

ANNUAL OPERATING PLAN

2022/23

Delivering
for *Dairy*

STRATEGIC FRAMEWORK

Dairy Australia has seven strategic priorities over the next five years. 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

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INTRODUCTION

Dairy Australia is the industry services organisation for the Australian dairy industry. Our services are based on a levy collected from every dairy farmer and matched with a contribution from the Commonwealth government for investment in research and development.

Dairy Australia is the industry services organisation for the Australian dairy industry. The dairy service levy from farmers is matched with a Commonwealth government investment for research and development, and is invested by Dairy Australia to benefit dairy farmers and protect the right to farm.

These investments include 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.

The year ahead brings a new set of opportunities and challenges for the dairy industry. Strong opening prices created a wave of industry optimism, especially with ongoing strong demand for high quality dairy products. The major challenges shared by all of agriculture at this time are higher prices for key farm inputs, labour availability and climate events. Farmers are still recovering from extended periods of rain in many areas and dry conditions in other key dairy areas.

Farmers have voted for no change in the rate of the Dairy Service Levy. The Board and management of Dairy Australia heard loud and clear that it's time to do things differently. This Annual Operating Plan is an important vehicle to demonstrate our focus on what's important to ensure future profitability and that we're seen as a trusted sustainable industry.

We are committed to the priorities and goals set out in our Dairy Australia **Strategic Plan** and our annual plan is designed to give focus to the elements of the strategic plan that deliver value for farm businesses.

We will continue to work closely with the dairy industry, with the wider R&D community in agriculture and with governments in Australia. This includes a close working relationship with all leading industry organisations that created the Australian Dairy Plan, now in its second year of a five-year plan.

"We will align our operations with a new statutory funding contract with the Commonwealth, including meeting a series of new guidelines that focus on stakeholder consultation, knowledge sharing and commercialisation."

This plan has been formed through broad consultation. Thank you to the farmers, industry leaders, dairy service providers and Dairy Australia staff who have contributed to our annual planning process.

Together, the people, the partnerships and the resources that are brought together to advance the dairy industry will be critical for success now and into the future.

Sincerely,



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

David Nation Managing Director

EXECUTIVE SUMMARY

The Annual Operating Plan for 2022/23 is the third year of investment in our five-year strategic plan (2020–2025). The plan sets out Dairy Australia's priority activities, planned income and expenditure, and portfolios of projects.

This midpoint of the five-year plan is critically important to capitalise on momentum built in the first two years as well as to focus on key issues facing our industry. All portfolios have been reviewed with a focus on progress against all strategic outcomes described in the five-year plan.

The planning process involves substantial contribution with farmers through their elected representatives as well as through many forums to invite farmer feedback. Government priorities are also considered in forming the annual plan.

Assumptions for investment are based on a conservative view of milk production and no change in the levy rate. Milk prices are at historic highs and a production increase would normally be expected. However, there are many and complex factors that are inhibiting the increase in national milk production.

Regional services are important to be able to meet the immediate needs of farmers, through extension, training and responding to extreme weather conditions. Further expansion of regional services across all eight dairy regions is the most significant change in the coming year to improve engagement with individual farm businesses and expand the range of support provided.

Access to labour is an issue that is limiting the success of many dairy businesses and in extreme situations, causing burnout and exits of dairy businesses. Attracting additional workforce for the dairy industry is an expanded investment in Portfolio 2, including dedicated roles in every region as well as new marketing approaches and enhanced activities in partnership with training providers.

Productivity growth over the past 20 years has slowed significantly when compared with the previous 20 years. New investments will be made over the next year that focus on critical drivers of productivity. Investments will also recognise new approaches to deliver on-farm innovation.

Climate change investments are important for all of agriculture. Investment over the coming year will be a mix of dairy-specific projects and broader projects for agriculture. Climate change is the first main investment area for Agricultural Innovation Australia (AIA). By working together, there will be better information on future scenarios and best practice land use.

These areas of investment focus directly address priorities that were set out in the levy poll process, addressing greater regional services, labour, climate and policy development. Investment is lower than was described in the levy poll prospectus, consistent with the outcome of no levy increase.

A strong financial position, a greater ability to run programs after disruptions from COVID-19, and a pipeline of new investments resulted in 23 new projects, an increase in expenditure in 2021/23 (\$70.9m, up from \$67.3m in 2021/22) and a planned deficit of \$5.4m.

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

1 MORE RESILIENT FARM BUSINESSES

- \$5.7m investment (+\$0.5m from 2021/22)
- Expand delivery for Our Farm, Our Plan as a major farm business training program
- Deliver a new seminar series on drivers of milk value in a changing marketplace
- Ongoing commitment to Dairy Farm Monitor Project and DairyBase as national programs of work
- Continued analysis of dairy industry productivity and competitiveness

2 ATTRACT AND DEVELOP GREAT PEOPLE FOR DAIRY

- \$9.7m investment (+\$3.4m from 2021/22)
- Major new investment in workforce attraction
- Continued commitment to training of Dairy Farm Managers across multiple states
- Continued commitment to extension and training as a core part of regional services

3 STRONG COMMUNITY SUPPORT FOR DAIRY

- \$7.0m investment (-\$1.0m from 2021/22)
- Continued commitment to consumer marketing, health and nutrition programs and school engagement. A program will focus on retaining high levels of trust, the importance of dairy for older Australians and the value of dairy to 'Generation Z' consumers
- Ongoing investment in the Sustainability Framework (in its tenth year of operation)
- Further investment in dairy-beef projects

4 THRIVE IN A CHANGING ENVIRONMENT

- \$11.8m investment (+\$1.4m from 2021/22)
- New investments to reduce enteric methane emissions
- New investments in soil assessment and management
- Additional capacity in regional services for both climate and soil management

5 SUCCESS IN DOMESTIC AND OVERSEAS MARKETS

- \$7.9m investment (-\$0.8m from 2021/22)
- Next phase of the Dairy Exports Assurance Program with an emphasis on food safety
- Launch new dairy trade messaging program into key export markets
- Continued commitment to market information and insights and provide policy support

6 TECHNOLOGY AND DATA-ENABLED DAIRY FARMS

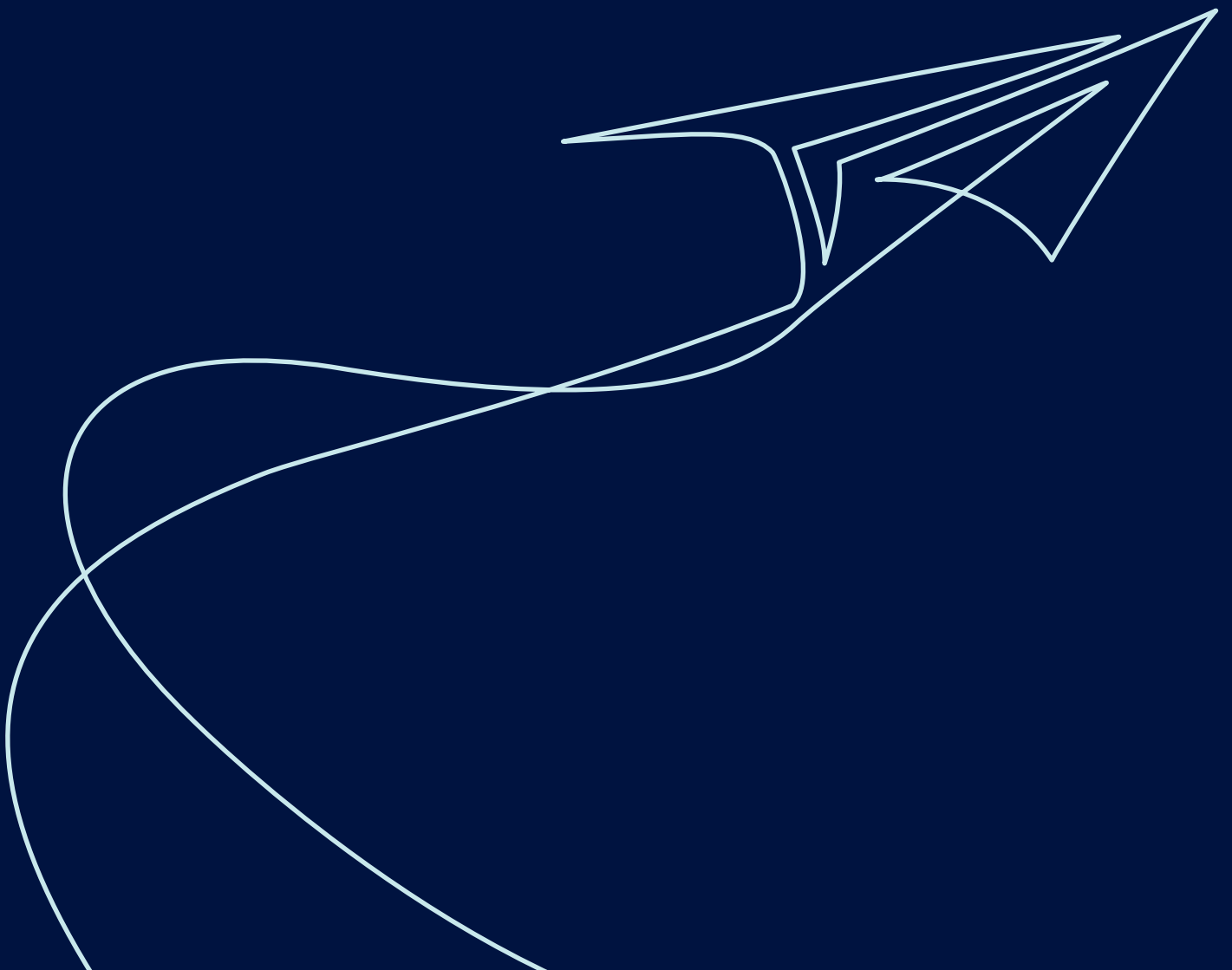
- \$11.6m investment (-\$1.8m from 2021/22)
- Ongoing multi-year commitment to large innovation projects in Victoria, New South Wales, Tasmania and Queensland
- Continued support for DataGene, including significant upgrades this year

7 INNOVATIVE AND RESPONSIVE ORGANISATION

- \$17.2m investment (+\$1.9m from 2021/22) [includes organisational overheads]
- Expand capacity in regional services to improve engagement with dairy farmers
- Continued support for Dairy Australia business operations in Melbourne and in the eight dairy regions
- Ongoing commitment to issues management

OUR VISION

Leaders in shaping a profitable
and sustainable dairy industry





OUR PURPOSE

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



INVESTORS AND COLLABORATORS

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

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

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

Dairy Australia collaborates widely to increase the value and utility of our projects.

Major collaborators and project-level investors include:

Australian Government

State governments

Regional Development Programs

Gardiner Dairy Foundation

Research providers in Australia and overseas

Private sector partners who are major technology and service providers

Individual farmers and dairy businesses

Cross-industry collaborators, especially other industry services organisations

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

Australian dairy processors

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

External stakeholders such as investors, NGOs, community groups, retailers, customers



OUR MEMBERS

Dairy Australia is a company limited by guarantee with two membership **categories**

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



FOCUS AREAS THIS YEAR

Our values drive our success as a service organisation for the Australian dairy industry. We are committed to being **farmer-focused**, acting as **one team** across all parts of our organisation, striving to incorporate **innovative thinking** in all that we do, and taking **decisive action** so we can make rapid progress in our service delivery.

We applied these values to develop this annual plan. This includes new approaches for consulting farm leaders at the National Council of Australian Dairy Farmers and engaging each of the Regional Development Programs.

There are large and ongoing projects across all seven strategic priorities. The largest investments are in our delivery of regional services and in major innovation projects in Victoria. We will increase the investment in regional services across all eight regions to better engage with individual dairy farm businesses and translate new innovations and improved farm practices that suit the needs of each region.

Major innovation projects are now mature and deliver new research outcomes every year. Animal genetic improvement has featured strongly in recent years with a priority to now deliver benefits in breeding improved forages and improve pasture management. Improved feeding of cattle as they transition to a new lactation is also an area of real opportunity to make gains that impact on the entire lactation.

In 2022/23, we will significantly expand investment in Portfolio 2, attract and develop great people for dairy. Labour shortages are prevalent across many Australian industries, increasing competition for labour. At the same time, there are opportunities available due to a more mobile workforce that is open to considering regional employment. Dairy is a great career opportunity for many people who have skills and interests in working with animals, producing feed and managing large, complex and decision-intensive businesses. Dairy farmers are more confident about their business futures and it is time to leverage the dairy success story in attracting more people to the industry.

Retaining high levels of trust in dairy foods as being health, safe and nutritious is important for our domestic and export markets. This creates a stable and discerning customer base for high quality dairy products. Three areas are in focus this year: the importance of dairy in an aging population. Three areas of focus this year: building trust and value of dairy across all age groups including the aging population and a younger audience in Gen Z and reinforcing the role of Australian dairy in our major export markets.

We are also striving to be a more effective organisation for our own employees and in how we work with farmers and across the whole dairy industry. This includes an improved focus on work health and safety (WHS) by building new systems and processes and embracing a safety culture that is critical to the success of the whole industry. Ongoing improvements in the decision-making process for investments and evaluating the success of completed investments are also emphasised in this year's plan.

OPERATING ENVIRONMENT

The last 12 months has seen another positive year of profitability for dairy farmers despite soaring fertiliser, fuel and grain prices amid the reality of a war in Europe, renewed geopolitical tensions and ongoing disruptions associated with COVID-19.

Dairy commodity markets have remained strong, driven by a combination of tight supply, robust demand and buoyant soft commodity values. Retail and foodservice markets continue to see consumer behaviour normalise even as inflationary pressures nudge shelf prices higher.

Farmer confidence remains high on the back of improved profitability:

- 68 per cent of farmers feel positive about the future of the industry (up by 4 per cent on 2021)
- 82 per cent are confident about the future of their own businesses (up by 2 per cent on 2021)
- 88 per cent of reported an operating profit in 2020/21
- 90 per cent expect to report an operating profit in 2021/22.

However, rising confidence and profitable margins are not translating to milk supply growth. Australia looks set to conclude the 2021/22 season with a national milk pool of around 3.5 per cent below the 2020/21 total, at just under 8.6 billion litres.

Competition for land, high beef prices and ongoing risk aversion are all contributing factors to constrained milk supply. The most pervasive and commonly cited issue on farms is the shortage of labour. Labour constraints are not only holding back potential expansion plans across the country but are driving industry exits or reductions in herd size. Fatigued farmers are taking advantage of good margins to reduce workload or realise the rapid gains in asset values, having reduced debt. Those in flood-affected regions of New South Wales and Queensland have the additional burden of managing short and long-term flood recovery.

Australia's major dairy export competitors are also contending with challenges that are slowing, or more often reversing, growth in milk production. Analysts in New Zealand are expecting a full season drop close to 5 per cent by the end of the 2021/22 season while in the northern hemisphere, European Union production remains suppressed, with rising costs being one of the headwinds deterring expansion. The European Commission expects a flat outcome for the whole of 2022. Rounding out the majors, milk production in the United States is tracking 1 per cent down for the calendar year to date, however the US Department of Agriculture is forecasting a modest recovery through the second half of the year.

Most countries, including Australia, have seen the COVID-19 pandemic management move from an emergency response to ongoing sustainment. Nonetheless, the impacts of COVID-19 – and now of the war in Europe – continue to reverberate around the global economy, fuelling inflation and disruption. Dairy demand has so far remained resilient, though it appears the inventory building that accompanied earlier supply chain issues may have peaked.

China is a market under close watch as government efforts to limit the spread of COVID-19 intensify. Severe disruptions are expected to continue over a progressively larger geographical area, as container handling through ports is slowed or stopped, with flow-on impacts to container and vessel availability. Any changes to broader dairy consumption as the population of affected cities adapts to public health measures will become clearer in the coming months, though early indications suggest consumption of fresh dairy products has already tumbled, driving more local milk into powder dryers.

In other international markets, demand is generally robust, albeit tempered by price sensitivity in markets where affordability is a constraint. Butterfat products remain in high demand.



In Australia, café and restaurant spending has continued to boom, with the three months to February topping not the same period in 2021 and pre-pandemic levels. This is a significant shift from the past two years, where strength in the takeaway food and quick service restaurant (QSR) sector has driven foodservice sales.

With consumers out and about again, fewer meals are being cooked at home and the volume of dairy products sold through supermarkets has continued to ease across most key categories (with the exception of yoghurt)¹. Notably, however, the value of milk, cheese, yellow spreads and yoghurt have all increased in proportion to the volume sold. In other words, food inflation has arrived at the dairy case.

The 2022/23 season is expected to be marked by rising numbers throughout the supply chain – from production costs to farmgate prices, commodity values to food expenditure. This theme is likely to be tempered by an absence of growth in milk production. Nonetheless, robust balance sheets after several profitable years might just mean that the volatility accompanying such rapid market developments is something the Australian dairy industry is well-placed to tackle.

Financial position

Income and expenditure summary

As per the five-year strategic plan, Dairy Australia is proposing a deficit budget position in 2022/23. This will continue to wind-down our surplus of reserves towards Target A level, as well as investing in Projects and Activities and Services that align to our strategic priorities.

Table 1 shows a budgeted \$5.4m deficit in 2022/23.

Profit and loss position

Income summary

The majority of Dairy Australia's income is derived from Farmer Levy and Commonwealth Matching income, with other external contributions received for investment in projects.

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

Levy

Levy income is based on milk production of 8,565m litres for 2022/23, with milk volume assumed to decrease by approximately 2.2 per cent compared to budgeted 2021/22 volumes. This scenario attributes more weight to high land and cattle prices which encourages continued exits from farmers and conversion away from dairy production, as well as high competition for resources and labour within agriculture sectors. Dairy cow numbers also remain a constraint. Levy cents per litre remains at \$0.359 c/L, based on 3.44 per cent protein and 4.13 per cent milk fat composition.

Government matching payments: Government matching income is based on matching all levy expended on eligible RD&E expenditure. Dairy Australia is eligible to claim matching income to the lower of 0.5 per cent gross value of production or 50 per cent of RD&E spend.

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

Expenditure summary

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

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

Table 1 Profit and loss analysis

	2021/22 ('000)	2022/23 ('000)
Income	63,476	65,493
Expenditure		
Projects	42,035	43,685
Activities and services	15,441	16,965
Overheads	9,815	10,258
Total expenditure	67,292	70,908
Salaries included in the above	18,436	22,001
Surplus/(deficit)	(3,816)	(5,415)

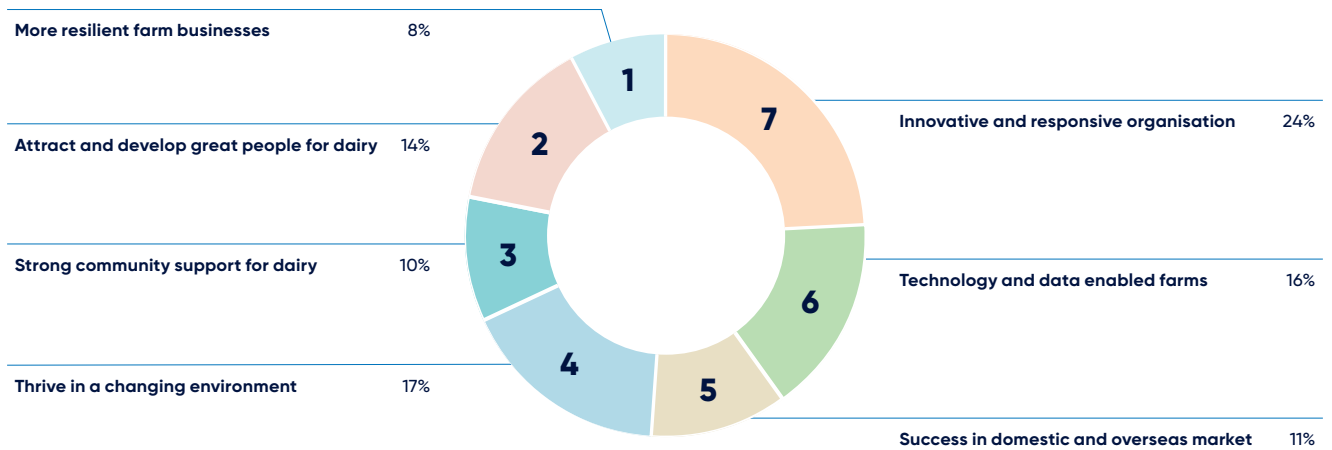
Table 2 Income analysis

	2021/22 ('000)	2022/23 ('000)
Income		
Levy	31,404	30,723
Government Matching Payments	22,974	24,753
External income contributions	8,781	9,199
Voluntary processor income	–	500
Other	317	318
Total income	63,476	65,493
Production – litres (million)	8,755	8,565
Production growth (per cent)	0.0	(2.2)
Farmgate milk price (\$/kgMS)	7.00	9.98

Table 3 Expenditure summary

	2021/22 ('000)	2022/23 ('000)
Expenditure		
Projects	42,035	43,685
Activities and services	15,441	16,965
Overheads	9,815	10,258
Total expenditure	67,292	70,908

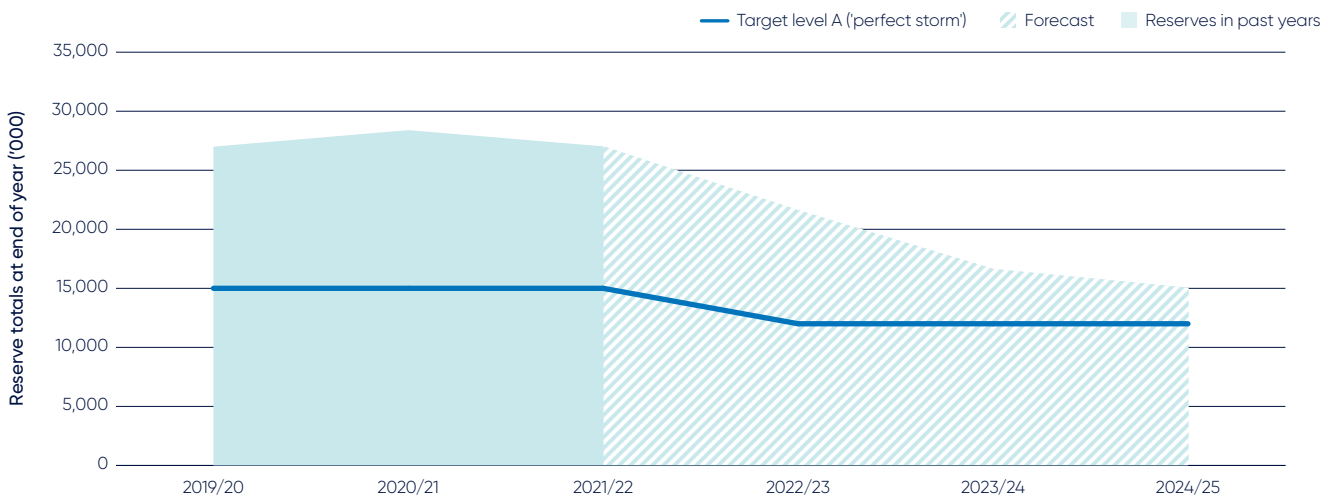
Figure 1 Projects and activities and services by strategic priority – 2022/23



Reserves analysis

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

Figure 2 Reserves analysis





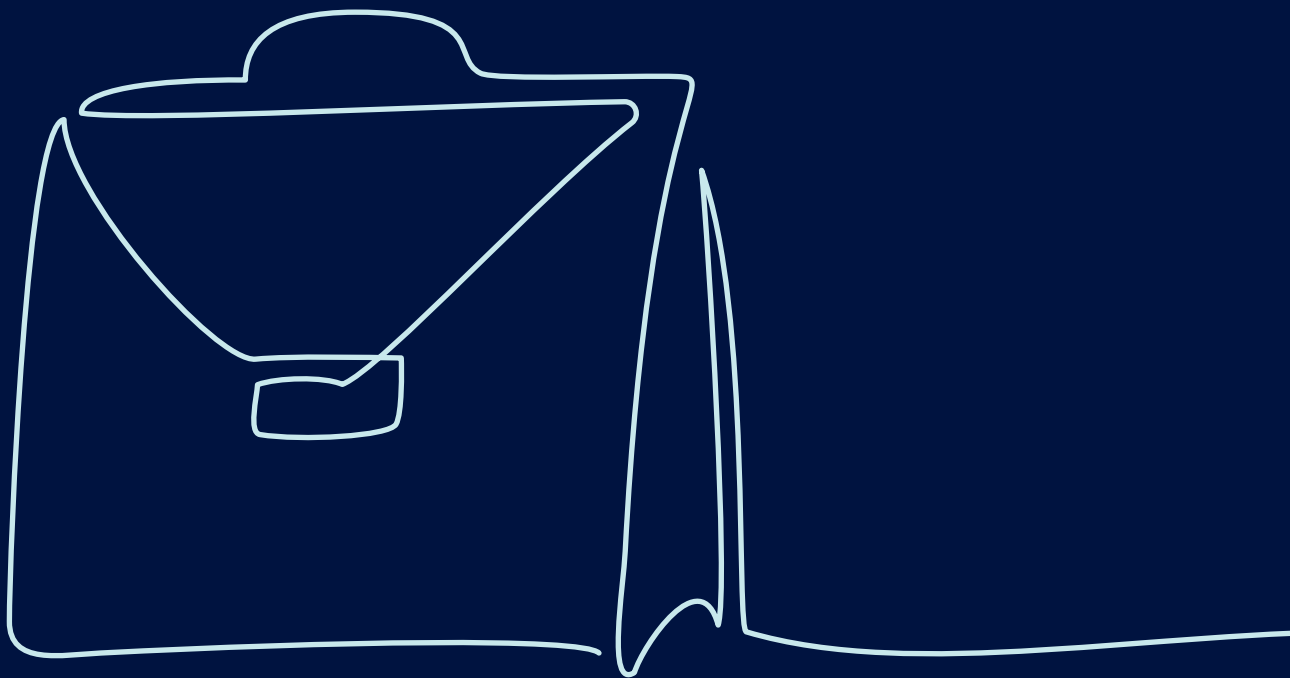
OUR PORTFOLIOS

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

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

Each strategic priority is set out with its goal and strategic outcomes.

The operating plan identifies focus areas for each outcome and then describes the portfolio structure.





MORE RESILIENT FARM BUSINESSES

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

2022/23 INVESTMENT: \$5.7M

Strategic outcomes

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



Portfolio structure

Key projects	a	b	c	d
Deliver Our Farm, Our Plan	•	•		
DairyBase		•		
Dairy Farm Monitor Project		•		
Farm Business Snapshot	•	•	•	
Dairy profitability, risk and competitiveness		•	•	
Australian dairy investor engagement				•
Large supplier engagement	•			
Milk value education series		•	•	

This table lists our key investments in 2022/23 and is not a complete list of projects

Key partners we work with

- State and Federal Governments
- Gardiner Dairy Foundation
- Australian Dairy Farmers and state based dairy farmer organisations
- Banking sector and other providers of capital
- The processing sector, service providers and their farmer clients
- RDCs and universities, both domestic and international

STRATEGIC OUTCOME 1A

Business planning that leads to better decisions and sustained success

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
80% of dairy farm businesses perform systematic, periodic business reviews at least annually	Our Farm, Our Plan (OFOP)	Continued deployment of OFOP through group based and 1:1 interactions (via face-to-face and online interfaces) in all dairy regions with additional partner funding beyond the levy contribution available in the majority of regions.
	Farm Business Snapshot	Promote completed tool to farmers and service providers (consultants, field staff, accountants, banks) to encourage uptake of evidence-based assessment of dairy business performance.
	Large supplier program	Hold business governance and investment workshops and refresher sessions regionally to provide necessary tools and processes to assist implementation.
80% of dairy farm businesses make key long-term decisions using a documented business plan	Our Farm, Our Plan	Continued roll-out of OFOP to deliver a 'plan on a page' strategy for individual farm businesses and enable all farm team members to be 'on the same page'.
	Large supplier program	Provide local and international technical specialist support in addition to existing business governance and Investment support, to highlight the importance of data collection and analysis to make decisions and plan.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



STRATEGIC OUTCOME 1B

Clear and understood drivers of dairy farm profitability and productivity

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
60% of farm decision-makers can accurately state the profit metrics for their farm	DairyBase	Detailed online farm analysis tool which allows users and their advisors to identify opportunities to drive profit and manage risk.
	Dairy Farm Monitor Project (DFMP)	For farms participating in the program, the output of farm data collected is an evidence-based assessment of farm profit metrics.
	Farm Business Snapshot	Promote for use by farmers and service providers analyse their financial performance with an evidence-based comparison against Dairy Farm Monitor Project data.
	Milk Value Education Series	Develop an education series to explore the farmgate price discovery dynamics of milk to grow knowledge of producers around margin maximisation. Rollout via face-to-face seminar and online with an initial focus on Southern export milk pool and later customised for other regions with a domestic focus.
90% of farm decision-makers can accurately state the productivity drivers for their farm	Our Farm, Our Plan	Use the Farm Fitness Checklist and Farm Business Snapshot as entry points to OFOP to assist farmer understanding of their individual productivity drivers and management areas for improvement
	Dairy Farm Monitor Program	For farms enrolled in the program, the output of farm data collected is an evidence-based assessment of farm profit metrics and productivity measures
	Dairy Profitability, Risk and Competitiveness	An extension on the Dairy Productivity Report of 2020/21 to compare the relative performance of other nations such as the USA, New Zealand and Ireland.
	Farm Business Snapshot	Promote as a tool that supports self-directed, and consultant led analysis of key farm productivity and profit drivers.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 1C

Expanded range of risk management tools for price and cost volatility

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
80% of farm businesses are actively using risk mitigation initiatives to manage exposure to price and cost volatility	Farm Business Snapshot	Promote the completed tool to farmers to support self-analysis and consultant-led discussions on farm financial metrics to reduce enterprise risk.
	Milk Value Education Series	<p>Develop an education series to explore the farmgate milk price dynamics with the aim of growing knowledge and empowerment of producers around price risk management. Rollout via face-to-face seminar and online with an initial focus on Southern export milk pool and later customised for other regions with a domestic focus.</p> <p>Develop an education series to explore the farmgate price discovery dynamics of milk which builds awareness and knowledge of emerging milk price risk management tools and the basics of commodity price risk management. Delivered through face-to-face seminar and online with an initial focus on Southern export milk pool and later customised for other regions with a domestic focus.</p>

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



STRATEGIC OUTCOME 1D

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

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
80% of farm owners and managers have the opportunity to access capital to meet their requirements (as a % of farms that had no problems accessing finance for capital investment when attempting to do so)	Australian Dairy Investor Engagement	Build upon the success of the inaugural Deep Dive investor engagement program by maintaining engagement with the alumni group and incorporating learnings from the first cohort into the second intake.
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	Australian Dairy Investor Engagement	Second year of the Deep Dive investor engagement program to better inform the banking and investment community about the opportunities for informed investment in dairy.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



2

PRIORITY

ATTRACT AND DEVELOP GREAT PEOPLE FOR DAIRY

GOAL

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

2021/22 INVESTMENT: \$9.7M

Strategic outcomes

- 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



Portfolio structure

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

This table lists our key investments in 2022/23 and is not a complete list of projects

Key partners we work with

- Regional Development Program Boards
- Dairy People Development Council
- Peak representative bodies (ADF, NFF, SDFO's)
- Partner RDCs through the People in Agriculture consortium
- Gardiner Dairy Foundation
- DairyLearn Partner Network
- University of Tasmania
- Marcus Oldham College
- University of Sydney
- AgriFutures Australia
- State government departments
- Department of Home Affairs

STRATEGIC OUTCOME 2A

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

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

We are investing to support the expansion of the available talent pool wishing to pursue a career in dairy. We will also continue to focus on our policy work supporting ADF, ADIC and ADPF in connecting with the Department of Agriculture and Education at federal and state levels. This will further enhance and support the national agriculture target of \$100billion GDP by 2030 and the recently released National Agriculture Workforce Strategy.

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
80% of dairy farm employers and employees can describe why dairy is rewarding to work in	People in Dairy	Develop resources and communities to support best practice human resource management on-farm. Consolidate the project by extending resources and frameworks to regional teams and the education sector (tertiary and three final years of high school).
30% Australians would consider working on a dairy farm	Workforce attraction	Focus on three key areas: <ul style="list-style-type: none"> • raise awareness of excellent job opportunities in dairy through a targeted marketing campaign and pre-employment experiences, • establish clear pathways to enter the industry • provide regional support for people to take up a career in dairy. The project will: <ul style="list-style-type: none"> • provide 1:1 coaching support to dairy farmers to improve their human resource systems and leadership capability • drive engagement with the secondary education sector, promoting awareness of dairy as an attractive career.
All dairy farms workers implement good safety practices	People in Dairy	Provide online resources including tailored templates for farmers to establish and maintain safety systems on-farm. This includes templates for creating standard operating procedures and policies for safe farm practice. Resources are available as open access for farmers and extended through regional teams.
	Rural Safety and Health Alliance	Ongoing project that underpins collaboration across multiple RDCs with a focus on R&D in farm safety and shared resources across agriculture for farm safety. Three key projects : <ul style="list-style-type: none"> • WHS leadership in agriculture • improving mobile and fixed plant and vehicle safety • collection and collation of timely data on injury and illness for WHS performance. Provides technical expertise through a Safety Technical Panel to ensure all farm safety resources and technical resources that include a safety component are compliant for all WHS legislation The resources are extended through all projects across the organisation where farm safety is an element of the farm practice.
	Farm safety and Deliver Extension offering of ~50 programs on regional priority and needs basis	Provides technical expertise through a Safety Technical Panel to ensure all farm safety resources and technical resources that include a safety component are compliant for all WHS legislation The resources are extended through all projects across the organisation where farm safety is an element of the farm practice.
	Workforce attraction	Provide 1:1 coaching support to dairy farmers to improve their work health and safety management systems.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 2B

Clear and supported capability development and career pathways

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
70% of employees have clear, logical and supported development pathways in dairy	People in Dairy	Provide online resources for careers awareness and templates for creating a career pathway and determining what learning activities will support career goals. Extend resources through regional teams.
	DairyLearn partnerships	Co-creation of learning and development packages with farm businesses to align to on-farm role and career progression outcomes. This includes opportunities for career awareness and accredited learning for the fundamental on-farm skills (milking, livestock handling, farm safety, vehicles, chemicals, fencing etc.).
	Workforce attraction	Provide pre-employment experiences and regionally based resources for supporting new entrants to seamlessly enter the on-farm workforce. Expand resources to support the engagement of people interested in dairy employment and key influencing stakeholders.
	Dairy farm managers	Provide work integrated learning and higher education experiences to support current and future dairy farm managers to develop the capabilities they need for a career in farm management. Learning experiences are facilitated through education partnerships with the University of Sydney, University of Tasmania, Marcus Oldham College and AgriFutures Australia. In partnership with education providers, develop new flexible learning and entry pathways to further support participants to engage in higher education.
70% of employers have clear, logical and supported development pathways for themselves	Deliver extension offering of ~50 programs on regional priority and needs basis	Provide work integrated learning and higher education experiences to support current and future dairy farm managers to develop the capabilities they need for a career in farm management. Learning experiences are facilitated through education partnerships with the University of Sydney, University of Tasmania, Marcus Oldham College and AgriFutures Australia.
	People in Dairy	Provide online resources for careers awareness and templates for creating a career pathway and determining what learning activities support career goals. Extension of resources through regional teams.
70% of employers have clear, logical and supported development pathways for their employees	Workforce attraction	Provide 1:1 coaching support to dairy farmers to develop their capabilities.
	Dairy farm managers	Support aspiring dairy farm managers build their careers by providing educational opportunities and work-integrated learning experiences. Partner with University of Sydney, University of Tasmania and Marcus Oldham College. In partnership with education providers, develop new flexible learning and entry pathways to support engagement with higher education.
	Deliver extension offering of ~50 programs on regional priority and needs basis	Provide quality learning experiences and resources through regional teams (face-to-face and online via website and Enlight) across the breadth of capabilities needed on-farm. Activities to provide fundamental to advanced knowledge development and transformation of practice as driven by the farm business.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 2C

Access to capable and skilled farm employees and service providers

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
85% of dairy farm businesses agree they have sufficient access to skilled service providers to meet their needs	Deliver extension offering of ~50 programs on regional priority and needs basis	Provide resources for translating research into farming practice. Service providers are a key support for farmers, providing up-to-date knowledge on the latest evidence. This program of work provides quality learning experiences and resources through regional teams (face-to-face and online, website and Enlight) across the breadth of farming practice to support service providers and ensure dairy farmers have the skills they need.
	Countdown MQ Service Provider Training program	A 10-month program providing advanced training in milk quality (milking, mastitis and dairy hygiene) for 20 service providers across all dairying regions including factory field staff, vets, milking machine technicians and chemical representatives. Graduates of the program become Countdown Advisers delivering extension, working 1:1 with farmers to troubleshoot milk quality issues, providing staff training and driving on-farm practice change through activities within their respective organisations.
80% of employers report that the time taken to find a new employee was less than one month	Deliver extension offering of ~50 programs on regional priority and needs basis	Workforce extension for dairy farmers has been increased in 2021/2022. Equipping farmers with recruitment skills ensures effective and efficient processes, decreasing the time required for successful recruitment and the difficulty of the process.
	Dairy farm managers	Address the growing workforce needs of dairy farm managers by supporting the development of capabilities with educational opportunities. Through partnerships with University of Sydney, University of Tasmania and Marcus Oldham College, a greater number of people with farm manager skills will be available to farm businesses for faster recruitment.
80% of employers were able find an employee with the right capability for the role in the last 12 months	Workforce attraction NSW extension and capability coaches	Support Australians considering a career in dairy by: <ul style="list-style-type: none"> • raising awareness of the excellent career opportunities in dairy through a targeted marketing campaign and pre-employment experiences, • establishing clear pathways to enter the industry • providing regional support for people to take up a career in dairy. Provide 1:1 coaching support to dairy farmers to improve human resource systems and leadership capabilities. Raise awareness of career opportunities in dairy across a spectrum of digital channels, to increase the number of people considering a career in dairy.
	Dairy farm managers	Provide educational opportunities to support the capability development of individuals and address the growing workforce need of dairy farm managers. Through partnerships with University of Sydney, University of Tasmania and Marcus Oldham College, a greater number of people with farm manager skills will be available to farm businesses for faster recruitment.
	DairyLearn Partnerships	The education sector plays a critical role in developing people in dairy, including those entering a career and building their career. This project provides resources, professional development and strategic guidance to the education sector to ensure graduates are work-ready and meet the needs of the industry.
	Simulation-based learning for transforming animal reproduction education	Enable Dairy Australia to partner with the vocational education sector to develop and deliver innovative simulation-based education experiences for farmers, their employees and service providers.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 2D

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

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
80% of farm businesses and their employees have access to the information and tools they need to get the fundamentals right on farm	Deliver Extension offering of ~50 programs on regional priority and needs basis	Provide quality learning experiences and resources through our regional team across the breadth of capabilities needed on-farm. Through a more targeted and resourced approach, the Farmer Services Strategy will support tailoring development and extension activities to farm business needs
	Farm safety	Farm safety systems are a critical fundamental aspect of all farm businesses. This project ensures all extension, where safety is a component, has been reviewed by WHS experts for compliance.
	DairyLearn Partnerships	Provide resources and professional development to the education sector to ensure experience is industry aligned and meets the learner's needs. This includes service providers, employees and farm owners.
	People in Dairy	Provide funding for maintaining and further enhancing the People in Dairy websites. The websites provide information and tools for getting farm safety and people management fundamentals right on-farm. Extension of resources occurs through regional teams.
80% service providers have access to the information and tools that they need to get the fundamentals right on farm	Artificial insemination training and professional development	Establish a nationally recognised training opportunity for service providers in upskilling for AI, a critical fundamental skill on-farm that directly impacts on-farm productivity and profitability.
	Simulation based learning for transforming animal reproduction education	Enable Dairy Australia to partner with the vocational education sector to develop and deliver innovative simulation-based education experiences for farmers, their employees and service providers.
	Extension	Through our regional services and digital resources, service providers have access to information and tools developed from our research outputs. This accurately and effectively maintains the currency of practice to service dairy farm businesses.
	Countdown MQ Service Provider Training program	A 10-month program providing advanced training in milk quality (milking, mastitis and dairy hygiene) for 20 service providers across all dairying regions. Includes factory field staff, vets, milking machine technicians and chemical representatives. The program embeds world-leading science behind the Countdown technotes and farm guidelines to upskill service providers providing both extension and 1:1 support to dairy farmers.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

PRIORITY

3

STRONG COMMUNITY SUPPORT FOR DAIRY

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

2021/22 INVESTMENT: \$7.0M

Strategic outcomes

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



Portfolio structure

Key projects	a	b	c
Consumer marketing	●	●	●
Dairy Trust tracker	●	●	●
Health and nutrition	●	●	
Aged care health strategy	●	●	
Schools engagement	●	●	●
Industry sustainability framework	●		●
Antimicrobial stewardship			●
Non-replacement dairy calf pathways project			●

This table lists our key investments in 2022/23 and is not a complete list of projects

Key partners we work with

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

STRATEGIC OUTCOME 3A

The Australian dairy industry is trusted and accepted by the community

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

We will enhance community trust and acceptance of dairy, set industry sustainability targets and publicly report progress through a world-class framework.

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
79% of the community trust the dairy industry	Consumer marketing	<p>Leverage the Dairy Matters communications platform to drive trust and support for Australian dairy through campaigns to socially including a focus on key age groups such as Gen Z.</p> <p>Campaigns will share our industry commitments to health and nutrition, environment and animal care and promote the 'You Ask We Answer' web platform which addresses community questions around dairy foods and the way we farm.</p> <p>Use a wide range of media channels to reach the target audience, including television, digital advertising, podcasts, content partnerships and public relations, and grow the farmer ambassador program to champion and amplify key messages. This will be supported by continued monitoring of community perceptions, behaviour and trends.</p>
	Schools engagement	<p>Educate school children about the Australian dairy industry, how dairy foods are produced and the health benefits of dairy foods for growth and development, how dairy foods are produced.</p> <p>Engage primary school children through the eight-week program, Picasso Cows. Leverage high reach curriculum-based resources and initiatives delivered through the Discover Dairy education platform including Virtual Classrooms with farmers and the launch of virtual reality farm tours.</p> <p>Promote the value of dairy in a healthy diet through campaigns and activations delivered through the Life Education partnership that enables reach into 4,000 schools nationally.</p>
	Health and nutrition	<p>Actively engage with key opinion leaders to ensure dairy is well positioned in dietary guidelines. Engage health professionals (dietitians and GPs) and influencers to ensure they have the knowledge and tools to recommend dairy foods to the community.</p> <p>Focus on key campaigns to these audiences including addressing plant-based alternatives and the benefit of dairy in an aging population.</p> <p>Leverage the Fracture Trial research linking dairy consumption to less falls and fewer fractures in older adults through communicating and achieving real change in diets of older Australians.</p>
	Industry sustainability framework	<p>Ensure commitments and work around the review and new goals align with community expectations and underpin commitment to health and nutrition, animal care, environment, supporting Australian communities.</p>
60% of farmers actively promote the industry	Consumer marketing	<p>Identify and engage farmer ambassadors to actively promote dairy's commitment to health, the environment, animal care and amplify positive messages about dairy products and the way we farm.</p> <p>Leverage this program to reach a broader audience, including Gen Z, and champion messages on other farmer-related programs and initiatives.</p> <p>Work with these ambassadors to rally farmers to promote the industry through social media and communities.</p>

Continued overleaf

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
85% of consumers prefer to buy Australian made or locally produced dairy products wherever possible	Consumer marketing	Reinforce the importance of buying Australian dairy through Dairy Australia digital and social media channels, and through public relations campaigns. This includes the Australian Grand Dairy Awards judging and event, promotion of the Dairy Destinations regional itineraries and the promotion of World Milk Day. Leverage farmer and celebrity ambassadors and influencers to amplify these key messages. Continue to form partnerships with processors to align and amplify these positive messages around Australian dairy.
75% of consumers agree dairy farmers do a good job of caring for the environment	Consumer marketing	Engage socially conscious consumers through the Dairy Matters 'trust' campaign to showcase how Australian dairy is tackling climate change. Share the industry's environmental actions including land conservation waste reduction, sustainable packaging, efficient water use.
	Industry Sustainability Framework	The sustainability framework continues to underpin the industry's commitment to the environment and sustainability more broadly. Ensure commitments and work around the review and new goals, align with community expectations as it relates to the environment.
80% of community representatives on the consultative forum recognise, support and trust the Sustainability Framework as providing evidence of industry's commitment to sustainable dairy practices	Industry Sustainability Framework	Review all sustainability commitments, goals, targets and indicators to ensure they reflect the right level of ambition and progress expected by the community. Extend the representation on and engagement in the Consultative Forum as a way to inform the community of the industry's sustainability credentials and aspirations.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



STRATEGIC OUTCOME 3B

Australian dairy is valued for superior health and nutrition benefits

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

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
87% of the community trust dairy as a wholesome and healthy food	Consumer marketing	<p>Drive trust and support for Australian dairy through the promotion of the Dairy Matters 'trust' campaign. Campaign will focus on health and nutrition as the number one driver of consumption and will aim to reach socially conscious consumers across a broader age group, including Gen Z.</p> <p>Reinforce the role of dairy in a sustainable diet for protein and muscle and bone health. Address key health barriers including digestion, weight management and plant-based alternatives.</p> <p>Research specific drivers and barriers of dairy consumption in the Gen Z population and deliver targeted campaign to address these.</p> <p>Drive awareness and action from the results of our world leading fractures trial research on the links between dairy intake, malnutrition and fracture rates.</p>
	Schools engagement	<p>Educate primary school students about dairy's role in a healthy diet through curriculum linked resources and programs including the Picasso Cows and Healthy Bones Action week.</p> <p>Develop curriculum linked resources that support health and nutrition education for school children and encourage adequate dairy consumption.</p> <p>Further amplify and promote the value of dairy in a healthy diet through initiatives delivered through the Life Education partnership.</p>
	Aged care strategy	<p>Develop a strategy that leverages evidence to support the consumption of dairy for older Australians.</p>
86% of consumers hear positive health messages about dairy foods from health professionals	Health and nutrition	<p>Influence policy makers, regulators, key opinion leaders and credible third parties with evidence-based health and nutrition messages. This work supports a positive policy and regulatory operating environment for the dairy industry and includes active contribution to the review of the Australian Dietary Guidelines.</p> <p>Educate health professionals (including GPs and dietitians) to ensure they have the knowledge and tools to recommend dairy foods in a healthy balanced diet. Deliver targeted campaigns that communicate dairy's role in respect to plant-based alternatives and the benefits of dairy in an aging population.</p>
	Consumer marketing	<p>Deliver campaigns that promote the benefits of increased dairy consumption. Implement the next phase of the Dairy Matters 'trust' campaign, with a focus on health as the number one consumption driver.</p> <p>Research specific drivers and barriers of dairy consumption in the Gen Z population and deliver targeted campaign to address.</p> <p>Drive further support and demand for Australian dairy through PR campaigns including Australian Grand Dairy Awards, Healthy Bones Action Week, Dairy Destinations, and World Milk Day.</p>
55% of consumers make an effort to consume dairy every day	Health and nutrition	<p>Influence policy makers, regulators, key opinion leaders and credible third parties with evidence-based health and nutrition messages to enable a positive policy and regulatory operating environment for the dairy industry.</p> <p>Educate health professionals, including GPs and dietitians, to ensure they have the knowledge and tools to recommend dairy foods in a healthy balanced diet. Deliver targeted campaigns that communicate dairy's role in respect to plant-based alternatives and the benefits of dairy in an aging population.</p>
	Consumer marketing	<p>Deliver campaigns that promote the benefits of increased dairy consumption. Implement the next phase of the Dairy Matters 'trust' campaign, with a focus on health as the number one consumption driver.</p> <p>Research specific drivers and barriers of dairy consumption in the Gen Z population and deliver targeted campaign to address.</p> <p>Drive further support and demand for Australian dairy through PR campaigns including Australian Grand Dairy Awards, Healthy Bones Action Week, Dairy Destinations, and World Milk Day.</p>

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 3C

The Australian dairy industry is committed to animal wellbeing

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
77% of consumers believe the dairy industry meets their expectations in doing the right thing	Consumer marketing	Proactively and transparently address community expectations around animal care through a 'You Ask We Answer' campaign to drive awareness of our web platform and answer community questions around dairy and the way we farm. Share the industry's sustainability commitments through a public relations campaign. Undertake ongoing monitoring of community perceptions, behaviour and trends.
	Anti-microbial stewardship	Antibiotics to treat and manage mastitis account for two-thirds of all antibiotics sold by veterinarians. R&D work commenced in 2021/22 on a mastitis decision support project with the aim to bolster on-farm mastitis diagnostics and treatment options and reduce antimicrobial usage in the medium to long term. Additional investment will be made in 2022/23 to develop a methodology and gather baseline data on antimicrobial resistance in E.coli as the sentinel bacterium on commercial farms in Western Australia.
	Non-replacement dairy calf pathways project	Continue regional producer and industry group forums and engage with targeted meat processors to examine commercially and socially viable non-replacement dairy calf pathways to reduce early life slaughter.
	Growing beef from dairy	Commence a new co-project with MLA to develop extension resources and an adoption support model to assist farmers in implementing socially acceptable and economically viable management strategies for non-replacement calves. This project will utilise the outputs of the non-replacement calf pathways project as well as the latest global research.
80% of the community agree that dairy farmers do a good job caring for their animals	Industry Sustainability Framework	The sustainability framework continues to underpin the industry's commitment to animal care and providing best whole-of-life care for animals. The commitment, goals and targets will be reviewed to ensure alignment with community expectations on animal care.
	Consumer marketing	Address consumer concerns related to animal welfare through the 'You Ask, We Answer' platform and via targeted PR activities that demonstrate our commitments.
	Anti-microbial stewardship	Antibiotics to treat and manage mastitis account for two-thirds of all antibiotics sold by veterinarians. In 2021/22, R&D work commenced on a mastitis decision support project to bolster on-farm mastitis diagnostics and treatment options with the aim of reducing antimicrobial usage in the medium to long term. Additional investment will be made in 2022/23 to develop a methodology and gather baseline data on antimicrobial resistance in E.coli as the sentinel bacterium on commercial farms in Western Australia.
	Non-replacement dairy calf pathways project	Continue extension and communication with regional producer and industry group forums and engage with targeted meat processors.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

PRIORITY

4

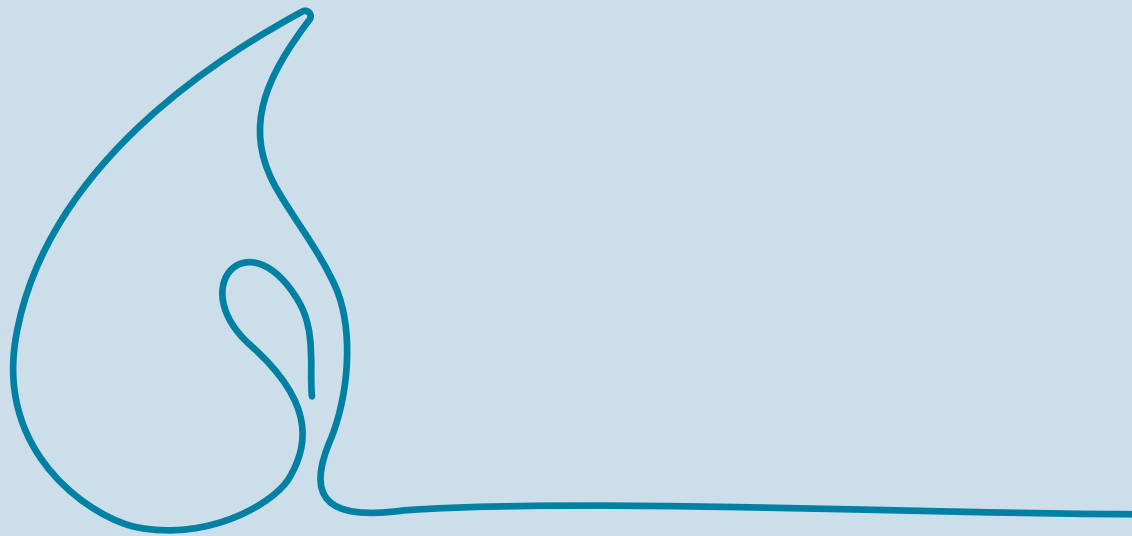
THRIVE IN A CHANGING ENVIRONMENT

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

2021/22 INVESTMENT: \$11.8M

Strategic outcomes

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



Portfolio structure

Key projects	a	b	c
Ag Innovation Australia	●		
DairyFeedbase – Feeding Cool Cows	●		
Adapting dairy farming systems	●		
Measuring emissions intensity at dairy farm and industry scale			●
Determining the benefits of mixed species pastures in a changing climate	●		
Building advisory capability in nutrient management planning on dairy farms		●	
Innovative sustainable soil health solutions		●	
Dairy effluent management and system design		●	
Supporting manufacturing sustainability		●	
National Landcare Project – Sustainable Dairy Products		●	
Addressing enteric methane for dairy			●
A circular economy for silage wrap		●	
Updated marginal abatement cost curve			●
DairyHigh2		●	●
DairyBio – Environment	●	●	●
C4 Milk bridging project	●		
Fall Army Worm	●		

This table lists our key investments in 2022/23 and is not a complete list of projects

Key partners we work with

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

STRATEGIC OUTCOME 4A

Greater ability to adapt to changes in the natural environment

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

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
90% of farmers have access to enough information to understand the impacts of changes in the environment	Ag Innovation Australia	To enhance seasonal outlook products and services for better decision-making on-farm, Dairy Australia is contributing to the AgriClimate Outlook project. We are investing in stream 5 of the project, which will look to enhance the current ACCESS-S model to provide significant uplift in the accuracy and reliability of weather forecasting. Recommendations for improvements have been provided to AIA for consideration as part of the project objectives.
	DairyBio – Environment	DairyBio forages has commenced research on warm season species including gene editing.
	Fall Army Worm	Results from the quantitative assessment of Fall Army Worm damage will set the foundation for an improved targeted extension program regarding Fall Army Worm identification, control and Feedbase modifications.
95% of farmers have the right information and skills to thrive in increasingly volatile climatic conditions	Adapting dairy farming systems	The Decision Support Tool and second edition Feedpad and Cattle Housing Guidelines were finalised and communicated in 2021/22. This will enhance decision-making capability around the farm system options available to dairy farms to reduce the productivity risks associated with climate change.
	Determining the benefits of mixed species pastures in a changing climate	Results of this work will provide information on the differences of mixed species pastures and a conventional pasture system on soil properties in wet and dry climates. This information will add to and guide future research.
	C4 Milk Bridging Project	This project will involve desktop studies to investigate optimum cropping rotation and the most beneficial housing option for dairy cows and develop a grazing strategy to increase pasture utilisation. Outcomes from this project will inform the development of a project proposal for future R&D, with the continued objective to help farmers obtain the right information and skills to thrive in increasingly volatile climatic conditions.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 4B

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

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
70% of dairy farm businesses have adopted technologies and management practices to achieve land, water, carbon and energy efficiency	On-farm nutrient management	Deliver (by approved agronomists) group upskilling and individual farm business nutrient management plans that account for all nutrient sources and inputs.
	Silage wrap project	Research, design and deliver a national product stewardship scheme for silage plastics.
	Innovative sustainable soil health solutions	Commence research into at least one novel soil health or regenerative agriculture approach to assess the evidence and benefits to dairy farm businesses.
	Dairy effluent management and system design	Enhance service provider capability to provide technically sound and future-proofed effluent system designs and management planning for dairy businesses.
	National Landcare Project – Sustainable Dairy Products	Deliver an enhanced method of assessing the environmental stewardship and natural capital planning for a farm business.
	Scaling out multi-species drought resilience grant (pending IRP approval)	Partner with UoM to build information for farmers to transition to, and successfully manage, multi-species pasture systems to improve drought resilience. This will add further information and evidence to a project which is determining the benefits of mixed species pastures in a changing climate.
	Determining the soil function in multi-species pastures and changed synthetic nitrogen management (pending IRP approval)	The results of this work will highlight the differences in soil function as a result of altered species and nitrogen management. Linked to the DairyHigh farmlet study at Tasmanian Institute of Agriculture, this work will examine soil properties, pasture production and quality, and milk properties under different farm systems.
	DairyHigh 2	Summary of farmlet study outputs (end of lactation) presented to the Management committee. Includes progress toward 2024/25 project target in pursuit of improved understanding of the impacts of change in the environment.
DairyBio – environment	A sustainability index to be launched by DataGene in 2022.	

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



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 the dairy industry to reduce greenhouse gas emissions, especially in the farm sector. Investment is required to identify commercial solutions.

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
85% of dairy farm businesses generating renewable energy	Deliver extension offering of ~50 programs on regional priority and needs basis	Complete a learning package pilot on Climate Change Resilience (including supporting farmers to consider renewable energy sources) and extend resource through the regional teams.
40% of dairy farm businesses have access to and have adopted commercial solutions for reducing on farm emissions	Addressing enteric methane for dairy	Initiate research (through an 'open call' Dairy Australia grant process) to explore the methane reduction capacity, in addition to production effects, of two potential commercial solutions.
	Updates marginal abatement cost curve (MACC)	The MACC project will update the cost/benefit information regarding emission reduction for commercially available solutions and those remaining in a research phase.
60% of dairy farm businesses understand their carbon footprint	Measuring emissions intensity at dairy farm and industry scale	Deliver an enhanced, fifth iteration method of assessing the carbon footprint of a farm business through the Australian Dairy Carbon Calculator.
	DairyHigh 2	Summary of farmlet study outputs (end of lactation) presented to the Management committee. Includes progress toward 2024/25 project target, in pursuit of improved pasture management skills to thrive in increasingly volatile climatic conditions
	DairyBio – environment	Animal sustainability index to be launched by DataGene and available to farmers in 2022.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

PRIORITY

5

SUCCESS IN DOMESTIC AND OVERSEAS MARKETS

GOAL

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

2021/22 INVESTMENT: \$7.9M

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



Portfolio structure

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

This table lists our key investments in 2022/23 and is not a complete list of projects

Key partners we work with

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

STRATEGIC OUTCOME 5A

Australian dairy is valued around the world for its premium products

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
Australian dairy products are nominated as preferred status by customers in the key markets of Japan, Greater China and Southeast Asia Japan – 70%, China – 60%, SE Asia – 60%	International trade program	<p>Roll out a new 'Thrive Together with Australian Dairy' trade messaging campaign to reinforce Australian Dairy's unique selling proposition that is consistent, targeted and meets the needs of the international market.</p> <p>Develop a suite of messaging tools and initiatives to help bring these messages to life and allow Australian dairy exporters to leverage the messaging platform.</p> <p>Deliver hybrid (virtual and face-to-face) trade programs for key global markets of Japan, Greater China and Southeast Asia.</p> <p>Implement an improved account management system to ensure Dairy Australia Scholarship participants form a deeper connection with Dairy Australia to further assist our ability to leverage global networks. This includes trialling a high-level engagement strategy in Southeast Asia for executive level contacts.</p> <p>Deliver an Australian Food and Wine Trade collaboration program across Thailand, Indonesia, South Korea and Vietnam in conjunction with Horticulture Innovation Australia, Meat and Livestock Australia (MLA), Seafood Industries Australia and Wine Australia.</p>
Australian dairy makes tangible market access gains in all completed trade negotiations involving Australia	International trade program	<p>Work with industry and Government to advocate for improved market access for dairy into India, in the lead-up to the finalisation of a final, comprehensive trade deal between Australia and India.</p> <p>Support industry and government to secure favourable outcomes for dairy from the Australia-EU Free Trade Agreement, with a focus on addressing the risk of Geographical Indication protections that could affect our use of common cheese names.</p> <p>In addition to ongoing work with dairy exporters on market maintenance measures for Australian dairy exports, implement a focused program targeting specific technical barriers to trade affecting dairy exports in Indonesia and Thailand.</p>

STRATEGIC OUTCOME 5B

A favourable policy and regulatory environment

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
All industry and government stakeholders that use policy related services value the work of Dairy Australia to inform policy discussions and help ensure access to markets 90% of stakeholders that use market access related services value the work of Dairy Australia to help ensure access to markets	Technical policy support	<p>Continue to deliver the Dairy Export Assurance Program to make it easier and cheaper for dairy manufacturers to export their products and improve the way that we give assurances to overseas markets about the safety of Australia dairy.</p> <p>Deliver strategic and technical policy research, analysis, insights and solutions with a focus on the key areas of biosecurity, human health and nutrition, water, climate change and workforce access.</p> <p>Work with industry organisations to provide underlying resources and platforms to support positive government engagement by the entire Australian dairy industry. This includes an increased emphasis on delivering policy support on regional and state policy issues.</p>

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 5C

Access to trusted market insights that inform decision-making

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
Dairy Australia is considered by 85% of industry stakeholders as the most trusted and credible source of information to inform decisions related to dairy markets	Industry insights and analysis	Continue to evolve and refine the dairy market information and insights service, ensuring industry stakeholders have ready access to relevant and current market information. Support regional and State dairy industry strategy development by providing market data and insights on the realities of a changing Australian and global dairy landscape.
	International trade program	Explore ways to further leverage the Dairy Australia trade alumni network to gain access to primary data and insights within key international markets.
Dairy Australia's market information is widely utilised by 90% of industry and government stakeholders	Industry insights and analysis	Continue to review the methods of delivery for Dairy Australia's market information and insights services to industry and government stakeholders.
Dairy Australia is considered as the most trusted and credible source of dairy market information with 200 media articles per year referencing Dairy Australia's analysis or data	Industry insights and analysis	Increased focus on ensuring Dairy Australia market information and insights services are recognised and promoted within industry.
Dairy Australia maintains and grows its access to industry data to inform market analysis by covering 95% of milk production, 90% of domestic market sales, 90% of manufacturing data	Industry insights and analysis	Continue to build and secure industry data contributions to Dairy Australia to ensure we retain a critical mass of industry production, manufacturing and sales data.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



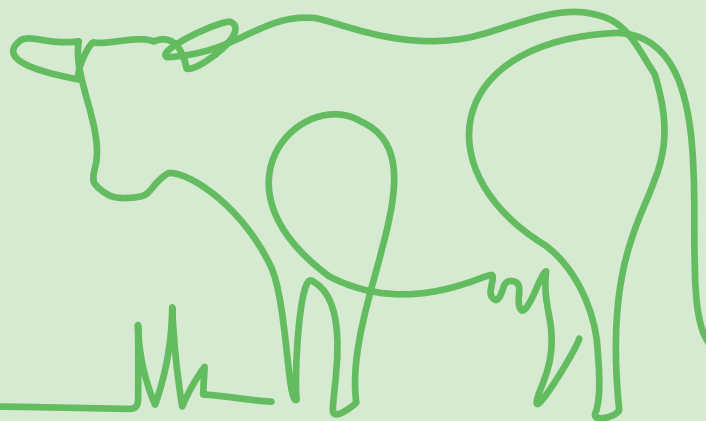
TECHNOLOGY AND DATA-ENABLED DAIRY FARMS

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

2021/22 INVESTMENT: \$11.6M

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
-



Portfolio structure

Key projects	a	b	c	d
DairyBio	●	●		
DairyFeedbase		●	●	●
DataGene	●		●	●
Accelerating heifer genomics	●		●	●
Access to agvet chemicals		●		
Forage Value Index		●	●	●
Clinical mastitis treatment decision tool			●	●
Unlocking the potential of Kikuyu	●	●		
Unlocking the potential of the cow		●		
DairyFeedbase – developing a path to extension and adoption	●	●	●	●

This table lists our key investments in 2022/23 and is not a complete list of projects

Key partners we work with

- DairyBio and DairyFeedbase investors and commercial partners
- Gardiner Dairy Foundation
- DataGene
- Commercial genomic service providers
- Regional Development Program Boards
- Other RDCs, universities and commercial partners in Smarter Irrigation for Profit 2
- NSW Department of Primary Industries and De Laval for Milking Edge
- Food Agility CRC
- The University of Sydney
- University of Technology Sydney
- Charles Sturt University
- Coles Sustainable Dairy Development initiative
- Australian Milk Quality Steering Group

STRATEGIC OUTCOME 6A

Accelerated genetic progress in feedbase and animal breeding

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
>2% rate of genetic gain in pasture species used by dairy farms	DairyBio – technology	Investment in the DairyBio21–26 program to deliver new innovations for pasture genetics. Apply research outcomes from the DairyBio 1 F1 hybrids project to new research into other pasture species beyond perennial ryegrass.
	Unlocking the potential of kikuyu	Research and development in the first full year of this project will focus on methods to increase quality with current kikuyu varieties.
25% of farmers use Forage Value Index to select grass pasture	Forage Value Index	The use of field-based hyperspectral data allowing real time, non-destructive estimation of ME has commenced. In 2022/23, a priority is developing prediction equations and optimising multispectral analysis to allow for the commercial scale measurement of ME and other nutritive characteristics.
	DairyFeedbase – developing a path to extension and adoption	Pursue development, extension and adoption opportunities for DairyFeedbase projects and develop new and/or updated extension material.
The rate of genetic gain for sires of cows in Balanced Performance Index (BPI) units \$30/year annual increase of BPI	DairyBio – technology	Investment in DairyBio21–26 to deliver new innovations for animal genetics. Focal points for current research include new Australian Breeding Values targeting animal survival, longevity and transition cow genetics in the herd.
	DataGene	Continue investment in DataGene to improve efficiency and effectiveness of genetic services. This includes more rapid turnaround of genetic analysis and further extension of genetic evaluation services.
	Accelerating heifer genomics	Accelerate the uptake of genomic testing of heifers as a priority for improved genetic progress. Early evaluation of genetic merit provides for improved lifelong management decisions for each animal and enables more focused selection on heifers to be more profitable, fertile and long-lived.
The rate of genetic gain of cows in BPI units as a result of heifer genomic testing \$25/year annual increase of BPI	DairyBio – technology	Investment in DairyBio21–26 to deliver new innovations for animal genetics. Research to focus on new Australian Breeding Values targeting real time performance prediction, diversity and survival in the herd.
	DataGene	Continued investment in DataGene to improve efficiency and effectiveness of genetic services. This includes more rapid turnaround of genetic analysis and further extension of genetic evaluation services.
	Accelerating heifer genomics	Accelerate the uptake of genomic testing of heifers as a priority for improved genetic progress. Early evaluation of genetic merit provides for improved lifelong management decisions of each animal and enables more focussed selection on heifers that will be more profitable, fertile and long-lived.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 6B

More flexible and agile dairy production systems

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
Development of 20 new feedbase options that increase flexibility and agility	DairyBio – technology	Investment in DairyBio21–26 to deliver new innovations for pasture genetics. Apply research outcomes from the DairyBio 1 F1 hybrids project to new research into other pasture species beyond perennial ryegrass including warm season species.
	DairyFeedbase	Continue investment in final year of DairyFeedbase, with a focus on: <ul style="list-style-type: none"> • development and extension • communicating positive results and opportunities in feeding cows in early lactation • allocating feed to herds.
	Unlocking the potential of Kikuyu	Research and development in the first full year of this project will focus on methods to increase quality with current kikuyu varieties.
	Access to agvet chemicals	Access to agvet chemicals provides alternate uses for selected herbicides and insecticides for dairy farmers.
	Forage Value Index	Increase the number of validation sites and continue to transition the work to industry partners.
Development of 10 new non-feedbase system options that increase flexibility and agility	DairyBio – technology	Investment in the newly developed DairyBio21–26 to deliver new innovations for pasture genetics. This is the first year of the five-year project, of the new multi-partner investment.
	DairyFeedbase	Continue investment in final year of DairyFeedbase, with a focus on: <ul style="list-style-type: none"> • development and extension • communicating positive results and opportunities in feeding cows in early lactation • allocating feed to herds.
	Unlocking the potential of the cow	Deliver integrated, innovative, research, development and extension activities to address the needs of intensive dairy systems, with application to other systems.
75% of dairy farm businesses have access to the information and tools that they need to run their chosen farm system	DairyFeedbase	Focus on development and extension, communicating positive results and opportunities in feeding cows in early lactation and allocating feed to herds.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 6C

Greater use of high-value technology on farm

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
80% of farm businesses have successfully adopted technology that provides new insights for farm operations	DataGene	Make Australian Breeding values produced by DataGene and the accompanying indexes available to Australian farmers through sire selection tools, such as the Good Bull Guide, and heifer selection tools such as genomics.
	Accelerating heifer genomics	Drive adoption of genomic testing technology (product of DairyBio research) to inform heifer replacement and culling decisions and mating decisions, ensure correct pedigree and parentage information and accelerate genetic gain in traits of importance.
	Forage Value Index	The use of field-based hyperspectral data allowing real-time, non-destructive estimation of ME has commenced. Developing prediction equations is a priority for 2022/23, as is optimising multispectral analysis which allows the commercial scale measurement of ME and other nutritive characteristics.
	Clinical mastitis treatment decision tool	Research and development into on-farm mastitis decision support tool using machine learning to analyse existing cow data (via the Central Data Repository), and pathogen information to improve treatment outcomes and reduce antibiotic use.
	DairyFeedbase	Use Pasture Smarts technology to provide pasture insights to farmers to optimise pasture management. The program will integrate technology insights to optimise animal feeding and pasture management.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



STRATEGIC OUTCOME 6D

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

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
Five new methods of collecting or analysing multiple sources of physical data on farm	DataGene	Australian Breeding values, produced by DataGene, and the accompanying indexes are made available to Australian farmers through sire selection tools such as the Good Bull Guide.
	Clinical mastitis treatment decision tool	Research and development into on-farm mastitis decision support tool using machine learning to analyse existing cow data (via the Central Data Repository) and pathogen information to improve treatment outcomes and reduce antibiotic use.
80% of dairy farm businesses are routinely collecting three or more sources of physical performance data for decision-making e.g. herd testing, pasture measurement, lameness scoring	DataGene	DataGene continues to aggregate herd test information and process Australian genomic prediction information.
	Accelerating heifer genomics	Project to drive adoption of genomic testing technology (product of DairyBio research) to: <ul style="list-style-type: none"> • inform heifer replacement and culling decisions and mating decisions • ensure correct pedigree and parentage information • accelerate genetic gain in traits of importance.
	Forage Value Index	Publish the FVI to allow farmers to make fully informed decisions on ryegrass variety applicability to their farm business.
Routine management decisions of 95% of dairy farm businesses are informed by multiple data sources (e.g. sire selection, irrigation scheduling, culling)	DataGene	DataGene continues to collate and publish Australian breeding values, the associated selection indexes and the Good Bull Guide.
	Accelerating heifer genomics	Project to drive adoption of genomic testing technology (product of DairyBio research) to: <ul style="list-style-type: none"> • inform heifer replacement and culling decisions and mating decisions • ensure correct pedigree and parentage information • accelerate genetic gain in traits of importance.
	Forage Value Index	Publish the FVI to allow farmers to make fully informed decisions on ryegrass variety applicability to their farm business.
	Clinical mastitis treatment decision tool	Year 1 of an R&D project to assist farmers in further assessing how on-farm clinical mastitis diagnostic tests can be interpreted.
	Unlocking the potential of the cow	Deliver integrated, innovative, research, development and extension activities to address the needs of intensive dairy systems, but with application to other systems.
	DairyFeedbase	Multiple data sources from DairyFeedbase projects Pasture Smarts, First 100 Days and Smart Feeding to be integrated within farm systems to support decision-making.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

PRIORITY

7

INNOVATIVE AND RESPONSIVE ORGANISATION

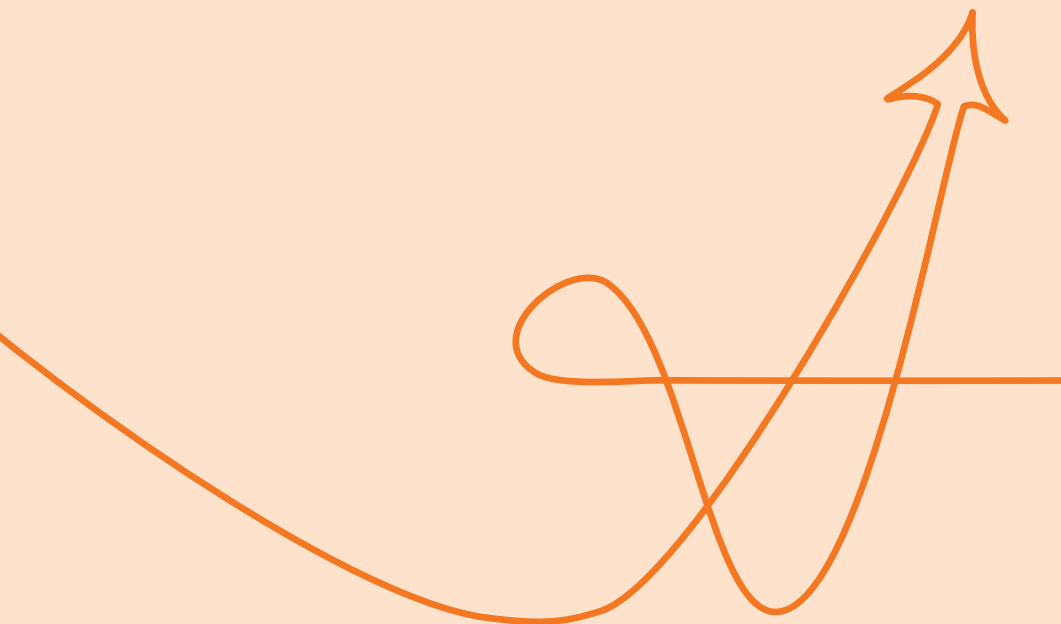
GOAL

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

2021/22 INVESTMENT: \$17.2M

Strategic outcomes

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



Portfolio structure

Key projects	a	b	c	d
Implementing Farmer Services Strategy	●			●
Digital experience	●		●	
Industry ideas pipeline	●	●	●	
Values		●	●	
Farmer communications	●			●
Salesforce roadmap	●	●	●	
Document management in 365			●	

This table lists our key investments in 2022/23 and is not a complete list of projects

STRATEGIC OUTCOME 7A

We have a farmer-focused service delivery model

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

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
Farmer-focused service delivery model embedded across all our projects, services, infrastructure, communications and processes	Implementing Farmer Services Strategy	Implement our new Farmer Services Strategy across the organisation. The Strategy seeks to substantially improve how we engage with farmers, provide greater momentum on regional adaptation and embed horizons-based thinking in all areas of technical excellence.
	Digital experience	Continue to deliver a streamlined and consistent digital experience to increase farmer engagement. This is being achieved by co-designing with farmers; rationalising and standardising our websites and digital tools; and continuously optimising the design and content based on farmer feedback and insights.
	Farmer communications	Deliver enhanced farmer communications under the Delivering for Dairy communications platform, driving awareness of Dairy Australia’s role and value to farmers. Work closely with regional teams to ensure communications resonates with farmers.
80% of farm businesses feel Dairy Australia has an effective relationship management model	Implementing Farmer Services Strategy	Implement our new Farmer Services Strategy to deliver a consistent and structured approach that improves farmers experience of Dairy Australia’s services.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



STRATEGIC OUTCOME 7B

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

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

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

We will create an environment in which our people thrive.

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

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
Employee engagement score increases from 63% to 80%	Career framework, develop learning solutions and Employee Value Proposition	Develop a career framework, identify and design learning opportunities and develop an employee value proposition to facilitate opportunities for Dairy Australia employees and increase our ability to attract and retain skilled people.
	Employee benefits	Perform a review and re-design of how the benefits of our work are identified, realised and monitored to ensure project objectives are met.
Dairy Australia values are known by 100% of employees	Values	Continue to embed our new organisational values for building a stronger culture of performance and accountability through coaching and professional development.
Dairy Australia values are well understood by 100% of employees		
90% of Dairy Australia employees demonstrate commitment to our values		
80% of farm businesses value Dairy Australia for our ability to be innovative	Industry ideas pipeline	Create a digital solution to host the pipeline and enable testing and piloting for the October Regional Priority Setting Process. This will allow us to test, learn and evaluate and create a clear plan moving forward for progressing and using the pipeline.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 7C

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

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

We will be agile and responsive to changing industry needs.

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
90% of Dairy Australia's employees have the right tools and infrastructure to deliver the best service to levy payers	Salesforce roadmap	Focus on training and documentation to continue leveraging the benefits of Salesforce.
	Human Resources IT system	Launch new HR infrastructure to provide a more autonomous and streamlined experience when managing/engaging with recruitment, performance, learning, payroll, compliance, leave, benefits, engagement and recognition functions.
	Portfolio Planning and Management	Improve the organisation's ability to deliver, manage and report accurately, efficiently and effectively on the strategic plan, projects and activities and services by implementing a centralised, integrated, flexible and efficient tool that is a single source of truth.
	Workplace Health and Safety	Continue to strengthen the WHS framework by upgrading and embedding our compliance, recording and reporting systems. This will ensure Dairy Australia continues to be a safe workplace that prioritises the wellbeing of our people and anyone impacted by our activities.
	IT security	Continue to review and implement cyber security controls and systems as required to respond to and mitigate evolving cyber security threats. Upgrade server and network infrastructure that will become end of support in the next 18-months to ensure our systems remain supported and can continue to receive security updates. Continue to re architect our IT infrastructure to take advantage of Microsoft cloud technology for cost savings, increased system security and improved disaster recovery options.
75% of Dairy Australia employees agree that our processes allow for agility and responsiveness	Document management in 365	Move all Dairy Australia files to Microsoft 365, improve the governance and adoption of responsible document management, and continue to upskill employees in Teams and OneDrive.
	Digitalisation experience	Enhance Dairy Hub design and content, including streamlined connection points to core employee applications such as Teams and Document Management.
80% of farmers agree that Dairy Australia is responsive to major industry events impacting the industry	Salesforce roadmap	Implement a new, integrated survey solution to extend the capabilities of data analysis and ad-hoc surveys and questions.
	Issues management	Increase industry engagement with the Issues Management Framework, our industry mechanism for identifying, analysing and coordinating response efforts to industry issues or risks. Increase industry awareness and preparedness for an emergency animal disease incursion, such as Lumpy Skin Disease or Foot and Mouth Disease, through national and regional channels.
80% of employees agree that Dairy Australia is decisive and effective in its actions	Values	Continue to embed the new organisational values with a particular focus on being agile, decisive and outcomes driven, seeking to build a stronger culture of delivery and accountability of value to our stakeholders.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix

STRATEGIC OUTCOME 7D

We have effective and transparent management of resources

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

We will ensure all resources are used responsibly.

2024/25 TARGET	PROJECT	KEY 2022/23 ACTIVITY
80% of levy payers are satisfied that they are well-informed about how Dairy Australia invests levy	Implementing Farmer Services Strategy	Enhance engagement and connectedness with farmers through the delivery of the Farmer Services Strategy. This strategy fundamentally changes how we connect and service farm businesses through our regions.
	Farmer communications	Implement farmer communication strategy to drive further awareness of Dairy Australia’s role and value to farmers and create stronger connectedness between Dairy Australia and regional communications. Focus on priority campaigns around the products, activities and services Dairy Australia wants to be known for.
	Annual and Performance Reporting	Publish Annual and Performance Reports that inform how Dairy Australia is investing funding (received from farmer levies, government matching payments, grants etc.) for the benefit of farmers and the dairy industry .
Levy payers are satisfied that Dairy Australia is investing levies appropriately 8 out of 10 levy payer response	External evaluations	Undertake at least four post-investment assessments on recently completed projects from across our portfolios. Two will be external evaluations with a further two evaluated internally but with external peer review. The results will be published in the Annual Performance Report.
80% of levy payers agree that Dairy Australia’s investments deliver value	Investment Review Panel	Ongoing enhancements to the Investment Review Panel process to ensure investments support productivity, innovation and value back to farmers.
	Strategic portfolio tracker survey	Conduct our annual farmer survey to understand the progress made on delivering our five-year strategy.

Further detail of projects including 2022/23 key measures of success are provided in the Appendix



PORTFOLIO STRUCTURE AND BALANCE OF INVESTMENTS

Our strategy (as set out in our five-year strategic plan) is executed through a series of annual operating plans that allow us to define focus areas for each financial year. These plans are created annually following consultation with key industry stakeholders ensuring our projects consider changing industry conditions and the evolving needs of levy payers.

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

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

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

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

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

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

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

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

MEASUREMENT OF PERFORMANCE

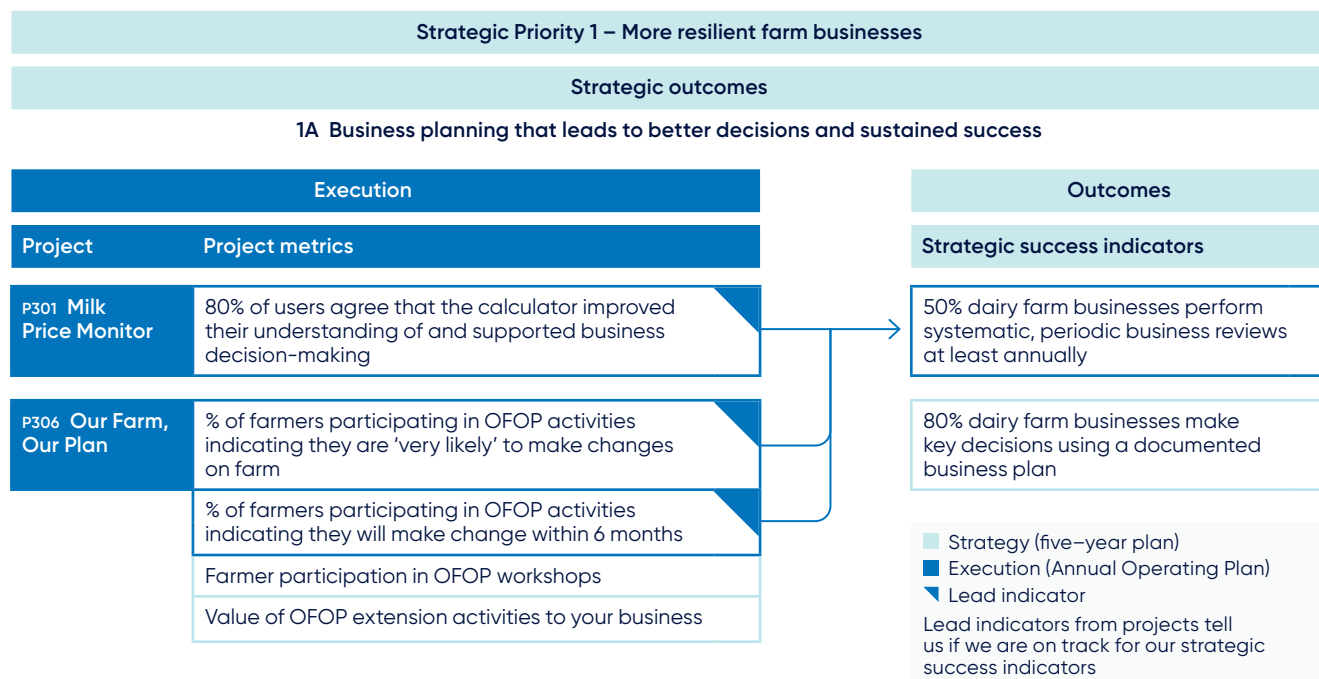
A revised evaluation framework that supports our new strategy was published in June 2020 and can be found [here](#). This framework sets out the role of evaluation for strategic priorities as well as for individual projects, activities and services. The framework includes the objectives for setting performance targets and the obligations to report on performance.

We have identified relevant project metrics and targets to be reported in 2022/23 that cascade from our strategic metrics. These have been provided in the preceding sections under the respective strategic priorities. While each project is instrumental in achieving the strategic metrics, they are also the intermediate indicators for 2022/23 providing confidence that we are on-track and to enable ongoing monitoring.

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

The below graphic provides further explanation of how our strategic success indicators link in with ongoing project metrics (which are highlighted in the Appendix). This graphic uses the example of our strategic outcome 1a and demonstrates how the project metrics may provide confidence that we are on-track to meet our strategic success indicators by 2024/25.

Figure 3 How our metrics fit together – example



APPENDIX

Key project measures of success for 2022/23

Project	Objective	Key measures of success	Target
1 More resilient farm businesses			
Deliver Our Farm, Our Plan (OFOP)	To deliver the Our Farm, Our Plan program from 2020/21 – 2022/23 to significantly increase the proportion of farmers with effective strategic plans	Farmer participation in OFOP workshops	400
		Value of OFOP extension activities to you and your business	≥8
		% of farmers participating in OFOP activities indicating they are 'very likely' to make changes on farm	70%
		% of farmers participating in OFOP activities indicating they will make change within 6 months	70%
DairyBase	Dairy farmers knowledge and understanding of their own farm performance is increased through the use of DairyBase	Value of DairyBase to you and your farming business	≥8
Dairy Farm Monitor Project	Ensure the industry has high quality data required to measure and analyse farm business performance at a national, regional and farm level	Number of high-quality farm financial and physical datasets	250
Farm Business Snapshot	Encourage uptake of evidence-based assessment of dairy business performance by farmers and their service providers	New Farm Business Snapshot registrations	200
		Value of Farm Business Snapshot to farmers and their farming business	≥8
Large Supplier Program	Develop effective ways to increase two-way engagement between Dairy Australia and the 200 largest dairy farm businesses with the aim to improve our understanding of the priorities of large dairy farming businesses and ensure we are meeting these needs	% of the largest 200 producers engaged	100%
		Workshops: % of farmers likely to implement change <6 months	75%
		Largest 40 producers: national zoom meetings discussing industry updates, an annual Melbourne workshop and one regional meeting with Dairy Australia Board member/ Leadership Team member	4
Milk Value Education Series	To setup dairy farmers to succeed by supporting the development of their financial and legal literacy and risk planning skills	Farmer participation in MVES workshops or online training	>300
		% farmers who complete the training agree they have better understanding of milk price drivers	>80
		% farmers who attend a workshop or complete training will effectively utilise content to assist in making farm business management decisions	>80

Project	Objective	Key measures of success	Target
2 Attract and develop great people for dairy			
Extension	This is an Activity and Service and delivers ongoing legacy, 'business as usual', 'off the shelf' extension resources, workshops and activities	Value of Animal Performance, Climate and Energy, Soils and Irrigation, Feedbase, Farm Business Management (FBM), and People extension activities to farm businesses	>8
		Farmers participating in Animal Performance, Climate and Energy, Soils and Irrigation, Feedbase, FBM, and People activities indicating they are 'very likely' to make changes on farm	50–80%
		Farmers participating in Animal Performance, Climate and Energy, Soils and Irrigation, Feedbase, FBM, and People activities indicating they will make change within <6 months	70–80%
Farm safety	Farm safety culture is embraced on Australian dairy farms; zero work-related deaths on dairy farms; and reduced injuries on dairy farms	Provide a safe work environment – number of Standard Operating Procedures (SOPs) created by farmers	2,000
		Provide a safe work environment – proportion or % of SOPs accessed by employees	50%
Dairy Farm Managers	Establish a long-term, sustainable pipeline of prospective dairy farm managers with the commitment and capability to address a significant workforce shortage	Number of student enrolments	75
		Student satisfaction with dairy farm manager learning experiences	85%
People in Dairy	Provide a community of practice that informs and enables farmers, employees, those considering dairy as a career, service providers and stakeholders to access dairy employment, workforce and capability development information. Provide input to government submissions/opportunities (e.g. labour agreement, Designated Area Migration Agreement, DAWE).	Access to People in Dairy website – number of sessions (a session may include multiple page views and repeat visitors)	55,000
		Total page visits for People in Dairy website	140,000
		Employment Starter Kit (ESKi) access rates	2,500
DairyLearn partnerships	Establish, develop and maintain partnerships and initiatives for education to enable a capable and sustainable workforce	Number of educators participating in DairyLearn professional development activities	20
		Participant satisfaction with DairyLearn initiatives	>85%
Countdown MQ Service Provider training program	Grow and develop a network of highly-skilled service providers to support dairy farmers to maintain, improve and troubleshoot problems with on-farm milk quality	Value of program to a dairy farmer's business	>90%
Simulation based learning for transforming animal reproduction education	Lead new and innovative education approaches for providing superior learning experiences in artificial insemination (AI) training	Number of students participating in simulation learning experiences	30
		Student satisfaction with simulation learning experiences	>85%
		Number of trainers completing the simulation education train the trainer program	6
Workforce attraction	Improve the attraction, recruitment, and retention of non-traditional job seekers in dairy farming by addressing workforce barriers and driving public awareness and interest in career and employment opportunities in dairy farming	Proportion of regional adults who recall seeing the Workforce Attraction campaign	30%
		Increase proportion of regional adults who agree, 'working on a dairy farm appeals to me'	Baseline to be established June 22
		Regional adults who would consider working on a dairy farm	

Project	Objective	Key measures of success	Target
3 Strong community support for dairy			
Consumer Marketing	Maintain consumer trust and acceptance of the industry and drive support and reason to consume Australian dairy	Consumers trust the dairy industry	Baseline to be established June 22
		Consumers agree the dairy industry meets their expectations in doing the right thing	
		Consumers trust dairy as a wholesome and healthy food	
Healthcare Practitioners Communications	Ensure health professionals feel confident recommending dairy foods to consumers Increase the proportion of dairy positive messages consumers hear from health professionals Ensure a credible evidence base underpins all health and nutrition messaging	Reach of dairy messages to health professionals	TBD based on June baseline
		Campaign and resource content is seen as credible by health professionals	
		Consumer target audiences hear positive health messages about dairy foods from health professionals	
Aged care health strategy	Determine policy opportunities to best drive uptake of milk, cheese and yoghurt within the ageing and elderly population. This project builds on the findings of the Fractures Trial, a research study funded by the dairy industry and aims to translate the research into meaningful action that delivers benefits back to the Australian dairy industry	Increase dairy consumption for target cohorts	TBC Q2 2022/23
		Mandatory minimum aged care nutritional standards	
		Recognition of dairy as important by consumers	
Schools engagement	Build support for dairy by educating more primary and secondary school students on the health benefits of dairy foods, how dairy is produced from farm to plate, and career opportunities in dairy	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	90%
		Teachers agree students trust and support the Australian dairy industry	80%
		Number of primary school students reached through Primary Schools programs	300,000
Industry Sustainability Framework	Produce an annual Industry Sustainability Report that demonstrates practice change and progress against our sustainability goals and targets as well as community expectations. Report will also help promote and protect the dairy industry's social licence to operate Maintain engagement of key external stakeholders with the dairy industry's sustainability credentials	Sustainability Framework reporting to key industry stakeholders to demonstrate our progress against our commitments	Target 2022 Sustainability Report released by June 2023
		Bi-annual sustainability forums to bring together key industry stakeholders and multinational customers to understand broader industry context, communicate the Dairy Industry's work in sustainability and seek feedback	7 out of 10
		Regular engagement with multinational dairy buyers to ensure sustainability framework is aligned with their goals	7 out of 10
		Review all Sustainability Goals, targets and Indicators to ensure they remain in line with community and market expectations	Review completed by 2022/23, recommendations for changes approved by ADIC

Project	Objective	Key measures of success	Target
4 Thrive in a changing environment			
DairyFeedbase – Feeding Cool Cows	Assess and minimise the impact of heat events on milk productivity and forage performance	Farm systems economic analysis of using 'cool diets' in conjunction with genomics and infrastructure as management tools during summer. Includes delivery of summary factsheet	N/A
		Produce guidelines for forage feeding during hot weather and cost-benefit analysis of different feeding strategies	N/A
Adapting dairy farming systems	Provide Australian dairy farmers with information and resources to support them to make well-informed decisions when designing and using cattle feeding and housing systems, ensuring profitability is maximised and risks are minimised	Decision Support Process digital tool prototype development	Decision Support Process developed to assist farmers adapting their farm system
Measuring emissions intensity at dairy farm and industry scale	Provide farmers with an accurate method to measure on-farm emissions intensity (EI), to review the current EI of milk production and provide insights into ways to reduce the EI across the Australian dairy industry. This will assist reaching the industry commitment to reduce EI of milk production by 30% by 2030	Finalise and publish version 5 of the Australian Dairy Carbon Calculator	Publication and application of version 5 in 2022/23
Determining the benefits of mixed species pastures in a changing climate	Identify if multiple species pasture systems improve soil health and the pasture resilience of grazing-based dairy systems in a changing climate	Farms identified with analysis of soil health benefits completed	Two Farms
Building advisory capability in nutrient management planning	Provide updated resources, increase the number of trained service providers and improved service provider capability to support the development of on farm Fert\$mart nutrient management plans for the dairy farm business	Train the trainer delivered to upskill service providers in nutrient management planning	TBC Q2 2022/23
Soil function in varied pasture systems	<ul style="list-style-type: none"> Highlight the difference in soil function in varied pasture systems Determine and understand the impact of reduced nitrogen inputs and species composition on the nitrogen soil dynamics, carbon changes, soil biology and root architecture Determine and understand the mechanisms for any changes in soil properties due to the changes in species and management 	Evidence-based quantification of changes in soil, pasture and milk properties due to multi-species and reduced nitrogen system	Baseline data collected on varied production systems in 2022/23
Building capacity in effluent system design for dairy	Ensure the dairy industry has access to qualified and knowledgeable service providers to provide effluent system design and management services to an intensifying and expanding industry	Design a livestock effluent system program delivered to service providers	15 service providers
		Dairy WatBal (a water balance model for dairy effluent systems) webinars delivered to update all service providers who have access to Dairy WatBal	One webinar
		Design a livestock effluent system program assessment completed by participants and assessed by deliverer's	15 participants

Project	Objective	Key measures of success	Target
4 Thrive in a changing environment			
Supporting manufacturing sustainability	Work collaboratively with processors to improve industry-wide capability for addressing and communicating progress against evolving sustainability-related challenges to ensure Australian dairy farmers have a strong, sustainable and competitive processing sector in which to supply their milk	% of milk supply covered by processors engaged with this project	85%
		Average processor rating regarding value of this project activities to their business	8
		Average processor rating engaged in this project activities regarding Dairy Australia as a credible source of information and insights	8
		% of project funding contributed by processors and other external bodies	90%
National Landcare Project – Sustainable Dairy Products	Build the capacity of Australian dairy farmers to demonstrate the environmental sustainability of their operations and traceability of their products while also improving environmental stewardship on their farms	Finalise EnviroTracker digital tool and Enlight Modules as an extension package	Publication and application of EnviroTracker and associated modules in 2022/23
Addressing enteric methane for dairy		One methane reduction technology undergoing new research	1
Updated marginal abatement cost curve	Provide a robust decision-making framework (through an updated marginal abatement cost curve) to inform both investment and approaches to scaled adoption of greenhouse gas emissions reduction solutions on-farm	Finalise and publish the updated (version 2) emissions reduction marginal abatement cost curve	Publication of version 2 emissions reduction marginal abatement cost curve in 2022/23
DairyHigh2	Support improvement of production efficiency and reduces risks associated with high reliance on synthetic nitrogen fertiliser for the production of home grown feedbase	Summary of farmlet study outputs (end of lactation) presented to the Management committee	1
DairyBio Environment	Apply bioscience for mitigation and adaptation for our changing environment	Deliver nutritional guidelines for on-farm strategies for reducing the effects of hot weather on dairy cows during summer	N/A
		Produce guidelines for concentrate and additive feeding during hot weather, and cost-benefit analysis of different feeding strategies	N/A
C4 Milk Bridging Project	Identify and determine optimum regionally specific, feedbase, cow housing and grazing management for dairy production systems	Determine the optimum cropping rotation that will increase EBIT on-farm to drive milk yield by 10%	100%
		Understand and identify the most beneficial housing option for different Australian regions to drive milk yield by 10%	100%
		Develop a grazing strategy to increase pasture utilisation by 30% to drive milk yield by 10%	100%
Fall Army Worm	Identify the impact of Fall Army Worm damage in forage crops	Production of a Fall Army Worm damage survey	100%

Project	Objective	Key measures of success	Target
5 Success in domestic and overseas markets			
International Trade Programs	Support the Australian dairy industry to maintain and improve its position as a dairy exporter and enable dairy exports into international markets	Australian dairy products are nominated as preferred status by customers in Japan, Greater China and Southeast Asia	Japan 70% China 60% SE Asia 60%
		Australian dairy makes market access gains into key export destinations	All markets
		Industry and government stakeholders value work of dairy Australia to inform policy discussions and to help ensure access to markets	8
		Feedback from scholarship/seminar participants in China	8
		Feedback from scholarship/seminar participants in Japan	8
		Feedback from scholarship/seminar participants in SE Asia	8
Technical Policy Support	Deliver strategic and technical policy research, analysis, insights and solutions that contribute to improving dairy farmer profitability by maintaining a positive operating environment, and consistent with community expectations	Knowledge sharing/stakeholder appetite – presentations to farmers and other external stakeholders	8
Industry Insights and Analysis	Collect, curate, enhance and deliver credible and valuable information about the current operating environment and likely future developments, providing effective understanding and ongoing visibility to both internal and external dairy industry stakeholders.	Knowledge sharing/stakeholder appetite – presentations to farmers and other external stakeholders	90 presentations
		Average Industry Data Group service desk rating	4 out 5
National milk quality statistics	Analyse and report on the percentages of farms whose annual average bulk milk cell count (BMCC) 2020 are less than or equal to 250,000 cells per ml and greater than 400,000 cells per ml based on monthly milk quality data provided by dairy processors to DataGene	Farms with an annual average BMCC below 250,000 cells/ml	>90.4%
		Farms with an annual average BMCC above 400,000 cells/ml	≤1.05%
		>90% of vats to have a bactoscan of less than 80,000 for every month of the year	>90%
		>50% of farms >80,000 to have scheduled testing stop (due to return to premium) within 5 days	>50%
		>90% of farms >80,000 to have scheduled testing stop (due to return to premium) within 10 days	>90%
Veterinary Investigation Residue Management	Report on National Residue Survey (administered by the Department of Agriculture, Water and the Environment) whereby MIT urine screening tests are conducted on approximately 7% of all bobby calves processed in Australian abattoirs	Number of slaughtered bobby calves with antibacterial residues above Australian maximum residue limits	0

Project	Objective	Key measures of success	Target
6 Technology and data-enabled dairy farms			
DataGene – technology	Improve cost competitiveness of the dairy industry by improving animal productivity by \$350 per cow per year by 2030	Determine preliminary correlations between certain survival traits	N/A
		Develop improved mid-infrared prediction models	N/A
		Finalise traits/emission relationships	N/A
	Improve cost competitiveness of the dairy industry by improving pasture productivity by \$800 per hectare per year by 2030	Demonstration trials established at key Agriculture Victoria sites (Hamilton and Ellinbank)	N/A
		Deliver F1 parental pools to commercial partner	N/A
		Generate genotypic data for selected short-term grasses	N/A
		Trials established for perennial and C4 grasses to supply genomic sub-selection data	N/A
DairyFeedbase	Management tools that improve productivity in the paddock, smarter allocation of feed for each herd, right feed for each cow	<ul style="list-style-type: none"> • Feeding cool cows • Validate the effect of feeding different forages to reduce heat stress impacts on cow productivity and performance • Determine urea effect on internal temperature of cow • Test different management practices effect on heat impacts through six partner farms in northern Victoria • FVI Futures • Enhancing the FVI to include persistence and nutritive characteristics in value of cultivars • Smart feeding • Validation of on-farm system changes required to deliver individual and herd feeding strategies to benefit farmers • Pasture Smarts • 50 commercial farmers using the Pasture Smarts platform for better utilisation of their pastures for improved profitability • First 100 Days • Validating different sources of protein for productivity benefits and greater profitability • Develop a framework for reducing risk of metabolic disease through genetics and feeding strategies 	N/A
DataGene	Dairy farmers maximise their profit through a vibrant herd improvement industry offering effective and highly valued services	Official ABV Releases	3
		Release PBVs on industry agreed schedule	1
		Revised national indices released	1
		Central Data Repository (CDR) connected to IDDEN Project	1
		Connect Easydairy, Jantec, APIAM/DairyData to CDR	3
		Minimum of two significant external IT clients	2
		Maintain Ginfo with 27,000 genotypes and 8,400 linear type evaluations	2
Accelerating Heifer Genomics	Significantly accelerate the uptake of genomic testing of females by Australian dairy farmers, so it becomes routine on-farm practice on most farms	% of farmers participating in heifer genomics extension activities indicating they are 'Very likely' to make changes on farm	70%
		% of farmers participating in heifer genomics activities indicating they will make change within <6 months	70%
		Number of females genomically tested	>150,000

Project	Objective	Key measures of success	Target
6 Technology and data-enabled dairy farms			
Access to agvet Chemicals	Improve or maintain access to agvet chemicals in priority areas for dairy farmers to respond to changing farming systems, consumer and customer expectations, and new pests and diseases. Minimise the impact on the Australian dairy industry of commercial and regulatory trends to restrict the use of specific chemical compounds	Successful application for one minor use requirements grant funding through the Commonwealth (or application entered on grant reserve list)	One successful grant application per year Q3
Forage Value Index	Enable Australian dairy farmers to make informed purchasing decisions related to forage species and cultivars as a profitability driver.	Publication of all FVI tables	All FVI tables published
Unlocking the potential of kikuyu	Assess and quantify implementation of remote sensing-derived and data driven management protocols to achieve productivity gains with Kikuyu pastures	Successful enrolment, data collection and analysis from the 15 commercial research partner farms	Information available from partner farms for 2022/23
Unlocking the potential of the cow	To profitably optimise per cow productivity and longevity, achieved through an enhanced understanding and mitigation of the risks at a herd level which negatively impact cow health and the realisation of genetic potential	Successful enrolment, data collection and analysis from the 12 commercial research partner farms	Information available from partner farms for 2022/23
DairyFeedbase – Developing a path to extension and adoption	Update existing and develop new feedbase extension resources to support farmers to engage with DairyFeedbase research outputs to deliver feedbase management and animal performance improvements.	Development of new extension resources and associated path to on farm change	100%

Project	Objective	Key measures of success	Target
7 Innovative and responsive organisation			
Digital experience	Deliver a simplified and consistent digital experience for users (farmers, consumers and other stakeholders) and reduced operating costs for Dairy Australia	Continue with rationalising and standardising digital platforms Increase the utilisation and engagement with digital platforms	Decommission two to five digital platforms 10% growth in utilisation and engagement across digital platforms



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Acknowledgement

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

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ISSN 2653-1399