

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA 97/73

I.R.C. NO: 97/1568

DATE APPROVED/COMMENCEMENT: 23 April 1997

TERM: Expires 14 November 1998

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 22

TITLE: Camperdown Best Practice Development Agreement

COVERAGE/DESCRIPTION OF

EMPLOYEES: To apply to all employees under the Biscuit and Cake Makers (State) Award

PARTIES: Weston Baked Foods (New South Wales) -&- National Union of Workers, New South Wales Branch.



WESTON BAKED FOODS



CAMPERDOWN SITE

BEST PRACTICE

DEVELOPMENT AGREEMENT

1996

1. FORMALITIES

1.1 Title

This Agreement will be known as the Camperdown Best Practice Development Agreement.

1.2 Parties Bound

This Agreement will apply to and be binding upon:

- (a) Weston Baked Foods (New South Wales) located at 4 Lyons Road, Camperdown, NSW 2050.
- (b) All employees of the Company employed under the Biscuit and Cake Makers Award (NSW), and
- (c) National Union of Workers located at 3-5 Bridge Road, Granville, NSW 2142.

1.3 Coverage

This Agreement covers employees working in the occupations associated with production, maintenance, supervision, and stores at Weston Baked Foods' Camperdown site.

1.4 Declaration

The parties declare that this Agreement:

- ~ is not contrary to the public interest
- ~ is not unfair, harsh or unconscionable (unscrupulous, unprincipled or excessive)
- ~ was not entered into under duress
- ~ is in the interests of all parties.

1.5 *Duration and Review*

This Agreement shall commence from the date of registration and shall remain in force until 14th November, 1998. A review of the operation of the Agreement may be conducted on the nomination of any party after six (6) months from the date of registration.

The parties will commence discussions on the development of a new Agreement no later than four (4) months before this Agreement expires.

1.6 *Relationship to Previous Agreement*

All flexibility issues contained in the 1994 unregistered Site Enterprise Agreement will continue in effect unless specifically overridden by provisions contained in this Agreement.

1.7 *Relationship to Current Work Practices*

The terms of this Agreement override the terms of the Biscuit and Cake Makers (State) Award, where there is inconsistency between them.

Further, this Agreement will override any existing work practices where there is inconsistency between the two.

Registered
Enterprise Agreement
Industrial Registrar

2. *ARRANGEMENT*

WHAT'S IN THIS AGREEMENT?

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4.

3.

**OUR VISION FOR
WESTON BAKED FOODS**

IS

***“TO BE OUR CUSTOMER’S
PREFERRED SUPPLIER”***

4. AIMS & OBJECTIVES

- 4.1 The establishment of this Best Practice Development Agreement is based upon recognition and commitment by everyone at Weston Baked Foods for the need for continuing workplace change with improved productivity and quality.

The aim of this Agreement is to provide a basis for Weston Baked Foods and its employees to achieve real and sustained continuous performance improvement by working together towards commonly agreed goals.

Specific objectives are:

- To create a profitable and enduring enterprise through the efficient provision of high quality products and services to our customers.
- To develop a balance of skills within the enterprise to enable the products and services to be provided on a consistent basis and capitalise on emerging business opportunities.

4.2 *Common Goals*

Weston Baked Foods must continuously achieve increasing levels of competitiveness in its business operations. These increasing levels of performance must match and then surpass the levels achieved by our domestic and international competitors.

Weston Baked Foods' objective is to become a best practice organisation by improving in People, Customer, Quality, and Organisational Performance where we can be successful in the marketplace, thereby guaranteeing a return to shareholders and maximum job security for all employees.

There is an aim through improved performance to please both customers and employees. Benefits for employees will include higher wages, improved career paths, better communication, stronger leadership, improved quality of process and product, and more teamwork.

4.3 *Communication*

In line with the objectives of consultation and co-operation on matters of mutual interest and concern, the following channels of communication will be used:

- (a) Regular briefings of supervisors and Team Leaders as part of a formal structure of briefings for factory personnel.
- (b) Electronic noticeboard notices
- (c) Display of Key Business Indicators and progress towards achievements.
- (d) Recording of Best Practice Implementation Committee meetings which will be displayed on notice boards.
- (e) Informal communication channels will be encouraged. People will be encouraged to communicate freely, meet informally and share information.

5. *JOB SECURITY*

- 5.1 The parties to this Agreement are committed to co-operating positively to achieve significant and sustained improvements in the efficiency, productivity, profitability and competitiveness of the enterprise, and to enhance career opportunities and the job security of all employees.

The common goals of security of employment and security of production can only be achieved by:

- (a) Producing products in such a way that all employees are proud to be part of the process
- (b) Producing quality products
- (c) Obtaining through ongoing consultation and co-operation, the security of continued production to ensure continuity of delivery to our customers
- (d) Creating an environment where people are encouraged to continuously learn, create, and share in the development of new skills, information and knowledge.

5.2 *Customer Focus*

- The Company's policies on hygiene will be complied with at all times by all personnel
- External customer needs will be identified and met in the areas of quality, reliable delivery and customer service.
- Information and feedback from customers will be obtained with the use of customer surveys and audits, etc.
- The concept of internal customers will be promoted throughout the Company and strategies for meeting those needs will be developed.
- All employees will be focused on the needs of the end user of our products.

5.3 *Consultation and Participation*

- (a) The Best Practice Implementation Committee (BPIC) will:
- (i) Monitor organisational performance against established benchmarks.
 - (ii) Rectify through co-operation and consultation any problems that may arise.
- (b) It shall consist of four management appointed representatives and four employee elected work group members. Management, union officials and any employee may make submissions to the BPIC and attend meetings with prior notice to the BPIC.
- (c) If a work team member leaves the BPIC, the relevant section of the workforce will be responsible for providing a replacement.
- (d) The BPIC shall meet on a regular basis as required.
- (e) Working parties shall be appointed by the BPIC to address specific workplace issues and shall report their recommendations to the BPIC.
- (f) BPIC recommendations shall be by consensus only.

6. *WORK ORGANISATION*

The parties agree to review issues that are not productive, efficient, or Best Manufacturing Practice.

6.1 *Role Flexibility*

Work can be performed by any person who has the skills and is competent to perform it safely, effectively and efficiently.

Employees covered by this Agreement shall work in any part of the business depending upon operational needs and the knowledge and skills of the individual employee. This will ensure the efficient utilisation of all manufacturing employees.

All employees agree to contribute to and participate in the training of other employees where required.

7. *WORK ARRANGEMENTS*

7.1 *Rostered Days Off*

- (a) By agreement between Management and individuals, or discreet sections of the production workforce, RDO's are able to be taken on a different day to the rest of the workforce, provided that the postponed RDO is of equal worth (Monday or Friday) and taken within the same month.
- (b) It is agreed that when an employee has a number of RDO's in their own bank that is over and above the number of RDO's held in individual banks by the majority of employees, then that employee could apply to their Team Leader/Supervisor for a mutually acceptable day(s) to use up their excess of the bank held by the majority of employees.

It is the Company's objective that banked RDO's are not carried over from one year to the next.

It is also agreed that in a situation where the Company seeks to have an RDO banked by all employees (maximum number of 5 days per year), then the Company would consult with the Enterprise Development Committee (EDC) as to the mechanism for taking that RDO at a later date. Normally the mechanism would be a site-wide RDO to be held at a future date nominated by the Company. In a situation where the banking of an RDO occurs early in the year, then the Company will consider the taking of that RDO on an individual basis providing that all employees can take their RDO at a time that is acceptable to the Company. This would apply only once per year.

7.2 *Terms of Engagement*

Employees shall be engaged on a full-time, part-time, fixed-term or casual basis.

- (a) Full-Time Employee - except for the first month of employment, full-time employees will be employed and paid on a weekly basis.
- (b) Part-Time Employment - a part-time employee means an employee who works not less than 16 hours per week on a permanent basis, except as agreed to meet individual needs.
- (c) Fixed Term Employment - a fixed term employee shall be employed on the following conditions:
- the period of employment shall be between 4 and 26 weeks
 - the period of employment may be extended to 40 weeks by agreement
- (d) Casual Employment - a casual employee shall be engaged by the hour on a day-to-day basis and paid as such.

Casuals will not work less than four (4) hours on each engagement, and no more than twelve (12) hours.

Casuals will be used to cover fluctuations in demand, leave, and the normal function of line relief.

A casual employee shall not be entitled to paid leave of absence.

Casuals shall be paid 15% in addition to the level at which they are employed.

- (e) Sick Leave - The parties to this Agreement agree to discuss the development of a system which discourages the abuse of sick leave entitlements and which rewards reliable employees.

7.3 *Shift Breaks*

By agreement on each and every occasion, between the Company and an individual or group of employees, after they have consulted their delegates, a break of less than 10 hours duration between the finishing of one shift and the commencement of the first shift the next day, can apply.

7.4 Hours of Work

The ordinary hours of work will be an average of 38 per week worked on Monday to Friday, except by agreement between the parties.

The spread of hours will be between 5.00 a.m. and 6.30 p.m.

7.5 Shift Work

- (a) Shift patterns will be examined in an effort to ensure that production capabilities are able to meet our customers' demands. The areas to be examined will include, but not be limited to, shift lengths, crewing numbers, the need for a night shift, and average hours worked in a month.

Changes to existing shift arrangements will only occur after consultation and by agreement between the parties.

- (b) Afternoon shift will finish at or before midnight, and night shift will finish after midnight.
- (c) Employees required to work afternoon shifts will be paid an additional 15% for the period worked, and employees required to work night shifts will be paid an additional 30% for the period worked.

7.6 Annual Holidays

So as to ensure that sales requirements can be met, the taking of Annual Holidays in a different pattern to the current Christmas and July/September breaks, by individuals, sections, or the whole of the workforce, will be the subject of discussion, and whenever possible agreement between the parties concerned. Volunteers with the necessary skills will be considered as the preferred option.

7.7 Crib Break

A paid 20 minute rest break will apply for overtime which is scheduled to be worked in excess of 4 hours after the cessation of the shift.

8. *RECOGNITION AND REWARD*

8.1 *Levels of Skill and Remuneration*

A new 5 level classification structure has been developed through the broadbanding of the existing Award classifications. The new structure is intended to provide the maximum level of efficiency through multi-skilling as well as providing a clearly defined career path through skills enhancement training.

8.2 *Multi-Skilling-*

Employees may be required to learn and use all or some of the skills contained in the skill levels and grades below their classification without loss of pay.

Where employees have skills above their current level/grade they may be required to use them without extra payment unless the employee works at a higher level for 4 hours in a day in which case the employee shall be paid at the higher rate for the time so worked at such higher level.

8.3 *Career Path*

All training for advancing to the next classification level must first be approved by the appropriate Team Leader and Departmental Manager, before such training commences. If requested, after a 3 month training period, the site Enterprise Development Committee may nominate an assessor(s) to assess the competency levels required for the classification for which the employee is undertaking training.

Once the training has been approved and an employee has acquired, is competent to use and uses the skills contained in a higher level, the employee will advance to the next classification level.

8.4 *Classifications*

The parties to this Agreement agree to examine any inconsistencies or anomalies that occur during the first 12 months following the translation from the old Award structure to the classification structure that follows.

8.4.1 Level 1 on commencement (82% of Level 4) - A Level 1 Employee undertakes for a period of one month induction training which may include instruction on the enterprise, conditions of employment, introduction to supervisors and fellow workers, training and career path opportunities, plant layout, work and documentation procedures, occupational health and safety, food industry hygiene.

General Description - An employee at this level performs routine and repetitive duties essentially of a manual nature to the level of his/her training and is able to:

- (i) exercise minimal judgement
- (ii) work under direct supervision
- (iii) maintain good sanitation/hygiene standards
- (iv) demonstrate good housekeeping procedures
- (v) undertake structured training to a higher level

8.4.2 Level 2 (87% of Level 4) - A Level 2 Employee has completed structured training so as to enable the employee to perform work within the scope of this level. Such an employee shall be trained and capable of operating flexibly on more than one work station.

General Description - An employee at this level performs work above and beyond the skills of a Level 1 employee to the level of his/her training and is able to:

- (i) be responsible for quality of own work
- (ii) work under routine supervision or instruction, either individually or in a team environment
- (iii) understand and undertake basic quality control/assurance procedures including the ability to recognise basic quality deviations/faults
- (iv) read instructions, record activities and utilise basic statistical control procedures

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

Repetitive work on automatic, semi-automatic or single purpose machines or equipment

Use selected hand tools or biscuit grinding equipment

Keep simple records and have basic data input skills

Perform routine repetitive tasks

Data collection and Key Performance Indicator monitoring

Maintain hygiene standards and good personal hygiene

Perform general product handling, labouring and cleaning duties

Monitor product for quality and consistency

Pack, stack, or load products for the purposes of transport or sale

Wash trays, utensils or equipment

Pack, biscuits into trays or packets or load biscuits into an automatic packaging machine/enrober magazines

Handle and move ingredients and semi-processed ingredients within the manufacturing area

Unload material from trucks or other vehicles, or pack articles for delivery outside the factory or load shipping containers

Remove pallets loaded with product, or empty trays by mobile or mechanical or electrical means

Assist an employee who is mixing ingredients while learning the mixing process

Assist level 3 employees whilst training in order to perform those tasks

Weigh, check and gauge biscuits, packed biscuits, or packaging materials

Assist in the training of Level 1 employees

- 8.4.3 Level 3 (92.4% of Level 4) - A Level 3 Employee has a general knowledge of the employer's operations as it relates to production processes. Such an employee shall be trained and capable of operating flexibly on more than one work station.**

General Description - A Level 3 employee performs work above and beyond the skills of an employee at Level 2 and is competent in at least 3 of the following Special Skills and at least 5 of the indicative tasks contained in Level 2 of the Agreement:

- (i) Is responsible for the quality of his/her own work subject to routine supervision
- (ii) Works under routine supervision either individually or in a team environment

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- (iii) Exercises discretion within his/her level of skills and training
- (iv) Is trained to operate machinery and equipment required in the performance of his/her work.
- (v) Has data input skills.

Special Skills

Receive, despatch, distribute, warehouse, document and record, goods, raw materials and components.

Basic inventory control in the context of a production process

Operate mobile equipment including forklifts, and overhead cranes etc.

Demonstrate an ability to assess product quality and maintain basic statistical records, and assist in the provision of on-the-job training

Mix ingredients for dough, chocolate, cream, syrup and marshmallow

Subject to supervision, prepare orders, load and stack orders into road or shipping containers

Weigh out ingredients for the manufacture of biscuits

Set up, control and operate all biscuit forming and ancillary equipment

Machine setting, loading, cleaning and operating, more than one packaging machine

Lubricate machinery and equipment

Operate machinery with micro processors

- 8.4.4 Level 4 (100% of Level 4) - A Level 4 Employee is an employee who holds a trades certificate, or an employee of equivalent standing, who has a sound knowledge of the employer's operations as it relates to production processes. Such an employee shall be trained and capable of operating flexibly in a range of functions covered by this level under limited supervision.

General Description

Provides on-the-job training - is a qualified Trainer

Identify and correct quality faults, or machine operation faults

Reject sub-standard product

Basic data input skills

Indicative of the tasks which an employee shall be capable of performing at this level are at least 2 of the following:

Monitor product quality and adjust processes accordingly

Be able to operate chocolate plant, diagnose and correct faults, and meet all internal/external customer requirements

Understand and control the balancing process by regulating the heat and speed of the ovens, or other appropriate processes, and/or

Set up and operate a range of enrobing and depositing equipment such as:

- ~ biscuit second processing
- ~ marshmallow mixers and depositors
- ~ creaming or icing machines
- ~ - jam and fondant depositors

8.4.5 Level 5 Employee (105% of Level 4) - A Level 5 Employee is an employee who holds a special class Trades Certificate, or an employee of equivalent standing, and is required to exercise skills and knowledge above and beyond an employee at Level 4 and to the level of his/her training:

Understand and apply the principles of Total Quality Management

Exercise good interpersonal communication skills

Exercise computer skills

Exercise discretion within the scope of this grade

Perform work under minimal supervision either individually or in a team environment

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Be able to inspect products and/or materials for conformity with established operational standards

Exercise general supervision of employees up to Level 4

Be able to evaluate, analyse and recommend changes to work station problems and procedures

Train all others below Level 5

A Level 5 employee has a practical understanding of at least 2 of the following processes:

- ~ Biscuit machine and baking
- ~ Ryvita manufacturing
- ~ Biscuit secondary process
- ~ Chocolate manufacturing
- ~ Packaging processes
- ~ Crackerbread manufacturing
- ~ Warehousing/inventory control

9. *WAGE INCREASES - Performance Based Pay & Key Performance Indicators*

9.1 *Wage Increases*

The wage increases set out below will be paid to employees in return for their continued co-operation and assistance in the ongoing implementation of the agreed Aims and Objectives of this Agreement.

The wage increases are dependent upon the introduction of work practice changes and new work arrangements arising from the consultative processes which are designed to achieve improvements in the productivity, flexibility, efficiency and profitability of business.

Provided that the parties continue to meet the intent of the Agreement as outlined above, the following form of wage increases can apply:

- ~ 5% from 12th November 1996
- ~ 5% from 12th November 1997

this means that a total wage increase of 10% is achievable over the life of the Agreement.

9.2 *Performance Based Pay and Key Performance Indicators*

We all recognise that the future of Weston Baked Foods (NSW) relies on the company being competitive. To improve our performance it is necessary to develop, understand, monitor and improve Key Performance Indicators for our business.

Performance indicators are an important and integral part of our Best Practice strategy.

They must be multi-factor, as cost of our products is no longer the only factor for determining competitiveness in the marketplace.

It is critical that performance indicators that can be affected by employees and management are developed through the consultative process, so that everyone has a commitment to their achievement through their ongoing monitoring.

The following Key Performance Indicator on Quality is an example of one of the key areas that the parties will identify in terms of the level of performance of our business.

By way of further example, the following format for the description of each K.P.I. will be discussed and agreed:

9.3 K.P.I.

Quality

Description

- (a) Reason for Selection
- (b) Measurement
- (c) Formula
- (d) Explanation

10. *LAUNDRY ALLOWANCE*

The current Laundry Allowance as contained in the Biscuit and Cake Makers (State) Award, will be adjusted from \$6.50 to \$7.50 from the date of operation of this Agreement.

11. *CONFLICT RESOLUTION PROCEDURES*

The parties to this Agreement intend to eliminate disputes and grievances which result in conflict. The aim of the procedure is to resolve disputes through a process based on consultation and negotiation at the closest point to where the matter in dispute occurs.

Without prejudice to either party, work will continue normally while the matters in dispute are being dealt with in accordance with the following steps:

Step 1. Discussions will occur between the employee/s concerned and the Team Co-ordinator.



Step 2. Discussions will occur involving the employee/s, union delegate and relevant Team Leader or manager



Step 3. Discussions will occur involving the union delegate, a union organiser and Manager(s)

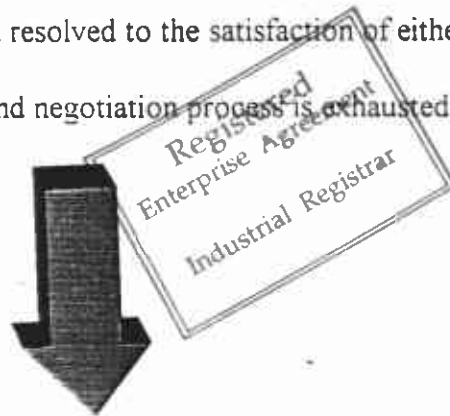


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Step 4.

If:

- * The matter is not resolved to the satisfaction of either party
- * The discussion and negotiation process is exhausted



Either party may refer the matter to the Industrial Relations Commission for settlement.

Signed for and on behalf of
WESTON BAKED FOODS (NSW)

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Signed

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Witness

27th January 1997
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Date




Signed for and on behalf of
NATIONAL UNION OF WORKERS

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27th January 1997
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Date

*APPENDIX 1*PROPOSED WAGE RATES FOR NEW CLASSIFICATION STRUCTURE

Level 1 on commencement (82% of Level 4)	\$361.80
Level 2 (87% of Level 4)	\$383.80
Level 3 (92.4% of Level 4)	\$407.70
Level 4 (100% of Level 4)	\$441.29
Level 5 (105% of Level 4)	\$463.30