

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA06/130

TITLE: Inghams Enterprises (Mangrove Mountain) Enterprise Agreement 2005

I.R.C. NO: IRC6/306

DATE APPROVED/COMMENCEMENT: 3 February 2006 / 9 October 2005

TERM: 36

**NEW AGREEMENT OR
VARIATION:** Replaces EA04/198.

GAZETTAL REFERENCE: 31 March 2006

DATE TERMINATED:

NUMBER OF PAGES: 19

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees of Inghams Pty Limited located at Wisemans Ferry Road, Mangrove Mountain, New South Wales 2250 who fall within the coverage of the Poultry Industry Preparation (State) Award.

PARTIES: Inghams Enterprises Pty Limited -&- The Australasian Meat Industry Employees' Union, Newcastle and Northern Branch

**INGHAMS ENTERPRISES (Mangrove Mountain)
ENTERPRISE AGREEMENT - 2005**

PREAMBLE

This agreement made the ____th day of November 2005, between Inghams Enterprises Pty Ltd (hereinafter referred as the "Company") and The Australasian Meat Industry Employees' Union - Newcastle and Northern Branch (hereinafter referred to as the Union'), records that it is mutually agreed as follows:

1. TITLE

This agreement shall be known as the Inghams Enterprises (Mangrove Mountain) Enterprise Agreement 2005.

2. ARRANGEMENT

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3. APPLICATION

This agreement shall apply at the Inghams Enterprises Pty Ltd Mangrove Mountain Further Processing plant located at Wiseman Ferry Road Mangrove Mountain, New South Wales, only in respect to its employees covered by Poultry Industry Preparation (State) Award (the Award).

4. PARTIES BOUND

This agreement shall be binding upon;

- (a) Inghams Enterprises Pty Ltd;
- (b) The Australasian Meat Industry Employees' Union - Newcastle and Northern Branch; and
- (c) All employees of the Company covered by the Award working at the Mangrove Mountain Further Processing plant.

5. RELATIONSHIP TO EXISTING AWARD

This agreement shall be read and interpreted in conjunction with the Poultry Industry Preparation (State) Award (the "Award"), but in the event of any inconsistency between this agreement and the above awards, this agreement shall take precedence. This agreement shall replace all previous agreements.

Should legislation be enacted after the lodging of this Enterprise Agreement that alters the effects of the Terms and Conditions of the Award the Parties agree that the Award provisions as at the commencement date of this Enterprise Agreement will be deemed to be part of this Agreement. With this securing of Award provisions both parties will honour and adhere to the Disputes Settlement Procedures contained in clause 21 for all Industrial Issues.

6. INTRODUCTION

Since 1991 enterprise agreements have been entered into between Inghams Enterprises Pty Ltd and the AMIEU at the various Company plants in New South Wales with the general objectives of.

- Improving the productivity, efficiency and flexibility of the enterprise through the effective implementation of agreed measures which would significantly increase the competitiveness of the Company and offer secure and worthwhile employment for its employees.

- Developing an environment of continuous improvement which is conducive to a flexible work organisation able to respond to changing demands in the industry.
- Adopting a participative approach to implementing increased and sustained productivity improvements across all areas of the operations of the Company.

Unfortunately the changes implemented to date have not kept pace with the competitive and cost pressures facing the Company.

Through this agreement the parties seek to record the measures by which the pressures and demands on the Company can be met.

Following negotiations between the parties the measures in this agreement, which are designed to achieve real gains in productivity, efficiency and flexibility, have or will be implemented.

7. OBJECTIVE

The objective of this agreement is to establish the framework within which the changes necessary to meet the challenges facing the Company and its employees will be implemented.

While the timing of the introduction of the changes will be decided by the company in the context of its operational requirements, employees will be consulted regarding the introduction of the changes and measures to avert or mitigate any adverse effects of such changes on employees.

8. PUBLIC HOLIDAYS

A weekly employee not required to work shall be entitled to holidays on the following days or days observed in lieu without deduction of pay:

- (a) New Years Day;
- (b) Australia Day;
- (c) Good Friday;
- (d) Easter Monday;
- (e) Anzac Day;
- (f) Queen's Birthday;
- (g) Eight Hours' Day;
- (h) Christmas Day; and
- (i) Boxing Day.

- (2) All time worked by full time employees on any of the days observed as holidays named in sub-clause (1) shall be paid for at the rate of time and one-half for the first two hours and double time thereafter with a minimum payment of 4 hours at such rate. This payment is in addition to an employee's entitlement to payment for the public holiday at ordinary time. Casuals shall be paid at the rate of double time and a half for the first two hours and treble time thereafter (excluding the casual loading).

- (3) An employee who works a prescribed holiday may, by agreement evidenced in writing between the Company and the employee, perform such work at time-and-a-half, with the balance of the payment due being made in conjunction with one day off in lieu of such holiday, at a mutually convenient time.
- (4) Any employee absent without leave on the working day immediately preceding or the working day immediately succeeding an award holiday or holidays shall be liable to forfeit wages for the holiday as well as for the day of absence except where an employer is satisfied that the employee's absence was due to illness or other reasonable cause in which case wages shall not be forfeited.
- (5) The Union Picnic Day, as provided in Clause 11 of the Award, will be a normal working day. All employees, other than casuals, who work on the Picnic Day (designated as the first Monday in August each year) shall be entitled to a picnic day holiday on a rostered basis to be taken at a time mutually agreed between the Company and the employee. Any untaken picnic day entitlement shall be paid out on termination of employment or on request.
- (6) In an effort to meet customer demands where there is a public holiday resulting in at least 3 consecutive days without production, the Company may require employees to work on a Saturday.
- (7) The employer will advise employees at least 2 weeks before a public holiday which Saturday it requires employees to work.
- (8) Employees may be required to work on a Saturday one or two weeks before the long weekend.
- (9) In the first instance the employer will call for volunteers and if not enough employees with the required skills are available, employees with the required skills will be selected on seniority. These employees will be required to work on the selected Saturday.
- (10) Payment for this day will be at Saturday or overtime rates as required by the Award.

9. ABSENCE FROM WORK

- (1) An employee who is absent from work (other than on approved leave) shall:
 - (a) Notify the Company a minimum of one hour prior to start time of the reason for the absence and the expected duration of the absence. The employee shall keep the Company informed as to the expected date of return to work and shall confirm on the day preceding the day on which they expect to return to work that they are returning to work.
 - (b) Upon return to work complete an "Employee Absence" form including stating the reason for the absence, whether notice was given and whether the employee is claiming sick leave for the absence.

- (c) If the absence is for 2 or more consecutive days, produce a certificate from a duly qualified medical practitioner giving the actual description of the injury or illness which in the medical practitioner's opinion is the reason for the absence and the expected duration of the incapacity.

Where an employee has:

- (a) been absent from duty in a manner which is systematic or exhibits a pattern;
- (b) has exceeded their annual sick leave entitlement without due cause or satisfactory proof of illness; or
- (c) has failed to produce satisfactory evidence as per sub-clause 2.7 (1) including satisfactory description of the injury or illness; or
- (d) failed to notify the employer of expected absences at the earliest opportunity.

Then the following arrangement shall apply:

- (a) In the first instance be subject to counselling from their Supervisor.
- (b) If the employee fails to respond to counselling a written warning will be issued stating the nature of the warning, the instances leading to its issue and the improvement required.
- (c) If there is no improvement a further written warning will be issued stating the exact nature of the warning, the instances leading to its issue and that further unauthorised or unexcused absences could lead to termination of employment. If after a review period the employee has responded positively to the counselling then the employee shall be advised accordingly. The union representative and the Company will agree on a review date.
- (d) If the employee fails to comply with the warning, then the employment may be terminated by the Company.

Employees who have in excess of 76 hours of sick leave credit may request pay-out of the amount in excess of 76 hours. Such payment shall be made in conjunction with an employee's annual leave and the sick leave credit shall be reduced accordingly.

10. PAYMENT IN LIEU OF OVERTIME

- (1) Subject to approval by the Company an employee (permanent, part-time or casual) may defer payment for overtime worked and take ordinary time off at a later date and receive payment for the overtime at that time. Such time off must be taken within 3 months of the entitlement occurring or payment for the overtime will be made to the employee.

- (2) When a public holiday occurs on a Monday then pay day in that week will be Thursday in lieu of Wednesday to avoid estimating and correcting wages, as is current practice.

11. LEAVE

- (1) Subject to prior approval by the Company, which includes consideration of production requirements, an employee may:
 - (a) take their annual leave or long service leave in multiple periods, including periods of not less than 1 week, with 6 weeks notice given.
 - (b) Accrue their annual leave for two years to take a combined period of annual leave of 8 weeks. Provided that payment for the first 4 weeks shall be at the rate of pay applicable when the leave accrued.
- (2) An employee who is ill or injured during periods of annual leave resulting in the employee being incapacitated for no less than 5 days of their annual leave, may request that the period of illness or injury be deducted from their sick leave entitlement and the corresponding period be re-credited to their annual leave entitlement. The following conditions shall apply:
 - (a) The employee concerned must present a doctors certificate stating the nature of the illness or injury and the period that the employee was incapacitated at the time of claiming the sick leave; and
 - (b) The employee must have enough sick leave accruals to cover the period of leave and the 20% annual leave loading paid to the employee at the commencement of the annual leave (i.e. if the employee seeks credit of 5 days annual leave they must have no less than 6 sick leave days accrued);
- (3) Employees may take some or all of their annual leave on half pay in conjunction with Maternity Leave on the following basis:
 - (a) The total period of absence from work resulting from the combined annual and maternity leave cannot exceed 52 weeks; and
 - (b) Such leave must be taken in minimum 8 week blocks (i.e. 4 weeks annual leave at half pay); and
 - (c) The employee advises the Company of her desire to take annual leave at half pay as soon as practicable after notifying the Company of her intention to take maternity leave.
- (4) Except in urgent situations employees must lodge their applications for annual leave at least four weeks in advance of the date upon which they wish to commence leave.
- (5) On the basis that an employee complies with all requirements of the Bereavement Leave clause of the Award the amount of leave available for a near relative shall be 3

days in lieu of the award provision of two days. "Near relative" means parent, spouse including defacto, child including step-child, brother or sister.

12. HOURS OF WORK

12.1 Casuals

- (1) Casual employees may be required by the Company to work the same hours each day as permanent employees and casual employees shall work in accordance with such requirements
- (2) Casual employees shall be entitled to overtime payments for time worked in excess of 8 hours per day.
- (3) The calculation for overtime for casuals will be on a daily basis and each day will stand-alone.
- (4) Casual employees shall be paid for overtime worked at the same rate of pay for the equivalent full time employee.

12.2 Friday Work

Should overtime be required to finish the day's work on Friday for any reason beyond the Company's control, then employees shall work a reasonable amount of overtime if required.

12.3 Breaks

- (1) Toilet breaks shall be taken only during rostered breaks unless in an emergency situation.
- (2) Leading Hands shall document and monitor all breaks taken by employees.
- (3) Leading Hands shall provide details of breaks taken to the Medical Centre (First Aid Office). These details will be reviewed on a daily basis.
- (4) Details of breaks taken for non-medical reasons will be referred to Management for counselling of employees involved where necessary. Such counselling may result in a written warning/s being issued and may result in an employee being stood down.
- (5) Following discussions and by mutual agreement the timing and duration of meals and rest periods may be altered provided that the total amount of paid time for such breaks under the Award shall not be increased.

12.4 Shift Work

- (1) "**Day Shift**" shall be any shift that commences on or after 5.00am and finishes on or before 7.30pm.

"Afternoon Shift" shall be any shift that finishes after 7.30pm and on or before 1.30am.

"Night Shift" shall mean any shift that finishes after 1.30am and before 5.00am.

- (2) The following Shift Penalties will be paid for employees working on the above named shifts.

Day Shift	Nil
Afternoon Shift	15%
Night Shift	30%

The shift penalties are payable on all ordinary hours worked on a shift as defined.

12.5 Four Day Week

Should the production requirements of Mangrove Mountain fall to a level that makes the current shift arrangements uneconomic, the Employer has the right to implement a four day week roster for one or both shifts consisting of 9.5 hour shifts.

Such a roster can only be implemented after the employees have been given one month notice of the change. It is not the intention of the Employer to require Employees to work overtime in association with such a roster.

Should the Company decide to return to a Five Day week (7.6 hour shifts) the employees shall be provided with no less than one months notice of the change.

13. JOB SHARE

- (1) With the approval of management two employees may volunteer to establish a job share arrangement where their combined ordinary hours of work equal the ordinary hours per week of a full time employee.
- (2) Each employee participating in the job share arrangement shall be entitled to the benefits of a full time employee in the same proportion that their hours or work relate to that of a full time employee.
- (3) Each employee in the job share arrangement shall cover for the other employee's absences from work.
- (4) The job share arrangement shall cease if either employee's employment is terminated for any reason. Provided that the job share arrangement may continue where suitable alternate arrangements can be made with the existing workforce. Such arrangement shall be subject to the approval of management.
- (5) As an alternative to (4), the remaining 'job share' employee may take up the full time position previously subject to 'job share'.

14. ABANDONMENT OF EMPLOYMENT

Where an employee is absent from work for a period of three working days without contacting the Company in regard to the reasons for the absence it shall be assumed that the employee has abandoned their employment. If within 14 days from the commencement of the absence the employee has not proved to the Plant Manager that there was a satisfactory reason for the absence then the employee shall be deemed to have abandoned their employment.

15. CASUAL RATIO

- (1) The first 4 months employment by Inghams shall be a probationary period.
- (2) It is recognised that the Company has an ongoing necessity for a pool of casual labour to cover absenteeism, approved leave and fluctuations in customer demand. However, a casual who has been employed by Inghams on a regular and consistent basis for at least 6 months may apply for a full time position. Appointment to a full time position is subject to Inghams normal employment procedures and a full time position being available.

16. NOTICE OF CHANGE

- (1) Where the Company has made a definite decision to introduce major changes in production, program, organisation, structure or technology that are likely to have significant effects on employees, the Company shall notify the employees who may be affected by the proposed changes and their Union.
- (2) The Company shall discuss with the employees affected and their Union, the introduction of the changes referred to in subclause (1) hereof, the effects the changes are likely to have on employees, measures to avert or mitigate the adverse effects of such changes on employees and shall give prompt consideration to matters raised by the employees and/or their Union in relation to the changes.

17. DOWNGRADE PERCENTAGES

- (1) Whilst there has been a reduction in downgrades to an average of 1.0%, downgrades remain high and continue to fluctuate to levels as high as 2%.
- (2) Employees shall continue to work to improve downgrade percentages and shall bring forward any problems or issues in this regard for consideration at consultative committee meetings along with any results/yields. The aim is to achieve and maintain an average downgrade of 1% or less.

18. REDUCTIONS IN USAGE

- (1) Each employee shall continue to work towards the reduction of water and chemical usage to ensure consumption of water is below the licensed usage levels.
- (2) This matter will continue to be reviewed at consultative committee meetings.

19. WORKPLACE INJURIES

- (1) The plant has seen a reduction in workplace injuries and therefore in worker's compensation costs. Even though workers compensation costs at Mangrove Mountain remain high, the reduction in costs is recognised. The parties agree to monitor the situation with a view to further reduction in claims and costs.
- (2) Mangrove Mountain is fully committed to providing a safe working environment for all employees. In the event of a work related injury/illness we have an injury management system of early intervention to enable you to return to work as soon as medically possible.
- (3) If you are injured or suffer an illness as a direct result of your employment (work related) whether serious or not you need to:
 - (a) Seek first aid treatment if required; and
 - (b) **You must** give notice of the injury/illness as soon as possible to your Supervisor and First Aid Attendant. This can be done verbally or in writing.

20. MEAT INSPECTION QUALITY

Employees shall ensure that meat inspection procedures are followed carefully. The target is for nil bone contamination for all product leaving the plant

21. DISPUTE SETTLEMENT PROCEDURE

The parties agree that, subject to the provisions of the New South Wales Industrial Relations Act 1996, all grievances, claims or disputes shall be dealt with in the following manner so as to ensure the orderly settlement of the matters in question:

- (a) Any grievance or dispute which arises shall, where possible, be settled by discussion on the job between the employees and the immediate supervisor.
- (b) If the matter is not resolved at this level, it will be further discussed between the affected employee(s) and the Union delegate or, where appropriate, another nominated representative and the employer. Both the employer's industrial representative and the employee's Union representative may be notified.
- (c) If no resolution is reached in a reasonable time period, the union representative shall refer the dispute to the Union Secretary and the company shall refer the dispute to Senior Management for further discussions.
- (d) Whilst the foregoing procedure is being followed work shall continue normally. No party shall be prejudiced as to the final settlement by the continuance of work in accordance with this subclause.

- (e) Should the matter still not be resolved within reasonable time period it may be referred to Industrial Relations Commission of New South Wales for settlement by either party.
- (f) The parties shall, at all times, confer in good faith and without undue delay.
- (g) During the discussions the status quo (except in the case of summary dismissal) shall remain and work shall proceed normally in accordance with this agreement and without stoppage or the imposition of any ban, limitation or restriction. "Status quo" shall mean the situation existing immediately prior to the dispute or the matter giving rise to the dispute.

22. UNION RECOGNITION

- (1) The Company recognises the Australasian Meat Industry Employees Union as being the union that shall have exclusive representation of employees in the classifications covered by this agreement.
- (2) All employees shall be given an application form to join the union at the point of recruitment.
- (3) The Company shall deduct from the wages of each employee who has authorised it membership fees at the amount from time to time decided by the Committee of Management of the Union. The Company shall forward these deductions to the Secretary of the Union.

23. UNION RIGHT OF ENTRY

The parties agree to incorporate Chapter 5, Part 7 of the *Industrial Relations Act 1996* into this Agreement.

24. UNION REPRESENTATIVES LEAVE

For the purpose of this clause, Union Representative means an employee who is the accredited Delegate of the Union or the Union member who has been duly elected to represent the site.

The union representative is entitled to reasonable time off work without deduction of normal pay for the purposed of carrying out the following functions:

- attending Company related hearings and conferences in Industrial Tribunals
- representing Company employees in resolving grievances
- attending meetings with Company Representatives
- investigating employee grievances
- induction briefings for new employees

Union representatives are entitled to take leave without deduction of normal pay for the purposes of attending Union training seminars and courses. The maximum number of paid days available at the plant is 15 days per calendar year (non-cumulative).

The Union shall give the Company reasonable notice in writing of their request to release the relevant employee for such training where practicable.

25. INDUCTION OF NEW EMPLOYEES

The Union Delegate will be involved and co-operate in the current induction program for new employees in order to insure a smooth transition into the workforce.

- (a) The Company has an induction program for all new employees which includes training on occupational health and safety and workers compensation.
- (b) The union delegate will be given paid time off to speak to all new employees at induction. Using a standard format to insure a consistent presentation.
- (c) All new employees will be inducted on site; the company will pay for this. In the event that any employee leaves within five days of the induction, 4 hours will be deducted from their pay.

26. PAYMENT OF WAGES

- (1) Wages shall be processed weekly on a day fixed by the Company. Under normal conditions, employees' pays will be credited to bank accounts no later than midnight on Wednesdays. The Company will not be responsible for delays in payment due to the EFT system.
- (2) Wages will be paid by electronic funds transfer to an account nominated by the employee.
- (3) The Company may change the pay day and make estimates of the employees' prospective earnings in order to overcome difficulties in processing the payroll due to public holidays or other issues beyond its control.
- (4) If an employee is underpaid by a net amount equal to or greater than four hours pay, the Company will ensure that the employee receives the entitled amount. Payment shall be by electronic transfer on the day after the underpayment was reported. If payment is late due to external issues related to bank transfers and/or agency failure that result in total payroll or large sections being delayed, the Company will make all efforts to deal with these issues as soon as possible. Consideration will be given to all claims.
- (5) If an employee is underpaid by a net amount less than the equivalent of four hours pay then the error will be corrected in the pay week following the reporting of the error.
- (4) At the request of an employee in writing, the Company will continue to pay an employee on a weekly basis for approved annual leave in lieu of a lump sum in advance. The annual leave loading will also be paid weekly.

27. RENEWAL

The Consultative Committee will remain active for the duration of this agreement, and the parties will commence negotiations in good faith, and without prejudice, no later than 3 months prior to the expiry date of the agreement in relation to the renewal or variation of this agreement.

28. DURATION

This agreement shall take effect from 9 October 2005 and shall have a nominal expiry date of 8 October 2008. Thereafter the terms of this agreement shall remain in force in accordance with the provisions of the Industrial Relations Act 1996.

29. WAGE INCREASES

- (1) In consideration of the implementation of the productivity measures referred to herein, the weekly wages of employees covered by this agreement shall be increased as provided in the attached Table.
- (2) All Allowances paid in accordance with this Agreement shall be increased at the same time and by the same quantum as the wage rates specified in the attached Table.

30. TRAINING ALLOWANCE

Where an Employee who is not a leading hand is directed to train another Employee, they shall be paid the Leading Hand - Small Group Allowance for the day.

31. STUDY LEAVE

Employees may request paid leave for the purposes of participating in an external course of study subject to the following conditions:

- (a) The course of study is not offered within the Company's set training programme;
- (b) The course of study is relevant to the duties performed by the employee and the business of the Company;
- (c) The employee provides adequate notice of the course particulars and study schedule to the Company; and

The Company may approve the leave request at its sole discretion.

32. SUPERANNUATION

An employee may request in writing for the Company to make pre-tax contributions to a complying Superannuation Fund through a wage sacrifice arrangement.

33. NO FURTHER CLAIMS

This agreement is in full and final settlement of all claims against the Company and during the life of this agreement the union and employees undertake not to make any further claims against the Company in respect to any matter that will increase Company labour costs.

34. AUSTRALIAN WORKPLACE AGREEMENTS

The Company will not seek to enter into any Australian Workplace Agreements with any employee covered by this Agreement during the life of this Agreement. This includes prospective employees who would be covered by this Agreement upon engagement.

35. NO DURESS

The parties to this Agreement declare that it has been entered into without duress or coercion and that the parties understand the effect of the Agreement.

36. DRUG AND ALCOHOL TESTING

The parties acknowledge that the employer will introduce alcohol and drug testing on site via swabs and breath testing during the life of this Agreement. The parties will hold discussions prior to the introduction of these tests to consult on issues such as when testing will occur, who will conduct tests and consequences of positive tests.

37. REDUNDANCY

The provisions of the Redundancy Agreement – Mangrove Mountain Further Processing Plant, attached as Annexure A, shall form part of this Agreement.

38. SIGNATORIES

Signed for and on behalf of:

Inghams Enterprises Pty Ltd

In presence of

Signed this _____ day of November 2005

**The Australasian Meat Industry
Employees' Union - Newcastle and
Northern Branch**

} _____

In presence of

} _____

Signed this _____ day of November 2005

TABLE

Wages applicable from the first pay period to commence on or after the dates specified:

All rates specified below shall be increased in accordance with the following:

- 4% from the first full pay period commencing on or after the 8th of October 2005
- 4% from the first full pay period commencing on or after the 8th of October 2006
- 4% from the first full pay period commencing on or after the 8th of October 2007

The following rates have been calculated to include all Freezer allowances that would normally be paid separately.

All other allowances shall continue to be paid in their current form. All allowances will increase by the same amount and at the same time as the wages specified in the following table.

PROCESS EMPLOYEE LEVEL	Current Rates	FFPP on or after 8 October 2005	FFPP on or after 8 October 2006	FFPP on or after 8 October 2007
1	\$ 587.83	\$ 611.34	\$ 635.80	\$ 661.23
2				
3	\$ 595.96	\$ 619.80	\$ 644.59	\$ 670.37
3 (Packing)		\$ 625.35	\$ 650.36	\$ 676.37
4 (Distribution)	\$ 610.25	\$ 676.84	\$ 703.88	\$ 732 .01
5	\$ 610.82	\$ 640.80	\$ 666.43	\$ 693.09
5 (Distribution)		\$ 677.43	\$ 704.50	\$ 732.65

ALLOWANCES	Current Rates	FFPP on or after 8 October 2005	FFPP on or after 8 October 2006	FFPP on or after 8 October 2007
First Aid Allowance	\$10.35 Per Week	\$10.7640	\$11.1946	\$11.6423
Meal Allowance	\$8.58 Per Day	\$8.9232	\$9.2801	\$9.6513
Forklift Allowance	\$3.21 Per Day	\$3.3384	\$3.4719	\$3.6108
Senior Team Leader	\$108.16 Per Week	\$112.4864	\$116.9859	\$121.6653
Team Leader	\$48.67 Per Week	\$50.6168	\$52.6415	\$54.7471
Small Group Leading Hand	\$19.99 Per Week	\$20.7896	\$21.6212	\$22.4860
Large Group Leading Hand	\$33.35 Per Week	\$34.6840	\$36.0714	\$37.5142
Use of Motor Vehicle:				
Up to 2000cc	\$0.40 cents Per Km	\$0.4160	\$0.4326	\$0.4499
Over 2000cc	\$0.46 cents Per Km	\$0.4784	\$0.4975	\$0.5174

Attachment A

INGHAMS ENTERPRISES PTY LTD

REDUNDANCY AGREEMENT – MANGROVE MOUNTAIN FURTHER PROCESSING PLANT

INTRODUCTION

This agreement made between Inghams Enterprises Pty Ltd (the Company) and The Australasian Meat Industry Employees' Union, Newcastle and Northern branch (the Union); this _____ day of _____ 2005 records that it is mutually agreed as follows:

1. SCOPE

This agreement applies to award covered employees of the company employed at its Mangrove Mountain Further Processing Plant, Wiseman Ferry rd Mangrove Mountain. Except as provided in this agreement the provisions of the Award shall apply. Where there is any inconsistency between the terms of this agreement and the Award, then the terms of this agreement shall prevail.

2. DEFINITIONS

“Award” means the Poultry Industry Preparation (State) Award.

“Casual employee” means an employee who is employed on an hourly basis, in accordance with the Award. A casual employee is not entitled to any termination payments pursuant to this agreement.

“Part time employee” means an employee whose rostered hours of work is less than an average of 38 hours per week.

“Redundancy” means a situation where the company proposes to permanently cease operating all or a major part of the Mangrove Mountain Plant and this cessation results in full time or part time employees becoming surplus to the company’s labour requirements. “Redundancy” does not include:

- (a) termination of employment pursuant to the company’s Disciplinary Policy and Procedure, provided that such termination is not directly related to the company’s requirement to reduce its labour requirements;
- (b) termination of employment due to retirement;
- (c) situations where full time or part time employees become surplus to the company’s labour requirements due to industrial action taken by employees which affects the company’s ability to continue normal operations;
- (d) Variations to rosters or shifts, as provided for by the Award or site agreement, as a result of restructuring or changes in customer demands or operational requirements. Where an employee affected by such change is genuinely forced to terminate their employment because of pressing domestic necessity then they shall be entitled to the benefits of this agreement. "Pressing domestic necessity" does not include financial disadvantage as a result of changed entitlements to shift allowances or overtime.
- (e) situations where employees are offered appropriate training and continued employment in other areas of the company’s operations. Provided that such training and employment is reasonably within the employee’s capability.
- (f) short term reductions in the company’s labour requirements which can be managed pursuant to clause 4 of this agreement; or
- (g) the sale or transfer of some or all of the company’s business where continuity of employment is offered to employees.

“Week’s pay” means the applicable rate of pay used to calculate the employee’s normal weekly rate of pay for the pay period immediately prior to the date of termination.

“Work Area” means a discrete functional or geographical part of the company’s operations. The determination of a work area is by reference to the management structure and accountabilities.

3. CONSULTATION

Where the company is of the view that a redundancy situation is likely to occur, it shall convene a meeting with the Union. The Company will provide as much relevant information on the circumstances which may lead to redundancies as is commercially prudent.

4. STEPS TO AVOID REDUNDANCIES

Where a redundancy situation appears likely, the company may seek to minimise the number of such redundancies by:

- requiring employees to take accrued RDO's, annual leave and long service leave.
- reducing the hours worked by casual employee; and / or
- reducing the number of casual employees;
- reducing the hours worked by part-time employees;

5. SELECTION FOR REDUNDANCY

- (a) The ideal outcome of a redundancy situation is one where employees volunteer for termination of employment, and the company's operational requirements are met by the termination of employment of such volunteers.
- (b) However, the Company retains the right to determine who is to become redundant having regard for its operational requirements and taking into account the following:
 - where possible, the work area where redundancies are required will be in the area in which employees are selected for redundancy.
 - the company's skill requirements.
 - Consideration of seniority, equity and fairness.

6. NOTICE OF REDUNDANCY

- (a) Employees to be made redundant will receive 4 weeks' written notice of termination of employment or be paid 4 weeks' pay in lieu.
- (b) During the notice period, the employee will be provided with paid leave, on the basis of one day per week, to attend interviews with alternative employers and employment agencies; provided that such leave shall not cause disruption to the Company's operations.
- (c) Where an employee has been provided with written notice, and finds alternative employment during the notice period, the employee will be able to terminate their employment by the provision of 48 hours' notice. All entitlements arising pursuant to this agreement will be paid to the employee.

- (d) Where an employee who has been provided with written notice dies during that notice period, his or her full entitlements pursuant to this agreement will be paid to that employee's dependants. Where the company is unable to locate the employee's dependant/s, his or her full entitlements pursuant to this agreement will be paid to the employee's estate.

7. PAYMENTS UPON TERMINATION OF EMPLOYMENT

On the last day of employment, full time employee whose employment is terminated on account of redundancy will receive a termination payment based on the following formulae:

- (a) for employees with at least 12 months continuous service – 4 weeks' pay per year of service, applied on a pro-rata basis of one weeks' pay for each completed three months of service.
- (b) the maximum severance payment for employees 45 years of age and over is 52 weeks. In other cases the maximum payment is 48 weeks.
- (c) accrued annual leave entitlements in accordance with the applicable NSW legislation and/or award; and
- (d) accrued long service leave entitlements in accordance with the applicable NSW legislation, provided that employees with not less than 5 years' service will be entitled to pro rata long service leave.
- (e) the balance of the employee's sick leave credit.

All payments made pursuant to this clause will be taxed in accordance with the applicable law. The union may not make any claim on the company that is based on any changes to the taxation treatment of termination payments.

8. RESOLUTION OF DISPUTES

Where the union has a grievance or claim in relation to the application or interpretation of any of the clauses of this Agreement, it shall be raised in the first instance with the Plant Manager. If the grievance or claim cannot be resolved by discussion, the matter will be referred to the Industrial Relations Commission of NSW in accordance with the provisions of the Industrial Relations Act 1996.

Whilst the grievance or claim is being resolved, the unions and its members will not engage in any form of industrial action.
