

The New Zealand Dairy Industry

History, some Facts and Figures

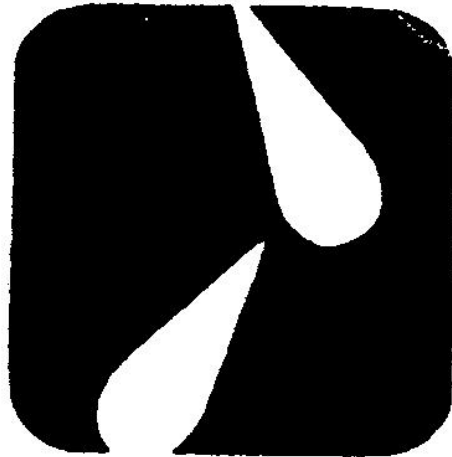
Dr R (Vish) Vishwanath



The power of pooling resources
The essence of any co-operative

Sir Arthur Ward
NZ Dairy Board 1954

New Zealand Dairy Board



Formed in 1923 – statutory body responsible for marketing of all dairy products from NZ until market was de-regulated and re-structured in 2001

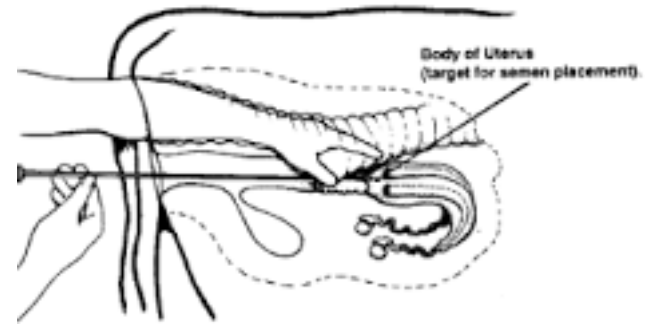
The progress of the Co-operatives

- First recorded Dairy Co-operative in New Zealand 1871
- 1930 – 1950 Number grew to 400
- Fragmentation and competition in the marketplace.
- Consolidation by New Zealand Dairy Board down to 166 co-operatives in 1960

- Series of amalgamations in the 1990's to form two major dairy companies. NZCDC and Kiwi Dairy
- Industry deregulated in 2001. Farmers voted to retain control of their industry.
- Fonterra controls >90% of the milk produced with 3 other smaller companies. Tatura, Synlait and Westland.
- ***Worlds largest exporter of milk products – 96% of national produce exported.***

The progress of artificial insemination

- Began in the late 50's
- Government controlled but not much progress
- New Zealand Dairy Board National Breeding Programme
- NZDB subsidiary - delivery of artificial insemination services



Dr Jimmy James

Dr Patrick Shannon

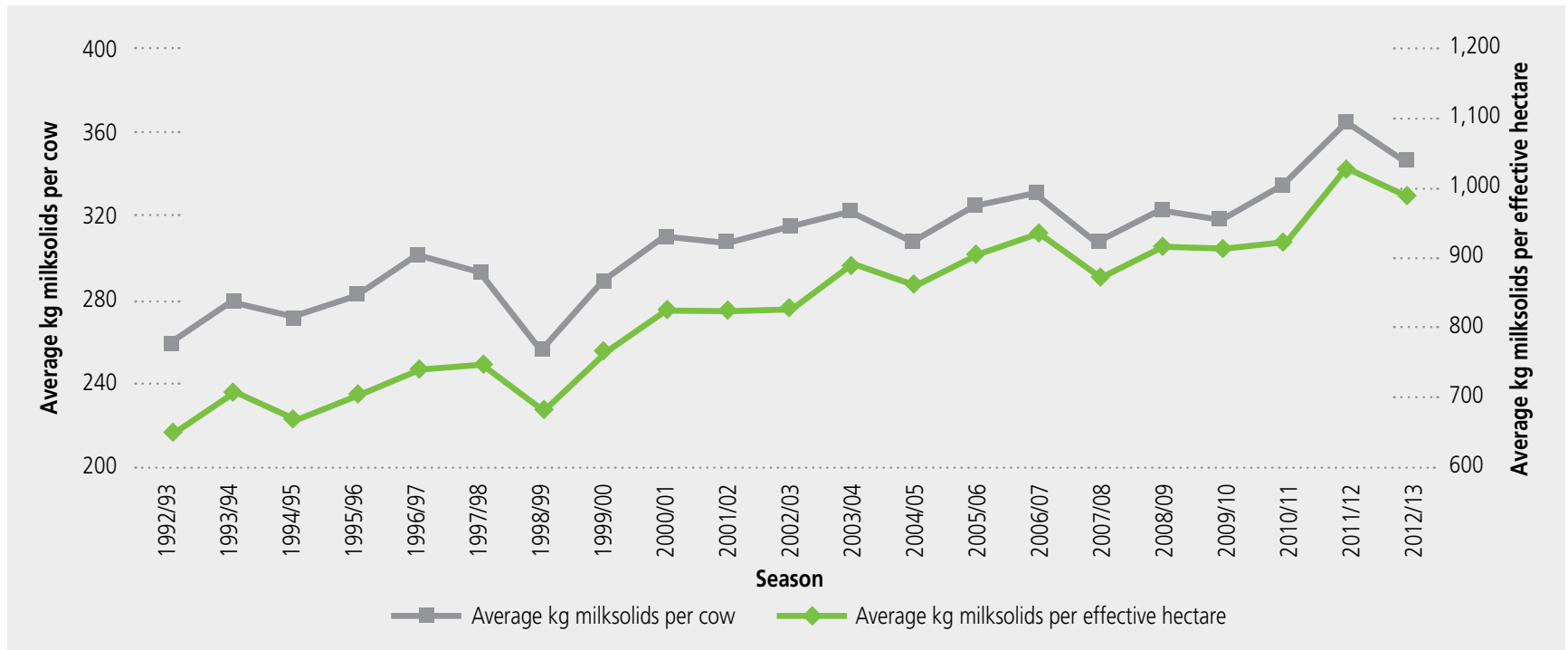
The delivery of AI services today

- Free market – purchase of semen from any source
 - LIC (Livestock Improvement) – 75% market
 - CRV AmBreed
 - Animal Breeding Services
 - Other small providers
- Insemination services – DIY or Technician

Facts and Figures

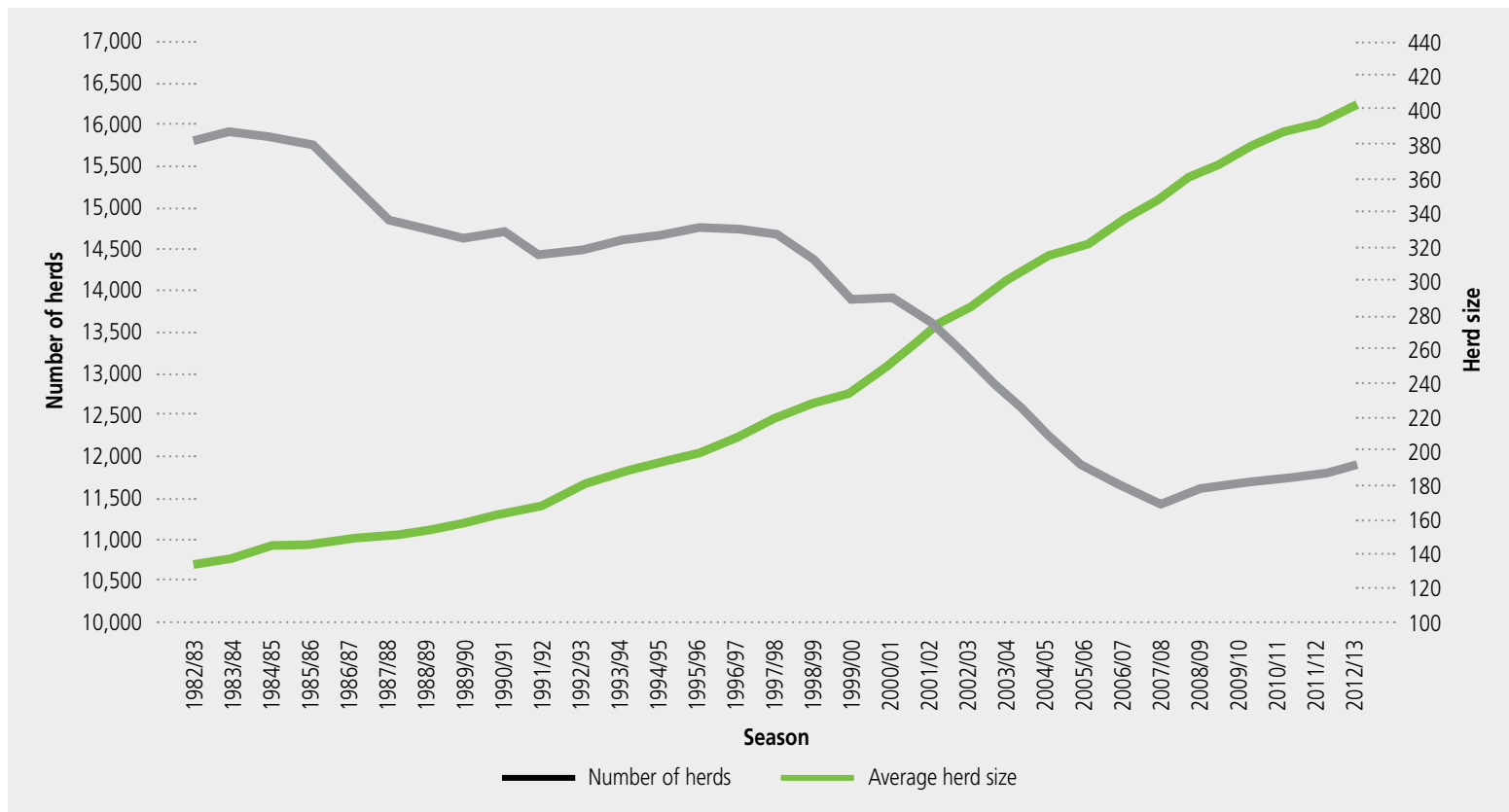
	2012 / 2013	1974 / 1975
No of herds	11,891	18,540
No cows	4.784 mill	2.079 mill
Avg herd size	402	112
Cows per hectare	2.85	2
Total Production	18.9 billion litres	5.3 billion litres
Milk solids	1.7 billion Kgs	477 million Kgs
Average kg milk fat / cow	196 kg	142 kg
Average protein / cow	346 kg	259 kg

Milksolid production per cow and per effective hectare since 1992 / 93



Trends in average herd size and number of herds

Graph 2.1: Trend in the number of herds and average herd size for the last 30 seasons

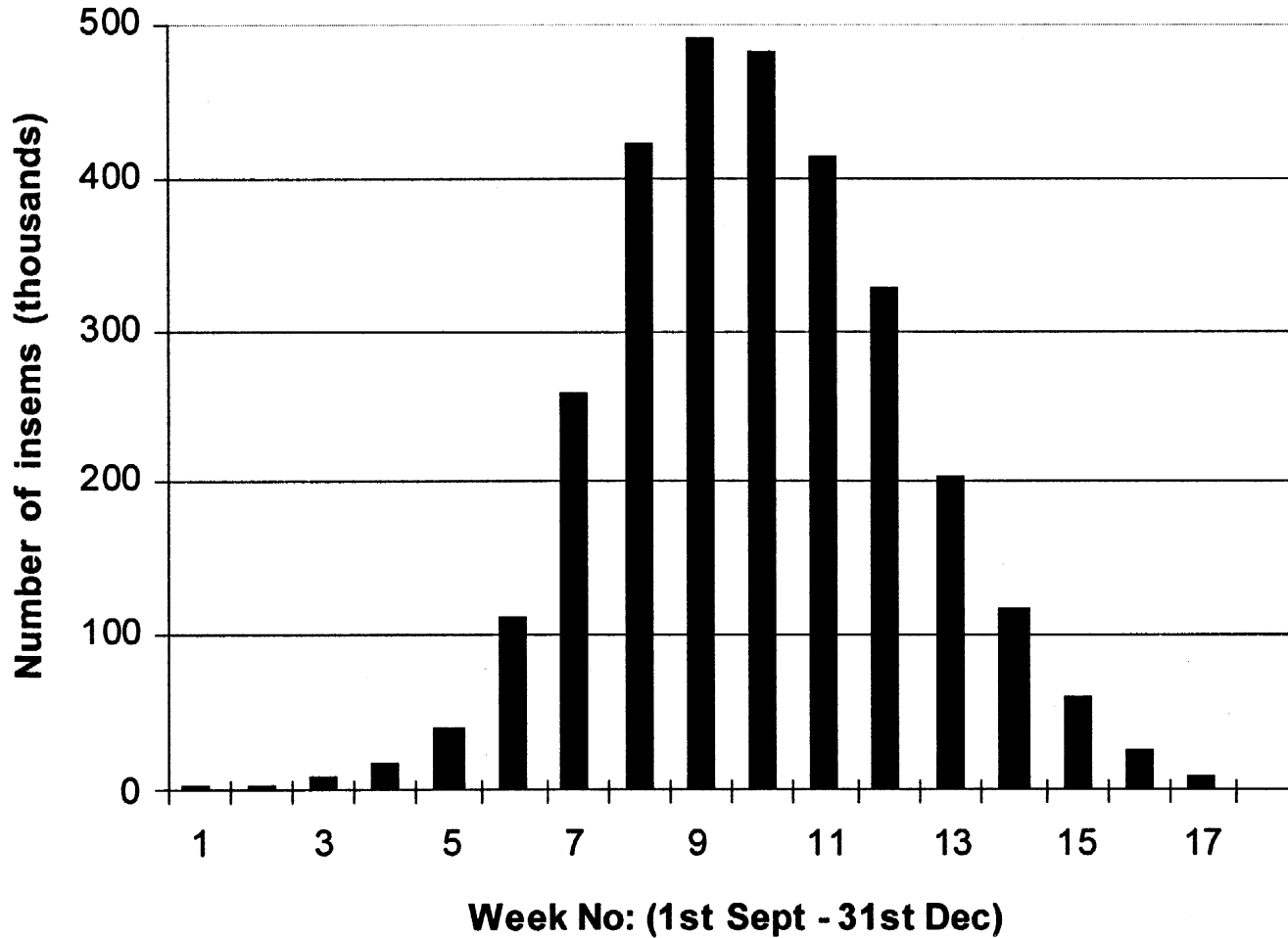


Breeding – critical for success of any Dairy Industry

- *National Breeding Objectives*
- *Education and Extension*
 - *DairyNZ consultancy services free industry good service on all aspects of dairy farming*
- *Research & Development*
 - *Breeding & Semen technology*



A unique situation in New Zealand

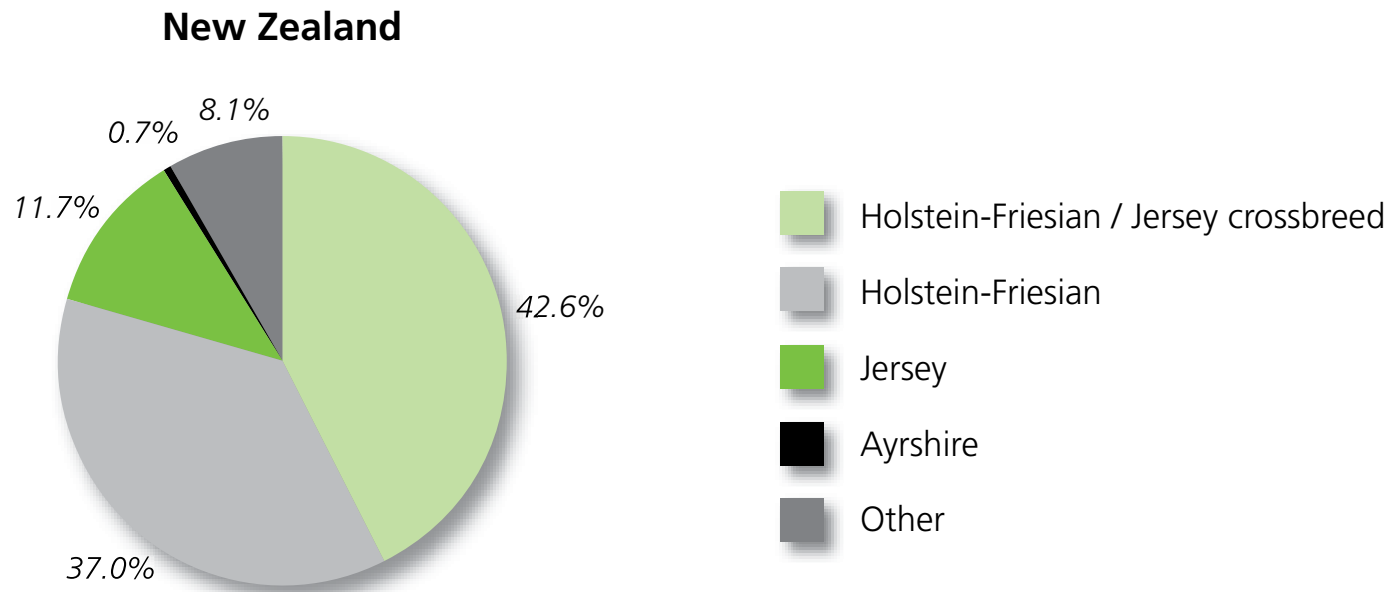


Targeted R&D

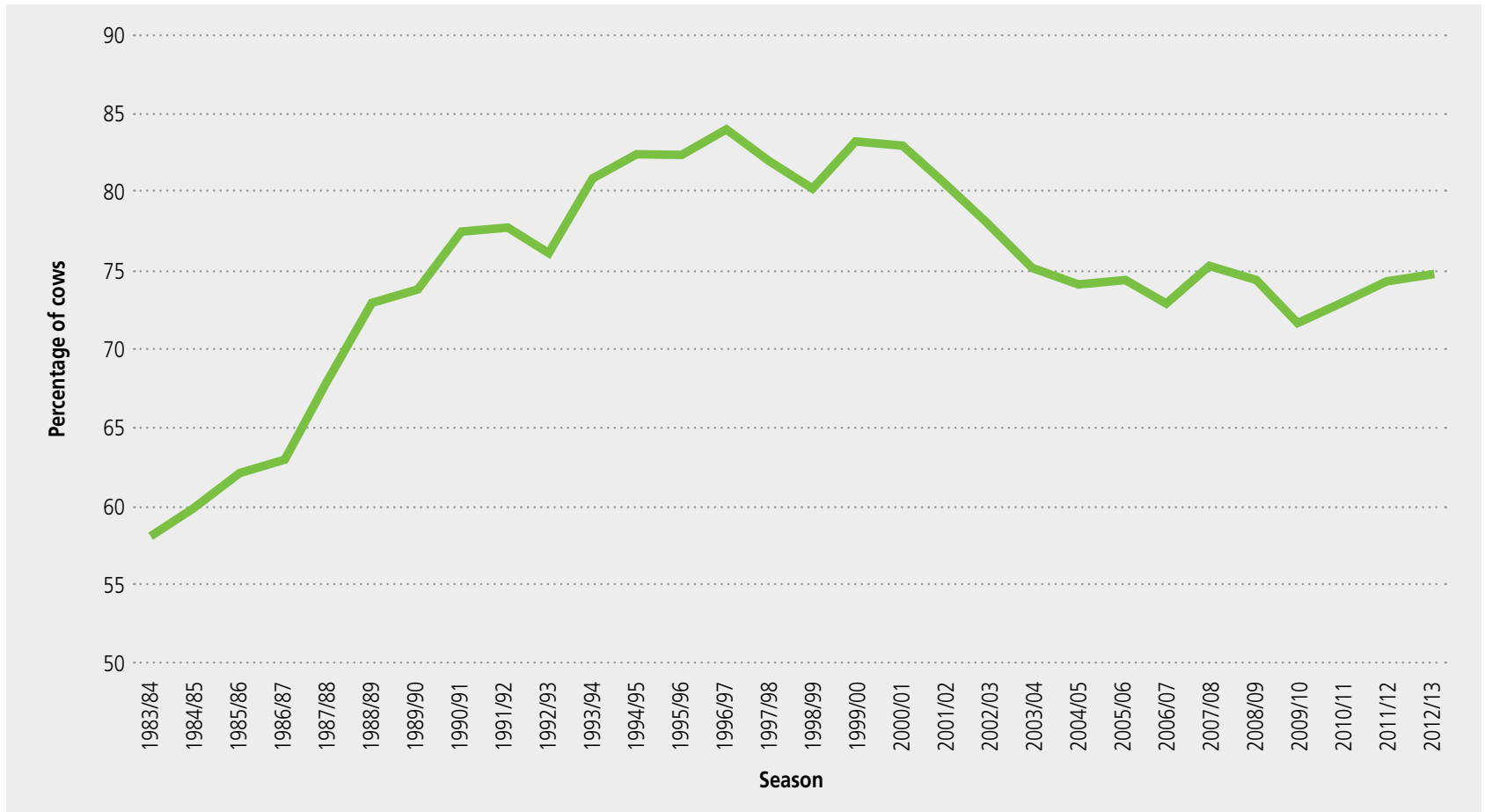
- Semen technology – specific for New Zealand’s needs.
- Short Gestation Length bulls
- Funding by DairyNZ levy on milk solids produced. Farmer pays levy on production



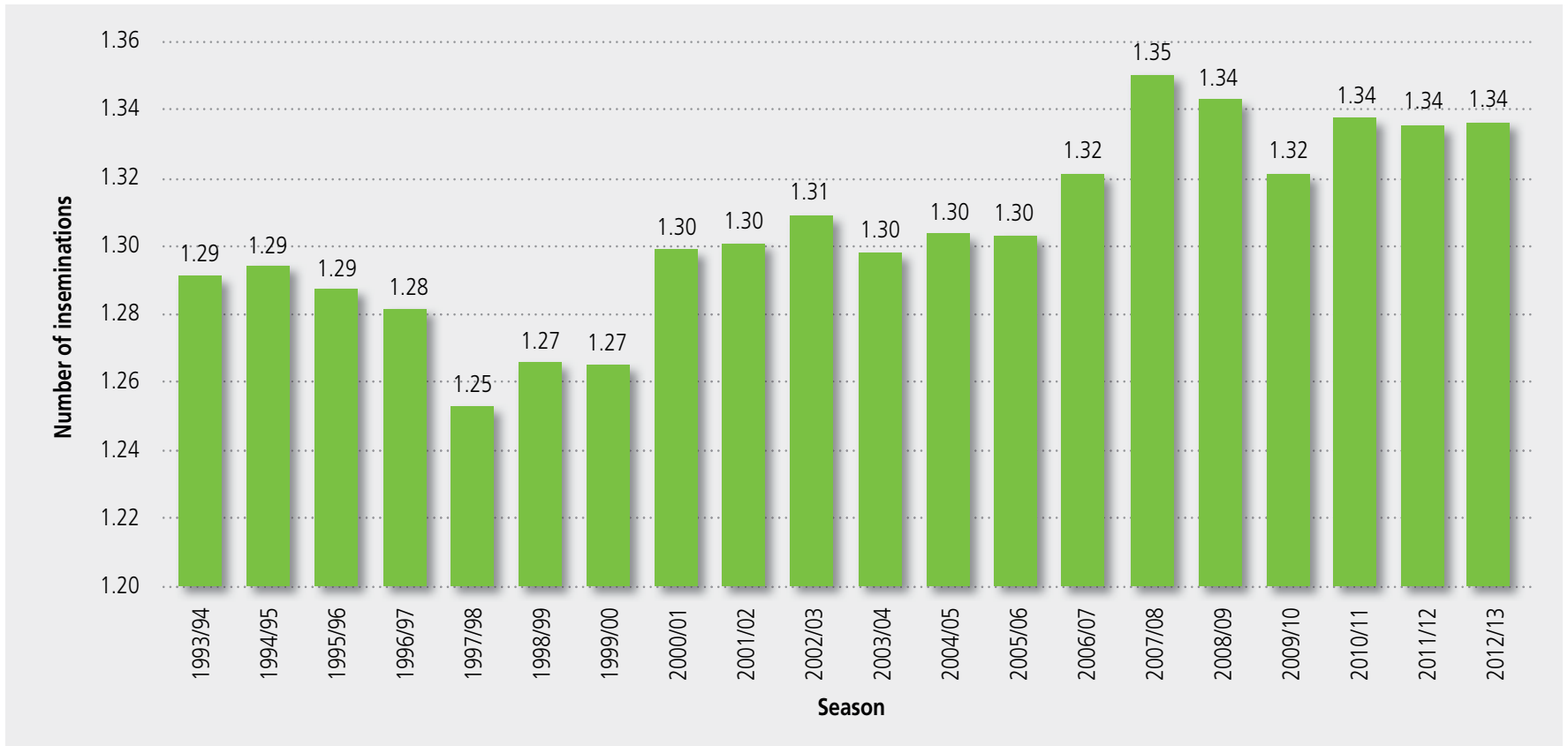
Cross breeding – most common breeding option in New Zealand



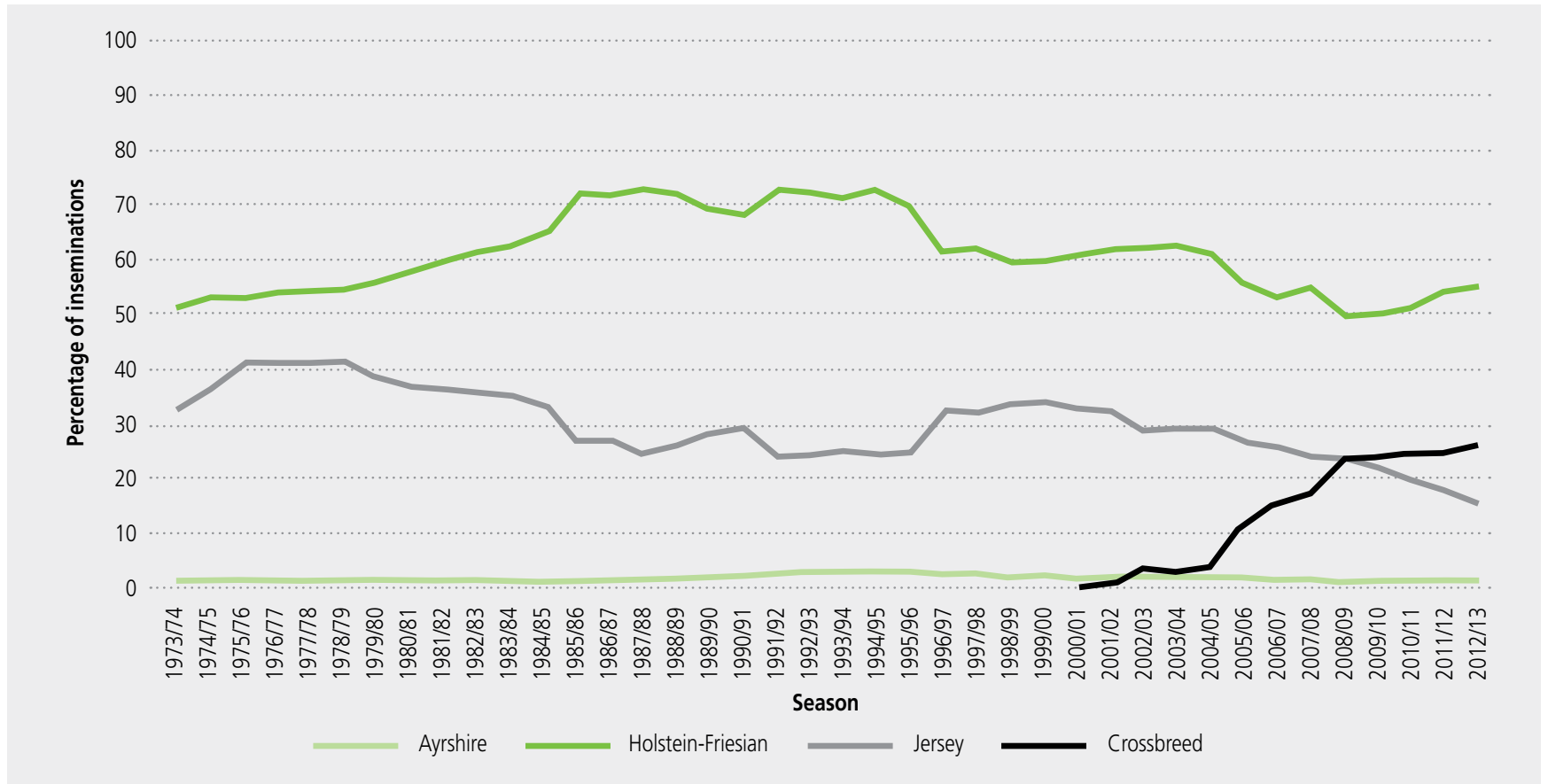
Trend in percentage of cows to artificial breeding in the last 30 years



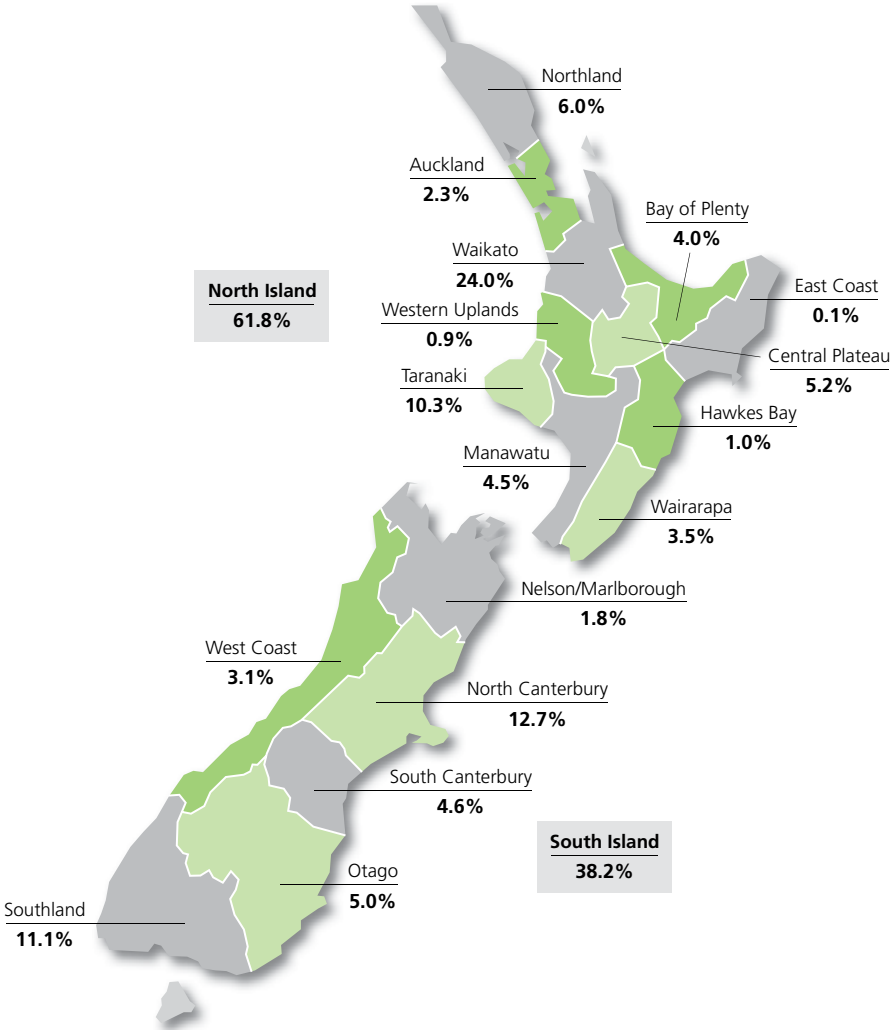
Average number of inseminations per cow for the last 20 years



Trend in the percentage of inseminations for each major breed



Regional distribution of dairy cows in New Zealand



The future of the industry

- Profitable
- Environmentally sustainable
- High value niche products