Regional, Retrospective Farmgate Milk Price Index

Overview
The Regional, Retrospective Farmgate Milk Price Index reports average farmgate milk prices for the eight dairy regions of Australia. It is based on data provided directly by dairy farmers on the price they actually receive for their milk—so the more dairy farmers that take part, the more valuable this index will be.

How you can use the Index
The Regional, Retrospective Farmgate Milk Price Index will help dairy farmers compare the price they are receiving with average milk prices within their region.

However, the price a dairy farmer receives also depends on a number of factors relating to individual farms, including milk volume, seasonality of supply, component tests and milk quality. More information on why prices may vary from other farmers is outlined in the Factsheet ‘What influences farmgate milk prices?’ in this series.

The price reported to develop the Regional, Retrospective Farmgate Milk Price Index will be a dairy farmer’s base price in that particular month. Processor specific incentives and charges will not be included in the price. The base price will be reported in both $/Kg Milk Solids (MS) and cents/litre.

The Regional, Retrospective Farmgate Milk Price Index won’t show a price unless a minimum number of responses is received for each region. This is 20 responses in the Victorian regions, and 10 responses in other regions.

The index will be updated monthly on the Milk Price Index site.

How to input data
Entering data is simple and quick. The more farmers that enter their price data, the better the data quality will be. The index is updated monthly, and we encourage you to enter your data each month.

It is simple, go to www.agriculture.gov.au/milkpriceindex to input your data. You will be asked for an Australian Business Number (ABN). This is to help us verify data and make sure that data is only entered by dairy farmers. You will also be asked for an email address, which will only be used for notifying you of updates.

Key points
- The Regional, Retrospective Farmgate Milk Price Index reports average farmgate milk prices provided by farmers in the eight dairy regions of Australia.
- The index will help farmers compare the price they are receiving with average milk prices.
- The price data will be collected directly from farmers and can be simply inputted at www.agriculture.gov.au/milkpriceindex.
- The more dairy farmers that take part, the more valuable this index will be.
- The index is updated each month, with associated regional commentary to assist on-farm decision making.
You will be asked for the following pieces of information:

1. The month of your milk statement
2. Your dairy region
3. Your base price for $/kg MS or cents/litre
4. Your base c/kg butterfat and c/kg protein

If your milk statement does not report one of the base prices above, just enter ‘0’ in the appropriate field. We’ll apply a standard butterfat and protein test to convert to cents/litre and $/kg MS if required. Your base prices are usually found at the top of your milk statement.

This will be combined with data from other farmers to produce an average price for each region, along with a range. The data will only be published if we receive a minimum number of responses, so your data will not be identifiable.

Farm data provided will be verified to ensure it is within the expected price ranges and outlying numbers will be excluded from the data set to improve the accuracy of the index.

If a farmer wants to fully understand what their individual milk price would be with different processors it is recommended that they seek a specific income estimation from the processor. This will include all of the different incentives and charges applied by that processor against the unique production profile of the farm.

**Further information and references**


If you have any problems filling out the form, please email milkpriceindex@agriculture.gov.au.