

Regional Workshop: KOROIT

Workshop Output Report



Background

The Koroit 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: 16 May 2019

Location: Koroit Bowls Club

Facilitator: Stephen Petris, Nous Group

Attendees: 55 attendees including 38 dairy farmers. Included were representatives from the UDV, Dairy Australia, Farmer Power and various service providers.

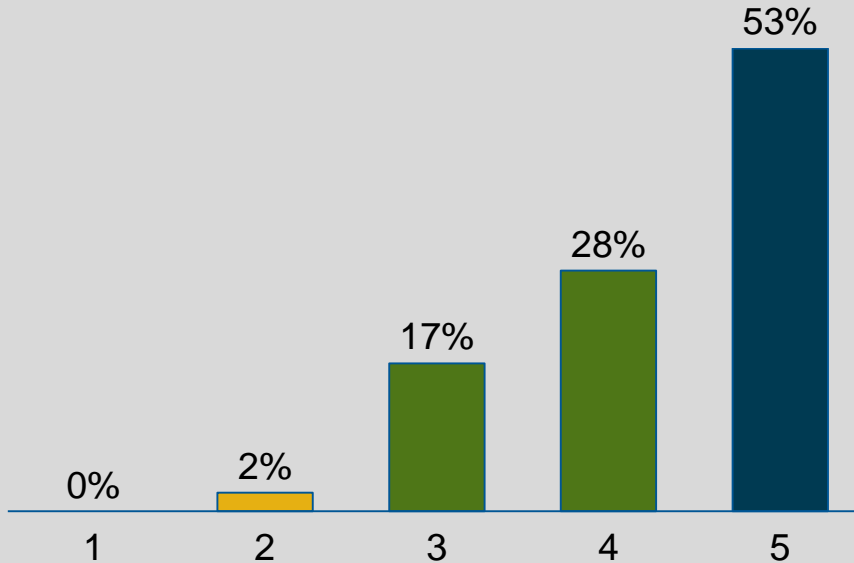
1. The Set-Up: Why will this Plan be different?

The 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=47

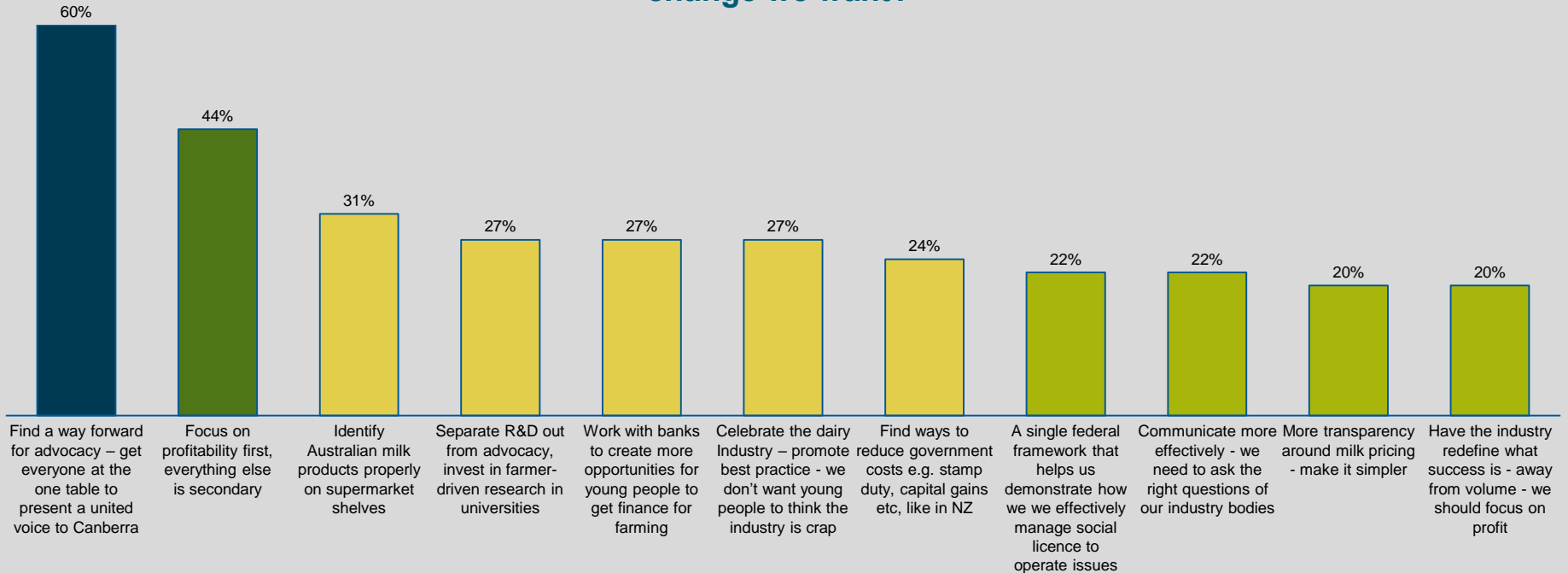
1 = minor change, 5 = major change

In discussing the results, we agreed...

- We've been in a slump for six years, in which time large numbers of farmers have left the industry.
- We are too fragmented – we need to be united to be taken seriously, we need to get advocacy right, or we will never grow (but let's recognise this costs money).
- Our current structures are not serving us well. We need more accountability: what do we get for our \$60m?
- Farmers are under stress, with shocking rates of mental health issues – why would you want to get into this industry?
- We are not valued – people are not prepared to pay a fair price for our product. Nor do they respect the heart that goes into making dairy products.
- Ultimately its all about money – times are tough when 60% of farmers can't pay their 30 day accounts.

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 5 prioritised ideas by thinking about what success would look like, how we might get there and what might hold us back.

Find a way forward for advocacy

Restructure DA, ADF and the SDFOs to increase accountability (recognising that this is complicated, and egos may get in the way)

Establish a new united national body (a farmer's union?) as a matter of urgency (independent of processors and government)

Secure a mandate from every dairy farmer to make this happen

Improved profitability

Focus on profit (rather than production) at the scale of individual farms – we need to help people get behind their individual figures

Make undertaking professional development that helps understand the drivers of profitability a requirement to holding a dairy licence

Share the profits across the whole dairy sector – each part of the value chain should be entitled to a proportion of the final price

Improved marketing of dairy products

Make the Australian-origin product more obvious on supermarket shelves (separate sections?)

Improve our product promotion to the consumer by making it 'personal' – appeal to emotional triggers, use celebrity endorsements

Promote dairy as an essential part of our diet – ensure every person understands the 'value' of dairy

4. What needs to be done?

Customers need to value dairy more – we need to better educated the consumer

Create more opportunities for young people

Increase education/support for young people, in a form of delivery that is easy to access for people who are working

Work out ways of providing finance for young people e.g. government guaranteed bank loans for people who have a certain level of qualification

Support training that brings students together with experts and farmer mentors

A single framework for social licence to operate

Get organised – develop a coordinated strategy for managing ‘social licence to operate’ issues that promotes our role as custodians – stop the ‘bitsa’ approach

Establish mandatory ongoing education / annual professional development for sustainable practices – we need to ‘lift our game’ and stop doing things that expose us

Work with other industries who are also ‘under attack’ e.g. horse racing – be brave!

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

- Learn from New Zealand – but more importantly what they are doing recently i.e. adding value, not volume
- We should separate R&D out of advocacy, instead we should invest in farmer driven research in universities
- Identify Australian milk products properly on supermarket shelves - have sections for Australian and imported products
- Focus on profitability first, everything else is secondary
- Work at getting young people into the industry, more pathways
- Provide education and government intervention, to help those who want to get out with dignity
- Put a stop to dumping of foreign cheese
- Work with banks to create more opportunities for young people to get finance for farms
- Follow CPI growth
- Help young people get into market by having contracted agreements, i.e. 'lease to buy' arrangements
- More transparency around milk pricing – make it simpler
- Agricultural production needs to be declared an essential service – government-based pricing for dairy
- Have the industry redefine what success is - away from volume – we should focus on profit
- Need to be able to diversify and innovate, do what ever it takes to get profitability
- Find ways to reduce government costs i.e. stamp duty, capital gains etc, like in NZ
- Control what you can do on farm – research, development and extension - pull people up closer to the top end
- Explore ways of regulating the industry so that we grow
- Access to grain imports to get grain prices down
- Find a way forward for advocacy - sit at the one table and present a united voice to Canberra
- Use terminology that makes us more proud of the industry, e.g. progression planning instead of succession planning
- Celebrate the dairy industry - promote best practice - we don't want young people to think the industry is crap
- Look at other industries that are under attack, i.e. horse-racing - work with them
- A single federal framework that helps us demonstrates how we effectively manage social licence to operate issues
- Communicate more effectively - ask the right questions of our industry bodies
- Much more education to farm – open doors to experienced farmers