

Please note – This is a previous WA award summary and does not contain the current rates of pay

WA Award Summary

Food Industry (Food Manufacturing or Processing) Award

1 July 2018

About this Award Summary

This WA Award Summary is a summary of the state Food Industry (Food Manufacturing or Processing) Award and does not include all obligations required by the award. It is important that you also refer to the full Food Industry (Food Manufacturing or Processing) Award is available on the WA Industrial Relations Commission website www.wairs.wa.gov.au

Provisions of other employment legislation also apply to employees and have been included in this WA Award Summary where appropriate. You may need to refer to the *Minimum Conditions of Employment Act 1993*, the *Long Service Leave Act 1958*, and the *Industrial Relations Act 1979* for full details.

This document is formatted for viewing on the Wageline website and contains web links to other relevant information. If you are using a printed copy in which links are not visible, all additional information can be found at www.dmirs.wa.gov.au/wageline or by contacting Wageline on 1300 655 266.







Three Step Check: to make sure this WA Award Summary is relevant to you

Step 1

Is the business in the state system?

This WA Award Summary applies to businesses in the **state industrial relations system.** It covers businesses which operate as:

- ✓ sole traders (eg Jane Smith trading as Jane's Cake Manufacturing)
- unincorporated partnerships (eg Jane and Bob Smith trading as Jane's Cake Manufacturing)
- unincorporated trust arrangements (eg Jane and Bob Smith as trustees for Jane's Cake Manufacturers)

This summary does **not** apply to businesses in the national industrial relations system which operate as:

- Pty Ltd businesses (eg Smith Pty Ltd trading as Jane's Cake Manufacturers)
- incorporated partnerships or incorporated trusts
- incorporated associations and other non-profit bodies (that are trading or financial corporations)

For more information visit the <u>Guide to who is in the WA state system</u> page. If the business or organisation is in the national system visit the Fair Work Ombudsman website <u>www.fairwork.gov.au</u>

Step 2

Is the business covered by the Food Industry (Food Manufacturing or Processing) Award?

The Food Industry (Food Manufacturing or Processing) Award applies to businesses in the state industrial relations system which is undertaking food manufacturing or processing.

An extensive list of types of businesses covered is available in *Clause 3 Scope*, in the full award at the WA Industrial Relations Commission website www.waire.wa.gov.au

Step 3

Is the employee's job covered by the Food Industry (Food Manufacturing or Processing) Award? The Food Industry (Food Manufacturing or Processing) Award sets pay rates, working hours and other employment arrangements for employees working in food manufacturing businesses covered by the award.



Employers covered by this WA Award are legally required to keep employment records. Employers can be fined up to \$5,000 for not keeping employment records, for keeping inadequate or fraudulent records, or for not providing records to Industrial Inspectors when required to do so. Page 5 details record keeping requirements.

The Food Industry (Food Manufacturing or Processing) Award is a legal document that outlines the minimum wages and condition of employment that must be provided to employees who are covered by the award. Employers and employees cannot agree to lesser conditions.

Industrial Inspectors at the Department of Mines, Industry Regulation and Safety have statutory powers to investigate employee complaints about underpayment of wages or leave entitlements under this WA Award and state employment laws. The Department can prosecute employers in the Industrial Magistrates Court for not paying the rates of pay, including overtime, penalty rates and allowances required by this WA Award.



All rates of pay are gross rates (before tax). Current rates applied from the first pay period on or after 1 July 2018.

Adult rates of pay – applicable from the first pay period on or after 1 July 2018 until end of last pay period commenced in June 2019 (new rates applied first pay period on or after 1 July 2019)

Classification	Weekly	Hourly	Casual (includes 20% loading)
Level 1	\$726.90	\$19.13	\$22.95
Level 1A	\$735.80	\$19.36	\$23.24
Level 2	\$744.50	\$19.59	\$23.51
Level 3	\$768.30	\$20.22	\$24.26
Level 4	\$790.40	\$20.80	\$24.96
Level 5	\$828.10	\$21.79	\$26.15

- When an employee performs duties that carry a higher rate of pay for more than half a day or shift, the
 employee is entitled to be paid at the higher rate for the entire day or shift.
- Clause 32 of the Award has definitions of job roles at each level view the award on the WA Industrial Relations Commission website www.wairc.wa.gov.au

Junior rates of pay – applicable from the first pay period on or after 1 July 2018 until end of last pay period commenced in June 2019 (new rates applied first pay period on or after 1 July 2019)

Age	% of Level 1	Weekly	Hourly	Casual (includes 20% casual loading)
16 years	60%	\$436.10	\$11.48	\$13.77
17 years	70%	\$508.80	\$13.39	\$16.07
18 years	80%	\$581.50	\$15.30	\$18.36
19 years	90%	\$654.20	\$17.22	\$20.66
20 years	100%	\$726.90	\$19.13	\$22.95

- The award also has rates for under 16 year olds.
- It is illegal to employ children under the age of 15 in this industry, except if the child is working as part of a school program or in a family business.



For pay rates for registered trainees working under the Food Industry (Manufacturing or Processing) Award, please contact Wageline on 1300 655 266.



To receive email updates when WA award pay rates change, subscribe to the Wageline Newsletter.



- Ordinary hours are:
 - o an average of 38 hours a week.
 - o worked Monday to Friday inclusive between the hours of 6:00am and 6:00pm (except in poultry processing plants where the ordinary starting time may be 5:00am).
 - o worked on 5 days of the week on any one of the following cycles:
 - 38 hours within a work cycle not exceeding 7 consecutive work days or
 - 152 hours within a work cycle not exceeding 28 consecutive days or
 - 1,976 hours within a work cycle of one calendar year provided that for each day in excess of 364 days in a calendar year, 7 hours and 36 minutes must be added to 1,976 hours.
- Where an employee (not being a shift employee) works any ordinary hours between 6.00pm and 6.00am before and after an enterprise's usual operating hours the employee must be paid 20% in addition to their ordinary rate for all such hours worked.
- The employer must give seven days of notice of the time at which they require the employee to commence and cease work unless otherwise agreed between the employer and the union.
- Alternative hours arrangements apply to shift workers, view Clause 17 of the award on the WA Industrial Relations Commission website www.wairc.wa.gov.au for details.

Overtime

- All time worked before the usual starting time or after the usual finishing time, or beyond eight hours in any
 one day, is deemed overtime and be paid for at the rate of time and a half for the first two hours per day and
 double time after that.
- All work performed after twelve noon Saturday or on Sunday must be paid for at the rate of double time.
- Work done on any day prescribed as a holiday by this award must be paid for at the rate of double time and a half.



Meal breaks

- An employee must not be compelled to work for more than five hours without a meal break except where an alternative arrangement is entered into as a result of discussions between the employer and an employee and the majority of employees in the plant or work section concerned.
- The meal break is unpaid.
- An employer may postpone the time of taking a scheduled break for one hour if it is necessary to do so in order to meet a requirement for continuity of operations.



Employment of children

- Under the *Children and Community Services Act 2004*, it is illegal to employ children under the age of 15 in this industry, except if the child is working as part of a school program or in a family business.
- School aged children must not be employed during school hours, unless participating in a school program.
- Visit the When children can work in Western Australia page for more information.



- Full time employees are entitled to public holidays without deduction of pay. Part time employees are
 entitled to public holidays without deduction of pay if they would ordinarily be required to work on that day
 if it was not a public holiday.
- If an employee works on a public holiday they must be paid at the rate of double time and one half.
- Visit the Public Holidays in Western Australia page to view the public holiday dates.



Employment records

- Employers are legally required to keep employment records which demonstrate that employees have been paid all entitlements under the Food Industry (Food Manufacturing or Processing) Award and relevant legislation.
- Employers must keep all employment records for at least seven years after they are made for both current and past employees. Records relating to long service leave must be kept for seven years from the date employment ends.
- Employers can be fined up to \$5,000 by the Industrial Magistrates Court for not keeping employment records or for keeping inadequate or fraudulent records. A common requirement that employers fail to observe is a lack of detail in keeping employment records.
- Employers must keep records that detail:
 - Employee's name
 - O Date of birth if under 21 years of age
 - Date employee commenced with the employer
 - Total number of hours worked each week
 - The gross and net amounts paid to the employee
 - All information required to calculate long service leave entitlements and payment
 - All pay deductions and reasons for them
 - Name of WA award that applies
 - Daily start and finish time and meal breaks taken
 - Employment status (full time, part time, casual)
 - Employee's classification under the award
 - All leave taken, whether paid, partly paid or unpaid
 - O Any other information necessary to prove that the wages received by an employee comply with the requirements of the Food Industry (Food Manufacturing or Processing) Award, such as overtime hours worked and allowances paid. Contact <u>Wageline</u> or view the full Food Industry (Food Manufacturing or Processing) Award on the WA Industrial Relations Commission website <u>www.wairc.wa.gov.au</u> for details.
- Employment records can be written or electronic as long as they are in a form that can be printed. Time and wage books can be used to keep employment records, however, it is the employer's responsibility to ensure the time and wage book includes all of the required information.
- The records must be in English.
- Wageline's <u>record keeping templates</u> help small business employers meet their legal obligations for time and wages record keeping and keep accurate employee leave records.



Allowance	When allowance is paid	Rate
Meal Money	An employee required to work overtime for more than two hours, without having been notified the previous day or earlier, must be supplied with a meal by the employer or be paid \$10.80 for a meal and, if owing to the amount of overtime worked, a second or subsequent meal is required the employee must be supplied with such meal paid \$7.35. If an employer has provided notice and the employee provides their own meal, but is then not required to work the overtime, the employee is entitled to have the meal allowance paid.	Meal money of \$10.80 per occasion, or \$7.35 for a second or subsequent meal.
Leading Hand Allowance	 A leading hand must be paid a weekly allowance if placed in charge of: Less than 3 other employees Not less than 3 and not more than 10 other employees More than 10 other employees 	\$16.00 per week \$31.50 per week \$46.30 per week
Travel Allowance	Where an employee, (except for a shift employee) is detained at work until it is too late to travel home by public transport, the employer must provide free transport to the employee's home. This allowance does not apply to any employee who usually has their own means of transport.	



Leave entitlements

Quick reference guide

Leave entitlement	Full time	Part time	Casual
Annual leave	\checkmark	✓	*
Sick and carer's leave	✓	✓	*
Unpaid carer's leave	✓	✓	✓
Bereavement leave	✓	✓	✓
Unpaid parental leave	✓	✓	✓
Long Service leave	✓	✓	✓

This WA Award summary covers the basic leave entitlements for employees covered by the Food Industry (Manufacturing or Processing) Award but does **not** include all details on leave obligations and entitlements. Full details of conditions are contained in the Food Industry (Manufacturing or Processing) Award on the WA Industrial Relations Commission website www.wairc.wa.gov.au, the *Minimum Conditions of Employment Act 1993* and the Long Service Leave Act 1958.



Bereavement leave

- All employees, including casual employees, are entitled to two days paid bereavement leave on the death of
 a spouse, de facto partner, parent, step-parent, grandparent, child, step-child, grandchild, sibling or any
 other member of the employee's household. The two days need not be consecutive.
- Bereavement leave is a minimum entitlement from the Minimum Conditions of Employment Act 1993.



Annual leave

- Full time employees are entitled to a minimum of four weeks of paid annual leave for each year of completed service, up to 152 hours. Part time employees are entitled to a minimum of four weeks of paid annual leave per year paid on a pro rata basis according to the number of hours they are required ordinarily to work in a four week period. Casual employees are not entitled to annual leave.
- Annual leave is a minimum entitlement in the Minimum Conditions of Employment Act 1993 and the Food Industry (Food Manufacturing or Processing) Award sets out additional requirements regarding annual leave and annual leave loading.
- During a period of annual leave an employee must be paid annual leave loading of 17.5%, unless they are a shift employee and would have received more for the leave in which case they must be paid what they would have been entitled to had they worked their ordinary rostered shift.
- Annual leave loading is not payable on any unused annual leave paid out on termination.
- Annual leave accrues on a weekly basis:
 - o A full time employee accrues 2.923 hours of annual leave for each completed week of work.
 - A part time employee accrues the relevant proportion of 2.923 hours annual leave for each completed week of work.
- Wageline's Annual Leave Calculation Guide can assist with calculating annual leave entitlements.
- Wageline's <u>record keeping templates</u> include an annual leave record template.



- Employees, including eligible casual employees, are entitled to the unpaid parental leave entitlements in the National Employment Standards of the Fair Work Act 2009, as well as a number of more beneficial conditions contained in the Minimum Conditions of Employment Act 1993 (a return to work after parental leave on a modified basis and a reversion to pre-parental leave working conditions).
- Visit the Parental leave page for more details



- Sick and carer's leave entitles a full time or part time employee to paid time off work due to either illness or injury to themselves (sick leave), or because they have to care for an ill or injured family or household member (carer's leave).
- Full time and part time employees are entitled to paid sick and carer's leave equal to the number of hours they would ordinarily work in a two week period, up to 76 hours per year. Sick and carer's leave is a cumulative entitlement, and any leave not taken in one year can be carried over to the next year.
- Sick and carer's leave accrues on a weekly basis for full and part time employees.
- In the first year of employment, a full time or part time employee can use any paid sick and carer's leave that they have accrued to date for caring purposes.
- In the second and subsequent years of employment, a full time employee can only use a maximum of 76 hours of their accrued sick leave entitlement for caring purposes, or a part time employee the relevant proportion of 76 hours based on their ordinary hours of work.
- An employee is entitled to up to two days of unpaid carer's leave per occasion if an employee does not have sufficient paid leave accrued or has exceed the maximum amount of carer's leave that can be taken in any 12 month period.
- Casual employees are not entitled to paid sick leave or paid carer's leave. Casual employees can access up to two day's unpaid carer's leave per occasion.
- Sick and carer's leave is a minimum entitlement from the *Minimum Conditions of Employment Act 1993*.
- Wageline's <u>Sick Leave Calculation Guide</u> can assist with calculating sick and carer's leave entitlements.
- Wageline's record keeping templates include a sick and carer's leave record template.



Long service leave

- Full time, part time and casual employees are entitled to long service leave (LSL).
- Long service leave is an entitlement from the Long Service Leave Act 1958.
- The length of continuous employment for an employee's long service leave entitlement is based on the total time with the business, rather than any one employer. An employer who buys a business or part of a business will take on the long service leave obligations for existing employees if there has been a transmission of business. This applies regardless of anything written in the sale contract.

Amount of continuous employment with same	Amount of leave
business	
After 10 years of continuous employment	8 ^{2/3} weeks
For every 5 years of continuous employment after this initial 10 years	4 ^{1/3} weeks
When an employee is terminated (except for serious misconduct) or resigns after they have completed between 7 and 10 years continuous employment	The employee is entitled to be paid out for LSL on a proportionate basis. LSL payment is worked out on a pro-rata basis for the entire period of employment, including years, months and days
When an employee is terminated or resigns after they have worked continuously for 10 or more years	The employee is entitled to be paid out for LSL. LSL payment is worked out on completed years of service only

- An employee who has completed a full qualifying period of service (e.g. 10 years) is entitled to be paid out their full long service leave entitlement (e.g. 8 ^{2/3} weeks) on termination, regardless of the circumstances of the termination.
- Where an employee has a period of service that is less than the full qualifying period and they were terminated by their employer for serious misconduct, they are not entitled to **pro rata** LSL.
- Wageline's <u>Long Service Leave Calculation Guide</u> can assist with calculating long service leave entitlements.
- Wageline's record keeping templates include a long service leave record template.



Deductions from pay

An employer may deduct from an employee's pay an amount:

- the employer is authorised, in writing, by the employee to deduct and pay on behalf of the employee
- the employer is authorised to deduct and pay on behalf of the employee under the relevant WA award
- the employer is authorised or required to deduct by law or a court order.



Resignation, termination and redundancy

Redundance

An employee is redundant when their employer has made a definite decision that they no longer wish the job the employee has been doing to be done by anyone.

- An employer has a number of obligations in redundancy situations and may be required to pay severance pay. Visit the <u>Redundancy</u> page for redundancy obligations.
- The Food Industry (Food Manufacturing or Processing) Award requires redundancy payments to be made to
 employees and there is no exclusion for businesses with less than 15 employees. Employers may also be
 required to provide redundancy payments in accordance with the Termination Change and Redundancy
 General Order. It is recommended that employers contact Wageline on 1300 655 266 to discuss redundancy
 obligations under this award.

Resignation by the employee

- Full time and part time employees are required to provide:
 - o no notice if on a probationary period of up to 3 months agreed in advance
 - o 1 week's notice in all other circumstances.
- A casual employee can resign by providing one hour's notice to the employer.

Termination

- An employer is required to give a casual employee one hours' notice of termination.
- Except in cases of serious misconduct, an employer is required to give full time and part time employees the following period of notice of termination (or payment in lieu):

Period of continuous service	Notice period
Not more than 1 year	1 week
More than 1 year but not more than 3 years*	2 weeks
More than 3 years but not more than 5 years*	3 weeks
More than 5 years*	4 weeks

^{*}Employees over 45 years of age with two or more years of continuous service must receive an additional week's notice.

Dismissal requirements

- Under State laws, employees cannot be dismissed if to do so would be harsh, unfair or oppressive. There must be a valid and fair reason for dismissal, such as:
 - o consistent unsatisfactory work performance (which has been raised with the employee and the employee given further training and an opportunity to improve their work performance)
 - o inappropriate behaviour or actions or
 - o serious misconduct.
- The <u>Dismissal information</u> page outlines obligations and requirements when an employee is terminated.



The Department of Mines, Industry Regulation and Safety has prepared this WA award summary to provide information on pay rates and major award provisions. It is provided as a general guide only and is not designed to be comprehensive or to provide legal advice. The Department does not accept liability for any claim which may arise from any person acting on, or refraining from acting on, this information.