

ENTERPRISE AGREEMENT

NO: E.A. 39 /1994

DATE REGISTERED: 15-2-94

PRICE: \$ 16.00

F J WALKER FOODS (TRANSPORT WORKERS)

BLACKTOWN ENTERPRISE AGREEMENT 1993

1. TITLE

This Agreement shall be referred to as the F J Walker Foods (Transport Workers) Blacktown Enterprise Agreement, 1993.

2. ARRANGEMENT

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3. AREA, INCIDENCE AND PARTIES BOUND

This Agreement shall be binding upon F J Walker Foods (a division of Australia Meat Holdings) and on the Company's employees engaged at its distribution facility at Blacktown, N.S.W., who are employed in the occupations or callings set out in Clause 13 of this Agreement, and shall, subject to Clause 5, regulate the rates of pay and conditions of employment of these employees. This Agreement shall also be binding on the Transport Workers' Union of Australia (N.S.W. Branch).

4. DATE OF OPERATION

This Agreement shall take effect from the beginning of the first pay period commencing on or after the date of ratification of this Agreement under the provisions of the Industrial Relations Act 1991 ("the Act") and shall remain in force for a period of one (1) year from such date.

5. RELATIONSHIP TO PARENT AWARD

The following award will continue to regulate the rates of pay and conditions of employees covered by this Agreement, except to the extent that such rates and/or conditions of employment have been varied by this Agreement in which case the provisions of this Agreement shall apply:

F J Walker Foods (Transport Workers) Blacktown Award, B.1583.

6. PURPOSE OF THE AGREEMENT

F J Walker Foods aims to be a World Class Company and to be the acknowledged leader in the manufacture of high quality processed meat products, and provider of distribution services.

To ensure that our customers are provided with an exceptional quality service, the Company is committed to a philosophy of Managed Process Improvement. To support the policy for continuous improvement the Company is pursuing the following policies:

- a commitment to the principles of Total Quality Management through our program of Managed Process Improvement;
- encouraging the personal growth of all team members through active training and development;
- providing our customers with all products and services in an efficient and effective manner;
- conducting ourselves and our operations with integrity and in an ethical manner at all times;
- operating our business to provide appropriate returns to our shareholders.

To achieve this mission, the parties to this Award recognise that they must work together as a team.

The purpose of this Agreement, therefore, is to recognise the contribution of each team member in improving productivity and performance.

7. MATRIX

The parties have developed a matrix (as at Schedule A) which specifies key performance indicators for the long term benefit of the parties. Each of the key performance indicators are:

- i) measurable;
- ii) controllable; and
- iii) able to be influenced by the majority of the parties.

The key performance indicators are grouped into three categories:

- i) quality;
- ii) productivity; and
- iii) waste and error

Within each category are a number of indicators.

- i) Quality
 - a) Customer Satisfaction
 - b) Late Deliveries
- ii) Productivity
 - c) Fuel Economy
 - d) Offload Rate
 - e) Kms DC to Store
- iii) Waste and Error
 - f) Safety Performance Index
 - g) Absenteeism
 - h) Transit Damage

Operational definitions for each key performance indicator are at Schedule B.

Each key performance indicator is weighted to reflect its relative importance and impact on overall performance.

The overall weighted performance measure is expressed as a percentage. Movement, up or down, reflecting increased or decreased performance of this weighted percentage will be the basis for the payment of a productivity related payment.

The base performance rating from which all payments will be calculated, will be the performance rating as calculated at the effective operative date of this Award.

Each one percentage point (1%) movement, up or down, on this base performance rating over each measurement period of six (6) months will be equivalent to a fifteen dollar (\$15) movement, up or down, on the base productivity payment of six hundred dollars (\$600).

For each individual productivity criteria to effect the overall weighted performance indicator (and therefore increase productivity) the score achieved over the measurement period must be equal to or greater than the base score on the matrix.

Example

Performance rating at effective operative date of the award (say 01 January)	say 40.0%
This is the base performance rating and is equivalent to a productivity payment of	\$600
Performance rating six months from operative date (say 01 July)	say 45.0%
Percentage point movement in rating is	5.0%
Each 1.0% movement is equivalent to \$15, so a movement of 5.0% is	\$75
Productivity payment payable is	\$600 + \$75

If, however, using the above example, the performance rating had decreased by 5.0%, the amount payable would be \$600 less \$75 or \$525.

8. PAYMENT

A productivity related payment will be made to each employee, subject to Clause 10 Eligibility, at the end of each six (6) monthly period (end July 1993, end January 1994 and end July 1994).

The amount of this payment will be a flat dollar (\$) amount calculated in accordance with Clause 7 - Using the Matrix.

Each productivity payment will be paid by direct deposit into the nominated bank account of each employee within fifteen (15) working days of the end of each six (6) monthly period.

The payment will be taxed at the individual employee's appropriate marginal rate. The payments, including tax deductions, will be included on each employee's Group Tax Certificate.

With each payment a statement will be provided to employees detailing the individual's gross earnings for the period, the amount of the payment and the tax deducted.

9. INITIAL PAYMENT

An initial productivity payment of \$600 will be made to all eligible employees employed by the Company as at 02 June, 1993 representing productivity gains to the end of January 1993.

10. ELIGIBILITY FOR PAYMENT

Productivity payments will be made to wages employees of the F J Walker Foods Blacktown site on full-time or casual employment on the Company's payroll at the end of the six (6) month period for which the payment is made, subject to the following:

Casual employees must have been employed on the Company's payroll for a minimum of one week prior to the payment date.

They will receive a pro-rata payment calculated on the length of their service and ordinary hours worked over the six (6) month period prior to the payment date.

"Payment date" is defined as the last day in the six month period over which the payment is calculated.

The following employees are also eligible to participate in the scheme for the period during which they terminated:

- a) employees permanently retiring from the workforce.

b) employees retiring on medical grounds.

Employees on long term leave without pay or parental leave are not eligible for payment.

11. COMMUNICATION

The Company will implement a workplace awareness program to explain the scheme to employees. This communication will be made through functional managers and supervisors at crew meetings.

12. JOINT CONSULTATIVE COMMITTEE (JCC)

A Joint Consultative Committee will be established to consider the productivity matrix and other issues as they arise from time to time. Meetings of the JCC will be held in paid time on a weekly basis, or as agreed by the Committee. Composition of the JCC will be 2 management and 2 employee representatives. Minutes will be made at each meeting and circulated within 2 working days of each meeting.

13. WAGE RATES

Base rates of pay shall be increased by \$12.00 across all classifications as follows:

<u>Grade</u>	<u>Rate \$</u>
Fleet Maintenance Assistant (Grade 1)	463.80
Trainee Driver (Grade 2)	478.80
Driver (Grade 3)	493.80
Driver - Advanced (Grade 4)	508.80
Senior Driver (Grade 5)	528.80

14. NO EXTRA CLAIMS

There shall be no further wage increase during the term of the Agreement except where consistent with a State Wage Case decision, which adjustment it is further agreed shall be processed by way of a variation to this Agreement in accordance with Section 125 (1) of the Act.

15. GRIEVANCES AND DISPUTES RESOLUTION PROCEDURE

It is the intention of the parties to this Agreement that problems and disputes be resolved in accordance with the procedure set out in Clause 12 - Disputes and Grievance Settling Procedure of the Award.

16. DECLARATION

The parties declare that this Agreement:

- (a) is not contrary to the public interest;
- (b) is not unfair, harsh or unconscionable;
- (c) was not entered into under duress; and
- (d) is in the interests of the parties.

17. BASIS FOR NEW AGREEMENT

The parties agree to commence negotiations on a new agreement no later than June 1994. These negotiations are to include discussions on matters affecting base rates of pay.

The parties agree to discuss any matter that may be raised by any of the parties in the context of a new agreement.

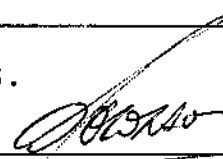
In the event that the parties fail to negotiate a new agreement, employees will revert to the appropriate award, provided that there shall be no reduction in the rates of pay applicable.

18. NOT TO BE USED AS A PRECEDENT

This Agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other plant or enterprise.

This Agreement is made at Sydney on the _____ day of _____, 1993.

Signed on behalf of the Company



 Operations Manager,
 Distribution, F J Walker
 Foods, A Division of
 Australia Meat Holdings
 Pty. Limited

10/11/93

 Date

Signed on behalf of the Union




 Transport Workers' Union
 of Australia (NSW Branch)

25. 11. 93

 Date

Criteria	Output/Input	Wt	Score	Base											Goal	Weighted Perform.
				0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%		
Customer Survey	No 3's in Customer Survey No 3's Possible	10	61.54 %	0%	37	44	51	58	65	72	79	86	93	100	4.51	
Late Deliveries	No Late Deliveries No Actual Deliveries	15	51,523 ppm	80000	72000	64000	56000	49000	40000	32000	24000	16000	8000	0	5.34	
Offroad Rate	Total Chns Down Time(On Lot-Off Lot)	10	165 C/hr	130	140	150	160	170	180	190	200	210	220	230	3.47	
Kilometers DC to Store	Total Kilometres Travelled No of Restaurants	15	169.6 km/Rest	180	177	174	171	168	165	162	159	156	153	150	5.19	
Safety Performance	Cumulative LTFR Cum. Duration Rate	11	269.9 ppm	500	450	400	350	300	250	200	150	100	50	0	5.06	
Absenteeism	Hours Absent Total Hours worked	13	2.24%	4.0%	3.6%	3.2%	2.8%	2.4%	2.0%	1.6%	1.2%	0.8%	0.4%	0.0%	5.73	
Transit Damage	Cartons Damaged in Transit Tot Chns Del'd	11	408 ppm	700	630	560	490	420	350	280	210	140	70	0	4.58	
Fuel Usage - 6 pallet trucks	litres 100 km	2	22.1 litres/100km	23.0	22.77	22.54	22.31	22.08	21.85	21.62	21.39	21.16	20.93	20.7	0.78	
Fuel Usage - 12 pallet trucks	litres 100 km	6	39.5 litres/100km	41.2	40.78	40.36	39.94	39.52	39.1	38.68	38.26	37.84	37.42	37.0	2.43	
Fuel Usage - 14 pallet trucks	litres 100 km	1	33.6 litres/100km	35.0	34.65	34.3	33.95	33.6	33.25	32.9	32.55	32.2	31.85	31.5	0.40	
Fuel Usage - 20 pallet trucks	litres 100 km	6	41.8 litres/100km	43.6	43.16	42.72	42.28	41.84	41.4	40.96	40.52	40.08	39.64	39.2	2.45	
Overall Weighted Performance:															40.0	

WEIGHTED PERFORMANCE = CRITERIA WEIGHTING (WT) X % SCORE

CUSTOMER SURVEY DATA IS:
 ONTIME DELIVERIES
 DAMAGED STOCK
 DRIVERS HELPFULNESS
 DRIVERS APPEARANCE
 DRIVERS PHONE AHEAD