



Mediation and Employment Relations Service

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JUNE 2017 IR NEWS

By CHAS CINI

The Fair Commission has handed down its Annual National Wage decision which comes into effect on 1st July 2017. It has resulted in a 3.3% increase to the award rates which appear in the table below. Allowances have also been adjusted and the new rates also are provided below.

If you have an Individual Flexibility Arrangement Agreement as per Clause 7 of the Award you should increase the rate of pay by 3.3% and check to ensure that the rate meets the Better Off Overall Test (“BOOT”).

If you are paying above award rates you may absorb this increase but be sure that the correct payment for overtime is also considered. Under payment of wages claims can be lodged up to six years after the employment ceases.

The recent decision to reduce penalty rates applies to only four of the 122 awards. It does not apply to Broadacre farming as penalty rates are not payable at all.

You should visit the Fair Work Commission for the full version of the award at https://www.fwc.gov.au/documents/documents/modern_awards/award/ma000035/default.htm

Reference to “**standard rate**” appearing in this Update means the hourly rate payable to a Farm and livestock hand level 2 in clause [28.1](#)

28.1 Adult wages

The following wages apply to Farming and livestock hands classified under clause [27—Classifications](#) of this award (other levels do not apply to Broadacre employees:

Wage group	Weekly award rate	Hourly rate		Overtime Casuals	
				T.5	DT
FLH1	\$694.90	\$18.29	\$22.86	\$32.01	\$41.15
FLH3	\$725.20	\$19.08	\$23.85	\$33.39	\$42.93
FLH5	\$755.60	\$19.88	\$24.85	\$34.79	\$44.73

PLEASE Note when calculating overtime you are not required to apply to the total casual rate. The formula is time and a half (or double time when applicable)



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multiplied by the FULL TIME rate plus 25% of fulltime rate
eg FLH 1 (\$18.29 x 150%) + (\$18.29*25%) = \$32.01

28.2 Junior wages

Age of employee	% of relevant adult rate
Under 16 years of age	50
16 years of age	60
17 years of age	70
18 years of age	80
19 years of age	90
20 years of age	100

28.3 With Keep Rate

If keep is provided then the minimum wage will be the rates prescribed above less \$125.13 per week.

16. Payment of wages

16.1 Period of payment

Wages must be paid weekly or fortnightly according to the actual ordinary hours worked each week or fortnight, or according to the applicable piecework payment.

16.2 Method of payment

Wages must be paid by cash, cheque or electronic funds transfer into the employee's bank or other recognised financial institution account.

16.3 Payment of wages on termination of employment

On termination of employment, wages due to an employee must be paid on the day of termination or forwarded to the employee by post on the next working day.



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29. Special allowances

29.1 Where a Station hand is required by the employer to find their own horse and/or saddle, the employee will be paid a weekly allowance of \$7.26 for the horse, and a weekly allowance of \$5.80 for the saddle.

29.2 When a Station hand is required by the employer to provide their own dog which is used as a cattle or sheep dog for station purposes, the employer will pay to the employee:

- (a) an allowance mutually agreed upon for each such dog; and
- (b) the amount of any licence or registration fee which must be paid by the employee for a period during which the dog is so used.

29.3 Employees will be paid a daily amount of 17% of the [standard rate](#) in addition to their ordinary rate for each day upon which they are engaged:

- (a) in or in connection with jetting or spraying of sheep, who either mix the poison or handle the nozzle; or
- (b) in swabbing sheep for more than three days in any one week.

30. Ordinary hours of work and rostering

30.1 The average ordinary working hours for a Farm and livestock hand will be fixed by agreement between the employer and the employees but will not exceed an average of 38 hours per week over a four week period.

30.2 The ordinary hours of work of Farm and livestock hands (other than Station cooks) will not exceed 152 hours in any consecutive period of four weeks.

30.3 Station cooks

(a) A cook who is required to work for more than five and a half days in any one week will be paid, in addition to the weekly wage of this award, the following overtime rates:

- (i) for work on six full days—an amount of $\frac{3}{22}$ nds of the appropriate weekly rate;
- (ii) for work on six full days and one half day—an amount equal to $\frac{3}{11}$ ths of the appropriate weekly rate; or
- (iii) for work on seven full days—an amount equal to $\frac{9}{22}$ nds of the appropriate weekly rate.



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(b) No overtime will be worked nor will an employee perform work on the employee's day and/or half day off without the permission of or under the instructions of the employer or their authorised representative.

31. Overtime

Please note: Payment at double time or time and a half on Sundays ONLY applies when the employee has exceeded 152 hours over four weeks (average of 38 hours per week) – refer to Clause 30 above.

31.1 All time worked by an employee in excess of the ordinary hours in clause 30.1 will be regarded as overtime.

31.2 The rate of pay for overtime for a Farm and livestock hand will be time and a half, except on Sunday when the rate will be double time, except in the case of feeding and watering stock when such work will be paid for at the rate of time and a half.

31.3 An employee may elect to take time off duty, with pay, for a period equal to the overtime worked.

31.4 No employee will be entitled to payment for overtime, or equivalent time off instead, unless the employee makes a claim to the employer or their authorised representative either within two weeks after the overtime is alleged to have been performed or by the next date of payment of the employee's wages, whichever is the later.

31.5 For the purpose of computing payment for overtime work for an employee engaged on 'with keep' terms, the cash value of such employee's wages must be deemed to be not less than the wage prescribed in this award for a similar class of employee with the value of keep added.

32. Payment for public holidays

Where a Farm and livestock hand is required to perform work on a public holiday the rate of pay will be double time. ***When calculating the rate for a casuals please refer to the wages table above.***

15. Breaks

The following provisions will apply to all employees other than employees engaged on shearing operations who will be entitled to the breaks prescribed for such work in [Part 7—Shearing Operations](#) of this award.



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15.1 Meal break

(a) A meal break of not less than 30 minutes and not more than one hour will be allowed each day, to be taken not later than five hours after commencing ordinary hours of work. Provided that where there is agreement between the employer and an individual employee, the meal break may be taken at a time agreed.

(b) All work performed on the instruction of the employer during a recognised meal break will be paid for at double time rates. Such payment will continue until the employee is released for a meal break of not less than 30 minutes.

15.2 Rest break

Employees will be allowed a paid rest break of 10 minutes each morning. Where agreement is reached between the employer and employee for an additional rest break, such rest break will be unpaid and in addition to the employee's ordinary hours of work.

17.1 Adjustment of expense-related allowances

(a) At the time of any adjustment to the [standard rate](#), each expense-related allowance will be increased by the relevant adjustment factor. The relevant adjustment factor for this purpose is the percentage movement in the applicable index figure most recently published by the Australian Bureau of Statistics since the allowance was last adjusted.

(b) The applicable index figure is the index figure published by the Australian Bureau of Statistics for the Eight Capitals Consumer Price Index (Cat No. 6401.0), as follows:

Allowance	Applicable Consumer Price Index figure
Allowance for combs/cutters	Tools and equipment for house and garden component of the household appliances, utensils and tools sub-group
Meal allowance	Take away and fast foods sub-group
Payment for handpiece	Tools and equipment for house and garden component of the household appliances, utensils and tools sub-group
Rations	Take away and fast foods sub-group



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Shearing industry allowance	Eight capital cities weighted average
Special allowance (horse and saddle allowance)	Eight capital cities weighted average
Travelling allowance	Domestic holiday travel and accommodation sub-group
Vehicle allowance	Private motoring sub-group
With keep rate	Eight capital cities weighted average

17.2 Expense-related allowances

(a) Tool and equipment allowance

(i) Where the employer requires employees to supply their own tools and equipment, the employer must reimburse the employees for the cost of supplying such tools and equipment.

(ii) The provisions of this clause do not apply where the tools and equipment are paid for by the employer.

(b) Use of vehicle allowance

Where an employer instructs employees to use their own vehicle during working hours to relocate materials, equipment, or personnel either within the normal work location or on public thoroughfares, the employees will be paid an allowance of 78 cents per kilometre.

(c) Meal allowance

(i) If an employee is required to work overtime after working ordinary hours (except where the period of overtime is fewer than one and a half hours), the employee will be paid \$13.07 for the first and any subsequent meals. Alternatively, the employer may supply the employee with a meal.

(ii) An employee required to work overtime for more than two hours after the employee's ordinary ceasing time without having been notified before leaving work on the previous day that the employee will be required to work overtime, will be provided free of cost with a suitable meal, and if the work extends into a second meal break,



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another meal, provided that in the event of the meal not being supplied the employee is entitled to a payment of \$13.07 for each meal not supplied.

17.3 Reimbursement of expenses

Where an employer authorises an employee to incur expenses in the course of the employee's employment, the expense will be reimbursed by the employer upon provision by the employee of a tax invoice and receipt.

17.4 All-purpose allowances

The following allowances apply for all purposes of this award:

(a) Leading hands

A leading hand in charge of two or more people must be paid as follows:

In charge of	% of the <u>standard rate</u>
2–6 employees	115% per week extra
7–10 employees	134% per week extra
11–20 employees	191% per week extra
More than 20 employees	240% per week extra

(b) First aid allowance

An employee designated by the employer to render first aid in addition to his or her usual duties and who is the current holder of a recognised first aid qualification, such as one from St John Ambulance or a similar body, must be paid a daily allowance of 14% of the standard rate to carry out such work.

(c) Travelling allowance

(i) Where an employee is required to travel from one place to another for the purpose of work, the time occupied in travelling will be counted as time worked and paid for as such.



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(ii) Time spent by an employee travelling from the employee's home to the principal place of employment and return will not be regarded as time worked.

(iii) Where an employee is compelled by their duties to spend the night away from home or the property at which the employee is employed (whichever is the employee's normal place of sleeping during employment), the employer will reimburse the employee for the demonstrable cost of suitable accommodation.

(iv) The provisions of this clause will not apply where the employer provides the employee with suitable accommodation free of charge.

17.5 Protective clothing

(a) Wet weather clothing and footwear

(i) An employee who is required to work in a wet place must be provided with protective clothing and footwear by the employer. If the employee is not provided with such clothing and footwear, the employer will reimburse the employee for the reasonable cost of providing such clothing and footwear.

(ii) Where the clothing and footwear is provided and paid for by the employer, it will remain the property of the employer.

(iii) 'wet place' is defined in clause [3.1](#) of this award.

(b) Protective clothing

(i) Where the employer requires an employee to supply his or her own protective clothing, the employer must reimburse the employee for the cost of supplying such protective clothing.

(ii) The provisions of this clause do not apply where the protective clothing is paid for by the employer.

(iii) Any protective clothing that is paid for by the employer remains the property of the employer.

17.6 Charges for accommodation, meat, goods, and services

(a) Where the employer provides an employee with living premises for the use of a "without keep" employee and the employee's household, the employer may make a charge of an amount agreed between them in writing for the use of the premises and/or power supplied to such premises.



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(b) The employer may charge to an employee:

- the cost of goods or services supplied to the employee at the employee's request and paid for by the employer; and
- the cost of goods purchased by the employer for the employee at the employee's request.

(c) Where the employer supplies an employee with meat, the employer may charge the employee an amount mutually agreed upon.

(d) Where the employer sells groceries or stores to the employee, the prices charged must not exceed the cost price with carriage added.

27. Classifications

27.1 Farm and livestock hand level 1 (FLH1)

An employee at this level includes:

(a) Station hand with less than 12 months' experience in the industry;

(b) Station cook;

(c) Station cook's offsider; and

(d) Cattle farm worker grade A who:

- works under direct supervision either individually or in a team environment;
- understands and undertakes basic quality control/assurance procedures including the ability to recognise basic quality deviations/faults; and
- understands and utilises basic statistical process control procedures.

Indicative of the tasks which an employee at this grade may perform are the following:

- routine mustering;
- routine fence repairs;
- aerial stock sighting;



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- repetitive packing and/or unpacking; and
- kitchen/cooking assistance not involving food preparation.

(e) Feedlot employee level 1 with less than three months' experience in the industry.

(f) Dairy operator grade 1A with less than 12 months' experience in the industry who:

- uses their knowledge and skills to perform set procedures such as milking and attending to livestock, haymaking, fencing.

Indicative of the tasks which an employee at this level may perform are the following:

- operate milking plant and equipment in a safe manner;
- identify and report equipment not operating normally;
- work co-operatively as part of a team;
- read and record instrument information i.e. milk vat temperatures and cow numbers; and
- understand the principles of safe working.

27.2 Farm and livestock hand level 2 (FLH2)

An employee at this level includes:

(a) Cattle farm worker grade B who:

- performs work above and beyond the skills of a Cattle farm worker grade A and to the level of their training;
- is responsible for the quality of their own work subject to routine supervision;
- works under routine supervision either individually or in a team environment; and
- exercises discretion within their level of skills and training.

Indicative of the tasks which an employee at this level may perform are the following:



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- receive, check, despatch and record goods received and sent;
- assist a tradesperson;
- basic non-trades daily maintenance of equipment used by the employee;
- sort and cut out stock;
- sort and brand yarded stock;
- fence repairs;
- kitchen/cooking assistance not involving unsupervised food preparation;
- boundary riding;
- forklift, overhead crane, winch or tractor operation; and
- household domestic work other than childcare or child education.

(b) Feedlot employee grade 1 with more than three months' experience in the industry who:

- works under direct supervision with regular checking of their work.

Indicative of the tasks which an employee at this level may perform are the following:

- perform cattle handling procedures;
- perform cattle health and welfare procedures;
- assist with euthanasing livestock;
- assist with performance of cattle post-mortem procedures;
- transport, handle and store chemicals applicable to primary work area;
- prepare and apply chemicals applicable to primary work area;
- operate moving plant and equipment competently and efficiently;
- perform grain processing procedures;
- perform feed manufacture and delivery procedures;



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- perform hygiene and housekeeping procedures associated with the primary work area;
- perform feedlot and environment maintenance procedures;
- possess understanding of industry QA Programs and all site operating procedure; and
- carry out workplace OH&S procedures.

27.3 Farm and livestock hand level 3 (FLH3)

An employee at this level includes:

(a) Station hand who:

- has at least 12 months' experience in the industry as a station hand; but
- does not conform to the definition of Senior station hand (FLH5) in clause [27.5](#).

(b) Dairy operator grade 1B with 12 months' experience in the industry who:

- uses their knowledge and skills to perform set procedures such as milking and attending to livestock, haymaking, fencing.

Indicative of the tasks which an employee at this level may perform are the following:

- operate milking plant and equipment, in a safe manner;
- identify and report equipment not operating normally;
- work co-operatively as part of a team;
- read and record instrument information i.e. milk vat temperatures and cow numbers; and
- understands the principles of safe working.



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27.4 Farm and livestock hand level 4 (FLH4)

An employee at this level includes:

(a) Feedlot employee level 2 who:

- has two years experience in the feedlot industry; and
- works under routine supervision with intermittent checking of their work.

Indicative of the tasks which an employee at this level may perform are the following:

- utilise ability to make independent work decisions at this level;
- perform cattle handling procedures;
- perform cattle health and welfare procedures;
- euthanase livestock;
- perform cattle post-mortem procedures;
- select livestock for specific markets;
- transport, handle and store chemicals applicable to primary work area;
- prepare and apply chemicals applicable to primary work area;
- operate moving plant and equipment competently and efficiently;
- perform grain processing procedures;
- perform feed manufacture and delivery procedures;
- perform hygiene and housekeeping procedures associated with the primary work area;
- perform feedlot and environment maintenance procedures;
- possess understanding of industry QA programs and all site operating procedure; and
- carry out workplace OH&S procedures.



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27.5 Farm and livestock hand level 5 (FLH5)

An employee at this level includes:

(a) Dairy operator grade 2 who:

- has two years experience in the industry;
- uses their knowledge and skills to multiple operations involving basic levels of problem solving and decision making; and
- has an appreciation of the overall processes involved in a dairy farm.

Indicative of the tasks which an employee at this level may perform are the following:

- operate milking plant and equipment, undertake multiple functions, produce a quality outcome e.g. farm machinery;
- maintain machinery, undertake adjustments and size changes;
- solve problems and make decisions within given guidelines;
- know general scientific terminology and assist with processes such as machine repair, artificial insemination, fertiliser mix design etc.;
- operate standard measuring equipment;
- operate computerised systems using menu options;
- contribute to the team in a specific role, providing input and assisting other team members; and
- work at times without supervision.

(b) Senior station hand is an employee who:

- has at least two years' experience in the industry; and
- is capable of performing efficiently without supervision any of the tasks reasonably required of them.

Indicative of the tasks which an employee at this level may perform are the following:



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- drive, maintain and operate farm vehicles and machinery;
- animal husbandry;
- stock handling;
- irrigation work; and
- use of chemicals.

27.6 Farm and livestock hand level 6 (FLH6)

An employee at this level includes:

(a) Feedlot employee level 3 who:

- has Certificate III qualifications;
- has worked in the feedlot industry for at least two years; and
- works with limited supervision with checking of their work related to overall progress.

Indicative of the tasks which an employee at this level may perform are the following:

- utilise ability to make independent work decisions;
- utilise Certificate III qualifications daily in the employee's primary work area;
- perform cattle handling procedures;
- perform cattle health and welfare procedures;
- euthanase livestock;
- perform cattle post-mortem procedures;
- select livestock for specific markets;
- transport, handle and store chemicals applicable to primary work area;
- prepare and apply chemicals applicable to primary work area;



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- operate moving plant and equipment competently and efficiently;
- perform grain processing procedures;
- perform feed manufacture and delivery procedures;
- perform hygiene and housekeeping procedures associated with the primary work area;
- perform feedlot and environment maintenance procedures;
- possess understanding of industry QA programs and all site operating procedure; and
- carry out workplace OH&S procedures.

27.7 Farm and livestock hand level 7 (FLH7)

An employee at this level includes:

(a) Senior dairy operator grade 1 who:

- uses their knowledge and skills to coordinate the operation of a farm process or area of expertise e.g. milking and animal attendance, pasture and farm maintenance, breeding programs and artificial insemination area.

Indicative of the tasks which an employee at this level may perform are the following:

- overview of all farm operations;
- show strong planning and organising abilities, develop work plans to achieve objectives;
- operate computer equipment and software packages requiring set-up and basic function operation;
- maintain equipment requiring modification, part replacement and overhauls;
- gather information, generate a range of options and implement a course of action to solve problems;
- demonstrate a comprehensive understanding of the dairy industry monitoring the industry through literature;



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- use measuring equipment requiring calibration and measurement conversion;
- use established scientific processes in at least one area of specification;
- co-operate with other team members, establish priorities and work goals; and
- work with others to develop their competencies.

(b) Feedlot employee level 4 who:

- has Certificate III qualifications;
- has worked in the feedlot industry for at least two years; and
- works with limited supervision with checking of their work related to overall progress.

Indicative of the tasks which an employee at this level may perform are the following:

- utilise ability to make independent work decisions;
- utilise Certificate III qualifications daily in the employee's primary work area;
- perform cattle handling procedures (where livestock operation is the primary work area);
- perform cattle health and welfare procedures (where livestock operation is the primary work area);
- euthanase livestock (where livestock operation is the primary work area);
- perform cattle post-mortem procedures (where livestock operation is the primary work area);
- select livestock for specific markets;
- transport, handle and store chemicals applicable to primary work area;
- prepare and apply chemicals applicable to primary work area;
- operate moving plant and equipment competently and efficiently;



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- perform grain processing procedures (where feeding and milling operations is the primary work area);
- perform feed manufacture and delivery procedures (where feeding and milling operations is the primary work area);
- perform hygiene and housekeeping procedures associated with the primary work area;
- perform feedlot and environment maintenance procedures (where feedlot and environment maintenance operations is the primary work area);
- possess understanding of industry QA programs and all site operating procedure;
- carry out workplace OH&S procedures.

27.8 Farm and livestock hand level 8 (FLH8)

An employee at this level includes:

(a) Senior dairy operator grade 2 who:

- under the direction of the owner or manager uses their expertise and skills in order to supervise and maintain the operation of a dairy farm.

Indicative of the tasks which an employee at this level may perform are the following:

- set and monitor work goals;
- anticipate potential problems/issues and determine the best course of action;
- approach the resolution of conflict using objectivity and reason, differentiating between the two;
- supervise other grades;
- where appropriate, seek to develop team performance and cohesion, taking into account competencies and the needs of team members;
- keep abreast of dairy industry trends and changes;
- where necessary, exercise foresight in relation to farm needs and make recommendations to farm management; and



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- operate scientific processes necessary to achieve farm objectives.

Superannuation

The employer's current contribution of 9.5% remains unchanged until 1st July next year (2018) when it will increase to 10%.

Please note that this contribution is only payable on ordinary time earnings and not overtime. If unsure please do not hesitate to contact me.