**Internal Assessment Resource**

Agribusiness Level 2

This resource supports assessment against Achievement Standard 91867

Standard title: Demonstrate understanding of a primary industry business structure that best meets the strategic needs of a business

**Credits:** 3

Resource title: Working for Iwi

**Resource reference:** Agribusiness 2.9A Version 1

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| This resource:* Clarifies the requirements of the achievement standard
* Supports good assessment practice
* Should be subjected to the school’s usual assessment quality assurance process
* Should be modified to make the context relevant to students in their school/kura environment and ensure that submitted evidence is authentic
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| Date version published by Ministry of Education | December 2017 Version 1To support internal assessment from 2018 |
| Authenticity of evidence | Teachers must manage authenticity for any assessment from a public source, because students may have access to the assessment schedule or exemplar material.Using this assessment resource without modification may mean that students’ work is not authentic. Teachers may need to change figures, measurements or data sources or set a different context or topic to be investigated or a different text to read or perform. |

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Teacher guidelines

The following guidelines are supplied to enable teachers to carry out valid and consistent assessment using this internal assessment resource.

Teachers need to be very familiar with the outcome being assessed by the achievement standard. The achievement criteria and the explanatory notes contain information, definitions, and requirements that are crucial when interpreting the standard and assessing students against it.

**Context/setting**

This activity requires students to demonstrate comprehensive understanding of a primary industry business structure that best meets the strategic needs of a business.

1.4 million hectares of New Zealand land is Māori freehold land and is either managed by a Māori Trust or a Māori Incorporation. This assessment activity asks students to show their understanding of a Māori business structure in relation to its strategic needs.

Before beginning this assessment, you will need to provide opportunities for the students to gain understanding of:

* The primary industry and a range of agribusinesses
* Business structures in Aotearoa/New Zealand
* Strategic needs of a business

You may want to consider a visiting speaker who works in the chosen business structure to ensure students gain a full understanding, or use the use of a case study.

**Conditions**

Where a group approach is used, the teacher needs to ensure that there is evidence that each student has met all aspects of the standard.

A student can present their information in a format of their own choice. For example, written paragraphs, tables, graphs, videos and/or diagrams, which could form part of a poster, slideshow, a blog or website. You may want to give students guidance on the appropriate style and format for their findings. This achievement standard does not assess format or style.

As a guide, this assessment should reflect approximately 30 hours of teaching, learning and assessment in and out of the classroom.

Conditions of Assessment related to this achievement standard can be found at <http://ncea.tki.org.nz/Resources-for-Internally-Assessed-Achievement-Standards>

**Resource requirements**

Access to the Internet and to relevant sources of information.

**Additional information**

Other possible contexts include:

* Ngāi Tahu agribusinesses <http://ngaitahufarming.co.nz/> or <http://www.ngaitahuseafood.com/>
* Te Tumu Paeroa [https://www.tetumupaeroa.co.nz/about-us/our-programmes-and-projects/kiwifruit-mobilisation-programme/](https://www.tetumupaeroa.co.nz/about-us/our-programmes-and-projects/kiwifruit-mobilisation-programme/%20)

If you are choosing an agribusiness context for this assessment, there is no expectation to cover all seven primary industries.

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Student instructions

**Introduction**

This assessment activity requires you to demonstrate understanding of a Māori iwi business structure that best meets the strategic needs of a business.

You are going to be assessed on how comprehensively you demonstrate your understanding of this business structure.

Teacher note: Insert due dates and timeframes

**Task**

1.4 million hectares of New Zealand land is Māori freehold land and 30% of marine fishing quota is owned by various iwi. What business structures do Māori iwi use in the running of their businesses in the primary industry?

Your presentation will evaluate how the business structure used by a Māori business in the primary industry best meets the strategic needs of the business, compare this with another business structure and evaluate the impact these structures have on that business. You may choose how to present this material, however, it should be no longer than 2000 words.

* Choose a Māori business in a primary industry.
* Explain the characteristics of the current business structure?
* What are the strategic needs of this business?
* How does the business structure meet the strategic needs of the business?
* Compare this business structure with another structure that could have been used in this Māori business.
* What impacts on the business would each of these business structures have?
* Is the current business structure still relevant for this Māori business?
* Recommend and justify the business structure that best meets the strategic needs of the business.
* Evaluate the long and short-term implications of this selected business structure on the business.

**Assessment schedule: Agribusiness 91867 - Working for Iwi**

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| **Evidence/Judgements for Achievement** | **Evidence/Judgements for Achievement with Merit** | **Evidence/Judgements for Achievement with Excellence** |
| The student demonstrates understanding of a Māori iwi business structure that best meets the strategic needs of a business.In their presentation, the student:* Chooses a Māori business in the primary industry
* Explains its business structure
* Describes the strategic needs of this Māori business
* Explains how the business structure best meets the strategic needs of the business
* Compares this business structure with another structure that could have been used in this Māori business
* Explains the impacts on the business each of these business structures would have.

**For example: (partial evidence)**Hangawera Station, a specialist producer of Hereford bulls owned by Waikato-Tainui iwi who use a trust as their business structure, operates under Waikato Raupatu Lands Trust. A trust business structure is used. The Trust manages the land on behalf of the landowners (over 67,000 members of Waikato-Tainui from 68 marae in the wider Waikato region). Beneficiaries of the Trust are the descendants of the original owners, for the hapū or iwi in the Waikato-Tainui area. The land is used for any Māori community purposes; and succession is limited to the current owners.The strategic needs of Hangawera Station are:Strategic goals: * The ultimate goal is not profit, but to see generations of Waikato-Tainui people prosper through the work that they are involved in.
* To spread risk while they grow their land.
* To create more wealth and job opportunities for their people.
* To improve the wellbeing and prospects of their people, their language and culture, and their environment.

Succession planning:* Freezes succession to the current owners.

A trust business structure works for the Hangawera Station as their strategic needs have a synergy with what the Trust is set up to do. Trusts are particularly useful for asset protection and estate planning, as there is a lot of iwi to represent, the Trust ensures that their overall interests are met. Another option for an ownership structure is a Māori Incorporation, which is a structure similar to a company and can be established over any Māori land. A Māori Incorporation:* has all the powers of a limited liability company
* becomes the legal owner of any lands or assets vested in it
* has a Committee of Management who are elected by a meeting of shareholders
* has shareholders, who own shares in the Incorporation, rather than in any individual block of land
* maintains its own list of shareholders
* may stipulate a minimum shareholding for shares
* can declare dividends and manage its own unclaimed dividends
* Incorporations run independently of the normal court processes that apply to trusts.

Impacts of having a Trust as the business structure on Hangawera Station are: * The ability to maximise their assets and minimise the liabilities of the Trust.
* Able to provide for the cultural needs of the beneficiaries.
* Allows greater opportunity for hapu and iwi to use the land.
* The Trust becomes the single point of contact for the block, so the managers can get on with day-to-day activities.
* Can make long-term decisions as the Trust is not subject to the laws of limitations for trusts (non-Māori land trusts terminate after 80 years, Māori land trusts continue until terminated by consent).

Impacts of having an Incorporation as the business structure on Hangawera Station are: * The ability to establish and run the Station operations for maximum financial benefit to the shareholders.
* Has autonomy from the normal Māori Land Court practices that apply to normal Trusts.
* Is free to buy, sell, and mortgage investment land and to generally treat it in a business-like way, free of restrictions from those imposed from the Te Ture Whenua Maori Act 1993.
* Voting and resolutions are done on the basis of the number of shares you have, rather than the number of votes received.

*The examples above are indicative samples only.* | The student demonstrates in-depth understanding of a primary industry business structure that best meets the strategic needs of a business.In their presentation, the student:* Has thoroughly explained the recommendations by justifying a business structure that best meets the strategic needs of the business.

**For example: (partial evidence)**In addition to the evidence for achieved:The Trust business structure would be the most relevant for Hangawera Station, as they are able to meet their strategic needs:* Maximise their assets and minimise the liabilities of the Trust. This ensures that they can spread the risk while they grow their land. Profits from the trust’s activities are reinvested for the benefit of the trust members
* Conduct their business in a professional and business-like manner and provide for the cultural needs of the beneficiaries. This ensures that generations of Waikato-Tainui people prosper through the work that they are involved in, and improves the wellbeing and prospects of their people, their language and culture, and their environment.
* Allows greater opportunity to use the land. This ensures that they are able to create more wealth and job opportunities for Māori.
* Can make long-term decisions as the Trust is not subject to the laws of limitations for trusts. This ensures that they are able to pass their land on to future generations.

*The examples above are indicative samples only.* | The student demonstrates comprehensive understanding of a primary industry business structure that best meets the strategic needs of a business. In their presentation, the student:* Evaluates the long and short-term implications of this selected business structure on the business.

**For example: (partial evidence)**In addition to the evidence for achieved and merit:The Trust business structure would be the most relevant for Hangawera Station, to enable it to meet its strategic needs.The Incorporation business structure would not be as relevant for Hangawera Station, even though they would be able to meet the majority of their strategic needs. The main issue would be that the Incorporation is free to buy, sell, and mortgage investment land. This is in contradiction to Hangawera Station’s strategic goals of: * Creating more wealth and job opportunities for their people.
* Improving the wellbeing and prospects of their people, their language and culture, and their environment. If you sell your land, you have no control over the future of the environment.
* A Māori Trust freezes succession to the current owners, whereas under an incorporation future generations are not protected.

 The long and short term implications of utilising a Trust business structure on Hangawera Station are:Short term:* Can reflect the whanau ownership base by having clear cultural goals and aspirations.
* They can run it as a commercial business if required.
* Decision-making and day-to-day operation of these trusts can be difficult.
* Decision-making can be slow and therefore challenging.
* Diverse aspirations and needs of owners can be divisive.
* Environmental, social, cultural implications can be given priority over financial considerations.

Long term:* The Trust is not subject to the laws of limitations for trusts. This ensures that land can be passed onto future generations.
* The inability to sell and mortgage the land enables the trust to make long-term plans.

*The examples above are indicative samples only.* |

Final grades will be decided using professional judgement based on a holistic examination of the evidence provided against the criteria in the Achievement Standard.