



## Greener Horizons Workforce

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- **Considering changing jobs?**
- **Considering negotiating a new salary or better conditions?**
- **Do you have some issues that you are unhappy with?**
- **Consider the following.....**

### **CODE OF ETHICS BETWEEN EMPLOYER & EMPLOYEE**

The reason for writing this document is:

- We have heard numerous reports of overseas employees using poor ethics when changing jobs which is giving them a poor name.
- We see that there is a lack of understanding with regard to the New Zealand way of negotiating new terms which is causing hard feelings between employers and employees.
- We see that there is a poor understanding of salary expectations and particularly the reasons behind different salaries for the same job title. This is leading to some poor decisions being made by employees.
- We see many overseas employees looking at the New Zealand dairy industry as a stepping stone rather than an awesome opportunity to use it as a building block to a better life. As a result of being short-term focussed they are missing out on the medium-term opportunities.
- We have employers saying that employees do not talk to them about small problems, but say everything is great only to suddenly leave the farm.

The purpose of this document is to:

- Help you understand the expectations of NZ employers and the correct processes to follow.
- Help you evaluate different options on a fair basis.
- To understand what an employer is looking for.
- To understand GHW's plan to develop, settle and prosper overseas employees.
- To compare the NZ dairy industry to other opportunities.
- To outline a process for following with your employer if you unhappy with something.

### **CODE OF CONDUCT FOR TERMINATION & NEGOTIATION**

As an immigrant working in the dairy industry it is critical that you realise that your ability to advance your career, responsibilities or income is largely dependent on the reference from your employer. Any good employer will reference check you before offering you a position and since you have most likely only had one or two employers in New Zealand, they will largely hold your future in their hands! This highlights the need to perform your duties well, maintain a good attitude and build up a good relationship with your employer. There are a few ground rules or expectations which employers have around contract termination and negotiation which are important to understand and follow if you are going to continue to have a good reference from your current employer, and be able to progress quickly.

1. **Complete a full season.** Dairying in New Zealand is seasonal and employers expect employees to see out the full season with them. If you leave in April or May it is unlikely that the employer will be able to fill your position through the rest of the season. This will mean that they are short-staffed, put under pressure and will not give a reference stating that you are reliable and dependable. If you will have only been working in New Zealand for less than 6 months by 1 June, then your employer will expect you to continue with them for at least a further 6 months. As you have not been through a calving you cannot expect a wage increase at this stage, but can negotiate an increase after completing 12 months, so you are on a higher wage till the end of the season. You will then be in a good position to apply for a higher position for the following season starting 1 June.
2. **Try and resolve problems with your employer.** If you are considering changing jobs at the end of the season because of working conditions or salary, then it is expected of your employer that you will talk to them about it and see if conditions can be negotiated which will make you happy to stay. Remember that your employer has put a lot of time into up-skilling you in the first year and has provided you with the opportunity to enter New Zealand. Even if you do not come to an agreement the employer will have learnt how to improve conditions for the next season.
3. **Meet with your employer.** If you will have worked at least 9 months with your employer by 1 June and are happy to stay on then call a meeting with your employer (at their house with at least a few days notice and state what it is about). Your employer will be expecting to renegotiate terms. It is considered ethical to discuss this as long before 1 June as possible. Most decisions are made in February-March, so that it gives the employee time to find a new position and the employer time to find a new employee. If you have not had a discussion with your employer yet, then do this immediately. If your employer is going to fill your position with another employee from overseas then they will need at least 3 months notice.
4. **Be open about your career plans.** It is considered good ethics to discuss your career plans and goals with your employer. Each farm is different. Some farms have the opportunity to progress within the farm or wider organisation (if multiple farm owners) while other do not. Some farms have very rigid job descriptions and budgets while other are more flexible. If you speak to your employer about you plans then they can work with you towards gaining the skills to progress and take more responsibility. They can also let you know if they feel you will be ready to progress and whether they will support you as a reference if required. They can let you know if they will be able to offer you the progression opportunity on their farm or not. Most farmers will be happy to support you into finding a higher position if you have given them at least 3 months notice of your intentions and if they feel you are ready.
5. **Negotiate with your employer if you are happy to stay on.** Your salary expectation should reflect your skills, ability, job description, level of responsibility, hours worked and conditions (rosters, training opportunities etc.). We will give some guidelines for determining this later. Firstly clarify your position and responsibilities for next season. Ask your employer how much they are prepared to pay you. They may then ask you for your expectations. Be honest and realistic. If their offer is lower than your expectation then ask if they are prepared to negotiate? If you would like to remain with GHW then we can facilitate this meeting for you and ensure a fair outcome. Speak to us about our standard contracts, terms and conditions and herd manager mentoring programme.

## **VALID REASONS FOR CHANGING FARMS**

Many employees leave farms thinking that things are greener elsewhere without carefully considering their choice. Below are some valid reasons we see for leaving a farm after 1 season.

- You want to gain more skills and responsibility but there is not the opportunity on the current farm.
- You have your family coming out and the farms accommodation is unsuitable.
- You have performed well and the farmer is not prepared to pay you at least \$34 000 salary plus accommodation.
- You have a personal conflict or character clash which cannot be reconciled.
- You have been genuinely abused or the employer has broken the agreement with GHW or severely breached the terms of your Individual Employment Agreement.

### **INVALID REASONS FOR CHANGING FARMS**

- Swearing by employer or other staff
- Working long hours

### **SALARY EXPECTATIONS**

You will hear of people being paid vastly different amounts for jobs with the same title. For example, an assistant herd manager / farm assistant / farm worker can be paid \$26 000 - \$38 000. A herd manager can be paid: \$34 000 - \$45 000. This does not mean that one person is necessarily being underpaid and the other overpaid, although this can be the case. When considering a job and salary make sure you take everything into account as each job is different.

Salary should reflect the following:

1. Hours worked
2. Responsibility
3. Competency / skill level
4. Efficiency expectation
5. Attitude
6. Communication ability
7. Conditions
8. Requirements
9. Benefits
10. Guarantee / security

#### **1. Hours worked:**

The average hours worked on a dairy farm can vary from 85 to 20 within a season, but is usually between 50 and 65hrs/week on average over the whole season, with the average assistant herd manager probably working 10hrs/day and 5.5days/week giving an average work week of 55hrs.

#### **First season:**

Federated Farmers has conducted a survey showing that for Southland the average salary is \$33800 for an assistant herd manager. This includes new entrants as well as people that have

had many years experience in the industry and reflects the average, not the average starting salary. While the salary is probably quite reflective, the hours worked on average is questionable as only about 5% of farmers keep timesheets. As mentioned earlier, I believe that the average is probably about 55hrs/week.

Employees starting this coming season with GHW will receive a salary of \$30 000 for 50hrs/week plus \$1000 at-risk performance bonus and \$15/hr for every extra hour worked at the end of 12 months. So:

For 55hrs/week salary will be \$30 000 plus \$3600 = \$33600 plus \$1000 at risk bonus.

For 60hrs/week salary will be \$30 000 plus \$7200 = \$37200 plus \$1000 at risk bonus.

This means that our new employees will on average earn more than the average for the Southland area and will have good terms, conditions and training opportunities.

### **Second season:**

I feel that if you have performed well that you should be rewarded with a lift in salary after 1 year for improved skills.

Based on the current market, this should be \$34 000 for 50hrs/week OR \$37 400 for 55hrs/week plus \$15/hr for extra hours worked. There may or may not be bonuses on top of this.

It is important to realise that as your responsibility increases you will be expected to work more hours, and will want to work more hours to gain skills and experience that you did not in the first year e.g. checking cows calving at night, tractor work, planning, computer work etc.

## **2. Responsibility:**

The titles used on dairy farms are very flexible. For example the same job on one farm could be called a farm worker, on another an assistant herd manager and on another a herd manager. When you are looking at a position ask for a job description. This will outline your responsibilities, and therefore the skill level you require.

When comparing salaries the following general responsibilities apply to higher wages:

- Tractor work (feeding out, topping and possibly cultivation)
- Delegating tasks to other staff
- Animal health treatments including lame cow and mastitis treatment.
- Responsible for farm when boss away on smaller farms
- Responsible for relief milkers
- Training new or junior staff
- Setting the grazing round
- Feed allocation & achieving target residuals
- Record keeping (animal health, calvings, shed manual, OSH, grazed paddocks.
- Shed cleanliness, maintenance and fault-finding
- Controlling SCC
- Planning weekly tasks
- Allocating daily tasks

## **3. Competency / skill level**

The greater your competency the more efficiently you work. The higher your skill level, the greater responsibility you can be given and the more diverse your job. This generally increases from year to year, and is particularly valuable if you have already spent a full season on a farm as you know the system and how things work.

#### 4. **Efficiency**

Some farmers have higher expectations of efficiency than others, but generally NZ farmers are very efficient as they cannot afford to employ large numbers of staff. After 1 season on a farm you will be more efficient, taking less time to do a job, and this is a large part of the reason for a salary increase.

#### 5. **Attitude**

Some employers may pay more because they or staff on their farm are difficult to get along with or have bad attitudes. This could include use of bad language, racism, discrimination or poor work ethic.

Skills can be taught but attitude ultimately determines how far you will be able to progress in the dairy industry. An employer will generally be prepared to pay a higher salary to people who are:

- Happy
- Positive
- On-time
- Willing to listen and learn
- Reliable and willing to see a full season through
- See dairying as a long-term career
- Easy-to-get on with
- Fits in well with the team

#### 6. **Communication Ability**

If you cannot speak good English and be easily understood then you will not get well paid as you will make more mistakes, will be harder work for your employer, will not be able to train other employees and will not be able to progress through the industry. If this is your weakness, make it your strength. Don't talk your home language on the farm!

#### 7. **Conditions**

Conditions have a big impact on salaries. It is really important to realise that there is a trade off between conditions and salary. You cannot expect both great conditions and great salaries.

Higher salaries are usually associated with:

- Isolated locations
- Poor accommodation
- Poor rosters
- Flexibility with time off and leave
- Long hours in the shed (reflected by number of rows to milk)
- Early start times
- No / few training opportunities
- Poor employer

- Poorly set-up farm
- May include pay for public holidays worked

Lower salaries are usually associated with:

- Good employers
- Locations close to town
- Good rosters
- Inflexibility with time off
- Diverse and enjoyable job
- Good working hours
- On and off-farm training opportunities
- Well set-up farm
- Good team environment with socials.

## 8. **Requirements**

Requirements can add costs to you. Some common requirements are:

- Provide own bike or 4-wheeler
  - Provide own wood
  - Provide own wet-weather gear
  - Provide own transport from accommodation to farm
- Although many farms will pay an allowance for a bike or a 4-wheeler it is often not enough to cover interest, repairs and maintenance, risk of being written off and loss in value over time.

## 9. **Benefits:**

Benefits can make a big difference as they are provided free, and you do not have to purchase or pay for them after tax.

- Meat
- Firewood
- Training costs
- Calves
- Bonuses
- Vehicle

## 10. **Guarantee / security:**

Are you supplied with a written employment agreement including all the terms, conditions and benefits. If it is not in writing you cannot claim it.

If your employer has a responsibility to an agency such as Greener Horizons Workforce, or belongs to a Good Employers Association then you have more of a guarantee that they will be a good employer and meet the agreed terms, conditions and benefits then you have extra support. You will also have someone else to support you if you have any problems.

# **DAIRY VS OTHER INDUSTRIES**

Many immigrant employees see dairying in New Zealand as a stepping stone to residency and another career or to short term saving before returning to their home country. GHW would like to encourage its employees to carefully consider the unique opportunities that NZ dairying provides. GHW's aim is to help employees who are wanting to gain skills and progress through the residency and remain in NZ permanently. We would encourage you to take a long-term approach rather than a short-term approach when you consider different job options.

After 2 years in NZ with GHW you should be a competent herd manager and be earning between \$37 000 and \$45 000p.a. If you are motivated you can progress to a 2IC or manager position after your 3<sup>rd</sup> season and expect a salary of \$43 000 - \$55 000. After your 4<sup>th</sup> season you could be managing a farm and earning between \$50 000 and \$90 000 depending on the farm size. After 1-2 years managing you could progress to lower order share-milking or contract milking where you could earn between \$70 000 and \$150 000 depending on herd size. Share-milking, Equity management, or operational management are all options after that.

If you compare this to other industries you will quickly find that the salaries are far lower than those achievable in dairying. A pilot of a large aeroplane will be unlikely to earn as much as a contract milker on a large farm. Most town jobs will bring in salaries of \$28 000 - \$45 000 BUT you will have to pay for your own accommodation too. This can be a minimum of \$150/week or \$7800p.a. which has to be paid after tax. There is also the extra costs of driving to work and you spend more money in town. If you take this into consideration a \$45 000 salary in town would be similar to a \$35 000 salary on farm with accommodation provided. This means that once you are a herd-manager and earning \$40 000 plus on farm, you will be unlikely to save a similar amount if you had a well paid job in town.

The NZ dairy industry needs motivated, keen employees to progress through the industry and gain residency. If that is your intention then let us know!

## **PROCESS FOR ADDRESSING EMPLOYMENT RELATIONSHIP PROBLEMS**

In order for small issues not to become big issues it is important that issues are brought up and dealt with quickly and in a proper manner. If your employer asks you if everything is OK, and it is not then tell them! Be open and honest, your employer needs to know how you are doing.

Communication is the key. Follow the following steps:

1. Talk with your employer as soon as possible after the incident informally during a break e.g. after milking in the cowshed.
2. If it does not work, give it another go at the next opportunity.
3. If this does not work contact your employer and ask if you can come around to discuss some problems.

OR

- Bring it up at your weekly meeting when you have the support of other colleagues.
4. If you cannot resolve the issue or need more support contact GHW.

Do not:

1. Complain about petty issues.
2. Tell the neighbour or spread news about your employer behind his back.
3. Suddenly leave or not turn up at work.

If you get to the point where you feel that things cannot be resolved and you want to leave follow the following steps:

1. Let the employer know that you are unhappy and give them an opportunity to talk with you about things.
2. Contact GHW before resigning. We will facilitate a meeting with your employer to see if we can address the issue and come to a happy outcome or compromise. We will look for a suitable alternative position if required.
3. If you decide to resign, give your employer as much notice as possible. Remember you will need a valid VOC to your work permit BEFORE you can start a new job – at least 3 weeks.
4. Give your resignation in writing.
5. Ensure that you have paid power, phone, rubbish collection and any debts to the employer.
6. Ensure that the house is left in a condition which your employer is happy with.

**Below is the resolution process as laid out in the back of your Individual Employment Agreement:**

The following is the plain language explanation of the services available and procedure for resolving employment relationship problems as required by the Employment Relations Act 2000.

1. **Clarify What The Problem Is.**
  - 1.1. Make sure there really is a problem. Check your facts and make sure you have not assumed or misunderstood something.
  - 1.2. You might discuss the apparent problem with family or friends or advisors and can find out what the law is and/or what the Employment Agreement says.
  - 1.3. You can:
    - Contact Employment Relations Info Line

- Call free 0800 800 863
- Visit the web site
  - [www.ers.dol.govt.nz](http://www.ers.dol.govt.nz)
- Get pamphlet/fact sheets from Employment Relations Service Offices
- Talk to your Union, a Lawyer, Community Law Office or other Advisor
- Talk to each other

1.4. We should discuss the problem, either directly or through our representatives. You may bring a friend, relative or colleague to support you in the discussion. We should make sure that we discuss the facts so that we can clear up any assumptions or misunderstandings.

## 2. **What Are The Next Steps?**

2.1. If we have not resolved the problem by talking to each other, one or both of us can do some or all of the following things:

- We can contact Employment Relations Info Line, who may provide information and/or refer us to mediation.
- We can participate in mediation provided by the Employment Relations Service (or we can agree to get our own mediator).
- If we reach agreement, a mediator provided by the Employment Relations Service can sign the agreed settlement, and that will bind us.
- We can choose to have the mediator provided by the Employment Relations Service decide the matter for us, and if so that decision will be binding on us.
- If mediation does not resolve the problem, either or both of us can take the problem to the Employment Relations Authority for investigation.

- The Employment Relations Authority may direct us to mediation if it thinks that will still be useful.
- The Authority can investigate and make a determination about the problem.
- If one or both of us is/are dissatisfied with the determination of the Authority we can take the problem to the Employment Court for a judicial hearing (the court may also tell us to go back and have some more mediation).
- If the problem is a personal grievance, then the Employee must raise it with the Employer within 90 days after the action complained of, or the date the Employee became aware of it, unless there are exceptional circumstances (a personal grievance may arise where an Employee believes he or she has been unfairly treated or unjustifiably dismissed).
- If the problem is about minimum entitlements under the law the Employee may ask a Labour Inspector to enforce his or her rights under Minimum Rights Legislation, such as the Minimum Wage Act or the Holidays Act.