

**REGISTER OF  
ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO: EA00/240**

**TITLE: Jalco Pty Ltd Enterprise Bargaining Agreement (Hornsby) 2000**

**I.R.C. NO: 00/3896**

**DATE APPROVED/COMMENCEMENT: 9 August 2000**

**TERM: 24 months**

**NEW AGREEMENT OR  
VARIATION: New**

**GAZETTAL REFERENCE:**

**DATE TERMINATED:**

**NUMBER OF PAGES: 20**

**COVERAGE/DESCRIPTION OF**

**EMPLOYEES: Applies to employees engaged pursuant to the Drug Factories (State) Award working at the company's site at 45 King Road, Hornsby, NSW**

**PARTIES: Jalco Cosmetics -&- Shop, Distributive and Allied Employees' Association, New South Wales**

# JALCO Pty Ltd Enterprise Bargaining Agreement (Hornsby) 2000

## Arrangement

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Registered  
Enterprise Agreement  
Industrial Registrar

**1. TITLE**

This agreement will be known as the Jalco Pty Ltd Enterprise Bargaining Agreement (Hornsby) 2000.

**2. PARTIES BOUND, SCOPE AND PERIOD OF OPERATION**

This agreement shall be binding on Jalco Pty Ltd (at the Hornsby sits) and the Shop, Distributive and Allied Employees' Association, New South Wales, in respect of persons employed by the company in any of the classifications specified in the Drug Factories (State) Award and the Warehouse Employees Drug (State) Award (the parent awards).

This agreement will operate for a period of two years from the date of approval.

**3. APPLICATION**

This agreement will apply at the Company's premises at 45 King Road, Hornsby, New South Wales.

**4. RELATIONSHIP TO PARENT AWARDS**

This Agreement shall be read and interpreted wholly in accordance with the parent awards and where there is any inconsistency between this Enterprise Bargaining Agreement and the parent awards, this agreement shall take precedence.

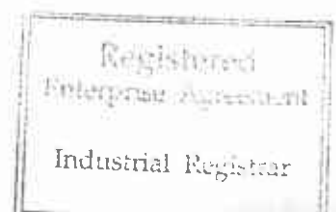
**5. NO EXTRA CLAIMS**

The Company and the Unions agree that there will be no extra claims for the life of this Agreement including increases arising from award variations or decisions of the Industrial Relations Commission of NSW except where consistent with the principles of the Commission.

**6. WAGE INCREASE**

The following wage increases will apply during the life of this agreement:

- 6.1 a \$12.00 per week increase in the employees' existing rate of pay, effective from the first pay period commencing on or after the date on which employees voted to accept the final draft of this agreement; and
- 6.2 a further \$8.00 per week increase in the employees' prevailing rate of pay effective from the first pay period commencing 12 months later than the increase in Clause 6.1.



the delivery of our products.

## **7.2 Principles**

- Above all we value our customers and our ability to understand and fulfil their needs
- Our business practice will reflect our commitment to enhancing value for our owners

## **7.3 Practices**

The way in which we conduct our business is characterised by:

- Customer focus and responsiveness to customer needs
- Involvement of our people
- Teamwork
- Celebration of success and learning quickly from our mistakes
- Ethical business conduct

## **7.4 People**

Our future as a company relies on the knowledge, imagination, skills, integrity and teamwork of our people and we are fully committed to their well being and development.

To meet our customers' needs we must ensure that our peoples' skills and competence receive appropriate updating and improvement. When appropriate we will provide, and our employees agree to undertake, training and skill development.

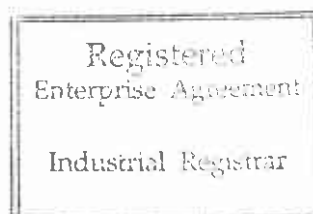
### **7.4.1 Employee Initiated Training**

Where an employee seeks to undertake training which will provide mutually beneficial outcomes for the employee and Jalco, reasonable costs associated with undertaking such training will be reimbursed by Jalco on production of evidence of such expenditure. Provided that reimbursement is on an annual basis and subject to the presentation of reports of satisfactory progress in the course of study. The approval of such reimbursement will be considered by the Company on a case-by-case basis.

### **7.4.2 Jalco Initiated Training**

Where Jalco has a requirement for an employee to undertake specific training, the course fees and the cost of approved text books, software and training materials will be met by the Company.

"Employees who undertake company initiated training will maintain their established rates of pay for training undertaken during ordinary hours of work, including courses outside of work hours".



## **7.5 Employment Philosophy**

We value our employees' ability to make their own decisions within their workplace depending on what is happening at any time, within the context of the appropriate policies and procedures.

It is neither possible nor desirable to set rules regarding everything that can happen in the workplace. This agreement sets out the general terms and conditions of employment to provide a foundation for our relationship.

## **8. THE EMPLOYMENT CONTRACT**

### **8.1 Employment Categories**

Employees may be employed in one of the following categories:

- As a permanent full time employee;
- As a permanent part-time employee;
- On fixed term contract basis (duration or task with Letters of Engagement and no rolling over of contracts);
- As a Company employed casual employee.

In addition to the above categories of employment, the Company will from time to time supplement its work force by engaging personnel from labour hire agencies (who will be paid a rate consistent with that paid to Company employed casuals in the same classification).

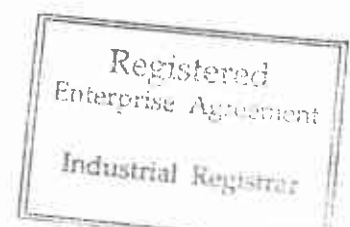
### **8.2 Casual Employment**

The nature of our business requires considerable expansion and contraction of our operation over relatively short periods of time as our workload fluctuates. The requirements in different sections of the enterprise will also change as our customers increase or decrease their orders for products produced in different segments of the business.

No more than 40 per cent of the total hours worked by employees covered by this agreement in any 12 month period shall be worked by casual employees. This equates to 50 casuals where there are 75 permanent employees employed. It is the Company's intention to use its own casuals in preference to agency personnel and the latter will not receive a greater number of hours in any fortnightly period than the former.

### **8.3 Engagement of Casual Contract Labour**

The nature of Third Party Manufacturing requires considerable fluctuation in our human resources over relatively short periods. This requires that the business must rely on the engagement of contract labour as required. It is Jalco's objective to maximise the size of the weekly work force subject to the requirements and nature of our business. Where casual contract labour is engaged the rates paid will be consistent with that paid to company casuals in the same classification.



It is the Company's intention to employ its own casuals in preference to engaging agency personnel where possible.

#### **8.4 Employees' Roles and Responsibilities**

Our business is committed to focusing on our customers' needs. We operate as a team and while an employee may occupy a particular position at any given point in time, this is always subject to the requirements of the team, and where we think they can best assist achieving of our business objectives.

This means that we all have to be flexible in our approach to employment. This agreement is based on the clear understanding that as the business changes, an employee's role and responsibilities may change. There are three primary types of change that may occur. They are:

- Evolutionary change where a position changes with the growth and development of the business.
- Movement to a new position where to meet the needs of the business, and the team, we need an employee to move to a new position.
- Structural change where we decide to fundamentally change certain aspects of our operations and this impacts on an employee, requiring a change in position.

Undertakings about how we will consult on such changes are set out in Clause 14 of this agreement.

#### **8.5 Jalco's Duties:**

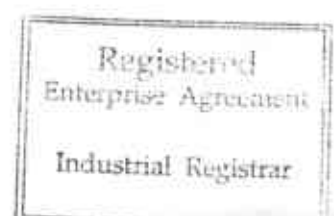
Jalco agrees:

- To only direct you to do work you are competent and authorised to do;
- To give you access to training to maintain or gain competencies relevant to the business of Jalco; and
- To administer the terms of this agreement and provide the benefits conferred by it in consideration for your duties.
- To comply with the terms of this agreement.

#### **8.6 Employees' Duties:**

Employees agree:

- To safely do work they are competent, authorised, lawfully required or required by statute to do;
- To maintain their competencies; and
- To do additional training to develop their knowledge, skills and abilities; and
- To comply with the terms of this agreement; and
- To perform the roles as described in the Appendix A; and
- To work as required to the extent of their knowledge, skills and abilities without



limitation to undertake any task required to be performed.

### **8.7 Company Policy and Procedure**

Policies and procedures may be introduced and amended from time to time. Employees are required to follow and adhere to Jalco policies and procedures (as amended from time to time).

Employees will be made aware of policy and procedure, but they must also make every effort to become familiar with them and to ensure that they are followed.

Jalco undertakes to keep employees informed of these policies and procedures as well as any amendments and not to alter them so as to disadvantage employees relative to the overall terms of this agreement. Failure to observe these policies, procedures and any delegated authorities may lead to dismissal.

## **9. HOURS OF WORK**

The ordinary hours of work are to be worked continuously, except for meal breaks, at the discretion of Jalco between 6.00 am and 6.00 pm. The ordinary hours of work may be worked on any or all of the days of the week, Monday to Friday. The number of ordinary hours worked by employees in any two-week period must not exceed an average of 38 hours per week.

Any work performed outside the spread of hours is to be paid for at overtime rates. However, any work performed by an employee prior to or after the spread of hours that is continuous with ordinary hours is to be regarded as part of the average 38 ordinary hours of work.

Subject to the conditions of this clause, casual employees will work up to 9 ½ hours at their ordinary time rate of pay on Hot Pour lines.

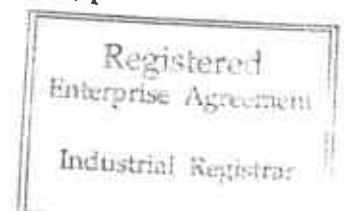
The arrangement of hours will be worked according to a nine-day fortnight. The ordinary hours of work will typically be:

7.15 am to 4.15 pm on each of the first 9 days of the work cycle. The tenth day of each work cycle will be a non working day or "Rostered Time Off" (RTO).

The ordinary hours of work may be changed from time to time by agreement between Jalco and the majority of employees or in appropriate circumstances (ie: to meet production requirements) with individual employees covered by this Agreement or, in the absence of agreement, may be changed by Jalco providing 14 days notice in writing to employees.

In addition to the above arrangement of working hours, employees will be entitled to a 15-minute paid morning tea break. No afternoon tea break will apply. However, employees will be permitted to cease work at 4.00 pm.

In some instances, such as when hot pour products are being continuously filled, permanent and



casual assembly operators will by mutual agreement take an early or late morning or afternoon tea break and / or different lunch break. This arrangement will not attract a penalty payment.

## 10. TERMINATION OF EMPLOYMENT

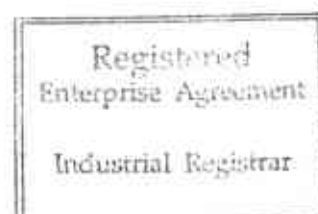
### 10.1 Notice

In respect of full-time and part-time employment an employee or Jalco may terminate the contract of employment with one week's notice or by the payment or forfeiture of one week's pay. Provided that during the first three month's of full-time or part-time employment the contract of employment will be probationary.

### 10.2 Redundancy

Where a definite decision is made that Jalco no longer requires the job an employee is doing to be done by anyone, and this is not due to the ordinary and customary turnover of labour, and that decision leads to the termination of an employee's employment, he/she will be paid a severance payment of:

Service	For employees under 45 years of age	For employees 45 years of age and over
Less than one year	Nil	Nil
1 year and less than 2 years	4 weeks	5 weeks
2 years and less than 3 years	7 weeks	8.75 weeks
3 years and less than 4 years	10 weeks	12.5 weeks
4 years and less than 5 years	12 weeks	15 weeks
5 years and less than 6 years	14 weeks	17.5 weeks
6 years and less than 7 years	16 weeks	20 weeks
7 years and less than 8 years	18 weeks	22.5 weeks
8 years and less than 9 years	20 weeks	25 weeks
9 years and less than 10 years	22 weeks	27.5 weeks
10 years and over	24 weeks	30 weeks





This severance payment will be in addition to the notice payment in Clause 10.1 of this Agreement.

Jalco will consult with employees and their union about any decision to make a position(s) redundant, in accordance with Clause 13 of this agreement.

## **11. QUALITY STANDARDS**

The management and employees of Jalco understand and accept that our products are to be produced at a high standard, which conforms to acceptance and procedures in maintaining Best Practice as demanded by our customers and the TGA.

### **11.1 Employees' Responsibilities**

Given the typical production processes and visual inspection (or measurement equipment) each and every production employee will ensure that all products leaving his/her workstation meet given specifications for that product. These functions are to be considered Standard Operating Procedure for all employees.

### **11.2 Jalco's Responsibilities**

The Company will provide each employee with the training that it considers is required for that position along with the appropriate Standard Operating Procedures.

## **12. SAFETY, ENVIRONMENT AND HOUSEKEEPING**

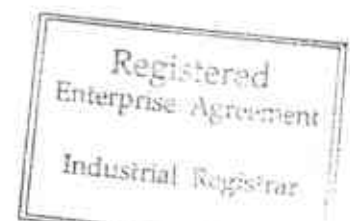
It is the responsibility of each employee to comply with Occupational Health and Safety requirements, all environmental regulations and to ensure that general housekeeping is maintained to the standards of Best Practice.

### **12.1 Commitment**

We recognise the importance of ensuring a healthy and safe working environment. We are committed to acting on advice and suggestions about how we can make the workplace a more safe and healthy place to be. We intend to identify and minimise actual and potential hazards.

### **12.2 Obligations**

Employees must comply with the provisions of all workplace health and safety legislation applying to the Company's operations. Employees acknowledge their shared responsibility for health and safety in our workplace and agree to fully co-operate with management in identifying and reducing the risk of hazards and injuries in our site.



### **12.3 Reporting Accidents**

Accidents and injuries can be prevented. All work accidents must be promptly reported and the accident recorded in the accident register, preferably on the day of the accident.

### **12.4 Personal Protective Equipment**

The Company will provide, and employees will be required to wear and maintain, safety boots, safety glasses, safety hats, protective clothing and other safety equipment issued for designated areas.

Protective clothing can include eye protection, hearing protection, hair and beard nets, gloves, waterproof garments, gloves and boots, steel cap safety shoes, respirator masks, etc.

Employees should be aware that the protective clothing is for:

- (a) Personal protection in line with operator safety; and
- (b) Product protection during manufacture and filling.

Repeated non-compliance with requirements to wear/use safety apparel and equipment will lead to an employee's continued employment being jeopardised.

Protective clothing, as prescribed, must be worn in the correct fashion and in all designated areas.

## **13. CONSULTATION**

### **13.1 Employee Involvement**

Employees covered by this agreement are committed to the principle of working jointly with managers to bring about workplace improvements. An appropriate forum will be established to provide for joint discussion to pursue this objective.

### **13.2 Introduction of Change**

Where Jalco has determined a need to introduce a major workplace change and that change is likely to have a significant effect on employees, Jalco will notify our employees and their union of the proposed change.

Significant change includes:

- Major change in skill requirements;
- Elimination of job or promotional opportunities;
- Alterations to hours of work or rosters;
- The necessity for re-training or re-skilling;
- The need to transfer employee(s) to other work or location; or



- The restructuring of jobs.
- Termination of employment;

Jalco will consult with employees and give prompt and serious consideration to matters employees raise including the likely effects the change may have on employees. These discussions will occur as soon as is practicable after the need is identified to introduce the change. The final decision to proceed will be considered after the consultation process has been completed.

The Company agrees to pay a total of one hour per year for report back meetings, in order that employees may discuss the enterprise agreement.

## **14. BUSINESS IMPROVEMENT**

### **14.1 Objectives**

Our principle objectives are to improve efficiency and productivity, while providing our employees with the opportunities for further career development in fulfilling jobs.

We will commit ourselves to achieving the necessary extension of employee skills (vertical and horizontal) through the provision and acceptance of relevant, recognised and accredited (where appropriate) training.

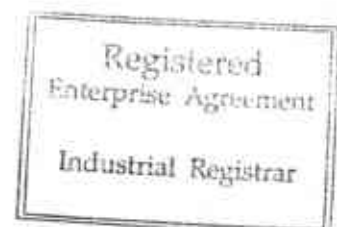
### **14.2 Consultation**

We will develop efficient and effective arrangements through consultation with employees in relation to:

- 14.2.1 identification of skills required by the production and maintenance processes;
- 14.2.2 award classification structure;
- 14.2.3 an audit of employee skills;
- 14.2.4 designed accreditation and administration of training programs necessary to support the entry of employees to the classification structure and their progression through it.

### **14.3 Casual Employees**

Casuals will be offered the opportunity to train on a series of different jobs within the next band.



## **15. ATTENDANCE BONUS**

### **15.1 Sick Leave Entitlement**

As provided for in Clause 20d of the Drug Factories (State) Award each employee covered by this Agreement shall be entitled to 76 hours of paid sick leave per year.

### **15.2 Payment in Lieu of Sick Leave**

As a means of encouraging attendance, Jalco will provide employees with the option to receive payment (at the close of each respective period) or retain the unused days. Where an employee elects to retain the unused Sick Leave it will be reserved for Sick or Carers' Leave only. It will not be paid out a cash benefit at any future time including the circumstances of redundancy or resignation.

### **15.3 Post 13/5/97 Sick Leave**

Employees taking Sick Leave will be required to draw on their balance of post 13/5/97 leave first. When this is exhausted they may draw on leave accrued before that time.

### **15.4 Timing of Bonus Payment**

For the period 13/5/97 to 13/11/97 employees were regarded as having an accrual of 38 hours of sick pay (part time employees and new full time employees had their entitlements calculated proportionately).

Any Sick Leave taken from that accrual onwards is deducted from an employee's entitlements and 50% of the balance value may be claimed as a bonus in the pay week before Christmas each year.

The minimum bonus payment shall be the equivalent of 7.6 hours pay.

### **15.5 Retention of Portion of Sick Leave**

Each employee is required to retain a minimum Sick Leave balance of 76 hours. This balance must be composed of leave that has accrued since 13/5/97.

### **15.6 Operation of the Sick Leave Bonus Scheme**

The Sick Leave Bonus Scheme commenced operation on 13/5/97 and shall continue in force for the life of this Agreement.

## **16. EMPLOYEE CAREER PROGRESSION**

Employment vacancies and available promotional positions will be advertised from time to time. Employees wishing to apply for such positions will do so via formal written application.

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The selection and appointment to positions with Jalco will be consistent with Equal Opportunity principles and practice.

Any employee who is successful in attaining a permanent position, who is not at that time a permanent employee of the Company, will be considered probationary in that position for a period of three months from the date of being made permanent.

Any employee who is successful in exercising a horizontal career path change shall be subject to a three-month probationary (qualifying) period from the date of transfer.

#### **17. RECLASSIFICATION**

The parties agree that, the basis of reclassification will be the attainment of agreed minimum training requirements and the demonstrated application of the training in our workplace.

On satisfying these requirements the employee's reclassification will be confirmed and corresponding rate of pay will be adjusted.

#### **18. ACCUMULATED ROSTER DAY OFF (ARDO)**

Weekly employees may be called to work on their Rostered Day Off (RDO) but may decline to do so on every second request (i.e., agreement must be given to every second request). Five days minimum and 10 days maximum in any six-month period could be banked. Such time banked would be retained to be used at a time of low plant activity level at the discretion of the Company, or at any other time that is mutually suitable. The ARDO is paid when it is taken and the effect of this is that there will be no variation in weekly pays. Any person having more than 10 days accumulated will be entitled to use the excess at any mutually convenient time.

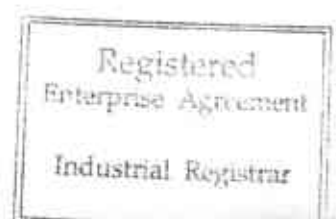
#### **19. ABANDONMENT OF EMPLOYMENT**

The absence of an employee from work for a continuous period exceeding three days without notifying the Company shall be prima facie evidence that the employee has abandoned his/her employment. Special circumstances will be considered.

#### **20. OCCUPATIONAL SUPERANNUATION**

Superannuation contributions for employees will be as provided in the Superannuation Guarantee (Administration) Act 1992. Employees of Jalco will have their contributions paid into a fund administered by A.S.S.E.T Limited called the Australian Superannuation Savings Employment Trust. The scheme number is 92483780.

The current level of contribution is 8% of an employee's gross weekly wage, excluding penalty



payments.

An employee may at any time nominate to make additional personal contributions to the fund by providing written notification to the Payroll Office.

ASSET will provide an annual statement to all members on the status of their fund.

Member and Company contributions will be detailed on weekly pay slips.

## **21. PICNIC DAY**

The Award additional holiday or "picnic day" will be observed individually so that the taking of this day will be on the employee's birthday or on any other day that is mutually suitable.

## **22. DISPUTE RESOLUTION**

It is the intent of Jalco and our employees to resolve all disputes by way of discussion between the parties. The aim is to provide rapid resolution of problems that ensures a mutually beneficial result for both parties while normal work progresses. It is not intended that disciplinary action taken against individuals should be regarded as the basis of a dispute.

If a dispute cannot be resolved in the first instance with the employee's direct supervisor, the parties shall consult the Operations Manager or their Departmental Manager and discussions will take place that should result in a satisfactory resolution.

Where the parties are unable to resolve issues, or agree that advantages will accrue from specific issues, the parties will jointly refer these issues to the Commission for advice and assistance as appropriate.

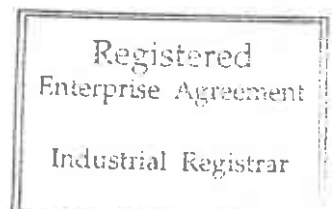
The status quo (in relation to interpretation of agreement matters) shall apply while resolution of a dispute is being affected.

## **23. COUNSELLING/DISCIPLINARY PROCEDURES**

Where there is a concern with an employee's behaviour, attitude, attendance or performance, Jalco will attempt to have the issue(s) rapidly and effectively resolved. In most cases, the issue will be resolved by the employee's immediate supervisor or via informal discussions with a more senior manager.

If this discussion does not resolve the dispute to the satisfaction of both parties.

Prior to referral to the commission, the company Manager and Site Union representation will review the dispute with the view to reaching a satisfactory resolution.



If an issue requires formal counselling, then the following action should occur in the stated sequence:

### **23.1 Counselling**

The person concerned will be interviewed by the Supervisor or Departmental Manager and made aware of the Company's concern regarding unacceptable performance or behaviour. A time frame will be stipulated for correction to be evident. At the employee's request, a union delegate or other nominated witness will be present during any discussions.

### **23.2 First Warning**

If the issue continues to remain a problem, a first written warning shall be given. This letter will advise that failure to rectify the problem will result in termination. Again, this shall be done in the presence of a union delegate, if requested. This warning will remain "active" on an employee's personnel record for a period of 12 months.

### **23.3 Final Warning**

A further instance or continuing failure to correct the problem will result in a final written warning. This warning will remain "active" on an employee's personnel record for a period of 12 months.

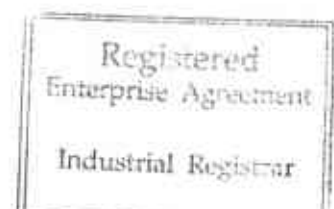
### **23.4 Dismissal**

A further occurrence will result in dismissal.

## **24. SUMMARY DISMISSAL**

An employee may be instantly dismissed for deliberate or wilful misconduct, dereliction of duty, or refusal to obey a lawful work directive.

Wilful and/or deliberate misconduct includes any behaviour that is illegal or dangerous to others.



## **APPENDICES**

### **APPENDIX A**

#### **Job Definitions**

The following positions are those that currently exist within the Company. The positions as described attempt to encapsulate the majority of functions in which an operator will be involved and should be capable of doing to be considered proficient at their job. Some positions in the potential career progression (as defined in our Career Path Progression Matrix) have an external education component. These listed educational components are open to amendment, by either addition or deletion of courses of study.

Jalco will consult with employees from time to time regarding the suitability of the approved courses of study.

### **APPENDIX B**

#### **Approval for Courses of Study**

Where an employee seeks company assistance to cover the costs of training there must be prior approval by the Company before he/she commences the course. The Company will reimburse all reasonable fees on production of satisfactory evidence of successful completion of each year of approved study.

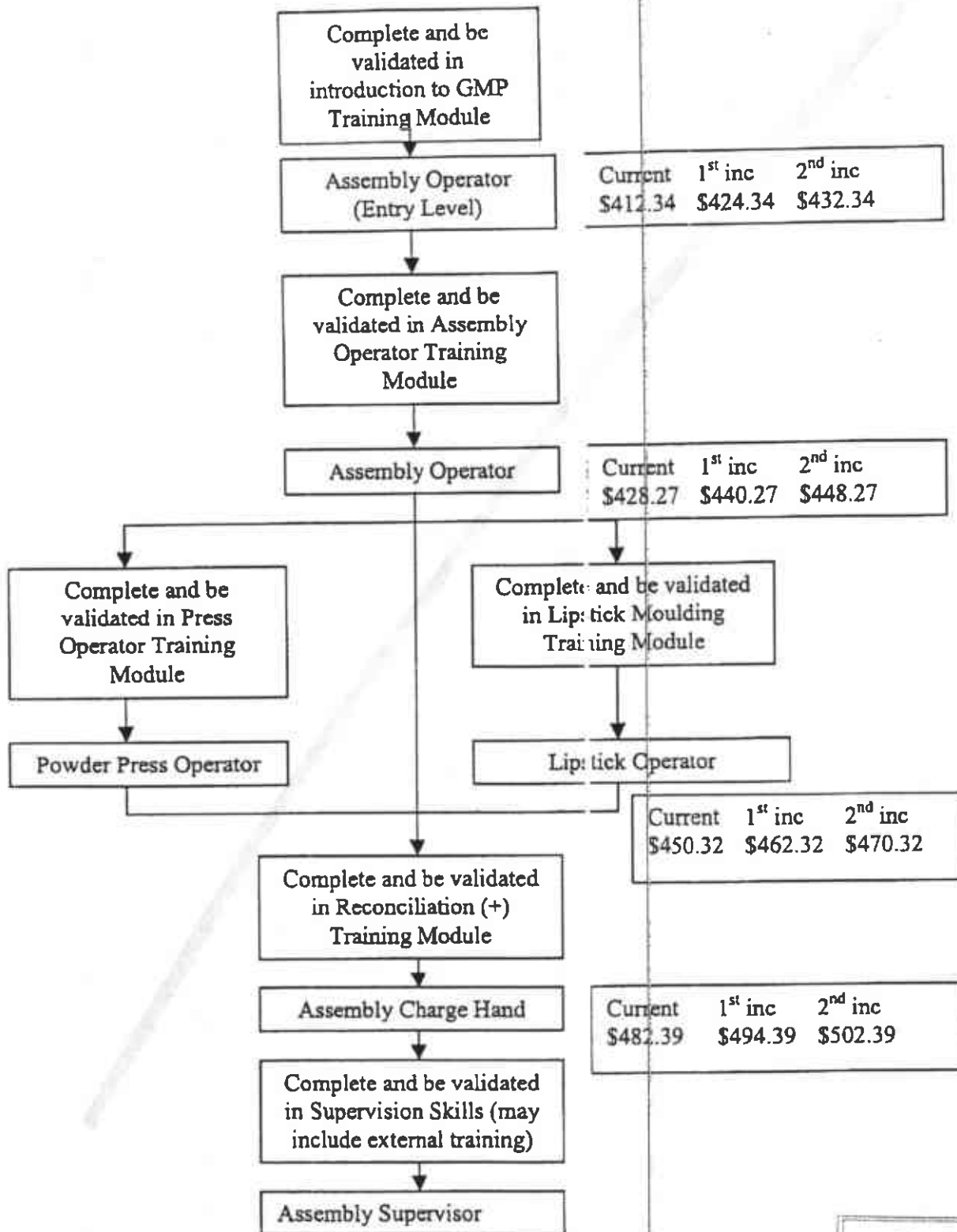
Where an employee seeks assistance to undertake a particular course, Jalco will review the learning outcomes for consistency with the Company's business objectives. Approval will be considered on a case-by-case basis and will also be subject to budgetary constraints.





## APPENDIX C

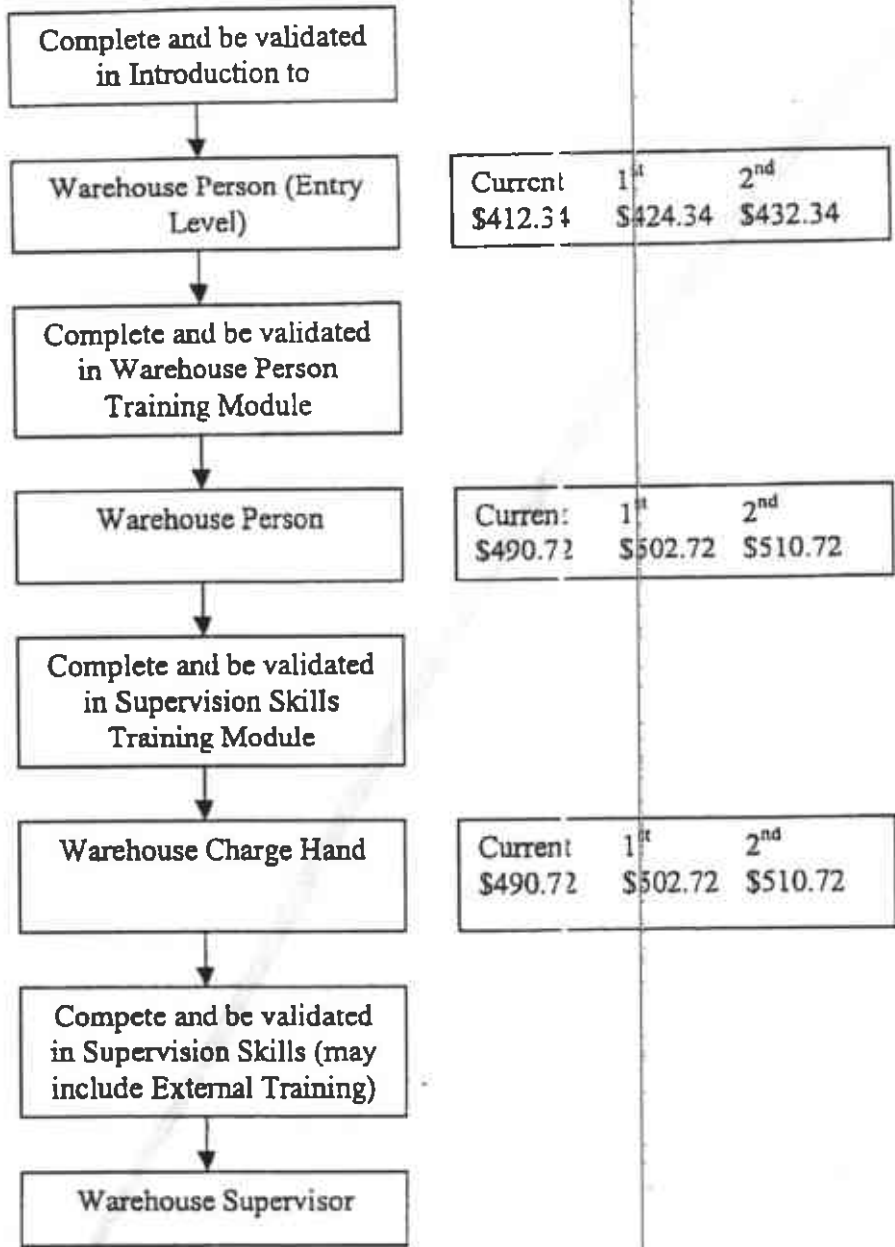
### Career and Training Matrix - Assembly



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**APPENDIX D**

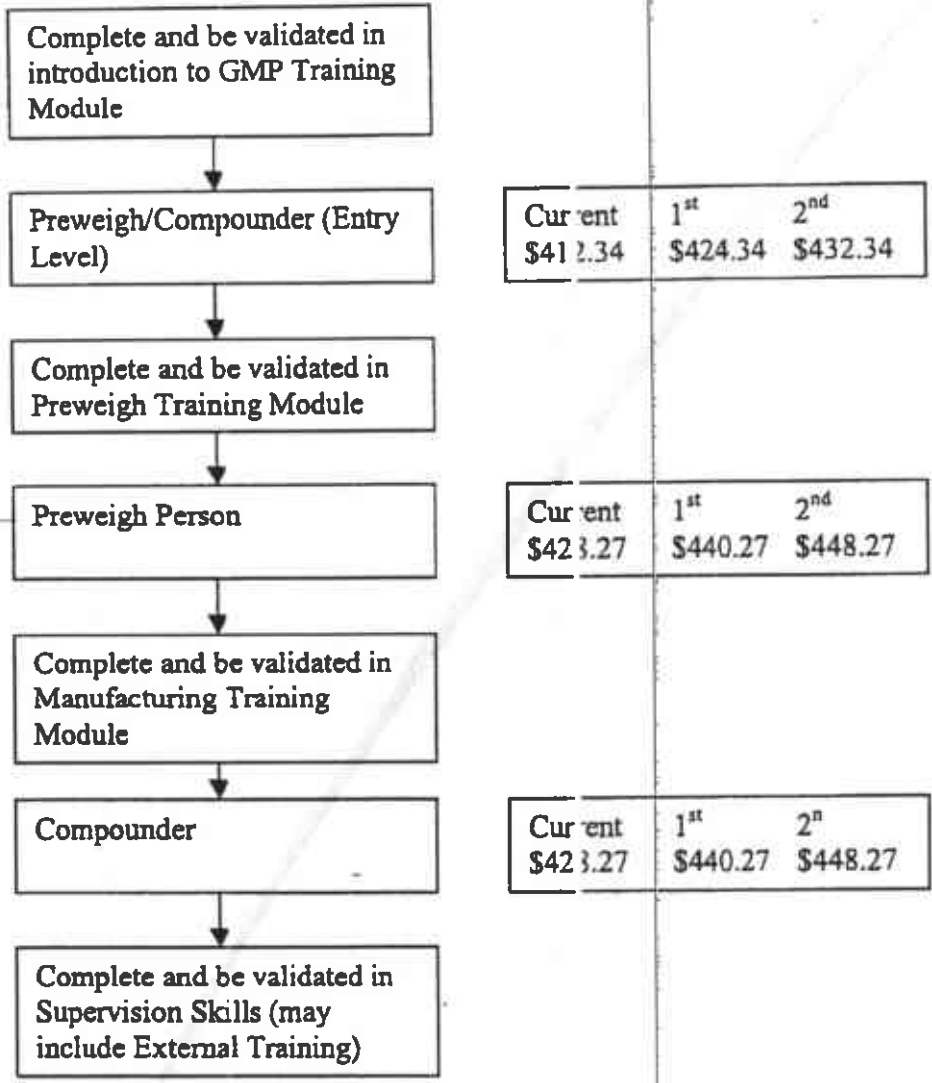
**Career and Training Matrix – Warehouse**



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**APPENDIX E**

**Career and Training Matrix - Manufacturing**



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ENDORSEMENT OF THE AGREEMENT

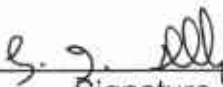
On Behalf of the Company

  
\_\_\_\_\_  
Signature

26/7/00  
\_\_\_\_\_  
Date

BARBARA HIRST - GROUP HR MANAGER  
\_\_\_\_\_  
Print Name and Title

On Behalf of the SDA

  
\_\_\_\_\_  
Signature

8/8/00  
\_\_\_\_\_  
Date

GREG DONNELLY - SECRETARY - TREASURER  
\_\_\_\_\_  
Print Name and Title

