

New workplace award: Implications for Australia's cotton growers

By Adam Kay, CEO, Cotton Australia

The start of the new year has brought some much needed rain to many cotton growing areas, and as the activity in the cotton fields ramps up it is also important to note some new regulations regarding Awards and employment conditions which came into effect on January 1, 2010.

A new national workplace relations system started on July 1, 2009, under the Fair Work Act 2009. There are a number of changes that relate to employees in the cotton industry. These include a new set of 10 National Employment Standards that apply to all employees across Australia from January 1, 2010, covering maximum hours of work, leave entitlements and terminations.

Most cotton workers now come under the new Pastoral Award, which has a number of sections, the applicable one being 'Broadacre'.

From January 1, 2010, there are a number of subtle changes to conditions for all cotton farm workers employed under the new Pastoral Award. These include changes in casual rates of pay and a number of additional allowances that didn't apply before (for example meals and extensive leading hand allowances).



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It is important that all cotton growers employing staff make themselves familiar with the details of the new Award and how it will affect their workers, and it is recommended that growers seek professional advice regarding their personal situation – such as what state they are operating in, their individual business situation (for example incorporated or unincorporated), and those employing workers for more

than one purpose on the farm which will affect what conditions apply to them.

New rates of pay, penalty rates and allowances for the new Pastoral Award will not come into effect until July 1, 2010. Until then, employees get paid their current rates, loadings and allowances. There may or may not be a difference depending on which industrial instrument applied prior to January 1, 2010, so it is important that growers make themselves aware of any changes applicable to their farm business.

Cotton growers will be able to choose one of two options under the new arrangements.

Firstly they could implement the new Pastoral Award and exercise the Flexibility Clause. The Flexibility Clause allows the employer and employee to negotiate additional provisions as long as they benefit the employee (such as flexible work hours, better pay etc). Flexibility Clauses cannot be a condition of employment and can only be negotiated after a person is employed. Such arrangements require less paperwork and do not need to be lodged with Fair Work Australia.

Alternatively, cotton growers can negotiate a formal enterprise agreement with staff that differs in parts from the Award, which must be in writing, lodged and approved by Fair Work Australia. Such an agreement can be of no disadvantage to the employee and must pass the B.O.O.T test – Better Off Overall Treatment.

Throughout the process Cotton Australia has been closely involved in negotiations on the content of the new Pastoral Award through its membership of the National Farmers Federation. Numerous submissions, meeting and briefings have helped to negotiate a better deal for cotton growers, particularly around areas of flexible work hours. Cotton Australia also attended a number of Industrial Relations Commission hearings to ensure issues that would affect cotton growers under the new proposed Award were raised.

For further information, cotton growers should download Cotton Australia's Background Briefing "New Cotton Workplace Award" from www.cottonaustralia.com.au or contact Cotton Australia on 02 9669 5222.

