

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA06/30

TITLE: Arnott's Snackfoods Smithfield Operations Enterprise Agreement 2005

I.R.C. NO: IRC5/5404

DATE APPROVED/COMMENCEMENT: 31 October 2005 / 1 July 2005

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**NEW AGREEMENT OR
VARIATION:** Replaces EA03/215.

GAZETTAL REFERENCE: 3 February 2006

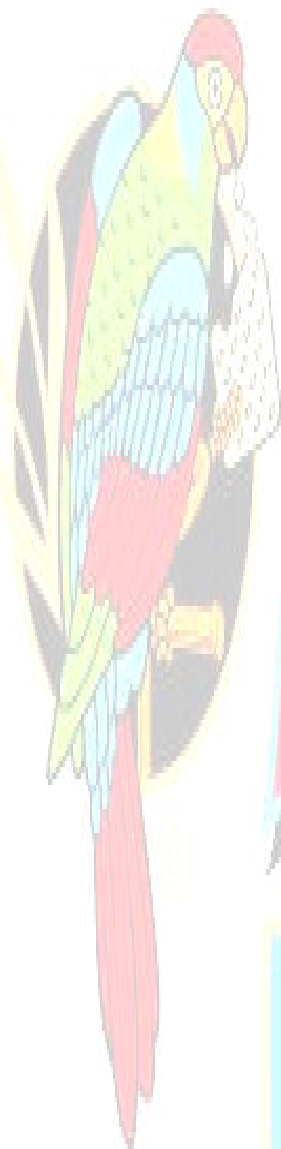
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COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees of Arnott's Snackfoods, who are engaged at the Smithfield Plant located at the 15-21 Britton St, Smithfield NSW 2164, who fall within the coverage of the Storemen and Packers General (State) Award and Potato Crisp Makers (State) Award. This agreement does not apply where and employee/s are transferred to another of the company's operations where another agreement is in operation.

PARTIES: Arnotts Snackfoods -&- the National Union of Workers, New South Wales Branch, The Australian Workers' Union, New South Wales



ARNOTT'S

SNACKFOODS

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INTRODUCTION

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1.1 COMMITMENT OF THE PARTIES

- 1.1.2 This enterprise agreement reflects the ongoing commitment of Arnott's Snackfoods to create a working environment for all employees in Arnott's Snackfoods that is based on a commitment to high performance, productivity, flexibility and equity.
- 1.1.3 The Arnott's Snackfoods goal is to become the first choice in snacks among consumers, the preferred snack food supplier to our customers, a preferred customer to our suppliers and to involve and develop employees in the continuous search for improvement.
- 1.1.4 This Agreement has been put together in a way such that the Smithfield Operations employees play key roles in achieving Arnott's Snackfoods future. In doing so it recognises that employees have both rights and responsibilities in their employment and that this employment agreement serves as a tool for continuously improving against cost, quality, service and people measures.

1.2 SCOPE

- 1.2.1 This agreement shall apply to employees of the company who fall within the scope and incidence of 'The Store-man and Packers General (State) Award' or 'The Potato Crisp Makers (State) Award', who are engaged at the Smithfield Plant (15-21 Britton Street), or at any other place at which those employees could reasonably be expected to be employed during the currency of this agreement. This does not apply where any employee / employees at the above mentioned operations are transferred to another of the company's operations where another agreement is in operation or where an agreement is in the process of being negotiated. The groups responsible for signing this agreement are Arnott's Snackfoods, the Australian Worker's Union (NSW Branch), and the National Union of Workers (NSW Branch).
- 1.2.2 Any provisions of The Storeman and Packers General (State) Award or The Potato Crisp Makers (State) Award not specifically addressed by this agreement shall, for the purpose of maintaining this agreement, continue to apply where appropriate. Where a matter is not referred to in this agreement or the parent Award it is understood that the appropriate legislative requirements apply e.g. Long service leave, maternity leave, equal employment opportunity, etc.
- 1.2.3 General industrial issues arising outside Arnott's Snackfoods operations will not be used to adversely affect the Company's operations for the life of this agreement.
- 1.2.4 Arnott's Snackfoods will not honour any unregistered site arrangements not signed off by this agreement.
- 1.2.5 The nominal term of this Agreement shall commence from the date upon which the Industrial Relations Commission of New South Wales approves it. Upon approval by the Industrial Relations Commission, the first wage increase will be backdated to 1st July 2005. The nominal term of this Agreement shall expire on 30 June 2008. Negotiations for the next agreement will commence no later than 1 April 2008 with the aim to be finished by 31 May 2008. The rates of pay and the allowances provided in this Agreement shall take effect from the dates shown within this Agreement.
- 1.2.6 This Agreement aims to consider the needs of all employees located at the Manufacturing Plant, both AWU and NUW members. During any future Enterprise Agreement Negotiations any site specific or Union specific issues will be considered as part of the negotiations.

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TYPES OF EMPLOYMENT AT ARNOTT'S SNACKFOODS

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2.1 FULL - TIME EMPLOYMENT

- 2.1.1 Full Time employees are those engaged for 37.5 hours per week and who have preference for all work on their shift.
- 2.1.2 Full-time employees will receive the normal rate of pay applying to their position (level and classification) as set out in Clause 4.2.3.

2.2 PART - TIME EMPLOYMENT

- 2.2.1 Part time employees are engaged for up to 37.5 hours per week. Part time employees are guaranteed a minimum of four hours' work for any one call in, and will be offered a minimum of twenty-two and a half hours per week. A part time production employee not offered twenty-two and a half-hours work in a week will be paid a minimum of twenty-two and a half hours.
- 2.2.2 A group of part-time employees were made a special offer on 1st July, 2004, guaranteeing them a minimum of ninety hours work in a four week period, or one hundred and twelve and a half hours work in a five week period, in line with periods as defined in the Campbell Arnott's Fiscal Year calendar. These employees were given an offer outlining this special arrangement. A part time production employee not offered ninety hours work in a four week period, or one hundred and twelve and a half hours work in a five week period, in line with periods as defined in the Campbell Arnott's Fiscal Year calendar, will be paid a minimum of said hours. This was a one-off arrangement and not intended to be offered to new employees.
- 2.2.3 All part-time employees commencing with the business after 1st July, 2005 will be offered minimum working hours in line with clause 2.2.1.
- 2.2.4 In addition to receiving the normal rate of pay for the position, pro-rated for the hours worked, part-time employees will also receive pro-rata entitlements for sick leave, annual leave, annual leave loading, public holidays, bereavement leave, and long service leave based on their actual time worked over one year (from anniversary date to anniversary date).
- 2.2.5 Call-ins are done on a rotating basis unless a specific skill set is required. Part Time employees will, wherever possible, be given preference to work over casual employees.
- 2.2.6 Part time employees must be available for work across all three shifts. If a part time employee is unavailable or does not call in with a valid reason, for two out of ten call-ins then the counselling procedure will be applied. Five days notice will be given to part timers to change shift, if agreed by both manager and employee shorter notice may apply.

2.3 CASUAL EMPLOYMENT

- 2.3.1 Casual employees are those employed on each occasion on which they perform work.
- 2.3.2 Casual employees are guaranteed a minimum of four hours work for any one call in. Wherever possible, without limiting operational flexibility, casuals will be given preference over contractors.
- 2.3.3 The following table shows the casual hourly rates associated with each level within the classification structure within this Agreement. The casual hourly rates displayed in this table include the 15% casual loading and the 1/12 payment in lieu of annual

leave. The rates effective from 1 July 2005 include a 4% increase upon the rates immediately prior to 1 July 2005. The rates effective 1 July 2006 include a 4% increase upon the rates immediately prior to 1 July 2006. The rates effective 1 July 2007 include a 4% increase upon the rates immediately prior to 1 July 2007.

Date of Increase	1/07/2005	1/07/2006	1/07/2007
Level	4%	4%	4%
5	30.29	31.50	32.76
4	28.34	29.47	30.65
3	27.09	28.17	29.30
2	26.57	27.63	28.74
1	24.17	25.14	26.15

Example: calculation showing the calculated full rate, including 15% casual loading and one twelfth in lieu of annual leave.

Level	base = a	b = 15% of a	c = a + b	d = c/12	full rate = c+d
	10.00	1.50	11.50	0.96	12.46

- 2.3.4 Casual Production employees must be available for work across all three shifts. If a casual employee is unavailable or doesn't call in with a valid reason, for two out of ten 'call-ins' then the counselling procedure will be applied.
- 2.3.5 Arnott's Snackfoods is committed to ensuring that a viable working balance of permanent and casual labour is maintained. Arnott's Snackfoods will undertake bi-annual reviews of labour usage and will, when available, offer full time or part time positions.
- 2.3.6 Casual Sanitation employees must be available for work across all four shifts Monday to Friday as per clause 3.3.1. If a casual employee is unavailable or doesn't call in with a valid reason, for two out of ten 'call-ins' then the counselling procedure will be applied.

2.4 USE OF CONTRACTORS AND SUPPLEMENTARY LABOUR

- 2.4.1 It is Arnott's Snackfoods preference to engage permanent employees under the agreement, however there are occasions when the company requires contract and / or supplementary labour.
- 2.4.2 If there is a major change to the arrangements regarding the use of supplementary labour, then the company will ensure that the change will be discussed with the consultative committee.
- 2.4.3 Where supplementary labour is engaged, rates of pay and loading percentages no less than those applicable to Arnott's Snackfoods employees in the relevant classification and location will be applied.
- 2.4.4 Contractors or temporary employees carrying out work that would normally be performed by employees of Arnott's Snackfoods, where it is practical, will preferably be engaged from firms who are party to a labour hire agreement or enterprise agreement with the Australian Workers' Union and or the National Union of Workers. If Arnott's Snackfoods selects a firm that does not have an agreement in place then the company will facilitate the process whereby the labour hire company and the union could develop an arrangement. The exception will be where it is impractical to observe this arrangement due to the specialist nature of the work to be performed.

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HOURS OF WORK

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3.1 STARTING AND FINISHING TIMES

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

3.2 SPREAD OF HOURS (PRODUCTION AND WEEKDAY SANITATION)

3.2.1 The ordinary hours of work for all employees, under this Agreement will be spread over 37.5 hours, Monday to Friday.

The spread of hours shall be:

Day 5.00 am - 5.00 pm.

Afternoon 12.00 pm. - 12.00 am.

Night 9.00 pm. - 9.00 am

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

3.2.3 Employees who work a rostered night shift that commences each week at or after 11.00 pm. on a Sunday shall be paid at ordinary time for all time worked on Sunday.

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

3.2.5 The part timers and casuals may have altered starting and finishing times within their shifts spread of hours on a day to day basis

3.3 SPREAD OF HOURS (SANITATION)

3.3.1 The ordinary hours of work for Weekend Sanitation employees under this agreement will be spread over the following 37.5-hour week.

Friday 7.00 am - 2.30 pm.

Saturday 7.00 am - 7.30 pm.

Sunday 7.00 am - 7.30 pm.

Monday 7.00 am - 2.30 pm.

3.3.2 The spread of hours applies for all full timers, part timers and casuals. The part timers and casuals may have altered starting and finishing times within their shifts spread of hours on a day to day basis.

3.3.3 For all ordinary time worked by a sanitation employee on a Saturday, he/she will be paid his/her normal hourly rate of pay (pro-rated for any part hour worked) plus a penalty of 25% of the payment for the time worked.

3.3.4 For all ordinary time worked by a sanitation employee on a Sunday, he/she will be paid his/her normal hourly rate of pay (pro-rated for any part hour worked) plus a penalty of 50% of the payment for the time worked.

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

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

3.4 CHANGING HOURS OF WORK

3.4.1 Arnott's Snackfoods and the majority of employees engaged to work on a particular shift or in a particular section of the plant may agree to introduce alternative hours of work

3.5 OVERTIME (MONDAY - FRIDAY)

3.5.1 All time worked over 7.5 hours per day or outside the spread of hours shall be paid for at the rate of time and one-half for the first two hours and at the rate of double-time thereafter. The overtime calculation shall be based upon the normal hourly rate of pay.

3.5.2 A maximum of 12 continuous hours work will be paid. No employee will be able to work if he or she has not had 10 consecutive hours rest between the termination of work and the next commencement of work. In breach of this clause No Employee will be paid.

3.5.3 Meetings: Employees must have a 10-hour break on one side of a meeting only.

3.5.4 An employee who is required to work over-time for more than two hours shall be allowed a 15-minute paid break. This break may be taken at an agreed time between employee and Manager.

3.5.5 Where an employee has not been notified on at least the prior shift of the need to start work earlier than their normal starting time then that employee will have the option of completing his/her normal shift.

3.5.6 Where an employee has not been notified on at least the previous shift to work overtime, they will be entitled to the payment of one meal allowance after one hours' continuous work regardless of the duration of the overtime.

3.5.7 If an employee is asked to work overtime for a given time period the employee will be entitled to work for those hours. The employee may elect to leave if work is not available before the given time is up and will only be paid for the actual time worked.

3.5.8 Time worked longer than the given period will be paid to the next fifteen minutes.

3.5.9 If the employee is asked to work until the production run is finished, with no actual time given, the employee will be paid up to the finish of production. Refer to clause 3.6.7 for weekend overtime.

3.5.10 If an Employee has agreed to come in early the employee must inform Arnott's Snackfoods no later than one (1) hour before the start of his/her shift, of his/her inability to attend for duty and as far as possible the estimated length of absence. Failure to follow this procedure will lead to disciplinary action unless there are extraordinary circumstances. As per Clause 5.4.2

3.6 PUBLIC HOLIDAYS AND WEEKENDS

3.6.1 For the purpose of this Agreement the following days are Public Holidays for NSW under the Banks and Bank Holidays Act 1912.

As an Example:

	2005	2006	2007
New Year's Day	Saturday, 1 January	#Monday, 2 January	Monday, 1 January
Additional Holiday	Monday, 3 January		
Australia Day	Wednesday, 26 January	Thursday, 26 January	Friday, 26 January
Good Friday	Friday, 25 March	Friday, 14 April	Friday, 6 April
Easter Saturday	Saturday, 26 March	Saturday, 15 April	Saturday, 7 April
Easter Monday	Monday, 28 March	Monday, 17 April	Monday, 9 April
Anzac Day	Monday, 25 April	Tuesday, 25 April	Wednesday, 25 April
Queen's Birthday	Monday, 13 June	* Monday, 12 June	*Monday, 11 June
**Bank Holiday		Does not apply to Employees	Arnott's Snackfoods
Labour Day	Monday, 3 October	*Monday, 2 October	*Monday, 1 October
Christmas Day	#Monday, 26 December	Monday, 25 December	Tuesday, 25 December
Boxing Day	Tuesday, 27 December	Tuesday, 26 December	Wednesday, 26 December

* Yet to be proclaimed

** Not a state wide public holiday. Applies to Banks and Financial Institutions only

Holiday automatically transferred from Sunday

3.6.2 If an employee is absent from work on the day before or the day after a public holiday without the permission of the company or without reasonable excuse, Arnott's Snackfoods shall be entitled to deduct from the wages of that employee payment of such holiday, as well as payment with respect to any other absence.

3.6.3 All work performed on public holidays shall be paid for at two and a half times the ordinary rate of pay with the exception of Good Friday and Christmas Day which shall be paid at triple time.

3.6.4 A minimum payment of four hours will apply for work performed on Saturdays, Sundays and holidays.

3.6.5 Weekend penalties (except for Sanitation employees) will commence from midnight Friday to midnight Sunday except where 3.2.3 applies. Weekend penalties are as per the respective parent Awards.

3.6.6 Penalties under this Agreement will not be added together.

3.6.7 Where an employee has not been notified with a minimum of four hours notice to work overtime on weekends, they will be entitled to the payment of one meal allowance.

3.7 ROSTERED DAYS OFF

3.7.1 All permanent full-time employees at Arnott's Snackfoods shall receive six (6) RDOs per year. RDOs are to be taken pro-rata upon receiving permanent full-time employment. Pro-rata RDOs will only apply for the first calendar year the employees starts with the business, six (6) RDOs will be allocated on 1st January for following years.

3.7.2 No RDOs can be taken in December for reasons of productivity demand.

3.7.3 If your start date falls into any of the categories below you will receive your RDOs as follows;

	Production & Warehouse	Sanitation	
days	January	6 days	3 x 12 hr days + 3 x 7.5 or 6 hr
days	February	6 days`	3 x 12 hr days + 3 x 7.5 or 6 hr
days	March	5 days	3 x 12 hr days + 2 x 7.5 or 6 hr
days	April	5 days	3 x 12 hr days + 2 x 7.5 or 6 hr
days	May	4 days	2 x 12 hr days + 2 x 7.5 or 6 hr
days	June	4 days	2 x 12 hr days + 2 x 7.5 or 6 hr
day	July	3 days	2 x 12 hr days + 1 x 7.5 or 6 hr
day	August	3 days	2 x 12 hr days + 1 x 7.5 or 6 hr
day	September	2 days	1 x 12 hr day + 1 x 7.5 or 6 hr
day	October	2 days	1 x 12 hr day + 1 x 7.5 or 6 hr
	November	1 day	1 x 12 hr day
	December	n/a	n/a

3.7.4 Days off will be agreed between the employee and his/her Manager taking into account the needs of the business. The Manager will do his/her best to accommodate the date requested consistent with manufacturing requirements and employee availability.

3.7.5 Where business conditions dictate, Arnott's Snackfoods may request the employees of a section or sections to take one of these days off on a specific date.

3.7.6 No RDO's may be taken in December.

3.7.7 RDO's must be taken in the period, 1st January – 30th November of each year for the life of this Agreement. RDO's will be lost if not taken within the year.

3.8 MEAL BREAKS

A meal break is an unpaid break for thirty minutes.

3.8.1 An employee shall take a meal break after four hours (two hours for Afternoon Shift and Sanitation) from his/her normal starting time and before six hours (and four hours for afternoon shift) from his/her finishing time.

3.8.3 A casual or part time employee may work up to 6 hours without a meal break by mutual agreement.

3.8.4 The meal break shall be taken at a mutually agreed time with agreement from the Labour Coordinator. If agreement cannot be achieved then the Manager can make an overriding decision.

3.8.5 Meal breaks will start as follows:

Day shift:	11:00 am
Afternoon shift:	5:00 pm.
Night shift:	3:00 am.

3.9 MEAL BREAKS (WEEKEND SANITATION)

3.9.1 Breaks will start as follows:

Tea Break:	9:00am
Meal Break:	12:00pm
Tea Break:	3:30pm

3.10 TEA BREAK

3.10.1 A paid tea break of fifteen minutes may be taken in a way that prevents production stopping.

3.10.2 The tea break must be taken separately from the meal break and not within the first or last hour of work.

3.10.3 Weekend Sanitation will be entitled to one extra Tea Break.

3.11 OTHER BREAKS

3.11.1 Your manager must approve any other breaks.

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PAY RATES AND LEVELS

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4.1 RATES OF PAY

4.1.1 This Agreement provides for rates of pay, which are shown in the table set out in clauses 4.2.3 (for weekly employees) and 2.3.3 (for casual employees). The first increase available under this agreement shall be calculated from the first full period commencing on the 1st July 2005 or after certification of this agreement has been approved by the NSWIRC. The second increase shall be calculated from the first full pay period commencing on or after 1st July 2006. The third increase shall be calculated from the first full pay period commencing on or after 1st July 2007.

4.1.2 Allowances

Date of Increase	Effective first full pay week commencing on or after 01/07/03	Effective first full pay week commencing on or after 01/07/04
Allowance		
Meal	9.05	9.41
First Aid – Senior	13.63	13.63
First Aid -Occupational	15.91	15.91

4.1.3 For production and warehouse employees who work shift, the following shift loadings shall apply:

Afternoon Shift	17.5%
Night Shift	32.5%

4.2 SKILLS BASED CLASSIFICATION STRUCTURE

4.2.1 This agreement sees the ongoing development of the skills based classification structure. The aim of this structure is to encourage broad banding of skills. Notwithstanding Clause 4.2.8, rather than 'own' job, salaries are linked to the acquisition of skills as recognised by the completion of competency modules within each level.

4.2.2 The workforce is made up of five key areas as noted in appendix 2 'Competency Structure and Standards'. This structure is based on streams, or 'functional areas' rather than jobs. Within each stream there are typically a number of job roles being performed. For all streams the 'core' competencies must be achieved as well as the stream competencies to progress through each level.

4.2.3 The following table outlines the wages associated with levels within the classification structure and the changes throughout the term of the Agreement.

Date of Increase	1/07/2005	1/07/2006	1/07/2007
Level	4%	4%	4%
5	969.30	1008.07	1048.39
4	906.72	942.99	980.71
3	866.41	901.07	937.11
2	847.49	881.39	916.65
1	770.27	801.08	833.12

4.2.4 The rates set out in the above table represent the normal rate of pay for a single week of 37.5 hours. In this Agreement the expression 'the normal hourly rate of pay' means the normal rate of pay for 1 week divided by 37.5. For example, the normal hourly rate of pay for an employee at level 1 is calculated by dividing 770.26 by 37.5. In this example the normal hourly rate of pay for that employee is 20.54. In this

Agreement the expression “the normal daily rate of pay” means the normal hourly rate of pay multiplied by the number of ordinary hours to be worked on a particular day.

- 4.2.5 New positions may become available from time to time as new processes or systems are introduced. Arnott’s Snackfoods may in these circumstances develop new positions within the competency structure after discussion with the Consultative committee. All efforts will be made to incorporate the new role within the current competency framework however if the role does not fit then any changes will be included in the next EBA.
- 4.2.6 All vacant positions will be advertised. The selection process will consist of competency-based interview, on-the-job analysis, assessment, and attendance record. Management will provide feedback to all candidates. All vacancy ads will be placed internally in the first instance, if not filled to the required level of competence the business will advertise externally. If an internal candidate is successful they will be given adequate training to learn the required skills. After a ‘reasonable’ amount of training the applicant will be assessed. If they are not yet competent, further training will occur. After further training, if the applicant is not competent they will return to their previous duties and further applications will be sought.
- 4.2.7 Whilst training, the applicant will remain on their standard rate of pay. Only after completion of their training and having completed requirements for all competencies at that level will the employee be paid at the new level.
- 4.2.8 No employee will be required to perform duties at a higher level until they have been accepted in writing, as a suitable training applicant. In some circumstances employees may be required to perform duties above their current classifications without being accepted as suitable for level training and reclassification. In such cases the mixed functions provision as contained in Clause 15 of the Potato Crisp Makers (State) Award will apply to production employees and Clause 23 of the Storemen & Packers General (State) Award shall apply to Warehouse employees.
- 4.2.9 An employee must demonstrate competence at their current level before being assessed for the next level, i.e. there must be successful competency assessments on the persons file at their current level. As required Arnott’s Snackfoods will undertake to re-train people at their current level so as to ensure there are adequate records on file to support further development.
- 4.2.10 Both shopfloor assessors and a management representative will do assessments jointly. In the event the employee disputes the outcome, the grievance procedure will be followed as described in section 7, Avoidance of Industrial Disputes. Disputes on selection for training will also follow this process.
- 4.2.11 To ensure employees receive their new pay rate, a person who has been accepted to do level training and is assigned to the higher level tasks will automatically be assessed after three (3) months. An applicant may request to be assessed earlier if they believe they are ready. Management will coordinate this.
- 4.2.12 The company is committed to developing meaningful, transferable skills for employees. As such Arnott’s Snackfoods is committed to train and assess all production employees for The Level 1 Certificate in Food Processing in conjunction with recognised learning institutes. This is a national certificate, which is recognised across the food industry.

4.2.13 Throughout the life of the agreement there may be further consideration of alignment of Arnott's Snackfoods competencies with National Industry competencies.

4.2.14 All parties agree to review the suitability of the current competencies with a view to potentially making changes, which could be trialed and then take effect from the commencement of the next agreement.

4.2.15 Throughout the lifetime of this Enterprise Agreement we will review the current level structure in the following manner;

- reviews will occur prior to the Consultative Committee meetings for a one hour period
- the agenda for the next meeting will be established at the end of the previous meeting
- all work reviewing the areas on the agenda will be completed and shared with all parties before the meeting so the time is dedicated to discussion around the differing viewpoints to maximise the time available
- a change will be effective when all parties agree
- the wage impact will become effective from the date of agreement at the periodic reviews and there will be a six month grace period for the employee to become fully assessed at that level, this assessment process will comply with that defined in Clause 4.2.6

4.2.16 Where agreed by the employee and company that employee can move down a level and their pay rate will be adjusted accordingly, effective the agreed date.

4.2.17 Future technology is to be given a one (1) month commission period starting at the first scheduled run. The one (1) month may be extended if major process or equipment changes are required due to commissioning issues.

4.2.18 After the one (1) month commissioning period (or extended period with circumstances outlined above in Clause 4.2.17), the Consultative Committee is to review the operation of the new technology in line with the level guidelines in the Enterprise Agreement to determine the appropriate skill level. This process is give a three (3) month period, in addition to the timeframe detailed above in Clause 4.2.17.

4.2.19 Arnott's Snackfoods is committed to ensuring that a viable level of skilled labour is maintained. Arnott's Snackfoods will undertake bi-annual reviews of its skilled labour.

4.3 LABOUR FLEXIBILITY

4.3.1 Crewing levels: All crewing levels will be workload based and previous practices that served to restrict or inhibit the ability of the operation to increase performance or flexibility between jobs or across shifts shall no longer operate.

4.3.2 People leaving: It is accepted that during this Agreement resignations and retirements will take place. In such circumstances replacement will not be automatic. The decision of whether to replace particular jobs will be based on the Arnott's Snackfoods workload assessment consistent with continuously improving employee productivity.

4.3.3 Union Flexibility: Employees covered by this Agreement may be members of the AWU or NUW (NSW Branch).

4.3.4 The agreement between all groups signing this agreement is that where an employee is trained and competent to perform a task they will perform it. This principle will apply across all areas of operation, which include production, sanitation, warehousing, and the maintenance environment in line with the agreed practices.

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

4.4 PAYMENT OF WAGES

4.4.1 The wages and allowances of all employees will be paid no later than the finish of the employee's shift on Thursday of each week by electronic funds transfer.

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

4.4.3 Should it be required to terminate an employee's service all outstanding monies will be paid within twenty-four hours by Arnott's Snackfoods.

4.4.4 Outstanding money owing to employees due to Arnott's Snackfoods or bank error will be processed within 24 hours of notification. (Delays may occur in EFT transfers depending on banking systems)

4.5 SUPERANNUATION ARRANGEMENTS

4.5.1 Arnott's Snackfoods will contribute the current compulsory Superannuation Guarantee Charge (SGC), as defined by the Australian government.

4.5.2 Arnott's Snackfoods will contribute on behalf of employees the following SGC contributions:

Effective 1 July 2003

4.5.3 Those employees who contribute an additional 0.5% of their weekly earnings to superannuation will have their payment "matched" by Arnott's Snackfoods. This means that Arnott's Snackfoods will make an additional 0.5% contribution for those employees. This matched payment is available to permanent fulltime employees and permanent part time employees.

4.5.4 Employees may elect to have their superannuation contributions made to any of the following superannuation funds:

1. Campbells Arnott's Superannuation Plan
2. ASSET
3. LUCRF
4. APS

5

LEAVE

Clause	Topic	Page Number
5.1	BIRTHDAY LEAVE	20
5.2	ANNUAL LEAVE	20-21
5.3	UNPLANNED ANNUAL LEAVE	21
5.4	SICK LEAVE	21-22
5.5	EXTENDED SICK LEAVE	22
5.6	FAMILY LEAVE	22
5.7	BEREAVEMENT LEAVE	23
	RDO'S – REFER TO CLAUSE 3.7	11

5.1 BIRTHDAY LEAVE

- 5.1.1 All full time and part time employees including sanitation are entitled to 7.5 hours (1 working day) leave in recognition of their birthday.
- 5.1.2 An employees entitlement becomes available as of their actual birthday and must be taken within 12 months of that date
- 5.1.3 Birthday leave can-not be accrued from year to year
- 5.1.4 Birthday leave can-not be taken in the month of December unless the employee's actual birthday falls in December
- 5.1.5 To assist in production scheduling, employees must nominate their planned leave day no later than 1 week in advance

5.2 ANNUAL LEAVE

- 5.2.1 The intent of Annual Leave is to provide employees with an opportunity to take a break from work. Therefore, employees are encouraged to take their Annual leave within a reasonable period of accrual.
- 5.2.2 Annual leave shall be granted and taken in accordance with the provision of the *New South Wales Annual Holidays Act 1944* and the subsequent provisions of this clause.
- 5.2.3 To assist in production scheduling, employees must nominate their planned holiday no later than six weeks in advance. Arnott's Snackfoods will provide confirmed holiday rosters, for the following quarter.
- 5.2.4 Employees planning long holidays who wish to hold on to their annual leave must make a written application to their Manager detailing the length of the proposed holiday and when they wish to take it. Arnott's Snackfoods will try to allow such leave consistent with the Company's, requirements and labour availability.
- 5.2.5 When annual leave is taken, a loading will apply as follows:
- 5.2.6 For each day of an employee's absence from work due to annual leave, the employee will be paid his/her normal daily rate of pay plus a holiday loading. The holiday loading is a percentage of the employee's normal daily rate of pay.
- 5.2.7 The holiday loading paid depends on the nature of the work and when the work is performed. The holiday loading is the greater of either the standard loading of 17.5% or the shift allowance or weekend penalty applying to ordinary time that the employee would have worked on the particular day.

5.2.8 The following table sets out the various holiday loadings and the circumstances in which each is paid:

HOLIDAY LOADING	CIRCUMSTANCES
17.5%	<p>For each day shift that a production or warehouse employee would have worked if he/she had not been on annual leave, the holiday loading is 17.5%.</p> <p>For each afternoon shift that a production or warehouse employee would have worked if he/she had not been on annual leave, the holiday loading is 17.5%.</p> <p>For each week day shift that a sanitation employee would have worked if he/she had not been on annual leave, the holiday loading is 17.5%.</p>
32.5%	<p>For each night shift that a production or warehouse employee would have worked if he/she had not been on annual leave, the holiday loading is 32.5%</p>
25%	<p>For each Saturday that a sanitation employee would have worked if he/she had not been on annual leave, the holiday loading is 25%.</p>
50%	<p>For each Sunday that a sanitation employee would have worked if he/she had not been on annual leave, the holiday loading is 50%</p>

5.3 UNPLANNED ANNUAL LEAVE

5.3.1 Arnott's Snackfoods recognises that unforeseen circumstances may require employees to apply for unplanned annual leave and Arnott's Snackfoods will try to comply with any requirements, consistent with labour availability. All applications for unplanned leave must be made to the Manager in writing, as soon as possible after the employee becomes aware of the requirements to take unplanned leave.

5.4 SICK LEAVE

5.4.1 Sick Leave - An employee other than a casual who has more than three months' continuous service and who is absent from his or her work because of personal illness or because of injury by accident, shall be entitled to leave of absence without deduction of pay, up to ten days per year subject to the following conditions:

5.4.2 An employee must inform Arnott's Snackfoods no later than one (1) hour before the start of his/her normal shift, of his/her inability to attend for duty and as far as possible the estimated length of absence. Failure to follow this procedure will lead to disciplinary action unless there are extra-ordinary circumstances. Except in extraordinary circumstances, where an employee fails to let the employer know, he/she will lose claim to sick leave for the whole of such absence.

- 5.4.3 The employee shall prove to the satisfaction of Arnott's Snackfoods that he/she was unable, on account of such illness or injury, to attend for work on the day/s for which sick leave is claimed.
- 5.4.4 Arnott's Snackfoods will require a medical certificate on the first return day to work from a duly qualified Medical Practitioner for two or more consecutive days absence, but in some circumstances will accept a Statutory Declaration. The company may ask for a medical certificate for single days when trends develop in absenteeism.
- 5.4.5 Sick leave shall be accumulated from year to year, however under no circumstances will accrued sick leave be paid out.

5.5 EXTENDED SICK LEAVE

- 5.5.1 Not including the sick and family leave provisions outlined in this section it is recognised that in some cases employees may experience serious and long-term illnesses resulting in disablement for periods in excess of reasonable sick leave accruals subject to the following conditions:
 - 5.5.2 Arnott's Snackfoods will consider requests for extended sick leave on a case by case basis taking into account the employee's length of service and his/her attendance and performance record.
 - 5.5.3 Application for such leave must be in writing accompanied by supporting medical evidence.
 - 5.5.4 Application for extended sick leave should be made to your Manager.
 - 5.5.5 Any application in dispute will be resolved by reference to the grievance procedure.

5.6 FAMILY LEAVE

- 5.6.1 An employee with responsibilities in relation to another person who needs their care and support shall be entitled to use any sick leave entitlement which accrues after 1/1/96 for absences to provide care and support for such persons when they are ill subject to the following conditions:
 - 5.6.2 The employee shall prove by showing a medical certificate, the illness of the person concerned.
 - 5.6.3 The employee is responsible for the care and support of the person concerned.
 - 5.6.4 The person being a spouse, de facto spouse, child, parent, grandparent, grandchild or sibling, a same sex partner, or a relative (by blood, marriage, or affinity, and living in the same household), as per Storeman and Packers General (State) Award under clause 26A(1)(c)(ii) and the Potato Crisp Makers (State) Award under clause 26(1)(c)(ii).
 - 5.6.5 The employee shall, wherever possible, give Arnott's Snackfoods notice before the absence of the intention to take leave, the name of the person requiring care, their relationship to the employee, the reasons for taking the leave, and the expected length of the leave. If prior notice is not possible the employee shall notify Arnott's Snackfoods by telephone at the first opportunity on the day of the absence.
 - 5.6.6 An employee may elect, with the consent of Arnott's Snackfoods, to take unpaid leave for the purpose of providing care and support to a family member.

5.6.7 An employee may elect, with the consent of Arnott's Snackfoods, to take annual leave not over five days in any calendar year for the purpose of providing care and support to a family member.

5.6.8 If an employee does not have enough leave accruals Arnott's Snackfoods will give consideration to employees having time off in lieu of overtime or who wish to make up time for the purpose of providing care and support to a family member.

5.7 BEREAVEMENT LEAVE

5.7.1 Three consecutive days paid bereavement leave will be provided on the death of a family member. A family member is defined as a spouse, de facto spouse, child, stepchild, parent, grandparent, grandchild or sibling, a same sex partner, or a relative (by blood, marriage, or affinity, and living in the same household).

5.7.2 Arnott's Snackfoods will consider approving additional leave, up to 5 days (paid), in particularly traumatic bereavement circumstances and where an employee must attend an overseas funeral service for a family member.

5.7.3 Arnott's Snackfoods may require evidence of the need to take bereavement leave.

6

WORKPLACE COMMITMENTS

Clause	Topic	Page Number
6.1	INTRODUCTION OF CHANGE	25
6.2	KEY PERFORMANCE INDICATORS	25
6.3	CONSULTATIVE COMMITTEE	25-26
6.4	EMPLOYEE HEALTH AND SAFETY	26
6.5	UNIFORMS AND PROTECTIVE CLOTHING	26-27
6.6	COMMITMENT TO QUALITY	27

6.1 INTRODUCTION OF CHANGE

- 6.1.1 Arnott's Snackfoods will consult the Workplace Consultative Committee and the Occupational Health & Safety Committee at the earliest opportunity of planned changes to work or introduction of new technology during the life of this Agreement. It is the responsibility of the Consultative Committee Members to relay all information to their sections within the workplace.
- 6.1.2 The information will cover projected introduction time, the likely effects on workforce/skill needs, the need for retraining or transfer of employees to other work areas and the changing of jobs.
- 6.1.3 This information will be used to provide a course of action for handling the intended change at a time closer to its introduction.
- 6.1.4 Arnott's Snackfoods will give prompt consideration to matters raised by the Consultative Committee, employees and/or their unions in relation to the changes.
- 6.1.5 Any major change made by the consultative committee affecting the employees will be presented to the shop floor through small group meetings or shift meetings if appropriate.

6.2 KEY PERFORMANCE INDICATORS (KPI's)

- 6.2.1 Parties to the agreement recognise and are committed to the development and introduction of improvements to increase the efficiency of the organisation. Arnott's Snackfoods uses KPI's to measure overall performance and the effect of any improvements.
- 6.2.2 In order to ensure employees can effectively contribute to the process of continuous improvement, the company will share the KPI information with employees. By working with the Consultative committee, appropriate KPI's will be established to be shared with all employees. The following are examples of potential KPI's:

Warehouse:

- Case movements
- Damaged cases
- Cube efficiency

Production:

- Consumer Complaints
- Waste levels – processing & packaging
- Non-engineering – related downtime

- 6.2.3 Additional KPI's, or different KPI's may be established following consultation with the Consultative Committee.
- 6.2.4 It is agreed that any targets associated with KPI's will be established through consultation and agreement by all parties.
- 6.2.5 Management will not use KPI targets to discipline or terminate individual employees.
- 6.2.6 These KPI's will be discussed on a regular basis at Consultative Committee meetings and other forums. Where necessary, the Consultative Committee will discuss ways to improve KPI performance. All parties will remain committed to achieving KPI's by actioning initiatives necessary to improve KPI performance.

6.3 CONSULTATIVE COMMITTEE

6.3.1 The Consultative Committee will continue to meet the following needs:

6.3.2 To discuss the implementation of the Enterprise Agreement.

6.3.3 To act as a referral point on matters concerning or arising out of the Enterprise Agreement.

6.3.4 To be involved in the creation of a new work culture.

6.3.5 To ensure its continued commitment to meeting the above needs the Consultative Committee should:

- Abide by its formal Charter.
- Review its Charter annually.
- Ensure replacements are made promptly.
- Meet each period.

6.3.6 Members on a needs basis may call meetings.

6.4 EMPLOYEE HEALTH AND SAFETY

6.4.1 All parties recognise their responsibility to adhere to the terms and provisions of the latest New South Wales Occupational Health and Safety Act (the 'OH&S Act') as amended from time to time.

6.4.2 As per Section 19 of the NSW OH&S Act as amended from time to time, no person will act in such a way that would put others at risk of injury.

6.4.3 Every person will comply with all requirements for using safety, and personal protective equipment.

6.4.4 All equipment will be operated safely and operators will ensure all safety equipment is operational.

6.4.5 Breaking this clause will be regarded as a breach of conduct. As such an official warning will be issued in conjunction with counselling as prescribed in clause 7.2, 'Counselling Procedure'.

6.5 UNIFORMS AND PROTECTIVE CLOTHING

6.5.1 FULL TIME EMPLOYEES

When a full time employee commences their employment they will be issued with five sets of shirts & 5 sets of trousers, skirts or overalls and two jumpers, as well as appropriate footwear. In line with company policy when an employee needs to work in cold, wet or exposed conditions (as part of their normal job) they will receive an Arnott's Snackfoods approved bomber jacket.

6.5.2 PART TIME EMPLOYEES

When a part time employee commences their employment they will be issued with three sets of shirts & 3 sets of trousers, skirts or overalls, and a jumper as well as appropriate footwear. In line with company policy when an employee needs to work in cold, wet, or exposed conditions (as part of their normal job) they will receive an Arnott's Snackfoods approved bomber jacket.

6.5.3 ARNOTT'S CASUAL EMPLOYEES

After 3 months of employment casual employees will be issued with two sets of shirts & 2 sets of trousers, skirts or overalls and a jumper as well as appropriate footwear. In line with company policy when an employee needs to work in cold, wet, or exposed conditions (as part of their normal job) they will receive an Arnott's Snackfoods approved bomber jacket.

6.5.4 All employees are required to wear only the Arnott's Snackfoods supplied uniforms including the standard high visibility polo shirts at all times. If you are a first-aider you are to wear the first aid high visibility shirt (fluorescent green) at all times, so you can be easily identified.

6.5.5 Uniforms, jackets and footwear will be replaced on a needs basis by exchanging the old for the new.

6.5.6 Permanent's will have 5 sets of uniform at all times, part timers will have 3 sets of uniform at all times and casuals will have 2 sets of uniforms at all times according to clause 6.5.3.

6.5.7 Each employee is responsible for the good care of the issued uniform and protective clothing.

6.5.8 Where necessary, suitable protective clothing or appliances such as gloves, earplugs, goggles, respirators, protective footwear etc. shall be provided by Arnott's Snackfoods and shall be worn by the employee.

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

6.5.10 All items provided by Arnott's Snackfoods must be returned to Arnott's Snackfoods on termination.

6.6 COMMITMENT TO QUALITY

6.6.1 Consumers must know they can consistently trust our product and that quality is the basis under which our product is marketed. Therefore all employees are expected to engage in initiatives that ensure the quality of our product and continually improve our capability to deliver products to the standards required by our consumers.

6.6.2 In order to achieve this goal the parties agree to promote quality by committing to:

6.6.3 Follow standard work procedures and instructions

6.6.4 Participate in programs to reduce scrap, rework and finished goods loss

6.6.5 Accept responsibility for ensuring the quality of their own work including the completion of process control requirements accurately and as required

6.6.6 Regularly consult, review and communicate the company's GMP rules and actions in relation to other quality initiatives

6.6.7 Be responsible for complying with the company's GMP rules and ensuring that appropriate housekeeping is undertaken in their work area

- 6.6.8 The parties recognise the importance of employee hygiene and the wearing of protective clothing at all times in the factory. Uniforms are provided in accordance with company procedures to ensure our hygiene standards remain high. It is agreed that the uniforms will be kept in good order and worn in the correct manner at all times.
- 6.6.9 Smoking is not permitted within the company's buildings except in the designated smoking area. All employees shall abide by the company smoking policy as revised from time to time.
- 6.6.10 All employees are committed to general housekeeping and are required to keep themselves and their work place in a clean and hygienic condition at all times. Employees must immediately report any quality or contamination problem to their Manager.
- 6.6.11 The Company shall assist any employee wishing to give up smoking by providing counseling support and information.
- 6.6.12 An employee who breaches the site's GMP rules / dress code, shall be subject to the disciplinary procedures.
- 6.6.13 The GMP rules / dress code is as published and may be revised from time to time.

7

INDUSTRIAL RELATIONS

Clause	Topic	Page Number
7.1	AVOIDANCE OF INDUSTRIAL DISPUTES	29
7.2	COUNSELLING PROCEDURE	29-30
7.3	TERMINATION OF EMPLOYMENT	30
7.4	COMPANY/UNION RELATIONSHIP	30
7.5	NO FURTHER CLAIMS	30

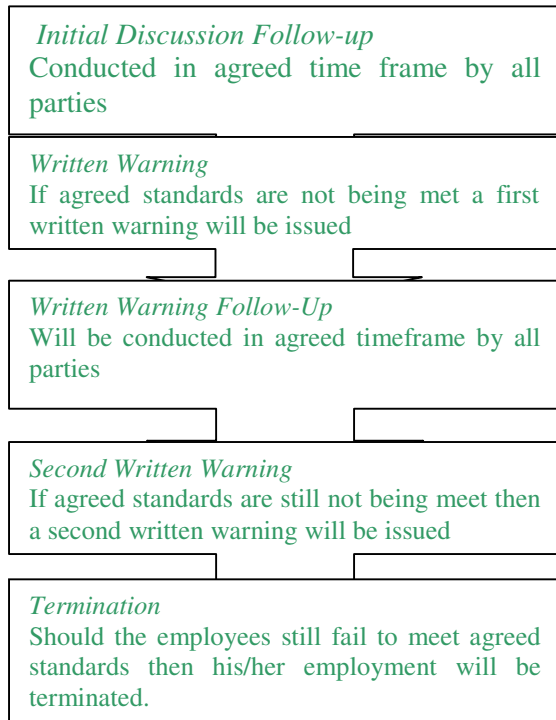
7.1 AVOIDANCE OF INDUSTRIAL DISPUTES

- 7.1.1 It is the belief of all groups involved in signing this agreement that attention to matters raised by employees is necessary for good employee relations and to prevent formal industrial disputes. Employees should use the following procedure to make sure their concerns are looked into quickly and efficiently. Most problems can be solved at the front-line management level. The procedure is as follows:
- 7.1.2 At any time an employee may choose to involve a Union delegate.
- 7.1.3 All matters of concern by employees should be addressed to their Manager. (as a company representative)
- 7.1.4 If the Manager is unable to resolve the matter, the Manager and the employee should then refer it to the Department Manager.
- 7.1.5 If the department manager is unable to resolve the matter, then the department manager, employee and the union representative should then refer the issue to the site manager.
- 7.1.6 If the matter cannot be resolved, even with the involvement of an appropriate Union official and union delegate, it shall be referred to either a relevant industrial tribunal, or a private arbitrator acceptable to both parties. The recommendation is binding.
- 7.1.7 During the discussions status quo will remain the same and work should proceed as normal.
- 7.1.8 It is the intention of all the signing groups to follow the above procedure in every case to do with local issues, however, it is not intended as a no-strike clause

7.2 COUNSELLING PROCEDURE

- 7.2.1 Performance or work habit issues will be dealt with by the Manager in a quick manner. Arnott's Snackfoods views the decision to counsel employees as a serious occurrence and will always ensure that fairness and reasonableness apply in each case.
- 7.2.2 In every case where a performance or work habit issue occurs a first discussion will take place to make the employee aware of the issue and to give the employee a chance to explain and to fix the situation or problem. The discussion will then be followed up within a timeframe established by the Manager, the employee and the union delegate/employee representative.
- 7.2.3 Should the employee not meet the agreed standards then a second discussion will take place at which time a first written warning will be issued. Again the discussion will be followed up within an agreed time frame. Should the employee not meet the agreed standards then a second written warning will be issued.
- 7.2.4 Following an opportunity to meet agreed standards of performance should the employee still fail to meet the standards then his/her employment will be terminated.
- 7.2.5 Not including the above, Arnott's Snackfoods will dismiss any employee without notice for a serious offence. Serious offences include, but are not limited to incidents of violence, bullying and harassment, possession and/or under the influence of alcohol/drugs, incidents of wilful damage and/or theft of

property/product, tampering with the card systems, falsification of employment records, sleeping during work periods, pornographic material onsite, serious safety breeches and abandonment of employment for more than five consecutive days without notification to Arnott's Snackfoods. Wages shall be paid up to the time of dismissal only.



7.3 TERMINATION OF EMPLOYMENT

7.3.1 An employee may terminate his or her employment by giving Arnott's Snackfoods notice for a time period of not less than one week.

7.3.2 When requested by the terminated employee Arnott's Snackfoods shall provide to the employee a written statement specifying the period of his or her employment, his or her classification or the type of work performed and any training successfully completed by the employee.

7.4 COMPANY / UNION RELATIONSHIP

7.4.1 Arnott's Snackfoods acknowledges the importance of union membership and the right of the relevant unions to represent the interests of their members employed by Arnott's Snackfoods.

To facilitate the relationship, Arnott's Snackfoods will:

- a) In the formal induction processes conducted by Arnott's Snackfoods for new employees, organisers or delegates of the NUW and the AWU shall be permitted to attend and address those employees on their rights in respect of union membership and to distribute union publications and material.
- b) Arnott's Snackfoods will on request by an employee, provide payroll deduction services for union fees. Such fees will be remitted to the relevant union on a monthly basis with appropriate information to enable proper reconciliation to be carried out

7.4.2 Where a Union Delegate is personally impacted by the situation at hand (excluding situations which impact all employees) the Union Delegate will step aside from the situation and another Union Delegate or organiser will step in.

7.5 NO FURTHER CLAIMS

The parties agree that there will not for the duration of this agreement pursue any extra claims for changes in relation to the matters dealt with by this agreement. All previous awards, agreements, arrangements, understandings, customs and practices whether written verbal or implied which are not specifically written into this agreement are rescinded and replaced by the agreement and have no further application to the site.

8. SCHEDULE OF AGREEMENT

Representing Arnott's Snackfoods

David Wooldridge, Operations Site Manager

Witness

Sharon Jones, Smithfield HR Manager

Representing the Smithfield Consultative Committee

Josephine Jasim, AWU delegate

Witness

Simon Yonan, NUW (NSW Branch) delegate

Representing the Australian Workers Union (AWU)

Russ Collison, AWU State Secretary

Witness

Matt Wilmore, AWU Organiser

Representing National Union of Workers (NSW Branch)

Deryck Belan, NUW (NSW Branch) State Secretary

Witness

Justin Cody, NUW (NSW Branch) Organiser

APPENDIX 1

Arnott's Snackfoods

REDUNDANCY POLICY

1 COMMITMENT

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

2.0 REDUNDANCY CONDITIONS

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

3 ENTITLEMENTS

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

4 PART TIME EMPLOYEES

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

5 CASUAL EMPLOYEES

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

6 REDUNDANCY PAYMENT EXCLUSIONS

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

7 PAYMENT CALCULATION

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

8 GENERAL

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

Appendix 2

Arnott's Snackfoods

Smithfield Enterprise Agreement

Competency Structure and Standards

Level 1

Core Competencies

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

1.1

Packaging Stream Competencies

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

1.2

Processing Stream Competencies

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

1.3

Sanitation and Waste Water Stream Competencies

- 1.3.1 grounds cleaned and maintained to Arnott's Snackfoods standards
- 1.3.2 clean amenities with cleaning schedule to hygiene standard

1.4

Warehousing Stream Competencies

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

1.5

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

- 1.5.1 collect samples from production and raw materials for analysis
- 1.5.2 audit finished product for compliance to specification

- 1.5.3 enter collected data into computer reporting systems
- 1.5.4 is able to set up equipment for analytical techniques

Level 2

Core Competencies: in addition to the competencies of level 1

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

2.1

Packaging Stream

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

2.2

Processing Stream

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

2.3 Sanitation and Waste Water Stream

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

2.4 Warehousing Stream

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

2.5 Quality Assurance Stream

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

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

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

3.1 Packaging Stream

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

3.2 Processing Stream

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

3.3 Sanitation and Waste Water Stream

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

3.4 Warehousing Stream

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

3.5 Quality Assurance Stream

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

Level 4

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

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

4.1 Packaging Stream

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

4.2 Processing Stream

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

4.3 Sanitation and Waste Water Stream

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

4.4 Warehousing Stream

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

4.5 Quality Assurance Stream

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

4.5.4 monitor and suggest recommendations for the quality system

Level 5

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

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

Appendix 3

Arnott's Snackfoods

Smithfield Enterprise Agreement

Permanent overtime ladder – September 2001 modified April 2003

(Production)

1 Monday to Friday – normal operation

- 1.1 An alphabetical list of all employees on each shift will be used to call in people for overtime.
- 1.2 Each person will be asked if they will be available for early starts or late finishes. This information will be recorded next to each person's name so they are not asked to work at times they do not wish to. If an employee says no to both early starts and late finishes, their name will be taken off the list.
- 1.3 When crewing for overtime, the shift Coordinator will work down the list in order and will assign each person to their duties. Depending on the persons availability, different codes will be placed next to their name on the particular day so that there is a record of the outcome, i.e.: na = not available, y = yes. The codes are listed on the overtime call in sheets.
- 1.4 There will be no plant preference when considering overtime when it comes to packers or non-skilled positions. This means that if a particular department needs a packer, the next available packer on the overtime ladder will be called for work regardless of their home department. This will not apply to PMO's, process operators or other key roles with the required skills.
- 1.5 If there is a need for overtime requiring a specific skill, then the ladder will be jumped to the next person who has the skills required. Crewing will then continue from where it was left off prior to the "jump".
- 1.6 If a person wishes to change their status for early start and late finishes they will need to do so in writing. The call in ladder will not be amended until such applications have been given to the Facilitator.

2 Weekend overtime

- 2.1 In the first instance the normal crew for the department and shift working will be allocated to come in and work using the ladder system.
- 2.2 If there is a need for further people to be called in then the next person on the ladder as outlined in section 1 above will be called in following the same rules, also see (General rules section 3 and exceptions to the rules section 4).

3 General rules

- 3.1 If a person changes their telephone number it is their responsibility to provide their new number to the Facilitator to update the telephone directory. If a telephone number is determined to be incorrect, the individual will be taken off the call in list until they provide their new number.

- 3.2 In the event a person disputes the operation of the call in system the grievance procedure will be followed as per clause 16, 'Avoidance of Industrial Disputes' of Snack Brands Australia, Smithfield operation and Logistic North Enterprise Agreement, 2001.
- 3.3 Messages will not be left on answering machines. If a person is not contactable, this will be considered as not available.
- 3.4 Where it is not practical to have permanents from other shifts to cover overtime, i.e. (relief, other duties less than 7.5 hours) Part-timers then casuals should be used in that order.
- 3.5 The permanent overtime ladder is based on opportunity offered. This means that as each person's name comes up on the list they will be given whatever work is available regardless of expected duration or work required. If the person refuses this work or is not contactable, that is the individual's choice or circumstance. Any future call ins will not be influenced by past opportunities either being declined or taken.
- 3.6 If a person has been crewed to work overtime and they are unable to make it due to unforeseen circumstances. It is then the employee's responsibility to ring the sick line, one hour prior to their overtime start time.
- 3.7 If you have been nominated for overtime and you do not show up for your allocated time slot, the Facilitator will be required to sit down with you and discuss the reason why. If a continuation pattern occurs, the normal counselling procedure will be used as per clause 22 'Counselling Procedure' of Snack Brands Australia, Smithfield operation and Logistic North Enterprise Agreement, 2001.
- 3.8 There may be times due to breakdowns or other unforeseen circumstances that some people may need to be sent home when on overtime. This will be dealt with by starting from the bottom of the ladder system and working your way up. (Note: people can only be sent home after they have completed four (4) hours, if they have been scheduled for an eight (8) hour period. This only applies to weekend overtime.)
- 3.9 For any call in system, if there are new circumstances which fall outside of the listed rules then the Company will decide how to address this in the first instance.
- 3.10 If a person is absent due to illness or any other reason and there is overtime scheduled for the next day, that person will not be asked to work overtime for that particular days overtime. This does not include RDO's, Birthdays and annual leave, as these are planned leave.
- 3.11 There will be no preference for start times. i.e.: if you can't start at 3:00am but are able to start at 5:00am you will be considered, but only after the ladder system has been completed and if there is a position available.

4 Exception to the rules

- 4.1 From time to time the overtime ladder list will become stagnant, ie: All people on the list are required for work for a number of days. This will present problems when we have for example 3:00am starters and 5:00am starters, the same people will have the same start times each day. To overcome this problem, it may be necessary to start the list from a different time, ie: If Joe Blogg was 10th on the list and was the first 5:00am starter, the next day he would be the first asked for 3:00am. Coordinators should approach a Facilitator to authorise this change.
- 4.2 If a permanent skilled operator has worked within a particular department for 3 days or greater within the same week and there is overtime available. That person would then be asked for overtime, after all permanent personnel have been utilised within that home department first. If there are two operators working from another department then the ladder system will apply for these two people.
- 4.3 If a person was a special requirement the day before, i.e.: (PMO, process Operator) and this person is not required the following day as a special requirement, they will be skipped on the ladder system moving to the next person allowing for other employees to benefit from overtime.
- 4.4 There may be times when a casual will be required to work overtime ahead of a permanent or part-timer. This circumstance will only be exercised if there is no other permanent or part-timer available to perform this task with the required skills available for that shift.

This is a live document and may need changes from time to time due to business needs. All changes will be consulted with the Union before changes are made.