

Economic Development,
Jobs, Transport
and Resources

Livestock Farm Monitor Project

Victoria
2015-16

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project website at:
<http://agriculture.vic.gov.au/agriculture/livestock/farm-monitor-project>

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The year in review

State summary

Average profitability for Victorian livestock farmers increased in 2015-16 compared to the previous year. Earnings before interest and tax (EBIT) increased from \$133/ha in 2014-15 to \$157/ha in 2015-16. Return on assets also increased from 2.1% to 2.4% while gross farm income increased from \$633/ha to \$683/ha and return on equity increased from 1.5% to 1.7% (Table 1).

The increased profitability was mainly driven by greatly improved cattle prices. Wool prices also rose across the board, while lamb prices were variable from region to region, but remained similar to last year. Stocking rates were slightly lower than last year and while variable, wool, lamb and beef production per hectare all decreased from the previous year. Variable costs, in particular supplementary feed and agistment costs, increased this year as a result of a second dry year, while overhead costs also increased. Long term average rainfall over all participants is 685 mm, while an average of only 560 mm was received in 2015-16.

TABLE 1. STATE SUMMARY

	2014-15	2015-16
Gross farm income (\$/ha)	633	683
Earnings before interest and tax (\$/ha)	133	157
Return on assets	2.1%	2.4%
Return on equity	1.5%	1.7%

In 2015-16 farm profitability was the second highest in recent history of the Livestock Farm Monitor Project as shown in Figures 1 and 2.

FIGURE 1. AVERAGE EARNINGS BEFORE INTEREST AND TAX (EBIT)

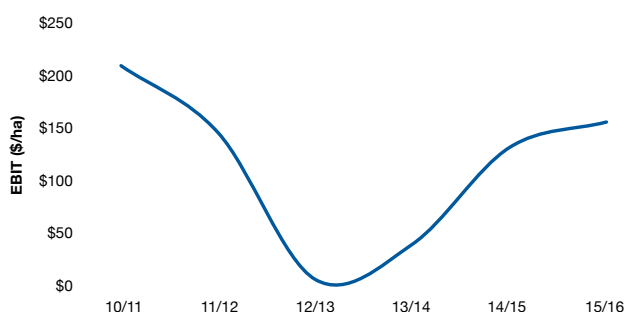
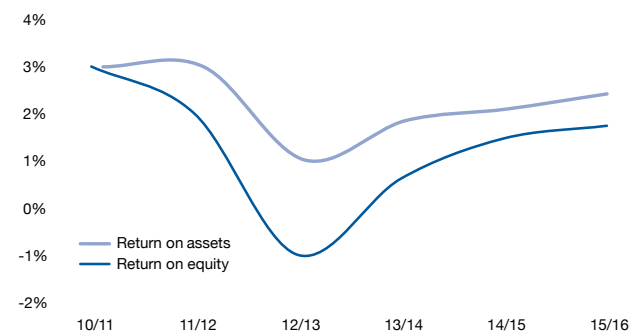


FIGURE 2. RETURN ON ASSETS AND RETURN ON EQUITY COMPARISON



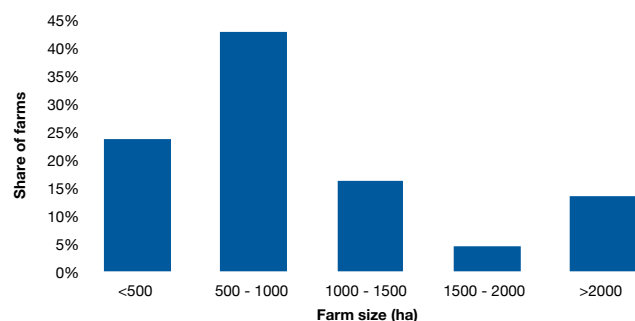
Across the state, lamb was displaced by beef as the most profitable enterprise returning earnings before interest and tax of \$255/ha followed by lamb with \$114/ha and wool with \$71/ha. (Table 2).

TABLE 2. STATE ENTERPRISE EARNINGS BEFORE INTEREST AND TAX (EBIT)

	2014-15	2015-16
Wool earnings before interest and tax (\$/ha)	45	71
Lamb earnings before interest and tax (\$/ha)	173	114
Beef earnings before interest and tax (\$/ha)	144	255

Participant farms were selected according to farm size, location and enterprise mix. The distribution of farm sizes is shown in Figure 3.

FIGURE 3. DISTRIBUTION OF FARM SIZES



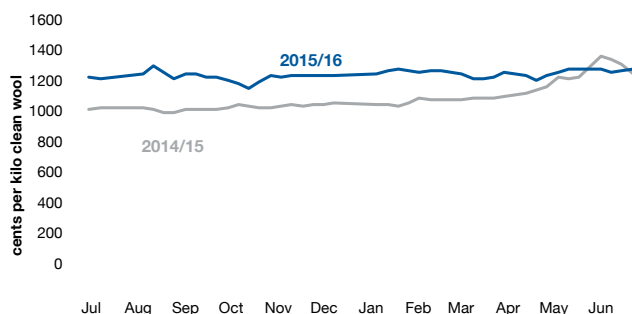
Wool

Wool prices were less volatile in 2015-16 compared to 2014-15. Price remained flat for much of the year.

The southern wool indicator price started 2015-16 at 1,263 c/kg clean and averaged 1,252 c/kg clean for the year. Compared to an average of 1,094 c/kg clean in 2014-15.

China continues to be the main export market for Victorian wool, the quantity exported was lower but strong demand supported a higher price across the year.

FIGURE 4. SOUTHERN WOOL MARKET INDICATOR



Data: AWEX

Lamb

The Eastern States Trade Lamb Indicator finished the year at almost the same point as June 2015. The difference for 2015-16 was the price in spring declining at a more traditional rate. The average indicator price in 2014-15 was 521c/kg cwt in 2015-16 it was 544c/kg cwt.

Victorian sheep meat exports in 2015-16 were reasonable, while mutton exports were lower driven by reduced slaughter rates. The volume of lamb exported increased despite a decline in unit price.

FIGURE 5. EASTERN STATES TRADE LAMB INDICATOR



Data: MLA

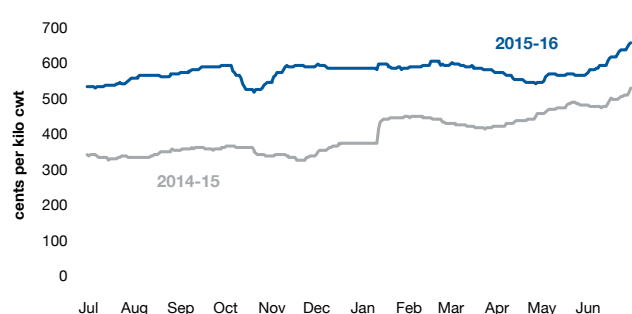
Beef

The price for cattle in 2015-16 started significantly higher at 532 c/kg cwt compared to 343 c/kg cwt in 2014-15.

The Eastern Young Cattle Indicator closed the year at 659 c/kg cwt and averaged 571 c/kg cwt for the financial year. Although price did not climb as quickly as 2014-15 it remained at historic highs consistently across 2015-16.

Victorian beef exports declined 17% in 2015-16 as producers look to rebuild herds on the back of favourable weather conditions. Export demand from the USA softened largely driven by growth in the US herd size.

FIGURE 6. EASTERN YOUNG CATTLE INDICATOR



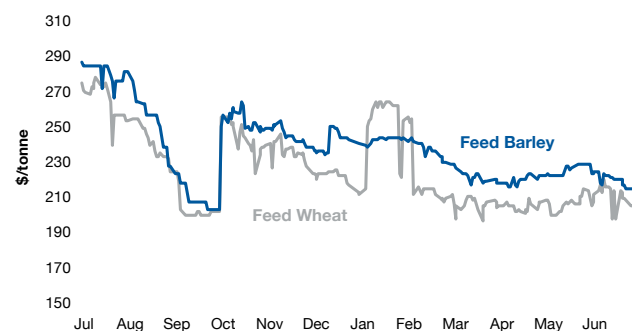
Data: MLA

Feed

Victorian hay prices trended higher for most of the year, and demand remained high, quickly depleting local supply.

Feed wheat and feed barley was cheaper in 2015-16, the need to feed livestock through a dry summer period was met with quality downgrades to wheat and barley crops resulting in adequate supply of feed grain.

FIGURE 7. 2015-16 VICTORIAN FEED GRAIN PRICE



Data: Profarmer

Weather

Weather conditions in Victoria were variable in 2015-16, however, much of the state was significantly impacted by dry seasonal conditions. Rainfall in central and western parts of the state was below average to very much below average, as was West Gippsland, while East Gippsland was closer to average. The north east region of the state received more rainfall and was generally average.

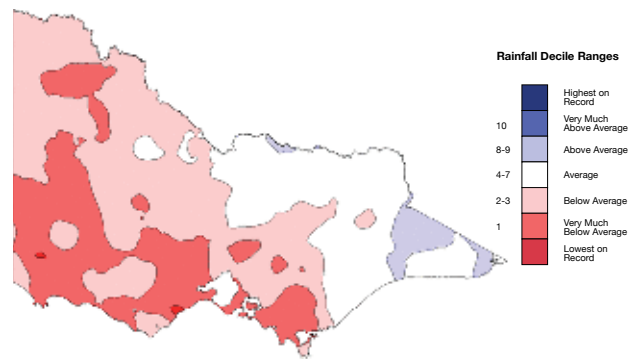
The critical spring months were particularly affected with most of the state receiving below average to very much below average rainfall in August, September and October 2015. There was no reprieve over the summer months with average temperatures reaching their highest decile on record for almost the entire state.

April, May and June were the saving months in 2015-16 with above average to very much above average rainfall across most of the state in particular the south west and north east. Dams, swamps and lakes all began to fill and have continued to do so through winter and spring of 2016.

The average temperature decile for much of the state has reached its highest point on record for 12 months to July 2016. In 2015-16 producers saw the extent of hotter than average temperatures, both from a challenging point of view across spring and summer, to warmth being beneficial for pasture growth later in 2015-16.

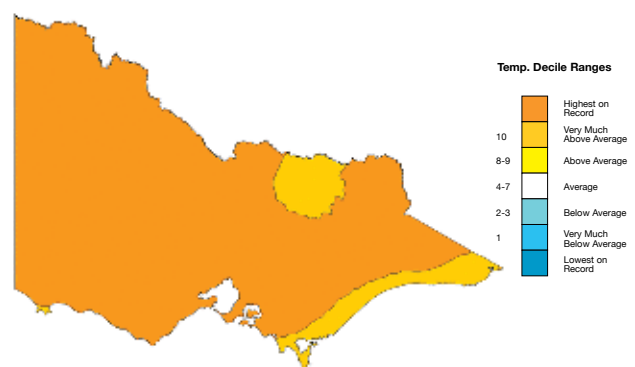
The regional chapters provide more detail on the 2015-16 seasonal conditions.

FIGURE 8. VICTORIAN RAINFALL DECILES JULY 2015 TO JUNE 2016 (BOM, 2015)



Source: Bureau of Meteorology

FIGURE 9. VICTORIAN TEMPERATURE DECILES JULY 2015 TO JUNE 2016 (BOM, 2015)



Source: Bureau of Meteorology



About the research and acknowledgements

This report has been prepared through collaboration between the Department of Economic Development, Jobs, Transport and Resources and Rural Finance.

The Livestock Farm Monitor Project surveys farms to collect physical and financial information. Participant farms are selected according to farm size, location and enterprise mix. The results published in this report should not be taken to represent true averages because the farms are not selected at random.

This year 68 livestock farms participated. The distribution of cattle and sheep numbers are shown in Figures 10 and 11. Not all 2014-15 participants are in the 2015-16 report and there are new participants in this year's dataset. Therefore, care needs to be used when comparing the previous and current year's averages due to the variation in the dataset between years.

The method employed to generate the production and profitability data in this report is consistent with that used in previous Farm Monitor Project reports.

Not all benchmarking programs use the same method or terms for farm financial reporting and the allocation of items such as overhead costs and owner operator allowance against the farm enterprises will vary between financial benchmarking programs. Standard dollar values for stock on hand and dry sheep equivalent (DSE) ratings of livestock may also vary. For this reason, the results from different benchmarking programs should be compared with caution.

A small change has been made this year to sheep stocking rates to bring them into line with industry accepted values. This may result in overall DSE ratings decreasing slightly as a result of the change, rather than an actual change in stocking rate.

The Department of Economic Development, Jobs, Transport and Resources and Rural Finance are grateful for the cooperation of Victoria's livestock farmers who have contributed their data to this project.

FIGURE 10. DISTRIBUTION OF CATTLE NUMBER

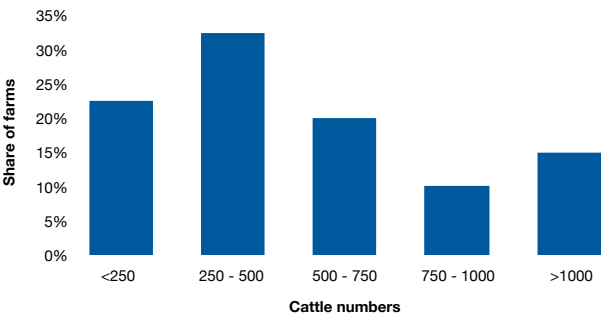
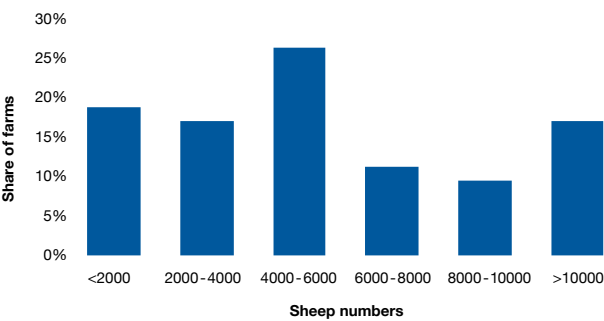


FIGURE 11. DISTRIBUTION OF SHEEP NUMBERS



Farm Monitor Methodology

This section explains the key figures used in the Livestock Farm Monitor Project and the method for how they are calculated.

The method employed to generate the profitability and production data in this report was adapted from the method described in *The Farming Game* (Malcolm et al. 2005) and is consistent with that used in previous Livestock Farm Monitor and Dairy Farm Monitor Reports.

The Livestock Farm Monitor Project measures the performance of livestock farm businesses using four key farm business performance indicators. Earnings before interest and tax and return on assets indicate the operational efficiency of the farming business. They provide a useful indicator to make comparison between farms as they show the returns to capital invested in the business.

Net farm income and return on equity show the returns to an individual's equity. They are influenced by the amount of debt and interest and lease charges on an individual farm.

To calculate these performance indicators, the Livestock Farm Monitor Project collects data about farm income, costs, assets and liabilities for the financial year. The 'Profit Map' on page 8 illustrates the framework of the methodology.

Earnings before interest and tax (EBIT)

EBIT is the return from all capital used in the business.

As different farms have different capital structures, the Livestock Farm Monitor Project uses EBIT to compare farms based on their main farming business, irrespective of how the business sources its capital.

Before 2013/14 Livestock Farm Monitor reports EBIT had been referred to as 'operating profit'.

Return on assets

Return on assets (RoA) indicates the overall earning of the total farm assets, irrespective of the capital structure of the business. It is EBIT expressed as a percentage of the total assets under management in the farm business, including the value of leased assets. This is the return from farming.

There is also a further return to the asset from any increase in the value of the assets over the year, such as land value. If land value goes up 5% over the year, this is added to the return from farming to give total return to the investment. This return to total assets can be compared with the performance of alternative investments with similar risk in the economy.

Net farm income

Net farm income is the final measure of profit for the farm business. It is what remains after all costs, including interest and lease costs, have been deducted from income. Net farm income is then used to pay tax and consumption, and what is left over is surplus, and therefore growth, as it can be invested into the business to expand the equity base; either by direct reinvestment or the repayment of debt.

Return on equity

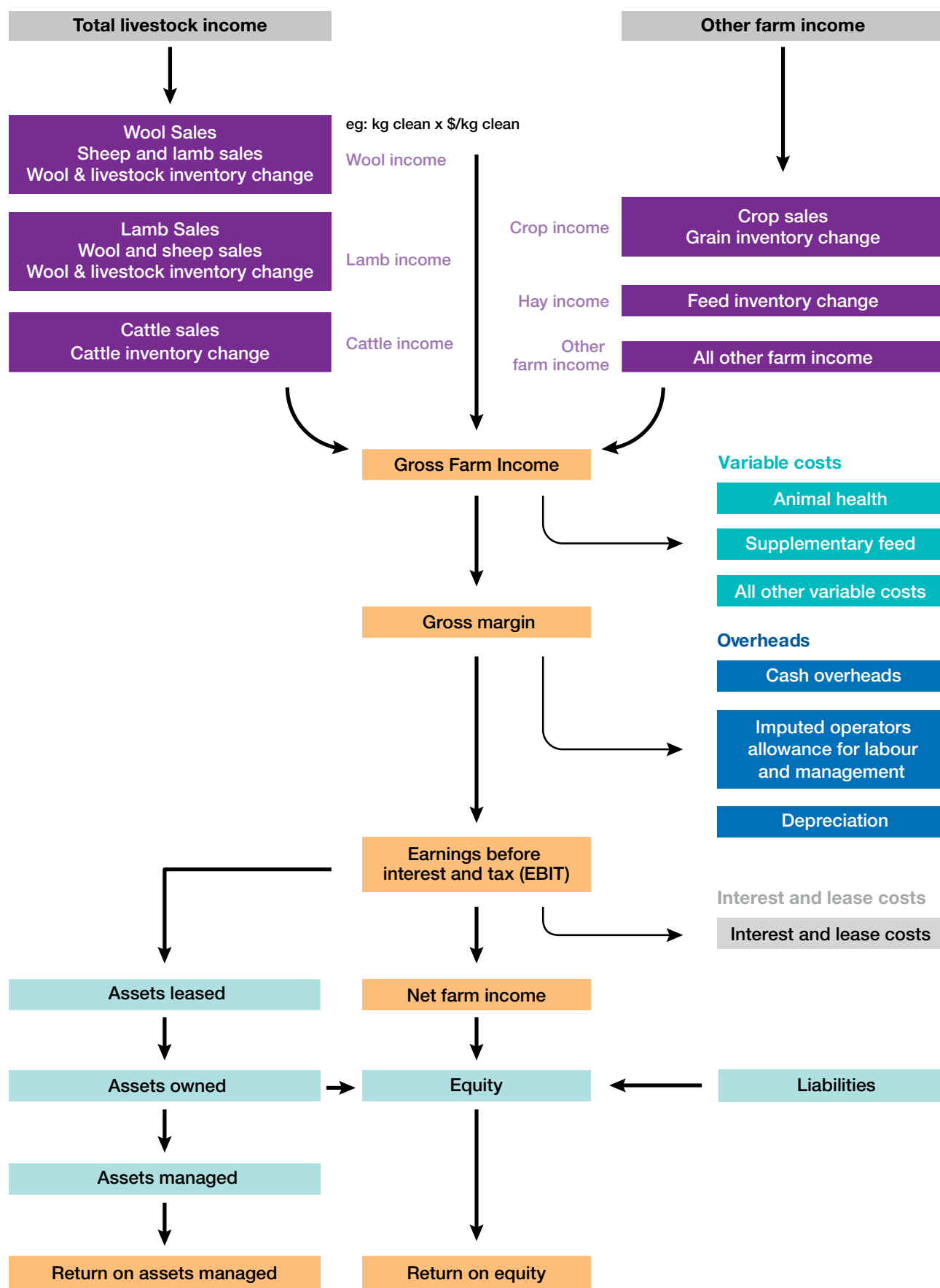
Return on equity (RoE) measures the owner's rate of return on their own capital investment in the business. It is net farm income expressed as a percentage of equity.

The Livestock Farm Monitor Project reports RoE with and without capital appreciation. This is to distinguish between productivity gains (RoE without capital appreciation) and capital gains (RoE with capital appreciation).

A healthy business will be in a strong position in all indicators. However, at some stages of the farm business cycle some indicators may appear unfavourable, such as the case of farm improvements decreasing equity in order to improve profits in the future.

Descriptions of the other financial indicators highlighted in the Profit Map are provided in the Glossary.

Profit Map



¹ Profit map adapted from Queensland Dairy Accounting Scheme - 2010
with permission from Ray Murphy, Department of Agriculture, Forestry and Fisheries, Queensland.

Gippsland

Gippsland has experienced a variable 2015-16 with some areas faring well, while others endured one of the more difficult seasons for some years. Seasonal conditions in East Gippsland were reasonable, while South and West Gippsland experienced a failed spring, with many farmers even facing shortages of stock water. In these areas many farmers chose to destock, turning animals off before they were finished, while others spent heavily on brought in feed. Some summer rain was welcome and while the autumn was later than normal, winter rainfall has been significant.

Fast Facts

In 2015-16 Gippsland farms averaged 877 hectares, and on average ran 525 head of cattle and 3,928 sheep.

TABLE 3. GIPPSLAND WHOLE FARM PHYSICAL SUMMARY

	Average	Top 20%*
Sheep (head)	3,928	6,231
Cattle (head)	525	682
Labour efficiency (ha/person)	403	508
Labour efficiency (DSE/person)	6,475	8,542
Hectares	877	1,459

*Top 20% ranked by EBIT per hectare

In 2015-16 beef remained the dominant enterprise for both the average and top 20% of livestock farms in Gippsland.

TABLE 4. GIPPSLAND ENTERPRISE MIX

	Average	Top 20%*
Wool	25%	32%
Lamb	14%	16%
Beef	57%	38%
Hay / cropping	4%	14%

*Top 20% ranked by EBIT per hectare

Overall in 2015-16, Gippsland experienced drier than normal conditions. Rainfall for the year averaged across Livestock Farm Monitor farms was 680mm, which was lower than the long term average of 817mm. There was considerable variation with some farms receiving close to their long term average, while others received as low as 60% of long term average rainfall.

Whole farm financial characteristics

Gross income generated by livestock farms in Gippsland was higher in 2015-16 compared to the previous year, driven by higher cattle prices for the second year in a row, but also strong wool prices. Variable costs were higher this year, mainly due to high supplementary feed and agistment costs, while overhead costs remained similar and owner operator costs were higher. EBIT of \$152/ha was slightly less than the \$168/ha in 2014-15, however return on assets increased slightly from 2.0% in 2014-15 to 2.2% in 2015-16 and return on equity also improved from 1.5% to 3.2%.

The top 20% were characterised by generating considerably more income per hectare, but also incurring higher variable costs. Overall they achieved an EBIT of \$377/ha, down from \$577/ha in 2014-15, and also recorded strong return on assets and return on equity of 3.2% and 9.8% respectively

TABLE 5. GIPPSLAND WHOLE FARM FINANCIAL SUMMARY

	Average	Top 20%*
Gross income (\$/ha)	795	1007
Variable costs (\$/ha)	325	384
Overhead costs (\$/ha)	200	170
Owner operator allowance (\$/ha)	117	76
EBIT (\$/ha)	152	377
Net farm income (\$/ha)	88	245
Return on assets (%)	2.2	3.2
Return on equity (%)	3.2	9.8
Equity (%)	79	55
Stocking rate (dse/ha)	15.7	14.5

*Top 20% ranked by EBIT per hectare

FIGURE 12. EARNINGS BEFORE INTEREST AND TAX (\$/HA)

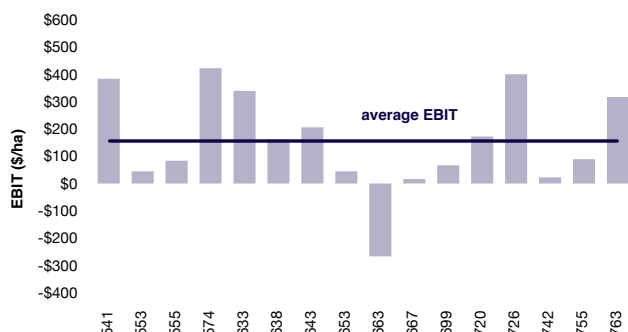


FIGURE 15. RETURN ON EQUITY

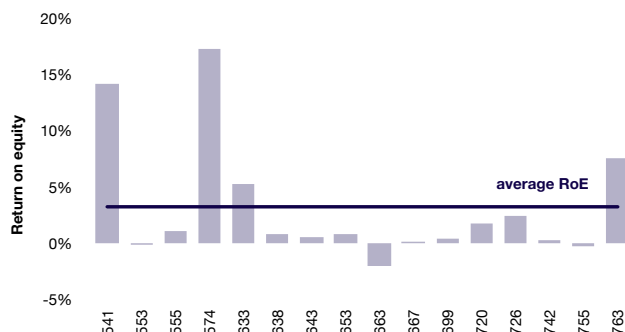


FIGURE 13. NET FARM INCOME (\$/HA)

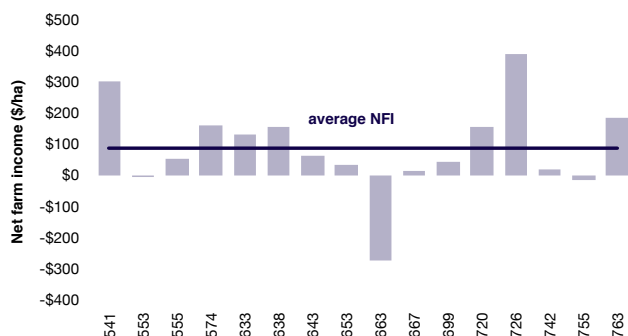


FIGURE 16. EBIT HISTORY

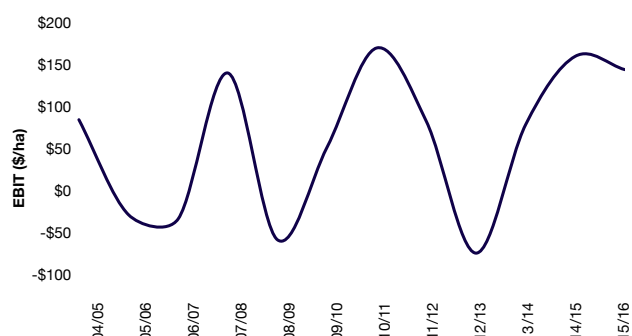


FIGURE 14. RETURN ON ASSETS

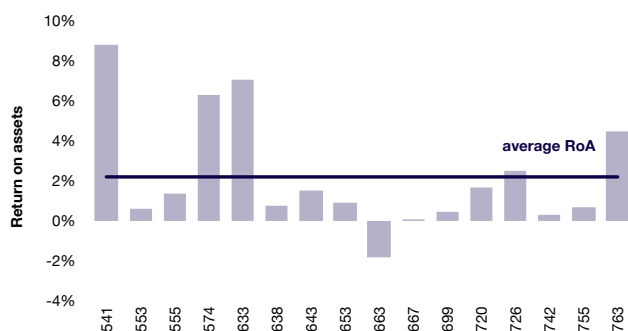
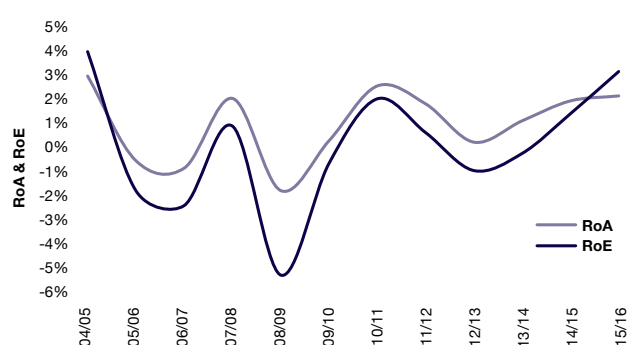


FIGURE 17. ROA AND ROE HISTORY



Wool

The average wool enterprise in Gippsland increased profitability in 2015-16. This was driven mainly by higher wool prices that increased from \$ 10.71/kg clean in 2014-15 to \$12.47/kg clean in 2015-16. Lamb marking percentages also increased as did wool yield. Variable costs were higher, mainly due to increased spending on supplementary feed and agistment. EBIT increased considerably from \$1.62/kg clean and \$45/ha in 2014-15 to \$6.35/kg clean and \$232/ha in 2015-16 (Figure 18).

The top 20% were characterised by higher wool production however they achieved a lower price compared to the average. They had lower supplementary feed and agistment costs, and achieved an EBIT of \$8.67/kg clean and \$353/ha. This represented a considerable increase over the EBIT achieved by the top 20% of producers in 2014-15 of \$2.45/kg clean and \$97/ha.

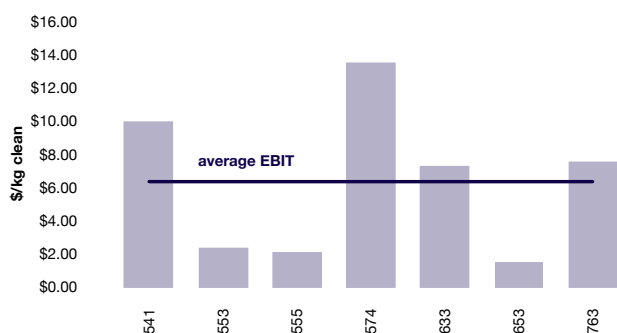
TABLE 6.
GIPPSLAND WOOL ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	12.9	11.0
Average micron	17.7	18.8
Average yield (%)	73	74
Lamb marking (%)	81	83
Wool price received (\$/kg clean)	12.47	12.09
Clean wool cut (kg/ha)	37.0	38.2
Clean wool cut (kg/dse)	3.0	3.7
Gross margin (\$/dse)	36.59	59.00
Gross margin (\$/ha/100mm)	76.36	103.79
EBIT (\$/kg clean) **	6.35	8.67
EBIT (\$/ha)**	232	353

* Top 20% ranked according to gross margin per ha per 100mm of rainfall

** Top 20% ranked according to wool EBIT per hectare

FIGURE 18. WOOL ENTERPRISE EBIT



Lamb

Lamb profitability decreased across Gippsland participants in 2015-16 mainly as a result of decreased prices received. Lamb marking percentages decreased slightly and average weight of lambs sold increased. Variable costs increased, driven by supplementary feed and agistment, as well as pasture costs and subsequently EBIT decreased from \$2.77/kg cwt and \$365/ha in 2014-15 to \$0.84/kg cwt and \$93/ha in 2015-16 (Figure 19).

The top 20% were characterised by a higher lambing percentage, higher lamb price, sold heavier lambs and achieved higher production. Despite higher variable costs they achieved an EBIT of \$3.24/kg cwt and \$501/ha. The figure was decreased from the EBIT of \$6.84/kg cwt and \$622/ha recorded by the top 20% in 2014-15.

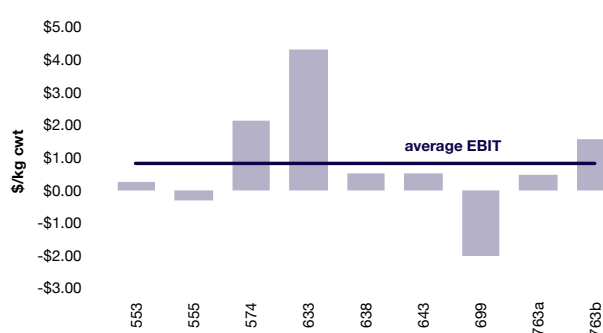
TABLE 7.
GIPPSLAND LAMB ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	15.7	16.2
Lamb marking (%)	102	108
Average lamb weight (kg cwt)	20.3	22.6
Average lamb price (\$/kg cwt)	4.77	4.96
Lamb produced (kg cwt/ha)	148	236
Gross margin (\$/dse)	33.15	71.52
Gross margin (\$/ha/100mm)	73.19	141.19
EBIT (\$/kg cwt)**	0.84	3.24
EBIT (\$/ha)**	93	501

* Top 20% ranked according to gross margin per 100mm of rainfall

** Top 20% ranked according to lamb EBIT per hectare

FIGURE 19. LAMB ENTERPRISE EBIT



Beef

For the second year running higher beef prices were the highlight for the 2015-16 year with the average price rising from \$1.85/kg lwt in 2014-15 to \$2.82/kg lwt in 2015-16. In addition, more beef was produced, while average weight of animals sold was lighter. Variable costs were higher, driven by higher supplementary feed and agistment and pasture costs. Overall, EBIT increased from \$0.18/kg lwt and \$144/ha in 2014-15 to \$0.43/kg lwt and \$150/ha in 2015-16 (Figure 20).

The top 20% of beef enterprises in Gippsland were characterised by a higher stocking rate, higher production per hectare, higher sale weights and higher prices. Variable costs were similar and they achieved an EBIT of \$1.25/kg lwt and \$421/ha. This was a considerable increase over the EBIT of \$0.49/kg lwt and \$284/ha achieved by the top 20% of beef producers in 2014-15.

FIGURE 20. BEEF ENTERPRISE EBIT

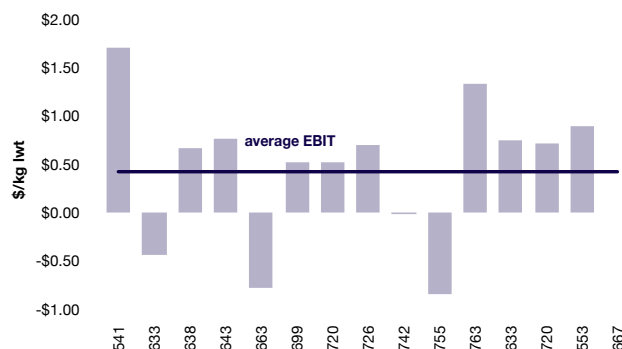


TABLE 8.
GIPPSLAND BEEF ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	15.7	17.4
Calving (%)	91	88
Average beef weight (kg lwt)	407	414
Average beef price (\$/kg lwt)	2.57	2.82
Beef produced (kg lwt/ha)	289	375
Gross margin (\$/dse)	30.35	40.21
Gross margin (\$/ha/100mm)	67.07	103.01
EBIT (\$/kg lwt)**	0.43	1.25
EBIT (\$/ha)**	150	421

* Top 20% ranked according to gross margin per 100mm of rainfall

** Top 20% ranked according to beef EBIT per hectare



Northern Victoria

Conditions in Northern Victoria were characterised by a dry spring, in particular the critical months of August and October. This led to very little hay or silage cut and led to a second year of very high feed and agistment costs. Some areas also suffered from restricted access to stock water. There was good rain in January, which is usually not very beneficial in this area. The autumn break was later than normal and followed a long hot, dry period in February and March. Winter rainfall has been above average and with very few frosts, there has been some winter pasture growth.

Fast Facts

In 2015-16 Northern Victorian livestock farms averaged 1,045 hectares, and on average ran 391 cattle and 4,174 sheep.

TABLE 9. NORTHERN VICTORIA WHOLE FARM PHYSICAL SUMMARY

	Average	Top 20%*
Sheep (head)	4,174	6,560
Cattle (head)	391	1,120
Labour efficiency (ha/person)	584	757
Labour efficiency (DSE/person)	5,081	8,915
Hectares	1,045	1,712

*Top 20% ranked by EBIT per hectare

In 2015-16 wool remained the dominant enterprise for the average livestock farm in Northern Victoria, while beef was the main enterprise for the top 20%.

TABLE 10. NORTHERN VICTORIA ENTERPRISE MIX

	Average	Top 20%*
Wool	44%	25%
Lamb	26%	18%
Beef	26%	56%
Hay / cropping	4%	1%

*Top 20% ranked by EBIT per hectare

While the 2015-16 period was drier than average, conditions actually improved from the previous year. Rainfall for the year across Livestock Farm Monitor farms averaged 563mm which is less than the long term average of 652mm, but an improvement on the average of 469mm received in 2014-15.

Whole farm financial characteristics

Gross income generated by the average livestock farm in Northern Victoria was higher in 2015-16 compared to the previous year, mostly driven by increased beef prices. Production across all enterprises was down slightly to the previous year. Variable costs were higher, due mainly to higher supplementary feed and agistment costs, a factor of the second dry year. Overhead costs also increased and consequently, average EBIT reduced from \$86/ha in 2014-15 to \$77/ha in 2015-16. Return on assets also decreased from 1.9% to 1.4%, and return on equity decreased from 1.0 to -0.5%.

The top 20% of farms achieved considerably higher EBIT, driven by higher income per hectare, lower variable costs and lower overhead costs than the average.

TABLE 11. NORTHERN VICTORIA WHOLE FARM FINANCIAL SUMMARY

	Average	Top 20%*
Gross income (\$/ha)	513	758
Variable costs (\$/ha)	207	228
Overhead costs (\$/ha)	145	133
Owner operator allowance (\$/ha)	84	56
EBIT (\$/ha)	77	342
Net farm income (\$/ha)	17	293
Return on assets (%)	1.4%	5.2%
Return on equity (%)	-0.5%	5.4%
Equity (%)	72%	82%

*Top 20% ranked by EBIT per hectare

FIGURE 21.
EARNINGS BEFORE INTEREST AND TAX (\$/HA)

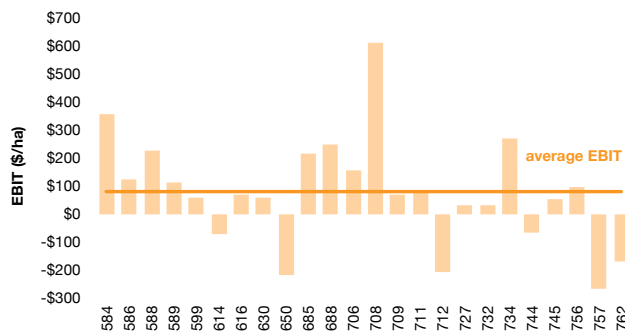


FIGURE 24. RETURN ON EQUITY

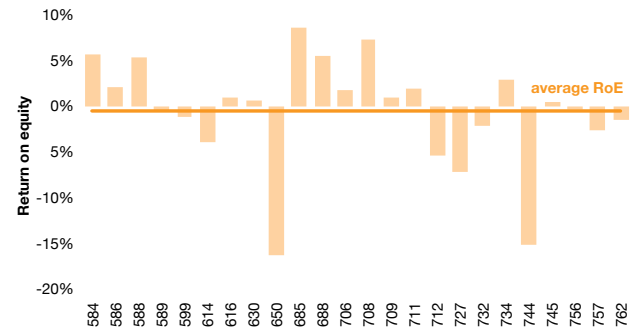


FIGURE 22. NET FARM INCOME (\$/HA)

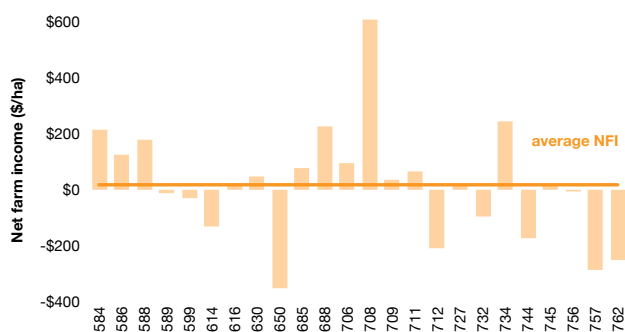


FIGURE 25. EBIT HISTORY

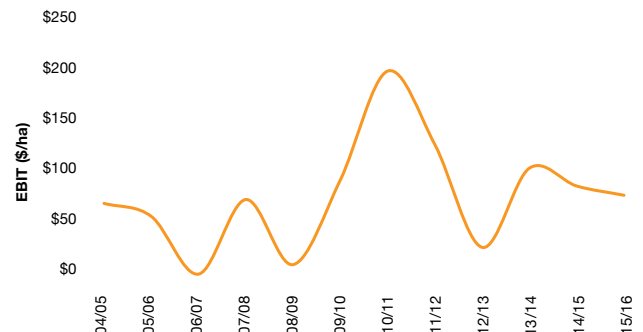


FIGURE 23. RETURN ON ASSETS

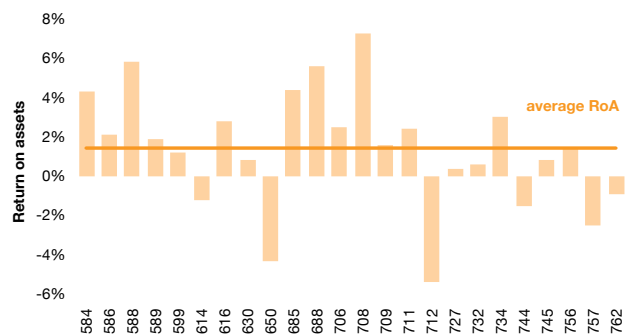
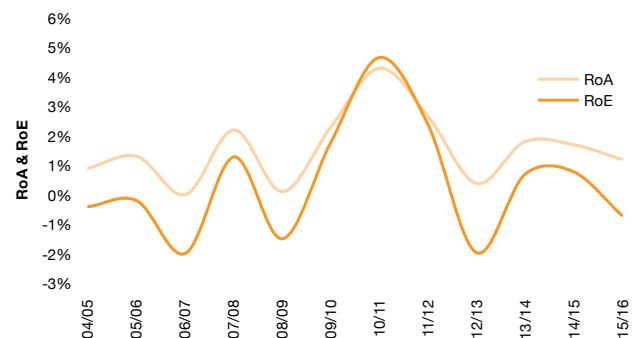


FIGURE 26. ROA AND ROE HISTORY



Wool

The average wool enterprise in Northern Victoria produced less wool than the previous year, but received a higher price for their wool. Average micron and yield were also slightly lower. Variable costs were higher, mostly due to higher supplementary feed and agistment costs, while overhead costs also increased. Subsequently, EBIT decreased from \$3.49/kg clean and \$105/ha in 2014-15 to \$1.21/kg clean and \$43/ha in 2015-16 (Figure 27).

The top 20% were characterised by a higher stocking rate and greater production of wool, but received a lower price for their wool. Their variable and overhead costs were lower and they spent less on supplementary feed and agistment, and subsequently, returned an EBIT of \$6.86/kg clean and \$146/ha. This performance was slightly less than the EBIT of \$7.35/kg clean and \$196/ha achieved by the top 20% of wool growers in 2014-15.

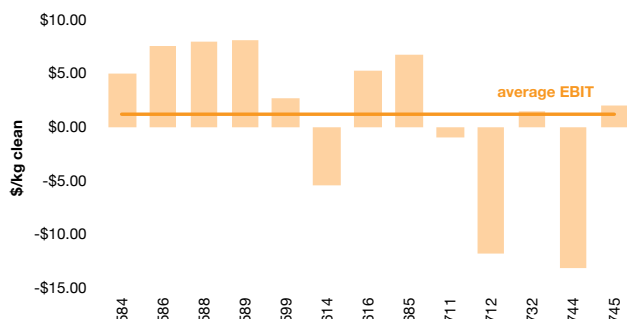
TABLE 12. NORTHERN VICTORIA WOOL ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	9.3	11.9
Average micron	17.8	17.9
Average yield (%)	69	70
Lamb marking (%)	85	82
Wool price received (\$/kg clean)	12.77	12.20
Clean wool cut (kg/ha)	19.0	23.8
Clean wool cut (kg/dse)	2.1	2.0
Gross margin (\$/dse)	24.89	29.67
Gross margin (\$/ha/100mm)	39.62	63.26
EBIT (\$/kg clean)**	1.21	6.86
EBIT (\$/ha)**	43	146

*Top 20% ranked according to gross margin per hectare per 100mm of rainfall

** Top 20% ranked according to wool EBIT per hectare

FIGURE 27. WOOL ENTERPRISE EBIT



Lamb

Lamb prices received in Northern Victoria increased slightly from \$4.85/kg cwt in 2014-15 to \$5.09/kg cwt in 2015-16. Lamb production slightly decreased from 84kg cwt/ha to 81kg cwt/ha and average lamb carcass weight also decreased from 20.7kg cwt to 20.0kg cwt. Lambing percentage increased from 112% in 2014-15 to 119% in 2015-16. Variable costs increased considerably driven by higher supplementary feed and agistment costs due to the dry year. Overhead costs also increased and subsequently EBIT decreased from \$1.14/kg cwt and \$81/ha in 2014-15 to \$0.45/kg cwt and \$36/ha in 2015-16. The poor performance of one participating farm had a major influence on the scale of this decrease (Figure 28).

The top 20% of prime lamb enterprises were characterised by higher stocking rates, producing more, but slightly lighter lambs and receiving higher prices. They also recorded higher lambing percentages. Their variable costs, in particular supplementary feed and agistment rose from the previous year but were much lower than the average. These producers recorded an EBIT of \$3.47/kg cwt and \$230/ha. This figure was a decrease over the EBIT of \$4.58/kg cwt and \$332/ha returned by the top 20% in 2014-15.

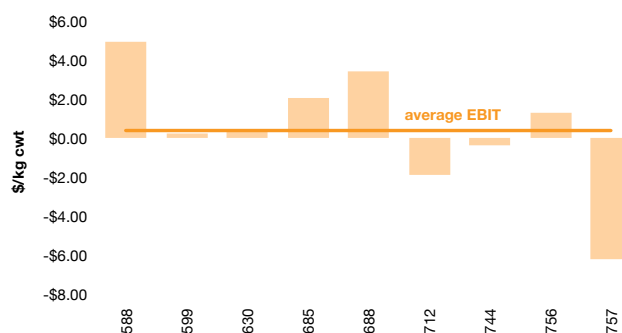
TABLE 13. NORTHERN VICTORIA LAMB ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	8.0	10.1
Lamb marking (%)	119	126
Average lamb weight (kg cwt)	20.0	19.2
Average lamb price (\$/kg cwt)	5.09	5.54
Lamb produced (kg cwt /ha)	81	84
Gross margin (\$/dse)	31.61	40.65
Gross margin (\$/ha/100mm)	41.82	77.53
EBIT (\$/kg cwt)**	0.45	3.47
EBIT (\$/ha)**	-36	230

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall

** Top 20% ranked according to wool EBIT per hectare

FIGURE 28. LAMB ENTERPRISE EBIT



Beef

Beef prices for producers in Northern Victoria increased from \$2.06/kg lwt in 2014-15 to \$2.69/kg lwt in 2015-16. Average sale weights dropped from 458kg lwt to 307kg lwt, however production increased from 233 kg lwt/ha to 242 kg lwt/ha. For the second year running supplementary feed and agistment costs increased considerably, from \$6.39/dse to \$8.93/dse and contributed to overall higher variable costs that increased from \$18.27/dse in 2014-15 to \$23.71/dse in 2015-16. Overhead costs also increased. However it was the influence of price that resulted in EBIT increasing from \$0.46/kg lwt and \$126/ha in 2014-15 to \$0.75/kg lwt and \$184/ha in 2015-16 (Figure 29)

The top 20% of beef enterprises were characterised by a higher stocking rate, much greater production per hectare and a higher price per kg/lwt received. Despite incurring higher variable costs these producers achieved an EBIT of \$1.22/kg lwt and \$419/ha. This represented an increase over the EBIT of \$0.97/kg lwt and \$342 returned by the top 20% of beef producers in 2014-15.

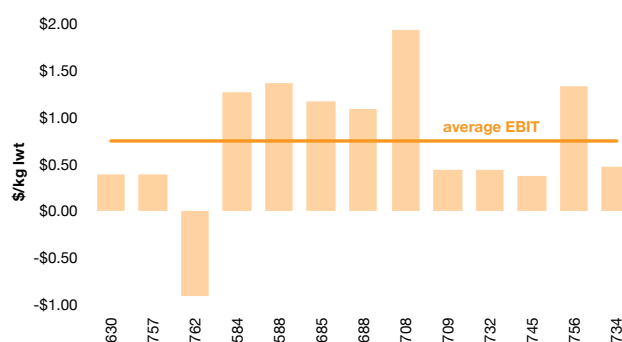
TABLE 14. NORTHERN VICTORIA BEEF ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	11.5	13.7
Calving (%)	90	84
Average beef Weight (kg lwt)	307	437
Average beef price (\$/kg lwt)	2.69	2.90
Beef produced (kg lwt/ha)	242	346
Gross margin (\$/dse)	38.75	54.14
Gross margin (\$/ha/100mm)	68.69	105.06
EBIT (\$/kg lwt)**	0.75	1.22
EBIT (\$/ha)**	184	419

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall

** Top 20% ranked according to beef EBIT per hectare

FIGURE 29. BEEF ENTERPRISE EBIT



South West

Poor seasonal conditions across the entire region dominated south west Victoria during 2015-16. The region experienced its second “failed” spring in a row and many farmers were low on stored fodder, with stock water also in shortage. While some summer rain helped it was not until the later than normal autumn break arrived that conditions improved. Winter conditions have been promising with reports of good grass growth. Wool prices increased across the board, while lamb prices were steady, however beef prices rose dramatically. While many farmers spent considerable amounts on supplementary feed and agistment, good commodity prices meant this strategy was still a profitable one.

Fast Facts

In 2015-16 livestock farms in the South West averaged 1,126 hectares, and on average ran 5,550 sheep and 234 cattle.

TABLE 15. SOUTH WEST WHOLE FARM PHYSICAL SUMMARY

	Average	Top 20%*
Sheep (head)	5,550	3,231
Cattle (head)	234	282
Labour efficiency (ha/person)	562	698
Labour efficiency (DSE/person)	7,914	12,252
Hectares	1,126	777

*Top 20% ranked by EBIT per hectare

In 2015-16 lamb was the more dominant enterprise for both the average and top 20% of livestock farms in the South West. Overall, the mix of enterprises among participants did not change greatly from 2014-15.

TABLE 16. SOUTH WEST ENTERPRISE MIX

	Average	Top 20%*
Wool	31%	4%
Lamb	39%	52%
Beef	24%	39%
Hay / cropping	6%	5%

*Top 20% ranked by EBIT per hectare

For the second year running rainfall recorded for 2015-16 was very much below average. Rainfall recorded across Livestock Farm Monitor farms was 489mm, almost identical to the 487mm in 2014-15, as well as being down on the long term average of 637mm.

Whole farm financial characteristics

Average EBIT for 2015-16 was \$228/ha, up considerably from \$153/ha on the previous year. This was driven by stronger prices for wool and lamb, but particularly for extremely good beef cattle prices. Like 2014-15 the overall result was tempered by the drier seasonal conditions that led to high variable costs, in particular supplementary feed and agistment costs. Average return on assets increased in 2015-16 to 3.4% from 2.3% recorded in 2014-15 while return on equity also increased to 6.8% from 4.5% recorded the previous year.

The top 20% of farms were characterised by generating more income and despite incurring higher variable and overhead costs achieved a considerably higher EBIT when compared to the average.

TABLE 17. SOUTH WEST WHOLE FARM FINANCIAL SUMMARY

	Average	Top 20%*
Gross income (\$/ha)	764	1,127
Variable costs (\$/ha)	306	348
Overhead costs (\$/ha)	159	183
Owner operator allowance (\$/ha)	71	70
EBIT(\$/ha)	228	526
Net farm income (\$/ha)	144	410
Return on assets (%)	3.4	6.8
Return on equity (%)	2.9	7.6
Equity (%)	77	71

*Top 20% ranked by EBIT per hectare

FIGURE 30. EARNINGS BEFORE INTEREST AND TAX (\$/HA)

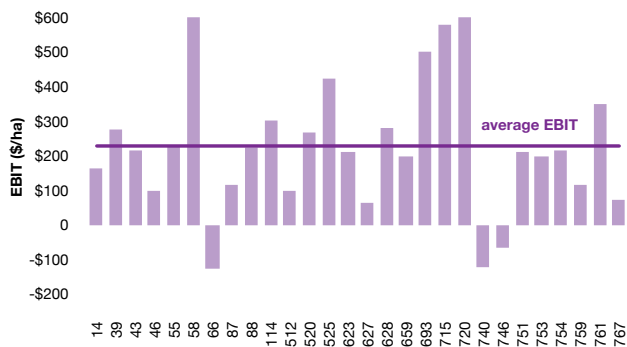


FIGURE 33. RETURN ON EQUITY

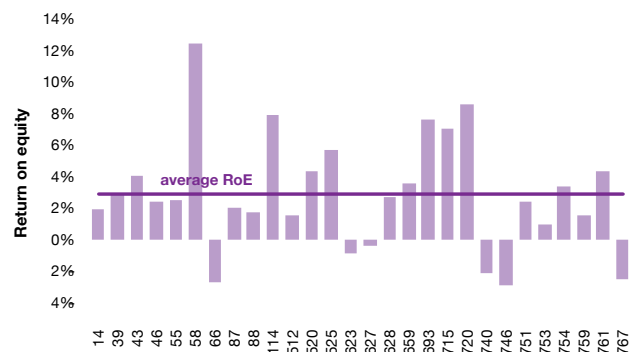


FIGURE 31. NET FARM INCOME (\$/HA)

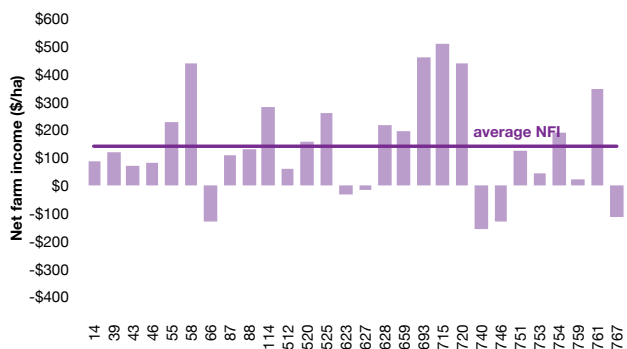


FIGURE 34. EBIT HISTORY

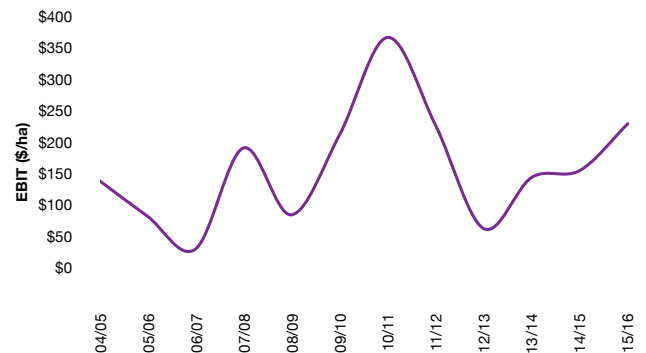


FIGURE 32. RETURN ON ASSETS

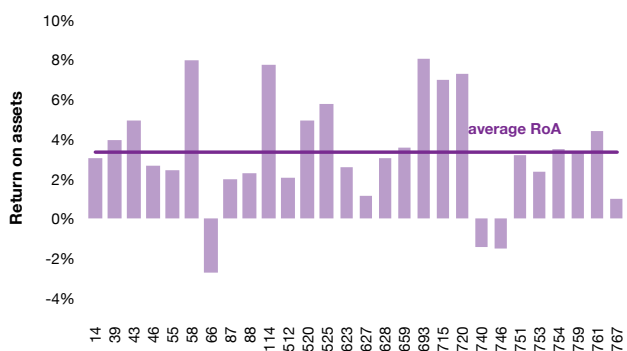
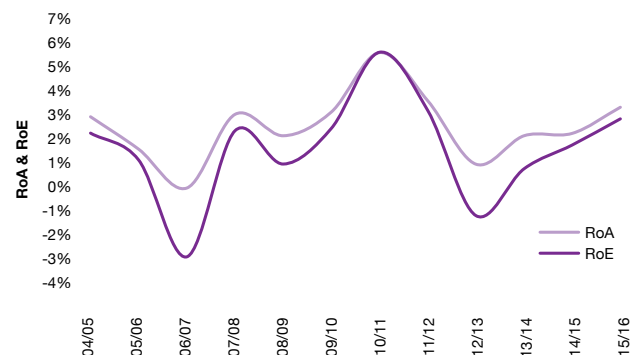


FIGURE 35. ROA AND ROE HISTORY



Wool

Wool producers benefitted from improved income this year with prices rising from \$10.85/kg clean in 2014-15 to \$12.80/kg clean in 2015-16. Average micron was similar, and lamb marking percentages increased, while wool cut per hectare fell from 31.6kg/ha in 2014-15 to 25.5kg/ha in 2015-16, possibly as a result of poor seasonal conditions. Variable costs were higher this year with supplementary feed and agistment being a major contributor. Despite this, the stronger wool price helped producers achieve an higher EBIT of -\$0.19/kg clean and \$12/ha up from the -\$0.61/kg clean and \$8/ha the previous year (Figure 36).

Farms in the top 20% produced more wool as a result of higher stocking rates, and achieved a higher price for their wool. Despite incurring higher variable costs they were able to return an EBIT of \$3.89/kg clean and \$113/ha. This figure was slightly less than the EBIT of \$4.12/kg clean and \$126/ha achieved by the top 20% of wool producers in 2014-15.

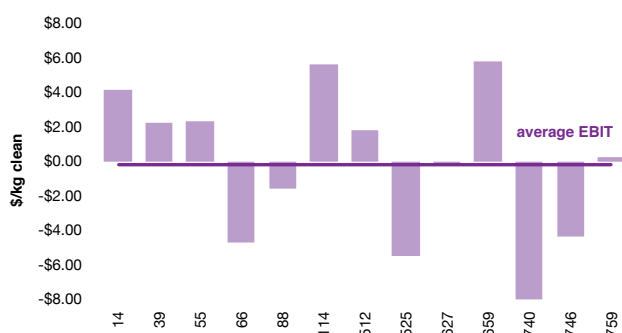
TABLE 18. SOUTH WEST WOOL ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	11.6	12.7
Average micron	17.8	17.5
Average yield (%)	67	65
Lamb marking (%)	81	89
Wool price received (\$/kg clean)	12.80	13.16
Clean wool cut (kg/ha)	25.5	28.7
Clean wool cut (kg/dse)	2.2	2.3
Gross margin (\$/dse)	18.14	26.09
Gross margin (\$/ha/100mm)	46.85	68.85
EBIT (\$/kg clean)**	-0.19	3.89
EBIT (\$/ha)**	12	113

*Top 20% ranked according to gross margin per hectare per 100mm of rainfall

** Top 20% ranked according to wool EBIT per hectare

FIGURE 36. WOOL ENTERPRISE EBIT



Lamb

Strong prices helped improve profitability for lamb producers in 2015-16. Average lamb price increased from \$4.83/kg cwt in 2014-15 to \$5.09/kg cwt in 2015-16 and average lamb weights also increased from 19.6kg cwt to 20.0kg cwt. Despite dry conditions lamb produced also increased from 126kg cwt/ha to 133kg cwt/ha. Variable costs were similar to last year with supplementary feed and agistment costs remaining high. Driven mainly by the higher prices EBIT increased from \$1.34/kg cwt and \$157/ha in 2014-15 to \$1.98/kg cwt and \$210/ha in 2015-16 (Figure 37).

The top 20% of farms had considerably higher stocking rate, received higher price per kg, and produced more lamb. They incurred similar variable costs and achieved an EBIT of \$2.54/kg cwt and \$366/ha. This figure was lower than the EBIT of \$2.82/kg cwt and \$414/ha returned by the top 20% of lamb producers in 2014-15.

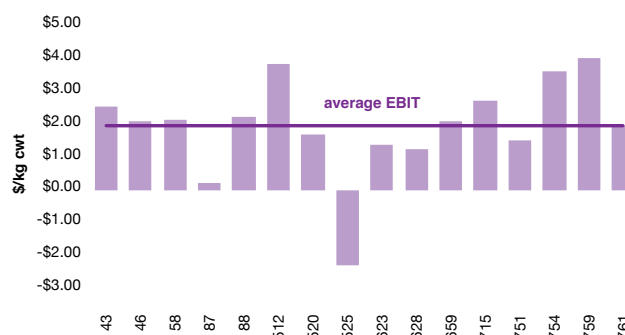
TABLE 19. SOUTH WEST LAMB ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	15.3	20.2
Lamb marking (%)	117	112
Average lamb weight (kg cwt)	20.0	19.7
Average lamb price (\$/kg cwt)	5.09	5.38
Lamb produced (kg cwt /ha)	133	185
Gross margin (\$/dse)	31.92	40.60
Gross margin (\$/ha/100mm)	94.82	136.64
EBIT (\$/kg cwt)**	1.98	2.54
EBIT (\$/ha)**	210	366

*Top 20% ranked according to gross margin per hectare per 100mm of rainfall

** Top 20% ranked according to lamb EBIT per hectare

FIGURE 37. LAMB ENTERPRISE EBIT



Beef

The dramatic rise in beef prices drove the performance for beef producers again this year. Average prices increased considerably from \$1.85/kg lwt in 2014-15 to \$2.89/kg lwt in 2015-16. Stocking rates, beef production and average sale weights all fell, possibly as a reflection of the dry season. While spending on supplementary feed and agistment costs remained high, overall variable costs fell from the previous year. Not surprisingly given the much higher prices, EBIT increased considerably from \$0.43/kg lwt and \$158/ha in 2014-15 to \$1.24/kg lwt and \$381/ha (Figure 38).

The top 20% of farms produced heavier animals and more of them per hectare, driven by higher stocking rates. They also received higher prices and incurred lower variable costs to return an EBIT of \$3.26/kg lwt and \$1,072/ha. This was a considerably increase over the EBIT of \$0.99/kg lwt and \$395 achieved by the top 20% of beef producers in 2014-15.

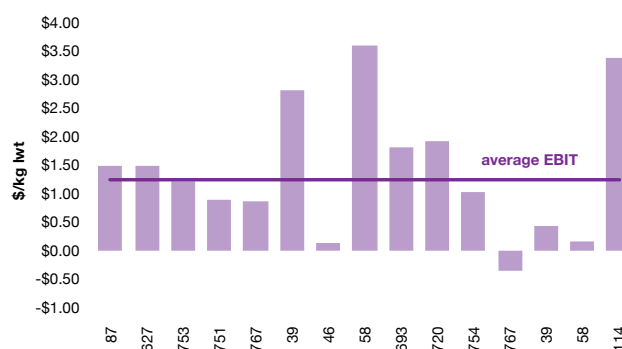
TABLE 20. SOUTH WEST BEEF ENTERPRISE SUMMARY

	Average	Top 20%*
Stocking rate (DSE/ha)	14.9	16.7
Calving (%)	93	93
Average weight sold (kg lwt)	399	454
Average beef price (\$/kg lwt)	2.89	3.27
Beef produced (kg lwt/ha)	313	333
Gross margin (\$/dse)	41.60	75.76
Gross margin (\$/ha)	618	1,195
EBIT (\$/kg lwt)**	1.24	3.26
EBIT (\$/ha)**	381	1,072

*Top 20% ranked according to gross margin per hectare per 100 mm of rainfall

** Top 20% ranked according to Beef EBIT per hectare

FIGURE 38. BEEF ENTERPRISE EBIT





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Livestock Farm Monitor

How can you benefit?

Participation in the Livestock Farm Monitor program provides you with:

- An individual report on a range of financial and physical key performance indicators enabling you to compare your business with other similar businesses in your region;
- Analysis of your whole farm business and individual enterprises to help you identify strengths and opportunities for improvement; and,
- An annual report on the state of livestock industries across Victoria.

What's involved?

- You provide data about your livestock enterprise/s (e.g. farm size, rainfall, labour, stock numbers, stock bought and sold and pasture, feed and other enterprise costs).
- A few hours of your time.
- All information you provide is treated confidentially and your personal details will not be disclosed in the report.

To get involved contact:

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Department of Economic Development, Jobs, Transport and Resources
(02) 6030 4502 or paul.blackshaw@ecodev.vic.gov.au



Appendices



TABLE A1

Main Financial Indicators 2015–2016 Gippsland

Farm No.	Gross Income	Variable Costs	Overhead Costs	Cost Structure	O/O Allowance	Earnings before Interest & Tax - EBIT	Net Farm Income	Return on Assets	Debt Ratio	Return on Equity
	\$/HA	\$/HA	\$/HA		\$/HA	\$/HA	\$/HA			
541	\$743	\$238	\$108	46%	\$23	\$374	\$300	8.8%	10%	14.2%
553	\$516	\$259	\$152	80%	\$63	\$42	-\$5	0.6%	9%	-0.1%
555	\$618	\$344	\$121	75%	\$68	\$84	\$51	1.4%	5%	1.1%
574	\$976	\$314	\$144	47%	\$104	\$414	\$162	6.3%	26%	17.3%
633	\$912	\$266	\$246	56%	\$70	\$329	\$130	7.1%	22%	5.3%
638	\$951	\$416	\$295	75%	\$83	\$157	\$155	0.8%	0%	0.8%
643	\$828	\$385	\$104	59%	\$138	\$201	\$62	1.5%	17%	0.6%
653	\$515	\$204	\$165	72%	\$102	\$43	\$33	0.9%	2%	0.8%
663	\$998	\$597	\$369	97%	\$291	-\$260	-\$275	-1.8%	1%	-2.0%
667	\$819	\$383	\$268	79%	\$153	\$15	\$15	0.1%	0%	0.1%
699	\$936	\$308	\$266	61%	\$298	\$64	\$44	0.5%	2%	0.4%
720	\$644	\$142	\$180	50%	\$153	\$169	\$155	1.7%	2%	1.8%
726	\$1,397	\$718	\$181	64%	\$106	\$392	\$388	2.5%	0%	2.5%
742	\$312	\$119	\$100	70%	\$73	\$20	\$19	0.3%	0%	0.3%
755	\$697	\$223	\$307	76%	\$81	\$86	-\$17	0.7%	15%	-0.2%
763	\$852	\$287	\$195	57%	\$61	\$309	\$183	4.5%	15%	7.6%
Average	\$795	\$325	\$200	67%	\$117	\$152	\$88	2.2%	8%	3.2%
Top 20%*	\$1,007	\$384	\$170	53%	\$76	\$377	\$245	6.2%	15%	9.8%

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE A2

Key Physical Data 2015–2016 Gippsland

Farm No.	Average Rainfall	Actual Rainfall	Stocking Rate	S.R. - Rf	S.R. - Rf	July Stocking Rate	P Applied	P Applied	P Nutrient Change	K Nutrient Change	S Nutrient Change
	MM	MM	DSE/HA	DSE/HA/100MM	DSE/HA/25MM OVER 250MM		KG P/ GRAZED HA	KG P/GRAZED HA/100MM	KG/HA	KG/HA	KG/HA
541	596	578	13.6	2.3	1.04	11.1	11	1.9	9.4	-1.5	9.8
553	670	507	14.2	2.8	1.38	14.5	9	1.7	8.8	4.6	13.6
555	600	584	13.9	2.4	1.04	12.2	10	1.6	9.4	0.3	9.5
574	619	550	12.5	2.3	1.04	16.6	7	1.3	3.2	4.5	2.5
633	648	645	9.4	1.5	0.59	8.2	31	4.8	24.4	-5.9	-0.5
638	1018	790	20.8	2.6	0.96	19.6	50	6.3	47.0	0.7	8.9
643	877	706	15.6	2.2	0.85	16.8	14	2.0	11.5	19.7	15.0
653	599	541	10.9	2.0	0.93	15.9	47	8.7	46.0	25.3	18.7
663	920	787	22.3	2.8	1.04	27.9	21	2.7	19.7	63.4	10.5
667	1100	784	17.2	2.2	0.80	18.5	31	4.0	28.5	31.7	37.2
699	1113	659	22.9	3.5	1.40	23.1	18	2.7	15.8	33.5	20.1
720	846	848	13.2	1.6	0.55	13.4	11	1.3	9.1	-0.8	12.1
726	975	743	22.4	3.0	1.14	23.4	41	5.5	37.6	142.2	101.3
742	652	700	9.2	1.3	0.51	7.9	5	0.7	4.2	11.2	5.5
755	1143	802	16.5	2.1	0.75	13.2	13	1.6	11.7	-2.6	15.4
763	693	659	16.1	2.4	0.99	13.8	5	0.7	2.5	18.6	2.7
Average	817	680	15.7	2.3	0.94	16.0	20	3.0	18.1	21.6	17.6
Top 20%*	709	629	14.5	2.3	0.95	14.8	23	3.4	18.7	34.8	28.3

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE A3

Wool Sheep Production 2015–2016 Gippsland

Farm No.	Stocking Rate	Adult Clean Wool Cut	Clean Wool Cut	Clean Wool Cut	Clean Wool Cut	Net Clean Wool Price	Main Wool Sale Month	Av Wool Micron	Av Wool Yield	Av Sale Price	Gross Margin	Gross Margin	Gross Margin	Time of Lambing	Lamb Marking %
	DSE/HA	KG/HD	KG/HA	KG/DSE	KG/HA /100MM	\$/KG				\$/HD	\$/HA	\$/HA /100MM	\$/DSE		
541	13.6	4.0	36.1	2.7	6.3	\$13.07	Jan	15.5	72%	\$77	\$499	\$86.40	\$37.00	Aug	95%
553	14.2	3.0	32.0	2.3	6.3	\$13.00	Feb	18.3	74%	\$38	\$240	\$47.31	\$16.91	Aug	64%
555	13.9	3.5	46.2	3.3	7.9	\$11.88	Jan	18.3	72%	\$65	\$297	\$50.85	\$21.00	Aug	64%
574	12.5	3.6	29.3	2.3	5.3	\$11.93	May	18.5	72%	\$65	\$557	\$101.20	\$45.00	Jun	98%
633	9.4	4.1	47.0	5.0	7.3	\$12.24	Nov	19.0	75%	\$74	\$686	\$106.37	\$73.00	Apr	68%
653	10.9	3.7	29.3	2.7	5.4	\$12.36	Sep	18.0	72%	\$84	\$330	\$61.01	\$30.00	May	83%
763	16.1	3.6	39.4	2.4	6.0	\$12.79	Dec	16.5	74%	\$102	\$536	\$81.37	\$33.24	Aug	96%
Average	12.9	3.6	37.0	3.0	6.4	\$12.47		17.7	73%	\$72	\$449	\$76.36	\$36.59		81%
Top 20%*	11.0	3.9	38.2	3.7	6.3	\$12.09		18.8	74%	\$70	\$622	\$103.79	\$59.00		83%

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE A4

Prime Lamb Production 2015–2016 Gippsland

Farm No.	Stocking Rate	Lamb Produced	Lamb Produced	Lamb Produced	Av Lamb Weight	Av Lamb Price	Av Lamb Price	Adult Gr. Wool Cut	Greasy Wool Cut	Average Wool Micron
	DSE/HA	KG LWT/HA	KG CWT/HA	KG CWT / HA/100MM	KG CWT	\$/KG CWT	\$/HD	KG/HD	KG/HA	
553	14.2	139	62	12.3	22.1	\$4.92	\$109	4.3	27	26.0
555	13.9	217	98	16.7	22.5	\$3.60	\$81	4.8	28	20.0
574	12.5	297	134	24.3	22.5	\$4.64	\$105	3.5	23	23.0
633	9.4	336	151	23.4	25.7	\$4.79	\$123	3.9	66	18.0
638	20.8	432	195	24.6	19.1	\$5.31	\$101	5.5	44	28.9
643	15.6	319	143	20.3	18.3	\$4.72	\$87	4.7	32	29.0
699	22.9	711	320	48.6	19.5	\$5.12	\$100	4.5	62	29.5
763a	16.1	217	98	14.8	13.7	\$5.18	\$71	3.8	23	16.8
763b	16.1	300	135	20.5	19.7	\$4.63	\$91	4.2	33	25.8
Average	15.7	330	148	22.8	20.3	\$4.77	\$96	4.4	38	24.1
Top 20%*	16.2	524	236	36.0	22.6	\$4.96	\$112	4.2	64	23.8
Merino Ewe Av	13.1	257	116	18.3	20.6	\$4.52	\$92	4.2	39	18.3
Other Ewe Av	17.0	366	165	25.1	20.2	\$4.89	\$99	4.5	37	27.0

Farm No.	Ewe Breed	Net Greasy Wool Price	Gross Margin	Gross Margin	Gross Margin	Time of Lambing	Lamb Marking %	Ewe % of DSE
		\$/KG	\$/HA	\$/HA/100MM	\$/DSE			
553	Xbred	\$6.32	\$180	\$35.50	\$12.69	Aug	92%	97%
555	Merino	\$9.20	\$155	\$26.63	\$11.15	Jul	68%	73%
574	Xbred	\$7.02	\$439	\$79.83	\$35.18	May	121%	55%
633	Merino	\$9.00	\$995	\$154.21	\$106.20	Apr	95%	93%
638	Xbred	\$4.37	\$532	\$67.36	\$25.60	Aug	119%	91%
643	Xbred	\$4.77	\$403	\$57.13	\$25.89	Aug	127%	92%
699	Xbred	\$5.60	\$845	\$128.17	\$36.84	Aug	120%	97%
763a	Merino	\$8.82	\$277	\$41.99	\$17.15	Aug	98%	99%
763b	Xbred	\$6.41	\$447	\$67.87	\$27.69	Aug	74%	92%
Average		\$6.83	\$475	\$73.19	\$33.15		102%	88%
Top 20%*		\$7.30	\$920	\$141.19	\$71.52		108%	95%
Merino Ewe Av		\$9.01	\$476	\$74.28	\$44.83		87%	88%
Other Ewe Av		\$5.75	\$474	\$72.64	\$27.32		109%	87%

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE A5

Beef Cattle Production 2015–2016 Gippsland

Farm No.	Stocking Rate	Beef Produced	Beef Produced	Beef Sold	Average Sale Price	Average Wt Sales	Average Sale Price
	DSE/HA	KG LWT/HA	KG LWT/HA/100MM	KG LWT/HA	\$/HD	KG LWT	\$/KG LWT
541	13.6	242	42	194	\$1,036	365	\$2.86
638	20.8	397	50	377	\$816	342	\$2.38
643	15.6	353	50	439	\$903	363	\$2.49
663	22.3	325	41	708	\$883	344	\$2.57
633	9.4	141	22	153	\$1,198	527	\$2.27
699	22.9	327	50	332	\$820	297	\$2.76
720	13.2	235	28	247	\$788	307	\$2.57
726	22.4	521	70	660	\$1,406	503	\$2.79
742	9.2	147	21	178	\$719	338	\$2.13
755	16.5	143	18	249	\$944	388	\$2.43
763	16.1	363	55	439	\$1,050	375	\$2.80
633	9.4	235	36	174	\$1,190	465	\$2.56
720	13.2	268	32	257	\$1,199	461	\$2.60
553	14.2	261	51	247	\$985	415	\$2.38
667	17.2	375	48	994	\$1,854	612	\$3.03
Average	15.7	289	41	377	\$1,053	407	\$2.57
Top 20%*	17.4	375	56	431	\$1,164	414	\$2.82
Autumn Av	11.3	252	34	216	\$1,195	463	\$2.58
Spring Av	16.5	290	41	361	\$960	377	\$2.55
Other Av	15.7	318	49	621	\$1,420	514	\$2.71

Farm No.	Main Sale Stock	Gross Margin	Gross Margin	Gross Margin	Time of Calving	Calving %	Cow %	Beef Enterprise
		\$/HA	\$/HA/100MM	\$/DSE				
541	Weaners	\$547	\$94.70	\$40.30	Aug	93%	22%	Spring
638	Weaners	\$599	\$75.87	\$28.84	Sep	91%	54%	Spring
643	Weaners	\$432	\$61.24	\$27.75	Aug	97%	65%	Spring
663	Weaners	\$426	\$54.18	\$19.11	Sep	84%	100%	Spring
633	Weaners	\$135	\$21.00	\$14.46	Aug	81%	38%	Spring
699	Steers	\$545	\$82.75	\$23.78	Sep	96%	85%	Spring
720	Weaners	\$455	\$53.63	\$34.32	Aug	94%	33%	Spring
726	Steers	\$693	\$93.28	\$30.87	Aug	84%	100%	Spring
742	Weaners	\$191	\$27.24	\$20.62	Aug	86%	100%	Spring
755	Weaners	\$556	\$69.28	\$33.69	Nov	95%	100%	Spring
763	Weaners	\$797	\$121.06	\$49.45	Aug	88%	30%	Spring
633	Steers	\$381	\$59.02	\$40.65	Apr	96%	17%	Autumn
720	Weaners	\$523	\$61.68	\$39.47	Mar	92%	67%	Autumn
553	Steers	\$406	\$79.99	\$28.60				Other
667	Steers	\$401	\$51.17	\$23.35				Other
Average		\$472	\$67.07	\$30.35		91%	62%	
Top 20%*		\$679	\$103.01	\$40.21		88%	51%	
Autumn Av		\$452	\$60.35	\$40.06		94%	42%	
Spring Av		\$489	\$68.57	\$29.38		90%	66%	
Other Av		\$404	\$65.58	\$25.98				

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE A6

Wool Sheep Variable Costs 2015–2016 Gippsland

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
553	\$2.31	\$5.43	\$5.09	\$3.62	\$0.00	\$0.89	\$0.00	\$0.19	\$2.26	\$19.79
555	\$2.99	\$8.83	\$8.67	\$3.60	\$0.03	\$0.82	\$0.32	\$0.68	\$2.31	\$28.27
541	\$3.45	\$7.97	\$1.46	\$5.73	\$0.00	\$0.27	\$0.37	\$0.47	\$2.21	\$21.93
574	\$4.34	\$4.32	\$2.58	\$3.56	\$0.00	\$0.00	\$0.05	\$0.48	\$1.62	\$16.96
633	\$4.62	\$10.59	\$1.02	\$6.06	\$0.00	\$1.41	\$0.00	\$4.77	\$5.61	\$34.08
653	\$1.93	\$5.50	\$2.41	\$6.50	\$0.00	\$0.34	\$0.24	\$1.89	\$3.06	\$21.88
763	\$4.72	\$8.84	\$0.21	\$4.18	\$0.00	\$0.92	\$0.24	\$0.36	\$1.53	\$20.99
Average	\$3.48	\$7.35	\$3.06	\$4.75	\$0.00	\$0.66	\$0.17	\$1.26	\$2.66	\$23.41
Top 20%*	\$4.48	\$7.46	\$1.80	\$4.81	\$0.00	\$0.71	\$0.03	\$2.63	\$3.62	\$25.52

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
553	\$33	\$77	\$72	\$51	\$0	\$13	\$0	\$3	\$32	\$281
555	\$42	\$123	\$121	\$50	\$0	\$11	\$4	\$9	\$32	\$394
541	\$47	\$108	\$20	\$78	\$0	\$4	\$5	\$6	\$30	\$298
574	\$54	\$54	\$32	\$44	\$0	\$0	\$1	\$6	\$20	\$212
633	\$43	\$99	\$10	\$57	\$0	\$13	\$0	\$45	\$53	\$319
653	\$21	\$60	\$26	\$71	\$0	\$4	\$3	\$21	\$33	\$238
763	\$76	\$142	\$3	\$67	\$0	\$15	\$4	\$6	\$25	\$338
Average	\$45	\$95	\$41	\$60	\$0	\$9	\$2	\$14	\$32	\$297
Top 20%*	\$49	\$77	\$21	\$51	\$0	\$7	\$0	\$25	\$36	\$265

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE A7

Prime Lamb Variable Costs 2015–2016 Gippsland

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
553	\$2.57	\$5.45	\$10.02	\$3.62	\$0.00	\$1.93	\$0.00	\$0.42	\$3.91	\$27.92
555	\$1.52	\$4.45	\$4.39	\$3.60	\$0.52	\$1.47	\$0.16	\$0.35	\$3.58	\$20.03
574	\$4.94	\$3.49	\$6.41	\$3.56	\$0.00	\$2.92	\$0.03	\$0.61	\$6.46	\$28.43
633	\$4.54	\$6.67	\$2.72	\$6.06	\$0.00	\$1.70	\$0.00	\$5.81	\$10.28	\$37.78
638	\$2.36	\$5.70	\$2.99	\$12.61	\$0.00	\$1.29	\$0.00	\$0.00	\$3.17	\$28.12
643	\$2.70	\$1.45	\$1.38	\$10.36	\$1.99	\$0.47	\$0.00	\$2.20	\$3.74	\$24.28
699	\$0.79	\$1.89	\$0.25	\$6.76	\$0.00	\$1.65	\$0.29	\$1.40	\$9.21	\$22.24
763a	\$3.78	\$6.15	\$1.47	\$4.18	\$0.00	\$0.71	\$0.11	\$0.00	\$3.99	\$20.39
763b	\$2.99	\$4.89	\$6.20	\$4.18	\$0.00	\$0.58	\$0.15	\$0.00	\$3.54	\$22.53
Average	\$2.91	\$4.46	\$3.98	\$6.10	\$0.28	\$1.41	\$0.08	\$1.20	\$5.32	\$25.75
Top 20%*	\$2.67	\$4.28	\$1.49	\$6.41	\$0.00	\$1.68	\$0.15	\$3.61	\$9.75	\$30.01
Merino Ewe Av	\$3.28	\$5.76	\$2.86	\$4.61	\$0.17	\$1.29	\$0.09	\$2.05	\$5.95	\$26.07
Other Ewe Av	\$2.73	\$3.81	\$4.54	\$6.85	\$0.33	\$1.47	\$0.08	\$0.77	\$5.01	\$25.59

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
553	\$36	\$77	\$142	\$51	\$0	\$27	\$0	\$6	\$55	\$396
555	\$21	\$62	\$61	\$50	\$7	\$20	\$2	\$5	\$50	\$279
574	\$62	\$44	\$80	\$44	\$0	\$36	\$0	\$8	\$81	\$355
633	\$43	\$62	\$25	\$57	\$0	\$16	\$0	\$54	\$96	\$354
638	\$49	\$118	\$62	\$262	\$0	\$27	\$0	\$0	\$66	\$584
643	\$42	\$23	\$22	\$161	\$31	\$7	\$0	\$34	\$58	\$378
699	\$18	\$43	\$6	\$155	\$0	\$38	\$7	\$32	\$211	\$510
763a	\$61	\$99	\$24	\$67	\$0	\$11	\$2	\$0	\$64	\$329
763b	\$48	\$79	\$100	\$67	\$0	\$9	\$2	\$0	\$57	\$363
Average	\$42	\$67	\$58	\$102	\$4	\$21	\$2	\$15	\$82	\$394
Top 20%*	\$30	\$53	\$16	\$106	\$0	\$27	\$4	\$43	\$154	\$432
Merino Ewe Av	\$42	\$74	\$37	\$58	\$2	\$16	\$1	\$20	\$70	\$321
Other Ewe Av	\$42	\$64	\$69	\$123	\$5	\$24	\$2	\$13	\$88	\$431

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE A8

Beef Cattle Variable Costs 2015–2016 Gippsland

Farm No.	Enterprise	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Other	Selling Costs	Total Var. Costs
		\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
541	Spring	\$0.53	\$0.38	\$1.55	\$5.73	\$0.00	\$1.04	\$0.34	\$2.63	\$12.22
638	Spring	\$1.83	\$0.00	\$0.00	\$12.61	\$0.00	\$0.79	\$0.00	\$3.21	\$18.44
633	Spring	\$1.86	\$0.00	\$4.18	\$6.06	\$0.00	\$0.64	\$0.69	\$3.04	\$16.46
663	Spring	\$2.65	\$1.68	\$2.90	\$13.86	\$0.00	\$2.33	\$1.14	\$6.04	\$30.61
643	Spring	\$1.57	\$0.00	\$8.03	\$10.36	\$0.46	\$2.65	\$1.30	\$4.18	\$28.55
699	Spring	\$1.03	\$0.00	\$5.11	\$6.76	\$0.00	\$0.38	\$0.04	\$3.11	\$16.43
720	Spring	\$2.79	\$0.06	\$1.73	\$5.49	\$0.00	\$0.99	\$0.00	\$3.79	\$14.85
726	Spring	\$1.28	\$0.00	\$6.13	\$18.84	\$0.00	\$2.27	\$2.01	\$4.50	\$35.03
742	Spring	\$0.59	\$0.00	\$2.66	\$3.47	\$0.00	\$3.59	\$2.58	\$3.55	\$16.46
755	Spring	\$1.35	\$0.00	\$11.18	\$6.18	\$0.00	\$2.03	\$0.98	\$9.37	\$31.09
763	Spring	\$0.58	\$0.19	\$5.60	\$4.18	\$0.00	\$1.93	\$0.00	\$4.38	\$16.87
633	Autumn	\$3.25	\$0.00	\$9.32	\$6.06	\$0.00	\$1.47	\$1.61	\$3.57	\$25.28
720	Autumn	\$1.84	\$0.28	\$0.85	\$5.49	\$0.00	\$0.73	\$0.55	\$3.65	\$13.40
553	Other	\$1.09	\$0.00	\$9.74	\$3.62	\$0.00	\$0.65	\$0.00	\$3.31	\$18.41
667	Other	\$1.55	\$0.07	\$3.62	\$10.54	\$0.45	\$4.28	\$0.46	\$0.69	\$21.67
Average		\$1.59	\$0.18	\$4.84	\$7.95	\$0.06	\$1.72	\$0.78	\$3.93	\$21.05
Top 20%*		\$0.80	\$0.19	\$4.43	\$9.58	\$0.00	\$1.75	\$0.78	\$3.84	\$21.37
Autumn Av		\$2.55	\$0.14	\$5.09	\$5.78	\$0.00	\$1.10	\$1.08	\$3.61	\$19.34
Spring Av		\$1.46	\$0.21	\$4.46	\$8.50	\$0.04	\$1.69	\$0.83	\$4.35	\$21.55
Other Av		\$1.32	\$0.04	\$6.68	\$7.08	\$0.23	\$2.47	\$0.23	\$2.00	\$20.04

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Other	Selling Costs	Total Var. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
541	\$7	\$5	\$21	\$78	\$0	\$14	\$5	\$36	\$166
638	\$38	\$0	\$0	\$262	\$0	\$16	\$0	\$67	\$383
633	\$17	\$0	\$39	\$57	\$0	\$6	\$6	\$28	\$154
663	\$59	\$37	\$65	\$309	\$0	\$52	\$25	\$135	\$683
643	\$24	\$0	\$125	\$161	\$7	\$41	\$20	\$65	\$445
699	\$24	\$0	\$117	\$155	\$0	\$9	\$1	\$71	\$377
720	\$37	\$1	\$23	\$73	\$0	\$13	\$0	\$50	\$197
726	\$29	\$0	\$138	\$423	\$0	\$51	\$45	\$101	\$786
742	\$5	\$0	\$25	\$32	\$0	\$33	\$24	\$33	\$152
755	\$22	\$0	\$184	\$102	\$0	\$33	\$16	\$155	\$513
763	\$9	\$3	\$90	\$67	\$0	\$31	\$0	\$71	\$272
633	\$30	\$0	\$87	\$57	\$0	\$14	\$15	\$33	\$237
720	\$24	\$4	\$11	\$73	\$0	\$10	\$7	\$48	\$177
553	\$15	\$0	\$138	\$51	\$0	\$9	\$0	\$47	\$261
667	\$27	\$1	\$62	\$181	\$8	\$74	\$8	\$12	\$372
Average	\$25	\$3	\$75	\$139	\$1	\$27	\$12	\$63	\$345
Top 20%*	\$15	\$3	\$83	\$189	\$0	\$32	\$17	\$69	\$408
Autumn Av	\$27	\$2	\$49	\$65	\$0	\$12	\$11	\$41	\$207
Spring Av	\$25	\$4	\$75	\$156	\$1	\$27	\$13	\$74	\$375
Other Av	\$21	\$1	\$100	\$116	\$4	\$41	\$4	\$29	\$317

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE A9

Pasture Costs Per Grazed Hectare 2015–2016 Gippsland

Farm No.	Seed	Chemicals	Contract Services	Fert & Soil Conditioners	Other	Total Pasture Cost
	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA
541	\$5	\$5	\$0	\$64	\$4	\$78
553	\$5	\$1	\$0	\$46	\$0	\$52
555	\$0	\$6	\$1	\$43	\$1	\$50
574	\$0	\$1	\$0	\$31	\$1	\$45
633	\$12	\$0	\$0	\$21	\$1	\$35
638	\$0	\$0	\$0	\$208	\$0	\$262
643	\$3	\$3	\$0	\$142	\$0	\$164
653	\$0	\$2	\$0	\$67	\$2	\$71
663	\$0	\$0	\$0	\$309	\$0	\$309
667	\$0	\$1	\$13	\$182	\$1	\$196
699	\$0	\$1	\$0	\$164	\$8	\$173
720	\$1	\$0	\$8	\$64	\$0	\$73
726	\$35	\$13	\$0	\$459	\$0	\$518
742	\$0	\$0	\$0	\$32	\$0	\$32
755	\$5	\$5	\$5	\$106	\$0	\$120
763	\$0	\$1	\$5	\$66	\$0	\$72
Average	\$4	\$3	\$2	\$125	\$1	\$141
Top 20%*	\$13	\$5	\$0	\$144	\$2	\$169

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE A10

Overhead Costs Per Hectare 2015–2016 Gippsland

Farm No.	Paid Labour	Fuel & Vehicle	Insurance	R&M - Plant & Equip.	R&M - Land & Improv.	Admin	Rates & Rents	Sundries	Depreciation	Total Overheads
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
541	\$44	\$1	\$4	\$16	\$5	\$10	\$11	\$0	\$16	\$108
553	\$9	\$25	\$10	\$6	\$16	\$21	\$27	\$1	\$38	\$152
555	\$51	\$3	\$9	\$3	\$14	\$12	\$23	\$1	\$4	\$121
574	\$2	\$8	\$18	\$24	\$13	\$29	\$18	\$0	\$32	\$144
633	\$72	\$11	\$6	\$57	\$41	\$17	\$15	\$0	\$26	\$246
638	\$121	\$27	\$21	\$0	\$39	\$21	\$56	\$0	\$9	\$295
643	\$8	\$3	\$6	\$12	\$16	\$12	\$30	\$7	\$9	\$104
653	\$16	\$5	\$10	\$7	\$18	\$12	\$25	\$3	\$69	\$165
663	\$16	\$22	\$17	\$55	\$68	\$107	\$43	\$1	\$41	\$369
667	\$19	\$17	\$16	\$20	\$10	\$60	\$45	\$10	\$71	\$268
699	\$0	\$42	\$24	\$22	\$48	\$41	\$38	\$2	\$48	\$266
720	\$0	\$12	\$21	\$27	\$43	\$32	\$32	\$1	\$12	\$180
726	\$11	\$13	\$23	\$14	\$37	\$13	\$45	\$0	\$25	\$181
742	\$0	\$5	\$14	\$0	\$47	\$12	\$20	\$2	\$1	\$100
755	\$139	\$22	\$9	\$0	\$68	\$15	\$10	\$4	\$40	\$307
763	\$67	\$21	\$8	\$8	\$25	\$12	\$20	\$4	\$32	\$195
Average	\$36	\$15	\$13	\$17	\$32	\$27	\$29	\$2	\$30	\$200
Top 20%*	\$32	\$8	\$13	\$28	\$24	\$17	\$22	\$0	\$25	\$170

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE A11

Wool Sheep Profitability Per Kilogram of Clean Wool Produced 2015–2016 Gippsland

Farm No.	Net Wool Income	Sheep Trading Profit	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Earnings before Int/Lease	Net Farm Income	Earnings before Int/Lease	Net Farm Income
	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/HA	\$/HA
541	\$13.63	\$8.28	\$8.24	\$3.08	\$0.55	\$2.07	\$11.86	\$10.04	\$7.98	\$363	\$288
553	\$13.91	\$2.35	\$8.77	\$3.89	\$1.21	\$1.46	\$13.87	\$2.40	\$0.94	\$77	\$30
555	\$12.46	\$2.32	\$8.53	\$2.62	\$1.48	\$0.72	\$12.63	\$2.14	\$1.43	\$99	\$66
574	\$12.62	\$13.42	\$7.22	\$3.69	\$1.60	\$8.58	\$12.51	\$13.53	\$4.96	\$397	\$145
633	\$12.94	\$8.21	\$6.80	\$4.94	\$2.12	\$4.24	\$13.86	\$7.29	\$3.05	\$342	\$143
653	\$13.14	\$5.62	\$8.11	\$5.63	\$3.52	\$0.37	\$17.26	\$1.49	\$1.13	\$44	\$33
763	\$13.38	\$8.80	\$8.59	\$4.71	\$1.28	\$3.20	\$14.59	\$7.59	\$4.39	\$299	\$173
Average	\$13.15	\$7.00	\$8.04	\$4.08	\$1.68	\$2.95	\$13.80	\$6.35	\$3.41	\$232	\$125
Top 20%*	\$13.29	\$8.25	\$7.52	\$4.01	\$1.34	\$3.16	\$12.86	\$8.67	\$5.52	\$353	\$216

* Top 20% ranked according to wool Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE A12

Prime Lamb Profitability Per Kilogram Carcass Weight Produced 2015–2016 Gippsland

Farm No.	Net Wool Income	Non-Lamb Sheep Trading	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Lamb Price Received	Earnings before Int/Lease	Net Farm Income	Earnings before Int/Lease	Net Farm Income
	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/HA	\$/HA
553	\$2.75	-\$2.51	\$5.45	\$2.02	\$0.62	\$0.75	\$8.09	\$8.09	\$0.25	-\$0.50	\$25	-\$52
555	\$2.65	-\$2.02	\$2.30	\$1.17	\$0.70	\$0.34	\$4.17	\$3.26	-\$0.28	-\$0.62	-\$25	-\$55
574	\$1.20	-\$2.17	\$2.01	\$0.80	\$0.35	\$1.88	\$3.16	\$6.27	\$2.13	\$0.25	\$385	\$45
633	\$3.95	-\$0.37	\$1.50	\$1.57	\$0.66	\$1.32	\$3.73	\$4.50	\$4.35	\$3.03	\$618	\$431
638	\$0.98	-\$0.71	\$2.66	\$1.85	\$0.37	\$0.01	\$4.88	\$5.12	\$0.52	\$0.51	\$97	\$95
643	\$1.15	-\$1.08	\$2.19	\$0.81	\$1.67	\$0.97	\$4.67	\$5.15	\$0.55	-\$0.42	\$86	-\$66
699	\$1.08	-\$2.40	\$0.93	\$1.08	\$3.54	\$0.06	\$5.56	\$4.89	-\$1.98	-\$2.05	-\$607	-\$626
763a	\$2.08	-\$2.08	\$2.71	\$1.84	\$0.52	\$1.29	\$5.06	\$5.54	\$0.48	-\$0.81	\$50	-\$85
763b	\$1.66	\$3.00	\$2.27	\$1.36	\$0.37	\$0.93	\$4.93	\$4.63	\$1.57	\$0.64	\$212	\$86
Average	\$1.94	-\$1.15	\$2.45	\$1.39	\$0.98	\$0.84	\$4.92	\$5.27	\$0.84	\$0.00	\$93	-\$25.07
Top 20%*	\$2.58	-\$1.27	\$1.76	\$1.19	\$0.51	\$1.60	\$3.45	\$5.39	\$3.24	\$1.64	\$501	\$238
Merino Ewe Av	\$2.89	-\$1.49	\$2.17	\$1.53	\$0.63	\$0.98	\$4.32	\$4.43	\$1.52	\$0.53	\$214	\$97
Other Ewe Av	\$1.47	-\$0.98	\$2.59	\$1.32	\$1.15	\$0.77	\$5.22	\$5.69	\$0.51	-\$0.26	\$33	-\$86

* Top 20% ranked according to prime lamb Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE A13

Beef Cattle Profitability Per Kilogram Liveweight Produced 2015–2016 Gippsland

Farm No.	Trading Profit	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production
	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT
633	-\$0.10	\$0.86	\$0.66	\$0.18	\$0.85	\$1.71
720	-\$0.16	\$0.48	\$0.67	\$0.57	\$0.05	\$1.73
541	-\$0.07	\$0.54	\$0.40	\$0.14	\$0.31	\$1.08
633	-\$0.43	\$0.89	\$1.07	\$0.31	\$1.41	\$2.27
638	-\$0.07	\$0.80	\$0.61	\$0.23	\$0.01	\$1.64
643	-\$0.06	\$1.16	\$0.27	\$0.24	\$0.39	\$1.67
663	\$0.43	\$1.73	\$1.14	\$0.90	\$0.05	\$3.77
699	-\$0.16	\$0.93	\$0.75	\$0.40	\$0.06	\$2.08
720	-\$0.01	\$0.62	\$0.75	\$0.65	\$0.06	\$2.03
726	-\$0.21	\$1.32	\$0.35	\$0.21	\$0.01	\$1.88
742	-\$0.16	\$0.81	\$0.68	\$0.50	\$0.01	\$1.99
755	-\$0.27	\$0.86	\$1.75	\$0.39	\$0.72	\$3.00
763	-\$0.05	\$0.55	\$0.62	\$0.25	\$0.35	\$1.42
553	\$0.14	\$0.87	\$0.52	\$0.23	\$0.19	\$1.62
667	-\$2.27	\$0.36	\$0.26	\$0.14	\$0.00	\$0.76
Average	-\$0.25	\$0.88	\$0.71	\$0.35	\$0.27	\$1.94
Top 20% *	-\$0.11	\$0.80	\$0.46	\$0.20	\$0.22	\$1.46
Autum Av	-\$0.13	\$0.67	\$0.67	\$0.38	\$0.45	\$1.72
Spring Av	-\$0.10	\$0.93	\$0.76	\$0.38	\$0.31	\$2.08
Other Av	-\$1.07	\$0.62	\$0.39	\$0.19	\$0.10	\$1.19

Farm No.	Beef Price Received	Earnings before Int/Tax	Net Farm Income	Earnings before Int/Tax	Net Farm Income	Beef Enterprise
	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG HA	\$/HA	
633	\$2.56	\$0.75	-\$0.09	\$177	-\$22	Autumn
720	\$2.60	\$0.71	\$0.65	\$189	\$175	Autumn
541	\$2.86	\$1.71	\$1.40	\$414	\$339	Spring
633	\$2.27	-\$0.43	-\$1.84	-\$60	-\$259	Spring
638	\$2.38	\$0.67	\$0.66	\$265	\$263	Spring
643	\$2.49	\$0.76	\$0.36	\$267	\$128	Spring
663	\$2.57	-\$0.77	-\$0.81	-\$249	-\$264	Spring
699	\$2.76	\$0.52	\$0.45	\$169	\$148	Spring
720	\$2.57	\$0.53	\$0.47	\$124	\$110	Spring
726	\$2.79	\$0.70	\$0.70	\$367	\$363	Spring
742	\$2.13	-\$0.02	-\$0.03	-\$4	-\$5	Spring
755	\$2.43	-\$0.84	-\$1.56	-\$121	-\$224	Spring
763	\$2.80	\$1.33	\$0.98	\$483	\$357	Spring
553	\$2.38	\$0.90	\$0.71	\$234	\$184	Other
667	\$3.03	\$0.00	\$0.00	-\$1	-\$2	Other
Average	\$2.57	\$0.39	\$0.11	\$145	\$88	
Top 20%*	\$2.82	\$1.25	\$1.03	\$421	\$353	
Autumn Av	\$2.58	\$0.73	\$0.28	\$183	\$76	
Spring Av	\$2.55	\$0.38	\$0.07	\$150	\$87	
Other Av	\$2.71	\$0.45	\$0.36	\$116	\$91	

* Top 20% ranked according to beef earnings before interest and tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE A14

Capital Structure 2015–2016 Gippsland

	2015 – 2016 Average	2015 – 2016 Top 20%
FARM AREAS (HA)		
Freehold Area	749	1,136
Area Leased In	205	370
Area Leased Out	1	0
Effective Area	877	1,459
LAND VALUES		
Total Land Value per Hectare	\$8,587	\$6,351
Total Land Value per DSE	\$528	\$417
Owned Land Value per Hectare	\$7,484	\$5,731
Leased Land Value per Hectare	\$6,130	\$4,459
OTHER ASSETS (PER HECTARE)		
Plant & Vehicles	\$275	\$341
Livestock	\$1,405	\$1,204
Hay & Grain on Hand	\$20	\$32
Other Assets	\$204	\$19
Total Assets Managed	\$10,490	\$7,945
LIABILITIES		
Liabilities per Hectare	\$585	\$1,253
EQUITY		
Equity per Hectare	\$8,952	\$5,243
Average Equity %	79%	55%
RATIOS		
Debt Ratio	8%	15%
Plant & Equipment Ratio	4.5	4.1

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE A15

Farm Labour Efficiency and Enterprise Mix 2015–2016 Gippsland

	2015 – 2016 Average	2015 – 2016 Top 20%
SHEEP ENTERPRISES		
Average Sheep Number	3,928	6,231
Sheep Labour Efficiency (ha/person)	416	649
Sheep Labour Efficiency (DSE/person)	5,768	7,807
BEEF ENTERPRISES		
Average Cattle Number	525	682
Cattle Labour Efficiency (ha/person)	496	782
Cattle Labour Efficiency (DSE/person)	7,262	10,050
TOTAL LABOUR EFFICIENCY		
Hectares per person	403	508
DSE per person	6,475	8,542
ENTERPRISE MIX		
Wool Sheep (%)	25%	32%
Prime Lambs (%)	14%	16%
Beef (%)	57%	38%
Hay/Cropping (%)	4%	14%

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE A16

Supplementary Feed Data 2015–2016 Gippsland

Farm No.	Yield		Amount Fed to Sheep			Amount Fed to Cattle			Gross Margins		Area Cut	
	WET TONNES PER HA		AVERAGE WET KGS PER DSE			AVERAGE WET KGS PER DSE			\$ PER HA		HA	
	PASTURE HAY	SILAGE	PASTURE HAY	SILAGE	GRAIN	PASTURE HAY	SILAGE	GRAIN	PASTURE HAY	SILAGE	PASTURE HAY	SILAGE
541			0.0	0.0	0.0	0.0	0.0	0.0			0	0
553		2.3	0.0	8.6	19.8	55.0	0.0	0.0		\$60	0	18
555			0.0	0.0	27.7						0	0
574	3.3	4.5	8.1	6.6	10.1				\$334	-\$83	20	8
633			0.0	0.0	0.0	2.4	0.0	0.0			0	0
638			0.0	0.0	0.0	0.0	0.0	0.0			0	0
643	2.9	3.8	0.0	0.0	0.0	5.5	2.9	0.0	\$479	\$114	8	6
653			0.0	0.0	0.0						0	0
663						9.3	6.1	0.0			0	0
667	2.9					19.9	0.0	0.0	\$210		31	0
699	2.1		0.0	0.0	0.0	23.5	0.0	0.0	\$290		24	0
720	8.0					6.5	0.0	0.0	\$363		3	0
726		2.5	0.0	0.0	0.0	3.0	28.4	0.0		\$25	0	120
742			0.0	0.0	0.0	15.1	0.0	0.0			0	0
755	3.2	4.4				29.4	33.9	4.9	\$281	\$222	49	17
763	3.4		0.0	0.0	5.5	27.6	14.1	0.0	\$328	\$0	123	0
Average	3.7	3.5	0.7	1.3	5.3	15.2	6.6	0.4	\$326	\$56	16	11
Top 20% *	3.3	3.5	2.0	1.7	2.5	1.8	9.5	0.0	\$334	-\$29	5	32

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE A17

Historical Data For Selected Average Profitability Indicators - Gippsland

Years	Gross Income		Variable Costs		Overhead Costs		Net Income		EBIT (Operating Profit)		Return to Assets	Return to Equity
	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)		
2004-05	\$344	\$453	\$114	\$150	\$74	\$97	\$156	\$205	\$92	\$121	3.0%	4.0%
2005-06	\$282	\$357	\$144	\$182	\$78	\$99	\$60	\$76	-\$22	-\$28	-0.4%	-1.6%
2006-07	\$293	\$363	\$140	\$174	\$85	\$105	\$67	\$83	-\$27	-\$33	-0.7%	-2.2%
2007-08	\$604	\$717	\$251	\$298	\$105	\$125	\$248	\$294	\$148	\$176	2.1%	1.0%
2008-09	\$392	\$458	\$240	\$281	\$116	\$136	\$36	\$42	-\$52	-\$61	-1.6%	-5.0%
2009-10	\$456	\$517	\$187	\$212	\$117	\$133	\$152	\$172	\$59	\$67	0.4%	-0.5%
2010-11	\$697	\$763	\$202	\$221	\$164	\$179	\$330	\$361	\$178	\$195	2.6%	2.1%
2011-12	\$690	\$746	\$226	\$244	\$196	\$211	\$268	\$290	\$90	\$97	1.9%	0.7%
2012-13	\$536	\$566	\$236	\$249	\$207	\$218	\$93	\$98	-\$68	-\$72	0.3%	-0.8%
2013-14	\$695	\$712	\$259	\$266	\$415	\$425	\$21	\$22	\$86	\$88	1.2%	-0.1%
2014-15	\$776	\$784	\$259	\$262	\$204	\$206	\$313	\$316	\$168	\$170	2.0%	1.5%
2015-16	\$795	\$795	\$325	\$325	\$200	\$200	\$270	\$270	\$152	\$152	2.2%	3.2%
Long term Av		\$603		\$239		\$178		\$186		\$73	1.1%	0.2%
Diff. btwn 2015-16 Av & long term Av		\$192		\$86		\$22		\$84		\$79	1.1%	3.0%
		+32%		+36%		+12%		+45%		+109%		

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 2004-05 to 2008-09 has been obtained from the Sheep Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

TABLE A18

Historical Gross Margins For Livestock Enterprises – Gippsland

Years	Wool Sheep				Prime Lambs				Beef Cattle			
	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)
2004-05	\$14.82	\$19.51	\$162	\$213								
2005-06	\$8.01	\$10.14	\$91	\$115								
2006-07	\$9.34	\$11.58	\$99	\$123								
2007-08	\$18.04	\$21.40	\$243	\$289	\$16.77	\$19.90	\$277	\$329				
2008-09	\$3.61	\$4.22	\$48	\$56	\$15.42	\$18.02	\$221	\$258				
2009-10	\$14.64	\$16.60	\$145	\$164	\$25.12	\$28.48	\$353	\$400	\$17.52	\$19.86	\$249	\$282
2010-11	\$33.71	\$36.89	\$327	\$358	\$41.07	\$44.94	\$710	\$777	\$24.06	\$26.33	\$418	\$457
2011-12	\$28.61	\$30.94	\$324	\$351	\$35.06	\$37.90	\$627	\$678	\$18.62	\$20.13	\$344	\$372
2012-13	\$23.22	\$24.52	\$259	\$274	\$20.41	\$21.55	\$435	\$459	\$13.37	\$14.12	\$220	\$232
2013-14	\$22.18	\$22.74	\$292	\$299	\$24.78	\$25.40	\$519	\$532	\$19.67	\$20.16	\$354	\$363
2014-15	\$19.66	\$19.86	\$246	\$248	\$34.15	\$34.49	\$710	\$717	\$25.20	\$25.45	\$480	\$485
2015-16	\$36.59	\$36.59	\$449	\$449	\$33.15	\$33.15	\$475	\$475	\$30.35	\$30.35	\$472	\$472
Long term Av		\$21		\$245		\$29		\$514		\$22		\$381
Diff. btwn 2015-16 Av & long term Av		\$15		\$204		\$4		-\$39		\$8		\$91
		+72%		+83%		+13%		-8%		+36%		+24%

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 2004-05 to 2008-09 has been obtained from the Sheep Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

Early figures for prime lamb and beef cattle enterprises were not reported in the old Sheep Farm Monitor Projects and are therefore not shown in the above table.

TABLE A19

Historical Data For Selected Average Profitability Indicators – Gippsland

Years	Stocking Rate	Wool Sheep						
		Micron	Wool Cut (Gr.)	Net Wool Price		Average Sale Price		Lamb %
	DSE/HA		(KG/HA)	NOMINAL (\$/KG) GR.	REAL (\$/KG) GR.	NOMINAL (\$/HD)	REAL (\$/HD)	
2004-05	11.4	19.0	36	\$5.33	\$7.02	\$41	\$54	74%
2005-06	11.7	18.8	37	\$5.38	\$6.80	\$31	\$39	73%
2006-07	11.2	18.4	36	\$6.47	\$8.01	\$23	\$28	74%
2007-08	15.3	18.8	43	\$6.86	\$8.14	\$42	\$50	79%
2008-09	13.0	18.5	34	\$5.62	\$6.57	\$37	\$43	70%
2009-10	13.0	18.2	31	\$6.28	\$7.12	\$62	\$71	62%
2010-11	15.4	18.6	34	\$8.79	\$9.62	\$92	\$101	66%
2011-12	17.2	18.4	37	\$7.92	\$8.56	\$72	\$78	84%
2012-13	17.0	18.7	44	\$7.81	\$8.25	\$54	\$57	81%
2013-14	18.0	18.6	43	\$7.88	\$8.08	\$48	\$49	80%
2014-15	18.2	18.2	48	\$7.71	\$7.79	\$58	\$59	77%
2015-16	15.7	17.7	51	\$9.10	\$9.10	\$72	\$72	81%
Long term Av	14.8	18.5	39		\$7.92		\$58	75%
Diff. btwn 2015-16 Av & long term Av	0.9		11		\$1.18		\$14	6%
	6%		28%		15%		23%	

Years	Prime Lambs						Beef Cattle		
	Wool Cut (Gr.)	Net Wool Price		Average Sale Price		Lamb %	Calving %	Average Sale Price	
	(KG/HA)	NOMINAL (\$/KG) GR.	REAL (\$/KG) GR.	NOMINAL (\$/HD)	REAL (\$/HD)			NOMINAL (\$/HD)	REAL (\$/HD)
2004-05									
2005-06									
2006-07									
2007-08	32	\$3.80	\$4.51	\$72	\$86	103%			
2008-09	25	\$3.42	\$4.00	\$79	\$92	99%			
2009-10	31	\$3.61	\$4.09	\$99	\$112	103%	89%	\$652	\$739
2010-11	35	\$4.30	\$4.71	\$132	\$145	103%	88%	\$780	\$853
2011-12	36	\$4.65	\$5.02	\$108	\$117	111%	90%	\$783	\$847
2012-13	43	\$4.72	\$4.98	\$79	\$83	109%	90%	\$682	\$720
2013-14	38	\$5.08	\$5.21	\$103	\$106	100%	91%	\$677	\$694
2014-15	41	\$5.69	\$5.75	\$105	\$106	106%	89%	\$854	\$863
2015-16	38	\$6.83	\$6.83	\$96	\$96	102%	91%	\$1,053	\$1,053
Long term Av	35		\$5.01		\$105	104%	90%		\$824
Diff. btwn 2015-16 Av & long term Av	3		\$1.82		-\$9	-2%	1%		\$229
	7%		36%		-8%				28%

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 2004-05 to 2008-09 has been obtained from the Sheep Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

Early figures for prime lamb and beef cattle enterprises were not reported in the old Sheep Farm Monitor Projects and are therefore not shown in the above table.

TABLE B1

Main Financial Indicators 2015–2016 Northern Victoria

Farm No.	Gross Income	Variable Costs	Overhead Costs	Cost Structure	O/O Allowance	Earnings before Interest & Tax - EBIT	Net Farm Income	Return on Assets	Debt Ratio	Return on Equity
	\$/HA	\$/HA	\$/HA		\$/HA	\$/HA	\$/HA			
584	\$947	\$401	\$161	59%	\$29	\$356	\$211	4.3%	15%	5.7%
586	\$359	\$67	\$95	45%	\$74	\$123	\$123	2.1%	0%	2.1%
588	\$474	\$142	\$57	42%	\$49	\$227	\$178	5.8%	10%	5.4%
589	\$324	\$52	\$109	50%	\$53	\$110	-\$13	1.9%	38%	-0.5%
599	\$476	\$272	\$76	73%	\$73	\$55	-\$31	1.2%	18%	-1.1%
614	\$153	\$89	\$79	110%	\$57	-\$72	-\$132	-1.2%	39%	-4.0%
616	\$321	\$158	\$35	60%	\$61	\$68	\$21	2.8%	15%	1.0%
630	\$497	\$143	\$147	58%	\$152	\$55	\$45	0.8%	2%	0.7%
650	\$94	\$66	\$137	216%	\$110	-\$219	-\$352	-4.3%	142%	-16.3%
685	\$682	\$323	\$119	65%	\$25	\$215	\$79	4.4%	20%	8.6%
688	\$506	\$110	\$111	44%	\$36	\$249	\$226	5.6%	5%	5.5%
706	\$814	\$236	\$305	66%	\$116	\$157	\$96	2.5%	7%	1.7%
708	\$927	\$154	\$119	29%	\$47	\$607	\$607	7.3%	0%	7.3%
709	\$420	\$112	\$137	59%	\$104	\$67	\$36	1.6%	8%	1.0%
711	\$559	\$252	\$100	63%	\$122	\$85	\$67	2.4%	3%	1.9%
712	\$474	\$355	\$149	106%	\$178	-\$209	-\$209	-5.4%	0%	-5.4%
727	\$195	\$122	\$10	68%	\$32	\$31	\$17	0.4%	7%	-7.1%
732	\$399	\$216	\$104	80%	\$49	\$30	-\$95	0.6%	31%	-2.1%
734	\$938	\$331	\$217	58%	\$121	\$269	\$241	3.0%	3%	2.9%
744	\$383	\$220	\$123	90%	\$105	-\$66	-\$174	-1.5%	28%	-15.2%
745	\$594	\$257	\$225	81%	\$60	\$53	\$14	0.8%	7%	0.4%
756	\$405	\$137	\$77	53%	\$95	\$96	-\$8	1.4%	26%	-0.4%
757	\$592	\$357	\$504	145%	\$0	-\$268	-\$289	-2.5%	4%	-2.7%
762	\$784	\$402	\$279	87%	\$273	-\$170	-\$249	-0.9%	10%	-1.5%
Average	\$513	\$207	\$145	75%	\$84	\$77	\$17	1.4%	18%	-0.5%
Top 20%*	\$758	\$228	\$133	46%	\$56	\$342	\$293	5.2%	7%	5.4%

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE B2

Key Physical Data 2015–2016 Northern Victoria

Farm No.	Average Rainfall	Actual Rainfall	Stocking Rate	S.R. - Rf	S.R. - Rf	July Stocking Rate	P Applied	P Applied	P Nutrient Balance	K Nutrient Balance	S Nutrient Balance
	MM	MM	DSE/HA	DSE/HA/100MM	DSE/HA/25MM OVER 250MM		KG P/ GRAZED HA	KG P/GRAZED HA/100MM	KG/HA	KG/HA	KG/HA
584	842	608	18.7	3.1	1.31	16.5	22	3.6	21.4	5.9	-0.7
586	518	502	6.9	1.4	0.68	6.0	1	0.3	0.6	2.9	-0.9
588	633	508	7.7	1.5	0.74	6.8	15	3.0	15.0	66.8	14.5
589	579	398	10.0	2.5	1.70	8.3	0	0.0	-1.0	-0.8	-1.6
599	670	648	11.3	1.7	0.71	9.7	5	0.7	4.5	8.6	3.6
614	570	430	3.5	0.8	0.49	3.4	0	0.0	0.2	0.6	-0.5
616	566	528	3.7	0.7	0.33	6.8	5	0.9	5.0	0.4	5.6
630	734	557	9.6	1.7	0.78	12.4	4	0.7	2.6	-0.3	3.2
650	595	410	2.4	0.6	0.37	1.9	0	0.0	-0.3	-0.2	-0.4
685	700	595	11.5	1.9	0.83	11.4	2	0.3	1.5	13.8	0.3
688	670	648	11.1	1.7	0.70	10.2	10	1.5	8.5	6.7	1.9
706	439	444	2.4	0.5	0.31	2.3	9	2.0	8.0	22.7	16.2
708	845	811	13.3	1.6	0.59	13.4	7	0.8	5.1	1.9	6.3
709	954	774	8.1	1.0	0.39	8.6	3	0.4	2.7	7.9	3.5
711	586	583	4.7	0.8	0.35	7.1	11	1.9	4.5	-10.1	-3.3
712	507	445	9.0	2.0	1.15	15.2	12	2.7	12.6	3.6	9.7
727	439	410	2.9	0.7	0.45	0.0	0	0.0	-0.4	-0.4	-0.9
732	557	505	12.3	2.4	1.20	16.6	1	0.1	-0.3	-0.7	-1.8
734	619	586	9.2	1.6	0.68	11.2	20	3.4	18.9	6.3	21.1
744	760	505	4.9	1.0	0.48	9.4	5	1.0	3.2	-2.3	-1.7
745	853	736	17.2	2.3	0.89	14.3	11	1.5	9.5	0.2	0.3
756	670	526	8.7	1.6	0.78	12.3	8	1.5	7.6	1.3	0.9
757	669	774	13.5	1.7	0.64	16.0	7	0.9	5.6	4.1	0.6
762	680	579	9.1	1.6	0.69	10.9	2	0.4	2.1	10.6	1.6
Average	652	563	8.8	1.5	0.72	9.6	7	1.2	5.7	6.2	3.2
Top 20%*	722	632	12.0	1.9	0.80	11.6	15	2.5	14	18	9

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE B3

Wool Sheep Production 2015–2016 Northern Victoria

Farm No.	Stocking Rate	Adult Clean Wool Cut	Clean Wool Cut	Clean Wool Cut	Clean Wool Cut	Net Clean Wool Price	Main Wool Sale Month	Av Wool Micron	Av Wool Yield	Av Sale Price	Gross Margin	Gross Margin	Gross Margin	Time of Lambing	Lamb Marking %
	DSE/HA	KG/HD	KG/HA	KG/DSE	KG/HA /100MM	\$/KG				\$/HD	\$/HA	\$/HA /100MM	\$/DSE		
584	18.7	3.3	42.7	2.3	7.0	\$12.69	May	17.9	69%	\$78	\$435	\$71.68	\$23.00	Sep	79%
586	6.9	3.6	16.5	2.4	3.3	\$12.45	Jan	18.5	70%	\$58	\$296	\$58.88	\$43.00	Aug	92%
588	7.7	3.5	21.1	2.7	4.1	\$13.96	Apr	17.9	68%	\$104	\$269	\$53.00	\$35.00	Jul	72%
589	10.0	2.2	12.3	1.2	3.1	\$11.47	Apr	17.2	71%	\$52	\$236	\$59.23	\$23.00	Aug	76%
599	11.3	2.9	25.7	2.3	4.0	\$12.63	Feb	17.5	72%	\$62	\$221	\$34.10	\$20.00	Sep	78%
614	3.5	2.8	10.2	2.9	2.4	\$12.99	Dec	17.0	71%	\$72	\$48	\$11.17	\$14.00	N/A	N/A
616	3.7	4.3	10.5	2.9	2.0	\$12.26	May	19.0	70%	\$96	\$137	\$26.01	\$38.00	Jun	82%
685	11.5	4.1	21.8	1.9	3.7	\$12.84	Feb	19.0	70%	\$74	\$297	\$49.95	\$26.00	Aug	96%
711	4.7	4.0	11.3	2.4	1.9	\$12.11	Nov	18.5	68%	\$84	\$191	\$32.78	\$41.00	July	102%
712	9.0	3.7	19.6	2.2	4.4	\$11.30	N/A	17.2	59%	\$83	\$98	\$21.99	\$11.00	July	108%
732	12.3	2.2	17.1	1.4	3.4	\$13.49	Dec	18.0	67%	\$70	\$180	\$35.65	\$14.67	Jun	60%
744	4.9	3.0	7.9	1.6	1.6	\$13.13	Nov	18.5	72%	\$36	\$76	\$15.02	\$15.38	May	104%
745	17.2	2.3	30.1	1.7	4.1	\$14.65	Jul	14.9	74%	\$51	\$336	\$45.59	\$19.48	Aug	74%
Average	9.3	3.2	19.0	2.1	3.5	\$12.77		17.8	69%	\$71	\$217	\$39.62	\$24.89		85%
Top 20%*	11.9	3.0	23.8	2.0	4.5	\$12.20		17.9	70%	\$63	\$322	\$63.26	\$29.67		82%

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE B4

Prime Lamb Production 2015–2016 Northern Victoria

Farm No.	Stocking Rate	Lamb Produced	Lamb Produced	Lamb Produced	Av Lamb Weight	Av Lamb Price	Av Lamb Price	Adult Gr. Wool Cut	Greasy Wool Cut	Average Wool Micron
	DSE/HA	KG LWT/HA	KG CWT/HA	KG CWT / HA/100MM	KG CWT	\$/KG CWT	\$/HD	KG/HD	KG/HA	
588	7.7	129	58	11.5	22.0	\$5.59	\$123	5.0	19.7	19.7
599	11.3	189	85	13.1	15.6	\$5.16	\$80	4.2	20.2	34.0
630	9.6	188	85	15.2	22.4	\$5.00	\$112	5.0	20.1	29.0
650	3.4	181	82	20.0	26.1	\$4.30	\$112	1.5	1.0	17.6
685	11.5	228	103	17.3	18.9	\$5.98	\$113	4.2	22.7	26.0
688	11.1	200	90	13.9	16.7	\$5.05	\$84	4.0	18.1	24.0
706	2.4	301	135	41.9	18.8	\$5.21	\$98	5.6	18.1	25.0
712	9.0	162	73	16.4	15.3	\$4.70	\$72	6.7	29.8	17.2
727	2.9	153	69	16.8	20.5	\$4.88	\$100	3.5	13.8	17.1
744	4.9	135	61	12.0	23.9	\$5.07	\$121	4.6	13.6	26.2
756	8.7	139	63	11.9	18.4	\$4.78	\$88	4.2	15.8	19.0
757	13.5	158	71	9.2	22.1	\$5.41	\$119	4.2	23.3	28.0
Average	8.0	180	81	16.6	20.0	\$5.09	\$102	4.4	18.0	23.6
Top 20%*	10.1	186	84	14.2	19.2	\$5.54	\$107	4.4	20.2	23.2
Merino Ewe Av	8.5	143	65	13.3	18.6	\$5.02	\$94	5.3	21.8	18.6
Other Ewe Av	7.8	193	87	17.7	20.5	\$5.1	\$104	4.1	16.8	25.2

Farm No.	Ewe Breed	Net Greasy Wool Price	Gross Margin	Gross Margin	Gross Margin	Time of Lambing	Lamb Marking %	Ewe % of DSE
		\$/KG	\$/HA	\$/HA/100MM	\$/DSE			
588	Merino	\$8.63	\$375	\$73.79	\$48.89	Aug	103%	70%
599	Xbred	\$4.88	\$163	\$25.19	\$14.47	Aug	129%	86%
630	Xbred	\$4.44	\$327	\$58.70	\$34.11	Jul	117%	84%
650	N/A	\$8.29	\$49	-\$2.43	\$20.88	N/A	N/A	N/A
685	Xbred	\$5.92	\$355	\$86.58	\$30.97	July	143%	81%
688	Xbred	\$6.00	\$468	\$72.21	\$42.08	Aug	132%	81%
706	N/A	\$5.21	\$179	\$40.31	\$75.39	N/A	N/A	N/A
712	Merino	\$6.74	\$181	\$40.76	\$20.20	July	116%	97%
727	N/A	\$7.75	\$73	\$17.80	\$25.26	N/A	N/A	N/A
744	Xbred	\$4.89	\$161	\$31.95	\$32.71	May	100%	96%
756	Merino	\$8.16	\$257	\$48.81	\$29.66	July	112%	79%
757	Xbred	\$5.15	\$63	\$8.14	\$4.67	May	121%	71%
Average		\$6.34	\$221	\$41.82	\$31.61		119%	83%
Top 20%*		\$6.85	\$399	\$77.53	\$40.65		126%	77%
Merino Ewe Av		\$7.84	\$271	\$54.45	\$32.92		110%	82%
Other Ewe Av		\$5.84	\$204	\$37.61	\$31.17		124%	83%

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE B5

Beef Cattle Production 2015–2016 Northern Victoria

Farm No.	Stocking Rate	Beef Produced	Beef Produced	Beef Sold	Average Sale Price	Average Wt Sales	Average Sale Price
	DSE/HA	KG LWT/HA	KG LWT/HA/100MM	KG LWT/HA	\$/HD	KG LWT	\$/KG LWT
630	9.6	237	43	262	\$1,361	552	\$2.47
757	13.5	284	37	494	\$1,213	444	\$2.73
762	9.1	264	46	225	\$1,549	483	\$3.22
584	18.7	429	71	361	\$1,413	500	\$2.83
588	7.7	146	29	111	\$1,056	378	\$2.79
685	11.5	276	47	294	\$1,026	361	\$2.84
688	11.1	151	23	335	\$790	322	\$2.46
708	13.3	292	36	291	\$1,364	456	\$2.99
709	8.1	126	16	141	\$1,033	351	\$2.94
732	12.3	208	41	184	\$776	439	\$1.77
745	17.2	237	32	443	\$1,067	438	\$2.44
756	8.7	181	34	186	\$972	363	\$2.68
734	9.2	316	54	660	\$1,835	638	\$2.87
Average	11.5	242	39	307	\$1,189	440	\$2.69
Top 20%*	13.7	346	54	437	\$1,537	531	\$2.90
Autumn Av	10.7	262	42	327	\$1,374	493	\$2.81
Spring Av	12.1	227	36	261	\$1,055	401	\$2.64
Other Av	9.2	316	54	660	\$1,835	638	\$2.87

Farm No.	Main Sale Stock	Gross Margin	Gross Margin	Gross Margin	Time of Calving	Calving %	Cow %	Beef Enterprise
		\$/HA	\$/HA/100MM	\$/DSE				
630	Steers	\$402	\$72.16	\$41.93	Apr	86%	27%	Autumn
757	Steers	\$529	\$68.33	\$39.19	Mar	78%	44%	Autumn
762	Weaners	\$342	\$59.02	\$37.48	Mar	83%	100%	Autumn
584	Steers	\$700	\$115.15	\$37.35	Sep	78%	45%	Spring
588	Steers/Heifers	\$303	\$59.64	\$39.51	Sep	100%	9%	Spring
685	Weaners	\$461	\$77.50	\$40.18	Aug	85%	33%	Spring
688	Steers	\$299	\$46.12	\$26.87	Jul	98%	30%	Spring
708	Steers	\$731	\$90.19	\$54.88	Jul	89%	100%	Spring
709	Weaners	\$299	\$38.62	\$36.85	Aug	92%	100%	Spring
732	Steers	\$148	\$29.29	\$12.06	Mar	100%	6%	Spring
745	Cows	\$407	\$55.32	\$23.63	Sep	91%	24%	Spring
756	Weaners	\$378	\$71.78	\$43.62	Aug	95%	15%	Spring
734	Steers	\$644	\$109.84	\$70.19				Other
Average		\$434	\$68.69	\$38.75		90%	44%	
Top 20%*		\$692	\$105.06	\$54.14		84%	73%	
Spring Av		\$424	\$66.50	\$39.53		82%	57%	
Autumn Av		\$414	\$64.85	\$34.99		92%	40%	
Other Av		\$644	\$109.84	\$70.19				

*Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE B6

Wool Sheep Variable Costs 2015–2016 Northern Victoria

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Ent. Costs
	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
584	\$113	\$4.82	\$4.07	\$4.86	\$0.00	\$0.55	\$0.69	\$0.57	\$214	\$18.83
586	\$1.04	\$4.59	\$0.00	\$1.74	\$0.00	\$0.85	\$0.37	\$113	\$2.66	\$12.38
588	\$0.99	\$2.93	\$6.31	\$6.03	\$0.00	\$0.53	\$0.38	\$0.73	\$1.29	\$19.18
589	\$1.87	\$1.68	\$0.85	\$0.39	\$0.00	\$0.30	\$0.00	\$0.13	\$1.89	\$711
599	\$2.23	\$5.51	\$12.03	\$4.49	\$0.63	\$1.05	\$0.24	\$0.48	\$2.77	\$29.42
614	\$0.51	\$5.01	\$8.32	\$0.03	\$0.00	\$4.61	\$0.32	\$116	\$3.37	\$23.33
616	\$1.01	\$5.23	\$16.69	\$9.63	\$0.37	\$0.96	\$0.37	\$1.22	\$2.90	\$38.39
685	\$2.14	\$4.25	\$11.07	\$8.06	\$0.00	\$0.35	\$0.19	\$0.81	\$1.55	\$28.42
711	\$1.79	\$1.70	\$0.71	\$7.66	\$0.00	\$0.85	\$0.36	\$0.93	\$5.43	\$19.42
712	\$2.91	\$3.60	\$25.27	\$6.66	\$0.00	\$0.34	\$0.00	\$2.37	\$0.85	\$42.02
732	\$2.45	\$7.24	\$5.93	\$1.02	\$0.00	\$0.04	\$0.00	\$0.52	\$3.13	\$20.33
744	\$3.61	\$6.23	\$9.82	\$2.41	\$0.21	\$0.29	\$2.17	\$1.12	\$1.87	\$27.73
745	\$2.98	\$5.36	\$1.17	\$4.67	\$1.02	\$0.22	\$0.18	\$0.64	\$1.11	\$17.35
Average	\$1.90	\$4.47	\$7.86	\$4.43	\$0.17	\$0.84	\$0.41	\$0.91	\$2.38	\$23.38
Top 20%*	\$1.35	\$3.70	\$1.64	\$2.33	\$0.00	\$0.57	\$0.35	\$0.61	\$2.23	\$12.77

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Ent. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
584	\$21	\$90	\$76	\$91	\$0	\$10	\$13	\$11	\$40	\$353
586	\$7	\$32	\$0	\$12	\$0	\$6	\$3	\$8	\$18	\$85
588	\$8	\$22	\$48	\$46	\$0	\$4	\$3	\$6	\$10	\$147
589	\$19	\$17	\$9	\$4	\$0	\$3	\$0	\$1	\$19	\$71
599	\$25	\$62	\$136	\$51	\$7	\$12	\$3	\$5	\$31	\$332
614	\$2	\$18	\$29	\$0	\$0	\$16	\$1	\$4	\$12	\$82
616	\$4	\$19	\$61	\$35	\$1	\$4	\$1	\$4	\$11	\$140
685	\$25	\$49	\$127	\$92	\$0	\$4	\$2	\$9	\$18	\$326
711	\$8	\$8	\$3	\$36	\$0	\$4	\$2	\$4	\$25	\$90
712	\$26	\$32	\$227	\$60	\$0	\$3	\$0	\$21	\$8	\$377
732	\$30	\$89	\$73	\$12	\$0	\$0	\$0	\$6	\$38	\$249
744	\$18	\$31	\$48	\$12	\$1	\$1	\$11	\$6	\$9	\$137
745	\$51	\$92	\$20	\$80	\$18	\$4	\$3	\$11	\$19	\$299
Average	\$19	\$43	\$66	\$41	\$2	\$5	\$3	\$7	\$20	\$207
Top 20%*	\$16	\$46	\$28	\$36	\$0	\$6	\$5	\$7	\$26	\$170

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE B7

Prime Lamb Variable Costs 2015–2016 Northern Victoria

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Ent. Costs
	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
588	\$0.91	\$1.43	\$728	\$6.03	\$0.00	\$0.61	\$0.31	\$0.81	\$4.67	\$22.04
599	\$2.21	\$2.86	\$6.75	\$4.49	\$0.62	\$0.82	\$0.17	\$0.34	\$3.89	\$22.14
630	\$1.26	\$2.40	\$1.09	\$5.68	\$0.00	\$1.42	\$0.25	\$1.58	\$4.67	\$18.35
650	\$0.35	\$3.46	\$700	\$0.00	\$1.14	\$13.69	\$2.91	\$4.23	\$19.13	\$51.91
685	\$1.83	\$3.99	\$11.60	\$8.06	\$0.00	\$1.05	\$0.12	\$0.93	\$4.60	\$32.20
688	\$1.18	\$0.74	\$2.04	\$5.47	\$0.00	\$0.36	\$0.02	\$0.47	\$2.13	\$12.40
706	\$4.25	\$8.60	\$40.85	\$40.07	\$0.00	\$0.00	\$0.63	\$0.03	\$40.06	\$134.49
712	\$3.83	\$3.56	\$17.92	\$6.66	\$0.00	\$0.45	\$0.00	\$3.11	\$3.81	\$39.35
727	\$0.13	\$6.89	\$23.08	\$0.00	\$2.61	\$9.27	\$0.24	\$0.01	\$15.43	\$57.66
744	\$2.52	\$6.86	\$16.72	\$2.41	\$0.49	\$0.90	\$1.78	\$1.11	\$6.69	\$39.48
756	\$1.48	\$4.17	\$7.12	\$2.95	\$0.00	\$0.23	\$0.00	\$0.68	\$3.53	\$20.16
757	\$3.03	\$3.76	\$7.74	\$8.02	\$0.00	\$1.93	\$0.00	\$0.96	\$4.44	\$29.89
Average	\$1.92	\$4.06	\$12.43	\$7.49	\$0.41	\$2.56	\$0.54	\$1.19	\$9.42	\$40.01
Top 20%*	\$1.31	\$2.05	\$6.97	\$6.52	\$0.00	\$0.67	\$0.15	\$0.74	\$3.80	\$22.21
Merino Ewe Av	\$2.07	\$3.05	\$10.77	\$5.21	\$0.00	\$0.43	\$0.10	\$1.53	\$4.00	\$27.18
Other Ewe Av	\$1.86	\$4.40	\$12.99	\$8.24	\$0.54	\$3.27	\$0.68	\$1.07	\$11.23	\$44.28

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Ent. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
588	\$7	\$11	\$56	\$46	\$0	\$5	\$2	\$6	\$36	\$169
599	\$25	\$32	\$76	\$51	\$7	\$9	\$2	\$4	\$44	\$250
630	\$12	\$23	\$10	\$54	\$0	\$14	\$2	\$15	\$45	\$176
650	\$1	\$8	\$17	\$0	\$3	\$33	\$7	\$10	\$46	\$125
685	\$21	\$46	\$133	\$92	\$0	\$12	\$1	\$11	\$53	\$369
688	\$13	\$8	\$23	\$61	\$0	\$4	\$0	\$5	\$24	\$138
706	\$10	\$21	\$98	\$96	\$0	\$0	\$2	\$0	\$96	\$323
712	\$34	\$32	\$161	\$60	\$0	\$4	\$0	\$28	\$34	\$353
727	\$0	\$20	\$67	\$0	\$8	\$27	\$1	\$0	\$45	\$167
744	\$12	\$34	\$83	\$12	\$2	\$4	\$9	\$5	\$33	\$195
756	\$13	\$36	\$62	\$25	\$0	\$2	\$0	\$6	\$31	\$175
757	\$41	\$51	\$105	\$108	\$0	\$26	\$0	\$13	\$60	\$403
Average	\$16	\$27	\$74	\$50	\$2	\$12	\$2	\$9	\$45	\$237
Top 20%*	\$14	\$22	\$71	\$67	\$0	\$7	\$1	\$7	\$38	\$225
Merino Ewe Av	\$18	\$26	\$93	\$44	\$0	\$4	\$1	\$13	\$34	\$232
Other Ewe Av	\$15	\$27	\$68	\$53	\$2	\$14	\$3	\$7	\$49	\$238

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall

TABLE B8

Beef Cattle Variable Costs 2015–2016 Northern Victoria

Farm No.	Enterprise	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Other	Selling Costs	Total Var. Costs
		\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
630	Autumn	\$0.63	\$0.37	\$6.53	\$5.68	\$0.00	\$2.75	\$1.90	\$5.23	\$23.09
757	Autumn	\$1.85	\$0.00	\$7.70	\$8.02	\$0.00	\$1.66	\$2.11	\$3.65	\$25.00
762	Autumn	\$3.61	\$3.02	\$22.42	\$3.37	\$0.00	\$1.40	\$7.83	\$7.72	\$49.38
584	Spring	\$0.49	\$0.05	\$19.53	\$4.86	\$0.00	\$0.67	\$1.05	\$2.25	\$28.90
588	Spring	\$0.74	\$0.00	\$3.93	\$6.03	\$0.00	\$1.26	\$0.40	\$4.30	\$16.65
685	Spring	\$1.17	\$0.30	\$17.96	\$8.06	\$0.00	\$0.72	\$0.78	\$4.40	\$33.37
688	Spring	\$0.04	\$0.00	\$0.00	\$5.47	\$0.00	\$0.49	\$1.07	\$4.95	\$12.01
708	Spring	\$0.25	\$0.10	\$5.17	\$3.84	\$0.06	\$1.10	\$0.63	\$0.68	\$11.83
709	Spring	\$1.53	\$0.00	\$3.14	\$7.15	\$0.00	\$0.42	\$0.80	\$2.91	\$15.94
732	Spring	\$1.25	\$0.00	\$15.71	\$1.02	\$0.00	\$0.00	\$0.73	\$3.55	\$22.25
745	Spring	\$0.23	\$0.49	\$0.00	\$4.67	\$0.51	\$1.14	\$0.32	\$5.42	\$12.79
756	Spring	\$1.55	\$0.00	\$5.47	\$2.95	\$0.00	\$0.93	\$0.36	\$4.16	\$15.42
734	Other	\$1.66	\$0.00	\$8.48	\$15.09	\$0.00	\$7.49	\$0.43	\$8.49	\$41.63
Average		\$1.15	\$0.33	\$8.93	\$5.86	\$0.04	\$1.54	\$1.42	\$4.44	\$23.71
Top 20%*		\$0.80	\$0.05	\$11.06	\$7.93	\$0.02	\$3.09	\$0.70	\$3.81	\$27.45
Autumn Av		\$2.03	\$1.13	\$12.22	\$5.69	\$0.00	\$1.94	\$3.95	\$5.53	\$32.49
Spring Av		\$0.81	\$0.10	\$7.88	\$4.89	\$0.06	\$0.75	\$0.68	\$3.62	\$18.80
Other Av		\$1.66	\$0.00	\$8.48	\$15.09	\$0.00	\$7.49	\$0.43	\$8.49	\$41.63

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Other	Selling Costs	Total Var. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
630	\$6	\$4	\$63	\$54	\$0	\$26	\$18	\$50	\$221
757	\$25	\$0	\$104	\$108	\$0	\$22	\$29	\$49	\$337
762	\$33	\$28	\$204	\$31	\$0	\$13	\$71	\$70	\$450
584	\$9	\$1	\$366	\$91	\$0	\$13	\$20	\$42	\$541
588	\$6	\$0	\$30	\$46	\$0	\$10	\$3	\$33	\$128
685	\$13	\$3	\$206	\$92	\$0	\$8	\$9	\$50	\$383
688	\$0	\$0	\$0	\$61	\$0	\$5	\$12	\$55	\$134
708	\$3	\$1	\$69	\$51	\$1	\$15	\$8	\$9	\$158
709	\$12	\$0	\$25	\$58	\$0	\$3	\$6	\$24	\$129
732	\$15	\$0	\$193	\$12	\$0	\$0	\$9	\$43	\$273
745	\$4	\$8	\$0	\$80	\$9	\$20	\$6	\$93	\$220
756	\$13	\$0	\$47	\$25	\$0	\$8	\$3	\$36	\$133
734	\$15	\$0	\$78	\$139	\$0	\$69	\$4	\$78	\$382
Average	\$12	\$4	\$107	\$65	\$1	\$16	\$15	\$49	\$268
Top 20%*	\$9	\$1	\$171	\$94	\$0	\$32	\$11	\$43	\$360
Autumn Av	\$21	\$11	\$124	\$64	\$0	\$20	\$39	\$56	\$336
Spring Av	\$8	\$2	\$104	\$58	\$1	\$9	\$9	\$43	\$233
Other Av	\$15	\$0	\$78	\$139	\$0	\$69	\$4	\$78	\$382

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE B9**Pasture Costs Per Grazed Hectare 2015–2016 Northern Victoria**

Farm No.	Seed	Chemicals	Contract Services	Fert & Soil Conditioners	Other	Total Pasture Cost
	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA
584	\$5	\$1	\$7	\$78	\$1	\$91
586	\$3	\$1	\$0	\$8	\$0	\$12
588	\$1	\$0	\$10	\$21	\$0	\$46
589	\$0	\$4	\$0	\$0	\$0	\$4
599	\$6	\$1	\$1	\$36	\$1	\$51
614	\$0	\$0	\$0	\$0	\$0	\$0
616	\$0	\$0	\$0	\$23	\$0	\$35
630	\$0	\$21	\$0	\$34	\$0	\$55
650	\$0	\$0	\$0	\$0	\$0	\$0
685	\$5	\$1	\$8	\$81	\$0	\$95
688	\$3	\$1	\$13	\$43	\$0	\$61
706	\$13	\$0	\$0	\$87	\$0	\$100
708	\$2	\$1	\$3	\$47	\$0	\$53
709	\$1	\$5	\$40	\$13	\$0	\$58
711	\$7	\$4	\$0	\$9	\$0	\$22
712	\$6	\$3	\$4	\$37	\$10	\$59
727	\$0	\$0	\$0	\$0	\$0	\$0
732	\$0	\$2	\$0	\$11	\$0	\$13
734	\$20	\$13	\$0	\$105	\$0	\$139
744	\$1	\$8	\$0	\$0	\$0	\$9
745	\$0	\$2	\$0	\$52	\$1	\$80
756	\$1	\$1	\$2	\$21	\$0	\$25
757	\$31	\$20	\$7	\$41	\$15	\$115
762	\$8	\$8	\$0	\$9	\$5	\$31
Average	\$5	\$4	\$4	\$32	\$1	\$48
Top 20%*	\$6	\$3	\$7	\$59	\$0	\$78

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE B10

Overhead Costs Per Hectare 2015–2016 Northern Victoria

Farm No.	Paid Labour	Fuel & Vehicle	Insurance	R&M - Plant & Equip.	R&M - Land & Improv.	Admin	Rates & Rents	Sundries	Depreciation	Total Overheads
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
584	\$94	\$9	\$2	\$1	\$15	\$15	\$8	\$7	\$9	\$161
586	\$2	\$9	\$9	\$5	\$10	\$17	\$26	\$1	\$18	\$95
588	\$0	\$2	\$2	\$2	\$27	\$4	\$12	\$1	\$7	\$57
589	\$1	\$14	\$6	\$11	\$7	\$19	\$17	\$0	\$33	\$109
599	\$0	\$5	\$8	\$5	\$12	\$12	\$11	\$0	\$23	\$76
614	\$0	\$3	\$5	\$2	\$6	\$13	\$10	\$0	\$40	\$79
616	\$1	\$2	\$3	\$1	\$1	\$9	\$9	\$0	\$9	\$35
630	\$21	\$3	\$10	\$1	\$42	\$28	\$16	\$0	\$27	\$147
650	\$0	\$19	\$18	\$14	\$2	\$37	\$22	\$20	\$5	\$138
685	\$49	\$8	\$7	\$3	\$21	\$10	\$8	\$3	\$11	\$119
688	\$17	\$4	\$8	\$1	\$38	\$27	\$10	\$0	\$6	\$111
706	\$0	\$47	\$18	\$4	\$36	\$56	\$82	\$13	\$50	\$305
708	\$33	\$5	\$5	\$11	\$15	\$8	\$25	\$1	\$15	\$119
709	\$12	\$21	\$7	\$15	\$32	\$22	\$9	\$2	\$19	\$137
711	\$0	\$7	\$8	\$8	\$4	\$28	\$14	\$1	\$31	\$100
712	\$2	\$16	\$16	\$11	\$15	\$25	\$19	\$2	\$43	\$149
727	\$0	\$0	\$3	\$1	\$0	\$6		\$1		\$10
732	\$59	\$6	\$8	\$6	\$0	\$15	\$6	\$0	\$4	\$104
734	\$0	\$13	\$24	\$31	\$60	\$37	\$25	\$27	\$0	\$217
744	\$1	\$28	\$10	\$18	\$9	\$19	\$13	\$4	\$21	\$123
745	\$2	\$12	\$8	\$8	\$86	\$48	\$12	\$2	\$47	\$225
756	\$1	\$16	\$6	\$5	\$4	\$16	\$6	\$5	\$18	\$77
757	\$274	\$18	\$33	\$22	\$12	\$53	\$32	\$13	\$46	\$504
762	\$4	\$16	\$14	\$31	\$18	\$132	\$32	\$0	\$34	\$279
Average	\$24	\$12	\$10	\$9	\$20	\$27	\$18	\$4	\$22	\$145
Top 20%*	\$29	\$7	\$8	\$9	\$31	\$18	\$16	\$7	\$7	\$133

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE B11

Wool Sheep Profitability Per Kilogram of Clean Wool Produced 2015–2016 Northern Victoria

Farm No.	Net Wool Income	Sheep Trading Profit	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Earnings before Int/Tax	Net Farm Income	Earnings before Int/Tax	Earnings before Int/Tax
	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/HA	\$/HA/100MM
584	\$13.27	\$5.05	\$8.26	\$4.28	\$0.79	\$3.37	\$13.33	\$4.99	\$1.62	\$213	\$69.00
586	\$13.10	\$9.70	\$5.14	\$5.65	\$4.45	\$0.00	\$15.25	\$7.55	\$7.55	\$125	\$125.00
588	\$14.23	\$5.32	\$6.99	\$2.59	\$1.95	\$2.22	\$11.52	\$8.03	\$5.80	\$169	\$122.00
589	\$12.27	\$12.62	\$5.79	\$6.78	\$4.27	\$10.02	\$16.84	\$8.05	-\$1.97	\$99	-\$24.00
599	\$13.42	\$7.96	\$12.93	\$3.00	\$2.78	\$3.27	\$18.71	\$2.66	-\$0.61	\$68	-\$16.00
614	\$13.35	-\$0.73	\$8.02	\$6.09	\$3.93	\$4.70	\$18.05	-\$5.42	-\$10.12	-\$56	-\$104.00
616	\$12.26	\$13.82	\$13.34	\$2.72	\$4.75	\$3.68	\$20.81	\$5.28	\$1.60	\$56	\$17.00
685	\$13.43	\$14.76	\$14.93	\$5.70	\$0.83	\$6.25	\$21.46	\$6.74	\$0.49	\$147	\$11.00
711	\$12.85	\$11.77	\$7.99	\$6.45	\$11.07	\$1.57	\$25.51	-\$0.89	-\$2.45	-\$10	-\$28.00
712	\$11.30	\$12.15	\$19.25	\$7.17	\$8.84	\$0.00	\$35.26	-\$11.80	-\$11.80	-\$231	-\$231.00
732	\$14.38	\$10.51	\$14.55	\$6.17	\$2.66	\$7.19	\$23.38	\$1.51	-\$5.67	\$26	-\$97.16
744	\$13.66	\$12.76	\$17.42	\$11.17	\$10.91	\$13.84	\$39.50	-\$13.09	-\$26.93	-\$103	-\$211.47
745	\$15.05	\$5.83	\$9.94	\$6.95	\$1.94	\$1.29	\$18.83	\$2.06	\$0.77	\$62	\$23.19
Average	\$13.27	\$9.35	\$11.12	\$5.75	\$4.55	\$4.42	\$21.42	\$1.21	-\$3.21	\$43	-\$26.50
Top 20%*	\$12.88	\$9.12	\$6.40	\$5.57	\$3.17	\$4.46	\$15.14	\$6.86	\$2.40	\$146	\$56.67

* Top 20% ranked according to wool Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE B12

Prime Lamb Profitability Per Kilogram Carcass Weight Produced 2015–2016 Northern Victoria

Farm No.	Net Wool Income	Non-Lamb Sheep Trading	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Lamb Price Received	Earnings before Int/Tax	Net Farm Income	Earnings before Int/Tax	Earnings before Int/Tax
	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/HA	\$/HA /100MM
588	\$3.03	\$0.41	\$2.27	\$0.99	\$0.73	\$0.83	\$3.99	\$5.49	\$4.94	\$4.11	\$283	\$235.07
599	\$1.18	-\$1.33	\$2.43	\$0.85	\$0.85	\$1.00	\$4.13	\$4.54	\$0.25	-\$0.76	\$19	-\$56.52
630	\$1.05	-\$0.72	\$1.55	\$1.74	\$1.70	\$0.11	\$4.99	\$5.08	\$0.42	\$0.31	\$36	\$26.46
685	\$1.31	-\$1.11	\$3.00	\$1.23	\$0.18	\$1.33	\$4.40	\$6.26	\$2.06	\$0.73	\$221	\$77.99
688	\$1.20	\$2.14	\$1.23	\$1.33	\$0.45	\$0.25	\$3.00	\$3.07	\$3.41	\$3.16	\$188	\$173.59
712	\$2.75	-\$0.81	\$4.08	\$1.95	\$2.37	\$0.00	\$8.40	\$4.63	-\$1.84	-\$1.84	-\$132	-\$132.33
744	\$1.10	-\$1.40	\$2.60	\$1.58	\$1.41	\$1.79	\$5.60	\$5.57	-\$0.34	-\$2.13	-\$22	-\$141.61
756	\$2.05	\$0.48	\$2.22	\$1.23	\$1.52	\$1.66	\$4.97	\$3.77	\$1.34	-\$0.31	\$67	-\$15.45
757	\$1.68	-\$8.21	\$4.64	\$7.07	\$0.00	\$0.29	\$11.71	\$12.05	-\$6.18	-\$6.48	-\$981	-\$1,027.26
Average	\$1.71	-\$1.17	\$2.67	\$2.00	\$1.02	\$0.81	\$5.69	\$5.61	\$0.45	-\$0.36	-\$36	-\$95.56
Top 20%*	\$1.85	\$0.48	\$2.17	\$1.18	\$0.45	\$0.80	\$3.80	\$4.94	\$3.47	\$2.67	\$230	\$162.22
Merino Ewe Av	\$2.61	\$0.03	\$2.86	\$1.39	\$1.54	\$0.83	\$5.79	\$4.63	\$1.48	\$0.65	\$72	\$29.10
Other Ewe Av	\$1.25	-\$1.77	\$2.58	\$2.30	\$0.77	\$0.80	\$5.64	\$6.10	-\$0.06	-\$0.86	-\$90	-\$157.89

* Top 20% ranked according to prime lamb Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE B13

Beef Cattle Profitability Per Kilogram Liveweight Produced 2015–2016 Northern Victoria

Farm No.	Trading Profit	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Beef Price Received	Earnings before Int/Tax	Net Farm Income	Earnings before Int/Tax	Earnings before Int/Tax	Beef Enterprise
	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/HA	\$/HA /100MM	
630	-\$0.05	\$0.72	\$0.61	\$0.68	\$0.04	\$2.02	\$2.47	\$0.40	\$0.36	\$95	\$85.48	Autumn
757	\$0.05	\$1.01	\$1.36	\$0.00	\$0.07	\$2.38	\$2.73	\$0.40	\$0.32	\$113	\$92.18	Autumn
762	-\$0.60	\$1.44	\$1.06	\$1.03	\$0.30	\$3.53	\$3.22	-\$0.91	-\$1.20	-\$239	-\$317.94	Autumn
584	-\$0.03	\$1.18	\$0.30	\$0.06	\$0.34	\$1.53	\$2.83	\$1.27	\$0.94	\$546	\$400.96	Spring
588	\$0.01	\$0.67	\$0.39	\$0.38	\$0.33	\$1.44	\$2.79	\$1.36	\$1.03	\$199	\$150.06	Spring
685	\$0.00	\$1.20	\$0.33	\$0.13	\$0.49	\$1.66	\$2.84	\$1.18	\$0.68	\$325	\$188.53	Spring
688	-\$0.04	\$0.52	\$0.63	\$0.18	\$0.15	\$1.33	\$2.46	\$1.09	\$0.94	\$165	\$141.65	Spring
708	\$0.01	\$0.51	\$0.40	\$0.15	\$0.00	\$1.07	\$2.99	\$1.93	\$1.93	\$564	\$563.69	Spring
709	\$0.22	\$0.84	\$1.05	\$0.83	\$0.25	\$2.72	\$2.94	\$0.44	\$0.19	\$56	\$23.95	Spring
732	\$0.02	\$1.11	\$0.23	\$0.00	\$0.60	\$1.35	\$1.77	\$0.44	-\$0.16	\$92	-\$32.79	Spring
745	-\$0.20	\$0.54	\$1.14	\$0.19	\$0.16	\$1.86	\$2.44	\$0.38	\$0.21	\$89	\$50.20	Spring
756	-\$0.06	\$0.54	\$0.43	\$0.33	\$0.58	\$1.29	\$2.68	\$1.33	\$0.75	\$240	\$135.64	Spring
734	-\$1.43	\$0.46	\$0.32	\$0.18	\$0.04	\$0.97	\$2.87	\$0.47	\$0.43	\$148	\$135.05	Other
Average	-\$0.16	\$0.83	\$0.63	\$0.32	\$0.26	\$1.78	\$2.69	\$0.75	\$0.49	\$184	\$124.36	
Top 20%*	-\$0.48	\$0.72	\$0.34	\$0.13	\$0.13	\$1.19	\$2.90	\$1.22	\$1.10	\$419	\$366.57	
Autumn Av	-\$0.20	\$1.06	\$1.01	\$0.57	\$0.14	\$2.64	\$2.81	-\$0.04	-\$0.17	-\$10	-\$46.76	
Spring Av	-\$0.01	\$0.79	\$0.54	\$0.25	\$0.32	\$1.58	\$2.64	\$1.05	\$0.72	\$253	\$180.21	
Other Av	-\$1.43	\$0.46	\$0.32	\$0.18	\$0.04	\$0.97	\$2.87	\$0.47	\$0.43	\$148	\$135.05	

* Top 20% ranked according to wool Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE B14**Capital Structure 2015–2016 Northern Victoria**

	2015 – 2016 Average	2015 – 2016 Top 20%
FARM AREAS (HA)		
Freehold Area	657	1,256
Area Leased In	454	439
Area Leased Out	6	2
Effective Area	1,045	1,712
LAND VALUES		
Total Land Value per Hectare	\$5,099	\$5,645
Total Land Value per DSE	\$759	\$487
Owned Land Value per Hectare	\$4,959	\$5,690
Leased Land Value per Hectare	\$3,987	\$4,703
OTHER ASSETS (PER HECTARE)		
Plant & Vehicles	\$217	\$130
Livestock	\$738	\$1,035
Hay & Grain on Hand	\$19	\$31
Other Assets	\$314	\$199
Total Assets Managed	\$6,387	\$7,039
LIABILITIES		
Liabilities per Hectare	\$560	\$404
EQUITY		
Equity per Hectare	\$4,726	\$5,660
Average Equity %	72%	82%
RATIOS		
Debt Ratio	18%	7%
Plant & Equipment Ratio	4	7

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE B15**Farm Labour Efficiency and Enterprise Mix 2015–2016 Northern Victoria**

	2015 – 2016 Average	2015 – 2016 Top 20%
SHEEP ENTERPRISES		
Average Sheep Number	4,174	6,560
Sheep Labour Efficiency (ha/person)	638	677
Sheep Labour Efficiency (DSE/person)	4,947	6,681
BEEF ENTERPRISES		
Average Cattle Number	391	1,120
Cattle Labour Efficiency (ha/person)	501	1,014
Cattle Labour Efficiency (DSE/person)	5,833	11,727
TOTAL LABOUR EFFICIENCY		
Hectares per person	584	757
DSE per person	5,081	8,915
ENTERPRISE MIX		
Wool Sheep (%)	44%	25%
Prime Lambs (%)	26%	18%
Beef (%)	26%	56%
Hay/Cropping (%)	4%	1%

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE B16

Supplementary Feed Data 2015–2016 Northern Victoria

Farm No.	Yield		Amount Fed to Sheep			Amount Fed to Cattle			Gross Margins		Area Cut	
	WET TONNES PER HA		AVERAGE WET KGS PER DSE			AVERAGE WET KGS PER DSE			\$ PER HA		HA	
	PASTURE HAY	SILAGE	PASTURE HAY	SILAGE	GRAIN	PASTURE HAY	SILAGE	GRAIN	PASTURE HAY	SILAGE	PASTURE HAY	SILAGE
584			0.8	0.0	15.3	42.7	0.0	0.0			0	0
588			0.0	2.0	7.8	0.0	0.0	0.0			0	0
589			0.0	0.0	0.0						0	0
599			0.3	0.0	30.6						0	0
614			8.5	0.0	8.5						0	0
616			0.0	0.0	49.7						0	0
630	2.0		0.0	0.0	0.0	23.4	0.0	0.0	\$186		2	0
650			0.0	0.0	0.0	0.0	0.0	0.0			0	0
685		4.8	0.0	14.8	28.2	0.0	24.3	44.9		\$21	0	155
688			2.9	0.0	5.4	0.0	0.0	0.0			0	0
706	2.1		102.6	0.0	0.0				\$425		16	0
708	3.4	5.2				19.1	7.1	2.1	\$537	\$146	30	25
709	2.8					17.7	0.0	0.0	\$59		8	0
711			0.0	0.0	2.5						0	0
712			0.0	0.0	56.3						0	0
727			0.0	0.0	0.0						0	0
732	3.2		0.1	0.0	0.0	88.7	0.0	0.0	\$398		20	0
734						37.4	0.0	0.0			0	0
744			0.0	0.0	33.7						0	0
756			0.0	0.0	22.0	3.1	0.0	0.0			0	0
757	2.7	2.9	7.1	0.0	16.0	12.5	20.6	0.0	-\$12	-\$178	35	26
Average	2.7	4.3	6.8	0.9	15.3	20.4	4.3	3.9	\$266	-\$4	5	10
Top 20%*	3.4	5.2	1.2	0.7	9.5	19.8	1.4	0.4	\$537	\$146	6	5

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE B17

Historical Data For Selected Average Profitability Indicators - Northern Victoria

Years	Gross Income		Variable Costs		Overhead Costs		Net Income		EBIT (Operating Profit)		Return to Assets	Return to Equity
	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)		
2004-05	\$272	\$358	\$107	\$141	\$57	\$75	\$108	\$142	\$53	\$70	1.1%	-0.2%
2005-06	\$272	\$344	\$111	\$140	\$63	\$80	\$99	\$125	\$45	\$57	1.5%	0.0%
2006-07	\$275	\$341	\$164	\$203	\$66	\$82	\$46	\$57	\$0	\$0	0.2%	-1.8%
2007-08	\$293	\$348	\$114	\$135	\$65	\$77	\$114	\$135	\$62	\$74	2.4%	1.5%
2008-09	\$263	\$307	\$121	\$141	\$72	\$84	\$69	\$81	\$8	\$9	0.3%	-1.3%
2009-10	\$340	\$385	\$103	\$117	\$83	\$94	\$154	\$175	\$82	\$93	2.5%	2.0%
2010-11	\$499	\$546	\$112	\$123	\$108	\$118	\$279	\$305	\$183	\$200	4.5%	4.9%
2011-12	\$436	\$472	\$132	\$142	\$106	\$114	\$199	\$215	\$118	\$128	2.9%	2.6%
2012-13	\$383	\$405	\$168	\$177	\$106	\$112	\$110	\$116	\$25	\$26	0.6%	-1.8%
2013-14	\$433	\$444	\$151	\$155	\$104	\$107	\$178	\$182	\$102	\$105	2.0%	0.9%
2014-15	\$461	\$466	\$181	\$183	\$120	\$121	\$160	\$162	\$86	\$87	1.9%	1.0%
2015-16	\$513	\$513	\$207	\$207	\$145	\$145	\$161	\$161	\$77	\$77	1.4%	0.5%
Long term Av		\$411		\$155		\$101		\$155		\$77	1.8%	0.7%
Diff. btwn 2015-16 Av & long term Av		\$102		\$52		\$44		\$6		-\$0	-0.4%	-0.2%
		+25%		+33%		+44%		+4%		-0%		

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 2004-05 to 2008-09 has been obtained from the Sheep Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

TABLE B18

Historical Gross Margins For Livestock Enterprises - Northern Victoria

Years	Wool Sheep				Prime Lambs				Beef Cattle			
	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)
2004-05	\$14.18	\$18.66	\$126	\$166								
2005-06	\$11.15	\$14.11	\$107	\$135								
2006-07	\$10.99	\$13.63	\$95	\$118								
2007-08	\$15.55	\$18.44	\$123	\$145	\$10.52	\$12.48	\$90	\$107				
2008-09	\$12.94	\$15.12	\$106	\$124	\$16.10	\$18.81	\$137	\$160				
2009-10	\$24.06	\$27.28	\$202	\$229	\$24.79	\$28.10	\$225	\$255	\$29.47	\$33.40	\$350	\$397
2010-11	\$43.62	\$47.73	\$396	\$433	\$45.66	\$49.97	\$401	\$439	\$31.36	\$34.32	\$365	\$399
2011-12	\$33.04	\$35.72	\$332	\$359	\$28.03	\$30.30	\$250	\$270	\$25.09	\$27.12	\$285	\$308
2012-13	\$17.67	\$18.66	\$172	\$181	\$24.58	\$25.96	\$190	\$201	\$23.25	\$24.55	\$247	\$261
2013-14	\$22.62	\$23.19	\$234	\$240	\$31.56	\$32.35	\$319	\$327	\$25.83	\$26.48	\$317	\$325
2014-15	\$26.33	\$26.59	\$279	\$282	\$28.28	\$28.56	\$291	\$294	\$25.02	\$25.27	\$282	\$285
2015-16	\$24.89	\$24.89	\$217	\$217	\$31.61	\$31.61	\$221	\$221	\$38.75	\$38.75	\$434	\$434
Long term Av		\$24		\$219		\$29		\$253		\$30		\$344
Diff. btwn 2015-16 Av & long term Av		\$1		-\$2		\$3		-\$32		\$9		\$90
		+5%		-1%		+10%		-13%		+29%		+26%

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 2004-05 to 2008-09 has been obtained from the Sheep Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

Early figures for prime lamb and beef cattle enterprises were not reported in the old Sheep Farm Monitor Projects and are therefore not shown in the above table.

TABLE B19

Historical Data For Selected Average Profitability Indicators - Northern Victoria

Years	Stocking Rate	Wool Sheep						
		Micron	Wool Cut (Gr.)	Net Wool Price		Average Sale Price		Lamb %
	DSE/HA		(KG/HA)	NOMINAL (\$/KG) GR.	REAL (\$/KG) GR.	NOMINAL (\$/HD)	REAL (\$/HD)	
2004-05	9.3	19.2	33	\$4.86	\$6.39	\$46	\$61	75%
2005-06	9.8	18.8	30	\$5.09	\$6.45	\$41	\$52	79%
2006-07	9.7	18.3	30	\$6.94	\$8.60	\$33	\$41	69%
2007-08	8.2	18.8	29	\$6.12	\$7.27	\$41	\$49	72%
2008-09	8.5	18.4	29	\$5.71	\$6.68	\$45	\$52	80%
2009-10	8.8	18.3	27	\$6.07	\$6.88	\$72	\$82	77%
2010-11	9.4	18.6	32	\$8.79	\$9.62	\$102	\$112	78%
2011-12	9.3	18.5	29	\$8.43	\$9.11	\$80	\$86	84%
2012-13	9.4	18.5	30	\$7.47	\$7.89	\$56	\$59	80%
2013-14	9.8	18.0	33	\$7.25	\$7.43	\$63	\$65	77%
2014-15	10.2	18.1	36	\$8.22	\$8.30	\$76	\$77	78%
2015-16	8.8	17.8	28	\$8.81	\$8.81	\$71	\$71	85%
Long term Av	9.3	18.4	30		\$7.79		\$67	78%
Diff. btwn 2015-16 Av & long term Av	-0.5		-3		\$1.02		\$4	
	-5%		-10%		13%		6%	

Years	Prime Lambs						Beef Cattle		
	Wool Cut (Gr.)	Net Wool Price		Average Sale Price		Lamb %	Calving %	Average Sale Price	
	(KG/HA)	NOMINAL (\$/KG) GR.	REAL (\$/KG) GR.	NOMINAL (\$/HD)	REAL (\$/HD)			NOMINAL (\$/HD)	REAL (\$/HD)
2004-05									
2005-06									
2006-07									
2007-08	18	\$4.40	\$5.22	\$53	\$62	87%			
2008-09	16	\$3.24	\$3.79	\$68	\$79	98%			
2009-10	18	\$3.27	\$3.71	\$95	\$107	111%	87%	\$640	\$726
2010-11	20	\$4.34	\$4.75	\$127	\$139	105%	87%	\$847	\$927
2011-12	19	\$4.78	\$5.16	\$102	\$110	107%	87%	\$815	\$881
2012-13	21	\$5.00	\$5.28	\$78	\$83	111%	87%	\$814	\$859
2013-14	23	\$5.08	\$5.21	\$90	\$92	109%	93%	\$698	\$716
2014-15	22	\$6.27	\$6.33	\$101	\$102	112%	90%	\$937	\$946
2015-16	18	\$6.34	\$6.34	\$102	\$102	119%	90%	\$1,189	\$1,189
Long term Av	19		\$5.09		\$97	107%	89%		\$892
Diff. btwn 2015-16 Av & long term Av	-1		\$1.25		\$5	12%	1%		\$297
	-8%		25%		5%				33%

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 2004-05 to 2008-09 has been obtained from the Sheep Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

Early figures for prime lamb and beef cattle enterprises were not reported in the old Sheep Farm Monitor Projects and are therefore not shown in the above table.

TABLE C1

Main Financial Indicators 2015–2016 South West

Farm No.	Gross Income	Variable Costs	Overhead Costs	Cost Structure	O/O Allowance	Earnings before Int/Tax - EBIT	Net Farm Income	Return on Assets	Debt Ratio	Return on Equity
	\$/HA	\$/HA	\$/HA		\$/HA	\$/HA	\$/HA			
14	\$756	\$385	\$116	66%	\$90	\$166	\$91	3.1%	10%	1.9%
39	\$883	\$456	\$108	64%	\$41	\$278	\$120	4.0%	18%	2.9%
43	\$606	\$185	\$164	58%	\$39	\$217	\$73	5.0%	24%	4.1%
46	\$361	\$158	\$77	65%	\$26	\$99	\$85	2.7%	4%	2.4%
55	\$893	\$384	\$263	72%	\$17	\$229	\$229	2.5%	0%	2.5%
58	\$1,379	\$372	\$248	45%	\$94	\$664	\$439	8.0%	16%	12.5%
66	\$430	\$283	\$224	118%	\$51	-\$128	-\$128	-2.7%	0%	-2.7%
87	\$478	\$205	\$121	68%	\$36	\$115	\$113	2.0%	0%	2.0%
88	\$862	\$345	\$216	65%	\$79	\$223	\$130	2.3%	11%	1.7%
114	\$613	\$166	\$79	40%	\$67	\$301	\$286	7.8%	2%	7.9%
512	\$750	\$342	\$152	66%	\$160	\$97	\$60	2.1%	5%	1.5%
520	\$953	\$494	\$98	62%	\$94	\$267	\$157	5.0%	12%	4.3%
525	\$1,011	\$342	\$186	52%	\$58	\$425	\$261	5.8%	16%	5.7%
623	\$756	\$305	\$108	55%	\$133	\$210	-\$30	2.6%	32%	-0.9%
627	\$399	\$152	\$146	75%	\$36	\$65	-\$13	1.2%	20%	-0.4%
628	\$1,256	\$596	\$315	73%	\$65	\$280	\$221	3.1%	5%	2.7%
659	\$656	\$260	\$86	53%	\$112	\$198	\$198	3.6%	0%	3.6%
693	\$946	\$283	\$134	44%	\$28	\$500	\$460	8.1%	4%	7.6%
715	\$1,297	\$357	\$226	45%	\$136	\$578	\$510	7.0%	5%	7.0%
720	\$1,000	\$218	\$115	33%	\$31	\$636	\$440	7.3%	20%	8.6%
740	\$576	\$337	\$325	115%	\$39	-\$123	-\$155	-1.4%	6%	-2.1%
746	\$378	\$244	\$197	117%	\$3	-\$67	-\$127	-1.5%	16%	-2.9%
751	\$877	\$450	\$154	69%	\$63	\$210	\$125	3.2%	10%	2.4%
753	\$652	\$148	\$157	47%	\$150	\$197	\$46	2.4%	23%	1.0%
754	\$534	\$141	\$86	42%	\$93	\$214	\$190	3.5%	5%	3.4%
759	\$490	\$249	\$63	64%	\$59	\$118	\$22	3.4%	20%	1.5%
761	\$1,127	\$514	\$189	62%	\$74	\$350	\$347	4.4%	0%	4.3%
767	\$473	\$190	\$104	62%	\$108	\$71	-\$109	1.0%	38%	-2.5%
Average	\$764	\$306	\$159	64%	\$71	\$228	\$144	3.4%	12%	2.9%
Top 20%*	\$1,127	\$348	\$183	47%	\$70	\$526	\$410	6.8%	10%	7.6%

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE C2

Key Physical Data 2015–2016 South West

Farm No.	Average Rainfall	Actual Rainfall	Stocking Rate	S.R. - Rf	S.R. - Rf	July Stocking Rate	P Applied	P Applied	P Nutrient Balance	K Nutrient Balance	S Nutrient Balance
	MM	MM	DSE/HA	DSE/HA/100MM	DSE/HA/ 25MM OVER 250MM		KG P/ GRAZED HA	KG P/GRAZED HA/100MM	KG/HA	KG/HA	KG/HA
14	687	476	13.2	2.8	1.46	11.1	9	1.8	7.6	2.8	7.6
39	673	510	21.2	4.2	2.04	21.1	11	2.2	9.8	23.2	6.7
43	658	575	11.6	2.0	0.89	16.0	9	1.5	8.6	4.1	4.1
46	611	436	8.2	1.9	1.10	12.0	5	1.3	5.2	2.4	6.0
55	624	555	12.5	2.2	1.02	19.6	12	2.3	7.1	-7.2	1.0
58	701	572	20.4	3.6	1.58	16.9	12	2.1	9.9	4.5	-2.3
66	557	361	12.1	3.4	2.73	11.3	3	1.0	4.6	6.6	3.8
87	626	509	9.8	1.9	0.95	11.9	6	1.2	6.2	4.6	7.0
88	654	489	14.8	3.0	1.55	17.1	14	2.9	11.0	13.2	10.6
114	600	454	8.6	1.9	1.06	5.9	2	0.5	2.0	1.8	-0.1
512	662	457	12.7	2.8	1.53	11.6	13	2.8	12.1	16.4	11.5
520	670	472	15.7	3.3	1.77	22.4	16	3.3	13.2	12.3	15.4
525	570	523	7.5	1.4	0.69	6.4	6	1.2	-1.2	-8.2	-4.5
623	767	465	17.8	3.8	2.07	13.2	12	2.5	9.2	15.1	-0.9
627	610	323	11.3	3.5	3.88	14.9	9	2.7	7.8	0.2	8.2
628	652	543	28.0	5.2	2.39	21.8	12	2.2	11.8	37.1	0.5
659	631	512	12.2	2.4	1.16	14.5	2	0.4	0.5	5.0	-0.5
693	570	529	13.1	2.5	1.17	11.7	9	1.8	9.4	15.6	1.3
715	746	663	19.6	3.0	1.19	24.4	21	3.1	16.6	16.3	18.7
720	719	585	19.1	3.3	1.43	18.4	16	2.7	14.5	6.8	-0.3
740	544	344	6.9	2.0	1.82	6.5	8	2.3	6.9	-0.8	0.6
746	495	301	5.3	1.8	2.61	6.1	4	1.2	2.9	0.3	-0.7
751	658	519	22.7	4.4	2.11	31.5	15	2.9	12.9	8.5	9.3
753	586	474	14.0	3.0	1.56	16.7	2	0.4	2.6	15.6	1.6
754	577	452	13.0	2.9	1.64	11.3	17	3.7	15.9	2.9	-0.1
759	664	459	12.0	2.6	1.44	9.3	18	3.9	12.9	-12.5	6.9
761	751	672	19.0	2.8	1.12	14.0	15	2.2	13.3	25.1	3.1
767	572	448	10.4	2.3	1.31	10.5	9	2.0	8.4	8.8	10.8
Average	637	489	14.0	2.9	1.62	14.6	10	2.1	8.6	7.9	4.5
Top 20%*	676	591	16.5	2.8	1.20	15.3	13	2.2	10.4	10.0	2.7

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE C3

Wool Sheep Production 2015–2016 South West

Farm No.	Stocking Rate	Adult Clean Wool Cut	Clean Wool Cut	Clean Wool Cut	Clean Wool Cut	Net Clean Wool Price	Main Wool Sale Month	Av Wool Micron	Av Wool Yield	Av Sale Price	Gross Margin	Gross Margin	Gross Margin	Time of Lambing	Lamb Marking %
	DSE/HA	KG/HD	KG/HA	KG/DSE	KG/HA /100MM	\$/KG				\$/HD	\$/HA	\$/HA /100MM	\$/DSE		
14	13.2	3.7	30.5	2.3	6.4	\$13.60	May	17.2	62%	\$75	\$331	\$69.65	\$25.00	Aug	77%
39	21.2	3.2	42.5	2.0	8.4	\$12.59	Apr	17.8	65%	\$67	\$239	\$46.86	\$11.00	Sep	65%
55	12.5	3.8	32.2	2.6	5.8	\$10.91	May	18.0	68%	\$86	\$333	\$60.05	\$27.00	Jun	85%
66	12.1	2.9	26.3	2.2	7.3	\$13.93	Apr	17.2	68%	\$68	\$138	\$38.35	\$11.00	Sep	81%
88	14.8	3.1	35.0	2.4	7.2	\$12.64	May	19.0	74%	\$21	\$221	\$45.29	\$14.98	Sep	89%
114	8.6	3.5	19.9	2.3	4.4	\$12.43	Feb	18.2	62%	\$68	\$228	\$50.23	\$26.00	Aug	86%
512	12.7	4.3	26.7	2.1	5.9	\$12.83	Jun	17.5	66%	\$81	\$346	\$75.65	\$27.26	Sep	96%
525	7.5	4.6	19.8	2.6	3.8	\$11.86	May	18.8	69%	\$62	\$29	\$5.60	\$4.00	Sep	79%
627	11.3	3.2	22.7	2.0	7.0	\$11.91	Nov	17.0	73%	\$66	\$186	\$57.69	\$16.00	Jul	65%
659	12.2	3.2	29.0	2.4	5.7	\$13.04	Apr	17.7	67%	\$66	\$314	\$61.25	\$26.00	Aug	93%
740	6.9	3.5	16.7	2.4	4.9	\$13.78	Nov	18.9	65%	\$76	\$87	\$25.39	\$12.74	Aug	58%
746	5.3	3.3	8.8	1.7	2.9	\$14.00	Jun	17.2	65%	\$62	\$110	\$36.59	\$20.81	Aug	102%
759	12.0	2.7	22.0	1.8	4.8	\$12.83	Mar	16.5	65%	\$57	\$167	\$36.50	\$14.00	Sep	79%
Average	11.6	3.5	25.5	2.2	5.7	\$12.80		17.8	67%	\$66	\$210	\$46.85	\$18.14		81%
Top 20%*	12.7	3.7	28.7	2.3	6.0	\$13.16		17.5	65%	\$74	\$330	\$68.85	\$26.09		89%

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE C4

Prime Lamb Production 2015–2016 South West

Farm No.	Stocking Rate	Lamb Produced	Lamb Produced	Lamb Produced	Av Lamb Weight	Av Lamb Price	Av Lamb Price	Adult Gr. Wool Cut	Greasy Wool Cut	Average Wool Micron
	DSE/HA	KG LWT/HA	KG CWT/HA	KG CWT / HA/100MM	KG CWT	\$/KG CWT	\$/HD	KG/HD	KG/HA	
43	11.6	184	81	14.2	15.5	\$5.87	\$91	4.1	16.8	31.0
46	8.2	148	67	15.3	19.5	\$5.13	\$100	3.4	14.0	27.0
58	20.4	470	211	37.0	19.6	\$4.91	\$96	4.1	39.1	30.0
87	9.8	136	61	12.0	20.2	\$4.84	\$98	6.2	30.0	28.0
88	14.8	296	133	27.2	19.5	\$5.63	\$110	5.0	30.7	24.5
512	12.7	202	91	19.9	14.9	\$5.64	\$84	4.3	49.5	18.5
520	15.7	376	169	35.9	21.0	\$4.73	\$99	5.4	29.4	30.0
525	7.5	102	46	8.8	16.8	\$4.94	\$83	5.9	8.9	22.0
623	17.8	376	169	36.4	21.2	\$4.58	\$97	4.2	36.3	32.0
628	28.0	493	222	40.9	22.2	\$5.65	\$126	3.8	48.4	33.0
659	12.2	293	132	25.7	22.5	\$4.55	\$102	4.1	20.1	26.0
715	19.6	475	214	32.2	22.1	\$5.31	\$118	4.8	41.5	32.0
751	22.7	409	184	35.5	21.1	\$5.16	\$109	4.3	38.5	30.0
754	13.0	201	91	20.3	22.1	\$4.89	\$108	3.1	32.3	30.0
759	12.0	155	70	15.2	21.1	\$3.81	\$80	5.9	37.2	17.0
761	19.0	412	185	27.6	21.0	\$5.76	\$121	5.5	46.0	30.1
Average	15.3	296	133	25.3	20.0	\$5.09	\$101	4.6	32.4	27.6
Top 20%*	20.2	410	185	32.5	19.7	\$5.38	\$106	4.3	44.6	28.4
Merino Ewe Av	12.0	155	70	15.2	21.1	\$3.81	\$80	5.9	37.2	17.0
Other Ewe Av	15.5	305	137	25.9	19.9	\$5.17	\$103	4.6	32.1	28.3

Farm No.	Ewe Breed	Net Greasy Wool Price	Gross Margin	Gross Margin	Gross Margin	Time of Lambing	Lamb Marking %	Ewe % of DSE
		\$/KG	\$/HA	\$/HA/100MM	\$/DSE			
43	Xbred	\$3.81	\$413	\$71.89	\$35.58	July	144%	78%
46	Xbred	\$4.62	\$224	\$51.39	\$27.37	Jul	102%	85%
58	Xbred	\$3.92	\$788	\$137.84	\$38.64	Aug	126%	75%
87	Xbred	\$5.65	\$203	\$39.80	\$20.69	May	86%	66%
88	Xbred	\$5.75	\$585	\$119.72	\$39.60	Jul	126%	74%
512	Xbred	\$7.86	\$656	\$143.52	\$51.71	Aug	90%	97%
520	Xbred	\$4.31	\$471	\$99.78	\$29.98	Jul	140%	90%
525	Xbred	\$7.49	\$31	\$5.95	\$4.13	Aug	115%	75%
623	Xbred	\$4.05	\$448	\$96.36	\$25.12	Aug	122%	87%
628	Xbred	\$3.27	\$662	\$121.93	\$23.66	Sep	105%	80%
659	Xbred	\$5.48	\$430	\$84.08	\$35.36	Jul	133%	82%
715	Xbred	\$3.98	\$949	\$143.27	\$48.38	July	126%	85%
751	Xbred	\$4.79	\$556	\$107.03	\$24.50	Jul	116%	79%
754	Xbred	\$4.61	\$461	\$102.96	\$35.54	Aug	119%	65%
759	Merino	\$8.22	\$451	\$98.19	\$37.42	Sep	76%	67%
761	Xbred	\$4.65	\$627	\$93.39	\$33.07	Sep	144%	79%
Average		\$5.15	\$497	\$94.82	\$31.92		117%	79%
Top 20%*		\$4.76	\$764	\$136.64	\$40.60		112%	84%
Merino Ewe Av		\$8.22	\$451	\$98.19	\$37.42		76%	67%
Other Ewe Av		\$4.95	\$500	\$94.59	\$31.56		120%	80%

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE C5

Beef Cattle Production 2015–2016 South West

Farm No.	Stocking Rate	Beef Produced	Beef Produced	Beef Sold	Av Sale Price	Av Wt Sales	Av Sale Price
	DSE/HA	KG LWT/HA	KG LWT/HA/100MM	KG LWT/HA	\$/HD	KG LWT	\$/KG LWT
87	9.8	157	31	137	\$1,069	376	\$2.84
627	11.3	185	57	178	\$1,044	360	\$2.90
751	22.7	299	57	675	\$863	318	\$2.71
753	14.0	284	60	433	\$1,258	445	\$2.83
767	10.4	327	73	301	\$1,105	426	\$2.59
39	21.2	406	80	785	\$1,392	439	\$3.17
46	8.2	140	32	253	\$960	399	\$2.41
58	20.4	308	54	611	\$1,086	255	\$4.27
693	13.1	278	53	196	\$1,718	440	\$3.90
720	19.1	335	57	392	\$1,037	366	\$2.83
754	13.0	170	38	252	\$948	339	\$2.80
767	10.4	105	23	204	\$921	311	\$2.97
39	21.2	619	121	1,146	\$1,035	517	\$2.00
58	20.4	803	140	2,551	\$868	321	\$2.70
114	8.6	286	63	195	\$1,581	667	\$2.38
Average	14.9	313	63	554	\$1,126	399	\$2.89
Top 20%*	16.7	333	66	530	\$1,353	454	\$3.27
Autumn Av	13.6	250	56	345	\$1,068	385	\$2.77
Spring Av	15.1	249	48	385	\$1,152	364	\$3.19
Other Av	16.7	569	108	1297	\$1,161	502	\$2.36

Farm No.	Main Sale Stock	Gross Margin	Gross Margin	Gross Margin	Time of Calving	Calving %	Cow %	Beef Enterprise
		\$/HA	\$/HA/100MM	\$/DSE				
87	Steers	\$322	\$63.32	\$32.91	Feb	84%	34%	Autumn
627	Weaners	\$417	\$129.22	\$36.80	Apr	97%	26%	Autumn
751	Weaners	\$491	\$94.48	\$21.62	Jun	93%	6%	Autumn
753	Weaners	\$663	\$139.91	\$47.29	Mar	95%	100%	Autumn
767	Weaners	\$508	\$113.48	\$48.91	Apr	91%	36%	Autumn
39	Steers	\$1,311	\$257.24	\$61.86	Sep	91%	8%	Spring
46	Weaners	\$134	\$30.82	\$16.42	Jul	88%	24%	Spring
58	Weaners	\$1,468	\$256.57	\$71.93	Aug	94%	36%	Spring
693	Steers	\$663	\$125.42	\$50.64	Aug	91%	100%	Spring
720	Heifers	\$792	\$135.45	\$41.42	Sep	99%	100%	Spring
754	Weaners	\$379	\$84.59	\$29.20	Aug	97%	69%	Spring
767	Steers	\$164	\$36.64	\$15.79	Aug	93%	64%	Spring
39	Heifers	\$417	\$81.91	\$19.70				Other
58	Steers	\$736	\$128.66	\$36.07				Other
114	Steers	\$807	\$177.85	\$93.50				Other
Average		\$618	\$123.70	\$41.60		93%	50%	
Top 20%*		\$1,195	\$230.55	\$75.76		93%	22%	
Autumn Av		\$480	\$108.08	\$37.51		92%	40%	
Spring Av		\$702	\$132.39	\$41.04		93%	57%	
Other Av		\$653	\$129.47	\$49.76				

*Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE C6

Wool Sheep Variable Costs 2015–2016 South West

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
14	\$3.86	\$8.52	\$7.44	\$4.72	\$1.44	\$0.71	\$0.36	\$0.43	\$2.89	\$30.37
39	\$2.37	\$6.96	\$5.99	\$4.93	\$0.00	\$0.29	\$0.23	\$0.07	\$1.50	\$22.33
55	\$2.55	\$6.88	\$8.66	\$2.80	\$0.00	\$0.24	\$0.27	\$0.52	\$2.56	\$24.48
66	\$1.97	\$6.17	\$11.80	\$2.00	\$0.11	\$0.00	\$0.27	\$1.35	\$3.10	\$26.77
88	\$2.33	\$5.48	\$5.46	\$8.63	\$0.21	\$0.37	\$0.32	\$0.87	\$1.65	\$25.32
114	\$1.46	\$6.92	\$9.36	\$0.90	\$1.80	\$0.00	\$0.50	\$0.76	\$1.64	\$23.35
512	\$3.59	\$4.53	\$9.72	\$6.77	\$0.04	\$0.16	\$0.27	\$0.94	\$2.77	\$28.78
525	\$2.22	\$6.43	\$12.41	\$2.36	\$1.07	\$2.36	\$0.36	\$0.48	\$6.17	\$33.88
627	\$1.66	\$7.71	\$0.00	\$4.81	\$0.25	\$0.13	\$0.18	\$0.21	\$2.00	\$16.95
659	\$3.39	\$7.58	\$8.64	\$3.18	\$0.00	\$0.47	\$0.33	\$0.34	\$2.88	\$26.80
740	\$2.33	\$9.57	\$10.10	\$3.35	\$2.08	\$1.09	\$0.36	\$0.57	\$2.17	\$31.63
746	\$3.24	\$9.66	\$6.44	\$8.58	\$0.08	\$0.92	\$0.12	\$0.70	\$1.72	\$31.46
759	\$4.01	\$3.09	\$1.61	\$9.70	\$0.16	\$0.49	\$0.22	\$2.52	\$2.34	\$24.15
Average	\$2.69	\$6.88	\$7.51	\$4.83	\$0.56	\$0.56	\$0.29	\$0.75	\$2.57	\$26.64
Top 20%*	\$3.61	\$6.88	\$8.60	\$4.89	\$0.49	\$0.45	\$0.32	\$0.57	\$2.85	\$28.65

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
14	\$51	\$112	\$98	\$62	\$19	\$9	\$5	\$6	\$38	\$401
39	\$50	\$148	\$127	\$104	\$0	\$6	\$5	\$1	\$32	\$473
55	\$32	\$86	\$108	\$35	\$0	\$3	\$3	\$6	\$32	\$305
66	\$24	\$75	\$143	\$24	\$1	\$0	\$3	\$16	\$38	\$324
88	\$35	\$81	\$81	\$128	\$3	\$5	\$5	\$13	\$24	\$374
114	\$13	\$60	\$81	\$8	\$16	\$0	\$4	\$7	\$14	\$201
512	\$46	\$57	\$123	\$86	\$1	\$2	\$3	\$12	\$35	\$365
525	\$17	\$49	\$94	\$18	\$8	\$18	\$3	\$4	\$47	\$255
627	\$19	\$87	\$0	\$55	\$3	\$1	\$2	\$2	\$23	\$192
659	\$41	\$92	\$105	\$39	\$0	\$6	\$4	\$4	\$35	\$326
740	\$16	\$66	\$69	\$23	\$14	\$7	\$2	\$4	\$15	\$217
746	\$17	\$51	\$34	\$45	\$0	\$5	\$1	\$4	\$9	\$166
759	\$48	\$37	\$19	\$117	\$2	\$6	\$3	\$30	\$28	\$291
Average	\$31	\$77	\$83	\$57	\$5	\$5	\$3	\$8	\$28	\$299
Top 20%*	\$46	\$87	\$109	\$62	\$7	\$6	\$4	\$7	\$36	\$364

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE C7

Prime Lamb Variable Costs 2013-2014 South West

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
43	\$0.58	\$2.67	\$4.81	\$6.48	\$0.00	\$0.07	\$0.22	\$1.28	\$0.10	\$16.21
46	\$1.39	\$4.73	\$7.81	\$2.77	\$0.00	\$0.68	\$0.00	\$0.39	\$1.80	\$19.57
58	\$2.27	\$3.42	\$7.16	\$4.17	\$0.00	\$0.67	\$0.15	\$0.53	\$0.80	\$19.18
87	\$2.52	\$5.71	\$5.97	\$6.03	\$0.00	\$0.84	\$0.23	\$0.66	\$2.57	\$24.54
88	\$1.92	\$4.51	\$3.00	\$8.63	\$0.18	\$0.80	\$0.24	\$0.71	\$2.41	\$22.41
512	\$2.38	\$2.36	\$12.12	\$6.77	\$0.12	\$0.17	\$0.34	\$0.88	\$3.75	\$28.89
520	\$2.93	\$3.43	\$7.24	\$9.07	\$3.37	\$0.83	\$0.20	\$0.76	\$3.99	\$31.82
525	\$1.48	\$5.59	\$9.32	\$2.36	\$0.93	\$2.58	\$0.31	\$0.41	\$3.66	\$26.66
623	\$3.24	\$3.92	\$3.90	\$4.48	\$0.17	\$0.81	\$0.20	\$0.36	\$3.90	\$20.98
628	\$1.11	\$2.76	\$11.64	\$4.04	\$0.00	\$0.66	\$0.19	\$0.89	\$1.08	\$22.37
659	\$1.74	\$3.81	\$6.68	\$3.18	\$0.00	\$0.86	\$0.17	\$0.18	\$4.25	\$20.86
715	\$0.89	\$5.58	\$2.13	\$6.41	\$0.00	\$0.67	\$0.32	\$2.09	\$3.62	\$21.71
751	\$1.81	\$3.55	\$12.19	\$5.76	\$0.42	\$0.00	\$0.11	\$0.80	\$3.15	\$27.79
754	\$2.62	\$4.78	\$0.00	\$4.74	\$0.00	\$0.39	\$0.00	\$0.05	\$1.08	\$13.65
759	\$5.70	\$4.40	\$2.04	\$9.70	\$0.23	\$0.70	\$0.31	\$1.03	\$1.93	\$26.02
761	\$3.03	\$4.02	\$6.91	\$8.06	\$1.83	\$1.27	\$0.16	\$1.82	\$0.85	\$27.96
Average	\$2.23	\$4.08	\$6.43	\$5.79	\$0.45	\$0.75	\$0.20	\$0.80	\$2.43	\$23.16
Top 20%*	\$1.66	\$3.53	\$8.26	\$5.35	\$0.03	\$0.54	\$0.25	\$1.10	\$2.31	\$23.04
Merino Ewe Av	\$5.70	\$4.40	\$2.04	\$9.70	\$0.23	\$0.70	\$0.31	\$1.03	\$1.93	\$26.02
Other Ewe Av	\$1.99	\$4.06	\$6.73	\$5.53	\$0.47	\$0.75	\$0.19	\$0.79	\$2.47	\$22.97

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Shearing Supplies	Other	Selling Costs	Total Var. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
43	\$7	\$31	\$56	\$75	\$0	\$1	\$3	\$15	\$1	\$188
46	\$11	\$39	\$64	\$23	\$0	\$6	\$0	\$3	\$15	\$160
58	\$46	\$70	\$146	\$85	\$0	\$14	\$3	\$11	\$16	\$391
87	\$25	\$56	\$58	\$59	\$0	\$8	\$2	\$6	\$25	\$240
88	\$28	\$67	\$44	\$128	\$3	\$12	\$4	\$11	\$36	\$331
512	\$30	\$30	\$154	\$86	\$2	\$2	\$4	\$11	\$48	\$366
520	\$46	\$54	\$114	\$142	\$53	\$13	\$3	\$12	\$63	\$500
525	\$11	\$42	\$70	\$18	\$7	\$19	\$2	\$3	\$28	\$201
623	\$58	\$70	\$70	\$80	\$3	\$15	\$3	\$6	\$70	\$374
628	\$31	\$77	\$326	\$113	\$0	\$19	\$5	\$25	\$30	\$626
659	\$21	\$46	\$81	\$39	\$0	\$10	\$2	\$2	\$52	\$254
715	\$17	\$109	\$42	\$126	\$0	\$13	\$6	\$41	\$71	\$426
751	\$41	\$81	\$277	\$131	\$9	\$0	\$2	\$18	\$72	\$630
754	\$34	\$62	\$0	\$61	\$0	\$5	\$0	\$1	\$14	\$177
759	\$69	\$53	\$25	\$117	\$3	\$8	\$4	\$12	\$23	\$313
761	\$57	\$76	\$131	\$153	\$35	\$24	\$3	\$35	\$16	\$530
Average	\$33	\$60	\$104	\$90	\$7	\$11	\$3	\$13	\$36	\$357
Top 20%*	\$31	\$72	\$167	\$102	\$1	\$12	\$5	\$22	\$41	\$452
Merino Ewe Av	\$69	\$53	\$25	\$117	\$3	\$8	\$4	\$12	\$23	\$313
Other Ewe Av	\$31	\$61	\$109	\$88	\$7	\$11	\$3	\$13	\$37	\$360

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE C8

Beef Cattle Variable Costs 2015–2016 South West

Farm No.	Enterprise	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Other	Selling Costs	Total Var. Costs
		\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE	\$/DSE
87	Autumn	\$3.36	\$0.03	\$8.57	\$6.03	\$0.22	\$0.53	\$0.65	\$2.68	\$22.06
627	Autumn	\$0.15	\$0.00	\$4.16	\$4.81	\$0.00	\$0.00	\$0.00	\$3.15	\$12.27
751	Autumn	\$2.17	\$0.00	\$0.90	\$5.76	\$0.00	\$0.00	\$0.00	\$5.98	\$14.81
753	Autumn	\$1.10	\$0.00	\$6.42	\$1.04	\$0.00	\$1.30	\$0.75	\$6.18	\$16.79
767	Autumn	\$1.64	\$0.00	\$20.34	\$8.61	\$0.00	\$0.43	\$0.18	\$5.83	\$37.04
39	Spring	\$0.41	\$0.00	\$0.00	\$4.93	\$0.00	\$1.83	\$0.00	\$0.59	\$7.76
58	Spring	\$1.92	\$0.64	\$9.63	\$4.17	\$0.00	\$0.36	\$0.18	\$7.95	\$24.84
46	Spring	\$0.92	\$0.39	\$13.86	\$2.77	\$0.00	\$1.70	\$2.21	\$1.13	\$22.99
693	Spring	\$0.99	\$1.78	\$7.60	\$8.05	\$1.46	\$0.54	\$1.20	\$1.00	\$22.62
720	Spring	\$1.94	\$0.00	\$4.68	\$3.81	\$0.25	\$0.28	\$0.44	\$2.20	\$13.60
754	Spring	\$0.75	\$0.26	\$3.65	\$4.74	\$0.00	\$0.65	\$0.00	\$4.19	\$14.24
767	Spring	\$0.92	\$0.00	\$1.24	\$8.61	\$0.00	\$0.00	\$0.10	\$4.14	\$15.01
39	Other	\$0.81	\$0.00	\$19.77	\$4.93	\$0.00	\$0.00	\$0.00	na	\$25.51
58	Other	\$0.00	\$0.00	\$0.00	\$4.17	\$0.00	\$0.00	\$19.65	\$5.00	\$28.82
114	Other	\$0.35	\$0.00	\$785	\$0.90	\$0.00	\$2.47	\$0.21	\$2.24	\$14.02
Average		\$1.16	\$0.21	\$724	\$4.89	\$0.13	\$0.67	\$1.70	\$3.73	\$19.49
Top 20%*		\$0.89	\$0.21	\$5.83	\$3.33	\$0.00	\$1.55	\$0.13	\$3.59	\$15.54
Autumn Av		\$1.68	\$0.01	\$8.08	\$5.25	\$0.04	\$0.45	\$0.32	\$4.76	\$20.59
Spring Av		\$1.12	\$0.44	\$5.81	\$5.30	\$0.24	\$0.77	\$0.59	\$3.03	\$17.29
Other Av		\$0.39	\$0.00	\$9.21	\$3.33	\$0.00	\$0.82	\$6.62	\$3.62	\$22.78

Farm No.	Animal Health	Contract Services	Supp Feed & Agistmt	Pasture	Casual Labour	Freight/ Cartage	Other	Selling Costs	Total Var. Costs
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
87	\$33	\$0	\$84	\$59	\$2	\$5	\$6	\$26	\$216
627	\$2	\$0	\$47	\$55	\$0	\$0	\$0	\$36	\$139
751	\$49	\$0	\$20	\$131	\$0	\$0	\$0	\$136	\$336
753	\$15	\$0	\$90	\$15	\$0	\$18	\$11	\$87	\$236
767	\$17	\$0	\$211	\$90	\$0	\$4	\$2	\$61	\$385
39	\$9	\$0	\$0	\$104	\$0	\$39	\$0	\$13	\$164
58	\$39	\$13	\$196	\$85	\$0	\$7	\$4	\$162	\$507
46	\$8	\$3	\$113	\$23	\$0	\$14	\$18	\$9	\$188
693	\$13	\$23	\$100	\$105	\$19	\$7	\$16	\$13	\$296
720	\$37	\$0	\$90	\$73	\$5	\$5	\$8	\$42	\$260
754	\$10	\$3	\$47	\$61	\$0	\$8	\$0	\$54	\$185
767	\$10	\$0	\$13	\$90	\$0	\$0	\$1	\$43	\$156
39	\$17	\$0	\$419	\$104	\$0	\$0	\$0	na	\$541
58	\$0	\$0	\$0	\$85	\$0	\$0	\$401	\$102	\$588
114	\$3	\$0	\$68	\$8	\$0	\$21	\$2	\$19	\$121
Average	\$17	\$3	\$100	\$72	\$2	\$9	\$31	\$57	\$288
Top 20%*	\$17	\$4	\$88	\$66	\$0	\$22	\$2	\$65	\$264
Autumn Av	\$23	\$0	\$91	\$70	\$0	\$6	\$4	\$69	\$262
Spring Av	\$18	\$6	\$80	\$77	\$3	\$11	\$7	\$48	\$251
Other Av	\$7	\$0	\$162	\$66	\$0	\$7	\$134	\$61	\$416

* Top 20% ranked according to gross margin per hectare per 100mm of rainfall.

TABLE C9

Pasture Costs Per Grazed Hectare 2015–2016 South West

Farm No.	Seed	Chemicals	Contract Services	Fert & Soil Conditioners	Other	Total Pasture Cost
	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA	\$/GRAZED HA
14	\$2	\$3	\$5	\$54	\$3	\$67
39	\$4	\$3	\$0	\$94	\$0	\$104
43	\$7	\$25	\$3	\$40	\$0	\$75
46	\$6	\$0	\$0	\$17	\$0	\$23
55	\$1	\$5	\$3	\$14	\$0	\$24
58	\$6	\$7	\$10	\$66	\$0	\$88
66	\$4	\$0	\$0	\$20	\$0	\$25
87	\$0	\$8	\$13	\$35	\$2	\$59
88	\$24	\$7	\$0	\$110	\$9	\$150
114	\$1	\$2	\$0	\$4	\$0	\$8
512	\$4	\$7	\$0	\$64	\$1	\$83
520	\$5	\$28	\$0	\$102	\$4	\$159
525	\$0	\$3	\$0	\$5	\$5	\$14
623	\$5	\$4	\$0	\$69	\$4	\$82
627	\$0	\$7	\$0	\$47	\$0	\$55
628	\$6	\$11	\$3	\$93	\$3	\$115
659	\$5	\$2	\$1	\$35	\$0	\$43
693	\$8	\$5	\$45	\$47	\$1	\$105
715	\$43	\$8	\$3	\$71	\$0	\$126
720	\$9	\$6	\$0	\$58	\$0	\$73
740	\$9	\$1	\$0	\$15	\$1	\$26
746	\$5	\$5	\$10	\$14	\$4	\$40
751	\$4	\$7	\$1	\$93	\$0	\$106
753	\$0	\$0	\$8	\$7	\$0	\$15
754	\$3	\$0	\$10	\$35	\$5	\$61
759	\$13	\$5	\$23	\$34	\$0	\$80
761	\$38	\$15	\$0	\$99	\$1	\$153
767	\$20	\$5	\$0	\$67	\$0	\$92
Average	\$8	\$6	\$5	\$50	\$2	\$73
Top 20%*	\$17	\$7	\$10	\$58	\$1	\$93

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE C10

Overhead Costs Per Hectare 2015–2016 South West

Farm No.	Paid Labour	Fuel & Vehicle	Insurance	R&M - Plant & Equip.	R&M - Land & Improv.	Admin	Rates & Rents	Sundries	Depreciation	Total Overheads
	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA	\$/HA
14	\$2	\$9	\$10	\$12	\$24	\$29	\$16	\$0	\$15	\$116
39	\$36	\$9	\$7	\$3	\$11	\$18	\$17	\$0	\$6	\$108
43	\$51	\$10	\$3	\$5	\$54	\$13	\$12	\$0	\$14	\$162
46	\$26	\$5	\$5	\$3	\$8	\$5	\$13	\$2	\$11	\$77
55	\$151	\$6	\$10	\$13	\$10	\$12	\$29	\$7	\$25	\$263
58	\$79	\$17	\$14	\$14	\$11	\$39	\$15	\$7	\$52	\$248
66	\$127	\$19	\$9	\$8	\$9	\$13	\$21	\$1	\$16	\$224
87	\$50	\$0	\$10	\$7	\$18	\$15	\$15	\$1	\$4	\$121
88	\$7	\$10	\$24	\$15	\$52	\$31	\$38	\$0	\$38	\$216
114	\$7	\$8	\$11	\$6	\$8	\$20	\$10	\$2	\$7	\$79
512	\$1	\$10	\$13	\$5	\$28	\$20	\$14	\$7	\$53	\$152
520	\$18	\$1	\$7	\$9	\$17	\$8	\$18	\$0	\$20	\$98
525	\$27	\$5	\$14	\$24	\$21	\$22	\$15	\$0	\$58	\$186
623	\$5	\$7	\$11	\$5	\$10	\$29	\$10	\$0	\$29	\$108
627	\$3	\$23	\$12	\$16	\$43	\$8	\$25	\$0	\$15	\$146
628	\$150	\$17	\$13	\$11	\$15	\$46	\$26	\$0	\$37	\$315
659	\$0	\$18	\$5	\$12	\$4	\$11	\$18	\$1	\$17	\$86
693	\$0	\$19	\$11	\$10	\$14	\$35	\$19	\$0	\$26	\$134
715	\$11	\$31	\$12	\$22	\$17	\$43	\$49	\$16	\$24	\$226
720	\$0	\$0	\$13	\$15	\$14	\$18	\$14	\$6	\$36	\$115
740	\$104	\$19	\$22	\$39	\$18	\$45	\$34	\$0	\$43	\$325
746	\$85	\$9	\$9	\$18	\$19	\$30	\$15	\$0	\$12	\$197
751	\$0	\$43	\$10	\$4	\$25	\$14	\$15	\$0	\$43	\$154
753	\$18	\$10	\$15	\$17	\$0	\$32	\$19	\$1	\$42	\$157
754	\$1	\$16	\$7	\$6	\$14	\$18	\$13	\$3	\$8	\$86
759	\$0	\$2	\$7	\$0	\$2	\$10	\$9	\$1	\$32	\$63
761	\$35	\$0	\$10	\$29	\$8	\$20	\$25	\$3	\$59	\$189
767	\$0	\$5	\$9	\$19	\$20	\$13	\$14	\$13	\$11	\$105
Average	\$36	\$12	\$11	\$12	\$18	\$22	\$19	\$3	\$27	\$159
Top 20%*	\$25	\$12	\$12	\$19	\$14	\$30	\$23	\$5	\$43	\$183

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE C11

Wool Sheep Profitability Per Kilogram of Clean Wool Produced 2015–2016 South West

Farm No.	Net Wool Income	Sheep Trading Profit	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Earnings before Int/Tax	Net Farm Income	Earnings before Int/Tax	Earnings before Int/Tax
	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/KG CLEAN	\$/HA	\$/HA/100MM
14	\$14.46	\$9.39	\$13.14	\$3.66	\$2.92	\$2.39	\$19.71	\$4.14	\$1.75	\$126	\$53.00
39	\$13.13	\$3.60	\$11.30	\$2.48	\$0.73	\$4.01	\$14.52	\$2.21	-\$1.80	\$88	-\$71.00
55	\$11.53	\$8.26	\$9.47	\$7.34	\$0.66	\$0.00	\$17.48	\$2.32	\$2.32	\$75	\$75.00
66	\$14.83	\$2.30	\$12.30	\$7.55	\$1.97	\$0.00	\$21.83	-\$4.70	-\$4.70	-\$124	-\$124.00
88	\$13.32	\$3.47	\$10.70	\$5.70	\$1.98	\$2.65	\$18.38	-\$1.59	-\$4.24	-\$56	-\$148.45
114	\$13.12	\$8.42	\$10.11	\$3.29	\$2.57	\$0.76	\$15.98	\$5.57	\$4.81	\$111	\$96.00
512	\$13.56	\$12.70	\$13.65	\$5.14	\$5.67	\$1.37	\$24.46	\$1.80	\$0.43	\$48	\$11.54
525	\$13.19	\$1.06	\$12.87	\$4.77	\$2.12	\$8.26	\$19.76	-\$5.51	-\$13.76	-\$109	-\$273.00
627	\$12.51	\$4.17	\$8.47	\$6.48	\$1.94	\$3.45	\$16.89	-\$0.21	-\$3.66	-\$5	-\$83.00
659	\$13.87	\$8.21	\$11.26	\$2.12	\$2.97	\$0.00	\$16.34	\$5.74	\$5.74	\$166	\$166.00
740	\$14.63	\$3.46	\$13.00	\$12.50	\$0.62	\$1.91	\$26.12	-\$8.03	-\$9.94	-\$134	-\$165.94
746	\$14.45	\$16.80	\$19.00	\$16.61	\$0.00	\$7.04	\$35.60	-\$4.35	-\$11.40	-\$38	-\$99.76
759	\$13.49	\$7.14	\$13.23	\$3.53	\$3.69	\$4.37	\$20.44	\$0.19	-\$4.18	\$4	-\$92.00
Average	\$13.55	\$6.84	\$12.19	\$6.24	\$2.14	\$2.79	\$20.58	-\$0.19	-\$2.97	\$12	-\$50.43
Top 20%*	\$13.96	\$10.10	\$12.68	\$3.64	\$3.85	\$1.25	\$20.17	\$3.89	\$2.64	\$113	\$76.85

* Top 20% ranked according to wool Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE C12

Prime Lamb Profitability Per Kilogram Carcass Weight Produced 2015–2016 South West

Farm No.	Net Wool Income	Non-Lamb Sheep Trading	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Lamb Price Received	Earnings before Int/Tax	Net Farm Income	Earnings before Int/Tax	Earnings before Int/Tax
	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/KG CWT	\$/HA	\$/HA/100MM
43	\$0.77	\$2.50	\$2.11	\$1.95	\$0.43	\$1.77	\$4.49	\$3.81	\$2.59	\$0.83	\$137	\$43.80
46	\$0.97	\$1.10	\$2.15	\$1.10	\$0.15	\$0.21	\$3.39	\$3.44	\$2.12	\$1.91	\$95	\$85.37
58	\$0.73	\$1.93	\$1.77	\$1.12	\$0.41	\$1.06	\$3.30	\$2.85	\$2.20	\$1.14	\$270	\$139.73
87	\$2.76	\$0.58	\$3.47	\$2.26	\$0.80	\$0.04	\$6.52	\$3.44	\$0.26	\$0.22	\$11	\$9.62
88	\$1.33	-\$0.41	\$2.17	\$1.63	\$0.52	\$0.70	\$4.32	\$5.65	\$2.25	\$1.56	\$301	\$207.91
512	\$4.29	-\$1.01	\$3.43	\$1.65	\$1.67	\$0.40	\$6.74	\$7.37	\$3.91	\$3.51	\$463	\$415.75
520	\$0.75	-\$0.03	\$2.52	\$0.54	\$0.49	\$0.65	\$3.55	\$4.58	\$1.75	\$1.09	\$286	\$179.48
525	\$1.45	-\$1.42	\$3.75	\$2.04	\$0.92	\$3.58	\$6.71	\$4.40	-\$2.28	-\$5.86	-\$93	-\$238.76
623	\$0.87	-\$0.39	\$1.77	\$0.59	\$0.64	\$1.42	\$3.01	\$3.94	\$1.41	-\$0.01	\$205	-\$1.02
628	\$0.71	-\$0.15	\$2.58	\$1.42	\$0.29	\$0.26	\$4.29	\$5.00	\$1.27	\$1.01	\$249	\$197.48
659	\$0.83	\$0.48	\$1.53	\$0.47	\$0.65	\$0.00	\$2.66	\$3.49	\$2.14	\$2.14	\$216	\$216.36
715	\$0.78	\$0.97	\$1.60	\$1.06	\$0.64	\$0.32	\$3.30	\$4.32	\$2.78	\$2.46	\$483	\$428.10
751	\$1.00	\$0.25	\$2.93	\$1.01	\$0.43	\$0.46	\$4.37	\$4.68	\$1.56	\$1.10	\$261	\$184.45
754	\$1.64	\$3.53	\$1.80	\$0.97	\$0.43	\$0.27	\$3.20	\$1.70	\$3.68	\$3.41	\$116	\$107.77
759	\$4.39	\$5.06	\$4.06	\$1.23	\$1.16	\$1.38	\$6.46	\$1.07	\$4.06	\$2.69	\$80	\$52.74
761	\$1.16	\$0.46	\$2.63	\$1.02	\$0.37	\$0.01	\$4.01	\$4.38	\$2.00	\$1.98	\$282	\$279.82
Average	\$1.53	\$0.84	\$2.52	\$1.25	\$0.63	\$0.78	\$4.40	\$4.01	\$1.98	\$1.20	\$210	\$144.29
Top 20%*	\$1.63	\$0.44	\$2.35	\$1.31	\$0.75	\$0.51	\$4.41	\$4.89	\$2.54	\$2.03	\$366	\$295.27
Merino Ewe Av	\$4.39	\$5.06	\$4.06	\$1.23	\$1.16	\$1.38	\$6.46	\$1.07	\$4.06	\$2.69	\$80	\$52.74
Other Ewe Av	\$1.34	\$0.56	\$2.41	\$1.26	\$0.59	\$0.74	\$4.26	\$4.20	\$1.84	\$1.10	\$219	\$150.39

* Top 20% ranked according to wool Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE C13

Beef Cattle Profitability Per Kilogram Liveweight Produced 2015–2016 South West

Farm No.	Trading Profit	Variable Costs	Overhead Costs	O/O Allowance	Interest & Lease	**Cost of Production	Beef Price Received	Earnings before Int/Tax	Net Farm Income	Earnings before Int/Tax	Earnings before Int/Tax	Beef Enterprise
	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/KG LWT	\$/HA	\$/HA /100MM	
87	\$0.38	\$1.21	\$0.50	\$0.05	\$0.01	\$1.75	\$2.84	\$1.47	\$1.45	\$231	\$228.50	Autumn
627	-\$0.09	\$0.56	\$0.72	\$0.07	\$0.42	\$1.34	\$2.90	\$1.47	\$1.04	\$272	\$193.34	Autumn
753	-\$0.01	\$0.52	\$0.56	\$0.53	\$0.53	\$1.61	\$2.83	\$1.21	\$0.68	\$344	\$192.86	Autumn
751	-\$0.40	\$0.67	\$0.48	\$0.26	\$0.28	\$1.41	\$2.71	\$0.90	\$0.62	\$268	\$183.87	Autumn
767	-\$0.07	\$0.99	\$0.35	\$0.33	\$0.55	\$1.66	\$2.59	\$0.86	\$0.31	\$281	\$100.94	Autumn
39	\$0.43	\$0.37	\$0.30	\$0.12	\$0.39	\$0.79	\$3.17	\$2.81	\$2.42	\$1,140	\$981.76	Spring
46	-\$0.31	\$1.27	\$0.52	\$0.18	\$0.10	\$1.98	\$2.41	\$0.12	\$0.02	\$17	\$3.22	Spring
58	\$1.61	\$1.12	\$0.86	\$0.30	\$0.73	\$2.28	\$4.27	\$3.60	\$2.87	\$1,109	\$884.64	Spring
693	-\$0.49	\$1.02	\$0.48	\$0.10	\$0.14	\$1.61	\$3.90	\$1.80	\$1.66	\$500	\$460.53	Spring
720	\$0.15	\$0.65	\$0.33	\$0.09	\$0.58	\$1.07	\$2.83	\$1.91	\$1.33	\$642	\$445.56	Spring
754	\$0.19	\$0.76	\$0.50	\$0.69	\$0.14	\$1.96	\$2.80	\$1.03	\$0.89	\$175	\$151.01	Spring
767	-\$0.36	\$1.07	\$0.86	\$1.03	\$1.71	\$2.97	\$2.97	-\$0.36	-\$2.07	-\$38	-\$217.54	Spring
39	-\$0.45	\$0.87	\$0.17	\$0.08	\$0.26	\$1.13	\$2.00	\$0.42	\$0.16	\$260	\$101.40	Other
58	-\$2.38	\$0.03	\$0.09	\$0.04	\$0.09	\$0.16	\$2.70	\$0.16	\$0.07	\$130	\$59.58	Other
114	\$2.28	\$0.52	\$0.43	\$0.33	\$0.08	\$1.28	\$2.38	\$3.38	\$3.30	\$966	\$943.82	Other
Average	-\$0.13	\$0.79	\$0.48	\$0.28	\$0.42	\$1.55	\$2.92	\$1.24	\$0.82	\$381	\$269.26	
Top 20%*	\$1.44	\$0.67	\$0.53	\$0.25	\$0.40	\$1.45	\$3.27	\$3.26	\$2.86	\$1,072	\$936.74	
Autumn Av	\$0.09	\$0.76	\$0.59	\$0.22	\$0.32	\$1.57	\$2.86	\$1.38	\$1.06	\$282	\$204.90	
Spring Av	\$0.08	\$0.88	\$0.52	\$0.34	\$0.51	\$1.75	\$3.07	\$1.41	\$0.89	\$455	\$332.67	
Other Av	-\$1.42	\$0.45	\$0.13	\$0.06	\$0.18	\$0.65	\$2.35	\$0.29	\$0.12	\$195	\$80.49	

* Top 20% ranked according to wool Earnings before Interest and Tax (EBIT) per hectare.

** Interest and lease costs are excluded from the cost of production.

TABLE C14

Capital Structure 2015–2016 South West

	2015 – 2016 Average	2015 – 2016 Top 20%
FARM AREAS (HA)		
Freehold Area	1,203	738
Area Leased In	65	75
Area Leased Out	30	0
Effective Area	1,126	777
LAND VALUES		
Total Land Value per Hectare	\$5,191	\$6,426
Total Land Value per DSE	\$414	\$444
Owned Land Value per Hectare	\$4,739	\$6,228
Leased Land Value per Hectare	\$4,495	\$5,659
OTHER ASSETS (PER HECTARE)		
Plant & Vehicles	\$277	\$332
Livestock	\$1,036	\$1,271
Hay & Grain on Hand	\$29	\$37
Other Assets	\$81	\$42
Total Assets Managed	\$6,614	\$8,107
LIABILITIES		
Liabilities per Hectare	\$1,217	\$1,968
EQUITY		
Equity per Hectare	\$5,041	\$5,774
Average Equity %	77%	71%
RATIOS		
Debt Ratio	12%	10%
Plant & Equipment Ratio	3.7	4.3

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE C15

Farm Labour Efficiency and Enterprise Mix 2015–2016 South West

	2015 – 2016 Average	2015 – 2016 Top 20%
SHEEP ENTERPRISES		
Average Sheep Number	5,550	3,231
Sheep Labour Efficiency (ha/person)	540	380
Sheep Labour Efficiency (DSE/person)	6,552	5,011
BEEF ENTERPRISES		
Average Cattle Number	234	282
Cattle Labour Efficiency (ha/person)	648	570
Cattle Labour Efficiency (DSE/person)	8,560	10,464
TOTAL LABOUR EFFICIENCY		
Hectares per person	562	698
DSE per person	7,914	12,252
ENTERPRISE MIX		
Wool Sheep (%)	31%	4%
Prime Lambs (%)	39%	52%
Beef (%)	24%	39%
Hay/Cropping (%)	6%	5%

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE C16

Supplementary Feed Data 2015–2016 South West

Farm No.	Yield	Amount Fed to Sheep			Amount Fed to Cattle			Gross Margins		Area Cut	
	WET TONNES PER HA	AVERAGE WET KGS PER DSE			AVERAGE WET KGS PER DSE			\$ PER HA		HA	
	PASTURE HAY	PASTURE HAY	SILAGE	GRAIN	PASTURE HAY	SILAGE	GRAIN	PASTURE HAY	SILAGE	PASTURE HAY	SILAGE
14	3.1	17.1	0.0	16.9				\$362		70	0
39		0.0	0.0	14.3	24.4	0.0	0.0			0	0
43		2.4	0.0	17.6						0	0
46	5.5	0.0	0.0	29.9	26.8	0.0	0.0	\$466		20	0
55		14.3	0.0	20.7						0	0
58		0.0	4.6	5.3	0.0	16.6	0.0		\$13	0	26
66	1.0	37.6	0.0	18.6				\$173		49	0
87		0.0	0.0	23.8	0.0	73.2	0.0			0	0
88	4.1	15.7	15.7	1.2				\$519	-\$49	110	35
114		0.0	0.0	30.0						0	0
512		6.3	12.1	23.5					\$19	0	18
520	2.3	16.4	0.0	18.0				-\$139		57	0
525		6.6	0.0	16.6						0	0
623	2.0	5.8	0.0	6.1				\$290		16	0
627					22.5	0.0	0.0			0	0
628	2.1	3.1	0.0	38.2				\$390		15	0
659	2.0	22.9	0.0	14.7				\$296		93	0
693					58.9	0.0	0.0			0	0
715		0.0	0.0	0.0						0	0
720					26.5	0.0	0.0			0	0
740		0.0	0.0	19.8						0	0
746		0.0	0.0	12.8						0	0
751		0.0	59.5	16.4					\$37	0	79
753	1.9				28.9	0.0	0.0	\$332		16	0
754		10.6	0.0	5.3	20.4	0.0	0.0			0	0
759		0.0	0.0	6.0						0	0
761		9.2	2.4	19.7	0.0	0.0	0.0			0	0
767	0.9				10.0	0.0	0.0	\$78		16	0
Average	2.5	7.3	4.1	16.3	19.8	8.2	0.0	\$277	\$5	17	6
Top 20%*											

* Top 20% ranked according to Earnings before Interest and Tax (EBIT) per hectare.

TABLE C17

Historical Data For Selected Average Profitability Indicators – South West

Years	Gross Income		Variable Costs		Overhead Costs		Net Income		EBIT (Operating Profit)		Return to Assets	Return to Equity
	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/HA)	REAL (\$/HA)		
1970-71	\$46	\$483.70	\$15	\$158	\$10	\$105.15	\$20	\$210.30			2.9%	3.3%
1971-72	\$46	\$454.18	\$12	\$118	\$11	\$108.61	\$22	\$217.22			3.8%	3.2%
1972-73	\$86	\$784.76	\$14	\$128	\$12	\$109.50	\$60	\$547.51			12.6%	14.4%
1973-74	\$111	\$883.85	\$20	\$159	\$18	\$143.33	\$73	\$581.27			12.6%	15.3%
1974-75	\$66	\$449.56	\$16	\$109	\$17	\$115.80	\$33	\$224.78			3.1%	4.8%
1975-76	\$68	\$413.55	\$21	\$128	\$19	\$115.55	\$27	\$164.21			2.7%	3.1%
1976-77	\$90	\$482.25	\$23	\$123	\$21	\$112.52	\$46	\$246.48			6.6%	6.8%
1977-78	\$94	\$466.37	\$30	\$149	\$23	\$114.11	\$40	\$198.46			4.7%	4.6%
1978-79	\$137	\$625.31	\$32	\$146	\$31	\$141.49	\$74	\$337.76			6.3%	6.4%
1979-80	\$167	\$687.94	\$40	\$165	\$30	\$123.58	\$97	\$399.58			6.7%	6.9%
1980-81	\$156	\$591.19	\$58	\$220	\$33	\$125.06	\$65	\$246.33			2.9%	3.7%
1981-82	\$130	\$444.64	\$49	\$168	\$38	\$129.97	\$42	\$143.65			1.0%	0.4%
1982-83	\$122	\$375.59	\$53	\$163	\$39	\$120.06	\$30	\$92.36			-0.1%	-0.2%
1983-84	\$188	\$556.51	\$48	\$142	\$43	\$127.29	\$97	\$287.14			5.1%	4.0%
1984-85	\$191	\$530.39	\$54	\$150	\$46	\$127.74	\$91	\$252.70			4.4%	3.5%
1985-86	\$197	\$504.19	\$51	\$131	\$45	\$115.17	\$101	\$258.49			3.8%	3.3%
1986-87	\$235	\$550.27	\$53	\$124	\$49	\$114.74	\$133	\$311.43			6.1%	5.4%
1987-88	\$335	\$732.43	\$75	\$164	\$59	\$129.00	\$200	\$437.27			9.5%	9.3%
1988-89	\$343	\$696.95	\$80	\$163	\$61	\$123.95	\$202	\$410.45			7.7%	7.2%
1989-90	\$326	\$615.05	\$90	\$170	\$66	\$124.52	\$170	\$320.73			5.8%	4.6%
1990-91	\$221	\$403.24	\$73	\$133	\$57	\$104.00	\$91	\$166.04			2.1%	-0.5%
1991-92	\$190	\$342.57	\$68	\$123	\$55	\$99.56	\$67	\$120.80			1.0%	-2.2%
1992-93	\$198	\$350.33	\$67	\$119	\$54	\$95.55	\$77	\$136.24			1.5%	-1.1%
1993-94	\$220	\$382.93	\$85	\$148	\$54	\$93.17	\$82	\$141.81			1.8%	0.1%
1994-95	\$278	\$463	\$104	\$173	\$84	\$139	\$91	\$151			2.5%	0.9%
1995-96	\$273	\$442	\$98	\$158	\$82	\$132	\$93	\$151			2.6%	0.8%
1996-97	\$287	\$462	\$113	\$182	\$76	\$123	\$97	\$156			2.7%	1.1%
1997-98	\$302	\$482	\$117	\$187	\$80	\$129	\$104	\$166			2.6%	1.3%
1998-99	\$285	\$451	\$116	\$184	\$79	\$125	\$90	\$142			1.8%	0.3%
1999-00	\$308	\$472	\$126	\$193	\$80	\$123	\$102	\$156			2.1%	0.8%
2000-01	\$418	\$604	\$125	\$181	\$95	\$137	\$198	\$287			5.4%	5.2%
2001-02	\$536	\$754	\$150	\$210	\$102	\$144	\$284	\$400			7.6%	8.7%
2002-03	\$515	\$705	\$200	\$274	\$106	\$145	\$209	\$286			4.7%	4.9%
2003-04	\$519	\$693	\$183	\$244	\$85	\$114	\$251	\$335			5.0%	5.7%
2004-05	\$501	\$653	\$206	\$268	\$92	\$120	\$203	\$265	\$137	\$179	3.0%	2.3%
2005-06	\$453	\$568	\$202	\$253	\$91	\$114	\$160	\$201	\$80	\$100	1.6%	1.2%
2006-07	\$429	\$527	\$239	\$293	\$103	\$126	\$87	\$107	\$27	\$33	0.0%	-2.9%
2007-08	\$636	\$747	\$260	\$305	\$122	\$143	\$255	\$300	\$189	\$222	3.1%	2.4%
2008-09	\$602	\$697	\$274	\$317	\$130	\$150	\$199	\$230	\$82	\$95	2.2%	1.0%
2009-10	\$658	\$739	\$259	\$291	\$121	\$136	\$278	\$312	\$210	\$236	3.2%	2.5%
2010-11	\$793	\$859	\$214	\$232	\$137	\$148	\$442	\$479	\$366	\$397	5.7%	5.7%
2011-12	\$696	\$745	\$341	\$365	\$137	\$147	\$293	\$313	\$225	\$241	3.7%	3.3%
2012-13	\$547	\$572	\$285	\$298	\$141	\$147	\$121	\$126	\$60	\$63	1.0%	-1.2%
2013-14	\$608	\$617	\$252	\$256	\$150	\$152	\$206	\$209	\$142	\$144	2.2%	0.8%
2014-15	\$698	\$698	\$319	\$319	\$158	\$158	\$221	\$221	\$153	\$153	2.3%	1.8%
2015-16	\$764	\$764	\$306	\$306	\$159	\$159	\$299	\$299	\$228	\$228	3.4%	2.9%
Long term Av		\$582		\$197		\$128		\$258		\$176	4.0%	3.4%
Diff. btwn 2015-16 Av & long term Av		\$182		\$109		\$31		\$41		\$52	-0.6%	-0.5%
		+31%		+55%		+24%		+16%		+30%		

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 1970-71 to 2008-09 has been obtained from the South West Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

TABLE C18

Historical Gross Margins For Livestock Enterprises – South West

Years	Wool Sheep				Prime Lamb				Beef Cattle			
	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)	NOMINAL (\$/DSE)	REAL (\$/DSE)	NOMINAL (\$/HA)	REAL (\$/HA)
1970-71	\$1.50	\$15.77	\$18	\$189	\$2.26	\$23.76	\$31	\$326	\$2.80	\$29.44	\$40	\$421
1971-72	\$2.17	\$21.43	\$27	\$267	\$2.58	\$25.47	\$31	\$306	\$2.93	\$28.93	\$35	\$346
1972-73	\$8.41	\$76.74	\$96	\$876	\$7.95	\$72.55	\$96	\$876	\$3.01	\$27.47	\$34	\$310
1973-74	\$8.77	\$69.83	\$105	\$836	\$9.29	\$73.97	\$108	\$860	\$5.18	\$41.25	\$60	\$478
1974-75	\$5.03	\$34.26	\$53	\$361	\$5.71	\$38.89	\$67	\$456	\$1.36	\$9.26	\$16	\$109
1975-76	\$5.08	\$30.89	\$63	\$383	\$7.13	\$43.36	\$98	\$596	-\$0.35	-\$2.13	-\$3	-\$18
1976-77	\$7.05	\$37.78	\$85	\$455	\$9.45	\$50.64	\$115	\$616	\$1.00	\$5.36	\$12	\$64
1977-78	\$6.67	\$33.09	\$83	\$412	\$8.02	\$39.79	\$100	\$496	-\$1.02	-\$5.06	-\$12	-\$60
1978-79	\$9.20	\$41.99	\$114	\$520	\$8.84	\$40.35	\$98	\$447	\$7.89	\$36.01	\$100	\$456
1979-80	\$10.24	\$42.18	\$122	\$503	\$10.00	\$41.19	\$128	\$527	\$8.21	\$33.82	\$91	\$375
1980-81	\$7.59	\$28.76	\$86	\$326	\$7.92	\$30.01	\$116	\$440	\$3.36	\$12.73	\$41	\$155
1981-82	\$7.23	\$24.73	\$78	\$267	\$5.59	\$19.12	\$69	\$236	\$2.02	\$6.91	\$21	\$72
1982-83	\$6.02	\$18.53	\$64	\$197	\$7.47	\$23.00	\$96	\$296	-\$2.74	-\$8.44	-\$27	-\$83
1983-84	\$11.61	\$34.37	\$121	\$358	\$8.59	\$25.43	\$99	\$293	\$8.52	\$25.22	\$79	\$234
1984-85	\$11.75	\$32.63	\$129	\$358	\$8.91	\$24.74	\$118	\$328	\$10.12	\$28.10	\$110	\$305
1985-86	\$12.02	\$30.76	\$131	\$335	\$12.90	\$33.02	\$159	\$407	\$10.20	\$26.11	\$107	\$274
1986-87	\$14.62	\$34.23	\$157	\$368	\$20.16	\$47.21	\$255	\$597	\$11.27	\$26.39	\$125	\$293
1987-88	\$25.16	\$55.01	\$262	\$573	\$20.83	\$45.54	\$251	\$549	\$9.60	\$20.99	\$112	\$245
1988-89	\$23.59	\$47.93	\$249	\$506	\$22.57	\$45.86	\$264	\$536	\$10.30	\$20.93	\$110	\$224
1989-90	\$18.57	\$35.04	\$196	\$370	\$16.82	\$31.73	\$212	\$400	\$8.67	\$16.36	\$100	\$189
1990-91	\$10.39	\$18.96	\$106	\$193	\$11.92	\$21.75	\$139	\$254	\$11.28	\$20.58	\$147	\$268
1991-92	\$8.20	\$14.78	\$85	\$153	\$11.27	\$20.32	\$110	\$198	\$10.45	\$18.84	\$110	\$198
1992-93	\$8.62	\$15.25	\$86	\$152	\$13.33	\$23.59	\$174	\$308	\$12.80	\$22.65	\$142	\$251
1993-94	\$8.50	\$14.79	\$85	\$148	\$13.04	\$22.69	\$158	\$276	\$12.59	\$21.91	\$133	\$231
1994-95	\$14.32	\$23.84	\$139	\$232	\$14.32	\$23.83	\$201	\$334	\$7.25	\$12.07	\$83	\$139
1995-96	\$11.67	\$18.85	\$118	\$190	\$20.12	\$32.50	\$250	\$404	\$6.21	\$10.04	\$77	\$125
1996-97	\$12.32	\$19.84	\$143	\$230	\$17.28	\$27.81	\$282	\$455	\$3.11	\$5.01	\$42	\$67
1997-98	\$12.04	\$19.26	\$139	\$222	\$17.14	\$27.40	\$228	\$365	\$6.58	\$10.51	\$91	\$146
1998-99	\$8.70	\$13.76	\$108	\$171	\$15.04	\$23.78	\$204	\$323	\$10.62	\$16.79	\$140	\$221
1999-00	\$12.15	\$18.62	\$144	\$221	\$11.77	\$18.03	\$173	\$265	\$10.30	\$15.79	\$131	\$201
2000-01	\$17.12	\$24.75	\$221	\$320	\$16.99	\$24.56	\$251	\$363	\$20.52	\$29.66	\$292	\$422
2001-02	\$23.28	\$32.73	\$284	\$400	\$27.56	\$38.76	\$421	\$592	\$22.76	\$32.01	\$335	\$471
2002-03	\$15.82	\$21.67	\$232	\$317	\$20.03	\$27.42	\$346	\$474	\$11.17	\$15.29	\$190	\$260
2003-04	\$15.96	\$21.32	\$243	\$325	\$24.83	\$33.18	\$380	\$508	\$21.07	\$28.14	\$339	\$453
2004-05	\$12.94	\$16.86	\$201	\$261	\$20.02	\$26.09	\$314	\$409	\$19.91	\$25.94	\$309	\$403
2005-06	\$761	\$9.54	\$119	\$149	\$15.20	\$19.05	\$247	\$310	\$11.50	\$14.41	\$179	\$224
2006-07	\$8.09	\$9.93	\$112	\$137	\$10.87	\$13.34	\$139	\$171	\$9.35	\$11.48	\$177	\$217
2007-08	\$14.20	\$16.68	\$236	\$277	\$12.84	\$15.08	\$257	\$302	\$14.14	\$16.60	\$268	\$315
2008-09	\$12.25	\$14.18	\$179	\$207	\$17.74	\$20.53	\$271	\$313	\$19.65	\$22.73	\$312	\$360
2009-10	\$17.28	\$19.39	\$267	\$300	\$30.20	\$33.90	\$459	\$515	\$15.95	\$17.90	\$243	\$273
2010-11	\$37.09	\$40.18	\$550	\$596	\$40.73	\$44.12	\$628	\$680	\$31.78	\$34.43	\$538	\$583
2011-12	\$27.74	\$29.69	\$382	\$409	\$28.04	\$30.02	\$453	\$484	\$21.53	\$23.05	\$322	\$345
2012-13	\$12.48	\$13.05	\$166	\$173	\$14.98	\$15.67	\$232	\$243	\$15.73	\$16.44	\$237	\$248
2013-14	\$11.64	\$11.81	\$158	\$160	\$27.32	\$27.73	\$428	\$434	\$19.02	\$19.31	\$287	\$291
2014-15	\$13.69	\$13.69	\$188	\$188	\$25.10	\$25.10	\$394	\$394	\$30.33	\$30.33	\$414	\$414
2015-16	\$18.14	\$18.14	\$210	\$210	\$31.92	\$31.92	\$497	\$497	\$41.60	\$41.60	\$618	\$618
Long term Av		\$27		\$325		\$32		\$427		\$20		\$266
Diff. btwn 2015-16 Av & long term Av		-\$9		-\$115		\$0		\$70		\$22		\$352
		-33%		-35%		+1%		+16%		+108%		+132%

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation. The data in the above table from 1970-71 to 2008-09 has been obtained from the South West Farm Monitor Project. Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

TABLE C19

Historical Data For Selected Average Profitability Indicators - South West

Years	Stocking Rate	Wool Sheep						
		Micron	Wool Cut (Gr.)	Net Wool Price		Average Sale Price		Lamb %
	DSE/HA		(KG/HA)	NOMINAL (\$/KG) GR.	REAL (\$/KG) GR.	NOMINAL (\$/HD)	REAL (\$/HD)	
1970-71	15.3		42	\$0.71	\$7.47	\$3	\$28	78%
1971-72	14.0		43	\$0.83	\$8.19	\$3	\$25	66%
1972-73	12.2		42	\$2.25	\$20.53	\$7	\$61	64%
1973-74	12.5		47	\$1.84	\$14.65	\$12	\$96	81%
1974-75	12.1		51	\$1.30	\$8.85	\$4	\$29	81%
1975-76	13.6		51	\$1.43	\$8.70	\$4	\$24	84%
1976-77	12.9		47	\$1.88	\$10.07	\$9	\$46	77%
1977-78	14.0		46	\$1.96	\$9.72	\$10	\$49	79%
1978-79	12.7		48	\$2.05	\$9.36	\$16	\$73	80%
1979-80	13.0		42	\$2.58	\$10.63	\$18	\$75	85%
1980-81	12.8		40	\$2.60	\$9.85	\$17	\$64	77%
1981-82	12.0		36	\$2.71	\$9.27	\$12	\$41	72%
1982-83	11.7		38	\$2.66	\$8.19	\$8	\$25	79%
1983-84	11.7		42	\$2.84	\$8.41	\$16	\$48	83%
1984-85	13.1		45	\$3.17	\$8.80	\$14	\$38	83%
1985-86	12.0		44	\$3.48	\$8.91	\$12	\$30	84%
1986-87	12.2		43	\$4.02	\$9.41	\$17	\$39	79%
1987-88	11.8		43	\$7.03	\$15.37	\$17	\$38	82%
1988-89	12.1		43	\$6.84	\$13.90	\$19	\$38	82%
1989-90	12.4		45	\$5.99	\$11.30	\$11	\$21	77%
1990-91	11.8	21.3	41	\$4.30	\$7.85	\$5	\$9	75%
1991-92	11.4	21.3	38	\$3.67	\$6.62	\$8	\$15	71%
1992-93	11.6	21.7	44	\$2.95	\$5.22	\$13	\$23	71%
1993-94	11.3	21.3	37	\$3.59	\$6.24	\$13	\$23	72%
1994-95	11.1	21.2	38	\$5.60	\$9.33	\$15	\$24	76%
1995-96	12.4	21.3	45	\$3.70	\$5.98	\$21	\$34	77%
1996-97	13.9	20.9	46	\$4.50	\$7.24	\$19	\$30	77%
1997-98	13.3	20.7	42	\$4.63	\$7.41	\$20	\$33	75%
1998-99	14.2	20.8	51	\$3.45	\$5.46	\$17	\$27	81%
1999-00	14.4	20.4	52	\$4.44	\$6.80	\$13	\$20	84%
2000-01	14.9	20.2	52	\$5.57	\$8.05	\$26	\$37	77%
2001-02	15.2	20.1	55	\$5.78	\$8.13	\$43	\$61	77%
2002-03	15.6	19.5	51	\$6.90	\$9.45	\$35	\$48	73%
2003-04	16.0	19.4	54	\$5.73	\$7.65	\$43	\$58	72%
2004-05	15.8	19.2	55	\$5.32	\$6.93	\$41	\$53	78%
2005-06	15.5	18.9	43	\$5.45	\$6.83	\$35	\$44	76%
2006-07	14.6	18.7	51	\$6.40	\$7.86	\$30	\$37	74%
2007-08	17.5	18.4	52	\$6.26	\$7.35	\$40	\$46	79%
2008-09	16.2	18.3	49	\$6.28	\$7.27	\$44	\$50	75%
2009-10	16.0	18.2	48	\$6.53	\$7.33	\$69	\$78	73%
2010-11	15.8	18.6	48	\$9.51	\$10.30	\$104	\$112	72%
2011-12	15.3	18.4	44	\$8.81	\$9.43	\$69	\$74	84%
2012-13	15.4	17.7	45	\$7.85	\$8.21	\$42	\$44	76%
2013-14	15.0	17.5	44	\$7.54	\$7.65	\$48	\$49	67%
2014-15	14.8	17.7	45	\$7.60	\$7.60	\$64	\$64	76%
2015-16	14.0	17.8	38	\$8.58	\$8.58	\$66	\$66	81%
Long term Av	13.6	19.6	45		\$8.96		\$45	77%
Diff. btwn 2015-16 Av & long term Av	0.4		-7		-\$0.38		\$21	4%
	3%		-16%		-4%		47%	

TABLE C19 (CONT.)

Historical Data For Selected Average Profitability Indicators – South West

Years	Prime Lambs						Beef Cattle		
	Wool Cut (Gr.)	Net Wool Price		Average Sale Price		Lamb %	Calving %	Average Sale Price	
	(KG/HA)	NOMINAL (\$/KG GR.)	REAL (\$/KG GR.)	NOMINAL (\$/HD)	REAL (\$/HD)			NOMINAL (\$/HD)	REAL (\$/HD)
1970-71	28	\$0.68	\$715	\$4	\$43	100%	93%	\$93	\$978
1971-72	46	\$0.74	\$7.31	\$4	\$38	87%	89%	\$90	\$889
1972-73	35	\$1.95	\$17.79	\$7	\$62	90%	89%	\$97	\$885
1973-74	39	\$1.23	\$9.79	\$14	\$115	88%	92%	\$134	\$1,067
1974-75	43	\$0.94	\$6.40	\$6	\$42	99%	92%	\$56	\$381
1975-76	45	\$1.33	\$8.09	\$7	\$40	105%	91%	\$40	\$243
1976-77	42	\$1.66	\$8.89	\$10	\$55	101%	87%	\$55	\$295
1977-78	45	\$1.66	\$8.24	\$13	\$62	104%	84%	\$69	\$342
1978-79	32	\$1.89	\$8.63	\$17	\$76	96%	91%	\$188	\$858
1979-80	31	\$2.07	\$8.53	\$21	\$86	96%	90%	\$263	\$1,083
1980-81	32	\$1.90	\$7.20	\$19	\$72	94%	90%	\$235	\$891
1981-82	30	\$2.39	\$8.17	\$13	\$46	69%	90%	\$172	\$588
1982-83	40	\$1.99	\$6.13	\$11	\$34	94%	93%	\$180	\$554
1983-84	41	\$1.93	\$5.71	\$19	\$56	97%	95%	\$332	\$983
1984-85	40	\$2.20	\$6.11	\$15	\$42	102%	88%	\$322	\$894
1985-86	36	\$2.30	\$5.89	\$18	\$45	103%	87%	\$362	\$926
1986-87	44	\$2.92	\$6.84	\$25	\$59	104%	89%	\$363	\$850
1987-88	37	\$4.79	\$10.47	\$25	\$54	108%	90%	\$371	\$811
1988-89	41	\$4.24	\$8.62	\$26	\$52	101%	86%	\$389	\$790
1989-90	43	\$3.39	\$6.40	\$24	\$45	106%	89%	\$406	\$766
1990-91	41	\$1.79	\$3.27	\$21	\$38	115%	89%	\$381	\$695
1991-92	26	\$2.82	\$5.08	\$19	\$34	95%	88%	\$352	\$635
1992-93	43	\$2.53	\$4.48	\$33	\$58	97%	88%	\$416	\$736
1993-94	41	\$2.64	\$4.60	\$37	\$64	100%	84%	\$454	\$789
1994-95	43	\$3.67	\$6.10	\$32	\$53	96%	88%	\$390	\$649
1995-96	38	\$3.23	\$5.22	\$48	\$77	92%	88%	\$421	\$679
1996-97	38	\$3.84	\$6.18	\$39	\$62	98%	89%	\$311	\$501
1997-98	34	\$3.49	\$5.58	\$38	\$60	95%	90%	\$330	\$528
1998-99	36	\$2.48	\$3.92	\$33	\$53	98%	91%	\$411	\$650
1999-00	36	\$2.85	\$4.37	\$30	\$46	101%	91%	\$461	\$707
2000-01	41	\$3.32	\$4.80	\$38	\$54	100%	92%	\$616	\$891
2001-02	41	\$4.25	\$5.98	\$61	\$86	102%	89%	\$729	\$1,025
2002-03	36	\$5.28	\$7.23	\$62	\$85	98%	90%	\$546	\$748
2003-04	35	\$3.95	\$5.28	\$71	\$95	97%	88%	\$661	\$882
2004-05	33	\$3.62	\$4.72	\$67	\$87	99%	88%	\$715	\$931
2005-06	32	\$2.96	\$3.71	\$56	\$70	107%	86%	\$655	\$821
2006-07	32	\$3.94	\$4.84	\$56	\$69	98%	89%	\$502	\$616
2007-08	33	\$3.57	\$4.19	\$62	\$73	101%	85%	\$586	\$688
2008-09	34	\$3.13	\$3.62	\$74	\$86	110%	88%	\$732	\$847
2009-10	36	\$4.10	\$4.60	\$91	\$102	104%	90%	\$702	\$788
2010-11	34	\$5.74	\$6.22	\$123	\$134	101%	87%	\$853	\$924
2011-12	32	\$4.49	\$4.81	\$95	\$102	112%	84%	\$774	\$829
2012-13	30	\$4.19	\$4.38	\$70	\$73	108%	85%	\$666	\$696
2013-14	28	\$5.15	\$5.23	\$95	\$96	102%	88%	\$732	\$743
2014-15	31	\$4.81	\$4.81	\$95	\$95	116%	87%	\$794	\$794
2015-16	32	\$5.15	\$5.15	\$101	\$101	117%	93%	\$1,126	\$1,126
Long term Av	37		\$6.38		\$67	100%	89%		\$768
Diff. btwn 2015-16 Av & long term Av	-4		-\$1.23		\$34	17%	4%		\$358
	-12%		-19%		50%				47%

Note: 'Real' dollar values are the nominal values converted to 2015-16 dollar equivalents by the C.P.I. to allow for inflation.

The data in the above table from 1970-71 to 2008-09 has been obtained from the South West Farm Monitor Project.

Data from 2009-10 onwards has been obtained from the Livestock Farm Monitor Project.

Glossary

Cost structure

Variable costs plus overhead costs as a percentage of gross income.

Debt ratio

Interest and lease costs as a percentage of gross farm income.

Earnings before interest and tax (EBIT)

Previously reported as operating profit.

EBIT is calculated by subtracting variable costs, overhead costs and owner/operator allowance from gross farm income. EBIT is the return from all the capital used in the business.

Effective hectares

All figures expressed per hectare are per effective hectare unless otherwise stated.

Total hectares minus the area of land which is of little or no value for livestock or crop production (e.g. house and shed area).

Equity

Total assets minus total liabilities.

Grazed hectares

Effective hectares minus two thirds of the cropped area—assumes that a third of the cropped area is grazed at some time during the year.

Gross farm income

Income from each enterprise, wool, lamb and beef, etc., and is calculated by multiplying price received per unit by the number of units. Non-cash income such as changes in inventory of livestock or stocks of other inputs/output such as feed produced and conserved are also included.

Gross margin

Gross income minus variable costs for a specific enterprise.

Net farm income

EBIT minus interest and lease charges. The amount of profit available for capital investment, loan principal repayments and tax.

Owner/operator allowance

Allowance for the owner/operator's own labour. Set at \$65,637 per year (pro rata for actual time worked) for 2015-16. In addition an allowance of \$43,758 per year (pro rata for actual time worked) is provided for other unpaid family labour.

Overhead costs

All fixed costs that cannot be easily allocated to a specific enterprise (e.g. fuel, permanent labour, rates, administration, depreciation, etc) but excluding interest, leases, capital expenditure, principal repayments and tax.

Return on assets (RoA)

EBIT divided by the value of total assets. RoA gives an indication of how efficiently a business generates profit from its assets.

Return on equity (RoE)

Net farm income divided by the equity value. RoE gives an indication of profitability by measuring the return on the farmers' equity. If RoE is lower than RoA, the cost of the capital invested is greater than the profit generated on the additional assets.

Variable costs

Variable costs are costs that are specific to an enterprise, such as animal health and supplementary feed costs, and vary directly in relation to the size of the enterprise. Subtracting specific variable costs, i.e. wool variable costs, from specific enterprise income, i.e. wool income, gives a wool gross margin.

Abbreviations

ABS	Australian Bureau of Statistics
AWEX	Australian Wool Exchange
BoM	Bureau of Meteorology
cwt	Carcass weight
DEDJTR	Department of Economic Development, Jobs, Transport and Resources.
DSE	Dry Sheep Equivalent
EBIT	Earnings before interest and tax
ha	Hectare
kg	Kilogram
lwt	Live weight
M	Million
MLA	Meat and Livestock Australia
mm	Millimetres. 1 mm is equivalent to 4 points or 1/25th of an inch of rainfall.
RoA	Return on assets
RoE	Return on equity
t	Tonne = 1,000 kg

Standard Values

Standard values are used to calculate changes in value of stock on hand. The main standard values used in 2015-16 are shown below.

WOOL SHEEP	(\$/HEAD)
Ewes	\$86
Weaners	\$84
Wethers	\$95
Rams	\$100

PRIME LAMBS	(\$/HEAD)
Ewes	\$177
Weaners	\$130
Wethers	\$130
Rams	\$278

CATTLE	(\$/HEAD)
Cows	\$1,300
Heifers	\$1,200
Weaners	\$520
Steers 1-2yrs	\$1,240
Steers 2+ yrs	\$1,700
Bulls	\$2,650

CROPS	(\$/TONNE WET)
Pasture Hay	\$177
Silage	\$51
Wheat	\$280
Oats	\$246
Barley	\$255
Canola	\$531

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