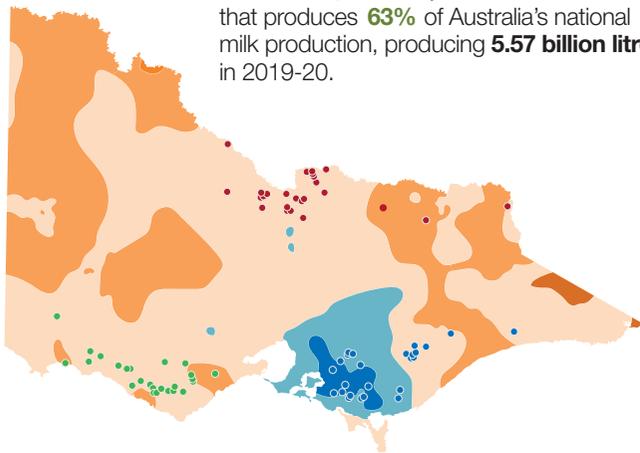


Dairy Farm Monitor Project

2019-20 Victoria Overview

- The Dairy Farm Monitor Project surveys farms across the state to provide industry and government with timely, farm level data for **targeted strategy** and **decision making**.
- Encourages the application of whole farm analysis principles on Victorian farm businesses.

There are **3,450** dairy farms in Victoria that produces **63%** of Australia's national milk production, producing **5.57 billion litres** in 2019-20.



Dairy Farm Monitor Project farm locations 2019-20

● North ● South West ● Gippsland

Rainfall Decile Ranges



In 2019-20, profit* was achieved on almost all farms (77 of the 80 farms)

2018-19	2019-20
\$85k	\$346k
	Average earnings before interest & tax
-\$24k	\$243k
	Average net farm income
0.7%	5.4%
	Average return on total assets
-3.5%	8.3%
	Average return on equity

Farm profitability has been influenced by



17% increase in average statewide milk price to \$7.15/kg MS

- Conditions were generally very dry for the first half of 2019-20 followed by excellent growing conditions in the second half of the financial year.
- Feed and water inventories increased, and farms also increased their use of imported supplements due to the dry first half of the year



Farmers adapted to their local seasonal and business conditions in 2019-20 leading to different profits shown across the regions



*Profit as measured by earnings before interest and tax per kilogram of milk solids

Concerns as reported by farmers

