



**Friday, 26 November 2021**

## **Introduction**

On behalf of the members of the Northern Victorian Fresh Tomato Growers Association (NVFTGA) we thank you for the opportunity to provide our input on the draft determination to vary the Horticulture Award 2020 regards Pieceworker rates and minimum hourly rate.

The NVFTGA is a member-based organisation representing the interests of Tomato growers in the Goulburn Valley growing region. The area is well renowned for its fertile soil and good climate which make it ideal for various horticulture applications.

Our members currently send over 1.5 million cartons of produce into domestic wholesale markets, retail chain stores and food-service businesses across Eastern Australia, Tasmania and South Australia

We are very concerned about the implications for our NVFTGA members and their employees, if the proposed model of Pieceworker rates and minimum hourly rates are introduced before June 2022.

All current members of the NVFTGA have expressed their support for this submission and ask that it is considered.

## **Farm systems changes**

NVFTGA members will need to implement new systems to record both the hours worked and bins picked for any pieceworkers. As there is no training time allowed within the new rates, growers will need to employ and train supervisors to ensure pieceworkers are productive. These systems will represent an additional cost to production.

## **Typical harvest period**

Our typical harvest period is from mid-December to late May. Harvest labour for the coming season is expected to be in short supply as domestic labour participation in horticulture harvest was low in the 2021 season. Backpackers (a traditional large workforce) will only just be re-entering the country after border restrictions, and Seasonal Worker Program and Pacific Labour Scheme (jointly PALM) numbers are limited, and the AgVisa is yet to be finalised.

## **Workers' interests**

The proposed changes to the pieceworker rates to include a floor does not necessarily represent the best interests of workers in the industry.

New entrants to seasonal harvest work are not immediately productive. It can take the average worker about two weeks of picking to reach a state where their piecework rate exceeds their hourly rate, which is the formula whereby pieceworker rates are set. Employers will seek out productive workers: and we anticipate many of these will be PALM or AgVisa workers.

New domestic entries to the horticulture industry will be at a disadvantage. Backpackers will also have difficulty entering this industry. Traditionally many backpackers were doing harvest work for the visa extension opportunities. As new entrants to the industry, they will also be at a disadvantage.

Increased labour cost also improves the investment case for mechanisation and robotic harvesting within the industry, which is ultimately counterproductive to the interests of seasonal workers.

### **Visa labour**

Current negotiations with a number of countries that plan to supply Seasonal Worker Program and Pacific Labour Scheme workers have stalled and are awaiting the outcome of this draft determination.

Once the determination is finalised, there is an eight (8) week lead time from the finalisation of negotiations to workers arriving on farm. This would put extreme pressure on our members as access to these workers would not be available until at least mid-January, four (4) weeks after our expected harvest commencement date

### **Alternative arrangements**

The NVFTGA recommends the implementation of the pieceworker minimum floor rates be introduced six (6) months after the final determination. This gives the horticulture industry the opportunity to prepare itself for this radical change to the way harvest occurs. Farm systems can be changed, training of supervisory staff undertaken, mechanisation can be implemented, agreements can be finalised with PALM and AgVisa supply countries, and customer supply agreements can reflect the changes.

### **Conclusion**

The NVFTGA believe that the context of seasonal fruit/vegetable picking needs to be considered when taking this decision.

The implementation of a change to employee remuneration arrangements should recognise this reality, giving growers the opportunity to manage their business inputs with changes coming in a reasonable time.

Thank you for considering our submission and we look forward to the Fair Work Commission reaching a balanced finding on this matter.

Regards

Angelo Borzillo

**President**

**Northern Victorian Fresh Tomato Growers Association**