



FIRST IR

3 September 2009

Piece Rates and other issues in the Horticulture Industry

Dear all,

As most of you are probably aware, on the 26th August, Julia Gillard, the Minister for Employment, Workplace Relations and Education wrote to the Australian Industrial Relations Commission and varied the award modernisation request. A copy of that letter and the amended request is available on our website.

This variation had particular ramifications for the Horticultural industries in that it required the Commission to allow the modern award to continue with genuine piece rates for casual employees and to address the rigid hours of work regime due to the time sensitive nature of horticultural products.

Yesterday, 2nd of September, the Full Bench of the Australian Industrial Relations Commission published a decision for the Transitional Provisions in modern awards. The Full Bench did not order that the modern horticulture award include transitional provisions, instead it invited interested parties to make an application to amend the award to reflect the new request from the Minister.

The other important factor arising from yesterdays' decision is in relation to the start date for some of the key conditions in modern awards. The Commission has ordered that some of the key conditions, such as the changes to penalty rates and casual loadings are not to take affect until 1 July 2010, rather than from 1 January 2010.

Other conditions, such as hours of work will come into affect from 1 January. This means that the invitation from the Commission to vary the modern award must be acted on.

As you know, the agreements that we have filed on behalf of you contain a new provision that allow for piece work arrangements where the modern award allows for this. Nothing in either the decision of yesterday, or the Minister's request changes the ability of growers to access genuine piece work arrangements if these are inserted into the modern award.

In our opinion this means that growers and their representative organisations must be part of the application to vary the modern award to protect some of the existing provisions that currently exist.

We believe these fundamental issues include;

1. The development and application of genuine piece work arrangements.
2. A hours of work regime that recognises the time sensitive nature of horticulture products.
3. Retaining key flexibilities in relation to casual employees.

Please feel free to contact me if you wish to discuss this further.

Yours Sincerely,

Daniel Houlihan

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