

# BEER & THE NEW ZEALAND ECONOMY

Beer is New Zealand's national beverage and is synonymous with the Kiwi way of life. We are proud of our industry and the special place that beer holds in the history, culture and economy of New Zealand

THE BEER VALUE CHAIN FROM GRAIN TO GLASS IS A \$2.2 BILLION INDUSTRY

**\$2,200,000,000**

**&**

BREWING DIRECTLY CONTRIBUTES **\$722 MILLION** TO NEW ZEALAND'S GDP

## SUPPORTED INDUSTRIES



**HOPS & BARLEY**  
\$2.3 MILLION  
193 tonnes



**MALT & GRAIN**  
\$63 MILLION  
60,000 tonnes



**KEGS & BOTTLES**  
\$163 MILLION  
kegs & bottles

## EMPLOYMENT

**1,800**

BREWING DIRECTLY EMPLOYS AROUND 1800 PEOPLE



Many THOUSANDS more jobs are created indirectly throughout the beer value chain

**seventy five**

75 brewery operations in New Zealand from Northland to Invercargill

## CONTRIBUTION TO FAMILY INCOMES

**\$400 MILLION**  
Brewers & employees

**\$135 MILLION**  
Hospitality sector staff

## EXPORT GROWTH

Beer exported to over 90 countries. Primary markets Australia & United States

2008 **\$20 MILLION**  
2010 **\$32.5 MILLION**  
2012 **\$55 MILLION**



## TAX

THE BREWING INDUSTRY PAID

**\$329 MILLION**



in excise tax + Health Promotion Agency levy in 2012-2013

Sales of beer from supermarkets, bottle stores, pubs, bars, cafes and restaurants generate a further **\$283 MILLION** of GST

## VALUE OF THE RETAIL BEER MARKET



**\$941 MILLION**  
supermarket & bottle-store sales



**\$1.23 BILLION**  
pub, bar, café & restaurant sales



Tourist spending on beer around **\$240 MILLION IN 2012**, approx \$5 per stay day per tourist with potential for growth

# NEW ZEALAND'S NATIONAL BEVERAGE:

## The Grain to Glass story

Beer has been brewed in New Zealand since the arrival of Captain Cook in 1773. The first commercial brewery opened in 1835 and now there are over 75 from Northland to Invercargill

### Hops

Hops have been grown in New Zealand since the late 19th century, particularly around Nelson. At 41° south the growing conditions are some of the best in the world and New Zealand hops have a very high reputation for their aroma characteristics. Around 1100 tonnes of hops are harvested and 86% are exported at a value of around \$6.5 million (2012). Just under half of New Zealand exports go to the USA. Over the last 10 years export prices for hops have, on average, attracted higher prices than imported hops. Hops are grown, marketed and exported by a grower-owned co-operative, New Zealand Hops Ltd.



Yeast extract from brewing goes to Sanitarium to make Marmite

New Zealand's first commercial brewery was opened in Kororareka (now Russell) in 1835 by Joel Polack



Beer glass bottles made and recycled at the O-I facility in Auckland. Breweries spend around \$98 million on glass and are a major supporter of this manufacturing and recycling industry



Aluminium imported into New Zealand and over 300 million cans manufactured in Auckland for the beer industry by VISY and Amcor at a value of around \$40 million

Spent barley grain, a by-product from brewing, goes to farmers for livestock feed



Beer exported to over 90 countries valued at over \$50 million



Beer distributed all over the country contributing around \$25 million to the logistics and transportation industry

The two largest breweries, Lion and DB, are based in Auckland and produce the majority of New Zealand's beer. Opened in 2010 Lion's 'The Pride' was New Zealand's largest ever greenfields development with an investment of \$250 million

Forest products used in crates, pallets and packaging, valued at around \$60 million

New Zealand's major maltings based in Marton. 43,000 tonnes of malt produced per year

Around 7,000 tonnes of malt exported to Asia-Pacific at a value of around \$3.3 million

86% of hops grown in New Zealand are exported at a value of around \$6.5 million. Half of those exports go to the United States



Continual research on hops with Plant & Food Research for over 50 years at Riwaka

Stewart Monteith buys into West Coast Brewery in 1868 which eventually becomes Monteith's Brewery and attracts over 40,000 visitors a year



The Tui Brewery at Mangatainoka is the second oldest continuously running brewery established in 1889



Water is one of the key ingredients in beer, in fact, it is the dominant component by volume

Beer was first brewed in New Zealand by Captain Cook on Resolution Island in Dusky Sound on 27 March 1773, using molasses, rimu bark and leaves

Malting barley laboratory at Irwell plays an important role in crop and seed research



### Malting Barley

The first malting barley crops were grown in New Zealand in the late 19th century. About 435,000 tonnes of barley is grown in New Zealand; of that around 52,000 tonnes is the right variety or quality for malting for beer. Each year around 44,000 tonnes of malted barley is produced, the majority at the MaltEurop plant in Marton, Rangitikei, and a small amount from Gladfield Malt in Dunsandel, Canterbury. 90% of malt in New Zealand is used by domestic breweries. New Zealand malt is valued for its high quality and variety.

Around 7,000 tonnes of New Zealand malt is exported at a value of New Zealand \$3.3 million, mainly to the Asia-Pacific region.

Barley is grown and malted at Dunsandel



Speight's in Dunedin is the longest continuously-running brewery. The first brew was put down in 1876. Maltexo, a brand of malt extract has always been part of Dunedin and is now made at the Speight's brewery



**BREWERS ASSOCIATION**