



# Pig farm employee remuneration survey 2011

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## Summary

- Total employee remuneration is lower at all levels of the pork industry compared with other agricultural sectors.
- Nominal hourly rates were similar to those paid in the dairy industry and slightly below those paid in the sheep and beef sectors.
- Weekly hours of work are shorter and more regular in the pork industry.
- 96% of pig farm employees have written employment contracts as required by law.
- 81% of pig farm employees are paid time and a half or double time and get an additional holiday day when they work on public holidays.
- Most pig farm employees work a one weekend in three week roster and are compensated with additional time off during the week or 'time and a half' pay rates.

## Introduction

Federated Farmers of New Zealand (FFNZ) conduct an annual survey of farm employee remuneration rates. That survey covers employees in the dairy farm, sheep and beef, and arable sectors. In order to compare the remuneration of pig farm employees with other farm staff NZPork modified the FFNZ survey by replacing the employee categories with pork industry specific descriptions. The employee categories are shown below.

<b>Role</b>	<b>Description of responsibility</b>
Assistant	Someone completing tasks under direct supervision and little responsibility
Stockperson	Generally new to the pork industry with 0-2 years experience. The actual work undertaken will depend to some degree on the size of unit and on larger units staff will specialise in one department (area).
Senior Stockperson	More than 2 years on-farm experience, some formal training and sound knowledge of pork production. Duties include organising day to day care of pigs and supervision of stock people. Data input a key role.
Department Manager	This is a person with day to day responsibility for the operations of a department (area). Analysis and interpretation of performance data is a key role
Unit Manager	Responsible for all aspects of running the unit (farm) on a day to day basis as well as long term planning.
Casual Unskilled	Hired on an irregular basis and work on supervised tasks
Casual Skilled	Hired on an irregular basis with opportunity to work alone - employed on specialised tasks

The survey was sent to all registered pork producers with more than 50 pigs in October 2011. Replies were anonymous and 48 replies were received, a response rate of 38%. Thirteen replies were from farmers who did not employ any staff.

The 35 replies from employers covered 206 staff, of these 157 were full time employees.

## Results

The average and the range of each of the remuneration components for full time employees are shown in Table 1. The remuneration components are:

Salary	The gross taxable salary excluding any bonuses.
Other benefits	The estimated value of any benefits provided to the employee. These include accommodations, power, meat, vehicle for private use, training, performance bonus and employer KiwiSaver contributions.
Total package value	The salary plus any other benefits paid to the employee.
Hours per week	The average hours per week worked over the year.
Nominal hourly rate	Was calculated by dividing the Total package value by the hours per week multiplied by 52. $\$/h = TPV / (\text{hrs per week} * 52)$ .

**Table 1 Pork Industry Remuneration**

Position	Salary	Other Benefits	Total Package Value	Nominal Hourly rate	Hours per week
Assistant	\$34,982	\$1,422	\$36,403	\$16.32	42.7
Range	\$28,400 - \$39,312	0 - \$3,560	\$29,468 - \$40,219	\$13.49 - \$18.42	42 - 45
Stockperson	\$37,002	\$1,042	\$38,044	\$16.65	43.9
Range	\$24,000 - \$52,000	0 - \$7,497	\$25,200 - \$57,000	\$13.27 - \$20.30	32 - 58
Senior Stockperson	\$43,962	\$1,389	\$45,351	\$19.21	45.5
Range	\$37,440 - \$60,000	0 - \$8,614	\$37,260 - \$62,500	\$14.33 - \$24.95	40 - 60
Department Manager	\$48,175	\$3,365	\$51,540	\$22.15	44.9
Range	\$40,000 - \$58,800	0 - \$23,500	\$40,000 - \$65,500	\$17.09 - \$27.99	40 - 59
Unit Manager	\$57,618	\$3,417	\$61,034	\$25.53	47.2
Range	\$40,000 - \$73,881	0 - \$17,120	\$40,800 - \$74,773	\$11.60 - \$33.09	40 - 68
Casual Skilled				\$20.55	
Range				\$16.00 - \$32.69	
Casual Unskilled				\$15.90	
Range				\$13.00 - \$22.00	

There was not enough data to allow a valid regional breakdown of employee remuneration.

## Comparison with other sectors

The average results are compared with those from Federated Farmers of New Zealand Farm Employee Remuneration Report 2011 in Table 2.

**Table 2 Average remuneration in agricultural sectors**

Position	Salary	Other benefits	Total Package Value	Nominal Hourly rate	Hours per week
<b>Pork</b>					
Farm Assistant	\$34,982	\$1,422	\$36,403	\$16.32	42.7
Stockperson	\$37,002	\$1,042	\$38,044	\$16.65	43.9
Senior Stockperson	\$43,962	\$1,389	\$45,351	\$19.21	45.5
Department Manager	\$48,175	\$3,365	\$51,540	\$22.15	44.9
Unit Manager	\$57,618	\$3,417	\$61,034	\$25.53	47.2
Casual Skilled				\$20.55	
Casual Unskilled				\$15.90	
<b>Dairy</b>					
Farm Assistant	\$38,407	\$2,878	\$41,286	\$15.78	50
Assistant Herd Manager	\$40,654	\$4,298	\$44,951	\$16.70	52
Herd Manager	\$47,963	\$4,654	\$52,617	\$19.01	53
Farm Manager	\$62,537	\$6,825	\$69,361	\$23.37	57
Operations Manager	\$66,325	\$7,035	\$73,360	\$23.45	60
<b>Sheep/Beef</b>					
General Farmhand	\$34,707	\$4,425	\$39,132	\$19.55	39
Shepherd	\$35,781	\$3,748	\$39,529	\$18.91	40
Head Shepherd	\$44,478	\$5,332	\$49,810	\$22.38	43
Stock Manager	\$49,628	\$8,016	\$57,644	\$24.80	45
Farm Manager	\$58,870	\$9,364	\$68,235	\$26.19	50
<b>Arable</b>					
Tractor Driver	\$44,910	\$2,222	\$47,132	\$21.02	43
Senior Tractor Driver	\$51,231	\$5,499	\$56,730	\$22.44	49
Farm Manager	\$65,625	\$6,233	\$71,858	\$28.64	48
Casual Skilled				\$20.29	
Casual Unskilled				\$16.84	

**Note:** the hours per week was calculated for the FFNZ results by dividing the total package value by the hourly rate and then dividing by 52.

The Total Package Value in equivalent positions is lower in the pork industry than in other agricultural sectors. I believe that this difference reflects 2 key differences between the pork industry and other agricultural sectors.

Firstly, 76% of employees in other agricultural sectors have accommodation provided as part of their remuneration packages to compensate them for farms' distance from urban centres and the long work hours during peak times of the year.

Secondly, the regular, weekly operation of pig farming is reflected in the lower average hours per week worked in the pork industry. Noticeably in the dairy industry employees work an average of 10 hours per week longer than employees in the pork industry and the seasonal workload (such as calving and lambing in the late winter) in the other agricultural sectors means that the weekly workload varies greatly during the year.

The hourly rates paid to pork industry employees match those paid in other agricultural sectors.

### **Employment Conditions**

The survey also asked for some details about the structure of employment and the results are compared with the FFNZ survey results in Table 3.

The legal requirement for **written contracts** of employment is well recognised in the pork industry with nearly 96% of employees' having written contracts.

**Accommodation**, as mentioned above, is provided to only 29% of employees in the pork industry compared with 76% of employees in other agricultural sectors. Accommodation is important to the other sectors due to farms' distance from urban centres and the long work hours during peak times of the year.

In contrast, most pork farms are located relatively close to urban centres and they have a regular weekly work routine that allows employees to easily return home each day and at weekends.

**Benefits** are most commonly provided in the form of performance bonuses (31% of employees) and employer KiwiSaver contributions (47%).

**Public holidays** are well compensated in the pork industry. 81% of pork industry employers provide time and a half pay or double time pay and another holiday day for work on public holidays. Many employers commented that they plan the piggery workload to minimise the amount of work and workers required on a public holiday. On smaller farms it was common for the owner to work on public holidays.

**Table 3 Comparison of employment conditions**

	Pork Industry	FFNZ survey
Employees have written contracts	95%	76%
Of those with contracts they were from		
• FFNZ	27%	76%
• Lawyer or HR advisor	60%	
• Dept of Labour website	6%	
• Other source	7%	24%
Accommodation provided	29%	76%
Public Holidays		
• Employees work less than 2/3 of a day for a full day's pay and provided an alternate day		40%
• Employees work a normal day, then paid time and a half and provided an alternate day	62%	17%
• Employees work a normal day, then paid double time and provided an alternate day	19%	
• Employees do not work public holidays	10%	
• Other	9%	44%
Recording of work hours	80%	42%
Weekend hours		
• 1 weekend in 2	9%	
• 1 weekend in 2 with short weekend days or week day time off in lieu or weekends paid at time and a half	19%	
• 1 weekend in 3 with short weekend days or week day time off in lieu or weekends paid at time and a half	59%	Not surveyed
• No weekend work. Weekends covered by the owner	5%	
• Other	8%	
Employees are members of KiwiSaver	47%	44%

**Weekend work** in the pork industry is well planned with most employees working a one weekend in three roster and most pig farms structured their workload to minimise the amount of work required in weekends.

Weekend work days are typically only 3-4 hours and employees are compensated for weekend work in a range of ways. Most commonly employees are given time off during the week, either a full day or matching half days or are paid at "time and a half". The FFNZ survey did not ask about weekend employment conditions.