

Submission to Australian Industrial Relations Commission

Stage 2 of Award Modernisation: Agriculture

Horticulture Australia Council

31st October 2008

Justice Giudice
Australian Industrial Relations Commission

31 October 2008

Award Modernisation Process – AM2008/14: Agriculture Group

The Horticulture Sector

Horticulture Australia Council (HAC) is the peak national industry body representing the Horticultural industries; HAC Members are the Peak Industry Bodies (PIBs) for each industry (along with state farming organisations such as Growcom and NSW Farmers' Association).

Horticulture in Australia is intensive (this refers not to the area farmed, but to the food productive capacity per hectare!), generally irrigated, agriculture. Horticulture is a diverse industry, spread across the continent in a wide array of soils and micro-climates.

Horticulture is the second-largest (larger than Dairy and Wool combined, for example) and fastest growing industry in agriculture; with some 30,000 businesses nationally, and a farm gate value of \$8 billion. Total horticultural exports in 2006/07 were \$763 million.

The sector is comprised of small, medium and large enterprises operating within a range of business models and markets. The environment in which these enterprises operate is highly commercial and extremely competitive

Labour is the most critical factor in ensuring the smooth running of field preparation, planting, maintenance, harvesting and packing activities, and (in the case of the Nursery and Garden industry in particular) some retail activities. Despite advances in technology, the horticulture industry continues to be heavily reliant on manual workers and such a workforce is associated with considerable costs and risks.

As the most labour intensive of all agricultural industries, Horticulture employs one-third of those employed in agriculture. The sector is the principal driver of many regions and local communities and economies in rural and regional Australia.



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Members of HAC include:

Agricultural Investment
Managers Australia

Apple & Pear Australia Ltd

Avocados Australia Ltd

Australian Banana
Growers' Council

Australian Citrus Growers
Inc

Australian Custard Apple
Growers

Australian Dried Fruits
Association

Australian Mushroom
Growers Association Ltd

Australian Nut Industry
Council

Australian Passionfruit
Industry Association Inc

AUSVEG

Cherry Growers of
Australia Inc

Growcom

Growcom Pineapples

NSW Farmers Association

Nursery & Garden Industry
Australia Ltd

Strawberries Australia Ltd

Summerfruit Australia Ltd

Turf Producers Australia Ltd

New Members:

Persimmon Industry Assoc'n
Fruit Growers Victoria

N.T. Horticulture Assoc'n



**Horticulture Australia
Council appreciates
the sponsorship of
Prime Super**

Scope

The scope of the Horticulture sector includes:

- **All Fruit:**
 - pome- and stone-fruit, cherries
 - citrus
 - tropicals (such as bananas, mangoes, custard apples, passionfruit, exotics/emerging)
 - berries
 - viticulture/grapes (dried, table- and wine-)
 - avocados
 - etc.
- **All Vegetables:** everything “from artichokes to zucchini” including
 - ‘hard’ crops – such as potatoes, pumpkin, carrots, onions);
 - leafy greens (including lettuce, Asian vegetables, spinach, etc.); and
 - the full gamut such as asparagus; broccoli; celery; chillies; garlic; tomatoes; truffles
 - etc., etc.
- **Amenity or Lifestyle horticulture**, including
 - Nursery & garden (including retail nursery)
 - Turf
 - ‘Soft’ landscaping
 - Flowers
- **Herbs**
- **Fungi** (edible mushrooms)
- **Nuts** (almonds, macadamias, walnuts, etc.)
- **Extractive crops** (lavender, tea tree, etc).

Award Modernisation Process in Agriculture

- Horticulture has been party to the NFF Roundtable process in attempting to reach agreement on a single national Award for Agriculture.
- It has been agreed by the Roundtable parties that the intensive nature of production within the sector does not lend itself easily to an umbrella Award which also covers broad-acre production systems.
- HAC (on behalf of the horticultural industries) will therefore be making a submission to the Commission by the 24 November on a national intensive agriculture Award suitable for our industries.
- There are currently at least 19 Awards (state, national and region-/industry-specific) covering the Horticulture sector.
- We are in discussions with the relevant union (Australian Workers Union) in an effort to agree to broad principles, and as many elements of a draft National Award as possible prior to that date:
 - HAC makes no specific recommendation at this point as to the most appropriate Award to use as a starting point. However, as a basic principle we are concerned to ensure that a new national Award covering the extremely diverse nature of our

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sector is cognisant of the types of activities required to be undertaken in a production and amenity Horticulture, including:

- Providing clear linkages between classification levels and the agreed levels in the National Training Packages (along with recognition of Certificate III in Production Horticulture as the Trade-equivalent, entry-level qualification for the production sector);
 - adequately reflect the diversity of the sector in flexibility of hours (as per the current Pastoral Industry Award and Queensland Fruit and Vegetable Growing Industry Award);
 - ensure an adequate minimum hourly rate as a safety-net (acknowledging that the majority of growers will pay over the Award to attract employees in the current climate of severe labour shortages); and
 - preserve current conditions as far as possible.
- There may be areas of ‘agreement to differ’, which will be noted in our submission.
 - Australian Mushroom Growers Association are likely to make a separate submission in regard to the specific issue of ‘piece-rates’.
 - It is difficult to see at this point how the injunction to ensure that neither the employer nor the employee can lose (in a transition from 19 or more Awards to one single Award) can be achieved.
 - Transition arrangements will be critical to allow an ordered ‘harmonisation’ process.