



## National Retail Council Report

By Kerry Melrose

**The issue of "beef grading" has taken the top billing on the matters being addressed by the National Retail Council.** Legislation has been introduced into the New South Wales Parliament and is now being considered Nationally, which, if passed could have the effect of requiring Independent Local Butchers to comply with a Government developed grading system. One of the proposals is that ILBs would require all meat in the cabinet to be of a particular grade (Platinum, Gold etc) and that the Government would determine these grades based on the AUS-MEAT language.

It is stated that the system would be optional for ILBs.

AMIC has made representations on the matter and understands that the intention is to address the allegations that some butchers are selling low quality beef as a high quality product. It is claimed that there is widespread dissatisfaction with the variations in beef quality being offered for sale. Statistics from MLA prove this claim is unfounded.

**It is the firm position of the National Retail Council that it does not support a Government legislated beef grading system.** The Council is of the view that the current AUS-MEAT and MSA systems, along with the expertise of our ILBs, more than cover the customer requirements for quality. With 3,000 ILBs in Australia plus the major chains, our customers have more than reasonable choice where they buy their meat and our livelihood depends on satisfied customers.

If the issue is misrepresentation of products, similar to the claims about hogget beings sold as lamb, the ACCC (Australian Competition and Consumer Commission) should take action. If this is not effective, as is claimed, then AMIC will support state based legislation which will underpin Truth in Labelling provided this is achieved without cost to our members.

If you have a view on this please contact AMIC on our web site [www.amic.org.au](http://www.amic.org.au).

**The Meat Industry Strategic Plan for 2010 – 2015 was launched by the Minister for Agriculture, Tony Bourke at Parliament House Canberra in August.** The MISP provides a high level direction for the meat

industry from paddock to plate. Peak Councils, including AMIC have direct input into how the MISP operates and Meat and Livestock Australia (MLA) and Australian Meat Processor Corporation (AMPC) will have carriage of delivery of the programs.

**The National Retail Council, at its September meeting, set the priorities for the Strategic Plan for its first year.**

Top priority is the continuation of the \$25m for the Domestic Marketing Plan and within that the three promotions for beef and three promotions for lamb. The meat promotional activity and Nutritional Programs from MLA have been very effective and more of the same is the direction from the National Retail Council.

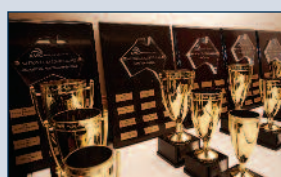
The MSA rules have come under significant criticism in recent time mainly because of the extension of the boning groups and the perception by some ILBs that standards have been lowered. Several meetings have been held on the issue and MLA has formed an industry wide committee to analyse the claims and make recommendations on possible changes. AMIC is represented on this Committee and welcomes this opportunity to have an industry wide workshop to ensure that all interests are represented. A report will be available in the next newsletter.

**Much of the AMIC Industrial Relations Department time over many months has been taken up with the changes brought about by the Modern Meat Industry Award and the National Employment Standards (NES), both of which commence on 1 January 2010.** AMIC drafted the Modern Meat Industry Award to ensure that the benefits in the current three Meat Industry Awards were maintained in the Modern Award. There are changes including the fact that there is now a single award and the requirements of NES have been incorporated. AMIC is providing member training for these changes in seminars held throughout Australia. If you have not attended a seminar we encourage you to do so as it is an informative workshop and will assist you to operate under this new regime.

**AMIC Retail Council meets regularly in your state and we encourage you to attend a meeting and have your input in the issues which affect your industry.**



## The National Sausage King Final State Sausage Kings Brace for a Beach BBQ Battle!



Queensland will be the host State for the 12th annual National Sausage King Competition, which will be held at Broadbeach on the Gold Coast on the 5th and 6th of February 2010.

Some states have now completed their State Sausage King Competitions with the remaining ones wrapping up their finals by the end of November. We will have the full line-up of all State Sausage Kings who will participate in the National Final in the next newsletter.

Queensland has planned an exciting event for everyone involved so here is what you can look forward to if you are attending:

A *Meet & Greet* session kicks off the festivities on Friday, 5th February in the Courtyard of the beautiful Sofitel Hotel in Broadbeach. This is an ideal time to socialize with your peers from other parts of the country, though no State secrets will be revealed!



Rooms have been reserved at the Sofitel at these special rates:

Classic River View Rooms	\$200 per room per night
Superior Ocean View Rooms	\$220 per room per night



The following morning at the Kurrawa Surf Lifesaving Club, a scrumptious *Breakfast with the Butchers* will be served before the serious business of judging the top sausages in the country.

A *Presentation Dinner* will top off the celebrations in the Grand Ballroom at the Sofitel Hotel where the six National Sausage Kings will be feted and crowned.



## THANK YOU TO OUR SPONSORS:



# INDUSTRIAL RELATIONS MATTERS

## Free Copy of New Meat Industry Award 2010

THIS AWARD IS EFFECTIVE 1 JANUARY 2010



On 4th September 2009 the Australian Industrial Relations Commission (AIRC) handed down the new Meat Industry Award 2010 as part of The Award Modernisation process.

AMIC has been involved in this process over the past 18 months through appearances before the AIRC as well as 15 written submissions arguing for the retention of the current provisions contained in the current Meat Industry Awards.

**As a result, AMIC has been able to retain almost all of the provisions of the previous three federal meat awards into the new single award.**

It is important to note that you are lawfully required to provide access to the award to all of your employees either on a notice board or through electronic means, whichever is more accessible for the employees.

Presently, it will cover all CCs (Pty Ltd's) everywhere as well as Sole Traders & Partnerships in Victoria, ACT and NT. As Queensland, SA and Tasmania have agreed in principle to hand over their state powers to Canberra, it will also apply to them in due course.

NSW and WA have not yet agreed to hand over their powers to Canberra, but assuming they do, this award will then also apply to Sole Traders & Partnerships in NSW and WA. We will keep you further informed.

**This will mean that the new award will apply to everyone everywhere – CCs and Sole Traders/Partnerships alike in all states and territories.**

A copy of the new award is included with this newsletter.

## Fair Work Act 2009

We have over the past 18 months written to members that the revolution was coming. Substantial sections of the Act commenced on 1 July 2009. The timetable for key sections of the Act is as follows:

- National Employment Standards (NES) – 1 January 2010 (Please see page 3)
- Modern awards – 1 January 2010 – New Meat Industry Award enclosed
- Unfair dismissals – 1 July 2009
- Major changes in agreement making – 1 July 2009
- Fair Work Australia – 31 July 2009

### It covers:

- All CC's (Pty Ltd's) everywhere and all sole traders/partnerships in Victoria/ACT/NT

The states of Queensland, SA and Tasmania have agreed in principle to hand powers over to Canberra. **This represents a very significant change made by those state governments.** It means sole traders/partnerships in those states will also be covered by the Federal system as already in Victoria.

The states of NSW and WA have yet to agree in principle to hand over their powers.

## Unfair Dismissals

The Fair Work Act 2009 restores broad access to unfair dismissal laws. It removes the "100 or fewer" employees exemption that existed under the WorkChoices legislation of 2006.

An employee does not have access to these laws:

- if the annual rate of earnings is above \$108,300
- if period of employment is less than 12 months continuous service for a small business employer or, 6 months for other employers
- if the employee was dismissed for genuine redundancy reasons
- if employed for a specific task/period.

Casuals are covered if more than 12 months service applies and the person was employed on a regular and systematic basis with a reasonable expectation of continuing employment.

For Small Business employers (fewer than 15 by means of a mathematical formula) there is a Small Business Code to be followed. AMIC has already distributed this to members.

# INDUSTRIAL RELATIONS MATTERS

## National Employment Standards (NES)

There are 2 core elements to the Federal Fair Work Act 2009. One is the creation of approximately 100 Modern Industry awards that replace some 4000 federal awards. The other core element is the National Employment Standards or NES. They are 10 in number and enshrined into the legislation. They apply to all employees of National System Employers.

While most detail of the NES reflects current matters, some is new. We briefly detail the 10 items and please note that this is simply a brief summary.

### 1. Maximum Weekly Hours

- 38 for Full Timers and for others the normal ordinary hours for the week;
- Employer can request employee to work reasonable additional hours and employee can refuse;
- There are 10 factors listed concerning whether the additional hours are reasonable – *health, personal circumstances, needs of the workplace, overtime rates, when notices given, patterns of work, employee's role, averaging provisions in place, any other matters*;
- Also applies to casuals;
- Also applies substantially to non-award employees (including the 10 factors).

### 2. Flexible Work Arrangements

- Employee can request change in working arrangements to care for a child (one who is under school age or under 18 with disability);
- Employee must have completed 12 month's continuous service;
- Long term casual covered – defined as one with 12 month's service with expectation of continuing employment on a regular and systematic basis;
- Request must be in writing and employer can refuse on reasonable business grounds and employer must detail reasons for refusal.

### 3. Parental Leave

- Covers employees with 12 months continuous service and long term casuals;
- Basic entitlement of 12 months unpaid leave in 1 continuous period;
- Leave can commence 6 weeks before birth for female and date of the birth for male;
- An extension for a second 12 months of parental leave is permitted but the employer can refuse on reasonable business grounds;
- There is a provision for Unpaid Special Maternity Leave if employee ill or pregnancy ends within 28 weeks of expected birth;
- There are evidentiary requirements, employer must guarantee return to work at end and if there are changed circumstances the employer must consult the employee.

### 4. Annual Leave

- 4 weeks and 5 for a shiftworker who regularly works Sundays and public holidays;
- Accrues progressively through the year;
- Employee able to take leave that has accrued and employer

- cannot unreasonably refuse;
- Payment is base rate of pay but also look to any award provisions;
- Not applicable for casuals.

### 5. Personal/Carer's Leave/Compassionate Leave

- 10 days per year and accrues progressively during any year;
- Employee can take it as sick leave or carer's leave;
- Base rate of pay to be paid;
- Personal/carer's leave not applicable to casuals;
- In addition, employees (including casuals) entitled to 2 days unpaid carer's leave for each occasion to care for member of immediate family or household;
- Employees (including casuals) entitled to 2 days compassionate leave – not paid for casuals but it is paid for others;
- There are evidentiary requirements for this NES.

### 6. Community Service

- All employees entitled to be absent for 'eligible community service activity';
- Includes jury duty and emergency/natural disaster activity;
- There are notice and evidentiary requirements;
- Community service is not paid except for jury duty;
- Except for casuals, the first 10 days of jury duty is paid at the base rate of pay less any court money payable.

### 7. Long Service leave

- Whatever pertains to employees at the moment continues.

### 8. Public holidays

- Employee entitled to be absent on a public holiday;
- Employer may ask employee to work but employee can refuse if request unreasonable or refusal to work is reasonable – 8 factors listed to be considered;
- There are 8 public holidays specifically listed plus any other day declared or prescribed by a state/territory law plus any substituted day.

### 9. Termination and redundancy

- There are the usual notice of termination and redundancy scales listed;
- For employee to receive redundancy payments he/she must have attained 12 month's continuous service;
- Redundancy not applicable for small business (fewer than 15 employees);
- Not a genuine redundancy if reasonable to redeploy employee elsewhere in the enterprise.

### 10. Fair Work Information Statement

- Must be given to all new employees from 1/01/2010;
- Form currently being prepared by Ombudsman and will be distributed when available
- It will contain information about NES, Modern Awards, termination of employment, Fair Work Australia (FWA), right of entry.

## Sole Traders and Partnerships at Risk

If your business is unincorporated (that is you are not a Pty Ltd company, but operate as a sole trader or in partnership with others), should your business fail, your own home may be at risk – as well as other assets you own personally.

To protect against this in the past, sole traders and business partners frequently arranged for their spouse to hold the family home wholly in their name. However, recent changes in bankruptcy legislation have made this more complicated – to the point that such protection is no longer certain.

Many of our members operate their business as a sole trader, or in partnership with others. They should seek proper advice in order to ensure as far as possible that their personal assets are protected in the event of a business failure.

## Meat Industry Strategic Plan

The Red Meat Advisory Council (RMAC) is responsible for the development of strategic plans for the red meat industry as a whole. This includes producers, lot feeders, processors, retailers and exporters who together are responsible for guaranteeing the supply of red meat and livestock to domestic and international markets.

A new plan for the period 2010 to 2015 has recently been developed and as a peak industry council, AMIC has provided significant input through its various industry councils. The plan affects all AMIC members in some way, but particularly Processors, Exporters, Wholesalers and Retailers.

A summary of the plan is enclosed with this newsletter. If you require further information, please contact your local AMIC office, or the national office.

## Tax Office Debt – interest free payment arrangements

The Australian Tax Office has introduced measures to help small businesses manage their tax payment obligations in the current difficult economic climate.

If you have business with an annual turnover of less than \$2 million and make payments for GST and PAYG, you can apply to the Tax Office for payment plan arrangements for up to 12 months – without being charged interest.

You can apply anytime up until 30 June 2010 and various conditions apply. Contact your accountant or the Tax Office direct on 13 11 42 for further information.

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# Signs of recovery bolster superannuation returns



The negative effects of the Global Financial Crisis have certainly taken their toll across the world economy, with stock markets crashing, unemployment on the rise, and a gloomy mood shrouding the market.

But several indicators are now suggesting the worst is over and our economy is starting to recover. Here in Australia, GDP has actually grown, house prices are still rising and sales reasonably buoyant, plus demand for mortgages is strong. And the Australian share market has rallied consistently off its low of 3111 points in March to be trading at over 4400 points in early September.

Like all investments, however, superannuation returns have taken a battering as a result of the falls in stock markets. But meat industry fund, AMIST Super, is now reporting a return to positive territory.

**“The investment portfolios within AMIST Super are constructed in such a way that they can weather a financial storm like the one we’ve just come through,”** said AMIST Super CEO, John Livanas. **“While the negative returns we encountered earlier in the financial year have affected the year’s overall results, I am pleased to report consistent positive returns across all investment options have been achieved since March.”**

**Indeed AMIST Super’s most aggressive portfolio, the Growth Option, for example, recorded returns of 3.88%, 5.02%, 1.83% and 1.00% for the four months to June 2009.**

“Here at AMIST Super, we have positioned the fund to move forward and grow even stronger. While other funds may be finding the going tough, AMIST Super is a robust fund and is very well regarded within the financial services community”, Mr Livanas said. “In fact, the Australian Prudential Regulation Authority’s recent report on Superannuation Fund-Level Rates of Return placed AMIST Super 8th out of over 200 funds surveyed for returns over the 5 years to 2008.”

**AMIST Super is an Industry Superannuation Fund that operates purely for the benefit of its members.** It is a low cost, not for profit fund that endeavours to grow over time the retirement benefits of employees in the meat and allied industries.

**AMIST Super helps both employers and their employees – we aim to make super easy to understand and help you to make the most of it.** Employers are able to pay super using online processing – this is fantastic news and we have had great feedback from employers and payroll people who use it. AMIST Super’s ‘eServices’ team can help with this – just call 1800 808 614.

**We really need the help of employers when it comes to starting up a new employee.** Ideally, we would like our employers to encourage their new staff to read the AMIST Super Product Disclosure Statement (PDS), then complete and return the application form in the back of the booklet. If this is not possible, it is essential we receive as an absolute minimum, the new employee’s full name, address, tax file number and date of birth, so that we can match payments to the correct person.

**Don’t feel that you have to become an authority on superannuation so that you can answer questions from your staff.** Members can access information at various levels – from our newly redesigned website at [www.amist.com.au](http://www.amist.com.au) by calling our Super Hotline on 1800 808 614 or speaking to one of our Member Services Managers. Royston and Melinda are keen to come out on site and talk face to face with employers and members wherever possible.

**Remember AMIST Super is here to help our members and employers. Please feel free to keep in touch with us.**

**Royston covers Victoria, SA, Tassie and WA and can be contacted on 0437 697 737 or [roystonb@amist.com.au](mailto:roystonb@amist.com.au) and Melinda who covers NSW, QLD and NT can be contacted on 0407 919 796 or [melinda@amist.com.au](mailto:melinda@amist.com.au)**

**AMIST Super – Solid. Strong. Yours.**

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.

# Why do private companies need Management Liability Insurance protection?

Management Liability Insurance is designed to help private companies manage their individual & corporate exposures to assist them in surviving the complex threats of litigation compliance with legislation & employee theft that may expose the bottom line.

Common types of risks that may be particularly applicable in the meat industry and covered by such a policy include:

THE RISKS: -

- **Directors and Officers Liability**  
Investors, customers, clients, government regulators, and competitors can sue a firm's board members and officers over their actions or decisions.
- **Employment Practice Liability**  
Employees and former employees can sue a firm, its board members and its officers for discrimination, harassment, and other illegal employment practices.
- **Trustees Liability**  
Retirees, former employees, and employees can sue the firm and its plan fiduciaries for alleged mismanagement in administering benefits.
- **Corporation Crisis Cover**  
Serious unforeseen events have the potential to cause imminent operational loss to the company if left unmanaged. The reasonable expenses of a crisis management consultant are included.

- **Statutory Liability**

A regulatory/Government body may impose a fine upon the Company, its directors, officers & employees for breach of their statutory requirements including occupational health & safety legislation.

- **Corporation Fidelity**

A trusted employee can embezzle funds, steal inventory, or commit fraud over a long period of time.

**The cost of defending any of these actions can be very high and even financially cripple a business or its owners, directors and officers. Even those who manage the business can be sued personally, not just the business itself.**

The above is only a brief outline and not intended to be a comprehensive checklist.

**Whilst most AMIC members would not presently have this type of insurance, they should at least consider it. Many members already have their other business insurance through JMD Ross, so, to find out more, call Graeme Fitton at JMD Ross Insurance Brokers Pty Ltd on 02 9478 0809 or Freecall 1800 240 123 [gfitton@jmdross.com.au](mailto:gfitton@jmdross.com.au)**



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