WORKPLACE HORIZONS

Your People. Your Performance. Our Passion.

August 2026

Welcome to Workplace Horizon's August update for SA Dairyfarmers members. We trust you find this month's update informative and useful. If you have any topic suggestions for future update, please contact us. Your feedback is also welcome!

All updates are also accessible on our website via SADA Update - August 2026

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WORKPLACE HEALTH & SAFETY

A Growing WHS Priority: Psychosocial Hazards

Primary producers have long understood the importance of managing physical safety risks on farms and in agribusinesses. However, psychological health is now receiving increased attention from regulators, with South Australia's *Code of Practice: Managing Psychosocial Hazards at Work* providing practical guidance on employer obligations under the *Work Health and Safety Act 2012 (SA)*.

What are Psychosocial Hazards?

Psychosocial hazards are aspects of work that can cause psychological or physical harm. In primary production settings, these risks may arise from:

- Long hours and excessive workloads during seeding, harvest or peak production periods.
- Remote or isolated work.
- Fatigue and inadequate recovery time.
- Poor workplace relationships, bullying or harassment.
- Lack of support or supervision.
- Exposure to traumatic events, including serious injuries, fatalities, drought, bushfires, floods or animal welfare incidents.
- Poorly managed organisational change or unclear roles and responsibilities.

These hazards can contribute to stress, anxiety, depression, fatigue and an increased risk of physical injuries.

What are your Obligations?

Under South Australian WHS laws, a Person Conducting a Business or Undertaking (PCUB), i.e. employers have a duty to manage psychosocial risks in the workplace in the same way they manage physical risks. This means eliminating psychosocial risks where reasonably practicable or minimising them so far as is reasonably practicable.
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SafeWork SA makes it clear that protecting workers from psychosocial harm **is a legal duty**, not simply a wellbeing initiative. Employers are expected to proactively identify hazards, assess risks, implement controls and review their effectiveness.

Practical Steps for Compliance

1. Identify psychosocial hazards

Consider what aspects of work may be causing stress or psychological harm. Information can be gathered through:

- Discussions with workers
- Toolbox meetings
- Incident and near-miss reports
- Exit interviews
- Absenteeism and turnover trends
- Observations of workplace practices

2. Consult with your Employees

Consultation is a specific WHS requirement. Employers and employees work together to identify hazards and determine appropriate controls. Employees often have valuable insights into workload pressures, fatigue risks and workplace culture issues.

3. Implement Controls

Effective controls focus on addressing the source of the risk. Examples for primary producers may include:

- Managing workloads and staffing levels during busy periods.
- Implementing fatigue management practices.
- Ensuring workers have appropriate training and supervision.
- Establishing clear expectations and responsibilities.
- Providing procedures for managing inappropriate behaviour, bullying and harassment.
- Supporting workers following traumatic incidents or emergency events.
- Improving communication during periods of change.

Importantly, employee wellbeing programs or counselling services alone are unlikely to satisfy WHS duties if underlying workplace risks remain unmanaged.

4. Review and Monitor

Psychosocial risk management should be an ongoing process. Employers should review controls following incidents, complaints, seasonal workload changes, organisational changes or significant events such as bushfires, floods or drought conditions.

Why this matters for Primary Producers

Primary producers face unique psychosocial challenges, including seasonal pressures, geographic isolation, labour shortages and exposure to uncontrollable environmental events. Managing these risks not only helps businesses meet legal obligations but can also improve worker wellbeing, retention, productivity and overall workplace culture.

Key Message

SafeWork SA expects psychosocial hazards to be managed as part of every workplace's WHS system. For primary producers, now is the time to review existing safety practices, consult with workers and ensure psychological health risks are being identified and controlled alongside physical hazards. Taking a proactive approach will help create safer, healthier and more resilient rural workplaces.

Do your current WHS policies reflect your and your employees' physical and psychosocial responsibilities and obligations?

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MANAGING YOUR CASUAL WORKFORCE

Casual employment has undergone significant change in recent years. Understanding these changes is critical for primary producers who rely on a flexible workforce to manage seasonal demand and fluctuating labour requirements.

- ***2021 Casual Conversion Reforms***
  The Fair Work Act 2009 (FWA) was amended in March 2021 to introduce a formal framework for casual employment. Key features included:

- ***Statutory Definition***
  The reforms introduced the first legislative definition of a casual employee, based on the absence of a firm advance commitment to ongoing work.

- ***Employer Obligations***
  Employers with more than 15 employees, were generally required to offer eligible casual employees conversion to permanent employment after 12 months of service where they had worked a regular pattern of hours for at least the previous six months.

- ***Employee Requests***
  Eligible casual employees also retained a right to request conversion to full-time or part-time employment where they met the relevant criteria.

- ***The Shift to the Employee Choice Pathway***
  From 26 August 2024, the casual conversion model was replaced by the Employee Choice Pathway, alongside a revised definition of casual employment.

The most significant change for employers is that responsibility for initiating the process has shifted from the employer to the employee. Rather than proactively offering conversion, employers are now required to respond when an eligible employee requests permanent employment.

1. Understanding the Definition of a Casual Employee

The FWA now defines a casual employee as a person whose employment relationship is characterised by an absence of a firm advance commitment to continuing and indefinite work, and who receives a casual loading or casual rate of pay.
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When assessing whether an employee is genuinely casual, employers must look beyond the employment contract and consider the real substance, practical reality and true nature of the working relationship.
Relevant considerations include:

- Whether the employer can choose to offer or not offer work
- Whether the employee can choose to accept or reject work
- Whether continuing work is reasonably likely to be available
- Whether permanent employees perform the same kind of work; and
- Whether the employee works a regular pattern of hours

Importantly, no single factor is determinative. For example, an employee working regular hours does not automatically cease to be a casual employee. The entire employment relationship must be considered.

A Practical Test
A useful question for employers to ask is:
"If this employee declined their shifts next week, would it create a significant operational problem for the business?"

If the answer is yes, it may be worthwhile reviewing whether the employee continues to meet the legal definition of a casual employee.

This can be particularly relevant where casual employees become an integral part of year-round operations rather than being engaged solely to meet seasonal labour demands.

2. What Do These Changes Mean for Employers?

If your business engages casual employees, the Employee Choice Pathway has changed both your administrative obligations and your risk profile.

The reforms have removed the requirement to proactively identify and offer conversion to eligible casual employees. However, they have increased the importance of correctly classifying casual workers and maintaining adequate records.

When an employee submits a request, employers must be able to assess whether the employee genuinely remains a casual employee based on the reality of the working arrangement, not simply what the employment contract says.

2.1. Compliance Obligations

Once an Employee Choice Pathway request is received, employers must:

- Respond in writing within 21 days;
- Clearly state whether the request is accepted or refused;
- Provide reasons for any refusal; and
- Follow any consultation requirements where a request is accepted.

Failure to comply can expose a business to disputes, Fair Work Commission proceedings and potential penalties under the Fair Work Act.

2.2. The Importance of Record Keeping

Well-maintained records are often the strongest evidence available if a dispute arises.

Employers should retain:

- Employment contracts and any variations
- Position descriptions and records of duties performed
- Rosters, timesheets and attendance records
- Records showing when work was offered, declined or cancelled
- Payroll records, including casual loading payments
- Leave and employment entitlement records
- Copies of Employee Choice Pathway requests
- Notes of meetings and consultations with employees
- Internal assessments regarding an employee's casual status; and
- Copies of all correspondence relating to the request and decision.

Where a request is refused, employers should carefully document both the reasons for the decision and the evidence relied upon.

2.3. Regular Workforce Reviews

Businesses that rely heavily on casual labour should periodically review their workforce arrangements.

This is particularly important in the agricultural sector, where employees engaged initially for seasonal or intermittent work can, over time, develop regular and predictable working patterns.

Regular reviews can help employers:

- Identify potential Employee Choice Pathway issues early
- Reduce the risk of disputes
- Ensure workplace practices align with legal requirements; and
- Improve workforce planning and budgeting.

3. Key Takeaways for Primary Producers

- When engaging casual employees, ensure the arrangement genuinely meets the FWA definition of casual employment from the outset.
- When responding to an Employee Choice Pathway request, focus on the practical reality of the employment relationship, not just the wording of the contract.
- Although employers are no longer required to initiate casual conversion discussions, they must be prepared to assess and respond to employee requests in accordance with the statutory process.
- Accurate and detailed record keeping is essential. Employers should document not only the final decision but also the factors considered in reaching it.

- Regular workforce reviews can help identify employees whose working arrangements may no longer align with the legal definition of casual employment, reducing both compliance risk and potential disputes.

Practical tips

- If you have casual employees who have worked regular hours for extended periods, now is a good time to review their arrangements and ensure your records would support your assessment if an Employee Choice Pathway request were received tomorrow.

- When an employee requests a move from casual to permanent full or part-time employee, it is important that they clearly understand that if approved, they will lose their entitlement to casual loading payment (25%) they have received in lieu of paid annual and personal leave.

More information on this topic can be found at Fair Work Ombudsman - Casual Conversion

Do your employment contracts accurately reflect the casual employee definition and accompanying entitlements? Workplace Horizons is here to help.

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KEY INDUSTRIAL RELATIONS AND TAX CHANGES

In addition to the introduction of Payday Super and the Annual Wage Review Decision, the following provides a brief overview of key industrial relations and tax changes that took effect from 1 July 2026.

1. Changes to Paid Parental Leave (PPL)

Eligible parents can now access up to 26 weeks of government-funded PPL (six months based on a standard five day week) – an increase from 24 weeks in 2025.

The amount of leave reserved for each parent in a couple will also increase from three weeks to four weeks on a use-it-or-lose-it basis. Single parents will receive the full entitlement of 26 weeks.

2. Tax Cuts to help with the Cost of Living

Several tax cuts have kicked in, including the new Working Australians Tax Offset (WATO). The WATO provides an additional tax cut of up to $250 for working Australians on top of the tax cuts announced in the 2025-26 Budget. This measure is intended to support the workforce with the rising cost of living and is set to benefit over 13 million Australian workers.

Other tax changes include:

- The 16% tax rate on taxable income between $18,201 and $45,000 dropped to 15%. From 1 July 2027, the tax rate will drop to 14%.
- A $1,000 instant tax deduction has been introduced to deliver lower and simpler taxes for workers from 2026-27. It is estimated that 6.2 million workers, or 42% of taxpayers, will benefit from an average tax saving of $205 for the 2026-27 financial year.

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OUTSIDE EMPLOYMENT

The latest Australian Bureau of Statistics (ABS) data shows there are currently 978,000 multiple jobholders in Australia, making up 6.5% of employed people. This is an increase of 0.3% over the previous quarter.

It's been noted previously that there is a high prevalence of this in the agriculture sector. So, what happens if an employee's second job interferes with their work or their employer's interests?

It is important to remember that what employees do in their own time is their own business. However, if an employee takes on a second job that begins to negatively impact their work, the situation can become legally complex. There is no "one hat fits all" approach that can be applied in these circumstances. Each instance needs to be considered on its own merits.

What are the Impacts?

Impacts on an employer include:

- Employees attending the workplace "not fit for duty"
- Employee's poor performance is connected to performing work for another employer or personal business
- Use of the employer's resources or intellectual property
- 'Time theft' from the employer
- Conflict or competition with the employer's business and employee's role

For primary producers, a common scenario may involve an employee working at a neighbouring farm, feedlot, packing shed, transport operator or hospitality venue before commencing work on your property. If the employee presents fatigued and is required to operate tractors, quad bikes, forklifts, harvesters or other plant and equipment, the business may have legitimate grounds to determine that the employee is not fit for duty and should not commence work until they can do so safely.

Other matters such as your business's reputation as well as the employee's honesty about the secondary employment are also relevant.

What Can You Do?

Employers can restrict employees from taking on other work to an extent via their employment contract and organisational policies.

Key clauses in employment contracts can assist to protect your business, such as:

- Employees cannot engage in secondary employment without the employer's prior written consent.
- Employees must not engage in secondary employment that may constitute a conflict with their current role and employment obligations.
- Any misuse of the employer's confidential information and intellectual property may result in disciplinary action.

- Employees are prohibited from engaging in secondary employment or activities which compete with their current employment.

A policy prohibiting secondary employment without employer consent is also likely to weigh in an employer's favour should a dispute occur.

Nevertheless, these measures do not give an employer carte blanche to terminate an employee's employment if they commence secondary employment with another employer. An employee's individual circumstances are important and there are numerous considerations, including:

- Does the secondary role raise a conflict of interest; is there an overlap with clients or competitors?
- How will it affect their working hours or performance?
- Will the employee be using company resources?
- Is confidential information or intellectual property potentially at risk?
- Has the employee has been transparent about their secondary employment, or have they failed to disclose it?

Employers need to assess the scope and nature of the secondary work and differentiate between what is potentially a harmless second job, a genuine conflict of interest or work health and safety concern.

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UNEMPLOYMENT RATE HOLDS AT 4.4%

Newly released data from the Australian Bureau of Statistics (ABS) reflect that:

- Seasonally adjusted unemployment remains at 4.4%, while there was a 76,000 person rise in employment, driven by a 47,000 person rise in part-time employment.
- The number of unemployed rose by 13,000 people in June, which combined with the growth in employment, led to the participation rate rising by 0.3 percentage points to 67.0% in June.
- The underemployment rate rose 0.2 percentage points to 6.5% in June and people aged 55-64 years old had the largest annual growth in the participation rate, up 0.8 percentage points to 70.6%.
- The number of part-time hours worked grew 1.2% this month, with full-time hours worked remaining flat.

Annually, employment rose 1.7% from June 2025, and hours worked grew 1.8%.

Finally, trend employment grew by 0.2%, while hours worked remained flat in June.

Both the trend underemployment and underutilisation rates, the ABS noted in a statement, increased 0.1 percentage points, to 6.3% and 10.7% respectively.
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- As early as 1842, entrepreneurial South Australian dairy farmers were already exporting high-quality cheese and butter to India and South East Asia in the 1840s. A surprisingly global reach for what was then a tiny colonial dairy industry.

- South Australia's dairy industry isn't just about cows, it includes camels. SA is home to the state's only camel dairy, where wild camels have been trained for milk production. Camel milk can sell for around $20 per litre, making it one of the most unusual dairy products produced in the state.

- South Australia's dairy industry was once dominated by small farms with fewer than 70 cows, and milk was collected from roadside platforms in large metal cans waiting for horse-drawn carts or trucks. (*I can still remember as a child, staying with my grandparents in Murray Bridge and putting the billy out for the milkman who delivered milk in the early hours of the morning!* 😊)

Do you have a 'Did You Know' or 'Fun Fact' to contribute?
Please email Robynne at robynne@wphorizons.com.au

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If you have any questions regarding this newsletter or we can assist with your 'people needs', please don't hesitate to contact us:

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