



# Horticulture Award

C14 Decision





## C14 Decision

The Fair Work Commission has made important changes to the C14 classification rates in modern awards, particularly affecting the Horticulture Award.

These changes will impact how employers classify and pay workers in the horticulture sector from 1 April 2025.

# Overview

What is C14 anyway

How does it relate to the Horticulture Award

Why did this review come about

What did Industry do to support and push back

What does this mean for employers

What do I need to do

FAQ's

## Background - What is C14

C14 and C13 rates are respectively the lowest and second-lowest pay rates that were included in some awards.

- C14 = Level 1 Horticulture Award
- C13 = Level 2 Horticulture Award

**Current Level 1 Rate \$ 23.46**

**Current Level 2 Rate \$ 24.10**





# National Minimum Wage



Fair Work  
OMBUDSMAN





## Fair Work Information Statement

Employers must give this document to new employees when they start work. Find more information at [fairwork.gov.au/fwis](https://www.fairwork.gov.au/fwis)

### Important information about your pay and conditions

For help in your language visit [fairwork.gov.au/language-help](https://www.fairwork.gov.au/language-help)

Employees in Australia have entitlements and protections at work, under:

Fair Work laws	Awards	Enterprise agreements	Employment contracts
 <ul style="list-style-type: none"><li>▶ set minimum entitlements for all employees</li><li>▶ includes the National Employment Standards</li></ul>	 <ul style="list-style-type: none"><li>▶ set minimum pay and conditions for an industry or occupation</li><li>▶ cover most employees in Australia</li></ul>	 <ul style="list-style-type: none"><li>▶ set minimum pay and conditions for a particular workplace</li><li>▶ negotiated and approved through a formal process</li></ul>	 <ul style="list-style-type: none"><li>▶ provide additional conditions for an individual employee</li><li>▶ can't reduce or remove minimum entitlements</li></ul>

Find your award at [fairwork.gov.au/awards](https://www.fairwork.gov.au/awards) Check if your workplace has an enterprise agreement at [fwc.gov.au/agreements](https://www.fwc.gov.au/agreements)



### Other information statements

Your employer may also need to give you other information statements.

The Casual Employment Information Statement (CEIS) must be provided to **casual employees** before, or as soon as possible after, the start of employment, and also at set times throughout their employment. For more information and to access the CEIS go to [fairwork.gov.au/ceis](https://www.fairwork.gov.au/ceis)

The Fixed Term Contract Information Statement (FTCIS) must be provided to **employees on a fixed term contract** before, or as soon as possible after, entering into the contract. You can find the FTCIS at [fairwork.gov.au/ftcis](https://www.fairwork.gov.au/ftcis)



### Your pay

Your **minimum pay rates are in your award or enterprise agreement**. If there isn't an award or agreement for your job, you must get at least the National Minimum Wage. Minimum pay rates are usually updated yearly.

Find out what you should get at [fairwork.gov.au/minimum-wages](https://www.fairwork.gov.au/minimum-wages)

**National minimum wage**  
From 1 July 2024



**\$24.10 per hour or \$915.90 per week**  
(based on a 38 hour week)  
for full-time employees



**\$24.10 per hour**  
for part-time employees



**\$30.13 per hour**  
for casual employees

This is the adult minimum rate for employees with no award or enterprise agreement. Lower rates may apply to juniors, apprentices and trainees. They also may apply to employees with disability if their disability affects their productivity. Lower rates may also apply under some awards. For example, introductory rates might apply for a limited time after an employee starts their job. **You can't agree to be paid less than the minimum pay rates that apply for your job.**

## Review of 2019

In 2019, the Fair Work Commission (FWC) announced a review of modern awards containing C14 classification rates that were “***either non-transitional or lacked a defined transition period***”.

These awards were referred to the Full Bench of the FWC for review.

The Review of C14 and C13 rates in modern awards arose from the [Annual Wage Review 2018-19 decision \[2019\] FWCFB 3500](#) and follows from the [decision of 16 April 2024 \[2024\] FWCFB 213](#) and was finalised and published on 19<sup>th</sup> November 2024.

[7] In light of the above aspects of the *AWR 2023 decision*, the (then differently constituted) Full Bench in this matter issued a statement on 22 September 2023 (September statement) in which it expressed the following provisional view:

[8] The Expert Panel's conclusions in the *AWR 2023 decision* have necessarily required a refocussing of the objective of this review. Consistency with the propositions stated in that decision would suggest that, where a modern award contains a C14 rate (currently \$22.61 per hour), it should only operate for a defined transitional period, and the lowest rate applicable in any modern award to ongoing employment should be at least the C13 rate (currently \$23.23 per hour). Accordingly, our *provisional* view is that the following principles should guide the completion of this review:

- (1) The lowest classification rate in any modern award applicable to ongoing employment should be at least the C13 rate.
- (2) Any classification rate in a modern award which is below the C13 rate (including but not limited to the C14 rate) must be an entry-level rate which operates only for a limited period and provides a clear transition to the next classification rate in the award (which must not be less than the C13 rate).
- (3) The transition period for the purpose of (2) should not exceed six months.

## What does this determination mean ?

- the lowest classification rate in any modern award applicable to ongoing employment should be at least the C13 rate
- any classification rate below the C13 rate must be an entry-level rate operating for a limited period and provide a clear transition to a higher rate
- the transition period on a rate below the C13 rate should not exceed 6 months

The changes to the *Horticulture Award 2020* and *Pastoral Award 2020* take effect from **1 April 2025**.



# What did Industry do ?



## Australian Fresh Produce Alliance (AFPA)

Submitted opposition to the provisional views



## AiGroup

Submitted opposition to the provisional views



## National Farmers Federation

Submitted opposition to the provisional views



# Key Areas of Submission Points

- Seasonal workers engaged on a temporary basis primarily perform fruit and vegetable picking tasks ***should remain at Level 1 indefinitely*** as the majority of short-term employees are not in ongoing employment engaged seasonally or at peak periods, and are casuals
- Level 1 to Level 2 should not be based on ‘industry’ experience but ***should occur either AFTER 3 months experience in a particular task*** or 3 months with the employer

# Key Areas of Submission Points

- Experience should relate to the **same 'type of crop'** or alternative view of 'tree-crop' farming vs 'ground-crop' farming
- 'Industry experience' means experience within the horticulture industry and the **3 months should have been obtained within the last 12 months**
- Three months experience should be **equivalised to 494 hours** in respect to casual or part time workers, and experience should have been gained within the last 3 years.

# Outcome

[https://www.fwc.gov.au/documents/decisionssigned/pdf/2024fwc\\_fb438.pdf](https://www.fwc.gov.au/documents/decisionssigned/pdf/2024fwc_fb438.pdf)

On 19th November 2024,  
the Fair Work Commission issued final  
determinations, leading to ***new rules  
and minimum pay rates*** for  
introductory levels





# So What Does this Mean ?

As part of the Fair Work Commissions “Review of C14 and C13 rates in modern awards, the changes to these awards, has now come into effect and for the Horticulture Award, this change is effective as of

**1<sup>st</sup> April 2025**

<https://library.fairwork.gov.au/award/?krn=PR781363>

# Current Wording - Classification Schedule L1

## Schedule A—Classification Definitions

### A.1 Level 1

**A.1.1** Level 1 employee means an employee classified in accordance with the following criteria:

#### A.1.2 General description

An employee at this level:

- undertakes induction training which may include information on the enterprise, conditions of employment, introduction to supervisors and fellow workers, training and career opportunities, plant layout, work and documentation procedures, work health and safety, equal employment opportunity and quality control/assurance;
- performs routine duties essentially of a manual nature and to the level of their training;
- exercises minimal judgment;
- works under direct supervision;
- is responsible for the quality of their own work;
- is a new employee; or is an existing employee performing work within this grade who is undertaking training so as to enable advancement to Level 2.

# Current Wording - Classification Schedule L1

## A.1.3 Indicative duties

Indicative of the duties an employee may perform at this level are:

- performing general labouring duties;
- fruit or vegetable picking, thinning or pruning;
- operating small towing tractor engaged in transfer of produce bins and other containers during harvest;
- performing a range of housekeeping tasks in premises and grounds;
- sorting, packing or grading of produce where this requires the exercise of only minimal judgment;
- performing basic recording functions related to work performed at this level;
- providing assistance within the scope of this level to other employees as required;
- undertaking structured training so as to enable advancement to Level 2.

# Current Wording - Classification Schedule L2

## **A.2 Level 2 employee**

**A.2.1** Level 2 employee means an employee classified in accordance with the following criteria:

### **A.2.2 General description**

An employee at this level:

- has completed up to 3 months structured training so as to enable the performance of work within the scope of this level;
- works under general supervision either individually or in a team environment;
- works with established routines, methods and procedures;
- performs a range of tasks involving the use of skills above and beyond those of Level 1 and to the level of their training;
- exercises limited discretion;
- is responsible for the quality of their own work;
- receives training in work health and safety standards and practices relevant to the site;
- performs lower level tasks as required without loss of pay unless re-engaged to perform tasks at predominantly a lower skill level.



# Current Wording - Classification Schedule L2

## A.2.3 Indicative duties

Indicative of the duties an employee may perform at this level are:

- performing a range of tasks involving the set up and operation of production and/or packaging or picking equipment, labelling and/or consumer picking equipment;
- repetition work on automatic, semi-automatic or single purpose machines or equipment;
- assembling/dismantling components using basic written, spoken and/or diagrammatic instructions in an assembly environment;
- irrigation, spraying or pruning under general supervision;
- sorting, packing and grading beyond the scope of Level 1 duties;
- maintaining simple records;
- using hand trolleys, pallet trucks or other mechanical or power driven lifting or handling devices not requiring a licence;
- operating tractors with engine capacity of up to 70 kW;
- general and routine product testing;
- providing assistance within the scope of this level to other employees as required;
- assisting in the provision of on-the-job training in conjunction with supervisors, tradespersons or trainers;
- undertaking further training so as to enable advancement to Level 3.

# Changes coming in the Classification Schedule

The Schedule A Classification descriptions in the Horticulture Award will be varied so as that at the end of the Level 1 description, section 1.2 a new bullet point will be inserted and the new clause of :

***will progress to Level 2 after no more than 3 months' industry experience***

The Level 1 duties will also be transposed into the Level 2 Classification description, and include the bullet point:

***has 3 months' industry experience to enable the performance of work within the scope of this level***

# Definition of Industry Experience

## Scope

Industry experience includes **any work in the horticulture sector** (e.g., picking, planting, harvesting), regardless of crop type

## Award Coverage

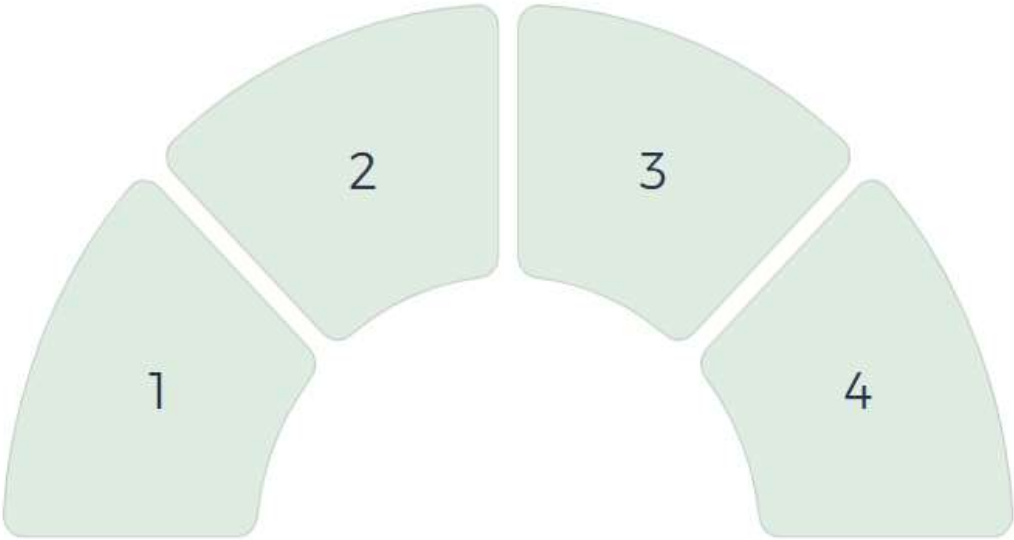
Experience must have been paid under the **Horticulture Award**

## Cumulative

Experience is counted across all horticulture industry employers

## No Hour Minimum

Not dependent on a total number of accumulated hours



# How is 3 months calculated

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Cumulative Experience

Cumulative across all horticulture industry employers

No Hour Requirements

Not dependent on a total number of accumulated hours

Example Calculation

A worker with **4 weeks' experience in 2017 planting on a strawberry farm, 4 weeks in 2019 picking on a grape farm, and 5 weeks in 2022 on a broccoli farm** qualifies as having 3 months of industry experience



# Pay Rate Changes 01 April 2025

Horticulture Award Full-Time/Part-Time	Hourly Rate	Increase
Level 1	\$23.46	-
Level 2	\$24.10	+\$0.64/hr (2.75%)

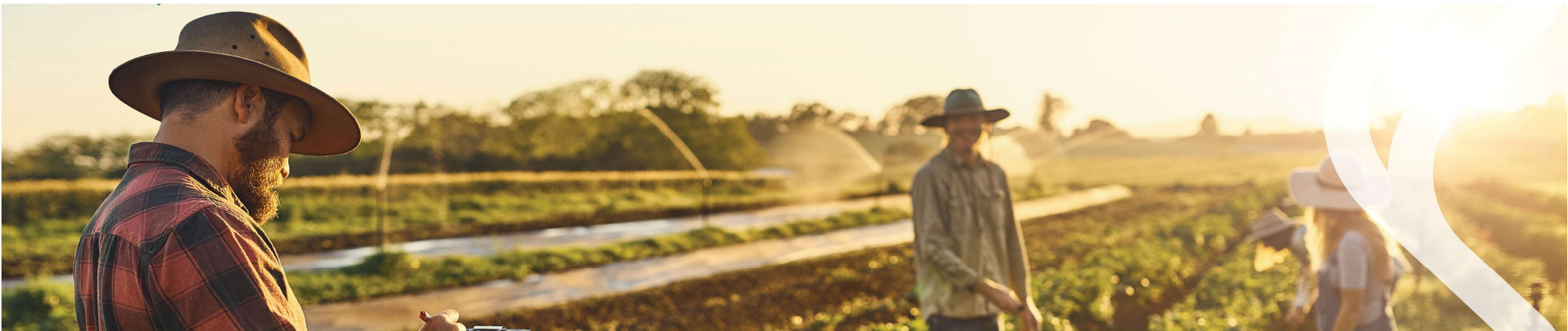
Horticulture Award Casual	Hourly Rate	Increase
Level 1	\$29.33	-
Level 2	\$30.13	+\$0.80/hr (2.75%)

**Employers must prepare for the usual minimum wage increase on 1st July 2025.**



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**What do I need to do.....**



[www.fairfarms.com.au](http://www.fairfarms.com.au)



## Next Steps for Employers - Part 1

1

Review Employee Engagement Periods  
Identify employees **close to or exceeding 3 months of employment**

2

Consider Previous Experience  
Take into account **previous industry experience**

3

Identify Employees Requiring Reclassification  
If an employee at **Level 1** has **3+ months of industry experience**, they must be moved to Level 2 on the first full pay period after 1st April 2025

# Next Steps for Employers - Part 2

1

Discuss Changes with Affected Employees

Hold meetings to explain the classification changes

2

Provide Formal Written Notification

Issue **letters of variation** to employment contracts

3

Update Payroll Systems

Ensure pay rates are updated for relevant employees and update **payslip templates** to reflect Level 2 classification





# New Employees

## Steps for Hiring Under the Horticulture Award

### Before Hiring

- 1 Check the Right Pay Level**
  - Find the right level based on skills and experience
  - Explain Level 1 and Level 2 differences clearly
- 2 Ask About Past Experience**
  - Get details about previous farm work
  - Keep records for pay purposes
- 3 Provide Required Paperwork**
  - Give Fair Work Information Statement to all new workers
  - Provide clear employment contract with pay details
  - For casual workers, include Casual Employment Statement

### During Employment

- 1 Track Experience**
  - Keep records of work history
  - Move workers to Level 2 after three months of experience
- 2 Communicate Pay Changes**
  - Tell workers when their pay will increase
  - Give written notice when moving to Level 2
- 3 Keep Pay Records**
  - Use current Horticulture Award rates
  - Set up systems to update pay after 3 months
  - Keep all records for 7 years

### Ongoing Tasks

- 1 Review Pay Rates**
  - Check for updates from Fair Work Commission (June)
  - Update wages to match minimum requirements
- 2 Train Your Team**
  - Make sure HR and payroll staff understand the rules
  - Train supervisors on Level 1 to Level 2 progression

# Enterprise Agreements

Some employers and employees may be covered by an [enterprise agreement](#) and not an affected award.

If an employee is covered by an enterprise agreement and paid introductory rates, they will still be required to be paid in line with the new classification rate under the award that would otherwise apply to them. This change will apply from 1 April 2025.

Employers should check their enterprise agreement and applicable award to ensure that any introductory rates meet at least the minimum base rates in their relevant award.



# Overview – Compliance Deadline

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1

## **Review**

Review all employee classifications

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2

## **Update**

Update systems and documentation

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3

## **Implement**

Implement changes by the deadline

Employers should act now to ensure compliance by **1 April 2025**.

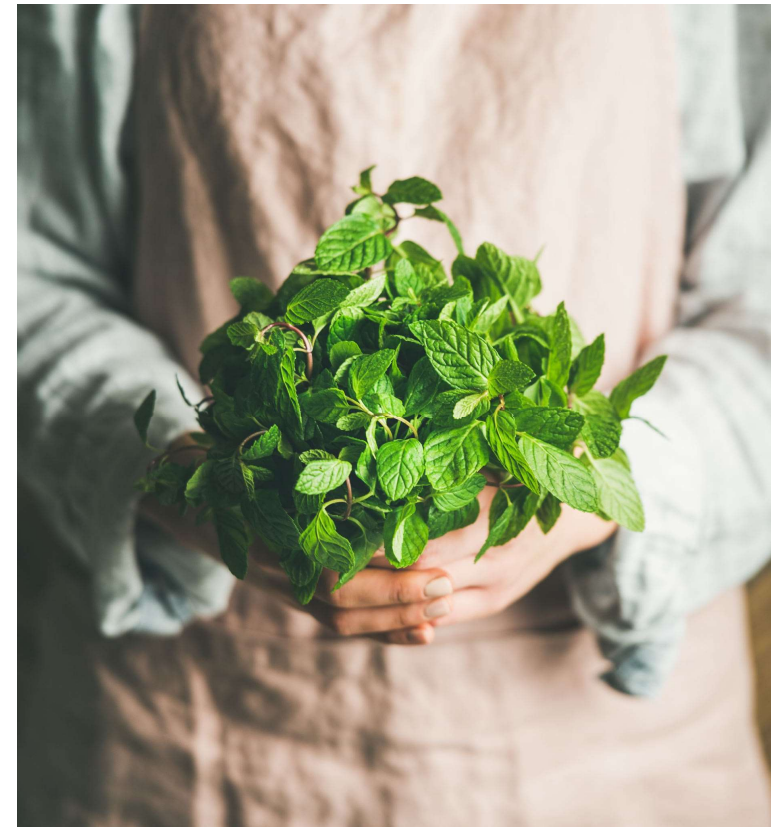
## Resources available

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Template Letter to advise of Level 1 to Level 2 Progression

Steps for New Hires

Hiring Compliance Checklist





## FAQ's

FAQ list answered and emailed out to all participants over next few days



**Thank you**

