

Farm-gate milk prices lift producer prices

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In the September 2016 quarter, producer output prices rose 1 percent, and producer input prices rose 1.5 percent.

The prices received by dairy cattle farmers (up 28 percent) and paid by dairy product manufacturers (up 22 percent) were key influences to the increase.

“Higher farm-gate milk prices contributed to the September 2016 quarter rises,” business prices manager Sarah Williams said.

The forecasted farm-gate milk prices for milk solids rose to \$5.25 per kilo in mid-September 2016, this compares to \$4.25 per kilo in May 2016.

If farm-gate milk prices had remained constant during the September 2016 quarter, both producer output and input prices would have risen 0.3 percent in the quarter.

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Authorised by Liz MacPherson, Government Statistician, 21 November 2016