

1966/49



THE SHAREMILKING AGREEMENTS ORDER 1966

BERNARD FERGUSSON, Governor-General

ORDER IN COUNCIL

At the Government Buildings at Wellington this 12th day of April 1966

Present:

THE RIGHT HON. KEITH HOLYOAKE, C.H., PRESIDING IN COUNCIL

PURSUANT to the Sharemilking Agreements Act 1937, as amended by section 75 of the Statutes Amendment Act 1945, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, and being satisfied that the revocations hereby effected, and the terms and conditions set out in the Schedule hereto, and the date from which this Order in Council shall operate, have been agreed to by the New Zealand Sharemilkers' Association (Incorporated) and the Federated Farmers of New Zealand (Incorporated), (being organisations representing the interests of sharemilkers and employers respectively) hereby makes the following order.

ORDER

1. (1) This order may be cited as the Sharemilking Agreements Order 1966.

(2) This order shall come into force on the 1st day of June 1966.

2. The Sharemilking Agreements Order 1951* and the Share Milking Agreements Order 1951, Amendment No. 1† are hereby revoked and the terms and conditions set out in the Schedule hereto are hereby substituted for the terms and conditions prescribed by the orders hereby revoked.

3. This order shall apply only in cases where the farm owner provides the herd.

*S.R. 1951/221
†S.R. 1959/83

SCHEDULE

STANDARD TERMS AND CONDITIONS OF SHAREMILKING AGREEMENT (APPLICABLE ONLY IN CASES WHERE THE FARM OWNER SUPPLIES THE HERD) AS SETTLED ON BEHALF OF FEDERATED FARMERS OF NEW ZEALAND (INCORPORATED) AND THE NEW ZEALAND SHAREMILKERS' ASSOCIATION (INCORPORATED).

PART I

Where the Sharemilker's Duties Comprise Primarily Only Milking and Care and Feeding of Stock and Work Incidental Thereto

1. The agreement between the farm owner and the sharemilker shall not be deemed to create a partnership between them, nor shall the sharemilker be deemed in any way a tenant of the farm or any buildings thereon, nor shall the agreement be deemed a bailment of any stock or chattels subject to the agreement and belonging either to the farm owner or the sharemilker.

2. Every agreement shall be operative for the period specified by the parties prior to the commencement thereof (if possible on 1 June) or, in the event of any period not being so specified, then, subject as provided by clause 41 hereof, for a period expiring on the date laid down in sharemilking agreements current in the appropriate district as the expiry date of those agreements.

3. Prior to entering into any agreement the sharemilker shall have made available to him in writing by the farm owner the amount of butterfat (if any) produced on the farm during the preceding year (or the preceding three years if available) and the number of cows producing the same and also the minimum quantity of fertiliser to be applied in any one season. The farm owner shall ensure that all cows in the milking herd are brand numbered and shall supply to the sharemilker a schedule (as supplied to the farm owner by the sharemilker or other person having the charge and care of the cows in the immediately preceding year) or brand numbers and calving dates.

4. Previous to entering into any agreement the sharemilker or his agent appointed in writing shall inspect the farm on which the agreement is to be performed and the circumstances and conditions subsisting thereon. His subsequent commencement of his duties under the agreement shall be deemed definitely to imply an acceptance by him of all circumstances and conditions then subsisting which were or should normally have been apparent to him at the time of his inspection, excepting those to which he shall then have specifically objected in writing, and no claim by him for compensation or damages arising out of any such circumstances or conditions to which he shall not have objected as aforesaid, other than compensation under the Workers' Compensation Act 1956 and its amendments, shall be recognised or sustainable. The owner shall acknowledge in writing to the sharemilker receipt of such objections mentioned above.

5. The approximate number as well as a definite minimum number of cows in the herd to be milked shall be stipulated in writing prior to the commencement of the agreement, unless the supply of milk or cream is to towns or institutions, in which case the number to be milked shall be mutually agreed upon in writing between the farm owner and the sharemilker from time to time. The farm owner will at the

commencement of the agreement, unless as aforesaid, supply a herd of the approximate number and defined minimum as so stipulated, which shall include in-calf cows and heifers, but shall not include those which prove at calving to be unsound in two or more quarters, or which fail to calve and come into profit within a reasonable time. All cows and heifers so proving unsound or failing to calve and come into profit within a reasonable time shall be forthwith culled from the herd.

6. The farm owner will provide an efficient milking plant and all accessories, including cans, vat or tank for the milking of the herd, except such as are specifically hereby required to be provided by the sharemilker; also a separator if cream is supplied to the dairy factory; adequate facilities for the boiling of water; and an electric motor or other means for the driving of the milking plant, including facilities for the use of power from a tractor where a tractor is available on the farm, to be used in the case of power failure.

7. The sharemilker will at the customary times and from time to time throughout the period of the agreement milk all the cows and heifers in the herd supplied by the farm owner and all added thereto and depastured on the farm as they calve and come into profit, such milking (subject as provided by clause 40 hereof) to be supervised by the sharemilker personally and to be properly carried out and the cows to be quietly and efficiently handled and milked, the milking to be commenced, except in winter, not later than five o'clock in the morning and four o'clock in the afternoon and the morning milking to be completed and the cows to be in the day paddocks with the gates closed by 8 a.m. daily. In the event of power failure or breakdown of the plant the hours specified in this clause shall not apply.

8. (a) Where the farm owner is supplying cream the sharemilker shall separate after each milking or at such other times as may be customary the cream from the milk produced by the cows and shall deliver in the name of the farm 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 farm owner is supplying milk the sharemilker shall properly cool the milk and convey the same in the case of tanker collection to the vat provided for the purpose or otherwise to the collecting point nominated by the dairy company within the times stipulated by the dairy company. Pending collection by the dairy company therefrom the sharemilker shall take all reasonable precautions to prevent contamination of that milk and observe at all times the directives of the dairy company for the safeguarding and treatment of the milk in such vats, tanks or cans as the case may be.

9. The farm owner shall have the right to determine the dairy factory or company to which the milk or cream or butterfat produced from the herd shall be supplied, and whether whole milk or cream shall be supplied.

10. The sharemilker shall at all times cleanse and keep clean the cow yards, milking sheds, and all plant, utensils and appliances used in the milking of the herd, and generally operate at all times the whole plant in a skilful and workmanlike manner. He shall remove all dung from the yards and sheds as often as is necessary and spread same on the farm pastures where directed by the farm owner within a distance not greater than 20 chains from the shed, and shall maintain at all times such a standard of cleanliness and efficiency as will ensure the

highest value for milk or cream supplied to the dairy factory. He shall whitewash or otherwise similarly treat the cow sheds when required by the farm owner but, except at the expense of the farm owner, not more than once yearly. Nevertheless where the supply of milk or cream is to towns or institutions the cow sheds shall be maintained by the sharemilker according to the requirements of the appropriate authorities, the material only to be provided by the farm owner. He shall bear his proportionate share of deductions in connection with the grading of milk or cream. The sharemilker shall be responsible for and make good to the farm owner any loss of milk or cream or diminution in value arising by reason of non-acceptance or grading down by the dairy company due to:

- (a) The failure of the sharemilker 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 sharemilker of antibiotics, pesticides or chemicals of any kind whereby milk or cream is affected.
- (c) Any disregard by the sharemilker 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 sharemilker to make the milk or cream available for collection at the times and places laid down from time to time by the dairy company.

11. The farm owner shall supply *but not install* new claw tubes, inflations, milk rubbers, and all other rubberware at the commencement of the agreement. All claw tubes, inflations, milk rubbers, and other rubberware required throughout the period of the agreement shall be the responsibility of the sharemilker and provided by him. The sharemilker shall also supply *but not install* new claw tubes, inflations, milk rubbers, and other rubberware at the end or sooner determination of the agreement.

12. All brooms, brushes, buckets, and shed shovels required throughout the period of the agreement shall be the responsibility of the sharemilker and be provided by him.

13. The sharemilker shall pay total milking shed power costs including the power costs for milking machinery and water heating, but it shall be the duty of the farm owner to supply adequate facilities for boiling water. The farm owner shall reimburse the sharemilker to the extent of one-eighth of the total power costs where an electric water heater is used.

14. Where cream or milk is delivered to the dairy factory or a collecting point, the farm owner shall provide a motor truck or motor tractor and trailer or horse conveyance or other means of transport either by cartage or haulage to enable such milk or cream to be so delivered. In the event of any charges being made to the farm owner for the cost of collecting and carting any milk, cream or butterfat from any collecting point or vat to the dairy factory whether by tanker collection or otherwise or for the cost of returning by-products from the dairy factory to the farm, the sharemilker shall pay the farm owner

a proportion of such charges equivalent to the proportion he is entitled to receive of payments for such milk, cream or butterfat. In the event, however, of such by-products being used for the feeding of livestock the sharemilker shall pay to the farm owner a proportion of such charges equivalent to the proportion he is entitled to receive on sale or valuation of the fed stock.

15. The farm owner shall pay for all herd testing, including tester's board and lodging at the rate of 16s. a day or 4s. per item of meal or bed where meals and bed are provided by the sharemilker, but the sharemilker shall cooperate with the tester in the work of herd testing and render to him such records and assistance as he may reasonably require.

16. The farm owner shall provide such bull or bulls as shall be required for the herd and an efficient bull paddock for the same. The sharemilker shall undertake the care and custody of the bull or bulls, and will at the appropriate season for so doing arrange for the effective service of all the cows and heifers in the herd, and render to the farm owner as and when demanded the true and correct record in writing of all services and all calving dates for the ensuing year. Prior to servicing the milking herd shall be brand numbered and this shall be the responsibility of the sharemilker who shall be supplied by the farm owner with the materials to do this work. Where cows are artificially inseminated, it shall be the responsibility of the farm owner to arrange for the supply of and payment for semen and the services of a trained technician. The sharemilker will be responsible for ensuring that the cows to be inseminated are herded to the area requested by the technician and will be responsible for making such other arrangements as are necessary for the efficient carrying out of the artificial insemination of the cows in the herd.

17. The sharemilker shall at all times tend and care for all stock the subject of the agreement, and feed out hay or ensilage and other supplementary foods to them as and when necessary, and shall take all necessary precautions to prevent or cure sickness or disease in the herd or in any other stock; in particular, he will before service have the cows syringed out as directed by the farm owner, and, at and subsequent to calving tend and treat them by drenching or otherwise as directed by the farm owner or, in the absence of any such directions, in such manner as shall be consistent with the principles of efficient farming in the district in which the farm is situated. He will forthwith report to the farm owner any indications of sickness or disease in the stock or any of them, and will forthwith take such steps as may be proper and necessary for their isolation and treatment. The farm owner shall provide all medicines and medicinal requisites for the prevention and treatment of sickness or disease in the stock, together with a locker for the storage thereof, which locker shall be installed in a convenient place at or near the cow shed. The farm owner shall, after consultation thereon with the sharemilker, decide when the cows are to be dried off, and the sharemilker shall take steps to dry them off accordingly.

18. The farm owner shall be entitled in each year for herd improvement and replacement purposes to select such of the heifer calves and progeny of the herd (or in the absence of such selection the sharemilker will select the best of them) up to 25 per cent of the number of cows in

the herd, or to such greater number as shall be mutually agreed by both parties in writing at the commencement of any milking season. The sharemilker shall tend and rear such calves, and shall feed them on whole milk, and then on skim milk (if any) and concentrates, meals, or other such similar foods as they may require for the respective periods of such feeding, in accordance with the practice generally observed in the district. The farm owner and the sharemilker shall mutually agree in writing on the date on which such calves will be weaned, and they shall be valued as grades and taken over by the farm owner at that date, such date to be not later than 31 December. The sharemilker will thereafter graze them on the farm in accordance with the directions of the farm owner. Such reared calves shall be valued when weaned, and their value as grades shall be ascertained, unless the parties mutually agree upon the same, by the independent valuation of a stock agent in the employ of any recognised stock firm operating in the district. All calves the progeny of the herd, other than those selected for rearing, shall be sold as bobby calves. All sales of calves shall be effected in the name of the farm owner, and it shall constitute a breach of the agreement on the part of the sharemilker to sell them otherwise.

19. All breeding sows and other pigs necessary for the pig raising and pig fattening operations (if any) on the farm shall be supplied at the cost of the farm owner and the sharemilker in equal shares and the number of breeding sows shall be mutually agreed upon in writing at the commencement of each milking season. The sharemilker shall properly and efficiently carry out such operations, and will properly tend and care for the said pigs and the increase thereof, and will regularly feed them with the skim milk or whey (if any) and with such other supplementary foods as directed, and will as directed by the farm owner arrange for the marketing of all pigs ready for the market to the best advantage. All sales of pigs shall be effected in the name of the farm owner, and it shall constitute a breach of the agreement on the part of the sharemilker to sell them otherwise. All pigs shall be efficiently ringed by the sharemilker and, if any pigs are not ringed, the sharemilker shall be responsible for any damage done by or to them. The farm owner shall provide such reasonable facilities for feeding, housing, and grazing of all pigs as shall be mutually agreed in writing between him and the sharemilker at the commencement of the agreement, but the sharemilker shall at all times keep the pigsties and houses and the pig paddocks clean and well and securely fenced, the fencing material being provided by the farm owner.

20. The cost of all concentrates, meals, and other such similar foods for the calves and all supplementary foods for the pigs, and cartage and commissions on sales of pigs shall be the responsibility of and be borne and paid by the farm owner and the sharemilker in equal shares. If in the opinion of the farm owner it should be necessary to produce on the farm for the pigs any green feed or root or other crops, the sharemilker shall perform all the work incidental to the preparation of the soil for the planting, cultivation, fencing, and harvesting thereof, but the farm owner shall provide all implements, seeds, and manure, and fencing and other material required for such work. In cases where pedigree stock is raised there shall be a mutual agreement entered into between the farm owner and the sharemilker whereby the sharemilker shall be recompensed for the extra labour and cost incurred by him. Where it

is agreed in writing prior to the start of feeding the cost of all concentrates, meals and other such similar foods fed to cows shall be the responsibility of and be borne and paid by the farm owner and the sharemilker according to their shares under this agreement.

21. The sharemilker shall take all steps to prevent loss or damage to or by wandering bulls or other stock. The farm owner and the sharemilker shall each take out public liability insurance.

22. The area of land to be set aside by the farm owner for the purposes of the agreement shall be stipulated in writing prior to the commencement of the agreement, and shall not thereafter be reduced except with the mutual consent in writing of both parties. Neither party shall graze or depasture thereon any stock not subject to the agreement (other than replacement stock as hereinbefore provided), save as they may mutually agree, but nevertheless the sharemilker shall be entitled to graze one horse for his own personal use, racehorses and brood mares excepted. The sharemilker and the farm owner shall each have the right to graze up to 10 sheep for killing purposes for domestic use only.

23. The sharemilker shall at all times provide for the purposes of the agreement, and particularly for the milking of the herd, employees of such number and sex as shall mutually be agreed upon between him and the farm owner in writing prior to the commencement of the agreement, and the same shall not thereafter be reduced in number or varied except with the consent of the farm owner in writing. In the event of the sharemilker's labour force being reduced without the consent of the farm owner, the sharemilker shall forthwith notify the farm owner, and the position shall then be put before arbitration as to what course should be pursued. The sharemilker shall have complete control of all labour engaged by him.

24. The cost of all cartage incidental to the farming operations, except where it is herein expressly provided that the same or a proportionate part thereof shall be borne by the sharemilker, and all droving fees, except the droving by the sharemilker or his employees of the stock the subject of the agreement to another farm of the farm owner for alternative or supplementary grazing, shall be the responsibility of the farm owner and be borne and paid by him.

25. The farm owner shall provide and maintain in good order and condition suitable house accommodation for the sharemilker and his employees. Such accommodation shall consist of adequate living rooms, bedrooms, bathroom, washhouse, and flush lavatory, and the farm owner shall also provide a lavatory within reasonable distance of the milking shed, but the sharemilker shall be responsible for the maintenance and cleanliness of the same. An adequate hot-water system of a capacity complying with local bylaws shall be laid on to the kitchen sink. The bathroom shall be equipped with bath and basin (other than tin), to which an adequate hot- and cold-water system of a capacity complying with local bylaws shall be laid on. If electricity is installed on the farm the sharemilker's house shall be connected therewith and electric light installed. Where the operation of this clause in respect of the installation of electric power creates hardship, because of excessive distance of the accommodation from the supply lines, the representatives of the New Zealand Sharemilkers' Association (Incorporated) and Federated Farmers of New Zealand (Incorporated) shall confer for the purpose of deciding whether installation of power is reasonable. The cost of electricity for

lighting, heating, and power (other than for pumping water) at the sharemilker's house shall be the responsibility of and borne and paid for by the sharemilker. The sharemilker's house accommodation shall include a suitable area of land surrounding it of sufficient size and securely fenced for the sharemilker to grow vegetables for his own household consumption and for use as drying grounds. The sharemilker shall keep the house accommodation and the surroundings thereof in good and clean condition, and will maintain all live hedges in and surrounding the same, and will be responsible for any obvious damage sustained to the house and appurtenant buildings during his occupation thereof. The farm owner shall provide a garage or carport for the sharemilker.

26. The farm owner shall provide an adequate system of water for stock and cow sheds and for household purposes. Where satisfactory drinking water for domestic use cannot be obtained from other sources, sufficient tank accommodation for the collection of rain water shall be provided at the sharemilker's house. The cost of power for pumping water to stock and sheds and for household purposes shall be borne and paid by the farm owner, provided however that, unless and until a separate meter is installed to record the units of power consumed in pumping water, the farm owner's liability in respect thereof shall be deemed to be satisfied by an allowance to the sharemilker of an amount estimated on the basis of £7 10s. per annum per 100 cows milked, and the sharemilker thereupon shall be responsible for and shall pay the whole of the cost of pumping water along with the cost of power for the milking shed. The sharemilker shall at all times attend to the water system and ensure that a sufficient supply for well and properly watering the stock is continuously available. He will also keep all water holes clear and clean, and will be responsible for minor repairs to the water system, the farm owner providing the materials necessary for the purpose.

27. The sharemilker shall not, without the previous consent in writing of the farm owner, plough up any permanent pasture land, or cut down or damage or destroy any trees or hedges on the farm.

28. The harvesting, getting in, and laying down or stacking of adequate supplies of hay and/or ensilage shall be the responsibility of the farm owner, but nevertheless the sharemilker and his employees shall assist in harvesting the same, and such assistance in both cases shall be deemed not to come within the scope of the agreement, but shall be provided by the sharemilker at a remuneration as is provided in clause 29 hereof. This clause, however, shall be read subject to the provisions of clause 44 hereof.

29. Except as is provided for in this agreement, all farm maintenance, including cultivation, shall be the responsibility of the farm owner. The farm owner shall at all times have first call on the services of the sharemilker and his employees, who shall not undertake other employment without first offering their services to the farm owner. No such outside employment shall be accepted on a contract basis, however, without the consent of the farm owner. Where, however, a sharemilker undertakes by himself or his employees to perform work for the farm owner he shall be paid for it either on a contract basis as mutually agreed in writing or on an hourly time basis at a rate mutually agreed

on. Failing such an agreement in writing the rate shall be the minimum rate set out in the current Agricultural Workers' Wages Order for dairy farms. All claims for payment for work performed under this clause must be submitted in writing by the sharemilker not later than the fourteenth day of the month following, and payment shall be made not later than the twenty-fifth day of the month following that during which the work was performed.

30. The remuneration of the sharemilker for work performed by his employees and himself under this agreement, but exclusive of work done under clause 29, shall be as follows:

- (a) A share of not less than 29 per cent of the cheques for milk or cream from the herd milked by the sharemilker during the period of the agreement, provided however that unless it is mutually agreed in writing the sharemilker shall not be entitled to participate in bonuses covered by shares, nor in the dividends on any suppliers' shares held by the farm owner, nor shall the sharemilker be required to make any payments towards the purchase of shares in the dairy company. Within five days of the receipt of the milk and cream cheques referred to above, the farm owner shall pay direct to the sharemilker or to his banking account the sharemilker's share of the moneys, less any amounts which the farm owner shall have paid on behalf of the sharemilker. The farm owner shall also supply to the sharemilker within five days of receipt of same a copy of the dairy company's statement relating to the payments referred to.
- (b) A half share of the value as grades of all calves reared pursuant to clause 18 hereof and of the net proceeds of the sale of bobby calves. Such share of reared calves shall be payable on the twenty-fifth day of the month following the month in which their value shall have been ascertained in accordance with the said clause 18: and such share of bobby calves shall be included in the next monthly cheque.
- (c) A half share of the net proceeds of the sale of all pigs during the period of the agreement, and a half share of the value, ascertained in like manner to the value of calves pursuant to clause 18 hereof, of all pigs remaining at the end or sooner determination of the agreement. Such share of pigs sold shall be paid, accompanied by a statement showing details thereof, on the twenty-fifth day of the month following sale, and of the pigs remaining five days after their value has been ascertained.
- (d) In the event of the farm owner not paying money due within 14 days of the dates as set out in this Schedule he shall pay to the sharemilker an additional 5 per cent on the portion proved to be due but unpaid. Likewise any money becoming due by the sharemilker to the farm owner and proved to be due but unpaid within 14 days shall bear a penalty of 5 per cent.

31. Without prejudice to the provisions of clause 29 hereof, no claim by the farm owner against the sharemilker or by the sharemilker against the farm owner in anywise arising out of the agreement in

relation to operations during any one milking season (whether the agreement is renewed or not) shall be recognised or sustainable, and no action in respect of any such claims shall be enforceable, unless full details thereof in writing shall be supplied by the claimant to the other party within 28 days from the end of the season to which they relate (time being strictly of the essence of the contract), and, if no claim is made, payment by the farm owner and acceptance by the sharemilker of the stipulated share of the final bonus on milk or cream or butterfat for any season shall be deemed to constitute a clearance of all issues between the parties in respect of that season. In the event of a claim being made by either party a period of 14 days after the claim shall be permitted within which to make a counter claim but in no case shall any counter claim be valid if made more than 42 days from the end of the season.

32. The farm owner shall have the right at any time during the continuance of the agreement to sell the farm or any part thereof and thereupon to cancel the agreement. In such case the sharemilker shall be entitled to receive from the farm owner the sharemilker's proportion of the actual, deferred, or final payment, or bonus unpaid on milk or cream or butterfat produced during the season up to the date on which the cancellation shall take effect, together with an amount equal to the sharemilker's net proportion of the value of the estimated milk or cream or butterfat for the unexpired period of the season, including deferred or final payment or bonus thereon. In the event of the farm owner and the sharemilker failing to agree as to the estimated amount of milk or cream or butterfat, the previous year's production shall be taken as a basis. The total production in the previous season for the months in question shall be divided by the number of cows milked during those months in the previous season, giving for the purposes of computation a standard of production per cow. If the farm owner shall not have been dairying on the farm during the previous year, the standard of production per cow for the purposes of computation shall be deemed to be the declared average production per cow supplied during the said months in the previous year to the farm owner's dairy factory from all its suppliers. From the sharemilker's proportion of the estimated gross value of the standard production per cow shall be deducted the estimated cost of production per cow by way of labour charges, shed expenses, power charges, and all other charges which are the responsibility of the sharemilker. The difference shall be multiplied by the number of cows milked at the date on which the cancellation shall take effect and the result shall be the sharemilker's net proportion of the value of the estimated milk or cream or butterfat for the unexpired period of the season, including deferred or final payment or bonus thereon.

33. All stock and chattels the subject of the agreement are and shall remain the absolute property of the farm owner, and the sharemilker will conform to all the reasonable directions of the farm owner with respect to the use and management of the same.

34. The farm owner retains the management and control of the farm and of all operations thereon and of the said herd, and all work of whatever nature on the farm shall be performed in accordance with such reasonable directions and instructions as the farm owner may give

from time to time, and in default of such directions and instructions then in conformity with the provisions hereof and consistent with the principles of efficient farming in the district in which the farm is situated.

35. If from any cause whatever the sharemilker shall in any particular fail duly and faithfully to observe and perform his obligations hereunder, the farm owner may, without prejudice to any other remedy, observe and perform the same or any particular part thereof at the cost of the sharemilker and from time to time recover the cost of the same from the sharemilker or set it off against payments due to him. The farm owner shall present to the sharemilker receipted documents showing that the work in question has been carried out. Alternatively, an estimate of the cost of the work may be presented to the sharemilker in lieu of the receipts.

36. If the sharemilker shall commit any serious breach of the agreement of a continuing or recurring nature it shall be lawful for the farm owner to give him notice in writing to remedy the same, and if such breach shall continue for seven days or recur within seven days it shall be lawful for the farm owner to determine the agreement forthwith (in which case the sharemilker shall be entitled only to moneys actually due to him at the date of such determination), but without prejudice to the rights of the farm owner to recover damages for breach of agreement, and without prejudice to any other rights of the farm owner hereunder, and also without prejudice to the sharemilker's rights of appeal.

37. In the event of the death of the sharemilker during the period of the agreement, the farm owner shall have the option of determining the agreement as from such death in which case the personal representatives or estate of the sharemilker shall be entitled to all moneys due to the sharemilker at the time of his death, including his share of the bonus or deferred or final payment on milk or cream or butterfat supplied up to the date of death, but subject to adjustment in respect to any other matters arising under the agreement. In the event of the death of the farm owner during the period of the agreement then the agreement shall terminate at the end of the current dairy season in the district.

38. At the commencement of the agreement an inventory of equipment and tools supplied by the farm owner shall be presented to the sharemilker. The farm owner may call upon the sharemilker to provide his own small tools, which should be specified at the commencement of the agreement. At the end or sooner determination of the period of the agreement the sharemilker will forthwith yield up to the farm owner all stock and chattels the subject of the agreement in such order and condition as shall be in accordance with the covenants on his part herein contained, and will also forthwith vacate the farm and all buildings thereon.

39. The sharemilker shall be entitled to the same annual and other holidays or time off as an agricultural worker on a dairy farm is entitled to pursuant to the Agricultural Workers Act 1962 but prior to taking any such holidays or time off, or where the sharemilker is unable by reason of sickness to perform his duties, he shall arrange at his own expense for satisfactory substitutionary labour to perform his duties during his absence.

40. Except for holidays or time off or on account of sickness or other similar cause, the sharemilker shall not absent himself from the farm without the leave of the farm owner, and such leave shall not be unreasonably withheld.

41. The farm owner and the sharemilker will indicate each to the other in writing, not later than two calendar months prior to the expiration of the agreement, if he is willing to renew the same for a further 12 months, and, if both so indicate their willingness, then the agreement shall stand renewed accordingly, but, if either or both of them indicate his or their unwillingness, or fail to indicate either way, then the agreement shall determine on the date originally appointed for its expiration.

42. If the sharemilker is or shall become a member of the New Zealand Sharemilkers' Association (Inc.) then reasonable facilities shall be given by the farm owner to the organiser or other official of the Association to transact business of the Association with the sharemilker.

43. In the event of a dispute arising out of the terms of the contract, each party shall, within 30 days of either party giving notice in writing to the other, proceed to arbitration. Each party shall appoint an arbitrator who shall decide; but, in the event of their being unable to agree, the arbitrators shall appoint a third party, whose decision shall be final. In the event of the arbitrators being unable to agree on the third party to be appointed, the dispute shall be referred to the Department of Labour, which shall, in collaboration with the Department of Agriculture, appoint a person with the requisite specialised knowledge to settle it.

44. Where hay is baled, mutual agreement in writing shall entail the provision of the sharemilker's labour without payment for the purpose of assisting in picking up and stacking baled hay.

45. Where the farm owner requires an electric fence to be used, the work of erecting and removing same shall be the responsibility of the sharemilker, but the owner shall provide all materials including the unit.

46. The farm owner shall during the continuance of the agreement insure and keep insured to the maximum permissible voluntary amount the sharemilker against any claims under the Workers' Compensation Act 1956 and its amendments. The sharemilker shall, during the continuance of the agreement, insure and keep insured the workers employed by him against any claims under the Workers' Compensation Act 1956 and its amendments. Sharemilkers are recommended to take out additional insurance in order to augment Workers' Compensation.

47. Suitable first-aid appliances shall be provided, the recommended contents of the first-aid outfit are: antiseptic solution with directions for use (a 4-oz bottle of lysol is suggested and, in addition, an 8-oz bottle of weak tincture of iodine); one-yard packet of plain absorbent gauze; one 4-oz packet of absorbent cotton wool; one 2-oz packet of plain lint; half dozen 2 in. by 6 yd white open wove bandages; one 4-oz bottle of 1 per cent picric acid for burns; one 2-oz tin of boracic ointment; one spool adhesive Z.O. plaster 2 in. by 5 yd; one pair of scissors, 5½ in., blunt points; one dozen safety pins; and one triangular bandage. First-aid outfit to be supplied by the farm owner.

48. Where the irrigation of pastures is practised, the sharemilker shall be responsible for the shifting of any irrigation plant and equipment as required at no extra cost to the owner.

PART II

Where the Sharemilker's Duties Comprise Milking, Care, and Feeding of Stock, and Farm Maintenance Work

1. The agreement between the farm owner and the sharemilker shall not be deemed to create a partnership between them, nor shall the sharemilker be deemed in any way a tenant of the farm or any buildings thereon, nor shall the agreement be deemed a bailment of any stock or chattels subject to the agreement and belonging either to the farm owner or the sharemilker.

2. Every agreement shall be operative for the period specified by the parties prior to the commencement thereof (if possible on 1 June) or, in the event of any period not being so specified, then, subject as provided by clause 41 hereof, for a period expiring on the date laid down in sharemilking agreements current in the appropriate district as the expiry date of those agreements.

3. Prior to entering into any agreement the sharemilker shall have made available to him in writing by the farm owner the amount of butterfat (if any) produced on the farm during the preceding year (or the preceding three years if available) and the number of cows producing the same and also the minimum quantity of fertiliser to be applied in any one season. The farm owner shall ensure that all cows in the milking herd are brand numbered and shall supply to the sharemilker a schedule (as supplied to the farm owner by the sharemilker or other person having the charge and care of the cows in the immediately preceding year) or brand numbers and calving dates.

4. Previous to entering into any agreement the sharemilker or his agent appointed in writing shall inspect the farm on which the agreement is to be performed and the circumstances and conditions subsisting thereon. His subsequent commencement of his duties under the agreement shall be deemed definitely to imply an acceptance by him of all circumstances and conditions then subsisting which were or should normally have been apparent to him at the time of his inspection, excepting those to which he shall then have specifically objected in writing, and no claim by him for compensation or damages arising out of any such circumstances or conditions to which he shall not have objected as aforesaid, other than compensation under the Workers' Compensation Act 1956 and its amendments, shall be recognised or sustainable. The owner shall acknowledge in writing to the sharemilker receipt of such objections mentioned above.

5. The approximate number as well as a definite minimum of cows in the herd to be milked shall be stipulated in writing prior to the commencement of the agreement, unless the supply of milk or cream is to towns or institutions in which case the number to be milked shall be mutually agreed upon in writing between the farm owner and the sharemilker from time to time. The farm owner will at the commencement of the agreement, unless as aforesaid, supply a herd of the approximate number and defined minimum as so stipulated, which shall include in-calf cows and heifers, but shall not include those which prove at calving to be unsound in two or more quarters, or which fail to calve and come into profit within a reasonable time. All cows and heifers so proving unsound or failing to calve and come into profit within a reasonable time shall be forthwith culled from the herd.

6. The farm owner shall provide an efficient milking plant and all accessories, including cans, vat or tank for the milking of the herd, except such as are specifically hereby required to be provided by the sharemilker: also a separator if cream is supplied to the dairy factory, adequate facilities for the boiling of water, and an electric motor or other means for the driving of the milking plant, including facilities for the use of power from a tractor where a tractor is available on the farm, to be used in the case of power failure.

7. The sharemilker will at the customary times and from time to time throughout the period of the agreement milk all the cows and heifers in the herd supplied by the farm owner and all added thereto and depastured on the farm as they calve and come into profit, such milking (subject as provided by clause 40 hereof) to be supervised by the sharemilker personally and to be properly carried out and the cows to be quietly and efficiently handled and to be milked, the milking to be commenced, except in winter, not later than five o'clock in the morning and four o'clock in the afternoon, and the morning milking to be completed and the cows to be in the day paddocks with the gates closed by 8 a.m. daily. In the event of power failure or breakdown of the plant the hours specified in this clause shall not apply.

8. (a) Where the farm owner is supplying cream the sharemilker shall separate after each milking or at such other times as may be customary the cream from the milk produced by the cows and shall deliver in the name of the farm 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 farm owner is supplying milk the sharemilker shall properly cool the milk and convey the same in the case of tanker collection to the vat or tank provided for the purpose or otherwise to the collecting point nominated by the dairy company within the times advised by the dairy company. Pending collection by the dairy company therefrom the sharemilker shall take all reasonable precautions to prevent contamination of that milk and observe at all times the directives of the dairy company for the safeguarding and treatment of the milk in such vats, tanks or cans as the case may be.

9. The farm owner shall have the right to determine the dairy factory or company to which the milk or cream or butterfat produced from the herd shall be supplied, and whether whole milk or cream shall be supplied.

10. The sharemilker shall at all times cleanse and keep clean the cow yards, milking sheds, and all plant, utensils, and appliances used in the milking of the herd, and generally operate at all times the whole plant in a skilful and workmanlike manner. He shall remove all dung from the yards and sheds as often as is necessary and spread same on the farm pastures where directed by the farm owner, and shall maintain at all times such a standard of cleanliness and efficiency as will ensure the highest value for milk or cream supplied to the dairy factory. He shall whitewash or otherwise similarly treat the cow sheds when required by the farm owner but, except at the expense of the farm owner, not more than once yearly. Nevertheless where the supply of milk or cream is to towns or institutions the cow sheds shall be maintained by the sharemilker according to the requirements of the appropriate authorities, the material only to be provided by the farm owner. He shall bear his proportionate share of deductions in connection with

the grading of milk or cream. The sharemilker shall be responsible for and make good to the farm owner any loss of milk or cream or diminution in value arising by reason of non-acceptance or grading down by the dairy company due to:

- (a) The failure of the sharemilker 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 sharemilker of antibiotics, pesticides or chemicals of any kind whereby milk or cream is affected.
- (c) Any disregard by the sharemilker 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 sharemilker to make the milk or cream available for collection at the time and places laid down from time to time by the dairy company.

11. The farm owner shall supply *but not install* new claw tubes, inflations, milk rubbers, and all other rubberware at the commencement of the agreement. All claw tubes, inflations, milk rubbers, and other rubberware required throughout the period of the agreement shall be the responsibility of the sharemilker and provided by him. The sharemilker shall also supply *but not install* new claw tubes, inflations, milk rubbers, and other rubberware at the end or sooner determination of the agreement.

12. All brooms, brushes, buckets, and shed shovels required throughout the period of the agreement shall be the responsibility of the sharemilker and be provided by him.

13. The sharemilker shall pay total milking shed power costs including the power costs for milking machinery and water heating, but it shall be the duty of the farm owner to supply adequate facilities for boiling water.

14. (a) The farm owner shall provide a motor truck or motor tractor and trailer or horse conveyance or other means of transport either by cartage or haulage to enable the cream or milk to be delivered to the dairy factory or to a collecting point and also for the feeding out of hay or ensilage or other foods to the stock, and also for the cartage or haulage or both, incidental to all general or maintenance work to be performed on the farm by the sharemilker. The sharemilker shall be responsible for and shall pay a proportion, equivalent to the proportion he is entitled to receive of payments for milk or cream or butterfat, of all benzine, oil and running costs which shall include the total tractor and truck costs excluding tyres and the replacement costs of the vehicle. At the end or sooner determination of the period of the agreement the motor truck or motor tractor as the case may be shall be serviced to be in good running order and the farm owner and the sharemilker shall pay their proportionate share of the cost of servicing. Where tractor or trucks are used on the road to cart milk to dump or factory the sharemilker to pay £9 per annum towards the cost of tyres. In all other cases the sharemilker shall pay £4 per annum towards the cost of tyres. In the event of any charges being made to the farm owner

for the cost of collecting and carting any milk, cream or butterfat from any collecting point or vat to the dairy factory and whether by tanker collection or otherwise the sharemilker shall pay to the farm owner a proportion of such charges equivalent to the proportion he is entitled to receive of payments for such milk, cream or butterfat.

(b) In the event of any charges being made to the farm owner for the cost of returning by-products from the dairy factory to the farm, the sharemilker shall pay to the farm owner a proportion of such charges equivalent to the proportion he is entitled to receive of payments for such milk, cream or butterfat. In the event, however, of such by-products being used for the feeding of livestock the sharemilker shall pay to the farm owner a proportion of such charges equivalent to the proportion he is entitled to receive on sale or valuation of the fed stock.

15. The farm owner shall provide all implements, plant, and equipment for the efficient working of the farm. Any expenses incurred by the farm owner through damage to his plant or equipment caused by the neglect of the sharemilker shall, at the termination of the contract, be the responsibility of the sharemilker and be met by him: Provided always that the farm owner shall provide suitable cover or shed for all such plant and equipment. 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.

16. The farm owner shall pay for all herd testing, including tester's board and lodging at the rate of 16s. a day or 4s. per item of meal or bed where meals and bed are provided by the sharemilker, but the sharemilker shall cooperate with the tester in the work of herd testing and render to him such records and assistance as he may reasonably require.

17. The farm owner shall provide such bull or bulls as shall be required for the herd and an efficient bull paddock for the same. The sharemilker shall undertake the care and custody of the bull or bulls, and will at the appropriate season for so doing arrange for the effective service of all the cows and heifers in the herd, and render to the farm owner as and when demanded the true and correct record in writing of all services and all calving dates for the ensuing year. Prior to servicing the milking herd shall be brand numbered and this shall be the responsibility of the sharemilker who shall be supplied by the farm owner with the material to do this work. Where cows are artificially inseminated, it shall be the responsibility of the farm owner to arrange for the supply of and payment for semen and the services of a trained technician. The sharemilker will be responsible for ensuring that the cows to be inseminated are herded to the area requested by the technician and will be responsible for making such other arrangements as are necessary for the efficient carrying out of the artificial insemination of the cows in the herd.

18. The sharemilker shall at all times tend and care for all stock the subject of the agreement, and feed out hay or ensilage and other supplementary foods to them as and when necessary, and shall take all necessary precautions to prevent or cure sickness or disease in the herd or in any other stock; in particular he will before service have the cows syringed out as directed by the farm owner, and, at and subsequent to calving tend and treat them by drenching or otherwise as directed by the farm owner or, in the absence of any such directions, in such manner as shall be consistent with the principles of efficient farming

in the district in which the farm is situated. He will forthwith report to the farm owner any indications of sickness or disease in the stock or any of them, and will forthwith take such steps as may be proper and necessary for their isolation and treatment. The farm owner shall provide all medicines and medicinal requisites for the prevention and treatment of sickness or disease in the stock, together with a locker for the storage thereof, which locker shall be installed in a convenient place at or near the cow shed. The farm owner shall, after consultation thereon with the sharemilker, decide when the cows are to be dried off, and the sharemilker shall take steps to dry them off accordingly.

19. The farm owner shall be entitled in each year, for herd improvement and replacement purposes, to select such of the heifer calves the progeny of the herd (or in the absence of such selection the sharemilker will select the best of them) up to 25 per cent of the number of cows in the herd, or to such greater number as shall be mutually agreed by both parties in writing at the commencement of any milking season. The sharemilker shall tend and rear such calves, and shall feed them on whole milk and then on skim milk (if any) and concentrates, meals, or other such similar foods as they may require for the respective periods of such feeding, in accordance with the practice generally observed in the district. The farm owner and the sharemilker shall mutually agree in writing on the date on which such calves will be weaned, and they shall be valued as grades and taken over by the farm owner at that date, such date to be not later than 31 December. The sharemilker will thereafter graze them on the farm in accordance with the directions of the farm owner. Such reared calves shall be valued when weaned and their value as grades shall be ascertained, unless the parties mutually agree upon the same, by the independent valuation of a stock agent in the employ of any recognised stock firm operating in the district. All calves the progeny of the herd, other than those selected for rearing, shall be sold as bobby calves. All sales of calves shall be effected in the name of the farm owner and it shall constitute a breach of the agreement on the part of the sharemilker to sell them otherwise.

20. All breeding sows and other pigs necessary for the pig raising and pig fattening operations (if any), on the farm shall be supplied at the cost of the farm owner and the sharemilker in equal shares, and the number of breeding sows shall be mutually agreed upon in writing at the commencement of each milking season. The sharemilker shall properly and efficiently carry out such operations; and will properly tend and care for the said pigs and the increase thereof, and will regularly feed them with the skim milk or whey (if any) and with such other supplementary foods as directed, and will as directed by the farm owner arrange for the marketing of all pigs ready for the market to the best advantage. All sales of pigs shall be effected in the name of the farm owner, and it shall constitute a breach of the agreement on the part of the sharemilker to sell them otherwise. All pigs shall be efficiently ringed by the sharemilker, and if any pigs are not ringed the sharemilker shall be responsible for any damage done by or to them. The farm owner shall provide such reasonable facilities for feeding, housing and grazing of all pigs as shall be mutually agreed in writing between him and the sharemilker at the commencement of the agreement, but the sharemilker shall at all times keep the pigsties and houses and the pig paddocks clean and well and securely fenced, the fencing material being provided by the farm owner.

21. The cost of all concentrates, meals, and other such similar foods for the calves and all supplementary foods for the pigs, and cartage and commissions on sales of pigs shall be the responsibility of and be borne and paid by the farm owner and the sharemilker in equal shares. If in the opinion of the farm owner it should be necessary to produce on the farm for the stock any green feed or root or other crops the sharemilker shall perform all the work incidental to the preparation of the soil for the planting, cultivation, fencing, and harvesting thereof, but the farm owner shall provide all implements, seeds, and manure and fencing and other material required for such work. In cases where pedigree stock is raised there shall be a mutual agreement entered into between the farm owner and the sharemilker whereby the sharemilker shall be recompensed for the extra labour and cost incurred by him. Where it is agreed in writing prior to the start of feeding the cost of all concentrates, meals and other such similar foods fed to cows shall be the responsibility of and be borne and paid by the farm owner and the sharemilker according to their shares under this agreement.

22. The sharemilker shall take all steps to prevent loss or damage to or by wandering bulls or other stock, and such loss or damage shall be the responsibility of the sharemilker. The farm owner and the sharemilker shall take out public liability insurance.

23. The area of land to be set aside by the farm owner for the purposes of the agreement shall be stipulated in writing prior to the commencement of the agreement, and shall not thereafter be reduced except with the mutual consent in writing of both parties. Neither party shall graze or depasture thereon any stock not subject to the agreement (other than replacement stock as hereinbefore provided), save as they may mutually agree, but nevertheless the sharemilker shall be entitled to graze one horse for his own personal use, racehorses and brood mares excepted. The sharemilker and the owner shall each have the right to graze up to 10 sheep for killing purposes for domestic use only.

24. The sharemilker shall at all times provide for the purposes of the agreement, and particularly for the milking of the herd, employees of such number and sex as shall mutually be agreed upon between him and the farm owner in writing prior to the commencement of the agreement, and the same shall not thereafter be reduced in number or varied except with the consent of the farm owner in writing. In the event of the sharemilker's labour force being reduced without the consent of the owner, the sharemilker shall forthwith notify the owner, and the position shall then be put before arbitration as to what course should be pursued. The sharemilker shall have complete control of all labour engaged by him.

25. The cost of all cartage incidental to the farming operations, except where it is herein expressly provided that the same or a proportionate part thereof shall be borne by the sharemilker, and all droving fees, except the droving by the sharemilker or his employees of the stock the subject of the agreement to another farm of the farm owner for alternative or supplementary grazing, shall be the responsibility of the farm owner and be borne and paid by him.

26. The farm owner shall provide and maintain in good order and condition suitable house accommodation for the sharemilker and his employees. Such accommodation shall consist of adequate living rooms,

bedrooms, bathroom, washhouse, and flush lavatory, and the farm owner shall also provide a lavatory within reasonable distance of the milking shed, but the sharemilker shall be responsible for the maintenance and cleanliness of the same. An adequate hot-water system of a capacity complying with local bylaws shall be laid on to the kitchen sink. The bathroom shall be equipped with bath and basin (other than tin), to which an adequate hot- and cold-water system of a capacity complying with local bylaws shall be laid on. If electricity is installed on the farm the sharemilker's house shall be connected therewith and electric light installed. Where the operation of this clause in respect of the installation of electric power creates hardship, because of excessive distance of the accommodation from the supply line, the representatives of the New Zealand Sharemilkers' Association (Incorporated) and Federated Farmers of New Zealand (Incorporated) shall confer for the purpose of deciding whether installation of power is reasonable. The cost of electricity for lighting, heating, and power (other than for pumping water) at the sharemilker's house shall be the responsibility of and borne and paid for by the sharemilker. The sharemilker's house accommodation shall include a suitable area of land surrounding it of sufficient size and securely fenced for the sharemilker to grow vegetables for his own household consumption and for use as drying grounds. The sharemilker shall keep the house accommodation and the surroundings thereof in good and clean condition, and will maintain all live hedges in and surrounding the same and will be responsible for any obvious damage sustained to the house and appurtenant buildings during his occupation thereof. The farm owner shall provide a garage or carport for the sharemilker.

27. The farm owner shall provide an adequate system of water for stock and cow sheds and for household purposes. Where satisfactory drinking water for domestic use cannot be obtained from other sources, sufficient tank accommodation for the collection of rain water shall be provided at the sharemilker's house. The cost of power for pumping water to stock and sheds and for household purposes shall be borne and paid by the farm owner, provided however that, unless and until a separate meter is installed to record the units of power consumed in pumping water, the farm owner's liability in respect thereto shall be deemed to be satisfied by an allowance to the sharemilker of an amount estimated on the basis of £7 10s. per annum per 100 cows milked, and the sharemilker thereupon shall be responsible for and shall pay the whole of the cost of pumping water along with the cost of power for the milking shed. The sharemilker shall at all times attend to the water system and ensure that a sufficient supply for well and properly watering the stock is continuously available. He will also keep all water holes clear and clean, and will be responsible for minor repairs to the water system, the farm owner providing the materials necessary for the purpose.

28. The sharemilker shall not, without the previous consent in writing of the farm owner, plough up any permanent pasture land, or cut down or damage or destroy any trees or hedges on the farm.

29. All general farm work of whatsoever nature on the farm, whether for the maintenance or permanent improvement thereof (excepting the stumping, clearing, and ploughing of virgin country, erection of buildings, digging new drains, and clearing of drains and trimming of hedges

which drains and hedges have not been cleared and trimmed within the last three years), shall be deemed to come within the scope of the agreement and shall be the responsibility of and be performed by the sharemilker without any further remuneration than is provided in clause 30 hereof. All other work on the farm shall be deemed to be outside the scope of the agreement and shall be the responsibility of the farm owner, but the sharemilker shall have the option, at the request of the farm owner, of performing the same or any part thereof, in which case he shall be entitled, for himself and his employees, to be paid for it by the farm owner (exclusive of any remuneration to which he is otherwise entitled hereunder) either on a contract basis as mutually agreed in writing by the parties or on an hourly time basis at a rate mutually agreed, but in no case less than the minimum rate fixed for casual workers on dairy farms pursuant to the Agricultural Workers' Wages Order for the time being in force. Except as otherwise provided by mutual agreement in writing between the parties, all claims for payment for any such work must be submitted in writing by the sharemilker not later than the fourteenth day of the month following, and payment shall be made not later than the twenty-fifth day of the month following that during which the work was performed. The cost of all seeds and manure, fertilisers, and lime, fencing materials, and other materials and things necessary for the work mentioned in this clause shall be the responsibility of and shall be borne and paid for by the farm owner. The cost of additional labour required for hay and ensilage making, other than male workers normally employed by the sharemilker, shall be borne equally between the farm owner and the sharemilker. Any female worker employed by the sharemilker who is required to assist with hay making and ensilage making shall be regarded as additional labour and shall be paid the appropriate rate of pay provided in this clause. The sharemilker shall take all reasonable care to prevent the spread of noxious weeds, the cost of material to be borne by the farm owner. The farm owner shall supply a suitable spraying device where necessary.

30. The remuneration of the sharemilker for work performed by his employees and himself under this agreement, but exclusive of work done under clause 29, shall be as follows:

- (a) A share of not less than 39 per cent of the cheques for milk or cream from the herd milked by the sharemilker during the period of the agreement, provided however that, unless it is mutually agreed in writing, the sharemilker shall not be entitled to participate in bonuses covered by shares nor in the dividends of any suppliers' shares held by the farm owner, nor shall the sharemilker be required to make any payments towards the purchase of shares in the dairy company. Within five days of the receipt of the milk and cream cheques referred to above the farm owner shall pay direct to the sharemilker or to his banking account the sharemilker's share of the moneys less any amounts which the farm owner shall have paid on behalf of the sharemilker. The farm owner shall also supply to the sharemilker within five days of receipt of same a copy of the dairy company's statement relating to the payments referred to.

- (b) A half share of the value as grades of all calves reared pursuant to clause 19 hereof and of the net proceeds of the sale of bobby calves. Such share of reared calves shall be payable on the twenty-fifth day of the month following the month in which their value shall have been ascertained in accordance with the said clause 19; and such share of bobby calves shall be included in the next monthly cheque.
- (c) A half share of the net proceeds of the sale of all pigs during the period of the agreement, and a half share of the value, ascertained in like manner to the value of calves pursuant to clause 19 hereof, of all pigs remaining at the end or sooner determination of the agreement. Such share of pigs sold shall be paid, accompanied by a statement showing details thereof on the twenty-fifth day of the month following sale, and of the pigs remaining five days after their value has been ascertained.
- (d) In the event of the farm owner not paying money due within 14 days of the dates as set out in this Schedule he shall pay to the sharemilker an additional 5 per cent on the portion proved to be due but unpaid. Likewise any money becoming due by the sharemilker to the farm owner and proved to be due but unpaid within 14 days shall bear a penalty of 5 per cent.

31. Without prejudice to the provisions of clause 29 hereof, no claim by the farm owner against the sharemilker or by the sharemilker against the farm owner in anywise arising out of the agreement in relation to operations during any one milking season (whether the agreement is renewed or not) shall be recognised or sustainable, and no action in respect of any such claims shall be enforceable, unless full details thereof in writing shall be supplied by the claimant to the other party within 28 days from the end of the season to which they relate (time being strictly of the essence of the contract), and if no claim is made payment by the farm owner and acceptance by the sharemilker of the stipulated share of the final bonus on milk or cream or butterfat for any season shall be deemed to constitute a clearance of all issues between the parties in respect of that season. In the event of a claim being made by either party a period of 14 days after the claim shall be permitted within which to make a counter claim but in no case shall any counter claim be valid if made more than 42 days from the end of the season.

32. The farm owner shall have the right at any time during the continuance of the agreement to sell the farm or any part thereof and thereupon to cancel the agreement. In such case the sharemilker shall be entitled to receive from the farm owner the sharemilker's proportion of the actual, deferred, or final payment, or bonus unpaid on milk or cream or butterfat produced during the season up to the date on which the cancellation shall take effect, together with an amount equal to the sharemilker's net proportion of the value of the estimated milk or cream or butterfat for the unexpired period of the season, including deferred or final payment or bonus thereon. In the event of the farm owner and the sharemilker failing to agree as to the estimated amount of milk or cream or butterfat, the previous year's production shall be taken as a basis. The total production in the previous season for the

months in question shall be divided by the number of cows milked during those months in the previous season, giving for the purpose of computation a standard of production per cow. If the farm owner shall not have been dairying on the farm during the previous year, the standard of production per cow for the purposes of computation shall be deemed to be the declared average production per cow supplied during the said months in the previous year to the farm owner's dairy factory from all its suppliers. From the sharemilker's proportion of the estimated gross value of the standard production per cow shall be deducted the estimated cost of production per cow by way of labour charges, shed expenses, power charges, and all other charges which are the responsibility of the sharemilker. The difference shall be multiplied by the number of cows milked at the date on which the cancellation shall take effect and the result shall be the sharemilker's net proportion of the value of the estimated milk or cream or butterfat for the unexpired period of the season, including deferred or final payment or bonus thereon.

33. All stock and chattels the subject of the agreement are and shall remain the absolute property of the farm owner, and the sharemilker will conform to all the reasonable directions of the farm owner with respect to the use and management of the same.

34. The farm owner retains the management and control of the farm and of all operations thereon and of the said herd, and all work of whatever nature on the farm shall be performed in accordance with such reasonable directions and instructions as the farm owner may give from time to time, and in default of such directions and instructions then in conformity with the provisions hereof and consistent with the principles of efficient farming in the district in which the farm is situated.

35. If from any cause whatever the sharemilker shall in any particular fail duly and faithfully to observe and perform his obligations hereunder, the farm owner may, without prejudice to any other remedy, observe and perform the same or any particular part thereof at the cost of the sharemilker, and from time to time recover the cost of the same from the sharemilker or set it off against payments due to him. The farm owner shall present to the sharemilker receipted documents showing that the work in question has been carried out. Alternatively, an estimate of the cost of the work may be presented to the sharemilker in lieu of the receipts.

36. If the sharemilker shall commit any serious breach of the agreement of a continuing or recurring nature it shall be lawful for the farm owner to give him notice in writing to remedy the same, and, if such breach shall continue for seven days or recur within seven days, it shall be lawful for the farm owner to determine the agreement forthwith (in which case the sharemilker shall be entitled only to moneys actually due to him at the date of such determination), but without prejudice to the rights of the farm owner to recover damages for breach of agreement, and without prejudice to any other rights of the farm owner hereunder, and also without prejudice to the sharemilker's right of appeal.

37. In the event of the death of the sharemilker during the period of the agreement, the farm owner shall have the option of determining the agreement as from such death, in which case the personal

representatives or estate of the sharemilker shall be entitled to all moneys due to the sharemilker at the time of his death, including his share of the bonus or deferred or final payment on milk or cream or butterfat supplied up to the date of death, but subject to adjustment in respect of any other matters arising under the agreement. In the event of the death of the farm owner during the period of the agreement, then the agreement shall terminate at the end of the current dairy season in the district.

38. At the commencement of the agreement an inventory of equipment and tools supplied by the farm owner shall be presented to the sharemilker. The farm owner may call upon the sharemilker to provide his own small tools, which should be specified at the commencement of the agreement. At the end or sooner determination of the period of the agreement the sharemilker will forthwith yield up to the farm owner all stock and chattels the subject of the agreement in such order and condition as shall be in accordance with the covenants on his part herein contained, and also will forthwith vacate the farm and all buildings thereon.

39. The sharemilker shall be entitled to the same annual and other holidays or time off as an agricultural worker on a dairy farm is entitled to pursuant to the Agricultural Workers Act 1962 but prior to taking any such holidays or time off, or where the sharemilker is unable by reason of sickness to perform his duties, he shall arrange at his own expense for satisfactory substitutionary labour to perform his duties during his absence.

40. Except for holidays or time off or on account of sickness or other similar cause, the sharemilker shall not absent himself from the farm without the leave of the farm owner, and such leave shall not be unreasonably withheld.

41. The farm owner and the sharemilker will indicate each to the other in writing, not later than two calendar months prior to the expiration of the agreement, if he is willing to renew the same for a further 12 months, and, if both so indicate their willingness, then the agreement shall stand renewed accordingly, but, if either or both of them indicate his or their unwillingness or fail to indicate either way, then the agreement shall determine on the date originally appointed for its expiration.

42. If the sharemilker is or shall become a member of the New Zealand Sharemilkers' Association (Inc.) then reasonable facilities shall be given by the farm owner to the organiser or other official of the Association to transact business of the Association with the sharemilker.

43. In the event of a dispute arising out of the terms of the agreement, each party shall, within 30 days of either party giving notice in writing to the other, proceed to arbitration. Each party shall appoint an arbitrator, who shall decide; but, in the event of their being unable to agree, the arbitrators shall appoint a third party, whose decision shall be final. In the event of the arbitrators being unable to agree on the third party to be appointed, the dispute shall be referred to the Department of Labour, which shall, in collaboration with the Department of Agriculture, appoint a person with the requisite specialised knowledge to settle it.

44. (a) Payment for the baling of hay and the collection, carting and stacking or storage of hay including the extra labour and machinery required for these operations shall be met equally by the sharemilker and the farm owner.

(b) Where the sharemilker and the farm owner agree in writing on a basis for payment for forage harvesting and for providing equipment such as a conditioner for hay making such agreement shall be deemed to come within the scope of this Schedule.

45. Where the owner requires an electric fence to be used, the work of erecting and removing same shall be the responsibility of the sharemilker, but the owner shall provide all materials including the unit.

46. The farm owner shall, during the continuance of the agreement, insure and keep insured to the maximum permissible voluntary amount the sharemilker against any claims under the Workers' Compensation Act 1956 and its amendments. The sharemilker shall, during the continuance of the agreement, insure and keep insured the workers employed by him against any claims under the Workers' Compensation Act 1956 and its amendments. Sharemilkers are recommended to take out additional insurance in order to augment Workers' Compensation.

47. Suitable first-aid appliances shall be provided, the recommended contents of a first-aid outfit are: antiseptic solution, with directions for use (a 4-oz bottle of lysol is suggested and, in addition, an 8-oz bottle of weak tincture of iodine); one-yard packet of plain absorbent gauze; one 4-oz packet of absorbent cotton wool; one 2-oz packet of plain lint; half dozen 2 in. by 6 yd white open weave bandages; one 4-oz bottle of 1 per cent picric acid for burns; one 2-oz tin of boracic ointment; one spool adhesive Z.O. plaster 2 in. by 5 yd; one pair of scissors, 5 in., blunt points; one dozen safety pins; one triangular bandage; the first-aid outfit to be supplied by the farm owner.

48. Where the irrigation of pastures is practised, the sharemilker shall be responsible for the shifting of any irrigation plant and equipment as required at no extra cost to the owner.

49. Where the farm owner and the sharemilker agree to spread lime or fertiliser by bulk spreader or by air, the sharemilker's liability shall be limited to the cost of spreading. Net savings to the farm owner resulting from the delivery of bulk lime or fertiliser to the farm shall be allowed as credits against the sharemilker's spreading costs.

T. J. SHERRARD,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations substitute new standard terms and conditions of sharemilking agreements as settled between Federated Farmers and the New Zealand Sharemilkers' Association.

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These regulations are administered in the Department of Labour.