



# SADA IR UPDATE



Email [sada@sada.asn.au](mailto:sada@sada.asn.au)

Andrew 0419 037 569

Office: 8293 2399

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## Annual Wage Review 2022 Broadacre Farms - Dairies

We refer to the June 2022 Member Update and confirm that the Fair Work Commission (“FWC”) handed down its decision into the Annual Wage Review 2021 on 15<sup>th</sup> June 2022.

The National Minimum wage for adult fulltime employees, increased by 5.2% or \$40 per week to \$812.50 per week. This applies to non-award employees and some employees covered by Enterprise Agreements. If you are covered by an Enterprise Agreement, you should check it to see whether this increase affects you.

The Minimum Award wages increased by 4.6% and this applies to the Pastoral Award 2020.

**The tables below show the current rates for ordinary time, overtime and allowances.**

Other Award changes, including junior, apprentice, and supported wages that are based on adult minimum wages, will get a proportionate increase.

The FWC provided the new rates in the Awards on 30<sup>th</sup> June 2021. The new rates come into effect on the first full pay period commencing on or after 1<sup>st</sup> July 2022.

This increase may also apply to some Enterprise Agreements.

The increases will come into effect on the first pay period commencing on or after 1<sup>st</sup> July 2021 for most Awards including the Pastoral Award 2020. If employers are paying above the Award’s new rates, the wage increase maybe absorbed within the over Award rates, but make sure that the overall payments meet the Better Off Overall Test (“BOOT”) to avoid underpayment of wages claims.

The increase in some Awards will apply later this year but the increase in the Pastoral Award 2020 is effective from the first pay period commencing on or after 1<sup>st</sup> July 2022.

**The details of the Pastoral Award changes** appear below with the new rates for fulltime and part time employees, casual employees, and junior employees. In addition, the overtime rates are also attached. The current Award is accessible at [Fair Work Commission \(fwc.gov.au\)](http://Fair Work Commission (fwc.gov.au))

## Wage Schedule Broadacre Farms

With effect first pay period commencing on or after 1st July 2022.

Dairies							
		Full and Part Time			Casual		
	Per week	Per Hour			Per hour		
		100%	150%	200%	125%	175%	225%
<b>FLH Lv1</b>	\$ 812.60	\$ 21.38	\$ 32.07	\$ 42.76	\$ 26.73	\$ 37.42	\$ 48.11
<b>FLH Lv3</b>	\$ 846.30	\$ 22.27	\$ 33.41	\$ 44.54	\$ 27.84	\$ 38.97	\$ 50.11
<b>FLH Lv5</b>	\$ 880.10	\$ 23.16	\$ 34.74	\$ 46.32	\$ 28.95	\$ 40.53	\$ 52.11
<b>FLH Lv7</b>	\$ 940.90	\$ 24.76	\$ 37.14	\$ 49.52	\$ 30.95	\$ 43.33	\$ 55.71
<b>FLH Lv8</b>	\$ 1,011.00	\$ 26.61	\$ 39.91	\$ 53.22	\$ 33.26	\$ 46.56	\$ 59.87

The rates above apply to adult farm and livestock hands classified under clause 31 Classifications of this Award.

### Ordinary Rate

**34.1** 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 4 weeks' period (or 152 hours in 4 consecutive weeks). The rate of pay is the 100% rate above.

### Overtime

**35.1** All time worked by an employee in excess of the ordinary hours in clause 34 Ordinary hours of work and rostering will be regarded as overtime.

### For overtime worked

	Fulltime & Part time	Casual
Monday to Saturday	150%	175%
Sunday—feeding and watering stock	150%	175%
Sunday – other than feeding and watering stock	200%	225%

**NOTE: The overtime rates for casual employees** have been calculated by adding the casual loading prescribed by clause 11.3(a)(ii) to the overtime rates for full-time and part-time employees prescribed by clause 35.2.

**35.5 Public holidays** - A farm and livestock hand required to work on a public holiday will be paid **200%** of the ordinary hourly rate.

Junior rates per classification level - refer to Schedule B.3.1 in the Award Junior wages	
Age of employee	% of relevant adult rate
Under 16 years	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%

### 32.3 With keep rate

If keep is provided, then the employer may deduct an amount of \$140.31 per week from the employee's total weekly wages.

## Allowances Clause 18 and 33

Allowances appear in two parts of the Pastoral Award 2020 and have been adjusted as follows;

### 18.2 Wage-related allowances

#### (a) All-purpose allowances

Allowances paid for all purposes are included in the rate of pay of an employee who is entitled to the allowance, when calculating any penalties or loadings or payment while they are on annual leave. The following allowances are paid for all purposes under this award:

- (i) leading hand allowance (clause [18.2\(b\)](#)); and
- (ii) first aid allowance (clause [18.2\(c\)](#)).

#### (b) Leading hands

- A leading hand in charge of 2 or more people must be paid as follows:

In charge of	\$ per week
2–6 employees	25.27
7–10 employees	29.44
11–20 employees	41.96
More than 20 employees	52.73

- The allowance contained in clause [18.2\(b\)\(i\)](#) will apply to part-time employees on a pro rata basis.

#### (c) First aid allowance

- An employee appointed by their employer to perform first aid duty as required in addition to their usual duties, and holding a current recognised first aid qualification, such as one from St John Ambulance or similar body, must be paid an allowance of **\$3.08** per day.

### 18.3 Expense-related allowances

#### (a) Tool and equipment allowance

- If the employer requires employees to supply their own tools and equipment, employees must be reimbursed for the cost of supplying those tools and equipment.
- The provisions of clause [18.3](#) do not apply where the tools and equipment are paid for by the employer.

#### (b) Travelling allowance

- 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.
- 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.
- An employee who 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), will be reimbursed by the employer for the demonstrable cost of suitable accommodation.
- The provisions of clause [18.3\(b\)](#) will not apply where the employer provides the employee with suitable accommodation free of charge.

#### (c) Use of vehicle allowance

- An employee will be paid an allowance of \$0.91 per kilometre when instructed by the employer to use their own vehicle during working hours to relocate materials, equipment, or personnel either within the normal work location or on public thoroughfares.

(d) Overtime meal allowance

- An employee required to work overtime for more than 1.5 hours after working ordinary hours will be supplied with a suitable meal free of cost by the employer or paid \$14.59 for the first and any subsequent meals.
- An employee required to work overtime for more than 2 hours after the employee's ordinary finishing time without having been notified before leaving work on the previous day that they will be required to work overtime:
  - will be allowed a meal break not later than 2 hours after commencing overtime;
  - will be allowed a meal break every 5 hours after the first meal break, for as long as the overtime continues; and
  - will be provided with a suitable meal free of cost by the employer for each meal break or paid a meal allowance of \$14.59 for each meal not supplied.

(e) Reimbursement of expenses

- An employer who authorises an employee to incur expenses in the course of their employment, will reimburse the employee the expense upon provision of a tax invoice and receipt.

(f) Wet weather clothing and footwear

- An employee who is required to work in a wet place must be provided with protective clothing and footwear by the employer.
- If an employee who is required to work in a wet place is not provided with protective clothing and footwear, the employer will reimburse the employee for the reasonable cost of providing their own protective clothing and footwear.
- If protective clothing and footwear is provided and paid for by the employer, it will remain the property of the employer.
- 'Wet place' is defined in clause 2—Definitions.

(g) Protective clothing

- If the employer requires an employee to supply his or her own protective clothing, the employer must reimburse the employee for the cost of supplying the protective clothing.
- The provisions of clause 18.3(g)(i) do not apply where the protective clothing is paid for by the employer.
- Any protective clothing that is paid for by the employer remains the property of the employer.

(h) Charges for accommodation, meat, goods, and services

- If the employer provides an employee with living premises for the use of a "without keep" employee and the employee's household, the employer may charge an amount agreed between them in writing for the use of the premises and/or power supplied to the premises.
- 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.
- If the employer supplies an employee with meat, the employer may charge the employee an amount mutually agreed upon.
- If the employer sells groceries or stores to the employee, the prices charged must not exceed the cost price with carriage added.

### 33. Special allowances

NOTE 1: Regulations 3.33(3) and 3.46(1)(g) of *Fair Work Regulations 2009* set out the requirements for pay records and the content of payslips including the requirement to separately identify any allowance paid.

NOTE 2: See Schedule C—Summary of Monetary Allowances for a summary of monetary allowances and method of adjustment.

33.1 Where a station hand is required by the employer to find their own horse and/or saddle, the employee will be paid weekly allowances of:

- \$8.14 for the horse; and
- \$6.51 for the saddle.

33.2 The allowance specified in clause 33.1(b) is not payable where the employer has reimbursed the employee for the cost of the saddle.

33.3 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 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 used.

33.4 Employees will be paid \$3.73 per day 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, if they mix the poison or handle the nozzle; or
- (b) in swabbing sheep for more than 3 days in any one week.

#### Employer Superannuation Contribution

The current employer contribution will increase to 10.5% from 1<sup>st</sup> July 2022.

#### Removing the \$450 per month threshold for superannuation guarantee eligibility

We recently advised that the current \$450 per month minimum income threshold for the superannuation guarantee has been removed. Part-time, casual employees, seasonal workers, and shearers will now be eligible for superannuation payments when they earn less than \$450 in a month.

This legislation has passed and now employers must contribute 10.5% to the employees' superannuation fund. Junior employees who work less than 30 hours work per week are exempted and are not eligible for superannuation payments.

If you have any queries, please don't hesitate to contact the SADA Office on 8293 2399 or email [sada@sada.asn.au](mailto:sada@sada.asn.au)

**SADA members are entitled** to contact MERS for a free half hour consultation, per member per year.



**Mediation and Employment  
Relations Service**

135 Fullarton Road Rose Park SA 5067 Phone: 08 8331 2422

Email: [chas@mers.com.au](mailto:chas@mers.com.au) Website: [www.mers.com.au](http://www.mers.com.au)