

## Memorandum

To: All employees proposed to be covered by the **Ananda Aust Pty Limited Thomas Foods International Tamworth Enterprise Agreement 2015**  
From: Ken Qin & Jack Lu  
Re: **Ananda Aust Pty Limited Thomas Foods International Tamworth Enterprise Agreement 2015**  
Date: 19 September, 2015

Please find attached a copy of the proposed *Ananda Aust Pty Limited Thomas Foods International Tamworth Enterprise Agreement 2015* ("**Agreement**")

Ananda Aust Pty Limited ("**the Company**") is required to take all reasonable steps to provide you with both the Agreement and the reference documents for your consideration. The reference documents are:

- National Employment Standards as contained in the *Fair Work Act 2009* ("**FW Act**") – which are referred to in clause 10 (Resolving Workplace Disputes), clause 21 (Community Service Leave), clause 22 (Personal/Carer's Leave), clause 23 (Parental Leave), and clause 26 (Public Holidays) of the Agreement;
- Fair Work Regulations – Schedule 2.3 Model Consultation term referred to in clause 8 of the Agreement and Schedule 2.2. Model Flexibility term referred to in clause 33 of the Agreement and
- *Super – What you need to know (Introduction for Individuals)*(published by the Australian Tax Office); and

Due to the size of these documents, copies will be available in the canteen/lunch room for your perusal from 19 September, 2015 or copies can be made available to you upon request.

The Agreement has been made in accordance with the FW Act. Under the FW Act, the Company is required to explain *the terms of the Agreement and the effect of those terms* to employees covered by the Agreement, I have for your information and consideration attached to this Memorandum a table detailing the clauses in the Agreement and an explanation of the effects of that particular clause.

### **VOTING PROCESS: Attendance Ballot**

Voting for the Agreement will be done by an attendance ballot conducted at meetings of employees at the Thomas Foods International Tamworth site on Friday, 9 October, 2015 between the hours of 12.30pm and 5.00pm for day shift & afternoon shift.

If you are on scheduled leave (or not rostered to work on Friday, 9 October, 2015) and not able to attend the meeting to cast your vote, a ballot paper and reply paid envelope will be posted to you on 1 October, 2015 so that you can cast your vote by return mail to ensure that your vote is cast by 9 October, 2015. Alternatively, you can place your ballot in the ballot box located at the weighbridge office from 1 October, 2015.

The attendance ballot (and if necessary, any postal ballots) will be counted on 9 October, 2015 and you will be advised of the result.

If a majority of employees (50% +1) vote in favour of the Agreement, then the Agreement is approved by the employees.

Should the Agreement be approved, then it will be lodged with the Fair Work Commission ("**FWC**"). The Agreement will be assessed by FWC as to whether it passes the Better Off Overall Test ("**BOOT**") against the Award. If FWC assesses that the Agreement passes the BOOT, and if it is satisfied that all other obligations in relation to the making of the Agreement have been met, then the Agreement will commence operation seven (7) days after the date that it is approved by FWC.

If you have any queries about the Agreement or the approval process by employees to be undertaken, please contact:

- your bargaining representative; or
- Ken Qin/Jack Lu

Ken Qin  
Managing Director

**Ananda Aust Pty Limited Thomas Foods International Tamworth Enterprise Agreement 2015**

The **Ananda Aust Pty Limited Thomas Foods International Tamworth Enterprise Agreement 2015** (“**Agreement**”) is proposed to cover persons employed by *Ananda Aust Pty Ltd* (“**the Company**”) who are engaged as meat processing employees at Thomas Foods International Tamworth and who perform one or more of the following activities of killing, dressing, boning, slicing preparation and the treatment of skins, hides and associated functions covered by the Meat Industry Award 2010.

**SUMMARY OF THE ANANDA AUST PTY LIMITED THOMAS FOODS INTERNATIONAL TAMWORTH ENTERPRISE AGREEMENT 2015**

<b>Clause Number and Title</b>	<b>Clause Explanation</b>
Clause 1 – Definitions which apply in this Agreement	Sets out the definitions in the Agreement and explains the meaning of particular provisions.
Clause 2 – Objectives and Aims	Sets out commitments by the Company and the employees to have an understanding of mutual respect and co-operation; that all products processed will be in accordance with Government requirements and that work practices shall be reviewed to improve the Company’s efficiency.
Clause 3 – Application of the Agreement	Sets out that the Agreement shall apply to the Company and employees who are employed to undertake food process work and associated tasks. Managers and Supervisors are not covered by the Agreement but Leading Hands are covered by the Agreement. There is to be no industrial action during the term of the Agreement and the Company and employees undertake not to make any extra claims until the agreement reaches its nominal expiry date.
Clause 4 – Commencement and duration.	The Agreement shall commence operation seven (7) days after the date of the approval of the Agreement by the Fair Work Commission (“ <b>FWC</b> ”) and has a nominal expiry date of 23 May 2019. The Agreement shall continue to operate until it is varied, replaced or terminated in accordance with the Act.
Clause 5 – Effect of Agreement on your employment.	Sets out that the Agreement contains all the terms and conditions applicable to your employment and excludes the <i>Meat Industry Award 2010</i> .
Clause 6 – Basic Responsibilities of Employees.	Sets out employee responsibilities including working to skill and competence, complying with policies and practices, complying with hygiene standards, health and safety, zero tolerance to drug and alcohol, random drug and alcohol testing and confidentiality of Company information.
Clause 7 – Employee Classification, Work Allocation, Probationary/Qualifying Period	Sets out that employees will be classified in accordance with Sch 1 and clause 12 of the Agreement. Sch 1 sets out the different tasks that can be undertaken in different parts of the site. Allocation of tasks is based on operational requirements and the payment for work done shall be applied against the relevant classification. There is a six (6) month probationary period for new employees and one week’s notice or payment in lieu shall apply on termination of employment.
Clause 8 – Team Consultation	Sets out consultation processes and refers to the model consultation term in the <i>Fair Work Regulations 2009</i> as a term of the Agreement which is a standard clause obliging the Company to consult with employees about major workplace change such as changes to production, program, organisation or

Clause Number and Title	Clause Explanation
	structure of the workplace and/or changes to regular rosters or ordinary hours of work which will have a significant effect (e.g. termination, changes to hours of work, change to the size or composition of the workforce, relocation of employees, restructuring of jobs etc).
Clause 9 – Joint Consultative and WHS (Work, Health Safety) Committees	The Company will establish and maintain processes for consultation including reviewing ways to improve WHS, Company operational issues, procedures and policies.
Clause 10 – Resolving Workplace Disputes	Dispute settlement clause setting out the process to resolve workplace issues, disputes or disagreements. If a dispute cannot be resolved at site level it may be referred to the FWC for conciliation and if necessary determination by it. Work is continue as normal when the dispute settlement clause is being applied (unless there is an imminent risk to health and safety). Employees can also access the Consultative Committee if they wish. No industrial action is to occur whilst the process is being followed and any time lost at employee meetings shall be made up by the employees.
Clause 11 – Our Mutual Obligations to Training	Training shall generally be by way of undertaking a traineeship for Certificate II in Meat Processing. The Company will meet the cost of training required by it and employees may agree to undertake some training in their own time. Employees may also be required to assist other team members with skills development etc.
Clause 12 – Categories of Employment, Allowances	Sets out the definitions of casual, full time permanent and part time permanent employees. Casual employees are paid a casual loading of 25% based on the relevant production rate. Full time permanent employees are engaged on a weekly basis and work an average of 40 hours per week for which two hours wages are calculated at time and a half. Part time employees work on average less than 40 hours per week. Entry level employees are defined as a person with no meat industry experience. The clause also sets out junior rates. First aid allowance is provided for and leading hand functions will be remunerated according to the level of responsibility required.
Clause 13 – Mutual Flexibility towards Hours of Work	Sets out flexible working arrangements with four (4) rosters of: <ul style="list-style-type: none"> <li>• Production Day Work of eight hours per day between 4am and 8pm Monday to Friday. Employees may be required to work an extra hour per day paid at time and half. Employees may also volunteer to work a Saturday as an extra production day paid at time and a half for the first six (6) hours and double time thereafter. Work performed outside the spread of hours is overtime unless it is continuous with ordinary hours for getting the plant ready for production work.</li> <li>• Production Six or Seven Day Work of eight hours per day, between 4am and 8pm five days per week Monday to Sunday. Employees will be rostered to work either five (5) production days</li> </ul>

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	<p>with two (2) rest days over the seven (7) day period or four (4) production days with a rostered day off and two rest days. Employees may be required to work an extra hour for eight (8) hour shifts and an extra .5 hour for 10 hour shifts paid at time and half. Employees may volunteer to work an extra production day in peak production periods which is paid at time and a half for the first six (6) hours and double time thereafter. Any work performed outside of the spread of hours will be overtime unless the employee voluntarily requests to work their rostered day off which will be paid at time and one third or if the work is continuous with ordinary hours for getting the plant ready for production.</p> <ul style="list-style-type: none"> <li>• Production Afternoon Shift of eight hours per day between 2pm and 2am Monday to Friday. Any shift finishing after 2am shall be regarded as a night shift. Shift penalties apply to Production Afternoon shift of 15% for shifts at or before 2am and 25% for shifts finishing after 2am. Employees may be required to work an extra hour per shift which will be paid at time and half. Employees may volunteer to work an extra production day in peak production periods which is paid at time and a half for the first six (6) hours and double time thereafter.</li> <li>• Production 10 Hour Days over four (4) days between the hours of 4am and 8pm Monday to Friday. Employees may be required to work an extra hour per shift which will be paid at time and half. Employees may volunteer to work an extra production day in peak production periods which is paid at time and a half for the first six (6) hours and double time thereafter.</li> </ul>
Clause 14 - Production Shifts	<p>To increase production targets with single shift rosters, working arrangements may include (but are not limited to):</p> <ul style="list-style-type: none"> <li>• 10 hour shift rosters</li> <li>• 5 day, 6 day or 7 day options.</li> </ul> <p>Such rosters shall be determined by the Company based on stock availability and retaining employees for future double shift requirements.</p>
Clause 15 – Meal Breaks	<p>Meal breaks are between 30 minutes and up to one (1) hour after five (5) hours work on a day/shift. Break times and duration can be changed by agreement and unpaid rest breaks are at the discretion of the Company taking into account operational requirements.</p>
Clause 16 – Superannuation	<p>Will be paid at the rates contained in Federal Superannuation legislation and may be paid into any approved fund with EFT nominated by the employee. If an employee does not nominate a Fund it will be paid into AMIST. Employees may make voluntary contributions after six (6) months service and may elect to ‘salary sacrifice’ part of their wages into super. This means that the super contribution is paid before tax and therefore reduces the amount of tax paid on wages.</p>
Clause 17 – Stand Down of Employee, Waiting Time	<p>This clause allows the Company to stand down</p>

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and Shortage of Stock.	<p>(without pay) employees because of:</p> <ul style="list-style-type: none"> <li>Any strike in the meat industry</li> <li>Any stoppage in the meat industry for which the Company cannot be held responsible</li> <li>Any strike (other than in the meat industry) – e.g. truck driver’s strike</li> <li>Breakdown of machinery for which the Company cannot be held responsible</li> <li>Disruption to essential services (e.g. electricity or water) and disruption to production arising from an inspection by the Department of Agriculture, Fisheries and Forestry (“<b>DAFF</b>”). The company will apply a criteria for selection of employees which will include length of service, skills and capacity and disciplinary record. Casuals will be stood down before permanent employees unless the casuals are performing tasks which cannot be done by permanent employees. The employee has the right to object to a decision to stand down through the disputes procedure in the Agreement.</li> </ul> <p><b>Waiting time</b> which may arise as a result of a machinery breakdown may be applied and treated as unpaid time for the first 15 minutes. The Company shall recommence payment after the first 15 minutes until employees are advised that due to the breakdown, no further work is possible.</p> <p><b>Shortage of stock.</b> Employees can be stood down by the Company if there is a shortage of stock or if stock is unaffordable.</p>
Clause 18 – Remuneration	<p>This clause sets out that employees will be paid according to the level of task set out in Schedule 1 and 2 and clauses 12 and 13 of the Agreement. An employee’s Supervisor will allocate the tasks and unless directed by the Supervisor, employees are to commence at the task which was performed the previous day. Wage increases are as set out in Schedule 2 unless the Fair Work Commission increases the pay rate listed above the rate in Schedule 2. In this case, the increased rate will apply and will be calculated against the offset components in the rates of pay in the Agreement. This means that you cannot be paid an ordinary hourly rate less than the Award. This rule does not apply to shift rates or overtime etc.</p>
Clause 19 – Payment of Wages	<p>This clause sets out that you will be paid weekly by electronic funds transfer (EFT) in arrears and that the pay cycle is Monday to Sunday each week.</p>
Clause 20 – Annual Leave	<p>Permanent employees are entitled to 20 paid days (160 hours) annual leave which is calculated on a pro-rata basis for part time employees. Casual employees are not entitled to annual leave. Annual leave loading will be paid at the rate of 17.5% on the employee’s classification rate. Employees may (once a year) apply to cash out any annual leave accrual which is more than four (4) weeks. The company can direct employees to take annual leave if Thomas Foods International shut down the plant or part of the plan and employees may be directed to take a portion of leave when there is up to two years accrual of leave in accordance with the National</p>

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	Employment Standards (“NES”).
Clause 21 – Community Service Leave	This clause provides for unpaid community service leave and paid jury service leave in accordance with the NES. Volunteer Community Service includes fire fighting, ambulance, civil defence or rescue service. Jury service paid leave is limited to permanent employees for up to the first 10 days.
Clause 22 – Personal/Carer’s (Sick and Carer’s)	<p>A permanent employee who is unable to attend work because of a personal injury or illness (sick leave), or because he or she is required to provide care and support to a member of the employee’s immediate family or a member of the employee’s household because of personal illness or injury or an unexpected emergency (carer’s leave) is entitled to ten (10) days paid personal leave each year which will accrue progressively. A part-time employee will receive personal leave entitlements on a pro rata basis.</p> <p>Unused leave will be paid out on resignation but not on termination by the Company.</p> <p>Employees are required to provide a medical certificate or statutory declaration for single day absence/s if the employee has a history of excessive absenteeism, or if the Employee has no accrual of Personal/Carers leave. A medical certificate must be provided for Personal/Carers leave on the day before or after a Public Holiday</p> <p>An employee who has used all of their accrued personal leave is entitled to up to two (2) days unpaid carer’s leave for each occasion.</p> <p>An employee is entitled to two (2) days compassionate leave per occasion when a member of his or her immediate family or household contracts or develops an illness that poses a serious threat to life; sustains an injury that poses a serious threat to life; or dies. This leave is not cumulative.</p>
Clause 23– Parental Leave	This clause refers to the NES provisions for Parental Leave and briefly summarises the entitlement. For further information, please read the NES which has been posted on notice boards and a hard copy is available upon request.
Clause 24 – Shut Down	Provides that for periods of shut-downs employees may be instructed not to attend for work and not be paid or may be required to access annual leave accruals.
Clause 25 – Compassionate leave	<p>Standard clause from the NES. Compassionate leave can be accessed for up to two (2) days on each occasion when a member of the employee’s immediate family or a member of employee’s household:</p> <ul style="list-style-type: none"> <li>• contracts or develops a personal illness that is a serious threat to their life; or</li> <li>• sustains a personal injury that is a serious threat to their life; or</li> <li>• dies.</li> </ul> <p>The employee is required to provide evidence of the</p>

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	illness, injury or death. Compassionate leave is paid at the base rate and not at shift/weekend rates. Casual employees are entitled to unpaid leave. The clause contains a definition of "immediate family".
Clause 26 – Public Holidays	<p>Provides that:</p> <ul style="list-style-type: none"> <li>• Employees (other than casuals) are entitled to Public Holidays in accordance with the NES.</li> <li>• Employees are entitled to paid Public Holidays and if not required to work on that day – shall be paid the wages for the classification in which they were employed on the working day before the Public Holiday (base rate).</li> <li>• The site may operate on Labour Day and Queens Birthday and if required to work, employees shall be paid double time and a half. Employees may only refuse to work on those two days if reasonable grounds exist.</li> <li>• The employer can transfer a Public Holiday from that day to another day as a substitute day but will not unreasonably transfer the Public Holiday unless it is agreed to by the employees.</li> </ul>
Clause 27 – Long Service Leave	In accordance with the NSW LSL Act 1955
Clause 28 – Suspension	Employees may be suspended for up to ten (10) days without pay for any disciplinary reason of performance or conduct not consistent with the Company's expectations or requirements.
Clause 29 – Termination of Employment (Notice)	This clause sets out the notice of termination required to be given by the Company to a permanent employee and amount of notice required by a permanent employee. The notice period for termination by the Company do not apply in cases where the employee has engaged in conduct which justifies instant dismissal (i.e. serious misconduct). If an employee fails to provide the correct amount of notice of termination or fails to work out their notice period, the Company may deduct any un-worked notice from the employee's termination pay.
Clause 31– Return of Company Property and Outstanding Monies	Employees must return all company property on termination of employment. Where an employee does not return company property, the Company may deduct the value of such equipment from the employee's termination pay that is lawfully allowable.
Clause 32 – Redundancy	This clause provides for redundancy pay to permanent employees (excluding casuals) if the job the Company is not required to be done by anyone. Employees will not be entitled to redundancy pay if an employee is offered alternative employment with the same or similar terms.
Clause 33 – Workplace Flexibility	This clause provides for the Company and Employee to enter into a flexibility agreement to change the terms of the Agreement if special circumstances arise and in accordance with the Act. A copy of the model term in the Act is attached to this memo or available upon request.
Clause 34 – Attendance Bonus	Full time employees shall be entitled to an attendance bonus of \$12.50 per week who has not been absent on personal/carers leave during a Company budget month. Paid annual leave, long service leave and approved unpaid leave are excluded from this entitlement. Employees may

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	have this entitlement withdrawn if it is found that the attendance bonus system has been abused for the remainder of the calendar year at the discretion of the Company.
Signature Pages	These pages contain the signature of the Company Representatives and the Employee Representatives following approval of the Agreement.
Appendix 1 – Undertakings about Clause 17.4 (Waiting time)	This undertaking forms part of the Agreement and provides that waiting time will be applied if the same piece of equipment breaks down twice or more in one day or two consecutive days. The second or further occurrences will not count as lost time and be paid. The Company will also be flexible with breaks.
Schedule 1 – Classifications	This Schedule sets out the classifications applying in each part of the site (e.g. the Lamb Boning Room, Lamb Slaughter Floor, Skin Shed, Rendering/By Products etc/Cold Store/Load-out, Stock Yards, and Lamb Offal.
Schedule 2 – Pay Rates	This Schedule sets out the pay rates applicable to each classification and contains increases on an annual basis. The schedule also sets out rates for day shift, afternoon shift and night shift.