

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA06/225

TITLE: McPherson's Consumer Products Warehouse Agreement
2006

I.R.C. NO: IRC6/1029

DATE APPROVED/COMMENCEMENT: 14 March 2006 / 3 March 2006

TERM: 24

**NEW AGREEMENT OR
VARIATION:** Replaces EA05/198.

GAZETTAL REFERENCE: 30 June 2006

DATE TERMINATED:

NUMBER OF PAGES: 17

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees employed by McPherson's Consumer Products Pty Limited, located at 105 Vanessa Street, Kingsgrove NSW 2208, who are engaged in the classifications set out in clause 14 of this agreement, who fall within the coverage of the Storemen and Packers, General (State) Award.

PARTIES: McPherson's Consumer Products Pty Ltd -&- the National Union of Workers, New South Wales Branch

McPHERSON'S CONSUMER PRODUCTS
WAREHOUSE ENTERPRISE AGREEMENT 2006

24 February 2006

1 TITLE

This agreement is titled the McPherson's Consumer Products Warehouse Enterprise Agreement 2006 and is hereafter referred to as the "Agreement".

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3 APPLICATION

3.1 This Agreement applies to Employees ("**Employees**") employed by McPherson's Consumer Products Pty Limited (ACN 000 020 495) ("**Company**") who:

3.1.1 are employed at the Company's workplace at 105 Vanessa Street, Kingsgrove, New South Wales ("**Workplace**"); and

3.1.2 are covered by the classifications as set out in Clause 14 of this Agreement and the Storemen and Packers, General (State) Award ("**Award**"), an award of the Industrial Relations Commission of New South Wales ("**Commission**").

4 PARTIES BOUND

4.1 The parties bound by this Agreement ("**Parties**") are:

4.1.1 the Company;

4.1.2 the Employees; and

4.1.3 the National Union of Workers, NSW Branch ("**Union**").

5 DATE AND PERIOD OF OPERATION

5.1 This Agreement will commence operation on 3 March 2006 and will remain in force until 2 March 2008.

6 RELATIONSHIP OF AGREEMENT TO AWARD

6.1 This Agreement shall be read and interpreted wholly in conjunction with the Award as set out in Annexure "A" to this Agreement, provided that where there are any inconsistencies between Annexure "A" and the first 28 clauses of this Agreement, the latter will take precedence to the extent of any inconsistency.

7 OBJECTIVES OF THIS AGREEMENT

7.1 The objectives of this Agreement are to:

- 7.1.1 be a customer-focused Company capable of quick response to changing customer needs, especially in regard to quality and service; and
- 7.1.2 improve the competitiveness of the Company by continually improving productivity, efficiency and flexibility.

8 DEFINITIONS

- 8.1 A "Casual Employee" shall mean an Employee who is engaged and paid as such.
- 8.2 In this Agreement any reference to one gender shall be a reference to the other gender.

9 NO EXTRA CLAIMS

- 9.1 It is a term of this Agreement that the Employees and the Union will not pursue any extra claims whether covered by this Agreement or not for the nominal life of this Agreement.

10 AVOIDANCE OF INDUSTRIAL DISPUTES

- 10.1 The purpose of this avoidance of disputes procedure is to allow the Parties a system to discuss and resolve all matters of grievance and dispute.
- 10.2 The Parties shall observe the following procedure:

- STEP 1** The Employee and the immediate supervisor will attempt to settle any matter between themselves.
- STEP 2** If it is not settled at Step 1, the supervisor and Employee will meet with the Warehouse Manager and attempt to settle the matter within a twenty four (24) hour period. At this stage the Employee may wish to have a Union Delegate present at that meeting.
- STEP 3** Failing settlement at Step 2, the matter shall be referred to the Warehouse and Logistics Manager for resolution.
- STEP 4** Failing settlement at Step 3, the Parties will refer the matter to the Commission for conciliation or arbitration.

- 10.3 The processes in Steps 1, 2 and 3 should be completed within seven (7) working days to prevent an escalation of any dispute.
- 10.4 During this 4 step process there will be a 'status quo' from the Parties and work will proceed as normal without any bans or limitations.
- 10.5 At any stage during this procedure the Employee may be represented by the Union.
- 10.6 The Parties agree to abide by any decision of the Commission.

11 COUNSELLING AND WARNING PROCEDURES

The purpose of this procedure is to correct unsatisfactory work performance or behaviour. The primary goal is to ensure all Employees are aware of the expected standards of performance and, where they are not met, appropriate assistance is provided.

11.1 INFORMAL DISCUSSION

Prior to any formal counselling interview taking place it is often advisable to have a one-to-one discussion with the Employee concerned at which the manager outlines the performance problem/s and brings the performance problem/s to the attention of the Employee. The manager should clearly explain what the problem is and give the Employee the opportunity to respond. The expected improvement should be stated. It should also be stated that recurrence will result in a formal counselling session. The informal discussion should be diarised by the manager but nothing put on the Employee's file. This approach can often bring to the surface a particular issue, home problem etc which can be dealt with fairly and "fix" the problem, without directly into the "formal counselling".

11.2 DISCIPLINARY PROCEDURE

11.2.1 FORMAL COUNSELLING

The purpose of the counselling session is to advise the Employee personally of the conduct that is of concern and to establish if there are any reasons for the behaviour and whether the company can provide assistance to avoid further instances of unacceptable behaviour through training or other action.

The Employee should be given an opportunity to defend his/herself against the complaint with assistance of another person if requested by the Employee. The Company must give due consideration to matters raised by the Employee. The Employee and Company should attempt to

reach agreement on action to rectify the problem. Conduct will be reviewed on a specific date.

The Employee is informed that the counselling session will be recorded in writing in his/her personal file by way of a record of interview. A copy will be given to the Employee concerned, with a copy to the Personnel Department.

11.2.2 FIRST WRITTEN WARNING

The Employee should be advised personally of the reason(s) for the disciplinary interview and be given an opportunity to defend his/herself against the complaint(s) with assistance of another person if requested by the Employee.

The Employee is informed that the counselling session will be recorded in writing in his/her personal file by way of a record of interview. A copy will be given to the Employee concerned, with a copy to the Personnel Department.

11.2.3 FINAL WRITTEN WARNING

The Employee is again personally advised of the reason(s) for the disciplinary interview and should be given an opportunity to defend his/herself against the complaint(s) with the assistance of another person if requested by the Employee. In a unionised situation it may be advisable to have a Union representative present at this stage of the procedure (at the discretion of the Manager).

The company must give due consideration to matters raised by the Employee which may require further investigation.

If a written warning is to be issued, the Employee and Company should attempt to reach agreement on action required to rectify the problem.

The Employee should be informed that:

- A final warning has been issued for unacceptable behaviour following previous counselling and warning and will be recorded in his/her personal file.
- A continuation of unacceptable behaviour will lead to dismissal.
- Conduct will be reviewed on a specified date.
- Within 24 hours of the disciplinary interview a written warning based on the record of interview will be issued to the Employee and a copy placed on the Employee's file. A copy will also need to be sent to the Personnel Department.

11.2.4 TERMINATION OF EMPLOYMENT

Subject to careful investigation of all the facts and after the Employee has had an adequate opportunity to defend his/herself against the complaint, and the company has given due consideration to the matters raised by the Employee it is open to the Company to dismiss the Employee.

The Employee, if they wish may have assistance of another person, or have the presence of a Union Representative.

If the matter is resolved at Stage 3 and the Employee has maintained a clear record, all previous incidents of misconduct will be deleted from the Employee's record after twelve (12) months.

11.3 Clause 11 will not apply in circumstances of serious misconduct.

12 LABOUR FLEXIBILITY

12.1 For the purpose of increasing productivity and flexibility, as well as enhancing career opportunities Employee's shall perform a wider range of duties including multi-skilling and work which is incidental or peripheral to their main tasks or functions within the scope of their skills and competencies.

12.2 Employee's shall perform such work as is reasonable and lawfully required of them by the Company including accepting instruction from authorised personnel.

12.3 Employee's shall take all reasonable steps to ensure the quality, accuracy and completion of any job or task assigned to the Employee.

13 TERMS OF ENGAGEMENT

13.1 Except as to casual Employees, employment shall be on a weekly basis.

13.2 New Employees for the first three months of service shall be from day to day at the weekly rate, terminable at a days notice on either side: provided that the Company shall indicate in writing, to an Employee, at the time of engagement whether he/she is be engaged as a casual worker or on a weekly basis.

13.3 Notice of termination of employment or payment in lieu at the election of the Company will be in accordance with the following table:

<u>Period of Continuous Service</u>	<u>Period of Notice</u>
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

An additional 1 weeks notice shall apply to Employees over 45 years of age, who have not less than 2 years continuous service at the time of giving the notice.

- 13.4 Notwithstanding any provisions of the foregoing subclauses, the Company shall have the right to dismiss an Employee without notice for serious misconduct. This action may be justified in cases such as, but not limited to, serious neglect of duty, extreme inefficiency or incompetence, gross insubordination, threatening behaviour, damage to Company or other property, dishonesty, theft, drunkenness, use of illegal drugs, serious misbehaviour, fighting, serious and wilful disobedience and serious safety breaches.
- 13.5 Each Employee on the termination of his/her employment shall on request, be given a statement in writing stating the position held by the Employee and the length of service.
- 13.6 The Company may terminate the employment of a new Employee who is not able to work in all areas of the warehouse as determined during the first three months of employment.
- 13.7 Casual Employees with more than 12 months satisfactory continuous service will be offered permanent employment. This subclause will not apply to agency staff.

14 CLASSIFICATIONS

- 14.1 All Employees covered by this Agreement shall be classified as follows:-
- 14.1.1 Warehouse Assistant Level 1- New Employee or a full time Employee who has not completed the TAFE course; or
- 14.1.2 Warehouse Assistant Level 2a- Full time Employee who has completed the TAFE course; or

14.1.3 Warehouse Assistant 2b- Full time Employee who has completed the TAFE course and drives a forklift for the majority of their time; or

14.1.4 Warehouse Assistant Level 3- Team Leaders.

14.2 Warehouse Assistant Level 1

For the purposes of this Agreement, a Warehouse Assistant Level 1 shall mean an Employee who performs work to the level of his/her training. Knowledge and skills are applied to a limited range of tasks and roles. Limited choice and judgement is required within established routine and the following procedures:

- Is responsible for the quality of their own work (subject to instruction and direction).
- Works in a team environment under constant supervision;
- Undertakes duties in a safe and responsible manner;
- Exercises discretion within their level of skills and training;
- Possesses good numeracy, literacy and communication skills.
- Indicative of the tasks which an Employee at this level may be required to perform include the following:
 - Housekeeping
 - Order assembling including picking stock
 - Loading / unloading
 - Receiving, checking, dispatching and sorting of products
 - Satisfying internal and external customer needs.
 - Operation of keyboard to carry out stores work.
 - Documenting and recording of goods, materials and components.
 - Basis inventory control
 - Use of hand trolleys and pallet trucks

14.3 Warehouse Assistant Level 2a

For the purposes of this Agreement, a Warehouse Level 2a shall mean an Employee whose work undertaken is consistent with team goals and whose skills and knowledge are applied to a range of tasks where there are clearly defined roles, as per work procedures, and choices of action.

This Employee in addition to performing the duties of a Warehouse Assistant, needs to meet and consistently achieve certain criteria as listed below and has satisfactorily completed the NSW TAFE course:

- Is able to work from complex instructions and procedures.
- Is able to co-ordinate work in a team environment under limited supervision.
- Is responsible for assuring the quality of their own work.
- Possesses thorough numeracy, literacy and communication skills.
- May be required to perform the following task/duties; inventory and stores control, VDU operation using intermediate keyboard skills to carry out stores work.
- Possess a sound working knowledge of all duties performed by Warehouse Assistants, exercises discretion commensurate with addition duties, and have a good knowledge of the Company's products.
- Will be responsible for the accuracy and quality of export orders.
- Will ensure customer warehouse orders are picked and dispatched within set time frames accurately and as per customer requirements.
- Participate in daily cyclical inventory stock count.

14.4 Warehouse Assistant Level 2b

For the purposes of this Agreement, a Warehouse Assistant Level 2b is the same as 2a, except spends the majority of their time driving a forklift.

14.5 Warehouse Assistant Level 3

For the purposes of this Agreement, a Warehouse Assistant level 3 has all of the skills of 1, 2a & 2b and is a Team Leader.

14.6 The classification structure requires Employees to perform a wide range of duties, including work which is incidental to or peripheral to their main function.

14.7 The Parties will not create barriers to the advancement of Employees within the classification structure or through access to training where it is consistent with the needs of the Company.

15 JUNIOR EMPLOYEES – WAGES

15.1 The rates of pay to be paid to juniors shall be in accordance with the Award.

16 WAGES

- 16.1 The wage rates contained in this clause are total weekly rates of pay (except where otherwise specified) inclusive of the basic wage for adults and are effective on the first full pay period after 1 July 2006.

Warehouse assistant- level 1	\$580.60/week	\$15.279/hr
Warehouse assistant- level 2a	\$639.31/week	\$16.824/hr
Warehouse assistant- level 2b	\$663.10/week	\$17.450/hr
Warehouse assistant level 3	\$699.09/week	\$18.397/hr

- 16.2 Wage rates will change on the first full pay period after 1 January 2007 to the following;

Warehouse assistant- level 1	\$592.23/week	\$15.585/hr
Warehouse assistant- level 2a	\$652.08/week	\$17.160/hr
Warehouse assistant- level 2b	\$676.36/week	\$17.799/hr
Warehouse assistant level 3	\$713.07/week	\$18.765/hr

- 16.3 Wage rates will change on the first full pay period after 1 July 2007 to the following;

Warehouse assistant- level 1	\$604.09/week	\$15.897/hr
Warehouse assistant- level 2a	\$665.11/week	\$17.503/hr
Warehouse assistant- level 2b	\$689.89/week	\$18.155/hr
Warehouse assistant level 3	\$727.32/week	\$19.140/hr

- 16.4 Wage rates will change on the first full pay period after 1 January 2008 to the following;

Warehouse assistant- level 1	\$616.17/week	\$16.215/hr
Warehouse assistant- level 2a	\$678.41/week	\$17.853/hr
Warehouse assistant- level 2b	\$703.68/week	\$18.518/hr
Warehouse assistant level 3	\$741.87/week	\$19.523/hr

- 16.5 **Casual Employees** will be paid at the level 1 site rate plus the appropriate loading.

17 PAYMENT OF WAGES

- 17.1 The pay week in all departments will be from Tuesday of week one (1) to Monday of week two (2).

- 17.2 Wages of weekly, casual and part time Employees will be paid not later than Thursday of week two (as prescribed above), unless circumstances arise beyond the control of the Company, e.g. computer breakdown. If this situation does arise the Company will make funds available no later than the normal pay day to Employees via a temporary arrangement.
- 17.3 Payment of wages will be made by means of electronic funds transfer into any of the financial institutions that accept EFT, nominated by the Employee, in the account name of the Employee.

18 HOURS

- 18.1 The ordinary working hours, exclusive of meal times, shall be 38 hours per week, Monday to Friday, worked as follows:
- 18.1.1 The hours to be worked will be between the span of hours 6.00am to 6.00 pm.
- 18.1.2 Once having been fixed the time of commencing and finishing work shall not be altered without at least 7 days notice to the Employee concerned or by mutual agreement between the Company and the Employee.
- 18.2 Different methods of implementation of a 38 hour week may apply to various groups or sections of Employees in the Warehouse.
- 18.3 All work done before the starting time and/or after the finishing time fixed in accordance with Award clause 16(i) Hours Monday – Friday, inclusive shall be recognised as overtime and by agreement with the Employees, shall be paid for at the rate of time and one half for the first two hours, and double thereafter.
- 18.4 All the time worked on a Saturday will be paid for at the rate of time and one half for the first two hours and double time thereafter.

19 MEAL HOURS

- 19.1 Where overtime is necessary for more than 2 hours after the usual finishing time, a break of 20 minutes will be taken. Where such overtime does not exceed 2 hours, there shall not be any break provided that any Company representative and his/her Employees may mutually agree to any variation of this subclause to meet the circumstances of the work in hand.
- 19.2 Where the Agreement does not provide for working during recognised meal breaks, the Employees called upon to work during meal hours shall

be allowed an unbroken period of time off equivalent to the usual meal break, either immediately before or after.

20 HOLIDAYS

- 20.1 The paid holiday (in lieu of Picnic Day) shall apply in each calendar year to an Employee on weekly hire. Such holiday will be taken in accordance with a holiday roster published by the Company.
- 20.2 Where an Employee is absent from his/her employment on the working day before or the working day after a Public Holiday without reasonable excuse or without the consent of the Company the Employee shall not be entitled to payment of such holiday. Reasonable excuse shall be satisfied by a certificate from a duly qualified medical practitioner or a statutory declaration. An Employee shall notify the Company of such an absence prior to normal starting time wherever possible.
- 20.3 Annual leave must be taken in the year that it falls due or by mutual agreement.
- 20.4 Annual leave to be taken by arrangement with the Employee giving four (4) weeks notice of intention to take leave.

21 SICK LEAVE

- 21.1 An Employee for the time being worked under the agreement who is unable to attend for duty during his/her ordinary working hours by reason of personal illness or incapacity (including incapacity resulting from injury under relevant workers' compensation legislation) not due to his/her own serious and wilful misconduct, shall be entitled to be paid at ordinary time rates of pay for the time of such non attendance. Provided that the Employee shall not be entitled to paid leave of absence for any period in respect of which the Employee is entitled to worker's compensation.
- 21.2 An Employee shall within one (1) hours of the commencement of such absence or within such time as is practicable for the Employee to inform the Company of his/her inability to attend for duty and, as far as possible, state the nature of the injury or illness and the estimated duration of incapacity.
- 21.3 The Employee shall prove to the satisfaction of the Company (or in the event of a dispute, the Commission) that he/she is or was unable, on account of such illness, to attend for duty on the day or days for which payment under this clause is claimed.

- 21.4 Except as herein provided, he/she shall not be entitled in the first year of employment to leave in excess of five (5) days and ten (10) days in the second and subsequent years of employment. Sick pay entitlement for part day absences shall be calculated on a proportionate basis by multiplying the duration of sick leave absence by the average daily pay for ordinary hours and dividing the sum by the ordinary hours normally worked that day.
- 21.5 The rights under this clause shall accumulate from year to year, so that any part of the sick leave which has not been allowed in any year may, subject to the conditions prescribed by this clause, be claimed by the Employee and shall be allowed by the Company in any subsequent year of employment. Any rights which accumulate pursuant to this subclause shall be available to the Employee for a period of twelve (12) years in addition to the current year but no longer, from the end of the year in which they are accrued.
- 21.6 The payment for any absence on sick leave in accordance with this clause during the first three (3) months of employment of any Employee may be withheld by the Company until the Employee completes such three (3) months of employment at which time the payment shall be made.
- 21.7 For the purpose of this clause, continuous service shall be deemed not to have been broken by any absence from work on leave granted by the Company. Provided that any time so lost shall not be taken into account in computing the qualifying period of three (3) months.
- 21.8 Single day absences - in the case of an Employee who claims to be allowed paid sick leave, in accordance with this clause, for an absence of one (1) day only, such Employee if in the year he/she has already been allowed paid sick leave on three (3) occasions for one day only, shall not be entitled to payment for the day claimed unless he/she produces to the Company a certificate of a duly qualified medical practitioner that in the practitioner's opinion the Employee was unable to attend for duty on account of personal illness or on account of injury by accident.

22 SERVICE LEVEL PAYMENTS

- 22.1 Service payments will remain frozen at their current levels for the life of this Agreement.

23 SUPERANNUATION

- 23.1 All Superannuation contributions will be paid into the Superannuation Trust of Australia (STA) Superannuation Fund, the Cork International Superannuation Fund or the LUCRF industry fund, as nominated by the Employee.
- 23.2 The parties agree that the Company will pay all Superannuation amounts into the Superannuation Trust of Australia Fund (STA), the Cork International Superannuation Fund or the LUCRF industry fund.

24 UNIFORMS

- 24.1 The Company will provide the Employees of the Warehouse with 2 polo shirts with logo and 1 sweat shirt with logo.
- 24.2 Items of clothing will only be replaced on a new for old basis.
- 24.3 Laundering will be the responsibility of the Employee and all Employees are expected to keep uniforms clean and tidy. Employees must wear uniforms provided.

25 REDUNDANCY

- 25.1 A redundancy occurs when the Company makes a definite decision that it no longer wishes an Employee's job or position to be performed by anyone.
- 25.2 The Parties to this Agreement accept that any redundancies that occur will be based on the operational requirements of the Company.
- 25.3 Permanent Employees with 12 months' or more continuous permanent service whose positions are made redundant are entitled to the following redundancy benefits:
- 25.3.1 notice of termination of employment will be in accordance with clause 13.3; and
- 25.3.2 3 weeks' severance pay for each completed year of service to a maximum of 48 weeks entitlement.
- 25.3.3 For the purpose of this subclause, "weeks' pay" means the ordinary rate of pay for the Employee concerned and does not include overtime or shift penalties.
- 25.4 Redundancy entitlements do not apply to casual Employees, contractors and permanent Employees with less than 12 months' continuous permanent employment service with the Company.

- 25.5 Redundancy entitlements will not apply in the event that the Company offers the Employee concerned adequate alternative employment.
- 25.6 Redundancy entitlements will not apply in the event that there is a transmission of business and the new employer offers the Employee concerned adequate alternative employment.

26 UNION RECOGNITION

- 26.1 The Company will continue to support union membership for Employees by facilitating free and open communication between delegates and union officials.

27 UNION DELEGATE TRAINING

- 27.1 The Company agrees delegates and co-delegates will not lose on ordinary time earnings and allowances to attend official union meetings and training so long as it is by mutual agreement. The company will not unreasonably refuse attendance to the above.

28 RENEWAL OF AGREEMENT

- 28.1 Discussions will take place no later than two (2) months prior to the expiry of this Agreement to discuss the nature of changes, if any, for any future agreement.

Signed on behalf of McPherson's Consumer Products:



Malcolm Dagg
Commercial Director

24-2-06
Date

Signed on behalf of The National Union of Workers, NSW Branch:



D. Belan
State Secretary

27-02-06
Date