

Dairy sector quickfacts

FARMS, ECONOMICS, MARKETS

NEW ZEALAND DAIRYING

FARMS AND HERDS (2017/18)



HERDS AND COWS¹

Total number of herds **11,590**

Average herd size **431**

Number of cows (milking) **4.99M**

Percentage of Holstein-Friesian/Jersey crossbreed dairy cows⁸ **48%**

(Holstein-Friesians make up 33%)

Waikato has the most dairy cows⁴

1,135,822

East Coast has the least⁴

5,887

2,952,222 North Island²

2,040,692 South Island³



Total effective hectares of dairy land⁵

1.75 MILLION

The average dairy farm is **151ha** (average stocking rate: 2.8 cows per ha)⁶

82% of all feed eaten by dairy cows is pasture, including hay and silage⁷



PRODUCTION AND ECONOMICS

\$5.40-5.50 per kgMS



– the current break-even costs for dairy farmers nationwide for 2018/19¹⁰

\$6.30-\$6.60 per kgMS



Fonterra's most recent forecast farmgate milk price for 2018/19¹¹



MILK COMPANIES

10 dairy companies operating in NZ⁹

20.7 BILLION litres of milk processed by NZ dairy companies¹⁴ 2017/18

EXPORT MARKETS

\$17.2B

value of dairy exports for the year ending March 2018¹²

New Zealand produces **3% OF ALL MILK IN THE WORLD**¹³

2016/17

CONTRIBUTION TO NEW ZEALAND'S ECONOMY

TOP 5

markets for New Zealand dairy exports are:¹⁶

CHINA
AUSTRALIA
UNITED STATES
UNITED ARAB EMIRATES
JAPAN

DAIRY FARMING CONTRIBUTED

31%

of the total goods New Zealand exported in 2018. Dairy accounts for 35%¹²

8.2B

The dairy sector's contribution to NZ's total GDP (gross domestic profit) to March 2017¹⁵

GREATEST CONTRIBUTION TO REGIONAL GDP IN 2017¹⁷

Waikato **\$2.2B**
Taranaki **\$950M**
Canterbury **\$1.5B**
Southland **\$750M**

REFERENCES

¹⁻⁶ New Zealand Dairy Statistics 2017-18 (www.dairynz.co.nz/dairystats).

⁷ DairyNZ Economic Survey 2016-17 (www.dairynz.co.nz/economicsurvey).

⁸ New Zealand Dairy Statistics 2017-18 (www.dairynz.co.nz/dairystats).

⁹ See the full Dairy Companies Association of New Zealand (DCANZ) list - <https://www.dcanz.com/about-dcanz/dcanz-members/>.

¹⁰ Read more on DairyNZ's Newslink site (<https://www.dairynznewslink.co.nz/business/forecast-milk-price-provides-stability-for-farmers>).

¹¹ <https://www.fonterra.com/nz/en/our-stories/media/fonterra-increases-201819-forecast-farmgate-milk-price-and-reduces-earning-guidance.html>.

¹² NZIER Report "How does the dairy sector share it's growth?" (www.nzier.org.nz).

¹³ New Zealand is also the largest exporter of dairy products and eighth in milk production worldwide. From DairyNZ's quickstats - https://www.dairynz.co.nz/media/5788611/quickstats_new_zealand_web_2017.pdf – figures are based on DairyNZ 2016/17 information.

¹⁴ New Zealand Dairy Statistics 2017-18 (www.dairynz.co.nz/dairystats).

¹⁵ NZIER Report "How does the dairy sector share it's growth?" (www.nzier.org.nz).

¹⁶ Dairy Companies Association of New Zealand (DCANZ) fast facts summary based on information collected in the year to June 2018 – see homepage: DCANZ.com.

¹⁷ NZIER Report "How does the dairy sector share it's growth?" (www.nzier.org.nz).