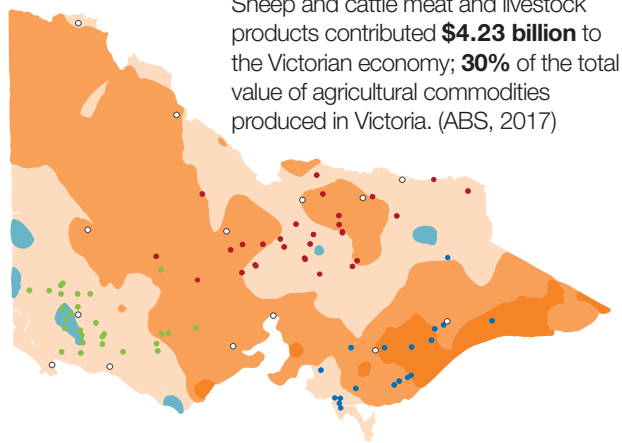


# Livestock Farm Monitor Project

## 2017-18 Victoria Overview

- The Livestock Farm Monitor Project (LFMP) surveyed **77 farms**.
- The average farm size was **935 hectares** with average farm assets valued at **\$6.71 million**.
- The LFMP surveys farms across the state to provide industry and government with timely, farm level data for targeted strategy and decision making.
- The LFMP encourages the application of whole farm analysis principles on Victorian farm businesses.



Sheep and cattle meat and livestock products contributed **\$4.23 billion** to the Victorian economy; **30%** of the total value of agricultural commodities produced in Victoria. (ABS, 2017)

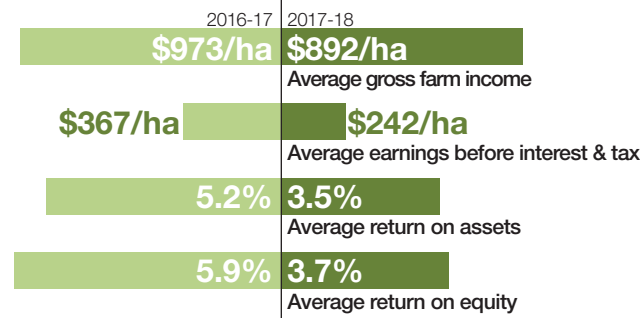
### Livestock Farm Monitor Project farm locations 2017-18

● South West ● Northern ● Gippsland ○ Town/Cities

### Rainfall Decile Ranges

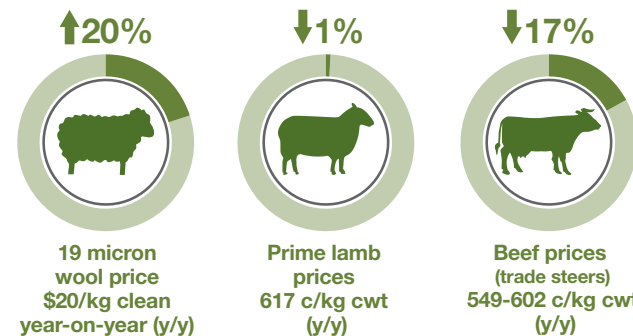


In 2017-18, **80%** of participant farms (60 of the 77) achieved a positive EBIT

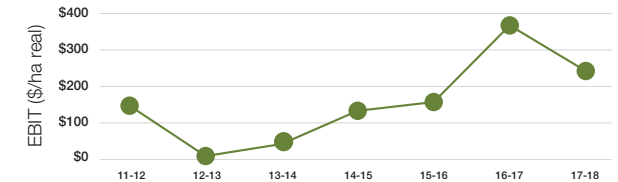


Farm profitability has been influenced by

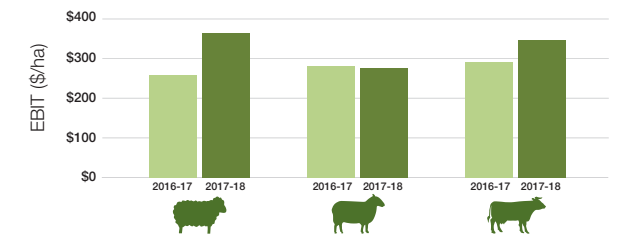
- Variable rainfall across the state provided challenging pasture growing conditions
- Increase in supplementary feeding costs to finish stock



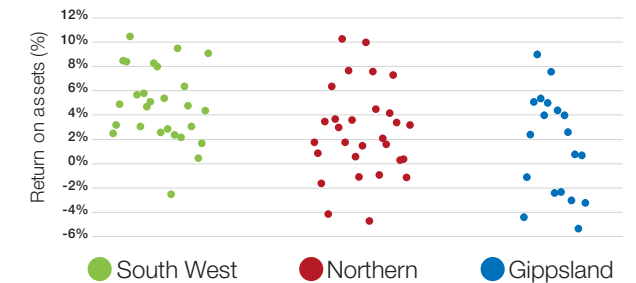
In 2017-18 farm returns (EBIT) decreased by **45%** but were still the second highest over the last seven years



Fine wool production resulted in the greatest profitability in 2017-18



Top performing farms achieved an average return on assets of greater than 9% in 2017-18



**Acknowledgements** - The Livestock Farm Monitor Project is provided with funding and support from the Victorian Government. This project is delivered primarily through partnerships between the Department of Economic Development, Jobs, Transport & Resources, Victorian livestock producers and service providers.

**Further information** - Refer to the Livestock Farm Monitor Project Victoria Annual Report 2017-18 for further information - [www.agriculture.vic.gov.au/livestockfarmmonitor](http://www.agriculture.vic.gov.au/livestockfarmmonitor)

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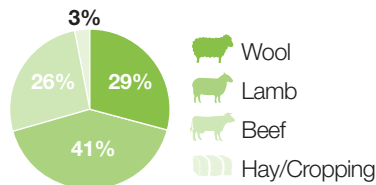
# Livestock Farm Monitor Project

## 2017-18 Regional Overview

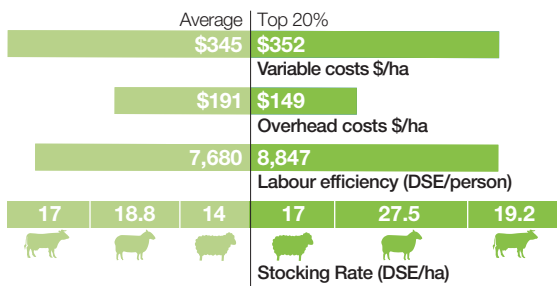
### Regional participant profile

Economic performance capitalised on previous year records despite dry seasonal conditions due to spreading risk over more than one enterprise and having tight control over variable and overhead costs.

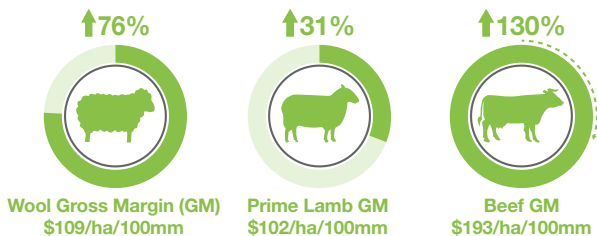
#### South West



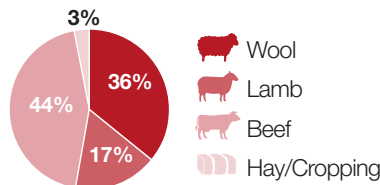
- Individual farm economic performance is influenced by **rainfall**
- Timing of rainfall was **critical** for pasture growth



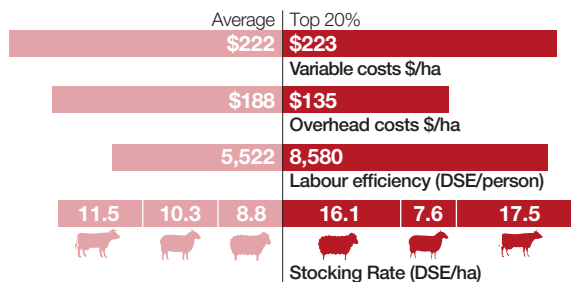
The top 20% of farms were able to produce more per hectare per 100 mm of rainfall than the average of all participant farms in the South West due to business efficiency and management decisions, regardless of enterprise.



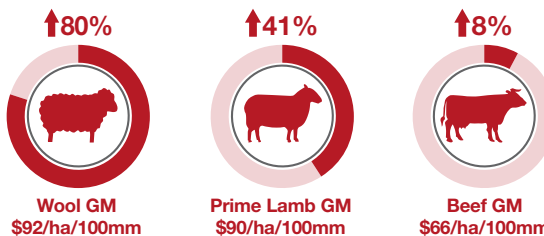
#### Northern



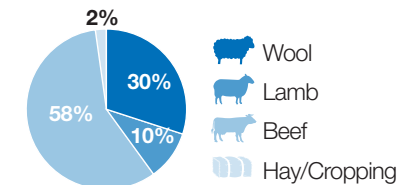
- Economies of scale = Higher economic returns
- Labour efficiency and stocking rate (dse/ha) **critical** to overall farm economic performance
- Focus on **reducing** overhead costs



Top 20% had similar variable costs but overhead costs \$/ha were 28% lower.



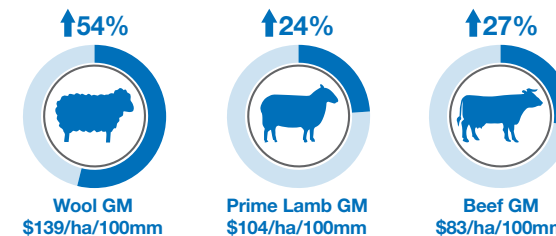
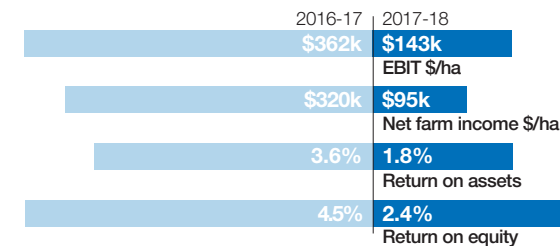
#### Gippsland



- Spreading enterprise risk = Offsetting decline in one market
- High land values **\$9,700/ha** for agricultural land impacts on return on assets
- High **dse/ha** with greater proportion of farms focusing on beef

Top 20% of farms consisted of operators with a firm control on expenses.

In 2017-18 only 12 of the 19 participants in Gippsland had a positive EBIT



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