Do Employer Groups Help with Dairy Farm Employment? Why Hasn’t the Idea ‘Caught-On’?

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LEW 14, Victoria University of Wellington, 29 November & 1 December 2010
Introduction

• Side benefit of a larger fatigue study
• Led to review of success of dairy employer groups
Dairy farm employment 2010

- Attraction and retention of talented people continue to be key priorities (DairyNZ, 2009)
- Need for quality work environment
- Need for improved dairy farm productivity
- To continue to be one of the world’s lowest cost dairy producers
- Four examples of dairy employer groups
Amuri Dairy Employers Group (ADEG)

- Amuri area 90 minutes north of Christchurch
- Traditionally sheep/beef farming
- Waiau Irrigation Scheme commissioned 1983
- Change to dairy farming – now 60 farms
- Area had appalling reputation for dairy employment
- Founded 2000 to improve employment situation – farmer initiated response
CODE OF PRACTICE
ADEG establishment

• Code of Employment Practice agreed initially
• Accreditation procedure agreed later
• Accommodation standards set
• Training for Employers and Employees instigated
• Facilitated farmer and worker mixing and networking
• Community engagement facilitated ER e.g. Amuri Academy
Clydevale Clinton Quality Employers (CCQE)

• Founded 2004, based on ADEG idea from SIDE 2001
• Also farmer initiated/owned
• To be ‘employers of choice’
• Initially private auditing of employment standards
• Admin – Clutha Agricultural Development Board
• State – currently inactive
Southland/Otago Good Dairy Employers Association (SOGDEA)

- Attempt to found in 2006-7
- Initiators: migrant consultant and local farmer
- Leading in dairy farming so it becomes employment of choice
- Initially used QFENZ auditing, but rather hard for dairying
- Admin defunct
- State – mothballed, uneconomic
Quality Farm Employers of New Zealand (QFENZ)

• Founded 1999
• Consultant initiated/owned
• To be employers of choice
• Auditing ATR Fegan (in-house)
• Admin - In house
• State – Ended September 2008, uneconomic
Case study of ADEG - Methods

- Focus - organisational and employment practices on farms for managing workloads
- Eight current/past members, six farms
- Mix of owners/managers
- Semi-structured interviews
- No employees interviewed – difficulties of access
Results

• Subjects desired to be ‘employers of choice’ with quality work environments
• Needed structures and processes for employing and managing staff e.g. People4Dairying farmer resource
• Needed willingness to learn and change these structures and processes as required
These included:

- Working alongside their employees
- Being able to train and guide as needed, while doing day-to-day tasks
- Teams need ‘people people’
- Helping employees integrate into the community e.g. facilitating them joining local clubs, sports etc
- Non participation could lead to isolation and exiting industry
Yet more:

• Rosters were key - ranged from:
• Each employee having a specific job and responsibility, with a monthly roster
• To a system where each employee was given responsibility for a part of the farm for a period of time, before being moved on to another part of the farm, to give overall mastery
Career paths

• Providing a clear career path to employees was important
• Career paths differed from employer to employee
  – Route 1: Sharemilking – the traditional dairy farming ladder
  – Route 2: Equity partnerships - less initial capital needed
The ADEG

- The ADEG was critical to a better reputation as somewhere to work
- Difficulties obtaining employees prior to ADEG
- Had significantly improved standards of employment in the Amuri
Current status of ADEG

• Unofficial recess for last two years
• Some were keen to see the group evolve to help with current problems e.g. migrant workers
• Meeting 27 April 2010
• Partnership with Enterprise North Canterbury and DairyNZ
• DairyNZ will fund administration for 3 years to help reignite good employer practices
Hours Issue

• In original Code of Practice hours of <18 year olds restricted after heated debate
• Employee demographics have now changed with substantial migrant workforce
• Average age now estimated at 28
• Therefore issues of working long hours were not believed to be as significant as before
Impact on the Amuri community

• Encouraged formation of community groups e.g. migrant support, integration of ESOL speakers
• Social activities for employers and employees encouraging networking and friendships
• Official welcomes to newcomers for new dairy seasons
Concerns with ADEG

- Lack of confidentiality in audit process
- Failure to engage younger employers who believe they have achieved their employment goals
- Leadership succession – problems of continuity
- Maintaining effective administration
- Coping with personality mix in district
Migrant workers

- Over half of workers in the Amuri were from overseas
- Often employed on farms that had struggled to keep staff
- Migrants stayed with their employer ‘because of their work ethic’, even if not good employers
- Because farms were fully staffed, more stable, they became better managed
- Farmers valued them against locals who were often resistant to employment systems, which they embraced (compare dairy work in Saudi Arabia, e.g. rosters)
- Language/cultural differences were barriers
- Impacts of children on schools
- Immigrant committee to work on concerns
Community connections

• Easier when children at local schools
• Harder when children get older/move to town schools
• Sports clubs – participation needs favourable rosters
• ADEG fosters connections through employer and employee activities
Inter-generational problems

• Perceived differences by interviewees
• Younger generation of workers not prepared for dedication and hard work to develop their farm
• Generation ‘I’
  – iPod
  – iPhone
  – I want…
Discussion

• No silver bullet to solve employment problems
• Range of practices to cope with recruitment/retention problems
• Need to demonstrate good work practices, help employees integrate, provide career paths
• Most interviewees took a realistic view of workers and their expectations
• Have not changed systems to cope with long hours and demands of dairy farming
Outcomes

- Few recruitment/retention problems
- Continued concerns about audit and feedback practices
- Employers believed that the ADEG had improved the reputation of the region (Edkins, 2003; Hannah, 2009; AgResearch, 2010)
Why have dairy employer groups ‘not caught on’?

• Substantial changes in dairy farm labour market, advent of migrants, less fussy of employers, so employers see less need

• Range of other employment services extended (DairyNZ, private commercial providers)

• Employment much more talked about → values may be changing

• Forming and developing such groups is hard/costly work on top of long dairy farming hours

• Hard to replace initial charismatic leaders
Further research

• Employees’ views of dairy employer research groups
• Exploration of the role of dairy farmers in local community, ‘others before self/business’?
• Maintenance of farmer wellness and wellbeing – a cause for concern for DairyNZ?