
Industry insights and analysis			●
Dairy Export Assurance Program		●	
India engagement strategy	●	●	
National milk quality statistics	●		●
Veterinary Investigation Residue Management	●	●	

This table lists our key investments in 2023/24 and is not a complete list of projects

### Key partners we work with

- Australian dairy manufacturers and exporters
- Dairy representative organisations – ADF, ADPF, SDFOs
- Australian governments, both federal and state
- Industry Working Group on Milk Quality and Operational Procedures

## 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.

**We will retain strong awareness and buyer preference in overseas markets for Australian dairy products.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
Australian dairy products are nominated as preferred status by customers in the key markets of Japan, Greater China and South-east Asia Japan – 70%, China – 60%, SE Asia – 60%	International trade program	<p>Continue to embed the 'Thrive Together with Australian Dairy' trade messaging to reinforce Australian Dairy's unique selling proposition that is consistent, targeted and meets the needs of the international market.</p> <p>Deliver trade programs for key global markets of Japan, Greater China and South-east Asia.</p> <p>Look to promote the 25th anniversary of the DA Trade Scholarship Programs with Greater China and Japan.</p> <p>Embed the account management and Salesforce data capturing system to ensure Dairy Australia is able to fully leverage the Scholarship participants and that they form a deeper connection with Dairy Australia to further assist our ability to leverage global networks.</p> <p>Deliver an Australian Food and Wine Trade collaboration program across Vietnam, Indonesia, Taiwan and Japan in conjunction with Horticulture Innovation Australia, Meat and Livestock Australia, Seafood Industries Australia and Wine Australia.</p>
Australian dairy makes tangible market access gains in all completed trade negotiations involving Australia	International trade program	<p>Work with industry and government to advocate for improved market access for dairy into India, in the lead-up to the finalisation of a final, comprehensive trade deal between Australia and India.</p> <p>Support industry and government to secure favourable outcomes for dairy from the Australia-European Union Free Trade Agreement, with a focus on addressing the risk of geographical indication protections that could affect our use of common cheese names.</p> <p>Undertake ongoing work with dairy exporters on market maintenance measures and overcoming technical barriers to trade for Australian dairy exports.</p>

## STRATEGIC OUTCOME 5B

### 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.

**We will positively influence the policy and regulatory environment in both domestic and international markets.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
All industry and government stakeholders that use policy related services value the work of Dairy Australia to inform policy discussions and help ensure access to markets.  90% of stakeholders that use market access related services value the work of Dairy Australia to help ensure access to markets	Technical policy support	<p>Continue to deliver the Dairy Export Assurance Program to make it easier and cheaper for dairy manufacturers to export their products and improve the way that we give assurances to overseas markets about the safety of Australia dairy.</p> <p>Deliver strategic and technical policy research, analysis, insights and solutions with a focus on the key areas of biosecurity, human health and nutrition, water, climate change, animal welfare and workforce access. Ensure that this agenda is closely linked to the Industry Sustainability Framework.</p> <p>Roll out and promote Dairy Australia's new Policy Grant Application form to enable more dairy organisations to leverage Dairy Australia resources to build an evidence base to drive policy outcomes.</p> <p>Work with industry organisations to provide underlying resources and platforms to support positive government engagement by the entire Australian dairy industry. This includes an increased emphasis on delivering policy support on regional and state policy issues.</p>

## STRATEGIC OUTCOME 5C

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

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

**We will ensure the ongoing availability of trusted and credible dairy market data and insights.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
Dairy Australia is considered by 85% of industry stakeholders as the most trusted and credible source of information to inform decisions related to dairy markets	Industry insights and analysis	<p>Continue to evolve and refine the dairy market information and insights service, ensuring industry stakeholders have ready access to relevant and current market information.</p> <p>Support regional and state dairy industry strategy development by providing market data and insights on the realities of a changing Australian and global dairy landscape. This includes supporting industry's engagement in the dairy industry symposium earmarked for the first quarter of 2024.</p> <p>Undertake a detailed, independent analysis of alternate future Australian raw milk supply trajectories and their implications for the future of the Australian dairy industry supply chain.</p>
	International trade program	Explore ways to further leverage the Dairy Australia trade alumni network to gain access to primary data and insights within key international markets.
Dairy Australia's market information is widely utilised by 90% of industry and government stakeholders	Industry insights and analysis	Continue to review the methods of delivery for Dairy Australia's market information and insights services to industry and government stakeholders.
Dairy Australia is considered as the most trusted and credible source of dairy market information with 200 media articles per year referencing Dairy Australia's analysis or data	Industry insights and analysis	Increased focus on ensuring Dairy Australia market information and insights services is recognised and promoted within industry.
Dairy Australia maintains and grows its access to industry data to inform market analysis by covering 95% of milk production, 90% of domestic market sales, 90% of manufacturing data	Industry insights and analysis	Continue to build and secure industry data contributions to Dairy Australia to ensure we retain a critical mass of industry production, manufacturing and sales data.



# TECHNOLOGY AND DATA-ENABLED DAIRY FARMS

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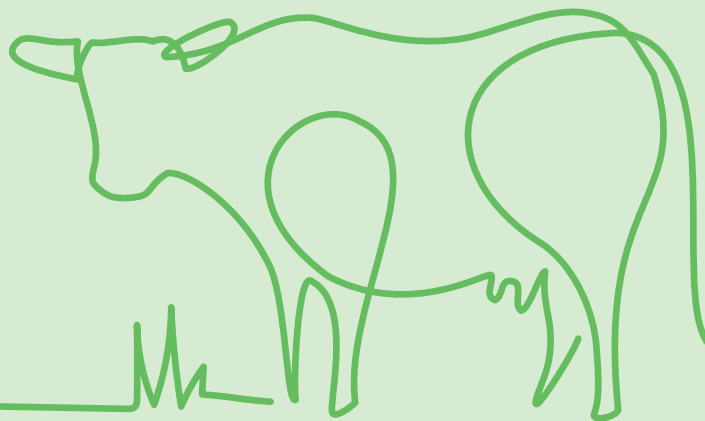
**GOAL** Inspire more agile and responsive dairy businesses through greater integration of technology and data

2023/24 INVESTMENT: \$9.8M

## 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
- 



## Portfolio structure

Key projects	a	b	c	d
DairyBio – Animals, Forages	●	●		
DairyFeedbase – projects 3, 4 & 6		●	●	●
DataGene	●		●	●
Access to agricultural and veterinary chemicals		●		
Forage Value Index		●	●	●
Clinical mastitis treatment decision tool			●	●
Unlocking the potential of Kikuyu	●	●		
Unlocking the potential of the cow		●		●
DairyFeedbase – development, farm path to change		●	●	●

This table lists our key investments in 2023/24 and is not a complete list of projects

### Key partners we work with

- DairyBio and DairyFeedbase investors and commercial partners
- Gardiner Dairy Foundation
- DataGene
- Commercial genomic service providers
- Regional Development Program Boards
- NSW Department of Primary Industries and other funding partners in DairyUP
- Food Agility CRC
- The University of Sydney
- University of Technology Sydney
- Charles Sturt University
- Coles Sustainable Dairy Development initiative

## 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.

**We will deliver new genetic solutions and evaluation that underpin pasture and animal breeding.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
>2% rate of genetic gain in ryegrass	DairyBio – Forages	Investment in the DairyBio21–26 program to deliver new innovations for pasture genetics. This continues the work in ryegrass in addition to other pasture species.
	Unlocking the potential of Kikuyu	Research and development in the second full year of this project will focus on methods to increase quality with current Kikuyu varieties.
25% of farmers use Forage Value Index to select grass pasture	Forage Value Index	The 2023/24 version of the Forage Value Index will include nutritive value (energy) in the index alongside predicted yield. Further adoption of the index will be supported through this project.
The rate of genetic gain for sires of cows in Balanced Performance Index (BPI) units \$30/year annual increase of BPI	DairyBio – Animals	Investment in DairyBio21–26 to deliver new innovations for animal genetics. Focal points for current research include new Australian Breeding Values targeting animal survival, longevity and transition cow genetics in the herd.
	DataGene	Continue investment in DataGene to improve efficiency and effectiveness of genetic services in addition to extension of genetic evaluation services.
The rate of genetic gain of cows in BPI units as a result of heifer genomic testing \$25/year annual increase of BPI	DairyBio – Animals	Investment in DairyBio21–26 to deliver new innovations for animal genetics which will include enhanced genomic assessment options.
	DataGene	Continued investment in DataGene to improve efficiency and effectiveness of genetic services. This includes more rapid turnaround of genetic analysis of heifers and further extension of genetic evaluation services.





## 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.

**We will innovate to increase flexibility and agility in dairy production systems.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
Development of 20 new feedbase options that increase flexibility and agility	DairyBio – Forages	The investment in DairyBio 2021–26 will include application of research output from the previous five-year program into pasture species beyond ryegrass.
	DairyFeedbase – projects 3, 4 & 6	DairyFeedbase project 2 will examine farm system options and productivity of multi-species swards.
	Unlocking the potential of Kikuyu	Research and development in the second full year of this project will focus on methods to increase quality with current Kikuyu varieties along with options for new Kikuyu germplasm to become commercially available.
	Access to agricultural and veterinary (agvet) chemicals	Access to agvet chemicals provides alternate uses for selected herbicides and insecticides for dairy farmers.
	Forage Value Index	Inclusion of nutritive value into the Forage Value Index in 2023/24 will enhance the usefulness of this tool when making ryegrass variety selection decisions.
	Michigan State University	The second year of the visiting scientist program to Michigan State University will deliver an assessment of the options for selected fats to be incorporated into dairy cow diets with associated productivity and methane reduction effects.
Development of 10 new non-feedbase system options that increase flexibility and agility	DairyFeedbase development – farm path to change	This development project will prepare for adoption feedbase options that resulted from the research output in DairyFeedbase program 1.
	DairyBio – Animals	New breeding values derived from the DairyBio research will deliver increased breeding strategy options for dairy farmers.
	DairyFeedbase – projects 3, 4 & 6	DairyFeedbase project 6 aims to better integrate multiple on farm data sources for enhanced decision making on farm.
75% of dairy farm businesses have access to the information and tools that they need to run their chosen farm system	Unlocking the potential of the cow	Deliver integrated, innovative, research, development and extension activities to address the needs of intensive dairy systems, with application to other systems.
	DairyFeedbase – projects 3, 4 & 6	DairyFeedbase projects 3, 4 and 6 will deliver research output allowing for planned better individual cow nutrition and improved lifetime performance.
	Access to agvet chemicals	Minor use options for pesticides and herbicides that result from this project offer increased flexibility and production with a variety of forages.
	Forage Value Index	Use of the Forage Value Index allows for better pasture variety portfolio planning based on multiple years and sites worth of evidence.

## 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.

**We will accelerate adoption of technology that provides production insights and enables better decisions on-farm.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of farm businesses have successfully adopted technology that provides new insights for farm operations	DataGene	Make Australian Breeding Values produced by DataGene and the accompanying indexes available to Australian farmers through sire selection tools, such as the Good Bulls Guide, and heifer selection tools such as genomics.
	Forage Value Index	The use of the Forage Value Index provides for an evidence based approach to pasture variety selection.
	Clinical mastitis treatment decision tool	Research and development into on-farm mastitis decision support tool using machine learning to analyse existing cow data (via the Central Data Repository), and pathogen information to improve treatment outcomes and reduce antibiotic use.
	DairyFeedbase – projects 3, 4 & 6	DairyFeedbase project 6 will build more integrated farm data options for effective and evidence-based decision-making.
	DairyFeedbase development – farm path to change	Multiple potential approaches for enhancing the robustness and productivity of pasture based dairying resulted from the research output from DairyFeedbase. This project plans the adoption opportunities of this research output.



## 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 on-farm usage and to improve service provision. Improved decision-making will need to account for farmer preferences for using insights.

**We will lead industry initiatives to integrate data from multiple sources and explore new partnerships and investment opportunities to enhance decision-making with multiple sources of data. An example is an additional investment, through DataGene, to become a foundation member of International Dairy Data Exchange Network.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
Five new methods of collecting or analysing multiple sources of physical data on farm	DataGene	Australian Breeding values, produced by DataGene, and the accompanying indexes are made available to Australian farmers through sire selection tools such as the Good Bulls Guide.
	Clinical mastitis treatment decision tool	Research and development into on-farm mastitis decision support tool using machine learning to analyse existing cow data (via the Central Data Repository) and pathogen information to improve treatment outcomes and reduce antibiotic use.
	DairyFeedbase – projects 3, 4 & 6	This project will explore data integration opportunities with existing, on-farm, data sources.
80% of 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	DataGene	DataGene continues to aggregate herd test information and process Australian genomic prediction information.
	Clinical mastitis treatment decision tool	Once completed, this treatment decision tool will enhance the predictability of mastitis treatment outcomes.
	Forage Value Index (FVI)	Publish the FVI to allow farmers to make fully informed decisions on ryegrass variety applicability to their farm business.
Routine management decisions of 95% of dairy farm businesses are informed by multiple data sources (e.g. sire selection, irrigation scheduling, culling)	DataGene	DataGene continues to collate and publish Australian Breeding Values, the associated selection indexes and the Good Bulls Guide.
	Forage Value Index	Publish the FVI to allow farmers to make fully informed decisions on ryegrass variety applicability to their farm business.
	Clinical mastitis treatment decision tool	This is the final year of a research and development project to assist farmers in further assessing how on-farm clinical mastitis diagnostic tests can be interpreted.
	Unlocking the potential of the cow	Deliver integrated, innovative, research, development and extension activities to address the needs of intensive dairy systems, but with application to other systems.
	DairyFeedbase – projects 3, 4 & 6	DairyFeedbase project 3, 4 and 6 will enhance how on-farm data can be used to manage individual animals in the herd in a close to real time scenario.

PRIORITY

7

# INNOVATIVE AND RESPONSIVE ORGANISATION

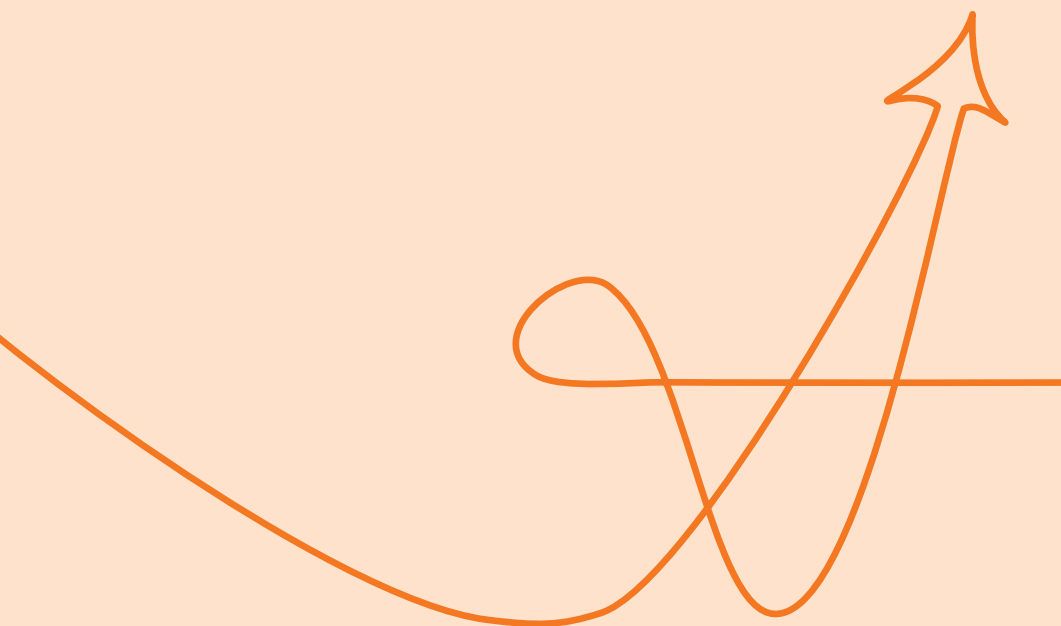
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GOAL An organisation that is farmer-focused, with talented people who embrace innovation and take decisive actions

2023/24 INVESTMENT: \$8.0M

## Strategic outcomes

- 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



## Portfolio structure

Key projects	a	b	c	d
Implementing Farmer Services Strategy	●			●
Roll-out of our innovation strategy		●		
Digital experience	●		●	
Workplace health and safety			●	
Embedding our values		●		
Farmer communications	●			●
Salesforce roadmap delivery	●		●	
Document management in Microsoft 365			●	
Portfolio planning and management			●	
Information technology security			●	
Issues management			●	
External impact assessments				●
Annual and performance reporting				●

This table lists our key investments in 2023/24 and is not a complete list of projects

## 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, dairy farmers.

**We will deliver greater value to levy payers through an improved service delivery model that addresses their business needs.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
Farmer-focused service delivery model embedded across all our projects, services, infrastructure, communications and processes	Implementing Farmer Services Strategy	Continue to implement our new Farmer Services Strategy across the organisation. The strategy seeks to substantially improve how we engage with farmers, provide greater momentum on development and regional adaptation and embed horizons-based thinking in all areas of technical excellence.
	Digital experience	Continue to deliver a streamlined and consistent digital experience to increase farmer engagement. This is being achieved by co-designing with farmers; rationalising and standardising our websites and digital tools; and continuously optimising the design and content based on farmer feedback and insights.
	Salesforce roadmap delivery	Salesforce is a critical enabler of our Farmer Services Strategy to create and maintain effective relationships with our farmers and deliver services to them based on their needs. We will continue making enhancements to Salesforce to enable the success of our key strategies and increase adoption and uptake internally.
	Farmer communications	Deliver enhanced farmer communications that drive farmer awareness of Dairy Australia services through the Delivering for Dairy communications platform, raising awareness of DA's role and value to farmers and promoting increased engagement. Work closely with regional teams to ensure communications resonates with farmers through regular co-design sessions around major campaigns.
80% of farm businesses feel Dairy Australia has an effective relationship management model	Implementing Farmer Services Strategy	Continue to rollout our Farm Engagement function which delivers a consistent and structured approach that improves farmers engagement with Dairy Australia including awareness of and access to Dairy Australia's services. In 2023/24 we will further rollout the Farm Engagement capability across all of our regional offices.
	Salesforce roadmap delivery	Enabling new functionality for our Farm Engagement Leads to effectively plan their engagement with dairy farmers and capture insights which enhance our service design and delivery.



## 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 that create value for farm businesses, co-create innovation projects with partners and pursue new approaches to innovation.

**We will create an environment in which our people thrive.**

**We will value innovative thinking and new innovative approaches in our drive to deliver greater value to farm businesses.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
Employee engagement score increases from 63% to 80%	Career framework, develop learning solutions and employee value proposition	Embed our new career framework and connect it into development planning to identify and design organisational learning opportunities. Develop a career framework, identify and design learning opportunities and develop an employee value proposition to facilitate opportunities for Dairy Australia employees and increase our ability to attract and retain skilled people.
	Employee benefits	Perform a review and re-design of how the benefits of our work are identified, realised and monitored to ensure project objectives are met.
Dairy Australia values are known by 100% of employees	Embedding our values	Continue to embed our organisational values with broader engagement from staff: <ul style="list-style-type: none"> <li>• To build a stronger organisational culture for employees to understand and operate within – aligning with our already strong sense of purpose.</li> <li>• To actively close the gap between aspirational and realised values.</li> <li>• To be agile, decisive and outcomes-driven, seeking to build a stronger culture of delivery and accountability of value to our stakeholders.</li> </ul>
Dairy Australia values are well understood by 100% of employees		
90% of Dairy Australia employees demonstrate commitment to our values		
80% of employees agree that Dairy Australia is decisive and effective in its actions		
80% of farm businesses value Dairy Australia for our ability to be innovative	Roll-out of our innovation strategy	Continue to roll out and embed the 12 key initiatives under the innovation strategy. The 2023/24 roadmap will focus on high value industry collaborations, co-creation, idea management, training, pathways to contribute and new business model innovation.

## 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.

**We will be agile and responsive to changing industry needs.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
90% of Dairy Australia's employees have the right tools and infrastructure to deliver the best service to levy payers	Salesforce roadmap delivery	Salesforce is a critical enabler for Dairy Australia. The 2023/24 roadmap focuses on increasing adoption, building operational efficiencies, and continues leveraging the benefits of Salesforce.
	Portfolio planning and management	Improve the organisation's ability to deliver, manage and report accurately, efficiently and effectively on the strategic plan, projects and activities and services by implementing a centralised, integrated, flexible and efficient tool that is a single source of truth.
	Workplace health and safety (WHS)	Continue to strengthen the WHS framework by upgrading and embedding our compliance, recording and reporting systems.
	Information technology security	Continue to review and implement cybersecurity controls and systems as required to respond to and mitigate ever-changing cybersecurity threats. Upgrade server and network infrastructure that will become end-of-support in the next 18 months. This will ensure our systems remain supported and can continue to receive security updates. Continue to improve our information technology infrastructure and take advantage of Microsoft cloud technology to introduce cost savings, increase system security and disaster recovery options.
	Document management in Microsoft 365	Move all Dairy Australia files to Microsoft 365, improve the governance and adoption of responsible document management, and continue to upskill employees in Teams and OneDrive.
75% of Dairy Australia employees agree that our processes allow for agility and responsiveness	Digital experience	Enhance Dairy Hub design and content, including streamlined connection points to core employee applications such as Teams and Document Management.
	Portfolio planning and management	In 2023/24, we will replace manual and offline processes across project management and strategic performance reporting with automation as well as a streamlined system that ensures a single source of truth across the organisation.
	Workplace health and safety	Our new framework will ensure Dairy Australia continues to be a safe workplace with consistent, relevant and timely information that consistently flows through the organisation enabling us to be responsive and prioritise the well-being of our employees and anyone impacted by our activities.
	Document management in Microsoft 365	Move all Dairy Australia files to Microsoft 365, improve the governance and adoption of responsible document management, and continue to upskill employees in Teams and OneDrive.
80% of farmers agree that Dairy Australia is responsive to major industry events impacting the industry	Issues management	Increase industry engagement with the Issues Management Framework, our industry mechanism for identifying, analysing and coordinating response efforts to industry issues or risks. Increase industry awareness and preparedness for an emergency animal disease incursion, such as lumpy skin disease or foot-and-mouth disease, through national and regional channels.



**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.

**We will ensure all resources are used responsibly.**

2024/25 TARGET	PROJECT	KEY 2023/24 ACTIVITY
80% of levy payers are satisfied that they are well-informed about how Dairy Australia invests levy	Implementing Farmer Services Strategy	Enhance engagement and connectedness with farmers through establishment and wider rollout of our Farm Engagement function. This fundamentally changes how we connect and service farm businesses through our regions.
	Farmer communications	Implement a farmer communication strategy to drive further awareness of Dairy Australia’s role and value to farmers and create stronger connectedness between Dairy Australia and regional communications. Focus on priority campaigns around the products, activities and services Dairy Australia wants to be known for.
	Annual and performance reporting	Publish annual and performance reports that inform how Dairy Australia is investing funding (received from farmer levies, government matching payments, grants etc.) for the benefit of farmers and the dairy industry.
Levy payers are satisfied that Dairy Australia is investing levies appropriately 8 out of 10 levy payer response		This success indicator is a result of the work that Dairy Australia does across all our seven strategic priorities. It indicates the overall satisfaction that dairy farmers have Dairy Australia.
80% of levy payers agree that Dairy Australia’s investments deliver value	Investment Review Panel	Ongoing enhancements to the Investment Review Panel process to ensure investments support productivity, innovation and value back to farmers.
	External impact assessments	Undertake up to four post-investment assessments on recently completed projects from across our portfolios. Two will be external evaluations with a further two evaluated internally but with external peer review. The results will be published in the Annual Performance Report.
	Strategic portfolio tracker survey	Conduct our annual farmer survey to understand the progress made on delivering our five-year strategy.



# Portfolio structure and balance of investments

Our strategy (as set out in our five-year strategic plan) is executed through a series of annual operating plans that allow us to define focus areas for each financial year.

These plans are created annually following consultation with key industry stakeholders ensuring our projects consider changing industry conditions and the evolving needs of levy payers.

Achieving a balanced portfolio of investments is critical to the success of the industry and Dairy Australia. To achieve this, we use a combination of processes and frameworks.

- Investment decisions that ensure a good mix of long-term strategic investments, such as DairyBio, DairyFeedbase, etc., along with medium to short-term investments that address more immediate problems.
- Five-year strategy and annual operating plans that follow an outcome-first approach and look at our long-term aspirations for the industry across our seven strategic priorities.
- Ensure our RD&E investment decisions are based on the appropriate benefit-cost analysis while maintaining an ongoing focus on lifting industry productivity and profitability.
- The Dairy Moving Forward framework forms the basis of our long-term R&D outcomes and is clearly aligned with the Federal Government's national R&D priorities and levy payers' needs.
- Ongoing engagement with stakeholders to shape our annual investments and influence our RD&E portfolio, among other outcomes.
- Quarterly and Annual Performance Review processes to ensure regular review of outcomes against our strategic plan.
- External independent evaluations to ensure our projects are progressing to deliver objectives.
- Continued participation in cross-sectoral RD&E investments.

Our new portfolio structure (introduced in 2020/21) continues to provide an improved governance framework and is now reaching maturity. Projects are allocated to portfolios after approval by an investment review panel ensuring due diligence in strategic alignment, focus on benefits for levy payers, cost effectiveness and required resourcing to deliver.

Our portfolios are centred around our strategic priorities. Key benefits include:

- ability to focus on outcomes while ensuring efficient execution of our strategy
- strategic focus on the needs of the industry
- collaboration among teams with a focus on levy payers.

Our portfolios are governed under a portfolio governance framework. Each portfolio is led by a portfolio lead, typically a member of the Dairy Australia leadership team. The portfolio lead conducts a quarterly portfolio review focusing on:

- ensuring progress towards achieving strategic outcomes
- being decisive about the strategic direction of the portfolio
- encouraging a 'farmer first' approach
- operating as 'one-team' through cross-functional collaboration
- fostering a culture of innovation through generation of new ideas within each portfolio
- resolving resourcing at a portfolio level
  - existing capacity/capability challenges
  - planning future resource requirements
- ensuring portfolio risks are managed and mitigated.

The quarterly portfolio review is led by the portfolio lead with participation from the relevant leadership team members, project sponsors, project leaders, project managers, portfolio manager, strategy manager and financial controller. The review utilises the quarterly performance reports and submissions from project leaders and project managers as the basis for evaluating portfolio needs and performance.

# Measurement of performance

A revised **evaluation framework** that supports our new strategy was published in June 2020.

This framework sets out the role of evaluation for strategic priorities as well as for individual projects, activities and services. The framework includes the objectives for setting performance targets and the obligations to report on performance.

We have identified project-level metrics for all of our investments in 2023/24. While each project metric

is instrumental in achieving the strategic metrics, they are also the intermediate indicators for 2023/24 providing confidence that we are on-track and to enable ongoing monitoring.

Management will prepare a quarterly report of performance for the Board and publish an annual performance report. Quarterly performance updates will also be shared with Group B members and the Department of Agriculture, Fisheries and Forestry.

**Figure 4** How our metrics fit together





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### **Acknowledgement of Country**

The Australian dairy industry acknowledges the Traditional Owners of Country where we work throughout Australia and recognises their continuing connection to lands, waters and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures; and to Elders both past, present and emerging.

#### **Disclaimer**

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#### **Acknowledgement**

Dairy Australia acknowledges the contribution made to this publication by the Commonwealth Government through its provision of matching payments under Dairy Australia's Statutory Funding Agreement.

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ISSN 2653-1399