Dairy Farm Monitor Project
2022-23 South West Victoria performance

Dairying in South West Victoria
Approximately 941 dairy farm businesses in South West Victoria produced 1.85 billion litres of milk in 2022-23, accounting for 36% of Victorian milk production output and 23% of Australia’s milk production.

Physical farm characteristics
- **1% ↓** Stable
- **2% ↑**

  - Average herd size: 385 cows
  - Milk solids sold: 526 kg MS/cow
  - Homegrown feed: 64% of metabolisable energy consumed

In 2022-23, all participants (25 of the 25) recorded a positive return on total assets

<table>
<thead>
<tr>
<th>South West Victoria</th>
<th>2021-22</th>
<th>2022-23</th>
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</thead>
<tbody>
<tr>
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<td>Milk solids sold</td>
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<tr>
<td>Homegrown feed</td>
<td>64%</td>
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<tr>
<td>Return on total assets</td>
<td>5.5%</td>
<td>9.9%</td>
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<tr>
<td>Return on equity</td>
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In 2022-23 farm profitability has been influenced by:

- 33% ↑ in average milk price to $9.81/kg MS
- 9% ↑ in herd and shed costs to $0.70/kg MS
- 17% ↑ in total feed costs to $4.08/kg MS
- 6% ↑ in overhead costs to $3.07/kg MS.

- 124% of long-term average rainfall saw wet conditions and reduced conserved feed

- 0.3 t DM/cow decrease in average supplements fed (total 3.7 t DM/cow)

- Highest total costs (variable and overhead) in 17 years of DFM.

Future expectations 2023-24
Four-in-five farmers expect business returns to decline or stabilise

Concerns as reported by farm businesses:
- Input costs: 19%
- Climate: 18%
- Pasture/fodder: 17%

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