

HOW HEALTHY ARE YOUR EMPLOYMENT RELATIONSHIPS?

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Introduction

This paper is an excerpt from a report compiled for Dairy Insight by ATR Solutions Ltd. It is intended to provide an insight into the development of the Employment Health Assessment resource which is available to all levy paying dairy farmers through ATR Solutions, Dexcel and Agriculture ITO. Farmers can complete the resource on line at www.eha.co.nz and also download the resource at no charge.

The labour challenge

The dairy industry, like many other industries, faces the challenge of maintaining the quality and quantity of people in its labour force. There is clear evidence that, like many others, dairying struggles to source enough of the right people to meet its needs.

Throughout the development of the Employment Health Assessment, farmers identified a range of factors that they believe are affecting the dairy industry's ability to source and retain good staff on-farm. Farmers have also shown willingness to make changes to practices on-farm, as long as it does not distract from their primary role in converting grass to milk.

It is accepted that the management techniques and processes to achieve best practice in employment have been implemented by many farmers and private consultants on farms with success for many years. Indeed these practices and examples are well-documented and now available to anyone who chooses to access these resources.

The challenge has always been to achieve effective extension of these good employment techniques to the farm employers and employees who need them most. Many of the resources available require the farmer to spend time and effort setting up the basic systems and then maintaining information. To obtain the full value from these resources, they need to be able to continually evolve alongside the farm property and on-farm systems.

Farmers now face a range of regulations and restrictions, and current trends indicate this will continue into the future. As such, the outcomes of this project have clearly highlighted the importance of keeping things simple and avoiding the imposition of new regulations if new initiatives to improve employment practice are to be adopted by wider industry participants.

Background

In response to the labour challenge, Dairy InSight has funded research into appropriate initiatives to help address the problems identified. On behalf of Dairy InSight, ATR Solutions set out to develop guidelines for farmers that would help them identify how healthy their employment relations were and then assist them improve their employment practices.

Thirteen farmer workshops were conducted around the country, attended by 158 farm employers and employees. At each of these meetings, farmer's opinions were gathered in an independent manner to answer the following questions:

- What are the key factors that are affecting labour on dairy farms?
- What would improve the situation of labour on dairy farms in New Zealand?
- Would employment guidelines improve the labour situation on farm?

Of the total number of farmers who attended, 62 percent were employers, 29 percent were employees and the remaining 8 percent classed as other (e.g. farm consultants, bankers).

Factors identified as affecting labour on farms

At the farmer workshops, participants identified five main themes affecting labour on farms. Figure 1 below shows the relative number of comments made by farmers across New Zealand on each of the themes.

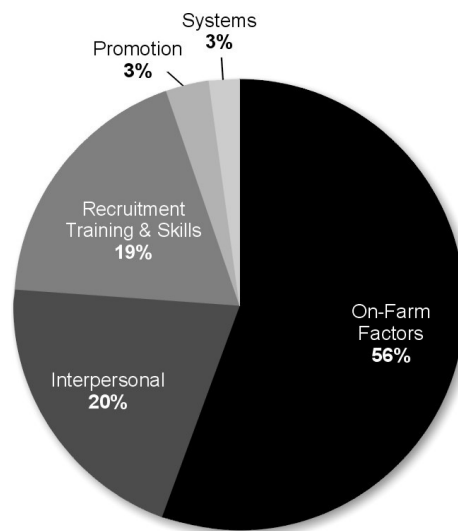


Figure 1: Percentage of comments made by farmers on the main factors affecting labour

While the farmers were not asked to rate these factors in order of importance, the relative number of comments about each theme gives a sense of importance.

Clearly, on-farm factors are viewed by farmers as being the main things affecting labour on dairy farms.

Figure 2 shows the breakdown of different topics commented on by farmers under each of the main themes. It shows the number of comments made on each topic, grouped into the main themes shown in Figure 1.

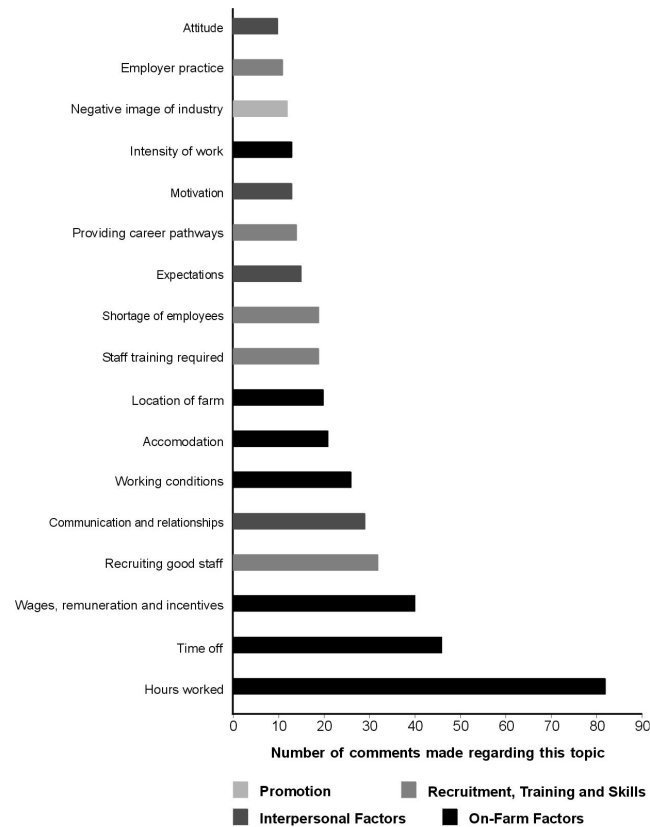


Figure 2: Number of comments made by farmers on topics included in each main theme

Based on this information, it can be concluded that initiatives focused on addressing the on-farm factors affecting labour would be of most value to farmers (both employers and employees) across New Zealand.

How farmers defined guidelines

In the farmer workshops guidelines were initially defined to participants as “best on-farm practice for employment”.

Participants were then asked to add to this description and provided the following additional clarifications:

- Suggestions
- A plan
- Best practice
- Code of practice
- Minimum standards

- A template or framework
- Beyond the legal requirements
- Clear policies
- Rules

How farmers rated guidelines

Farmers in the workshops were asked individually to rate how effective employment guidelines could be to address labour issues on dairy farms. They used a scale of zero to 10, with zero being not useful at all for addressing labour issues and 10 being very effective.

Figure 3 below shows the results.

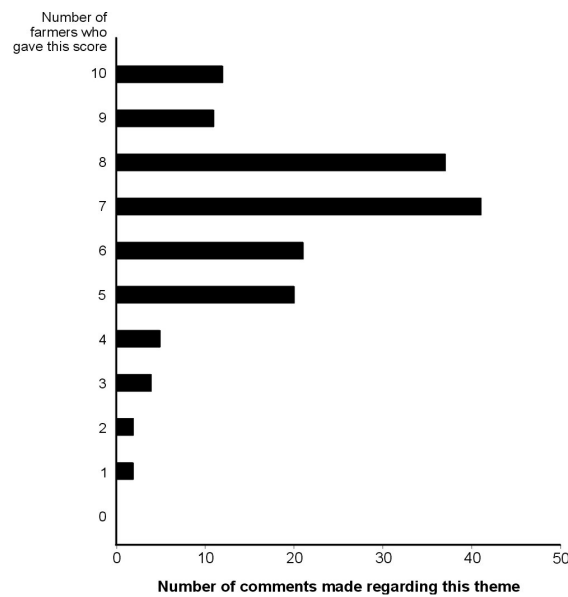


Figure 3: Effectiveness of employment guidelines on addressing labour issues on dairy farms

Farmer concerns about employment guidelines

Farm Level

- How guidelines would be policed
- Guidelines could be used against employers and do more harm than good
- Would not be flexible enough
- Potential cost of implementation and administration could be higher than the value
- Duplication with existing resources

Industry Level

- Guidelines could become regulations or legislative
- They would not reach those who need them
- Guidelines might be unrealistic, bureaucratic or even too low

Farmer views about the potential benefits of employment guidelines

Farm Level

- A useful benchmarking tool
- Could improve farmer knowledge of their role as employers
- Assist in the attraction and retention of staff
- Could be used to assist with planning, goal and direction setting with staff
- Would assist clarification of expectations between employer and employee and improve communication and understanding

Industry Level

- Help eliminate bad practice and exploitation, encouraging good practice and fair treatment of staff.
- Improve the image of the industry and attract positive, informed people to the industry
- An efficient way to share the best ideas across the industry and to have some consistency and clarity

How employment guidelines could be implemented or used

The farmer workshops enabled participants to identify a variety of ways in which guidelines could be implemented or used. The ideas that participants suggested were:

- A resource that can be displayed in the farm dairy to clarify expectations.
- An assessment that an employer and or an employee can undertake to clarify expectations.
- An assessment that employers can conduct to identify what areas need attention.
- A resource that directs users to the range of resources that can be used to add to or improve existing systems.
- A ready reference resource that brings together key information about employment related matters.
- Selective industry benchmarks around key issues that need addressing.
- A template or step-by-step plan to use in managing employment in the workplace.