

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA05/212

TITLE: **Freshfood Management Services Pty Ltd, Wholly Owned
Subsidiary Of Freshfood Australia Holdings Pty Ltd, Enterprise
Agreement 2005**

I.R.C. NO: IRC5/2790

DATE APPROVED/COMMENCEMENT: 8 June 2005 / 1 April 2005

TERM: 24

**NEW AGREEMENT OR
VARIATION:** Replaces EA03/222.

GAZETTAL REFERENCE: 26 August 2005

DATE TERMINATED:

NUMBER OF PAGES: 31

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all factory employees of FreshFood Management Services Pty Ltd at the Concord site, who fall within the coverage of the Storemen & Packers, General (State) Award; Metal, Engineering & Associated Industries (State) Award; and Electricians &c. (State) Award.

PARTIES: Fresh Food Services Pty Ltd -&- the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch, Electrical Trades Union of Australia, New South Wales Branch, National Union of Workers, New South Wales Branch

**FRESHFOOD MANAGEMENT SERVICES PTY LTD, WHOLLY
OWNED SUBSIDIARY OF FRESHFOOD AUSTRALIA HOLDINGS
PTY LTD, ENTERPRISE AGREEMENT 2005**

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1. General

1.1 Title

This Agreement shall be known as the FreshFood Management Services Pty Ltd, wholly owned subsidiary of FreshFood Australia Holdings Pty Ltd, Enterprise Agreement 2005 and shall be read in conjunction with the parent Awards.

Where there is an inconsistency between a term of this Agreement and a term of the relevant Parent Award, the term of this Agreement shall prevail to the extent of the inconsistency.

1.2 Purpose of the Agreement

Taking into consideration the infrastructure of the site, all parties agree to strive to achieve an internationally competitive site producing world class products.

1.3 Not entered into under Duress

This Agreement has not been entered into under any duress. All parties who negotiated this Agreement did so freely and of their own will.

1.4 Area Incidence and Duration

This Agreement rescinds and replaces the FreshFood Management Services Pty Ltd, wholly owned subsidiary of FreshFood Australia Holdings Pty Ltd, Enterprise Agreement 2003, and any subsequent agreement which may apply whether registered or not.

This Agreement applies to all factory employees of FreshFood Management Services Pty-Ltd, as a wholly owned subsidiary of FreshFood Australia Holdings Pty Ltd at the Concord site.

This Agreement operates in conjunction with the Parent Awards which would otherwise apply to the employees of the Concord site before any Award simplification.

This Agreement shall operate from 1 April 2005 until 31 March 2007 or until a new agreement is reached in accordance with the clause below.

This Agreement including the redundancy provisions in Appendix C shall continue in force thereafter, until rescinded by the parties.

The Parties (the Company and the Unions) shall have the right to review the wage rates and allowances after the expiry of this agreement.

Any variation to this Agreement made as a result of such review will be by consent and in accordance with the provisions of the Act.

At least 4 months prior to the expiration of this Agreement, the parties will commence negotiations on a new Agreement.

1.5. Definitions

For the purpose of this Agreement unless a contrary intention is specified.

1. "Company" means FreshFood Management Services Pty Ltd, as a wholly owned subsidiary of FreshFood Australia Holdings Pty Ltd in respect of its Concord operation.
2. "Union" means any one or all of the Unions respondent to this Agreement. The unions represented on site are:

Australian Manufacturing Workers' Union (Registered as

AFIVIEPKIU) Metals & Engineering Division

The National Union of Workers (NUW)

The Electrical Trade Union (NSW)

3. "Parent Awards" Means the Following Awards:

Storemen and Packers General State Award

Metal, Engineering and Associated Industries (State Award

Electricians (State) Award

2. Productivity

The parties are committed to cooperating positively to increase the efficiency, productivity, cost effectiveness and competitiveness of FreshFood Management Services Pty Ltd as well as the enhancement of the career opportunities for employees.

The process of improvements in productivity and flexibility will be ongoing with changes in work practices and technology, and one in which employees have agreed to perform a range of duties including work incidental or peripheral to the tasks within the classification.

2.1 Longer Term Strategy

This strategy will involve setting of appropriate world class manufacturing standards and time scales for implementation. The objective will always be to achieve an internationally competitive site ensuring our costs of production are decreasing and site efficiencies improving. The parties agree that the following issues should be discussed to ensure the future and commercial viability of the organisation, and the following is a starting point for the implementation of such a strategy.

They are:

the organisation's strategic direction

better utilisation of existing equipment and plant

the introduction of new equipment and plant

better forms of work and management organisation and practise

increased levels of communication throughout the site and increased autonomy of decision making within the teams.

In order to achieve world class competitiveness the following will be developed.

- (a) A work force which is committed to high standards of excellence, efficiency, innovation and safety.
- (b) Training appropriate to the food industry and the Concord site in particular. Wherever possible training undertaken will be recognised by external authorities such as the Food Industry Training Council, TAFE and be accredited.
- (c) Striving to achieve continuous improvement in work practices and methods of organisation.
- (d) In line with the team philosophy the management of the site will be based on consultation, trust and as far as possible, job security of our employees.

2.2 Performance Indicators

The parties agree to establish a series of performance indicators to measure progress on an ongoing basis. Progress should be reviewed formally at quarterly intervals. Each team, in conjunction with their Team Facilitator and Manager will then develop appropriate levels of achievements for their group.

Performance indicators will be developed for all teams covered by this Site Agreement. Development of these targets will include benchmarking activities. It is agreed that there shall be an ongoing commitment to improving a broad range of integrated issues affecting the productive performance of the organisation such as, but not limited to cost, quality, work organisation, stock accuracy, wastage, skills formation, safety and appropriate occupational health standards.

2.3 Activity Based Costing

It is agreed that an activity-based costing exercise can be implemented throughout the total site. This exercise, in conjunction with the ideas of the teams themselves, will help identify the most productive means of work organisation.

The purpose of activity-based costing is to identify and quantify the costs involved in producing a product. All parties are committed to this process and the identification of the most costly areas of manufacturing and then to determine suitable means to decrease these costs.

Management undertakes to liaise with the employees before introducing activity based costing to the site.

2.4 Outsourcing of Existing Work

Should the need arise for outside contracting of existing work activities, discussions will be held with the effected union(s) prior to any such contracting taking place.

2.5 Performance Improvements

Employees agree to support, cooperate and assist in practical ways for the Company to achieve best practice and performance improvement in the following key areas:

- a) Reduce Machine Downtime
- b) Material Wastage
- c) Increasing Line Speed
- d) Line Crewing Levels
- e) Shift Matching of Output

- f) Any other areas that may from time to time be agreed by the parties for improvement

In order to achieve this outcome a "Productivity Group" will be formed consisting of relevant Team Facilitators, Team Members and Factory Management that will meet at least on a monthly basis to discuss objectives and results.

3. Terms and Conditions of Employment

3.1 Hours of Work

3.1.1 The ordinary hours of work will not exceed 38 hours per week and shall not exceed:

- (a) Twelve hours during any consecutive twenty-four hours; and
- (b) One hundred and fifty-two hours in twenty-eight consecutive days.

3.1.2 The ordinary hours shall be worked nineteen days, Monday to Friday in any period of four weeks. (This does not apply to Continuous shifts).

3.1.3 Once having been fixed, the time for commencing and finishing work shall not be altered without at least 7 days notice to the employees concerned or by mutual agreement between the employer and the employees themselves.

3.1.4 Any employee not specifically engaged as a casual or part-time employee shall be deemed to employed by the week.

3.1.5 Changes in working arrangements will be implemented through a process of consultation and agreement with the employees. Under this agreement, future working arrangements may be altered on a team basis consistent with the teams need for operational flexibility.

3.1.6 7 Day/12 Hour Operation

By agreement between the Company and the individual teams, working hours not exceeding twelve ordinary hours on any day may be worked subject to the employer and employees being guided by the Occupational Health and Safety provisions of the ACTU Code of Conduct on 12 hour shifts.

It is recognised by the parties that it is necessary for optimum levels of production to be attained from existing operations, therefore, discussions will take place, if necessary, to move to a 7 day shift roster if mutually agreed by the parties.

Hours of work will be determined mutually between the parties, taking into account the operational needs of the business and the teams provided that-the work arrangement is based on a thirty eight hour week. By mutual agreement, normal working hours may exceed eight on any day (Monday to Sunday) on a permanent shift basis at normal rates of pay.

3.2 Rostered Days Off

The Rostered Day Off (RDO) shall be set, by agreement with the teams, depending on manufacturing requirements and may be staggered within and between groups, though any alteration will require at least two weeks notification, unless by mutual agreement of the individual employees and the Company. An individual and his/her team may rearrange RDO's providing it is acceptable to all parties.

In the case of the Instant Coffee Processing (ICP) employees, it is recognised that there will be people needs and operational needs which have to be satisfied. A ICP holiday policy has been developed and will be used to assist parties in concluding RD0s and holiday arrangements.

An employee who is required by the Company to work on a rostered day off shall be paid overtime rates or elect to take an alternative day off at a mutually agreeable date. Such choice shall be at the option of the employee.

An employee may accrue up to a maximum of 6 Rostered Days Off. Accrued days can be taken as one or several days, but only on a mutually agreed date(s).

3.3 Shift Work

3.3.1 Definitions

"Early Morning Shift" means any shift commencing on or after 4.00am and before 6.00am.

"Day Shift" means any shift commencing on or after 6.00am and before 10.00am.

"Afternoon Shift" means any shift finishing after 6.00pm and on or before midnight.

"Night Shift" means any shift finishing subsequent to midnight and on or before 8.00am.

"Continuous Shift Work" means work which is carried on with consecutive shifts throughout the twenty-four hours of each of seven consecutive days without interruption except during breakdowns or planned shutdowns or due to unavoidable causes beyond the control of the employer.

3.3.2 General Information

The starting and finishing times for shift workers have been fixed by mutual agreement. The time of commencing and finishing shifts once they have been determined may be varied by agreement between the employer and the employee or in the absence of agreement, by seven day's notice by the employer to the employees.

Shifts may be permanent, alternating or rotating by agreement between the employer and the employee affected by the change to suit the circumstances of the establishment.

Provided that there is an agreement between the employer, Unions and the majority of employees in the plant, work section or sections concerned, the ordinary hours for shift workers may exceed eight but not exceed twelve on any day, with due recognition to relevant guidelines.

3.3.3 Change Of Shift

3.3.3.1 Change of Fixed Shifts

Once fixed, the shift on which a person works shall not be changed without 7 days notice, or by mutual agreement.

Employees who are not given the required notice and do not agree to this change but are required to do so will be paid overtime rates as defined in 3.8 for the shifts worked until the expiry of the notice period

3.3.3.2 Change of Continuous Shift

Employees currently working a continuous shift roster shall not have their roster changed by the employer without 7 days notice of such change (or by all parties agreeing to such change) or be paid at the appropriate penalty rate for ordinary time worked until such 7 days notice would have expired. Such extra rate shall be in substitution for the shift allowance.

3.4 Part Time Employment

An employee may be engaged on a week to week part-time basis for a constant number of hours which having regard to the various ways of arranging ordinary hours shall average less than 38 hours in any one week.

An employee so engaged shall be paid per hour one thirty-eighth of the weekly rate prescribed for the classification in which the employee is engaged.

A part-time employee shall be entitled to pro-rata annual and sick leave as well as being entitled to payment for public holidays that fall on ordinary rostered days.

Part-time employees required to work beyond eight hours in one day or beyond thirty-eight hours in one week shall be paid at overtime rates.

3.5 Casual Employment

3.5.1 A casual employee is one engaged by the hour and paid as such. A casual employee for working ordinary time shall be paid per hour one thirty-eighth of the weekly wage for that classification plus twenty per cent and any applicable shift loading, with a minimum of four hours on any one day. Included in this loading is the one-twelfth annual leave loading.

A casual employee and agency employees shall be employed under the terms and conditions of this Agreement including wage rates plus casual loading. A Casual employee shall not be entitled to annual leave, sick leave, Union picnic day or public holidays.

The employment of a casual worker may be terminated by the Company or the casual worker giving one hour's notice.

NB: Prior to commencing either a part-time or casual employee the relevant union delegate will be consulted.

3.5.2 Casual to Permanent Employment

Casuals will be utilised where necessary to make up for shortages of labour during specific periods or for peak work loads. A set pool of contract labour may be sourced to meet these shortages.

Where a casual is utilised on a continuous basis, continuous meaning 8 hours per day 5 days per week, for a period exceeding 4 months, the Company will, in consultation with the Union, assess the permanency of the position.

3.6 Wages for Maintenance Employees

The rates of pay in this subclause reflect an agreed increase of 4.0 % pa, from 1 April 2005, and a further 4.0% pa from 1 April 2006.

(a) Rates

Trade: Mechanical

Grade	Rate - 01/04/04	Rate - 01/04/05	Rate - 01/04/06
Supervisor	1,138.97	1,184.52	1,231.90
Grade 5	1,007.47	1,047.76	1,089.67
Senior/Team Trades/Facilitator	946.62	984.48	1,023.85
Grade 4	962.73	1,001.23	1,041.27
Grade 3	886.41	921.86	958.73

Grade 2	845.93	879.76	914.95
Grade 1	805.82	838.05	871.57

Trade: Electrical

Grade	Rate - 01/04/04	Rate - 01/04/05	Rate - 01/04/06
Supervisor	1,138.79	1,184.52	1,231.90
Grade 5	1,007.47	1,047.76	1,089.67
Grade 4	962.73	1,001.23	1,041.27
Grade 3	886.41	921.86	958.73
Grade 2	845.93	879.76	914.95
Grade 1	805.82	838.05	871.57

Electrical Rates applicable to employees employed prior to original Site Agreement 15/4/91 implementation.

Grade	Rate-01/04/04	Rate-01/04/05	Rate-01/04/06
Grade 5	1045.32	1,087.13	1,130.61
Grade 4	987.42	1,026.91	1,067.98
Grade 3	951.00	989.04	1,028.60

3.7 Wages for Production Employees

The rates of pay in this subclause reflect an agreed increase of 4.0 % pa, from 1 April 2005, and a further 4.0% pa from 1 April 2006.

Rates

Grade	Rate - 01/04/04	Rate - 01/04/05	Rate - 01/04/06
Area Supervisor	1,011.57	1,052.03	1,094.11
Team Facilitator	831.56	864.82	899.41
Level 4	773.37	804.30	836.47
Level 3	740.70	770.32	801.13
Level 2	708.14	736.46	765.91
Level 1	662.36	688.85	716.40

3.8 Overtime

For the purpose of computing overtime, each day's work shall stand alone and overtime shall be calculated using thirty-eight as divisor for all employees.

3.8.1 Payment for Overtime - Excluding Continuous Shift Employees

All work done outside ordinary hours shall be paid at the rate of time and a half for the first two hours and then at double time, such double time to continue until the completion of the overtime worked. Overtime worked on a Saturday or a Sunday shall be paid at double time and on a public holiday payment will be made at double time and a half.

3.8.2 Payment for Overtime - Continuous Shift Workers

All overtime done outside ordinary hours shall be paid at the rate of double time except for overtime worked on a public holiday where the rate would be double time and a half.

3.8.3 Minimum Overtime Period

An employee (other than shift worker filling in for another shift worker late for duty) requested to present himself/herself at work on any Saturday, Sunday or public holiday on which he/she is not rostered to work shall work a minimum of (4) four hours. This does not apply when overtime

is worked prior to the commencement of or at the conclusion of a rostered shift. In such cases the employer may nominate any period of overtime.

3.8.4 Call Backs

An employee recalled from home to work overtime after having left the premises of the employer (whether notified before or after leaving the premises) shall be paid for a minimum of four (4) hours work. This call back situation would attract the normal overtime rate.

An employee shall not be required to work the full four hours if the job the employee was recalled to perform is completed within a shorter period. Where call backs involve work in excess of four hours, the appropriate overtime rate will be paid.

An employee having had an 8 hour break from the completion of work who is called back to work can either:

- (a) recommence their next shift 2 hours after the normal shift start time without loss of ordinary earnings.
- (b) if time does not permit (eg the call-in finishes close to their normal start time) then the employee may begin their normal shift on ordinary rates upon the completion of the call-in and leave once the normal shift hours are completed.
- (c) An employee who attends multiple call-ins between normal shifts which in the opinion of the line manager completely destroys normal sleep patterns, or who attends a call-in for a such a duration that has the same effect (more than 6 hours), shall be released from the next day's work duties without loss of pay from when the last call-in is complete.

An employee who is called back to work without having had an 8 hour break since leaving work shall be entitled to such a break without loss of ordinary earnings from when the call-in is completed.

An employee using his/her private vehicle to return to work in this instance would be entitled to the relevant kilometre allowance.

3.8.5 Sundays And Public Holidays

- (a) The days upon which New Years Day, Australia Day, Good Friday, Easter Saturday, Easter Monday, Anzac Day, Queens Birthday, Labour Day, Christmas Day, and Boxing Day are observed, together with any day gazetted or proclaimed by the government as a public holiday.
- (b) In addition to the holidays specified in subclause (a) of this clause, one additional paid holiday (in lieu of the Union Picnic Day) shall apply in each calendar year to an employee on weekly hire.

The holiday date will be administered as per the gazetting of RDO's, that is, by agreement with the teams.

- (c) An employee required to work on any of the abovementioned holidays shall be paid at the rate of double time and one half for the day.
- (d) All time worked on Christmas Day and Good Friday shall be paid for at the rate of treble time for the day.
- (e) An employee required to work on a Saturday or Sunday shall be paid at the rate of double time.

- (f) Where an employee is absent on the last working day prior to the holiday, or on the first working day following the holiday without reasonable cause or without the consent of the employer, the employee shall not be entitled to payment for such holiday.
- (g) "Holiday" shall commence at the normal starting time of any shift on the day of the holiday.
- (h) Employees who are on a continuous rotating roster who do not work on a public holiday will also be entitled to a penalty payment equivalent to one day's pay.

3.8.6 Union Picnic Day

- (i)
 - (a) Union Picnic Day shall, for the purposes of this Award, be regarded as a holiday for employees who are financial members of the union(s). The Union Picnic Day shall be on such day as is agreed between the Company and the union(s).
 - (b) The union(s) shall advise the Company of financial members as at the time of the Union Picnic Day. Such advice must be given at least two weeks prior to the Union Picnic Day.
- (ii) Where an employee, who is not a financial member of the union(s), is required to work on Union picnic Day, the employee shall be entitled to be paid ordinary pay for the normal working day.
- (iii) Employees who are not financial members of the union(s) and who are not required by the Company to work on Union Picnic Day, may apply to the Company to take annual leave, time off in lieu of overtime, leave without pay, such other leave as may be approved by the Company or may be required by the Company to make up time.

3.9 Allowances

3.9.1 Tool Allowance and Damage

Trades employees and apprentices shall be paid an allowance of \$15.24 per week, from 1 April 2005 and \$15.84 per week from 1 April 2006 for supplying and maintaining tools ordinarily required in the performance of their work as a Tradesperson or apprentice.

Notwithstanding the above, the Company shall provide for the use of tradesperson and apprentices all necessary power tools, special purpose tools and precision measuring instruments.

Tradespersons and apprentices shall replace or pay for any tools supplied by the Company if lost or damaged through their negligence.

Damage to tools supplied by the employee shall be compensated by the Company to the extent where, tools are damaged or destroyed by fire, or molten metal or through the use of corrosive substances; provided that the Company's liability shall be limited to such tools of trade as are ordinarily required for the performance of the employee's duties.

3.9.2 Electrical Licences

Electricians employed under this agreement shall Electrical Mechanics Licence A Grade and receive from 1 April 2005, \$35.46 per week, from 1 April 2006, \$36.87 per week.

3.9.3 Shift Allowance

(a) Three Shift Workers

Monday to Friday (Not Continuous Shift)

Shift workers shall be paid the following allowance in addition to their ordinary rate whilst on shift:

- (i) Rotating shifts, i.e.: morning, afternoon and night shift: 15% of ordinary rate.
- (ii) Early Morning shift - 12.5% of ordinary rate.
- (iii) Afternoon Shift - 15% of ordinary rate.
- (iv) Night Shift - 30% of ordinary rate.

(b) Continuous Shift Workers - four Shift Roster

- (i) Monday to Friday - 15% of ordinary rate.
- (ii) 12.00 midnight Friday to 12.00 midnight Saturday.
All Shift - time and a half.
- (iii) 12.00 midnight Saturday to 12.00 midnight Sunday.
All Shift - double time.
- (iv) Public Holidays
All Shift - double-time-and-a-half.

3.9.4 Meal Allowance

For overtime worked, the following formulae will apply:

0 but less than 1 hour	= No meal allowance
1 hour up to 4 hours	= One (1) meal allowance
5 hours up to 9 hours	= An additional meal allowance

Each subsequent four (4) hour block will attract an additional meal allowance.

If notified the previous day to work such overtime no meal allowance. One meal allowance will be from 1 April 2005, \$11.97, from 1 April 2006, \$12.44.

Note: Should a person be "called in" to cover absenteeism, then the above formulae will apply.

3.9.5 Kilometre Allowance

An employee who is requested to use his/her private vehicle for Company use or for a Call Back is to receive kilometre allowance at the following rates:

4 cylinder vehicle	from 1/4/05 - 55c/km from 1/4/06 - 57c/km
6 cylinder vehicle	from 1/4/05 - 67c/km from 1/4/06 - 69c/km

3.9.6 First Aid Allowance

- (a) Adequate First Aid appliances shall be kept on the premises and shall be maintained at all times ready for use.
- (b) An employee who is a certified First Aid attendant in possession of a current certificate shall be paid an additional payment from 1 April 2005, \$13.88 per week, from 1 April 2006, \$14.43 per week.

3.9.7 Higher Duty Allowance

Under the existing classification structure employees are given opportunities to train and develop in the skills of higher classifications. This means that employees need to act and work in higher duties for short periods of time to prepare themselves for future positions. No payment will be payable for development periods.

Where not in a training mode an employee is appointed by the company to act in a higher role for more than two hours during one shift, the employee shall be paid the higher rate for such shift.

3.10 Payment Of Wages And Breaks

3.10.1 Payment Of Wages

- (a) The pay period for the Concord site will be weekly from p.m. Tuesday to a.m. Tuesday of the next week (all unscheduled overtime worked on that day will be carried over to the next pay period) and pay day will be Thursday.

Payment will be via electronic funds transfer to a Bank, Building Society or Credit Union account nominated by the employee. The employee may nominate a second account for a standard deduction. It is recognised that the new rates of pay associated with this Agreement cover the costs of an employee operating an appropriate account for the purpose of receiving wages.

On the day before pay day the Company will supply each employee with a statement showing the amount of wages to which the employee is entitled, the amount of deductions made and net amount of wages due to the employee and any other information required by legislation.

In the event of hardship due to the failure of Electronic Funds Transfer, which is directly attributable to being the Company's fault then alternative monetary relief will be provided.

- (b) Direct Debit Facilities

The Company shall make available to employees facilities for the direct payment of monies into nominated accounts. Such deductions will only be made upon the provision of a duly signed authorisation from the employee.

Direct payments in accordance with this Clause may include, but are not limited to, payment of union fees, health care payments, and payments to charitable organisations.

BREAKS

3.10.2 Crib Breaks

Unless the period of overtime is less than one hour, an employee before starting overtime after working ordinary hours shall be allowed a crib break of twenty minutes, counted as time worked.

An employee working overtime Saturday, Sunday or week day; shall be allowed a crib break of twenty minutes without loss of pay after each four hours of overtime worked if the employee is to continue to work beyond such crib time.

The Company and employees may agree to any variation of the crib time provision to meet the circumstances of the work providing that the employer shall not be required to make any payment in excess of the time allowed and at the appropriate rate in accordance with this clause.

3.10.3 Rest Periods

As a general rule an employee who works so much overtime that there is not a 10 hour period between the end of his/her overtime and his/her next ordinary work period will be released from work without deduction of pay until he/she has had a 10 hour break, or alternately paid the appropriate overtime rate until he/she has had a 10 hour break.

3.10.4 Meal Breaks

- (a) A period of twenty minutes will be allowed on each shift as a paid crib break, the observance of which will vary according to the departmental requirements and taken in such a way as not to interfere with the work being carried out. Where conditions in a department allow it, such break will be taken as a set time each shift but where the needs of production are such that a definite time cannot be set for the break a period of up to two hours will be set aside and such meal break will be taken within that two hour period.
- (b) In addition, employees will be allowed a ten minute period on each shift as a paid Tea Break, the observance of which will vary according to the team requirements to ensure the continuation of production.
- (c) Employees shall not be required to work for more than five hours without a break. All work done during meal breaks and thereafter until a meal break is allowed, shall be paid for at the overtime rate applicable.

4. Leave

4.1 Sick Leave

- (a) An employee, who is absent from work by reason of personal illness or injury (not being illness or injury arising from the employee's misconduct or from an injury arising out of or in the course of employment) shall be entitled to leave of absence, without deduction of pay, subject to the following conditions and limitations.
 - (i) Employees shall make every reasonable effort to contact the company before the commencement of the shift to inform of their inability to attend work, and state the nature of illness or injury, estimated duration of absence and date of return to work. If they do not notify the company within 15 hours of the normal shift start time, the reasons will be discussed upon their return and where the justification is deemed inadequate the employee may be deemed absent for the day and subject to the site disciplinary procedure.
 - (ii) The employee shall furnish to the employer such reasonable evidence as the employer may desire that the employee was unable by reason of illness or injury, to attend for duty on the day or days for which sick leave is claimed.
 - (iii) The employee shall not be entitled during the first year of service to leave in excess of forty hours (1 week) and not more than eighty hours in the second and subsequent years of service.
 - (iv) The payment for any absence on sick leave in accordance with this clause during the first three months of employment of an employee will be withheld until the employee completes such three months of employment at which time the payment shall be made.

(b) Single Day Absences

- (i) Unless as required in Clause 4(b)(ii) below, Single Day sick leave absences will not require the production of a medical certificate or other evidence by the employee.
- (ii) The provisions of Clause 4(a)(ii) regarding the provision of reasonable evidence shall only apply to single day absences where the company reasonably suspects that such an absence was not genuine. In addition, the company may advise an employee that any future single day absences may require evidence satisfactory to the company if the company believes that previous absences have not been genuine.

Where the company suspects that an absence is not genuine, the appropriate steps in accordance with Clause 17.0, Dispute/Grievance Settlement Procedures will be followed.

- (iii) Where an employee is absent from employment on the working day or part of the working day immediately preceding or immediately after -
 - 1. A holiday, as defined in clause 3.8.5; or
 - 2. before or after a period of annual leave during which a holiday or holidays occur as defined;

without reasonable excuse, the company's consent, or such other evidence as the company may require, the employee shall not be entitled to payment for such holiday or holidays.

- (c) The rights under this clause shall accumulate from year to year so long as the employment continues with the employer so that any part of the sick leave entitlement not taken in any year, may be claimed by the employee, subject to the conditions prescribed by this clause, in a subsequent year of continued employment.
- (d) For the purpose of this clause continuous service shall be deemed not to have been broken by:
 - (i) any absence from work on leave granted by the employer, or
 - (ii) any absence from work by reason of personal illness, injury or other reasonable cause (proof whereof shall in each case be upon the employee).
- (e) Service before the date of coming into force of this clause shall be counted as service for the purpose of assessing the sick leave entitlements in any year under subclause (c) of this clause.
- (f) Accumulated sick leave at the credit of an employee at the commencement of this agreement shall not be affected nor reduced by the operation of this clause.
- (g) For the purpose of payment of accumulated sick leave on termination (retirement/redundancy), an employee's entitlements during the last year of employment shall be calculated on a pro-rata basis.
- (h) Where an employee has unused sick leave entitlement, leave on ordinary pay of up to half the annual entitlement in any year may be granted to an employee who finds it essential to remain at home in the event of the illness of his/her spouse, dependent or elderly relative residing permanently with the employee.

This leave will be debited against an employee's unused sick leave entitlements. The employee shall ensure notice is given to the company before their normal shift starting time. Any claims for payment of leave under this provision must be supported by a certificate of a duly qualified medical practitioner or the employee should provide a statutory declaration to this effect. Nothing in this clause shall limit the employers' right under sub clause (b) of this clause

4.2 Annual Leave

See *Annual Holiday Act 1944*, as amended.

4.3 Annual Leave Loading

- (a) In this clause the *Annual Holidays Act 1944*, is referred to as "the Act".
- (b) Before an employee is given and takes each separate period of annual leave, the employer shall pay the employee a loading determined in accordance with this clause.
- (c) The loading is payable in addition to the pay for the period of leave given and taken and due to the employee under the Act.
- (d) The loading is to be paid on annual leave days only and not on public holidays or rostered days off which fall within or are added to a period of annual leave.
- (e) The loading is payable at the rate per week of 17.5 per cent of the appropriate ordinary weekly time rate of pay for the classification in which the employee was employed immediately before commencing annual leave, (or the applicable shift loading whichever is the greater) but shall not include any other allowance, penalty or disability rates, commissions, bonuses, incentive payments, overtime rates on any other payments prescribed by this Agreement.
- (f) No loading is payable to an employee who takes annual leave wholly or partly in advance, provided that if the employment of such an employee continues until the day when the employee would have become entitled under the Act to annual leave, the loading then becomes payable in respect of the period of such leave and is to be calculated in accordance with subclause (e) of this clause applying the rates of wages payable on that day.
- (g) Where the employer's plant or part thereof is temporarily closed down for the purpose of giving an annual leave or leave without pay to the employees concerned:
 - (i) an employee who is entitled annual leave and who is given and takes such leave shall be paid the loading calculated in accordance with subclause (e), of this clause.
 - (ii) an employee who is not entitled to annual leave for the full period given and therefore takes a period of leave without pay shall be paid a proportion of the loading that would have been payable under this clause for that period of proportionate annual leave taken.
- (h)
 - (i) when the employment of an employee is terminated by the employer for a cause other than misconduct and at the time of the termination the employee has not been given and has not taken the whole of annual leave to which the employee is entitled, the employee shall be paid a loading calculated in accordance with subclause (e) for the period not taken.
 - (ii) Except as provided by paragraph (i) of this subclause no loading is payable on the termination of an employee's employment.

4.4 Parental Leave

Employees shall be entitled to parental leave in accordance with requirements of the *Industrial Relations Act 1996*.

4.5 Long Service Leave

See *Long Service Leave Act 1955*.

4.6 Bereavement Leave

- (a) An employee shall on the death of the husband, wife, father, mother, child, brother, sister, stepchild, parent-in-law or grandparents of the employee be entitled to leave up to and including the funeral of such relation, such leave for a period not exceeding three days in respect of any such death shall be without loss of any ordinary pay.
- (b) The right to such paid leave shall be dependent on compliance with the following conditions:
 - (i) The employee shall give the employer notice of the intention to take such leave as soon as reasonably practicable after the death of such relation.
 - (ii) Satisfactory evidence of such a death shall be furnished by the employee to the employer if required.
- (c) For the purpose of this clause words "husband" or "wife" shall include a person who was living with the employee as defacto husband or wife immediately prior to the death of the person and the words "father" and "mother" shall include foster father and mother and stepfather and stepmother.
- (d) Provided further, an employee shall be entitled to an extra two days leave without loss of pay on each occasion and on production of satisfactory evidence of the death outside of Australia of an employee's husband, wife, father, mother, child, brother, sister, stepchild, parents-in-law or grandparents provided the employee attends the funeral overseas.

4.7 Union Training Leave

- (a) The Company will release delegates or co-delegates for a combined maximum of 14 days per annum to attend appropriate trade union training, subject to adequate notice being provided by the relevant union and that the course structure and content is agreed to by the Company. Release of delegates or co-delegates will also be dependent on production requirements.
- (b) No individual delegate may take more than 10 days Union Training Leave per annum.
- (c) The leave available under this clause will also be used for attendance at "delegates meetings" called by the union.

5. Termination of Employment

The employer or the employee may terminate employment by one week's notice (5 working days).

Payment in lieu of notice may be paid by the employer. If an employee fails to give one week's notice then he/she may forfeit wages owed to a maximum amount equal to the ordinary rate of pay for the period of notice.

Payment in lieu of notice will not be given where an employee is either a casual employee, apprentice or an employee engaged for a specific period of time or on a project basis.

Where an employee has given or been given notice as aforesaid, the employee shall continue in employment until the date of the expiration of such notice. Any employee who, having given or been given notice as aforesaid and without reasonable cause (proof of which shall lie on the employee), is absent from work during such period shall be deemed to have abandoned employment and shall not be entitled to payment for work done within that period.

6. Abandonment of Employment

An employee will be deemed to have abandoned employment if they are absent from work for a continuous period exceeding three (3) days.

Provided that if within a period of fourteen days from the employee's last attendance at work or the date of last absence in respect of which notification has been given or consent has been granted an employee has not established to the satisfaction of the employer that the absence was for a reasonable cause.

Termination of employment by abandonment 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, or the date of the last absence in respect of which notification was given to the employer, whichever is the later.

7. Certificate of Employment

The employer shall upon request from the employee, provide to the employee a written statement specifying the period of employment and the classification of the employee.

8. Performance Appraisals

A performance appraisal system will be developed in consultation with the Team Facilitators and Supervisors. Once developed, Team Facilitators and Supervisors will be formally appraised on a 6 monthly basis.

9. Uniforms

The Company shall provide uniforms and protective clothing. On commencement new employees will receive a set of safety footwear and -any protection clothing appropriate to their position.

On completion of the 3 month probation period the employee will be issued with five personal sets of uniforms.

All items will be issued on a replacement basis on presentation of worn garments.

Cleaning of uniforms will be carried out under the control of the company.

10. Workers' Compensation

The provisions of the *Workers' Compensation Act 1987*, *Workplace Injury Management and Workers' Compensation Act 1998* apply.

11. Jury Service

An employee shall be allowed leave of absence during any period when required to attend for jury service.

During such leave of absence, an employee shall be paid the difference between the jury service fees and the employee's ordinary rate of pay as if working.

An employee shall be required to produce to the employer proof of requirement to attend, and attendance on jury service, and shall give the employer notice of such requirements as soon as practicable after receiving notification to attend jury service.

12. Job Security

Management will always consult with the relevant union(s) whenever a business decision is made which necessitates a reduction in site numbers. Wherever possible, any reduction in site numbers will be via natural attrition, however, when timescales do not permit a slow decrease in site numbers, such as external factors, then it will be necessary to revert to the terms of our redundancy agreement.

Notwithstanding anything above the company commits to making no forced redundancies as a result of this Agreement being accepted by all parties and duly registered with the New South Wales Industrial Relations Commission.

13. Present Occupant only Provision

With the creation of a new-classification structure as part of this Agreement, it may be necessary to transfer a limited number of employees into the appropriate grade of the structure, which has a lower wage rate.

In such circumstances the employee concerned will continue to receive his/her present wage rate and with future wage movements that employee will continue to receive the current dollar differential over that grade as a Present Occupant Only Provision.

Should that employee be subsequently promoted to a position of a higher grade the Provision will be absorbed either partially or totally depending on the value of the new wage rate.

This provision does not apply if people are downgraded as a result of disciplinary procedures or if they apply for a lower level position.

14. Equal Employment Opportunities

FreshFood Management Services Pty Ltd is an equal opportunity employer. All employees are entitled to work in an environment free from discrimination. The Company will recruit, employ and train personnel on the basis of experience, skills and on-the-job performance.

The following procedures will be followed when vacancies occur on the site:

- (a) All vacancies on site will be advertised on the Company Notice Boards. Each advertisement will include the grading of the position and its duties.
- (b) All Employees will be able to apply for such vacancies and obtain a relevant job interview.
- (c) Interested employees should either advise their Team Facilitator or apply to the Personnel Department direct.
- (d) All unsuccessful applicants have the right to discuss their application with the Department Manager and/or their Union Delegate.

15. Apprentices

- (a)
 - (i) The company is committed to the employment of apprentices. Contracts entered into on behalf of FreshFood Management Services Pty Ltd may provide a wide scope of experiences on other sites if required.
 - (ii) One new apprentice will be engaged during the term of this Agreement subject to an appropriate "mentor/support" programme being developed with and supported by current tradespersons.
 - (iii) Any apprentice, once engaged, shall have continued employment through their apprenticeship subject to them continuing to comply with all conditions of their indentureship.
- (b) Junior Apprentices
 - (i) The Company shall only employ juniors as indentured apprentices in the following trades:
 - Electrical
 - Fitter and Turner
 - Welder
 - (ii) The indenture shall be as prescribed by the appropriate apprenticeship Authority.

- (iii) The wage rate for apprentices shall be based on the following percentages of a base grade tradesperson under this agreement (i.e. Grade 1 Tradesperson).³

	%
First Year	42
Second Year	55
Third Year	75
Fourth Year	88

- (iv) Continued employment upon completion of the indenture shall be at the discretion of the employer.

(c) Adult Apprentices

- (i) An adult apprentice is defined as a person of twenty-one years of age or over at the time of entry into an indenture to the apprenticeship trades.
- (ii) A suitable indenture shall be entered into by the adult apprentice and the Company, depending on:

age and length of time served on the job

skills and knowledge acquired

certification held

overseas qualifications.

The indenture should stipulate:

the names of the parties.

a statement of the trade to which the adult apprentice is to be bound and which is to be taught during the course and for the purpose of the apprenticeship.

the duration of the indenture.

the training credits to be granted in accordance with the above paragraph.

the details of the training to be successfully completed in order to gain recognition as a tradesperson.

an agreement by the Company to teach and instruct or cause the adult apprentice to be taught or instructed in the trade to which the adult apprentice is bound.

an agreement that for the duration of the indenture the adult apprentice shall be of good conduct and shall diligently pursue his/her course of instruction.

the date on which the apprenticeship is to commence or from which it is to be calculated.

all other conditions of apprenticeship.

- (iii) The training to be completed by an adult apprentice will be determined the appropriate apprenticeship Authority based upon training credits.
- (iv) Where a person was employed by the Company immediately prior to becoming an adult apprentice, such person shall not suffer a reduction in actual rate of pay by virtue of becoming indentured.

Subject to the above, the wages of an adult apprentice shall be based on the following percentages of the ordinary weekly rate payable to base-grade tradesperson engaged under this agreement.

	%
First Year	82
Second Year	87
Third Year	92
Fourth Year	100

- (v) Continued employment upon completion of the indenture shall be at the discretion of the employer.

16. Making Plant Safe During Industrial Stoppages

It is agreed by the parties that during periods of industrial stoppages that employees in the coffee plant and the boiler room will ensure the plant is safe prior to leaving the areas and that product wastage is minimised.

17. Dispute/Grievance Settlement Procedures

- (a) In the event that a dispute/grievance arises between an individual employee and the immediate supervisor, as a result of a disagreement initiated by either person then:

Step One

The individuals involved will immediately attempt to resolve the issue.

Step Two

If the matter is not resolved, the parties involved will immediately refer the disagreement to their manager. The option of having the appropriate site delegate in attendance should be open to the employee.

Discussions between the persons referred to here shall take place within 24 hours (or two working shifts).

Step Three

If the dispute/grievance has not been resolved the matter will be referred to the Site Personnel Manager and/or the Union organiser.

This process shall take place 48 hours after Step 2 or within a timeframe agreed by all parties.

Step Four

If the dispute/grievance is still not resolved, the Company will involve (if not already) Senior Line Management and the Union may elect to involve an appropriate Union officer.

This shall take place within five working days or such time as is agreed between the parties.

- (b) In the event of a dispute/grievance being of a general nature, rather than between individuals, the dispute/grievance procedure shall take place from Step 2 above and the appropriate delegate and the responsible line manager will discuss the general issue.

It is essential that all of the above procedures be completed within a maximum period of five (5) working days or a longer period as agreed.

- (c) In the unusual event that the issue(s) cannot be resolved by the parties mentioned in these procedures any party can seek the immediate assistance of the NSW Industrial Commission.

- (d) While all of these procedures are taking place, work will continue and work practices in place prior to the dispute/grievance will remain with no bans or limitations imposed on the performance of that work. This situation will not apply if the procedure is deemed unsafe.

The fact that work continues will not prejudice the position of any of the parties and will not disadvantage an individual.

18. Salary Continuance (Income Protection) Insurance

- (i) For the life of this Agreement the Company will arrange income protection insurance for all employees covered by this Agreement, subject to the following limitation of benefits:
- (a) The cover will be at a rate of 75% of the employee's ordinary time rate of pay.
 - (b) The maximum period of coverage for payment of the benefit will be two years.
 - (c) There is to be a waiting period of 30 days from the date of claim before coverage benefits will be available.
 - (d) The benefit will only be available to employees who are members of the company nominated superannuation fund.
- (ii) It is an agreed principle under this clause that an employee cannot "double dip" on income protection and any other wage and leave entitlements payable by the Company after the waiting period (paragraph (i)(c) above) for an approved claim: i.e. An employee cannot receive both income protection payments and annual leave, long service leave, or any other paid leave, RDO's, or workers compensation payments.

19. Salary Sacrifice

The Company will make salary sacrifice arrangements available to employees covered by this Agreement, subject to appropriate employee education and compliance with Australian Taxation Office guidelines.

20. Labour Agency Usage

The Company will work with the unions over the life of this Agreement to determine a mutually agreed list of labour hire agencies to provide casual coverage.

As workloads and production requirements vary, the Company has a preference to use flexible interchange of employees rather than the use of casuals. Casuals will be used when this is not possible or for coverage of longer term absences and the evaluation of new employees.

21. Site Facilitative Fee

The Company will implement an arrangement to create a special account for site related training. Use of casual labour and its circumstances will be a basis for determining account contributions. Administration will be determined during the course of this Agreement.

22. Union Delegate

The Company recognises the role of union delegates within the workplace and the rights of the union delegate to conduct union business.

So that duly elected union delegates may perform their functions in an effective and efficient manner, the Company will allow union delegates to conduct their business on the following basis:

- (i) in circumstances where the union delegate needs to conduct union business, they shall notify the Company of their intention and shall not undertake any such duties without first doing so.

- (ii) where practicable the union delegate shall conduct such union business at a time that does not disrupt the flow of work.
- (iii) in circumstances where the delegate is required to leave the site to attend union meetings, the delegate shall be entitled to normal wage rates, per clause 3.6, for the time at the meeting up to a maximum of 10 days per annum (including union training days).

23. Right of Entry

The Company acknowledges that authorised industrial officers may enter, during working hours, the premises of the Company for the purposes of holding discussions with its members or those who are eligible to be its members and for the purposes of investigating any alleged breaches.

The Company recognises those rights and as detailed in Part 7, Chapter 5 of the *Industrial Relations Act 1996*.

24. Breast Feeding Facilities

The Company recognises the special needs of working women. As such the Company shall provide, upon request, suitable facilities for the purposes of allowing its female employees to breastfeed.

25. Superannuation

The parties to this agreement support the principle of Choice of Fund in relation to superannuation contributions. The parties recognise that superannuation is a complex matter, and that any proposed changes to existing arrangements will require extensive review and consultation. It is agreed that:

- (a) The company will commence a process to introduce Choice of Fund. This process will commence with the certification of this agreement. The company will use its best endeavours to have a Choice of Fund policy in place within twelve (12) months from the operative date of this agreement.
- (b) There will be a process of consultation with employees covered by this agreement regarding, but not limited to, matters such as number of funds available for choice, approved funds and administrative issues.
- (c) The company will continue to ensure that superannuation benefits remain consistent with the relevant Superannuation Guarantee legislation.

26. Australian Workplace Agreements

For the duration of this Agreement, the Company will not employ persons covered by this Agreement under the terms of an Australian Workplace Agreement (AWA) or any other form of individual contract.

27. Anti-Discrimination

1. It is the intention of the parties to this agreement to seek to achieve the object in s 3(f) of the *Industrial Relations Act 1996* to prevent and eliminate discrimination in the workplace. This includes discrimination on the grounds of race, sex, marital status, disability, homosexuality, transgender identity, age and responsibilities as a carer.
2. It follows that in fulfilling their obligations under the dispute resolution procedure prescribed by this agreement the parties have obligations to take all reasonable steps to ensure that the operation of the provisions of this agreement are not directly or indirectly discriminatory in their effects. It will be consistent with the fulfilment of these obligations for the parties to make application to vary any provision of the agreement which, by its terms or operation, has a direct or indirect discriminatory effect.
3. Under the *Anti-Discrimination Act 1977*, it is unlawful to victimise an employee because the employee has made or may make or has been involved in a complaint of unlawful discrimination or harassment.

4. Nothing in this clause is to be taken to affect:
 - a. any conduct or act which is specifically exempted from anti-discrimination legislation;
 - b. offering or providing junior rates of pay to persons under 21 years of age;
 - c. any act or practice of a body established to propagate religion which is exempted under s 56(d) of the *Anti-Discrimination Act 1977*;
 - d. a party to this agreement from pursuing matters of unlawful discrimination in any State or federal jurisdiction.

This clause does not create legal rights or obligations in addition to those imposed upon the parties by the legislation referred to in this clause.

APPENDIX A

DISCIPLINARY PROCEDURES

1. General
 - (a) The disciplinary procedure is directed towards correcting and/or improving an employee's conduct on occasions when that conduct is contrary to Company rules and requirements.

The disciplinary procedure, in the majority of situations, is used to assist an employee to understand, and accept the company rules and requirements.

The objective of this procedure is to re-establish the normal working relationship with the employee whenever possible.
 - (b) The Company disciplinary procedure consists of three levels:

(i) COUNSELLING	- informal	
	- formal	(in writing)
(ii) WARNING	- formal	(in writing)
	- final	(in writing)
(iii) DISMISSAL		(in writing)

The levels of discipline may or may not be administered in a sequential manner depending upon the seriousness of the situation.

The disciplinary procedure should be applied with the following principles:

 - Promptly - minimum delay
 - Consistently - regardless of who is involved
 - Objectively - focus upon the conduct concerned and not the person involved
 - (c) Throughout the disciplinary procedure an employee will be provided with the opportunity to present their view of the situation and reasons for their conduct.

Prior to and at any time during counselling, an employee may invite to have their delegate/co-delegate or someone else of their choosing to be present. If the employee elects not to have anyone present then the counselling/warning document should be noted accordingly.

- (d) The circumstances surrounding an employee's actions and the seriousness of those actions will determine which level of the disciplinary procedure is appropriate.

When an employee disagrees with a formal counselling or formal warning, a request to review the disciplinary action may be made by the employee to the next level of line management and the Personnel Department through the immediate supervisor. In the case of final warning, the request for review may be made to the Works Manager and the Personnel Department through the immediate supervisor.

- (e) Written record of all levels of the disciplinary procedure (except informal counselling) will be made and placed on an employee's personal file with a copy to the employee.

The disciplinary procedure will normally be conducted by the immediate supervisor, involving the Personnel Department once the warning level is reached and the Departmental Manager when a final warning is to be issued. It is the responsibility of all the parties to ensure that the facts are correctly presented and accurate.

2. Counselling

- (a) Informal

This step should be most frequently used to outline relevant Company rules and requirements and correct employee behaviour. The employee must be informed that this step is taking place.

Continued informal counselling for the same or similar conduct by the employee could progress to formal counselling. The need to progress to formal counselling will be established by the supervisor and will include consideration of the nature of the employee's conduct, the frequency of informal counselling and the employee's response to previous informal counselling/s.

- (b) Formal

This step requires a detailed discussion of an employee's inappropriate conduct, and how the conduct is contrary to relevant Company rules and requirements, any underlying reasons for the conduct and a participating commitment to correct and/or improve the area of concern.

The procedure involves discussion of the following matters with the employee:

- (i) What is required of the employee?
- (ii) Where and how the employee's conduct does not comply with relevant Company rules and requirements.
- (iii) What is to be done by the employee to meet Company rules and requirements and appropriate steps which may assist the employee.
- (iv) The likely results of failure to meet Company rules and requirements.
- (v) A date to review the employee's conduct.

Formal counselling should be clearly seen and understood to be an assistance and education function within the disciplinary procedure.

Where consensus cannot be reached the supervisor will refer the matter for discussion to the next level in line management.

3. Warning

(a) Formal

Where an employee continues with inappropriate conduct after the formal counselling level, or engages in misconduct of a minor nature, the supervisor should investigate the matter and establish the reason, issue a formal warning and advise the employee that it will be recorded on their personal file.

This procedure involves clearly indicating to the employee, in delegate/co-delegate or someone else of the employee's choice (if requested).

- (i) What is required of the employee?
- (ii) Where and how the employee's conduct does not comply with relevant Company rules and requirements.
- (iii) What is to be done by the employee to meet Company rules and requirements and appropriate steps which may assist the employee?
- (iv) The likely results of failure to meet Company rules and requirements.
- (v) A date to review the employee's conduct.
- (vi) The duration for which this warning will remain effective will not be less than two months and not more than four months.

(b) Final

Where an employee fails to meet Company rules and requirements after formal warning or engages in misconduct of a more serious nature, the immediate supervisor should issue a final warning.

Final warning is the last step before an employee is dismissed and is accompanied by a written advice to the employee.

The procedure for final warning involves a review of the relevant disciplinary procedure to date or the misconduct and the offer to the employee of the opportunity to provide an explanation. This step should involve the Personnel Department, the Departmental Manager and the Union delegate/co-delegate or someone else of the employees choosing and will include a written advice of final warning to the employee.

At this-time the following points are to be stressed to the employee:

- (i) Details of the problem and what specific conduct is required of an employee to meet Company rules and requirements.
- (ii) That failure to meet Company rules and requirements could lead to dismissal.

The written advice of final warning issued to the employee will contain the following information:

A statement that the letter is written advice of final warning.

Definition of the inappropriate conduct by the employee with reference to relevant company rules and requirements.

A detailed chronological summary of relevant disciplinary procedures to date.

Specific change required in the employee's conduct.

A statement that failure to achieve the specific change could lead to dismissal.

A date for review of the employee's performance.

The duration for which this warning will remain effective (which will not be less than four (4) months and nor more than six (6) months).

4. Dismissal

Where an employee fails to meet the requirements clearly identified in the written advice and final warning or engages in serious misconduct, the immediate manager should seek dismissal of the employee. Dismissal may take the form of dismissal with notice or it may be summary dismissal.

Prior to seeking dismissal, a full investigation to ascertain and record the facts of each situation and review the relevant disciplinary procedure conducted to date, will be done by the Human Resources Manager. The purpose of this review ensure that the facts have been presented and the fair treatment of the relevant employee.

A written statement clearly outlining the issue(s) will be submitted to the employee. The employee will have the right to respond. A full meeting of all parties, i.e. employee, union delegate and senior management will be conducted.

Upon dismissal, the employee will be given written advice of the reason(s) for dismissal, the nature of the dismissal as either summary or with due notice.

APPENDIX B

TRAINING

The parties recognise that in order to improve the efficiency, productivity and competitiveness of the site enhanced commitment to training and skill development is required.

Accordingly, the objectives of training will be:

- (i) Develop a highly skilled and flexible work force.
- (ii) Provide employees with career opportunities to acquire additional skills.
- (iii) Reinforce the removal of traditional demarcation barriers in order to maximise the full utilisation of skills.
- (iv) Whenever possible the skills acquired will be accredited and transferable.
- (v) Development of operational training programs as an urgent priority.

TRAINING POLICIES

APPLICATION

Employees wishing to undertake courses must apply in writing to the Company Training Manager.

Attendance at external training courses outside of work time at the employee's request will be unpaid. However, course fees, text books etc will be paid for approved training upon successful completion of the course.

Where the company agrees and a trainer is available on the job training at the request of an employee to assist with gaining skills (i.e. for an upgrading) that cannot be accommodated during normal working hours will be paid for at single time.

The trainer will receive normal O/T rates.

Training of this nature at company request will be paid for at normal O/T rates.

HOURS OF WORK

Participation in agreed training programs where the prescribed time is in ordinary hours, on or off the job should not disadvantage employees through a loss of pay (i.e. shift allowance).

If it is mutually agreed between the Company and the employee, the employee's normal working hours will be varied in order to include course lecture times during his/her normal hours.

TEXT BOOKS

Any costs associated with standard fees for prescribed courses and prescribed text books (excluding those textbooks which are available in the Company's technical library) incurred in connection with the undertaking of training shall be reimbursed upon production of such expenditure. Reimbursement shall be on an annual basis subject to the presentation of reports of satisfactory progress (i.e. passes in all subjects) and all text books shall remain the Company's property and be incorporated into the Company's technical library.

REPEAT SUBJECTS

The costs associated with repeat subjects will not be reimbursed nor will the employee be paid for time attending the course.

OTHER APPROVED TRAINING

If an employee undertakes a course relevant to the Company's needs but not as part of the Company's approved program, the employee must undertake the course in their own time. The course fees and text books will only be reimbursed on satisfactory completion of the course. The employee can also seek recognition of the skills acquired via the Consultative Committee if it is included in the Classification Structure.

APPENDIX C

REDUNDANCY PROVISIONS

It is agreed between the parties that employees at the Concord site will be entitled to redundancy benefits in accordance with this agreement.

PREAMBLE

The following definitions shall apply:

Employer	:	FreshFood Management Services Pty Ltd as a wholly owned subsidiary of FreshFood Australia Holdings Pty Ltd.
Employee	:	Any person covered by the Concord Enterprise Agreement.
Current Rate	:	The employee's ordinary all purpose wage rate plus any applicable shift loading.

Redundancy is defined as "a job becomes redundant when an employer no longer desires to have it performed by an employee". This shall take effect when the total numbers of the permanent work force at the site needs to be reduced. Redundancy may be caused by:

- (i) technological change
- (ii) Company merger

- (iii) take over or reconstruction of the business
- (iv) economic recession
- (v) contracting out of any services.

These Redundancy Provisions apply as follows:

- (i) voluntary, i.e. the Company due to the causes outlined above calls for applications for consideration for redundancy and such applications are reviewed.
- (ii) compulsory, i.e. the Company nominates the employees who are to be made redundant.

1. Applications for Consideration for Redundancy

Applications for consideration for redundancy shall be lodged with the Company within the period of time designated. During the lodgement period, the Company will enter into consultation with the unions concerned as to the selection of applicants, to ensure the Company's planned numbers and skill levels are retained. The criteria to be used for the selection of applicants shall include skills and experience demonstrated and related to the continuation of the business. Continuation of the business shall include the consideration of the future business needs in relation to technological developments, training requirements and other appropriate considerations.

1.2 After expiry of the period of lodgement referred to, the Company shall consider each of the applications lodged and shall decide which applications it shall accept. The Company shall then advise each applicant in writing of the outcome of his/her application. The written advice referred to in this paragraph 1.2 shall not constitute the notice contemplated in paragraph 2.1.

2. Company Selected Redundancy

Where insufficient applications for voluntary redundancy are made under subclause 1.0 to meet the required reduction in numbers, the Company may select employees to be made redundant.

2.1 Period Of Notice

The Company will give each employee to be made redundant, four (4) weeks notice of the appropriate effective date.

Each employee shall thereupon elect to work for the period of notice or terminate their employment and receive, in lieu of such notice, four (4) weeks payment at current rate. If during the currency of this agreement an award applicable to any of the Unions party hereto is varied to provide for a period of notice applicable to technological change, the relevant Union shall thereupon obtain exemption there from.

This provision only applies to those employees with twelve (12) months or more continuous Company service.

2.2 Severance Payment

Each employee made redundant shall receive four (4) weeks payment at the current rate. This provision only applies to those employees with twelve (12) months or more continuous Company service.

2.3 Redundancy Formula

Redundancy payment in addition to the benefits described in paragraphs 2.1 and 2.2 shall be made in accordance with the following formula:

- (a) four (4) weeks payment for the first year of service greater than three (3) months; and

(b) four (4) weeks payment for each subsequent completed year of service or part thereof.

Basis of calculation for (a) and (b) above will be at the current rate.

2.4 Summary Table

Service	Notice	Severance	Formula	Total Weeks
More than 3 months service Less than 1 year service	-	-	4	4
More than 1 year service Less than 2 years service	4	4	8	16
More than 2 years service Less than 3 years service	4	4	12	20
More than 3 years service Less than 4 years service	4	4	16	24
More than 10 years service Less than 11 years service	4	4	44	52
More than 15 years service Less than 16 years service	4	4	64	72
More than 20 years service Less than 21 years service etc.	4	4	84	92

2.5 The company undertakes in the event of a pending redundancy, to attempt to find alternative employment for the employee within the FreshFood Group if employment is unavailable at their current site or a new site operated by FreshFood Management Services Pty Ltd as a wholly owned subsidiary of FreshFood Australia Holdings Pty Ltd.

2.6 Transfers

Each employee offered a transfer from their current site to a new site operated by FreshFood Management Services Pty Ltd, as a wholly owned subsidiary of FreshFood Australia Holdings Pty Ltd, shall be entitled to inspect the job at a new site and shall be interviewed there with respect thereto. The employee will be afforded a period of one (1) week within which to accept or reject the offer. If the employee accepts the job offer and the job proves unsatisfactory to the employee within two (2) months they may terminate. In the event that either the job is rejected or the job proves unsatisfactory within two (2) months, the employee shall be entitled to redundancy benefits as prescribed in 2.4.

2.7 If the rate of an employee's new position is at a lower rate (being not less than 90%) of pay than that which they enjoy in their redundant job, they shall maintain their previous rate until the rate of pay for the new position equals the employee's previous rate as a result of wage increases, subject to their new position not being as a result of:

- (a) Disciplinary reasons
- (b) Inability to satisfactorily perform the tasks
- (c) Employee's request for a change
- (d) Working in a temporary capacity.

Application of this clause is subject to prior discussion with the union or unions of the employees affected.

2.8 Employees forcibly made redundant and who have not rejected an offer of redeployment will be given the opportunity to register with the company for possible future re-employment and subsequently given preference of employment, where candidates are substantially equal, for a period of six months from the date of termination.

3. Other Conditions

- 3.1 An employee who is dismissed or who leaves the Company's employment of their own accord, except via voluntary redundancy, is not eligible for redundancy payment.
- 3.2 If during the period of notice as defined in Clause 2.1, the employee dies, then the benefits to which they would have been entitled upon termination, as described herein, will be payable to their estate.
- 3.3 The Company agrees to pay the costs associated with any reasonable need for interpreters during this process.
- 3.4 The Company agrees to pay the costs associated with bringing certified and professional tax and investment advisers on site at least 5 days prior to retrenchment to conduct group sessions for employees interested in these subjects. However, if an individual wishes to engage these advisers for personal counselling then any costs associated therewith will be their own account.
- 3.5 The Company agrees to facilitate on site access to the Employment National 5 days prior to retrenchment in order to assist those people not retained in finding alternative employment.
- 3.6 An employee becoming redundant in accordance with this Agreement shall, during the period of notice, be given reasonable time off without loss of pay to attend for job interviews provided it is established to the satisfaction of the Company that the application for time off is genuine. Prior notice must be given and the time mutually agreed.
- 3.7 For the purposes of any employee becoming redundant, in accordance with this Agreement, 17.5% or shift loading whichever is the greater shall be paid on all accrued and pro-rata annual leave.
- 3.8 Redundant employees with less than 5 years service will receive on termination an amount equal to pro-rata Long Service Leave.
- 3.9 Redundant employees will receive a payment equivalent to the amount of current sick leave balance.

4. Transmission Of Business

- 4.1 This agreement shall be binding upon any successor, assignee or transferee in the event that there is a transfer of business. For the purposes of this clause, transfer of business shall mean the transfer, transmission, conveyance, assignment or concession, whether by agreement or by operation of law, of the whole or any part of a business, undertaking or establishment.
- 4.2 For the purposes of appendix (c) of this agreement, no redundancy will arise because of a transmission of business of the employer to another person (the new employer) if the employee is employed by the new employer after the succession, assignment or transmission and the new employer recognises and treats service of the employee with the employer as service with the new employer (the transferred employee).
- 4.3 The employer will not be required to make any of the payments set out in appendix (c) of this agreement, if the employer offers or obtains for the employee alternative comparable employment with the new employer as described in clause 4.2 above or alternative employment with the employer.
- 4.4 For the purposes of clause 4.3, "alternative comparable employment" includes alternative employment on terms and conditions that in total are no less favourable than the terms and conditions which apply to the employee before the position held by the employee was made redundant by the employer.

