

Livestock SA - IR Update 20 November 2020

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NEW PASTORAL AWARD 2020 MINIMUM WAGE INCREASE AND CALCULATIONS SHEARING OPERATIONS.

New Award

The Pastoral Award 2010 has been replaced in its entirety by the Pastoral Award 2020. There are a number of 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 at

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

Shearing Operations remain covered in Part 9 of the Award and Methods for calculating Minimum rates appears in Schedule A.

Minimum Wage Increase with effect 1st 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* 1st November 2020. A detailed 58 pages Pay Scale by the Fair Work Ombudsman is available at https://www.fairwork.gov.au/pay/minimum-wages/pay-guides#P.

Classification Structure

Prior to establishing the correct rates, the correct classification level needs to be set. Shearing Operations in Clause 50 of the Award include the following category of employees;

Employees engaged for work in a shed, other than Woolclassers and Shearing shed experts, will be engaged on a casual basis in one or more of the following categories:

- Shearer;
- Crutcher;
- Shed hand;
- Woolpresser; or
- Shearing cook.

A composite of these categories may apply where the employee has mixed functions, except Shearers.

50.2 Shed hands or Woolpresser-shed hands

(a) A shed hand or Woolpresser-shed hand may be required to work as a generally useful hand in or about the shearing shed either during the crutching or shearing or when crutching or shearing is not taking place.
(b) Shed hands, Woolpressers and Woolpresser-shed hands will be paid by the run (as defined in clause <u>54.1(b)</u>).

(c) Minimum daily payment

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- Employees will be guaranteed a minimum daily payment for 2 runs on any day on which the employee attends for duty; except
 - if on the day of cut out work continues beyond the normal lunch break then payment will be made for 4 runs; or
 - if sheep are voted wet at the commencement of the third or fourth run, then they will be paid for all completed runs on that day together with the run due to commence or partly completed at the time sheep are voted wet.



- Minimum payment per day will not apply where an employee is not required to attend for work because of wet weather, provided that:
 - the employee is advised on each preceding day that they will not be required to attend; or

the employee is advised by the employer of a starting time with more than 24 hours' notice.
 (d) When an employee has mixed functions (e.g. as Woolpresser and shed hand) they will be paid at the rate that attracts the higher minimum rate of pay under this award.

(e) Woolpresser-shed hands and shed hands will weigh, brand, store and carry wool to the press without extra payment.

(f) An employer may direct a shed hand to carry out the duties of a Woolpresser, provided that:

- the employee will only be required to perform those duties of a Woolpresser that are within the limits of that employee's skill, competence and training;
- the performance of such duties does not involve either an alteration to the employee's classification or a major and substantial change in the duties normally performed by the employee; and
- the direction will be given only in the pursuit of the efficient conduct of a shearing or crutching operation in circumstances of unavailability of a contracted Woolpresser for a limited period.

50.3 Woolpressers

(a) A Woolpresser or Woolpresser-shed hand will:

- press as soon as possible all the wool shorn or crutched from the relevant shearing or crutching;
- weigh, brand and store the wool; and
- press and close the bales in the manner and, as nearly practicable, to the weight directed by the
 overseer, and remove all clippings and string from the inside of the bales and clear away such clippings
 and string and all loose wool from the portion of the shed occupied for woolpressing.

(b) An employer may direct a Woolpresser to carry out the duties of a shed hand, provided that:

- the employee will only be required to perform those duties of a shed hand that are within the limits of that employee's skill, competence and training; and
- the performance of such duties does not involve either an alteration in the employee's classification or a major and substantial change in the duties normally performed by the employee.

50.4 Shearing cooks

(a) Shearing cooks will prepare and cook up to 5 meals per day, including morning and afternoon tea, for an agreed number of persons.

(b) The total number of persons for whom an employee is to cook, on the average of the shearing or crutching, will not be: less than the minimum number agreed upon; or more than the maximum number agreed upon.
(c) If any of the employees for whom the Shearing cook is to cook for, strike or wilfully cease work against the direction of the employer, the Shearing cook will be entitled to payment of wages in respect only of those employees who do not strike or cease work.

(d) The Shearing cook will provide at the cook's own expense such suitable assistant or assistants as may be necessary for the proper cooking and serving of food.

(e) Shearing cooks may be engaged per half day.

(f) On the day prior to the commencement of shearing or crutching, should the Shearing cook be required to prepare the evening meal or clean and prepare the kitchen for a normal start on the following day, payment will be made at 50% of the daily or piecework rate.

(g) On the day of cut out a Shearing cook will be guaranteed **50%** of the daily or piecework rate. However should shearing proceed after the normal midday meal break, a full day's wages will be payable.

(h) Where a Shearing cook is engaged to cook for non-resident employees and prepares morning and afternoon tea and a midday meal they will receive **50%** of the daily or piecework rate.

(i) Where clause 50.4(h) applies, employees will be required to contribute a maximum of **50%** of the rate established pursuant to clause 51.6 of this award.



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50.5 Shearers and learner shearers

(a) Shearers

Shearers will be engaged to shear and/or crutch sheep.

- (b) Learner shearers
 - A learner will mean a shearer or intending shearer who has not yet shorn 5000 sheep.
 - A learner who starts in a shed as a learner may continue to be regarded as a learner under clause <u>50.5</u> for a run of sheds, although they become a shearer, not a learner, before the run of sheds is completed.
 - The learner must produce to their employer or intended employer a certificate, log book or equivalent in the following form showing the number of sheep they have shorn:

LEARNER'S CERTIFICATE TO BE PRESENTED AT EACH SHEARING

Issued to
Home address
Date of issue of certificate

Age

Date	Station	Total sheep shorn	Average tally per day (whole days)	Signature of owner or manager or shed overseer	Signature of learner	Total sheep shorn prior to issue of this certificate

 The earnings of a learner shearer will not be less than they would have received had they been employed for the same period as an adult shed hand, plus the combs and cutters allowance of \$21.08 per week. The agreement of such specified learner will be endorsed "learner" at the time it is signed.

50.6 Crutchers

Crutchers will be engaged to crutch sheep, either a full crutch or other crutch.

50.7 Woolclassers

The classification and duties structure is as follows:

(a) Woolclasser level 1

Woolclasser level 1 (W1) may be required to undertake woolclassing duties only. These duties, which will be carried out in accordance with the directions and orders of the owner or nominated representative, will be as follows:

- to classify the wool and advise and report generally as a wool expert, according to the industry agreed code of practice as published by the Australian Wool Exchange Limited or its successors;
- to instruct the woolrollers and supervise the skirting and rolling of the fleece;
- to instruct and supervise the piece-pickers, the pickers-up as far as concerns their duty in picking up the fleeces and all other persons engaged in the handling of the wool;
- to instruct the Woolpressers and exercise a general supervision over the pressing, weighing and branding of the bales;
- to keep the shed wool book, or see that it is kept by the Woolpresser or woolweigher, to the satisfaction of the employer, and, where required, to write up the station permanent wool and weight book daily (one copy only); and
- to complete waybills if and when required.

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(b) Woolclasser level 2

A Woolclasser level 2 (W2) may be required to undertake:

- woolclassing duties, being any of the duties outlined in relation to Woolclasser level 1; and
- woolrolling, where such work is incidental to the duties of a Woolclasser, and other shed hand work where such work is a minor and incidental part of the duties of the Woolclasser. In the interest of efficient performance of work by the Woolclasser, such woolrolling will not be performed in a shed where more than 900 fleeces per day are shorn.

(c) Woolclasser level 3

A Woolclasser level 3 (W3) may be required to undertake:

- woolclassing duties, being any of the duties described for Woolclasser level 1 above;
- woolrolling or other shed hands work as described for Woolclasser level 2 above;
- overseeing or management of the board, provided that a Woolclasser must not do overseeing nor take the management of the board in addition to doing woolclassing in any shed where more than 12 Shearers are employed;
- bookkeeping; and
- experting, as described in clause <u>50.8</u>, provided that except in the case of an emergency, a Woolclasser must not act as an expert in addition to doing woolclassing in a shed where more than 6 Shearers are employed at any one time.

50.8 Shearing shed experts

(a) Shearing shed expert level 1

Shearing shed expert level 1 (E1) may be required to perform experting duties only. The duties of a Shearing shed expert will include:

- attending to the shearing shed machinery;
- engine driving;
- the grinding of combs and cutters; and
- such other duties as may be agreed upon by the employer and the employee at the time of the employee's engagement.

(b) Shearing shed expert level 2

A Shearing shed expert level 2 (E2) may be required to perform:

- experting duties as described for Shearing shed expert level 1;
- woolrolling or other shed hands work where such work is a minor and incidental part of the duties of an expert. In the interest of efficient performance of work, such woolrolling must not be performed in a shed where more than 900 fleeces per day are shorn;
- overseeing or management of the board; and
- bookkeeping.

Minimum Wage Rates.

Schedule A of the Award prescribes the method for calculating the Minimum Rates whilst Clause 51 prescribes the rates. Schedule A appears below;



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Schedule A—Shearing Operations—Methods for calculating Minimum Rates

A.1 Rates for Shearers—if not found employee

A.1.1 Rates for flock sheep (wethers, ewes and lambs)

The minimum rate for Shearers shearing 100 flock sheep (if not found employee) is arrived at by the following formula:

Shearer's formula	\$
Minimum rate	828.10
Plus 20% piecework allowance—min rate x 20%	165.62
Plus 25% casual loading—min rate x 25%	207.03
Subtotal	1200.75
Plus shearing industry allowance ¹	229.11
Plus rations ¹	62.53
Plus allowance for combs/cutters ¹	105.36
Plus payment for handpiece ¹	23.82
Weekly total for casual piecework Shearer with own handpiece (500 sheep)	1621.57
Rate per 100 conversion—total divided by 5	324.31

¹The industry allowance, rations, combs/cutters and handpiece components are expense-related allowances adjusted in accordance with clause $\underline{C.2}$.

A.1.2 'If found' rates are calculated by deducting \$32.97 from the 'not found' rate. This amount is arrived at by adding the Shearing cook's daily rate to one fifth of the Shearers' ration component. The Shearing cook's daily rate is calculated in accordance with clause <u>A.5</u>.

A.1.3 Engagement by the day

The per day rate for 'not found' employees is calculated by multiplying the old 'not found' employee daily rate by the Shearers rate per 100 divided by the old Shearers rate per 100.

A.2 Crutching formula

The rates in clause 51.3(a) are arrived at by the formula in clause <u>A.2</u>.

Full crutching at sheds	29% of Shearers per 100 rate
All other crutching at sheds	23% of Shearers per 100 rate
Full crutching other than at sheds	25% of Shearers per 100 rate
All other crutching other than at sheds	20% of Shearers per 100 rate
Wigging or ringing	11% of Shearers per 100 rate
Wigging or ringing in addition to crutching	3% of Shearers per 100 rate
Wigging and ringing	18% of Shearers per 100 rate
Wigging and ringing in addition to crutching	5% of Shearers per 100 rate
Cleaning bellies etc.	2.5% of Shearers per 100 rate



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A.3 Shed hands formula

A.3.1 Shed hands (adult) formula

These amounts are arrived at by using the following formula:

	\$
With less than 65 work days' experience in the industry	
Minimum rate—which is 84.56% of Shearer's minimum rate	700.24
Plus 25% casual loading—new minimum wage rate x 25%	175.06
Plus shearing industry allowance ¹	229.11
Plus rations ¹	62.53
Total	1166.94
Per run—divide by 20	58.35
With 65 or more work days' experience in the industry	
Minimum rate which is 90.44% of Shearer's minimum rate	748.93
Plus 25% casual loading—new minimum wage rate x 25%	187.23
Plus shearing industry allowance ¹	229.11
Plus rations ¹	62.53
Total	1227.80
Per run—divide by 20	61.39

¹The industry allowance and rations components are expense-related allowances adjusted in accordance with clause <u>C.2</u>.

A.3.2 Shed hands (junior) formula

Under 18 years	\$ per run
With less than 65 work days' experience as a shed hand	
70% of equivalent adult rate	40.85
With 65 or more work days' experience as a shed hand	
70% of equivalent adult rate	42.97
18–20 years	
With less than 65 work days' experience as a shed hand	
90% of equivalent adult rate	52.52
With 65 or more work days' experience as a shed hand	
90% of equivalent adult rate	55.25



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A.4 Woolpresser's formula

	Piecework	Time work
	\$	\$
Minimum rate	744.02	805.95
Plus 20% piecework allowance—min rate x 20%	148.80	
Plus 25% casual loading—min rate x 25%	186.01	201.49
Subtotal	1078.83	
Plus shearing industry allowance ¹	229.11	229.11
Plus rations ¹	62.53	62.53
Total per week	1370.47	1299.08
Per run—total divided by 20		64.95
By hand—per bale = total divided by 70	19.58	
By hand—per kilo = by hand per bale rate divided by 152.4	0.1285	
By power—per bale = by hand per bale rate x 2/3	13.05	
By power—per kilo = by power per bale rate divided by 152.4	0.0856	

These minimum rates for Woolpressers—if not found are arrived at using the following formula:

¹The industry allowance and rations components are expense-related allowances adjusted in accordance with clause $\underline{C.2}$.

A.5 Shearing cook's formula

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The minimum rates for Shearing cooks are arrived at by the following formula:

Shearing cook's formula	\$
Minimum rate	807.12
Plus 25% casual loading—min rate x 25%	201.78
Plus 20% long hours allowance—min rate x 20%	161.42
Plus 69.58% of shearing industry allowance ¹	159.41
Total	1329.73
Daily rate—total divided by 5	265.95
Per employee per day rate = daily rate divided by 13	20.46

¹ The industry allowance component is an expense-related allowance adjusted in accordance with clause <u>C.2</u>.



A.6 Woolclassers formula

A.6.1 Woolclasser level 1 formula

The Woolclasser level 1 minimum weekly rate is arrived at according the following formula:

	\$
Base	866.95
Plus casual loading of 25% (of base)	216.74
Subtotal	1083.69
Plus conditions allowance ¹	122.93
Plus enterprise flexibility (including hours) and wet weather allowance ¹	174.26
Total	1380.88
Rounded to the nearest 5 cents	1380.90

¹The conditions, enterprise flexibility and wet weather components are wage-related allowances calculated in accordance with clause $\underline{C.1}$.

A.6.2 Woolclasser level 2 formula

The Woolclasser level 2 minimum weekly rate is arrived at according to the following formula:

	\$
Base	866.95
Woolrolling and other shed hands work	87.11
Subtotal 1	954.06
Plus casual loading of 25% (of subtotal 1)	238.52
Subtotal 2	1192.58
Plus conditions allowance ¹	122.93
Plus enterprise flexibility (including hours) and wet weather allowance ¹	174.26
Total	1489.77
Rounded to the nearest 5 cents	1489.75

¹The conditions, enterprise flexibility and wet weather components are wage-related allowances calculated in accordance with clause $\underline{C.1}$.



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A.6.3 Woolclasser level 3 formula

The Woolclasser level 3 minimum weekly rate is arrived at according to the following formula:

Base	866.95
Woolrolling and other shed hands work	87.11
Bookkeeping, overseeing, experting ¹	56.64
Subtotal 1	1010.70
Plus casual loading of 25% (of subtotal 1)	252.68
Subtotal 2	1263.38
Plus conditions allowance ¹	122.93
Plus enterprise flexibility (including hours) and wet weather allowance ¹	174.26
Total	1560.57
Rounded to the nearest 5 cents	1560.55

¹ The booking keeping, conditions, enterprise flexibility and wet weather components are wage-related allowances calculated in accordance with clause <u>C.1</u>.

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 subclause 18.2 which states;

(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:

- leading hand allowance (clause <u>18.2(b)</u>); and
- first aid allowance (clause <u>18.2(c)</u>).

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

The allowance contained in clause <u>18.2(b)(i)</u> will apply to part-time employees on a pro rata basis.



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(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 **\$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 <u>18.3</u> 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 <u>18.3(b)</u> 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.



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(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 <u>2</u>—<u>Definitions</u>.

(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 <u>18.3(g)(i)</u> 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.

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 Award rate.

If you have any queries, please do not hesitate to contact the office on 8297 2299 or email: admin@livestocksa.org.au



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