

Is labour availability a problem?

A registered farm partnership might be the answer

Tom Curran

Farm Structures Specialist, Teagasc
Rural Economy Development
Programme

As the scale of your farm operation increases, the amount of work also greatly increases. Good facilities and mechanisation can help to alleviate this, but the nature of farming means it will always require a high level of hands-on work.

Farmers can spend longer hours working and find it difficult to secure dependable hired labour. You often hear farmers say 'I had a great lad there for the past two years but he has got a job elsewhere'. The turnover in farm labour can be high, even where working conditions are excellent.

Uncertainty around hired labour coupled with increased workload through expansion intensifies the amount of work to be done and the time it takes to do it. This puts pressure on the farmer's ability to focus on key performance indicators, farm planning and more importantly to take time off for family.

Registered farm partnerships provide a sustainable business structure that can apply in many farm situations. The partnership can be used to amalgamate two or more farms together, to bring a young person on board where there is no farming successor or to formally involve a farming successor in the farm business.

Where farmers work together in a partnership structure, they share the available resources and all partners can take advantage of the benefits of working together. The key benefit that has been highlighted by farmers who have established a partnership is to their work-life balance.

With a bit of thought and structure, the potential gains in efficiency of

labour input can greatly improve work-life balance for all partners. The on-farm agreement is the key document to set out the labour input.

The busy times

The busy times of the year, such as spring, require an all-shoulders-to-the-wheel effort to get through the volume of work. Working together in partnership with another farmer means that this work is carried out more efficiently.

Two jobs can be done in parallel or there is a second pair of hands to tackle larger jobs. An example would be on a dairy farm where one farmer milks the cows while the other feeds calves. Then they head for breakfast to discuss and plan the day.

By working together, farmers get to take a breather and get enough rest while still getting the work done to a high standard on the farm. A simple example would be operating alternative nights off in the calving season so that all partners catch up on sleep.

The quieter times

In the quieter times of the year, farmers in partnership can structure time off to plan for weekends away or take a family holiday. Normally, the arrangement to take weekends off is kept flexible to allow a partner to take time when they need to or want to. This works well for partners in the partnership provided it is agreed and balanced equally.

Increasing capability of the business

We all have different skill sets, abilities and interests. When farmers work together in partnership, it increases the pool of knowledge, skills, abilities and interests available to run the farm business. With good discussion, the pooling of knowledge can lead to better decision-making



on critical issues that affect the farm business.

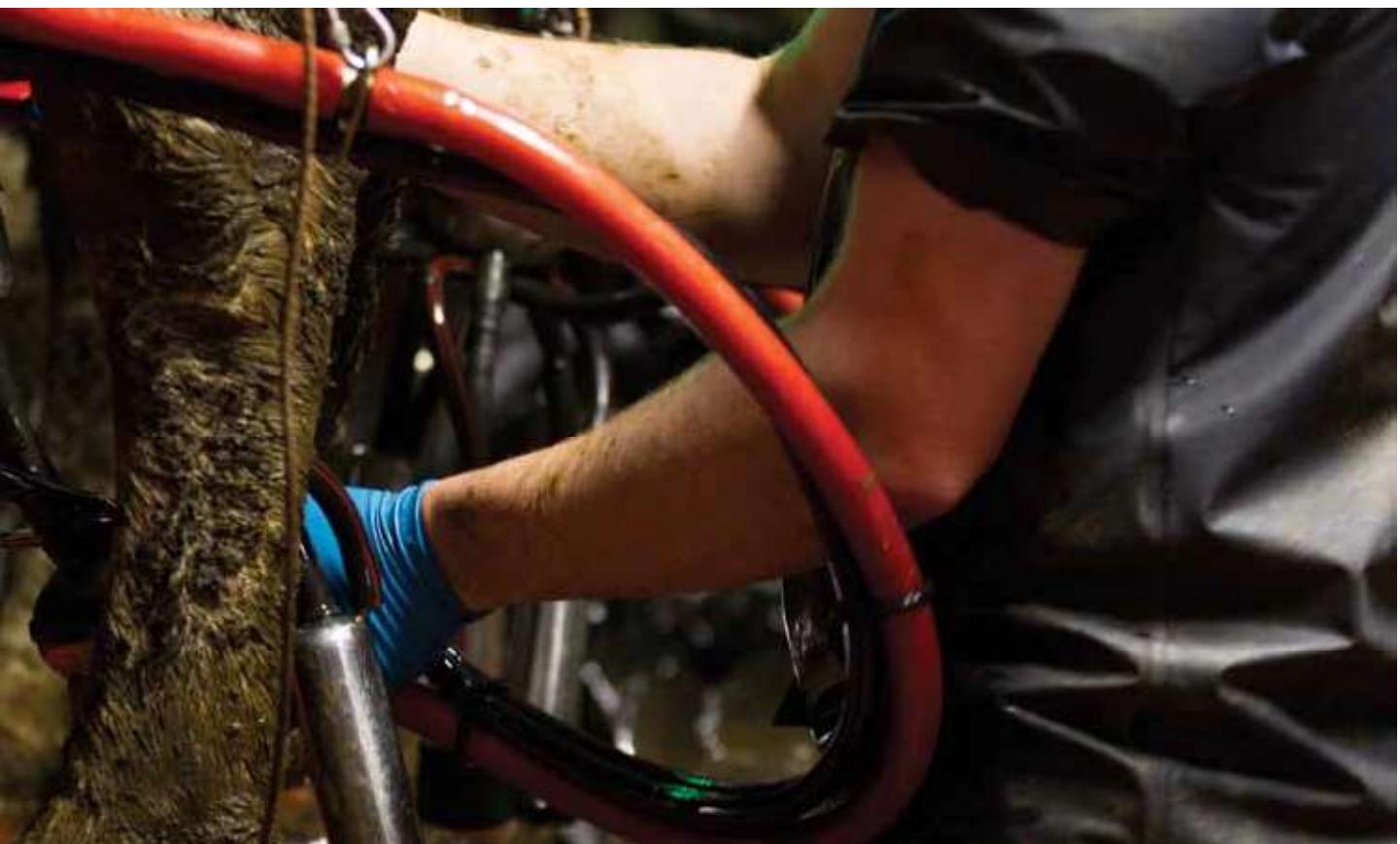
Skills can include stockmanship skills, grassland management skills, financial skills, IT skills and interpersonal skills among others. The key to creating a successful partnership is making sure that the partnership makes use of these skills. This can be done by assigning tasks and responsibilities to make best use of the skillset of each partner.

Establishing a working partnership

In Ireland, as with many other countries, we have a long history of farmers co-operating in various ways to complete work on the farm. This is a very positive feature of Irish farming culture. In most cases, these are informal arrangements where neighbours help each other out.

A common feature of successful formal partnerships that have been in operation for 10 years or more is that the farmers had built up a working relationship or friendship gradually before making the step to form a farm partnership. Typical examples of this would be where the farmers were part of a discussion group, they shared tasks on their farms or they helped each other out in times of need.

Through this informal co-operation, the farmers built up a working relationship over time and then progressed on to a farm partnership. The learning from this is that there needs to be a 'getting to know you' period



before the agreement is formalised. The question is whether you know, or can you identify, someone who you already work well with that you could consider partnership with.

Once you identify a person whom you can work with, further compatibility can be established through discussions on expectations, needs, goal-setting, deciding on systems of production, investments and how the farm will operate on a daily basis.

What is success built on?

Success in a partnership is very much about the working relationship between the partners. They do not have to be best friends, but they have to establish an effective working relationship. The partnership, like any collaborative arrangement, must deliver mutual benefits to all partners to become established and to remain successful during its lifetime.

Included in this is economic viability and the ability of the farming enterprise to deliver an adequate income to meet the needs of each partner. Success is also built on strong core values between partners. These include transparency, trust, honesty, respect, understanding, shared decision-making and good open communication at all times.

It is essential to have a well prepared on-farm agreement which gives clarity on how the farm will operate on a day-to-day basis and a written partnership agreement that gives

clarity to the formation, operation and dissolution of the partnership. Both of these documents should be reviewed on an on-going basis to make sure they remain current and relevant.

In the past, many collaborative farming structures, including partnerships, were formed with very little thought given to the operation of the arrangement and even less thought to the dissolution.

It is vital to keep in mind that the dynamics of a relationship between two farmers in an arrangement may change at any time. The default comment is that they fall out, but in reality the cause of this change can be anything – a death, a serious injury or a change in people's outlook in life or the arrangement has simply served its purpose for a period of time.

The key to a successful partnership is to devise an exit strategy during the formation of the partnership. This strategy must also be to the fore in any major decision-making and investments during the lifetime of the partnership.

Farm partnerships can offer a solution to many farmers who experience issues involving work-life balance and hired labour issues. Make sure it is included in your list of potential solutions.

Teagasc has published a booklet titled *Guidelines to forming a farm partnership*. It is available to download at www.teagasc.ie/rural-economy/farm-management/collaborative-farming/

Guidelines to forming a Farm Partnership

Rural Economy & Development Programmes

