

NSW Dairy Industry Farm Monitor Report 2021/22



Department of Primary Industries

Results from the 2021/22 Dairy Farm Monitor Project have revealed that 92% of participating farms reported a positive profit despite challenging extreme weather conditions.

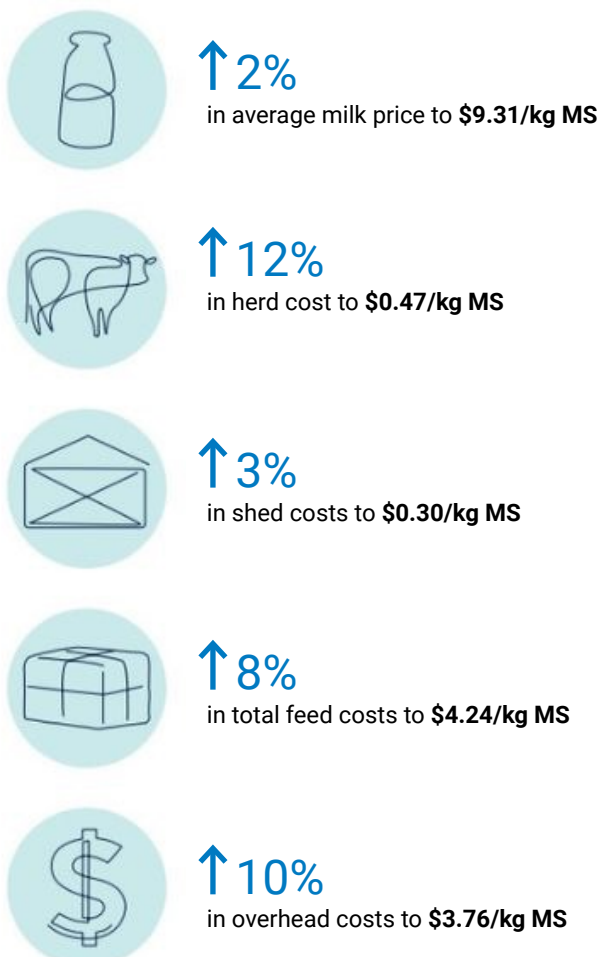
NSW DPI Dairy Farm Business Management Development Officer Sheena Carter said strong prices received for milk and favourable livestock trading positions generally enabled farm businesses to manage the impact of very wet conditions and higher costs.

"While we saw gross farm incomes increase slightly on average across the State, higher input costs, particularly for feed, animal health, fertiliser and labour reduced business profit margins in comparison to the previous financial year," Mrs Carter said.

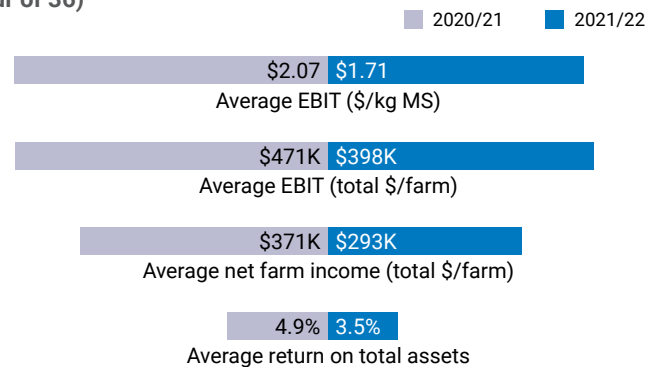
"Meanwhile, the farms that had negative profits or lower profits were predominantly farms that were severely impacted by the prolonged wet conditions or flooding, so their results are not surprising."

Report Snapshot

In 2021/22 farm profitability for NSW has been influenced by:



In 2021/22, 92% of all NSW participants had a positive profit (33 out of 36)



2021-22 Dairy Farm Monitor Overview

"The average profit, or earnings before interest and tax, was \$1.71/kgMS which is well above the long-term average of \$1.16/kgMS for NSW," Dairy Australia Lead Farm Business Data, Helen Quinn said.

"The profit was slightly lower than the previous financial year, but this is not surprising given the challenging wet conditions seen across most of NSW and the higher input costs experienced."

Now in its 11th year in NSW, the Dairy Farm Monitor Project, which is a joint initiative between the NSW Department of Primary Industries and Dairy Australia, continues to record data on the profitability and performance of participating dairy farms spread across NSW to provide industry and government with farm-level data to inform targeted strategy and decision making.

"The benefit for the participating farmers is that their individual farm report enables them to understand drivers of profit in their business and review this over time and potentially identify areas for improvement," Mrs Carter said.

"It also gives an indication about where things are sitting within the industry and gives us an indication of trends over time."

What is the Dairy Farm Monitor Project

While the data provides crucial insight into the industry, Mrs Carter said it was important to remember that real people represented those numbers.

"Sometimes we get too caught up in the numbers and forget that there's a story behind them," Mrs Carter said.

"Everyone's dairying for different reasons and they're all managing different resources, but I think one thing that they have in common is that they've all been under a lot of a lot of pressure in recent years. Last financial year was incredibly wet for many of the farms. Prior to that, we had severe drought and fires, so there have been many farmers under a lot of stress for some time."

If you are a NSW dairy farmer who would like to participate in the project this year, please reach out to [Sheena Carter](#) at NSW DPI for further information.

[Click here to download the 2021/22 Dairy Farm Monitor Project Report](#)