



CONTRACTORS' INFORMATION BOOKLET

ALBURY MILL

2006

**ALL CONTRACTORS MUST REPORT TO
RECEPTION PRIOR TO COMMENCING WORK**

MACQUARIE TEXTILES GROUP LIMITED

ACN 000 012 877 / ABN 46 000 012 877

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MISSION STATEMENT

Our mission is to be the market leader in providing a diverse range of textile yarns and fabrics to our customers in the local and international markets.

We are committed to providing quality products with on time delivery at competitive prices, whilst maximising the returns to our stakeholders, employees, customers and the communities we serve.

We will be a responsible corporate citizen and strive to enhance our plant, equipment, training and technology for the benefit of all.

We make every endeavour to provide a safe and healthy work place for employees, contractors and visitors to our site.

As a contractor to Macquarie Textiles we trust that you will assist us in realising this Mission.

All contractors must sign in at reception or at Site Services office upon arrival



INTRODUCTION TO MACQUARIE

A brief history of Macquarie Textiles Group Limited – the Company was originally incorporated as Amalgamated Textiles (Australia) Limited on 17 March 1923 and subsequently became a listed public company. Macquarie was formed by a group of wool-growers for the purpose of establishing a chain of woollen mills throughout Australia; each mill to undertake one or more of the particular processes of woollen or worsted manufacture. Its head office was located in Sydney, NSW.

The first mill at Albury, NSW was built in 1924 and commenced operations on 13th February 1925. A second mill was built in 1925 at Orange, NSW and commenced operations in 1926. A third mill at Goulburn, NSW was purchased as a going concern in 1929.

On 6th March 1957 the name of the Company was changed to Macquarie Worsteds Limited.

As a result of recommendations following a study of operations by a firm of management consultants, the Goulburn mill was closed in 1960. The Company was restructured to operate as a spinning mill at Albury and weaving mill at Orange. An administration office was built at Orange and the Company Secretary and administration functions were relocated from Sydney to Orange. The Sydney office retained its sales, marketing and design functions.

In 1982 Macquarie Worsteds Ltd was acquired by General Investments Australia Limited and Industrial Equities Limited, and in the same year, Macquarie Worsteds Limited launched a takeover bid to acquire Onkaparinga Textiles Limited. This takeover bid was successfully completed in 1983. Onkaparinga Textiles had in turn acquired the Warrnambool Woollen Mill as part of its takeover defence. This acquisition thus brought with it woollen textile operations at Warrnambool, Victoria as well as the woollen textile mills operated by Onkaparinga at Lobethal and Thebarton, South Australia. Onkaparinga commenced in South Australia in 1869.

In early 1984 Macquarie Worsteds Limited acquired the worsted weaving operations of John Vicars & Co at Revesby in Sydney.

In 1984 discussions with the Chinese government took place with a view to establishing a joint venture in China. GIAL signed its first joint venture agreement in China in 1984 and construction of the first textile mill, International Wool Co Ltd in Zhuangzhou, was completed in 1985.

In 1985 a new Weaving and Finishing mill was built in Albury and commenced operations in January 1986.

By 1986, GIAL had acquired a 100% shareholding and in May 1986 the International Wool Co Ltd mill was officially opened.

In May 1986 a second joint venture agreement was signed to establish a textile mill in Beijing. The Beijing Jing-Ao Co Limited joint venture mill was officially opened in 1988.

In June 1987 the John Vicars & Co mill at Revesby was closed.

In 1987 the decision was made to wind down and close the Orange Mill. The administration function was relocated to Albury late in 1987. The Orange mill closed in June 1989.

In 1988 GIAL acquired Aweave Textile Corporation Pty Ltd which operated spinning and weaving mills at Reservoir and Geelong, Victoria. Head Office for the textiles group of GIAL became the former Aweave premises at Reservoir and traded under the name Macquarie Textiles Pty Ltd. In 1989 GIAL also made a small acquisition, the Invicta blanket and bathroom products business.

In 1989 the spinning operations at Reservoir were relocated to Albury and weaving operations to Geelong.

By 1989 the directors of GIAL had diversified from the Australian textile operations by making significant non-core investments in overseas share markets and the Australian property market. These investments included a 20% interest in John Foster & Sons plc, a large British textile manufacturer, a 20% interest in Forstmann & Co Inc, the second largest American wool fabric manufacturer, and 100% of Robert Laidlaw & Sons Limited, a Scottish wool textile manufacturer. Losses on these investments, together with losses on loans to directors and other related parties, resulted in a deficiency of shareholders' funds and a breach of some of the negative pledge covenants of GIAL's borrowing arrangements. In 1990 GIAL's banking syndicate consented to the appointment of a new board of directors chaired by well known businessman Bill Lowenthal.

On 1 October 1992 Jamison Equity Limited acquired the GIAL textiles group.

In 1993 JEL proceeded to re-equip and rationalise the group. A new spinning and weaving mill was commenced at the Albury site and became operational in January 1994.

In May 1993 the Reservoir head office was closed with the sales and marketing functions being relocated to Carlton, Victoria and the administration function being transferred to Albury and JEL's offices in Sydney. On 1 October 1993 the Geelong mill was sold to Melba Textiles and the property sold to Godfrey Hirst.

On 6 May 1994 Macquarie Worsteds Limited changed its name to Macquarie Textiles Group Limited.

Between June and December 1994 the mills at Lobethal and Thebarton in South Australia and Warrnambool in Victoria were closed and operations relocated to Albury.

On 1 October 1996 Jamison Equity Limited's shareholding in Macquarie was transferred to the original investors in JEL as a precursor to winding up JEL. The Macquarie group now had ten corporate shareholders with well known names such as Lang Corporation (Patrick Corporation) with the largest shareholding of 25% and most influence on the board, and AMP, AXA and BT Custodial Services being prominent on the share register.

In 1996 Macquarie Textiles was de-grouped from Lang Corporation (now Patrick Corporation). This meant that Macquarie's financial reports were no longer consolidated into the former parent company's annual reports. Macquarie was also able to claim payroll tax thresholds in its own right.

Throughout the 1990's and into the 2000's Macquarie continued to vigorously maintain and increase its market share and develop new products. The Company expanded its relationship with the Chinese joint venture Beijing Jing Ao Wool Co Limited and other Chinese mills by re-selling (trading) fabric and yarn manufactured in China into other countries. New products and processes were introduced, for example, fabric for vertical blinds and industrial yarn and fabric for the mining industry.

The International Wool Company Limited (IWCL) joint venture agreement expired in December 2000 and was wound up, with the land and buildings being sold.

Federal Government financial assistance (Strategic Investment Programme - SIP) for the Textile Clothing and Footwear (TCF) industry was made available in 2000/2001. This programme is designed to enable TCF companies to restructure and become more competitive prior to the further reduction of tariffs.

In 2002 Macquarie Textiles, in conjunction with Australian Wool Innovation (AWI) and Canesis (formerly Wool Research Organisation of New Zealand - WRONZ) commissioned a Non-Woven fabric production line which is the first of its kind in the world to use wool and not synthetics only. This process is revolutionary and involved research and development work which is claimable under the SIP scheme. The process is forty times faster than weaving and has resulted in the commercial manufacture of floor underlay and theatre curtain fabrics.

Consolidation 2006

In March 2006 Macquarie announced its future plans. The Board and Management recognized the urgent need to restructure the business due to the negative impact of imports making it extremely difficult to compete and maintain a sustainable business. Over the past decade the Company has managed its business in its current form to successfully meet the import challenge, however, this approach will no longer suffice. The physical structure of the business will need to change for the business to remain competitive. With this in mind, the Board and Management decided that it was essential to consolidate the manufacturing operations conducted in Albury into the "Top Mill".

At the same time, the Company believes that Macquarie Textiles needs to strengthen and grow its relationship with the Chinese Joint Venture partners and that this is a vital component of its forward strategy for the business. Negotiations with Chinese Partners have taken place and will continue until agreements are in place. Once consolidation and restructure of the business has been completed, the new Macquarie will be a more competitive and streamlined value-adding operation.

SAFETY RULES

Achieving a safe and healthy workplace requires the involvement and commitment of everyone.

Hi Vis vests or shirts must be worn at all times when on site. Vests are available (on loan) at reception.

GENERAL

1. Follow the job and safety rules given to you. If you do not understand any of these rules, ask the Site Services Manager.
2. Pay attention to all safety signs.
3. Never misuse any safety equipment and report any problems.

PERSONAL

1. **Walk – Do not run.** Do not participate in any dangerous horseplay or disorderly conduct.
2. All loose hair must be contained and shoulder length hair or longer must be kept up when entering production areas. Beards should be kept neat and trimmed.
3. Loose jewellery cannot be worn in production areas. It is also suggested that wedding rings be taped.
4. Improper use of air hoses is prohibited. Do not use air hoses for cleaning clothes or pointing at other persons, as this can cause death.
5. Appropriate covered-in footwear must be worn.

MECHANICAL & ELECTRICAL

1. Any equipment not properly guarded and safe to use should be tagged out.
2. Safety guards **must not be removed**: only authorised maintenance personnel can do so for fault finding purposes.
3. Do not operate or adjust any equipment unless trained to do so.
4. Only qualified personnel are permitted to repair or adjust electrical fittings. This includes internal reset buttons and fuses.
5. Report all electrical and mechanical faults.
6. Limit switches are not to be bypassed or adjusted unless authorised by the Site Services Manager.
7. If there is a potential for a person to become caught in, entangled in or trapped by a machine it should be tagged prior to any cleaning or maintenance activity being commenced.
8. Report hazards immediately to Site Services.

CAR PARK AND ROADWAY

A car park is located adjacent to the Purchasing Office and is reserved for visitors, company cars and authorised personnel.

Please note:

1. The speed limit is 15 km per hour within the grounds of the Mill.
2. Obey the traffic direction signs.
3. Make sure your vehicle is locked at all times and that valuables are not visible.
4. Beware of forklifts, as forklift driver's vision may be impeded.
5. Keep to the footpaths and pedestrian crossings when moving around the site.

Although we try to maintain security, we are not responsible for any damage or theft. Employees and visitors park at their own risk.

HOUSEKEEPING

Housekeeping is everyone's responsibility.

1. Keep your work area clean and tidy with all walkways and accesses clear.
2. Pick up any loose items that may cause a trip, fall or other injury.

PERSONAL PROTECTIVE EQUIPMENT

Safety equipment must be used in situations where protection is necessary.

Contractors are required to provide their own Personal Protective Equipment appropriate to the task they are undertaking.

SAFETY GLOVES

Safety Gloves are to be worn at **all** relevant times.

RESPIRATORY PROTECTION

Contractors should provide breathing equipment for use in all areas where dangerous chemicals and solvents are used.

SAFETY FOOTWEAR

A policy of "closed" footwear exists throughout the Mill.

EYE PROTECTION

Safety glasses must be worn throughout the Dyehouse and in other areas specified.

HEARING PROTECTION

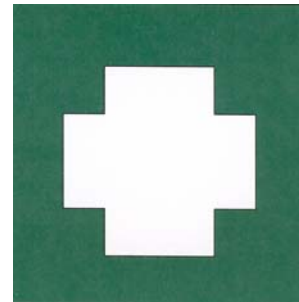
Earplugs are available for use in those areas of the Mill signed as hearing protection areas. Hearing protection must be used when operating any plant or equipment. Earplugs are located at entrances to high noise areas.



FIRST AID PROVISIONS, INJURY REPORTING & REHABILITATION

First Aid Provisions

There are 3 First Aid rooms located around the Mill. Treatment can only be given by a First Aid Attendant with Level 2 and Level 3 qualifications. Should you be injured on site, you are required to advise the Site Services Manager who will call a First Aider. The First Aider will arrange further assistance if necessary and complete any reports required.



IMPORTANT COMPANY POLICIES

SMOKE FREE ENVIRONMENT

Macquarie Textiles recognises the dangers of smoking and passive smoking to the health of people. Smoking is therefore prohibited inside all buildings (production areas and offices). Smoking is only permitted outside in designated areas.

USE OF ALCOHOL AND OTHER DRUGS

The use or possession of illegal drugs and/or alcohol in our workplace is a safety concern for everyone. Drugs and alcohol are strictly forbidden at Macquarie Textiles. If drugs or alcohol are found in a contractor's possession, the contractor will be removed from the site.

Prescription drugs that contain a warning "may cause drowsiness – do not operate machinery" must be reported to the Site Services Manager in case any special consideration should be given.

HARASSMENT IN THE WORKPLACE

Harassment is any form of behaviour (sexual or otherwise) that is not wanted, not asked for, and leads to a hostile environment. It happens because of a person's race, sex, pregnancy, sexual preference, marital status, disability or age.

Macquarie Textiles promotes a workplace which is free of harassment. You can discuss any concerns discreetly and in confidence with the Site Services Manager.

HOT WORK POLICY

All areas within the Albury site are deemed hot work areas, with the exception of the engineering workshop. If any hot work is to be carried out a permit must be obtained from the engineering workshop.

CONFINED SPACES POLICY

There are several areas within the mill designated as confined spaces. Entry to these areas is only to trained personnel after completion of a confined spaces entry permit.

LOCK OUT TAG OUT POLICY

No work/cleaning is to be carried out on machinery or equipment unless it is Tagged and Locked Out. Tags and locks can be located in the engineering workshop.

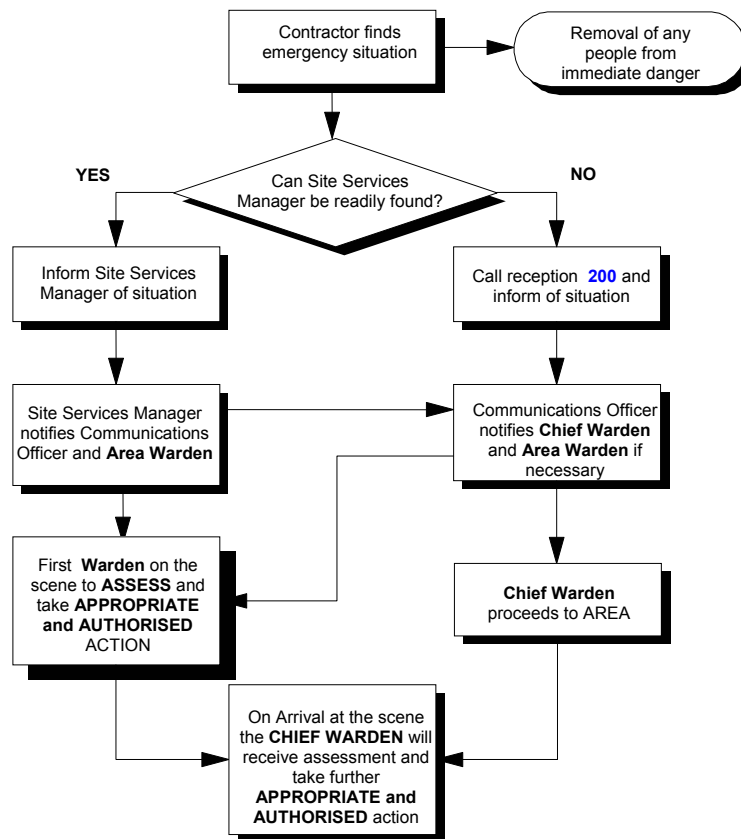
WORKING AT HEIGHTS

No work is to be carried out without adequate control measures at a height above 2 metres and within 2 metres of an edge with a drop of more than 2 metres. Excluded are permanent structures, platforms, etc.

EMERGENCY PROCEDURES

At Macquarie Textiles we have established emergency and evacuation procedures in place. All departments have a designated Area Warden who is responsible for the management of emergencies and evacuations as they arise. A map on page 12 shows assembly points for the various areas of the mill.

Contractor Responsibility in an Emergency



Once at the assembly area, make yourself known to the area warden

GOLDEN RULES

It is crucial that you abide by the following guidelines when there is an emergency and you are directed to evacuate by an Area Warden.

- Don't Panic
- Ensure all machinery is shutdown
- Proceed to your designated Safe Assembly Area in an orderly fashion.

FORKLIFTS

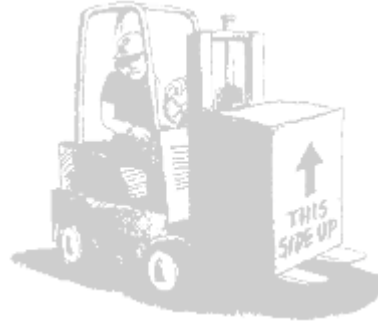
Any contractor driving a forklift must have a current licence.

Basic Rules for Forklift Operation

Forklift Awareness

When working around operating forklifts all contractors should remember the following:

- Pay attention to what is going on around you: electric powered forklifts can be very quiet.
- Listen for horns and look for flashing lights.
- Stop at corners and doorways and look both ways – just as if you were out in the street.
- Stay clear when forklifts are reversing or turning.
- Never hitch a ride on a forklift.
- Never walk under the elevated loads on a forklift.
- Never engage in horseplay that is in or around forklift operation areas.



Be a Safe Operator

- Only operate forklifts when either licensed or under supervision.
- Always wear a safety belt when fitted.
- Keep hands and feet inside the cab.
- Always be alert for pedestrians.
- Carry out all required maintenance and pre-driving checks.

Load Up Safely

- Ensure the load does not obstruct your view.
- Make extra trips rather than exceed the safe working load.
- Ensure the vehicle being loaded / unloaded is securely chocked.

Get to Know Your Forklift

- Know your forklift's safe working load capacity and operating features.
- Keep the forklift you are using in good working order.
- Report any defects or malfunctions to the Site Services Manager.

PEDESTRIANS HAVE RIGHT OF WAY

MANUAL HANDLING

Back injuries are severe industrial accidents. At Macquarie Textiles we actively encourage safe lifting techniques to reduce the risk of back injury to our people. Before you lift or pull material, ask yourself:

“Does it have to be lifted or pulled?”

If yes **“Are there mechanical aids available?”**

If not **“Can I lift it or pull it alone?”**

“Is it too big or awkward? ” and

“Do I have a clear path and good footing?”

If in doubt, ask for assistance.

SAFE LIFTING

If in doubt, don't lift it

1 Plan Your Lift

Is the intended path clear? Look at the size and shape of the load; check the weight. Is it in your capacity to lift it? If the load is too heavy or awkward, get help. The centre line of the load should be as close to the body as practicable.

2 Correct Feet Position

Assume a well-balanced position facing the direction you intend to move the load. The feet should be parted with one foot along the side of the object to be lifted and one behind. The feet comfortably spread gives greater stability and the rear foot is in position for the upward thrust of the lift.

3 Firm Hold With Palm

The hold must be secure and comfortable. Use palms of the hands and not finger tips. For objects such as boxes, hold diagonally opposite corners. Move in close to the load with arms and elbows tucked in.

4 Straight Flat Back

Bend at the knees and keep the back straight. Remember that straight does not mean "vertical". A straight back keeps the spine, back muscles and body organs in correct alignment.

5 Head Raised, Chin In

Keep the head raised and chin in so the neck and head continue the straight back line. Tucking in the chin helps keep the spine straight and firm.

6 Lift With Legs

Leg muscles are stronger than back muscles, use them to lift and load. Do not jerk or strain, use a smooth action.

7 Use Body Weight

Start the lift with a thrust from the rear foot and follow through with the body when possible. Use of the body weight helps to propel the load, and reduce fatigue and strain on the arms.

8 To Put the Load Down

Bend the knees and keep the back straight. Note: Avoid stretching or twisting when moving or lifting loads.

Lifting the Load:



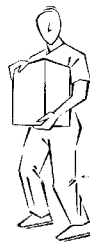
1. Tuck your pelvis

...by tightening your stomach muscles, to keep your back aligned. Keep your feet shoulder-width apart.



2. Bend your knees

...to let your legs do the lifting. Be sure to maintain the natural curve of your back



3. Hug the load

...to keep under it as much as possible. Be sure to grasp the load at opposite corners.



4. Avoid twisting

...by pointing your feet, knees and chest in the same direction. Lift the object and then turn your whole body.

Putting It Down: Use the same technique in reverse.

CONTRACTOR'S ACKNOWLEDGEMENT FORM

I declare that I have read and understood the information contained in this booklet and agree to abide by the rules and regulations set out herein.

I agree that failure to do so may result in removal from site.

Your Name

.....

Name of Contractor

.....

Date

.....

Signature

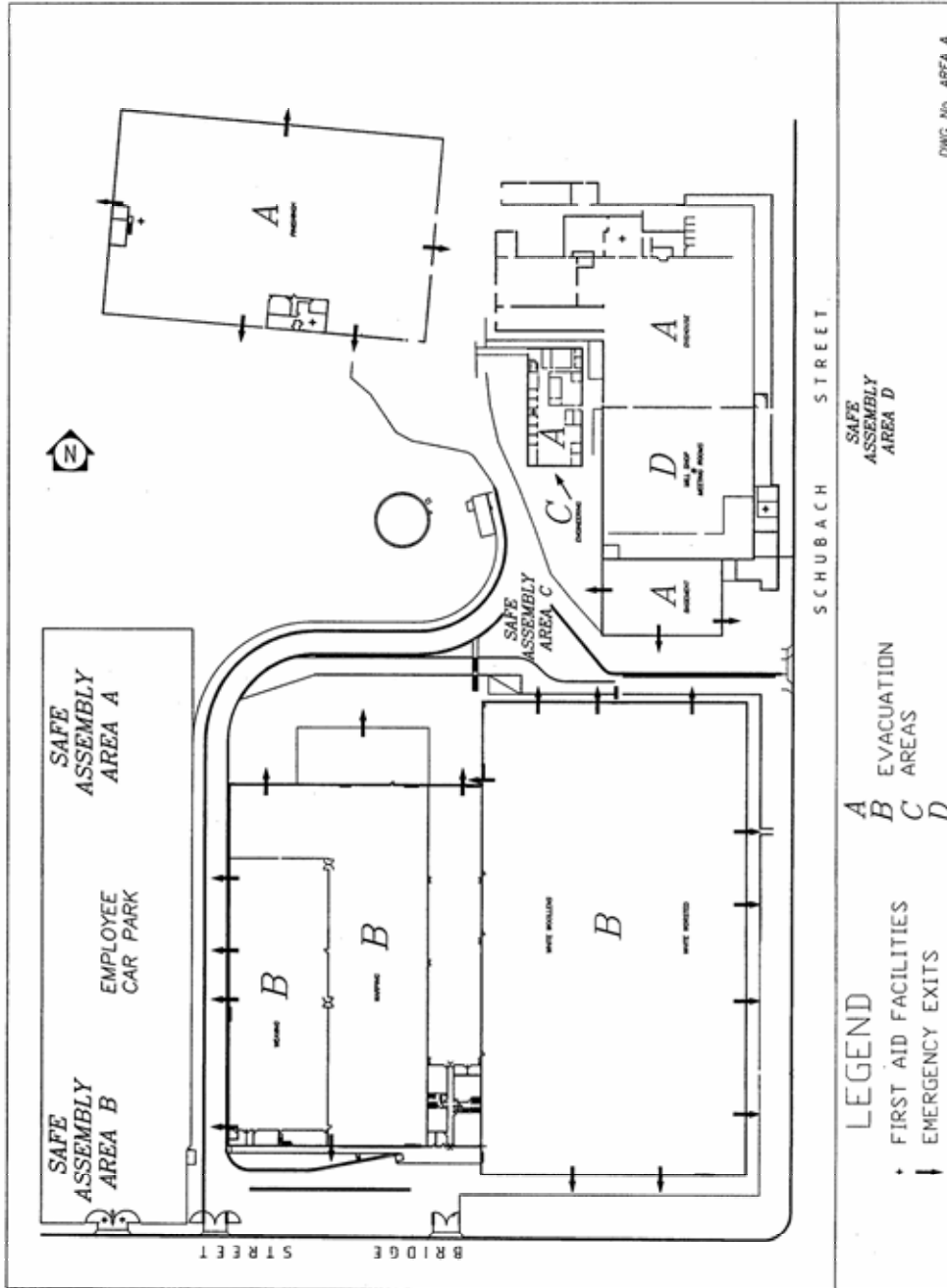
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Registration / Licence / Qualification Number

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This acknowledgement form is to be returned to the Site Services Department.

SITE MAP



**PLEASE REQUEST ADDITIONAL PRINTED
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No.	Approved By :	Status :	Issue Date :	Revision No. :	DB No. :
HB05	Human Resources Manager	ISSUED	17/11/2006	5.15	1297