



Discussion Document: The New Zealand Dairy Herd Improvement Industry – Consideration of Restrictions on Livestock Improvement Corporation

The Ministry for Primary Industries (MPI) is consulting on the dairy herd improvement industry, which includes services used by many New Zealand Dairy Farmers. Do you use artificial breeding services for your dairy herd? Do you keep herd records, and use herd testing services? If so, MPI wants to hear from you.

Livestock Improvement Corporation (LIC) has requested that certain restrictions on them are removed. These restrictions¹ are for LIC to:

- a. provide nationwide herd testing services at uniform prices within regions;
- b. seek Ministerial consent for any changes to the Livestock Improvement Corporation constitution that put restrictions on who may hold shares, maximum voting rights and provides for postal voting; and
- c. seek Ministerial consent for any application by Livestock Improvement Corporation to cancel its registration under the Co-operative Companies Act 1996.

These restrictions will currently remain in place on Livestock Improvement Corporation after the transfer of the Dairy Core Database to DairyNZ. MPI is consulting on whether or not these restrictions under the Act should be removed. To make these decisions, MPI will need to advise the Minister on:

- » what the state of market competition is like for herd testing, artificial breeding and any other relevant services.
- » what the likely impact of retaining, changing or removing these provisions would be for the dairy industry.
- » if there are other reasons why there needs to be restrictions on Livestock Improvement Corporation.

Your views are important. If you think there are likely to be changes to artificial breeding, herd testing or other related services that will impact on dairy farmers, we'd like to hear from you.

You may also have specific views, for example, on:

- » LIC's co-operative ownership structure and LIC's role in the dairy herd improvement industry.
- » other companies that provide services in the dairy herd improvement industry, such as those who provide automated herd testing equipment, or those who provide insemination services.
- » the role of other associated services (e.g. vets) or associations (e.g. breed societies).

You can write to us with your views: email us at dairyconsultation@mpi.govt.nz or by post: Dairy Consultation, Ministry for Primary Industries, PO Box 2526, Wellington 6140.

For more information, please refer to the Ministry for Primary Industries website www.mpi.govt.nz where you can get a copy of the discussion document, and further information. Alternatively, you can call the Ministry for Primary Industries contact centre on 0800 00 83 33.

Submissions close on Friday 23 May 2014 at 5pm.

¹ Dairy Industry Restructuring Act 2001.