

October 2017

MEAT INDUSTRY NEWS

AMIC Working for You

AMIC's role as the Peak Industry Council which represents retailers, processors and smallgoods manufacturers in the meat industry, keeps members informed on industry news, current topics and any issues that affect your day-to-day business.

AMIC has provided support and guidance to Victorian members in Food Safety for many years. However, we need to clarify that this support does not extend to provide training in specialised areas of Food Safety. It should also be noted that the current AMIC Food Safety Plan offered to members is a generic plan and is not tailored to every butcher shop. Therefore it is the members responsibility to manage and maintain the requirements of Food Safety.

I believe the most important aspect of a member-based organisation is to listen to its members and then provide feedback/advice. This is how AMIC identifies how it supports you and this can only happen with better member engagement.

The following are a number of events and activities that are being planned to support this in 2017/2018:

Member Network Meetings

AMIC will continue to hold Member Network Meetings throughout Victoria. These meetings will offer members the opportunity to liaise with industry guest speakers and AMIC representatives.

These meetings will also give members the opportunity to provide feedback on member initiatives and industry topics while keeping members informed/updated by AMIC. These

meetings will also be used to further broaden knowledge in retail initiatives and business management practices. We encourage all members to attend these meetings as a way to network with other butchers and also further your knowledge and understanding in being a better retailer.

Member Benefits

As part of AMIC's service commitment, a range of services and discounted deals are offered to AMIC Members.

AMIC provides:

- Advice on wage rates, pay calculation and termination payouts
- Copies of the Meat industry Award 2010
- Advice on Award responsibilities

AMIC has competitive discount rates with major providers for the benefit of members in:

- EFTPOS deals (CBA)
- Business Insurance Packages
- Electricity & Gas Deals

AMIC also provides benefits to you as the Peak Council which confers with members, governments and industry groups to influence policy and provide technical and other advice to the industry.

The Australian Meat Industry Council represents its members on many committees - ranging from technical, food standards, food safety, communications and export - to ensure the best trading environment for members and the industry.

Thank You to our National Industry Partners



Thank You to our State Industry Partners



457 Visa/Temporary Work Skilled Visa

The Federal Government previously announced that the Temporary Work Skilled Visa 457 will be abolished in March 2018 and replaced with a new Temporary Skill Shortage (TSS) visa from March 2018.

Current 457 visas as at 18 April 2017 will be permitted to remain in place until they reach the end of their 4 year term but no new 457 visas will be issued.

In addition to the abolition of the 457 Visa, the Commonwealth also removed the occupation of Smallgoods Maker and Retail Butcher from the Consolidated Sponsored Occupations List (CSOL), which will be renamed the Medium and Long Term Strategic Skills List (MLTSSL). The effect of this is that the replacement TSS Visa and access to other Permanent Residency Visas (ENS and RSMS) have been removed.

AMIC provided a submission to Government based on

the importance of access to skilled labour and the demonstrated shortage of appropriately skilled retail butchers and smallgoods makers. Particular point was made of the decline in commencements of apprentice butchers, down around 50% on previous years, and the impact this will have on the availability of butchers in the next 4 to 8 years.

The submission was successful and as at 1 July 2017 the occupations of Butcher and Smallgoods Maker were reinstated to the Medium Term Strategic Skills List. This provides access for this occupation for a period of two years with an extension for another two years (4 years in total).

AMIC will now provide a submission to have the occupations reinstated to the Long Term Strategic Skills List based on the projections provided in the original submission. That List is due for revision on 1 January 2018.



Member Benefits Opportunity

You could be saving hundreds on insurance premiums.

Insurance can be complicated to understand and time-consuming to arrange. So why not let AMIC insurance partner, Arthur J. Gallagher, look after it for you?

Having already saved some of our members hundreds of dollars on their insurance premiums, Arthur J. Gallagher is looking to secure more great deals for members through its cost-effective insurance solution: SmartProtect Business.

Designed specifically to address a range of risks and challenges that keep small business owners awake at night, SmartProtect includes comprehensive cover for:

- Loss of stock and contents
- Business income protection

- Machinery breakdown
- Theft
- Public liability
- And much more...

If you need insurance advice, or would like Arthur J. Gallagher to provide you with a free quote now or at renewal time, contact AMIC and we will arrange for an Arthur J. Gallagher consultant to be in touch at a time that suits you.

For more information about this partnership, contact the **AMIC Team on 03 9699 2760.**



Arthur J. Gallagher
BUSINESS WITHOUT BARRIERS

Fresh Beef Imports

The Federal Government has announced its intention to permit beef imports to Australia, particularly from Japan and the United States of America. As Australia is a major world trader in beef, it is appropriate that the domestic market be opened to imports provided those imports do not put the domestic product at risk from disease which is not native to this country. To do so would result in the closure of Australian export markets and seriously impact the Australian economy.

AMIC was part of an all of industry submission which requested that conditions similar to those applied by the proposed exporting countries be equally applied to their exports to Australia, in particular:

Recommendation 1

That interested parties be afforded an opportunity to comment on any modified or additional risk management measures before finalisation of the subject Import Requirements.

Recommendation 2

That Australian biosecurity authorities accord a high priority to the continuing assessment of applicant countries, and to conveying the findings of their reviews in a transparent manner to stakeholders, in order to satisfy both themselves and stakeholders that all applicable requirements in respect of FMD and BSE are being met.

Recommendation 3

That Australian biosecurity authorities accord a high priority to the evaluation of the animal health systems of applicant countries, and to conveying the findings of their reviews to stakeholders, in order to satisfy both themselves and stakeholders of their continuing satisfactory operation and the veracity of disease freedom claims.

Recommendation 4

That, in evaluating the effectiveness of applicant country

systems against relevant traceability and recall provisions of the *Australian Standard for the Hygienic Production and Transportation of Meat and Meat Products for Human Consumption (2007)* and the *Australia New Zealand Food Standards Code*, Australian biosecurity authorities have due regard to performance standards set down for Australia's National Livestock Identification System and for national food recalls.

Recommendation 5

That, in evaluating the effectiveness of applicant country systems against relevant animal welfare provisions of the *Australian Standard for the Hygienic Production and Transportation of Meat and Meat Products for Human Consumption (2007)*, appropriately detailed consideration is given to ensuring its defined animal welfare outcomes are consistently met.

Recommendation 6

That policies, which are proportionate to the public and animal health risks involved, be developed and utilised for listing establishments in applicant countries.

Recommendation 7

That consignments entering Australia under the finalised Import Requirements be treated as "risk" foods and made subject to such inspection, sampling and testing measures as will provide an appropriately high level of assurance of compliance with the *Australia New Zealand Food Standards Code* and the *Australian Standard for the Hygienic Production and Transportation of Meat and Meat Products for Human Consumption (2007)*.

The Biosecurity Animal Division has advised that the conditions under which imports of beef will be permitted were released on 18 August 2017. Given that these conditions meet industry expectation it is anticipated that beef may be imported to Australia in early 2018.

Weights & Measures

As part of their National Compliance Plan of 2017-18, the National Measurement Institute (NMI) has been attending meat, fish and poultry retail outlets to check on compliance. Fines will be issued where necessary for non-compliance for the correct Weights and Measures of product (i.e. meat that must be sold by weight).

Selling Meat

The Law requires that suppliers such as butcher retailers sell

most types of meat by weight, rather than charging a set price for individual items. This allows customers to compare prices (value) and therefore make informed choices.

Next Step

See the enclosed Fact Sheet provided by the NMI. Review and correct any anomalies and contact AMIC if you need any further assistance with a better understanding of Weights and Measures requirements.

HR & IR INFORMATION

Cashing out annual leave

The AMIC receives many queries from members regarding the right to allow employees to cash out annual leave instead of going off on the period of leave.

In June last year a Full Bench of the Fair Work Commission handed down its decision regarding a number of variations to the annual leave provisions contained in all modern awards. One of those provisions related to the cashing out of leave.

Prior to this decision cashing out was only allowed if the person was award free (in the case of the Meat Industry Award it does not apply to employees engaged to undertake managerial duties and responsibilities at the level of foreman and above) or were covered under a registered enterprise agreement that provided for cashing out.

Although cashing out is now allowed for award employees it still has conditions attached to it. This includes:

- a) Only a maximum of 2 weeks' paid annual leave can be cashed out in any 12 month period (pro-rata for part-time employees), with additional safeguards for those under 18 years old; and
- b) The employee must retain at least four weeks of accrued annual leave after the cashing out has occurred.

It is compulsory for the employer and the employee have a written agreement specifying the amount of leave to be cashed out as well as the date on which the payment is made. This must occur on each occasion. If the employee is under 18 years of age, such agreement must be signed by the employee's parent or guardian.

Some **Frequently Asked Questions and Answers** regarding the cashing out of annual leave are as follows:

Q1. At what rate is it paid?

A1. The payment for cashed out annual leave has to be the same as what the employee would have been paid if they took the leave. This would include 17.5% leave loading.

Q2. Do I have to pay the compulsory superannuation on it?

A2. Yes. This is because cashed out annual leave is considered as ordinary time earnings for the purpose of calculating the Superannuation Guarantee employer contribution.

The Australian Taxation Office issued a Ruling in 2009 which states that lump sum arrears payments of unused leave otherwise than on termination are Ordinary Time Earnings (OTE). Unused leave paid out on termination of employment however is not included in an employee's OTE for Superannuation Guarantee purposes. To read more on the Ruling please see this page on the ATO website: <http://bit.ly/2xwVork>

Q3. Does the cashed out payment have to be paid all at the same time?

A3. This can depend upon how the employee wants to be paid. However, the employee has to be careful when cashing out annual leave. Because in that one week you cash it all out they will get hit with a high tax amount because it is added on the weekly wage paid for the work performed in that same week. The best way to cash out annual leave is for it to be in instalments. For example, if they wanted to cash out two weeks, recommend to them to average out over two weeks worked.

Q4. Is there a prescribed form that has to be filled out for this purpose?

A4. There is no compulsory form. However, a sample form is contained in Schedule H in the Meat Industry Award.

AGREEMENT TO CASH OUT ANNUAL LEAVE

Name of employee: _____

Name of employer: _____

The employer and employee agree to the employee cashing out a particular amount of the employee's accrued paid annual leave:

The amount of leave to be cashed out is: _____ hours/days

The payment to be made to the employee for the leave is: \$ _____ subject to deduction of income tax/after deduction of income tax (strike out where not applicable)

The payment will be made to the employee on: _____/_____/20_____

Signature of employee: _____

Date signed: _____/_____/20_____

Name of employer representative: _____

Signature of employer representative: _____

Date signed: _____/_____/20_____

Include if the employee is under 18 years of age:

Name of parent/guardian: _____

Signature of parent/guardian: _____

Date signed: _____/_____/20_____