Letting Go of ‘Conventionalisation’: Family Labour on New Zealand Organic Dairy Farms

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Abstract

In contrast to arguments about the conventionalisation of organic agriculture, this study of organic dairy labour relations in New Zealand finds that many organic producers have reverted to a heavy reliance on family labour even while conventional New Zealand dairy farms are increasingly dependent on paid non-family and immigrant labour. I argue that a return to classic rural sociological literature on the persistence of family farming and the agrarian question explains this seeming anomaly, and that the narrative of conventionalisation oversimplifies the complexity of labour relations specifically and organic agricultural production more broadly. Labour relations in both conventional and organic agriculture are complex and contradictory, further demonstrating the importance of specificity and historicity in analysis of the organic agrifood system.

Introduction

Despite calls to move beyond bifurcation (Rosin and Campbell 2009) and develop a more nuanced understanding of the organic agrifood system, including from the founders of the conventionalisation thesis themselves (Guthman 2004b), implicit and explicit assumptions about the conventionalisation of organics remain common (Flaten et al. 2006; Jordan et al. 2006; De Wit and Verhoog 2007; Hall and Mogyorody 2007; Luttikholt 2007; Best 2008; Constance et al. 2008; Guptill 2009; Goldberger 2011). Agrifood scholars and activists have also decried the lack of concern of exploitative labour conditions in the sustainable agriculture movement (Allen and Sachs 1993) and expressed fears that problematic labour relations are being replicated in organic agriculture (Julie Guthman 2004a), warning ‘that capitalist wage and commodity relations may be pushing organic farming towards the conventional farming model as agribusiness capital penetrates the organic community and its markets’ (Hall and Mogyorody 2007, p. 399). Given concern about the
mainstreaming of organic agriculture and, in particular, the often-assumed replication of problematic labour relations on organic farms, the return to family labour on New Zealand organic dairy farms is a puzzle, particularly given that a wide range of non-family labour categories have become more common in New Zealand’s conventional dairy industry.

Through a case study of labour categories on New Zealand’s organic dairy farms, this study answers the call (Guthman 2004b, 2008; Rosin and Campbell 2009) for a more historically grounded examination of the organic agrifood system. Referring to the classic literature on the agrarian question and the persistence of family farming (Friedmann 1978, 1980; Newby 1983; Reinhardt and Barlett 1989), I argue that the seeming anomaly of a return to family labour is the result of organic regulation intersecting with New Zealand’s unique production system and labour market to increase the relative efficacy of family labour. Rather than conventionalising, New Zealand’s organic dairy industry has reverted to the use of family labour even in the absence of labour regulations for organic certification.

Conventionalisation and bifurcation

Theorists on the conventionalisation (Buck et al. 1997; Guthman, 2002a, 2004a, 2008), commodification (Allen and Kovach 2000; Guthman, 2002b), and bifurcation (Moore 2006; Constance et al. 2008; Dantsis et al. 2009) of organics argue that the expansion of the organic sector leads to the replication of the social and environmental problems of conventional agriculture and give voice to concerns that ‘organic farming is becoming a slightly modified version of modern conventional agriculture’ (Best 2008, p. 96).

Both popular (Pollan 2006) and scholarly works (Buck et al. 1997) have decried the so-called conventionalisation of organic agriculture. The conventionalisation argument goes somewhat like this: as organic agriculture has grown in profile, market-ability and formal standards it has moved away from its roots in alternative and social movements and, possibly inadvertently, has replicated the social and environmental problems of conventional agriculture. The conventionalisation argument suggests there is ‘a one-way set of influences between conventional and organic agriculture’ (Campbell and Rosin 2011, p. 352) in which organic agriculture is corrupted or polluted by conventional agriculture as an inevitable consequence of industry growth and formalisation.

The conventionalisation argument has its roots largely in the influential works of Julie Guthman, building on early work by Buck et al. (1997) and Tovey (1997). Buck et al. argue that the significant growth of the organic sector during the 1980s and 1990s allowed agribusiness firms to penetrate ‘the most dynamic and profitable segments’ of the sector (1997, p. 4), fundamentally altering the meaning of organic to a commodity. Guthman expanded upon the conventionalisation argument in her later works, also examining California’s organic vegetable sector (Guthman 2000, 2002a, 2002b, 2008), the creation of ‘organic lite’ (Guthman 2004b), and the formalisation of the National Organic Program (NOP) standards (Guthman 2004a).

Assumptions of the conventionalisation argument can also be seen in a number of studies of organic agriculture in Europe and elsewhere. Lynggaard (2001) examines
the development of the organic sectors in Belgium and Denmark. Despite highlighting significant differences between the institutional environments of the countries, Lynggaard assumes there has been a largely linear development of industry in both nations, as they expand and take on characteristics of conventional agriculture. Michelsen debates whether the growth and formalisation of the European organic sector has created the situation in which ‘although organic agriculture has great aspirations for changing agriculture and society, the current break-through in politics and the food market falls far short of realising these ambitions’ (2001, p. 4). Concern about the trap of conventionalisation (Kratochvil and Leitner 2005) continues to be prevalent in studies of organic agriculture.

In addition to concerns of conventionalisation, it has also been hypothesised that organic farming is bifurcating. ‘Bifurcation, in contrast to conventionalisation, represents the commercialisation of organics as an emergent site of engagement between industry and social movement (or, alternatively, between small-scale and large-scale producers)’ (Rosin and Campbell 2009, p. 39). In the bifurcation hypothesis, the growth of the organic sector has led to fragmentation between a global and corporate organic industry and a less-competitive small and local sector (Moore 2006; Best 2008; Constance et al. 2008; Constance 2009; Dantsis et al. 2009). This binary conceptualisation of organics is an extension of the conventionalisation argument, building on the assumption that growth is fundamentally transforming the organic sector, creating a scenario in which ‘smaller producers have to switch to alternative (presumably relatively low-profit) products and/or strengthen their connection to the local market’ (Best 2008, p. 96). Both the conventionalisation and bifurcation arguments tend to be highly normative:

The tendency within political economy inspired analyses [has been] to assume a binary between global/corporate organics and a more local/small scale and social movement inspired praxis of organics. This binary has clear normative qualities with large/corporate organic being bad and small/local organic being good. (Campbell and Rosin 2011, p. 352)

Counter-conventionalisation

Counter to the conventionalisation and bifurcation hypotheses, a number of case studies have found that the reality of the organic agrifood system is much more complex than a simple binary. The foundational works of the conventionalisation literature themselves (Buck et al. 1997; Guthman 1998) recognise that there may be barriers to the full conventionalisation of the organic sector, and subsequent work by Guthman (2004b, 2008) has emphasised the need for specificity and historicity in discussions of the expanding organic agrifood sector. Buck et al. (1997) highlight four potential exceptions to conventionalisation: (1) the natural and/or biophysical demands of organic production, (2) the reverse economies of scale in local niche markets, (3) the continued strength and resistance of the organic social movement, and (4) continued consumer demands and concern. Guthman (1998) adds a fifth area of resistance to conventionalisation: the contestation over organic standards (Campbell and Liepins 2001, p. 22).

An emerging body of case studies and comparisons also challenge the universalising assumptions of the conventionalisation argument (Barham 1997;
Murdoch and Miele 1999; Kaltoft 2001; Reed 2001; Lockie and Halpin 2005) and demonstrate that findings made in California’s organic vegetable sector are not universally generalisable. Early in the conventionalisation debate, Coombes and Campbell (1998) argued that it was problematic that:

despite their specificity, these case studies [from California] have been extrapolated to form theories of change which have been advanced as universally applicable to organic farming in all capitalist societies. (1998, p. 128)

Coombes and Campbell argue that as international trade in organics expanded, small-scale growers in New Zealand continued to coexist successfully alongside agribusinesss:

It is not our intention to deny that the processes outlined in this section are salient for small-scale organic producers. Rather, we refute the tendency in recent organics research to regard these processes as both universal and universalising. Regional patterns of change in organic production have been projected to universal tendencies, yet the evolution of organic production is inherently specific to regional conditions and national regulation. (1998, p. 130)

They also ask contemporary researchers to recognise that theories of the agrarian question from the 1980s, the biophysical, economic and social limits to the industrialisation of agriculture, are still relevant to organic agriculture. Campbell expands upon this argument, calling for a more nuanced understanding of the organic agrifood system in later works (Campbell and Liepins 2001; Campbell 2009; Rosin and Campbell 2009; Campbell and Rosin 2011), arguing that the New Zealand case and others make a strong case against the assumptions of the conventionalisation argument.

Despite these calls to move beyond overly simplified conventionalisation and bifurcation arguments, many studies of the organic agrifood system continue to rely on a reified binary. Conventionalisation and bifurcation continue to be a focus of both case studies (Allen and Kovach 2000; Flaten et al. 2006; Jordan et al. 2006; Best 2008; Constance et al. 2008; Guptill 2009) and examinations of organic regulation (De Wit and Verhoog 2007; Luttikholt 2007; Goldberger 2011).

Labour and conventionalisation

The role of labour is largely absent in both the conventionalisation and bifurcation debates, with the presumption being that as organic agriculture conventionalises the problematic wage labour relations of conventional agriculture will emerge in organic agriculture (Allen and Kovach 2000; Hall and Mogoryody 2001). Among the small pool of empirical studies that do examine labour on organic farms, labour patterns have often been found to mirror those of conventional farms.

In one of the few conventionalisation studies to explicitly address labour, Buck et al. (1997) find that in California’s organic vegetable industry there has been an increase in employment of non-family labour. Organic farms exhibit some of the same exploitative labour conditions of conventional farms and ‘as organic farming
has become more “formalised” and capitalised over the years, labour practices and labour relations are beginning to resemble those found in “industrialised” agriculture’ (1997, p. 9). Guthman (2000, 2004a) also cites evidence of increasing use of non-family labour on California organic vegetable farms, including the use of migrant labour. Besky (2008) and Jaffee (2007) find few, if any, differences in labour conditions between organic and conventional tea and coffee plantations. Organic regulations themselves do not restrict the employment of wage labour, in fact many have criticised them for failing to address labour altogether (DeLind 2000; Raynolds 2000; Shreck et al. 2006) and organic producers have actively resisted the inclusion of labour standards in organic regulations (Getz et al. 2008). In contrast, while labour is not a central focus of Hall and Mogyorody’s study of the Ontario organic sector, they do conclude that ‘organic farmers tended to rely heavily on family labour and other non-wage labourers’ (2001, p. 412).

It is true that a large proportion of the world’s farms, both organic and conventional, rely on non-family labour (Dixon 1982; Rosenberg and Coughenour 1990; Siiskonen 1990; Southworth 2006; Harrison and Lloyd 2013) and scholars have argued that the myth of an independent family farmer fails to represent the complexity of labour relations in agricultural production (Mooney 1988). This complex and contradictory class location (Wright 1976; Mooney 1986, 1988) of farmers and the complicated role of non-family labour in agriculture (Wells 1984b), however, are actually further evidence that the conventionalisation argument is overly simplified. There is no simple binary between ‘family farm’ and ‘industrial farm’ in terms of labour relations, and the reality of family and non-family agricultural labour is much more complex. While in this case study I find there is a trend towards further reliance on family labour in response to the requirements of organic standards and certification, I argue that this is the result of the intersection of those standards with the specificity of New Zealand’s organic dairy production system, not that this is a universalising phenomenon. In fact, non-family labour does still play a role, even in this case, on the largest and most complex farm systems and through the use of occasional part-time work and interns on several farms. Labour relations in both conventional and organic agriculture are complex and contradictory, further demonstrating the importance of specificity and historicity in analysis of the organic agrifood system.

The agrarian question

While a return to family labour on organic dairy farms seems to be an anomaly in the conventionalisation argument, the relative advantages of family labour in agriculture have actually long been a preoccupation of the sociology of agriculture, particularly the political economy perspective. The classic literature on the persistence of family farming offers important insights into the unexpected dominance of family labour. Early Marxian theorists such as Kautsky and Lenin argued that the decline of peasant and family farming was inevitable as agriculture took on the features of industrial capitalism (Newby 1983). Marx himself (1933, pp. 547, 822) recognised the distinctive biophysical and social features of agriculture that distinguish it from other forms of production.

The persistence of family/peasant agricultural production, therefore, became an important theoretical and empirical puzzle in the political economy of agriculture during the ‘new sociology of agriculture’. Mann and Dickinson (1978) argue that the disparity between labour time and production time resulting from the physical limits of agriculture limits the capitalist infiltration of agricultural production, as does the difficulty of commodifying land, the base of agricultural production (Fine 1994). Friedmann (1978) contends that self-exploitation of family labour allows family farms to persist without profitability and persevere despite financial difficulties. Reinhardt and Barlett (1989) theorise that the diseconomies of scale in agriculture, particularly the inefficiency of supervising labour and wage labourers’ disconnect from central farm goals, give family labour an advantage over wage labour. Together, these and other classic works (Friedmann 1980; Chevalier 1983) during the era of the ‘new’ sociology of agriculture offer a theoretical foundation for understanding the role of family labour and simple commodity production in agriculture.

Sharecropping and contract farming

Little and Watts (1994) argue that even contract farming and/or sharecropping often still relies on family labour relations. Agribusiness firms’ contracts with families allow large firms to profit from the self-exploitation and more intense labour control of family production. These types of contract farming have not destroyed peasant and family modes of production; rather they have reshaped them as a tool of industrial agriculture.

Like ‘family farming’ more broadly, the presence of sharecropping in modern agriculture presents a puzzle that contradicts both classical economic (Smith 1937; Marshall 1964) and classical Marxist (Marx 1933; Lenin 1956) expectations about the inefficiency of sharecropping. Wells (1981, 1982, 1984a, 1984b, 1987, 1996) examines the unexpected rise of sharecropping in the California strawberry industry in the 1980s and 1990s, offering an explanation for this puzzling labour institution built on the political economy of the strawberry industry. Similar to arguments about the agrarian question, Wells (1984a, p. 7) argues that sharecropping offers landlords a ‘self-regulated or self-managed labor force.’ Strawberry production depends not just on the quantity of labour but on the quality of labour, and sharecroppers better provide this quality. Wells also places the rise of sharecropping in the context of changing immigration policies and agricultural workers’ unionisation and labour resistance (1984a, 1996). These changes in the political economy made sharecropping more appealing than wage labour as it provided a more compliant and self-supervising workforce.

Sharecroppers occupy an ambiguous and contradictory class location (Wright 1976; Wells 1984a, 1984b), neither strictly bourgeois nor proletarian: Sharecroppers are afforded certain privileges within capitalist relations of production, but they also have an objective interest in challenging those relations. Overall, their structural position in the economic sphere straddles the boundary between bourgeoisie and proletariat (Wells 1984b, p. 313).

This contradictory class location can actually serve to discipline sharecroppers and make it less likely for them to organise or challenge labour relations.

Data and methods

This study draws on interviews conducted during 12 months of observation and fieldwork with both conventional and organic dairy farmers in New Zealand between June 2008 and June 2009 and an analysis of the secondary data on the New Zealand dairy industry. I conducted semi-structured interviews with 17 conventional dairy farmers; 16 organic dairy farmers; staff and auditors at the three organic certifiers; policy experts in New Zealand’s organic industry; and seven organic dairy processing companies, including Fonterra. I also attended 14 farm discussion groups, four of which were held on organic dairy farms. Based on estimates from certifiers, there are approximately 100 organic dairy farms in New Zealand. My sample of organic farms and processors was stratified to represent all three certifiers and a broad range of farming experience and farm sizes.¹

Case study background: New Zealand dairy

New Zealand is the world’s largest dairy exporter (Armentano et al. 2004) and the dairy sector has added nearly 2000 farms since 1986 (Federated Farmers of New Zealand 2002) with organic dairy exports increasing by 400 per cent between 2007 and 2009 (Cooper et al. 2010, p. 13). In addition to this remarkable market dominance, there are four key features of New Zealand dairy production that make it an exceptional case study: (1) its heavy dependence on export, (2) its pastoral production methods, (3) the use of sharemilking contracts,² and (4) the near monopoly of dairy processor Fonterra (Armentano et al. 2004). Its heavy reliance on an export market makes New Zealand an exemplary case for studying the impact of international regulation such as organic standards. A reliance on pastoral production eliminates potential variations in practices between conventional and organic farms that may be the result of pastoral production itself. Sharemilking profit-sharing contacts are unique to New Zealand’s dairy labour market and offer the opportunity to examine the way that organic standards intersect with diverse labour market contexts. And Fonterra’s monopoly minimises variations that might result from a diversity of processor relationships.³

Findings: labour on conventional and organic dairy farms in New Zealand

In the sections to follow I contrast the labour categories on New Zealand’s conventional and organic dairy farms: the different categories of wage labour (milkers, managers and immigrant labour), the use of sharemilking contracts, and the use of grazier contracts.⁴ I first present findings demonstrating the increased use of diverse labour categories on conventional dairy farms before analysing the return to family labour on organic dairy farms.

Conventional dairy labour

The decline of non-family labour in New Zealand’s organic dairy industry is surprising, given the established tradition and growing role of many non-family labour
categories in New Zealand’s dairy industry. While most New Zealand dairy farms are still family farms that utilise family labour, family labour is usually supplemented with paid staff or sharemilking contracts. A lack of high-quality agricultural labour data makes it difficult to determine exactly how many New Zealand dairy farms currently employ non-family labour, but by combining multiple data sources, Tipples et al. (2005, p. 3) estimate that about 50 per cent of dairy farm workers are actually farm owners or family members. While data are limited, it is clear that the use of many types of non-family farm labour has increased in recent decades. According to the New Zealand Census of Population and Dwellings, the percentage of individuals who classified themselves as paid employees in the dairy industry grew from 18 per in 1991 to 37 per cent in 2006 (Wilson and Tipples 2008, p. 14). A shortage of skilled farm labour was considered to be a significant problem for the industry during the late 1990s and the demand for dairy labour, including sharemilkers, is projected to increase by 150 per cent by 2030 (Wilson and Tipples 2008, p. 3). This shift towards the use of non-family labour is related to a low family farm succession rate of only 6 per cent (Blackman 2005) and the increasing size and concentration of New Zealand dairy farms.

Conventional New Zealand dairy farms rely on several labour relationships including sharemilking, farm and herd managers, equity partnerships, the use of immigrant labour and grazier contracts. Each of these labour relationships is summarised and their prevalence in the industry described in Table 1.

Table 1: Common labour relationships in conventional dairy

<table>
<thead>
<tr>
<th>Description</th>
<th>Prevalence (approximate % of farms)</th>
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<tr>
<td>Sharemilking</td>
<td>Contracted profit sharing, divided capital investment and responsibility 40%</td>
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<tr>
<td>Farm/herd managers</td>
<td>Paid hourly or seasonal wage</td>
</tr>
<tr>
<td>Equity partnerships</td>
<td>Profit sharing among investors, divided capital investment and responsibility</td>
</tr>
<tr>
<td>Immigrant labour</td>
<td>Paid hourly or seasonal wage</td>
</tr>
<tr>
<td>Grazier contracts</td>
<td>Paid contracted rate per animal</td>
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1 Armentano et al. 2004.

‘Good people’: conventional dairy

For several years dairy industry reports have bemoaned the shortage of ‘good people’ and skilled labour available to farms. The 2005 Strategic Framework for Dairy Farming’s Future (DairyInsight 2005) placed attracting and developing labour as the highest priority for the future of the New Zealand dairy industry. Subsequent reports and initiatives have seconded this call for improving the dairy labour supply (DairyInsight 2007; DairyNZ 2009). In particular, the industry has had difficulty in
recruiting and retaining skilled staff to operate at the levels of manager and assistant manager. To combat the shortage of skilled labour ‘the salary levels for farm staff, the quality of accommodation and amount of time off for farm staff have all increased’ (Wilson and Tipples 2008, p. 22).

One response to labour shortages has been the recent increased use of immigrant labour on conventional New Zealand dairy farms. The number of immigrant workers is still small and is concentrated on the South Island, particularly on the larger-than-average farms in Canterbury and Southland. On these large farms, many of which are corporate or equity ventures, immigrant labour is becoming an important part of the labour supply. The number of overseas employees granted work visas to work as lower level employees increased sevenfold on the South Island between 2002 and 2007, from approximately 80 visa holders to approximately 530 (McFarlane, Ramos, and von Randow 2008, p. 2). During the same time period, the number of overseas work visas granted to farm managers on the South Island increased from approximately 100 to approximately 175 (McFarlane et al. 2008, p. 3).

In 2006, approximately 22.5 per cent of all dairy farm employees on the South Island had immigrated from overseas within the previous five years (Wilson and Tipples 2008, p. 27). The Philippines are the largest country-of-origin for immigrant dairy labour, followed by the UK, Brazil, South Africa and The Netherlands (McFarlane et al. 2008; Wilson and Tipples 2008, p. 52). India, Romania, Chile, and Uruguay also supply immigrant dairy workers (McFarlane et al. 2008). There are significant racial and ethnic disparities in the employment of migrant workers. Filipino and Latin American migrants are concentrated in the categories of relief milkers and general farm labour, with European and white South African migrants primary employed as managers (Wilson and Tipples 2008). Immigrant workers are almost completely absent from the sharemilker category and are instead primarily wage labourers.

**Sharemilking: conventional dairy**

A unique feature of the New Zealand dairy industry is the widespread use of sharemilking arrangements (Blunden et al. 1997). Sharemilking involves contracted profit sharing between a farm-owner, who owns the land, buildings and heavy machinery of the farm, and the sharemilker, who owns all or part of the dairy herd and some light machinery. Traditionally, there are two levels of sharemilking contracts: 25 per cent and 50 per cent contracts. In the 25 per cent contracts the sharemilker provides day-to-day farm labour and management and receives 25 per cent of the gross milk receipts. In 50 per cent contracts the sharemilker provides these same services while also owning the herd and paying for animal health expenses in exchange for 50 per cent of the gross milk receipts (Armentano et al. 2004, p. 20). Individual sharemilking contracts rates may vary as sharemilkers grow their personal herd over years. The ability to incrementally increase capital investment by increasing herd size is a defining feature of sharemilking. Sharemilking is widely understood to ease the transition both into and out of the dairy industry by allowing young farmers to accrue capital slowly and move towards independent farm ownership, while also allowing older farmers to disinvest slowly from both capital and labour and move...
towards retirement (Blunden et al. 1997; Center for Integrated Agricultural Systems 1999). Sharemilking is virtually non-existent outside New Zealand.

Sharemilking contracts have been used in New Zealand dairy since the period of British colonialism and are still widely used. In the 2008/2009 dairy season about 40 per cent of New Zealand dairy farms were managed under sharemilker agreements (DairyNZ 2009). Typically, sharemilking contacts are formally drafted between a farm owner and a male sharemilker, with the labour contribution of a female partner an informal assumption of the contract. One of the largest responsibilities that sharemilkers bear is the hiring and management of any additional on-farm labour.

The sharemilking labour relationship can often be problematic. Sharemilkers, usually young couples in their twenties and thirties and their families, carry the responsibility for the farm’s daily management and production, but must share important decision-making with the farm owner. Sharemilking relationships are most successful when owner and sharemilkers share both risk and responsibility evenly (Blunden et al. 1997), an ideal that does not easily mesh with the requirements of organic certification, as discussed later. Sharemilkers occupy a contradictory class location (Wright 1976) in which ‘the substantive structural determinants of class may actually pull a grouping in opposite directions’ (Wells 1984b, p. 298).

Farm managers and herd managers: conventional dairy

Farm managers are a growing employment category of the conventional New Zealand dairy industry, replacing many of the roles traditionally filled by sharemilkers. A farm would not typically have both a sharemilker and a manager; instead farm owners choose one as the primary labour relationship. The employment of farm managers on conventional New Zealand dairy farms has increased significantly in the past 10 years (Wilson and Tipples 2008). Farm managers are more popular on large farms and corporate farms and are also more widely used in the Canterbury region (Tipples et al. 2005, p. 6). According to the Ministry of Agriculture and Forestry:

Larger farms have moved from employing a 50/50 sharemilker to employing a lower order sharemilker or a manager on wages. This change has been due, in part, to a concern of the landowners that their share of the income was insufficient compared with that of the sharemilker relative to the capital invested by each party. (2003, p. 25)

Herd managers are another growing area of conventional dairy farm labour in New Zealand. Herd managers are specifically responsible for the cattle on conventional dairy farms, including animal health, breeding, and herd improvement. Unlike sharemilkers, herd managers do not own the cows. Farm managers and herd managers are clearly employees, paid a fixed hourly rate or salary (Ministry of Agriculture and Forestry 2003, p. 6) instead of a share of the milk receipts.

Graziers: conventional dairy

The use of grazier contracts is another key labour relationship for conventional New Zealand dairy farms. During the winter months, approximately 70 per cent of New
Zealand dairy farms practice ‘grazing off’ – sending their herd off the farm to graze and be cared for by a grazier (Armentano et al. 2004). Graziers are contracted at a fixed rate per animal, such as $4/cow per week; in exchange they provide grazing, some supplemental feed when needed and basic animal health support through the winter months. During this time the cows are not milked. Most farms also use graziers to care for their calves, heifers or any stock that is not currently being milked. Grazing off is sometimes used as a management strategy during times of distress such as floods or droughts, when feed is scarce on the home farm. Using graziers is a risky practice that places responsibility for the care of the herd out of control of the farm owner or sharemilker and can result in stock losses (from death or disease), stock losing weight and reduced future production and fertility as a result of weight loss (Ministry of Agriculture and Forestry 2010).

New Zealand’s conventional dairy industry is thus characterised by a variety of complex, non-family labour relationships: sharemilking, farm and herd managers, equity partnerships, immigrant labour and grazier contracts. Although family labour is still widely used on conventional New Zealand dairy farms, non-family labour also plays an important role in New Zealand’s conventional dairy industry.

**Organic dairy labour**

Although there are very little industry-wide data available on labour and staffing on organic dairy farms, based on interviews and observation, I have found that organic dairy farms are much more likely than conventional to rely exclusively or nearly exclusively on family labour. Of the organic 16 dairy farmers interviewed and an additional four organic dairy farms at which I attended field days, only two employed non-family employees at that time. These two large farms both employed farm managers and general farm labourers. Both farms also had atypically complex systems, one running both an organic and conventional dairy farm and one milking both dairy cows and dairy goats. These large, complex systems would simply not be possible without the use of paid staff. The others, however, relied on combinations of family labour and occasional short-term staff. Only one had ever tried a sharemilking contract while under organic production, and this venture failed. All except two of the farms had previously employed farm managers or staff and then returned to family labour.

**Good people: organic dairy**

Many significant obstacles discourage organic dairy farms from using paid staff. The complexity of organic dairy management systems requires a unique skill set from staff: competence in homeopathic animal care, knowledge of organic soil fertility methods and skill with organic pest and weed control. Organic certification also requires familiarity with ever-changing organic standards and careful record-keeping. For many organic dairy farmers, finding and training staff to deal with all these unique issues was simply not feasible. One organic dairy farmer, Nathan, bemoaned the trouble he had had with paid staff:
Man, it’s hard to get anybody good. And nobody knows anything about organic farms. Like, I had this German guy once, he came in and told me all this bullshit about biodynamics and stuff. But it was all a pack of lies. He just said that because he knew that’s what I wanted to hear.

After cycling through several farm staff during a period of 2 or 3 years, Nathan reverted to using only family labour. Now he and his wife and children manage the farm on their own and have no plans to hire any staff. Nathan has reduced his stocking rate and is determined not to expand the farm because he does not want to employ non-family labour. Nathan’s decision not to employ staff reflected both the difficulty he has had in finding skilled labour and an ideological interest in self-sufficiency. However, his history of employing staff for several years demonstrates that the ideology alone did not prevent him from employing wage labour.

Another couple, Johnny and June, wondered about how they would manage when their oldest son went to university the next year:

Johnny: Weeding trees. Who’ll do that?
June: Yeah, that’s what I mean.
Johnny: I have crook shoulders, as soon as I start pulling weeds out and whatnot it hurts my shoulders and I can’t bend down half the time.
June: Now I’m getting a sore shoulder. That’s what kids are for!
Johnny: [Son] should be out there now doing it!
June: But [son]’s going off to uni next year, then what? He [Johnny] doesn’t want anyone. Well, I wanted to get [interns], but he’s not keen.
Johnny: That’s just ‘coz you don’t have to deal with them!
June: Yeah, yeah, they may be more trouble than they’re worth, eh?

Like Nathan, Johnny and June have made a conscious decision to keep their stocking rate and farm size low enough so they can manage with only family labour, primarily provided by themselves but with additional support from their son. They do not believe that wage labourers are well-adapted to their biodynamic/organic system, particularly the homeopathic animal health care, which previous staff found ‘too weird’ and strenuous. Johnny said that the couple had run ads in a dairy newspaper looking for a farm manager a few years previously after Johnny had had knee replacement surgery, but got only one response. They declined to hire the potential manager after meeting him because he ‘just didn’t know much’ about organic farming. Although they have concerns about needing staff in the near future, Johnny and June, like Nathan, have chosen to rely on family labour as a result of a combination of both an ideological desire for self-sufficiency and the obstacles to employing paid staff that result from their organic practices and the certification requirements. This reliance on family labour is clearly tied to the same labour shortages that concern conventional dairy production (Wilson and Tipples 2008), but it is exacerbated by the demands of organic certification and the biophysical demands of production.

Sharemilking: organic dairy

Both the shortage of qualified wage labour and the need for closer supervision and commitment to central farm goals may seem to provide a context similar to that
described by Wells (1984a, 1984b, 1987, 1996) in the California strawberry industry: a situation in which sharecropping (sharemilking, in this case) could be valuable. However, sharemilking is virtually absent from the organic dairy industry, presenting an empirical and theoretical puzzle.

Sharemilking involves two key features that are not well adapted to organic systems: divided management decisions and the frequent acquisition of cows. Sharemilkers divide decision-making power with farm owners, a management style not well suited to the holistic management needs and certification requirements of organic farms. Both the principles and practice of organic farming emphasise the integration of the farm system and holistic management. Dividing the farm management between an owner responsible for pasture and cropping and a sharemilker responsible for the herd clashes against this holism. Organic certification demands for integrated management plans and record-keeping, also make sharemilking poorly suited to organic dairy farms. One organic dairy farmer I interviewed several times, Cooper, had begun his organic conversion as a sharemilker. He found the division of power in sharemilking and the need for shared certification to be so difficult that he left the contract a year early. Cooper was also given the full responsibility of managing the organic certification and audits. Cooper said:

But in the end it was quite hard being a sharemilker because the owner, he had a lot to say [made the final decisions] ... and in the end it was quite hard doing it all on my own.

As the sharemilker, he was responsible for the daily management of the farm including the additional record keeping, knowledge, and management required for organic certification. But despite his increased responsibility, major decisions still had to be negotiated with the farm owner. The requirements of certification and auditing overwhelmed Cooper because he received no support from the farm owner during the auditing process and because daily management responsibility was divided.

As a labour system, sharemilking also involves the constant introduction of new cows to the herd since acquiring cows is sharemilkers’ primary capital-building strategy. Strict requirements for the organic certification of animals makes the acquisition and sale of certified organic cows much more difficult than with conventional herds, since within the USDA NOP, if an animal loses certification because of the use of prohibited substances or uncertified land, that animal can never be re-certified (Coffey and Baier 2012). This barrier to building capital discourages sharemilkers from pursuing contracts with organic dairy farms and vice versa. For all these reasons, the unique labour relationship of sharemilking is difficult to reconcile with the requirements of organic certification and has led to the nearly complete absence of sharemilking contracts from New Zealand’s organic dairy industry.

Graziers: organic dairy

Likewise, the use of off-farm grazer services is difficult for organic dairy farms because of the shared management of livestock and organic certification requirements for both land and stock. Due to the requirements of organic certification, grazing land must be under the same level and type of organic certification as the home farm and graziers must follow all organic standards. This means that if an
organic dairy farm is USDA NOP certified, grazing land must also be USDA NOP certified and the grazier must follow all certification requirements and avoid prohibited substances. The risk of grazier contracts is compounded for organic farmers because of the requirements of organic certification: if cattle are given prohibited inputs or introduced to uncertified land, they lose their organic certification. Ultimately, this means that organic dairy farmers are very reluctant to contract with graziers because of the high risk involved, a concern voiced by each of the organic farmers I interviewed.

None of the organic farms that I visited currently used grazier contracts, although five had previously contracted graziers before and during organic conversion. One organic dairy farmer explained the problems he had encountered grazing off his dry stock:

Yeah, we’ve done a little bit of [grazing off], and we’ve done ... [we had] some heifers that’d gone off to grazing that wasn’t on fully certified land ... it was just on the [second year of conversion status] land. But because it was C2, it was only 1 year less than full certified, but we had to go through the process as though it was conventional land.

Even though the heifers were placed with a grazier who was currently in the process of organic certification, the certification was not complete and all the animals lost their organic certification. This caused significant production and financial distress for the farmer, threatening the sustainability of his operation. Another farmer spoke of similar problems with non-equivalent certification:

And we were farming to the standards but we didn’t get certification because we used to graze our heifers off on a biodynamic farm. And though it was biodynamic, it wasn’t organic. So, and that went on until we converted that.

The lack of equivalent certification status between lands kept his farm from becoming fully certified for the several years that it took to certify the grazier’s land. Thus, certification requirements make the use of grazier contracts, a very common labour relationship in conventional New Zealand dairy, extremely rare for New Zealand organic dairy farms.

Discussion

In contrast to many assumptions of the conventionalisation argument (Allen and Kovach 2000; Hall and Mogyorody 2001), this study finds that many New Zealand organic dairy farms have reverted to a heavy reliance on family labour despite the growing use of migrant labour and contract labour on other dairy farms. Moreover, the class position of different labour categories and the role of non-family labour, particularly sharermikers and contract farmers, are complex and contradictory in both conventional and organic production (Wright 1976; Wells 1984b). A return to classic theories of the persistence of family farming (see Jackson-Smith, 1999 and Newby, 1983 for a review) offers insight into this seeming anomaly, highlighting the ability of family labour to be more easily supervised than non-family labour (Reinhardt and Barlett 1989), to self-exploit (Friedmann 1978; Little and Watts 1994) and to share a
commitment to central farm goals (Friedmann 1978), as well as a recognition of the biophysical limits to the penetration of capital in agriculture (Mann and Dickinson 1978).

This case study answers the call of founders of the conventionalisation argument (Buck et al. 1997; Guthman 2004b, 2008), Campbell (Coombes and Campbell 1998; Campbell and Liepins 2001; Rosin and Campbell 2009; Campbell and Rosin 2011) and others to move beyond assumptions about the conventionalisation of organics and to recognise that the expansion of the organic agrifood system is variegated and contextual. Indeed, the need for skilled, committed labour and the diversity of labour systems intersecting with organic standards and certifications, may be considered as a fifth barrier to the conventionalisation of organic agriculture in addition to those outlined by Buck et al. (1997), Guthman (1998), and Campbell and Liepins (2001). Further, given the complexity of family and non-family labour across both the conventional and organic agrifood system, the presence of non-family labour cannot be reasonably equated with the conventionalisation of the organic sector.

The uneven and unexpected impact of standards and certifications on labour relations is not necessarily unique to organic standards. In fact, a growing literature on market-based agrifood standards has begun to highlight the impact of standards such as GlobalGAP (Tipples and Whatman 2010; Bain 2010a, 2010b; Colen and Maertens 2011; Colen et al. 2012) and other retailer-led standards on agricultural labour (Busch and Bain 2004; Hatanaka et al. 2005; Riisgaard 2009; Fuchs et al. 2011). This literature, and the growing literature on fair-trade agricultural production (Jaffee 2007, 2010; Besky 2008; Bacon 2010; Valkila and Nygren 2010; Raynolds 2012) may provide scholars studying the organic food industry with models for capturing the complexity of agricultural labour relations and standards.

One might reasonably question whether the reliance on family labour on many of New Zealand’s organic dairy farms is an effect of farm size or of the industry’s stage of development, rather than the failure of industrial labour relations to penetrate the industry. It is true that the organic dairy farms are smaller, on average, than conventional dairy farms and that the two largest organic operations do employ non-family labour. It is important to remember, however, that limiting farm size in the smaller organic farms was, in fact, a conscious strategy employed by farm owners in an effort to avoid hiring non-family labour. The complexity of family and non-family labour relations in both conventional and organic agriculture provides further support for moving away from a binary understanding of organic and conventional agriculture. Instead, the relationship of growth and expansion and non-family labour is not inevitable or necessarily structurally determined, as is sometimes asserted in the conventionalisation argument. The long-term labour structures of New Zealand’s organic dairy sector are unknown, but the industry’s rapid growth in the previous two decades has not led to the universalising conventionalisation of the sector, particularly in terms of non-family labour.

Indeed, there are many aspects of New Zealand’s organic dairy sector that might be understood as conventional: it is export dependent, produces primarily heavily processed commodities and is dominated by large firms. But in other significant ways – the continued dominance of pastoral production, small farm size and, as discussed in this study, the dominance of family labour – New Zealand’s organic dairy sector is far
from conventionalising. This case is further evidence that a grand binary (Campbell and Rosin 2011) between corporate organic and real organic is vastly oversimplified as is the meaning and expression of conventionalisation. Instead, the reality of the organic agrifood sector is highly variable and case-specific.

The continued relevance of classic arguments about agricultural exceptionalism and the persistence of family farming (Newby 1983; Jackson-Smith 1999) offers a theoretical foundation for future organic studies. Indeed, even the early works of the conventionalisation literature (Buck et al. 1997; Guthman 1998) recognised the importance of these classic theories and acknowledge the potential barriers to the penetration of capital into organic agriculture. A growing body of studies, including this one, have confirmed that there are barriers to universalising conventionalisation and have helped to develop a more complex understanding of the organic agrifood sector, one built on a theoretical tradition of agricultural exceptionalism and the agrarian question.

Notes

1 At the time of this study, there were approximately a hundred certified organic dairy farms in New Zealand and organic certification was dominated by USDA NOP standards. USDA NOP certification’s importance is determined by the fact that Fonterra’s organic premium contracts require USDA NOP certification (Schewe 2011). While domestic organic certification is available together with Demeter New Zealand Biodynamic certification, virtually all certified dairy farms are USDA NOP certified in order to capture Fonterra’s price premium.

2 Sharemilking involves contracted profit sharing, a form of sharefarming between a landowner and a sharemilker who performs the daily management and labour and may own all or part of the dairy herd. Sharemilking contracts are described in more detail below.

3 At the time of this study, Fonterra offered contracted premium rates both during organic conversion and certification. In August 2011, Fonterra announced plans to significantly reduce the number of organic premium contracts. It is unclear what impact this will have on the future of New Zealand’s organic dairy system.

4 Grazier contracts involve moving cows ‘off farm’ and paying a grazier a contracted rate to provide land, feed, and basic animal health care for cows that are not currently being milked. Grazier contracts are described in more detail below.

5 Although Fonterra is a cooperative, it operates in most ways as a transnational agribusiness firm (Gray and Le Heron 2010).

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