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TRANSPORT INNOVATION AND AREAL ASSOCIATION
IN THE MANAWATU DAIRY INDUSTRY

(The Role of Transport from before 1880 to the Present Day and the Impact of Innovation on the Areal Association between Supplier and Factory and between Factory and Factory)

A Thesis Presented in Partial Fulfilment of the Requirements for the Degree of Master of Arts in Geography at Massey University

by

RICHARD EARLE WISHNOWSKY

Massey University

1972.
For the New Zealand dairy industry, "the principal - one might say the only important disadvantage - was the obstacle of distance...." (Philpott, 1937:11) Although concerned here with the difficulties of overseas transport, (he suggested that time and invention had largely overcome the obstacles of distance) the comment is equally applicable to the difficulties of internal transport. Transport is an important element in dairying but appears to have attracted little attention from researchers. A review of the history of dairying reveals a series of development phases, each of which appears related to transport developments.

The first part of this thesis, then, is an historical review of the period from before 1880 to the present day with particular emphasis upon transport methods and innovations. Emphasis has been given, however, to developments at the factory rather than the farm level. From a consideration of these historical developments, it becomes increasingly evident that each phase has been associated with distinctive patterns of land use and the development of specialised dairying "regions".

The second part, therefore, is an investigation of the changing distribution of dairying activity in the Manawatu. Changes in the distribution of and in the areal associations between suppliers and factories are examined in terms of changes in transport technology. Although transport is not the only variable contributing to change, its importance in contributing to development and change warrants special attention.
This study is concerned primarily with transport developments, particularly with tanker transport, and the effects of these developments on the spatial organisation of dairy factories. Philpott (1937:12) noted, "... there was not a decade which was not crowded with event...." The decades since the 1930's have been equally crowded with event.
I am indebted to many people for their assistance in the preparation of this thesis. In particular I wish to acknowledge:

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The following general managers of the Manawatu dairy companies: Messrs G.E. Baker (Manawatu C.D.C.), W.B. Southey (Oroua Downs C.D.C.), A.D. Mackie (Glaxo milk powder factory), and D.S. Harris' (Milk Treatment Station, Palmerston North); and Miss E.B. Forster, secretary Milk Producers' Company, for their time and the provision of background and technical information.

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Above all I am grateful to my wife, Ngaire, for her forbearance and support during the two years of my masterate studies.
CONTENTS

Preface ii
Acknowledgements iv
Contents v
List of Tables vi
List of Figures viii
Abbreviations and Terms ix

PART I

Chapter One Introduction 2
Chapter Two The Pioneering Phase: before 1882 8
Chapter Three Responses to Refrigeration: 1882 to World War I 16
Chapter Four Responses to Motorisation: World War I to 1950 28
Chapter Five Responses to Tanker Collection: 1950 to the Present Day 41

PART II

Chapter Six Introduction and Assumptions 68
Chapter Seven The Distribution of Suppliers and Factories (Non-continuous Distribution Patterns and Nearest Neighbour Analysis) 74
Chapter Eight Areal Association (Centrality Analysis) 84
Chapter Nine Conclusion 97

Appendices 102

Bibliography 124
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Dairy Exports: 1868 to 1881</td>
<td>13</td>
</tr>
<tr>
<td>II</td>
<td>Provision of Special Refrigerated, Insulated and Ventilated Trucks on New Zealand Railways: 1883 to 1904</td>
<td>23</td>
</tr>
<tr>
<td>III</td>
<td>Registered Motor Trucks: 1925 to 1930</td>
<td>29</td>
</tr>
<tr>
<td>IV</td>
<td>Milking Plants and Cream Separators: 1919 to 1950</td>
<td>32</td>
</tr>
<tr>
<td>V</td>
<td>Scale of Factory Operation in New Zealand: 1905 to 1949</td>
<td>34</td>
</tr>
<tr>
<td>VI</td>
<td>Introduction and Spread of Tanker Collection: Taranaki</td>
<td>43</td>
</tr>
<tr>
<td>VII</td>
<td>Introduction and Spread of Tanker Collection: Manawatu</td>
<td>44</td>
</tr>
<tr>
<td>VIII</td>
<td>Operational Techniques: Tanker and Can Collection Compared</td>
<td>46</td>
</tr>
<tr>
<td>IX</td>
<td>Manawatu Companies' Milk Tankers: 1970-71 Season</td>
<td>48</td>
</tr>
<tr>
<td>X</td>
<td>Total Collection Costs (Cents per pound Butterfat): 1951-52 to 1970-71</td>
<td>49</td>
</tr>
<tr>
<td>XI</td>
<td>Wholemilk and Cream Collection Costs (Cents per pound Butterfat) Compared: 1957-58 to 1970-71</td>
<td>51</td>
</tr>
<tr>
<td>XII</td>
<td>Volumes of Wholemilk and Cream Collected by Manawatu Companies: 1960-61 to 1970-71</td>
<td>53</td>
</tr>
<tr>
<td>XIII</td>
<td>Scale of Factory Operation in New Zealand: 1950 to 1969</td>
<td>56</td>
</tr>
<tr>
<td>XIV</td>
<td>Scale of Factory Operation in the Manawatu: 1950-51 to 1970-71</td>
<td>57</td>
</tr>
<tr>
<td>XV</td>
<td>Scale of Dairy Farm Operation in New Zealand: 1951 to 1969</td>
<td>63</td>
</tr>
<tr>
<td>XVI</td>
<td>Average Distance to Nearest Neighbour: Taranaki and Manawatu Factories Compared</td>
<td>75</td>
</tr>
</tbody>
</table>
Table XVII  Percentage Distribution of Supply and Suppliers by Percentage Distance from Factory  77

XVIII  Supplier Distribution Patterns by Nearest Neighbour Analysis: 1960 to 1970  78

XIX  Supplier Distribution Patterns by Nearest Neighbour Analysis with Altered Area Base: 1960 to 1970  79

XX  Manawatu Factory Distribution Patterns by Nearest Neighbour Analysis: 1908 to 1971 with Two Projected Figures  80

XXI  Taranaki Factory Distribution Patterns by Nearest Neighbour Analysis: 1909, 1949 and 1969  81

XXII  Peak Values of Factory and Supplier Potential: 1908 to 1970  89

B I  Growth of Co-operatives in New Zealand: 1894 to 1934  106

C I  Distance Distribution of 683 Suppliers by Road-Miles and Air-Miles from the Longburn Factory  108

H I  Dairy Production Statistics: 1884 to 1969  119-120

J I  Wholemilk and Cream Collection Centres Operating in the Manawatu by 1907 with Season of Closure  121-122

J II  Wholemilk and Cream Collection Centres in the Manawatu whose Operations Commenced after 1907 with Season of Opening and Season of Closure  123
<table>
<thead>
<tr>
<th>Figure</th>
<th>Location</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Location</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>Wholemilk and Cream Collection Centres, 1908 to 1971</td>
<td>19-20</td>
</tr>
<tr>
<td>3</td>
<td>Cheese Factories, Creameries and Skimming Stations, 1908</td>
<td>22</td>
</tr>
<tr>
<td>4</td>
<td>Distribution of Factories by Numbers of Suppliers, with Type of Production, 1908, 1920, &amp; 1940</td>
<td>35</td>
</tr>
<tr>
<td>5</td>
<td>Changing Transport Links in Dairying</td>
<td>52</td>
</tr>
<tr>
<td>6</td>
<td>Distribution of Factories by Pounds of Butterfat Collected, with Type of Production, 1950-51, 1959-60, &amp; 1970-71</td>
<td>58</td>
</tr>
<tr>
<td>7</td>
<td>Amalgamations, 1950 to 1971 (Manawatu Co-operative Dairy Co.)</td>
<td>60</td>
</tr>
<tr>
<td>8</td>
<td>Decision-Making and Innovation in the Co-op. Dairy Industry</td>
<td>62</td>
</tr>
<tr>
<td>9</td>
<td>Factory and Supplier Median and Mean Centres, 1908 to 1970</td>
<td>88</td>
</tr>
<tr>
<td>10</td>
<td>Factory and Supplier Potential, 1920 to 1970</td>
<td>90-91</td>
</tr>
<tr>
<td>11</td>
<td>Coefficients of Areal Association, 1908 to 1970</td>
<td>93</td>
</tr>
</tbody>
</table>
ABBREVIATIONS AND TERMS

Abbreviations


(Note: each of these three series of publications are presented with variations of publishing authority and title.)

A.J.H.R. Appendices to the Journals of the House of Representatives.

Annual List of Creameries New Zealand Department of Agriculture, Annual List of Creameries, Factories, Private Dairies, and Packing Houses.

Annual Reports The Annual Reports, Balance Sheets and Accompanying Accounts of dairy companies only. Annual Reports of other organisations such as the Department of Agriculture and the New Zealand Dairy Board are specifically referred to where used.

C.D.C. Co-operative Dairy Company.

M.T.S. See under Terms.

N.Z.F.D.U. New Zealand Farmers' Dairy Union.

N.Z.O.Y. New Zealand Official Yearbook(s).

Terms

Cheese Factory A dairy, the milk supply of which is manufactured into cheese.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creamery</td>
<td>A dairy, the milk or cream supply of which is manufactured into butter.*</td>
</tr>
<tr>
<td>&quot;Creamery System&quot;</td>
<td>The practice, whereby wholemilk is received by a skimming station, is separated and the cream sent to a creamery for manufacture into butter. (Note: there are variations to this general pattern. Transport methods were such, that before 1920, the usual radius of supply was two to four miles. If cow densities were low, it was necessary to draw supply for a single creamery from a number of similarly sized collection areas. Suppliers would send their wholemilk to a skimming station and the cream was then sent on to the creamery. Where cow densities were high, however, a creamery could draw sufficient supply from a single collection area about the creamery in which case there was no need for associated skimming stations.)</td>
</tr>
<tr>
<td>Collection Centre</td>
<td>Any factory, creamery or skimming station receiving wholemilk or cream either by supplier delivery or by factory collection.</td>
</tr>
<tr>
<td>Dual-plant factory</td>
<td>A dairy, manufacturing both butter and cheese.</td>
</tr>
<tr>
<td>Dairy factory</td>
<td>A collective term denoting all dairies manufacturing dairy products. Skimming stations are specifically excluded.</td>
</tr>
<tr>
<td>M.T.S.</td>
<td>Milk Treatment Station.</td>
</tr>
<tr>
<td>Milk Producers' Company</td>
<td>The Manawatu Co-operative Milk Producers' Company Limited. The Milk Producers' Company is concerned with the production and collection of wholemilk for town supply. Wholemilk is collected by a contractor (the tankers are owned by the company) and is delivered to the M.T.S. for treatment and bottling.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Multi-factory company</td>
<td>Any dairy company operating more than one factory for the manufacture of dairy products.</td>
</tr>
<tr>
<td>Multi-plant factory</td>
<td>A dairy manufacturing a variety of dairy products.</td>
</tr>
<tr>
<td>Packing House</td>
<td>A dairy in which butter manufactured elsewhere is mixed or blended into milled butter.*</td>
</tr>
<tr>
<td>Skimming Station</td>
<td>A dairy, the milk supply of which is separated only.*</td>
</tr>
<tr>
<td>Tanker (milk tanker)</td>
<td>A collective term denoting any unit or combination of units designed for the transport in bulk of wholemilk and milk by-products.</td>
</tr>
<tr>
<td>Tractor trailer</td>
<td>A milk tanker consisting of a tractor unit and a trailer unit which may be towed only by a tractor unit.</td>
</tr>
<tr>
<td>Tanker trailer</td>
<td>A unit which may be towed either by a tractor trailer or a conventional truck.</td>
</tr>
</tbody>
</table>

* Definition of term based on Annual List of Creameries, 1906.
PART I  AN HISTORICAL REVIEW OF TRANSPORT DEVELOPMENTS IN
THE NEW ZEALAND DAIRY INDUSTRY WITH PARTICULAR
REFERENCE TO TANKER COLLECTION
Although many of the observations in this thesis are applicable to dairying anywhere in New Zealand, and some of the examples have been drawn from Taranaki, Waikato and North Auckland, the main area of investigation has been the Manawatu. County and Riding divisions have formed the initial basis for the boundaries of the area to be studied. Consideration of the distribution of suppliers to the Manawatu C.D.C. indicated that some areas should be excluded, particularly areas of forest reserve along the eastern margin of Pohangina, Kairanga and Horowhenua Counties, while the supplier map for the Whangaehu C.D.C. suggested that suppliers along the Whangaehu River towards Mangamahu should be included. The northern limits were demarcated by a combination of County, Riding and Cadastral Map divisions. The area thus defined (fig. 1) comprises 1810.07 square miles and will be referred to as the Manawatu area.

Two main avenues of investigation have been followed, i.e., a) historical and b) statistical. Part I, the historical section, deals with the role and importance of transport in dairying. Emphasis has been given to the phases of development and to the changing relationship between supplier and factory. In Part II, the nature of the changing distribution of dairying is investigated. Variations in the areal association between supplier and factory are discussed in terms of changing transport technology.

As was noted in the preface, the main themes of this study
fig. 1 LOCATION

[Map of the region showing towns, localities, railways, and main roads.]

- Towns
- Localities
- Railways
- Main Roads

20 miles

- Brunswick
- Upokongaro
- Rapanui
- Westmere
- Whanganui
- Marangai
- Whangapu
- Tuaenui Road
- Turakina
- Rangitokei (Bulls) Bulls
- Sanson
- Parewanui
- Makowai
- Kaimakarau
- Cameron
- Glen Orou
- Taikorea
- Otumo Downs
- Mangawhata
- Baines
- Rangotiu
- Foxton
- Moutoa
- Makerua
- Shannon
- Palmerston North
- Ankarauer
- Awapuni
- Te Arakura
- Binnithorpe
- Newburn
- Whakaronga
- Linton
- Tokomaru
- Kauwhata
- Rangitokei Line

R.E.W.
are concerned with the transport of whole milk and cream from supplier to factory, and with changes in the spatial organisation at the factory level. Inter-factory transport and changes at the farm level, however, form a relatively minor part of the total investigation.

Transport is an essential link between supplier and factory, between factory and port, and between New Zealand and her overseas markets. Obstacles within these flows can be seen to have impeded progress in the dairy industry, while the overcoming of these obstacles by transport innovation has been followed by periods of rapid development and change.

Refrigeration was the first of these major transport innovations. It enabled dairy produce to be shipped to distant markets in larger quantities and with greater success than previously. Refrigeration also facilitated the internal transport of produce from factory to port. The resulting changes in the organisation and scale of dairying, particularly the adoption of the factory system of manufacture, led to rapid development. Inadequacies in internal transport facilities for raw materials, however, were an impediment to progress. The "creamery system" can be seen as partly a response to internal transport limitations under conditions of high external demand.

Motorisation and home separation, transport and transport-modifying innovations comparable in magnitude to refrigeration, eased some of the limitations on internal transport. In response to these innovations the relationships between supplier and factory were modified. The amount of change is indicated in Part II of this thesis by the variations in areal association.
Between 1920 and 1950, dairying became more localised and regional specialisation, evident before 1920, became increasingly apparent. By 1950 the advantages of larger-scale factory operation were evident but developments in this direction were slow. Limited quantities of milk by-products, mainly buttermilk, were being transported in bulk between factories. It was not until the 1960's however, following the lead of the New Zealand Co-operative Dairy Company, that tanker collection of wholemilk (and transport of milk by-products) was adopted on a wide scale. Tanker collection made practicable larger-scale factory operation and facilitated company amalgamation with subsequent closure of uneconomic factories.

These changes may be summarised in terms of the varying relationships between supplier and factory and between factory and factory. Prior to the 1920's, supplier delivery of wholemilk predominated. Motorisation was largely accompanied by a change to factory collection of cream. Limited inter-factory movements of by-products were initiated and the dairy industry became less specialised. Whereas butter and cheese had been the predominant products before the 1920's, during the 1930's and particularly after World War II, casein and dried milk powders gained an important position. In addition, individual factories became less specialised while dual-plant factories, and the production of buttermilk powder and whey butter in creameries, became increasingly common.

The introduction of tanker collection, a third major transport innovation, has resulted in an increase in wholemilk collection with a corresponding decrease in cream collection. Inter-factory movements of wholemilk and milk by-products have also expanded. While some companies continue to specialise in the production of a single
commodity (particularly cheese factories) the general pattern is now one of multi-plant factories and multi-factory companies producing a wider range of dairy products.

It is expected, in view of the importance of the transport link between supplier and factory, that changes in transport technology will be associated with changes in supplier - factory relationships. Poor transport facilities are expected to be accompanied by a close areal association between supplier and factory. As transport technology is improved, increasing the potential supply area and often giving rise to greater competition for supply, the areal association is expected to become more tenuous. It is postulated, therefore, that there is an inverse relationship between transport technology and the areal association between supplier and factory. This postulate is the basis for the working hypothesis considered in Part II.
Notes

1. The counties and ridings considered were as follows:
   - Waitotara County - Brunswick Riding only
   - Wanganui County - Upokongaro, Kaitoke, Kaikatea, and Purua Ridings, and part of Mangamahu Riding
   - Rangitikei County - Otakapu, Rangitoto, Pukepapa, Porewa and Rangitira Ridings, and parts of Otaire, Te Kapa, Awarua and Wangaehu Ridings
   - Pohangina, Kiwitea, Manawatu, Oroua and Kairanga Counties - all ridings
   - Horowhenua County - Tokomaru Riding only.

2. The Manawatu area as defined must be distinguished from the supply area to the Manawatu C.D.C. although the two correspond closely and for most purposes are taken as the same. Less than one percent of the suppliers to the Manawatu C.D.C. lie outside the Manawatu area, these being either west of Kai Iwi, or in the vicinities of Raetihi and Taihape, or south of Shannon.

3. Differences in cow density must also be considered as important causitive factors in the development of the "creamery system". (See definitions of abbreviations and terms, page ix).

4. Supplier delivery of wholelmilk to cheese and casein factories continued in most areas until the adoption of tanker collection although some of these factories did adopt factory collection during the 1920's and 1930's.