October 2025

Welcome to Workplace Horizon's first newsletter to Livestock SA members.
We trust you find the information useful.

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Employment Statistics

In mid-October, the Australian Bureau of Statistics (ABS) released employment and unemployment statistics for September 2025. Highlights follow.

Seasonally adjusted, the national unemployment rate rose to 4.5% in September, up from a revised 4.3% in August. In addition:

- The underemployment rate rose by 0.2 percentage points to 5.9% in September, which was 0.3 percentage points lower than September 2024, and 2.8 percentage points lower than March 2020.
- Monthly hours worked rose by 0.1%, reflecting similar monthly growth in people employed. The annual growth rate of hours worked and people employed were both 1.5%.
- The trend unemployment rate remained at 4.3% in September.
- The participation rate remained at 66.9% in September, while the employment-to-population ratio stayed at 64.0%.
- The underemployment rate was steady at 5.9%, and the underutilisation rate remained at 10.2%.
- The employment-to-population ratio has remained steady at 64%.

The ABS stated:

- *"This is the highest seasonally adjusted unemployment rate recorded since November 2021."*
- *"There were 34,000 more unemployed people in September. The number of employed people also grew, up 15,000 in the same period."*
- *"As a result of these increases, the participation rate rose by 0.1 percentage points to 67.0 per cent, although this is below the record high of 67.2% at the beginning of the year."*

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Do you employ staff on fixed term contracts?

If yes, it's important to note that effective 1 November 2025 an updated Fixed Term Contract Information Statement (FTCIS) was published by the Fair Work Ombudsman. In particular, it incorporates recent changes regarding additional fixed term contract exceptions.

A quick reminder about the original amendments to fixed term contracts that came into effect on 6 December 2023. From this date, limitations were introduced relating to how fixed term contracts can be used including time limitations, i.e. fixed term contracts cannot exceed two (2) years* in total; renewal limitations and consecutive contract limitations.

**Subclass 482 Exception: The Fair Work Act (FWA) allows a fixed-term contract longer than two (2) years i.e. four (4) years, if the employee's visa imposes a time limit on employment. As the Subclass 482 visa is temporary and time-bound, this qualifies as a valid exception*.

From 1 November 2025, changes apply to the additional exceptions, including:

- ending temporary exceptions for some sectors;
- extending temporary exceptions for some sectors to 1 November 2026 with additional requirements; and
- making the exceptions for some sectors ongoing.

The new FTCIS must be provided to all new employees employed on a fixed term contract and can be downloaded via this link Fixed Term Contract Information Statement.

It is also important to remember that all new employees, irrespective of their employment status must receive the Fair Work Information Statement, available here Fair Work Information Statement Fair Work Information Statement, whilst all new casual employees must also receive the Casual Employment Information Statement when they receive their employment contract.

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Federal Court decision changes payroll and award obligations

A recent Federal Court decision has given a clear and decisive warning to Australian employers, which will reshape payroll practices that many businesses have relied on for decades.

The decision addresses alleged breaches of the Fair Work Act 2009 and the General Retail Industry Award 2010 (GRIA), relating to salaried managers who worked in Coles and Woolworths stores, whose employment was covered by that award. Whilst the decision may be subject to appeal the ruling makes it clear that employers cannot use annualised salaries under common law contracts to delay or avoid paying irregular amounts.

It means that payments must now be calculated on a pay-period-by-pay-period basis, effectively ending the practice of offsetting overpayments against underpayments across multiple pay periods.

In brief, the court ruled:

- against contractual annualised salary arrangements that allowed employers to offset employee entitlements across multiple pay periods – practices that could result in workers being underpaid; and
- award entitlements must be fully paid in each pay period set by the award in question.

The ruling also placed strong emphasis on maintaining clear, detailed records of each employee's penalties, loadings, and overtime. The clear inference is that incomplete or non-existent documentation could shift the burden onto employers to prove they have paid the correct amounts should an underpayment claim be lodged.

It's important that employers are aware of:

- award entitlements that must be paid within each pay period and your payroll matches the applicable award's pay cycle; and
- the conditions that trigger payment of things like overtime, penalties, and allowances.
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Young Workers

The Fair Work Commission has just begun hearing what could be a test case that could transform how hundreds of thousands of young Australians are paid.

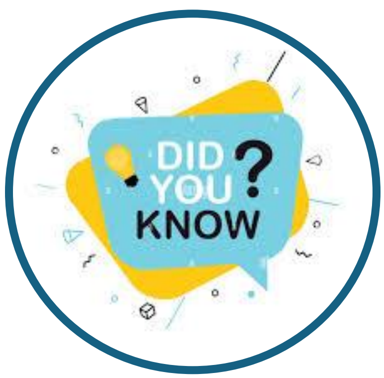
The Shop, Distributive and Allied Employees' Association (SDA), has launched a formal bid to abolish junior pay rates for workers aged 18 and over in the retail, fast-food and pharmacy sectors.

Employer groups have warned of the potential financial impost of such a move, as it would significantly raise wage costs for employers across industries.

Under most current award arrangements, employees under 21 can be paid a percentage of the adult rate; typically, 70% at age 18; 80% at 19; and 90% at 20.

The SDA is looking to increase these rates to 100% of the adult rate from age 18, while also increasing the pay scales for younger workers, such as 17-year-olds rising from roughly 60% to 75%; and under-16s from about 45% to 50%.

If the bid to abolish junior pay rates is successful there is potential of a flow-on effect to other awards. This is a definite 'watch this space'.



- Australian farmers manage an area of land larger than the country of Spain, covering 51% of Australia's land mass.
- The average farm size is 2,384 hectares, which is larger than the average farm size in other countries.
- Approximately 98% of Australian farms are family-owned and operated.

If you have any questions regarding this newsletter or we can assist with your "people needs" please don't hesitate to contact us.

We look forward to working with you.

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