

RECRUITING AND INDUCTING NEW EMPLOYEES

FACT SHEET



GRDC
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Employing people is a privilege and starting a new job is a significant time for employees. Good selection, engagement and induction processes set the scene for productive, positive and ongoing arrangements between both parties

KEY POINTS

- Prepare for the interview process with key selection criteria and questions for each applicant
- Outline the total remuneration package including cash and non-cash benefits, as well as superannuation contributions, to applicants
- Make sure the employment agreement meets the minimum legal requirements and outlines any additional terms and duties specific to the position
- Spend the time to properly induct a new employee into your business
- Discuss workplace health and safety policies with new employees during their induction
- Keep accurate and up-to-date records for each employee

Key selection criteria

Applicant:	Jack Hillage
Interview date:	15/1/2013
Position/Job:	Farm worker
Interviewer:	Jeff Lambok

Essential Key selection criteria	Score/10	Comments
Experience in the use of chemicals to manage crops and pastures and the safe application of chemicals	8	→ Good experience in different environments → Has completed required qualification
Experience in operation of computers	6	→ Mainly home computer with emails + Facebook Farm machinery OK
Ability to keep detailed paddocks and physical records, and manage paperwork	7	Has mainly used manual systems but is keen to move to digital
Logistics management skills	9	Has coordinated large seeding + spraying operations + several harvest contractors

Desirable Key selection criteria	Score/10	Comments
Minimum 10 years experience working on a broad acre grain farm, including demonstrated ability to work in a management role	7	Has mainly been in junior roles with little management experience

Figure 1: A part of a key selection criteria list.

This Fact Sheet covers some aspects of the recruitment and induction process, identifies some of your legal obligations and will be a useful resource for farm businesses that are employing staff for the first time. The information relates to full-time, part-time and casual employees engaged on-farm and is not applicable to independent contractors.

Recruitment

In addition to attracting, sourcing and short listing applicants, interviewing is an important part of recruitment. Interviewing potential employees is an important first step.

Interviewing

Be prepared with a job description, key selection criteria and some questions

to refer to during each interview (see Figure 1). Using these tools can help make the interview process less daunting for both parties, enable fair comparisons, and assist in making the end decision. It can be useful to have one or two others involved in the farm business conducting the interview.

TIP: Remember to ask to sight original copies of important qualifications, licences or permits during the interview process.

Some questions that could be asked during an interview are listed below.

- What appeals to you about this position?
- Are there any personal constraints we need to be aware of in your capacity to carry out the requirements of this

role? (NB: Avoid personal information covered by anti-discrimination legislation, for example, caring responsibilities, religion, age etc.)

- Are you able to work extra hours during the peak workload periods?
- If successful, when could you start?

Final selection

Selection of the successful applicant is not necessarily straightforward and can often be a dilemma. Having a semi-structured point scoring system based on the key selection criteria, and following it for each interview, can assist discussion and the process of honing down to the most suitable applicant. Ensure you always contact referees for feedback on favoured applicants.

Once you have selected a successful applicant, you will need to make an offer of employment. This can be done over the phone or in person initially and should be followed by a written letter of engagement and an employment agreement.

Always emphasise that the employment is subject to a review at the completion of a probationary period.

TIP: If possible, hold off contacting other top applicants until after your initial offer is digested and responded to. This provides a fallback if your preferred applicant should decide not to take up the offer.

Don't forget to contact your unsuccessful applicants and if possible, and you feel comfortable, provide them with feedback.

Remuneration

Remuneration should be discussed with potential employees during the process of recruitment. You should provide information about cash (wage or salary) and any non-cash (fringe) benefits that form part of the total remuneration package. Non-cash benefits may include accommodation, a vehicle or phone. These are referred to as fringe benefits and may be subject to fringe benefits tax (FBT). Seek advice from your accountant regarding FBT liabilities and inform the potential employee about any payable FBT.

TIP: Set and communicate clear and consistent pay levels associated with the position and whether you are quoting superannuation as inclusive or exclusive.

It is the employer's responsibility to ensure that remuneration complies with the relevant award for the farm business. Awards include requirements for the ordinary hours of work and minimum wages for each classification group. The modern Pastoral Award is typically applied to broadacre mixed farming enterprises. Industry awards are detailed on the Fair Work Commission website at fwc.gov.au.

Award wages and conditions provide

a guide for minimum standards. Some employers elect to pay above the award to reflect the employees skills and experience, and their contribution and value to the business.

When you engage a new employee, you have the following obligations.

- Provide a Tax file number declaration form to new employees for them to complete and return to you.
- Determine if the employee is eligible to choose a superannuation fund; determine an employee's earnings base; determine superannuation pay contributions; in accordance with the superannuation guarantee or award conditions, ensure you meet requirements to report superannuation contributions to your employees; and maintain the necessary records.
- Report the total remuneration for each employee on their payment summary, including cash and fringe benefits.
- Provide a copy of the Fair Work Information Statement to new employees.

More information and assistance with your obligations can be found online or through your taxation accountant.

Employment agreements

National workplace relations are governed by the *Fair Work Act 2009*. It is important to make sure you are up-to-date with any changes that might apply to your farm business.

There are 11 National Employment Standards that are legislated as minimum and apply to all employees under the national workplace relations system.

The standards outline information relating to:

- 1 maximum weekly hours;
- 2 requests for flexible working arrangements;
- 3 changing from casual to permanent;
- 4 parental leave and related entitlements;
- 5 annual leave;
- 6 personal/carer's leave, compassionate and family/domestic violence leave;
- 7 community service leave;
- 8 long service leave;
- 9 public holidays;
- 10 notice of termination and redundancy pay; and
- 11 the Fair Work Information Statement.

LABOUR HEALTH CHECK

- Do you know what your legal obligations are when employing staff?
- Do you know your taxation and superannuation obligations?
- Have you got a compliant, written and signed employment agreement for all staff?
- Do you use a checklist to induct new employees into your farm business?
- Do you know what your workplace health and safety obligations are?
- Is your record-keeping up-to-date and accurate?

Details about each of the 11 standards can be found on the Fair Work Ombudsman's website at fairwork.gov.au.

Most farm employees are covered under the modern Pastoral Award.

The award is a legally binding document and details the minimum entitlements, terms and conditions of employment. Check which classification in the award applies to the individual you are employing.

Among other things, the award outlines information about:

- hours of work;
- classifications and pay rates;
- overtime and penalty rates;
- allowances;
- superannuation;
- leave entitlements; and
- meal and rest breaks.

Modern awards also include a 'flexibility term' which allows an employer and employee to put in place conditions of work that are tailor-made to suit their needs. This then becomes an Individual Flexibility Agreement. The *Fair Work Act 2009* requires that these arrangements result in the employee being 'better off overall' on the Individual Flexibility Agreement compared to the modern award.

The employment contract or agreement can include attached schedules that provide additional terms and duties specific to that position. These schedules can be updated at future performance reviews, while the contract or agreement contains the background information, which is consistent with the relevant award.

Induction

Employee induction is a crucial process for providing information about your business layout, operation, key safety procedures, and to introduce co-workers and managers to new employees.

Developing an induction procedure and checklist will help ensure that everything is covered and the employee has useful resources to reference during their early employment (see Figure 2). An induction process should do the following.

- Introduce the employee to their manager, other team members and contractors, and provide information on their reporting requirements.
- Provide information about where their job fits into the farming operation, what their initial jobs will be and what equipment they will need.
- Give practical details about daily procedures including where to park, break times, work attire and protective equipment.
- Provide an opportunity to familiarise new employees with machinery, equipment and the layout of the property or properties.
- Provide and discuss the workplace health and safety (WH&S) policy or manual.

The induction process should be spread out over an appropriate period. This will help ensure that important information is delivered in a timely way and without overloading the new employee on the first day. Utilising videos demonstrating the correct use of equipment can assist the onboarding process.

Probationary period and review

When you hire a new employee, there is generally a probationary period for the first three or six months of the job. During probation, the new employee is closely supervised, trained and assessed to see if they are suitable for the job.

A probationary period does not affect the employee's entitlements, including leave and notice of termination and is different to the minimum employment period for unfair dismissal application.

The *Fair Work Act 2009* outlines the minimum employment period as the

initial period of employment in which the employer can assess the suitability of their new employee and the new employee can decide if the job is right for them.

The minimum employment period is stipulated at six months from commencement of employment for businesses employing more than 15 staff, or 12 months for a small business employing less than 15 staff. During this period, the new employee cannot make an application for unfair dismissal.

Probationary review

Conducting a three or six month probationary review provides an opportunity for a new employee and manager to discuss the initial employment period and highlight any areas that may need to be addressed moving forward.

The focus and attention should be clearly on the review and getting optimum outcomes for the employee and the business. Strict formality is not required, however it is important to allocate a specific time and appropriate place well in advance to ensure an uninterrupted, calm atmosphere.

Some examples of topics that can be covered during the three or six month review include:

- communication;
- work load;
- expectations and deliverables;

- training;
- record-keeping;
- planning and follow through; and
- attention to detail.

Dismissal

In some instances a decision might be made to dismiss the employee during or at the conclusion of the probationary period for conduct or performance concerns. This can be a difficult time for both the employer and employee and should follow a basic procedure to make sure it is a fair and respectful process.

Workplace health and safety

Employers are obliged to provide and maintain a safe and healthy workplace for their employees. WH&S in the agricultural sector is regulated by states and territories, who outline an employer's obligation to train people in safe operating procedures and to take reasonable steps to ensure their safety at work.

As an employer, your WH&S responsibilities to your employees include:

- consultation with workers to implement WH&S programs;
- provision of a safe working environment;
- organisation of safe systems and procedures for work;

Induction checklist			
Employee name:	Jack Tillage		
Employment date:	23/4/2013		
Position/Job:	Farm worker		
Manager/Supervisor:	Bill		
Area	Element	Date	Initial
Introduction to the farm business	<input checked="" type="checkbox"/> History of the business	23/4	JT
	<input checked="" type="checkbox"/> Goals of the business	23/4	JT
	<input checked="" type="checkbox"/> Culture and values (code of conduct)	23/4	JT
	<input checked="" type="checkbox"/> The team (organisational chart)	23/4	JT
	<input checked="" type="checkbox"/> The farm map	23/4	JT
	Other:		
Terms and conditions of employment	<input checked="" type="checkbox"/> Position description	23/4	JT
	<input checked="" type="checkbox"/> Probationary period	23/4	JT
	<input checked="" type="checkbox"/> Hours of work	23/4	JT
	<input checked="" type="checkbox"/> Leave	23/4	JT
	<input checked="" type="checkbox"/> Pay amount, method, frequency	23/4	JT
	<input checked="" type="checkbox"/> House set up – power and phone	23/4	JT
	<input checked="" type="checkbox"/> Training needs, plan	23/4	JT
	Other:		
Paperwork	<input type="checkbox"/> Employment agreement - signed and		

Figure 2: Part of an induction checklist.

- provision of adequate information, induction, instruction, training and supervision to employees;
- maintaining safe conditions for work areas, machinery and equipment;
- ensuring safe use, handling, storage and transport of plant and hazardous substances;
- assessment of health and safety risks to employees and others in the workplace, and the institution of effective risk control measures; and
- provision of adequate facilities for the welfare of workers.

The business's WH&S policy or manual should be discussed with any new employees during the induction process. Table 1 provides an example

checklist that can be used to ensure all the appropriate information is covered when giving a safety induction.

TIP: *Written details of the safety induction should be signed by both parties and kept on the employee's record.*

Workers compensation

Workers compensation is a compulsory levy imposed by government on employers to fund their potential liabilities associated with injured workers. It is compulsory for the employer to take out workers compensation insurance as guided by each state or territory scheme. Refer to your state-based WorkCover or WorkSafe authority for specific

details about the workers compensation scheme that applies to you. Contact details can be found in the useful resources section of this Fact Sheet.

Record-keeping

An employer should keep records of an employee's contact details, qualifications and training, licences and medical requirements. This information can be important to help you get the most from their experience, identify training needs and ensure they have the appropriate qualifications to complete the required tasks.

When bringing a new employee into your business, consider whether you have:

- appropriate records in case of emergency;
- information on any allergies or special medical needs; and
- proof of qualifications, licences and right to work (if from overseas).

A signed copy of any workplace agreement or contract should be kept on record, along with evidence of a WH&S induction.

Key information must be kept on record for each employee, including their full legal name, commencement date and the basis of their employment, for example, full-time, part-time or casual. Time sheets and leave records are required, along with a weekly payslip.

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Table 1: Example of a WH&S/occupational health and safety checklist.

Talk through the business policies with the new team members; see suggested policies below. Policies set the expectations of the workplace from day one.	
Farm policies	Safety checklist prompts
Code of conduct	Personal protective equipment issued
Work clothing or uniform policy	Required licences verified – copies of licences held
Health and hygiene guide	Emergency contacts and first aid equipment/officers
Drug and alcohol policy (can include smoking policy)	Machinery operation and competency
Anti-discrimination and harassment policy	Manual handling guidelines
Sexual harrasment policy	Electrical safety
Mobile phone policy	Chemical safety
Social media policy	Working alone or remotely
Independent and remote work policy	Confined spaces
Children on-farm policy	Incidents and emergency response
Animal welfare policy (if applicable)	Hazard and incident reporting requirements
Motor vehicle policy	Emergency response procedures

To conduct Tool Box talks with your team refer to Farmsafe Australia, <https://farmsafe.org.au/content/product/Toolbox%20Talks/>

USEFUL RESOURCES

- National Farmers' Federation** nff.org.au/policy/workplace.html
- Safe Work Australia** safeworkaustralia.gov.au
- Farmsafe Australia** farmsafe.org.au
- Fair Work Commission** fwc.gov.au
- Fair Work Ombudsman** fairwork.gov.au
- Fair Work Information Statement** fairwork.gov.au/employment-conditions/information-statements/fair-work-information-statement
- Australian Taxation Office** ato.gov.au/businesses
- Farm Labour Fact Sheet: Filling the farm labour gap** grdc.com.au/GRDC-FS-FarmLabourGap

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