

Market Intelligence Report

Farm & Estate Staff Salary Reviews  
2013

The Agricultural Wages Board was abolished in England and Wales earlier this year (although there is still a Welsh legal challenge) and so one of the standards against which to judge staff salary reviews has gone.

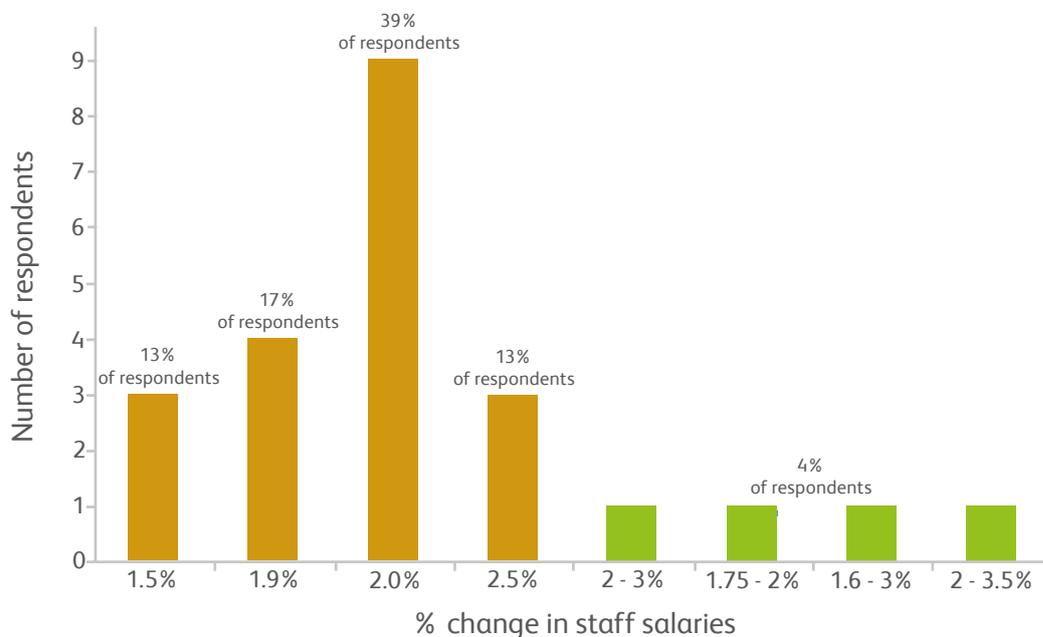
Our poll of Smiths Gore partners, who between them manage about 2 million acres on which around 17,000 staff work, found a remarkable consistency in how salary reviews are being handled:

A 2% increase is the most common change agreed, with around three-quarters of reviews between 1.9 and 2.5%, so at or above the National Minimum Wage rise. No respondents reported wage freezes or decreases.

This is above national earnings inflation, which is around 1.0% for the whole economy, but below 'cost of living' inflation, which is 2.5% at the moment (CPIH).

The National Minimum Wage rise and 'matching inflation' have replaced the Agricultural Wages Board as the most common measures used to set salary reviews.

CHANGE IN FARM AND ESTATE STAFF SALARIES IN 2013



We will not fully understand how the sector has reacted to the abolition of the Agricultural Wages Board until after a few years. We don't think it is in the interest of rural businesses to be restrictive on salaries as that is not the way to keep staff motivated and working well.

An interesting comparison is that our shoot benchmarking survey found that profit making shoots paid their keepers more than loss making ones; the profit making keepers had to look after more birds but they were incentivised to do so.

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