

OUR INDUSTRY

The dairy industry is Australia's third largest rural industry with a farmgate value of \$3.2 billion in 2006/07. It is the largest value-added food industry, increasing value three-fold through processing and marketing to contribute \$9.2 billion to the nation's economy.

Australian dairy producers export almost one million tonnes of product to ten countries, which generates an estimated \$2.5 billion in export income each year (12 per cent of the world dairy trade). The dairy industry has almost \$20 billion in capital assets on-farm and approximately \$6 billion in manufacturing.

The Australian dairy industry supports a substantial employment base, including:

- Farming (farms supporting or employing 23,000 people);
- Services to farming (including veterinary, genetics, animal nutrition, milking machinery, seed and fertiliser, and fodder contracting – an estimated 10,000 people);
- Manufacturing (including cheese, yogurt, ice-cream, butter, chocolate, powders, dairy ingredients and pharmaceutical products – estimated at up to 16,000 people);
- Transport (from on-farm milk pick-up to container shipping); and
- Research (in areas such as agriculture, environment, human nutrition, manufacturing processes and food technology).



AT A GLANCE

- There are 8,055 dairy farms, producing about 9.6 billion litres each year.
- The Australian dairy herd is 1.8 million milking cows.
- The dairy industry has more than \$25 billion invested in capital assets.
- Dairy is Australia's third largest rural industry, valued at \$3.2 billion at the farmgate (2006/07).
- Dairy is one of the largest value-added food industries, with ex-factory sales valued at almost \$9.2 billion each year. The bulk of the value-adding is carried out in regional areas.
- The major products are drinking milk, cheese, butter and milk powders.
- About half of Australia's milk production is consumed on the Australian market and the remainder is exported.
- Dairy products generate \$4.2 billion annually in supermarket sales.