



DECISION

Fair Work Act 2009
s.185—Enterprise agreement

Gunnedah Leather Processors Pty Ltd T/A Gunnedah Leather Processors Pty Ltd
(AG2022/2120)

GUNNEDAH LEATHER PROCESSORS PTY LTD (PRODUCTION) ENTERPRISE AGREEMENT 2022

Manufacturing and associated industries

COMMISSIONER LEE

MELBOURNE, 22 JULY 2022

*Application for approval of the Gunnedah Leather Processors Pty Ltd (Production)
Enterprise Agreement 2022*

[1] An application has been made for approval of an enterprise agreement known as the *Gunnedah Leather Processors Pty Ltd (Production) Enterprise Agreement 2022* (the Agreement). The application was made pursuant to s.185 of the *Fair Work Act 2009* (the Act). It has been made by Gunnedah Leather Processors Pty Ltd T/A Gunnedah Leather Processors Pty Ltd. The Agreement is a single enterprise agreement.

[2] The Employer has provided written undertakings. A copy of the undertakings is attached in Annexure A. I am satisfied that the undertakings will not cause financial detriment to any employee covered by the Agreement and that the undertakings will not result in substantial changes to the Agreement. The undertakings are taken to be a term of the agreement.

[3] Subject to the undertakings referred to above, I am satisfied that each of the requirements of ss.186, 187, 188 and 190 as are relevant to this application for approval have been met.

[4] Pursuant to s.202(4) of the Act, the model flexibility term prescribed by the *Fair Work Regulations 2009* is taken to be a term of the Agreement.

[5] The Australasian Meat Industry Employees Union being a bargaining representative for the Agreement, has given notice under s.183 of the Act that it wants the Agreement to cover it. In accordance with s.201(2) I note that the Agreement covers the organisation.

[6] I observe that the following provisions are likely to be inconsistent with the National Employment Standards (NES):

- Clause 17.5.3 – Abandonment of Employment.
- Clause 18.2.2 – Notice of termination by an employee.
- Clause 35.2 – Personal/Carer’s Leave.
- Clause 37.1 – Compassionate Leave.

However, noting clause 9 of the Agreement, I am satisfied the more beneficial entitlements of the NES will prevail where there is an inconsistency between the Agreement and the NES.

[7] The Agreement is approved and, in accordance with s.54 of the Act, will operate from 29 July 2022. The nominal expiry date of the Agreement is 29 July 2025.



COMMISSIONER

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Annexure A

IN THE FAIR WORK COMMISSION

FWC Matter No.:
AG2022/2120

Applicant:
Gunnedah Leather Processors Pty Ltd

Section 185 – Application for approval of a single enterprise agreement

Undertaking – Section 190

I, **Wellington Sardinha, General Manager** for **Gunnedah Leather Processors Pty Ltd** give the following undertakings with respect to the **Gunnedah Leather Processors Pty Ltd Enterprise Agreement (Production) 2022**, ("the Agreement"):

1. This Agreement will be read and interpreted in conjunction with the National Employment Standards (NES). Where there is inconsistency between this agreement and the NES, and the NES provides greater benefit, the NES provision will apply to the extent of the inconsistency.
2. For the purpose of defining a shiftworker, the clause 34.2 on page 37 of the agreement will include "as provided for in section 87(1)(b) of the Act".
3. Adult Wage Rates for grade 1 and grade 2 employees, in sub clause 22.1, on page 18 of the Agreement, will be amended to read as follows:

Grade	Weekly Rate	Weekly Rate	Weekly Rate
	(Average 38 Hours Week)	(Average 38 Hours Week)	(Average 38 Hours Week)
	1st Year (14 June 2022 – 13 June 2023)	2nd Year (14 June 2023 – 13 June 2024)	3rd Year (14 June 2024 – 13 June 2025)
1	\$813.55 (5.3%)	\$837.95 (3.0% or FWC)	\$863.09 (3.0% or FWC)
2	\$836.13 (5.2%)	\$861.21 (3.0% or FWC)	\$887.05 (3.0% or FWC)
3	\$904.94 (5.0%)	\$941.14 (4.0%)	\$978.79 (4.0%)
4	\$956.01 (5.0%)	\$994.26 (4.0%)	\$1034.03 (4.0%)

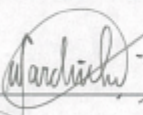
4. Rates of pay will be amended in clause 23.3.2 on page 20 of the agreement, to change the minimum payment of supported wage employees from \$75 per week to \$95 per week.
5. In terms of the rates of pay for trainee drum operators, clause 20.12.5 on page 17 of the agreement, will be amended to read "the training drum operator will initially be paid at 90% of the drum operator rate (or their current rate whichever is higher)."
6. With reference made to apprentices in relation to severance pay, clause 19.8.1, on page 16 of the Agreement, will be amended to remove the reference to apprentices.

7. In terms of the casual minimum engagement, clause 17.3.1 of the agreement, will be amended to provide a casual minimum engagement of 4 ordinary hours (or 3 ordinary hours by employee request).
8. To include part-time safeguards, in the Agreement under clause 17.2, on page 11 of the Agreement, to include a new sub clause 17.2.5 to read; "before commencing part-time employment, the employee and employer must agree in writing on; the hours to be worked by the employee, the days on which they will be worked and the starting and finishing times for the work; and the classification applying to the work to be performed."
9. To clarify payment of part-time employees' overtime, clause 17.2, on page 11 of the Agreement, will include a new sub clause 17.2.6 to read; " A part-time employee who is required by the employer to work in excess of the hours agreed under sub clause 17.2.5 must be paid overtime in accordance with clause 30 of the Agreement".
10. In terms of part-time minimum engagement, clause 17.2.2 on page 11 of the Agreement will be amended and the part-time minimum engagement of 3 hours will be changed to a minimum engagement of 4 hours (or 3 hours by employee request).
11. In terms of the span of hours, clause 28.3.2, on page 24 of the Agreement, will be amended to provide "a span from 6am to 6pm, which may be moved up to one hour forward or back provided that the length of the span remains at 12 hours".
12. In terms of public holiday payments, the following amendments to clause 40.3.1, 40.3.2 and 40.3, on page 32 of the Agreement, will be made;
 - 40.3.1 Employees, including casuals, who work on a public holiday, shall be paid the rate of double time and a half
 - 40.3.2 Friday or Christmas Day, shall be paid the rate of triple time. This clause does not apply to Drum Hands.
 - 40.3.3 To be removed from the agreement
13. In terms of providing a minimum engagement for Saturday overtime, clause 32, on page 26 of the Agreement, will include a new sub clause 32.4 to read; "The minimum period of engagement for Saturday overtime shall be four ordinary hours".
14. In terms of overtime for continuous shift workers, clause 31.11, on page 26 of the Agreement, will be amended to provide an overtime penalty of 200% for continuous shift workers.
15. In terms of other reductions contained in the Agreement, the following amendments will be made;
 - a. Clause 34.6.1, on page 24 of the Agreement, shall read "An employee will receive a loading of 17.5% calculated on the appropriate classification rate of pay. In the case of a shift worker the employee will be paid the greater of the shift allowance including relevant weekend penalty rates or the 17.5 % annual leave loading."
 - b. The following allowance, on page 22 of the Agreement, will be amended:
 - i. Clause 26.1 First Aid Allowance upon the commencement will be changed to \$18.72 per week. The 1st and 2nd Anniversary allowance amounts will remain unchanged.
 - ii. Clause 26.2 Meal Allowance will be changed to \$15.59.
 - iii. Clause 26.4 Leading Hand Allowance upon the commencement will be changed to \$61.50. The 1st and 2nd Anniversary allowance amounts will remain unchanged.
 - c. Clause 26, on page 22 of the Agreement, will include a new sub clause 26.7 to read; "An employee who reaches agreement with their employer to use their own

motor vehicle on the employer's business, must be paid \$0.91 per kilometre travelled."

- d. Clause 26, on page 22 of the Agreement, will include a new sub clause 26.8 to read; "Where an employee and their supervisor agree that work is of an unusually dirty or offensive nature, the employee must be paid 2.9% of the standard rate per hour extra."
- e. Clause 30 – Additional Hours, on page 25 of the Agreement, will include a new sub clause 30.4 to read; "An employee recalled to work overtime after leaving the enterprise, whether notified before or after leaving the enterprise, must be paid:
 - i. for a minimum of 4 hours at **150%** of the ordinary hourly rate for the first 3 hours and **200%** of the ordinary hourly rate thereafter; or
 - ii. if the employee is a continuous shiftworker, at **200%** of the ordinary hourly rate for the full period;provided that:
 - a) If the employee is recalled on more than one occasion between the termination of their ordinary hours on one day and the commencement of their ordinary hours on the next working day they are entitled to the 3 or 4 hour minimum overtime payment provided for in sub clause 30.4 of the Agreement for each call back. However, in such circumstances, it is only the time which is actually worked during the previous call or calls which is to be taken into account when determining the overtime rate for subsequent calls.
 - b) Except in the case of unforeseen circumstances arising, an employee must not be required to work the full 3 or 4 hours as the case may be if the job they were recalled to perform is completed within a shorter period.
 - c) Sub clause 30.4 of the Agreement does not apply in cases where it is customary for an employee to return to the enterprise to perform a specific job outside the employee's ordinary hours or where the overtime is continuous, subject to a meal break, with the commencement or completion of ordinary hours.

These undertakings are provided on the basis of issues raised by the Fair Work Commission in the application before the Fair Work Commission.



Signature

Wellington Sardinha
Name

19 July 2022
Date

Authority to sign: General Manager