

# Dairy Farm Monitor Project 2022-23

## New South Wales Regional Overview - North

- The Dairy Farm Monitor Project (DFMP) provides industry and government with timely, farm level data to targeted strategy and decision making.
- DFMP encourages the application of whole farm analysis principles on NSW farm businesses.
- In the North, 17 farms were analysed.

### Dairying in the North

Seasonal conditions were very challenging again due to significant rainfall events causing flooding and prolonged wet periods. The far north coast region then became drought affected towards the end of the year and the Hunter was also very dry.

### Physical farm characteristics

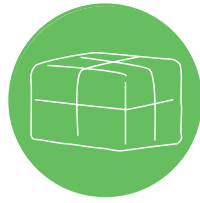
The average herd size of the north cohort declined slightly to 298 cows from 312 in 2021-22. Milk produced per cow declined from 461 kgMS/cow to 456 kgMS/cow. Farms were reliant on more imported feed due to the conditions.



Average herd size  
▼ 4%  
298 cows



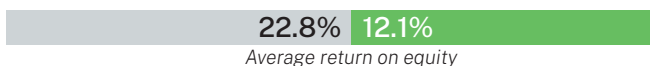
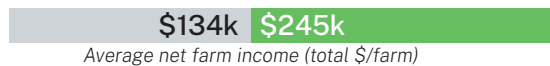
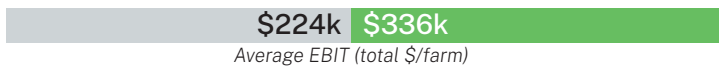
Milk solids sold  
▼ 1%  
456 kgMS/cow



Homegrown feed  
▼ 12%  
51% of metabolisable energy consumed

### In 2022-23, profit\* was achieved by 16 of the 17 farms

2021-22 2022-23



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

### Profitability influenced by

Higher 'purchased feed and agistment' costs with reliance on more imported feed due to seasonal conditions and higher labour costs, predominantly imputed labour cost.



▲ 25%  
in average milk price to **\$11.97/kg MS**



▼ 2%  
in herd and shed costs to **\$0.91/kg MS**



▲ 17%  
in total feed costs to **\$5.30/kg MS**



▲ 7%  
in total overhead costs to **\$4.58/kg MS**



▼ 8%  
in total homegrown feed (tDM/milking ha) due to wet conditions and flood impacts



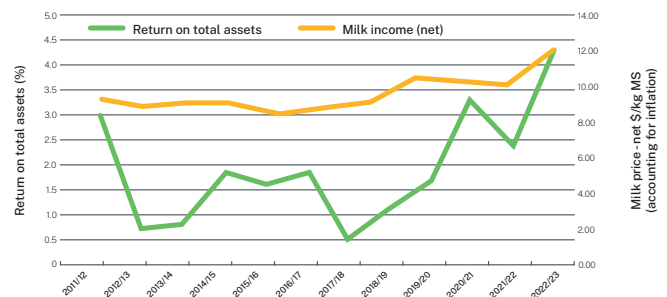
▲ 0.2 tDM/cow  
in average supplements\* fed (total 3.7 tDM/cow with no increase to average purchased concentrate fed per cow)



**Highest total costs**  
(variable and overhead) in 12 years of DFMP

\*Supplements fed on milking area and includes all feeds that are not directly grazed feed (purchased feeds and homegrown concentrate, silage or hay).

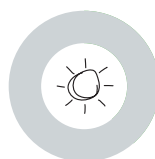
### Return on total assets managed and milk price



Average EBIT increased from \$1.33/kgMS in 2021-22 to **\$2.52/kgMS** in 2022-23.

### Farmer expectations 2023-24

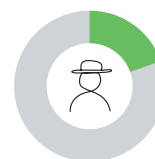
76% of farms in North are expecting returns to improve or remain stable. Concerns as reported by farm businesses:



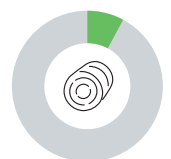
Climate/seasonal conditions  
**39%**



Input costs  
**31%**



Labour  
**19%**



Pasture/ fodder & milk price  
**6%**

# Dairy Farm Monitor Project 2022-23

## New South Wales Regional Overview - South

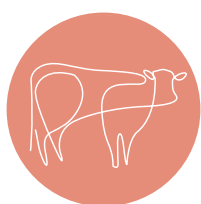
- The Dairy Farm Monitor Project (DFMP) provides industry and government with timely, farm level data to targeted strategy and decision making.
- DFMP encourages the application of whole farm analysis principles on NSW farm businesses.
- In the South, 19 farms were analysed.

### Dairying in the South

Seasonal conditions were very challenging again due to significant rainfall events causing flooding and prolonged wet periods. The far south coast region then became very dry towards the end of the year.

### Physical farm characteristics

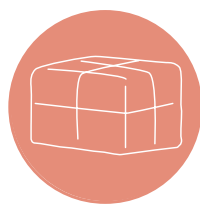
The average herd size of the south cohort increased to 520 cows from 437 in 2021-22. Milk produced per cow declined slightly from 575 kgMS/cow to 561 kgMS/cow. Farms were reliant on more imported feed due to the conditions.



Average herd size  
▲ 19%  
520 cows

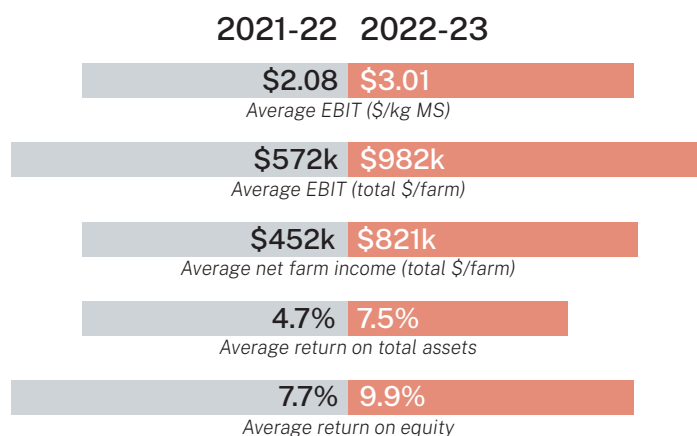


Milk solids sold  
▼ 2%  
561kg MS/cow



Homegrown feed  
▼ 7%  
48% of metabolisable energy consumed

**In 2022-23, profit\* was achieved by all 19 of the South farms**



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

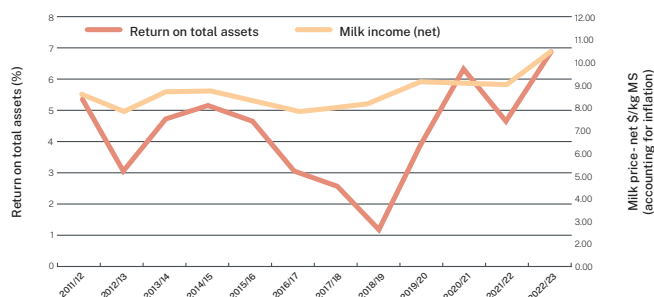
### Profitability influenced by

Higher 'purchased feed and agistment' costs with reliance on more imported feed due to seasonal conditions and higher herd and shed costs.

- ▲ 26% in average milk price to \$10.94/kg MS
- ▲ 18% in herd and shed costs to \$0.72/kg MS
- ▲ 21% in total feed costs to \$4.80/kg MS
- ▲ 9% in total overhead costs to \$3.54/kg MS
- ▼ 18% in total homegrown feed (tDM/milking ha) due to wet conditions and flood impacts
- ▲ 0.4 tDM/cow in average supplements\* fed (total 5.7 tDM/cow with no increase to average purchased concentrate fed per cow)
- Highest total costs (variable and overhead) in 12 years of DFMP

\*Supplements fed on milking area and includes all feeds that are not directly grazed feed (purchased feeds and homegrown concentrate, silage or hay).

### Return on total assets managed and milk price



Average EBIT increased from \$2.08/kgMS in 2021-22 to \$3.01/kgMS in 2022-23.

### Farmer expectations 2023-24

74% of farms in North are expecting returns to improve or remain stable. Concerns as reported by farm businesses:

