

**Reprint
as at 1 June 2012**



**Sharemilking Agreements Order
2001**

(SR 2001/128)

Sharemilking Agreements Order 2001: revoked, on 1 June 2012, by clause 5 of the Sharemilking Agreements Order 2011 (SR 2011/295).

Silvia Cartwright, Governor-General

Order in Council

At Wellington this 30th day of May 2001

Present:

Her Excellency the Governor-General in Council

Pursuant to section 4 of the Sharemilking Agreements Act 1937, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and being satisfied of the matters described in that section, makes the following order.

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Note

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

This order is administered by the Department of Labour.

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Order

- 1 Title**
This order is the Sharemilking Agreements Order 2001.
 - 2 Commencement**
This order comes into force on 1 June 2001.
 - 3 Application**
This order applies only to sharemilking agreements to which section 3(1) of the Sharemilking Agreements Act 1937 applies.
 - 4 Terms and conditions of sharemilking agreements**
The terms and conditions specified in the Schedule replace the terms and conditions specified in the order revoked by clause 5.
 - 5 Revocation**
The Sharemilking Agreements Order 1990 (SR 1990/26) is revoked.
-

Schedule Sharemilking agreement

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The terms and conditions of the sharemilking agreement (applicable in cases where the sharemilker does not provide the herd) as settled by the Sharemilkers' Section of Federated Farmers of New Zealand (Incorporated) and the Sharemilker Employer's Section of Federated Farmers of New Zealand (Incorporated).

Definitions

employer, in relation to a sharemilker, means a person by agreement with whom a sharemilker 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 that are the subject matter of the agreement

sharemilker 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 sharemilking agreement to receive a share of the returns or profits derived from the dairy farming operations that are the subject matter of the agreement

sharemilking agreement means an agreement between a sharemilker and an employer in relation to the carrying on by the sharemilker of the dairy farming operations that are the subject matter of the agreement.

References to the **farm owner** must be read as references to the **employer**.

Agreement made this day of 20

between

.....

(the **farm owner**)

and

.....

(the **sharemilker**)

The parties to this agreement are strongly advised to seek independent third party and legal advice on the terms of this agreement prior to signing the agreement.

A sharemilking agreement to which section 3 of the Sharemilking Agreements Act 1937 applies must not operate less favourably to the sharemilker than if the terms and conditions specified in this schedule were incorporated in the agreement.

Description

Warranty

1

The farm owner unreservedly warrants the following information:

- (a) the amount of milksolids (if any) produced on the farm during the preceding 3 seasons:

Season	Milksolids	Cows in milk 1 November

- (b) the amount and type of fertiliser applied over each of those 3 seasons:

Season	Type (Spring)	Tonnes	Type (Autumn)	Tonnes

If soil tests of the property are available, the farm owner must supply them to the sharemilker.

- (c) the amount of supplementary feed made, purchased, and sold in the year prior to the commencement of this agreement (expressed as small bale equivalents (15 kg DM = 1 small bale equivalent)):

	Made	Purchased	Sold
Hay			
Silage			
Other			

Records

2

If available, the farm owner must, prior to signing the agreement, provide to the sharemilker, for the past and present season, the following records concerning the herd's status:

- (a) milk grading:
- (b) somatic cell counts:
- (c) tuberculosis:
- (d) brucellosis:
- (e) leptospirosis:
- (f) enzootic bovine leucosis (EBL):
- (g) a copy of the herd profile and herd records.

Annual grazing off policy**3**

It is the policy of the farm to graze off the following stock annually:

Class of stock	Numbers
Winter grazing	
Rising 2-year heifers	
Calves (after weaning)	
Other stock	

4

The farm owner possesses the farm shown on the plan attached to this agreement (the **land**), the legal description and area of which follows.

Legal description:

Area: hectares

5

The area of land to be used for sharemilking identified in clause 4 includes hectares, identified on the accompanying map:

Stock**6**

The farm owner must provide the following details as at the commencement of the agreement:

In-calf cows:

In-calf heifers:

Yearling heifers:

Other:

7

The cows must be of similar quality to the quality of the herd in the preceding 3 years unless otherwise agreed by the parties and recorded in writing.

Machinery, implements, and vehicles

8

The farm owner must supply the following machinery, implements, and vehicles as at the commencement of the agreement:

(a)

(b)

(c)

(d)

9

The sharemilker agrees to supply the following machinery, implements, and vehicles as at the commencement of the agreement:

(a)

(b)

(c)

(d)

10

If the sharemilker is required to supply machinery, implements, and vehicles, the farm owner and the sharemilker will agree on a set figure to meet the running costs and supply of the machinery, implements, and vehicles identified in Annex 1.

11

The sharemilker will supply small tools at the commencement of the agreement, as specified below, to enable the sharemilker to perform the sharemilker’s obligations under this agreement.

.....
.....
.....

12

The farm owner and the sharemilker must, on termination of the agreement, account to each other for the items of machinery, implements, and vehicles.

Fertiliser and lime

13

The farm owner must pay all costs associated with the purchase, cartage, and spreading of fertiliser and lime, if a contractor is used.

14

The farm owner must supply and apply, in each season, the following minimum quantity and type of fertiliser:

Spring:

Autumn:

15

Lime application (if any):

Relationship

16

The relationship of the parties is that of farm owner and independent contractor and not that of employer and employee, nor that of a partnership.

17

This agreement is not a bailment of stock or chattels of either party.

Term

18

- (a) This agreement commences on 1 June 20 and continues until 31 May 20....., unless otherwise agreed in writing by the parties.

Renewal

- (b) If the farm owner and the sharemilker indicate each to the other in writing, not later than *3 calendar months* prior to expiration of the agreement, a willingness to renew or renegotiate the agreement for a further term, then the agreement may be renewed or renegotiated accordingly, but, if either or both of the parties indicate in writing an unwillingness, or fail to indicate either way, then the agreement will terminate on the date originally appointed for its expiration.

Remuneration

19

Remuneration of the sharemilker for work performed by the sharemilker and the sharemilker's employees under this agreement is as follows:

- (a) for herds where the minimum number stipulated in clause 40 is not more than 300 cows, the sharemilker must receive not less than 21% of income derived from milk supplied to the dairy company during the duration of this agreement, including deferred payments from the herd milked by the sharemilker for the total cost of labour, the rearing of the replacement calves under clauses 21 to 25, and all aspects of the operation and management of the farm under this agreement. The 21% is net of the sharemilker's farm operating expenses and must not be reduced in any way or by any means other than under clauses 61 to 64, and the result of a decision under the dispute resolution procedures provided for in the agreement.

The farm operating costs outlined in this agreement that must be paid by the sharemilker recorded in Annex 1 will be calcu-

lated as a percentage of milk income and added to the 21% to arrive at the agreed share.

- (b) for all other herds where the minimum number is more than 300 cows (*see* clause 40), the agreed share is not limited by paragraph (a), and the sharemilker must receive a share of% (the **agreed share**) of the proceeds from all milk products from the herd milked by the sharemilker during the period of this agreement, including deferred payments.

20

Penalties incurred by grades from the dairy company must be borne by the sharemilker, providing there is nothing outside the sharemilker's control that prevents the sharemilker from producing finest grade milk, subject to clauses 61 to 64.

Replacement calves and calves sold**21**

The remuneration for rearing replacement calves is included in the net returns to the sharemilker from milk.

Replacement calves must be reared by—

- (a) the farm owner*
(b) the sharemilker*

(*delete whichever is inapplicable)

22

The farm owner is entitled to select for rearing, for herd improvement and replacement purposes (or, in the absence of that selection, the sharemilker must do so), up to 25% of the minimum number of the herd specified in clause 40. All other calves must be sold in the farm owner's name unless otherwise agreed to in writing.

23

The sharemilker must tend and rear calves if required by clause 21 to do so, and must feed them according to the directions of the farm owner. Under clauses 37 and 38, in the absence of

directions from the farm owner, the sharemilker must observe and follow recognised farming practice.

24

The farm owner and the sharemilker agree that the weaning date and/or body weight for the calves must be as follows:

.....
.....
.....

25

If the parties agree that the sharemilker receives a share of the income from the sale of calves not selected for rearing, payment is as follows:

.....
.....
.....

The intent of the parties is that there is an opportunity to pay an amount to the sharemilker for the calves not retained for rearing purposes. However, it is not compulsory to make a payment.

Other calves reared

26

If additional calves are reared in excess of 25% (under clause 22) by either the farm owner or the sharemilker, the terms and conditions under which those calves are reared, including the sharemilker's remuneration, must be negotiated and recorded in writing and does not form part of the agreed share:

.....
.....
.....

Bonuses and dividends**27**

The sharemilker is not entitled to participate in capital distributions and bonuses covered by shares nor in the dividends on any supplier's shares held by the farm owner, nor is the sharemilker required to make a payment toward the purchase of shares in a dairy company.

28

If there is a change to the method by which payments are calculated and paid by the dairy company to the farm owner, it is the intention of this agreement that the sharemilker must not be disadvantaged. Therefore, the method by which the sharemilker's share of income is paid to the sharemilker must be revised by agreement between the parties and, failing agreement, by the dispute resolution procedures provided in this agreement.

29

The farm owner and sharemilker must complete a dairy company order that authorises the dairy company to pay the sharemilker's proceeds by direct credit to the sharemilker's bank account.

or

If the parties agree to the farm owner paying the sharemilker direct, that agreement will be recorded in writing and payment will be made no later than the 20th day of the month in which the farm owner received payment from the dairy company. The farm owner must provide the sharemilker with a copy of the dairy company statement, including an invoice detailing the deductions agreed between the parties.

Obligations***Labour*****30**

The sharemilker must, at all times, in addition to the sharemilker's own labour, provide the following employees:

- (a) full-time labour units
- (b) casual labour units

31

The sharemilker must personally supervise each milking.

32

The sharemilker must devote a reasonable proportion of the sharemilker's time and that of the sharemilker's labour force to general maintenance and reasonable permanent improvement on the land. All materials must be supplied by the farm owner.

33

The staff requirements recorded above must not be reduced in number or varied except with the written consent of the farm owner.

34

If extra labour is required for herd testing, the sharemilker must pay for that labour.

35

Prior to taking a holiday or time off (or if the sharemilker is unable, through sickness, to perform the sharemilker's duties), the sharemilker must arrange, at the sharemilker's expense, for a competent replacement, agreed to by the farm owner, to perform the sharemilker's duties during the sharemilker's absence and that agreement must not be unreasonably withheld.

36

If a farm owner employs a sharemilker with young children and the partner of the sharemilker is required to milk the cows, the farm owner must ensure childcare facilities are provided at the farm dairy if it is necessary to accommodate children at the farm dairy during milking.

Management

37

The farm owner or the farm owner’s agent must retain the management and control of the farm, all of the farm’s operations, and the management of the herd. All work that must be performed on the farm by the sharemilker under this agreement must be performed in accordance with any reasonable directions and instructions that the farm owner or the farm owner’s agent may give from time to time. In the absence of any directions or instructions, the sharemilker must perform the duties in conformity with good farm husbandry.

38

The sharemilker must not, without 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.

Alterations and improvements

39

The farm owner agrees to carry out the following alterations and improvements to the house, farm dairy, or other facilities, prior to the commencement of this agreement. These must be identified in Annex 1 and must be done promptly.

.....
.....
.....
.....

Herd

40

The minimum and maximum number of cows in the herd to be milked are:

- (a) spring calving herd
 - maximum:
 - minimum:
 - calving must finish by:
- (b) autumn calving herd

maximum:
minimum:
calving must finish by:

41

The spring herd must be in calf as at 1 June of the season. Cows or heifers found not to be in calf as at 1 June of the season do not form part of the maximum and minimum cow numbers and must be removed from the farm and replaced with in-calf cows or heifers of similar quality.

Cows and heifers that are unsound at calving in 2 or more quarters and do not respond to treatment or any cows or heifers that fail to calve and come into profit by must be removed from the farm. Where (and only where) the herd numbers are reduced to below the minimum number stipulated in clause 40 will these animals be replaced. The farm owner is not required to maintain the minimum number after

42

The autumn herd must be in calf as at 1 January of the season. Cows or heifers not in calf as at 1 January of the season do not form part of the maximum and minimum cow numbers and must be removed from the farm and replaced with in-calf cows or heifers of similar quality.

Cows and heifers that are unsound at calving in 2 or more quarters and do not respond to treatment or any cows or heifers that fail to calve and come into profit by must be removed from the farm. Where (and only where) the herd numbers are reduced to below the minimum number stipulated in clause 40 will these animals be replaced. The farm owner is not required to maintain the minimum number after

43

Carry-over cows do not form part of the agreement unless mutually agreed in writing.

44

All stock subject to this agreement must be vaccinated against leptospirosis at the expense of the farm owner in each year.

45

Neither party may graze on the land stock not subject to this agreement (other than replacement stock as provided in clauses 21 to 26) unless mutually agreed in writing. The sharemilker may graze horse(s) if the parties agree.

46

The sharemilker is permitted to have working dogs and other dogs on the property.

47

If stock are reared for home consumption, the condition of rearing and depasturing is recorded below.

.....
.....
.....
.....

Feed on hand

48

The farm owner or the farm owner’s agent and the sharemilker together must, within 10 days of the commencement of the agreement, verify and record in writing the amount of pasture cover and supplementary feed on hand. If the parties do not agree, the farm owner must engage a suitably qualified person to carry out a count/measure, and that person must issue a certificate to cover the count/measure.

49

If there is insufficient feed available on the land at the commencement of the agreement for the requirements of the stock during the winter and spring immediately following, the farm owner must make good the shortfall promptly at the farm

owner's expense. For the farm owner to be liable under this clause, the shortfall as at the commencement of the agreement must be recorded in writing (see clause 48) within 10 clear working days of the commencement of the agreement.

Both parties attention is drawn to the necessity to complete this procedure.

50

The landed cost of bought-in feed for the stock that is the subject of this agreement, other than in clause 49 but including meal purchased for calves, must be met by the farm owner unless otherwise stipulated in the table relating to clauses 97 to 104.

51

If extra feed input is required over and above that agreed to in Annex 1 (Total C) at the commencement of the agreement, the cost of bought-in feed (eg, grazing, meal, nitrogen) must be negotiated and the agreed share must be recorded in writing between the parties prior to purchase.

52

The sharemilker must, at the termination of this agreement, leave the property with the following minimum levels of supplementary feed:

(a) Hay (conventional small bale equivalents) bales

1 small bale equivalent = 15 kg DM

(b) Stack silage m³

1 m³ of stacked grass silage = 10 small bale equivalents

(c) Baled silage (conventional small bale equivalents)
..... bales

(d) Crop

Type: hectares

Yield: kg DM/per hectare

Saved pasture**53**

The sharemilker must, at the termination of this agreement, leave the property with an average pasture cover of not less than kg of dry matter per hectare.

and/or

In the absence of a direction from the farm owner or the farm owner's agent to the contrary, the sharemilker must close up, on the dates specified below, the prescribed areas of pasture for winter feed that will not be grazed after that date.

- (a) not less than hectares to be closed by and a further
- (b) not less than hectares to be closed by and a further
- (c) not less than hectares to be closed by and a further
- (d) not less than hectares to be closed by

and/or

The sharemilker, unless otherwise instructed by the farm owner or the farm owner's agent, must implement a grazing rotation of:

- (a) 40 days by = ha/day grazed by all stock that is subject to this agreement and on the property
- (b) 60 days by = ha/day grazed by all stock that is subject to this agreement and on the property
- (c) 90 days by = ha/day grazed by all stock that is subject to this agreement and on the property.

54

If, on termination of the agreement, the supplements, pasture cover, or area closed as specified above are not on hand, the cost of any shortfall must be met by the farm owner or according to the terms and conditions of clauses 97 to 104. There must be no payment to the sharemilker for feed left in excess of that stipulated in clauses 52 and 53.

Milking plant

55

The farm owner must provide an efficient milking plant and cooling system for the milking of the herd (except those accessories that are specifically required to be provided by the sharemilker (*see* clauses 72 to 74)). The sharemilker must have the milking plant, cooling system, and cleaning system checked for efficiency at the start of the season by a suitably qualified tester who is appointed and paid for by the farm owner. This agreement gives the sharemilker the authority and responsibility to organise the machine test. The sharemilker must deliver the result of the efficiency check to the farm owner and, until this is done, the farm owner is not liable for any inefficiency in the milking plant.

Milking facilities

56

The sharemilker must maintain, at all times, a minimum standard that is acceptable to the farm owner regarding the operation, cleanliness, and efficiency of yards, milking sheds and surrounds, plant, utensils, and appliances, used for milking the herd to ensure the highest value for milk supplied. All cleansing materials and cleaning costs are supplied and met by the sharemilker at the sharemilker's expense.

Milking times

57

The morning milking must be completed not later than 8.00 am and the afternoon milking must be commenced not earlier than 3.00 pm, except in the event of power failure, breakdown of the plant, or management requirements. The parties may, by consent, vary the milking times provided that the variation is recorded in writing.

Milk collection**58**

The sharemilker must, in accordance with the terms of the supply agreement with the dairy company, follow good farming practice, and in particular must—

- (a) cool the milk to dairy company requirements and standards:
- (b) have the milk ready for collection by the dairy company within the times advised by the dairy company:
- (c) pending collection by the dairy company, take all reasonable precautions to prevent any contamination of the milk and must observe at all times the directives of the dairy company for the safeguarding and treatment of the milk in vats.

Supply**59**

The farm owner has the right to determine the dairy company or company to which the milk will be supplied. The farm owner may change supply from one company to another during the course of the season, as long as the sharemilker is not disadvantaged as to remuneration.

60

The sharemilker must read and comply with the supply agreement and winter milk contracts.

Milk and meat contamination insurance**61**

Despite the provisions set out in clause 62 and elsewhere in this agreement,—

- (a) the farm owner and the sharemilker must ensure that, at the commencement of this agreement under their respective insurance policies, there is adequate protection to cover the following circumstances:
 - (i) contamination of the farm owner's milk supply in the farm owner's vat occurs and the contamination results in the milk being down-graded and

- used for purposes other than those originally intended; or
- (ii) a dairy company that the farm owner supplies imposes a monetary penalty because the farm owner's milk contaminates other milk while it is contained in a milk tanker or milk trailer; and
- (b) if there is a further penalty following a first offence as stated in clause 63, the sharemilker must pay liquidated damages to the farm owner/supplying shareholder, (the sum of money to compensate for losses imposed by a dairy company against the supplying shareholder); and
 - (c) the farm owner and the sharemilker must ensure that, at the commencement of this agreement, there is, under their respective insurance policies, adequate protection to cover any penalty of a monetary value on contaminated meat sold under the terms of this agreement.

Produce and grading losses

62

The sharemilker bears all of the deductions in connection with the grading of milk, providing that there is nothing outside the sharemilker's control that prevents the sharemilker producing finest milk.

63

The sharemilker is responsible to the farm owner to make good any loss or lowering in value of milk arising by reason of non-acceptance or downgrading 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 operate the plant and machinery in a skilful and workmanlike manner; and
- (b) the negligent use and control by the sharemilker of any factors leading to the downgrading or non-acceptance of milk.

64

In all other cases, including, but not limited to, somatic cell count grades, if there is a downgrading or lowering in value of milk or meat supplied, the party responsible for the downgrading or lowering in value must reimburse the other party to the extent of the loss.

Effluent disposal

65

The effluent disposal system used on the property is

66

The farm owner must—

- (a) obtain the necessary resource consent from the local authority to dispose of effluent:
- (b) provide the systems for the disposal of that effluent:
- (c) indemnify the sharemilker against actions arising from the failure by the farm owner to comply with paragraphs (a) and (b), except to the extent that any charges or actions arise out of the failure of the sharemilker to operate the system in a proper and skilful manner.

67

The sharemilker must operate the effluent disposal system in an efficient and workmanlike manner and indemnify the farm owner against charges or actions arising out of the failure of the sharemilker to operate the system in a proper and skilful manner.

68

If a pump or spray system is used, the sharemilker must pay the cost of the electricity charges and shift the spray unit. The sharemilker must lubricate the pump and spray unit. The farm owner must meet the cost of the maintenance of the unit.

69

If the effluent disposal is by means of a ponding system or the use of long drains, the cost of cleaning those ponds and long drains must be met by the farm owner.

70

If other systems of effluent disposal are used, the operation of those systems must be agreed on by the parties in writing at the commencement of this agreement.

Rubberware

71

The farm owner must provide the rubberware for the cooler and pulsators as and when necessary.

72

The sharemilker must, at the commencement of the agreement, supply and install new rubberware and, where necessary, during the term maintain and replace all milking plant rubberware (excluding pulsator and cooler rubberware) and belting required for the efficient operation of the milking plant according to manufacturer's specifications, and must leave the rubberware and belting in working order.

Utensils

73

The sharemilker must supply and retain ownership of all utensils, brushware, detergents, and other materials for cleaning the milking plant and appliances.

74

The sharemilker must supply the filter socks and the wash-down hose and nozzle.

Electricity**75**

The sharemilker must pay total milking shed and water pumping electricity, including the cost for milking machines, water heating, pumping of water, chiller, and effluent pumping.

Machinery, implements, and vehicles**76**

The farm owner must provide a suitable cover or shed space for all machinery, implements, and vehicles supplied by the sharemilker.

77

The owner of the machinery, as stipulated in clauses 8 and 9 of this agreement, must meet the maintenance costs of the machinery.

78

Expenses incurred by the farm owner or the sharemilker through damage to their plant or equipment (other than normal wear and tear) caused by the neglect of, or misuse by, the other party must (at the date the damage is repaired) be met by the party who caused the damage.

79

If the parties dispute liability, the dispute must be referred to conciliation under clauses 140 to 146.

Fuel and lubricants**80**

The owner of the machinery, milking plant, effluent disposal unit, and water pumps must supply the fuel and lubricants for the machinery and plant.

81

If the sharemilker uses a motorbike on the farm, the sharemilker will provide it. All costs, including fuel, oil, and

running expenses must be paid for by the sharemilker, the costs of which will be reflected and recorded in Annex 1.

Tagging of herd

82

The herd must be tagged at the commencement of the agreement and the sharemilker is responsible for maintaining the tagging of the herd with materials supplied by the farm owner.

Herd testing

83

If the farm owner requires the herd to be tested, the farm owner must pay all herd testing charges. If extra labour is required for herd testing, the sharemilker must pay for that labour. The sharemilker must co-operate with the tester in the work of herd testing and provide to the tester the records and assistance that the tester may require.

84

All herd records must be provided by the sharemilker to the farm owner when requested and at the termination of the agreement. All herd records remain the property of the farm owner and are confidential to the parties.

Bulls, artificial insemination, and herd records

85

The farm owner must provide a bull, or bulls, as required. The farm owner must arrange for the supply of, and payment for, the semen, and the services of a trained technician. The sharemilker must present the herd and replacements for insemination or natural mating at the required times.

86

The sharemilker must record and provide to the farm owner upon request and upon termination of the agreement details of—

- (a) all calvings; and

- (b) calving dates and services of cows, whether by artificial insemination or natural mating; and
- (c) cow deaths; and
- (d) records of culls; and
- (e) full details of birth, rearing, calf deaths, and sales; and
- (f) herd test results (if any); and
- (g) non-cycling cows; and
- (h) empty cows; and
- (i) cows with mastitis and a record of their treatment; and
- (j) lame cows and a record of their treatment.

87

The sharemilker must provide the farm owner with those details on the attached form (Annex 2) at the end of each month.

Stock responsibilities**88**

The sharemilker is responsible at all times for the total care and husbandry of all stock that is the subject of this agreement, including the calling of a veterinarian where necessary, unless otherwise instructed by the farm owner.

The farm owner must ensure that adequate supplies of animal remedies are on hand at all times and must instruct the nominated supplier to provide to the sharemilker supplies of product to treat or prevent any diseases and conditions that require treatment or prevention.

The sharemilker has purchasing authority for any 1 purchase of the above supplies, up to a value of \$ per calendar month without recourse to the farm owner.

The following methods, materials, and period of administration must be used for the prevention of bloat, facial eczema, grass staggers, and mastitis:

	Method	Material	Period of administration
Bloat			
Facial eczema			
Grass staggers			

	Method	Cows to be treated	Period of administration
Mastitis	Teat spray		
	Dry cow therapy		

89

The sharemilker must immediately report to the farm owner any sickness or disease in the stock.

90

The farm owner must, after consultation with the sharemilker, decide when the cows are dried off and the sharemilker must take appropriate steps to dry off.

91

The farm owner must provide a locker for storage of medicines and medicinal requisites at a convenient place at or near the milking shed.

92

The sharemilker must provide to the farm owner at the conclusion of each month a written report encompassing any information that is requested by the farm owner (Annex 2).

*Animal health and veterinary expenses***93**

The farm owner must pay all animal health and veterinary expenses.

*Weeds and pest control***94**

The farm owner must, at the farm owner's expense, supply the chemicals and other materials required for weed and pest control and eradication and the sharemilker must provide the necessary labour. Subject to clauses 95 and 96, the sharemilker must, at appropriate times of the year, eradicate all noxious weeds and weeds of economic importance (except capital weeds as defined in clause 95) from the land.

95

It is acknowledged by both parties that the control and eradication of the following nominated weeds (**capital weeds**) is a capital cost in the locations specified:

Weed	Location

96

The responsibility of the sharemilker for the eradication and control of capital weeds is confined, as far as is practicable, to the prevention of any increase therein compared with the position at the commencement of this agreement or any subsequently improved position brought about at the farm owner's expense. If it is considered necessary, the parties may, at the commencement of this agreement, consult a farm consultant, or other acceptable third party, to record the degree and extent of capital weed infestation at the specified locations, the costs of that consultation must be shared in the same proportion as detailed in clause 19.

Harvesting

97

Unless otherwise agreed, the cost incurred in employing contractors for any harvesting, collection, carting, and stacking of surplus feed on the land, including the extra labour and machinery required, must be met by the farm owner. If the parties agree to share the cost, the share paid by the sharemilker must not exceed the agreed share and must be recorded in the table (*see* clause 105) and reflected in costs allocated in Annex 2. For the cost of harvesting maize silage see clause 100.

98

The sharemilker must provide the sharemilker's labour and the labour of his or her employees at no cost to the farm owner for the harvesting of surplus feed.

Forage crops and maize silage

99

The growing of green feed and/or other forage crops on the land is determined by the farm owner in consultation with the sharemilker and must be documented. The farm owner must provide seeds, fertiliser, fencing materials, and any other materials required to carry out this work. If outside contractors are used, the cost must be met by the farm owner.

100

Unless otherwise agreed, in the case of maize grown for silage on the land, the cost of growing and harvesting the crop must be borne by the farm owner. If the parties agree to share the cost, the share paid by the sharemilker must not exceed the agreed share in the table (*see* clause 105) and be reflected in costs allocated in Annex 1 and must be recorded in that annex.

101

The sharemilker must provide the sharemilker's labour and the labour of his or her employees at no cost to the farm owner for the growing and harvesting of forage crops and maize silage.

Nitrogen

102

Unless otherwise agreed, the costs, including cartage and spreading where a contractor is used, of applying urea to boost seasonal pasture growth on the land, except as provided in clause 49, must be borne and paid for by the farm owner. If the parties agree to share the cost, the share paid by the sharemilker must not exceed the agreed share and must be recorded in the table (*see* clause 105) and reflected in costs allocated in Annex 1. If the parties agree that the sharemilker will share the cost of the application of compound nitrogenous fertiliser to boost seasonal pasture growth, the cost to the sharemilker is determined by calculating the nitrogen content based on the equivalent cost of urea.

Purchased feed

103

Unless otherwise agreed, the landed cost of bought-in supplementary feed for the stock that is the subject of this agreement, except as provided in clause 49, including meal purchased for calves, must be met by the farm owner. If the parties agree to share the cost, the share paid by the sharemilker must not exceed the agreed share and must be recorded in the table (*see* clause 105) and reflected in costs allocated in Annex 1.

Grazing off

104

Unless otherwise agreed, the cost including cartage of the grazing off of any stock that is the subject of this agreement, except as provided in clause 49, must be borne and paid for by the farm owner. If the parties agree to share the cost, the share paid by the sharemilker must not exceed the agreed share and must be recorded in the table (*see* clause 105) and reflected in costs allocated in Annex 1. The conditions of grazing off must be recorded in writing prior to the stock being grazed off.

105

Insert the percentage share relating to clauses 97 to 104:

	Owner %	Sharemilker %	
Harvesting (clause 97)			100%
Forage crops and maize silage (clauses 99, 100, and 101)			100%
Nitrogen (clause 102)			100%
Purchased feed (clause 103)			100%
Grazing off (clause 104)			100%

Cash cropping

106

If it is agreed that a cash crop will be grown on the dairy-ing area, the terms and conditions of cropping including the sharemilker's return must be agreed in writing prior to the preparation of any land for this purpose.

Freight

107

The cost of cartage incidental to the farming operations (except where it is provided for in this agreement) and all droving fees (except the droving by the sharemilker or the sharemilker's employees of the stock that is the subject of this agreement, to outside grazing) is the responsibility of, and must be paid for by, the farm owner.

Water

108

The farm owner must provide a water supply system of sufficient capacity to provide water of acceptable quality, for stock, farm dairy, and household purposes. If satisfactory drinking water for domestic use cannot be obtained from other sources, sufficient tank accommodation for the collection of rain water

must be provided at the sharemilker's house. The cost of purchased water for household purposes must be paid for by the farm owner.

109

The cost of providing water to stock; the farm dairy, and for household purposes, must be paid for by the sharemilker as follows:

- (a) if the farm owner provides a pressurised water reticulation system or if the farm is supplied through a pressurised system from a storage tank fed by a trickle feed community water scheme, the sharemilker must pay the cost of the electricity for pumping the water:
- (b) if the farm is supplied from a pressurised community scheme, the parties must pay the cost of the water supplied from the community scheme in the agreed share.

The sharemilker is responsible for minor repairs to the water system and regular maintenance of the water pump, the farm owner must provide the materials, where necessary, for this purpose.

Note: The provision for the historical use of the community water supplied to the land must be included in Annex 2.

It is recommended that the sharemilker ascertains the costs of metered water prior to signing this agreement.

110

In the event of a serious interruption to the supply or the need for major repairs to the supply, the sharemilker must immediately advise the farm owner who must take prompt steps at the farm owner's expense to remedy the situation.

111

If water is being used for a purpose for which the sharemilker does not receive a share of the returns, other than the farm owner's house, then all costs associated with the supply of water to those areas must be paid by the farm owner.

Irrigation

112

If irrigation of pastures is practised, the sharemilker is responsible for shifting the irrigation plant and equipment as required by the farm owner. The sharemilker is responsible for minor repairs and the regular maintenance of the irrigation system (the farm owner providing the materials where necessary for this purpose).

113

The sharing of the total cost of the irrigation operation must be decided prior to signing the agreement and must be recorded in Annex 1.

Accommodation

114

At the commencement of this agreement, the farm owner or the farm owner's agent and sharemilker must inspect the house and surrounds together and—

- (a) a written record must be made of any existing damage and/or wear and tear; and
- (b) any improvements to be undertaken by the farm owner must be recorded, with a date by which the work will be completed. Both the farm owner and the sharemilker must have a copy of this record that is signed by both parties.

115

The farm owner must provide and maintain in good order and condition suitable accommodation for the sharemilker and the sharemilker's employees. The accommodation must consist of suitable living room, kitchen (including a stove operating to the manufacturer's specifications), bedrooms, bathroom, laundry, and flush toilet. The accommodation must include:

- (a) running water, a sewerage system, and fixtures suitable for modern-day laundry appliances; and
- (b) a suitable heating system supplied at the cost of the farm owner; and

- (c) adequate drapes, fixed floor coverings, and light fittings; and
- (d) a garage or carport for the sharemilker provided by the farm owner; and
- (e) adequate telephone facility.

116

The cost of septic tank cleaning is borne by the farm owner.

117

The cost of electricity for lighting, heating, and power (including for pumping water) at the sharemilker's house is the responsibility of, and to be paid for by, the sharemilker.

118

The sharemilker must keep the house accommodation and the surroundings in good and clean condition, and is responsible for any damage sustained to the house and pertinent buildings during the sharemilker's occupation, fair wear and tear excepted.

119

The sharemilker's house accommodation must include a suitable area surrounding it and be securely fenced.

120

Upon termination of the agreement, the sharemilker must leave the house, chattels, and surrounds in a clean and tidy condition. If the sharemilker fails to do so, the farm owner is entitled to have the premises cleaned and to deduct the cost of that work from any money due to the sharemilker.

121

The sharemilker is not a tenant of the land or of any building. If the sharemilker is given notice of early termination of the agreement, the sharemilker has 14 days to vacate any accommodation provided as part of the contract.

122

The farm owner or the farm owner's agent has the right to inspect the sharemilker's accommodation, provided the sharemilker is given 24 hours' notice of the inspection.

Administration

Accident Compensation Insurance

123

The sharemilker is responsible during the continuance of the agreement for paying the sharemilker's and sharemilker's employees' accident compensation levies as required under legislation.

Occupational safety and health

124

The farm owner and the sharemilker acknowledge that safety in the workplace is a priority to both parties and that both parties will take all practicable measures to ensure safe working conditions and to comply with the Health and Safety in Employment Act 1992.

Federated Farmers

125

The farm owner must agree to provide reasonable access to the officials of the Federation or any duly appointed representative of the sharemilker.

The farm owner and the sharemilker are encouraged to join Federated Farmers of New Zealand (Incorporated).

Disease reactors

126

If an in-milk cow is ordered to be slaughtered by the appropriate authority, and the slaughtering of the animal does not reduce the herd to below the minimum number specified by the agreement (clause 40), the farm owner may elect whether or not to replace it with a similar-producing animal.

127

If that slaughtering does reduce the herd to below the minimum number, the farm owner must, at the farm owner's expense, replace it, within 14 days of the animal leaving the farm, with a similar-producing animal, unless the parties mutually agree in writing that it is not replaced.

128

If there is a production compensation paid on account of the slaughtering of those animals, the sharemilker is entitled to receive the sharemilker's share of any compensation.

Contract conclusion procedures**129**

The farm owner must advise the sharemilker in writing 3 months before the end of the contract of the work required to be done to meet the terms and conditions of the agreement. This does not exonerate the sharemilker from carrying out maintenance work until the end of the agreement.

It is strongly recommended that the parties address and record in writing 3 months before the end of the contract, any action that may be required to fulfill the terms and conditions of the agreement relating to pasture and supplementary feed on hand upon termination (see clauses 52 and 53).

130

If there is a shortfall of feed on hand upon termination of the agreement, the cost of meeting the shortfall must be made good by the parties according to the terms and conditions of clause 54.

Death of party**131**

If the agreement is with a sole sharemilker, and if the sharemilker dies during the period of the agreement, the agreement will terminate as from the date of death, in which case the personal representatives of the estate of the sharemilker are entitled to all money due to the sharemilker, under clauses

19 to 29, at the time of the sharemilker's death, including deferred or final payments, but subject to adjustment for any other matters of income or outgoings or both that arise under this agreement.

132

If the agreement is with a sharemilking partnership, and one of the partners dies during the period of the agreement, the remaining partner or partners have the option of terminating the agreement immediately or at the conclusion of the season, but the farm owner has the prior option of terminating this agreement within 1 month of the date of death of the sharemilker in the event that the sharemilker cannot continue to the satisfaction of the farm owner.

In either case, the personal representatives of the estate of the deceased sharemilker and the remaining partner or partners are entitled to all money due to the partnership, under clauses 19 to 29, at the time of the conclusion of the agreement, including deferred or final payments up to the date of the conclusion of the agreement, but subject to adjustment for any other matters of income or outgoings or both that arise under the terms of this agreement.

133

If the farm owner dies during the period of the agreement, the agreement terminates at the end of the current dairy season.

Breach of agreement

134

If the sharemilker commits a serious breach of the agreement, the farm owner may give the sharemilker notice in writing to remedy the breach and, if the breach is not rectified within 10 working days or recurs, the farm owner may terminate the agreement immediately (in which case, the sharemilker is entitled only to money due to the sharemilker at the time of termination) but without prejudice to the rights of the farm owner to recover damages for breach of the agreement, and without prejudice to any other rights of the farm owner, and also with-

out prejudice to the sharemilker's rights to refer the matter to conciliation under clauses 140 to 146.

135

If the farm owner commits a serious breach of the agreement, the sharemilker may give the farm owner notice in writing to remedy the breach and, if the breach is not rectified within 10 working days or recurs, the sharemilker may terminate the agreement immediately (in which case the sharemilker is entitled to money due to the sharemilker at the time of the termination and subsequent payments on production up to the date of termination) but without prejudice to the rights of the sharemilker to recover damages for breach of the agreement, and without prejudice to any other rights of the sharemilker, and also without prejudice to the farm owner's rights to refer the matter to conciliation under clauses 140 to 146.

136

If either party disputes the right of the other party to terminate the agreement, the dispute must be referred to conciliation under clauses 140 to 146.

The parties' attention is drawn to the fact that a breach capable of rectification is not grounds for termination of the agreement.

Notices

137

A notice given to the farm owner or the sharemilker is sufficiently served if—

- (a) it is sent by registered post to the addressee's last known address in New Zealand, and any notice sent by registered post is served on a day 2 clear working days after the day of posting, or
- (b) in the case of a company or other body corporate, it is sent to its registered office; or
- (c) it is handed to the addressee; or
- (d) it is served by any other legally recognised means of service.

Claims

138

No claims by the farm owner against the sharemilker or the sharemilker against the farm owner in any way arising out of this agreement in relation to operations during any one milking season (whether the agreement is renewed or not) is recognised or sustainable, and no action in respect of any claim is enforceable, unless full details thereof in writing are served by the claimant on the respondent within 21 clear business working days of the claimant becoming aware of the alleged breach of the agreement but in any event no later than 21 clear business working days from the end of the season to which the breach relates, time being strictly of the essence of the contract. If a claim is made by either party, a period of 10 clear business working days after the claim has been lodged is permitted within which to make a counterclaim, but in no case is a counterclaim valid if made more than 30 clear business working days from the end of the season.

139

The parties to this agreement must not withhold proceeds, commence court action, arbitration, or any other form of alternative dispute resolution including reference to the disputes tribunal under the Disputes Tribunals Act 1988, relating to any dispute arising out of this agreement unless that party has first completed the following dispute resolution procedures.

Dispute resolution

140

If a dispute arises out of and in relation to the agreement as a result of a claim made by a party under clause 138 or clause 139,—

- (a) the respondent must reply in writing to the claimant within 10 clear business working days; and
- (b) the parties to this agreement must negotiate in good faith and co-operate and use their best endeavours to resolve the dispute expeditiously. The parties may ask

- an independent third party to assist them to resolve the dispute; and
- (c) if the dispute is not resolved under paragraph (b), the parties will, within 10 clear business working days of receipt of the notice of dispute (or any further period that they may agree in writing), appoint a conciliator. The conciliator will be appointed from a national panel. If the parties cannot agree on an appointment, the appointment must be made by the chairperson of the panel; and
 - (d) the conciliator must convene a hearing within 7 clear business working days of appointment (or any further period that they may agree to in writing); and
 - (e) the conciliator must immediately assist the parties in an independent and impartial manner to reconcile their views on the dispute or difference to reach an amicable settlement or solution; and
 - (f) if they are unable to reach an agreement or solution, the conciliator must produce a written, reasoned proposal for the determination of the dispute in writing; and
 - (g) that proposal is binding on both parties unless, within 7 clear business working days of receiving the proposal, one party notifies the other in writing that they reject the conciliator's proposal; and
 - (h) if the conciliator is unable to convene a hearing because of lack of response from either party or for any other reason, the conciliator must notify both parties that the conciliation has been unsuccessful.

141

The conciliation procedure is terminated—

- (a) by the signing of a settlement agreement by the parties; or
- (b) by a written declaration of one party to the other and to the conciliator that the conciliation is terminated; or
- (c) by a written declaration by the conciliator to the parties that further efforts at conciliation are no longer justified; or

- (d) by the parties not objecting to the conciliator's determination or proposal, in writing, within 7 clear business working days.

142

The parties must bear half the costs of the conciliation as well as bearing their own costs of the conciliation procedure.

143

All discussions in the conciliation process are without prejudice and must not be referred to in any subsequent proceedings of any kind.

144

The conciliator must not, unless by consent of the parties, act as arbitrator, witness, counsel, adviser, or representative of any party in any subsequent arbitration or judicial proceedings in respect of any dispute that has been the subject of the conciliation procedure where he or she has been the conciliator.

145

If the dispute is not resolved by agreement within 21 clear business working days of the first written notice from one party to the other of the dispute, the parties' dispute is submitted to arbitration as provided for in clauses 147 to 158.

146

If the dispute is not resolved by conciliation, the farm owner is entitled to withhold the sharemilker's proceeds to the value of the claim as follows:

- (a) the farm owner must notify the sharemilker in writing of the intention to retain the sharemilker's payment:
- (b) the farm owner must provide a copy of the conciliator's findings as evidence of the conciliation to the dairy company prior to retaining the sharemilker's money. The farm owner must instruct the dairy company in writing and copy to the sharemilker that instruction:

- (c) the farm owner is not entitled to retain or deduct from any one payment due, or to become due, to the sharemilker more than 75% of any such payment(s):
- (d) all money deducted from the sharemilker must be paid into the farm owner's solicitor's interest-bearing trust account to be accounted for on request by either party.

Arbitration

147

A dispute, difference, or question that arises between the parties or their respective representatives about the construction of this agreement or about any matter or thing connected with or arising out of this agreement that cannot be resolved by conciliation under clauses 140 to 146 must, in the absence of any provision to the contrary, be referred to arbitration in accordance with and subject to the Arbitration Act 1996. This clause operates as a submission to a sole arbitrator to be agreed upon by the parties or, if the parties are unable to agree on a sole arbitrator, then to 3 arbitrators; 1 appointed by each party and those arbitrators must appoint a third arbitrator. If the arbitrators are unable to agree upon a third arbitrator within 21 clear business working days of their appointment, the third arbitrator must be appointed by the president of the Arbitrators' and Mediators' Institute of New Zealand Incorporated or his/her nominee and otherwise under the Arbitration Act 1996. The arbitrators must not be persons who have participated in any conciliation procedure in respect of the dispute unless by consent of the parties. The arbitrators must proceed with maximum expedition to deliver an award within 2 months of their appointment, with the parties agreeing to co-operate fully.

148

The parties must proceed to arbitration within 21 clear business working days of either party giving notice in writing to the other, and it is the responsibility of the arbitrators to nominate the date and venue of the arbitration.

149

The third arbitrator must act as chairman of the arbitration hearing unless the arbitrators decide otherwise.

150

The arbitrators must conduct the arbitration in such manner as they in their unfettered discretion decide.

151

If the farm owner withholds more money from the sharemilker than the amount that the farm owner is claiming, then, in the absence of extenuating circumstances, the arbitrators will award interest on that money at a rate of 8% per month or part thereof compounding.

152

If the farm owner withholds only the amount being claimed, and the farm owner's claims are subsequently not awarded in full, then, in the absence of extenuating circumstances, the arbitrators may award interest up to 5% per month or part thereof compounding, on the excess money withheld.

153

The arbitrators have the power to direct as to by whom, in what amounts, and in what manner any fees and charges must be met.

154

The arbitrators have the power to require the parties to lodge with them a sum of money as a deposit against their fees and charges.

155

In assessing any interest claims, the arbitrators are specifically permitted to set interest rates in excess of the judicature rate if they consider it appropriate to do so.

156

The arbitrators must give their award in writing within 1 month of the hearing, provided that the arbitrators may enlarge this time by a further month by giving notice to the parties.

157

If either party wishes to take any action whatsoever against the award, that action must be notified to the other party within 21 clear business working days of the publication of the award, time being of the essence.

158

If the party taking action against the award is directed by the award to pay a certain sum of money to the other party, that money must be paid into the solicitor's trust account of the party taking action at the same time that notice is given to the other party of the proposed action against the award. Failure by the party taking action to notify the other party within 21 business working days, or the failure of the party taking action against the award to pay the amount of money identified in the award into his or her solicitor's trust account, prevents that party taking any further action and the arbitration award must be settled promptly.

Public liability**159**

The sharemilker must take all steps to prevent loss or damage to, or by, wandering stock, and that loss or damage is the responsibility of the sharemilker. The farm owner and the sharemilker must each take out public liability insurance to a recommended amount of at least \$1,000,000. Each party must produce to the other a copy of the certificate of cover at the commencement of the agreement.

Sale of farm**160**

The farm owner has the right, at any time during the agreement, to sell the farm or any part thereof and, on doing so, to

cancel the agreement. In that case, the sharemilker is entitled to receive from the farm owner the sharemilker's proportion of the actual, deferred, and final payment unpaid on milk or milksolids produced during the season up to the date on which the cancellation takes effect, together with an amount equal to the sharemilker's net proportion of the value of the estimated milk or milksolids for the unexpired period of the season, including deferred and final payment. If the farm owner and the sharemilker fail to agree on the estimated amount of milk or milksolids, the previous 3 years' average production is taken as a basis. The total production in the previous 3 seasons for the month in question must be divided by the number of cows milked during those months in the previous 3 seasons, giving, for the purposes of computation, a standard of production per cow. If the farm owner has not been dairying on the farm during the previous 3 years, the standard of production per cow for the purposes of computation is the declared average production per cow supplied during the said months in the previous year to the farm owner's dairy company from all its suppliers. From the sharemilker's proportion of the estimated gross value of the standard production per cow must be deducted the estimated cost of production per cow by way of labour charges, shed expenses, power costs, and all other charges that are the responsibility of the sharemilker. The difference must be multiplied by the number of cows milked at the date on which the cancellation takes effect, and the results are the sharemilker's net proportion of the value of the estimated milk or milksolids for the unexpired period of the season, including deferred and final payments thereon.

161

By signing this agreement the parties acknowledge that they have had the opportunity to seek advice from an independent third party and legal advice on the terms of this agreement.

Farm owner

Signed:
..... / / 20

Witness

Signed:
..... / / 20

Sharemilker

Signed:
..... / / 20

Witness

Signed:
..... / / 20

Annex 1 Sharemilker's expenses

Before completing this Annex, parties are advised to take advice.

Calculation of the percentage to be paid to the sharemilker

Minimum cow numbers (clause 40)	
Expected total production cows × kg/cow	
Expected payout \$ kg/MS	
Expected gross milk income Total A	

Sharemilker's expenses (to be quantified)

Electricity	
Shed expenses	
Rubberware (to be based on manufacturers specifications)	
Machinery (provision and maintenance – agreed figure) tractor farm bike implements	
Fuels and lubricants	
Administration	
ACC levy Insurance (public liability)	
Total B	

Shared expenses subject to the provisions of this Agreement

	Total [\$]	Owner [%]	Owner [\$]	Sharemilker [%]	Sharemilker [\$]
Harvesting (clause 97)					
Forage crops and maize					
Silage (clause 99 & 100)					
Nitrogen (clause 102)					
Purchased feed (clause 103)					
Grazing off (clause 104)					
Water (clause 109(b))					
Irrigation (clause 112)					
Total C					

Total sharemilker expenses $B + C = D$ \$

% of costs to be paid by the sharemilkers = $D \div A \times 100 = E$ %

Labour and management

Minimum 21% of milk returns for herds with a minimum number not exceeding 300 cows (clause 19(a)) $\div A \times 100 = F$

or

For herds a minimum number exceeding 300 cows (clause 19(b)) $\div A \times 100 = F$

Gross % to be paid to the sharemilker $E + F$

(includes cost of all labour)

Annex 2 Management Report

Month ended:

Stock numbers as at 20

	Stock on hand	Grazed off		Num- ber	Type
Cows milking			Births		
Cows to calve			Deaths		
Dry cows			Sales		
Heifers			Purchases		
Heifer calves					
Bull beef calves					
Other					

Production

	Current month			Year to date		
	Actual	Budget	Last year	Actual	Budget	Last year
Protein (kg)						
Fat (kg)						
Milksolids (kg)						

Pasture

	Comment
General feed position	

	Comment
Present round	
Hay/silage made during month	
Crops planted	
Weed programme	
Regrassing/undersowing	
Supplements used	
Fertiliser applied/required	

Animal health

	Comment on problem areas or actions proposed
Bloat/milk fever/staggers	
Calves/growth rates/weight	
Milk quality/mastitis	
Blood/liver test results	
Facial eczema	

Maintenance

Completed and proposed	Materials needed

General

List matters to be discussed	Maintenance/strategies the sharemilker believes need to be implemented

Marie Shroff,
Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force on 1 June 2001, substitutes new minimum terms and conditions of sharemilking agreements in cases to which section 3(1) of the Sharemilking Agreements Act 1937 applies.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 31 May 2001.

Contents

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Notes**1 General**

This is a reprint of the Sharemilking Agreements Order 2001. The reprint incorporates all the amendments to the order as at 1 June 2012, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that contain transitional, savings, or application provisions that cannot be compiled in the reprint are also included, after the principal enactment, in chronological order. For more information, see <http://www.pco.parliament.govt.nz/reprints/>.

2 Status of reprints

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

3 How reprints are prepared

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not included in Acts, and provisions that are repealed or revoked

are omitted. For a detailed list of the editorial conventions, see <http://www.pco.parliament.govt.nz/editorial-conventions/> or Part 8 of the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force*.

4 Changes made under section 17C of the Acts and Regulations Publication Act 1989

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
 - indentation
 - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)

- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
 - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
 - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

5 *List of amendments incorporated in this reprint
(most recent first)*

Sharemilking Agreements Order 2011 (SR 2011/295): clause 5
