

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA06/185

TITLE: **Sara Lee Australia & NZ Pty Limited Gosford
Production Enterprise Agreement 2006**

I.R.C. NO: IRC6/1785

DATE APPROVED/COMMENCEMENT: 24 March 2006 / 24 March 2006

TERM: 25

**NEW AGREEMENT OR
VARIATION:** Replaces EA04/245.

GAZETTAL REFERENCE: 2 June 2006

DATE TERMINATED:

NUMBER OF PAGES: 35

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees employed by Sara Lee Bakery Australia and New Zealand Pty Limited, located at Railway Crescent, Lisarow NSW 2250, who fall within the coverage of the Storemen and Packers and the General (State) Award and the Biscuit and Cake Makers (State) Award.

PARTIES: Sara Lee Bakery Pty Limited -&- the National Union of Workers, New South Wales Branch

SARA LEE AUSTRALIA & NEW ZEALAND PTY LIMITED GOSFORD PRODUCTION ENTERPRISE AGREEMENT 2006

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PART B - Monetary Rates

2. Title

This agreement shall be referred to as the Sara Lee Australia & NZ Pty Limited Gosford Production Enterprise Agreement 2006 herein after referred to as the "Agreement".

This Agreement is made between Sara Lee Australia & NZ Pty Limited and their employees at Railway Crescent Lisarow and the National Union of Workers, New South Wales Branch.

3. Application

3.1 The content of this Agreement covers:

- A. Sara Lee Australia & NZ Pty Limited at Railway Crescent Lisarow
AND
- B. All employees whether members of the National Union of Workers, New South Wales Branch or not engaged in any of the occupations, industries or callings specified in the parent awards listed in Clause 5 AND
- C. National Union of Workers, New South Wales Branch

3.2 This agreement shall apply to any successor, assignee or transmittee of all or any of the work.

4. Objectives of this Agreement:

The aim of this Agreement is to ensure that through the changes to management systems commenced under the previous Enterprise Agreements the Company's management and its employees can continue to work together to maintain and build on the Company's success as an innovative market leader in the manufacture of frozen cakes, desserts and baked products for the Retail, Foodservice and Export markets.

All parties agree that their objectives are based on participation, teamwork, trust, devolved responsibilities and to achieve real and sustainable improvement they must ensure that:

- a) the opportunity is available to all employees to improve their knowledge and skills through training and learning;
- b) a culture of understanding of productivity and its relationship to employment security and growth is created;
- c) a sense of teamwork is developed across all functions and departments within the site that leads to achieving simultaneous improvement in productivity issues such as cost, quality, technology, work organisation, product delivery and training;

- d) establishment and maintenance of consultative and participative processes that encourages all employees and management to deal with the barriers affecting productivity;
- e) these barriers are resolved by re-defining and reorganising the way in which work is performed, breaking down functional barriers and incorporation of quality as an integral component of the work itself;
- f) that labour turnover, disputation, absenteeism and lost time through injury are reduced by creating job roles which promote a safer and better working environment and ensure job satisfaction.

Employees covered by this Agreement will have:

- greater access to meaningful career paths
- greater participation in decision making
- greater acceptance of responsibilities and accountability for their own work priorities.

5. Resolution of Inconsistencies

- i) This Agreement rescinds and replaces the Kitchens of Sara Lee - Gosford (Enterprise Bargaining) Award 1995 (288 IG 857), The Sara Lee Bakery Gosford Enterprise Agreement 2004 and shall be read and interpreted in conjunction with:
 - a) The Biscuit & Cake Makers (State) Award
 - b) The Storemen & Packers General (State) Award
 - c) The Sara Lee Industrial Agreement, dated 6 August 1990.
- ii) To the extent of any inconsistency arising between this Agreement and the Awards and Agreement listed in (i) above, this Agreement shall apply.

6. Increases Available

In recognition of the commitment to achieving the productivity improvements detailed and the commitment to the terms of this Agreement, the following increases shall be available to all employees covered by this Agreement:

- i) From the first pay period on or after 28 April 2006 a 4.0% increase to the classification rates set out in Clause 7.3 will be payable.
- ii) From the first pay period on or after 28 April 2007 a further increase of 3.5% to the classification rates set out in clause 7.3 will be payable.

Refer to Tables 1 - Wage Rates - Production and 2 - Wage rates - Warehouse, of Part B, Monetary Rates.

6.1 Allowances - Production and Warehouse

The following allowances will be paid to employees working in the Production and Warehouse Stream:

6.1.1 Supervision Allowances:

The rates as set out in Item 1 of Table 3 - Other Rates and Allowances, of Part B, Monetary Rates will be paid as part of the ordinary time rate to employees engaged in the supervision of employees.

6.1.2 Tool Allowance

Sanitisers who are required to have tools in order to perform their tasks will receive a tool kit. These tools are to be kept on site at all times. The tools will be regularly checked and will be replaced as required by the Company. An employee shall pay for any tools supplied by the Company, if lost through their negligence. The tools will become the property of the employee after a 12-month period.

6.1.3 Service Award

A payment in recognition of service will be paid for permanent and casual employees on the following basis:

Permanent and casual employees will be paid an allowance per week as set out in item 2 of Table 3 for each completed year of service up to a maximum per week as set out in the said item 2 of Table 3 per week.

6.2 Allowances - Warehouse

The following allowances will be paid to employees working in the Warehouse stream:

6.2.1 Cold Store Allowance:

In addition to the rates of pay prescribed above, a cold store allowance will be paid to an employee who during the course of his employment is required to work three hours or more cumulative in freezers. This allowance will be paid where the employee is required to work in a freezer with temperature between 0 degrees Celsius and minus 18 degrees Celsius (inclusive) a rate per hour as set out in item 3 of Table 3.

6.3 First Aid Allowance

A First Aid Allowance as set out in item 4 of Table 3 per week will be paid to qualified employees appointed to perform first-aid duties. This allowance is not included in the ordinary time rate.

7. Classification Structure

There are three streams to the Classification Structure:

- A.** Production (including Laundry)
- B.** Warehouse/Distribution
- C.** Cleaning and Sanitation

Full details of the Levels for each stream of the Classification Structure and the criteria for movement between Levels is detailed in Attachments A, B and C.

The aim of this Classification Structure is to provide people with the opportunity to progress in accordance with the amount of responsibility that they are prepared to take for quality and effectiveness.

The Classification Structure needs to be read in conjunction with the skill lists related to each job and the hierarchy of all skills across the jobs in Production, Warehouse & Distribution and Cleaning & Sanitation. The numbers associated with the skills refer to the skill grouping in this hierarchy.

The structure is based on:

1. Employees achieving the necessary competency before they move to a higher level. In order to meet the requirements of a particular level a person would need to meet the requirements of all lower levels for that area of work.
2. The opportunity being available at Level 3 for employees to transfer between the Warehouse and Production streams and at Level 5 to progress (with appropriate training and qualifications) from the Production stream to the Engineering stream if there is a position available. Prior to such transfer the appropriate Union Delegate will be advised.
3. The structure is based on transferring A PERSON to a level not A JOB as it has been defined in the past.
4. A person is able to progress to Level 4 on their own initiative by attaining the skills required. This means that a person does not have to wait for a position to become available.
5. At Levels 5 and 6 of the Production stream and Level 5 of the Warehouse and Sanitation streams a person becomes eligible for the level when they have acquired the skills defined for that Level. However, a restriction on the number of positions that can be classified at these levels will apply.
6. Positions available at Levels 5 and 6 Production stream, Level 5 of the Warehouse and Sanitation streams will be advertised within the Company for a period of 7 days prior to being advertised external.

7. If the Company accepts an application for training from level 4 to level 5, then upon completion of all the training required at this level and the successful completion of the skills assessment, the employee will move to the level 5 rate of pay. In accordance with the Classification Structure, the training required includes the skills for the level and the formal qualification.

7.1 Junior Employees

The minimum rate of pay for junior employees in the Production and Warehouse streams of the Classification Structure will be the same as for an adult employee.

7.2 CLASSIFICATION STRUCTURE: PRODUCTION AND SANITATION STREAMS

LEVEL	CLASSIFICATION Effective Commencement of Award	
6	Technical Specialist/Supervisor - Production	Rates of pay shall be as set out in Table 1 (I) Wage Rates - Production
5	Technical Specialist/Supervisor	
4	Senior Operator	
3	Operator	
2	Operator Laundry and Cleaning	
1	Production Employee Laundry and Cleaning Probation Level	

7.3 CLASSIFICATION STRUCTURE: WAREHOUSE STREAM

LEVEL		
5	Senior Warehouse Employee	Rates of pay shall be as set out in Table 2(ii) Wage Rates – Warehouse
4	Warehouse Employee	
3	Warehouse Employee	
4	Probation Level	

7.4 Transfers : Production : Relieving in a Higher Classification

- 7.4.1 Any employee performing the work of a higher classification than their usual classification for up to four hours, continuously, on any one day, shall be paid at the rate for the higher paid classification for the time engaged on the higher paid work. An employee performing the work of a higher classification for four hours or more, shall be paid the higher paid classification for the whole of the shift.
- 7.4.2 Where an employee is undergoing training, the rate of pay for their usual classification will apply until satisfactory competency and qualification is obtained.

8. Classification Structure - Review

During the term of this agreement, periodic reviews of the implementation of the classification structure will be undertaken by a Committee consisting of employee representatives from the Consultative Committee, Union representatives and Management representatives.

9. Contract of Employment

9.1 Permanent employees are full time employees working no less than 38 ordinary hours per week and part time employees as defined in Clause 10.6.

9.2 The employment of permanent employees may be terminated by one week's notice given on either side at any time during the week or by the payment or forfeiture of wages for the required period of notice.

Notwithstanding the provision of this clause mutual arrangements for a reduced period of notice may apply.

9.3 The employment of casual employees may be terminated by one hour's notice on either side, or by the payment or forfeiture of wages for the required period of notice.

9.4 All newly appointed permanent employees will be employed on a probation period of six months, which will provide for employment on a week to week basis. Casual service will be included in the six month period. Where any concerns arise over a probationary employee that might affect a transition to permanent status, these will be discussed with the employee. If requested by the employee concerned, a Union Delegate will be present during such discussions.

9.5 Employees shall perform such work as the Company shall, from time to time, reasonably require, working reasonable overtime, day work and shift work in all sections of the establishment as covered by the incidence provisions of this agreement.

9.6 An employee not attending for or not performing duty shall, except as provided for by this agreement, lose their pay for the actual time of such non attendance or non performance.

9.7 Stand Down

The Company reserves the right to stand down any employee without pay for any day or part of a day during which an employee cannot be usefully employed because of any industrial action or external action beyond the Company's control for which it cannot be held responsible.

Notice of any stand down by the Company shall be given to an employee on the immediately preceding working day they are to work. Failing such notice an employee shall be paid in respect of the day stood down a half days pay or if the employee worked on any part of the day shall be paid for

all time worked with a minimum payment of a half days pay. The provisions of this paragraph shall not apply in the case of a stoppage of work arising from some cause which could not reasonably have been foreseen at the conclusion of the previous days work. A written notice displayed in some place accessible to the employees will be regarded as sufficient compliance with this sub-clause.

9.8 Dismissal

Nothing in this agreement shall affect the right of the Company to dismiss any employee without notice for refusal of duty, malingering, inefficiency, influence of alcohol, influence of illicit drugs, neglect of duty or misconduct. In the case of such dismissal, wages shall be payable up to the time of dismissal only. In the case of dismissal, other than instant dismissal, a series of warnings shall be issued as follows:

- A. Verbal warning, delegate in attendance
- B. Written warning with Supervisor, union delegate in attendance. Copy to be provided to the employee.
- C. Final written warning - Copy to employee, union delegate in attendance
- D. Dismissal

These four warnings shall be issued within a period of twelve months.

If an employee requests, a fellow employee, rather than a union delegate may be in attendance at each stage of the procedure.

9.9 Deduction of Wages

The Company reserves the right to deduct payment for any day or part thereof during which any employee is stood down by the employer as the result of refusal of duty, malingering, inefficiency, influence of alcohol, influence of illicit drugs, neglect of duty or misconduct on the part of the employee.

In all such cases the employer shall notify the union delegate and where practicable shall have discussions with the union.

10. Hours of Work

10.1 Weekly full-time employees including Apprentices:

10.1.1 The ordinary hours of work shall be an average of 38 per week worked on the following basis:

- (i) 38 hours within a work cycle not exceeding seven days;
or
- (ii) 76 hours within a work cycle not exceeding fourteen days;
or
- (iii) 114 hours within a work cycle not exceeding twenty one days;
or

- (iv) 152 hours within a work cycle not exceeding twenty eight days.

10.2 Implementation of the thirty eight hour week

10.2.1 The method of implementation of the thirty eight hour week may be any one of the following :

- (i) by employees working the 9 day fortnight work cycle
- (ii) by employees working the ten hour shift work cycle
- (iii) by employees working the rostered day off cycle that was in place at the time of making of the 2001 agreement

10.2.2 An assessment should be made as to which method of implementation best suits the business and the proposal shall be discussed with the employees concerned.

10.2.2 The Company and the majority of employees in the plant or section/s concerned may agree that the ordinary working hours are to exceed eight on any day, thus enabling a weekday off to be taken more frequently than would otherwise apply.

10.2.3 Circumstances may arise where different methods of implementation of a 38 hour week apply to various groups or sections of employees in the plant or establishment concerned.

10.2.4 Except as provided elsewhere in this agreement, in cases where, by virtue of the arrangement of his/her ordinary hours, an employee is accordance with (iii) of 10.2.1 of this clause, is entitled to a day off during his/her work cycle, such employee shall where possible be advised by the employer at least four weeks in advance of the weekday he/she is to take off; provided that a lesser period of notice may be agreed by the employer and the majority of employees in the plant or section/s concerned.

10.2.5 The Company, with the agreement of the majority of employees concerned, may substitute the day an employee is to take off in accordance with paragraph (iii) in 10.2.1 of this clause, for another day in the case of a breakdown in machinery or a failure or shortage of electric power or in other circumstances beyond the control of the employer, or to meet the requirements of the business in the event of rush orders or some other emergency situation.

10.2.6 An individual employee, with the agreement of the employer, may substitute the day he/she is to take off for another day.

10.2.7 Ordinary hours of work prescribed herein may not be less than four hours on any day or more than ten hours on any day, in accordance with Clause 10.2.1.

10.3 The ordinary hours of day work prescribed herein may be worked between 6.00 am and 6.00 pm on any day over no more than five consecutive days over a seven day period.

10.4 Provided further that work done prior to and after the spread of hours fixed in accordance with this Clause for which overtime rates are payable shall be deemed for the purpose of this Clause to be part of the ordinary hours of work where the ordinary hours worked in any week are less than thirty eight or less than seventy six in a fortnight in an area that is working the 9 day fortnight option.

10.5 Weekend Work

10.5.1 The minimum rate to be paid for work performed between midnight Friday and midnight on Saturdays shall be time and one half. Such extra rate shall be in substitution for and not cumulative upon the shift premiums prescribed in subclauses 10.13.3 and 10.13.4.

10.5.2 The minimum rate to be paid for work performed between midnight Saturday and midnight Sunday shall be double time. Such extra rate shall be in substitution for and not cumulative upon the shift premiums prescribed in subclauses 10.13.3 and 10.13.4.

10.5.3 Employees will not be required to work a roster involving weekendwork as part of their ordinary hours unless such arrangements have been discussed with and agreed to by the individual concerned.

10.6 Part-time employees:

10.6.1 The hours of work shall not exceed an average of 38 hours per week, worked on the following basis:

- (i) within a work cycle not exceeding seven days;
or
- (ii) over a work cycle not exceeding 28 days;
or
- (iii) such other methods as may be agreed from time to time between the employer and the part-time employees affected.

10.6.2 The ordinary hours of work shall not be less than sixteen hours per week on not less than two days per week.

10.6.3 An employee engaged as a part-time employee shall be paid per hour one thirty-eighth of the appropriate weekly rate for the Classification under which the employee is engaged.

10.6.4 An employee engaged on a permanent part-time basis shall be entitled to payments with respect to Annual Leave, Sick Leave, Jury Service, public holidays, Bereavement Leave and parental leave on a pro-rata basis for each employee in proportion to the normal ordinary hours worked by full-time employees.

10.6.5 The number of days and hours worked per week by a part-time employee is to be agreed prior to the arrangement being entered into and should not be changed without agreement. The actual days that are worked and the start times to be rostered in accordance with Clause 10.8.

Employees employed as a part-time employee at the time of making the 2001 agreement will remain working on the same days of the week unless altered by agreement.

10.6.6 Part-time employees will not be required to work a roster which involves weekend as part of their normal part-time roster unless such arrangements have been discussed with and agreed to by the individual concerned.

10.7 Casual Labour

10.7.1 "Casual Employees" shall mean all persons engaged and paid on a casual basis and shall include both persons directly engaged on a casual basis by Sara Lee and those persons who are engaged by a labour hire firm on a casual basis to carry out work at the premises of Sara Lee.

"Sara Lee Casuals" shall mean those casual employees engaged directly by Sara Lee.

"Agency Casuals" shall mean those casual employees engaged by a labour hire firm on a casual basis to carry out work at the premises of Sara Lee.

10.7.2 Casual employees may be utilised where necessary to make up for shortages of labour or for peak work loads.

10.7.3 The Company shall have a pool of Sara Lee casuals to meet the above demands. The Company may source Agency Casuals to meet further shortages.

10.7.4 The ordinary hours of work for casual employees shall not exceed 38 hours in any week (or 76 hours a fortnight in areas where the nine-day fortnight work cycle is in place), nor more than ten hours in one day. In addition, no more than five ordinary shifts shall be worked in one week.

10.7.5 Casual employees will be paid one thirty-eighth per hour of the appropriate rate (as set out by this agreement) for the classification in which they are engaged and in addition, they will receive a loading of 15 per cent for all hours worked, with a minimum payment on any day of four hours.

Note: For ordinary hours there is an additional 1/12th payment for annual leave in accordance with the Annual Holidays Act.

It is a term of this agreement that the Company will ensure that all Agency Casuals engaged to perform work in accordance with this agreement, will be paid in accordance with this clause.

10.7.6 Shifts that include a premium payment will be offered to Sara Lee casuals before Agency Casuals subject to skills required in the area.

10.7.7 Agency Casuals will progress to Level 2 after completing 456 hours of work at the Company and meeting the Company's safety and competency assessments as determined by Management of the Company.

- 10.7.8** (a) Where a casual employee is utilised on a regular and/or systematic basis of a minimum of 25 hours and a minimum of 3 days a week over the preceding 12 months, and there is an ongoing requirement for the work being performed, the employee can apply to be converted to a permanent full time or part time position. Employees who apply to be converted to a full time or part time position under the provisions of this subclause shall be subject to the Company's normal pre-employment procedures prior to any conversion of their employment.
- (b) In calculating whether a casual employee has met the minimum requirements referred to in subclause (a) above, all absences that would be allowed to a permanent employee during the previous twelve months (ie. absences due to public holidays, long service leave, annual shutdown, bereavement leave and sick leave) will be counted as time worked.
- (c) The basis for conversion to permanent employment for each applicant (ie to part time or full time employment), shall have as its starting point the average hours worked by the relevant casual employee in accordance with the calculations referred to in (a) and (b) above. However, a casual employee is not precluded, subject to the other terms of the agreement, from seeking a conversion on the basis of a different number of hours per week.
- (d) Employees must be available to work shift work as required.

10.7.9 The Company will not unreasonably refuse to convert casual employees to permanent employment in accordance with subclause 10.7.8. Where the Company can provide evidence to the union of lower-forecasted production volumes and as a result, the Company claims that the entitlements under sub-clause 10.7.8 cannot be fulfilled, the parties shall genuinely attempt to reach agreement. If there is any dispute regarding this sub-

clause it shall be dealt with through the disputes procedure, as set out in this agreement.

10.7.10 A casual employee must not be engaged and re-engaged, dismissed or replaced in order to avoid any obligations under this clause.

10.7.11 The Company implemented sub-clauses 10.7.8, 10.7.9, 10.7.10 and 10.7.11 on 1 July 2004, although service prior to this date will be included as qualifying periods under this clause.

10.7.12 The Company will provide the union with information about the patterns of use of casual employees on the site on a quarterly basis.

10.7.13 In using Agency Casuals to meet production needs the Company will not compromise its Occupational Health and Safety and Training Objectives. All Agency Casuals will receive adequate training for the tasks they are called on to perform and no agency casual (other than Forklift Drivers in the warehouse) will be used to fill a production position where it is necessary for them to have achieved training in the full range of skills required at level three or above in the classification structure.

10.7.14 The parties acknowledge that it may be necessary for employees who convert from casual to permanent employment to utilise their annual leave during quieter production periods (January through to March) and the Company may roster such employees on leave for one week during this period.

10.7.15 If it is necessary to make employees redundant, then employees who have converted from casual to permanent employment in accordance with sub-clause 10.7.8 will be considered by the Company in the first instance (in lieu of the provisions of Clause 29.1), and then if it is necessary for further redundancies, Clause 29.1 Redundancy, will apply.

10.8 Starting Times

Each permanent employee shall have their starting times for each day of the following week legibly displayed on a noticeboard by midday Monday of the week prior to the rostered week. Each casual employee will be notified no later than midday of the Friday prior to the rostered week. Start times will be rostered to suit the needs of production and the business, however, the Company will try to minimise rostering irregular hours where possible.

10.9 The time of commencing and finishing Day work or Shift work in the establishment or section of the establishment once having been determined by the Company, may be varied to suit the needs of the operation by agreement between the employer and the majority of permanent employees concerned at the plant or section, or in the

absence of agreement by three working days notice of alteration given by employer to the employees.

If there is an absence of agreement or the required three day's notice has not been given to the permanent employees concerned, the overtime provisions as described in Clause 11 will apply.

10.10 Procedure for the notification of a change to an employee's rostered start time:

10.10.1 Three working days notice or more

- (i) Start time on roster posted on notice board changed to reflect new start time/s

10.10.2 Less than three working days notice

- (i) Individual employee notified of the change to his/her roster directly and reason for change explained
- (ii) Employee agrees/disagrees with the change. If they disagree, change does not occur to original roster and alternate duties found
- (iii) If agreed, rosters changed to reflect new start time

10.11 Change to Work Cycle

10.11.1 9 Day Fortnight

This work cycle will be implemented as follows:

Ordinary hours of work shall be performed between Monday and Friday of Week 1 in the work cycle and between Monday and Thursday or Tuesday to Friday of Week 2 of the work cycle with a total of 76 ordinary hours being worked during the cycle. For Sanitation employees the Rostered Day Off may fall on any of the days, Monday to Friday, in Week 2 of the work cycle. Where possible Area D employees will have the Rostered Day Off on a Monday or Friday, however it may be necessary to alternate individual employees in this group to work on the day scheduled for the Production Rostered Days Off.

Work Cycles will be adopted for a minimum six month period. Changes to work cycles will be discussed with the Delegates one month prior to commencement of a new work cycle.

10.11.2 10-Hour Shifts

This work cycle will be implemented as follows:

Ordinary hours of work shall be performed between Monday and Thursday or Tuesday to Friday each week with a total of 38 ordinary hours being worked during the cycle.

The ordinary hours of work for each day of the work cycle will be notified on the roster published (in the agreed method) prior to the commencement of the work cycle. The span of ordinary hours will be as defined in this Clause.

In normal circumstances, start times for packing lines will be no later than 8.00am when working a ten-hour shift.

Employees wishing to transfer to another area due to genuine personal circumstances will be reviewed on an individual basis, subject to employee numbers and the skills required in the relevant areas concerned.

When a public holiday falls on the rostered day off of a permanent employee engaged in ten-hour shifts, the employee will be entitled to an alternate day off in lieu of the holiday. Such day to be on a Monday or Friday, or an alternate day agreed between the Company and the Union.

Work Cycles will be adopted for a minimum six month period. Changes to work cycles will be discussed with the Delegates one month prior to commencement of a new work cycle.

10.12 Shift Definitions:

10.12.1 Day Shift

The daily starting and finishing times for day work shall be between 6.00 am and 6.00 pm.

10.12.2 Afternoon Shift

The daily starting and finishing times for Afternoon shift shall be between 11.00 am and 11.30 pm.

10.12.3 Night Shift

The daily starting and finishing times for night shift shall be between 8.00pm and 7.00am, Sunday to Saturday.

10.13 Shift Work

10.13.1 Twenty minutes shall be allowed to afternoon and night shift workers each shift for crib time which shall be counted as time worked.

10.13.2 No employee under eighteen years of age shall be employed on shift work.

10.13.3 Employees on the afternoon shift shall be paid 15 percent in addition to their ordinary rate of pay.

10.13.4 Employees on permanent night work shall be paid 30 percent in addition to their ordinary rate of pay.

10.14 Commencement of Each Shift

Employees are to bundle on each day prior to the time displayed on the roster to ensure that they are at their work area or in their position on the Production line at or before the rostered start time. (Clause 35.4 of the Sara Lee Industrial Agreement dated 6 August 1990 no longer applies.)

10.15 Review of Hour of Work

During the life of the agreement a joint committee comprising union and management representatives will review the hours of work and shift definitions, to formulate an agreement that maximises the efficiency of the site.

10.16 During periods when the rostered day off a month arrangement is in place, the Company will roster the day off closest to the nearest Monday or Friday of the day when the RDO falls due, unless otherwise agreed between the parties.

11. Overtime

11.1 For all work performed outside the ordinary hours prescribed in clause 10, the rates of pay shall be paid for at the rate of time and one half for the first two hours and double time thereafter; provided always that an employee working during meal times shall be paid double time.

11.2 Saturday - Overtime worked on a Saturday until 1.00 pm shall be paid at time and a half for the first two hours and double time thereafter, and after 1.00pm at double time. A minimum payment of four hours shall apply.

11.3 Sunday - Overtime worked on a Sunday shall be paid for at the rate of double time. A minimum payment of four hours shall apply.

11.4 An employee working overtime shall be allowed a crib time of twenty minutes without deduction of pay after each four hours of overtime worked if the employee continues work after such crib time.

11.5 Public Holiday - Time worked on a Public Holiday shall be paid for at the time rate of time and one half for the first two hours and double time thereafter, with a minimum payment of 4 hours. This will be in addition to the normal day's pay entitlement where the Public Holiday is to be observed on a day that is usually rostered as an employee's normal work day. By arrangement with the Supervisor, an employee may substitute a day in lieu of payment for the normal day.

11.6 When overtime work is necessary it shall wherever reasonably practicable, be so arranged that the employees have had at least ten consecutive hours off duty between the work of successive days.

An employee who works so much overtime between the termination of his/her ordinary work on one day and the commencement of his/her ordinary work on the next day that he/she has not at least ten consecutive

hours off duty between those times shall, subject to this subclause, be released after completion of such overtime until he/she has had ten consecutive hours off duty without loss of pay for ordinary working time occurring during such absence.

If on the instructions of the Company, such an employee resumes or continues work without having had such ten consecutive hours off duty he/she shall be paid at double rates until he/she is released from duty for such period and he/she shall then be entitled to be absent until he/she has had ten consecutive hours off duty without loss of pay for ordinary working time occurring during such absence.

11.7 Meal Allowance

11.7.1 An employee who is required to work overtime for any period in excess of two hours after his/her ordinary finishing time and who has not been notified on the previous day, can elect to be provided by the employer either with a meal voucher to the value set out in item 5 of Table 3, or the employer shall pay the employee an amount as set out in item 5 of Table 3 and if required to work in excess of four hours overtime shall be supplied either with a further meal or shall be paid the amount as set out in the said item 5.

11.7.2 If such employee is notified on the previous day that he or she will be required to work overtime and by reason of such notice has provided himself/herself with a meal and such overtime is cancelled he or she shall be paid the amount as set out in the said item 5.

11.7.3 Any Meal Allowance paid in accordance with this provision will be paid to the employee on a weekly basis and will be paid in the same manner as their normal weekly wages.

12. Meal Breaks

Day work employees will observe an unpaid meal break of thirty minutes and afternoon and night shift employees will observe a paid meal break of twenty minutes. Employees must return to their rostered work area either thirty minutes (in the case of Day Shift employees) or twenty minutes (in the case of Afternoon and Night Shift employees) after they have left that area to commence the meal break. (Clause 35.4 of the Sara Lee Industrial Agreement dated 6 August 1990 no longer applies).

13. Tea Breaks

13.1 During the morning and afternoon of each day, Monday to Friday inclusive, all employees on day work shall be allowed an opportunity for refreshments in such manner as shall not interfere with the continuous running of the factory and, for the purpose of this refreshment, tea, milk and sugar shall be supplied by the Company free of cost to the employees.

13.2 All employees on night work or shift work shall be allowed an opportunity during the evening and morning for refreshments, and, for that purpose, tea, milk and sugar shall be provided by the Company free of cost to the employees.

14. Meal and Tea Breaks – Shift Changeovers

In circumstances where there is a trial or a changeover during the course of a single shift on a particular line, the Company may implement a two break rather than three break option for employees working on that line only. In this case, an employee on day shift will be granted one thirty minute unpaid meal break and on afternoon shift a paid twenty minute meal break and in addition, one thirty minute paid tea break. Such breaks are in lieu of the breaks set out in clauses 12 and 13. An employee taking breaks in accordance with this clause shall not be required to work more than three hours without a break.

15. Public Holidays

15.1 Any employee engaged on a permanent basis shall be entitled, without loss of wages, to the following public holidays:

New Years Day
Australia Day
Good Friday
Easter Saturday
Easter Monday
Anzac Day
Labour Day
Christmas Day
Boxing Day
Queen's Birthday

Any other day gazetted as a Public Holiday for the State of New South Wales.

15.2 Any employee, absent without leave on the day before or the day after any award holiday, shall be liable to forfeit wages for such holiday except where the Company is satisfied that the employee's absence was caused through illness in which case wages shall not be forfeited for the holiday providing a medical certificate is provided.

15.3 Additional Public Holiday (Union Picnic Day)

Each permanent employee will be entitled to an additional public holiday off during the year. Such a day to be chosen at a time to suit both the employee and the Company.

Subject to production scheduling and by agreement between the Company and employees, the Additional Public Holiday may be held on a day for all Production, Warehouse and Sanitation Employees.

15.4 When a public holiday falls on the rostered day off of a permanent employee, the employee will be entitled to an alternate day off in lieu of the holiday. Such day to be Monday or Friday or another day as agreed between the Company and the Union.

16. Absenteeism

The parties recognise that increased productivity will be influenced by the regularity of employee attendance at work whether the employee works a full working week or part thereof.

Significant gains are anticipated if employees are committed to reducing the effect of any absence from work for whatever reason.

Improvement in the absenteeism rate will be achieved by the observation of the following:

- (a) A procedure to be followed when a person is genuinely ill and is unable to attend work (Refer Clause 18 - Sick Leave).
- (b) If an employee is absent from work due to family or personal circumstances which prevents immediate attendance, or where a legitimate emergency occurs, the employee, after discussion with the Supervisor, will agree to one of the following procedures:
 - i) Arrange with the Supervisor to alter shifts or shift start and finish times in order to avoid casual absenteeism caused by unforeseen circumstances provided that there is work available.
 - ii) Arrange with the Supervisor to bring forward Rostered Days Off (prior to the accrual of the adequate number of hours) in order to avoid taking other forms of paid or unpaid leave. The maximum number of Rostered Days to be taken in this manner will be three in each year of service. This arrangement will not be used to replace pre-arranged Annual Leave or Sick Leave and will be used only in the circumstances outlined above and by agreement of the employee concerned.

(Note: Upon introduction of the two week work cycle and the 10-hour shift work cycle referred to above this procedure will not be available to Production, Cleaning and Sanitation and Warehouse employees)
 - iii) Where employees, due to unforeseen circumstances commence a shift later than the rostered time or need to be absent for a short period during the day, or need to finish a shift earlier than the rostered time, an arrangement may be agreed to between the employee and the Supervisor whereby the employee can within the work cycle (the current working week) make up the time lost due to the absence during ordinary hours at an ordinary rate of pay provided there is work available.

16.1 Improved Attendance Incentive Scheme

The intention of the incentive scheme is to increase productivity by reducing absenteeism and is offered with the intention to achieve that outcome. The scheme allows employees to be paid a sick leave bonus dependent upon the amount of sick leave used each year and subject to the following conditions:

- (a) An employee must have been employed with the Company as a permanent employee for two years and have a sick leave accrual of twenty days before they can participate in the scheme.
- (b) This provision will commence on the employee's anniversary date following the commencement of this agreement.
- (c) Any current sick leave, accrued prior to commencement of this provision will not be paid out but retained as accrued sick leave entitlement.
- (d) When a sick leave day is used it is paid from the current year's entitlement and not from banked days until all the current years' entitlement is used.
- (e) Employees will be entitled to a sick leave bonus as follows:

Sick Leave days taken by individual employee during the twelve-month period.	Accumulated sick leave days of individual employee.	Sick Leave days paid out as a bonus to the individual employee
0	5	5
1	5	4
2	5	3
3	5	2
4	5	1

- (f) Employees will elect to either accrue their total sick leave balance for the year or have the sick leave bonus paid in accordance with the above table on the employee's anniversary date.
- (g) Payment for the sick leave bonus will be at an employee's ordinary time rate of pay (exclusive of shift allowance).

17. Procedure for Leaving a Work Station

The following procedure should be followed by all employees who need to leave their work position during their shift.

- (i) If an employee needs to leave their work position, they must notify their Supervisor who will notify the Area Supervisor and permission will not unreasonably be withheld. Under normal operating circumstances permission will be granted.

- (ii) All employees are not to leave their work station until replaced and/or authorised.
- (iii) This procedure is to be followed by all employees who wish to leave their work position.

18. Sick Leave

18.1 Entitlement to Sick Leave

A permanent full-time or part-time employee who, after not less than three months continuous service with Sara Lee, is unable to attend for duty during their ordinary working hours by reason of personal illness or personal incapacity not due to their own serious and wilful misconduct, shall be entitled to be paid the same rate of pay that they would have earned had they not been absent for the time of such non-attendance subject to the following:

- (i) They shall not be entitled to be paid leave of absence for any period in respect of which they are entitled to workers' compensation.
- (ii) They shall, on the first day of their absence, inform the employer prior to the start of their shift, the nature of the illness or injury and the estimated duration of their absence.
- (iii) They shall prove to the satisfaction of their Supervisor that they were unable, on account of such illness or injury to attend for duty on the day or days for which sick leave payment is claimed, provided that any time so lost shall not be taken into account in computing the qualifying period of three months.

18.2 Amount of Leave

An employee shall be entitled to paid Sick Leave not in excess of:

5 days during the first year of employment;
8 days during the second and,
10 days during the subsequent years of employment.

18.3 Cumulative Sick Leave

Sick leave shall accumulate from year to year for as long as the employee's employment continues with the employer so that any sick leave which has not been allowed in any year may be claimed as Sick Leave by the employee and shall be allowed by the Company, subject to the conditions prescribed in respect of that year.

18.4 Single Day Absences

In the case of an employee who claims to be allowed paid sick leave in accordance with this clause for an absence of one day only, such

employee, if in the year of service has already been allowed paid sick leave on more than three occasions for one day only, shall not be entitled to payment for the day claimed unless a medical certificate is produced from a duly qualified medical practitioner.

However, the Company may agree to accept from the employee a Statutory Declaration stating that the employee was unable to attend for duty on account of personal illness or on account of injury by accident in lieu of a medical certificate as described.

Notwithstanding the above, in the case of single day sick leave taken immediately prior or subsequent to an RDO, an employee is required to provide a medical certificate on the second and each subsequent occasion within a 3 calendar month period for each such absence. Failure to provide the medical evidence for such occasions will result in the payment for sick leave being withheld.

The Company will continue to monitor absenteeism levels and will take counselling, and where necessary, disciplinary action against any employee who systematically or regularly absents themselves from duty.

18.5 Definition of Year of Service

"Year of Service" for the purpose of this clause means the period between the date of commencement of employment as a permanent employee in any year and the anniversary of the commencement of employment in the next year.

18.6 Application for Leave

A permanent employee claiming an entitlement to paid or unpaid leave shall complete an Application for Leave form and attached to such form will be evidence of the reason for the absence (as described in Clauses 18.1 and 18.4 above.) This Application for Leave will be presented to the Supervisor on return from the absence for authorisation.

19. Personal/Carers Leave

19.1 Use of Sick Leave

- (a) An employee other than a casual employee, with responsibilities in relation to a class of person set out in (c)(2) who needs the employees care and support shall be entitled to use, in accordance with this subclause, any current or accrued sick leave entitlement provided for at clause 18, for absences to provide care and support for such persons when they are ill. Such leave may be taken for part of a single day.
- (b) The employees shall, if required, establish, by production of a medical certificate or statutory declaration, the illness of the person concerned and that the illness is such as to require care by another person. In normal circumstances, an employee must

not take carer's leave under this subclause where another person has taken leave to care for the same person.

- (c) The entitlement to use sick leave in accordance with this subclause is subject to:
- (1) the employee being responsible for the care and support of the person concerned; and
 - (2) the person concerned being:
 - (i) a spouse of the employee; or
 - (ii) a de facto spouse who, in relation to a person is a person of the opposite sex to the first mentioned person who lives with the first mentioned person as the husband or wife of that person on a bona fide domestic basis although not legally married to that person; or
 - (iii) a child or an adult child (including an adopted child, a step child, a foster child or an ex-nuptial), parent (including a foster parent and legal guardian), grandparent, grandchild or sibling of the employee or spouse or de facto spouse of the employee; or
 - (iv) a same sex partner who lives with the employee as the de facto partner of that employee on a bona fide domestic basis; or
 - (v) a relative of the employee who is a member of the same household, where for the purposes of this paragraph:
 - (a) "relative" means a person related by blood, marriage or affinity;
 - (b) "affinity" means a relationship that one spouse because of marriage has to blood relatives of the other; and
 - (c) "household" means a family group living in the same domestic dwelling.
- (d) An employee shall, wherever practicable, give the employer notice prior to the absence of the intention to take leave, the name of the person requiring care and their relationship to the employee, 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.

19.2 Extra Leave Day

Permanent employees shall be entitled to one extra paid leave day each year. The day can be taken at the employee's discretion, but must be taken in each agreement year, and is non-cumulative. The leave should be applied for with reasonable notice and by completing the Application for Leave Form.

20. Annual Leave Loading

20.1 Annual Leave will be paid in accordance with the Annual Holidays Act (NSW), 1944 (as amended)

20.2 Annual Leave Loading

For each period of annual leave taken an employee shall receive a loading calculated on the ordinary time rate of pay for the employee, subject to the following provisions:

20.2.1 Day Workers

Any employee who would have worked on day work only - a loading of 17 1/2%.

20.2.2 Shift Workers

Any employee who would have worked on shift work had they not been on leave - a loading of 17 1/2%.

Provided that where the employee would have received a Shift Allowance as prescribed by clause 10.13, being a greater amount than that provided by a loading of 17 1/2%, then the amount of the Shift Allowance shall be paid in lieu of the 17 1/2% loading.

20.3 The loading prescribed in this sub-clause shall not apply to proportionate leave on termination except when the employment of an employee is terminated by the employer through no fault of the employee.

20.4 Leave loading will only be paid when one year's service has been completed.

21. Long Service Leave

See Long Service Leave Act, 1955

22. Bereavement Leave

A permanent employee shall be entitled to a maximum of three days without loss of pay on each occasion and on production of satisfactory evidence of the death in Australia, and/or outside Australia. Bereavement leave will apply to the following:

- (i) the employee being responsible for the care of the person concerned; and
- (ii) the person concerned being:
 - (a) a spouse of the employee; or

- (b) a de facto spouse, who, in relation to a person, is a person of the opposite sex to the first mentioned person who lives with the first mentioned person as the husband or wife of that person on a bona fide domestic basis although not legally married to that person; or
- (c) a child or an adult child (including an adopted child, a step child, a foster child or an ex nuptial child), parent (including a foster parent and legal guardian), grandparent, grandchild or sibling of the employee or spouse or de facto spouse of the employee; or
- (d) a same sex partner who lives with the employee as the de facto partner of that employee on a bona fide domestic basis; or
- (e) a relative of the employee who is a member of the same household, where for the purposes of this subparagraph:
 - 1. "relative" means a person related by blood marriage or affinity;
 - 2. "affinity" means a relationship that one spouse because of marriage has to blood relatives of the other; and
 - 3. "household" means a family group living in the same domestic dwelling.

(iii) Bereavement Leave may be taken in conjunction with other leave.

23. Leave Without Pay

In exceptional circumstances leave without pay will be granted. Length of service, attendance and performance record will be taken into account when an application is considered.

Casual employees who wish to be absent from work for maternity or paternity leave (of no more than twelve months) should notify the Company of the period they will not be available to work. Upon notification of their availability to resume work and upon receipt of a medical certificate of fitness to resume normal duties, the Company will roster them in the same manner as other casual employees at the time.

24. Jury Service

24.1 A permanent employee required to attend for Jury Service during ordinary working hours shall be reimbursed by the Company an amount equal to the difference between the amount paid in respect of attendance for such Jury Service and the amount of wages that would have been received in respect of ordinary time had the employee worked and not been on Jury Service.

24.2 An employee shall notify the Company as soon as possible of the date upon which the employee is required to attend for Jury Service. Further, the employee shall give the Company proof of his/her attendance, the duration of such attendance and the amount received in respect of such Jury Service.

25. Payment of Wages

25.1 Electronic Funds Transfer

The Company will pay all wages directly into an Account as nominated by the employee on Wednesday of each week. Where consecutive Public Holidays fall on a Monday and Tuesday, payment shall be processed on the next working day. Staff will be notified of this situation as it arises.

25.2 The Company will pay to each employee on a weekly basis a non-taxed allowance as set out in item 6 of Table 3 per week to offset charges in respect of the deposit and withdrawal of wages.

25.2 If for a reason within the Company's control payment of weekly wages to the employees account does not occur within the designated timeframe of Wednesday of each week, the employee, should he or she so desire, will receive a cash payment as soon as possible.

26. Joint Consultative Committee

The parties agree that a precondition for the effective operation of this Agreement is the continued involvement of a Consultative Committee.

The role of the consultative committee is to examine issues relating to the efficiency of the enterprise.

The consultative committee shall meet on a regular basis and shall operate in accordance with its charter. This charter shall be provided to all members of the Joint Consultative Committee.

26.1 Problem Solving and Innovation

All employees will be encouraged to suggest solutions to work and design problems on site. The Consultative Committee shall consider the means of promoting the problem-solving objective and shall develop strategies encouraging workplace suggestions and implementation.

27. Clothing and other issues

27.1 Employees are responsible for the care and safekeeping of all items of clothing, footwear and protective equipment and tools issued to him/her and shall return each article to the employer on request or on termination of employment. In default, the employer may deduct from wages due an amount equal to its replacement value less reasonable depreciation, having regard to the condition of the item.

- 27.2** Should an employee leave the Company within three month's of the issue of protective equipment and tools, an amount equal to its replacement value less reasonable depreciation will be deducted from any wages due on termination. This condition will only apply where termination of employment is at the request of the employee.
- 27.3** Where the Company requires an employee to wear overalls, uniforms, and protective clothing, footwear and safety equipment of any description such items shall be supplied by the Company and the employee undertakes to wear such clothing, footwear and equipment at all times whilst he or she is in an area of the Plant where this is required.
- 27.4** In order to maintain the standards for Hygiene, all employees accept the personal responsibility of strictly adhering to these standards and practicing them particularly in relation to ensuring protective clothing and footwear is maintained to the standard required. Footwear issued by the Company to be worn in the Plant must only be worn on the site and must be kept in a clean condition.

28. Training and Development

- 28.1** The parties to this award are committed to pursuing improved productivity efficiency and flexibility by enhancing the skills of employees.
- 28.2** Resulting from the implementation of the Classification Structure described in Clause 7, the training and development needs of all employees will be addressed in relation to:
- i) training required to increase the level of competency of employees
 - ii) training required through the creation of new jobs, restructuring of existing jobs and/or multi-skilling
 - iii) training required to assist employees to pursue, where possible, their preferred career paths and to improve their opportunities.
 - iv) training required to ensure that employees whose work skills have been identified as being deficient in some area have every reasonable opportunity to improve their performance within the probation period.
- 28.3** Regular consultation will take place between the Company and the employees to allow for employees to have input into the development and implementation of training programmes designed to meet the above needs.
- 28.4** The Training Committee will consist of two Management Representatives, four employee representatives (who have been duly elected) and the Training Co-Ordinator.

The training committee will:

- (a) review the proposed on-the-job and external training programmes and will provide input as to their implementation and evaluation;

- (b) review and make recommendations in relation to the training requirements of individual employees;
- (c) review and make recommendations in relation to the reclassification of employees in accordance with the classification structure.

28.5 All training programmes developed will ensure that

- i) There is equal access by all employees (whether, permanent full-time, part-time and casual employees) to training and development opportunities subject to the skills requirements of the Company.
- ii) A commitment to equal employment opportunity requirements removes any discriminatory barriers to training.

28.6 The parties recognise and acknowledge the role of every employee in training others. Where an employee, at any level within the Classification Structure is required to provide on-the-job training to another employee(s) and this requires specialist training skills they will be given the opportunity to receive formal training in how to train others.

28.7 As part of the commitment to training others, employees acknowledge their roles as trainers to ensure progression from Levels 1 to 6 within the Classification Structure.

28.8 Production and Maintenance employees acknowledge the productivity gains to be achieved by the training of Production employees by Maintenance employees in basic engineering functions.

Such training and skills will not in any way compromise safety standards and will be developed in line with the Company's Work Instructions and Procedures.

28.9 With the introduction of new technology on site for the Materials Resource Planning system all employees acknowledge a willingness to be trained in the specific requirements of this technology as it affects their work area.

28.10 The Company is committed to providing budgeted resources such as people, equipment, time and money to ensure the effectiveness of all training and development programmes.

28.11 Where employees attend In-house Training Sessions, Approved External Training Courses or participate in Small Group Improvement Teams outside their normal rostered hours the time spent at these activities will be recorded as single time and the employee will have the option of accruing these hours and taking time off in lieu for payment for these hours or be paid at single time.

Where such training takes place on Saturday or Sunday, overtime rates will be applicable and where the employee is called on to attend a session as

described above that does not immediately proceed or follow a rostered shift without having had a ten hour break, overtime rates will apply.

An employee required to travel to and from his/her home to attend an activity or training session (as described above) which commences at a time NOT immediately prior to or following a normal rostered shift, such travel time will be EITHER paid (or accrued and recorded) as single time OR claimed as a travel allowance at the usual kilometre rate.

In exercising the option to take time off in lieu, once such accrual has reached 8 hours the employee and his/her Supervisor will agree on an appropriate day for the leave to be taken.

28.12 Trade Union Training Leave

- (i) Paid leave (to a maximum of six days per annum) will be approved for a maximum of six employees to attend an accredited course by a registered Trade Union to increase the employee's skills and knowledge in the area of enterprise based bargaining and negotiation or to attend an approved meeting of the Union Executive or statewide Union delegates meetings.
- (ii) An application for leave should, where possible, be made four weeks prior to the date of commencement of the course or meeting and should be approved by the Operations Manager and/or the Human Resources Manager and/or Human Resources Officer. Such approval shall not be unreasonably withheld.
- (iii) The Company shall not be liable for any additional cost, other than the payment of ordinary time earnings to the employee whilst on leave.
- (iv) An application for leave should be made in writing and should include details of the period of leave and description of the course or courses.

29. Redundancy

29.1 It is acknowledged that there may, over time, be a need for a reduction in the number of positions available within the Company. The number of employees to be affected by redundancies, the positions to be made redundant and the timing of such redundancies will be determined by the Company.

In the first instance the Company will call for volunteers, however any decision in relation to redundancy will be based on the need to retain an adequate skills base for the present and future needs of the Company in a particular area. Where there are an inadequate number of volunteers in a particular area the process to be followed in that case will be discussed with the employee representatives of the particular work area or work group affected and a last on first off procedure will be adopted after all

other avenues have been exhausted. The union will be involved in such discussions.

29.2 In the event of redundancy the following provisions will apply to permanent employees:

i) **Notice**
Four weeks notice of termination for all employees with more than one year's service. Employees with less than one year's service will be given one weeks notice of termination.

ii) **Severance Pay**
Employees will receive a payment of four weeks pay and a further payment of four weeks pay for each year of service.

Service less than a full year shall be paid on a pro rata basis.

iii) **"Weeks' pay"** means the ordinary time rate of pay for the employee concerned.

iv) **Long Service Leave**
Pro rata Long Service Leave will be paid after five years continuous service.

v) **Time Off**
During the period of notice of termination an employee shall be allowed up to one day's time off without loss of pay during each week of notice for the purpose of seeking other employment.

If the employee has been allowed paid leave for more than one day during the notice period for the purpose of seeking other employment, the employee shall, at the request of the Company, be required to produce proof of attendance at an interview or he/she shall not receive payment for the time absent. For this purpose a statutory declaration will be sufficient.

vii) **Annual Leave Loading**
Normal Annual Leave loading will be paid on all annual leave both entitled and pro rata.

30. Communication

30.1 Methods of Communication

(i) The parties acknowledge that in order to maintain and improve productivity it is necessary to operate in an environment of open communication and co-operation. Management, employees, the union and the Consultative Committee, all play an important role in communicating and resolving issues as they arise.

(ii) To communicate with the workforce as a whole one of the following methods will be chosen (depending on circumstances and the content of

the meeting) by the union or Consultative Committee to ensure that such communication is effective and causes the minimum disruption to the continuity of production, other production and services:

- a) Small group communication meetings will be held over a 24 hour period. Employees will be paid for their attendance at such meetings and, if the meeting is to be chaired by a Union Official, one Union delegate will be relieved of normal work for that day and paid the ordinary rate of pay for the time of attendance. Other Union delegates will attend a meeting at the same time of employees in their work area or work group. If the meeting is to be chaired by a Union Delegate (and a Union Official is not present) one other Union Delegate will be relieved of normal work for the day and paid the ordinary rate of pay for the time of attendance.

OR

- b) Mass meetings will be held in accordance with the following procedure:
 - i) Three normal working days notice has been given to the Human Resources Manager and/or the Human Resources Officer and/or Operations Manager.
 - (ii) the issue will be discussed by the Company and Union representatives;
 - (iii) all employees are given the opportunity to express their opinions on the issues raised; and
 - (iv) the Company reserves the right to notify the Industrial Relations Commission of New South Wales in an attempt to avert the necessity of such a mass meeting.
- c) If mass meetings are required during the Agreement negotiation process as described in Clause 35 hereof, they will be held after three normal working days notice has been given to the Company's management. Such meetings shall take place on no more than three occasions being the formulation of the union's claims, the consideration of the Company's position and ratification of the Enterprise Agreement. The Company will agree to the payment of these three half-hour meetings held in accordance with this subclause, providing prior approval has been given by the Company's management.

In addition, the Company reserves the right to agree to payment for such other meeting or meetings where it is in the mutual interest of the parties that such a meeting is held.

All employees will be given the opportunity to express their opinion at such meetings on the issues raised.

30.2 Disputes Avoidance

All parties agree to undertake all necessary steps to ensure that all issues receive prompt attention and are resolved by consultation, preferably by the internal settlement of issues.

30.3 Procedure

The purpose of this Disputes Avoidance Procedures is to provide all parties with a system to discuss and resolve all matters of grievance and dispute arising out of or relating to this agreement. Any grievance, dispute or claim arising out of or relating to this agreement shall be dealt with in the following manner:

- i) Should any matter arise which gives cause for concern to an employee he or she shall raise such matter with the immediate supervisor.
- ii) If the matter remains unresolved it shall be referred to the Union delegate who shall consult with the appropriate representative of the management. At this stage, there should, if possible, be two Union delegates present.
- iii) If the matter remains unresolved it shall be referred to the Secretary of the Union (or his representative). This official shall discuss it with a senior representative of the employer.
- iv) If the matter remains unresolved the senior representative of the employer shall notify the Company's industrial representative who shall discuss the grievance with the appointed union representative.
- v) If the matter remains unresolved it may be submitted to the NSW Industrial Commission for resolution.
- vi) While the above procedure is being followed, work shall continue normally in accordance with this agreement.
- vii) No party shall be prejudiced as to final settlement by the continuance of work in accordance with this agreement.
- viii) In the event of a party failing to observe these procedures, the other party may take such steps as are open to it to resolve the matter.
- ix) The parties shall, at all times, confer in good faith and without undue delay.
- x) During the discussions, the "status quo" shall remain. "Status Quo" shall mean the situation existing immediately prior to the dispute or the matter giving rise to the dispute.

31. Union Matters

The Company will recognise up to 8 union delegates who are elected by the membership as the on site representatives of Sara Lee employees and the union.

Such representatives shall be allowed the necessary time during working hours, subject to prior approval by the Company taking into consideration its work requirements, to interview employee's, the employer or the employer's representative on matters affecting the employees whom he/she represents, or to meet with a Union Official. Such approval by the Company shall not be unreasonably withheld. Before this occurs the procedure for leaving the line

(Clause 17 of this Agreement) will be followed. The Company will notify a nominated Delegate of the appointment of new employees.

Union deductions will be the subject of an exchange of letters between the parties.

32. Superannuation Contributions

The Company will contribute superannuation contributions into the Sara Lee Superannuation Fund or the Labour Union Co-operative Retirement Fund (LUCRF). The Company will not be liable for any additional cost for contributing to LUCRF.

32.1 Employee Contributions

- i) The objective of this clause is to enable Employees to make pre-tax contributions to Sara Lee Super or LUCRF through a salary sacrifice arrangement.
- ii) An Employee may request that Sara Lee make additional contributions to Sara Lee Super or LURF from their pre- tax salary. These additional contributions are distinct from and in addition to the "Employer contributions" made in accordance with relevant superannuation guarantee legislation. For the purpose of this clause, these additional contributions will be referred to as "salary sacrifice contributions".
- iii) On each occasion on which Sara Lee makes a salary sacrifice contribution on behalf of an Employee, that Employee's gross earnings shall be reduced by an amount equal to the salary sacrifice contribution. For the purpose of this sub-clause "occasion" means the calculation and processing of the normal pay period.
- iv) Salary Sacrifice contributions are limited to an amount that, together with Employer contributions does not exceed the age based deductibility limits provided for by sections 82AAC to 82AAf of the Income Tax Assessment Act 1936.
- v) Employees may elect to have salary sacrifice contributions made at a percentage of earnings or dollar amounts, and may vary that percentage or dollar amounts.
- vi) The parties agree that any amount subject to a salary sacrifice arrangement shall be taken to satisfy the Employer's obligation in relation to salary under this Agreement.
- vii) For the purposes of calculating any:
 - redundancy benefit
 - annual and long service leave entitlements
 - annual leave loading
 - overtime and shift payments;
 - the rate of pay used will include any salary sacrifice contributions.

- viii) In the event that the law governing superannuation and taxation changes in such a way as to make the objective of this clause ineffective, unattainable or illegal, Sara Lee will advise the Employees concerned, and the salary sacrifice contribution arrangement will be terminated or amended.

33. Date of Operation

This Agreement shall operate from the beginning of the first pay period to commence on or after date of approval and shall operate until 28 April 2008.

34. No Extra Claims

The parties agree that there shall be no extra claims and no further wage increases for the life of this Agreement except when consistent with a State Wage Case decision.

35. Negotiating the Next Agreement

The parties agree to commence negotiations on a new Agreement no later than six months prior to the termination of this Agreement.

36. Prohibition of Use as Precedent

This Agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits to any other plant or enterprise.

37. No Duress

This Agreement has been freely entered into by the parties through a process of joint consultation which has involved employees and their Union representatives and Management representatives.

38. Industrial Relations Commission Decisions

If a Full Bench of the Industrial Relations Commission of New South Wales makes a decision to vary awards in accordance with Section 51 or 52 of the Industrial Relations Act, 1996 and such variation is intended to apply to employees covered by this Agreement, the Company will adopt the provision. Such implementation will occur after consultation between the parties.

39. Endorsement

SIGNED for and on behalf of Sara Lee Australia & NZ Pty Limited:

Managing Director:

DATE:

In the presence of:

DATE:

SIGNED for and on behalf of the National Union of Workers, New South Wales Branch:

Secretary: _____

DATE: _____

In the presence of: _____

DATE: _____

PART B

MONETARY RATES

Table 1 (I) Wage Rates - Production

Level	Rate from the first pay period on or after 28 April 2006	Rate from the first pay period on or after 28 April 2007
One	611.15	632.54
Two	634.54	656.74
Three	663.84	687.07
Four	692.09	716.31
Five	743.81	769.84
Six	792.40	820.13

Table 2 (ii) Wage Rates – Warehouse/Prescale

Level	Rate from the first pay period on or after 28 April 2006	Rate from first pay period on or after 28 April 2007
Two	634.54	656.74
Three	663.84	687.07
Four	692.09	716.31
Five	743.81	769.84

Table 3 - Other Rates and Allowances

Item No.	Clause No.	Brief Description	Amount From FFPP on or after 28 April 2006	Amount From FFPP on or after 28 April 2007
1	6.1.1	Leading Hands -	\$24.23	\$25.07
		In charge of up to 10 employees	\$40.87	\$42.30
		In charge of 10-20 employees	\$52.19	\$54.01
		In charge of 20 or more employees		
2	6.1.3	Service Allowance Maximum	\$1.00 p.w. \$10.00 p.w.	\$1.00 p.w. \$10.00 p.w.
3	6.2.1	Cold Store Allowance	\$0.959.h.	\$0.992p.h.
4	6.3	First Aid Allowance	\$12.02. p.w.	\$12.44.p.w.
5	11.7.1	Meal Allowance	\$9.60 p.w.	\$9.93 p.w.
	11.7.2			
6	23.2	Electronic Funds Transfer (to offset charges)	\$1.07 p.w.	\$1.07 p.w.