Strategic use of contractors for farm machinery work to reduce hours worked

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Summary

• Machinery work accounts for 20% of total hours worked on labour efficient farms.
• The farms with larger herds used a higher per cent of contractor machinery hours than farms with smaller herds.
• Using contractors more during the calving and breeding season can reduce hours worked by the farmer and create more time to focus on profitable milk production.
• Do the economics for your farm and ask yourself, can you afford not to use more contractors to do machinery work.

Introduction

Dairy cow numbers have increased by 327,000 in Ireland since 2010, to over 1.35 million in 2018. The number of young dairy stock currently in the national herd, as well as survey data of suppliers from milk processors, indicate further expansion is likely to continue into the future.

There has been a dramatic change in the structure of Irish dairying in recent years. Average herd size has increased from 54 cows in 2005 to 76 cows in 2016. The proportion of dairy cows in herds greater than 100 cows has increased from 13% in 2005 to 47% in 2016. The number of dairy farmers milking herds of greater than 100 cows is now over 4,200, up from 1,080 in 2005.

This rapid increase of herds greater than 100 cows has the potential to create conflict between the availability of family labour and the workload on farms. While the CSO Farm Structure Survey in 2013 highlighted that a large amount of family labour exists on dairy farms, there is no guarantee this labour exists specifically on the farms milking more than 100 cows where it is particularly needed, or that family labour is available at busy times in the season e.g. during calving in February and March. Hence there is a growing requirement for both full and part time employees to work on dairy farms.

Contractors to reduce workload

Table 1 below from Deming et al., 2018 shows the total hours worked for 38 dairy farms that were previously identified as labour efficient. Machinery work took on average 20% of the total hours worked. This study found that as herd size increased the percentage of machinery work contracted out increases from 30% to 59%. Most farmers are at peak hours worked at calving time, reaching 70 to 80 hours/week. The next major task after calving is getting cows back in calf and achieving a six week calving rate of 90%. To have the time to manage calving’s, rear calves and reach a six week calving rate of 90%, using contractors more for machinery work should be considered particularly for these two seasons.
### Table 1. Hours of machinery work performed by farmer/family/staff or by a contractor on 38 labour-efficient dairy farms

<table>
<thead>
<tr>
<th>Herd size category</th>
<th>1 ( &lt;150)</th>
<th>2 (150–249)</th>
<th>3 (&gt; 250 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total hours worked</td>
<td>3,015</td>
<td>4,499</td>
<td>6,023</td>
</tr>
<tr>
<td>Machinery work total</td>
<td>680</td>
<td>959</td>
<td>1,128</td>
</tr>
<tr>
<td>Contracted</td>
<td>207</td>
<td>348</td>
<td>663</td>
</tr>
<tr>
<td>Farmer/family/staff</td>
<td>473</td>
<td>611</td>
<td>473</td>
</tr>
<tr>
<td>% Contracted</td>
<td>30</td>
<td>36</td>
<td>59</td>
</tr>
</tbody>
</table>

### Relationship with contractor

Factors that are commonly discussed by farmers that contribute to a good relationship with their contractors are: paying on time, having a plan as to what work is contracted out for the year, a farm map and having paddocks ready for work to be carried out without interruption. These factors lead to good communication, respect, and appreciation. They are basic requirements but can be often forgotten.

### Conclusions

Contractors play a very important role on dairy farms. Not only do they reduce hours worked by the farmer, they also do this at a time when peak workload is at its maximum. This in turn streamlines the farm and leaves the farmer and employees time to focus on achieving a profitable and enjoyable business. A cost benefit analysis should be completed when considering how much machinery work is contracted out. Solutions to overcome barriers for not fully utilising the contractor as a source of labour must be examined.