



31st August 2018

TO: FAIR WORK COMMISSIONER
FROM: WANDIN VALLEY FARMS
SUBJECT: HORTICULTURAL AWARD – CHANGES TO CASUAL WORKERS OVERTIME RATES

Re: FULL BENCH of FAIR WORK COMMISSION (dated 9th August 2018)

We are responding to the Fair Work Commission review dated 9th August 2018 referencing casual employment “overtime rates” in the modern Horticultural Award. The proposed new model would allow overtime payments for casual staff to be applied once 304 hours have been worked within an 8 week period.

We see this as a potential catastrophic issue for the farming community (in general) but more so for farmers such as ourselves who are involved in the fruit growing industry, due to the seasonal nature of our business where we work, for the most part, 6-7 days per week for a period of 12 – 14 weeks per year.

We predominantly hire either legal backpackers and / or overseas student’s (whilst they are on vacation from studies). We employ this kind of labour because they are happy (more than) with the Award rates paid to them and - unlike regular Australian’s - the unfortunate reality is “they want to work” and the more hours they have available to them “the more they like it”.

“THEY DON’T EXPECT MORE MONEY PER HOUR FOR WORKING OVERTIME. WHAT THEY GET PAID PER HOUR IS FAR AND ABOVE WHAT THEY WOULD GET PAID IN THEIR OWN COUNTRY AND THE BACKPACKERS, FOR THE MOST PART, JUST WANT TO GET THEIR 88 DAYS UP SO THEY CAN EXTEND THEIR VISA”.

“THEY ENJOY WORKING LONGER THAN STANDARD HOURS, AND THE REALITY IS, IF WE RELIED ON NORMAL “AUSTRALIAN” WORKERS WE WOULD NEVER BE ABLE TO EMPLOY OR FIND ENOUGH OF THEM AND HISTORIACLLY THEY DON’T LIKE (OR WANT) THE WORK”. (SAD FACT, BUT TRUE).

From our perspective, we are not in a position to pick and pack our cherries on a Monday to Friday and a 9 to 5 basis, spread over a full employment year. We do not manufacture car parts. We are at the behest of nature, and when cherries are mature they need to be picked, packed & sold. Cherries do not know what day of the week it is and certainly have no comprehension about the vagaries of any additional labour costs that are unrecoverable from a day to day market driven pricing point perspective.

We are a National supplier of fresh cherries to Woolworths and over a period of time have become a valued supplier to them, however, it is impossible to set a price point for fresh cherries (with them) based on a fluctuating labour hourly rate. “The market is the driver of price” within our industry and one of the only ways of maintaining strong pricing across all our markets is to focus on quality – which is what we do – but our selling price is STILL based around the “market price of the day” and is not based on a “fixed cost + margin” like most manufacturing business’.

We are also the largest exporter of fresh cherries from Mainland Australia and the relevant price we receive from overseas markets reflect “their market conditions” and has absolutely no reflection on our ever increasing costs.

It is common knowledge across Australia that “the high cost of doing business” based on a high hourly rate PLUS additional overtime costs has seen the demise of many manufacturing based business’ in Australia – we have all witnessed the now “nonexistent” motor car industry as an example, and with the proposed changes to overtime being outlined for Casual labour, this will, without doubt, have a profoundly detrimental impact on seasonal farming business’.

We therefore implore you to consider other ways to offset the proposed additional costs for seasonal businesses as we have NO WAY of recovering these additional costs.

Tim Jones
Owner / Director
+61 (0) 407 154 837

ABN: 36 237 411 624

47 Hunter Road, Wandin North, Victoria, AUSTRALIA, 3139

Phone: - +61 (0) 407 154 837. Email: tjones@wandinvalleyfarms.com.au

www.wandinvalleyfarms.com.au