

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA00/179

TITLE: Steggles Limited Beresfield Milling (Manufacturing) Agreement 1998

I.R.C. NO: 00/1154

**DATE APPROVED/COMMENCEMENT: Approved 9 June 2000 and commenced 18
January 2000**

TERM 30 June 2000

**NEW AGREEMENT OR
VARIATION: New**

GAZETTAL REFERENCE: 4 August 2000

DATE TERMINATED:

NUMBER OF PAGES: 10

COVERAGE/DESCRIPTION OF

EMPLOYEES: It applies to all employees employed at the company's Beresfield feed mill (site) engaged in the manufacturing of poultry feeds, including the receipt of grain and other ingredients, and employees covered by the Animal Food Makers &c. (State) Award

PARTIES: National Union of Workers, New South Wales Branch -&- Steggles Limited



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STEGGLES LIMITED

BERESFIELD OPERATIONS

MILLING (MANUFACTURING) AGREEMENT 1998

1. TITLE

This agreement shall be known as the Steggles Limited Beresfield Milling (Manufacturing) Agreement 1998 ("this agreement").

2. SCOPE AND PARTIES

This agreement is made by Steggles Limited ("the company") and the National Union of Workers – NSW Branch ("the union"). This agreement is made in relation to employees of the company employed at the company's Beresfield feed mill ("the site"); engaged in the manufacturing of poultry feeds, including the receipt of grain and other ingredients; feed milling; and activities incidental thereto.

3. TRIAL AND DURATION OF AGREEMENT

This agreement will be trialled for a period of 6 months, commencing on Monday 18th January 1999. Subject to the success of the trial, the agreement will remain in force until 30 June 2000. Not less than 2 months before the nominal date of expiry of the agreement; the company and the union will meet to discuss the renewal of the agreement. "Success" means that both the union and the company are satisfied that the agreement is meeting its objectives.

For the duration of the trial, the company will run a dummy payroll indicating what employees would have earned under the previous system.

If the trial is not successful, the mill will revert to the terms and conditions of employment in place as at November 1998, including the current RDO system, provided that the company retains all its rights to vary conditions of employment consistent with the award, including the method by which the 38 hour week is implemented.

4. OBJECTIVE

The objective of this agreement is to assist the feed mill in achieving world class performance in quality, cost, and safety; and to improve the skill base, enhance job security, reduce waste, improve training, share workloads and reduce average total hours worked.

5. PARENT AWARD

Where this agreement is silent, the terms of the Animal Food Makers &c. (State) Award will apply.

6. REPRESENTATION, CONSULTATION AND SHARING OF INFORMATION

The following arrangements will be maintained or introduced to ensure that unions, employees and the company maintain full and open communications:



The Single Bargaining Unit ("SBU") will continue as the peak union body representing employees and unions.

The SBU will meet bi-monthly with senior management to review the performance of the business, Beresfield operations, details of the company's overall business improvement plan, and any other matters required to enable the SBU to carry out its functions effectively. The meetings will be attended by senior company officers, including the Managing Director, the Operations Director and the Human Resources Director together with site management. The meetings will be chaired by the Chairman of the SBU.

In February 2000, Price Waterhouse will be engaged to carry out a further independent audit of Beresfield site profitability.

7. RECOGNITION OF UNIONS AND UNION DELEGATES

The company recognises the SBU and its constituent unions (for as long as those unions remain in the SBU and subject to the rules of the unions) as the principal representative body for employees at Beresfield and adjacent and ancillary operations ("relevant employees"). During the life of the agreement, the company will:

- not employ any relevant employee under any terms and conditions other than as provided by parent awards or site agreements;
- not employ any relevant employee under an Australian Workplace Agreement;
- encourage relevant employees to become and remain members of the appropriate trade union; including introducing new employees to union delegates as part of the induction process, providing membership application forms and facilitating direct payroll deductions for union dues; and
- provide reasonable time off (without loss of pay) for union delegates to carry out their functions and to undertake training, provided that company operations are not unduly affected.

8. REDUNDANCY

The Steggle's Limited NSW Operations Redundancy Agreement (Attachment 1) applies to employees employed pursuant to this agreement.

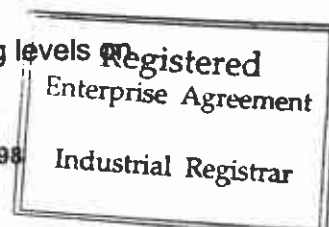
9. HOURS OF WORK

It is the company's intention that all normal feed production requirements are manufactured from Monday through Friday. Where unforeseen operational circumstances arise, employees may be required to work outside those hours. The allocation of such work amongst employees will be determined by consultation.

The following shift patterns will apply:

- Day Shift commences at 0600 and finishes at 1400;
- Afternoon Shift commences at 1400 and finishes at 2200;
- Night Shift commences at 2200 and finishes at 0600; provided that employees are required provide normal shift handover to the incoming shift.

At all times, employees are required to provide the specified manning levels on



each shift.

All work carried out on weekends or public holidays will be paid for at the single time rate. The hourly 'single time rate' is determined by dividing the weekly All Inclusive Rate by 38.

Should operational requirements change, and the mill requires regular work outside ordinary hours, the company and the union will meet to discuss the issue, and agree on appropriate rostering and payment mechanisms.

Rostered Days Off will no longer apply, and the All Inclusive Rate incorporates payment for work on those days. By agreement with co-workers, an employee may arrange to swap shifts in order to carry out urgent personal business, provided that the resultant shift pattern does not compromise occupational health and safety.

Planned leave, including annual, long service, and sick leave (including workers' compensation) exceeding 5 consecutive days will be covered by the Relief staff. At the company's discretion casual or contract employees may be utilised for covering such absences.

Unplanned leave, including sick leave that is of less than 5 consecutive days' duration will be covered by the shift team. The Relief staff will not be utilised to cover unplanned absences.

Manning levels will be reviewed at least quarterly, and manning levels will be determined by reference to occupational health and safety issues, the efficiency of the mill and customers' needs.

It is the parties' intention that employees not work more than one additional shift per man per week. The principal cause of additional shifts being worked is short term (less than 5 days) sick leave. Where additional shifts (i.e. more than an one additional shift per man per week) are required, the company will meet to discuss the issue with the delegates. These discussions will take place prior to the work being carried out unless impractical to do so. Total hours worked will be reviewed at the end of the trial with reference to the average number of additional shifts worked. The parties may raise any issue of concern at any time prior to the expiry of the trial period.

10. CLASSIFICATION STRUCTURE, TRAINING AND RATES OF PAY

(a) Employees will be paid an 'All Inclusive Rate' which will be paid weekly by EFT. The All Inclusive Rate incorporates:

- payment for ordinary hours worked;
- allowances;
- shift loadings;
- overtime;
- meal money; and
- any other entitlement that might arise from the award.

The All Inclusive Rate will apply to annual, long service and sick leave.



(b) Employees will be paid in accordance with the following structure:

LEVEL 1 – Shift Miller \$46,000 pa	Fully multiskilled, Trainer/Workplace Assessor. Involved in mill management
LEVEL 2 – Panel Operator \$45,000 pa	Operation of Weigh Panel
LEVEL 2R – Relief \$42,000 pa	Operation of Weigh Panel - Relief
LEVEL 3 – Press Operator \$41,000 pa	Operation of Presses
LEVEL 3R – Relief \$40,000 pa	Operation of Presses – Relief
LEVEL 4 – Grinding/Receival \$40,000 pa	Gristing, receival, loading & unloading
LEVEL 4R – Relief \$35,000 pa	Gristing, receival, loading & unloading – Relief
LEVEL 5 – Pre Mix \$28,000 pa	Pre-mixing, receival, cleaning
LEVEL 5R – Relief \$28,000 pa	Pre-mixing, receival, cleaning – Relief

All levels include the following tasks and skills:

- housekeeping and cleaning
- quality control and assurance
- recording of data necessary for efficient mill operation
- provision of assistance to other employees
- basic maintenance, set-up and lubrication of plant and equipment

All levels other than Levels 5 and 5R are rotating shiftwork positions. Levels 5 and 5R are day work positions. The all inclusive rate recognises all shift premiums that would otherwise be payable.

Rates will be increased by 3% from the first full pay period to commence on or after 1 July 1999.

(c) Wages will be paid weekly by EFT to a bank account nominated by the employee.

(d) The company will make superannuation contributions into the Goodman Fielder Superannuation Fund ("the Fund") or into LUCRF at the rate prescribed by the Superannuation Guarantee Charge (currently 7%). Superannuation contributions will be based on the all-inclusive rate.

(e) All site employees are required to receive or provide training to other employees as required.

(f) Casual employees will be engaged and paid on an hourly basis as Millhands at the rate of \$462.50 per week plus the applicable casual loading.

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11. RESOLUTION OF DISPUTES AND GRIEVANCES

Where employees or the union have a grievance or claim; the matter shall be raised with the relevant supervisor. If the matter is not resolved, it shall be raised with the NSW Milling Manager or his nominee. If the matter is not resolved, the union and the company's nominated representative will meet to discuss and resolve the issue.

Any grievance or dispute that cannot be resolved by the company and the union will be referred to the NSW Industrial Commission. Whilst this process is being followed, work shall continue as normal unless there is a genuine risk to employee safety. In this context "as normal" means that the work will be carried out in the same manner as applied immediately prior to the occurrence of the dispute or grievance.

12. COMPANY POLICIES AND STANDARDS

All employees will comply with company policies and standards as amended from time to time. In particular, the employees are required to comply with the company's Occupational Health and Safety Policy and its Drug and Alcohol Policy.

Changes to the policies and standards will be introduced by consultation.

13. COMPASSIONATE LEAVE

An employee will be entitled to take compassionate leave on each occasion and on the production of satisfactory evidence of the death of near relatives. "Near relatives" include, but are not limited to: husband, wife (including de facto spouse), father, mother, stepfather, stepmother, child, stepchild, brother, sister, mother/father in-law, brother/sister in-law, grandparents or grandchildren. Every situation will be assessed on its merits and the relationship of the employee and the deceased will be the principal consideration in determining the amount of leave granted, which will vary from 1 to 5 days.

An employee will not be entitled to compassionate leave if the leave coincides with any other type of leave.



14. EXECUTION

Signed for and on behalf of Steggles Limited by Jenny Gregory – Human Resources Manager – NSW:



Date: Friday 6 August 1999

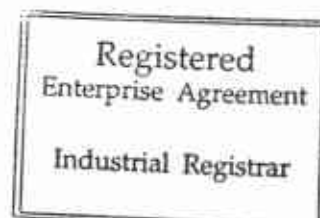
Signed for and on behalf of the National Union of Workers – NSW Branch, by:

(Name) ANDREW JOSEPH

(Title) ACTING STATE SECRETARY

(Signature) 

Date: 24/9/99



ATTACHMENT 1

STEGGLES LIMITED

NSW OPERATIONS REDUNDANCY AGREEMENT

1. SCOPE OF AGREEMENT

This agreement is made between the company and the unions; and applies to all employees of the company in New South Wales. This agreement supersedes any and all entitlements that are not specifically provided for in this agreement.

2. DEFINITIONS

"All purpose rate" means the rate of pay used to calculate one week's normal pay. The all purpose rate excludes overtime; but includes penalty rates and shift premiums, and all allowances.

"Casual employee" means an employee who is employed on an hourly basis, and who has no reasonable expectation of regular work. A casual employee is not entitled to any termination payments pursuant to this agreement.

"Part time employee" means an employee whose rostered hours of work are less than an average of 36.5 hours per week.

"Redundancy" means a situation where the company proposes to permanently cease operating all or part of its business; and this cessation results in one or more full time or part time employees becoming surplus to the company's labour requirements. "Redundancy" does not include:

(a) termination of employment pursuant to the company's Disciplinary Policy and Procedures, provided that such termination is not directly related to the company's requirement to reduce its labour requirements;

(b) termination of employment due to retirement;

(c) situations where full time or part time employees become surplus to the company's labour requirements due to industrial action taken by employees which affects the company's ability to continue normal operations;

(d) variations to rosters or shifts (as provided for by parent awards or site agreements) as a result of restructuring or changes in customer demands or operational requirements.

Such roster or shift changes shall be made in consultation with the union/s and employees. Where employees are genuinely forced to terminate their employment as a result of such changes, the employee will be entitled to a redundancy benefit pursuant to this agreement. "Genuinely forced to terminate" employment does not include financial disadvantage as a result of changed entitlements to shift allowances or overtime;

(e) situations where part time or full time employees are not prepared to



undertake training or redeployment as a result of technological or operational changes which require such training or redeployment; provided that the proposed training or redeployment is agreed by the company and the union to be reasonably within the employee's capability;

(f) short term reductions in the company's labour requirements which can be managed pursuant to clause 4 of this agreement; or

(g) the sale or transfer of some or all of the company's business where continuity of employment is offered to employees.

"The company" means Steggles Limited.

"The unions" means those unions participating in the company's Beresfield site single bargaining unit, and includes the AMIEU; AWU; AMWU; ASU; ETU; NUW; SAWEFA; and TWU.

"Week's pay" means the applicable rate of pay used to calculate the employee's normal weekly rate of pay for the pay period immediately prior to the date of termination. Where employees are engaged on annualised salary agreements, a week's pay is determined by dividing the annual salary by 52.

"Work Area" means a discrete functional or geographical part of the company's operations. The determination of a work area is by reference to the management structure and accountabilities; award/agreement classification and/or union coverage.

3. CONSULTATION

Where the company is of the view that a redundancy situation is likely to occur, it shall convene a meeting with the relevant union or unions. The company will provide as much relevant information on the circumstances which may lead to redundancies as is commercially prudent. The company and the unions will jointly seek alternatives to redundancies.

4. STEPS TO AVOID REDUNDANCIES

Where a redundancy situation appears likely, the company may seek to minimise the number of such redundancies by:

- reducing the hours worked by casual employees;
- reducing the number of casual employees;
- requiring full time and part time employees to take accrued RDOs; annual and long service leave; and
- reducing the hours worked by part time employees.

5. SELECTION FOR REDUNDANCY

(a) The ideal outcome of a redundancy situation is one where employees volunteer for termination of employment, and the company's operational requirements are met by the termination of employment of such volunteers.

(b) In the event that there are insufficient volunteers, or the company's



operational requirements would not be met by the termination of employment of volunteers; the company will determine who is to become redundant using the following criteria:

- where possible, the work area where redundancies are required will be the area in which employees are selected for redundancy;
- long term operational requirements as to employee skills, experience and potential; and
- considerations of seniority, equity and fairness.

(c) In the event that there are more volunteers for redundancy than are required by the company; the company will determine who is to become redundant using the following criteria:

- where possible, the work area where redundancies are required will be the area in which employees are selected for redundancy;
- the company's medium and long term skill requirements; and
- other things being equal, those employees with the longest service shall have first preference for redundancy.

(d) Where the relevant union disagrees with the company's determination pursuant to this clause, it is entitled to have the company's determination reviewed pursuant to Clause 10, Resolution of Disputes.

6. NOTICE OF REDUNDANCY

(a) Employees to be made redundant will receive 4 weeks' written notice of termination of employment.

(b) During the notice period, the employee will be provided with paid leave to attend interviews with alternative employers and employment agencies, and to attend outplacement support activities; provided that such leave does not cause unreasonable disruption to the company's operations.

(c) Where an employee has been provided with written notice, and finds alternative employment during the notice period, the employee will be able to terminate their employment by the provision of 48 hours' notice. All entitlements arising pursuant to this agreement will be paid to the employee.

(d) Where an employee who has been provided with written notice dies during that notice period, his or her full entitlements pursuant to this agreement will be paid to that employee's dependants. Where the company is unable to locate the employee's dependant/s, his or her full entitlements pursuant to this agreement will be paid to the employee's estate.

7. PAYMENTS UPON TERMINATION OF EMPLOYMENT

On the last day of employment, redundant employees will receive a termination payment based on the following formulae:

(a) 4 weeks' pay;

(b) a further 4 weeks' pay for each year of service, calculated to completed quarters;



provided the total payment made pursuant to sub-clauses 7(a) and 7(b) will not exceed 56 weeks' pay.

(c) accrued annual leave entitlements in accordance with the applicable NSW legislation and/or award; and

(d) accrued long service leave entitlements in accordance with the applicable NSW legislation and/or award, provided that employees with not less than 5 years' service will be entitled to pro rata long service leave.

All payments made pursuant to this clause will be taxed in accordance with the applicable law. The unions may not make any claim on the company that is based on any change to the taxation treatment of termination payments.

8. ASSISTANCE TO SECURE ALTERNATIVE EMPLOYMENT

The company will provide outplacement support to employees who are to be made redundant. The level of outplacement support will vary depending on the number and requirements of the employees concerned. As a minimum, the company will, through its preferred outplacement services provider/s, ensure that those employees who need it receive preliminary counseling, assistance in establishing a job-search plan, and advice in the preparation of job applications.

The company and the union/s will discuss the appropriate level of outplacement support prior to any program being initiated.

9. TREATMENT OF CASUAL EMPLOYEES

For the purpose of this clause, a "casual employee" is an employee who receives a casual loading.

Where a part time or full time employee has continuous service with the company as a casual employee prior to commencing their part time or full time employment; such service will be treated as part time or full time service for the purpose of sub-clause 7(b) of this agreement.

A part time or full time employee who has continuous service with the company as a casual employee prior to commencing their part time or full time employment will not have that service taken into account for the purpose of calculating entitlements pursuant to sub-clause 7(c) of this agreement.

10. RESOLUTION OF DISPUTES

Where the union/s have a grievance or claim in relation to the application or interpretation of this agreement, it shall be raised in the first instance with the company's NSW Human Resources Manager or her nominee. If the grievance or claim cannot be resolved by discussion, the matter will be referred to the applicable industrial tribunal for resolution.

Whilst the grievance or claim is being resolved, the unions will not take any form of industrial action.

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