Factors associated with profitability in pasture based systems of milk production

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ABSTRACT

A resilient dairy business will be sustainable across all of the sustainability indicators, survive milk price drops and be very profitable when milk price is high. The term resilient means able to “recover, respond, deal or withstand” different internal and external challenges that may manifest themselves within the farm business from time to time. There is significant potential to increase efficiency and productivity at farm level when compared with the average farm nationally. The focus at farm level must be about increasing grass growth and utilisation and converting that feed to milk solids (kg of milk fat and protein; MS) sales in as low a cost as possible. Increasing labour efficiency by operating more streamlined work practices, using contractors and contract rearing of heifers will have a major impact on farm labour requirements.