

FOREIGN INVESTMENT POLL October 2010

- CLIENT:** Natural Dairy (NZ) Holdings Ltd
- POLL DATES:** Evenings of Thursday 30 September and Sunday 03 October 2010
- SAMPLE SIZE:** 1,000 respondents agreed to participate.
- SAMPLE SELECTION:** A random selection of 10,000 nationwide phone numbers.
- SAMPLE ERROR:** Based on this sample of 1,000 respondents, the maximum sampling error (for a result of 50%) is +/- 3.2%, at the 95% confidence level.

FARM SALES TO NON RESIDENTS

Generally do you think New Zealand farmers should be able to sell their farms to the highest bidder, or only to New Zealand residents?

		Gender		Age			Area			Total
		Female	Male	18 - 40	41 – 60	61+	Metro	Provincial	Rural	
		Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %
Sell farms to	Highest bidder	24%	31%	34%	25%	23%	28%	27%	27%	28%
	Only NZers	69%	60%	59%	66%	71%	64%	66%	66%	65%
	Don't know	6%	8%	7%	9%	5%	8%	7%	7%	7%
	Refused	0%	0%		0%	1%	1%	0%		0%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%

65% of respondents think farms should only be sold to NZ residents. This sentiment is strongest with women and the elderly.

If a farm owner only employs New Zealand workers on that farm, do you think it matters where the owners reside?

		Gender		Age			Area			Total
		Female	Male	18 - 40	41 - 60	61+	Metro	Provincial	Rural	
		Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %
If workers local, does owner location matter	Yes - residence does matter	42%	37%	37%	39%	45%	42%	40%	33%	40%
	No - residence not matter	53%	58%	59%	55%	49%	54%	50%	65%	55%
	Don't Know	5%	5%	4%	5%	6%	4%	10%	2%	5%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%

Given the reassurance of only New Zealand workers being employed, then only 40% say the location of where the owners reside matters, and 55% say it does not matter. Amongst respondents under 40 only 37% say the location matters, and amongst respondents in rural areas, only 33% say the location where the owners reside matters.

If a farm owner pays tax in New Zealand, do you think it matters where the owners reside?

		Gender		Age			Area			Total
		Female	Male	18 - 40	41 - 60	61+	Metro	Provincial	Rural	
		Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %
If owner pay tax in NZ, does owner location matter	Yes - residence does matter	44%	41%	35%	43%	53%	46%	42%	32%	42%
	No - residence not matter	51%	56%	62%	53%	43%	50%	52%	66%	54%
	Don't Know	5%	3%	4%	4%	4%	4%	5%	2%	4%
	Refused	0%				1%	0%			0%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%

Only 42% of respondents said the location of the owners matters, if tax I paid in New Zealand. Amongst respondents under 40 only 35% say the location matters, and amongst respondents in rural areas, only 32% say the location where the owners reside matters.

If an overseas owner was able to invest more money in capital and technology so that a farm they purchased could produce three times the level of exports as a New Zealand owner, would you support them being able to buy farmland?

		Gender		Age			Area			Total
		Female	Male	18 - 40	41 - 60	61+	Metro	Provincial	Rural	
		Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %
Would you support overseas owner if extra capital tripled exports	Yes	35%	42%	43%	41%	28%	37%	42%	41%	39%
	No	55%	50%	49%	50%	62%	54%	52%	49%	52%
	Don't Know	9%	8%	8%	9%	9%	9%	6%	10%	9%
	Refused	0%	0%	0%	0%	1%	1%			0%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%

If a foreign owner can increase the level of exports for New Zealand, then there is an increase in support for them being able to buy farmland, but still a majority opposed. Opposition is at or below 50% for men, those aged under 60 and those in rural areas.

Finally I'm going to read out some nationalities. For each nationality please let me know on a scale of 1-5 how comfortable you would be with their nationals being able to buy farmland in New Zealand farms? A "1" mean you would be extremely uncomfortable and a "5" means you would have no discomfort at all.

	Australian Ownership	French Ownership	Chinese Ownership	British Ownership	American Ownership
	%	%	%	%	%
Extremely uncomfortable	18%	31%	41%	23%	27%
Very uncomfortable	6%	11%	12%	8%	10%
Somewhat uncomfortable	15%	18%	14%	18%	20%
Mildly uncomfortable	13%	9%	7%	16%	14%
Not at all uncomfortable	42%	24%	21%	31%	24%
Don't Know	2%	3%	3%	2%	2%
Refused	3%	3%	3%	3%	3%
Total	100%	100%	100%	100%	100%

The results clearly show very different levels of discomfort based on nationality. Only 18% of respondents said they would be extremely uncomfortable with Australian ownership, while 41% said they would be opposed to Chinese ownership.

Overall, only 42% of respondents rated the same level of comfort or discomfort with all nationalities.

	Gender		Age			Area			Total
	Female Mean	Male Mean	18 - 40 Mean	41 - 60 Mean	61+ Mean	Metro Mean	Provincial Mean	Rural Mean	Mean
Australian Ownership Average	.62	.67	.66	.66	.60	.64	.65	.66	.65
French Ownership Average	.43	.49	.50	.47	.36	.46	.46	.46	.46
Chinese Ownership Average	.36	.40	.43	.37	.31	.39	.36	.36	.38
British Ownership Average	.55	.57	.58	.57	.51	.56	.57	.56	.56
American Ownership Average	.49	.49	.52	.48	.46	.50	.47	.49	.49

The average score is a weighted averaged based on assigning a score of 0 for a response of 1 (extremely concerned), a score of 0.25 for 2, 0.5 for 3, 0.75 for 4 and 1.0 for 5. This then gives effectively a weighted percentile, to show level of comfort with those nationals buying farmland.

On a weighted basis, Australians and British are deemed acceptable on average, Americans marginally unacceptable, and French and Chinese more strongly unacceptable.

Those aged under 40 have less concerns over nationality.

DEMOGRAPHICS

	Gender	
	Count	%
Female	512	51%
Male	488	49%
Total	1000	100%

	Age	
	Count	%
18 - 40	355	36%
41 - 60	404	40%
61+	241	24%
Total	1000	100%

	Area	
	Count	%
Metro	553	55%
Provincial	250	25%
Rural	197	20%
Total	1000	100%

Metro is defined as Auckland, Wellington and Christchurch. Provincial is all other cities in New Zealand. Rural areas are all areas not Metro or Provincial.

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