

## 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 |
|---------|--------------|
| 2023-24 | .39c         |
| 2024-25 | .41c         |
| 2025-26 | .45c         |

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 (\$) |
|---------|----------------|-----------------|-------------------|
| 2023-24 | <900           | \$62,000        | \$64              |
|         | 900-1199       | \$64,000        | \$62              |
|         | >=1200         | \$139,000       | N/A               |
| 2024-25 | <900           | \$65,000        | \$65              |
|         | 900-1199       | \$66,500        | \$63              |
|         | >=1200         | \$143,000       | N/A               |
| 2025-26 | <900           | <b>\$69,500</b> | \$65              |
|         | 900-1199       | \$66,900        | \$66              |
|         | >=1200         | \$148,000       | N/A               |

e.g. herd size 300 in 2025-26 = (300 cows \* \$65) + \$69,500 = \$89,000

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).

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**Labour Adjustments – Unpaid family**

| <b>Region</b>          | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> |
|------------------------|----------------|----------------|----------------|
| <b>Rest of NZ</b>      | \$63,000       | \$65,000       | \$68,000       |
| <b>Otago/Southland</b> | \$63,000       | \$63,500       | \$64,800       |

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

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**Support block Adjustment - \$ per ha**

| <b>Region</b>                        | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> |
|--------------------------------------|----------------|----------------|----------------|
| <b>Northland</b>                     | 700            | 750            | 880            |
| <b>Waikato</b>                       | 1075           | 1100           | 1180           |
| <b>Bay of Plenty</b>                 | 950            | 1000           | 1040           |
| <b>Taranaki</b>                      | 1225           | 1250           | 1250           |
| <b>Lower North Island</b>            | 950            | 950            | 990            |
| <b>West Coast – Top of the South</b> | 775            | 825            | 880            |
| <b>Canterbury</b>                    | 1150           | 1175           | 1320           |
| <b>Otago – Southland</b>             | 980            | 980            | 1030           |