



SADA IR UPDATE



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NEW PASTORAL AWARD 2020 – DAIRY FARMS MINIMUM WAGE INCREASE AND CALCULATIONS

New Award

The Pastoral Award 2010 has been replaced in its entirety by the Pastoral Award 2020. There are several changes between those Awards and we will provide further information in the near future. It should also be noted that any unpaid entitlements (if any) from the 2010 Award carry forward to the 2020 Award. The new Award is available [here](#).

Broadacre Farms, Dairies, and Feedlots remain covered in Part 6 of the Award, but the classification structure differs for these three groups. It is important to establish which classification applies to your type of work to establish the correct rate of pay as follows; Farm and Livestock Hand Classification Levels appear in **Clause 31** (previously Clause 27) of the Award and a *summary* is;

	Broadacre	Dairy	Feedlot
FLH Lv 1	Less than 12 months' experience in the industry	Less than 12 months' experience in the industry	Feedlot Employee Grade 1 Less than 3 months' experience in the industry
FLH Lv 2	Not applicable	Not applicable	Feedlot Employee Grade 1 More than 3 months' experience in the industry
FLH Lv 3	has at least 12 months' experience in the industry as a station hand;	with 12 months' experience in the industry	Not applicable
FLH Lv 4	Not applicable	Not applicable	Feedlot Operator Gr2 has 2 years' experience in the feedlot industry
FLH Lv 5	has at least 2 years' experience in the industry	has 2 years' experience in the industry	Not applicable
FLH Lv 6	Not applicable	Not applicable	Feedlot operator Level 3 Certificate III qualifications; worked in the feedlot industry for at least 2 years; and works with limited supervision
FLH Lv 7	Not applicable	uses their knowledge and skills to coordinate the operation of a farm process or area of expertise e.g. milking and animal attendance, pasture and farm maintenance, breeding programs and artificial insemination area	More responsibility than a Feedlot Operator Level 4 – refer to Cl 31.7 of the Award
FLH Lv 8	Not applicable	under the direction of the owner or manager uses their expertise and skills in order to supervise and maintain the operation of a dairy farm.	Not applicable

Please note the above is an overview only and you should consult Clause 31 of the Award for fuller details. Prior to establishing the correct wage rate, it is essential that the correct classification for each employee be established by referring to the classification structure.

Minimum Wage Increase with effect 1 November 2020

As a result of the 2020 Minimum Wage Adjustment, wages and allowances were increased. The wage increase was 1.75% effective for the Pastoral Award from the *first pay period commencing on or after* 1 November 2020. A detailed 58 pages Pay Scale by the Fair Work Ombudsman is available [here](#).

Dairies (Clause 32)		01-Nov-20	
Wage group	Weekly award rate	Hourly rate Fulltime	Casual 125%
FLH1	\$753.80	\$19.84	\$24.80
FLH3	\$786.60	\$20.70	\$25.88
FLH5	\$819.60	\$21.57	\$26.96
FLH7	\$877.60	\$23.09	\$28.86
FLH8	\$942.90	\$24.81	\$31.01
Age of employee Junior wages	% of relevant adult rate	FLH 1 Fulltime	Casual
Under 16 years of age	50%	\$ 9.92	\$12.40
16 years of age	60%	\$11.90	\$14.88
17 years of age	70%	\$13.89	\$17.36
18 years of age	80%	\$15.87	\$19.84
19 years of age	90%	\$17.85	\$22.32
20 years of age	100%	\$19.84	\$24.80

If keep is provided, then the employer may deduct an amount of **\$132.04** per week from the employee's total weekly wages.

OVERTIME READY RECKONER- DAIRIES

Overtime	Fulltime			
	Weekly	100%	150%	200%
FLH1	\$753.80	\$19.84	\$29.76	\$ 39.68
FLH3	\$786.6	\$20.70	\$31.05	\$41.40
FLH5	\$819.60	\$21.57	\$32.36	\$43.14
FLH7	\$877.60	\$23.09	\$34.64	\$ 46.18
FLH8	\$942.90	\$24.81	\$37.22	\$ 49.62
Overtime	Casual			
	Weekly	125%	175%	225%
FLH1	\$753.80	\$24.80	\$34.71	\$ 44.64
FLH3	\$786.6	\$25.88	\$36.23	\$46.58
FLH5	\$819.60	\$26.96	\$37.74	\$48.53
FLH7	\$877.60	\$28.86	\$40.42	\$ 51.95
FLH8	\$942.90	\$31.01	\$43.42	\$ 55.82

The rate for overtime for casual employees is not double their ordinary casual rate. It is calculated by applying the percentage above to the fulltime rate.

ALLOWANCES

Allowances are prescribed in Clause 18 of the Award. There allowances known as the “all purpose allowance” which are identified in 18.2 and are payable in addition to the wages rates above. These allowances are identified in sub-clause 18.2 which states;

1. 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: leading hand allowance (clause 18.2(b)); and first aid allowance (clause 18.2(c)).

2. 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	23.47
7–10 employees	27.35
11–20 employees	38.98
More than 20 employees	48.98

- The allowance contained in clause 18.2(b)(i) will apply to part-time employees on a pro rata basis.
- 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 \$2.86 per day.

Other allowances are as follows and are not 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.

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 \$0.80 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 \$14.04 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 \$14.04 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.
 - (iii) If the employer supplies an employee with meat, the employer may charge the employee an amount mutually agreed upon.
 - (iv) If the employer sells groceries or stores to the employee, the prices charged must not exceed the cost price with carriage added.

Summary

The wage increases may be absorbed if you are paying above Award rates as long as the amount you pay is equal to or greater than the new Award rate.

If you have any queries, please do not hesitate to contact SADA office on 8293 2399 or email: sada@sada.asn.au