

Secret to finding staff is a professional approach

An effective workforce can make or break a farming business, so it is vital for farmers to place particular emphasis on the employment process. This report, funded by the Rural Industries and Research Development Corporation, provides a guide for farmers considering employing staff, both family and non-family, and shows how adopting a professional approach can make the process of employing staff much easier.

At a glance

- Quality staff are one of the most valuable assets in a farming business, so it makes sense to invest sufficient time to make the correct decision.
- Sixty-five per cent of Kondinin Group members surveyed said finding reliable and high-quality permanent farm labour was difficult.
- A skills audit will help assess the business' needs and identify areas for improvement, which will assist when writing a job description for new employees.
- Involving other staff members when writing the job description will make the employment process easier. Job descriptions assist in matching the candidate's skills and experience with the job position.
- Employers can widen their search for job applicants by seeking employees from a range of sources such as rural employment agencies, newspaper advertisements and word-of-mouth.
- Preparing questions for job interviews will develop a more effective discussion with applicants.
- Include an induction period as part of the employment process for new staff to 'learn the ropes'.
- Communication is critical to the success of retaining staff. Look after staff and understand their needs.
- Review staff performance regularly and provide constructive feedback.



Beth Field

By taking a professional approach when employing staff, employers can set the course for hiring and retaining high-quality workers. Valuing employees as part of the team, building career paths and paying competitive wages are all part of the professional standards employers need to possess. Pictured are Wayne Roberts (left) and Adrian Brennan, Wongan Hills, Western Australia.

Finding quality farm staff is not easy but according to Australian farmers the secret of recruiting and retaining quality employees lies in the professional standards of employers.

Farmers who take a professional approach are those who invest time and effort into their people, help build career paths, value employees as part of the team and pay competitive wages.

Cost is often a major deterrent when employing farm labour. For example, basic salary and benefits packages range from a minimum of \$26,453 for a first year jackaroo, up to \$49,000 for stationhands and from \$32,000–\$62,000 for overseers.

The red tape of occupational health and safety rules and other risks associated with employing staff also has deterred many farmers from expanding their farm staffing levels.

But there is a need to recognise that high-calibre and loyal staff are one of the most valuable assets in any farming business.

This Research Report was put together to show how to source farm labour and keep quality people once they are employed.

Farm labour

The rural industry competes for labour against many industries, in particular the mining industry which can offer generous pay and structured career paths.

Such pressure means many farmers have to pay above award wages to attract and maintain a quality workforce.

Traditionally, employment arrangements in agriculture have been informal structures containing many non-cash benefits such as housing or vehicles. Unfortunately, these benefits usually are not well-documented.

The key challenge for the agricultural industry is to increase its professionalism in its approach to employing staff, whether they are family or non-family members, permanent or casual employees.

Survey results

According to Kondinin Group's 2004 National Agricultural Survey (NAS 2004) almost two-thirds (65 per cent) of the farmers surveyed found sourcing reliable and high-quality permanent farm labour difficult.

Trends were similar when employing casual staff with 64% of farmers finding the process difficult.

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Some reasons put forward for this difficulty are a lack of people to choose from; high demand for skilled labour; young people leaving the district in favour of working in other industries; and because working in remote areas is less attractive.

Compared with 10 years ago, most farm businesses have reduced the number of people employed with more than two-thirds (69%) of farmers surveyed having no additional permanent farm labour.

Of those surveyed, 20% employ one permanent worker, 6% employ two permanent staff and only 1.7% employ more than five.

Instead, farmers are employing more casual or seasonal staff than ever before.

Today, 30% of members employ one casual farm employee, an increase of 6% from 10 years ago. An increase of 4% to 15.5% was reported for farmers employing two casual staff. An increase (1%) was also noted for those farmers (8.5%) employing five or more casual farm staff.

The key reason for employing casual farm labour was for increased efficiency at peak times but also due to farm expansion and farmers concentrating more on management which required more operational resources.

The average age of farm employees is 25–35 years (32% for permanent and 35% for casual labour) and 36–45 years (29% permanent and 27% casual farm labour).

Investing in farm labour

Farmers who are successful at employing and retaining quality people view their employees as an asset.

Regardless of the type of labour employed, it makes business sense to invest adequate time when sourcing staff.

A necessary skill for management is to stand back and take an overview of the business' needs. This is the first step in the employment process and will show farmers if extra staff are needed, as well as the role of new employees.

Farmers need to think beyond the traditional role of a farm worker when it comes to getting help to run the business.

Apart from farmhands, machinery specialists or agronomists, farm labour also can incorporate part-time administrative staff that add to efficiency by helping 'sort out the paper mountain' that piles up on many farm offices.

Pleasingly, three-quarters (76%) of farmers surveyed interviewed potential permanent employees but only about one-quarter (26%) did so when employing casual farm labour. Unfortunately, just over half (55%) carry out reference checks on permanent staff.

Other important components which many successful farm employers use to retain



Toni Nugent

Advertising job vacancies in newspapers can help widen the search for potential employees. While only 10 per cent of farmers surveyed placed advertisements in newspapers, other popular sources were employment agencies and word-of-mouth.

permanent staff are dealing with staff grievances and disputes quickly and fairly; holding meetings with staff regularly; including a probationary period for new employees and having written job descriptions; providing regular training and periodic performance reviews.

Employers also need to have a sound understanding of their legal obligations and duties to employees (family and non-family) as failure to do so can prove a costly exercise in time, money and possibly family relationships.

Seasonal issues

Trends show more employees are being sourced from overseas, especially for seasonal work such as harvesting and sowing.

Farmers who employ working holiday makers need to have a thorough understanding of working visas, sourcing and sponsorship of employees, tax and superannuation issues.



Toni Nugent

Seasonal contract work generates a large number of employers seeking the same skills from an often small pool of workers. Factors including supply and demand determine the price and availability of labour.



Toni Nugent

Employees are an asset to the farming business, so it is important to invest adequate time in the employment process.

Many seasonal or casual employees are also sourced from local networks (such as neighbours, farming organisations and local sporting clubs), by word-of-mouth, among younger people who are looking for temporary work during school and university holidays or retirees.

Labour supply and demand

Supply and demand forces, which generally are out of the control of individual farmers, determine the price and availability of labour. This is the case for all labour whether it is permanent, seasonal, casual or on a contract basis.

Seasonal work, in particular, generates a large number of employers seeking the same skills from a limited pool of workers.

Isolated location and areas where competition from other industries such as mining is high often experience more acute labour shortages.

The supply for rural workers has been influenced by many factors including the migration of traditional farm workers to higher paying jobs in other industries and in cities; the continued decline in rural infrastructure such as schools and services has made rural living less desirable; falling commodity prices; and the often negative perception of farming as a long-term and worthy career has made it a less attractive occupation.

The labour shortage has created an employee's market that also presents challenges for employers when sourcing quality staff and retaining existing farm labour. Increased professionalism in employment, management and higher rates of remuneration are certainly needed.

Pursue all avenues to find the best people

Recruiting quality farm labour is a major decision and requires the same time and consideration as any other farm investment.

Rushing in and hiring the wrong person can be a costly exercise.

Staff recruitment needs to be part of the overall business planning process.

Undertaking an internal review of the farm's operations can assist in prioritising jobs and what procedures require change or need to be intensified to increase margins. Identifying the requirements of the farm business also helps determine the type of labour needed and can assist in writing a meaningful job description.

Consider the long-term goals and issues of the farm business with family members before deciding on the type of person to be employed.

Skills audits

A skills audit is an effective method of assessing the business needs and identifying areas for improvement. This involves listing what each employee is required to do and identifying areas that need improvement or attention. Employers can often find that available skills are not being used to their maximum benefit.

The audit allows farmers to identify areas of the business that could benefit by using casual or contract labour, new part-time or full-time positions, capital equipment requirements or excess, areas where new or continued training is required and employee strengths and weaknesses.

Writing a job description

Regardless of whether the search for staff is to be undertaken by the employer, an employment agency or a consultant, a job description is required and will make the process more efficient and purposeful.

Identify key needs and constraints and prioritise issues to be addressed. Input from existing staff on the requirements and job description can prove useful. Remember to be open to new ideas and alternatives. (See the 'Labour needs checklist' opposite for a job description framework.)

Farmers are competing with other industries for quality labour. Total salary packages in the farming industry are, on average, lower than other industries, so it is important farmers offer realistic wages and salary packages. This is often difficult and farmers find themselves juggling what the farm can afford, the legally binding awards and employee expectations. Wages need to be set at or above the State and Federal award rates.



Toni Nugent

Hiring the wrong person can prove costly, so it is important to plan ahead. Carry out a skills audit of the farm, review the farm business and involve other staff members when writing job descriptions.

Be specific and accurate when advertising a job.

Duty statements and job specifications are helpful in producing a brief summary of the key qualities and skills needed. A description

of the farm and the context in which the job is placed also can help attract the appropriate people. The job description includes:

- Job title and description (for example, farm hand, mechanic or farm manager).
- A brief statement (one sentence) outlining the purpose of the job.
- Whether the position is full-time, part-time or casual.
- Location of the position.
- Salary range including non-cash benefits (a study by Holmes and Sackett found non-cash benefits added a further 22–44% to the base salary).
- The employer's name and contact details.

Other documents to be prepared include duty and accountability statements describing the main purpose of the position and a job specification defining the skills, qualities, knowledge and information required to perform the tasks.

Sourcing reliable and quality staff

The next step is to decide on how to find potential employees. Pursuing a range of sources (word-of-mouth, employment agencies or newspaper advertisements) can often increase the pool of job applicants.

The value of informal methods of sourcing employees including word-of-mouth, friends and neighbours and sporting clubs should not be underestimated. State-based farmer organisations are another useful information source due to their experience in industrial matters.

Kondinin Group's 2004 National Agricultural Survey (2004 NAS) showed most farmers preferred to source farm labour

Labour needs checklist

The following checklist provides a framework for the job description and sets some reference points on which to base future decisions when hiring staff.

- ✓ List the nature and scale of operations. For example, number of hectares, livestock numbers, area under crop, type of machinery operated and the busy periods.
- ✓ Specify all tasks to be carried out and prioritise these based on existing skills.
- ✓ List the skills or capabilities of the current farm labour force.
- ✓ Consider the skills the farm requires, not only now but for the future.
- ✓ Will the position be casual, seasonal, part-time, full-time or contract?
- ✓ Determine the level of experience and skills required of potential employees.
- ✓ Consider the future training or career path intended by prospective staff.
- ✓ Determine an applicable wage range, including non-cash benefits.
- ✓ Check the availability of housing or accommodation (quantity and quality).
- ✓ Indicate the starting date for the position advertised.

themselves with only 12% choosing to use employment agencies (see Figure 1).

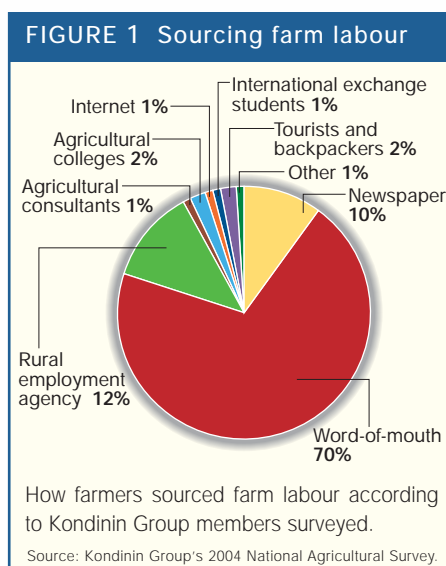
Whether farmers have decided to search for prospective staff themselves or seek assistance such as from an employment agency (remembering there are costs associated with agencies), up-front planning and budgeting for time and cost can help minimise unforeseen problems. These could include misleading job advertisements, discrimination, employee eligibility such as a valid working visa or driver's licence and compliance with minimum conditions. Non-compliance with workplace legislation could also result in costly consequences if the process is rushed.

The informal job market

A powerful recruiting tool is the informal job market, particularly in farming communities.

The 2004 NAS also revealed the most successful way of finding new employees was by word-of-mouth with almost 90% of farmers rating these employees as good (47%) or excellent (40.5%) workers.

Talking to friends, neighbours and local clubs is an effective method of sourcing labour, especially for casual and seasonal labour, not only for the advantage of finding out about availability but the information provider often has first-hand experience of the skills and work ethic of the potential employee.



Other ways of sourcing farm labour include placing advertisements in local and regional newspapers or community newsletters, contacting agricultural colleges, schools or TAFE and placing notices in shop windows or on community noticeboards.

The 2004 NAS showed 10% of farmers advertised job vacancies in newspapers. Of the staff found via newspaper advertisements 42% were rated as good workers and a further 25% as excellent.

Although work arrangements can be informal, short-term or involve family members, it is important to document the terms of employment so all parties are clear about their responsibilities and consider potential liabilities if something goes wrong.

Casual workers must be covered by workers' compensation. In most States, contractors and their workers also must be covered through deeming provisions. Public liability is not associated with workers but is general cover for the public.

If sourcing farm labour from sporting clubs, try to ensure club commitments will not conflict with farming operations.

Employment agencies

Another option is rural employment agencies, which provide a range of services including: assistance in determining the job description; sourcing and advertising for candidates; database reviews for employee matches; screening of candidates; performing initial interviews and reference checks; providing summaries of potential candidates; and assistance in drafting the remuneration package and employment contract.

Some agencies provide guarantees for candidates such as a replacement if the candidate is not suitable after a trial period.

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Of the 12% of farmers surveyed who used rural employment agencies, 46% rated their employees as good workers. More than half (63%) of these farmers rated the employment agencies as poor to fair. Only 37% of farmers rated agencies as good to excellent when it came to sourcing and matching the employee to the farmer's job requirements.

For permanent positions the placement fee charged by agencies is usually 5–10 per cent of the first year's annual salary. A set fee is charged for seasonal or contract positions.

Isolated farmers and those looking for seasonal labour might need to reach potential employees outside their local area.

The time involved in more detailed searches can make agencies a more attractive proposition. Before using an employment agency, establish: the terms, fees and scope of the agency's role; the number of candidates to be interviewed; whether the agency has intrastate, interstate and international

contacts; relevant knowledge and experience in placing staff for the type of operations concerned; the nature of reference checks to be performed; the time-frame for placements; intended search methods; and whether any guarantees are included.

Job networks

The Commonwealth Government Job Network incorporates about 200 private, community and government organisations dedicated to finding jobs for unemployed people nationally. The network can also help with wage subsidies, training or support (visit the web site at www.jobsearch.gov.au).

Employers advertise vacancies on the Australian Job Search web site and job seekers contact the network member. The employer hotline (phone 13 17 15 at a local call cost) is the first point of call when a job vacancy arises.

If jobs are advertised and screening or short-listing of applicants is undertaken

by a Job Network member, fees could be charged. Alternatively, farmers can place their job vacancy on the Australian Job Search themselves for free and potential employees then contact the farmer directly.

But the listing of jobs lapses after seven days unless an extension is requested.

Finding staff on the internet

Job vacancies are often circulated on the internet and electronic bulletin boards in a range of industries, including agriculture.

This form of advertising is growing in popularity and although the percentage of Kondinin Group members using the internet for sourcing potential employees is low (1%), farmers should consider using it as a fast and effective way of seeking staff.

Agricultural colleges, State agricultural departments, consultants and farm information services also have email addresses and web sites advertising job vacancies.

Backpackers fill the void in seasonal jobs

Farm information



Contractor

Rick Benham

Location

Queensland: Roma, Tambo and Blackall;
Northern Territory: Barkly Tableland

Enterprise

Contract baling and haymaking

Number of employees

Casual: 3–7, depending on the season

seasons and conditions means he sometimes can only offer short periods of employment (often 3–6 months). This means Australians looking for permanent work (often the most skilled) often do not apply or leave when more permanent work is offered. Overseas visitors on work permits have filled the void.

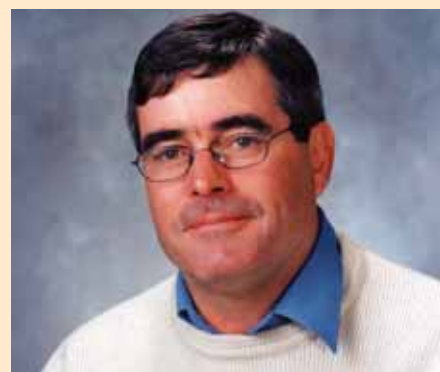
Offering employment

Agency-sourced employees are placed on a farm for one week where their skills are assessed by the Visit Oz trainer. Rick not only uses this assessment to gauge how a prospective employee's strengths and abilities will fit into his business' needs but he also telephones the individual outlining his requirements and asks questions to identify the applicant's expectations. Wages and conditions are detailed and an offer of employment is made.

Because of the casual nature of the employment there is no contract or probationary period. Instead, an induction period — which varies from one day to a week, depending on the skills of the individual — is used to train employees in machinery safety, operation and maintenance. During this time Rick notes the abilities of each employee, then assigns them to teams where their skills and personalities will complement those of their team mates.

Rick has two teams operating either together or separately, depending on the work load and time constraints, with each machine able to operate up to 24 hours per day.

Rick said without overseas labour he could not expand, as sourcing employees locally during peak seasons was virtually impossible.



Rick Benham often employs backpackers, sourced mostly from an employment agency.

Keeping staff

Retaining staff is always difficult, due to the 'carrot' of permanent employment often in mining or related industries offering better pay and conditions. But Rick feels the package he offers to seasonal workers which includes accommodation, meals and competitive wages (\$70 per day plus keep for unskilled workers plus social activities including short trips or the use of a vehicle to access tourist sites) is a key reason he retains his employees. He also takes a team approach to his business where all staff are included in discussions, they work closely together and also have time for socialising.

In the past Rick has terminated some staff over safety concerns, poor work attitudes or incompatibility with other staff which he sees as important due to the amount of travel involved with the business where all staff travel, work and live together in work camp situations.

For more information contact Rick Benham on 0427 223 422.

A shortage of local labour for seasonal work has forced contract baler and haymaker Rick Benham, Roma, Queensland, to turn to overseas backpackers to fill the vacancies.

But he could not be happier with his choice as many of these backpackers, mostly Europeans, have previous farm experience.

Rick employs 3–7 staff members, depending on the season, and hopes to expand the business to support full-time staff. Most of his staff are found through the employment agency Visit Oz, which specialises in placing overseas workers. Some overseas employees are now also sourced by word-of-mouth after talking to others he has employed previously.

Although Rick has had some success with sourcing staff from word-of-mouth and through local contacts the fluctuating

Building career paths helps staff want to stay

A key focus in Richard and Emily Gardner's farm business is providing career opportunities for their employees.

The Gardners aim to provide employees with all the knowledge and experience they need for a successful career in agriculture. This career path will be enhanced when the business expands, providing increased responsibilities for staff and even allowing some employee ownership of parts the business.

Richard and Emily farm 2600 hectares at Tunbridge, Tasmania, and employ three full-time staff. Richard also works full-time on the property and Emily contributes two days a week. Contractors are employed for shearing, harvesting and cultivation.

Although they have one long-term employee and another two are new, they like to think the reason for retaining employees in the past has been the result of providing a stimulating job position.

The need for additional farm labour arose from the increased work load created from converting from a Merino sheep enterprise to irrigated cropping.

Sourcing farm labour

Richard, a Nuffield Scholar who studied the role of people in expanding agricultural business, and Emily have sourced staff from newspaper advertisements but their positive experiences in finding suitable staff from agricultural colleges has meant these are now one of their first points of call when looking for new farm labour.

The Gardners prefer hiring young people, due partly to their willingness to learn, fresh approach to farming and technological know-how. In turn, Richard helps them gain new knowledge and practical experience.



Providing career opportunities and a stimulating job are key reasons for Emily and Richard Gardner's success in retaining farm staff.

He said training of staff was a fundamental part of the cost of employing staff.

Employment process

The Gardners undertake an extensive process when employing farm labour.

First, they identify their staff needs, then write a position description and detail the type of person (ideal profile) they are seeking to employ. After this, the couple contact agricultural colleges for suitable applicants or place newspaper advertisements. Applicants are assessed to suit the job profile and unsuccessful candidates are notified.

The next stage is to interview potential candidates, carry out reference checks and offer the job to the successful person, customising the employment agreement to mutual needs.

A three-month probationary period is included in new employment agreements, with another review after six months. Position descriptions are also reviewed and modified if necessary to reflect changing responsibilities. All permanent staff have an employment contract (each party has a copy of the contract).

Richard also relies on written procedures and signed checklists for high-risk tasks (either financially or safety-wise). This allows for shorter training periods and for employees to carry out tasks they otherwise might not have felt confident in performing alone.

Remuneration package

In terms of remuneration, Richard believes it is important to understand what motivates individuals, their aspirations and what they want to achieve from their work.

Salary packages are tailored but generally include a wage plus accommodation; bonus or incentives; superannuation; telephone allowance; vehicle use; tools provided; and computer use. Richard and Emily believe one downfall in the industry is the lack of pay rate information for jobs other than the traditional positions in agriculture.

For more information contact Richard Gardner on r.gardner@bigpond.com.au.

Seek out agricultural colleges

Although only 2% (15 respondents) of members surveyed used agricultural colleges for sourcing farm labour, most were extremely happy with the quality of staff found.

Agricultural colleges often have a vocational officer actively involved in placing students and graduates in farm positions on a secondment or full-time basis. Seconded students can prove valuable long-term employees who bring new and revitalised farming concepts to existing operations.

If aiming to attract and retain quality graduates, negotiate a fair remuneration package for all parties and identify a career path or incentives scheme.

Hiring an apprentice

Traineeships and apprenticeships provide opportunities for employees to gain practical and relevant training in the workplace, develop their skills and acquire a nationally recognised qualification through registered training providers.

When a new trainee or apprentice (often a farm family member) is employed a training contract is signed where the employer agrees to provide training or access to training for the employee for the duration of their traineeship or apprenticeship.

For example, a full-time agricultural trainee would be on-the-job for about 80% of the year, with six weeks set aside for off-site training, although flexible learning arrangements and formal workplace training are reducing the amount of time spent in off-farm training.

A national code of good practice provides both the employer and the trainee with a clear understanding of each other's obligations and expectations.

Employers pay trainees a wage during their training period and where eligible a living away from home allowance might be paid by the government.

Employers can employ their apprentice or trainee directly or use the services of a group training organisation which acts as the legal employer and handles not only the traineeship paperwork but also the employment details such as wages and worker's compensation.

Group training organisations also offer labour hire arrangements where a 'shared' trainee is organised for those companies with insufficient work for a year-round position.

Apprenticeship programmes seek to integrate nationally recognised competency standards (skill, knowledge and attitude benchmarks), assessment guidelines and qualifications. For example, the qualifications and training of a New South Wales trainee will be the same as for trainees in other Australian States and Territories.

For more information visit the New Apprenticeships Centres web site at www.newapprenticeships.gov.au.

Farm information

Farmers
Richard and Emily Gardner

Location
Tunbridge, Tasmania

Property size
2600ha

Enterprises
Poppies, lucerne, peas, barley, wool

Annual rainfall
465mm

Number of employees
Permanent: 3
Casual: contractors

Interviews sort the wheat from the chaff

An important part of hiring new staff is the job interview, which allows the employer and potential employee to discover more about each other and whether they will make the 'right fit' in the farm business.

Time spent preparing for the interview will help improve the discussion. Many people are nervous and do not perform well in an interview situation, so include an informal discussion, or 'ice breaker', at the start to help set the candidate at ease.

Preparing for the Interview

When preparing to interview prospective employees consider the questions to ask that will identify whether the candidate will match the job requirements. The job description (which has clear details about the job, skills and qualifications required of the employee) can form the basis for these questions.

Using open-ended questions, which require more than a yes or no answer, will encourage the applicant to provide examples of situations which demonstrated their work ethics and skills. For example, rather than asking if the applicant worked at sowing time (which only requires a 'yes' or 'no' answer) ask them to describe some of their responsibilities during the sowing period. Such questions allow a better opportunity to assess their skills and experiences.

Interviews can be tailored to identify strengths and weaknesses in particular areas such as machinery maintenance, animal husbandry or environmental management.

But avoid questions that could be interpreted as discriminatory.

For example, do not ask about age, race, marital status, pregnancy, sexual preference, physical or mental impairment, religion, political opinion or trade union membership or activity unless they are directly relevant to the specific requirements of the job.

The interview

Select a comfortable setting where the interview can be carried out without interruption. While a table could be needed for recording information during the interview, avoid placing a large table as a barrier between the interviewer and candidate.

Provide a brief background about the farm and why a new employee is required, including information on the farming operation, number of employees, equipment, property history and the employer's experience. This information allows the candidate to frame their responses according to the farm's needs. Provide the candidate with an opportunity to ask relevant questions and answer them with due respect to their concerns.

Candidates often feel uncomfortable asking about remuneration but the employer might want to know what the person is expecting.



Toni Nugent

Spend time preparing for job interviews as this will develop an effective discussion with candidates. Make a list of questions that will identify whether the candidate matches the job description.

A simple way to gauge expectations is for the employer to ask the question in terms of 'what range or type of remuneration package are you expecting?'. It is important each party is open about remuneration to find where a 'fair deal' can be struck.

It is also important during the interview to state that the successful candidate will be employed on a probationary period and to explain the consequences of the probation.

Inviting a business partner to participate in the interview as an observer can prove helpful if a second opinion is required when deciding on an employee.

Including a tour of the farm as part of the interview can give candidates an insight into the scale of the operation and an outline of the business' goals. Provide an opportunity for the candidate to inspect accommodation if it is to be included or is a negotiable item.

Reference checks

Always check the applicant's qualifications and references before making a job offer.

Former employers will provide insightful comments on an applicant's work ethics, skills, problem-solving capabilities, ability to work without supervision and reasons for leaving their previous employment.



Pamela Lawson

A farm tour provides job candidates with an insight into the farm business and scale of operation.

Informing applicants

Provide a realistic time-frame for informing unsuccessful applicants as they could be seeking other positions. Follow-up with a formal letter informing the applicant that they have been unsuccessful and thank them for their interest. Likewise, acceptance needs to be within a reasonable time (for example, 48–56 hours) in case the offer is declined and the next candidate needs to be approached.

Employers often telephone successful candidates with a job offer but terms and conditions discussed at the interview also need to be included in a formal letter.

A formal letter of appointment will prevent any confusion about the conditions of employment. Whether the employee is covered by an award or not, the letter needs to include: the date employment starts and finishes if it is for a fixed term; classification of the employee; details of the award or workplace agreement (if any); rate of pay and how and when wages are paid; details of non-cash benefits; hours of work including meal and rest breaks; leave entitlements; details of expected overtime and how it will be paid; length of probationary period; notice period in the event of termination; and a copy of the job description.

The employee signs and dates their acceptance of the offer of employment, which is countersigned by the employer and the letter kept on file.

Visit the Rural Skills Australia web site at www.ruralskills.com.au (follow the farm recruitment link) for examples of letters and formal employment contracts.

When employing staff, remember the relationship of employer and employee is a legal contract and several rights and responsibilities flow from this relationship



whether or not they are included in any written contract or documentation.

Employers must provide a safe workplace and pay fair wages and employment-related expenses. Employees must obey the lawful directions of the employer, perform their work with skill and care, be honest and not commit serious misconduct.

Induction and probationary periods

Staff induction is the process whereby new employees are introduced to the workplace and the tasks which will be expected of them (see Figure 2). Induction starts when the employee attends on the first day but can continue for some time, depending on the complexity of the job.

All new employees should be placed on a probationary period to enable the employer and the employee to assess their suitability to work together. If an employee is dismissed, the use of a probationary period will prevent an action for unfair dismissal under the Federal Workplace Relations Act and under some State laws. Seek legal advice for all employment terminations.

The period of probation must be discussed at the interview and agreed to by both the employee and the employer before starting work. The probation period also needs to be confirmed in writing as part of the letter of appointment. The length of the probationary period needs to be 'reasonable in the circumstances' and cannot be extended (for example, 4–6 weeks for a general farmhand). New apprenticeships have a prescribed probationary period. At the end of this period the employee will be eligible for employment for the term of the contract or become a permanent staff member.

During probation, provide the employee with feedback regularly regarding their performance and any need for improvement.

Remuneration packages

Rural wage structures often include non-cash benefits such as housing or vehicle use. It is important to discuss and document the nature and value of these benefits with new employees.

When determining a remuneration package, consider the standard wages in agriculture and benefits and packages offered in competing industries (see Table 1, page 14, or consult Federal and State Wagelines, see Table 2, page 14). State farming organisations, word-of-mouth, employment agencies and budget guides also can assist when establishing a remuneration package.

Industrial awards

Most, but not all, farming work is covered by either Federal or State awards. These awards determine the minimum terms of employment for specific work and employers are bound to apply the terms of the award.

Awards cover such matters as hours of work, periods of leave, pay rates, classification

FIGURE 2 Example of an induction checklist for farm staff

Name:	
Starting date:	
Personal documentation and checks completed	Regulatory procedures
<input type="checkbox"/> Tax file number.	<input type="checkbox"/> Chemical handling — ChemCert training required.
<input type="checkbox"/> Superannuation details.	<input type="checkbox"/> Training in quality assurance procedures required.
<input type="checkbox"/> Evidence of residency or right to work.	Introduction to the farm
<input type="checkbox"/> Licences and qualifications.	<input type="checkbox"/> Who is who.
<input type="checkbox"/> Medical insurance details.	<input type="checkbox"/> History.
<input type="checkbox"/> Bank details (if needed for payment of wages).	<input type="checkbox"/> Produce, harvests, annual farm cycle of activities and markets.
<input type="checkbox"/> Emergency contact details.	<input type="checkbox"/> Future plans and developments.
Terms and conditions of employment explained	<input type="checkbox"/> Promotion and pay reviews.
<input type="checkbox"/> Contract of employment or letter of confirmation issued and signed.	Welfare and employee benefits and facilities
<input type="checkbox"/> Award identified and described.	<input type="checkbox"/> Social and sporting facilities.
<input type="checkbox"/> Probationary period.	<input type="checkbox"/> Transport off-farm.
<input type="checkbox"/> Hours of work and work breaks.	<input type="checkbox"/> Living quarters, meals and facilities.
<input type="checkbox"/> Clocking on and flexi-time procedures.	<input type="checkbox"/> Organised social activities.
<input type="checkbox"/> Pay and payment procedures.	<input type="checkbox"/> Access to internet and television.
<input type="checkbox"/> Holiday and sick leave entitlements and procedures.	<input type="checkbox"/> Protective clothing supply, laundry, replacement.
<input type="checkbox"/> Other leave.	<input type="checkbox"/> Policy and procedures to prevent bullying and harassment.
<input type="checkbox"/> Reviewing work performance and counselling.	<input type="checkbox"/> Medical services.
<input type="checkbox"/> Grievance and disciplinary procedures.	Farm rules
<input type="checkbox"/> Termination procedures.	<input type="checkbox"/> Smoking policy.
Occupational health and safety	<input type="checkbox"/> General behaviour and dress code.
<input type="checkbox"/> Awareness of hazards.	<input type="checkbox"/> Telephone calls.
<input type="checkbox"/> Safety rules.	<input type="checkbox"/> Canteen and meal breaks and facilities.
<input type="checkbox"/> Emergency procedures.	<input type="checkbox"/> Toilets and lockers.
<input type="checkbox"/> Location of exits.	The job
<input type="checkbox"/> Clear gangways and exits.	<input type="checkbox"/> Introduction to manager or supervisor.
<input type="checkbox"/> Dangerous substances or processes.	<input type="checkbox"/> Introduction to other staff.
<input type="checkbox"/> Reporting of accidents.	<input type="checkbox"/> Tour of the farm.
<input type="checkbox"/> Reporting of hazards.	<input type="checkbox"/> Requirements of the new job.
<input type="checkbox"/> First aid.	<input type="checkbox"/> Allocation of jobs.
<input type="checkbox"/> Personal and workplace hygiene.	<input type="checkbox"/> Communication processes and meetings.
<input type="checkbox"/> Identified introductory training courses on occupational health and safety.	<input type="checkbox"/> Standards expected.
	<input type="checkbox"/> Areas of training identified.
	<input type="checkbox"/> Supervision requirements outlined.

Source: Rural Skills Australia.

of employees, redundancy, allowances and dispute settling procedures.

Federal awards are binding on employers or members of a group of employers named as a respondent to that award.

For example, the Pastoral Industry Award has a list of farmers who are named as respondents to that award along with the groups of employers who make up membership of the industrial associations related to the State farming organisations. An example of the Pastoral Industry award wage rates at June 2005 for stationhands are: Grade 1 at \$12.30/hour; Grade 2 at \$12.96/hour; Grade 3 at \$13.62/hour; casual at \$15.38/hour.

If employers are not bound by a Federal award there could be an applicable State award. Check State farming organisations or State industrial agencies for details of which award, if any, applies to individual

farm enterprises. Employers can offer above award wages or conditions and many farmers do this to attract and retain quality employees.

Workplace agreements

Award provisions can be varied and provide new conditions through the use of formal workplace agreements. This enables the employment relationship to more closely reflect the needs of the individual workplace.

Often workplaces have informal work practices which work well for the employee and the employer but are not strictly in accordance with the award. These can be formalised by a workplace agreement and once certified can stand in place of the award and not be challenged later.

Workplace agreements will not be certified if they disadvantage employees when compared with the relevant award. This is called the 'no disadvantage test'.

TABLE 1 An example of wages

Manager	\$45,567–\$123,570 (Includes: lower end: salary, 9% superannuation, vehicle and keep. Higher end: salary, 13% superannuation, vehicle, house, phone, power, other.)
Assistant manager	\$34,444–\$80,450 (Lower end: salary, 9% superannuation. Higher end: salary, 11% superannuation, vehicle, phone, power, keep, fringe benefits tax paid.)
Overseers	\$32,700–\$62,799 (Lower end: salary, 9% superannuation. Higher end: salary, 10% superannuation, vehicle, house, phone, power, keep.)
Senior stationhands	\$26,864–\$80,087 (Lower end: salary, 9% superannuation. Higher end: salary, 9% superannuation, house, power, keep.)
Stationhands	\$9856–\$49,406 (Lower end: salary, 9% superannuation, phone, power, keep. Higher end: salary, 9% superannuation, house, keep, power, keep, fringe benefits tax paid.)
Jackaroos	\$26,463–\$34,215 (Lower end: salary, 9% superannuation, house, power, keep. Higher end: salary, 9% superannuation, house, power, keep.)

Source: Holmes and Sackell, AgInsights 2003.

There are three types of workplace agreements. Under the Federal Workplace Relations Act the employer and individual employees can enter into an Australian Workplace Agreement. Certified agreements and, in some States, enterprise agreements are made between the employer and all employees or a group of employees in an enterprise.

There are several formal requirements before putting a workplace agreement in place and it is recommended that employers seek legal advice or visit the Office of the Employment Advocate web site at www.oea.gov.au before putting an agreement in place.

Taxation

Under the 'pay as you go' (PAYG) system, employers are required to withhold tax from salary, wages, commissions, bonuses and allowances made to employees. Employers need to register with the Australian Taxation Office, which will send information stating the amount to withhold from weekly, fortnightly and monthly wages.

The tax withheld is paid to the tax office either monthly or quarterly when employers lodge their Business Activity Statements. At the end of the financial year, employees

are given an annual payment summary (group certificate). Employers also need to be aware of deductions such as child support payments and Higher Education Contribution Scheme (HECS) payments to be withheld.

Visit the Australian Taxation Office web site at www.ato.gov.au for more information about taxation obligations for employers.

Superannuation

Employers are legally required to pay a minimum superannuation contribution of nine per cent for each employee whether they are full-time, part-time, casual or seasonal workers. Employers do not have to pay superannuation contributions for employees who are paid less than \$450 per month, employees aged 70 years or over, employees aged under 18 years and working 30 hours or less a week and employees paid to carry out work of a domestic or private nature, for example a nanny or housekeeper, for 30 hours or less a week.

Insuring against work injuries

Employers also are required to register with the relevant State workers' compensation authority when employing workers, which includes full-time and part-time workers, apprentices, casual and seasonal labour and working directors. In some States, contractors and sub-contractors are deemed as 'workers'. It is worth checking with the State authority before employing anyone to perform any work on the farm.

It is an offence to fail to register and pay the insurance premium.

Grievances and dispute resolution

All workplaces require a formal procedure for resolving grievances or disputes. The procedure includes 'good faith' discussions between the employee and their immediate supervisor with provision for a personal representative to be present to support the employee during discussions.

Allow for work to continue while the procedure is being followed and that neither party will be prejudiced when the matter is settled as a result of continuing to work.

Terminating employees

Under Federal and State laws, termination of employment must not be 'harsh, unjust or unreasonable'. Employers are advised to seek legal advice or consult their State farming organisation before terminating an employee.

The main types of termination are summary or instant dismissal, termination for poor performance or misconduct and redundancy or retrenchment.

Summary or instant dismissal — This should only occur when an employee has engaged in serious or wilful misconduct which is deliberate, for example, theft, insubordination or wilfully disobeying a lawful instruction which had or could have serious consequences. Before terminating an

TABLE 2 Wageline contacts

State	Phone
Australian Capital Territory Federal and State inquiries on wages and conditions of employment and workplace advisory service	1300 363 264 (within ACT) (02) 6121 7992 (outside ACT)
New South Wales Federal Wageline inquiries and workplace advisory service State inquiries on wages and conditions of employment	1300 363 264 (within NSW) (02) 9246 0600 (outside NSW) 13 16 28
Northern Territory Federal and State inquiries on wages and conditions of employment and workplace advisory service	1300 363 264 (within NT) (08) 8936 5000 (outside NT)
Queensland Federal and State inquiries on wages and conditions of employment Workplace advisory service	1300 369 945 (within Queensland) (07) 3872 0550 (outside Queensland) (07) 3223 1250
South Australia Federal and State inquiries on wages and conditions of employment Workplace advisory service	1300 365 255 (within SA) (08) 8303 0400 (outside SA) (08) 8306 8700
Tasmania Wageline (Federal wages and employment conditions inquiries) Workplace advisory service	1300 363 264 (within Tasmania) (03) 6233 6776 (outside Tasmania) (03) 6222 6303
Victoria Federal and industry sector inquiries Workplace advisory service	1300 363 264 (within Victoria) (03) 9954 2510 (outside Victoria) 1300 650 838
Western Australia Federal and State inquiries Workplace advisory services	1300 655 266 (within WA) (08) 9222 7700 (outside WA) (08) 9464 4200

employee on these grounds employers need to ensure they have not condoned such conduct in the past and that the matter cannot be better dealt with by a warning. Usually, employees are suspended on full pay while the matter is investigated. The employee has the right to respond to the allegation or the termination could be seen as being harsh, unjust or unreasonable. No notice is required if an employee is summarily dismissed.

Termination for poor performance or misconduct — A formal warning procedure must be carried out otherwise such termination will be regarded as harsh, unjust or unreasonable. As soon as an issue arises the employer needs to investigate the matter thoroughly and discuss it with the employee. The employee is given the opportunity to respond, then both parties need to agree on a way to address the matter and a reasonable time-frame for the performance to improve (confirm this process in writing). If there is no improvement or the misconduct continues, repeat the process, giving the employee at least three chances (each with a written warning) to improve their performance before proceeding with termination. The employer can choose whether to require the employee to work out the required notice period or terminate the employee immediately and pay out the employee for the notice period.

Redundancy — A job becomes redundant when the employer no longer requires the work to be carried out by any employee. Before taking the step toward redundancy discuss the issue with the employee, including alternative employment such as being transferred to another position or part-time employment. There are specific notice periods and severance pay under State and Federal legislation and awards which relate to the length of service and level of remuneration. Consult State farming organisations or the State Government industrial agency for details.

Prohibited grounds for termination — Staff cannot be terminated for: temporary absence due to illness or injury; trade union membership or activity or non-membership of a trade union; acting as a representative of other employees; complaining against the employer; discriminatory grounds such as age, sex, marital status, pregnancy, religion or political opinion unless they are a fundamental requirement of the job; absence from work on parental leave; refusing to sign an Australian Workplace Agreement.

References from employers

Generally, in cases of dismissal, employers should not provide references. A simple statement of service detailing starting and termination dates, the position held by the employee and a description of the duties performed is sufficient and will avoid possible legal action by the employee. Never give a dismissed employee a reference stating they resigned.

‘Going it alone’ limits employer’s risk

Farm information



Farmers

Michael and David Mailler

Location

Boggabilla,
New South Wales

Property size

4800ha

Enterprises

Winter and summer cereals,
legumes and oilseeds

Annual rainfall

540mm

Number of employees

Casual: 1 (at sowing or
during harvest)



Supervisory responsibility and liability concerns over all aspects of employees’ work has meant David Mailler (pictured) and his father Michael have minimised their reliance on employed staff.

David said occupational health and safety legislation had devalued the labour component of their business and halted expansion and development of their farming business.

In the past, farmers could employ several staff to drive tractors and trucks or service machinery, enabling a larger area to be farmed as well as growing more labour-intensive crops on lower overheads. This contribution of labour freed employers for strategic management and to develop opportunities for expansion.

Now, the cost to the farmer of the legislation has made employing large numbers of people unviable and for many, the mandatory nature of penalties for work accidents and no protection for negligent or fraudulent claims is too high a risk. David believes this situation also has increased the ‘jack of all trades, master of none’ stereotyping of farmers.

There is a cost incurred by increased supervisor liability. The Maillers have crossed that barrier — it has been a deliberate business decision to minimise their exposure and protect their family from becoming entangled in court proceedings from which the business and their families will be the losers.

Farm workers

The Maillers seek farm labour mainly via word-of-mouth and among backpackers. David said the only downfall with employing backpackers was their lack of experience, which often required time spent on training. Backpackers usually came with an enthusiastic attitude.

Those workers sourced as a result of recommendations from neighbours, friends or relatives usually had some farm experience.

Casual staff were often employed over the phone.

For more information contact David Mailler by email on dmmk@northnet.com.au.

For Boggabilla, New South Wales, farmers Michael and David Mailler, the supervisory responsibility and liability concerns of employing staff have prompted them to decide not to employ permanent staff.

During the past 10 years, father and son have downsized from one permanent staff member and up to 10 casual employees to not employing any permanent staff and instead relying on themselves plus possibly one casual worker at sowing and one at harvest.

For their situation, the Maillers have realised that workplace health and safety risk can be managed more easily through supervision and training. Casual staff are supervised until they are deemed competent and safe for themselves and others.

This effectively slashed their health and safety risk. The cost of compliance is not the issue for the Maillers but rather the mandatory nature of penalties and lack of protection from negligent or fraudulent claims.

Managing risk

David said employing casual staff allowed the pair to manage their time more effectively when working the farm.

Michael and David have increased their farmed area by about 20 per cent over the past decade. This has been achieved with fewer staff and the same number of contractors.

David said not employing staff meant they have sacrificed productivity (crop yield and cycle) but have improved profitability. Their farming systems and planning are now focused on tasks that can be carried out by one person.

Incentives are vital for keeping staff

Communication, building career paths, paying appropriate wages and valuing employees as an integral part of the team can lead to happier workplaces where workers will want to stay.

Retaining staff in rural employment is difficult and people leave employment for various reasons, sometimes regardless of their employer, wages or conditions. Often it is due to family responsibilities, better employment opportunities or the need for change.

But in some instances, employers can contribute to their employee's decision to leave or stay.

According to Kondinin Group's 2004 National Agricultural Survey the main reasons members retained high-quality staff included employees having a sense of job satisfaction; attractive salary packages; the employer's people management skills and valuing employees as part of a team; having a clear understanding of an employee's expectations and needs; and the employer's professional standards and attitudes (see Figure 3).

The main reasons staff left were because the employee was young and wanted to experience other work; high expectations



Communication can keep the farm business running smoothly and employees (both family members and non-family staff) motivated. Find the time to discuss concerns either at regular meetings or when working.

from employers; social isolation and uncompetitive wages (see Figure 4).

Communication is the key

The 2004 NAS clearly showed that understanding employees' needs by communicating with them and ensuring they are happy with their job and working conditions is critical in retaining staff.

To foster communication create regular opportunities to listen to staff and discuss

concerns, either formally at weekly staff meetings and annual staff reviews or informally at social gatherings or when working together.

According to the *Successful Farming* publication, about 70% of a person's success can be attributed to how effectively they work within their own style and value system, so understanding employees' concerns, ethics and work styles is also important.

Provide opportunities for staff to have their say and to think of new and different ways to perform a particular job.

Feeling part of a team increases people's motivation and having a sense of ownership results in people being more committed to their work.

Communication tips

- ✓ Outline expected performance levels and behaviour up-front in the employment process.
- ✓ Keep a written record of expected performance levels and other rules of behaviour. These documents need to be made available to employees.
- ✓ When conveying instructions, provide a 'big picture' overview as to what the employer hopes to achieve in relation to the overall farm goals (for example, increased crop yields and reduced livestock losses).
- ✓ Carry out employee performance appraisals regularly.
- ✓ Provide opportunities for employees to help set performance levels and methods of appraisal.
- ✓ Discuss issues if performance is not meeting expectations.
- ✓ Provide a realistic time-frame and opportunities for employees to improve or meet expected performance levels.
- ✓ Treat employees even-handedly.

FIGURE 3 Reasons for staff staying

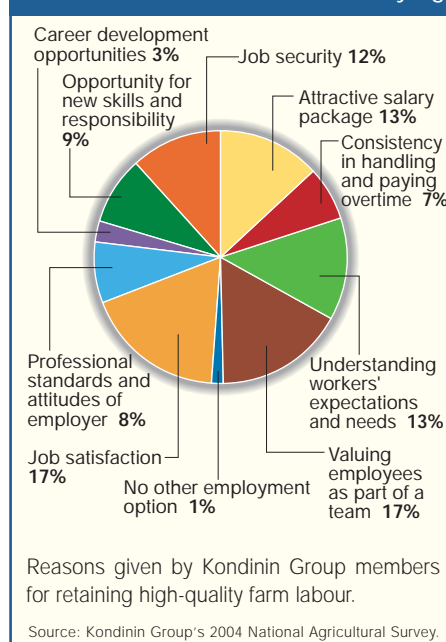
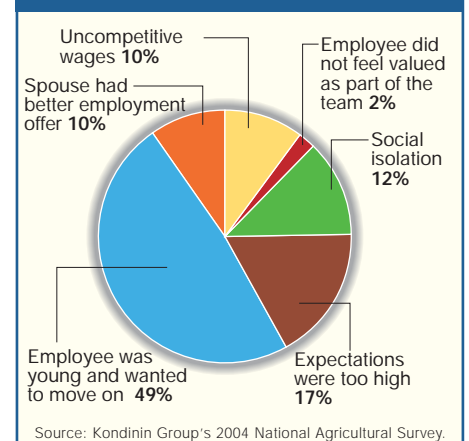


FIGURE 4 Reasons for staff leaving



Why people leave rural jobs

Key issues identified by the North Australian Rural Careers Network as reasons people leave rural employment are:

- Uncompetitive wages.
- Variations in the handling and payment of overtime.
- Farmers failing to explain clearly the additional non-cash components of their employees' salary package (for example, cooked meals and free or subsidised accommodation).
- Lack of understanding of workers' expectations and needs.
- Poor people management skills.
- Workers not being treated with respect and dignity.
- Lack of professional standards and attitudes as employers.
- Failure to consider the needs of off-farm family members of their employees.
- Poor career development opportunities.
- Lack of recognition and incentives.
- Isolation and the lack of social contact, especially with the opposite sex.
- Poor housing conditions and an emphasis on community living.
- Lack of emotional support, especially for young people living away from their families.
- Lack of long-term planning for improvement of farm infrastructure.

Wages and incentives

Farmers need to set appropriate pay conditions including leave and sickness entitlements, although to remain competitive within the rural industry many farmers suggest paying above award wages.

It is also important to outline clearly the fringe benefits of the employee's salary

package (for example, meals, accommodation and vehicle provided).

Holmes and Sackett has developed an Excel spreadsheet tool to help calculate the total salary package value for employees.

In many instances, employees want to be paid on performance. But incentives do not have to be cash bonuses — they can include



Pamela Lawson

Providing feedback is an integral part of the workplace. Recognise jobs done well.

finishing work early for a long weekend or access to office phones for personal use.

Providing feedback

Encouragement goes a long way to retaining staff. Employees react to recognition from their employer for a job well done. It is important to provide feedback, positive and negative, to employees throughout the year.

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Many people shy away from providing negative feedback but the following advice from the Mackinnon Project will help when providing negative feedback to staff members.

- Do not avoid the problem, as it only will become worse.
- Plan how to approach the subject with employees, what is going to be said and remember to be specific.
- Remain calm.
- Provide constructive criticism in private.
- Say what needs to be said, then give the person an opportunity to respond. Listen to what they have to say.
- Agree on how the job is to be performed in the future.

- Do not focus on the person, rather focus on the action and reaffirm faith in the person.
- After providing negative feedback and a resolution has been agreed, close the issue and get on with the job.

A positive approach

Positive feedback is easier to give to employees.

It is important to 'sing praises' where they are due as positive feedback can be a powerful motivator.

When providing positive feedback consider:

- Positive feedback should be given frequently but do not go over the top for every small achievement.

- Give positive feedback in front of other staff but avoid making a spectacle as this could make people feel uncomfortable.
- Ensure the feedback is sincere.

A positive management approach can be as simple as using common courtesies and showing respect to employees, thanking employees regularly for their efforts, negotiating annual leave to allow family holidays and being flexible about work arrangements to create a family-friendly work environment.

Getting the mix right

Balancing family and work involves compromise on both sides (employer and employee) but providing the flexibility

Value your employees say business owners

Farm information



Farmers

Mike and Tessa Wake

Location

Eyre Peninsula,
South Australia

Property size

4600ha (Darke Peak property) and
4700ha (Buckleboo)

Enterprises

Wheat, barley, oats, lupin, peas, vineyard, wool and sheepmeat, beef cattle and lamb feedlots

Annual rainfall

381mm (Darke Peak);
305mm (Buckleboo)

Number of employees

Permanent: 10
Casual: 4



Mike and Tessa Wake encourage their staff to attend local field days and to develop their skills through training. Pictured are staff attending a Farmsafe accreditation workshop (from left, back) Graham Irwin, Simon Noble, Darren Guy, Robyn Peglidis, Jason Guy, Chris Jones, Brook Enright and (front) David Peglidis, Mike Wake, Marls Shiphard, Hugh Grundy, John Shiphard, Sandi Jones and Kerri Strauss.

Valued employees

To operate efficiently, to value-add and continue ongoing improvements it is important to source and retain quality farm labour.

The Wakes employ 10 permanent and four casual staff on their Darke Peak and Buckleboo properties, consisting of two large farms. The Wakes also have several business interests including a property at Cummins that is share-farmed, homestay accommodation, a vineyard and an aged care nursing home.

While showing employees that they are valued is the key to successfully retaining staff, paying a competitive wage or benefits package is half the battle in finding the best staff.

The Wakes offer a remuneration package that generally includes a salary (above award wages are paid), superannuation, housing, meat and bonuses which must be used to buy tools or for vehicle maintenance. In addition, staff are encouraged to attend local field days and seminars (the employer pays registration fees) and all staff complete occupational health and safety courses.

Managers are rewarded with an annual trip (with their families) to experience new farming systems in other parts of Australia.

Securing a workforce

While Mike and Tessa oversee the financial and strategic management of their businesses, the Darke Peak property is run by a contract manager (husband and wife team) and two full-time employees. Another farm manager runs the Buckleboo property along with two full-time employees and up to four casual staff during sowing, harvest and shearing. The business also employs a farm consultant and grain marketer-book-keeper.

Staff are recruited using advertisements in the *Stock Journal* newspaper and word-of-mouth referrals. Interviews, in person, are held with all prospective staff, followed by reference checks and a formal letter offering employment to the successful applicant. All staff have employment contracts and enter a three-month probationary period.

Mike said encouraging and reassuring staff on a job well done during both the probationary period and full-time employment encourages staff to ask questions and communicate freely with managers. Again, he said this contributed to staff retention as well as maintaining high performance.

For more information contact Mike Wake on 0428 898 434.

Treating employees fairly and paying them well goes a long way toward retaining quality farm labour, according to cropping and livestock producers Mike and Tessa Wake, Eyre Peninsula, South Australia.

Mike and Tessa said it was important for employers to recognise that staff were the most valuable asset of any business. It is a motto that has held the Wakes in good stead and helped maintain a loyal workforce of long standing.

Mike said treating staff fairly and with respect, keeping the lines of communication open and walking in their shoes for a while helped ensure staff remained happy and had positive work ethics and attitudes.

Goal setting is key to a happy workforce

Setting clear and defined work production levels, expectations and goals and reviewing these regularly are key reasons why Peter Hall, Mooroopna, Victoria, retains quality employees.

Peter said there was a need to understand the requirements of employees and provide good working conditions. Remuneration packages are tailored to suit the individual and employees are paid above award rates. For example, casual staff are paid \$15 per hour, plus superannuation and costs. Permanent staff earn \$40,000–\$60,000.

Peter believes that understanding the work pressures of his staff, providing the resources to deal with these, being prepared to pitch in and work alongside them and providing a safe work environment with the appropriate equipment all have an influence on employees' job satisfaction.

Sourcing permanent staff

Peter employs 14 permanent and 30 casual staff and up to 150 seasonal workers.

Local newspaper advertising has achieved mixed results when recruiting permanent labour, due to the scarcity of local workers and because skilled workers are 'snapped up' quickly when they enter the job market.

But he has had some success by advertising interstate and internationally, as this broadens the scope of labour availability. Overseas workers, who are often highly skilled, can bring diverse experiences as well as new approaches to the industry. On the downside, overseas employees often have to adjust to a different culture, which can present some problems. Peter also sources staff through agricultural colleges but the labour pool of students in horticultural courses is small.



Peter Hall believes job satisfaction, setting clear goals and work expectations and reviewing these regularly are why high-quality staff stay.

Seeking casual labour

For seasonal and casual staff Peter uses a combination of word-of-mouth, labour contractors and government job agencies to find staff. Peter said reputation and timing can play a large part in the volume and type of labour seeking work and many of his casual employees return each year.

Peter has had some success in using employment agencies but quality labour can be scarce during peak demand times.

Another alternative is industry-appointed employment agencies. An agency has been set up for the harvest labour requirements of the Goulburn Valley, which works closely with local orchardists. Peter believed the success of such agencies depended on the growers' skills in working with the agency to ensure their needs were met.

The industry relied heavily on backpackers due to the difficulty in attracting skilled labour locally. But Peter said an emerging labour force was the over-50s group who travelled around Australia, which could prove to be a valuable asset as their numbers increased.

The employment process

All prospective permanent staff are interviewed first by phone, followed by a reference check before a personal interview. The successful applicant undertakes a three-month probationary period. Permanent staff have written contracts with annual reviews. For casual staff, Peter carries out face-to-face interviews to select his workers.

Salary and benefits

Remuneration packages vary depending on the role of the employee and the level to which the business is prepared to go to retain a particular permanent staff member. Peter said a standard arrangement could include a base salary (no overtime or penalties but above award rates and superannuation), a farm vehicle including fuel for business use, mobile phone for business use, protective clothing, accommodation, flexible working hours or benefits such as health insurance.

For more information contact Peter Hall by email on mjhall@mcmmedia.com.au.

for staff to attend their children's sporting or school events and making note of their birthdays and anniversaries can build a happier workforce.

Employers spending time with staff either on the job or with their families to get to know them better is also worthwhile.

Building career paths

People often leave their current job due to the lack of career path options.

Holmes and Sackett's AgInsights salary report (2003) found career paths and professional development ranked higher than salary in terms of job satisfaction.

To help build career paths employers need to discuss with their employees their future plans and goals, either during performance reviews or throughout the year, and identify training opportunities both on- and off-the-job to help employees develop their skills in a specific area of interest. This also could lead to TAFE or university qualifications.

Where possible incorporate employee ideas and involve staff in the decision-making process.

Often smaller farm businesses cannot offer the same range of career opportunities as larger businesses can but there could be opportunities to build networks with local farmers to offer job sharing or more diverse work experience.

Recognise the impact of isolation

Social isolation can be a major issue for farmers trying to retain staff in remote areas.

Incentive schemes often play a large part in keeping staff, for example, paying to relocate employees to the property, covering travel expenses to and from the nearest capital city, or paying above award wages to attract and retain quality staff.

While paying higher wages can affect the hip pocket it also can reap benefits in the longer term as employees stay longer, saving time and money in recruiting and training new staff.

Incentives for a rural life

Rural Skills Australia suggests the following can make the difference between an employee in remote areas staying or leaving: use of a telephone in privacy (especially if the phone is in the employer's residence); access to the internet to keep in touch with family and friends; accommodation of a reasonable standard; opportunities for employees to get off the farm; and use of farm vehicles for staff to leave the farm on their days off.

Farm information



Farmer

Peter Hall

Location

Mooroopna, Victoria

Property size

320ha

Enterprises

Peaches, pears, apricots, nectarines, plums, apples and pluots (hybrid of plum and apricot)

Annual rainfall

500mm

Number of employees

Permanent: 14

Casual: 30

Seasonal: up to 150

New technology improves farm efficiency

Farm information

Farmers

Keith and Sara Wilson

Location

Kulin, Western Australia

Property size

10,000ha

Enterprises

Coarse grains, export hay, wool, sheepmeat, White Dorper stud

Annual rainfall

365mm

Number of employees

Permanent: 2

Casual: 3–4 plus contractors



Sara Wilson

Competitive remuneration packages, job satisfaction, training opportunities and feeling part of the team all contribute to the Wilsons' success in retaining quality staff. Pictured (from left) are Fred Rogers, Matt Miles, Vicki Kirkwood, Keith Wilson and his children Annabel, Emma and John.

When presented with a choice of either downsizing their farm or downsizing the effort to run it, Keith and Sara Wilson, Kulin, Western Australia, opted to introduce minimum tillage and advanced technology to minimise production and labour costs.

The couple has recently purchased a Thompson Longhorn auto-draft to enable electronic identification (EID) technology for their sheep activities and has introduced Dorpers and reduced Merino numbers to minimise production costs and the labour

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required to run the livestock enterprises. Consequently, they now only need to employ two permanent staff members.

The labour force increases by four casual staff at sowing, three casual staff during haymaking and harvest and contractors for certain activities such as spraying.

Retaining staff

Job satisfaction, efficient machinery and equipment, the feeling of being involved, training opportunities, being well looked after (including meals supplied during busy periods or domestic help), reasonable accommodation and a competitive salary are all reasons for the Wilsons' success in retaining quality staff.

Because of the difficulty in finding experienced staff, the Wilsons often source young workers who bring new ideas to the workplace and are quick to learn.

Sara said Kulin had a strong local community with excellent sporting facilities. All staff are encouraged to be involved in community activities and sporting clubs.

Why do people leave?

Of course staff turnover is unavoidable but mostly those who leave are young people who want to travel or gain other experience.

Other reasons for staff leaving include the person wanting to specialise, returning home interstate or obtaining jobs with businesses that Keith and Sara deal with.

Keith and Sara said it was important to look at the pattern of previous employment.

If a person has had two jobs in the past two years, it is likely they will leave after 12 months for no apparent reason.

Sourcing workers

Keith and Sara seek both permanent and seasonal employees via word-of-mouth, former staff referring people, newspaper advertisements, employment agencies, backpacker hostels and TAFE for apprenticeship candidates.

Word-of-mouth and former employees were their best sources of quality, pre-screened labour, because the person referring them knew how the Wilsons ran their farm and the applicant's experience was not exaggerated.

While the Wilsons have used rural employment agencies they have found that the screening of candidates can sometimes be poor. Although these candidates have resumés, the Wilsons felt these were at best positive and at worst a complete exaggeration. This leads to competency, operational and safety issues on-farm. They felt the emphasis was on placing a person and the fee paid and that some agencies offered limited back-up and support if an applicant's experience did not match their needs.

In one example, the Wilsons have had people sent to them whom the agency had never met and Keith and Sara had to sort out the details when the employee arrived.

Keith and Sara said some seasonal employees sourced through agencies also had been surprised at the lack of effective interviewing by the agency.

But the good news is that Keith and Sara have recently identified an agency that is thorough and matches their needs with the genuine capabilities and aspirations of the candidate. This agent also meets candidates from overseas, helps them settle in and assists with administrative issues.

Another way Keith and Sara have found staff is via the Rural Exchange programme. This service helps young people get started in the country, organises tax file numbers and other necessary paperwork, and provides an overview of farm safety, road rules and firearms issues.

Employment process

When interviewing prospective employees, Keith and Sara use a five-page information sheet to gather facts on an applicant's past and current experience. This is tailored to the equipment and activities on-farm and includes compliance information for superannuation, wages account, pay rate and next of kin. This process is always evolving.

Pay rates and remuneration packages are discussed with the candidate and a probationary period is standard (two weeks for seasonal or casual positions, four weeks for permanent staff).

Spouses are also interviewed to identify their needs, employment opportunities and whether they are happy to live on-farm. Keith and Sara said ensuring spouses or partners were happy was critical to the success of staff employment.

Referees are contacted, even for applicants sourced from employment agencies, which enables the couple to ask their own questions, often resulting in quite different conclusions to that of an agency.

When the successful applicant is offered the job, the information in the initial questionnaire (wages, hours, expectations) is agreed to by the employee verbally or via a contract. The Wilsons said they wanted to introduce formal written agreements but constant rule changes made this a frustrating task.

Staff reviews are carried out for permanent employees and the employee has the opportunity to read his or her assessment. Feedback and training is provided throughout the employment period.

Remuneration

The State award is used as a point of reference but almost all pay rates applied on-farm are significantly higher and the non-cash component of the package is conveyed clearly to employees.

A typical remuneration package includes salary, accommodation and water and electricity, meat and external training courses but Keith and Sara said each package was tailored to suit both the employee's and employer's needs and could include air fares or different leave arrangements.

Seasonal employees receive the same conditions as permanent employees and have meals (except breakfast) supplied during sowing, haymaking, harvesting or other busy periods.

For more information contact Keith and Sara Wilson on wilsonjks@bigpond.com.au. 

Contacts for farm labour

Organisation	Phone	Web site
AqbizCareers	1300 360 533	www.aqbizcareers.com.au
Agforce Queensland	(07) 3236 3100	www.agforceqld.org.au
Agricultural Appointments	(02) 9223 9944 (03) 9866 6133	www.agri.com.au
Australian Department of Immigration and Multicultural and Indigenous Affairs	(02) 6264 1111	www.immi.gov.au
Australian Job Search	1300 369 050	www.jobsearch.gov.au
Australian Taxation Office	13 28 66	www.ato.gov.au
Commonwealth Department of Agriculture, Fisheries and Forestry		www.daff.gov.au
Department of Employment and Workplace Relations	(02) 6121 6000	www.dewrsb.gov.au
Group Training Companies		www.gtaltld.com.au
National Farmers Federation	(02) 6273 3855	www.nff.org.au
National Job Networks		www.jobnetwork.gov.au
New Apprenticeships Centre	1800 639 629	www.newapprenticeships.gov.au
New South Wales Farmers' Association	1300 794 000	www.nswfarmers.org.au
Northern Territory Cattlemen's Association		www.farmwide.com.au
Office of Employment Advocate	1300 366 632	www.oea.gov.au
Outback Staff	(07) 4927 4300	www.outbackstaff.com.au
Pastoralists' and Graziers' Association of Western Australia	(08) 9479 4599	www.pgaofwa.org.au
Pegler Personnel	(08) 8723 2755	www.peglerpersonnel.com.au
PGA Personnel	(08) 9479 4544	www.pgapersonnel.org.au
Positions vacant	(03) 5341 7652	www.positionsvacant.com.au
Rowan Recruitment and Extrastaff	(08) 8331 3688	www.rowanrecruitment.com.au
Rural Australian and New Zealand Appointments	(08) 9888 4017	r.a.n.z.a@wn.com.au
Rural Enterprise (WA)	(08) 9325 8411	www.ruralenterprises.com.au
Rural Skills Australia	1800 647 798	www.ruralskills.com.au www.farmrecruit.com.au
South Australian Farmers' Federation	(08) 8232 5555	www.saff.com.au
Tasmanian Farmers' and Graziers' Association	(03) 6332 1800	www.tfga.com.au
The Lucas Group	1800 882 287	www.lucasgroup.com.au
Victorian Farmers Federation	1300 882 833	www.vff.org.au
Wagenet		www.wagenet.gov.au
Western Australian Farmers Federation	(08) 9486 2100	www.waff.org.au
Workcover:		
Australian Capital Territory		ACT: www.workcover.act.gov.au
New South Wales		www.workcover.nsw.gov.au
South Australia		www.workcover.com.au
Tasmania		www.wst.gov.au
Victoria		www.workcover.vic.gov.au
Western Australia		www.workcover.wa.gov.au
Workco (Victoria)	(03) 5381 6200	www.workco.com.au

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About the author

Toni Nugent (pictured) is a research officer with Kondinin Group. Email: toni@kondinin.com.au

