

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA03/172

TITLE: Perfection Dairies Enterprise Agreement 2003

I.R.C. NO: IRC3/4023

DATE APPROVED/COMMENCEMENT: 30 July 2003

TERM: 36

**NEW AGREEMENT OR
VARIATION:** Replaces EA97/192

GAZETTAL REFERENCE: 10 October 2003

DATE TERMINATED:

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COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees of the Company's Baulkham Hills, Hornsby and Windsor sites who fall within the coverage of the Milk Treatment &c., and Distribution (State) Award.

PARTIES: Perfection Dairies Pty Ltd -&- the Transport Workers' Union of New South Wales

PERFECTION DAIRIES ENTERPRISE AGREEMENT 2003

Arrangement

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PART A

2. Scope and Incidence of Agreement

This Agreement is made between Perfection Dairies Pty Ltd (ACN 000 691 396) ("the Company") and the Transport Workers Union of Australia, New South Wales Branch ("the Union") in relation to all employees engaged at the Company's Baulkham Hills, Hornsby and Windsor sites ("the sites") under the Milk Treatment &c., and Distribution (State) Award.

3. Relationship to Parent Award

This Agreement shall be read in conjunction with the Milk Treatment &c., and Distribution (State) Award ("the Parent Award"). The terms and conditions of this Agreement shall apply to all employees employed under the Parent Award, but where this Agreement is silent, the terms and conditions of the Parent Award shall apply.

4. Objectives

The continuing viability of the Company and the livelihood of employees totally depends upon the commitment of both management and employees to ensuring the competitiveness of the Company in the deregulated market.

To this end the primary objective of the parties to this Agreement are a commitment to increasing productivity, reducing wastage, removing barriers to flexibility of the work-force and acceptance of multi-skilling.

5. Rates of Pay

- (a) The rates of pay for all employees under this Agreement are set out in Table 1 - Rates of Pay of Part B - Monetary Rates;
- (b) All employees under this Agreement shall be classified in the appropriate classification and shall be paid according to that classification as set out in the said Table 1;
- (c) The Company shall pay the rates of pay as set out in columns 1 to 3 of the said Table 1 as follows:
 - (i) the rates of pay as set out in column 1 from the first full pay period commencing on or after the date of signing the Agreement;
 - (ii) the rates of pay as set out in column 2 from the first full pay period commencing 12 months after that shown in sub-clause (c)(i);
 - (iii) the rates of pay as set out in column 3 from the first full pay period commencing 24 months after that shown in sub-clause (c)(i);
- (d) The relevant allowances as contained in the Parent Award have been increased and shall be paid where appropriate to employees as set out in Table 2 - Allowances of Part B - Monetary Rates.

6. Commitment to Reduction of Wastage

- (a) All employees to this Agreement are committed to the process of reducing wastage in a variety of areas across the Company. These areas include, but are not limited to, the following areas: milk loss, plastic bottles, cartons, labels, crates, caps and water.
- (b) The parties to this Agreement have established an "efficiency committee" made up of an employee from each area of the production process and management. After input from all employees this committee will identify areas of waste and set achievable targets to ensure that there is a definite reduction of waste in those areas. The timing and frequency of these meetings shall be determined by the committee.

7. Sick Leave

- (a) An employee who cannot attend for work because of personal illness or injury shall contact his or her supervisor or manager before the commencement of their shift or if that is not possible then at the earliest time thereafter;
- (b) Payment of accrued sick pay will only be made for absences supported by an appropriate certificate from a duly qualified medical practitioner regardless of the duration or frequency of absences per individual. The company at its discretion may in extenuating circumstances provide ex gratia sick payment;

- (c) All unpaid sickness absences supported or not by a medical certificate will be subject to the established formal discipline procedures which may lead to termination of employment;
- (d) An employee who has exhausted his or her entitlement to paid sick leave and who is then unable to attend for duty because of personal illness or injury shall produce to the Company a medical certificate of a duly qualified medical practitioner in respect of all such unpaid absences.

8. Abandonment of Employment

An employee who is absent from work for three (3) consecutive working days or more without the consent of the Company and who has not made contact with his or her supervisor or manager shall be deemed to have abandoned his or her employment and shall be paid entitlements up to and including the last day worked.

9. Hours

- (a) All employees at the site work a 38 hour week. Day shift employees work 8 1/2 hours four (4) days per week and 6 1/2 hours one (1) day each week (including a 1/2 hour unpaid lunch break each day, employees working other shifts work 8 hours a day (4) days per week and 6 six hours one (1) day each week (including a paid lunch break);
- (b) Starting Time:

All employees must be at their work station on time ready to commence work at their assigned starting time;
- (c) Leaving Work Station:

No employee shall leave their work station without notifying the relevant supervisor first;
- (d) Early Days:

Any work to be performed by an employee beyond the normal finishing time on the early day will be at the discretion of the Company.

10. Overtime

Overtime will only be worked as and when required by the Company.

- (i) The Company will utilise full-time and casual employees to work ordinary hours and overtime hours as required to meet the operating requirements of the business;
- (ii) When offering overtime the Company will consider relevant factors including an individual employee's skill and ability levels and the amount of overtime recently worked by individual employees;

Subject to all the provisions of this clause, available overtime will first be offered to the Company's full-time employees before casual employees;
- (iii) The Company may require an employee to work reasonable overtime at overtime rates, taking account of any risk to employee's health and safety, the employee's personal circumstances including any family responsibilities and the operational requirements of the business;
- (iv) An employee on rehabilitation or suitable duties may only work overtime if overtime is required to complete the work covered by the approved rehabilitation plan;
- (v) An employee authorised to work overtime shall not work for a total continuous period in excess of twelve (12) hours exclusive of unpaid meal breaks from the time of commencing work. In exceptional

circumstances only, the senior manager may authorise a continuous working period in excess of twelve (12) hours to meet site operating requirements;

- (vi) If an employee is absent without the authority of the employee's supervisor or due to personal illness or injury on the first shift following the shift on which overtime was worked, the employee will not be eligible to work overtime on the next shift overtime is available;
- (vii) If an employee is absent without the authority of the employee's supervisor or due to personal illness or injury on the day prior to scheduled overtime the employee will not be eligible for that scheduled overtime.

Payments in respect of overtime will be as per the Milk Treatment &c., and Distribution (State) Award.

11. Bag/Vehicle Inspection

As a condition of employment employees authorise the Company to inspect the employee's bag/motor vehicle whilst on or leaving the Company premises in accordance with the Company's protocol as detailed in Appendix 2.

Any issue or matter arising from the inspection procedures will be processed in accordance with the Settlement of Disputes Clause.

12. Change of Shift

Where the Company requires or an employee seeks to change their shift (e.g. from afternoon shift to day shift) the employee will lose any entitlement to a shift allowance and revert to the same terms and conditions as any other employee on that shift.

Provided that where the Company requires an employee to change shift the Company will give the employee one (1) weeks notice of the required shift change.

13. Clothing

- (a) All employees are to change into and out of the clothing provided to them by the Company immediately before and after each shift. This clothing is not to be worn to and from work;
- (b) When an employee ceases to work for the Company all clothing provided by the Company is to be returned by the employee and where any item is not returned the employee's final termination payment shall be reduced by the cost of replacement of such an item.

14. Annual Leave

Except in exceptional circumstances an employee requesting annual leave is required to give the Company one (1) months notice.

15. Work on Public Holidays

It is normal practice for employees to work on many of the Public Holidays throughout the year. However, where an employee does not wish to work on a Public Holiday he/she shall give the Company one (1) weeks notice by filling out a request for leave form for that day.

16. Drugs and Alcohol

It is a condition of employment that:

- (a) No employee will be allowed to commence or continue work or remain on site while under the influence of alcohol or any illicit drugs;

- (b) No alcohol is to be consumed or illicit drugs to be taken whilst at work.

The Company's Drug and Alcohol Policy is attached to this Agreement as Appendix 1.

17. Transfer Between Sites

- (a) From time to time as a result of operational requirements the Company may need to transfer employees from one site to another. Where such a transfer is to occur the Company shall give the employee(s) at least two (2) weeks notice of the need to transfer;
- (b) An employee transferred shall suffer no loss of income as a result of the transfer, e.g. an employee paid leading hand and shift allowances shall continue to be paid these allowances even where such allowances are no longer required to be paid to the employee. However, all other terms and conditions shall be in accordance with the site conditions applying at the new site.

18. Probationary Employment

- (a) New full-time (weekly) employees will be engaged for a probationary period of up to six (6) months during which time their performance will be assessed against appropriate criteria including required skills, capacity to learn, attendance, punctuality and attitude. If an employee is found to be unsatisfactory at any time during the probationary period his or her employment will be terminated;
- (b) In the case of casual employees employed by the Company who are offered full-time (weekly) employment the probationary period will be reduced by the amount of their casual employment.

19. Casual Employment

The use of casual labour will be at the discretion of the company as necessary to meet operating requirements. This provision will not be used by the company to casualise full-time weekly positions.

20. Multi-Skilling

- (a) It is recognised by the parties to this Agreement that given the size of the work-force and the deregulation of the dairy industry there is a need for some employees to be multi-skilled at the site;
- (b) A key element of multi-skilling is the upgrading and extension of these employees' skills and knowledge and the use of this acquired skill and knowledge within the employee's capacity. This will include training and working within an employee's designated award classification as well as training and working across other award classifications at the site. An employee's designated award classification (as contained in this Agreement at Part B - Monetary Rates) is that classification for which the employee has been principally engaged and trained;
- (c) Where this multi-skilling occurs, an employee who for four (4) hours or more (or three (3) hours or more in the case of the short day of the week) on any one day or shift performs works functions continuously which are covered by an award classification with a higher rate of pay than the employee's designated award classification shall be paid the higher rate for such day or shift.

21. Consultative Committee

A consultative committee shall be established at the site consisting of the union delegate, co-delegate and the General Manager. The committee shall meet regularly for the purpose of discussing day-to-day issues arising at the site.

22. Settlement of Disputes

All complaints will be dealt with in a fair and consistent manner and as quickly as possible. The purpose is to identify the problem/s and to attempt to put in place a satisfaction resolution with the following provisions to apply:

- (a) The parties involved should first attempt resolution of the matter themselves where possible;
- (b) If the matter is not resolved, raise the facts of the matter with your immediate Supervisor who will make every attempt to understand the nature of the problem/s and resolve it within the scope of his/her authority;
- (c) If the matter is not resolved from the employee/s viewpoint the matter is to be raised with your immediate Manager/Departmental Manager who will make every attempt to resolve the matter;
- (d) If the problem/s remains unresolved it needs to be addressed with the aggrieved person/s, General Manager and appropriate witnesses required by all relevant parties;
- (e) If the matter is not being resolved in an appropriate manner the issue can then be referred to the Works Council to seek facilitation of the process.
- (f) Stages (a) to (d) should be completed within seven working days, or an agreed extended period, to prevent escalation of any matter.
- (g) An employee may in stages (b) to (e) be represented by a union official or other representative.
- (h) In the event that the matter is not resolved at stage (e) the matter may be referred to the NSW Industrial Relations Commission.

23. Duration of Agreement

- (a) This Agreement shall commence on the date of certification and shall remain in force for a period of three (3) years from that date;
- (b) The parties will commence discussions in relation to a new Agreement six (6) months prior to expiration of this Agreement;
- (c) It is recognised by the parties that the decision to enter into a new Agreement shall be based upon an assessment of the Company's financial and competitive position in the deregulated dairy industry at the time of those discussions for a new Agreement.

PART B
MONETARY RATES

TABLE 1 - RATES OF PAY

CLASSIFICATION	RATE OF PAY FIRST FULL PAY PERIOD ON OR AFTER date of signing \$	RATE OF PAY FIRST FULL PAY PERIOD ON OR AFTER 14 July 2004 \$	RATE OF PAY FIRST FULL PAY PERIOD ON OR AFTER 14 July 2005 \$
Division A - Production Section			
Production Assistant	580.31	609.33	639.80
Plant Operator 1	593.77	623.46	654.63
Plant Operator 2	612.14	642.75	674.89
Plant Operator 3	639.15	671.11	704.67
Division B - Transport Section			
Milk Carter on Rounds	634.21	665.92	699.22
Relief Milk Carter	637.64	669.52	703.00
Relief Motor Wagon Driver	647.79	680.18	714.19
Fork Lift Driver	633.55	665.23	698.49
Tanker Driver - 15,911 Litres capacity or more	673.84	707.53	742.91
Tanker Driver Grader:			
(a) Under 15,911 Litres capacity	656.97	689.82	724.31
(b) From 15,911 Litres capacity	677.95	711.85	747.44
Drivers of motor wagons having a manufacturer's gross vehicle mass in tonnes:			
(a) Up to 13,948	647.38	679.75	713.74
(b) Over 13,948 and up to 15,468	649.98	682.48	716.60
(c) Over 15,468 and up to 16,919	651.49	684.06	718.26
(d) Over 16,919 and up to 18,371	652.86	685.50	719.78
(e) Over 18,371 and up to 19,731	655.06	687.81	722.20
(f) Over 19,731 and up to 21,092	656.29	689.11	723.57
(g) Over 21,092	659.03	691.98	726.58
Junior Labour			

(a) The minimum rate of wages for milk carters' assistants and staff on carts shall be as follows:			
- Under 18 years of age	366.41	384.73	403.97
- At 18 and under 19 yrs of age	435.45	457.22	480.08
- At 19 and under 20 yrs of age	475.90	499.70	524.69
- At 20 and under 21 yrs of age	497.70	522.59	548.72
(b) The minimum rates of wages for an employee washing and filling bottles and all work in connection therewith and a junior laboratory employee as follows:			
- Under 18 years of age	377.92	396.82	416.66
- At 18 and under 19 yrs of age	425.71	447.00	469.35
- At 19 and under 20 yrs of age	479.75	503.74	528.93
- At 20 and under 21 yrs of age	529.58	556.06	583.86

TABLE 2 - ALLOWANCES

ALLOWANCE	RATE OF PAY FIRST FULL PAY PERIOD ON OR AFTER Date of signing \$ RATE OF PAY FIRST FULL PAY	RATE OF PAY FIRST FULL PAY PERIOD ON OR AFTER 14 July 2004 \$ RATE OF PAY FIRST FULL	RATE OF PAY FIRST FULL PAY PERIOD ON OR AFTER 14 July 2005 \$ RATE OF PAY FIRST FULL PAY
Leading Hand in charge of:			
More than 2 but less than 10	20.02	21.02	22.07
More than 10 employees	25.65	26.93	28.28
Charge Hands, per day	5.51	5.79	6.08
First Aid	12.76	13.40	14.07
Fork Drivers loading and/or unloading trailers, per week	6.86	7.20	7.56
Vendor Vehicles, per day	2.75	2.89	3.04
TAFE Diploma/Advanced Certificate	17.00	17.85	18.74
Cargo Depots cold temperatures, per hour	0.48	0.50	0.53
Entire Shift			
Fully enclosed Refrigerated Warehouse/Distribution Depot, per hr	0.48	0.50	0.53
Articulated Vehicles where the:			
Semi-trailer has a single axle	32.63	34.26	35.97
Semi-trailer has two axles	40.31	42.33	44.45
Semi-trailer has more than two axles	47.04	49.39	51.86
Meal Allowance	9.04	9.49	9.97
Shift Allowances			
Morning Shift, per shift	8.97	9.42	9.89

Afternoon Shift, per shift	11.75	12.34	12.96
Night Shift, per shift	14.81	15.55	16.33
Permanent Afternoon/Night Shift, per shift extra	3.12	3.28	3.44

SIGNED FOR AND ON BEHALF OF
PERFECTION DAIRIES PTY LTD

SIGNED FOR AND ON BEHALF OF
THE TRANSPORT WORKERS UNION
OF AUSTRALIA (NSW BRANCH)

APPENDIX 1

11. Perfection Dairies Pty Ltd

ALCOHOL AND DRUGS POLICY

Within Perfection Dairies Pty Ltd our objective is to provide the highest possible standard in Health and Safety as outlined in our Occupational Health and Safety Policy.

No person shall be allowed to be affected by any alcoholic beverage or non-prescribed drug during working hours. An employee who is affected by alcohol and/or any other drug will not be allowed to return to work until he/she is unaffected, i.e. deemed fit to safely do the job.

If an employee is affected by alcohol or any other drug and is sent home to recover, as soon as deemed appropriate, discussions with the employee will take place to determine the appropriate counselling/treatment and/or possible resultant grievance measures.

APPENDIX 2

BAG AND VEHICLE INSPECTIONS PROTOCOL

When Will Inspections Take Place?

Bag and vehicle inspections will be randomly conducted. As the Enterprise Agreement clause states, inspections may take place when a person is on or leaving Company premises. While in the normal course some inspections will coincide with end of shifts, inspections will also be conducted at other unprogrammed times to ensure their random nature.

Who is to be Subject to Inspections?

All persons on or leaving a site will be subject to the random inspections - meaning all employees (including supervisors and managers), contractors, visitors and any other persons entering sites.

Who is to Conduct Inspections?

Security contractors whose employees are trained in inspection procedures or Police (inspectors) will conduct the inspections at arms length from the Company. To maintain the random nature of the inspections the Company will only give broad instructions to the inspectors as to when the inspections are to occur. The Company management will not be advised in advance of when an inspection will be conducted.

This protocol does not affect the right that the Company otherwise has to investigate instances of alleged theft.

Privacy

Inspectors will be instructed that the sole purpose of the inspection is to establish whether the Company's product or equipment is being removed from a site without authorisation. With the exceptions following, any personal belongings of the person subject to the inspection will be ignored. The exceptions are whether the person has in their possession items or articles that, prima facie, there is no legal reason for the person to have in their possession on the Company's site. These include firearms or other weapons and illegal drugs. If a person is found to have such items in their possession they will be reported to the Company for appropriate follow-up investigation.

Any person who has product purchased at the site or is requested to take product or property off the site must have the receipt or other written authorisation for the product or property with them each time and present it when requested at the inspection.

Those who do not want their bag or vehicle to be inspected have the choice not to bring them on to the Company's site.

Where on Site Will Inspections Take Place?

This is a matter appropriately dealt with at each site.

What is the Frequency of Inspections?

Within the broad instructions the Company will provide to inspectors that the inspections are to be unprogrammed and random, the searches may take place daily on each shift.

The Enterprise Agreement clause notes that any person who has an issue with the inspection procedures, such as that they are subjective, may process that issue through the settlement of disputes procedure.

Record of Inspections

No record of inspections will be kept other than when the inspection took place, where the inspection took place, the approximate number of people subject to the inspection and any matter that the inspectors reported to the Company.

Payment for Time Taken for Inspection

As the expected time taken for an inspection will be very short, no additional payment will be made for the time involved, provided that an employee who is kept waiting for a period greater than eight (8) minutes from the time they arrive at the inspection point will be paid for that time at ordinary time rates. As employees and others become more familiar with the inspections, they will have their bag open with an unobstructed view of the contents available to inspectors and also have their vehicles in similar readiness so as to avoid delay. A sufficient number of inspectors will be conducting the inspections so that queues do not form and delay is avoided.