
Notice of Special General Meeting and Explanatory Memorandum to Members

**Baking Industry Association of Queensland
Union of Employers**

ABN 42 742 317 256

Notice of Special General Meeting and Explanatory Statement convened under Rule 24 of the Rules of the Association

This is an important document. Please read it carefully.

This Notice of Meeting should be read in its entirety. If Members are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

If you are unable to attend the Special General Meeting, please complete the form of proxy enclosed and return it in accordance with the instructions set out on that form.

*For any queries about the Meeting please don't hesitate to contact the General Manager on
+61 7 3899 6100*

IMPORTANT INFORMATION

Time and place of meeting

Notice is given that the Special General Meeting (SGM) of the Members to which this Notice of Meeting relates will be held at **2pm** (Brisbane time) on Friday **15 December 2017** at **Unit 5/54 Riverside Place, Morningside QLD 4170**.

Your vote is Important

The business of the Special General Meeting affects your membership with the Association and your vote is important.

Chair

The Chair of the SGM will be the President.

Voting

Pursuant to Rule 25(b), no business shall be transacted at any General Meeting unless a quorum of members is present at the time when the Meeting proceeds to business. For the purposes of this rule "member" includes a person attending as a proxy or representing a corporation which is a member.

Voting eligibility

The President, General Manager and State Management Committee have determined pursuant to the Rules of the Association and the *Industrial Relation Act 2016* (QLD) that the persons eligible to vote at the Meeting are those who are Members of the Association at **10 am (Brisbane time) on Thursday 14 December 2017**.

Voting in person

To vote in person, attend the SGM on the date and at the place set out above.

Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with the Rules of the Association, Members are advised that:

- each Member has a right to appoint a proxy;
- the instrument appointing a proxy shall be in writing, in the common or usual form, under the hand of the appointer or, if the appointer is a corporation, either under seal or under the hand of an officer duly authorised;
- the instrument appointing a proxy shall be deposited with the General Manager prior to the commencement of the SGM at which the person named in the instrument proposes to vote;
- a proxy may but need not be a Member of the Association. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a secret ballot; and

- any directed proxies which are not voted on will automatically default to the President, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

The Rules provide that an appointment of a proxy may specify the way the proxy is to vote on a particular Resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- if the proxy is the Chair of the Meeting at which the Resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed);
- if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).
- at the Meeting, a poll is duly demanded on the Resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the Meeting;
 - the proxy does not vote on the Resolution,

the Chair of the Meeting is taken, before voting on the Resolution closes, to have been appointed as the proxy for the purposes of voting on the Resolution at the Meeting.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on the Resolutions by marking either For, Against or Abstain on the voting form for each Resolution.

If the Chair of the Meeting is appointed or taken to be appointed as proxy, but the appointment does not direct the votes to be cast in a particular manner, then the Chair intends to exercise all available votes in favour of the Resolutions.

Defined terms

Capitalised terms in this Notice of Meeting and Explanatory Statement are defined either in the Definitions section in Schedule 1 to this Notice or where the relevant term is first used.

Industrial Registrar

A final copy of this Notice of Meeting and Explanatory Statement has been sent to the Queensland Industrial Relations Commission (**QIRC**) Industrial Registrar. Neither QIRC, nor any of their respective officers takes any responsibility for the contents of these Meeting Materials.

BAKING INDUSTRY ASSOCIATION OF QUEENSLAND UNION OF EMPLOYERS

NOTICE OF SPECIAL GENERAL MEETING PURSUANT TO RULE 24 OF THE RULES OF BAKING INDUSTRY ASSOCIATION OF QUEENSLAND UNION OF EMPLOYERS (RULES)

Notice is given that a General Meeting of Members of Baking Industry Association of Queensland - Union of employers ("Association") will be held at 2pm on 15 December 2017 Unit 5/54 Riverside Place, Morningside QLD 4170.

This Notice is given by the General Manager of the Association ("Convening Member") under Rule 24 of the Rules of the Association.

The purpose of the General Meeting is as follows:

Special Business

Resolution 1 – Winding up the Association (Dissolution Resolution)

To consider and if thought fit to pass the following Resolution as a special Resolution:

"That the Association be voluntarily wound up pursuant to the Rules of the Association."

Resolution 2 – Distribution of Assets (Dissolution Resolution)

To consider and if thought fit to pass the following Resolution as a special Resolution:

"to distribute the surplus assets of the Association in accordance with Rule 39 of the Rules, with the surplus assets being distributed to the Baking Industry Group Ltd ACN 146 723 319"

Resolution 3 – Resignation of the General Manager

To consider and if thought fit to pass the following Resolution as a special Resolution:

"That subject to and conditional upon the passing of all of the Dissolution Resolutions and in accordance with rule 16 of the Rules, and for all other purposes, Mr Brett Charles Noy will resign as General Manager of the Association on completion of the winding-up of the Association which will become effective as of the deregistration date."

Resolution 4 – Resignation of the President

To consider and if thought fit to pass the following Resolution as a special Resolution:

"That subject to and conditional upon the passing of all of the Dissolution Resolutions and in accordance with rule 16 of the Rules, and for all other purposes, Mr Brett

Charles Noy will resign as President of the Association on completion of the winding-up of the Association which will become effective as of the deregistration date.”

Resolution 5 – Deregistering the Association

To consider and if thought fit to pass the following Resolution as a special Resolution:

“That subject to, and conditional upon the passing of all the Dissolution Resolutions and the Association being wound up, the Association will inform the full bench of the Queensland Industrial Relations Commission as a matter of courtesy.”

EXPLANATORY STATEMENT

This Explanatory Memorandum is provided to the Members of the Baking Industry Association of Queensland, Union of Employers (Association) to explain the Resolutions to be put to Members at the Special General Meeting to be held on 15 December at 2pm (Brisbane time) at Unit 5/54 Riverside Place, Morningside QLD 4170.

This Explanatory Statement has been prepared by the Convening Member in relation to the business to be conducted at the Meeting and to provide information the Convening Member believe to be material to Members in deciding whether to pass the proposed Resolutions in the Notice of Meeting.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Special General Meeting which explains the background for the meeting.

The President, General Manager and the State Committee recommend Members read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in Schedule 1.

1. AUTHORITY TO CONVENE THE MEETING

Rule 24 of the Association's Rules provides that the General Manager shall convene a Special General Meeting when directed to do so by the State Management Committee.

The State Management Committee directed the General Manager to convene this Meeting.

The Convening Member who is also the President and General Manager of the Association accordingly calls for this SGM.

1.1 Reasons for Calling the Meeting

The Association has not delivered on performance due to the fact that the Association is no longer viable or operable due to the federal based awards system and the fact that all of our awards have become obsolete and as such we **cannot** operate for our members.

Since the advent of Fair Work Act 2009 there has been a dramatic change in the industry's industrial landscape.

Accordingly, the Convening Member is proposing that the Association with the approval of the President and the State Management Committee be wound up and de-registered pursuant to the Rules of the Association and the Industrial Relations Act 2016 (QLD).

The Convening Member and the State Committee also believe that the assets of the Association should be distributed pursuant to rule 39 of the Rules.

This meeting is being held so that we can commit to using the assets of BIAQ at a national level where we can continue to work with our members and support

the baking Industry. If BIAQ is wound up then the resources of BIAQ will be deployed to our associated entity the Baking industry Group and this will mean business as usual without the costs but at a national level where we **can** operate.

1.2 The Resolutions

Resolutions 1 to 4 relate to the dissolution of and the winding up of the Association.

These resolutions relate to Member approval of winding up the Association

Resolutions 1 to 4 are the Dissolution Resolutions. The Dissolution Resolutions are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Members at the SGM. If any of the Dissolution Resolutions are not approved at the SGM, none of the Dissolution Resolutions will and the wind-up of the Association will not be completed.

Resolution 5 relates to the **deregistration of the Association**. This resolution will only occur in the event that the Dissolution Resolutions are resolved. The QIRC have been informed of the proposed dissolution of the Association and the need for deregistration.

2. OVERVIEW OF THE DISSOLUTION OF THE ASSOCIATION

2.1 Overview of the resolutions

Resolutions 1 to 4 inclusive are the Dissolution Resolutions. They relate to the dissolution of the Association. The Dissolution Resolutions are interdependent, and as such all of the Dissolution Resolutions must be approved by Members to successfully complete the dissolution of the Association. Resolution 5 is related to informing the QIRC of the winding up of the Association and deregistration.

2.2 Existing activities of the Association

The Baking Industry Association of Queensland together with its associated entities (National Baking Industry Association, Baking Industry Group and Baking Industry Training Australia) is the representative and employer body for the baking industry. We have played a vital role in the development, promotion, education, training and protection for business owners within this industry.

We have, with our associated entities provided a communication portal to keep our members up-to-date and informed, we have helped minimise staffing and employment issues, provided education, created forums for you to expand your business networks and protect and develop your industry.

2.3 Reasons for resolutions

Due to changes in legislation and changes to jurisdiction (see below) the Association can no longer provide the service that we previously provided. The change to the Awards system has made the functions of the Association irrelevant and defunct from a Queensland operational perspective. We have decided to deploy our assets into a national associated entity that would comply with the federal system, being the Baking Industry Group.

2.4 Changes to the awards system

The Fair Work Act 2009 (Cth) (Act) is the primary piece of legislation governing Australia's workplaces. It is the foundation to all standards and regulations for employment, however, when the Act commenced, many specific awards relevant to the baking industry were over time deemed unnecessary and too costly to maintain.

From 1 July 2009, Fair Work Australia assumed many of the functions of the Australian Industrial Relation Commission (AIRC) and their state counterparts, specifically the QIRC.

The Queensland Government referred industrial relations coverage, (subject to some excluded industrial matters) of all employees and employers in the private sector that were previously covered by the repealed Queensland's industrial relations legislation (Industrial Relations Act 1999 (QLD)) to the Federal industrial relations jurisdiction (Commonwealth Fair Work Act 2009).

2.5 Changes to the Industrial Landscape

The Fair Work (State Referral and Consequential and Other Amendments) Act 2009 (Act) and the Fair Work Amendment (State Referrals and Other Measures) Act 2009 changed the Fair Work Act to allow states to refer matters to the Australian federal government to form a national workplace relations system. Before this, workplace laws were set and administered by most individual states. States kept their workplace relations powers over state and local government employees. As a result of these changes BIAQ is no longer able to fulfill its constitutional reason for existence because the QIRC no longer has any jurisdiction over its Members.

The Australian Industrial Relations Commission started updating and modernising awards system. It replaced 1560 state and federal awards with 122 modern awards. The process was completed by December 2009 with the commencement of the Act.

Industrial awards are rulings handed down by either the Fair Work Commission (or its predecessor) or by a state industrial relations commission which grants all wage earners in one industry or occupation the same minimum pay rates and conditions of employment such as leave entitlements, overtime and shift work, as well as other workplace related conditions. The national awards, with the National Employment Standards, provide a minimum safety net of terms and conditions of employment for all national system employees.

Federal awards in Australia have been stripped back in recent years in what they are allowed to contain in order to promote the Enterprise Bargaining Agreement system. Awards in Australia are part of the system of compulsory arbitration in industrial relations.

2.6 Baking Awards

The QIRC deemed that the awards listed below were obsolete on 13 July 2013:

- (i) Baking Industry Carters Award – Southern Division 2003;
- (ii) Baking and Pastrycooking (Retail Stores Award – Northern Division 2003;
- (iii) Baking and Pastrycooking (Retail Stores Award – Southern and Mackay Divisions 2002; and
- (iv) Baking, Processing, Distribution and Manufacturing Industry Award - Northern Division 2003.

The QIRC considered the above awards as obsolete due to the fact that keeping the awards active required the allocation of considerable resources from the registry which could not be maintained as it was uncertain whether there would be a need to retain the awards at all.

The decision of the Full Bench of the QIRC was that the above awards were deemed obsolete from 30 July 2013. In deciding that the awards were obsolete, the very rationale for the existence of the Association, due to the Rules was undermined and our objectives could not be pursued. The Association as part of a restructuring process in the baking industry has decided to deploy its assets into the Baking Industry Group (**BIG**) which will save on cost duplication and provide a more streamlined approach, meaning that BIG can address the work of BIAQ and represent Employers at a federal level.

2.7 Dissolution of Association

BIAQ was created to represent Members in the Queensland Industrial Relations Commission (QIRC), however since the introduction of the Fair Work (State Referral and Consequential and Other Amendments) Act 2009 (Act) and the Fair Work Amendment (State Referrals and Other Measures) Act 2009 (Acts) the transfer of Queensland State Government powers to make laws in relation to industrial relations to the Federal Government, this rationale has been made redundant. BIAQ is no longer able to fulfill its constitutional reason for existence because the QIRC no longer has any jurisdiction over its Members.

Pursuant to the Rules the name of the Association is the “Baking Industry Association of Queensland - Union of Employers” (refer to Rule 1) and represented employers in Queensland.

The State Management Committee are the elected officials of Queensland of BIAQ.

The Industrial Registrar was the Registrar appointed under the relevant Legislation, the Industrial Relations Act 2009 (QLD) which has been repealed and is no longer in force. The Registrar no longer has any jurisdiction over the Association.

“According to the Rules, BIAQ is also unable to have any Members because no employer in Queensland falls within the jurisdiction of the QIRC and has not done since 1 January 2011.

Accordingly, it is resolved to de-register the Baking Industry Association of

Queensland, Industrial Organisation of Employers from the Queensland Industrial Relations Commission.

The Association is conducting this Meeting as a means to winding up and deregistering the Association pursuant to the Rules and in accordance with the repealed Industrial Relations Act 2009, where section 878(f) which stated that a

lf,
“a majority of the organisation’s Members have agreed to its deregistration”

In the event that the Association decides to wind up, we will ensure that deregistration has taken effect by informing the QIRC of the dissolution as a matter of courtesy.

3. OFFICERS’ RECOMMEDATIONS

3.1 Resolution 1: Approval that the Association be voluntarily wound up pursuant to the Rules of the Association.”

(a) **General**

We are seeking Member approval for Resolution 1 referred to in the accompanying Notice of Meeting for the purposes of approving the winding up of the Association.

As outlined in section 2 of this Explanatory Statement, the Association can no longer have Members or operate due to lack of jurisdiction under the Fair Work Act.

On 1 January 2010, Queensland's industrial relations for the private sector moved from a state system to a federal system, legislated through the Fair Work Act. Some entitlements remained under the Queensland Industrial Relations Act 2016 including administering industrial relations for the public sector, local government and other state responsibilities not provided for in the national system. The entitlements for our industry do not remain under the jurisdiction of the State.

Pursuant to the commencement of the Fair Work Act, the Association can no longer fulfil its objectives (as detailed in Rule 3 of the Rules) being to:

foster and assist the development of the Baking (Bread Manufacturing and Pastrycooking) Industry in Queensland;

- (i) promote, advise and protect the business and assets of members; to represent and express their views and opinions; to consider all questions connected with the Baking Industry; to promote or oppose legislative or other measures affecting such business, and to do all such other lawful things as are incidental and are conducive to the attainment of the above objects.

- (ii) foster a high standard of quality, service and ethics throughout the industry and to enforce by whatever means within its power, proper conduct within the Trade for the mutual benefit of members.
 - (iii) protect, indemnify or assist any officer or General Manager of the Association who is or may be involved in proceedings by reason of complying with or carrying out any rule or article or direction of the Association.
 - (iv) represent the industry and employers therein and deal on their behalf with trade disputes and industrial matters in the industry and any other matters as come within the provisions of any Act or subordinate legislation affecting the industry or persons concerned therein.
 - (v) promote and/or undertake research of any nature for the benefit of or in the interests of the industry or the members.
 - (vi) represent the industry and employers and deal on their behalf with industry training matters and implement as, when and if required any training requirements or any other matters as come within the provisions of any Act or subordinate legislation affecting the industry or persons.
- (b) **No other material information**
There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 1 other than what is set out in the Meeting Materials and has been previously disclosed to Members.
- (c) **Recommendation**
The President, General Manager and State Management Committee unanimously recommends that eligible Members vote in favour of Resolution 1. Each member of the State Management Committee intends to vote in favour of Resolution 1. The Chair intends to vote undirected proxies in favour of Resolution 1.

3.2 Resolution 2 – Approval that the Association distribute its assets to the Baking Industry Group

We are seeking Member approval for Resolution 2 referred to in the accompanying Notice of Meeting for the purposes of approving the distribution of surplus assets to BIG.

- (a) **No other material information**
There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 2 other than what is set out in the Meeting Materials and has been previously disclosed to Members.
- (b) **Recommendation**
The President, General Manager and State Management Committee

unanimously recommends that eligible Members vote in favour of Resolution 2. Each member of the State Management Committee intends to vote in favour of Resolution 2. The Chair intends to vote undirected proxies in favour of Resolution 2.

3.3 Resolution 3 – Approval to accept the resignation of the General Manager

We are seeking Member approval for Resolution 3 referred to in the accompanying Notice of Meeting for the purposes of approving the resignation of the General Manager.

As outlined in section 2 of this Explanatory Statement, the Association can no longer have Members or operate due to lack of jurisdiction under the Fair Work Act a and therefore the General Manager will resign from office.

(a) **No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 3 other than what is set out in the Meeting Materials and has been previously disclosed to Members.

(b) **Recommendation**

The President, General Manager and State Management Committee unanimously recommends that eligible Members vote in favour of Resolution 3. Each member of the State Management Committee intends to vote in favour of Resolution 3. The Chair intends to vote undirected proxies in favour of Resolution 3.

3.4 Resolution 4 – Approval to accept the resignation of the President

We are seeking Member approval for Resolution 4 referred to in the accompanying Notice of Meeting for the purposes of approving the resignation of the President.

As outlined in section 2 of this Explanatory Statement, the Association can no longer have Members or operate due to lack of jurisdiction under the Fair Work Act and therefore the President will resign from office.

(a) **No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 4 other than what is set out in the Meeting Materials and has been previously disclosed to Members.

(b) **Recommendation**

The President, General Manager and State Management Committee unanimously recommends that eligible Members vote in favour of Resolution 4. Each member of the State Management Committee intends to vote in favour of Resolution 4. The Chair intends to vote undirected proxies in favour of Resolution 4.

3.5 Resolution 5 – Approval to deregistering the Association

We are seeking Member approval for Resolution 5 referred to in the accompanying Notice of Meeting for the purposes of approving the deregistration of the Association from the QIRC.

As outlined in section 2 of this Explanatory Statement, the Association can no longer be registered under the QIRC or operate due to lack of jurisdiction under the Fair Work Act and therefore the Association needs to be deregistered.

(a) No other material information

There is no other material information known to the Company’s Directors which may reasonably be expected to affect Shareholders’ decision making as to whether or not to vote in favour of Resolution 5 other than what is set out in the Meeting Materials and has been previously disclosed to Members.

(b) Recommendation

The President, General Manager and State Management Committee unanimously recommends that eligible Members vote in favour of Resolution 5. Each member of the State Management Committee intends to vote in favour of Resolution 5. The Chair intends to vote undirected proxies in favour of Resolution 5.

4. OTHER INFORMATION

4.1 Scope of disclosure

The State Management Committee provides this Explanatory Statement and considered all information that is reasonably required by the Members in order to decide whether or not it is in the Association’s interests to pass the Resolutions and which is known to the Association.

The Association is not aware of any information that is material to the decision on how to vote on the Resolutions other than as is disclosed in this Explanatory Statement or previously disclosed to Members by the Association.

4.2 Existing Officers’ recommendations in respect of the Resolutions

The Existing Directors recommend that Shareholders vote in favour of the Resolutions for the reasons outlined in section 2 of the Explanatory Statement.

**DATED 4 DECEMBER 2017
BY AUTHORITY OF THE CONVENING MEMBER**



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Signed by BRETT CHARLES NOY as President of the Association

Schedule 1: Definitions

In this Explanatory Statement and the Notice of Meeting:

Definitions

Associated entity	an entity or institution within Queensland having objects similar to the objects of the Association being Baking Industry Training Australia Pty Ltd, Baking Industry Group and National Baking Industry Association.
Association or BIAQ	Baking Industry Association of Queensland, Union of Employers of Employers of Unit 5/54 Riverside Place, Morningside QLD 4170
BIG	Baking Industry Group Limited ACN 146 723 319
BITA	Baking Industry Training Australia Pty Ltd ACN 112 266 878
Convening Member	the General Manager, Mr Brett Charles Noy
Explanatory Statement	the explanatory statement to the Notice.
General Manager	Brett Charles Noy
Industrial Registrar	the Registrar of the Queensland Industrial Relations Commission.
Meeting	the meeting convened by this notice.
Members	members of the Association.
Notice	the notice of meeting accompanying the Explanatory Statement.
President	Brett Charles Noy
Rules	the rules of the Baking Industry Association of Queensland, Union of Employers of Employers
QIRC	Queensland Industrial Relations Commission
SGM	the special general meeting convened by this notice.
State	the State of Queensland.
State Management Committee	Consists of Brett Charles Noy, Mark Denninen, Myles Morris, Christopher John Hurford, John Dabrowski and Scott William Cureton.