

REGISTER OF
ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA97/170

TITLE: Cereform Enterprise Agreement 1996

I.R.C. NO: 97/4853

DATE APPROVED/COMMENCEMENT: 15 September 1997 and commenced 11 May 1996

TERM: Expires 11 May 1998

NEW AGREEMENT OR
VARIATION: New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 10

COVERAGE/DESCRIPTION OF

EMPLOYEES: To apply to all employees of Cereform engaged in the occupations, industries & callings specified in the Starch Manufacturers, &c. (State) Award

PARTIES: George Weston Foods Ltd -&- National Union of Workers, New South Wales Branch



CEREFORM ENTERPRISE AGREEMENT 1996



1. TITLE

This agreement shall be referred to as the Cereform Enterprise Agreement 1996.

2. ARRANGEMENT OF THE AGREEMENT

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3. APPLICATION OF THE AGREEMENT

This Agreement shall apply at Cereform, in respect of all employees who are engaged in any of the occupations, industries or callings specified in the Starch Manufacturers (State) Award.

This agreement was entered into without duress.

4. PARTIES BOUND

- a. Cereform and its employees who are members or who are eligible to become members of an organisation listed in sub-clause (b) of this clause and who are engaged in any of the occupations, industries or callings specified in the Starch Manufacturers (State) Award.
- b. The organisations of employees listed below and their members thereof respectively - National Union of Workers NSW Branch.

5. PERIOD OF OPERATION

This Agreement shall remain in force from May 11, 1996 and shall operate for a period of two (2) years from that date to May 11, 1998.

It is a condition of this agreement that negotiations for the next Cereform Enterprise Agreement commence no later than twelve (12) weeks prior to the expiry of this agreement (11/05/98).



6. RELATIONSHIP TO PARENT AWARDS

This Agreement shall be read and interpreted wholly in conjunction with the Starch Manufacturers (State) Award provided that where there is any inconsistency this Agreement shall take precedence over the Award to the extent of the inconsistency.

7. TERMS OF THE AGREEMENT

7.1 Objectives

The parties of this Agreement agree that the objectives of the Cereform Enterprise Agreement shall be:-

- to provide employment that is interesting, with satisfactory career opportunities and provide security of employment.
- to maintain a safe working environment for all employees.
- to ensure production of the highest quality products with a reduction in and/or elimination of rejects and rework batches.
- to ensure that the parties covered by the Agreement positively assist in working towards the maintenance of ISO9001, and to continue to build on this through continuous improvement.
- to enhance and expand Cereform's competitive position in the marketplace through further development of a culture of excellence and quality of service to our customers.
- to develop a commitment to training and support of a motivated, multiskilled and flexible workforce committed to achieving a high level of performance and productivity.
- to develop and nurture effective communication systems with all employees.

7.2 Consultative Committee



The parties agree to support and implement the concepts of a Consultative Committee as a means to improve efficiency and productivity.

Improvement in the efficient running of the plant including changes in work practices which bring about savings for the Company, are the responsibility of all members of staff through the institution of the Consultative Committee. The Consultative Committee is composed of two (2) representatives of Management and three (3) members of the Production/Warehouse workforce.

Management and staff will work closely together to achieve on-going efficiency improvements in the current operations and in the implementation of new processes or work practices. The Consultative Committee will operate under the Constitution as attached (Appendix I).

PREAMBLE TO WORKING PRINCIPLES

The Working Principles covered by this agreement will be measured and deemed achieved or otherwise by the Consultative Committee. To ensure variable factors are considered, any or all of the working principles may be considered achieved by the Consultative Committee if in the opinion of the Committee, satisfactory progress has been made towards the achievement of the principle.

7.3 Working Principles

a. Safety Committee

Maintain a Safety Committee which will be responsible for the overseeing of safety and housekeeping issues that impact on those parties covered by the Agreement (that is, all factory/distribution personnel) as well as other employees.

This Committee will comprise of -

- Warehouse and Purchasing Supervisor
- Laboratory Manager
- Production Employees
- Distribution Employees

The Production employees and Distribution employees must be elected by fellow members who are also covered by this Agreement.

This Committee shall meet monthly and will provide recommendations to the Management on issues deemed appropriate, that is, repairs, maintenance, training.



b. Production Meeting

Establish a Production meeting apparatus and agenda. This meeting will be attended by -

- Shift Supervisors/Team Leaders
- Production Manager
- Warehouse and Purchasing Supervisor
- Distribution Supervisor

Objectives are to:-

- (i) Increase the flow of information between the parties covered by this Agreement.
- (ii) Discuss and plan forthcoming productions schedules.
- (iii) Minimise raw material disruption.
- (iv) ensure efficient production scheduling and prevent "out of stock" situations.

c. Quality Certification

Parties covered by the Agreement agree to adopt work practices that will assist Cereform in maintaining ISO9001. This will include assisting in providing accurate job specification and classifications and ensuring work procedures are accurately documented.

Wage adjustments (as per clause 7.5.b) will be conditional on the maintenance of those elements of this Certification which are applicable to the staff covered by this agreement.

d. Housekeeping Objectives

Housekeeping objectives will be set by the Safety Committee and the Warehouse and Purchasing Supervisor who will conduct a monthly inspection.

These objectives will include:-

- (i) maintenance of levels of general cleanliness of factory/warehouse area to ensure maintenance of ISO9001 certification.
- (ii) maintenance of pest control procedures
- (iii) ensuring equipment is maintained and cleaned at the change of every shift.



e. Absenteeism

The parties covered by this Agreement agree to, where possible, provide satisfactory advance notification of absenteeism.

To assist in increases in productivity, as deemed necessary by the Agreement, the parties covered by this Agreement agree to minimise the overall level of absenteeism.

As part of this agreement it will be possible for an employee covered by this agreement to obtain a payout of accumulated sick leave at normal pay rates. This will only be applicable to sick leave that has been accumulated above sixteen (16) days entitlement. This "bank" of sixteen (16) days must always be maintained to provide a level of protection.

f. Multiskilling Objectives

All present employees covered by this agreement agree to the principle of development programmes to ensure an agreed level of multiskilling is achieved by the end of the first year of the Agreement and that this level is further improved at the end of the second year of the Agreement.

Participation in these development programmes is voluntary, but will be encouraged in order to provide employees with the opportunity to increase their skills.

These skills will enable all participating employees to effectively operate any plant and/or equipment which is within their job specification. As participating employees progress through this system new levels of skills will be achieved and these will be recognised and rewarded by the application of a Cereform skill level. The definition and implementation of this system is an integral part of the **CEREFORM ENTERPRISE AGREEMENT** and will be finalised by the Consultative Committee with an implementation date effective 1st March 1997.

Current employees who do not wish to participate will maintain their present status.

g. Production Objectives

To further enhance the productivity and efficiency of Cereform, the employees covered by this Agreement agree to maintain a level of production for each plant as stated:-



2 tonne cake & pastry plant	0.425 tonnes per manhour
2 tonne batch plant	0.450 tonnes per manhour
1 tonne batch plant	0.375 tonnes per manhour
* Soy Flour Mill	0.600 tonnes per manhour
Fitzmill	0.500 tonnes per manhour
Z-Arm Mixer	0.090 tonnes per manhour

(*) Subject to machine upgrade.

These levels of production are calculated as the average production over all shifts and will be recorded weekly and measured against these standards monthly. The ongoing results will be tabulated in graphical form and displayed as a means of advising progress towards set goals. These will be compiled by the Production Manager and checked by the Consultative Committee before being displayed.

The flow on of the proposed wage adjustments outlined in paragraph 7.5.b will be conditional on the achievement of, or exceeding of, these standards.

h. Rejects

The flow on of the proposed wage adjustments in paragraph 7.5.b will be conditional on the achievement of a maximum level of zero point seven five percent (0.75%) reject batches. These will be recorded weekly and measured against the expected level monthly and will include a breakdown of types and causes of rejects. The ongoing results will be tabulated in graphical form and displayed as a means of advising progress towards set goals. These will be compiled by the Production Manager and checked by the Consultative Committee before being displayed.

7.4 Variation

It is noted by all parties of the Agreement that where changes occur in equipment, technology and other factors that will impact on objective measurements outlined in this Agreement, it will be necessary to provide for variations in the objectives. These variations must not disadvantage any party in the Agreement, in relation to the original objectives.



7.5 Wage Adjustments

A two (2) tier and two (2) phase wage adjustment forms part of this Agreement.

- (a) There will be an automatic and guaranteed adjustment of three and one half percent (3.5%) effective from 1st December 1996 and a further adjustment of three and one half percent (3.5%) effective from 1st December 1997.
- (b) Two further adjustments of three percent (3%) increase effective from 1st December 1996 and 1st December 1997 will be awarded based on a successful review of achievement of the Working Principles as outlined in clause 7.3

These will be the only increases during the life of the Agreement provided that the normal hourly rate prescribed by this Agreement shall not fall below the normal hourly rate set by the Award.

7.6 Training

The Company recognises that training is the fundamental vehicle for long term success and is committed to the development of skills and knowledge of its employees both by training and job rotation. This commitment to training will be a joint one with employees, and accordingly, employees who are willing to participate in training will be required to participate in training conducted by the Company or on behalf of the Company.

7.7 Innovation

The parties undertake to formulate and implement mechanisms to promote innovation in work practices and efficiency improvements.

7.8 Grievance and Avoidance of Dispute Procedure

The objective of this procedure is to resolve grievances at the lowest possible level (that is, at the source of the grievance) with the least disruption to day to day operations.

- (a) in the first instance, the employees will raise the grievance with the Production Supervisor
- (b) if unresolved, the employee and the Supervisor will raise the grievance with the Production Manager
- (c) should the grievance remain unresolved, the employee and the Supervisor will raise the grievance with the General Manager. As required the services of the appropriate Union delegate may also be called upon at this stage to assist in the resolution of the grievance. The Company will provide reasonable time for Union officials to communicate with employees at this stage of the procedure
- (d) if the grievance still remains unresolved, the grievance may be referred to the Industrial Relations Commission of New South Wales.

At each of the first three stages of the above procedure, a response should be given to the employee on the same day as the grievance is raised. If this is not possible, a response must be given within twenty-four (24) hours. In any event, the parties will be committed to resolving the grievance as soon as possible.

Both parties agree to maintain the status quo while the grievance is being resolved.



**EXECUTED AS AN AGREEMENT
FOR AND ON BEHALF OF
CEREFORM**

(A Branch of George Weston Foods Limited)
A.C.N. 008 429 632



J. M. Richardson.

Dated this 23rd day of October, 1996

**EXECUTED AS AN AGREEMENT
FOR AN ON BEHALF OF
THE NATIONAL UNION OF WORKERS**
(New South Wales Branch)






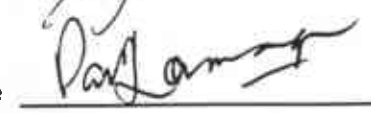


FRANK BELAN.

Dated this 7 day of 11, 1996



CEREFORM ENTERPRISE AGREEMENT

Approvals	Signature	Date
Consultative Committee Negotiating Officers:		
Yves Coulon		<u>9/12/96</u>
Allen Hunt		<u>4/12/96</u>
Cameron Weeks	<u>N/A</u>	<u>N/A</u>
Ian Player		<u>9.12.96</u>
GWF Special Projects Manager		<u>2/1/97</u>
General Manager		<u>6/12/96</u>
Divisional Chief Executive		<u>29/11/96</u>