

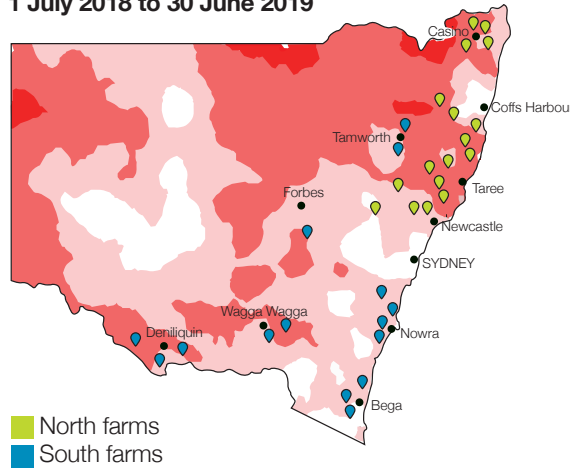
Dairy Farm Monitor Project

2018/19 - New South Wales Overview

- The NSW 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.
- The relevant economic and production benchmarks also enable informed decision making for farm businesses.

DFM Farm Locations and Rainfall

1 July 2018 to 30 June 2019



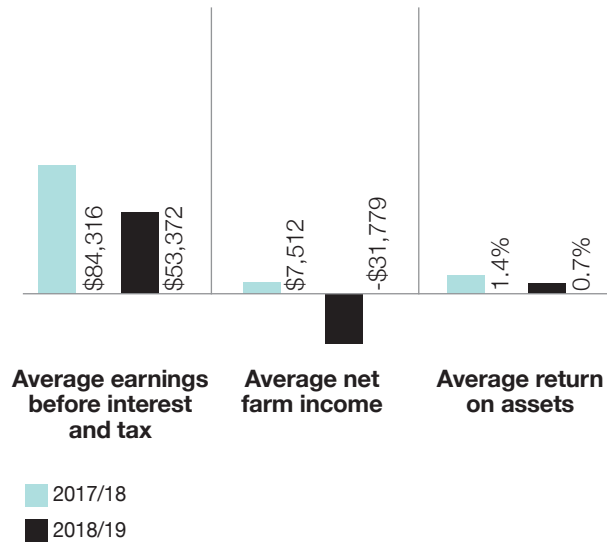
Rainfall decile ranges

- Dark Blue: Highest on record
- Medium Blue: Very much above average
- Light Blue: Above average
- White: Average
- Light Red: Below average
- Medium Red: Very much below average
- Dark Red: Extremely low

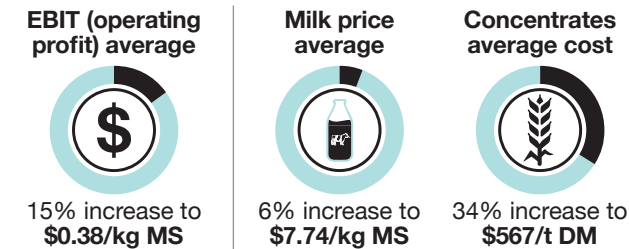
Seasonal conditions

- 100% of NSW in drought
- Below average rainfall
- Record January temperatures

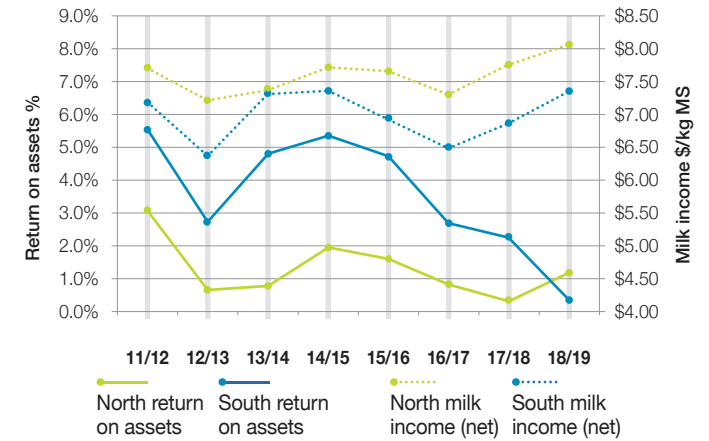
2018/19 saw returns lower than the previous year, the lowest in 8 years of the project.



Farm profitability (EBIT) – was influenced by



Eight year trend - shows increase in milk income, downturn in return on assets in the South but an increase in the North.

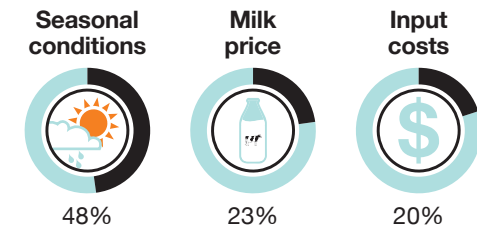


Expectations 2019/20



80% of farmers expect improvement or no change of profits while 20% expect deterioration

Major concerns as reported by farmers



Acknowledgements - Dairy Farm Monitor Project is provided with funding and support from the NSW Government and Dairy Australia. This project is delivered primarily through partnerships between the NSW Department of Primary Industries and Dairy Australia.

Further information - Refer to the Dairy Farm Monitor Project NSW Annual Report 2018/19 for further information - www.dairyaustralia.com.au/Business-and-financials/Dairy-Farm-Monitor-Project.aspx

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Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (November 2019). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of the Department of Primary Industries or the user's independent adviser.



Department of Primary Industries

Dairy Farm Monitor Project

2018/19 - NSW Region Overview - 32 farms

North

In Northern NSW, 17 farms were analysed



Average herd size
328 cows



Usable area
299 ha



Milk production
443 kg MS/cow
6158 L/cow



Labour efficiency
73 cows/FTE

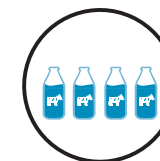
Physical farm characteristics



Average herd size
424 cows



Usable area
390 ha



Milk production
546 kg MS/cow
7589 L/cow



Labour efficiency
72 cows/FTE

South

In Southern NSW, 15 farms were analysed

Higher milk price
8.07 kg/MS
58.6 cents/L



Higher cost of production
EBIT (operating profit) up
\$0.43 kg/MS
3.1 cents/L

Farm profitability was influenced by

Higher milk price
\$7.37 kg/MS
54.9 cents/L



Higher cost of production
EBIT (operating profit) down
\$0.31 kg/MS
2.0 cents/L



Pasture utilisation was
8.8 t DM/ha



Pasture utilisation was
7.2 t DM/ha



88% of farmers expect an increase in the milk price



47% of farmers expect to increase milk production

Expectations for 2019/20



86% of farmers expect an increase in the milk price



21% of farmers expect to increase milk production