Dairy Farm Monitor Project
2021-22 Northern Victoria Overview

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, 30 farms are analysed.

# Dairying in Northern Victoria

Approximately 874 dairy farm businesses in Northern Victoria produced 1.59 billion litres of milk in 2021-22, accounting for 29 per cent of Victoria’s milk production output and 19 per cent of Australia's milk production.

# Physical farm characteristics

Stable herd size at slightly higher production per cow delivered an increase in total milk production compared to last year in Northern Victoria.

Northern Victoria typically has larger herds and irrigation infrastructure that supports more intensive production systems. Non-irrigated farms in Northern Victoria tend to be larger scale but are reliant on rainfall. While perennial pastures dominate in the other regions, annual pastures dominate in Northern Victoria and on average the milking cows consume less homegrown pasture

# Farm performance

### In 2021-22 all 30 participants recorded a positive return on total assets

|  |  |  |
| --- | --- | --- |
|  | 2020-21 | 2021-22 |
| Average earnings before interest and tax dollars per kilogram of milk solids sold | $1.76 | $1.98 |
| Average earnings before interest and tax | $500,000 | $483,000 |
| Average net farm income | $401,000 | $391,000 |
| Average return on total assets | 6.0% | 5.6% |
| Average return on equity | 7.5% | 7.2% |

# Farm profitability has been influenced by

Seven per cent increase in average milk price to $7.54/kg MS

Sixteen per cent increase in herd and shed costs to $0.61/kg MS

Nine per cent increase in total feed costs to $3.59/kg MS

Ten per cent increase in overhead costs to $2.54/kg MS

# Future expectations 2021-22

Northern Victorian participants are optimistic with 87 per cent expecting business returns to improve and 10 per cent expecting business returns to remain stable.

Concerns as reported by farm businesses; Input costs (19 per cent), labour (16 per cent), climate/seasonal conditions (15 per cent), and pasture/fodder (15 per cent).

Further information: [www.agriculture.vic.gov.au/dairyfarmmonitor](http://www.agriculture.vic.gov.au/dairyfarmmonitor)

If you would like to receive this publication in an accessible format, telephone 136 186 or email fmp.victoria@agriculture.vic.gov.au

Dairy Farm Monitor Project is provided with funding and support from the Victorian Government and Dairy Australia.