

Regional Workshop: Colac

Workshop Output Report



Background

The Colac 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 is this Plan different?**
2. **How big is the appetite for change?**
3. **What needs to change?**
4. **What can we do?**

Workshop details

Date: Tuesday 14 May 2019

Location: Colac Bowling Club (by the lake), Cnr Moore & Armstrong Streets COLAC VIC 3250

Facilitator: Stephen Petris, Nous Group

Attendees: 38 attendees including 26 dairy farmers. Included were representatives from the UDV, Dairy Australia, Farmer Power and various service providers.

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

The workshop was opened by local farmer Peter Delahanty.

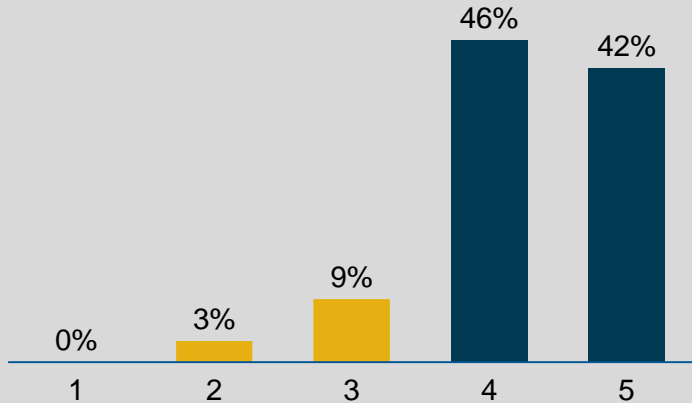
The facilitator set out the purpose of the Australian Dairy Plan and the workshop

- 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?

In discussing the results, we believe:

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



N=33

1 = minor change, 5 = major change

Confidence in the industry is very low, off the back of poor profitability and declining production (in sharp contrast to NZ).

Specifically, we are concerned about:

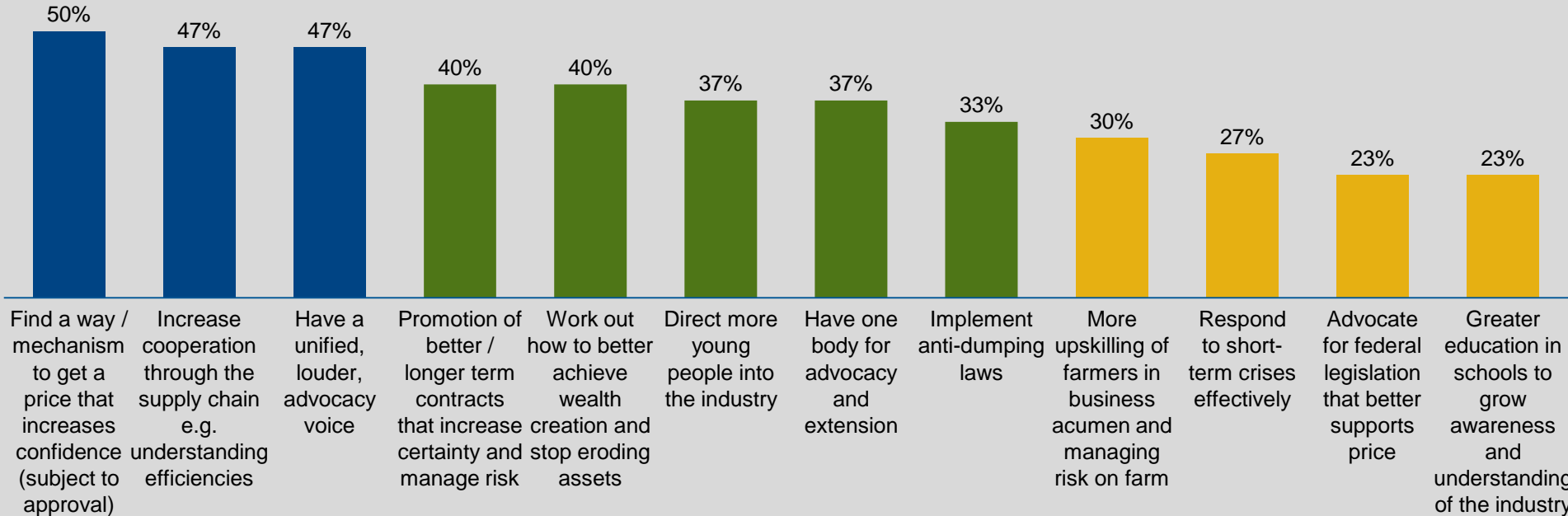
- Flatlining productivity leaving us with diminishing margins as costs increase
- Ensuring our farming systems are fit for purpose, given the changing climate
- Our vulnerability to market volatility e.g. increasing imports
- A perception that farmers bear too much of the risk – hit hardest by shocks

- The lack of opportunity for young people to get into and stay in the industry
- Too many splinter groups pulling in different directions
- Not getting enough value from our levies
- Lack of recognition from supermarkets and consumers of the value of milk

Despite this, at least some of us believe we can return to profitability if we focus on doing the right things.

3. What needs to change?

Participants voted on “where should we be focusing our efforts and energy to get the change we want?”



4. What needs to be done?

We further developed our top 3 prioritised ideas by thinking about what success would look like, how we might get there and what might hold us back.

Have a more unified,
louder, advocacy voice

We need one unified, national body that advocates for dairy farmers across the whole dairy value chain

There needs to be more transparency generally, particularly in research and development, about how projects are chosen and funded

It shouldn't be hard for dairy farmers to work out where to find help – there should be “no wrong door”

Find a way / mechanism
for price that grows
confidence (subject to
approval)

We need a more consistent price so that we can confidently plan over a 3-year cycle, e.g. through rolling contracts that take out the highs and lows, or 12 month contracts with an option for three years – lets learn about how other jurisdictions manage longer term contracts

Consumers pay more for organic milk and A2– we need to do a better job of talking to metro consumers about the nutritional value of milk

We are not certain about processor or retailer interest in this, we may need government intervention, e.g. stop dumping

Increase cooperation
through the supply chain

We need to get farms and factories, and everything in between, “in sync”, to realise efficiencies, e.g. optimal utilisation of stainless steel

Transparency and open honest dialogue across the supply chain is the key to understanding each other's positions, and ultimately the effective sharing of precompetitive information

We don't have the right forums for these dialogues or, if we do, they are not working well enough

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

- Greater transparency of skills accreditation of farmer workers
- Direct more young people into the industry
- Get a better understanding of efficiencies post-farm gate
- Find a way / mechanism to get a price that increases confidence (subject to approval)
- Work towards minimum standards in training
- Implement anti-dumping laws
- Promotion of better / longer term contracts that increase certainty and manage risk
- Work out how to better achieve wealth creation and stop eroding assets
- More upskilling of farmers in business acumen and managing risk on farm
- Explore ways of producer groups increasing buying power / hedging (subject to approval)

- Advocate for federal legislation that better supports price
- Respond to short-term crises more effectively
- Free up the Gardner Foundation funding and disperse
- Increase cooperation through the supply chain e.g. through understanding of efficiencies
- Have a more unified, louder, advocacy voice
- Sort out under-utilisation of stainless steel
- Greater education in schools to grow awareness and understanding of the industry
- Improve the weighting for agriculture in Secondary Schooling ATAR – make equivalent to other sciences
- More flexibility to get better access to education
- Having one body for advocacy research and development