# 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 visit www.fairwork.gov.au 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

The Horticulture 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.

### Step 2: Talk to the employee

If you and your employee want the employee to work as a pieceworker, you should meet with them and agree to one or more piece 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 relevant minimum hourly rate in the Horticulture Award
* be paid for all work performed in accordance with the piecework agreement.

### 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 piecework rates, fill in the template below.

### 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 and keep a copy as part of your time and wage records.

**Piecework agreement**

Agreement between:

<insert employer name and address>

(**Employer**)

and

<insert employee name and address>

(**Employee**)

The Employer and the Employee agree to enter into this Piecework Agreement (**Agreement**) under clause 15 (Pieceworkers) of the *Horticulture Award 2010 [MA000028]* (**Award**)*.* The Employer and Employee mutually agree as follows:

1. The work to be performed under this Agreement is as described below (**Work**):

*[add description of work – e.g. picking/packing. If the employee also performs work that isn’t covered by the piecework agreement this should not be included here.]*

1. The minimum piecework rate/s which must be paid by the Employer to the Employee for performing the Work is as specified in **Schedule A** to the Agreement.
2. The Employee is employed as a *[circle relevant status]* casual / part-time / full-time employee.
3. The date this agreement starts is <dd/mm/yyyy>.

**Employer signature: Employee signature:**

**Print name: Print name:**

**Date: Date:**

**Position:**

**SCHEDULE A**

**Piecework rates**

**Starting date**:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Property name**:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Property address**:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  | **Piecework rate 1:** | **Piecework rate 2:** | **Piecework rate 3:** | **Piecework rate 4:** |
| --- | --- | --- | --- | --- |
| **$ per unit** *e.g. Kg, punnet, box, bin, etc.* | $0.00 per <unit> | $0.00 per <unit> | $0.00 per <unit> | $0.00 per <unit> |
| **Crop type:** *e.g. oranges, apples, bananas, etc.* | <crop type> | <crop type> | <crop type> | <crop type> |
| **Variable(s)\*** | <variable> | <variable> | <variable> | <variable> |

*\* List the variables considered in arriving at the piecework rate. Variables can include things like weather conditions; ripening process; type of bin; type of picking (e.g. selective or stripping), packing or pruning; size of trees/plants; density of trees/plants.*

**Important notes**:

* The piecework rate/s must enable an ‘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 classification level.[[1]](#footnote-1).
* The piecework rate for an ‘average competent employee’ may change from day-to-day depending upon variables like weather conditions; ripening process; type of bin; type of picking (e.g. selective or stripping),pruning or packing; size of trees/plants; density of trees/plants. The Agreement can include a number of piecework rates for these variable situations or you can agree to vary the Agreement or make a new Agreement for each change.
* The piecework rate/s should be reviewed in light of any changes in the Award rate.
* If the piecework rate/s is varied, it must be agreed between the Employee and Employer, put in writing and signed by both.
* The piecework rate/s must be paid for all work performed in accordance with the Agreement. The piecework rate/s will be paid instead of the hourly or weekly wages specified in clause 14 of the Award.[[2]](#footnote-2)
* A casual employee must also be paid the casual loading. The casual loading is paid based on the base weekly or hourly rate of pay, not on the calculated piecework rate.
* The following clauses of the Horticulture Award do not apply to an employee on a piecework rate:

(a) Clause 22—Ordinary hours of work and rostering;

(b) Clause 24—Overtime; and

(c) Clause 24.3—Meal allowance

* The Employee’s earnings will depend on their productivity. The Agreement does not guarantee that the Employee will earn at least the minimum weekly or hourly wage in the Award for the type of employment and the classification level of the Employee.
* The Employer must give the Employee a copy of the piecework agreement and the Employer must keep it as an employment record.
* The Employer should keep a record of how they calculated the piecework rates.

1. Guidance on calculating piecework rates is available on our [Piece rates & commission payments](https://www.fairwork.gov.au/pay/minimum-wages/piece-rates-and-commission-payments) page. [↑](#footnote-ref-1)
2. The Work performed in accordance with this Agreement is as described in paragraph 1 and Schedule A to the Agreement. Any additional work must be paid according to clause 14 of the Award. [↑](#footnote-ref-2)