

## **REGISTER OF ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO:** EA06/203

**TITLE: National Foods Limited Penrith Metal Trades Agreement  
2006-2009**

**I.R.C. NO:** IRC6/925

**DATE APPROVED/COMMENCEMENT:** 27 February 2006 / 1 January 2006

**TERM:** 36

**NEW AGREEMENT OR  
VARIATION:** Replaces EA04/99.

**GAZETTAL REFERENCE:** 16 June 2006

**DATE TERMINATED:**

**NUMBER OF PAGES:** 21

**COVERAGE/DESCRIPTION OF**

**EMPLOYEES:** The agreement applies to all employees employed by National Foods Limited who are based at Castlereagh Road, Penrith, who are engaged in maintenance associated with receipt, production and distribution of milk and milk related products, who fall within the coverage of the Metal, Engineering and Associated Industries (State) Award and the Milk Treatment, &c., and Distribution (State) Award.

**PARTIES:** National Foods Milk Ltd -&- the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch

**FILED**

23 FEB 2006

**NATIONAL FOODS MILK LIMITED PENRITH  
METAL TRADES AGREEMENT 2006-2009** OFFICE OF THE INDUSTRIAL  
REGISTRAR

## **PART 1 APPLICATION AND OPERATION OF AGREEMENT**

### **1. AGREEMENT TITLE**

- 1.1. This Agreement will be known as the "National Foods Milk Limited Penrith Metal Trades Agreement" 2006-2009("the agreement").

### **2. ARRANGEMENT**

This Agreement is arranged as follows:

<b>PART 1 APPLICATION AND OPERATION OF AGREEMENT</b>	<b>1</b>
<b>1. AGREEMENT TITLE</b>	<b>1</b>
<b>2. ARRANGEMENT</b>	<b>1</b>
<b>3. ANTI-DISCRIMINATION</b>	<b>3</b>
<b>4. COVERAGE</b>	<b>3</b>
<b>5. DEFINITIONS</b>	<b>3</b>
<b>6. DATE OF OPERATION</b>	<b>4</b>
<b>7. OBJECTIVES</b>	<b>4</b>
<b>8. PARTIES BOUND</b>	<b>4</b>
<b>9. NO FURTHER CLAIMS</b>	<b>4</b>
<b>10. CONTINUITY OF OPERATIONS</b>	<b>4</b>
<b>11. CONSULTATION</b>	<b>5</b>
<b>PART 2 EMPLOYMENT CONDITIONS</b>	<b>6</b>

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

---

12.	CLASSIFICATIONS	6
13.	TRAINING	8
14.	TERMS OF ENGAGEMENT	8
15.	CONDITIONS OF EMPLOYMENT	8
16.	MILK ALLOWANCE	8
17.	SUPERANNUATION	9
18.	REDUNDANCY	9
PART 5 LEAVE		12
19.	ANNUAL LEAVE	12
20.	SICK LEAVE	12
21.	BEREAVEMENT LEAVE	12
22.	CARERS' LEAVE	13
23.	PUBLIC HOLIDAYS LEAVE	13
PART 7 UNION RELATED MATTERS		14
24.	RIGHT OF ENTRY	14
25.	UNION REPRESENTATION	14
26.	COPY OF AGREEMENT	14
27.	SIGNATORIES	15
APPENDIX 1 PAY RATES		16
APPENDIX 2 ENGINEERING KPI'S		17
APPENDIX 3 SITE CONSULTATIVE COMMITTEES		18
APPENDIX 4 SALARY CONTINUANCE		20

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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### 3. ANTI-DISCRIMINATION

- 3.1. It is the intention of the respondents to this agreement to help to prevent and eliminate discrimination on the basis of race, sex, sexual preference, age physical or mental disability, marital status, pregnancy, religion, political opinion or social origin.
- 3.2. National Foods limited is committed to ensuring that the workplace environment is free of discrimination and harassment.

### 4. COVERAGE

- 4.1. Where this agreement is silent, the terms of the *Metal, Engineering and Associated Industries (State) Award (NSW)* will apply.
- 4.2. In the event that this award is silent, the terms of the *Milk Treatment and Distribution (State) Award (Part B)* will apply. In the event of any inconsistency between the awards and the agreement, the agreement shall take precedence to the extent of the inconsistency.
- 4.3. We agree to abide by the existing awards for the life of the agreement, where we are legally able to do so under State and Federal legislation.

### 5. DEFINITIONS

- 5.1. **“Employer”** means National Foods Milk Ltd, Castlereagh Road, Penrith NSW
- 5.2. **“Union”** means Australian Manufacturing Workers Union, NSW Branch
- 5.3. **“Award”** means the Metal, Engineering and Associated Industries (State) Award (NSW).
- 5.4. **“Employee”** means an employee of the employer, who works at the employer’s premises.
- 5.5. **“To consult”** means in the event the employer contemplates making changes to the method of work organisation that will affect the employees, the employer will discuss the proposals at the early or contemplative stage with employees and/or their representatives
- 5.6. **“Call In”** is where an employee who has returned home however is contacted by company provided mobile phone to return to work in unforeseen and exceptional circumstances. In the first instance, the employee rostered on call and has the possession of the mobile telephone will be contacted first.
- 5.7. **“Call Back”** is where there is a requirement for additional assistance when executing the works assigned to the “call in” employee. The call back process will be managed in consultation with the Engineering Manager and/or the Maintenance Manager.
- 5.8. **“Competent”** means individual assessment by an independent workplace assessor of being able to perform tasks contained within the classification level. The minimum competency required is a trade i.e fitting and turning.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**6. DATE OF OPERATION**

- 6.1. This agreement shall operate on and from 1 January 2006 and will remain in force for 36 months or until the agreement is renegotiated after the expiry of the 36 month period.
- 6.2. The parties to this agreement will meet at least eight weeks prior to 31 December 2008<sup>a</sup> with the objective of renewing the agreement.

**7. OBJECTIVES**

- 7.1. The objective of this agreement is to assist the site in achieving continuous improvement in operational efficiencies, occupational health and safety performance, customer service and waste reduction; and to facilitate employee training. These improvements and efficiencies will be measured via Key Performance Indicators which will be established in consultation with employees and management.

**8. PARTIES BOUND**

- 8.1. This agreement shall be binding upon:
- 8.1.1. National Foods Milk Limited (ACN 051 195 272), ("the Employer")
- 8.1.2. the Australian Manufacturing Workers Union, NSW Branch ("the Union") on behalf of all employees who are eligible to be members of the union in relation to metal trades employees employed at the Employer's facility at Castlereagh Road, Penrith New South Wales ("the site") engaged in maintenance associated with the receival, production and distribution of milk and related products.

**9. NO FURTHER CLAIMS**

- 9.1. The parties to this Agreement acknowledge that no extra claims will be made during the life of this Agreement.

**10. CONTINUITY OF OPERATIONS**

- 10.1. It is recognised that employees and/or the union may from time to time have grievances or queries that they wish to pursue with the Employer. It is agreed that such issues will be resolved in accordance with the following procedures without disruption to customer service or operations, ensuring that all efforts are made to resolve issues by agreement at the supervisory level prior to disputes proceedings being initiated.
- 10.1.1. The individual involved will discuss the issue with the relevant department manager i.e Maintenance Manager. The individual may request to be represented by a site delegate or co-worker during this meeting. A response from the manager to the issue will normally occur within 48hrs of it being raised excepting weekends, public holidays and days off.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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- 10.1.2.** Where an issue cannot be resolved at this level a meeting shall be arranged between the relevant Unit Manager i.e Engineering Manager or his/her nominee and individual involved. The individual may request to be represented by a site delegate or co-worker during this meeting. A response from the manager to the issue will normally occur within 72hrs of it being raised.
- 10.1.3.** Should the matter still remain unresolved a formal meeting will be convened with Operations Manager, and/or agreed nominee, the individual concerned, a site delegate, the departmental manager and, where requested, the union site organiser.
- 10.1.4.** If unresolved, the employee and/or Employer will commence a cooling off period of two working days and then resume discussions as in sub-clause 10.1.3.
- 10.1.5.** In the event that a mutually agreeable outcome is not achieved after the repetition of sub-clause 10.1.3, and where there is a likelihood of industrial action on matters arising from this agreement, the union organiser shall formally advise senior management as to the nature of the dispute and the intended course of action to be taken in the event that resolution is not reached.

The senior management shall convene a special meeting of the relevant parties within 24 hours from the time of notification to formally respond to the issues in dispute.

- 10.1.6.** If the issue remains unresolved, a conciliation process with the assistance of the Industrial Relations Commission (NSW) will occur prior to any interruption to site operations. Following conciliation, if the issue remains unresolved, with the agreement of both parties, the matter shall be referred to the Industrial Relations Commission (NSW) for resolution.
- 10.2.** Until the matter is determined, work will continue to be performed in accordance with the reasonable direction of the employer without prejudice to the final outcome of the dispute resolution procedure. An employee is entitled to refuse to perform work where they have a reasonable concern that that work is an imminent risk to their health or safety.

## **11. CONSULTATION**

- 11.1.** Site management will meet with employees on a regular basis (at least in the first week of each quarter) to review customer service levels, site operations and the effectiveness of this agreement, including employee numbers.
- 11.2.** Any operational changes that will have an impact on the site and on employees will be raised in this forum or via a special meeting of the parties. Where agreement cannot be reached on any matter, external facilitation may be relied upon.
- 11.3.** In addition, engineering employees are invitees to the Site Consultative Committee (Appendix 3).

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**PART 2 EMPLOYMENT CONDITIONS**

**12. CLASSIFICATIONS**

- 12.1. The allocation and carrying out of work shall be determined by safety, competence and legislative requirements. All employees are required to assist other employees in the provision of training.
- 12.2. All salaries are paid on an annual basis, without reference to hours worked.
- 12.2.1 The annualised salary has been built on the premise of an average 38 hour week, inclusive of historical overtime, shift penalties, call in's and other penalties. It has encompassed all possible roster combinations.
- 12.3. Under normal circumstances, the Employer will not require any employee to work more than twelve (12) hours on any day or more than fifty (50) hours in any week, except in exceptional circumstances such as emergencies or major breakdowns.
- 12.3.1. In such circumstances where employees are required to work in excess of 200 hours per 4 week interval, time off in lieu will be recorded and accrued to enable employees to have this time off at a time that is agreed between the employees and management, so far as not to interrupt the continuity of operations. In addition, all time associated with call back's will be managed through a time off in lieu process in line with above mentioned.
- 12.4. The employees and site management will continue to monitor the hours worked with a view to identifying problem areas and putting in place processes or systems to eradicate root causes permanently.
- 12.4.1. As a means of completing this task, employees will be required to attend work in line with the produced engineering roster, which has been completed with meaningful consultation between the employer and the employees whereby there is an ability to influence the outcome. Any overtime or call in hours in excess of this roster is to be captured in an attendance book to enable management to provide their respective duty of care.
- 12.5. All salaries shall be paid by EFT to a bank account nominated by the employee.
- 12.5.1. Employees will also be given the opportunity to have three institutional payments deducted from their pay on a weekly basis and remitted to the nominated institution upon written notification/approval from the employee.
- 12.6. Employees shall be classified in one of the following classifications:-
- 12.6.1. **Engineering Tradesperson (Level 1)**
- An employee holding a trades certificate and who exercises the skills and knowledge of the relevant trade.
- 12.6.2. **Engineering Tradesperson (Level 2)**
- An employee who in addition to satisfying the requirements of Engineering Tradesperson (Level 1) has completed three modules of training specific to the Penrith site or towards a relevant post Trade Certificate or has the equivalent skills.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**12.6.3. Engineering Tradesperson - Special Class (Level 1)**

An employee who in addition to satisfying the requirements of Engineering Tradesperson (Level 2) has completed six modules of training specific to the Penrith site or towards a relevant post Trade Certificate or has the equivalent skills.

**12.6.4. Engineering Tradesperson - Special Class (Level 2)**

An employee who in addition to satisfying the requirements of Engineering Tradesperson - Special Class (Level 1) has completed nine modules of training specific to the Penrith site or towards a relevant post Trade Certificate.

12.7. Any further technical or professional training undertaken that is of relevance to Penrith site operations, and has an application, will be rewarded for each additional three approved and completed modules.

12.7.1. Each additional approved and completed training module will be rewarded on the basis of \$739.00 pa for one module at 40 hours.

12.8. Skills and training that become redundant and/or refresher training will not qualify for payment. The payment will not apply to general training such as TQM or other "soft" skills training.

12.9. Annual salaries are listed in Appendix One.

12.9.1. All salaries listed in Appendix One are inclusive of shift allowances, penalties and call-ins required. Future changes to shift requirements and rosters will be reviewed on manning levels in preference to changes to remuneration.

12.10. If required, work related mileage expenses outside of ordinary travel to and from work will be paid at the award rate. Employees required to utilise their vehicle to attend call ins or work related business – whether rostered or not – are entitled to claim the mileage expense.



**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**13. TRAINING**

- 13.1. The training plans for the Penrith Engineering Team will be developed in line with the operating requirements for the site. As technology changes and differing skills are required, employees and/or management will request for specific training to be undertaken to develop skills that currently may not exist. These training plans will be formally reviewed annually; however the frequency may increase as circumstances change.
- 13.2. The Employer will reimburse employees for tuition costs and textbooks on successful completion of the approved course. Any costs will be discussed and will require approval prior to being incurred. Site delegates can apply for training leave for agreed courses as provided by the trade union providing the timing is not in conflict with site needs.

**14. TERMS OF ENGAGEMENT (NEW PERMANENT EMPLOYEES)**

- 14.1. Each employee shall be employed on a three month probationary period during which period employment can be terminated at one day's notice (unless circumstances justifying summary dismissal). On successful completion of the probationary period employment will be as a weekly employee, except in the case of a person notified and engaged as a casual employee.
- 14.2. To become entitled to payment under this Agreement an employee will be ready, willing and available for work at the times and during the hours which they are rostered.

**15. CONDITIONS OF EMPLOYMENT**

- 15.1. The Employer and the union agree that for the life of this agreement that no employee, including apprentices and trainees, shall be employed other than under the terms of this agreement.
- 15.2. The parties also agree that no employee covered by this agreement shall be offered an Australian Workplace Agreement.

**16. MILK ALLOWANCE**

- 16.1. Employees are entitled to a "white milk allowance" of 2 litres per rostered day on. This is to be taken on the day and is not cumulative.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**17. SUPERANNUATION**

- 17.1. Superannuation benefits will be provided by the Employer to eligible employees as determined by the *Superannuation Guarantee (Administration) Act 1992* through either the National Foods Ltd Superannuation Plan administered by Plum Financial services or via the Superannuation Trust of Australia.
- 17.1.1. Employees will be given the choice of joining either fund.
- 17.1.2. Superannuation Trust of Australia will be the default fund should an employee neglect to nominate a superannuation fund.
- 17.1.3. No superannuation contribution shall be made to any other fund.
- 17.2. Employees who are already members of an alternative fund may remain in that fund or any successor.

**18. REDUNDANCY**

**18.1. Discussions before termination**

- 18.1.1. Where the Employer has made a definite decision that they wish to make a position redundant, and this is not due to the ordinary and customary turnover of labour, and this decision may lead to termination of employment by the employer, the employer shall hold discussions with the employees directly affected and with their union.
- 18.1.2. The discussions shall cover all relevant information about the proposed termination including the reasons for the proposed terminations, the number and categories of employees likely to be affected, and the number of employees normally employed and the period over which the terminations are likely to be carried out. However, the Employer will not be required in the document to disclose any information the Employer regards to be confidential.

**18.2. Severance pay**

- 18.2.1. **Note:** Weeks' pay means the ordinary time rate of pay for the employee concerned.
- 18.2.2. An employee whose employment is terminated as a result of a position becoming redundant as described in sub-clause 18.1.1 is entitled to the following amount of severance pay in respect of a continuous period of service:  
Four (4) weeks pay for each year of service.  
This payment will be capped at a maximum of 52 weeks.

**18.3. Miscellaneous entitlements**

- 18.3.1. The Employer will provide eight weeks notice of a proposed redundancy date or payment in lieu.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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- 18.3.2. Employees may leave employment during the period of notice and, if so, shall be entitled to the same benefits and payments under this clause had the employee remained with the employer until the expiry of the notice period (ie. shall be paid out the notice period).
- 18.3.3. On redundancy, sick leave accumulated prior to 1 July 1994 that has not since been used, shall be paid out at the rate of pay applicable as at 1 July 1994.
- 18.3.4. Annual leave loading shall be paid out on accrued leave only (ie. not pro rata leave).

**18.4. Employees exempted**

- 18.4.1. This clause does not apply:
- (a) to employees with less than one years' continuous service;
  - (b) where employment is terminated as a consequence of conduct that justifies instant dismissal including malingering, inefficiency or neglect of duty, or
  - (c) to casual employees, apprentices or employees engaged for a specific period of time, or for a specific task or tasks.

**18.5. Transmission of business**

Where:

- 18.5.1. a business is before, on or after the date of this agreement;
- 18.5.2. transmitted from an Employer (in this clause called the transmittor) to another Employer (in the clause called the transmittee); and
- 18.5.3. an Employee who at the time of such transmission was an employee of the transmittor in that business becomes an employee of the transmittee:
- (a) the continuity of the employment of the employee will be deemed not to have been broken by reasons of such transmission; and
  - (b) the period of employment which the Employee has had with the transmittor or any prior transmittor will be deemed to be service of the employee with the transmittee.
- 18.5.4. The provisions of this clause are not applicable where a business is transmitted from the transmittor to the transmittee:
- (a) where the employee accepts employment with the transmittee and the employee's period of continuous service with the transmittor is recognised; or
  - (b) where the employee rejects employment with the transmittee:
    - i. in which terms and conditions are substantially similar and no less favourable on an overall basis to the terms and conditions enjoyed at the time of ceasing employment with the transmittor;
    - ii. which recognises the period of continuous service which the employee had with the transmittor, and any prior transmittor, to be continuous service of the employee with the transmittee.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**18.5.5.** Any disagreement as to whether the employment offered by the transmittee is acceptable in the sense that it has terms and conditions that are substantially similar and no less favourable on an overall basis to the terms and conditions enjoyed at the time of ceasing employment with the transmittor will be dealt with under the Continuity of Operations (Clause 10) of this Agreement.

**18.5.6.** In this clause *business* includes trade, process, business or occupation and includes part of any such business, and *transmission* includes transfer, conveyance, assignment or succession whether by agreement or by operation of law and transmitted has a corresponding meaning.

**18.6. Optional Terms**

**18.6.1.** Outplacement and financial counselling will be provided and paid for by the company to employees who require it.



**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**PART 5 LEAVE**

**19. ANNUAL LEAVE**

**19.1. Entitlement**

**19.1.1.** Every employee shall accrue leave on the basis of four weeks per annum. Shift workers who work rotating or fixed afternoon or night shifts become entitled to receive five weeks annual leave per annum.

(a) A loading of 17.5% will be paid upon taking leave;

(b) Accrued leave will be paid at the rates contained in this agreement.

**19.1.2.** The additional one (1) week of annual leave is to be taken and cannot be paid out, except on termination.

**20. SICK LEAVE**

**20.1.** The conditions which govern the taking of sick leave as stated in the award shall apply.

**20.2.** Employees are entitled to take 38hrs sick leave in their first year of employment and 76 hrs in each subsequent year.

**20.3.** Employees must notify their supervisor/manager of the nature and expected duration of any absence prior to the commencement of their shift or at the earliest opportunity and, when requested provide medical evidence of why they were unable to attend.

**20.4.** Employees absent for more than one rostered shift, a rostered overtime day or scheduled work day before or after a public holiday, weekend, annual leave or RDO must produce a medical certificate stating why they were unable to attend work. Failing to do so may lead to the employee being counselled as per the Employer's disciplinary procedure.

**21. BEREAVEMENT LEAVE**

**21.1.** An employee will:

**21.1.1.** on the death of a wife, husband or partner (either married or living with the employee in a de-facto capacity), father, mother, grandparent, brother, sister, father-in-law, mother-in-law, child or step-child (including an adopted child, step-child or ex-nupital child);

**21.1.2.** be entitled on notice to leave up to and including the day of the funeral of such relation, and such leave shall be without deduction of pay for a period not exceeding the number of hours worked by the employee in 2 ordinary days' work.

**21.1.3.** Proof of such death will be furnished by the employee to the satisfaction of the Employer if requested.

**21.2.** Any circumstances outside of this definition will be at the discretion of management.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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- 21.3. This leave does not accumulate and will be reset as at 1 January each year.
- 21.4. This clause shall have no operation while the period of entitlement to leave under it coincides with any other period of entitlement to leave.

## **22. CARERS' LEAVE**

### **22.1. Entitlement**

#### **22.1.1. An employee:**

- (a) with responsibilities to their wife, husband or partner (either married or living with the employee in a de-facto capacity), father, mother, grandparent, brother, sister, father-in-law, mother-in-law, child or step-child (including an adopted child, step-child or ex-nuptial child) who need the employee's care and support;
- (b) will be entitled to use, in accordance with this sub-clause, any sick leave, annual leave and unpaid leave entitlement accrued for absences to provide care and support for such persons when they are ill.

#### **22.1.2. The employee will, if required, establish by production of a medical certificate or statutory declaration, the illness of the person concerned.**

### **22.2. Notice**

#### **22.2.1. The employee will, wherever practicable, give the Employer:**

- (a) notice prior to the absence of the intention to take leave,
- (b) the name of the person requiring care and their relationship to the employee,
- (c) the reasons for taking such leave and the estimated length of absence.

If it is not practicable for the employee to give prior notice of absence, the employee shall notify the Employer by telephone of such absence at the first opportunity on the day of absence.

## **23. PUBLIC HOLIDAYS LEAVE**

### **23.1. Payment for public holidays**

23.1.1. It is expected that some employees will work some of the public holidays. Within the employees' annualised salary is a component of double time and one half for all hours worked on a public holiday. Minimum coverage will be rostered when the site is operating on a Public Holiday and those employees who "work" the public holiday will be entitled to "time off in lieu" at a time that is agreed between the employees and management, so far as not to interrupt the continuity of operations

23.1.2. Should the public holiday occur during an employee's period of leave, this day will not be deducted from the employees leave accruals. Instead, the public holiday will be contained within the leave taken by the employee, without additional payment occurring during this time.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**PART 7 UNION RELATED MATTERS**

**24. RIGHT OF ENTRY**

- 24.1. In order to facilitate the operation of this agreement and/or to ensure its observance, an authorised Union representative is entitled to enter at all reasonable times upon the premise and to interview any employee, but not so as to interfere unreasonably with the employer's business. Union representatives will adhere to site entry requirements including advising the Engineering and/or Operations Manager of their entry, signing in at the main reception desk and wearing a visitors badge whilst on site.

**25. UNION REPRESENTATION**

**25.1. Delegates**

The employer recognises the Union delegates who are elected by the employees as the on-site representatives of the Union and recognises the role and responsibility placed upon the Union delegates in working with management to support NFL employees. The employer and the Union delegates agree to engage in a professional manner in an environment of courtesy, mutual respect and fairness.

The employer recognises the right of the Union delegates to represent union members. The employer and the Union delegates will ensure adherence to clause 10 (Continuation of Operations) of this agreement.

- 25.1.1. *On-site business* - Delegates will be, by mutual agreement, subject to prior notification to their supervisor of the absence, the expected length of the absence and the time of expected return to normal duties, have reasonable paid time to address employee queries. The delegates shall have reasonable access to resources to perform their role, including the photocopier, telephone, fax machine and generic e-mail.
- 25.1.2. *Off-site business* - In addition, delegates will be allowed 5 days off the site to attend training and or briefings to assist the performance of their roles without the loss of ordinary pay by prior written notice of at least four weeks to the employer.

**25.2. On Site Meetings**

On site meetings of employees with Union representatives may be held to consider and discuss matters relating to this agreement. Except where otherwise agreed, 48 hour notice of the meeting will be given to the employer.

**26. COPY OF AGREEMENT**

- 26.1. A copy of this agreement will be made available to employees upon request.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

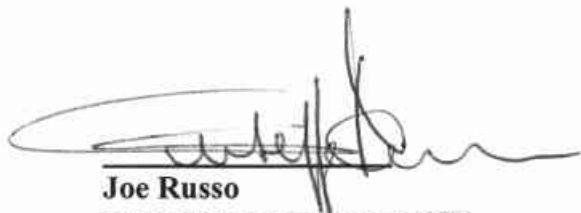
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**27. SIGNATORIES**



State Secretary NSW  
Australian Manufacturing Working Union (AMWU) NSW Branch

DATE: 17<sup>th</sup> February 2005



Joe Russo  
Operations Manager NSW  
National Foods Milk Limited - Penrith

DATE: 02 FEBRUARY 2006





**APPENDIX 1 PAY RATES**

	Jan 1 2006 3.30%	Jul 1 2006 0.50%	Jan 1 2007 3.30%	Jul 1 2007 0.50%	Jan 1 2008 3.30%	Jul 1 2008 0.50%
Engineering Trade Person (Level 1)	\$67,472.05	\$67,809.41	\$70,047.12	\$70,397.35	\$72,720.47	\$73,084.07
Engineering Trade Person (Level 2)	\$70,653.12	\$71,006.39	\$73,349.60	\$73,716.34	\$76,148.98	\$76,529.73
Engineering Trade Person Special Class (Level 1)	\$73,834.22	\$74,203.39	\$76,652.11	\$77,035.37	\$79,577.53	\$79,975.42
Engineering Trade Person Special Class (Level 2)	\$77,015.32	\$77,400.39	\$79,954.60	\$80,354.38	\$83,006.07	\$83,421.10

\* Figures in these columns reflect the achievement of 100% of current and previous KPI bonuses [1<sup>st</sup> July 2006, 1<sup>st</sup> July 2007, 1<sup>st</sup> July 2008] Where less than 100% of KPIs are achieved for any of the two periods, the figures above must be adjusted down to reflect a lower base.

These figures represent the base, inclusive of shift allowances, penalties, overtime, public holidays and call-ins required as per Clause 12.2 above. The actual hourly rate of pay for each employee needs to be adjusted up to include the impact of training module completion payments. (refer clause 12.7.1)

Reference should be made to the Maintenance Department Training Register held by the Maintenance Manager to determine the number of completed modules for each employee covered by this agreement.

## APPENDIX 2 ENGINEERING KPI'S

### KPIs Engineering EBA



#### Annual Targets – 2006-2009

KPI/ Area	Priority	Weighting [%] Reporting Frequency	Target	Comments
Service Levels to Customers	1	45 Weekly	To respond to all calls in under 10 minutes.	When a service / maintenance request is made, the maintenance staff will respond to the call within (5) mins of being notified. Within a month no more than 5 call outside 5 mins and none outside 10 mins.
Innovation	4	15 Monthly	Continue to innovate to improve efficiencies	Target: savings- \$50,000 pa. as a team. Criteria: Ideas must meet a hurdle rate of one year payback. Reward: personal incentive of \$250.00 per idea which has a pay-back of less than one year and generates more than \$10,000 in savings.
Preventative Maintenance	2	10 weekly	Planned engineering works Year 1 = 75% Year 2 = 80% Year 3 = 85%	To assist with the facilitation of a planned preventative maintenance system. This requires job request times to be estimated, and reconciled on execution. This will improve customer relations and engineering efficiencies.
	2	15 monthly	Planned PM as % total planned works Year 1 = 60% Year 2 = 70% Year 3 = 80%	Preventative Maintenance as a % of total works planned to be in line with the above mentioned
Projects	5	5 monthly	On time completion of given projects	Complete all projects within agreed time. The agreed time will exclude non-controllable issues.
Tasks allocated	3	10 weekly	Complete allocated tasks on time	Each fitter is issued a list of tasks by Ray. Have the tasks completed as per schedule. Tasks generated as a result of PPM inspection to be put into pool and allocated accordingly to workload of individual fitters.

The maintenance team will aim to achieve those KPIs. It is agreed that the 1<sup>st</sup> year KPI Bonus will be paid proportionally to objectives achieved, their respective weightings and be paid retrospectively to the 1<sup>st</sup> January of each calendar year during the life of this agreement. These payments will be inclusive of superannuation and supporting documentation is to be received by the employee.

Moreover, the effort in achieving KPIs will be taken into consideration when calculating the KPI Bonus.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**APPENDIX 3 SITE CONSULTATIVE COMMITTEES**

**1. Name**

The name of the Committee will be the Penrith Site Consultative Committee.

**2. Functions**

The functions of the Committee include, but are not limited to:

- provide a forum where the views of management and employees can be represented to improve overall communication within the operation.
- industrial matters relating to the employees will be dealt with by the dispute settlement procedure or industrial consultative process;

**3. Membership**

The composition of the Committee shall be:

- A representative from each of the following areas within the factory:
  - ~ Processing;
  - ~ Packaging;
  - ~ Distribution; and
- An employee from Administration, Laboratory, Engineering and other agreed areas (i.e. Blowflex)
- Management representatives shall not exceed employee representatives.

The Committee has the power to co-opt people from outside the Committee to offer expertise, training, etc.

A Management, Union, or employee nominee on the Committee shall cease to be a member of the Committee upon ceasing employment with the employer or on advice from the Union.

**4. Chairperson**

The members of the Committee will nominate a Chairperson for no less than a six-month period. Union, Employees and Management representatives shall alternate the Chairperson's position.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**5. Meetings**

The Committee shall meet monthly during working hours.

Additional meetings may be held by consensus of the Committee.

**6. Agenda**

Agendas will be prepared by the Chairperson and circulated to all members of the Committee and posted on notice boards at least five working days before the meeting.

Information/attachments shall be attached.

Employees shall submit agenda items to their respective representatives.

Any Committee member may submit written and signed agenda items to the Chairperson and must reach the Chairperson at least eight days before the meeting.

**7. Minutes**

The Committee shall provide secretarial support for the Committee.

The minutes, which will include an action list and deadlines, will be circulated to Committee members within one week of the meeting.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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**APPENDIX 4 SALARY CONTINUANCE**

- 1) Subject to the provisions of this clause, NFL employees who have been employed for 2 years or more as at the date of application will have access to apply for long-term salary continuance in the event of long-term sickness or injury.
  - a. Salary continuance does not apply to make up pay for any injury or illness occurred under work cover or journey cover irrespective of the liability status of the claim. (subject to managerial discretion)
  - b. Salary continuance under this Appendix 5 does not apply to casual employees.
  - c. An employee can only claim for one illness or injury diagnosis in the duration of employment with the Employer. In the event that an employee participates in a return to work programme (resumes work), and subsequently needs to go back on salary continuance, this is considered one instance. In this instance, the total entitlement of all time off under salary continuance will be no greater than the amounts specified in clause 5.
  
- 2) Employees shall exhaust leave entitlements inclusive of sick leave & annual leave, prior to the commencement of salary continuance.
  
- 3) In the event of long-term sickness or non-work related injury, an employee may apply for salary continuance.
  - a. Application for salary continuance is made to the Site Operations Manager and the Group Executive - Human Resources as soon after the injury or illness becomes known or as is practicable.
  - b. A doctor's certificate must be attached to the application, specifying the reason for salary continuance, and the estimated period of illness or injury.
  - c. By applying for salary continuance, the employee agrees to give the Employer the right to review their case with their treating doctor(s) and specialists(s). This will expressly be for purposes of discussing return to work plans/rehabilitation plans and for the determination of the long term nature of the injury or illness.
    - i. Employees must sign an agreement allowing such discussions to occur at the same time that the application is entered into.
    - ii. The employee also agrees to independent medical examinations as directed by the Employer. These medical reviews will be at no cost to the employee.
  
- 4) The employee will be notified in writing whether their application for salary continuance has been accepted.
  - a. There is a 3 week (15 working days) waiting period before salary continuance applies.
  - b. During this waiting period an employee may utilise accrued leave entitlements.

**NATIONAL FOODS MILK LIMITED**  
**METAL TRADES AGREEMENT 2006-2009**

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- 5) Once the application for salary continuance has been approved, and all leave entitlements have been exhausted:
- a. The employee will continue to receive 100% of their average weekly earnings for a period of three months.
  - b. Subject to ongoing medical assessment at the conclusion of the three-month period, the employee will be eligible to receive 75% of their average weekly earnings for an additional period of 9 months; and 50% for the subsequent 12 months
    - i. Should an employee return to work on a partial return to work plan after the initial 3 months, any actual time worked will be paid at 100%, with hours not worked continuing to be paid at 75%. For example – if an employee returned to work on a 20 hours per week basis – they would receive 20 hours normal pay, then the remainder of their ordinary hours at 75% pro-rata.
  - c. Payment is subject to the Company receiving ongoing medical evidence to support the condition, which may include independent medical advice, pursuant to clause 3 (c) (ii).
  - d. Salary continuance will not exceed two years, or twenty-four months in any circumstances. If at this time, the employee is unable to resume their employed position, and it is no longer practicable for the Company to hold the employee's position open, the employee will be notified in writing of such, and advised of the Company's intent to terminate employment providing the necessary notice.
  - e. Average weekly earnings are calculated by taking the average earnings over the six months prior to the injury/illness occurring. Average weekly earnings will take into account shift penalties, weekend penalties and overtime worked over that period.
  - f. No leave entitlements will be accrued while an employee is receiving salary continuance.
- 6) The Company reserves the right, at its sole discretion, to reject a claim for salary continuance or to cease a claim at any time for salary continuance based on independent medical advice.
- a. The employee agrees to participate in reasonable return to work and rehabilitation plans, completed in conjunction with their treating doctor.
  - b. Should an employee not participate in such plans, or fail to provide appropriate medical documentation salary continuance can be ceased with seven (7) day notice period.
  - c. Should an employee have a dispute as to how their salary continuance is managed, Clause 10 of this agreement (Continuity of Operations) will be applicable.