

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA01/336

TITLE: Australian Bakels Pty Ltd Enterprise Agreement No 6

I.R.C. NO: 201/6226

DATE APPROVED/COMMENCEMENT: 12 October 2001/7 August 2001

TERM: 24 months

**NEW AGREEMENT OR
VARIATION: New Replaces EA99/233**

GAZETTAL REFERENCE: 30 November 2001

DATE TERMINATED:

NUMBER OF PAGES: 36

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees engaged in the following classifications at the Silverwater site: Senior Operator, Foreman, operator Group 1, Operator Group 2, Process Worker/General Factory Hand, Probationary Employee and Home Economist

PARTIES: Australian Bakels (Pty) Ltd -&- National Union of Workers, New South Wales Branch, The Australian Workers' Union, New South Wales

AUSTRALIAN BAKELS (PTY) LTD
A.C.N. 000 112 836

ENTERPRISE AGREEMENT

MEMORANDUM OF AGREEMENT

BETWEEN

AUSTRALIAN BAKELS (PTY) LTD

AND

THE AUSTRALIAN WORKERS UNION
And THE NATIONAL UNION OF WORKERS,
NEW SOUTH WALES

ENTERPRISE AGREEMENT No. 6

FILED WITH THE INDUSTRIAL REGISTRAR



ENTERPRISE AGREEMENT

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1. ENTERPRISE AGREEMENT

An Enterprise Agreement made this 7th day of August 2001 and in pursuance of the provisions of the Industrial Relations Act 1996 as amended, between **AUSTRALIAN BAKELS (PTY) LTD. of SILVERWATER** (hereinafter called "the Employer") of the one part, and **THE AUSTRALIAN WORKERS UNION, NEW SOUTH WALES, and THE NATIONAL UNION OF WORKERS (NSW BRANCH)** Industrial Union of Employees, duly registered under the Industrial Relations Act 1996 as amended (hereinafter called "the Unions") of the other part, whereas it has been agreed by the parties hereto that the rates of pay and conditions of employment in this Agreement set out shall for the period hereinafter provided be the rates of pay and conditions of employment of Employees in the employ of the Employer Now This Agreement Witnesseth and it is mutually agreed by and between the parties hereto that the provisions hereinafter set out shall be observed and performed by the Employer and the Union and the members thereof.

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2. COMPANY / UNION RELATIONSHIP

2.1 The freedom of association provisions in The Federal Government's *Workplace Relations Act 1996*, ensure that employees and independent contractors are free to join or not to join unions. The provisions ensure that employers, employees and independent contractors cannot be discriminated against, because of their membership or non-membership of these organisations.

The company, on written request from an employee, will provide payroll deduction services for union fees.

It is Australian Bakels Pty Ltd's preference to engage permanent employees under the agreement, however there are occasions when the company requires contract and/or supplementary labour to undertake specific tasks, and work not normally carried out by Australian Bakels employees.

Where supplementary labour is engaged, rates of pay and loading percentages, no less than those applicable to Australian Bakels employees in the relevant classification will be applied.

2.2 Employees covered by this agreement may be members of the Australian Workers Union or the National Union of Workers. The general difference between coverage is that the Australian Workers Union covers production in raw materials, fat, powder, laundry, stores and yard area, and the National Union of Workers covers work related to manufacture of frozen foods only.

Australian Workers Union members who train for National Union of Workers positions, or

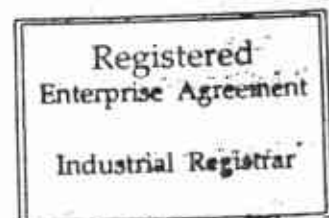
National Union of Workers members who train for Australian Workers Union positions may remain members of their current union whilst undergoing agreed training. Those employees may then join the appropriate union once reclassified.

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, in line with the agreed practices.

On-going Consultation - In any other areas where job dispute issues arise which may stop or slow production, it is agreed that both unions and management would resolve such situations by consultation and agreement.

3. AREA, INCIDENCE AND DURATION

- 3.1 This agreement shall apply to all operatives classified in TABLE 4.1.0 in the employ of Australian Bakels (Pty) Ltd. at their Silverwater factory.
- 3.2 The agreement will take effect on the date it is approved and remain in force for a period of 24 months from that date. Employees covered by the agreement at the date of approval will be paid in accordance with clause 3 from 7 August 2001 or the date of employment whichever is the later. On the 7th of August 2002 rates of pay will increase 4.0% for all classifications listed in clause 4.1.14
- 3.3 This Enterprise Agreement replaces and terminates Enterprise Agreement No.5 of 1999 and approved under Section 45 of the Industrial Relations Act, 1996 .
- 3.4 This Agreement shall be read in conjunction with the Margarine Makers (State) Award and the Pastry Cooks (State) Award, provided that where there is any inconsistency between this Agreement and the Margarine Makers (State) Award and the Pastry Cooks (State) Award, this Agreement shall take precedence to the extent of the inconsistency.



4. RATES OF PAY

4.1.0 Hourly rates of pay – TABLE- (matrix based on grouping and length of service).

Commencing on or after the 7th of August 2001.

SKILLS POINTS	PROBATIONARY EMPLOYEE	0 to 15- LEVEL 3 Process Worker	15 to 40 - LEVEL 2	OVER 40 - LEVEL 1	HOME ECONOMIST	LEADING HAND	SENIOR LEADING HAND
length of service							
0 to 7 yrs	13.5919	\$14.2043	\$14.9134	\$15.4355	\$14.9534	\$16.2048	\$16.9335
7 to 14 yrs		\$14.4775	\$15.1961	\$15.7281	\$15.2525	\$16.5289	\$17.2515
over 14 yrs		\$14.7506	\$15.4788	\$16.0207	\$15.5575	\$16.8192	\$17.5965

4.1.1 Skills Assessment

The purpose of the skills assessment is to form a process of implementing structural change and efficiency measures by means of a classification structure which rewards employees for the acquisition of accredited skills and work competencies which are relevant to the Company.

The aim of the skills assessment is to accurately assess the extent to which employees fulfil the requirements of the skills that make up the classification structure. This information is converted into skill points, (Appendix 1 –Skills Point System) which determine the skill level at which the employee should be classified. Having attained skills points, workers must be prepared to work in these positions as directed by their supervisors or lose skill points.

Table 4.1.0 defines that there are four skill classification levels. (See: Definitions of Classification Structure) To be classified in a particular skill level the employee must attain the relevant number of skill points by being able to perform the jobs indicated and also be willing to perform these jobs when requested.

A skills assessment review will be conducted every three months to determine,

- How many skill points an employee has
- What classification level the employee is in.



Equally past training will be reviewed and new training targets set for the future.

The following method will be used to ensure an unbiased and equitable appraisal of skills.

4.1.2 Both the employee and the Factory Supervisor or Production Manager will conduct a skills review every three months. Both the employee and the Supervisor will discuss and agree on the skill attributes within the skills review. This will show the following:

- a) Skills attained
- b) Skills being trained in
- c) Skills not attained
- d) Skills to be trained in

4.1.3 Should agreement not be reached. The Production Manager will be used to conciliate so as to find a mutually acceptable outcome. At anytime should an employee request union representation to reach agreement, that option is open to them. The end result will be that both the employee and the company agree on the skills and the level the employee is classified in. If there is any doubt about skills attained the employee will be asked to perform the designated job unsupervised for a period of one week to demonstrate ability.

4.1.4 Part of the skills assessment will be to review past training effectiveness and to plan future training schedules. This will be carried out in a structured and documented way so as to enable review and planning.

4.1.5 As there is only a finite amount of training resources and training time, there will be a need to prioritise training schedules for all employees. This will be done by means of the following procedure. A permanent employee at the commencement of a twelve month period may nominate a minimum of at least 5 skills areas where they wish to be trained. The company will endeavour to train the employee in at least two of these skill areas or be prepared to give pro-rata acknowledgement of these skills until such time, training can be completed. No more than one person per day will be trained in areas that require duplication of labour.

4.1.6 Each Factory Supervisor will be responsible for structuring and implementing training schedules. All employees wishing to be trained will have the opportunity to do so. Any employee who refuses training will go to the bottom of the training list.

4.1.7 Pay rates will be determined by the skill level that the employee is classified in and which the employee and the company have agreed to.

Definitions in Classification Structure

4.1.8 Probationary Employee

A probationary employee is the entry level classification for an employee who is

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engaged in the initial structured training which is relevant to the basic requirements of the company's specific production operations. This training will include: The initial induction process, conditions of employment, company policy and procedures, occupational health and safety requirements, and the company's quality assurance standards and procedures.

The following is indicative of the tasks and responsibilities that an employee at this level may be required to perform in accordance with their level of training.

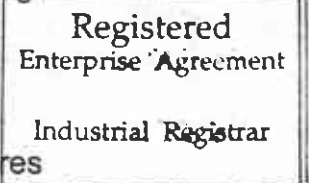
- ◆ Responsible for the quality of their own work
- ◆ Performance of general labouring or cleaning duties
- ◆ Undertakes duties in a safe and responsible manner
- ◆ Satisfies internal and external customers needs
- ◆ Works under general supervision either individually or as part of a team
- ◆ Undertakes structured training in suitable duties so as to enable progression to the next level
- ◆ Takes reasonable care for the health and safety of fellow workers including any company requirement that may be implemented by the Occupational Health and Safety Committee.

4.1.9 Process Worker/General Factory Hand – level 3 employee

A Process Worker/General Factory Hand is an employee who has completed the first three months of initial training.

The following is indicative of the tasks and responsibilities that an employee at this level may be required to perform in accordance with their level of training.

- ◆ Performs all tasks and duties as outlined in Probationary Level
- ◆ Applies and understands quality assurance standards and procedures



4.1.10 Level 2 employee

A Level-2 employee is one who is multiskilled and can work unsupervised – skills level 15 to 40 points

The following is indicative of the tasks and responsibilities that an employee at this

level may be required to perform in accordance with their level of training.

- ◆ Performs all tasks and duties as outlined in Probationary level and Process Worker/General Factory Hand
- ◆ Assists in the training of other employees as skills will competently allow
- ◆ Works in a team environment with minimal supervision
- ◆ Displays sound understanding of the production areas and their procedures.

4.1.11 Level 1 employee

A level 1 employee is one who has accumulated more than 40 points. The following is indicative of the tasks and responsibilities that an employee at this level may be required to perform in accordance with their level of training.

- ◆ Performs all tasks and duties as outlined in Probationary level, Process Worker/General Factory Hand and Levels 3 and 2
- ◆ Show significant ability to supervise and be responsible for team activities
- ◆ Is an integral part of the training environment

4.1.12 Leading Hand (Appointed)

- ◆ Able to run all plant and equipment under their control
- ◆ Has some formal supervisory training
- ◆ Understands Company's procedures and requirements
- ◆ Able to enter Manufacturing or Despatch data in the MFG-PRO system.

4.1.13 Senior Leading Hand (Appointed)

- ◆ Can handle all duties as described for a leading hand.
- ◆ Can demonstrate any of the work activities under their control.
- ◆ Is able to formally supervise one of the four factory sections in the supervisors absence.

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4.1.14 From the first pay period commencing on or after 7 August 2001, the base rate of pay will be according to the following table:

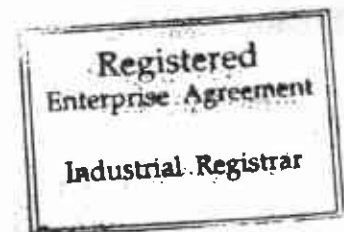
Senior Leading Hand	\$643.47
Leading Hand	\$615.78
Level 1 Employee	\$586.55
Level 2 Employee	\$566.71
Process Worker	\$539.76
Probationary Employee	\$516.49
Home Economist	\$568.23

4.2.0 Juniors

4.2.1 All employees under the age of 21 years shall be paid the appropriate adult wage (ref:4.1.0), after completing the normal probationary period.

4.3.0 Dust Money Allowance

Employees involved with the manufacture and filling of products having a particularly dusty nature, will be paid a Dust Money Allowance of 41 cents per hour, for each hour worked in such conditions.



4.4.0 Heat Money Allowance

4.4.1 Employees required to work in places where the temperature of the general work area is raised artificially by processing equipment to above 40.5°C (105°F) shall be paid a Heat Money Allowance of 53 cents per hour, for each hour worked in such

5. WAGE RATE VARIATIONS

It is a term of this Agreement (arising from the decision of the Industrial Commission of New South Wales in Court Session in the State Wage Case of March 1992) that the Unions and parties to this Agreement undertake that for the period of the duration of the principles specified in such decision(s), they will not pursue any extra claims, except where consistent with such principles.

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6. HOURS

6.1 Day Work

6.1.1 The ordinary working hours shall be an average of 38 per week to be worked between the hours of 6.00 a.m. and 6.00 p.m., Monday to Friday inclusive, subject to the provision of Clause 6.3 below.

The ordinary working hours are not to exceed 8 hours in any one day.

Subject to agreement between the employer, the Union and the majority of employees, ordinary hours exceeding 8 hours but not exceeding 12 hours on any day may be worked subject to:

- (a) Subject to observance of the provisions of the Occupational Health and Safety Act 1983.
- (b) Suitable roster arrangements being made, and
- (c) Proper supervision being provided.

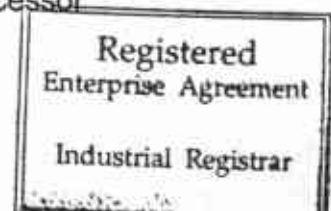
6.1.2 All time worked within the span of hours, other than meal breaks, shall be paid as time worked.

6.2 Shift Work

6.2.1 The ordinary working hours of shift workers shall be an average of 38 per week, but shall not exceed eight during any consecutive 24 hour period, subject to the provision of Clause 6.3 below:

Subject to agreement between the employer, the Union and the majority of employees, ordinary hours exceeding 8 hours but not exceeding 12 hours on any day may be worked subject to:

- (a) Subject to observance of the provisions of the Occupational Health and Safety Act 1983 as amended or any other successor legislation.
- (b) Suitable roster arrangements being made.



- 6.2.2 Afternoon Shift means any shift which finishes after 6.00 p.m. and at or before midnight.
- 6.2.3 Night Shift means any shift which finishes after midnight and at or before 8.00 a.m.
- 6.2.4 Except without prior agreement, shift rosters will not be altered without 7 days' notice to the employees concerned.
- 6.2.5 Shift workers shall be allowed 20 minutes crib time which shall be counted as time worked.

6.3 Rostered Day - Leave Accrual

- 6.3.1 The 38 hour week shall be implemented so as to give each employee a day off, on either a rostered day or plant closedown basis, during each nominated four week period.
- 6.3.2 The employee's ordinary hours shall be arranged so that for three of the four weeks he/she shall work 40 ordinary hours and in the remaining week he/she shall work 32 hours. The employee shall work for eight ordinary hours each day, Monday to Friday inclusive, for three weeks and eight ordinary hours on four week days only in the remaining week. The employee shall work eight hours of ordinary time on 19 days during the course of each nominated four week period.
- 6.3.3 Employees shall be paid according to an "averaging system" whereby the weekly ordinary time rate of pay, as set out in Clause 4, shall be paid each week even though more or less than 38 ordinary hours are worked in any given week. The obligation to make payments in accordance with this paragraph is subject to the provisions set out below.
- 6.3.4 Under the "averaging system", each employee accrues a "credit" for each day he/she works in excess of 7 hours 36 minutes. For each day an employee works eight ordinary hours he/she accrues a "credit" of 24 minutes. The "credits" are carried forward so that in the week of the cycle that he/she works only four days, i.e. 32 ordinary hours, the "credits" will also be paid out. Thus, if an employee has received "credits" for 19 days in the nominated 4 week period, the employee will be paid his/her full 38 hour rate for the week in which he/she works four days only.
- 6.3.5 An employee will accrue a "credit" for each day that he/she is absent from duty on public holidays, paid sick leave, bereavement leave or jury service but not otherwise.

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- 6.3.6 Where an employee is absent from work, other than on paid leave, the employee shall not accrue "credit" for that day and payment for his/her rostered day off shall be reduced accordingly.
- 6.3.7 Where an employee is absent from work on Annual Leave or Long Service Leave he/she shall be paid the appropriate weekly rate of pay but will not accrue "credits" for the period in question.
- 6.3.8 For the purpose of administration, the calendar year will be divided into 13 four week periods and monthly rosters prepared for each period in respect of rostered days off. Each employee will be entitled to a maximum of 12 rostered days off during each calendar year.
- 6.3.9 New employees will be required to work for a complete four week period (referred to in 6.3.8 above) before qualifying for the rostered day off. Any accrual before the 4 week qualifying period will be paid out at overtime rate or the working week adjusted to the equivalent of 38 hours.
- 6.3.10 Where an employee leaves the Company any balance of accrued time will be paid out on termination.
- 6.3.11 The previously agreed date for a rostered day may be varied provided there is agreement between the Company and the employee.
- 6.3.12 Rostered days may not accumulate and be taken consecutively.
- 6.3.13 Should an employee be required and agrees to work on his/her rostered day he/she will be paid overtime rates of double time for the time worked provided no other leave is taken in place of such day.

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7. SHIFT ALLOWANCE

7.1 In addition to the normal rate of pay, shift workers will receive Shift Allowances calculated as follows:-

7.1.1 Afternoon Shift - 17½% of the wage rate applicable.

7.1.2 Night Shift - 30% of the wage rate applicable.

8. OVERTIME

8.1 Employees may be required to work reasonable overtime and in such cases will be paid overtime rates according to the following conditions.

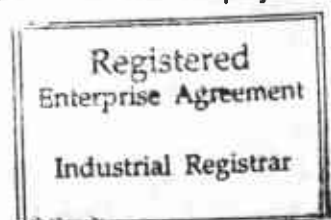
8.2.1 At the rate of time and a half for the first two hours and then double time for all time worked before the normal starting time or after the normal finishing time on any day.

8.2.2 At the rate of time and a half for the first two hours and then double time for all time worked on a Saturday and allowing for a minimum of 4 hours worked on a Saturday.

8.3.1 An employee recalled from his/her home back to work after leaving his/her place of employment, whether notified before or after leaving, shall be paid for a minimum of 4 hours worked.

8.4.1 An employee who works so much overtime between the termination of his/her ordinary work on one day or shift and the commencement of his/her ordinary work on the next day or shift that he/she has not had at least ten (10) consecutive hours off duty between these times shall be released after completion of such service until he/she has had ten (10) consecutive hours off duty without loss of pay for ordinary working time accruing during such absence.

8.4.2 If, on the instruction of the Company, such employee resumes or continues work without having had ten (10) consecutive hours off duty, he/she shall be paid at double rates until he/she is released from duty for such period and he/she shall be entitled to be absent until he/she has had ten (10) consecutive hours off duty without loss of pay for ordinary working time accruing during such absence.



8.5.1 Permanent employees of any one section, will be given the choice to work overtime in their own section before permanent employees from another section are asked. If no permanent employees are immediately available for overtime the company reserves the right to use casual labour.

Sundays and Public Holidays

8.6.1 Employees required to work on Sundays will be paid at the rate of double time for all times worked and allowing for a minimum of 4 hours worked on the Sunday.

8.7.1 Employees required to work on a specified Public Holiday will be paid at the rate of double time and one half for all time worked and allowing for a minimum of 4 hours worked on such holiday, except in the case of the following Public Holidays where work time will be paid at the rate of triple time:

Christmas Day (falling on December 25th)

Good Friday

Anzac Day

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9. MEAL HOURS AND MEAL ALLOWANCE

- 9.1 A lunch break will be taken each day, Monday to Friday inclusive, between the hours of 11.00 a.m. and 1.30 p.m. and of a minimum 30 minutes duration. The lunch breaks will be organised in such a manner so as not to disrupt the flow of work in factory or warehouse areas. This will be done by organising lunch breaks at different intervals so as to maintain at least half the staff working within their respective work areas at any one time.
- 9.2 If an employee is delayed from taking his/her lunch break at the regular time he/she shall be paid at normal rates until a meal break is taken.
- 9.2.1 Such employee will be allowed a normal meal break without deduction of pay.
- 9.2.2 In an emergency outside the Company's control or where production may be affected then the break may be brought forward or delayed without payment of penalty.
- 9.3 An employee, who has not been notified the previous day, or earlier, that he/she is required to work in excess of one and a half hours past his/her normal finishing time will be paid a meal allowance of \$8.00 by electronic fund transfer in their weekly pay.
- 9.4 Employees will be allowed two 15-minute periods for morning tea and after-noon tea. These tea breaks will be taken in such a way as to minimise the disruption to work. Tea breaks will be on a roster system agreed to in each work area to enable continuation of work in all factories and warehouses. Tea breaks will be counted as time worked.

10. PAYMENT OF WAGES

- 10.1 The pay week will be from Wednesday to Tuesday inclusive and pay day will be the following Thursday.
- 10.2 Subject to the remainder of this clause, payment of wages may, at the employer's election, be made by means of payment by cash or Electronic Funds Transfer, provided that payment by Electronic Funds Transfer shall not be used whenever its use would create harsh or unreasonable circumstances for employees. The choice of institution for Electronic Funds Transfer is subject to agreement being reached between the employer and employees.
- 10.2.1 Whenever wages are paid by Electronic Funds Transfer the Company will make two payments of \$15 per year to each permanent employee to offset miscellaneous account and government charges made by the banking institutions.
- 10.2.2 In the event that an employee feels there is an error in their pay, the Company will make every effort to re-calculate the pay and in the event of an error being found, make payment by way of a cheque within 24 hours of the error being confirmed.
- 10.3 On the pay day the Company will supply each employee with a statement showing the amount of wages to which he/she is entitled, the amount of deductions made therefrom and the net amount of wages due to the employee.
- 10.4 When a Public Holiday occurs on a Thursday, the pay day will be brought forward to the Wednesday. In order to complete the calculations, the Pay Office will assume that employees who are in attendance at work on the Monday will also be in attendance at work on the Tuesday and so will receive payment for the Tuesday in that week's pay. Employees who are absent on the Monday will be presumed as being absent on the Tuesday and so payment for Monday and Tuesday will not be paid in that week's pay. The Company reserves the right to make deductions in the subsequent week's pay for any over-payments made.



11. CONTRACT OF EMPLOYMENT

- 11.1.1 Subject to sub-paragraph 1.2 hereof, any employee not specifically engaged as a casual or part-time employee shall be deemed to be employed by the week.
- 11.1.2 All persons employed directly by the Employer will be engaged as Probationary employees on the basis of a three month trial period before employment is regarded as permanent. During such trial period employment can be terminated by the giving of one hour's notice by either the Employer or the employee and payment of wages made up to the time of termination. The rate of pay of a Probationary employee shall be based on the rate shown in Clause 4 (Rates of Pay) of this Agreement. Notwithstanding these terms of Probationary employment, the Employer shall retain the discretionary right to provide a particular Probationary employee with a rate of pay in excess of the rate set out in Clause 4 (Rates of Pay). However, where the Employer exercises such right, the terms of engagement shall remain Probationary in accordance with this sub-clause.
- 11.1.3 Employees shall be engaged as day workers, afternoon shift workers, night shift workers or on the basis of rotation between day work and shift work in accordance with the provisions of Clause 6 (hours) and Clause 7 (Shift Allowance) of this agreement.
- 11.1.4 Employees may be engaged as casuals on an hourly basis. In such cases, the casual employee will be paid the Probationary employee rate on an hourly basis as set out in Clause 4 (Rates of Pay) plus a 15% Casual Employee Loading. Employees may also be engaged on a part-time basis involving normal pro rata entitlements.
- 11.1.5 An employee may be engaged on a temporary basis. A temporary employee is one whose engagement is for a specific minimum period to cover peak production periods. Such employees shall be advised of the minimum term of their employment at the commencement of employment. Temporary employees shall be eligible for all provisions of this Agreement, save that their entitlements under Clauses 15 and 16 shall be on a pro-rata basis. Temporary employees shall not be entitled to any redundancy or severance payment other than in accordance with Clause 16. However, if any temporary employee's employment is terminated for any reason apart from serious and wilful misconduct, prior to the completion of this agreed period of employment, the Company shall pay him as though he/she had worked that period.
- 11.1.6 Employment is subject to the conditions of the current Application for Employment form in use by the Company.

11.1.7 In the event that an employee cannot be usefully employed because of any stoppage of work for which the Company cannot reasonably be held responsible, the contract of employment shall be continued except that the employer's liability for payment of wages shall be suspended for the duration of the stoppage of work provided that two working day's notice shall be given to employees prior to such suspension; provided that if by reason of the failure or shortage of electric power the employer is unable to carry on his/her undertaking during the working hours of the day the general provisions as may be decided by the Industrial Relations Commission of New South Wales in any Electrical Rationing - Emergency Stand Down Award or any other award with similar meaning will apply; provided further that during any period in which an employee is suspended in accordance with this sub-clause he/she shall be relieved of his/her obligation to give one week's notice of termination as required by Clause 11.2.1.

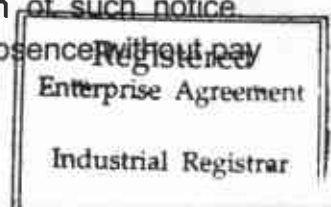
- 11.1.8 A. The Company may direct the employees to carry out such duties as are within the limits of the employees' skill, competence and training consistent with the classification structure of this Agreement provided that such duties are not designed to promote de-skilling.
- B. The Company may direct an employee to carry out such duties and use such tools and equipment as may be required provided that the employee has been properly trained in the use of such tools and equipment.
- C. Any directions issued by the Company pursuant to A and B shall be consistent with the Company's responsibilities to provide a safe and healthy working environment.

11.2 Termination of Employment

11.2.1 Employment, except in the case of casual employees, shall be terminated by a week's notice on either side given at any time during the week or by payment in lieu of such notice.

11.2.2 Notwithstanding the provisions of paragraph 11.2.1 hereof the employer shall have the right to dismiss any employee without notice for neglect of duty or misconduct and in such cases the wages shall be paid up to the time of dismissal only. Disciplinary procedure as outlined in Clause 23 will be carried out prior to the dismissal.

11.2.3 Where the employee has given or been given notice as aforesaid he/she shall continue in his/her employment until the date of the expiration of such notice. Provided that an employee on request shall be granted leave of absence without pay for one day in order to look for alternative employment.



12. JURY SERVICE

- 12.1 An employee shall be allowed leave of absence whenever required to attend for jury service.
- 12.2 For the period required for jury service, the employee shall be paid the difference between the jury fees he/she receives and the normal pay he/she would have received had he/she worked his/her ordinary hours.
- 12.3 An employee shall be required to provide proof of jury service fees received and proof of the requirement to attend jury service. The employee shall also give as much notice as practical of his/her calling for jury service.

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13. GENERAL CONDITIONS

- 13.1 A lunch room separated from dressing rooms and amenities rooms shall be provided.
- 13.2 Refrigeration and food heating appliances will be provided within the lunch room.
- 13.3 Each employee shall be provided with his/her own locker for safe keeping of clothes and personal belongings.
- 13.4 Hot and cold showers shall be provided in dressing rooms.
- 13.5 Where appropriate, employees shall be provided with gumboots, goggles, and other safety and protective wear and will be required to wear such and may be stood down without pay should these not be worn.
- 13.6 Employees shall where appropriate, be provided with safety footwear and may be stood down without pay should this not be worn.
- 13.7 Each employee shall be provided with two sets of laundered work outfits each week.
- 13.8 Employees shall wear the work outfits provided while on the job.
- 13.9 Smoking and eating in the general factory and warehouse area is not permitted.
- 13.10 Employees will be allowed 10 minutes, for the purpose of washing, prior to the finishing time at the end of the day. No other wash up periods are provided for.
- 13.11 Suitable mats, as agreed upon by the Company and the Union, shall be provided where employees are required to stand continuously on concrete floors at work areas.
- 13.12 Employees are required to clock on and off to signify their attendance. Any employee found clocking another person's card may be summarily dismissed.

14. HOLIDAYS

14.1 The following days will be observed as holidays together with any other days that may be proclaimed as Public Holidays throughout the year:-

New Year's Day
Australia Day
Good Friday
Easter Saturday
Easter Monday
Anzac Day
Queen's Birthday
Eight Hour Day
Christmas Day
Boxing Day

14.2 Additionally one day each year will be observed as a Picnic Day and taken as a rostered day off to provide for a rostered day off in each 4 week period of the year. This Picnic Day will supplement the roster days resulting from time accrual (see Clause 6.3).

14.3 No deductions from the normal weekly rate of pay will be made for such holidays, provided, however, that an employee absent the day before or the day after a holiday without reasonable excuse or without the employer's consent shall not be entitled to payment for such holiday.

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15. SICK LEAVE

- 15.1 An employee who, after not less than 3 months continuous service, is unable to attend for duty during his/her ordinary working hours by reason of personal incapacity, shall be entitled to be paid at ordinary time rate of pay for such non-attendance provided that any such sick leave taken during the first three months from the date of commencement of employment will not be paid until that period of service is complete.
- 15.1.1 Provided such employee abides by the terms and requirements of such absence, informs the Company of his/her inability to attend for duty and indicates the nature of injury or illness and estimates the duration of the absence. Notice of any absence should be within 24 hours of commencing such absence.
- 15.1.2 Provided such employee gives 24 hours' written notice to his/her immediate supervisor and advises the pay office, three days per year of the sick leave entitlement may be taken as a personal absence, not requiring a doctor's certificate or a signed Statutory Declaration. These personal absence days shall not be taken consecutively or in combination with public holidays or annual leave.
- 15.1.3 Provided also such employee shows the Company satisfactory evidence to support his/her absence outside those outlined in sub-clause 14.1.2, by means of a medical certificate. A signed Statutory Declaration will be accepted for 3 single days in one year.
- 15.2 An employee shall be entitled to be paid sick leave for:
- (a) eight (8) days absence during his/her first year of service, and
 - (b) ten (10) days absence during each subsequent year of service.
- 15.3.1 Wherever an employee does not take full sick leave entitlement in sub-clause 15.2, the untaken balance shall accumulate as time from year to year. Where an employee leaves the Company any balance of accrued sick leave will be paid out on termination.



16. ANNUAL LEAVE

- 16.1 The terms and conditions set out in the Annual Holidays Act, 1944, as amended will be applied.
- 16.2.1 Employees will take their Annual Leave at a time convenient to the Employer but every effort will be made to meet the needs and wishes of the Employee. At least one weeks notice in writing should be given to the Employer of request for leave.
- 16.2.2 Employees taking Annual Leave will be paid a loading equivalent to 17½% of their normal pay rate.
- 16.2.3 An Annual Leave Roster will be negotiated on a 12-monthly basis.

17. BEREAVEMENT LEAVE

- 17.1 An employee shall on the death of a Father, Mother, Brother, or Sister, be entitled on notice to his/her Employer of such death of such relation, to leave of up to two (2) days and such leave shall be without deduction of pay for a period not exceeding the number of ordinary hours worked by the employee in two ordinary days of work, provided that in the event of the death of the spouse or child or step-child of an employee this two days shall be extended to three (3) days.
- 17.2 Proof of such death shall be furnished by the employee to the satisfaction of his/her Employer.
- 17.3 For the purpose of this Clause the word "spouse" shall include a person who lives with the employee in a de facto relationship and shall exclude a person from whom the employee is separated.
- 17.4 Provided that leave granted by this Clause shall not operate if such leave coincides with any other period of leave.



18. LONG SERVICE LEAVE

See Long Service Leave Act 1955 as amended.

In accordance with the Long Service Leave Act 1955, full-time employees shall be entitled to eight and two thirds (8 $\frac{2}{3}$) weeks of Long Service Leave after ten (10) years of service with the Company.

After five (5) years service with the Company, an employee is entitled to be paid their long service leave entitlements on a pro rata basis only if their employment is terminated by the Company for reasons other than serious misconduct or if they leave employment with the Company for pressing domestic necessity.

19. FIRST AID ATTENDANT

An employee appointed as the Plant First Aid Attendant will be paid an allowance of \$2.20 per day. Such employee must be qualified to at least St. John Ambulance Brigade standard or its equivalent.

20. OH&S COMMITTEE MEMBER

20.1 An employee who is trained and certified to be a member of the OH&S Committee and who actively serves on this committee will be paid an allowance of \$10.00 per week.

21. BLOOD DONORS

21.1 Employees will be permitted to make four visits per year to the Blood Bank for the purpose of donating blood. These visits will be without loss of pay for up to four hours per visit.

21.2 Permission will be obtained from the Supervisor for each such visit and the employee will submit proof of the date and times blood was given.



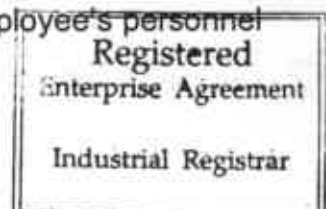
22. PROCEDURE FOR SETTLING DISPUTES

- 22.1.1 Should a dispute arise between any employee and the Company which cannot be resolved by the employee and his/her Supervisor, the matter should be referred to the Factory Supervisor and Union Representative for resolution.
- 22.1.2 In the event they are unable to resolve the matter, it must then be referred to the Production Manager who will attempt to settle the dispute.
- 22.1.3 Should the dispute still not be resolved, the Union Representative will refer the matter to the Union Organiser who will make a further attempt at settlement.
- 22.1.4 If, after the above has been followed, the dispute still remains unresolved it will be referred to the Industrial Commission for determination.
- 22.2.1 In the event that a stop work meeting is proposed, the employees agree to complete all work in progress and carry out whatever cleaning etc. is required to make the plant and surrounding areas properly clean, secure, safe and not liable to any damage or loss through being left unattended.
- 22.2.3 Should a settlement not be reached by Conciliation, the dispute will proceed to Arbitration in the normal manner and both parties agree to abide by the decision of the Industrial Tribunal. This procedure has been accepted by both the Company and Union delegates in recognition of the fact that a major purpose of the Agreement is to obtain industrial peace and continuity of working. It is the intent therefore of the Agreement that normal work continues whilst the above procedure is being followed. No party shall be prejudiced as to final settlement by the continuance of work in accordance with the procedure.
- 22.2.4 The procedure for settling individual grievances of employees shall be as per 22.1.1 through to 22.1.3 inclusive.



23. DISCIPLINE PROCEDURE

- 23.1.0 It is agreed that employees shall be afforded, except in cases where the employee, after investigation by the employer, found to be guilty of serious misconduct, negligence or incompetence, the benefits of the following disciplinary procedure by the employer. The supervisor of the employee involved, regardless of title will
- 23.1.1 Investigate the alleged incident within 48 hours of the incident occurring, or by the end of the first shift on which the employee returns to work if the employee is absent for more than one day after the alleged incident is reported;
- 23.1.2 Determine by way of the investigation whether the incident, if found to have occurred, did so as a result of wilful behaviour on the part of the employee involved or as result of lack of information, training or procedural knowledge;
- 23.1.3 Ensure that the employee is made aware of the right to representation;
- 23.1.4 Develop an agreed response for managing the employee based on the outcome of the investigation.
- 23.1.5 In the event that re-training is required, due to lack of information, training or procedural knowledge, this retraining will occur without loss of wages to the employee;
- 23.1.6 In the event that discipline is required, this discipline will take the form of a warning, documented and kept on the employee's file;
- 23.1.7 Any warning kept on an employee's file (unless otherwise agreed) will remain valid for six months;
- 23.1.8 At the end of the 6 month period has expired this warning shall lapse and the employee's record shall be considered satisfactory.
- 23.1.9 Should an employee hold three current and valid warnings on file, then that employee may be dismissed under the discipline policy;
- 23.1.10 Employees will at every stage be made aware of their right of appeal.
- 23.1.11 All documentation in relation to discipline will remain on the employee's personnel file.



23.2 DISCIPLINARY ACTION

- 23.2.1 In the event that a manager deems that disciplinary action is required, then that disciplinary action will be undertaken, after consultation with the employee and the employee's nominated representative.
- 23.2.2 Training or re-training will be generally offered, and must be accepted by the employee.
- 23.2.3 Written warnings will be signed by the employee, a representative of the Employer, and a third party nominated by the employee if any. Such warning will be placed on the employee's file and shall stay in effect for a maximum period of six months. A further misconduct and/or unsatisfactory performance exhibited during this period will result in disciplinary action being taken up to and including dismissal.
- 23.2.4 Nothing in this procedure shall limit the right of the employer to dismiss an employee without notice, where the employer reasonably believes the employee to be guilty of serious and/or wilful misconduct, negligence or incompetence.
- 23.2.5 This disciplinary procedure is not limited to the repetition of offences of the same nature but may be applied to offences of a dissimilar nature.



24. ATTENDANCE AT WORK

- 24.1.1 In order to maintain an efficient production unit to serve both employer and employee interests, it is essential that employees are both regular and punctual in their work attendance.
- 24.1.2 It is recognised and understood that absences will occur and many times these will be unavoidable.
- 24.2.1 While absolute standards cannot be set down for work attendance, up-to-date records will be maintained for each employee and performance monitored and reported on a quarterly basis.
- 24.2.2 Wherever an employee's absence appears excessive, this will be discussed with the employee and the Union Representative in the first instance.
- 24.2.3 Should such an employee's attendance remain at an unacceptable level then firmer action, possible disciplinary action, may be taken in accordance with Clause 23.
- 24.2.4 Subject to the provisions of Clause 12 (Jury Service), 14 (Holidays), 15 (Sick Leave), 16 (Annual Leave), 17 Bereavement Leave) and 18 (Long Service Leave) of this Award, any employee who is absent from work for a continuous period of three-days shall be deemed to have abandoned his/her or her employment.

Termination of employment by abandonment in accordance with this sub-clause shall operate as from the date of the last attendance at work or the last day's absence in respect of which consent was granted, whichever is the latter.



25. MECHANICAL AND/OR TECHNOLOGICAL CHANGE

25.1 Where, on account of the introduction or proposed introduction by the employer of mechanical or technological changes in industry in which he/she is engaged, the employer terminated the employment of an employee who has been employed by him for the preceding 12 months, he/she shall give the employee 3 months notice of the termination of his/her employment, provided that if he/she fails to give such notice in full:-

25.1.1 The Employer shall pay the employee at the ordinary rate of pay applicable under this Agreement for a period equal to the difference between 3 months and the period of the notice given, and,

25.1.2 The period of notice required by this Clause to be given shall be deemed to be service with the employer for the purpose of the Long Service Leave Act, 1955, the Annual Holidays Act, 1944, or any Act amending or replacing either of these Acts, and provided further, that the right of the employer summarily to dismiss an employee for neglect of duty or misconduct, shall not be prejudiced by the fact that the employee has been given notice pursuant to this Clause of termination of employment.

26. UNION MEETINGS

26.1 Paid Union meetings shall be permissible, but shall be subject to the following:

26.1.1 Such meetings shall be held at 9.00 a.m. on the last Thursday of each calendar quarter between the Unions and the Company;

26.1.2 Such meeting shall be limited to 30 minutes' duration; and

26.1.3 At the cessation of the meeting each employee shall return immediately to their work place. The Company shall be entitled to deduct wages for all time subsequent to the meeting in which an employee fails to return immediately to their work place and commence duties.

26.2 If matters emanate from a Union meeting which in any way might affect on-site industrial relations, the Unions shall immediately refer such matters to the Company. The Dispute Procedure in this agreement shall be followed if the matters cannot be resolved.

26.3 The Company shall provide facilities for the holding of the paid Union meetings as referred to in this clause.

27. SUPERANNUATION

The subject of superannuation contributions is dealt with extensively by legislation including the *Superannuation Guarantee (Administration) Act, 1992*, the *Superannuation Guarantee Charge Act 1992*, the *Superannuation Industry (Supervision) Act 1993* and the *Superannuation (Resolution of Complaints) Act 1993*. The legislation, as varied from time to time, governs the superannuation rights and obligations of the parties.

The employer shall contribute to a fund in accordance with the legislation.

28 REDUNDACY

The following arrangements will apply to employees at Australian Bakels, 33-47 Derby Street, Silverwater NSW 2128. The operative date of this redundancy package, is the date of approval of the 2001 agreement and will remain in force for a period of (2) years.

The benefits based on the following terms and conditions will apply to permanent employees of the company.

28.1 RETRENCHMENT

Retrenchment shall mean the termination of an employee who has or will become surplus to the labour requirements of the company. Such requirements are based on mechanisation, technological change, market demands and/or changes in the organisational structure, systems or methods of the company's operation.

Retrenchment benefits will not apply to the following:

- a. Normal resignation of an employee.
- b. Termination of casual employees
- c. Dismissal of an employee for misconduct, following application of the warning procedure.

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28.2 SELECTION

To ensure the preservation of qualifications, specific skills and ability considered essential to present and future requirements, the application of selections must rest entirely with the company. The company will accept for consideration, nominations for voluntary retrenchment from employees for a period of two (2) weeks from a date to be advised (at least four (4) weeks advance notice of this date will be given). The right to allow or disallow such voluntary retrenchment is at the discretion of the company and will take into account qualifications, levels of skills and ability.

28.3 ALTERNATIVE EMPLOYMENT

Alternative employment may be offered to an employee having due regard to qualifications, specific skills and ability. Such alternative employment may require an employee to transfer from one department or section to another department or section of the company's operation or another shift. Retrenchment benefits will not be applicable on transfer.

28.4 PERIOD OF NOTICE

The following periods of notice, or payment in lieu of notice, will apply based on continuous years of service:

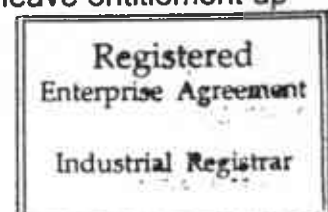
1 year or less	1 week
1 year and up to completion of 3 years	2 weeks
3 years and up to completion of 5 years	3 weeks
5 years and over	4 weeks

Wherever possible, the company will assist employees to secure other employment. Employees will be allowed time (paid) to attend interviews.

The company will endeavour to give maximum notice of impending retrenchments.

28.5 ANNUAL LEAVE LOADING

Annual leave loading will be paid on all accrued and pro-rata leave entitlement up to the time of leaving the company's service.



28.6. LONG SERVICE LEAVE

Pro rata payment of Long Service Leave will be made after five years service with the Company, consistent with the provisions of the Long Service Leave Act 1955.

28.7. REDUNDANCY PAYMENT

15 days (3 weeks) pay for each completed year of service, plus (5) days (1 week), for each completed year of service for employees over the age of 45, with a maximum of 65 weeks payment to individual employees. The amount paid will be the weekly ordinary rate of pay excluding allowances and penalties.

A statement itemising the amount payable to each employee subject to separation will be made available two weeks prior to separation.

A Certificate of Service will be provided to each employee subject to separation.

29. UNION DELEGATE

The Unions shall appoint a person as its delegate in the Company and this person will be recognised as the accredited representative of the Australian Workers' Union NSW Branch and/ or The National Union Of Workers NSW Branch.

30. AVAILABILITY OF AGREEMENT

A master copy of this Agreement will be held by the Production Manager and available to any employee engaged within the terms of the Agreement. Copies will also be provided to the delegates and a copy accessible in the plant.

31. FOREPERSONS/SUPERVISORS

Forepersons/Supervisors shall perform work normally performed by "operators" referred to in this agreement. But the performance of such work by Forepersons/Supervisors shall be of a temporary nature and be performed wherever necessary to cover short term absences, training and the like.

32. NO DURESS

This agreement has been entered into freely by all parties.



			43	
Operate EM Cooker 1		5		
Operate EM Cooker 2		5		
Operate EM Cooker 3		5		
			15	
Boiler Certificate		5		
Unload Bulk Tankers		4		
Load Bulk Tankers		4		
Operate Sweeper		2		
Yardsmans General Duties		4		
Print Labels		4		
Order and Issue from Store		3		
P/Up and deliver from suppliers		3		
Security and Lock Premises		4		
Run Laundry		5		SIGNED BY EMPLOYEE:
Factory Amenities Cleaning		5		
			43	
Operate Dough Mixer		4		
Fully Operate Pastry Line		5		
Operate Muffin Line		4		
Muffin Mix Operator		3		
Operate Metal Detector		3		
Strip down and clean and reset muffin depositer		4		
Fill in Packing Line Sheets		3		
Operate Cookie Line		4		
Set up Tape Machine		2		
Change Electronic Date Coder		3		
Set up Nitrogen Tunnel		2		
Use Shrink Wrap Machine and Tunnel		3		
Data Entry Work Orders		5		
Order and Issue from Store		3		
Train for cleaning frozens factory		2		SIGNED BY SUPERVISOR:
			50	
TOTAL SKILL POINTS		259		
TO GAIN SKILL POINTS YOU MUST BE ABLE TO PERFORM THE SKILL DESCRIBED UNSUPERVISED AND ON REQUEST.				



Signed for and on behalf of:-

AUSTRALIAN BAKELS (PTY) LTD

Witness

J.A. Mott 21st August 2001

[Signature] JP 21ST AUGUST 2001

THE AUSTRALIAN WORKERS UNION, THE NATIONAL UNION OF WORKERS
NEW SOUTH WALES NEW SOUTH WALES

Witness

Witness

[Signature]

[Signature]



x R. K. Kollin

