

Regional Workshop: Malanda

Workshop Output Report



Background

The Malanda regional workshop is one of 23 regional workshops 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: 24th June 2019

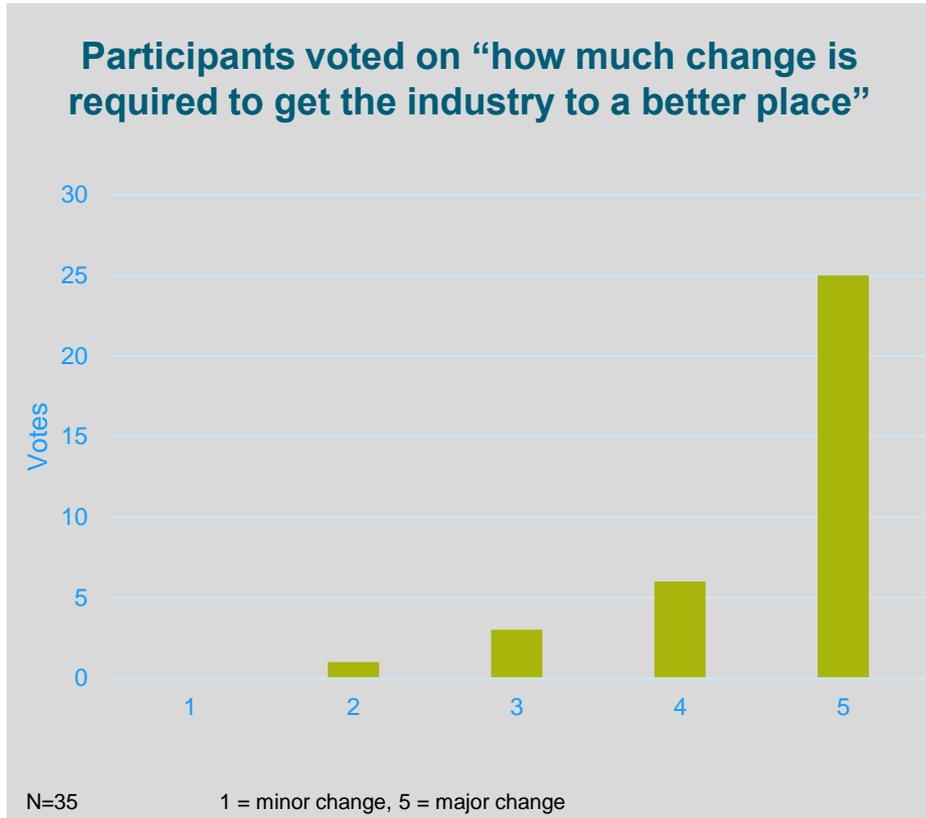
Location: Malanda Lodge

Facilitator: David Nation and David Inall

Coordinator: Brad Granzin

Attendees: 38

2. How big is the appetite for change?

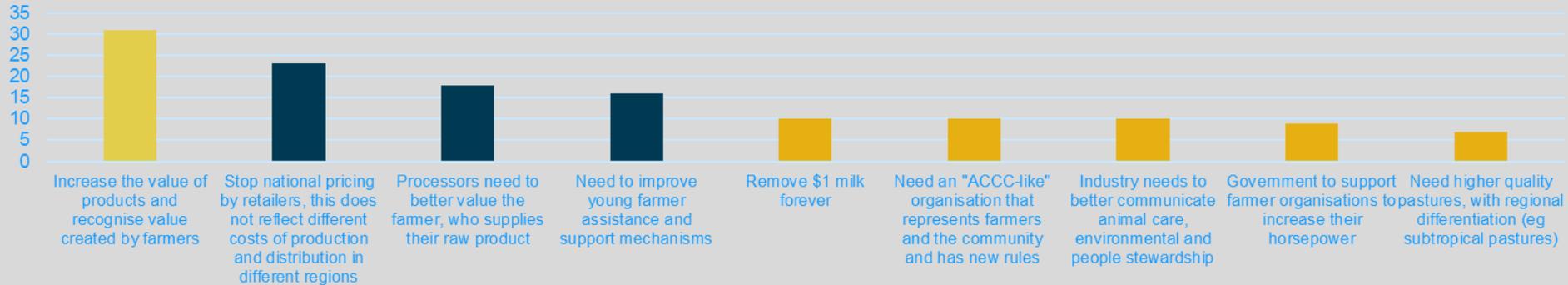


In discussing the results, we agreed...

- Exits are a warning signal of what is happening; some farmers are at the end of the line
- Pressures from increased cost of production reduces milk volumes
- Supply and demand are not influencing pricing as you would expect
- Publicity around 10c is not honest
- Retailer and processor negotiations are not transparent and affect farmers. Appears processors can hide behind retailers
- Home branding is destroying the industry
- Succession is difficult for intergenerational farming when not profitable
- Losing co-ops and negotiating power (especially since 1999)
- Issues are national, we need a national body with teeth
- Still positives about the industry, some good young farmers and well established farm groups
- Dairy is a superfood and not fully recognised for its benefits

3. What needs to change?

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



N=38

Top 9 ideas by votes

4. What needs to be done?

We further developed our top 6 prioritised ideas by thinking about what success would look like, how we might get there and what might hold us back.

Increased value from products

Where do we need to be in 2025

- Still here! Including processors in FNQ
- Price reflects the true cost of making products at all parts of the supply chain
- Animal activist myths are busted

What needs to be done

- More investigation of market opportunities
- More educated consumer (starts at school), with innovations in promotion e.g. TV shows
- Tighten up milk naming (from a mammal)

What will hold us back?

- Errors in health heating recommendations, reluctant processors to advertise, lack of certainty/confidence in price, export facilities for new markets

Increased recognition of farmers by processors

Where do we need to be in 2025

- Strong relationship between farmers and processors

What needs to be done

- Regulation

What will hold us back?

- No farmers left
- Processors not understanding farmers' concerns

4. What needs to be done?

Stop national pricing by retailers

Where do we need to be in 2025

- Regional pricing of dairy products
- Recognition by supermarkets of region based costs

What needs to be done

- Lobby government and retailers to accept and implement regional pricing
- Farmers in that region have input into determining cost

What will hold us back?

- Supermarket marketing philosophies
- Regional party politics
- Consumer sentiment

Need to improve young farmer assistance and support mechanisms

Where do we need to be in 2025

- Attractive to be in the industry
- Adopt technology to be more attractive as a career
- Easily accessible funding schemes

What needs to be done

- Review funding schemes with a focus on making them easier
- More promotion of schemes
- More region specific programs

What will hold us back?

- Profitability, inability to use cows as loan security, difficult to re-start ex-dairy farms, closed industry, land values \neq ag values

My big idea is mentoring and commit to YDN

4. What needs to be done?

Need an "ACCC-like" organisation that represents farmers and the community

Where do we need to be in 2025

- An ACCC-type organisation that recognises value to community of a vibrant dairy industry
- A national farmer organisation that lobbies on behalf of all farmers with a consistent voice

What needs to be done

- One in all in levy to fund for the ultimate good of the industry
- Draw resources/expertise from all associated entities

What will hold us back?

- Lack of unity, regional differences, inability to compromise

My big idea is that this country needs a vibrant dairy industry. A wholesome nutritious product that is valued by consumers and appreciated by supermarkets and retailers. We have consistent messages emanating from our representative body

Industry needs to better communicate animal care, environmental and people stewardship

Where do we need to be in 2025

- High proportion of population have a positive image of animal welfare and environment within the dairy industry

What needs to be done

- 100% commitment from farmers
- Accreditation of farmers – accountability
- Advocacy of positive news stories / consumer education / staff training / change in practices
- SWOT analysis and on-farm programs

What will hold us back?

- Funding, milk price, compliance cost, bad eggs, closed minds and opinions, activist lobby groups, OH&S

My big idea is to establish a national good story program which is accepted by community as being ethically responsible

Summary of ideas for what needs to change

- Increase the value of products and recognise value created by farmers
- Stop national pricing by retailers, this does not reflect different costs of production and distribution in different regions
- Processors need to better value the farmer, who supplies their raw product
- Need to improve young farmer assistance and support mechanisms
- Remove \$1 milk forever
- Need an "ACCC-like" organisation that represents farmers and the community
- Industry needs to better communicate animal care, environmental and people stewardship
- Government to support farmer organisations to increase their horsepower
- Need higher quality pastures, with regional differentiation (e.g. subtropical pastures)
- Educating community about the dairy industry
- Clear definition of fresh milk is required (from a mammal)
- National buying and national pricing mechanism
- Encourage ag studies in high school and uni, and consider better ways to address distance challenges of rural students
- Processors to stop removing components (e.g. B vitamins), milk must better reflect on farm taste and components
- More onus on processors to process milk locally and not ship away (especially when farmers pay freight)
- Improved generic marketing of milk and dairy products
- Government support is required for capital expenditure on farm, especially for climate proofing. Support must be attainable
- Centralise representation to provide a strong single voice
- Synergise farming organisations, be more efficient and rationalise
- Increased control to farmers for milk after it has left the farm
- Greater farmer representation at local level
- Processors need rule changes to be able to talk to each other and assist with synergies to address large geography of Australia
- Improved marketing from processors of their brands
- Better functioning supply chain to accommodate local products (e.g. more effective distributors)
- Lack of processor competition means that the industry is vulnerable during a natural disaster (creating supply issues during the disaster)
- Investigate ability to market raw milk, with claims to assist lactose intolerant people
- Better access to labour, with realistic labour costs
- More provenance information on labels for all products (private label and branded)
- Fix milk pricing contracts that are too long, and in doing so can't account for differences in cost of production
- Better promotion of the industry to attract people
- Better promotion to farmers of continuing education opportunities
- Greater control of how levies are spent/allocated
- Better funding of representative bodies
- Government to supply milk to schools