

Special Edition

Award Modernisation – Update

Deputy Prime Minister Gillard last night wrote to the President of the Industrial Relations Commission (AIRC) in relation to the Award Modernisation process for a number of industries, including Horticulture. She has varied her Request to the Commission, and we are delighted to report that Horticulture's concerns appear to have been addressed in her revised Request.

The following is a direct quote from the letter to the AIRC President:

“Horticulture

I have received representations from organisations representing employers in the horticulture industry regarding the piece rate, hours of work and related provisions in the Horticulture Industry Award.

I note that the majority of federal awards and NAPSAs in the horticulture sector have long provided for piece rates for casual employees, rather than the minimum wage and incentive payment system as included in the modern award made by the Commission.

Representatives of the industry have advised that they are concerned that this change would have a major impact upon the composition of the seasonal casual workforce that works in harvest periods. They have said that the change would make it unviable for the industry to employ some people (such as inexperienced young people, older people and people whose position in the labour force is tenuous) who currently engage in occasional casual work in the sector. The industry representatives also argued that this change would result in additional complexity with regard to supervision and record keeping.

A further concern raised by the industry concerns the hours of work and related provisions for picking and packing of produce included in the award. A majority of the federal awards and NAPSAs applying in the industry currently allow for ordinary hours of work to be worked in a cycle, such as 152 hours over a four week period or 114 hours in a work cycle not exceeding 15 days in a 21 day period. The industry representatives have argued that this flexibility is needed given the seasonal nature of the industry (with more intensive work periods at harvest time) and because of restrictions on when work can be performed that result from weather conditions.

A further issue has been raised by the industry concerning the need to provide for additional flexibility on the hours that can be worked as ordinary hours in relation to those parts of the industry that have perishable produce, for example, produce that needs to be picked in the evening given its fragile nature and the climate of the region in which it is grown. The industry representatives have suggested, for example, that it may be appropriate to provide for a shift arrangement to allow for picking into the evening for some parts of the industry.

I have considered these issues in light of the legislative scheme for modern awards and the factors set out in my award modernisation request. As a result, I have varied my award modernisation request to:

- ◆ request that the Commission enable employers in the horticulture industry to continue to pay piece rates of pay to casual employees who pick produce, as opposed to a minimum rate of pay supplemented by an incentive based payment;
- ◆ have regard to the perishable nature of the produce grown by particular sectors of the horticulture industry when setting hours of work provisions for employees who pick and pack such produce; and
- ◆ provide for roster arrangements and working hours in the horticulture industry that are sufficiently flexible to accommodate seasonal demands and restrictions caused by weather as to when work can be performed.”

This is a major break-through for our industry, and is likely to provide significant relief for our growers.

While it still remains to be seen what the Commission will do with the revised Request, we are grateful to Minister Gillard, her staff, and Departmental officials for so clearly hearing our concerns.

The full documentation regarding the revised Request will be made available on the HAC website (www.hac.org.au/news_and_events/news/default.asp) later today for your information.