

DRIED FRUITS AUSTRALIA INC.



EFFECTIVE FROM:
1 July 2017

UPDATE ON FRUIT BLOCK EMPLOYEE WAGE RATES FOR DRIED GRAPE GROWERS COVERED BY THE MODERN HORTICULTURE AWARD 2010

OFFICIAL MINIMUM WAGE RATES

Minimum wages to apply from 1 July 2017 are:

	<u>Per Week</u>
1. General Hand or Pruner with 2 years experience (level 3)	\$735.50
2. General Hand (level 2)	\$714.90
3. Fruit Picker – Level 1 weekly wage	\$694.90
4. Fruit Picker - Piecework (Level 1 base rate \$694.90 plus 25% plus 15 % Total Rate	\$972.86
5. Leading Hand (an employee in charge of others) to receive an additional allowance per week of:	
In charge of 2 to 6 employees	15% \$107.24
In charge of 7 to 10 employees	34% \$243.07
In charge of 11 to 20 employees	91% \$650.56
In charge of more than 20 employees	140% \$1000.86
(Note – the Standard Rate is the level 2 General Hand \$714.90)	
6. Juniors may be paid at a lesser rate. The minimum is the following percentage of the Adult Rate for the classification employed:	
Under 16 years	50%
16 years	60%
17 years	70%
18 years	80%
19 years	90%
20 years	100%
	<u>Per Hour</u>
7. Casual rates	
- if based on Award Classification level 3 plus 25%	\$24.20
- if based on Award Classification level 2 plus 25%	\$23.52
- if based on Award Classification level 1 plus 25%	\$22.86

MINIMUM GRAPE PICKING PIECEWORK RATES

\$ Rate per 100 containers:

	Sultana, Walthams	Currants	Gordo, Sunmuscat	Carina
Dip tins, shrub tubs	\$97.29	\$194.57	\$125.53	\$129.71
Bryce bucket	\$121.61	\$243.21	\$156.91	\$162.15
SA flat plastic tub	\$107.02	\$214.03	\$138.08	\$142.68

Note - Adult - \$24.19 per hour (ordinary casual rate)

SUGGESTED DRYING GREEN RATES

Adult - \$24.20 per hour (ordinary casual rate)

SUGGESTED DEHYDRATION RATES

Bin Dehydration

- Loading and unloading trucks \$70.32 per hour
 - plus filling, sheeting up and emptying dehydrator using 1 paid employee \$98.56 per hr
 - plus time machine is running \$63.35 per hr
- plus gas - at cost

SUGGESTED HARVEST CONTRACT

Suggested rates per dried tonne where grower supplies all equipment and materials. Higher rates should be agreed where the contractor provides any equipment or materials

	<u>Sultana</u>	<u>Zante</u>	<u>Carina</u>	<u>Gordo</u>
Full Job (pick, cart, spread, spray/dip, shake, finish dry, box, load)	\$908	\$1291	\$1054	\$973
Part Job #1 (pick, cart, spread)	\$803	\$1202	\$963	\$857
Part Job #2 (pick, cart, spread, spray/dip)	\$819	-	-	\$884

Trellis Dried Summer Pruning & Crown Picking

\$22.86 – 24.20 per hour (ordinary casual rate)

SUGGESTED MINIMUM PRUNING RATES

Higher rates may be warranted for vigorous vines and/or other more difficult conditions. Suggested minimum rates, based upon retention of 8 to 12 canes using manual equipment supplied by the employer, are:

	<u>per acre</u>	<u>per 100m</u>
SULTANAS — per 100 vines:		
Cutting out	\$43.10	
Pulling out \$27.15, trimming up \$14.79	\$40.51	
Rolling on	\$40.51	
Complete job	\$125.09	
CURRENTS (including T-trellis)	\$347.53	\$29.05
WALTHAM CROSS	\$395.75	\$32.81
GORDOS	\$388.24	\$32.02

(* wages update incorporates the 8th wage review decision made by the Fair Work Commission in June 2017.)

Dried Fruits Australia has supplied this Update as a service to dried grape growers. While all care has been taken in preparing this information no liability is accepted for its accuracy.



Building a production base capable of supporting efficient growers & processors to supply markets with quality Australian fruit.

TAXATION OF FRUIT BLOCK EMPLOYEES (This information should be used as a guide only)

TAX FILE NUMBER NOT YET AVAILABLE

If an employee has not provided their Tax File Number, but has lodged a "Tax File Number Application/Enquiry Form", they are able to be taxed at the normal rates (below) for up to 28 days. At the end of the 28 day period, if the Tax File Number has still not been received, any wages paid after that time must have tax deducted at the rate of 49.0% (or 47% if the employee is a non-resident).

SEASONAL WORKERS

i) **AUSTRALIAN RESIDENT** Pay As You Go Withholding Tax (PAYG) deductions :

- where Tax File Number is quoted - 13%
- where Tax File Number is not quoted - 45.0%

Note: The concessional flat rate of tax of 13% applies to any person (but not an overseas visitor on a working holiday) who does all of the following things:

- is employed in the production and cultivation of a horticultural crop;
- performs the work on the grower's property;
- does not work for the same grower continuously for more than 6 months; and
- correctly completes an employment declaration.

ii) **OVERSEAS VISITOR ON A WORKING HOLIDAY**

For employees who are not residents of Australia (overseas visitors on a working holiday) If employers are registered with the Australian Tax Office:

-Earnings up to \$37,000 will be taxed at 15%, with the balance taxed at normal rates. There is no tax free threshold for working holiday makers.

If employers are not registered with the Australian Tax Office taxation will be at foreign resident rates at 32.5%

Where Australian Tax File Number is not quoted - 45%

PERMANENT EMPLOYEES

For regular employees who are not just employed on a seasonal basis, the PAYG Withholding Tax Tables should be used. These schedules and "Tax File Number" declarations, are available from Newsagents.

CONTRACTORS

Growers can enter into contracts with contractors who can harvest or prune the vines at an agreed rate other than by the usual measurement of determining wages. For example, harvesting for an agreed cost per acre or tonne is acceptable. The contractor must be responsible for his own employees and take tax instalments from their wages.

Where there are genuine contracts, the grower does not have to make PAYG Withholding Tax deductions from payments made to contractor, unless contractor does not provide Australian Business Number (ABN).

- Note:
- i) Where the contractor performs most of the work under the contract himself, then he is regarded as an employee and PAYG Withholding Tax deductions must be deducted from payments made.
 - ii) Where the contractor is paid by the normal method of payment of wages to block employees, eg. on an hourly award rate or at a rate per bucket, then PAYG Withholding Tax deductions must be deducted.

PAYMENTS TO PICKING TEAMS OR SYNDICATES

Payments to the team leader, manager or foreman are treated as a payment of wages to an individual employee and therefore PAYG Withholding Tax deductions are required. This arrangement is not classed

as contracting and growers are advised to have individual pickers complete "Tax File Number" declarations and pay each one separately.

SUPERANNUATION GUARANTEE

Superannuation must be paid for all employees including casuals, except where the employee:

- earns less than a gross wage of \$450 per calendar month;
- is under 18 years of age and does not work more than 30 hours per week or
- is paid under a contract of employment to do work of a domestic or private nature for not more than 30 hours per week eg. part time nanny or housekeeper.

The minimum rate of superannuation is 9.5% of the ordinary time earnings.

Payments for the current financial year must be made to a fund which complies with the Superannuation Guarantee legislation at least once each quarter.

Failure to make the necessary superannuation payments will result in a liability to pay a Superannuation Guarantee Charge. The Charge is equal to the unpaid superannuation plus interest, along with an administration fee of \$50 plus \$30 for each employee. This should be avoided as the Charge is not tax deductible, while the superannuation payments are.

COMPULSORY WORKERS COMPENSATION

Workers compensation insurance (workcover) is compulsory:

Victoria

Workcare registration is compulsory where the employer's annual payroll exceeds \$7,500, where an apprentice is employed, or an employee lodges a claim. Registration forms are available from Post Offices. For further information Freecall 1800 136 089.

N.S.W.

Workers Compensation Insurance is compulsory for every employer where the employer's annual payroll exceeds \$7,500, where an apprentice is employed, or an employee lodges a claim.. First contact should be with one of the thirteen approved insurers. For further information call 131 050.

S.A.

All employers must register with WorkCoverSA within 14 days of employing workers, unless you are exempted. From 1 July 2014 if you pay your workers less than \$12,031* in the 2014-2015 financial year, you are exempted and are therefore not required to register and pay a premium unless a claim is lodged by one of your workers. If you cross the \$12,031* threshold, you must register within 14 days.

NOTIFICATION OF WORK RELATED INJURIES

Any injury to a worker likely to lead to a workcover claim should be reported to the grower's workcover insurer; or for unregistered growers in Victoria, to the Victorian Workcover Authority.

For further information:

Victoria	:	Freecall 1800 136 089
N.S.W.	:	13 10 50
S.A.	:	13 18 55

Death or serious injuries should be reported. The definition of 'serious injury' varies between states but broadly includes loss of arm, hand, thumb, finger, leg, foot or toe; total or partial loss of sight or hearing; electric shock; or an injury caused by an explosion, fire, or exposure to liquid, gas, vapour, dust or fumes.

Contacts for reports and further information are:

Victoria	:	Victorian Workcover Health and Safety Authority telephone : (03) 5021 4001 (Mildura Office)
N.S.W.	:	Workcover Authority telephone : 13 10 50
S.A.	:	Department for Administrative & Information Services telephone : (08) 8362 9911

Reports must be made within 24 hours in Victoria and S.A., and within 7 days in N.S.W. A minimum fine of \$5,500 may apply where death or serious injuries are not reported.

HORTICULTURE AWARD 2010 –Schedule A—*Classification Structure and Definitions*

A.1 *Level 1*

A.1.1 *Level 1 employee means an employee classified in accordance with the following criteria:*

A.1.2 *General description*

An employee at this level:

- *undertakes induction training which may include information on the enterprise, conditions of employment, introduction to supervisors and fellow workers, training and career opportunities, plant layout, work and documentation procedures, occupational health and safety, equal employment opportunity and quality control/assurance;*
- *performs routine duties essentially of a manual nature and to the level of their training;*
- *exercises minimal judgment;*
- *works under direct supervision;*
- *is responsible for the quality of their own work;*
- *is a new employee; or is an existing employee performing work within this grade who is undertaking training to advance to Level 2.*

A.1.3 *Indicative duties*

Indicative of the duties an employee may perform at this level are:

- *performing general labouring duties;*
- *fruit or vegetable picking, thinning or pruning;*
- *operating small towing tractor engaged in transfer of produce bins and other containers during harvest;*
- *performing a range of housekeeping tasks in premises and grounds;*
- *sorting, packing or grading of produce where this requires the exercise of only minimal judgment;*
- *performing basic recording functions related to work performed at this level;*
- *providing assistance within the scope of this level to other employees as required;*
- *undertaking structured training so as to enable advancement to Level 2.*

A.2 *Level 2 employee*

A.2.1 *Level 2 employee means an employee classified in accordance with the following criteria:*

A.2.2 *General description*

An employee at this level:

- *has completed up to three months structured training so as to enable the performance of work within the scope of this level;*
- *works under general supervision either individually or in a team environment;*
- *works with established routines, methods and procedures;*
- *performs a range of tasks involving the use of skills above and beyond those of Level 1 and to the level of their training;*
- *exercises limited discretion;*
- *is responsible for the quality of their own work;*
- *receives training in occupational health and safety standards and practices relevant to the site;*
- *performs lower level tasks as required without loss of pay unless re-engaged to perform tasks at predominantly a lower skill level.*

A.2.3 *Indicative duties*

Indicative of the duties an employee may perform at this level are:

- *performing a range of tasks involving the set up and operation of production and/or packaging or picking equipment, labelling and/or consumer picking equipment;*
- *repetition work on automatic, semi-automatic or single purpose machines or equipment;*
- *assembling/dismantling components using basic written, spoken and/or diagrammatic instructions in an assembly environment;*
- *irrigation, spraying or pruning under general supervision;*
- *sorting, packing and grading beyond the scope of Level 1 duties;*
- *maintaining simple records;*
- *using hand trolleys, pallet trucks or other mechanical or power driven lifting or handling devices not requiring a licence;*
- *operating tractors with engine capacity of up to 70 kW;*
- *general and routine product testing;*
- *providing assistance within the scope of this level to other employees as required;*
- *assisting in the provision of on-the-job training in conjunction with supervisors, tradespersons or trainers;*
- *undertaking further training so as to enable advancement to Level 3.*

A.3 *Level 3 employee*

A.3.1 *Level 3 employee means an employee classified in accordance with the following criteria:*

A.3.2 *General description*

An employee at this level:

- *performs work above and beyond the skills of an employee at Level 2 and to the level of their training;*
- *works under routine supervision either individually or in a team environment;*
- *exercises discretion with their level of skills and training;*
- *is responsible for the quality of their own work;*

- receives training in occupational health and safety standards and practices in work areas relevant to the site and appropriate to this award;
- may perform any lower level task as required without loss of pay.

A.3.3 Indicative duties

Indicative of the duties an employee may perform at this level are:

- driving motor lorries or mechanical harvesters or forklifts;
- operating tractors with engine capacity of over 70 kW;
- minor maintenance of plant;
- irrigation, spraying, pruning without supervision;
- assisting in the training, instruction and coordination of employees;
- recording detailed information on production and quality indicators;
- providing assistance within the scope of this level to other employees;
- undertaking further training so as to enable advancement to Level 4.

A.4 Level 4 employee

A.4.1 Level 4 employee means an employee classified in accordance with the following criteria:

A.4.2 General description

An employee at this level:

- performs work above and beyond the skills of an employee at Level 3 and to the level of their training;
- coordinates work in a team environment or works individually under general supervision;
- exercises discretion with their level of skills and training;
- is responsible for the quality of their own work;
- has knowledge of the employer's operation as it relates to the production process;
- monitors the application of occupational health and safety standards in work areas relevant to the site and appropriate to this level;
- may perform any lower level task as required without loss of pay.

A.4.3 Indicative duties

Indicative of the duties an employee may perform at this level are:

- using precision measuring instruments;
- machine setting, loading and operation;
- inventory and store control;
- licensed operation of all appropriate materials handling equipment;
- basic engineering and fault handling;
- basic non-trades maintenance involving the use of tools and equipment within the scope of this award;
- licensed and certified to operate forklifts, engine driving and crane driving operation;
- furnace/boiler operator;
- performing quality checks on the work of others;
- quality assurance/control;

- assisting in provision of on-the-job training;
- monitoring variables affecting production yields, detecting errors, investigating causes and recommending collective/preventative action;
- providing assistance within the scope of this level to other employees;
- undertaking further training so as to enable advancement to Level 5.

A.5 Level 5 employee

A.5.1 Level 5 employee means an employee classified in accordance with the following criteria:

A.5.2 General description

An employee at this level:

- works above and beyond the skills of an employee at Level 4 and to the level of their training;
- performs work under minimal supervision either individually or in a team environment;
- coordinates and schedules approved work in a team environment;
- exercises good interpersonal communication skills;
- exercises discretion within the scope of this grade;
- possesses and uses a trade qualification in the course of their duties;
- has a sound knowledge of the employer's operation as it relates to the production process;
- undertakes lower level tasks as required without loss of pay.

A.5.3 Indicative duties

Indicative of the duties an employee may perform at this level are:

- inspecting products and/or materials for conformity with established operational standards and approves/passes first off samples;
- operating, setting up and adjusting maintenance functions including (but not limited to):
 - removing equipment fastenings including use of destructive cutting equipment;
 - running adjustments to production equipment;
- operating all lifting equipment;
- basic production scheduling and materials handling within the scope of production process or directly related functions;
- exercising high level stores and inventory responsibilities;
- providing on-the-job training;
- providing assistance within the scope of this level to other employees.