

Dairy Farm Monitor Project

2024-25 South West Victoria performance



Dairying in South West Victoria



Approximately **831** dairy farm businesses in South West Victoria produced **1.76 billion litres** of milk in 2024-25, accounting for **33.4%** of Victorian milk production output and **21.1%** of Australia's milk production.

Physical farm characteristics

8% ↑



Average herd size
438 cows

Stable



Milk solids sold
529 kg MS/cow

6% pt ↓



Homegrown feed
59% of
metabolisable
energy consumed

In 2024-25, most participants (22 of the 25) recorded a positive return on total assets

	2023-24	2024-25
Average EBIT (\$/kg MS)	\$2.40	\$1.26
Average net farm income (\$/kg MS)	\$1.55	\$0.30
Average return on total assets	4.6%	2.5%
Average return on equity	5.6%	0.7%

Future expectations 2025-26



Two-thirds of farmers expect business returns to improve or stabilise

Greenhouse gas emissions

3,670 t CO ₂ -e/farm	2024-25 Greenhouse gas emissions	0.92 kg CO ₂ -e/kg FPCM
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In 2024-25 farm profitability has been influenced by:



9% ↓ in average milk price
to **\$8.70/kg MS**

5% ↑ in feed costs to **\$4.46/kg MS**

Steady overhead costs to **\$3.13/kg MS**



77% of long-term average rainfall.
Lowest rainfall on record for some parts
of the region over the last 24 months



0.5 t DM/cow increase in average
supplements fed (total 4.7 t DM/cow)



Drew down heavily on feed inventory
reserves and sold young and other
livestock to manage dry conditions

Return on total assets and milk price



Concerns as reported by farm businesses:



Climate
19%



Milk price
17%



Pasture/ fodder
17%