

TES providers can elevate citrus farming profits, community relations

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The South African citrus industry grapples with numerous challenges, including logistical issues around the timing of harvests and moving the products timeously through the value chain, international regulations, and changing weather. Adding to these is the introduction of a new national minimum wage, which significantly impacts agricultural input costs and can harm profitability if not handled effectively.



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Agility is critical, and a strategic approach is necessary when it comes to ensuring cost-effectiveness while managing labour requirements. A Temporary Employment Services (TES) partner can be an asset, handling the admin and giving citrus farmers access to a flexible, legally compliant workforce that can be made available at short notice to cope with the unpredictability of the industry.

Facing adversity

Like all produce farmers, the citrus sector must deal with the challenges presented by the weather, which is becoming increasingly unpredictable and shifting growing and harvest seasons. Unseasonal rains and turbulent weather, including incidents of flooding, have become more and more common. This in turn makes it tricky to know when labour will be required for harvesting, adding a layer of complexity to planning.

In South Africa, we also have challenges around community relations issues, as well as logistics throughout the value chain. From picking and packing to moving the product through to its final destination, whether this is local or international, there are bottlenecks and factors outside of farmers' control that can have a negative impact.

The new national minimum wage puts farmers under added pressure, especially when you consider the increased cost of electricity. However, it is the law, and it must be followed, along with regulations around the hiring of foreign nationals. The

Department of Labour is also actively cracking down on the employment of illegal migrant workers, and farmers need to ensure they are fully compliant to avoid additional challenges.

Flexibility is critical

The nature of the industry means that farmers need to pick the fruit at exactly the right time, and then get it through the value chain on time, which means any disruption or delay is detrimental. Being able to handle these challenges requires farmers to be adaptable and have flexibility and effective business continuity planning in place. Part of this planning needs to include labour management.

Partnering with the right TES provider is an effective way of optimising costs and delivering the flexible workforce they need while maintaining good community relations. Your TES partner should be compliant and fully aware of the compliance burden on farmers, including labour, safety, and sanitary laws as well as fair trade regulations. This will give you the flexibility to scale and descale the workforce quickly while remaining compliant, which is a major benefit and a source of competitive advantage.

As an example, we are increasingly seeing that fruit is ready to be picked sooner than expected and sooner than is usual, which means teams of labour are necessary at short notice. The ability to source and supply skilled, compliant, and experienced labour at short notice is essential to take advantage of this small window, and then, when the harvest is over, the workforce can be scaled back again to optimise costs.

A TES will handle all the administrative burden of managing a large seasonal headcount, including background checks, site training and induction as well as HR and industrial relations, tax, labour compliance and more. This bolsters operations and enables citrus farmers to focus on their competency in farming, while an expert labour provider handles the staffing component. In addition, the right TES partner can boost resilience by providing the financial capacity to disperse wages weekly, while invoicing monthly.

An added advantage to working with a reputable TES partner is their ability to engage with communities and community leaders continually to ensure open lines of communication, which is key in maintaining good community relations.

While TES are often seen as an added cost, they are a contributor to profitability, ensuring flexible staffing that is compliant, while helping to foster stable community engagement and relations. By taking on the labour component, a TES enables farmers to focus on farming, which helps them better handle external influences to minimise the impact of volatility.

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