

# Time to pay attention to farm workers' wages

Collette Devlin

Many Southland dairy farmers are unaware of the rules they must adhere to when paying their workers, Southland rural employment experts say.

However, Labour Party labour spokesman Andrew Little said ignorance was no excuse for farmers breaking the law.

Agri HR consultant Melissa Vining and employment lawyer Janet Copeland believe repeated failures during labour inspections on the region's dairy farms stemmed from a lack of understanding.

Farmers were told to "lift their game" after Ministry of Business, Innovation and Employment's labour inspectorate visited 44 farms throughout the country, 31 of which were found to be in breach of minimum employment rights.

It found three out of seven Southland dairy farms had flouted basic employment laws.

This followed a visit to Southland last year in which three of the 10 dairy farms visited did not have accurate records of the hours their employees worked.

Vining and Copeland did not deny some farmers abused workers' rights.

However, they believed in most cases, the issue came down to a lack of understanding about seasonal averaging and a failure to keep accurate time and wage records.

Seasonal averaging is where an employer averages out pay across a season so employees have a dependable income when the work hours are low. An employer who pays a salary may think they can then offset the busy season with the low season.

"Some farmers struggle to understand, they cannot seasonal average," Copeland said.

Employees must receive at least the minimum wage for each hour worked, each day worked, and each week worked, she said.

Benefits such as meat, firewood, wet weather gear or milk cannot be used to make up any shortfall in the minimum wage, she said.



**Stay sharp:** Agri HR consultant Melissa Vining and employment lawyer Janet Copeland say there is a lack of understanding around employing farm workers.

Photo: JOHN HAWKINS/FAIRFAX NZ

## THE DEAL

If a farm employee is paid an annual salary of \$35,000 it would equal a weekly payment of \$673.07.

If an employee did a 60-hour week, it would work out as just \$11.22 per hour that week. But this breaches the Minimum Wage Act 1983, which requires an employee to be paid, at a minimum, \$14.25 per hour. Farmer employers should keep track of payments by using timesheets so they know when a wage needs to be topped up to the minimum wage.

"I get a lot of calls about this... none of these count towards meeting employment requirements."

She urged farm employers to keep all employee records, such as leave taken.

Court cases against an employer could go back six years, so records were vital evidence.

"An employee is deemed to be correct unless proven otherwise, and the stinger, the employer will have to pay interest," she said.

Vining, who solely works with dairy farm employers, said 90 per cent of her clients were unaware of their obligations. She dishes out practical solutions so the farmer can still effectively run their business and Copeland picked up the pieces if they were not put in place.

It was essential for a farm employer to keep timesheets for all employees, she said.

This way an employer could eas-

ily see if pay rates during slow periods needed topping up to the minimum wage, she said.

"They [dairy farmers] are definitely not the villains they can be painted out to be. Offering better rosters like five days on and two days off, clear job descriptions, standard operating procedures and working smarter is what farmers can also do to meet minimum hourly rates without paying bigger salaries," she said.

Southland Federated Farmers president Russell MacPherson said most Southland employers tried to do the right thing. There was no easy solution for payment of seasonal work and complicated rosters, but farmers were getting better at understanding.

A new employment period would start next month and most

farmers would be looking closely at contracts, taking heed of the issues and making changes, he said.

But Labour's Little said ignorance was no excuse for law-breaking farmers.

Having a written employment agreement was not hard, he said.

"Observing it should be seen not as a grudging chore but as showing respect for your farm workers."

"Federated Farmers' excuse that farmers are 'poor' at paperwork and that calculating wages can be 'a bit confusing' is just laughable."

"Correspondence that I've received indicates that some of the failures by farmers towards their farm workers are a result of sheer bloody-mindedness rather than ignorance," Little said.



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