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THE USE OF LABOUR ON PASTORAL PROPERTIES

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ABSTRACT

The amount and type of labour used on pastoral properties in the north east of South Australia is examined. Two different strategies in the amount of labour employed to handle the same number of sheep were found. The high turnover of staff, the declining permanent work force, and the particular problems of hired managers are considered. Some implications for future property management are discussed.

INTRODUCTION

An interview survey of property management was conducted in the north east of South Australia late in 1980. The region surveyed (figure 1) comprised 30 management units south of the Dog Fence mainly running sheep. Each property manager was asked about the problems he faced in 1980. Labour was most often selected as the main problem at the time of the interview.

The amount and type of labour employed on a pastoral property is one of the major cost determining factors of the pastoral enterprise. Wages accounted for between 20 and 25 percent of total operating costs in a subsample of 16 properties for the years 1975 to 1980.

During the seventies most of the properties in the study area reduced the number of full time workers they employed. This reduction in the permanent workforce was an attempt to contain the cost of wages. The use of motor bikes, faster transport of stock to markets, innovations in sheep handling and the acceptance of a lower level of maintenance of fixed structures have facilitated this adjustment strategy.

This paper begins by describing the different types and amounts of labour employed on pastoral properties. The special problems of hired managers who control much of Australia's pastoral lands are considered in some detail and implications for the future are discussed.

TYPES OF LABOUR

Managers can choose to meet the labour needs of their properties by employing full time workers, part time or casual workers, family members or specialized contractors.

Part Time

Most managers are forced to employ extra labour at shearing (about 5 man weeks per property in 1980). At crutching more than half of the managers used some part time labour. One third of managers employed between 2 and 8 man weeks of part time labour in 1980 for other general station work. There appeared to be little trouble finding suitable part time labour.

Family

A great deal of family labour is used on pastoral properties. The average number of family members employed in 1980, including the manager, was 1.6. Sons and daughters are often stationhands and jilleroos, wives are frequently cooks, and other family members may be available to help in busy times. This flexibility in family labour was noted by Chudleigh (1971). Family labour is often unpaid which helps to keep the cost of wages down.

Contract

Specific tasks such as erecting new fences, sinking bores, fibreglassing tanks, and cleaning dams are being increasingly performed by contract labour. In this way the manager gets work completed but avoids many of the problems associated with full time employees.

Full Time

Most managers complained that there was a lack of reliable skilled full time workers. Station hands and jackeroos seemed to change jobs at least once a year. Good married station hands are one of the most valued resources on pastoral properties. Employers prefer married men because families are a stabilizing influence. The presence of a wife and family diminishes the isolation of life in the bush but introduces the problem of educating children and the potential loneliness and dissatisfaction of wives unaccustomed to an isolated life style.

THE AMOUNT OF LABOUR USED

An attempt was made to identify the level of labour usage on pastoral properties. The amount of part time labour used was positively related to property size but not related to the number of stock carried. Conversely the number of full time workers employed was positively correlated to the number of stock carried but not related to property size.

There appeared to be no relationship between the amount or type of labour used and any of the property structural variables such as paddock number, paddock size, ratio of small holding paddocks to large paddocks or number of permanent waters.

The number of stock carried can be used to predict the rate of labour usage on individual pastoral properties. Two significantly different labour strategies were found in the survey population (figure 2). Separate linear regressions were fitted for the two strategies and are reported below.

Strategy 1, n = 20

Total labour in man years = 0.45 + 0.00027 (no.sheep) $R^2 = 0.81$

(0.26) (0.000030)

Strategy 2, n = 7

Total labour in man years = 2.18 + 0.00033 (no.sheep) $R^2 = 0.98$

(0.19) (0.000018)

The main difference between the two strategies is the base rate of labour usage. Those practicing strategy 2 as opposed to strategy 1 employ 2 more man years of labour for the same number of sheep carried. No recorded reason can be found for the difference between managers practicing the 2 strategies (factors such as total area, paddock size, number of small paddocks, number of unpaid workers, proportion of work done by part time employees, number of sheep carried, managers's experience, hired verus lessee managers etc. were not related to the strategy used). This suggests that the two strategies represent different stages in the adjustment process.

About three quarters of managers, those employing strategy 1, have already reduced their work force to a minimum. Managers currently practicing strategy 2 could probably run their properties with 2 less man years of labour. The amount of labour used in the north-east is likely to decline until all managers are practicing strategy 1.

Both strategies embody a marginal rate of labour usage of 1 man per 3,300 sheep. Alexander and Williams (1973) noted for the pastoral zone that one man could handle 2,500 sheep in 1969. Each unit of labour in the study region was handling an average of 30% more stock than the 1969 average.

HIRED MANAGERS

Thirteen of the thirty properties in the study region were run by hired managers. Each hired manager was responsible for about twice the area controlled by an owner manager. The hired managers tended to be younger, to work longer hours, to be in charge of more men and to have less experience on their current property than the owner managers (Table 1).

Hired managers rarely stay in one job for more than a few years. New managers usually have little knowledge of the properties they are employed to run. Consequently the majority of absentee lessees set rather rigid calendars and reserve all major managerial decisions for themselves. As one astute manager remarked "if hired managers do not have average years they are in trouble, and whoever heard of an average year?"

Lessees who do not live on their properties have little chance of understanding what is happening to the country (more than half either manage other properties or are retired). Very few lessees appear prepared to change their plans in response to comments and suggestions made by their managers. In some cases lessees insist on doing all the purchasing and frequently do not send exactly what the managers require.

Several hired managers complained that they were receiving only $5 to $10 above the award wage for an adult station hand which was $154 per week ($8000 per annum). Although hired managers have a lower cost of living than urban workers, in South Australia they are faced with huge educational expenses. Parents must either send their secondary school children to boarding school and pay between $4000 and $5000 per year per child, or move close to a secondary school.

All these things leave little room for any job satisfaction for most hired managers.

IMPLICATIONS

Low wages, unreliable communication and isolation from social, medical and educational facilities make employment on pastoral properties relatively unattractive. The high rate of staff turnover means that managers must put a lot of time into hiring and training new employees. The best way to keep permanent employees is to treat them well. "It may cost a little more but the loyalty gained is worth the extra cost" (Pick and Alldis 1944).

"It takes time to learn the particular aspects of stocking levels, care of stock and waters, and what stock to run where, on any particular property" (Childs 1978). Every time an experienced station worker leaves his current position there is a loss of valuable expertise. Unfortunately there is little effective formal training available and consequently workers new to the area are likely to make mistakes which could be detrimental to the land. There is a need to collect and record the experiences and advice of people who have worked on pastoral properties and who understand the country in both its good seasons and its droughts.

As a result of the declining labour force, the condition of fixed structures on most properties has deteriorated. But, there is a limit to the extent to which labour can be reduced. Given the current level of technology, most managers in the north east consider that they have already reached this limit. Managers must look to new methods of sheep handling and evaluate different types of fencing, shed design, water catchment etc., if they are to remain economically viable.

In 1980 only four out of 30 managers reported having problems with unions or strikes, although several other managers had experienced delays in the handling of their wool clip. Pastoralists have few direct industrial problems; most of their troubles with unions are associated with bans on the export, handling or transport of wool and live sheep. Such bans are not usually directed at disrupting agriculture but rather are motivated by political reasons or by the demands of urban workers in secondary

industries. With the recent demise of automatic wage indexation, these problems will probably escalate.

Currently the agricultural labour market is unstructured and characterized by relatively primitive working conditions, labour relations and personnel practices. If agricultural workers were to unionize in the future, pastoralists would have many more direct union problems.

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Table 1. Median values of selected characteristics of hired managers and owner managers

	Owner Managers (17)	Hired Managers (13)	All Managers (30)
Property area (km^2)	394	709	474
Number of full time employees in 1980 (including the managers)	2	4	2.5
Total weeks of part time labour used per property in 1980	10	12	10.5
Years manager has worked on the property	14	2.5	10
Manager's age	42	36	38

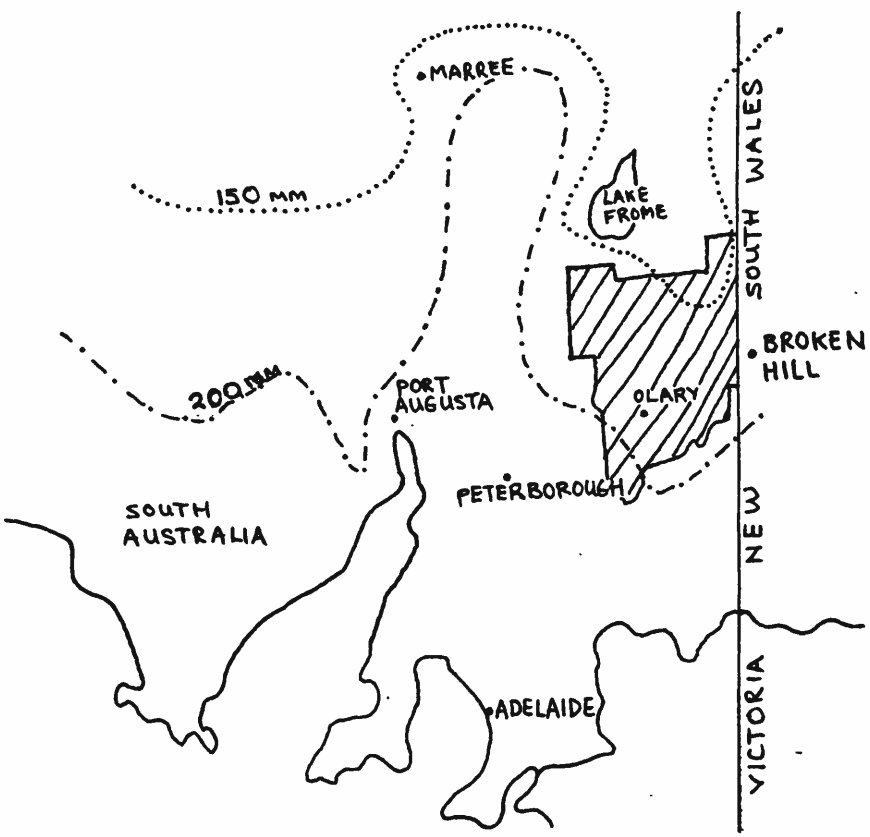

Figure 1. Sketch plan of survey study region

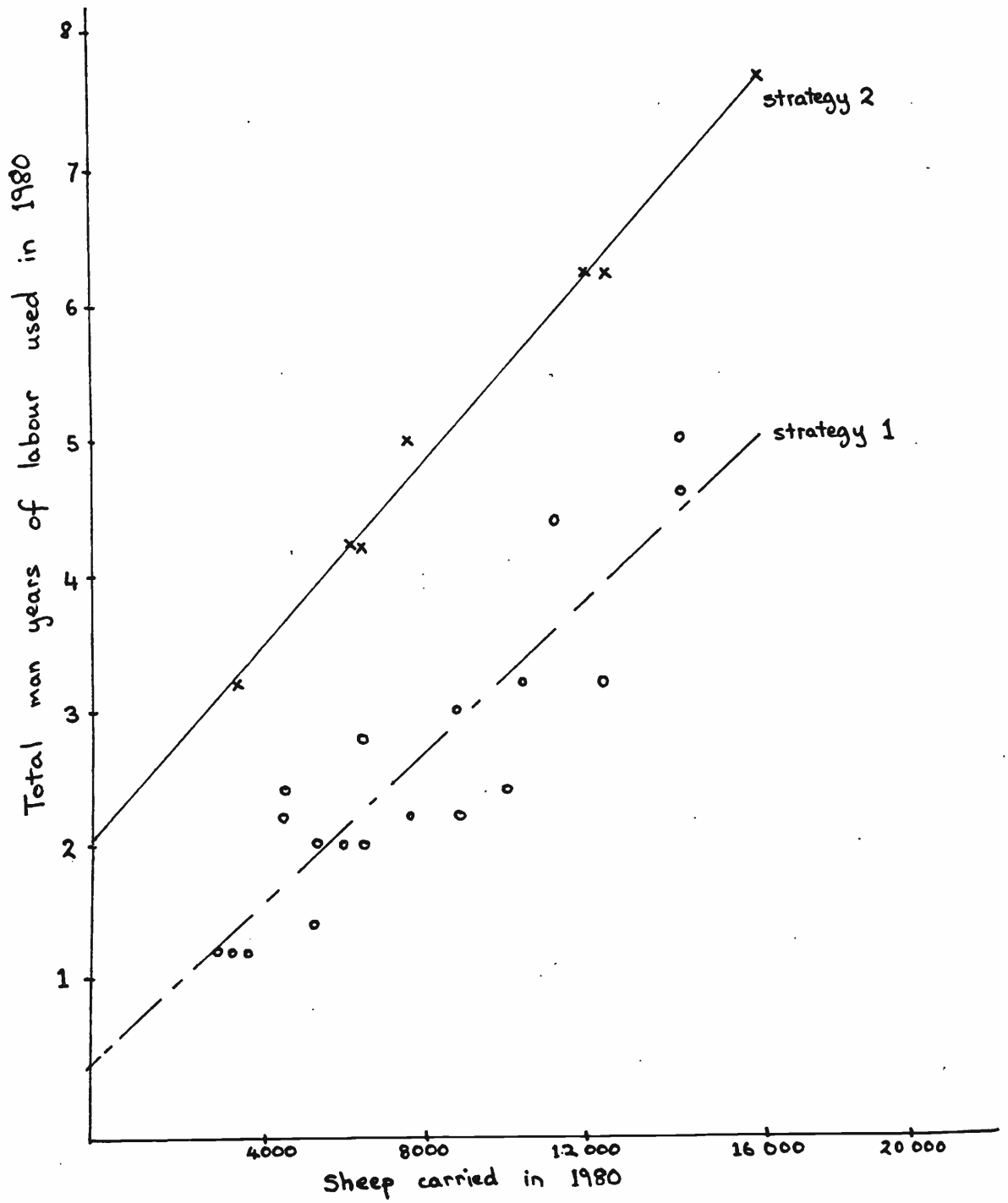

Figure 2. Relationship between total man years of labour used on the property and total sheep carried in 1980.

(Three properties have been excluded from this figure. Two failed to provide adequate information on labour usage. The third was in a phase of highly labour intensive development.)