

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA02/295

TITLE: National Foods Milk Limited North Rocks Distribution Centre Operations Agreement 2002-2005

I.R.C. NO: IRC02/3887

DATE APPROVED/COMMENCEMENT: 12 August 2002/1 March 2002

TERM: 28 February 2005

NEW AGREEMENT OR VARIATION: Replaces EA02/263

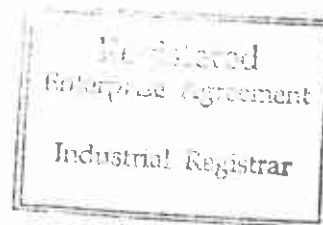
GAZETTAL REFERENCE: 20 September 2002

DATE TERMINATED:

NUMBER OF PAGES: 11

COVERAGE/DESCRIPTION OF EMPLOYEES: Applies to all employees of National Foods Milk Limited who are engaged in the distribution of milk and related products at the company's facility at 11 Loyalty Road, North Rocks, NSW, and who fall within the coverage of the Milk Treatment, &c., and Distribution (State) Award

PARTIES: Transport Workers' Union of Australia, New South Wales Branch -&- National Foods Milk Limited



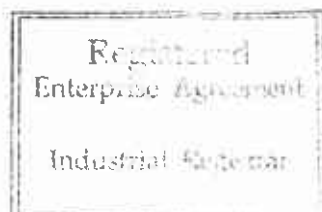
**NATIONAL FOODS MILK LIMITED NORTH ROCKS DISTRIBUTION
CENTRE OPERATIONS AGREEMENT 2002-2005**

1. TITLE

This agreement shall be known as the "National Foods Milk Limited North Rocks Distribution Centre Operations Agreement 2002-2005" ("the agreement").

2. ARRANGEMENT

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3. INCIDENCE AND PARTIES BOUND

This agreement is made between National Foods Milk Limited(ACN 051195272), ("the company"), and the Transport Workers' Union of Australia, NSW Branch ("the union") on behalf of all employees who are eligible to be members of the union employed at the company's North Rocks facility at 11 Loyalty Road, North Rocks ("the site") engaged in the distribution of milk and related products.

4. OBJECTIVE

The objective of this agreement is to assist the site in achieving continuous improvement in occupational health and safety performance, customer service and waste reduction; and to facilitate employee training.

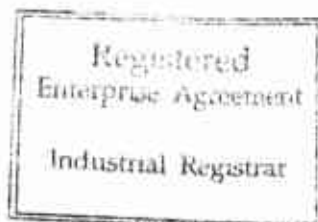
5. PARENT AWARD

Where this agreement is silent the provisions of the Milk Treatment and Distribution (State) Award ("the award") will apply. In the event of any inconsistency between the award and the agreement, the agreement shall take precedence to the extent of the inconsistency.

6. CONSULTATIVE COMMITTEE

A site consultative committee will be established. The objective of the committee is to facilitate the achievement of the objective of this agreement and to enhance site communications. The committee will meet not less than monthly. The agenda will include any significant proposed changes to site operations, the development and implementation of training and any given grievances that have not been satisfactorily resolved by the Site Manager.

The committee will contain three (one from each shift) elected members drawn from employees covered by this agreement and up to three management representatives. A quorum of two employee representatives must be present at each meeting. If elected representatives are unable to attend a meeting, a nominated substitute can attend in their place.



7. CONTINUITY OF OPERATIONS

It is recognised that employees and the union may from time to time have grievances or claims that they may wish to pursue with the Company. It is agreed that such issues will be resolved in accordance with the following procedures without disruption to customer service or operations.

- All efforts will be made to resolve issues by agreement at the local level.
- Where agreement cannot be reached a meeting shall be held between the company's representatives and the secretary of the union or their nominee/s.
- Where agreement cannot be reached the matter will be referred to the Industrial Relations Commission (NSW) for determination.

While this procedure is being followed, work shall continue as usual, that is, the situation applying immediately before the dispute shall be adhered to; subject to the requirement that safety, health and environmental standards are not prejudiced.

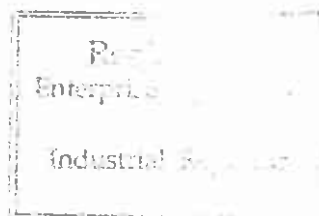
Where there is sufficient uncertainty concerning the events leading to a decision to dismiss an employee, the employee concerned may be suspended on full pay until a meeting has been convened involving the union and the company representative to discuss the matter.

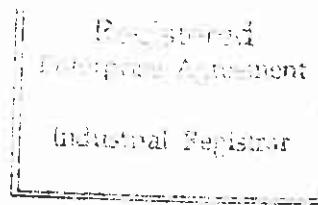
Where the union wished to hold a mass meeting, a suitable time will be agreed with the Site Manager. In any case, the union will endeavour to provide not less than 24 hours notice of a mass meeting.

8. WAGES

New employees will commence on a three month probation period. During this period new employees will receive a Base rate of pay (as per Appendix 1). During this period new employees will be required to complete Certificate 1 in Warehousing & Distribution.

Movement to the Advanced rate of pay, however, occurs with the demonstration of competency, suitability, appropriate attendance and the enrolment in Certificate 2 in Warehousing & Distribution.





9. COMMITMENT TO TRAINING

The parties to this agreement are committed to training and development for the mutual benefit of the Company and employees.

National Traineeship Scheme

The parties of this agreement commit to participate in the Department of Education & Training National Traineeship scheme whereby all employees will be given the opportunity to attain Nationally recognised, TAFE accredited, certification in Warehousing and Distribution.

National Foods Ltd will undertake to provide all necessary resources and support required to ensure that all employees choosing to obtain competence to Certificate 2 succeed.

Participation in the Traineeship is voluntary, however the parties of this agreement recognise that the attainment of competence in Certificate 2 in Warehousing & Distribution represents an individual demonstration of the basic skills required by NFL employees operating in Warehousing & Distribution environment.

As such employees choosing not to enrol and participate in this process will be payed at the Base rate of pay (as per Appendix 1).

Training Completion Payments

Certificate 1 Warehousing & Distribution & Enrolment in Certificate 2:

Adjustment from Base rate of pay to Advanced rate of pay.

Certificate 2 Warehousing & Distribution

A \$150.00 incentive will be payed to employees with the successful completion of Certificate 2.

Employees that have completed Certificate 1 and 2 and have recognised employee supervisory and/or inventory skills in the Distribution area will be invited to undertake training in Certificate 3 Warehousing & Distribution.

Certificate 3 Warehousing & Distribution

A \$250.00 incentive will be payed to employees with the successful completion of Certificate 3.

Additionally, in the interests of both employee and company development, safety standards and environmental issues, employees may be requested to undergo specific further training in order to perform their duties in a safe and competent manner. In the event that the site's requirements are not being met, management will discuss the issue with the consultative committee. If necessary, the matter shall be resolved pursuant to the Disputes Procedure clause of this agreement.

The company shall make efforts to schedule training activities within normal working hours. However, the parties acknowledge that due to the need for continuity of business operations, type of training and participant numbers required, training activities will at times need to be scheduled outside normal working hours. Where this occurs training will be scheduled as close to possible to the commencement or finish of the shift.

Should employees be unable to attend compulsory training activities outside their normal working hours for a genuine personal reason, they must notify their supervisor/manager prior to the training day explaining the situation and agree to attend an alternative session.

Where employees do not attend compulsory training activities during normal working hours, and do not attend or provide appropriate notice of non attendance, they will be counselled as per the Company disciplinary procedure.

Payment for attendance of training outside normal working hours will be at overtime rates. It is recognised, however, that as a condition of participation in Certificate 3 Warehousing & Distribution some work outside of normal working hours will be required and will not be subject to re-imburement.

10. HOURS OF WORK

a) The ordinary hours of work shall be an average of 38 hours per week .

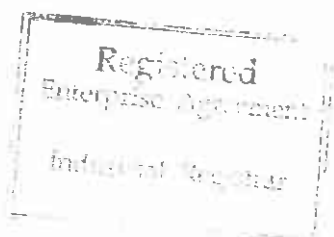
b) Shift Definitions

Early Morning Shift - shall mean a shift commencing after 3.00am and before 6.00am.

Day Shift - shall mean a shift commencing at or after 6.00am and before 2.00pm.

Afternoon Shift - shall mean a shift commencing at or after 2.00pm and finishing at or before midnight.

Night Shift - shall mean a shift finishing after midnight or commencing at or before 3.00am.



c) **Shift Allowances**

In addition to the rates of pay outlined in appendix 1 rostered shift workers shall receive a shift penalty/allowance when they work from Monday - Friday.

Early Morning	\$ 8.88
Day	Nil
Afternoon	\$13.08
Night	\$26.60

11. COOL-ROOM ALLOWANCE

An allowance of \$15.00 per week will be paid to employees who work more than 50% of their rostered shift in the cool-room (including inventory personnel) .

12. ROSTERED DAYS OFF (RDO)

Employees who work 40 hours a week will be entitled to an RDO for every 19 days worked.

RDO's will be rostered on a monthly basis by management to take into account work requirements. Subject to approval by management, an employee may change their RDO rostering by written request to their supervisor/manager with no less than seven (7) days notice.

Where an employee's roster includes working weekends an employee applies to take an RDO over a weekend day, if granted, it will not carry any penalty rate payments.

RDO's not taken by an employee may be accrued to a maximum of 2 days. RDO hours in excess of this accrual must be taken as directed by management.

13. ROSTERING OVER SEVEN DAYS

As the business operates 7 days per week the ordinary hours of work will be 38 hours, rostered over not more than five days in each seven day week, and may include weekends and public holidays.

Where employees are rostered over weekends they shall be paid time and a half on Saturday and time and three quarters on a Sunday.

Where employees work on a public holiday they shall be paid double time and a half, and triple time on Christmas Day, with a minimum payment of eight hours.

14. ROSTER CHANGES

The employees regular working time or times may be changed by the employer where seven (7) days notice in writing has been given or exhibited. Not more than three (3) regular starting times may be fixed in any one week for an employee.

15. OVERTIME

All time worked in excess of the normal rostered hours in any one day or outside the employee's fixed start and finishing time, shall be paid for at the rate of time and one-half for the first two (2) hours and double time thereafter.

Where employees are rostered to work on a Sunday as part of their normal rostered hours and work overtime, all overtime worked on the day will be paid at double time.

16. MEAL BREAK AND ALLOWANCE

A paid meal break of twenty minutes shall be taken within the first five hours of commencing work at a time to suit the business to ensure business continuity.

An employee who works in excess of two hours overtime per shift without 24 hours notice shall receive a meal allowance. The rate is as per the award.

17. CASUAL PAY RATES

For all ordinary time worked on a Monday - Friday a casual employee shall be paid the normal hourly rate plus 25% loading (referred to as the casual loaded rate).

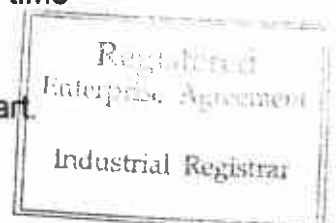
For all ordinary time worked on a Saturday a casual shall be paid time and a half of the normal hourly rate.

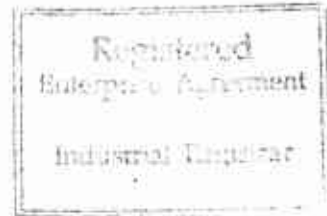
For all time worked on a Sunday a casual employee shall be paid double time of the normal hourly rate.

For all time worked on a Public Holiday a casual employee shall be paid double time and a half and triple time for Christmas Day of the normal hourly rate.

All overtime worked by a casual employee on a Monday - Saturday will be paid at time and a half for the first two hours and double time thereafter of the casual loaded rate.

Casuals shall be guaranteed four (4) hours pay for each start.





18. LEAVE

a) Annual Leave

Annual leave will accrue at the rate of 152hrs per annum for full-time employees and pro rata amounts for part-time employees. Other provisions as per the award.

b) Sick Leave

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.

The conditions which govern the taking of sick leave as stated in the award shall apply. Employees are entitled to 38hrs in their first year of employment and 76hrs in each subsequent year.

Employees absent for 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, to be paid.

c) Long Service Leave

Long service leave shall be in accordance with N.S.W. Long Service Leave Act.

d) Bereavement Leave

An employee shall be entitled to a maximum of two days without loss of pay, on each occasion, and on the production of satisfactory evidence of the death of their spouse, defacto spouse, parent, sibling, child, adopted child, step parent, step child, grand parent, grand child, parents in law, aunt, or uncle. Any circumstances outside of this definition will be at the discretion of management.

e) Other Leave

Employees can apply for Carers Leave/Maternity Leave including Parental Leave as per the Industrial Relations Act and the National Foods Policy.

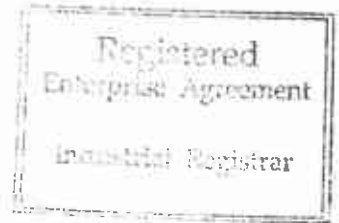
f) Jury Service

i. An employee required to attend jury service during their ordinary working hours shall be reimbursed any loss of pay in respect for ordinary time they would have worked had they not been on jury service.

- ii. An employee must notify of any requirement to attend for jury service at the earliest opportunity . In addition, the employee must provide proof of attendance and proof of any amount received.

g) Public Holidays

As gazetted in the State of New South Wales.



19. PAYMENT OF WAGES

All employees shall be paid by electronic funds transfer on a weekly basis.

20. SUPERANNUATION

- a) All employees are required to become and remain members of the TWU Superannuation Fund and all rights and obligations of the Company and the employees in relation to superannuation shall be determined in accordance with the Trust Deeds and rules governing the relevant Fund.
- b) Employees who are already members of the National Foods Limited Superannuation Fund may remain in that fund or any successor.

21. PRECEDENT

This agreement is not to be used as a precedent for any claim on any other site or business operated by National Foods Limited or its subsidiaries.

22. PARITY

It is the expressed interest of the parties of this agreement to attain parity of wages and conditions between the North Rocks and Penrith Distribution Centres within the duration of this agreement.

As such, National Foods Ltd undertakes to make proportionate wage adjustments as they occur in the NATIONAL FOODS MILK LIMITED PENRITH OPERATIONS AGREEMENT to ensure parity is maintained.

To achieve this end the % increases outlined in appendix 1 are based on estimated yearly increases of 4% at the Penrith Distribution Centre. That is, a parity increase will be payed in addition to the % increase obtained by Penrith.

Adjustments in excess of the stated 4% will be processed to coincide with the pay increase dates as they occur at Penrith.

23. DURATION

This agreement shall come into force from 1 March 2002 for a three year period and conclude on 28 February 2005.

The Company and the consultative committee will meet in November 2004 to commence re-negotiating the next agreement.

Acceptance by the parties of this agreement to a three year term in no way implies precedent over the duration of future agreements.

24. NO FURTHER CLAIMS

Excluding the provisions outlined in Clause 22 of this agreement, there will be no additional claims made by employees covered by this agreement or the Transport Workers Union during the life of this agreement.

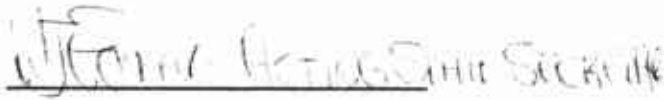
25. EXECUTION

Signed for National Foods Milk Limited (NSW) by Ron Della Vedova, Regional Operations Manager NSW & Qld.

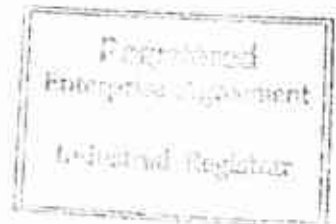


Date: 16/4/02

Signed for the Transport Workers' Union of Australia, N.S.W. Branch



Date: 28.5.02



Appendix 1: Schedule of Wages

Year	North Rocks Base Rate (92% of Advanced Rate)	North Rocks Advanced Rate	Parity % Increase	Estimated Penrith % Increase**	Total % Increase
January 2002	\$491.02	\$510.66 per week	N/A	N/A	N/A
February 28, 2002	\$507.39 per week	\$551.51 per week	4%	4%	8%
February 28, 2003	\$545.44 per week	\$592.87 per week	3.5%	4%	7.5%
December 31, 2003	\$587.64 per week	\$638.74 per week	3.74%	4%	7.74%

**** % stated to vary dependant upon negotiated pay increases obtained in the NATIONAL FOODS MILK LIMITED PENRITH OPERATIONS AGREEMENT.**

