

# **Do Employer Groups Help with Dairy Farm Employment? Why Hasn't the Idea 'Caught-On'?**

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# Introduction

- **Side benefit of a larger fatigue study**
- **Revisited territory covered at LEW 10 by Edkins and Tipples (2002) & Edkins (2003)**
- **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?**