# Piecework agreement – Horticulture industry

You can use this template to make a piecework agreement under the Horticulture Award 2010 [MA000028].

Under the award employees have to enter into a written piecework agreement before they can be paid piecework rates.

This template has been colour coded to help you complete it accurately. You simply need to replace the red < > writing with what applies to your employee and situation.

Explanatory information is shown in *blue italics* to assist you and should be deleted once you have completed the agreement.

For more information on [pay and piecework rates](http://www.fairwork.gov.au/horticulture) visit www.fairwork.gov.au/horticulture or contact the Fair Work Infoline on 13 13 94.

## Steps for preparing a piecework agreement in the Horticulture industry

### Step 1: Check the Horticulture Award 2010 [MA000028]

The Horticulture Award (**Award**) contains special provisions for pieceworkers. You should check clause 15 of the Award to make sure you understand your obligations in relation to pieceworkers.

View the [Award](http://awardviewer.fwo.gov.au/award/show/MA000028) at awardviewer.fwo.gov.au/award/show/MA000028.

### Step 2: Talk to the employee

If you and your employee want to enter into a piecework agreement, you should meet with them and agree to one or more piecework rates. In deciding on piecework rates, you should consider what work they’ll be doing and how much work an ‘average competent employee’ would be able to do per hour. A piecework rate must:

* enable the 'average competent employee' to earn at least 15% more per hour than the minimum hourly rate in the Award for their type of employment and the employee’s classification level. The calculation of piecework rates for casual employees will include the casual loading; and
* be paid for all work performed in accordance with the piecework agreement.

The pick rate of the average competent employee can change throughout the life of the piecework agreement and therefore must be reassessed regularly. It is your responsibility as the employer to ensure the piecework rate paid is compliant at all times and is reflected in the piecework agreement.

[Find more guidance on identifying the pick rate of the average competent employee](https://www.fairwork.gov.au/horticulture-showcase/pay-piecework-rates/how-to-use-piecework-agreements#horticulture-award) at https://www.fairwork.gov.au/horticulture-showcase/pay-piecework-rates/how-to-use-piecework-agreements.

### Step 3: Create your agreement

Piecework agreements must be in writing and be signed by you and your employee. Once you and your employee have agreed to a piecework rate(s), fill in the template below.

The Award does not require a parent or guardian to co-sign the agreement if an employee is under 18 years of age, but it's considered best practice and may be required by state law.

### Step 4: Provide the agreement to the employee and keep a copy for your records

Once you’ve signed the agreement, provide a copy to the employee. You also need to keep a copy as part of your time and wage records.

Date: <insert date>

**Private and Confidential**

**Piecework agreement**

Agreement between:

<insert employee name and address>

(You, the **Employee**)

and

<insert employer name and address>

(**Employer**)

1. This is a Piecework Agreement (**Agreement**) for the purpose of clause 15.1 of the Horticulture Award 2010 [MA000028] (**Award**).
2. This Agreement starts on <insert date>.
3. Your employment will be <insert employment status>. You will be employed at <insert level> under the Award.
4. The work you will do under this Agreement is described below:
   1. <insert description of work(s)>.

*(eg. picking/packing/pruning. If the employee also performs work that isn’t covered by the piecework agreement, this should not be included here).*

1. You will be required to do this work at the following location(s), or elsewhere as reasonably directed by the Employer:
   1. <insert work location(s)>.
2. The agreed piecework rate(s) for your work is/are set out in the table below. These rates will be reviewed regularly.

*(This tool allows you to enter different piecework rates for different circumstances and conditions.*

*The piecework rates for the 'average competent employee' may change depending upon variables such as: the workforce available; the crop involved; the plants involved; terrain; the particular harvest; the picking required; the size and sophistication of the business; the packing shed; harvesting or pick data.*

*Use the 'Notes (conditions/variables)' field to specify when each rate applies. For example, you could add "wet weather rate" or "selective picking rate").*

|  |  |  |  |
| --- | --- | --- | --- |
| Unit of measure | $ per unit | Crop/product type | Notes (conditions/variables) |
| *(eg. Kilogram, 60cm x 80cm box)* | *(eg. $5.00)* | *(eg. Oranges)* | *(eg. weather conditions; ripening process)* |

1. The Employer will pay the piecework rate(s) as set out in clause 6 above for all work performed as set out in clause 4 above.
2. The Employer will pay the agreed piecework rates instead of the minimum wages specified in clause 14 of the Award. Your earnings will depend on your productivity. This Agreement does not guarantee you will earn at least the minimum ordinary time weekly or hourly wage in the Award.
3. The following clauses of the Award do not apply to you as an employee on a piecework rate:
   1. clause 22 – Ordinary hours of work and rostering
   2. clause 24 – Overtime
   3. clause 24.4 – Meal allowance.
4. The Employer may require you to do additional work outside of this Agreement. Any work you do that is not covered by this Agreement will be paid in accordance with the applicable time-based rate under the Award.
5. This Agreement has been made genuinely and without coercion or duress.

You may seek information about minimum terms and conditions of employment from the Fair Work Ombudsman. You can find more information on their website at www.fairwork.gov.au/horticulture or by calling 13 13 94.

If you have any questions or would like to discuss this Agreement further, please contact me on <insert phone number>.

**Employee signature:**

Employee Name: <insert name>

Date: <insert date>

**Signature of parent/guardian:** *(If the employee is under 18 years of age, it's considered best practice and may be required by state law for a parent or guardian to co-sign the agreement. Remove if not requried.)*

Name of parent/guardian: *(remove if not required)*

Date: *(remove if not required)*

**Employer Signature:**

Employer Name: <insert name>

Date: <insert date>

**Checklist for employers**

Use the checklist below to help ensure your new piecework agreement meets the requirements of the Horticulture Award 2010 [MA000028] (**Award**) and other workplace laws.

* **Put it in writing**

This piecework agreement (**Agreement**) must be in writing and signed by the employer and the employee.

* **Check the piecework rates are ok**

The Agreement must have an appropriate rate of pay.

The piecework rate(s) paid must enable the 'average competent employee' to earn at least 15% more per hour than the minimum hourly rate in the Award for the employee’s type of employment and classification level. For casual employees, this calculation must also include the casual loading.

Keep a record of how the piecework rate(s) was calculated, including details of the average competent employee and their pick rate.

* **Be clear about what work is covered by the Agreement**

If the employee is performing extra work that is not covered by the Agreement, the employee must be paid in accordance with the applicable time-based rate under the Award.

* **Get it signed**

The employer and employee must both sign the Agreement. If the employee is under 18 years of age, it's considered best practice and may be required by state legislation for a parent or guardian to co-sign the agreement.

* **Translate it (if required)**

If an employee’s understanding of written English is limited, you should take measures to ensure the employee understands this Agreement. This may include translation of this Agreement into an appropriate language.

* **Keep a copy**

You must keep the signed Agreement as a time and wages record.

* **Give a copy**

You must give a copy of this signed Agreement to the employee.

* **Review your rates regularly**

It’s your responsibility as the employer to ensure the piecework rate paid is compliant at all times.

Piecework rates should be reviewed regularly and increased in line with:

* changes to the Award rates (which usually occur in July each year)
* changes in the workforce, crop or business that effect the pick rate of the employee of average capacity.
* **Make any changes in writing**

Any changes to the employee’s piecework rate(s) must be recorded in a new piecework agreement, signed by both parties.