



Mediation and Employment Relations Service

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JUNE 2019 IR NEWS -MINIMUM WAGE ADJUSTMENT DAIRIES

By CHAS CINI

The Fair Commission has handed down its Annual National Wage decision which comes into effect on 1st July 2019. It has resulted in a 3.0% increase to the award rates which appear in the Attachment. Allowances have also been adjusted and the new rates also are provided below.

If you have an Individual Flexibility Arrangement Agreement as per Clause 7 of the Award you should increase the rate of pay by 3.0% and check to ensure that the rate meets the Better Off Overall Test (“BOOT”).

If you are paying above award rates you may absorb this increase but be sure that the correct payment for overtime is also considered. Under payment of wages claims can be lodged up to six years after the employment ceases.

The new rates appear in the attachment to this update. Other information is provided but you can access the Award at

https://www.fwc.gov.au/documents/documents/modern_awards/award/ma000035/default.htm

What do employers covered by the Pastoral Award 2010 need to do?

Step 1- Check the classification levels in Clause 27 to establish the correct rate of pay.

Part 4—Broadacre Farming and Livestock Operations

The Classification levels for **Dairies are Levels 1, 2, 3, 5, 7 and 8 only** in the Award. The other levels apply to Feedlots and Cattle Farming only.

28.1 Adult wages

The following wages apply to Farming and livestock hands classified under clause [27—Classifications](#) of this award:

Wage group	Weekly award rate	Hourly rate	Casual Rate
FLH1	\$ 740.80	\$ 19.49	\$ 24.36
FLH2	\$ 762.10	\$ 20.06	\$ 25.08
FLH3	\$ 773.10	\$ 20.34	\$ 25.43
FLH5	\$ 805.50	\$ 21.20	\$ 26.50
FLH7	\$ 862.50	\$ 22.70	\$ 28.38
FLH8	\$ 926.70	\$ 24.39	\$ 30.49



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28.2 Junior wages

Age of employee	% of relevant adult rate
Under 16 years of age	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

28.3 With Keep Rate

If keep is provided then the minimum wage will be the rates prescribed above less \$129.21 per week.

17.1 Adjustment of expense-related allowances

(a) At the time of any adjustment to the [standard rate](#), each expense-related allowance will be increased by the relevant adjustment factor. The relevant adjustment factor for this purpose is the percentage movement in the applicable index figure most recently published by the Australian Bureau of Statistics since the allowance was last adjusted.

(b) The applicable index figure is the index figure published by the Australian Bureau of Statistics for the Eight Capitals Consumer Price Index (Cat No. 6401.0), as follows:

Allowance	Applicable Consumer Price Index figure
Allowance for combs/cutters	Tools and equipment for house and garden component of the household appliances, utensils and tools sub-group
Meal allowance	Take away and fast foods sub-group
Payment for handpiece	Tools and equipment for house and garden component of the household appliances, utensils and tools sub-group
Rations	Take away and fast foods sub-group
Shearing industry allowance	Eight capital cities weighted average



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Special allowance (horse and saddle allowance)	Eight capital cities weighted average
Travelling allowance	Domestic holiday travel and accommodation sub-group
Vehicle allowance	Private motoring sub-group
With keep rate	Eight capital cities weighted average

17.2 Expense-related allowances

(a) Tool and equipment allowance

(i) Where the employer requires employees to supply their own tools and equipment, the employer must reimburse the employees for the cost of supplying such tools and equipment.

(ii) The provisions of this clause do not apply where the tools and equipment are paid for by the employer.

(b) Use of vehicle allowance

Where an employer instructs employees to use their own vehicle during working hours to relocate materials, equipment, or personnel either within the normal work location or on public thoroughfares, the employees will be paid an allowance of 78 cents per kilometre.

(c) Meal allowance

(i) If an employee is required to work overtime after working ordinary hours (except where the period of overtime is fewer than one and a half hours), the employee will be paid \$13.34 for the first and any subsequent meals. Alternatively, the employer may supply the employee with a meal.

(ii) An employee required to work overtime for more than two hours after the employee's ordinary ceasing time without having been notified before leaving work on the previous day that the employee will be required to work overtime, will be provided free of cost with a suitable meal, and if the work extends into a second meal break, another meal, provided that in the event of the meal not being supplied the employee is entitled to a payment of \$13.34 for each meal not supplied.



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17.3 Reimbursement of expenses

Where an employer authorises an employee to incur expenses in the course of the employee's employment, the expense will be reimbursed by the employer upon provision by the employee of a tax invoice and receipt.

17.4 All-purpose allowances

The following allowances apply for all purposes of this award:

(a) Leading hands

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

In charge of	% of the <u>standard rate</u>
2–6 employees	115% per week extra
7–10 employees	134% per week extra
11–20 employees	191% per week extra
More than 20 employees	240% per week extra

(b) First aid allowance

An employee designated by the employer to render first aid in addition to his or her usual duties and who is the current holder of a recognised first aid qualification, such as one from St John Ambulance or a similar body, must be paid a daily allowance of 14% of the standard rate to carry out such work.

(c) Travelling allowance

(i) 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.

(ii) 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.

(iii) Where an employee 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), the employer will reimburse the employee for the demonstrable cost of suitable accommodation.



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(iv) The provisions of this clause will not apply where the employer provides the employee with suitable accommodation free of charge.

17.5 Protective clothing

(a) Wet weather clothing and footwear

(i) An employee who is required to work in a wet place must be provided with protective clothing and footwear by the employer. If the employee is not provided with such clothing and footwear, the employer will reimburse the employee for the reasonable cost of providing such clothing and footwear.

(ii) Where the clothing and footwear is provided and paid for by the employer, it will remain the property of the employer.

(iii) 'wet place' is defined in clause [3.1](#) of this award.

(b) Protective clothing

(i) Where the employer requires an employee to supply his or her own protective clothing, the employer must reimburse the employee for the cost of supplying such protective clothing.

(ii) The provisions of this clause do not apply where the protective clothing is paid for by the employer.

(iii) Any protective clothing that is paid for by the employer remains the property of the employer.

17.6 Charges for accommodation, meat, goods, and services

(a) Where the employer provides an employee with living premises for the use of a "without keep" employee and the employee's household, the employer may make a charge of an amount agreed between them in writing for the use of the premises and/or power supplied to such premises.

(b) 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.

(c) Where the employer supplies an employee with meat, the employer may charge the employee an amount mutually agreed upon.

(d) Where the employer sells groceries or stores to the employee, the prices charged must not exceed the cost price with carriage added.