

Regional Workshop: Mt Gambier

Workshop Output Report



Background

The Mt Gambier regional workshop is one of 23 regional workshops designed to contribute to the development of the Australian Dairy Plan – a nationwide plan for a profitable, confident and united dairy industry. This report captures the discussions held at that workshop. It is intended to provide a record for workshop attendees and a basis for those who could not attend the workshop to contribute to the conversation. This report will be combined with the reports of the other 22 regional workshops in the development of the Australian Dairy Plan.

Workshop sessions

1. **The Set-Up: Why will this Plan be different?**
2. **How big is the appetite for change?**
3. **What needs to change?**
4. **What needs to be done?**
5. **What is success for the Australian dairy industry?**

Workshop details

Date: 5 June 2019

Location: Mt Gambier

Facilitator: Craig Knox Lyttle, Nous Group

Coordinator: Dairy SA

Attendees: approximately 30 people.

1. The Set-Up: Why will this Plan be different?

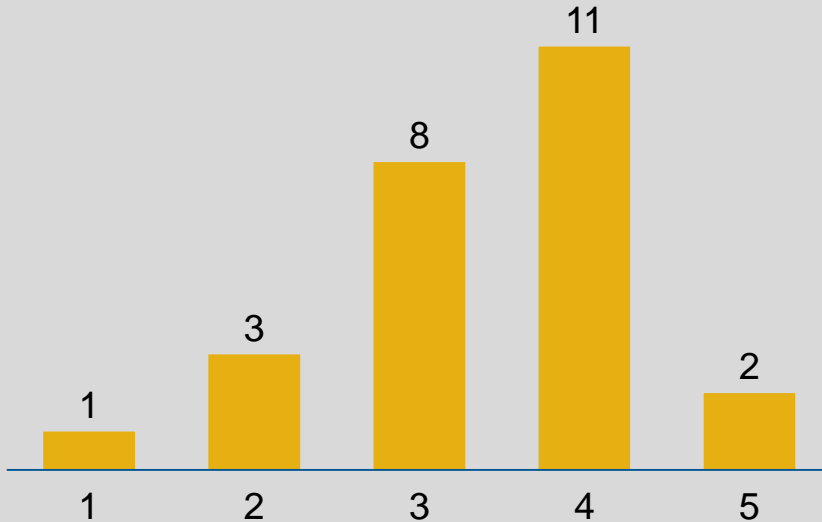
The workshop was opened by local farmer James Mann

The facilitator set out the purpose of the Australian Dairy Plan and the workshop

- This is a great opportunity to shape the future of dairy by contributing to the development of the ADP
- But you've heard this before - what's different about this Plan? Why get involved?
 - The key players are working towards one national dairy plan, one set of national priorities, one voice in championing these priorities – that gives us more ability to drive change
 - This time the plan is being built from the 'bottom-up' i.e. by the people with 'skin in the game' – you!
 - The partners are committed to turning the plan into action through their individual strategic plans

2. How big is the appetite for change?

Participants voted on “how much change is required to get the industry to a better place”



N=29

1 = minor change, 5 = major change

In discussing the results, we agreed...

It's not a disaster, we have had a recent bump in the road but in general, some of us say our industry is going in the right direction and price will go up as demand continues to increase.

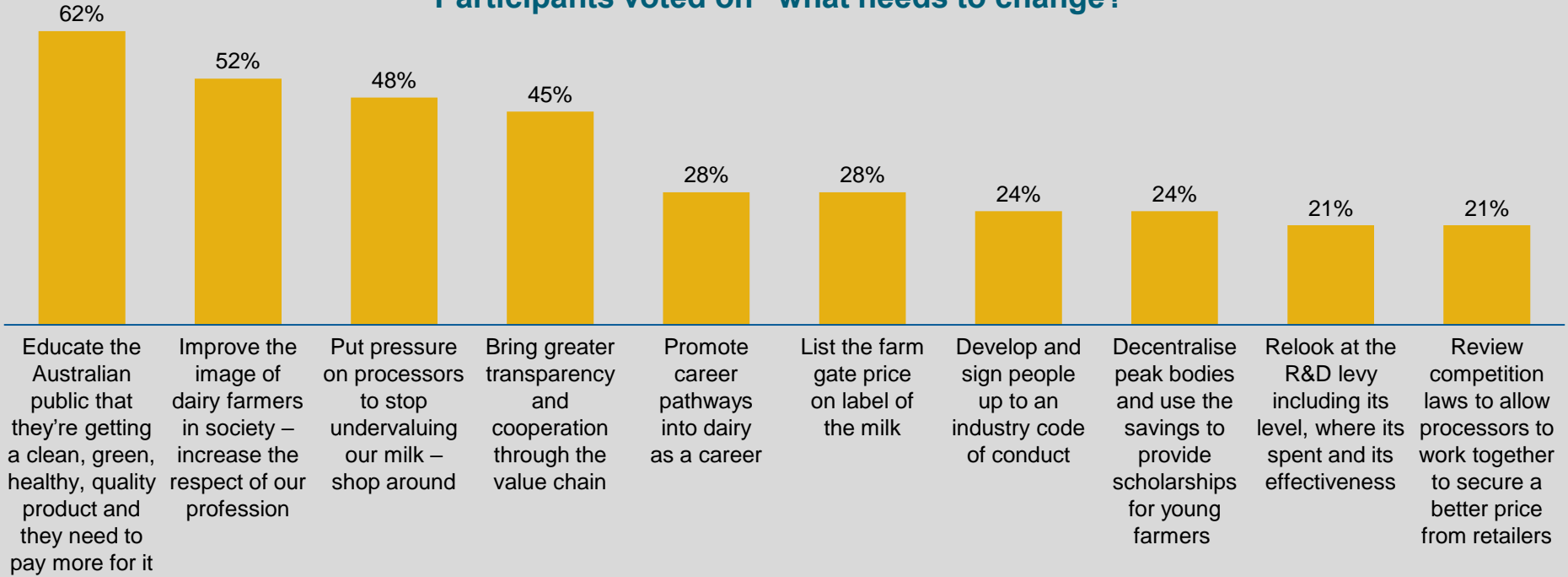
On the other hand, some of us note that the industry needs significant attention as farmers and processors are in trouble and there has been a significant exodus of farmers.

A key theme needs to be building trust through the supply chain. This can be delivered through better sharing of profit and risk.

We also need to think hard about how we make our industry more attractive to young people so that they choose careers in dairy.

3. What needs to change?

Participants voted on “what needs to change?”



N=29

Top 10 ideas by percentage votes with participants voting on their top 5

4. What needs to be done?

We further developed our top prioritised ideas by thinking about what success would look like, how we might get there and what might hold us back.

Promote pathways into a career in dairy

We expect to see dairy farming being valued as a career with a pipeline of skilled staff.

Getting there will require pathways such as apprenticeships, TAFE and mentoring.

It will also require us to focus on changing our image as an industry to make it attractive.

Improve the image of dairy farmers in society – increase respect for our profession

We want to make the Cows Create Careers program compulsory through primary and secondary school.

We want to see marketing of dairy farming at trade shows, TV advertising and on social media.

We want to see marketing that focusses on the technical process of dairy farming.

Educate the Australian public that they're getting a quality product and need to pay more for it

We need to:

- Be responsible operators, trusted and valued by consumers.
- Educate the public on what farmers have to go through.
- Leverage Australian made and owned.
- Use ambassadors such as athletes and celebrity chefs to change perceptions of dairy.

4. What needs to be done?

Develop a fair price

For too long prices have hovered around the cost of production. We need to see a profitable and informed industry.

Achieving this will require transparency and traceability of price and the end of excuses such as the world price or demand.

Put pressure on processors to stop undervaluing our milk

We need to see increased trust between farmers and processors.

Achieving greater trust will require:

- A cut off in opening prices set for mid-May
- An online program to find the best processor for your production system
- Flipping the economic model by making price setters through pathways such as tendering

Bring greater transparency and cooperation through the value chain

By 2025 we need to see all members of the supply chain receiving an equitable return for their product.

Getting there will require us to establish a body which would equitably represent all parties for open and genuine action-oriented management of the industry. This body will have equal power for family farms and for big corporates.

Appendix. What needs to change? (full list of results)

Educate the Australian public that they're getting a clean, green, healthy, quality product and they need to pay more for it

Improve the image of dairy farmers in society – increase the respect of our profession. This means showing people dairy farming is a complex professional career and also a lifestyle and a passion

Put pressure on processors to stop undervaluing our milk – vote with our feet on who we want to supply

Bring greater transparency and cooperation through the value chain

Promote career pathways into dairy as a career

List the farm gate price on milk label

Put pressure on big business consumers such as Dominos and McDonalds to use local dairy

Decentralise peak bodies and use the savings to provide scholarships for young people and farmers to further their knowledge and build the leaders in our industry

Relook at the R&D levy - is it enough? where is it spent? and is it where we want to go? how do we measure effectiveness?

Review competition laws to allow processors to work together to secure a better price from retailers

Lobby different groups to provide grants for small farmers to get more profit out of farming

Grow our investment in marketing for farmers to promote our own products – drawing on the strengths of our products

Develop and sign people up to an industry code of conduct that sets out good corporate behaviour and how profit will be shared along the supply chain – to develop a fair price

Manage costs of production to compete with international competitors who will increasingly be able to bring fresh milk to Australia

Provide support for farmers to build their business management skills

Develop a new grass that increases productivity

Review free trade agreement standards

Invest in research to understand consumers so we can price and market accordingly

Call out Coles and Woolworths about the tiny fraction of the additional 10 cents that goes back to farmers

Help farmers develop a quality over quantity mindset – don't be pushed to milk more cows

Tender our milk to businesses and look for the best offer – shop around