

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA02/336

TITLE: Gazelle Foods Pty Ltd Enterprise Agreement 2002

I.R.C. NO: IRC02/5834

DATE APPROVED/COMMENCEMENT: 28 October 2002 / 1 April 2002

TERM: 31 March 2004

**NEW AGREEMENT OR
VARIATION:** Replaces EA01/46

GAZETTAL REFERENCE: 6 December 2002

DATE TERMINATED:

NUMBER OF PAGES: 18

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to persons, whether employees of Gazelle Foods Pty Ltd or not who fall within the coverage of Grocery Products Manufacturers (State) Award and who are engaged in the Company's premises at 25 Smith Street, Hillsdale, NSW, 2036

PARTIES: Gazelle Foods Pty Limited -&- the National Union of Workers, New South Wales Branch

Registered
Enterprise Agreement
Industrial Registrar

Gazelle Foods Pty Ltd

Enterprise Agreement 2002

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ENTERPRISE AGREEMENT 2002

1. TITLE

This agreement will be known as the Gazelle Foods Pty Ltd Enterprise Agreement 2002.

2. PARTIES

This agreement shall be binding on:

- a. Gazelle Foods Pty Ltd ("the Company"),
- b. The National Union of Workers and
- c. Parties engaged in classifications contained within this agreement, whether employees of the Company or not, who were previously bound by the terms of the Grocery Products Manufacturers (State) Award or any successor thereto and who are engaged in the Company's premises at 25 Smith Street, Hillsdale, NSW 2036.



3. TERMS OF THE AGREEMENT

- a. This agreement shall operate from 1st April 2002 and shall expire on 31st March 2004.
- b. The parties to the agreement shall begin negotiations for a new agreement at least three months prior to the expiration of this agreement (1st January 2004).
- c. Following its expiry, the agreement shall continue to operate until varied by the parties or replaced by another agreement.

4. PARENT AWARD

- a. This agreement shall be read and interpreted wholly in conjunction with the Grocery Products Manufacturers Awards as varied from time to time.
- b. In the event of any inconsistency between this agreement and the award the terms of this agreement shall prevail.
- c. This agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other enterprise.

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5. NO EXTRA CLAIMS

The Union and the Company undertake that, for the term of this agreement, no extra claims will be pursued in respect of employees of the Company to whom this agreement applies.

6. UNION RECOGNITION AND MEMBERSHIP

- a. For the duration of this Agreement, the Company recognizes the National Union of Workers as the union representing all Employees in related classifications who are covered by this Agreement.
- b. The Company undertakes, upon authorisation, to deduct Union membership dues as levied by the National Union of Workers (NSW Branch) at the beginning of each month together with all necessary information to enable the reconciliation and crediting of subscriptions to members accounts.
- c. Organised union meetings must not be held in the Smith Street car park. This is to comply with council environmental regulations.

7. INTENT OF AGREEMENT

- A. The intent of this agreement is to continue the development of the culture within the company so management, employees and the union acquire a common understanding and purpose in terms of what is required to achieve ongoing recognition as the most customer oriented and efficient food and contract manufacturing company in Australia.
- B. This agreement will ensure all employees have the opportunity to utilise his/her skills to the fullest. In essence, if employees are trained and competent to perform certain tasks, the Company expects the work to be done by those employees.
- C. This agreement is vital to the future of the organisation and employment security of its employees. It brings the Company and the union representing its employees closer together in achieving a common purpose.

In shaping the future we will continue to:

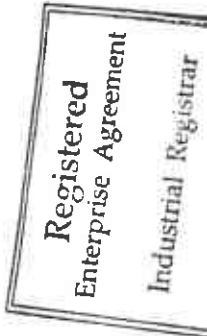
- a. Build more harmonious relationships and goodwill by developing a mutual understanding through consultations and cooperation;

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- b. Further the growth and profitability of the Company for the benefit of all stakeholders re: customers, employees, shareholders, suppliers etc.;
- c. Facilitate the introduction of new technology and associated change to enhance the Company's competitive position;
- d. Establish skill related career paths which provide an incentive for employees to participate in skill development;
- e. Advance the working conditions and living standards of employees and
- f. Provide the basis for continued secure employment into the future.

8. OBJECTIVES

- A. The objective of this agreement is to establish the manufacturing operation of the Company as a viable production operation in a competitive market and for the operation to be responsive to customer needs with timely, quality product, efficiently produced and delivered.
- B. The parties agree that the objectives are based on participation, teamwork, trust and devolved responsibilities. To achieve real improvement they must ensure that the objectives will be met by:
 - a. Working flexibly to minimise the effect of fluctuating levels of demand on costs and job security;
 - b. Training to broaden existing skills and develop new ones to provide better, more satisfying jobs, access to career advancement and the ability to work across different jobs, subject only to restrictions imposed by the level of training and statutory requirements;
 - c. Empowering employees to allow them to assume greater responsibility for their work and its quality;
 - d. Establishing and maintaining consultative and participative processes that encourage all employees and management to deal with barriers affecting productivity and
 - e. Developing a sense of teamwork across the company that leads to improvement in productivity issues such as cost, quality, work organisation, product delivery and training.



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9. PROBATIONARY PERIOD

All employees commencing employment with the Company, shall be employed subject to a probationary period of three (3) months. During the probationary period either party may terminate the employee's employment by giving a one day's notice. During the period of probation the Company will assess employees with the intention of employing them on a permanent basis after the successful completion of the probation period.

10. FUNCTION CLASSIFICATION AND WAGE RATES

Employees shall carry out such duties as are within their limits of their respective skills, competence and training, as directed by the company.

- 10.1 The Company will in addition to the Base Rate, pay a 2% increase effective from 1st April 2002. A further 3% will be paid from 1st October 2002.
- 10.2 On 1 April 2003, the Company will in addition to the Base Rate, pay a 2% increase. A further 3% increase will be paid from 1st October 2003.

Employees shall be paid a base rate of pay for all ordinary hours worked. Employee base rates of pay, the hourly rate and the respective classifications are set out in Annexure 1.

11. SHIFT ALLOWANCE, MEAL BREAKS, OVERTIME

Shift Allowance

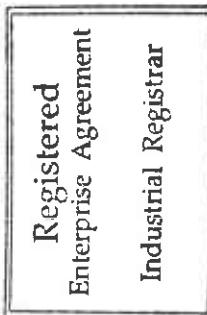
Shift workers working on any day of the shifts as defined in this clause shall in addition to their ordinary rates of pay for the classifications prescribed in Annexure 1 of this agreement, for each shift be paid an allowance as set out below:

- Afternoon Shift: 20%

For the purpose of this clause Afternoon Shift shall mean a shift finishing after 9.00pm and at or before 3.00am.

Meal Breaks

- a. Employees, except employees on the Automatic Packing Machines, shall be allowed thirty minutes on each working day for the purpose of taking a meal. Such meal breaks may be staggered within each particular work area in order that full production may be maintained wherever possible.



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- b. Employees on automatic Packing Machines shall be allowed intervals of thirty minutes each shift for crib at a time ensuring that full production is consistently maintained. Such interval is to be counted as time worked and paid for such.
- c. An employee who is called upon to work for more than one hour after or before their normal ceasing time shall be allowed not less than thirty minutes for a meal break (or twenty minutes for a crib in the case of an employee on an automatic packing machine).

An employee who is required to work overtime before or after their ordinary hours for more than one hour without being notified on the previous day that they will be required to work shall be paid a meal allowance of \$7.80.

Overtime

- a. All time worked outside the ordinary rostered working hours shall be overtime and shall be paid for at the rate of time and one-half for the first two hours and double time thereafter.
- b. Where overtime commences on one calendar day and extends into the following calendar day, the whole period of overtime shall be deemed to have been worked on the former day for the purpose of calculating overtime.
- c. An employee who is called back to work after leaving the premises (whether notified before or after leaving the premises), shall be paid a minimum of four hours at the appropriate overtime rate for each period recalled.

Rest Period After Overtime

- a. When overtime is necessary, it shall wherever reasonable and practicable, be arranged that employees have at least ten consecutive hours off duty (ordinary shift length) between the work of successive days. An employee who works so much overtime (between the termination of their ordinary work on one day and the commencement of their ordinary work on the next day), that they have not had at least ten consecutive hours (or ordinary shift length) off duty, shall, subject to this sub-clause, be released after the completion of such overtime until they have had ten consecutive hours (or ordinary shift length) off duty, without loss of pay for ordinary working time occurring during such absence.
- b. Except as provided under sub-clause Overtime b. above, each day shall stand alone in the computation of overtime and shall

be paid for at the rate of time and one half for the first two hours and double time thereafter.

12. PAYMENT OF WAGES AND CONVERSION TO EFT

Employees covered by this Agreement shall be paid by the week, on no later than Thursday, subject to events beyond the control of the Company. Payment shall be made into a nominated bank account by electronic funds transfer. The Company shall be responsible for the bank charges incurred in delivering the wages to the nominated bank account.

13. IMPROVING PRODUCTIVITY AND CUSTOMER SERVICE

The parties agree that existing productivity and customer service must be improved. Key Performance Indicators (KPIs) will be established to monitor progress toward the achievement of the critical business goals of the Company. KPI performance data will be reviewed regularly by an EBA Consultative Committee comprising the management and employees, to assess the achievement of performance targets. Outcomes from this review and subsequent changes will form part of the ongoing process of continuous improvement. A summary of KPI performance data will be provided to all employees. On-going changes to KPIs will be based on business needs.

Over the next few months the committee must undertake to do the following:

Project

To establish enterprise KPI targets to allow clear and concise measurement of the business performance.

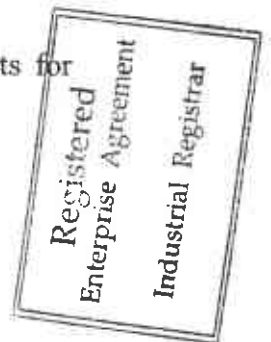
Action

- a. To consult concerning the development of appropriate targets for the KPIs.
- b. Establish targets.
- c. Determine appropriate methods of measurement.
- d. To achieve targets established.

General

As an overall guide, in order to be accepted as appropriate, KPI targets must meet the following criteria:

- a. They must be RELEVANT to the Company.
- b. They must be MEASURABLE, i.e. able to be measured.



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- c. They must be **ACHIEVABLE**.
- d. They must **IMPROVE** the efficiency / productivity of the Company.
- e. They must **REDUCE** the operating cost of the Company.
- f. They must **CONTRIBUTE** to increased profits of the business.

Individual Targets

In addition to the targets established, targets shall also be set and achieved for individuals covering a range of issues including those issues detailed in the Agreement.

KPIs and Continuous Improvement

KPIs and/or targets may be varied from time to time as required and such variations shall be consistent with objective of continuously improving the performance of the Company.

Other Reviews

Notwithstanding the contents of this clause, reviews of work in process in the Company shall be undertaken by the Committee during the life of this Agreement. The aim of such reviews shall be to eliminate wastage and inefficiency from the business and improve profitability, productivity and customer service levels.

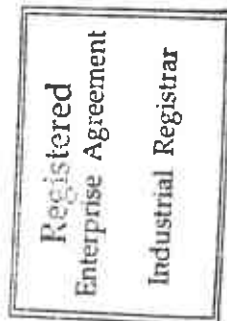
14. HOURS OF WORK

A. Day Workers: Non Automatic Packing Line

- a. The ordinary working hours shall be 38 per week, to be worked Monday to Friday inclusive, between the hours of 6am and 6pm.
- b. Following discussions and agreement between the parties to this Agreement, a majority of the employees concerned and the Company may mutually agree upon starting and ceasing between the prescribed hours. Currently the agreed hours are from 6.30am to 4.30pm. ordinary working hours of up to 9.5 hours per day may be worked.

B. Day Workers: Automatic Packing Line

- a. The ordinary working hours shall be 40 per week with 2 hours paid as overtime, to be worked Monday to Friday inclusive, between the hours of 6am to 6pm.
- b. Notwithstanding the spread of hours prescribed above, the Company and a majority of employees affected may implement mutually agreeable shiftwork provisions in any work unit to meet the circumstances of that work unit.



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- c. Notwithstanding anything elsewhere contained in this clause, the start time of shift workers maybe varied by the Company with seven days notice, or otherwise with the agreement of the majority of the employees in the work unit for the purpose of ~~meeting the~~ Company's needs.

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15. SICK LEAVE

- a. Employees will be entitled to 38 hours for the first year with 76 hours for each subsequent year of service. Each sick day absent entitles the employee to payment for the number of hours on which they were rostered.
- b. In the case of an employee claiming sick leave entitlement for any absence of two continuous days in each calendar year, a Doctor's Certificate detailing the reason for the absence.
- c. Where an employee uses sick leave for more than 2 single days in each year of service and a Doctor's Certificate is not provided, the employee's personnel file is to be marked "unverified leave" and the employee will not be paid for that day. No deduction from sick leave entitlement would be made in these cases.
- d. Where an employee begins to develop a pattern of "unverified" absence, the warning procedure shall be applied, along with appropriate counselling. The employee shall be given the opportunity of having a nominated representative present during such counselling and warning procedures.
- e. An employee must contact the supervisor directly if they are going to be absent from the workplace. Employees are required to notify the company on each day that they are unavailable for work.
- f. Sick Leave entitlements above a "bank" of 152 hours per employee (20 days) will be paid out at the request of the employee. Notice of one week must be given. A minimum of 153 hours (20 days) must be maintained.
- g. Sick Leave will be paid out on termination or retirement for employees who have served at least twelve months prior to termination or retirement.

16. CONTINUANCE OF SERVICE AND ISSUE RESOLUTION

- a. Disputes and grievances need to be handled in an open and constructive manner, which avoids adverse impact on customers and the business.



- b. Within this framework, every attempt shall be made to resolve the matter "in the line", recognising the availability of other support within and outside the Company, but not resorting to it as a matter of first course.

Procedure

The following procedure shall be adopted for the resolution of any grievance on site, so that the matter is resolved at the closest point to the workplace.

1. Any grievance must initially be dealt with as close to the source as possible, with graduated steps for further discussion and resolution at higher levels of authority, if unresolved initially.
2. The dispute, arising out of employment, shall be referred by the delegate and/or the Consultative Committee to the appropriate supervisors and managers. Their aims should be to try to resolve the matter equitably and promptly within their own capacity.
3. If the dispute is not resolved at this level, the matter shall be discussed between the union delegate and/or the Consultative Committee and representative of senior management appointed for this purpose.
4. Failing settlement at this level, the delegate may refer the dispute within 24 hours to the union organiser, who will take the matter up with the management. All efforts shall be made by the organiser and the Company to settle the matter.
5. Failing settlement, the State Secretary of the Union and the relevant representatives of the Company may also be involved in the discussion at this stage.
6. During the discussions, the status quo shall remain, and work shall proceed as normal. Status quo means the situation existing immediately prior to the dispute.
7. At any time, either party shall have the right to notify the dispute to the Industrial Registrar.



17. REDUNDANCY

The Company recognises the serious consequences that the loss of permanent employment can have on individual employees and proposes to reduce these consequences in the manner set out in this Agreement. Refer Annexure 2.

18. PUBLIC HOLIDAYS

- a. The days recognised as public holidays for the purpose of this Agreement are set out in Annexure 3.
- b. In relation to the Picnic day of the Union, the day shall be taken in January or February each year to coincide with the Chinese New Year.
- c. An employee required to work on any of the holidays specified in Annexure 3 shall be paid at the rate of double time and half.
- d. Payment for any holiday need not be made in cases where an employee is absent on the last working day prior to the holiday or on the first working day following the holiday. Unless such absence is due to justifiable illness, the action of the company or is taken with the permission of the Company.
- e. Each holiday shall commence at 6.00am on the day of the holiday and ends at 6.00am on the next succeeding day.
- f. If the public holiday falls on a rostered day off, the next working day is to be the substituted public holiday.

19. WORKERS COMPENSATION BRIDGING INSURANCE-WCBI

The Company will administer the deduction and payment of employee contributions to the maintenance of WCBI. This insurance will cover the shortfall between payments made to employees when workers compensation is paid at the award rate of pay.



SIGNATORIES TO THIS AGREEMENT

The Gazelle foods Pty Ltd Enterprise Agreement 2002 outlined above has been agreed by the signatories listed below.

The COMMON SEAL of



was affixed in accordance with its Articles of Association in the presence of

A handwritten signature in black ink, appearing to read "P Havrlant".

PETER HAVRLANT
Managing Director

A handwritten signature in black ink, appearing to read "Raimee Tamin".

RAIMEE TAMIN
GM – Commercial & Finance

SIGNED SEALED AND DELIVERED BY



DERRICK BELAN

In the presence of

JENNIFER LOOS 3.P. No. 950288
NAME OF WITNESS

A handwritten signature in black ink, appearing to read "Jennifer Loos".
SIGNATURE OF WITNESS

**Annexure 1
Classifications and Wage Rates**

Classification	Base Rate 31.03.02	New Rate 1.04.02	New Rate 1.10.02
Grade 1 Process Worker	\$14.27 p.hr	\$14.56 p.hr	\$14.99 p.hr
Grade 2 Process Worker	\$15.02 p.hr	\$15.32 p.hr	\$15.78 p.hr
Grade 3 Process Worker	\$15.77 p.hr	\$16.09 p.hr	\$16.57 p.hr
Leading Hand 1	\$16.56 p.hr	\$16.89 p.hr	\$17.40 p.hr
Leading Hand 2	\$17.28 p.hr	\$17.63 p.hr	\$18.15 p.hr

Classification	Base Rate 31.03.03	New Rate 1.04.03	New Rate 1.10.03
Grade 1 Process Worker	\$14.99 p.hr	\$15.29 p.hr	\$15.75 p.hr
Grade 2 Process Worker	\$15.78 p.hr	\$16.10 p.hr	\$16.58 p.hr
Grade 3 Process Worker	\$16.57 p.hr	\$16.90 p.hr	\$17.41 p.hr
Leading Hand 1	\$17.40 p.hr	\$17.75 p.hr	\$18.28 p.hr
Leading Hand 2	\$18.15 p.hr	\$18.52 p.hr	\$19.07 p.hr

Grade 1 Process Worker (G1PW)

For the purpose of this Agreement, the Company's Grade 1 Process Worker shall mean an employee who performs work to the level of their training and:

1. Is responsible for the quality of their own work (subject to instructions and directions).
2. Works in a team environment and/or under routine supervision.
3. Undertakes duties in a safe and responsible manner.
4. Exercises discretion within their level of skills and training.
5. Possess good interpersonal and communication skills.



Typical Functions

1. General cleaning and labouring
2. Product packing
3. Preparing ingredients
4. To be able to operate basic machinery such as labelling machine, tape sealer
5. Store Assistant
6. Sampler / tester
7. Use of hand trolleys / pallet truck
8. Basic inventory control

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Grade 2 Process Worker (G2PW)

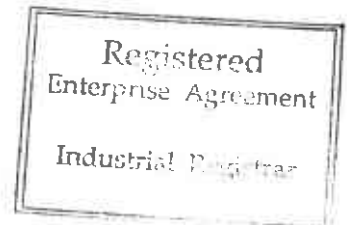
For the purpose of this Agreement, the Company's Grade 2 Process Worker shall mean an employee who in addition to performing the duties of a Grade 1 Process Worker:

1. Has performed at least 12 months service as a Grade 1 process worker and has satisfactorily acquired the skills relevant to the Company at this level.
2. Is capable of assisting in the induction of new employees.
3. Is capable of training existing employees.
4. Is responsible for the application of Occupational Health and safety policies and procedures.
5. Is able to work from complex instructions and procedures.
6. Is able to coordinate work in a team environment under general supervision.
7. Responsible for assuring the quality of his own work.
8. Possesses sound interpersonal, communication and written skills.

Notwithstanding point 1 above a G1 level employee can progress to a G2 level at the discretion of management, on the successful achievement of points 1 to 8 prior to the completion of 12 months.

Typical Functions

1. As per G1 PW
2. Forklift operator
3. Mixer / Process Equipment Attendant



Grade 3 Process Worker (G3PW)

For the purpose of this Agreement, the Company's Grade 3 Process Worker shall mean an employee who has taken sufficient training, and is experienced to perform work within the scope of this level in addition to the work of the lower grades.

An employee appointed in this capacity performs work to the level of his training and:

1. Understands and is responsible for his own quality control.
2. Sound working knowledge of all duties performed at levels below this grade, exercises discretion within scope of this grade, has a good knowledge of the employer's operation and products.
3. May perform work requiring minimal supervision, either individually or in a team environment.
4. Has the ability to contribute to the improvement of existing functions.
5. Can assist in the provision of on the job training and standards
6. Able to provide routine maintenance and cleaning of manufacturing and packaging equipment.

Typical Functions

1. As per G2PW.
 2. Operator of automated Packaging Equipment.
-

Leading Hand 1

For the purpose of this Agreement, the Company's Leading Hand 1 shall mean an employee who has undertaken the work of all lower levels.

An employee appointed in this capacity performs work to the level of his training and is capable of deriving and reporting on KPIs within the area of operation.

Typical Functions

1. As per G3PW with line authority and responsibility.
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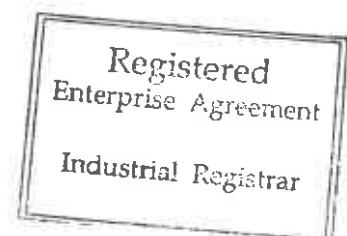
Leading Hand 2

For the purpose of this Agreement, the Company's Leading Hand 2 shall mean an employee who has undertaken the work of all lower levels.

An employee appointed in this capacity performs work to the level of his training and is capable of deriving and reporting on KPIs within the area of operation and is responsible for stock movements.

Typical Functions

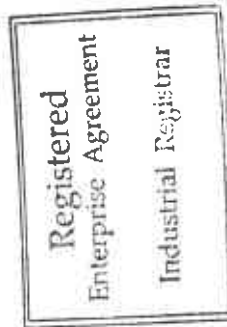
As per G3PW with line authority and responsibility.



**Annexure 2
Redundancy**

1. Definitions

- 1.1 Comparable Position** means any position:
- a. within the capacity of the employee and
 - b. the remuneration for which is not less than the remuneration for the position held by the employee immediately before the Redundancy
- 1.2 Redundancy** means a situation where the work to be performed in a position (or a major portion of that work) is no longer required to be performed.
- 1.3 Retrenchment** means the termination of employment of an employee as a result of Redundancy.
- 1.4 Voluntary Redundancy** means a situation where the Company makes an offer of Retrenchment to one or more employees such that each employee to whom the offer is made can choose to accept or decline the offer and the employee accepts the offer.



2. Notice

In the event that the Company makes a definite decision to implement Redundancies the Company will give notification in writing to the employees of its decision as follows:

Period of Continuous Service	Period of Notice
Less than 1 year	1 week
1 year and less than 3 years	2 weeks
3 years and less than 5 years	3 weeks
5 years and over	4 weeks

3. Redundancy Pay

- 3.1** An employee will be entitled to 4 weeks pay for each year of service, capped at 10 (ten) years. Pro-rata calculation applies for an incomplete year of service.
- 3.2** The same entitlement applies to an employee who accepts a Voluntary Redundancy.

4. Comparable Employment

An employee whose position is made Redundant will not be entitled to notice or pay in lieu of notice or Redundancy Pay, if the employee declines an offer of employment in a Comparable Position made by the Company or any entity to which the Company transmits the whole or any part of the Company's business.

In the event the company relocates its operations to another location, cases of hardship will be considered for the redundancy pay, on a case by case basis.



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Annexure 3
Recognised Public Holidays

1. New Year's Day
2. Australia Day
3. Good Friday
4. Easter Saturday
5. Easter Monday
6. Anzac Day – 25th April
7. Queen's Birthday
8. Eight Hour Day
9. Christmas Day – 25th December
10. Boxing Day
11. Picnic Day of the Union
12. Other days proclaimed and observed as a holiday for the State.

