

# Dairy Farm Monitor Project

## 2021-22 Victoria Statewide Performance



There were approximately **2,985** dairy farm businesses in Victoria that produced 5.42 billion litres or **67 per cent** of Australia's national milk production in 2021-22.



**9% ↑** increase in average milk price to **\$7.36/kg MS**

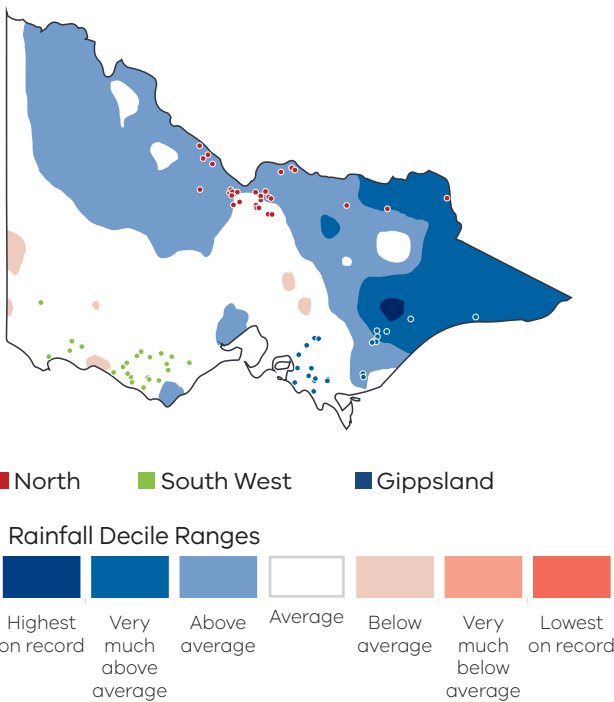
**20% ↑** in herd costs to **\$0.39/kg MS**

**6% ↑** in shed costs to **\$0.25/kg MS**

**21% ↑** in total feed costs to **\$3.45/kg MS**

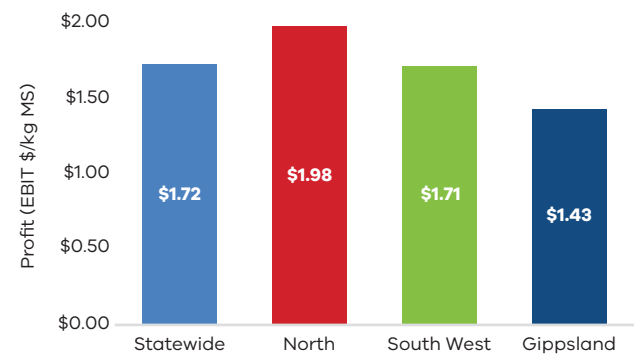
**12% ↑** in overhead costs to **\$2.68/kg MS**

### Dairy Farm Monitor Project farm locations and rainfall in 2021-22

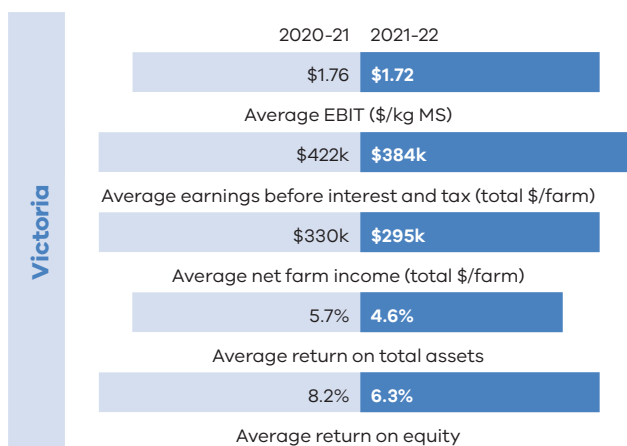


### Profitability

Increased costs across the state in all areas of the business reduced the benefit of positive livestock trading conditions and a higher milk price for the season. Northern Victoria had ideal growing conditions, while less favourable seasonal conditions in the South West Victoria and Gippsland further impacted profitability. The statewide average EBIT per farm was the fourth highest on record, accounting for inflation.



### In 2021-22, 96 per cent of all Victorian participants had a positive profit (77 out of 80)



### Future expectations 2022-23



Participant farmers were confident in their outlook for farm business returns in the coming 12 months (73 per cent of respondents expect returns to improve).