

# PERFORMANCE REPORT

2020/21

Delivering  
for *Dairy*

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# INTRODUCTION

Dairy Australia is pleased to present this year's Performance Report, a companion document to our Annual Report. It provides detailed information on our achievements during 2020/21 as well as progress made on initiatives designed to support the profitability and sustainability of the dairy industry.

This is our first year reporting against Dairy Australia's 2020–2025 Strategic Plan. The plan describes our priorities and the outcomes we will deliver over the five years, with six priorities that contribute to delivering improved profitability for farmers and a more sustainable dairy industry, and a seventh priority focusing on our organisational performance. These priorities align with the key commitments of the Australian Dairy Plan and guide our delivery of this vital work on behalf of the industry.

In 2020/21, Dairy Australia invested \$62.3 million across our seven strategic priorities. This report explains what Dairy Australia is delivering to industry including research and innovation, supporting farm business management, responding to events such as drought, bushfires, floods or COVID-19, developing tools to adapt to the environment and address climate, supporting on-farm employment needs, marketing of dairy products and commitment to sustainability, policy research, industry insights, and delivering international market programs.

Group-level performance metrics are also outlined across the key aspects of financial, people, stakeholder satisfaction, technology and infrastructure, and risk management.

We are committed to increasing transparency and providing information that is of interest and relevance to farmer levy payers and industry and government stakeholders, including our many partners who invest with us in major projects.

You can read more about our organisation, achievements, people and corporate governance in the 2020/21 Dairy Australia Annual Report, available on our website [dairyaustralia.com.au](http://dairyaustralia.com.au).



*James D. Mann.*

**James Mann** Chair



*David Nation*

**David Nation** Managing Director

# STRATEGIC FRAMEWORK

Dairy Australia has seven strategic priorities from 2020 to 2025. 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 careers	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 tools for price and cost volatility	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		

5

SUCCESS IN DOMESTIC AND OVERSEAS MARKETS

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

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

**b** A favourable policy and regulatory environment

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

6

TECHNOLOGY AND DATA-ENABLED DAIRY FARMS

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

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

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

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

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

7

INNOVATIVE AND RESPONSIVE ORGANISATION

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

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

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

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

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

# 2020/21 KEY ACHIEVEMENTS



## Farm business management

Delivered **Our Farm, Our Plan** across Australia with more than 250 participants in 2020/21. Partner funding of \$1,785,000 secured to support further activities.



## Farm performance

Developed the **Farm Business Snapshot** digital tool providing an analysis of the historical performance of a dairy farm business to assist farmers better understand production costs and overall profitability.



## Extension activities

Offered more than 855 extension activities across Australia with **8,250 people** attending online and face-to-face.



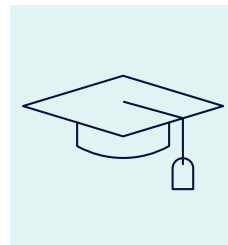
## Employment

Supported on-farm employment needs with **more than 2,000 farms** registered to use resources from the **People in Dairy** platform.



## On-farm labour

A **Pathway for People in Dairy** connected 5,583 people to pre-employment learning resources, raising awareness of working on a dairy farm and getting a job.



## Learning and development

Made available **Dairy Farm Manager** learning experiences to more than 75 University of Sydney undergraduate students.



## Summer forages

Held the **C4Milk field day** (in Gatton, Queensland) for service providers and farmers, providing insights into the latest research findings on summer forages.



## Climate

Launched the **Climate Change Strategy**, prioritising our research, development and extension efforts to adapt to a changing climate.



## Forage decisions

Published the **Forage Value Index** for annual and Italian ryegrass species, providing information for more regions and enabling farmers to make informed seed purchasing decisions.



## Forage improvement

Completed breeding of both **F1 Hybrid perennial ryegrass varieties** and genomic-selection of improved varieties.

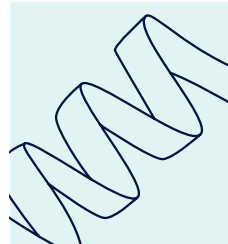


# 2020/21 KEY ACHIEVEMENTS



## DairyBio

Completed first five years of DairyBio, with **genomic selection** for more traits and more breeds.



## Genetic improvement

Reduced turnaround time for **commercial genomic testing** from 25 to nine days. Increased the number of females tested from 17,600 to 58,000. Released first Red Breed genomics.



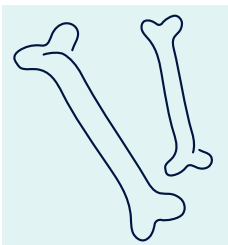
## Calf pathways

Initiated work with the beef sector to develop **viable alternatives** to early-life calf slaughter that are socially acceptable and economically sustainable.



## Milk quality

Improved milk quality with an increase in farms with Bulk Milk Cell Count of <250,000 from 79% (2016) to 86.1% (2020).



## Fractures trial research

Delivered results of the **world-leading research** on links between dairy intake, malnutrition and fracture rates. Increasing dairy intakes from 2 to 3.5 serves has significant impacts on falls and fracture reduction in the elderly.



## Health professionals

Engaged **dietitians and general practitioners** on the benefits of dairy with 90% of those surveyed feeling confident to recommend milk, cheese and yoghurt as part of a balanced diet.



## Industry marketing

Highlighted the positive impact **buying Aussie dairy** has on Australian communities through the Dairy Matters 'Buy, Support, Enjoy Aussie Dairy' marketing campaign, with TV reaching over 7 million adults and radio over 7.8 million.



## Farmer ambassadors

Launched the **Farmer Ambassador** program with 30 farmers who supported more than 30 marketing campaigns, programs and initiatives.



## Education in schools

Reached more than 340,000 students and education providers through **Discover Dairy**, a platform for educating and engaging our consumers of tomorrow.



## Sustainability

Engaged more than 130 key opinion leaders in a workshop discussing the role of dairy in a nutritious and sustainable diet as part of the Australian Dairy **Sustainability Framework**.





### Recycling silage plastics

Commenced development of a national product stewardship scheme for **dairy silage plastics** using a \$965,400 grant from the Australian Government. The scheme aims to develop a sustainable system for collecting and recycling silage wrap.



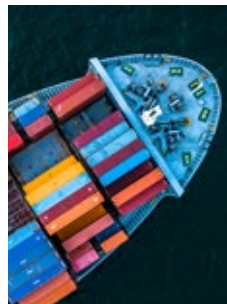
### Policy support

**Policy support** across industry to areas including the Murray Darling Basin Plan, environmental protection, workforce, regional development and climate change.



### Dairy export assurance

Commenced the **dairy export assurance program**, an \$8.3 million partnership with the Australian Government aiming to make it easier for processors to export and remove regulatory burden, which can be a barrier to accessing high value overseas markets.



### Tariff removal

Supported industry and Australian Government to secure a commitment to **remove all export tariffs** for dairy exports to the United Kingdom.



### COVID-19 response

Developed and managed **COVID-19 response** to help the dairy industry keep its people safe and prepare for, and respond to, the restrictions imposed across the country.

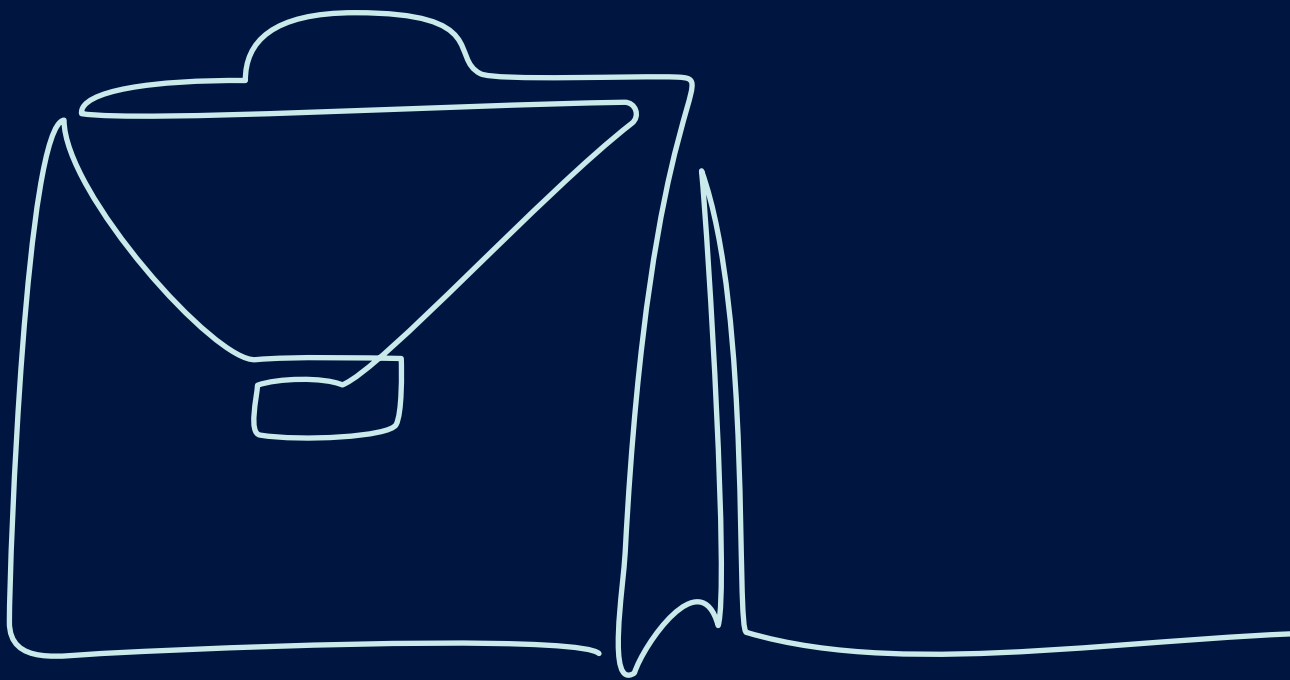


### New website

Launched the new **dairyaustralia.com.au** website delivering relevant information and resources to farmers and the broader industry.



# OUR PORTFOLIOS





# MORE RESILIENT FARM BUSINESSES

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

## Strategic outcomes

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- a** Business planning that leads to better decisions and sustained success

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- b** Clear and understood drivers of dairy farm profitability and productivity

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- c** Expanded range of risk management tools for price and cost volatility

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- d** Innovation in finance that increases access to capital for expansion and new entrants

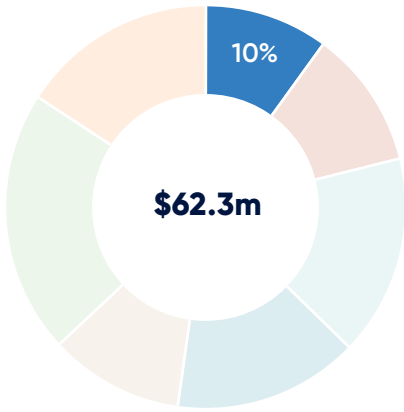
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Our projects, activities and services	Strategic outcomes			
	1a	1b	1c	1d
Our Farm, Our Plan	●	●		
Understanding drivers of productivity for better decision-making		●		
Dairy Farm Monitor		●		
Farm Performance	●	●		
Large supplier program				●
Milk Price Monitor	●	●		
National Herd Reproductive Performance Report	●	●		
Australian Dairy Investor Engagement				●

## Investment

Dairy Australia investment 2020/21 **\$6.3m**

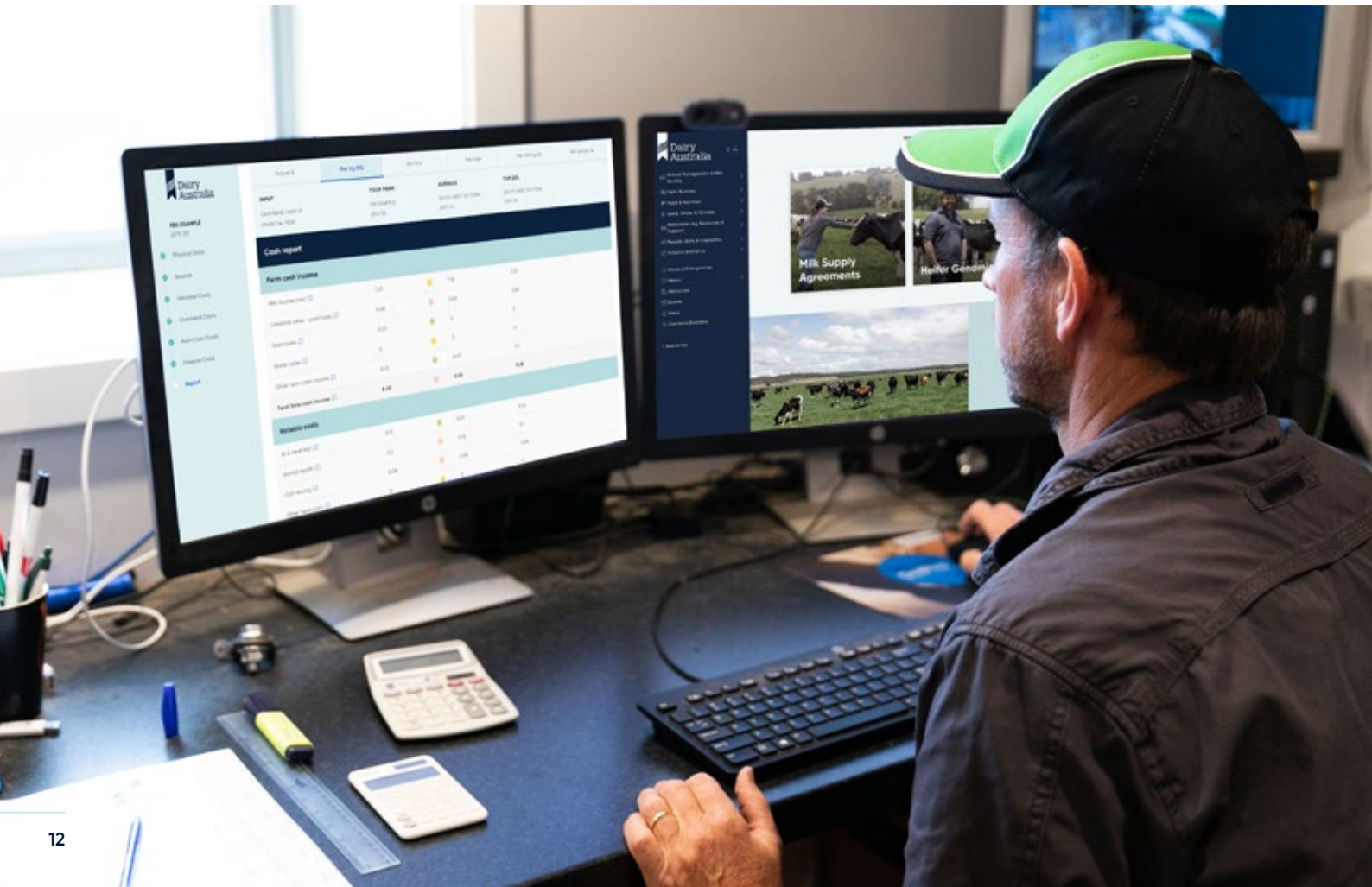


External investment 2020/21 **\$0.6m**

Key funding partners	Contribution
Department of Agriculture, Water and the Environment	\$0.37m
Gardiner Dairy Foundation	\$0.1m
University of Sydney	\$0.07m

### Key partners

- Federal and state governments
- Gardiner Dairy Foundation
- Australian Dairy Farmers
- Banking sector and other providers of capital
- Processing sector and their farmer clients



## STRATEGIC OUTCOME 1A

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Dairy farm businesses perform systematic, periodic business reviews at least annually	80% farm businesses	69%
Dairy farm businesses make key long-term decisions using a documented business plan	80% farm businesses	49%

#### Key achievements

- Developed and successfully piloted online blended delivery model using Dairy Australia's Enlight online learning platform and Zoom. Feedback from participating farmers has been positive. The model provides efficiencies and scope to deliver Our Farm, Our Plan workshops, regardless of COVID-19 restrictions and/or distance.
- Delivered Our Farm, Our Plan across Australia with more than 250 participants in 2020/21. Partner funding of \$1,785,000 secured to support further activities.
- Published the digital Farm Fitness Checklist in April 2021 providing a simple self-assessment tool to help farmers understand their current state and perform a SWOT analysis. The Checklist provides farmers with an online entry point to the Our Farm, Our Plan process that can be accessed anywhere, any time on any device.
- Refreshed and re-launched the Milk Supply Agreements content for 2020/21 to build awareness of available support for farmers when working through important legal and operational considerations for their farm business when negotiating contracts.

## STRATEGIC OUTCOME 1B

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Farm decision makers can accurately state the profit metrics for their farm	60% farm businesses	15%
Farm decision makers can accurately state the productivity drivers for their farm	90% farm businesses	81%

#### Key achievements

- Productivity forum held with 150+ attendees and 300+ people reached with recordings final report delivered and project due to be finalised.
- Results from the Dairy Farm Monitor Project (DFMP) showed significant improvements in farm profitability for the 2019/20 season. The recovery in performance is expected to continue in 2020/21 with strong trading conditions.
- Farm Business Fundamentals and Dairy Farm Business Analysis delivered online with more than 100 farmers participating in Farm Business Fundamentals.
- Developed the **Farm Business Snapshot** digital tool providing an analysis of the historical performance of a dairy farm business to assist farmers better understand production costs and overall profitability.

## STRATEGIC OUTCOME 1C

### Expanded range of risk management tools for price and cost volatility

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Farm businesses are actively using risk mitigation initiatives to manage exposure to price and cost volatility	80% farm businesses	57%
Farm owners and managers' specific business needs are met through the range of risk mitigation initiatives available	80% of farms using or considered using risk mitigation initiatives	23%

#### Key achievements

- Further development in this area is required to deliver on the five-year plan. Recruitment for a skilled manager to drive this space is underway.

## STRATEGIC OUTCOME 1D

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

Finance is a highly innovative sector and better access to finance is important for dairy businesses seeking additional capital.

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Farm owners and managers have the opportunity to access capital to meet their requirements	80% of farms had no problems accessing finance for capital investment when attempting to do so	78%
A new mechanism is developed, supported and commercially available that recognises dairy specifically and allows access to capital for expansion and new entry into dairy farming	One new mechanism developed	0

#### Key achievements

- A new program, **Deep Dive, Informed Investment in Dairy**, was launched for staff at middle manager level in key institutions with investment interests in the Australian dairy industry (e.g. banks, investment houses, investment consultancy firms, superannuation funds). The program covers the critical factors driving their investment decisions and engages them on an ongoing basis. The program was developed with an ambition to bring an investment alumni together annually. Marketing for the inaugural course has commenced with the first program fully subscribed. Signed-up participants have committed to paying \$1,250 to be involved.





## Case study

# OUR FARM, OUR PLAN

## Objective

Our Farm, Our Plan is designed to help the key decision-makers in a farm business communicate and clarify their plan for their future and put it on paper using the 'plan on a page'. Research has shown that documented plans significantly increase the likelihood of follow through. Having a vision as well as long-term goals also helps to build resilience and leads to better decisions.

In 2020/21, Dairy Australia worked with more than 250 farmers from 137 farm businesses to formulate their 'plan on a page' through Our Farm, Our Plan workshops and one-to-one follow up with experienced facilitators. Despite the challenges of COVID-19, we switched many of our programs to online delivery, which saw groups of farmers attend online sessions to discuss their plans and learn from each other. With the help of our regional teams, farmers have been brought together in person where possible.

Scott and Jade Tout have been share farming near Yarram, Victoria for the past three years and currently milk 290 head. The past few years they've taken big steps, increasing their ownership of the herd, raising two young boys, and juggling the challenges of farming including flooding and feed shortages. Jade was the driver to participate in Our Farm, Our Plan as she could see the value of a written plan, however Scott was quite hesitant. The Touts participated in an online group with other dairy farmers from across Gippsland, facilitated by the GippsDairy team and local consultant Matt Harms.

## Action

For the Touts, the program helped them identify areas of focus and made them more conscious of what they can control to make a difference. It allowed them to have conversations they previously hadn't had, raise queries and talk them through with the support of an experienced facilitator. This enabled Scott and Jade to develop strong ownership of their plan. It also allowed for them

to celebrate how far they have come in a short time and to identify what is important to them, what their long-term vision looks like and their business and personal goals.

As with many plans, people and labour were a focus in Jade and Scott's plan. Finding relief milkers who didn't require on-farm accommodation is one of their goals, which they hope will allow them a weekend off occasionally and provide back-up support during busy times. With two young boys, farm safety is of high importance and Jade identified that swimming lessons and safe play areas were high priorities.

Each plan is different for each farm and the decision makers in that farm business. One of the keys to success is identifying focus areas and laying out an achievable plan with clear goals and actions, including timelines and responsibilities. Feedback from farmers is that the plan on a page is simple and effective. It allows everyone to be involved, see what's in the plan, own it and be accountable to it.

## Impact

Despite Scott being a hesitant starter, he now praises Our Farm, Our Plan. "It helps you to consolidate your thoughts and gets you talking. The tools such as the Farm Fitness Checklist help get your ideas from A to B and to narrow your goals to an achievable plan."

The online program worked well for the Touts as they did not need to leave the farm to participate and only took an hour or two per week. Being spread over six weeks allowed them to talk through each module between sessions and opened up the way they communicate as a family. Having Matt connect with them one-on-one really helped to make the plan clear, realistic and achievable.

Jade and Scott were able to meet their other Our Farm, Our Plan group members at the final session and from this, several friendships and mentor relationships have formed.

# 2

PRIORITY

## ATTRACT AND DEVELOP GREAT PEOPLE FOR DAIRY

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GOAL

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

### Strategic outcomes

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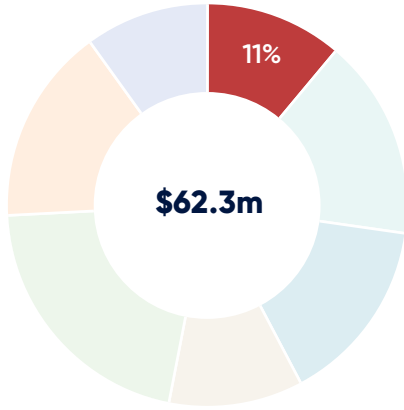
- a** Greater awareness of Australian dairy as an attractive industry with rewarding careers
  - b** Clear and supported skill development and career pathways
  - c** Access to capable and skilled farm employees and service providers
  - d** Support farm businesses and their service providers to get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



Our projects, activities and services	Strategic outcomes			
	2a	2b	2c	2d
People in Agriculture	•			•
Pathways for People in Dairy (Agriculture Victoria)	•	•	•	•
Farm Safety	•			•
Cows Create Careers	•			
Dairy Farm Managers		•	•	
Regional Services		•	•	•
Extension		•	•	•
Rearing Healthy Calves				•
DairyLearn Partnerships		•	•	
NSW Farmer Capability Coaching and Extension	•	•	•	•

## Investment

Dairy Australia investment 2020/21 **\$6.8m**



External investment 2020/21 **\$0.8m**

Key funding partners	Contribution
Department of Job, Precincts and Regions	\$0.7m
Other RDCs (Meat & Livestock Australia, Grains Research & Development Corporation, Cotton Research and Development Corporation, Australian Pork Limited, Australian Egg Corporation Limited)	\$0.07m

### Key partners

- Dairy Industry People Development Council
- Gardiner Dairy Foundation
- DairyLearn Partner Network (registered training organisations and universities)
- Marcus Oldham College, University of Tasmania, University of Sydney



## STRATEGIC OUTCOME 2A

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Dairy farm employers can describe why dairy is rewarding to work in	80% of employers	75%
Australians would consider working on a dairy farm	30% of community	20%
All dairy farms implement good safety practices	100% farm employees	85%

#### Key achievements

- A Pathway for People in Dairy connected 5,583 people to pre-employment learning resources, raising awareness of working on a dairy farm and getting a job on a dairy farm ([thepeopleindairy.org.au/get-employed](https://thepeopleindairy.org.au/get-employed)).
- Farm Safety and A Pathway for People in Dairy supported over 350 new farms to connect with an online health and safety compliance platform for managing onboarding and safety practices on-farm.
- Over 2,500 Standard Operating Procedures (SOPs) created by farm businesses to provide a safe work environment through farmers using online compliance platforms.
- Over 3,450 SOPs signed-off with employees using the SOPs and farm businesses providing a safe work environment through online compliance platforms.

## STRATEGIC OUTCOME 2B

### Clear and supported skill development and career pathways

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Employees have clear, logical and supported development pathways in dairy	70% of farmers who are building their career in dairy	54%
Employers have clear, logical and supported development pathways for themselves	70% of employers	52%
Employers have clear, logical and supported development pathways for their employees	70% of employers	65%

#### Key achievements

- Dairy Learning Plan successfully embedded in Marcus Oldham College scholarship program with 100% retention and pilot initiated with University of Sydney undergraduate students.
- Developed the Masterclass in Dairy Farm Management in partnership with the University of Tasmania.
- Dairy online resource tool developed for enhancing access to dairy industry resources by Vocational Education and Training (VET) partners.
- Made available Dairy Farm Manager learning experiences to more than 75 University of Sydney undergraduate students.

## 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 have the confidence and capability to hire, manage, lead and provide a safe work environment for capable people. Service providers need to invest in their own capability and support a new generation of talented professionals.

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Dairy farm businesses agree they have sufficient access to skilled service providers to meet their needs	85% farm businesses	69%
Employers report that the time taken to find a new employee was less than one month	80% of employers that employed someone in the past 12 months	69%
Employers were able find an employee with the right capability for the role in the past 12 months	80% of employers that employed someone in the past 12 months	70%

#### Key achievements

- Sixty new entrants to the dairy industry registered and provided with access to the 90-day onboarding framework.
- Dairy online professional development program delivered to 15 VET trainers across Australia.

## STRATEGIC OUTCOME 2D

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

Farm businesses are complex with many interconnected decisions required on a daily basis in order to produce milk. Establishing fundamentals such as soil management, pasture agronomy, animal nutrition and milk quality is important for farm success.

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Farm businesses have access to the information and tools they need to get the fundamentals right on farm	80% farm businesses	63%
Service providers have access to the information and tools that they need to get the fundamentals right on farm	80% service providers	65%

#### Key achievements

- Rearing Healthy Calves program being rebuilt to bring in latest science and key messages around non-replacement calves, antimicrobial stewardship and biosecurity. Program to operate two streams: Fundamentals (for calf rearing staff) and Advanced (for decision-makers) to better tailor the extension experience. Due to ongoing COVID-19 restrictions, the focus is on building an online program to deliver in more remote regions.
- People in Dairy online resources for getting the fundamentals right on-farm, Managing People on Farm and Farm Safety, made available. Over 142,883 people visited the site during the 12-month period.
- Farmers have access to bespoke employment contract templates for easier recruitment of staff and updated information on the Pastoral Award 2020 to ensure industrial relations compliance in their employment practices. The project is a cross-commodity collaboration, including grains, pork, eggs, cotton and meat and livestock RDCs.
- The Farm Safety Technical Panel provided Occupational Health and Safety, COVID-19 and workplace safety expertise informing the development of an employee online Farm Safety module, a 90-day onboarding journey for safe work practices of new employees and updating the COVID-19 management framework in accordance with government advice.
- Offered more than 855 extension activities across Australia with 8,250 people attending online and face-to-face.



## Case study

### DAIRY FARM MANAGERS

#### Objective

As farm businesses look to improve operational efficiencies, growth in herd sizes and productivity have increased the complexity of farm businesses. With the role of dairy farmer now extending beyond the paddock, there is an increased demand for diverse, business-centric skills and capabilities.

This project provides support for new entrants and existing industry workers to develop the skills they need for a career in dairy farm management.

#### Action

The project provides participants with the opportunity to undertake dairy learning experiences through partnerships with four education providers: University of Sydney, University of Tasmania, Marcus Oldham College and Agrifutures.

Undergraduate agribusiness and agricultural science students: a Dairy Learning Plan allows students to participate in integrated learning activities designed to develop their technical knowledge and understanding of dairy and professional networks. Through program scholarships, students can also participate in dairy work placements, field projects and extension training and development allowing them to transition seamlessly into a dairy farm management role.

People employed in the industry but looking to progress their career in dairy farm management: a Graduate Diploma of Agribusiness (Dairy Management) course was developed in partnership with the University of Tasmania providing working dairy farm managers and those in pre-management roles on-farm, with the opportunity to develop their capabilities in agribusiness financial management, people and leadership, and business strategy and planning.

#### Impact

This five-year initiative supports capability development and provides a sustainable pipeline for dairy farm managers. In the first year, 100% of undergraduate students who graduated from Dairy Learning Plan activities transitioned into pre-management roles within dairy farm businesses. These students have been graduates of the Marcus Oldham College Dairy Farm Managers Program and Agrifutures Horizon Scholarship (Dairy Cohort). A further 70 undergraduate students from the University of Sydney are engaged in the dairy industry field project program, providing an opportunity for students to develop professional networks and the industry knowledge required to build a career in dairy.

Over five years, the project is projected to support 160 people to enter or progress their career in the dairy industry toward farm management.

PRIORITY

3

# STRONG COMMUNITY SUPPORT FOR DAIRY

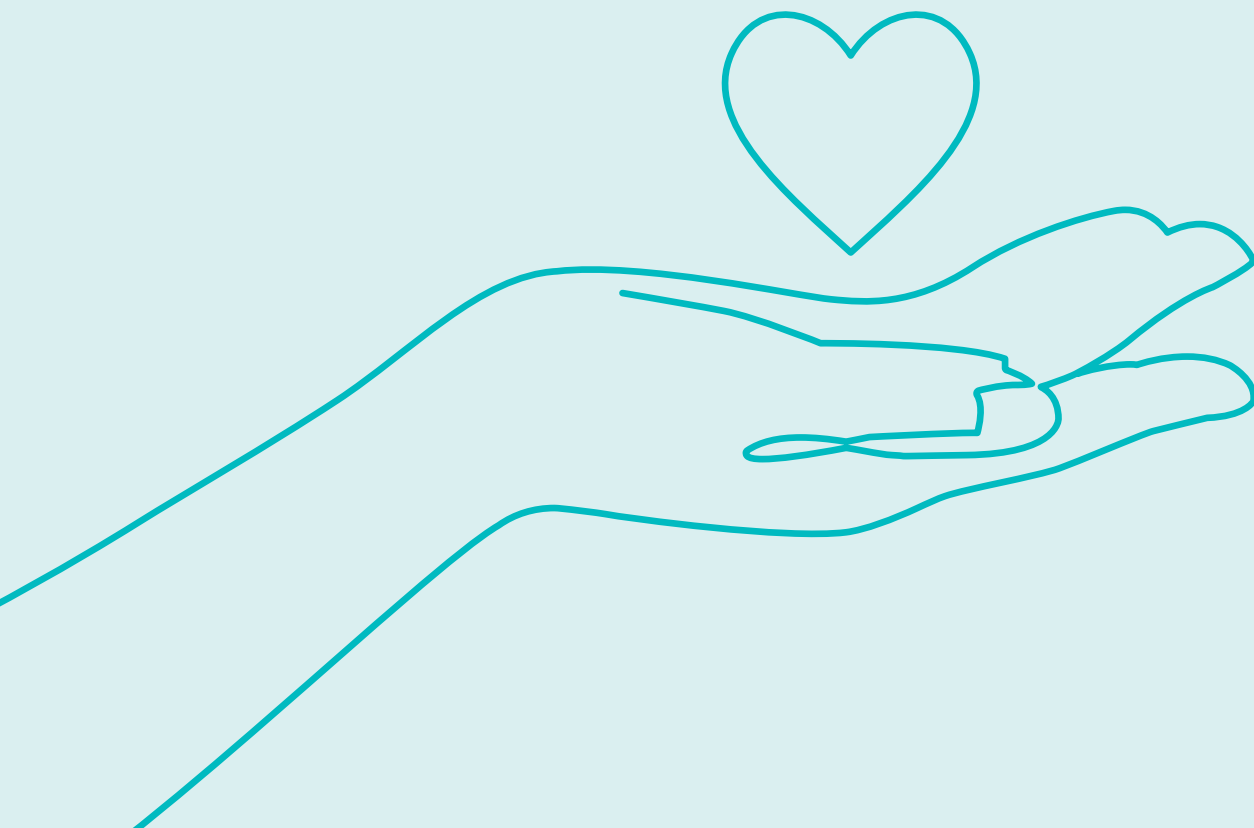
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GOAL

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

## 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

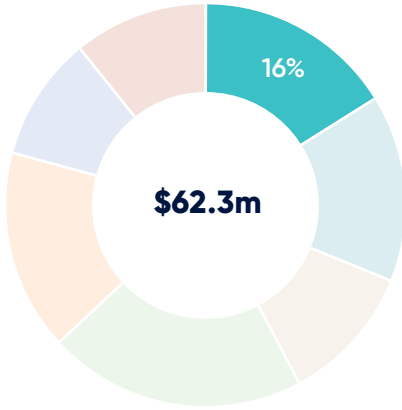




Our projects, activities and services	Strategic outcomes		
	3a	3b	3c
Health and Nutrition	●	●	
Consumer Marketing	●	●	●
Schools Engagement	●	●	
Non-replacement Calf Pathways			●
Industry Sustainability Framework	●	●	●

## Investment

Dairy Australia investment 2020/21 **\$10.0m**



External investment 2020/21 **\$0.3m**

Key funding partners	Contribution
Dairy processors – Fonterra, Saputo, Lactalis, Brownes Dairy	\$0.25m
University of Sydney	\$0.07m

### Key partners

- Sustainability Framework Consultative Forum
- Global Dairy Platform, International Dairy Federation, Sustainable Agricultural Initiatives
- Industry representative groups – Australian Dairy Farmers, Australian Dairy Products Federation, state dairy farming organisations
- Milk processors and retailers
- Nutrition Policy Reference Group



## STRATEGIC OUTCOME 3A

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
The community trusts the dairy industry	79% of community	75%
Farmers actively promote the industry	60% of farmers	31%
Consumers prefer to buy Australian made or locally-produced dairy products wherever possible	85% of consumers	81%
Consumers agree dairy farmers do a good job caring for the environment	75% of consumers	64%
The Sustainability Framework is recognised, supported and trusted as providing evidence of industry's commitment to sustainable dairy practices	80% community representatives on the consultative forum	70%

#### Key achievements

- The first phase of the Dairy Matters Buy, Support, Enjoy Aussie Dairy campaign was delivered from February to June highlighting how buying Aussie dairy can positively impact on Australian communities. The national campaign was featured through TV, radio, podcasts, social media and digital with \$250,000 investment from four processors (Lactalis, Saputo, Fonterra and Brownes) amplifying the reach through out-of-home and PR channels. Campaign tracking showed strong recognition and impact for the first phase: 33% of Australians recalled the campaign with 86% of those feeling more supportive of the industry, 81% feeling more supportive of the product and 63% consuming more dairy as a result of seeing the campaign.
- The Farmer Ambassador program was launched with 30 farmers representing all dairy regions across Australia. Three online workshops were held introducing the program, providing resources, information and messaging to build their confidence when promoting the industry. Ambassadors were engaged to support more than 30 marketing campaigns, programs and initiatives.
- Discover Dairy continued to build in strength as a platform for educating and engaging our consumers of tomorrow. The Discover Dairy website saw a huge upturn in resource interactions (downloads, video views, game interactions), indicating a high level of engagement with curriculum-aligned dairy industry learnings. In conjunction with activities such as Healthy Bones Action Week and the flagship Picasso Cows program, Discover Dairy reached approximately 340,000 students over the year. As a brand, Discover Dairy is now established as a trusted education resource, with 86% of teachers indicating they would recommend it to their peers.
- While this year restricted opportunities to educate school children on-farm, the upside was innovation that brought the farm to the classroom. Early this year, Dairy Australia piloted a series of Discover Dairy virtual classrooms. Hosted by a qualified teacher, our Farmer Ambassador, Bonnie Ravenhill livestreamed into classrooms using her iPad and walked the students through her farm, answering their questions in real time. The 45-minute lessons engaged 36 schools, reaching more than 1,000 students and 72 teachers.
- Successfully engaged a wide group of key opinion leaders (KOLs) in sustainability, especially nutrition sustainability, at a workshop discussing the role of dairy in a nutritious and sustainable diet. A full report was sent to the 130 participants and formed a submission to the UN Food System Summit. The workshop enabled more KOLs to participate and provide their input into the development and progress of the dairy industry's Sustainability Framework. The increased numbers of nutrition KOLs present and the feedback obtained indicated more positive views of dairy and greater community trust.

## STRATEGIC OUTCOME 3B

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

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

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
The community trusts dairy as a wholesome and healthy food	87% of community	83%
Consumers hear positive health messages about dairy foods from health professionals	86% of consumers	86%
Consumers make an effort to consume dairy every day	55% of consumers	49%

#### Key achievements

- On behalf of the industry, Dairy Australia provided input into the initial round of stakeholder consultation for the Australian Dietary Guidelines review. Priority focus areas suggested by the industry included sustainability, recognition of the Dairy Matrix and the associated health benefits, and a review of plant-based products.
- 'Raise a Glass to Regular Fat Milk' was the call to action for the latest phase of the General Practitioner Dairy Matrix campaign. Leveraging the recent inclusion of regular fat dairy in the Heart Foundation's revised Heart Healthy Eating Guidelines, Dr Tim Crowe (a member of the Heart Foundation's expert reference group) explained the science behind these new recommendations, and the implications for general practice. The campaign ran through May and June across Australian Doctor Group's print and digital media channels, reaching a potential GP audience of 20,000 weekly.
- As trusted sources of health and nutrition advice for consumers, targeting dietitians and general practitioners with dairy nutrition information was a priority focus for 2020/21. A series of integrated campaigns were delivered to these audiences across a range of targeted channels (podcasts, webinars, electronic direct mail, print and digital media, and an interactive virtual event), showcasing the science behind the health benefits and nutritional makeup of milk, cheese and yoghurt – known as the Dairy Matrix. Post-campaign metrics indicated strong support for dairy foods with more than 90% of surveyed GPs and dietitians feeling confident to recommend milk, cheese and yoghurt as part of a balanced diet.

## 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 not only essential to the success of every farming business, it is 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.

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
The community believes the dairy industry meets their expectations in doing the right thing	77% of community	73%
The community agrees that dairy farmers do a good job caring for their animals	80% of community	74%

#### Key achievements

- Initiated work with the beef sector to develop viable alternatives to early-life calf slaughter that are socially acceptable and economically sustainable. The project utilised a collaborative design framework where a group of local dairy producers and their advisors deliberated local opportunities and barriers to practice change. The findings of community focus group sessions and extensive supply chain stakeholder engagement are being integrated as the group is facilitated to arrive at their own viable alternatives to early-life slaughter tailored to the local region.
- Our animal welfare team supported the delivery of the Australian Dairy Farmers Online Dairy Beef Forum which marked the beginning of an Australian Dairy Farmers policy development process for non-replacement calf management. Attended by almost 250 participants and receiving close to 500 registrations, the forum demonstrated the strong appetite from the industry to engage constructively with the challenge of non-replacement calf management. A wide range of local and international experts took participants through policy drivers and social science, RD&E updates as well as commercial initiatives in the supply chain from genetics to meat processing.



## DAIRY MATTERS SUPPORT AUSSIE CAMPAIGN

### Objective

One of the commitments in the Australian Dairy Plan is to increase the industry's collective effort in industry marketing, to drive further trust, value and demand for the Australian dairy industry. Specifically, the plan called for a high impact campaign to promote the Australian dairy industry and to engage ambassadors to champion positive messages about dairy products and the industry.

Consumer research shows that health messages are the number one driver of food consumption. While most Australian's are aware of dairy's health benefits, being reminded of dairy's natural nutrient richness and role in bone and muscle health has been shown to help drive increased consumption. Insights have also shown Australians are more aware than ever of how their purchasing habits can have a wider societal impact. However, consumers are confused about which products to buy and how to best support Australian dairy farmers.

To address these insights and drive increased industry marketing, Dairy Australia developed a large-scale industry campaign Buy, Support, Enjoy Aussie Dairy. The campaign builds on the successful Dairy Matters communication platform showing why buying Australian dairy matters: for health and enjoyment and for supporting Australian livelihoods. The objectives are to encourage consumers to buy more Australian dairy and make an effort to consume dairy every single day.

### Action

The first phase of the Buy, Support, Enjoy Aussie Dairy campaign, delivered from February to June 2021, highlighted how buying Aussie dairy can have a positive impact on Australian communities. The advertising featured Dairy Ambassador Jonathan Brown alongside people from across the dairy supply chain, and ran nationally on TV, radio, podcasts, digital, social media and YouTube channels. The campaign directed viewers to [dairymatters.com.au](https://dairymatters.com.au) to discover more about the Australian dairy industry and the people behind the products.

To increase marketing reach and drive a whole of supply chain approach, major processors were presented with investment packages. Four processors, Fonterra, Saputo, Lactalis and Brownes Dairy contributed a combined \$250,000 which was invested in advertising outside supermarkets with integration of the processor's brand.

The advertising was supported by a public relations activity, Dairy Destinations. In partnership with Airbnb, 12 road trip itineraries were created across the eight dairy regions showcasing cheesemakers, ice-creameries, kids dairy tours, roadside milkshake hotspots and dairy farm stays. More than 15 farmers, 40 manufacturers and 60 dairy experiences were involved. Dairy Destinations was launched at a pop-up 'milk bar' hosted by Jonathan Brown, where he led a Q&A session with Airbnb country manager Susan Wheeldon, south-west Victorian farmer Tania Luckin, and founder of RIPE Cheese, Hakim Halim. Journalists and influencers also took part in a cheese tasting workshop learning about cheeses from various dairy regions across the country.



## Case study

### Impact

The campaign was positively received with 33% of adults recalling seeing the campaign, 86% of those feeling more supportive of the industry, 81% feeling more supportive of the product, and 63% consuming more dairy as a result of seeing it. When comparing consumers who recognised the campaign to those who did not, there were significant improvements across all campaign metrics. Recognisers were more likely to:

- prefer buying Australian made dairy products wherever possible,
- make an effort to consume dairy every day,
- agree the dairy industry is an essential part of our community, and
- agree it's important to support the Australian dairy industry.

The second phase of the campaign will be delivered from July to November 2021 focusing on dairy's role in maintaining healthy bones and muscles. This will be followed by a third phase in 2022 which will showcase dairy's role in everyday moments: healthy starts at breakfast, brunching with friends and supporting sport and workouts.

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

## 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

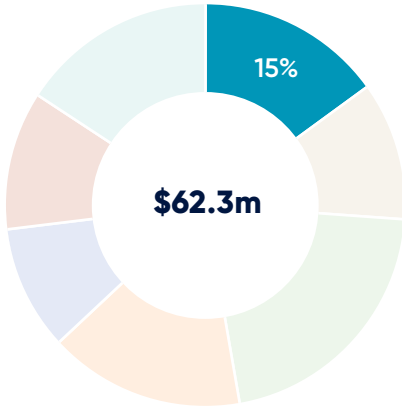




Our projects, activities and services	Strategic outcomes		
	4a	4b	4c
Adapting dairy farm systems	●		
Forewarned is forearmed	●		
Supporting Manufacturing Sustainability		●	
C4Milk	●		
DairyHIGH 2	●		
DairyFeedbase – Cool Cows	●		
Climate Change Adaptation Pathways for Dairy	●		

## Investment

Dairy Australia investment 2020/21 **\$9.2m**



External investment 2020/21 **\$1.8m**

Key funding partners	Contribution
Gardiner Dairy Foundation	\$0.7m
Agriculture Victoria	\$0.4m
DairyNZ	\$0.2m
Department of Industry, Science, Energy and Resources	\$0.1m
Department of Agriculture, Water and the Environment	\$0.1m

### Key partners

- All research and development corporations (RDCs)
- Dairy farmers, manufacturers and service providers
- Australian Dairy Farmers Natural Resource Management Policy Advisory Group
- Dairy Manufacturers Sustainability Council
- Federal and state governments, including National Landcare Project
- Bureau of Meteorology



## STRATEGIC OUTCOME 4A

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Farmers have access to enough information to understand the impacts of changes in the environment	90% of farmers	74%
Farmers have the right information and skills to thrive in increasingly volatile climatic conditions	95% of farmers	84%

#### Key achievements

- Cool Cows: Results from three experiments in the controlled-climate chambers show only small differences in milk production, core temperature and indicators of stress when cows are offered various concentrate supplements or feed additives during hot weather. The most significant finding is the large degree of variation between individual cows (i.e. some maintain feed intake and others reduce feed intake by up to 50%) in their response to heat exposure that is potentially influenced by factors such as genetics. The interaction between nutrition and genetics is to be explored.
- Development work on the proportion of ungrazed pasture of Kikuyu and annual ryegrass has been ongoing. Results so far show a greater amount of pasture from the top leafy stratum (higher quality pasture) has been harvested compared to conventional management of Kikuyu.
- The C4Milk field day was successfully held in Gatton, Queensland, and well attended by service providers and farmers. It is the first such event since the COVID-19 pandemic started, giving attendees insights into the latest research finding on summer forages to support development of Feedbase knowledge and options.
- 30–40 farmers are trialling outcomes from the C4Milk project on their farms. These include use of Triticale, Bennett wheat and faba beans, all of which are showing some positive signs at farm level.
- C4Milk project leader Dave Barber presented the summer starches trial result, from the Gatton and Kerang work, to approximately 100 farmers and service providers at the Murray Muster in Moama in May 2021.
- The technical review of 'Alternate feedbase and forage options and herd management infrastructure for dairy farms in Murray Dairy' has been peer reviewed by industry experts, completed and now provides value to farmers as a standalone resource.
- Work continues with the Bureau of Meteorology to finalise the key outputs from the Forewarned is Forearmed project, including new extreme event forecasting products tailored to producer needs. The farm system economic model has been designed to analyse the potential economic benefits of dietary intervention strategies and incorporates regional characteristics, cow genomics and climate and price risk.
- Commenced Dairy Businesses for Future Climate workstream including the selection of base farm and farmer reference group. Throughout 2021/22, physical and economic modelling of feasibility of the farming system out to 2040 will be completed.

## STRATEGIC OUTCOME 4B

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Dairy farm businesses have adopted technologies and management practices to achieve land, water, carbon and energy efficiency	70% of farmers	66%

#### Key achievements

- Commenced development of a national product stewardship scheme for dairy silage plastics using a \$965,400 grant from the Federal Government. The scheme aims to develop a sustainable system for collecting and recycling silage wrap.
- Using funds from a partnership with Food Innovation Australia Limited (FIAL), we supported Bega Cheese to complete trials to achieve 50% recycled plastic in milk bottles. The nature of the study is a world-first and positions the industry to strongly respond to National Packaging Targets.
- Partnering with Australian Dairy Products Federation and Stop Food Waste Australia, we received a grant of \$180,000 to develop a Dairy Sector Food Waste Action Plan.
- Supported by EPA Victoria's Industry Partnership Program, we delivered a series of five training workshops designed to prepare Victorian dairy manufacturers for changes to the environmental laws as of 1 July 2021.
- The Tasmanian Government confirmed funding for the development of a new dairy and irrigation infrastructure to complete the farmlot research. The Tasmanian Institute of Agriculture team is now in advanced consultation to plan and commence this work in 2021, ready for the research study to commence in spring 2022.
- The detailed protocol for the DairyHIGH 2 project has been developed and agreed, meaning that experimental data collection can commence in 2021/22.

## STRATEGIC OUTCOME 4C

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Dairy farm businesses generating renewable energy	85% of farmers	61%
Dairy farm businesses have access to and have adopted commercial solutions for reducing on-farm emissions	40% of farmers	17%
Dairy farm businesses understand their carbon footprint	60% of farmers	18%

#### Key achievements

- Dairy Australia participated in an international collaboration with the Global Dairy Platform investigating the implications of a 'new' green house gas emissions metric, called Global Warming Potential – Star (GWP\*), for the global dairy industry.
- A methane emissions pilot study examining seasonal variability was conducted through the University of Melbourne Dookie campus in preparation for a larger scale study in 2021/22.



# SUSTAINABLE DAIRY PRODUCTS

### Objective

With increasing demands for dairy farmers to improve environmental performance and demonstrate the sustainability of their operations, this project – funded jointly by the Federal Government’s National Landcare Program (NLP) and Dairy Australia – is helping equip farmers to deal with a range of environmental issues.

The demands are coming from consumers, who are increasingly factoring the environmental impact of food production into their buying decisions, and key customers looking for evidence of environmental responsibility from their suppliers. International demands for increased action on climate change are also being matched with a real threat of trade tariffs on countries taking insufficient action.

On farm, farmers are facing increasing environmental challenges. In the 2020 Land, Water and Carbon survey, more than 80% of respondents reported they were dealing with at least one environmental issue, such as water access, noxious weeds, pests or poor soil health. More than half the respondents were also concerned about the potential impacts of climate change on their business.

This project will help farmers build their capacity to improve how they manage natural assets and climate risk.

### Action

To gain insights into dairy farmer needs and attitudes to environmental performance on-farm in more detail, the project commissioned a study showing most farmers were taking action to improve their environmental performance on farm. However, there are still challenges:

- As expectations changed, it wasn’t always clear what good performance looked like and what farmers should focus on.
- It was difficult to find current information and tools to help improve performance.
- When they did find the right resources, it was difficult to apply that information to their own property.

To address those concerns, this project is producing three enhanced environment resources for farmers:

- **Updated on-farm environmental performance** standards for dairy which are easy to use and help farmers meet current customer and consumer requirements.
- **EnviroTracker tool** for dairy farmers to benchmark, track and develop an action plan for any improvements to their environmental performance.
- **A series of online, self-paced environmental learning and development courses** to underpin the implementation of their environmental performance on-farm. Initial courses will include Environmental Fundamentals, Water Management and Biodiversity Management. Courses will also integrate with wider Dairy Australia extension offerings in this area.

## Impact

With the new environmental resources to be freely available online to Australian dairy farmers by June 2022, this will ultimately support Dairy Australia, the wider industry and supply chain partners to increase the adoption of environmental practices on-farm and ensure industry environmental targets for 2030 are met.

Existing environmental extension resources will also be improved ensuring they are farmer-focused, flexible, practical to apply and integrated with other tools, such as Our Farm, Our Plan. The prior industry environmental performance standard, DairySAT, has also been redesigned, condensing the number of environmental topics and assessment questions and delivering content in a more user-friendly format. The standard is now directly aligned to the Australian Dairy Sustainability Framework and the UN Sustainable Development Goals, ensuring farm environmental performance tracking is relevant to customer and consumer expectations of industry.

Work is now underway to ensure these new and updated resources are maintained beyond the life of this project and embedded into Dairy Australia's digital platforms, Salesforce Communities and Enlight. The new resources will be piloted, communicated and launched in early 2022.

## C4MILK

### Background

The C4Milk project has been a long-standing, jointly funded Feedbase and Animal Nutrition project between Dairy Australia and the Queensland Department of Agriculture and Fisheries (QDAF) with the aim of optimising the production and financial outcomes of high forage feeding systems for subtropical dairy farmers. This project aims to enhance forage intake and milk response for high forage feeding systems by improving forage quality and refining the mixed ration component to enhance milk production and financial outcomes. The primary aim of this project was to increase margin over feed costs (MOFC) by around 3.3 cents per litre (cpl) of 15% of dairy farms in the subtropical region over a five-year period (Dairy Australia 2017).

### Activities

The program has three key R&D elements in the development of forage, nutrition and feeding system management strategies. Agronomy and nutrition components are research activities while the feeding systems component comprises development activities. This allows individual strategies to be tested as part of a systems context at the Gatton Research Dairy and on commercial farms.

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

### Key observations

- From an evaluation workshop, discussions and information provided by QDAF, the C4Milk project is tracking well and on budget with nearly all project objectives, outputs and R&D outcomes completed.
- The QDAF dairy research team is efficient in undertaking six additional research experiments and three additional development trials at no additional cost to levy payers.
- The evaluation workshop with QDAF revealed that significant extension activities have been completed with respect to the initiative plan and the extension plan is on track.
- Intermediate outcomes of impact on farm from C4Milk activities is encouraging and early indications are that the impact on-farm of around 3 cpl MOFC is in some instances being achieved or exceeded.

- The extension team has implemented an evaluation plan enabling important information to be collected for any future impact assessment such as the cost to the farmer of the investment, the incremental value of the benefits and the marginal change in production.

## Key recommendations

- Changes to the research proposal including any new R&D activities should be documented along with research objectives and expected outcomes from these activities and a copy held by Dairy Australia and the relevant project lead.
- The project team should consider outlining a monitoring and evaluation plan or process including what on-farm data needs to be collected and how it will be collected to support an evaluation of the impact of the project. This should include farmers outside the subtropical region.
- Information on environmental outcomes of the project should be included in the evaluation plan. If this can be done, the benefits to the environment should be counted as part of an evaluation of C4Milk.
- An impact assessment of the C4Milk project should be undertaken following the conclusion of the project in June 2022, consistent with the Council of Rural Research and Development Corporations (CRRDC) guidelines and procedures, including a counterfactual and including all relevant costs of adoption, including capital costs.

## Management response

Dairy Australia management agrees in principle with all the recommendations proposed by the internal review of the C4Milk project which is now in its final year.

A number of points are worth noting:

- 1 The review notes the importance of both C4Milk project output extension outside of the Subtropical Dairy Program (SDP) geographic area in addition to assessment of adoption on farms outside this same area. While the original project initiative plan notes the importance of project extension outside of SDP to maximise project return on investment, it did not appear to mandate such activity in the project plan. While the means of project extension outside the SDP region is in place (e.g. via the Dairy Australia website) there is currently no provision for measurement of adoption of C4Milk project output beyond SDP farms and no specific budget apportioned for such activity. If this review recommendation is to be enacted, it will need to be via negotiation with the C4Milk/QDAF project team.
- 2 In the project initiative plan, the overall objective of the project was to increase MOFC by around 3 cpl on a described portion of SDP farms through adoption of project outputs. The review notes that, while MOFC is a suitable metric for the purpose of the project aim and extension messages, it is unsuitable for an ex-post project evaluation of the benefit-costs analysis typically conducted using a methodology as described in CRRDC Guidelines. The application of such methodology, not described in the original project initiation plan, will probably require additional funding from Dairy Australia should an independent ex-post evaluation proceed. The conduct of such a review will also require some further negotiation with the C4Milk project team given the additional farm data collection and analysis work required.
- 3 The review highlights a desire to identify, and more clearly signal in project outputs, environmental benefits of adoption of the C4Milk work. This is a reasonable suggestion in the review but one which sits outside the scope of the original project plan. Depending on the opinion of the project team, there may be little opportunity to retrospectively measure any environmental outcomes from data already collected in the research experiments or development trials, noting only three development trials are yet to be concluded. If this is an option, it would be useful to exercise it. However, if direct measurement of outcomes under the 'environment' area is not possible, it may be still an option to infer environmental benefits based on measured experiment/trial outcomes and their association with environmental good based on the literature.
- 4 The review mentions six additional pieces of research which the project team have been able to construct and perform using existing resources. As noted in the review, this additional work is to be commended. The review also notes there is no record of the additional experimentation/trial work in an amended project documentation (as existed at the time of project commencement). It is the view of management that the formation of Project Management Plans, via Project Managers with the Project Management Office (PMO), as is now in place, significantly lessens the risk of project activities being modified without suitable documentation.

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

### Strategic outcomes

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

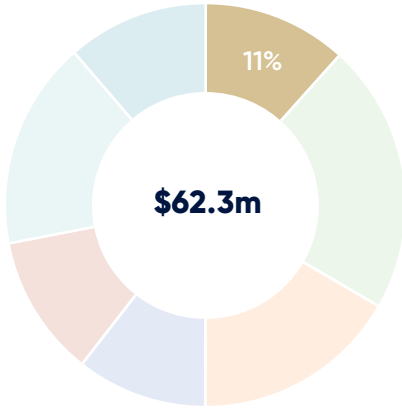




Our projects, activities and services	Strategic outcomes		
	5a	5b	5c
International trade programs	●		●
Market information and insights			●
Technical policy support		●	
National Bulk Milk Cell Count statistics	●		
Veterinary Investigation Residue Management	●		
Dairy Export Assurance Project		●	

## Investment

Dairy Australia investment 2020/21 **\$6.6m**



External investment 2020/21 **\$0.6m**

Key funding partners	Contribution
Department of Agriculture, Water and the Environment	\$0.5m
Austrade	\$0.1m

### Key partners

- Australian dairy manufacturers and exporters
- Dairy representative organisations – Australian Dairy Farmers, Australian Dairy Products Federation, State Dairy Farming Organisations
- Federal and state governments



## STRATEGIC OUTCOME 5A

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET % of surveyed customers	2021 BASELINE
Australian dairy products are nominated as preferred status by customers in the key markets of Japan, Greater China and Southeast Asia	Japan – 70%	50%
	Greater China – 60%	40%
	Southeast Asia – 60%	62%
Australian dairy makes tangible market access gains in all completed trade negotiations involving Australia	100%	100%

#### Key achievements

- Reconfigured the market development work program online to navigate COVID disruptions and maintain momentum and key relationships in international markets. Utilised innovative methods such as hybrid delivery of webinars with partners such as Austrade, to enable product tastings and networking in markets to go ahead.
- Secured additional funding from external sources (Victorian Government \$2.09 million over 2021–23 and Department of Agriculture, Water and the Environment's Trade and Market Access Cooperation Program – \$310,00 over 2021/22) to enhance market development programs and undertake trade messaging work to strengthen our profile in international networks and lead to export expansion for Australian dairy.
- There was a significant reduction in reported slaughtered bobby calves with antibacterial residues above Australian maximum residue limits (MRL).
- Supported industry and Australian Government to secure a commitment to remove all export tariffs for dairy exports to the United Kingdom.

## 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.

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Industry and government stakeholders that use policy related services value the work of Dairy Australia to inform policy discussions	100% of stakeholders	100%
Stakeholders that use market access related services value the work of Dairy Australia to help ensure access to markets	90% of stakeholders	81%

#### Key achievements

- Provided strong policy support to industry in areas including the Murray Darling Basin Plan, environmental protection, workforce, regional development and climate change.
- Commenced the dairy export assurance program, an \$8.3 million partnership with the Australian Government aiming to make it easier for processors to export and remove regulatory burden, which can be a barrier to accessing high value overseas markets.
- Commenced an education and awareness campaign to help elevate the issue of Geographical Indications and the importance of being able to continue to use common cheese names like feta and parmesan, despite pressure to cease their use by the European Union.



## Case study

# INTERNATIONAL TRADE

## Objective

While domestic demand for dairy remained strong, 2020/21 was a year of global trade disruption with travel restrictions to key international markets and uncertainty in relation to China, the key market for Australian dairy.

With around one-third of milk produced in Australia processed into high quality products for key international markets including China, Japan and the Southeast Asia region, continued access to these markets ensures farmers obtain a competitive milk price. Our key objective has been to increase favourable export market trading terms through trade policy reforms while strengthening buyer preference for Australian dairy products overseas.

## Action

Australia's agricultural trade relationship with China was a continued focus for the year as a result of trade disruptions aimed at Australia. We continued to monitor the situation and relay trusted market insights via our extensive China network of alumni and in-market trade contacts. To underpin communication with the industry in China, we delivered industry webinars, launched a WeChat channel for communication and reconfigured the China Scholarship program for online delivery.

To build active preference for Australian dairy products among existing and new international customers in 2020/21, we took a three-step approach.

- We secured grants from the Federal Government (\$310,000) and the Victorian Government (\$2.09m) for the next two years, to bolster market development, policy and market access work to keep Australian dairy competitive.
- We commenced development of a new trade messaging proposition, 'Thrive Together' for the international markets. This messaging framework will be used in our trade promotion campaigns over the next 12–24 months to strengthen the profile of Australian dairy overseas.

- We actively collaborated to amplify our dairy profile, through 'Shine with Australia' campaigns by Austrade and via cross-sector collaboration with Meat & Livestock Association, Wine Australia, Horticulture Innovation Australia and potentially other Regional Development Corporations for joint activity in international markets.

## Impact

Securing additional grants for market development brought scope and depth to the work program for 2021/22 and enabled key relationships to be built despite the COVID-19 restrictions.

The trade messaging program, which commenced in 2020/21, will be used across all international marketing activities to provide greater consistency and cut through for Australian dairy, and a clear narrative for our international audiences which is more important than ever. Ultimately, this will help ensure Australian dairy products are nominated as preferred status by customers in our key overseas markets.

Australian dairy farmers will be featured through the trade messaging campaigns to be delivered in all key markets through 2021–23. Australian dairy farmers are highly respected by our customers, and we look forward to involving them in campaigns to bring the messages to life and showcase our industry.

Importantly, Australian dairy industry's exports to China have remained free from overt discrimination and grown this year, underpinning the value of our strong existing relationships with China. Dairy exports to China are projected to reach a new record of 275,000 tonnes by the end of 2021 with a value of US\$1 billion. Our China Scholarship program is fully subscribed for this year and interest from the alumni network in Australian dairy remains strong.

## STRATEGIC OUTCOME 5C

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Dairy Australia is considered by industry stakeholders as the most trusted and credible source of information to inform decisions related to dairy markets	85% of stakeholders	81%
Dairy Australia's market information is widely utilised by industry and government stakeholders	90% stakeholders utilising Dairy Australia market analysis or data	86%
Dairy Australia is considered as the most trusted and credible source of dairy market information by the media	200 annual dairy market related media articles referencing Dairy Australia analysis or data	153
Dairy Australia maintains and grows its access to industry milk production data to inform market analysis	95% of milk production	92%
Dairy Australia maintains and grows its access to industry domestic sales data to inform market analysis	90% of domestic market sales (liquid milk, cheese, butter and yoghurt)	81%
Dairy Australia maintains and grows its access to industry manufacturing production data to inform market analysis	90% of manufacturing production data	82%

#### Key achievements

- Despite ongoing COVID-19 limitations, the analyst team remains in demand, delivering many bespoke presentations for domestic and international audiences, including support of International Trade Development online workshops and scholarship programs. The team has also remained heavily engaged with farmers and other industry stakeholders.
- Dairy Australia Industry Data Group successfully collaborated with external consultants, using in-house technical expertise to process raw rainfall and thermal index data into an appropriate and reusable dataset. This included transforming the data to seasonal periods for use in the research report presented at the Dairy Australia productivity forum.

# MARKET INFORMATION AND INSIGHTS

## Background

The Market Information and Insights project comprises a range of publications, data and information on the dairy industry prepared by Dairy Australia for use by internal and external stakeholders. Much of this data and information are acquired from information providers external to Dairy Australia.

## Activities

Key publications from the project include

- Situation and Outlook – quarterly
- In Focus – annually
- International spot price report
- Dairy weekly report
- International market briefs – by country
- Hay and grain reports
- Production and sales statistics reports.

The types of data, statistics and information contained in these reports and provided to the industry include:

- Milk production data
- Milk price data
- Farm financial data
- Export and international price data
- NZ Dairy Futures
- Number of farms and dairy cows
- Grain price data
- Hay price data
- Dairy consumption and sales data
- Dairy exports data
- Dairy imports data
- Country specific market outlooks
- Water price data
- Irrigation water allocation data
- Cull cow prices
- Fertiliser prices.

## Benefits

The Market Information and Insights project has a high level of awareness and use by key industry stakeholders. The data and analysis and more particularly the narratives are highly valued. This improves the standing of Dairy Australia and helps build a more cohesive view among the industry of our operating environment.

From their survey of internal and external stakeholders including government and industry analysts, Marsden Jacob Associates (MJA) found the Market Information and Insights project outputs delivered a range of outcomes, with the top three being:

- Dairy Australia is viewed as a trusted and authoritative source of information
- More cohesive industry narrative on industry operating environment
- The dairy industry is more effective in influencing government decision-making.

## Key observations

- Dairy Australia information ranked highest among the most often used data by dairy farmers to source information on the dairy industry and markets.
- The program appears to have the highest value to internal and external stakeholders who use the information to
  - form industry strategy and or contribute to policy and institutional decision-making
  - use the information as wholesale data to then form their own industry analysis and narrative.
- Operating under the Dairy Australia authorising environment, the Market Information and Insights team is able to source a range of private and confidential data and aggregate it to a level suitable for public disclosure. This is an essential first step in the rationale for the Market Information and Insights project.
- A substantial component of the Dairy Australia business see this core data as essential to their operations, indicating that the core business of In Focus, S&O Report and production statistics met a litmus test of essential provision. Other stakeholders also find them of value.

- Stakeholders indicated that key personnel delivering the project are highly regarded internally and externally. They are considered:
  - to provide a highly professional and responsive service
  - to have strong relationships that leverage critical data and insights that are valued
  - trusted and ethical with the gathering and management of confidential data
  - to exercise good judgement with the analysis and interpretation of the data.
- **Reaching more definite conclusions** – some stakeholders feel aspects of the narrative tend to sit on the fence and state the obvious without drawing deeper conclusions or insights. Others felt the line was drawn well.
- **Forecasting** – though not asked, stakeholders often revealed mixed views on whether outlooks should stretch to forecasting. A number pointed out there are significant institutional risks in going to such a stretch.
- **Regional analysis** – the service was highly valued at a regional level, however a recurring theme was a desire to see the services more customised to meet regional needs. The general desire was to see more regional disaggregation of data and value of regional supply chains. In the farm survey, three farmers indicated that more regional level analysis would be beneficial.
- Another potential reform to the MII project could be to focus more effort at the key delivery outputs and simplify outputs that are used less often.

## Key recommendations

- Further benefits exceed the costs of provision, but are not essential in justifying the investment. The issue for core services within the Market Information and Insights project is cost efficiency and effectiveness.
- Stakeholder feedback indicates a key project risk is that the project becomes all things to all people. The scope of service delivery is so wide it may be weakening the capacity of the team to deliver and innovate on the core business of the service.
- Consideration could be given to narrowing the scope of services offered and doing them well. Innovations in the core business might include:
  - Customising core messages to target key stakeholders, including the Dairy Australia Board, executive team and regional groups
  - Enhancing the online access customer experience for users of core data collections.
- MJA's conversations and surveys also revealed some limitations and areas for potential improvement for the MII project. Key issues include:
  - **Innovation in the delivery of products** – though outputs are considered well written and presented and generally as good if not better than other products, some stakeholders indicated the need for further innovation in the delivery of the products. For some, this included more customised summaries and or packaged outputs like PowerPoint and infographics that can be 'cut and pasted' by users.
  - **Timeliness** – there was a general desire for information to be published in a more timely manner. Several stakeholders indicated significant delays in the publication of some critical data.

## Management response

The report demonstrates the continuing value of the Market Information and Insights project, including the foundational components of the program which are regarded as an essential industry service. It suggests the project and the team behind it offer a variety of tangible benefits to a wide range of stakeholders across the industry and within Dairy Australia.

The key differentiators of this program were found to be

- The unique data accessed by the program
- The independence of the function/Dairy Australia as an impartial source of market insights
- The capability and personal touch offered by the willingness of the team to engage and assist with stakeholder needs.

The analysis found the Market Information and Insights program is highly valued internally within Dairy Australia as well as externally by key users. The program has an estimated benefit to cost ratio in the order of 1.9 to 1 with net benefits in the order of \$3.2 million per annum.

PRIORITY

# 6

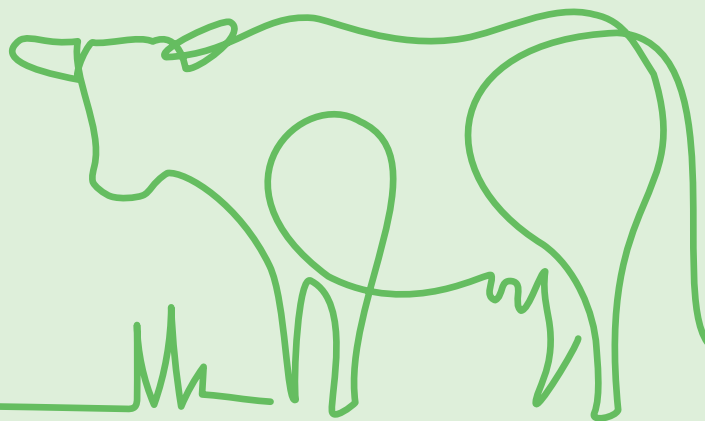
# TECHNOLOGY AND DATA-ENABLED DAIRY FARMS

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

## Strategic outcomes

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

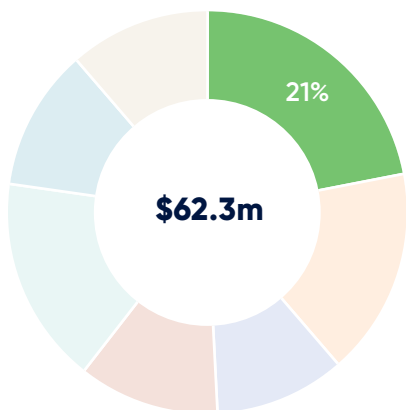




Our projects, activities and services	Strategic outcomes			
	6a	6b	6c	6d
DataGene	●		●	●
DairyBio – Animal Improvement	●			
DairyBio – Forage Improvement	●			
DairyFeedbase		●	●	●
Forage Value Index		●	●	●
Supporting industry to invest and operate Automatic Milking Systems (AMS) successfully			●	●
Smarter Irrigation 2		●	●	
Accelerating Heifer Genomics	●			

## Investment

Dairy Australia investment 2020/21 **\$13.4m**



External investment 2020/21 **\$3.2m**

Key funding partners	Contribution
Gardiner Dairy Foundation	\$1.9m
Agriculture Victoria	\$0.6m
Cotton Research and Development Corporation	\$0.4m
DairyNZ	\$0.3m

### Key partners

- DairyBio and DairyFeedbase investors and commercial partners
- Gardiner Dairy Foundation
- DataGene
- Queensland Government with C4Milk
- Tasmanian Institute of Agriculture for DairyHIGH
- Other RDCs and commercial partners in Smarter Irrigation
- NSW Department of Primary Industries and De Laval for Milking Edge



## STRATEGIC OUTCOME 6A

### Accelerated genetic progress in feedbase and animal breeding

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
The rate of genetic gain in pasture species	>2% genetic gain	<1%
Usage of Forage Value Index to select grass pasture varieties sown	25%	9%
The rate of genetic gain for sires of cows in Balanced Performance Index (BPI) units	\$30/year	\$24/year
The rate of genetic gain of cows in BPI units as a result of heifer genomic testing	\$25/year	\$18/year

#### Key achievements

- Released the first test Aussie Red genomics. First dairy evaluations done using new Single Step methodology.
- Since mid-January, Datagene has been releasing breeding values weekly. The Central Data Repository is updated daily from Herd Test centres and DataVat is updated weekly with each new run.
- Feed Saved Australian Breeding Values (ABV) has been updated with 10% improvement in reliability with doubling of reference population used for this ABV calculation.
- To date, 13,900 cattle genotyped with the new XT-50K genomic test. In addition, 280,000 existing test results have also been validated against this new genomic test to increase reliability and robustness of genomic selection within and across breeds and crosses. The Aussie Red breed has been added to this new genomic test.
- Genomic sub-selection completed with F1 Hybrid perennial ryegrass seed delivered with potential of 5x improvement in rate of genetic gain.
- Improving the customer experience is one contributor to increasing the rate of heifer genomic testing in Australia. During 2020/21, system improvements delivered automatic parentage updates, weekly runs and faster DataVat exchange, reducing DataGene's processing time from 25 to nine days, increasing the number of animals with results from 89% to 97%, and increasing the number of females tested from 17,607 to 57,874 between 2019/20 and 2020/21.
- A qualitative research project consisting of hour structured interviews with 17 influential farmers formed the basis of the first genomics extension resources and a communications campaign in May with output across social and traditional media. The focus was on increasing awareness and understanding of what genomics is and addressing initial barriers around practicalities of sampling.

## STRATEGIC OUTCOME 6B

### More flexible and agile dairy production systems

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Development of new feedbase options that increase flexibility and agility	20 new from baseline	0
Development of new non-feedbase system options that increase flexibility and agility	10 new from baseline	0
Dairy farm businesses have access to the information and tools that they need to run their chosen farm system	75% of farms	65%

#### Key achievements

- 40 new F1 varieties – including short-term ryegrass varieties – have been produced and are in crossing for trials in 2021.
- First 100 Days: Independent analysis conducted on strategies to reduce metabolic disease has found \$100/cow improvement possible from adoption in 'real-world' study.
- The perennial ryegrass Forage Value Index (FVI) data update for 2021 has progressed and was completed by DataGene in December 2020. The FVI tables were made publicly available on 22 January 2021 on the Dairy Australia website.
- The economic values used in the FVI were also updated for the first time since 2017 updating the data accuracy, reflecting the greater volatility in hay and grain prices over the past five years.
- The Annual and Italian FVI was published in March, marking the first Dairy Australia publication of an FVI for these species, and enabling farmers in a greater number of regions access to information to make informed seed purchasing decisions.
- The online tool to plan for/optimize Automatic Milking Systems has been completed (pilot version) and tested with 14 farms.
- Completed data collation from five years (2015/16 to 2019/20) on AMS farms. During that time, a total of 19 Australian AMS farms (42% of AMS farms) have participated in this initiative that captures annual physical and financial level using Dairy Farm Monitor Project/DairyBase methodology. A valuable dataset that was not previously available, it provides important insights that will inform future analyses and provide an important basis for monitoring change in profitability on AMS farms over time.
- Smarter Irrigation for Profit Phase 2 (SIP2) optimisation site farmers and reference group members have increased the use of new technologies to enhance decision-making, including soil moisture probes, telemetry to access probe information, pasture.io and water budget webtools including the updated IrriPasture.

## STRATEGIC OUTCOME 6C

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Farm businesses have successfully adopted technology that provides new insights for farm operations	80% of farmers	48%

#### Key achievements

- Pasture Smarts: Pilot successful in creating automatic selection of pasture to be grazed including best routing for dairy cows.
- The IrriPasture webtool, developed specifically for dairy farmers, has been completed to provide an easy to use water budget tool that includes the main forage types grown on dairy farms. This tool assists with irrigation decision-making, providing information for varying soil types and forage.

## STRATEGIC OUTCOME 6D

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
New methods of collecting or analysing multiple sources of physical data on farm	5 new from baseline	0
Dairy farm businesses are routinely collecting three or more sources of physical performance data for decision-making (e.g. herd testing, pasture measurement, lameness scoring)	80% of farmers	65%
Routine management decisions of dairy farm businesses (e.g. sire selection, irrigation scheduling, culling) are informed by multiple data sources	95% of farmers	92%

#### Key achievements

- The FVI, now with updated economic values for annual ryegrass plus two new indexes for annual and Italian ryegrasses was published, enabling farms to make more informed decisions about their feedbase portfolio based on independently measured plant performance.
- All extension modules from the operating automatic milking machines project (Milking Edge) were published and piloted enabling farms to make better planning decisions around incorporating and subsequently operating this advanced milk harvesting technology.



## Case study

# HEIFER GENOMICS

## Objective

The Accelerating Heifer Genomics project ambitiously aims to increase genomic testing of females by the Australian dairy industry from its current level (17,500 females tested per year) to 300,000 females tested per year by 2025, and for it to become routine practice on most farms.

Genomic testing of females has the potential to enable a quantum leap in genetic gain in the Australian dairy herd. Using the Australian genetic evaluation system, genomic testing analyses an animal's DNA (from a sample such as ear tissue or a tail hair) to predict future performance under Australian conditions. Heifers can be tested as young calves, so farmers can make early decisions about their future in their herd. Genomic testing, costing about \$50 per sample, allows farmers to:

- save money on rearing costs by not rearing heifers that are unlikely to perform
- make more informed decisions on which heifers to sell, use of sexed or beef semen and/or purchasing of females
- significantly fast-track genetic improvement in the herd for traits of importance such as fertility, longevity, heat tolerance, type or A2/A2.

## Action

This two-year project (2020/21 and 2021/22) co-led by Dairy Australia and DataGene has three components of work:

- Improving farmers' experience with testing by cutting the turnaround time to receive genomic results from eight weeks to four
- Investigating possible incentives for testing through a pre-competitive coalition between service providers and industry

- Raising awareness of the benefits of heifer genomic testing to assist farmers make informed decisions using their results.

A key part of the project is collaboration with trusted advisors who influence farmers' breeding decisions including genomic service providers, herd improvement companies, breeding consultants, fertility advisors, milk processors, stock agents and Dairy Australia's Regional Development Programs.

## Impact

Improving a farmer's testing experience is key to increasing the rate of heifer genomic testing in Australia. Over the past 12 months, system improvements delivered automatic parentage updates, weekly runs and faster DataVat exchange reducing DataGene's processing time for genomic information from 25 to nine days and increasing the number of animals with results from 89% to 97%.

A qualitative research project (consisting of structured interviews with 17 farmers, ranging from those who tested regularly, to those who were not at all interested in genomic testing) to understand the needs, motivators and barriers to genomic testing, formed the basis of the first genomics extension resources and a large-scale communications campaign in May. The campaign focused on increasing awareness and understanding of what genomics is and the benefits to dairy farm businesses, as well as addressing barriers around the practicalities of sampling and knowing who to contact to get started.

The work undertaken this year saw an increase in the number of females tested from 17,607 to 57,874 compared to last year, exceeding the project target by close to 15,000 heifers.

## DAIRYBIO UNDERSTANDING AND INTERPRETING BENEFITS AND COSTS OF PHASE 1

### Background

The focus of this evaluation was to identify the net benefits of DairyBio Phase 1.

This evaluation has evolved from that undertaken for the DairyBio Phase 2 investment, drawing on methods and insights from Phase 1.

Of focus in this Phase 1 evaluation is the correct attribution of benefits and costs to the two phases of the DairyBio investment. In doing so, Marsden Jacob Associates (MJA) accounted for benefits that have already occurred. They also accounted for future benefits that will accumulate during Phase 2 and beyond that, are not subsumed by future outcomes assumed from Phase 2.

### Activities

This evaluation was a high-level evaluation. MJA did not undertake program logics to define the outcomes and outputs from the investment beyond drawing on those logics from DairyBio Phase 2 where the investments outputs and outcomes have been similar.

MJA interviewed a number of key program leads and those responsible for the management of the Phase 1 investment.

The Phase 1 investment included two primary investment streams – animals and feed.

The animal investment focused on:

- the development of genomic methods to improve appropriate genetic gain of sires and cows
- cow management tools.

The feed investment included the development of new perennial pasture varieties. This investment focused on the development of F1 Hybrids, endophyte technologies and genomic selection. Under the Phase 1 investment, gene editing technology was developed but not transferred to commercial partners. Phase 1 also included the preparation and development of research and technologies to enable the progress of genomic selection and gene editing for future DairyBio investments.

### Accounting for the contribution of Datagene

Aligning with Council of Rural Research and Development Corporations (CRRDC) guidelines during this evaluation, MJA attempted to identify solely the contribution of the investment to benefit outcomes.

This was challenging for the animal program in Phase 1 where the early development of genomic breeding values was inextricably linked with the establishment of DataGene and the operational activities of DataGene. The evidence provided indicated that the acceleration of the rate of genetic improvement can be significantly attributed to the introduction of genomic breeding values, and these rates are above those that would have occurred in the absence of the program.

MJA consulted carefully on this issue of attribution. They concluded that the rate of gain in improvement in breeding values can be attributed to the performance of both DairyBio and DataGene. DairyBio has provided the foundational research and the technical assistance to implement genomic breeding values. It was also concluded that this implementation would not have occurred without the assistance of DataGene.

To address the symbiotic relationship and challenge of attribution, MJA incorporated some of the costs of DataGene in the estimation of the net benefits.

### Benefits

The combined benefits from the DairyBio first and second phases have a benefit cost ratio (BCR) of 18:1.

- Of focus in this evaluation is the attribution of benefits and costs to Phase 1 of DairyBio. It is noted much of the benefit from DairyBio Phase 1 is linked in timing and dependencies to progression through DairyBio Phase 2.
- Where the development of high impact technology in DairyBio Phase 1 will be realised with DairyBio Phase 2 the benefits have been attributed as such to Phase 2.
- The benefit-cost ratio (BCR) for DairyBio Phase 1 = 8.7:1, and for DairyBio Phase 2 = 29.9:1.





- Benefits from the animal program accrue from the improvement in genomic selection that occur within Phase 1. However, this platform is not maintained and developed further. Underlying calculation methods and supporting processes and data from Ginfo herds are not maintained. Consequently, the quality and reliability of the BPI declines over time and is replaced by international and propriety indices that have a lower performance than the indices supported by Australian genomics.
- Benefit from the Feed program is limited to the delivery of F1 hybrids created and commercialised as a result of the Phase 1 investment. No gene editing technology is assumed to be progressed for perennial or annual pastures seed in Australia.
- Assuming no Phase 2, the BCR for the animal project was 24.5:1, for the feed project 8.4:1 and for the total project 16.2:1.

## Key observations

### Animal component – development of breeding indices

- The development of breeding indices focused on a range of new and existing traits. This includes implementing traits such as feed efficiency, clinical mastitis, calving ease and type and feed saved. Lameness was also explored extensively but was not progressed.
- Phase 1 investments in the animal program contributed materially to the development of more reliable traits and breeding indices and increased the rate of improvement in the indices than would have otherwise been the case.
- There is evidence of the acceleration in the rate of genetic improvement that can be attributed to genomic selection due to the investment. Part of this evidence is borne out in an acceleration in the rate of genetic gain in young sires and cows.

### Feed component

- The delivery of the F1 hybrids were delayed compared to the original planned timelines. There were a range of reasons for these delays.
- The delay in initially anticipated commercialisation is expected to be in the order of one to two years. We assume the F1 hybrids will be delivered to market in 2025.
- The development of high impact technology, including genomic selection and genome editing in DairyBio Phase 1 will be realised with DairyBio Phase 2 and the benefits attributed as such.

## Management response

The current DairyBio program was ambitious and has delivered on most intended target outputs for animal and plant improvement and in some cases, exceeded target expectations. Many technologies and products are delivering significant value to farmers today. The suite of outcomes that will be delivered to industry partners are on track to deliver sustained value as anticipated.

At the program's completion in June 2021, some technologies had been transferred to commercial partners for farmers allowing increased profitability on-farm through improved pasture, animal selection and management.

The Marsden Jacobs evaluation of DairyBio delivery and achievement of benefits confirmed significant net financial benefits have or will be achieved from the DairyBio program, well in excess of expected returns from other Research, Development and Extension investments.

The evaluation showed that DairyBio has largely delivered the planned significant benefits in forages and animals, and that DairyBio implicitly anticipated ongoing investment would be required to capture the full value of the technology in forages and animals for industry.

The forage program research and developments have a longer lead time, having developed and de-risked new technologies in F1 hybrids, genomic selection and gene editing. The delivery of further benefits from these are expected to occur in the next DairyBio program with F1 hybrids being targeted for commercial release by Barenbrug in 2024/25. The new forage program will leverage these technologies in other species including warm season grasses.

The animal program has provided a continuous pipeline of innovation delivered to industry through the symbiotic relationship with DataGene.

PRIORITY

7

# INNOVATIVE AND RESPONSIVE ORGANISATION

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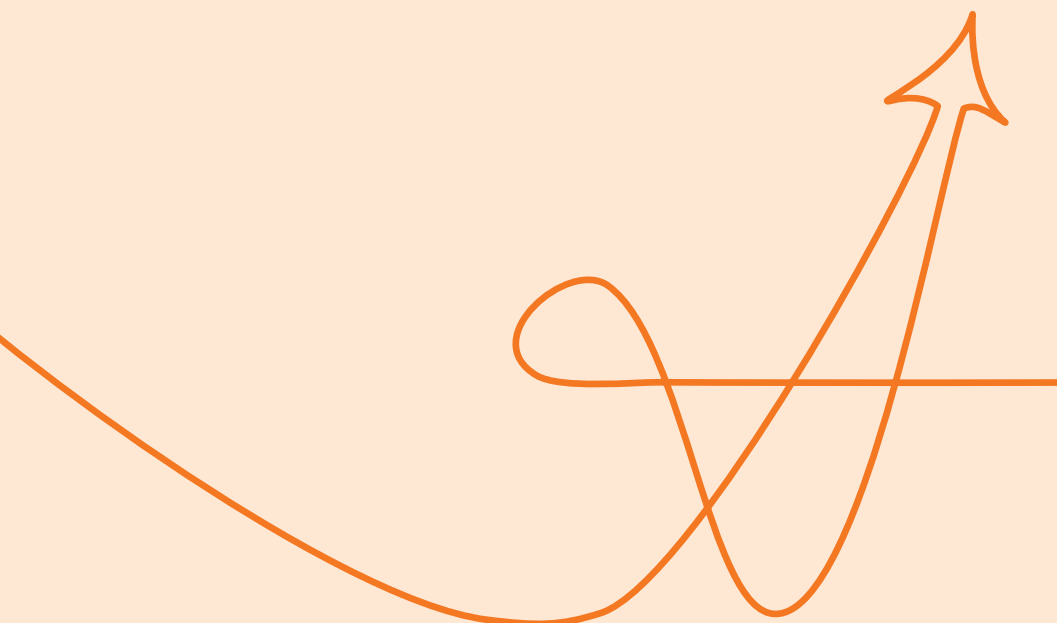
GOAL

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

## Strategic outcomes

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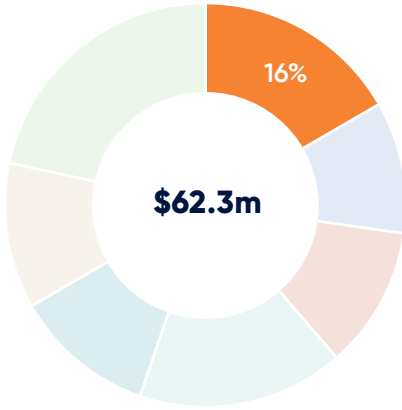
- a We have a farmer-focused service delivery model
  - b Our culture of learning and innovation, values and ways of working deliver success
  - c Our infrastructure, resources and processes allow us to be informed, agile and responsive
  - d We have effective and transparent management of resources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



Our projects, activities and services	Strategic outcomes			
	7a	7b	7c	7d
Develop a farmer focused strategy and plan and commence foundational work from January 2021	●			
Digital optimisation	●		●	
Salesforce Communities	●		●	
Issues Management Framework	●		●	
Salesforce roadmap	●		●	
Roll out and instil the values and cultural change across the organisation		●	●	
Embed the PMO and monitoring and evaluation of projects across the organisation		●	●	●
Policies, procedures, training – Refresh			●	●
Finalise and embed Finance 2020 across the organisation			●	
Levy Member Register migration and Salesforce Data Model			●	
External evaluations				●

## Investment

Dairy Australia investment 2020/21 **\$10.1m**



External investment 2020/21 **\$0.3m**

Key funding partners	Contribution
Gardiner Dairy Foundation	\$0.14m
Department of Jobs, Precincts and Regions	\$0.09m
Australian Dairy Products Federation	\$0.04m



## STRATEGIC OUTCOME 7A

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Farmer-focused service delivery model embedded across all our projects, services, infrastructure, communications and processes	100% embedded	10%
Farm businesses feel Dairy Australia has an effective relationship management model	80% of farmers	53%

#### Key achievements

- We continued to work on significant improvements to our service delivery model in order to build stronger relationships with farmers and deliver greater value.
- Farmer research was used to identify farmer adoption styles and more effectively target programs including Our Farm, Our Plan and recruit farmers for Smarter Irrigation demonstration sites.
- Launched the new [dairyaustralia.com.au](https://dairyaustralia.com.au) website in October 2020, delivering relevant information and resources to farmers and the broader industry, and with supporting plans/processes for ongoing management and optimisation of the website to increase use and keep content fresh and relevant.

## 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 on decisive action.

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Employee engagement score increases	80% employee engagement	66%
Dairy Australia values are known by employees	100% of employees	93%
Dairy Australia values are well understood by employees	100% of employees	91%
Dairy Australia employees demonstrate commitment to our values	90% of employees	70%
Farm businesses value Dairy Australia for our ability to be innovative	80% of farmers	54%

#### Key achievements

- Four values finalised: Farmers First, One Team, Decisive Action and Innovative Thinking.
- Values launched at internal employee briefing with guest speakers: Jonathan Brown sharing the values of One Team in professional football, behavioural psychology expert Alison Earl on developing a collaborative culture and Board Director Tania Luckin sharing the importance of Farmer First and that Dairy Australia values are the roadmap to the future and our measure of success.
- Portfolio Management Office continued to guide and support internal and external projects through the initiation and delivery stages. The Investment Review Panel was fully operational with 38 project initiation requests, two of which were deferred, and 25 change requests aligned to strategic priorities submitted.
- Launched an employee induction program refresh, bringing together new starters each month. Employees are introduced to Dairy Australia with an overview of each group that includes presentations from HR and regional services to help them navigate their way across the organisation and its functions.
- Developed and launched an induction video which introduces Dairy Australia and the dairy industry to our new starters.

## STRATEGIC OUTCOME 7C

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

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Dairy Australia's employees have the right tools and infrastructure to deliver the best service to levy payers	90% of employees	88%
Dairy Australia processes allow for agility and responsive	75% of employees	66%
Dairy Australia is responsive to major industry events impacting the industry	80% of farmers	57%
Dairy Australia is decisive and effective in its actions	80% of employees	46%

#### Key achievements

- Digitalised the recruitment and onboarding experience for candidates and new employees which resulted in a streamlined and consistent approach to managing talent, reducing the average time to hire by two weeks. It provides new starters with a timely journey map including day one expectations and probation review reminders for managers.
- Implemented and migrated to the Microsoft Defender email security system which fully integrates into our Microsoft Office 365 environment to provide greater control and visibility over suspicious and junk email.
- Transformed Salesforce, our farmer and stakeholder engagement platform, to make it more efficient and streamlined for our regional services teams and improve how we engage with farmers. This includes significant improvements to how to conduct events and extension activities such as the ability to digitally capture attendance and have a simple, easy to use interface for dairy farmers to register.
- The Salesforce Communities technology platform was implemented within our existing Salesforce ecosystem. The platform enables the Farm Fitness Checklist and Farm Business Snapshot tools currently, and other digital tools and services in the future, while providing a consistent experience to our farmers and enabling Dairy Australia to track usage information and gain better data insights.
- The Levy Member Register was integrated with Salesforce allowing for a more efficient and accurate Annual General Meeting and membership process.
- Continued progressing the digital rationalisation strategy by:
  - migrating the Australian Dairy Plan and Australian Dairy Sustainability websites to the new technology platform
  - retiring the Cool Cows and Dairy Manufacturing Resource Centre websites and integrating the content into the new Dairy Australia website.
- The COVID-19 response team managed the industry response in areas including:
  - Close watching brief, advocacy and industry advice on rapidly changing interstate border controls
  - Development of detailed dairy specific planning templates for farmers and dairy processors on best practice COVIDSafe planning and compliance with changing requirements across all dairy regions.
- Delivery of key webinars for farmers including managing sale calves in the face of COVID and restrictions on sale yards and abattoirs (Victoria and SA).
- Dedicated support for industry participants subject to escalated high risk COVIDSafe measures including surveillance testing and COVID Marshals.
- Implemented the Condeco desk booking system as part of the post-COVID return to the office project to assist with transitioning to hot desks and manage office capacity and reporting.

## STRATEGIC OUTCOME 7D

### We have effective and transparent management of resources

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

#### Our progress against strategy

KEY STRATEGIC SUCCESS INDICATOR	2025 TARGET	2021 BASELINE
Levy payers are satisfied they are well-informed about how Dairy Australia invests levy	80% of farmers	47%
Levy payers are satisfied that Dairy Australia is investing levies appropriately	8/10 average levy payer response	5.6/10
Dairy Australia's investments deliver value to levy payers	80% of farmers	55%

#### Key achievements

- An independent review of Dairy Australia was completed with overall positive findings. This review is designed to ensure Dairy Australia remains relevant to dairy farmers and identifies opportunities to improve. The highlights presented in the independent review demonstrate the breadth of ways in which we utilise the levy in a manner that cannot be achieved by individual dairy businesses.
- A new evaluation framework was created and board approval was received. This brings our evaluation approach in line with the new five-year strategy.
- A new quarterly Portfolio Review process was set up enabling regular monitoring of our strategic outcomes while having a cascading link from our strategic success indicators to projects.
- Successful launch and go-live of new finance system for seven entities (central office + six regions) in March 2021. Rework of processes for month-end to incorporate the change in the new finance system.
- Completed two ex-post evaluations on Market information and insights and DairyBio phase 1 and one mid-term review on the C4Milk project. The findings were presented to the Dairy Australia Board highlighting outcomes and impact.
- Developed a governance framework for policies and procedures that results in either new or updated approved policies and procedures uploaded to the Dairy Hub for employee access. This also involved the development of online training on topics including Code of Conduct, Whistleblower, IT Security and Work Health and Safety, including Safe Driving and Farm Visits.



## Case study

# COVID-19 INDUSTRY RESPONSE

## Objective

With the emergence of COVID-19 in early 2020, the dairy industry's Issues Management Framework was implemented to coordinate a whole-of-industry response.

The Industry Issues Management Framework is overseen by Australian Dairy Farmers (ADF), Australian Dairy Products Federation (ADPF) and Dairy Australia, who are responsible for managing the Framework on behalf of industry.

The Framework uses a risk-based approach to identify, analyse and coordinate response efforts to issues which have the potential to impact the business operations, social licence or reputation of the Australian dairy industry or its participants.

As the Federal and state governments worked to manage the impacts of COVID-19, a plan was developed to help the dairy industry keep its people safe and prepare for, and respond to, the restrictions being imposed across the country. This whole-of-industry approach was to ensure milk and dairy products continued to be collected, transported and processed, avoiding any animal welfare and environmental issues that could arise if milk was not collected, while still providing consumers with dairy products.

## Action

In early 2020, a Rapid Response Team (RRT) was assembled to lead the industry's response, involving representatives from Dairy Australia, ADF and ADPF. When the response was escalated to the highest level under the Issues Management Framework, a National Response Group (NRG) comprising the Australian Dairy Industry Council Chair and ADF President, ADPF President and Dairy Australia Managing Director, was formed. The NRG's role was to make time critical decisions on behalf of the entire dairy supply chain, while supporting and overseeing RRT activities.

The immediate challenge for dairy businesses was to keep their on-farm and in-factory teams, families and service providers safe. The RRT quickly developed COVID-specific resources, leveraging all available communication channels, to support farmers, milk tanker operators and processors to navigate the potential implications for their business.

Consulting widely with a range of experts involved in farm safety, disease control, industrial relations, education and communication, the RRT established key communication channels with government and regulatory agencies across dairy and agribusiness. This enabled the RRT to be a conduit between government actions and industry issues and provided a channel for prioritising workable solutions. Dairy Australia's website was also reconfigured to host whole-of-industry COVID-19 **resources**.

## Impact

Despite a heightened need for health and safety practices, detailed continuity and response planning, restrictions on staffing levels (in some cases), and highly restrictive interstate border controls, the industry has largely been able to navigate constraints and maintain critical production and processing activities. This is testament in part to the engagement of industry and quality of resources available to support dairy businesses navigate constraints associated with COVID-19.

With COVID-19 issues ongoing, the RRT is now focused on ensuring all sectors of the industry continue to implement their COVID-19 risk management plans and help industry navigate the continually changing requirements. The RRT will continue to work with all sectors to maintain vigilance and overcome some of the many challenges and economic impacts of COVID-19 ahead. Industry organisations (especially Dairy Australia) will continue to play a critical role in providing practical support for the entire supply chain through the next phase of adjustment and recovery.



# APPENDIX

## Key project success measures

1 More resilient farm businesses					
Project	Key measure	2020/21 target	Achieved	Status	
P306 Our Farm, Our Plan	Farmer participation in OFOP workshops	200	161	●	
	Value of OFOP extension activities to your business	>8	8.7	●	
	% of farmers participating in OFOP activities indicating they are 'very likely' to make changes on farm	>50%	86.8%	●	
	% of farmers participating in OFOP activities indicating they will make change within six months	>70%	70.0%	●	
	Digital Farm Fitness Checklist registrations	150	165	●	
P318 Understanding drivers of productivity for better decision- making	Registrations for Farm Productivity Forum	100	306	●	
A368 Farm Performance	Value of Farm Business Management (FBM) extension activities to your business	>8	8.0	●	
	% of farmers participating in FBM activities indicating they are 'very likely' to make changes on farm	>50%	59.0%	●	
	% of farmers participating in FBM activities indicating they will make change within six months	>70%	74.5%	●	
A344 Large Supplier Program	Proportion of participating large suppliers indicating they are likely to implement learnings within six months (workshops, study tours)	90%	87.3%	●	
	Percentage of Large Suppliers (top 200) participating in large supplier activities including events and engagement activities captured in Salesforce; notes, tasks, phone calls and cases	100%	63%	●	
	30 datasets from the top 200 suppliers (2019/20) are in Dairy Farm Monitor Project	30	28	●	
	Largest 200 farmer satisfaction that their levies are being invested wisely	75%	75%	●	
	Largest 200 farmers satisfied with their level of access to Dairy Australia services	75%	80%	●	

## 2 Attract and develop great people for dairy

Project	Key measure	2020/21 target	Achieved	Status
P303 People in Agriculture	% of participating RDCs who believe by leading this project, Dairy Australia adds value to their industry	70%	90%	●
	Number of RDCs who have used and/or promoted People in Agriculture in the past 12 months	6	6	●
P312 Pathways for People in Dairy (Ag Vic)	Pre-employment learning experience – total user visits >300	300	5,583	●
	Victorian farmers registered on online compliance platform >300	300	361	●
P260 Farm Safety	Provide a safe work environment – number of standard operating procedures (SOPs) created by farmers registered on online compliance platform >600	600	2,568	●
	Provide a safe work environment – number of SOPs agreed by employees registered on online compliance solution >100	>100	3,478	●
P302 Cows Create Careers	% of students indicating they have a greater understanding of careers in dairy following the program >80%	80%	89%	●
	% of students indicating they are considering a career in dairy following the program >10%	10%	15%	●
	% farmers who think this program is valuable to the future of the dairy industry >80%	80%	85%	●
	% of dairy farmers and industry advocates more likely to be involved in other industry activities >80%	80%	82%	●
P286 Dairy farm managers	Minimum student enrolments (n= 40)	40	25	●
	Student retention in dairy farm manager initiatives >80%	>80%	82%	●
	Student satisfaction with dairy farm manager learning experiences >85%	>85%	85%	●
A388 Regional Services	Number of extension and regional engagement events held	750	859	●
	Number of attendees at extension and regional engagement events	7,000	8,258	●
	Number of Dairy Discussion Groups active	150	135	●
	Number of discussion group attendees	1,500	1,355	●
	Dairy Australia invests in programs or activities that are relevant to farmers' needs	60%	59%	●
	Dairy Australia makes an effort to have an ongoing relationship with dairy businesses	60%	60%	●
	Dairy Australia acts quickly to provide support or resources to farmers during tough times	60%	57%	●

## 2 Attract and develop great people for dairy

Project	Key measure	2020/21 target	Achieved	Status
A366 Extension	Value of Animal Performance extension activities to your business	>8	9.1	●
	% of farmers participating in Animal Performance activities indicating they are 'very likely' to make changes on farm	>80%	74%	●
	% of farmers participating in Animal Performance activities indicating they will make change within six months	>80%	90%	●
	Value of climate and energy extension activities to your business	>80%	90%	●
	% of farmers participating in climate and energy activities indicating they are 'very likely' to make changes on farm	>80%	76%	●
	% of farmers participating in climate and energy activities indicating they will make change within six months	>70%	81%	●
	Value of Feedbase extension activities to your business	>8	8.6	●
	% of farmers participating in Feedbase activities indicating they are 'somewhat likely or very likely' to make changes on farm	90%	96%	●
	% of farmers participating in Feedbase activities indicating they will make change within six months	80%	80%	●
	Value of FBM extension activities to your business	>8	8.0	●
	% of farmers participating in FBM activities indicating they are 'very likely' to make changes on farm	>50%	59%	●
	% of farmers participating in FBM activities indicating they will make change within six months	>70%	75%	●
	Value of People extension activities to your business	>8	8.8	●
	% of farmers participating in People activities indicating they are 'very likely' to make changes on farm	>50%	77%	●
	% of farmers participating in People activities indicating they will make change within six months	>70%	81%	●
	Number of Enlight users increases by 75% to 1,500 users	75%	178%	●
	Total Enlight hours of learning increases by 50% – measured by monthly activity levels	50%	40%	●
	Total number of fully online courses in Enlight increases by 100% to 12	12	14	●
	Total number of fully online course enrolments increases by 50%	50%	178%	●
	Of the courses tracking assessment of learning the proportion of people who demonstrate learning attained is >80%	>80%	95%	●
Value of soils extension activities to your business	>8	7.4	●	
% of farmers participating in soils activities indicating they are 'very likely' to make changes on farm	>80%	66%	●	
% of farmers participating in soils activities indicating they will make change within <6 months	>70%	76%	●	
P430 NSW Farmer Capability Coaching and Extension	NSW dairy farms registered on Dairy Passport	50	45	●
	NSW employees registered on Dairy Passport	>50	78	●
	Provide a safe work environment – number of Standard Operating Procedures created by NSW farmers registered on Dairy Passport	100	29	●

### 3 Strong community support for dairy

Project	Key measure	2020/21 target	Achieved	Status
P311 Health and Nutrition	Consumer target audiences hear positive health messages about dairy foods from health professionals	>85%	90%	●
	Fractures trial research is presented at key domestic and international conferences	5 conferences	5	●
	Evidence around dairy and fractures trial provided to Australian Dietary Guidelines (ADG) committee (or KOLs)	5 occasions	6	●
	Evidence around dairy matrix science provided to ADG committee (or KOLs)	5 occasions	6	●
	Evidence around dairy and sustainable diets provided to ADG committee (or KOLs)	5 occasions	6	●
	Fractures trial research gets published in scientific journals	50% of papers	0%	●
P307 Consumer Marketing	Changemakers (socially conscious consumers) trust the dairy industry	76%	74%	●
	Changemakers agree the dairy industry meets their expectations in doing the right thing	66%	68%	●
	Changemakers agree dairy farmers do a good job caring for their animals	69%	72%	●
	Changemakers agree that dairy industry does a good job caring for the environment	53%	59%	●
	Changemakers agree they would pay attention to information from Dairy Australia	61%	59%	●
	Believers agree they would pay attention to information from Dairy Australia	71%	60%	●
	Changemakers trust dairy as a wholesome and healthy food	86%	83%	●
	Believers trust dairy as a wholesome and healthy food	97%	94%	●
	Target audiences agree that messages from health care professionals made you feel more positive about dairy	92%	87%	●
	Believers make an effort to consume dairy every day	69%	68%	●
	Target audiences agree that dairy foods are good for bones	86%	89%	●
	Changemakers feel the industry is providing enough information about dairy foods and their role in health and nutrition	65%	64%	●
	Believers prefer to buy Australian made or locally produced dairy products wherever possible	90%	82%	●
	Target audiences agree it's important to support the Australian dairy industry	87%	87%	●
	Target audiences feel more positive about the industry as a result of our campaigns	Maintain >80%	85%	●

### 3 Strong community support for dairy

Project	Key measure	2020/21 target	Achieved	Status
P319 Schools Engagement	Teachers find the Discover Dairy resources to be useful and relevant	8	8.9	●
	Teachers find the Discover Dairy website to be a credible source of information on food, agriculture and the dairy industry	8	8.6	●
	Teachers would recommend Discover Dairy resource hub to their teaching peers	8	8.6	●
	Teachers agree their students understand where their dairy foods come from	70%	95%	●
	Teachers agree their students have a better understanding of the health and nutritional benefits of dairy foods for strong bones since participating in the program	70%	98%	●
	Teachers agree students trust and support the Australian dairy industry	70%	82%	●
	Engagement with the Discover Dairy curriculum hub – total resource downloads, video views, game interactions	65,000	58,985	●
	Number of schools reached in the Picasso Cows Program	100	72	●

### 4 Thrive in a changing environment

Project	Key measure	2020/21 target	Achieved	Status
P297 Sustainable Dairy Products (NLP Smart Farms)	Successful implementation of a co-design process for the refresh of the dairy on-farm good environment practice resource (currently DairySAT)	100	94	●
P314 Supporting Manufacturing Sustainability	Average processor rating regarding value of P314 activities to their business	>8	8.5	●
	Average processor rating engaged in P314 activities regarding Dairy Australia as a credible source of information and insights	>8	9.0	●
	% of milk supply covered by processors engaged with P314	90%	90%	●
	% of project funding contributed by processors and other external bodies	75%	69%	●
P406 DairyHIGH 2	Management committee for nitrogen farmlet experiment established, pasture species composition and relative proportions within each farmlet agreed by committee, farmlet paddocks within each treatment sown in Autumn 2021	100%	100%	●
	% of farmers intending to make a change in pasture management after attending pasture workshops	75%	50%	●
P278 Forage Value Index	Volume of unique visitors to FVI page on the public website between Jan–Jun 2021	1,500	2,853	●
	Number of new ryegrass (perennial, annual and Italian) and tall fescue trials sown in Autumn 2021 by PTN for future inclusion in the FVI	12	12	●
P283 C4Milk	% of farmers attending C4Milk extension events indicating they will adopt research findings on farm	75%	72%	●
	Number of farms trialling outcomes from C4Milk forages research at a paddock scale on their farms while actively working with QDAF extension staff to monitor yield and quality of forages adopted	20	35	●

## 5 Success in domestic and overseas markets

Project	Key measure	2020/21 target	Achieved	Status
P309 International Trade Programs	Australian dairy products are nominated as preferred status by customers in Japan	60% agree	50%	●
	Australian dairy products are nominated as preferred status by customers in Greater China	60% agree	41%	●
	Australian dairy products are nominated as preferred status by customers in Southeast Asia	60% agree	63%	●
	Industry and government stakeholders value work of Dairy Australia to inform policy discussions and to help ensure access to markets	All	75%	●
	Australian dairy makes market access gains into key export destinations	All	100%	●
P315 Industry Insights and Analysis	Knowledge sharing/stakeholder appetite – presentations to farmers and other external stakeholders (number)	25	58	●
	Media mentions (number of occurrences of T&S staff or P315 mentioned in the media)	500	1,200	●
	Industry Data Group average service desk rating	4.5 out of 5	5	●
P310 Technical policy support	Number of submissions we have led or contributed to	10	9	●
	Number of times our advice and insights are sought	20	>20	●
	Dairy Australia is recognised as a credible and reputable source of technical policy support by industry and government	≥8	10	●
	Industry and government stakeholders value work of Dairy Australia to inform policy discussions	≥8	10	●
A360 Veterinary Investigation Residue Management	Number of slaughtered bobby calves with antibacterial residues above Australian maximum residue limits (MRL)	0	6	●

## 6 Technology and data-enabled dairy farms

Project	Key measure	2020/21 target	Achieved	Status
P109 DataGene	Official ABV releases	3	3	●
	Minimum of two significant external IT clients	2	4	●
P300 Supporting Industry to Invest and Operate AMS Successfully	% farmers considering investment in AMS utilising AMS resources prior to investment decision	60%	70%	●
	% of AMS farmers engaging in regional and/or national AMS forums	80%	71%	●
	% of AMS farmers classifying themselves as 'swift and successful' or 'typical' in their first year of transition to AMS	>90%	100%	●
	% of decommissions as a percentage of total AMS installations	<10%	9%	●
P272 Smarter Irrigation2	SIP2 events and activities provide value to the business of participants	8	8.25	●
	SIP2 events are attended by farmers and service providers	300	476	●
	Participants are likely to take action to do things differently in the next 12 months	30%	73%	●
	Participants are 'likely' or 'very likely' to do things differently as a result of attending SIP2 events	50%	67%	●
	Participants will recommend SIP2 events to colleagues	8	8.7	●
	Increased engagement on the SIP2 pages – backed by communication activity	1,200	1,577	●
	Maintain the high average time (mins) on page – in relation to communications activity	4	4.03	●
	Increase in page activity /number of downloads and YouTube views attached to communications activity	160	820	●
P279 Accelerating Heifer Genomics	SIP2 project coverage in all regional newsletters/e news and national media	10	42	●
	Turnaround time from genomic test samples being received at the lab to farmers receiving genomic test results	≤28	20.5	●
	Genomic test results with pedigree or sample errors	≤5	4.5	●
	Number of females genomically tested	>32,250	45,433	●



Bennis Creek  
Blue





100% Australian 100% Cheese

Woombye Triple Cream Ash

Bay of Fires Cloth-Aged Cheddar

Section 28 Monforte (Raw)

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