

Dairy Farm Monitor Project

2021-22 Gippsland Performance



Approximately **1,085 dairy** farm businesses in Gippsland produced 1.92 billion litres of milk in 2021-22 accounting for **35 per cent** of Victoria's milk production output and **23 per cent** of Australia's milk production.

Physical farm characteristics

On average, herd size increased and per farm milk production increased, despite milk production decreasing per cow as participants were challenged to manage adverse seasonal conditions (predominantly in south and west Gippsland). Wet conditions resulted in decreased homegrown grazed pasture and poorer quality conserved feed, resulting in lower profitability in 2021-22. Irrigation water use in the Macalister Irrigation District was significantly lower (59 per cent) than the previous year due to adequate rainfall.

3% ↑



Average herd size

320 cows

3% ↓



Milk solids sold

471 kg MS/cow

5% ↓



Homegrown feed

63% of metabolisable energy consumed



9% ↑ increase in average milk price to **\$7.15/kg MS**

20% ↑ in herd costs to **\$0.40/kg MS**

2% ↑ in shed costs to **\$0.24/kg MS**

26% ↑ in total feed costs to **\$3.34/kg MS**

16% ↑ in overhead costs to **\$2.59/kg MS**



10% decrease in homegrown pasture while homegrown conserved feed was around the same.

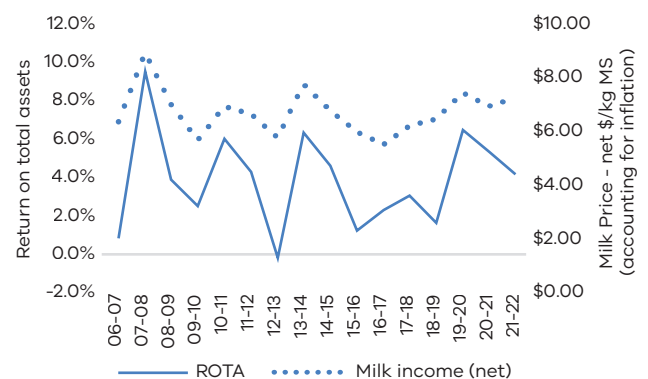


0.3 t DM/cow increase in average supplements fed (total 3.1 t DM/cow)

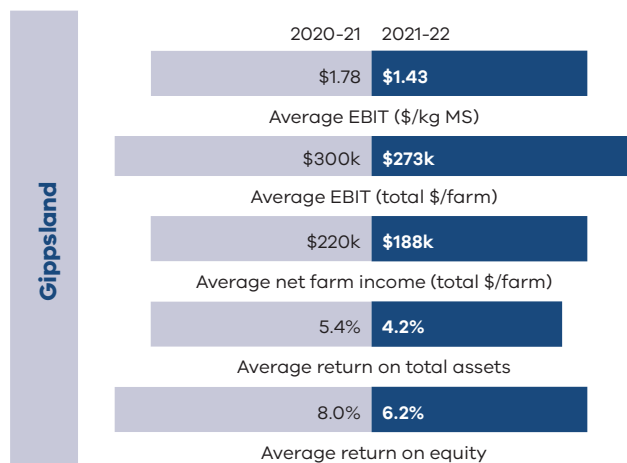


Highest total costs (variable and overhead) in 16 years of DFMP

Return on total assets and milk price



In 2021-22, 21 of the 25 Gippsland participants (84 per cent) had a positive return on total assets



Future expectations 2022-23



Of the farmers who responded, 80 per cent of farmers expect business returns to improve or remain stable

Concerns as reported by farm businesses:



Input costs

20%



Milk price

15%



Pasture/
fodder

15%



Climate/
seasonal
conditions

15%