

H.W.Pogue & Co.



24 November 2021,

Fairwork Commission,

To the Commission,

I am writing in relation to the Fairwork Commissions draft determination to vary the Horticulture Award 2020.

As a third-generation grower of several varieties of fruit, our business has relied heavily on the use of piecework rates. We employ a wide variety of fruit pickers who have many different attitudes towards their job. For example, many backpackers pick fruit for the farm experience, extend their visa and network with other backpackers. Fruit picking is generally hard work and many of these people don't want to work hard, instead they want to work at their own pace and enjoy the experience as much as possible. Piecework rates allow for this experience because it provides a happy and workable medium for both parties. If an employee is not happy with the Piecework Agreement (eg. if they are earning less money than they expect they can cease working whenever they want to.)

If a backpacker or other employee wishes to work at a slower than usual pace or is physically or mentally unable to pick fruit efficiently, most of the time you can afford to pay them piecework rates, but you will probably go broke paying the minimum casual hourly rate.

In my view, the Fairwork's Determination will disadvantage the majority of backpackers and many other employees who are unable to meet minimum standards of fruit picking efficiency – around 4 bins of our fruit per day.

The introduction of a minimum floor for piece rate workers will have a huge negative impact on our Business and means most of our second pick fruit won't be picked because it is inefficient to pay hourly rates. However, most hard working pickers on piecework rates make very good money, often more than double the minimum daily wage.

If the minimum floor is introduced an entirely new system will need to be developed and implemented to record not only bins picked but additionally hours worked. Additional record keeping and systems will be needed and extra staff employed and trained to implement this.

As a grower we are already facing extreme labour shortages this year due to Covid travel restrictions. We as an industry, stand to lose millions due to an unproductive workforce if introduced into our existing orchard setups.

It appears that the FWO wish to apply the minimum casual hourly rate to each day worked on piecework rates instead of averaging income earned on piecework rates over at least a 1 week period.

A fruit picker being paid Piecework Rates needs to have worked a minimum 40 hours (not just one day) to entitle them to be paid the minimum Casual Hourly rate if they haven't met that weekly income on Piecework rates.

Here is an example of why income needs to be averaged over at least one week on Piece rates.

Picker X bin tallies for a week

Day	Bins picked	Price per Bin (\$)	Income(\$)
Mon	9	50	450 (1 <sup>st</sup> pick)
Tues	8	50	400 (1 <sup>st</sup> pick)
Wed	3	50	150 (2 <sup>nd</sup> pick)
Thur	2	50	100 (2 <sup>nd</sup> pick)
Fri	7	50	350 (1 <sup>st</sup> pick)
Sat	no work		
Sun	no work		
<b>Totals</b>	<b>31</b>	<b>50</b>	<b>1,450</b>

If a daily minimum hourly rate had to be met on **Wed** and **Thurs** (as above) which equates to approximately \$200 per day. Then Picker X must be paid an additional \$150 meaning weekly income rises to \$1,600.

If this determination by Fairwork is to be implemented, Fruit Growers need fair time to adjust their orchard practices to be able to cope or remove marginal blocks or ultimately, leave the industry. We need at least three years notice to enable changes to be made in our orchards. All new fruit trees planted on our orchard over the last 5 years are suited to mechanization, robotics and hourly picking rates, however this only equates to 20% of our total orchard. This change is drastic and unworkable for most of our old style tree plantings. We need more time to transform our orchard to accommodate this new hourly floor.

Kind Regards,

Adrian Pogue  
HW Pogue & Co.