

# Economic performance of AMS

Developed by Juan Gargiulo,  
Development Officer Dairy, NSW DPI

**1** In Australia, productivity (milk per hectare, per cow and per labour unit) and profitability (ROTA or EBIT) of pasture-based AMS farms is similar to that of CMS.

**2** There is a high variability in productivity and profitability between farms (both in AMS and CMS).



**3** Cost is not the only factor driving an investment decision. Every system and configuration choice will impact management and cost structures.

**4** AMS tend to have higher capital costs that are impacted by the capital invested, interest rates/opportunity costs, lifespan of the robot and subsequent operating cost.



**5** Shed costs and repairs and maintenance are usually higher for AMS, but they can be managed.



**6** The additional costs for AMS can be balanced out by potential labour savings, improvements in pasture utilisation, animal health or milk production.

**7** AMS can also improve routines and lifestyle (more flexible and less physical) and allow more time for better business management!



**8** The efficiency of the system, determined mainly by labour efficiency (milk/labour unit) and milk harvested per robot, will impact overall profitability.

**9** The main way to increase milk harvested per robot is to milk more cows per robot, but it can also be done by increasing production per cow.

**10** Use tools like DairyBase to understand performance and partial budget calculators to compare expected costs and benefits of different investments.



Check out our online  
AMS training modules:  
[bit.ly/milkingedgemodules](http://bit.ly/milkingedgemodules)

MILKING EDGE IS SUPPORTED BY



Department of  
Primary Industries

