

From: Chris Turnbull <cturnbull@turnbullbrothers.com.au>
Sent: Thursday, 30 August 2018 2:51 PM
To: Chambers - Kovacic DP
Subject: Horticulture Award - Case number: Re: AM2014/196 and 2017/197 - Casual and Part-Time Employment – Horticulture.

Dear Deputy President Kovacic,

I write to you regarding the recent decision by the Fair Work Commission to introduce overtime rates for casual workers covered by the Horticulture Award 2010. Case number: Re: AM2014/196 and 2017/197 - Casual and Part-Time Employment – Horticulture.

I acknowledge the Commission's commitment to bring the award into line with Fair Work Act around casual employment arrangements.

I am a 5th generation fruit grower from Ardmona in the Goulburn Valley. During my 25 year career as a grower I have watched the fruit industry decline. Some growers have downsized and many have gone out of business, whatever the case jobs have been lost and our community has suffered.

Further cost increases driven by higher labour costs (as a result of this decision) will see more fruit growers struggle and more jobs lost. This is a fact.

Labour costs are a significant part of the cost of growing fruit in Australia, up to 80% for some products. Australia's labour costs are amongst the highest in the world and therefore Australia's apples, pears, cherries and stone fruit are amongst the most expensive in the world to produce. We already struggle to compete globally and our canning industry has been hit hard domestically by cheap imports, I'm sure you've heard of the struggles SPC has had in recent times. They are now processing only 25% of the fruit they did some years ago and value of the lost 75% is predominantly labour.

Other than the damage to growers and ongoing employment the decision will affect current casual workers negatively. Many casuals choose to work hours in excess of ordinary hours to increase their take home pay. These extra hours will no longer be offered due to the increased cost, so the decision will lower the pay of many current casual workers. Although I urge you to reverse the decision, if you decide otherwise, please consider inserting a variation / flexibility clause into the award that allows an agreement between employer and employee that additional hours can be worked at the standard hourly rate.

It is also worth noting clause *10.4 Casual employment* in the Horticulture Award. Section (c) states -

The casual loading is paid instead of annual leave, personal/carer's leave, notice of termination, redundancy benefits and the other entitlements of full-time or part-time employment provided for in this award.

Overtime is one of the other entitlements of full and part time employment and so it is reasonable to argue that a reduction in the casual loading is fair if overtime is introduced for casuals.

Please reconsider the decision. There are growers in my region on the brink of going out of business and their employees losing their jobs. There is orchard being removed at a great rate and jobs going with it because of an inability to be cost competitive. Overtime for casuals in horticulture will benefit neither employees or employers in the long term.

Yours sincerely,

Christian Turnbull.



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