

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA00/140

TITLE: National Foods Milk Taree Operations Agreement 2000-2002

I.R.C. NO: 00/1040

DATE APPROVED/COMMENCEMENT: 1 May 2000

TERM: 31 December 2002

**NEW AGREEMENT OR
VARIATION: New**

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 14

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees engaged in the Receiving, processing, packaging and distribution of milk and related products located at the company's site at Taree

PARTIES: National Foods Milk Ltd -&- The Australasian Meat Industry Employees' Union, Newcastle and Northern Branch

Registered
Enterprise Agreement
Industrial Registrar

NATIONAL FOODS MILK

TAREE OPERATIONS AGREEMENT 2000-2002

Registered
Enterprise Agreement
Industrial Registrar

1. ARRANGEMENT

Clause No.	Description
4.	Agreement / Award Relationship
1.	Arrangement
11.	Casuals
8.	Classification Structure and Payment of Wages
7.	Consultative Committee
14.	Disputes Resolution Procedure
20.	Duration
22.	Execution
18.	Induction of New Employees
15.	Leave to Attend Union Business
19.	Maternity Leave
5.	Mission Statement
6.	Objective
3.	Incidence and Parties Bound
12.	Part Time Employment
21.	Precedence
13.	Redundancy
10.	Hours of Work
9.	Superannuation
16.	Trade Union Training Leave
2.	Title
17.	Union Membership Deductions

Table 1 - Base Wage.

Table 2 - Skills Allowances

Table 3 - Other Allowances

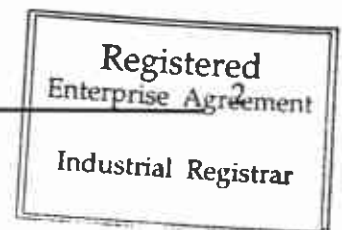
2. TITLE

This agreement shall be known as the National Foods Milk Taree Operations Agreement 2000 - 2002 ("the agreement").

3. INCIDENCE AND PARTIES BOUND

This agreement is made between National Foods Milk Limited (ACN 051 195 272 ("the Company"), and the Australasian Meat Industry Employees' Union, Newcastle and Northern Branch ("the Union") on behalf of all employees who are eligible to be members of the union employed at the Taree facility at 10 Railway Parade, Taree, engaged in the Receiving, processing, packaging and distribution of milk and related products.

This agreement shall replace the National Foods Milk Limited Taree Award and the National Dairies Limited (Taree Operations) Redundancy Award.



4. AGREEMENT / AWARD RELATIONSHIP

Where this agreement is silent the provision of the Butter, Cheese and Bacon Factories and Milk and Cream Condenseries (Newcastle and Northern) (State) Award ("the Award") will apply.

In the event of any inconsistency between the award and the agreement, the agreement will take precedence to the extent of the inconsistency.

5. MISSION STATEMENT

National Foods Milk aim to become a world class dairy food and beverage company, which provides ongoing satisfaction to customers and shareholders, employees and suppliers. This will be achieved through implementing the following.

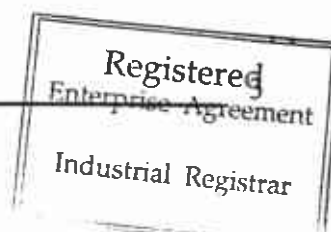
- improving customer satisfaction
- insuring safe, reliable and responsible operations
- pursuing profitable sales growth
- introduction of world class techniques for innovative product and process development
- improved utilisation of resources

6. OBJECTIVE

The objective of this agreement is to assist the Taree site in achieving world class performance standards in quality, safety and efficiency; and to provide secure and fulfilling work for all employees.

7. CONSULTATIVE COMMITTEE

There shall be a site consultative committee established. The objective of the committee is to support the achievement of the objective of the agreement. The committee shall be constituted by representatives of management and the union. The committee shall be representative of the site. The committee shall meet at least monthly.

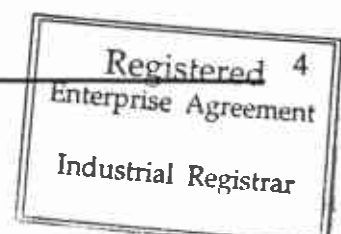


8. CLASSIFICATION STRUCTURE AND PAYMENT OF WAGES

- 8.1 The allocation and carrying out of work shall be determined by considerations of safety, efficiency and legislative requirement.
- 8.2 The base rate of pay shall be as set out in Table 1 - Wages, of Part B, Monetary Rates. Employees shall receive this rate whilst learning their first skill.
- 8.3 Employees shall be paid the appropriate skills allowance on demonstrating competence in each skill as set out in Table 2 - Skills Allowance, of the said Part B. The Skill Allowance Base Rate for calculation of the skill allowances in Table 2 is \$16.00 per week.
- 8.4 Access to training will be governed by two principles;
the site's operational requirements; and,
considerations of fairness and equity as to employee access to training and associated wage increases.
- 8.5 Where a dispute arises as to employee access to training, it shall be resolved in accordance with the disputes procedure in this agreement.
- 8.6 Employees who are required to hold a first aid certificate will receive an allowance as set out in Item 1 of Table 3 - Other Rates and Allowances, of Part B, Monetary Rates.
- 8.7 Shift allowances will apply as follows:
"Morning Shift" is a shift where ordinary time commences at or after 0400 and no later than 1159. No shift allowance is paid for morning shift.

"Afternoon Shift" is a shift where ordinary time commences at or after 1200 (midday) and no later than 1959. Afternoon shift allowance is as set out in Item 2 of Table 3 - Other Rates and Allowances, of Part B, Monetary Rates.

"Night Shift" is a shift where ordinary time commences at or after 2000 and no later than 0359. Night shift allowance is as set out in Item 2 of Table 3 - Other Rates and Allowances, of Part B, Monetary Rates.
- 8.8 12 hour roster shift allowances
Dayshift starting 3am to 6am see Table 3
Nightshift starting 3pm to 6pm see Table 3
- 8.8 The meal allowance see Item 4 of Table 3 - Other Rates and Allowances, of Part B, Monetary Rates.



9. SUPERANNUATION

All employees are required to become and remain members of the Meat Industry Employees Superannuation Fund. Contributions to the fund will be made in accordance with the Superannuation Guarantee Legislation.

New employees will be given an information kit on the Meat Industry Employees Superannuation Fund upon commencing work.

Employees who are already members of the National Foods Limited Superannuation Fund may remain in that fund or any successor.

10. HOURS OF WORK

10.1 Ordinary hours of work will be 38 per week.

10.2 All employees will be entitled to a rostered day for every 19 days worked to be taken at times which suit the operational requirements of the business.

11. CASUALS

Casual employees are employed by the hour (with a minimum payment as for 4 hours work for each day worked) and do not receive entitlements to leave, other than long service leave. Casual employees are to have Superannuation entitlements credited to the Meat Industry Employees Superannuation Fund. A Casual employee's rate of pay shall be calculated on the base rate in addition to skill allowance(s) for the skills held by the employee with loadings of 15% and 8.33% (the latter in lieu of annual leave).

12. PART TIME EMPLOYMENT

12.1 Employees may be employed on a part time basis. Part time employment will be constituted by an employee having their nominal normal hours of work set in the range between 20 and 32 hours per week.

12.2 Part time employees will receive all standard conditions and benefits of employment applicable at the site on a pro rata basis. These benefits will include shift penalties, sick, annual, parental and long service leave, access to training, redundancy benefits and superannuation.

12.3 Where an employee works in excess of their nominal hours but less than standard hours (38), the excess hours shall attract a loading of 19%. These excess hours will not accrue any leave or superannuation benefits (subject to SGC requirements). In the event that a part time employee works in excess of standard hours (38) in any one week, or

8 hours in any one day, normal overtime rates will apply.

12.4 A part time employee's nominal hours may be varied by agreement between the company and the employee.

13. REDUNDANCY

13.1 Discussions before termination

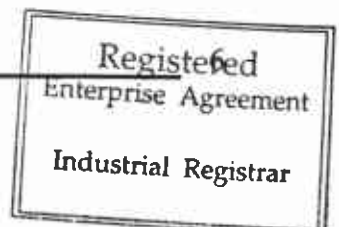
a) Where the employer has made a definite decision that the employer no longer wishes the job an employee has been doing done by anyone and this is not due to the ordinary and customary turnover of labour and that decision may lead to termination of employment by the employer, the employer shall hold discussions with the employees directly affected and with their union.

b) The discussions shall take place as soon as is practicable after the employer has made a definite decision which will invoke the provisions of paragraph (a) and shall cover, any reasons for the proposed terminations, measures to avoid or minimise the terminations and measures to mitigate any adverse effects of any termination on the employees concerned.

c) For the purpose of the discussions the employer shall, as soon as practicable, provide in writing to the employees concerned and their union, all relevant information about the proposed termination including the reasons for the proposed terminations, the number and categories of employees likely to be affected, and the number of employees normally employed and the period over which the terminations are likely to be carried out. Provided that the employer shall not be required to disclose confidential information the disclosure of which would be inimical to the employer's interest.

13.2 Transfer to lower paid duties

Where an employee is transferred to lower paid duties for reasons set out in paragraph 1 a), the employee shall be required to participate in gaining other skills to offset any redundant skills. If an employee does not participate in gaining substitute skills, the skills allowance for any redundant skills will not be paid.



13.3 Period of notice

a) The period of notice shall be:

Employee's period of continuous service
Period of notice

Not more than 1 year	1 week
More than 1 year	4 weeks

For those employees who are 45 years of age or more 1 extra week's notice shall be given (as per Legislation).

13.4 Severance Pay

a) In addition to the period of notice prescribed in Clause (3) an employee whose employment is terminated for reasons set out in subclause (1) shall be entitled to the following amount of severance pay in respect of a continuous period of service;

Period of Continuous Service	Severance Pay
1 year or less	4 weeks per year of service - Pro-rata calculated to completed quarters
Over 1 year	4 weeks per year of service - Pro-rata calculated to completed quarters

b) The weeks pay means the ordinary time rate of pay (including skills) for the employee concerned.

c) No employee shall receive payments pursuant to this subclause that exceed 104 weeks pay.

13.5 Employee leaving during notice.

An employee whose employment is terminated for reason set out in the subclause (1) may leave employment during the period of notice and, if so, shall be entitled to the same benefits and payments under this clause had the employee remained with the employer until the expiry of the notice period. Provided that in those circumstances the employee shall not be entitled to payment in lieu of notice.

13.6 Alternative employment

The employer in a particular redundancy case, may make application to the Commission to have the general severance pay prescriptions varied if the employer obtains acceptable alternative employment for an employee.

13.7 Time off during notice period.

During the period of notice of termination given by the employer for reasons set in subclause (1) an employee shall be allowed up to one day's time off without loss of pay during each week of notice for the purpose of seeking other employment.

If the employee has been allowed paid leave for more than one day during the notice period for the purpose of seeking other employment the employee shall, at the request of the employer, be required to produce proof of attendance at any interview or the employee shall not receive payment for the time absent.

For this purpose a statutory declaration will be sufficient.

13.8 Notice to Commonwealth Employment Service

Where a decision has been made to terminate an employee in the circumstance outlined in subclause (1), the employer shall notify the Commonwealth Employment Service thereof as soon as possible giving relevant information including the number and categories of the employees likely to be affected and the period over which the terminations are intended to be carried out.

13.9 Employees exempted

This redundancy agreement shall not apply where employment is terminated as a consequence of anything other than redundancy ie. conduct that justifies instant dismissal, including malingering, inefficiency or neglect of duty, or in the case of casual employees, or employees engaged for a specific period of time or for a specified task or tasks, for a period of less than twelve months.

14. DISPUTES RESOLUTION PROCEDURE

- 14.1 It is recognised that employees and the union may from time to time have grievances or claims that they wish to pursue with the Company. It is agreed that such issues will be resolved in accordance with this procedure without disruption to customer service or site operations.
- 14.2 All efforts will be made to resolve issues by agreement at the local level.
- 14.3 Where agreement cannot be reached, a meeting shall be held between the company's designated representative(s), a union official (nominated by the Secretary of the Union) and/or the employee or his/her representative.
- 14.4 Where agreement cannot be reached, the matter shall be referred to the NSW Industrial Relations Commission for resolution.
- 14.5 While this procedure is being followed, work shall continue as usual. That is, the situation applying immediately before the dispute shall be adhered to, subject to the requirement that safety, health and environmental standards are not prejudiced.
- 14.6 In the event that an employee is dismissed, and the union opposes the dismissal, the employee concerned shall be suspended on full pay until a meeting has been convened involving the union delegate, relevant senior manager and the employee concerned to discuss the issue.

15. LEAVE TO ATTEND UNION BUSINESS

- 15.1 Leave of absence from work to attend any union business will be allowed by the Company to any employee who is a member of the union provided fair and reasonable notice is given to the Company.
- 15.2 Provided that such leave shall be restricted to one employee at a time who will be paid as if at work for the time he or she is absent.

16. TRADE UNION TRAINING LEAVE

- 16.1 Union delegates who have held the position for 3 months will be entitled to non-cumulative trade union training leave of five days per year on full pay.
- 16.2 The employer will be consulted before the nature and content of the course is finalised.

- 16.3 Trade Union Training Leave courses are conducted by the Union (or its agent) and approved by the employer. Leave may be granted where the course aims to improve the employee's knowledge of industrial relations or related issues.
- 16.4 Applications for leave must be made to the employer two weeks before the course commences.
- 16.5 The granting of leave is subject to an employer being able to make proper staffing arrangements for the relevant period.
- 16.6 The union shall nominate no more than three delegates for leave at the same time.

17. UNION MEMBERSHIP DEDUCTIONS

The Company shall deduct from the wages of each employee who has authorised it membership fees at the amount from time to time decided by the Committee of Management of the Union. The Company shall forward these deductions to the Secretary of the Union.

18. INDUCTION OF NEW EMPLOYEES

- 18.1 The Company will implement an induction program for all new employees which will include training on occupational health and safety and workers compensation.
- 18.2 The union delegate will be given paid time off to speak to all new employees inducted during the induction process.
- 18.3 The new employees will be paid for attendance, whether during working hours or not.
- 18.4 A suitable training room and facilities will be provided for the purpose of the meeting between new employees and the delegate.

19. MATERNITY LEAVE

In addition to the entitlements arising from the Parental Leave provisions of the Industrial Relations Act 1996 (NSW) female employees who intend to return to work following the birth of a living child are entitled to 8 weeks paid maternity leave provided that:

- * the employee has completed 12 months' continuous service; and
- * the child's father is not in receipt of paid paternity leave.

20. DURATION

This agreement shall take effect from the first full pay period commencing on or after 1/1/2000 and shall remain in force until 31/12/2002. The Company and the union will meet at least 6 weeks prior to the expiry of this agreement with a view to renewing it.

21. PRECEDENCE

This agreement is not to be used as a precedence for any claim or any other site or business operated by National Foods Limited or its subsidiaries.

22. EXECUTION

Signed for National Foods (NSW) Limited by Ron Della Vedova,
Regional General Manager.

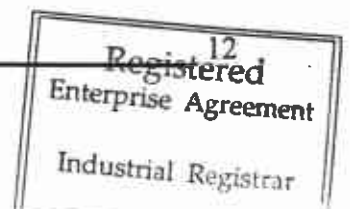
Ron Della Vedova

24/12/99
Date

Signed for the Australasian Meat Industry Employees' Union,
Newcastle and Northern Branch.

[Signature]

21/2/00
Date



PART B - MONETARY RATES

Table 1 - Base Wage

From 1 January 1999	\$475.72
From 3 January 2000	\$494.75
From 1 January 2001	\$517.01

Table 2 - Skills Allowances

SKILLS	AMOUNT PER WEEK \$
(i) MANUFACTURING	
Market milk receipt & despatch	12.80
Milk Concentration	14.00
Pasteurisation	12.80
Mix	11.87
Pasteurised Milk Storage Vat area	11.20
Spray Drying	13.47
Powder Packing	10.80
Process Scheduling	13.87
Milk Planning	13.47
Pre-Mix	9.87
(ii) PACKAGING	
Packer	7.87
Dry goods	11.47
Crate Washer	8.27
Debagger	7.87
2lt bottle filler line	12.80
Carton filler line	13.60
500ml bottle filler line	12.80
(iii) LOGISTICS	
Palletisation	8.80
Order Picking	12.13
Despatch	12.93
Raw Materials Control	12.27
Purchasing and Raw Material Control	12.93
Storeperson	10.80
Milk Powder Co-ordinator	11.87
Stocker	10.67
Truck Loading	12.13
(iv) TECHNICAL SERVICES	
Hold/Release Complaints	13.07
Downstairs laboratory	13.50
Plating	12.80
Activities	12.13
Majonnier Room	14.40

PART B - MONETARY RATES

Table 3 - Other Rates and Allowances

ITEM NO.	CLAUSE NO.	BRIEF DESCRIPTION	AMOUNT \$
1	7	First Aid Allowance	9.50
2		Shift Allowances - Afternoon Shift Night Shift	11.10 21.15
3		12 hour roster shift allowances Dayshift starting 3am to 6am Nightshift starting 3pm to 6pm	5.00 22.00
4		Meal Allowance	6.00
5		Team Leader	Range 35.00 to 75.00 wk
6		Container packing - Allowance only	10.80

Registered
Enterprise Agreement
Industrial Registrar