

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA00/44

**TITLE: Snack Brands Australia Smithfield Operations and Logistics North
Enterprise Agreement January 2000**

I.R.C. NO: 99/6826

DATE APPROVED/COMMENCEMENT: 23 December 1999 and commenced 1 January 2000

TERM: 12 months

**NEW AGREEMENT OR
VARIATION: New/Replaces EA99/20**

GAZETTAL REFERENCE: 10 March 2000

DATE TERMINATED:

NUMBER OF PAGES: 26

COVERAGE/DESCRIPTION OF

**EMPLOYEES: It applies to all employees at the Smithfield Plant (15-21) Britton St) and
Logistics North Distribution Centre (39 Britton St)**

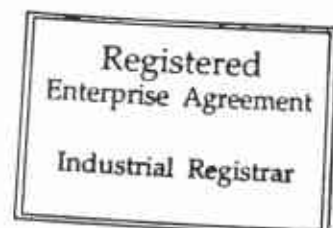
**PARTIES: Australian Workers Union (NSW) -&- National Union of Workers, Snack Brands
Australia**

**SNACK BRANDS
AUSTRALIA**

**SMITHFIELD OPERATIONS
& LOGISTICS NORTH**

ENTERPRISE AGREEMENT

JANUARY 2000

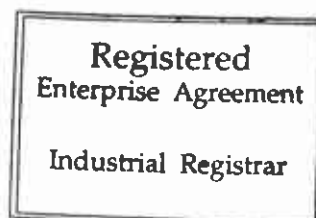


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APPENDICES

1. REDUNDANCY POLICY
2. CLASSIFICATION STRUCTURE



1 COMMITMENT OF THE PARTIES

- 1.1 The Snack Brands Australia goal is to become the first choice in snacks among consumers, the preferred snack food supplier to our customers, a preferred customer to our suppliers and to involve and develop employees in the continuous search for improvement.
- 1.2 This Agreement has been put together in a way such that the Smithfield Operations and Logistics North employees play key roles in achieving Snack Brands Australia's future. In doing so it recognises that employees have both rights and responsibilities in their employment and that this employment agreement serves as a tool for continuously improving against cost, quality, service and people measures.

2 SCOPE

- 2.1 This Agreement will apply to all employees at the Smithfield Plant (15-21 Britton St) and Logistics North Distribution Centre (39 Britton St). The groups responsible for signing this agreement are Snack Brands Australia, the Australian Worker's Union (NSW Branch), and the National Union of Workers (NSW Branch).
- 2.2 Any provisions of The Storeman and Packers (State) Award or The Potato Chip Makers Award not specifically addressed by this agreement shall, for the purpose of maintaining this agreement, continue to apply where appropriate. Where a matter is not referred to in this agreement or the parent Award it is understood that the appropriate legislative requirements apply eg. long service leave, maternity leave, equal employment opportunity, etc.
- 2.3 General industrial issues arising outside the Company's operations will not be used to adversely affect the Company's operations for the life of this agreement.
- 2.4 Unregistered site arrangements not signed off by this agreement will not be honoured by Snack Brands Australia.
- 2.5 This Agreement will apply from 1/1/2000 to 31/12/2000. Negotiations for the next Agreement will commence no later than 1/6/2000, with the aim to be finished by 31/10/2000.
- 2.6 To be discussed in next EBA: National certificate, policies and the sickness and accident plan.

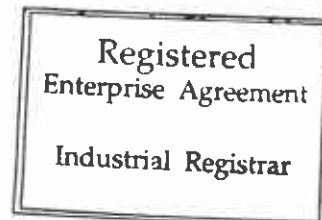
3 TERMS OF EMPLOYMENT

3.1 Full - Time Employees

Full Time employees are those engaged for 38 hours per week and who have preference for all work on their shift.

3.2 Part Time Employees

3.2.1 Part time employees are engaged for up to 38 hours per week. Part time employees are guaranteed a minimum of four hours' work for any one call in, and will be offered a minimum of fifteen hours per week. A part time employee not offered fifteen hours work in a week will be paid a minimum of fifteen hours.



3.2.2 In addition to receiving the normal rate of pay for the position, pro-rated for the hours worked, part-time employees will also receive pro-rata entitlements for sick leave, annual leave, annual leave loading, public holidays, bereavement leave, and long service leave based on their actual time worked over one year (from anniversary date to anniversary date).

3.2.3 Call-in is done on a rotating basis. Part Time employees will, wherever possible, be given preference to work over casual employees.

3.2.4 A part time employee must be available for work across all three shifts. If a part time employee is unavailable or does not call in with a valid reason, for two out of ten call ins then the counselling procedure will be applied. Five days notice will be given to part timers to change shift, if agreed by both manager and employee shorter notice may apply.

3.3 Casual Employees

3.3.1 Casual employees are those employed on each occasion on which they perform work. Casual employees are guaranteed a minimum of four hours work for any one call in. All casual employees will receive a loading of fifteen per cent. In addition Casual employees are paid an amount equal to one-twelfth of their rate in lieu of Annual Leave. This is approximately 19 % in total above the rates in clause 7.3. Wherever possible, without limiting operational flexibility, casuals will be given preference over contractors.

3.3.2 A casual employee must be available for work across all three shifts. If a casual employee is unavailable or doesn't call in with a valid reason, for two out of ten 'call-ins' then the counselling procedure will be applied.

4 HOURS OF OPERATION

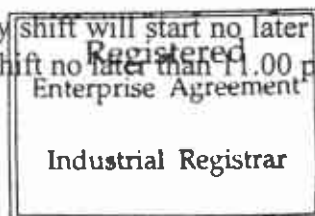
4.1 Starting and Finishing Times - The Company will advise each employee of the fixed starting and finishing times to be worked by him or her. The Company may alter the fixed starting and finishing times by giving full time employees not less than five working day's notice or, if agreed by both manager and employee, shorter notice may apply. The part timers and casuals may have altered starting and finishing times within their shifts spread of hours on a day to day basis.

4.2 Spread of Hours (Production)

4.2.1 The ordinary hours of work for all Production employees, except Sanitation employees, under this Agreement will be spread over 38 hours, Monday to Friday. The spread of hours shall be:

Day	05.00 am. - 05.00 pm.
Afternoon	12.00 pm. - 12.00 am.
Night	09.00 pm. - 09.00 am.

4.2.2 Unless agreed by management and employees day shift will start no later than 7.00 am., afternoon shift no later than 3:00 pm., and night shift no later than 11.00 pm.



4.2.3 An employee who works a rostered night shift that commences each week at or after 11.00 pm. on a Sunday shall be paid at ordinary time for all time worked on Sunday.

4.2.4 Continuity of Operation - Shifts will be so arranged to allow continuity of operation. No employee will cease work until such time as a relieving employee is available for work. The Company will do all things reasonably necessary to relieve the employee as soon as possible. Overtime rates will apply if you are to wait for someone to relieve you at the end of your shift. A minimum of 15 minutes overtime will be paid after working 5 minutes past the end of the shift.

4.3 Spread of Hours (Sanitation)

4.3.1 The ordinary hours of work for Sanitation employees under this agreement will be spread over the following 38 hour week.

Friday	7.00 am. - 2.30 pm.
Saturday	7.00 am. - 7.30 pm.
Sunday	7.00 am. - 7.30 pm.
Monday	7.00 am. - 2.30 pm.

4.3.2 The spread of hours applies for all full timers, part timers and casuals.

4.3.2 Sanitation employees will receive for all hours worked on Saturday 125% of their ordinary earnings and for all time worked on Sunday 150% of their ordinary earnings.

4.3.3 Overtime rates will apply for work outside the spread of hours as listed above, including all work on Tuesday, Wednesday & Thursday.

4.3.4 Full time sanitation employees will have preference for work over part timers. Part time employees will have preference for work over casuals.

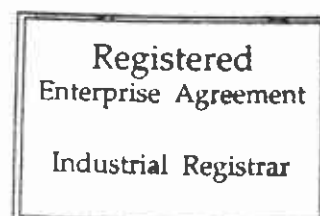
4.4 Spread of Hours (Warehouse & Distribution Centre)

4.4.1 The ordinary hours of work for Warehouse employees under this agreement will be spread over 38 hours Monday - Friday and the spread of hours shall be:

Day	6.00 am. - 5.00 pm.
Afternoon	1.00 pm. - 12.00 am.
Night	9.00 pm. - 8.00 am.

4.4.2 Unless agreed by management and employees day shift will start no later than 7.00 am., afternoon shift no later than 3.00 pm., and night shift no later than 11.00 pm.

4.5 Changing Hours of Work - The Company and the majority of employees engaged to work on a particular shift or in a particular section of the plant may agree to introduce alternative hours of work.

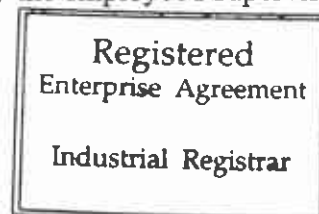


4.6 Overtime (Monday - Friday)

- 4.6.1 All time worked over 7.5 hours per day or outside the spread of hours shall be paid for at the rate of time and one-half for the first two hours and at the rate of double-time thereafter.
- 4.6.2 A maximum of 12 continuous hours work will be paid. No employee will be asked to work or be rostered to work if he or she has not had 10 consecutive hours rest between the termination of work and the next commencement of work. No employee will be paid for time worked in breach of clause 4.6.2.
Meetings: Employees must have a 10 hour break on one side of a meeting only.
- 4.6.3 An employee who is required to work over-time for more than two hours shall be allowed a 15 minute paid break. This break may be taken at an agreed time between employee and supervisor.
- 4.6.4 Where an employee has not been notified on at least the prior shift of the need to start work earlier than their normal starting time then that employee will have the option of completing his/her normal shift.
- 4.6.5 Where an employee has not been notified on at least the previous shift to work overtime, they will be entitled to the payment of one meal allowance after one hours' continuous work regardless of the duration of the overtime.
- 4.6.6 If an employee is asked to work overtime for a given time period the employee will be entitled to work for those hours. The employee may elect to leave if work is not available before the given time is up and will only be paid for the actual time worked. Time worked longer than the given period will be paid to the next fifteen minutes. If the employee is asked to work until the production run is finished, with no actual time given, the employee will be paid up to the finish of production.

BREAKS

- 5.1 Meal Break - An employee shall take a meal break after four hours (two hours for afternoon shift) from his/her normal starting time and before six hours (and four hours for afternoon shift) from his/her starting time. The meal break shall be taken at a mutually agreed time. The meal break is an unpaid break for thirty minutes.
- 5.1.1 Meal breaks will start as follows:
- | | |
|------------------|----------|
| Day shift: | 11:00 am |
| Afternoon shift: | 5:00 pm. |
| Night shift: | 3:00 am. |
- 5.2 Tea Break - A paid tea break of fifteen minutes may be taken in a way that prevents production stopping. The tea break should be taken separately from the meal break.
- 5.3 Other Breaks - Any other breaks must be approved by the employee's supervisor or a person the supervisor has asked. (ie. the labour co-ordinator)



6 RATES OF PAY

6.1 Rates of Pay

6.1.1 From the first full pay week after 1/1/2000 the new rates of pay will include the 4 % increase as shown by the table in clause 7.3.

Further to this a once off payment of \$250 will be paid to full time employees. Part timers and casuals will be paid this payment on a pro rata basis.(maximum \$250)

6.2 Allowances

6.2.1 Meal Allowance: \$ 7.30

6.2.2 Shift Loadings: Afternoon Shift 17.5%
 Night Shift 32.5%

6.2.3 First Aid Allowance:Senior \$ 12.00
 Occupational \$ 14.00

7 SKILLS BASED CLASSIFICATION STRUCTURE

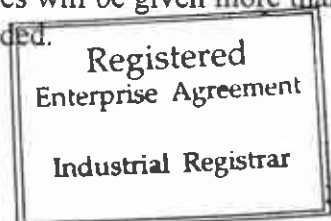
7.1 This agreement sees the introduction of a skills based classification structure. The aim of this structure is to encourage and facilitate broad banding skills. Rather than 'own' jobs, employees will be part of a competency based career stream. Likewise salary is not linked to a job but to the acquisition of competencies.

7.2 Central to having a skills based structure is flexibility and continuously improving productivity. Employees will perform work on the basis of their knowledge skill and competence. Snack Brands Australia gives its commitment to providing the training resources and learning opportunities to enable employees to perform better and grow in competence. No employee will be able to perform a task or function unless they have the knowledge, skill and competence to do so.

7.3 The following table outlines the salaries associated with the classification structure. The competencies associated with each level are detailed in Appendix 2.

Level	Current Weekly
5	\$ 751.10
4	\$ 702.61
3	\$ 671.37
2	\$ 656.71
1	\$ 596.87

7.4 SBA will undertake an initial assessment phase followed by a training phase and finally a certification phase. This process will commence at level one and work upwards. This may include voluntary training, of up to 40 hours of structured, on and off the job training for each permanent employee over the life of this Agreement. All employees will be given more than 40 hours training to develop the competencies for a given level if needed.



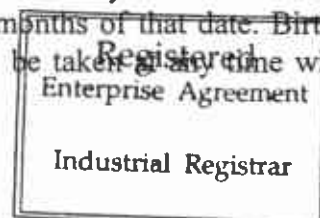
- 7.5 Following this process if an employee cannot be certified at a particular level that employee will be regraded to an appropriate level however pay will not be reduced, and the employee will continue to receive the pay rises outlined in 6.
- 7.6 A person is regarded as competent (and paid as such) at a level following completion of all training and certification requirements for all competencies at that level.
- 7.7 After a person has been accepted to do training (in line with the training policy), where they are performing higher level tasks and have not been assessed due to no fault of their own after three months, that employee will be paid at the appropriate level.

8 LABOUR FLEXIBILITY

- 8.1 Crewing levels: All crewing levels will be workload based and previous practices that served to restrict or inhibit the ability of the operation to increase performance or flexibility between jobs or across shifts shall no longer operate.
- 8.2 People leaving: It is accepted that during this Agreement resignations and retirements will take place. In such circumstances replacement will not be automatic. The decision of whether to replace particular jobs will be based on the Company's workload assessment consistent with continuously improving employee productivity.
- 8.3 Union Flexibility: Employees covered by this Agreement may be members of the AWU or NUW. The general difference between union coverage is that the AWU covers production work and the NUW covers work related to receivals, dispatch and warehousing.
- 8.3.1 AWU members who train for NUW positions or NUW members who train for AWU positions may remain members of their current union whilst undergoing agreed training. Those employees may then join the appropriate union once reclassified.
- 8.3.2 The general agreement between all groups signing this agreement is that where an employee is trained and competent to perform a task they will perform it. This principle will apply across all areas of operation which include production, sanitation, warehousing, and the maintenance environment in line with the agreed practices.
- 8.3.3 On-going Consultation: In any other areas where job dispute issues arise which may slow or stop production, it is agreed that both unions and management would resolve such situations by consultation and agreement.

9 HOLIDAYS AND WEEKENDS

- 9.1 For the purpose of this Agreement the following days shall be holidays, namely: Christmas Day, Boxing Day. Other holidays are New Years Day, Australia Day, Good Friday, Easter Monday, Anzac Day, the employee's birthday, Queen's Birthday, Labour Day or such other day's as are proclaimed a public holiday to be observed generally by persons in NSW.
- 9.2 Birthday Leave: Each full time and part time employee will be entitled to 7.5 hours leave each year in recognition of their birthday. This entitlement for Birthday Leave falls due as of the employee's actual birthday and must be taken within 12 months of that date. Birthday Leave cannot be accrued from year to year. Birthday Leave may be taken any time within the 12



months of falling due as long as it is not in the month of December except for employees whose actual birthday is in December.

- 9.3 Each permanent employee will be entitled to four single days off per year (RDO's) in addition to their annual leave entitlements, birthday leave and public holidays with the following conditions:
- 9.3.1 Days off will be agreed between the employee and his/her Supervisor taking into account the needs of the business. The supervisor will do his/her best to accommodate the date requested consistent with manufacturing requirements and employee availability.
- 9.3.2 Where business conditions dictate, the Company may request the employees of a section or sections to take one of these days off on a specific date.
- 9.3.3 No RDO's may be taken in December.
- 9.3.4 These days must be taken in the period 1st January - 30th November of each year for the life of this Agreement. RDO's will be lost if not taken within the year.
- 9.4 If an employee is absent from work on the day before or the day after a holiday without the permission of the company or without reasonable excuse, the Company shall be entitled to deduct from the wages of that employee payment of such holiday, as well as payment with respect to any other absence.
- 9.5 All work performed on holidays shall be paid for at two and a half times the ordinary rate of pay with the exception of Good Friday and Christmas Day which shall be paid at triple time.
- 9.6 A minimum payment of four hours will apply for work performed on Saturdays, Sundays and holidays.
- 9.7 Weekend penalties (except for Sanitation employees) will commence from midnight Friday to midnight Sunday except where 4.2.3 applies. Weekend penalties are as per the respective parent Awards.
- 9.8 Penalties under this Agreement will not be added together.

10 ANNUAL LEAVE

- 10.1 Annual leave shall be granted and taken in accordance with the provision of the New South Wales Annual Holidays Act and the subsequent provisions of this clause.
- 10.2 When annual leave is taken, a loading of 17.5% of the annual leave payment or the shift loading will be paid to the employee whichever is the greater.
- 10.3 Employees planning long holidays who wish to hold on to their annual leave must make a written application to their supervisor detailing the length of the proposed holiday and when they wish to take it. The Company will try to allow such leave consistent with the Company's requirements and labour availability.

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- 10.4 To assist in production scheduling, employees should nominate their planned holiday no later than three months in advance. Confirmed holiday rosters will be provided by the Company for the following quarter. The Company recognises that unforeseen circumstances may require employees to apply for unplanned annual leave and the Company will try to comply with any requirements, consistent with labour availability. All applications for unplanned leave must be made to the Supervisor in writing, as soon as possible after the employee becomes aware of the requirements to take unplanned leave.

11 SICK LEAVE

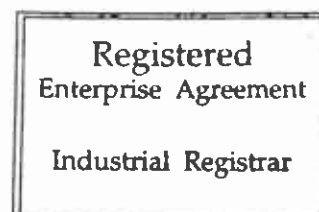
- 11.1 Sick Leave - An employee other than a casual who has more than three months' continuous service and who is absent from his or her work because of personal illness or because of injury by accident, shall be entitled to leave of absence without deduction of pay, up to ten days per year subject to the following conditions:
- 11.1.1 An employee will inform the Company as early as possible before the start of his/her normal shift, of his/her inability to attend for duty and as far as possible the estimated length of absence. Except in extraordinary circumstances, where an employee fails to let the employer know, he/she will lose claim to sick leave for the whole of such absence.
 - 11.1.2 The employee shall prove to the satisfaction of the Company that he/she was unable, on account of such illness or injury, to attend for work on the day/s for which sick leave is claimed.
 - 11.1.3 The Company will require a medical certificate from a duly qualified Medical Practitioner for two or more consecutive days absence, but in some circumstances will accept a Statutory Declaration. The company may ask for a medical certificate for single days when trends develop in absenteeism.
 - 11.1.4 Sick leave shall be added from year to year, however under no circumstances will accrued sick leave be paid out.
- 11.2 Family Leave - an employee with responsibilities in relation to another person who needs their care and support shall be entitled to use any sick leave entitlement which accrues after 1/1/96 for absences to provide care and support for such persons when they are ill subject to the following conditions:
- 11.2.1 The employee shall prove by showing a medical certificate, the illness of the person concerned,
 - 11.2.2 The employee is responsible for the care and support of the person concerned,
 - 11.2.3 The person being a spouse, de facto spouse, child, parent, grandparent, grandchild or sibling, a same sex partner, or a relative (by blood, marriage, or affinity, and living in the same household), as per Storeman and Packers (State) Award under clause 26A(1)(c)(ii) and the Potato Crisp Makers (State) Award under clause 26(1)(c)(ii).



- 11.2.4 The employee shall, wherever possible, give the Company notice before the absence of the intention to take leave, the name of the person requiring care, their relationship to the employee, the reasons for taking the leave, and the expected length of the leave. If prior notice is not possible the employee shall notify the Company by telephone at the first opportunity on the day the absence.
- 11.2.5 An employee may elect, with the consent of the Company, to take unpaid leave for the purpose of providing care and support to a family member.
- 11.2.6 An employee may elect, with the consent of the Company, to take annual leave not over five days in any calendar year for the purpose of providing care and support to a family member.
- 11.2.7 If an employee does not have enough leave accruals the Company will give consideration to employees having time off in lieu of overtime or who wish to make up time for the purpose of providing care and support to a family member.
- 11.3 Extended Sick Leave - not including the sick and family leave provisions outlined in this section it is recognised that in some cases employees may experience serious and long term illnesses resulting in disablement for periods in excess of reasonable sick leave accruals subject to the following conditions:
- 11.3.1 The Company will consider requests for extended sick leave on a case by case basis taking into account the employee's length of service and his/her attendance and performance record,
- 11.3.2 Application for such leave must be in writing, accompanied by supporting medical evidence,
- 11.3.3 Application for extended sick leave should be made to the Supervisor.
- 11.3.4 Any application in dispute will be resolved by reference to the grievance procedure.

12 CONSULTATIVE COMMITTEE

- 12.1 The Consultative Committee will continue to meet the following needs:
- 12.1.1 To discuss the implementation of the Enterprise Agreement.
- 12.1.2 To act as a referral point on matters concerning or arising out of the Enterprise Agreement.
- 12.1.3 To be involved in the creation of a new work culture.
- 12.2 To ensure its continued commitment to meeting the above needs the Consultative Committee should:
- 12.2.1 Abide by its formal Charter.
- 12.2.2 Review its Charter annually.
- 12.2.3 Ensure replacements are made promptly.



12.2.4 Meet four weekly.

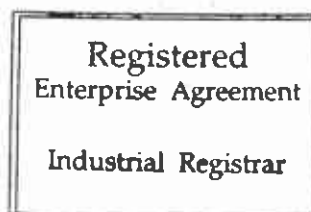
12.2.5 Meetings may be called by members on a needs basis.

13 INTRODUCTION OF CHANGE

- 13.1 The Company will consult the Consultative Committee at the earliest opportunity of planned changes to work or introduction of new technology during the life of this Agreement.
- 13.2 The information will cover projected introduction time, the likely effects on workforce/skill needs, the need for retraining or transfer of employees to other work areas and the changing of jobs.
- 13.3 This information will be used to provide a course of action for handling the intended change at a time closer to its introduction.
- 13.4 The Company will give prompt consideration to matters raised by the Consultative Committee, employees and/or their unions in relation to the changes.
- 13.5 Any major change made by the consultative committee affecting the employees will be presented to the shop floor through small group meetings (within period reviews) or shift meetings if appropriate.

14 AVOIDANCE OF INDUSTRIAL DISPUTES

- 14.1 It is the belief of all groups involved in signing this agreement that attention to matters raised by employees is necessary for good employee relations and to prevent formal industrial disputes. Employees should use the following procedure to make sure their concerns are looked into quickly and efficiently. Most problems can be solved at the front-line supervisory level. The procedure is as follows:
- 14.1.1 At any time an employee may choose to involve a Union delegate.
- 14.1.2 All matters of concern by employees should be addressed to their supervisor. (as a company representative)
- 14.1.3 If the supervisor is unable to resolve the matter, the supervisor and the employee should then refer it to the Department Manager.
- 14.1.4 If the department manager is unable to resolve the matter, then the department manager, employee and the union representative should then refer the issue to the site manager.
- 14.1.5 If the matter cannot be resolved, even with the involvement of an appropriate Union official and union delegate, it shall be referred to either a relevant industrial tribunal, or a private arbitrator acceptable to both parties. The recommendation is binding.
- 14.1.6 During the discussions the way things were being done before the dispute will remain the same and work should proceed as normal.



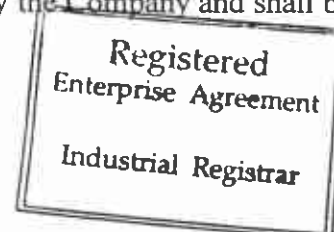
14.1.7 It is the intention of all the signing groups to follow the above procedure in every case to do with local issues, However, it is not intended as a no-strike clause.

15 EMPLOYEE HEALTH AND SAFETY

- 15.1 All parties recognise their responsibility to adhere to the terms and provisions of the New South Wales Occupational Health and Safety Act 1983 (the 'OH&S Act') as amended from time to time
- 15.2 As per Section 19 of the NSW OH&S Act, no person will act in such a way that would put others at risk of injury
- 15.3 Every person will comply with all requirements for using safety, and personal protective equipment.
- 15.4 All equipment will be operated safely and operators will ensure all safety equipment is operational.
- 15.5 Breaking this clause will be regarded as wilful misconduct.

16 UNIFORMS AND PROTECTIVE CLOTHING

- 16.1 A full time employee, upon the beginning of their employment will be issued with five sets of shirts & trousers/skirts/overalls. Two jackets and or a company approved bomber jacket will also be supplied in line with company policy should the employee be required, as part of normal employment to work in cold, wet, or exposed conditions. Safety shoes/supplied footwear will be exchanged when necessary.
- 16.2 A part time employee will be issued with three sets of shirts and trousers/skirts/overalls. One jacket and or a company approved bomber jacket will be supplied in line with company policy should the employee be required, as part of normal employment to work in cold, wet, or exposed conditions. Safety shoes/supplied footwear will be exchanged when necessary.
- 16.3 Casual employees, after 6 months employment will be issued with 2 sets of shirts, trousers/skirts/overalls. One jacket and or bomber jacket may be supplied in line with company policy should the employee be required, as part of normal employment to work in cold, wet, or exposed conditions. Safety shoes/supplied footwear will be exchanged when necessary.
- 16.4 Uniforms and jackets and footwear will be replaced on a needs basis by exchanging the old for the new.
- 16.5 Permanent's will have 5 sets of uniform at all times, part timers will have 3 sets of uniform at all times and casuals will have 2 sets of uniforms at all times according to clause 16.3.
- 16.6 Each employee is responsible for the good care of the issued uniform and protective clothing.
- 16.7 Where necessary, suitable protective clothing or appliances such as gloves, ear plugs, goggles, respirators, protective footwear etc. shall be provided by the Company and shall be worn by the employee.



16.8 Where required, suitable waterproof clothing/rubber boots shall be provided by the Company for the use of employees required to work in the open in wet weather conditions. Such waterproof clothing will be issued on an individual basis.

16.8 All items provided by the Company must be returned to the Company on termination.

17 BEREAVEMENT LEAVE

17.1 Three days paid bereavement leave will be provided on the death of a family member. A family member is defined as a husband, wife, father, mother, grandparent, mother-in-law, father-in-law, child, stepchild, brother, sister, foster parent/child, legal guardian, adopted child or parent or a person who lives with the employee as a de-facto spouse.

17.2 The Company will consider additional leave, up to 5 days (paid), in particularly traumatic bereavement circumstances.

17.3 The Company may require evidence of the need to take bereavement leave.

18 PAYMENT OF WAGES

18.1 The wages and allowances of all employees will be paid weekly by electronic funds transfer.

18.2 It is the employee's responsibility to advise the Company in writing of their particular banking details or any change in their banking details.

18.3 Should it be required to terminate an employee's service all outstanding monies will be paid within twenty-four hours by the Company.

18.4 Outstanding money will be processed within 24 hours of notification. (Delays may occur in EFT transfers depending on banking systems)

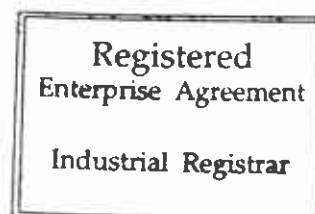
19 COUNSELLING PROCEDURE

19.1 Performance or work habits issues will be dealt with by Supervisors in a quick manner. The company views the decision to counsel employees as a serious occurrence and will always ensure that fairness and reasonableness apply in each case.

19.2 In every case where a performance or work habit issue occurs a first discussion will take place to make the employee aware of the issue and to give the employee a chance to explain and to fix the situation or problem. The discussion will then be followed up within a timeframe established by the Supervisor, the employee and the union delegate/employee representative.

19.3 Should the employee not meet the agreed standards then a second discussion will take place at which time a first written warning will be issued. Again the discussion will be followed up within an agreed time frame. Should the employee not meet the agreed standards then a second written warning will be issued.

19.4 Following an opportunity to meet agreed standards of performance should the employee still fail to meet the standards then his/her employment will be terminated.



- 19.5 Not including the above, the company will dismiss any employee without notice for gross negligence, wilful misconduct, or gross incompetence. Wages shall be paid up to the time of dismissal only.


20 TERMINATION OF EMPLOYMENT

- 20.1 An employee may terminate his or her employment by giving to the Company notice for a time period of not less than one week.
- 20.2 The Company shall provide to the employee a written statement specifying the period of his or her employment, his or her classification or the type of work performed and any training successfully completed by the employee. In addition where appropriate, reference will be made to the employee's likely grading under any general industry classification system.

**Registered
Enterprise Agreement
Industrial Registrar**

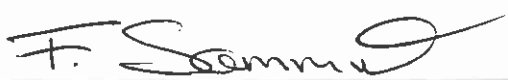
21 SCHEDULE OF AGREEMENT

Representing Snack Brands Australia



Chris Pearce, Smithfield Site Manufacturing Manager

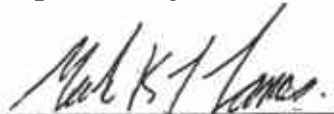
Witness



Ajith Hewawissa, Product Supply Manager

Signed by Frank Sammut, Operations Director on behalf of Ajith Hewawissa

Representing the Smithfield Consultative Committee



Mark James, AWU delegate

Witness



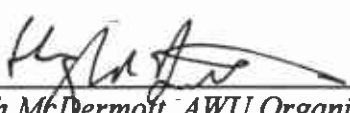
John Serra, NUW delegate

Representing the Australian Workers Union (AWU)



Ross Collison, AWU State Secretary

Witness



Hugh McDermott, AWU Organiser

Representing National Union of Workers (NSW Branch)



Frank Belan, NUW State Secretary

Witness

3/12/99



Marisa Bernadi, NUW Organiser

JENNIFER WARD, J.P.



APPENDIX 1

SNACK BRANDS AUSTRALIA

REDUNDANCY POLICY

**Registered
Enterprise Agreement
Industrial Registrar**

1 COMMITMENT

- 1.1 It is the Company's policy to do everything it can not to make employees redundant. At all times the company will work to preserve employment opportunities.
- 1.2 Consistent with this, it is the intention of the Company to afford all employees affected by the introduction of new technology or changed work methods, the needed training in order to perform alternative employment within the Site.
- 1.3 The provision of Redundancy entitlements will only be used as a final option in special circumstances which as a result of either economic conditions adversely affecting Company business performance which require general headcount reduction or on individual grounds where as a result of work changes the age, or work background preclude satisfactory re-training.
- 1.4 In all cases the company will first attempt to retrain employees affected by the change if this is not possible the company will ask for volunteers. The final stage is to proceed by way of redundancy based on the principle of "last on, first off" with the skill mix and classifications of employees being taken into account.

2.0 REDUNDANCY CONDITIONS

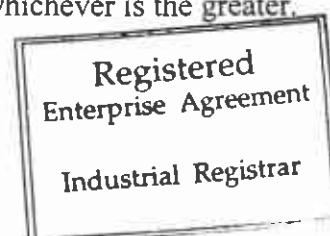
- 2.1 Four weeks notice plus four weeks for each year of service calculated on a pro-rata basis to date of termination.
- 2.2 Paid interview time of thirty-two hours to attend any job interviews arranged by employees during the notice period. Proof of attendance will be required.
- 2.3 Where an employee accepts and commences a new job prior to the expiry of the notice period, payment will only be made up until the date of termination and the Redundancy Benefits (excluding the balance of the notice) will also apply.
- 2.4 Employees over the age of 45 will receive one extra week notice.

3 ENTITLEMENTS

- 3.1 Payment of Annual Leave: All accrued and pro-rata annual leave entitlements will be paid. Annual leave loading will be paid on all accrued leave.
- 3.2 Payment of Long Service Leave: Pro-rata long service leave after five years' continuous service.
- 3.3 All employees begin accruing long service leave from the start of employment.
- 3.4 Payment of Superannuation: Full superannuation redundancy entitlements as per Trust Deed.

4 PART TIME EMPLOYEES

- 4.1 Part time employees will receive the same payments as full timer's, calculated on a pro-rata basis for each year of service or the casual entitlement, whichever is the greater.



5 CASUAL EMPLOYEES

- 5.1 Casual employees will only be entitled to a redundancy payment as a result of a Plant or Section shutdown in which they were employed.
- 5.2 Casual employees with less than one years' continuous service will be paid a lump sum amount of \$500.00.
- 5.3 Casual employees with more than one years' continuous service and less than five years' continuous service will be paid a lump sum amount of \$ 1,500.
- 5.4 Casual employees with more than five years' continuous service will be paid a lump sum amount of \$ 3,000.

6 REDUNDANCY PAYMENT EXCLUSIONS

- 6.1 Employees dismissed for any reason other than redundancy are excluded from the entitlements contained in this appendix.

7 PAYMENT CALCULATION

- 7.1 Current rate of pay means ordinary weekly base rate including over-award payments but excluding shift penalties.

8 GENERAL

- 8.1 The parties agree that the terms and conditions of the redundancy benefits and the formula for payments described herein shall operate in respect to the termination of employees engaged in the Company's Smithfield operations and will not become additional to any severance/redundancy payments and conditions which arise as a consequence of Government legislation except where the statutory provisions exceed.



Appendix 2

Snack Brands Australia

Smithfield Enterprise Agreement



Competency Structure and Standards

Level 1 Core Competencies

- 1.0.1 works under routine supervision
- 1.0.2 is responsible for the quality of his/her own work, and
- 1.0.3 exercises basic decision making
- 1.0.4 possesses a good interpersonal and communication skills
- 1.0.5 implement sound personal hygiene practices
- 1.0.6 handles raw materials and product hygienically
- 1.0.7 participates effectively in teams
- 1.0.8 explains and implement the Good Manufacturing Practice Code
- 1.0.9 uses the internal communication system effectively
- 1.0.10 implements work place OHS practices
- 1.0.11 undertakes duties in a safe and responsible manner
- 1.0.12 identifies and reports on health and safety hazards
- 1.0.13 monitors the quality of own work

1.1 Packaging Stream Competencies

- 1.1.1 explain the packaging process
- 1.1.2 starts and stop the packaging process
- 1.1.3 hand pack product to optimum machine efficiency levels
- 1.1.4 weigh finished product
- 1.1.5 stack finished product
- 1.1.6 identify and report basic machine faults
- 1.1.7 clean equipment
- 1.1.8 operate hand pallet trolley
- 1.1.9 transfer waste material
- 1.1.10 operate tape machine
- 1.1.11 cleaning and housekeeping

1.2 Processing Stream Competencies

- 1.2.1 identify and report out of standard processing performance and quality
- 1.2.2 prepare raw material for processing
- 1.2.3 perform trim and pare and picket processes
- 1.2.4 apply basic hygiene and sanitation procedures

1.3 Sanitation and Waste Water Stream Competencies

- 1.3.1 grounds cleaned and maintained to SBA standards
- 1.3.2 clean amenities with cleaning schedule to hygiene standard

1.4 Warehousing Stream Competencies

- 1.4.1 general labouring and cleaning duties
- 1.4.2 order assembling including picking stock
- 1.4.3 loading I unloading of product
- 1.4.4 satisfying internal and external customer needs
- 1.4.5 operation of computer keyboard / keypad to carry out stores work
- 1.4.6 checking, documenting and recording of goods, materials and components



- 1.4.7 basic inventory control
- 1.4.8 use of hand trolleys and pallet trucks

1.5 Quality Assurance Stream (All QA points in this draft are to be reviewed by QA and the training committee)

- 1.5.1 collect samples from production and raw materials for analysis
- 1.5.2 audit finished product for compliance to specification
- 1.5.3 enter collected data into computer reporting systems
- 1.5.4 is able to set up equipment for analytical techniques

Level 2 Core Competencies: in addition to the competencies of level 1

- 2.0.1 works under limited supervision,
- 2.0.2 may co-ordinate the work of other employees under general supervision, and
- 2.0.3 is responsible for the quality of his/her own work
- 2.0.4 is able to operate an entire packaging line or a production sub system involving more than one production process
- 2.0.5 is able to work from complex instructions and procedures
- 2.0.6 possesses sound interpersonal and communication skills
- 2.0.7 uses practices to prevent food contamination from physical agents
- 2.0.8 applies effective techniques to enable cross cultural communication
- 2.0.9 identifies and reports occupational health and safety hazards and injuries

2.1 Packaging Stream

- 2.1.1 sets up the packaging machine for operation
- 2.1.2 operates the either a flat jaw or rotary jaw packaging machine at the agreed standard of optimum efficiency and waste
- 2.1.3 closes down at the end of run
- 2.1.4 prepares performance reports
- 2.1.5 changes over between products
- 2.1.6 identifies faults in the process
- 2.1.7 completes basic running adjustments to packaging equipment

2.2 Processing Stream

- 2.2.1 sets up the processing line for operation
- 2.2.2 operates the whole process line to standard under normal conditions
- 2.2.3 closes down at end of run
- 2.2.4 prepares performance reports
- 2.2.5 identifies faults in the process
- 2.2.6 completes basic running adjustments to packaging equipment
- 2.2.7 licensed/certified to operate a fork lift



2.3 Sanitation and Waste Water Stream

- 2.3.1 work area and equipment cleaned to hygiene and sanitation standards within cleaning schedule and safety requirements
- 2.3.2 cleaning chemicals handled and stored safely
- 2.3.3 waste is disposed in accordance with environmental requirements
- 2.3.4 floor and walls cleaned to hygiene and OH&S requirements
- 2.3.5 chemicals used for cleaning handled using appropriate safety clothing according to OH&S & manufacturers specifications
- 2.3.6 cleaning tools and equipment maintained in operational working order
- 2.3.7 prepare equipment to process product hygienically

2.4 Warehousing Stream

- 2.4.1 is licensed and/or certified to operate all appropriate materials handling equipment, eg. forklift.
- 2.4.2 inventory and stores control, manually and on computer
- 2.4.3 computer operation using intermediate keyboard and/or keypad skills to carry out warehouse work including problem solving
- 2.4.4 routine maintenance of equipment and machinery, eg replace batteries
- 2.4.5 control receipt of materials
- 2.4.6 control transfer of materials
- 2.4.7 control storage of materials

2.5 Quality Assurance Stream

- 2.5.1 conduct all QA test methods
- 2.5.2 report non compliance to specification to operators and management
- 2.5.3 hold and reject products based on measured values
- 2.5.4 understand all documentation for process control (production control points, specifications)
- 2.5.5 is able to set up all equipment for analytical techniques
- 2.5.6 identifies faults in systems
- 2.5.7 chemicals handled and stored safely

Level 3 Core Competencies: in addition to the competencies of level 1 and 2

- 3.0.1 works with minimal supervision
- 3.0.2 is responsible for the quality of his/her own work
- 3.0.3 has decision making responsibility within policies and plans
- 3.0.4 operates an entire production system from raw materials to finished product or,
- 3.0.5 operates more than one packaging/production/warehouse system or line
- 3.0.6 uses practices which prevent contamination by chemical and microbiological agents
- 3.0.7 possesses sound interpersonal and communications skills
- 3.0.8 interact with internal clients about matters related to the workplace
- 3.0.9 monitor and implement workplace OH&S practices
- 3.0.10 can organise and lead team meetings



3.1 Packaging Stream

- 3.1.1 undertakes minor adjustments and repairs to equipment
- 3.1.2 afters packaging machine set up for optimum performance
- 3.1.3 assists with planning the production schedule to maximise efficiency
- 3.1.4 troubleshoots to identify and overcome packaging problems
- 3.1.5 conducts the entire range of in-process tests as per SBA specifications
- 3.1.6 operates both flat jaw and rotary jaw packaging machines at the agreed standard of optimum efficiency and waste
- 3.1.7 arrange the maintenance of equipment

3.2 Processing Stream

- 3.2.1 undertake minor adjustments and repairs
- 3.2.2 set up processing line for maximum efficiency
- 3.2.3 conduct IPS audit to identify non-standard equipment set up
- 3.2.4 assist with planning production schedule to maximise efficiency
- 3.2.5 troubleshoots to identify and overcome packaging problems
- 3.2.6 conducts the entire range of in-process tests as per SBA specifications
- 3.2.7 operates the entire production line
- 3.2.8 arrange the maintenance of equipment

3.3 Sanitation and Waste Water Stream

- 3.3.1 critical points of the process which impact on contamination are monitored to ensure appropriate hygiene and sanitation control
- 3.3.2 waste and pest control procedures are implemented to achieve compliance with hygiene, sanitation and environmental requirements
- 3.3.3 critical points of the process which impact on contamination are monitored to ensure appropriate hygiene and sanitation control

3.4 Warehousing Stream

- 3.4.1 can manage the handling of special products eg. chemicals, solvents, waste.
- 3.4.2 responsible for the quality control of the work of other storemen without being responsible for their direction
- 3.4.3 performs inventory level analysis and makes decisions within policies and plans
- 3.4.4 can open and close warehouse facility
- 3.4.5 arranges the maintenance of equipment

3.5 Quality Assurance Stream

- 3.5.1 is able to conduct capability studies on all processes and systems
- 3.5.2 is able to conduct food safety, hygiene and hazard analysis audits
- 3.5.3 communicate with suppliers on raw material issues
- 3.5.4 understand all plant processes in general



Level 4 Core Competencies: in addition to the competencies of level 1, 2 and 3

- 4.0.1 exercises considerable supervisory responsibility
- 4.0.2 has the ability to take full responsibility for the section under their control
- 4.0.3 Possesses highly developed level of interpersonal and communication skills.
- 4.0.4 has responsibility for production quality control
- 4.0.5 assists with in house training programs
- 4.0.6 operates with complex systems
- 4.0.7 monitor and maintain hygiene and sanitation standards
- 4.0.8 support other workers in their development and use of hygiene standards
- 4.0.9 interact with external clients about routine matters
- 4.0.10 support other workers in the acquisition of skills by the use of coaching and mentoring skills
- 4.0.11 operate the process control system
- 4.0.12 contribute to improving OH&S

4.1 Packaging Stream

- 4.1.1 organise and conduct material balance to identify waste reduction
- 4.1.2 calculate and prepare packaging labour standards

4.2 Processing Stream

- 4.2.1 organise and conduct material balance to identify waste reduction
- 4.2.2 calculate and prepare processing labour standards

4.3 Sanitation and Waste Water Stream

- 4.3.1 hygiene and sanitation problems are identified and rectified promptly to minimise impact of contamination and spoilage
- 4.3.2 hygiene and sanitation performance is recorded in the reporting system
- 4.3.3 can instruct employees in the use of chemicals
- 4.3.4 can treat injuries arising from chemical handling
- 4.3.5 statutory requirements are understood and explained to other
- 4.3.6 conduct audit of hygiene and sanitation performance to verify compliance to SBA and statutory requirements
- 4.3.7 can analyse and investigate to resolve problems
- 4.3.8 make recommendations arising out of investigations, follows up implementation

4.4 Warehousing Stream

- 4.4.1 implement quality control techniques.
- 4.4.2 sound working knowledge of all stores duties below this level and of SBA operations and product.
- 4.4.3 responsible for quality control of the work of other storemen and their day to day direction.
- 4.4.4 perform all stores activities, utilising all equipment
- 4.4.5 manage all the information within the warehouse
- 4.4.6 co-ordinates the maintenance of equipment

4.5 Quality Assurance Stream



- 4.5.1 determine and implement new process control limits through statistical analysis
- 4.5.2 implement food safety, hygiene and risk control measures for processes within factory
- 4.5.3 investigate issues and develop solutions for non compliance to specifications or for improvement of current practices
- 4.5.4 monitor and suggest recommendations for the quality system

Level 5 Core Competencies: in addition to the competencies of level 1,2, 3, and 4

- 5.0.1 completed the appropriate (trades/management) TAFE college Qualifications with the support of SBA
- 5.0.2 has accountability/reporting responsibility
- 5.0.3 plans and implements in house training programs
- 5.0.4 troubleshoot in complex production and warehouse situations
- 5.0.5 using systems analysis recommends system redesign and modification
- 5.0.6 plans operation of complex production and warehousing processes
- 5.0.7 can set complex instructions for a team or section to work to
- 5.0.8 develop and monitor the implementation of safe work practices
- 5.0.9 will normally direct the operation of complex production and warehousing processes
- 5.0.10 present a cohesive argument on the basis of well planned and organised data
- 5.0.11 oversee production processes and performance
- 5.0.12 demonstrate highly developed interpersonal and communication skills

