

***CRF Foods (Vic) Pty
Ltd, Australasian Meat
Industry Employees'
Union Meat Processing
Agreement 2006***

The Employment Agreement for CRF Foods (Vic) Pty Ltd and Employees sets down the working relationship for a productive and successful workplace.

April 2006

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1 THE AGREEMENT

1.1 Title

This Agreement shall be known as the CRF Foods (Vic), Pty Ltd Australasian Meat Industry Employees' Union Meat Processing Agreement 2006.

1.2 Parties

This Agreement is between CRF Foods (Vic), Pty Ltd (“the Employer”) the Australasian Meat Industry employees Union (‘the Union”) and the Employees (“Employees”)

1.3 Objectives of this Agreement

The parties to this Agreement are committed to:

- 1.3.1 Establishing the efficiency and productivity levels for the domestic and international operations of the company to ensure its competitiveness in the market place.
- 1.3.2 Establishing secure and satisfying jobs, training opportunities, access to higher paid jobs and career paths, for Employees.

1.4 Application

This Agreement will operate to the exclusion of any Award or other agreement. Any matter not covered in this Agreement will be discussed by the Employer, the Union and Employees and, if necessary, referred to the Consultative Committee established in Clause 6.1. For the avoidance of doubt, this Agreement wholly replaces the following provisions of the Federal Meat Industry Award:

- Public Holidays – clause 31
- Rest Breaks (including meal breaks) – clause 23
- Shift/overtime loadings – clauses 24, 25
- Annual leave loadings – clause 26
- Allowances – clause 19
- Penalty rates – clauses 24, 25, 31
- Incentive-based payments and bonuses – clause 16

This agreement is binding on the union and shall apply to its officers and members and the Employer and Employees as defined in this Agreement. Any reference to the Employer in this agreement includes reference to the successor or assignee of such

Employer of part thereof and will include reference to such Employer or part thereof notwithstanding any change in its name or status.

1.5 Duration and Renewal

This Agreement will come into operation on the date that it is lodged with the Office of the Employment Advocate and will continue in force until April 26th 2009.

1.6 Posting of Agreement

A summary of the agreement will be provided to all Employees. The full document is available in the workplace and will be accessible to all Employees.

1.7 Definitions

1.7.1 Employee

An Employee is a person engaged to work for the Employer at the Plant in a classification provided for in this Agreement.

1.7.2 Casual Employee

A casual employee is an Employee engaged on a casual basis whose employment terminates at the conclusion of each period of engagement.

1.7.3 Company

Has the same meaning as "Employer".

1.7.4 Employer

The Employer is CRF Foods (Vic) Pty Limited

1.7.5 Global Shift

Global Shift is the shift that will commence at 3:30pm and finish at 12:30am Monday to Friday inclusive

1.7.6 Universal Shift

Universal Shift is the shift that will commence at 6am and finish at 3pm Monday to Friday inclusive)

17.7 Normal Rates

Means the rate of pay applicable to standard hours of work.

1.7.7 Ordinary Hourly Rate

Means the rate equivalent to 1/38th of the weekly rate applicable for 38 hours.

1.7.8 Plant

Means the Food Processing Plant operated by CRF Foods (Vic) Pty Limited in Colac, Victoria

1.7.9 Permanent employee

Means an employee who is engaged on a permanent basis to work 38 hours per week.

1.7.10 Union

Means the Australasian Meat Industry Employees' Union.

2 CONDITIONS OF EMPLOYMENT

2.1 Medical Examinations

Prospective Employees will be required to attend a pre-employment medical examination, drug test and undertake a functional capacity assessment to ensure that they are fit to undertake the duties required in the position they have applied for (each position will have a functional capacity profile) and to ensure that the Employer meets its obligations under the Occupational Health and Safety Act 2004 (Vic).

2.1.1.1 pursuant to Section 82 (7) of the Accident Compensation Act 1985 (Vic);

2.1.1.2 prior to commencing employment; or

2.1.1.3 when altering or changing jobs in the Employer's employ and when requested by the Employer;

the Employee must notify the company of all pre-existing injuries and diseases suffered by the Employee of which he or she could reasonably be expected to foresee could be affected by the nature of the proposed employment.

Employees must submit to routine medical examinations and participate in injury prevention programs as required by the Employer. All expenses relating to such examinations will be paid for by the Employer.

At any time during his or her employment if an Employee contracts an illness which may affect his or her ability to perform the inherent requirements of the job, the Employee must notify the Employer of the situation.

2.2 Work to be performed

Subject to training, skills and competence, Employees will be required to work in all process areas including process floor, further processing room, chillers, co-products and value adding rooms and other areas as required by production requirements or demands.

Emphasis will be on meeting market competitive efficiencies through team work. Employees will train to be multi-skilled, team players and capable to adapt to changing methods and patterns of work. Process design is expected to change and Employees will be required (after training) to work on new tasks.

Employees who were former employees of Western District Meat Packing Company at the time of its closure, who have subsequently been employed under this Agreement, will be required to be multi-skilled within their work area (Process Floor or Value Added) but will not be required to be multi-skilled across the plant.

It is expected that new Employees will require training to be proficient in all tasks in all areas and understand and respond to work demands. Some Employees may not be capable of performing all tasks in all areas so assistance will be provided, wherever possible, to the Employees to overcome these difficulties. New employees will serve a 3 month probation period at the start of employment during which time either party may terminate the employment relationship with one weeks notice (or pay in lieu of notice).

If an Employee is absent from work during the probationary period due to illness or for any other reason, the probationary period may be extended by a period equal to the period of absence. If the Employer is not satisfied with an employee's performance during the probationary period, the Employer may implement a performance improvement plan and extend the Employee's probationary period for a period of up to a further 3 months.

Employees will be trained on what must be achieved and standards of quality as defined by the specifications manual, the customer service policy and such other standards to ensure product integrity. Technical skills will be practiced and Employees will need to apply this to the work process in order to achieve team outputs and meet production goals.

Success for both the enterprise and the employee will result from being market competitive due to production efficiencies and product quality. Employee teams will be expected to complete daily production outputs within the time allotted.

Daily production volumes will be determined by the Employer so as to maximise the product quality, output numbers, employee welfare, safety wellbeing, and job satisfaction.

Employees not performing their duties (as set out in this Agreement), or who are absent will lose pay for the time of such absence or non-performance.

2.3 Hours of Work

Ordinary hours of work are 38 hours per week to be worked between 5:00am and 6:00pm Monday to Friday on the universal shift.

Employees will be required to have flexible hours of work. The Employees accept that the Employee will have the ability to rearrange hours, breaks and work days to fit new requirements of work (market and technology will change methods and patterns of work).

2.3.1 Five day working week (1 crew) Monday to Friday

Initially standard hours of work for permanent Employees on the universal shift will be 6:00am to 3:00pm with production hours being:

6:00am to 8:00am (20 min break)
8:15am to 10:15am (30 min break)
10:45am to 12:45pm (20 min break)
1:00pm to 3:00pm

2.3.2 19 Day Month

Notwithstanding clause 2.3.1, permanent Employees covered by this Agreement will work an average of 38.0 ordinary hours per week on the basis of 152 hours every four weeks arranged as follows:

19 days of 8 hours per day
1 rostered day off
eg: Week 1 - 40 hours over 5 days
Week 2 - 40 hours over 5 days
Week 3 - 32 hours over 4 days
plus 1 day off
Week 4 - 40 hours over 5 days

A roster of Employees will be established to ensure Employees' rostered day off (RDO) rotates through the days of the week and that the minimum possible number of Employees are on an RDO at the same time.

eg: If there are 80 Employees, then there should only be 4 Employees on an RDO on any day.

Issues associated with the operation of the 19 day month will be dealt with in accordance with Clause 6.2.

2.3.3 Global Shift

Permanent employees employed on the universal shift, will not be required to work the global shift, but will be considered for work on the global shift if they so desire.

Permanent employees employed on the global shift will be paid a 15% per hour loading in addition to their normal hourly rates. Casual employees will continue to receive the

20% casual loading as specified in Clause 3.3 but the 15% shift loading will not be cumulative with the casual loading.

Unless otherwise agreed in accordance with Clause 2.9 Meal Times and Rest Periods, there will be a 20 minute break at 5:30pm and 10:15pm and a 30 minute meal break at 7.45pm.

Clause 2.3.2 which applies a 19 Day Month, will also apply to the Global shift.

2.4 Casual Employees

Casual employees will be employed from time to time and it is at the discretion of the Employer as to who will be included in the casual labour pool.

2.5 Job Sharing

The Employer may allow job sharing on a daily basis, weekly basis or annual basis on agreement with the Employer.

All arrangements for job sharing must be approved in advance by management before the commencement of such job sharing.

The Employer has an absolute discretion to approve or disapprove job sharing and subsequent payment arrangements.

The shared job position will have the same rate of pay as if one person were fulfilling the position and the combined pay of the job sharers will not exceed that amount.

The Employer retains the right to stand-down or terminate any job share employee without regard to the effect on the other job share-worker.

2.6 Equal Opportunity

It is the intention of the Employer to promote and maintain an equal opportunity workplace and as such will actively encourage applications from all groups within the community in all process areas.

2.7 Overtime and Public holidays

Where possible, the Employer will endeavour to fill weekend overtime work with permanent Employees who have volunteered to perform that work. In the event insufficient permanent Employees are available for any weekend shift, the Employer will engage casual Employees for that shift.

Where necessary the Employer may require an employee to work reasonable weekend overtime. Reasonable weekend overtime is defined as one additional day's work per month.

The Employer reserves the right to work the Plant up to 52 weeks per year, 7 days per week.

The Plant will not normally be open on Christmas Day, Good Friday or Boxing Day, but the Employer reserves the right to operate on any of these days as product demand requires.

Work on Christmas Day, Good Friday, Boxing Day or other Public Holidays is voluntary.

The Employer will give at least one week's notice to Employees who have volunteered to work on these days and that it requires to work on any of Christmas Day, Boxing Day or Good Friday.

In the event insufficient permanent Employees volunteer to work on a Public Holiday, the Employer may engage casual Employees to work.

Work on Christmas Day, Boxing Day or Good Friday will be paid at triple (3) normal hourly rate.

Work on Public Holidays other than Christmas Day, Boxing Day or Good Friday will be paid at double and a half (250%) of the normal hourly rate.

Other than work associated with the conclusion of a shift in accordance with Clause 2.3.3 (Global Shift), work on a Saturday if not overtime will be paid at 1.5 times ordinary hourly rates.

Overtime on a Saturday will be paid at 1.5 times the normal hourly rate for the first 2.5 hours and at 2 times the normal hourly rate thereafter. Overtime on Sunday will be paid at 2 times the normal hourly rate.

2.8 Payment of Wages

Wages of all Employees will be paid no later than Thursday midday in every calendar week for the previous week worked ending on the Sunday. In the following pay, adjustments will be made for overtime or non-performance of work in the previous pay cycle.

Wages will be paid only by electronic funds transfer (EFT) only into a bank account or other similar account nominated by the Employee.

On each pay day each Employee will receive a statement on their pay slip showing the total amount of ordinary wages, overtime and any other payments and all deductions there from, in respect of all such monies paid to him or her.

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2.9 Meal Times and Rest Periods

A period of 20 minutes will be allowed to all Employees for a rest after every 2 hours of production time. The first 15 minutes of each period will be unpaid time.

In lieu of one of the 20 minute breaks, an unpaid meal break of 30 minutes will be allowed.

Stoppages other than those arising from industrial action or industrial shortage outside the periods set aside for rest/meals, will be paid time. Where possible the time for taking breaks may be varied to minimise the impact of stoppages.

On those occasions when the work for the day is completed to the satisfaction of the Employer, prior to the scheduled completion time, Employees may cease work early.

By agreement between the Employer and a majority of Employees the timing of and duration of rest breaks may be varied during the life of this Agreement. The Employer will keep a record of the agreement in conjunction with the time and wages records.

2.10 Employee Training

Prior to commencement of employment every Employee will attend induction training at the expense of the Employer.

Employee training will normally be scheduled at times as set by the Employer.

If an Employee is directed to attend training outside normal hours, the Employee will be paid at overtime rates for the time involved.

The Employer encourages Employees to undertake continuing education and obtain further qualifications regardless of whether it is directly related to their present duties.

The Employer will maintain a register of all further education or studies of which it receives notice and will refer to that register when seeking to promote existing Employees or engage permanent staff from the casual labour pool.

2.11 Employee Facilities

The Employer will provide the following facilities for Employees:

2.11.1 Boiling water in sufficient quantities to make an adequate supply of hot drinks for each Employee during meal breaks or rest periods.

2.11.2 Changing rooms, a meals area, toilets, wash basins and showers in accordance with the provisions of the Code of Practice for Workplaces made pursuant to the Occupational Health Safety Act 2004.

2.11.3 Adequate supplies of anti-bacterial soap and sterile drying equipment in all washrooms.

2.11.4 The Employer will provide a canteen on-site. Cool drinking water will be available.

2.12 Redundancy

2.12.1 Application

Where the Employer decides to close down permanently all or part of an operation or calls for voluntary redundancies this clause will apply.

2.12.2 Severance Pay

In addition to the period of notice prescribed in clause 2.13.1, an Employee whose services are terminated because of redundancy will be entitled to the following amount of severance pay in respect of current continuous service:

- 2.12.2.1 One year or less continuous service - nil;
- 2.12.2.2 Between one and two years service - four weeks pay;
- 2.12.2.3 Between two and three years service - six weeks pay;
- 2.12.2.4 Between three and four years service - seven weeks pay;
- 2.12.2.5 Between four and five years service - eight weeks pay;
- 2.12.2.6 Between five and six years service – ten weeks pay;
- 2.12.2.7 Between six and seven years service – eleven weeks pay;
- 2.12.2.8 Between seven and eight years service – thirteen weeks pay;
- 2.12.2.9 Between eight and nine years service – fourteen weeks pay;
- 2.12.2.10 Between nine and ten years service – sixteen weeks pay;
- 2.12.2.11 Ten years and over – twelve weeks pay

provided that such payments will be at ordinary rates of pay as defined in clause 4.3 (Long Service Leave).

2.12.3 Payment in Lieu

The Employer will, at its discretion, be entitled to pay the Employee in lieu of the notice period referred to in Clause 2.13.1 (Notice Period).

2.12.4 Employee Leaving During Notice

An Employee whose employment is terminated for reason of redundancy may terminate his or her employment during the period of notice and, if so, will be entitled to the same benefits had he or she remained with the Employer until the expiry to payment in lieu of notice.

2.12.5 Time Off During Notice Period

During the period of notice of termination prescribed by this clause an Employee shall be allowed up to one days time off without loss of pay during each week of notice, for the purpose of seeking alternative employment if notice is given to the Employer prior to taking such time off. 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 must, at the request of the employer, produce proof of attendance at an interview or he or she shall not receive a payment for the time absent.

2.12.6 Transmission of Business

Where the Employer's business is transmitted by the Employer ("the transmitter") to another Employer ("the transmitted"), an Employee who at the time of such transmission was an Employee of the transmitter in that business, becomes an Employee of the transmitted and:

2.12.6.1 The continuity of the employment of the Employee shall be deemed not to have been broken by any reason of such transmission; and

2.12.6.2 The period of employment which the Employee has had with the transmitter or any prior transmitter shall be deemed to be service of the Employee with the transmitted.

2.12.7 Exemption

2.12.7.1 Clause 2.12 will not apply to apprentices, casual Employees, Employees engaged for a specific period of time, those Employees employed for a specific task or all Employees whose employment is terminated by reason other than redundancy and, further;

2.12.7.2 No obligation to pay any redundancy payment shall arise where the Employee is:

A. transferred to a new Employer wholly owned by the previous Employer or wholly owned by the holding company of that previous Employer including a transfer back to the original Employer and including a company owned by both the original Employer and the holding company in whatever percentage; or

B. transferred to a comparable alternative position due to their previous position being made redundant:

on the condition that there shall be deemed to have been a continuation of that previous employment and the obligation to honour the payment of the Employees' accumulated benefits have been transferred to the new Employer.

2.13 Termination of Employment

2.13.1 Notice Periods

In the event Employees are to be terminated or wish to terminate their employment, the following periods of notice will be provided:

- 2.13.1.1 Employee with less than one year of current continuous service - one week;
- 2.13.1.2 Employee with continuous service greater than one year and less than three years - two weeks;
- 2.13.1.3 Employee with continuous service greater than three years and less than five years - three weeks;
- 2.13.1.4 Employee with current continuous service of five years or more - four weeks.

An additional week's notice will be added to the above periods of notice for any Employee who is over 45 years and has completed at least 2 years continuous service with the Employer immediately prior to the termination.

The Employer reserves the right to provide pay in lieu of notice, provided that such payments will be at ordinary rates of pay for the Employee's job classification as defined in Clause 4.3 (Long Service Leave).

2.13.2 Summary Dismissal

Nothing in this Agreement shall affect the right of the Employer to summarily dismiss an Employee without notice for malingering, gross inefficiency, neglect of duty or proven serious misconduct. In such case wages shall be paid up to the time of dismissal only.

2.13.3 Warnings

- 2.13.3.1 Should an Employee be accused of faulty and/or inefficient work or unwarranted absenteeism then the Employer shall serve a warning notice on that Employee of the allegation in the presence of a person nominated by the Employee.
- 2.13.3.2 If the circumstances referred to in paragraph 2.13.3.1 hereof occur on a second occasion another notice will be issued.
- 2.13.3.3 If following a second notice, a further allegation of faulty and/or inefficient work or unwarranted absenteeism is made and proven then a notice of termination may be issued to that Employee.
- 2.13.3.4 The periods for which warning notices pursuant to paragraphs 2.13.3.1 and 2.13.3.2 shall apply and remain in force for a period of 12 months.

2.13.4 Casual Employees

A Casual Employee whose employment is terminated will not be entitled to any period of notice, except that, if notice is given within the Employee's ordinary working hours, notice will apply until the usual finishing time for the day.

2.13.5 Return of Employer Property

Within 24 hours of the termination of employment, the Employee must deliver up to the Employer any property or thing to which the Employer has an entitlement to possession, namely all tools and equipment which are the property of the Employer, all documents comprising any form of information storage including financial records, customer lists and price lists, technical manuals and operating procedures and computer software in his/her possession or control which relate to the business. The Employee must not retain a copy of any documents referred to in this clause. The Employer reserves the right to deduct the cost of any Employer property not returned by an Employee from any payment owed to the Employee by the Employer.

2.14 Abandonment of Employment

Where an employee is absent from work for a continuous period exceeding three days without notification to the Employer, or without just cause, that Employee shall be deemed to have abandoned and to have terminated his/her employment.

Prior to terminating the employment of an Employee pursuant to this clause, after the second day of unexplained absence by an Employee the Employer will send a letter by certified mail to the Employee:

2.14.1 Advising the Employee of his or her absence from work without notification and

2.14.2 Requesting an explanation as to why the Employee is or was absent from Employment without notification.

The employer shall only then terminate the employment of the Employee pursuant to this clause if the Employee fails to provide an explanation within the time requested or if any explanation provided confirms the absence is without just cause.

2.14.3 Notwithstanding a failure to comply with Clause 2.14.2, an Employee will not be terminated if the Employee's failure to notify the Employer, or to respond to correspondence from the Employer is due to reasons beyond the control of the Employee; provided the Employee contacts the Employer at the earliest possible time.

2.15 Notice

2.15.1 Any demand, notice or document under this Agreement may be made or given by a party or the solicitor for that party and will be sufficiently served or delivered:

2.15.1.1 If served or delivered personally,

2.15.1.2 If posted by pre-paid post addressed to the party to be served at that party's address for service set out in this Agreement or their Employment Declaration or that party's solicitor, or

2.15.1.3 If served or delivered in any other manner authorised by the Supreme Court Rules for service of documents on parties or their solicitors.

2.15.2 Service of delivery by post of any demand, notice or document will be deemed to have been made or given at 12:00 noon on the business day following posting.

2.16 Further Assurances

The Employee must undertake work as directed and sign all documents and do and perform all such other acts and things as may be necessary or desirable to give full effect to this Agreement.

3 REMUNERATION

3.1 Permanent Employees

3.1.1 Wage rates for Permanent Employees are set out in Schedule "A".

3.1.2 The wage rates contained in Schedule "A" will be increased by 3% on the following dates:

27th April 2007

27th April 2008

3.1.3 It is a condition of this Agreement that the union and Employees covered by it undertake not to pursue any extra claims for the duration of this Agreement.

3.2 Overtime

Excluding casual employees, overtime, other than on Sunday will be paid at 1.5 times the normal hourly rate for the first 2.5 hours and thereafter at 2 times the normal hourly rate. Overtime on Sunday will be paid at 2 times the normal hourly rate.

Employees may choose to take time in lieu instead of being paid overtime rates. Where an employee has made this decision, the time in lieu rates will be at the normal hourly rate. i.e. 1 hour worked equals 1 hour paid at the normal hourly rate. This option will be clearly explained to individual employees and a form will need to be signed by that employee to authorise this method.

Employees required to work in excess of one hours overtime without being notified no later than the close of business on the preceding work day, will be paid a meal allowance of \$8.00.

3.3 Casual Employees

Casuals will be paid a 20% loading on the permanent Employee ordinary hourly rate. This loading will be in lieu of sick leave, annual leave, public holidays, compassionate leave and long service leave. Ordinary hourly rate means one thirty-eighth of the ordinary weekly wage of permanent Employees engaged at the same level.

Casuals will be employed for a specific number of hours per day but not less than four hours. Hours in excess of 40 hours in one week Monday to Sunday will be paid at overtime rates.

The 20% casual loading will not apply concurrently with any other loading or penalty rate.

3.4 Stand down

Employees will continue to be paid normal rates during periods where production ceases due to lack of stock or long term break-down in equipment, for a maximum period equivalent to 3 days for each stand down period. Where stand downs occur for periods totalling more than 3 days Employees will be allowed to use outstanding leave entitlements including annual leave before being required to take leave without pay.

Down time will not be payable where the delays or interruptions are due to:

- 3.4.1 Faulty work.
- 3.4.2 Acts of negligence or misconduct by Employees.
- 3.4.3 Industrial action by employees.
- 3.4.4 Acts of industrial sabotage by Employees.

3.5 Allowances

The Employees acknowledge that their rates of pay have been adjusted to take into account all allowances including tools of trade and maintenance. A deposit of \$40 toward the cost of tools and equipment supplied by the employer shall be deducted from the first pay period will after commencement of employment towards the employer's property. The deposit will be reimbursed on termination of employment and after all such property is returned.

3.6 Succession

It is acknowledged the Employees do not have any rights against the Employer: as at the time of commencement of employment with the Employer relating to any previous employment; to any accrued entitlements to annual leave, long service leave, severance payment, any wages, overtime, allowances, loadings, bonuses or any other entitlements relating to their previous employment.

3.7 Superannuation

The employer will nominate two superannuation funds as permissible under applicable legislation at the time (of which one will be the Employer's Superannuation Fund and one will be the Meat Industry Employee's Superannuation Fund). Each new employee must join one fund.

The Employer will make superannuation contributions on behalf of Employees in accordance with this clause.

Upon commencement of employment the Employer will commence superannuation contributions for the Employee.

The Employers contribution for Employees engaged as regular Employees is the amount required pursuant to the Superannuation Guarantee (Administration) Act 1992.

The Employers contribution for casual Employees is the amount required by the Superannuation Guarantee (Administration) Act 1992 and Superannuation Guarantee Charge Act 1992.

All contributions will be forwarded monthly to the appropriate fund.

The Employers contribution will not be paid in respect of any unpaid absence from work on any Employee.

Membership of a Superannuation Fund is a condition of employment.

The Employer will not pay any contribution for any unpaid absence from work.

3.7.1 Salary Sacrifice

Where it is agreed between the employer and the employee that an employee wishes to have their pay salary sacrificed for additional Superannuation, the employer will comply with the employee's request within two weeks. Details of any salary sacrifice arrangements shall be reflected on the employee's payslip.

Employees who elect to sacrifice a portion of their wages to a specified superannuation fund request that the Company make deductions from gross income. These arrangements shall be altered no more than twice a year by request.

In order to gain the benefit from making Superannuation contributions from gross earnings, salary sacrifice to Superannuation may be agreed between employee and

employer and must legally fulfil SGAA and Australian Taxation Office (ATO) requirements.

Any salary sacrifice arrangements entered into between the parties shall:

- § Not disadvantage the employee or the Company in any way,
- § Be effective only on the written authority of the employee,
- § Be stopped immediately at the written request of the employee,
- § Have a statement detailing the salary sacrifice provided to the employee in their weekly payslip,
- § Not reduce or alter the employer's superannuation contribution calculation or obligation to pay Superannuation under SGAA or SGCA,
- § Not reduce the employee's hourly all-purpose rate of pay for the purposes of Agreement entitlements (including accrued entitlements and the application of penalty rates),
- § Immediately be reviewed in the event of any change to any relevant Act(s) of ATO rulings.

Where an employee elects to salary sacrifice, the employee may receive less actual pay than their classification rate specified in the Agreement (ie. the classification rate less the salary sacrifice amount).

4 LEAVE PROVISIONS

4.1 Annual Leave

Except as otherwise provided in this Agreement every Employee, other than a casual Employee, will be entitled to four weeks annual leave plus 17.5% leave loading on ordinary pay for each completed year of service. Leave will accrue proportionately on a monthly basis.

Annual leave will be given by the Employer and must be taken by the Employee before the expiration of a period of 12 months after the date upon which the right to such leave accrues unless otherwise agreed between the Employer and Employee.

Annual leave must be taken by Agreement between the Employer and the Employee, having regard to the operational requirements of the Employer. Failing agreement, the Employer has the right to direct the Employee to take annual leave on provision of at least 7 days notice.

The Employer will pay each Employee in advance (if requested on the leave form), before the commencement of annual leave his/her ordinary pay and leave loading for the annual period to be taken.

Where a public holiday as provided for under clause 4.4 (Public Holidays) occurs during any period of annual leave taken by an Employee under this clause, that holiday will not be treated as an annual leave day.

Where the employment of an Employee who has become entitled to annual leave and annual leave loading is terminated and the worker has not taken any part of that leave or loading, the Employer will be deemed to have given the leave to the worker from the date of termination of employment and will pay to the worker, in addition to all other amounts due, his or her ordinary pay for the period plus loading of that remaining annual leave.

4.2 Personal Leave / Sick Leave

- 4.2.1 A permanent Employee will be entitled to two weeks personal leave per 12 month period.
- 4.2.2 A permanent Employee, who has exhausted all his/her personal leave is entitled to 2 days unpaid carer's leave for each occasion when a member of the employee's immediate family or a member of the employee's household, requires care or support because of a personal illness or injury, or an unexpected emergency. The Employee will need to satisfy the Employer of the reasons for taking the carer's leave according to 4.2.5.
- 4.2.3 The Employee will not be entitled to paid leave of absence for any period in respect of which he or she is entitled to Workers Compensation under the relevant State Legislation.
- 4.2.4 The Employee must where practicable within 1 hour of the commencement of the shift of the day of the commencement of such absence inform the Employer of his or her inability to attend for duty and as far as is practicable state the nature of the injury or illness and the estimated duration of the absence. If on the expiration of this or any subsequent notified period of absence the Employee is unable to attend for duty, he or she must notify the Employer forthwith to this effect and as far as practicable state the estimated further duration of the further absence.
- 4.2.5 Each employee will be entitled to take three single days of his or her personal/sick leave entitlement each calendar year without having to provide proof of illness. For all other personal/sick leave taken in each calendar year, either single or consecutive days, a medical certificate or other reasonable proof of illness must be provided. A statutory declaration will be accepted as reasonable proof on two occasions. A medical certificate will be required for other periods of absence.

Employees who take personal/sick leave the working day before or after a public holiday must have a medical certificate or other reasonable proof of illness for the public holiday to be paid regardless of the number of personal/sick days already taken in the current calendar year (see clause 4.4.3).

- 4.2.6 Following a two day absence the employee is required to provide a medical certificate stating that they are suitable to handle food products. This certificate will provide a clearance to commence work and comply with AQIS requirements for an export listed establishment.
- 4.2.7 In the event of a dispute, the matter will be dealt with in accordance with Clause 7.2 (Settlement of Disputes).
- 4.2.8 Minimum Payment
- 4.2.8.1.1 The minimum payment of sick leave will be 2 hours.

4.3 Long Service Leave

All Employees, will be entitled to Long Service Leave on ordinary pay at their current rate of pay in respect of continuous employment.

The amount of such entitlement will be:

- 4.3.1 On completion by the Employee of 15 years continuous employment with the Employer, 13 weeks Long Service Leave and thereafter an additional 4 and 1/3 weeks Long Service Leave on completion of each additional 5 years of continuous employment with the Employer.
- 4.3.2 After 10 years service an employee may take their accrued Long Service Leave at the rate prescribed in clause 4.3.1. The taking of this leave is also subject to conditions contained in clause 4.3.
- 4.3.3 In the case of an employee who has completed at least 10 years of continuous employment with the Employer but less than 15 years and whose employment is terminated for any cause, such amount of Long Service Leave as equals one sixtieth of the period of his or her continuous employment.
- 4.3.4 In the case of an Employee whose employment terminates for other than a reason arising from Clause 2.13.2 or 2.13.3 who has at least 5 years continuous service but less than 15 years, such amount of Long Service Leave as equals one sixtieth of the period of continuous service.
- 4.3.5 An Employee who is engaged by the Employer on a casual basis over a period of time will be regarded as having continuous employment (and entitled to receive long service leave upon the requisite period of service) if:
- (a) there is no more than an absence of 3 months between each instance of employment in the period; or
 - (b) there is more than an absence of 3 months between two particular instances of employment, but the length of the absence is due to the terms of the engagement of the employee by the employer.

Where an Employee becomes entitled to Long Service leave under this clause such leave will be granted by the Employer as soon as practicable having regard to the needs of the establishment. The taking of such leave may be postponed to a mutually agreed date or, in default of agreement, the matter will be dealt with in accordance with Clause 6.2 (Settlement of Disputes).

- 4.3.6 Notwithstanding anything contained elsewhere in this clause, where the Employment of an Employee is for any reason terminated before the Employee takes any Long Service Leave to which he or she is entitled, the Employee will be deemed to have commenced to take this leave on the date of such termination of employment and will be entitled to be paid by the Employer ordinary pay in respect of such leave.
- 4.3.7 If the employer and Employee so agree, Long Service Leave may be taken in two or three separate periods.
- 4.3.8 The ordinary pay of an Employee on Long Service Leave will be paid to him/her by the Employer when the leave is taken and will be paid in one of the following ways:
 - 4.3.8.1.1 In full when the Employee commences his or her leave, or
 - 4.3.8.1.2 at the same time as it would have been paid if any Employee was still on duty, in which case, payment will, if the Employee in writing so requires, be paid by EFT into the nominated account, or
 - 4.3.8.1.3 In any other way agreed between the employer and the Employee.

Where any holidays as provided under Clause 4.4 (Public Holidays) of this agreement for which the Employee is entitled to payment occur during any period of Long Service Leave taken by the Employee under this clause, the holiday will not be treated as a day of Long Service Leave.

For the purpose of this Clause ordinary pay in relation to any Employee means remuneration for the Employee's normal number of hours of work, as prescribed in Clause 2.3 (Hours of Work) calculated at the employees current classification ordinary time rate of pay.

No Employee will during any period when he or she is on Long Service Leave engage in any employment for hire or reward.

Where a business is transmitted from one Employer (the transmitter) to another Employer (the transmitted) an Employee who worked with the transmitter and continues in the service of the transmitted will be entitled to count his/her service with the transmitter as service with the transmitted for the purposes of this clause.

For the purposes of the clause, service will be deemed to be continuous notwithstanding:

- (a) The taking of any annual leave or long service leave.

(b) Any absence from work of not more than 3 months in any year on account of illness or injury.

(c) Any interruption or ending of the employment by the Employer if such interruption or ending is made with the intention of avoiding obligations in respect of long service leave or annual leave.

(d) Any interruption arising directly or indirectly from an industrial dispute.

(e) The dismissal of an Employee if the Employee is re-employed within a period not exceeding 2 months from the date of such dismissal.

(f) The standing down of an Employee in accordance with Clause 3.4.

(g) Any absence, not exceeding 12 months, associated with the taking of parental leave pursuant to Clause 4.5 (Parental Leave).

(h) Any other absence of the Employee by leave of the Employer.

In calculating the period of continuous service of any Employee any interruption or absence of a kind mentioned in paragraphs (a) to (c). Above will be counted as part of the period of his/her service, but any interruption or absence of a kind mentioned in paragraphs (d) to (h). Above will not be counted as part of the period of service unless it is so authorised in writing by the Employer.

4.4 Public Holidays

4.4.1 Subject to the conditions and limitations noted below, all Employees, except casual Employees, will be entitled to holidays gazetted for the state of Victoria including:

- a) Christmas Day
- b) Boxing Day
- c) New Years Day
- d) Australia Day
- e) Labour Day
- f) ANZAC Day
- g) Good Friday
- h) Easter Monday
- i) Sovereign's Birthday
- j) Melbourne Cup Day

4.4.2 In addition to clause 4.4.1 all employees, except casual employees, will be entitled to an additional day, being the third Wednesday in January (picnic day) as a public holiday.

4.4.3 An Employee will not be entitled to payments for any such holiday or holidays if the Employee is absent from his or her employment on any part of the working day before or the working day after such holiday or holidays except where such absence is by the consent of the Employer or on account of annual leave, Workers Compensation under the relevant

State Legislation, compassionate leave, personal sickness or incapacity. A doctor's certificate provided by the Employee if required by the Employer will be proof of such sickness or incapacity.

4.5 Compassionate Leave

An employee, other than a casual, will, be entitled to receive 2 days paid compassionate leave after the death of an Employee's immediate family or household member (which includes: wife, husband, de-facto spouse, father, mother, father-in-law, mother-in-law, foster parent, grandparents, child, or step-child, brother, sister), or to spend time with a member of the employee's immediate family or household in the event that the member has an illness or has suffered an injury that poses a serious threat to his or her life. Proof of such death, illness or injury must be furnished by the Employee to the satisfaction of the Employer.

4.6 Parental Leave

4.6.1 Entitlement

Employees, other than casuals, with a minimum of 52 weeks continuous employment prior to taking leave pursuant to this clause are entitled to 52 weeks unpaid parental leave for the primary care of a child. The other parent (not the primary care giver) is entitled to one weeks unpaid paternity leave or 3 weeks unpaid paternity leave on placement of an adopted child. .

Other terms and conditions governing the provision of parental leave are those provided in the Fair Pay and Conditions Standard.

4.7 Jury Service

If any Employee, other than a casual employee, is required to attend on any day at court in compliance with a summons to appear as a juror, he or she will, for each day on which he or she so attends, be granted leave by the Employer for that day.

Such Employee will be paid an amount equal to the difference between the fee to which he or she is entitled for attending on such day and the ordinary time pay prescribed in the schedule for the classification in which he or she is employed.

4.8 Resuming After An Absence

Employees absent from work for any reason whatsoever except annual leave, long service leave or compassionate leave must contact their Manager by midday on the working day prior to resuming and make the necessary arrangements to resume work.

Should any Employee present himself or herself for work after an absence without first making the necessary arrangements to resume work, the Employer will not be obliged to employ him or her on that particular day.

Employees who have been absent due to a medical condition undertake to return to work as soon as possible and undertake to see the company nominated doctor and keep all appointments and to accept any light duties assigned by the Employer.

4.9 Leave Entitlements During Workers Compensation

If an employee is entitled to receive workers compensation for any period of absence exceeding 30 days, during that period of the absence in excess of 30 days the Employee will not be entitled to any accrual of sick leave or annual leave. Long service leave will continue to accrue during the first 52 weeks (whether consecutive or not) in which the Employee receives Workcover weekly payments of compensation. If an Employee, who has been absent on Workcover for more than 30 days, returns to work on a Workcover return to work plan, the Employee will be entitled to accrual of sick leave and annual leave on a pro rata basis, referable to the hours the Employee actually works.

4.10 Accident Make Up Pay

If an employee is entitled to receive Workers' Compensation the Employer will provide accident make up pay to make up 100% of the Employee's pre-accident ordinary pay for the first 13 weeks in which the Employee receives weekly payments of compensation.

For the second 13 weeks that the Employee receives weekly payments of compensation related to the one claim, the Employer will pay half of the difference between the weekly compensation payments received and the Employee's pre-accident ordinary rates of pay.

4.11 Attendance Bonus

On the 1st pay date of each month the employer will award an attendance bonus to every employee who has attended for work in the previous month on all working days. This shall be paid in the first pay period that it falls.

Perfect attendance	\$110.00
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Working days are defined as the full 8 hours per day, for each rostered day. If a casual is rostered off due to no fault of their own they shall receive the attendance bonus in accordance with this clause. Even if casuals are not rostered by the employer for the full 8 hours. Refer to the Attendance Bonus Policy for details of the application of this clause.

4.12 Special Leave

Unpaid leave of absence for special circumstances may be granted at the discretion of the company.

5 OCCUPATIONAL HEALTH & SAFETY

5.1 Operation of Legislation

The Occupational Health & Safety Act Victoria 2004 including all Codes of Practice and Regulation made under the Act will apply to all workplaces covered by this Agreement.

In the event that changes to Occupational Health & Safety Practices are deemed necessary by the Employer or an Employee, the issue will be referred to the Consultative Committee.

5.2 Protective Clothing and Equipment

The Employer will provide Employees with clean outer clothing and clean head covering plus, in accordance with job requirements, suitable protective footwear and safety equipment.

Employees who work in the cool room will be provided with an Arctic jacket.

Each Employee is responsible for provision of his or her own tools of trade as required by the Employer (see Clause 3.5). The Employee must ensure at all times that the tools are in the condition and standard as required by the Employer.

The clothing will be provided daily, free of charge, prior to the commencement of work it must be worn at all times at work and must be returned by the Employee after work has concluded for the day.

Each Employee will be provided with their own locker and key. Once an Employee has been provided with safety equipment, they will be required to wear that equipment at all times at work and to maintain the equipment in good order.

The Employer will be responsible for replacement of the safety equipment for normal wear and tear, however, the Employee will be responsible for replacement of safety equipment if lost, stolen or damaged due to the Employee's negligence. It is the responsibility of the Employee to notify the Employer of the unsuitability of protective equipment.

6 CONSULTATIVE ARRANGEMENTS

6.1 Consultative Committee and Health and Safety Committee

There will be a separate Consultative Committee and a separate Health and Safety Committee established at the plant.

These committees will consist of such representatives of the Employees (as determined by the Employees) and such management representatives, including senior management levels, as the Employer will determine.

The chairperson of each committee will be nominated by the Employees.

The Consultative committee will meet on a regular basis to consider any issues relating to the operation of this Agreement, organise the social club, and or any other matter which may be raised by Employees or by the management representatives. The Health & Safety Committee will meet on a regular basis to consider any issues relating to Health & Safety.

The committees must have set times and dates for meetings which should be posted on the employees' noticeboard and each meeting requires a quorum to be present at the start and to remain throughout the meeting.

6.2 Settlement of Disputes

6.2.1 The following dispute resolution procedure is to be used to resolve disputes and /or grievances arising out of the operation of this Agreement.

6.2.2 In the event of a dispute the Employee(s) concerned must confer with the manager of the department.

6.2.3 Failing settlement of the dispute the Employee and/or the Employees representative shall confer with the senior manager of the department. Failing a settlement, the manager shall notify the General Manager, Workforce Management after which the Employee and/or the Employee's representative concerned shall negotiate with the General Manager, Workforce Management.

6.2.4 If agreement still cannot be reached, the matter shall be taken to the Australian Industrial Relations Commission (Commission) for settlement.

6.2.5 All parties reserve the right to notify the Commission should the above provisions not be carried out.

6.2.6 Work shall continue as normal throughout all negotiations.

7 CONFIDENTIALITY

For the purposes of this agreement "Confidential Information" will mean and include but without being limited to the following items relating to the Business:

- Customer lists,
- Turnover figures,
- Financial results,
- Future promotions, and
- Prices of goods,
- Product recipes,
- Suppliers lists,
- Staffing levels,
- Technological innovations and designs
- Suppliers prices,
- Operating procedures,

- Product specifications

together with any information designated as confidential by the Employer and any trade secrets of the Employer.

The Employee must not during the term of this agreement or anytime after the termination of his/her employment (except in the proper course of his/her duties or as may be required by law):

- Without prior written consent of the Employer copy any document or disclose to any other party any confidential information relating to the Company, or
- Use or attempt to use any confidential information in any manner.

An employee must not concurrently work for any other business in the same industry as that of the Employer, without the prior written consent of the Employer. The Employee will be otherwise entitled to undertake any other concurrent work or business, provided that it does not in any way conflict with the business interests of the Employer or interfere with the Employee's ability to work for the Employer.

8 INVENTIONS & INTELLECTUAL PROPERTY

Any discovery, invention, secret process or improvement in procedure developed by the Employee in the course of his/her employment with the Employer and in any way relating to the business of the Employer must be disclosed to the Employer and will become and remain the Employer's absolute property.

Where the Employer acquires any letters patent or trade mark or other similar protection, the Employee must execute all documents and do all things necessary to enable the Employer to obtain that protection.

The Employee acknowledges that the clauses above are intended to operate in addition to and not in substitution for Clause 8 (Confidentiality).

9 GENERAL CONDITIONS

9.1 Waiver

A waiver by one party of another party's default under this agreement will not constitute a release of the defaulting party's obligation to observe and perform all of its obligations under this agreement in the future.

9.2 Entire Agreement

This Agreement embodies the entire agreement and understanding between parties concerning its subject matter and succeeds and cancels all other agreements, understandings, representations and Awards concerning the subject matter of this Agreement.

9.3 No Amendments Without Agreement

This Agreement may not be modified, discharged or abandoned unless by a document signed by the parties.

SCHEDULE "A"

Work Classification (Clause 3.1)

Work Classification and Schedule of Remuneration

Level 1: Trainee

- § All new employees start at this level unless otherwise agreed.
- § Relates to employees with less than three months experience in the meat industry.
- § Undergoes induction training including export work procedure, knowledge of quality assurance, occupational health and training, customer specification and requirements and company policies and procedures.
- § Works under direct supervision and tasks require minimal judgement.
- § May include training on and off site.
- § Training consists of all tasks as set in boning and slaughter floor levels.
- § Employees assessed in competency and proficiency before promotion to next level.
- § Rate of pay:
 - 2006: \$13.8705 per hour
 - 2007: \$14.2866 per hour
 - 2008: \$14.7152 per hour.

Level 2: Process Operator

- § Relates to work performed under direct supervision or guidance.
- § Work typically includes established export procedures and processes.
- § Employees expected to understand export quality control, meat handling, health and hygiene and quality assurance procedures.
- § Employees will be demonstrating team work and taking responsibility for quality of work.
- § Preparing skins for classing and salting (for those in the outside area)
- § Employees will be gaining competencies in processing technologies.
- § Continued training in all tasks as set out in the boning and slaughter floor levels.
- § Employees assessed on competency and proficiency before promotion to next level.
- § Rate of pay:
 - 2006: \$15.7621 per hour
 - 2007: \$16.2350 per hour
 - 2008: \$16.7221 per hour.

Level 3: Process Operator

- § Work under this level typically involves judgement and use of discretion particularly in reference to quality assurance.
- § Employee can work under limited supervision.
- § Employee is accountable for their own work.
- § Able to class, value and dispatch skins (for those in the outside area)
- § Employee understands AQIS requirements for hygiene procedures and clean product.
- § Employee would require numeracy and literacy skills and demonstrate an understanding of team work and team effort.
- § Employee assessed on competency and proficiency before being considered for a vacancy created at level 4.
- § Rate of pay:

- 2006: \$17.3811 per hour
- 2007: \$17.9025 per hour
- 2008: \$18.4396 per hour.

Level 4: Process Operator

- § Employees will have a complete knowledge of quality assurance, occupational health and safety, customer specifications and requirements and company policies and procedures.
- § Able to meet a high standard of competencies and proficiencies in all processing areas.
- § Exercise discretion within areas and tasks.
- § Works with little supervisions and is responsible for their own work.
- § Employee assessed on competency and proficiency before being considered for a vacancy at level 5.
- § Rate of pay:
 - 2006: \$20.1761 per hour
 - 2007: \$20.7814 per hour
 - 2008: \$21.4048 per hour.

Level 5: Process Expert

- § Able to pass on acquired knowledge to other employees.
- § Works with little supervision and is able to help direct other employees.
- § Demonstrate skills as a team leader, including providing on the job training for other employees.
- § Responsible for assuring quality of their own and other employees.
- § Rate of pay:
 - 2006: \$23.3286 per hour
 - 2007: \$24.0285 per hour
 - 2008: \$24.7493 per hour.