

# Regional Workshop: Muswellbrook

Workshop Output Report



# Background

The Muswellbrook 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:** 30 May 2019

**Location:** Muswellbrook

**Facilitator:** Stephen Petris, Nous Group

**Coordinator:** Dairy NSW

**Attendees:** Approximately 27 participants including around 14 farmers.

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

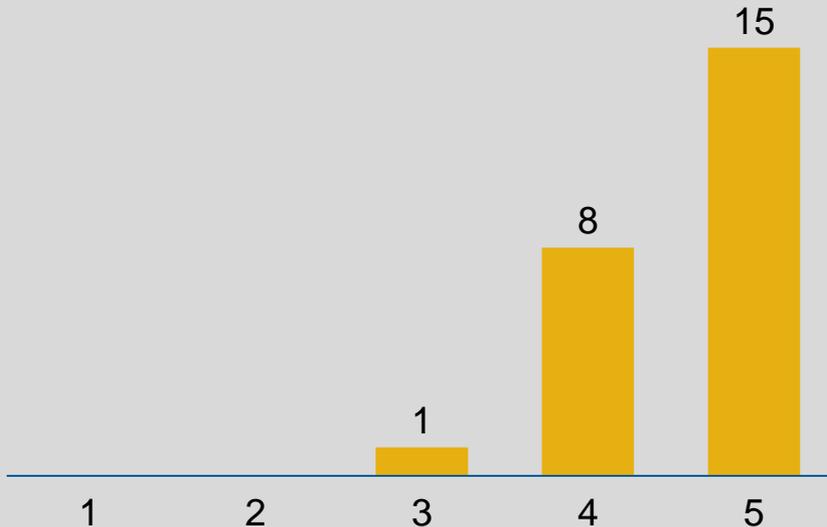
*The workshop was opened by local farmer Scott Wheatly.*

## 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=24

1 = minor change, 5 = major change

### In discussing the results, we agreed...

The change is urgent. If it doesn't happen now it will be too late – it may already be too late.

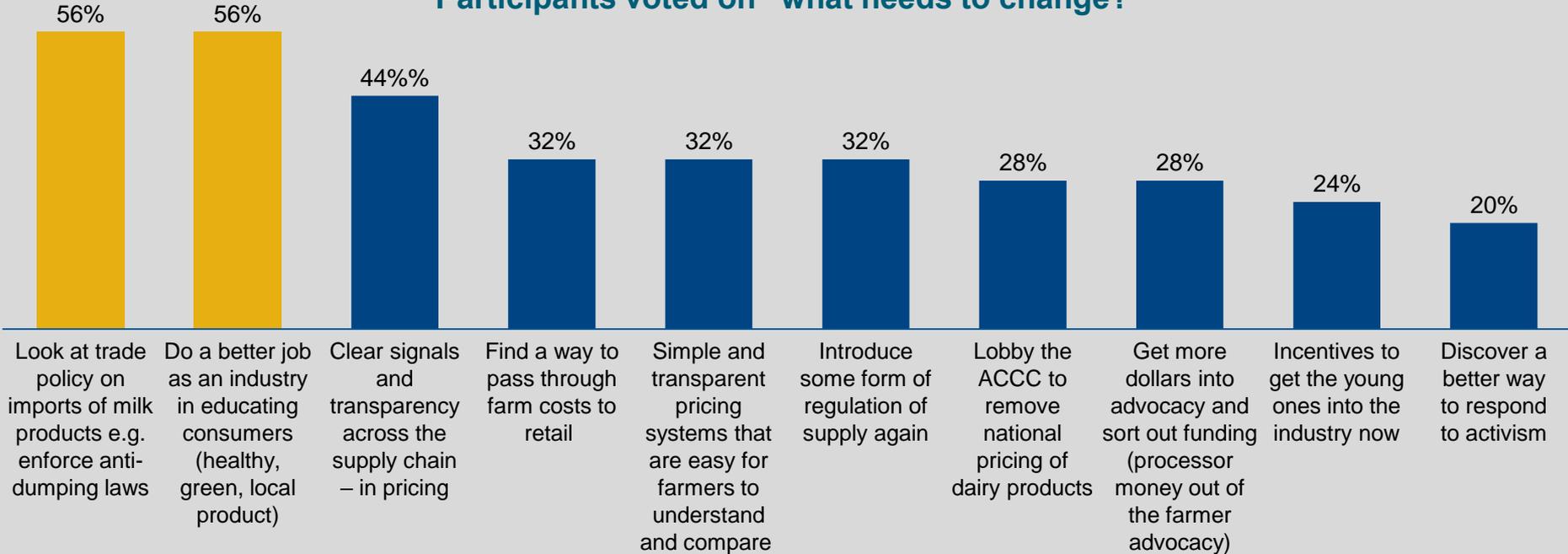
It all comes down to dollars. There is less money in the supply chain, this has implications right through. Advocacy bodies don't have the money to do the work they have done and farmers who should be advocates have to stay at home and look after the home front.

However, we note that change needs to be measured and careful. There will be issues that need to be ironed out along the way and some farmers don't like change.

We also note that there are many things we're doing as an industry that are good. We have the best research and development in the world, we have strong domestic consumption, export markets are close and our we have a great quality product.

# 3. What needs to change?

Participants voted on “what needs to change?”



N=25

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.

## Simple and transparent pricing

We need to simplify how price is quoted so it is quoted in the same unit with incentives quoted the same way. This should be a 'comparison rate' like the bank.

Achieving this would require a true independent board maintaining the system.

It would also require processor buy-in and commitment – we may need to make it mandatory so processors provide their pricing data.

## Look at trade policy on imports of milk products

We need to see transparency and fairness. Australia seems to be the only country with no government support for agriculture and we struggle to be competitive with other countries that have support.

Government needs to play a role to support and maintain an Australian dairy industry.

We could be held back by multi-national processors driven by profits and by existing trade agreements.

## Do a better job as an industry in educating consumers on how healthy it is for you. It's a natural, Australian product

We will know we have succeeded in 2025 when consumers understand the value of dairy and pay a sustainable price.

To get there we need to promote full fat dairy as a 'superfood'. We need to educate consumers about what's behind milk and what's behind the non-dairy alternatives.

Farmers will need to actively promote what we do and why we do it.

# 4. What needs to be done?

## Incentives for young farmers

If we succeed we expect to see an increase in the numbers of young farmers entering the industry.

However, doing this will require us to sell the industry as having a viable future. We also need to provide specific support for young farmers. This may include:

- Incentives for farmers to employ young people
- Tax breaks for young farmers
- Access to farm management advisors
- Investing in building their expertise.

## Clear signals and transparency across the supply chain

Our industry needs a clear and transparent account of margins throughout the supply chain from farmer to consumer.

To achieve this we need an open and transparent tendering process including farmers and processors with a purpose-built Dairy Commissioner overseeing it. This should eliminate loss-leading by supermarkets.

We acknowledge there are challenges that could hold us back including splintered farmer groups and processors and retailers protecting their profits.

## 5. What is success for the dairy industry?

Imagining the future of the industry, we articulated our vision by developing the front page of the industry newspaper.

# ***THE DAIRY TIMES***

June 2025

**In this issue, we look at dairy's journey to 2025 & celebrate the people and successes that have got the industry to where it is today.**

The dairy industry has changed a lot since 2019. Now we see Australian dairy farmers recognised as world leaders in profitable, sustainable dairy practices.

“ Finally we're getting a fairer farm gate price

”

- Dairy farmer

“ It's good to see our factories operating at capacity and we are able to return our farmers a profitable price

”

- Processor

“ Dairy is a shining light for all other agriculture industries which we greatly support.

”

- Minister for Agriculture & Water Resources

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

Look at trade policy on imports of milk products e.g. enforce anti-dumping laws

Do a better job as an industry in educating consumers on how healthy it is for you, it's a green product, it's a local product

Clear signals and transparency across the supply chain – in pricing, in the value of the product

Find a way to pass through farm costs to retail model like in fruit, lamb and beef

Simple and transparent pricing systems that are easy for farmers to understand and compare e.g. a standard form contract

Introduce some form of regulation of supply again

Lobby the ACCC to remove national pricing of dairy products

Get more dollars into advocacy and sort out advocacy funding arrangements to get the processor money out of the farmer advocacy, it can't be farmers

Incentives to get the young ones into the industry now e.g. a bonus for farmers under 40 or government incentives or a tax break

Discover a better way to respond to activism e.g. vegan propaganda

Get up to scratch standards on animal welfare

Adaptation techniques for climate change – work with it instead of against it - be proactive

Greater farmer oversight and information of levy dollars and investment

Pricing reflects where the product is sold

Rationalise the industry bodies so we have a better sense of who's doing what

Introduce a school-based milk program

Get the young ones into the industry now

Treat everyone equally regardless of size

One specific head for agriculture

Lobby to get rid of discounting of dairy

Ask the ACCC to look at where products are below base price or the world market

Lobby for a market reporting mechanism where we have a grain and hay registry so we know where grain is and how much there is

Country of origin labelling on dairy products

Streamline freight costs through the supply chain e.g. some sort of pooling our resources as processors

Better visibility of milk products in supermarkets