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Innovation in Labour Organisation and Social Conditionality: Implications for Farm Advisory Services

Innovation dans l'organisation du travail et conditionnalité sociale : implications pour les services de conseil agricole

Innovation in der Arbeitsorganisation und soziale Konditionalität: Implikationen für die landwirtschaftliche Beratung

Catherine Laurent and Geneviève Nguyen

Current structural changes in agriculture involve deep qualitative transformations that challenge common representations of the labour supply in agriculture and of labour organisation in the production units.

Various studies have highlighted not only the decrease of family labour on agricultural holdings but also the emergence of new forms of enterprises. They show that farmers have reorganised work either by outsourcing certain tasks that are not part of their core business, or by resorting to various non-family sources of labour (Depeyrot *et al.*, 2019; Dupraz and Latruffe, 2015; Nguyen *et al.*, 2021). The role of hired labour is becoming increasingly important on farms. However, the search for greater flexibility and lower labour costs can lead to poor working conditions for fixed term workers hired by farms and contractors. Some employers' practices are denounced, especially in sectors that employ many seasonal workers such as vineyards, and fruit and vegetable production (European Parliament, 2021). This is why Member States are required to indicate in their CAP Strategic Plans that as from 1 January 2025, farmers who benefit from CAP support may be subject to an administrative penalty if they do not comply with the requirements related

to applicable working and employment conditions or employer obligations arising from a list of legal acts concerning occupational security and workers' health (Box 1).

Can we foresee new needs for advice to comply with this regulation? Recent investigations focused on new patterns of farm labour organisation provide some early insights on the issue. Our studies were carried out in France and they are context specific, but the overall phenomenon of qualitative change in farm labour organisation is observed in various European countries (e.g. Nye, 2018).

Sources of data and methodology

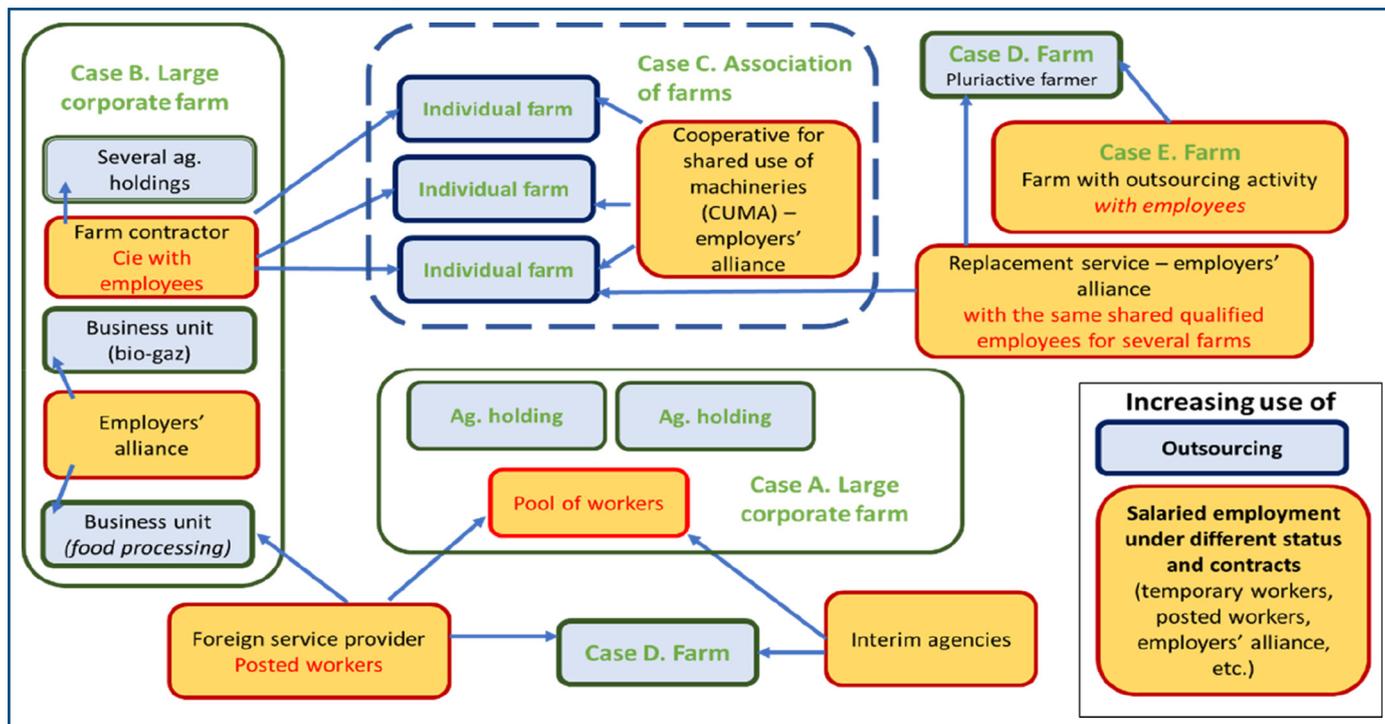
The analysis is based on data extracted from a set of semi-structured surveys on 138 farms, conducted between 2012

and 2020 as part of different research projects (H2020 Agrilink, ANR Agrifirme and, Germea Chair). Purposive samples of farmers were interviewed to capture the diversity of farms that show new and emerging patterns of work organisation. The questionnaires covered the history of the farm and that of its manager, its current organisation and functioning (including activities, governance, development strategy, labour organisation, economic and financial management, and the sources of advice used and those desired), its environment and its future prospects. Cross-cutting thematic analyses were carried out to highlight in particular the diversity and complexity of the sources of labour (examples are shown in Figure 1), as well as the difficulties experienced in managing human resources.

Box 1: Common Agricultural Policy, social conditionality and labour regulation

The agreement that was signed on 2 December 2021 on *the financing, management and monitoring of the Common Agricultural Policy* stipulates that financial support from the CAP will have to comply with major EU regulations regarding workers, in particular: Directive 89/391/EEC of the Council of 12 June 1989 on *the introduction of measures to encourage improvements in the safety and health of workers at work*; and Directive 2009/104/EC of the European Parliament and of the Council of 16 September 2009 concerning *the minimum safety and health requirements for the use of work equipment by workers at work*; and Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on *transparent and predictable working conditions in the European Union*.

Figure 1: New forms of labour organisation on farms



Source: Authors, based on semi-structured surveys of farms.

These surveys were complemented by in-depth interviews conducted for the H2020 Agrilink project with 15 advisory providers. These interviews were about the functioning of the organisation, the advisory services offered (type, content of back and front office practices), and its target groups.

Cross-referencing the results of the advisory providers' interviews with those from the on-farm surveys allowed us to characterise the gaps in the current provision of advice on human resource management on farms.

“ Des représentations trop simplifiées des schémas de travail au niveau de l'exploitation peuvent fortement fausser l'évaluation du type de conseils nécessaires au respect de la conditionnalité sociale. ”

To estimate the degree of generality of the observed changes, we quantified at the national level the different sources of labour mentioned by the farm managers. We used: (i) statistical data (Agricultural Census and Farm Structure Surveys), (ii) administrative data (database of the organisation in charge of social insurance in agriculture in France, the Mutualité Sociale Agricole [MSA]), and (iii) regulatory documents concerning farm labour.

The increasing complexity of labour organisation in agriculture

Three major changes are observed in labour organisation in French agriculture.

First, an increasing proportion of the people working on a farm are employed by service providers. There is a very wide range of such contractors working for farms. Some take care only of the farming operations for a third party. Others also provide agricultural business services and advice. The latter may have a high degree of autonomy and make technical decisions for the part of the activity that is outsourced to them. Others are pure providers of labour although they officially sell a service: they bring workers to the farm

who will work under the supervision of the farm holders (e.g. posted workers employed by foreign service providers who will harvest fruit). Employers' alliances [*groupements d'employeurs*] also provide a significant part of the farm labour. These are non-profit organisations created to share employees on fixed-term or permanent contracts; the individual farmer is no longer the employer.

Second, the notion of 'farm' or 'agricultural holding' is challenged. Basically, most debates about the future of European agriculture and its advisory services are based on the assumption that EU farms can be approached with a common definition, formalised in EU agricultural statistics: "agricultural holding" or "holding" means a single unit, both technically and economically, which has a single management and which undertakes agricultural activities ... within the economic territory of the European Union, either as its primary or secondary activity" (Regulation (EC) n°1166/2008 of the European Parliament and of the Council, Article 2 'definitions'). But we are witnessing the development of large corporate farms that combine different productive and commercial companies, and require workers to

move from one company to another, depending on the needs, sometimes with the same contract (through employers' alliances for instance) and sometimes with different fixed-term contracts. What is the relevance of this notion of 'single management' when people working on the farm are actually hired by another entity that makes decisions about part of the organisation of work on the farm, the level of wages, the recognition of qualifications, and so on? What is the meaning of the notions of 'single unit' and 'single management' when a whole part of the production (for instance cereals) is totally outsourced to a contractor who makes all the technical decisions regarding this production?

Third, the role of salaried employees is growing. However, as a consequence of the above-mentioned changes, their employment situations vary widely, depending on the type of contract, on the type of employers and the type of structure in which they operate (employers' group, agricultural enterprise with a more or less complex organisation depending on its size, etc.). Several documents report a deterioration in the working conditions of some of the employees with fixed-term contracts (Depeyrot *et al.*, 2019; Purseigle and Mazenc, 2021).

Figure 1 illustrates this increasing complexity based on real cases observed among the 138 farms surveyed. It shows the flows of workers across different business units or different holdings within the same larger holding, across farms on a territory, across agricultural and non-agricultural sectors, and across countries. This is the case, for example, for large fruit and vegetable farms (case A farm, Figure 1) composed of different entities located in different places, which hire a pool of seasonal workers and move them from one location to another. Similarly, to support the development of diversification activities (agritourism, bio-gas production, food processing, etc.) housed in different commercial companies, large corporate farms (case B farm, Figure 1) have created an employers' alliance to hire workers who can move from one company to another, depending on the

needs. Farms can also create a farm contractor company to work for them and for other farms. Since 2016, farm equipment sharing cooperatives [Coopératives d'utilisation de matériel agricole - CUMA] can create employers' alliances and hire workers to operate the machines in common and perform services for the farmer members of the cooperative (case C farms, Figure 1). Other service providers and temporary employment agencies are also mobilised now to provide and manage teams of national or foreign workers on behalf of the farm's manager (case D farm, Figure 1). The farm contractors (case E farm, Figure 1) sometimes recruit workers from the construction sector for their skills in handling large and costly equipment.

All such situations correspond to relatively unprecedented labour

arrangements that are, however, not readily visible or easily quantified when one looks at the sources of work on the farm.

How important are the observed changes in labour on farms?

Although the qualitative changes revealed by our direct farm surveys have little visibility in agricultural statistics, administrative data on labour contracts provide strong evidence that our on-farm observations correspond to deeper structural trends (Table 1):

- An increasing proportion of the farm labour force is provided by workers who are not employed directly by the farm. In 2016, more than 200,000 salaried workers employed by these organisations were working on



Salaried workers planting salads in a large French vegetable farm, 2019 © Loïc Mazenc

Table 1: Various occupational situations of people working on French farms, 2003–2016

	Type of occupational situation	Number of persons 2016	% difference 2003–2016 number persons (%)	Full-time equivalents 2016 (*)	% difference 2003–2016 full-time equivalents (%)
Farm employment	Agricultural holders and associates (self-employed) (a,b)	392,000	-22	342,650	-14
	Other family members with registered occupation on the farm (e.g. spouse) (a,b)	25,000	-71	23,570	-71
	Employees on a permanent contract (a,b)	147,500	-19	106,300	-20
	Apprentices (a)	17,100	-15	11,500	-32
	Employees on fixed-term contracts (a,b)	624,500	-18	97,000	+ 4
Working on the farm but employed by another organisation	Farm contractors (self-employed) (a)	4,500	+ 25	na	
	Farm contractors' employees (a)	78,300	+ 71	21,400	+ 38
	Employees from temporary work agencies (a)	11,700	+ 7	1,100	+ 32
	Employees from employers' alliances (a)	69,700	+ 213	26,671	+ 222
	Posted workers (foreign service providers) (c)	67,000	+++	5,900	+++
Farm activity which is not a registered job	Holders of farms which do not correspond to a registered job (retired farmers, hobby farms, etc.) [<i>cotisants solidaires</i>] (a,b)	96,700	-40	17,500	-40

Notes: * One Equivalent Full Time = 1,824 h/year

Included in Agricultural Census and Structural Survey data

Not included in Agricultural Census and Structural Surveys data

Sources: (a) MSA, (b) structural survey data, (c) Ministry of Labour (DGT) Data 2017.

farms in France (Depeyrot *et al.*, 2019). The share of these workers is increasing (both in number of individuals and in number of full-time equivalents). In spite of this blind spot in the statistical data, several national monographs as well as data from contractors' professional organisations show that the French case is not an exception and that the issue of contractors in agriculture is an issue throughout the EU (Davidova *et al.*, 2019; European Parliament, 2021).

- An increasing proportion of the farm labour force is also provided by non-permanent salaried workers (hired by the farm or by another employer). During the last two decades the composition of this population has changed. There are fewer young workers (e.g. students for harvesting), more migrant workers (about 20 per cent of the employees on fixed-term contracts of farms, for 0.4 equivalent full-time in average)

and more aged workers (over 60 years old) (Depeyrot *et al.*, 2019). The number of workers employed on farms with fixed-term contracts is decreasing (-18 per cent in 13 years) but the amount of work they provide is increasing in absolute terms (+ 4 per cent) for the same period.

“ Eine allzu vereinfachte Darstellung der Arbeitsstrukturen auf Betriebsebene kann bei der Beurteilung der Art der Beratung, die zur Erfüllung der sozialen Auflagen erforderlich ist, sehr irreführend sein. ”

These figures confirm the fragmentation of the categories of salaried employees who work on farms, with work organisation patterns that rely on a multiplicity of external labour sources and contractual arrangements. They also show the growing importance of employees with fixed-term contracts. For this type of employee, there is a significant difference between the number of people and the corresponding number of full-time equivalents. This phenomenon takes on new significance today with the introduction of social conditionality. As far as occupational safety is concerned, the relevant unit is the individual worker. When safety training and advice must be delivered to the workers, the intervention must be designed considering the number of persons and not only the number of full-time equivalents. The resources need to be adjusted accordingly (number of advisors, coordination costs, etc.).

From the recognition of changes in labour to the expression of needs for new types of advice

The recent changes in the labour organisation on farms is generating new difficulties for the various actors within the sector:

- Farm workers may need advice to cope with the many consequences of the increasing fragmentation of short-term contracts (e.g. occupational safety and social welfare entitlements);
- Contractors making technical decisions could be integrated further as a possible target group for advisory policies;
- Farmers who have left 'single management' to embark on the path of 'complex management' could receive appropriate advice and training for these new situations.

In our surveys, farmers report the difficulties resulting from new forms of organisation. As the examples in [Table 2](#) show, this concerns various issues, including the technical problems of managing heterogeneous teams

where workers have very different occupational statuses and contracts, questions relating to labour law, and control of the reliability of service providers. For example, the use of contractors can itself be a source of difficulty for farmers – and can generate new needs for advice on social and legal issues – when these farmers have to choose a foreign contractor who employs posted workers. Farmers do not always know how to ensure that these companies are operating in compliance with the labour regulations.

For their part, farm advisory services are trying to set up interventions on this theme. However, our surveys suggest that these attempts have so far remained sporadic. The services officially responsible for compliance with the labour code and advice on occupational risk prevention are in an ambiguous position, being in charge of both control and advice. This makes it difficult to establish the relationships of trust necessary for advice. Some chambers of agriculture that have contributed to the development of large employers' alliances, in order to train farmers as employers, have a very mixed appraisal of these interventions.

An increasing number of farmers join these alliances which help them to hire employees, but they do not meet their training goal as many of these farmers refuse to be directly involved in their management.

This discrepancy between the actual situation on the farms – an increasing proportion of salaried work – and the reluctance to perform all the functions of an employer can lead to serious misunderstandings. For instance, many farmers in France are unaware that resorting to service providers or employers' alliances does not exempt them from certain employers' responsibilities, particularly with regard to health and safety conditions at work. This is why the obligation to comply with social conditionality is likely to reinforce demands for specific advice. Complex farms are likely to request new advisory content that is less technical and more managerial and legal (i.e. advice about human resource management), as well as new advisory bodies (a pool of experts able to address various inter-related strategic issues rather than a single advisor and advisors not involved in inspection duties).

Table 2: Farmers report difficulties regarding labour management

Actor surveyed	Quote
Holder of a large corporate farm with a large proportion of salaried workers (Figure 1, Boxes A & B)	<i>[...] What I did here, to comply with labour legislation and all that, [...] I was perhaps one of the first to do that, at the time we already had [diverse types of businesses] [‘le GAEC, une SCEA, un peu d’ETA’], so we created an ‘employers’ alliance’, like that, more than 20 years ago all the employees, even the secretary, everyone was in the employers’ alliance. Everyone... We made changes about 50,000 times according to the laws that came out. What I’m telling you today, maybe in two weeks’ time you’ll come back and say, but you didn’t tell me that... So today, we’ve been changing again all that, we’ve been working on it for two years, because it cannot be done easily, and there too, we aren’t quite finished yet [...]</i>
Holder of a farm who belongs to an employers’ alliance (Figure 1, Box C)	<i>[...] Because hiring a salaried worker is a nightmare, at least for me. It’s awful. Personally, I can only speak for myself. If I have to choose between a machine and an employee, I would directly go for the machine. It’s because of labour law. It’s too much, the agricultural world, it’s really too far away from the salaried world. [...]</i>
Farmer involved with outsourcing and denouncing certain practices (Figure 1, Box D)	<i>[...] We’ve been trying for nearly ten years with the Region, the tax authorities and the MSA to establish a convention for illegal work. So, it starts with illegal work. We spent six or seven years with a person called Madame X, who was the best because we called her and said: ‘There’s this and that’. It worked well. But she retired. Since then, it’s been a complete mess. [...]</i>
Holder of a farm who has a large outsourcing activity in addition to farming (Figure 1, Box E)	<i>[...] We hired up to 12 people in 2008; 12 employees: trucks, excavators, landscaping, farming operations, three combine harvesters. In short, chaos everywhere, money everywhere, breakage everywhere. I was never trained to manage people and all that; when you have 12 people in the morning, you have to look after them. Yes, you have to look after them. So, my brother said, ‘No, now we have to stop everything, the labour courts [‘les prud’hommes’], the this, the that...’. So, he said, ‘I’ll stop here’ [...]</i>
Person in charge of the advisory service for an agricultural cooperative	<i>[...] We are trying to develop advice on labour organisation to show the need to integrate the cost of work into the technical and economic management of farms. But it’s difficult to go into this subject. Either producers are not ready to share information, or it’s too difficult to allocate labour time to a particular activity, especially on large farms where producers have employees</i>

Overall policy consequences regarding advisory services

The actual employment and labour organisation patterns on farms should be fully acknowledged when designing, implementing and assessing policies related to advisory services in agriculture. Social insurance data provide strong evidence of the significance of a new trend which is invisible in the statistical apparatus: the increasing proportion of people working on farms and employed by other organisations (contractors, employers' groups, foreign service providers, etc.). These data also make it possible to count the number of people hired by farms with fixed-term contracts, and to consider the coordination costs associated with the management of this workforce.

Over-simplified representations of labour patterns at farm level can be highly misleading for assessing the advisory needs of both workers and employers. First, the specific needs of farm workers (i.e. advice related to particular occupational safety issues) can be ignored. Second, new difficulties and needs for advice that are expressed by farmers can be overlooked; including advice on labour and safety regulations and advice on existing administrative resources to assess the



A farm providing custom services, 2020 © Genevieve Nguyen

level of foreign service providers' compliance with labour regulations.

Ignoring these dimensions may result in an inaccurate assessment of what is at stake with social conditionality requirements. Our study demonstrates the necessity to fully acknowledge the current changes in farm labour organisation and to consider that advice on labour organisation, labour regulations, occupational health and safety, and working conditions should be fully part of farm advisory services.

“Over-simplified representations of labour patterns at farm level can be highly misleading for assessing the type of advice needed to comply with social conditionality.”

Further Reading

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Summary

Innovation in Labour Organisation and Social Conditionality: Implications for Farm Advisory Services

 There is growing concern about the evolution of working conditions for employees on European farms. In the new Common Agriculture Policy (CAP), financial support to farmers will soon be subject to a social conditionality clause. As a result of this change in CAP regulations, in this paper we ask if the need for specific advice can already be foreseen? Examining recent investigations that focused on new forms of labour organisations on farms can help to answer this question. Investigations were conducted across France, combining qualitative field studies with a comprehensive analysis of statistical and administrative data. The results show a growing complexity of farm labour organisation that generates needs for new types of advice. In particular, an increasing proportion of the people working on farms are employed by another organisation (foreign and domestic service providers, employers' alliances, etc.). The administrative data provides strong evidence of the scale of this trend which has little visibility in the agricultural census data. We should therefore be cautious about oversimplified representations of labour patterns at farm level. They can distort policy design, implementation and assessment by overlooking a part of the worker population and needs for new types of advice, including those that will be required to meet social conditionality requirements.

Innovation dans l'organisation du travail et conditionnalité sociale : implications pour les services de conseil agricole

 L'évolution des conditions de travail des salariés dans les exploitations agricoles européennes inquiète de plus en plus. Dans la nouvelle politique agricole commune (PAC), les aides financières aux agriculteurs seront bientôt soumises à une clause de conditionnalité sociale. Dans cet article nous nous demandons si on peut déjà prévoir des besoins de conseils spécifiques pour accompagner ce changement de réglementation de la PAC. Des recherches récentes portant sur les nouvelles formes d'organisations du travail dans les exploitations peuvent aider à répondre à cette question. Ces recherches ont été menées sur l'ensemble de la France, associant des études qualitatives de terrain à une analyse de données statistiques et administratives. Les résultats montrent une complexité croissante de l'organisation du travail agricole qui engendre des besoins nouveaux de conseil. En particulier, une proportion croissante des personnes travaillant dans les exploitations agricoles est employée par une autre organisation (prestataires de services étrangers et nationaux, groupements d'employeurs, etc.). Les données administratives fournissent des preuves solides de l'ampleur de cette tendance qui est peu visible dans les données des recensements agricoles. Il faut donc se méfier des représentations trop simplifiées des modèles de main-d'œuvre au niveau de l'exploitation. Ils peuvent fausser la conception, la mise en œuvre et l'évaluation des politiques en occultant une partie de la population de travailleurs et des nouveaux besoins de conseils, y compris ceux qui seront nécessaires pour répondre aux exigences de la conditionnalité sociale.

Innovation in der Arbeitsorganisation und soziale Konditionalität: Implikationen für die landwirtschaftliche Beratung

 Die Entwicklung der Arbeitsbedingungen für die Beschäftigten in den europäischen landwirtschaftlichen Betrieben gibt zunehmend Anlass zur Sorge. Im Rahmen der neuen Gemeinsamen Agrarpolitik (GAP) wird die finanzielle Unterstützung der Betriebe demnächst an eine soziale Konditionalität geknüpft. Infolge dieser Veränderungen stellen wir die Frage, ob der Bedarf an spezifischer Beratung bereits absehbar ist. Aktuelle Studien, die sich mit neuen Formen von Arbeitsorganisationen in landwirtschaftlichen Betrieben befassen, können bei deren Beantwortung helfen. Die Untersuchungen wurden in Frankreich durchgeführt wobei qualitative Feldstudien mit einer umfassenden Analyse von statistischen und Verwaltungsdaten kombiniert wurden. Die Ergebnisse zeigen eine zunehmende Komplexität der Arbeitsorganisation in landwirtschaftlichen Betrieben, die neue Formen der Beratung erforderlich macht. Insbesondere ist ein zunehmender Anteil der in den landwirtschaftlichen Betrieben tätigen Personen bei einer anderen Organisation beschäftigt (ausländische und inländische Dienstleister, Arbeitgebervereinigungen usw.). Die Verwaltungsdaten sind ein deutlicher Beleg für das Ausmaß dieser Entwicklung, welches in den Daten der Landwirtschaftszählung kaum sichtbar ist. Wir sollten daher vorsichtig sein mit allzu vereinfachten Darstellungen der Arbeitsmuster auf Betriebsebene. Sie können die Politikgestaltung, -umsetzung und -bewertung verzerren, indem sie einen Teil der Arbeitnehmerpopulation und den Bedarf an neuen Arten von Beratung übersehen. Das schließt diejenigen ein, die erforderlich sind, um die Anforderungen der sozialen Konditionalität zu erfüllen.

summary