



# Muddy waters

FILIPINO, ROMANIAN AND SOUTH AMERICAN FACES HAVE BECOME AS COMMON AS MUCK IN OUR COWSHEDS – AND THAT'S EXACTLY HOW SOME OF THEM HAVE BEEN TREATED. AMANDA CROPP REPORTS

It's easy to understand the appeal of migrant dairy workers after listening to Charles Nimmo describe one of his more memorable Kiwi employees. The bloke lasted less than a week. In that time he had two days off recovering from a dog bite, trashed his farm house in a drunken rage, turned up to work inebriated, then disappeared.

Ten days later he phoned from a mental institution wanting his job back, but never returned. Nimmo later learned he'd robbed a bank. "And he wasn't my worst worker. We had pot grown in the hedge and death threats. I had one guy I had to let go and he straight away lit two fires, burning a whole bunch of beehives and an old man pine."

The shortage of dairy farm labour has eased considerably with the recession and Immigration New Zealand (INZ) issued just over 1200 work permits for migrant dairy workers in the 10 months to April, compared with 1600 for the previous year. Federated Farmers claims we still need 4000 new dairy workers annually to cover retirements, staff turnover and dairy conversions, and it fought hard to retain dairy worker positions on INZ's job skills shortage list.

Agricultural recruiters also believe the demand for migrant labour will grow again once the economy picks up as unemployed Kiwis, attracted to dairy farming by the prospect of free accommodation, hightail it back to city jobs that don't require a 4am start.

Nimmo, who sold his Leeston dairy farm 18 months ago and is now a farm management consultant, says migrants are popular because of their work ethic. "Unlike Kiwis, Filipinos understand the chain of command and in the Philippines the boss is the boss. They respect authority and that's a breath of fresh air if you're a manager and want to get things done. But of course that's something that could be abused as well; it's a double-edged sword."

The Philippines has been a prime source of dairy recruits, particularly in high-growth dairying areas like Canterbury and Southland, and Ashburton is now home to more than 200 Filipino families.

Many farmers go the extra mile to help migrants settle in, laying on everything from bed linen to transport; however, others pay below minimum wage and provide substandard accommodation. Your Weekend was told of farmers who had charged workers for wet weather gear, and made them buy their own farm bikes, paying them off at \$100 a week.

This sort of abuse so angered Ashburton Filipino Sam Bruzo that he set up Filipino Dairy Workers in New Zealand Inc, an advocacy group

LEFT Farm manager Chris Botha with two of his workers, Cesar Aquino (middle) and Ronuele Catre, at a River Gold Dairies' farm in Leeston, Canterbury. Photo: John Kirk-Anderson



ABOVE LEFT  
Former dairy  
farm owner  
Charles Nimmo.  
Photo:  
John Kirk-Anderson



ABOVE RIGHT  
Denise Lormans,  
manager of  
the Southland  
Community  
Law Centre in  
Invercargill.  
Photo: Robyn Edie

that now has 300 members. Last year a report on new Ashburton migrants told of employment contracts that included a clause expressly forbidding workers from discussing their employment conditions with other staff, and once Bruzo's group started comparing pay rates they discovered members earning up to \$5000 less than others doing the same job.

Cases like this have prompted INZ to issue all Filipino workers entering New Zealand with a guide explaining their employment rights and where to seek help if those rights are violated.

Immigration officers are today holding the second of a series of meetings with members of the Ashburton Filipino community to discuss employment and health and safety concerns, and problems raised will be taken up with Federated Farmers and industry organisation Dairy New Zealand.

Those problems often start well before migrant workers actually set foot in the country, and INZ is also cracking down on dodgy practices by agricultural recruiters who help migrant workers find jobs and obtain work visas.

It has not been uncommon for migrants to arrive here expecting to work for Farmer A only to find themselves working for Farmer B on a new contract paying less than the one they had signed in the Philippines.

Workers dumped on farms without ongoing support were often reluctant to complain for fear they will be deported, but Immigration nevertheless gathered enough evidence to launch the first of several prosecutions.

In 2008 Waimate agricultural recruiter Hayden Creed hit the headlines with ambitious plans to bring more than 200 Filipino workers to New Zealand and the following year his company, International Personnel Solutions (IPL), trumpeted that it was responding to requests for a further 500 foreign workers from the Philippines.

In newspaper and television interviews Creed said migrant workers would receive a warm welcome, at least two weeks orientation, and continued support from the agency. But despite glowing client testimonials on the IPL website, Creed didn't always deliver on his promises.

## **“The assaults we know about are one chap taken to with a pick axe handle and fists, and one who was hit with a fence paling”**

This year his high-flying scheme came to an ignominious end in the Christchurch District Court when Creed and his father Hugh, who runs his own recruitment company, Farm Relief Employment Services, pleaded guilty to one charge of forgery. The pair will be sentenced next month.

It is not Hayden Creed's first brush with the law. According to the Christchurch Court News website he returned from Australia in 2007 to plead guilty to seven charges of obtaining money by deception for his part in a major IRD scam, and already had a prior conviction for possession of a forged banknote.

Hayden Creed declined to comment, but an online advertisement for the sale of his company said “litigation” had “dampened his enthusiasm” for a business that he claimed earned sales revenue of \$213,000 for 15 hours work a week.

Creed senior told Your Weekend they had permission to sign documents on behalf of farmers to expedite the immigration process, and workers sometimes ended up with a different employer because by the time they arrived in New Zealand the vacancy they were hired for had been filled.

As a result of a nine-month investigation by the Immigration Fraud Unit, a third recruitment agent has appeared in the Hamilton District Court on 27 counts of providing false and misleading information, and the unit is now focusing on a further four individuals involved in dairy industry recruitment.

Long-time Cambridge recruiter John Fegan hopes the recent introduction of mandatory licensing of immigration advisers operating here and overseas will help clean up the industry.

The Immigration Advisers Authority (IAA) is gathering information on adviser fees with plans to list average and median fees on its website, because migrants currently have no way of knowing whether charges are fair and reasonable.

Fegan believes recruitment costs should be borne entirely by the farmer so he doesn't charge migrants anything, but Bruzo says workers pay anything up to \$10,000 in fees and commonly take out high-interest loans (up to 8 percent a month) organised through Philippines-based agents. “It's daylight robbery,” he says.

Bruzo says migrants were often surprised at being landed with a second hefty charge from New Zealand recruiters handling their job placements at this end, and in some cases recruiters refused to return passports and other personal documents until the bill was paid off via automatic bank payments.

It is a breach of the IAA code of conduct to withhold client documents and Bruzo is putting together evidence from at least half a dozen affected workers with the intention of laying a formal complaint with the IAA and the police.

Southland Community Law Centre manager Denise Lormans says cases involving recruitment companies have dropped considerably compared with last year, when she had 35 complaints about a single operator, but on-farm employment issues continue.

The law centre has dealt with dozens of migrant workers badly treated by farm managers more interested in saving money than in complying with labour law, and ignorant of cultural sensitivities.

Lormans says Filipinos abhor swearing, particularly use of the F-word, and some move on rather than remain in a workplace where bad language is the norm.

Over recent years, in a few rare cases, abuse has been physical as well as verbal. “The assaults we know about are one chap taken to with a pick axe handle and fists, and one who was hit with a fence paling.”

Southlanders disgusted by the actions of rogue employers have swooped in and “rescued” migrants and found them new jobs. Lormans says this “name and shame” approach by the community has proved particularly effective in reforming persistent offenders. “A [church] community group organised a 6am wake-up call for a really bad farmer. They surrounded his house and sang hymns, which I thought was pretty awesome, and it did solve the problem.”

The number of bad employers is small, says Lormans, but they tend to run large overseas-owned conglomerate farms, so their impact is significant and that makes her nervous about a proposed Chinese buy-up of New Zealand dairy farms. “The factory farms we’ve had dealings with don’t seem to give a toss about correct employment procedures, – whether their employees are migrants or New Zealanders.”

Last year a Kiwi worker ended up out of a job

after objecting to a farm manager’s aggressive behaviour towards migrant staff. “They preferred to settle with our client rather than sort out the management problems on the farm.”

Lormans is waging battles over ACC payments and unreasonable expectations about injured staff returning to work before they are fit enough. “When you have cracked ribs you can’t milk the cows.”

Lormans’ sentiments were echoed by workers, such as the migrant who recently left a job on a Canterbury corporate farm but asked not to be named for fear of jeopardising his future employment prospects.

As a cost-saving measure his employer made staff start work at 2am instead of 4am so they had time to do off-season maintenance, resulting in 13-hour days at a time of year when working hours were normally much shorter.

“The bottom line is that most of the owners

treat these farms like a vehicle for wealth creation, they are not really in touch with the staff or the cows. They don’t look at [staff] as people but as numbers on the page and they treat cows as statistics. It upsets me to see so many lame cows because the owner doesn’t want to fix their feet because he doesn’t have the budget for it.”

John Fegan believes we need a code of practice covering migrant workers and two years ago he put just such a proposal to the board of Dairy NZ. “Some employers are still treating migrant staff as if they are not human, so standards would focus on employment practices, time off especially, and accommodation standards.”

Dairy NZ spokesman Mark Paine says they decided against a separate code for migrant workers in favour of lifting employment practices across the board with the launch of online human resources and compliance “toolkits,” and establishing voluntary workplace accreditation.

When Fonterra was approached for comment on the proposed code of practice it replied that “employment of staff on-farm is a matter for farmers”.

However Fegan’s idea has support from Equal Employment Opportunities Commissioner Dr Judy McGregor, who is conducting A National Conversation about Work, a Human Rights Commission initiative aimed at helping employers to implement good employment practices.

During recent research trips to Canterbury and Southland the commission was told that long working hours in the dairy industry are a common problem, with work rosters of 11 days on, three days off and, in extreme cases, 29 days on, two days off.

McGregor says that unlike the Regional Seasonal Employment scheme, which brings in migrants to work in vineyards and orchards and which has a well developed infrastructure and regulations, migrant labour in the dairy sector has grown in a “spontaneous, ad hoc” way.

She says a code of employment practice could lay alongside dairy worker employment contracts to ensure all parties were aware of their rights and responsibilities.

McGregor says Department of Labour inspectors are under-resourced and the commission has recommended closer monitoring of migrant employment conditions, including minimum wage compliance and working hours.

In Canterbury, McGregor’s fact-finding team heard how farms recently converted to dairying lacked experience in managing people, which contributed to employment problems.

The industry is increasingly aware of its shortcomings in that area and a farmer interviewed for this story says the sheer scale of modern dairying has brought massive changes.

“500 to 600 cows is still a family operation,” he says. “But once it’s 1000 it’s a completely different ball game. You’re not managing cows, you’re managing people... If you treat people like shit, you’ll get shit people to work for you.”

We now have more cows than ever (over 4 million), but the number of Fonterra suppliers has dropped, reflecting the move to larger herds



It says dairy farming’s “mixed reputation” as a quality work environment is reflected in the poor safety record for farm workers, and it notes that regional leaders still report “a bottom 30 percent of employers who operate with inappropriate attitudes towards managing staff”.

Given the cost of high staff turnover and its impact on productivity, this is not something the industry or regulators can afford to ignore. The Government aims to increase dairy exports from \$10 billion to \$25 billion by 2025, and to support that level of growth the Department of Labour last year set up an internal dairy reference group to monitor areas such as immigration, health and safety, workplace practices, and employment relations.

The chairman of Federated Farmers’ dairy section, Lachlan McKenzie, agrees that the percentage of underperforming employers is higher in new dairying areas, and says financial pressure has undoubtedly played a part.

“Invariably, when a business starts to unravel the pressure starts to tell on the staff first.”

But he says like all other employers, farmers have to comply with legal requirements covering areas such as minimum wages and time off. “Some will change through gentle persuasion; some will have to be pulled up in court. We want to change that percentage of ratbags that are out there because they are doing untold damage to our industry.” YW

**“Some will change through gentle persuasion; some will have to be pulled up in court. We want to change that percentage of ratbags that are out there”**

and multiple-farm ownership. A decade ago only 18 percent of herds had 300 or more cows; now 50 percent are that size, with 368 herds of 1000-plus cows.

Employment patterns have altered too, with half of all dairy farm staff employed on wages,

compared with 29 percent in 1997.

A strategy document outlining the future direction of the dairy industry over the next decade acknowledges the increased demand for more sophisticated management skills and the significant challenges in recruiting and retaining staff.

LEFT Federated Farmers’ dairy section head Lachlan McKenzie with his dog Bess on his farm at Kaharoa, in the Waikato. Photo: Grahame Cox

BELOW RIGHT Filipino dairy worker Cesar Aquino with his wife, Floresa, and one of his daughters, Ingrid. Photo: John Kirk-Anderson

## DOWN ON THE FARM

South African migrant Chris Botha served in the military and worked in human resources before moving to New Zealand, and when his family settled in Hamilton in 1998 the Waikato Times had page after page of advertisements for dairy farm work.

“What I liked about the ads was that they all said ‘no experience required.’ I had two children aged eight and five and we had to eat, so I thought I’d do this.”

After a stint in the Waikato he spent three years in Southland before moving to Canterbury, where he now manages a 1000-cow River Gold Dairies farm near Leeston.

Botha says the farmers he worked for were mostly good people, but bad managers certainly exist – “I don’t think they’re an endangered species” – and his own experience of a lousy boss was a deeply unpleasant one.

“It was like Jekyll and Hyde, you just didn’t know what mask he was going to wear. He treated me like dirt, like an absolute kid. I put it down to financial pressure. He had one place then had three or four [farms] and that filtered down.”

Botha noticed a big influx of migrant workers about five years ago and says some of the highly qualified ones, such as vets, are taken aback at the sort of work they are expected to undertake.

“I give them a grubber to grub out weeds and they come back 10 minutes later saying ‘Where I come from an animal doctor doesn’t have to grub out weeds.’”

That said, Botha has nothing but praise for his five Filipino employees. “They take a pride in their work. They don’t have sick days – I know people who have X number of sick days and treat it like annual leave. They don’t do drugs. They do socialise, they know how to party, but they behave themselves. They’re always punctual and their work ethic is great.”

All Botha’s employees wish to stay here but so far only Cesar Aquino has been granted permanent residency. A fencing salesman in the Philippines, he spent two years in Saudi Arabia working on a 14,000-cow indoor dairying unit before coming to Canterbury. He says New Zealand offers a better future for his wife Floresa and daughters Zarax and Ingrid, who joined him two years ago, and he would like to go sharemilking.



So far the only real challenge has been getting accustomed to the cold – “In the middle of summer we were lighting fires.” His daughters were entranced by their first experience of snow at nearby Mount Hutt.

Ronuele Catre arrived 10 months ago and is already a keen participant in the eight-team Ashburton Filipino basketball league.

His \$35,000 annual pay (plus free accommodation and power) is a big improvement on the \$200 a month he earned in the Philippines, and he regularly sends money home to his sick mother to pay for her medical treatment.

He says milking operations here are much more advanced and the Leeston farm can milk 1000 cows in the time it took to milk 200 back home. “We had to move the milk bucket from cow to cow.”

Dragging himself out of bed at 4am on frosty winter mornings might be hard, but Catre is in no hurry to leave. “My goal is to become a permanent resident and hopefully a citizen of New Zealand.”

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