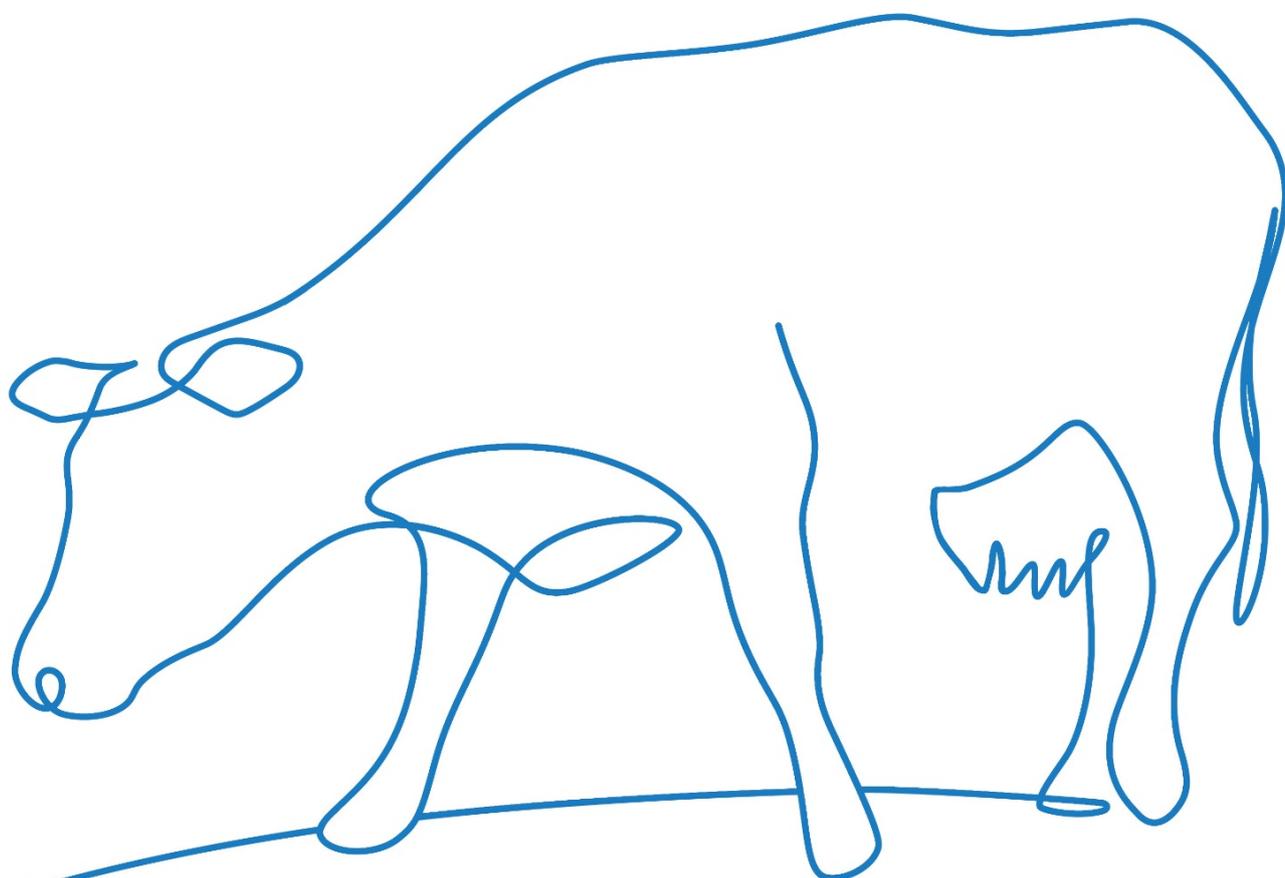


NSW Fresh
Milk & Dairy | ADVOCATE



NSW Dairy Industry Action Plan



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Message from the NSW Fresh Milk and Dairy Advocate

Dairy is important to NSW – in terms of its economic contribution, its contribution to fresh food supply, and its role in supporting rural and regional communities across the state. The dairy industry is the eighth largest agricultural sector in NSW by value, with raw milk production worth \$592 million at the farmgate in 2018-19. NSW produces over a billion litres of raw milk annually, which equates to about 12 per cent of Australia's total production.

Dairy farmers are job creators who keep rural and regional economies ticking. The 500-plus registered dairy farms in NSW, which stretch from the subtropical north coast to the temperate south coast to the irrigated inland and everywhere in between, sustain approximately 3,500 employees. There's roughly another 3,000 people employed in the NSW dairy processing and manufacturing sector, too. Australians drank 98.6 litres of milk and consumed 13.5 kilograms of cheese, 4 kilograms of butter and 9.5 kilograms of yoghurt and other dairy snacks per person in 2018-19, keeping our farmers and processors busy and showing how much consumers value the industry.

The outlook for dairy in NSW is good and the industry is well-placed to grow. Dairy is a great source of nutrition and the quality of NSW milk and processed dairy products is second to none – which keeps consumer demand strong and opens up export market opportunities.

But as we all know, dairy has faced a multitude of challenges over the past two decades, from droughts and bushfires to changes in industry structure and processor relationships.

The NSW dairy industry is a varied, yet integrated industry. It is made up of different farmers in different places receiving different prices under different terms, and everyone is aware of the nature and performance of the supply chain. No two dairy farmers have experienced the challenges of the past few years in the same way. The promising signs around the easing of drought conditions have certainly been welcomed by farmers and the outlook is more positive as a result, but there is a clear need to build industry confidence and resilience that is robust enough to handle future challenges as they arise.

The retail price of milk is important to dairy farmers – drinking milk is a staple food, produced by farmers daily and consumed in a form that is instantly-recognisable as the farm product. This means many dairy farmers feel closely connected to consumers. In recognition of this importance, one of my first actions as the NSW Fresh Milk and Dairy Advocate was to investigate the impact of retail price on farmgate price. I requested that the NSW Department of Primary Industries (NSW DPI) put together a Situation Analysis of the NSW dairy industry (included as **Appendix A** of this NSW Dairy Industry Action Plan).

The findings of the Situation Analysis were consistent with the findings of other investigations into price in the dairy industry. This report reveals that farmgate price is heavily influenced by global dairy commodity prices, exchange rate movements and local competition for supply from processors. Farmgate price is determined by what processors need to pay, or are able to pay, to secure supply in a supply and demand landscape influenced by market position and performance. NSW farmgate prices are, on average, higher than national prices. This is because a higher proportion of NSW-produced raw milk is supplied for drinking milk production – a more perishable product than processed export markets – and therefore attracts a pricing premium from processors. Smaller, but still significant, quantities of NSW milk are directed into domestic manufacturing and to processed exports. This means that different farmers receive different farmgate prices on different terms – often related to their region and the market they supply.

The Situation Analysis reiterates that there are factors that more strongly influence farmgate prices than the retail price of drinking milk. The lead factors in recent milk pricing have been the declining northern milk pool, domestic market factors, and competition for milk supply. In some ways, the focus on retail pricing relationships can often dominate discussions and obscure other opportunities to support a successful and profitable future for the NSW dairy industry.

However, the price consumers are willing to pay for dairy products is influenced by the lowest price at which a product is available. It is reasonable to conclude that the price consumers are willing to pay for dairy products is influenced by the discounted price supermarkets have applied to private label milk and cheese. This has implications for profitability along the supply chain, even if there are a range of other factors influencing farmgate prices.

One of the most significant changes to the industry in recent years has been the introduction of the Mandatory Dairy Code of Conduct. In December 2020, the Australian Competition and Consumer Commission (ACCC) released the final report of their inquiry into perishable agricultural goods – which considered the effectiveness of the Mandatory Code. The report included initial observations that identified some positive developments around farmgate price competition, improved transparency in contracting arrangements, and uptake of written supply agreements.

Similarly, 2020 saw the release of the Australian Dairy Plan (ADP). There is close alignment between the NSW Dairy Industry Action Plan and the ADP. Whilst the NSW Dairy Industry Advisory Panel has developed this Action Plan independently of the ADP, these two plans are able to complement each other to drive greater benefit from their recommendations and actions. It will also be important to avoid duplication and ensure that efforts are undertaken by the organisation best placed to do so. For example, coordination of industry advocacy will be dealt with through the ADP but neatly complements the NSW Dairy Industry Action Plan's goal to renew industry confidence.

The Action Plan has been designed to complement the work already being done under other action plans and strategies across the industry, and to support organisations providing resources and advice to the dairy industry. There is no shortage of people and organisations working hard to support the dairy industry in NSW. This Action Plan is designed to build on and extend these efforts, not to duplicate them.

This Action Plan is an industry-led plan; I've worked closely with people from across the NSW dairy industry to put it together. I've met regularly with the NSW Dairy Industry Advisory Panel, a group comprising representatives of dairy industry advocacy groups and highly experienced individuals working in the research, development, extension and adoption, processor, and service provider sectors, as well as dairy farmers. I've travelled (sometimes virtually) across the state to speak to and listen to farmers from right across the industry.

The NSW dairy industry is characterised by a diversity of farmers spread across different locations with different climates, attributes and natural resources. The industry uses a range of farming systems and business plans, and farmers have different personal goals for their dairy businesses. No two farmers are the same, and each farmer is best placed to make individual choices about their business. The aim of this Action Plan is to provide a matrix of knowledge and advice that will allow farmers to look into their own businesses and adopt what is most useful and relevant to them, so that they can plan for a profitable and ongoing future in dairy.

There is a positive future for dairy in NSW for farmers who are looking forwards. After all, we are in the food industry – population growth and innovative product marketing mean that the market is there!

I would like to take the opportunity to thank the members of the NSW Dairy Industry Advisory Panel for their hard work and support in developing the NSW Dairy Industry Action Plan and commend their commitment to building a stronger, ongoing dairy industry.

I would also like to thank all those who provided feedback on the draft version of this Action Plan. Your comments were constructive and helped to strengthen this Action Plan, and I can assure you all feedback has been considered.

Ian Zandstra

NSW Fresh Milk and Dairy Advocate

Introduction

The purpose of the Dairy Industry Action Plan is to set the foundation of a successful and profitable future for the NSW dairy industry.

This profitable future needs to run through the whole supply chain. Industry profitability encourages investment – both from farmers to achieve their individual farm management goals, and from processors to improve efficiency and product innovation. All of this contributes to a brighter dairy farming future.

This Action Plan identifies 28 recommended actions for consideration by government and the NSW dairy industry. The Action Plan includes four primary themes and associated aims:

- **Research, Development, Extension & Adoption**, to facilitate improvements in productivity and industry profitability through a collaborative approach to, and increased investment in, dairy research, development, extension and adoption that is tailored to NSW
- **Confidence**, to renew producer confidence in the NSW dairy industry and to increase supply chain collaboration, transparency and profitability while maintaining community trust and support
- **Skills & Business Resilience**, to improve profitability in an evolving market and changing climate by enhancing farmer, employee and service provider skills; improving capacity to plan and manage dairy businesses; and increasing the ability to manage risks
- **Stronger Futures**, to support investment in future growth and profitability by providing support for tomorrow's farmers, taking a targeted approach to critical infrastructure, and addressing regulatory constraints or uncertainties.

These four themes will be underpinned by strong processes to ensure effective oversight of the Action Plan's implementation, and that there are clear lines of accountability for the delivery of specific actions.

The NSW Dairy Industry Action Plan brings together government, industry and the research and adoption sector as partners. It includes recommendations for consideration by both government and industry organisations, reflecting that the NSW dairy industry has a range of strong and effective industry groups that are best placed to deliver, and capable of delivering, programs and actions to drive change in the industry.

This collaborative approach will make sure the NSW dairy industry is best placed to take the opportunities on offer – going beyond merely bouncing back from recent challenges, to emerge from them even stronger.

It will renew and maintain collaboration and trust across the industry, upskill farmers to succeed in a rapidly changing world, and get the regulatory environment right for the next generation. It will also drive co-investment in research, development, extension and adoption through a dedicated Research, Development and Extension Plan (RD&E Plan) that brings together government and industry, and was developed in partnership with the Dairy Research Foundation.

Oversight & Implementation

The NSW Dairy Industry Action Plan includes an ambitious – but achievable – set of recommendations for consideration by the dairy industry, government and research sector alike.

There are many people and organisations committed to building a profitable and successful future for the dairy industry in NSW who have the skills, experience and expertise that would support this Action Plan being implemented.

To coordinate input and oversee implementation, the Action Plan recommends the formation of an oversight group – the Dairy Action Plan Implementation Panel (DAPIP). The DAPIP would serve multiple functions:

- it would provide a means for all government agencies, research groups and industry organisations involved in the delivery of the Action Plan to collaborate and coordinate their activities – and to consider the funding arrangements and resourcing needed to deliver each action
- it would be charged with overseeing delivery and providing regular reports on the progress of the Action Plan's implementation – making sure dairy farmers and the community can see what is being done to implement the recommendations made by the Dairy Industry Advisory Panel.

This approach requires a blended membership, including delivery organisations (to coordinate the implementation activities) and industry stakeholders (to hold delivery organisations accountable and provide oversight).

To support DAPIP upon their formation, **Appendix C** of this document provides a draft work plan that the DAPIP can use to develop a comprehensive implementation and reporting framework. The draft work plan sets out an approach to planning the implementation of the Action Plan. It recommends implementation leads to take responsibility for the delivery of each action, sets out the expected deliverables, and includes benchmarks for measuring progress both immediately and over the long-term. This could be extended by the DAPIP to include specific action owners and key performance indicators.

It is critical that both government and industry are heavily involved in the delivery of this Action Plan. The draft work plan begins to highlight the areas where industry organisations have real opportunities to get involved in the Action Plan's implementation, but ongoing and proactive commitment from across the industry is needed to ensure this Action Plan realises benefits for the dairy industry in NSW. Industry organisations are strongly encouraged to identify where they see themselves playing a role in the delivery of the Action Plan, and to get involved to achieve real and lasting change for dairy farmers across NSW.

Recommended Actions: Oversight & Implementation

Recommended Action:

1. To instil confidence that the Dairy Industry Action Plan is being delivered, the Panel has identified that the NSW Government should partner with the NSW dairy industry, and other organisations responsible for implementing the Plan, to establish a group that will oversee the implementation of the Action Plan. This group should:
 - be called the Dairy Action Plan Implementation Panel (DAPIP)
 - consist of a mix of industry stakeholders (to oversee implementation and provide expert advice) and representatives of organisations and groups responsible for implementing actions under the Plan (to enable coordination and reporting)
 - develop an implementation and reporting framework based on the draft work plan developed by the Panel at Appendix C
 - be charged with publishing regular progress reports, as required, on the NSW DPI website.

Recommended Lead Organisation:

NSW Government (through NSW DPI) – to establish DAPIP
DAPIP (when established) – to oversee and report on implementation



Research, Development, Extension & Adoption

The Dairy Industry Action Plan will facilitate improvements in productivity and industry profitability through a collaborative approach to, and increased investment in, dairy research, development, extension and adoption that is tailored to NSW.

Taking a coordinated and targeted approach to research, development, extension and adoption is critical in underpinning the progress under the other themes of this Action Plan. That is why the Dairy Industry Advisory Panel has partnered with the Dairy Research Foundation to develop a dedicated RD&E Plan. Co-investment by government to enact this RD&E Plan, provided through the NSW Government Bushfire Industry Recovery Package Sector Development Grants program, will provide the NSW dairy industry with certainty around the immediate future of dairy research, development, extension and adoption and underscore the NSW Government's ongoing commitment in this area.

The RD&E Plan focuses on what the Dairy Research Foundation has termed the 4Hs – healthy milk, healthy cows, healthy systems, and healthy people. In doing so, the RD&E Plan is looking to unlock the potential of milk, cow and water to increase productivity and profitability, de-risk the dairy industry, and develop new markets.

More detail of the RD&E Plan is available at [Appendix B](#).

NSW dairy farmers are some of the most efficient and productive in the world and are well-versed in adapting their operations to continually improve. It is absolutely critical that they have the latest knowledge and information available to support their decision-making – and that they are supported to adopt new practices and technology. This is why the Action Plan and the RD&E Plan have such a clear focus on adoption, making sure that the results of research projects are farm-ready and able to be adopted by farmers, supported by service providers, to make real differences on the ground. We need to work to make sure farmers are supported to successfully adopt beneficial technology and new practices to improve their profitability.

The Action Plan also emphasises the need for ongoing investment in research, development, extension and adoption capability, so the benefits to industry continue to flow even after the RD&E Plan is completed. This includes attracting new people to a career in the dairy research, development, extension and adoption sector, as well as ensuring coordination of dairy research, development, extension and adoption activities across NSW.

Recommended Actions: Research, Development, Extension & Adoption

The Panel has identified two focus areas to achieve the Action Plan’s Research, Development, Extension & Adoption aim:

- Co-investment in a dedicated RD&E Plan
- Building research, development, extension and adoption capability.

Co-investment in a dedicated RD&E Plan

Recommended Action:

2. To secure the immediate future of dairy research, development, extension and adoption in NSW, the Panel has identified that the NSW Government and the NSW dairy industry should continue to support co-investment and delivery of the dedicated RD&E Plan, to be led by the Dairy Research Foundation, that includes projects to:
 - increase productivity and profitability
 - de-risk the industry
 - develop new markets.

Recommended Lead Organisation:

NSW Government, Dairy Research Foundation, and co-investment partners

Building research, development, extension and adoption capability

Recommended Action:

3. In order to maximise the impact of all research, development, extension and adoption (RDE&A) in the NSW dairy industry, the Panel has identified that the NSW Government should convene a Dairy RDE&A Network. The Network should include representatives from organisations that deliver research, development, extension and adoption services to the NSW dairy industry, and be charged with meeting regularly to:
 - support alignment in the delivery of dairy research, development, extension and adoption services
 - enable the sharing of skills and experiences by service providers
 - ensure results of research and development projects reach farmers in ways that support uptake and adoption success, and reflect industry needs
 - develop a forward-looking strategy for dairy industry extension and adoption, including proposed funding arrangements.

Recommended Lead Organisation:

NSW Government (through NSW DPI)

Recommended Action:

4. To ensure farmers are supported to adopt research and development outcomes, the Panel has identified that the NSW dairy industry should undertake a survey on the use of service providers and other extension services by farmers, with the aim of identifying gaps and barriers to the uptake of services that support the adoption of research outcomes.

Recommended Lead Organisation:

Dairy Australia Regional Development Programs

Recommended Action:

5. To ensure research, development, extension and adoption capability is maintained into the future and research skills are embedded in the NSW dairy industry and service provider sector, the Panel has identified that the NSW dairy industry should, at a national level, promote dairy research as a career path – including by funding a pathways program for new and prospective researchers.

Recommended Lead Organisation:

Dairy Australia and dairy research organisations



Confidence

The Dairy Industry Action Plan will renew producer confidence in the NSW dairy industry, to increase supply chain collaboration, transparency and profitability while maintaining community trust and support.

Since deregulation, the NSW dairy industry has continued to evolve. The industry has naturally consolidated to a smaller number of larger farms. The benefits of scale, combined with the industry's drive to continuously improve their operations and invest in their business, has led to greater productivity and efficiency. All of this has been supported by an unchanging commitment to producing high-quality milk.

Undoubtedly, there have also been challenges – from droughts and bushfires to losses of supply chain trust and the recent COVID-19 pandemic. But the fundamentals of the industry remain sound – dairy farmers are exceptionally efficient producers and deliver a high-quality product to growing markets. Meanwhile, processors have invested in their processing capacity and improving transport to unlock further efficiencies and growth opportunities. There's plenty to work with as the industry looks to build a prosperous supply chain. It's important that the NSW dairy industry embraces the opportunities, not just the challenges.

In building a prosperous supply chain, it is critical that the industry maintains the trust of consumers and the community. Across NSW and Australia, people put their trust in the dairy industry to deliver high-quality, nutritious produce while being good neighbours, being responsible custodians of the land, caring for their animals and caring for the environment. Dairy has a good story to tell here, and it will only become more important to live up to the expectations of our communities.



Recommended Actions: Confidence

The Panel has identified three focus areas to achieve the Action Plan's Confidence aim:

- Support for industry
- Confidence in industry and supply chains
- Community confidence.

Support for industry

Recommended Action:

6. To reinforce confidence that the NSW Government is committed to the dairy industry in NSW, the Panel has identified that Local Land Services regions with a significant dairy industry presence should specifically include dairy within their business plans.

Recommended Lead Organisation:

NSW Government
(through Local Land Services)

Confidence in industry and supply chains

Recommended Action:

7. To enhance dairy farmers' confidence in their industry, the Panel has identified that the NSW Government should support the NSW dairy industry in communicating stories of success and drivers of profitability for NSW dairy farm businesses.

Recommended Lead Organisation:

Dairy Australia and
NSW Government
(through NSW DPI)

Recommended Action:

8. To enhance collaboration and transparency along the dairy industry supply chain, the Panel has identified that the NSW dairy industry should work to develop standardised processes for milk testing at a national level and encourage the adoption of these by milk processors.

Recommended Lead Organisation:

Australian Dairy
Industry Council

Community confidence

Recommended Action:

9. To ensure that the community has confidence in the environmental management practices of the dairy industry, the Panel has identified that the NSW Government should consult with the NSW dairy industry to review environmental management and intensive development guidelines with a focus on providing councils and local communities with confidence around dairy operations and developments.

Recommended Lead Organisation:

NSW Government
(through NSW DPI)

Recommended Action:

10. To promote the ongoing value of the dairy industry to the community, the Panel has identified that the NSW Government should reimagine the proposed Buy Local Fresh campaign to promote the value of the NSW dairy industry. This should include highlighting the industry's contributions to the economy, nutrition and food security, animal welfare and environmental sustainability, and custodianship of the land. This should complement existing campaigns being run by the Australian dairy industry to deliver a message tailored to NSW.
-

Recommended Lead Organisation:

NSW Government
(through NSW DPI)



Skills & Business Resilience

The NSW Dairy Industry Action Plan will improve profitability in an evolving market and changing climate by enhancing farmer, employee and service provider skills, improving capacity to plan and manage dairy businesses, and increasing the ability to manage risks.

As outlined in the Confidence section above, it's important that the NSW dairy industry sees the opportunities as well as the challenges.

On the challenge front, climate change will only increase the frequency and severity of the droughts and bushfires and high intensity rainfall events that have affected the state in recent times. Changing global market dynamics are already resulting in more import competition on processed dairy products like cheeses and are placing pressure on margins all through the supply chain.

It is important that dairy farmers and processors are able to get the most out of their businesses and are well-equipped to respond to shocks and stresses. This includes developing robust business plans and making investments to upskill employees. Maintaining a herd and significant infrastructure makes it challenging for dairy to be agile, but there's plenty that can be done to make the most of good conditions and lessen the blow when times are tough.

There is much already happening in this space. The NSW Dairy Business Advisory Unit has been established and is going to play a critical role in enhancing farmer business skills and knowledge to promote a profitable, resilient and sustainable NSW dairy industry. Dairy Australia and the Regional Development Programs invest heavily in skills, as do other industry organisations. The NSW Government has waived co-contribution fees for their Dairy Traineeship program, run by NSW DPI at Tocal College.

But there is always more that can – and should – be done, whether that be in terms of:

- developing an even stronger culture of farm business planning
- enabling farmers to prepare for risks, make good decisions in the face of challenges, and be good employers
- making sure that service providers are well placed to offer high-quality and relevant support to dairy farmers.

Building employee skills within the industry and building a culture of learning is key to the industry's resilience and growth.

Recommended Actions: Skills & Business Resilience

The Panel has identified four focus areas to achieve the Action Plan's Skills & Business Resilience aim:

- Managing farm businesses
- Vocational education and training
- Service provider capacity
- Managing large and complex businesses.

Managing farm businesses

Recommended Action:

11. To support skill development in the NSW dairy industry, the Panel has identified that the NSW Dairy Business Advisory Unit should be charged with developing and enhancing dairy farmer business skills and knowledge to support a profitable, resilient and sustainable NSW dairy industry. This should occur in ways that complement current and planned projects, resources and services provided by Dairy Australia and the Regional Development Programs, by:

- promoting a culture of farm business management
- providing services that include tools, resources, information and training to help drive improved risk management and decision-making
- supporting improved service provider capacity.

Recommended Lead Organisation:

NSW Government
(through NSW DPI Dairy Business Advisory Unit)

Recommended Action:

12. To ensure that skills programs are tailored to the needs of the NSW dairy industry, the Panel has identified that the NSW dairy industry should identify existing resource gaps and develop programs to address them. This may include consideration of current levels of industry skills related to:

- understanding and negotiating standard price agreements and supply terms
- collective bargaining (including both for milk offtake and farm inputs).

Recommended Lead Organisation:

NSW dairy farmer organisations

Vocational education and training

Recommended Action:

13. To ensure that farmers are able to continue to invest in their employees, the Panel has identified that the NSW Government should provide vocational education and training for farm employees, such as through the continuation of the Tocal College course subsidy or by supporting the industry to access relevant tertiary courses.

Recommended Lead Organisation:

NSW Government
(through Tocal College)

Recommended Action:

14. In a similar vein, the Panel has identified that the NSW dairy industry should identify high-priority vocational training needs for dairy farm employees and partner with the NSW Government to address those needs – including through identifying gaps and addressing fragmentation in existing programs, and considering barriers affecting industry uptake.

Recommended Lead Organisation:

To be considered by DAPIP

Service provider capacity**Recommended Action:**

15. To encourage the next generation of dairy industry service providers, the Panel has identified that the NSW dairy industry should promote dairy service provision as a career path and fund a pathways program for new service providers (for example, through a graduate program or internship scheme).

Recommended Lead Organisation:

To be considered by DAPIP

Recommended Action:

16. In order to maximise the value of the service provider sector, the Panel has identified that the NSW dairy industry should develop programs aimed at upskilling dairy industry service providers – particularly in terms of agronomy, nutrition, systems thinking and facility design.

Recommended Lead Organisation:

To be considered by DAPIP

Recommended Action:

17. To respond to the needs of contemporary businesses and adapt to new technologies, the Panel has identified that the NSW dairy industry should develop skills attraction programs to promote the transfer of relevant external skills into the dairy industry, and develop means of sharing relevant knowledge across different agricultural sectors.

Recommended Lead Organisation:

Dairy Australia Regional Development Programs

Managing large and complex businesses**Recommended Action:**

18. To ensure dairy farmers are equipped to manage increasingly large and complex businesses, the Panel has identified that the NSW dairy industry should develop new programs (e.g. mentoring) or promote existing programs aimed at improving business management skills, such as accessing finance and human resource management.

Recommended Lead Organisation:

Dairy Australia

Stronger Futures

The NSW Dairy Industry Action Plan will support investment in future growth and profitability by providing support for tomorrow's farmers, taking a targeted approach to critical infrastructure, and addressing regulatory constraints or uncertainties.

Securing the future of the NSW dairy industry isn't just about improving the ability of the industry to respond to shocks. It's also about ensuring the systems, processes and regulatory settings are right to support the industry's future growth. It is critical that tomorrow's farmers are entering into an even stronger NSW dairy industry, and action taken now can pay dividends well into the future.

Being a capital-intensive form of production, it's not easy to get started in dairy and there is a need to support new farmers looking to join the industry – whether that be through an improved understanding of the land use planning needs of the industry, or by addressing financial or administrative barriers to entry.

There are opportunities to provide young people with early exposure to the dairy industry so they can see for themselves how rewarding a career in dairy can be, and to develop resources that support both new and existing farmers to unlock the potential of alternative business models like share farming, leasing, equity partnerships and vendor finance. This also includes supporting farmers with succession planning if they're ready to take a step back from full-time farming.

We also need to ensure existing farmers are able to invest in their futures. Whether that be through supporting on-farm capital investment or guidance in navigating planning processes, encouraging farmers to explore and realise growth potential will be an important element in sustaining the industry into the future.

And with transport and water so critical to the dairy industry, it is important that the regulatory settings are fit-for-purpose and that both government and industry look ahead to identify where investments in public infrastructure will deliver the greatest returns.

In setting up the NSW dairy industry for ongoing success, we need to get the planning and regulatory frameworks right, ensure that necessary infrastructure is put in place to support growth, and make sure that the farmers of tomorrow can enter the industry (and that the farmers of today can hand it over when they're ready to do so).

Recommended Actions: Stronger Futures

The Panel has identified three focus areas to achieve the Action Plan's Stronger Futures aim:

- Planning and red tape reduction
- Infrastructure and utilities
- New entrant support and succession planning.

Planning and red tape reduction

Recommended Action:

19. As a means of ensuring that the dairy industry is considered in future land use planning decisions, the Panel has identified that the NSW Government should ensure the needs of the dairy industry are appropriately considered through the NSW Agriculture Commissioner's Agricultural Land Use Planning Strategy.

Recommended Lead Organisation:

NSW Government (through NSW DPI and the NSW Agriculture Commissioner)

Recommended Action:

20. To ensure that dairy farmers are not limited in their ability to expand or improve their operations, the Panel has identified that the NSW Government should develop resources to assist dairy farmers in navigating farm development approval processes.

Recommended Lead Organisation:

NSW Government (through NSW DPI)

Recommended Action:

21. To provide certainty to dairy farmers seeking to invest in new technologies, the Panel has identified that the NSW Government should review planning rules to reduce red tape, such as those related to infrastructure for milking, feeding and housing dairy cows.

Recommended Lead Organisation:

NSW Government (through NSW DPI)

Recommended Action:

22. To provide certainty to dairy farmers around their water supplies, the Panel has identified that the NSW Government should review water-related regulation, including:

- off-river water storage in coastal catchments
- harvestable rights limits in coastal catchments.

Recommended Lead Organisation:

NSW Government (through Department of Planning, Industry and Environment Water)

Recommended Action:

23. To support dairy farmers in securing supplementary feed from interstate during drought periods, the Panel has identified that the Minister for Agriculture and Western NSW should raise the issue of freight rule harmonisation with interjurisdictional counterparts.

Recommended Lead Organisation:

NSW Government (through NSW DPI; Transport for NSW)

Infrastructure and utilities

Recommended Action:

24. To support investment in on-farm infrastructure, the Panel has identified that the NSW Government should continue to support and enhance dairy access to the Farm Innovation Fund, including by:
- working with the NSW dairy industry to identify the best methods of reaching dairy farmers
 - considering methods of extending access to the Fund to share farmers and lessee farmers.

Recommended Lead Organisation:

NSW Government (through NSW DPI; Rural Assistance Authority)

Recommended Action:

25. To maintain and improve the ability of the industry to connect with key markets, the Panel has identified that the NSW dairy industry should undertake an infrastructure and utilities stocktake to identify needs and prioritise upgrades to support the dairy industry supply chain, and that the NSW Government consider this as part of broader infrastructure and utilities planning. This should include consideration of improvements for heavy vehicle access.

Recommended Lead Organisation:

NSW dairy farmer organisations

New entrant support and succession planning

Recommended Action:

26. To minimise barriers to entry for new farmers, the Panel has identified that the NSW Government should waive stamp duty requirements for dairy farmers that are purchasing their first dairy farm and intend to continue operating it commercially.

Recommended Lead Organisation:

NSW Government (through NSW Treasury)

Recommended Action:

27. To highlight the many methods of getting a start in the dairy industry, the Panel has identified that the NSW Government should work with the NSW dairy industry to develop resources that complement existing programs to:
- support new and existing farmers to progress through the industry
 - explore alternative business models (e.g. share farming, leasing, equity partnerships, vendor finance)
 - provide a framework for succession planning and transition of ownership.

Recommended Lead Organisation:

NSW Government (through NSW DPI) and Dairy Australia

Recommended Action:

28. To encourage the next generation to seek out careers in the dairy industry, the Panel has identified that the NSW Government should consider options to support the NSW dairy industry in promoting youth in dairy, building on the success of previous industry initiatives.

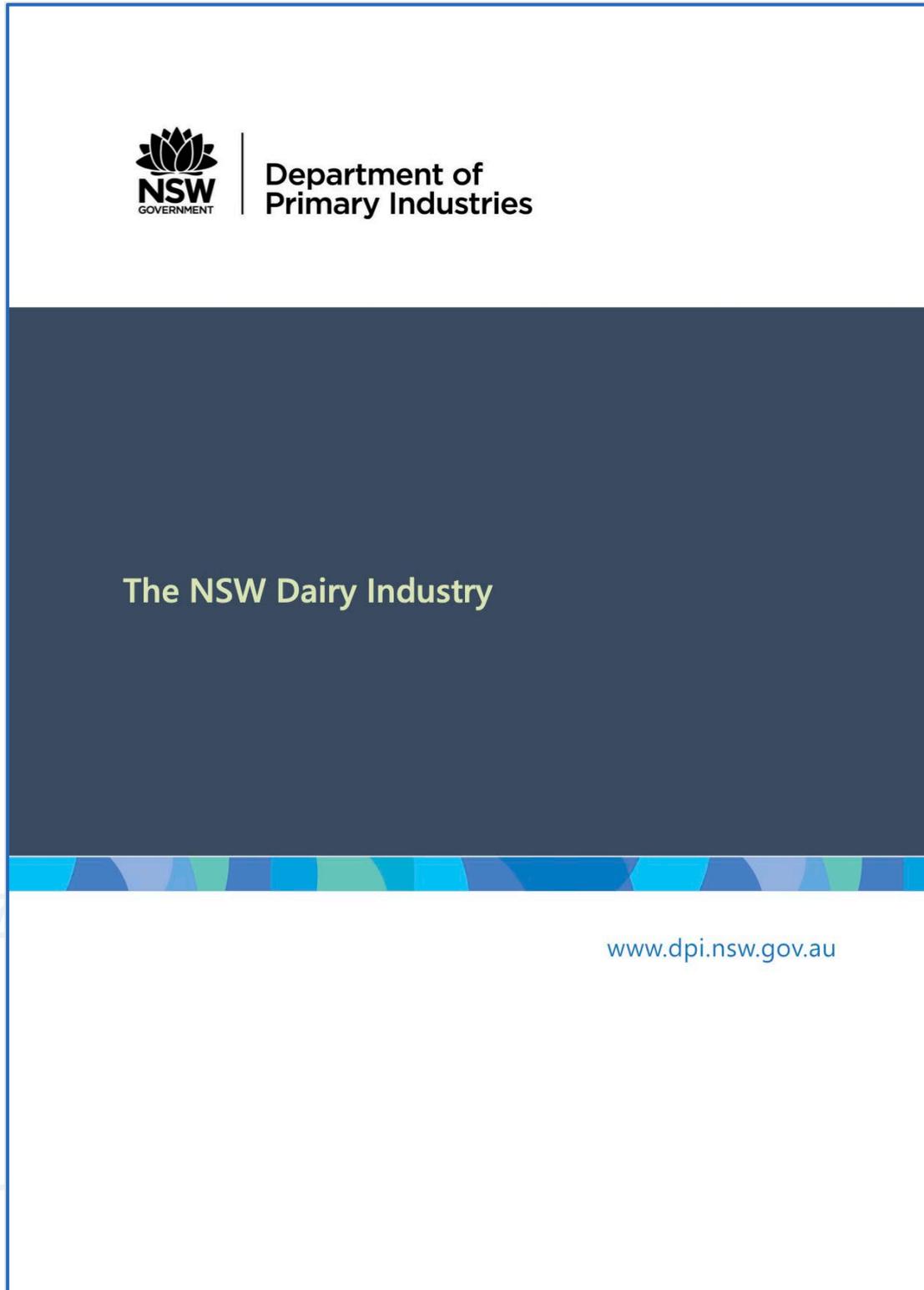
Recommended Lead Organisation:

NSW Government
(through NSW DPI) and
Dairy Australia



Appendix A – NSW Dairy Industry Situation Analysis

To access Appendix A – NSW Dairy Industry Situation Analysis, please [click here](#) or on the linked image below (internet access required).



Appendix B – Research, Development & Extension Plan

Program goals and outcomes

This RD&E Plan involves co-investment between the NSW Government, Dairy Australia, the University of Sydney's Dairy Research Foundation, the private sector, NSW dairy industry organisations, and the broader national dairy industry to achieve the following key goals:

- accelerate the recovery of the NSW dairy industry from the impacts of fire, drought and COVID-19 through economic growth, job and market creation, and diversification
- “de-risk” the industry (manage physical farm risks and social license risks) to strengthen financial resilience through better farm business management; increase productivity, access new markets, attract and retain a suitable workforce and enhance community trust in dairy
- improve the profitability of dairy farm businesses and the sustainability of the dairy supply chain in NSW.

Achieving these goals will result in the following outcomes:

- **a recovered and bigger industry** where fire- and drought-affected farms are more productive and profitable
- **a “de-risked” industry and more resilient** dairy industry that is better prepared for extreme events (fires, drought, flood), and able to thrive in climate and market variability
- **a greater economic contribution** of the NSW dairy industry through increased employment, investment, production and value-adding (new markets)
- **improved long-term food security** and food safety of NSW (enhanced trust).

The co-investment plan is the vehicle to support the “healthy milk, cows, systems and people” RD&E framework (the “4H” framework). This framework, developed through comprehensive consultation with farmers, industry bodies, the private sector and government agencies over the last two years, has identified priorities and rationale for RD&E investment to unlock the potential of milk, cow and water and increase industry's resilience and preparedness for future growth.

Program areas, objectives and projects

The 4H framework focusses on three Program Areas (Figure 1.1):

1. Increasing the productivity and profitability of dairy farm businesses
2. Managing physical farm risk and driving adaptation to increase resilience (“de-risk”)
3. Developing new market opportunities and build community trust

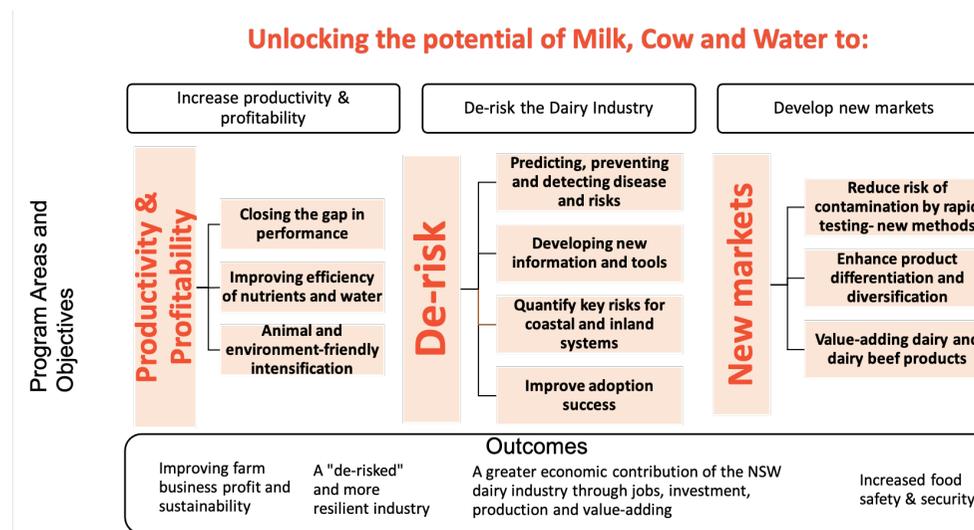


Figure 1.1: the 4H R&D Framework to safeguard the industry for future growth

The problems addressed, objectives, related projects and key success indicators are summarised in the table below (Table 1.1). It is through these objectives and project activities that the goals of the co-investment plan will be achieved.

There are **3 Program Areas and 10 Projects**. Projects are interrelated and some contribute to more than one Program Area. All projects will provide direct or indirect assistance to farmers recovering from bushfire, drought and floods, contributing, in an integrated way, to accelerate the industry’s recovery.

Underpinning these projects and activities is a strong focus placed on advanced technology, innovation and ‘data’ as the vehicles and tools that can unlock many of the potential areas and opportunities identified in this proposal and bring new and innovative solutions to future challenges.

Table 1.1: Summary of Problems addressed, Program Areas, Objectives, Projects and Key Success Indicators

Key problem/issue	Key proposal general and specific objective	Key success indicator and related Project/s
<p>Key Issue (1)</p> <p>Significant underperformance of dairy production systems due to the combined effects of climate (bushfires, drought) and non-climate (milk price; cost of inputs) factors, which has resulted in an increased risk of economic failure of NSW dairy farm businesses. This leads to reduced outputs, accelerated farm attrition; food insecurity and an increased deficit of locally produced milk in NSW; loss of jobs (direct and indirect); poorer rural communities and exacerbated exodus from rural areas.</p>	<p>Program Area 1:</p> <p>Increase productivity and profitability of dairy farm businesses: unlocking the potential of milk, cows and water to improve sustainability, retain dairy farms and develop new farms for the industry (families, land, infrastructure and employment), improve profit and grow the economic contribution of the NSW dairy industry.</p> <p>Objectives</p> <p>1.1. Close the gap between current and potential performance</p> <p>1.2. Improve the efficiency and productivity of key resources such as water, nutrients, land and other inputs</p> <p>1.3. Develop animal and environment-friendly intensification with reduced system complexity</p> <p>Related Projects</p> <p>P1: Unlocking the true potential of NSW tropical grasses (kikuyu) based systems through remote sensing and advanced technology</p> <p>P2: Enhancing the well-being of intensively managed dairy cattle – unlock the potential of cow</p>	<p>Increase productivity and total milk in NSW (P1; P2; P5)</p> <p>Increased participant farm productivity and profitability by >20% (P1)</p> <p>Risk factors for kikuyu toxicity are identified (P1)</p> <p>Superior lines of kikuyu are identified within 3 years and marketing commenced (P1)</p> <p>Attributes of superior housing conditions for cow herds are identified and communicated to industry (P3; P2)</p> <p>Methods to identify optimal maize seed for Australia are developed and benchmarking methods are implemented within 5 years (P4)</p> <p>Within 3 years, new and innovative methods to integrate data from soils, plants, animals and climate (P6)</p>

Key problem/issue	Key proposal general and specific objective	Key success indicator and related Project/s
	<p>P3: The economics of intensification – in-depth analyses of intensified systems</p> <p>P4: Feedbase for intensive systems – unlocking the potential of water</p> <p>P5: Our Farm Our Plan – NSW dairy farmers developing business plans to be fit for the future</p> <p>P6: Future Systems through Dairy Da.T.A : animal and environment-friendly intensification with reduced system complexity, through the application of Data, advanced Technology and Automation</p>	
<p>Key Issue (2)</p> <p>Increased risks associated with farm underperformance, biosecurity outbreaks, public concerns about environmental impact and animal welfare issues reduce future investment and add further negative sentiment to a currently vulnerable industry, increasing the risk of accelerated farm attrition, larger regional milk deficits, and weaker rural communities</p>	<p>Program Area 2:</p> <p>De-risking farm systems and investment</p> <p>Objectives</p> <p>2.1. Develop systems to detect risks to animal health and production in intensive and extensive systems</p> <p>2.2. Develop information and tools to inform decisions about capital investment in feeding and housing systems</p> <p>2.3. Quantify key risks facing coastal dairy systems to inform farm and industry planning</p> <p>2.4. Improve adoption success for key technologies</p> <p>Related Projects</p> <p>P2; P3; P6 (see above)</p> <p>P7: Dairy businesses for future climates to investigate climate change impact</p>	<p>Integrate animal and plant health information to provide enhanced delivery to alert farms of new or re-emerging risks in real time (P1; P2; P6)</p> <p>New disease detection methods (P2; P6; P9)</p> <p>Quantify risk factors for the culling of cattle in housed and grazing herds (P2)</p> <p>Environmental balance sheets for different production systems (P1; P2; P3)</p> <p>Environmental attributes are integral to evaluations of new kikuyu and maize options (P1; P4)</p> <p>Implement results of non-replacement dairy calf pathways development within 2-5 years (P10)</p>

Key problem/issue	Key proposal general and specific objective	Key success indicator and related Project/s
	<p>P8: Dairy Passport for better farm employment</p> <p>P9: Designer Milk - unlocking the potential of milk: new products, new markets</p> <p>P10: Dairy beef: Non-replacement dairy calf pathways: new solutions from consumer-driven concerns</p>	<p>Within 1 year, farmers access a tangible tool to train and retain staff (P8)</p> <p>Within 2 years, 75 per cent of participant feedback indicate overall positive satisfaction with Dairy Passport experience (P8)</p> <p>Response to climate change volatility in operating conditions are described (P7)</p> <p>New methods for quick quality product analysis (P9)</p>
<p>Key Issue (3)</p> <p>The potential of the NSW dairy industry to create jobs, support rural communities, and provide long-term food security for the people of NSW is diminished by the limited product and market diversification arising from traditional milk markets (fluid milk and export of dairy commodities)</p>	<p><u>Program Area 3:</u></p> <p>Developing new and underexploited market opportunities for NSW dairy products through value-adding (milk and beef) and product diversification</p> <p>Objectives</p> <p>3.1. Reduce risks of contamination or health risks to humans</p> <p>3.2. Enhance product diversification and differentiation</p> <p>3.3. Value-adding to dairy and dairy beef</p> <p>Related Projects</p> <p>P9 (see Program Area 2)</p> <p>P10: Dairy beef: Non-replacement dairy calf pathways: a sustainable path for the non-replacement dairy-calf market.</p>	<p>New dairy and dairy beef products towards niche, high value markets will reduce dependency on low-value products and increase milk value. The access to the largest populations in Australia (Sydney, Wollongong, Newcastle and Brisbane) and new export focused initiatives in NSW and Sydney, provide the opportunities to de-commoditise dairy products (P9; P10)</p> <p>Implement results of non-replacement dairy calf pathways development within 2-5 years (P10)</p> <p>Note: P7, P8 and P10 will provide direct solutions and tools for fire-affected farms/regions</p> <p>P9 will provide additional tools and indirect assistance to farmers in fire-affected areas</p>

Appendix C – Dairy Action Plan Implementation Panel draft work plan

This section forms a draft work plan that the Dairy Action Plan Implementation Panel (DAPIP) can use to develop a comprehensive implementation and reporting framework, as part of their role in overseeing the delivery of the Action Plan. The draft work plan sets out an approach to planning for the implementation of the Action Plan:

- the **Recommended Action** column summarises each recommended action identified in the Action Plan
- the **Implementation** column allocates responsibility for the delivery of each action, and identifies key partners that may seek to be engaged in implementation
- the **Output** column sets out the expected deliverables in concrete terms
- the **Measures** column includes benchmarks for measuring progress and success, both in the short term (i.e. within 12 months of work commencing on the action) and over the medium-term (i.e. within 2-5 years of work commencing on the action)
- the **Desired Outcome** column outlines the benefits that the action will have for the NSW dairy industry.

This work plan is intended to be a living document and may be adapted and refined by the DAPIP as needed – for example to outline more specific action owners, to factor in additional industry stakeholders seeking to be involved in delivery, or to update measures to reflect more specific key performance indicators.

Oversight and implementation

Recommended Action	Implementation	Output	Measures	Desired Outcome
1. Establish a group that will oversee the implementation of this Action Plan and publish regular reports on its progress.	Recommended Lead <ul style="list-style-type: none"> • NSW Government (through NSW DPI) – to establish DAPIP • DAPIP (when established) – to oversee and report on implementation 	DAPIP established, meetings held and reports delivered	Short-term <ul style="list-style-type: none"> • Number of actions considered on-track Medium-term <ul style="list-style-type: none"> • Number of actions considered complete 	Instil confidence that the Dairy Industry Action Plan is being delivered

Research, Development & Extension

The Dairy Industry Action Plan will facilitate improvements in productivity and industry profitability through a collaborative approach to, and increased investment in, dairy RD&E that is tailored to NSW.

Recommended Action	Implementation	Output	Measures	Desired Outcome
2. Continue to support co-investment and delivery of the dedicated RD&E Plan	<p>Recommended Lead</p> <ul style="list-style-type: none"> NSW Government Dairy Research Foundation <p>Key Partners</p> <ul style="list-style-type: none"> Co-investment partners 	Deliver the RD&E Plan	<p>Short-term</p> <ul style="list-style-type: none"> Number of RD&E Plan projects in progress <p>Medium-term</p> <ul style="list-style-type: none"> Number of RD&E Plan projects delivering results 	Secure the immediate future of dairy RD&E in NSW
3. Convene a Dairy RDE&A Network, including representatives from Government, Dairy Australia Regional Development Programs and other organisations delivering research, development, extension and adoption services to the NSW dairy industry	<p>Recommended Lead</p> <ul style="list-style-type: none"> NSW Government (through NSW DPI) <p>Key Partners</p> <ul style="list-style-type: none"> Dairy research, development, extension and adoption organisations Dairy Australia Research and Development Programs 	Dairy RDE&A Network established, and meetings held	<p>Short-term</p> <ul style="list-style-type: none"> Number of bodies involved in Dairy Adoption Network <p>Medium-term</p> <ul style="list-style-type: none"> Number of collaborative research, development, extension and adoption programs 	Maximise the impact of research, development, extension and adoption outcomes for farmers in the field

<p>4. Undertake a survey on the use of service providers by farmers, with the aim of identifying gaps and barriers to the uptake of services.</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> Dairy Australia Regional Development Programs 	<p>Survey developed and released</p> <p>Gaps and barriers identified from responses</p>	<p>Short-term</p> <ul style="list-style-type: none"> Number of actions developed to address gaps / barriers <p>Medium-term</p> <ul style="list-style-type: none"> Number of farmers accessing service providers 	<p>Ensure that research, development, extension and adoption services are best tailored to support the needs of farmers</p>
<p>5. Promote dairy research as a career path, including by funding a pathways programs for new and prospective researchers.</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> Dairy Australia Dairy research organisations 	<p>Pathways program (or similar) developed and implemented</p>	<p>Short-term</p> <ul style="list-style-type: none"> Number of prospective researchers accessing the program <p>Medium-term</p> <ul style="list-style-type: none"> Number of dairy industry researchers 	<p>Ensure research, development, extension and adoption capability is maintained into the future and research skills are embedded in the dairy industry and service provider sector</p>

Confidence

The Dairy Industry Action Plan will renew producer confidence in the NSW dairy industry, to increase supply chain collaboration, transparency and profitability, while maintaining community trust and support.

Recommended Action	Implementation	Output	Measures	Desired Outcome
6. Local Land Services regions with a significant dairy industry presence should specifically include dairy within their business plans	Recommended Lead <ul style="list-style-type: none"> NSW Government (through Local Land Services) 	Business plans amended	Short-term <ul style="list-style-type: none"> Number of LLS regions with dairy included in their business plans Medium-term <ul style="list-style-type: none"> Customer satisfaction measures from dairy farmers 	Reinforce confidence that the NSW Government is committed to the dairy industry in NSW
7. Communicate stories of success and drivers of profitability for NSW dairy farm businesses	Recommended Lead <ul style="list-style-type: none"> Dairy Australia Key Partners <ul style="list-style-type: none"> NSW Government (through NSW DPI) 	Positive news stories released, reports on farm profitability released	Short-term <ul style="list-style-type: none"> Number of positive media coverage events Medium-term <ul style="list-style-type: none"> Industry sentiment / confidence measures Industry awareness of drivers of profit 	Enhance dairy farmers' confidence in their industry

8. Work to develop standardised processes for milk testing at a national level	Recommended Lead <ul style="list-style-type: none"> Australian Dairy Industry Council 	Options developed to work towards milk testing standardisation	Short-term <ul style="list-style-type: none"> Number of discussions about standardisation Medium-term <ul style="list-style-type: none"> Uptake of standardised testing methods 	Enhance collaboration and transparency along the dairy industry supply chain
9. Consult with the NSW dairy industry to review environmental management and intensive development guidelines	Recommended Lead <ul style="list-style-type: none"> NSW Government (through NSW DPI) Key Partners <ul style="list-style-type: none"> NSW dairy industry 	Guidelines documents reviewed and released	Short-term <ul style="list-style-type: none"> Industry awareness of guidelines Medium-term <ul style="list-style-type: none"> Number of EPA compliance actions related to dairy Number of land use conflict reports related to dairy 	Maintain community confidence in the dairy industry
10. Reimagine the proposed Buy Fresh Local campaign to promote the value of the NSW dairy industry	Recommended Lead <ul style="list-style-type: none"> NSW Government (through NSW DPI) 	Promotions campaign launched	Short-term <ul style="list-style-type: none"> Consumer trust measures Medium-term <ul style="list-style-type: none"> Volume of sales of local dairy products 	Display the ongoing value of the dairy industry to the community

Skills & Business Resilience

The NSW Dairy Industry Action Plan will improve profitability in an evolving market and changing climate by enhancing farmer, employee and service provider skills, improving capacity to plan and manage dairy businesses, and increasing the ability to manage risks.

Recommended Action	Implementation	Output	Measures	Desired Outcome
11. Developing and enhancing dairy farmer business skills and knowledge to support a profitable, resilient and sustainable NSW dairy industry, through the NSW Dairy Business Advisory Unit	Recommended Lead <ul style="list-style-type: none"> NSW Government (through NSW DPI Dairy Business Advisory Unit) 	Dairy Business Advisory Unit workplan delivered	Short-term <ul style="list-style-type: none"> Number of farmers engaged by Dairy Business Advisory Unit Medium-term <ul style="list-style-type: none"> Number of farmers with farm business management plans 	Support skill development in the NSW dairy industry
12. Identify existing resource gaps and develop programs to address them (in partnership with the NSW Government, where appropriate)	Recommended Lead <ul style="list-style-type: none"> NSW dairy farmer organisations Key Partners <ul style="list-style-type: none"> NSW Government (through NSW DPI) 	Resource gaps identified and options for new programs assessed	Short-term <ul style="list-style-type: none"> Number of new programs developed to address skills gaps Medium-term <ul style="list-style-type: none"> Number of farmers who have accessed the new programs 	Ensure skills programs are tailored to the needs of the NSW dairy industry

<p>13. Provide vocational education and training for farm employees, such as through the continuation of the Tocal College course subsidy</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through Tocal College) 	<p>Deliver subsidised Tocal College courses</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of students / participants <p>Medium-term</p> <ul style="list-style-type: none"> • Number of dairy farmers and employees with formal credentials 	<p>Ensure that farmers are able to continue to invest in their employees</p>
<p>14. Identify high-priority vocational training needs for dairy farm employees and address those needs – including through identifying gaps in existing programs, and considering barriers affecting industry uptake</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • To be considered by DAPIP <p>Key Partners</p> <ul style="list-style-type: none"> • NSW Government (through NSW DPI) 	<p>High priority training needs identified and actions to address gaps developed</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Uptake of specific programs / actions aimed at addressing gaps <p>Medium-term</p> <ul style="list-style-type: none"> • Number of farmers accessing training 	<p>Ensure that farmers are able to continue to invest in their employees</p>
<p>15. Promote dairy service provision as a career path and fund a pathways program for new service providers (for example, through a graduate program or internship scheme)</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • To be considered by DAPIP 	<p>Service provider pathways program developed and launched</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of people accessing the pathways program <p>Medium-term</p> <ul style="list-style-type: none"> • Number of new dairy service providers 	<p>Encourage the next generation of dairy industry service providers</p>

<p>16. Develop programs aimed at upskilling dairy industry service providers – particularly in terms of agronomy, nutrition, systems thinking and facility design</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> To be considered by DAPIP 	<p>Programs developed and delivered to service providers</p>	<p>Short-term</p> <ul style="list-style-type: none"> Number of service providers accessing the programs / resources <p>Medium-term</p> <ul style="list-style-type: none"> Number of service providers providing additional / new services covered in the programs 	<p>Maximise the value of the service provider sector</p>
<p>17. Develop skills attraction programs to promote the transfer of relevant external skills into the dairy industry</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> Dairy Australia Regional Development Programs 	<p>Skills attraction programs developed and launched</p>	<p>Short-term</p> <ul style="list-style-type: none"> Number of people engaged by the programs <p>Medium-term</p> <ul style="list-style-type: none"> Number of industry participants with external qualifications / experience 	<p>Respond to the needs of contemporary businesses and adapt to new technologies</p>
<p>18. Develop new programs or promote existing programs aimed at improving business management skills, such as accessing finance and human resource management</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> Dairy Australia 	<p>Programs developed / promoted</p>	<p>Short-term</p> <ul style="list-style-type: none"> Number of people engaged by the programs <p>Medium-term</p> <ul style="list-style-type: none"> Number of farmers with dedicated human resource management / finance elements of farm business management plans 	<p>Ensure dairy farmers are equipped to manage increasingly large and complex businesses</p>

Stronger Futures

The NSW Dairy Industry Action Plan will support investment in future growth and profitability by providing support for tomorrow's farmers, taking a targeted approach to critical infrastructure, and addressing regulatory constraints or uncertainties.

Recommended Action	Implementation	Output	Measures	Desired Outcome
19. Ensure needs of dairy industry are considered through the Agricultural Land Use Planning Strategy	<p>Recommended Lead</p> <ul style="list-style-type: none"> NSW Government (through NSW DPI and the NSW Agriculture Commissioner) <p>Key Partners</p> <ul style="list-style-type: none"> Councils 	<p>Guidance material developed regarding the land use planning needs of dairy</p> <p>Highly productive dairying land identified</p>	<p>Short-term</p> <ul style="list-style-type: none"> Uptake of the information by Councils <p>Medium-term</p> <ul style="list-style-type: none"> Number of councils in dairying areas considering needs when planning Number of Regional Plans considering dairy 	Ensuring that the dairy industry is considered in future land use planning
20. Develop resources to assist dairy farmers in navigating farm development processes	<p>Recommended Lead</p> <ul style="list-style-type: none"> NSW Government (through NSW DPI) 	Resources developed and launched	<p>Short-term</p> <ul style="list-style-type: none"> Number of farmers using the resource to assist on-farm development <p>Medium-term</p> <ul style="list-style-type: none"> Increase in number of farmers considering on-farm developments 	Ensure that dairy farmers are not limited in their ability to expand or improve their operations

<p>21. Review planning rules to reduce red tape, such as regarding developments for milking, feeding and housing dairy cows</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through NSW DPI) <p>Key Partners</p> <ul style="list-style-type: none"> • Councils • NSW dairy industry (e.g. industry stakeholders, industry representative bodies) 	<p>Review of planning regulation completed and options identified</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of changes made to planning regulation <p>Medium-term</p> <ul style="list-style-type: none"> • Number of successful Development Applications for feedpads and robotic dairies 	<p>Provide certainty to dairy farmers seeking to invest in new technologies</p>
<p>22. Review water-related regulation, including regulation regarding off-river water storage in coastal catchments and regulation related to harvestable rights limits in coastal catchments</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through Department of Planning, Industry and Environment Water) 	<p>Review of water-related regulation completed and options identified</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of changes made to water-related regulation <p>Medium-term</p> <ul style="list-style-type: none"> • Number of farmers benefiting from the changes 	<p>Provide certainty to dairy farmers around their water supplies</p>
<p>23. Raise the issue of freight rule harmonisation with other jurisdictions</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through NSW DPI; Transport for NSW) 	<p>Freight rule harmonisation raised with other jurisdictions</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of representations made to other jurisdictions <p>Medium-term</p> <ul style="list-style-type: none"> • Number of changes made to improve harmonisation 	<p>Support dairy farmers in securing supplementary feed from interstate during drought periods</p>

<p>24. Continue to support and enhance dairy access to the Farm Innovation Fund, including by identifying the best methods of reaching dairy farmers and considering methods of extending access to the Fund to share farmers and lease farmers</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through NSW DPI, Rural Assistance Authority) 	<p>Farm Innovation Fund eligibility criteria amended to enable access by share farmers and lease farmers and changes promoted</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of dairy farmers accessing Farm Innovation Fund <p>Medium-term</p> <ul style="list-style-type: none"> • Number of share farmers and lease farmers accessing Farm Innovation Fund 	<p>Support investment in on-farm capital</p>
<p>25. Undertake an infrastructure and utilities stocktake to identify needs and prioritise upgrades to support the dairy industry, for consideration as part of broader infrastructure and utilities planning. This should include consideration of heavy vehicle access</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW dairy farmer organisations <p>Key Partners</p> <ul style="list-style-type: none"> • NSW Government (through NSW DPI; Transport for NSW) • Councils 	<p>Priority infrastructure and utilities report provided to NSW Government</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of priority infrastructure and utilities upgrades included in plans / strategies / pipelines • Number of changes made to enable heavy vehicle access <p>Medium-term</p> <ul style="list-style-type: none"> • Number of priority infrastructure and utilities upgrades progressed towards construction 	<p>Maintain and improve the ability of the industry to connect with key markets</p>

<p>26. Waive stamp duty requirements for dairy farmers that are purchasing their first dairy farm, and intend to continue operating it commercially</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through NSW Treasury) 	<p>Amendments made to waive stamp duty requirements.</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of stamp duty requirements waived <p>Medium-term</p> <ul style="list-style-type: none"> • Number of dairy farmers purchasing their first farm 	<p>Minimise barriers to entry for new farmers</p>
<p>27. Develop resources, including workshops, that would support farmers in exploring alternative business models (e.g. leasing, share farming, vendor finance)</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through NSW DPI) • Dairy Australia 	<p>Resources developed; workshops delivered</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of participants accessing the resources / attending workshops <p>Medium-term</p> <ul style="list-style-type: none"> • Number of dairy farmers using alternative business models 	<p>Highlight the many methods of getting a start in the dairy industry</p>
<p>28. Consider options to promote youth in dairy. For example, this could include consideration of school-level training programs and investment in agricultural high schools</p>	<p>Recommended Lead</p> <ul style="list-style-type: none"> • NSW Government (through NSW DPI) • Dairy Australia 	<p>Options to promote youth in dairy identified, assessed, and progressed</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Number of actions / programs aimed at encouraging youth in dairy <p>Medium-term</p> <ul style="list-style-type: none"> • Number of young people entering the dairy industry 	<p>Encourage the next generation to seek careers in the dairy industry</p>

Appendix D – NSW Dairy Industry Advisory Panel

The NSW Dairy Industry Advisory Panel is an independent panel that provides advice to the NSW Fresh Milk and Dairy Advocate on developing and reporting on the NSW Dairy Industry Action Plan, developing the RD&E Plan, and the implementation and evaluation of the ACCC's Mandatory Dairy Code of Conduct in NSW.

The Panel includes the following members, drawn from across the NSW dairy industry and providing a wide range of experience:

Panel Member	Experience
Tim Bale	Chair, Mid Coast Dairy Advancement Group Dairy farmer
Scott Barnett	Dairy consultant
Tony Burnett	Regional Manager, Dairy Farmers Milk Co-operative Director, Dairy NSW
Sheena Carter	Extension Officer, Dairy NSW (at time of appointment) Development Officer, NSW DPI Dairy Business Advisory Unit (current)
Robert Cooper	Dairy farmer
Sergio (Yani) Garcia	Professor of Dairy Science, University of Sydney Director, Dairy Research Foundation
Ken Garner	Regional Manager, South East Local Land Services (current) Senior Manager Milk Supply, Bega Cheese (previous) Director, Dairy NSW (previous)
Michael Jeffrey	Chair, Norco Dairy farmer
Ian Lean	Adjunct Professor, University of Sydney Managing Director, Scibus Director, Dairy Connect
Phil Ryan	Deputy Chair, NSW Farmers' Association Dairy Committee Dairy farmer