

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA04/322

**TITLE: The Smith's Snackfood Company Ltd - NSW Regional
Distribution Centres - Enterprise Agreement 2004**

I.R.C. NO: IRC4/6460

DATE APPROVED/COMMENCEMENT: 15 November 2004/1 May 2004

TERM: 21

**NEW AGREEMENT OR
VARIATION:** Replaces EA02/362

GAZETTAL REFERENCE: 21 January 2005

DATE TERMINATED:

NUMBER OF PAGES: 7

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all Regional Distribution employees employed by The Smith's Snackfood Company Ltd, located at 799, Pacific Highway, Chatswood, who fall within the coverage of the The Smith's Snackfood Company Distribution Consent Award, and the Storemen and Packers, General (State) Award

PARTIES: The Smith's Snack Food Company Ltd -&- the National Union of Workers, New South Wales Branch

THE SMITH'S SNACKFOOD COMPANY LTD - NSW REGIONAL DISTRIBUTION CENTRES - ENTERPRISE AGREEMENT 2004

1. Arrangement

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2. Title

This agreement shall be referred to as The Smith's Snackfood Company Ltd - NSW Regional Distribution Centres - Enterprise Agreement 2004.

3. Operation of Agreement

This agreement shall take effect from the first pay period on or after 1 May 2004 and shall remain in force until the first pay period on or after 29 February 2006. The operative date of the next agreement's wage increase will be from the first pay period on or after 1 March 2006.

4. Parties Bound

This agreement applies to The Smith's Snackfood Company Ltd., the National Union of Workers (NSW Branch) and to all persons employed under its terms in regional distribution centres in the State of New South Wales.

5. Agreement Area, Incidence and Coverage

This agreement prevails over The Smith's Snackfood Company Distribution Consent Award to the extent of any inconsistency with this award, in so far as it applies to the operations of The Smith's Snackfood Company at the sites listed below.

This agreement shall apply to employees of The Smith's Snackfood Company employed under its terms in the classifications set out herein at 23 Pendlebury Road Cardiff in Newcastle, 176 March Street Orange, 5/8-12 Acacia Avenue Port Macquarie, 6 Forster Street Queanbeyan and Unit 1, 4 Blaxland Road Wagga Wagga in the State of New South Wales.

The Company and the union will work together during the life of this agreement to draft a comprehensive document that will enable the parties to rescind The Smith's Snackfood Company Distribution Consent Award and replace it with a single document that contains all applicable conditions of employment.

With the resolution of this matter, the Company undertakes that the new comprehensive agreement shall apply to all its distribution centres in New South Wales.

6. No Extra Claims

It is a term of this agreement that no party will pursue any extra claims for the duration of this agreement.

7. Classification Structure, Rates of Pay and Allowances

7.1 Classification Structure

- (a) The Classification Structure, as below, is competency based reflecting the accumulation and utilisation of skills and incremental advancement.

Classification Level	Classification Title	Competency Requirements
4	RDC Co-ordinator	An employee appointed to Classification 4 will have been assessed as competent in all Classification 3 competencies and in addition performs the following functions as required: Lead and be accountable for all aspects of their RDC KPI Ownership including utilisation of Continuous Improvement Tools Project Work
3	RDC Co-ordinator	An employee appointed to Classification 3 will have been assessed as competent in all Classification 2 competencies and in addition performs the following functions as required: Team/site leadership KPI reporting Inventory management Order entry Customer service Training and assessment
2	RDC Storesperson	An employee at Classification 2 will have been assessed as competent in all Classification 1 competencies and in addition performs the following functions as required: Crane, van or forklift operation Stock returns and rotation Vehicle loading and unloading Pallet control and documentation Receival and dispatch procedures Stocktaking
1	RDC Assistant	An employee at Classification 1 will have been assessed as competent in all competencies listed below: Order assembly Hand trolley/pallet truck operation Telephone procedures Pallet/container stacking and unstacking

- (b) There will be at least one Classification 3 employee appointed at each regional distribution centre.
- (c) Training will be provided for RDC Employees consistent with the needs of the business and the employee. As an Employee completes training and is assessed as competent at that skill level the results of the assessment will be recorded in the Employee's file.
- (d) Advancement to a higher level in the structure will only result from the Employee being assessed as competent in all skills associated with that level. Once assessed as competent the Employee will be classified at that higher level and paid accordingly. They will then be required to perform the full range of tasks up to and including tasks at that level.

- (e) The Employee while undergoing training may be required to use the skills covered by that training. In this case, Employees shall not be entitled to any increase in remuneration until they are assessed as competent at that level for which they are undergoing training.
- (f) The Level 3 RDC Co-ordinator will have the opportunity to train and develop their skills at a Level 4 of the Classification Structure outlined in 7.1(a).
- (g) A Level 4 RDC Co-ordinator will directly own and be held accountable for the key performance indicators (KPIs) for their RDC and overall management of their operation.
- (h) RDC KPIs will be developed in consultation with RDC Employees and RDC performance will be detailed in business objectives in the RDC Co-ordinator's Performance Development Review (PDR), and measured as per the Smith's PDR process.

7.2 Rates of Pay and Allowances

- (a) The following rates of pay represent a 3.5% general increase to the base weekly rate effective 1 May 2004 and 1 March 2005, rounded to the nearest 10 cents:

Classification Level	Classification Title	Base Weekly Rate effective from 1 May 2004	Base Weekly Rate effective from 1 March 2005
4	RDC Co-ordinator	N/A	\$795.00
3	RDC Co-ordinator	\$755.60	\$782.00
2	RDC Storesperson	\$662.70	\$685.90
1	RDC Assistant	\$633.50	\$655.70

- (b) Employees, when required to temporarily relieve in the role of RDC Co-ordinator will be paid an additional \$11.83 per day. This amount will increase to \$12.25 from 1 March 2005.
- (c) The above rates are inclusive of all allowances, excluding meal allowances for working overtime. The amount paid for meal money will be \$7.96 effective from the operative date of this agreement. This amount will increase to \$8.24 from 1 March 2005.

8. Performance Development Reviews (Pdr)

- (a) The Performance Development Review (PDR), the Smith's performance measurement tool, will be introduced in 2004 for all Full-Time RDC Co-ordinators (classification level 3) to measure individual performance through agreed objectives.
- (b) The Performance & Development Review (PDR) cycle is an integral part of the Company's business planning process. At a company level, the PDR cycle provides a clear line of sight between our Annual Operating Plan growth, profit, cost control, service and organisational goals, and your individual goals. This provides Employees with the opportunity to examine work priorities and together with their line manager, identify, set and monitor those key individual objectives necessary to achieve the required business outcomes and maximise your contribution. This is a continuous process constantly improving individual and team performance, which in turn drives achievement of positive business outcomes and the development of our people to lead future growth.
- (c) There are three stages to the PDR cycle:
 - (i) Plan - set direction and plan;
 - (ii) Development - progress regular discussions; and
 - (iii) Review - complete an end of year review.
- (d) The PDR will be the principal basis upon which performance will be measured and development needs identified. The PDR may provide input into performance management and counselling procedures.

- (e) Reviews of performance and development for RDC Co-ordinators (classification level 3), using the PDR, will be formally conducted between January and February, 2005 for the prior year. The RDC Co-ordinator will receive performance feedback from the Sales Operations Manager as part of this process.
- (f) Where the RDC Co-ordinator meets or exceeds their key objectives, they will have the option of progressing to Classification Level 4, as outlined in 7.1.
- (g) The intention would be for the salary increase for RDC Co-ordinators, at a Classification Level 4, to be directly linked to the Company's PDR process in future Agreements. The parties agree to discuss and define this further during the life of this Agreement to develop and finalise the most appropriate set of guidelines for this process.

9. RDO Accumulation

Accumulated RDO hours (i.e. ordinary hours worked in excess of 38 per week) which are banked by an employee may be either:-

- (a) taken as paid ordinary time off work on the request of the employee providing at least 48 hours' notice and with the agreement of the Company (such agreement not to be unreasonably refused); or
- (b) taken as paid ordinary time off on the advice of the Company providing at least 48 hours' notice to the employee (such period may be reduced in the case of an emergency).

10. Uniforms and Protective Equipment

Smith's will supply each employee with uniforms, safety equipment and/or footwear in accordance with the Company site policy. The employee must wear the supplied uniform, equipment and/or protective equipment as directed during working hours.

Uniforms, safety equipment and footwear remain the property of the Company. On termination of employment, the employee must return all uniforms, equipment or footwear provided by the Company in accordance with the Company site policy.

11. Regular Weekend Work

Regular weekend work will continue to be required at the Newcastle RDC during the life of this agreement and may be required at other RDCs in the future. This will be on a voluntary basis for existing employees who are not currently rostered to work weekends. All employees who commence after the operative date of this agreement will be advised of the possibility of regular weekend work in their letter of employment.

Work performed on weekends may be worked at ordinary time or at overtime rates of pay. Where weekend work is performed as part of ordinary time, the rates of pay will be:

Time and a half for hours worked on a Saturday

Double time for hours worked on a Sunday

Where weekend work is overtime, the provisions of The Smith's Snackfood Company Distribution Consent Award will apply.

At least 2 weeks' notice will be provided to employees and the union of the introduction of regular weekend work at a site to allow discussions between the parties to occur and any issues to be resolved.

12. Part Time Work

A part-time employee under this agreement shall mean any employee who is employed to work regular days and regular hours up to a maximum of 38 hours per week, with a minimum hours of work required in any one day to be 4.

Moving to part-time working arrangements will be on a voluntary basis for existing employees at the commencement of this agreement. Employees who commence after this date will be advised if they are employed under part-time conditions in their letter of employment.

Part-time employees will be advised of their schedule in advance. Salary rates, annual leave and sick leave will apply on a pro-rata basis linked to a 38 hour week.

Part-time employees will be paid overtime rates for all work in excess of 38 hours in any one week.

Public Holidays will be paid if they fall on a normal working day.

13. Counselling and Disciplinary Procedure

The primary purpose of this procedure is to ensure all employees are informed of and given the opportunity to meet the standards required by the Company.

- (a) Issues warranting counselling or discipline are separated into two types:
 - (i) Behavioural Patterns. These are continuing or repeated breaches of Company standards which as a one-off issue may not be serious enough to warrant counselling but through repetition become a performance problem. Examples are unavailability for work, punctuality, excessive sick leave or not following correct procedures.
 - (ii) Behavioural Incidents. These are specific incidents where an employee's conduct breaches generally accepted or Company-specific standards of behaviour. Examples include abusive or threatening language or refusal to comply with instructions.
- (b) Fundamental breaches of the contract of employment including theft, fighting or other major breaches will result in instant dismissal.
- (c) Four methods of counselling and discipline apply :
 - (i) Informal Counselling. This is a "caution on the run" where an employee is informally reminded or informed of a problem. The purpose is solely to make the employee aware of the problem so that it can be rectified. This counselling may be delivered in a one-on-one or group setting and no personnel file record is made.
 - (ii) Formal Counselling. This involves an employee being called into a discussion away from the immediate work area and informed of a problem. A personnel file note should be made to record that the counselling occurred but is not considered a written warning.
 - (iii) First Written Warning. This involves a formal discussion between an employee and supervisor or manager. A site union representative or co-worker of the employee's choice should be present unless the employee elects otherwise. The employee is to be provided with the opportunity to write comments and to receive a copy of the written warning.

The First Written Warning includes a reference that a continuation or repeat of the problem may lead to the termination of employment.
 - (iv) Final Written Warning. This involves a formal discussion between an employee and a supervisor or manager. The employee is encouraged to have a site union representative or co-worker of their choice present. The employee is to be provided with the opportunity to write comments and to receive a copy of the written warning.

The Final Written Warning includes a reference that a continuation or repeat of the problem will lead to the termination of employment.
- (d) Selection of Counselling Methods. For Behavioural Pattern issues, Informal or Formal Counselling should precede the warning procedure. For Behavioural Incident issues, the method of counselling and

discipline to be applied should match the severity and circumstances of the particular incident whilst being consistent with accepted practice.

14. Dispute and Grievance Settling Procedure

This procedure for settling grievances and avoiding disputes is based on consultation, co-operation and discussion with the objective of minimising disruption to working relationships and the performance of work.

Step 1 - In the event an employee has a grievance, the employee in the first instance shall attempt to resolve the matter with the site co-ordinator.

Step 2 - If the grievance is not resolved in Step 1, the employee or the employee's site representative may refer the matter to the next level of management for discussion. If requested by either party, the grievance/dispute may be committed to writing.

Step 3 - If the grievance is not resolved in Step 2, the matter shall be referred to the senior manager responsible for regional distribution centres and the relevant Union official. This should occur as soon as it is evident that the discussion in Step 2 will not result in resolution.

Step 4 - If the grievance is not resolved in Step 3 after the parties have genuinely attempted to achieve settlement, then notification of the existence of a dispute may be given to the Industrial Relations Commission of New South Wales.

Throughout all stages of this procedure, normal work practises shall continue. While an issue is being processed via these procedures, the status quo shall remain and normal work will continue.

15. Union Recognition

Consistent with Clause 4 (Parties Bound), the Company recognises the National Union of Workers (NSW Branch), its officials and/or elected delegates as the only organisation able to make representations on behalf of members employed under the terms of this Agreement.

The Company, at the request of an employee, agrees to deduct membership dues of the Union through the payroll and remit these fees to the Union.

The Union Picnic day will be a flexible holiday for employees and will be taken as paid ordinary time off work on the request of the employee providing at least 48 hours' notice and with the agreement of the Company (such agreement not to be unreasonably refused).

Signed for and on behalf of the Smiths Snackfood Company Limited by an authorised representative in the presence of

Signature of Witness

Signature

Name (Print)

Name of Witness (print)

Office Held

Signed for and on behalf of RDC Employees Employed in New South Wales by an authorised representative in the presence of:

Signature of Witness

Signature

Name (Print)

Name of Witness (print)

Office Held

Signed for and on behalf of the National Union of Workers, NSW Branch by an authorised representative in the presence of:

	Signature
Signature of Witness	Name (print)
Name of Witness (print)	Office Held