

LOGGER RECRUITMENT - A CONTRACTOR'S PERSPECTIVE

Sam Webb,
Sam Webb Logging Limited,
TAUPO.

INTRODUCTION

I last talked at the LIRA conference in 1986 about evaluating a machine. At that time I suggested that we should have something like Mystery Creek where we could evaluate logging machinery one against the other. In February this year we had a logging expo which was magnificent and I'd like to take this opportunity to express my thanks to those involved. I'd certainly like to see another of these, say in two or three years' time.

The reason I've been asked to speak on labour recruitment is because I have done it so often. Since I have had my computer for keeping records (five years) I have gone through 104 employees. That's pretty frightening, but I make no bones about it, I'm a hard boss, I'm out there to produce, if guys can't keep it up they get the word. I don't often sack a guy but if guys find the pace too hard they fall by the wayside.

That's the way it is unfortunately, I'd like to be a lot easier on men but with the financial climate the way it is out there, people can kid themselves and say contractors are making a lot of money. Sure we have a high cash turnover but we aren't financial geniuses, we are not trained to handle high cash turnover. Sometimes we may look flamboyant but we really aren't. Handling that money can be difficult and you need an understanding bank manager.

The costs involved in logging today are horrendous. To have a planetary blow apart on a skidder; it's not only the down time and the parts, it's the production you have lost. This is particularly so now that I am running a double shift operation. It's nothing to be out there at 8.00pm repairing a machine simply because it must be running at 7.00am the next morning.

CONTRACT HISTORY

To cover the history of my operation, I started off with a single crew with just three guys. It was a very good crew and I kept those three guys, in fact two of them are still working for me. We got on very well and worked away producing about 40 tonne a day but I was bored stiff. After a year of that I bought out the contractor working next door to me. I put the two gangs together with a loader on the skids and I got into a big gang with ten men.

My crew has never been any less than ten men since then. I started a second crew but after six months stopped that because I found all I was doing was spending all my time travelling from one to the other just trying to keep them running. I feel that a contractor can get too big and too spread out. In my eyes if you are going to be a successful logging contractor you must be in one place so you can monitor it easily.

I went from the ten man gang to introducing a Bell bunching in the bush and then went to a grapple skidder. This was after hearing Greg Rasmussen talk at the 1986 LIRA seminar about the success he had had with the grapple. I have never looked back after buying that grapple unit which shows a bit of value coming from a LIRA seminar.

The Bell Logger was my first new machine and from then on I have tried to stick to new machinery. The first new machine gave me an insight into the potential savings in repairs and maintenance and down time, it just takes the pressure off you for a couple of years until the machine is wearing out.

With the Bell system and ten men in the bush I found it very difficult to keep wage workers with an incentive. They tended to sit down and have a chat with each other. You would be cycling around the six cutters with the Bell and you would go to a cutter and find he would have no more than ten stems ready. That was just a waste of time and productivity with the Bell would go right down.

To overcome this I introduced a contract system with my men, paying them a piece rate per tree with the skidder driver counting the trees so I personally kept totally separate from the basis of payment. This prevented accusations of "stealing" from them etc. Unfortunately I lost two or three really good men the moment I introduced it. One guy who was a Logger I, and well trained, was very valuable in my crew, because I used to put the younger newer guys with him to give them a bit of training. He flatly refused to be part of it. He wanted a wage job and didn't want to carry any responsibility, and left. So that is the down side to piece rate payment.

The "plus" side was that immediately I had a surplus of wood in the bush. The Bell would go in there and there would be anything up to 40 to 50 stems waiting to be bunched. It certainly lifted the productivity of the Bell. But, it did create a lot of problems - I had to have a lot more intensive supervision. In fact, I had to give away driving a machine and wander the bush, making sure guys were carrying their wedges, and ensuring the basics were done right. They did start trying to cut corners to produce more wood. For example, using illegal cuts. I actually had to dismiss one guy after numerous warnings for refusing to scarf small trees.

So, the supervising side increased and it fell on my shoulders to carry this out.

EMPLOYMENT TURNOVER

I have got some employment history which I'll quickly run through:

- In 1986/87 I employed 18 workers, 3 of which I dismissed and 5 left of their own accord.

- In 1987/88, 28 employed, 3 dismissals and 15 left. I think 1988 was the year I introduced piece rate payment and I went through quite a few workers before I settled into a crew again. Two of the workers that left were temporary, while one went overseas travelling (so I guess it wasn't my fault!).

- In 1988/89, 3 dismissals and 17 left. I think this high leaving number relates to the fact that we had a 12 month solid stint in the windthrow and the guys had really had a "gutsful" of it. If they could get a job logging standing timber they left without hesitation.

- In 1989/90, 6 dismissals - I've actually withdrawn myself a little from the operation and given my foreman more authority - 3 of those dismissals he did! Three just failed to turn up to work, 8 were temporaries. This year I worked right through Christmas due to the demand after the wharf strike, my guys needed a rest so I took on anyone who wanted a job. That is reflected in the high number of employees I had for the year. Two returned to my employment from previous years, 3 left and told me they were dissatisfied with the job and that I probably didn't have a father and a few other names. Two just left without even talking to me.

So you can see I've been through the odd man, but I think if every contractor was honest and if they had a large operation like mine (14 men presently employed) they would turn over that many workers. This accounts for every person who has entered the computer records system whether he stayed for 2 days or 6 years. I don't think I'm disproportionate to the industry but I do realise I'm on the high side and it does worry me. There is nothing more disappointing than having a key man in your job come along and tell you he is leaving because it leaves a big hole in your gang.

CURRENT SYSTEM

This year I introduced a Hahn Harvester to the system, and have been operating on a double shift.

This year since I've introduced the Hahn, which we bought in the last week of March, I've had two men leave, one was a university graduate who really was looking for a grounding in the forest industry. I had him working in the crane of the Hahn and I think he could see himself there forever more playing with two little joy sticks. We work a double shift, the second shift finishing at ten at night. The second guy unfortunately got "spooked" by the dark. One of my better operators got "pirated" just this past weekend which is a thing that happens amongst contractors. It's a pity but it is just a fact of life. One guy I had to sack for unsafe felling practices.

With the double shifting and the Hahn, if the guys could just work a single day shift with this machine I would probably have the happiest crew around. They tolerate the night shift because of the fact that they get a good day shift during alternate weeks. They work from 7.00 am to 2.30 pm with one half hour break and the night shift turns up at 2.30 pm and works until 10.00 pm. At the moment most of that shift is in the dark, but in summer I'm hoping we will have almost two daylight shifts.

Last month (May, 1990) we averaged 315 tonne per day with the double shift which was only our second month of operation so I was quite pleased with it. I feel there is the capacity to reach well over 400 tonne per day with the system. We have to reach 364 tonne per day to warrant the cost of a double shift. You must realise that the life expectancy of the machine is getting down around 3.5 years when you double shift.

Although probably a single shift in the long run would be an easier way out, the problem at the moment is I need the cash flow to get myself "up an running". When you get accounts like \$10,000 for diesel each month it's a little bit frightening. One thing the bigger operation has given me is buying power. I recently brought four tyres for a skidder and I paid the equivalent of three tyres, I brought 50 metres of hydraulic hose for \$11.00 per metre compared with \$19.00 per metre retail, and I was able to purchase chainsaw chain last night for \$3.94 per metre compared with \$5.80 per metre. I hope this buying advantage is left with me rather than being taken out of my logging rate!

CONCLUSION

This machine is a big gamble but I would like to see our industry moving more towards this type of operation. As far as the men are concerned, they are happier operating machines. They have had enough of driving chainsaws all their life. You can say what you like and carry on about skilled guys but they are not going to work on a chainsaw all their working life. To them it is just a job and really it is difficult for a contractor to offer them any more - what can you offer them?

You could sell them your own contract - well I'm too young to consider that, I want to stay in the industry. Two of my ex-foremen have gone on to their own contracts. One works for Tasman Forestry Limited with a Bell and the other has a loader with Lambert's. Those two have gone on to success and I wish them well. Now, however, I find that my ex-foreman is almost in opposition to me. If you train a guy up and show him the ropes he may turn out to be competing against you - it's food for thought.

