



National Retail Council Report

By Kerry Melrose

The National Retail Council met in June to address a number of important issues.

Award Modernisation. The Australian Industrial Relations Commission has been considering the details of a Modern Award to apply to Retail Butchers. AMIC has successfully applied for a Modern Meat Award thereby keeping Independent Retail separate from the Modern General Retail Award which will apply to supermarket butchers. The significance of this is that the hard won benefits for employers in the meat industry will be generally maintained. It has been estimated that, had AMIC not been successful in this campaign, the labour costs under General Retail would have been 20% higher. The Modern Meat Award will deliver significant cost advantages over the General Retail Award which will apply to supermarket butchers.

The National Retail Council also considered the National Employment Standards (NES) which underpin the Modern Awards. AMIC has again been active in submissions to Government on this matter and in seeking clarification on how these will affect members.

The Modern Meat Award and National Employment Standards will apply from 1 January 2010 (with the exception of those which apply from 1 July 2009) and the Retail Council has approved a program to deliver seminars to members to assist them with the changes required.

Beef Levy. An all of industry Beef Levy Review Committee has recommended that the Beef Levy be maintained at \$5. The original legislation required the levy increase to be reviewed after 5 years. The National Retail Council is a strong supporter of the increased levy as it is from this source that Meat and Livestock Australia is able to maintain the current Domestic Marketing Program. In the year 2009 – 2010 the Domestic Marketing Budget is \$25.4m which includes \$6.9m for Beef Marketing, \$5.3m for Lamb Marketing and \$6.9m for the all important Nutritional Program. Without the additional \$1.50 in the levy the Beef Marketing program would return to less than \$1m - essentially leaving the Independent Butchers with no beef promotion.

AMIC has worked closely with MLA on the domestic promotional programs and, although there have been points of difference, has given total support to the 2009 – 2010 program. The final decision will rest with producers who will vote on the proposal to maintain the levy at the MLA Annual General Meeting in October. All Independent Butchers are urged to support the maintenance of the levy with your suppliers.

Beef Grading. The debate about Beef Grading continues with the National Retail Council not supporting the current proposal. Essentially the argument is that Independent Butchers are selling low grade cow beef as premium beef which causes customers to have a bad eating experience and stop buying beef. It is the view of the National Retail Council that this is a nonsense argument. If an Independent Meat Retailer does not provide to his customers what they expect they vote with their feet and go to another butcher. Council objects to the inference that Independent Butchers are misleading customers and has called for evidence of this practice. Council also is of the view that it is too simplistic to argue that beef sales are declining per head because of "poor beef eating experience".

The proposal does not recognise the progress made by industry with MSA or the general improvement in beef quality in recent years through breeding programs and processing methods.

The proposal to have meat "graded" under the AUS-MEAT language and have this audited at the point of sale is strongly opposed by the National Retail Council. To do this would add additional cost to the Independent Butchers, would confuse the customers who do not understand the commercial language of AUS-MEAT and would not change in any way the product offered by Independent Butchers.

AMIC will continue to oppose the current proposals and to fight for the right for its members to sell product true to label and to meet the expectations of their customers.

Meat Industry Strategic Plan. The Red Meat Advisory Council (RMAC) has released the Meat Industry Strategic Plan for 2010 – 2015. The

MISP will be officially launched by the Minister for Agriculture and will be implemented through the Peak Councils. AMIC has had a strong involvement in the development of the MISP and attended every workshop to ensure that the issues and matters of most concern to its members were well represented.

The MISP is the document which determines the direction of the Australian Meat Industry for the next 5 years. It also determines the amount of levy funding which is required and, ultimately, how red meat sales will be promoted.

The National Retail Council has endorsed the Meat Industry Strategic Plan and aligned it with the National Retail Strategic Plan.

The National Retail Council is elected from the State Retail Councils and you are invited to attend a regional meeting and have input to the issues of the day. Please contact your local AMIC office for details of the upcoming meetings.

2009/2010 Window Sticker



Your Independent Local Butcher sticker is enclosed with this newsletter. It should be affixed to your shop window to identify you as an accredited member of the Australian Meat Industry Council.



National Smallgoods Council Report

By Andrew Ridder

The National Smallgoods Council met on 15 June to address a range of technical and industrial matters.

Listeria monocytogenes is a subject which is largely misunderstood in the community. The frequency of the presence of listeria in ready-to-eat products is low. It should be noted that it is "ready-to-eat products" not just smallgoods where listeria can be found. The list of product recalls published on the FSANZ site supports the claim that the smallgoods industry has introduced effective control of listeria to the extent that it is rarely found in ready-to-eat smallgoods products.

The National Smallgoods Council supports a program which will build on the currently accepted differences between products which will support the growth of listeria and products which will not support growth. This difference is important in that those products which will not support growth are treated differently to those which will support growth. In the commercial world this difference has been overlooked in the blanket "zero tolerance" of listeria.

Council is supporting the work currently being undertaken which will provide manufacturers of ready-to-eat smallgoods with formulation changes which may inhibit the growth of listeria or even prevent the growth. It is early days for this project but Council will watch

developments with interest.

A proposal to reduce the use of sulphites in sausages is not supported by the National Smallgoods Council in its current form. Manufacture and distribution of fresh sausages in Australia requires the addition of sulphites to ensure a safe product in the hands of consumers. While it is recognised that some consumers may have an allergic reaction to preservatives, it is an unreasonable food safety risk to those consumers to remove that preservative. Council has to consider all such proposals from a commercial risk viewpoint and the lesser risk is to maintain a level of preservatives in sausages. No doubt there will be further discussion on this matter.

Council was appraised of the impact of the Federal Government Carbon Trading Scheme. Although this legislation is currently under consideration in the Senate, the cost to manufacturing industry will be considerable. In particular the flow on effects to processors, even if they are not directly required to participate in the purchase of permits, will be significant with estimates that electricity costs will increase 20%, fuel costs by 20 to 40 cents per litre and freight costs by 15%.

By 2015 the agriculture industry will also be included and the National Retail Council expressed concern of the possible effect on

the Australian pig growers. The increased costs will again directly hit the costs of production in an industry which is marginal at best. Council will continue to monitor developments in this matter.

The Modern Meat Industry Award handed down by the Australian Industrial Relations Commission will be effective on 1 January 2010. AMIC has been instrumental in maintaining as separate Meat Industry Award and keeping the industry out of General Food Manufacturing. Many of the benefits in the current Federal Meat Industry Awards were the result of long and difficult negotiations. To lose these in a General Food Manufacturing Award was not acceptable and the National Smallgoods Council has strongly supported the AMIC submissions on this matter.

AMIC will provide specific advice to members on the Modern Meat Industry Award and the National Employment Standards in a series of seminars to be held later this year. If you are contemplating changes to your current workplace agreement between now and the end of 2009 you should contact the AMIC Industrial Relations group on 02 9086 2220 for advice.

If you would like to attend a National Smallgoods Council meeting please contact the AMIC office on 02 9086 2211. You will be welcome and your input to industry issues will be valued.

AMIST Superannuation Update



AMIST Super is the meat industry superannuation fund run by the meat industry for the meat industry. AMIST does not pay fees to agents for referrals and, like all industry funds, has a Board which understands its members.

AMIST Super will be mailing its annual statement to all members commencing the week of October 12, 2009. It has been a difficult year for investments and, as you have seen in your half year statement, significant losses were recorded. Since then the markets have stabilised and, while there are still fluctuations, the big losses of 2008 have not been repeated in recent months. Superannuation is a long term investment and returns must be calculated over a minimum of

5 years to smooth the fluctuations. Consult your financial advisor if you have any concerns about your current investment strategy.

In an effort to reduce costs AMIST Super will not automatically send all members a copy of the Annual Report of the fund this year. Copies of the Annual Report will be available by calling the Member Hotline on 1800 808 614 or an electronic copy will be available for viewing and downloading from the AMIST Super website at WWW.AMIST.com.au

During the months of October, November and early December Melinda Gibson (Member Services & Marketing Manager – North) and Royston Bennett (Member Services Manager –

South) will be visiting as many sites as possible to answer questions from members about their Annual Statements. Please call Melinda (Queensland, New South Wales & Northern Territory) or Royston (Victoria, South Australia, Western Australia & Tasmania) to ensure you are on the call program by contacting them directly on **Melinda: 0407 919 796** or Melinda@amist.com.au and **Royston: 0437 697 737** or roystonb@amist.com.au

Remember AMIST Super is an "Industry Superannuation Fund" that only operates for the benefit of its members. It is a low cost, not for profit fund with the objective of the long term growth of the retirement benefits of employees in the meat and allied industries.

Article provided by Australian Meat Industry Pty Ltd (ABN 25 002 891 919, AFSL 238829, RSE Licence L0000895) as Trustee of the Australian Meat Industry Superannuation Trust (AMIST Super) (ABN 28 342 064 803, RSE Registration R1001778). The material provided is for information purposes only and is not intended to be considered as advice. The Trustee has not taken into account your personal financial circumstances when developing this communication. Before making any decision regarding your superannuation it is recommended that you seek advice from an independent qualified financial adviser.

Important Changes to Unfair Dismissal Rules for Employers

Since 27 March 2006 employers with 100 or less employees (applied only if the business was a constitutional corporation i.e. Pty Ltd) were exempt from the unfair dismissal laws.

On 1 July 2009, new unfair dismissal laws commenced for all employers under the federal workplace relations system as a result of the commencement of the Fair Work Act 2009 by the Rudd Labor Government. The new provisions mean that an employer with even one employee is subject to the full termination of employment provisions contained in the Act.

However, there are some restrictions upon claims that are made under the new laws:

1. **If employing 15 employees or more** - A dismissed employee will be unable to bring a claim if they were dismissed within the first six months of employment;
2. **If employing less than 15 employees** - A dismissed employee will be unable to bring the claim if dismissed within the first 12 months of employment.
3. The person was employed under a contract of employment for a specified period of time, for a specified task, or for the duration of a specified season, and the employment has terminated at the end of the period, on completion of the task, or at the end of the season; or
4. The person was an employee:
 - (i) to whom a training arrangement applied; and
 - (ii) whose employment was for a specified period of time or was, for any reason, limited to the duration of the training arrangement; and the employment has terminated at the end of the training arrangement; or
5. The person was demoted in employment but:
 - (i) the demotion does not involve a significant reduction in his or her remuneration or duties; and
 - (ii) he or she remains employed with the employer that effected the demotion.

Fair Dismissal Code

The Rudd Labor Government has released the Small Business Fair Dismissal Code which applies to employers with fewer than 15 equivalent full-time workers at the time the person is given notice or when the termination occurs, whichever is earlier. [A copy of the Dismissal Code has been included as an insert to this newsletter.](#)

The Code prescribes that the employer must follow a process of giving the employee a warning (which AMIC strongly

recommends should be in writing) and the opportunity for the employee to rectify the problem in a reasonable period.

NOTE: Large employers (i.e. those with 15 or more equivalent employees) will mostly likely be expected to have a more detailed disciplinary policy, which would specify more than one warning before termination occurs, except for summary dismissal offences.

Summary Dismissal

It is fair for any employer, small or large, to dismiss an employee without notice or warning when the employer believes on reasonable grounds that the employee's conduct is sufficiently serious to justify immediate dismissal.

Serious misconduct includes theft, fraud, violence and serious breaches of occupational health and safety procedures. For a dismissal to be deemed fair, it is sufficient, though not essential, that an allegation of theft, fraud or violence be reported to the police. Of course, the employer must have reasonable grounds for making the report.

Procedural Matters

In discussions with an employee in circumstances where dismissal is possible, the employee can have another person present to assist. However, the other person cannot be a lawyer acting in a professional capacity.

A small business employer will be required to provide evidence of compliance with the Code if the employee makes a claim for unfair dismissal to Fair Work Australia, including evidence that a warning has been given (except in cases of summary dismissal).

Evidence may include a completed checklist, copies of written warning(s), a statement of termination or signed witness statements.

Members can purchase the AMIC's 'Recruitment and Termination Kit', which contains a complete disciplinary procedure that is accordance with Federal and State termination of employment provisions. It is vital that all employers have such a procedure in place to restrict the chance of litigation against you.

NOTE: AMIC WILL BE RUNNING INFORMATION SEMINARS ON THE NEW CHANGES FROM MID SEPTEMBER 2009 ACROSS AUSTRALIA. MEMBERS WILL BE ADVISED OF THE SPECIFIC DATES AND VENUES IN EARLY AUGUST 2009.

As always, contact AMIC to further discuss any of the above matters.

Income Tax Changes

Due to the changes to income tax announced in the recent Federal Budget, members should ensure that they are taxing employee's earnings in accordance with the new 'Pay-As-You-Go' Withholding Tax Table, which commenced from 1st July 2009. Copies of the new tables can be obtained from the Australian Taxation Office (ATO) or visit their website at: www.ato.gov.au

2009 IR Changes

With the June 2009 newsletter AMIC members received a 20 page booklet outlining the major changes to the IR system resulting from the Rudd Government's Fair Work Act. We reproduce part of a table from that booklet:

SUBJECT MATTER	WHEN IT WILL APPLY
Changes to unfair dismissal laws	1 July 2009
Changes to agreement making	1 July 2009
Changes to right of entry	1 July 2009
Changes to Transfer of Business provisions	1 July 2009
Extension for Agreements made before March 2006	Must be by 31 Dec 2009
AIRC abolished	31 December 2009
Fair Work Australia Office created	31 July 2009
National Employment Standards (NES)-10 in all	1 January 2010
Modern Industry Awards – about 100 in all	1 January 2010

No 2009 Wage Increase for Some AMIC Members

The Australian Fair Pay Commission (AFPC) handed down its last decision on 7 July. From 2010 a new body will set the minimum federal wage level.

Over the past 3 years, AFPC has been the body that set the minimum wage levels for:

- Pty Ltd entities, and
- Employers in Victoria, ACT, NT.

In the decision handed down AFPC decided there

would be no changes to the wage levels for 2009.

This means – for 'Pty Ltd' entities and employers in the meat industry in Victoria/ACT/NT - the relevant wage levels are still those that applied from 1 October 2008.

This decision is not relevant for sole trader/partnership members of AMIC other than those in Victoria.

NEED RAZOR SHARP KNIVES?

Nirey electric knife sharpeners really work.

Every skilled butcher knows how vital well-sharpened knives are. They're not only much safer to use, but by holding their edge longer, make cutting, trimming and filleting quicker and easier, while retaining moisture in the meat.

Get the easy-to-use sharpener that will save you money and time, and help make a safer working environment.

Now used by thousands of Butchers throughout Australia!

Available from:

QUEENSLAND - SHARPEDGE Brisbane 07 3200 7187 | VADALS Brisbane 07 3907 7878 | CQ BUTCHERS & CATERING SUPPLIES Mackay 07 4957 6888 | SVENDSEN BUTCHERS SUPPLIES Cairns 07 4035 7333 | EKO SOLUTIONS Bundaberg 07 4131 6100 **NEW SOUTH WALES** - NEILD & CO PTY LTD 1800 643 589 | COOKING UNDER PRESSURE Mittagong 02 4872 4733 **VICTORIA** - SCHWARZ 03 8586 6000 **TASMANIA** - WARE BROS CUTLERY 03 6234 2286 **SOUTH AUSTRALIA & NTH TERRITORY** - MASTER BUTCHERS CO-OPERATIVE LTD 08 8262 5433 **WESTERN AUSTRALIA** - MBL FOOD SERVICE 08 9334 9600

ORDER YOURS TODAY!
For your nearest stockist,
Call 1300 650 656
Visit www.totalknifecare.com.au
Email info@totalknifecare.com.au

AUSTRALIAN IMPORTER **TOTAL KNIFE CARE** Call 1300 650 656 for Distribution Enquiries

Commercial **KE-280**

\$451
plus postage & handling



Features a patented, angle controlled cushion contact system, which produces razor sharp knives and polished edges in seconds

DESIGNED FOR CONTINUOUS COMMERCIAL USE

TKC
TOTAL KNIFE CARE
ON THE CUTTING EDGE