

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA02/69

TITLE: Inghams Enterprises (Mangrove Mountain) Enterprise Agreement
2001

I.R.C. NO: 2001/7892

DATE APPROVED/COMMENCEMENT: 18 December 2001

TERM: 4 August 2003

**NEW AGREEMENT OR
VARIATION:** New Replaces EA98/192

GAZETTAL REFERENCE: 5 April 2002

DATE TERMINATED:

NUMBER OF PAGES: 19

COVERAGE/DESCRIPTION OF EMPLOYEES: Applies to all employees employed by Inghams Enterprises Pty Ltd Mangrove Mountain, processing plant located at Wiseman Ferry Rd, Mangrove Mountain, NSW who are covered by the Poultry Industry Preparation (State) Award.

PARTIES: Inghams Enterprises Pty Ltd -&- The Australasian Meat Industry Employees' Union, Newcastle and Northern Branch



**INGHAMS ENTERPRISES (Mangrove Mountain)
ENTERPRISE AGREEMENT - 2001**

PREAMBLE

This agreement made the 5th day of November 2001, between Inghams Enterprises Pty Ltd (hereinafter referred as the "Company") and The Australasian Meat Industry Employees' Union - Newcastle and Northern Branch (hereinafter referred to as the Union'), records that it is mutually agreed as follows:

1. TITLE

This agreement shall be known as the Inghams Enterprises (Mangrove Mountain) Enterprise Agreement 2001.

2. ARRANGEMENT

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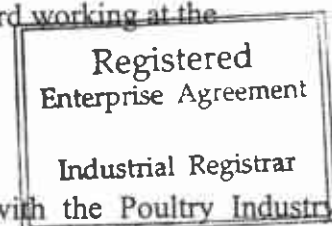
3. APPLICATION

This agreement shall apply at the Inghams Enterprises Pty Ltd Mangrove Mountain Further Processing plant located at Wiseman Ferry Road Mangrove Mountain, New South Wales, only in respect to its employees covered by Poultry Industry Preparation (State) Award (the Award).

4. PARTIES BOUND

This agreement shall be binding upon;

- (a) Inghams Enterprises Pty Ltd;
- (b) The Australasian Meat Industry Employees' Union - Newcastle and Northern Branch; and
- (c) All employees of the Company covered by the Award working at the Mangrove Mountain Further Processing plant.



5. RELATIONSHIP TO EXISTING AWARD

This agreement shall be read and interpreted in conjunction with the Poultry Industry Preparation (State) Award, but in the event of any inconsistency between this agreement and the above awards, this agreement shall take precedence. This agreement shall replace all previous agreements.

6. INTRODUCTION

Since 1991 enterprise agreements have been entered into between Inghams Enterprises Pty Ltd and the AMIEU at the various Company plants in New South Wales with the general objectives of.

- Improving the productivity, efficiency and flexibility of the enterprise through the effective implementation of agreed measures which would significantly increase the competitiveness of the Company and offer secure and worthwhile employment for its employees.
- Developing an environment of continuous improvement which is conducive to a flexible work organisation able to respond to changing demands in the industry.
- Adopting a participative approach to implementing increased and sustained productivity improvements across all areas of the operations of the Company.

Unfortunately the changes implemented to date have not kept pace with the competitive and cost pressures facing the Company.

Through this agreement the parties seek to record the measures by which the pressures and demands on the Company can be met.

Following negotiations between the parties the measures in this agreement, which are designed to achieve real gains in productivity, efficiency and flexibility, have or will be implemented:

7. OBJECTIVE

The objective of this agreement is to establish the framework within which the changes necessary to meet the challenges facing the Company and its employees will be implemented.

While the timing of the introduction of the changes will be decided by the company in the context of its operational requirements, employees will be consulted regarding the introduction of the changes and measures to avert or mitigate any adverse effects of such changes on employees.

8. PUBLIC HOLIDAYS

(1) A weekly employee not required to work shall be entitled to holidays on the following days or days observed in lieu without deduction of pay:

- (a) New Years Day;
- (b) Australia Day;
- (c) Good Friday;
- (d) Easter Monday;
- (e) Anzac Day;
- (f) Queen's Birthday;
- (g) Eight Hours' Day;
- (h) Christmas Day; and
- (i) Boxing Day.



(2) All time worked by full time employees on any of the days observed as holidays named in sub-clause (1) shall be paid for at the rate of time and one-half for the first two hours and double time thereafter with a minimum payment of 4 hours at such rate. This payment is in addition to an employee's entitlement to payment for the public holiday at ordinary time. Casuals shall be paid at the rate of double time and a half for the first two hours and treble time thereafter (excluding the casual loading).

(3) An employee who works a prescribed holiday may, by agreement evidenced in writing between the Company and the employee, perform such work at time-and-a-half, with the balance of the payment due being made in conjunction with one day off in lieu of such holiday, at a mutually convenient time.

(4) Any employee absent without leave on the working day immediately preceding or the working day immediately succeeding an award holiday or holidays shall be liable to forfeit wages for the holiday as well as for the day of absence except where an employer is satisfied that the employee's absence was due to illness or other reasonable cause in which case wages shall not be forfeited.

- (5) 'Picnic Day' a Picnic Day holiday will be taken on a rostered basis at a time mutually agreed between the Company and the employee.
- (6) In an effort to meet customer demands where there is a public holiday resulting in at least 3 consecutive days without production, the Company may require employees to work on a Saturday.
- (7) The employer will advise employees at least 2 weeks before a public holiday which Saturday it requires employees to work.
- (8) Employees may be required to work on a Saturday one or two weeks before the long weekend.
- (9) In the first instance the employer will call for volunteers and if not enough employees with the required skills are available, employees with the required skills will be selected on seniority. These employees will be required to work on the selected Saturday.
- (10) Payment for this day will be at Saturday or overtime rates as required by the Award.

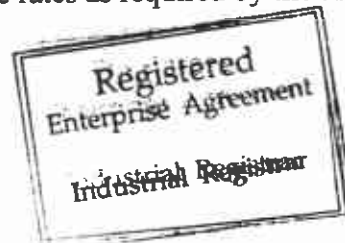
9. **SICK LEAVE**

- (1) An employee who is absent from work shall:

- (a) Notify the Company by normal start time of the reason for the absence and the expected duration of the absence. The employee shall keep the Company informed as to the expected date of return to work and shall confirm on the day preceding the day on which they expect to return to work that they are returning to work.
- (b) Upon return to work complete an "Employee Absence" form including stating the reason for the absence, whether notice was given and whether the employee is claiming sick leave for the absence.
- (c) If the absence is for 2 or more consecutive days, produce a certificate from a duly qualified medical practitioner giving the actual description of the injury or illness which in the medical practitioner's opinion is the reason for the absence and the expected duration of the incapacity.

- (2) Where an employee has:

- (a) been absent from duty in a manner which is systematic or exhibits a pattern;
- (b) has exceeded their annual sick leave entitlement without due cause or satisfactory proof of illness; or



- (c) has failed to produce satisfactory evidence as per sub-clause 2.7 (1) including satisfactory description of the injury or illness; or
- (d) failed to notify the employer of expected absences at the earliest opportunity.

Then the following arrangement shall apply:

- (a) In the first instance be subject to counselling from their Supervisor.
 - (b) If the employee fails to respond to counselling a written warning will be issued stating the nature of the warning, the instances leading to its issue and the improvement required.
 - (c) If there is no improvement a further written warning will be issued stating the exact nature of the warning, the instances leading to its issue and that further unauthorised or unexcused absences could lead to termination of employment. If after a review period the employee has responded positively to the counselling then the employee shall be advised accordingly. The union representative and the Company will agree on a review date.
 - (d)
 - (e) If the employee fails to comply with the warning, then the employment may be terminated by the Company.
- (3) Employees who have in excess of 76 hours of sick leave credit may request pay-out of the amount in excess of 76 hours. Such payment shall be made in conjunction with an employee's annual leave and the sick leave credit shall be reduced accordingly.



10 PAYMENT IN LIEU OF OVERTIME

- (1) Subject to approval by the Company an employee (permanent, part-time or casual) may defer payment for overtime worked and take ordinary time off at a later date and receive payment for the overtime at that time. Such time off must be taken within 3 months of the entitlement occurring or payment for the overtime will be made to the employee.
- (11) When a public holiday occurs on a Monday then pay day in that week will be Thursday in lieu of Wednesday to avoid estimating and correcting wages, as is current practice.

11. LEAVE

- (1) Subject to prior approval by the Company, which includes consideration of production requirements, an employee may:

- (a) take their annual leave or long service leave in multiple periods, including periods of not less than 1 week. With 6 weeks notice given
 - (b) Accrue their annual leave for two years to take a combined period of annual leave of 8 weeks. Provided that payment for the first 4 weeks shall be at the rate of pay applicable when the leave accrued.
- (2) Except in urgent situations employees must lodge their applications for annual leave at least four weeks in advance of the date upon which they wish to commence leave.

12. HOURS OF WORK

12.1 **Casuals**

- (1) Casual employees may be required by the Company to work the same hours each day as permanent employees and casual employees shall work in accordance with such requirements
- (2) Casual employees shall be entitled to overtime payments for time worked in excess of 8 hours per day.
- (3) The calculation for overtime for casuals will be on a daily basis and each day will stand-alone.
- (4) Casual employees engaged after 16 October 2001 shall be paid for overtime worked at the same rate of pay for the equivalent full time employee.
- (5) In an endeavour to reduce absenteeism, it has been agreed to introduce a roster system for casuals on a trial basis. Casuals are required to notify the Company before normal starting time if they are unable to work their rostered shift. The parties will continue to monitor the arrangement and make changes as necessary.

12.2 **Friday Work**

Should overtime be required to finish the day's work on Friday for any reason beyond the Company's control, then employees shall work a reasonable amount of overtime if required.

12.4 **Breaks**

- (1) Toilet breaks shall be taken only during rostered breaks unless in an emergency situation.
- (2) Leading Hands shall document and monitor all breaks taken by employees.
- (3) Leading Hands shall provide details of breaks taken to the Medical Centre (First Aid Office). These details will be reviewed on a daily basis.

- (4) Details of breaks taken for non-medical reasons will be referred to Management for counselling of employees involved where necessary. Such counselling may result in a written warning/s being issued and may result in an employee being stood down.
- (5) Following discussions and by mutual agreement the timing and duration of meals and rest periods may be altered provided that the total amount of paid time for such breaks under the Award shall not be increased.

13. JOB SHARE

- (1) With the approval of management two employees may volunteer to establish a job share arrangement where their combined ordinary hours of work equal the ordinary hours per week of a full time employee.
- (2) Each employee participating in the job share arrangement shall be entitled to the benefits of a full time employee in the same proportion that their hours or work relate to that of a full time employee.
- (3) Each employee in the job share arrangement shall cover for the other employee's absences from work.
- (4) The job share arrangement shall cease if either employee's employment is terminated for any reason. Provided that the job share arrangement may continue where suitable alternate arrangements can be made with the existing workforce. Such arrangement shall be subject to the approval of management.
- (5) As an alternative to (4), the remaining 'job share' employee may take up the full time position previously subject to 'job share'.

14. ABANDONMENT OF EMPLOYMENT

Where an employee is absent from work for a period of three working days without contacting the Company in regard to the reasons for the absence it shall be assumed that the employee has abandoned their employment. If within 14 days from the commencement of the absence the employee has not proved to the Plant Manager that there was a satisfactory reason for the absence then the employee shall be deemed to have abandoned their employment.

15. CASUAL RATIO

- (1) Subject to satisfactory performance, employees of the labour hire company will transfer to Inghams as a casual employee after a period of 520 ordinary hours of working at Inghams Mangrove Mountain.
- (2) It is recognised that the Company has an ongoing necessity for a pool of casual labour to cover absenteeism, approved leave and fluctuations in customer demand. However, a casual who has been employed by Inghams on a regular and consistent basis for at



least 6 months may apply for a full time position. Appointment to a full time position is subject to Inghams normal employment procedures and a full time position being available.

- (3) The status quo shall remain in regard to the continued employment of casual employees engaged at 28 October 1996.
- (4) A probationary period of four months service shall apply to all casuals engaged after 28 October 1996.

16. NOTICE OF CHANGE

- (1) Where the Company has made a definite decision to introduce major changes in production, program, organisation, structure or technology that are likely to have significant effects on employees, the Company shall notify the employees who may be affected by the proposed changes and their Union.
- (2) The Company shall discuss with the employees affected and their Union, the introduction of the changes referred to in subclause (1) hereof, the effects the changes are likely to have on employees, measures to avert or mitigate the adverse effects of such changes on employees and shall give prompt consideration to matters raised by the employees and/or their Union in relation to the changes.

17. DOWNGRADE PERCENTAGES

- (1) Whilst there has been a reduction in downgrades to an average of 1.0%, downgrades remain high and continue to fluctuate to levels as high as 2%.
- (2) Employees shall continue to work to improve downgrade percentages and shall bring forward any problems or issues in this regard for consideration at consultative committee meetings along with any results/yields. The aim is to achieve and maintain an average downgrade of 1% or less.

18. REDUCTIONS IN USAGE

- (1) Each employee shall continue to work towards reduction of water and chemical usage.
- (2) The plant is currently licensed for use of 28 megalitres of water per month, however current usage runs at 32 megalitres. The target for reduction of water usage shall be less than 28 megalitres per month.
- (3) This matter will continue to be reviewed at consultative committee meetings.



19. WORKPLACE INJURIES

The plant has seen a reduction in workplace injuries and therefore in worker's compensation costs. Even though workers compensation costs at Mangrove Mountain remain high, the reduction in costs is recognised. The parties agree to monitor the situation with a view to further reduction in claims and costs.



20. BONING QUALITY

Employees shall ensure that 'bones' remain below 10 per 5000kg including tenderloin.

In addition, employees shall continue to work towards a reduction of 'bones' including tenderloin and shall bring forward any problems or issues in this regard for consideration at consultative committee meetings.

21. DISPUTE SETTLEMENT PROCEDURE

The parties agree that, subject to the provisions of the New South Wales Industrial Relations Act 1996, all grievances, claims or disputes shall be dealt with in the following manner so as to ensure the orderly settlement of the matters in question:

- (a) Any grievance or dispute which arises shall, where possible, be settled by discussion on the job between the employees and the immediate supervisor.
- (b) If the matter is not resolved at this level, it will be further discussed between the affected employee(s) and the Union delegate or, where appropriate, another nominated representative and the employer. Both the employer's industrial representative and the employee's Union representative may be notified.
- (c) If no resolution is reached in a reasonable time period, the union representative shall refer the dispute to the Union Secretary and the company shall refer the dispute to Senior Management for further discussions.
- (d) Whilst the foregoing procedure is being followed work shall continue normally. No party shall be prejudiced as to the final settlement by the continuance of work in accordance with this subclause.
- (e) Should the matter still not be resolved within reasonable time period it may be referred to Industrial Relations Commission of New South Wales for settlement by either party.
- (f) The parties shall, at all times, confer in good faith and without undue delay.
- (g) During the discussions the status quo (except in the case of summary dismissal) shall remain and work shall proceed normally in accordance with this agreement and without stoppage or the imposition of any ban, limitation or restriction. "Status quo" shall mean the situation existing immediately prior to the dispute or the matter giving rise to the dispute.

22. UNION RECOGNITION



- (1) The Company recognises the Australasian Meat Industry Employees Union as being the union that shall have exclusive representation of employees in the classifications covered by this agreement.
- (2) All employees shall be given an application form to join the union at the point of recruitment.
- (3) The Company shall deduct from the wages of each employee who has authorised it membership fees at the amount from time to time decided by the Committee of Management of the Union. The Company shall forward these deductions to the Secretary of the Union.
- (4) An employee elected as a union representative will, upon notification to the Company by the Union, be recognised as the accredited Union representative and will be allowed the necessary time during working hours to interview relevant Company representatives on matters affecting employees of the Company which are progressed through the Dispute Resolution Procedure.

23. SPOKESPERSON STRUCTURE

- (1) It is agreed that to introduce a structure to enhance management/union communications.
- (2) This new structure is not to interfere with the operation of the agreed disputes settlement procedure.
- (3) In sections where there is no union delegate the union may appoint a 'Spokesperson'.
- (4) All communications between a section spokesperson and other employees shall be in non- working time.
- (5) No training is required for the 'Spokesperson'.
- (6) An employee appointed as a spokesperson in not a union delegate



24. INDUCTION OF NEW EMPLOYEES

The Union Delegate will be involved and co-operate in the current induction program for new employees in order to insure a smooth transition into the workforce.

- (a) The Company will implement an induction program for all new employees which will include training on occupational health and safety and workers compensation.
- (b) The union delegate will be given paid time off to speak to all new employees at induction. Using a standard format to insure a consistent presentation

- (c) All new employees will be inducted on site; the company will pay for this. In the event that any employee leaves within five days of the induction, 4 hours will be deducted from their pay.



25. RENEWAL

The Consultative Committee will remain active for the duration of this agreement, and the parties will commence negotiations in good faith, and without prejudice, no later than 3 months prior to the expiry date of the agreement in relation to the renewal or variation of this agreement.

26. DURATION

This agreement shall take effect from date of approval and shall have a nominal expiry date of 4 August 2003. Thereafter the terms of this agreement shall remain in force in accordance with the provisions of the Industrial Relations Act 1996.

27. WAGE INCREASES

In consideration of the implementation of the productivity measures referred to herein, the weekly wages of employees covered by this agreement shall be increased as provided in the attached table. Work related allowances shall be increased by 4% from 5 August 2001 and a further increase of 4% from 5 August 2002.

28. NO FURTHER CLAIMS

This agreement is in full and final settlement of all claims against the Company and during the life of this agreement the union and employees undertake not to make any further claims against the Company in respect to any matter that will increase Company labour costs.

29. REDUNDANCY

The provisions of the Redundancy Agreement – Mangrove Mountain Further Processing Plant, attached as Annexure A, shall form part of this Agreement.



30. **SIGNATORIES**

Signed for and on behalf of:

Inghams Enterprises Pty Ltd

[Signature]

In presence of

Steve Ruff

Signed this 6th day of November ~~2000~~
2001

**The Australasian Meat Industry
Employees' Union - Newcastle and
Northern Branch**

} *[Signature]*
KATH EVANS

In presence of

} *K. Radridge*
KAREN RADRIDGE

Signed this 5th day of NOVEMBER ~~2000~~
2001



TABLE

Wages applicable from the first pay period to commence on or after the dates specified:

PROCESS EMPLOYEES LEVEL	New Weekly Rate 5 August 2001	New Weekly Rate 5 August 2002
1	\$522.58	\$543.48
2	\$541.66	\$563.33
3	\$542.15	\$563.83
4	\$542.51	\$564.21
5	\$543.02	\$564.74



INGHAMS ENTERPRISES PTY LTD
REDUNDANCY AGREEMENT – MANGROVE MOUNTAIN FURTHER
PROCESSING PLANT

INTRODUCTION

This agreement made between Inghams Enterprises Pty Ltd (the Company) and The Australasian Meat Industry Employees' Union, Newcastle and Northern branch (the Union); this 24th day of January 2000 records that it is mutually agreed as follows:

1. SCOPE

This agreement applies to award covered employees of the company employed at its Mangrove Mountain Further Processing Plant, Wiseman Ferry rd Mangrove Mountain. Except as provided in this agreement the provisions of the Award shall apply. Where there is any inconsistency between the terms of this agreement and the Award, then the terms of this agreement shall prevail.

2. DEFINITIONS

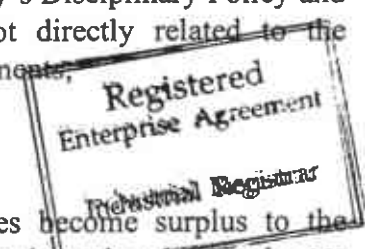
“Award” means the Poultry Industry Preparation (State) Award.

“Casual employee” means an employee who is employed on an hourly basis, in accordance with the Award. A casual employee is not entitled to any termination payments pursuant to this agreement.

“Part time employee” means an employee whose rostered hours of work is less than an average of 38 hours per week.

“Redundancy” means a situation where the company proposes to permanently cease operating all or a major part of the Mangrove Mountain Plant and this cessation results in full time or part time employees becoming surplus to the company's labour requirements. “Redundancy” does not include:

- (a) termination of employment pursuant to the company's Disciplinary Policy and Procedure, provided that such termination is not directly related to the company's requirement to reduce its labour requirements;
- (b) termination of employment due to retirement;
- (c) situations where full time or part time employees become surplus to the company's labour requirements due to industrial action taken by employees which affects the company's ability to continue normal operations;



- (d) Variations to rosters or shifts, as provided for by the Award or site agreement, as a result of restructuring or changes in customer demands or operational requirements. Where an employee affected by such change is genuinely forced to terminate their employment because of pressing domestic necessity then they shall be entitled to the benefits of this agreement. "Pressing domestic necessity" does not include financial disadvantage as a result of changed entitlements to shift allowances or overtime.
- (e) situations where employees are offered appropriate training and continued employment in other areas of the company's operations. Provided that such training and employment is reasonably within the employee's capability.
- (f) short term reductions in the company's labour requirements which can be managed pursuant to clause 4 of this agreement; or
- (g) the sale or transfer of some or all of the company's business where continuity of employment is offered to employees.

"**Week's pay**" means the applicable rate of pay used to calculate the employee's normal weekly rate of pay for the pay period immediately prior to the date of termination.

"**Work Area**" means a discrete functional or geographical part of the company's operations. The determination of a work area is by reference to the management structure and accountabilities.

3. CONSULTATION

Where the company is of the view that a redundancy situation is likely to occur, it shall convene a meeting with the Union. The Company will provide as much relevant information on the circumstances which may lead to redundancies as is commercially prudent.

4. STEPS TO AVOID REDUNDANCIES

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

- requiring employees to take accrued RDO's, annual leave and long service leave.
- reducing the hours worked by casual employee; and / or
- reducing the number of casual employees;
- reducing the hours worked by part-time employees;



5. SELECTION FOR REDUNDANCY

- (a) The ideal outcome of a redundancy situation is one where employees volunteer for termination of employment, and the company's operational requirements are met by the termination of employment of such volunteers.
- (b) However, the Company retains the right to determine who is to become redundant having regard for its operational requirements and taking into account the following:
- where possible, the work area where redundancies are required will be in the area in which employees are selected for redundancy.
 - the company's skill requirements.
 - Consideration of seniority, equity and fairness.

6. NOTICE OF REDUNDANCY

- (a) Employees to be made redundant will receive 4 weeks' written notice of termination of employment or be paid 4 weeks' pay in lieu.
- (b) During the notice period, the employee will be provided with paid leave, on the basis of one day per week, to attend interviews with alternative employers and employment agencies; provided that such leave shall not cause disruption to the Company's operations.
- (c) Where an employee has been provided with written notice, and finds alternative employment during the notice period, the employee will be able to terminate their employment by the provision of 48 hours' notice. All entitlements arising pursuant to this agreement will be paid to the employee.
- (d) Where an employee who has been provided with written notice dies during that notice period, his or her full entitlements pursuant to this agreement will be paid to that employee's dependants. Where the company is unable to locate the employee's dependant/s, his or her full entitlements pursuant to this agreement will be paid to the employee's estate.

7. PAYMENTS UPON TERMINATION OF EMPLOYMENT

On the last day of employment, full time employee whose employment is terminated on account of redundancy will receive a termination payment based on the following formulae:

- (a) for employees with at least 12 months continuous service – 4 weeks' pay per year of service, applied on a pro-rata basis of one weeks' pay for each completed three months of service.



- (b) the maximum severance payment for employees 45 years of age and over is 52 weeks. In other cases the maximum payment is 48 weeks.
- (c) accrued annual leave entitlements in accordance with the applicable NSW legislation and/or award; and
- (d) accrued long service leave entitlements in accordance with the applicable NSW legislation, provided that employees with not less than 5 years' service will be entitled to pro rata long service leave.
- (e) the balance of the employee's sick leave credit.

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

8. RESOLUTION OF DISPUTES

Where the union has a grievance or claim in relation to the application or interpretation of any of the clauses of this Agreement, it shall be raised in the first instance with the Plant Manager. If the grievance or claim cannot be resolved by discussion, the matter will be referred to the Industrial Relations Commission of NSW in accordance with the provisions of the Industrial Relations Act 1996.

Whilst the grievance or claim is being resolved, the unions and its members will not engage in any form of industrial action.

