

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA04/172

TITLE: Lowan Whole Foods Picton Site Agreement 2004

I.R.C. NO: IRC4/2765

DATE APPROVED/COMMENCEMENT: 26 May 2004 / 16 January 2004

TERM: 27 months

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE: 25 June 2004

DATE TERMINATED:

NUMBER OF PAGES: 17

COVERAGE/DESCRIPTION OF

EMPLOYEES: The Agreement applies to all production staff of Lowan Australia Ltd, 826 Whitehorse Road, Box Hill, Vic. 3128 who are employed at the Picton site and who fall with the coverage of the Biscuit and Cake Makers (State) Award

PARTIES: Lowan Australia Limited -&- the National Union of Workers, New South Wales Branch

LOWAN WHOLE FOODS PICTON SITE AGREEMENT 2004

1. Duration of Agreement

The parties agree to a two and one-quarter year agreement. Subject to the approval of the NSW Industrial Relations Commission this agreement will apply from 16 January 2004 and continue to 15 April 2006

2. Relationship With Parent Award

This agreement shall operate in conjunction with the parent Biscuit and Cake Makers (State) Award. The two documents are to be read in conjunction with each other, with specific provisions in the Agreement to override the Award where they are inconsistent. Any provisions of the Award not specifically addressed by this agreement shall continue to apply.

3. Parties Bound

This Agreement will apply to all production staff employed at Lowan Australia Ltd, Picton and the National Union of Workers (NSW Branch).

4. Use of Agency Staff

Agency casuals will not to be used except in extenuating circumstances.

"Extenuating circumstances" is defined as where there is:

- (1) Insufficient permanent operatives available due to planned or unplanned absences.
- (2) A need to satisfy sudden or short term operational requirements
- (3) Specialist skills are required that are unable to be sourced from permanent operatives.

If they are used, they will be paid the same casual rates as employees of the Company at the appropriate skill levels contained within this Agreement.

5. Transfer of Existing Casual Staff

Subject to available vacancies and provided they have the correct competencies and are medically fit to assume the roles, existing casuals who meet these criteria will be encouraged to take on full-time employment. There will be a three-month grace period from the commencement of the agreement to settle this clause down.

If they decline full-time work, they will be retained, but engaged strictly on an ad hoc casual basis

6. Recruitment of New Staff

All new staff employed on a five day per week continuous basis are to be engaged as full-time staff.

All other new staff are to be engaged and used strictly on a casual ad hoc basis. Casual staff are to be paid the current site rates according to their skill levels plus a casual loading of 15%. In addition, in accordance with the NSW Annual Holidays Act, casual staff receive either annual leave or 1/12th of their ordinary time earnings in lieu of annual leave.

7. Probationary Employment

All new employees will have a three-month probationary period of employment during which time the employee may give or be given one day's notice of termination.

8. Skills Matrix

Refer Appendix 1

9. Pay Increases

The pay increases and timing of these are shown in Appendix 2

During the course of this agreement, no safety net adjustments will apply.

10. Hours of Operation

The site currently operates on a twenty-four hour, five days per week Monday to Friday roster.

The Company reserves the right to expand its operations to a twenty-four hour, seven-day per week operation in accordance with the shift work award provisions if there is a production requirement to do so. The Union will not unreasonably withhold its agreement to this change.

11. Sick Day Absences

This clause specifically needs to be read in conjunction with the Award to define other entitlements not mentioned below.

The Company provides sick leave to full-time and part-time employees for genuine situations of sickness of the employee or for a family member that the employee is responsible for. Employees in turn are required to exercise their rights in a responsible manner. The parties to this agreement acknowledge that the taking of sick leave is inherently disruptive to the operation of the Company and causes difficulty to the rest of the shift.

Habitual taking of sick leave and patterns of taking sick leave, with or without certificate, is a matter for concern and can impact negatively on the employee/employer relationship. It is the responsibility of each line manager to talk to their direct staff where absences are impacting on the business and ascertain how the Company might assist the employee to improve their attendance at work.

If an employee is to be absent for any reason, the employee is required to notify their supervisor, preferably the day previous to the proposed absence, and no later than two hours before commencement of their shift unless extenuating circumstances exist to prevent this.

Whilst genuine absences through illness or injury are accepted, employees shall prove to the satisfaction of the Company that they are unable on account of such illness or injury, to attend for work on the day/s for which sick leave is claimed.

For reasons of personal illness or for the purposes of carer's leave, a medical certificate, for themselves or family member where applicable, is required in the following circumstances:

when one or more days is taken immediately prior to or after:

a public holiday,

a weekend

an Accrued Day Off (ADO)

annual leave, or

beyond the second day of absence in a 12 month period since last anniversary, or

in any other circumstance where the line manager requests a certificate.

An employee who does not furnish suitable proof of absence by way of medical certificate shall be placed on leave without pay. The employee may then be subject to counselling and disciplinary action depending on the circumstances of the absence.

12. Accrued Days Off (ADO's)

The Company is prepared to sit down and discuss a 38-hour week, 19 day month with Accrued Days Off provided the parties can ensure that productivity levels are increased on the 19 days of work to make up for the absence on the 20th day. The parties agree that during the life of this agreement, an ADO system will be discussed, agreement reached and implemented. Current hours are to remain until agreement is reached. The Union acknowledges that staff will then have to work an extra half of one hour per week to increase their hours of work to 38 hours per week, plus the additional 24 minutes per day towards an Accrued Day Off.

The parties will examine output measurements such as tonnage rates, other rates of production to ensure this is achieved consistently and regularly monitored.

The ADO situation will have to be managed on an individual basis, and there will be no general closedown of the factory on the 20th day. Whilst every reasonable effort will be made for ADO's to coincide with a weekend, the primary driver of taking time off will be the need to meet production requirements which may require taking of ADO's during mid week.

Draft procedures for taking an ADO are attached as Appendix 3.

13. Fortnightly Pays

Fortnightly pays via direct bank deposit are to be introduced, with three month's written notice. Appendix 4 describes how this might work.

14. Redundancy Clause

The parties agree to a Leave Reserved clause on redundancies.

15. Union Recognition Clause

For the duration of this agreement, the Company recognises the National Union of Workers (NSW Branch) (Union) as the Union representing all employees who are covered by this agreement.

It is the policy of the Company that all employees subject to this agreement are free to join the Union if they so choose. Union delegates are free to discuss the rights and responsibilities of union membership to staff.

The Company undertakes, upon authorisation, to deduct Union membership dues as levied by the Union in accordance with its rules, from the pay of employees who are members of the Union. These collections will be forwarded at the beginning of each month together with all necessary information to enable the reconciliation and crediting of subscriptions to member's accounts.

16. Union Delegate Leave

Where an employee is elected by fellow employees as a Union delegate, and their name is forwarded by the Union to the Company, they shall be allowed by the Company such time as reasonably necessary to interview Company representatives on matters affecting the employees whom the delegate represents.

Delegates shall also be able to interview employees, provided that employees shall follow normal grievance procedures laid down in the award that require matters to firstly be raised with the immediate supervisor.

The elected union delegate shall be released from duty without loss of pay upon confirmation from the State Secretary of the Union that he/she is required to attend Trade Union Training Leave and State Conferences. Reasonable notice shall be given to the employer.

Such delegates (one per shift) shall be provided up to five days per annum non-cumulative for these purposes. Co-delegates can attend in absence of the delegate but are not eligible for additional time off.

17. Occupational Health & Safety Training for Union Delegates

Relevant and appropriate occupational health and safety courses aimed at promoting a safer workplace will be approved by management, subject to production requirements being met and satisfactory advance notice provided.

18. Transmission of Business

This Agreement shall apply to any successor, assignee or transferee of all or any of the work.

The parties agree that in the case of a transmission of business where suitable alternative employment is offered, the general severance pay prescription will be waived.

19. Employee Health and Safety

Every person will comply with all requirements for using safety and personal protective equipment. Seat belts must be worn on forklifts at all times where they are fitted.

No person will act in a way that would put themselves or others at risk of injury.

All equipment will be operated safely and operators will ensure all safety equipment is operational.

No smoking is permitted outside designated smoking areas. Whilst the Company provides these areas for the use of smokers, the Company's view is that smoking is not a healthy practice and is not encouraged.

Presentation for work whilst under the influence of alcohol or drugs that affect the ability to safely perform work is prohibited. Employees who present for work in an affected manner may be required to attend a Company doctor for assessment.

Counselling and disciplinary action as per the award will be taken for breaches of employee health and safety provisions.

20. Continuous Improvement Consultative Committee

The parties to this agreement recognise and are committed to the development and introduction of improvements to increase the efficiency of the organisation and ensure the long-term viability of the Company. The Company uses Key Performance Indicators (KPI's) to measure overall performance and the effect of any improvements.

In order to ensure employees can effectively contribute to the process of continuous improvement, the Company will establish a Continuous Improvement Consultative Committee comprising representatives of employees and employers to develop KPI measurements.

Examples of potential KPI's are

Health and safety measures including lost time injury rates

Absenteeism rates

Production throughput

New technologies to increase efficiency and throughput

Waste levels, processing and packaging

Consumer complaints

Changeover times

Overweight/underweight product

KPI's will be discussed on a regular basis at these Consultative Committee meetings and the parties will discuss ways to improve KPI performance. All parties are committed to achieving KPI's by developing, measuring, communicating and taking necessary steps to support these initiatives.

The Consultative Committee shall also be charged with the responsibility to ensure the spirit and intent of this Agreement is met and shall meet on a regular basis to review progress and develop action plans and timeframes to move matters forward to a satisfactory conclusion and without disputation.

21. Meal Breaks

Meal breaks will be determined in conjunction with the Accrued Days Off discussions. The parent Award standard will apply pending an agreement.

22. Tea Breaks

During any shift of eight hours or more, employees are provided two 10 minute paid tea breaks in such a manner so as not to interfere with the continuous running of the establishment.

23. Disputes Procedure

The parties to this Agreement agree to abide by the Disputes Procedure provisions contained in the parent Award.

24. Anti-Discrimination

The parties to this Agreement agree to abide by the Anti-Discrimination provisions contained in the parent Award.

25. Other Variations to This Agreement

The parties to this Agreement agree to further vary the Agreement in circumstances considered mutually appropriate and agreed to in accordance with Section 43 of the *NSW Industrial Relations Act 1996*

26. No Extra Claims

The company, union and employees agree that they will not for the duration of this Agreement, pursue any extra claims relating to wages or other terms and conditions regarding the employment of the employees covered under this agreement except where consistent with this agreement.

APPENDIX 1.0

Skills Matrix and progression

The Company uses a Skills Matrix for the purposes of determining skill and pay levels.

This matrix has been developed in consultation with all employees and was originally ratified by the NUW in 1997. The Skills Matrix is amended from time to time as new technology, machinery and processes change. A copy of the current Skills Matrix is included below.

The Company's express aim is for the workforce to attain Level 3 or 4 skills as per the Skills Matrix and be paid accordingly. It is also incumbent on all employees to make a genuine and reasonable attempt to attain Level 3 or 4. Counselling of staff will be taken where genuine and reasonable attempts are not made to attain these levels.

The initial classification for both new permanent and casual staff is to be Level 1, General Hand unless demonstrable skills warrant a higher classification.

For new employees an assessment of skills is to be conducted at the three-month mark to ascertain if they are ready to be promoted to Level 2.

If unable to be promoted to Level 2 at this time, then a written plan must be developed of how the employee will be able to progress, what training is to be provided and progress reports made every three months. The employee will be provided a copy of this training program. The relevant shop steward on shift is to be advised of progress, training plans etc. If the employee declines the training this will be recorded.

If the employee is unsuited to the business or has a poor performance record, normal counselling procedures will apply.

A record of those staff who have not progressed to Level 2 after six months with the Company is to be discussed with all shop stewards at a formal meeting with all Supervisors and the Manufacturing Team Leader. The purpose of the meeting is to discuss how best to advance these employees to Level 2. This process does not apply if the person has declined the training.

The Skills Audit is to be conducted for all production staff every six months to identify where employees are at, and the next steps required to attain additional skills. All employees are to be encouraged to learn new skills as per the Company's stated aim of staff achieving Level 3 or Level 4.

APPENDIX 1.1

Skills Assessment

The purpose of the skills assessments is to form a process of implementing structural changes and efficiency measures by means of establishing a classification structure which rewards employees for the acquisition of accredited skills and work competencies which are relevant to the needs of the company.

The aim of the skills assessment is to accurately assess the extent to which employees fulfill the requirements of core and peripheral skills that make up the classification structure. This information is converted into skill points, which determine the skill level at which the employee should be classified.

There are five structured skill classification levels. (See: Definitions of Classification Structure). Each skill level has core and peripheral skills. To be classified in a particular skill level, all core skills must be attained relevant to that level. Core skills and peripheral skills add to the overall skill points, which may help move an employee up to the next classification level.

A skills assessment review will be conducted every six months to determine:

- a) How many skills points an employee has.
- b) If all core skills are attained
- c) What classification level the employee is in.

Equally past training will be reviewed and new training targets set for the future. The following method will be used to ensure an unbiased and equitable appraisal of skills.

- 1) Both the employee and the shift supervisor will conduct a skill review every six months. Both the employee and the shift supervisor will discuss and agree on all skill attributes within the skill review. This will show the following:
 - a) Skills attained.
 - b) Skills currently being trained in.
 - c) Skills not attained.
 - d) Skills to be trained in.

- 2) Should agreement not be reached the Manufacturing Team Leader or the Manufacturing Services Manager will be used to conciliate so as to find a mutually acceptable outcome. At anytime, should an employee request union representation to reach agreement, that option is open to them. The end result will be that both the employee and the company agree on the skills and the level the employee is classified in.
- 3) Part of the skill assessment will be to review past training effectiveness and to plan future training schedules. This will be carried out in a structured and documented way so as to enable review and planning.
- 4) As there is only a finite amount of training resources and training time, there will be a need to prioritise training schedules for all employees. This will be done by merit.

"Merit is defined as skills, knowledge, aptitude, and experience relevant to the requirements of the position and any special qualifications, diligence and good conduct."

Where there are two or more people wishing to be trained in the same areas on the same shift, the merit rule will apply.

- 5) Each shift supervisor will be responsible for structuring and implementing training schedules. All employees wishing to be trained will have the opportunity. Any employee who does not want training or refuses training will go to the bottom of the training list. Management reserve the right to counsel employees who do not make genuine and reasonable attempts to attain these levels.
- 6) Pay rates will be determined by the skill level that the employee is classified in and which both the employee and the company have agreed to.

APPENDIX 1.2

Definitions

Classification Structure

Production Hand Level 1

This will be an employee who is in the entry-level classification and is engaged in the initial structured training that is relevant to the basic requirements of the Company's specific production operations.

An employee at this level works under direct supervision, receives detailed instructions and performs routine tasks to the level of their training. They exercise minimal judgment and are responsible for the quality of their own work.

This training will include:

Initial induction process, conditions of employment, company procedures, occupational health and safety requirements, and the Company Quality Assurance standards and procedures.

The following is indicative of the tasks and responsibilities that an employee at this level may be required to perform to his/her level of training.

Responsible for the quality of his/her own work.

Performance of general packing and cleaning duties to company specifications.

Works under general supervision either individually or as part of a team.

Undertakes duties in a safe and responsible manner taking reasonable care for the health and safety of fellow workers including any company requirements that may be implemented by the Occupational Health and Safety Committee.

Satisfies internal and external customers needs.

Performs any tasks, which are incidental or related to the primary tasks.

Attends and participates in scheduled regular shift meetings.

Undertakes structured training to enable entry into Level 2

Assists in the training of other employees, as skills will competently allow.

Ability to apply basic interpersonal, communication and numeric skills to

Satisfy the work requirements of this Level.

Ability to identify and remove defective product according to company specifications and procedure.

Ability to clean and maintain to statutory hygiene standards and company requirement equipment premises and grounds in the context of general housekeeping.

Ability to manually remove or adjust items of equipment to facilitate the housekeeping tasks within this level.

Ability to identify and apply basic quality control and assurance procedures.

Production Hand Level 2

This will typically be an employee who has completed the initial structured training referred to in "Production Hand Level 1" and, who has accumulated between 31 to 60 skill points and, at least 1 core skill in any one of the three core areas (mixing, extrusion or packaging) through the structured training progression.

An employee at this level works under general supervision within established routines, methods and procedures and performs a range of tasks involving the use of skills above and beyond those of level 1 and to the level of their training.

They exercise discretion appropriate to this level and are responsible for the quality of their own work within the scope of this level.

The following is indicative of the tasks and responsibilities that an employee at this level may be required to perform to his/her level of training.

Performs all tasks and duties as outlined in Level 1.

Assists other levels as required.

Undertakes structured training to enable entry into Level 3

Co-ordinates work in a team environment with general supervision.

Displays a sound understanding of at least one packaging machine or one extrusion or mixing system.

Performs a range of tasks involving in the operating of one packing machine or extrusion or mixing system.

Competently applies Quality Assurance standards and procedures to their area of work.

Performs a range of tasks involving the use of materials handling equipment not requiring licensed operation in the context of the company's internal materials storage and distribution system.

Ability to apply general interpersonal, communication and numeric skills to satisfy the work requirements of this level.

Ability to identify and apply the requirements of Occupational Health and Safety legislation and company policy and procedures to satisfy the work requirements of this level. Takes reasonable care for the health and safety of themselves and fellow workers including any company requirement that may be implemented by the Occupational Health and Safety Committee.

Assists in the training of other employees, as skills will competently allow.

Ability to apply basic knowledge of the company's storage and distribution system to transfer materials and allocate and retrieve materials to satisfy company requirements.

Ability to use materials handling equipment not requiring licensed operation to place materials for storage or use in production.

Ability to perform minor dismantling and reassemble of production equipment manually or using specific tools in the cleaning and maintenance of premises and equipment to statutory hygiene standards, manufacturer specifications and company requirements.

Production Hand Level 3

This will typically be an employee who has completed the initial structured training referred to in "Production Hand Level 2" and who has accumulated between 61 and 90 skill points and has 1 or more core skills, with a minimum of one from each of the three core areas (mixing, extrusion and packaging) through the structured training progression.

An employee at this level works under limited supervision and performs a range of tasks involving the use of skills above and beyond those of a level 2 to the level of their training.

They exercise discretion appropriate to this level and are responsible for the quality of their own work within the scope of this level.

The following is indicative of the tasks and responsibilities that an employee at this level may be required to perform to his/her level of training.

Performs all tasks and duties as outlined in Levels 1 & 2.

Assists other levels as required.

Co-ordinates work in a team environment with minimal supervision.

May, at the discretion of the employee, undertake structured training to enable entry into level 4.

May assist in the delivery of structured training to employees of this and lower levels in conjunction with employees of higher levels.

Performs a range of tasks involved in operating at least two of the following three areas in accordance with company specifications and guidelines: mixing, extrusion or packaging.

Performs a range of maintenance/cleaning tasks involving the limited dismantling and reassembling of production equipment under supervision.

Performs a range of tasks involving testing of product and recording of results to ensure compliance with quality standards.

Ability to apply general interpersonal, communication and numeric skills to satisfy the work requirements of this level.

Ability to identify and apply the requirements of Occupational Health and Safety legislation and company policy and procedures to satisfy the work requirements of this level. Takes reasonable care for the health and

safety of themselves and fellow workers including any company requirement that may be implemented by the Occupational Health and Safety Committee.

Displays a sound understanding of the production areas and their procedures.

May be competent to provide effective on the job instruction to new employees and lower levels to achieve predetermined structured training objectives.

Ability to transfer product to predetermined destinations using licensed mechanical, electrical or power driven materials handling and lifting equipment to statutory operating standards.

Ability to perform limited dismantling and reassemble of production equipment using a range of tools under supervision in the cleaning and maintenance of premises and equipment to statutory hygiene standards, manufacturers specifications, and

Ability to test product to determine compliance with company and customer specifications using predetermined procedures and guidelines.

Production Hand Level 4

This will typically be an employee who has completed the initial structured training referred to in "Production Hand level 3" and who has accumulated between 91 and 120 skill points and has 2 or more core skills in two of the core areas and at least one core skill in the remaining core area, (mixing, extrusion and packaging) through the structured training progression.

An employee at this level works under minimal supervision and performs a range of tasks involving the use of skills above and beyond those of level 3 and to the level of their training. They undertake a more specialist function, exercising discretion within complex procedures, coordinating work in a team environment or working individually and are responsible for the quality of their own work and/or the work of employees in their team.

The following is indicative of the tasks and responsibilities that an employee at this level may be required to perform to his/her level of training.

Assists other levels as required.

May assist in the delivery of structured training to employees of this and lower levels in conjunction with employees of higher levels.

May co-ordinate the work of lower levels within routine policies and plans.

May, at the discretion of the employee, undertake structured training to enable selection into level 5.

Performs a range of tasks involved in the operation of tasks within all three-core skill areas in accordance with company procedures and specifications.

Must have a sound understanding of all processing systems.

Performs a range of maintenance and cleaning tasks involving the dismantling and reassembly of production equipment including changeovers under minimal supervision.

Conducts and interprets product tests to ensure product complies with company and statutory requirements and recommends remedial action for out of specification product.

Ability to apply sound interpersonal, communication and numeric skills to satisfy the work requirements of this level.

Ability to identify and apply the requirements of Occupational Health and Safety legislation and company policy and procedures to satisfy the work requirements of this level. Takes reasonable care for the health and

safety of themselves and fellow workers including any company requirement that may be implemented by the Occupational Health and Safety Committee.

Ability to apply team leadership skills in coordinating the work of a work team constituted by employees classified at level 3 and below.

May be competent to provide effective on-the-job and off-the-job structured training to lower levels to achieve predetermined structured training objectives.

Ability to set up and operate an entire packaging process or a production sub-system involving the use of more than one unit of equipment capable of wide variation through manipulation within established complex procedures to manufacturers specifications in the manufacture and/or packaging of product to company requirements.

Ability to manufacture product to company specifications using complex formulae and/or procedures under minimal supervision.

Ability to identify defective performance of equipment and report as per company procedure.

Ability to store and distribute materials consistent with statutory hygiene and company requirements and ensure correct allocation of materials in line with production schedules using materials handling and lifting equipment to statutory operating standards.

Ability to perform extensive dismantling and reassembling of equipment in support of the cleaning and sanitising functions to a standard which will enable the safe and proper operation of equipment following reassembly.

Ability to identify and apply appropriate tools and procedures to ensure the safe and efficient performance of equipment, cleaning, maintenance and changeovers under supervision.

Ability to conduct on line tests consistent with company quality control procedures, interpret test results and recommend remedial action should deviation from standards be identified.

Shows a significant ability to supervise and be responsible for team activities.

Understands Company's procedures including HACCP requirements.

Able to enter production into the log book system.

Is an integral part of the training environment.

Leading Hand Level 5. (By Appointment)

This will typically be an employee who has completed the initial structured training referred to in "Production Hand level 4" and who has accumulated 121 plus skill points and has a good understanding of all core skills 13 in each of the three core areas (mixing, extrusion and packaging) through the structured training progression.

An employee at this level must be able to work without supervision and performs a range of tasks involving the use of skills above and beyond those of a level 4 to the level of their training.

They have responsibility for decision making within broad policies and plans, coordinating work in a team environment or working individually and are responsible for the quality of their own work and/or the work of employees in the other skill levels.

Indicative of the tasks an employee at this level may perform are the following:

Assists other levels as required.

May assist in the delivery of structured training to this and lower levels as directed.

May co-ordinate the work of lower levels within broad policies and plans.

Able to operate all general plant and equipment.

Available for formal supervisory training.

Performs a range of tasks involving the set up and operation or overseeing of all production systems from raw materials to finished product involving the use of a range of production and/or packaging equipment.

Performs a range of maintenance tasks involving the dismantling and reassemble of production equipment including changeovers without supervision and limited alteration and/or construction of equipment.

Controls the operation of the company quality assurance system, set and adjust testing equipment and implement company quality assurance procedures.

Ability to apply sound interpersonal, communication and numeracy skills to satisfy the work requirements of this level.

Ability to identify and apply the requirements of Occupational Health and Safety legislation and company policy and procedures to satisfy the work requirements of this level. Takes considerable responsibility for the reasonable care and health and safety of themselves and fellow workers including any company requirement that may be implemented by the Occupational Health and Safety Committee. Is alert to and makes recommendations on health and safety matters.

Ability to apply team leadership skills in coordinating the work of a work team constituted by employees classified at level 4 and below.

May be competent to provide effective on-the-job and off-the-job structured training to lower levels to achieve predetermined structured training objectives.

Ability to set up and operate a production system involving the use of more than one unit of equipment capable of wide variation through manipulation within broad parameters to company standards and procedures.

Ability to manufacture product to company specifications using complex formulae and/or procedures without supervision.

Ability to prepare schedules and identify and plan staffing requirements.

Ability to identify and apply appropriate tools and procedures to ensure the safe and efficient performance of equipment maintenance, changeovers, alteration and construction tasks to company and manufacturers specifications.

Ability to identify testing equipment and quality assurance procedures to ensure operation of the company quality assurance system to company requirements.

Ability to prepare and adjust testing equipment to ensure compliance with company procedures and requirements.

Understands Company's procedures including HACCP requirements.

Able to enter production into logbook.

Able to enter production data into the Arrow computer system

APPENDIX 1.3

Skills Audit Procedures

TASK	POINTS	PROCEDURES FOR TASK
Crispbread Cleaning Tasks	2	PN-002
Pack Crispbread	1	PN-016
Pack Crispbread Boxes	1	PN-015
Operate PFM's (CORE SKILL)	4	PN-007, PN-019, PN-022, PN-023, PN-024, PN-025, PN-003, PN-020, PN-014, PN-004, PN-009, PN-010, PN-026
Operate Crispbread Oven & Belts	2	PN-008, PN-001
Crispbread Mixing (CORE SKILL)	3	PN-011, PN-002
Set-Up BC-72 Crispbread	3	PN-006
Start-Up BC-72 Crispbread	2	PN-028
Shut Down BC-72 Crispbread	2	PN-027, PN-005
Operate BC-72 Crispbread (CORE SKILL)	5	
Crispbread QC Procedures	4	PN-009, PN-012, PN-018, PN-020, PN-021, PN-026, PN-010
Set-Up ADCO	4	SU-001
Operate ADCO (CORE SKILL)	3	WI-037, WI-010, WI-004, WI-013, WI-029, WI-006, WI-038, WI-016, QAI-007, QAI-012
Operate Band Drier	2	SU-002
Set-Up Case Packer	2	SU-003
Operate Toaster Top Line	2	SU-014, WI-002
Operate Syrup System	3	SU-013
Top Line Cleaning Tasks	2	WI-007, WI-042
Operate Triangle Top Line (CORE SKILL)	3	WI-012, SU-015, WI-017, WI-027, WI-028, WI-036, WI-037, WI-039, WI-043, WI-003
Operate Industrial Station Top Line	2	WI-015
Pack Cereal Top Line	2	WI-023, WI-005
QC Station Operation	1	WI-026
Operate Transit Tube	2	WI-035
Operate Flaking Mill	3	SU-017, WI-041
Malt Mixing Top Line	1	WI-019
Cereal Mixing Top Line(CORE SKILL)	4	WI-022
Screw Change BC-92 Extruder	3	SU-012
Set-Up BC-92 Top Line	3	SU-005, SU-006, SU-007
Start-Up BC-92 Top Line	2	SU-011
Shut Down BC-92 Top Line	2	WI-030, WI-011
Operate BC-92 Top Line(CORE SKILL)	5	
Top Line QC Procedures	4	QAI-001 through to QAI-019
Set-Up Capt S	4	SU-001
Operate Capt S (CORE SKILL)	3	WI-002, WI-003, WI-007, WI-014, WI-018, WI-033, WI-032, WI-008, WI-010, WI-016
Operate Triangle Bottom Line(CORE SKILL)	3	SU-007, WI-012, WI-013, WI-018, WI-020, WI-031, WI-032, WI-038, WI-039, SU-004, WI-011, WI-014, WI-015, WI-031, WI-022, WI-042, WI-036, WI-037, WI-041
Operate Ishida Bottom Line	3	WI-016, WI-017, WI-018, WI-019
Mixing Cereal Bottom Line	3	WI-026, SU-010, SU-016, WI-004
Packing Cereal Bottom Line	2	WI-027, WI-028, WI-038
Operate Toaster Bottom Line	2	SU-006
Mixing Muesli Line(CORE SKILL)	4	WI-027, WI-029, WI-030, WI-031, WI-032,

TASK	POINTS	PROCEDURES FOR TASK
		SU-002, SU-003, WI-005, WI-006, WI-043
Set-Up BC-72 Bottom Line	3	SU-002, SU-003, SU-004
Start-Up BC-72 Bottom Line	2	SU-005
Shut Down BC-72 Bottom Line	2	WI-035, WI-009
Operate BC-72 Bottom Line (CORE SKILL)	5	
QC Procedures Bottom Line	4	QAI-001, QAI-002, QAI-003, QAI-004, QAI-005, QAI-006, QAI-007, QAI-008, QAI-009, QAI-010, QAI-011, QAI-012, QAI-013, QAI-014, WI-004
Goods Receival and Dispatch	2	PN-001, PN-002, PN-003
Warehouse Procedures (CORE SKILL)	5	PN-004, PN-008, PN-013, PN-014, PN-018, PN-019, PN-020, PN-021
Operate Pallet Wrapper	1	WI-024
Arrow Production Entries	3	WI-001
Operate Compactor	1	WI-009, WI-006
Log Book Entries	2	WI-018, WI-021, WI-023
Operate Tape Machine	2	WI-033, WI-034, WI-023, WI-024, WI025, WI-036, WI-037, WI-039, WI-040
Operate MidJet	3	WI-020, WI-021, WI-045, WI-024
Operate PCP Machine	4	
Operate Forklift Legally	2	PN-016, PN-017
Palletisation	2	WI-025, WI-044, PN-017, PN-030, WI-028, WI-029, WI-030, WI-033, WI-034, WI-035
Operate Advance	2	WI-035, WI-036, WI-042, WI-043
Packing Advance	1	WI-044, WI-045, WI-037, WI-038
Hammer-mill Operation	1	WI-014
Operate Dust Extractor	1	WI-046, WI-010, WI-012
Cleaning Procedures Bottomline	2	WI-011, WI-004, WI-013
Industrial Dump Bottomline	1	WI-015, WI-017

APPENDIX 1.4

Skills Audit Questionnaire							
DATE:							
«FirstName»				Signature:			
«LastName»							
SHIFT: Day / Afternoon/ Night				Manager Signature:			
	YES	NO	TRAIN		YES	NO	TRAIN
Crispbread Belt Speed Adjustment				Set Up Extruder BC-92 Top Line			
Crispbread Cleaning Tasks				Start-Up BC-92 Extruder			
Pack Crispbread				Shut Down BC-92 Extruder			
Pack Crispbread Boxes				Operate BC-92 Extruder			
Operate PFM's				Top Line QC Procedures			
Operate Crispbread Oven				Set-Up Capt S			
Crispbread Mixing				Operate Capt. S			
Set-Up Extruder BC-72 Crispbread				Operate Triangle Bottom Line			
Start-Up BC-72 Crispbread				Operate Ishida Bottom Line			
Shut Down BC-72 Crispbread				Mixing Bottom Cereal Line			
Operate BC-72 Crispbread				Packing Cereal Bottom Line			
Crispbread QC Procedures				Operate Toaster Bottom Line			
Set-Up Adco				Mixing Muesli Line			
Operate Adco				Set-Up BC-72 Bottom Line			

Operate Band Drier				Start-Up BC-72 Bottom Line			
Set-Up Case Packer				Shut Down BC-72 Bottom Line			
Operate Toaster Top Line				Operate BC-72 Bottom Line			
Operate Syrup System				QC Procedures Bottom Line			
Top Line Cleaning Tasks				Goods Receival and Dispatch			
Operate Triangle Top Line				Warehouse Procedures			
Operate Industrial Station Top-Line				Operate Pallet Wrapper			
Pack Cereal Top Line				Arrow Production Entries			
QC Station Operation				Operate Compactor			
Operate Transit Tube				Log Book Entries			
Operate Flaking Mill				Operate Tape Machine			
Malt Mixing Top Line				Operate MidJet			
Cereal Mixing Top Line				Operate PCP Machine			
Screw Change BC-92 Extruder				Operate Forklift Legally			
Palletisation				Operate Advance			
Hammer-mill Operation				Packing Advance			
Cleaning Bottomline				Operate Dust Extractor			
Ind. Dump Bottomline Operation							
Please note below any other skills that you have: ie painting, welding							

APPENDIX 2

Wage rates and timetable of increases

Level	Current rate at 26/10/03	Monday 22/03/2004	Monday 21/06/2004	Monday 21/03/2005
1	\$463.20	\$475.70	\$488.20	\$513.20
2	\$489.80	\$502.30	\$514.80	\$539.80
3	\$518.80	\$531.30	\$543.80	\$568.80
4	\$550.20	\$562.70	\$575.20	\$600.20
5	\$595.55	\$608.05	\$620.55	\$645.55

Note Level 5 rate includes the leading hand allowance.

APPENDIX 3

Accrued Day Off (ADO) Procedures - Picton

The following are general procedural points developed by the Company regarding the application of ADO's

ADO's apply to full-time staff (plus part-time staff) but not casual staff

If an employee has taken sick leave, annual leave or any other leave on any day please note no ADO to be accrued EG. 1-day absence would mean only 1.6 hours accrued for the week.

Also when a full-time employee is taking sick or annual leave etc, the deduction is 7 hours and 36 minutes per day.

Shift penalty to be paid on actual number of hours deemed worked i.e. 40 hours for a full-timer)

Hours accrued through the ADO system may be accumulated.

The maximum accumulation is the number of hours accrued within 5 months of the employee being entitled to an ADO.

ADO's shall be taken at mutually agreed times, or in the absence of agreement, at the direction of the employer

When ADO's have been taken during any week the hours must be entered into the "Less" row

ADO's must first be accumulated before they are taken, not taken in advance of being earned

Care should be taken when employees have a high accrual of ADO's as it then has to be managed, especially if they then resign from the Company - in this case the ADO's must be taken prior to departure

Documentation re: taking of ADO

Enter weekly ADO 5 days x .4 per day = 2 hours per week in "Plus" row

Use HR002

Specify ADO in "Other" leave

Notice period to be negotiated between employee and shift supervisor taking into account production requirements

APPENDIX 4

Information on how a fortnightly pay might work

Current situation

Employees currently work during Week 1. Pay cut-off is Saturday night and employees are paid on Tuesday of Week 2 for all work performed in Week 1.

Therefore all payments are made in arrears for work already performed.

Suggested fortnightly payments

Employees work Week 1 and commence working Week 2. Payment is made on Tuesday of Week 2 for two week's base wages up to the end of Week 2 plus all penalties and overtime up to Saturday night of Week 1.

Therefore wages are paid for a combination of work already performed and in advance for work to the end of Week 2. Penalties and overtime are paid to the end of Week 1 as is currently done.

Transition

As the payments would move from an arrears situation to a partial arrears, partial prepayment arrangement, the transition from moving from weekly to fortnightly pays is relatively straightforward.

Signed on behalf of the National Union of Workers (NSW Branch)

Witness

Jennifer Lord, JP

Date: 12 / 04 / 04

Signed on behalf of Lowan Australia Ltd.

Witness

Date: 28 / 04 / 04