

This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

House of Representatives,

14th March, 1938.

Hon. Mr. Armstrong.

SHARE-MILKING AGREEMENTS.

ANALYSIS.

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A BILL INTITULED

AN ACT to make Provision for safeguarding the Interests of Share-milkers under Share-milking Agreements. Title.

5 BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Share-milking Agreements Act, 1937. Short Title.

Interpretation.

2. (1) In this Act, unless the context otherwise requires,—

“ Employer ”, in relation to a share-milker, means a person by agreement with whom a share-milker is entitled, otherwise than as a servant under a contract of service, to receive a share of the returns or profits derived from the dairy-farming operations which are the subject-matter of the agreement: 5

“ Inspector ” means an Inspector appointed under the Agricultural Workers Act, 1936: 10

“ Share-milker ” means a person who has undertaken to perform in whole or in part the work of a dairy-farm otherwise than as a servant under a contract of service, and who is entitled under a share-milking agreement to receive a share of the returns or profits derived from the dairy-farming operations which are the subject-matter of the agreement: 15

“ Share-milking agreement ” means an agreement between a share-milker and an employer in relation to the carrying-on by the share-milker of the dairy-farming operations which are the subject-matter of the agreement. 20

(2) References in the Schedule hereto to “ the farm owner ” shall be read as references to “ the employer ” as herein defined. 25

Share-milking agreements to which this section applies not to contain conditions less favourable to share-milker than those specified in Schedule.

3. (1) This section applies to every share-milking agreement made between an employer and a share-milker in any case where the dairy-herd is owned or provided by the employer, but does not apply to any other share-milking agreement. 30

(2) Notwithstanding anything to the contrary in any share-milking agreement to which this section applies (whether such agreement has been entered into before or is entered into after the passing of this Act) the agreement shall, on and after the first day of August, nineteen hundred and thirty-eight, operate not less favourably to the share-milker in any respect than if the terms and conditions specified in the Schedule hereto were incorporated in the agreement on that date. 40

(3) Any terms and conditions included in the share-milking agreement that are inconsistent with the terms and conditions specified in the Schedule hereto (in so far as they would operate to the disadvantage of 45

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the share-milker) shall, on and after the first day of August, nineteen hundred and thirty-eight, or the date of the agreement (whichever is the later), be deemed to be null and void.

- 5 **4.** (1) The terms and conditions set out in the Schedule hereto (which have been formulated and agreed to on behalf of the New Zealand Farmers' Union and the New Zealand Workers' Industrial Union of Workers) may at any time and from time to time be altered by
 10 the Governor-General by Order in Council if he is satisfied that the proposed alterations have been agreed to by or on behalf of the same organizations, or by or on behalf of any other organizations representing the interests of the employers and share-milkers respectively.
- 15 (2) The authority conferred by this section to alter the said terms and conditions shall include authority to add any new terms and conditions, or to vary or revoke any of the specified terms and conditions.

Provision for variation of conditions set out in Schedule hereto.

- 20 (3) Any Order in Council under this section may be at any time in like manner varied or revoked.

- (4) Every Order in Council under this section shall operate as from a date to be specified therein in that behalf, being not earlier than a date agreed to by the organizations concerned (which may be before or after
 25 the date of the Order in Council).

- 5.** (1) If at any time the Governor-General is satisfied with respect to any class of share-milking agreements, other than the class of agreements to which section *three* of this Act applies, that standard terms
 30 and conditions have been agreed to by representative organizations of employers and share-milkers, he may by Order in Council apply the foregoing provisions of this Act to agreements of that class.

Other classes of share-milking agreements may be brought within scope of this Act.

- 35 (2) In the application of the foregoing provisions of this Act to agreements of any such class, references therein to the terms and conditions set out in the Schedule to this Act shall be read as references to the standard terms and conditions agreed to as aforesaid with respect to agreements of that class.

- 40 **6.** Without limiting any other remedies that a share-milker may have against his employer, any Inspector, acting in the name and on behalf of a share-milker, may take proceedings for the enforcement of the rights of the share-milker under any share-milking
 45 agreement.

Inspector may take proceedings on behalf of share-milker.

Share-milking agreements may be enforced though not in writing.

7. No share-milking agreement that is not to be performed within the space of one year shall be deemed invalid to support any action or other proceeding on the ground that the agreement or a memorandum or note thereof is not in writing signed by the parties to be charged therewith or by any person or persons lawfully authorized in that behalf. 5

Act to be administered by Labour Department.

See Reprint of Statutes, Vol. VIII, p. 1175 1936, No. 4

8. (1) This Act shall be administered by the Department of Labour established under the Labour Department Act, 1908. 10

(2) Section two of the Labour Department Amendment Act, 1936, shall apply in all respects as if this Act were one of the Acts specified in the First Schedule thereto.

Schedule.

SCHEDULE.

STANDARD TERMS AND CONDITIONS OF SHARE-MILKING AGREEMENT (APPLICABLE ONLY IN CASES WHERE THE FARMER-OWNER PROVIDES THE HERD) AS SETTLED ON BEHALF OF THE NEW ZEALAND FARMERS' UNION AND THE NEW ZEALAND WORKERS' INDUSTRIAL UNION OF WORKERS.

Conditions of Employment for Share-milkers.

1. Any agreement shall be operative for the period specified.
2. Before entering into any agreement sharemilkers shall have made available to them the previous year's figures of production.
3. Sharemilkers whose duties comprise only milking and care, feeding of stock including pigs, shall receive not less than 25% of milk and cream cheques and deferred payments. Where he also does maintenance work, he shall receive not less than 33½% in either case, after deduction of cartage of cream and milk. He shall not contribute towards the payment of any shares or receive any benefit from the share bonus unless otherwise mutually agreed upon.
4. Sharemilker shall undertake care and custody of bull or bulls and other stock and be responsible for damage done by wandering bull or other stock.
5. Sharemilker shall receive half-share of the value of calves valued as grades (including bobby calves) and pigs.
6. Calves for rearing shall be valued during January or February as mutually agreed upon, the farm owner to take over the calves as at that date.
7. Calves for rearing for replacement shall be limited to 25% of herd and if any of these are not retained for replacement purposes the proceeds of their sale shall go to the farm owner.
8. Both parties shall pay equally all costs of breeding sows and other pigs, including cost of supplementary feeding, cartage and commission.

9. Farm owner shall provide reasonable facilities for housing and grazing all pigs.

10. Where farm owner provides motor-lorry for the purpose of carting milk to the factory and for other farm purposes the sharemilker shall pay one-third of the cost of upkeep, benzine, oil and running costs, including registration and licenses and 20% depreciation.

11. Where the farm owner provides all implements and plant and equipment, sharemilker shall be responsible for any expense incurred through damage caused by neglect at the termination of the contract. In the case of dispute a competent person shall be appointed acceptable to both parties to examine the equipment and decide the responsibility for payment.

12. All rubber-ware shall be in a satisfactory condition at commencement of contract and shall be left by the sharemilker in the same condition at termination of contract.

13. Buckets, leg-ropes, and shed shovel and brush-ware shall be supplied by sharemilker.

14. The sharemilker shall pay power costs for milking and water heating.

15. Farm owner shall have the right to determine factory or company to be supplied and whether milk or cream shall be supplied.

16. Cost of seed and manure for supplementary and/or winter crops shall be borne by the farm owner and the work shall be done by the sharemilker.

17. General farm work which shall be done on the farm shall be outlined at the commencement of the contract by the farm owner and so carried out by the sharemilker.

18. Cost of manure for maintenance purposes, including cartage, shall be borne by the farm owner. If parties desire additional manure the extra cost shall be borne by them in the same proportion as milk and cream cheques are distributed. Sharemilker to apply same at owner's direction.

19. The hay-making and ensilage-making for the herd shall be done by the sharemilker. The cost of any additional labour required for that purpose to be borne equally between the farm owner and sharemilker.

20. The farm owner shall provide adequate water for stock, sheds and household purposes.

21. Fences, hedges and drains to be maintained in a satisfactory state of repair by the sharemilker. New subdivision fences shall be erected by the sharemilker, materials to be supplied by the farm owner.

22. Farm owner shall pay for all herd testing (including herd tester's board).

23. Sharemilker shall provide and shall have complete control of all labour to be engaged by him.

24. Sharemilker shall bear his proportion of deductions in connection with the grading of milk and cream except in case of neglect (when sharemilker shall bear the whole of such deductions).

25. Farm owner shall supply all medicines etc. for health of stock, same to be used by sharemilker as directed. Sharemilker shall take all necessary precautions to prevent disease in the herd, and in case of disease shall notify farm owner immediately, but shall not be held responsible for disease or replacements of stock rendered necessary owing to disease etc., but due to no neglect or fault of the sharemilker.

26. Sharemilker shall take all reasonable care to eradicate and prevent the spread of noxious weeds—the cost of material to be borne by the farm owner.

27. Sharemilker shall whitewash sheds when required by farm owner but not more often than twice yearly, except at the expense of the farm owner. Material to be found by farm owner.

28. No additional stock (except replacement stock) including sheep, shall be grazed on milking paddocks used by the sharemilker, except by mutual consent and all culls shall be removed from milking paddocks within a reasonable time.

29. Milking must be efficiently carried out and farm workers shall be competent but the number to be employed shall be mutually agreed upon between the farm owner and the sharemilker. If any worker is considered incompetent or objectionable by farm owner he may require the sharemilker to replace such worker by a worker satisfactory to farm owner.

30. Sharemilker's share of the cheque shall be paid by farmer direct into sharemilker's banking account, or direct to the sharemilker accompanied by copy of monthly statement in either case; settlement to be made within three days of receipt of the money by the farm owner.

31. All moneys due to the sharemilker from pigs sold in farm owner's name by sharemilker shall be paid over to the sharemilker by the 25th of the month following the sale of same.

32. If either party does not propose to enter into another contract for a further period notice thereof shall be given to the other party not less than one month prior to the expiry of the current contract.

33. Farm owner shall pay all droving fees.

34. A stipulated number of cows to be milked shall be stated in each contract, including the words "and not less than".

35. No sharemilker shall be allowed to employ any female in the shed, except with the consent of the farm owner.

36. Sharemilker having to supply horses, wagons and cans, or any part of same, shall receive such additional annual amount as shall be agreed upon to the value of the equipment as at the commencement of the contract, but in no case less than 10% of such amounts to be paid in equal monthly instalments.

37. Farm owner shall decide when the cows are to be dried off.

38. In the event of a dispute arising out of the terms of the contract each party shall appoint an arbitrator who shall decide, but in the event of their being unable to agree they shall appoint a third party whose decision shall be final.

39. There shall be no reduction during the period of the contract of the area available to the herd except by mutual agreement.