

**REGISTER OF  
ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO: EA01/47**

**TITLE: Caroma Industries Limited Wetherill Park Enterprise Bargaining Agreement 2000**

**I.R.C. N :** 2000/3599

**DATE APPROVED/COMMENCEMENT:** 18 August 2000/27 February 2000

**TERM:** 24 months

**NEW AGREEMENT R**

**VARIATION:** New. Replaces EA98/180

**ASSETAL REFERENCE:** 16 March 2001

**DATE TERMINATED:**

**NUMBER EMPLOYEES:** 17

**COVERED/DESCRIPTION**

**EMPLOYEES:** Applies to all employees of Caroma Industries Limited (Vitreous China Operation and Distribution Centre) 300 Victoria Street, Wetherill Park

**PARTIES:** Caroma Industries Limited -&- National Union of Workers, New South Wales Branch, The Federated Brick, Tile and Pottery Industrial Union of Australia, New South Wales Branch

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# Enterprise Bargaining Agreement Wetherill Park (2000) AGREEMENT

**1. TITLE**

This Enterprise Agreement shall be known as the "Caroma Industries Limited, Wetherill Park, Enterprise Bargaining Agreement 2000".

**2. ARRANGEMENT**

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***Clause No.***

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### **3. APPLICATION AND INCIDENCE OF AGREEMENT**

This Agreement shall apply to all employees of Caroma Industries Limited, (Vitreous China Manufacturing Operation) 300 Victoria Street, Wetherill Park, who are bound, by the terms and fall within the classification structure of the Pottery Tiles, (other than Roofing Tiles), Chinaware and Bristolware Makers (State) Award, the Metal and Engineering Industry (NSW) Award, and the Storemen and Packers, General (State) Award.

### **4. PARTIES BOUND**

**4.1.** Caroma Industries Limited

**4.2.** All employees of Caroma Industries Limited (Wetherill Park Vitreous China Manufacturing Operation excluding monthly paid employees) whether a member or not, of an organisation of employees listed in sub clause (4.3) hereof.

**4.3.** The organisation of employees listed below and the members thereof respectively.

4.3.1. C.F.M.E.U. – Construction & General Division  
Clay & Ceramics Industry Division Branch

4.3.2. National Union of Workers, NSW Branch

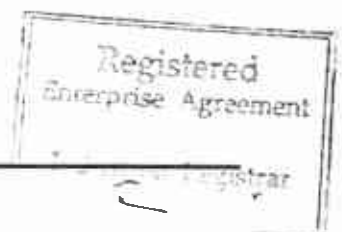
**4.4.** The parties bound by this Enterprise Agreement have entered into the agreement process in the spirit of consultation and without duress.

### **5. DATE AND PERIOD OF OPERATION**

This Agreement shall operate from 27<sup>th</sup> February, 2000 and shall remain in force until 27<sup>th</sup> February, 2002.

### **6. RELATIONSHIP TO PARENT AWARD**

**6.1.** This Agreement shall be read, and interpreted, wholly in conjunction with the Pottery Tiles (Other than Roofing Tiles) Chinaware and Bristolware Makers (State) Award, the Metal and Engineering Industry (NSW) Award, and the Storemen and Packers General (State) Award, provided where there is any inconsistency between these Awards and this Agreement, this Agreement shall take precedence to the extent of the inconsistency.



6.2. This agreement replaces and rescinds the "CAROMA INDUSTRIES LTD, Wetherill Park, Enterprise Bargaining Agreement 1998" (IRC 2834 of 1998; EA No. 98/180).

## 7. SINGLE BARGAINING UNIT

For the purpose of negotiating an Enterprise Agreement a single bargaining unit has been established. The parties involved in this Single Bargaining Unit include representatives from all organisations who are party to this Enterprise Agreement.

## 8. WETHERILL PARK PLANT - OUTLOOK GOALS

**WE ARE THE PEOPLE WHO SHAPE WORLD MARKETS. THROUGH A COMMITMENT TO:-**

- RESEARCH & DEVELOPMENT
- QUALITY
- SAFETY & HYGIENE
- TRAINING
- STABLE & RELIABLE WORKFORCE
- CONTINUOUS PRODUCTIVITY IMPROVEMENTS
- EMPLOYMENT PROCESSES - THAT PROCURE SKILLS AND KNOWLEDGE
- CUSTOMER SERVICE

**FOR THIS TO BE POSSIBLE, EACH EMPLOYEE MUST:**

- COMMIT THEMSELVES TO BEHAVIOUR AND VALUES THAT ARE COMMENSURATE WITH ACHIEVING THIS OUTLOOK;
- TREAT EACH OTHER WITH MUTUAL RESPECT IN A NON-DISCRIMINATORY ENVIRONMENT THAT IS SAFE AND FRIENDLY;
- BE HARD WORKING;
- SHARE THE WORK LOAD;
- AND HAVE A COMMITMENT TO THE CUSTOMER THAT ENSURES THAT THE QUALITY OF THE PRODUCT MEETS OR SURPASSES THE STANDARDS AT EACH STAGE IN THE MANUFACTURING PROCESS.



## 9. QUALITY

There is a commitment by all to achieve a productive, highly skilled, flexible workforce able to produce and distribute quality products at competitive cost.

All departments will encourage and strive for "Quality at the Source" whereby individuals have the responsibility for quality and are given the necessary tools to ensure their part of the process is done correctly first time.

Sessions between departments will be conducted regularly to encourage a greater understanding of the whole manufacturing process and the consequence of poor work practices, and thereby improve quality and efficiency.

These will include, but not be restricted to, rework (quality education) sessions between departments and within departments.

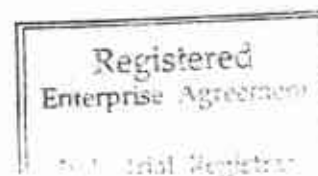
## 10. WORK ANALYSIS & JOB DESIGN

10.1 The parties agree to continue analysis of work activities which aim to identify barriers and propose solutions. As barriers are identified and possible solutions are suggested they will be referred to the appropriate committee or person for prompt action.

They will include but not be limited to:

Productivity	Quality	Health & Safety
Efficiency	Waste Minimisation	

10.2. The parties agree to maximise the advantages of multi-skilling, new technology and improved flexibility as required by the business. Through consultation and participation the objective shall be to broaden and enhance job content through the use of a range of job tasks, knowledge and skills. Where job re-design and new technology is implemented the purpose shall be to improve the quality of work life for employees and to improve organisational efficiency and productivity.

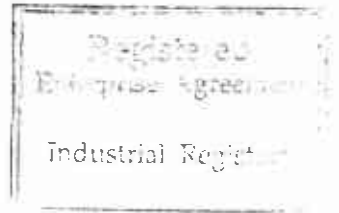


## 11. INDUCTION

New permanent employees will attend an induction session prior to being made permanent.

This induction session will include but not be limited to the following:

- Overall Organisation Structure of Caroma Industries Ltd.
- Letter Of Appointment – Contents Explained
- Health & Safety Policy
- Rehabilitation
- Accidents At Work – The Procedure
- Alcohol & Drug Policy
- Car Parking Policy
- Harassment & Discrimination Policy
- Termination Of Employment & Disciplinary Policy



All new employees will receive a copy of the Caroma Employment & Procedures Manual and the Induction & Safety Handbook.

## 12. ARRANGEMENTS OF HOURS

12.1 The ordinary hours of work shall normally be between 6:00am and 6:00pm Monday to Friday inclusive; provided that the spread of ordinary hours may be altered where the company and the majority of employees in the plant or section agree.

However an ordinary hours starting time earlier than the agreed spread of hours or an ordinary hours finishing time later than the agreed spread of hours may be fixed for an individual employee with that employee's consent or for a group of employees with the consent of the employees concerned.

Both parties reaffirmed their commitment that the span of hours may be utilised to meet customer demands and to optimise the use of plant and equipment.

**This sub-clause (12.1) applies to production workers only.**

12.2 To meet business needs all aspects of flexibility of hours will be continually reviewed. Any changes to working hours will be discussed with production workers through the consultative process. The issues will not be limited to, but include such changes as staggered hours, staggered shifts, additional shifts, spread of hours, averaging hours of work and working of longer ordinary hours.



12.3 Operators are required to be at their designated work stations at the stipulated start and finish time. At Caroma, this is referred to as bell to bell manufacturing, whereby operators should be at their work station at the start of the shift before the bell sound. They are not to leave their work station for either the 10 minute rest period or 30 minutes lunch period prior to the sound of the bell. Return to work from break should commence immediately the bell sounds.

12.4 Hours once set, may be varied on seven days notice or by a shorter period of notice as agreed with employees.

12.5 The practice of the Company providing a 5-minute "wash-up time" has been discontinued. The parties agree that wash-up time is no longer provided to employees.

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### 13. SPECIAL PURPOSE AGREEMENT

Occasionally the Company may require operating flexibility that is not covered by the awards (Refer to Application & Incidence of Agreement Clause 3) or the Enterprise Bargaining Agreement 2000. The reasons for this may include but not be limited to:

- Production peaks due to large export or domestic orders
- Divisional rationalisation

To facilitate these requirements the Company may recommend a Special Purpose Agreement that takes precedence over both the awards and the EBA.

This type of agreement may cover but not be limited to:

- Extension To Labour Hire Requirements
- Hours Of Work
- Scope Of Work
- Shifts

A meeting will be held between the parties (The Consultative Committee, Union Delegate/Organiser & Management) to discuss the issues.

Approval for the agreement will be based on a majority vote (in favour) of 65% or more of the shop floor.

## 14. LABOUR HIRE PERSONNEL

The following clause applies to the hiring of labour hire personnel for production work only.

It is the company's intention to use permanent employees in preference to Labour Hire Personnel. However, in the event the Company engages Labour Hire personnel, it will be based on the following procedure.

It is agreed that labour hire personnel may be utilised as necessary to satisfy business needs. The Consultative Committee will monitor the use of labour hire personnel to ensure that it is consistent with the productivity goals of the company, but shall be no more than 20% of the Permanent Production workforce or a maximum of 40 labour hire personnel. However, in certain circumstances (Refer to Special Purpose Agreement clause) the limit may be increased.

Where a labour hire person's engagement extends to a period of six (6) months, that person may be considered for appointment to a permanent position.

Appointment to a permanent position will be subject to a satisfactory medical examination and previous employment reference check.



If labour hire person is made permanent after 6 months then the 3 months probationary period for new permanent employees will not apply. However for Labour Hire personnel with less than 3 months service the 3 months probationary period will apply. For 4 months a 2 month probation and for 5 months a 1 month probation.

The use of labour hire personnel will be determined by management and in response to an identified business need. Where this need has been identified, affected employees will be notified and consultation will take place

No permanent employee shall be transferred to casual status.

### NOTE:

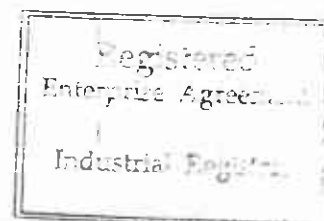
- Where labour hire personnel are engaged the Company will advise the Contractor of our shop floor rate of pay and ensure this is the basis for payment of labour hire personnel wages. The hourly rate for labour hire person will be calculated by dividing the appropriate weekly ordinary time by 37.5 plus a 15% loading to cover sick leave, public holidays etc. Plus a 1/12 payment for annual leave.



## 15. PROCEDURE FOR CHANGES IN RATES OF PAY

This clause applies when an employee's rate of pay is to change, for example, when an employee is promoted or moves from one position to another within the Wetherill Park Wage Structure and that change results in a change in rate of pay. This clause has no application in relation to the wage increases set out in Clause 31.

1. Supervisor will recommend pay increases based on the following:
  - (a) Quality, Skill level and number of pieces processed  
The performance indicators are:
    - Clay Loss
    - Firing Performance
    - Overall Yield
    - Number Of Pieces Processed
    - Information From Faults Analysis Reports
  - (b) Personal Performance
    - Timekeeping
    - Housekeeping
    - Safety Awareness – including wearing Personal Protective Equipment
2. The supervisor will raise the appropriate Personnel Authority Form and forward to the Manufacturing Manager for approval.
3. The Manufacturing Manager on receiving the form will investigate general performance and absenteeism levels.
4. If satisfied the Manufacturing Manager will forward the form to the NSW V.C. Manager for final approval
5. If approved the Manufacturing Manager will forward the form to the pay office for processing.
6. If the application for pay rise is rejected the Manufacturing Manager will discuss the reason for rejection with the operator concerned and inform them of areas of improvement.
  - This process will take no longer than 2 weeks.
  - Where approval of the pay rise is received the pay increase will be backdated to the date of origin (That is the date the supervisor raised the form)
  - If the process takes longer than 2 weeks the Manufacturing Manager will explain the reason to the operator concerned.



## 16. SMOKE FREE WORKPLACE

The **NO SMOKING WORKPLACE POLICY** has been in place at Wetherill Park since August 1992.

Employees found to be smoking within the enclosed area or under any roofline of the factory or associated buildings will be counselled and officially warned (see disciplinary system).

The Company undertakes to hold QUIT courses to help smokers who genuinely want to give up the smoking habit.

## 17. HOUSEKEEPING

Good Housekeeping is the essential basis of a safe working environment.

All employees agree to maintain a high standard of housekeeping at the Wetherill Park site as per company requirements.

- Each individual agrees to keep their respective work area tidy
- Each department agrees to maintain a high standard of housekeeping.

Where necessary a Housekeeping Committee will be formed to investigate problem areas and make recommendations for improvement.

Therefore:

- If you drop it pick it up immediately
- If you sweep it pick it up immediately
- If you see it pick it up immediately

This includes lunch wrappers, food scraps and work related materials.



## 18. TRAINING ALLOWANCE

**Note:** A copy of the document setting out the Wetherill Park Wage Structure is held in the Pay Office. In reference to the Wetherill Park Wage Structure

"Top Money" by classification for all departments, includes the responsibility of training (if required).

**NOTE:** Where practical supervisors will firstly allocate trainees to employees on "Top Money" by classification by department.

**Casting** – (Refer to Battery Casting, Open Pan & Manual Casting, Wetherill Park Wage Structure.)

1. For casters, who are on a lower wage classification (other than top money) and are required to train other personnel the following will apply:
  - (a) Their wage will be increased to the next wage classification for the duration of the training assignment.
  - (b) The duration of the training assignment will be specified by the supervisor.
  - (c) Once the training assignment has been completed the pay office will ensure the casters wages are returned to the prior classification.

## 19. SECURITY PROCEDURE

In respect to security procedures at Wetherill Park, refer to the document entitled "Security Procedure – Caroma Industries Limited - Wetherill Park".

## 20. PAYROLL DEDUCTION OF UNION FEES

- For the Union Members the company will, with the signed authority of the employee, make payroll deduction facilities for union contributions.
- The amounts deducted will be forwarded to the appropriate union monthly, together with the information (regarding deductions) required to enable the union to satisfy its obligations under the NSW Industrial Relations Act 1996.

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## 21. OCCUPATIONAL HEALTH & SAFETY

Management hold in high regard the Health & Safety and welfare of its employees.

The need to achieve complete safety in all its operations is a major management objective and towards this end shall:

- Maintain a Occupational Health & Safety Management System based on the Victorian Occupational Health & Safety Map System.
- Review the Occupational Health & Safety Management System as part of a continuous improvement process and move towards best practice.
- The employees agree to participate in and support the programme during the duration of this agreement.

The parties agree to participate in:

- training
- timely reporting of injuries
- identification of hazards
- providing improvement suggestions

## 22. PERFORMANCE INDICATORS

The Parties are committed to the use of Performance Indicators as a means to track productivity and efficiency improvements within all areas including but not restricted to manufacturing, warehouse distribution and maintenance over the term of the agreement:

- This process commenced in October 1996
- Performance based indicators are in place.
- The Consultative Committee will organise the introduction of new Performances Indicators. The Committee's scope will include:-
  - Recommending relevant shop floor training
  - Measurement methods
  - Target setting
  - Establishment of base performance measures



## **23. NATIONAL STANDARDS**

This Agreement shall not operate so as to cause an employee to suffer a reduction in ordinary time earnings or in National Standards such as hours of work, annual leave or long service leave.

## **24. COMMUNICATION**

In addition to existing methods such as, Site Consultative Committee, Occupational Health & Safety Committee, the company agrees to regularly provide information on:

- Health & Safety Performance
- Departmental Performance
- Production Problems
- Quality
- Warranty (After Sales & Service Costs)

## **25. REDUNDANCY**

### **25.1. Notice of Termination**

As per the award requirement or payment in lieu thereof.

### **25.2. Redundancy Criteria**

The company undertakes to ask for volunteers for redundancy, but reserves the right to determine the selection of employees for redundancy in order to retain essential skills, maintain operational requirements and to minimise the economic effect of redundancy on the company.

Volunteers for redundancy will not automatically be granted redundancy.

Where the number of volunteers fall short of the number of positions to be made redundant then the criterion for selection will be based upon the nature of the work skills required to meet the job and other skills held and performance of individual employees.

Redundancy will be paid according to the Severance Pay Schedule (Clause 25.3) in the Enterprise Bargaining Agreement Wetherill Park (2000).



### 25.3. Severance Payment

Payment will be made in accordance with the following table:-

YEARS OF SERVICE	ENTITLEMENT IN WEEKS	
	UNDER 45	OVER 45
Less than (1) year	0	0
(1) year but less than (2)	4	5
(2) years but less than (3)	7	8.75
(3) years but less than (4)	10	12.5
(4) years but less than (5)	12	15
(5) years but less than (6)	14	17.5
(6) years but less than (7)	16	20
(7) years and more	16	20
	Plus 3 weeks for every completed year of service in excess of 6 years including pro rata for each month of service.	

25.4. For the purpose of the above Table "Weeks Pay" means the employee's ordinary rate of pay, at the time of redundancy.

25.5. Payments will be capped at 78 weeks pay irrespective of years of service.

25.6. All untaken sick leave "credit" will be paid out in full.

25.7. All outstanding entitlement for annual leave, including leave loading.

25.8. Payment of pro rata long service leave will be made where continuous service exceeds five (5) years.

### 26. AVOIDANCE OF INDUSTRIAL DISPUTES

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The objectives of this procedure shall be to promote the resolution of disputes by measures based on consultation, cooperation and discussion; to reduce the level of industrial confrontation; and to avoid interruption to customer service, performance of work and consequential loss of production and wages. While this procedure is being followed, work shall continue normally.

I. Employees with a grievance should, in the first instance, discuss the matter with their immediate Supervisor. If the matter is not satisfactorily resolved at that level then the employee should approach successive levels of Management. Employees may be represented by the delegate if the person wishes.

- II. If the matter remains unresolved or the employee is not satisfied with the outcome, a union organiser can be invited to discuss the matter with the company.
- III. If the matter remains unresolved the parties may seek the assistance of the NSW Industrial Relations Commission.
- IV. Sensible time limits shall be allowed for the completion of the various stages of the discussion. At least twenty four hours should be allowed for discussions to commence.
- V. Management shall ensure that all practices applied during the operation of this procedure are in accordance with safe working practices and consistent with established custom and practice on the site.

**27. NOT TO BE USED AS A PRECEDENT**

This Agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits of this site in any other plant or enterprise.

**28. REVIEW OF AGREEMENT**

Parties to this Agreement will continuously monitor its application in the workplace to ensure effective implementation through the established Site Consultative Committee. The review of the agreement will take place every 2<sup>nd</sup> meeting. This will be a mandatory agenda item for discussion.

Where required, corrective action will be developed utilising a planned approach, teamwork and consultation. A third party may be invited by the Consultative Committee to assist with the process.

**29. WAGE INCREASE**

30.1 The wage increase prescribed by this clause shall be applied to an employee's ordinary pay rate. "Ordinary pay" shall mean the employee's award rate plus over award payment. The ordinary pay rate for each employee prior to the agreement is recorded in a written form in the wages records of the Company which will be maintained at the Company's office.



30.2 The wage increase will be as follows:

3% increase the 1<sup>st</sup> pay period on or after 27<sup>th</sup> February, 2000  
Further 2% increase the 1<sup>st</sup> pay period on or after 27<sup>th</sup> August, 2000  
Further 3% increase the 1<sup>st</sup> pay period on or after 27<sup>th</sup> February, 2001  
Further 2% increase the 1<sup>st</sup> pay period on or after 27<sup>th</sup> August, 2001

30.3 The parties bound by this Agreement will seek no additional wage increases other than those referred to above during the term of the Agreement. This does not include wage adjustments due to promotion or re-classification which will be in accordance with established site pay rates.

30.4 Where applicable, employees are to be paid leading hand allowances in accordance with their respective awards. However, for employees covered by the Pottery Tiles, (other than Roofing Tiles), Chinaware and Bristolware Makers (State) Award, the Company has agreed to an additional leading hand allowance in circumstances where more than 20 persons report to a Leading Hand.

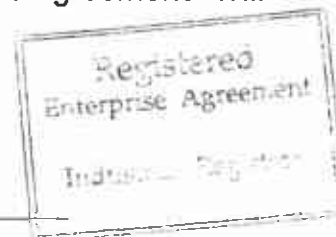
The amount of that additional leading hand allowance will be recorded in the Wetherill Park Wage Classification structure held within the Company's payroll office..

### **30. NO EXTRA CLAIMS**

The parties agree that for the nominal term of the agreement no further claims will be made in relation to the terms and conditions of employment, except where consistent with State wage fixing principles of the NSW Industrial Relations Commission and this agreement.

### **31. RENEWAL OF AGREEMENT**

The parties agree to commence discussions on the replacement of this Agreement at least 90 days prior to its expiration or at any other time as agreed by the parties. If no agreement is reached by the date of expiry, the measures and payments set out in this agreement will continue until a new agreement is reached.





## 32. SUPERANNUATION

In relation to superannuation contributions to be paid by the Company, the Company is committed to meeting its obligations under the Superannuation Guarantee Charge Act (SGC). During the life of this agreement the Company will make superannuation contributions on behalf of employees.

As per the current legislation, Caroma Industries Limited is obliged to pay a minimum superannuation of 7%. This will continue to increase to 8% on 1<sup>st</sup> July, 2000 and 9% on 1<sup>st</sup> July, 2002.

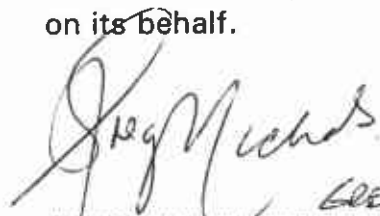
The exception to this are those Ex James Hardie Ltd. employees who will continue to receive superannuation contributions at a rate not above 8.82% of ordinary earnings until the 9% rate is required by legislation, that is 1<sup>st</sup> July, 2002.

The Company (Wetherill Park Site) will not be required to offer a choice of Superannuation Funds to new employees. They will be offered membership of the Australian Public Superannuation Fund.



The undersigned parties approve the terms contained in the Enterprise Agreement herein sought and agree that the award gives effect to agreement reached between them.

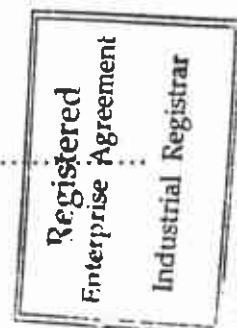
I am the Manager - N.S.W. Vitreous China Division, of Caroma Industries Limited, Wetherill Park, and am authorised to approve the terms contained within this Enterprise Agreement on its behalf and have approved those terms on its behalf.



..... GREG NICHOLS  
MGR V.C. MANUF. NSW.

dated 8/5/2000

**For Caroma Industries Limited**



I am an officer of the Federated Brick, Tile and Pottery Industrial Union of Australia, New South Wales Branch and am authorised by the Committee of Management of the Organisation to approve the terms contained within this Enterprise Agreement on its behalf and have approved those terms on its behalf.



dated 10.5.2000

**For the C.F.M.E.U – Construction & General Division  
Clay & Ceramics Industry Division Branch**

I am an officer of the National Union of Workers, New South Wales Branch and am authorised by the Committee of Management of the Organisation to approve the terms contained within this Enterprise Agreement on its behalf and have approved those terms on its behalf.



dated 16.5.2000

**For the National Union of Workers - New South Wales Branch**