

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA03/124

TITLE: Dairy Farmers AMIEU Newcastle and Northern Enterprise Agreement 2002

I.R.C. NO: IRC3/2359

DATE APPROVED/COMMENCEMENT: 16 May 2003

TERM: 27 November 2005

**NEW AGREEMENT OR
VARIATION:** Replaces EA00/174

GAZETTAL REFERENCE: 20 June 2003

DATE TERMINATED:

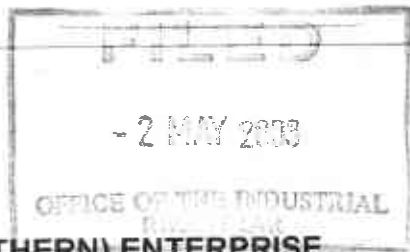
NUMBER OF PAGES: 22

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to employees engaged under the Butter & Cheese and Other Dairy Newcastle and Northern) Award at the Company's sites at Hexham and Comboyne (excluding all Hexham Distribution employees, Rural Trading employees and employees engaged in Country Stores

PARTIES: Australian Co-operative Foods Limited -&- The Australasian Meat Industry Employees' Union, Newcastle and Northern Branch





DAIRY FARMERS AMIEU (NEWCASTLE AND NORTHERN) ENTERPRISE AGREEMENT 2002

1. Title

This Agreement shall be known as the Dairy Farmers AMIEU (Newcastle and Northern Enterprise Agreement 2002 ("Agreement")).

2. Arrangement

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3. Parties, Area and Incidence

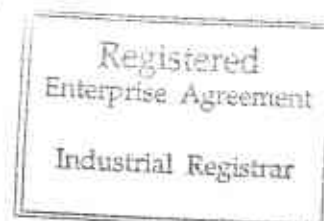
This Agreement is made between Australian Co-operative Foods Limited (trading in New South Wales as and herein called Dairy Farmers) and the Australasian Meat Industry Employees' Union, Newcastle and Northern Branch and shall apply to employees engaged under the Butter, Cheese and Other Dairy Products (Newcastle and Northern) Award (Award) at Hexham and Comboyne in the classifications set out in Appendix A to the Agreement (excluding all Hexham Distribution employees, Rural Trading employees and employees engaged in Country Stores).

4. Supersession of Previous Agreements/Awards

Except as provided by subclause 5(ii), this Agreement supersedes all awards and agreements which would otherwise apply to employees bound by this Agreement.

5. Rates of Pay and Relationship to Award

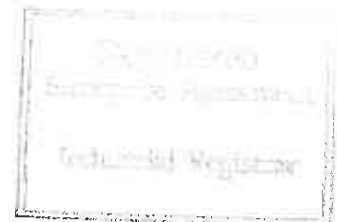
- (i) Dairy Farmers will increase the current ordinary time rates as follows:
- (a) To the rates shown in Column 1 of Appendix A from the first pay period on or after 27th June 2003. (5%)
 - (b) 5% from the first pay period on or after 27th June 2004.
 - (c) 5% from the first pay period on or after 27th June 2005.
- (ii) The Award will regulate the rates of pay and conditions of employment of employees covered by this Agreement except to the extent that such rates and/or conditions of employment are inconsistent with this Agreement in which case the provisions of this Agreement shall apply. There shall be no further pay increases during the currency of this Agreement except where consistent with the provisions of a NSW State Wage Case decision. It is further agreed that any such increase shall be processed by way of a variation to this Agreement pursuant to Section 43 of the NSW Industrial Relations Act.



6. Classification Definitions

The following classification definitions shall replace definitions at subclause 7.5 Grades of Clause 7. Wage Rates and Grades of the Award.

- (i) Production Assistant – An employee appointed by Dairy Farmers to this grade shall be required to perform any one or more of the functions within this grade.
- (a) General Hand
 - (b) General Hand – Laboratory engaged in a laboratory washing bottles, labelling containers for samples and performing general cleaning duties
 - (c) Packer cutting product by wire for bulk packing, feeding product into packing machine, weighing, wrapping in bulk, boxing in bulk, ramming, handling finished product into storeroom and stacking and unstacking in storeroom
 - (d) Gardener
 - (e) Employee responsible for cleanliness of plant and factory
 - (f) Machine Operator
- (ii) Plant Operator Grade 1 – An employee appointed by Dairy Farmers to this grade shall be required to perform any one or more of the functions within this grade and may be required to perform any of the duties for which they are trained under Production Assistant.
- (a) Storeperson
 - (b) Freezing Room Employee employed in the freezing room to handle ice-cream and other frozen products into freezing room for storage and/or to remove those products from freezing room for delivery
 - (c) Operator Carton or Bottling Machine
 - (d) Tally, Record and Despatch Hand (Plants and Depots)
 - (e) Special By-product Machine Operator
 - (f) Evaporator Operator (Single Effect)
 - (g) Mix Maker
 - (h) Ice Cream Machine Operator
 - (i) Head Packer
 - (j) Milk Drier Operator (Roller)
 - (k) Milk and Cream Tester determining by any test the purity and fat content of milk and/or cream
 - (l) Pasteuriser and/or Cooler and/or Tanker Flowmeter Operator
 - (m) Spray Milk Drier Operator's Assistant
 - (n) Cultured Product Maker responsible for mixing and culturing product, measuring PH and controlling hot and cold water and directly controlling the process
- (iii) Plant Operator Grade 2 – An employee appointed by Dairy Farmers to this grade shall be required to perform any one or more of the functions within this grade and may be required to perform any of the duties for which they are trained under Plant Operator Grade 1 and Production Assistant.
- (a) Laboratory Operator
 - (b) Storeperson in Charge responsible for store and records and/or purchasing replacements and/or in charge of other employees in the store



- (c) Milk Drier Operator (Spray)
 - (d) Assistant Cheesemaker
 - (e) Milk and Cream Grader determining by sight, scent, taste or other means the quality or grade of milk and/or cream
 - (f) Multi-function Pasteuriser Operator 1 directly responsible for the receipt and preparation of milk ready for further product processing and responsible for some basic analytical testing as is required by recognised industry standards
 - (g) Mix Maker responsible for and certified to operate a Multi-function Pasteuriser
- (iv) Plant Operator Grade 3 - An employee appointed by Dairy Farmers to this grade shall be required to perform any one or more of the functions within this grade and may be required to perform any of the duties for which they are trained under Plant Operator Grade 2, Plant Operator Grade 1 and Production Assistant.
- (a) Control Room Operator responsible for co-ordinating product processing, ensuring ingredients and products are available to meet production schedules, liaising with laboratory on product formulations and approvals
 - (b) Multi-function Pasteuriser Operator 2 directly responsible for the receipt and preparation of milk ready for further product processing and responsible for the full range of chemical analysis of product as is required by recognised industry standards
 - (c) Laboratory Operator directly responsible for regularly performing at least one half of the laboratory's operations
 - (d) Cheesemaker directly controlling the processes of the manufacture of cheese and who performs and/or directly supervises the addition of ingredients to milk, setting and cutting and making of tests
 - (e) Evaporator Operator (Multiple Effect)
 - (f) Butter or Butter Oil Maker directly controlling the processes of the manufacture of butter and who performs and/or directly supervises the actual process of manufacture after buttermilk has been drained from the churn
 - (g) Senior Operator responsible for advanced packaging, processing, intake and cleaning functions as determined by Dairy Farmers
- (v) Junior Labour
- (a) Junior Laboratory Employee
 - (b) A youth required to perform any other duties for which a classification is provided in subclauses (i) to (iv) of this Clause shall be paid the weekly rate of pay prescribed for such class of work
- (vi) Forklift Operator
 - (vii) Foreperson
 - (viii) Tanker Driver Grader
 - (a) under 15,911 litres capacity
 - (b) from 15,911 litres capacity

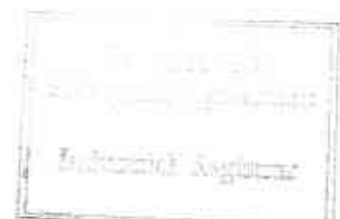


7. Allowances

The following allowances shall be the only allowances payable to production, distribution and stores employees during the term of this Agreement and shall replace all allowances specified at Clause 5 Meal Breaks, Clause 8 Allowances, Clause 9 Shift Workers and Clause 11 Working in Cold Temperatures of the Award.

- (a) Leading Hand Allowance shall be paid to employees employed as leading hands in addition to the appropriate rates of pay prescribed by this Agreement. This subclause shall not apply to an employee classified and paid as a Head Packer (unless such employee is in charge of other than packers), Foreperson or Storeperson in Charge.
- (b) An employee (excluding a Foreperson) who, for 2 hours or more on any day, is required to take charge of a depot or is made responsible by Dairy Farmers for the overall output of a production or transport shift or section or multidisciplinary work team shall be paid the Charge Hand allowance.
- (c) First-aid allowance shall be paid to an employee appointed by Dairy Farmers to carry out first-aid duties.
- (d) Forklift drivers engaged in the loading and/or unloading of trailers shall be paid a weekly allowance.
- (e) Vendor Vehicle allowance shall be paid to production employees required to move vendors' vehicles.
- (f) An allowance shall be paid to any employee who possesses a relevant TAFE Advanced Certificate or Associate Diploma.
- (g) A Cold Room allowance shall be paid to employees required to perform their entire shift within a fully enclosed refrigerated warehouse or fully enclosed refrigerated distribution centre where temperatures are artificially reduced below 5 degrees Celsius.
- (h) A Freezing Room allowance shall be paid to any employee for every hour or part of an hour during which he/she is working in a freezing room.
- (i) Shift allowances shall be paid to an employee working early morning, afternoon, night or permanent afternoon or permanent night shift as defined in Clause 9 Shift Workers of the Award.
- (j) Meal allowance shall be paid to an employee who has not been notified on the immediately preceding working day that he/she shall be required to work overtime on any day for more than two hours and who is not provided with a meal by Dairy Farmers. Meal allowance shall be paid to an employee who has provided himself/herself with a meal after having been so notified and who is then not required to work after normal ceasing time. A meal need not be provided nor payment made in lieu thereof if the employee is permitted to return to his/her home for the meal in question and he/she can reasonably do so.
- (k) Where an employee is required to wear a uniform, it shall be provided by Dairy Farmers. The uniform shall be laundered at Dairy Farmers expense, or alternatively, a Laundry allowance shall be paid to the employee.
- (l) Axle Loading shall be paid to a driver of scammels, semi-articulated vehicles or a driver of a vehicle with a trailer attached.

The monetary rates for allowances arising from this Clause are set out in Appendix B to this Agreement.



8. Objectives

The objectives on every site covered by this Agreement are:

- Continuous improvement in quality of products and customer service.
- Satisfying consumers with value for money products.
- A work environment where people can contribute to the progress of each site.
- Harmonious work environment based on team structure.
- Continuous employee training and development.
- Clear and well-understood individual performance goals developed in consultation with employees.
- Full support for marketing, sales and new product programs.
- Maintenance of high quality standards in product composition, presentation and distribution.
- Behaviour of every employee which reflects Dairy Farmers values.
- Strict compliance with the Settlement of Disputes Clause of the Agreement to ensure continuity of operations in all circumstances.

Meeting these objectives is vital to the future of Dairy Farmers and the job opportunities of employees on each site.

The parties recognise the need to find new and better ways to compete in order to ensure a viable business which achieves these objectives now and in the future, and are committed to:

- Striving for excellence in everything we do;
- Increasing levels of performance and productivity and demonstrating a willingness to learn and develop;
- Safeguarding employees, plant, equipment and the business;
- Participating in business activities including team meetings, quality and safety audits;
- Promoting Dairy Farmers image in the community;
- Achieving flexible working arrangements;
- Improving operating costs, reducing overheads and ensuring delivery performance.

9. Productivity:

All employees will support and actively co-operate in all formal and informal improvement programs which increase productivity, efficiency and flexibility and reduce costs on each site.

10. Quality Through Commitment (QTC)

All employees on each site are committed to continuous improvement in manufacturing processes, quality of products, distribution and customer service, and this process includes:

- Active employee participation in QTC teams.
- The identification of best practice in the key areas of site operations and the continuing implementation of workplace reform to achieve best practice.
- The development of work organisation structures which are more flexible and efficient.
- A continuing skills enhancement program which maximises the skills of every individual and gives each person more interesting and productive work.
- Maintaining a safe and healthy work place.
- A participative process which values the involvement and ideas of all employees.

11. Good Manufacturing Practices

All employees on each site are committed to following Good Manufacturing Practices covering:

Safety – Everyone is responsible for safety.

Quality – Quality work will produce quality products to meet consumer demands.

Hygiene – Good personal hygiene practices will be followed at all times. Housekeeping – Tools, materials and equipment will always be kept in their correct place.

Cleanliness – Work areas will be kept clean and clear of waste and obstacles.

Appearance – Uniforms, protective and safety clothing will be worn in accordance with the Dress Code for Food Factories.

Procedures – All procedures have a purpose and will be followed exactly.

Responsibility – Everyone takes responsibility for the work they perform.

Identification – All materials and equipment will be correctly labelled and/or stored in labelled containers.

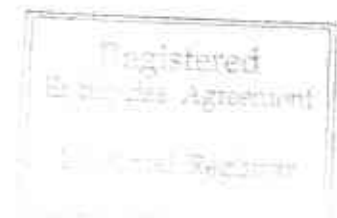
Maintenance – Breakdowns will be avoided by preventative and thorough maintenance.

12. Multi-Skilling

All employees on each site agree to continue their positive co-operation in becoming multi-skilled in order to maximise the productivity on each site.

A key element of multi-skilling is the upgrading and extension of every employee's skills and knowledge and using those skills acquired within each employee's capacity. This includes training and working within the normal functions applicable to the employee's designated award together with training and working across other award functions on each site. An employee's designated award is determined by those award functions for which the employee has principally been engaged and trained.

An employee who for four hours or more on any one day or shift performs work functions continuously which are covered by an award classification with a higher rate of pay than the employee's designated award classification shall be paid the higher rate for such day or shift. The foregoing mixed functions provision which applies across awards has no application to the mixed functions provisions which continue to apply within awards.



Normal functions applicable to employees covered by the Award include performance of minor machine adjustments, simple running repairs to machines, non-trades mechanical and building maintenance and electrical work.

It is accepted that other employees on each site not covered by this Agreement will perform limited production and distribution work for maintenance purposes.

Multi-skilling recognises that competency and safety should be the main factors which determine how work is performed. Central to this recognition is that there are no demarcations of any sort on each site provided employees are properly trained and qualified for the work tasks required of them.

It is paramount that multi-skilling should not be used in any way which places at risk the health and safety of any employees. In particular no employee can perform any work which he/she is not legally qualified to perform.

13. Flexible Working Arrangements

- (i) Flexible working arrangements will be implemented to meet the changing operational requirements of the business.
- (ii) All employees will continue to be required to perform any work for which they are trained and qualified, including work which is incidental or peripheral to their main tasks or functions. This will apply both within their current classification level and at lower classification levels.
- (iii) Employees will continue to participate in the implementation of new business processes and systems and programs designed to improve quality and efficiency. It is recognised that roles will naturally evolve over time as employees become more highly skilled and accountable in their work. The rates of pay contained in this Agreement anticipate such changes. To ensure that roles are classified fairly, there will be regular reviews of roles by Dairy Farmers.

14. Payment by E.F.T.

Every employee on each site shall continue to be paid by electronic funds transfer to their nominated bank, building society or credit union account.

15. Hours of Work for Full-time Weekly Employees Only

- (i) All employees on each site agree that the following hours of work provisions best meet the operating requirements of each site and that they will continue or be implemented upon making of this Agreement. A variety of the following working patterns may be implemented in different sections or departments of each site as appropriate. Dairy Farmers shall not alter the roster of any employee's ordinary hours of work without giving at least 7 days notice, provided that an employee and Dairy Farmers may agree to a notice period of not less than 24 hours.

(ii) The weekly ordinary hours of work shall be 38 hours per week or an average of 38 hours per week being calculated over an employee's work cycle.

(iii) Systems of working the 38 hour week

(a) Rostered Day Off (RDO) System

By employees working an average of 38 hours per week where each day worked consists of 8 ordinary hours of which 0.4 ordinary hours is banked to an RDO bank.

An individual employee may exercise freedom of choice to utilise their RDO bank as follows:

- (1) By an employee electing to take RDO's as leisure days. An RDO taken as a leisure day uses 7.6 hours from the employee's RDO bank.
- (2) By an employee electing not to take RDO's as leisure days and instead receiving payment of their full RDO bank accrual at 30th June each year.
- (3) By an employee electing not to take RDO's as leisure days and instead receiving payment for their full RDO bank each pay week
- (4) An employee's election for option (1) (2) or (3) above must be made within two weeks of commencing employment. An election once having been made shall not be changed other than at 1st July each year except through unforeseen circumstances. An employee is entitled to consult with their Union Delegate both prior to making their initial election and when considering any subsequent change of election.
- (5) An employee who elects to receive payments instead of taking RDO's as leisure days shall not have these payments included for the purposes of calculation of annual and long service leave entitlements, i.e. RDO payments do not form part of the ordinary pay of the employee.
- (6) An employee who elects to utilise their RDO bank as described in (1) or (2) above may request that the full RDO bank be paid to him or her at any time during the year.
- (7) An employee who elects to utilise their RDO bank as described in (1) above will be paid for the value of any banked RDO hours in excess of 6 days (45.6 hours) at 30th June each year.
- (8) RDO's will be rostered in advance to meet the operating requirements on each site and will be taken on Mondays to Fridays. RDO's will not necessarily be rostered to coincide with public holidays or an employee's weekly days off. Dairy Farmers shall not alter the roster of an employee's RDO's without giving at least 7 days notice, provided that an employee and Dairy Farmers may agree to alter an RDO with a notice period of not less than 24 hours.

Within the RDO system, overtime is payable after the conclusion of 8 ordinary hours on each rostered day.

(b) Fixed Hours System

By employees actually working up to 10 ordinary hours each day in one of the following work cycles:

38 ordinary hours within a work cycle not exceeding 7 consecutive calendar days; or



76 ordinary hours within a work cycle not exceeding 14 consecutive calendar days; or
114 ordinary hours within a work cycle not exceeding 21 consecutive calendar days; or
152 ordinary hours within a work cycle not exceeding 28 consecutive calendar days.

e.g. 5 x 7.6 hours in a 7 day cycle
or 4 x 8 hours and 1 x 6 hours in a 7 day cycle
or 4 x 9.5 hours in a 7 day cycle
or 3 x 10 hours and 1 x 8 hours in a 7 day cycle
or a combination of days and hours over a 14, 21 or 28 calendar day cycle to achieve an average of 38 ordinary hours per week.

Within the fixed hours system, overtime is payable after the conclusion of the ordinary hours rostered for that day.

The working of a Fixed Hours System is subject to the agreement of Dairy Farmers and the majority of employees in the section or sections or department concerned.

16. Starting and Finishing Times

Starting and finishing times on each site may be staggered to meet operational requirements. All employees are required to be at their workstation ready to commence work at shift starting time and remain at their workstation until the shift finishing time except for authorised breaks. Employees unable to commence work at their normal starting time will notify their Supervisor or Manager with as much notice as possible prior to the commencement of the shift.

17. Meal/Crib Breaks

The time of taking meal/crib breaks may be staggered to meet operational requirements. During meal/crib breaks employees will be required to relieve other employees in any role they are capable of performing. Any breaks other than meal/crib breaks must be authorised by the employee's Supervisor.

18. Reasonable Overtime Hours

- (i) Dairy Farmers may utilise full-time employees, part-time employees, casual employees and employees of labour hire firms to work ordinary hours and overtime hours as required to meet operating requirements of the business. Dairy Farmers will only require overtime to be worked when work cannot be performed during ordinary hours.
- (ii) Dairy Farmers may require an employee to work reasonable overtime at overtime rates, taking account of any risk to employee health and safety, the employee's personal circumstances including any family responsibilities and the operational requirements of the business. Permanently rostering an employee to perform overtime on their weekly days off will be avoided if possible.

- (iii) An employee on rehabilitation or suitable duties may only work overtime if overtime is required to complete the work covered by the approved rehabilitation plan or suitable duties.
- (iv) An employee authorised to work overtime shall not work for a continuous period in excess of fourteen hours, exclusive of unpaid meal breaks, from the time of commencing work (e.g. 8 hours ordinary time plus 6 hours overtime, or 10 hours ordinary time plus 4 hours overtime). In exceptional circumstances only, the Senior Manager on each site may authorise a continuous working period in excess of fourteen hours to meet site operating requirements.
- (v) If an employee is absent due to illness on the first shift following a shift on which overtime was worked, the employee will not be eligible to work overtime on the next occasion overtime is available.
- (vi) If an employee is absent on the day prior to scheduled overtime, the employee will not be eligible to work that scheduled overtime.

19. Probationary Period

New weekly employees will be engaged for a probationary period of up to three months during which their performance will be evaluated against appropriate criteria including required skills, capacity to learn, attendance, punctuality and attitude. Should an employee be found to be unsatisfactory during the probationary period, his or her employment will be terminated. In the case of casuals who are offered weekly employment, the probationary period will be reduced by the amount of their casual employment.

20. Abandonment of Employment

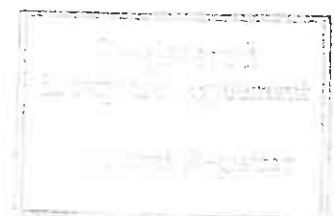
An employee who is absent from work for five consecutive working days or more without the consent of Dairy Farmers and who has not made contact with his or her Supervisor or Manager shall be deemed to have abandoned his or her employment and shall be paid entitlements up to and including the last day worked.

21. Working Arrangements

An employee requested to work overtime in order to complete production will do so except in pressing domestic necessity.

22. Induction

Induction Leaders at each site will introduce new Dairy Farmers employees to an accredited AMIEU (Newcastle and Northern) Delegate.



23. Sick Leave

- (i) An employee who cannot attend work because of personal illness or injury shall contact his or her Supervisor or Manager with as much notice as possible prior to the commencement of shift, or if that is not possible then at the earliest time thereafter.
- (ii) An employee shall furnish to Dairy Farmers such evidence as Dairy Farmers reasonably requires that he or she was unable, by reason of illness or injury, to attend for duty on the day or days for which paid sick leave is claimed.
- (iii) An employee shall furnish to Dairy Farmers a certificate of a duly qualified medical practitioner in order to be entitled to payment for sick leave claimed in the following circumstances:
 - (a) Where the absence is three or more consecutive working days, or
 - (b) Where there is an absence on a rostered working day either side of a public holiday or either side of a rostered day off (RDO) or rostered days off (RDO's).Nothing in this subclause limits Dairy Farmers rights under subclause (ii).
- (iv) An employee will not be entitled to single days of paid sick leave on more than three occasions in any year unless he or she produces to Dairy Farmers a doctor's certificate for each occasion stating that he or she was unable to attend work on account of personal illness or injury.
- (v) An employee who has exhausted his or her entitlement to paid sick leave and who is then unable to attend for duty because of personal illness or injury shall furnish to Dairy Farmers a certificate of a duly qualified medical practitioner in respect of all such unpaid absences.

24. Absence

On return to work from any absence including annual leave, long service leave, extended sick leave and workers compensation, every employee must report to their Supervisor or other nominated person before commencing work.

25. No Smoking

Smoking is not permitted on any Dairy Farmers site except in designated areas. Non-smoking signs and regulations must be observed at all times, including times when production is not taking place. Smoking is only permitted during meal/crib breaks and official rest breaks.

26. Alcohol and Drugs

The consumption of alcohol or other drugs (excepting medication prescribed for an employee by a registered medical practitioner) during working time (including during meal and other breaks) is an unacceptable safety risk and is not permitted.

27. Workplace Video Surveillance

Video cameras may be installed on sites to ensure the security of employees, protection of Dairy Farmers investment and surveillance of external perimeters in accordance with the Workplace Video Surveillance Act 1998 (NSW). Dairy Farmers will consult with the Union Delegate and employees in the section or sections concerned prior to the installation of overt video surveillance.

28. Employee Training and Skill Development

- (i) The parties to this Agreement recognise that in order to ensure the efficiency, productivity and international competitiveness of Dairy Farmers, an ongoing commitment to structured training and skill development is required. Accordingly, the parties commit themselves to developing a highly skilled and flexible workforce and providing career opportunities through appropriate structured training.
- (ii) Training and skill development courses are trade, technical, vocational and other courses required by Dairy Farmers and conducted by accredited educational institutions and providers.
- (iii) Wherever practicable required training and skill development courses will be carried out during normal working time.
- (iv) This clause does not apply to employees undertaking further education in their own time as part of their personal career development plans under Dairy Farmers Self Education Assistance Policy.

29. KPI'S

During the term of this Agreement, the parties will continue to review and monitor agreed key performance indicators (KPI's) on operational performance at each site consistent with best practice principles. The parties are committed to the process of continuous improvement and service excellence and will use the agreed KPI's as a means of measuring what has been achieved and setting targets for further improvements.

30. Bag and Vehicle Inspection

Employees are not permitted to take any Dairy Farmers product, material or equipment from Dairy Farmers premises without the signed authority of the Senior Manager on site. As a condition of employment employees authorise Dairy Farmers to inspect the employee's bag and motor vehicle on or leaving Dairy Farmers premises. Any issue or matter arising from the inspection procedures will be processed in accordance with the Settlement of Disputes clause.



31. Blood Donors

At the request of employees at each site, Dairy Farmers will arrange a visit of the mobile blood bank at a time and frequency which meets site operating requirements.

32. Special Leave for Volunteer Groups

Dairy Farmers will assess, on a case by case basis taking into account site operating requirements, requests for leave from members of the SES and Bush Fire Brigade.

33. Consultative Committee

(i) Introduction

The parties agree that there is a need for on-going communication to ensure that employees receive sufficient information about their site. As a result of this information sharing, employees will have a greater awareness of their site's objectives, future plans, its interaction with customers, suppliers and its problems.

Management is committed to information sharing, ensuring that effective communication links exist.

Good communication flows in both directions, and the parties acknowledge the need for continued meetings between representatives of Management and the workforce to:

- Assist with the implementation of all efficiency changes in this Agreement and to act appropriately to ensure the smooth introduction of these changes.
- Work towards major and positive attitudinal change.
- Assist with development, defining and redefining site procedures as and when required.
- Provide a forum for discussion on training needs.
- Discuss skills required at their site.
- Provide a forum for exploring continual efficiency gains.
- Provide a forum for Management to inform the workforce about
 - (a) Market trends;
 - (b) Important matters which affect employees and which relate to the productive performance of their site;
 - (c) Actions necessary to match our competitors.

Note

Management will not be required to release information of a confidential nature, the general circulation of which may damage Dairy Farmers commercial interests and could affect the job security of employees.



Management and employees at each site may agree to form a Consultative Committee. The overall purpose of a Committee is to provide an environment for greater two-way communication and in doing so establish a forum in which employees are able to express their points of view and allow management to utilise employee knowledge and experience.

It is agreed that if other Enterprise Agreement/s or Enterprise Award/s covering employees not covered by this Agreement are registered on any site, this Consultative Committee shall merge with any other Consultative Committee/s established by the other Agreement/s or Awards so that not more than one Consultative Committee operates on each site at any time.

(ii) **Committee Objectives**

The objectives will be to improve the overall productive performance of all employees with the ultimate aim of maintaining and, where possible, improving each site's competitiveness both nationally and internationally.

In turn the provision of greater job security will be enhanced by developing and increasing employees' overall skills whilst at the same time offering new and advanced career opportunities.

These objectives are seen by the parties to be mutually beneficial.

Two important areas of site operation are specifically excluded from the domain of the Consultative Committee:-

1. Industrial Relations issues will be processed via the Settlement of Disputes Clause.
2. Matters which by definition are the responsibility of the Occupational Health and Safety Committee will be referred to that Committee.

(iii) **Composition of the Committee**

The Consultative Committee will comprise equal numbers of management and employees. The Committee will not exceed a total of 8 members.

Management – Up to 4 members drawn from management, one member must have decision making powers.

Employees – Up to 4 employee members to be drawn from and democratically elected by the employees covered by this Agreement.

(iv) **Employee Elections**

These to be held every two years. Alternate members are also to be elected at this time to cover absences. Alternate members shall be allowed to sit in on all meetings on a rotational basis to gain understanding of procedures. This is to be done with one alternate at any one time, with the alternate acting in an observer capacity only. The procedure for filling casual employee vacancies is to be developed by the Committee.

(v) **Secretary of the Committee**

The Secretary to be appointed by Management and to be someone skilled in taking minutes. The Secretary to be a non-member of the Committee.



- (vi) **Chairperson of the Committee**
To be elected by the Committee from within the Committee. After six months, Committee to decide a formula for the appointing/rotating of the chairperson between the management and employees each six months.
- (vii) **Meetings**
Consultative Committee meetings will be held at least every two months during normal working hours. Special meetings of the Committee may be called after informal discussions between both parties.
- (viii) **Recording of Minutes**
Minutes shall be circulated to Committee Members for verification prior to posting on the notice boards. Every effort shall be made to have the minutes published within one week of the meetings. The minutes shall include:
- Attendees at the meeting
 - Summary of the issues and alternatives proposed.
 - Decisions made on matters dealt with pursuant to this clause and any time frame for implementation.
- (ix) **Agenda**
The agenda is to be prepared and issued by the Secretary to all Committee Members at least five (5) working days prior to the meeting. Any Committee Member may submit agenda items. Appropriate information shall be provided with each agenda item submitted.
Matters raised without notice (i.e. non-agenda items) shall be deferred to the next meeting if any Committee Member requires additional information or needs to consult with their constituency.

34. Superannuation

Dairy Farmers agrees to meet its obligations flowing from the Superannuation Guarantee Legislation by making contributions on behalf of its employees as follows:

- (a) Weekly Full-time and Weekly Part-time Employees
The employee has the choice between the Dairy Farmers Superannuation Plan and ASSET.
- (b) Casual Employees
All contributions will be paid to the ASSET.

In respect of Superannuation, this Clause supersedes all previous awards, enterprise agreements and former industrial agreements.

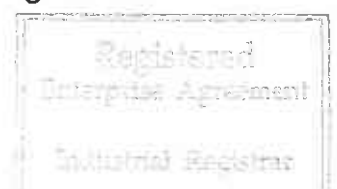
35. Redundancy

- (i) This clause applies to weekly full-time and weekly part-time employees (excluding weekly full-time or part-time employees engaged for a specified period of time or for a specified task or tasks). It has no application to casual employees.

- (ii) This clause operates if Dairy Farmers no longer wishes the job an employee has been doing to be done by anyone and this is not due to the ordinary and customary turnover of labour and if the employee has not refused to transfer to new or other duties. The parties agree that there is a positive obligation upon an employee to not unreasonably refuse to accept transfer, reclassification, re-location and the obligation to retrain in the interest of continuing employment.
- (iii) A redundant employee will receive the benefits under this clause if they remain employed until the date of termination advised by Dairy Farmers and if their employment does not terminate on or prior to the advised termination date due to misconduct, abandonment of employment, retirement, prolonged absenteeism, neglect or refusal of duty or voluntary resignation by the employee for any reason.
- (iv) Dairy Farmers will decide the order of redundancy giving due consideration to the capabilities, knowledge and experience of employees assessed against the requirements of the business.
- (v) "Weeks Pay" in this clause means the ordinary time rate of pay for the employee concerned excluding overtime, shift work and other payments and allowances.
- (vi) Redundancy benefits are as follows:
 - (a) Four (4) weeks notice or pay in lieu if notice is not given provided that employment may be terminated by part of the period of notice and part payment in lieu thereof. The period of notice or payment in lieu of notice is increased to five (5) weeks if the employee is over 45 years old and has completed more than five years continuous service;
 - (b) A severance payment based on four (4) weeks pay for each completed year of continuous service provided the maximum severance payment will not exceed 56 weeks pay;
 - (c) Payment for all unused sick leave entitlements;
 - (d) Pro-rata long service leave with no minimum service requirement;
 - (e) Payment for annual leave loading on all accrued annual leave, including pro-rata;
 - (f) A written statement of service containing details of the service and reason for termination.
- (vii) Subject to an application by Dairy Farmers and further order of the Industrial Relations Commission, Dairy Farmers may pay a lesser amount (or no amount) of redundancy benefits than that contained in (vi) above if Dairy Farmers obtains acceptable alternative employment for an employee.

36. Labour Hire

Dairy Farmers will request that employees of Labour Hire companies working at Dairy Farmers sites who are performing work described by the classifications in this Agreement will be paid the appropriate rates of pay prescribed by this Agreement.



37. Sunday Shift Work

Rostered shift workers under the Award working an ordinary shift on Sunday shall be paid at the rate of time and three-quarters, provided that all time worked in excess of eight hours shall be paid at double time.

38. Union Dues

Where written authority is provided by an employee for it to do so, Dairy Farmers will deduct Union membership dues from the employee's pay and remit those dues to the Union.

39. Amenities

Dairy Farmers will provide for the use of employees during authorised breaks clean drinking water, tea, coffee, sugar and milk.

40. Classification Structure

- (i) During the term of this Agreement the parties will review the classification structure to ensure that it reflects the operational requirements of the business.
- (ii) Any new classification structure will not result in an increase in the rates of pay detailed at Appendix A and Appendix C.
- (iii) Employees will be paid at the appropriate classification levels for the skills required and utilised by Dairy Farmers.
- (iv) Employees who are classified at a lower level in any new classification structure will retain their current ordinary time rate until the rate for their new classification level reaches or exceeds their current ordinary time rate.

41. Loss of Licence

- (i) An employee who is legally prevented from performing driving duties associated with their classification for up to one month will be given the opportunity of taking accrued annual leave or long service leave and, in the absence of any accrual, leave without pay. Dairy Farmers may offer alternative work where available.
- (ii) An employee who is legally prevented from performing driving duties associated with their classification for more than one month will be dismissed. Provided that, as an alternative to dismissal, an employee who has sufficient fully accrued annual leave or long service leave to cover the period of disqualification will be given the option to take such leave.

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42. Nominal Term

This Agreement comes into force on being approved by the Commission and expires on 27th November 2005. The Agreement may be varied or terminated in accordance with the NSW Industrial Relations Act.

43. Declaration

The parties to this Agreement declare that the Agreement was not entered into under duress.

44. No Extra Claims

The parties to this Agreement will not pursue any extra claims during the term of the Agreement relating to wages, allowances or changes to conditions of employment or any other matters related to the employment of the employees, whether dealt with in the Agreement or not.

45. Settlement of Disputes

To promote good industrial relations between employees on each site and Dairy Farmers, the following procedure will be observed:

- (i) Where any problem, complaint, query, misunderstanding, or grievance arises, the matter shall first be raised with the Supervisor of the work area. The Supervisor will make every effort to respond within 24 hours.
- (ii) In the event that the matter remains unresolved, the Union Delegate will attempt to resolve the matter with the Manager of the work area. The Manager will make every effort to respond within 24 hours.
- (iii) In the event of failure to resolve the matter at job level, discussion will take place between a Union Organiser and a Senior Manager on each site.
- (iv) If the matter is still unresolved, the AMIEU (Newcastle and Northern) Secretary or his/her representative will confer with Senior Management of Dairy Farmers.
- (v) In the event of no agreement still being reached, the dispute will be referred to the Industrial Relations Commission of New South Wales for resolution.
- (vi) Normal work must continue under this Agreement and the Award and no bans or industrial action of any kind shall take place whilst this procedure is being followed.



APPENDIX A

BUTTER, CHEESE AND OTHER DAIRY PRODUCTS (NEWCASTLE AND NORTHERN) AWARD

ORDINARY TIME RATES OF PAY

Classification	Column 1	Column 2	Column 3
	First pay period on or after:		
	27 th June 2003	27 th June 2004	27 th June 2005
Production Assistant	580.20	609.20	639.70
Plant Operator Grade 1	593.90	623.60	654.80
Plant Operator Grade 2	612.00	642.60	674.80
Plant Operator Grade 3	639.10	671.10	704.60
Foreperson	709.50	745.00	782.20
Forklift Driver	634.10	665.80	699.10
Tanker Grader Driver			
a) Under 15,911 litres capacity	657.00	689.80	724.30
b) From 15,911 litres capacity	678.00	711.90	747.50
Junior Laboratory Employee			
Under 18 years of age	377.90	396.80	416.60
At 18 and under 19 years of age	425.70	446.95	469.30
At 19 and under 20 years of age	479.85	503.85	529.05
At 20 and under 21 years of age	529.50	556.00	583.80

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APPENDIX B

BUTTER, CHEESE AND OTHER DAIRY PRODUCTS (NEWCASTLE AND NORTHERN) AWARD

ALLOWANCES

		Column 1	Column 2	Column 3
		First pay period on or after:		
		27 th June 2003	27 th June 2004	27 th June 2005
(i)	Leading Hand per week			
	In charge of 2-10	20.01	21.01	22.06
	In charge of more than 10	25.65	26.93	28.28
(ii)	Charge Hand per day	5.51	5.79	6.08
(iii)	First Aid per week	12.76	13.40	14.06
(iv)	Forklift loading/unloading per week	6.86	7.20	7.56
(v)	Vendor Vehicles per day	2.75	2.89	3.03
(vi)	Relevant Advanced Certificate/Diploma per week	17.00	17.85	18.74
(vii)	Cold Room per hour	0.48	0.51	0.53
(viii)	Freezing Room per hour	1.04	1.09	1.15
(ix)	Shift per shift			
	Early Morning shift	8.97	9.42	9.89
	Afternoon shift	11.75	12.34	12.95
	Night Shift	14.81	15.55	16.32
	Permanent Afternoon/Night shift per shift extra	3.12	3.27	3.44
(x)	Meal	9.04	9.49	9.97
(xi)	Laundry per week	6.30	6.62	6.95
(xii)	Axle Loading per week			
	Where the semi-trailer has a single axle	32.63	34.27	35.98
	Where the semi-trailer has two axles	40.31	42.32	44.44
	Where the semi-trailer has more than two axles	47.03	49.38	51.85

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SIGNED for and on behalf of **AUSTRALIAN CO-OPERATIVE FOODS LIMITED**

[Handwritten Signature]
.....
SIGNED

7.4.03
.....
DATE

SIGNED for and on behalf of the **AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION**

[Handwritten Signature]
.....
SIGNED

22 April 2003
.....
DATE

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Enterprise Agreement
Industrial Registrar