

ENTERPRISE AGREEMENT

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Huntingwood Manufacturing Facility



Enterprise Agreement 1996

"There is no Substitute for Quality"

Homebush To Huntingwood:

25kms and a World Apart

For almost a century our people have made biscuits at Homebush. Well into the next century our people will be making biscuits at Huntingwood. A spectacular opportunity is offered to us to make Huntingwood a working world apart.

"There is no Substitute for Quality"

Homebush to

Huntingwood

The new 43,000 metre Huntingwood factory represents Arnott's commitment to Australian manufacturing and is a far cry from the outdated Homebush factory.

Today Arnott's provides biscuits to Australia.

Tomorrow we will provide snack foods to world markets.

At Huntingwood we are not just building a new biscuit factory. An investment of \$200 million must generate substantial change.

Our investment in technology alone will not guarantee our future.

New technology enhances people's importance. Now more than ever our enterprise's success rests heavily on our employees' skills, commitment and morale.

Full expression of the talents of our people will provide us with a competitive advantage.

21st Century Manufacturing

To maximise efficiency and allow for the best configuration of plant and equipment, all processes are on one level, with columns kept to a minimum. Natural light streams through vast areas of glass panelling, creating a people-friendly environment.

Major landscaping of the site includes more than 2,000 trees, 271 car spaces, an oval, two all-purpose basketball courts, and a barbecue and recreation area. A first-class cafeteria with outdoor dining facilities, a modern medical centre, an in-house laundry and modern training complex are also featured.

Air conditioning is supplied for 250,000 cubic metres of space which means that virtually the whole factory is air conditioned. This improves control of product temperature and work.

There are separate entrances for raw material, the majority of which are delivered in bulk containers. The total production process is fully automated.

Huntingwood produces all Arnott's major lines, turning out 12 million packets of SAO and Vita-Weat a year, 18 million packets of Tim Tam and 7.5 million packets of Mint Slice.

The ovens are 1.2 metres wide by 91.2 metres long making them among the biggest ever installed in the Southern Hemisphere and run at baking speeds of between four and seven minutes.



HUNTINGWOOD MANUFACTURING FACILITY

The waste disposal systems, comprising the latest technology in water treatment, were developed in conjunction with the University of New South Wales.

Information and statistical control is achieved by computer integrated manufacturing systems, which provide on-line real time data - right through to the finished packet. This allows operations and managers to receive feedback of the whole process.

The finished product is transported to fully automated palletising units in the existing warehouse via a 90 metre overhead enclosed walkway conveyor.

"There is no Substitute for Quality"

Introduction - A Partnership in Quality

The success of Huntingwood will fundamentally depend on there genuinely being no substitute for quality in everything we do. Building in quality in every facet of our business will ensure our success in the Asia-Pacific region as a world class manufacturer.

This Enterprise Agreement represents a partnership between the Company, its employees and the National Union of Workers - a partnership that promotes the optimum use of new technology, flexible working arrangements, open sharing of information and a strong commitment to continuous improvement.

The spirit of this Enterprise Agreement is founded on the 4Q's:

Quality of Operation
Quality of People
Quality of Working Environment
Quality of Working Life

Working relationships at Huntingwood will be built on an agreed set of values between the Company and its employees.

- * An openness and trust amongst all employees
- * An integrity in how we act
- * A respect for the individual employee
- * An accountability individually and in teams for our actions and our results
- * A strong primary focus on the customer
- * A bias for action - relentless improvement and achievement of goals
- * A commitment to continuous employee development
- * A return on assets that meets or exceeds long term shareholders' requirements and enables growth of the business

These values are consistent with and supportive of the business plan.

"There is no Substitute for Quality"

To secure a high performance work organisation and realisation of the return on investment of the Company in Huntingwood, this agreement shall foster, reflect and support the cultural and operational changes required from Homebush to Huntingwood:

OLD

NEW

Quality Control	⇒	Quality Assurance
Jobs	⇒	Roles
Demarcation	⇒	Flexibility
Restricted Information	⇒	Well informed
Reactive	⇒	Planned Strategies
Fixed Methods of Work	⇒	Continuously Improving
Hourly Paid	⇒	Stable income
Direct Supervision	⇒	Teams and Teamwork
Inwardly Directed	⇒	Focus on the Customer

The parties state that they have reached amicable agreement regarding employment terms and conditions.

Arrangement

- Part One** **Quality of Operation**
The specific features critical to the successful establishment of the manufacturing operation.
- Part Two** **Quality of People**
How the Company attracts, develops, recognises and rewards quality people.
- Part Three** **Quality of Working Environment**
The details of a superior workplace environment.
- Part Four** **Quality of Working Life**
Through a consultative approach, employees are encouraged to contribute to the continuous improvement and decision making processes.
- Part Five** **The Formalities**
Details the formal aspects of the relationship between the parties.

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Quality of Operation

The manufacturing organisation will have the following specific features critical to the successful establishment of the business:

1. Commitment to Quality

Consumers must know they can consistently trust our product. Consequently, concerns with quality are a priority at Arnott's.

The parties therefore agree to promote quality by encouraging all employees to:

- * Follow standard work procedures and instructions
- * Accept responsibility for ensuring the quality of their own work
- * Recognise that satisfying our customers is all important. Customers include other work teams, the retailers as well as consumers.

2. Hygiene / Dress Code

- (a) The parties recognise the importance of employee hygiene and the wearing of protective clothing. Uniforms are provided in accordance with Company procedures free of charge to ensure our hygiene standards remain high. It is agreed that the uniforms will be worn.
- (b) Smoking and other unhygienic acts are not permitted within the Company's buildings or exterior cafeteria area.
- (c) All employees are required to keep themselves and their work place in a clean and hygienic condition and immediately report any quality or contamination problem to the Team Leader or Manufacturing Manager.
- (d) The Company shall assist any employee wishing to give up smoking by providing counselling, support and information.
- (e) An employee who breaches the Hygiene / Dress Code shall be subject to the disciplinary procedures.
- (f) The Hygiene/Dress Code is as published and may be revised from time to time.

3. **Teams**

"Teams are encouraged to run their own business within a business".

The Huntingwood operation will have skilled multi-functional employees operating within clearly identifiable teams with each team member assisting other team members and teams being led by Team Leaders.

The focus of all our teams is to ensure both internal and external customer satisfaction whether that be in the receipt and processing of raw materials, their conversion into product and/or product packaging and delivery to customers. Work teams will be accountable to external customers and consumers for their complaints and will be responsible for putting in place new procedures to prevent recurrence in any area of our business.

The aim is for the teams to be very much self organised such that the functions they perform are almost entirely self-contained and managed by the group itself. Team members support each other in planning work team activities, ensuring machinery and equipment works efficiently and safely, problem solving, the handling of administrative duties and cross training.

4. **Team Leaders**

The Team Leaders shall:

- (i) be the facilitator in the work area team and shall be selected by the Company after consulting team members
- (ii) co-ordinate the team to achieve their collective and individual goals
- (iii) be responsible for monitoring the team's performance, motivating the team to continuously learn and guide the team in all areas of their work .

5. **Role Flexibility**

- (a) Work can be performed by any person who has the skills and is competent to perform it safely, effectively and efficiently.
- (b) Employees covered by this agreement shall work in any part of the business depending upon operational needs and the knowledge and skills of the individual employee. This will ensure the efficient utilisation of all manufacturing employees.
- (c) Employees will, at the time of the request for movement, have explained to them the reason for the move.

- (d) The Company will encourage but not compel employees to acquire relevant new skills, both on the job and externally to ensure we move towards world competitive skill and flexibility levels.
- (e) All employees agree to contribute to and participate in the training of other employees where required.

6. Coverage

Work area teams will organise cover for any absence in their area including the use of external resources where required.

7. Leave Rostering

Work area teams will manage the annual and long service leave in their area in consultation with management.

8. Competitive Benchmarking / Continuous Improvement

- (a) The parties undertake to achieve continuous improvement in manufacturing performance with the ultimate goal of matching and surpassing performance achieved by the international leader in biscuit manufacturing.
- (b) Benchmarking and the establishment of key performance indicators as a means of defining achievable targets shall be discussed by the parties and supported by clear objectives once the Huntingwood facility is fully operational.

Quality of People

The Company attracts, develops, recognises and rewards quality people.

9. The Huntingwood Workforce

As responsibility is devolved and participation increases all employees will need to develop the following abilities:

- * Collecting, analysing and organising information
- * Communicating ideas and information
- * Planning, coordinating and organising activities including the distribution of work
- * Working with others and in teams
- * Solving problems
- * Working with sophisticated technology
- * Maintaining the quality of production to Arnott's specifications

10. Recruitment

- (a) Where a vacancy occurs within a particular workgroup then it shall be the responsibility of the workgroup to recruit a suitable person for the position.
- (b) The recruitment process will be carried out in consultation with the Human Resources Department.

11. Probationary Period

- (a) All newly appointed employees will be employed on probationary terms for the first three months period, which will provide for employment on a week-to-week basis.
- (b) Where any concerns arise over a probationary employee that might affect a transition to permanent status, these shall be discussed with the employee, with a union delegate present.
- (c) If the employee is employed beyond the probationary period the employee will be deemed to be permanent.

12. Performance Appraisals

- (a) Arnott's overall performance as a Company relies on the contribution of each employee. Each team depends on the performance of each individual team member.
- (b) A formal opportunity, at least once a year, will be given to each employee to discuss his/her progress as to their achievement of objectives, development and training.
- (c) The focus of the appraisal will be on the recognition of performance and where appropriate, improvement, including the agreement of practical action plans that will build on a person's strengths and minimise their weaknesses.

13. Roles

Roles at Huntingwood are based on competency.

All employees will be encouraged to continuously improve and develop their skills.

All employees will have the title of Operational Technician (OPTECH) or Line Leader. There will be six role levels as follows:

Level 1	Operational Technician	↔	Basic Operator / Trainee
Level 2	Operational Technician	↔	Operator
Level 3	Operational Technician	↔	Flexible Operator / Entry Level Tradesperson
Level 4	Operational Technician	↔	Advanced Operator or Tradesperson
Level 5	Operational Technician	↔	Fully Flexible Operational Technician
Level 6	Team Leader	↔	Line Leadership

14. Career Paths and Training

- (a) Clauses 15 - 17 describe the role levels and career paths at Huntingwood. Against each role level, the skills criteria, competency criteria and the learning requirements are identified. The competency criteria and the learning requirements are pre-requisites for the move up to the next level.
- (b) Role Level 3 is the entry level for employees with an engineering trade qualification. To reflect this inclusion the competency criteria for Levels 3 - 5 is described in terms of Core, Manufacturing and Engineering criteria.

15. Assessment

- (a) Assessment is the method used to measure the competency level of an employee against a set standard of skills and knowledge.
- (b) An assessment will be made of the individual employee's skills and knowledge in relation to the level offered at Huntingwood.
- (c) As a result of the assessment the individual employee may be required to complete additional training to acquire the skills or knowledge needed to maintain the offered level.
- (d) It is expected that the individual employee will complete the required training within nine months.

16. Progression

- (a) All training undertaken will include an assessment of what has been learnt. Progression will depend on successful assessment of competency. This will involve gathering evidence of the employee's skill and knowledge to demonstrate that the employee meets the competency criteria.
- (b) All employees seeking advancement will be assessed by a panel consisting of the following:
 - Their Team Leader
 - The appointed trainer
 - An OPTECH at the grade they aspire to
 - A union delegate if requested
- (c) These assessments will be conducted at the request of the individual OPTECH and advancement will be in accordance with Part Two (Clause 17) of the Agreement.

17. The Role Levels

Role Levels	Skills Criteria	Competency Criteria (To be successfully demonstrated as a prerequisite to progressing to the next level)
Operational Technician 1	<p>At this level an employee is required to demonstrate competence in basic literacy and numeracy and other relevant skills.</p> <p>At Level 1 an employee:</p> <ul style="list-style-type: none"> - Will be introduced to the Enterprise - Completes the Induction Programme - Participates in training to enable progression to Level 2. 	<p>All employees at this level are expected to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. Following instructions. 2. Manual handling skills. 3. Following standards and procedures. 4. On completion of the Induction program be able to demonstrate an understanding of: <ul style="list-style-type: none"> - Site facilities - Product knowledge - Customer awareness - Basic OH&S and Workers Compensation procedures. - Quality guidelines. - Evacuation and fire procedures. - Enterprise agreement and his/her associated responsibilities. - Plant layout and housekeeping requirements. - Hygiene and sanitation <p>Employees on Level 1 will work under supervision at all times and be expected to exercise minimal judgement.</p>

Learning Requirement for Level

A level 1 employee shall complete induction training.

Advancement Criteria

An employee on Level 1 would be expected to remain at this level until they have completed learning requirements for Level 1 and are assessed as competent at Level 1. At this point an employee will progress to Level 2. It is expected that an employee will satisfy this criteria within 3 months.

Role Level	Skills Criteria	Competency Criteria (To be successfully demonstrated as a prerequisite to progressing to the next level)
<p>Operational Technician 2</p>	<p>An employee is required to have completed Level 1 learning requirements and have been assessed as competent at Level 1.</p> <p>At Level 2 an employee:</p> <ul style="list-style-type: none"> - Will have a moderate knowledge of the Enterprise and the functions carried out in the work place. - Works under supervision either individually or as part of a team. - Understands and undertakes simple quality assurance practices including the ability to recognise basic quality deviations and faults. - Participates in training to enable progression to Level 3. 	<p>All employees at this level are expected to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. The use of measuring equipment required for quality control 2. Operating any two of the following:- <ul style="list-style-type: none"> - Dough mixer - Forming plant - Baking oven - Post bake oven - Wrapping machine - Cartonner - Case packer - Cream mixer - Weigh up/count/measure ingredients - Mechanical handling equipment - Data entry to Ci-Tech system - Laundry Equipment - Fermenter - Vita Weat Cookers 3. Basic problem solving 4. Product standards and quality standards. 5. Housekeeping to a high standard.

Learning Requirements For Level

A Level 2 employee shall complete the following training:

- * OH&S (2 day course)
- * Quality in Food Manufacturing 1
- * Computer (Basic keyboard skills)
- * Fire Emergency Drills
- * Team Work
- * Problem Solving
- * Introduction to Statistical Process Control
- * Appropriate Technical Modules
- * Ci-Tech 1

Advancement Criteria

An employee remains at this level until they have completed learning requirements for Level 2 and is assessed as competent at Level 2. At this point an employee will progress to Level 3.

Role Level	Skills Criteria	Competency Criteria (To be successfully demonstrated as a prerequisite to progressing to the next level)
<p>Operational Technician 3</p>	<p>An employee at this level is required to have completed Level 2 learning requirements and be assessed as competent at Level 2 or have a trade certificate.</p> <p>Trade qualifications guarantee automatic acceptance at this level.</p> <p>At Level 3 an employee:</p> <ol style="list-style-type: none"> 1. Is responsible for the quality of own work subject to general supervision. 2. Works under general supervision either individually or as part of a team. 3. Exercises discretion within own level of skills and training. 4. Operates flexibly between work stations and machines. 5. Participates in training to enable progression to Level 4. 	<p>Core Competencies All employees at this level will be expected to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. Interpreting and following plans and procedures. 2. Performing effectively in a team environment. 3. Demonstrating problem solving skills. 4. Basic equipment maintenance and process fault correction. <p>Manufacturing Competency Criteria Manufacturing employees at this level would be required to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. Setting up, operating and performing basic maintenance on any three of the following: <ul style="list-style-type: none"> - Dough mixer - Forming plant - Baking oven - Post bake oven - Wrapping machine - Cartonner - Case packer - Cream mixer - Creaming machines - Weigh up/count/measure ingredients - Mechanical handling equipment - Fermenter - Vita Weat Cookers 2. Exercising quality control measures and assess products to identify obvious defects. 3. Recording in writing simple information relating to dimensions and type of product. 4. Interpreting and implementing product standards and quality standards. <p>Engineering Competency Criteria Trade qualified employees must demonstrate competence in the core competencies and may choose to be assessed against the manufacturing competency criteria or the following:</p>

Operational Technician 3 (Continued)		Demonstrate a basic knowledge of equipment set up or operation and advanced maintenance knowledge of any three of the following: <ul style="list-style-type: none"> - Dough mixer - Forming plant - Baking oven - Post bake oven - Wrapping machine - Cartonner - Case packer - Cream mixer - Creaming machines - Weigh up/count/measure ingredients - Mechanical handling equipment - Data entry computer system - Inventory control systems - Select suppliers - Condition Monitoring - PM Schedules - Maintenance Planning - Bulk Handling - Ferment - Vita Weat Cookers
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Learning Requirements For Level

A Level 3 employee shall complete the following training:

- * First Aid
- * OH&S (4 day course)
- * Quality in Food Manufacturing 2
- * Team Skills
- * Self Management Skills
- * Appropriate Technical Modules (80 hours minimum)
- * Computer (Word Processing or equivalent skills)
- * Ci-Tech 2

In addition, all tradespersons must also complete or demonstrate:

- * Ci-Tech 1
- * Basic Keyboard Skills
- * Quality in Food Manufacturing I
- * BPCS or Computerised Maintenance Management System

Advancement Criteria

An employee remains at this level until they have completed learning requirements for Level 3 and are assessed as competent at Level 3. At this point an employee will progress to Level 4.

Role Level	Skills Criteria	Competency Criteria (To be successfully demonstrated as a prerequisite to progressing to the next level)
<p>Operational Technician 4</p>	<p>An employee is required to have completed Level 3 learning requirements and have been assessed as competent at Level 3.</p> <p>At Level 4 an employee:</p> <ol style="list-style-type: none"> 1. Works from complex instructions and procedures. 2. Works in a team environment or works individually under general supervision. 3. Is responsible for assuring the quality of work in own area. 4. Participates in training to enable progression to level 5. 	<p>Core Competencies All employees at this level would be expected to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. Problem solving skills. 2. Selecting suitable methods of completing tasks and planing the order in which to complete them. 3. Monitoring and adjusting operating variables and selecting suitable methods to maximise operating efficiency. 4. Interpreting and implementing relevant health and safety legislation and procedures. 5. Determining and communicating the accountabilities of work groups. 6. Developing strategies and assisting in setting up performance criteria. 7. Performing limited supervision of employees in own work area. <p>Manufacturing Competency Criteria Manufacturing employees at this level would be required to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. Setting up and monitoring Quality Control equipment. 2. Setting up and adjusting machines to produce a specific product. 3. Completing clerical tasks. 4. Assist in budgeting. 5. Assisting in developing Standard Direct Costs. 6. Implementing quality standards and procedures for products produced at this level. 7. Setting up, operating and performing basic maintenance on any 5 of the following systems: <ul style="list-style-type: none"> - Dough mixer - Forming plant - Baking oven - Post bake oven - Wrapping machine

<p>Operational Technician 4 (Continued)</p>		<ul style="list-style-type: none"> - Cartonner - Case packer - Cream mixer - Weigh up/count/measure ingredients - Mechanical handling equipment - Data entry to Ci-Tech system - Fermenter - Vita Weat Cookers <p>Engineering Competency Criteria Trade qualified employees must demonstrate competence in the core competencies and may choose to be assessed against the manufacturing competency criteria or the following:</p> <ol style="list-style-type: none"> 1. Demonstrating a basic knowledge of equipment set up or operation and an advanced maintenance knowledge of any five of the following: <ul style="list-style-type: none"> - Dough mixer - Forming plant - Baking oven - Post bake oven - Wrapping machine - Cartonner - Case packer - Cream mixer - Creaming machines - Weigh up/count/measure ingredients - Mechanical handling equipment - Data entry computer system - Inventory control systems - Select suppliers - Condition Monitoring - PM Schedules - Maintenance Planning - Bulk Handling - Fermenter - Vita Weat Cookers 2. Use job module on computerised maintenance management system. 3. Set up and monitor check weighers and metal checks. 4. Knowledge of standard direct costs. 5. Knowledge of budgeting process.
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Learning Requirements For Level

A Level 4 employee shall complete the following training:

- * First Aid
- * Budgeting 1
- * Computer (Database/Spreadsheet)
- * Team Leadership

- * Report Writing
- * Negotiation Skills
- * Conflict Resolution
- * Manufacturing process and planning knowledge
- * Ci-Tech 3

Advancement Criteria

An employee remains at this level until the employee has completed learning requirements for Level 4 and are assessed as competent at Level 4. At this point an employee will progress to Level 5.

Role Level	Skills Criteria	Competency Criteria (To be successfully demonstrated a prerequisite to progressing to the next level)
<p>Operational Technician 5</p>	<p>An employee at this level is required to have completed Level 4 learning requirements and have been assessed competent at Level 4.</p> <p>At Level 5 an employee:</p> <ol style="list-style-type: none"> 1. Understands and applies quality control techniques. 2. Exercises good interpersonal and communications skills. 3. Exercises discretion within the scope of this level. 4. Performs work under limited supervision either individually or as a team member. 5. Is able to inspect products or spare parts or materials for conformity with established operational standards. 6. Understands and knows the process and products produced at the plant. 7. Operates flexibly between work stations. 	<p>The employee will be responsible, with others for identifying and solving problems in their work areas: supervising others in initiating, coordinating and monitoring problems solving in own work area; identifying and reporting problems in other work areas where they effect activity in own work area.</p> <p>Core Competencies</p> <p>All employees at this level will be expected to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. Decision making regarding work processes and implement them in own work area. 2. Using judgement based on experience to optimise productivity in own work area. 3. Supervising employees in own work area. 4. Working to standards requiring precision and attention to details. 5. Interpreting and implementing OH&S techniques and legislation for work undertaken at this level. 6. Interpreting and implementing statutory requirements such as EEO, Affirmative Action & Discrimination. 7. Managing work group responsibilities. 8. Preparing expense and overhead budgets for approval. 9. Preparing individual development plans for employees in area of responsibility. 10. Working with team members to prepare goal objectives. 11. Supervising others in groups in the training situations. 12. Planning and carrying out of work. 13. Reviewing the equipment or processes in work area with a view to continuous improvement in the following areas:- <ul style="list-style-type: none"> - Dough mixing - Forming equipment

**Operational Technician 5
(Continued)**

- Baking oven
- Post bake oven
- Wrapping machine
- Cartonner
- Case packer
- Cream mixer
- Fine ingredient system
- Mechanical handling equipment
- Ci-Tech system
- Creaming Machines
- Inventory Control Systems
- Select Suppliers
- Condition Monitoring
- PM Schedules
- Maintenance Planning

14. The employee will be responsible for work outcomes regarding quantity and quality in own areas, including own work and the work of others.

Manufacturing Competency Criteria

Plus manufacturing employees at this level would be required to demonstrate competence in:

1. Detailed knowledge of the site production process and product used.
2. Quality standards and techniques for products produced at this level.
3. Thorough knowledge of equipment/machinery used in the work area.
4. Preparing standard direct costs for approval.

Engineering Competency Criteria

Trade qualified employees must demonstrate competence in the core competencies and may choose to be assessed against either the manufacturing competency criteria or the following:

Advanced knowledge of all manufacturing equipment and machinery.

Learning Requirements For Level

A Level 5 employee shall complete the following training as per the career paths structure:

- * Introduction to MRP II
- * Business Skills Course
- * Performance Management System
- * Budget Preparation
- * Advanced Supervision (including interviewing and goal setting)
- * Career Planning Skills
- * Ci-Tech 4
- * Recruitment interview and selection skills
- * Train-The-Trainer Skills

"There is no Substitute for Quality"

Advancement Criteria

An employee remains at this level until they have completed learning requirements for Level 5 and is assessed as competent at Level 5. At this point, employees are capable of applying for a Team Leader position when a vacancy occurs. Vacancies at this level will be filled through a competitive selection process.

Role Level	Skills Criteria	Competency Criteria
<p>Team Leader Level 6</p>	<p>An employee at this level is required to have completed Level 5 learning requirements and have been assessed competent at Level 5.</p> <p>At Level 6 an employee is responsible and accountable for the efficient operation of a manufacturing line.</p> <p>At this level all employees:</p> <ol style="list-style-type: none"> 1. Understand and participate in setting quality standards. 2. Exercise good interpersonal and communication skills. 3. Exercise discretion within the scope of this level. 4. Perform work under limited or nil supervision either individually or as a team member. 5. Are responsible for planning own work and monitoring the work of others and for the quantity and quality of the results. 6. Facilitate the training of team members. 7. Practices Team Leadership. 8. Leads team member interview/selection. 	<p>An employee at this level will be expected to demonstrate competence in:</p> <ol style="list-style-type: none"> 1. Plan and report on factory trials. 2. Identify and improve key operational areas within the work group such as: <ul style="list-style-type: none"> - Level of consumer complaints - Analysis of down time - Packet weight loss - Scrap levels 3. Apply quality control techniques to the work of self and others. 4. Plan, conduct and evaluate training both on and off the job, one to one and in groups. 5. Formulate, monitor and review performance criteria. 6. Effective interpersonal and communication skills. 7. Apply relevant legislation to work of self and others. 8. The knowledge of the work area and operations within the enterprise. 9. Health and safety regulations and procedures relevant to this level. <p>The employee will be responsible for planning own work and the work of others and ensuring it is completed on time to standards. The employee will be responsible for a high degree of precision and accuracy in all work performed.</p> <p>A Level 6 employee is responsible for the operation of a work team. The employee will be responsible, in conjunction with others, for identifying and solving problems in their own work area. The employee will be responsible for initiating, coordinating and monitoring problem solving in their own work area. The employee will be responsible for identifying and reporting problems in other work areas where they affect activity in own work area.</p>

Learning Requirements For Level

A Level 6 employee shall complete the following training as per the career paths structure:

- * B&CMA Course
- * Management Certificate or equivalent
- * Ci-Tech 5
- * KPI's Strategic Plan
- * Arnott's Management Development Program

18. Salaries

- (a) The remuneration structure will be based on annual salaries and skill levels.
- (b) It is the policy of Arnott's Biscuits Limited that all employees shall be paid a salary that is competitive and in addition recognises their contribution to team achievements and company goals.
- (c) The annualised salaries are inclusive of all allowances (excluding shift loadings).
- (d) Employees will be classified according to their competencies gained through training and experience and in accordance with the pay scale.
- (e) Employees will be paid weekly and their salary will be paid no later than Friday of each week into a bank account of the employee's choice by electronic funds transfer.
- (f) Hourly rate will be calculated as follows:

Salary Level Annual Rate
1976 hours

19. Pay Scale

<u>Salary Level</u>	<u>On Commencement at Huntingwood</u>	<u>1st January 1998</u>
	<u>\$ Per Annum</u>	<u>\$ Per Annum</u>
Level 1	\$29,000	\$29,900
Level 2	\$37,000	\$38,200
Level 3	\$45,000	\$46,400
Level 4	\$50,000	\$51,500
Level 5	\$55,000	\$56,700
Team Leader	\$60,000	\$61,800

The salary levels reflect the roles, career paths and training described in Clause 14 - 17 of this Agreement.

20. Temporary Upgradings

Any employee performing the work of a higher level than his/her usual level shall be paid at the rate for the higher paid level for the time so engaged but for not less than one week.

21. Performance Indicators and Rewards

In addition to the base rate salaries, a reward system will be phased in and will be based on factors such as:

- (a) Achievement of specific objective productivity targets related to manufacturing
- (b) A quality target based on minimising the number of customer complaints
- (c) Team performance

These will be agreed in accordance with Clause 8.

22. Superannuation

Both employees and Arnott's contributions to the Arnott's Accumulation Superannuation Plan or to a superannuation fund meeting the requirements set down by the Commissioner for Occupational Superannuation shall be based on the annual salary, inclusive of shift rates for afternoon and night shift employees.

Quality of Working Environment

Arnott's is committed to the provision of a superior workplace environment for its employees.

This commitment was embodied in the design of the Huntingwood facility.

23. Arnott's Environmental Policy

Arnott's embraces the need to conduct its activities with concern for the human and natural environment.

We are committed to conduct our business in a manner that respects and protects the quality of the environment, striving toward limiting emissions to the water, air and land and the efficient use of resources.

Arnott's shall at all times operate as a good citizen, exercising due diligence to ensure compliance with all applicable environmental laws and regulations.

Arnott's will establish and maintain an environmental management system to reflect and manage this commitment.

24. Occupational Health and Safety

All managers and employees appreciate the need to maintain and continually improve safety standards.

This will require all managers and employees to:

- abide by the provisions of the relevant OH&S Act and to Company policy and procedures with regard to wearing of issued protective clothing and safety equipment
- be responsible for one's own safety and the safety of others
- participate in safety and housekeeping audits as required including the follow-up of actions to ensure their satisfactory completion
- maintain all work areas in a clean and safe condition