

Operating Profit Adjustments

The following adjustments are used in DairyBase when calculating operating profit, as described in the DairyBase report description handbook. These values are reviewed annually.

Feed Inventory adjustments

Season	\$ per kg DM
2020-21	.35c
2021-22	.39c
2022-23	.42c

Note: These values reflect an average cost for feed that tends to be stored and fed out over different seasons, and also a combination of feed purchased and made.

Labour Adjustments – Management

Season	Number of cows	Basic rate (\$)	Per cow rate (\$)
2020-21	<900	\$50,000	61
	900-1199	\$53,000	58
	>=1200	\$127,000	N/A
2021-22	<900	\$54,000	63
	900-1199	\$57,000	60
	>=1200	\$130,000	N/A
2022-23	<900	\$58,000	64
	900-1199	\$60,000	62
	>=1200	\$135,000	N/A

e.g. herd size 300 in 2022-23 = (300 cows * \$64) + \$58,000 = \$77200

Note: This adjustment applies to 1.0 management FTE at 2400 hours annually. Surplus hours up to 0.5FTE are calculated at family unpaid rate (see below).

Labour Adjustments – Unpaid family

Region	2020-21	2021-22	2022-23
Rest of NZ	\$50,000	\$55,000	\$60,000
Otago/Southland	\$57,000	\$61,000	\$62,000

Note: \$Unpaid family labour = \$Adjustment * (annual hours worked / 2400).

Support block Adjustment - \$ per ha

Region	2020-21	2021-22	2022-23
Northland	600	650	700
Waikato	850	950	1050
Bay of Plenty	850	900	950
Taranaki	1000	1100	1200
Lower North Island	870	900	950
West Coast – Top of the South	750	750	775
Canterbury	850	950	1050
Otago – Southland	900	970	980