The Dairy Farm Monitor Project provides industry and government with timely, farm level data for developing targeted strategy and decision making.

Encourages the application of whole farm analysis principles on Victorian farm businesses.

In Northern Victoria, 25 farms were analysed.

Dairy Farm Monitor Project
2018-19 Northern Victoria Overview

2018-19 was a challenging year for Northern Victorian dairy farms with only 10 of the 25 farms recording a positive EBIT

<table>
<thead>
<tr>
<th>Year</th>
<th>2017-18</th>
<th>2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average earnings before interest &amp; tax</td>
<td>$185k</td>
<td>$24k</td>
</tr>
<tr>
<td>Average net farm income</td>
<td>$73k</td>
<td>$85k</td>
</tr>
<tr>
<td>Average return on total assets</td>
<td>2.5%</td>
<td>-1.7%</td>
</tr>
<tr>
<td>Average return on equity</td>
<td>1.2%</td>
<td>-7.4%</td>
</tr>
</tbody>
</table>

Dairy in Northern Victoria

Approximately 1,130 dairy farms in Northern Victoria produced 1.69 billion litres of milk in 2018-19, accounting for 30% of Victoria’s milk production.

Physical farm characteristics

- On average, farms in the North maintained stocking rate but increased average herd size.
  - Average herd size: 399 cows
  - Milk solids sold: 524 kg MS/cow
  - Home grown feed: 60% of metabolisable energy consumed

Farm profitability was influenced by

- 92% in irrigation costs to $0.79/kg MS; price of temporary water increased substantially
- 46% in concentrate costs as price increased to $513/t DM
- 69% of long-term average rainfall with 336 mm in 2018-19
- 7% in milk price to $6.28/kg MS

Future expectations 2019-20

- 71% expect farm profits to improve, up from 65% the previous year

Issues ranked in order of importance as reported by farmers:

- Climate/seasonal conditions
- Water
- Input costs

Acknowledgements - Dairy Farm Monitor Project is provided with funding and support from the Victorian Government and Dairy Australia. This project is delivered primarily through partnerships between the Agriculture Victoria, Dairy Australia and service providers.


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