

COMMENT BY A MAORI FARMER

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This paper, as well as giving an account of my experience in acquiring and farming Maori land on a leasehold basis, will also highlight to those aspiring to do the same, the difficulties and frustrations they are likely to encounter.

In 1958, my father took over the lease of Wharekahika A47 Block, situated 200 kilometres north of Gisborne, comprising 1,183 hectares, with 100-odd owners holding 9,667 shares. The lease was for twenty-one years with a right of renewal, with reduced rental only to my father -that is, if the lease was to pass out of his hands, the rental would double from \$1,431.00 to \$2,862.00. This lease was the result of a meeting of owners at which some people were offering up to 6% of capital value with talk even of 10% of capital value.

In July 1978, on my application to take over this lease from my father, because I wasn't one of the original lessees, I discovered I would have to pay at least 5% or more of capital value. Because of this, and other complications arising from interpretation, it was decided it would be better to apply for a new lease all together. The new terms of that lease still suggested a rent that was uneconomic for the farm to carry, and as a consequence, an application for a meeting of owners was filed seeking further concessions. Of the 72% of owners represented at this meeting, 61% were in favour of me taking over the property at a reasonable rental, while 39% were against. Some owners were concerned about the rent I was to pay, as some were dependant on these monies for their own housing account - they were looking for money to pay their own bills, and this was their major concern at the meeting.

The initial term of 21 years was suggested at an annual rental of 6%. or \$6,960.00 reduced to \$2,862.00. This resolution was vetted by the Maori Land Court before presentation to the owners. Despite the acceptance by the owners by a 61% to 39% majority of annual rental of \$2,862.00 the Court at conformation increased the annual rental to \$4,000.00 a year for the first seven years, with revisions of rent thereafter be fixed by agreement.

In 1958, the 1,183 hectare property was carrying 800 ewes, 250 hoggets, and 50 head of cattle. After leaving high school in 1964 I became actively involved in the farm. By this time, there were 300 hectares of clear ground in native pasture carrying 1200 ewes, 300 hoggets and 70 cattle. I set about a development programme not only to survive financially, but I also had, I believe, an obligation to do something with family lands.

In March 1975, I built my home on one hectare of land granted to me by my father. This was important as it acted as my security along with the little equity that I had in the unsurveyed leasehold land, for the \$20,000 development loan from the Rural Bank granted in 1978. This provided the big push for development, and went towards fencing (\$8,000), topdressing (\$4,000), and re-financing short term debt.

When I took over the lease from my father in 1978, the property was carrying 1750 ewes, with 676 other sheep, 137 breeding cows and 112 other cattle. So some progress was being made on the physical side of farming, even though the legal side was a drawn out affair. A further Rural Bank Loan in 1980 had \$15,000

going into fencing, \$7,000 to plant and machinery, \$500 into water supply, and \$15,000 into woolshed repairs. At this stage 350 hectares were well fenced, fertilised and in reasonable grass.

At this stage a further legal problem arose. Although recognised and documented in the Maori Land Court like much of the other Maori land on the east coast, my land had not been surveyed, and was not registered with lands and deeds. This naturally, posed a problem with regards security with the Rural Bank, particularly as I wanted to borrow \$38,000 on Encouragement Loans, and \$57,000 on Standard Development Loans to commence a second big push INTO a further clearing programme. A provisional survey overcame this initial obstacle 'till I was granted a full survey in 1981. From October 1981, with that Rural Bank money I have outlaid expenditure on clearing and grassing (\$74,290), fencing (\$19,000) and dams and tracking (\$1,500). To boost the carrying capacity on the 550 hectares of good grass, we had to also forfeit income to lift stock numbers to 2,200 romney ewes, 847 hoggets, 100 other sheep, 190 breeding cows, 40 two year heifers, 25 one year heifers and two bulls — a total of 4,300 stock units. This rise might not be dramatic, but we were conscious of lifting per head production as well. The buildings and servicing facilities also became a hidden and generally unforeseen cost.

Under our current management, the ram is put out in mid-March, with a lambing percentage of 86 - 90%. I am looking to increase this to 95 - 100%. Wool weights are in the vicinity of 4.7 - 4.9 kg/ewe equivalent, with the aim of increasing to 5.5 kg. The bull is put out in early November, and generally calving is 80 - 85%.

Second shearing begins at the end of April and the sheep are then mob stocked over winter, set stocked for lambing 'till weaning at the end of November, early December. Fat lambs have averaged \$17 - \$18, and store lambs \$12 - \$13. Cattle have been used for development, which has affected the performance from the cows in some years, so there could be a development cost associated with their income. Weaner steers are sold locally at Te Araroa. Average price is around \$140.

As I mentioned, the property was developed because it was family land, and also for economic survival. The moment we started, things happened which haven't made it easy. There was a lag in the time from scrub to grass, there was bad facial eczema in 1980, there was the Easter storm of 1982, and then the drought of the past season. However, things should be back to normal this year, and hopefully cash flow will improve along with it. Extra grazing from a neighbour has aided this income improvement in that it helped me maintain cattle numbers. I've noticed that even though you plan your development fairly well, and get help, great help from advisers, mother nature seems to play her part. This has resulted in a success rate slightly lower than anticipated, and a cost of development slightly higher than estimated. Consequently, because the extra has to come out of one's own funds, stocking rate cannot increase as quickly as desirable. At moderate levels of performance such as we've had during development, there is not enough surplus stock available to both sell and retain to increase numbers.

The aim is to bring the present grass area into better production using further fertiliser and improved grazing systems. I would also like to develop through cutting scrub, over-sowing and topdressing about 40 hectares a year. some areas will have to have erosion control, expenditure works set aside, a nursery also has to be established. The property is part of the Waikura Valley Catchment Control

Development Scheme at the present moment waiting financial approval. If this is granted, it will be a major incentive for erosion control work as with the preventative treatment, it could be farmed as an economic proposition rather than the other alternative of blanket afforestation.

We have in excess of \$150,000 worth of land development in the last few years now showing on the property, Based on the way our local economy is going, we have to be conscious of either a lift in sheep and cattle prices, or a major lift in per head production to cover the lift in normal farm costs, as well as the repayment to the Rural Bank. While the climatic effect of the last two years has made the task look daunting, I have enough faith in my farm and the Hick's Bay district to override the present situation and see me and my future generations secure from a pastoral farming point of view.