

Best Practice in Recruiting and Managing Employees









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### **Foreword**



Food Wise 2025 recognises that there are significant opportunities for Irish food products in the new global market place that values safe, healthy and environmentally sound products. The opportunities for naturally produced Irish food and drink products are considerable, provided the industry remains competitive and committed to environmentally sustainable food production systems.

Following the abolition of milk quotas on the 31st March 2015, Irish dairy farmers have the opportunity to increase milk production without quota limitation. In many cases further

expansion requires additional labour and this has created a completely new challenge for farmers. There are some system and technology changes that can minimise this restriction but many farmers, dairy and otherwise, are employing a labour unit for the first time.

This is a completely new challenge for many farmers. Based on predictions of national herd growth and increases in labour productivity on farms, it is estimated that 2,300 full time equivalent labour units will be required by the dairy farmers alone over the next eight years. Farmers who start employing people need new skills for this phase of their expansion. Having an employee working on farm requires that work is completed by a team, not solely by the farmer as previously. This manual aims to assist farmers who are currently employing, or thinking about employing, a labour unit for the first time.

This manual is a significant team project which brings together the expertise of front line Teagasc advisors, educators, human resources personnel and researchers across Teagasc. Contributions from commercial dairy farmers and the Workplace Relations Commission further enhance this highly practical publication.

Professor Gerry Boyle.

1. F. Boyle



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## Section 1



# Ready To Hire?

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# COSOSC AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 1

## The Decision to Hire

by Valerie Farrell, Pat Clarke

### Introduction

You need to have clarity on why you are employing a person to assist you to operate your farm business before you start the employing process. You need to be sure that your business needs additional labour and that the business can afford to pay for this labour. Employing labour will require you to work differently and you may need to develop existing skills and acquire some new ones.

- How will you know that additional help is needed on the farm?
- What are the alternatives to employing a full time labour unit?
- Are you clear about why you are employing a labour unit?
- What are your concerns about employing labour and how can these be minimised?
- What new skills are needed to be an employer?
- What are employee expectations likely to be?
- What attributes do you require in an employee?

## The Decision to Hire

## How will you know that additional help is needed on the farm?

As herd size increases, the labour resources on farm become stretched. Initially, this is dealt with by adopting labour efficient techniques and systems. These include compact calving, efficient calf feeding system, good milking routine etc. Complete the labour efficiency checklist on this page for your farm. Highly labour efficient farms would tick "Yes" to the majority of these questions (80%+). If you answer a lot of "No's", then you should examine your current system before employing someone.

Another approach with increasing numbers is to increase the use of relief workers e.g. milkers and, make more use of contractors e.g. slurry, fertiliser, heifer rearing.

But as numbers increase further a full-time labour unit or part-time labour needs to be considered. This can be difficult for you to see as you attempt to complete all of the work yourself.

### HOW TO:

### Recognise the need for help

In addition to increasing numbers, there are other signs or triggers that indicate you need additional help on your farm. These relate to yourself, both your health and your relationships with family and friends. They include:

- Being continually tired and under pressure, working long hours
- Farm and animal performance is less than it was a few years ago
- You have less time with family
- You haven't taken a week's holidays for a few years
- You have little time for friends, social life and hobbies

If you are experiencing these symptoms, you need to reduce the time you are working on the farm. This is where a full-time employee should be considered.

Labour efficiency checklist - Complete for your farm

Labour efficiency checklist - Complete for y	our farm
	Yes/No
Milking	
Do you finish work before <b>6.00pm</b> each evening (outside of the calving period)?	
Do you start milking before <b>4.30pm</b> each evening?	
Is total daily milking time (in pit) less than 3hrs (2 x 1:30)?	
Is the daily milking interval less than <b>9hrs 30mins?</b>	
Breeding	
Is the breeding season less than 13 weeks?	
Is there a working drafting facility?	
Is the parlour closed over winter?	
Calf rearing	
Are calves over three weeks of age fed milk <b>once a day?</b>	
Are calves put to grass before March 10th?	
Calving	
Do you get up fewer than <b>15 nights</b> during the calving season?	
Are less than <b>5</b> % of cows assisted (jacked) at calving?	
Contracting	
Is greater than <b>50</b> % of slurry management contracted out?	
Is greater than <b>50%</b> of fertiliser application contracted out?	
Are heifers contract reared?	
Grassland	
Are paddocks topped once or not at all?	
Is the grazing season greater than 40 weeks (cows out, cows in)?	
Are there <b>three grazings</b> available per paddock in summer?	
Yard management	
Is less than <b>15 minutes</b> spent scraping yards each day in winter?	
Is there a working <b>handling facility</b> on all parcels of land?	
Are there <b>four or fewer groups</b> of stock over winter?	
Office	
Do you complete all office work in the morning?	
Is there a <b>farm map</b> available?	



### What are the alternatives to employing a full time labour unit?

Before beginning the process of looking to employ labour you should examine other options. These could include:

Contractors: Most farm tasks can be contracted out e.g. silage-making, slurry handling, fertiliser application, reseeding, silage feeding, heat detection, AI, milking, maintenance etc. Contracting out some or all of these tasks will make your workload more sustainable.

System of production: Look at your system, a change may be what's needed e.g. once a day milking (OAD); reducing the number of enterprises; shorter calving season; spring calving only etc.

Increased mechanisation: e.g. automated feeding, milking parlour additions may reduce the need for labour. There will be capital investment required for this approach.

Share a worker: Two farmers sharing one employee rather than taking on one full-time labour unit.

Contract rearing of stock: e.g. outsourcing management of heifers, dry cows, calf rearing where appropriate for your farm.

Scale back: Reducing livestock numbers, especially if overstocked, could be an option. You need to be clear on how your working day will change and how that will benefit you. You must also prepare a financial budget to see the impact on cash flow.

Relief labour: e.g. Farm Relief Service, students. But remember, they must be treated like an employee in terms of providing appropriate working conditions, and complying with most employment legislation.



with existing dairy farmers or other farming neighbours. Such arrangements have great potential to make the farm(s) more labour efficient and sustainable.

### Are you clear about why you are employing a labour unit?

You must be sure that your workload is unsustainable and your farming system cannot continue as efficiently as before without additional help.

You must also have adopted and changed your system so that it is using the resources on farm efficiently. Have you shed jobs which can be reliably carried out by a contractor? Use the previous checklist to indicate your current labour efficiency.

You must also be confident that the employee will bring added benefit to your family and business. Employing someone to do work such as scraping yards or topping paddocks is not sensible. It is an added cost to do unproductive work.

### **KEY BENEFITS:**



The added benefit could be in the form of:

- · Greater efficiency due to increased likelihood of tasks being completed on time
- · More income extra dairy cows milked to generate additional income for personal use
- Higher gross margin to invest and grow the farm business
- Better work/life balance more free time and greater flexibility for family and other activities
- A safer working environment farms tasks operated at appropriate speed, therefore making the farm a safer place to work for all

There must be clarity on how you will pay for the employee. This requires technical efficiency and forward financial planning so that you (and your family) know that this employee can be paid for by your farming business. You must sit down with your advisor/accountant and prepare a six year financial plan.

It is important that you and your family have discussed the implications of taking on a fulltime employee. The family must be clear about the financial consequences of implementing the business plan. They must also be clear on the role that the employee will have on the farm.

## The Decision to Hire

Cash Flow	2016	2017	2018	2019	2020	2021	2022	
RECIEPTS	RECIEPTS							
Milk Sales	196,868	210,918	182,975	243,750	263,900	275,925	281,125	
Dairy Calf Sales	8,335	5,800	5,500	10,800	11,200	11,700	11,700	
Dairy Cow Sales	9,520	8,250	7,700	8,800	13,750	13,750	13,750	
Replacement Sales		14,400	0	0	22,500	15,000	15,000	
Cattle Sales	1,440	0	0	0	0	0	0	
FARM PAYMENTS								
Dairy Feed	22,418	16,320	18.700	26,350	27,200	27,200	27,200	
Calf Feed (8-Weeks)	0	0	0	0	0	0	0	
Drystock Feed	0	0	0	0	0	0	0	
Replacements Feed	2,775	2,208	4,227	3,362	2,859	2,753	2,501	
Fertiliser & Lime (Stock)	15,575	16,445	21,824	26,213	25,989	25,804	25,364	
Tillage Vairable Costs	0	0	0	0	0	0	0	
Vet	5,141	5,431	7,204	8,652	8,579	8,517	8,372	
AI / Breeding	3,600	3,831	5,022	6,219	6,163	6,163	6,052	
Contractor (Stock)	11,110	11,737	21,461	24,578	24,567	18,490	18,175	
Contractor (Tillage)	0	0	0	0	0	0	0	
Other Varible Costs	9,423	9,955	13,204	15,859	15,724	15,612	15,346	
Labour	20,000	21,341	28,587	34,680	34,728	34,825	34,574	
Machinery (Including Leases)	6,181	6,530	8,661	10,403	10,314	10,240	10,066	

Table 1: Prepare a six year business plan to confirm that you can afford to pay an employee.





### What are your concerns about employing labour and how can these be minimised?

It is natural that employing someone for the first time raises concerns. Think through your concerns in advance and put in place a system or process that minimises these concerns. Some of the issues and possible solutions include:

Being able to afford an employee: Prepare a full financial plan for your farm, including the cost of the new employee. Use a range of milk prices to give you the confidence to say "Yes, I can afford an employee, even at a below average milk price."

#### Not having enough work for the employee:

You reached a decision to employ because of work pressure. Now you need to decide what the employee will do, and what you will do with the time freed up. As herd size increases you will need to spend more time on management decisions.

Lack of ability in employee: Define in advance what skills you want your employee to have. Operate a simple system so that somebody else can do it, instead of you. Check references from previous employers. Interview potential employees on your farm, pose practical questions and scenarios.

### **KEY RISKS:**

Non-compliance with legislation: Know the legislation in advance of employing labour. Put systems in place to ensure that your farm meets standards such as health & safety, pay slips, annual leave, working times etc. There is professional help you can access for this advice, you don't have to be an expert on everything.

Accidents/ claims: Have an up to date health and safety statement. Get a neighbour or friend to observe your farm; they will see it differently than you. Ensure you have adequate insurance.

Losing the employee: It is important to have good working conditions to help retain employees. Ensure your farm is an attractive place to work. If you hire the right person, it makes sense to keep them motivated. Invest in their personal development.

Getting on with the employee: On selection, be clear about the personal attributes that you are looking for and that are important to your farm. Usually, an employee takes a position because they respect the employer and what the farm is trying to achieve. Be a good communicator and provide feedback to your employee on a regular basis, take an interest in them as a person.

Absenteeism: Have a plan in place if either employee or employer is unexpectedly unavailable e.g. due to illness, funeral etc.

Further details on management and retention of employees are included in section 3.



### What new skills are needed to be an employer?

At the start of the employment relationship, both parties have made major decisions. The employer has agreed to pay a wage from the business. The employee has decided that they will use the business as their livelihood. Up to now you (individually) have been making all the decisions, now there are two people (a team) on the farm. As an employer you will need to use a new set of skills to ensure the arrangement is successful. These include:

Communication: You now have to listen (a new skill for many) and give clear feedback or instruction. Adopt an open channel of communication, "If you are not sure - then ask". This may take numerous forms e.g. verbal, text, written, email. The critical point is that the content of the message is clear and is clearly understood by the employee. You must also take feedback 'on board' and be attentive to any concerns raised. It may be useful to develop a norm where you both check-in and have a standing meeting each morning for 10 minutes; this could be in person or over the phone.

Financial: The farm business must be able to pay employees, even during periods of low milk price. Therefore, good technical and financial knowledge is essential to keep the farm financially viable.

Office: Record keeping and paper work will increase when labour is employed. You need an office. There needs to be appropriate systems / templates put in place, for example recording of hours worked, annual leave taken etc.

## The Decision to Hire

**Vision:** There must be an overall vision and plan for the farm which incorporates the role of employed labour.

People management skills: These are often called 'soft skills' and are more difficult to quantify, than technical skills e.g. the ability to motivate people, the ability to connect and have empathy. The farmer must realise that it takes time for an employee to adapt to a new workplace or new work practices.

Time management skills: You will now have to roster your employee. The day will need to be more organized. An employee will have a finishing time so you need to ensure that a realistic plan for getting the work done is scheduled within the working hours.

Team player: This will involve the team (farmer/employee(s), family) negotiating, delegating, setting goals, measuring performance, agreeing rosters, planning etc. As the farmer, you must realize that the new employee is part of the team.



What skills have you got? What do you need? It is likely that you have strengths in some areas, but also areas you must work on. These human resource skills can be learned. There is professional help available to further develop such skills.

### What are employee expectations likely to be?

A new employee will have a set of expectations when they commence work. The following are likely to be the minimum:

**Trust:** Employee will be expected to be trusted and be granted ownership of certain tasks by the employer.

**Wages:** Clarity on what their rate of pay will be, will they be paid overtime (when and how much?), the frequency of payment and how they will be paid e.g.: cheque, bank lodgement.

**Employment contract:** Sets out the terms and conditions of employment.

**Safe workplace:** Employee will not expect to carry out jobs which could cause them injury.

### **KEY POINT:**



Respect is essential for both the employee and employer. Employees will expect to be treated fairly, as you would expect to be treated yourself, by an employer (could be difficult to envisage if you have never worked as an employee).

**Opportunities:** Employees will expect opportunities/incentives to develop themselves, while in employment. These don't necessarily have to be financial.

**Good atmosphere:** There should be a good working environment on the farm.

Clarity of role: Clear job description and clear terms and conditions (both conditions of contract and working/environmental conditions).

**Consistency:** Each day the main tasks are consistent e.g. milking times, feeding. The employer is expected to be well organised and not chopping and changing the employee's role on an ad-hoc basis.

**Holidays:** Holidays and days off should be agreed at an early stage. Have a plan in place should either employee or employer suddenly become unavailable e.g. due to illness, funeral etc.



#### Good working environment and facilities:

Provision for having tea, lunch, toilets, etc. Advance notice: Of important changes that are occurring on the farm.

**Variety:** Employees will expect some variety in their work duties. It is not good practice to keep giving all the dirty and difficult jobs to the new employee. Be prepared to share these.

### 7

### What attributes do you need an employee to have?

An attribute is a quality or characteristic of a person. You could have a very suitable qualified person in terms of skills but they may not be appropriate for your farm.

Decide on the type of personal attributes you are looking for in advance. They could include the following:

- Honesty and good attitude to work
- Willingness to learn
- Willingness to work in a team
- Capacity to do the job
- · Ability to communicate
- Ability to interact socially with the family
- Ability to show initiative
- A flexible approach

Some employers will focus strongly on these traits, rather than the skills of farming. You must like the person and, the person must like you. If the person has the right traits, skills can be taught and developed where the person is interested and willing.

Attributes and skills are discussed further in terms of the job description and hiring process.



# AGRICULTURE AND FOOD DEVELOPMENT ACTHORITY

## Section 1

## The Hiring Process

by Valerie Farrell, Pat Clarke

### Introduction

International studies show that replacing an employee is costly. Therefore, it is critical to spend time thinking and clarifying the type of person you need for your business, and the best way to recruit them. This will ensure that they remain with you long term and you will not be facing the cost and inconvenience of regularly replacing an employee.

- Why is it important to recruit the right person in the right way?
- What are the legal considerations in advance of employing?
- How do I write a job description?
- 4 How do I write a job advertisement?
- (5) Where do I start looking to source a new employee?
- 6 How do I assess applications and interview candidates?
- What are good tips for attracting new employees to work on dairy farms?

# The Hiring Process

### Why is it important to recruit the 'right' person in the 'right' way

There is a major return on investment in time spent preparing to recruit the right person for your farm. The cost of recruiting the 'wrong person' for your farm can run into the thousands of euro in terms of time wasted, under-utilization of your farms assets, damage to the reputation of your farm, and the negative impact and cost it can have on other employees and family members.



### What are the legal considerations in advance of employing?

Before you hire an employee it is important to be aware of the laws relevant to agricultural employment. These laws and others will be dealt with in later sections of this manual:

- Employment law Section 2
- Taxation laws Section 4
- Health and safety Section 5

You do not need to be an expert, but you need to know the basics. There are other professionals that you already engage with who can help e.g. your accountant, and solicitor, employment agencies etc.

### How do I write a job description?

The job description sets out the duties and responsibilities required of the new recruit. The job description should also include the infrequent tasks that the person will need to carry out from time to time. You want to hire someone who is flexible and can carry out a range of duties on the farm.

### HOW TO:

#### Create a job description



The work task chart in Appendix I is a useful template. Before employing, brainstorm all the major work carried out on the farm. Write it up in a list similar to Appendix I. Use the examples provided in the "Before employing" section as a starting point. Add or remove tasks to the list so that it fully reflects your current farm situation. Indicate whether yourself, family or the contractor completes these tasks.

Then start the second section, "After employing". You decide who will carry out these jobs, incorporating the new employee. Start with yourself. You have the opportunity to decide what you wish to continue doing yourself, and what others will do. This is closely linked with the business planning process in terms of managing your work / life balance and meeting lifestyle goals. Divide the remainder of the work between contractor, family and new employee. Using this process, you will start to see the type of person you need and the skills they must have.

Be sure the responsibilities being assigned to each individual role are realistic. A further consideration is whether the job can be done in a reasonable time frame. Initially it may not be possible to assign all vacant areas of responsibility to the new employee because of their lack of skill or experience. This means that you will have to do these jobs until the appropriate skills can be hired or trained.

Farmer quote: "Time freed up needs to go to managing a better business. You need to be prepared for this change in advance of employing".



### Farm Tasks - Before and after an employee is recruited

Gather cows
Prepare milking machine
Prepare cows
Milk cows
Plant hygiene Wash down
Bulk tank washdown
Return cows to paddock
Milk weekdays am
Milk weekdays pm
Milk at weekends
Identify and treat mastitic cows
Decide when cows are dried
Dry off cows
Communication with co-op
Replacement of rubberware

MILKING

Before Employing				
Farmer	Familly	Other	Other	Contractor
Х	х			
Х	Х			
Х	Х			
Х	Х		×	
Х	х			
Х	Х			
Х	Х			
Х	Х		- 1	
Х	Х			
Х	Х	Х	30	
Х				
Х			×	
Х				
Х			1	
Х				
			*	

After Employing					
Farmer	Familly	Other	Other	Contractor	New employee
Х	Х				Х
х	Х		3		Х
Х	Х				Х
Х	Х				Х
Х	Х				Х
Х	Х				Х
Х	Х				Х
					х
					х
Х	Х	х	*		
χ					х
Х					
Х					Х
Х	*				
Х					х

# The Hiring Process

Once you are clear about what each person will do, you can complete a job description for the person. See the following template

Job Description		
Title of Job:	E.g. Farm Assistant	
Location:	E.g. BallyBrown	
Reporting To:	Tom Smith	
Basic Function:	To carry out day to day farm labour duties on a dairy farm, herd size of 180 cows, rearing all replacements, on 150ha	

### Range of Duties and Responsibilities:

List the main duties and responsibilities of the role

- List
- List
- List
- 'To carry out any other duties, as may be assigned from time to time'

In addition to the job description, you should also think about completing a Person Specification. This is an important summary of the type of person you ideally want to hire. It sets out the qualifications, the knowledge the skills and, equally importantly, the attributes of the person that would best fit your farm. You should also consider whether some of these requirements are essential. For example, if you need someone to drive to an out farm, then it is essential that they have a current driving license.

Person Specific	Person Specification				
	Essential	Desirable			
Qualifications	For example • Level 6 Green Cert	For example  • Advanced Dairy Diploma			
Knowledge/ Skills	For example Can milk cows Can drive tractor	For example  • Complete a grass cover			
Attributes	· · · · · · · · · · · · · · · · · · ·	r example Honest, trustworthy, good communicator, flexible, ability to work in a team sociable (interact with family at meal times), etc			
Other		e important to state things likeCandidates must satisfy legal nts to drive unaccompanied on Irish public roads.			

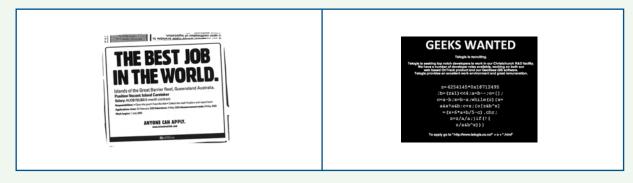
### How do I write a job advertisement?

The wording of the job advertisement should be short and snappy. The essential information is the job title, the role described in 2-3 lines, the location, the duration of the contract, how to apply and where to get more information.

Ensure that the job description and the advert is attractive to people who are seeking employment. If there are training opportunities, travel opportunities etc. always highlight this in the job advertisement.



Don't write long or rambling job adverts, it may give the impression you are unorganized and unclear employer. Similarly, don't make the job advert too much fun or humorous, this could deter potential candidates



The following are some sample dairy job advertisements:

Post: Dairy Farm Assistant

Location: Midlands

Status: Full time

Date advertised: 1st November 2017

Salary: Negotiable

A full-time dairy job available on a 200 cow spring calving herd. Job entails milking, feeding, yard management and calf rearing. Modern farm facilities. Experience of milking is essential. Person must have a good attitude, be willing to learn and work as part of a team. Accommodation available if required. Contact 087 123456 or tom.tom@tom.ie to arrange a meeting.

Post: Dairy Farm Worker - South East

Farm Owner: Joe Bloggs

How to Apply: Contact Joe - 087 1234567

Closing Date: 1st July 2017

Dairy farm worker required for 125 cow dairy farm. Will be expected to milk cows twice daily, manage replacement animals, manage grassland, and operate machinery. The ideal candidate should be from a farming background or have three years' minimum experience in a similar operation.

# The Hiring Process

## (5) Where do I start looking to source a new employee?

There are many options for sourcing a new employee, but it is best to start locally. Farmer experience has shown that communicating (word of mouth) with local people can be a great source of potential employees.

Other options include:

**Discussion group:** Get the topic on the agenda for your group. You will get the experiences of group members in employing and, potentially, some contacts of people seeking work.

**Neighbours:** Talk to neighbours who have employees, and talk to their employees.

Employment Agencies: There are numerous employment agencies that can assist you. The Farm Relief Service (FRS) can source people to fit your job description. They can also handle the payment and taxation transactions. Visit <a href="https://www.frsrecruitment.com">www.frsrecruitment.com</a>. You should also check local employment agencies at <a href="https://www.jobs.ie">www.jobs.ie</a>

**Teagasc courses:** Talk to Teagasc course coordinators of dairy training programmes. These include the Teagasc Professional Diploma in Dairy Farm Management (PDDFM) and Teagasc Advanced Dairy Courses at Agricultural Colleges. Check <a href="https://www.teagasc.ie">www.teagasc.ie</a> for further details.

Other farm employees: They can suggest potential employees.

**Bulletin boards:** You could place your advert on local notice boards/shops/hairdressers etc.

**Newspaper advertisements:** Local newspapers are ideal and not expensive.

FAS office: Check local office for vacancies and advertisements.

### 6 How do you assess applications and interview candidates?

Once applications have been submitted by the closing date, you need to assess the applications. In preparing for the interview, you should pick out the 5-6 important areas that you want to focus on in the interview, based on your job description and specification. Areas of importance for the job might be:

- Qualifications
- Skills
- · Personal attributes

You should prepare a few questions for each area which will help you gather evidence of the suitability of the person for the position.

Allow a similar amount of time for each person. For farm workers, add a practical dimension to your selection process. For example, take them on a farm walk to evaluate their grassland skill, watch them milking, etc.

For a position that requires some farm management responsibilities, the interview could be conducted partly indoors and outdoors.

When you have completed your face to face interview and/or farm walk, you need to sit down and write down your assessment of each candidate and rank them using either a marking or rating system.





## What are good tips for attracting new employees to work on dairy farms?

The following are tips that farmers have found useful in attracting employees.

- Build a reputation for being a solid employer; it is the best recruitment policy
- Pay is important, so pay fairly and on time
- The description of the position is important for a new employee, it should be written down
- Be committed to training a new employee, either on the job or via external courses
- · Be flexible with time off
- Remember, everybody does things differently
- Potential new employees must be compatible with other employees/family members
- It's easier to make a model employee than find one
- Most employees start a job with respect for their employers. Remember this.
- Regular meetings inform the employee of what is new
- Have some social interaction with employees/ celebrate achievements
- · Give additional responsibility over time
- 'Take on board' employee suggestions/involve employees in planning
- Have a safe workplace
- Reassure staff about job security to retain them
- Provide facilities for meals, changing-room/ toilet/shower
- Develop your people skills
- Share some difficult jobs with the new employee
- Provide non-monetary gifts once a year (make sure you give it to all employees not just some)
- Always give advance notice of major changes to your farm. You don't want employees finding out at the weekend that a major change has happened e.g. land purchase.
- Be well organized

### KEY POINT:



The image your farm projects is important to potential employees. A potential employee starts forming an opinion once they reach the entrance of the farm. When your system becomes labour dependent, you must be able to attract good employees and retain them by having a positive farm image.



# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

## Section 1

# Just Hired, What Next

by Valerie Farrell, Pat Clarke

### Introduction

Once a suitable candidate has been identified and recruited, they must become familiar with your farming processes. They may also require training if there is a particular skill deficit. In addition you need to set out how this person will interact with other family members. Also, consider if there is someone else who can help the person in their early days on your farm.

- 1 How do I decide what employee training is needed?
- Are family and other farm workers aware of the role of the new employee?
- Who can help/mentor the new employee?

# Just hired, What next



### How do I decide what employee training is needed?

You will have to train your new employee. Be prepared for this. Firstly, you will have to spend time training a new employee on your farm processes. This is employee orientation, where the employee becomes familiar with your milking system, machinery operation, animal handling etc. This usually occurs in the first few months and is essential.

The second type of training is individual skills training. You should be clear about:

- 1. What skills you need in your new employee from your job description.
- 2. What skills your new employee <u>possesses</u> from your interview process.

You may have selected an ideal candidate but there may be a few skills that are not at a satisfactory standard. The new employee may lack experience. In this scenario, you must make provision for these skills to be developed. The employee could be trained by yourself or someone qualified to give instruction. Or it could be a mixture of on-the job and external training.

Employee training can save money in the long term as it will result in fewer mistakes. But even when mistakes do occur, it is the approach to rectifying the situation which will determine recurrence and the ultimate cost to the business.

Further details are available in chapter 3



### Are family and other farm workers aware of the role of the new employee?

You may initially think that a new employee will work with you alone. This will not be the case. There will be interaction with your family and others (contractors, relief workers, etc.). You need to think about these relationships, in advance. Equally, you need to let your employee know about your family and the input they have in the running of the farm. The following issues need to be clear with your family from the outset:

- · Why the employee is on the farm
- Employee's main role and skills
- Employee's part of the farm business (financial plan)
- Employee's use of farm equipment & machinery
- Eating, washing and toilet facilities for the employee
- Use of family dwelling by the employee
- How family knows when employee is present on farm (roster)
- Any specific requirements of employee, e.g., dietary, family circumstances
- The expected interaction with other family members

### Who can help/mentor the new employee?

A new employee will have certain skills that they bring to your farm. You will also spend time with them so they understand your farming system and its operation. But new employees need more support than this. They need to be able to contact a more experienced and knowledgeable person to guide them through the initial year(s). This person is what we refer to as a 'mentor'. It is usually someone outside your farm. In advance of employing someone, give consideration to a possible suitable mentor for your new employee. Options include:

- Previous employee (if you have had one)
- Previous employer (of your new employee)
- Neighbour
- Discussion Group member
- Employee on another farm

A mentor must be someone that both you and the employee trust. The mentor must remain confidential to both.



### Checklist for clarity on employment

	Yes/No
Have you considered the alternatives to employing a full-time labour unit?	
Are you clear on why you are employing?	
Have you a written a six year business plan including the full cost of labour?	
Have you identified some concerns and solutions about employing labour?	
Have you identified the new skills that you need as an employer?	
Have you identified what skills you need an employee to have?	
Are your family members aware of the role of the new employee?	
Have you identified a mentor for the new employee?	
Have you written a job description?	
Have you identified five areas to improve, to make your farm more attractive to employees?	



## Section 2



# **Employment Law**

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# COSOSC AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 2

## **Employment Status**

by the Workplace Relations Commission



### Introduction

Dairy farmers should be familiar with a number of basic provisions under Irish employment law when engaging employees. Employees in certain sectors are covered by specific agreements regarding their employment and which deal with the pay and working conditions of the employees in these sectors. These agreements are Employment Regulation Orders (EROs) Registered Employment Agreements (REAs), Sectoral Employment Agreements (SEOs). Details of EROs, REA and SEOs currently in force are available at www. workplacerelations.ie.

- What are the employer's obligation when employing labour on a dairy farm?
- What records do I need to keep?
- What is the employment status of employees?
- What is the employment status of foreign nationals?
- What are fixed-term employees?
- 6 How are agency workers treated on farms?
- What about part-time Employees?
- What is the law in relation to employment of young persons?
- What is meant by transfer of undertakings?

# **Employment Status**

### What are the employer's obligations when employing labour on a dairy farm?

The dairy farmer is responsible for ensuring that his/her employees receive certain basic employment rights. The main obligations include:

- To only engage employees who have permission to work within the State
- To ensure that employees are provided with a written statement of terms and conditions of employment
- · To give employees a written statement of pay or 'payslip'
- To pay employees not less than the statutory minimum wage rates
- To comply with the maximum working week requirements
- To provide breaks and rest periods during working hours
- To give annual leave from work
- To give a minimum amount of notice before termination of employment
- To maintain records in relation to employees and their entitlements

### What records do I need to keep?

This list sets out the standard employment records which farmer employers must keep and to which a Workplace Relations Commission (WRC) Inspector will require access during the course of an inspection:

- The completed template sent with the inspection appointment letter or the same information in a similar format
- 2. Employer registration number with the **Revenue Commissioners**
- 3. List of all employees including full name, address and PPS number for each employee (full-time and part-time)
- 4. Written terms of employment for each employee
- 5. Payroll details (including Gross to Net, Rate per hour, Overtime, Deductions, Shift and other Premiums and Allowances, Commissions and Bonuses, Service Charges,
- 6. Evidence that the employer has provided payslips to employees
- 7. Employees' job classifications
- 8. Dates of commencement and, where relevant, termination of employment
- 9. Hours of work for each employee (including starting and finishing times)
- 10. Register of employees under 18 years of age
- 11. Details of any board and/or lodgings provided to employees
- 12. Holiday and Public Holiday entitlements received by each employee
- 13. For non-EEA nationals, employment permits or evidence that permits are not required
- 14. Any documentation necessary to demonstrate compliance with employment rights legislation

There are minimum periods for which these records must be kept (generally three years).



### What is the employment status of employees?

Employers engage persons on either contracts of service or contracts for services. Only a person engaged under a contract of service is deemed to be an employee and therefore protected by the full range of employment legislation. An independent contractor or self-employed person will have a contract for services with the party for whom the work is being done.

The distinction between a contract of service, on the one hand, and a contract for services. on the other, is sometimes unclear but the type of contract a person is engaged under can have serious implications for both employer and employee in matters such as employment protection legislation, legal responsibility for injuries caused to members of the public, taxation and social welfare. For further information, please see the Code of Practice for Determining Employment or Self-Employment Status, which can be downloaded from www. revenue.ie.



### What is the position with regard to employment of foreign nationals?

Foreign nationals working legally in Ireland are entitled to the full range of statutory employment rights and protections in exactly the same manner as an Irish worker.

A non-EEA national, except in the cases listed below, requires an employment permit to take up employment in Ireland. It should be noted that the possession of a PPS (Personal Public Service) number does not automatically entitle a person to work in the State.

Citizens of non-EEA countries who do not require employment permits include those with: (5) What are fixed-term employees?

- Permission to remain as spouse or a dependent of an Irish/EEA national
- Permission to remain as the parent of an Irish
- Temporary leave to remain in the State on humanitarian grounds, having been in the asylum process
- Explicit permission from the Department of Justice and Equality to remain resident and employed in the State
- Permission to be in the State as a registered student who is permitted to work 20 hours during term time and 40 hours during holiday periods
- Permission to be in the State under the terms of the Diplomatic Relations and Immunities Act 1967, and are assigned to a Mission of a country with whom the Government has entered into a Working Dependents Agreement
- Swiss Nationals: In accordance with the terms of the European Communities and Swiss Confederation Act, 2001, which came into operation on 1 June, 2002, this enables the free movement of workers between Switzerland and Ireland, without the need for **Employment Permits**

It is an offence under the Employment Permits Acts 2003 and 2006 for both an employer and an employee if a non-EEA national is in employment without an appropriate employment permit or other permission to

work. Employment permit holders can only work for the employer named on the permit.

If the holder of an employment permit ceases, for any reason, to be employed by the employer named on the permit during the period of validity of the permit, the original permit and the certified copy must be returned immediately to the Department of Jobs, Enterprise and Innovation.

Depending on the business needs of the dairy farm, the farmer may take on part-time employees, fixed-term employees or temporary agency workers.

A fixed-term employee is someone who is employed under a contract which contains a specific start and end date or who is employed to carry out a specific task or project or the continuity of whose contract is contingent on a particular event such as the availability of continued funding from an external source.

Fixed-term employees cannot be treated in a less favourable manner than comparable permanent employees in relation to conditions of employment. All employee protection legislation, other than that relating to unfair dismissal in certain circumstances, applies to fixed-term employees in the same manner as it applies to a permanent employee. Fixed-term employees may only be treated less favourably than a permanent employee where such treatment can be justified on objective grounds.

Employees cannot remain on a series of fixedterm contract indefinitely. If an employee who commenced employment on a fixed-term basis on or after 14 July 2003 has had two or more fixed term contracts, the combined duration of the contracts may not exceed four years. After this, if the dairy farmer wishes the employee to continue, it must be on the basis of a contract of indefinite duration.

# **Employment Status**

### What is the status of agency workers?

An agency worker is an individual employed by an employment agency under a contract of employment by virtue of which the individual may be assigned to work for, and under the direction and supervision of, a person-the hirer (e.g. a dairy farmer) - other than the employment agency.

The law provides that all temporary agency workers must have equal treatment with workers hired directly by the hirer in respect of:

- Pav
- Working time
- Rest periods
- · Rest periods during the working day
- Night work
- Overtime
- Annual leave
- · Public holidays

Temporary agency workers must also have equal access, with the hirer's own workers, to facilities such as canteen or similar amenities, or transport services.

Where a vacant position of employment arises with the hirer of an agency worker, the hirer must, when informing his/her own employees, inform any agency worker who is for the time being assigned to work for him/her, of the vacancy for the purpose of allowing the agency worker to apply for that position.

### What about part-time employees?

A part-time employee is someone who works fewer hours than a comparable full-time employee doing the same type of work.

Since 2001, a part-time employee may not be treated less favourably than a comparable full time employee in respect of any condition of employment and all employee protection legislation applies to part-time employees in the same manner as it already applies to full-time employees. A part-time employee may only be treated in a less favourable manner than a comparable full-time employee where such treatment can be justified on objective grounds.

## What is the law in relation to the employment of young persons?

The Protection of Young Persons Act, 1996 is designed to protect the health of young workers, and to ensure that employment during the school year does not put their education at risk. The law sets minimum age limits for employment, sets rest intervals and maximum working hours, and prohibits the employment of those under 18 years of age on late night work.

## Summary of provisions in relation to employment of young people

Age	Max hours per day during school term	Max hours per week	Permitted hours of work
16 & 17	8	40	6am - 10pm

In general, the Act prohibits the employment of children under the age of 16. However 14 and 15 year olds can be employed:

- During the school holidays
- Part-time during the school term
- As part of an approved work experience or education programme where the work is not harmful to their safety, health, or development



## Summary of provisions in relation to employment of children over age 14

Age	Max hours per week/ day during school term	Max hours per week/ day outside school term	Permitted hours of work	Maxium work experience per week/ day**
14	Nil	35/7	8am - 8pm	40 hours/ 8 hours
15	Nil	35/7	8am - 8pm	40 hours/ 8 hours

\*\* The reference to "work experience" is to training or work experience programmes approved by the Minister for Jobs, Enterprise and Innovation or an tSeirbhis Oideachais Leanunaigh agus Scileanna (SOLAS).

16 and 17 year olds must receive a 30 minute break if working for more than a 4.5 hour period and two days off in every seven days. Fourteen and 15 year olds must be given a 30 minute break if working more than four hours, two days off in every week (if working during the school holidays) and a 21 day break from work in the summer.

## Summary of Rest Break provisions for Young Persons and Children

	Under 16s	16 & 17 Year Olds
30 minutes break after working	4 hours	4½ hours
Every 24 hours	14 hours off	12 hours off
Every 7 days	2 days off	2 days off

In addition to the normal statutory records that employers are required to keep, the following records must be kept for any children and young persons employed by them –

- Full name
- Date of birth
- Time work begins each day
- · Ttime work finishes each day
- Rate of wages or salary paid per day, week, month or year, as appropriate
- Total amount of wages or salary paid to each person

In addition, before employing someone under 16 years of age, an employer must see a copy of the child's birth certificate and obtain the written permission of a parent or guardian to employ the child.

An employer must provide all workers under the age of 18 years with a copy of the official summary of the Protection of Young Persons (Employment) Act, together with the other details of their terms of employment within one month of taking up a job.

Also, employers who employ persons under 18 years of age must display the official summary (abstract) of the Act at the workplace where it can be easily read.

### What is meant by transfer of undertakings?

The European Communities (Protection of Employees on Transfer of Undertakings)
Regulations, 2003 provide that the employment law rights and obligations of the original employer will be transferred to the new employer in the event of the transfer of the business or part of the business. The new employer must observe the terms and conditions agreed in any collective agreement on the same terms as were applicable to the original employer.



# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

## Section 2

# Pay and Wages

by the Workplace Relations Commission



### Introduction

Employers in sectors covered by an Employment Regulation Order (ERO), Registered Employment Agreement (REA) or Sectoral Employment Order (SEO) are obliged by law to pay the wage rates prescribed by the orders and agreements. Details of EROs, REA and SEOs currently in force are available at <a href="https://www.workplacerelations.ie">www.workplacerelations.ie</a>.

- What is the National Minimum Wage?
- Are there sectoral or Industry Specific Minimum Wages?
- How is Sunday work treated?
- What requirements are associated with payslips?
- What deductions can an employer make from the pay?

## Pay and Wages

### What is the National Minimum Wage?

Experienced adult workers in Ireland are entitled to be paid a minimum rate per hour. There are however, some exceptions to the minimum wage, including those employed by close relatives, those aged under I8 and trainees or apprentices.

### Minimum pay under the National Minimum Wage Acts

Employee	% National Minimum Rate of Pay
Experienced adult worker	100%
Employee under age 18	70%
Employee in the second year after the date of first employment over age 18, whether or not the employee changes employer during the year	90%
Employee in the first year after the date of first employment over age 18, whether or not the employee changes employer during the year*	80%
Employee in a course of training or study over age 18, undertaken in normal working hours	
1st 1/3 period 2nd 1/3 period 3rd 1/3 period	75% 80% 90%
Note: Each 1/3 period must be at least 1 month and no longer than 12 months	
Experienced adult worker named by the Labour Court in granting a temporary exemption to an employer from paying the national minimum hourly rate of pay	The Labour Court will decide the lower hourly rate of pay that the employee must be paid for the period of the temporary exemption
Note: Minimum period of temporary exemption 3 months and maximium period is 12 months	

<sup>\*</sup> Employment experience prior to age 18 is not taken into account for these rates.

The statutory minimum hourly rates of pay are gross amounts i.e. before tax/PRSI is deducted

## ② Are there sectoral/industry specific minimum wages?

Legal minimum rates of pay for particular industries or sectors may also be laid down in Employment Regulation Orders (EROs), Registered Employment Agreements (REAs) and Sectoral Employment Orders (SEOs). Farmers who propose to employ labour should check if such agreements or orders are in place for the Agriculture Sector.

Details of the existing minimum rates, under the National Minimum Wage Acts and under EROs, REAs and SEOs are available on www.workplacerelations.ie.

### 3 How is Sunday work treated?

If not already included in the rate of pay, employees are generally entitled to a premium payment for Sunday working or paid time-off in lieu.

## What requirements are associated with payslips?

All employees are entitled to receive a payslip with every payment of wages. This payslip should show the gross wage (wage before deductions) and the nature and amount of each deduction.

## What deductions can an employer make from pay?

An employer is allowed to make the following deductions from an employee's wage:

- Any deduction required or authorised by law (e.g. PAYE or PRSI)
- Any deduction authorised by the term of an employee's contract (e.g. pension contributions)
- Any deduction agreed to in writing in advance by the employee (e.g. health insurance subscription)

# COSOSC AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 2

# Holidays, Breaks, Rest Time

by the Workplace Relations Commission



#### Introduction

Employers must ensure that employees are given adequate rest. The Organisation of Working Time Act, 1997 sets down the rules governing maximum working hours, daily and weekly rest breaks, annual leave and public holiday entitlements.

Employment Regulation Orders (EROs), Registered Employment Agreements (REAs) or Sectoral Employment Orders (SEOs) may also prescribe working time requirements for specific Industries or Sectors. Details of any such requirements are available on <a href="https://www.workplacerelations.ie">www.workplacerelations.ie</a> or by telephoning the Workplace Relations Commission at Io-Call 1890 80 80 90.

- What is the maximum working week?
- What rest and breaks must be provided for an employee?
- What is compensatory rest?
- How many days' holidays are employees entitled to?
- What about Public Holidays?
- 6 What is Protective Leave?

# Holidays, Breaks, Rest Time

#### What is the maximum working week?

The maximum an employee should work in an average working week is 48 hours. This working week average should be calculated over a four-month period. There are, however, some exceptions to this average period; for example, a six-month averaging period can be used where the work is seasonal or subject to a foreseeable surge in activity.

Category of Worker	Reference Period for Averaging
Employees who are night workers	2 months
Employees generally	4 months
Employees where work is subject to seasonality, a foreseeable surge in activity or where employees are directly involved in ensuring continuity of service or production	6 months
Employees who enter into a collective agreement with their employers which is approved by the Labour Court	Up to 12 months
Young people under 18 years	Hours of work are fixed by the Protection of Young Persons (Employment) Act 1996

## What rest and breaks must be provided for an employee?

Appropriate rest breaks from work are vital to the health and safety of workers and are of importance in the efficient and effective operation of the workplace. Employees in general are entitled to the following rest periods;

Rest Type	Entitlement
Daily	11 consecutive hours daily rest per 24 hour period
Weekly	One period of 24 hours rest per week preceded by a daily rest period (11 consecutive hours)
Rest Breaks	15 minutes where more the 4½ hours have been worked; 30 minutes where more than six hours have been worked which may include the first break

There is no statutory entitlement to payment for breaks.

#### What is compensatory rest?

Agricultural employees are exempted from the above rest provisions subject to receiving equivalent compensatory rest. This means that, although farmer employers may operate a flexible system of working, employees must not lose out on rest. In these circumstances rest may be postponed temporarily and taken as soon as possible after the statutory rest period has been missed out on and, generally, in an adjacent time frame. The *Code of Practice on Compensatory Rest* can assist dairy farmers in observing the requirements relating to compensatory rest and gives guidance on the arrangements that may be put in place to achieve compliance.

## 4 How many days' holidays are employees entitled to?

Holiday entitlements are earned from the date of commencement of employment.

The minimum annual leave entitlement is four working weeks paid annual leave per leave year. However, annual leave is accrued based on time worked by the employee. Full-time employees earn one week of paid annual leave for every three months worked. Employees who work 1,365 hours in any given leave year have earned



their full four week annual leave entitlement at that point, except if it is a leave year in which the employee changes employment.

Part-time employees are entitled to annual leave consisting of 8% of hours worked, subject to a maximum of four working weeks in the leave year. Employees are also entitled to nine public holidays during the year, in respect of which an employer may choose to give one of the following four options:

- · A paid day off on the day, or
- · A paid day off within a month, or
- An extra day of paid annual leave, or
- · An extra day's pay

#### What about Public Holidays?

The following are the nine public holidays in Ireland:

#### Public Holidays

1st January (New Years Day)

St. Patricks Day;

Easter Monday;

the First Monday in May;

the First Monday in June;

the First Monday August;

the Last Monday in October;

Christmas Day:

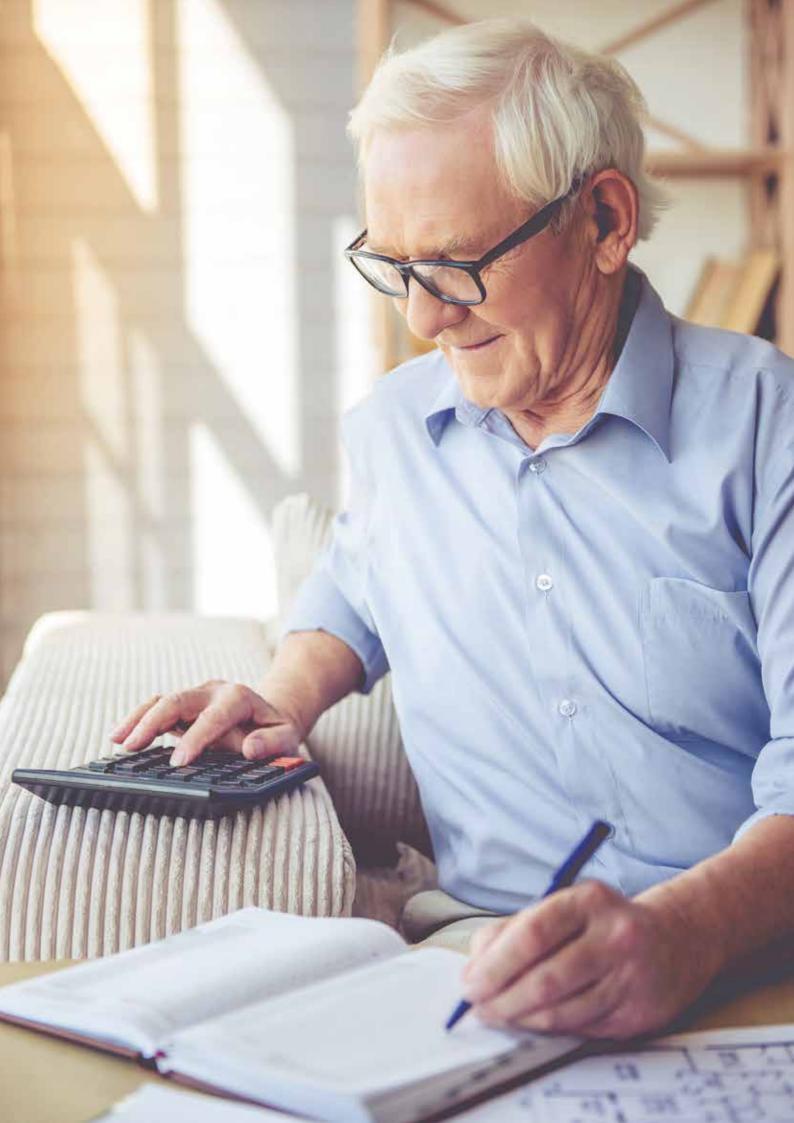
St. Stephen's Day

In order for a part-time employee to qualify for a public holiday, he/she must work at least 40 hours in the five-week period that immediately precedes the public holiday.

If the public holiday falls on a day on which the employee does not normally work, the employee is entitled to one fifth of his/her normal weekly wage for the day.

#### What is Protective Leave?

Employers are obliged to allow employees (who meet relevant qualifying criteria, if any) to avail of certain statutory protective leaves, such as maternity leave, health and safety leave, parental leave, adoptive leave, and carer's leave. There is specific legislation setting down the rules for each entitlement which can be accessed at <a href="https://www.workplacerelations.ie">www.workplacerelations.ie</a>.



# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

## Section 2

# **Equality and Termination of Employment**

by the Workplace Relations Commission



#### Introduction

Employment law outlaws discrimination in work places. You need to be also familiar with the redundancy requirements and potential farm inspections.

- What is the law regarding equality?
- What minimum notice is required?
- What is redundancy?
- What are collective redundancies?
- What are codes of practice?
- Who can inspect farms to monitor employment compliance?

# Equality and termination of employment

#### What is the law regarding equality?

The Employment Equality Acts outlaw discrimination in work-related areas such as pay, vocational training, access to employment, work experience and promotion including harassment and victimisation at work and the publication of discriminatory advertisements.

Discrimination is prohibited where it relates to gender, civil status, family status, sexual orientation, religious belief, age, disability, race, colour, nationality, ethnic or national origins and membership of the travelling community.

Any provision in a collective agreement, Employment Regulation Order, Registered Employment Agreement or Sectoral Employment Agreement which discriminates on any of the grounds set out above may be declared null and void.

It is also unlawful to discriminate directly or indirectly in relation to occupational pensions on any of the grounds set out above.

#### What minimum notice is required?

The Minimum Notice and Terms of Employment Acts 1973 to 2005 provide that every employee who has been in the employment of his/her employer for at least 13 weeks is entitled to a minimum period of notice before that employer may dismiss him or her. This period varies from one to eight weeks according to the length of service.

An employer and employee may agree payment in lieu of notice. An employee's minimum notice entitlement is as follows:

Lenght of Service Minimum	Notice
Thirteen weeks to less than two years	One week
Two years to less than five years	Two weeks
Five years to less than ten years	Four weeks
Ten years to less than fifteen years	Six weeks
More than fifteen years	Eight weeks

An employee who has 13 weeks service with his/her employer is obliged to give one week's notice to his/her employer when resigning, unless there is a written contract of employment that provides for a longer period, in which case this notice period must be given.

Employment contracts can be terminated in a variety of ways, such as dismissal, redundancy, or insolvency. Employers should be familiar with the rules relating to termination of employment in any of these contexts. To justify a dismissal, an employer must show that it either resulted from one or more of the following causes:

- a) The capability, competence or qualifications of the employee for the work she/he was employed to do;
- b) the employee's conduct;
- c) redundancy;
- d) the fact that continuation of the employment would contravene another statutory requirement;
- e) that there were other substantial grounds for the dismissal;
- f) farmers are advised to seek professional advice if they are considering a dismissal.

#### What is redundancy?

A redundancy situation arises, in general, where a job no longer exists and the person is not replaced. For example, if the farm owner decides to reduce the herd size in half, this may be a redundancy situation where labour is no longer needed on the farm.

Under the Redundancy Payment Scheme all eligible employees are entitled to a statutory redundancy lump sum payment on being made redundant. An employee is entitled to two weeks' pay for every year of service, with a bonus week added on, subject to the prevailing maximum ceiling on gross weekly pay which is €600 with respect to redundancies notified and/or declared on or after 1st January 2005.

An employee must have at least two years' continuous service (104 weeks) to qualify for statutory redundancy. An employer who is making an employee redundant must give appropriate notice to the employee according to the length of service under the Minimum Notice and Terms of Employment Acts 1973 – 2005 or the employee's contract.



However, notice of redundancy is only required two weeks before the termination of employment and must be given in writing. This can be done either by using Part A of the RP50 form (see below) or by informing the employee in writing of the redundancy. The employee should not sign Part B of the RP50 form until they have actually received their redundancy payment. For more information including how to calculate redundancy entitlements using the redundancy calculator, log onto <a href="https://www.welfare.ie">www.welfare.ie</a>.

The Redundancy Payments Acts 1967 to 2014 provide that the redundancy lump-sum must be paid direct to the employee.

#### What are collective redundancies?

Where employers are planning collective redundancies, they are obliged to supply the employees' representatives with specific information regarding the proposed redundancies and to consult with those representatives at least 30 days before the dismissal takes place to examine if the redundancies can be avoided, or lessened, or their effects mitigated.

#### (5) What are Codes of Practice?

In places of employment the establishment of certain policies and procedures, such as those dealing with discipline and grievances, dignity at work (including bullying and harassment), is considered necessary, while the establishment of other policies and procedures, such as data protection and absence policies, is considered best practice. This will vary in importance for employers depending on the type of business involved.

A number of organisations, including the Workplace Relations Commission, the Health and Safety Authority and the Office of the Revenue Commissioners have produced codes of practice which may be useful for employers.

## Who can inspect farms to monitor employment compliance?

The WRC is also responsible for monitoring a range of employment rights in Ireland through its Inspection Service. WRC Inspectors operate in a fair and impartial manner, carrying out inspections throughout the country. These inspections arise as a result of complaints received of alleged contraventions of employment rights, as a result of targeted inspection campaigns and as a result of routine inspection enquiries. Where evidence of noncompliance with employment rights legislation is found, the inspector's main priority is to have the matter rectified. In some cases the issue of compliance and/or fixed payment notices and/ or the initiation of prosecutions against the employer may be necessary.

In general WRC Inspectors have the following powers under legislation:

- To enter any place of work at a reasonable time
- To require the production of records
- To inspect records
- To take copies of, and remove and retain, records
- To interview and require information from any relevant person

#### Checklist for clarity on employment

	Yes/No
Have you considered the alternatives to employing a full-time labour unit?	
Are you clear on why you are employing?	
Have you a written a six year business plan including the full cost of labour?	
Have you identified some concerns and solutions about employing labour?	
Have you identified the new skills that you need as an employer?	
Have you identified what skills you need an employee to have?	
Are your family members aware of the role of the new employee?	
Have you identified a mentor for the new employee?	
Have you written a job description?	
Have you identified five areas to improve, to make your farm more attractive to employees?	



## Section 3



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# COSOSC AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 3

# Work Organisation and Communication

by Marion Beecher, Paidi Kelly, Justine Deming, Bernadette O'Brien

#### Introduction

As farm businesses expand, skilled employees are hired to accomplish the goals of the farm business. All the processes of the farm must be organised and simplified, as different people perform different tasks each day. Good communication will result in improved work efficiency, increased employer and employee satisfaction and will increase the overall operational efficiency of the farm business.

- How can rosters be prepared and agreed on?
- 2 How can employee motivation be enhanced?
- What are the most effective communication methods on farm?
- 4 Are written instructions needed on farm?
- What is the work culture on the farm?
- 6 Employer expectations are they realistic?

# Work Organisation and Communication

#### 1 How can rosters be prepared and agreed on?

A roster is a list or a plan that shows when people who work on a farm will be on duty. It can be computer-generated (spread-sheet), written on a year planner, on a calendar, or whiteboard.

The key to the success of a roster lies in the planning and organization that has gone into developing it and the commitment of all involved to making the roster work. An employee needs to know that the roster is fair and that the employer will maintain the roster, unless in exceptional circumstances.

When devising a roster it is essential to consider how many hours each person on the farm is requested to work, and whether they are family members or employees. Extra people may need to be rostered rather than allocating too many hours to a few individuals.

A sustainable roster must take into consideration the timing that best suits individuals, providing for meal and rest breaks between shifts, start and finish times, and leave days.

Changes to the roster can easily be made once the initial draft is in place.

#### Issues to consider when making rosters:

- Personal circumstances of employee/family members
- Personal preferences of employee/family members, e.g. Do they prefer time off at weekends or weekdays?
- Age of employees; this may affect how much time off they need and when they would prefer to have it
- · Amount of pay for the employee
- Skillset and level of responsibility of employee/family members
- The availability of relief milkers and part time staff
- The employer or manager's requirements for time off

#### **KEY TIPS:**



- Use a simple calendar chart showing all months/weeks/days
- Use coloured pens to highlight people and/ or duties and time off

The most up-to-date roster should be circulated to everybody working on the farm including part-time staff to ensure that everyone has precisely the same roster.

Setting rosters in advance allows greater flexibility with the roster. A seasonal plan should include major dates such as the start of calving, mating start date, holidays, etc. This would then allow all people involved to see the work requirements for the months and weeks ahead. People can then plan their leave around this time.

Roster time examples include:

- 11 days on and three days off
- 10 days on and four days off
- 5 days on and two days off

Some farmers operate a six days on, one day off roster during the very busy spring period. All rest periods must comply with The Code of Practice on Compensatory Rest

#### **KEY TIPS:**



If employee(s) is required to work longer rosters, then incorporate a rest period during the rostered days. Examples include:

- A scheduled later start time or shorter working day,
- Scheduling one of the rest days into the middle of the period,
- Only completing essential tasks at the weekend e.g. milking.

If people are consulted at the early stages of roster development, then fewer problems are likely to arise later. Planning a year in advance makes it possible to ensure, at the start of the season, that statutory holidays and annual leave can be covered. This means that the employer knows the work will still get done and the employee knows they will get their fair allocation of time off. The yearly planner should be reviewed on a monthly basis.



#### **KEY TIPS:**



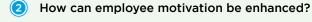
The more organised the farm owner/employer is, the more flexible they can be. Everyone knows their jobs/tasks, so it is easier to get a replacement for a defined job/task.

The more contingency plans that are in place, the more flexible the work routine on the farm. It is important to have a back-up team to call on in an emergency or at short notice. It would be helpful to have a list of contractors and farm relief services (FRS) for most tasks on the farm, even if the employee is normally doing those tasks.

Farmer quote: "Rosters need to be discussed at the interview stage so as to outline the busy and quiet times and the importance of knowing when, and who, is working in advance as everybody needs time off and this needs to be structured."



Example of a roster.



People are motivated by different things. It is important to avoid making assumptions about what will or will not motivate different people. It cannot be assumed that what motivates the employer will also motivate the employee. Thus, good communication with staff and understanding what motivates them is important. For some people motivation is linked to the level of accountability given to him/her, particularly if they are ambitious and enjoy taking responsibility for a specific area on the farm. This can be encouraged by

increased interest shown by the employer and involvement of the employee in decisionmaking. Other people prefer not to have a lot of responsibility and get satisfaction from carrying out tasks well.

Motivated employees feel they have a stake in their job. They have greater confidence and want to be involved in decision-making. The benefits of having motivated staff include reduced costs, reduced stress, better productivity and a happier working environment on the farm. Motivation can also have a very positive effect on retention of staff.

Elements that contribute to employee/farm worker motivation include:

- While money is not necessarily the primary driver for most employees, people do need fair remuneration
- A sense of "belonging" in the work place where the employee is kept up to date on farm issues and are made aware of the reasoning for certain decisions on farm
- Showing employees they are valued by the farm owner/employer boosts morale and motivation
- Opportunities for growth and development
   including education and training, and an obvious career path
- Control or autonomy for the employee over their work, e.g. the employee having clear responsibilities and the opportunity to meet them through planning their own work load, and subsequent recognition of achievement
- Employees getting some variety in their work
- A balance between work and other life; people need adequate time off the farm to recharge and to pursue their own interests
- A safe and healthy workplace
- The farm is growing and developing successfully, being part of a winning team

The challenge is to have rewards that match an individual's performance and motivate them to continue to improve their performance and contribute to the farm business.

# Work Organisation and Communication

#### **KEY FACTS:**



In a UK study, one third of employees believed that a gesture as small as 'thank you' went a long way toward motivation, and 75% of the workers remembered a time they were verbally praised. Good managers are generally effective motivators and provide regular feedback both good and bad. They create an environment where employees have a sense of pride and pleasure in their jobs.



## What are the most effective communication methods on farm?

Good communication leads to motivated and productive staff. Staff should know what is going on and what is expected of them, and feel that their ideas are valued and their good performance praised. Good communication creates strong working relationships. Open communication helps set expectations and coordinate actions. It builds trust, enables people to act on facts, not assumptions, and provides feedback on performance. Different methods of communication can be used between the farm owner and employee.

Informal verbal: This can be on a daily basis – when they go through the "to-do" list for the day. This could be held each morning after breakfast or over a cup of tea or coffee.

#### **KEY TIPS:**



Where practical, it can be useful for everyone to have breakfast together to informally discuss how things are going and to interact socially.

Farmer quote: "Encouragement is always important even if the job is not done properly initially, there are times where issues arise and clarification is needed but once that passes one needs to forget and move on. Being overly negative is bad for everyone. Including staff in decision making and explaining the reasoning behind decisions is important. Make sure everyone has a clear understanding of the reasons why a particular method is used."

Structured meeting: For example, at the start of the week, where the tasks for the week are listed and prioritized for each person on the farm. Responsibilities are assigned, feedback and coaching is given (as required), and demonstration of jobs/tasks is carried out if needed. These meetings can be an opportunity to discuss different options and methods of carrying out tasks. They also provide an opportunity to discuss positive events and progress on the farm and also what improvements can be made.

Trying to communicate in an unsuitable environment leads to misunderstanding. Machinery noise, livestock noise, standing in a wet cold shed etc, create a difficult environment for people trying to hold a conversation. The reaction is that messages are shortened and there is no checking that they are understood. So make sure that these weekly meetings occur in a comfortable setting.

Farmer quote: "I find communication during meal times is great to get to know the person and understand the way someone thinks. After milking we discuss the jobs for the day, then we both go to breakfast and can discuss further if required."

Informal written: This could include the use of notice boards, diaries, texts etc to note relevant work, information or material needed. This can be a very effective method of ensuring that everybody working on the farm is up-to-date with critical information, e.g. date of cow treatment with antibiotics or date of fertiliser application. It is useful to provide the employee with a pocket notebook.



#### **KEY TIPS:**



Have a large notice board in the office or in a prominent position where reports can be pinned so that all people on the farm can view.

Formal written communication: For example, the job description and standard operating procedure (SOP) manuals. It is important to keep a copy of the job description as a reference document. The SOPs provide step-by-step direction for detailed practices such as:

- (i) Cow hygiene (frequency of tail and udder clipping).
- (ii) How to carry out routine checks of the milking machine.
- (iii) The correct washing procedure for the milking machine and bulk tank.

Standard operating procedure manuals could also contain lists of types of antibiotics, detergents or fertiliser used. Such information is important for a new employee, for farm relief personnel or anyone not usually working on the farm.

A farm map with paddock names, numbers and hectares should be displayed on the notice board. Large laminated maps can be written on with a dry wipe marker.

Farm production performance: Communication about production performance of the farm should take place regularly (at least weekly). This communication should incorporate reports of performance from the employee to the employer. These could include:

- Herd production update e.g. current milk solids production per cow
- Grass growth rates, covers, pre and post grazing residuals, etc.
- Fertiliser type and application rate and date
- Milking performance and milk quality issues (e.g., SCC, mastitis events)
- Bulk tank records from the milk purchaser, e.g. milk solids and SCC levels

- ICBF reports e.g. fertility and breeding reports
- Financial reports where appropriate

Feedback: Recognition of a job well done is one of the most satisfying aspects of an employee's work and contributes to job satisfaction (positive feedback). Alternatively, when things are going wrong it is important to deal with the issue as quickly as possible to avoid small problems becoming more significant (corrective feedback). Corrective feedback aims to get the job done to the appropriate standard, making sure that a lack of training or resources is not leading to problems arising. It is important to listen to why the problem arose.

Understanding: The farm owner/employer should check to ensure that the employee has the correct understanding of all communication to him/her, e.g. the tasks to be carried out, method of undertaking of the tasks, etc. If the employee does not understand, then they cannot conduct the task, and if they misinterpret, then they will be conducting the task incorrectly or inappropriately. This is particularly important with regard to non or partially English speaking staff. Take extra care to communicate tasks correctly, speak slowly and if possible include a demonstration of how the job is to be done as part of the explanation process.

Body language: This can constitute 50% or more of what is communicated. Noticing the signals that people send out with their body language and being able to effectively read those cues is a very useful skill. Excellent communicators are aware that their body language is equally as important as verbal communication in conveying a message to others.

**Listening:** This is an effective form of communication. It means listening effectively to opinions and what employees or family members working on the farm have to say.

**Effective questioning:** Questioning people in a non-confrontational manner is a good way to commence communication. It invites people to express their thoughts and feelings.

**Express directions clearly:** If ideas are presented clearly it helps others to understand the

# Work Organisation and Communication

message. The key points of the communication should be clear and easy to understand. Giving clear verbal directions makes it more likely that the job will be done properly.

Chain of command: Early communication should outline the chain of command on the farm. This is very important where multiple family members are involved and paid employees are in place. Need to avoid confusion of employees 'serving two masters'

Farmer quote: "In the farm office wall there is also a list of essential and non-essential jobs that can be carried out during free time. I have them written on a post-it label and move them to the completed section when finished."

#### 4 Are written instructions needed on farm?

Standard operating procedures (SOPs) are descriptions of the way in which specific tasks should be carried out on the farm. Well-written standard operating procedures (SOPs) provide

- Help to ensure that a job is completed satisfactorily;
- · An excellent guide for new employees;
- Reduced training time;
- Improved communication;
- Consistency when different people are doing the same job.

SOPs are not required for every task on the farm but where there are a number of steps in a complex task, they are very useful. Both the employer and the employee, together with the overall farm business benefit from consistent work performance and predictable results.

SOPs are particularly useful for procedures such as:

- · Milking machine operation.
- · Bulk tank washing procedures.
- Animal handling and movement.
- · Cow drying off procedures.
- Administration and recording of animal remedies.

- Fertiliser spreader operation.
- Taking a grass cover.
- Mineral supplementation.

It is advisable to have a SOP manual that sets out generic operating procedures (including safety procedures) to use as a starting point, for different areas of farm work. The different sections can be modified to suit the individual farm conditions.

#### **KEY TIPS:**



Have a clear farm map with paddocks numbered - Place a large copy in the dairy or farm office. Have paper copies available to give contractors etc. Have paddocks tagged with a number at the entrance so that they can be recognized and referred to easily and without error.

Print and laminate the SOPs, and place in the area that they are required. SOPs need to be updated as products and technologies change.

#### To operate feeders

- 1. Control panel at far end of pit.
- Single press central green button to run auger and leave to fill automatically.
- Pull handle at front of pit to feed first 2 cows as they walk in.
- Press and hold outer green button to feed remainder once parlour in full.
- Immediately fill again for next time.

Note: Auger should only run for a maximum of 1 minute, if they fail to stop press red button.

Written instructions (standard operating procedures) for operating feeders.



Farmer quote: "I think SOPs should be made for a lot of aspects of dairy farming for example milking routine, calf rearing, grass measuring should be made into a farm booklet over time. A simple one for grazing I use is GROW.

Grass: what cover is in paddock/quality?

Ration of grass allocated: do I need to set up a strip wire for cows (in spring/autumn)?

**Openings of paddocks:** is the opening closed? Check openings and use multiple gaps.

Water: is the trough clean and water flowing? A simple example if learnt once will become a habit and saves a lot of headaches."

#### (5) What is the work culture on the farm?

The culture of work on a farm refers to the general way in which work is approached, and this has a big effect on how much people enjoy working on a farm and how effective they are at their work.

The term 'work culture' can cover a range of work practices and ways of thinking on a farm. A good work culture will assist in ensuring the smooth running of the farm and content employee. Practices that contribute to a good work culture on the farm include:

- Accepting easier alternative methods of carrying out tasks (not doing tasks by manual traditional methods, e.g. manual yard scraping)
- Respecting rosters and not changing them at short notice
- Having a good structure to the daily work, incorporating regular start/finish times, regular milking times and reasonable 'break times'
- Ensuring that the employee has a clear understanding of their role and what is required of them
- Having good farm workplace policies in place (where everybody on the farm conducts acceptable workplace behaviours, e.g. honesty, confidentiality)
- Set practices for routine tasks and clear standard operating procedures for the more complex tasks

- Facilities and practices in place that make the farm a safe and enjoyable workplace, e.g. good animal handling facilities, general precautions in place to ensure farm safety
- Provision of an office area for the employee(s) to conduct their indoor work, e.g. grassland management data on computer
- Good communication and relationship between farm owner and employee
- Well conducted review meetings where feedback is given and training identified and provided
- An openness to increasing the responsibility given to the employee once it is evident that the employee is capable of carrying it
- Good, supportive management style by farm owner/employer, perceived as competent by the employee
- · Sense of security about the work
- Have policies on internet, email and mobile phone usage, e.g. employees need to know that making comments on social media about their employer and their workplace can be against the terms of their employment contract
- Have policies for handling an emergency, accident, illness, injury or an unexpected event
- Have an option to help injured employees return to work, that is, to get back to work and stay at work while they recover from an injury. This can involve changing the kind of work the employee is required to do so that his or her injury is not aggravated during recovery.

#### **KEY TIPS:**



Show gratitude and appreciation for when a job is done well, this can be to an employee or anyone else that works on the farm. This appreciation can be shown verbally or financially, or by some other gesture e.g. a gift at Christmas.

Factors that can lead to a poor work culture of work are essentially the opposite of the above points. These include long working days, late evening milking, irregular milking times, poor planning ahead, poor organization of farm work, a lot of repetitive manual work e.g. scraping yards, taking safety risks. Some of these factors may not be recognized by some farmers; but they are important to employees and therefore should be addressed before employing.

#### **KEY TIPS:**



Your business is only as good as your employee(s), so take care of your employee(s).



Farmer (employer) expectations must be realistic. Otherwise retention of the employee will be challenging. The employer must consider that it was him/herself that selected the employee and that their expectations must be defined by the employee they selected. For example, if they selected a young person with minimal training, then they cannot expect this person to take on large responsibility immediately.

Expectations must be in line with the remuneration, age of the employee, previous training, previous responsibility, skills in e.g. computers, financial planning.

Expectations must also be realistic in terms of hours to be worked by the employee and a realization that the employee may not wish to work the same total number of hours as the farm owner/employer. For example, if the milking process takes five hours and the employee works an eight hour day, then there are three hours of work outside of milking for other tasks.

Everybody does things differently. Certain tasks have end results that can be achieved by different methods. Work practices may change on farm. An example is milking time; an employee may suggest starting morning milking earlier, so that evening finish time is earlier.

Farmer quote: "I'm a big believer in sharing our targets and celebrating reaching these as a team. We constantly discuss what we are aiming for and how we can make this happen. Co-op performance reports are put up on the white board to keep targets in mind. I feel this creates a culture where we are really working towards something together."

# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

## Section 3

# Developing an Employee

by Marion Beecher, Paidi Kelly, Justine Deming, Bernadette O'Brien

#### Introduction

Once a person is recruited correctly (see section 1) it is necessary to develop that person through provision of appropriate training, so that they are able to progress and learn in their job. Creating a good learning environment will make it easier to recruit other staff (even if the current person leaves), as a reputation for good farming practice and good employee conditions becomes established quite quickly.

- How is the decision made regarding the training and development required by an employee?
- Mow can a mentor assist a new employee?
- How does an employer retain quality employees?
- What basic on farm facilities should be provided for an employee?

## Developing an Employee



How is the decision made regarding the training and development required by employee?

The employer should initially identify the role which he/she wishes the employee to fill. together with the skills required to fulfill that role. Thus, the employee should have the basic skills and knowledge to carry out the task that is expected of him/her, and if they do not have the skill set then training has to be provided. This is also relevant where the employee's responsibility changes.

#### Orientation

While the employee may have the basic skills required for the job, they will not have the understanding of how the employer operates that specific farm. Thus, it is essential that the employee gets varying degrees of training on operations, facilities and practices specific to that farm, e.g. animal health procedures, heat detection methods, cow roadway maintenance, calf management. The most effective training builds on what a person already knows. A good process to follow for training staff on- farm is the following:

- Explain to the employee why the skill is important.
- · Break down the skill to be taught into simple components.
- Discuss with the employee what they already know about the skill and determine what knowledge is missing.
- Demonstrate and explain the skill to the employee slowly.
- · Allow the employee to go through a skill stepby-step with the employer.
- Allow the employee to demonstrate the skill on his/her own without input from the employer.

#### Motivational training

Further training should be considered by the employer as it improves an employee's attitudes and motivation. If employees enjoy their job and are happy to come to work, they work harder and are more conscientious. Their satisfaction shows in their performance. A key factor is to correctly identify areas for further training that will be of benefit to the individual, relevant to their position, and match the needs of the farm business into the future. Training may be provided by the employer, or someone qualified to give instruction, or it could be a mixture

of on-the job/internal and external training. It is useful to know what skills the employee themselves want to improve.

Examples of technical skills that would allow the employee to assume greater responsibility include:

- Ability to allocate grass to cows
- Decide when to move cows based on post grazing height
- · Implementation of a good mastitis control programme at milking
- · Record-keeping for the farm, computing skills

#### Specific technical training and up-skilling

As well as spending time with the new employee, there are also courses that can up skill and motivate the employee. These include

- Milking skills course (FRS)
- Cell check workshops (AHI)
- · Hoof paring courses
- Health and safety training courses
- Manual handling courses
- Sprayer training

Continuous education is a requirement for all people in business; farmers and their employee are no different. Employees should be brought to discussion group meetings and open days where possible. Employers can also provide technical information such as farming papers each week, Teagasc newsletters/publications and industry newsletters.

Training people is a new skill that needs to be developed. The employer needs to have patience, give the employee time and review expectations.

Farmer quote: "We all need training and development, including employers. Every day we learn something new. Areas of interest should be identified and courses or people with these skills should be identified to learn from e.g. hoof paring, A.I., breeding, farm maintenance, animal health, milking machine maintenance, health & safety etc."



#### 2 How can a mentor assist a new employee?

Mentoring is a supportive and private relationship between two people (the mentor and the mentee) and provides the individuals involved with an opportunity to share and develop their knowledge, experience, skills,



wisdom and shortcomings. Mentors facilitate constructive discussion of actions, behaviors and learning. Mentoring can help individuals acquire and develop new skills, build confidence and self-esteem, accelerate career plans and test a personal or professional goal. Other benefits include:

- Mentoring encourages employee retention
   the best employees are attracted to farms that offer them opportunities to develop their skills
- o Mentoring enhances professional development of employee
- o Mentoring reduces employee turnover
- o Mentoring improves productivity on the farm as decisions are more accurate
- o Mentoring improves communication and can increase knowledge of the farm business
- o Mentoring increases morale and motivation of the employee

Mentoring may be conducted by another farm owner or, alternatively by a friend employed on the same or other farm. It could be a neighbour or a discussion group member. It helps the mentee to approach situations with confidence, having talked through the various options and possible consequences with the mentor. It is crucial that confidentiality is exercised, particularly by the mentor.

## How does an employer retain quality employees?

The farming/agriculture industry competes directly with other industries that have a high demand for good labour. Retaining skilled employees is important because high employee turnover results in a loss of knowledge and skills that can be expensive and difficult to replace.

Three key criteria in retaining good employees in the agricultural sector include:



Farmer quote: "I get great enjoyment from seeing people developing their skills on the farm and keeping in touch with them when they move on. I'm eager to see them progress their own career and am happy to be a sounding board for ideas. Keeping in touch with positive people makes farming more enjoyable for me."

Many international studies have shown that it can be quite difficult to retain good employees on farms. While the key criteria above are absolutely necessary in order to attract and retain a good employee, additional, more specific retention strategies and enticements could include:

- Offering a competitive payment package, not just covering wages but also benefits and bonuses or profit sharing plans
- Fair treatment and a variety of work with clear functions and responsibilities
- · Limited weekend hours, limited long shifts
- An enjoyable work environment with good facilities
- A sense of performing interesting and important work
- Giving staff ownership of areas of work (e.g. calf-rearing) to increase personal responsibility and job satisfaction.
- Feedback and appreciation for a job welldone
- Flexibility with time off
- Having some social outlets to celebrate achievements
- Giving employees advanced notice of tasks coming up e.g. a herd test
- Effective performance assessment and accountability discussing the business plans, vision and direction for the following year
- Discussing the career and personal goals of the employee. It is very important that employers listen and understand what is most important to that employee

# Developing an Employee

- It is useful to share the employer's goals for the business and make the employee feel part of the team working towards these targets
- Consistency in decision making and operational procedures
- A healthy and safe place to work
- Reassurance/reminders about job security.
- Appropriate facilities
- Continual development of people skills (by the employer)

A performance review meeting may be used as a chance to talk about the goals and aspirations of the staff member. When an employee is able to work towards their own goals as a part of their employment, this increases job satisfaction for the employee. Sharing the employee's goals and aspirations can improve the relationship between an employer and an employee and have a positive impact on employee retention. It can also help the employer or manager get an idea if the employee is happy with their role, and where they see themselves in the future.

Farmer quote: "I try to concentrate work during the five working week days i.e. herd tests, milk recording, dosing, scanning etc. as I think it's important that only basics are done at weekends (as much as possible), I plan all these in advance."



## What basic on-farm facilities should be provided for an employee?

Consider the basic personal requirements of an employee in advance. Put them in place so that the employee feels comfortable. Also, it is necessary to find out if there are any personal or special dietary needs of the employee.

Essential personal facilities: A suitable area to spend break-time e.g. the area should include fridge, microwave, kettle, table, chairs. Also required are appropriate toilet/shower facilities. If part/all of these facilities are provided in the family dwelling, then this needs to be explained clearly to the new employee. Equally, this must be explained to all the family members who share these facilities.

Farmer quote: "We have a small canteen facility on the farm – kitchen facilities, somewhere nice to sit together and this is where we have our team meetings also. I think it adds to the team feeling around the farm that there is somewhere we can sit down together and talk about farming and non-farming matters."

Personal Protection Equipment (PPE): Any tools required by the employee to conduct his/her work properly should be provided for certain tasks e.g. ear muffs when doing jobs with loud noises, gloves and a mask if spraying etc.

A healthy and safe workplace: For the people working on the farm, there are some very busy periods, long days, a wide range of weather conditions and the requirement to handle large animals and work with potentially hazardous equipment, environments and substances. Thus, it is necessary to develop an approach to health and safety that is part of the overall management on the farm. This involves identifying hazards and assessment and control of risks, controlling hazards instead of dealing with a mishap after it occurs and putting facilities in place to reduce and (if possible) eliminate accident risks. An example might be to improve cow drafting facilities, cattle crushes and calving facilities. See chapter 5 for further information.

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### Section 3

# **Managing Employees**

by Marion Beecher, Paidi Kelly, Justine Deming, Bernadette O'Brien

#### Introduction

The quality of management by the employer has a very significant impact on the work productivity and on the working life of the employee, and consequently on the productivity of the farm business. This will be a new skill for many dairy farmers, but it can be learned and improved with experience.

- What is performance measurement?
- What is the best practice in handing over more responsibility to an employee?
- What is the appropriate way of dealing with an underperforming employee?
- What is meant by employee well-being?
- What if an employee moves on?

# **Managing Employees**

#### What is performance measurement?

Expectations of the employer and employee must be established at the beginning and reviewed when necessary. The employer should take time to carefully explain why certain targets for farm performance are necessary.

Accurate measurement of an employee's performance can only occur if it is clear to both the employer and the employee what the job involves. Therefore the employer needs to have explained to the employee what is required together with the standards to which the tasks should be completed. This should be firstly outlined in the employment contract. It is vital that both the farm owner/employer and employee have agreed from the outset how the performance of the employee will be measured.

Communication and feedback on performance should occur every day where the farm owner/ employer and employee are working together, but regular structured meetings are also important to allow more detailed assessment of progress and identify possible training requirements.

When measuring an employee's performance, all aspects of the employee's job including their performance results and behavior need to be assessed against (i) the position description and (ii) any previously agreed criteria or action points.

Performance measures can be objective or subjective. Objective measures have an easily identified result and can be compared to standards/KPIs (Key Performance Indicators) previously defined by the farm owner/employer. Some examples may include:

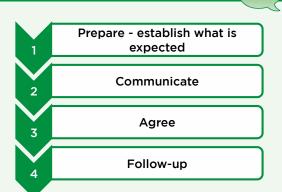


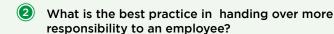


Only use KPIs for evaluation where the employee has a direct and significant work/management input to achieving the targets.

A measurement of the skills of the employee is also important. Selected skills could be examined, such as stockmanship, grassland management, animal management, milking management, financial management and time management. Each of these skills should be evaluated and described as, for example, good, adequate or needs support. This evaluation can be used to identify training needs of the employee to improve their skills and overall job performance. This evaluation can then be discussed at the performance review meeting. Alternatively, subjective measures may include abilities, such as practical capability and more personal traits such as teamwork. communication, enthusiasm, cleanliness and attitude.

#### **KEY TIPS:**

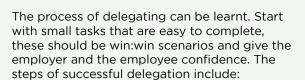




Increasing responsibility or delegating more responsibility (by the farm owner) to the employee can represent a very positive move for both parties, including the farm business. Delegation is a crucial factor in getting the best from employees. It can be a win: win situation as it can free up the employers time to plan and supervise, and the employee will gain from the chance to make decisions and feel the pride that comes from a job well done.

#### HOW TO:

#### Delegate a job to employee



- 1. Define the task to be delegated and establish if it is suitable for delegation.
- 2. Assess the employee's ability and training needs - is the person capable of doing the task? Do they understand what needs to be done?
- Define required results what must be achieved? How will the task be measured? How is progress to be checked? These all need to be discussed and agreed from the outset.
- 4. Consider resources required discuss and agree what is required to get the job done, e.g. premises, equipment, money, materials.
- 5. Agree deadlines When must the job be finished? Or if it is on-going, will there be review dates? Will it be completed in parts or stages, what are the priorities?
- 6. Feedback on results it is essential to let the employee know how they are doing, and whether they have achieved the objectives.

Delegation takes time and while the job may not be completed exactly to your liking initially, constructive feedback and encouragement will ensure desirable results are achieved.

Farmer Quote: "To be honest I've found huge benefits in giving people responsibility as there are some jobs others do better than me. You will never find that out unless you give people responsibility."

## What is the appropriate way of dealing with an underperforming employee?

From the outset it is important that the correct person is hired for the position. (see section 1). It is very important from both the employer and employee viewpoints that performance targets are initially set for the employee and then evaluated by the employer at regular intervals. If there is an issue on the farm it is the responsibility of the employer to first question themselves whether they have carried out their



# **Managing Employees**

own role properly e.g. was everything explained clearly, could the job have been made simpler etc. The employer should seek advice from a confidential friend or a trusted farmer to establish if the expectations are set too high.

#### **HOW TO:**

#### Deal with underperformance.

If the employer's performance targets are not being met then some actions need to be taken such as:

- Review the key performance indicators for the employee and determine if they are realistic. Does the employee know exactly the results expected of him/her? Make sure that the employee has a clear picture of what they are expected to achieve and how well they should do it.
- Check if the employee has been given adequate training/tools/equipment and support to allow that employee to do their iob.
- 3. Focus on results, what are the measurable key performance indicators that show that an employee is under performing. Make sure the person is aware of the task that is required of them and that they understand the gap between the current situation and what is required.
- 4. Give the employee the opportunity to discuss the issue from their viewpoint. Listen actively and do not pre-judge. Stay calm and relaxed. Summarize to check understanding. Jointly commit to a resolution.

#### **KEY POINT:**

It is crucial that the process of determining underperformance is clear and transparent and that there is evidence to back up what is said. Above all, the employer needs to be fair and consistent at all times.

- If the cause of underperformance is identified as an omission or problem caused by the employer, then this should be corrected immediately
- If it is clear that the performance of the employee is not up to standard (through no fault of the employer), then the employee should be given a chance to correct his/her performance. A reasonable time limit should

- be given for this with a date set for a reevaluation
- Employer needs to be cogniscent of external events that may affect an employee's performance e.g. short-term personal family circumstances etc.

If underperformance is again recorded at the second meeting, written notification of employment implications should be given to the employee. See also chapter 2.

If under performance subsequently prevails, then termination of the employment may have to be considered. But this should only be considered when all legal requirements and reasonable chances have been made available to the employee.

Remember, put yourself in the employee's shoes – no one likes receiving or giving criticism. Be quick to praise and slow to criticise!

#### **KEY TIPS:**



Most people prefer to identify their own weaknesses rather than have them pointed out. Allow the employee to evaluate themselves by asking them to think about their performance before the meeting and tell them that you will do the same.



#### What is meant by employee well-being?

Good well-being can be described when a person is comfortable, happy and healthy.

Factors affecting the well-being of an employee will include:

- When that employee enjoys good job satisfaction
- Tangible benefits, such as good remuneration and bonuses
- Good working conditions



- A good personal work environment
- Good personnel policies, such as security in the job and pension
- Other positive motivational factors, such as the possibility for development, responsibility and progression in the job

The main stressors identified among farmers and farmworkers internationally are:

- Financial insecurity, unsafe working conditions;
- injury;
- ill health or disability.

Strategies to manage 'bad situations' should be in place for the employee as well as direction to further resources where needed. At a personal level, relationships (work and personal) are a major source of stress. An employer should watch for indications of high stress levels in employees. These may include:

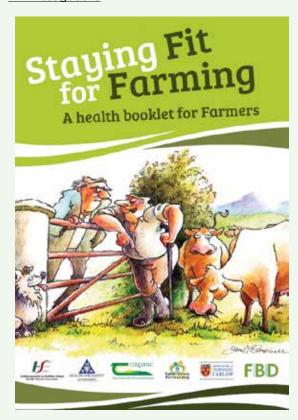
- Continuous tiredness
- Frequent sickness
- · Constant irritability
- Mood swings
- Fast and noticeable weight loss or weight gain
- Dependence on caffeine to get through the day
- Frequent arguing with friends, family and work colleagues
- Low self-esteem, making self-degrading comments (e.g. I am useless, I cannot do anything right)
- Sudden changes in mood, personality or behaviour which lasts for several weeks
- Prolonged lack of interest in jobs or things which once created engagement and satisfaction

If someone is displaying some of these signs it may indicate that they need a rest period or they are unhappy with some aspect of their work life that needs to be addressed. Provision of information on medical resources in the local area and on health insurance would be beneficial.

Farmer quote: "Everybody must help each other and work as a team, starting on time and finishing on or before time is good discipline, introduce him/her to local clubs and people of a similar age group, neighbours etc. Take a genuine interest in your employee. Thank them

for their contribution and wish them well on their weekends off."

Refer to the booklet: Health Booklet for Farmers 'Staying Fit for Farming' which is available at www.teagasc.ie



#### (5) What if an employee moves on?

Employees may decide to move position for a variety of reasons. The person may leave for:

- Personal reasons
- A new position with more responsibility than the employee currently has becomes available: e.g. progressing to a farm manager position or to a collaborative arrangement
- Reasons relating to a bad experience on the farm or the management on the farm
- Retirement

International studies show that 70% of people who leave jobs state that their manager was the primary reason for leaving. So it is important to maintain this relationship to retain employees for a reasonable period of time. However, it is inevitable that employees leave farms or even retire. Each former employer would like them to

# **Managing Employees**

speak about their employment positively, such as:

- How they developed on the farm
- How well they interacted with the owner/ manager as a person
- The skills they have learned
- The farming system

If the people move on and do well subsequently, it reflects very well on the previous employer. This will improve the previous employer's reputation and make it easier for them to attract good people in the future.

When an employee moves on to another position it inevitably places a burden to find and train another person for that role. A person leaving on the correct terms and giving adequate notice will allow time to source a replacement. Often the person leaving may actually source a replacement. Similarly an employee leaving on good terms is unlikely to leave in the busy season; they will allow time for the replacement to be sought.

If an employee has goals that cannot be met, such as wanting more management responsibility that is not possible in their current role, then it's best to help them develop the skills and allow them to move on.

Remember – internet and social media allow almost instant links worldwide. A potential employee on the other side of the world can easily tune into how good any farmer is as an

employer. Employers also need to to be aware

of the legislation when employees leave, for

further information see Section 2.

#### **KEY TIPS:**



Accept that an employee will move on or retire eventually. Keep developing yourself, your farm and your employee so when it comes to replacing the employee, your farm is a much more attractive place to work.

Farmer quote: "While one does not like to see good people move on there are positives. A lot of jobs are secured through word of mouth and contacts as opposed to advertising so a person moving on can help you find other good people or be a reference for you as an employer."

#### Checklist for managing employees

	•	
		Yes/ No
Rosters	Are rosters developed in advance and reviewed regularly to allow for flexibility?	
Communication	Have you decided on your communication methods e.g. daily basis, structured meetings, etc.	
Motivation	Have you the elements that contribute to employee motivation in place, e.g. good pay, time-off, responsibility, good team, good career pathway?	
Training	Have you made provision for the training and development required by the new employee?	
Mentoring	Have you identified a mentor for your new employee?	
Work culture on the farm	Would you describe your farm as having a good work culture, e.g. good timetables, structured day, etc.	
Written instructions	Are Standard Operating Procedures available for different tasks?	
Basic facilities	Have you essential facilities on your farm?	
Performance measurement	Do you know how you will measure employee performance?	
Employee well-being	Will the new employee be happy on your farm?	

## Section 4



# Rewarding Employees

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# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 4

# Pay Definitions

by Tom O'Dwyer, James Maher

#### Introduction

Get familiar with the basic terminology and definitions of pay. Most farmers will seek professional assistance with payment details, but it is important to be familiar with the main definitions regarding pay.

- What is the difference between wages and salary?
- What is the difference between gross pay and net pay?
- What other benefits can be received by an employee?
- What is the National Minimum Wage?
- 6 How do I calculate the hourly rate?
- 6 What does Revenue require to set up an employee?
- What is Emergency Tax?
- What are time sheets?

# **Pay Definitions**

## What is the difference between wages and salary?

While many people use the terms *wages* and *salary* interchangeably, there is an important distinction between the two terms.

Wages are a variable payment that an employee earns based on the number of hours worked and an hourly rate of pay. For example, an employee working 40 hours during the work week, with an hourly rate of pay of €12 per hour, will earn gross wages for the week of €480. If the employee worked more or less hours, the gross wages would increase or decrease accordingly.

Salary is a fixed payment that an individual receives on the basis of work done on an annual basis. For example, a farm manager might earn a salary of €40,000 per year. In general, salaried employees will not receive additional pay for hours in excess of a 'normal working week'.

## What is the difference between gross pay and net pay?

Gross Pay (also Gross Pay for Tax) is the employee's pay of any kind before any deductions are made by the employer. Net Pay for Tax is the employee's gross pay less any ordinary contributions made by the employee to a pension. Net Pay after Tax is the "take home" pay of the employee. The example below illustrates these distinctions.

	Annual	Per week
Gross Pay for Tax (€)	35,000	673.07
Pension related deductions	0	0
Net Pay for Tax	35,000	673.07
PAYE	3,940	75.77
Employee's PRSI	1,400	26.92
Universal Social Charge	1,218	23.42
Net Pay	28,442	546.96

Note: Calculations based on single person

bands and credits and correct as at 1st October 2016.

It is advisable to always agree a Gross Pay figure with your employee rather than a net "take home" figure. By agreeing a net "take home" figure with an employee, the employer is in effect agreeing to pay the employee's PAYE/PRSI for them. It also means that if the income tax rates rise or an employee's tax credits or standard rate cut-off point change, the employer will have to pay any additional tax arising.

## What other benefits can be received by an employee?

In addition to salary or wages, employees can receive other benefits, referred to as benefits-in-kind, including: the private use of a car; the payment of bills; free or subsidised accommodation; medical insurance premiums on an employee's behalf; club subscriptions; and vouchers in various forms. Typically, such benefits are taxable. The exception is where an employer provides an employee with a small benefit (not exceeding €500). In this case, PAYE, PRSI and USC need not be applied provided no more than one such benefit is given in any tax year and the benefit is not in the form of a cash payment. For further details, see http://www.revenue.ie/en/tax/it/bik.html

#### What is the national minimum wage?

In 2017, (1st Jan 2017), the national minimum wage for an experienced adult employee is €9.25 per hour. This rate is liable to change. For current rates please check the Workplace Relations Commission website <a href="https://www.workplacerelations.ie">www.workplacerelations.ie</a>
This national minimum wage applies to all employees including full-time, part-time

- employees, including full-time, part-time, temporary and casual employees, excluding:
- son, daughter, brother or sister; andemployees undergoing structured training such as an apprenticeship.

employees who are close relatives of the employer, such as a spouse, father, mother,

An experienced adult employee is an employee who has employment of any kind in any two years over the age of 18. An employee who has not attained the age of 18 years shall be paid



a rate that is not less than 70% of the national minimum hourly rate of pay. An employee who has attained the age of 18 years shall receive at least 80% of the minimum wage in their first year after having commenced employment, and at least 90% of the minimum wage in their second year after having commenced employment.

For further details, see <a href="https://www.workplacerelations.ie">www.workplacerelations.ie</a>
Remember that the national minimum wage does not prevent an employer from offering a higher wage.

#### How do I calculate the hourly rate?

The hourly rate is calculated by dividing the gross reckonable pay earned by an employee in a pay reference period by the employee's working hours in that pay reference period. The average hourly rate of pay, so calculated, must not be less than the national minimum wage. Some employees earn more than basic pay. For example, if the employee is provided with board (food) and or lodgings (accommodation), then the following amounts are also reckonable (September 2016) i.e. must be included in the gross pay figure for this calculation:

- €54.13 for full board and lodgings per week, or €7.73 per day
- €32.14 for full board only per week, or €4.60 per day
- €21.85 for lodgings only per week, or €3.14 per day

A full list of the pay components which are considered reckonable/non-reckonable for the purpose of this calculation are available at <a href="https://www.workplacerelations.ie">www.workplacerelations.ie</a>

The pay reference period can be a week, fortnight or month (but cannot be longer than a month) and does not have to be the same as the pay period. The following example illustrates the calculation of the hourly rate

Pay Reference Period	Monthly
Gross Pay for Tax (€)	2,917.00
Add Allowance for Full Board and Lodgings	216.52
Add Bonus for achievement of milk quality standards	250.00
Gross Reckonable Pay	3,383.52
Hours worked	170.00
Hourly Rate	19.90

As dairy farming is a seasonal business, it creates the need to work longer hours at certain times. If employees understand and agree to work longer hours this is ok (within limits of course) but you do need to ensure that you don't breach minimum wage rates in doing this.

All employees must be paid at least the minimum wage for every hour they work. You cannot average an employee's salary or wages over a year. Instead you can average it over a week, fortnight or month depending on their pay reference period. You (as an employer) must keep records (e.g. records of payments made and hours worked/time sheets) to show that you are complying with the National Minimum Wages Act.

Finally, an employee may make a complaint under the National Minimum Wages Act to the Workplace Relations Commission.

Farmer quote: "I supply meals - breakfast every morning and dinner four times per week - as part of the overall package. This helps to build social interaction between myself and my employees."

## What does Revenue require to set up an employee?

Each PAYE worker in Ireland registers with Revenue as an employee of a business (in this case a farm business).

Employers must register for PAYE/PRSI purposes. Revenue Form PREM Reg should be used by those who are already registered for Income Tax but who need to register as an employer for PAYE/PRSI purposes. This must be done as soon as salaries are first paid. Form PREM Reg is available at <a href="https://www.revenue.ie.">www.revenue.ie.</a>. Your accountant will also be able to advise and assist

## **Pay Definitions**

All PAYE employees in Ireland commencing employment need to have a PPSN (Personal Public Service Number), and produce a P45 from a previous employer. If working in Ireland for the first time a PPSN can be obtained from the Department of Social Welfare and Protection <a href="https://www.welfare.ie">www.welfare.ie</a> or form 12A.

A worker, if moving from a previous job, needs to obtain a P45 from their former employer. This contains details of pay and taxes deducted by the previous employee and paid to Revenue (income tax, Pay Related Social Insurance (PRSI) and Universal Social Charge (USC). If starting work in Ireland for the first time the employee, instead of a P45, needs to submit form 12A to the Revenue who in turn will issue a Tax Credit Certificate to allow correct salary deductions to be made for this employee.

#### What is Emergency Tax?

Where the above has not been submitted, the Emergency Tax Basis applies (often referred to as emergency tax). In this situation the employer calculates tax due at the higher income tax rate with no tax credits. Once the correct documents are submitted, the employer adjusts the employee's tax calculation back in line with their entitled credits or deductions. More detail is available on <a href="https://www.revenue.ie">www.revenue.ie</a> under Taxes & Duties.

#### What are time sheets?

Time sheets are a record of the time spent in work and the type of leave taken by employees, and help when it comes to calculation of wages. The following example was kindly given to us from the Workplace Relations Commission <a href="https://www.workplacerelations.ie/en/">https://www.workplacerelations.ie/en/</a>.

Employer Name:	r Name:	gamb	Statutory Entitlement under the OWTA.			: ACI FORM — SINGIE EMPINYE Statutory Entitlement under the OWFA.	angle Em ment under the	pioyee	
mployee m Details ploy Se	Employer Registration Number. Surname Surname Poloisia Forename			Emplic	Employees are entitled to;  • A daily rest perior consecutive hour • A 15-minute brea • A 30-minute brea	es are entitled to; A daily rest period of 11 consecutive hours per 24 hours A weekly rest period of 24 consecutive hours per seven days, following a daily rest period A 15-minute break if working 4.5 hours. A 30-minute break if working six hours.	tive hours per 24 t 's, following a daily hours. nours.	nours A weekly re: / rest period	st period of 24
weekst	ш PPS No Week starts on (please specify day); _			Some	<u>Some industries</u> are covered by Registered Employment Agreements (REA's) and Employment Regulation Orders (ERO's), which may contain different regulations regarding rest breaks.	/ered by Registere 2's), which may co	d Employment Ag ntain different regi	reements (REA's) ulations regarding	and Employment rest breaks.
9KS	Date: Please Specify Day Start Time	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Total Weekly
pre:	Finish time								Hours
rest	Date.	- Ae	Cwed	, ad	A veC	Dav5	g ve	Dav 7	
lls		-	4						Total Weekly
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oys oys	Total Hours worked								
	Date:	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	
	Start Time Finish time								Total Weekly Hours
rs <i>n</i>	Total Hours worked								
no	Date:	Day 1	Day 2	Day 3	Day 4	Day 5	Day6	Day 7	
u II	Start Time								Total Weekly
<b>2</b> 30	Finish time								Hours
ът	Total Hours worked								
	declare that the above information		in relation to daily and weekly hours worked is correct and that I have received my statutory rest entitlements: (please tick)	hours worked is corr	ect and that I have re	sceived my statutory	rest entitlements: (p	please tick)	
Employe	Employee Signature:		Date		Emplo	Employer Signature:			,





# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 4

# Payslips and Documents

by James Maher, Tom O'Dwyer

#### Introduction

There are professionals who can assist you in the financial matters related to employing people on your farm. These include accountants, solicitors and employment agencies. Once the employment package is set up, a lot of the paperwork and compliance issues can be contracted out to these professionals.

- What should be included in a payslip?
- Who can issue a payslip?
- What systems are available to assist farmers to generate and issue payslips?
- 4 How, and how frequently, should payments be made?
- Who manages the payment and record keeping process?
- What is a P30 form and when does an employer use it?
- What is a P60 form?

## **Payslips and Documents**

#### What should be included on a payslip?

Employers are obliged to give a written payslip to every employee with every payment of wages showing the gross amount of the wages and a list of the deductions. The following information should be shown on a payslip:

- Employer name and address
- Date of payment
- Tax week number
- Employee name
- Gross wages
- Pension contribution this period (if any)
- Universal Social Charge
- Taxable pay
- Cumulative gross wages
- Standard rate cut-off point
- Cumulative standard rate cut-off point
- Income tax paid in this period
- PRSI deduction this period
- Other deductions e.g. union subscriptions etc.
- Take home pay

It may also be useful to show the employee year-to-date total for gross pay, income tax, PRSI contributions, pension contributions and net pay.

Here is an example payslip:

1 Standard	Wages		W	orks No: 5			
			Du	mmy ( Er. No. 123	4567H )		
Thesaurus 2016 Payro	Il Software						
DETAILS/CREDITS/B		ADDITIONS		DEDUCTIONS		CUMULATIVES	
Date	14/01/2016	Total Pay			356.85	Cumulatives this	€
PPS Number				-Pension (ee)	0.00	employment	
Period	2					Gross	713.70
PRSI Class	AX					PAYE	15.82
Weekly Tax Credit	63.46					USC	12.17
Weekly Cut Off	650.00	<b>Total Gross</b>			356.85	PRSI ee	6.16
Basis	Cumul					PRSI er	60.66
Rate	9.15			PAYE	7.91	Insurable Weeks	2
Hours	39.00			USC	6.08		
Basic Pay	356.85			PRSI ee	3.08		
,		+Travel	0.00				
Total Pay	356.85						
						Last employment	
						Gross	0.00
						PAYE	0.00
		Payment			339.78	USC	0.00
				PRSI er	30.33		



#### Who can issue a payslip?

An employer or someone acting on their behalf (such as an accountant or bookkeeper) can issue a payslip. The Payment of Wages Act requires the information in payslips to be treated in confidence.

Farmer quote: "My employee is hired through FRS so they look after all payments."

What systems are available to assist farmers in generating and issuing payslips?

There are a number of payroll software packages available which can assist employers with calculations, record keeping and issuing of forms such as P60's, and P30's. Discuss the most suitable approach to this with your accountant or financial advisor.

Farmer quote: "My accountant confirms salary based on tax credits etc. annually and I pay my employees directly by standing order through online banking."

How, and how frequently, should payments be made?

Payment can be made by cheque, bank draft, money order, account credit transfer or cash. Frequency of payment is agreed between the employer and employee and written into the terms of employment. If you agree with the employee that payment will be made fortnightly, then you need to adhere to this arrangement

Who manages the payment and record keeping process?

The employer is responsible for co-ordination of payment of wages and record keeping and is obliged to keep these records confidential under the Payment of Wages at Work Act. The employer may hire an accountant or financial professional to perform this role.

6 What is a P30 form and when does an employer use it?

Revenue requires an employer to submit each month (or quarter) a completed P30 form, and pay the total tax and total PRSI due for that employee for that time period. Payment can be made online.

#### What is a P60 form?

The employer is obliged to issue an employee with a P60 form at the end of each tax year which provides proof of the tax paid by that employee for that period. The sample below is taken from <a href="https://www.revenue.ie">www.revenue.ie</a>.





# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 4

# Building a Package to Attract the Right Employee by Tom O'Dwyer, James Maher

#### Introduction

As an employer, you must work out, and agree, an appropriate remuneration package for the various people employed on your farm. When considering a remuneration package, you must bear in mind legislation, the 'going rate' i.e. any package must be competitive, responsibilities of the position, and the skill level and experience of the person.

Remuneration packages can include rewards other than wages or salary, such as accommodation, telephone, power, vehicle costs, performance incentives (bonuses) and livestock. Rewarding people appropriately will help you to attract and retain skilled, reliable employees.

- How do I decide on an appropriate remuneration package?
- Do I have to increase wages/salary on an annual basis?
- What taxes will I, as an employer, have to pay?
- 4 Are bonuses and incentives worth considering?
- 5 In the absence of bonuses or incentives, how do I motivate an employee?
- What about non-cash payments such as stock?
- What expenses can employees claim?
- What pay should an employee receive when on sick leave?
- Are employers obliged to operate a pension scheme for employees?

# Building a Package to Attract the Right Employee

### How do I decide on an appropriate remuneration package?

If you want to attract the right people to work for your farm business, you must offer them an attractive reward package which matches or exceeds the 'going rate'. This is, more often than not, above the minimum rate of pay. The actual rate of pay will depend on the responsibilities and duties which the employee is expected to perform, the skill level and experience that the employee demonstrates in the job, as well as the 'going rate'.

A remuneration package includes salary or wages but may also contain other benefits or rewards such as accommodation, meals, a car, telephone, gas or electricity allowances. While the face value of a salary for a dairy farm employee may not appear to be attractive compared with other industries, when you measure the total remuneration package, it may appear more valuable to the employee. Working out a good remuneration package and communicating this clearly to employees - will help to attract, retain and encourage the right employees. In New Zealand, for example, employers and employees talk in terms of total package values (TPVs) i.e. the total value of the package when all elements are included.

Farmer quote: "I look at what is being paid by other employers for similar positions - the 'going rate' - and pay a fair wage.

### 2 Do I have to increase wages/salary on an annual basis?

You can decide to give an employee an annual increase in their wages or salary (unless you are paying the National Minimum Wage and that is increased by legislation). Notwithstanding that, the employer should consider the employee's performance, the value added by the employee to the business and the 'going rate' to decide whether an increase is justified. Of course, if the employee takes on additional responsibilities, it may be appropriate to renegotiate the overall package.

Farmer quote: "I review the package annually, but this does not automatically mean that the package will be increased. Equally, I can look to review the package sooner if performance warrants it."

#### What taxes will I, as an employer, have to pay?

As an employer you have an obligation to administer the collection and transfer of the taxes listed below to the Revenue Commissioners.

Tax	Employee Liable	Employer Liable
Income Tax - Pay As You Earn (PAYE)	<b>&gt;</b>	
Universal Social Charge (USC)	V	
Pay Related Social Insurance (PRSI)	V	~

In 2016 (September), Employer PRSI is levied at one of two rates:

- 8.5% on weekly salaries up to €356/week (subclasses AO and AX)
- 10.75% on weekly salaries above €356.01 (subclasses AL and A1)

The impact of Employer PRSI on the cost of employment is outlined in the table below.

	Annual	Per Week
Employee Gross Wages	€20,300	€390
Employer PRSI @ 10.75%	€2,182	€42
Final Net Cost to the employer	€22,482	€432

#### Are bonuses and incentives worth considering?

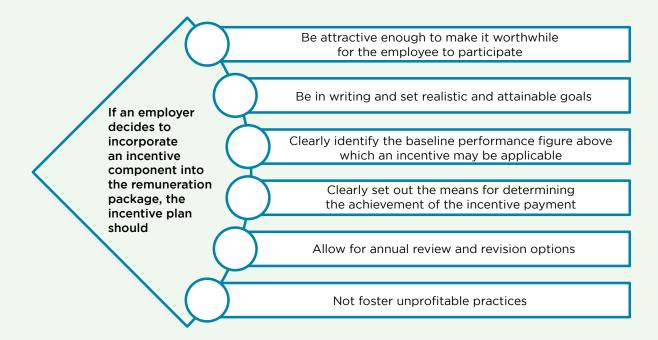
Bonuses are unexpected, once-off payments to reward staff for 'a job well done' and do not necessarily need to be financial. When providing a bonus it is important to distinguish between rewarding behaviour that is required (and indeed expected) for the job and rewarding exceptional performance. Remember that a fair wage should be paid for 'normal performance'; bonuses, if offered, should be for exceptional performance.



Incentives, on the other hand, are usually part of the overall remuneration package and are designed to incentivise/reward employees who meet set targets/goals or performance measures. Performance measures might relate to milk solids production over a particular period, achievement of quality bonuses, annual profit levels, or incidence of mastitis. Incentive systems can act as a disincentive, especially if the employee has limited control over the performance measure on which the incentive is calculated or if the employee sees the incentive as unfair or unachievable.

For an incentive to work correctly, the employer must ensure that it is incentivising the right behaviour without compromising another area of the business.

#### Criteria for an effective performance incentive scheme



Other sectors of agriculture e.g. fruit picking are more easily able to develop incentive packages for employees. It is more difficult to develop a package where grazing animals and grassland are elements of the performance of the incentive package.

**Farmer quote:** "In my opinion a financial bonus can be short lived, it is not a long term motivator and in my experience can become a de-motivator. It can also create a sense of 'entitlement'. For these reasons, I pay a good standard package."

# **Building a Package to** Attract the Right Employee

#### In the absence of bonuses or incentives, how do I motivate an employee?

One of the questions most frequently asked by farmers is 'How do I motivate Joe (or John or Mary or Michael etc.)? According to Dan Pink's really useful book, "Drive: the surprising truth about what motivates us", human motivation is largely intrinsic (comes from completion of the task itself or from within the individual). Furthermore, the old models of motivation, driven by external rewards and/ or fear of punishment, are outdated for the 21st century.

Pink recommends employers to pay employees enough "to take the issue off the table", so that they feel they are being paid fairly and are not focussed on meeting basic requirements. He then suggests that to motivate employees beyond performing the basic requirements, you need to provide them with the opportunities to:

- · make their own choices about how to complete tasks:
- improve their skills over time; and/or to get better at performing tasks.
- complete tasks that have meaning and are important to the overall performance of the business.

These ideas are developed by Dan Pink at http://www.danpink.com/





#### What about non-cash payments such as stock?

Many farmers offer an incentive to employees in the form of a share of the young stock on the farm. The stock stay on the farm and are treated as part of the owner's herd, with ownership remaining with the employee. Over time this can allow the employee the opportunity to build up a significant asset. If

this is part of your remuneration package, it is important that you have discussed and agreed how to deal with this from a tax viewpoint with your financial and legal advisors. Also, that both you and your employee are clear on the value attached to this part of the remuneration package.

Farmer quote: "I include a €2,000 educational allowance as part of the package with how it is to be spent being agreed between the employee and myself."



#### What expenses can employees claim?

Round-sum expenses payments (lump sum expenses payments), which are paid to the employee to cover expenses, must be treated as pay and taxed accordingly. An example of a round sum payment is where an employer agrees to pay, say €300 per month, in addition to basic salary in order to cover expenses. This €300 must be treated as pay and taxed accordingly.

On the other hand, payments made to the employee which are no more than reimbursement of vouched expenses, actually incurred by the employee in performing the duties of the employment, should not be treated as pay. Such expenses must be actually incurred in the performance of the duties of the employment but must also be wholly, exclusively and necessarily so incurred. Where employees use their private cars for business purposes, reimbursement in respect of allowable motoring expenses can be made by way of flat-rate kilometric allowances, using, for example the prevailing schedule of Civil Service

If the employee actually incurs allowable expenses, which are not reimbursed by the employer, they may claim a deduction from Revenue by submitting details of the expenses incurred wholly, exclusively and necessarily in the performance of the duties of the employment

For further details, see <a href="http://www.revenue.ie/">http://www.revenue.ie/</a> en/tax/it/employee-expenses.html



### What pay should an employee receive when on sick leave?

The amount of sick pay an employer pays is at their own discretion, and is usually outlined in the employee contract or terms of employment. An employee may be entitled to illness benefit from the state depending on the number of PRSI contributions since they started work (more detail available via www.welfare.ie)

### Are employers obliged to operate a pension scheme for employees?

Employees are entitled by law to access a pension scheme. Employers are not obliged

to operate a pension scheme but are obliged to ensure that their employees have access to a pension provider through a Personal Retirement Savings Account (PRSA). A PRSA is a personal investment account that you use to save for your retirement. Contributions are tax deductible within certain limits which vary with the amount and the age of the employee. The PRSA remains with the employee even if the employee changes employer. PRSAs can be taken up by all types of employee.

A more detailed guide on PRSAs is available on the Pensions Authority website (www.pensionsauthority.ie)

#### Checklist for farmers rewarding employees

	Yes/No
Does your employee have a PPSN?	
Have you agreed a remuneration package with your employee?	
Have you discussed the remuneration package with your accountant/legal advisor?	
Have you set up a regular payment process (preferably via account transfer)?	
Do you provide your employees with a written payslip?	
Have you procedures in place to record hours worked and payments made?	
Have you calculated the hourly pay rate for the busiest period on your farm?	
Have you reviewed your employee's remuneration package in the last 12 months?	
Are you adequately reimbursing your employees for expenses incurred by them?	

#### Remember...

- 1. Employees have the potential to add tremendous value to your business, so ensure they are remunerated fairly for their level of responsibility.
- 2. When comparing pay rates, it is important to compare remuneration packages for similar roles and under similar conditions.
- 3. Keep up to date with the average industry salary/wages i.e. what other farmers are paying employees performing similar duties.
- 4. Review the remuneration packages you offer on an annual basis and discuss with employees the reason for changes (or the lack of changes) to the remuneration package offered.





# Safety, Health and Welfare of Employees on Dairy Farms

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# COSOSC AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 5

# **Duties and Legislation**

by John McNamara

#### Introduction

Managing Safety, Health and Welfare at Work (SHWW) on dairy farms is an important aspect of overall farm management. In law, a strong 'duty of care' exists to ensure the safety, health, and welfare, of all persons at work and those affected by work activity. This duty, in particular, applies where a farm employs workers. Farm owners/managers have a duty to manage the SHWW of workers and, those affected by work activity.

- What is the importance of safety, health and welfare?
- What are my duties as an employer?
- What are the duties of an employee?
- What records are required on the farm?
- Who can inspect a farm for safety health and welfare?
- Where can I get safety, health and welfare at work documents?

# **Duties and Leglisation**

#### What is the importance of safety, health and welfare?

There are moral, legal and business reasons why safety, health and welfare should be considered in advance of employment. Injury or ill health has the potential to cause tragedy, pain and suffering and disability. Work should be planned and organised to avoid these consequences.

Safety, Health and Welfare at Work (SHWW) legislation is in place for all workplaces including farms. Employers and managers have a particular responsibility to their employees. Inadequate SHWW standards can lead to prosecution and fines, compensation claims and raised insurance premiums. Injury and ill health can disrupt the operation of the farm. Poor health and safety conditions lead to dissatisfied employees and underperformance.

The Safety, Health and Welfare at Work Act, 2005 and regulations made under this act govern SHWW in all workplaces including farms. The Health and Safety Authority (H.S.A.) provides advice and guidance on how to comply with the act and, to enforce its provisions, when deemed necessary. Teagasc operates a Joint Prevention Initiative with the H.S.A. and the Farm Safety Partnership advisory committee to the H.S.A. to provide training and advice to farmers on SHWW. The act requires that safety, health and welfare of employees are secured "so far as is reasonably practicable". This means that the level of risk presented by a particular hazard must be assessed and sufficient control measures implemented. Controls can be physical or organisational in nature.

The Safety, Health and Welfare at Work (General Application) Regulations 2007 set out specific physical or organisational requirements <a> What records are required on farm?</a> related to SHWW. These include the following regulations: workplace and work equipment, use of work equipment, personal protective equipment, manual handling of loads, electricity, work at heights, control of noise and vibration, protection of children and young persons, protection of pregnant employees, safety signs, first aid and explosive atmospheres.

### What are my duties as an employer?

Employers in law hold the predominant duties to protect the safety, health and welfare of their employees. These include:

- Providing and maintaining
  - o a safe place to work
  - o safe plant and equipment
  - o safe systems and organisation of work
- Checking and ensuring the competence of
- Providing information, instruction and training to employees
- Where a hazard cannot be eliminated, suitable protective equipment must be provided, used and maintained
- · Having an up-to-date emergency plan, including items such as fire precautions and first aid
- · Providing facilities and arrangements for the welfare of staff including toilet(s) washing facilities and an area for washing and storing protective clothing and equipment
- An employer must seek competent advice if a safety problem is identified and the solution is not known
- Employers and their employees must protect the safety of people who are not their employees such as members of the public

#### What are the duties of employees?

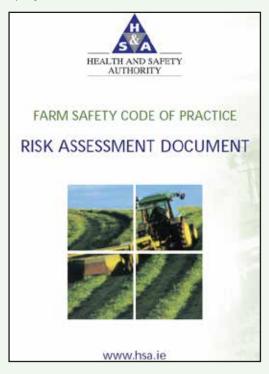
Employees must comply with SHWW legislation in the following ways:

- · Co-operate with their employer in complying with SHWW legislation
- Take care to avoid injury or ill-health to themselves and others
- Report any defects they notice to their employer in the place or system of work which might be a SHWW hazard
- Use all items (e.g. equipment or protective clothing) in a safe manner

All workplaces, including farms, are required to have a Risk Assessment or a Safety Statement prepared and implemented. The Safety, Health and Welfare at Work Act, 2005 permits employers including dairy farmers with 'three or less' employees to prepare a Risk Assessment as a component of a Code of Practice. When calculating the number of employees, an 'employee' is considered to include the farm operator (i.e. farm owner/manager) and any employees who are employed on a full-time basis including family members. The number



does not include casual staff or contactor employees.

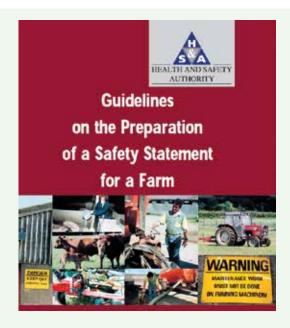


A Risk Assessment and Code of Practice for the Agriculture sector is available on the H.S.A web site. An electronic version of the Risk Assessment is available at <a href="https://www.farmsafely.com">www.farmsafely.com</a>. This version is operated by an independent server and is completely confidential to the user.

Teagasc provides half-day training on completing the Risk Assessment document. Completion of the Risk Assessment document is also a requirement for both quality assurance and TAMS11 grant payment.

Farms with four or more employed persons must prepare a written Safety Statement. This must:

- Identify the hazards and assess the risks
- Set out the control measures being implemented to safeguard safety and health
- In the case of employers it must set out the co-operation required from the staff and the names of persons who have specific health and safety responsibilities e.g. checking fire safety equipment. The Safety Statement must be updated on a regular basis.
- A template for a Safety Statement with examples is available on the H.S.A. Web site



The H.S.A. recommends that where a Safety Statement is required, that a Risk Assessment be completed first, followed by the Safety Statement.

A template for all the documents described in this section is available at: <a href="http://www.hsa.ie/eng/Your\_Industry/Agriculture\_Forestry/Overview/Precautions\_Risk\_Assessment/">http://www.hsa.ie/eng/Your\_Industry/Agriculture\_Forestry/Overview/Precautions\_Risk\_Assessment/</a>

Safe Operating Procedures: Many farm work jobs involving hazard require tasks to be completed in a specific order for safety. A Safe Operating Procedure (SOP) should be prepared for such jobs.

These outline the specific order of tasks to be completed using straightforward language. It is advised that the SOP be posted close to where that farm work is undertaken and that staff receive instruction in the use of the SOP.

#### Who can inspect a farm for safety health and welfare?

Under SHWW legislation a H.S.A. Inspector has authority to inspect any workplace and carry out the following actions:

- Enter, inspect, examine and search any place of work and make any enquiries necessary
- Require the production of records including Risk Assessment or Safety Statement
- Require any person to provide relevant

# **Duties and Leglisation**

#### information

- Obtain samples and take measurements
- Have equipment tested

During an inspection, the Inspector can examine the COP Risk Assessment or Safety Statement and see how it is being implemented. If it is inadequate the Inspector will order that it be revised within 30 days.

Where safety standards are not satisfactory, the Inspector can take one of the following actions: Issue an Advisory Letter

This is where one or several hazards not requiring enforcement action (Improvement Notice/ Prohibition Notice) are identified. A reply is required to the Inspector when the items are rectified.

#### Issue an Improvement Notice

This is where a hazard or a number of hazards are identified which do not present an immediate risk of serious injury. The notice states what improvements are required and gives a date for completing them.

#### Issue a Prohibition Notice

This is issued where there is an immediate risk of serious injury. The prohibition notice orders that the activity causing the risk be stopped. A prohibition notice normally takes immediate effect.

Investigations can also be undertaken by an inspector following an accident or ill health occurrence. Such an investigation is to determine if a breach of the legislation has taken place. As such, it is potentially a 'criminal' investigation.

#### Where can I get Safety, Health and Welfare at Work Documents?

All documents pertaining to SHWW legislation are available on the H.S.A. website at <a href="http://www.hsa.ie/eng/Your\_Industry/Agriculture\_">http://www.hsa.ie/eng/Your\_Industry/Agriculture\_</a>
Forestry/

Teagasc also has a farm health and safety micro-site at www.teagasc.ie



# AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

### Section 5

# Health & Safety on the Farm

by John McNamara

#### Introduction

Good Safety, Health, Welfare, at Work (SHWW) management needs to be integrated into the overall management of the farm. This has the potential to positively impact on farm business performance.

- What communication regarding Safety, Health and Welfare (SHWW) needs to occur between employer and employee?
- What insurance is required on farm?
- What should you do if there is an accident?
- What training for equipment operation on-farm needs to be provided?
- What about the overall working health and safety environment on the farm?
- 6 What safety materials are required on the farm?

# Health & Safety on the Farm

What communication regarding Safety, Health (3) What must you do if there is an accident? and Welfare (SHWW) needs to occur between employer and employee?

Every employer must consult their employees and, employees have the right to make representations about SHWW at the workplace. The employer must consider the issue raised and take appropriate action, should this be deemed necessary.

Schedule SHWW consultation meetings at regular intervals e.g. weekly with the farmer keeping a log of the issues considered and actions taken.

Sample Health and Safety Action Log

Health and Safety Consultation Action Log		
Issue Action Agreed		Date Implemented
Faulty Agreement to replace crush Agreement to replace headgate		10/07/17

#### What Insurance is required on farm?

It is imperative that a farm has adequate insurance to cover all aspects of the farm business. Insurance is a means of transferring a risk to an insurance company by paying a fee. The principal forms of farm related insurance include: employer liability, vehicle insurance, public liability and personal accident. Where no, or inadequate, insurance is in place, a farmer's business and/or personal assets can be required to meet a successful claim.

A farmer employing workers should consult their insurance company on the extent and nature of the work undertaken by employees. Level of wages paid can be used as a benchmark for level of insurance required. Non-farming or work with particular risk e.g. construction work should be disclosed to your insurers.

The terms of your insurance policy should be reviewed regularly and, at least annually, and any identified limitations or requirements should be implemented in full.

The first thing is to assist the injured person. Apply First Aid and, if necessary, call the emergency services using '999' or '112'. Use your Eircode to identify your location. It is a legal requirement to notify the H.S.A. if a workplace accident prevents a person from performing the normal duties of their work for more than three calendar days, not including the date of the accident. Further information is available at: www.hsa.ie

#### What training for equipment operation on-farm needs to be provided?

Under SHWW legislation, an employer has a duty to ensure that all workers are competent to carry out the work assigned. Competence means that the person 'possesses sufficient training, experience and knowledge, appropriate to the work undertaken'. In practice, an employer must check that prospective employees have the competency attributes required for the vacancy to be filled. A farmer should make enquiries about a prospective employee's level of competene during the recruitment process and be satisfied that competencies are adequate. During a probation period, the farmer should observe the worker doing specific tasks to establish if the worker has the desired level of competency.

Where a 'competency gap' exists, this should be filled by training and instruction. A record should be kept of competency checks, training and employee instruction.

There is no legally required specific training to operate farm equipment within the farm. On public roads, Road Traffic legislation applies and further information can be obtained on the Road Safety Authority website at www.rsa.ie

#### What is the overall working health and safety environment on the farm?

All hazards need to be controlled. Buildings, facilities and equipment should be up-to-date and maintained to a safe standard. Work-time should be controlled and, the work performed needs to minimise heavy physical work and consider fatigue.

Inter-personal working relationships must be excellent. Work should be challenging, interesting and enjoyable.



### What safety materials are required on the farm?

An employer must provide all materials required to comply with SHWW legislation. This includes Personal Protective Equipment (PPE) to protect against hazards.

On a dairy farm, this would include such items as gloves; coveralls, wellingtons, masks, milking apron, goggles and ear defenders. This list is not exhaustive and depends on the nature of the work being undertaken.

Before acquiring PPE, the employer needs to check the PPE to ensure that it meets the requirements of the farm. All equipment must have a 'CE' mark to ensure that it meets essential health and safety standards. however, this does not provide a standard for a particular use. For example, 'ENs' – European Standards provide a technical standard for individual items of equipment.

It should be carefully noted that the provision of PPE should be considered as the last resort. Eliminating or controlling the hazard so that persons are not exposed is the first approach. For example, eliminating or reducing the levels of dust or spores at source before relying on PPE or another example might be "slurry gases", prevention of exposure is through having a lot of air movement e.g. a windy day, following a pre-defined safe operating procedure and never entering a confined space such as a slurry tank, even when empty.

#### Checklist for Health and Safety

	Yes/No
Have you completed a Risk Assessment/ Safety Statement for your farm?	
Have you completed the items in your "Action List" to ensure good SHWW standards?	
Have you made the Risk Assessment/ Safety Statement available to employees?	
Do you consult with employees and record and implement agreed actions?	
Do you update the Risk Assessment/ Safety Statement regularly?	
Have you emergency contact numbers (and Eircode) available on your farm?	
Do you use Safe Operating Procedures (SOP) on your farm?	
Do you make the Farmers' Health Booklet available to workers?	
Do you review the farm's insurance cover annually?	
Do you regularly check on the competency of your staff?	
Do you ensure that on-going SHWW training is provided to staff?	
Do you provide SHWW equipment to staff?	
Do you have an adequately stocked First Aid box available?	

# APPENDIX A: Additional sources of information

- Citizens Information
  - o <a href="https://www.citizensinformation.ie/en/employment/">www.citizensinformation.ie/en/employment/</a>
- Dairy Australia
  - o www.thepeopleindairy.org.au/engagement-reward/pay-rates.htm
- Dairy NZ
  - o <a href="https://www.dairynz.co.nz/people/legal/salary-and-wages/">www.dairynz.co.nz/people/legal/salary-and-wages/</a>
- Department of Social Welfare website
  - o www.welfare.ie
- Health and safety Authority website
  - o <u>www.hsa.ie/</u>
- Kellogg Rural Leadership Programme Reports, New Zealand
  - o <a href="http://www.kellogg.org.nz/alumni/projects/">http://www.kellogg.org.nz/alumni/projects/</a>
- Nutfield scholarship Reports
  - o www.nuffieldinternational.org/live/Reports
- Pensions Authority website
  - o www.pensionsauthority.ie
- Revenue Commissioners
  - o www.revenue.ie
- Road Safety Authority website
  - o <u>www</u>.rsa.ie
- Teagasc
  - o www.teagasc.ie
- Workplace Relations Commission
  - o https://www.workplacerelations.ie

### APPENDIX B: Farm tasks - Before and after employing

Farm Tasks - Before and after a new employee

Gather cows
Prepare milking machine
Prepare cows
Milk cows
Plant hygiene Wash down
Bulk tank washdown
Return cows to paddock
Milk weekdays am
Milk weekdays pm
Milk at weekends
Identify and treat mastitic cows
Decide when cows are dried
Dry off cows
Communication with co-op
Replacement of rubberware

Measure grass covers
Input covers on package
Decide on surplus to remove
Decide on supplements to add
Access grass covers
Allocate 12 grazing
Decide on post grazing residuals
Plan grazing and silage area
On/off grazing decisions
Weed management control
Fix water leaks

Before Employing				
Farmer	Familly	Other	Other	Contractor
$\Box$				

Farmer	Familly	Other	other	Contractor	New employee
	9				

After Employing

Contractor Contractor Farmer Farmer Familly Familly Drive tractor Drive quad/farm vechicle Spread slurry Spread fertiliser MACHINERY Feedout silage Cut surplus paddocks Top paddocks Maintence of machinery Identify cows close to calving Separate cows for calving know when to assist at calving Feed calves colostrum Post calving care Stomach tube calves Maintain calving hygeine Register calves Herd calves Feed calves CALF REARING Identify and treat sick calves Maintain calf shed hygeine Sell calves Check heifers daily Drive to outfarm HERDING Make rations Decide winterfeed levels

Before

After

New employee

### APPENDIX C: Sample terms and conditions of employment (WRC)

## TERMS OF EMPLOYMENT (INFORMATION) ACT, 1994 and 2001



SAMPLE WRITTEN STATEMENT OF TERMS OF EMPLOYMENT

Normal finish time

This form may be used by employers for the purpose of providing an employee with a written statement of particulars of the terms of employment as required by the above Act. IMPORTANT: Please refer to explanatory notes attached before completing the form. This statement applies to (NAME OF EMPLOYEE) (a) NAME OF EMPLOYER (See Note 1) (b) ADDRESS OF EMPLOYER (See Note 2) (c) PLACE OF WORK (See Note 3) (d) JOB TITLE OR NATURE OF WORK (See Note 4) (e) DATE OF COMMENCEMENT OF EMPLOYMENT (f) (i) IF TEMPORARY CONTRACT (expected duration of that temporary contract) (ii) IF FIXED TERM CONTRACT (date when that contract expires) (If the space provided under any of the headings is insufficient, employers may include the relevant details in an Appendix to this statement.) (g) RATE OF REMUNERATION (See Note 5 and Note 6) MINIMUM WAGE PAY REFERENCE PERIOD (period used to calculate hourly rate of pay for the National Minimum Wage Act 2000. Period cannot exceed one month) (See Note (g)(a) The employee may, under Section 23 of the National Minimum Wage Act 2000, request from the employer a written statement of the employee's average hourly rate of pay for any pay reference period falling within the previous 12 months as provided in that section. (h) PAY INTERVALS (weekly, monthly or otherwise) HOURS OF WORK (including overtime, rest breaks, and Rest Period Not Received) (See Note 7) Normal start time

#### Rest Periods

- Employees are entitled to:

   A daily rest period of 11 consecutive hours per 24 hours. A weekly rest period of 24 consecutive hours per 7 days, following a daily rest period.
- A 15-minute break if working 4.5 hours
- A 30-minute break if working 6 hours

Payment for breaks is not a statutory entitlement. Some industries are covered by Registered Employment Agreements (REA's) and Employment Regulation Orders (ERO's), which may contain regulations regarding breaks.

#### Rest Period Not Received

Note for Employer

abov	e. Thi	ocedure for employee to notify employer in writing s notification must be made within one week of a range of 2001)		
<b>(</b> )	PAI	D LEAVE (other than sick leave) (See Note 8)		
	Ann	ual Leave entitlement		
	Publ	ic Holiday entitlement		
(k)	(i).	INCAPACITY FOR WORK/SICKNESS/SICK PAY (See Note 9)	R	
	(ii).	PENSION AND PENSION SCHEMES (Requirement by law that an employe provides access to a Pension Scheme) (Se Note 10)	т	
(I)	PER	IOD OF NOTICE TO BE GIVEN BEFORE T	ERMINA	TING EMPLOYMENT (See Note 11)
	(a) l	y employer to employee		
	(b) 1	by employee to employer	-	
(m)		EVANT COLLECTIVE AGREEMENTS ployment Regulation Orders and Registered E	mploymen	t Agreement) (See Note 12)
(n)	Copy	licable to Employees under 18 Years of Age (So y of abstract of Protection of Young Persons (En th after commencement. (PYP Leaflet)		
(o)	GRI	EVANCE AND DISCIPLINARY PROCEDU	RES (See N	lote 15)
	In re Note	elation to any changes in the particulars give 13	en above a	nd employment outside the State, please see
	Sign (Pro	ed: prietor/Manager/Company Secretary/Personnel M	(anager	Date:

#### NOTES FOR EMPLOYERS ON COMPLETING WRITTEN STATEMENT OF TERMS OF EMPLOYMENT OF AN EMPLOYEE

Note 1 - NAME OF EMPLOYER - Employers must state their full and correct name. In the case of a Limited Company, the name of the company as registered with the Companies Registration Office should be given.

Note 2 – ADDRESS OF EMPLOYER – A number of options are available under this heading. The intention is to ensure that the employee is given the full and accurate address of the employer. The options are as follows:

- The full address in the State
- The address of the principal place of the relevant business in the State; this could be appropriate in the case of a business which has a number of locations
- The address of the registered office, i.e. address of the company as registered with the Companies Registration
  Office.

Note 3 – PLACE OF WORK – Employers must state the place of work of the employee; if there is no fixed or main place of work, the employer must state the main place of business and state that the employee will be required or permitted to work in various locations.

Note 4 – JOB TITLE/NATURE OF WORK – Employers must state either the title of the job, e.g. general operative, accounts clerk, or nature of work, e.g. construction work, accounts work, etc.

Note 5 – IMPORTANT – Where employees are covered by an Employment Regulation Order or a Registered Employment Agreement, it is sufficient to refer the employee to the provisions of the relevant legislation, namely, an Employment Regulation Order, an employment agreement registered with the Labour Court, a collective agreement or a company handbook for the areas detailed in (g) to (l). However, copies of these documents must be made available.

Note 6 – RATE OF REMUNERATION/MEANS OF CALCULATING REMUNERATION – In addition to basic pay, this heading covers any other aspects of remuneration such as bonus, commission, productivity incentives, etc. (If the employer does not give details of the rate of remuneration, he/she must give details of the method of calculating the remuneration.) If appropriate, it could be stated that the rate is as set out in a specified Employment Regulation Order or Registered Employment Agreement.

The following payments are regarded as wages:

- Normal basic pay, as well as any overtime
- Shift allowances or other similar payments
- Any fee, bonus or commission
- Any holiday, sick or maternity pay
- Any other return of payment for work (whether made under the contract of employment or otherwise), and
- Any sum payable to an employee in lieu of notice of termination or employment.

The employer must indicate the pay reference period for the purposes of the National Minimum Wage Act, 2000. Also the employer must state that the employee may request from the employer a written statement of the employee's average hourly rate of pay for any reference period falling within the previous 12 months as provided in Section 23 of the Organisation of Working Time Act, 2000.

Note 7 – HOURS OF WORK – Employers must give details about the terms and conditions relating to hours of work including overtime; this should include arrangements in relation to length of normal working hours, Saturday/Sunday work, evening work, shift rotas or other such arrangements, as appropriate, and details of rest breaks and rest periods under the Organisation of Working Time Act, 1997.

Note 8 - PAID LEAVE - Employers must give details of any terms or conditions relating to paid leave (other than paid sick leave which is covered in Note 9 below); this should include any paid leave schemes that the employer operates, for example holidays, maternity, special leave, etc. and any arrangements that apply to such leave.

Note 9 - SICK LEAVE - Employers must state any terms and conditions that apply to an employee relating to incapacity for work or sickness/injury and paid sick leave, e.g. terms and conditions of sick pay schemes, reporting of

absences, production of medical certificates, rules relating to payment, etc. If this employment is covered by an ERO or REA then this should be stated.

Note 10 – PENSIONS – Employers must state the terms and conditions of any pension schemes and any arrangements relevant to pensions. Further information in relation to pensions can be obtained at <a href="https://www.pensionsboard.ie">www.pensionsboard.ie</a>, telephone no. 01 613 1900, LoCall 1890 656565.

Note 11 - NOTICE - Employers must give details of the period of notice to be given by the employer and by the employee prior to the termination of the contract of employment. If it is not possible to indicate the period of notice when the written statement is given to an employee, the statement should clearly indicate the method for determining the period of notice. Where an employee has a statutory entitlement to notice under the terms of the Minimum Notice and Terms of Employment Act, 1973, this should be indicated.

Note 12 - COLLECTIVE AGREEMENTS - Employers must refer to any collective agreements which affect the employee's terms and conditions of employment. In the case of collective agreements to which the employer was not a party but which apply to the employment concerned, organisations which made the agreement should be indicated. An example would be a registered agreement concluded by certain employers and unions within a sector of activity but binding on all. EROs and REAs must be specified if they apply to the employment. This is in addition to the requirements to circulate or display copies of the agreements.

#### Note 13 - ADDITIONAL NOTES

#### CHANGES IN THE TERMS OF EMPLOYMENT

Employers should note that, where there are any changes to the particulars contained in the written statement, the nature and date of the change must be notified by the employer to the employee within one month of the change taking effect. In the case of changes as a result of an employee being assigned to employment outside the State for a period of not less than one month, the nature of the change must be notified before the employee's departure from the State. Changes to terms of employment must be agreed by both parties prior to those changes being implemented.

#### EMPLOYMENT OUTSIDE THE STATE

Employers should also note that, where an employee is assigned to employment outside the State for a period of not less than 1 month, an employer is required under section 4 of the Act to provide additional information relevant to the employment outside the State (see explanatory leaflet on the Act for further details). The additional information may be provided in an Appendix to this statement.

Note 14 - REST PERIOD NOT RECEIVED - Rests and intervals for work are provided for by section 12 of the Organisation of Working Time Act, 1997. Section 12(2) provides as follows: 'An employer shall not require an employee to work for a period of not more than 6 hours without allowing him or her a break of at least 30 minutes; such a break may include the break referred to in subsection (1)'.

A strict application of the foregoing would permit an employer to require an employee to work for six hours before giving him or her a break of at least 30 minutes. However, one also has to consider the nature of the work being done and the possible health and safety implications of allowing somebody to work for a relatively long time without a break. The example that is proposed by the correspondent in the attached query would certainly be deemed unacceptable from a health and safety point of view – regardless of the nature of the work being done.

The 15/30 minute break (as the case may be) which an employee is entitled to as a consequence of Section 12 cannot be postponed until the end of the working day; it must be given to the employee during the course of the working day. (See Section 12(4)) Furthermore, there is secondary legislation governing the provision of rest breaks in particular employments and which is often more prescriptive than the general provision contained in Section 12 of the Organisation of Working Time Act, 1997 (e.g. Organisation of Working Time (Breaks at Work for Shop Employees) Regulations (SI 1998 No.57); see also various Employment Regulation Orders.

Breaks are compulsory and employees may not waive their rights to them.

Note 15 - For General Information on Disciplinary Procedures please use the following link:

http://www.workplacerelations.ie/en/Good Workplace Relations/Grievance and Disciplinary Procedures/

For General Information on Procedures for Addressing Bullying in the Workplace please use the following link:

http://www.workplacerelations.ie/en/Publications Forms/Procedures for Addressing Bullying in the Workplace.pdf

### Appendix D: Example of contract of employment for farm manager

[EMPLOYER'S	C'S NAME]	
[EMPLOYEE'S	'S NAME AND ADDRESS]	
[ ][	] 2017	
RE: Contract of	t of Employment Farm Manager	

#### Dear [EMPLOYEE'S NAME]

This document sets out the terms and conditions of your employment with [EMPLOYER'S NAME] and supersedes all previous arrangements or agreements whether oral or in writing between you and the Company in relation to the matters dealt with in it.

#### Commencement of employment

Your employer is [EMPLOYER'S NAME] (Company or we). Your employment with the Company commences on the [ ] [ ] 20[].

The first six months of your employment shall be a probationary period and your employment may be terminated during this period at any time on four weeks' prior notice. (The employee may also terminate during this period and must also give four weeks' prior notice).

During the probationary period there will be two formal performance assessments against agreed criteria. We may, at our discretion, extend this period for up to a further six months. During this probationary period your performance and suitability for continued employment will be monitored. At the end of your probationary period you will be informed in writing if you have successfully completed your probationary period.

You warrant that you are entitled to work in Ireland without any additional approvals and will notify the Company immediately if you cease to be so entitled at any time during your employment with the Company.

You shall not work for anyone else while you are employed by the Company unless this has been agreed to in writing by the Company.

#### Job title

You are employed as Farm Manager and report to [EMPLOYER'S NAME]. Your duties are the normal duties of a dairy farm manager and will include input on developmental aspects of the farm project, including infrastructural requirements and labour structures, while providing technical assistance to make the farm project a success. You will also be required to take part in the extension program of the farm.

#### Place of work

Your normal place of work is the [EMPLOYER'S NAME] farm near xxx or such other place that may be required from time to time this is linked to the operation of this farm.

#### Salary

Your salary will have 2 components; a base salary the specifics of which are referred to in 4.2 and a risk
portion which is an additional € Details of the "at risk" are referred to in 4.3.
Your salary is € per year which shall accrue from day to day and be payable monthly in
arrears on or about the 30th day of each month directly in to your bank or building society account
Payment of any bonus will be quarterly and be directly linked to the agreed scores from a formal
performance assessment at that time. Your performance assessment will be against the agreed criteria

in the Performance Management document (appendix A).

Your salary will be reviewed annually and may be increased from time to time at the Company's discretion without affecting the other terms of your employment. There is no obligation to award an increase. There will be no review of the salary after notice has been given by either party to terminate your employment.

#### Hours of work

Farming can be highly seasonal and so the workload will also vary greatly through the year and will include minimal duties on rostered weekends. The annual hours worked will be approximately 2,400. You may be required to work such additional hours as may be necessary for the proper performance of your duties without extra remuneration.

Only essential work is to be done on weekends or on public holidays.

The farm manager has the authority to organise the day's work activities in a way that facilitates the proper operation of the farm.

#### Cell phone

The employer will supply a cell phone for business purposes only and the employer will pay for the rental and business calls. The employee will be responsible for all home landline telephone rental costs and calls.

#### Vehicle

The Farm Manager will be provided with a farm utility vehicle for use on farm business. The employer will pay all the costs of operating the vehicle. The farm manager will ensure that the vehicle is always operated in a safe and lawful manner and that proper maintenance is carried out.

#### Holidays

You are entitled to 28 days' holiday during each holiday year. You will be paid your normal basic remuneration during such holidays. The Company's holiday year runs between 1st January and 31st December. If your employment starts or finishes part way through the holiday year, your holiday entitlement during that year shall be calculated on a pro-rata basis rounded up to the nearest day.

In addition you are entitled to take nine days of public holiday in Ireland or a day in lieu where we require you to work on a public holiday. These are New Year's Day (Jan 1), St Patrick's Day (Mar 17), Easter Monday, The first Monday in May, June and August, the last Monday in October, Christmas day (Dec 25) and St Stephen's Day (Dec 26).

The employer expects that staff will use their annual leave in the year in which it is granted. Annual leave that is not used in the year it is granted will be forfeited unless carry over have been approved by the employee's manager. The maximum amount of leave that can be approved for carry forward from one year to the next is ten (10) days.

The employee agrees that annual leave is to be taken at a time that will not unreasonably impinge on the performance of his duties. The employee must receive written approval from his manager prior to taking annual leave.

On termination of employment you will be entitled to a payment in lieu of any untaken holiday at the rate of one day's pay for each day's holiday not taken. If you have taken more holidays than your accrued entitlement at the date your employment terminates, we shall be entitled to deduct from your final salary payment one day's pay for each excess day.

#### Sickness Absence

If you are absent from work for any reason, you must notify your manager of the reason for your absence as soon as possible but no later than 8am on the first day of absence and are required to have organised suitable replacement staff to undertake the duties needed to continue the operation of the dairy farm.

Any unauthorised absence must be properly explained and in the case of an absence of uncertain duration you must keep the Company informed on a daily basis until you have provided the Company with a medical certificate.

If you are absent from work due to sickness or injury which continues for more than two days you must provide the Company with a medical certificate on or before the third day of sickness or injury. Thereafter medical certificates must be provided to the Company to cover any continued absence.

#### Termination and notice period

After successful completion of your probationary period as provided the prior written notice required from you or the Company to terminate your employment shall be a minimum of three calendar months.

When an employee is rendered incapable of the proper performance of his/her responsibilities and duties required under this agreement, as a result of mental or physical illness or injury, then employer may terminate his employment by giving not less than one month's notice to the employee. Before taking this action the employer will ask the employee to undergo a medical examination by a registered medical practitioner nominated by the employer. The employer will meet the cost of the medical examination. The employer shall consider any reports or recommendations made available to the employer as a result of that examination and any other relevant medical reports or recommendations which may be given to the employer by or on behalf of the employee. We shall be entitled to dismiss you at any time with one week's notice or payment in lieu of notice, if you are proven to have committed a serious breach of your obligations as an employee, or if you cease to be entitled to work in Ireland. A serious breach would be either, theft, fraud, cruelty to stock or abuse of staff.

#### Disciplinary and grievance procedures

If you wish to raise a grievance you may apply in writing to the [EMPLOYER'S NAME] in accordance with normal grievance procedure.

#### Redundancy

You will be entitled to statutory redundancy after two years of continuous employment amounting to two week's pay for each year of continuous service, plus one further week's pay.

#### Changes to your terms of employment

No change to this agreement or any of the terms in it will be effective or binding on either the employee or the employer unless the change is made in writing and both parties have signed.

#### Confidential information

You shall not use or disclose to any person outside of [EMPLOYER'S NAME] or members of the Farm Management team, either during or at any time after your employment with the Company any confidential information about the business or affairs of the Company or any of its business contacts, or about any other matters which may come to your knowledge in the course of your employment. For the purposes of this clause confidential information means any information or matter which is not in the public domain and which relates to the affairs of the Company or any of its business contacts. Please indicate your acceptance of these terms by signing and returning to me the attached copy of this letter.

rears siricerery,	
For and on behalf of	of [EMPLOYER'S NAME]
hereby confirm that I agree to the	e above terms
[EMPLOYEE]	(Date)

