Question on Notice

No. 73

Asked on 5 February 2020

MR A POWELL ASKED MINISTER FOR AGRICULTURAL INDUSTRY DEVELOPMENT AND FISHERIES (HON M FURNER)—

QUESTION:

Will the Minister clarify through information collected through the Queensland Dairy Accounting Scheme what is the identified average cost of production per litre for Queensland dairy farmers to remain profitable and viable?

ANSWER:

Queensland Dairy Accounting Scheme (QDAS) reported that the Queensland total average operating cost for 2018-19 was 66.7 cents per litre of milk produced. It is important to consider that each farm enterprise comprises of unique and differing cost and revenue structures influenced by a large number of variables, including, but not limited to, regional location, local climate, adoption of on-farm technologies, scale of operation, access to additional dairy farm-related revenue and financing and related costs. For these reasons, it is not possible to nominate a single cost of production marker that may be used to determine whether any particular dairy farmer in Queensland will be profitable and viable.

The Palaszczuk Government plays no role in the commercial pricing and supply arrangements between dairy farmers and the buyers of milk.