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# **Perspectives on productivity: Some RSE examples**

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## Context

- ❖ **A vulnerable industry with low profit margins**
- ❖ **Small-scale operations for the most part (80% under 20 ha). Only 11% RSEs**
- ❖ **Small RSE workforces for the most part (44 percent of ATRs for under 10 people; 44 RSEs with under 50 recruits, 2011)**
- ❖ **New Zealanders first policy**

# Assessing productivity

- ❖ **Volume of output per day (bins, kg of fruit picked etc)**
- ❖ **Value of produce picked per day (\$\$/ worker)**
- ❖ **Gross wages per period paid and changes in these over successive seasons**
- ❖ **Two dimensions to productivity: attendance (number of weeks worked) and experience (return workers)**
- ❖ **Simple information for employers to provide**

## Citrus picking, 2011 season

<b>Group</b>	<b>Av kg/day/wor ker</b>	<b>Av wages/da y/wker</b>	<b>Av \$ pd /kg</b>
<b>RSE</b>	<b>755</b>	<b>127</b>	<b>0.17</b>
<b>NZ</b>	<b>391</b>	<b>87</b>	<b>0.22</b>
<b>Back pker</b>	<b>414</b>	<b>101</b>	<b>0.24</b>

## Hypothetical productivity gain, 2011

<b>Group</b>	<b>Value</b>
<b>Total crop</b>	<b>2,623,356 kg</b>
<b>All RSE labour (17c)</b>	<b>\$445,970</b>
<b>All NZ labour (22c)</b>	<b>\$577,140</b>
<b>Difference (\$)</b>	<b>\$131,170</b>
<b>% difference</b>	<b>29%</b>

# Apples, gross wages 12 weeks, 2011

Worker group	Av. \$/12 wks	SD \$/ 12 wks	Coeff. Var. (%)
<b>RSE return</b>	<b>8798</b>	<b>738</b>	<b>8.3</b>
<b>NZ return</b>	<b>6641</b>	<b>2324</b>	<b>35.0</b>
<b>RSE new</b>	<b>8081</b>	<b>1245</b>	<b>15.4</b>
<b>NZ new</b>	<b>7141</b>	<b>1711</b>	<b>24.0</b>
<b>NZ casual</b>	<b>2894</b>	<b>2144</b>	<b>74.1</b>
<b>Backpack</b>	<b>2655</b>	<b>2130</b>	<b>80.6</b>

## Apples, gross wages 10 weeks, returnees 4 orchards, 2009-2011

Worker group	Av. \$/10 wks	SD \$/ 10 wks	Coeff. Var. (%)
<b>RSE 2009</b>	<b>6798</b>	<b>1226</b>	<b>18.0</b>
<b>NZ 2009</b>	<b>7098</b>	<b>2635</b>	<b>28.1</b>
<b>RSE 2010</b>	<b>6924</b>	<b>1175</b>	<b>17.0</b>
<b>NZ 2010</b>	<b>7356</b>	<b>2470</b>	<b>33.6</b>
<b>RSE 2011</b>	<b>7251</b>	<b>908</b>	<b>12.5</b>
<b>NZ 2011</b>	<b>6506</b>	<b>1920</b>	<b>29.5</b>

# Summary

- **RSE workers consistently more productive as measured by attendance and experience, especially after a year or two**
- **On average the RSE return worker is more productive than the equivalent experienced NZ worker**
- **The productivity gains are starting to plateau but still some potential for reducing variability across workers**



# Challenges

- ❖ **The attraction of Australia**
- ❖ **Building loyalty through rewards for experience**
- ❖ **Stopping too much “shopping around”**
- ❖ **Building loyalty through investment in island communities**
- ❖ **New Zealanders first policy**