



**Ontario Goat**  
449 Laird Road, Unit 12  
Guelph, Ontario N1G 4W1  
Tel: (519)824-2942  
Fax: (519)824-2534  
[www.ontariogoat.ca](http://www.ontariogoat.ca)

## **NEWS RELEASE**

### **RESULTS FOR 2016 DAIRY GOAT COST OF PRODUCTION STUDY RELEASED**

*Guelph ON, October 31, 2017-* The 2016 results of the Dairy Goat Cost of Production (COP) and Benchmarking Study have been released and the cost of producing one litre of goat milk is \$1.27/L. This is a slight decrease from the 2015 results of \$1.30/L and the 2014 pilot study results of \$1.37/L. Overall, cash costs and labour costs went down in 2016 but the capital costs did increase slightly. The top three costs for goat milk producers continues to be feed, labour and interest on debt.

Producers and industry partners have been using the previous results of Ontario Goat's (OG) COP study when looking at some of the needs for the overall industry. The results help to give a better understanding of the costs associated with the COP and assists in identifying key target areas for on-farm improvements or for the industry as a whole. For example, it was shown that the average production per doe on the study is 2.25 litres per doe; this shows that there is room for improvement. Producers who fell under this amount are now looking at ways to increase the yield per doe, either through overall herd management, feed management, better genetics, and eradicating production limiting diseases. Increasing your herd size may not always be the best answer. Many producers are also looking at these results when looking at start-up opportunities and using them as part of their business plan when talking to various lenders.

The Ontario goat milk industry is once again at a critical turning point. It is evident that strategic and prioritized investments need to be made in order for the industry to realize its true potential. Now more than ever, it is important that producers have a solid understanding of the costs on their farm and what significant changes in the industry mean to their bottom line.

"The results of the COP study comes at a very important time for the industry. Margins are getting tighter every day. There continue to be producers who are producing under the COP; the top five farms on the project had a COP of \$0.95/L", states Anton Slingerland, OG President. "However, many producers hover close to that break-even point. Knowing their costs will help them to be better prepared for the up and down cycles of the marketplace," he further comments.

"OG is using these project results to strategically address the priorities of building resources, research and investment for improved on-farm efficiencies and maximizing yield per doe," states Jennifer Haley, OG Executive Director. "We need to be able to achieve more milk per doe, while reducing costs and we continue to look for opportunities, collaborations with industry partners and projects that will help our members improve their bottom line," she adds.

OG feels that the results from this project and the results from the previous pilot study do give the industry a good baseline to work with and make sound decisions. Due to the results of the Producer

Expression of Opinion vote, the OG Board decided to cancel the third year of the study and has reprioritized the use of its limited resources to other pressing industry related items.

“We are disappointed that we cannot continue the project on for its final year of data collection and complete the benchmarking portion of the project. But we do feel that the three years of data that has been collected gives us a good foundation to work from and helps to make the necessary projections,” comments Dirk Boogerd, OG Vice President.

A detailed report of the 2016 results can be found on the OG website at [www.ontariogoat.ca](http://www.ontariogoat.ca)

Ontario Goat is a united producer commodity organization that is dedicated to enhancing the goat industry through education, collaboration, innovation and strategic alliances.

This project was funded in part through *Growing Forward 2 (GF2)*, a federal-provincial-territorial initiative. The Agricultural Adaptation Council assists in the delivery of *GF2* in Ontario



-30-

**For more information please contact:**

Erin MacDuff, Policy Manager

Tel: 519-824-2942