

Media Release

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Appropriate piece rates are critical to incentivising a motivated workforce

The Australian Fresh Produce Alliance (AFPA) support the appropriate application of piece rates to deliver a fair and effective safety net for remuneration of workers who are involved in the harvest of fresh fruit and vegetables.

The Fair Work Commission is currently considering an application by the Australian Workers Union (AWU) to vary the piece work arrangements under the Horticulture Award. The industry evidence effectively outlines the role piece work plays in the sector in supporting the seasonal, variable and time sensitive nature of fruit and vegetable harvests.

“The appropriate use of piece rates incentivises workers to pick and pack time sensitive fruit and vegetables, which in turn enables growers to send that high quality produce to retailers for sale to consumers in the shortest time possible” said AFPA CEO, Michael Rogers.

COVID19 has accelerated long term structural changes in the horticulture workforce and driven a greater focus on a returning and productive workforce. The significantly reduced numbers of backpackers has increased the reliance on Australian workers and visa holders from Pacific countries. The ongoing development of the Seasonal Agriculture Worker Visa will continue to reduce reliance on backpackers and support the ongoing structural change in workforce composition.

“The last 18 months has seen an acceleration away from backpackers and an increased reliance on returning Australians and Pacific workers due to international border restrictions. This focus on returning workers builds on the 10-year development of the Pacific programs, and will continue as the Government implements the Seasonal Agriculture Worker visa” said Mr Rogers.

The AFPA position on the variation proposed by the AWU is that employment terms and conditions should reflect the needs of an industry as a whole, not selective evidence presented by other parties which is not representative of the entire horticulture workforce. More broadly, union representatives repeatedly confirmed during cross examination that they did not use evidence alleging non-compliance to make reports to regulators and law enforcement for investigation and further action.

The Australian horticulture industry is valued at \$15 billion and supplies fresh fruit and vegetables to all Australians and globally. Any change which affects the sector must not be entered into lightly and must not be based on evidence which in itself has not been actioned or submitted by Unions to relevant regulators for their independent verification and action.

“Piece rates are a fundamental part of providing a fair and effective safety net for workers in horticulture, and growers must apply piece rates fairly and reasonably. If the Fair Work Commission takes a view that the piece rate provisions ought to be varied, the AFPA has outlined potential changes to support the transparent and consistent application and use of piece rates” said Mr Rogers.

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