

# Economic and Broader Contribution of the Australian Dairy Processing Industry



## Employment contributions

Dairy processing's total employment contribution includes **70,158 FTE jobs**

There are **20,394** direct employees within dairy processing and a further **49,764** indirect FTE jobs in other parts of the Australian the economy

For every direct job in dairy processing, the industry supports **2.4 indirect jobs** in aligned industries such as raw milk and other ingredients, transport and utilities

**56.5%** of the workforce is located in regional Australia and **23%** are among the two highest job skills categories

## Supply chain contributions

Dairy processors made payments to farmers totalling **\$4.8 billion** for raw milk, with South-East Australia accounting for more than **60%** of the total

Products produced by Australian dairy processors had a retail value **3.3 times** the cost of raw milk paid by processors in **2019-20**

Transport costs for the dairy industry are estimated at around **\$890 million** per annum

Exports totalled **\$3.4 billion**, accounting for **29.2%** of dairy production and **7.0%** of all Australian agricultural exports

## Environment and sustainability contributions

Total dairy processing emissions are **23.5%** lower since **2016-17**, having reduced twice as fast as the national total

Dairy processing is estimated to account for just **0.2%** of Australia's greenhouse gas emissions

Dairy processing landfilled waste fell **3%** in **2019-20** to around **14,900 tonnes**, and remains well below the average for the manufacturing sector (relative to value-added).

Energy use in the industry has contracted by **24.5%** in the past **3 years** despite milk processing volumes remaining stable

## Regional business contributions

The industry's future prospects are supported through **\$6.1 billion** in employed capital and further capital expenditure anticipated by processors

Payments to farmers for milk accounted for **8%** of the total value of Australian farmgate production, with Tasmania and Victoria **27%** and **17%** of the total, respectively

**90%** of surveyed dairy processors, expect employed capital and capital investment to remain at current levels or grow in the immediate future

Between **2017-18** and **2019-20** dairy processors invested **\$36 million** in research and development