

# MEMBER NEWS

Edition: May 2018



**Welcome to the May edition of PET's Member News!**

## **ANNUAL GENERAL MEETING**

Members are invited to attend the Annual General Meeting being held as follows:

**Date: Thursday, 28 June 2018**

**Time: 10:30 am**

**Venue: Meeting Room 4, Launceston Conference Centre, Door of Hope Building, Glen Dhu Street Launceston**

The Australian Electoral Commission will soon be sending ballot papers to all members for the election of your Committee for the 2018-2019 year. We are pleased to see so many members willing to nominate their time and expertise to contribute to the governance of the Association.

At the AGM members will be voting on proposed changes to the Rules of the Association. Details, including the proposed amendments, will be forwarded to all members shortly.

## **SHEARER/SHED HAND TRAINING**

PET is running an "Introduction to the Wool Industry" training course from 18 June 2018 to 29 June 2018. Employment opportunities in the industry are growing so this is your chance to learn about the industry and get a hands-on experience in shearing, wool handling and other aspects of the wool industry.

The costs are minimal, and cover accommodation and all meals.

For more details contact our Trainer, Jack Monks, on mobile: 0400 035 980.

## **NEED STAFF?**

The Australian Government's program Youth Jobs PaTH (Prepare Trial Hire) helps employers cover the costs of

trialling a young person in their business for between 4 and 12 weeks. The interns are insured by the Government and you receive \$1,000 to help with the cost of the trial. No wages are payable. If you subsequently hire the intern you may be eligible to receive a wage subsidy of up to \$10,000.

This is an excellent opportunity to get keen young workers involved in agriculture.

For more information about this scheme call 131715 or visit [www.jobactive.gov.au](http://www.jobactive.gov.au)

Don't forget, PET can also put your job vacancies on its website.

## **PAY RECORDS - ARE YOU COMPLIANT**

Employers must keep employee records for seven years. These records include:

- basic employment details (name, role, start date, etc.);
- pay;
- overtime hours;
- averaging arrangements;
- leave entitlements;
- superannuation contributions;
- termination of employment (where applicable);
- individual flexibility arrangements and guarantees of annual earnings.

In addition, employers must provide a pay slip within one working day of paying wages to an employee.

If you have any queries in relation to proper records please contact the office.

## **LONG SERVICE LEAVE**

We get many questions about an employee's entitlement to long service leave. Changes to the legislation a few years ago mean an employee is entitled to take leave after 10 years continuous service. This applies to all employees, full-time, part-time and casuals.

There are provisions for an employee to be paid out long service leave on termination even before the ten years are up, but these are only in exceptional circumstances.

If you have a question about long service leave, please call the office for specific advice.

### **END OF FINANCIAL YEAR FUNDING AVAILABLE! WOMEN'S LEADERSHIP DEVELOPMENT**

Women & Leadership Australia is administering a national initiative to support the development of female leaders across Australia's primary industry sector.

The initiative is providing women with grants of between \$3,000 and \$8,000 to enable participation in a range of leadership development programs.

The scholarship funding is provided with the specific intent of providing powerful and effective development opportunities for primary sector women; however the funding is strictly limited and has to be allocated prior to the end of this financial year.

#### **Expressions of Interest**

Find out more and register your interest by completing the Expression of Interest form in the link below, prior to 15<sup>th</sup> June 2018: [www.wla.edu.au/funding2](http://www.wla.edu.au/funding2)

**Felicity Richards,  
PET President**

## **2018 Budget – Superannuation Changes**

The Treasurer handed down his third budget and forecast a return to surplus by 2019/20. There were a number of proposals that impact superannuation – in our view some are positive and some not so positive.

#### **The Changes:**

##### **Insurance for members under 25 or with low balances**

Superannuation funds will be required to only offer insurance on an opt in basis where accounts have balances below \$6,000; or where new members are under 25 years old; or the account has been inactive for at least 13 months. This measure is due to come in from 1 July 2019.

*Whilst we agree that the industry should adopt measures to stop member's retirement savings from being eroded, we feel that this solution under values the benefit of insurance.*

*The proposal that default insurance cover should not be provided to those under the age of 25 raises some concern. We all know that most young people will not make a choice about insurance or superannuation, so the vast majority of those under the age of 25 will have no insurance cover at all, therefore any of these people that are affected by an event that leads to total or permanent incapacitation will not have the benefit of the insurance through their superannuation to fall back on.*

*This proposed policy also introduces the concept that insurance cover is tied to the amount of money that is in a superannuation account, as opposed to being related to whether an individual is working or not. Potentially all new entrants into the workforce or those with broken work patterns will not have insurance cover for long periods of their life. We believe that this increases the risk that these individuals will not benefit from death or TPD cover.*

##### **Ban on exit fees**

From 1 July 2019, superannuation funds will be banned from charging exit fees for any account.

*Prime Super welcomes this measure. We removed our exit fee many years ago as we believe people should not be penalised for choosing a different super fund.*

##### **Inactive accounts**

All accounts where balances are below \$6,000 and no contribution has been received for 13 months will be required to be transferred to the Australian Taxation Office (ATO) and the ATO will be given powers to reunite ATO-held accounts with the member's other active super account/s where possible. It is proposed that the first transfer will take place on 30 June 2019.

*We support measures that seek to re-unite people with their lost super and to address the problem of multiple accounts within the superannuation industry. However, it is important that individuals fully understand the outcome of the consolidation of their superannuation, and the benefits of the insurance cover that they will no longer receive through their superannuation. In some cases an individual may have a much better outcome through having a second small superannuation account balance with insurance than just having one superannuation account.*

##### **Reduced fees for members with low account balances**

The government is proposing a maximum cap on administration and investment fees charged on superannuation accounts with balances of \$6,000 or less, at 3 percent of the account balance. It is proposed that this measure will take place from 1 July 2019.

*We would like to see more information on this proposed measure to understand how this can work in practice and remain equitable for all members. This measure is some more "Back to the Future" policy, as it is essentially reintroducing member protection requirements for low account balances, which was removed a number of years ago.*

##### **Want more information?**

The full package of Budget announcements is at <https://www.budget.gov.au/> which includes a forecast surplus by 2019/20. Important to note always is that the Budget announcement includes proposed reform. Prime Super will keep you informed on progress on the super-related reforms as they occur.