

News Release

Friday 2nd October, 2009

Open Country to consult with staff

Open Country Cheese, the Waharoa-based dairy company facing industrial action, today issued consultation packs to its 15 staff employed in the milk powder plant in a move to restructure how the plant is staffed on a daily basis and over the year.

The move comes after the employment court ruled that Open Country Dairy, the parent company, was able to use staff from other sites during the industrial action.

Chairman of Open Country Dairy, Laurie Margrain, said that the company wanted to align the plant's operations with those of its other two sites in Wanganui and Awarua.

"The costs of producing a tonne of product at Waharoa are more than twice the costs of producing the same tonne of product at our other sites and that is simply unsustainable," Mr Margrain said.

A number of the staff employed in the powder plant are dairy workers union members who are currently suspended on full pay pending the results of investigations into suspected industrial sabotage during last month's strike.

Mr Margrain said that the union members represented only a minority of the total number of staff on the site.

The staff who are working at the site are determined to continue to process the nearly 2 million litres a day of milk coming into the factory.

Mr Margrain said the proposed restructure of the milk powder operation was a result of the company investing in new technology and automation systems to improve productivity at the site. He said that this investment had been advanced in light of the recent industrial action

The proposal will change the operation from a four-shift structure to a three-shift structure.

Mr Margrain said that since the industrial action began the plant has been operating on the proposed three-shift structure.

"It is the same as we operate at our other sites and it has now been demonstrated to work effectively at Waharoa," he said.

"Our preliminary view is that this could now be implemented at Waharoa on a permanent basis and so we entering into consultation with the staff."

Mr Margrain said he expected the consultation process to take about two weeks.

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