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Chapter Seven

CONCLUSION

The conceptual and empirical integration of work relations, the biophysical basis of agricultural production, and forms of production in this thesis has provided a framework for analysing apple orcharding and dairying. This integration also allows insights to be gained into the dynamics of change in the agrarian sector generally, such as the variability of the penetration of agriculture by the capitalist form of production, and more particularly, into the future prospects for each of the industries examined here. This framework therefore has some significant contributions to make to the debates in the literature on agrarian change which I identified in Chapter 1. I begin this concluding chapter by synthesising the theoretical development made in this study with the results of the concrete investigation and the debates in the literature. In so doing, I provide a comparative analysis of apple orcharding and dairy farming. I end by discussing the possibilities for reproduction of the different forms of production in the long term and what this means for each of these industries.

Considering that much of the research on agrarian change comes from a Marxist or political economy approach, it is surprising that few analysts consider labour as a critical variable. Sayer and Walker (1992) identified this as a general problem and suggested that divisions of labour should be brought to the forefront of the analysis of change because of the inherently social nature of production. The typology of work relations addresses this task at the concrete level of different types of real workers. It categorises functionally all workers in the agrarian sector by linking the different types of workers to different types of enterprises on a causal basis. It is then possible to develop the concept of different forms of production from a concrete beginning rather than deductively.

Work relations and forms of production are interdependent. There are only two conceptually different types of workers, waged and self-employed, who can work for only two conceptually different types of enterprise - simple commodity producers or capitalist producers. No analysts have developed this linkage previously. It provides a functional basis for examining workers and enterprises in agriculture theoretically and empirically. Other conceptualisations of family farming have been presented recently. For example, Gasson and Errington (1993) suggest that it is necessary to find several key elements to enable differentiation of what they call the farm family business from others. They maintain that characteristics such as intergenerational transfer,
provision of capital by the family, and complete provision of labour by the family, are less than critical for the definition of the farm family business. Their conceptualisation is a useful heuristic device, but it brings operational definitions of different enterprises no closer. Importantly, Gasson and Errington (1993) down-play the necessity for family farmers to contribute all the labour that the enterprise requires. Nor have earlier, class-based analyses, such as those by Goss, Rodefeld and Buttel (1980), proved very useful in the analysis of agrarian structures and change, because it is very difficult to relate functionally their categorisation of farms to the real world.

Under the conceptualisation developed in this thesis, farm enterprises can be classified in a concrete sense as either simple commodity producers or capitalist producers. I have demonstrated that apple growers and dairy farmers in New Zealand can be only simple commodity producers or capitalist producers. The ownership of the means of production and the provision of labour are the key variables of this differentiation. In addition, sharecroppers can be considered simple commodity producers if more importance is placed on the ownership of the production contract (the share agreement) rather than on the ownership of the farm. All the other characteristics of simple commodity producers, most of which I have analysed in this study, are additional functional characteristics which can be used to emphasise the differentiation of this variant of simple commodity production from capitalist production. These other characteristics provide the basis of strategies to assist the reproduction of simple commodity producers, strategies which are not available to capitalist producers.

The discussions of the biophysical conditions of production in Chapter 3, apple growing in Chapter 5, and dairy farming in Chapter 6, highlight the variable demand for labour in agricultural industries. I used the concept of flexibility to integrate the three themes of this study - work relations, the biophysical basis of agricultural production, and the concept of different forms of production. It is the degree of flexibility that wage workers and self-employed workers possess which differentiates their suitability to the production systems of different commodities. This flexibility is integral to the differentiation of simple commodity producers and capitalist producers as forms of production. Simple commodity producers are more flexible enterprises than capitalist enterprises because of the type of workers which make up each form of production. Simple commodity producers are better able to deal with the vagaries of production based on variable biophysical inputs. In Chapter 3 I hypothesised industries where the use of biophysical inputs varied, and I discussed briefly the methods used by capitalist producers to overcome the difference between production time and labour time (cf. Marx 1973b, 1973c; Mann and Dickinson 1978). The unity of household and enterprise, the motivation for work by family members (ie. owner-operators), and the flexibility of these self-employed workers make simple commodity producers able to better manage systems of production where the non-coincidence of production time and labour time is greatest, where high and permanent levels of flexibility are required, and where the use of land is less intensive. In contrast, the motivation of wage workers is more suited to systems of agricultural production where the difference in production time and
labour time has been either technologically and/or biogenetically compressed, or where systems of management have been developed which allow for full control and utilisation of the wage workers so that supervisory and transaction costs are lower. It is absolutely crucial therefore to consider the biophysical variables and the demands these make on workers and enterprises, when analysing any agricultural industry.

In the industries examined here the need to care for animals rather than trees differentiates dairying from apple growing. Each farming system has a markedly different requirement for labour. In the case of dairying the twice daily milking creates a need for permanent numerical flexibility, and stock and pasture management creates a need for a high level of unplanned flexibility. In contrast, atmospheric changes are the critical input which requires numerical flexibility in the growing of apples. In addition, these two systems of production are quite different in their harvesting - an annual harvest of apples and a twice-daily harvest of milk throughout the year. These factors account for the different demands for labour in each industry, in terms of both the number of workers and the timing of their work. Dairy farming requires a permanent work force, the size of which is directly related to the size of the herd. The major structural requirement for casual workers occurs during calving and calf-rearing. The simple commodity producers of this industry, whether they are owner-operators or sharemilkers, are best suited to these tasks which are carried out in addition to the everyday tasks on the farm. The demand for labour in the apple industry is almost as opposite to dairy farming as it is possible to be outside of industrialised farming. Simple commodity producers are able to provide the basic permanent labour requirement for the orchards, and external workers are hired for the specific tasks of pruning, thinning and harvesting. Simple commodity producers are unable to supply the bulk of the required labour on all except the smallest orchards but they are well suited to supplying the base component, which demands a high level of flexibility, principally the ability to respond immediately to unfavourable climate conditions.

The different biophysical inputs mean that the social relations of production are different. Technically, each system seems to be a relatively simple production process. But in fact management systems must handle efficiently demands for flexible labour which are peculiar to each system of production. In both the industries investigated in this research, particular farms may be categorised as simple commodity producers or capitalists. It is also clear that farm owners and farm operators are either capitalist producers or simple commodity producers. Analysis of secondary data and fieldwork data reveals that simple commodity producers remain by far the most dominant form of production in New Zealand agriculture and in the particular industries investigated here. It is also true that capitalist producers exist, whether as large public companies, as groups of private investors who have clubbed together in an expectation of profits, or as farmers who have retired and now play no part in operating their farms. It is also true that the largest farm owners are capitalist, and that their scale of operations is higher than family farms by a ratio in the range of twenty to one.
Simple commodity producers are inherently more flexible than wage workers. This seems a reasonable contention from Friedmann's work on the duality of household and enterprise, the development of the typology of work relations, the differential flexibility required by the range of farming systems, and the information assembled here on the social relations of production in apple orcharding and dairying. Self-employed workers have a number of reasons for working harder and in a more flexible way as they have more control over their own destiny (or are pressured into working in this way because work takes place under conditions of familial control), and profits are derived from their own efforts for their own benefit. This is in contrast to wage workers who are effectively generating profits for others, may have little interest in the end result of their work, and are intrinsically less willing and able to be flexible as a result. This work found that the role of family labour other than that of the principal couple of the family is relatively inconsequential in terms of the hours worked but important because of the extra flexibility which these additions provide to the family work force.

Sharemilking in New Zealand is an example of sharecropping that can be categorised as simple commodity production. Land-ownership is not a prerequisite for simple commodity production in this case, but ownership of the production contract (the share contract) is. The literature suggests that modern sharecropping can be a mutually beneficial relationship. This is certainly the case with sharemilking in New Zealand. The family as the basis of production and the near total dependence on family labour by sharemilkers on dairy farms of average size are other central characteristics of sharemilking. The provision of labour in sharemilking enterprises is distinctive as a result of the very high convergence between household and enterprise and the productive and reproductive roles of women. Sharemilking contracts provide flexibility for farm owners through the range of possible ways they can operate their farm enterprises, and it gives sharemilkers access to resources (i.e., the use of a farm) beyond their current financial capability. This provides an opportunity for accumulation towards eventual farm purchase. For farm owners the options for running their farms efficiently are enhanced by the various combinations which are available through share contracts. The evidence for the existence of an agricultural ladder among the large scale sharemilkers who work for Tasman and Apple Fields is strong, just as Bradly found the situation to be with the sharemilkers on dairy farms of average size in Waimate West. The characteristics analysed above reinforce the case for sharemilking to be considered as simple commodity production, because sharemilking is an essential part of the reproduction of traditional family dairy farming and therefore of simple commodity production. Sharemilkers, as family-based enterprises, are well suited to deal with the variable biophysical conditions of dairy production, and the non-coincidence of labour and production time involved in this farming system. The size of the farms in the core region of Waimate West County are almost ideally suited to operation by single families and only a small amount of waged labour is used on the larger farms.
It is necessary to separate the characteristics of the ownership and the operatorship of farms in order to consider fully the social relations of production. Four pairs of relations were found to exist in the industries considered in this research (Table 7.1). Both the apple industry and dairy farming have all four types of ownership structure, except that I discovered no sharecropping in the apple industry. All capitalist owners of orchards use capitalist relations of production, that is, the operation of these orchards is based on wage workers. There is a clear distinction in this industry between simple commodity producers and capitalist producers. The former far outnumber the latter, but the capitalist producers are the recent entrants to the industry and at a conservative estimate now produce over 15 percent of all apples exported from New Zealand. All the possible pairings were found in dairy farming. Dairying is distinguished by the very small number of farms operated with wage labour. On almost all farms which were not owner-operated, sharemilkers owned the production contract.

Table 7.1  Forms of production

<table>
<thead>
<tr>
<th>Type of enterprise and form of production for farm owners</th>
<th>Interest in the farm</th>
<th>Type of enterprise and form of production for farm operators</th>
<th>Interest in production contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family owner-operators (Simple commodity producers)</td>
<td>Home, and income and asset growth</td>
<td>Owner-operators (Simple commodity producers)</td>
<td>Ownership</td>
</tr>
<tr>
<td>Family owners (Simple commodity producers)</td>
<td>Home, and income and asset growth</td>
<td>Sharecroppers (Simple commodity producers), or Wage workers (capitalist producers)</td>
<td>Ownership</td>
</tr>
<tr>
<td>Small capitalists</td>
<td>Income, asset growth</td>
<td>Sharecroppers (Simple commodity producers), or Wage workers (capitalist producers)</td>
<td>Ownership</td>
</tr>
<tr>
<td>Large capitalists</td>
<td>Income, asset growth</td>
<td>Sharecroppers (Simple commodity producers), or Wage workers (capitalist producers)</td>
<td>Ownership</td>
</tr>
</tbody>
</table>

Simple commodity producers are undoubtedly the most efficient form of enterprise organisation for dairying, but the situation is less clear for apple orcharding. In dairy farming, both Tasman and Apple Fields have shifted towards using 50/50 sharemilkers on all their dairy farms. Experience has demonstrated to them that this system is the easiest to administer and the most
efficient. The losses through transaction costs are minimal, as sharemilkers are motivated and expert enough as to require little or no supervision. Fifty-fifty sharemilkers, in particular, develop and operate to their maximum the dairy farms that they occupy because the benefits accrue directly to them in terms of increased income and therefore increased accumulation of capital. Sharemilking is a system of organising production which is undoubtedly beneficial to both parties.

The two large capitalist dairy farmers, Tasman and Apple Fields, provide large-scale sharemilking jobs. These larger jobs are becoming more necessary for sharemilkers to be able to accumulate sufficient capital to achieve ownership of a farm within a reasonable time. Larger farms are also becoming more necessary because of the need to obtain economies of scale in the face of declining real returns for dairy products, which further emphasises the need for sharemilkers to accumulate capital. No such structures exist in the apple industry.

Part of the debate over the capitalist penetration of agriculture is the issue of formal subsumption. This term roots this debate firmly in Marxist theory. The argument is presented with two emphases. In one, value is appropriated by capitalists from simple commodity producers principally through credit and technology markets. In the other, production and marketing linkages are such that the independent producer is no more than a propertied labourer (Davis 1980). I dealt with the former by arguing in Chapter 3 that simple commodity producers use technology and sources of finance other than market sources to their advantage rather than conversely. This proved to be the case in both the industries investigated here. Davis's conclusion that the conditions of contract farming make simple commodity producers the equivalent of propertied labourers and no different from pieceworkers, is not found in the industries examined here. The cooperative systems of marketing in apple growing and in processing and marketing of dairy produce in New Zealand make this possibility of contract farming remote. The disadvantage of this system against a contract system is that growers do not know how much they will receive for their production until after it is sold. But a stronger argument exists to refute the idea of formal subsumption in these industries. In the case where land is not owned, the question of simple commodity producers as propertied labourers does not arise. These families who are sharemilking and who do not own the farms that they operate are not subject to formal subsumption, so it is very unlikely that simple commodity producers who own their farms are subject to it.

Possibly, a stronger argument can be made that the simple commodity producers in these industries exploit themselves by working (effectively) at low rates of hourly income because of the long hours they work. The simple commodity producers in dairy farming, both owner-operators and sharemilkers, average approximately 70 hours per week, and those in the apple industry average between 45 and 60 hours per week through the year. When combined with the unpaid work of other members of the family this may reduce what seems like a good farm
income to fairly ordinary hourly levels. None of the people I interviewed or who responded to the postal questionnaire in the dairying industry had any complaints in this regard - they all thought they earned a good living from their farms or sharemilking contracts for the efforts they made. Many made the point that urban people have little concept of what dairy farming involves, that they only see what appears to be large incomes, and that they do not recognise the amount of work done.

The thorny question of the use of wage workers by simple commodity producers is another aspect of the arguments in the literature over the categorisation of farm enterprises. Fairweather's (1994) difficulty in categorising large-herd dairy farming as simple commodity production derives from the increased use of wage workers on such farms. Fairweather (1994) resorts, in effect, to Rodefeld's typology of 1978 and classifies these large-herd dairy farms as *larger than the family farm*. The scale of farming and the associated levels of hired workers is a very real theoretical problem which, as I suggested in Chapter 1, impinges upon the whole debate over agrarian change. Apple growing and dairy farming in New Zealand provide insights into this problematic by reason of the physical differences in the two production systems and the resulting different demands for labour. Dairy farming is unproblematic when the farm size is any where near the average farm size in New Zealand, because the majority of these farms operate with mostly family labour. On larger farms, such as those owned by Tasman and Apple Fields, the sharemilkers who operate the farms do so on the same basis as most sharemilkers operate, that is to get the maximum production out of their herd on that farm. Wage workers are used, but all the other characteristics of simple commodity production are present, and the system operates efficiently because it is a simple commodity producer operating the farm. Apple orchards are quite different from dairy farms in their use of labour. The majority of apple orchards operate with more non-family labour than family labour. But again, it is the role of owner-operators in apple orcharding that is critically important. This person, who provides the base labour requirement must be able to respond at any time to any changes in atmospheric conditions. The hired workers, on the other hand are hired to prune or pick apples - a set task with certain requirements for a certain number of hours and days or weeks - jobs which are suited to wage workers. This points to the fact that simple commodity producers in apple orcharding can less readily meet their labour needs than those in dairying. The demand for labour in the apple production system is much more lumpy through the season and the majority of it cannot be supplied physically by farm families. Families provide a relatively small amount of the labour required even though they participate fully in the operation of the orchard. In contrast, the average dairy farm is the ideal size for a family to operate with little structural requirement for labour external to the family, whether the family is an owner-operator or a sharemilker.

The history of both industries since 1980 has some similarities - alterations to the regionalisation, an increase in the size of farms, an increase in the number of large capitalist enterprises, an increase in urban investment, and declining real returns per unit of production.
However, most of these turn out to be similar in only a superficial way because each industry has its own dynamics and causal processes. I consider each in turn. Two interrelated causes explain the changes to the regionalisation of these industries. Comparative advantage is an essential element in explaining the alterations to the regionalisation of these industries since 1980. In the case of the capitalist dairy farmers, the low comparative cost of quality farm land in the South Island offered these companies the opportunity to enter the industry in a way which could be sustained so long as milkfat prices at least maintain their long term trend. The other opportunity offered by the South Island was the ability to create large dairy farms, a crucial factor for capitalist farmers. Tasman is pursuing the same policy in its development of dairy farms in Tasmania on low cost land. The current and increasing importance of dairying in Southland, Otago and Canterbury is reminiscent of the previous position of dairying in these regions. Environmental conditions sufficient to support dairy farming are of course necessary, but it has been the cost of land compared to the established dairying regions such as Taranaki and the Waikato which has enabled this expansion. It is a different case in the apple industry. The greater part of the increase occurred in regions where apples have been found to grow best. Some traditional areas for apple orcharding, such as Auckland, did not expand at all, but other regions with less difficult climates and less intense competition for land expanded greatly. Apple orcharding was a relatively uncommon land use near Christchurch in Canterbury until Apple Fields made the decision to grow apples there. Apple Fields chose to develop its orchards in an area which it knew well, where there was suitable land and water supplies, and where substantial potential labour markets existed. The urban periphery of Christchurch also provides the company with a range of development options in the long term which EEC and Grocorp do not have to the same extent in Hawke's Bay.

The scale of expansion differs significantly in the two industries. Apple exports have tripled while milk production has increased by 33 percent between 1980 and 1994. There are differences also in the timing and duration of these expansions which reflect the different nature of each industry. The increase in dairy production has occurred largely since 1988/89, and coincided (paradoxically) with the lowest real prices in 30 years for milkfat in 1990. The rate of expansion is limited by the reproductive capabilities of livestock and will always be incremental. This expansion was due to the relatively poorer returns to sheep and beef farming, and more recently to the forecast increase in the returns to dairying from settlement of the Uruguay Round of the GATT. The rapid expansion in the planting of apple trees has slowed, but because of the time taken for the trees to mature the crop will not reach its maximum until 1998 or later. The downturn in the development of apple orchards occurred because of the removal of the tax breaks for horticultural development, the severe downturn in prices received by apple growers after the peak 1991/92 season, and the realisation that the world supply of apples is increasing at a massive rate. The failure of northern hemisphere apple crops offers the possibility of higher prices in some seasons.
The high prices received by apple growers in 1990/91 and 1991/92 were fluctuations in a slow long-term decline in real prices. The returns to dairy farming, as measured by the real payout per kilogram of milkfat per season, is also continuing a long-term decline, similar to the rate of decline in the real price of apples. Several factors influence these returns, almost none of which are under the influence of the producers. The nature of the production systems, when viewed as the management of biophysical systems, means that there is an inevitable degree of variation in production from season to season. This variation is differential - total loss of part of the apple crop has a much larger relative effect than does early drying-off of cows in some regions or a wet spring in others. The returns to apple growers are inevitably more variable than they are for dairy farmers for this reason. Production and demand in the overseas markets that are the target of the major part of New Zealand production also influences returns. In the long-term, the slow but persistent decline in the real prices of apples and milkfat and the seasonal variability in the prices received by farmers sends two clear messages. There needs to be a continuing expansion in the level of production at the farm scale for farmers to maintain their income, and for the majority of farmers, the simple commodity producers in both industries, the retention of cooperative marketing is essential, as it is the only way that they can have any input to, and protection from, the marketing system. The large capitalist producers in the apple industry may be able to export on their own behalf, but it is not possible to replicate this in the dairy industry because of the scale of the necessary infrastructure for processing. These factors strengthen the arguments for cooperative organisation of these industries. Evidence from the United States in particular suggests that the alternative, capitalist control of marketing systems leads to the impoverishment of simple commodity producers through formal subsumption (Goss, Rodefeld and Buttel 1980; Vogeler 1981; Mooney 1983).

Capitalist farmers operating on a large scale have entered both industries during the period from 1980 to 1994. However, the involvement of these capitalist producers in these two industries differs in two significant ways. It is a completely capitalist intrusion that has been made in the apple industry, as production in these companies is dependent entirely upon wage workers. In dairying the involvement of large capitalist enterprises is through the use of simple commodity producers. The second difference is the impact of the presence of capitalists. In the apple industry the three companies account for over 15 percent of total production, while in dairying the total production of Tasman and Apple Fields is much less significant. Although the dairy production of these two companies is significant in the regions in which they operate, it represents only a little more than one percent of total New Zealand production.

Urban capital has entered both industries at a lower scale as well. Urban capital in this sense means direct investment rather than through public companies like Apple Fields, Tasman, EEC and Grocorp. Again the patterns are similar but the causation is quite different even though the profit motive is common to both. The ability to offset expenses incurred in the development of orchards against other taxable income provided a powerful incentive for the private investors.
who entered partnerships in the apple industry during the 1980s. Despite the entry into apple orcharding by Apple Fields, EEC and Grocorp, and in dairy farming by Tasman and Apple Fields, the expansion in each industry between 1980 and 1994 was also by smaller capitalist producers such as partnerships of private investors in apple orcharding, and by simple commodity producers. Anecdotal evidence, and that of some sharemilkers interviewed in the South Island, suggests that many individual and multiple urban investors entered dairy farm ownership in the period since 1989 and are using 50/50 sharemilkers to operate their farms. These non-farm investors employ simple commodity producers to operate and develop their farms as part of an investment strategy which is essentially an asset-play, gambling on the rising value of dairy farms, as well as using the tax advantages it offers. Another element of the expansion of dairy farming is that existing simple commodity producers have expanded their production or their farm, or have brought or developed larger farms.

To the large capitalist farmers apple production was seen as a good investment strategy which could be followed at sufficient scale to make it profitable. It appears that Apple Fields has the best long-run strategy and it certainly has the best location in terms of fulfilling anticipated demand for seasonal workers. Some question marks remain as to whether Canterbury is a reliable region for growing apples in the medium to long term. The export packout of less than 35 percent achieved by Apple Fields in 1994 (Kain 1994) may be an indicator of this unreliability. The other corporate farmers, EEC and Grocorp may well be playing the free-rider game in letting Apple Fields pay for the dismantling of the NZAPMB, and then jumping into the free-for-all when, and if, this occurs.

The context of the dairying industry is quite different. Slowly declining real returns demanded increased or more efficient production to maintain profit levels. New Zealand already had the most efficient dairy production system in the world, and so further increases in scale have been the solution. This is the continuation of a long historical trend which has culminated with the largest average size of dairy farms ever in 1993/94. The shift towards increasing scale accelerated significantly in the late 1980s due to the coincidence of the lowest point in real prices for sheep and mixed crop/livestock farms. This enabled conversions into large dairy farms to be undertaken on an economic basis. Tasman and Apple Fields recognised this coincidence, had faith in the ability of the dairy industry to develop and perform in the medium term, and initiated large-scale conversions to dairying in the late 1980s. These two companies have been successful. The average price paid for their dairy farms was a little more than $12 per kilogram of milkfat produced compared with $30 to $45 per kilogram for developed farms in 1994. As an asset play, it has been relatively faultless. Similarly as in the apple industry, many urban investors have entered dairying but at much higher cost. Tasman and Apple Fields eased-back from purchasing dairy farms or land for conversion from late 1992, although Tasman continues to develop dairy farms in Tasmania.
Questions about the differential reproduction of the two forms of production are the natural conclusion to this research. Three combined themes require discussion. The first is super profits (Fairweather 1982), the commitment of each form of production to remaining in a particular industry, and the level of income derived from dairying and apple orcharding. The second is the scale of operations and the amenable ability of the production systems to capitalist penetration. And the third is the role of industry structures and real regulation.

The first theme combines the interdependent issues of income, super profits and the commitment of each form of production to remaining in the particular industry. The precedent in New Zealand is for capitalist enterprises to enter agricultural production where super profits are available. Founder’s rent, the mining of soil fertility, capitalisation of high stock values due to shortages in the development stages of modern agriculture, and the appreciation of land values were examples of such super profits in the period between 1840 and 1890 (Fairweather 1982). Another example of this phenomenon were the super profits available in the development stages of new industries such as kiwifruit, deer and goats. During the late 1980s and early 1990s, historically low real prices for quality farm land provided the opportunity for Tasman, Apple Fields and other smaller capitalist producers and simple commodity producers to generate (potential) super profits by developing dairy farms from large sheep or mixed livestock/cropping farms. Apple Fields attempted a strategy similar to this by entering the apple industry and concentrating on the newest premium varieties. But Apple Fields has failed to realise anticipated super profits due to the retention of control of all exports, thus far, by the New Zealand Apple and Pear Marketing Board. If the prices for dairy farms are sustained in the long-run at anything like present levels, then Tasman, Apple Fields and private investors who purchased or developed dairy farms at cheaper prices would be able to realise significant profits if their farms were sold at their present market value. For Tasman and Apple Fields, this underpins the price of each company's shares. Should the companies change policy or the prices of dairy farms decline, both have the option of getting out of the industry profitably. Apple Fields is contemplating floating shares in its dairy farm assets to the public as a way of capitalising this potential rise in the value of its dairy farms (Hutching 1994; MacFie 1994). The situation is not the same in the apple industry where the large capitalist producers, Apple Fields, EEC and Grocorp, have already recognised that the long term profitability of their companies is at risk if there is too much exposure to apples because of seasonal fluctuation in income and the long-run real decline in per unit income. Apple Field looks the best placed to realise alternative value from its orchards because of their proximity to Christchurch. Grocorp has diversified into other horticultural production, EEC has moved very recently to increase the share of its overall business which is in rural transport, and Apple Fields diversified into dairy farming in the late 1980s.

All these public companies except EEC entered both dairy farming and the apple industry when prices for land and development costs were comparatively low. There is nothing keeping them in
these industries except profits above those which can be earned elsewhere. This is something which, while being desired by simple commodity producers, is not essential to their reproduction (Friedmann 1978b, 1980). Simple commodity producers will remain in these industries for a different set of reasons besides profits - the reality of the farm as home and enterprise being the central idea. The capitalist producers, both those which use only wage workers as in the apple industry and those who use sharecroppers as in the dairy industry, will remain only as long as profits are sufficient for their reproduction as a form of production.

The second combined theme is the differential scale of operations of each form of production, and the amenability of the production systems to capitalist penetration. Each form of production is involved in each industry to varying degrees. The large capitalist producers in the apple industry have advantages of scale compared to both small capitalist investors (the partnerships based on urban capital) and the simple commodity producers. The size of the enterprises is not such a problem for reproduction of the simple commodity producers as it is for the small capitalist producers. The latter do not have available any of the survival strategies which simple commodity producers have, or those which the large capitalist producers possess such as diversification, and avenues for internal and external funding. The successful reproduction of these small capitalist producers appears to be unlikely. The question of the amenability of each farming system to each form of production is linked to the scale of farming in these systems. A larger scale of production as in the apple industry allows the (possible) more rationalised use of its wage workers. However, this does not appear to be happening, judged by the adoption of diversification strategies by Apple Fields, Grocorp and EEC, away from a concentration on apple production.

The third combined theme is the role of industry structures and real regulation (Clark 1992; Marden 1992) in reproducing particular forms of production. In this chapter I have stressed the importance of cooperative marketing as a method of restricting the formal subsumption of simple commodity producers, and in Chapter 4 the regulatory basis which underpins the producer board structures of the apple and dairy industries. Cooperatives and producer boards have been an integral part of each of these two industries for the last 60 years. Central government has played an essential role in their retention. This is not surprising because of the key role that the industries with producer marketing boards have played, and continue to play, in the New Zealand economy. The simple commodity producers want to retain these structures, and it is only Apple Fields which wants to see the NZAPMB dismantled. This should not be allowed to happen, since the future of Apple Fields is not necessarily in the apple industry. Any large-scale capitalist enterprise, but particularly Apple Fields amongst those companies examined in this research, may decide to exit the industry. In contrast, the simple commodity producers are in for the long run, a situation which is directly related to their farms as a duality of household and enterprise.
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PERSONAL COMMUNICATIONS AND OTHER KEY INFORMANTS

Jack Balam, Apple Fields Ltd Dairy Farming Southland Regional Manager, Wyndham/Edendale Rd, Edendale RD, Southland

Paul Barker, Eastern Equities Ltd, packhouse manager, Station Rd Whakatu, Hawke's Bay

Allan Bernard, CEO Otago Cooperative Ltd, Anzac Avenue, Dunedin

David Buys, Director Grocorp Pacific, PO Box 120, Tapairu Rd, Waipawa, Central Hawke's Bay

Simon Cameron, Ben Ohau Station, Twizel.

Ian Chapman, Hawke's Bay APMB regional office, Williams St. Hastings.

John Fairweather, Agricultural Economics Research Unit, Lincoln University

John Field-Dodgson, Research Manager, APMB, Wellington.

Paul Finch, Ohape Settlement Rd, Winchester, Temuka RD, Canterbury

Arnie Griffiths, South Island Dairy Farmers Cooperative, Blenheim Rd, Christchurch

Ron Hill, Manager of two orchards, Waterholes Rd, Lincoln RD, Canterbury.

Tom Lambie, (ex-Dairy section chairperson of Canterbury Federated Farmers), Pleasant Point, Temuka RD, Canterbury

Paul Larking, Secretary, Alpine Dairy Products Ltd, PO Box 33 Temuka, Canterbury

Keith Maclntosh, Manager Lincoln University Main Orchard, Lincoln University

Peter McEvoy, Dairy Promotions Officer, Southland Dairy Cooperative Ltd, Edendale, Southland

John Manhire, Agriculture New Zealand, Riccarton, Christchurch

Otago Cheese Ltd, Balclutha

Ray Parker, General Manager, Tasman Agriculture, 10th Floor, Wilson Neill House, 475 Moray Place, Dunedin

Lindsey Saunders, Landcare, Canterbury

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Ian Shepherd, Morven/Glenavy Rd, Morven RD, Oamaru

Georgina Walker, research analyst, Hawke's Bay regional office, Williams St. Hastings.

Tony Watson, General manager Dairying, Apple Fields Ltd, Kilmore St, Christchurch

Nigel Wilson, MAF Qual, Tower Building, Hastings. 06 878 7125.
Appendices
Appendix A: Regions used by Livestock Improvement Corporation Ltd.
Appendix B: Farm-types 1980 and 1992

### Farm-types 1980

- Dairy farming - Town milk
- Dairy farming - Factory supply
- Sheep farming
- Beef farming
- Cropping
- Dairy farming with Beef
- Dairy farming with Sheep
- Dairy farming with Other
- Sheep farming with Dairy
- Sheep farming with Beef
- Sheep farming with Cropping
- Sheep farming with Other
- Beef farming with Dairy
- Beef farming with Sheep
- Beef farming with Other
- Cropping with Sheep
- Cropping with Other
- Pig farming
- Pig farming with Other
- Stud horse breeding
- Mixed livestock farming
- General mixed farming
- Deer farming
- Goat farming
- Dog breeding
- Broiler poultry farming
- Poultry farming
- Orchards
- Market gardening and flowers
- Tobacco growing
- Hop growing
- Nurseries
- Beekeeping
- Other farming
- Idle land
- Vermin farming

### Farm-types 1992

- Dairy farming
- Sheep farming
- Beef farming
- Cropping
- Dairy farming with Other
- Sheep farming with Beef
- Sheep farming with Cropping
- Sheep farming with Other
- Beef farming with Sheep
- Beef farming with Other
- Cropping with Sheep
- Cropping with Other
- Pig farming
- Horses
- Mixed livestock
- Deer farming
- Goat farming
- Small animal breeding
- Broiler poultry farming
- Other poultry
- Citrus orchards
- Pipfruit orchards
- Stonefruit orchards
- Kiwifruit orchards
- Berry fruit growing
- Grape growing
- Other fruit n.e.c.
- Vegetable growing incl. tomatoes
- Flower growing
- Tobacco and hops
- Mushroom growing
- Nurseries
- Beekeeping
- Plantations
- Other farming
- Idle land
- Agriculture contracting
- Research/Educational, etc

Where greater than 50% of total farm income is derived from this activity
Where 50-75 percent of total farm income is derived from the predominant activity and 20-40 percent is derived from the secondary activity.
Where greater than 50 percent of total farm income is derived from this activity

Appendix C: Methods used for the postal questionnaire of apple growers in Hawke’s Bay County, the response rate, the questionnaire, and the reminder letter.

This appendix contains a description of the methods used to obtain information from apple growers in Hawke’s Bay, a copy of the questionnaire sent to these growers, and a copy of the reminder letter which I sent to increase the response rate.

I argued in Section 2.5 that there is a role for postal questionnaires, despite Sayer’s denunciation of this method of collecting information. The crux of my argument centred on the collection of unproblematic information.

The first problem with the collection of information by questionnaire is identifying the names and addresses of possible respondents. The second problem is that ideally some characteristics of the population of apple growing enterprises in Hawke’s Bay needed to be known in order to select a stratified sample that reasonably resembled the population. Otherwise, the representativeness of the sample relies upon the happy coincidence of the sample being the same distribution as the population. The other requirement of this sample was that it was only to include those orchards where over 50 percent of orchard income derives from apple growing. The New Zealand Apple and Pear Marketing Board (NZAPMB) would not supply a listing of apple growers let alone any of their characteristics, citing the Privacy Act as the reason for this policy.

A list of all orchardists in Hawke’s Bay was purchased from MAFQual to obtain orchardists names and addresses. This listing was found to have NZAPMB registration numbers associated with each name and address. The NZAPMB supplied their 1993 estimates of the 1993/94 apple crop and the corresponding NZAPMB registration number for each orchard. This gave a production profile of all apple growers in Hawke’s Bay. The two data sets were combined on an Excel spreadsheet and this allowed stratification of all growers on the basis of the estimates for the 1994 apple crop. All growers whose estimates were for less than 5,000 cartons were deleted as these were unlikely to be orchards where greater than 50 percent of orchard income was from apples. All growers who for whatever reason did not have an estimate on the NZAPMB database were also deleted. (The two cooperatives and the DSIR orchard had very small crop estimates, and were not included in this figure. The less than 5,000 orchards almost all appeared to be in the family farm category). A total of 793 orchard enterprises were identified. This dropped to 510 when the orchards producing less than 5,000 cartons were deleted.

An attempt was also made to stratify the sample by type of enterprise before selection for the posting of questionnaires. This was to alleviate the problem of questions which were relevant to one type of enterprise and not to others and to get replies from a range of types of enterprises.
Three categories of enterprise were identifiable to a certain degree from the MAFQual listing; owner-operator and family partnership enterprises, trusts, and private investor partnerships and public companies.

I developed a postal questionnaire for apple growers in Hawke's Bay at the same time as the postal questionnaire for dairy farm owners in Waimate West County (See Appendix D). In December 1993, I posted questionnaires to all those enterprises classified as limited companies (47), trusts (16), partnerships (81) and multiply-owned orchards (13). I also sent questionnaires to 125 other enterprises in the family farm category by selecting every fifth orchard ranked by their 1993 crop estimate. In all, this amounted to 282 questionnaires out of a population of 510. Three different questionnaires were used, a family farm questionnaire, a partnership and limited company questionnaire, and a trust questionnaire. A copy of the Family Farm questionnaire is included in this Appendix.

The responses are detailed in Table C1. A reminder notice was sent to those who had not replied by mid-January 1994 (a copy of this is also in this appendix). Thirty-one fully completed questionnaires were returned by February 2 1994 and 60 more questionnaires were sent out that week to new respondents to increase the response rate. In total, 43 fully completed questionnaires were received by May 1 1994. The database consists of 8.43 percent of the population of orchards which were estimated to produce over 5,000 cartons. The sample represents 7.96 percent of the total production of Hawke's Bay region including Central Hawke's Bay but excluding production north of Esk Valley. The final response rate was 12.6 percent of the total number of questionnaires mailed to potential respondents. This is considered sufficient given that the population was stratified in the first instance. The sample is analysed in Chapter 5.
Table C1: Responses to the questionnaire sent to apple orchardists in Hawke’s Bay

<table>
<thead>
<tr>
<th></th>
<th>As at 2/2/94</th>
<th>As % of returned questionnaire</th>
<th>As at 1/5/94</th>
<th>As % of returned questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questionnaires posted</td>
<td>282</td>
<td></td>
<td></td>
<td>342</td>
</tr>
<tr>
<td>Returned marked undelivered</td>
<td>11</td>
<td>17.19</td>
<td>13</td>
<td>14.61</td>
</tr>
<tr>
<td>Returned questionnaire unanswered</td>
<td>5</td>
<td>7.81</td>
<td>6</td>
<td>6.74</td>
</tr>
<tr>
<td>Orchard sold</td>
<td>1</td>
<td>1.56</td>
<td>3</td>
<td>3.37</td>
</tr>
<tr>
<td>&lt;50% of orchard income derived from apples</td>
<td>16</td>
<td>25.00</td>
<td>20</td>
<td>22.47</td>
</tr>
<tr>
<td>Not fully completed questionnaires</td>
<td>0</td>
<td>0.00</td>
<td>4</td>
<td>4.49</td>
</tr>
<tr>
<td><strong>Fully completed, useable questionnaires</strong></td>
<td><strong>31</strong></td>
<td><strong>48.44</strong></td>
<td><strong>43</strong></td>
<td><strong>48.31</strong></td>
</tr>
<tr>
<td>Total number of questionnaires returned</td>
<td>64</td>
<td></td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>and as a % of those sent out</td>
<td></td>
<td></td>
<td>32.0%</td>
<td>34.2%</td>
</tr>
<tr>
<td>Fully completed questionnaires as % of total number of questionnaires sent out</td>
<td>11.0%</td>
<td></td>
<td>12.6%</td>
<td></td>
</tr>
<tr>
<td>Fully completed questionnaires as % of the population less those producing less than 5,000 cartons (=510)</td>
<td></td>
<td></td>
<td></td>
<td>8.43%</td>
</tr>
</tbody>
</table>
Appendix C: Reminder letter sent to owners of apple orchards in Hawke’s Bay

January 13, 1994

Greg Blunden  
Department of Geography  
University of Auckland  
PO Box 92019, Auckland.  
Telephone 9 3737 599 direct dial extn 5043  
Facsimile 9 3737 434

Dear apple grower of Hawke's Bay,

I recently sent you a questionnaire about your pipfruit orchard which I hoped you would fill-out and return to me in the enclosed postage-paid envelope.

This letter is to ask again if you could fill-out the questionnaire and post it back. I realise that the Christmas and New year period is a busy one but I am hoping that you will find time to do the questionnaire before you get really busy in your orchard in February.

Please send the questionnaire back even if you do not want to fill it out or haven’t the time to complete it as every returned questionnaire helps me.

Thankyou for your help and I hope you have a prosperous year.

Yours sincerely

Greg Blunden
The main information that I want is about the labour used to operate the orchard but I also need information on the orchard itself and on the owners so that I can understand the whole picture. Your name and address are on the questionnaire only for filing and sorting purposes and you and your orchard will not be identified in anything I write.

Please tick this box if you would like a copy of the summary of my work:  

Name:  
Address:  

The following questions are one of three possible types:  
  a. A set of alternatives to choose from by using a tick  
  b. A box to write a figure into  
  c. A box to write a sentence answer into  
(I have included some explanatory notes which are in bold like this sentence).

1 Have apples provided more than half your orchard's net income in the last two years?  
   yes or no  
If your answer is no, then please stop here and post the questionnaire back to me. Thank you for your assistance.

2 How many orchards do you or does your family own?  

3 What crops are grown on this orchard (or orchards) and what percentage of orchard income do these provide?  
   (Use I for orchard 1, ii for orchard 2, etc, if more than one orchard)  

<table>
<thead>
<tr>
<th>crop</th>
<th>% of orchard income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apples</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>crop</th>
<th>% of orchard income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apples</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>crop</th>
<th>% of orchard income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apples</td>
<td></td>
</tr>
</tbody>
</table>

4 What was your total 1993 apple crop estimate?  

5 What was your total 1984 apple crop estimate?  

6 What do you expect your crop estimate to be when in full production?  
   (Ignore this question if your 1993 production = full production)  

7 And in what year will full production occur?  
   (Ignore this question if your 1993 production = full production)
F/F

**Pipfruit orchard questionnaire - Greg Blunden**

8 What type of business organisation is your orchard enterprise?  

<table>
<thead>
<tr>
<th>Owner-operator</th>
<th>please tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>Husband and wife partnership</td>
<td></td>
</tr>
<tr>
<td>Family limited company</td>
<td></td>
</tr>
<tr>
<td>Family owned but run by a manager</td>
<td></td>
</tr>
<tr>
<td>Family trust</td>
<td></td>
</tr>
<tr>
<td>Family operated but owned by someone else</td>
<td></td>
</tr>
<tr>
<td>Other (please specify)</td>
<td></td>
</tr>
</tbody>
</table>

9 When did you buy/develop this orchard?  

10 What sources of finance did you use to buy/develop the orchard and what were the percentages of each?  

| Own money | please tick |
| Banks | |
| Family | |
| Private investors | |
| Partnerships | |
| Vendor finance | |
| Other (specify) | |

11 What proportion of total net family income is usually provided by the orchard? To work out the answer, think of total net family income as being made up of the following:

\[
\text{net apple income} + \text{other crop net income} + \text{off-farm net income} + \text{other on-farm net income} = \text{family income}
\]

<table>
<thead>
<tr>
<th>net apple income</th>
<th>(%)</th>
<th>other crop net income</th>
<th>(%)</th>
<th>off-farm net income</th>
<th>(%)</th>
<th>other on-farm net income</th>
<th>(%)</th>
<th>total family income</th>
<th>(%)</th>
</tr>
</thead>
</table>

Note:
- unworked income such as that deriving from shares or investments is not counted
- income should be calculated at net rather than gross
- off-farm net income should only be counted if the family member who earns it also works on the orchard
- other non-farm income is from any non-orchard business that is operated on the orchard

12 What age and gender are you and your family?

<table>
<thead>
<tr>
<th>Age</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Male owner-operator</td>
<td>male</td>
</tr>
<tr>
<td>2 Female owner-operator</td>
<td>female</td>
</tr>
<tr>
<td>3 Child 1 (oldest)</td>
<td></td>
</tr>
<tr>
<td>4 Child 2</td>
<td></td>
</tr>
<tr>
<td>5 Child 3</td>
<td></td>
</tr>
<tr>
<td>6 Child 4 (youngest)</td>
<td></td>
</tr>
</tbody>
</table>
The next question concerns only family workers and combines four questions in one table:

13 What is the average time per week over the year that family members work on the orchard? (Please include all administrative functions, eg, book-keeping, saleyard days, etc, but not items such as household work and child-minding)

- How many weeks per year do these family members work on the orchard?
- Are these family members paid for working on the orchard and how? (See note below box)
- Which months of the year do they work on the orchard?

<table>
<thead>
<tr>
<th>Average hours per week</th>
<th>How many weeks per year?</th>
<th>How are they paid?</th>
<th>Which months of the year do they work on the orchard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male owner-operator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female owner-operator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 1 (oldest)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 4 (youngest)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male grand-parent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female grandparent</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*How are they paid? - please select a number (or numbers) from the following:*

- 1. Not paid
- 2. Not paid directly but receive income as farm drawings
- 3. Pocket money
- 4. Wages
- 5. In kind
- 6. Other (specify)

The next two questions are about non-family labour that you use on your orchard. Do not include people who work in a packhouse if you have one. If you do not use any non-family labour on your orchard, then go to question 16.

14 How many permanent full-time or part-time employees do you have working on the orchard(s) and are they waged, salaried or contract based on performance?

<table>
<thead>
<tr>
<th>Unionised or not? (yes or no)</th>
<th>On wages</th>
<th>On salary</th>
<th>On contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>full-time permanent</td>
<td>male</td>
<td></td>
<td></td>
</tr>
<tr>
<td>part-time permanent</td>
<td>male</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

15 How many non-family seasonal workers work on your orchard during the year, what gender are they, are they waged or contract-paid, how long do they work for you, which tasks do they perform and are they unionised?

<table>
<thead>
<tr>
<th>Unionised or not? yes or no</th>
<th>On wages</th>
<th>On salary</th>
<th>How many weeks per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>male pruners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>female pruners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>male pickers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>female pickers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>male other (specify)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>female other (specify)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
If you have a packhouse, how many people do you employ?

<table>
<thead>
<tr>
<th></th>
<th>On wages</th>
<th>On salary</th>
<th>On contract</th>
<th>How many weeks per year?</th>
<th>Unionised or not?</th>
</tr>
</thead>
<tbody>
<tr>
<td>male</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>female</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

17 What contractors do you use for such things as drainage, spraying, etc?

<table>
<thead>
<tr>
<th>Task</th>
<th>Days per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

The next four questions concern changes to the labour you have used during the last ten years:

18 Have there been changes to the amount of family labour used on the orchard during the last ten years?

<table>
<thead>
<tr>
<th></th>
<th>please tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>increased family labour</td>
<td></td>
</tr>
<tr>
<td>no change</td>
<td></td>
</tr>
<tr>
<td>decreased family labour</td>
<td></td>
</tr>
</tbody>
</table>

19 If the amount of family labour used has changed during the last ten years, what is the reason?

[Blank space for answer]

20 Have there been changes to the amount of non-family labour used on the orchard during the last ten years?

<table>
<thead>
<tr>
<th></th>
<th>please tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>increased non-family labour</td>
<td></td>
</tr>
<tr>
<td>no change</td>
<td></td>
</tr>
<tr>
<td>decreased non-family labour</td>
<td></td>
</tr>
</tbody>
</table>

21 If the amount of non-family labour used has changed during the last ten years, what is the reason?

[Blank space for answer]
The next two questions concern off-farm work. If none of the orchard family who work on the orchard also work off the orchard, please go to question 24.

22 Which members of your orchard family also work off the orchard?

<table>
<thead>
<tr>
<th>Member</th>
<th>Average work hours per week off-orchard?</th>
<th>How many weeks per year?</th>
<th>Occupation</th>
<th>Which months of the year</th>
<th>On wages, contract or self-employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male owner-operator</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female owner-operator</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 1 (oldest)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 4 (youngest)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

23 How important to total family income is the income from this off-orchard work? (please tick the appropriate boxes)

<table>
<thead>
<tr>
<th>Level of importance to the survival of family orchard</th>
<th>Male owner-operator</th>
<th>Female owner-operator</th>
<th>Child 1 (oldest)</th>
<th>Child 2</th>
<th>Child 3</th>
<th>Child 4 (youngest)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very important</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Important</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Makes no difference</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

24 Do you exchange labour and machinery with other orchardists?  

Yes or no

25 If you do exchange labour and/or machinery, how much money do you estimate this saves you in the course of a season?

$________

The next three questions seek information on any other businesses that you may operate from the orchard property. If there are none, please go to question 31.

26 Do you have gate sales?  

Yes or no

27 If you have a packhouse, do you pack for other orchardists?  

Yes or no

28 Do you have any other businesses operating from the orchard?  

Yes or no
FIF

Pipfruit orchard questionnaire - Greg Blunden

29 Does your involvement or your family’s involvement in these businesses mean that more “other” labour is used on the orchard than would otherwise be the case? yes or no

30 How much extra labour is used?

<table>
<thead>
<tr>
<th></th>
<th>Days per season</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family labour</td>
<td></td>
</tr>
<tr>
<td>Non-family labour</td>
<td></td>
</tr>
</tbody>
</table>

31 Do you support the Apple and Pear Marketing Board as sole New Zealand apple exporter? yes or no

32 What do you think of Apple Fields Ltd and their actions against the Apple and Pear Marketing Board?

33 Do you consider that your orchard business is a family business? yes or no

34 Some studies suggest that, for various reasons, family-based orchards are better able to survive at lower levels of production and profits than others. Why do you think family-operated orchards are better able to survive under these conditions?

35 Do you have any other comments?

Thank you for participating in this survey.

Greg Blunden
Appendix D: Methods used for the postal questionnaire of owners of dairy farms in Waimate West County, the response rate, and the questionnaire

I attempted to use the same methodology as I used for the apple orchardists in setting-up the questionnaire to the owners of dairy farms in Waimate West County. This did not work because MAFQual would not divulge the information on dairy farm owners, and the Kiwi Cooperative Dairy Company which covers the Taranaki region would not give out any information about their milk suppliers. A new approach was required. Questionnaires were sent to dairy farm owners in the same way as advertising catalogues are delivered via the rural post. I provided the postmaster in Hawera with a map of the roads where I wanted the questionnaires delivered and these were delivered over a two week period in February 1994. A copy of the envelope and the questionnaire are contained in this appendix.

Over 300 questionnaires were sent but there is no way of knowing how many were delivered to the owners of dairy farms because of the distribution method. The likelihood is high that these questionnaires were only delivered to dairy farms as dairy farming is the dominant land use in Waimate West County with over 95 percent of the farm-types classified as dairying according to data from the Census of Agriculture. It was not possible to stratify the sample in any way prior to sending the questionnaires. Neither was it possible to send out reminders using this system. An overall response rate of 8.6 percent was achieved. This is lower than desired but is still sufficient given the overall research design. It complements the information collected in Bradly's study in the same county. The actual distribution of the sample and all other details are discussed in Chapter 6.

The responses are detailed in Table D1 on the following page.
Table D1: Responses to the questionnaire sent to owners of dairy farms in Waimate West County, south Taranaki

<table>
<thead>
<tr>
<th>Response</th>
<th>Responses as at May 1st, 1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questionnaires posted</td>
<td>325</td>
</tr>
<tr>
<td>Returned questionnaire unanswered</td>
<td>5</td>
</tr>
<tr>
<td>&lt;50% of farm income derived from dairying</td>
<td>6</td>
</tr>
<tr>
<td>Not fully completed questionnaires</td>
<td>2</td>
</tr>
<tr>
<td><strong>Fully completed, useable questionnaires</strong></td>
<td><strong>28</strong></td>
</tr>
<tr>
<td>Total number of questionnaires returned</td>
<td>41</td>
</tr>
<tr>
<td>and as a % of those sent out</td>
<td>11.7</td>
</tr>
<tr>
<td>Total number of fully completed questionnaires returned as a % of those sent out</td>
<td>8.6</td>
</tr>
</tbody>
</table>

The design of the envelope used in this survey:

*The dairy farm owner*
Thanks for helping me with my research

My study area is the "old" Waimate West County. It is the area to the east of Patiki Rd, to the south of the Eltham Road, and to the west of Palmer Rd and Inaha Rd.

If you own one farm only (which will be the majority of people), please ignore any "Farm 2" "Farm 3", etc, headings which you come across in the questionnaire. I am also interested in those of you who own more than one farm, even if the other farm(s) are not in Waimate West County. Please provide the information on the other farms in the appropriate places on to the next two pages of the questionnaire. From question 16 onwards, only information relating to the farm(s) owned in Waimate West should be included. Please don't hesitate to write additional comments wherever you want to.

I ask for your name and address only for filing and sorting purposes and so that I can send a summary of my work. You and your farm will not be identified in anything I write.

Name:
Address:

Please tick this box if you would like a copy of the summary of my work:

1 How many dairy farms do you or your immediate family, trust, company or partnership own or have a share of ownership (eg, 100% or 50%), and what area are these farms in?

<table>
<thead>
<tr>
<th>Share of ownership (eg, 100%, 50%)</th>
<th>Area (eg, Manaia, Tariki, Morrinsville)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm 1</td>
<td></td>
</tr>
<tr>
<td>Farm 2</td>
<td></td>
</tr>
<tr>
<td>Farm 3</td>
<td></td>
</tr>
<tr>
<td>Farm 4</td>
<td></td>
</tr>
<tr>
<td>Farm 5</td>
<td></td>
</tr>
</tbody>
</table>

2 What type of business organisation is your farm ownership legally classified as?

<table>
<thead>
<tr>
<th>Business Organisation</th>
<th>Farm 1</th>
<th>Farm 2</th>
<th>Farm 3</th>
<th>Farm 4</th>
<th>Farm 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole proprietor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Husband/twice partnership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family limited company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family trust</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private investor partnership</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private investor limited co.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable trust</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (please specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3 What is the effective size of your farm(s) and runoff(s)?

<table>
<thead>
<tr>
<th>Effective size of farm (ha.)</th>
<th>Farm 1</th>
<th>Farm 2</th>
<th>Farm 3</th>
<th>Farm 4</th>
<th>Farm 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective size of runoff (ha.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Dairy farm owner questionnaire - Greg Blunden

4 What has your total milkfat production been during the last six seasons?

<table>
<thead>
<tr>
<th>Kilograms of milkfat produced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm 1</td>
</tr>
<tr>
<td>1992/93</td>
</tr>
<tr>
<td>1991/92</td>
</tr>
<tr>
<td>1990/91</td>
</tr>
<tr>
<td>1989/90</td>
</tr>
<tr>
<td>1988/89</td>
</tr>
<tr>
<td>1987/88</td>
</tr>
</tbody>
</table>

5 How do you operate your dairy farm(s)?  (Please tick the appropriate boxes).

<table>
<thead>
<tr>
<th>As an owner-operator</th>
<th>Farm 1</th>
<th>Farm 2</th>
<th>Farm 3</th>
<th>Farm 4</th>
<th>Farm 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>By using a manager</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By using a sharemilker</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By using a contract milker</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (please specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6 What do you estimate is the current value of your farm business assets?  
(Include all farms, livestock and equipment that you own but not non-farm investments)

$-

7 How much of this is funded by mortgages or seasonal finance?

$-

8 What were the corresponding figures five years ago?  
(Estimates are sufficient)

| Total assets | $-
| Total liabilities | $-

The next 3 questions should only be answered if you use a sharemilker to operate the farm(s)

9 What types of sharemilking contracts have you used on your farm(s)?

<table>
<thead>
<tr>
<th>Type of sharemilking contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Season</td>
</tr>
<tr>
<td>1993/94</td>
</tr>
<tr>
<td>1989/90</td>
</tr>
<tr>
<td>1984/85</td>
</tr>
<tr>
<td>1979/80</td>
</tr>
</tbody>
</table>

10 What are your reasons for using the current type of contract?


11 Is the current contract different from the standard contract? If so, in what way and why?


11 If you use a sharemilker on your farm, is he (or she) a member of your family?  

yes or no
**Dairy farm owner questionnaire - Greg Blunden**

You should answer the next three questions only if you use a manager to operate your farm(s).

12 Is the manager male or female? 

13 Is the manager the farm operator? yes or no 

14 How is the manager paid? (please select a number from the options below) 1. wages 3. contract (performance derived) 2. salary 4. salary + performance pay 

15 Does the manager live on the farm? yes or no 

If the manager is not the farm operator, then you may have difficulty answering the rest of the questions. If this is the case, then answer questions 35 to 41 and post the questionnaire back to me. Could you also give me the manager's name and address. Thank you.

The next section should only be answered by owner-operators and family-based owners. This excludes companies, partnerships and trusts unless they are operated by a family. If you do not consider that your farm ownership is a family-based business please go to question 36.

These questions only concern the farm(s) you own in Waimate West

16 If you inherited this farm, in what year did this occur? 19 

17 If you purchased the farm from your family, what sources of finance did you use, and what were the percentages of each? (rough estimates will do) 

<table>
<thead>
<tr>
<th>Source of Finance</th>
<th>Percentage of Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own money</td>
<td></td>
</tr>
<tr>
<td>Banks</td>
<td></td>
</tr>
<tr>
<td>Family</td>
<td></td>
</tr>
<tr>
<td>Private investors</td>
<td></td>
</tr>
<tr>
<td>Vendor finance</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
</tbody>
</table>

18 If you did not inherit the farm or purchase it from your family, what sources of finance did you use to buy the farm, and what were the percentages of each? (rough estimates will do) 

<table>
<thead>
<tr>
<th>Source of Finance</th>
<th>Percentage of Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own money</td>
<td></td>
</tr>
<tr>
<td>Banks</td>
<td></td>
</tr>
<tr>
<td>Family</td>
<td></td>
</tr>
<tr>
<td>Private investors</td>
<td></td>
</tr>
<tr>
<td>Vendor finance</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
</tbody>
</table>
Dairy farm owner questionnaire - Greg Blunden

19 What age and gender are you and your family?

<table>
<thead>
<tr>
<th>Age</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Male owner</td>
</tr>
<tr>
<td>2</td>
<td>Female owner</td>
</tr>
<tr>
<td>3</td>
<td>Child 1 (oldest)</td>
</tr>
<tr>
<td>4</td>
<td>Child 2</td>
</tr>
<tr>
<td>5</td>
<td>Child 3</td>
</tr>
<tr>
<td>6</td>
<td>Child 4 (youngest)</td>
</tr>
</tbody>
</table>

20 If you do not operate the farm, did you previously operate it, did you previously operate another dairy farm, or have you never owned or operated a dairy farm?

<table>
<thead>
<tr>
<th>Please tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previously operated the farm you own</td>
</tr>
<tr>
<td>Previously operated another dairy farm</td>
</tr>
<tr>
<td>Never owned or operated a dairy farm</td>
</tr>
</tbody>
</table>

The next three questions concern only you and members of your family who work on the farm.

21 What is the average time per week over the year that each family member works on the farm? (Please include all administrative functions, eg, book-keeping, saleyard days, etc, but not items such as household work and child-minding)

How many weeks per year do these family members work on the farm?

Are these family members paid for working on the farm and how? (See note below box)

Which months of the year do they work on the farm?

<table>
<thead>
<tr>
<th>Average hours per week</th>
<th>How many weeks per year?</th>
<th>How are they paid? (i)</th>
<th>Which months of the year do they work on the farm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male owner</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female owner</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 1 (oldest)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 4 (youngest)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male grand-parent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female grandparent</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(i) How are they paid? - please select a number (or numbers) from the following:

1. Not paid
2. Not paid directly but receive farm profits
3. Pocket money
4. Wages
5. In kind
6. Other (specify)

22 Have there been changes to the amount of family labour used on the farm in the 1980 to 1994 period?

<table>
<thead>
<tr>
<th>Please tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased family labour</td>
</tr>
<tr>
<td>No change</td>
</tr>
<tr>
<td>Decreased family labour</td>
</tr>
</tbody>
</table>
23 If the amount of family labour used has changed, what are the reasons?

24 What contractors do you use for such things as drainage, etc?

<table>
<thead>
<tr>
<th>Task</th>
<th>Days per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

The next four questions are about non-family labour that you use on your farm. If you do not use any non-family labour on your farm, then please go to question 29.

25 How many permanent full-time or part-time employees do you have working on the farm, are they waged, salaried or contract based on performance, and how many hours per week do they work?

<table>
<thead>
<tr>
<th></th>
<th>on wages</th>
<th>on salary</th>
<th>on contract</th>
<th>hours per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>permanent male full-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>permanent female full-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>permanent male part-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>permanent female part-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

26 How many seasonal full-time or part-time employees do you have working on the farm, are they waged, salaried or contract based on performance, and how many hours per week do they work?

<table>
<thead>
<tr>
<th></th>
<th>on wages</th>
<th>on salary</th>
<th>on contract</th>
<th>hours per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>seasonal male full-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>seasonal female full-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>seasonal male part-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>seasonal female part-time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

27 Have there been changes to the amount of non-family labour used on the farm in the 1980 to 1994 period?

- increased non-family labour
- no change
- decreased non-family labour

28 If the amount of non-family labour used has changed, what are the reasons?
Dairy farm owner questionnaire - Greg Blunden

The next two questions concern off-farm work by family members who also work on the farm. If no family members are in this category, please go to question 31.

29 Which members of your farm family, who work on the farm, also work off the farm?

<table>
<thead>
<tr>
<th></th>
<th>Average work hours per week off-farm?</th>
<th>How many weeks per year?</th>
<th>Occupation</th>
<th>Which months of the year?</th>
<th>On wages or contract?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Male owner</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Female owner</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Child 1 (oldest)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Child 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Child 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Child 4 (youngest)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

30 How important to total family income is the income from this off-farm work? (please tick the appropriate boxes)

<table>
<thead>
<tr>
<th>Level of importance to the survival of family farm</th>
<th>very important</th>
<th>important</th>
<th>makes no difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Male owner</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Female owner</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Child 1 (oldest)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Child 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Child 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Child 4 (youngest)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

31 Do you exchange labour and machinery with other dairy farmers? yes or no □

32 If you do exchange labour and machinery, how much money do you estimate this saves you in the course of a season? $ __________

The next three questions are about any other businesses that you may operate from the farm property. If there are none, please go to question 36.

33 Do you have any other businesses operating from the farm? yes or no □

34 Does your involvement or your family's involvement in these businesses mean that more "other" labour is used on the farm than would otherwise be the case? yes or no □

35 How much extra labour is used?

<table>
<thead>
<tr>
<th>Days per season</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family labour</td>
</tr>
<tr>
<td>Non-family labour</td>
</tr>
</tbody>
</table>
Dairy farm owner questionnaire - Greg Blunden

36 Do you support the New Zealand Dairy Board as sole New Zealand dairy exporter?  
[ ] yes  [ ] no

37 What do you think of Apple Fields Ltd and their actions against the Apple and Pear Marketing Board?

38 If you consider that your farm business is a family business, what are your reasons?

39 If you consider that your farm business is not a family business, what are your reasons?

40 Many studies have shown that, for various reasons, family-based businesses are better able to survive at lower levels of production and profits than corporate businesses. What do you think are the reasons that make family operated dairy farms the most efficient way of organising dairy production in New Zealand?

41 Do you have any other comments?

Thank you for participating in this survey.

Greg Blunden
Appendix E: Examples of sharecropping contracts:


2. A 50/50 sharemilking contract for the 1991/92 season from Taranaki, New Zealand (Deem & Shearer, Solicitors).
To every one applying to rent land upon shares, the following conditions must be read, and agreed to.

To every 30 or 35 acres, I agree to furnish the plow, and farming implements, except cotton planters, and I do not agree to furnish a cart to every cropper. The croppers are to have half of the cotton, corn and fodder (and peas and pumpkins and potatoes if any are planted) if the following conditions are complied with, but—if not—they are to have only two-fifths (2/5). Croppers are to have no part or interest in the cotton seed raised from the crop planted and worked by them. No vine crops of any description, that is, no watermelons, muskmelons, c., or squashes or anything of that kind, except peas and pumpkins, and potatoes, to be planted in the cotton or corn. All must work under my direction. All plantation work to be done by the croppers. My part of the crop to be housed by them, and the fodder and oats to be hauled and put in the house. All the cotton must be topped about 1st August. If any cropper fails from any cause to save all the fodder from his crop, I am to have enough fodder to make it equal to one half of the whole if the whole amount of fodder had been saved.

For every male or horse furnished by me there must be 1000 good sized rails in . . . . . , hauled, and the fence repaired as far as they will go, the fence to be torn down and put up from the bottom if I so direct. All croppers to haul rails and work on fence wherever I may order. Rails to be split when I may say. Each cropper to clean out every ditch in his crop, and where a ditch runs between two croppers, the cleaning out of that ditch is to be divided equally between them. Every ditch bank in the crop must be shrubbed down and cleaned off before the crop is planted and must be cut down every time the land is worked with his hoe and when the crop is "laid by," the ditch banks must be left clean of bushes, weeds, and seeds. The cleaning out of all ditches must be done by the first of October. The rails must be split and the fence repaired before corn is planted.

Each cropper must keep in good repair all bridges in his crop or over ditches that he has to clean out and when a bridge needs repairing that is outside of all their crops, then any one that I call on must repair it.

Fence jans to be done at ditch banks. If any cotton is planted on the land outside of the plantation fence, I am to have three fourths of all the cotton made in these patches, that is to say, no cotton must be planted by croppers in their home patches.

All croppers must clean out stables and fill them with straw, and haul straw in front of stables whenever I direct. All the cotton must be manured, and enough fertilizer must be brought to manure each crop. Highly, the croppers to pay for one half of all manure bought, the quantity to be purchased for each crop must be left to me.

No cropper to work off the plantation when there is any work to be done on the land he has rented, or when his work is needed by me or other croppers. Trees to be cut down on Orchard, House field & Ewanston fences, leaving such as I may designate.

Read field to be planted from the very edge of the ditch to the fence, and all the land to be planted close up to the ditches and fences. No stock of any kind belonging to croppers to run in the plantation after crops are gathered.

If the fence should be blown down, or if trees should fall on the fence outside of the land planted by the croppers, any one or all that I may call upon must put it up and repair it. Every cropper must feed the team he works, Saturday nights, Sundays, and every morning before going to work, beginning to feed his team (morning, noon and night every day in the week) on the day he rents and feeding it to and including the 31st day of December. If any cropper shall from any cause fail to repair his fence as far as 1000 rails will go, or shall fail to clean out any part of his ditches, or shall fail to leave his ditch banks, any part of them, well shrubbed and clean when his crop is laid by, or shall fail to clean out stables, fill them up and hay straw in front of them whenever he is told, he shall have only two-fifths (2/5) of the cotton, corn, fodder, peas and pumpkins made on the land he cultivates.

If any cropper shall fail to feed his team Saturday nights, all day Sunday and all the rest of the week, morning/noon, and night, for every time he so fails he must pay me five cents.

No corn nor cotton stalks must be burned, but must be cut down, cut up and plowed in. Nothing must be burned off the land except when it is impossible to plow it in.

Every cropper must be responsible for all gear and farming implements placed in his hands, and if not returned must be paid for unless it is worn out by use.

Croppcrs must sow & plow in oats and haul them to the crib, but must have no part of them. Nothing to be sold from their crops, nor fodder nor corn to be carried out of the fields until my rent is paid, and all amounts they owe me and for which I am responsible are paid in full.

I am to gin & pack all the cotton and charge every cropper an eighth of his part, the cropper to furnish his part of the bagging, ties, & twine.

The sale of every cropper's part of the cotton to be made by me when and where I choose to sell, and after deducting all they may owe me and all sums that I may be responsible for on their accounts, to pay them their half of the net proceeds. Work of every description, particularly the work on fences and ditches, to be done to my satisfaction, and must be done over until I am satisfied that it is done as it should be.

No wood to burn, nor light wood, nor poles, nor timber for boards, nor wood for any purpose whatever must be gotten above the house occupied by Henry Beasley—nor must any trees be cut down nor any wood used for any purpose, except for firewood, without my permission.84

84 From the Grimes Family Papers (#3357) in the Southern Historical Collection.
DATE........................................, 19...91.

- with -

Sharemilking Agreement

(Where Milker provides the Cows)
This agreement has been prepared on behalf of The New Zealand Co-operative Dairy Company Limited and is designed to record what its officers and administrators in the field of 50/50 sharemilking contracts consider to be the current practices throughout its territory. Prospective parties to such an agreement are urged to consider each individual clause and where necessary to vary such clause or add new clauses so that the intention of the parties is clearly set out.

Revised February 1981

Sharemilking Agreement

(Milker providing the cows)

Memorandum of Agreement made this 19.91 BETWEEN

[Signature]

(Owner) (hereinafter termed “the Owner”) of the one part

AND...

[Signature]

sharemilker (hereinafter termed “the Milker”) of the other part

WHEREAS the Owner is possessed of a farm at...

containing approximately 63.2255 hectares

being...

(Taranaki Registry)

(Owner) AND WHEREAS the Milker is the owner of certain farming stock and effects AND WHEREAS it has been agreed by and between the Owner and the Milker that the Milker shall carry on the business of dairyfarmer on a sharemilking basis upon the said land with the said farming stock and effects and subject to the terms and conditions hereinafter appearing NOW

THIS AGREEMENT WITNESSETH as follows:

Definition of Stock

1. EXCEPT where the context demands a different construction the term “cows” when used herein shall mean and include all cows and heifers on the said land for any of the purposes of this agreement and the term “stock” when used herein shall mean and include cows, bulls, pigs, horses and all other live stock excepting poultry.
Status of Parties

2. The relationship of the parties shall be deemed to be that of employer and independent contractor. The Milker shall not be deemed to be a tenant of the said land or of any building therein. This agreement shall not be deemed to create a bailment of any stock or chattels belonging to either party.

Terms of Agreement

3. THIS AGREEMENT shall come into force on the ______ day of June ______ and shall continue until the ______ day of May ______.

subject to prior determination as hereinafter provided.

Use of the said Land

4. THE OWNER shall set apart and allow to be used solely for the purpose of this agreement the said land and neither the Owner nor the Milker shall during the continuance of this agreement graze or depasture on the said land any stock not subject to this agreement. The Owner warrants that the said land will in any normal season carry and maintain in good condition the stock and that the butterfat returns for the season ending on the 31st day of May, ______ were ____________________ kgs.

Dwelling and Farm Buildings

5. THE OWNER shall during the term hereof provide and maintain on the said land for and to the use of the Milker free of any charge a dwelling house which shall be of a fair and reasonable state of repair and condition of habitation and the Milker shall during the said term keep and maintain the said dwelling house and the lawns and gardens (if any) adjacent thereto in a like condition and state of repair as the same are in at the date on which the Milker commences his duties pursuant to this Agreement, fair wear and tear only excepted.

Provision for Cows

6. THE MILKER shall:
(a) For the purposes of this Agreement provide and maintain on the said land not ___________ cows (or such other suitably qualified **) to be decided upon by Mr. ________ (or such other suitably qualified **) less than ______. Profits shall be shared equally.
(b) Furnish to the Owner not later than 14 days after the Milker has signed this Agreement particulars of the anticipated calving dates of the said cows.
(c) SHOULD any cows fail to come into profit within a reasonable time they are to be removed from the said land and replaced with cows in profit. Should any cows dry off shortly after coming into profit these shall likewise be removed from the said land and replaced by cows in profit. PROVIDED HOWEVER the Milker shall not be required to remove and replace after the first day of ________ in any season any cows drying off prematurely through no fault of his own. The Milker shall throughout the term of this Agreement by the application of culling and good farming practices maintain and continue the above cows as a satisfactory milking herd. If any question relating to the quality of the said cows shall be in dispute between the parties the matter shall be referred to the decision of the Manager for the time being of Wrightson NMA Limited at Inglewood whose decision shall be final and binding.

* farm crops are increased upon by the parties having regard to the available feed resources in each season.
Other Stock

7. (a) THE MILKER shall supply and keep on the said land, mothers, bulls and may also keep sufficient poultry for his own use and working dogs. All bulls are to be removed from the property at the end of the mating season. (b) THE MILKER may with the prior written agreement of the Owner at the equal shares bring on, rear and depasture upon the said land and retain for the reasonable domestic consumption of the Owner and Milker in equal shares cattle, sheep and pigs, PROVIDED HOWEVER that the Milker shall at the end or sooner determination of this Agreement remove from the said land all such animals so retained as shall not have been used for domestic consumption as aforesaid and shall pay to the Owner in respect of each and every animal so removed one-half share of the value thereof at the date of removal.

Brucellosis

8. WHERE an animal is ordered to be slaughtered as a brucellosis reactor then if such slaughtering does not reduce the herd below the minimum numbers specified by this agreement the Milker may elect whether or not to replace it with a similar producing animal. To the extent such slaughtering reduces the herd below the above minimum the Milker will replace within 14 days at his own cost with similar producing animals. The Milker shall be solely entitled to all sums paid by the Department of Agriculture by way of compensation for such slaughter but if any additional payment is made by the said Department for loss of production of that animal the Milker shall also be entitled to such further payment but if such animal has not been replaced by the Milker by agreement of the parties then any such payment for loss of production shall be divided equally between the parties.

Care of Stock

9. (a) THE MILKER shall properly care for and tend all stock depasturing or being on the said land from time to time during the period of this agreement and shall take reasonable precautions to keep the same on the said land and shall be responsible for all consequences arising from failure to do so. (b) THE MILKER shall at all proper times at his own cost take all necessary steps to have the cows effectively served and get in calf and shall record in writing the dates of all calvings and of all services of the cows and furnish the same to the Owner when demanded. (c) THE MILKER or his competent deputy during the authorised absence of the Milker shall supervise each milking and shall take proper and prompt steps to treat any stock requiring attention and when necessary call in at his own expense a competent veterinary.

Rearing of Stock

10. (a) ALL CALVES except those selected for rearing in terms of Sub-clause (c) of this Clause shall be sold by the Milker in his own name as bobby calves and the nett proceeds shall belong to the Owner and the Milker in equal shares. Within seven days after proceeds of sales have been received by the Milker he shall render a full statement to the Owner and shall at the same time make payment to him of his share thereof. (b) SUBJECT to the provisions of Clause 8 of this Agreement and to Sub-clause (a) of this Clause the proceeds of the sale of any animal culled, discarded or not required for maintenance of the herd shall be the property of the Milker and upon termination of this Agreement all cows, heifers, yearling and heifer calves brought on to the said land or reared in terms of this Clause shall remain the property of the Milker.
(c) THE MILKER may during each and every year of this agreement rear and retain on the said land calves (including bull calves) to a number not exceeding 30% 23% per cent of the cows in profit in that year for maintenance of his dairy herd. The Milker shall select and nominate calves which he so intends to rear within seven days of birth and the calves so selected may be fed on new milk in accordance with the practices of the district. Any surplus heifer calves above the permitted 23% **

(d) AT THE commencement of this agreement the Milker, for the purpose of maintaining his herd as above, may then bring on to and retain on the said land 23% of the flush herd size

yearling heifers to a number not exceeding ,................. and unless so authorised by this Sub-clause the Milker shall not be entitled to bring yearling heifers on to the said land at the commencement of this agreement.

(e) THE MILKER shall not without the prior written approval of the owner first had and obtained either at the commencement of this Agreement or at any time thereafter during the term hereof bring on, rear and retain on the said land calves or yearling heifers in excess of the numbers specified in sub-clauses (c) and (d) of this clause, PROVIDED HOWEVER that in the event of the Owner giving his approval as aforesaid then and in any such case the milker shall pay to the Owner one half share of the market value of each and every animal comprised in such excess number at the date of termination of this agreement, or at the date of disposal by way of sale of such animal whichever event shall happen first. and PROVIDED FURTHER that the proceeds of sale of any calves reared pursuant to Sub-clause (c) hereof and not taken into the herd shall be shared by the Milker and Owner 50/50.

(f) ***

** Implements **

11. (a) THE MILKER shall provide and maintain at his own cost and expense the following farm implements:—

The Milker shall supply all farm implements to carry out his duties and responsibilities hereunder.

(b) THE OWNER shall provide at his cost and in good order, condition and repair and appropriate to the use of the Milker for the purpose of this agreement the milking plant (subject to provisions of Clause 12 hereof as to milker rubberware) engine, electric motors or other power plant, separator, adequate facilities for boiling water and for cooling milk or cream and all necessary cream cans.

(c) ALL OTHER appliances and implements not hereinebefore provided for and required for the purposes of this agreement shall be provided by the Milker at his own expense.

** Shed Equipment **

12. (a) THE MILKER shall supply and install new claw tubes, inflations, milk rubbers and all other rubberware at the commencement of the Agreement, and shall maintain or replace these at his cost when necessary for the efficient working of the plant during the currency of the Agreement. He shall maintain and renew any belting required for the efficient working of the milking plant and shall at the end or sooner determination of this agreement leave the said milking plant in good and efficient working order.

(b) THE OWNER shall provide and maintain at his own expense an efficient high pressure washing down plant and the Milker shall supply and maintain at his expense the hose and nozzle for such plant which shall remain his own property.

(c) THE OWNER shall ensure that there is a sufficient means of efficient disposal and if this is serviced by electricity the Milker shall meet all power costs, but the repair and maintenance of that plant shall be the responsibility of the Owner.
(d) THE MILKER shall supply and pay for all brush ware and materials for cleaning of milking machine plant, and appliances and also all belting oil, fuel and electric power from time to time during the currency of this agreement required for the proper and efficient use and working thereof AND the Milker shall at his own cost make good any damage to such equipment due to his neglect or failure to use the same in a proper and workmanlike manner.

Care of Shed and Yards

13. THE MILKER shall daily clean out all sheds and yards in which the cows are milked, remove dung, wash with boiling water and cleanse and keep sweet all utensils and appliances used for the purpose of this agreement so that the condition of the sheds and yards at all times meet the standards laid down by the Ministry of Agriculture and Fisheries.

Produce and Grading Losses

14. THE MILKER shall be responsible for and make good to the Owner any loss of milk or diminution in value arising by reason of non-acceptance or grading down by the Dairy Company due to

(a) the failure of the Milker to maintain a proper standard of cleanliness in sheds, utensils or appliances or to manipulate and operate the plant and machinery in a skilful and workmanlike manner

(b) the negligent use and control by the Milker of antibiotic pesticides or chemicals of any kind whereby milk or cream is affected.

(c) any disregard by the Milker of directives of the Dairy Company or other authorised authorities to exclude from the supply unfit milk or cream, or milk and cream likely to be affected by the use of antibiotics pesticides or chemicals of any kind

(d) failure of the Milker to make the milk or cream available for collection at the times and places laid down from time to time by the Dairy Company.

PROVIDED THAT the Milker will not be responsible for or required to make good any loss as aforesaid attributed to the inadequacy of the water supply in respect of either quantity or temperature (not caused by the failure of the Milker to carry out his obligations under this contract).

Care of Buildings and Other Improvements

15. (a) THE OWNER shall at his own expense and before the commencement of this agreement ensure that all buildings, other erections, fences, gates, yards and other permanent improvements are in suitable order condition and repair. The commencement of his duties under this agreement by the Milker shall be deemed an acceptance by him that the buildings, other erections, fences, gates, yards and other permanent improvements are in suitable order and condition as above-mentioned and that all gateways, drains, hedges, tanker road, surrounds of water troughs and milking sheds referred to in the following sub-clause are in reasonably suitable order condition and repair except to the extent that the Milker has specifically objected in writing prior to the commencement of his duties hereunder.

(b) THE OWNER shall likewise at his own expense and before the commencement of this agreement place or cause to be placed in reasonably suitable order, condition and repair all gateways, drains, hedges, tanker road, surrounds of water troughs and milking shed and the Milker shall throughout the term hereof maintain the same in the like order and condition.

(c) THE MILKER shall devote a reasonable proportion of his time and that of his labour force with the necessary and usual farm implements to the carrying out of general maintenance and farm improvement work on the said land. All materials for repairing tanker road, fences, filling for gateways and other surrounds (if not available on the said land) painting of buildings and general maintenance work shall be supplied promptly by and at the expense of the Owner. The Milker having so applied himself with his labour force and farm implements efficiently to such general maintenance and farm improvement work and having performed his obligations under Sub-clause (b) hereof shall be deemed to have discharged his
obligations hereunder to maintain the said land and the improvements thereon in the like reasonably suitable order, condition and repair. The Milker shall not be liable to make good any damage or loss to buildings, fences or other permanent improvements occasioned by fire, tempest, earthquake or other inevitable accident.

Noxious Weeds

16. THE OWNER shall at his own cost supply all weedkiller required for checking or destruction of noxious weeds, the Milker providing the spraying equipment. The responsibility of the Milker for the eradication or control of noxious weeds upon the said land shall be confined as far as is practicable to the prevention of any increase therein as compared with the position at the commencement of this agreement or of any subsequently improved position brought about at the Owner’s expense.

Control of Bloat

17. THE OWNER and Milker shall meet the cost in equal shares of each and every spray drench or other preventative reasonably required by the Milker for the prevention and control of bloat, facial eczema and grass staggers, the Milker applying same at his cost and providing the necessary equipment to do so.

Supply of Milk or Cream

18. (a) Where the Owner is supplying cream the Milker shall separate after each milking the cream from the milk produced by the cows (excepting a reasonable quantity for his own household use and for use in the household of the Owner if also resident on or adjacent to the said land not exceeding one gallon of whole milk each daily) and shall deliver in the name of the Owner the cream so separated at the time and to the collecting point nominated by the Dairy Company from time to time.

(b) Where the Owner is supplying milk, the Milker shall properly cool the milk and convey the same (excepting milk for domestic use as provided for in Subclause (a) of this Clause) to the vat provided for the purpose within the times advised by the Dairy Company from time to time. Pending collection by the Dairy Company therefrom, the Milker shall take all reasonable precautions to prevent contamination of that milk and shall observe at all times the directives of the Dairy Company for the safeguarding and treatment of milk in such vats.

(c) In the event of the Owner deeming it necessary or desirable during the term of this agreement to change the incidence of the supply from cream to milk or vice versa he shall at his own expense provide all additional plant, gear, cans, utensils and appliances required for such a change.

Water Supply

19. THE OWNER shall provide for the said land at his own expense a continuous and adequate supply of water for stock, cowshed, piggeries and domestic purposes including all necessary motors, pumps, piping and troughs and shall pay for all benzine, electric power and oil used therein. The cost of power pumping water to stock and sheds and for household purposes shall be borne and paid for by the owner. Unless, and until a separate meter is installed to record the units of power consumed in pumping water the liability of the Owner in respect thereof shall be deemed to be satisfied by his granting to the Milker an allowance calculated at the rate of ................. cents per cow milked per annum and in such event it shall be the responsibility of the Milker to pay all power consumed in pumping water as well as for power for the milking shed. The Milker shall at all times keep troughs clean and ball floats in efficient working order and generally perform all minor work on the water system, the Owner defraying the cost of materials.

In the event of a serious interruption to the supply or the need for major repairs thereto, the Milker shall immediately advise the owner who shall take prompt steps at his own expense to remedy same.
Topdressing

20. (a) THE OWNER warrants that .....750... kilogrammes per hectare of superphosphate or other suitable fertilizer was applied to all pastures of the said land for the season ending 31st May prior to the commencement of this agreement.
(b) THE OWNER shall at his own cost and supply and transport to the said land in each year of this agreement, sufficient fertilizer to topdress the pasture portions of the said land with not less than .....750... kilogrammes per hectare exclusive of lime of 30% potash mixture or other suitable artificial fertilizer (exclusive of lime) such fertilizer to be applied as to ........... kilogrammes per hectare in the Spring and as to .....375..... kilogrammes per hectare in the Autumn of each year. The cost of spreading such fertilizer and lime if done by independent contractor shall be paid one half by the Owner and one half by the Milker.

Supplementary Crops, Harvesting

21. (a) THE COST of seeds and manure for supplementary and/or winter crops required for the purposes of this agreement shall be borne by the Owner and the Milker in equal shares but all work in connection with the ploughing cultivation and showing of those crops shall be done by the Milker. Should the areas upon utilisation of the crops be required by the Owner to be resown in grass during the term of this agreement the Owner shall provide at his cost the grass seed and manure required but all work in connection with such sowings shall be done by the Milker PROVIDED HOWEVER nothing herein shall require the Milker to clear at his expense or with his own labour virgin land.
(b) Should there be insufficient hay or ensilage available on the said land at the commencement of this agreement for the reasonable requirements of the stock during the winter and early spring immediately following having regard to the extent of autumn saved pasture, the Owner will provide promptly at his cost the additional supplementary feed so required.
(c) THE MILKER shall in each year at his cost in all things (excepting fencing materials) including the employment of such contractors or labour as shall be necessary, cut, cart, completely harvest/hay from .......... hectares and bale same to the extent barn accommodation is available, and efficiently stack any balance, properly fencing in such stacks and similarly make ENSiLAGE from .......... hectares efficiently storing same for winter and early spring feed for the stock. Until so used such hay or ensilage shall be the sole property of the Owner. The Milker shall upon termination of this agreement leave on the said land all such hay and ensilage not meanwhile reasonably required for the feeding of the stock. PROVIDED THAT no less
(d) THE OWNER shall at his own cost keep insured against loss or damage by fire all baled and stacked hay to the full insurable value thereof and in the event of loss or damage of hay by fire all moneys received by virtue of such policy of insurance shall be expended promptly in making good the loss or damage.

Farm Management

22. THE OWNER directly or by his agent shall retain the management and control of the said land and of all operations thereon and at his sole discretion shall decide all questions of policy relating to the carrying out of this agreement and the efficient farming of the said land provided nothing herein shall make it obligatory upon the Milker to carry out and observe instructions by the Owner detrimental to the stock and implements the property of the Milker PROVIDED ALWAYS for the purpose of Section (2) Sub-section 1 of the Co-operative Dairy Companies Act 1949 insofar as it relates to the definition of "supplying shareholder" the stock shall be deemed to be subject to the control of the Owner. To the intent that the payments and emoluments arising and payable under this agreement from the use of the said land and the stock shall be as great as possible the Milker in the absence of directions or instructions from the Owner, shall in all things observe and follow approved farming practices.
23. (a) THE MILKER shall devote the whole of his time and attention to the efficient carrying out of this agreement and shall not engage in outside employment. The Milker shall be entitled to the same annual holidays as are usual for dairy farm workers but prior to taking such holidays he shall arrange at his own expense for a competent person to perform his duties during his absence.

(b) THE MILKER in addition to his own labour shall employ and keep employed as a minimum labour force throughout the term of this agreement the following types of employees or their equivalent:

A minimum of one full-time fully experienced milker

PROVIDED HOWEVER that any failure to employ such a minimum labour force shall not in itself be deemed a default under this agreement unless such failure continues for a period of one month or exceeds in the aggregate two months in any dairying season.

Milk Cheques

24. (a) THE LAND OWNER shall at the commencement of this agreement lodge with the responsible Dairy Company an automatic payment authority to a Bank nominated by the SHAREMILKER directing payment on the 20th of each month without any deduction whatsoever one half of the income to the SHAREMILKER in respect to the milk components, the subject matter of the agreement, supplied by the SHAREMILKER during the previous month. Such payment shall have attached to it copies of credit notes from the Dairy Company on which shall be full particulars as to volumes, weights, tests and money values. The production of this Agreement to the Dairy Company shall be sufficient authority for it to give the SHAREMILKER such particulars as shall enable the SHAREMILKER to verify such payment information.

b) In addition the SHAREMILKER shall be entitled to receive by automatic payment, direct credit, cheque or otherwise the same proportion of any deferred payments made by the Dairy Company including any retrospective payments or Imputation Credits (which shall be shared equally between the LAND OWNER and the SHAREMILKER) made in respect of the milk supplied in terms of this agreement, excepting however, any credits paid by the Dairy Company as a return on shares held by the LAND OWNER in the Dairy Company. PROVIDED ALWAYS should the LAND OWNER be called upon to refund to the Dairy Company any over-credits made by it. The SHAREMILKER shall refund to the LAND OWNER his proportionate part.

not later than seven days prior to making such deduction, furnish and deliver to the Milker a statement of account as to the manner in which the sum to be deducted has been determined. If the milker shall have failed to remedy any default as aforesaid within the period specified in the said notice the Owner shall be at liberty to apply the sum deducted by him as aforesaid to remedy the said default and for that purpose only, but in the event that the said default shall be made good by the Milker the Owner shall forthwith pay to the Milker any sum deducted by him as aforesaid.

Pigs

25. THE MILKER shall conduct efficiently pig farming operations on the said land in accordance with the usual practice where pigs are run in conjunction with dairying and upon the following basis:
(a) The Owner shall provide suitable piggeries, fencing and other necessary and usual facilities.
(b) The Owner and Milker shall supply in equal proportion all pigs required for the purpose of this agreement.
(c) All pig feed and other expenses in connection with pig operations shall be found by the Owner and Milker in equal proportions.
(d) All pig sales shall be in the name of the Owner. Within seven days after proceeds of any sales have been received by the Owner he shall render a statement to the Milker showing the position of the joint pig account and shall at the same time make payment to the Milker of his share of the net proceeds.
(e) Upon determination of this agreement pigs then held on joint account shall be disposed of as may be mutually agreed and the proceeds divided in accordance with the terms of this Clause.

Assignment of Rights

26. THE MILKER shall not assign any of his rights, privileges or benefits under this agreement without the consent in writing of the Owner first had and obtained.

Right of Set-Off

27. THE OWNER may set off and deduct from any payments due or to become due to the Milker under this agreement any moneys or any part thereof which may then be due by the Milker to the Owner under this agreement.

Death of Milker or Owner

28. (a) IN THE EVENT of the death of the Milker occurring during the currency of this agreement the Owner shall be entitled to determine the agreement as from the death of the Milker in which case the estate of the Milker shall be entitled to all moneys due to the Milker at the date of his death in respect of all cream or milk supplied up to the time of his death including any deferred or final payments with any necessary adjustments in respect of the sale of bobby calves, pigs or any matters provided for in this agreement.
(b) IN THE event of the death of the Owner this agreement shall terminate in the year of such death or in the next succeeding year as the case may be upon the day of the month hereinbefore provided in Clause 3 of this agreement for the termination hereof.

Prior Determination of Agreement

29. IF THE Milker shall make default in the observance or performance of any terms and conditions expressed or implied herein and has not within fourteen days after written notice by the Owners so to do remedied any such default the Owner may at his option without further notice or demand whatsoever thereupon or at any time thereafter determine this agreement (in which case the Milker shall be entitled only to moneys actually due to him at date of such determination) without prejudice however to the right of the Owner to recover damages for the non-performance by the Milker of any stipulation or agreement herein expressed or implied and without prejudice to any other rights of the Owner hereunder.

Notice of Repair

30. THE OWNER shall advise the Milker in writing three months before the end of the contract as to what jobs need doing to meet the terms and conditions of the contract. This will not exonerate the Milker from carrying out normal and maintenance work until the end of the contract.
Milker to Permit Inspections

31. THE MILKER acknowledges that the Owner is required to observe and perform obligations from time to time imposed by the Dairy Industry Act, 1952 and/or Regulations thereunder and/or by the rules and bylaws of the Dairy Company. The Milker will observe and discharge such obligations as shall be his responsibility in terms of the foregoing Clauses of this agreement and will at all reasonable and proper times permit authorised inspectors and agents of the Dairy Division of the Ministry of Agriculture and Fisheries and of the Dairy Company to enter upon the premises in performance of their duties.

TIME LIMIT ON CLAIMS

32. No action shall be sustainable by either party against the other in respect of any breach of contract or failure to observe and perform any of the conditions hereunder unless notice in writing giving reasonable information of the circumstances upon which the proposed action will be based is served upon the other party within 28 days of the close of the dairy season in which such claim arose PROVIDED HOWEVER that in the event of a notice of claim being given by either party, the other party shall have 20 days from the date the said claim was made known to him within which he may make a cross claim or counterclaim.

PROVIDED FURTHER the provisions of this Clause shall not be a bar to any action by either party against the other in respect of any sums due and owing in terms of Clause 24 hereof or by way of indemnity arising from or through actions by third parties.

Matters Not provided for

33. SHOULD this agreement be silent on any matters or things becoming in dispute between the parties then such matters or things shall be determined in accordance with the custom prevailing in the district and failing any such custom then such matters or things shall be determined in accordance with equity and good conscience.

Arbitration

34. ANY and every dispute, difference or question which may at any time hereafter arise between the parties hereto or their respective representatives as to the construction of these presents or as to any matter or thing connected with or arising out of these presents or the rights, duties or liabilities of the parties hereto shall in the absence of any provision to the contrary herein contained be referred to arbitration in accordance with and subject to the provisions of the Arbitration Act 1908 or any statutory amendments or modifications thereof for the time being in force and the provisions of this Clause shall be deemed to be a submission to two arbitrators, one to be appointed by each party, such arbitrators to have power to appoint an umpire if necessary.

35. The Milker will in the final year of this agreement close and free of stock sufficient grass to enable wintering of 130 cows. The area and dates to be determined by Mr John Gazzard, Farm Consultant, Inglewood or some other similarly suitably qualified person.

36. The Milker will once during the term hereof at his own cost absolutely in a proper and workmanlike manner, cut, top and trim on both sides all boxthorn and other live hedges for the time living growing and being upon the said land or upon the boundaries thereof to such width as the Owner or his agent may from time to time direct and failing such direction to such width as in the circumstances may be reasonable and proper and will immediately after such cutting, clean up and burn the material cut from the said hedges. On a rotational basis at least one-third of the hedges shall be cut in each year.
37. The milker will use predominantly A.I. for the insemination of the herd.

38. In these presents where the context so admits references to the singular number shall include the plural and vice versa; personal pronouns and other references to persons shall include corporations; personal pronouns importing the male gender shall be deemed to include the female; references to death shall include the winding up of a corporation and references to personal representatives shall include the liquidator of a corporation.

AS WITNESS the hands of the parties hereto:

SIGNED by the Owner in the presence of:

(Signature of Owner)

WITNESS:

Signature........................................
Address...........................................
Occupation......................................

SIGNED by the Milker in the presence of:

(Signature of Milker)

WITNESS:

Signature........................................
Address...........................................
Occupation......................................
Appendix F: Form of the employment question in the Census of Agriculture, 1984 and 1990

### NUMBER OF PERSONS WORKING ON FARM

#### WORKING OWNERS, LEASEHOLDERS and SHAREMILKERS

- See Note A

#### UNPAID FAMILY MEMBERS

- See Note B

#### PAID FARM EMPLOYEES

- Exclude contractors and their employees
- Also See Note C

### NUMBER OF PERSONS WORKING ON FARM

<table>
<thead>
<tr>
<th></th>
<th>Permanent Full-time</th>
<th>Permanent Part-time</th>
<th>Casual Full-time</th>
<th>Casual Part-time</th>
<th>Casual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
<td>Females</td>
<td>Males</td>
<td>Females</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

- Number of working owners, leaseholders and sharemilkers as at 30 June 1984: 074
- Number of unpaid members of the family assisting with farm work as at 30 June 1984: 075
- Number of paid farm workers during week ended 28 February 1984: 076
- Number of paid farm workers during week ended 30 June 1984: 077

Appendix G: Suggestions for revamping the employment question in the Census of Agriculture

The Census of Agriculture employment question database

Greg Blunden
University of Auckland

The major conceptual and practical difficulty with the Census of Agriculture employment question database is the lack of integrity between the two overall types of farm worker, that is, between owner-operators and their unpaid family workers (Working owners, leaseholders and sharerilkers and Unpaid members of the family which are codes 460 and 461 in the Census of Agriculture questionnaire) and wage workers (Paid farm employees, codes 462 and 463). Although data is collected on a "per farm" basis, no "per farm" data is available at an aggregate (national) or spatial (region or county) level. Rather, data is available on the Number of farms with Working owners etc, the Number of farms with Unpaid family, the Number of farms with Permanent employees February and June, and, the Number of farms with Casual employees February and June.

This structure may appear to be useful and it is to a limited extent as demonstrated in (Blunden 1994b) but New Zealand farm enterprises are not organised in these two separate classes and consequently the current database structure does not offer an accurate picture of farm labour and therefore the "social relations of production". Many family farms are run with only family labour but production is also organised by many family farm enterprises using wage and contract labour in quite variable proportions - often variable by farm-type and farm size.

Key examples of the deficiencies of the current employment question database structure are that we do not know how many and what types of farms are operated with

a. only Waged employees
b. only Working owners and Unpaid family
c. the various mixes of Working owners etc, Unpaid family and Permanent and Casual waged employees

This is basic information which is provided in the Census of Agriculture in other countries such as the United States and Canada. Without this information, we cannot even say how many family farms and corporate farms there in New Zealand (which, I know, would be variable by definition).
These are important questions which concern people and how production is organised. The significant potential for analysis of the social relations of production and integration of this with analysis of the "factors of production" is largely lost in the way that the employment question database is assembled. Owner-operator and wage labour need to be pulled together using aggregated "per farm" data rather than aggregated types of labour on their own which are not mutually exclusive in terms of the number of farms.

Data can ideally be assembled by individual farm in the following matrix format where individual but unidentifiable farm data is assembled:

<table>
<thead>
<tr>
<th>Column 1:</th>
<th>Number 1 to the total number of farms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Column 2:</td>
<td>Number of male full-time working owners, etc</td>
</tr>
<tr>
<td>Column 3:</td>
<td>Number of female full-time working owners, etc</td>
</tr>
<tr>
<td>Column 4:</td>
<td>Number of male part-time working owners, etc</td>
</tr>
<tr>
<td>Column 5:</td>
<td>Number of female part-time working owners, etc</td>
</tr>
<tr>
<td>Column 6:</td>
<td>Number of male full-time Unpaid family</td>
</tr>
<tr>
<td>Column 7:</td>
<td>Number of female full-time Unpaid family</td>
</tr>
<tr>
<td>Column 8:</td>
<td>Number of male part-time Unpaid family</td>
</tr>
<tr>
<td>Column 9:</td>
<td>Number of female part-time Unpaid family</td>
</tr>
<tr>
<td>Column 10:</td>
<td>Number of male permanent full-time employees Feb</td>
</tr>
<tr>
<td>Column 11:</td>
<td>Number of female permanent full-time employees Feb</td>
</tr>
<tr>
<td>Column 12:</td>
<td>Number of male permanent part-time employees Feb</td>
</tr>
<tr>
<td>Column 13:</td>
<td>Number of female permanent part-time employees Feb</td>
</tr>
<tr>
<td>Column 14:</td>
<td>Number of male permanent full-time employees June</td>
</tr>
<tr>
<td>Column 15:</td>
<td>Number of female permanent full-time employees June</td>
</tr>
<tr>
<td>Column 16:</td>
<td>Number of male permanent part-time employees June</td>
</tr>
<tr>
<td>Column 17:</td>
<td>Number of female permanent part-time employees June</td>
</tr>
<tr>
<td>Column 18:</td>
<td>Number of male casual employees Feb</td>
</tr>
<tr>
<td>Column 19:</td>
<td>Number of female casual employees Feb</td>
</tr>
<tr>
<td>Column 20:</td>
<td>Number of male casual employees June</td>
</tr>
<tr>
<td>Column 21:</td>
<td>Number of female casual employees June</td>
</tr>
</tbody>
</table>
The addition of other variables would make for an extremely powerful database for rural planning purposes as well as for generic and targeted research. In particular, Farm-type, Farm size, Legal status and Tenure-type would be useful:

Column 22: Farm-type
Column 23: Farm size
Column 24: Legal status/organisation type
Column 25: Tenure-type

All sorts of economic/productivity measures could be developed based on different types of employment structures, farming systems and farm output if the employment question was structured in this way. The demand for this type of information would be significant in the wider rural business community as well as among researchers.
Appendix H: Gender distribution and changes in the agricultural work force from 1984 to 1990

Tables H.1 and H.2 show the numbers and proportions of male and female full-time employment types in New Zealand agriculture. The number of men working as full-time working owners and full-time unpaid family workers decreased slightly between 1984 and 1990. The number of men permanently employed full-time dropped by nearly seven percent over the same period (Table H.1). The number of women, in contrast, increased participation by over nine and seven percent in the full-time working owners and full-time unpaid family worker categories respectively. Full-time and permanently employed women decreased slightly during this time.

The percentage of the number of women to men working owners increased by three percentage points between 1984 and 1990 (from 26 percent to 29). In the unpaid family worker category, females have similarly increased participation from being 106 percent of males to 116 percent. This feminisation trend continues when examining Permanent (wage) workers. In 1984, the female to male ratio in this category was 15.4 percent but in 1990 it was 16.4 percent.

Table H.1: Male full-time work types

<table>
<thead>
<tr>
<th>Worker types</th>
<th>1984</th>
<th>1984 %</th>
<th>1990</th>
<th>1990 %</th>
<th>% change 1984 - 90</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working owners, etc</td>
<td>48822</td>
<td>66.9</td>
<td>48475</td>
<td>68.1</td>
<td>-0.7</td>
</tr>
<tr>
<td>Unpaid family workers</td>
<td>4379</td>
<td>6.0</td>
<td>4307</td>
<td>6.0</td>
<td>-1.6</td>
</tr>
<tr>
<td>Permanent workers</td>
<td>19737</td>
<td>27.1</td>
<td>18411</td>
<td>25.9</td>
<td>-6.7</td>
</tr>
<tr>
<td>Total</td>
<td>72938</td>
<td>100.0</td>
<td>71192</td>
<td>100.0</td>
<td>-2.4</td>
</tr>
</tbody>
</table>


Table H.2: Female full-time work types

<table>
<thead>
<tr>
<th>Worker types</th>
<th>1984</th>
<th>1984 %</th>
<th>1990</th>
<th>1990 %</th>
<th>% change 1984 - 90</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working owners, etc</td>
<td>12885</td>
<td>62.6</td>
<td>14064</td>
<td>63.7</td>
<td>9.1</td>
</tr>
<tr>
<td>Unpaid family workers</td>
<td>4660</td>
<td>22.6</td>
<td>5006</td>
<td>22.7</td>
<td>7.4</td>
</tr>
<tr>
<td>Permanent workers</td>
<td>3050</td>
<td>14.8</td>
<td>2993</td>
<td>13.6</td>
<td>-1.9</td>
</tr>
<tr>
<td>Total</td>
<td>20595</td>
<td>100.0</td>
<td>22063</td>
<td>100.0</td>
<td>7.1</td>
</tr>
</tbody>
</table>

Appendix I: Comments from respondents in Hawke's Bay County about the reasons why family orchards may be better able to survive than other types of enterprise

Orchardists in the Hawke's Bay questionnaire were asked the following question:

Some studies suggest that, for various reasons, family-based orchards are better able to survive at lower levels of production and profits than others. Why do you think family-operated orchards are better able to survive under these conditions?

The responses are divided into two groups - those that consider they are family based enterprises and private investor partnerships. Each group is ranked in descending order by estimates of their 1994 apple production with the actual estimate removed to preserve confidentiality. All comments received are presented here as written.

Comments from family producers:

Fewer management layers means a leaner machine. Families have livelihood at stake and personal money to lose!

No managers driving around in utes doing nothing. Family members usually work harder and for longer hours. When working for yourself you try and make every post a winning post. Bad decisions reflect on your pocket.

Input by family farmers is at a lower rate of return.

... because when the going gets tough the tough get going. In a large organisation, employees are not prepared to work for nothing. Many family orchards go through tough times in the hope and belief in what they are doing will reward them in the end. Only through a single desk exporter system will this be able to continue.

I do not know of any where the family work on the orchard except on a very casual basis - it does not normally work - children should run their own lives away from the family farm or acquire their own with help.

Greater efficiency in cost saving through labour, etc.

You always work better when you have bought the orchard and its your money at risk.

1. location

2. Family business in which if a job needs doing, it is done regardless of the time of the day or the weather.

3. Members of the family make decisions and act on them.
4. No supervisors supervising the supervised. Only get out what you are prepared to put in yourself, ie, labour.

5. And knowing your own orchard and what’s going on in it.

Family-based orchardists are closer to the problems and act when they are perceived remedial action is instant both on and off the orchard. They have no shareholders or investors demanding an income from their investment.

... probably because of the "pride" factor. Motivation to achieve is probably the greatest when the benefactor is yourself and your family. More concern is taken towards costs and probably also more long term planning is done with the realisation that the owner-operator is likely to be here for the long haul.

Family orchards are able to get the necessary work done more efficiently, often at lower than normal wage rates, and are able to put in that extra effort needed to produce quality fruit. Family orchardists are prepared to work longer hours to make their business profitable.

I think through a "hands on attention" the overheads can be run more efficiently and perhaps costs can be pruned a little.

In our case, one partner has an off-farm job to provide an income in the leaner years.

Family-based orchards can run under a lower cost structure, but family interests can conflict, but the personal interest can help. Also, we can accept a smaller remuneration in poor years.

The long unpaid hours that we are prepared to put in make it work.

The orcharding industry has been built up over many years by family operators. During the last decade or so, corporates have become interested in the industry. Family orchards rely to a large degree on the orchard for a living (85-90%) and will therefore show a great determination to make it succeed.

Can survive on lower margins - lifestyle makes the family closer in times of difficulty. Because of equity in own orchard and self-employed lifestyle banks look more favourably at extending or stretching finance in times of temporary financial difficulties.

Family orchards can possibly survive on lower production and profits because although the expenses per orchard are all the same, overheads are probably less than some of the bigger orchards.

... because of the high hours of free family labour.

The motivation of profitability and being prepared to accept no wages when none are able to be paid.

This orchard will survive because costs are being reviewed and minimised constantly while revenue is being developed based on premium paying apple varieties.
Emotional attachment to the land gives you an extra incentive to survive.

Families are flexible - can work harder, can tighten the belt, and don't have to feed boards of directors, shareholders and money sharks.

If the family workers only receive enough wages to live on, this keeps overheads down in tight times.

It is a viable business with our own input helping to keep it that way. Large numbers of work hours are unaccounted for in family orchards and unpaid family members work better than the average employee.

Lower labour costs and lifestyle as well as business.

Family commitment; knowledge that you are working for yourself; threat of alternative.

Lower overheads.

We can increase our input if necessary and also do off-orchard work. We can also alter our standard of living to suit economic conditions.

Freehold with no mortgage. No debt but an incentive to survive.

... because they have more attention to detail, supply more productivity per labour unit, and more commitment by the working owners.

... because they (family businesses) are able to cut costs to suit conditions and to seek outside employment and income to subsidise any shortfall in production and orchard income as well as performing tasks usually performed by paid labour.

Simply that in poor seasons, minimum drawings are taken.

**Partnerships of private investors**

Attention to detail and careful cost management.

Before owning this orchard, I managed a large corporate orchard and its production levels were not as good as family orchards. My orchard will survive because we get excellent financial advice and monitor the costs of production constantly. Our high debt level will be our undoing if the prices next year are as low as this year.

... because it uses high technology and achieves high production levels.

Family members do a lot of unpaid work on the orchard.
Corporate orchards won't survive where they are operating from at present - Apple Fields and Grocorp in particular. History will show this statement to be correct. Smaller orchards produce more export fruit than larger units do - why else does the small unit survive? World markets want "clean and green".

This orchard will survive because ... varietal mix is towards high value and new varieties; NZ's strong position in the market; and, low production costs.
Appendix J: Comments from respondents in Hawke's Bay County about Apple Fields Limited and that company's actions against the New Zealand Apple and Pear Marketing Board

Orchardists in the Hawke's Bay questionnaire were asked the following question:

*What do you think of Apple Fields Limited and their actions against the Apple and Pear Marketing Board?*

The responses are divided into two groups - those that consider they are family based enterprises and private investor partnerships. Each group is ranked in descending order by estimates of their 1994 apple production with the actual estimate removed to preserve confidentiality. All comments received are presented here.

**Comments from family producers:**

Trail blazers only - the real danger lies with other corporate growers, eg, Grocorp, EEC. The Apple Fields development is the inevitable result of a successful industry.

Shit - the sooner they fold the better!

A totally irresponsible action by a group of self-seeking business people who have no concern for other growers welfare in an industry which has taken 40 years to establish. The apple industry and its structure maximises returns from export fruit back to the grower.

Very selfish actions which are not for the good of all NZ growers. A pack of lies are told to the press.

Apple Fields are a group who have discovered that growing apples in Canterbury is not profitable on the scale that they are doing it. They are continuing with their media campaign to divert the public attention from this fact. If they persuade government to change to multiple exporters the apple industry in NZ will shrink.

Apple Fields do a good job in keeping the Board on their toes and therefore accountable. However, do not philosophically agree with Apple Fields motives.

Time they realised there are more orchards around than Apple Fields.

Look at the declining industry in Australia where there are individual exporters. Look also at Chile. Apple Fields actions are disgraceful. I perceive Apple Fields to be a very poor performer which lives in the "LSJB" syndrome and slams the NZAPMB for errors in their own (Apple Fields) judgement.

Very selfish & self-promoting, all growers should be working for each other, they knew the rules when they entered the industry and now they want to change them.
Very, very poorly!! Apple Fields want to have the benefits and advantages developed by long term growers over the years but [also] want to be free agents to derive benefits to themselves solely and inevitably to the detriment of the NZ industry, ie, another kiwifruit shambles, potentially.

Totally opposed to Apple Fields' actions. It is motivated only by self interest and disregards the well-being of the pipfruit industry as a whole. Single desk exporting is the key to future success. If permitted, Apple Fields would be in the marketplace with a product differentiated from the NZAPMB's product only by price.

Apple Fields are a selfish company which joined the industry on the back of other orchardists efforts who seek to maximise their profits with scant regard for the greatest good and total industry interest. I am appalled at the cost of their litigation and disruptive tactics to the industry.

Selfish.

Apple Fields actions are short term profit based and do not take the long term into consideration. Being a public company they wish to show a year by year return on orchards that are in a region that is not the best for growing apples. They should have stuck to dairy farming.

We have a few shares in Apple Fields and have inspected one of their orchards but their agitation seems selfish and the apple and Pear Board is better for the industry as a whole but not perfect, no human organisation is!

I think that Apple Fields are undermining a successful board for their own selfish ends. I think they went into orcharding with unrealistic figures and have to make the APMB out as the bad guy to their shareholders.

Apple Fields are a corporate and are therefore responsible to show a return to their shareholders on their shares. They decided to establish orchards in a very marginal orcharding area. I have no complaints as long as they market under the rules laid down by the APMB.

Disruptive, destructive and self-centred.

This company, with a great ego, not very good production, and a reasonably small orchard, has cost the remainder of NZ apple growers loss of returns because of court cases. It was an exercise in futility to help the company's share price.

Pathetic and unjustifiable - from what information I have, they (Apple Fields) are not able to successfully grow export apples in Canterbury so they need to export the crop themselves to avoid the NZAPMB standards.

I am very critical of their attitude in that they are quite happy to piggy-back on NZAPMB marketing structures until it suits them otherwise. They have no regard for others in the industry and seem to be seeking to destroy the present structure of the industry.
Apple Fields is a selfish corporate apple grower which could destroy the overall profitability of apples to the NZ economy.

Apple Fields fully understood the workings of the Apple and Pear Marketing Board when they entered the industry so I cannot see where they are coming from.

They (Apple Fields) are spearheading the destruction of family orchard structures, and the cooperative nature of the industry. The apple industry as a whole will be the loser, and maybe the general public.

Apple Fields developed orcharding knowing the conditions. Their public relations is attempting to cover up their mistakes. NZ is a small nation and the only way we can compete is in a combined effort. Divided we fall.

It stinks; it's costing all growers a lot of income; it could destroy the Board and the strong industry.

Bad business. I feel that the APMB are doing a good job of marketing.

Selfish but a commercial necessity for them.

Self-serving.

Totally selfish approach.

Apple Fields are self-serving and do not care about the NZ apple industry as a whole.

Of no use to Apple Fields or the Apple and Pear Marketing Board.

I see Apple Fields as an inefficient apple grower trying to justify their poor returns to shareholders by blaming the Apple and Pear Marketing Board for their own inadequacies.

Not warranted.

**Comments from partnerships of private investors:**

The Board is not perfect but we must keep the monopoly to survive.

I don't see what this question has to do with your thesis.

Their actions are based entirely on self-interest (company profitability) and are undermining industry stability and the future livelihoods of growers.
Bloody nuisance - it is a waste of time and energy by Apple Fields, it is to other growers disadvantage as the Board is constantly required to deal with Apple Fields constant action - a lot of it being negative. They are very new to apples. They are there to maximise profit and to hell with the others. They won't be growing apples much longer.

Apple Fields are a potential destructive influence on the major NZ strength in international markets - single desk selling.
Appendix K: Comments from respondents from Waimate West County about why they consider their enterprises to be family businesses or why they do not consider them to be family businesses

If you consider that your farm business is a family business, what are your reasons?

Replies are ranked from the smallest producer to the biggest

Only family members work on the farm - they help each other.

Mainly run by husband and wife partnerships with only a little help from non-family occasionally. Would like to pass the farm on to our son at some time in the future.

The size of farm means that it relies on family effort to make it viable, so that everyone shares in the rewards.

All members of the family have some involvement.

... price-cutting and a lack of industry planning. This was originally a family farm financed at family rates of interest. I started sharemilking here 11 years ago. I bought the farm five years ago.

The family-based farm business gives the family a chance to learn skills and ideals that they would not get elsewhere.

Yes, this is a family business. A lifestyle as a means of making a living. Total family involvement.

... because all the family are working together.

Due to the partnership basis.

Family involvement, size, enjoyment of working together.

Three generations have owned this farm and I hope that it will one day be four.

... because all the family take part in the farm business.

Family help each other. In this case, other members of the family now have their own farms. The family had to go without in the early period but was able to do so because it was a family and could adjust to lower income.

Yes - because family work on the farm.

It is completely owned and operated by the family.
Family members are involved in decision-making and are always prepared to help out in emergencies.

Family owned and operated.

We are the third generation of the family to farm this property and it is likely that it will remain in the family. Many family members have earned income from the farm.

It is because we started with nothing and the family has built the farm business. My son will have to do the same. He will appreciate it more that way.

... because we are all involved in making a success of the farm.

When our children leave high school, they will have learnt how to work and will have most of the skills needed to run a farm.

Both adult partners jointly make the decisions, work at it, and the whole family is involved.

Dairy farming has always had a large input of family labour. The farm in return gives growth to the family.

This farm is a fourth generation farm with the grandparents still involved although actually retired.

The business has grown through family input. We all enjoy the way of life (most of the time). The farm has given us the opportunity to secure our family's future in all ways.

If you consider that your farm business is not a family business, what are your reasons?

Replies are ranked from the lowest producer to the highest

A partnership to support the upbringing of the children from education through to self-supporting.

A business is a business.

I don't consider it a family business as none of the family are really necessary to its management at this stage.
Appendix L: Comments from respondents from Waimate West County about Apple Fields Limited and that company's actions against the New Zealand Apple and Pear Marketing Board.

Replies are ranked from the smallest producer to the biggest

It's a mistake, farmers should hold together

Undermining the industry.

Apple Fields approach is selfish and narrow-minded. They consider themselves only and don't worry about the other growers. All of each industries' growers must support the structures put in place. We need small producers as well as the larger ones.

They (Apple Fields) are unhappy with the marketing arrangements and have found a better product/price, so fair enough, let them run with it.

Not sufficiently informed to comment.

Under a free market, Apple Fields as a large player with networks and niche product markets developed, would win in the short term - but once other growers formed cooperatives and got their marketing together you would see markets stuffed-up because of under-cutting and a lack of industry planning.

Unaware of Apple Fields operations.

Not much.

Facts not known.

I'm not into the politics of this - as long as there is a nice crisp gala for me, I'll be happy.

As long as one seller doesn't take all the good sales away from another, that's good.

As soon as Apple Fields look at the Dairy Board system, the better. Also the Meat Board as a single seller of New Zealand produce overseas - that is better as one body is responsible for the high standards, etc.

If they are allowed to get away with it, then we will be competing against ourselves in overseas markets. The APMB has been very successful compared to other countries.

I think that the APMB should have full control, but could give Apple Fields some license subject to it not being a competitive effect on the Board's own exports.

They (Apple Fields) are destructively critical and would act as pirates if given the chance.
Nothing to do with me.

Don't know enough about the situation to make an informed opinion.

Selfish.

I don't like it because they are competing against smaller growers and making it hard for them.

Pure greed! One way traffic! Once the producer boards have broken-up, opportunities will tighten-up and there will be no going back.
Appendix M: Comments from respondents from Waimate West County about the reasons why family farms may be better able to survive than other types of enterprise

Many studies have shown that, for various reasons, family-based businesses are better able to survive at lower levels of production and profits than corporate businesses. What do think are the reasons that make family operated dairy farms the most efficient way of organising dairy production in New Zealand?

Replies are ranked from the lowest producer to the highest

Dairy farms can't be run on a 40 hours per week basis. Labour can be a problem especially regarding having a day off, but this is manageable with family labour on hand.

Overheads are reduced by family workers and support, thus reducing wages. The purchase price (within families) of land, stock and chattels is on the low side of market value. Interest rates and are often lower and repayment arrangements are generally ...

It becomes a hands-on operation, everybody to the wheel, efficiency is a priority to keep the farm profitable.

Although our farm is smaller than average, the average size family farm survives because it uses its flexible labour abilities in seasonal fluctuations, and the family can adapt to seasonal payout fluctuations. Mortgage money at family rates is important.

Wages are not expected to be paid for all the work done by family members.

... because the operators are in control - they can change various aspects and see the results, and can control their own lives. As a result, enthusiasm and involvement are high.

Family businesses are better able to survive because they are prepared to work together. Whereas corporate businesses sometimes have too many people trying to run them.

Mainly due to non-unionism in farming. Hours are worked regardless, also season's are self-levelling or should one say, "a poor season is met with no reluctance to take the drop in income.

Many hours are worked for no pay, long hours at particular times of the year. It's yours!

Flexible family working arrangements are the key - perks are available to family members in lieu of cash, to subsidise income - general harmony of most families - but beware when the family members marry.

Family businesses are prepared to take a drop in income whereas corporations are there to make profits. Seasonal labour demands, which are difficult for corporations to handle, are not a problem for family farms as family labour does the work.

Corporate businesses go for profits and do not worry about families.
We work long hours for our profits - so these are not as large as people think.

When times are tough, the family becomes self-supportive and self-supportive among the farm families. A close-knit farming community such as this does it in a wider sense also. Everybody helps each other and tend to stick together to ride out the storm.

Family members often feel committed. The farm is also a place for recreation, where everyone feels at home. We are prepared to go the extra mile in time of need.

Hands-on approach and fingers on the pulse. If it is coming out of your pocket, you soon put it right.

Probably because family farms are less profit-driven than corporate. Family members are prepared to assist without direct reward. Families show more stickability during hard times.

Family often inherit the spirit of the land where previous family have lived.

I think that only poorly managed dairy farms survive at lower production and profit levels. I don't think this is a sign of efficiency as good family farms should have good production and profitability. It should not need to be a case of survival.

Payment by way of wages is largely forgone until the business is established. Returns on the investment are reinvested until the balance sheet is strong.

Cheaper labour is available.

When profits slide, family businesses will take less profits if necessary.

Owner-operated dairy farms give efficiencies unavailable to corporates.

You get opportunity, and financial and economic stability by being in a family business. There is also the pride in the land generated through continuous occupation of the same farm.

This is a scenario that may pertain to a lot of family farms but it is not possible on a larger unit. It is, however, a good philosophy and one that will not be lost in the future.
**Appendix N: Cumulative age integrals and median ages for dairy farms and sharemilkers**

**Dairy farmers**

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