

Dairy Farm Monitor Project

2022-23 Gippsland performance



Dairying in Gippsland



Approximately **1,027 dairy** farm businesses in Gippsland produced **1.82 billion litres** of milk in 2022-23 accounting for **35%** of Victoria's milk production output and **22%** of Australia's milk production.

In 2022-23 farm profitability has been influenced by:



35% ↑ in average milk price to **\$9.63/kg MS**

11% ↑ in herd and shed costs to **\$0.71/kg MS**

25% ↑ in total feed costs to **\$4.19/kg MS**

9% ↑ in overhead costs to **\$2.83/kg MS**.

Physical farm characteristics

7% ↑



Average herd size

344 cows

2% ↑



Milk solids sold

481 kg MS/cow

4% ↓



Homegrown feed

60% of metabolisable energy consumed



4% decrease in homegrown feed (pasture plus conserved) due to wet conditions

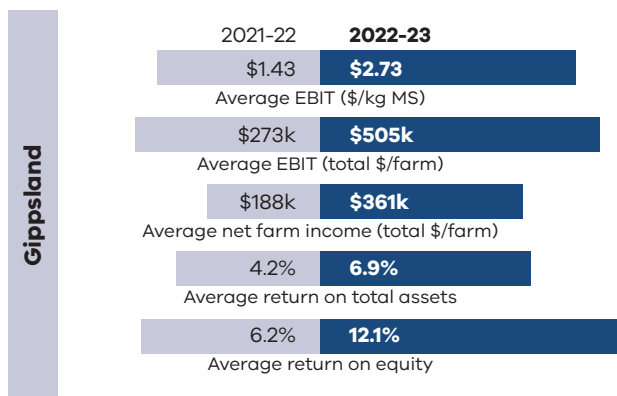


0.2 t DM/cow increase in average supplements fed (increased to 3.0 t DM/cow) at higher unit prices



Highest total (\$/kg MS) costs (variable and overhead) in 17 years. Largest contributors were elevated grain and fodder prices.

In 2022-23, 24 of the 25 Gippsland participants (96%) had a positive return on total assets



Return on total assets and milk price



Future expectations 2023-24



Three quarters of farmers expect business returns to stabilise

Concerns as reported by farm businesses:



Labour

18%



Input Cost

18%



**Climate/
seasonal
conditions**

16%



**Pasture/
fodder**

16%