WORKPLACE HORIZONS

Your People. Your Performance. Our Passion.

JULY 2026 UPDATE

Welcome to Workplace Horizon's July 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 now accessible on our website via **SA Dairyfarmers' Association - July 2026**

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ANNUAL WAGE DECISION

Further to the Fair Work Commission announcing an increase in the modern award wage rates of 4.75%, effective from 1 July 2026, the Fair Work Ombudsman Wage Guides for the Pastoral Award have now been updated and are detailed in **SADA - Appendix 1 - Annual Wage Decision**

WORKPLACE HEALTH & SAFETY

Unwritten Rules

In June's update we advised the need for formal safety systems within primary producers' workplaces. A further extension to this need, relates to unwritten rules, informal norms, or shared understandings of "*how things are done around here*". This informality is common in farming environments but can also introduce significant safety risks if left unmanaged.

On farms, these informal expectations might include things like:

- starting work before daylight during busy periods
- working through breaks or continuing after hours to "get the job done"
- tolerating rough language or behaviour in the yards or sheds
- relying on verbal instructions rather than documented procedures

While these practices often evolve from practical necessity or long-standing tradition, they can create inconsistency, fatigue, and unclear expectations—all of which increase WHS risk.

When informal practices become "the rule"

Whether an unwritten rule is enforceable depends on how consistently it has been applied and communicated over time.

For example, imagine a livestock or dairy operation where workers are contracted to finish at 5pm, but for years the team has routinely knocked off at 3pm on Fridays once essential tasks are completed.
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Over time:

- managers follow the same practice
- new workers are told “we usually finish early on Fridays”
- the arrangement becomes accepted by everyone

In this scenario, the early finish may become an implied term of employment. Even though it is not written into contracts, the consistent behaviour and shared understanding can effectively change the working arrangement.

This highlights an important point: workplace practices don’t need to be documented to carry weight—but that can create risk for employers.

The risk for farming businesses

Farming operations often rely heavily on trust, experience, and verbal communication. However, relying on informal arrangements alone can expose businesses to:

- disputes about hours worked or expectations
- inconsistent safety practices between workers
- increased fatigue from unmonitored overtime
- difficulty demonstrating compliance with WHS obligations

For example, in peak periods such as harvest, farrowing, or calving, it may become “normal” for workers to stay back without formally recording hours or clarifying whether overtime applies.

Over time, this can result in:

- underpayment risks
- burnout and fatigue-related incidents
- challenges proving that additional hours were reasonable

Culture is not a Defence (“It’s just how we talk here”)

Informal workplace culture can also extend to behaviour, including swearing, banter, or crude language, particularly in physically demanding farm environments.

However, relying on “that’s just how things are done on farms” is not a strong defence if behaviour crosses the line into inappropriate or unsafe conduct.

Recent legal decisions reinforce that:

- workplace culture does not override employer obligations
- expectations must be clearly communicated and reinforced
- employers must actively maintain safe and respectful workplaces

Where businesses can show they have:

- clear policies
- training and communication
- consistent enforcement

they are far better placed to manage both safety and legal risk.

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The Fair Work Act allows employers to request reasonable additional hours, but this is not unlimited. What is reasonable depends on factors such as:

- the nature of the role
- the impact on health and safety (including fatigue)
- personal circumstances of the worker
- whether the employee is compensated

In a farming context, this means that while flexibility is essential, employers must still ensure:

- hours are monitored
- expectations are clear
- compensation arrangements are understood

Workplaces where “pitching in” is expected but not documented risk both underpayment claims and WHS breaches, particularly where fatigue becomes a contributing factor in incidents.

From informal to intentional

Informal practices are not inherently problematic—they often reflect strong teamwork and adaptability. The risk arises when they are:

- inconsistent
- unclear
- or relied upon instead of formal systems

The key for farming businesses is to make the implicit explicit. This means:

- clearly defining working hours and expectations
- documenting safe work practices for routine tasks
- reinforcing standards around behaviour and communication
- keeping accurate records of hours worked and incidents

The Bottom Line

Farming has always relied on experience, trust and practical know-how—but modern WHS and employment expectations require more structure.

Unwritten rules can shape how work gets done—but without formal systems, they can also create risk.

By bringing clarity to expectations and embedding simple, consistent systems, farming businesses can protect both their people and their operations—while still retaining the flexibility the industry depends on.

The bottom line for employers is that the safest approach is clear documentation. Making the expectations in the workplace explicit is essential and that employers manage those expectations consistently across their business.

Need help crafting policies that set clear behavioural expectations?

Workplace Horizons is here to help.

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CLOSING THE LOOPHOLES REVIEW

The Australian government has been conducting a review of the Fair Work Legislation Amendment (Closing Loopholes) Act 2023 and the Fair Work Legislation Amendment (Closing Loopholes No. 2) Act 2024, with a draft report recently released.

The review assessed the operation and impact of key legislation changes including the Right to Disconnect, new wage theft laws and expanded protections for employees subjected to family and domestic violence.

Submissions were received from many interested parties on the impact of the reforms so far.
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What the Review Found

- Overall, the review found that the reforms are largely working as the Government intended to eliminate regulatory gaps, enhance worker protections and improve safe working conditions.
- The review also acknowledged that several areas still require attention – particularly around education and regulatory clarity.

In summary:

1. *The Right to Disconnect*

   The Right to Disconnect has not yet been tested in any court ruling, so businesses are still waiting for clarification on how the law will be interpreted in practice.

   However, the review found that the law is so far doing what it was intended to do by encouraging bosses and workers to set healthy expectations about after-hours communication.

2. *New definitions of 'employee' and 'employer'*

   The Closing Loopholes No.2 Act made several changes to how employment is defined and treated, with new definitions focusing on the practical nature of the relationship rather than what's stipulated in the contract of employment.

   The review acknowledges that the new test for determining employment status has created some uncertainty for businesses, because employers can no longer rely solely on contractual terms. Instead, they need to keep assessing the *reality of the working relationship* as it plays out in practice over time.

   Early evidence shows the change is working as intended. The review argues the laws are helping ensure workers are classified and hence paid fairly by focusing on the day-to-day reality of the relationship, rather than simply the contractual wording.

   To ensure clarity on the laws going forward, the report recommends that the government provide additional guidance and practical tools. This should include digital tools that help employers and employees ensure correct classification of workers, identify applicable awards and calculate lawful pay.

3. *Same Job, Same Pay laws*

   In effect since November 2024, the Same Job, Same Pay legislation was designed to ensure that labour hire employees are paid at least the same full rate of pay as directly employed workers performing the same job.

   The new framework has faced some early resistance, with employer groups arguing the pay calculations are too complicated and interfere with established enterprise bargaining arrangements.

   However, the review found the laws are effectively achieving their core aim: preventing businesses from using labour hire arrangements to undercut enterprise agreement wages.

   According to the review, more than 104 orders have already delivered wage increases of up to $60,000 a year for over 8,000 workers, while also encouraging more direct and permanent hiring.

4. *Criminalisation of wage theft*

   The introduction of criminal wage theft penalties has caused concern among some employers, particularly around the risk of accidental non-compliance with Australia's complex award system.

   While no prosecutions have been finalised yet, the review concludes that the laws are playing an important role in strengthening workplace compliance by creating a serious deterrent for deliberate and intentional underpayment.

5. *Paid family and domestic violence leave*

   While the paid family and domestic violence leave entitlement has been a positive change for many victim-survivors, the review found it was "not operating as effectively as it could".

   The reforms are not yet well understood, the report said, particularly among vulnerable and hard to reach worker cohorts.

   The review found that workers in regional, rural and remote areas, migrant communities, young workers, women, First Nations workers and workers in high-risk sectors such as horticulture and cleaning are at heightened risk of not accessing or benefitting from the reforms.

   It recommends investigating these barriers and improving outreach.

What happens next?

The report lays out a roadmap for broader government action based on the findings. In addition to the specific measures mentioned above, the draft report recommends the following steps:

- Allow time to review outcomes and to develop and conduct targeted future reviews. The report acknowledges that the reforms have only recently come into effect, and the longer-term impact of many amendments will become clearer over time.
- Monitor and support regulator and tribunal capacity. This is partly a response to multiple reports that the Fair Work Commission has been inundated with AI-assisted claims relating to recent reforms.
- Statutory clarification. The report acknowledges specific areas of confusion that require legislative clarification or amendment, such as employment definitions.

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NEW STATISTICS FRAMEWORK

The Australian Bureau of Statistics (ABS) is implementing a new and more contemporary framework for underemployment and underutilisation statistics, called the "u-series". It is set to become the official standard when fully implemented in mid-2027.

Data released on 29 May 2026 reveals that nearly 1.43 million Australians were underutilised in April 2026.

The u-series framework produces four headline measures. According to the ABS April 2026 u-series release:

- The underemployment rate (UD-1) – employed people who prefer more hours, are available, and actively looked – rose to 3.3 per cent in April 2026, up from 3.1 per cent in March.
- The reduced employment rate (RE-1) – employed people who worked fewer or no hours for economic reasons – fell to 2.0 per cent, down from 2.5 per cent in March.
- The unemployment rate (UN-1) rose to 4.5 per cent, up from 4.3 per cent in March.
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- The total underutilisation rate (UU-1) was 9.3 per cent, down marginally from 9.4 per cent in March.

In headcount terms, this translates to 480,000 underemployed workers, 290,000 in reduced employment, and 690,000 unemployed, with some overlap between categories. The combined underutilisation among the employed population was 5.3 per cent.

The u-series also measures the volume of unused labour, not just the number of people. According to the ABS April 2026 data, there were just under 29 million hours of available but unused labour supply in the Australian economy, producing a volume-based total underutilisation rate of 5.3 per cent.

Why it matters

Only around half of part-time workers who prefer more hours actually looked for more hours, according to ABS Participation, Job Search and Mobility supplementary survey data – meaning the UD-1 headline figure understates the true pool of workers available for additional hours.

Broadening the criteria to include employed people who simply prefer and are available for more hours, without requiring active job search, pushes the underemployment figure to 7.8 per cent of all employed Australians.

This shows a substantial pool of employed Australians who are already part of the workforce but working below their preferred capacity.

Age breakdowns in the u-series data reinforce a familiar theme; reduced employment is consistently highest among workers aged 15–24, reflecting the concentration of casual and variable-hours roles in that cohort.

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NEARLY 1 MILLION AUSTRALIANS ARE JUGGLING MULTIPLE JOBS

The latest Labour Account Australia released by the Australian Bureau of Statistics (ABS) revealed:

- total jobs in the country went up to 16,529,000 in the March quarter, up 0.7% quarterly and two per cent annually.
- filled jobs, or roles currently occupied by workers, increased 0.6% quarterly to reach 16,185,000. This is a 1.9% increase from the same period last year.
- job vacancies saw a quarterly increase of 5.2%, reaching 344,000 in the March 2026 quarter, equivalent to an annual increase of 4.1%.

Multiple job-holders

- The number of employed people surpassed 15.1 million in the March quarter, up 0.7% quarterly and 1.8% annually.
- The multiple job-holding rate sits at 6.5%, remaining around record levels between 6.4% and 6.7% since June 2022.

Overall, there were 978,000 multiple job-holders in the country in March 2026. This is up 0.3% from the previous quarter and 2.1% from a year ago.

- *Employees who have main jobs in the Agriculture, forestry, and fishing industry reported the highest multiple job-holding rate in March, at 9.1%.*
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- On the other hand, multiple job-holding was least common among people who have main jobs in Electricity, gas, water, and waste services (3.3%).

Australians' working hours

- When it comes to working hours, Australia saw a total of 6.1 billion hours actually worked in the March quarter, up 0.9% quarterly and 2.2% annually.
- Single job-holders worked an average of 34.8 hours per week.
- Multiple job-holders worked a total of 39.3 hours per week on average, including 30 hours for their main job and 9.3 hours in their secondary job.

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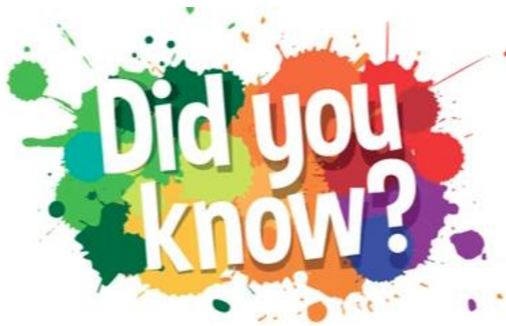

- The oldest recorded cow, Big Bertha of Ireland, lived to 48 years and 9 months. While cows can naturally live 15–20 years or more, commercial dairy cows in Australia typically remain in the milking herd for only around 5–7 years. Australia has approximately 2.1 million dairy cattle, including more than 64,000 dairy cows in South Australia. South Australia has nearly 200 dairy farms and around 65,000 dairy cows in production at any given time.

- South Australia records some of the highest average milk yields per cow in Australia.

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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