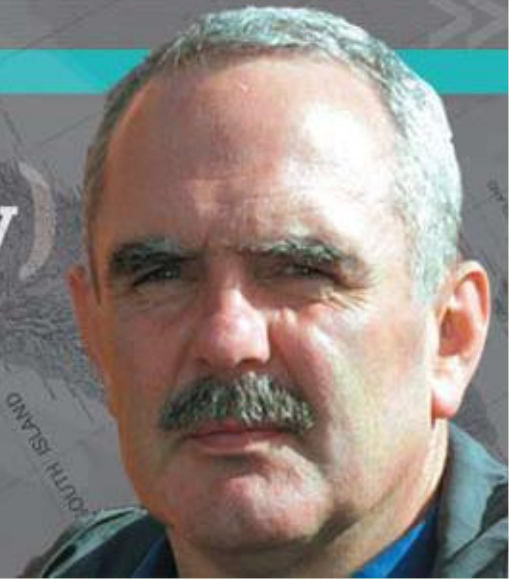


Sean Kelly Memorial Bursary

As the recipient of the Guild of Agricultural Journalists/ICMSA Sean Kelly Memorial Travel Bursary, Matt O'Keeffe undertook a study tour of New Zealand last autumn to investigate the growing trend in their dairy industry towards investing in high-output systems of milk production



Maintaining an advantage over New Zealand

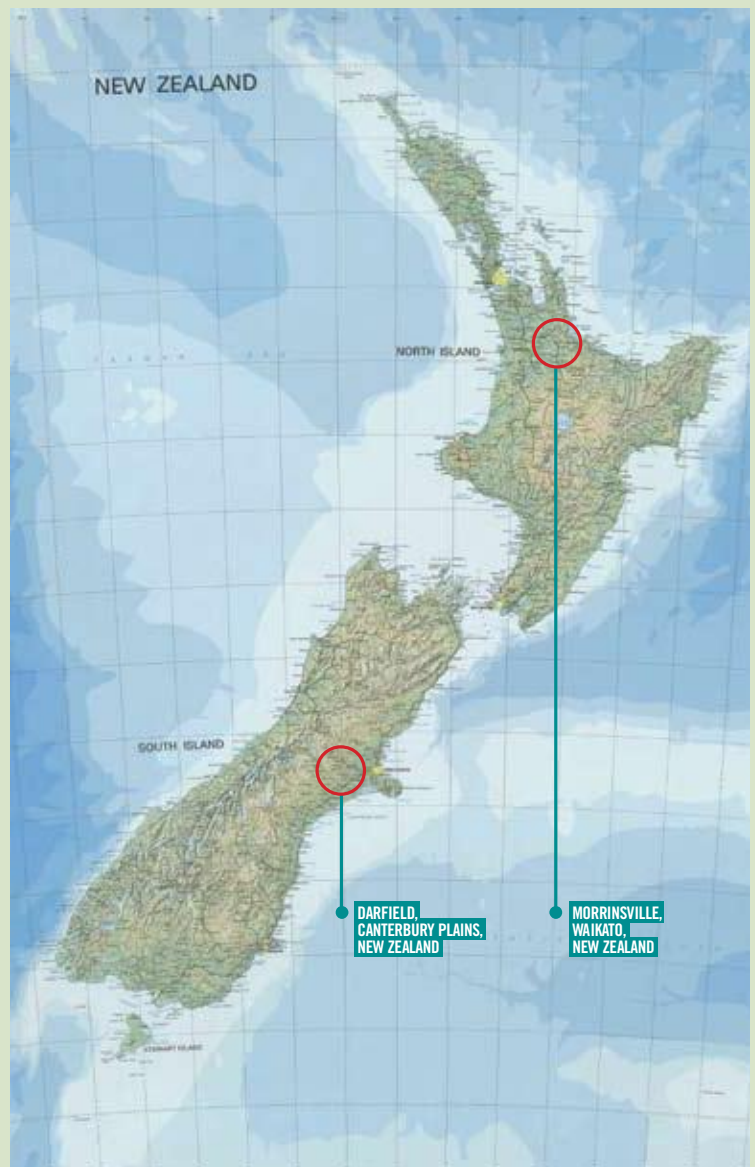
Visiting New Zealand, Matt wished to establish whether the trend towards high output systems was driven by the high milk prices being paid to producers at the time, or whether there

from the traditional New Zealand pastoral milk production system. The underlying rationale for the study was to raise the awareness for Irish dairy farmers that their focus must remain on maintaining, and improving, their competitive advantage in the northern hemisphere, of converting high-quality, grazed grass into milk. It is a fact that, at times of higher milk prices, some farmers are encouraged to expand output in a manner that adds permanently higher costs to the system, that are rarely matched by permanently higher milk prices. The experience with Irish milk prices in recent months is a perfect example of this. It is important that Irish dairy farmers adopt the most cost effective route to expansion, given the EU Commission's expressed intent to wind down milk quotas.

The New Zealand study examined the implications of any move towards higher input

competitiveness. It was a wide-ranging study that included interviews with dairy farmers across the main dairy production areas on the North Island and South Island of New Zealand. The farmers interviewed included those who had undertaken extensive capital investment in supplementary feeding systems and high throughput milking facilities. For comparative purposes, Matt also interviewed a range of dairy farmers that were producing milk exclusively from grass, using classical New Zealand low-cost methods.

In addition to milk producers, interviews were carried out with bankers, veterinary surgeons, agricultural economists and leading researchers and advisors.



Dairy Tips

Are you planning a new parlour?

When doing so consider what you want this investment to deliver.

Planning at this stage is critical



All these points need to be carefully considered as they will all have an effect on your parlour selection and on its capacity and efficiency.

_____ (WRT) is a very important consideration when estimating the parlour capacity.

The following elements are the main components of a basic work routine; Cow entry, feeding, udder preparation, attachment, detachment and cow exit.

How long is your WRT?

Good milking practices should not be sacrificed to improve the WRT. A routine time of 20 to 30 seconds is typical in midline situations. This can be influenced by the number of operators in longer parlours and automation levels.

The WRT for a midline parlour with ACR's can be 25% less than a parlour without.

Understanding WRT will help you calculate the potential cows per hour. Next step is to calculate the optimum number of clusters that a single operator can manage

More to follow

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Driving dairy production forward

From the extensive research carried out it is clear that there is a growing trend among New Zealand dairy farmers to invest in high input/high output dairy production. Up to 25 per cent of New Zealand dairy farmers have invested, to a greater or lesser extent, in expanding output through more intensive feeding of their cows. In tandem with this investment, in growing output in this manner, there has been significant investment in ancillary facilities such as feed pads, winter housing, and elaborate milking facilities. While, historically, high milk prices undoubtedly influenced this investment (and in the meantime the New Zealand milk price has virtually collapsed) milk price was not the only factor influencing investment and in many cases was not the dominant influence driving these investments. A wide range of reasons were given by farmers for their investment rationale. These included the perceived need to cope with climatic extremes, most particularly the 2007 drought that reduced production on farms in the Waikato region (see map, page 39) of the North Island quite dramatically. In this region, which historically produces over 30 per cent of New Zealand's milk supply, there has been an extraordinary growth in maize production.

It is estimated that 70 per cent of Waikato farmers now grow or buy in maize to feed their cows. Some of these farmers have invested in concrete feed pads to feed maize and other grain supplements and more are doing so on an ongoing basis. The minimising of waste at feed out and the easing of the feeding process are major reasons for this trend.

The desire to increase production, without investing in more land, is another dominant reason given for moving towards intensive feeding systems. Land, especially dairy land, has become quite expensive by New Zealand standards and some farmers are going down the route of getting more production from their existing herds, instead of purchasing land to grow their output.

Other farmers have a genuine desire to maximise the production potential of their cows and have adopted intensive supplementary feeding to achieve this.

As cow numbers and stocking rates have increased over the past number of years, many New Zealand dairy farmers have adopted a policy of taking their cows off the land in winter, and during very wet periods. Traditionally this entailed moving them off farm onto 'winterages', on rented or leased farms during the dry cow period. In poor weather conditions during the production, season cows are moved onto farm roadways or stand-off pads. This is now being taken a step further by a growing number of farmers. Housing, such as the 'herd homes' described in some of the interviews, are growing in popularity. This high-cost housing has definitely been encouraged by high milk prices that allowed farmers to undertake the investment but the underlying rationale is that some farmers want to undertake this investment in order to alleviate what they consider to be significant stress on both man and beast. Labour costs, and the need to match increased scale with corresponding milking facilities, has driven significant investment in the upgrading of milking facilities to deliver higher throughput in shorter times. The two driving forces are the need to milk more cows more quickly and the need to cut labour costs. There are examples in the different interviews of farmers milking 50 per cent more cows with 50 per cent less labour by investing heavily in milking facilities.

Herd health is also cited by some farmers as a reason for investing in supplementary feeding facilities. Tighter calving patterns are quoted, as well as lower incidences of grass tetany and milk fever. Cost saving in mineral feeding through in-parlour feeding or application at feed pads as distinct from paddock dusting, for instance, is also cited by individual farmers.