The Alpine Valleys Dairy Pathways Project (AVDPP) is focused on consolidating and growing milk production within the Alpine Valleys of North East Victoria.

WHAT IS THE PROJECT

Dairy farming is both profitable and sustainable and supports the creation of local jobs and economic value for the region. However, the industry is entering a new era and facing new challenges.

The AVDPP was established to understand these challenges and to develop a set of actions which can ensure the dairy industry can continue to grow and offer benefits to local farmers and communities.

The project recently released the North East Dairy Regional Growth Plan and Workforce Development Strategy (the Plan). The Plan represents a comprehensive review of the current situation for dairy in the valleys, and an integrated local strategy for what would be required to increase local investment and growth in dairy.
CURRENT OPERATING ENVIRONMENT FOR THE ALPINE VALLEYS DAIRY INDUSTRY

• The Alpine Valleys is one of the most profitable dairy areas in Australia.

• Dairy represents less than 10 per cent of the utilisation of arable land in the valleys, but contributes over 30 per cent of the farm gate income.

• Annual farm gate income for dairy was $90 million in 2012-13. The overall economic contribution of dairy to the region is estimated at over $380 million annually, which includes dairy manufacturing and the range of other service jobs supported by the industry.

• On-farm characteristics
  o It is an industry in transition – since 2000 there has been a 35 per cent reduction in dairy farm numbers, but an average 57 per cent increase in production per farm.
  o Family farms are still the dominant business structure – as the farms increase in size they have an increased requirement for non family labour. Farming systems need to adjust to this trend.
  o The region has a higher proportion of older owner/managers than other areas of the state and many of these people will be looking to retire in the next ten years.
  o The average farm equity level is >75 per cent representing a regional industry which has strong resilience to seasonal and market fluctuations, and the potential to invest for the future.
  o Stocking rates: average 1.5 cows/ha (discussion group members – 1.7 cows/ha)
  o Per cow production:
    » average 5500 litres (discussion group members – 7080 litres)
    » average 420 kg of MS (discussion group members – 535 kg of MS)

OPPORTUNITY FOR GROWTH

The Plan contends that with focussed effort and a favourable investment environment there is scope to double milk production in the Alpine Valleys by 2025, which would add a $225-300 million boost to the regional economy. There has been wide consultation with the local industry and farmers and the main questions about the proposed growth relate to the following issues.

1. How do we ensure we are developing the most profitable and sustainable dairy farming systems which match the unique characteristics of the Alpine Valleys?
2. What support can we be giving to retiring dairy farmers?
3. Where is the next generation of dairy farmers coming from, and how can we support their entry into the industry?
4. How do we develop a regional culture which values and respects dairy’s contribution to local communities and the economy?
THE PLAN FOR GROWTH IDENTIFIES FOUR KEY AREAS FOR ACTION

1. Continue to raise dairy farm business performance and profitability using current and emerging farm management practices.
2. Improve pathways out for retiring dairy farmers and pathways in for the next generation.
3. Implement of a workforce strategy to ensure the industry can attract and retain the people it needs.
4. Develop a culture that supports and values dairy growth in the region.

HOW FARMERS AND SERVICE PROVIDERS CAN BE INVOLVED IN THE AVDPP

- Participate in a dairy discussion group or business network
- Attend local dairy extension events and workshops
- Talk to one of the local key project contacts (see list)

KEY AVDPP PROJECT CONTACTS

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<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Stuart Crosthwaite</td>
<td>0428 289 515</td>
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<tr>
<td>Chairperson of the AVDPP &amp; Young Dairy Network Kiewa Valley Dairy Farmer</td>
<td></td>
</tr>
<tr>
<td>Ken Jones</td>
<td>0409 389 404</td>
</tr>
<tr>
<td>AVDPP steering group member &amp; Murray Goulburn director Kiewa Valley Dairy Farmer</td>
<td></td>
</tr>
<tr>
<td>Patten Bridge</td>
<td>0418 308 414</td>
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<tr>
<td>AVDPP Consultant</td>
<td></td>
</tr>
<tr>
<td>Rodney Petering</td>
<td>0428 993 395</td>
</tr>
<tr>
<td>Murray Goulburn Field Officer</td>
<td></td>
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<tr>
<td>Brock Williams</td>
<td>03 5484 0222</td>
</tr>
<tr>
<td>Murray Goulburn Agribusiness Manager Northern Victoria</td>
<td></td>
</tr>
<tr>
<td>Mick O’Keefe</td>
<td>0408 284 475</td>
</tr>
<tr>
<td>DEPI Dairy Extension Officer for the AVDPP michael.o’<a href="mailto:keefe@depi.vic.gov.au">keefe@depi.vic.gov.au</a></td>
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ACCESS TO THE NORTH EAST DAIRY REGIONAL GROWTH PLAN AND WORKFORCE DEVELOPMENT STRATEGY

ELECTRONIC COPY

A PDF copy can be downloaded from the Towong Shire website, go to the following link.


HARD COPY

There are also a limited number of hard copies. Please contact Mick O’Keefe to organise for copy to be posted out.

Mick O’Keefe (DEPI – Dairy Extension Officer)