

**REGISTER OF  
ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO: EA00/17**

**TITLE: Steggles Limited Beresfield Operations (Engineering) Agreement 1998**

**I.R.C. NO: 99/6286**

**DATE APPROVED/COMMENCEMENT: Approved 2 December 1999 and commenced 18 April 1999**

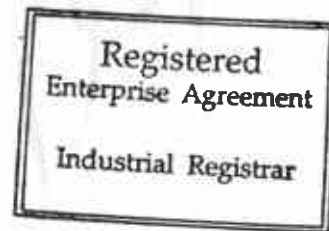
**TERM: 30 June 2000**

**NEW AGREEMENT OR  
VARIATION: New**

**GAZETTAL REFERENCE:**

**DATE TERMINATED:**

**NUMBER OF PAGES: 56**



**COVERAGE/DESCRIPTION OF**

**EMPLOYEES:** Applies to employees of the companies employed at the companies' Beresfield site engaged in engineering and maintenance work in the automotive, electrical, mechanical and utilities areas

**PARTIES:** Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch -&- Electrical Trades Union of Australia, New South Wales Branch, Steggles Limited

**FILED**

15 NOV 1999

OFFICE OF THE INDUSTRIAL  
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## **STEGGLES LIMITED**

### **BERESFIELD OPERATIONS (ENGINEERING) AGREEMENT 1998**

#### **1. TITLE**

This agreement shall be known as the Steggles Limited Beresfield Operations (Engineering) Agreement 1998 ("this agreement").

#### **2. SCOPE AND PARTIES**

This agreement is made by Steggles Limited and Steggles Foods Products Pty Ltd ("the companies") and the Automotive, Food, Metal, Engineering, Printing, and Kindrid Industries Union - NSW Branch (also known as the AMWU); and the Electrical Trades Union - NSW Branch ("the unions"). This agreement is made in relation to employees of the companies employed at the companies' Beresfield site ("the site"); engaged in engineering and maintenance work in the automotive, electrical, mechanical and utilities areas; and activities incidental thereto.

#### **3. DURATION OF AGREEMENT**

This agreement will come into effect on and from 18 April 1999 and will remain in force until 30 June 2000. Not less than 2 months before the nominal date of expiry of the agreement; the companies and the union will meet to discuss the renewal of the agreement.

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#### **4. OBJECTIVE**

The objective of this agreement is to assist the Beresfield site engineering teams to achieve the following:

- appropriate best practice in systems, procedures, plant and equipment.
- reduced operating costs
- improved career paths and remuneration opportunities through increased skills and accountability
- an even balance between time at work and leisure
- facilitate the transfer of lower level maintenance skills to operational employees.

#### **5. PARENT AWARDS**

Where this agreement is silent, the terms of the applicable parent award, namely the Metal and Engineering Industry State Award or the Electricians State Award, shall apply.

#### **6. REPRESENTATION, CONSULTATION AND SHARING OF INFORMATION**

The following arrangements will be maintained or introduced to ensure that unions, employees and the companies maintain full and open communications:

The Single Bargaining Unit ("SBU") will continue as the peak union body representing employees and unions.

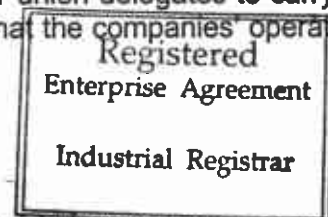
The SBU will meet bi-monthly with senior management to review the performance of the business, Beresfield operations, details of the companies' overall business improvement plan, and any other matters required to enable the SBU to carry out its functions effectively. The meetings will be attended by senior company officers, including the Managing Director, the Operations Director and the Human Resources Director together with site management. The meetings will be chaired by the Chairman of the SBU.

In February 2000, Price Waterhouse will be engaged to carry out a further independent audit of Beresfield site profitability.

## **7. RECOGNITION OF UNIONS AND UNION DELEGATES**

The companies recognise the SBU and its constituent unions (for as long as those unions remain in the SBU and subject to the rules of the unions) as the principal representative body for employees at Beresfield and adjacent and ancillary operations ("relevant employees"). During the life of the agreement, the companies will:

- not employ any relevant employee under any terms and conditions other than as provided by parent awards or site agreements
- not employ any relevant employee under an Australian Workplace Agreement
- encourage relevant employees to become and remain members of the appropriate trade union, including introducing new employees to union delegates as part of the induction process, providing membership application forms and facilitating direct payroll deductions for union dues
- provide reasonable time off (without loss of pay) for union delegates to carry out their functions and to undertake training, provided that the companies' operations are not unduly affected.



## **8. REDUNDANCY**

The Steggles Limited NSW Operations Redundancy Agreement (Attachment 1) applies to employees employed pursuant to this agreement.

## **9. CLASSIFICATION STRUCTURE**

A system has been introduced to assess and reward tradespersons for the development and application of skills and behaviours in accordance with the business needs.

The companies are committed to reviewing and formalising the classification structure and documentation to ensure its continued relevance to individual and company requirements, through the life of this agreement.

## **10. ANNUALISED SALARIES**

The objectives and principles of an annualised salary is contained in Attachment 2. Components of annualised salary will include but are not limited to the items detailed below. The application of the various components will depend upon their relevance to individual rosters.

- A. Costing of individual roster as per the existing agreement (each dayshift hour reimbursed at the ordinary time hourly {O/T} rate, each nightshift hour reimbursed at O/T + 30% rate).
- B. A 5% increment as an incentive to move to annualised salary.
- C. A "buy out" of RDO's - 12 x 8 hour days per year. The first 2 hours of each day will be paid at 1.5 x O/T, the remaining 6 hours will be paid at 2 x O/T.
- D. Allowance for Overtime
- Sick day coverage – up to 3 full shifts per year. It is expected that the management of short term coverage (up to 4 hours per occurrence) of sickness will be by agreement between employees, the union and management. This means that sickness coverage by an employee of up to 4 hours on a normal work day will be by mutual agreement. It is expected that the employees within a given crew will cover for one another for illnesses that cannot be notified in time to allow for coverage of the full shift by an employee who is rostered off.
  - Working of Public Holidays as appropriate to the respective roster with payment at 2.5 x O/T.
  - Saturdays and or Sundays where they do not form part of the roster – appropriate to the respective roster.
  - Production Saturdays will demand the transfer of rostered maintenance work from the Saturday to the Sunday. Payment of incremental premium rates will apply viz. a worker originally rostered to work on a Saturday who is then required to work on the Sunday will have the Saturday off and work on the Sunday with the incremental difference between a Sunday and Saturday shift being included.

Dayworkers, including leading hands, will act as shift relief and as such no allowance is included for overtime by shift workers in covering annual leave, long service leave, picnic days etc.

It is not anticipated that there will be a requirement for weekday overtime given the additional rostered hours. Therefore there is no allowance for extensions to normal work shifts, nor associated tea monies etc.

The allowance for overtime will vary from crew to crew and in some cases for individuals eg. leading hands as it represents a "bank" of hours based on anticipated overtime.

The rate of attrition of the overtime bank will depend on the overtime worked eg. if a Saturday is worked, in addition to the roster, the bank will be decreased at the rate of 1.5 hours per hour for the first 2 hours worked and 2 hours per hour for every hour worked thereafter.

Any "additional" overtime worked, above the bank, will initially be paid for at 125 % of the annualised hourly rate plus associated tea monies etc. as per award provisions. This percentage will be subject to review for the life of the agreement. It is expected that each crew will manage the hours worked over and above those rostered so that the bank for all members of the crew is consumed before the need for additional hours for any individual arises.

All additional overtime worked will be subject to payment. Time in lieu shall be only by prior agreement by all parties.

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Monitoring of overtime will be required to ensure that excessive overtime is not worked by individuals in covering work requirements, sick leave for other members of the team etc. As per Attachment 2, "Statement of Principles – Annualised Salaries", all aspects of annualised salaries will be subject to ongoing review.

Annualised salary payments will be over and above future % increases paid through the site enterprise agreements.

Accrued leisure days will be paid out at the rate detailed in Item C above, prior to the commencement of annualised salary.

Summaries of the annualised salaries are attached to the respective rosters for each maintenance / engineering crew at Beresfield – refer to list of Attachments within clause 11 of this document.

## 11. ROSTERS

There will be stand-alone rosters for each maintenance crew on the Beresfield site. Rosters for each crew are appended to this agreement.

Rosters may be varied by agreement between all relevant parties in accordance with the statement of principles. Where any such variation changes the entitlements of employees, the annualised salary will be recalculated as per Clause 10.

The roster for each area is the "preferred" roster / manning proposal for that area which has been developed by the respective maintenance team (ie. workers, supervisor and manager).

Changes to the rosters will have to be made to cover production Saturdays. The companies will endeavour to notify of such days as far in advance as possible. The employees are committed, except in unavoidable circumstances, to satisfy the requirements of the changed rosters.

Transfer of a Public Holiday to the day before or the day after can be effected depending on work requirements eg. If a Public Holiday falls on a Monday and an employee was rostered to work on the Sunday, however, is not required on the Sunday then the Sunday can be taken as the Public Holiday.

Manning levels shall be adequate to service the roster otherwise overtime will become excessive.

Attachment 3 - Utilities Roster

Attachment 4 - Processing Plant Electrical Roster

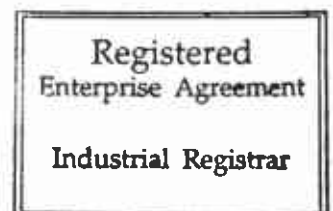
Attachment 5 - Process Plant Mechanical Roster

Attachment 6 - Steggles Foods Electrical Roster

Attachment 7 - Steggles Foods Mechanical Roster

Attachment 8 - Garage Roster

Attachment 9 - Feedmill Roster



It is expected that individuals will arrange mutual coverage of shifts to accommodate necessary time off at short notice.

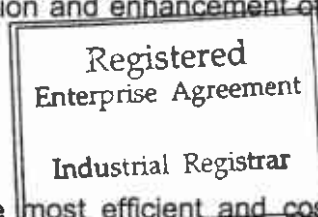
## 12. PERFORMANCE MEASUREMENT

The site engineering teams will monitor their performance using relevant indicators. These indicators include but are not limited to:

- compliance with expenditure budgets - maximum of 100% of budget.
- compliance with preventative maintenance schedules - greater than 90% completion of assigned preventative maintenance.
- percentage of preventative maintenance to total maintenance - 30%.
- percentage of planned maintenance to total maintenance - 80 to 90%.
- implementation and effective utilisation of computerised maintenance management systems. Work orders will be raised for individual jobs with work times and histories entered into the system by tradespersons - by June 1999.
- overall equipment effectiveness
- participation in area reliability teams
- percentage of rework - less than 3%.
- adoption of increased skills in line with company requirements
- customer perceptions – customer surveys - by June 1999.
- adherence to food safety, HACCP and GMP standards - 100%.
- Toolbox talks and Safety meeting attendance – 100%.

The setting of standards for skills classifications for tradespersons which will include administrative duties as appropriate. Administrative duties include tasks such as preparing purchase requisitions, job plans recording of work histories etc.

There is a commitment by all parties to the continuation and enhancement of individual performance reviews.



## 13. USE OF CONTRACTORS

The companies will manage their operations in the most efficient and cost-effective manner possible. From time to time, this will mean that contractors will be engaged either permanently or on an ad hoc basis. Generally contractors will be utilised in situations where:

- the skills, equipment or management resources are not available in-house eg; plumbers;
- the work concerned arises infrequently;
- contractors are able to perform the work at significant cost-advantages;
- employees are incapable of carrying out the work in question;
- the work is related to a specific piece of equipment which is covered by a service contract or warranty arrangement; or
- there are short term significant increases in workload which cannot be reasonably covered by in-house personnel.

Where the companies intend to transfer significant work from employees to contractors, it will consult with employees and the relevant union prior to engaging contractors, unless the work is urgent, and such consultation is not feasible. In this context, "significant" means that the work concerned is likely to result in reductions in the companies' workforce. Where there is disagreement as to the use or proposed use of contractors, the matter shall be resolved pursuant to the disputes procedure.

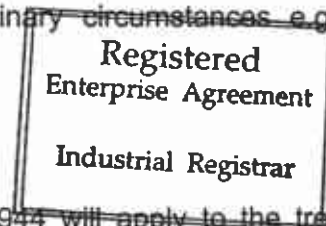
Where contractors are engaged to carry out installation or commissioning work, the companies will seek to assign some staff to the project, in order to facilitate skills transfer.

The companies will develop and maintain a Preferred Engineering Contractors Schedule. The Schedule and its amendments will be circulated to the AMWU and ETU and to employees. In order to be placed on the Schedule, Engineering Contractors will be required to provide details of their past safety performance, risk management plans, employment arrangements and the ability to satisfactorily complete specified works.

It was agreed that employees should have the opportunity to learn from specialist contractors used on site. Additionally, and as appropriate, in-house personnel may be able to be used as part of a contractor's workforce on projects e.g. new wiring installations.

The intent is not to reduce permanent job positions by contracting out or by the use of casual labour.

The use of contractors as shift relief in extraordinary circumstances e.g. multiple sicknesses, is considered appropriate.



#### 14. ANNUAL LEAVE

The provisions of the NSW Annual Holidays Act 1944 will apply to the treatment of annual leave other than as provided below:

- annual leave loading is not applicable to shiftwork. A 20% leave loading, for those employees who are on permanent daywork, has been included in the allowances portion of the annualised salary
- employees engaged permanently on 7 day continuous shift rosters will be entitled to accrue 5 weeks annual leave for each completed year of service
- annual leave may be taken in blocks as per the roster of 5 or more days
- on reasonable grounds and by agreement with the companies, employees may take annual leave in blocks of 1 day
- in those instances where a public holiday falls on a weekday on which an employee is not rostered to work the employee will have a day added to their annual leave entitlement

On the transition to annualised salaries, accrued annual and long service leave entitlements will be converted to hours accrued on the basis of pre-existing rosters. For example, an employee with 6 days accrued annual leave working an 8 hour day who moves to a 12 hour roster will have the 6 days' leave transferred across as 4 days' leave.

Annual leave may be accrued for up to 2 years. In such situations, the following conditions will apply:

- The employee must seek the companies' approval once 20 days' leave has been accrued
- employees' applications will be assessed on merit and against the site's operating requirements
- leave accrued pursuant to this sub-clause may not be automatically granted in periods of peak production
- leave accrued pursuant to this sub-clause will be paid for at the rates applicable at the time the leave was accrued. Thus the first four weeks' leave will be paid at the all-purpose rate of pay in place at the time the leave was accrued, and the second four weeks' leave will be paid at the current all-purpose rate.

The rate of accrual of annual leave shall be in accordance with the Parent Award and as such future provisions will be as follows:

25 x 8 hour days (200 hours = 17 x 12 hour days) for seven day continuous rosters.  
20 x 8 hour days (160 hours = 14 x 12 hour days) for 12 hr. shift, discontinuous rosters.  
20 x 8 hour days for 8 hour shift, discontinuous rosters.

**15. RESOLUTION OF DISPUTES AND GRIEVANCES**

A disputes resolution procedure has been developed and forms Attachment 10 to this Agreement.

**16. QUARANTINE STANDARDS**

Employees are not permitted to commence or maintain an employment, consulting or other contractual relationship with any other poultry processing business without the written authorisation of the companies.

Employees are not permitted to come or intend to come into direct or indirect contact with any avian or porcine species or generation which may pose a quarantine risk to the company's livestock. In the event that such contact is to occur, the company's written authorisation must be obtained prior to such contact taking place.

The requirements of this clause include employees' family members or other persons domiciled with or in regular contact with employees at the site.

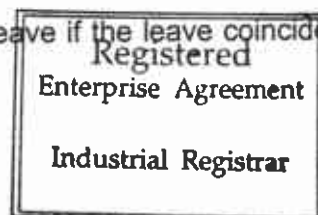
**17. COMPANY POLICIES AND STANDARDS**

All employees will comply with company policies and standards as amended from time to time. In particular, the employees are required to comply with the company's Occupational Health and Safety Policy and its Drug and Alcohol Policy.

**18. COMPASSIONATE LEAVE**

An employee will be entitled to take compassionate leave on each occasion and on the production of satisfactory evidence of the death of near relatives. "Near relatives" include, but are not limited to: husband, wife (including de facto spouse), father; mother, stepfather, stepmother, child, stepchild, brother, sister, mother/father in-law, brother/sister in-law, grandparents or grandchildren. Every situation will be assessed on its merits and the relationship of the employee and the deceased will be the principal consideration in determining the amount of leave granted, which will vary from 1 to 5 days.

An employee will not be entitled to compassionate leave if the leave coincides with any other type of leave.



**19. SICK LEAVE**

All employees will be covered by a salary continuance scheme which provides for up to 3 months salary continuance at 100% for each and every occasion on which the employee requires such cover due to temporary disability or illness. Where required, at



the conclusion of the three months' cover, the employee will be entitled to a further 2 years' salary continuance at 75% of salary.

Accrued sick leave will be converted to hours.

Method of Accrual for sick leave will be as per the '1998 Basis of Settlement' - a specific number of days per annum.

For those individuals that currently have any more than the nominal 3 months in accrued sick leave (under the present system) the provision will be for 3 months plus any accrued leave e.g. any person with 3 months of accrued sick leave will have a maximum of six (6) months on full pay before reverting to ¾ pay.

Award provisions will apply up to 10 individual sick days per year. Employees whose sick leave requirements are at a level to affect the efficient operation of the site will have their employment reviewed.

**20. STUDY LEAVE**

The existing arrangements for employees attending courses, approved by the companies, shall be reviewed. A Trades Training Policy will be developed.

**21. PICNIC DAY**

Picnic days will continue as per the award and will be taken as per existing arrangements i.e. staggered and to suit both individual and company.

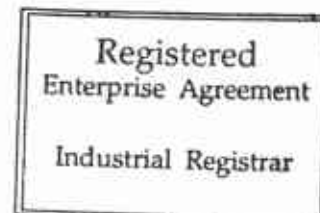
**22. SALARY SACRIFICE**

The provisions of the Steggles Limited salary sacrifice agreement 1999 apply to the employees employed under this agreement. In addition to salary sacrifice superannuation contributions as provided for by that agreement, employees are free to enter into salary sacrifice arrangements for other expenditures, subject to the following conditions:

- all costs of the employee's employment remain tax deductible to the companies;
- the calculation of the employee's salary sacrifice arrangement will include all Fringe Benefit Tax liabilities, deductible and non-deductible; and
- the employee's arrangements do not place excessive administration load on the site pay office staff.

**23. NOVATED MOTOR VEHICLE LEASES**

Employees employed under this agreement are free to arrange Novated Motor Vehicle Leases through the company's vehicle leasing provider in accordance with the company's Motor Vehicle Policy. Under these arrangements, employees' pre-tax earnings will be reduced by an amount equivalent to the cost of the lease, including FBT, as advised by the lease provider.



**24. EXECUTION**

Signed for and on behalf of Steggle's Limited by Jenny Gregory – Human Resources Manager – NSW



Date: Tuesday, August 03, 1999

Signed for and on behalf of the Electrical Trades Union – NSW Branch, by:

(Name) BERNIE RIORDAN

(Title) SECRETARY

(Signature) B. Ri

Date: 10.8.99

Signed for and on behalf of the Automotive, Food, Metal, Engineering, Printing, and Kindrid Industries Union – NSW Branch, by:

(Name) PAUL FARRAN

(Title) SENIOR SECRETARY

(Signature) [Handwritten Signature]

Date: 12 Aug 99



STEGGLES LIMITED

NSW OPERATIONS REDUNDANCY AGREEMENT

1. SCOPE OF AGREEMENT

This agreement is made between the company and the unions; and applies to all employees of the company in New South Wales. This agreement supersedes any and all entitlements that are not specifically provided for in this agreement.

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2. DEFINITIONS

**"All purpose rate"** means the rate of pay used to calculate one week's normal pay. The all purpose rate excludes overtime; but includes penalty rates and shift premiums, and all allowances.

**"Casual employee"** means an employee who is employed on an hourly basis, and who has no reasonable expectation of regular work. A casual employee is not entitled to any termination payments pursuant to this agreement.

**"Part time employee"** means an employee whose rostered hours of work are less than an average of 36.5 hours per week.

**"Redundancy"** means a situation where the company proposes to permanently cease operating all or part of its business; and this cessation results in one or more full time or part time employees becoming surplus to the company's labour requirements. "Redundancy" does not include:

- (a) termination of employment pursuant to the company's Disciplinary Policy and Procedures, provided that such termination is not directly related to the company's requirement to reduce its labour requirements;
- (b) termination of employment due to retirement;
- (c) situations where full time or part time employees become surplus to the company's labour requirements due to industrial action taken by employees which affects the company's ability to continue normal operations;
- (d) variations to rosters or shifts (as provided for by parent awards or site agreements) as a result of restructuring or changes in customer demands or operational requirements. Such roster or shift changes shall be made in consultation with the union/s and employees. Where employees are genuinely forced to terminate their employment as a result of such changes, the employee will be entitled to a redundancy benefit pursuant to this agreement. "Genuinely forced to terminate" employment does not include financial disadvantage as a result of changed entitlements to shift allowances or overtime;
- (e) situations where part time or full time employees are not prepared to undertake training or redeployment as a result of technological or operational changes which require such training or redeployment; provided that the proposed training or redeployment is agreed by the company and the union to be reasonably within the employee's capability;
- (f) short term reductions in the company's labour requirements which can be managed pursuant to clause 4 of this agreement; or
- (g) the sale or transfer of some or all of the company's business where continuity of employment is offered to employees.

**"The company"** means Steggles Limited.

**"The unions"** means those unions participating in the company's Beresfield site single bargaining unit, and includes the AMIEU; AWU; AMWU; ASU; ETU; NUW; SAWEFA; and TWU.

**"Week's pay"** means the applicable rate of pay used to calculate the employee's normal weekly rate of pay for the pay period immediately prior to the date of termination. Where employees are engaged on annualised salary agreements, a week's pay is determined by dividing the annual salary by 52.

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

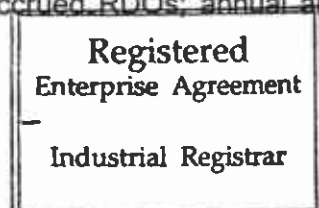
### 3. CONSULTATION

Where the company is of the view that a redundancy situation is likely to occur, it shall convene a meeting with the relevant union or unions. The company will provide as much relevant information on the circumstances which may lead to redundancies as is commercially prudent. The company and the unions will jointly seek alternatives to redundancies.

### 4. STEPS TO AVOID REDUNDANCIES

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

- reducing the hours worked by casual employees;
- reducing the number of casual employees;
- requiring full time and part time employees to take accrued RDOs; annual and long service leave; and
- reducing the hours worked by part time employees.



### 5. SELECTION FOR REDUNDANCY

(a) The ideal outcome of a redundancy situation is one where employees volunteer for termination of employment, and the company's operational requirements are met by the termination of employment of such volunteers.

(b) In the event that there are insufficient volunteers, or the company's operational requirements would not be met by the termination of employment of volunteers; the company will determine who is to become redundant using the following criteria:

- where possible, the work area where redundancies are required will be the area in which employees are selected for redundancy;
- long term operational requirements as to employee skills, experience and potential; and
- considerations of seniority, equity and fairness.

(c) In the event that there are more volunteers for redundancy than are required by the company; the company will determine who is to become redundant using the following criteria:

- where possible, the work area where redundancies are required will be the area in which employees are selected for redundancy;
- the company's medium and long term skill requirements; and
- other things being equal, those employees with the longest service shall have first preference for redundancy.

- (d) Where the relevant union disagrees with the company's determination pursuant to this clause, it is entitled to have the company's determination reviewed pursuant to Clause 10, Resolution of Disputes.

## 6. NOTICE OF REDUNDANCY

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

## 7. PAYMENTS UPON TERMINATION OF EMPLOYMENT

On the last day of employment, redundant employees will receive a termination payment based on the following formulae:

- (a) 4 weeks' pay;
- (b) a further 4 weeks' pay for each year of service, calculated to completed quarters; provided the total payment made pursuant to sub-clauses 7(a) and 7(b) will not exceed 56 weeks' pay.
- (c) accrued annual leave entitlements in accordance with the applicable NSW legislation and/or award; and
- (d) accrued long service leave entitlements in accordance with the applicable NSW legislation and/or award, provided that employees with not less than 5 years' service will be entitled to pro rata long service leave.

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



**8. ASSISTANCE TO SECURE ALTERNATIVE EMPLOYMENT**

The company will provide outplacement support to employees who are to be made redundant. The level of outplacement support will vary depending on the number and requirements of the employees concerned. As a minimum, the company will, through its preferred outplacement services provider/s, ensure that those employees who need it receive preliminary counseling, assistance in establishing a job-search plan, and advice in the preparation of job applications.

The company and the union/s will discuss the appropriate level of outplacement support prior to any program being initiated.

**9. TREATMENT OF CASUAL EMPLOYEES**

For the purpose of this clause, a "casual employee" is an employee who receives a casual loading.

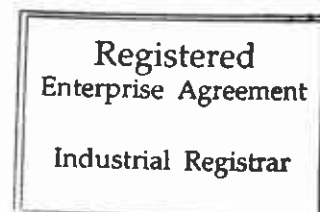
Where a part time or full time employee has continuous service with the company as a casual employee prior to commencing their part time or full time employment; such service will be treated as part time or full time service for the purpose of sub-clause 7(b) of this agreement.

A part time or full time employee who has continuous service with the company as a casual employee prior to commencing their part time or full time employment will not have that service taken into account for the purpose of calculating entitlements pursuant to sub-clause 7(c) of this agreement.

**10. RESOLUTION OF DISPUTES**

Where the union/s have a grievance or claim in relation to the application or interpretation of this agreement, it shall be raised in the first instance with the company's NSW Human Resources Manager or her nominee. If the grievance or claim cannot be resolved by discussion, the matter will be referred to the applicable industrial tribunal for resolution.

Whilst the grievance or claim is being resolved, the unions will not take any form of industrial action.



## STATEMENT OF PRINCIPLES – ANNUAL SALARIES

1. Traditional award systems reward employees for the time they are at work – either on a fixed rate for 38 hours per week; or on an hourly basis for part time and casual employees. Normally loadings of 50% and/or 100% of the hourly rate will apply once standard weekly or daily hours have been exceeded.

This type of system is rewarding employees only on the basis of the time that employees spend at work; and fails to take into account more important performance criteria such as quality, service, cycle time, waste reduction and process improvement. As businesses seek to implement world class production systems, the conflict between the traditional payment system and the business objectives becomes an increasingly important issue for resolution.

2. One solution to this issue is to eliminate the concept of fixed weekly hours and pay employees a fixed annual salary that applies regardless of the number of hours actually worked; and on the basis of the skills that employees bring to the business. The overall objective of such a system is to reward employees for their skills and contributions in delivering enhanced customer service and more efficient performance.
3. The regulation of day-to-day work is managed by agreement between employees; the union and management. Performance measures will be determined and monitored. This will include ongoing review of the demands on the site; the number of employees; safety performance and overall site efficiency.
4. The company and the union will meet at least monthly to review the operation of the agreement; and to review manning levels. Where a matter cannot be resolved by consensus, it will be referred to the NSWIC for resolution.
5. In the development and management of annualised salary agreements, and particularly with regard to manning levels; use of casuals and contractors; hours and days worked and salary levels; the company and the relevant union will be guided by:

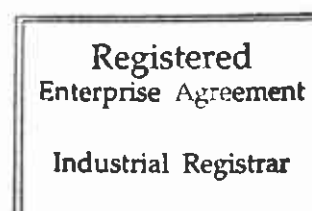
- staffing levels in existence in the function for a representative period immediately prior to the introduction or proposed introduction of annualised salaries.

- hours and days worked in the function for a representative period immediately prior to the introduction or proposed introduction of annualised salaries.

- actual gross earnings for a representative period immediately prior to the introduction or proposed introduction of annualised salaries.

Hours and days worked and staffing levels will be monitored; however it is understood and accepted that these will vary with the demands on the business. It is not the intention of the parties that there be minimum or maximum hours or days of work or staffing levels; but that the company's operational requirements are met effectively.

6. At all times in the development and management of annualised salary systems, considerations of occupational health and safety will remain paramount, consistent with the company's statement of policy on OH&S.



**Primary Processing Utilities Roster**

Shift	Week 1 (18/4/99)							Week 2							Week 3							Week 4								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Troy Muddle	D	D	D	N	N	N		D	D	D	D	N	N	N		D	D	D	D	N	N	N		D	D	D	D	N	N	N
Jason Niszczot	D	D	D	N	N	N		D	D	D	D	N	N	N		D	D	D	D	N	N	N		D	D	D	D	N	N	N
Rodney Tuxford				D	D	D	N				D	D	D	N				D	D	D	N				D	D	D	N		
Trevor Avard				D	D	D	N				D	D	D	N				D	D	D	N				D	D	D	N		
Tony Young	N						D	N						D	N						D	N						D		
Andrew Campbell	N						D	N						D	N						D	N						D		
Mark Rooke	D	N	N				D	D	N	N				D	D	N	N				D	D	N	N				D		
Allan Bain	D	N	N				D	D	N	N				D	D	N	N				D	D	N	N				D		
Craig Woodward				D	D	D	D				D	D	D	D				D	D	D	D				D	D	D	D		

Shift	Week 5							Week 6							Week 7							Week 8						
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Troy Muddle	N						D	N						D	N						D	N						D
Jason Niszczot	N						D	N						D	N						D	N						D
Rodney Tuxford	D	N	N				D	D	N	N				D	D	N	N				D	D	N	N				D
Trevor Avard	D	N	N				D	D	N	N				D	D	N	N				D	D	N	N				D
Tony Young				D	N	N					D	N	N					D	N	N					D	N	N	
Andrew Campbell				D	N	N					D	N	N					D	N	N					D	N	N	
Mark Rooke				D	N	N					D	N	N					D	N	N					D	N	N	
Allan Bain				D	N	N					D	N	N					D	N	N					D	N	N	
Craig Woodward				D	D	D	D				D	D	D	D				D	D	D	D				D	D	D	D

Registered  
Enterprise Agreement  
Industrial Registrar

8 SHIFT FITTERS - 12 HOUR SHIFTS  
1 DAY FITTER/LEADING HAND - WEEKDAYS ARE 8 HOURS; SATURDAYS ARE 10 HOURS.



## Utilities Annualised Salary

### Level 2 – 12 Hour, Continuous Shift work

A.	8 week total	= \$ 7,363.66
	Weekly	= \$ 920.46
	Annually	= \$47,863.79
B.	5% Annualised Salary Incentive	= \$47,863.79 x 0.05 = \$ 2,393.19
C.	Buy Out of RDO – 12 RDO's / yr.	= 12 x 8 hours @ Saturday rate
	Ordinary time component of RDO's	= 12 x 8 x O/T
	Premium time component	= 12 x (2 x 1.5 x O/T + 6 x 2 x O/T - 8 x O/T) = 12 x 2 x O/T x (1.5 + 6 - 4) = 12 x 2 x 15.87 x 3.5 = \$1,333.08
	<b>SUB TOTAL</b>	<b>= \$51,590.06.....X</b>

### Allowances

• 5 Public Holidays per year	= 5 x 12 hour days @ 1.5 x O/T (1 x O/T in roster)
	= 90 x O/T
• 1 Picnic day = 12 hours @ 1.5 x O/T	= 18 x O/T
• 3 days sick coverage	= 3 days @ Saturday rate
	= 3 x 23 x O/T
	= 69 x O/T
Bank	= 177 hours
Total increment	= 177 x O/T
	= 177 x 15.87
	= \$2,808.99.....Y
<b>TOTAL SALARY</b>	<b>= X + Y</b> <b>= \$51,590.06 + \$2,808.99</b> <b>= <u>\$54,399.05</u></b>

Registered Enterprise Agreement  Industrial Registrar
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### Level 3 – 12 hour, Continuous Shift work

<b>SUB TOTAL</b>	<b>= X + 52 weeks x \$19/week</b> <b>= \$51,590.06 + 52 weeks x \$19/week</b> <b>= \$52,578.06</b>
<b>TOTAL SALARY</b>	<b>= \$52,578.06 + Y</b> <b>= \$52,578.06 + \$2,808.99</b> <b>= <u>\$55,387.05</u></b>

**Level 4 – 12 Hour, Continuous Shift work**

SUB TOTAL = X + 52 weeks x \$27/week  
 = \$51,590.06 + 52 weeks x \$27/week  
 = \$52,994.06

TOTAL SALARY = \$52,994.06 + Y  
 = \$52,994.06 + \$2,808.99  
 = \$55,803.05

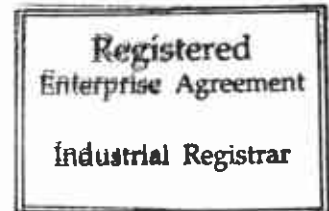
**Level 5 – 12 Hour, Continuous Shift work**

SUB TOTAL = X + 52weeks x \$42/week  
 = \$51,590.06 + 52weeks x \$42/week  
 = \$53,774.06

TOTAL SALARY = \$53,774.06 + Y  
 = \$53,774.06 + \$2,808.99  
 = \$56,583.05

**Level 5, Leadhand – 12 Hour Daywork**

A.	Weekly	= \$ 870.06
	Annually	= \$45,243.12
B.	5% Annualised Salary Incentive	= \$45,243.12 x 0.05 = \$ 2,262.16
C.	Buy Out of RDO – 12 RDO's / yr. Ordinary time component of RDO's Premium time component	= 12 x 8 hours @ Saturday rate = 12 x 8 x O/T = 12 x (2 x 1.5 x O/T + 6 x 2 x O/T - 8 x O/T) = 12 x 2 x O/T x (1.5 + 6 - 4) = 12 x 2 x 17.06 x 3.5 = \$1,433.04
	A + B + C	= \$48,938.32
	SUB TOTAL	= \$48,938.32 + 52weeks x \$50/week = \$51,122.32



**Allowances**

- 4 production Saturdays per year = 4 hours @ O/T  
= 4 x O/T
- 2 Public Holidays per year = 2 x 12 hour days @ 1.5 x O/T (1 x O/T in roster)  
= 36 x O/T
- 2 Sundays per year for project work = 2 x 24 x O/T  
= 48 x O/T
- 1 Sunday for breakdown work per year = 12 hours @ 2 x O/T  
= 24 x O/T

• 3 days sick coverage	= 3 days @ Saturday rate
	= 3 x 23 x O/T
	= 69 x O/T
Bank	= 181 hours
• Leave loading of 20% on holidays	= 0.2 x 4 x 42 x O/T
	= 33.6 x O/T
Total increment	= 214.6 x O/T
	= 214.6 x 17.06
	= \$3661.08
<b>TOTAL SALARY</b>	= \$51,122.32 + \$3661.08
	= <b><u>\$54,783.40</u></b>



Primary Processing Electrical Roster

Shift	Week 1 (18/4/99)							Week 2							Week 3						
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Wayne Schofield	N			D	D			D	D	D	N	N				N	N				
Graham Bramley	N				N		D	D	N	N	N	N				N	N				
Mark Cameron		D	D	N	N			N	N	N			D	D	N			D	D		
Mark Burton		D	D	N	N			N	N	N		D	D	D	N			N	N		
Michael Curtis		N	N				D							D							
Andrew Pascoe		N	N				D							D							
Adam Woolnough				D	D	D				D	D	D	D					D	D	D	D
Dale Hunt				D	D	D								D							
Simon Mead		D	D	D	Tech	RDO		D	D	D	D	Tech	D	D	D	D	D	D	Tech	D	D
Kevin Riboldi		D	Tech	D	D	D		D	Tech	D	D	D	RDO		D		Tech	D	D	D	D
G Wood														D							

Shift	Week 4							Week 5							Week 6						
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Wayne Schofield	N						D		D	D	N	N				N	N				
Graham Bramley	N			D	D			D	D	D	N	N				N	N				
Mark Cameron		D	D	N	N			N	N	N			D	D	N						
Mark Burton		D	D	N	N			N	N	N			D	D	N						
Michael Curtis		N	N				D							D							
Andrew Pascoe		N	N				D							D							
Adam Woolnough				D	D	D				D	D	D	D					D	D	D	D
Dale Hunt				D	D	D								D							
Simon Mead		D	D	D	Tech	D		RDO	D	D	D	Tech	D	D	D	D	D	D	Tech	D	D
Kevin Riboldi		D	Tech	D	D	D		D	Tech	D	D	D			D	RDO	Tech	D	D	D	D
G Wood							D														



NOTE - ALL SATURDAY SHIFTS ARE 12 HOURS  
APPRENTICES - REMAIN AS PER NORMAL 8 HOUR SHIFTS.  
SATURDAY IS OVERTIME.

SHIFTS WORK  
RELIEF  
L/H  
G WOOD

12 HOUR SHIFTS  
10 HOUR SHIFTS  
10 HOUR SHIFTS  
8 HOUR SHIFTS